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PROCEEDINGS AND DEBATES OF THE 93^{d} CONGRESS, FIRST SESSION

SENATE—*Friday, February 8, 1974*

The Senate met at 10 a.m., and was called to order by Hon. QUENTIN L. BURDICK, a Senator from the State of North Dakota, who thereupon offered the following prayer:

Let us pray:

They that wait upon the Lord shall renew their strength; they shall mount up with wings like eagles; they shall run, and not be weary; and they shall walk, and not faint.—Isaiah 40: 31.

Help us, O Lord, to run when we can, to walk when we ought, to wait when we must. In everything do through us only what is best for the United States, and give us wisdom to leave undone that for which we are not ready.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, February 8, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN L. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR BURDICK'S PRAYER

Mr. MANSFIELD. Mr. President, first let me commend the distinguished Senator from North Dakota for the prayer which he delivered this morning. I thought it was excellent, to the point and, as always, badly needed and much appreciated by all of us.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, February 7, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, beginning with New Reports.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF STATE

The legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Gladly.

Mr. JAVITS. I would like to say just a word about the nomination of Joseph Sisco to be Under Secretary of State.

I know, as he is a personal friend as well as a Government official, that he had hoped to retire to the presidency of a college, hopefully in my own State, and this was very dear to his heart; however, at the request of the Secretary of State, in response to what has always been his giving the highest priority to calls to duty, he is remaining with the State Department. He has, as a Foreign Service officer, both in the United Nations and for the Department of State, rendered great services to our Nation and its people in the interests of the peace and security of our country. I believe it should be noted now, at this stage of his career, that he is again sacrificing himself in the interests of our Nation, and that we should express our gratitude to him for it.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I want to join in the remarks just made by the distinguished Senator from New York, and to say that I, too, and I am sure the Senate, the Congress, and the people of this Nation appreciate the sacrifice which Mr. Sisco is making. He has had a long, arduous, and difficult job, and this job will be just as difficult because I daresay one of his main areas of interest will continue to be the Middle East, where he has performed so magnificently. I am delighted that he has once again shown his integrity and his patriotism by accepting a nomination as Under Secretary of State for Political Affairs.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the State Department are considered and confirmed en bloc.

FEDERAL RESERVE SYSTEM

The assistant legislative clerk read the nomination of Henry C. Wallich, of Connecticut, to be a member of the Board of Governors.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SECURITIES AND EXCHANGE COMMISSION

The assistant legislative clerk read the nomination of Irving M. Pollack, of Maryland, to be a member of the Securities and Exchange Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SECURITIES INVESTOR PROTECTION CORPORATION

The assistant legislative clerk read the nomination of Jerome W. Van Gorkom, of Illinois, to be a Director.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF DEFENSE

The assistant legislative clerk proceeded to read sundry nominations in the Department of Defense.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The assistant legislative clerk proceeded to read sundry routine nominations placed on the Secretary's desk in the Air Force, Army, Navy, and Marine Corps.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. I ask unanimous consent that the Senate return to the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, before I proceed to make a unanimous-consent request, I want to call to the attention of the Senate that, because of the inclement weather, for the first time in the Senate's history no official reporter is present and that the proceedings up to now were being taken down on a tape recorder furnished by the distinguished Secretary of the Senate, Mr. Francis R. Valeo. So, with that innovation, plus the fact that the distinguished Senator from North Dakota (Mr. BURDICK) delivered such an excellent prayer this morning, I believe that this day the Senate is off to a very good start.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Now, Mr. President, on my own time, I propound the following unanimous-consent request:

Ordered, that on Tuesday, February 19, 1974, at 4 p.m., a vote occur on the motion to recommit the conference report on S. 2589.

That on Tuesday, February 19, 1974, the Senate convene at 10 a.m., and that after the recognition of the two leaders under the standing order, the conference report be laid before the Senate, and that the time until 12:30 p.m. be equally divided between and controlled by the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN), and the time from 2 p.m. to 4 p.m. on that day be similarly divided and controlled.

That if the conference report is not recommitted, a vote on the adoption of the conference report on S. 2589 follow immediately the vote on the motion to recommit.

That all points of order be excluded, so that the votes will occur on a motion to recommit and a motion to approve or disapprove the conference report.

It is my understanding, Mr. President, that this has been cleared all around.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Does the Republican leader seek recognition?

Mr. FANNIN. Mr. President, I yield back the time of the Republican leader.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized for not to exceed 15 minutes.

SENATE RESOLUTION 283—SUBMISSION OF A RESOLUTION RELATING TO ARMS LIMITATION AND REDUCTION TREATIES BETWEEN THE UNITED STATES AND THE SOVIET UNION

(Referred, by unanimous consent, to the Committee on Foreign Relations and the Committee on Armed Services.)

Mr. MATHIAS. Mr. President, I send a resolution to the desk, and because of the extraordinary aims of the resolution and its vital impact on the national security of the United States, I ask unanimous consent that the resolution be referred, not to a single committee, but to two committees, to the Committee on Foreign Relations, to which it would normally be referred, and also to the Committee on Armed Services which would have an important interest in the subject.

The ACTING PRESIDENT pro temjore. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

The resolution reads as follows:

S. RES. 283

Whereas the treaty on the limitation of anti-ballistic-missile systems and the interim agreement on certain offensive weapons systems, concluded between the United States and the Soviet Union on May 26, 1972, strengthened the security of the United States by setting limits on particular categories of nuclear weapons systems; and

Whereas the first round of Strategic Arms Limitation Talks (SALT) began a constructive dialog between the two nations which could lead to further nuclear arms limitations through mutually agreed upon reductions of existing nuclear weapons systems; and

Whereas the nuclear arms race, despite the positive achievements of the treaty and interim agreement signed on May 26, 1972, has continued its costly and dangerous course in areas not covered by such treaty and interim agreement; and

Whereas research, development, testing, and deployment of more advanced nuclear weapons systems continue at a rising level of expenditures by both the United States and the Union of Soviet Socialist Republics; and

Whereas such further efforts and expenditures for research, development, testing, and deployment of advanced nuclear weapons systems could undermine the nuclear deterrent now possessed by both the United States and the Soviet Union and weaken the mutual confidence of both nations in their ability to prevent nuclear war; and

Whereas the negotiations now underway in Geneva in connection with the Strategic Arms Limitation Talks (SALT) still offer the best opportunity to conclude further treaties and agreements which would lessen the possibility of any nuclear war and reduce the costly and dangerous burden of armaments borne by the United States and the Soviet Union: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate that—

(1) the President, the Secretary of State, the Secretary of Defense, and the Director of the Arms Control and Disarmament Agency and their advisors should (a) give the highest priority to concerted efforts to achieve treaties and agreements which will halt the nuclear arms race through reductions of existing weapons stocks on a mutually agreed upon basis of overall equality; (b) and take such additional steps as might be necessary to lessen the probability of nuclear holocaust;

(2) concerted efforts should be made to achieve restraint on the part of both the Soviet Union and the United States during the Strategic Arms Limitation Talks now in progress with regard to further expenditures for research, development, testing, and deployment of all nuclear weapons systems;

(3) inequalities that may now exist in the respective nuclear weapons systems of both the United States and the Soviet Union should be eliminated through mutually agreed upon reductions of existing nuclear weapons systems;

(4) a mutually agreed upon equality of the deterrent forces of the two countries will necessarily involve an overall balance in their respective forces taking into account the following elements, among others:

(A) quantitative factors of nuclear weapons systems such as numbers of launchers, amounts of megatonnage, and numbers of deliverable warheads;

(B) qualitative differences between nuclear weapons systems such as reliability, accuracy, reload capability, survivability, maneuverability of warheads and range; and

(C) geographical factors bearing on the effectiveness of nuclear weapons systems.

SEC. 2. It is further declared to be the sense of the Senate that the President of the United States and the Secretary of State should, and are hereby urged and requested, to (a) maintain regular and full consultation with the appropriate committees of the Congress and (b) report to the Congress and the Nation at regular intervals on the progress toward further arms limitations and reductions within the context of an assured deterrent which is the basis of our national security.

SEC. 3. The Secretary of the Senate is directed to transmit copies of this resolution to the President and the Secretary of State.

Mr. MATHIAS. Mr. President, I further ask unanimous consent that in addition to the cosponsors whose names appear on the resolution as introduced, Senators MANSFIELD, KENNEDY, and JAVITS, that the following Senators also be added as cosponsors: Senators BAYH, BURDICK, CHURCH, CLARK, CRANSTON, FULBRIGHT, HART, HATFIELD, HATHAWAY, HUGHES, HUMPHREY, MCGOVERN, MCINTYRE, MONDALE, MUSKIE, NELSON, PERCY, PROXMIRE, SYMINGTON, TUNNEY, WILLIAMS, STEVENSON, and ABOUREZK.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Maryland?

The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, would the Senator yield briefly to me since I must go to a committee hearing?

Mr. MATHIAS. I yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I would like to commend the Senator for his thoughtfulness, alertness, and creativity in respect of this resolution. This relates essentially to the whole arms race, especially to the nuclear arms race which would put the Soviet Union and the United States as the two poker players in a game which could destroy us.

I thank the Senator for his great helpfulness in this matter. He has done this though he is not a member of the committee. I hope that one day he will be a member of the committee.

The Senator is performing an enormous service to the country and to the cause of peace in this and other nations, for which I am extremely thankful.

Mr. MATHIAS. Mr. President, I thank the Senator from New York. I appreciate the support of the Senator and his cosponsorship as well as his work.

Mr. President, the most important negotiations which will directly affect our national security are the SALT talks which will be resumed at Geneva at the end of this month. The life of every citizen will be affected by the outcome of those crucial negotiations. If the SALT talks fail, the danger of a nuclear war will be greatly increased. If these talks fail, the costly and dangerous burden of armaments will be increased. Our military forces will require the expenditure of tens of billions of dollars in addition to the hundreds of billions of dollars already spent on our arsenal of nuclear armaments.

National security policy of the United States must be the result of the joint action of the Congress and the executive branch. There is no more vital national security issue than the definition of the purpose, nature, and extent of our nuclear deterrent. The United States has been engaged since 1968 in a great and profound debate on the foundations of our national security policy. This debate continues to this day. The ABM issue and the progress and outcome of SALT I are policy reflections of this crucial national debate. It is my intention, along with the distinguished majority leader, Mr. MANSFIELD, and the distinguished chairman of the Foreign Relations Committee, and other cosponsors, to define in the form of a Senate resolution what we think the future course of U.S. policy in strategic weapons should be. This resolution is focused upon the SALT II talks. We introduce this resolution at this time, because we believe that the Congress and the administration should work together closely so that we can arrive at a jointly approved national security policy for the SALT talks at Geneva and to lay down guidelines for our future strategic policy that the Congress and the country can fully support. The defense budget is now under consideration by the Congress and it is our view that this resolution provides sound guidelines which could assist the Congress in determining what strategic expenditures are essential to our national security.

The ABM treaty signed with the Soviet Union at Moscow on May 26, 1972, marked a possible turning point away from the seemingly unbreakable circles of the arms race. The decision not to build ABM's on the part of the United States and the Soviet Union was the beginning of a mutual attempt by the super powers to halt the nuclear arms race. At the same time, in May of 1972, an interim agreement on certain nuclear offensive weapons systems was concluded by the United States and the Soviet Union. The agreement was, in essence, a freeze on existing offensive nuclear weapons capabilities. As Members of this body know, this freeze, this interim agreement, lapses in 1977. Two years have passed and after extensive negotiations, the second phase of the SALT talks at Geneva have not yet produced substantial results. Great diplomatic efforts will be required to make SALT II a success.

It is my hope that the policy of this Government will be to build vigorously upon the hopeful beginnings achieved in SALT I and conclude with the Soviet Union at the earliest possible time further nuclear arms limitations through mutually agreed upon reductions of nuclear weapons systems.

We are all aware that the arms race goes on. This is reflected in the Pentagon budget which the President has sent to the Congress—the largest in our peacetime history. The same process of escalating defense costs is taking place in the Soviet Union. There is no question that the arms race is of such costly magnitude that it underlies the great necessity to press for reductions which will achieve an overall equality of nuclear deterrent forces at a much lower level of danger and cost.

This has been the declared purpose of the United States since the SALT talks began—a purpose supported by the Congress and the people. The resolution which we have just introduced expresses the sense of the Senate that the United States should give the highest priority to concerted negotiations to achieve treaties and agreements which will halt the nuclear arms race. In our view, the best approach is through reductions of existing weapons stocks on a mutually agreed upon basis of overall equality. This resolution recognizes that the inequalities that now exist in the respective nuclear weapons systems of both the United States and the Soviet Union can be removed by mutually agreed upon reductions. The alternative is an ever-rising increase in the numbers of weapons. It is our view that the advice of the Senate to the President concerning the strategic arms race should be that we should make every effort to achieve reductions of existing nuclear weapons stocks and limitations upon the qualitative arms race.

The resolution we have introduced recognizes that the deterrent forces of the United States and the Soviet Union are very different. If we are to achieve an overall balance, all of the relevant factors have to be considered as an aggregate. The negotiations will have to take account of not only quantitative factors such as numbers of launchers, amounts of megatonnage, and numbers of deliverable warheads; it will also have to take account of qualitative differences contained in the nuclear weapons systems of the two countries such as reliability, accuracy, reload capability, survivability, maneuverability of warheads and range. We are all aware that geography is another important element that bears on the effectiveness of nuclear weapons systems and should be among the factors that go into the overall balance. We believe it is essential to include all the relevant factors in the negotiations at Geneva. The United States should not approach the SALT talks, in our view, with any limitations that would serve to undermine the possibility of a successful conclusion of treaties—treaties that would result in significant reductions of strategic weapons. It is obvious that the United States is stronger in certain categories while the Soviet Union is superior in others. There are no exact equivalents except the certainty of total annihilation if these weapons are ever used.

Mutual agreements on the part of the two great powers for mutual restraints on the expenditures on the research, development, testing, and deployment of advanced or modernized nuclear weapons systems should be a part of the SALT negotiations. There is good reason to believe that the Soviet Union might be willing to agree to proposals which are aimed at devising mutually acceptable and accurate means of determining the military expenditures and particularly in those of the strategic weapons areas of the two countries. To obtain such mutual agreement would do much to bring to an end the fears generated by the uncertainties of the present unreliable data on comparative defense spending and could break the cycle of expenditures based upon what the other power is doing. This is one small but important example of what might be usefully achieved by the SALT negotiators in Geneva and we urge that our negotiators attempt to achieve such an agreement.

Another important aspect of the strategic arms race is the continuing research and development testing and deployment of new weapons on both sides which appear to have as their purpose the achievement of qualitative superiority. It is our view that every effort should be made to produce mutual agreements that will limit the qualitative arms race. Effective limitations are possible. Any sober analysis of the arms race will indicate that qualitative limitations are essential if the overall parity between the two nations and the stability of the respective deterrents obtain from reductions of existing nuclear weapons stocks are to be maintained or to have any lasting effect.

I offer this resolution with Senator MANSFIELD and Senator KENNEDY in the spirit of support for the efforts made thus far at Vienna and Helsinki at SALT I, and with the hopes that SALT II will achieve its goals of lessening the dangers of nuclear holocaust through effective agreement limiting the qualitative arms race and through reductions of existing weapons. It is our view that the Senate will do what it can to make these most critical negotiations a success.

I ask unanimous consent that the name of the Senator from North Dakota (Mr. BURDICK) be added as cosponsor of the resolution.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Maryland, who has been in the forefront in this particular area in his years in the Congress, both the House and the Senate, did me the privilege of allowing me to look at his resolution before he introduced it, and I feel honored to be a cosponsor.

I note that he emphasizes several times joint action of the Congress and the executive branch, and I believe that this is a most commendable argument, and that if the executive branch and the Congress will act together jointly, the possibility of achieving something in the way of positive results will be that much more favorable.

As the Senator knows, it seems that the SALT II talks were getting off to a shaky start, to put it mildly.

Evidently the Soviet Union has laid down positions which are unacceptable to us. Perhaps it is a bargaining factor and perhaps not. However, the main thrust of the resolution, as I interpret it, would, I hope, pave the way toward a limitation of arms in the immediate future and over the long run—I think this is much more important—a reduction of armaments so that the two countries could achieve an equal status. The word "equal" is most important.

If we are successful in the SALT II talks in limiting arms and if we are successful in bringing about jointly a reduction in arms, it would be for the benefit not only of our two countries, the so-called two super powers, but also for the world as a whole. It would allow a diffusion of funds into areas for the constructive use of the people of the two countries and of the world. And it would halt this dangerous spiral, this mad momentum which the arms race between the Soviet Union and the United States entails.

It is my understanding that on an overall basis, taking into account the cost of past wars, approximately 50 percent of our budget goes for those purposes and defense purposes. Now the administration is asking in excess of $80 billion, with the figure probably being closer to $90 billion, and with the enormous cost of past wars for which we are paying—even the Civil War, the Spanish-American War, World War I, World War II, Korea, and Vietnam—we have to take in the whole picture. Incidentally, it is my understanding, based on figures issued by the Department of Commerce in 1972, that the cost of the war in Vietnam, I believe, will extend approximately to the year 2050.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, if the Chair will recognize me, I ask unanimous consent, since I have a previous order, that I may be permitted to yield to the distinguished majority leader such time as he may require.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. The cost at that time will be somewhere around $425 to $450 billion, cumulatively.

I think that it is time we do something if we can, and if we have the courage to do it and the good sense to do it, to bring about not only a limitation, but also, over a period of time, a reduction of arms between the two great super powers and do it on an equitable basis so that parity will be the ultimate result and the savings will have a beneficial affect.

Mr. STENNIS. Mr. President, if the Senator will yield to me briefly, I want to express my interest in the remarks of the Senator from Montana.

I think that he and I would be in agreement on a great many of those points.

I am pleased at the idea of referring this to the Foreign Relations Committee and to the Armed Services Committee for a look into these matters. Am I correct in stating that that is the purpose?

Mr. MANSFIELD. The Senator is correct. The distinguished Senator from Maryland made that request on his own.

Mr. STENNIS. I thank him for making the request, and I thank the Senator from Montana for yielding.

Mr. MATHIAS. Mr. President, if the majority leader would yield to me, I would like to thank him for his careful analysis of really what we intend to do with this resolution. We intend to try to turn an ever-increasingly dangerous and costly situation around.

I thank the distinguished chairman of the Armed Services Committee and the remarks he has made and I welcome his interest and the interest of the Armed Services Committee in the issues contained in this resolution. He has with great wisdom and great understanding observed in the reports of the Armed Services Committee in the last year or two the fact that we cannot increase our national security simply by increasing our expenditures for arms, and that the sophistication of modern arms and the expenditure required for moderate arms no longer impart a direct, mathematical relationship between the security obtained and the dollars spent.

That is part of the rationale of the resolution. What we want and what every Member of the Senate wants is the ultimate national security of the United States. And we believe that that security can be found in the policies enunciated in the resolution.

I appreciate the support and the generous assistance of the distinguished majority leader.

Mr. MANSFIELD. Mr. President, may I say that no better leader could be found to carry on the responsibility of this resolution in all of the details it envisions, insofar as the future of the Nation is concerned. I thank the distinguished Senator from Maryland.

Mr. President, I ask unanimous consent that an estimate of the total cost of American wars by rank carried in the Statistical Abstract of the United States—1973, 93d Congress, 1st session, House Document 93–134, put out by the U.S. Department of Commerce, and the Bureau of the Census, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, in relation to the colloquy I had with the distinguished Senator from Maryland (Mr. MATHIAS), during the course of the introduction of his resolution, the figure I gave was incorrect.

I mentioned that the total cost of the Vietnam war would be between $425 and $450 billion, and that that would be the ultimate cost. The figure carried in the Department of Commerce document is $352 billion, and that carries up almost to the middle of the next century.

In contrast, World War II's ultimate cost is estimated at $664 billion; the Korean conflict at $164 billion; World War I, $112 billion; the Civil War, the Union only, $12,592 million; the Spanish-American War, $6,460 million; the American Revolution, $190 million; the War of 1812, $158 million; the Mexican War, $147 million.

These figures are interesting because, for example, the original cost of the war in Vietnam was $128 billion, compared to what will ultimately become $352 billion, and the other figures appertaining to the other conflicts are just as interesting.

EXHIBIT 1

NO. 408. ESTIMATES OF TOTAL COST OF AMERICAN WARS, BY RANK

[In millions of dollars, except percent]

War	Estimated ultimate costs	Original war costs [1]	Veterans' benefits			Estimated interest payments on war loans	
			Total costs under present laws [2]	Percent of original war costs	Total costs to 1973 [3]	Total	Percent of original war costs
World War II	664,000	288,000	290,000	100	96,447	86,000	30
Vietnam conflict [4]	352,000	[5] 128,000	[6] 220,000	[6] 200	7,271	[7] 22,000	[7] 20
Korean conflict	164,000	54,000	99,000	184	16,960	11,000	20
World War I	112,000	26,000	75,000	290	52,411	11,000	42
Civil War (Union only)	12,952	3,200	8,580	260	8,572	1,172	37
Spanish-American War	6,460	400	6,000	1,505	5,526	60	15
American Revolution	190	100	70	70	70	20	20
War of 1812	158	93	49	53	49	16	17
Mexican War	147	73	64	88	65	16	14

[1] Based on expenditures of Departments of the Army and Navy to World War I and major national security expenditures thereafter. Usually the figures begin with the year the war began but in all cases they extend 1 year beyond the end of the actual conflict. See Historical Statistics of the United States, Colonial Times to 1957, series Y 351–352 and Y 358.

[2] To World War I, estimates are based on Veterans' Administration data. For World War I, World War II, and Korean conflict, estimates are those of the 1956 report of the President's Commission on Veterans' Pensions plus 25 percent (the increase in the average value of benefits since the Commission made its report).

[3] Source: U.S. Veterans' Administration, Annual Report of Administrator of Veterans' Affairs.

[4] Estimates based on assumption that war would end by June 30, 1970 (except for original war costs and for veterans benefit costs to 1973).

[5] Estimated Department of Defense expenditure in support of Southeast Asia for fiscal years 1965–72.

[6] Medium-level estimate of 200 percent (high, 300; low, 100) based on figures expressing relationship of veterans benefits payments to original costs of other major U.S. wars.

[7] Medium-level estimate of 20 percent (high, 30; low, 10) based on figures showing interest payments on war loans as percentage of original costs of other major U.S. wars.

Source: Except as noted, U.S. Congress, Joint Economic Committee. The Military Budget and National Economic Priorities, pt. 1, 91st Cong., 1st sess. (Statement of James L. Clayton, University of Utah.)

Mr. KENNEDY. Mr. President, for many years, the United States has been vitally interested in ending the nuclear arms race, in the interests of preserving its own security and peace in the world.

To this end, our negotiators spent 2½ years at the strategic arms limitation talks in Helsinki and Vienna, and finally concluded two agreements with the Soviet Union. The first, in the form of a treaty, provided for limits on missile defenses; the second, in the form of a 5-year interim agreement, placed limits on offensive weapons systems.

Since then, we have sought to go beyond these initial agreements, both to a permanent treaty on offensive missiles, and to further steps designed to end the race in nuclear arms once and for all.

We and the Russians have been engaged in the second round of the SALT talks for nearly 2 years, seeking to build upon our past achievements in the interests of security and peace. Today, in the United States we are beginning once again a great national debate about the structure and purpose of our strategic weapons programs, and the proper course for us to follow in negotiations with the Soviet Union. The outcome of this debate will vitally affect our security, the prospects of peace, and the spending of many tens of billions of dollars.

In the process, it is important for the U.S. Senate to express its collective view on the course the SALT talks should take, and on the overall strategic posture of the United States.

In this way, we here in this Chamber can help shape and support the efforts of the administration as it approaches these critical negotiations and decisions.

The resolution I am cosponsoring today, with the distinguished majority leader and the distinguished Senator from Maryland, is designed to lay out such a view, bearing in mind the most basic security needs and interests of the United States. During the past decade, we have realized that key elements of our security hinge upon our ability to survive any nuclear attack on us, and still cause unacceptable damage to any aggressor in return. We have long since provided the nuclear strength needed to achieve that purpose.

But we have also come to realize that deterrence of nuclear attack must be mutual: that we can only be safe from the threat of a nuclear holocaust if the Soviet Union feels that its nuclear deterrent is secure, as well.

There is no doubt that both the United States and the Soviet Union now both have far more nuclear power than either would ever need to deter a nuclear attack. It is in our mutual interest to stop the onward rush of the arms race, whether in quantitative or qualitative terms. And it is in our mutual interest to reduce those weapons that now exist, consistent with the demands of security.

This mutual interest is particularly pressing now that the impetus of the arms race is in qualitative improvements, rather than in increase in the number of missile launchers. With improvements in accuracy, and with increases in the number of nuclear warheads carried by each missile, it becomes progressively more difficult for either side to be sure that its land-based missiles could survive a nuclear attack.

There are two ways of solving this problem. The first is for both sides to increase their arsenals, perhaps having to abandon the interim agreement already reached on offensive weapons. The second is for both sides to reduce these forces, and eventually to agree to eliminate land-based missiles that are increasingly vulnerable, and rely upon airborne bombers and missile submarines hidden at sea. The second approach is clearly preferable, in terms of our own security, preventing nuclear war, and reducing the costs of military defense sensibly and safely. It is the approach favored by the Director of the Arms Control and Disarmament Agency, Dr. Iklé.

This resolution sets the framework for this kind of development. It calls upon the President to seek not just a stabilization of the arms race, but also a negotiated reduction in forces on both sides. It does not spell out what these reductions should be, but rather leaves that to the negotiators. It does contain a particular approach: The agreed mutual reduction of forces in order to achieve overall equality in nuclear arms.

Two years ago, when the salt agreements came before the Congress, considerable sentiment was expressed about the need for equality in United States and Soviet nuclear forces. Some Members of Congress believed that we were behind; others disagreed and asserted that we remained ahead; and the Congress as a whole passed an amendment introduced by the distinguished Senator from Washington, establishing the principle of equality in nuclear forces as an objective at further arms limitation talks.

The resolution we are introducing today includes that principle, but seeks to achieve it, not through costly and destabilizing increases in arms, but through reductions. Furthermore, this resolution seeks to establish the principle of equality in the only terms that make sense: In the overall balance of deterrent forces. The number of missile launchers on each side is one important measure. So is the number of warheads on each missile, and the number of submarines. Each must be taken into account.

But in addition, equality in nuclear forces means taking account of differences in quality. This means the accuracy of nuclear weapons, their reliability, their range, and many other factors. And there are still other factors to be considered, including the different distribution of population and industry in the United States and Soviet Union.

Equality, therefore, must mean an assessment of our total strategic capabilities, and those of the Soviet Union. And when that assessment is made, any overall inequalities that then exist can be dealt with in a calm and rational manner, in order to provide each side with a maximum of confidence in its own security.

"Equality through mutual reductions," therefore, is an approach to arms control that can lead us toward the end of the arms race, reduce the impact of these weapons on the politics of United States-Soviet relations, and save substantial resources for other purposes.

Mr. President, I believe that this is an historic moment in the history of American foreign policy. The President and Secretary Kissinger have been laboring to create a new structure of peace. Agreements have been reached with both Russia and China. The Middle East may at long last have a chance to move from a situation of repeated *conflicts* to a genuine peace. And a series of negotiations is in progress to build upon efforts made so far in détente.

Whether we will sustain these efforts, or lose today's chance to pass decisively beyond the cold war, will depend in part on what happens during the coming critical phase of the SALT talks. It will depend on whether the Soviet Union now shows restraint in its defense programs. And it will depend on whether we in the United States are prepared to exercise restraint, as well. For that reason, my colleagues and I have tried to fashion a resolution that provides a way forward in controlling the arms race, while calling for restraint in that race as vital efforts are made to halt it.

We look forward to a full and frank debate on this resolution and on the issues it raises. We also expect that this resolution will give the Senate a chance to play a critical role in decisions both about the character of U.S. Strategic Forces, and about the doctrines under which they are deployed.

Mr. President, I urge the Senate to give this resolution its careful consideration.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I have discussed the unanimous-consent agreement which the Senate has entered into with the distinguished Republican senior member of the committee, and with his assent I would like to make an addition to it.

With respect to the agreement on the conference report, I ask unanimous consent to add the words "with or without instructions" after the reference to "motion to recommit."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The agreement, as modified, is as follows:

> Ordered, that on Tuesday, February 19, 1974, at 4 p.m., a vote occur on the motion to recommit the conference report on S. 2589.
>
> That on Tuesday, February 19, 1974, the Senate convene at 10 a.m., and that after the recognition of the two leaders under the standing order, the conference report be laid before the Senate, and that the time until 12:30 p.m. be equally divided between and controlled by the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN), and the time from 2 p.m. to 4 p.m. on that day be similarly divided and controlled.
>
> That if the conference report is not recommitted, a vote on the adoption of the conference report on S. 2589 follow immediately the vote on the motion to recommit, with or without instructions.
>
> That all points of order be excluded, so that the votes will occur on a motion to recommit and a motion to approve or disapprove the conference report.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Massachusetts (Mr. KENNEDY) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.,) may be recognized at this time without prejudice to the Senator from Massachusetts.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) is recognized for not to exceed 15 minutes.

CUBA

Mr. HARRY F. BYRD, JR. Mr. President, I was much interested in the rally which took place in Havana, Cuba, a few days ago. The guest of honor was Chairman Brezhnev of the Soviet Union.

News reports say that a million Cubans turned out in Revolutionary Square to hear the Russian leader and to hear the Cuban leader Fidel Castro and other Cuban officials. News accounts say that Premier Castro omitted his usual anti-American harangue and confined his remarks to 1 hour.

This rally brings to mind an anti-American rally I attended in Havana in 1959, almost 15 years ago. Fidel Castro took over Cuba January 1, 1959, and during that year I was in Cuba several times as a newspaper correspondent.

The anti-American rally, which likewise was attended by an estimated million persons, was a very lengthy one. It lasted most of the day and into the night. Fidel Castro himself spoke for 3½ hours. The crowd was brought from throughout Cuba; the cane cutters, the peasants, the farmers from throughout Cuba were brought by busloads to the square at the Presidential Palace.

It is interesting to note that the rally the other day did not have the same anti-American tone that all of the previous rallies have had. But I suspect this is quite temporary.

Mr. President, I think it is rather tragic what Castro has done to that wonderful little island of Cuba. After he took over, I went there whenever I could because I am very partial to the Cuban people. I think they are a wonderful people, and I think it is a wonderful island.

Yet, under Castro, it is one of the few places I have been to where I have actually found fear on the part of the people, real fear of the dictatorship of the Castro regime. I have seen fear on the part of the people in Czechoslovakia; I have seen it to a lesser extent in Poland and Yugoslavia. But I saw more fear in Castro's Cuba than in any other country to which I have been.

I note that there has been some discussion that there should be a change in the relationship between Cuba and the United States. Perhaps it is something that should be considered, but I think that there are a lot of problems to be worked out before anything along that line should be attempted.

I would think the first step would be for this Nation to encourage Castro to admit newsmen and newswomen from this country and give them free access to Cuba. I have been informed that it is the policy of the American State Department to authorize bona fide newsmen and newswomen to go to Cuba.

But, of course, a visa must be obtained from the Cuban Government. I have been informed that the Cuban Government does not grant many visas to news persons and grants visas only to selected and supposedly friendly correspondents, correspondents friendly to the Cuban Government.

Before there can be a real change in the relationship between the United States and Cuba it seems to me that the Cuban Government must give free access to American newsmen and newswomen who wish to go to that island and report conditions that exist there freely and impartially to the American people.

I have not been there since 1959. I was there several times that year, but all the information I can get is that Castro has virtually destroyed the economy of that fine little country. This is tragic. In dispatches which I wrote from Cuba in 1959 I tried to indicate to the United States that Castro was more left-leaning and would develop into more of a dictator than many of the influential newspapers in the United States made him out to be.

If this rally which took place in Havana a few days ago could be followed up by Cuba permitting American newspersons free access to that nation it would be a very desirable situation.

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. ROBERT C. BYRD. Mr. President, how much additional time does the Senator need?

Mr. HARRY F. BYRD, JR. Three minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may yield 4 minutes to the distinguished Senator from Virginia.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Virginia is recognized.

SECRETARY KISSINGER HAS CONFIDENCE IN ADMIRAL MOORER

Mr. HARRY F. BYRD, JR. Mr. President, the Armed Services Committee, the day before yesterday, had before it Admiral Moorer, Chairman of the Joint Chiefs of Staff, and Dr. Henry A. Kissinger, Secretary of State. They testified before the committee at separate times, but each of these top leaders of our Government expressed confidence in the other.

The purpose of the meeting was to

probe allegations which had been made in the press that there had been friction between the Chairman of the Joint Chiefs of Staff and the Secretary of State.

As one Senator, I felt reassured by that meeting Wednesday because each expressed great confidence in the other.

Since the charges were made in the press against Admiral Moorer, for the most part, I asked the Secretary of State this question:

> Am I correct in my belief, judging from your testimony today, that you have complete confidence in Admiral Moorer?

Secretary Kissinger's reply was:

> Yes, that is correct.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time and that the period for the transaction of routine morning business ensue at this time without prejudice to the distinguished Senator from Massachusetts (Mr. KENNEDY) who has an order.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. ALLEN). At this time, there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

AN EMERGING GLOBAL ECONOMY

Mr. MATHIAS. Mr. President, from time to time statements are made that demand frequent repetition in the intent of educating the Nation so that it may intelligently determine the course of its future. Today, I bring such a statement to the Senate and ask that it be printed in the RECORD so that it can have the widest possible dissemination throughout the Congress and the country.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEW POLITICS OF THE EMERGING GLOBAL ECONOMY

(By Peter G. Peterson)

It was once said that when economics gets important enough it becomes political. Today, I could choose from a gourmet menu of such political/economic problems. But, if both you and I are to avoid indigestion, I shall need to restrict my intellectual appetite.

Could I suggest, as a starting point, that we reject an *obsessive preoccupation with last year's problems.* I was reminded how bad things had gotten in August of 1971 when my six-year old daughter Holly eagerly demonstrated her newly acquired reading competence by reading from my eye glass case, "Made in England". She had a perplexed look on her face, and I said, "Darling, what's bothering you?", and she said, "Why, Daddy, I thought everything we bought was made in Japan."

But as I went around the world earlier this year on behalf of the President, I realized what an enormous transition has been taking place since August of 1971. We are still in that transition period. This suggests this business of transition periods requires definition; a professor at the University of Chicago named Jacob Viner once defined a transition period as simply a period between two other transition periods.

But this is obviously something much more. We are witnessing a profound and constructive change. If in 1971 we were all true to our chauvinist traditions and *blamed* each other *more* than each deserved, let us *not* now give each other *less* credit than we deserve.

Who would have thought in 1971, that a German automaker would say to me—as one recently did—"Mr. Peterson, how can we compete anymore?" I suddenly thought back to 1971, when Detroit automakers voiced a common complaint—how can the U.S. ever compete again?

Who would have thought in 1971 that U.S. exports for the first eight months of 1973 would be up 27% in value?

And who would have thought in 1971 that the United States, of all countries, would be worried about how, of all things, an under-valued dollar had actually stimulated domestic inflation by making American commodities the greatest bargains in the world? Who, for example, would have thought in 1971 that a benign little product few of us could identify, soybeans, could cause major foreign policy problems?

Who would have thought that we would be attracting a large and growing number of foreign visitors to our country—as tourists—and that they would be going home to Tokyo and Paris and saying to their friends, "You should go to New York and Washington—that's the kind of cheap living we used to have in the good old days." I am sure that those of you who have been in Japan or Europe this year know the other half of that particular story.

In past meetings such as these, security issues dominated; someone with my background and interests would have had difficulty even getting invited. Economics and resources were not in vogue and certainly not part of the vocabulary of the elite—whom everybody knew would only focus their "superior" intellects on strategic, doctrinal issues. It amuses me, and perhaps even pleases me now to watch people, and I particularly have in mind a certain favorite full professor friend of mine who used to teach at Harvard but is now even more prominent, if that is possible, moving from his familiar, metaphysical terrain of the MIRV and forced to discover the megatonnage of the soybean.

But I hope that as economic matters become more and more important we do not move into an era in which resources are used as weapons.

THE NEW INTERRELATEDNESS OF THINGS

Today, we are talking a great deal here about interdependence. The word has been around long enough now—since at least 1963, when President Kennedy made his famous Declaration of Interdependence—so much so I regard it as a cliche. The root is "dependence", and that, in fact, is the condition that we and the rest of the world find ourselves in. It means, according to Mr. Webster, "unable to exist, sustain oneself, or act normally without the assistance of others."

Now, until recently, we were not dependent on anyone, in the dictionary sense of the word, while in various ways most of the world depended on other nations for their security or economic well-being—many of them on us.

Those conditions of dependence still exist. But now there has been a change. We Americans also are moving into an era where we are going to be dependent on the outside world not in the security area, where we will remain sufficiently strong to be one of The Superpowers, but in other important economic sectors where we can not go it alone. American self-sufficiency is over. The concept of The Superpower, or The Superpowers is obsolete.

Stated simply, in a growing world, we face the cruel problem of compound arithmetic where infinite appetites compete for finite resources. But if we face problems and shortages in the future, we must remember that these are problems caused by our very success. Living in a world of cheap energy, we built energy-guzzling engines and wasteful machines. We presumed inexhaustible reserves of many natural resources.

All that had, inevitably, to end. One should not lament the change, especially if one believes that we are all better off if other parts of the world begin to get a more equitable share of things, if one concedes that it is an unnatural, and perhaps even unhealthy, thing for 6% of the world's population to use almost one-third of its resources. As a result of our newly discovered vulnerability, we must now learn, as Paul Tillich said, to live with the problem of 20th century man—how to be comfortable with ambiguity.

There is also a *new interrelatedness of things* in the world—that none of us fully perceives whether we be Harvard professors, international bankers, or even journalists.

So I suggest that a conference of this kind—if it is to exercise its comparative advantage—should focus not on the problems of 1971, not even on the tortuous problems of 1973 in which the monetary, and trade, and defense bureaucracies are so busily negotiating, but on inventing the questions of the post-1973 era—the era that is likely to precede Pacem in Terris IV.

But first, we must invent the right questions. It is imperative that we learn how to identify problems before they become crises, that we develop what might be called distant early warning economic intelligence systems to alert us to the stresses in the *emerging global economic system.* We must do this as a matter of global—please note that I did not say "national" but "global"—urgency. We must prevent *problems* from becoming *panics.* Global economics will, I believe, profoundly change global politics.

ENERGY AS AN URGENT AND SPECIAL CASE

Let me illustrate what I mean by reference to specific problems. One has in recent months become a recurring front-page newspaper story. I refer, of course, to the "energy crisis".

Another, the world food problem, has not yet attracted equivalent public attention, but it may in the long run pose even greater difficulties for much of the world.

Let me preface my comments on these two issues by a general observation. These are foreign policy questions of the highest significance, not just technical issues, or humanitarian issues, or issues of dwindling resources. Nor are they merely economic matters that can be worked out by energy ministers or agriculture ministers. These are matters on which the future relations between nations will rest—the *new foreign policy issues.*

Of course, energy and food are by no

means the only problems of their kind that will soon dominate international conferences. First, each of these problems create fall-out problems; for example, there is a possible shortage which may be developing in phosphates, which are an essential ingredient of fertilizers. Also, there are potential or actual shortages in other major raw materials, such as in timber, and threats to access to still other key commodities.

But in every case, especially oil and energy right now, the urgency of the evolving situation to make difficult last-minute choices was self-imposed because of earlier failures to foresee what was coming; and—I would want to emphasize this point—that what is happening with oil may be a *prototype* of other major problems we will face in the future.

I am not going to discuss the intricacies of the energy problem today. I want to use this crisis more to illustrate what must be done in *other* fields than to offer any novel solution. Yet a few background comments may be helpful, although the general outlines are no longer news to anyone.

Energy is the big new international issue of the next decade. It is a job issue, a monetary issue, a trade issue, a military-strategic issue, an environmental issue, and a quality-of-life issue. For these reasons, it is therefore a political issue of the highest importance . . . a prime example of the new interrelatedness to things.

In the form of the energy problem, we have discovered our vulnerability—perhaps for the first time—as have others long before us. In my recent economic missions for the President, I found even the trade minister of Japan—who in 1971 would have been preoccupied with a new U.S. Trade Bill—quickly moved to the energy problem. It's now a status symbol to be able to drop such lines as the "posted price of crude in the Gulf". I think we can rephrase Clemenceau and say not only that war is too important to be left to the generals but also say that trade is too important to be left to trade ministers and money is too important to be left to money ministers and energy is certainly too important to be left to energy ministers.

I shall spare you from all but a few of the melancholy statistics. In 1970, we imported 21% of our oil, far less than any other major country. Europe imported 98% of its oil, Japan 100%. But by 1980, our estimate is that 45–60% of our oil will have to come from other countries, and over half of that from the Mideast and North Africa. In short, our dependence on foreign oil, particularly Mideastern oil, is going up sharply.

Yet, we did little to prepare for this developing situation. We should have seen these trends and acted on them years ago. There were a few experts who warned of what was happening, but they were not heeded. Our political leaders, who are the only people who can act on such vast and interrelated problems, were not listening, not acting early enough or decisively enough. We were not sitting down with the Japanese and the Europeans to develop common research programs for alternative energy sources. We were not sitting down with our friends to work out emergency stockpile arrangements. We were not working out import-sharing systems. We were not looking for ways to conserve energy. We were not thinking hard enough about how to develop the Middle East, where so many billions of dollars would obviously be accumulating now.

In short, we were failing to ask the right questions. We were failing to look ahead and face the political and economic implications of the problem. So a problem, not adequately perceived, became a "crisis", a panic, a cover story for Time and Newsweek, a stream of stranded cars out of gas on a holiday weekend, a major issue between nations, a vital part of the fourth Mideast war.

It is late, but not too late for rational action. We need first of all to accept the fact that not only is the era of cheap energy over for America, but that the era of adequately *available* supplies of energy may—at least temporarily—be coming to an end.

More specifically, we must work out international understandings to prepare for a possible emergency. We must make sound contingency plans for stockpiling, for sharing during emergencies, for conservation during shortages, and for an adequate response should we face production cutbacks or refusals to ship on the part of some producing countries.

We must get a major international effort going in energy research. Here the burden can, and must, be shared more equitably between nations. Now, I am aware of the conventional wisdom that says that we couldn't spend additional energy research dollars "wisely" and that current expenditure levels are as high as is "prudent" at this time.

I disagree. In my observation, scientists tend to be pathologically optimistic about the short-term results of their work, but pathologically pessimistic about the long-term results. I would therefore continue to call for the creation of an *international* counterpart of an Apollo or Manhattan Project on new energy sources—particularly at the basic research level.

The Japanese must—and I believe will—play a large role in this international research effort as well as the Europeans. The United States Government must give it full backing, and participation in such research should be open to all countries.

We *must* also find ways to conserve energy. Obviously, our huge gas-eating cars are not helpful. If the U.S. had the same mix of automobiles as Europe has, we would reduce our need for oil imports by about 20%. Also, new insulation standards, perhaps worked out on a worldwide basis, would result in enormous reductions in the use of heating fuel. Some studies have spoken of savings here of up to 40%.

I know there are those who say that we only need the discipline of price, that the cold logic of the marketplace can operate to change our value systems—and, so reduce our standard of living. To be sure, we need that discipline. I would hope there is also some room for something more. I would hope our leaders—business and political—could persuade all of us—and themselves be persuaded—of the enduring value of machines and products that use less energy instead of more, less materials instead of more.

We have long lived wastefully in America. We could pay the bills, and no one else had the power to object. But that day is past. People must come to terms with this fact of fundamental economic and political importance. The question now is whether we have the necessary social and political will and organization to face reality and take decisive action.

FOOD AS ANOTHER CASE

Let me turn to another of the world's most valuable and increasingly precious resources—and the one in which the United States is most dominant.

I refer, of course, to food. Here, the situation is ironically reversed, with some danger signs, but also with what seems to me to be an opportunity to give real meaning to the word "interdependence".

Over the past generation the United States has achieved a unique position as a supplier of food to the rest of the world. We are the great breadbasket, and for our economy it is absolutely vital. Last year our farm exports totalled nearly $13 billion, by far our largest foreign exchange/earner. In the world grain market, we and Canada are more dominant than the Mideast is in oil. In the case of those political soybeans, our position is even stronger, with about 90% of the world"s exports coming from the U.S. But our increase in productivity in growing soybeans is distressingly low—only about 1 percent per year.

So food is the resource in which we are dominant and on which the rest of the world depends. This is an undeniable political and economic fact of vast significance.

But growing world dependence on the United States also carries risks, somewhat similar, in reverse, to those I discussed earlier. World per capita consumption levels are rising steadily, particularly in countries with growing affluence. Just as affluence brings greater urban concentrations, greater pollution, greater energy needs, so too does it bring a qualitative change in the diets of people. These changes in turn raise the per capita requirement for food. Thus, it is not just the growing quantity of people but the improving quality of life and the quality of eating that goes with it that greatly accentuates the food supply problems, in particular, high quality protein.

One thing we have all known for a long time is that Americans eat more meat—much more meat—than other people. Between 1960 and 1972 the U.S. population grew 16%—meat consumption grew over three times faster. We consume about 275 pounds of meat per year, while other developed countries, such as Japan, to take a specific case, consumes less than a third of that. But by 1980, Japan's per capita GNP shall probably equal ours which could easily spell an algebraic increase in demand for meat. Worldwide, we may well be described as the protein generation.

Thus, what we are learning now has vast significance. As income rises, so too does the quality and type of food consumed. Indeed, one of the more "profound, insightful" conclusions of my report to the President was that people like meat.

And is it not significant that the Soviet Union, even with a serious drop in grain production, decided it needed to continue to press ahead with its livestock expansion program?

Meat is, of course, a major source of protein. Agricultural scientists have so far failed to increase the simple equation: you can only get on calf per cow per year. Thus, an adult cow must be maintained for a full year. Some of the research is encouraging—and like energy research—deserves worldwide support. Another important factor limiting beef production is that the grazing capacity of much of the world's pastureland is now almost fully utilized. So, many of the countries in which beef consumption is rapidly expanding, including the Soviet Union, Japan, and so on, can no longer meet the demand from indigenous sources.

Something we might call the protein multiplier is at work here. To produce a pound of beef requires about 6 to 8 pounds of grain. Thus, the increased demand for meat has a multiplier effect on an already serious grain problem. And, if we need further, if sobering evidence of the interrelatedness of things, it is perhaps ironic that a principal ingredient of desperately needed fertilizers is natural gas.

Consumed directly, grain provides 52 percent of man's food energy supply. Consumed indirectly in the form of livestock products it provides a large share of the remainder.

As Les Brown points out, the annual availability of grain per person in the poorer countries of the world, averages only about 400 pounds per year. Nearly all of this is consumed directly. However, in the United States and Canada, per capita grain consumption is now almost *one ton* per year. Of this only about 150 pounds are consumed directly, as bread, pastries, breakfast cereals, and the like. The rest comes to us indirectly through meat, milk and eggs. Thus, it takes nearly five times as much agricultural resources—land, water, fertilizer—to support an American as it does to support a Nigerian, or an Indian.

And per capita grain consumption is rising with income; qualitative needs add to quanitative needs. So the demand will zoom. Just to keep pace with population growth for the next generation, while feeding people around the world at their present—and often highly inadequate levels—will require a doubling of food production in the next generation.

I have already said land availability will become a growing problem. Les Brown reminds us the availability of water will determine how much arid land can be used for farming. Yet most of the rivers that can be dammed and used for irrigation have already been developed. Now we must look to new techniques, such as the Russian efforts to divert rivers, and such other possibilities as desalting sea water, and manipulating rainfall patterns. And speaking of sea waters, let us not look to our overfished waters for big increases in fish catches—our global fish catch is *down* in the last two years.

In all these areas, my earlier remarks about the need for internationally shared research efforts and global reserves and sharing programs, apply with the greatest of force. Here is another problem which we must solve on an international basis.

THE GROWING PROBLEM OF FINITE RESOURCES

I said that energy and food are only illustrative of the world predicament we are now confronting.

What worries me, at least in my darker moments, is a sense that there are similar Malthusian resource problems lying out there in the dark, just beyond the reach of our perception, which we have not yet identified and what could once again become apparent to us too late.

I do not want to sound like an unsalvageable pessimist. On the contrary, I believe that we can work out solutions to our problems; my Mid-western rural upbringing makes me an optimist. But I do not think that the way we have been performing recently—and I refer here not just to our own country—is going to be adequate to the problem. That distant early warning system I talked about before is an essential. International organizations, either those already existing or new, perhaps some stronger ones, must define what the right questions are, and then how to work out *shared* solutions. In particular, we must bring to bear the full power of international research and development to create substitute materials and to create machines and ways of life that use less of these precious resources.

Thus, it is perfectly obvious to anyone who wants to invent the problems of the 1980's that many of them are going to relate to raw material resources. Ironically one of our great problems will turn out to be our success. In the year 2000, almost every material will be three to five times more in demand than it is today. In fact, in the last 20 years we have used up more raw materials than in all of history up to 1950. If these trends continue, the President's Materials Policy Commission estimates we will need to import—in 1971 dollars—about $100 billion of minerals annually by 2000. Only half of that will be oil.

And other countries where per capita consumption is approaching ever more closely to ours, will face similar problems.

But if one looks at where the exportable raw materials must come from, Fred Bergsten has made the important point that in almost every case, the pattern of oil is repeated—sometimes with even more dramatic concentrations. Four or five countries, sometimes less, typically account for the bulk of each resource—whether we are talking about copper, rubber, Bauxite, coffee. Thus, we will once again see a few countries dominating these supplies—countries like South Africa, Brazil, Malagasy, Nigeria, Jamaica, Thailand, and Malaysia and the Bahamas.

So we are going to have a whole host of problems like the energy problem. And we may reasonably anticipate the possibility of dealing with a growing number of organizations in the pattern of OPEC, the Organization of Petroleum Exporting Countries, which has been so effective in raising the price demanded for their oil. There could be in short, many OPECs, and in each case—as you could see if you read the speeches given at the Conference of Non-Aligned Nations held in Algiers last month—in every case the target will be the richer countries.

Thus, the world is no longer divided merely between the rich and the poor nations. There are really three categories now. The richer industrialized nations remain fairly easy to define and identify. But among the Third World countries we can clearly see two different classes—which we might call the *rich-poor* and the *poor-poor*.

The rich-poor are those countries which may look poor, have low educational levels, poor standards of health, and so on, but which have a natural resource that will give them big revenues over time. Some countries already have these revenues and are using them, like Saudi Arabia and Iran. They can create an economic base with them, if they are skillful.

The poor-poor countries are those which do not have adequate natural resources. Unless they develop the ability to produce their food as well as goods at competitive prices, as Korea has done in textiles, they will be in grave trouble, perhaps permanently. Ironically, many of these poor-poor countries who can least afford it will be hardest hit by these escalating and inflationary pressures in the world's resources prices.

As we get more dependent on other nations for raw materials, they will of course become stronger and less dependent on us.

Seeing their new leverage, these countries may not be willing simply to settle for the conventional market rewards, i.e.: higher prices, although those higher costs are certainly inevitable. They will also seek to extract prices in other areas, depending on their perception of what really matters. Some may seek major, if unacceptable, changes in our foreign policy. Some may seek longer term economic development of their own societies by using their new leverage to force development of a more advanced economic system and society. Some may in addition seek broadened long term access to world markets and more overseas investment as part of their political/economic bargaining.

This is all the inevitable result of the new global economy we are rapidly moving toward. It is, furthermore, a legitimate objective to use one's own resources to try to improve one's own economic standards. We should not only be sympathetic to this desire, but should show our understanding through tangible cooperation. And while the subject of my talk is not third-world development—I leave that to my colleague, Mr. Thompson—allow me to say we will need each other too much to tolerate the tone of moral and cultural superiority which has so often surrounded our efforts in this area in the past.

THE NEW WORLD OF GLOBAL INVESTMENTS

Furthermore, developing these raw material resources will require enormous amounts of capital. Single projects could cost a half a billion dollars to develop. These projects will be so enormous that even the largest multinational company will not be able to afford the risks, either politically or economically. Thus, we're going to have to move to "multinational-multinational" projects—in which consortia of multinational enterprises join together. I find the political arguments for *multilateralizing* of foreign investments particularly persuasive.

These vast investments will simply be part of an investment revolution that will eventually be part of the post Pacem Terris III agenda. For 20 years or so prior to August 15, 1971, we had a monetary system that was export-biased in favor of most of the countries of the world and investment-biased in favor of the United States.

Partly as a result of this, the U.S. directly invested about $100 billion around the world—and indirectly invested a great deal more. The rest of the countries of the world invested much less than their size would have suggested. For example, Japan in 1970 had *$3* billion only of direct investment abroad. By 1980 Japan plans to have *$30* billion of investment abroad.

Now, it seems to me that if we're going to reap the benefits of this kind of investment, we're going to have to decide whether we're going to give up our instinctive chauvinism and move from what we might call adolescence to maturity.

There are times I feel I am a unique father—in that I have a son who is 16 years old. I'm sure none of you have ever had sons who are 16 years old. Therefore, I can speak as a genuine expert on the subject of adolescence. It's that marvelous era in our lives in which we can demand total independence when it suits us, while relying on parental support when it suits us. In short, it is that rare period when we can enjoy an infinite measure of irresponsibility.

Thus, I think one of the critical emerging post Pacem in Terris III issues is our willingness to think seriously about international charters and investment and accounting principles for our multinational corporations—in which we think not simply in terms of freedom and autonomy, but in terms of responsibilities and justice, in which we think to be sure of what the developing world can do for us, which would include fair treatment of these burgeoning investments, but also what we can do for them—in which we not only think through the appropriate relationships between host countries and multinational corporations but also between the "parent" country and "their" multinational corporations. The need for such a set of principles will become increasingly urgent not simply in the less developed countries and the sea beds, but in the developed countries as well.

As we contemplate this world resource and investment problem, I find myself reminded of what a University of Chicago professor once taught me—"If you have no alternative," he said, "you have no problem" A sobering thought it is.

We do have alternatives. I suppose, to put it in its more pejorative sense, we could be have like international cannibals, each scrambling in his own behalf, sometimes with economic life or death consequences for his fellow citizens.

There are, however, other alternatives—alternatives to the short-sighted narrow-focused approach that we see all too often today in this capital and around the world. In the matter of food, for example, we hold a major card—the rest of the world must continue to depend on us for grains and soybeans, and the world markets are a function of the American situation. At the same time, we have seen here today, we are equally—or almost equally—dependent on other countries for commodities that are almost as critical to us as food is to them.

But perhaps this extraordinary confluence of events—the dual and interlocking shortages which cut both ways—provides us with a chance to talk with our friends, with our suppliers, with our markets, about a genuine sharing of both problems and solutions. We should start thinking of ways to merge our food advantage with other nations' resource advantage. It may sound unlikely, and as a businessman and former government official I am well aware of the infinite number of political and bureaucratic obstacles in our path. But the costs of continuing the prevailing view of the world as segmented into special interest groups of all sorts is prohibitive.

This, I would suggest, must be the focus of our leaders in the next generation. Not just the specific and already visible energy, mineral and food problems—but the whole range of new resource questions which we must learn first how to ask; and second, how to organize ourselves, and our attitudes, to solve.

I am trying to say that economic interdependence and the new interrelatedness, however platitudinous it sounds, is a far more complex and difficult concept than is frequently realized, for the web of interdependence is woven with many different kinds of thread. There is interdependence among monetary, trade and investment practices and policies; there is another kind of interdependence among geographic areas.

THE INTERRELATEDNESS OF ECONOMICS AND SECURITY

Then there is still another kind of interrelatedness that is not always fully factored into equation of international policy—the interrelation of security and economics.

Security, of course, expresses itself in terms of economic security—the need of a nation and its people to preserve and develop their well-being within the new constraints of a global economy. But there is also physical security—which imposes unequal burdens on the economies of nation-states.

Today, the United States devotes an important part of its resources to maintain not only its own security but that of other nations allied to it. As a result, it commands a power of destruction unprecedented in history. Historically, this power was equated with freedom of action, of decision, of maneuver; yet in this nuclear age America's vast destructive power operates as a major constraint on its freedom. For the possession of vast nuclear power creates the obligation to move cautiously.

Ironically, then, nuclear power diminishes the capacity of the nation possessing it to influence the actions of other nations, while the inordinate burden it imposes on national resources saddles that nation with a heavy weight—a serious handicap in the fierce economic competition that characterizes today's world. That competition requires a constant flow of capital into plant and machinery and technology if a nation is to maintain the level of productivity necessary to hold its place in world markets and provide for its domestic needs. Yet resources are finite and when the United States spends 6%-7%-8% or 9% of its GNP on defense, while another industrial nation spends less than 1%, the long-term disadvantages may reflect themselves not only in economic terms, but in this "eco-political" world, in that country's ability to influence the rest of the world.

Consider, for example, the comparative situations of Japan and the United States. Today Japan's defense spending amounts to less than 1% of its Gross National Product. Partly as a result of this, roughly 20% of its GNP is going into new plant and equipment whereas the comparable U.S. number is only 10%. By the end of the decade, if the Japanese continue, as they plan, to accelerate their commercial research and development at 23% a year—three times our rate of increase—their R and D investment in relative terms will be 70% greater than ours, and equivalent to ours, even in absolute terms and with half the population and GNP. No one should be surprised by Japan's growth in productivity and economic power and there is clearly something more at work here than the Japanese version of the work ethic.

Today we hear a great deal of confused talk about *detente,* the preservation of America's so-called national interests. These are vague concepts which mean many things to many people and I applaud the efforts of this conference to give these interests some clearer meaning. Some equate our national interests with the public welfare, others with the power to influence other nations. But, however one defines the term in this time of nuclear stalemate, the United States and the Soviet Union would seem to have a common national interest in trying to translate stalemate into mutual benefit and, by agreement, to *reduce significantly* the burden of armaments on *both* sides.

For, if America and Russia cannot do this, they will clearly be disadvantaged in the competitive race with other nations less heavily weighted down.

So, if we and the Soviet Union *really mean* what I hope we mean by *detente,* let us apply a practical test. Should we not be able, sitting down together, to find the ways and means to reduce substantially a burden which is disabling both our countries? And if we cannot, can we honestly say that detente has sufficient meaning to justify not only its enthusiastic rhetoric but the decisive steps that are being taken in the name of detente?

May I sum up in this way.

The global economy we are moving into has made economics so important, economics has become political. This interrelated world politicizes issues sooner and harder—not simply because we need each other more but because we can shock, and hurt each other easier and more deeply.

It will be both a cause and a measure of the ambivalence, the tension and the irony of foreign policy creation that as more countries grow more "powerful" they will want to assert their primacy and be more self-sufficient, or as it were, more unilateral and nationalistic. Yet, as the countries of the world move toward a single global economy, they will confront on an unprecedented scale the problems of mutual dependence, which will require common or internationalized management and solutions—and for our own government, and for our international institutions, this will pose a new challenge. Can our vast and unwieldy machines, which seem often to be intent on consuming themselves with narrow interests, internal standoffs, stalemates, and non-aggression treaties—can the huge bureaucracries preoccupied as they are with their constituencies and their specialties, respond to the challenge of the new inter-related world?

Thirty months of observing the American bureaucracy first hand has convinced me that if we don't watch out we will become victims of what a medical friend of mine calls "iatrogenic" diseases. The iatrogenic disease, for the benefit of those of you who are not in medicine, is a disease caused by the doctor, a disease in which the specialist is so intent on applying his treatment that the treatment result in further disease.

Bureaucrats and politicians, when they aren't pushing narrow "iatrogenic" views, are also apt to think in short term time frames. In our democratic system there has been unfortunately little incentive for the politician to invent the long term question or even ask for the long-range solution since the voter has judged him by the old standard, "What have you done for me lately?" It brings into sharp focus our need for longer range and broader thinking. We must know about our problems early enough to prevent them from becoming panics.

Before we invent new underemployed international institutions to solve these problems let us discover whether we have the *political will* to use them—for there can be little question that the apparent domestic political costs at least in the short term will sometimes be high. Are we really ready to share? Under what condtions?

Thus, our first task is not to invent new international institutions but to define what America's global political/economic strategy is in what is clearly an emerging global economy.

And, finally, because after all, man is the measure, we need men and women who can deal with the unique situation which we are heading into. We need a new breed of public official and corporation executive, one who can relate his own specialty to the large whole, one who can switch from one area to another, and not be a narrow special interest pleader. If a government or business bureaucrat begins life as a specialist in some narrow field, like energy, or food, it seems that by the time he has reached the level where he is making important decisions about policy two things have happened to him: First, he has become deeply involved and committed to a special and usually narrow point of view; and second, his information has become obsolete just when he needs to apply it at the policy level.

We must have men and women—and international institutions—that can move from one field to another, and can at all times see the *new interrelatedness of things.* It may sound like what Adlai Stevenson would call a new cliche, but I mean it and want to emphasize it with every ounce of conviction I can. In the new world, moves in one field will inevitably cause repercussions in another field.

That is why we must develop sophisticated and comprehensive economic intelligence *systems,* the distant early warnings systems I spoke of. When you consider the vast treasure we spend on security and defense intelligence, ostensibly for our security, it becomes grotesque to consider how little we spend for economic intelligence, although obviously our long-term security, our economic health, is increasingly dependent on these other things.

And in the final analysis, it will be our leaders who must lead us. That we need new leaders with a new sense of this global economic process and its requirement for a global economic/political strategy is clear. As always, they must be good politicians. But is will be a far harder test of their leadership ability to try to mobilize the people against a challenge without a face, against the problems of scarcity at a time of affluence, against an enemy which is not a person or a nation, than it ever was to lead a nation into war. For these are problems without enemies, and this poses special new challenges to politicians, and their voters, who find it easier to cry out against easy targets.

Jean Monnet put it to me last spring far more eloquently than I ever could . . . "We must," he said, "attack our problems instead of each other."

And in attacking these problems, we must, as it were, decide whether we shall only modify the old politics of our self-sufficient or bilateral economic world—by adding to old weapons of war the new weapons of oil, of food, of resources—by exploiting the asymetrics, and unilaterally using one's leverage . . .

Or, we must decide whether we shall practice the new politics of the emerging single, inter-related *global* economy and engage in genuine cooperation, sharing in an earlier understanding of our mutual vulnerabilities, sharing in the resources, the research, sharing in short, in the common management of a solution.

Earlier, I said if we have no alternative, we have no problem. Could it be, alas, we have no problem?

And on what better note could I sit down? Thank you very much.

Mr. MATHIAS. Mr. President, in this case, I am moved to urge Senators to study the speech delivered by the Honorable Peter G. Peterson to the Pacem in Terris III Conference in Washington because of two considerations. One is the distinction of the author, the other is the importance of the subject.

Secretary Peterson is one of the most thoughtful and creative men who have worked on the Washington scene in many years. After a spectacular career in business, he came to Government and very early demonstrated his grasp of the real essentials of the problems of commerce and trade.

He was a great Secretary of Commerce. His talents in Government are very much missed, although he continues to make a contribution to the Nation as chairman of Lehman Bros., the New York banking firm.

But the subject about which he spoke is of such vital importance, I believe we all need to know a great deal more about it; namely, the problem involved in an emerging global economy—the oil crisis, from which we all suffer today. That is only one aspect of the natural resources crisis which is rapidly overcoming us.

It is to this broader question of how to marshal the natural resources of the whole globe that Secretary Peterson addresses himself. The thoughtful suggestions he makes are so compelling that I am sure other Members of the Senate, and everyone who reads the Congressional Record, will find it of great value and great interest.

THE 25TH ANNIVERSARY OF UNIVERSITY OF MARYLAND'S COLLEGE OF PHYSICAL EDUCATION, RECREATION, AND HEALTH

Mr. MATHIAS. Mr. President, we in Maryland are extremely proud of the University of Maryland.

In particular, we are proud of what has been done in the 25 years in which the University of Maryland has had its college of physical education, recreation and health.

This year, that college, which is a vital and important part of the university, is celebrating its 25th year.

I know that all Members of the Senate who have the opportunity, because of the proximity of the University of Maryland to the National Capital, will want to join me in extending congratulations to the college of physical education, recreation, and health on its 25th anniversary—as they often want to join me in seeking to get tickets and otherwise gain admission to the various athletic events which feature the University of Maryland's annual programs.

Mr. President, I ask unanimous consent to have printed in the Record a short statement describing the history of the college.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The College of Physical Education, Recreation and Health has achieved national and international renown during the last quarter of a century directly attributable to its outstanding faculty and graduates who have authored leading textbooks, produced significant and important research, been elected to high office, and honored by their professional associates.

In 25 years the College has awarded 1,933 Bachelor of Science degrees, 404 Master of Arts degrees, 10 Doctor of Education degrees and 56 Doctor of Philosophy degrees. The faculty has grown from 23 and three graduate assistants to its present faculty of 69 and 51 assistants teaching a course load of 50,000 credit hours. The College presently has 677 undergraduate majors and 250 graduate students and, in addition, serves 8,562 non-major students in elective courses and 15,000 in intramural and Women's Recreation Association activities.

Five of its distinguished faculty have been elected as Fellows in the American Academy of Physical Education, a group of national professional leaders limited to 125 members.

The College is made up of three major departments which include numerous laboratories, clinics, and programs.

The College's Department of Physical Education has had a dramatic development since it offered the first organized course in 1893. It now gives students the opportunity to elect courses which prepare them for teaching physical education, for coaching and for leadership in youth and adult groups which offer a program of physical activity.

The increased amount of leisure time has made society cognizant of the need for trained recreation leaders. The College's Department of Recreation has responded by developing programs to meet the needs of students who desire to provide guidance in the wise use of leisure time. These students are given intern assignments in local, state, and federal recreation programs, in social and group agencies, and in various programs of the Armed Forces, American Red Cross, and hospitals.

The Department of Health Education is making an outstanding contribution in expanding our knowledge of mental health, drug behavior, sexuality, nutritional patterns, and attitudes toward death.

The Children's Health and Developmental Clinic of this Department, in operation since 1957, has grown from a program in which twelve senior physical education volunteers assisted twenty-four diagnosed brain injured, hyperactive children in 1957 to the present program in which 180 referred children were assisted by some 100 volunteers last year. In 1972, an Adult Health and Developmental Center was established. College students in this clinic work with clients to achieve therapeutic goals involving varied problems including terminal cancer, suicidal depression, poor body image, arthritis, and poor neuromotor coordination.

The College has established a laboratory concerned with training the automatic nervous system, utilizing audio and visual feedback of electrical impulses emitted from the nervous system. Other laboratories conduct research in bio-assay, cardiovascular and pulmonary problems.

Since 1955, the College's Safety Education Center has played a leadership role in Maryland in preparation of safety specialists. Illustrative of these efforts are staff involvement at the state and national level in the development of programs such as driver training, bus and truck driver training, safety education, alcohol education, emergency medical services and accident countermeasures.

PHILIP RHYS ADAMS

Mr. TAFT. Mr. President, for almost 30 years now, a very distinguished American, Ohioan, and Cincinnatian, Philip Rhys Adams, has been director of the Cincinnati Art Museum and the Art Academy of Cincinnati. During that period the museum has grown tremendously and he has contributed in expanding, in a great way, the services to his entire community, State, and Nation.

Under his leadership, there has been a growing recognition of the value of this collection and a growing recognition of its real place in the life of the community which it serves.

In addition to his service to the community, Mr. Adams has become known as an international authority on museums and many fields of art, and he has now retired as of the end of this last year, from the Cincinnati Art Museum to devote his attention to other endeavors.

He has already been commissioned, I understand, to do several important writing projects, and he is also going to be involved in consultation on many matters relating to museums.

I have received from the Cincinnati Art Museum a resolution of the board of trustees of the Cincinnati Museum Association, adopted unanimously on December 18, 1973, in recognition of the services of Mr. Adams, and also a résumé of the long distinguished career of Mr. Adams.

I ask unanimous consent to have them inserted in the Record.

There being no objection, the resolution and résumé were ordered to be printed in the Record, as follows:

Resolution of Board of Trustees of Cincinnati Museum Association, Adopted Unanimously on December 18, 1973

Few world art museums are blessed with a Director who possesses both the vision to recognize instinctively those true masterpieces of art, regardless of medium, period and place of origin, and the glorious imagination so to exhibit them that their excellences are communicated to all viewers. These are among the rare talents which Philip Rhys Adams has given in abundance to Cincinnati's Art Museum over the years. The now world-famous permanent collections he has amassed have resulted not from limitless funds at his disposal, but rather from limitless connoisseurship, superb taste and the cooperation of a Board of Trustees willing to follow his recommendation. He has combined with these matchless capacities an encyclopedic knowledge, sound scholarship, enviable gifts as a writer and lecturer, and a total devotion to the visual arts."

"In accepting his decision to retire at the end of this year, the Board of Trustees does so sadly and with the gratitude of the entire art world and this community for the priceless cultural resource his twenty-eight years of leadership has created here for all times.

Résumé for Phillip Rhys Adams—January 28, 1974

Philip Rhys Adams, Director of the Cincinnati Art Museum and the Art Academy of Cincinnati from October, 1945 through December, 1973, was born in Fargo, North Dakota on November 19, 1908. He spent his early years in central Illinois and in Springfield, Ohio where his father served as a Presbyterian minister. After graduation from the Ohio State University in 1929, he studied on a graduate fellowship at the Institute of Fine Arts, New York University and earned his Master's Degree there in 1931. Further study followed on a Carnegie fellowship at Princeton University.

Beginning his professional career in New Orleans, where he taught the history of the arts at Newcomb College, the women's division of Tulane University, Mr. Adams returned to Ohio in 1934 to become Assistant Director of the Columbus Gallery of Fine Arts, and was named Director in 1936. He left Columbus in 1945 to assume his duties as director of the Cincinnati Art Museum, one of Cincinnati's oldest cultural institutions founded in 1881. Mr. Adams retired as Director of the Cincinnati Art Museum on December 31, 1973, following a brilliant 28-year administration there, and was named Director Emeritus of the Musuem by the Museum Association's Board of Trustees on his retirement.

At the Cincinnati Art Museum Mr. Adams' strategy of presentation over the years managed to tie together with clarity and continuity, making for a purposeful and educative whole, what no less than four generations' differing notions of what a Museum should be (notions that were bodied forth in a variety of architectural styles and equally varied but comprehensive arrays of collections). During his almost three decades of directorship the Museum assembled through purchase and gift its internationally renowned collection of Near Eastern Art, outstanding Medieval arts, Far Eastern arts and almost the entire collections of sculpture from ancient through modern periods which is owned today. Decorative arts galleries and period rooms from Europe, the Near East and America were added, along with a costume collection, and the collections of paintings and prints reflecting world civilizations up to modern times were more than doubled.

Mr. Adams has been a lecturer with the Bureau of University Travel; Executive Secretary to the Art Committee of the Office of the Coordinator of Inter-American Affairs, generally known as the "Rockefeller Committee" to encourage cultural relations with the other American republics, in 1941; lecturer, Salzburg Seminar in American Studies, 1960. He is a member of the Association of Art Museum Directors; trustee of the American Federation of Arts; writer for professional art journals and national magazines; lecturer.

Honors and Honorary Degrees: Litt. D., Miami University, Oxford, Ohio, 1949; D.F.A., Wittenberg University, Springfield, Ohio, 1956; Doctor of Letters, College-Conservatory of Music, Cincinnati, 1958; L. H. D. University of Cincinnati, 1964; L. H. D. Hebrew Union College—Jewish Institute of Religion, 1966. In 1970 he was given an Achievement Award by the Ohio State University in its Centennial Year for notable and distinguished service to that University. A special honor came from the Cincinnati Art Museum in 1965 on his completion of twenty years as Director, when a new wing of the Museum building was named the Adams-Emery Wing, to honor him and his administrative partner and Board President (now Board Chairman) John J. Emery.

Mr. Adams will continue to make his home in Cincinnati, at 3003 Observatory Avenue, and already has been commissioned to do several important writing projects and consultations. He has plans to complete at least two major books of his own, relating to Museum practices and his installation theories which have been internationally admired and copied over the past two decades. He will continue to be in touch with the art world for future consultations and writing assignments.

THE ENERGY EMERGENCY ACT

Mr. WILLIAMS. Mr. President, as we meet today, our country is facing a time of very severe trial. The shortage of petroleum products nationwide grows more acute by the hour, and in some places it has already become critical.

In my own State of New Jersey, the gasoline shortage is now a gasoline crisis. I cannot emphasize too strongly the severity of the situation in my State. Elsewhere in the Nation, the fuel shortage may be no more than a story in the newspaper, or a minor inconvenience for Sunday drivers. In New Jersey it is, at this moment, an emergency. It is endangering the physical health of our more than 7 million citizens; it is undermining the structure of our State's economy, and it is threatening to erode the very fabric of law and order.

Mr. President, I want to leave no doubt in the minds of my colleagues about the dimensions of this crisis. I have seen it for myself; I have heard the details from our Governor, and I have read the urgent appeals for help that flood my office with every mail delivery. Let me share with you some of the thousands of letters and telegrams that explain, simply but eloquently, the situation that the people of New Jersey face at this moment.

A couple from New Milford telegraphed:

> New Jersey citizens are at the point of desperation. It makes no difference whether our representatives are Democrats or Republicans, they must have responsibility for the current state of affairs. We are looking for some leadership.

A telegram from a lady in Orange:

> I am almost 80 years old. Yesterday I was in the line at 6:45 a.m. and eight degree weather for two hours. I finally was given two gallons at two dollars.

A letter from a woman in Metuchen:

> We appeal to you for relief from the disastrous fuel situation in Central New Jersey.

The manager of a manufacturing plant in New Brunswick wired:

> Our employees can't get enough gas to get to work even with car pools . . . this crisis will cause a slowdown in our operations.

And the president of another company, in Millburn, said:

> Our employees had trouble getting into work and some do not have enough gas to get home.

Mr. President, I could fill page after page of the Record with stories like these. There are doctors who cannot make their rounds, employees at institutions for the handicapped who cannot get to work, teachers who cannot get to class, schools without buses for the students, and hundreds of thousands of ordinary people who are enduring very great hardships. Two-mile-long lines at gasoline pumps are commonplace, and 5-mile lines have been reported. Fist fights, and even more serious violence, is not unusual. And words like "uprising" and "riot" are being used more and more frequently by telephone callers who are simply at the end of their patience.

I have been trying to do everything in my power to help these people whom I represent. More than a fourth of my office staff is doing virtually nothing else than trying to help alleviate individual, emergency fuel shortages. I have been in constant communication with Federal Energy Office officials. And I have given my strongest support to every piece of energy-related legislation to come before this Senate.

Yesterday, I met in my office with New Jersey Governor Brendan Byrne, the distinguished senior Senator from my State, and Director William Simon of the FEO. We impressed upon Mr. Simon in the strongest possible terms the critical nature of the situation in New Jersey. He, in turn, promised to do all he could to alleviate our crisis, and I hope we will see some results soon. But Mr. Simon also made it clear that he needs additional authority from Congress to deal with a situation that is bad and bound to get worse. It is that additional authority that occupies the attention of the Senate today.

I have been proud of the leadership which Congress has shown in responding to the challenge of the petroleum shortage. Under the farsighted leadership of Senator Jackson, and others, we have literally been years ahead of the administration in recognizing the storm clouds gathering on the horizon. So it is particularly disheartening that now, with the tempest upon us, the Congress seems unable to act.

Mr. President, for more than 6 weeks, the Senate has had before it strong legislation responding to the immediate fuel crisis. Mr. Simon told me yesterday that the conference report on S. 2589 contains all of the legislative authority which the executive branch needs to deal with this situation.

This is, in my judgment, a solid bill shaped by the tireless efforts of some of the most able Members of Congress. It would establish the necessary administrative framework to deal with the crisis; it provides the specific legislative authority to effect maximum conservation of fuel supplies; it authorizes whatever steps may prove necessary to equitably and effectively distribute those resources we do have; and it provides additional assistance for the victims of the shortage.

This bill also provides for some measure of relief for the consumer from the skyrocketing price of petroleum products. It is not a long section of the bill, nor is it perhaps the most important section of the bill. But it is the section that has involved this Chamber in a protracted debate that has blocked passage of this vital legislation.

I am appalled that this bill has now been delayed even further. The prohibition on inequitable petroleum prices contained in this legislation has been recommended by the conference committee because it is needed. While all of us recognize the necessity for petroleum producers to receive a fair return on their investment, we cannot allow unrestrained profiteering. We must prevent this energy shortage from draining the consumer's bank account the same way it is draining his gas tank. And while we want to make it profitable for producers to expand their production, I think the windfall profits recently reported by every major oil company make it clear we are going well beyond that point.

The conference report concerning this section of the bill tells us that—

> The committee intends, in adopting this section, to strike a just balance between the need for equity and the need for adequate incentives to assure a sufficient long-run supply of domestic fuels.

Mr. President, I believe the committee has drafted legislation which would do exactly that. It is inexcusable that the Senate has again been prevented from ratifying that action. Those who have blocked approval of this legislation because of the excess profits provision are treading a dangerous path. They are ignoring the most urgent calls for help from the American people. And the court of public opinion may well hold them guilty of placing the narrowest of special interests ahead of the most broad and compelling public need.

I will predict that those who today have prevented this Senate from voting on this legislation will find cause to regret their action. Perhaps at this moment their own States are not yet feeling the full effects of the fuel shortage. Perhaps they do not yet fully require the relief promised by this act. But I believe they will. And as one who knows already the urgency of the situation, I can assure them they will regret having thwarted this Senate's attempt to respond to the needs of our people.

Mr. JACKSON. Mr. President, there has been much discussion in the last few days about the danger of rolling back prices to a level which would diminish needed petroleum supplies. It is clear that, at some level, prices could be set so low as to discourage future exploration and development. It is also clear that there is a point at which crude oil prices become excessive, unreasonable and serve no rational economic purpose. Incentives are needed for exploration and development of future energy resources. The clear majority of expert opinion in Government, industry and the universities agree that present prices of uncontrolled oil are far in excess of levels which are necessary for the further exploration and development of additional domestic energy resources.

In the past few months, the industry has presented a number of estimates of the price needed to elicit an adequate long-term supply of energy resources: these estimates range from $3 to somewhat under $7. Industry's own figures prove that a meaningful price rollback can be affected without diminishing supply. According to the highest studies and estimates that I have received, a price ceiling of about $7 would be more than adequate to encourage a sufficient long-term domestic supply of energy resources. As recently as February 4, 1974, the representatives of the Federal Energy Office testified that:

> It is reasonable to assume that after about three to five years, and allowing for some inflation, if the price of oil increases by about 50 percent from mid-1973, supplies should flow to satisfy about 85–90 percent of our demands. Accordingly, we have for planning purposes estimated that the "long-term supply price" is about $7.00 per barrel.

A number of other recent studies have focused on determining the long-run supply price of crude oil needed to elicit adequate domestic supplies of oil. A summary of the findings of these studies follows:

> *Federal Energy Office* (January 1974): ". . . The long term supply price of bringing in the alternate sources of energy in this country, as well as drilling the Outer Continental Shelf and the North Slope . . . is $7 a barrel, current 1973 dollars."
>
> *Department of the Treasury* (December, 1973): "No one knows exactly what the long-term supply price is, as no one can predict the future that clearly. Our best estimate is that it would be in the neighborhood of $7 per barrel within the next few years."
>
> *Independent Petroleum Association of America* (1973 projections): "In terms of constant 1973 dollars . . . an average price of about $6.65 per barrel for crude oil . . . would be required over the long run to achieve 85% self-sufficiency in oil and gas by 1980."
>
> *National Petroleum Council* Oil and Gas Availability (Dec. 1973): For maximum attainable self sufficiency by 1980, average revenue required per barrel of crude is shown on the following table for different rates of return.

TABLE 653.—AVERAGE UNIT REVENUE REQUIRED PER BARREL OF CRUDE OIL[1]

[Dollars per barrel][2]

	10 percent rate of return	12.5 percent rate of return	15 percent rate of return	17.5 percent rate of return	20 percent rate of return[3]
1971	2.739	2.981	3.223	3.465	3.706
1972	2.819	3.066	3.315	3.563	3.812
1973	2.855	3.112	3.370	3.628	3.836
1974	2.941	3.214	3.486	3.759	4.031
1975	3.168	3.359	3.650	3.941	4.232
1976	3.216	3.530	3.844	4.158	4.472
1977	3.398	3.738	4.078	4.413	4.758
1978	3.812	3.978	4.344	4.711	5.077
1979	3.815	4.208	4.601	4.995	5.339
1980	4.056	4.476	4.896	5.317	5.737
1981	4.288	4.738	5.183	5.639	6.087
1982	4.553	5.037	5.520	6.004	6.487
1983	4.864	5.381	5.899	6.417	6.935
1984	5.151	5.707	6.262	6.818	7.374
1985	5.500	6.093	6.687	7.280	7.873

[1] Based on economics for lower 48 States and South Alaska.

[2] Constant 1970 dollars.

[3] All rates of return are annual book return on average net fixed assets.

Source: National Petroleum Council, U.S. Energy Outlook: Oil and Gas Availability (1973).

> *Oil and Gas Journal* (September 17, 1973): "The price outlook for domestic crude thus has to be rated promising . . . The new prices make investment attractive in the new equipment and services to rejuvenate marginal wells . . . Risks are becoming worth taking."
>
> *Petroleum Independent* (November 1973): "There's no doubt that prospects are for increased drilling. Everybody I know is planning on it. With new oil priced from $5.30 to $6.00 per barrel, there's incentive now to go looking for oil."

The conference report provides for a rollback of all oil prices—new oil, released oil, stripper well oil, and State royalty oil—to a maximum of $5.25 a barrel on a national average. The conference report also provides that these are ceiling prices and the President may establish lower prices "if he determines that lower ceiling prices will permit the attainment of the objectives" of the Emergency Act and the Petroleum Allocation Act.

The conference report provides a procedure whereby the President may specify a higher price for reasonable classifications of crude oil, such as oil from stripper wells, if he finds that a higher price is necessary to permit the attainment of the objectives of the act. The procedure for specifying a higher price requires a detailed analysis justifying the need for a higher price. This analysis must deal with the impact of price on supply, demand, the economy, consumers, employment, and competition. This analysis must be transmitted to the Congress, and no proposed price increase may take effect during the first 30 days after date of enactment until Congress has received the analysis and had 15 days to review the stated justification.

Finally, the conference report provides that the price for domestic crude oil may, under no circumstances, exceed 35 percent of the rollback price of $5.25—which means a national average price of $7.09 a barrel.

Any price in excess of this would require an act of Congress to amend the rollback provision of the conference report.

The pricing procedure established by the report is subject to administrative review and a requirement for hearings. It is also subject to judicial review on a standard of substantial evidence.

Mr. President, price increases in the oil industry have far exceeded average increases in all other commodities in the economy in 1973. From January to October 1973, percent changes in the Wholesale Price Index included increases of 79.6 percent for fuel oil, 53.8 percent for gasoline, 22.2 percent for crude products and 55.8 percent for all refined petroleum products. In contrast, the WPI increase for all commodities during this period was 16.4 percent. By December, fuel price increases accounted for 40 percent of the increase in the Wholesale Price Index. A year ago, crude oil was selling for $3.40 a barrel. Today, prices in excess of $10 a barrel are common for new oil and oil produced from stripper wells; old oil sells for a ceiling of $5.25 a barrel.

By the time these costs are passed on to the consumer in the form of increased rates for electricity and for gasoline, heating oil and other products, the impact is even greater. The Federal Energy Office estimates that every-dollar cost increase for a barrel of crude translates into 2.5 cents increase in a gallon of gasoline or heating oil. In 1974, the Consumer Price Index is expected to rise by about 8.5 percent. The cost of living is projected to increase about 5.5 percent. Oil-related cost increases alone will account for 3 percent of the increase in the cost of living.

It is difficult to justify today's soaring fuel prices, despite the current worldwide petroleum shortage. Long term benefits may accrue to consumers in the future if price-related profits are used to develop new sources of energy, but there are indications the current price levels are far greater than those needed to promote domestic energy self-sufficiency. Clearly, a balance must be struck between the need for new energy sources and the present health of the economy. Reason must prevail in the petroleum pricing system.

Mr. President, the rollback provision in the report is different in a number of respects from the one I had proposed. It represents a compromise of strongly divergent views. The compromise is, however, a reasonable solution. It is a solution that will undoubtedly benefit the American consumer without diminishing future supply.

Mr. President, I ask unanimous consent to have the following materials printed at this point in the Record:

One. A letter I wrote to the Administrator of the Federal Energy Office on February 2, which raises the question as to whether there is any authority under the Petroleum Allocation Act to deregulate or to permit uncontrolled petroleum prices;

Two. A letter of February 1, from the executive director of the National Petroleum Council; and

Three. A memorandum by the Interior Committee's chief economist commenting on the NPC February 1 letter.

There being no objection, the items were ordered to be printed in the Record, as follows:

February 2, 1974.

Hon. William E. Simon,
Administrator, Federal Energy Office, Washington, D.C.

Dear Mr. Simon: At the conclusion of the testimony of Administration witnesses at the Committee's hearings on Friday, February 1, 1974, on S. 2885, a bill I introduced to roll back and establish price ceilings for crude oil and refined petroleum products, questions were raised concerning the Administration's authority to exempt new oil, released oil, and State royalty oil from the regulations implementing the price ceiling provisions of the Emergency Petroleum Allocation Act.

Legal Counsel to the Committee has advised me that the Administration is in apparent violation of the pricing requirements of Section 4 of the Allocation Act. Section 4(a) of the Act provides that "the President *shall* promulgate a regulation providing for the mandatory allocation" of crude oil and petroleum products "in amounts . . . and at prices specified in (or determined in a manner prescribed by) such regulation" (emphasis added).

Section 4(b) (1) (F) provides that the regulation "*shall* provide for" . . . "equitable distribution of crude oil, residual fuel oil, and refined petroleum products at *equitable prices* among all regions and areas of the United States and sectors of the petroleum industry . . ." (emphasis added).

Section 4(e) provides one exception to this requirement that all oil prices be placed under price ceilings. Section 4(e) (2) provides that the regulation promulgated under Section 4(a) on allocations and on prices "shall not apply to the first sale of crude oil . . ." from stripper wells.

Section 4(e) (1) provides a procedure for suspending allocation authority if the President makes and transmits to the Congress a finding that mandatory allocation is no longer needed to achieve the purposes of the Act. This procedure does not permit suspension of the Act's requirement that oil prices be "specified in (or determined in a manner prescribed by)" the regulation required under section 4(a) of the Act.

I would appreciate it if you would furnish me with a report and a legal memorandum on this matter. I am specifically interested in your views as to the legal authority for exempting new oil, released oil, and State royalty oil from the price requirements of the Emergency Petroleum Allocation Act.

As I understand it, the Administration's position on allowing major exemptions to price ceilings may be based in part upon an interpretation of the Conference Report on the Allocation Act which was contained in a letter of November 13, 1973, to me from Dr. John T. Dunlop, Director of the Cost of Living Council. Dr. Dunlop's letter dealt with his understanding of provisions of the Report dealing with stripper wells, pricing and personnel. In connection with the adoption of the Conference Report, I had Dr. Dunlop's letter together with other materials printed in the Congressional Record and indicated general concurrence in Dr. Dunlop's interpretation.

On further review of the clear meaning of the Act and Dr. Dunlop's November 13 interpretation it is my view that the Act does not permit these exceptions to the price requirements of the Act. To the extent I expressed concurrence in Dr. Dunlop's interpretation of the pricing authority and directive in the Act I was in error. In any event, the concurrence of any single member of Congress in an interpretation of the law does not change the meaning or requirements of the law.

I do concur in Dr. Dunlop's statement in his letter that ". . . the administering agency which has been delegated price control authority under both statutes would be obligated to comply with the provisions of both."

I appreciate your assistance in this matter and I assure you of my cooperation and assistance in achieving a new level of stability and reasonableness in petroleum prices. As you know, the Conference Committee will meet on Monday on S. 2589, the Energy Emergency Act, to work out a resolution of the controversy over the windfall profit provisions of the Conference Report. As you know, I and other members of the Conference Committee will be proposing language to mandate a price ceiling for oil which has been exempted from price controls. I have directed the Committee staff to meet with representatives of your office to discuss how this can best be achieved. Meetings were held last night and a further meeting is scheduled at noon today.

With best regards,
Sincerely yours,
Henry M. Jackson,
Chairman.

National Petroleum Council,
Washington, D.C., February 1, 1974.

Hon. Henry M. Jackson,
U.S. Senator,
Washington, D.C.

Dear Senator Jackson: I have read your remarks which appear in the January 24, 1974, Congressional Record on Page 727 in which you introduced for yourself and others Senate Bill No. 2885 to amend Section 4 of the Emergency Petroleum Allocation Act of 1973 to direct the President to establish ceiling prices on petroleum and related goods. The bill was referred to the Committee on Interior and Insular Affairs. I would appreciate your insertion of this letter in the record of testimony or hearings held in connection with this proposed piece of legislation.

Your use of the domestic crude oil "price" in 1975 of $3.65 per barrel, as it appears in the study, is completely out of context. In addition, your citation of the NPC report to support your conclusion that "these were the prices domestic industry said it needed only a little over a year ago to achieve the maximum level of domestic self-sufficiency" is patently incorrect. The report contains no such finding or conclusion. As a matter of fact it stated, "Even in Case I (the most optimistic supply case), oil imports more than double between 1970 and 1975" and that even by 1985, there would be a necessity to import 18 percent of our total oil supply under the Case I conditions.

As clearly and urgently stated in the NPC report, "Price increases alone will not assure substantial increases in the exploration for and development of oil and gas supplies. They must be accompanied by *reasonable, consistent* and *stable* governmental policies specifically designed to encourage the development of additional domestic oil and gas production. Policy issues of particular importance include leasing of government lands, environmental conservation, taxation, natural gas price regulation and oil import quotas."

The National Petroleum Council's U.S. Energy Outlook study was an extremely technical study utilizing the judgment, experience and training of approximately 1,000 highly qualified professional people from both government and industry, including energy experts from outside the oil and gas industries. Throughout the two years of the study, careful and objective analysis was applied to all phases of the work to provide the best possible projection of energy alternatives available to this country. This same attitude toward accuracy and thoroughness is also apparent in the numerous reports which these same professionals prepared on each facet of this study. Of particular significance are definitions and descriptions of terms and methods provided by the authors to assure clarity and proper use of the results reported. It is unfortunate when these are ignored.

In December 1972, the NPC released a Summary Report of the U.S. Energy Outlook study, summarizing massive supply calculations that were developed for each of the primary fuels. The approach was to construct four principal cases to cover the range of reasonable supply projections. In designing the four cases, a number of assumptions were made regarding physical, economic and government policy factors. For example:

Case 1—This is the high end of the calculated supply range for each fuel and would be difficult to attain. It would require vigorous effort fostered by early resolution of controversy about environmental issues; ready availability of government land for energy resource development; adequate economic incentives; and a higher degree of success in locating current undiscovered resources than has been the actual case in recent years.

Case 4—This is the low end of the range of supply availability and represents a likely outcome if disputes of environmental issues continue to constrain growth and output of all fuels; if government policies prove to be inhibited; and if oil and gas exploratory successes do not improve over recent levels.

Cases 2 and 3—Represent two intermediate appraisals, with Case 2 postulating greater improvements in finding rates for oil and gas, and quicker solutions to problems of fabricating and installing nuclear powerplants than does Case 3.

Many variables influence the supplies of domestic oil and gas that can be developed and the revenues required to yield acceptable returns on investment. Two of the most significant are the finding rate (volume of oil and gas found per unit of exploratory effort) and the drilling rate (three different ones were assumed in the study). The three drilling activity projections, when combined with the two finding rate assumptions, result in a set of four principal cases—each with projected reserve additions, production rates, costs and required average wellhead revenues to achieve specified rates of return. None of these projections, because of the future uncertainties in the variable factors, can be treated as forecasts.

Page 1 of the report states this clearly as follows:

"As a starting point, this procedure required the development of *assumed* ranges of activity levels and, where relevant, success ratios. These were translated into production volumes, costs and 'prices' needed to provide reasonable returns on investment. The methodology was not designed to develop activity levels or resulting supplies based on assumed prices or to quantify the incentives needed to realize the assumed levels of activity. These incentives, which are not measurable within calculated prices, include such important motivational factors to an investor as the anticipated future economic and political climate."

May I emphasize, as also stated on Page 1 of the NPC report, that as used in this study, "price" does not mean a specific selling price as between producer and purchaser and does not represent a future market value. The term "price" refers generally to economic levels which would, on the basis of the four cases analyzed, support given levels of activity for the particular fuel.

With respect to economic incentive, the report states:

"The most effective economic incentive would be to allow prices to increase to the level at which the industry can attract and internally generate the risk capital needed to expand activity to its maximum capability. This requires both a fair return on total investment (e.g., return on net fixed assets), as well as the anticipation of attractive returns on current and future investments."

The method of computing the required oil "price" in the four cases results in an *average* value for both the "old" oil discovered before 1971 and the "new" oil found during 1971–1985 period.

The table below shows the average required prices for the Lower 48 States for oil (in 1970 constant dollars) for all four supply cases to result in a 15 percent rate of return on *total* investment, not just the new investment. For your information, I have added a column showing the "prices" if an inflation factor of 4 percent per annum is added.

SUMMARY OF AVERAGE REQUIRED PRICES PER BARREL OF OIL, LOWER 48 STATES, 1970 ACTUAL—$3.18

[Current dollar with 4-percent-per-year inflation]

	Case I (dollars)		Case II (dollars)		Case III (dollars)		Case IV (dollars)	
	1970	Current	1970	Current	1970	Current	1970	Current
1975	3.65	4.45	3.63	4.43	3.67	4.48	3.57	4.35
1980	4.90	7.25	4.73	7.00	4.95	7.33	4.39	6.50
1985	6.69	12.00	6.18	11.12	6.60	11.88	5.28	9.50

Thus, average "prices" in 1985 range from $5.28 to $6.69 per barrel up from $3.18 in 1970 (or with inflation added, the average prices in 1985 for oil would range from $9.50 to $12.00 per barrel). I note you cited only the 1975 price for Case I. Since the lead times inherent in finding and developing new oil and gas supplies range from 3 to 8 years, only by 1985 were significant increments in domestic oil supplies attained.

Under the most optimistic supply conditions (Case I) and given a demand growth rate of 4.2 percent per year, domestic oil might provide 28 percent of total energy requirements in 1985, which would still represent a decline from 31 percent in 1970. If present trends continue (as in Case IV), domestic oil would only provide 17 percent of total requirements in 1985.

The NPC study is a long-range fuel supply study, and 1975 by itself, was not considered significant for purposes of drawing major conclusions. If conclusions are to be drawn, they should be for the whole period 1971–1985, with particular focus on 1985.

In none of the cases for any year would domestic self-sufficiency in oil be attained, and only by 1985 could a reasonable or feasible level of domestic self-sufficiency in energy be achieved.

Energy imports in 1970 were about 12 percent of the U.S. energy supply. In all cases, energy imports increase sharply between 1970 and 1975. Imports as a percent of total energy supply are:

	1970	1975	1980	1985
Case I	12	20	16	11
Case II	12	20	19	20
Case III	12	23	26	28
Case IV	12	26	38	38

Even in Case I, oil imports more than doubled between 1970 and 1975. Required imports in 1985 range from 19.2 MMB/D in Case IV to 3.6 MMB/D in Case I.

OIL IMPORTS AS A PERCENT OF TOTAL OIL SUPPLY

	1970	1975	1980	1985
Case I	26	42	30	18
Case II	26	43	37	38
Case III	26	51	66	65
Case IV	26	51	66	65

It is my desire herein to clarify for the record what the NPC study on U.S. Energy Outlook actually concluded. I understand that copies of all our energy reports and supporting documents have been made available to the members of the Senate Committee on Interior and Insular Affairs and its staff.

Sincerely yours,

VINCENT M. BROWN,
Executive Director.

OIL IMPORTS

[In millions of barrels per day]

	1970	1975	1980	1985
Case I	3.4	7.2	5.8	3.6
Case II	3.4	7.4	7.5	8.7
Case III	3.4	8.5	10.6	13.5
Case IV	3.4	9.7	16.4	19.2

U.S. SENATE COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS,
Washington, D.C., February 4, 1974.

To: Members of the Committee on Interior and Insular Affairs and of the House-Senate Conference Committee on the Energy Emergency Act.

From: Arlon R. Tussing, Chief Economist, Committee on Interior and Insular Affairs.

Re: National Petroleum Council's "Required Prices for Crude Oil".

Senator Jackson and other Senators have recently cited the December 1972 study by the National Petroleum Council (NPC) (*U.S. Energy Outlook*) as evidence that, only a year ago, the producing industry regarded crude oil prices in the range of $3.50 to $4.50 per barrel as adequate to support the maximum practical level of exploration and development. The members have singled out particularly the attached Table 15 of the NPC report, *U.S. Energy Outlook*, which indicates a "required" price of $3.65 in 1975, to support the NPC's most optimistic scenario (Case I). Because the latter figure was given in 1970 dollars, the equivalent price today would be about $4.35, which was very close to the average price of "old" oil before the December increase authorized by FEO.

TABLE 15.—AVERAGE REQUIRED "PRICES" FOR OIL AND GAS—1970 CONSTANT DOLLARS

	Actual *		Projected at 15 percent return on net fixed assets		
	1965	1970	1975	1980	1985
HIGH FINDING RATES					
Crude oil "price" (dollars per barrel):					
Case I	3.26	3.18	3.65	4.90	6.69
Case II	3.26	3.18	3.63	4.73	6.18
Gas field "price" (cents per M ft.^{3}):					
Case I	17.8	17.1	26.7	33.7	43.6
Case II	17.8	17.1	26.2	31.8	39.8
LOW FINDING RATES					
Crude oil "price" (dollars per barrel):					
Case III	3.26	3.18	3.67	4.95	6.60
Case IV	3.26	3.18	3.57	4.39	5.28
Gas field "price" (cents per M ft.^{3}):					
Case III	17.8	17.1	27.9	37.8	53.0
Case IV	17.8	17.1	26.6	31.6	38.7

*Bureau of Mines actual data, unadjusted for rate of returnt

Vincent M. Brown, Executive Director of the NPC, has submitted a letter for the record, a copy of which is attached, protesting this use of the NPC study. He wrote Senator Jackson:

"Your use of the domestic crude oil 'price' in 1975 of $3.65 per barrel, as it appears in the study, is completely out of context. In addition, your citation of the NPC report to support your conclusion that 'these were the prices domestic industry said it needed only a little over a year ago to achieve the maximum level of domestic self-sufficiency' is patently incorrect. The report contains no such finding or conclusion."

Mr. Brown's criticism rests mainly upon the structure of the NPC's economic model.

In simple terms, the NPC's methodology was as follows for each of four "Cases" (and a number of sub-cases):

(1) A specific drilling rate was assumed;

(2) The cost of this drilling program gave the investment required;

(3) A specific "success rate" in drilling was assumed;

(4) The rate of production in future years was inferred from the success rate;

(5) The average crude oil prices were calculated for each year, that would give revenues equal to a given "return" (e.g., 15 percent) on the industry's invested capital as derived from the investment figures in (2).

The measure which the NPC used for rate of "return on net fixed assets" bears little resemblance to the discounted cash flow (DCF) rate of return concepts sophisticated managements use in evaluating investment opportunities.

Mr. Brown's protest is correct to this extent: the NPC's naive economic model was not explicitly "designed to develop activity levels [drilling rates, etc.] or resulting supplies based on assumed prices or to quantify the incentives needed to realize the assumed levels of activity (p. 1)." In other words, the NPC's method's formal results were not, from the beginning, very useful in evaluating such factors as price controls, taxes, the rate of OCS leasing, or other policies that might affect either the drilling rate or the success rate. This is because these rates were already given as assumptions of the study.

An economic model designed to estimate the effectiveness of various policies toward the oil industry would have to differ from the NPC model in at least two respects: (1) it would have to recognize that the success rate depends upon the drilling rate (because of the tendency to explore and develop the best available prospects first), and (2) it would use a discounted cash flow rate of return concept rather than the balance sheet concept used in the table.

Notwithstanding the inappropriateness of the NPC's methodology to evaluating many important public policy questions, the NPC report, U.S. Energy Outlook, did not hesitate to draw quantitative conclusions about prices, taxes and leasing rates as if these were logical inferences from the study. The table which Senator Jackson cited was labeled "Average Required 'Prices' ". The attached supporting table (no. 660) from the background report to U.S. Energy Outlook, "Oil and Gas Availability," is labeled "Average Unit Revenue Required Per Barrel of Crude Oil (Dollars Per Barrel)."

TABLE 660.—AVERAGE UNIT REVENUE REQUIRED PER BARREL OF CRUDE OIL [1]

[Dollars per barrel] [2]

Case II	10 percent rate of return	12.5 percent rate of return	15 percent rate of return	17.5 percent rate of return	20 percent rate of return [3]
1971	2.739	2.981	3.223	3.465	3.706
1972	2.819	3.066	3.314	3.563	3.811
1973	2.852	3.109	3.366	3.623	3.880
1974	2.934	3.205	3.476	3.747	4.018
1975	3.053	3.341	3.629	3.917	4.205
1976	3.189	3.497	3.806	4.115	4.424
1977	3.354	3.686	4.018	4.350	4.682
1978	3.545	3.900	4.255	4.611	4.965
1979	3.719	4.097	4.476	4.855	5.234
1980	3.922	4.323	4.725	5.126	5.526
1981	4.109	4.535	4.961	5.387	5.813
1982	4.325	4.779	5.234	5.688	6.142
1983	4.576	5.058	5.541	6.023	6.507
1984	4.805	5.319	5.832	6.345	6.858
1985	5.088	5.631	6.175	6.719	7.262

[1] Based on economics for lower 48 States and South Alaska.

[2] Constant 1970 dollars.

[3] All rates of return are annual book return on average net fixed assets.

The text of the report, even more explicitly than its tables, tries to lead the reader to make policy conclusions purportedly based upon the Council's "extremely technical study utilizing the judgment, experience and training of approximately 1,000 highly qualified professional people from both government and industry, including energy experts from outside the oil and gas industry."

"For each fuel, the four principal supply cases estimated the average unit revenues or 'prices' required to support assumed ranges of activity levels, given an assumed range of investment returns. These analyses indicate that real energy 'prices' of domestic fuels at the wellhead or mine must rise significantly by 1985. Since the 'prices' cited for the fuels do not consider differences in quality, distribution costs or use characteristics, the 'prices' calculated in this study cannot be meaningfully compared with each other. The projected range of percentage increases in average 'prices' required to 1985 (in terms of 1970 dollars) over 1970 for individual fuels is indicated below:

Oil at the wellhead: up 60 to 125 percent.
Gas at the wellhead: up 80 to 250 percent.
Coal at the mine: up about 30 percent.
U_3O_8: up about 30 percent.

"The above ranges would imply an average annual increase in fuel 'prices' of 2 to 9 percent, though the rate of increase would not necessarily be uniform throughout the period to 1985 and would not be the same for each fuel. These are increases in real costs over and above inflation.

"The required 'prices' calculated indicate a need for a sharp reversal of the declining real price trends that have been experienced for the last several years. Declining prices have reduced the attractiveness of this high-risk industry as is evidenced by the decline in both drilling effort and in reserve additions resulting from new exploration."

The NPC model's validity, or lack of validity, for measuring the effects of changes in tax policy depends on exactly the same factors as its validity for price analysis. Yet, the report's narrative did not shrink from quantitative judgments about the impact of tax reform:

"Long-established tax provisions for the extractive industries have historically promoted the development of energy supplies. These tax features deal with percentage depletion applicable to coal, uranium, oil, gas, oil shale and geothermal steam, and those permitting current deductions of intangible costs for oil and gas. Adverse changes in such tax provisions would prove expensive for the Nation because they would reduce supplies and lead to higher costs and prices. For instance, complete removal of the statutory depletion allowance would necessitate an immediate 'price' increase on the order of $0.50 per barrel for all oil and $0.03 per thousand cubic feet (MCF) for gas; by 1985 it would necessitate increases of $0.90 to $1.00 per barrel and $0.05 to $0.07 per MCF in order to maintain a return on investment sufficient to generate and attract the capital needed to provide the supply projected. These 'price' increases are over and above the increased 'prices' indicated for the particular fuel cases in 1985 due to higher investment and operating costs."

As long as the numbers generated by the NPC model could be used to support price increases (rather than rollbacks), the NPC was willing, notwithstanding the many reservations in the text, to have its readers think that the "price" estimates had some meaning for public policy.

"The most effective economic incentive would be to allow prices to increase to the level at which the industry can attract and internally generate the risk capital needed to expand activity to its maximum capability. This requires both a fair return on total investment (e.g., return on net fixed assets), as well as the anticipation of attractive returns on current and future investments.

"During the last 10 to 15 years, real prices of oil and gas at the wellhead have declined while real costs have been increasing. As a result, both drilling activity and addition of new reserves have declined rapidly. Assuming a 15-percent annual rate of return in constant 1970 dollars, 1985 average oil 'prices' may have to range from $5.06 to $7.21 per barrel, and 1985 average gas 'prices' may have to range from $0.31 to $0.59 per MCF to support the activity levels assumed (Cases IA and IVA). If prices for gas found prior to 1971 are prevented from increasing by regulatory or contractual restrictions, the required 'price' in 1985 for gas found after 1970 would be on the order of 30 to 50 percent greater than the average 'prices' calculated.

"Even a continuation of drilling activity along the current declining trend will require 'price' increases of about $2.00 per barrel and $0.15 per MCF by 1985 if the petroleum industry is to realize a 15-percent return on its net fixed assets."

In fairness to the NPC, no model or methodology can answer all questions equally well, and the NPC report is hedged with sufficient disclaimers to deter any careful reader from taking most of its projections, above all its price projections, at face value.

Yet, Senator Jackson did not, in his statement quoted by Mr. Brown, assert that the NPC "price" estimates were accurate or meaningful. He cited them as evidence of the levels industry thought one year ago would be necessary to support a sharp upturn in domestic investment and production. These figures were used by the NPC for exactly that purpose—to propagandize for higher prices.

Taken precisely in the context of the whole report, which was used by the NPC to underpin the industry's defense of higher prices, oil import quotas, tax preferences, and which was endorsed by the Council as a whole, it is entirely proper to say, as Senator Jackson did, that "these were the prices domestic industry said it needed only a little over a year ago . . ."

Mr. HANSEN. Mr. President, I should like to ask a question of the distinguished majority leader.

Last night, as I was listening to Roger Mudd on CBS News, I heard a description of what took place in the Senate yesterday in reference to the debate pertaining to the energy crisis.

Mr. Mudd spoke about the efforts being made by representatives of the oil-producing States to thwart any immediate consideration of the energy bill. He added, after naming a number of Senators who had participated in the debate—and I shall not state the names—the name of the distinguished senior Senator from Arizona (Mr. FANNIN). We all know that Arizona is not an oil-producing State, but I do not make an issue of that.

However, Mr. Mudd stated that the distinguished majority leader was unable even to get a unanimous-consent agreement to vote at a time certain—Tuesday, February 19. It was to that statement that I took exception. I pointed out to Mr. Mudd that, so far as I knew, all of the Senate conferees who were available had discussed with the distinguished majority leader, the distinguished majority whip, and the distinguished minority leader the details of an agreement that was proposed by the distinguished majority leader, when he asked whether we might enter into that agreement and vote at a time certain. I said that not one single oil State representative objected to that.

Then Mr. Mudd pointed out that he thought he had heard the Senator from Arizona (Mr. FANNIN) make an objection. I said that Senator FANNIN's objection was misinterpreted; that Senator FANNIN meant to say that he would object to a proposal that was implied by the distinguished Senator from Rhode Island (Mr. PASTORE) if he were to ask that there be immediate consideration of the energy bill as of that moment yesterday, or, I should say, if he were to ask for a vote on recommittal.

My question to the distinguished majority leader is: Did I relate the facts essentially and accurately to Mr. Mudd?

Mr. MANSFIELD. Yes. The consent agreement was advanced by the distinguished Senator from Arizona, who does not come from an oil-producing State, and was agreed to by the Senator from Montana, now speaking, who does come from an oil State. We thought we had agreed all the way around—at least, among all those most heavily involved who are members of the conference.

There was opposition, I must say in all candor, from both sides. But the result was that I felt impelled, because of the developing temper, to withdraw the unanimous consent request which had been offered. But no opposition was raised today when the consent agreement was proposed, so the result has been achieved; and there has been no delay in achieving it.

But the distinguished Senator from Arizona, I should like to emphasize, was the initiator of the unanimous-consent request and certainly would not be one to oppose that for which he was responsible. I believe that what he was opposed to was the possibility that there might be a motion to recommit the bill yesterday and that, of course, would have been a debatable motion. That, in my opinion, is what he had reference to at that time.

Mr. HANSEN. I thank the distinguished majority leader.

Mr. FANNIN. Mr. President, I wish to extend my thanks to the distinguished Senator from Wyoming and to our very capable majority leader, who is always so gracious and considerate of what is being proposed. He always gives consideration to every Senator.

I was very appreciative yesterday that the majority leader did transact the complete procedure as he has outlined, and I was very sure that everyone received consideration. I am sure it was the opinion of the distinguished majority leader, that this would perhaps result in an earlier vote on the recommital or the acceptance or rejection of the conference report, and I felt the same way. I feel a great deal was accomplished.

I feel that we will accomplish the objective. There was no delay. The House did not get a rule. They are coming back on Wednesday after the recess. There is no assurance they could act until the Senate has taken action.

I wish to express my great appreciation to the majority leader for the way he handled this particular matter. I know he and I feel we will have a definite vote and perhaps time will be saved, rather than lost.

Mr. MANSFIELD. It is my understanding from reading the ticker on yesterday that it seems almost impossible to get the bill up in the House before Wednesday, February 20, based on the attitude of the Rules Committee here. I say this most respectfully. Therefore, this is the best possible solution.

May I say in all fairness to Mr. Mudd, who needs no defense from me, that he did have something to latch onto because the motion pending at that time was the Fannin motion.

Mr. FANNIN. That is correct.

Mr. MANSFIELD. Which I was offering for the Members most interested. But if he had followed it as closely as he might have, he would have seen the Senator from Arizona looking over in this direction and being interested in not allowing a motion to recommit yesterday.

So I think there is some fairness to Mr. Mudd's position, and it should be on the RECORD.

Mr. FANNIN. I agree with the distinguished majority leader that it could have been very easily misinterpreted.

Mr. MANSFIELD. Not at all, because if the Senator from Arizona had not personally initiated the unanimous-consent agreement there might be some reason to think otherwise, but you would not go back on your own baby.

Mr. FANNIN. I am not protecting Roger Mudd. I have great admiration for him. But as I have said, I would like to correct this matter. I wish we did have oil in the State of Arizona. If this would produce oil in the State of Arizona, I would be very pleased.

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956–75, INCLUSIVE

Mr. HARRY F. BYRD, JR. Mr. President, on Monday of this week, the administration submitted the budget for fiscal 1975. The budget has a built-in Federal funds deficit of $18 billion.

During the period of fiscal years 1970 through 1975 the total accumulated Federal funds deficit will be $133 billion.

I have prepared a table showing the deficits in Federal funds and interest on the national debt for the 20-year period 1956 through 1975, inclusive. I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956 TO 1975, INCLUSIVE

[Prepared by Senator Harry F. Byrd, Jr. of Virginia]

[In billions of dollars]

	Receipts	Outlays	Surplus (+) or deficit(−)	Debt interest
1956	65. 4	63. 8	+1. 6	6. 8
1957	68. 8	67. 1	+1. 7	7. 3
1958	66. 6	69. 7	−3. 1	7. 8
1959	65. 8	77. 0	−11. 2	7. 8
1960	75. 7	74. 9	+0. 8	9. 5
1961	75. 2	79. 3	−4. 1	9. 3
1962	79. 7	86. 6	−6. 9	9. 5
1963	83. 6	90. 1	−6. 5	10. 3
1964	87. 2	95. 8	−8. 6	11. 0
1965	90. 9	94. 8	−3. 9	11. 8
1966	101. 4	106. 5	−5. 1	12. 6
1967	111. 8	126. 8	−15. 0	14. 2
1968	114. 7	143. 1	−28. 4	15. 6
1969	143. 3	148. 8	−5. 5	17. 7
1970	143. 2	156. 3	−13. 1	20. 0
1971	133. 7	163. 7	−30. 0	21. 6
1972	148. 8	178. 0	−29. 2	22. 5
1973	161. 4	186. 4	−25. 0	24. 2
1974[1]	185. 6	203. 7	−18. 1	27. 8
1975[1]	202. 8	220. 6	−17. 9	29. 1
Total (20 years)	2, 205. 6	2, 433. 0	227. 5	296. 4

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department.

INDIAN SELF-DETERMINATION AND EDUCATIONAL REFORM ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 1017 Calendar No. 658.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1017) to promote maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; to encourage the establishment of local Indian school control; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There was no objection, and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Indian Self-Determination and Educational Reform Act".

CONGRESSIONAL FINDINGS

SEC. 2. (a) The Congress, after careful review of the Federal Government's historical and special legal relationship with, and resulting responsibilities to, American Indian people, finds that—

(1) the prolonged Federal domination of Indian service programs has served to retard rather than enhance the progress of Indian people and their communities by depriving Indians of the full opportunity to develop leadership skills crucial to the realization of self-government, and has denied to the Indian people an effective voice in the planning and implementation of programs for the benefit of Indians which are responsive to the true needs of Indian communities; and

(2) The Indian people will never surrender their desire to control their relationships both among themselves and with non-Indian governments, organizations, and persons.

(b) The Congress further finds that—

(1) true self-determination in any society of people is dependent upon an educational process which will insure the development of qualified people to fulfill meaningful leadership roles;

(2) the Federal responsibility for and assistance to education of Indian children, Indian adult education, and Indian skills training has not effected the desired level of educational achievement or created the diverse opportunities and personal satisfaction which education can and should provide; and

(3) parental and community control of the educational process is of crucial importance to the Indian people.

DECLARATION OF POLICY

SEC. 3. (a) The Congress hereby recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational as well as other Federal services to Indian communities so as to render such services more responsive to the needs and desires of those communities.

(b) The Congress declares its commitment to the maintenance of the Federal Government's unique and continuing relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy which will permit an orderly transition from Federal domination of programs for and services to Indians to effective and meaningful participation by the Indian people in the planning, conduct, and administration of those programs and services.

(c) The Congress declares that a major national goal of the United States is to provide the quantity and quality of educational services and opportunities which will permit Indian children and adults to compete and excel in the life areas of their choice, and to achieve the measure of self-determination essential to their social and economic well-being.

DEFINITIONS

SEC. 4. For the purposes of this Act, the term—

(a) "Indian" means a person who is a member of an Indian tribe;

(b) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native community as defined in the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(c) "tribal organization" means the elected governing body of any Indian tribe or any legally established organization of Indians which is controlled by one or more such bodies or by a board of directors elected or selectd by one or more such bodies (or elected by the Indian population to be served by such organization) and which includes the maximum participation of Indians in all phases of its activities;

(d) "Secretary", unless otherwise designated, means the Secretary of the Interior;

(e) "school district" means any political subdivision of a State which is responsible for the provision, administration, and control of public education through grade 12 as defined by the law of such State;

(f) "comparable school district" means that school district in the same State the size of enrollment of which is most nearly equal to that of the district seeking eligibility under this Act; and

(g) "State education agency" means the State board of education or other agency or officer primarily responsible for supervision by the State of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

TITLE I—THE INDIAN SELF-DETERMINATION ACT

SEC. 101. This title may be cited as the "Indian Self-Determination Act".

CONTRACTS BY THE SECRETARY OF THE INTERIOR

SEC. 102. (a) The Secretary of the Interior is directed, upon the request of any Indian tribe, to enter into a contract or contracts with any tribal organization of any such Indian tribe to plan, conduct, and administer programs, or portions thereof, provided for in the Act of April 16, 1934 (48 Stat. 596), as amended, parts A, B, and D of title II of this Act, any other program or portion thereof which the Secretary of the Interior is authorized to administer for the benefit of Indians under the Act of November 2, 1921 (42 Stat. 208), and any Act subsequent thereto: *Provided, however,* That the Secretary may initially decline to enter into any contract requested by an Indian tribe if he finds that: (1) the service to be rendered to the Indian beneficiaries of the particular program or function to be contracted will not be satisfactory, (2) adequate protection of trust resources is not assured, or (3) the proposed project or function to be contracted for cannot be properly completed or maintained by the proposed contract: *Provided further,* That in arriving at his finding, the Secretary shall consider whether the tribe or tribal organization is deficient with respect to (1) equipment, (2) bookkeeping and accounting procedures, (3) substantive knowledge of the program to be contracted for, (4) community support for the contract, (5) adequately trained personnel, or (6) other necessary components of contract performance.

(b) Whenever the Secretary declines to enter into a contract or contracts pursuant to subsection (a) of this section he shall (1) state his objections in writing to the tribe within sixty days, (2) provide, to the extent practicable, assistance to the tribe or tribal organization to overcome his stated objections, and (3) provide the tribe with a hearing, under such rules and regulations as he may promulgate, and the opportunity for appeal on the objections raised.

(c) The Secretary is authorized to require any tribe requesting that he enter into a contract pursuant to the provisions of this title to obtain adequate liability insurance: *Provided, however,* That each such policy of insurance shall contain a provision that the insurance carrier shall waive any right it may have from suit, but that such waiver shall extend only to claims the amount and nature of which are within the coverage and limits of the policy and shall not authorize or empower such insurance carrier to waive or otherwise limit the tribe's sovereign immunity outside or beyond the coverage and limits of the policy insurance.

CONTRACTS BY THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

SEC. 103. (a) The Secretary of Health, Education, and Welfare is directed, upon the request of any Indian tribe, to enter into a contract or contracts with any tribal organization of any such Indian tribe to carry out any or all of his functions, authorities, and responsibilities under the Act of August 5, 1954 (68 Stat. 674), as amended: *Provided, however,* That the Secretary may initially decline to enter into any contract requested by an Indian tribe if he finds that: (1) the service to be rendered to the Indian beneficiaries of the particular program or function to be contracted will not be satisfactory, (2) adequate protection of trust resources is not assured, or (3) the proposed project or function to be contracted for cannot be properly completed or maintained by the proposed contract: *Provided further,* That the Secretary of Health, Education, and Welfare, in arriving at his finding shall consider whether the tribe or tribal organization will be deficient with respect to (1) equipment, (2) bookkeeping and accounting procedures, (3) substantive knowledge of the program to be contracted for, (4) community support for the contract, (5) adequately trained personnel, or (6) other necessary components of contract performance.

(b) Whenever the Secretary of Health, Education, and Welfare declines to enter into a contract or contracts pursuant to subsection (a) of this section he shall (1) state his objections in writing to the tribe within sixty days, (2) provide, to the extent practicable, assistance to the tribe or tribal organization to overcome his stated objections, and (3) provide the tribe with a hearing, under such rules and regulations as he shall promulgate, and the opportunity for appeal on the objections raised.

(c) The Secretary of Health, Education, and Welfare is authorized to require any tribe requesting that he enter into a contract pursuant to the provisions of this title to obtain adequate liability insurance: *Provided, however,* That each such policy of insurance shall contain a provision that the insurance carrier shall waive any right it may have to raise the defense of tribal immunity from suit, but that such waiver shall extend only to claims the amount and nature of which are within the coverage and limits of the policy and shall not authorize or empower such insurance carrier to waive or otherwise limit the tribe's sovereign immunity outside or beyond the coverage and limits of the policy of insurance.

GRANTS TO INDIAN TRIBAL ORGANIZATIONS

SEC. 104. The Secretaries of the Interior and of Health, Education, and Welfare are each authorized, upon the request of any Indian tribe, to make a grant or grants to any tribal organization of such Indian tribe for planning, training, evaluation, and other activities specifically designed to make it possible for such tribal organization to enter into contract or contracts pursuant to sections 102 and 103 of this Act.

DETAIL OF PERSONNEL

SEC. 105. (a) Section 3371(2) of chapter 33 of title 5, United States Code, is amended (1) by deleting the word "and" immediately after the semicolon in clause (A); (2) by deleting the period at the end of clause (B) and inserting in lieu thereof a semicolon and the word "and"; and (3) by adding at the end thereof the following new clause:

"(C) any Indian tribe, band, or other organized group or community, including any Alaska Native community as defined in the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians."

(b) The Act of August 5, 1954 (68 Stat. 674), as amended, is further amended by adding a new section 8 after section 7 of the Act, as follows:

"SEC. 8. In accordance with subsection (d) of section 214 of the Public Health Service Act (58 Stat. 690), as amended, upon the request of any Indian tribe, band, group, or community, commissioned officers of the Service may be assigned by the Secretary for the purpose of assisting such Indian tribe, group, band, or community in carrying out the provisions of contracts with, or grants to, tribal organizations pursuant to section 102, 103, or 104 of the Indian Self-Determination and Educational Reform Act".

(c) Paragraph (2) of subsection (a) of section 6 of the Military Selective Service Act of 1967 (81 Stat. 100), as amended, is amended by inserting after the words "Environmental Science Services Administration" the words "or who are assigned to assist Indian tribes, groups, bands, or communities pursuant to the Act of August 5, 1954 (68 Stat 674), as amended,".

ADMINISTRATIVE PROVISIONS

SEC. 106. (a) Contracts with tribal organizations pursuant to sections 102 and 103 of this Act shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the appropriate Secretary, such contracts may be negotiated without advertising and need not conform with the provisions of the Act of August 24, 1935 (49 Stat. 793), as amended.

(b) Payments of any grants or under any contracts pursuant to section 102, 103, or 104 of this Act may be made in advance or by way of reimbursement and in such installments and on such conditions as the appropriate Secretary deems necessary to carry out the purposes of this title.

(c) Any contract requested by a tribe pursuant to sections 102 and 103 of this title shall be for a term not to exceed one year unless the appropriate Secretary determines that a longer term would be advisable: *Provided,* That such term may not exceed three years and shall be subject to the availability of appropriations: *Provided further,* That the amount of such contracts may be renegotiated annually to reflect factors including but not limited to cost increases beyond the control of a tribal organization.

(d) Notwithstanding any provision of law to the contrary, the appropriate Secretary may, at the request or consent of a tribal organization, revise or amend any contract or grant made by him pursuant to section 102, 103, or 104 of this Act with such organization as necessary to carry out the purposes of this title: *Provided, however,* That whenever an Indian tribe requests retrocession of the appropriate Secretary for any contract entered into pursuant to this Act, such retrocession shall become effective upon a date specified by the appropriate Secretary not more than one hundred and twenty days from the date of the request by the tribe or at such later date as may be mutually agreed to by the appropriate Secretary and the tribe.

(e) In connection with any contract or grant made pursuant to section 102, 103, or 104 of this Act, the appropriate Secretary or agency head may permit a tribal organization to utilize, in carrying out such contract or grant, existing school buildings, hospitals, and other facilities and all equipment therein or appertaining thereto and other personal property owned by the Government within his jurisdiction under such terms and conditions as may be agreed upon for their use and maintenance.

(f) The contracts authorized under section 102 and 103 of this Act and grants pursuant to section 104 of this Act may include provisions for the performance of personal services which would otherwise be performed by Federal employees: *Provided,* That the Secretary shall not make any contract which would impair his ability to discharge his trust responsibilities to any Indian tribe or individuals.

(g) Contracts with tribal organizations and regulations adopted pursuant to this Act shall include provisions to assure the fair and uniform provision by such organizations of services and assistance to Indians in the conduct and administration of programs or activities under such contracts.

SEC. 107. (a) The Secretaries of the Interior and of Health, Education, and Welfare are each authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying out the provisions of this title, (1) within six months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall consult with national and regional Indian organizations, to the extent practicable, to consider and formulate appropriate rules and regulations to implement the provisions of this title, (2) within seven months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall present the proposed rules and regulations to the Interior and Insular Affairs Committees of the Senate and House of Representatives, (3) within eight months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties, and (4) within ten months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall promulgate rules and regulations to implement the provisions of this title.

(b) The Secretary of the Interior and the Secretary of Health, Education, and Welfare are authorized to revise and amend any rules or regulations promulgated pursuant to subsection (a) of this section: *Provided,* That prior to any revision or amendment to such rules or regulations the respective Secretary or Secretaries shall consult with appropriate national or regional Indian organizations, to the extent practicable, and shall publish any proposed revisions in the Federal Register not less than sixty days prior to the effective date of such rules and regulations in order to provide adequate notice to, and receive comments from, other interested parties.

SEC. 108. For each fiscal year during which an Indian tribal organization receives or expends funds pursuant to a contract or grant under this title, the Indian tribe which requested such contract or grant shall submit to the appropriate Secretary a report including, but not limited to, an accounting of the amounts and purposes for which Federal funds were expended, information on conduct of the program or service involved, and such other information as the appropriate Secretary may request. The reports and records of the Indian tribal organization with respect to such contract or grant shall be subject to audit by the appropriate Secretary and the Comptroller General of the United States.

SEC. 109. There are hereby authorized to be appropriated for the purposes of section 104 of this title the amount of $3,000,000 to the Department of the Interior and $2,000,000 to the Department of Health, Education, and Welfare for each of three succeeding fiscal years following the date of enactment of this Act.

SEC. 110. Nothing in this Act shall be construed as affecting, modifying, diminishing, or otherwise impairing the sovereign immunity from suit enjoyed by any Indian tribe.

SEC. 111. Nothing in this title shall be construed as authorizing or requiring the termination of any existing trust responsibility of the United States with respect to the Indian people.

TITLE II—THE INDIAN EDUCATIONAL REFORM ACT

SEC. 201. This title may be cited as the "Indian Educational Reform Act".

PART A—EDUCATION OF INDIANS IN PUBLIC SCHOOLS

SEC. 202. For the purpose of providing education to Indians enrolled in the public schools of any State, the Secretary is authorized to enter into contracts with any such State or political subdivision thereof, or with any Indian tribe or tribal organization residing in any such State (such State, political subdivision, Indian tribe, or tribal organization to be hereinafter referred to as "contractor"): *Provided,* That in the event the contractor is an Indian tribe or tribal organization which resides in more than one State and the Secretary wishes to contract with such tribe or tribal organization to provide education to Indians enrolled in the public schools of more than one State, separate contracts shall be negotiated with such tribe or tribal organization for each such affected State.

SEC. 203. (a) In administering the various provisions of this Act, the Secretary shall not enter into any contract unless the prospective contractor has submitted to and has had approved by the Secretary an education plan which assures that—

(1) all taxable property within each school district affected by any such proposed contract is taxed at a rate no less than the average property tax rate in the five most comparable school districts in such State which are not eligible for assistance under part A of this title;

(2) all funds which any such affected school district receives under the provisions of title I of the Act of September 30, 1950 (64 Stat. 1100), as amended, shall be considered local tax income for the purposes of clause (1) of this subsection;

(3) per pupil payments of State and local education funds to any such affected school district are not less than the average of such payments made to such five comparable school districts referred to in clause (1) of this subsection;

(4) Any contract pursuant to section 202 shall provide sufficient funds, when added to funds generated by clauses (1) and (3), to provide operational per pupil expenditures equal to the average operational per pupil expenditures from State and local funds, exclusive of Federal funds other than those referred to in (2), of the five comparable districts referred to in clause (1), and, additional funds in an amount not less than 20 per centum of the total per Indian pupil expenditures in such affected district which funds shall be used by the contractor to provide Indians enrolled in any school of such affected district with programs to meet the special education requirements of Indian students such as;

(A) guidance and counseling services for Indian students in grades five through twelve which, wherever feasible, should be provided at a ratio of not less than one counselor for every fifty Indian students;

(B) curriculum development programs, including production of special bilingual and bicultural materials, to meet the needs of Indian students;

(C) teacher aides (bilingual where appropriate) at a ratio, wherever feasible, of one per twenty Indian students in grades kindergarten through six, and one per thirty Indian students in grades seven through twelve;

(D) supplemental school lunch and school breakfast funds for Indians as needed, such funds to be in addition to any assistance otherwise provided by law;

(E) school nursing services for Indians, which services shall be coordinated with the Indian Health Service of the Public Health Service;

(F) summer school programs for Indians, including academic as well as recreational, remedial and cultural and academic enrichment components, as desired by the Indian community;

(G) payment of students' fees and other costs incidental to school programs which are not included within the budget of the affected school district;

(H) vocational technical career education; and

(I) such other educational programs as may be mutually agreed upon by the Secretary and the contractor;

(5) funds provided to the contractor under any contract pursuant to part A of this title shall be available to the contractor for administrative and consultative costs in carrying out such contract, including necessary expenses pursuant to subsection 203(a) of this Act, where appropriate in such amounts as the Secretary may authorize;

(6) in the event that the local public school board of a school district directly affected by any such contract pursuant to this part A is not composed of a majority of Indians, a community education committee shall be established, which shall be composed of members elected by the parents of Indian students attending the school or schools under the jurisdiction of such board, and which shall fully participate in the development and approval of programs authorized by this part A, and shall be so structured, and carry out such other duties, as the Secretary shall by regulation provide, subject to the laws of the affected State: *Provided,* That in the event that a local Indian committee exists pursuant to section 411 of the Act of June 23, 1972 (86 Stat. 235), or the Act of April 16, 1934 (48 Stat. 596) as amended, such committee may be utilized for the purposes of this clause; and

(7) any school district educating Indian students who are members of Indian tribes which do not normally reside in the affected State and who are residing in Federal board-

ing facilities for the purposes of attending public schools within such district shall be reimbursed for the full amount of the per capita costs to such school district for educating students in comparable grades: *Provided,* That where the family place of residence of any such Indian student is within the affected State the Federal payment pursuant to part A of this title shall be reduced by the equivalent of the affected State's share of the per pupil cost as defined in clause (3) of this subsection for each such Indian student.

(b) Whenever a prospective contractor is a State education agency, prior to entering into a contract with such prospective contractor, the Secretary shall be assured that—

(1) an Indian Advisory Council on Education to advise the State education agency has been established, which Council shall be composed of educators which, insofar as practicable, is proportionally representative of all tribes within such State and which has been elected by the local Indian committees designated pursuant to clause 203(a)(6) of this Act or by an Indian-controlled school board;

(2) such Advisory Council has had the opportunity to fully advise and make recommendations to the chief State school officer in the preparation of the education plan pursuant to subsection (a) of this section;

(3) such Advisory Council shall have the opportunity to advise and make recommendations on the development of other programs provided for in this title; and

(4) on or before July 1 of each year, such Advisory Council shall submit to the Secretary, in such form and manner as he shall prescribe, a report evaluating the progress achieved in education of Indians in such State under programs provided for in this title. Such report shall be submitted by the Secretary to the relevant State agency for comment.

(c) The Secretary shall enter into a contract with the State education agency of any State the public education system of which is affected by a contract or contracts pursuant to section 202, regardless of who the contractor or contractors may be, to provide the professional and support staff and administrative services necessary to assist local school districts affected by such contract or contracts in implementing the purposes of this title.

(d) The Secretary is authorized and directed to provide funds, either pursuant to the authority provided in this Act or pursuant to any other authority granted to him to expend funds for the educational support of Indian children to any tribe or tribal organization which controls and manages any previously private school.

SEC. 204. (a) There are hereby authorized to be appropriated for each of the seven fiscal years following the first fiscal year after the date of enactment of this Act $60,000,000.

(b) For the purpose of affording potential contractors adequate notice of available Federal financial assistance under this part A, appropriations for contracts pursuant to section 202 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

SEC. 205. Whenever the sums appropriated for any fiscal year for payments pursuant to this part A are not sufficient to pay in full the total amounts which all contractors are eligible to receive pursuant to this part A for such fiscal year, the maximum amounts which each such contractor is eligible to receive pursuant to this part A for such fiscal year shall be ratably reduced. Whenever additional funds become available for making such payments for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced.

SEC. 206. The Secretary shall proceed expeditiously to negotiate the contracts authorized by section 202. Such contracts and the authortiy provided by this part A shall replace existing education programs for Indians conducted pursuant to, and the authority to conduct and administer such programs provided by, the Act of April 16, 1934 (48 Stat. 596), as amended. Upon June 30, 1975, all authority to conduct and administer education programs for Indians pursuant to the Act of April 16, 1934 (48 Stat. 596), as amended, shall be rescinded and that Act shall be further amended by deleting the word "education," whenever it appears.

PART B—DEVELOPMENT OF PROFESSIONALS IN INDIAN EDUCATION

SEC. 207. (a) The Secretary is authorized to establish and carry out a program of making grants, to, and contracts with, institutions of higher education and other public, private nonprofit organizations or agencies, or Indian tribes or tribal organizations with relevant experience and expertise in order to provide fellowships and carry out programs and projects to—

(1) prepare persons to serve Indians in public, private, or totally federally funded schools as educational administrators, teachers, teacher aides, and ancillary educational personnel, including, but not limited to, school social workers guidance counselors, school nurses, and librarians; and

(2) improve the qualifications of persons who are serving Indians in such capacities.

(b) In selecting participants in or recipients for fellowships to programs and projects under this section preference shall be given to Indians.

(c) The Secretary is authorized and directed to determine criteria pursuant to which he shall evaluate all grants and contracts authorized under this section.

SEC. 208. For the purpose of making grants or contracts pursuant to this part B there is authorized to be appropriated $10,000,000 for the fiscal year after the enactment of this Act, and $15,000,000 for each of the next two succeeding fiscal years.

PART C—SCHOOL CONSTRUCTION

SEC. 209. (a) The Secretary is authorized to enter into a contract or contracts with any State education agency or school district for the purpose of assisting such agency or district in the acquisition of sites for, or the construction, acquisition, or renovation of facilities (including all necessary equipment) in school districts on or adjacent to or in close proximity to any Indian reservation or other lands held in trust by the United States for Indians, if such facilities are necessary for the education of Indians residing on any such reservation or lands.

(b) The Secretary of the Interior may expend not less than 75 per centum of such funds as are authorized and appropriated pursuant to this part C on those projects which meet the eligibility requirements under subsections (a) and (b) of section 14 of the Act of September 23, 1950 (72 Stat. 548), as amended. Such funds shall be allocated on the basis of existing funding priorities, if any, as established by the United States Commissioner of Education under subsections (a) and (b) of section 14 of the Act of September 23, 1950. The United States Commissioner of Education is directed to submit to the Secretary, at the beginning of each fiscal year, commencing with the first full fiscal year after the date of enactment of this Act, a list of those projects eligible for funding under subsections (a) and (b) of section 14 of the Act of September 23, 1950.

(c) The Secretary may expend not more than 25 per centum of such funds as may be authorized and appropriated pursuant to part C on any school eligible to receive funds under subsection 203(d) of this Act.

(d) Any contract entered into by the Secretary pursuant to this section shall contain provisions requiring such State educational agency to—

(1) provide Indian students attending any such facilities constructed, acquired, or renovated, in whole or in part, from funds made available pursuant to this section with standards of education not less than those provided non-Indian students in the school district in which the facilities are situated; and

(2) meet, with respect to such facilities, the requirements of the State and local building codes, and other building standards set by the State educational agency or school district for other public school facilities under its jurisdiction or control or by the local government in the jurisdiction within which the facilities are situated.

(e) The Secretary of the Interior shall consult with the entity designated pursuant to section 203(a)(6) and with the governing body of any Indian tribe or tribes the educational opportunity for the members of which will be significantly affected by any contract entered into pursuant to this section. Such consultation shall be advisory only, but shall occur prior to the entering into of any such contract. The foregoing provisions of this subsection shall not be applicable where the application for a contract pursuant to this section is submitted by an elected school board of which a majority of its members are Indians.

(f) For the purpose of implementing the provisions of this section, the Secretary shall assure that the rates of pay for personnel engaged in the construction or renovation of facilities constructed or carried out in whole or in part by funds made available pursuant to this section are not less than the prevailing local wage rates for similar work as determined in accordance with the Act of March 3, 1921 (46 Stat. 1491), as amended.

(g) Within ninety days following the expiration of the three year period following the date of the enactment of this section, the Secretary of the Interior shall evaluate the effectiveness of the program pursuant to this section and transmit a report of such evaluation to the Congress. Such report shall include—

(1) an analysis of construction costs and the impact on such costs of the provisions of subsection (f) of this section and the Act of March 3, 1921 (46 Stat. 1491), as amended:

(2) a description of the working relationship between the Department of the Interior and the Department of Health, Education, and Welfare including any memorandum of understanding in connection with the acquisition of data pursuant to subsection (b) of this section:

(3) projections of the Secretary of the Interior for future construction needs of the public schools serving reservation Indian children, residing on or adjacent to Indian reservations.

(4) a description of the working relationship of the Department of the Interior with local or State educational agencies in connection with the contracting for construction, acquisition, or renovation of school facilities pursuant to this section, and

(5) his recommendations with respect to the transfer of the responsibility for administering subsections (a) and (b) of section 14 of the Act of September 23, 1950 (72 Stat. 548), as amended, from the Department of

Health, Education, and Welfare to the Department of the Interior.

(h) For the purpose of carrying out the provisions of this section, there is authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1974; $35,000,000 for each of the four succeeding fiscal years; and thereafter, such sums as may be necessary, all of such sums to remain available until expended.

PART D—YOUTH INTERN PROGRAM

SEC. 210. In order to provide meaningful and career-related work opportunities for Indian youth who are not enrolled in educational programs during the summer months, the Secretary is authorized to establish and carry out an Indian youth intern program for any Indian sixteen years of age or older who is regularly enrolled in secondary school, vocational school, or higher education program during usual school terms.

SEC. 211. (a) In establishing and administering the Indian youth intern program, the Secretary shall designate or recognize community service fields including those related to education, child development, recreation, law, health services, engineering, research, science, government, agriculture and forestry, business and commerce, and other appropriate pursuits, which can provide useful experience to Indian youth in exploring and participating in activities related to their future choices of possible careers.

(b) The Secretary shall determine the number of Indian youth in the community or reservation who are interested in employment during the summer months in the fields designated in subsection (a) of this section.

(c) The Secretary shall require negotiations with employers for the employment of each Indian youth participating in the Indian youth intern program, such negotiations to include a job description outlining specific duties, evaluation of the progress of the Indian youth intern, and consultation by the employer with the Indian youth intern periodically.

SEC. 212. In establishing and carrying out the Indian youth intern program, the Secretary shall take such action as may be necessary to assure that—

(1) each Indian youth intern shall be paid not less than the Federal minimum wage;

(2) each Indian youth intern shall engage in activities which are supplemental to those of the regular work force where he is employed and shall not replace any regular adult full-time employee, except as a temporary substitute during any normal vacation or other such leave of any such employee;

(3) the total wages paid each Indian youth intern employed by a nonprofit agency shall be paid out of funds provided in this part D;

(4) one-half the wages paid each Indian youth intern employed by other than a nonprofit agency shall be paid out of funds provided in this part D, and one-half by the employer;

(5) each Indian youth intern shall be covered by appropriate workmen's compensation laws;

(6) no Indian youth intern shall be entitled, by reason of his employment as an intern, to participate in any pension, retirement, or unemployment compensation programs;

(7) there shall be one supervisor for each twenty Indian youth interns during their period of employment; that such supervisor shall be compensated at a rate not in excess of the minimum rate for GS-9 of the General Schedule under section 5332 of title 5, United States Code; and that, with respect to the position of supervisor, preference shall be given to qualified Indians residing in the locality in which the interns are employed.

SEC. 213. For the purpose of carrying out the provisions of this part D, there is hereby authorized to be appropriated $10,000,000 for the first fiscal year after the enactment of this Act, and $15,000,000 for each of the next two succeeding fiscal years.

PART E—EDUCATIONAL RESEARCH AND DEVELOPMENT

SEC. 214. (a) The Secretary is authorized to make grants to and contracts with universities and colleges and other public and private nonprofit agencies, institutions, and organizations, and to and with individuals for research, surveys, and demonstrations in the field of Indian education and for the dissemination of information derived from such research, surveys, and demonstrations.

(b) No grant shall be made or contract entered into pursuant to this section until the Secretary has obtained the advice and recommendations of educational specialists who are competent to evaluate proposals as to the soundness of design, prospects of productive results, and adequacy of the resources of any applicant to conduct research, surveys, or demonstration projects. Wherever possible among the educational specialists consulted shall be Indians who are not employees of the Federal Government.

(c) No grant shall be made or contract entered into pursuant to this section until the Secretary is satisfied that the activities to be funded do not substantially duplicate research, surveys, or demonstrations the results of which are or will be accessible to the public.

SEC. 15. For the purposes of carrying out the provisions of this part E, there is hereby authorized to be appropriated $2,000,000 for the first fiscal year after enactment of this Act, and $3,000,000 for each of the next two succeeding fiscal years.

PART F—ADULT, VOCATIONAL, AND EARLY CHILDHOOD EDUCATION

SEC. 216. After consultation with persons competent in the appropriate field of education of the Federal Government, the Secretary shall present to the Ninety-fourth Congress, within sixty days of the convening thereof—

(1) a proposed program of adult and continuing education designed to meet the needs of Indian people;

(2) a proposed program designed to meet the vocational and technical career education needs of Indian people;

(3) a proposed program designed to meet the early childhood education needs of the Indian people;

(4) a proposed program designed to meet the special education needs of gifted and handicapped Indians aged three to twenty-one years; and

(5) a review and analysis of existing programs in higher education for Indians administered by the Department of the Interior, and a proposed program of higher education designed to meet the needs of the Indian people; and

(6) an assessment of the capability of the Federal Government to measure effectively and accurately the educational progress and achievement of Indian people, such assessment to include a review of the ability of the Department of the Interior to measure the educational achievement and progress of Indian people. The Secretary is further directed in the preparation of such an assessment to consult with the Secretary of the Department of Health, Education, and Welfare, and such other agency heads as he deems appropriate, as the capability of the Office of Education or the National Institute on Education to measure the educational progress and achievement of Indian people, and shall include the result of such consultations in such report.

SEC. 217. For the purpose of carrying out the provisions of this part F, there is hereby authorized to be appropriated $750,000 for the first fiscal year after the enactment of this Act.

PART G—GENERAL PROVISIONS

SEC. 218. No funds from any grant or contract pursuant to this title shall be made available to any school district unless the Secretary is satisfied that the quality and standard of education, including facilities and auxiliary services, for Indian students enrolled in the school of such district are at least equal to that provided all other students from resources, other than resources provided in this title, available to the local school district.

SEC. 219. No funds from any contract or grant pursuant to this title except as provided in part B shall be made available by any Federal agency directly to other than public agencies and Indian tribes, institutions, and organizations: *Provided*, That school districts, State education agencies, and Indian tribes, institutions, and organizations assisted by this title may use funds provided herein to contract for necessary services with any appropriate individual, organization or corporation.

SEC. 220. In the event that Indian students comprise the majority of any class or school assisted by this title, non-Indian students enrolled in the class or school may participate in programs funded by this title: *Provided*, That such participation is approved by the local public school board if such board is composed of a majority of Indians or the community education committee established pursuant to clause 203(a)(6) of this title and by the parents of the non-Indian children: *And provided further*, That such non-Indian children are not counted for the purposes of section 203 of this title.

SEC. 221. (a)(1) Within six months from the date of enactment of this Act, the Secretary shall consult with national and regional Indian organizations with experience in Indian education, to the extent practicable, to consider and formulate appropriate rules and regulations to implement the provisions of this title, (2) within seven months from the date of enactment of this Act, the Secretary shall present the proposed rules and regulations to the Interior and Insular Affairs Committees of the Senate and House of Representatives, (3) within eight months from the date of enactment of this Act, the Secretary shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties, and (4) within ten months from the date of enactment of this Act, the Secretary shall promulgate rules and regulations to implement the provisions of this title.

(b) The Secretary is authorized to revise and amend any rules or regulations promulgated pursuant to subsection (a) of this section: *Provided*, That prior to any revision or amendment to such rules or regulations the Secretary shall consult with appropriate national or regional Indian organizations, to the extent practicable, and shall publish any proposed revisions in the Federal Register not less than sixty days prior to the effective date of such rules and regulations in order to provide adequate notice to, and receive comments from, other interested parties.

SEC. 222. Prior to expending any funds appropriated pursuant to this title, the Secretary shall be assured that such funds shall add to, and not replace, other funds provided in Federal programs for the benefit of Indians.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to promote maximum Indian participation in the government and education of the Indian people; to provide for the full participation of Indian tribes in programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish a program of assistance to upgrade Indian education; to support the right of Indian citizens to control their own educational activities; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. Nelson, Mr. Biden, Mr. Bayh, Mr. Brooke, Mr. Randolph, Mr. Kennedy, Mr. Hathaway, Mr. Ribicoff, and Mr. Williams):

S. 2993. A bill to amend the Comprehensive Employment and Training Act of 1973 to establish a special program of emergency energy employment, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MANSFIELD (for Mr. Kennedy):

S. 2994. A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective State health regulatory programs and area health planning programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. GRAVEL:

S. 2995. A bill to review the present and prospective uses of the lands of the United States, and to stimulate the production of oil and gas from such lands, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD (for Mr. Kennedy, for himself, Mr. Javits, Mr. Williams, and Mr. Schweiker):

S. 2996. A bill to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries. Referred to the Committee on Labor and Public Welfare.

By Mr. ABOUREZK:

S. 2997. A bill for the relief of Peter John. Referred to the Committee on the Judiciary.

By Mr. HANSEN (for Mr. Cook):

S. 2998. A bill to amend Public Law 93–159 relative to petrochemicals. Referred to the Committee on Interior and Insular Affairs.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 2999. A bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 3000. A bill to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. Nelson, Mr. Biden, Mr. Bayh, Mr. Brooke, Mr. Randolph, Mr. Kennedy, Mr. Hathaway, Mr. Ribicoff, and Mr. Williams):

S. 2993. A bill to amend the Comprehensive Employment and Training Act of 1973 to establish a special program of emergency energy employment, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, my purpose this morning is to introduce for myself, the Senator from Wisconsin (Mr. Nelson), the Senator from New Jersey (Mr. Williams), and other Senators, including Senator Kennedy, who is also a member of the Labor and Public Welfare Committee, the Emergency Energy Employment Assistance Act of 1974, which I send to the desk for appropriate reference.

Our bill would amend the Comprehensive Employment and Training Act of 1973, which Senator Nelson and I coauthored and which the President signed into law on December 28, 1973, to add a new title, "Special Emergency Energy Employment Assistance Program."

Under this new title, there are authorized to be appropriated for this fiscal year, 1974, and the succeeding fiscal year, such sums as may be necessary, not to exceed $4 billion over the 2-year period.

Funds appropriated under this authority would be deposited in a special emergency employment assistance fund for utilization by the Secretary of Labor for the provision of transitional public service employment opportunities, and related training and manpower services, for unemployed and underemployed persons.

These funds would become available whenever—

First, the President determines, after reviewing forecasts of anticipated levels of economic activity, that specified amounts available in the fund should be obligated in order to diminish expected levels of unemployment, and notifies the Congress and the Secretary of such determination; or

Second, the Congress, by concurrent resolution, determines after reviewing forecasts of anticipated levels of economic activity, that specified amounts available in the fund should be obligated in order to diminish expected levels of unemployment, and notifies the President and the Secretary of such determination; or

Third, the Secretary determines that the rate of national unemployment (seasonally adjusted) exceeds 6 percent for 3 consecutive months.

Funds would be made available under (1) and (2) above in amounts specified in any determinations; in the case of a determination under (3), however, the funds would be made available by the Secretary to the full extent available from the Fund.

If the full amount authorized were appropriated and the rate of national unemployment did exceed 6 percent for 3 consecutive months, then the $4 billion could provide at least 500,000 jobs or enough to meet the needs of approximately one-tenth of the total number of unemployed persons at the 6 percent level. Another way of looking at this is to point out that 500,000 would cover the major share of newly laid off workers in the event unemployment rose to 7 percent. This calculation is based on an average cost of $8,000 per slot, which is our estimate of the average cost in such circumstances, in terms of the kinds of jobs needed by unemployed persons under projected economic conditions, based also on past experience under the Emergency Employment Act.

Incidentally, with respect to the magnitude of our proposal, under the Emergency Employment Act of 1971, also coauthored by Senator Nelson and myself, cumulatively 300,000 jobs were created utilizing a 4.5 percent national trigger with an aggregate of $2.25 billion over a 2-year period.

The Secretary is required to apportion funds made available pursuant to our new title among prime sponsors designated under title I of the manpower act, and eligible applicants under title II throughout the United States on an equitable basis, taking into account the rate of unemployment in areas served by such prime sponsors and eligible applicants.

Thus, we have sought to interlock with the new manpower system established under the Comprehensive Employment and Training Act, while providing flexibility in terms of meeting the needs of various areas; similarly, the conditions which apply under the present law for public service employment opportunities, in terms of their transitional nature, wages, et cetera, would apply to jobs created under our new title.

Another important feature of our bill is the requirement that the President report to the Congress within 21 days from enactment with respect to implementation of this title, including an analysis of anticipated levels of economic activity and the criteria to be applied in making determinations, as well as comprehensive plans for implementation of the provisions generally upon a Presidential determination that funds are needed, or if funds are automatically triggered.

Reports transmitted to the Congress under the act will be referred to the Labor Committees of the House and Senate. However, the bill specifically allows other committees of the Senate or House to consider these reports.

Mr. President, it is a sobering experience to read through the annual economic report of the Council of Economic Advisers and through President Nixon's budget for fiscal year 1975. Both these documents bring home to us the fact that we are presently in the worst of all possible economic worlds, with unacceptable rates of both inflation and unemployment. The President's "goals" for economic policy are to keep GNP inflation down to 7 percent this year—which means a consumer price inflation of substantially more than that—and to keep unemployment at an average of a little over 5½ percent during 1974. Inflation rates of less than this amount prompted the President to initiate his wage-price freeze of 1971; and, as I noted unemployment rates of less than this amount, 4.5 percent, were established by Congress under the Emergency Employment Act only a few short years ago to trigger emergency funds for increase in public sector jobs.

Moreover, experience compels us to conclude that these "goals" may just turn out to be as optimistic as other of the administration's goals in years past. The energy crisis, for one, could force this economy into a much lower rate of economic growth than had been anticipated by both private and government economic forecasters.

Now the administration has declared that it will be flexible in the administration of budget policy, and that it is preparing contingency pump-priming programs to put into effect if and when it determines that the level of economic activity is lagging and warrants such programs.

However, I do not believe that Congress can simply leave this job to the administration. We owe it to millions of Americans whose lives are threatened by the loss of job security to see that economic policies generated in Washington do not make these threats a reality.

Accordingly, I am today introducing this legislation to provide a framework related directly to the economic conditions—in which the Congress, together with the Executive, can meet these threats, in the public interest.

Mr. President, in many respects this bill is identical to what the President is proposing. In his economic report, the President stated that he "would be prepared to support economic activity and employment by additional budgetary measures, if necessary."

This bill authorizes an emergency program which can be pulled off the shelf within a very short time after the President determines that additional budgetary measures are needed. Thus, there would be no delay in getting such a program off the ground in the event the economy started to depart from the course presently foreseen by White House economic policy and into a recession.

In some respects, however, our bill is significantly different from what the administration has been talking about. As I noted, for one, it requires the President to report within 21 days from enactment with a detailed analysis of what criteria he would apply before making funds available from the special fund for increased public sector jobs, and with comprehensive plans for implementation of the provisions of the bill. The reason for this provision is that while the President has given us reassurance about the fact that he is flexible, it would be much more assuring if we knew how flexible he was going to be. This is why we need a report detailing exactly what the President's intentions are. What is he going to look at, for example, in determining whether more money is needed for jobs? Will he look at employment levels, at the level of economic activity generally, or what? If we are to prevent unemployment from going above 6 percent in December, we must start seeing improvements in some of our economic indicators—such as housing starts—by April or May of this year. I think Congress shoud pin down the tests as to what the President is looking at, so that we are not left with the fact that the White House is merely thinking about contingency programs.

In addition, my bill would give Congress itself the power to release funds from the Emergency Employment Assistance Fund upon a congressional determination that transitional employment opportunities in public sector jobs are needed. The President, for example, may have his own criteria about the need for jobs, but we should be allowed to have ours, too. We may very well differ from the President, and my bill gives Congress the opportunity to do so and to provide funds, on its own initiative, if we think these are needed.

I would expect that Congress would not take such a decision lightly, but would consider the evidence presented to us by the administration and by such congressional bodies as the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor, the Joint Economic Committee, and the respective Banking and Currency Committees, as well as Ways and Means and Finance, and Appropriations.

Our bill also contains "fail-safe" provisions, which would release moneys from the Fund automatically in the event that the rate of national unemployment—seasonally adjusted—exceeded 6 percent for any 3 consecutive months. This figure is chosen because such a condition would clearly demonstrate that the economy is veering very sharply from the path foreseen by either the administration or by private forecasters. It is the least we owe to the American people to provide a bill which is immune from congressional or administration delays in the event unemployment clearly exceeds our expectations and the administration's, which are generally that national unemployment will not go above 6 percent.

As I see it, this bill represents the very least that Congress can do in its obligation to protect the American public from severe hardships resulting from continued high unemployment. It gives Congress the opportunity to work with the administration in making emergency funds available on the shortest possible notice. It actually helps implement the administration's desired goal of being flexible in the use of budget policy. It is, hopefully, a provision which will not have to be implemented, if the energy crisis and other factors affecting unemployment do not depress the economy too far, we may be well on the road to economic recovery by the third quarter of this year.

What these provisions mean in effect is that we are defining a new relationship in the domestic economic sphere between the Congress and the administration. The bill gives either the administration or the Congress the authority to activate moneys from the fund, and this is just as it should be. Hopefully it will create a dynamic tension between the administration and the peoples representatives in Congress in sizing up the situation and determining the proper course of economic policy, by activating funds which they together have agreed should be made available and have previously appropriated.

Mr. President, the features which distinguish this bill from the elements of the President's economic policy distinguish it also from the present Comprehensive Employment and Training Act of 1973 which it would amend.

The Comprehensive Employment and Training Act of 1973, which Senator NELSON and I coauthored should in no way be regarded as an inadequate piece of machinery to deal with any unemployment crisis.

But in this imperfect world—with unemployment jumping from 4.8 percent in December when the bill was signed to 5.2 percent in January—events may be even now overtaking it.

The new act's greatest contribution is that it establishes a new system of State and local prime sponsors to conduct manpower training and public service employment programs—replacing the direct Federal funding system we have had to date—an old system that could not possibly effectively absorb substantial funds.

But to get that new system into law—after 4 years of confrontation and disagreement between the Congress and the executive—compromises had to be made on both sides.

We left open the question of a ceiling or goal—depending upon how it is viewed—on funding. For the act, "such sums" were authorized for this fiscal year and for each of the 3 succeeding years; of that amount $250 million in this fiscal year and $350 million in the next—for 40,000 to 50,000 public service jobs respectively—are reserved for public service employment in local areas of substantial unemployment—triggered locally at 6½ percent; also, "such sums" were authorized as "ad-ons" for each of the 4 years—on top of the reservations—specifically for title II.

Now, it is open to us to seek funds under that authority generally to increase the funds overall or to increase the fund for title II—and depending upon the situation—we may well do so.

With respect to specific areas with 6.5 percent unemployment under title II there can be little doubt that funds appropriated for public service employment, will come close to their mark—merely by definition.

But as to other areas—which may suffer particularly although they are below 6.5 percent—or persons particularly hit by the energy crisis—the act may not provide a direct remedy. Funds generally appropriated must be allocated between titles, and then, once under title I, they are distributed among prime sponsors on the basis of a three-part formula including a hold harmless factor. Appropriations language may deal with these aspects.

In any event, as I have noted, our bill has a number of new elements, as follows:

A specific commitment of the Congress to a level of expenditure, and through that, a commitment to cover a certain percentage of the unemployed of the Nation if we exceed 6 percent nationally.

A new procedure to deal with the use of the money, establishing a new relationship between the Congress and the Executive.

A requirement that the President tell us exactly what he is going to do in economic terms and that a program be "on the shelf." Section 506 of the present law requires the Secretary to report to the Congress by March 31, 1974, on manpower needs resulting from energy shortages including recommendations, but that is much different than a plan ready to be launched, and the energy-related needs may not cover the whole picture.

Mr. President, I do not see this bill as the only obligation for Congress in the economic policy area this year. There are other problems besides unemployment, and additional measures besides public sector jobs could be necessary in the event of continued emergency conditions. I would like to make my views known on three other important measures which must be considered if we are to mount a comprehensive attack on our economic problems this year.

First, in view of the continued exceptionally high rate of inflation, we must continue the President's authority in the wage-price area under a 1-year extension of the Economic Stabilization Act. This does not mean that I am in favor of comprehensive wage and price controls under any conditions. But I do think we cannot let consumer prices rise at the highest rates since 1947 and at the same time remove completely from the President his authority to do anything about the situation. I am well aware of cases where controls has distorted market structures and have led ultimately to higher prices. However, controls do serve the purpose of lengthening the amount of time during which price increases take effect, and at a time when we are witnessing skyrocketing prices for petroleum products, the existence of controls could well blunt the very sharp effect which these crude oil prices would otherwise have on our sophisticated economy.

Another measure which I believe must be considered by the Congress this year is some means of reforming the social security tax so as to make it more equitable. At the present time, this tax falls most heavily on low-income earners. For some, social security taxes are far in excess of what they pay in income taxes. At the very least, we should raise the base for social security taxes, and adjust the rate at the lower end of the scale, so that these low-income wage earners do not have to bear a disproportionate burden of financing the system.

Third, I attach great importance to impressing on our trading partners abroad the intention of the United States to work out a cooperative international solution to the oil crisis. This week I introduced in the Senate a resolution outlining the steps which we believe the United States must follow in the pursuit of this policy. Basically it is the same policy being pursued by the President. However, it is important that both the President and those with whom he negotiates realize that in this extremely important matter the American people stand foursquare behind him. The consequences of failing to act in this area could be a continuation of skyrocketing oil prices and a worsening supply situation. The consequences of skilled and concerted action could be just the opposite.

Mr. President, hopefully, with the measure I introduce today, and these other recommendations, we can face our economic problems with confidence and in a spirit of cooperation, and common concern between the Executive and the Congress.

Mr. President, my colleague, Senator NELSON, joins with me in this matter, and I ask unanimous consent that his statement on the introduction of this bill immediately follow mine.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Senator NELSON points out that the alternative to the legislation which we are offering could also come about by the utilization of the act signed in December 1973 by the President, or a bill which had passed the Senate and is awaiting action by the House of Representatives, S. 1560. But it is because we do not know whether the House will act and because we wish to make the link with the energy crisis that we introduce this bill at this particular time.

Mr. President, our reason for introducing the bill stems, of course, from the annual Economic Report of the President based on the report of the Council of Economic Advisers and from the budget message of the President.

We see a highly unacceptable rate of inflation looming up in the way of the energy crisis which introduces a vital and contributing factor in respect of the danger of a recession. We see the prediction of a recession, at least in the early part of the year, which it is expected we will get over by the latter part of the year.

We believe that the record of forecasting by the administration in 1973 certainly was, to say the least, disappointing if not very deplorable.

So rather than run the risk that we will be caught short in this matter and recognizing that the key problem is the problem of unemployment—and this is recognized both by the Congress and by the President, as the President himself, with the cooperation of the Congress set employment as the highest priority in respect to the distribution of our oil and other energy resources—we have introduced this measure which will effectively be a standby measure that can be quickly called upon to take up any impact that inflation might have, which could lead to an even deeper recession than has already been predicted.

Mr. President, there are a few matters that I wish to emphasize further to the Senate which relate to our general economic situation and the urgent need to keep standby authority in the Economic Stabilization Act.

I know that the administration proposes to decontrol everything but food, fuel, and health care. However, with a 9-percent rate of inflation, which is tremendously alarming to this country, I do not believe we can allow our law to remain in a condition where there are no adequate means by which controls can be put into effect if those controls prove to be needed for reapplication as we go along.

My first recommendation is for a 1-year extension of the Economic Stabilization Act.

Second, we need to reform the social security tax to make it more equitable.

It is very interesting that people rarely speak of a social security tax when they speak of taxation. And yet this falls most heavily on the low- and middle-income earners, and especially on the young who are in the low-income group. They are a long way from that magic year when they will be entitled to social security.

So, Mr. President, I propose that the social security tax be graduated, as we do with income tax, and that the rate adjusted at the lower end of the scale for the low-income wage earners who will bear a disproportionate share of the burden. We should raise the ceiling, thereby making it possible to have a graduated social security tax.

Finally, we have an enormous problem of trade cooperation with the major industrialized nations of the world in respect of energy, in respect of international monetary system, and in respect of trade rules that the world will go by.

The world could very easily fall apart right now. The Common Market could be dismantled. These things will happen unless there is a great will to cooperate among the industrialized nations of the world who are meeting this very Monday in Washington, in the Washington Energy Conference.

The Senate has already passed a resolution with respect to the agenda of that council which the Secretary of State feels could be very helpful to him.

There could be dire consequences if we failed to take both skilled and concerted action at this time.

Hopefully the measures I introduce today and the other recommendations will enable us to face our economic problems with a common concern between the Executive and the Congress. Having been one of those who most advocated the recapture of our power in respect of war and appropriations and the economy of the country, I feel it my duty to point this out.

EXHIBIT 1

EMERGENCY ENERGY EMPLOYMENT ASSISTANCE ACT OF 1974

(Statement by Senator NELSON)

I am pleased to join as a cosponsor of Senator Javits' bill, the "Emergency Energy Employment Assistance Act of 1974."

This bill would amend the Comprehensive Employment and Training Act of 1973 to establish a special program under which funds would be made available to State and local governments in all areas of the nation to enable them to provide additional public service jobs to unemployed persons.

The legislation sets up a stand-by program which could provide up to 500,000 public service jobs throughout the nation if fully funded and utilized. Funds would be obligated whenever either the President himself decides to release funds to diminish the level of unemployment, or the Congress itself so decides by concurrent resolution passed by each House of Congress. In addition, whenever the seasonally adjusted nationwide rate of unemployment exceeds 6 percent for three consecutive months, the Secretary of Labor would be required to obligate funds appropriated for this program.

On last December 28, the President signed the Comprehensive Employment and Training Act of 1973 (Public Law 93-203), the Senate version of which I originally introduced together with Senator Javits last April 12. In reaching a compromise with the Administration last year in order to secure the President's signature on manpower reform legislation, the Congress found it necessary to limit the program of public service employment under title II of that Act to local areas having a rate of unemployment of 6.5 percent or more. Although other areas could use part of their manpower funds for public service employment, the final bill included no specific authorization of separate funds for that purpose in areas other than those having 6.5 percent or more unemployment rates.

However, the Senate last year passed the Emergency Employment Amendments of 1973 (S. 1560) as a separate piece of legislation, by the overwhelming vote of 74 to 21. That Senate-passed bill provides for a full extension of the Emergency Employment Act of 1971 which Senator Javits and I drafted and introduced 3 years ago. Over 300,000 previously unemployed persons have been hired in public service jobs under the Emergency Employment Act since it was signed by the President in July of 1971. The Emergency Employment Act provides for a nationwide public service employment program which would continue until such time as the nationwide unemployment rate has receded below 4.5 percent for 3 consecutive months. The Senate-passed Emergency Employment Amendments of 1973, which would extend the public service employment program through fiscal year 1975, is still pending in the House of Representatives. If the House passes similar public service employment legislation, I am confident that a joint Senate-House conference could easily reconcile any such House legislation with the Emergency Employment Amendments of 1973 already passed by the Senate, and a significant public service employment program for all areas of the Nation could then be enacted into law expeditiously.

The proposed Emergency Energy Employment Assistance Act of 1974 introduced today will, together with other proposals in the area of employment and training, be the focus of upcoming hearings on unemployment before the Senate Subcommittee on Employment, Poverty, and Migratory Labor. As chairman of the subcommittee, I always work together closely with Senator Javits, who is the ranking Republican on the full Labor and Public Welfare Committee, and a member of the subcommittee in developing proposals under the subcommittee's jurisdiction.

I believe that both the Congress and the administration should give prompt attention to the useful and creative features set forth in this proposed legislation.

Mr. President, I ask unanimous consent that the text of the bill introduced by the Senator from Wisconsin (Mr. Nelson), the Senator from New Jersey (Mr. Williams), myself, and other cosponsors be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2993

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Energy Employment Assistance Act of 1974".

Sec. 2. The Comprehensive Employment and Training Act of 1973 is amended by redesignating title VI, and all references thereto, as title VII and by redesignating sections 601 through 615, and all references thereto, as sections 701 through 715, respectively, and by inserting after title V thereof the following new title:

"TITLE VI—SPECIAL EMERGENCY ENERGY EMPLOYMENT ASSISTANCE PROGRAM

"APPROPRIATIONS AUTHORIZED

"Sec. 601. In addition to the amounts authorized to be appropriated for carrying out this Act under section 4, there are authorized to be appropriated for the fiscal year ending June 30, 1974 and the succeeding fiscal year, such sums, not to exceed $4,000,000,000 in the aggregate for such period, as may be necessary to carry out the provisions of this title.

"EMERGENCY EMPLOYMENT ASSISTANCE FUND

"Sec. 602. There is established in the Treasury a revolving fund to be known as the Emergency Employment Assistance Fund (hereafter in this title referred to as the "Fund"). Amounts appropriated pursuant to section 601 which are not needed for immediate expenditure in accordance with this title shall be deposited in such Fund to be available for obligation without fiscal year limitation in accordance with the provisions of this title. The Secretary is authorized to utilize sums deposited in the Fund to provide assistance under this title.

"FINANCIAL ASSISTANCE AUTHORIZED

"Sec. 603. (a) Whenever—

"(1) the President determines, after reviewing forecasts of anticipated levels of economic activity, that specified amounts available in the Fund should be obligated in order to diminish expected levels of unemployment, and notifies the Congress and the Secretary of such determination; or

"(2) the Congress, by concurrent resolution, determines after reviewing forecasts of anticipated levels of economic activity, that specified amounts available in the Fund should be obligated in order to diminish expected levels of unemployment, and notifies the President and the Secretary of such determination; or

"(3) the Secretary determines that the rate of national unemployment (seasonally adjusted) exceeds 6 percent for three consecutive months; the Secretary shall obligate such amounts to provide unemployed and underemployed persons with transitional employment in jobs providing needed public services, and, wherever feasible, related training and manpower services to enable such persons to move into employment or training not supported under this title. Such assistance shall be provided in accordance with the terms of any determination under paragraph (1) of this subsection or concurrent resolution under paragraph (2) of this subsection and in the case of a determination under paragraph (3) of this subsection to the full extent that funds are available in the Fund.

"(b) Except pursuant to section 3 of this Act, the Secretary shall apportion funds made available pursuant to this title among prime sponsors designated under title I of this Act and eligible applicants under title II of this Act throughout the United States on an equitable basis, taking into account the rate of unemployment in areas served by such prime sponsors and eligible applicants.

"(c) Transitional public service employment opportunities financed under this title shall be subject to the terms and conditions set forth in sections 205, 206, 207, 208, and 209 of this Act.

"SPECIAL REPORT

"Sec. 604. (a) Within 21 days after enactment of this Act, the President, after consultation with the Council of Economic Advisers, the Secretary and the heads of other appropriate departments and agencies, shall submit to the Congress a special report with respect to implementation of this title. The report required under this section shall include—

"(1) a detailed analysis of anticipated levels of economic activity and unemployment and the criteria to be applied in making various determinations under paragraph (1) of section 603(a); and

"(2) comprehensive plans for implementation of provisions of this title under paragraphs (1) and (3) of section 603(a).

"(b) The President and the Secretary may submit to the Congress such other reports as are necessary to the fulfillment of the objectives of this title.

"(c) Reports transmitted under this section, shall, when transmitted to the Congress, be referred to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Nothing in this subsection shall be construed to prohibit the consideration of the report by any other committee of the Senate or the House of Representatives with respect to any matter within the jurisdiction of any such committee."

By Mr. MANSFIELD (for Mr. Kennedy):

S. 2994. A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective State health regulatory programs and area health planning programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished senior Senator from Massachusetts (Mr. Kennedy), I introduce on his behalf a bill to amend the Public Health Act to assure the development of a national health policy and for effective State health regulatory programs and area health planning programs, and for other purposes. This act may be cited as the National Health Planning and Development Act of 1974.

Mr. KENNEDY. Mr. President, on June 30, 1974, many existing authorities under the Public Health Service Act will expire. Among the expiring programs are regional medical programs, comprehensive health planning, and the Hill-Burton program which provides aid to hospital construction.

Last year, the administration proposed allowing regional medical programs and the Hill-Burton program to expire. They proposed extending comprehensive health planning authorities with very little change. At that time the Congress authorized a 1-year extension of all expiring Public Health Service Act authorities in order to enable later congressional examination and consideration of the administration's proposals and, if necessary to develop alternative proposals.

Mr. President, the comprehensive health planning and regional medical programs were intended, at the time of their enactment, to help bring about better organization of our health care delivery system. Both were initially intended to create a mechanism to bring about better organization of health care resources. Neither program has accomplished that goal.

The blame for failure to accomplish their original goal does not lie entirely with those responsible in the execution of those programs. The legislative history of the comprehensive health planning authority is characterized by a lack of focus and a lack of clear delineation of mission, as well as absence of an effective mechanism for carrying out a mission, even if one existed.

Comprehensive health planning agencies, although varying widely in their effectiveness, have in general, been underfunded and understaffed. Moreover, they lack the legislative authority to bring about adequate suasion to implement their proposed plans.

The regional medical programs, initially conceived as a system of university hospital centered regionalization of health services in an area, suffered from serious dilution of the original legislation during its development in the Congress. For that reason, although many worthy projects have been funded through the regional medical programs, the program as a whole has not been able to fulfill its original purpose—which was concerned with better organization of health care services throughout the United States.

Even though these programs can be criticized for the reasons stated above, I believe that to terminate them abruptly as the administration proposed last year would be a serious error and a waste of valuable organization and manpower which has developed as a result of the growth of these programs over the years. It is clear that the existing authorities are inadequate. However, to terminate these programs abruptly, would in my opinion, be to throw the baby out with the bathwater.

A proposal I am about to introduce is intended to replace the existing comprehensive health planning and regional medical program authorities, while retaining their desirable aspects and strengthening them in those areas where it is apparent that strengthening is necessary.

This legislation will replace regional medical programs and comprehensive health planning agencies with new areawide health planning agencies. It will at the same time give those comprehensive health planning agencies and regional medical programs which are capable of doing so an opportunity to contribute to the development of the new regional health agencies. Extension of the Hill-Burton authority will be dealt with in a separate facilities construction bill.

Mr. President, it is clear that a universal, comprehensive national health insurance program will become a reality in the United States within the next several years. Universal entitlement is essential in order to realize the goal of adequate health care for all Americans. However, simply financing health care services is not enough. Legislation which will modify the existing health care system and expand its ability to provide the services to which every American will be entitled upon enactment of a national health insurance program is absolutely essential.

The Health Maintenance Organization Act of 1973, recently enacted into law, is a start down this road. It alone is not sufficient. The legislation which I propose today is intended to create a decisionmaking mechanism throughout the United States, which will assist in solving problems having to do with the allocation of health care resources throughout this country.

This legislation places great authority and responsibility at the local level, where detailed decisions concerning placement of health care facilities and services must be made. It vests States with regulatory authority, heavily predicated upon recommendations of the area health planning agencies.

In addition, it directs the Secretary of Health, Education, and Welfare to establish for the first time a set of national health guidelines and priorities, designed to provide direction to Federal agencies, as well as States and localities in allocating health care resources.

Universal entitlement through a system of federally directed or federally administered health insurance also creates Federal responsibility in assuring that equity in the distribution of resources is achieved. It is hoped that this proposal will create an adequate mechanism for helping to make the very difficult policy decisions which will be required in the near future as a result of universal entitlement.

Mr. President, the entire area of health planning and regulation is extremely complex. It will require redirection of an $85 billion a year health care industry. The problems posed and, therefore, the solutions proposed are not simple. For that reason, I intend to see that all concerned with this important health planning legislation have an adequate opportunity to make their views known, and to make suggestions which will result in an improvement of this bill. Although I believe that the general outlines proposed in this legislation for the health planning apparatus in this country are sound, I am open to suggestions from any interested party for improvement of it. Nobody has all the answers in dealing with this extraordinarily complex field, and I would welcome constructive suggestions from any interested party.

Mr. President, I ask unanimous consent that an explanation of the National Health Planning and Development Act of 1974, a table showing the financial assistance thereunder, and the text of the act itself be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

EXPLANATION—HEALTH PLANNING ACT OF 1974

HEALTH PLANNING AGENCIES—STRUCTURE AND FUNCTIONS

The National Health Planning Act of 1974 provides for the establishment of health planning agencies throughout the United States. The legislation provides that within 120 days following enactment The Secretary of Health, Education, and Welfare, in consultation with the Governor of each State, shall publish proposed boundaries for health areas throughout the United States. Such health areas will include all of the territory of the United States. Each health planning area is to encompass between 500,000 and 3 million people, except that the population of the health area may contain more than 3 million people if the area includes a standard metropolitan stastical area with a population of more than 3 million, and less than 500,000 people, if the population of a State is less than 500,000.

These areas are not to cross State lines, although States may be subdivided into a number of areas. The areas are intended to be medically self-sufficient. They should include provision for all levels of medical care, and are, if possible to include at least one center for highly specialized care and one academic health center. (The center for specialized care and the academic health center may be the same.) The Secretary is required to consult with existing 314(a) and 314(b) agencies, in establishing the boundaries of health planning areas. Boundaries, once established, may be revised by the Secretary. Decisions concerning boundary revisions may be made in consultation with the appropriate state and local officials and agencies involved.

It is hoped that the Secretary, in establishing health planning area boundaries, will take into account problems associated with the generation and analysis of data describing health services and practices in the area. One example would be the importance of integrating, if only on an Administrative level, existing areas designated under the Professional Standards Review Organization provisions of H.R. 1, with the proposed health areas.

The health area is the keystone of this planning bill. It is intended to be the fundamental geographic basis of the planning process. It is intended that each area be medically self-contained, and that information based upon the location of facilities, manpower, and services be gathered by the agency, analyzed and used as the basis for projecting area needs in order to formulate long-range goals, as reflected in a long-range goal plan. Each area is expected to assess existing resources and to project future needs, both in terms of additional resources, and the redistribution of existing resources within the area.

For example, in many of our urban areas health care resources are concentrated in affluent sections of the community, while less affluent parts of the community, which may be only a few miles away are virtual health care deserts. It is intended that the health planning agency in the area identify such a maldistribution of resources and incorporate recommendations for improving the equity of the situation in their long-range goal plan.

The legislation also requires that the health planning agency formulate a set of short-term strategies designed to bring about the long-range plan.

The structure of the health planning agency is detailed in the proposal. Briefly, it is to be a private nonprofit agency incorporated in the State in which it functions. Its policy-making board is to be composed of representatives, in equal numbers, from consumers of health care services (unrelated to the provision of those services), providers of services (representing health professionals, health insurers, and health institutions), and officials holding public office.

It is hoped, through this mechanism, to achieve a balance of input and interest into the policy-making process.

The legislation provides adequate financing to attract high quality personnel to staff what will be a sophisticated and demanding operation.

Guidelines are set forth in the legislation describing elements which should be taken into consideration during the development of a health plan. The legislation requires that data concerned, (at a minimum) with the health status of residents in the health area, health care facilities, personnel and services functioning in the area, patterns of utilization of health care personnel, facilities and services in the area, and the effect of the area's health care delivery system on the health of the residents in that area be generated and analyzed. This information must result in the promulgation of a long-range goal plan and a short-term priorities plan.

One of the weaknesses of the existing comprehensive health planning agencies is their inability to exert leverage to bring about compliance with a plan. The absence of adequate leverage has resulted to date not only in an inability to implement plans, but, often, in the development of plans which are of inferior quality, do not come to grips with the real problems of the distribution of health care resources within an area, and are frequently concerned only with facilities construction.

The passage of section 1122 of the Social Security Act last year, giving health planning agencies additional authority in the area of capital expenditures, has somewhat improved the situation. The National Health Planning Act of 1974 takes an additional and important step in the same direction. It provides that each health planning agency shall review and approve or disapprove each proposed use within its health area, of Federal funds appropriated for any program under the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. Any funds obligated under those two authorities for the development, expansion, or support of health facilities, manpower, or services must be approved or disapproved by the health planning agency. Of those projects approved, the health planning agency is responsible for establishing priorities among those projects.

If an agency disapproves a proposed use of Federal funds under the authorities cited above, the Secretary may not make Federal funds available for that program until he has made, at the initiative of the entity requesting those funds, a review of the agency decision. In making such a review, the Secretary should give the appropriate State health commission (authorized by this legislation) and any other appropriate State health agency an opportunity to consider the agency decision and to submit to the Secretary its comments on the decision. The Secretary may override the decision of the health planning agency, but in so doing must make a detailed public statement concerning his reasons for overriding that decision.

In addition, the health planning agency shall review and make recommendations to planning agencies designated under section 1122 of the Social Security Act for the approval or disapproval of all capital expenditures in access of $100,000. This requirement is intended to assist the 1122 agencies in those areas in which they exist to perform their functions effectively and in coordination with the health planning agencies authorized under this Title.

The health planning agency is required to review, on a periodic basis, the health services offered or proposed to be offered in a health area and shall make recommendations to each State health commission, authorized by this legislation, for the commission's certification of such health services.

Therefore, this legislation provides that the health planning agency establish criteria, based upon long and short-range plans for the approval or disapproval of the use of Federal funds for the addition or expansion of services, facilities or manpower in that health area.

Control of capital expenditure is one mechanism effecting the distribution of resources in the health area. Patterns and levels of reimbursement for services is another. For that reason, the health planning agency is required to review rates charged by providers in its health area, and make recommendations to the State health commission concerning modification in those rates as an additional tool for implementing its health plan in an area. Criteria which must be taken into account in formulating recommendations are listed in the bill.

The legislation provides for extensive review and due process protection, and list criteria to be taken into account in formulating its recommendations.

HEALTH PLANNING AGENCIES—SUPPORT

The legislation provides for a number of forms of assistance to entities designed to be designated as health planning agencies.

First of all, the Secretary may provide all necessary technical and other nonfinancial assistance to nonprofit private entities which express a desire to be designated as a health planning agency. Only one such entity may be funded in each health area.

In addition, grants are authorized to assist in developing health planning agencies.

The Secretary is required to enter into a designation agreement with one (and only one) entity in each health planning area throughout the United States.

In accepting applications for such designation, the Secretary is directed to give priority to 314(b) agencies and regional medical programs if they are functioning in an area.

The approval of the Governor of each State is required before the Secretary may designate any entity as the health planning agency for a health area.

STATE HEALTH COMMISSIONS—STRUCTURE AND FUNCTIONS

States vary widely in their ability to deal with the problems of equitable distribution of health care resources. This legislation provides the States an opportunity to regulate the health care industry within that State, within Federal guidelines, in order to improve equity in the provision of health services. If, after an adequate trial period, the State does not perform the functions outlined in this legislation to the satisfaction of the Secretary of Health, Education, and Welfare, the Secretary is required to assume responsibility for the performance of those functions.

This legislation requires that the State perform a number of planning and regulatory functions. In addition, it requires that the States vest the responsibility for the performance of those functions in a single agency. However, the selection of a particular agency is left to the discretion of the States, in recognition of the possibility of a variety of satisfactory administrative arrangements fulfilling the requirements of the legislation.

Conditional designation of a State agency as a State health commission may be terminated by either the agency or the Secretary of Health, Education, and Welfare upon 90 days notice from either party.

The agency designated as a State health commission must be the sole agency of the State for the performance of the regulatory functions detailed in the legislation.

The Governor or the legislature of the State involved, (whichever is authorized under the law creating the agency), is required to appoint an advisory council to advise the commission on the performance of its functions. At least ⅔ of the members of such council shall be individuals who are not providers of health care services, shall be representative of the various geographic regions of the State, the health planning agencies within the State, holders of public elective office of the government of the State, and various social, economic and racial populations groups of the State.

In addition, the State is required to have an administrative program capable of carrying out the regulatory functions required by the bill. The administrative program must perform in a manner satisfactory to the Secretary of Health, Education, and Welfare.

STATE REGULATORY FUNCTIONS

Each State health commission for which a designation agreement is in effect shall perform the following regulatory functions:

(a) Annual approval or disapproval of long-range goal plans and short-term priority plans of each health planning agency functioning within that State.

(b) Annual review of the budget of each health planning agency.

(c) Review applications by each health planning agency for planning or development grants, and report its comments on such applications to the Secretary.

(d) Serve as the designated planning agency of the State for purposes of section 1122 of the Social Security Act.

(e) Determine which services, after considering the recommendations of the appropriate health planning agency, will be certified within State.

(f) License health care facilities and health care delivery personnel in the State.

(g) Set standards for health care facilities and review the performance of health services within the State, with respect to quality to the extent authorized by State law.

(h) After considering the recommendations of the appropriate health planning agency determine, on a prospective basis, rates to be used for reimbursement for health services and regulate all reimbursements of health care providers which are either on a charge, cost, negotiator or other basis. Review of such rates shall be made at least once a year.

Guidelines upon which to base rate regulation are detailed in the legislation.

Rate regulation may be performed, at the option of the State, by another agency of the State government under an agreement with the State health commission satisfactory to the Secretary.

In making regulatory decisions under the authority of this legislation, the State health commission must comply with the goals of the applicable long-range goal plan or short-term priority plan to the extent possible. If a deviation from the goals of these plans exist, the Commission must explain the reasons for the inconsistency to the appropriate health service agency.

ASSISTANCE TO STATE HEALTH COMMISSIONS AND HEALTH PLANNING AGENCIES

Authority for grants for the development and operation of State health commissions is provided in this legislation.

A number of forms of assistance are available to State health commissions and local health planning agencies under the provisions of this bill.

Technical assistance is authorized to be provided by the Secretary of Health, Education, and Welfare when necessary.

In addition, a number of forms of financial assistance are authorized intended to facilitate the development of health plans and the regulatory apparatus necessary to implement them.

1. The Secretary is authorized to make grants to nonprofit private entities to assist them in meeting the costs of fulfilling the organizational and operational require-

ments of this legislation, in order to become health planning agencies.

For the purpose of making payments pursuant to grants under this legislation, there are authorized to be appropriated $15 million for the fiscal year ending June 30, 1974; $30 million for the fiscal year ending June 30, 1975; $30 million for the fiscal year ending June 30, 1976; and $30 million for the fiscal year ending June 30, 1977.

2. In addition, the Secretary is authorized to make grants annually to each health planning agency with which a designation agreement exists, for the compensation of agency personnel, collection of data, planning and other activities of the agency required to develop a health plan for that area. The amount of such health planning grant shall be 25 cents for each resident of the health area. However, the Secretary may double that grant if the planning agency is able to contribute an amount equal to the difference between 50 cents per person served by the health area and 25 cents per person served by the health area. Local funding must be from non-Federal public sources.

The amount of any grant for planning may not be less than $150,000. For the purpose of making payments pursuant to the grants for planning, there are authorized to be appropriated $60 million for the fiscal year ending June 30, 1975; $100 million for the fiscal year ending June 30, 1976; and $100 million for the fiscal year ending June 30, 1977.

These entitlements may be ratably reduced if authorizations exceed appropriations.

3. In addition to grants for the development of planning agencies and for the formulation of health plans, the legislation authorizes the creation of an area health service development fund. This fund is intended to provide discretionary money to the health planning agencies in order to enable it to sponsor projects which will facilitate achievement of the goals described by the health plans. It is hoped that many of the worthwhile projects currently being undertaken by the regional medical programs can be funded under this authority, providing they contribute to the achievement of the areawide plan. The amount of any grant under this authority may not exceed $1 per capita, based on the population of the health planning area.

For the purpose of making payments pursuant to grants under this authority, there are authorized to be appropriated $100 million for the fiscal year ending June 30, 1975; $125 million for the fiscal year ending June 30, 1976; and $125 million for the fiscal year ending June 30, 1977.

4. Assistance is authorized under this legislation for the development and operation of State health commissions. The Secretary is authorized to make grants to States to assist in meeting the costs of developing a State health commission. Such grants may not exceed 90 percent of the cost of development for a State health commission. The amount of any grant for costs of operating a State health commission for its first year may not exceed 75 percent of such costs. The amount of any subsequent grant for a commission's cost of operation may not exceed the lesser of $500,000 or 50 percent of its cost of operation for a year subsequent to the first year of operation.

For the costs of State health commission development, there are authorized to be appropriated $2 million for the fiscal year ending June 30, 1974; $3 million for the fiscal year ending June 30, 1975; $3 million for the fiscal year ending June 30, 1976; and $3 million for the fiscal year ending June 30, 1977.

For the cost of operating State health commissions, there are authorized to be appropriated $1 million for the fiscal year ending June 30, 1974; $5 million for the fiscal year ending June 30, 1975; $10 million for the fiscal year ending June 30, 1976; and $10 million for the fiscal year ending June 30, 1977.

5. This bill also contains authority for continued funding for regional medical programs and comprehensive health planning agencies, in order to allow their activities to mesh with the authorities contained in this legislation.

FEDERAL GUIDELINES FOR HEALTH PLANNING AGENCIES AND STATE HEALTH COMMISSIONS

Federal health policy has in the past been characterized by a lack of policy. With increasing centralization of the financing of health care services throughout the United States at the Federal level, it has become the responsibility of the Federal Government to establish and encourage adherence to a Federal health policy. As we move toward a broad, comprehensive national health insurance program, it will become increasingly necessary to identify areas of need, as well as areas of surplus with respect to health services throughout the United States. If the Federal Government is responsible for raising and distributing funds in order to purchase health services on behalf of residents of the United States, it is surely responsible for assuring equity in the distribution of those funds, and in assuring that areas of need receive special attention.

This legislation directs the Secretary of Health, Education, and Welfare to promulgate guidelines within one year after the enactment of this legislation, concerning national health policy.

In developing these guidelines, the Secretary is directed to give special attention to the following considerations:

1. Guidelines with respect to the appropriate supply, distribution and organization of health resources services.

2. A statement of national health goals, developed with emphasis on the following objectives:

(a) Primary care services for medically underserved populations, especially those which are located in a rural or economically depressed area.

(b) Integration of institutional services within an area.

(c) The development of medical group practices.

(d) The training and increased utilization of physician assistants.

(e) Assuring the availability of support services, particularly costly and sophisticated services, on an areawide or regional basis.

(f) Promotion of activities designed to improve the quality of health services, with particular regard to needs identified by Professional Standards Review Organizations.

(g) The development of institutions capable of providing integrated, multi-level services.

(h) The adoption of simplified and uniform cost accounting, reimbursement, utilization reporting systems, and improved management procedures for health care providers.

(i) The adoption of uniform formulae for relating costs of operation or rates used for reimbursement purposes for health care services.

(j) The adoption of a classification system designed to assure uniform identification of various health care providers, as outlined in the legislation.

The Secretary is required, to the maximum extent possible, to issue guidelines in quantitative terms, in order to facilitate their use by State health commissions and area health planning agencies.

In order to facilitate the implementation of and adherence to the guidelines promulgated by the Secretary, the legislation directs the Secretary to take compliance with those guidelines into consideration in determining whether or not the State is adequately fulfilling its responsibilities with respect to its regulatory functions, and authorizes the Secretary to review and approve areawide health agency budgets, in order to determine whether or not they are capable of promulgating a plan falling within his guidelines.

Mr. President, this legislation is extremely complex, and has great potential for influencing the distribution of health care resources and the efficiency with which health care funds are expended throughout the United States. I intend to schedule hearings on this legislation in the near future, and am anxious to hear the comments of all interested parties concerning this proposal. Many of the provisions of this legislation will generate controversy. I believe that this is a logical and potentially effective proposal. I believe it will effectively meet the needs of the American people for health planning as I see them. However, I know I speak for other members of the Health Subcommittee as well as myself when I say I will welcome constructive ideas concerning ways to strengthen this proposal. I look forward to receiving such comments during the course of the development of this legislation.

FINANCIAL ASSISTANCE UNDER THE NATIONAL HEALTH PLANNING ACT OF 1974

[In millions]

	Health planning agency development	Health planning agency planning grants	Area health services development funds	State health commission development	State health commission operation
Fiscal year:					
1974	$15			$2	$1
1975	30	$60	$100	3	5
1976	30	100	125	3	10
1977	30	100	125	3	10
Total	105	260	350	11	26

Note: total authorization, $752,000,000

S. 2994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Health Planning and Development Act of 1974."

SEC. 2. Title VI of the Public Health Service Act is amended to read as follows:

"TITLE VI—NATIONAL HEALTH PLANNING AND DEVELOPMENT

"PART A—HEALTH SERVICE PLANNING AGENCIES

"HEALTH AREAS

"SEC. 601. (a) The Secretary shall establish throughout the United States health areas with respect to which health planning agencies shall be designated under section 606. Each health area shall meet the following requirements:

"(1) The area shall be a rational region for the proper planning and development of health services which has available the resources necessary to provide all necessary health services for the residents of the area.

"(2) To the extent practicable, the area shall include at least one center for the provision of highly specialized health services and one academic health science center.

"(3) The area shall not cross State boundaries.

"(4) The area, upon its establishment, shall have a population of not less than five hundred thousand or more than three million; except that (A) the population of an area may be more than three million if the area comprises a standard metropolitan statistical area (as determined by the Office of Management and Budget) with a population of more than three million, and (B) the population of an area may be less than five hundred thousand if the area comprises an entire

State which has a population of less than five hundred thousand.

"(b) (1) Within one hundred and twenty days following the date of the enactment of this section, the Secretary shall publish in the Federal Register proposed boundaries for health areas covering the United States. In the development of the proposed boundaries of the health areas, the Secretary shall consult with and solicit the views of the Governor (or other chief executive officer) of each State and the chief executive officer or agency of political subdivisions of States, each State agency which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a), and each entity which has developed a comprehensive, regional, metropolitan, or other local area plan or plans referred to in section 314(b). During the thirty-day period beginning on the date of the publication in the Federal Register of the proposed boundaries of the health areas, the Secretary shall consider comments submitted to him by other interested persons respecting the boundaries of such areas and at the expiration of such period he shall publish in the Federal Register the boundaries of the health areas.

"(2) The Secretary shall review on a continuing basis and at the request of any health planning agency the appropriateness of the boundaries of the health areas and may revise the boundaries as he deems necessary. In making any boundary revision, the Secretary shall consult with and solicit the views of the officials and agencies described in paragraph (1) who represent the geographical regions affected by the boundary revision, shall publish in the Federal Register his proposal for the boundary revision, and shall allow thirty days (from the date the proposal is published in the Federal Register) for the submission of comments on the proposal by interested persons and for his review of such comments before putting into effect the proposed boundary revision.

"HEALTH PLANNING AGENCIES

"SEC. 602. (a) For purposes of this title, the term 'health planning agency' means a nonprofit private corporation which is organized and operated in the manner described in subsection (b) and which is capable, as determined by the Secretary, of performing each of the functions described in section 603. The Secretary shall by regulation establish standards and criteria for the requirements of subsection (b) and section 603.

"(b) (1) A health planning agency for a health area shall (A) be incorporated in the State in which it is located and (B) not be a subsidiary of, or otherwise controlled by, any other private corporation or other private legal entity.

"(2) A health planning agency shall have a staff which provides the agency with expertise in at least the following: (A) The gathering and analysis of data, (B) planning, and (C) health manpower, facilities, and services. The size of the professional staff of any agency shall be not less than the greater of 5 or the number obtained by dividing the population (rounded to the next highest one hundred thousand) of the health area which the agency serves by one hundred thousand. The staff of a health planning agency shall be selected, paid, promoted, and discharged in accordance with such system as the agency may establish, except that the rate of pay for any position shall not be less than the rate of pay prevailing in the health area for similar positions in other public or private planning or health service entities.

"(3) (A) Each health planning agency shall have a governing body composed, in accordance with subparagraph (B), of not less than ten members and of not more than thirty members, except that the number of members may exceed thirty if the governing body has established another unit (referred to in this paragraph as an 'executive committee') composed, in accordance with subparagraph (B), of not more than twenty-five members of the governing body and has delegated to that unit the authority to take such action as the governing body is authorized to take. The governing body—

"(i) shall be responsible for the internal affairs of the health planning agency, including matters relating to the staff of the agency, the agency's budget, and procedures and criteria (developed and published pursuant to section 604) for performing its functions under subsections (e), (f), and (g) of section 603;

"(ii) shall be responsible for the approval of the long-range goal plan and the short-term priorities plan required by section 603 (b);

"(iii) shall issue an annual report concerning the activities of the agency, include in that report the long-range goal plan and the short-term priorities plan developed by the agency, and make the report readily available to the residents of the health area and the various communications media serving such area;

"(iv) shall reimburse its members for their reasonable costs incurred in attending meetings of the governing body;

"(v) shall meet at least one in each calendar quarter of a year and shall meet at least two additional times in a year unless its executive committee meets for that number of times in that year; and

"(vi) shall conduct its business meetings in public and shall make its records and data available upon request, to the public.

A quorum for a governing body shall be not less than one-half of the members described in each clause of subparagraph (B). If in the exercise of its functions a governing body appoints a subcommittee of its members or an advisory group, it shall, to the extent practicable, make its appointments to any such subcommittee or group in such a manner as to provide the representation on such subcommittee or group described in subparagraph (B).

"(B) Of the members of the governing body and executive committee (if any) of a health planning agency—

"(i) at least one-third of such members shall be residents of the health area served by such agency who are not providers of health care services and who are broadly representative of the various economic, social, racial, and geographic population groups of such health area;

"(ii) at least one-third of such members shall be residents of such health area who are providers of health services and who are broadly representative of—

"(I) health professionals, public and community health personnel, and allied health personnel;

"(II) the health institutions (including hospitals, extended care facilities, and university academic health science centers) located in such health area and the employees of such institutions not described in subclause (I); and

"(III) persons in such health area who pay for health care services (including direct service and indemnity insurance companies); and

"(iii) at least one-third of such members shall be residents of such health area who hold public elective offices which are broadly representative of the elected governmental authorities in the area. For purposes of clauses (i) and (ii), the term 'provider of health services' means an individual who receives (either directly or through his spouse) more than one-tenth of his gross annual income from fees or other compensation for the provision of health care services or from financial interests in entities engaged in the provision of health services or in producing or supplying drugs or other articles for individuals and entities engaged in the provision of such services, or from both such compensation and such interests.

"(c) A health planning agency may establish subarea advisory councils representing parts of the agencies' health area to advise the governing body of the agency on the performance of its functions. To the extent practicable, the composition of a subarea advisory council shall conform to the requirements of subsection (b) (3) (B).

"FUNCTIONS OF HEALTH PLANNING AGENCIES

"SEC. 603. (a) For the purpose of—

"(1) improving the health of residents of a health area,

"(2) increasing the accessibility, acceptability, continuity, and quality of the health services provided them, and

"(3) restraining increases in the cost of providing them health services,

each health planning agency shall have as its primary responsibilities the provision of effective health planning for its health area and the promotion of the development within the area of health services and facilities which meet identified needs, reduce documented inefficiencies, and implement the health plans of the agency. To meet its primary responsibilities, a health planning agency shall carry out the functions described in subsections (b) through (g) of this section.

"(b) In providing health planning, development, and in making recommendations regarding regulation for its area, a health planning agency shall perform the following functions:

"(1) The agency shall assemble and analyze data concerning—

"(A) the health status of the residents of its health area,

"(B) the area's health resources, including health facilities, manpower, and services,

"(C) the patterns of utilization of the area is health resources, including health manpower, facilities, and services,

"(D) the effect the area's health care delivery system has on the health of the residents of the area, and

"(E) the patterns of utilization of hospital facilities by individual physicians.

"(2) The agency shall, after appropriate consideration of the needs and resources described by paragraph (1), annually establish a long-range goal plan which shall be a detailed statement of goals (A) describing systems in the area which, when developed, will assure that high quality health services will be available and accessible in a manner which assures continuity of care, at reasonable cost, for all residents of the area; (B) which is responsive to the needs and resources of the area; and (C) which takes into account and is consistent with the guidelines issued by the Secretary pursuant to section 607.

"(3) The agency shall annually establish a short-term priorities plan which describes objectives which will achieve the goals of the long range goal plans and priorities among the objectives. In establishing the short-term priorities plan, the agency shall give priority to those objectives which maximally improve the health of the residents of the area, as determined on the basis of the relation of the cost of obtaining the objectives to the benefits to be derived from obtaining such objectives, and which are fitted to the needs of the area.

"(4) The agency shall develop and publish specific plans and projects for achieving the objectives established in the short-term priorities plan.

"(c) In implementing its long range goal plans and short-term priorities plan, a health *planning* agency shall perform the following functions:

"(1) The agency shall seek to implement its plans with the assistance of individuals and public and private entities in its health area.

"(2) The agency shall provide, in accordance with the priorities established in the short-term priorities plan, technical assistance to individuals and public and private entities in the area for the development of projects and programs which the agency determines are necessary to achieve the health system described in the long-range goal plans, including assistance in meeting the requirements of the agency prescribed under section 604.

"(3) The agency shall, in accordance with the priorities established in the short-term priorities plan, make grants to and enter into contracts with individuals and public and private entities in the area to assist them in planning and developing the projects and programs which the agency determines are necessary for the achievement of the health system described in the long-range goal plan. Such grants and contracts shall be made from the Area Health Services Development Fund of the agency established with funds provided under grants made under section 610. No such grant or contract may be used for (A) the support of an established program, (B) to pay the costs incurred by an entity or individual in the delivery of health care services, or (C) for the cost of construction of health facilities.

"(d) Each health planning agency shall coordinate its activities with each professional standards review organization (designated under section 1152 of the Social Security Act), the State Health Commission and any other appropriate regulatory entity in the agency's health area. The agency shall, as appropriate, provide technical assistance to such entities, secure data from them for use in the agency's planning and development activities, and enter into agreements with them which will assure that actions taken by such entities which alter the area's health system will be taken in a manner which is consistent with the approved long-range goal plan and the short-term priorities plan in effect for the area.

"(e) Each health planning agency shall (1) review and recommend for approval or disapproval by the Secretary each proposed use (except capitation grants made pursuant to section 770 of this Act) within its health area of Federal funds appropriated for a program under this Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, for the development, expansion, or support of health facilities, manpower or services; and (2) establish priorities for the approval of applications under part D of this title among those proposed uses recommended for approval. If an agency recommends for disapproval under clause (1) a proposed use of Federal funds for a program described in that clause, the Secretary may not make Federal funds available for such program until he has made, upon request of the entity making such proposal, a review of the agency decision. In making any such review of any agency decision, the Secretary shall give the appropriate State Health Commission and any other appropriate State health agency an opportunity to consider the agency decision and to submit to the Secretary its comments on the decision. The Secretary after taking into consideration State Health Commission comments may make Federal funds available, notwithstanding the agency decision. Each such decision by the Secretary to make funds available shall be submitted to the appropriate health service planning agency and State Health Commission and shall contain a detailed statement of the reasons for the decision.

"(f) To assist planning agencies, designated under section 1122 of the Social Security Act, in carrying out their functions under such section 1122, health planning agencies for the areas for which such planning agencies are designated shall review and make recommendations to such planning agencies for the approval of all capital expenditures in excess of $100,000 proposed by health service entities in the health areas of such health planning agencies.

"(g) Each health planning agency shall review the health services offered or proposed to be offered in the health area of the agency and shall make recommendations to each State Health Commission, designated under section 625 for the State in which the agency's health area is located, for the Commission's certification of such health services under section 627(a)(5). If the State Health Commission determines that it cannot certify as needed a particular health service, the health planning agency for the health area in which such service is offered or proposed to be offered shall work with the provider or proposed provider of such service, the State Health Commission, and other appropriate individuals and entities for the improvement or elimination (as the Commission and agency determine appropriate) of such service. Each agency shall review the health services offered in the health area of the agency at least every five years, and shall review the health services proposed to be offered in such area prior to the time such services are offered or substantial expenditures are undertaken in preparation for the offering of such services.

"(h) Each health planning agency shall review the rates charged or proposed to be charged by any health care provider subject to the provisions of section 627(a)(8) within the health area of the agency and shall make recommendations to each State Health Commission, designated under section 625, for the State in which the agency's health area is located for the Commission's determination of such rates under section 627(a)(8). Each agency shall review the rates charged on an annual basis and shall review the rates proposed to be charged prior to the time such rates are charged.

"PROCEDURES AND CRITERIA FOR REVIEWS OF PROPOSED HEALTH SYSTEM CHANGES

"SEC. 604. (a) In conducting reviews pursuant to subsections (e), (f), (g), and (h) of section 603 or in conducting any other reviews of proposed or existing health services, each health planning agency shall follow procedures, and apply criteria (appropriate to carry out the purposes of this title), developed and published by the agency in accordance with regulations of the Secretary; and in performing its review functions under section 627, a State Health Commission shall follow procedures, and apply criteria, developed and published by the Commission in accordance with regulations of the Secretary. Procedures and criteria for such reviews may vary according to the purpose for which a particular review is being conducted or the type of health services being reviewed.

"(b) Each health planning agency and State Health Commission shall include in the procedures required by subsection (a) at least the following:

"(1) Written notification to affected persons of the beginning of an agency or Commission review.

"(2) Schedules for reviews which provide that no review shall take longer than one hundred and twenty days from the date the notification described in paragraph (1) is made.

"(3) Provision for persons subject to an agency or Commission review to submit to the agency or Commission (in such form and manner as the agency or Commission shall prescribe and publish) such information as the agency or Commission may require concerning the subject of such review.

"(4) Submission of applications made under other titles of this Act or other provisions of law for Federal financial assistance for health services.

"(5) Submission of periodic reports by providers of health services and other persons subject to agency or Commission review respecting the development of proposals subject to review.

"(6) Written findings which state the basis for any final decision or recommendation made by the agency or Commission.

"(7) Notification of providers of health services and other persons subject to agency or Commission review of the status of the agency or Commission review of the health services or proposals subject to review, findings made in the course of such review, and other appropriate information respecting such review.

"(8) Provision for public hearings in the course of agency or Commission review if requested by persons directly affected by the review; and provision for public hearings, for good cause shown, respecting agency and Commission decisions.

"(9) Regular reports by the agency and Commission of the reviews being conducted (including a statement concerning the status of each such review) and of the reviews completed by the agency and Commission (including a general statement of the findings and decisions made in the course of such reviews) since the publication of the last such report.

"(10) Access by the general public to all applications reviewed by the agency and Commission and to all other written materials pertinent to any agency or Commission review.

"(11) In the case of construction projects, submission to the agency and Commission by the entities proposing the projects of letters of intent in such detail as may be necessary to inform the agency and Commission of the scope and nature of the projects.

"(c) Criteria required by subsection (a) for agency and Commission review shall include consideration of at least the following:

"(1) In the case of reviews of health services, the relationship of the health services reviewed to the applicable long-range goal plan and short-term priorities plan.

"(2) The relationship of services reviewed to the long-range development plan (if any) of the person providing or proposing such services.

"(3) The need that the population served or to be served by such services has for such services.

"(4) The availability of alternative, less costly or more effective methods of providing such services.

"(5) The relationship of services to the existing health care system of the area in which such services are provided or proposed to be provided.

"(6) In the case of health services proposed to be provided, the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of such services and the availability of alternative uses of such resources for the provision of other health services.

"(d) In making a review under section 603(e), each health planning agency shall give priority consideration to—

"(1) the relationship to the applicable long-range goal plan and short-term priorities plan of the health services reviewed,

"(2) the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for any proposed provision of health services, and the availability of alternative uses of such resources for the provision of other health services, and

"(3) The need that the population served or to be served by such services has for them.

"(e) In making a review under section 603 (f), each health planning agency (in addition to applying the criteria required by subsection (c)) shall give consideration to—

"(1) the costs and methods of any proposed construction, and

"(2) the probable impact of the construction project reviewed on the costs of providing health services by the provider or other person proposing such construction project.

"(f) In making a review under section 603(g), each health planning agency shall give priority consideration to—

"(1) the relationship of the health services reviewed to the applicable long-range goal plan and short-term priorities plan,

"(2) the need that the population served or to be served by such services has for them, and

"(3) the availability of alternative, less costly or more effective methods of providing such services.

"ASSISTANCE TO ENTITIES DESIRING TO BE DESIGNATED AS HEALTH PLANNING AGENCIES

"SEC. 605. (a) The Secretary may provide all necessary technical and other nonfinancial assistance (including the preparation of prototype plans of organization and operation) to nonprofit private entities (including entities presently receiving grants under section 314(b) or title IX) which—

"(1) express a desire to be designated as a health planning agency, and

"(2) the Secretary determines have a potential to meet the requirements of a health planning agency specified in sections 602 and 603,

to assist such entities in developing applications to be submitted to the Secretary under section 606 and otherwise in preparing to meet the requirements of this title for designation as a health planning agency.

"(b)(1) The Secretary may make grants to nonprofit private entities to assist them in meeting the costs of meeting the organization and operation requirements of section 602(b), except that the Secretary shall not make concurrent grants to more than one entity in any health area.

"(2) No grant may be made under this subsection unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and contain such information as the Secretary may require. The Secretary may not approve the application of an entity unless he determines that the entity, with the assistance of a grant under this subsection, will, within two years after such grant is made, be able to meet the requirements of section 602(b) and be qualified to perform the activities prescribed for a health planning agency by section 603.

"(3) For the purpose of making payments pursuant to grants under this subsection, there are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, $30,000,000 for the fiscal year ending June 30, 1976, and $30,000,000 for the fiscal year ending June 30, 1977

"DESIGNATION OF HEALTH PLANNING AGENCIES

"SEC. 606. (a) For each health area established under section 601 the Secretary shall, within one year following the date of enactment of this section, designate a health planning agency. Such designation shall be made under an agreement entered into between the Secretary and the entity to be designated as a health planning agency. Any such agreement under this subsection with an entity shall contain such provisions respecting the requirements of sections 602(b) and 603, and such conditions designed to carry out the purpose of this title, as the Secretary may prescribe and shall be for a term of twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

"(1) by the entity at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(2) by the Secretary, at such time and upon such notice to the entity as the Secretary may by regulation prescribe, if the Secretary determines that the entity is not complying with or effectively carrying out the provisions of such agreement.

"(b) The Secretary may not enter into an agreement under subsection (a) with any entity unless the entity has submitted an application to the Secretary for designation as a health planning agency. Such an application shall contain assurances satisfactory to the Secretary that the applicant meets the requirements of section 602(b) and is qualified to perform or is performing the activities prescribed by section 603. In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by (1) each entity which has developed a plan referred to in section 314(b) for all or part of the health area with respect to which the application was submitted, and (2) each regional medical program established in such area under title IX. The Secretary may not enter into an agreement for the initial designation of an entity as the health planning agency for a health area unless the Governor (or other chief executive officer) of each State in which such area is located approves such designation of such entity.

"(c) Prior to the designation by the Secretary of a health planning agency for any health area, pursuant to subsection (a), the Secretary is authorized to make grants to entities presently receiving grants under section 314(b) or under title IX to support their temporary operation and facilitate the transfer of functions to the appropriate health planning agency. For the purposes of carrying out this subsection, there are hereby authorized to be appropriated such sums as may be necessary.

"GUIDELINES FOR HEALTH PLANNING AGENCIES AND STATE HEALTH COMMISSIONS

"SEC. 607. (a) The Secretary shall, within one year after the date of enactment of this title, issue guidelines concerning national health policy.

"(b) The Secretary shall include in the guidelines issued under subsection (a) the following:

"(1) Requirements respecting the appropriate supply, distribution, and organization of health resources and services; and

"(2) A statement of national health goals developed after consideration of the objectives set forth in subsection (c).

"(c) In developing a statement of national health goals. The Secretary shall give priority consideration to the following objectives:

"(1) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(2) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services).

"(3) The development of medical group practices, especially those whose services are appropriately coordinated or integrated with institutional health services.

"(4) The training and increased utilization of physician assistants.

"(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions.

"(6) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

"(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(8) The adoption of uniform cost accounting, reimbursement, and utilization reporting procedures for health care providers (as defined in section 627(a)(8)) which (A) shall include identification of the various categories of costs and appropriate service utilization factors, (B) shall be designed to provide summary information concerning costs and service utilization, and (C) may vary among different classes of health care providers.

"(9) The adoption of a uniform formula for relating costs of operation to rates used for reimbursement purposes for health services of health care providers (as defined in section 627(a)(8)) which formula may vary among different classes of such providers.

"(10) The adoption of a classification system designed to assure uniform identification of various classes of health care providers (as defined in section 627(a)(8)) which takes account of factors which differentiate such providers, including average length of stay per patient, types of services offered, and staffing patterns.

"(11) The development of effective procedures for management of health care providers (as defined in section 627(a)(8)).

"(12) The adoption of a uniform criteria for licensing of health care delivery personnel.

"(d) In carrying out his responsibilities under this section the Secretary shall consult with and solicit comments from health planning agencies designated under part A and State Health Commissions designated under part B.

"(e) The Secretary shall, to the maximum extent practical, express the guidelines issued under this section in quantitative terms.

"(f) The Secretary shall publish the guidelines developed under this section as regulations, allowing an appropriate period of time for comment by interested parties.

"TECHNICAL ASSISTANCE FOR HEALTH PLANNING AGENCIES AND STATE HEALTH COMMISSIONS

"SEC. 608. (a) The Secretary shall provide health planning agencies and State Health Commissions (1) model health plans and planning processes, (2) technical materials and standards for use in health planning, and (3) such other technical assistance as they may require to perform their functions.

"(b) The Secretary shall include in the materials provided under subsection (a) the following:

"(1)(A) Requirements for the data needed to describe the health status of the residents of a health area, including requirements for data which describe mortality and morbidity by age, sex, race, residence, economic status, and occupation and data which describe the etiologies of mortality and morbidity.

"(B) Requirements for the data needed to describe the status of the health resources of a health area, including requirements for data which describe health facilities in the area by size, types of services provided, location, and operating costs, data which describe health manpower in the area by type, specialty, supply, location, income, and mode of practice and data which describes health services by type and location.

"(C) Requirements for the data needed to describe the utilization of health resources within a health area, including requirements for data which describe the utilization of health resources by various specific population groups, including groups based on age, sex, race, residence, economic status, and occupations.

"(2) Models, consistent with the objectives described in section 607(c), for appropriate planning and development by health planning agencies and regulation by State Health Commissions of health resources and services. Such models shall cover the following:

"(A) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(B) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, emergency medical, intensive and coronary care, and radiation therapy services).

"(C) The development of medical group practices whose services are appropriately coordinated or integrated with institutional health services.

"(D) The training and increased utilization of physician assistants.

"(E) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions (including laundry and dietetic services and the purchasing of supplies).

"(F) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

"(G) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(H) The adoption of uniform accounting, reimbursement and utilization reporting procedures for health care providers (as defined in section 627(a)(8)) which (i) shall include identification of the various categories of costs and appropriate service utilization factors, (ii) shall be designed to provide summary information concerning costs and service utilization, and (iii) may vary among different classes of health care providers.

"(I) The adoption of a uniform formula for relating costs of operation to rates used for reimbursement purposes for health services of health care providers (as defined in section 627(a)(8)) which formula may vary among different classes of such providers.

"(J) The adoption of a classification system designed to assure uniform identification of various classes of health care providers (as defined in section 627(a)(8)) which takes account of factors which differentiate such providers, including average length of stay per patient, types of services offered, and staffing patterns.

"(K) The development of effective procedures for management of health care providers (as defined in section 627(a)(8)).

"(L) The adoption of uniform criteria for licensing of health care delivery personnel.

"(3) Guidelines for the organization and operation of health planning agencies and State Health Commissions, including guidelines for—

"(A) the structure of a health planning agency, consistent with section 602(b), and of a State Health Commission, consistent with section 625(d);

"(B) the conduct of the planning, development, and regulation processes;

"(C) the performance of health planning agency functions in accordance with sections 603 and 604; and

"(D) the performance of State Health Commission functions in accordance with sections 604 and 627.

"PLANNING GRANTS

"SEC. 609. (a) The Secretary shall make in each fiscal year a grant to each health planning agency with which there is in effect at the beginning of the fiscal year a designation agreement under section 606. A grant under this subsection shall be made on such conditions as the Secretary determines is appropriate and shall be used by a health planning agency for compensation of agency personnel, collection of data, planning, and other activities of the agency. A health planning agency shall not use a grant under this subsection to make payments under a grant or contract with another entity for the construction of health facilities or the development of health services.

"(b) (1) The amount of any grant under subsection (a) to any health planning agency for any fiscal year shall be the product of $0.25 and the population of the heatlh area for which the agency is designated unless the agency would receive a greater amount under paragraph (2) or (3).

"(2) (A) The amount of such a grant for any fiscal year shall be the product of $0.50 and the population of such area if the application of the agency for such grant contains assurances satisfactory to the Secretary that the agency will expend or obligate in that fiscal year from non-Federal funds meeting the requirements of subparagraph (B) and for the activities of the agency for which such grant is made an amount not less than the amount by which the grant amount for such agency resulting from the application of the formula prescribed by this paragraph exceeds the grant amount for such agency resulting from the application of the formula prescribed by paragraph (1).

"(B) The non-Federal funds which an agency may use for the purpose of obtaining a grant under subsection (a) which is computed on the basis of the formula prescribed by subparagraph (A) shall be funds no part of which are constituted by private constitutors.

"(3) The amount of a grant under subsection (a) to a health planning agency for any fiscal year may not be less than $150,000.

"(c) (1) For the purpose of making payments pursuant to grants made under subsection (a), there are authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976, and $100,000,000 for the fiscal year ending June 30, 1977.

"(2) Notwithstanding subsection (b), if the total of the grants to be made under this section to health planning agencies for any fiscal year exceeds the total of the amounts appropriated under paragraph (1) for that fiscal year, the amount of the grant for that fiscal year to each health planning agency shall be an amount which bears the same ratio to the amount determined for that agency for that fiscal year under subsection (b) as the total of the amounts appropriated under paragraph (1) for that fiscal year bears to the amount required to make grants to each health planning agency in accordance with the applicable provision of subsection (b).

"DEVELOPMENT GRANTS FOR AREA HEALTH SERVICES DEVELOPMENT FUNDS

"SEC. 610. (a) The Secretary shall make in each fiscal year a grant to each health planning agency—

"(1) with which there is in effect at the beginning of the fiscal year a designation agreement under section 606,

"(2) which has in effect a long-range goal plan and short-term priorities plan approved under section 627, and

"(3) which, as determined under the review made under section 611, is organized and operated in the manner prescribed by section 602(b) and is carrying out its planning and other responsibilities under section 603 in a manner satisfactory to the Secretary, to enable the agency to establish an Area Health Services Development Fund from which it may make grants and enter into contracts in accordance with section 603(c)(3).

"(b) (1) Except as provided in paragraph (2), the amount of any grant under subsection (a) shall be determined by the Secretary after taking into consideration the population of the health area for which the health planning agency is designated, the average family income of the area, and the supply of health services in the area.

"(2) The amount of any grant under subsection (a) to a health planning agency for any fiscal year may not exceed the product of $1 and the population in the health area for which such agency is designated.

"(c) Grants under subsection (a) shall be made on such conditions as the Secretary determines appropriate.

"(d) For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1975, and $125,000,000 for the fiscal year ending June 30, 1976, and $125,000,000 for the fiscal year ending June 30, 1977.

"REVIEW

"SEC. 611. (a) The Secretary shall review and approve the annual budget of each health planning agency with which there is in effect a designation agreement under section 606. Such review shall take into consideration the comments of each State Health Commission designated under section 625 for each State in which the agency's health area is located.

"(b) The Secretary shall review in detail at least every three years the structure, operation, and activities of each health planning agency with which there is in effect a designation agreement under section 606 to determine—

"(1) (A) the extent to which the agency's governing body (and executive committee (if any)) represents the residents of the health area for which the agency is designated;

"(B) the professional credentials and competence of the staff of the agency;

"(2) the adequacy of the long-range goal plan of the agency in meeting the needs of the residents of the area for accessible, acceptable and continuous high quality health care at reasonable costs and the effectiveness of the short-term priorities plan in achieving the system described in the long-range goal plan;

"(3) the extent to which the long-range goal plan, short-term priorities plan, plans, and projects of the agency take account of and pre consistent with the guidelines issued by the Secretary pursuant to section 607;

"(4) the appropriateness of the data assembled pursuant to section 603(b) and the quality of the analysis of such data;

"(5) the extent to which technical and financial assistance from the agency are utilized in an effective manner to achieve the goals and objectives of the long-range goal plan and the short-term priorities plan; and

"(6) the extent to which it may be quantifiably demonstrated that—

"(A) the health of the area's residents has actually been improved;

"(B) the accessibility, acceptability, continuity, and quality of health care in the area has actually been improved; and

"(C) increases in costs of the provision of health care have actually been restrained.

"PART B—STATE HEALTH COMMISSIONS

"DESIGNATION OF STATE HEALTH COMMISSIONS

"SEC. 625. (a) For the purposes of the performance within each State of the regulatory functions described in section 627, the Secretary shall enter into an agreement with a qualified agency of each State whereby such agency shall be conditionally designated as the State Health Commission for such State. If—

"(1) on the basis of its performance during a trial period (not to exceed 24 months) of such conditional designation, the Secretary determines that such agency is capable of performing, in a satisfactory manner, the regulatory functions of a State Health Commission prescribed by section 627, and

"(2) a State administrative program for the performance of such functions by the State Health Commission has been approved under section 626,

he shall enter into an agreement with such agency designating it as the State Health Commission for such State.

"(b) (1) The Secretary shall initially designate a qualified agency as a State Health Commission on a conditional basis with a view to determining the capacity of such agency to perform the functions prescribed by section 627 for such Commissions. Such designation may not be made prior to receipt from such agency, and approval by the Secretary, of an administrative program under section 626 for the orderly assumption and implementation of the functions of a State Health Commission.

"(2) During any such trial period, the Secretary may require as a condition of designation that a State Health Commission perform only such of the functions prescribed by section 627 as he determines such Commission to be capable of performing. The number and type of such functions shall, during the trial period, be progressively increased as the Commission becomes capable of performing responsibilities so that, by the end of such period, such Commission may be considered for designation but only if the Secretary finds that it is substantially carrying out in a satisfactory manner the functions prescribed by section 627.

"(3) Any agreement under which any agency is conditionally designated as the State Health Commission may be terminated by such agency upon ninety days notice to the Secretary or by the Secretary upon ninety days notice to such agency.

"(c) Any designation agreement under this section with a State Health Commission (other than an agreement under subsection (b)) shall be for a term of twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

"(1) by the Commission at such time and upon such notice to the Secretary as may be prescribed in regulations (except that notice of more than three months may not be required); or

"(2) by the Secretary at such time and upon such reasonable notice to the Commission as may be prescribed in regulations, but only after the Secretary has determined (after providing such Commission with an opportunity for a formal hearing on the matter) that such Commission is not complying with or effectively carrying out the provisions of such agreement.

A designation agreement (other than an agreement under subsection (b)) shall contain such provisions as the Secretary may prescribe to assure that the requirements of this part respecting State Health Commissions are complied with.

"(d) For purposes of this section, a 'qualified agency' of a State is an agency which is organized and operated as follows:

"(1) The agency shall—

"(A) be the sole agency of the State for (i) the performance of the regulatory functions prescribed by section 627 (except as authorized under subsection (b) of such section), and (ii) administering or supervising the administration of (I) the health planning activities of the State, (II) coordination of the plans of the health planning agencies in the State, and (III) implementation of those parts of such plans which relate to the government of the State;

"(B) conduct its activities in accordance with procedures and criteria established and published by it, which procedures and criteria shall, to the extent practicable, conform to the requirements of section 604; and

"(2) The State's Governor (or other chief executive officer) or legislature (whichever is authorized under the law creating the agency) shall appoint an advisory council for the agency to advise it on its budget and the performance of its functions. At least two-thirds of the members of such a council shall be individuals who are not providers of health care services (as defined in section 627(a)(8)) and shall be representative of the various geographic regions of the State, the health planning agencies within the State, the holders of public elective offices in the government of the State and of its political subdivisions, and the various economic, social, and racial population groups of the State. Such a council shall meet periodically, not less than two times in a year, and shall conduct its meetings in public.

"STATE ADMINISTRATIVE PROGRAM

"SEC. 626. (a) A State administrative program for the performance within the State by its State Health Commission of the regulatory functions prescribed by section 627 is not approvable for any year unless it—

"(1) meets the requirements of subsection (b);

"(2) has been submitted to the Secretary by the State Health Commission (designated for the State under section 625) at such time and in such detail, and contains or is accompanied by such information, as the Secretary deems necessary;

"(3) has been prepared in consultation with, and be approved by, the advisory council to the State Health Commission; and

"(4) has been submitted to the Secretary only after the State Health Commission has afforded to the general public of the State a reasonable opportunity for presentation of views on the administrative program.

"(b) The State administrative program must—

"(1) provide for the performance within the State of the regulatory functions prescribed by section 627 in a manner satisfactory to the Secretary and in a manner consistent with the guidelines issued by the Secretary pursuant to section 607 and designate the State Health Commission for the submitting State as the sole agency for the performance of such functions (except as provided in subsection (b) of such section) and for the administration of the administrative program;

"(2) contain or be supported by satisfactory evidence that the Commission has the authority to effectively carry out such functions and the administrative program in accordance with this part and has authority to enforce its decisions under section 627;

"(3) provide for adequate consultation with the Commission's advisory council in carrying out such functions and the administrative program;

"(4) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibilities in the administration of such functions and the administrative program;

"(5) provide for such methods of administration as *are* necessary for the proper and efficient administration of such functions and the administrative program, including (A) methods relating to the establishment and maintenance of personnel standards and (B) provision for utilization of qualified professional medical personnel (particularly in connection with the development or administration of standards of quality and utilization of health care) and of allied health professionals and other qualified professional staff; but the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with the methods relating to personnel standards on a merit basis established and maintained in conformity with this paragraph;

"(6) *set forth the manner by which* the State's part of the permanent costs of operating the State Health Commission *will* be provided by the State;

"(7)(A) provide that the State Health Commission shall, in cooperation with the Secretary and in accordance with such methods as may be recommended for the design and implementation of a nationwide cooperative system for producing comparable and uniform health-related information and statistics, function as a center for the State for the collection (from health care providers subject to the jurisdiction of the State Health Commission), retrieval, analysis, reporting, and publication of statistical and other information related to health and health care, including data on the health services and the fiscal operations of such providers, and including data of the kinds enumerated in section 603, and (B) require such providers doing business in the State to make statistical and other reports of such information and data to the Commission;

"(8) provide for the evaluation, at least annually, of the regulatory functions of the State Health Commission and of their economic effectiveness; and

"(9) provide that the State Health Commission will from time to time, and in any event not less often than annually, review the administrative program and submit to the Secretary any modification thereof which he considers necessary.

"(c) The Secretary shall approve any State administrative program and any modification thereof which complies with subsections (a) and (b). The Secretary shall review for compliance with the requirements of this part the specifications of and operations under each administrative program approved by him. Such review shall be conducted not less often than once each year.

"STATE HEALTH COMMISSION REGULATORY FUNCTIONS

"SEC. 627. (a) Each State Health Commission for which a designation agreement is in effect under section 625 shall, except as authorized under subsection (b), perform within the State for which the Commission is designated the following regulatory functions:

"(1) Review annually and approve or disapprove the long-range goal plan and short-term priorities plan of each health planning agency, the health area of which is located (in whole or in part) within the State for which the Commission is designated.

"(2) Review annually the budget of each such health planning agency and report to the Secretary, for purposes of his review under section 611, its comments on such budget.

"(3) Review applications submitted by such health planning agencies for grants under sections 609 and 610 and report to the Secretary its comments on such applications.

"(4) Serve as the designated planning agency of the State for the purposes of section 1122 of the Social Security Act.

"(5) After obtaining and considering the recommendations of the appropriate health planning agency made pursuant to section 603(g) respecting each health service offered or proposed to be offered within the State, determine which of the services it will certify as needed. Review to determine certification of need shall be conducted on a periodic basis but not less often than every five years. In the case of new health services (including substantial increases in amounts of services or changes in types of services) proposed to be offered such consideration of recommendations of health planning agencies and review to determine certification of need shall be conducted prior to the time such services are offered or substantial expenditures are undertaken in preparation for the offering of such services.

"(6) License health care facilities and health care delivery personnel in the State.

"(7) To the extent authorized by State law, set standards for health care facilities and review for quality the performance of health services within the State.

"(8) After obtaining and considering the recommendations of the appropriate health planning agencies made pursuant to section 603(h), determine prospectively rates used for reimbursement purposes for health services of health care providers within the State and regulate all reimbursements of such health care providers made on either a charge, cost, negotiated, or other basis and review such rates at least once each year. In carrying out such function, the Commission shall—

"(A) permit health care providers subject to such determinations or regulation to retain savings accruing to them from effective management and cost control,

"(B) create incentives at each point in the delivery of health services for utilization of the most economical modes of services feasible,

"(C) document the need for and cost implications of each new service or facility for which a determination of reimbursement rates is sought, and

"(D) employ for each type or class of health care provider—

"(i) a unit for determining the reimbursement rates of the provider, and

"(ii) a base for determining rates of change in the provider's reimbursement rates, which unit and base are satisfactory to the Secretary.

"For purposes of this paragraph and section 607(b), the term 'health care provider' includes at least the following: Hospitals, nursing homes and extended care facilities, community health care programs (such as family planning clinics, community mental health centers, neighborhood health centers, and rehabilitation centers), home health agencies and visiting nurse associations, and indirect suppliers of health services (such as medical laboratories, ambulance services, blood banks, and dental laboratories).

"(b) The function described in paragraph (6) of subsection (a) may be performed by another agency of the State government under an agreement with the State Health Commission satisfactory to the Secretary. If a State requests (in such manner as the Secretary shall by regulation prescribe) that the agreement for the conditional designation or designation of a State Health Commission for such State not require the Commission to perform the functions described in subsection (a)(8), the terms of any such agreement shall be in accordance with such request and the Secretary shall, but not before the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Planning and Development Act of 1974 is enacted, perform such functions within such State until such time as the Commission requests authority to perform such functions and the Secretary determines that it is qualified to perform such functions.

"(c) If a State Health Commission makes a decision in carrying out a function described in paragraph (4), (5), (6), (7), or (8) of subsection (a) which is not consistent with the goals of the applicable long-range goal plan or the priorities of the applicable short-term priorities plan, the Commission shall submit to the appropriate health planning agency and the Secretary a detailed statement of the reasons for the inconsistency.

"(d) If, upon the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Planning and Development Act of 1974 is enacted, a designation agreement for a State Health Commission is not in effect under section 625, the Secretary shall perform within that State the regulatory functions prescribed by subsection (a) but not before he has given the Governor (or other chief executive officer) of that State at least six months' written notice of his intention to perform within that State such functions. If a designation agreement for a State's Health Commission is terminated under section 625, the Secretary shall perform such functions within that State after giving the notice prescribed by the preceding sentence. In the performance of such functions within any State the Secretary shall consult with the health planning agencies within that State and seek the advice and counsel of an advisory council drawn from residents of that State in a manner comparable to that required by section 625 for advisory councils to State Health Commissions.

"GRANTS FOR THE DEVELOPMENT AND OPERATIONS OF STATE HEALTH COMMISSIONS

"Sec. 628. (a) The Secretary may make grants to States to assist in meeting the costs of developing State Health Commissions. Any grant under this subsection shall be made for development costs incurred in the one-year period beginning on the first day of the first month for which such grant is made and may be for an amount which does not exceed 90 per centum of such costs.

"(b) The Secretary may make grants to States for the operation of State Health Commissions. Each grant under this subsection shall be made for operation costs for the one-year period beginning on the first day of the first month for which such grant is made. The amount of any grant for a State Health Commission's costs of operation for the first year of its operation may not exceed an amount equal to 75 per centum of such costs; and the amount of any other grant for a Commission's costs of operation may not exceed the lesser of (1) $500,000, or (2) an amount equal to 50 per centum of the costs of its operation for the year for which the grant is made.

"(c) No grant may be made under subsection (a) or (b) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and contain such information as the Secretary may require. The Secretary may not approve any such application unless he determines that the Federal funds under the grant applied for will be used to supplement State funds that would in the absence of such Federal funds be used for the purposes for which such grant would be made and will in no event supplant such State funds.

"(d)(1) For purposes of making payments under grants under subsection (a), there are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1974, $3,000,000 for the fiscal year ending June 30, 1975, $3,000,000 for the fiscal year ending June 30, 1976, and $3,000,000 for the fiscal year ending June 30, 1977.

"(2) For purposes of making payments under grants under subsection (b), there are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1974, $5,000,000 for the fiscal year ending June 30, 1975, $10,000,000 for the fiscal year ending June 30, 1976 and $10,000,000 for the fiscal year ending June 30 1977."

CONFORMING AMENDMENTS

Sec. 3. Title IX and subsections (a), (b), and (c) of section 314 of the Public Health Service Act and repealed.

EFFECTIVE DATE

Sec. 4. The amendments made by this Act shall take effect July 1, 1974, except that on and after the date of the enactment of this Act the Secretary of Health, Education, and Welfare shall carry out the duties imposed by section 601 of the Public Health Service Act (as added by section 2) and provide the assistance authorized by sections 605 and 628 of such Act (as so added).

By Mr. GRAVEL:

S. 2995. A bill to review the present and prospective uses of the lands of the United States, and to stimulate the production of oil and gas from such lands, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. GRAVEL. Mr. President, for some time there has remained a serious need for a cataloging of the resources of various Federal lands across this great Nation. It has always been a strange thing to my mind that a comprehensive inventory of this sort was not prepared and available for use and reference. At this time of energy scarcity, we need to have knowledge of both present and potential uses of public lands, particularly those lands which contain significant supplies of oil and gas.

Recently, a preliminary calculation placed oil and gas reserves in Alaska at 2.7 billion barrels of oil and 19.3 trillion cubic feet of natural gas just under those lands currently proposed for withdrawal and inclusion in the national systems.

I submit a table, prepared by the State of Alaska's Department of Natural Resources, which shows these calculations. With your permission, I ask that it be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Tabulation of Speculative Oil and Gas Reserves Calculated To Underlie Secretary Morton's Single-Use Land Withdrawal Proposals of November 1973

(Compiled by W. M. Lyle and R. M. Klein)

Speculative possible recoverable oil and gas reserves were calculated for the areas recommended for withdrawal by the Secretary of the Interior for National Parks, National Wildlife Refuges, and Ecological Reserves. These figures were calculated for the State-Federal Land Use Planning Commission at the request of Mr. James A. Williams.

The speculative possible recoverable oil or gas calculated to be present under all of the possible withdrawals is considered to be at least 2,700,000,000 barrels of oil and/or 19.3 trillion cubic feet of gas. 26,128,360 total acres underlying these proposed withdrawals are considered to have possible oil and gas potential.

The calculations were prepared by using known recoverable reserves in the Cook Inlet and in known sedimentary basins of the world. The cubic miles of sediment were recalculated by using reasonable of known thicknesses of sedimentary rocks under each of the withdrawals.

The reserve figures are entirely speculative and are intentionally conservative.

Results of this evaluation are subdivided into separate calculations for each proposed withdrawal area, and are listed on the accompanying tabulation.

POSSIBLE OIL AND GAS RESERVES INVOLVED IN PROPOSED FEDERAL WITHDRAWAL, NOVEMBER-DECEMBER 1973

Proposed withdrawal areas	Area with possible oil potential: Acres	Area with possible oil potential: Square miles	Possible recoverable: Oil (millions of barrels)	Possible recoverable: Gas (trillions of cubic feet)
1. Gate of the Arctic National Wilderness Park	2,119,680	3,312	432.0	3.2
2. Kobuk Valley National Monument				
3. Cape Krusenstern National Monument				
4. Aniakchak Caldera National Monument	369,640	578	24.0	.175
5. Katmai National Park	2,257,920	3,528	159.0	1.138
6. Harding Ice Field—Kenai Fjords National Monument				
7. Lake Clark National Park				
8. Mt. McKinley National Park	944,640	1,467	38.0	.277
9. Wrangell-St. Elias National Park	1,175,040	1,836	420.0	3.
10. Yukon-Charley National Rivers	737,280	1,152	51.1	.373
11. Yukon Flats National Wildlife Refuge	4,008,960	6,264	390.0	2.7
12. Arctic National Wildlife Range	2,304,000	3,600	340.0	2.5
13. Koyukuk National Wildlife Refuge				
14. Selawik National Wildlife Refuge	990,720	1,548	25.5	.186
15. Chukchi-Imuruk National Wildlands	921,600	1,440	42.0	.304
16. Coastal National Wildlife Refuge				
17. Yukon Delta National Wildlife Refuge	4,170,240	6,516	360.9	2.64
18. Togiak National Wildlife Refuge				
19. Noatak National Ecological Range	2,787,840	4,356	250.0	1.8
20. Iliamna National Ecological Range	3,340,800	5,250	142.0	1.04
Total	[1] 26,128,360	[1] 40,856	2,674.5	19.333

[1] Note: Difference due to rounding.

COAL

The most serious conflict with coal by Secretary Morton's proposals is his proposal No. 10, the Yukon-Charley National Rivers Area. This proposal covers most of a subbituminous coal belt lying just south of the Yukon River. It is 2 to 10 miles wide and extends from the Canadian border about 80 miles to the vicinity of Woodchopper Creek. At Washington Creek, five exposed beds containing four or more feet of clean coal each have been measured. More beds probably exist. No further exploration has been done and no tonnage estimates have been made.

Using a USGS tonnage factor, 20 feet of coal will make 22,650,000 tons per square mile.

It appears there might be 200 square miles of the field within the Secretary's withdrawal. Even half of this area, if it averages 20 feet of coal, would make 2.25 billion tons of subbituminous coal. How much of this could be mined is not possible to know without drilling or sampling at numerous points.

Mr. GRAVEL. Mr. President, I believe that the foregoing illustrates well the need for an in-depth inventory of these and other valuable resources to be found on or underlying public lands in all the States. Therefore, I am offering a bill, S. 2995, to review the present and prospective uses of the lands of the United States and to stimulate the production of oil and gas from such lands and for other purposes.

I am indebted to my colleague in the House, Representative John Melcher, chairman of the Public Lands Subcommittee for his work in this area and for preparation of this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2995

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall review and report to Congress within three years from the date of this Act the present uses of the public lands and their suitability for various single or multiple uses, including use for grazing, forestry, watershed protection, wildlife, recreation, agriculture, wilderness, and mineral development, among others. The Secretary shall make an interim report within sixty days from the date of this Act indicating, to the extent practical within that time limit, the reserved, unreserved, and acquired lands of the United States that contain readily available petroleum or other energy resources.

Sec. 2. The Secretary of the Interior is hereby authorized and directed to encourage and stimulate the exploration and development of the oil and gas resources of the public lands and acquired lands of the United States, both reserved and unreserved, except lands in the National Park System, the National Wildlife System, and the Wild and Scenic Rivers System, and the National Wilderness System and primitive and roadless areas in the national forests now under review for inclusion in the Wilderness System in accordance with provisions of the Wilderness Act of 1964. He may utilize for this purpose any statutory authority he may have with respect to leases, contracts, agreements, permits, rentals, royalties, fees, and cooperative or unit plans, and he shall report to Congress the need for any additional authority. Lands heretofore reserved by executive or legislative action that prohibits or limits oil and gas development, except lands in the systems referred to above, shall be subject to the provisions of this section, notwithstanding such limitations, but no oil or gas development thereon shall be authorized by the Secretary unless sixty days notice is given to the Congress (not counting days on which either the House of Representatives or the Senate is not in session for three days or more) and neither the House of Representatives nor the Senate adopts a resolution of disapproval. Any such notice shall explain in detail the relative need for developing the oil and gas resource in order to meet the total energy needs of the Nation, compared with the need for prohibiting such development in order to further some other public interest.

Sec. 3. The Secretary of the Interior is authorized to establish on any reserved or unreserved public or acquired lands of the United States national oil and oil shale reserves the development of which needs to be regulated in a manner that will meet the total energy needs of the Nation, including but not limited to national defense. Any reserve so established shall supersede any prior reservation for a more limited purpose. The oil and gas resources of such reserves shall be developed only pursuant to statutes hereafter enacted for that purpose.

Sec. 4. In order to provide a broader competitive base for development of oil and gas resources of the lands of the United States, the Secretary of the Interior shall consider and provide for competitive bidding, to the maximum extent practical, on the basis of either bonuses or royalties, or both, at the option of the bidder, and the highest bid shall be determined by the Secretary on the basis of the total estimated return to the United States over the probable productive life of the property being disposed of.

By Mr. MANSFIELD (for Mr. Kennedy, for himself, Mr. Javits, Mr. Williams, and Mr. Schweiker):

S. 2996. A bill to amend the Public Health Service Act to revise the programs of health services research and to extend the programs of assistance for medical libraries. Referred to the Committee on Labor and Public Welfare.

Mr. MANSFIELD. Mr. President, I ask unanimous consent on behalf of the distinguished Senator from Massachusetts (Mr. Kennedy), for himself, Mr. Javits, Mr. Williams, and Mr. Schweiker to introduce a bill to amend the Public Health Services Act, revise the programs for health services research and to extend the program of assistance for medical libraries.

Mr. KENNEDY. Mr. President, I am delighted to introduce today legislation to extend and improve three vitally important health programs. These programs assist the support of health services research and development, health statistical activities and medical libraries throughout the Nation. Each of the programs is scheduled to expire this June and, therefore, it is essential for the Congress to determine what changes and improvements now need to be made in these authorities.

Mr. President, as chairman of the Senate Health Subcommittee, I have scheduled a public hearing on this bill and related measures for February 19, 1974. That hearing will be conducted in room 4232 of the Dirksen Office Building beginning at 10 a.m. Persons interested in testifying before the subcommittee should contact Mr. Lee Goldman, staff director of the subcommittee.

Briefly the bill extends each of these programs for 4 additional years through June 30, 1978. It is my understanding that the administration favors the extension of each of these programs.

At this time I want to highlight one basic policy issue which is pertinent in this legislation. This has to do with the appropriateness of statutorily combining the health services R. & D. program with the National Center for Health Statistics. At the present time these programs are independent, though companion legislation which has already passed in the House would propose to combine them. The bill that I am introducing today along with my friends and colleagues, the distinguished ranking minority member of the Labor Committee, Senator JAVITS, the distinguished chairman of the Labor Committee, Senator WILLIAMS, and the distinguished ranking minority member of the Health Subcommittee, Senator SCHWEIKER, does not combine these programs. I believe their respective functions are sufficiently different to lead me to the conclusion that their combination would not work to the advantage of either. However, there has not been sufficient coordination between these two programs in the past. And I intend that the bill which will soon pass the Senate will include whatever is necessary to assure sufficient program coordination.

Mr. JAVITS. Mr. President, I am pleased to join with Senator KENNEDY in the introduction of a bill to amend the PHS Act to revise the programs of health services research and statistics and to extend the program of assistance for medical libraries.

This legislation addresses itself to three important facets of the Nation's health care problems:

First. The need for an increased commitment to health services research aimed at improving the use of our health care dollars.

With a strong commitment backing it, health care research will assist in answering fundamental questions about national health insurance, quality of care, effective use of personnel and technological resources.

Second. The need for accurate and comprehensive statistics about the Nation's health. Without such information we can never know what benefits we have obtained from the billions of dollars we spend on health nor what directions we must take in the future to improve the health of the Nation. Responsibility for gathering, analyzing, and distribution of this vital information rests with the National Center for Health Statistics. The center has achieved a worldwide reputation as an objective and competent reporter of the health status of the American people.

Third. The need for funding authority for medical libraries assistance programs. The effectiveness of these programs in the important function of disseminating medical knowledge justifies continuing support for this worthwhile investment.

The principal modification this legislation makes in these three authorities is that it mandates that the existing HEW units which conduct health services research and which gather health statistics be combined into a new National Center for Health Services Research and Statistics in order to obtain statistics which are responsive to the needs of health services researchers as well as the generally close relationship between health services research and statistic gathering activities.

With respect to medical libraries, the only change of substance is the elimination of moneys for the construction of medical libraries which was not funded last year.

I believe this legislation will help to insure that the rapid advances in medicine and science will not leave public and professional knowledge far behind.

By Mr. HANSEN (for Mr. COOK):

S. 2998. A bill to amend Public Law 93–159 relative to petrochemicals. Referred to the Committee on Interior and Insular Affairs.

Mr. HANSEN. Mr. President, on behalf of the Senator from Kentucky (Mr. COOK), I introduce a bill and I ask unanimous consent that a statement prepared by him in connection with the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR COOK

When Congress enacted legislation to allocate petroleum products, it included petrochemical feedstocks. The conference report stated that it was the intent of the Congress "to require the allocation of petrochemical feedstocks as may be necessary to accomplish the objective of restoring and fostering competition in the petrochemical industry."

Experience has shown that, while the allocation of certain specific feedstocks to include naphtha and benzene has, to a degree, been successful within the petrochemical industry itself, it has not provided to the user of these petrochemicals a sufficient amount of the product to enable him to continue his manufacture of consumer goods. A case in point is the synthetic industry in my State of Kentucky. I have been informed that the American Synthetic Rubber Corporation may be required to cease operation unless it can obtain supplies of styrene monomer. This would cause the loss of some 600 jobs in the Louisville area, and would impact unfavorably on other segments of the industry.

Styrene is, of course, a petrochemical. Benzene, which is used to make ethylbenzene, is allocated. However, there the controls cease. Neither the ethylbenzene nor the styrene, which is manufactured from this product, is allocated. The small manufacturer is then left to his own efforts to obtain the styrene if he intends to survive, and is at the mercy of the petrochemical industry, which enjoys Federal protection.

I do not believe that this is what the Congress intended. Quantities of styrene are being exported to foreign manufacturers while domestic manufacturers are being denied the use of this product.

I am, therefore, introducing a bill today which would amend Public Law 93–159 by requiring that petrochemicals, as well as petrochemical feedstocks, also be included in the allocation program.

I urge that prompt action be taken on this bill, so that one segment of domestic industry will not continue to suffer while another segment goes uncontrolled.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 2999. A bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the senior Senator from South Carolina (Mr. THURMOND), I introduce, for appropriate reference, a bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes. This is submitted as an amendment to the budget for fiscal year 1974 representing an increase in the amounts requested for appropriation in certain appropriation accounts of the Department of Defense.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., February 4, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The President has submitted an amendment to the budget for Fiscal Year 1974 representing an increase in the amounts requested for appropriation in certain appropriation accounts of the Department of Defense. This amendment is requested as a result of a number of serious unforeseen problems relating to maintaining adequate levels of military readiness which have come to light as a result of the Middle East conflict. Some of these increased amounts will require fund authorization pursuant to section 138(a) of Title 10, United States Code (formerly subsection (b) of section 412 of Public Law 86–149, as amended). In addition construction authority for a classified construction project and authorization for appropriations for operation and maintenance of military family housing are needed. There is also an urgent need for an increase in the amounts authorized to be obligated in Fiscal Year 1974 for support of South Vietnamese military forces. Accordingly, there is forwarded herewith legislation "To authorize appropriations during the Fiscal Year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces and to authorize construction at certain installations, and for other purposes." This proposal is a part of the Department of Defense legislative program for the 93d Congress and the Office of Management and Budget has advised that the enactment of the proposal would be in accord with the program of the President. This proposal is being sent to the Speaker of the House.

As a result of the recent Middle East conflict the Department of Defense has carefully examined its military readiness to respond to world crisis situations. That conflict has demonstrated that our reaction capability is less than the optimum. Certain assumptions as to the availability of facilities abroad, our overflight rights, and other key matters prove to be unwarranted in some important respects. We have also learned a great deal about certain weapons, performance and requirements, which requires changes in our weapons productions plans. The cumulative effect of these developments has been to create an immediate need for additional budget authority for Fiscal Year 1974. This additional request does not involve any departure from our current national security policies. It represents, rather, a recognition of several fact-of-life developments and a shift in factors beyond our control. These factors have led to an increase in the cost of providing a level of readiness which has been recognized as the minimum consistent with our security.

To accommodate such needs, the draft legislation forwarded herewith would authorize additional appropriations for various procurement and research, development, test and evaluation programs of the Department of Defense. In addition to the requirement for additional fund authorization for research, development, test and evaluation programs there is also a requirement to provide for pay increases and other payroll costs of civilian employees funded from research, development, test and evaluation funds. The total amounts already authorized for Fiscal Year 1974 for research, development, test and evaluation for the Army and defense agencies are in excess of the amounts appropriated, and therefore under normal circumstances additional authorization could be considered to be unnecessary to meet such costs. However, for uniformity this request for authorization includes the full amount required to meet these additional payroll costs for each of the military departments and the defense agencies.

Included in the proposed legislation is a request for authority to construct certain classified projects by the Navy. In addition there is included in the proposed legislation a request for an increase in fund authorization for operation and maintenance of military family housing, which is required to meet increases in pay for wage board and civilian employees.

Finally, the level of activity in Southeast Asia will require an increase in the requirements to incur obligations of funds for support of the Armed Forces of the Republic of Vietnam. As a result there is a critical need to increase the $1.126 billion authorization for use of appropriations for support of the Armed Forces of the Republic of Vietnam. Title IV of the proposed legislation would amend section 401 of Public Law 89-367 as amended by section 801 of the Department of Defense Appropriations Act, 1974 and section 737(a) of the Department of Defense Appropriation Act, 1974 to provide the authority to support the Armed Forces of the Republic of Vietnam from appropriations made available to the Department of Defense in the amount of $1.6 billion. No additional funds are requested for this purpose since unobligated balances of prior year programs are available to meet this Southeast Asia requirement if this proposed legislation is enacted.

In accordance with usual practices, the Committee on Armed Services will be furnished with such additional information as they may require in connection with this request.

Sincerely,

JAMES R. SCHLESINGER.

S. 2999

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

SEC. 101. In addition to the funds authorized to be appropriated under Public Law 93-155 there is hereby authorized to be appropriated during fiscal year 1974 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $22,000,000; for the Navy, $219,200,000; for the Air Force, $445,000,000.

Missiles

For missiles: for the Army, $84,400,000; for the Navy, $28,600,000; for the Marine Corps, $22,300,000; for the Air Force, $39,000,000.

Naval Vessels

For naval vessels: for the Navy, $24,800,000.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $113,600,000.

Other Weapons

For other weapons: for the Army, $8,200,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SEC. 201. In addition to the funds authorized to be appropriated under Public Law 93-155, there is hereby authorized to be appropriated during the fiscal year 1974, for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, $55,043,000;

For the Navy (including the Marine Corps), $67,828,000;

For the Air Force, $83,766,000; and

For the Defense Agencies, $10,852,000.

TITLE III—MILITARY CONSTRUCTION

SEC. 301(a). The Secretary of the Navy may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $29,000,000.

(b) There are authorized to be appropriated for the purpose of this section not to exceed $29,000,000.

SEC. 302. In addition to the funds authorized to be appropriated under Public Law 93-166, there is hereby authorized to be appropriated during the fiscal year 1974, for use by the Secretary of Defense, or his designee, for military family housing, for operating expenses and maintenance of real property in support of military family housing, an amount not to exceed $3,866,000.

SEC. 303. Authorizations contained in this title shall be subject to the authorizations and limitations of the Military Construction Authorization Act, 1974 (Public Law 93-166), in the same manner as in such authorizations as if they had been included in that Act.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Subsection (a)(1) of section 401 of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is hereby amended by deleting "$1,126,000,000" and inserting "$1,600,000,000" in lieu thereof, and (b) section 737(a) of Public Law 93-238 (87 Stat. 1044) is amended by deleting "$1,126,000,000" and inserting "$1,600,000,000" in lieu thereof.

This Act may be cited as the "Department of Defense Supplemental Appropriation Authorization Act, 1974".

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 3000. A bill to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the Senator from South Carolina (Mr. THURMOND), I introduce, for appropriate reference, a bill to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student load and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., February 4, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith legislation "To authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes." This proposal is a part of the Department of Defense legislative program for the 93d Congress, and the Office of Management and Budget has advised that enactment of the proposal would be in accord with the program of the President. This proposal is also being sent to the Speaker of the House.

This proposal would provide authorization for appropriations as needed for procurement in each of the categories of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and for other weapons for each of the military departments in an amount equal to the new obligational authority included in the President's budget for fiscal year 1975. In addition, the proposal would provide fund authorization in amounts equal to the new obligational authority included in the President's budget for fiscal year 1975 in total for each of the research, development, test and evaluation appropriations for the military departments and the defense agencies.

Title III of the proposal prescribes the end strength for active duty personnel of each component of the Armed Forces as required by section 138(c)(1) of title 10, United States Code, in the number provided for by new obligational authority in appropriations requested for these components in the President's budget for fiscal year 1975.

Title IV of the proposal provides for average strengths of the Selected Reserve of each Reserve component of the Armed Forces as required by section 138(b) of title 10, United States Code, in the number provided for by the new obligational authority in appropriations requested for these components in the President's budget for fiscal year 1975.

Title V of the proposal is responsive in the new requirements contained in section 138(c) of title 10, United States Code, which requires that beginning with fiscal year 1975, the civilian personnel end strengths for each component of the Department of Defense be authorized. Title V provides for end strengths for civilian personnel of the Department of Defense in the number provided for the new obligational authority in appropriations requested for the Department of Defense in the President's budget for fiscal year 1975.

Language authorizing average training student loads is contained in Title VI as required by section 138(d) of title 10, United States Code; however, this proposal does not include, at this time, the actual student load figures which this Department will request for fiscal year 1975. The requirement for authorization for average training student loads was only recently enacted and fiscal year 1974 was the first year in which such authorization was provided. Data is now being analyzed and developed in order to determine the fiscal year 1975 requirements. As soon as this data is available, but not later than March 1, 1974, when the related report is required to be submitted to the Congress, the necessary figures will be submitted to the Congress for inclusion in Title VI of this proposal.

This proposal would also include for fiscal year 1975 language authorizing appropriations of the Department of Defense to be made available for the support of Vietnamese military forces. The proposed language is substantially identical to similar provisions in prior year's acts in its application to support for Vietnamese forces, except that for clarity in light of recent congressional actions regarding public safety programs, the language has been modified to make it expressly applicable to Vietnamese military forces rather than Vietnamese forces. To reflect the reversion of support for Laos to the Military Assistance Program in fiscal year 1975, references to Laos have been deleted as have been other obsolete references which no longer reflect the current situation.

The reporting requirements of subsection (b) of section 401 of Public Law 89-367, as amended, are considered permanent and would be equally applicable to this provision.

Sincerely,

JAMES R. SCHLESINGER.

S. 3000

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $339,500,000; for the Navy and the Marine Corps, $2,960,600,000; for the Air Force, $3,496,600,00.

Missiles

For missiles: for the Army, $459,200,000; for the Navy, $620,600,000; for the Marine Corps, $76,000,000; for the Air Force, $1,610,800,000.

Naval Vessels

For naval vessels: for the Navy, $3,562,600,000.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $331,900,000; for the Marine Corps, $80,100,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $187,700,000.

Other Weapons

For other weapons: for the Army, $53,400,000; for the Navy, $25,600,000; for the Marine Corps, $500,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,985,976,000;

For the Navy (including the Marine Corps), $3,264,503,000;

For the Air Force, $3,518,860,000; and

For the Defense Agencies, $555,700,000, of which $27,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 785,000;
(2) The Navy, 540,380;
(3) The Marine Corps, 196,398;
(4) The Air Force, 630,345.

TITLE IV—RESERVE FORCES

SEC. 401. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Selected Reserve of each Reserve component of the Armed Forces will be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 379,848;
(2) The Army Reserve, 215,842;
(3) The Naval Reserve, 107,526;
(4) The Marine Corps Reserve, 36,703;
(5) The Air National Guard of the United States, 89,128;
(6) The Air Force Reserve, 51,319;
(7) The Coast Guard Reserve, 11,700.

SEC. 402. The average strength prescribed by section 401 of this title for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Department of Defense is authorized an end strength for civilian personnel as follows:

(1) The Department of the Army, 358,717;
(2) The Department of the Navy, including the Marine Corps, 323,529;
(3) The Department of the Air Force, 269,709;
(4) Activities and agencies of the Department of Defense (other than the military departments), 75,372.

(b) In computing the authorized end strength for civilian personnel there shall be included all direct-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether in permanent or temporary positions and whether employed on a full time, part time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program: *Provided*, That whenever the secretary of the military department concerned or the Secretary of Defense determines that the direct substitution of civilian personnel for military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the numbers of civilian personnel authorized by this section: *Provided further*, That when a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

SEC. 502. When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by section 501: *Provided*, That the number of additional personnel authorized to be employed pursuant to the authority of this section shall not exceed 1 per centum of the total number of civilian personnel authorized for the Department of Defense by section 501: *Provided further*, That the Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength pursuant to this authority.

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. For the fiscal year beginning July 1, 1974 and ending June 30, 1975, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, ------;
(2) The Navy, ------;
(3) The Marine Corps, ------;
(4) The Air Force, ------;
(5) The Army National Guard of the United States, ------;
(6) The Army Reserve, ------;
(7) The Naval Reserve, ------;
(8) The Marine Corps Reserve, ------;
(9) The Air National Guard of the United States, ------;
(10) The Air Force Reserve, ------;

TITLE VII—GENERAL PROVISIONS

SEC. 701. Subsection (a)(1) of section 401 of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is hereby amended to read as follows:

"(a)(1) Not to exceed $1,600,000,000 of the funds authorized for appropriation for the use of Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support Vietnamese military forces on such terms and conditions as the Secretary of Defense may determine: *Provided*, That nothing contained in this section shall be construed as authorizing the use of any such funds to support Vietnamese military forces in activities designed to provide military support and assistance to the Government of Cambodia or Laos."

This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1975".

ADDITIONAL COSPONSOR OF A BILL

S. 2832

At the request of Mr. TAFT, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2832, the Earned Immunity Act of 1974.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 276

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senate Resolution 276, a resolution to disapprove the congressional pay increase recommendation of the President. I do not favor increasing the salaries of top Government officials at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF HEARING ON ENERGY RESEARCH

Mr. RIBICOFF. Mr. President, the Subcommittee on Reorganization, Research, and International Organizations of the Government Operations Committee will hold hearings on a proposed Energy Research and Development Administration and a proposed Department of Energy and Natural Resources on February 19, 20, 21, 26, and 27, 1974.

ADDITIONAL STATEMENTS

THE SHORTAGE OF PETROCHEMICALS

Mr. TAFT. Mr. President, I have become extremely concerned about the inability of chemical firms, plastics and rubber processors, and other small fabrications to obtain the petrochemicals they need, despite the existence of the mandatory allocation program for refined petroleum products.

I have supported from the beginning of debate the priority position assigned in the allocation program to the petrochemical industry. In recognition of this industry's tremendous importance to the economy, that position has been reflected in the Federal Energy Office regulations which allow petrochemical producers to receive 100 percent of current petroleum requirements. However, the congressional concern for the welfare of this industry extended not just to the producers and first purchasers of petrochemicals, but to all of the industries "downstream" which need them. Our efforts to generate continued production in the petrochemical sector will be considered successful only if these operations, as well as those directly receiving an allocation of petroleum products, benefit from more adequate supplies of their raw materials.

Unfortunately, that does not appear uniformly to be the case. Those who have been able to buy polystyrene and other petrochemical feedstocks have, in many cases, increased their internal use of these feedstocks rather than making them available to the processors which have historically relied upon these sources of supply. That these companies can expand their production significantly while those who have relied on them for petrochemical supplies are forced to lay off workers and consider shutting down is evidence of inequitable distribution of the feedstocks. Because of this situation, the jobs of hundreds and perhaps thousands of my constituents in fabricating plants are presently in danger.

The drastic increase of late in the export of petrochemical feedstocks is a further source of irritation. Even though a small amount of feedstocks is involved, I do not see how anyone can blame the workers in the industry whose jobs are endangered if they have trouble stomaching these increased exports. I am pleased that the Commerce Department has now imposed a monitoring system to assess the volume and effect of the exports.

I understand that the Federal Energy Office has now agreed to amend regulations to direct that "to the maximum extent practicable" recipients of petroleum product allocations in the industry should conduct sales policies which foster competition. Because the distribution problems seems to revolve more around the action of "middlemen" who buy the feedstock products than the companies actually receiving petroleum product allocations, this change in the regulations, although welcome, may have a limited effect. The Cost of Living Council's action last week to lift price controls from nearly all petrochemical feedstocks should be of much more consequence. The Cost of Living Council hopes that a sufficient increase in petrochemical supplies will result, mostly because the price rise will increase the relatively profitability to refiners of producing necessary feedstock materials rather than gasoline.

We are all hopeful that such an increase in the supply of petrochemical feedstocks will be of sufficient magnitude to alleviate the present problems and thereby obviate the necessity for full allocation of petrochemicals. An allocation program of that type would be extremely difficult to administer effectively and should be avoided if at all possible. I am willing to wait a few weeks before advocating a full petrochemical allocation program to determine whether the Cost of Living Council's action is adequate.

If the serious shortages continue, however, we will have no choice but to face up quickly to the possibility that the allocation program will have to be expanded. This would be necessary for the sake not only of saving our constituents' jobs, but also to insure that high-priority chemical needs such as medical needs will be fulfilled despite the shortage.

LOWER MISSISSIPPI VALLEY FLOOD CONTROL PROJECTS

Mr. STENNIS. Mr. President, the fiscal year 1975 budget for flood control projects in the lower Mississippi Valley reflects the fact that we had a tremendous flood in that area last spring. The amounts requested for the Mississippi River and tributaries project are greater than those shown in the budget submission last year. However, they fall short, in my judgment, of what will be needed in that area, and I intend to explore this aspect very thoroughly in the hearings that I soon will conduct as chairman of the Public Works Subcommittee of the Senate Appropriations Committee.

The necessity for maximum progress on flood control work in the Mississippi Valley is amply justified by the tremendous damages that were prevented last year by those projects, and the flooding and hardships that existed, because the projects had not all been completed.

If any additional emphasis is needed, however, it certainly is provided by river conditions this year.

The situation in the lower Mississippi Valley is such that it should be watched very carefully with respect to flooding, but it would be premature to actually predict a flood of the magnitude of last year. What happens will depend on whether there are heavy storms in the next 3 or 4 months.

At present, on the minus, or bad side of the situation, the Mississippi River is higher now than it was last year. The predicted high at Vicksburg, on February 7, will be 45 feet above mean low water, or 7 feet higher than on February 7 last year. The river is now 2 feet over bankfull at Vicksburg, so it has started to back up into the Yazoo River, and will continue to back up until February 7. Streams in the Yazoo Basin are bankfull or slightly out of banks. There is considerable flooding of low-lying farmlands, but with a few exceptions most homes are still out of water and people are not evacuating.

On the plus, or good side of the situation, the river should crest at Vicksburg February 7 and start falling, and if the heavy local rainstorms of March and April last year are not experienced this year, the flood situation in the Mississippi Delta will be troublesome but not extremely serious. We need good weather and a falling river to dry out the ground for spring planting.

The present high crest in the Mississippi River comes from unseasonable early snow melt in the upper basin and the Ohio, so we are getting rid of some water that could otherwise have hit us all at once in the early spring, when the danger of flood is at its annual maximum.

The district organizations of the Corps of Engineers in the lower valley are concentrating on flood preparedness, and repairing damages to flood control structures.

So it is clear that the budget submitted to the Congress is going to have to be very carefully examined to see if it provides the money to do all that should be done, in view of the seriousness of the situation in the Mississippi Valley. The budget requests $130 million for the Mississippi River and tributaries project. This is an improvement over the $95 million that was requested for fiscal 1973 and the $110 million requested last year. However, it falls short of the $157 million the Congress felt was needed and provided last year.

This year the budget asks for $8.5 million for the Yazoo Basin, including $3.5 million for the Yazoo backwater project.

This is a major improvement over the very small amount request last year, and compares with the much larger amount that Congress actually provided for the current fiscal year. However, I want to go into this very thoroughly at the hearings and see what more can be done.

I also intend to press for early action on the matter of raising many of the mainstem levees on the Mississippi River. Recent experience shows that this should be done, but the Office of Management and Budget has not allowed the Army Engineers to start on this part of the work until the whole question of increasing the capacity of the river to carry floodwaters is given further review. In the meantime, the Engineers are doing work of an emergency nature on some of the levees, repairing them, and bringing them up to the presently approved design level, and it would be good sense to do the work all at once, rather than coming back later to raise them to the new level that the engineers consider necessary.

Other water resources projects in Mississippi will also receive very careful consideration in my hearings this spring. I am pleased that substantial sums are in the budget for dredging in Gulfport and Pascagoula Harbors. Also very satisfying is the fact that $1 million is in the budget for the construction of Tallahala Dam and Lake near Laurel. I have been working on this project for several years, and have had to deal with impoundment of funds and resistance from the Environmental Protection Agency to our releasing water from the lake to improve water quality downstream when needed. Now these problems have been resolved and it will be good to see the dirt begin to move at the Tallahala Dam site in the coming fiscal year.

I am especially gratified that the budget provides $30 million for the Tennessee-Tombigbee Waterway. This is the largest amount provided in the budget for any single navigation or waterway project; $30 million is close to the full capability of the Corps of Engineers to accomplish work during the coming year on this great waterway which will mean so much to the eastern part of Mississippi.

BENITO

Mr. MATHIAS. Mr. President, the Free State of Maryland is not only fortunate for the large number of talented native sons and daughters, but also for those who have chosen to make Maryland their home. Among those who have come to Maryland and added greatly to the quality of life are two sisters—Mrs. Raphael Semmes, of Chevy Chase, Md., and Mrs. Frank LaMotte, of Worton, Md. They are both the daughters of the noted French-Spanish artist Benito, and in their lives they express much of the flair and fashion that has characterized his artistry. By coming to live in Maryland they have helped to make their tradition a part of our own.

There is currently an exhibit of Benito's works at the New York Cultural Center in association with Farleigh Dickinson University, 2 Columbus Circle, New York City, extending from February 5 to March 20, 1974.

An appreciation of Benito, which is contained in the announcement of the exhibit, describes his artistic career and I ask unanimous consent that it be printed in the Record.

There being no objection, the announcement was ordered to be printed in the Record, as follows:

Benito

When does an illustrator become a fine artist, and vice-versa? A hard question to answer—especially today when the dividing line between the commercial and the fine arts has been irrevocably erased. Benito, with his large production of canvases in the late Cubist tradition and his output of perhaps the most dashing fashion and cover illustration of the 'twenties and 'thirties stands somewhere between the two. For although his Cubist canvases may be *aprés la lettre,* there is no denying they have a chic and style quite their own as well as being of their period. However, it is surely his work for *Vanity Fair* and *Vogue* that will secure him a major footnote in the annals of art.

Coming to Paris from his native Spain at 18 in 1911, he had introductions to Juan Gris (who he remembers had a hole in the seat of his trousers), Picasso, Modigliani, Zuboga, Jacob, Dufy, Derain and other painters, artists and writers who gathered at the Café de la Rotonde. One wonders exactly how much he influenced Modigliani's sloe-eyed nudes and Van Dongen's fashionable portraits. By Benito's own admission, he didn't think much of Modigliani's work and even painted over some of his friend's canvases which were given him, so it is not too far-fetched to suppose the starving artist took certain stylistic idioms from the successful fashion-illustrator's works.

Benito decisively chose the *haute monde* rather than Montmartre after entering the enchanting and enchanted circle of Paul Poiret. Meeting the great dress designer at 20 was certainly the most momentous event in his long and productive career; immediately he was catapulted into the high life of Paris society. At one of Poiret's legendary parties Benito was introduced to the American publisher Condé Nast, owner of *Vogue* and a little later to Frank Crowninshield, Director of *Vanity Fair*. From that moment on, his future was secure. Having already done illustrations for *Femina La Vie Parisienne* and *Le Gazette du Bon Ton,* he was whisked to New York with his wife, where at the Algonquin Margaret Chase greeted him and became a lifelong friend. Although established in the rarified world of fashion, Benito lived in Greenwich Village where he continued to do portraits: he painted Poiret, Cocteau and nearly did Elsie de Wolff, but she didn't like his prices and he didn't like her looks.

Having already shown his oils at the Galerie Charpentier and the Musé Galliera in Paris (he was a member of the jury of the Societé Nationale des Beaux Arts, and the Salon d'Automne), he had an exhibition at Wildenstein's in New York in 1924, the year after he painted some much-admired decorative panels for Gloria Swanson's apartment. In 1928 he had had enough of the New World and went to Madrid, but two years later he returned to New York to pour out more elegant and etiolated ladies of fashion against Deco divans and blue glass mirrors, with pomaded penguins in attendance. As the new decade began, svelte and streamlined forms were gradually replaced by the slip-covered drabness of a depression-bound 'thirties which Benito eventually turned his back on.

The world of Benito is synonymous with hothouse *chic:* slick. "Moderne" and above all exaggerated and stylish. It certainly demands to be examined again, particularly in light of today's 'twenties revival wherein some of the most significant linear and graphic inventions of this artist are now accepted as the *lingua franca* of fashion illustration.

THE SLOW RATE OF FUNDING OF THE NATCHEZ TRACE PARKWAY

Mr. STENNIS. Mr. President, I am very distressed and concerned at the fact that the administration's budget for fiscal year 1975 contains no money to continue construction of the Natchez Trace Parkway in Mississippi, Alabama, and Tennessee.

At the time this budget was in the early processes of formulation I sponsored a letter, in which I was joined by all Senators from the three States, to the Secretary of the Interior, setting forth the very meritorious case which exists for providing substantial appropriations to finish the Natchez Trace Parkway. We expressed our very deep concern at the slow rate of progress being made in recent years on this very meritorious project.

I also took this matter up, in writing, with the Director of the Office of Management and Budget, and pursued the subject elsewhere in the Executive Office Building, both orally and in writing. I wanted to be sure that the merits of the case were understood by all directly concerned with the budget, and that they realized the interminable delays that have beset this very beautiful but incomplete national parkway.

This project has been in being for over 39 years, but at the present rate will require another 30 years to complete. Of a total length of parkway of 443.7 miles, 309.9 miles are to be in Mississippi, 32.7 miles in Alabama, and 101.1 miles in Tennessee. Of the total length, 126.1 miles remain to be completed, with unbuilt portions in all three States.

If the project is not put on a program of orderly completion, the time may come when maintenance costs and the cost of redesigning certain hazardous areas to modern standards will make it very difficult to fund the remaining construction. It has reached a stage where it would be a sound investment for the Government to complete it in a timely way and start to realize the benefits to the citizens of the three-State region and to the many other citizens who as tourists, visit that area in increasing numbers each year.

Progress has been very unsatisfactory in recent years. In fiscal year 1970, only $203,000 was provided, and an additional $483,000 appropriated for the parkway was impounded in budgetary reserve, and has yet to be released. In fiscal year 1971, only $68,000 was provided, but the Congress earmarked $250,000 in planning funds to be used for the Natchez Trace. In fiscal year 1972, $1,575,000 was provided for construction, only about 3 percent of the total remaining requirement, and a supplemental request submitted for $1,411,000. For fiscal year 1973, $1,579,000 was requested and was appropriated. No additional funds were provided for fiscal year 1974, although the carried over funds for fiscal 1972 and 1973 will be used for a relatively minor amount of construction. Also the Congress has directed obligation of an additional $2,560,000 in fiscal 1974 for planning and construction.

It is not sensible to prolong this project year after year, leaving it as a facility that is usable only in intermittent stretches. The citizens who attempt to use this parkway for the intended purposes must inevitably receive a very unsatisfactory impression of the consistency of Federal policies.

There is a National Park Service 5-year plan for completion of the parkway, at a cost of $80.5 million. Planning and rights of way acquisition are such that over 25 miles of parkway can be contracted for construction in from 60 to 90 days, at a cost of $18 million.

Mr. President, at one time there was a firm target date to complete the Natchez Trace Parkway in 1966. I believe that it is time that another firm target date be established and recognized in the budget. I strongly urge that the 5-year plan for completion of the Natchez Trace be adopted, and that funds be provided in the next supplemental budget submission to initiate this final 5-year construction period and complete the Natchez Trace Parkway.

PROPANE GAS

Mr. HOLLINGS. Mr. President, in recent months the price of propane has increased beyond all reason. Thousands of families in my State of South Carolina depend on propane for cooking, for hot water, for heating. In only a few months the price of propane has more than tripled. Many people just do not have the money to pay these fantastic prices. Many have had to go without other necessities to keep from freezing. Propane gas has increased in price by up to 300 percent in the last 9 months, and the oil industry now enjoys huge profits often at the expense of the very people who are least able to fight back, the poor and those on fixed incomes, such as the retired who are dependent on social security. There is widespread uncertainty as to why propane prices happened to rise so sharply and disproportionately.

What has happened is, in fact, obvious. The oil companies have been pressured by the executive branch to hold down prices of more visible products such as fuel oil, gasoline, and diesel. But for less visible products such as propane—a product which is used extensively by the least visible Americans—the prices have been permitted to rise unrestrained.

In Oklahoma, the cost to the homeowner for 1 gallon of propane last year was 12 cents a gallon. Now it is 37 to 40 cents a gallon. In Georgia, the price per gallon of propane at the distributor level has gone up over the year from 5 cents a gallon to 21 cents.

These price rises are being repeated throughout the South. People are quite literally going without heat in their homes.

Because the users of propane gas for home heating fuel are largely rural and poor these consumers are being victimized. Profits which the industry cannot make in the sale of more closely watched petroleum products are being earned with a vengeance in propane.

As the price of propane has gone up, very poor families have bought less of the fuel. Where once they bought propane sufficient to fill their tanks on a monthly basis, now they are buying only a half or a quarter tank.

The distributors tell us that there is no shortage of propane. The National LP Gas Association contradicts FEO's assertion that there is an acute propane shortage, and says it can supply all its traditional customers. Petrolane, the largest domestic marketer, says its stocks are 12 percent higher than a year ago, but the cost of the products it gets from refiners has increased 400 percent from a year ago.

The problem with propane prices is that the dollar-for-dollar passthrough in the Petroleum Allocation Act has not been applied proportionally to all petroleum products. The average prices of refined products have increased 30 to 50 percent, but some items like propane have been allowed to increase many times more.

On January 30, FEO proposed controls on propane prices for the first time, but these are just directed to controlling future increases, and prices are already much too high.

Section 110 of the conference report provides for the prohibition of inequitable prices. It attacks the root of the problem, crude oil prices that are beyond all reason. It requires that the rollback of exorbitant crude oil prices and the freezing of all at a realistic level. The saving will be passed to the consumers of petroleum products. The conference report makes particular mention of propane. That passthrough is specified as follows in section 110(a):

> (4) The regulation under subsection (a) of this section shall be amended so as to provide that any reduction in the price of crude oil (or any classification thereof), of residual fuel oil, or of a refined petroleum product (including propane) resulting from the provisions of this subsection is passed through on a dollar-for-dollar basis to any subsequent purchaser, reseller, or final consumer in the United States. Such passthrough of price reductions shall, to the extent practicable and consistent with the objectives of this section, be allocated among products refined from such crude oil on a proportional basis, taking into consideration historical price relations among such products.

At the suggestion of the distinguished Senator from Arizona, the report amplifies on page 63 the conferees' intent in specifying the allocation of price reduction passthrough considering historical price relations among sellers. That amplification states:

> Such proportional distribution of the passthrough shall be established on the basis of historical sales, using as the base period 1972, the same as that set out under the Emergency Petroleum Allocation Act.

I was a member of the conference on S. 2589. I can assure my colleagues that section 110 was drafted with great care and deliberation. The conferees well understood the need for incentives to stimulate domestic oil production. But of greater importance, they understood the urgent need to bring to an end the widespread inequity which has arisen from today's soaring petroleum prices. The specific provision for a passthrough of crude oil price savings to propane users was made because it is they, the rural, the retired, and the Americans of limited means, who more than any others have been the victims of that inequity.

Section 110 insures adequate capital to develop U.S. energy self-sufficiency, but it also insures that this goal will not be attained at the expense of the health and welfare of millions of Americans.

For that reason, I support section 110. I support the conference report and I urge my colleagues to vote for it.

ASCAP'S 60TH BIRTHDAY

Mr. MATHIAS. Mr. President, on February 13 the American Society of Composers, Authors, and Publishers will celebrate its 60th birthday. It is appropriate that Congress should recognize the event and join in this celebration in recognition of what ASCAP members have given to our Nation. It relates directly to 22,000 ASCAP members representing all the States of the Union and indirectly to all Americans who enjoy their works on the stage, the screen, radio, television, and other media.

ASCAP was founded to protect the interests of U.S. composers, lyricists, and music publishers by seeking respect for the Copyright Act passed by Congress in 1909. Some of the charter members that first year included Irving Berlin, Victor Herbert, John Philip Sousa, Jerome Kern, Rudolf Friml, and Otto Harbach. The size and spectrum of ASCAP have grown over the years. A few of the better known members whose works America has enjoyed are Richard Rodgers, Burt Bacharach, and Hal David, Neil Diamond, Harold Arlen, Cole Porter, Duke Ellington, Aaron Copland, Jerome Kern, Dorothy Fields, Leonard Bernstein, Henry Mancini, Jimmy McHugh, Stevie Wonder, Samuel Barber, George and Ira Gershwin, Bob Dylan, Louis Armstrong, Smokey Robinson, Morton Gould, and such fine country writers as Jimmy Rodgers, Vaughn Horton, Hank Thompson, Fred Rose, and Bob Wills.

There are thousands of other ASCAP members who have contributed to American music. Some have created church music, some works for ballet or chamber groups, others symphonies and operas and many popular songs of every type. These thousands and their families—including their widows and children—have been able to continue to create for America through the performing rights income that ASCAP has collected on their behalf.

ASCAP's early years were difficult, for there was reluctance to obey the mandate of Congress although users of music for profit in other lands had long been taking out licenses under similar copyright statutes. ASCAP had to fight long and costly legal battles until January 22, 1917, when Supreme Court Justice Oliver Wendell Holmes affirmed the licensing of performing rights to music. The struggling infant had more legal resistance for years, grew slowly to a healthy national organization with offices in 15 States. Today, income from performing rights is a vital part of the musical creator's livelihood. Without it, many talented men and women of all races and creeds simply could not afford to write music or lyrics.

America's creators owe a debt to that 1909 Congress which passed that copyright statute, and today's Congress owes them an obligation to modernize the 1909 law. But we can all agree that all Americans owe a great debt to the men and women who have made our music a marvel for the world to respect and enjoy.

THE PRESIDENT'S BUDGET MESSAGE: SOME CONCERNS ON HOUSING FOR THE ELDERLY

Mr. WILLIAMS. Mr. President, I have mixed reactions to the administration's 1975 budget message as it affects housing for older persons.

I am pleased to know that a substantial number of housing units will be approved for construction by the Department of Housing and Urban Development in the months ahead. Specifically, the budget calls for the approval of 300,000 units during fiscal year 1975 under the revised section 23 leased housing program which would provide for new construction and the utilization of existing buildings. This is welcome news following a year of housing moratoriums on all the programs that have been of assistance to low-income elderly.

While I know that the section 23 program has, in the past, proved very successful in assisting older persons, it is not yet clear what effect the "revised" section 23 program will have. As originally promulgated, the new regulations for section 23 gave priority to building applications which planned to lease not more than 20 percent of the units in a single project. Such a regulation, for a multitude of reasons, would have a very damaging effect to building for the elderly under section 23. I am pleased to know that Secretary Lynn intends to change that regulation to permit 100 percent of the units to be subsidized in a project for the elderly or handicapped.

I am also aware that Secretary Lynn intends to reserve for the elderly and handicapped about 25 percent of the contract authority that will become available under section 23. While I am pleased to know that a certain percentage of this authority will be thus set aside, I would hope that this level will not work as a maximum limit. The demand for specially designed housing units for the elderly is growing at such a rapid rate that it could consume the full contract authority available with little trouble.

In relying on the new section 23 leased housing program as the major vehicle for subsidy, the President has removed from consideration the programs that, in the past, have been used by nonprofit sponsors to build housing for older Americans.

I am well aware that the nonprofit sponsors in this country are greatly disturbed by this turn of events. Gone from consideration are the programs that they so successfully utilized for the elderly: Section 202, section 236, and section 221 (d)(3) with rent supplement. And we are not talking about a small contribution. Labor unions, religious organizations, and a multitude of service and community organizations have put time, money, and talent on the line—often with no compensation—to answer their community's need for housing the aged. They have produced some of the best subsidized housing that America has ever seen. They have a proven track record of success. They have a proven track record of dedication and followthrough. And they are anxious to do more, lots more, and they are ready to begin right away. It will be a shame if their talents and experience are not utilized in the future.

With the old programs gone, the nonprofits have taken a hard look at the new section 23, and they are unhappy. Because all applications must be made by bid to the local housing authority in the area to be served, the nonprofits are afraid that they will not be able to compete with local developers who have the backlog of capital and expertise at their fingertips from their work on other projects. In comparison, the nonprofit sponsor often does not have the seed money to begin.

I understand that the Department of Housing and Urban Development is seeking through legislation to deal directly with nonprofit sponsors through the section 23 program. This is encouraging, but final legislation may be a long way off, and the nonprofits have been idled reluctantly already by a year-long housing freeze.

It has also come to my attention that HUD is considering a proposal whereby nonprofit sponsors could make application directly to State housing finance agencies. While this is certainly a worthwhile proposal, there are a limited number of State housing finance agencies in full gear that will be able to respond to this program. In fact, between 15 and 20 States do not even have such an agency. In those States, nonprofit sponsors may be effectively cut off from active participation in subsidized housing for the elderly. I would certainly hope that full consideration will be made in the coming weeks to find ways to channel the proven experience of these dedicated groups into the section 23 program.

Finally, I must also express my concern over the lack of any money set aside for funding security programs in HUD-assisted housing.

The problems of crime and vandalism in housing have not gone away, and there continues to be an urgent need for earmarked, ongoing funding for successful security programs now underway, and for badly needed programs that have been unable to begin for lack of money. The administration continues to recognize this need with words, and yet refuses to commit any resources.

The Senate Housing Subcommittee has been more responsive to this need. In reporting out its major housing bill on February 7, 1974, the subcommittee included provision for $10 million specially earmarked for security for fiscal year 1975, and $15 million for 1976.

The subcommittee has also approved $51.5 million for the revised section 202 housing program. This amount if made available, would generate approximately $1.25 billion in direct loans under the National Elderly and Handicapped Housing Loan Fund, as approved by the subcommittee. This approach, in the past, has provided a very popular vehicle to nonprofit sponsors for the development of housing for the elderly.

THE MILITARY DICTATORSHIP IN CHILE

Mr. ABOUREZK. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Massachusetts, Senator KENNEDY, on Tuesday, February 6.

Senator KENNEDY expressed his concern about the activities of the military dictatorship currently in power in Chile and about our relationship to that government. I support his position and add my voice to his questioning the State Department about this country's policy toward governments that suppress the most basic of human rights and practice torture on political prisoners routinely.

The evidence of torture and brutality carried out by the regime in Chile is abundant and shocking. Thousands of people have been murdered by this group during and after their illegal takeover. During the term of President Allende, the legitimately elected president of Chile, our policy was to cut off aid, credit, and support of all types except to the Chilean military. This aid was then used as a lethal tool against the Chilean people and even now, continues to service the forces of torture and repression.

I hope that more Members of Congress, like Senator KENNEDY, will ask Dr. Kissinger to clarify our policy on aid and friendship to governments that have neither legitimacy nor popular support and rely only on brutality and torture to maintain their very existence.

Such is the present government of Chile and I find it shocking and immoral that our Government is helping this band of dictators to maintain themselves. Following the example of Senator KENNEDY, I am writing a letter of inquiry on this matter to the Secretary of State.

THE 1975 BUDGET FOR FORESTRY INCENTIVES

Mr. STENNIS. Mr. President, I am gratified that the Forestry Incentives Act, which I originally introduced and which was passed by Congress and became law in August 1973, has been funded in the administration's budget for fiscal year 1975.

The budget requests $25 million for the Forestry Incentives program. This is the full amount of the annual authorization for this program. Together with the $12 million that has already been made available for the program from fiscal year 1974 money, this will give us a start on this important endeavor. The program will need additional time and more money before we can really say that appreciable progress is being made, but what is now in prospect for this year and next year will give us a good strong start.

The Forestry Incentives Act provides incentives to small landowners to plant seedling trees and to improve their existing stands of timber. This law is very important to all timber producing States. It will mean a great deal to the State of Mississippi, where our forests are producing their second crop and must now produce their third, which will largely come from privately owned small nonindustrial tracts.

There is a total of a little more than 30 million acres of land in Mississippi, of which 17 million acres, or about 56 percent, is in forest lands. More than half our natural assets, in terms of land area, is devoted to the raising of forests. Of the forest land, about a quarter is in Federal, State, and industrial ownership, and generally speaking, timber production on these lands is quite good. The other three-quarters of the forest land is in small private ownerships. There are about 133,000 owners, with holdings averaging 95 acres each, and forestry programs can substantially improve production on these tracts. About 5 million acres that are now idle can eventually be reforested, and on another 6.5 million acres the timber stands can be improved.

The demands for wood in our Nation are expected to double in the next 30 years. The most informed opinions and projections show that a very large part of it must be grown in the pine and hardwood forests of the South. The demands for timber are going to be very large, and this being the case, it is clear that the increased production will have to come for the most part from the forest lands in small, privately owned tracts. If this is to come about, there will have to be a continuing program, funded every year, which will provide the small owner and the incentives that have so far been lacking. It is that lack which heretofore has accounted for the relatively low production on these kinds of lands.

This is what is provided by the program authorized by the Forestry Incentives Act.

Mr. President, it is very encouraging that the budget request is for the full amount of the annual authorization, $25 million. I am sure that there must have been many constraints faced by the Department of Agriculture in preparing their budget, and I want to commend Secretary Butz for giving the forestry incentives program a deservedly high priority and funding it in full. This is further evidence of the fact that Secretary Butz has a comprehensive view and insight into the future needs of our Nation and that he looks after all our areas of the Nation and all segments of agriculture. His record as Secretary is outstanding.

COMMUNICATION THROUGH THE MASS MEDIA

Mr. METCALF. Mr. President, shortly before the holiday recess, I announced hearings by the Joint Committee on Congressional Operations, to examine the ways that Congress might improve its capability of communicating with the American people through the mass media.

These hearings, opening February 20, will consider among others the following questions:

First. How can the role of Congress be more fully and accurately covered in the news media?

Second. How can spokesmen for Congress gain direct access more readily to the broadcast media to present congressional viewpoints on issues?

Third. What additional facilities, staff and other supporting services, if any, are required to provide Congress with more adequate institutional capability in the area of mass communications?

Our purpose in the hearings is not to build a case for a particular point of view or a specific course of action, but to provide Members of Congress with a body of information on these important questions. We hope to have the participation of a broad and representative cross section of Members of the Senate and the House, and will also receive testimony from:

Representatives from State legislatures and local broadcast stations that have covered State legislative activities;

Representatives of the network news organizations and the print media, public television and radio, and local broadcasters;

Representatives of other institutions, such as the United Nations, which have established procedures for broadcast media coverage of their national legislature;

Private individuals, such as academicians, survey research analysts, and experts in communications law, to discuss the likely effect of greater media coverage of congressional activities.

We have scheduled 4 days of hearings, February 20 and 21, and March 7, and 12. Senators wishing to testify may have their staffs call the Joint Committee extension No. 58267 for additional details on these hearings.

Mr. President, the New York Times recently carried an article describing one aspect—the question of television coverage of floor proceedings—of the subject we will be exploring in our hearings on Congress and the media. I ask unanimous consent that this article, entitled "Congress Weighs Televising Itself," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS WEIGHS TELEVISING ITSELF

(By Warren Weaver, Jr.)

WASHINGTON, February 2.—After years of isolation and indecision, Congress is finally making a serious study of permitting radio and television to broadcast part or all of Senate and House sessions.

Advocates of such broadcasting argue that it would increase public understanding and recognition of Congress and help counterbalance the immense political advantage that any President can realize by commandeering air time on the networks.

In the past, many members of both houses have resisted letting the media broadcast from the chambers on the ground that the public would misunderstand the proceedings. But there are signs that the desire for favorable Congressional publicity may at last overcome fearful opposition.

Later this month, the Joint Committee on Congressional Operations will open hearings on whether news cameras and microphones should be admitted to the sacrosanct halls and how Congressional leaders may obtain better access to the broadcast media to publicize the legislative viewpoint.

LETTER TO MEMBERS

Senator Lee Metcalf, Democrat of Montana, chairman of the committee, emphasized in a letter to all members of Congress this week that the hearings were not intended to "make the case for a particular point of view or a specific course of action" but to explore the politically sensitive issues involved.

Television cameras are permitted in the House chamber once a year for the joint session at which the President delivers his State of the Union Message, as he did last Wednesday, and also for heads of state and other dignitaries. But no coverage of legislative activity on the floor has ever been permitted, only hearings such as those of the Senate Watergate committee.

Hostility toward any sort of photographic intrusion has been so intense in the past that still cameras have been admitted only once to each chamber, both in the 1963 session, when the members posed ceremonially at their desks for a formal panoramic view.

The Metcalf committee has circulated to all Senators and Representatives a background study called "Congress and Mass Communications." The 80-page report carefully avoids any endorsement of broadcasting floor debates and voting but presents a number of cogent arguments in favor of such a policy.

REPORT IS PREPARED

John G. Stewart, former director of communications of the Democratic National Committee, prepared the report for the Library of Congress Congressional Research Service. He is now serving as a consultant to the committee, preparing for its Feb. 20 hearings.

"A decision by Congress to permit some form of television and radio coverage of floor proceedings," the report says, "would produce broader and more informative news coverage of the institution.

"It is to be hoped that citizens would begin to acquire a new sense of Congress's institutional role by witnessing the legislative process in operation and by seeing their elected representatives openly conduct the public's business."

No one expects that commercial television would undertake gavel-to-gavel coverage of either house, except during a debate of extraordinary importance. Some authorities believe, however, that public television and radio might eventually provide such service.

PERMITTED IN STATES

More likely the networks would use film clips of Senate and House proceedings in their nightly news programs and as part of periodic documentaries on various issues. Upon occasion, a network might choose to interrupt its regular schedule to broadcast live the close of debate and the voting on a major bill.

The Library of Congress report says that two dozen states now permit radio and television to cover their legislatures on a daily basis. The United Nations provides comprehensive coverage of all its working sessions. A half-dozen European countries and Australia permit some form of televising their national legislatures.

The report recognizes the fear that "some members would play to the cameras in an attempt to appeal favorably to their constituents" if radio and television were allowed to broadcast proceedings in the two chambers.

Some supporters of the broadcasting reform believe that showboating would be less of a problem if the full sessions were routinely telecast by public broadcasting and the members were not aware when the commercial networks were cutting in and out.

OPERATION MANGLE IS UNDERWAY

Mr. ABOUREZK. Mr. President, the administration that brought us "Vietnamization," "New Federalism," "Operation Candor" and "Phases I-IV" seems to be laboring to bring forth still another creation.

Since the official announcement has not yet been made, we do not have a name for it even though it is underway. For the time being, I shall call it "Operation Mangle."

Operation Mangle is targeted toward some of the bureaucracies which administer Federal social programs.

It amounts to phase II of open warfare against the social programs. Phase I is the budget message.

Operation Mangle is considerably more subtle. Instead of the outright ax, whose blade has been dulled by the courts, Operation Mangle seeks to smother the social programs in a tangle of bureaucratic dysfunction.

Operation Mangle employs three basic techniques.

If you can get away with it, the first and best technique is to strap the programs with regulations which are administratively unworkable or else contrary to the legislated intent of the programs.

I have some examples of this.

Failing that, the second technique is "decentralization." This one travels with much rhetorical banter about moving decisionmaking closer to the grass roots. To analyze whether a given decentralization plan is a part of Operation Mangle, it is necessary to separate good intentions from ruinous effects.

When conducted as part of Operation Mangle, decentralization amounts to a corruption of the New Left's "Power to the People" rhetoric.

It does not really move power back to the people. It merely transfers power from one administration appointee to another. It may in fact work the opposite of its advertised effect. It may actually serve to accelerate executive power by fragmenting accountability, facilitating buck-passing and frustrating Congressional oversight. By fractionalizing program management, it seems to invite bad management.

Operation Mangle's third technique is reorganization. Although reorganization is not as effective as the others, it does take its toll.

If you reorganize a bureaucracy once and find to your dismay that it is still managing to make progress you do not like, why, you can always reorganize it again.

Reorganization travels with much rhetoric about streamlining management, a goal no one disputes, one to be commended if that is what it really does. Again, it is important to separate good intentions from ruinous effects.

When used in conjunction with Operation Mangle, reorganization serves to isolate dedicated career employes from the action, to short-circuit debate within an agency management structure and to bypass the expertise of agency employees who support the legislated intent of the programs.

When Operation Mangle has been successful, these will be the results:

Demoralized career bureaucrats, high agency turnover rates;

Gargantuan struggles over administrative regulations;

New and disfunctional layers of bureaucratic structure.

Sooner or later the programs will begin to crumble in such an atmosphere, making them ripe for all-out political attack.

I have several examples of Operation Mangle in its various stages of implementation. For the most part, it seems to be targeted toward programs intended to help low- and moderate-income Americans.

One of the beauties of the tactic is that it can be largely hidden from the view of the public and the Congress. If they do find out about it, generally it is too late to do anything.

Fortunately, a trained observer can spot the early warning signs of Operation Mangle. There are several early symptoms.

The most obvious one is a heavy infiltration of consultants, management experts, and political hacks into the targeted bureaucracy. This symptom is clear at first, but it fades from view as the imported talent creates and then assumes high-paying, fancy-sounding jobs on the civil service payroll.

Some of the more hardened observers of Operation Mangle consider this influx of management consultants and computer whiz kids to be a sign that the gravy train is drying up at the Pentagon and in NASA.

A number of cases would seem to substantiate the point. In fairness, though, there is another side to the coin: Improved management is desperately needed in many domestic programs. To the extent these experts offer useful management tools to minimize waste and maximize the bang for the buck, all well and good.

Again I emphasize that it is necessary to separate good intentions from ruinous effects. The importation of expensive management advice should be put to building up good management within the organization. It should not be a cover for taking the joint apart.

There is a fair question to be asked whenever these imported management-computer consultants are put in charge of the social programs. Do they know what the programs are all about? Do they share the goal?

If this influx does represent Operation Mangle, before it has completely faded there are likely to be some violations alleged against Federal personnel procedures.

Consultants are not supposed to make operating decisions nor directly administer the agency. When they do, it is a good sign that Operation Mangle is underway.

For Operation Mangle's purposes, it is necessary to import outsiders because people who have given their careers to these programs generally are not willing to contribute to their destruction.

Operation Mangle is at its most advanced stage at the Office of Economic Opportunity. That agency has been drawn and quartered. Its good programs were sent hither and yon to various agencies, and it is only a matter of time until the central purpose—a mandate to serve the poor—will be dead.

It began at OEO as a series of reorganizations. In rapid succession, Phil Sanchez was followed as director by Donald Rumsfeld, Frank Carlucci, Howard Phillips, and Alvin Arnett. Each brought a new "reorganization" plan to the agency and a crew of outsiders to implement it.

When the morale of career employees at OEO triumphed by making progress possible despite the odds, it was time to roll out the big guns.

Enter Howard Phillips, former Young American for Freedom, with a large crew of management consultants, refugees from CREEP, people from the intelligence services, and a handful of political hacks—the management team which finally succeeded in strapping OEO to the rack.

The job at OEO was often clumsy and at various times would appear to have been stretching the law, but by and large the goal was accomplished. What remains is a mopping up operation.

As it says in the budget appendix released this week, "Included in the 1975 request for HEW is $33 million to insure the orderly phaseout of outstanding grants and contracts of discontinued activities" of OEO.

Whether willingly or reluctantly, the Civil Service Commission can generally be characterized as having been a partner in the process. It has not been exactly speedy and ruthless in its protection of the rights and prerogatives of career civil servants who take the first blows dealt by Operation Mangle.

Two examples come to mind of the strategy to kill programs by writing unworkable regulations.

One is the Rural Development Act. What a tortured process, trying to convert the program to revenue sharing, dragging every step of the way to get the regulations issued. Finally Congress intervened.

The other is the rural housing program in the Farmers Home Administration at USDA, an agency choked for administrative funds—part of the blame for this belongs to Congress.

The initial stroke came when the new administrator, a retired Air Force general whose previous speciality reportedly had been the phasing out of air bases, issued a set of priorities which did not include the word "housing" despite the fact that his agency is the primary vehicle for subsidized mortgage credit in rural America.

Then, in December, orders were issued to spend half of the rural housing funds on "existing" housing.

This was a subtle move. Farmers Home has of late suffered an excruciating manpower bind, one exacerbated by the sweeping new responsibilities of the Rural Development Act during a 10-percent staff cut.

Writing loans for existing housing requires far more of this limited manpower than do loans for new construction.

Besides, there is no meaningful estimation as to just how much of rural America's existing housing stock readily lends itself to such an approach. Neither HUD nor Farmers Home admits to having decent figures, and most outside experts think the problem in rural America is a lack of adequate housing stock in the first place, which argues strongly for a program oriented toward new construction, which is what the program had been until December.

I am certain that other Senators have seen similar examples.

I am not yet ready to characterize what is happening in the Department of Housing and Urban Development as being an example of Operation Mangle, but I will present the following scenario for what it might be worth:

We begin with the widely-accepted premise that HUD is plenty difficult to manage, a general acceptance that something needed doing.

HUD underwent a reorganization or two, and in the process suffered not infrequent turnover in its higher echelons.

Somewhere along the road they got into the business of decentralization, for better or for worse.

Then we witnessed a savage, bitter attack on the programs in the wake of some horrible scandals in a few of them.

There followed a wholesale freeze of the funds and a variety of embarrassing little incidents, such as one employee having discovered that conclusions for one study of the programs had been all but written before the study was begun.

Regrettably, that study found no basis for the conclusions which preceded it.

At enormous costs in time and money, the process culminated when recommendations resulting from all this study were flatly rejected by the White House.

I am now given to understand that the words lethargy and frustration must be used to give a complete account of the atmosphere at HUD.

Today, however, I would like to call your attention to a particularly outstanding example of Operation Mangle in action.

As you might expect, the targeted victims are the welfare programs—specifically, the programs of the social and rehabilitation service in HEW, which administers aid to dependent families, community services, medicaid, and rehabilitation programs.

SRS is getting the brunt of what is euphemistically called new management at HEW.

The story really began in February of 1969, when Operation Mangle was launched by Presidential directives urging departments and agencies engaged in the administration of social programs to decentralize their management. It was called New Federalism.

I leap forward to March 6, 1973, when HEW Secretary Weinberger issued a memorandum to his assistant secretaries and agency heads.

The thrust of the memo was to urge them to redelegate decisionmaking authority to regional offices.

The administrators were given a frank warning:

> The progress which you make in the months ahead to foster meaningful decentralization will be one of the primary indicators by which your effectiveness as managers will be judged.

The memo also contained the astounding dictum that: "We should not impose upon those who seek to decentralize the burden of proving its efficacy."

Twenty days after that one, HEW's assistant secretaries, agency heads, regional directors, and office heads received further instructions on the subject from an undersecretary named Frank Carlucci.

Observers of the early Operation Mangle machinations at OEO will recall Mr. Carlucci as being among that string of OEO directors back when a top White House adviser was urging a policy of "benign neglect" toward the Nation's poor and minorities.

The Carlucci memorandum outlined an administrative model for decentralization, and contained a number of interesting admonitions.

Basically it instructed administrators to come up with a plan for decentralization by May 1.

It contained these items of interest:

> If a legislative obstacle exists, a complete legal opinion should be provided. Where obstacles can effectively be changed, a plan for such action should be included.

Translation: If there are any legal roadblocks, see if the lawyers can figure a way around them.

The memo admitted that there would be some exceptions to decentralization, but warned administrators that there would be a category of things called nonacceptable exceptions.

One item listed as a "nonacceptable exception" was "external considerations." The explanation of them:

> Resistance to change may come from special interest groups and the Congress. In those cases, agencies and OS (Office of the Secretary) will work on a case-by-case basis to facilitate understanding and resolve concerns.

Another line from the March 6 Weinberger memorandum sheds light on the meaning of this:

> We cannot afford to place decentralization low in the order of our management priorities or permit it to become a subject of debate or inaction.

Taken together, the translation is: They may slow us down, but they would not stop us.

Along about this time, the Department's career employees began sensing change in the wind.

Their union, Local No. 41 of the American Federation of Government Employees, sent a letter to SRS Administrator James Dwight, Jr., on July 9 demanding to see a written report on the reorganization plans.

The letter pointed out numerous provisions of the local's contract with SRS which provide for advance notification of reorganization plans and other provisions governing the transfer or proposed transfer of employees.

On August 1, Mr. Dwight sent the union a flat denial that any kind of reorganization was underway:

> You can be assured that there are no plans contemplated involving major or sweeping reorganization for SRS.

This was flabbergasting, because Dwight had met Carlucci's May 1 deadline with a plan for an overall 40 percent cut in the four basic program operating divisions of SRS.

One interesting sidelight is an apparently direct line between Operation Mangle at OEO and Operation Mangle at SRS. The SRS division hit hardest by the Dwight plan was the Community Services Administration, whose programs —child care, day care, foster care, homemaker services, a sort of legal services component and child abuse and neglect programs—bear direct resemblance to many OEO programs.

As I said, the Community Services Division took the toughest beating in the Dwight plan. Not only that, it underwent a turnover of five acting commissioners in 18 months and for that same 18 months operated under what was happily called a "provisional organizational structure."

During that process, Congress rejected proposed new program regulations for CSA not once, but twice.

The Dwight plan also contained the seeds of a purge of the SRS career staff. It said:

> In no case is there a direct one for one shift of Central Office personnel to Regional Offices taking place since there are no discrete functions that can be moved intact to regions. Our job, therefore, is not one of planning the physical moves of people and materials, but one of identifying positions than can be declared excess.

As I said, this Mr. Dwight is an interesting character. Much later, in December, Jack Anderson's column, the Washington Merry-Go-Round, carried the following item which may be of interest:

> Welfare for Executives: Social and Rehabilitation Administrator James S. Dwight, who has declared his determination to whittle down the welfare rolls, doesn't mind taking a little welfare for himself.
>
> While he cracks down on the poor, he is installing plush carpet, tinted glass, sliding doors, a floor-to-ceiling bookcase and other fancy fixtures in his own bureaucratic domain.
>
> He has brought four commissioners into his executive wing to share the luxurious layout with him. Our sources, who have shown us some of the job orders, say the new offices were supposed to be embellished with striped, color-coded wallpaper, which would denote the VIP status of the occupants.
>
> An official spokesman, while admitting the renovations, denied that the color patterns were supposed to reflect the importance of the officials who got the new wallpaper.
>
> The fancy remodeling will cost the taxpayers $120,000.

Between the time the Carlucci memorandum was issued and about January 3 of this year, there apparently was a real flurry of systems planning, scientific management and Lord knows what else underway in SRS.

It is worth noting that during that time the Senate denied a fiscal year 1974 HEW request for 725 new positions for SRS.

According to HEW's budget request, those new positions were critical to "the process of a major reorganization to strengthen the Department's capacity to manage the programs more effectively" and to assure an active "role in review and approval of State program management" so that "eligibility procedures and regulations are improved."

Of the 725 slots, 565 were to go to the regional offices.

The fact that decentralization appears to be proceeding full steam would seem to flaunt the spirit of intent expressed by the Senate in denying those positions, also expressed in Senate committee report language for fiscal 1974 appropriations.

The significance of that talk about reviewing and approving State program management for eligibility procedures may be lost on some ears; it seems that this Mr. Dwight acquired himself quite a reputation as a ruthless trimmer of welfare rolls under Governor Ronald Reagan.

Still another incident may help Senators to distinguish between good intentions and ruinous effects.

Long after OMB removed its freeze on promotions, Administrator Dwight kept his intact. He also imposed a freeze on hirings. Taken together, the policies encouraged dedicated young employees to abandon ship and make it impossible to replace them.

When Dwight's freeze did thaw, it became merely a hard frost instead of a freeze. Dwight released 150 promotion points and gave regional offices a 3 to 1 advantage in their use.

For CSA, again hardest hit, it meant that 3 or 4 promotions had to be distributed among more than 100 employees.

After the regional offices, the next largest category of promotion points went to categories called "planning, research, and evaluation; information systems; and management." The significance of this point will become clear in a few moments.

As I said earlier, an influx of consultants, imported talent and political hacks is an early warning sign of Operation Mangle.

A reporter named Inderjit Badhwar wrote a story titled "Consultants in the Saddle" which appeared in the Federal Times of November 7.

I quote from Mr. Badhwar:

> Sources report that under Dwight outside consultants and experts have been encouraged to reorganize the agency and ultimately find jobs for themselves within the new structure. In addition, these same consultants are alleged to have drawn up a staffing pattern for the new organization detailing by name and function employes who will be chosen to fill the new slots. There are 175 slots. The key jobs, Local 41 avers, already have been given to "consultants and their buddies.

One employee called the plan "the most blatant example of preselection ever to occur."

I interject here, for the benefit of the Senators, that preselection of candidates for top administrative positions directly flaunts the merit system of Civil Service.

Mr. Badhwar's article went on to document an instance or two.

All in all, about 30 to 35 consultants were imported, a modest amount when compared to the crew at OEO. Many came from the Computer Sciences Corp., a California-based firm no doubt familiar to Mr. Dwight since it was apparently done quite a bit of work for the Reagan administration.

I understand that CSC has also done quite a bit of work for the Pentagon, and this touches a very important question. I have been told that when it came to HEW, this particular corporation had had very little experience, if any at all, in the area of social services.

Demoralization of career employees began to take its toll. In 10 months the agency lost 20 percent of its staff. For region 9 during the same period, the turnover rate was in the neighborhood of 35 percent.

One little incident says something poignant about all these goings on. Plush carpeting was installed in some of the offices, but the installation was not cleared beforehand with the agency's handicapped employees, many of whom are wheelchair-ridden.

The carpet made wheelchair travel highly difficult, which is an appalling thing to have happen in a building which is supposed to be a model building in the way of amenities for the handicapped, one which houses the agency responsible for Federal programs for the handicapped.

By August or September, some of the plans for the reorganization of SRS were complete. Put into gear in mid-December, in effect what those plans did is insert a layer of about 200 employees between the program operating offices and the agency administrator.

This layer has an amazing organizational chart. Headed by an "Associate Administrator for Information Systems," the various boxes on the chart bear titles like "Office of Systems Planning and Evaluation," "Office of Program Systems Development," "Office of Information Sciences," "Division of Forecasting and Data Analysis," "Division of Data Processing," "Division of Systems Analysis and Design," Office of State Systems Operations," "Division of Technical Assistance," and "Division of Systems Approval."

For the most part, the various offices and divisions will be headed by consultants, ex-consultants, and imported talent.

Commenting on the plan, a union flyer at the time said:

> The AAIS staffing plan shows that certain men have been deliberately pre-selected for top jobs in violation of Civil Service Commission regulations as well as the SRS/union contract.

The facts seem to confirm that charge.

While the process of decentralization is underway, confusion is certain to abound. This happened while OEO was being closed down. The confusion, the frustration, and the buck-passing were enormous.

To give you an indication of this possibility, I quote from a memo dated December 7, 1973, sent by HEW Assistant Secretary for Administration and Management Robert Marik to other assistant secretaries, regional directors, and office heads:

> It should be clearly understood that this process will not culminate in a final sweeping approval or disapproval of entire plans by the Secretary.
>
> For example, within a single plan some programs and functions may be approved for decentralization as presented and others may be approved pending additional planning.

The potential for disruption and chaos is obvious.

Congress began to get wind of the plan. The House Education and Labor Select Subcommitte on Education, chaired by Representative JOHN BRADEMAS, held very instructive hearings on the impact of decentralization on one of the key SRS programs, rehabilitation programs.

In September, Congress passed a new Vocational Rehabilitation Act, which went into effect on December 26, 1973.

The act carried a section specifically forbidding HEW from decentralizing programs of the Rehabilitation Services Administration without first submitting the plan to Congress for approval or disapproval.

A decision memorandum submitted by Assistant Secretary Marik to Secretary Weinberger noted that—

> The new legislation and proposed regulations may significantly affect the present as well as the projected decentralization status of the programs involved and also the reorganization plans of SRS. The law calls into question all present delegations of authority to regional offices for these programs and plans to increase regional office responsibilities for them. It poses a problem for reorganization of SRS regional offices along functional, rather than programmatic lines.

Nonetheless, decentralization seems to be proceeding full steam.

A summary of the revised decentralization plan carried an assertion some of us on Capitol Hill may find startling:

> We plan to give regional offices the following set of responsibilities: approval/disapproval of State plans; acting as the primary source for the interpretation of Federal regulations.

The decision memorandum mentioned a moment ago pointed to some questions raised by counsel as to the decentralization of authority to disapprove State plans: an absence of clear authority to do it that way, likewise no specific prohibition of it, and the knotty problem of providing review and appeals procedures.

Since all Senators are familiar with the problems we already have in trying to make agency regulations and implementation conform to the intent of Congress, nothing needs to be added here with respect to the proposal to make the regional offices "the primary source for the interpretation of Federal regulations."

A chart which came attached to that summary told the dramatic story of what would happen to agency personnel under reorganization and decentralization.

The most significant revelation was a near doubling from 891 people then on board in regional offices to more than 1,600 by the end of fiscal 1974.

There were some other interesting personnel transfers:

Two offices under the Associate Administrator for Policy Control were to be substantially beefed: something called the "Executive Secretariat" would increase from 13 to 54 staff members, and a division known as "Policy Control" would leap from 8 to 58.

The staff of the Associate Administrator for Information Systems would increase from 82 to 147.

Another 60 were added to the office of the Associate Administrator for Management, bringing his total to 280.

Meanwhile, the central office field operations staff would be roughly halved, from 27 to 15 people.

And the really telling tale comes when you look at the central office staffing of plans for the operating offices.

For the Assistant Payments Administration, which handles welfare, staffing would be cut from 152 to 100. For the Community Services Administration, from 128 to 75. For the Medical Services Administration, which administers the multibillion dollar medicaid program, a cut from 181 to 75. For the Rehabilitation Services Administration, a cut from 162 to 125.

Altogether, this plan which purported to "consolidate and streamline" SRS did what would appear to be just the opposite. Instead of cutting the fat, if there was any, it added more than 600 employees, a jump from 2,042 to 2,672.

SRS employees have described the plan to me as being gutting and destructive.

It scatters the experienced, professional career employees to 10 regions or disposes of them altogether.

In key places it substitutes computer experts, management experts, and ex-consultants who may or may not understand what the programs are all about, and who may or may not even agree with their social intents and purposes.

In its implementation, it serves to demoralize the program's career employees, to divert the agency's attention to a continuing, bitter dispute between labor and management, and to work great violence to the civil service competitive merit system.

It greatly frustrates the ability of Congress to oversee and police the implementation of our intent, and in so doing serves as one more instance of erosion of congressional power into executive hands. In some places it may already fly at the spirit and intentions of our legislation.

It would seem to lay the groundwork for real chaos in the administration of these very expensive, much maligned, and often misunderstood programs. In so doing it would seem to fatten them for a devastating political attack by those who have opposed the programs all along.

Most importantly, it is utterly destructive of the notion of a strong Federal mandate on the part of the poor, the downtrodden, the sick, and the handicapped.

I know of no one who would dispute the contention that this administration inherited a set of domestic programs which had plenty of room for improvement.

In this instance and others, though, it would appear that we are giving them just about all the improvement they can stand without collapsing under the weight of so much help.

Improved management is an objective no rational human being would oppose, but I am afraid that much of what is being done to our domestic programs in the name of virtuous management improvement only travels under that label on the way to less virtuous ends.

Mr. President, at this point in the RECORD I ask permission to print a statement by the American Federation of Government Employees, Local 41, which pretty well sums up the whole sordid business:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROPOSED CHANGES IN THE EXISTING AGREEMENT BETWEEN THE SOCIAL AND REHABILITATION SERVICE AND LOCAL 41 OF THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES OF AFL-CIO

OPENING STATEMENT [1]

In late November 1973, Local 41 forwarded to the Administrator of the Social and Rehabilitation Service a notification that the Union desired to reopen negotiations rather than to continue, through mutual consent, under the existing Agreement. There are a number of reasons it was felt that this was advisable but the primary reasons included the fact that the Parties to the Agreement obviously had varying interpretations of the Agreement and circumstances in the Agency had reached a point where the Agreement simply was not adequate to deal with the new style of management brought to SRS shortly after the National elections of 1972.

Not long after the election a new "management team" was installed at the Social and Rehabilitation Service. It was soon evident that this new "team's" management style would be characterized by an overriding concern for loyalty, secrecy and security which was coupled with a basic distrust of the career employees who were not recruited by the new "team" or who did not somehow prove their loyalty to the new regime. Of course, the Union and its members, under such circumstances, were by definition not part of the "team."

The reason that this management style is of concern to the Union and to employees is that it is a dysfunctional style of management which has brought discredit and embarrassment to the Agency and has interferred with the achievement of the Agency's mission as prescribed by the authorizing legislation of the programs under the auspices of the Agency. Furthermore, this management style has served to destroy the morale of the career employees. The Headquarters staff has dwindled from 1500 to 1200 since the new "team" arrived and much of this loss has included young employees.

Great embarrassment and discredit have come to this Agency in Congressional testimony by the Administrator. He has been unable to answer basic questions about the programs for which he is accountable. This has reflected poorly on the career employees of SRS who under less exotic management styles would be responsible for fully briefing the Administrator. But a management style based on loyalty and secrecy, and a basic distrust of the career employees does not offer the openness necessary to a thorough briefing. The consequences have been disastrous. Although the Administrator, the rest of the "team" and the Agency in general have suffered embarrassment, the consequences for the programs and the programs' clients are, on the one hand, most important, and, on the other hand, immeasurable.

The dysfunctional aspects of this management style were extremely apparent in the handling of the social service regulations. Only a handful of career personnel in CSA were utilized in the development of the various versions of the regulations. The "team" called the shots and must take responsibility for the fact that two sets of "final" regulations were thrown out by the Congress. The basic rationale behind the various versions of the regulations was that regulations be written to reflect the letter, but not necessarily the spirit of the law. Of course, it was naive to think that the Congress would stand for this and, of course, it didn't. Secrecy was paramount throughout the development of the new regulations. This was necessary, of course, since the career employees could not be "trusted." As it turned out, openness and not secrecy might have spared the Agency this debacle.

The penchant for security was also brought to light during the early struggle over the "first" version of the social service regulations. Although the Secretary's Office must bear some responsibility in this matter, you will recall that heavy security was placed on the South building when the elderly came to exercise their first amendment rights through peaceable assembly against the proposed changes in the adult social service regulations. It was sad to learn that the head of OIS, Nathan Dick, explained to two SRS employees that it was felt that it would be less embarrassing to the Administration to have the heavy security than to have to drag old people out of the building even though, no doubt, the security measures would be perceived as an overreaction.

The overconcern for loyalty has resulted in the subversion of the personnel system. The primary techniques have involved the improper use of consultants and preselection. Not long ago an organizational chart was uncovered by the Union which placed a consultant at the top of a proposed organizational unit, in clear violation of Civil Service regulations. Either he was expected to handle the responsibilities as a consultant (illegal) or he had been preselected for the position (also illegal).

The "team" does not communicate with employees outside the team. There is an extreme elitism about the "team" despite the disasters it has brought to the Agency. For example, only "team" members have a key to one of the elevators which will permit access to the 5th floor. Many employees have never seen their Administrator (he has been here nearly a year now) in a work setting and certainly never have seen him answer a work-related question. Recently, the Acting Commissioner of CSA attended a CSA Christmas party and many employees had no idea who he was. As a matter of fact, many mistakenly thought he was the new Commissioner Designate, Mr. Bruce Wilburn. As it turned out, Mr. Wilburn decided not to join the team.

A management style which relies on loyalty tends to make all acts political in nature. The Combined Federal Campaign becomes an opportunity to enhance one's possible gubernatorial campaign and all employees are given administrative leave to become acquainted with the campaign and to applaud its ultimate success. A Christmas party was held in the South Building for local mentally retarded children. All this from a Department and Agency which has done everything possible to reduce the Federal funding for such groups and such children.

Integrity has special significance in the atmosphere produced by the loyalty-secrecy fetish. Confusion develops over the meaning of loyalty. Are employees ultimately loyal to the Administration, or are they ultimately loyal to the Constitution, the laws and the people when the two are not compatible? When personnel policies are ignored or subverted and when regulations are written to reflect the letter of the law as distinct from the spirit and intent (e.g., the social service regulations), ethics become distorted and respect for and adherence to the law is weakened. What is and is not the public's business or the public's right to know becomes blurred and uncertain. Employees also become afraid and confused about their rights as citizens when the loyalty-secrecy syndrome predominates primarily because there is no longer any certainty that the law will protect them from the "Party". The law and the "Party" become one and the same.

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[1] After reviewing the attached proposed changes in the existing SRS agreement, the Union felt that an opening statement might help the employer to understand the basic thrust of these changes and thereby facilitate the negotiating process.

Another consequence of the loyalty, secrecy, and security syndrome has been the virtual informal and unofficial usurpation by the new "team" of the official duties and responsibilities of many career employees and often nearly entire bureaus (e.g., CSA). The reason for this is obvious in that if one feels that most career employees cannot be trusted, then he must conclude that they cannot be involved in the important work of the Agency. Often the functions have been usurped by consultants whose loyalty, it is felt, is assured. The effect of the usurpation has, on the one hand, been a further destructon of career employee morale and, on the other hand, further embarrassment to the Agency. That is because people outside the Agency don't realize that career employees have often been excluded from the decision-making process and, therefore, expect them to be familiar with policy issues and interpretations. Of course, quite often they are not, and this has to reflect poorly on the Agency.

Perhaps the most basic reason the loyalty, secrecy and security syndrome has proven to be a political and administrative disaster lies in the fact that it relies on anti-democratic and extra-legal measures for its sustenance. This is only one Agency in one Department of the Executive Branch in a democratic government composed of three branches. It is, therefore, a style of management which is doomed to fail.

In spite of this demoralizing atmosphere, the Union is prepared to enter the negotiations in a spirit of good faith. The Union is proposing amendments and additions to the existing contract to assist the Agency in restoring legitimacy to its personnel practices, in restoring pride in the Agency itself, and in instructing all employees about their rights and responsibilities to the Agency.

AFGE Local 41,
January 31, 1974.

To: Caspar Weinberger, Secretary, DHEW; James S. Dwight, Jr., Administrator, SRS; John J. Carrol, Assistant Commissioner for Research and Statistics, ORS; William M. Cornish, Director, PHS Outpatient Clinic; Dr. Edward Perrin, Director, National Center for Health Statistics, HRA.

From: Madeleine Golde, President, AFGE Local 41.

Subject: Notice of intent to file an unfair labor practice charge against the Secretary of DHEW and certain subordinate DHEW management officials for failure to consult, negotiate and confer with Local 41 of the American Federation of Government Employees, AFL–CIO, regarding certain aspects of planned departmental and/or agency reorganization which would impact on Local 41's bargaining units.

Executive Order 11491, as amended, requires the Department to consult, confer, or negotiate with all duly authorized exclusive bargaining agents within the Department regarding personnel policies and practices or other matters affecting general working conditions. Through informal channels, certain documents and information have come to our attention indicating that the Secretary and other DHEW Management officials have developed detailed plans to reorganize the functions, staff and resources of the Department in a manner which will have a serious impact on the Departments program, HEW employees and our respective bargaining units.

UNFAIR LABOR PRACTICE CHARGE

Local 41, AFGE hereby charges the Office of the Secretary (OS), Social and Rehabilitation Service (SRS), Office of Research and Statistics (ORS/SSA), National Center for Health Statistics (NCHS) and the PHS Outpatient Clinic with the unfair labor practice of failing to consult, confer, or negotiate on a continuing basis with Local 41, AFGE, regarding certain aspects of the planned reorganization of the Department and its constituent agencies, including but not limited to, decentralization and regionalization. You are hereby notified that unless the relief requested herein is forthcoming within the next 30 calendar days, Local 41 intends to file an unfair labor practice complaint against the Secretary of DHEW and the other addresses above for failure to consult with us regarding personnel policies and practices and other matters affecting working conditions.

BACKGROUND

Local 41, holds exclusive recognition in the following HEW components: OS, SRS, Office of Research and Statistics (SSA), PHS Outpatient Clinic and the National Center for Health Statistics (HRA). Local 41 has 1,300 employees covered by negotiated agreements (in the Social and Rehabilitation Service and the Office of Research and Statistics, SSA), and is about to begin negotiations for 1,900 Office of the Secretary employees.

In the Secretary's memorandum of March 6, 1973 to Assistant Secretaries and Agency Heads, and in the Under Secretary's memorandum to Assistant Secretaries, Agency Heads, Regional Directors, and Office Heads dated March 26, 1973, regarding the nature of decentralization plans, it was made abundantly clear that the Department had little, if any, intention to consult with Local 41, employees in general, the Congress, or relevant interest groups regarding decentralization and regionalization (See Attachments A and B).

In this regard, management has blatantly violated provisions of the existing Local 41 contracts which provide for prior notification of any reorganizations or transfer of functions. In answer to Local 41's several inquiries on decentralization, the SRS Director of Personnel has said that some decentralization is planned; that few, if any, employees would lose their jobs; and that as soon as he has any information, he will share it with the Local. We have received nothing to date. Yet, we know from our own informal sources there are continuing consultations between SRS and OS officials on the fine points of an SRS decentralization plan. Either the SRS Director of Personnel is deliberately misleading us or higher management officials are hiding the truth from him. Furthermore, on August 1, 1973, SRS Administrator James Dwight wrote Local 41 that "You can be assured there are not plans presently contemplated involving major or sweeping reorganizations for SRS. We have no plans to cut back our work force." (See Attachment C). We received, through informal channels, a copy of the SRS decentralization plan, dated January 3, 1974, and it is apparent that the final plans for other HEW agencies, as well as for SRS, are being prepared without the benefit of consultation with the exclusive representative of employees. (See Attachment D). It is our understanding that the agency decentralization plans will be finalized by mid-February with decision memoranda to be submitted to the Secretary a week or two thereafter.

Furthermore, we continually hear from management officials that nothing has been finally determined. Yet, during the week of January 14, under a contract to Harbridge House, 23 SRS headquarters and regional employees were provided training to facilitate the decentralization process. We know that ultimately 2,000 other HEW employees will be trained to offer their assistance to program managers to facilitate decentralization.

Decentralization of HEW programs will have a major impact on the lives of the employees we represent. The decentralization plan for SRS calls for a 59 percent staff reduction in the Office of Medical Services Administration headquarters staff with only 75 jobs (out of a high of 181 in FY 1973) remaining in Washington. According to the plan, 53 of 128 positions in the Community Services Administration will be moved to the regions—a reduction of 40 percent. Informally, we have learned that 364 positions in the Office of Education will be transferred to the regions, which will include such programs as Title I, ESEA. In addition, we have been told informally that the Special Drug Abuse Grants and Contracts Program in ADAMHA will be decentralized, resulting in approximately 35 of the 48 man-years in headquarters going to the Regions along with 4.7 of the current 5.6 man-years in the Community Assistance Grants for Narcotic Addiction and Drug Abuse Projects also being sent to the Regions.

Although management officials are not obligated to meet and confer with us on matters with respect to the mission of the Agency and, consequently, not required to take in consideration the feeling of many employees that in certain cases decentralization and regionalization will only serve to further fragment programs and to dilute the impact of services to those very people who we espouse to serve, we, nevertheless, are concerned that the Department is blatantly circumventing the intent of Congress to review and evaluate the effects of proposed decentralization and regionalization. As stated by the Senate Committee on Appropriations in their Report on the HEW appropriation bill for FY 1974 (October 2, 1973):

"Internal reorganization and so-called management improvement policies have done little to strengthen HEW. On the contrary, perpetual reorganizations have only served to confuse potential recipients and weaken the morale of HEW employees . . . The Committee cannot help but think the constant shifting of program functions is only intended to give a false sense of movement and vitality to the organization and programs involved."

The Conference Report of the HEW Appropriations, that was signed by the President, states that the Office of Education should "refrain from regionalizing the administration of education programs without prior consultation with both the authorization and appropriation committees of both houses of Congress." Although the Conference Report mentioned only OE programs, clearly the intent of the Appropriation Committees is to insure that any regionalization or decentralization follows careful analysis and will be beneficial in terms of program effectiveness. The Senate Appropriation Committee Report on HEW, October 2, 1973, also states the Committee's deep concern over the dismantling of the Health agencies while the "problem of health care delivery continues to worsen." The intent of Congress to be informed of and involved in reorganization contrasts rather markedly with the Department's policy as stated on March 26, 1973, which views any potential objections from Congress and special interest groups as "nonacceptable exceptions" meaning thereby that their objections may serve to delay decentralization but not to prevent it. (See Attachment B).

RELIEF

At the June 7, 1973 meeting held between the National AFGE Office and various Departmental officials on decentralization, Clyde Webber, National President of AFGE told management that all further negotiations on the issues of decentralization and its impact on HEW employees should be carried on with the individual locals affected. Therefore, we request the following:

1. The Department and agencies shall refrain from adopting any final decisions on any aspect of any decentralization of any DHEW programs or personnel until Local 41 and the other HEW locals affected have had sufficient opportunity to review the material provided and to discuss the various aspects of the proposed decentralization with management and employees it represents.

2. There shall be a single meeting which shall include each of the employers mentioned above and the representatives of the affected Local 41 bargaining units within two weeks of the receipt of this letter by the Secretary, DHEW. The purpose of the meeting shall be to discuss the exact status of plans for decentralization including, but not limited, to specific programs to be affected; the number of positions of employees to be sent to the Regions or to be otherwise affected; the method to be used for selecting such positions, functions and employees; the method of accomplishing the transfer of functions, positions and employees; the proposed timetable for decentralization, and appeals procedures available to all affected employees.

3. Within one week from the date of this letter, management shall provide to Local 41, at least five copies of all the latest agency decentralization plans and copies of *all* Departmental memoranda regarding all of the items listed above to be included in the discussion at the meeting.

4. Local 41 respectfully requests a written final decision by DHEW management on this charge within 30 days of the above date, as prescribed by the Department of Labor guidelines.

We feel the value of consultation would contribute to harmonious union-management relationships. It is better for all concerned if the workers affected have participated in the decision-making process. An atmosphere of mutual trust is the goal both union and management should be trying to achieve.

Since decentalization is a critical issue to HEW employees and to the people who are the recipients of our programs, we intend to use all our resources and any remedies that are open to us as Federal workers and as citizens to see that HEW employees and the people served are protected to the fullest extent possible.

Therefore, the meeting we have requested above should be scheduled no later than Friday, February 15 to discuss decentralization with representatives from our Local.

Attachment A

The Secretary of Health,
Education, and Welfare,
Washington, D.C., March 6, 1973.

Memorandum for Assistant Secretaries and agency heads.

Subject: Decentralization.

I have observed that public organizations function best when decision making authority is placed as close as possible to the point where services are actually being performed. This is particularly true of large agencies such as the Department of Health, Education, and Welfare that administer national programs through field organizations.

In his directive of February 29, 1969, and in subsequent statements, the President has urged that departments and agencies engaged in the administration of social programs or the provision of assistance to State and local governments decentralize their management so as to improve their effectiveness and to facilitate the coordination of Federal activities in the field. While important progress has been made in achieving the decentralization sought by the President, much remains to be done. This is especially true in the Department of Health, Education, and Welfare. The Department must step up its efforts to make decentralization a reality.

By decentralization, I mean the placement of authorities heretofore retained at headquarters in the hands of regional officials of the Department so that those officials can deal directly and significantly with State and local governments and others who do business with HEW. There is also a need for effective collaboration with the regional representatives of other departments and agencies. This can take place only when the people working on the scene can act definitively in the names of their agencies.

We should not impose upon those who seek to decentralize the burden of proving its efficacy. It will be the policy of the Department to decentralize unless there is convincing evidence that such decentralization is incompatible with law or effective administration.

In this regard, I plan to assure that the authority of the Secretary is delegated within the Department to the maximum extent compatible with law and effective direction and control. Generally, this will curtail initial delegations to the Assistant Secretaries and to the heads of the program agencies of the Department. These officials in turn will be expected to effect redelegations to the appropriate field officials wherever practicable. Exceptions will be made only where the nature of the function does not lend itself to decentralized administration. For example, it may be necessary to exempt certain types of research and development or other processes that, by their nature, are most efficiently performed in a single location and, thus, do not lend themselves to decentralized management.

When an Assistant Secretary, Agency Head, or program manager exercises direct supervision over a regional activity or organization, delegations will be made to the appropriate field level under the supervision of the agency. At the same time, we will be reviewing the authority of the Department's Regional Directors to identify functions which can be best administered through field officials reporting to the Secretary.

Under a decentralized management system, the headquarters staff will be able to focus attention on the development and evaluation of policies and programs associated with the mission of the Department. Each official concerned with the implementation of decentralization should, therefore, make certain that the headquarters staffs are streamlined and redirected to reflect the changes in functions being performed. The field offices are to be given the staff, grade structure, and other resources which they will need to exercise their enhanced authority.

I recognize that a number of programs have already been decentralized and that additional actions are underway. We must, however, accelerate our efforts. I shall expect that the programmatic and administrative authorities of the Department shall be lodged in regional officials as rapidly as orderly administration will permit, except where an exception is specifically granted by the Secretary. Each Agency Head and Assistant Secretary is to provide me not later than May 1, 1973, with a plan of how he intends to implement this program. This plan should also include provision for the reallocation of resources to the regions commensurate with the realignment of programs and workloads.

We cannot afford to place decentralization low in the order of our management priorities or permit it to become a subject of debate and inaction. For this reason, the progress which you make in the months ahead to foster meaningful decentralization will be one of the primary indicators by which your effectiveness as managers will be judged.

I shall look to the Under Secretary, assisted by the Assistant Secretary for Administration and the Deputy Under Secretary for Regional Affairs, to provide more detailed guidance and to work with you in assuring the timely execution of the decentralization program.

Caspar W. Weinberger.

Attachment B

Department of Health,
Education, and Welfare,
March 26, 1973.

To: Assistant Secretaries, agency heads, regional directors, office heads.

From: Under Secretary.

Subject: Decentralization.

In his March 6 memorandum, the Secretary communicated his position on decentralization policy and strategy. The purpose of my memorandum is to clarify what will be expected from you, particularly in completing your May 1 implementation plan for decentralization.

PROGRAMS

Every program, indicated by its OMB number, should be accounted for in your plan. Programs should fall into one of the following categories: 1) those already included in current priority plans, 2) programs already fully decentralized according to the criteria described below, 3) those programs which will be decentralized (including those that now are only partially decentralized), and 4) proposed exceptions.

In developing decentralization plans, the following definitions should be understood. *Regionalization* is the strengthening of the Office of the Regional Directors to accomplish overall effective management and coordination of Federal activities in the field. *Decentralization* is the movement of the federal role to the Regional Offices or, more specifically, the transfer of certain headquarters functions, authorities and resources to their field counterparts. In formula programs where state participation is legislated, these programs are not considered decentralized until appropriate federal responsibilities have been transferred from headquarters to the regions.

It is important to recognize that decentralization is not simply the movement of functions to the regions, but is also the strengthening of those functions remaining in headquarters. For an example, efforts should be made to develop within headquarters sophisticated, evaluative and reporting mechanisms which will facilitate effective regional operations.

FULL DECENTRALIZATION

A fully decentralized program generally conforms to the following model:

Discretionary programs

Headquarters Responsibility:

national long-range planning

legislative development and Congressional liaison

establishment of broad policies and priorities preparation of the budget

overall program monitoring and evaluations

criteria for funding and resource allocation

development of program policy, regulations, and project guidelines

determination and allocation of personnel to regions

collection of information of national significance, issuance of reports, dissemination of information

training and developmental assistance to regions

Field Office Responsibility:

review and processing of applications (new and continuations)

response to inquiries regarding specific projects

input into training plans

final grant application or loan approval/disapproval authority

final funding approval/disapproval authority grants administration

services integration and coordination at the state and local level

settling audits and monitoring flow of funds

monitoring and evaluation of specific projects

collection of program and fiscal data

provision of technical assistance and other services to grantee

provision of information and dissemination of effective projects

input into headquarters budget formulation, planning, program evaluation, and policy development, reports issuance, etc.

Formula programs

Headquarters Responsibility:

long-range planning

legislative development and Congressional liaison

establishment of national policy, program regulations, and guidelines

collection of information of national significance, issuance of reports, dissemination of program information

such fiscal responsibilities as may be necessary to allocate monies to Regional Offices and/or states

determination and allocation of personnel to regions

Field Office Responsibility:

review and approval/disapproval of state plans or preprints

awarding of grants

programmatic and fiscal monitoring and evaluation of state efforts as reflected in plans and/or preprints

provision of technical assistance

response to inquiries, dissemination of information

input into development of national policy and budget formulation

fiscal responsibility as may, where possible, be more effectively administered from regional level (allowable state expenditures based on conformance with plans or preprints)

PARTIAL DECENTRALIZATION

A *partially* decentralized discretionary program is one in which all field offices responsibilities outlined above are in the field with the exception of the final grant approval/disapproval and/or final funding approval/disapproval.

A formula program is considered *partially* decentralized when all field office functions are in the regions except approval/disapproval of State plans and/or awarding of grants.

It will be the policy of this Department to decentralize all programs unless there is convincing evidence that such decentralization is incompatible with the law or effective program administration. Written justification should be explicit as to which responsibilities are to remain in the central office, the complete reasoning behind such a recommendation, and what other program responsibilities can be reallocated to the Regional Offices. If a legislative obstacle exists, a complete legal opinion should be provided. Where obstacles can effectively be changed, a plan for such action should be included.

EXEMPTED PROGRAMS

Exceptions will be made only where program functions do not lend themselves to a decentralized administration. Programs excluded should meet the following criteria:

Research programs requiring national competition

Research programs with a national scope may be excluded from full decentralization in order to assure the widest possible competition. Even in national scope programs, however, some functions should be considered for transfer to the field, e.g., technical assistance, preliminary review, monitoring, and dissemination. In less competitive research, where the focus is on developing ways to meet the social needs of a given area, agencies should further decentralize authority and resources such as grant review and approval.

National direct service programs

Programs providing funds directly to individuals, such as student assistance or social security, probably can best be administered by a central check writing facility although eligibility may be determined locally.

NONACCEPTANCE EXCEPTIONS

Certain factors, such as those outlined below, may delay, but do not prevent decentralization.

Programs/new initiatives

Central planning and policy development are required when new programs are established. However, this should not preclude immediate placement of some functions and positions in the regions. Cases where delay is required will be exceptional and will require documentation and approval.

Contrary policy/legislation

Central decision making, such as the use of council review, may be mandated by legislation. In such cases, the appropriate legislative changes should be proposed as part of the decentralization planning process. HEW policy impeding decentralization should be reexamined and revised.

External considerations

Resistance to change may come from special interest groups and the Congress. In those cases, agencies and OS will work on a case-by-case basis to facilitate understanding and resolve concerns.

OS STAFF FUNCTIONS

Every major function performed by an OS staff or administrative office should also be addressed so that appropriate delegations can be made to the Regional Offices. Plans should be of the same detail as required for agency plans.

DEVELOPMENT OF DECENTRALIZATION PLAN

The Secretary has asked that each agency head and assistant secretary provide him with a plan of how this decentralization mandate will be implemented. The plan is to be completed no later than May 1, 1973 and should be a comprehensive plan, not a "plan to plan."

Plans should be specific and outline all required steps to implement decentralization, all individuals responsible for a given step, the specific functions to be delegated to the regions, the reallocation of resources, and the realignment of programs and workloads. The plans should also identify the number of staff currently in headquarters, the number to be reallocated to the regions, and when these positions will be moved. In addition, specific provisions should be made for involving the regions in the planning and implementation process.

It is the responsibility of agency headquarters and OS offices to provide the field with the necessary policies, standards, and procedures to insure the proper administration of decentralized programs.

The Assistant Secretary for Administration and Management and the Deputy Under Secretary for Regional Affairs will assist me in providing more detailed guidance and assistance to you in planning for and executing the Department's decentralization program. A is now reviewing those decentralization plans already submitted and will communicate with you directly regarding their suitability. In addition, A will continue to review progress on the total agency plans required by the Secretary's memorandum of March 6. A's decentralization activities will be coordinated with the Deputy Under Secretary for Regional Affairs and reviewed regularly with the Secretary and myself.

FRANK C. CARLUCCI.

ATTACHMENT C

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, SOCIAL AND REHABILITATION SERVICE,
Washington, D.C., August 1, 1973.

MR. RICHARD WALKER,
SRS Vice President AFGE Local 41, Washington, D.C.

DEAR MR. WALKER: Reference is made to your letter of July 9, 1973, requesting our reorganization plans and stating your specific concerns involving a follow-up of a meeting in April 1973 with the then Acting Administrator. Although I can not speak for the Acting Administrator on his discussions with you in April, I do know that he did not have any additional information to share with the employees and Local 41 regarding proposed reorganizations for SRS, therefore, he would have been unable to meet with all SRS employees within a couple of weeks "to answer their questions about such plans and how they would be affected thereby". There was agreement, however, and I wish to reaffirm the agreement, to keep employees and Local 41 fully informed whenever there are substantial and concrete plans that affect the employees of SRS. This will be done in full compliance with the terms of our contract with Local 41.

The meeting that you refer to on June 28 was not a regular meeting of the Union; it was a specifically called meeting, with my knowledge and concurrence, to share with you and your officers some of our preliminary thinking and plans for SRS as well as to answer your letter of June 11 regarding the alleged transfer of 54 positions. A further reason was to put to rest the myths and rumors that you have brought to our attention, with the expectation that you would communicate factual information to the employees of SRS. The information that the Director of Personnel shared with you was not offered as, and in no way should be construed as, a final plan for the reorganization of SRS, which under the terms of our contract requires advance notification and consultation. At that meeting there was a complete discussion provided your staff involving the alleged transfer of 54 positions. Subsequent to that, on the 17th of July a written reply covering the matter was given to the President of Local 41. A copy of that letter is attached herewith.

We do not agree with the contentions in your letter that: "Mr. Hamilton's verbal report is unacceptable as a means of compliance with the general agreement" . . . In our opinion there has been complete compliance with our general agreement. You specifically referenced Article X—RIF, transfer of function, outside work and reorganization. We are in full compliance with Article X. We fully intend to comply with such requirements when we are at a point of specificity where we can share with you and our employees positive and substantial plans for any proposed organizations.

You can be assured there are no plans presently contemplated involving major or sweeping reorganizations for SRS. We have no plans to cut back our work force. At the moment and in the near term we will be moving some employees from lower to higher priority areas. As has been discussed with you, we are carrying out such reassignments of employees, from one organization to another in strict compliance with the general agreement.

When we have specific and substantive reorganization plans and organization charts we will share that information with you in complete compliance with our Agreement.

I certainly share your concerns and am hopeful that this letter answers your questions and concerns.

Sincerely yours,

JAMES S. DWIGHT, Jr.,
Administrator.

PROPANE

Mr. FULBRIGHT. Mr. President, on January 29, 1974, I introduced Senate Resolution 254, urging the Administrator of the Federal Energy Office to promulgate new regulations to alleviate the present high price of propane. I wish to take this opportunity to bring my colleagues up to date on what has occurred since that time with respect to propane prices.

On January 30, 1974, the Federal Energy Office issued new regulations restricting the increased production costs which may be allocated to propane during any 12-month period following January 31, 1974, to no greater percentage of the total amount of increased costs incurred during that period than the percentage that the total sales volume of propane of the refiner bears to the total sales volume of all covered products of the refiner. Previously refiners had been allocating a large portion of the production cost increases to propane in spite of the fact that propane gas is a minor percentage of the final product of the refining process; the result was a 200- to 300-percent rise in the wholesale price in a period of months.

Unfortunately, the new regulations do nothing more than slow the continuing rise in propane prices, and are, therefore, totally inadequate. On January 31, the retail price was already around 40 cents a gallon in many areas. The slowing of future price increases will be little consolation to senior citizens who are now spending up to 40 percent of their disposable income on fuel or to chicken growers who are being squeezed out of business. On January 31, I wrote to William Simon to protest the inadequacy of the new regulations and to urge him to reconsider the propane price situation.

In addition, Mr. Jim Guy Tucker, the attorney general of the State of Arkansas, obtained a hearing on propane price with Federal Energy Office officials on February 6, 1974. At that hearing, Mr. Tucker presented a strong case for lowering propane prices, and I wish to commend him for his efforts on behalf of the citizens of Arkansas.

Many people in rural areas depend on propane for heating and cooking. These people are often poor; many are retired and living on a pension or on social security. A widow in Austin, Ark., and her son have an income of $262.20 a month; their propane bill for January is over $80. In Benton, Ark., a couple living on social security and a veteran's pension paid $74 for 200 gallons of propane in January 1974. In Magnolia, a couple with a monthly income of $237 paid $87 for propane last month. These are not unusual cases; thousands of Arkansans face similar situations. Attorney General Tucker submitted figures to the FEO showing that at a price of 40 cents per gallon some 21,200 Arkansas farm families will spend 40 percent of their net income for LP gas used for heating and cooking.

The propane price increase is also having a drastic effect on the poultry industry in this country. Arkansas is the No. 1 producer of broilers nationwide, and in 1972 produced 532,135,000 birds. Lex Killebrew, the executive vice president of the Arkansas Poultry Federation, estimates that over 70 percent of the total production depends on LP gas as a source of heat for the brooding of chickens. Even a conservative estimate of the effect of propane price increases indicates an added cost to Arkansas broiler producers of from $7,449,890 to $11,174,835.

Furthermore, the growers cannot pass through increased propane costs to purchasers because it is trade practice for growers to enter into contracts with purchasers on at least a 1 year basis. Under these contracts the growers must absorb any cost increases. Mr. Killebrew says that 1 or 2 weeks of exceedingly cold weather could force many Arkansas growers to allow their chickens to die rather than attempt to continue operations at a loss as a result of the propane costs.

I know that many of my colleagues are working to alleviate the high price of propane, and I certainly plan to continue my efforts to have the price lowered.

I ask unanimous consent that a chart showing the sales of LP gas and ethane by States and principal uses in 1972 be printed in the RECORD at the end of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SALES OF LP GAS AND ETHANE, BY STATES AND PRINCIPAL USES, 1972

[In thousands of gallons]

	Residential/ commercial	Internal combustion	Industrial[1]	Utility gas	All other uses[2]	Total[3]
Alabama	285,694	12,963	15,309	311	2,069	316,346
Alaska	4,641		3,463			8,104
Arizona	44,778	8,569	1,959		4,562	59,868
Arkansas	373,769	99,424	19,280		12,751	505,224
California	228,328	45,213	112,712	31,934	40,746	458,933
Colorado	185,203	24,578	5,865	2,580	7,580	225,806
Connecticut	42,242	2,765	20,455	16,458	1,309	83,229
Delaware	20,473	2,514	1,394	728	1,390	26,499
Florida	279,372	22,575	12,794	12,962	2,863	330,566
Georgia	212,685	11,564	11,154	4,538	25,356	265,297
Hawaii	23,739	2,274	3,877	9,802		39,692
Idaho	45,387	2,221	6,677		4,753	59,038
Illinois	478,042	58,045	73,749	9,128	33,881	652,845
Indiana	358,578	13,374	19,756	496	20,698	412,902
Iowa	373,935	6,260	24,421	9,126	18,270	432,012
Kansas	238,928	41,309	15,688		5,669	301,594
Kentucky	183,771	6,829	17,648	5,357	1,735	215,340
Louisiana	149,618	42,870	162,773		8,922	364,183
Maine	21,802	377	5,118	3,618	164	31,079
Maryland and District of Columbia	57,539	4,776	11,712	15,583	1,109	90,719
Massachusetts	51,780	4,022	11,991	19,371	2,781	89,945
Michigan	289,068	9,105	14,017	5,555	2,313	320,058
Minnesota	375,199	11,951	35,516	6,150	8,626	437,442
Mississippi	276,478	59,893	24,285	5,130	7,203	372,989
Missouri	469,607	9,105	18,965	15,772	3,892	517,341
Montana	54,074	8,352	8,867		300	71,593
Nebraska	197,154	25,040	13,243	13,094	3,700	252,231
Nevada	28,069	984	3,290			32,307
New Hampshire	29,978	628	2,788	13,742	899	48,035
New Jersey	45,616	11,815	51,222	13,399	982	123,034
New Mexico	102,947	34,332	9,293		2,073	148,645
New York	158,852	15,460	40,696	3,058	4,662	222,728
North Carolina	153,505	10,447	25,655	1,019	23,964	214,590
North Dakota	65,142	285	7,548	3,273	694	76,942
Ohio	232,069	19,349	36,799	17,061	6,682	311,960
Oklahoma	289,587	59,290	25,153		1,619	375,649
Oregon	39,920	2,087	5,101		3,880	50,988
Pennsylvania	100,092	17,221	57,348	19,953	2,945	197,559
Rhode Island	8,176	3,519	3,346	2,767	164	17,972
South Carolina	96,855	9,301	22,212	5,534	7,361	141,263
South Dakota	110,716	6,968	5,696	7,142	1,735	132,257
Tennessee	129,218	9,675	5,222	2,975	540	147,630
Texas	758,535	700,146	61,856	5,662	13,593	1,539,792
Utah	41,474	952	5,261		3,675	51,362
Vermont	23,165	251	1,115	4,806		29,337
Virginia	79,033	7,290	15,616	9,758	5,971	117,668
Washington	43,313	4,264	6,015	572	3,304	57,468
West Virginia	17,714	1,760	14,500			33,974
Wisconsin	313,497	10,528	33,373	4,067	6,822	368,287
Wyoming	62,983	16,706	12,470		1,361	94,520
Total	8,253,340	1,479,190	1,124,263	302,481	315,568	21,833,700

[1] Includes refinery fuel of 610,890,000.

[2] Includes secondary recovery of petroleum.

[3] Does not include uses for chemical and synthetic rubber. These sales are included in national totals.

Source: Bureau of Mines.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business If not, morning business is closed.

SENATE RESOLUTION 222—NATIONAL OCEAN POLICY STUDY

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Washington (Mr. MAGNUSON) I ask unanimous consent that the Senate Commerce Committee have until midnight tonight to report Senate Resolution 222, a resolution to authorize a national ocean policy study, and that the resolution, as reported, be printed in today's RECORD, and that the committee have until midnight Monday to file its report on the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. RES. 222

Resolution to authorize a National Ocean Policy Study

Whereas the oceans offer the potential for major contribution to world peace and to the quality of life, and the future of mankind may be dependent upon his knowledge and wise use of the sea; and

Whereas the oceans are of enormous present and potential benefit to all citizens of the United States owing to their extensive supply of living and nonliving resources and because of their utilization as a pathway for maritime commerce and as a continuing source of impact upon the national security, balanced growth, technology, scientific understanding, and the quality of the world environment; and

Whereas the depletable living and nonliving resources of the oceans will necessarily be utilized increasingly in future years as a principal source of protein, raw materials, and energy; and

Whereas the coastal margin of the United States, as one of the Nation's prime resources, is under ever-expanding pressure due to its desirability for siting of commerce, industry, and habitation, and due to increasing needs for recreation, transportation, urbanization, and biological reproduction; and

Whereas serious national and global problems exist and are growing in ocean contamination as a result of land- and vessel-source pollution; and

Whereas the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 2 et seq.) was enacted to develop a comprehensive, long-range national *ocean* policy, but such Act has been neither fully implemented nor completely successful in achieving that goal; and

Whereas the utilization of ocean resources and solving ocean-related problems depend directly upon developing oceanic knowledge and technology, resolving conflicts of national and international jurisdiction over the ocean, protecting the quality of the marine environment, and, foremost, upon establishing a clear and comprehensive national *ocean* policy: Now, therefore, be it

Resolved, That the Committee on Commerce is authorized under sections 134(a) and 136(a) of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, as amended, to make a full and complete investigation and study of national ocean policy for the purpose of—

(1) determining current and prospective national capabilities in the oceans, including marine sciences and their application, oceanic research, advancement of oceanic enterprise and marine technology, interdisciplinary education, policy planning, professional career and employment needs, and overall requirements of the United States consistent with the attainment of long-range national goals;

(2) determining the adequacy of current Federal programs relating to the oceans and recommending improvements in agency structure and effectiveness to meet national needs and achieve oceans capabilities, and assessing existing policies and laws affecting the oceans for the purpose of determining what changes might be necessary to assure a strong and internationally competitive ocean policy and program for the United States;

(3) establishing policies to achieve the goal of full utilization and conservation of living resources of the oceans and recommending solutions to problems in marine fisheries and their management, rehabilitation of United States fisheries, current and future international negotiations on fisheries, as well as aquaculture and the extraction of drugs from the sea;

(4) assessing the needs for new policies for the development and utilization of the nonliving resources of the oceans, including the mineral resources of the Outer Continental Shelf and the deep seabed so that the national mineral needs can be met in an economically and environmentally sound manner;

(5) encouraging implementation of coastal zone management through the Coastal Zone Management Act of 1972 by assessing national growth policy needs regional and interstate problems, State functions and powers in coastal zone management, information sources, recreation needs, pollution problems, population trends, and future pressures in the coastal zone;

(6) establishing comprehensive national policy for the purpose of understanding and protecting the global ocean environment through education, exploration, research, and international cooperation; and

(7) making an assessment of proposals for, and current negotiations with respect to, achieving adequate national and international jurisdiction over the oceans, developing an understanding of the relationship of the oceans to world order, and examining United States policy with respect thereto.

SEC. 2. In order that other standing committees of the Senate with a jurisdictional interest over specific elements of this study under Rule XXV of the Standing Rules of the Senate, as amended, may participate in that study, the chairman and ranking minority member of each of the Committees on Appropriations, Interior and Insular Affairs, Public Works, Foreign Relations, Government Operations, and Labor and Public Welfare, Armed Services, or a member of such committees designated by each such chairman or ranking minority member to serve in his place, shall participate in the study authorized by this resolution as an ex officio member of the Committee on Commerce for the purposes of this study. In addition, the President pro tempore of the Senate shall name three majority and three minority Members of the Senate who represent coastal States, without regard to committee membership, to serve as additional ex officio members of the Committee on Commerce for purposes of this study.

SEC. 3. The committee shall report its findings, together with its recommendations for such legislation as it deems advisable, to the Senate.

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. ALLEN). Under the previous order the Senate will resume consideration of the conference report of the committee of conference on S. 2589, the Energy Emergency Act which the clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

ORDER FOR RECOGNITION OF MR. GRIFFIN AND MR. ROBERT C. BYRD, ON MONDAY, FEBRUARY 18, 1974, AND FOR THE PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS AND CONSIDERATION OF THE CONFERENCE REPORT ON THE ENERGY EMERGENCY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, February 18, 1974, after the two leaders or their designees have been recognized under the standing order, and following the reading of Washington's Farewell Address, the distinguished assistant Republican leader (Mr. GRIFFIN) be recognized for not to exceed 15 minutes, that he be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 5 minutes, at the conclusion of which the Senate resume its consideration of the conference report on the Energy Emergency Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 18, 1974

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the provisions of House Concurrent Resolution 425, as amended, that the Senate stand in adjournment until 12 o'clock noon Monday, February 18, 1974.

The motion was agreed to; and at 11:36 a.m. the Senate adjourned until Monday, February 18, 1974, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 3, 1974:

DEPARTMENT OF STATE

Joseph John Sisco, of Maryland, a Foreign Service officer of the class of career minister, to be Under Secretary of State for Political Affairs.

James F. Campbell, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

G. McMurtrie Godley, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

William J. Jorden, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama.

William J. Porter, of Massachusetts, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Robert S. Smith, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ivory Coast.

Thomas W. McElhiney, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Nancy V. Rawls, of Georgia, a Foreign

Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

FEDERAL RESERVE SYSTEM

Henry C. Wallich, of Connecticut, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1974.

SECURITIES AND EXCHANGE COMMISSION

Irving M. Pollack, of Maryland, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1975.

SECURITIES INVESTOR PROTECTION CORPORATION

Jerome W. Van Gorkom, of Illinois, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1975.

DEPARTMENT OF DEFENSE

Leonard Sullivan, Jr., of the District of Columbia, to be an Assistant Secretary of Defense.

James R. Cowan, of New Jersey, to be an Assistant Secretary of Defense.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

U.S. ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of Section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Herron Nichols Maples, [redacted] U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Daniel Orrin Graham, 540–26–2591, Army of the United States (brigadier general, U.S. Army).

The following-named officer for temporary appointment in the Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Col. Thaddeus F. Malanowski, [redacted] U.S. Army.

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, section 593(a) and 3384:

To be major general

Brig. Gen. Willie Earl Dixon, Jr., SSN [redacted]

Brig. Gen. Bejamin Lacy Hunton, [redacted]

Brig. Gen. George William McGrath, Jr., SSN [redacted]

Brig. Gen. Frederick Arthur Welsh, [redacted]

To be brigadier general

Col. Charles Elmer Blaker, [redacted], Transportation Corps.

Col. Julius Hoesterey Braun, [redacted], Ordnance Corps.

Col. Edwin Francis Dosek, SSN [redacted] Infantry.

Col. Robert Lewis Frantz, [redacted], Infantry.

Col. John David Jones, [redacted] Artillery.

Col. John Q. T. King, [redacted], Medical Service Corps.

Col. Paul Shepard Oliver, Jr., SSN [redacted] Infantry.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, section 593(a) and 3385:

To be major general

Brig. Gen. William Stanley Lundberg, Jr., SSN [redacted].

Brig. Gen. James Lee Moreland, SSN [redacted]

Brig. Gen. D. A. Thompson, [redacted]

To be brigadier general

Col. John Glover Castles, [redacted], Field Artillery.

Col. Allen Anderson David, [redacted], Infantry.

Col. William Herbert Duncan, [redacted], Signal Corps.

Col. William Emmett Ingram, [redacted], Infantry.

Col. Carl Frederick Mauger, [redacted] Infantry.

Col. Ben Lane Upchurch, [redacted], Infantry.

IN THE AIR FORCE

Air Force nominations beginning Benjamin E. Box, to be colonel, and ending Gordon L. Wright, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1974.

Air Force nominations beginning Peter V. Abene, to be first lieutenant, and ending David A. Skeel, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1974.

Air Force nominations beginning Maj. Vernon L. Beadles, to be lieutenant colonel, and ending Maj. Henry T. Capiz, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 28, 1974.

IN THE ARMY

Army nominations beginning Eugene M. Guglielmo, Jr., to be major, and ending Felipe Frocht, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 29, 1974.

IN THE NAVY

Navy nominations beginning Gary Lee Almy, to be commander, and ending Lt. Kathleen A. Hammel, to be lieutenant commander, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1974.

IN THE MARINE CORPS

Marine Corps nominations beginning Robert J. Post, to be lieutenant colonel, and ending Robert D. Work, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1974.

Marine Corps nominations beginning Steven F. Burke, to be second lieutenant, and ending Saul Zavala, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1974.

The nomination of Richard J. Randolph, Jr., U.S. Marine Corps, for reappointment to the grade of lieutenant colonel, which nomination was received by the Senate and appeared in the Congressional Record on January 28, 1974.

EXTENSIONS OF REMARKS

THE TROUBLE WITH DÉTENTE

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, February 7, 1974

Mr. HARRY F. BYRD, JR. Mr. President, Crosby S. Noyes has an excellent piece in the Washington Star-News of February 7, 1974, captioned "The Trouble With Détente."

I ask unanimous consent that the column be printed in the Extensions of Remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

THE TROUBLE WITH DÉTENTE

(By Crosby S. Noyes)

The Soviet leadership is quite right in believing that its policy of detente with the United States and the West is in trouble. It is quite wrong in attributing the trouble to the work of Zionists, American right-wingers and Sen. Henry M. Jackson, D-Wash.

Their problem has nothing to do with conservative elements in American politics, who had no great illusions about detente to start with. It has a good deal more to do with the growing disillusion of American liberals, who have welcomed the rhetoric of detente as the dawn of a new international era of reason, cooperation and good-fellowship.

More and more, this group has come to recognize detente as a one-way proposition, all heading in the direction of Moscow. What the Soviet leaders hope to get are very practical advantages in trade and technology, of which last year's disastrous wheat steal was only a promising beginning.

What they propose to give in return is, in effect, little more than a comfortable feeling of complacency in the West. Relaxation of tension inevitably implies relaxation of effort, including such disagreeable things as defense spending and trying to get along with crotchety allies. For these propositions the Russians have found plenty of takers in the liberal communities of Western Europe and the United States.

One of the problems is the habit the Soviet leaders have developed of explaining—mostly for their domestic audiences—what detente is not. Two years ago, Leonid Brezhnev went out of his way to assure his people that detente "in no way implies the possibility of relaxing the ideological struggle. On the contrary, we must be prepared for this struggle to be intensified and become an ever sharper form of the confrontation between the two systems."

The Eastern Europeans, since the advent of detente, can attest that these are not idle words. So can a large number of Soviet Jews and a small number of Soviet intellectuals. What has happened to such people as Aleksandr Solzhenitsyn and Andrei Sahkarov probably has done more to awaken American intellectual liberals to the limitations of detente than anything else.

There are, however, other more objective problems that have arisen that cast dark shadows over the proclaimed era of cooperation and negotiation. The unfortunate fact is that all of the major negotiations between the Soviet Union and the West are on dead center and appear headed toward probable failure.

These include the second round of the Strategic Arms Limitation Talks (SALT), the Soviet-sponsored conference on European security and the negotiation on Mutual and Balanced Force Reductions (MBFR)—all of which have been going on for many months. None of them is close to approaching a conclusion and all of them, in one way or another, have added to Western disillusion with detente.

The SALT negotiations have led gradually to the realization that the objective of the Soviet Union was a clear strategic military superiority over the United States in every category of nuclear weaponry. The effort to achieve some kind of rough parity goes on, but the American effort from the beginning has been to try to limit the momentum of the Russian buildup, rather than to achieve a real reduction in the size of nuclear arsenals.

The prospects for the talks have not been improved by what seems to be a far-reaching revision of American nuclear strategy. The emphasis now is on a counter-force nuclear system—one aimed at Soviet missile sites, rather than cities—and a de-emphasis of the importance of land-based missiles as opposed to missile-carrying submarines. Both concepts are sound enough, but they raise new problems for the weary negotiators in Vienna.

The other two negotiations are no more promising. In both, the Soviet objectives have been obvious from the outset: To consolidate the Russian hold on Eastern Europe and bring about a retreat of American military power from Western Europe. Today, the Russians have good reason to believe that they can achieve these goals without the need for any concessions on their part. The hope of the Western powers for a liberalization of the regimes in Eastern Europe and the Soviet Union and an easier exchange of people and ideas is, if anything, further from realization than ever.

It is not entirely surprising, therefore, that detente is in trouble. The West, plagued by energy shortages and a crisis of leadership, is in a poor positon to hold its own in increasing exchanges with the Communist world. No one, of course, is calling for a return to the tensions and anxieties of the Cold War. But the outlook for a fruitful collaboration between East and West seems at this point distinctly limited.

BENEFITS FOR VIETNAM VETERANS SHOULD BE INCREASED

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PRICE of Illinois. Mr. Speaker, American veterans have performed invaluable services to the United States of America. It is unfortunate that the veterans of the Vietnam conflict have not received the acclaim and benefits afforded the veterans in the past. It is only right that they receive benefits commensurate with their services. We must let these men know that their services do not go unnoticed or unrewarded.

One day of each year has been set aside for the national observance of our veterans' contributions to the United States of America. Veterans Day, celebrated either on the first Monday in October or on November 11, is that day of recognition. No matter what day is chosen to honor these men we can show our genuine appreciation through better programs, more jobs, increased educational benefits, and adequate health care.

In a recent statement to the Congress President Nixon submitted several legislative proposals providing for increased services to our Nation's veterans. It is a step in the right direction. Improved health care, increased benefits for service-connected disabilities, more educational benefits, and a cost-of-living clause in VA pension payments are several proposals that deserve the prompt attention of the Congress.

While the President's legislative proposals are to be lauded, I feel they do not go far enough. Since September of 1972, the date of the last veterans' rate increase, the cost of living has risen slightly in excess of 8 percent. In addition the costs of continuing education have also risen approximately 8 percent. The proposed Presidential measures to increase educational benefits by 8 percent fail to reflect increases in educational expense as well as the cost-of-living increases. The same cost-of-living increases proposed for pension benefits should be made applicable to the educational allowance. A single veteran participating in an educational program receives $220 for living expenses, books, and tuition. Considering the quantum leaps in educational and living expenses, larger benefit increases are in order.

Another problem facing the veteran centers on the relation between veteran payments and social security benefits. Any increases in social security benefits are offset by a decrease in veteran payments. The net effect is, of course, no increase in income. While other citizens enjoy social security income increases, the veteran is penalized and does not receive the benefit of the legislated increases. This practice is an obvious injustice to those veterans receiving social security. This offset procedure should be discontinued.

Congress has afforded our veterans expanded and improved health care facilities, an improved National Cemeteries Act, and a higher rate of employment. We are moving in the right direction, but there is more to be done. Let us work together to insure that our veterans receive the benefits they so justly deserve for their contributions to this Nation.

THE ENERGY CRISIS AND THE POOR

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mrs. BURKE of California. Mr. Speaker, the energy crisis has been splashed across the headlines of our news media in recent weeks, inviting national concern and foreshadowing serious ramifications to our economy and our way of life.

While these headlines have stirred emotional levels to a fevered pitch, all too often ignored is the impact of energy shortages on the poor and the minorities. Unless remedial measures are taken, blacks and other low-income groups will suffer most when prices rise and jobs are lost.

While the actual dimensions of the current shortage are being hotly debated, the most immediate problem seems to be a dramatic skyrocketing of gasoline prices. When the cost of gas rises over 50 percent in less than a year, the first ones hurt will be those who drive the most and who can afford it least. Traditionally, jobs have been located outside the poor and black communities. Now, even if a poor person is fortunate enough to have a job in one of these outlying areas, he may well be put in the position of not being able to afford to drive to work. The sad irony is that rapidly mounting fuel costs may in some cases become an added disincentive for the poor to work.

We in the Congress have a special responsibility to enact legislation and to bring pressure to bear in ways that will contribute to holding down gasoline prices. At the same time, we must move quickly to develop and expand mass transportation systems in our communities. Too, industry must be given incentives to relocate in the inner city, to provide jobs for the residents of the inner city and to ease pressures on our overburdened energy resources. In sum, the poor must have access to work, if they are to work at all.

One of the most troubling aspects of the energy crisis is its as yet undetermined effect on the economy itself. Most economists have predicted a significant slowing down of the economy, while some have even predicted a recession. The real point is that unless effective countermeasures are taken, there could be a significant rise in unemployment. Unemployment in south-central Los Angeles is already two to three times higher than the national average. And the Los Angeles Urban League reports that the level of joblessness in this area might well rise to 40 percent if nothing is done to moderate the impact of the crisis.

In times of economic uncertainty, we must have adequate training and public employment programs. The recently enacted Manpower Training Act insures the continuation of public service employment programs in those areas that exceed 6.5 percent unemployment. These programs must be expanded so that no one area or no one minority group will suffer excessively as a result of the energy crisis.

The Federal Government must also take measures to reinvigorate the economy. This means an end to excessively high interest rates, so that money will be available for housing and new investment. This means an end to the impoundment of congressional appropriated funds, so that social programs can be fully funded and developed. It also means new money for new programs, as needs arise.

The energy crisis may also have an unspecified impact on various social problems, such as crime and mental illness. Again, we must be careful that conservation measures will not have particularly adverse effects on any one group. Special consideration must be taken in dealing with high-crime areas, so that the conservation of protective street lighting will not leave residents defenseless. And counseling services must be expanded in those areas where personal hardships and tensions will be aggravated by the crisis.

As a step in the right direction, I am pleased to note the recent creation of the Special Impact Office under the Federal Energy Office which will review and act upon the concerns of low-income consumers affected by the energy crisis. This office will provide a research and policy base for the FEO to determine whether Federal regulations and programs work undue hardships on these groups.

Just as we must insure that no one person or group suffers inordinately as a result of the energy crisis, so must we be certain that no one person or group profits at the expense and sacrifice of the rest.

The oil companies must not be allowed to reap windfall profits while the rest of the country suffers. Recent statistics show clearly that the third quarter profits of the 15 major oil companies increased an average of 62 percent over 1972—or a profit of nearly $5,000,000,000 for the first 9 months of last year. It is expected that without some kind of regulation these will increase even more dramatically this year. Congress has an obligation this year to pass some kind of excess profits tax to insure that these added moneys will be used to spur new developments of mass transit systems and new sources of energy. At the very least, we must put an end to the oil depletion allowance and other forms of preferential tax treatment for the oil companies.

Too, I believe it is necessary for the oil companies to roll back uwarranted increases in crude oil prices allowed by the Cost of Living Council which only serve to further increase the oil companies' record profits and to raise even higher the cost of gasoline at the pumps. I strongly support efforts in the Congress to force such a rollback.

Recently, I proposed an eight-point program which would deal with both the short- and long-range problems caused by the energy crisis. I have urged the following:

One. Acceleration of a national energy policy to coordinate all elements of energy production, development and research, including solar energy, geothermal, nuclear, coal gasification, and oil shale extraction so that the United States may become self-sufficient in its energy supply;

Two. Creation of a single Federal agency with sufficient manpower and resources to develop and implement a national energy policy;

Three. A national program for the prudent utilization and conservation of our Nation's scarce energy resources;

Four. A study of national growth projection over the next two or three decades to develop the proper relationship between increasing energy use and general economic development while, at the same time, preserving our environment;

Five. A requirement that the oil industry supply raw data as to their actual and potential reserves and their imports and exports to Congress, and verification of this information by an independent Federal agency;

Six. Initiation of a national transportation policy that will provide our citizens with an alternative to the automobile; acceleration of the construction of intracity and intercity mass transportation, where feasible;

Seven. Funding of employment programs to assist the increasing numbers of those who have or will lose their jobs as a result of the energy shortage and job layoffs;

Eight. Reconsideration of the status of antitrust laws as applied to large oil companies and their possible treatment as public utilities, similarly to the way telephone, electric, water, and gas companies are created.

MRS. B. V. BROOKS

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. SARASIN. Mr. Speaker, Connecticut has recently lost a great and gracious lady, Mrs. B. V. Brooks of Westport. While I only had the opportunity of knowing her in recent years, I was proud to consider her a friend and her passing is a personal loss to me. For more than 30 years, Mrs. Brooks gave of herself to the community and to the people of Connecticut, but rather than list her many accomplishments and ways in which she served, I would like to offer for the Record the following editorial tribute from the Westport News, a publication Mrs. Brooks helped guide to its present stature:

Mrs. B. V. Brooks

She was a lady of unquenchable spirit, with a strong sense of right and wrong, a loyal and stalwart friend to those she loved and trusted.

These were the outstanding characteristics of Florence Goodwin Brooks—"Mrs. B." as she was known to her friends—whose sudden death this week shocked the community to which she has contributed so much through the years. Her activities to advance worthwhile civic undertakings were myriad—the Norwalk Hospital, the Nature Center (formerly the Mid-Fairfield Youth Museum), the Westport Playhouse, the Policemen's Benevolent Association were among the many she assisted, quietly and capably.

We at the Westport News through the years had come to know her as a woman with deep concern for her fellowman and a tendency to "mother" us all, worrying whether we ate properly when busy; questioning to learn if we needed something or the other for our homes; dropping in frequently to chat with staff members about the day's trivia. She always loved to talk with children of staffers, who might be on hand.

She'd smile and her eyes would sparkle when she'd be able to tell a reporter, "Aha! I scooped you!" when she'd learn the news ahead of the staff.

But most of all she impressed us with her loyalty to her friends—loyalty that never wavered when the chips were down and when there was need to speak up for what she believed in, for those she had faith in. As the Earl of Lytton (1831–1891) wrote:

> "Ay, there are some good things in life, that
> fall not away with the rest.
> And, of all best things upon earth, I hold
> that a faithful friend is the best."

This is how we knew "Mrs. B" to the untimely end of her useful life.

She will be missed.

THE WASHINGTON HEIGHTS-INWOOD JEWISH COMMUNITY—HOW CAN WE STRENGTHEN AND PRESERVE IT?

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Ms. ABZUG. Mr. Speaker, on December 16, 1973, issues of great concern to many residents of the 20th Congressional District were discussed at a leadership conference of the Jewish Community Council of Washington Heights-Inwood, which I was pleased to address.

I was impressed by the serious discussions and action reports given at this conference, the first of its kind. Following is the formal report summarizing the work of the conference:

Summary of Proceedings at Leadership Conference—Jewish Community Council of Washington Heights-Inwood

THE WASHINGTON HEIGHTS-INWOOD JEWISH COMMUNITY—HOW CAN WE STRENGTHEN AND PRESERVE IT?

Approximately 150 delegates representing 25 of the participating 40 Jewish organizations in the neighborhood as well as elected government officials attended the first leadership conference of the Council.

In four stimulating sessions, the delegates heard experts and community leaders discuss community problems and plans for communal action. The Council will be entrusted with implementing the programs outlined in accordance with the objectives stated.

The following is a summary of the sessions:

I.—Safety for our community

Stanley Gruss served as chairman. Dr. Eric Erlbach, the speaker, stated that fear of crime is a major cause for families leaving the neighborhood.

He discussed the efforts currently being made to alleviate this problem. For example; The Tenants Patrol—which has been instrumental in discouraging criminals from committing burglaries and violent crimes in apartment houses. Dr. Erlbach stressed, however that these patrols should function during daytime as well as evenings as these crimes occur at all times.

The Street Patrol or WHISP is another promising program. This consists of civilian teams which cruise the neighborhood, after dark in private cars equipped with two-way radio. In this way suspicious individuals and incidents are reported directly to the precinct making immediate police reaction possible. Upon request these teams provide escort service to and from meetings, classes etc.

Block Security and Police Auxiliary function similarly. These projects are aimed at reestablishing confidence in the communities ability to protect its individuals, homes and institutions. But even with these hopeful beginnings, it is self evident that greater safety for everyone will be secured only when all organizations and congregations participate in these efforts. They must be willing to supply their quota of volunteers required to expand these services to all areas of the community.

Capt. Robert Ford of the 34th Precinct referred to a recent Community crime study which indicated that street muggings and car thefts are declining, but that burglaries, violent crimes and rapes are still increasing. Drug traffic has decreased remarkably here, but it appears to be resurfacing instead in New Jersey.

The Capt. reported that the 34th Precinct has been expanded by a detective squad and will be further strengthened in the Spring by the incoming graduates of the Police Academy. Although they are not conspicuous, plain clothesmen make 40% of all arrests and are vital agents in deterring criminals in the neighborhood.

The Police Dept. believes that the Civilian Crime Prevention programs such as WHISP, Tenant Patrol, Block Security and Police Auxiliary are valuable and effective in reducing crime. Capt. Ford pledged complete cooperation with Community Council in coordinating and expanding them.

II.—Organizing our community and relating to others

The Chairman, Sam Hartstein, challenged the audience by stating, "We have an investment in this area and we would like to stay. With a positive attitude and a constructive program it will be possible to preserve this community."

Rabbi Jack Simcha Cohen, the first speaker, noted that until some time ago it was accepted that there is little poverty among the Jews. In the last few years, however, figures have proven that 272,000 Jews in the New York City area are at poverty and near poverty levels. As Jewish underprivileged generally dislike to accept public assistance, their poverty is unrecorded.

This problem and that of the aged, safety, housing, etc. are the concern of the local community. He presented the thesis that: If the Jewish Community of Washington Heights and Inwood, with its diverse ideologies and philosophies, is to survive and maintain tolerable living and safety conditions, it must unite its efforts and form a Council. Only as a unit, representing the broad spectrum of the Jewish populace, can it effectively articulate its needs.

This Council must pinpoint the problems and communicate with government and other community organizations. It must demand the available programs and services necessary to support and preserve the community and its institutions.

Michael Bergman discussed the necessity for organizing unaffiliated Jewish youth. He stressed that many of our students, in search for identity and purpose, easily succumb to the pressures of foreign ideologies, other religions and drugs. They leave behind their own rich heritage with which they are unfamiliar. To counteract this frightening development, "involved" Jewish college students have launched a program to reach out to their drifting peers, to give them moral and spiritual strength by acquainting them with Jewish values and Jewish living.

These National Jewish youth groups with trained leadership and techniques have declared themselves ready to sponsor workshops, seminars, and social club type programs to help the unaffiliated Jewish youth in our area. They hope to receive the necessary cooperation and financial support from community organizations to implement these programs effectively.

III.—Tuning in on our elderly

Daniel Stein the Chairman, pointed out that the proportion of those 65 and over among the Jewish population in Washington Heights and Inwood has risen from 16% in 1960 to 30% in 1973. He urged the community to address itself to the needs of our elderly.

Harriette Friedlander, the first speaker, stated that congregations and organizations generally relate to their active members. They must however, assume responsibility for serving the elderly as they drift out of the mainstream of Community life. It is vital to be sensitive to their existence even though it is difficult to keep track of them and reach them. Synagogues and organizations, neighbors, superintendents and even butchers can be instrumental in finding them.

The aged, faced with heavy personal losses and failing health, have compelling needs—religious, economic, physical and emotional.—They must be handled with great sensitivity and consideration for their individual inclinations and self responses.

Dorrit Rosenstein outlined the program of activities for mobile elderly at the YMHA. She indicated that the lunch programs available at various community centers not only provide a balanced nutritious meal, but companionship as well.

The existing "Meals on Wheels" program is extremely valuable for the homebound. But it is limited and should be expanded.

Synagogues and organizations can do a tremendous service in this field. They must appoint committees attuned to the needs of their Senior Citizens to plan programs for them. For example, a "24 hour Telephone Assurance Service" can alleviate the terror of feeling deserted and lonely.

There is also a strong resistance to public welfare among Jewish elderly. They must be informed of the new government program (S.S.I.) providing necessary assistance in form of an extension of their present Social Security payment.

Gary Quinn stressed that in serving the elderly, it is of primary importance to preserve their integrity and self worth. Careful consideration must be given also to their social, intellectual and religious background.

Sensitive students and youth groups, oriented to empathize with the aging, can be most helpful in 1) Reaching out and determining their needs. 2) Escorting them on errands and for appointments. 3) Reading and listening to them as well as studying with those no longer able to attend study groups and services in synagogues. 4) Purchasing incidentals for them. 5) Doing chores difficult for them such as changing bulbs etc.

It was noted that there are a number of Elderly Soviet immigrants moving into this neighborhood. A delegate offered her services to teach English and solicited similar responses from other delegates. This activity will be coordinated by the Council.

IV.—The luncheon session

The luncheon session was chaired by Rabbi Ralph Neuhaus. He declared that if the synagogues and institutions in the community cease to function, the Jewish population will leave.

The President of the Jewish Community Council, Herman Cahn, greeted the delegates and government officials. He emphasized that the goals of the Council are not simply to preserve the community, but to improve living conditions and also attract new residents to the area.

"The basic issue facing Americans is preserving the large urban centers in the Country", was the opening statement of the keynote speaker, Dr. Jack Sable. He went on to say that early immigrants, the victims of religious and economic persecution settled in the inner cities as these are the source of communal and religious strength. As the melting pot concept proved to develop a lost generation, a new ethnic consciousness emerged. We are a pluralistic society and derive strength from the traditional heritage of our respective forefathers. To insure the continuity of the community, a program for action involving all community organizations, the poor, the establishment, and the private sector, can save New York from becoming another Newark or Detroit.

With the Community Council as the vehicle, issues such as safety, housing, Senior Citizens, the poor etc. can be dealt with more effectively. The Council must first identify the problems and set priorities. It must then, formulate a plan for action. It must address itself to sensitive politicians as well as agencies to ask them basic questions and request its rights. It must cooperate with other local groups in its effort to save the community.

V.—Conclusion

Elisabeth Wurzburger, Executive Director, delineated the scope of the Council in the following terms:

Objectives: (1) To organize and activate the Jewish Community in order to strengthen and preserve it. (2) To pinpoint our common problems and needs and to articulate them. (3) To determine the available resources in the community and civic agencies, and to channel them appropriately.

Areas for Priority Concerns: (1) Security (2) Housing (3) Aged and Poor (4) Youth etc.

The proposed program is to activate the best efforts of the participating organizations and creative thinking of our community leaders, to coordinate the work through representative committees; to communicate ideas and information in workshops, conferences and newsletters. In effect, to function as a constructive clearing house and coordinating agency which will improve conditions in the Washington Heights Inwood Community.

In closing, she expressed her satisfaction at the promising response to this conference by community leaders and members, and stressed the great potential that will stem from unified effort.

NATIONAL CANCER ACT AMENDMENTS—VITAL LEGISLATION

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. DULSKI. Mr. Speaker, last year marked the 75th anniversary of the oldest comprehensive cancer institution in the world, Roswell Park Memorial Institute. The December 1973 issue of Cancer Research, one of the leading cancer journals, featured this celebration as its cover story, and as part of my remarks I include the cover legend from that publication:

> Roswell Park Memorial Institute (RPMI), the world's oldest institution dealing primarily with cancer research, is celebrating its 75th anniversary this year. Founded in Buffalo, New York, it is now one of the world's most comprehensive cancer centers, devoted to treatment, research, and education. It is directed by the New York State Health Department within the confines of the University of Buffalo Medical School.
>
> When a grant of $7,500 was first requested in 1897 for the establishment of a "cancer laboratory," the plans were vetoed by the state governor, although the legislature had sanctioned it. With the persuasive efforts of two determined men—Dr. Roswell Park, for whom the institution was eventually named, and Edward H. Butler, Sr., an influential newspaper publisher—a bill was finally

passed in 1898 for maintenance of the laboratory.

Since that time, RPMI has grown into a multimillion-dollar operation. Included among its facilities are a 316-bed hospital and many well-equipped cancer research laboratories. There are 2,200 employees in all at RPMI.

Throughout the years, the directorship has played a vital role in determining the growth of the center. Featured on this month's cover are its six past directors:

Dr. Roswell Park, Professor of Surgery at the University of Buffalo, was co-founder of the institution in 1898. Notwithstanding his rigorous duties as first director, he continued to lecture and write extensively, maintained a large private practice, and was an active participant in community cultural affairs.

In 1904, Dr. Harvey Gaylord became the second director. His primary interest was in finding an organism for the cause and cure of cancer and in developing immunological techniques. During his administration, the first hospital building was constructed, as was an experimental farm, still in use in Springville, New York.

Throughout the 20-year term of Dr. Burton T. Simpson, third director, more and more emphasis was placed on clinical activities. His administration (1923–1943) saw the construction of a new 78-bed hospital, with facilities for an enlarged radiation therapy department.

Dr. Louis C. Kress had been associated with RPMI for 26 years when he was named fourth director in 1945. An intensive educational program, to include laymen as well as students and practitioners, was implemented during his term.

Dr. George E. Moore at 32 years of age was made fifth director of the Institute in 1952. His tenure was marked by tremendous expansion in staff and facilities. Contributions of his administration included the establishment of a pediatric department and a non-profit corporation to receive gifts and grants.

Dr. James T. Grace, Jr., who became the sixth director in 1967, continued to pursue clinical studies in gastrointestinal surgery. He was also concerned with the role of viruses in tumor formation. His endeavors were cut short by an auto accident in 1970; he was critically injured and died about 18 months later.

The current director, Dr. Gerald P. Murphy, received his appointment in 1970, after serving as Acting Director since the time of Dr. Grace's accident. He received his M.D. at the University of Washington in Seattle and was Research Associate and Chief of the Department of Surgical Physiology at the Walter Reed Army Institute of Research in Washington, D.C. Dr. Murphy was also named one of 18 members of the National Cancer Advisory Board in 1972.

The House Subcommittee on Public Health and Environment has just concluded hearings on legislation to extend and amend the National Cancer Act. With the firsthand example of Roswell Park's tremendous work in my district, I have been particularly interested in our Federal assistance to the fight against cancer, and am a sponsor of legislation to improve the national cancer program.

Dr. Gerald Murphy, institute director at Roswell Park Memorial Institute, made a most convincing case for continued Government support in testimony presented to the subcommittee this week. His remarks follow:

REMARKS BY DR. GERALD MURPHY

Mr. Chairman, I would like to testify on the importance of Cancer Centers and their associated impact on community outreach cancer control programs. I refer particularly to those programs mounted by Comprehensive Cancer Centers authorized by the National Cancer Act of 1971. Moreover, I wish to stress the necessity to review this Act at this time. As you know, Roswell Park Memorial Institute and its large constituency supported this Act when this Committee held its hearings at the Institute in Buffalo, New York on 11 October, 1971.

Mr. Chairman and members of the Committee, I am Dr. Gerald P. Murphy, Institute Director of Roswell Park Memorial Institute in Buffalo, New York. Our Institute is the oldest and one of the largest Comprehensive Cancer Centers in the world.

I am also a member of the President's National Cancer Advisory Board. In addition, I am Chairman of the Cancer Control Committee on the Advisory Board. Moreover, I am President-Elect of the New York State American Cancer Society, and a Director-at-large of the Society.

As I stated above, I support the renewal of the National Cancer Act of 1971 which expires June 30, 1974. The consensus of many segments of the medical and scientific community agree that the Act has worked well since its inception; however, as in all new ventures, there is room for improvement and expansion. The following are my impressions:

1. One feature the Act should make more strongly, I feel, is the necessary provisions to insure that the National Cancer Program continues to be unique from other Health Institute programs. I feel that these inconsistencies could be more administratively answered by reinforcing the position of the National Cancer Institute Director.

2. The provisions for full staffing to effectuate the National Cancer Plan, I feel, should be reinforced by increasing special positions from 50 to 100 and that they be specified as not to be counted in the usual allotment of staff positions to the NCI, but be additions. People to review and maintain a high quality program are as essential as the program itself.

3. The authorization for centers should be continued, the number to be determined by the assessment of the needs throughout the country. In addition, construction authority for centers should not be limited to only clinical centers. However, in stating this, I feel there should be some balance. Building more laboratories is fine, but we must recognize that we need Comprehensive Cancer Centers that are going to result by 1974 or 1977 to an increase of the number of cancer cures. In discussing Comprehensive Cancer Centers, I feel it is important to point out that such newly identified projects cannot be totally supported by federal funds. Federal assistance is, in my opinion, intended to provide only Core program aid. Such centers must have local support to assure their success and future availability. The State of New York has in this regard been most generous to our own Institution in Buffalo throughout its 75-year history. Others must in some form do likewise, for a Comprehensive Cancer Center cannot stand alone.

4. On page 6, section 410C, paragraph (b) subsection (1) the words "for direct costs" should be inserted after $35,000. The National Cancer Institute Director should be given explicit authority to allocate this money for the direct costs of cancer research and training without additional interpretations or limitations. This appears to have been the case in allocating $35,000 grants as originally described in the Act of 1971.

5. As regards to the level of appropriation and in view of the cost of everything, I urge support that we amended section 410C of the Act for the next three years by increasing these levels respectively changing $400,000,000 to $750,000,000, $500,000,000 to $830,000,000 and $600,000,000 to $985,000,000. These changes would then be for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, respectively.

6. In section 409 Cancer Control Program, I feel that this section should be amended by striking out "and" before "40,000,000" and by inserting the following increased levels of appropriations, $65,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, and $95,000,000 for the fiscal year ending June 30, 1977. We need to increase the amount for cancer control.

7. The review of this Act must make some provision for evaluation of effectiveness or impact of this program, for, the American people, and I believe all sectors of government have a right and a need to know in defined, reassured steps how this expanded war on cancer is progressing, and what it has meant to all of us. Mr. Chairman, I am sure that such information is available and can be provided. However, to define and provide for this information would be reassuring to all those involved in concern over our national health care.

Mr. Chairman, implicit within the National Cancer Control Program is the urgent need to educate the public and the medical profession. The results of research and study in cancer prevention, detection,therapy, rehabilitation and continuing care must be communicated in an appropriate form to the physicians, nurses and paramedical personnel who see and treat some 90% of this country's cancer patients and to the lay public who must play an active role in preventing and detecting cancer. Greater emphasis must be undertaken by Comprehensive Cancer Centers to reach the practicing physicians who undertake the primary care of the cancer patients. These physicians therefore should not only be informed of the most up to date and effective techniques in cancer prevention, detection and treatment but they should also be motivated in turn to educating their patients in methods of prevention and detection. The success of the cancer control program hinges on how well we outreach and as well coordinate our efforts with other established voluntary and federal health agencies. Comprehensive Cancer Centers are in some present aspects in the best position to outreach by sending out teams to community hospitals and providing consultative service to office based physicians and by such centers establishing effective use of established media, i.e., press, radio, television, films, brochures. At Roswell Park Memorial Institute, we are doing this but need to do this at a greater level and we, like other Comprehensive Cancer Centers, need funds to expand and enhance our programs in these directions.

On February 15, the NCI will review a number of applications from Comprehensive Cancer Centers in this country which are seeking awards for financing these outreach cancer programs. However, the current level of funds for cancer control programs for these eventual awards will only cover the beginning of this program.

8. My last point, Mr. Chairman, I feel is also important. Whereas cancer centers and the academic world are responsible for developing new knowledge and for training cancer specialists, we have seen funds, particularly for training, greatly curtailed. There are recognized shortages of certain cancer specialists on all levels. The Act has to make definite provisions to supply manpower in some acceptable fashion, so that we can effectively implement the National Cancer Act.

Mr. Chairman, now that I have covered some specific items concerning the revision of the National Cancer Act of 1971, I am sure that you might want to know my position on identification and measurement of the results of the programmed action that has come about from the National Cancer Act of 1971.

It is logical to assume that well planned and executed programmed activities has and will accelerate progress. It is logical to assume that the net effect of all our effort for the improvement of cancer control has been beneficial. It is not possible at this time, however, to measure or predict the extent to which an individual program has affected our national progress in the control of cancer.

Nevertheless, I feel that an analysis of our programmed activity at Roswell Park Memorial Institute and at several established Comprehensive Cancer Centers demonstrates that treatment for certain cancers has been beneficial. For instance, in one report it has been shown that among 60 acute lymphocytic leukemia patients treated in the past 18 months, 96% entered complete remission, 92% remained in complete remission at the end of the 18 month period which statisticians say indicated that at least 50% of the patients will remain free of clinical and laboratory evidence of disease five years after diagnosis. End results data from NCI from the years 1955–64 showed a 3-year survival rate of only 5% nationally. We believe that between 30 to 90% of cancer deaths in man may be preventable. A concerted research effort is being mobilized for cancer of the colon, breast and cancer of the prostrate. There is promise for substantial pay-off in these organ sites.

From our Institute, at present the 5-year survival rates for invasive cervical cancer are 75–80%, endometrial cancer 80%, and ovarian cancer 60–75%. This is impressive and demonstrates what good cancer management at a Comprehensive Cancer Center can accomplish.

Mr. Chairman, I want to make very sure that the Committee understands one point about which I am emphatic. We have the means at independent Comprehensive Cancer Centers to provide good cancer management because such centers take advantage of new discoveries that are taking place. The center is where research and education is active. We need to support existing cancer centers and establish new ones so that they can transmit their advances in good cancer management to all practicing physicians. As you know, there is a great temporal lag in getting this to a large percentage for some practitioners.

We urgently need to support existing concer centers and for establishing new independent cancer centers as provided by the National Cancer Act of 1971. We urgently need community outreach cancer programs sponsored by cancer centers, so the U.S. citizen can gain the maximum benefits from these centers.

Mr. Chairman and members of the Committee I want to thank you for giving me the opportunity to present my views.

THE FDA AND THE PHYSICIAN

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. CRANE. Mr. Speaker, the Food and Drug Administration has, in recent days, made a number of highly controversial decisions with regard to withdrawing combination drugs from the market.

In many instances these decisions have been at variance with the experience of private medical practitioners who have been using such drugs effectively for many years.

In too many cases, the views of the private practicing physician have not been taken into proper consideration and FDA determinations have been made on the basis of artificial bureaucratic rules and regulations. This, of course, is the inherent difficulty in providing an administrative agency with virtually unregulated control over any area of American life.

Discussing this unfortunate state of affairs, Dr. William Barclay of the American Medical Association has noted that—

> It seems to me the only people who can tell you whether these mixtures have any effect on symptoms are the doctors in practice who are seeing people in their offices, dispensing the medicine, and then getting some reaction from the patients. So I would make the very, very strong appeal to FDA to put great weight on the evidence submitted by physicians who are qualified to judge whether or not the symptoms have been relieved.

In an article concerning "FDA and the Physician," which appears in the January, 1974 issue of Private Practice, the Journal of the Congress of County Medical Societies, Robert L. Dean, vice president for regulatory and government affairs of Smith Kline & French Laboratories, notes that—

> To the extent FDA is right about any of this, the industry and the medical profession had best be busy correcting itself. To the extent the FDA is wrong, we should be telling them so, in the most cogent way we know—surely, the private practicing physician will want an effective voice in the decisions likely to be made about drug consumption in the next decade.

It is essential that medical doctors, not government bureaucrats, be in the forefront of decisionmaking concerning the availability of drugs. Thus far, the FDA has not taken into sufficient consideration the experience of the private practicing physician. It is high time that this situation was corrected.

I wish to share Mr. Dean's article, which is based on his remarks before the December meeting of State Medical Association Presidents in Anaheim, Calif., from the January issue of Private Practice, with my colleagues, and insert it into the RECORD at this time.

The article follows:

FDA AND THE PHYSICIAN

(By Robert L. Dean)

I plan to make just one point: I think FDA is listening—and listening attentively—to what you physicians have to say. It's certainly not news that FDA, nowadays, has to do a great deal of listening. It listens to Congress; it listens to scientists; it listens to consumerists. Once in a while, it even listens to what we in industry have to say.

And more and more, it is listening to what private-practice physicians have to say—the good and the bad—about drugs. Some of you are already talking to FDA, and talking effectively.

It's probably fair to say that, for a good many years, most physicians have taken FDA for granted as the agency somehow responsible for assuring the quality of drugs, and the fairness of drug advertising. They have given FDA credit for that, glad that someone was there to do the job.

But they have not taken so kindly to the fact that FDA is also interested in assuring the quality of the physician's *use* of drugs. You'll recall FDA's concern, back in 1967, with a certain medical text that recommended a drug dosage exceeding the dosage in the package insert? One vocal physician got very exercised over FDA's attempt to invest the insert with unnatural powers over prescribing, and FDA listened.

But that was just a minor skirmish, compared to what lies ahead. Over the past five or six years, FDA and others have been saying that the use of many prescription drugs by physicians far outweighs genuine need. It's been said repeatedly that physicians overuse drugs, are overwhelmed by their number and variety, are not as concerned as they should be about drug toxicity and drug interactions.

What do physicians think of these serious criticisms? What do you *say* about them? To whom do you say it?

And will anybody *listen* to what you have to say?

In order to communicate effectively with FDA, the physician first must decide that he has something important to say. He has to believe he *knows* what he *knows*. He must believe his practical experience with drugs *does* count for something. Then he must do something with what he knows. As the ancient satiric poet Lucilius put it: "Knowledge is now knowing until someone else knows that one knows."

This does *not* mean he should derogate the modern methodology of drug research, nor poke fun at double-blind placebo controlled studies, nor at the academicians who advise FDA. Without these modern techniques and expert advisors, the FDA judgments of safety and efficacy would be paralyzed, or hopelessly wrong. And to say otherwise marks the sayer as an anti-intellectual.

To communicate effectively, private-practice physicians must find a way to help FDA appreciate and value their clinical experience with drugs. During the past decade—and especially during the past three years—FDA has seemed to reject evidence not obtained from double-blind, statistically controlled studies. Yet—and here's an important paradox—FDA is increasingly looking to advisory committees to help make its scientific decisions. So there *is* more to scientific decision-making than simple data. There *is* room, officially, for judgment and experience.

You can understand FDA's viewpoint on the need for data—the complex issue of approval of new drugs cannot be resolved without well-planned, well-controlled studies *before* the drug product is made available. It's FDA's clear intent and responsibility to make the best judgment possible at the drug's point of entry; once the drug is in your hands, they have lost direct control of its use. And I think it's fair to say that better control of drug use—to avoid overuse, abuse, and drug interactions—is what FDA wants.

Yet we and you—and FDA—appreciate that clinical experience *after* marketing is actually likely to be a better measure of the new drug's safety and efficacy than all the controlled studies. Experience measures all the subtle but vital effects a drug may have on the patient's performance, convenience, happiness.

Before a new drug is marketed, the sponsoring company collects the so-called "hard" data—the laboratory evidence, the quantitative and semiquantitative measures of clinical improvement or cure.

After it's marketed, the practicing physician collects most of the soft data on the "patient's capacity for working, walking, dancing, making love, thinking, reading, and enjoying the other acts of daily living."

I borrowed that last phrase from a paper by Alvan R. Feinstein, now at Yale ("The Need for Humanized Science In Evaluating Medication," *The Lancet*, August 26, 1972, pp. 421–23). But how can the practicing physician communicate these subtle things to a Federal agency which, like the rest of us, is far more comfortable with quantitative measures of effectiveness? We all know that unsupported and isolated testimonial clinical evidence isn't enough. We also know that there are kinds of important knowledge that are beyond capturing by double-blind placebo controlled study.

Is there anything in between? Any place where clinical experience can be organized to get the attention it deserves? I think so; and I have a few examples to share with you.

The first example involves FDA's handling of prescription cough and allergy combination products. On June 4, 1973, FDA held an all-day public hearing on its guidelines for the formulation of cough and allergy products. It had published these guidelines in the *Federal Register* of May 15, just two weeks earlier. The guidelines were designed to show how new products could be formulated as substitutes for all of the combinations FDA had declared "ineffective"—among them such widely prescribed products as Phenergan, Actifed, Benylin, "Tuss-Ornade." The *Federal Register* is the FDA's way of communicating with "all interested parties," including the physician. The FDA has many other ways of communicating—in the speeches of its personnel, in frequent testimony before Congressional committees, in hundreds of letters to drug companies.

As a matter of fact, the FDA's half of the dialogue with physicians is voluminous; I sometimes think that *words*, not drugs, are the principal business of both FDA and the industry.

We in the industry have learned to read the *Federal Register* in a hurry, quickly separating the boilerplate paragraphs from the substance.

Fortunately, some few physicians are just as good at speed-reading the *Federal Register*. With only a 5-day deadline, several asked for and were given time to testify at FDA's public hearing on the cough-allergy guidelines.

The physicians who testified were concerned about the loss of useful, time-tested products. But I think they were much more concerned about the erosion of their prescribing choices and the failure of FDA to take their experience into account. Dr. William Barclay of the AMA said it this way:

> It seems to me the only people who can tell you whether these mixtures have any effect on symptoms are the doctors in practice who are seeing people in their offices, dispensing the medicine, and then getting some reaction from the patients. So I would make the very, very strong appeal to FDA to put great weight on the evidence submitted by physicians who are qualified to judge whether or not the symptoms have been relieved.

Much the same point was made by three physicians in private practice, and by physicians representing the Congress of County Medical Societies and the American Academy of Family Physicians.

What happened as a result of the hearing? FDA listened. It decided to postpone implementation of the prescription cough-allergy guidelines. It deferred action until its panel that is reviewing *non*-prescription cough-cold-allergy products can complete its job, which will probably be at the end of 1974. As you probably know, FDA has divided the non-prescription (OTC) drugs into seventeen categories, and seventeen panels will review them.

Is the cough-cold-allergy argument over? Hardly; it's only suspended. Keep in mind, FDA's OTC panel must now wrestle with the very same questions FDA has published answers to. Are antihistamines of any use in the symptomatic relief of colds? Should combinations of antitussives and decongestants be allowed?

And here's the $64 question: shouldn't *all* cough-cold-allergy products be *non*-prescription anyway? FDA asked this question several times at the June 4th hearing. One physician answered that he could only deplore the suggestion. It would leave physicians with nothing to prescribe for the patient whose symptoms are severe enough to have him brought to the physician.

At the close of the June 4 hearing, FDA's Dr. Richard Crout, who conducted the hearing, said to AMA's Dr. John Budd, "We make a strong plea to you to help us solve the problem."

He did not mean just the problem of whether one drug product goes and another stays. Let's face it, what eventually happens to Phenergan or "Tuss-Ornade" is important only as part of the overall problem of how you can contribute to the judgments being made about drugs in this country.

Dr. Francis Davis, who is the publisher of Private Practice, the official publication of the Congress of County Medical Societies, has visited FDA with the officers of his society. They have talked to FDA about the need to increase the dialogue with private-practice physicians. FDA has encouraged Dr. Davis and his colleagues to find ways to collect and translate clinical experience that bears on judgments of safety and efficacy.

As a start, Private Practice published a self-mailing questionnaire in its September issue. The questionnaire tells physicians that FDA has classified 480 drugs as "possibly effective," and that FDA must make a decision on them by January 1974 unless it can be shown that they are effective or that the medical issues are so complex that more time is needed. The questionnaire then selects twenty-five of the 480 and asks whether the reader has found them effective. [Editor's Note: see the December issue of Private Practice for results of the survey.]

Obviously, this questionnaire is but a first step; perhaps its greatest worth is in stirring physicians to make formal judgments of clinical efficacy; it can be the beginning of the development of teams of practitioners willing to record and thus document their experiences with drugs, including adverse-reaction experience, patient-by-patient, in a way that can give validity to what would otherwise be isolated observations, confusing and meaningless in a regulatory sense.

A third example of a way physicians have found to try to understand what they know, to organize it, and then to communicate it: just yesterday in Washington, the Academies of Family Physicians of Virginia, Maryland, and the District of Columbia concluded a two-day conference on combination drugs—the science of them, the merits and demerits of them. There has been so much said about combination products, much of it fruitless. Perhaps this conference will help physicians see the issues more clearly, and thereby help FDA.

A fourth example of FDA's ability to listen occurred this past summer when FDA acknowledged in the *Federal Register* of August 8, 1973, that it had received "numerous complaints from physicians, including eminent gastroenterologists, objecting to removal . . . [of the poorly absorbed sulfonamides, e.g., succinylsulfathiazole, phthalylsulfathiazole]" from the market. The Commissioner rescinded the order to withdraw these drugs. An editorial in the October 15, 1973, *JAMA* hailed this action as "evidence that reasonableness can prevail."

A fifth and final example of FDA's interest in the opinions of others is provided by the agency's vastly increased use of advisory committees. At last count, there were some twenty-seven standing committees—you name it—on dental drug products, bacterial vaccines, orthopedic devices, topical analgesics, etc.

I doubt that a day goes by at FDA without a meeting of outside advisors.

Notification of the time and place of these meetings is published in the *Federal Register*. Most are closed to us and the public except for perhaps an hour or two, but even that brief period has been enough to show us that these committees are by no means rubber stamp. They have their problems—what committee doesn't—but they work hard at the job, they take seriously the fact that they're helping FDA with tough decisions. And it's been clear they expect FDA to take their advice seriously.

One of the committees' problems is their natural desire to make difficult decisions on as much data as can be found, and to call for more if not enough is around. They tend to forget that if the data were complete, there'd be little need for advisory committees. The best committees seem to be those that demand data when it's critical and when the methodologies for getting it are available, but that, otherwise, rely on their judgments of safety and efficacy.

How well are primary-care physicians—that is, private practitioners—represented on these committees? On some of them there may be no great point. But on others, there *is* a great need for them to be heard. As the new Commissioner. Dr. Alexander Schmidt, put it at a press conference July 26:

"I think we may be a little shy in representation from the MD practicing world on our committees. One can argue whether a practicing MD is a 'professional' or a 'consumer.' In a way, the MD is a consumer of our regulations. He needs to be heard."

So I hope I've established that FDA does listen.

But that doesn't mean FDA—or at least some of the people there, and in HEW—is not still very much concerned over what I mentioned earlier. They think that many physicians are overprescribing tranquilizers, and antibiotics, are prescribing fixed-ratio combinations without enough thought being given to titrating doses and ingredients to suit the individual patient. They are worried about the drug interactions that can result, and about the giving of ingredients that are simply not needed. They believe that the industry's heavy advertising and promotion has oversold drug products and made physicians thoughtless in prescribing. They are determined to find out just how much overprescribing is going on.

To the extent FDA is right about any of this, the industry and the medical profession had best be busy correcting itself. To the extent FDA is wrong, we should be telling them so, in the most cogent way we know. In any case, surely the private-practice physician will want an effective voice in the decisions likely to be made about the drug consumption in the next decade.

I've mentioned several ways of increasing dialogue with FDA. The first and best is by data, brought to their attention through the literature and through symposia. I've mentioned visits to FDA, surveys of clinical use and experience, testimony at public hearings.

And I've tried to stress serving on FDA advisory committees. The FDA is about to divide its work on drugs into eighteen categories—cardiovascular-renal drugs, dermatological-surgical products, phychopharmaceuticals, antibiotics, etc.; for each category there will be an advisory committee. I believe there is an opportunity and a need for the private-practice physician on each of these committees, *not* as a replacement for the substantial scientific evidence that is needed for the clearance of new drugs, but rather for the help such physicians can give in making judgments about such things as comparative toxicity, relative efficacy of new vs. older agents, actual or likely modes of use.

On both new and old drugs there will be questions the private-practice physician can and *should* help with. For example: How shall the indications section of the labeling be worded so that it cannot be misread? What should be done about labeling for the patient? How can such-and-such an adverse reaction be best communicated to the physician? Should this new drug be made available only for hospital or other restricted use? Should this old drug be made non-prescription? How can post-marketing surveillance in actual use best be done?

There is still another way for physicians to communicate, one I'd like to illustrate with a true story about dialogue with government.

A friend of mine named Ed has a friend who's a member of an important Congressional committee. Ed has another friend who's a physician and who attends the same church the Congressman attends, and knows him quite well. One day, Ed asked the physician what he talked to the Congressman about when they met in the church parking lot. "Oh, school, church, weather."

Ed suggested there *are* other topics—including large medical topics that are very important, and the doctor agreed.

Later, Ed saw the Congressman and confirmed that all he and his physician friend ever talked about was school, children, and so on, and Ed gave the Congressman his business card, with this request. "Look," Ed said, "I've urged Dr. so-and-so to bring up something besides the weather and I've told him I'm sure you'd be interested in his opinion on national medical issues. Let me know what happens when you next talk to him; send me a note on my card."

A few weeks ago, Ed's card arrived back in the mail. It just had two words written on it:

"He didn't."

PLANT CLOSING—VICTIM OF ECONOMIC SITUATION

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. ALEXANDER. Mr. Speaker, I have been advised by officials of Aerojet Ordnance and Manufacturing Co. that it will be closing its plant in Batesville, Ark., in April upon the fulfillment of the defense contracts it is now handling. This plant has been operating in Batesville since 1965 and has provided a major source of economic growth in the area. Its peak employment reached 1,400 persons about 4 years ago.

Six months ago there were 600 local area citizens working at the plant. Since that time the employment has dropped to below 300. Officials of the firm have assured me that they have, during the past 3 years, made extensive efforts to find and develop new products which could be manufactured by their corporation at Batesville. Their most promising product was air bags to be used by General Motors Corp. This contract was cancelled about 3 weeks ago when General Motors determined that it would not have need for the air bags which the Batesville plant had begun to make. As I understand it, these bags were to be used in luxury model automobiles.

What is happening to the citizens in the Batesville area who are depending on this plant for their livelihood is symptomatic of the current economic conditions which prevail in our Nation. Despite the President's promise in the state of the Union message that there will be no recession, these workers will, it appears now, be having to find other employment in April.

It is my hope that the efforts which Congress has been making and continues to make on behalf of the citizens of small towns—such as Batesville—in the Nation's countryside will prove fruitful and will gain the full, dedicated commitment of the administration. I hope that we will be able to prevent the threat of unemployment the current economic situation carries for the heartland. Recession and unemployment in the heartland is just as serious, just as heartbreaking, just as destructive as it is in metropolitan areas.

THE HONORABLE DONALD PARTNEY

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PRICE of Illinois. Mr. Speaker, on Saturday, January 26, the Honorable Donald Partney, former mayor of Granite City, Ill., died following a long illness. His death is a personal loss to me, because of our longstanding friendship.

Politically independent, Don Partney had the reputation of being a fiscal watchdog during his 26 years of public service. When his 8-year tenure as mayor of Granite City ended in 1973, the city had an $800,000 surplus. Few municipal executives leave this kind of legacy.

Don Partney served also as alderman from 1947 to 1965 in Granite City and was known for his strong representation of his ward. He fought hard for what he believed, particularly when it came to reducing the costs of government.

President of the Granite City Sheet Metal Works, Inc., Don Partney was a successful businessman who believed that his business experience carried over into his City Hall activities. He felt that business practices could be applied to government service.

At this point in the RECORD, Mr. Speaker, I include the January 28 article from the Granite City Press Record on Mayor Partney:

FORMER GRANITE CITY MAYOR PARTNEY DIES; CITY OFFICIAL 26 YEARS

Donald Partney, 57, of 2600 Illinois Ave., mayor of Granite City from 1965 to April 30, 1973, following 18 years as a member of the City Council, died after a long illness at 4:30 p.m. Saturday at St. Elizabeth Hospital where he had been a patient for the past three weeks.

Born in Ware, Mo., he had lived here 48 years and was married to the former Ruth Druke of Granite City.

He was president of the Granite Sheet Metal Works, Inc., which was operated by his son, David Partney, after his election as mayor.

Former Mayor Partney formerly was a foreman for the Westinghouse Electric Co., sheet metal division, and the Everson Electric Co. aircraft division.

He was an estimator for some of this area's largest sheet metal firms before organizing his own company.

He attended schools in Granite City and Jefferson County, Mo., and studied engineering in Berkeley, Calif., for two years.

Mayor Partney served as president of the United Welders of America in 1942; was president of the Tri-City Shrine Club in 1953; and president of the Logan School PTA in 1954–55.

He was president of the Tri-County Sheet Metal Contractors Association for Madison, St. Clair and Monroe counties in 1957 and was chairman of the All-American City film in 1958.

Mr. Partney was a member of Sheet Metal Workers Union Local 268 and an inactive member of Boilermarkers Local 539.

He was a member of Masonic Lodge 877, Scottish Rite Bodies and Ainad Temple, East St. Louis, and held a lifetime membership in the Shriners' Hospital for Crippled Children.

He was awarded a lifetime membership in the American Legion, was awarded a 25-year pin as a Mason and was a member of The Jesters.

He also was a member of the advisory council of the International Supreme Council of DeMolay; was chairman of the planning and zoning committee under the city's Southern Illinois University program; member-at-large of Cahokia Mound Council of the Boy Scouts; and a member of Elks Granite City Lodge 1063.

He was a Navy Veteran of World War II.

Former Mayor Partney was honored with an award for civic achievement as Fourth Ward alderman in 1956. He received the "Hats Off award" for the Order of DeMolay in 1960, and the DeMolay Cross of Honor in 1962.

He also received certificates of merit from the Navy Mothers' Club of America, the American Cancer Society and Granite City Junior Chamber of Commerce.

He was presented a certificate of civic achievement from St. Elizabeth Hospital and a parchment of Papal Blessing from Pope Paul.

Beside his widow Ruth Partney he is survived by two daughters, Donna Marie and Diana Rose, both of Granite City; three sons, Donald, David and Daniel, all of Granite City; four sisters, Mrs. Viola Kelio, Potosi, Mo., Mrs. Cordelia Bosse, Overland, Mo., Mrs. Claude (Milda) Mierand, Bridgeton, Mo., and Mrs. Jack (Ruth) Hunter, Hillsboro, Mo.; his mother, Mrs. Katherine Lipscomb of Hillsboro, Mo., and five grandchildren.

FIVE-DAY RECESS OPPOSED

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. SARASIN. Mr. Speaker, I would like to take this opportunity to express my dismay and indignation at the decision by this body to depart on a 5-day recess at a time when our country faces what can only be described as a national emergency.

With desperately needed energy legislation still awaiting action, unemployment climbing rapidly, campaign ethics, pension reform, tax reform, and myriad other problems still to be dealt with, Congress should be in Washington at work.

We bemoan the fact that the American public is losing faith in its elected Government and we talk incessantly of congressional responsibility and then the majority leadership of this House decrees a holiday and walks away from these many unfinished tasks.

Shortly after the first of this year, I sent telegrams to the Speaker of the House, the majority leader and the minority leader requesting that they exert their authority and call the House back into session prior to the scheduled January 21 reconvening. I pointed out at that time that New England was suffering inordinately from the effects of the energy crisis and that the Energy Emergency Act was still awaiting congressional action.

While the minority leader responded quickly that he was in support of the idea of reconvening early and had himself suggested a specific date, the majority leadership failed to act and the Nation suffered.

The situation in New England that was difficult in early January is desperate in early February and the Energy Emergency Act still awaits final action, as do a number of other pieces of legislation crucial to dealing with this emergency. Against this backdrop, I find it unconscionable that the Democratic majority has called another recess, however brief.

I want to go on record as being opposed to this recess or any other until this body has acted fully and effectively on at least the most critical of the numerous problems besetting our people.

LEE HAMILTON'S WASHINGTON REPORT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

WASHINGTON REPORT—THE STATE OF THE UNION ADDRESS

(By Congressman LEE HAMILTON)

When the Founding Fathers provided that the President, "shall from time to time give to the Congress information of the State of the Union," they could scarcely imagine that these innocuous words would require such elaborate arrangements.

As I walked about the U.S. Capitol in the late afternoon of January 30, it was obvious that big things were underway. Some of the 450 policemen in crisp, dark blue uniforms guarded every entrance to the Capitol; others cordoned off the area around the Capitol, standing only a few feet apart. Helicopters flew overhead, training powerful searchlights on the buildings and the grounds of the Capitol; walkie-talkies were clacking everywhere; and nearly 100 Secret Service men carefully scrutinized each visitor. Large groups of marchers, some supporting the President, others denouncing him, awaited his arrival. Sleek black government limousines arrived on Capitol Hill to discharge Cabinet officials, high ranking military officers and members of the diplomatic corps. Several ambulances were parked nearby.

On the second floor of the Capitol, in the House of Representatives chamber where the speech is traditionally delivered, extra chairs were being set in place; TV technicians scurried back and forth from the mobile van parked next to the Capitol, checking their cables, which looked like long black spaghetti running to the House chamber. The special color television lights in the House chamber, which had been permanently installed for such events, were being switched on and off. In the press and radio galleries, journalists were speculating about the contents of the speech and the Congress reaction to it.

Downstairs on the first floor of the Capitol in an almost festive atmosphere, members of Congress and their families and guests were dining in the Capitol restaurant and attending scores of receptions and parties. A couple of blocks away, the Indiana Society of Washington was meeting at the Capitol Hill Club where hundreds of transplanted Hoosiers listened to the snappy lyrics of the Purdue University Glee Club and reminisced about life in Indiana. All across Capitol Hill, television sets were readied for those persons who did not have tickets to the event.

To capture a large television audience, the President's address was scheduled for 9:00 p.m. (6:00 p.m. in California and 3:00 p.m. in Hawaii). By 8:00 p.m. the galleries began to fill with people, and within another hour over 1,500 persons filled the room. House pages and employees stood on the edge of the chamber; brightly dressed wives of the Cabinet members took their seats in the President's gallery; and over 100 journalists packed the news gallery right above the place from which the President was to speak.

At 8:30 p.m. members of the House of Representatives began to file in, and in another ten minutes the Speaker of the House called the House to order. At 8:45 p.m. the Joint Chiefs of Staff, the ranking officers of each of the military services, took their seats, followed by the members of the United States Senate. At 8:50 p.m. several hundred ambassadors and ministers of foreign governments filed in, and the Justices of the Supreme Court entered at 8:55 p.m. Just before 9:00 p.m. the President's family was seated to the standing applause of the members of the Congress, and then the members of the President's Cabinet entered. At 9:00 p.m. the bright lights were turned up and the Doorkeeper of the House announced in stentorian voice: "Mr. Speaker, the President of the United States."

The President entered the chamber to standing applause as Senate and House leaders escorted him to the rostrum. After delivering printed copies of his address to Vice-President Ford, the presiding officer of the Senate, and to House Speaker Carl Albert, the President began the 186th State of the Union Address, following a custom that is derived from the British practice of opening Parliament with a speech from the throne.

As the President spoke, he stood before an American flag with the Speaker and the Vice-President seated immediately behind him. On each side were full-length portraits of President Washington and General Lafayette, and overhead, carved in marble, was the national motto, "In God We Trust."

Throughout his 45-minute address, four television cameras, operating in a network pool, scanned the chamber, which hummed with the constant clicking of cameras.

During the speech, and for the only time during the course of a year, all high-ranking governmental officials—civilian and military, executive, judicial and legislative—are gathered in a single room.

Each State of the Union speech is an historic event, and each speech is analyzed, word by word, throughout the world for indications of American policy. The speech has became a potent instrument of national leadership and a solemn annual ritual of the national government.

PERSONAL EXPLANATION

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, because of a longstanding commitment in my district yesterday, I was unable to be in the Chamber for the final two recorded votes.

Had I been present and voting, I would have voted "aye" on rollcall No. 24 and "nay" on rollcall No. 25.

INSIDE HBG, WHAT MAKES HENRY B. RUN

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. TEAGUE. Mr. Speaker, recently the San Antonio Express and News carried a series of articles in five parts between January 6 and January 10 about HENRY B. GONZALEZ, who represents the 20th Congressional District of Texas. The series is by Mr. Jim McCrory and he did an excellent job in writing about a fine Texan.

In the series are some interesting facts, a little fiction, some south Texas humor, and perhaps a little propaganda. I must say it adds measurably to HENRY GONZALEZ' congressional biography.

Seriously, I must say that my friend and fellow colleague, Congressman GONZALEZ is an outstanding Texan, American, and statesman. I commend him for his efforts in these Chambers and I especially commend the people of the 20th Congressional District for sending such a man to Congress.

The first part of the five parts follows:

WHAT MAKES HENRY B. RUN?—HBG: THE MAN AND THE MYTH

(By Jim McCrory)

It was the classic political matchup, certainly the greatest one-on-one campaign confrontation in the modern annals of Bexar County.

The year was 1961. The antagonists for U.S. Rep. Paul Kilday's 20th district seat were Henry B. Gonzalez and John Goode.

Kilday had been appointed by President John F. Kennedy to the U.S. Court of Military Appeals.

If the Bexar County Democratic and Republican parties had cast about for the strongest challengers to carry their colors into the lists, they couldn't have selected a better pair.

Gonzalez, Democratic liberal, state senator, and flamboyant, versus Goode, Republican conservative, former county chairman, solid and a practicing attorney.

BIG GUNS

Neither party spared the horses.

President Kennedy, for whom Gonzalez had campaigned in 11 states as national co-chairman of the Viva Kennedy Clubs, endorsed Gonzalez.

Vice President Lyndon Johnson teamed with Mexico's famed comedian, Cantinflas, to barnstorm for Gonzalez in the closing days of the campaign. Gonzalez returned the favor for LBJ in 1964, serving as co-chairman of the Viva Johnson Clubs.

Acting House Speaker Carl Albert and U.S. Rep. Jim Wright came in to lend a hand to Gonzalez.

GOVERNOR, TOO

Many of Gonzalez's State Senate colleagues aided and abetted the Democratic charge, and Gov. Price Daniel, whom Gonzalez had run against in 1958, offered his support.

The governor described Gonzalez as "big

enough to rise above political differences" to endorse and support the governor's legislative program.

LBJ BUSY

But it was Vice President Johnson, more than anyone other than Gonzalez himself, who set the stage for and administered the coup de grace to Goode.

The vice president bounced into San Antonio a few days before the filing deadline. At that time at least one other Democratic heavyweight, Judge John Onion, was giving considerable thought to making the race.

ONION OUT

Johnson, after first insisting he wouldn't presume to try to tell Bexar County voters how to vote, issued a strong endorsement of Gonzalez's candidacy to a San Antonio Express and News reporter.

The door slammed shut, for all practical purposes, on Onion.

Vice President Johnson then neutralized Shefiff Owen Kilday's antipathy toward Gonzalez. Owen was Paul Kilday's brother. Between the two brothers, they had dominated the political scene for many years.

ATTACKS STOP

Gonzalez had picked up readings that Owen was attacking him for his liberalism, and he asked the vice president to intervene.

"I asked the vice president to tell Kilday if he couldn't support me, at least not to hurt me," Gonzalez recalls.

The vice president spoke to Kilday, and the sheriff desisted in his attacks on Gonzalez.

IKE ARRIVES

For the Republicans, the big gun was former President D. Eisenhower. Ike, who had been stationed at Fort Sam Houston, had coached high school and college football in San Antonio. He had married his wife here, was well loved in Bexar County.

He had carried the county handily in both the 1952 and 1956 elections. And there was probably no Republican figure in or out of office who could have helped Goode more.

WIDE NOTICE

The contest drew national attention, since it was viewed as the first test for acceptance or rejetcion of President Kennedy's New Frontier. Gonzalez, of course, had been arguing for years for many of the ideas incorporated in the New Frontier.

The vice president carried the message of Democratic prosperity and Republican depression across the county. And he cut radio and television tapes for Gonzalez.

NAMES WRONG

Ike's efforts for Goode, and for Henry Catto Jr. were diminished by the fact he had trouble pronouncing their names. He referred to Goode in his speech in front of the Almo as "Gudie", and to Catto as Kato." Catto later became U.S. Ambassador to El Salvador.

And with his usual honesty and candor, Ike conceded he hadn't known either man very long.

Republican Catto was running against Democratic State Rep. Glenn Kothmann for Gonzalez's State Senate seat, but their race was ancillary to the main event.

Both Gonzalez and Goode conducted hard-hitting personal campaigns, with their most memorable confrontation coming at Temple Beth El.

Gonzalez, demonstrating his mastery of the verbal boards, commandeered the meeting and held the floor.

Over a Sunday brotherhood breakfast of bagels and eggs, Gonzalez argued the issues of the campaign were "bread and butter, tortilla and beans."

Gonzalez stunned one questioner by informing him his question was an "elliptical, hypothetical question calling for a gratuitous answer." It was one of the great non-answers of the campaign.

MISQUOTED

The senator also was quoted in a subsequent speech as saying he would rather have Texan Vice President Lyndon Johnson campaigning for him than an old has-been president. That drew a caution from the vice president, but Gonzalez insisted, and does to this day, that he was misquoted.

What he really said, Gonzalez explained, was that he would rather have a man who is vice president campaign for him than a man who had been president in the past.

That, however, just doesn't have the true Gonzalez ring.

Ike himself took umbrage at the quote, saying he would rather be a has-been president than a never-was.

CONCLUSION

Goode complained at one point he couldn't unravel Gonzalez' answer to a campaign question. The question was whether Gonzalez believed the U.S. should resign from the United Nations if Red China were admitted.

Goode said he was stymied even though he had a transcript of Gonzalez's answer.

From what he could determine, Goode reported Gonzalez would favor such admission "under certain conditions." Goode said he favored immediate withdrawal if Red China were admitted to the U.N.

AVID READER

Gonzalez is an avid reader. He has a library which exceeds 8,000 volumes on politics, history, philosophy and related fields. At the moment, he is into a study of the impeachment, trial and beheading of Charles I of England.

Also prominently displayed on the shelves of his library at his West Kings Highway home is Joe Martin's "My First Fifty Years in Politics." Gonzalez is still 27 years shy of being able to reminisce for as far back as Martin, but he is from a long-lived family.

JACOB'S VOICE

During Gonzalez's 1961 campaign his readings stood him in good stead when he was trying to drive a point home.

Take this little biblical twist.

"My opponent speaks with the voice of Jacob when he heaps encomiums on President Eisenhower, while he grabs votes from the Birchers with the hand of Essau," he intoned.

The 20th congressional district at the time of the election comprised all of Bexar County. Now it is restricted to the old city limit lines generally.

STRONG SIXTH

Gonzalez had run statewide for the U. S. Senate earlier in 1961 (the seat vacated by Johnson). That famous race which drew 71 candidates. Although he came in sixth statewide, he came in a strong first in Bexar County.

He also reaffirmed as he had in 1956 and 1960 that his hold on Bexar was formidable enough to give him a good chance of capturing the congressional seat.

On election day Nov. 4, 1961, Gonzalez closed out with 10,000 votes more than Goode.

ETHNIC EDGE

More than 90,000 votes were cast, a record for any special election in Bexar County. The Mexican-American areas, noted for their apathy, came alive. They turned out 75 per cent of the vote, giving Gonzalez an edge of more than 12,000 votes.

Gonzalez carried the West Side M-A boxes by margins of 12–1, and the black precincts on the East Side gave him a 9–1 margin.

Goode's strength, meanwhile, centered in the silk-stocking areas, gave him an edge of only 6–1. That was not enough to counter the Gonzalez margins on the east and west sides.

BIG BLAST

The victory triggered a huge celebration at the old Democratic Headquarters in a two-story house on East Elmira Street. The celebrants packed the old structure, since demolished, spilled out across the lawn, and emptied into the street.

The crowd was so large that police were forced to close the block to traffic.

So Gonzalez, a first generation American of Mexican descent, became the first Mexican-American from Texas ever elected to Congress.

He left the next morning for New York and a campaign in the Mexican-American and Puerto-Rican areas for Democratic candidates there. In the years since, he has campaigned for Democrats from California to New York, from Texas to Alaska, and in points between.

The year 1964 drew Vice President Johnson, Cantinflas, and Gonzelaz, to a reunion and re-enactment of the 1961 experience.

Losing Can Be Fun, Too—Fearless Henry B. Went It Alone

While his election to the U.S. House provided, for the first time, some degree of financial security for Henry B. Gonzalez, the 1958 race against Gov. Price Daniel gave him the greatest satisfaction.

"I had no fear of losing and no false hope of winning," Gonzalez explains. "I was able to express myself as my heart and mind dictated."

He entered the race when the only opponent of any stature lined up against Daniel was former Gov. W. Lee (Pappy) O'Daniel. Gonzalez, then a State Senator, immediately dubbed Daniel "Tweedle Dee Dee and O'Daniel "O'Tweedle Dee Dee."

The cautious Democrats Of Texas, withheld any endorsement from Gonzalez. The DOT feared an endorsement of Gonzalez would have an adverse effect on U.S. Sen. Ralph Yarborough's chances for re-election.

LABOR, TOO

The same was true of state labor.

When DOT leaders apologetically explained to Gonzalez why the new liberal organization couldn't endorse him, he took DOT off the hook. He hadn't asked the organization's help, he said, and the liberal conscience was salubriously salved.

With his nominal base of organized liberal-labor support defused, Gonzalez hung loose, rattling around the state in a second-hand station wagon, which held together by fits and starts for 30,000 miles of hard campaigning.

As expected, Gonzalez lost the race. But when he returned to Austin for the 1959 session of the Texas legislature, he found he had gained new stature and respect from his colleagues.

Explaining why he disdains tickets after running with the San Antonians ticket in 1953, Gonzalez reports:

"You become part of the pack. You are expected to go along to get along. I don't believe in that."

His meanest race, he assesses, was that against then-Democrat Bob Strickland. He defeated Strickland in a runoff, the last run-off he was forced into, in 1960. Strickland subsequently switched to the Republican party.

Strickland's campaign, Gonzalez asserts, was a repeat, with variations, of the campaign of Republican Jesse Oppenheimer against him in 1956. That was the year he was elected to the Senate.

He understood Oppenheimer to have called him a Communist in a confrontation at Trinity University, Gonzalez said. He added, however, that when he went over to take issue with Oppenheimer on a closer than verbal basis, the Republican explained Gonzalez had misunderstood.

All he had called Gonzalez, he insisted, was a left-wing, creeping Socialist.

INTRODUCTION OF ENERGY INFORMATION BILL AND FEDERAL OIL AND GAS CORPORATION ACT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. BINGHAM. Mr. Speaker, if a consensus exists on any issue in America today, it concerns the need for accurate, verifiable, and impartially compiled data on energy resources—where it is, who controls it, and how much it should cost. For many years the energy industry with the unwitting aid of the Federal Government has cloaked its operations in a web of secrecy rivaling that which governments use to protect State secrets. This Nation has never made the effort to establish an accurate inventory of energy resources on public lands and has accepted unfailingly the word of private interests regarding the resources under their control. Further, the Federal Government has been incapable and unwilling to insure that prices consumers pay for the use of energy are fair and reasonable.

As early as 1962 there were those who recognized the need to develop an improved method of keeping stock of our energy resources. The Petroleum Study Committee reported to President Kennedy in September 1962:

> Satisfactory information concerning petroleum reserves, productive capacity and deliverability, and their expansibility under normal emergency conditions is seriously lacking. Suitable cost information is even more seriously lacking.

According to a report commissioned by the Library of Congress, two trade associations which control the dissemination of the great majority of energy data (the American Petroleum Institute and the American Gas Institute) have consistently underestimated reserves, failed to standardize reporting techniques, and concealed raw data needed for verification of their publicly released figures. The terrifying aspect of this practice is that there is no telling how important a role this unreliable information has played in Government policymaking.

There are daily reports in the media which emphasize the need for reform in our energy information system. For example, the Federal Energy Office, which is charged with the responsibility of overseeing the Nation's energy network, reported that for the week ending January 18, 1974, there was a 7.8-million barrel discrepency between oil inventories as estimated by the API and the FEO.

Laurence Stern of the Washington Post once wrote:

> Precision has never been the curse of our national energy accounts.

How true those words are; for to a greater extent than in most regulated industries the primary source of governmental intelligence about fuel resources comes from the regulated companies themselves. This is like asking a mouse to guard the cheese.

The energy data flow is as subject to question as the oil flow itself—not because it is inaccurate but because no one knows whether it is accurate. The public outrage will not be quelled until and unless the Government can assure, on the basis of definitive data scientifically assembled, that the energy information being disseminated is accurate to the fullest extent practicable.

We face a serious shortage of adequate energy data in both the public and private sector. A variety of legislative measures is needed, both to close the energy "information gap" and to deal with the energy crisis itself. Two of the needed bills have now been introduced; others will follow.

The first bill, which I introduced yesterday, would establish within the Department of Commerce a Bureau whose sole function would be the collection and dissemination of accurate energy data. In addition, the General Accounting Office would collaborate with the Department of Commerce to insure that the methods utilized by this Energy Information Bureau result in accurate information. Mandatory reporting of energy data would be required of all energy companies and would bring the United States out of the energy information dark ages.

Today, I am introducing legislation which would create a Federal Oil and Gas Corporation, to operate alongside industry in the development of oil and gas reserves which lie beneath public lands.

No major industrialized nation in the world, other than the United States, leaves an entire country's oil production in private hands where management must be responsive to stockholder investments rather than public interests. Under existing legislation there is no Government authority at any level with the ability to gage the petroleum industry's cost of operations, production, or profit levels from operations on public lands or to explore and develop oil and gas on public lands.

The Federal Oil and Gas Corporation would have five essential goals:

First. To explore for, develop and commercially distribute oil and gas found on Federal lands to meet the needs of the Nation at the lowest cost practical.

Second. To develop advanced techniques for producing oil and gas with minimal impact on the environment.

Third. To provide, for Government and public review, complete and accurate information about the costs of producing oil and natural gas which would serve as a yardstick against which the costs and performance of the private oil companies could be measured.

Fourth. To manage national petroleum reserves in order to provide the United States with additional fuel supplies to reduce our dependence on foreign petroleum sources.

Fifth. To provide additional competition in the petroleum industry.

The development of public resources by a public corporation is not a new concept. The success of the Tennessee Valley Authority adequately demonstrates the ability of the Federal Government to operate expertly in the energy field. I am calling for a similar approach in the oil and gas field. There is a great deal of oil and gas beneath public lands—in fact the bulk of our resources are owned by the American people. They belong to the people and should be, in part at least, developed by a corporation whose responsibility to the people is insured by law. The oil companies have no reason not to demand exhorbitant prices from the consumer because the consumer has no criteria on which to dispute the industry's figures—we simply have not bothered to find out what they are doing on our land. We must develop an energy reporting system now, a system which would provide us with the most comprehensive inventory of all our energy resources.

I believe that these two bills together would generate the data needed to evaluate industry's energy activities, and stimulate the creation of Government energy expertise independent of the petroleum industry. They would allow the American people to believe in their Government again, to feel that their interests in obtaining the cleanest and least expensive energy possible have not been compromised.

THE REPEAL OF THE ECONOMIC STABILIZATION ACT OF 1970

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 8, 1974

Mr. KETCHUM. Mr. Speaker, today I join with my distinguished colleagues in urging the immediate repeal of the Economic Stabilization Act of 1970.

The staunchest defenders of these absurd and harmful controls now admit their failure. As you know, the President has decided not to ask for a renewal of the act when it expires in April, but will ask that controls continue on the petroleum and health care industries. I oppose retaining any controls. Phase 3, phase 3½, and phase 4 certainly showed the fallacy of placing controls on one sector of the economy while leaving others uncontrolled. The economy should be free and prices must be allowed to seek their natural level. I realize that this will cause a temporary surge of price increases but as was shown by the lifting of the freeze on beef prices, this will be followed by a price decrease as supply returns to normal.

I doubt that there is a Member in this Chamber whose district has not suffered misallocations and shortages as a result of price controls. Most recently, we have seen farmers without baling wire and oil producers without tubing since price controls have made the production of these steel goods unprofitable. How ironic that at a time when the Government is urging full production on the farms and in the oil fields it hinders this production by the imposition of price controls.

Mr. Speaker, there is no excuse for retaining these controls for another 3 months. Everyone admits that they are harmful and deserve to be discarded. I, therefore, urge an immediate repeal of the Economic Stabilization Act and an end to controls.

CAMPAIGN FINANCING LEGISLATION IS INTRODUCED FOR DISTRICT OF COLUMBIA

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. FAUNTROY. Mr. Speaker, I am pleased to announce that I have introduced comprehensive campaign finance legislation to govern elections in the District of Columbia through H.R. 12638.

The overwhelming need for such legislation is pointedly obvious. The disclosures stemming from the flagrant abuses of law and political decency that have become known as Watergate show the terrible inadequacy of the way we have come to finance elections.

We have seen the distortions in public policymaking that occur when moneyed special interests are permitted to purchase access to the policymakers. We have seen governmental policies determined by the highest bidder to the detriment of the vast majority of citizens who have few resources to make their voices heard.

Special interest groups have had an undue influence in our political system since the beginning of our Republic, though the abuses have rarely been as severe or as pervasive as in the past several years. Money has spoken with a loud voice not only in the executive branch of the Federal Government, but also in Congress, in State government, and in municipal government across this land. The time for change is upon us.

The time for reform is especially ripe for the District of Columbia. The recently-passed self-government legislation places in the hands of a relatively few elected officials a legislative power in many ways equal to that possessed by State governments. While the existing campaign law applicable to local elections has been barely adequate for the elections it now covers, it simply cannot shoulder the burdens placed on it by the election of a new government with substantial power to make public policy for the District of Columbia. New laws are needed to assure that this new government is the instrument of the people and not of narrow economic interests by carefully regulating the extent to which money, or lack of it, will govern the outcome of elections.

The problem has two aspects. Not only should the impact of money be limited, but campaign finance legislation should make it possible for all serious candidates to make their voice heard and not be overwhelmed by lavish well-financed campaigns. A major purpose of this reform legislation will be to encourage competition focused on the issues, making it possible for all candidates, even those not favored by those with money, to have their say.

Briefly, let me outline some of the ways in which the current law leaves the way open for abuse:

There are no effective ceilings on campaign expenditures. The law does limit expenditures by a political committee to $100,000, but this applies to even relatively minor offices, and there is nothing to prevent a candidate from having multiple committees.

The current limitation on an individual contribution of $5,000 is excessively high, and because of drafting errors in the home rule bill is not applicable to mayor and city council races.

Labor unions and most corporations are allowed to make direct contributions to municipal elections. Federal law precludes such contribution in races for Federal office.

The financial reporting standards regarding contributions and expenditures do not require sufficiently detailed disclosures.

The frequency of filing of disclosure reports—5 days before and 30 days after an election—does not allow for adequate monitoring by opposing candidates and responsible Government agencies.

There is no independent enforcement mechanism to insure strick compliance and vigorous enforcement.

The campaign finance reform bill that I am introducing in general provides for the following:

Comprehensive disclosure of contributions and expenditures, together with regulation of political committees in the District of Columbia. In large measure, these standards are patterned after those in Federal law.

An independent District of Columbia Political Campaign Finance Commission, given overall responsibility for the administration and enforcement of local campaign finance laws.

Strict campaign spending and contribution ceilings, and limitations on cash contributions.

A system for public financing of campaigns through matching payments.

COMPREHENSIVE DISCLOSURES

Candidates for local office in the District of Columbia and their political committees will be required to make every aspect of their financial affairs a matter of public record. Each candidate will be required to designate in writing one committee as his central campaign committee. Though a candidate may have more than one committee operating in support of his candidacy, his central committee will be responsible for consolidating the financial reports of these other committees and monitoring the expenditures of the other committees for violations of the overall spending limitations. Every political committee will be required to register with the Commission at the point that it anticipates receiving contributions or making expenditures in excess of $100. Committee must file full disclosure reports on March 10, June 10, September 10, and 15 and 5 days before an election, as well as an annual report on January 31 of each year. Contributions in excess of $200 given within 5 days of an election must be reported within 48 hours. The disclosure reports, among other things, must include the name, address, and occupation of every contributor giving more than $50 in a year. Also, the report must disclose the name of every person to whom an expenditure in excess of $10 is made. A comprehensive definition of a "contribution" is set forth to include in-kind contributions and anything else of value.

Candidates for the Office of Delegate are exempt from these local filing requirements because they must make substantially identical filings under Federal law. This is also true under current law.

THE DISTRICT OF COLUMBIA POLITICAL CAMPAIGN FINANCE COMMISSION

The legislation would also create a Political Campaign Finance Commission, an independent Commission with authority and responsibility for administrating and enforcing the campaign finance law. The Commission would be composed of five members, not more than three of whom shall be members of the same political party. Two members will be appointed by the Chairman of the Council, and three by the Mayor. The Commission would be completely independent and not subject to direction by any nonjudicial officer. The Commission will have the subpena power, and most importantly, the power to initiate, prosecute, defend, or appeal a court action in the name of the Commission to enforce the law.

The Commission will receive all campaign reports and registration statements. It shall have the duty of making such reports available for public inspection, and otherwise disseminating public information about campaign finances.

This authority is not given to the existing board of elections because the regulation of campaign finance requires a separate expertise substantially unrelated to questions of administering the technical details of carrying out an election. Further, the task calls for full-time attention that can only be diluted if mixed with separate responsibility over the mechanics of running the election itself.

FINANCE LIMITATIONS

This legislation contains strict limitations with respect to the role of money in political campaigns. These limitations, combined with public financing, will make it possible to conduct broadly financed campaigns. No single contributor will have predominate influence by virtue of his contribution. Nor will candidates be able to overwhelm opposition with lavishly financed campaigns. These measures, taken together, should enable every candidate to be heard, and no serious candidate to be silenced by the din of opposing campaigns. The following contribution limits by an individual are set: $900 in a calendar year for mayor or delegate; $500 for Chairman of the Council; $250 for Council or Board of Education candidates at large; and $100 for ward candidates for Council or Board and party offices. No candidate will be allowed to have spent in his behalf in a single election—primary and general election are separate elections—more than $90,000 for mayor or delegate, $50,000 for chairman of the Council, $25,000 for members of the Council or Board of Education at large, $10,000 for ward candidates and political party officials. These limits are intended to be a middle point between curbing unreasonable campaign expenditures and allowing ample spending to conduct vigorous campaigns that allow a candidate to take his message to the people. The figures will be readjusted periodically, under the legislation, to meet the demands of inflation.

In addition to these limits, no individual may expend or contribute more than $2,000 in a calendar year to District of Columbia elections.

Cash contributions of over $50 are prohibited. And corporations and labor unions are barred from making direct contributions to local elections, except to the extent that such contributions would be allowable under Federal law. This is intended to allow the so-called voluntary funds and direct communication to union members and stockholders of corporations on political matters.

THE DISTRICT OF COLUMBIA MATCHING PAYMENT FUND

The legislation also provides for partial public financing of District of Columbia campaigns on a matching basis. This will make it possible for candidates to finance campaigns on a broad basis without having to appeal to monied special interests for substantial campaign support. A District of Columbia Matching Payment Fund is created out of sums appropriated from the District of Columbia budget. A candidate will be entitled to payments upon his becoming qualified to appear on the ballot and upon raising a threshold amount of money, which amount varies according to the importance of the office.

A candidate will be entitled to receive a matching payment to meet campaign expenses for every contribution he receives, except that only the first $50 given by a contributor in a calendar year can be matched. For example, if a contributor gives $20, the candidate will receive a $20 match. If the contribution is $175, only a $50 match will be tendered to the candidate. This has the effect of providing every incentive to seek moderate contributions, and preventing an unreasonable multiplier effect for large contributions.

It is somewhat difficult to calculate the cost of such a program because we have so little experience here in the District with financing local campaigns. Still, I have taken a stab at some rough calculations. Assuming that all races are contested by a large number of candidates who have some substantial capacity to raise private funds, the cost in public funds will be about $400,000 to $500,000 on an annual basis. It should drop off somewhat after the extraordinary circumstance of the first municipal election in over 100 years. My estimate is high. I suspect that the actual figure will be somewhat lower, given the difficulty of raising political funds on a broad base anywhere.

This legislation is not the complete answer, but it begins to bring elections down to manageable size, to give them some proportion, balancing the scales between the people and large political contributors.

If this legislation is enacted, as I believe it will be, we will have model law that will lead the way for other jurisdictions to clean up their own political mess.

While it may be several months before this law will go into effect, it is my intention to comply on a voluntary basis with every aspect of it applicable to the Delegate.

HER SABBATH PRAYER

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PODELL. Mr. Speaker, Mr. David Gimbel, widower and father of a retarded daughter, has written a warm and courageous poem entitled "Her Sabbath Prayer." During these trying days in our Nation's life, we can take heart from Mr. Gimbel's courage for today and hope for tomorrow.

Mr. Gimbel's poem follows:

HER SABBATH PRAYER

(By David Gimbel)

I remember the treasure of our happy years,
But now is left only emptiness and tears.
Our home was aglow with love and with cheer
And we three had each other so precious and dear.

On the eve of the Sabbath the candles were in place,
And when they were lit I would look at her face,
She would silently pray to the Lord up above
That He watch over us with His kindness and love.

Then we kissed each other and each took his seat—
We never had much but our lives were complete.
Like the fallen snow the tablecloth so white
And everything around us was heavenly bright.

When the dinner was completed she pushed me towards the sink
And handed me a towel with a smile and a wink.
Togetherness is precious when two people share
And everything was done with such tenderness and care.

But suddenly one day the sun ceased to shine
And the most precious of jewels would no longer be mine.
I prayed and begged but on Yom Kippur Day
An angel from heaven just led her away.

So now I light the candles when the sun begins to set
And how many times my eyes are sad and wet!
But I shall carry on despite my pain and fear
So my retarded child shall still have her daddy dear.

VIETNAMESE ORPHANS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mrs. MINK. Mr. Speaker, as the sponsor of one of two primary bills to facilitate adoption of Vietnamese orphans I believe the time has come for a full discussion through congressional hearings of the problems facing these children and their prospective adoptive parents.

My personal correspondence from Americans throughout the Nation and from social workers within Vietnam is overwhelmingly in favor of speeding the adoption of these innocent orphans who still suffer from the results of a war which we once considered our highest national priority.

However, from other branches of this Government I have received questions about the general advisability of Vietnamese-American adoptions. Over the next 3 days I am presenting a list of these points and rebuttals from "The Children," a book on Asian-American adoptions written in 1969 by Jan de Hartog. I am most grateful to Atheneum Publishers for granting permission to reprint these copyrighted excerpts:

SOME COMMON OBJECTIONS TO THESE ADOPTIONS

(By Jan de Hartog)

1. "ADOPTION IS NOT THE SOLUTION"

The first time I heard this one was in Saigon, during the summer of 1967. I had just come back to the hotel, sick to my stomach after visiting my first Vietnamese orphanage, haunted as I entered the lobby by the faces of dying infants in iron cots and by the vision of hundreds of toddlers lying apathetically on the hot concrete of the courtyard in the scorching sun, some masturbating in vacant boredom, one lapping his own urine to slake his thirst. On my way to the elevator a war correspondent whom I had met the day before invited me for a drink in the bar.

I had to do something to banish those images from my mind; this was as good a diversion as any. I followed him into the bar, crowded with officials and officers; there he introduced me to a man in his early forties, a government social worker whom I shall call Andrew Hopkins. The three of us had a drink together and talked about the war, the sufferings of the civilians, especially the children; soon I found myself telling the two men in terms that must have been fairly emotional what I had seen that afternoon. They listened courteously; when I had finished, the correspondent said, "I can imagine that what you saw must have upset you, but let me tell you that the place you have seen is nohing compared to . . ." and he mentioned an orphanage in another part of the city. "You are upset because you're new here," he added. "Once you have been in Vietnam for a few weeks you'll see things more objectively."

"But I don't want to see the suffering of these children objectively," I protested. "Only by looking at it subjectively can I hope to keep the sense of urgency I'll need if I want to get some of them out."

"How do you mean, out?" Hopkins asked.

I told him that I had come to Vietnam to trace sixty orphans under the age of three, allotted to our Quaker organization by the Vietnamese government after we had found families in the United States prepared to adopt them. I had expected him to be sympathetic to my mission, but he was not. "I'm sorry," he said, "but I'm afraid that what you are proposing is not merely pointless, it's wrong. I think it only fair to warn you that I will feel obliged to do whatever I can to stop you."

"Stop me?" I asked, incredulous. "Why?"

"For the simple reason that adoption is not the solution," he answered.

"The solution to what?"

"To the problem of the displaced and orphaned children of Vietnam," he answered patiently. "We are trying to do a professional job here against impossible odds. We are in a country with no welfare organization worth speaking of, riddled with corruption and nepotism, where at every turn you find some tollgate or somebody's cousin blocking the road. Our only hope is that we will eventually convince the Vietnamese that our way of dealing with these problems is efficient and humane; to achieve that we must not compromise our case by permitting private citizens like yourself to pick over the trash heaps, so to speak, and make off with one or two individual kids for adoptions, or for special treatment in a hospital in the States, or what have you . . ."

We sat in the bar for another hour. It was the first time I had encountered that argument, and I tried to reason with him. I knew myself how difficult it was to visualize any of these children as individuals. You never saw one of them alone, they always came in packs: swarming around a tank manned by soldiers distributing candy, shouting "Ho, ho, ho!" at an American sergeant dressed up as Santa Claus, waving little paper flags and singing in high-pitched voices in honor of visiting dignitaries. Even in a hospital bed they were not alone but forced to share it with two others, whether wounded, diseased, or dying; their numbers made it almost impossible to visualize them separately.

I knew this from experience. While still in America, I had found myself talking about "the " Vietnamese orphans and "the" foundlings of mixed parentage until in the end I felt as if I were working not for children of flesh and blood but for swarms of disembodied little ghosts undistinguishable one from another, countless identical little faces shouting voicelessly in my dreams. The only way to combat the hypnosis of their numbers, Marjorie and I discovered, was by becoming involved with them as persons on an everyday basis; we escaped from the spell of their numbers only after our own children arrived. Here in Vietnam the only people I had met so far who seemed to be able to consider the fate of one isolated child without the guilty feeling that they were meting out preferential treatment were the nuns who looked after the children in the orphanage I had just visited. But even the Mother Superior, who had left her office for an hour to accompany us through the wards, had seemed reluctant to allow one child to be singled out for salvation among the hundreds milling around her, as if she thought it more virtuous to let all of them perish in misery and deprivation than to permit one of them to get away. "Perish" was not too strong a word; the mortality rate of infants under eighteen months in the orphanages of Saigon was horrendous. Sixty doomed infants could be saved in this instance by placing them with American families for permanent adoption; to prevent their leaving the orphanage would literally condemn them to death. Certainly as many of them as possible should be helped, as soon as possible, but if sixty out of half a million were placed for adoption overseas it would neither retard that help by one second or take anything away from the others. On the contrary, seeing these adopted children in American communities might stir more private citizens in America to support such help, while to the orphanages it would mean sixty mouths less to feed. In my opinion, Andrew Hopkins had no case beyond the abstract maxim that all relief should be directed at the greatest good for the greatest number of people. To sabotage the saving of sixty children on that basis alone seemed indefensible.

But although he was courteous and patient and, once the drinks took effect, even amiable, he remained adamant in his determination to stop me. "Adoption is not the solution," he reiterated, stubbornly.

Maybe the Dubonnet we were drinking was stronger than I remembered, maybe it was the passion of the moment, but I must confess I quoted to him a line from William Blake's *Jerusalem*: "He who would do good to another must do it in minute particulars; general good is to the plea of the scoundrel, the hypocrite and the flatterer."

He took it with good grace, there never seemed to be any feeling of personal animosity toward me on his part. I was, to him, simply a well-meaning but dangerous dilettante about to corrupt the professional purity of his planning; he obviously had made a decision of conscience and a man's conscience is not up for revision during the cocktail hour. But at the time I still thought he could be convinced by arguments.

My last argument was, "The child I was looking for this afternoon is called Nguyen Xuan Phong. He is eighteen months old, a foundling, and the American doctor who saw him said that unless he was taken out of the orphanage within a week he would die. How would you feel toward someone who was trying to stop me if the child's name was not Xuan Phong but Andrew Hopkins?"

He smiled, rose to his feet and patted by shoulder. "Jolly good try," he said, then he winked at his friend and left, undaunted. Only later did I realize that I had tried to argue with an article of faith.

Should you encounter this argument yourself, you might as well realize before you start that you will never convince your opponent, not even by pointing out that, according to the theory that aid may only be given on the basis of the greatest good to the greatest number of people, Jesus' miraculous healings were impermissible demonstrations of preferential treatment. It is more than just a philosophical problem: why should one sufferer among the thousand be granted the grace of the Master's attention? Why Lazarus and not another?

We may never know the answer to that question, but at least one answer seems wrong: that for the sake of fairness the miracle shall be undone and its beneficiary thrown back among the sufferers. The reasoning that no man shall be granted the grace of Salvation unless all are saved makes sense only to a computer.

OIL HAS NO WINDFALL PROFITS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. COLLINS of Texas. Mr. Speaker, Dick West's editorial column in the Dallas Morning News always shows a commonsense viewpoint on issues facing our country. I would like to give my colleagues the opportunity to read this excellent editorial from the January 25 Dallas Morning News concerning the question of windfall profits:

Those "Windfall" Profits

It is time—past time, forsooth—to talk some sense about oil company profits. Little enough sense is being talked in Washington these days.

Scarcely does one know how to begin recounting the malignant acts lately imputed to the oil companies. They contrived the energy crisis so as to make "windfall profits." They are gouging the American energy-consumer with robber-baronish glee. Why not cut their water off? They have cut our oil off. And so the corollary proposals follow in frantic cadence: Let us roll back crude oil prices; let the Treasury confiscate all windfall profits; let Congress set up a federal corporation to sell oil at "reasonable" prices.

And so to the basic question: Are the companies really making a killing on the energy crisis? They are making money, this is certain. But a killing? A windfall profit? Not so.

A few basic facts, if you please: Oil has long been a profitable business, but not so profitable as we imagine. From 1963 to 1972, return on invested capital in the industry fell from 9.5 per cent to 7.4 per cent. Meanwhile, expense skyrocketed. In 20 years, the cost of finding a dollar's worth of oil reserves more than doubled. Yet government restraints on the price of oil and gas kept the industry from raising enough capital to finance an adequate number of exploration and expansion projects. The consequence: An energy shortage.

Comes 1973, and at last we find the companies earning lots of money; a 60 per cent increase in profits is what Exxon reported the other day. Frankly, we ought to be glad. Those profits are going to get us out of the energy shortage.

In a recent Wall Street Journal article, Dr. W. Phillip Gramm of Texas A&M draws a striking parallel. Before anyone found oil in America, Gramm points out, we relied on whale oil. But in the 1840s and '50s the whale supply became scarce; as it did, the price of whale oil rose rapidly—from 43 cents a gallon in 1823 to $1.45 a gallon by 1865.

What thereupon happened? Let Gramm tell it: "Rising prices caused consumers to act out of their own self-interest to economize the use of fuel. Rising prices gave an inducement for producers to increase output of whale and sperm oil through increases in investment, improvements in technology and increased labor output . . . It appears that rising prices caused output to increase perhaps by 1,000 percent. Meanwhile, Col. Drake had struck oil in Pennsylvania; the high price of whale oil gave crude-oil men the incentive to develop a cheaper source of energy.

That is how the free market works, and that is how it will work now if we let it. What is the oil industry doing with its windfall profits? Well, Exxon plans to increase capital expenditures 73 per cent this year; it proposes to find more oil, build bigger refineries. And very glad of it we should be.

Our oilmen are like the 19th-century whalers; until someone undercuts them with a cheaper energy source, they have a job to do, and they will assuredly do it—unless harpooned by the Captain Ahabs of the U.S. Congress.

THIS COULD HAPPEN IN YOUR CITY

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. HANSEN of Idaho. Mr. Speaker, in the course of implementation of the Public Buildings Amendments Act of 1972

(Public Law 92–313) a situation has developed between the U.S. Postal Service and General Services Administration which is unexpected, unnecessary and unwarranted.

These two agencies in the past have endeavored to maintain a fair reciprocal balance in rentals. That is, on space controlled by GSA and used by the Postal Service, the rental payable to GSA would be in line with that charged to GSA for comparable quarters in a Postal Service building.

For fiscal year 1975 GSA has promulgated a new fee schedule at significantly higher rates than present charges. In Pocatello, Idaho, a city of 40,000, GSA increased the annual rental for postoffice space from $3.40 per square foot to $6.71, effective July 1, 1974. The postoffice, alleging they were encumbered with and paying for more space than was actually needed since completion of another postal facility in Pocatello, leased another building for considerably less money and made plans to move March 1, 1974.

There are points pro and con for both agencies. The Postal Service cannot be faulted for trying to economize wherever possible. General Services Administration understandably is anxious to realize the best possible revenue from the buildings under its management/control, and admittedly in some areas a reasonable increase in rentals is justified and overdue. On the other hand, rentals of necessity must be kept in line with comparable space in the immediate area if a landlord expects tenants to remain.

For Pocatello citizens and American taxpayers, however, the cold fact is that GSA, storekeeper for the Federal Government, is being left with a virtually unrentable building space at an annual loss of $36,000, while the Postal Service is paying out a yearly $5,000 to rent another facility and alleging it is "saving money"—for the Postal Service, but certainly not for you, for me, or for the taxpayers who must assume the double burden at a total outlay of more than $40,000.

I have met with officials of the Postal Service and General Services Administration several times in an effort to resolve the situation. I have written Postmaster General Klassen, OMB Director Ash, and President Nixon. My letter to the President follows:

FEBRUARY 4, 1974.

The Honorable RICHARD M. NIXON,
President of the United States,
The White House.

DEAR MR. PRESIDENT: A serious problem has arisen in the City of Pocatello, Idaho which might well be repeated elsewhere in the nation. Pocatello has a population of more than 40,000, and is the largest city in my Congressional District.

In September 1973 the Postal Service decided to move from its Federal Building quarters in Pocatello to a less expensive, privately-owned facility. The new quarters are not as accessible, not as commodious, not as convenient for parking. However, a lease was signed November 11, 1973 and the post office plans to move March 1, 1974. The reason given for the transfer was that General Services Administration, under implementation of the Public Buildings Amendment of 1972, is promulgating a new fee schedule which will result in a greatly increased rental effective July 1, 1974. GSA claims the Postal Service has never made any formal request to negotiate, and in fact has reported to me that they (GSA) are in the process of reevaluating their rate schedules with a view to possible significant reductions in certain localities.

For Pocatello citizens and American taxpayers, the cold fact is that GSA, storekeeper for the federal government, is being left with a virtually unrentable building space at an annual loss of $36,000, while the Postal Service is paying out a yearly $5,000 to rent another facility and alleging it is "saving money"—for the Postal Service, but certainly not for the taxpayers who must assume this added burden, a total cost of more than $40,000.

What has happened in Pocatello may and very well could happen in other parts of the United States as a result of disagreement between two federal agencies—each striving to keep its finances in the black—resulting in an unrealistically high cost to the nation's taxpayers, primarily the middle income families who are already overburdened.

There must be a compromise, on both sides. Federal government offices admittedly have been getting an inexpensive ride for a long time. Inflationary cost of rentals and maintenance long ago caught up with private business, and have now made their impact felt on federal facilities.

GSA and the Postal Service must reevaluate their rates, however, on a more realistic local level. What is applicable in Brooklyn or Philadelphia certainly would not be appropriate or fair for Pocatello, Idaho or Wilson, North Carolina.

Mr. President, this should not be allowed to develop into a matter of contention between any agencies of the government which will result in disservice to the people—the taxpayers of the nation who support that government. This is a problem which must be resolved on a cooperative level for the greatest benefit of the public these agencies were created to serve.

I urge that you enjoin the Postal Service from removing its facility, and the General Services Administration from any increase in rates over FY 1974, until a complete review can be completed of all aspects of the matter and an acceptable compromise worked out.

Thank you for your attention.

Warm regards and best wishes.

Sincerely yours,

ORVAL HANSEN,
Member of Congress.

NO PAY INCREASE FOR CONGRESS

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. BAKER. Mr. Speaker, today I have introduced a resolution of disapproval concerning the President's recommendation with respect to executive, legislative, and judicial pay raises included in the fiscal year 1975 budget proposal. Unless we as Members of Congress act promptly, these salary increases will take effect in less than 30 days in accordance with the provisions of the Federal Salary Act of 1967.

The last pay increase was 5 years ago in 1969, and since then the cost of living as reflected by the consumer price index for all items has risen over 20 percent. The issue here is not whether we deserve an increase in pay, but whether we as the elected Members of Congress are going to set the tone for wage demands in 1974 by accepting this 7½ percent increase.

We already know that the United States is now in a dangerous inflationary spiral. I tell my colleagues, if the Members of Congress will not set an example for the people of America, then who will begin to cut the rate of inflation?

VEYSEY URGES SOLAR ENERGY PRIORITIES

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. VEYSEY. Mr. Speaker, we were today scheduled to take up legislation which deals with the more futuristic aspect of our struggle to find enough energy to meet this Nation's seemingly insatiable demands. The change in our floor schedule prompts me to suggest we can make this first step in the solar energy legislation a bit more effective with some minor changes. Solar energy has been to most Americans, one of those strange but never really get to know—a regular part of our life which is too close to really see analytically.

We think of the Sun as a blessing when it brightly turns a February freeze into a balmy early spring. But we do not really have the perspective to imagine the Sun running our cars, our machinery, or even see it providing us with hot water and space heat inside our homes. Yet, all of these are possible.

I have a particular appreciation for the potential of sun to provide domestic heat. In the earlier years of this century, when the California desert was growing and when I was growing up in it, and before we had "unlimited" modern power and fuels, the pioneers of the Southwest had their own unlimited power reserve. They heated their water, their homes, and their businesses with solar heat. With cumbersome, homemade, crude-looking but inexpensive contraptions, they turned sunshine into controlled domestic heating. And they were doing it at a fraction of today's heating expense in the same area.

Then prosperity and progress began to set in and the contraptions disappeared with the arrival of electric stoves and furnaces, and heaters of all kinds.

Mr. Speaker, I think we can all gain from the experiences of those early 1900's desert dwellers. They had exactly what we have today. A need for hot water and home heat—and a sun overhead ready to go to work. Of course, some of us have a greater need, and some of us have more sunshine. But it really is only a matter of degree. The key is to correlate the potential with the need, and I hope our legislative efforts will be so directed. The bill we were to consider today is a beginning. It gets us on the road.

But I would like to see us become much more specific and more program-oriented in this measure, and, in the future considerations.

I would like to see some priority programing and some projects authorized.

The most inexpensive solar energy use and one of our most needed is water heating. The Sun can heat water half as cheaply as electricity and just about at the same cost as gas at today's prices.

Mr. Speaker, I believe that this most immediately available use of solar energy should be explored thoroughly and without delay. I believe that it should be our *top priority solar* development project and I believe that we should include it specifically in any solar energy program we develop, including this particular legislative effort.

Right now, Mr. Speaker, academia, science, and industry in southern California are involved in this very concept. Southern California Gas Co. and university scientists are working on the Cal Tech campus in Pasadena on a solar heating project which I can report looks extremely encouraging.

They believe that in the near future—and depending on the future price of gas—they can develop a solar converter which will fit into southern California homes, and which will take care of all water heating needs except on particularly cloudy days.

And they are especially enthused about the possibility of servicing apartments. There, efficiency would, in theory, be much greater.

The gas company would produce and install the units, renting them to the customer. Regular gas heating units would also remain in the homes to be used when overcast skies prevented adequate sunshine to operate the solar converters.

Right now, research funds would greatly assist this worthy project along. Cal Tech is requesting grant funds and I am urging that they be awarded such financing. But many more such projects could be undertaken if we in the Congress make them a top priority.

Another especially attractive potential for solar energy is in the heating of space and water in mobile homes. Mobile homes first have limited cubic feet to heat. Second, they have a metal shell in most cases which would be more conducive to heat than stationary homes.

Third, mobile homes are becoming more and more common. They accounted for some 20 percent of our new housing starts in the Nation in the past year. Mobile homes are especially popular in the South—where, by coincidence, there is an abundance of sunshine.

Finally, the mobile home industry itself is interested in helping develop solar energy. They, of course, would like to advertise their product as energy-efficient, and therefore, will be a more than enthusiastic partner with the Government and with science in developing this potential.

Mr. Speaker, these are the kind of projects we must become involved in and we must do so with a rifle shot approach—not a scattergun blast.

Again, priorities must be established.

First, should be the most readily usable and most promising use of solar energy—as a replacement for gas in the heating of water. This is the area where solar energy today can compete on an economic level with our current technology and with our current prices. And it is twice as economical in this context as is electricity.

Second, as a space heating component, solar energy requires more adaptation than gas or electricity—but it is not a major adaptation. Given new technology or higher prices—solar energy could very well become a mainstay in our home heating systems.

Third, cooling by solar energy is a little further down the line. It will take more work. Still, it is within reach, and deserves a specific research effort.

Finally, within sight, but far down the line, is the conversion of solar energy to electricity.

Right now, this would be prohibitively expensive.

Mr. Speaker, these kinds of projects, and this set of priorities would make this legislation and all of our legislative efforts in this field of solar energy much more incisive and much more efficient.

The legislation in question and which we will soon consider is on the right track, and I intend to support it and similar efforts.

However, I hope that when we begin to implement this legislation, and when we write future legislation, we can sharpen our cutting edge and set some priorities, some goals, and some concepts in hard language.

In that context I intend to suggest some specifics which I believe would fit neatly and constructively into the bill authorized by my good friend and colleague, Mr. McCormack.

I will propose development of a priority schedule for research and development, ranking specific solar energy uses by their capacity to contribute to our immediate energy supplies, and committing us to intensify our research and development effort, and to provide necessary funding for those projects which demonstrate the best chance to contribute quickly to our energy needs. My proposals will be geared to the concept of becoming energy self-sufficient by 1980.

I offer these proposed amendments for your consideration:

SECTION 15

The Administrator of this Act shall be responsible for the enforcement of the following provisions;

(1) Developmental efforts under this Act shall be assigned a schedule of priorities, concentrating available funds and project resources on the most immediately commercially feasible solar energy uses.

(2) Research and development efforts under this legislation and the priorities assigned to solar energy uses shall be determined in part by the availability of private funds and the extent of private industry interest in specific projects.

(3) A schedule for development of solar energy and the establishment of annual goals for progress and annual standards for expanding solar energy's contribution as a percentage of our total energy needs shall be defined within six months after passage of this Act.

(4) This priority schedule shall be keyed to the goal of achieving energy independence by the year 1980.

(5) All priorities, goals, and schedules established under this provision, and progress in attaining those goals shall be reported annually to the Congress through the appropriate Congressional Committee.

COMMITTEE STRUCTURE

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, the Committee on Committees is making a valiant attempt to revise, modernize, and reform the committee structure of this body. I know the committee has labored long and hard to produce their working report of December 7. Yet, I find the committee has made one significant omission in their preliminary report. They made no provision for a Small Business Committee and it is essential the House has one.

We need a Small Business Committee for two seemingly contradictory reasons. First, small business in aggregate represents a huge segment of the American economy whose interests must be represented. And, second, small business is composed of the little guy down the street who needs Government protection because he lacks an organized or powerful lobby to push his interests and concerns.

Small business represents about 40 percent of the GNP; it provides 50 percent of the Nation's employment; and, it constitutes 95 percent of all businesses. These are facts which cannot be ignored. The small business community has a huge impact on the economy which must receive consideration in congressional deliberations. It is all well and good to argue that committees now take into consideration the small business impact in work on various legislation. Yet, as a practical matter we must recognize that just does not happen and there is no reason to believe it will. A Small Business Committee is the only means to bridge this gap.

A segment of the economy so large also needs a committee due to the number and variety of problems and Federal actions which affect it. Other committees could not possibly hope to fully explore this area, let alone produce balanced and cross sectional recommendations and acts. We can only hope a full fledged Small Business Committee with adequate resources can do the job.

Small businessmen by their very nature are independent and not susceptible to organization. Rather than embracing Government, they have stayed away wanting only to be left in peace. While this philosophy is commendable, the result has been numerous "little guys" standing by themselves unable to withstand predatory big Government and big business.

Because they are small, there is a pressing need for a single forum and single committee for them to air problems and get action. Small business simply cannot fight the large interests for even time to be heard. A Small Business Committee will guarantee access.

In a sense, small business interests are essentially negative—some of us feel that "negative" is actually positive in this case. They ask the Government for practically nothing and repay what they get with interest. Their thrust is to get Government and big business off their backs, so they can compete in a free enterprise system.

Mr. Speaker, the House needs a Small Business Committee desperately. Let us give the little guy who supports breadwinners for over 100 million Americans and asks for practically nothing, a chance to receive real consideration by the Federal body most representative of the people.

RALPH R. BARTELSMEYER

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PRICE of Illinois. Mr. Speaker, on Friday, January 25, Ralph R. Bartelsmeyer, Deputy Highway Administrator, U.S. Department of Transportation, died following hospitalization for treatment of a heart ailment.

A close friend of mine, Ralph Bartelsmeyer had been one of the outstanding highway engineers and administrators in the Nation. An expert in transportation problems. Ralph Bartelsmeyer's death takes from this Nation an individual whose talents and abilities will be sorely missed during the energy crisis.

Ralph Bartelsmeyer was not only competent, dependable, and able. He retained that special human touch that few people possess. No problem, however complex, was so large that Ralph Bartelsmeyer lost sight of the importance of dealing with people in a straightforward, honest fashion. Ralph Bartelsmeyer was one of the most trusted and respected men in public life.

A former resident of Belleville and Nashville, Ill., Ralph Bartelsmeyer was the St. Clair County superintendent of highways from 1948 to 1953. He then served as chief engineer of the Illinois Highway Department for 10 years.

After holding the State position for nearly 10 years he was a vice president and consulting engineer for H. W. Lochner and Co., with its principal office in Chicago. He assumed his Federal position in 1969.

Born near Hoyleton in Washington County, Mr. Bartelsmeyer had been engaged in highway work ever since his graduation from the University of Illinois in 1931.

He started his career in a district office of the Illinois Highway Department, then served as the Washington County superintendent of highways and later was a field engineer for the late Marquette Cement Co. His appointment as the St. Clair County superintendent of highways followed.

He was a past president of the Illinois Association of County Superintendents of Highways, the American Association of State Highway Officials, and the American Road Builders Association. He was a member of the Illinois Society of Professional Engineers since 1942.

Surviving are his widow, the former Marjorie Shirley; two sons, Fred Bartelsmeyer, 30 North Cape Court, Belleville; and Karl Bartelsmeyer, Carbondale; two brothers, Clarence Bartelsmeyer, Ferguson, Mo.; and Dr. Erwin Bartelsmeyer, Taylorville, Ill.; and six grandchildren.

THE FEDERAL PAPERWORK BURDEN RELIEF ACT

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. SHRIVER. Mr. Speaker, the time has come to quench the thirst for information that has developed among Federal bureaucrats who want to run the economy from Washington. In particular, Congress must take action to protect American small businessmen, independent farmers, and self-employed individuals from redtape imposed by a Government more concerned with shuffling papers than with providing services.

I am today cosponsoring legislation entitled "The Federal Paperwork Burden Relief Act." It is a simple bill, designed for prompt action to bring a ridiculous situation under control. One recent survey observed that the Government now requires some form or report from these businessmen every 15 days, and this is in a free enterprise economy.

My bill directs the General Accounting Office, an arm of the Congress, to investigate Federal paperwork requirements. After this investigation, which shall take no more than 1 year, the GAO is to report its findings and recommendations to Congress for subsequent legislative action.

Although it is not specified in the bill, I would expect the GAO to give particular attention to the requirements of the Economic Census of Business being conducted by the Bureau of the Census. The reports required under this project are too lengthy, too detailed, too complex, too confusing, and require specialists to fill them out. Taken together with forms and reports required by the Internal Revenue Service, the Federal Trade Commission, Social Security, the Occupational Safety and Health Administration and other Federal, State, and local agencies, the total reporting requirements are time consuming and expensive.

The resulting paperwork burden is also counterproductive if the role of these Government agencies is to improve opportunities for small business within our free enterprise economy, as I believe that role should be. Small businesses cannot hire full-time accountants to handle the full-time paper shuffling imposed by Government. A recent survey by the National Federation of Independent Business, an organization which has endorsed this bill, showed that in 94 percent of the firms surveyed the owner and his or her small staff are directly involved in filling out these many forms. Only 6 percent of these small business firms can afford the luxury of independent accountants to do the work.

Of necessity, the time spent on these forms must be taken from the time these businessmen should be spending serving their customers. There is something very basic and very wrong about this in a free enterprise economy.

In looking for someone to blame for all this, Congress does not have to look very far. The mountains of regulatory legislation enacted over the last four decades have led directly to the situation we face today. Armed with this legislation, Federal bureaucrats have issued regulation after regulation, each requiring one or more forms showing compliance. In 1972, it cost the small business community $18 billion to handle the estimated 10 billion sheets of paper required in Federal reports.

No wonder our small businessmen, farmers and self-employed professionals are increasingly leary of "big brotherism" in Government. They represent the cornerstone of our system of private enterprise, and we are burying them in paper.

Congress is initially responsible for this, and now Congress must own up to this responsibility and sweep away this glut of paper. This bill is a start.

In addition, we must remember how this came about and not let it happen again. I would suggest that any future legislative proposal be accompanied by what might be termed a "paperwork impact statement" showing the estimated time and costs involved in any Federal reporting requirements. Any such requirements should be simplified and standardized across agency lines.

Our people are being separated from their Government by a layer of paper. It is time to cut it away and allow the Government to serve the people rather than forcing the people to satisfy the curiosity of every bureaucrat.

THE DESIGNATION OF A HOLIDAY HONORING THE LIFE AND WORK OF DR. MARTIN LUTHER KING

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. NIX. Mr. Speaker, I have once again introduced a bill which would designate the 15th of January of each year as a national holiday honoring Dr. Martin Luther King.

I have reintroduced H.R. 8497 again in order to reemphasize the need for the United States to symbolically reaffirm its commitment to civil rights and equality.

Much of the harm which resulted from segregation and discrimination came from the idea that Negro Americans did not count as part of the American public.

This idea is poisonous. It is the type of thing that makes it seem that the U.S. Government is not the Government of all the people. It reverses Lincoln's Gettysburg Address.

The Congress of the United States can, by the simple gesture of enacting this legislation, give the lie to any contention that black Americans do not count in our history or in our present.

We all know that in all the emotional storms of our history which threatened the stability of the public, whether it involved farm groups, the South after the Civil War, the right of any man to become President despite his religion, that the energy for such spasms came from the idea that the majority of the people was indifferent to some of the people.

I have offered this legislation to counteract the feeling of Americans committed to civil rights that they and their cause have been forgotten. The designation of such a holiday is merely the recognition of what most Americans already know, that Martin Luther King was an authentic American hero who inspired not only his own country, but the world as well.

VOICE OF DEMOCRACY WINNER MARTHA DOLENGA OF STERLING HEIGHTS, MICH.

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. HUBER. Mr. Speaker, Martha Marie Dolenga of Sterling Heights, Mich., recently won third place in the Michigan Veterans of Foreign Wars Voice of Democracy Contest. The V.F.W. is certainly to be commended for this fine tradition of promoting good citizenship in this fashion, and I am naturally pleased to have a resident of the 18th District of Michigan as one of the winners. I commend Miss Dolenga's very excellent statement to the attention of my colleagues, which follows:

MY RESPONSIBILITY AS A CITIZEN

(By Martha Marie Dolenga)

Not gold, but only man can make
A people great and strong
Men who stand for truth and honor's sake
Stand fast and suffer long.

Brave men who work while other's sleep
Who dare while other's fly . . .
They build a nation's pillars deep
And lift them to the sky.

Ralph Waldo Emerson's poem inspires a pattern for my role as a citizen and its responsibilities. In Math I learned the whole is equal to the sum of its parts: thus, our country's strength depends on the contribution of every citizen. The United States can only be as good—or as bad—as the citizens entrusted with self-government. We must treasure the rights our forefathers established and accept the responsibilities that come with them.

The pillars of our nation are implanted in a strong base. I am proud to know that I am now a part of this structure. I want to add the same quality of substance so that future generations will continue to build upon a firm foundation.

How can I do this? The pattern suggested by the poem implies four ways. First, the individual must stand for truth and honor. To accomplish this we must lift our eyes above the doubt and fear that may surround us and hold fast to our great expectations. This will give us hope and maintain our faith in the future of our country.

Second, each of us must be a part of creating a people great and strong. Let's start in our own community. We can reach out with an open heart and extend an open hand to our neighbors. Let us give of ourselves. Let us accept each person for what he is and recognize his goodness. Let us respect the rights of others and obey the laws.

Third, a good citizen must work while others sleep. Be aware and interested in current events. Form an opinion and express it. Exercise the privilege of voting—the ballot is the strongest power of the people and the best way for us to voice our views. In these ways we will be working to build pillars of strength while others sleep.

Finally, citizens who would put their dreams into action must dare while others fly. We must venture to try our ideas so that our country will continue to grow with the changing times.

I asked myself, What am I *really* doing to fulfill my responsibility as a good citizen? I am trying to be an example of my beliefs. I strive to give a little of myself each day to those around me. I am concerned with the events happening at my school, in our community, in the nation and the world and try to keep informed about them. I express my opinions to others. I have a deep pride in my home and work to keep up its appearance.

Becoming a good citizen is a growing process—like a flower it takes time to develop from a tiny seed to its fullest bloom. My ideas and beliefs have grown from the seed planted by my mother and father, sisters and brother, teachers and people around me. The responsibilities of a good citizen have developed through the years and now the flower appears. I shall always try to be a strong part of the whole and to give of myself to the land of the free and the home of the brave.

Not gold, but only I can make
A people great and strong
I will stand for truth and honor's sake
Stand fast and suffer long.

I will work while others sleep
And dare while other's fly
I will help to build a nation's pillars deep
And lift them to the sky.

SEVERE ECONOMIC CRISIS IN GREECE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. EDWARDS of California. Mr. Speaker, a very important statement came out of Greece a few weeks ago.

The value of this document will be enhanced if its importance is appreciated here in the U.S. Congress.

The author of the statement is George Mavros, the respected, pro-Western leader of the Center Union, the largest political party before the 1967 coup. Mr. Mavros is also the former head of the Bank of Greece and a keen economic analyst.

The Mavros statement on the present economic crisis in Greece deserves our close attention. Events in Greece inevitably affect American interests in Europe and the Mediterranean, as well as our standing with the Greek people.

The statement follows:

STATEMENT BY MR. GEORGE MAVROS

The attempt to face the country's crucial economic situation with measures such as those announced recently reveals a total lack of knowledge of both the nature and causes of our financial problems. At a time of soaring inflation, created by the economic policies of the past seven years, the second, within two months, drastic and unexpected official raise in fuel and electricity prices well beyond the level of international fluctuations in petrol prices, will further aggrevate the existing rate of inflation, with dramatic effects on the population's working conditions and living standards. The chain reaction sparked off by these spasmodic measures is already evident, just a few days after their announcement. They will lead, with mathematical certainty, to heavy price index increases and simultaneous decreases in the purchasing power and employment level of the population.

Unquestionably, the international economic crisis could not but influence the Greek economy. The acuteness, however, of the present economic crisis in Greece is the direct result of domestic causes, and in particular the reckless inflationary policies of the period 1967–1973. During these seven years, the public debt rose from 32 to 100 billion drachmae, budgetary expenditure from 38 to 98 billion drachmae, imports from $1,153 million to $4 billion, the trade deficit from $749 million to $2,750 million and the foreign exchange commitments of the economy from $1,129 million to over $3 billion, weakening the economy to such an extent that the international economic crisis found it in a state of disintegration. While all western countries were taking in time measures to face the oncoming storm, Greece persisted in following a policy designed to encourage consumer spending and inflation; the only measures taken were the reformulation of the price index on a basis designed to conceal price rises.

It is the consequences of such policies that the Greek people are asked to pay for now. The excessive rise in petrol prices sentences tens of thousands of small and medium-sized businesses to decay and extinction.

To face the crucial situation of the country's economy, it is obviously not sufficient to enact spasmodic measures concocted on the spur of the moment, which can only aggravate, rather than improve, the situation. What is needed is an integrated system of economic policy and a series of urgent measures to curb inflation and gradually restore the sick organism of the economy to health.

Success in this task presupposes the cooperation of the people as a whole. Such a cooperation will never be achieved through concentration camps, martial law and press censorship. A nation can no longer be governed by the whip. The people must be kept fully informed as to the current state of the economy and the necessity of the measures required to solve existing problems. This is exactly what is happening today in all western countries, the sole exception being Greece, where the people are kept in the dark, each time caught by surprise by the spasmodic measures sprung upon them. Such tactics can only lead them to despair, thus creating the conditions for an acute social upheaval with unforseen consequences.

It must be understood by all that the economic laws are implacable. And far more powerful than tanks. They revenge themselves inexorably on whoever disregards them. The present national crisis can be handled successfully only by a Government respecting the people and enjoying its full confidence. And such a Government can only be a Government of national unity and wide democratic acclaim.

CHARLES H. WILSON

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. CLAY. Mr. Speaker, as a member of the Congressional Black Caucus, I wish to recognize and commend the distinguished record of a colleague who has taken an assertive role in so many issues vital to black Americans.

Charles H. Wilson of California's 31st District has demonstrated his strong concern for the black community for six terms in the Congress, and I have had the opportunity to observe this commitment as a fellow member of the Post Office and Civil Service Committee.

Charles H. Wilson of California has worked closely with my colleagues of the Black Caucus; on more than 50 major rollcall votes of the House in 1973, he has staunchly supported our position.

On almost every issue that counts to black Americans, Charles H. Wilson of California has respected and met the legitimate needs and expectations of his black constituents.

KEY VOTES

On the following key notes affecting the black community Charles H. Wilson voted with the Congressional Black Caucus each time:

Rollcall 32.—H.R. 4278 amends the National School Lunch Act to assure that Federal assistance to each child is maintained for child nutrition programs for the coming fiscal year. March 5, 1973, "yes."

Rollcall 45.—H.R. 71 strengthens and improves the Older Americans Act. March 13, 1973, "yes."

Rollcall 108.—S. 50 strengthens and improves the Older Americans Act. Voted to concur in the Senate amendment to the less liberal House amendment. April 18, 1973, "yes."

Rollcall 169.—H.R. 7806 extends through June 30, 1974, appropriations in the Public Health Service Act, Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. May 31, 1973, "yes."

Rollcall 190.—H.R. 7935 increases the minimum wage rates. Expands the coverage to include thousands of domestic workers as well as youths. June 6, 1973, "yes."

Rollcall 255.—Amendment that would permit individuals to bring suit against the Legal Services Corporation and recover costs in case of favorable rulings. This was clearly aimed at reducing the number of suits filed by legal services attorneys for fear of costs being levied against them if they lost the suit. June 21, 1973, "no."

Rollcall 262.—H.R. 7824. Final pasage of the Legal Services Corporation bill. June 21, 1973, "yes."

Rollcall 271.—H.R. 8825, providing for appropriations for the Department of Housing and Urban Development. June 22, 1973, "yes."

Rollcall 287.—House Resolution 455, provides appropriations for the Departments of Labor and Health, Education, and Welfare and related agencies including the Office of Economic Opportunity and Headstart programs. June 26, 1973, "yes."

Rollcall 290.—H.R. 8877. Amendment to the HEW and Labor appropriations bill which seeks to reduce funds for OEO. June 26, 1973, "no."

Rollcall 291.—H.R. 8877. Amendment to the HEW and Labor appropriations bill seeking to reduce funds in 26 sections of the bill. June 26, 1973, "no."

Rollcall 292.—H.R. 8877. Amendment to HEW and Labor appropriations bill seeking to increase funds for bilingual education programs. June 26, 1973, "yes."

Rollcall 294.—H.R. 8877. Amendment to HEW and Labor appropriations bill which seeks to reduce funds in 26 sections of the bill by $600 million. June 26, 1973, "no."

Rollcall 295.—H.R. 8877. On final passage of the bill making appropriations for the Departments of Labor and Health, Education, and Welfare and other agencies including the Office of Economic Opportunity and Headstart program. June 26, 1973, "yes."

Rollcall 395.—H.R. 9360. Passage of the Foreign Assistance Act which includes $30 million for famine and disaster relief to the African Sahel. July 25, 1973, "yes."

Rollcall 428.—Conference report in bill to increase the minimum wages. August 3, 1973, "yes."

Rollcall 430.—S. 1888 to amend the Agriculture Act to assure consumers of plentiful supplies of food and fiber at reasonable prices. August 3, 1973, "yes."

Rollcall 441.—H.R. 8547. To amend the Export Administration Act to protect the domestic economy from drain of scarce materials and commodities and to reduce the serious inflationary impact of abnormal foreign demand. September 6, 1973, "yes."

Rollcall 449.—A vote to override the President's veto of the emergency medical services bill providing assistance in planning, research, and training projects for systems for the effective provision of emergency health care services. September 2, 1973, "yes."

Rollcall 450.—H.R. 7974. To amend the Public Health Service Act to provide assistance and encouragement for establishment and expansion of health maintenance organizations. September 12, 1973, "yes."

Rollcall 455.—H.R. 9639. Amendment to the National School Lunch and Child Nutrition Act to delete the section of the bill which raises reimbursement by the Federal Government for school lunches from 8 cents per lunch to 10 cents. September 13, 1973, "no."

Rollcall 456.—H.R. 9639. Amendment to the School Lunch Act to provide additional Federal financial assistance to the school lunch and school breakfast programs. September 13, 1973, "yes."

Rollcall 459.—H.R. 8070. Conference report to authorize grants for vocational rehabilitation services. September 18, 1973, "yes."

Rollcall 465.—A vote to override the Presidential veto of the minimum wage bill. October 3, 1973, "yes."

Rollcall 483.—H.R. 981. Revision of the Immigration Act which would allow the entrance of political refugees from all countries including Haiti. September 26, 1973, "yes."

Rollcall 495.—Amendment to the Urban Mass Transportation Act to delete provisions for Federal funding of operating expenditures of mass transportation systems. October 3, 1973, "no."

Rollcall 496.—Amendment to the Urban Mass Transportation Act to increase the total amount authorized for assistance. October 3, 1973, "yes."

Rollcall 512.—H.R. 9682. To provide self-government for the District of Columbia. October 10, 1973, "yes."

Rollcall 544.—H.R. 10586. To authorize use of health maintenance organizations in providing health care. October 23, 1973, "yes."

Rollcall 552.—H.R. 10956, the Emergency Medical Services Systems Act of 1973. October 25, 1973, "yes."

Rollcall 560.—H.R. 8219. Authorizes the President to extend special privileges and immunities to the Organization of African Unity. November 6, 1973, "yes."

Rollcall 561.—H.R. 10937. Extends the life of the Watergate grand jury. November 6, 1973, "yes."

Rollcall 563.—House Joint Resolution 542. Override of President Nixon's veto of the War Powers Act limiting the capacity of the President to introduce, employ, or commit U.S. Armed Forces into hostile areas. November 7, 1973, "yes."

Rollcall 564.—H.R. 11104. Adoption of an increased temporary limit on the public debt without consideration of an immediate 7-percent social security increase for the elderly. November 7, 1973, "no."

Rollcall 577.—H.R. 8916 appropriates funds for certain Federal agencies including the Commission on Civil Rights, Equal Employment Opportunity Commission and Small Business Administration. November 13, 1973, "yes."

Rollcall 592.—H.R. 11333 provides for a 7-percent increase in social security benefits beginning in March 1974, payable in April, and an additional 4-percent raise beginning in June 1974, payable in the July 1974 check. November 15, 1973, "yes."

Rollcall 601.—H.R. 11010. Amendment by the gentleman from California (Mr. Hawkins) to increase funds for manpower training. November 28, 1973, "yes."

Rollcall 602.—H.R. 11010. Passage of the Comprehensive Manpower Act. Programs under this act include public employment services, opportunities industrialization centers, and Office of Economic Opportunity job training programs. November 28, 1973, "yes."

Rollcall 605.—H.R. 11579. Amendment by the gentleman from California (Mr. Dellums) to restore funds cut from the race relations and equal opoprtunity programs of the Department of Defense. November 29, 1973, "yes."

Rollcall 622.—H.R. 8877, approves funding for Headstart, Office of Economic Opportunity programs and Departments of Labor and Health, Education, and Welfare. December 5, 1973, "yes."

Rollcall 631.—H.R. 7130 provides for a budgetary control system in the Congress with strong anti-impoundment provisions. December 5, 1973, "yes."

Rollcall 634.—House Joint Resolution 735, confirming the nomination of Gerald R. Ford to be Vice President of the United States, "no."

Rollcall 662.—H.R. 11450. Amendment to the Energy Emergency Act to prohibit the allocation of fuel for busing. December 13, 1973, "no."

Rollcall 669.—H.R. 11450. Amendment to the Energy Emergency Act to permit the allocation of fuel for school-board-ordered busing. December 14, 1973, "yes."

SPONSORED LEGISLATION

In his 11 years of service to the Congress and to California's 31st District, Charles Wilson has established a distinguished record of introducing and supporting legislation which has directly affected the black community. During his sixth term in office, he has authored or cosponsored over 70 measures of vital concern to black Americans.

Among them:

ARTS AND HUMANITIES

H.R. 9640. Establishment of an American Folklife Center in the Library of Congress.

CHILD WELFARE

H.R. 6819. Establishment of a National Center on Child Development and Abuse Prevention.

H.R. 10167. The Runaway Youth Act, establishing program for housing, psychiatric, medical, and counseling care for transient youths.

CIVIL LIBERTIES

H.R. 1279. Requirement that individuals be appraised of records concerning them which are maintained by Government agencies.

H.R. 1281. To protect the constitutional rights of civilian employees of the U.S. Government.

H.R. 2200. Free Flow of Information Act.

H.R. 6211. Continued operation of the Legal Services program.

H.R. 7762. Confidentiality of information furnished in response to questionnaires, inquiries, and other requests from the Bureau of the Census.

H.R. 10181. Governing the disclosure of certain financial information by financial institutions to governmental agencies.

H.R. 12267. Prohibiting discrimination by any party to a federally related mortgage transaction on the basis of sex or marital status.

H.R. 12268. Implementing the recommendations of the Presidential Task Force on Women's Rights and Responsibilities.

CONGRESSIONAL REFORM

H.R. 4. To open meetings of Government agencies and of congressional committees to the public.

H.R. 1283. To provide for no-cost letter mail to Senators and Representatives.

H.R. 9004. To provide no-cost letter mailing to the President, Vice President, and Federal executive departments.

House Resolution 472. To provide toll-free telephone service for calls to the district offices of Congressmen.

CONSUMER PROTECTION

H.R. 2932. Definition of food supplements in the Food, Drug, and Cosmetic Act.

H.R. 12089. Unit Price Act.

H.R. 12090–12094. To provide consumers with accurate information in package labeling as to name and address of manufacturer, packer, and distributer, perishable or semiperishable foods, date of manufacturing, and ingredients.

DISASTER ASSISTANCE

H.R. 6317. Creation of a Federal Disaster Insurance Corporation.

H.R. 6904. Establishment of a national program of Federal insurance against catastrophic disasters.

H.R. 7240. Establishment of emergency communications facilities.

ECONOMY

H.R. 4820. One-year extension of the Public Works and Economic Development Act.

H.R. 8621. Equitable rents under the economic stabilization program.

EDUCATION

H.R. 4189. Tutorial and instructional services for homebound or handicapped children.

H.R. 6332. Extension of the Public Health Services Act, the Community Mental Health Centers Act and Developmental Disabilities Services and Facilities Construction Act.

H.R. 7818. Improvement of the Adult Education Act.

H.R. 8312. Development of youth camp safety programs.

ELECTION REFORM

H.R. 9642. Voter registration through the Postal Service.

EMPLOYMENT

H.R. 1418. Public service employment for unemployed persons.

H.R. 3987. Public service employment program.

GOVERNMENT OPERATIONS

H.R. 6567. Congressional control of the Office of Economic Opportunity reorganization.

House Concurrent Resolution 174. Continuation of the Office of Economic Opportunity.

HEALTH

H.R. 2222. Voluntary health insurance for medical, hospital, and dental care.

H.R. 7440. Expansion of the National Institute of Arthritis, Metabolism and Digestive Diseases.

H.R. 7733. Authorization of health maintenance organizations to provide health care.

H.R. 7091. Payment under the supplementary medical insurance program for optometrists' services and eyeglasses.

H.R. 11126. Appropriations for the nutrition program for the elderly in the Older Americans Act.

H.R. 11470. To limit the medicare inpatient hospital deductible to present or lower rate.

IMPOUNDMENT

H.R. 3943. To prohibit the President from impounding any funds without the consent of the Congress.

House Resolution 242. Authorization for Congressman to sue on behalf of the House because of the President's illegal impoundment of funds.

LAW ENFORCEMENT

H.R. 936. Establishment of an institute for continuing studies of juvenile justice.

H.R. 8402. Compensation to victims of crime.

H.R. 10440. To prohibit harassing telephone calls made to collect alleged debts, and to inform the public of their rights to be free from harassing, coercive, abusive and obscene telephone calls.

H.R. 11520. Establishing a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, and treatment of rape.

MILITARY AFFAIRS

H.R. 7857. Reemployment rights of members and former members of the U.S. Armed Forces.

H.R. 10869. Prohibiting the inclusion of certain information on discharge certificates.

PENSION REFORM AND SOCIAL SECURITY

H.R. 3883 and 3884. Revision of the Welfare and Pension Plans Disclosure Act.

H.R. 3886. Improvement of the Older American's Act of 1965.

H.R. 4564. Reduced time qualifications for old-age and disability insurance benefits.

H.R. 4887. Require State to not consider social security increases in determining eligibility for other assistance programs.

H.R. 5358. Revision of the system for Federal match funding to State for social services assistance.

H.R. 7092. Remove limitation on the amount of outside income which an individual may earn while receiving social security.

H.R. 7093. To increase the lump-sum death payment to $750.

H.R. 7097. Inclusion of qualified prescription drugs under the hospital insurance program.

H.R. 8019. Delete 10-percent limitation provision to States for social services payment to the aged, blind, and disabled.

H.R. 9097. Free or reduced airline rates for handicapped persons and for individuals 65 years or older.

H.R. 9381. Half-fare for elderly people on common carriers during nonpeak travel periods.

House Resolution 226. Opposition to the curtailment of medicare and medicaid program benefits.

H.R. 12365. Establishing a program of food allowance for older Americans.

TAX REFORM

H.R. 851. Extension of full tax benefits of income splitting to unmarried persons.

H.R. 1040. Broadening the income tax base, equity among taxpayers, reform of the income and estate tax provisions.

H.R. 6353. Tax deductions for theft losses, on costs for theft protection and for the medical or funeral expenses of crime victims.

H.R. 7095. Full deduction of medical expenses incurred for the care of individuals 65 or older.

H.R. 7096. Personal exemption for a

dependent over 65 without regard to the dependent's income.

H.R. 12425. To provide for income averaging in the event of downward fluctuations in income.

VETERANS

H.R. 1493. Prevent reduction of veteran's pensions because of increased social security benefits.

H.R. 4751. Certain social security increases be disregarded in determining pension.

H.R. 6195. Veterans disability rates and construction of veterans hospitals.

H.R. 9147. No time limit on veterans' educational benefits.

H.R. 9148. Emergency treatment of veterans in private hospitals.

H.R. 9706. Sixty-day military privileges and health benefits to former military members.

WOMEN'S WORK—AND PAY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. FRASER. Mr. Speaker, the conventional wisdom of our day acknowledges that women, on the average, make less than men are paid for the same work. Often such comparisons are made in professions where women traditionally have been denied employment. Supposedly, as more women enter fields that historically have been male domains, the average salaries for men and women with the same experience and training in these fields will approach equality.

A recent study by Bruce Bosworth, of St. John's University, upsets this sanguine assumption. Professor Bosworth compared the earnings of women and men working at occupations in which women were the majority. Again, given the same experience and training levels, women earned far less than men.

I would like to call to the attention of my colleagues the following article on the Bosworth study. It was written by the Washington Post's William Chapman and appeared in the February 4 edition of the Post:

WOMEN'S WORK—AND PAY

(By William Chapman)

Everybody knows that female accountants make less money, on the average, than male accountants. On the average, women bus drivers earn less than men drivers, saleswomen less than salesmen. And when the first women break into pro baseball, they will earn, on the average, less than the men.

The *averages* have been used for years now in the working woman's quest for equality. A very large share of that differential in earnings, it is argued, is sheer discrimination.

The counter-argument goes something like this: Averages are deceptive and the difference in average earnings between men and women is not sex discrimination. In most jobs, men and women of comparable education and abilities are paid comparable salaries. The difference is principally due to the woman's shorter work experience. Women have only recently entered the man's world to do such things as drive buses. They have not had time to step up the pay grades that men have. Women have been more apt to enter, leave, and re-enter the job market as they became worker, then mother, and then worker again. So, on the average, they earn less.

That has a sensible ring to it until you consider those fields which women have long dominated. Women have been teachers and nurses and social workers a lot longer than men. So, one would expect, following the work-experience theory, that their average earnings would be greater than men's or that at least they would have achieved parity. As you may have guessed, it isn't so.

The first hard look at those occupations historically dominated by women is an intriguing paper written by an assistant professor of quantitative analysis at St. John's University, Bruce Bosworth. Using 1970 census data, he compared the average earnings of professional men and women in five occupations. Women were a large majority in each. And their average earnings were anywhere from 22 to 33 per cent less than their male counterparts.

There is the case, for example, of professional librarians, archivists and curators. Eighty per cent of them are women. Their educational training differs from men by about a half-year of schooling. Yet men, on the average, earn 27.5 per cent more than women in that group of occupations. Males earned an average of $8,062, women only $5,843.

Then there are the nurses (descendants of Clara Barton, remember) and dietitians. Almost 95 per cent of the people in those occupations are women. But the men make a third more than they do. On the average, a male nurse or dietitian earns $8,235 a year and the woman only $5,514. Perhaps the men have gone to school longer or have received more training. Hardly. The difference in education is measured at about seven-tenths of one year.

It is the same picture for health technologists, social workers, recreation workers. Women are in the majority and the difference between them and men in educational background is hardly consequential.

Finally, there are the teachers. If any profession in America has been sterotyped as women's work, it is teaching. In the last decade, as salaries improved, a lot of men found they moved in on the field. Still, 71 per cent of all teachers today are women. Yet men, on the average, earn 31 per cent more money. The average man's salary is $8,684, the woman's $5,948.

Professor Bosworth, in short, pretty much demolishes the notion that in her own field, given comparable training and experience, the woman will find equality. It isn't the case of woman suffering in what has always been a man's world, which is how even the more sympathetic experts have explained it all away before. The net of it is that women get the short end, even when they're doing what they're always told to do, which is to stick to women's work.

OVERSEA CREDIT UNIONS STILL THE SERVICEMAN'S BEST FRIEND

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PATMAN. Mr. Speaker, in 1967, when branches of American credit unions opened in various military installations overseas, servicemen were paying interest rates on the average of 36 percent to borrow funds for new cars. Some companies were charging interest rates as high as 100 percent on short-term personal loans. Because of the high interest rates thousands of servicemen were in debt far beyond their capacity to repay and this caused a severe problem among our Armed Forces overseas.

When the credit unions opened their doors and charged a maximum interest rate of only 12 percent for unsecured loans and in many cases a rate as low as 9 percent for automobile loans, servicemen were quick to realize that the credit unions were the answer to many of their financial problems.

Today the overseas credit unions are still providing much needed financial services for their men and women in uniform. Although some servicemen still borrow money at extremely high interest rates from other lenders, it is only because they have not heard about the credit union and once they realize the advantage of the credit union they stay away from the high interest rate lenders. It was through the efforts of the Banking and Currency Committee that these credit unions were opened. It was the Banking and Currency Committee that conducted an investigation that uncovered the shocking loan practices going on throughout Europe which forced servicemen to pay extortionate interest rates. The Banking and Currency Committee's answer to the problem was to open low-cost credit unions.

Since the credit unions were opened both in Europe and to a smaller degree in the Far East, the Banking and Currency has not received a single complaint about their operations or the services they offer to their members. This is an extremely fine record and one that should encourage the Department of Defense to provide all assistance possible to military credit unions. The January issue of the Credit Union magazine, a publication of CUNA, included an article describing the operations of overseas credit unions. I am including that article in my remarks since the overseas credit unions deserve as much publicity as possible for their work on behalf of service men and women:

SERVING SERVICEMEN OVERSEAS

"We need credit unions. The army has services to take care of its other needs. But it has nothing that could replace the credit union."

That's the view of the commander at Vicenza Military Post in Northern Italy, Col. H. F. Lombard. And his view coincides very well with that of other officers and enlisted personnel serving in Italy and England.

But interestingly enough, the military does have something that competes very well with one important credit union service. That's the United States Serviceman's Payroll Deposit (USSPD) which pays a government guaranteed annual interest of 10 per cent on servicemen's savings. The hitch is that deposits can only be made while a serviceman is overseas and funds can be withdrawn only after he has returned to the continental U.S. and been stationed there for at least 90 days. They can be withdrawn while still overseas in the event of an emergency but only with the written approval of the base commander.

How credit union services fare in the face of 10 per cent competition, how the "brass" views the credit unions, and what sort of service the members get from overseas credit unions are some of the questions *The Credit Union Magazine* sought answers to by interviewing U.S. army and air force professionals at military installations in Italy and England.

Mississippi's Keesler Federal Credit Union has been serving troops in England since 1968; Washington's Fairchild Federal Credit Union has been serving those in Italy since mid-1969.

KEESLER FCU'S ENGLISH ACCENT

With a combined staff of 14 at four bases, Keesler FCU's operations in England serve 15,640 members with shares of $4 million, loans of $8.5 million, and a delinquency ratio of .93 per cent. Since organization overseas, members have borrowed more than $34 million; write-offs amount to $43,360.

All data are transmitted to the Mississippi office by airmail or Telex; original documents are mailed at the end of each working day with duplicates kept overseas. Future plans include nightly transfer of accounting data to the home office through a dataphone, with printout mailed daily to England.

Because of the 10 per cent competition from USSPD borrowers are urged to save by rounding out monthly allotments 10 to 15 per cent above the agreed loan payment, and to continue the allotment after the loan is repaid.

The big advantage credit union savings offer is that members can get their money whenever they want it, Katherine M. Turley, manager of overseas operations, points out. "This is attractive to members because much of the savings we get is put aside with specific goals in mind. Typical reasons for saving are to buy stereo equipment, furniture, a car, or a vacation in Europe or the United States."

Overseas loan officers have authority to approve all loans within the limits of the credit union's policies. That's why the credit union has been able to make more than 48,500 loans during five years of operation in England.

When the loan officer feels the information provided does not justify approval, final disposition is made by the credit committee at the main office in Mississippi. When a loan application is referred to the stateside committee, the member is invited to send along a personal letter of explanation. The committee occasionally requests additional information from the member, overseas staff, or both, before deciding. Loans are approved in about half of these cases.

KUDOS TO KEESLER

The loans run the usual gamut, with only slight variations because of the military and overseas aspects of the borrowers.

When TSgt. Gene W. Fort, married and the father of two children, was transferred to England his pay did not start until nearly three months after he arrived. The credit union tided him over.

SSgt. James M. Morris and his wife, SSgt. Barbara J. Morris, had an opportunity to buy furniture from someone returning to the States. All they needed was cash on the spot.

And then there are the slightly unusual cases. SSgt. Robert A. Goines came to England with his wife and two kids and four problems: "I had a $4,000 debt, was unable to get any part-time work, my wife could not find a job, and my monthly instalment payment with interest on the old debt exceeded my salary by $50." A fifth problem was that he had been turned down by a finance company in Columbus, Indiana and didn't know where to turn in Mildenhall, England. That is, until he learned of the credit union.

SSgt. Goines' loan was one of those approved by the stateside credit committee. It was a $4,000 consolidation loan with two sergeants as cosigners. "Now I have no worries and know that by June of 1976 I'll be completely out of debt."

While Keesler's overseas credit union operation copes with these problems on a daily basis without much fanfare, its efforts do not go unnoticed by the military's top brass.

"It's good to have the credit union's experienced staff to help our men and women when they're in need of money or counseling," commented Col. R. B. Watson, base commander at R.A.F. Station Bentwaters. "We appreciate what the credit union is doing for our people on the base."

In East Anglia, meanwhile, Col. E. R. Johnston, base commander at R.A.F. Station Lakenheath, is impressed with the lack of red tape and the low cost operation.

"Military banking service costs the government a considerable amount of money while the credit union costs the Department of Defense nothing. I think military banking and credit union services complement each other."

FAIRCHILD FCU'S ITALIAN FLAIR

Nearly a continent away, Fairchild Federal Credit Union's offices in Italy provide similar services with similar results. Sp/5 Curtis C. Turner, for example, had to wait nine months after his transfer to Italy before his misplaced military pay record was located. When you're married and have a two-year-old child, that's rough. But the credit union helped smooth out the bumps.

Fairchild serves 6,000 members in Italy (shares $2.5 million; loans $3 million; delinquency ratio 1.18 per cent) with a staff of nine at three locations. Since organization, overseas members have borrowed $16 million with a $42,000 write-off. Documents are sent from sub-offices to the Vicenza office for photostating and forwarding to the main office in Spokane, Washington.

To speed up share and loan disbursements at outlying locations, members are encouraged to call in their requests several hours in advance. This makes it possible to combine long distance calls to the Vicenza office for verification of the member's account status.

The rising savings ratio of Fairchild FCU's overseas members has been largely influenced by two factors, overseas manager Don J. Newberg believes: good response of younger members to systematic promotion in the communications media of each local army post and air force base; and the absence of other attractive investment opportunities to civilian government employees in the field of membership.

Like many credit unions, Fairchild has problems as a result of operating in a foreign country. It's also weak in counseling, Newberg claims. "The need is there, but our limited staff makes it impossible to give comprehensive counseling assistance except in extreme cases. We need more U.S.-trained personnel at our overseas bases. Perhaps a solution would be a special series of training seminars for employees, both in general credit union administration and counseling. It could be sponsored by CUNA and the Defense Credit Union Counsel, either overseas or in the States. In the U.S. it could combine attendance at the CUNA School with practical experience in the credit union's stateside home office."

If Newberg does see a weakness in the credit union's counseling program, that view isn't shared by Pvt. Robert W. Clark.

Pvt. Clark, his wife and two children arrived in Italy along with a $284 shipping bill for sending their personal belongings and another $320 bill for customs and storage fees. Unable to make these unexpectedly high payments, Pvt. Clark checked with the Red Cross and Army Emergency Relief, only to find that neither agency was able to help.

NOT JUST A "FAIR WEATHER" FRIEND

"When I told the credit union that I had the choice between a credit union loan and going to an Italian jail, things began to happen," Pvt. Clark recalled. "First the credit union tried to see whether there were any other army or civilian resources available to help me. There weren't, so it made me a loan for the storage and customs fees of $320 and suggested that I write the Philadelphia shipping company to let me pay off its fee at $20 a month."

The shipping company agreed to the payment schedule, which ended Pvt. Clark's nightmare. "It taught my wife and me that our credit union is a real friend—not the fair weather type, but one we can count on when the chips are down."

DR. WILLIAM E. ALLEN

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. CLAY. Mr. Speaker, I want to share with my colleagues an article which appeared in this month's issue of the American College of Radiology News for it documents the story of Dr. William E. Allen, Jr., the first black radiologist in the world to receive a Gold Medal from the American College of Radiology. Dr. Allen will be honored for distinguished achievements in radiology and in the medical field when the ACR holds its annual meeting and convocation in New Orleans in April.

Dr. Allen was elected to fellowship in the ACR in 1945. After receiving an M.D. degree from Howard University in 1930, he served his radiology residency in St. Louis at City Hospital No. 2 and and Homer Phillips Hospital. Dr. Allen has been active in organized medicine on all levels. He is a member of the St. Louis Society of Radiologists and the Missouri chapter of the ACR, where he serves on the board of directors. He holds membership in the National Medical Association, where he has served with distinction as vice president and as chairman of the Council on Scientific Exhibits, the Radiological Society of North America, the Society of Nuclear Medicine, and the American Society of Therapeutic Radiologists.

He was director of the department of radiology and director of the radioisotope laboratory of Homer G. Phillips Hospital. He was also director of the department of radiology at St. Mary's Infirmary and People's Hospital. He now serves as radiotherapist to the St. Louis University Hospitals, consultant in radiology to the Missouri State Crippled Children's Service, associate clinical professor of radiology at St. Louis University School of Medicine, and assistant clinical professor of radiology at the Washington University School of Medicine.

Dr. Allen is best known for his work in 1933 when he organized one of the first approved American training schools for black X-ray technologists at St. Mary's Infirmary. Among the awards he has received are the Special Silver Plaque Award of the St. Louis branch of the NAACP, the Distinguished Service Award of the NMA, and the Howard University Distinguished Alumni Award.

I commend Dr. Allen on the work he has done in his field and share his achievements with my colleagues.

The article follows:

DR. WILLIAM E. ALLEN

(By Don C. Weir, M.D.)

"Judge me not by the heights to which I have risen, but by the depths from whence I come." These words by Booker T. Washington are William Allen's personal credo. And judged by any standard, William Edward Allen, Jr. has come a long way.

Born in Pensacola, Fla., in 1903, the son of a building contractor, he attended Howard University, graduating with a B.S. and M.D. in 1930. During his college days Bill, an accomplished musician, supported himself by playing the saxophone and clarinet with a small local jazz group. He also played first violin in the university symphony orchestra.

After moving to St. Louis, Bill served his residency in radiology at City Hospital No. 2 and Homer G. Phillips Hospital under the guidance of Drs. E. W. Spinzig and L. R. Sante. At this time he met his future wife, Para Lee Batts of Waco, Tex., who was to become a head nurse at Homer G. Phillips. Completing his residency, Dr. Allen was certified in roentgenology by the American Board of Radiology in 1935, thus becoming the first black radiologist in this country to be so certified. In 1939, after a close association with Edwin C. Ernst, Sr., M.D., he was certified in radiology and immediately joined the American College of Radiology. He was elected to Fellowship in 1945 and for many years was the only black Fellow on the roster of the College.

Bill has long been actively involved in organized medicine on all levels. He is a member of both the St. Louis Society of Radiologists and the Missouri chapter of the College, where he serves on the Board of Directors. Dr. Allen also holds membership in the National Medical Association where he has served with distinction as vice-president and as chairman of the Council on Scientific Exhibits, the Radiological Society of North America, the Society of Nuclear Medicine, and the American Society of Therapeutic Radiologists. He is presently a member of the College's Commission on Public Relations, of which he is the secretary, and also a member of the Commission on Radiation Therapy.

MANY TALENTS

Bill is noted for his skill as a physician, an administrator, a teacher, an organizer, and a humanitarian. He was director of the department of radiology and director of the radioisotope laboratory of Homer G. Phillips Hospital. He was also director of the department of radiology of St. Mary's Infirmary and People's Hospital, where he served as chief of staff. He is at present radiotherapist to the St. Louis University Hospitals, consultant in radiology to the Missouri State Crippled Children's Service, associate clinical professor of radiology at St. Louis University School of Medicine, and assistant clinical professor of radiology at the Washington University School of Medicine. From 1950 to 1959 he was a consultant in radiology to the University of Missouri.

Dr. Allen's greatest fame has come as a tribute to his organizational ability. In 1933 he organized one of the first approved American training schools for black x-ray technologists at St. Mary's infirmary. He later established the internationally renowned School of Radiologic Technology at Homer G. Phillips Hospital. Here he also created one of the first approved residencies in radiology in a predominantly black institution.

To advance the study of radiology, he has provided scholarships for students from Haiti, Nigeria, Liberia, and South Africa. During Dr. Allen's visit to Liberia in August, 1972, he was greatly concerned when he learned that there was not a single supervoltage unit in all of western Africa. He is presently actively engaged in a project to install a Cobalt 60 unit in the John F. Kennedy Memorial Hospital in Monrovia, Liberia.

ILLUSTRIOUS CAREER

In the course of his long career Dr. Allen has received numerous awards, including the Special Silver Plaque Award of the St. Louis branch of the NAACP, the Outstanding Service Award of the Homer G. Phillips Hospital Intern Alumni Association, the St. Louis Argus Newspaper Distinguished Public Service Award, the Outstanding Service Award of the St. Louis unit of the American Cancer Society, the Distinguished Service Award of the National Medical Association, the Howard University Distinguished Alumni Award, and many others. Dr. Allen is also on the St. Louis Boards of the Tuberculosis and Health Society and of the American Cancer Society. In addition to serving on the editorial board of the Journal of the National Medical Association, he has published over fifty articles in national journals.

Bill is justly proud of the section on radiology of the National Medical Association which he and eight other radiologists established in 1949 and of which he was the first chairman. The section now boasts over 150 members, most of whom are Diplomates of the American Board of Radiology and members of the College. In his role as a leader of this organization Dr. Allen initiated a successful effort to bring about a closer relationship and understanding between black radiologists and the American College of Radiology and pursued it to its present satisfactory and pleasant conclusion.

CLIMBING THE LADDER

Dr. Allen has faced many obstacles in the course of his career. One such problem arose in 1939 when he entered active military service as the first black officer from St. Louis and one of the first in the country to volunteer. Even though Dr. Allen was a Diplomate of the American Board of Radiology, he was assigned as a battalion surgeon with an infantry regiment. However, when the late Byrl L. Kirklin, M.D., Secretary of the American Board of Radiology, learned that a Diplomate was being used as a battalion surgeon, he made strong protests to Washington and after much difficulty Dr. Allen was transferred to Ft. Huachuca, Ariz., where he was appointed chief of the x-ray service of the 1500 bed NSC Regional Hospital.

At this post he organized the Ninth Service Command WAC School for x-ray technicians and gave special courses for medical officers who later served abroad. After receiving several decorations he went onto inactive duty with the rank of lieutenant colonel and was appointed a consultant in radiology to the Secretary of War, one of the two black officers in this country so honored.

Those who have had the privilege of working with Dr. Allen look up to him with respect and affection for his critical though generous mentality, his youthful vigor, and his spiritual maturity. A man of singular charm and modesty without an enemy this unassuming physician and humanitarian richly deserves the Gold Medal, the highest award that the American College of Radiology can bestow.

THE CLOCK STRIKES 12

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. TAYLOR of North Carolina. Mr. Speaker, I am pleased to commend to my House and Senate colleagues the following excerpts from an article from the February 1974 issue of Field and Stream by noted conservationist writer, Michael Frome, in which he offers an eloquently expresed tribute to our beloved former colleague, the late Congressman John P. Saylor:

THE CLOCK STRIKES 12

(By Michael Frome)

John P. Saylor is gone. He died last October 28 of heart failure, three months after celebrating his sixty-fifth birthday and after almost a quarter-century in Congress. I can not let him go without a farewell salute, for every reader of FIELD & STREAM, indeed, every American who enjoys and loves the outdoors, has lost a friend and champion.

His constituents in mountainous western Pennsylvania sent Mr. Saylor to Washington for a total of twelve terms. Obviously he represented his district well in order to receive their continuing vote of confidence (especially as a Republican running in a predominantly Democratic area), but the truth is that he worked for a far broader constituency. He was a *national* Congressman, a powerful, creative, and effective force at the center of nearly every major conservation battle of the past twenty years.

Mr. Saylor's base of action in the House of Representatives was the Committee on Interior Affairs, where, through the process of seniority, he became the ranking Republican member. I recall his commenting a number of years ago, that of about forty members on the Committee, only six were from the East. There were absolutely no Easterners on the Senate Interior Committee. The Western power bloc in Congress, attuned to the voices of mining, oil, timber, water development, grazing, and such special economic interests, had the Interior Committees locked up in both houses.

"Western politics have long been imbued with the concept that natural resources are to be used, and used profitably," Mr. Saylor noted. "One of the nice things about being an Eastern member of the Committee is that the Interior Department doesn't have anything in my district. The Forest Service doesn't have anything in my district either. I have no Indians in my district. I can look at propositions as they are presented and call them as I see them."

To call them as he saw them in behalf of the public interest was fundamental to him. Mr. Saylor had the courage to take strong, forthright, and completely independent positions. This was the genius of the man. Though a loyal Republican, he never hesitated to press his own views on a particular piece of legislation. His choice was always decided on the basis of principle, rather than partisanship, regardless of the consequences to himself.

I was privileged to enjoy a warm personal relationship with Mr. Saylor, or "Big John," as he was known among his colleagues in the House and his friends in Washington. He was a towering man, standing six-feet-four, robust and yet wiry, a vigorous, powerful presence in any group. He was blessed with a sharp wit, a sparkle, a willingness for combat. He may at times have appeared caustic, but I think this was a defensive cover that came from fighting so many uphill battles against tough adversaries. After all, for years he was the counterbalancing influence in the House Interior Committee to Wayne Aspinall, the domineering Democratic chairman (who finally went down to defeat in the 1972 election).

As I knew Mr. Saylor, he was utterly fearless and tireless. He knew how to work within the system and believed in it. Hundreds of bills are introduced into each Congressional session, few are passed; but when you look at the landmark conservation legislation of the past two decades—including the Wilderness Act, Wild and Scenic Rivers Act, Land and Water Conservation Fund Act, establishment of the North Cascades National Park, and the law prohibiting shooting wildlife from airplanes—then you have the evidence of his influence, character, and determination to assure a healthy environment for all Americans.

His first big fight, the one that propelled him into the front ranks of conservation, was the struggle of the 1950s against construction of the proposed Echo Park Dam in Dinosaur National Monument, Utah. Most Western Congressmen favored the project. It marked the first serious challenge of their pet agency, the Bureau of Reclamation, and the first time that national media focused broad public attention on a seemingly regional resource issue. In 1956, after much debate, Congress eliminated Echo Park from the Colorado River Storage Project.

The crux of the matter was not simply the integrity of Echo Park, but of all national parks, wildlife refuges, and other natural preserves. By midcentury, the material needs of a rapidly growing population had darkened the prospects for continued existence of the wild places. The conservation victory at Dinosaur demonstrated that people indeed are concerned with more than material values.

On July 12, 1956, Representative Saylor declared on the House floor: "We are a great people because we have been successful in developing and using our marvelous natural resources; but, also, we Americans are the people we are largely because we have had the influence of the wilderness on our lives." Those words were part of his statement introducing the first Wilderness Bill into Congress.

It was uphill all the way. At first it was impossible to get the executive branch of government to take the bill seriously. Then, after the Interior and Agriculture Departments and the Bureau of Budget submitted favorable reports, the House and Senate refused to act. The Senate did more than the House; it held hearings during two Congressional sessions. The House held only short hearings during one session, but Mr. Saylor and his supporters couldn't even get the transcript printed.

He never gave up. "I cannot believe that the American people have become so crass, so dollar-minded, so exploitation-conscious that they must develop every last little bit of wilderness that still exists," Mr. Saylor declared in 1961. That was the year President John F. Kennedy urged enactment of a wilderness preservation bill. And finally it was passed in 1964, eight years after the first bill had been introduced.

Meanwhile, Mr. Saylor helped to establish the Outdoor Recreation Resources Review Commission in 1958 and served as a Commission member. From this effort emerged the Land and Water Conservation Fund, a program that gave him great pride. The Fund has been virtually the sole source of land-acquisition money for national parks, forests, recreation areas, and seashores, but also has been a major stimulant to state, local, and regional governments to expand their recreation programs.

He would often express himself in such colorful language. Here are just a few samples on key resource issues, excerpted from statements on the House floor, speeches before conservation groups, or other published documents:

On the mining act of 1872: "The Constitution of the United States is nearly two hundred years old and it is still a sound, workable document. The Mining Law is nearly one hundred years old and it is an abomination and insult to the people of the United States."

On timber: "The Congress, in refusing to debate the infamous Timber Supply Act, maintained our national policy of protecting the public forests from the ravages of the timber-cutting industry. The effect of President Nixon's 'directions' to the Agriculture, Housing, and Interior Secretaries was to do by executive fiat what could not be done legislatively . . . Conservation, environment, ecology—that is, the public's concerns—are to be subservient to the pressures of the logging and lumber industry."

On the Alaska pipeline: "Why the rush? This oil has been in the ground for a billion years. It has been discovered in the last twenty-four months. Because a few companies have invested a lot of money is no reason to lay down and play dead."

On grazing: "These bills (sponsored by former Representative Aspinall and former Senator Gordon Allot, both of Colorado) seek to give a twenty-year renewable right to graze the public lands with little or no limitation placed on how the grazing would be performed. Under the Aspinall-Allot proposals, ranchers would be compensated for any reduction in grazing privileges. This is the antithesis of the free-roaming, cowboy, western, frontier spirit. It is the guaranteed-income plan for stockmen."

On predator control: "The war on predators has been waged with little scientific knowledge of their beneficial roles, or with little moral or ethical consideration for man's responsibility in conserving natural life as an integral part of the environment . . . The operations of one division of the Bureau of Sport Fisheries and Wildlife, sanctioned and sheltered by one administration after another, are sinister and contemptible. Yet it continues unleashed and virtually unchallenged."

Mr. Saylor had hoped, with the advent of a Republican administration, to be named Secretary of the Interior. It would have been the culmination of his public career. Certainly he had the background and qualifications to make an outstanding Secretary in the Age of the Environment. He was too independent, too committed to the public interest to be included in an administration marked by conformity, indecision, political expediency, and liaison with the special economic interests. If Walter Hickel lasted twenty-two months, it is hardly likely that John Saylor would have lasted out the first year.

Nevertheless, his name will be remembered long after those in executive policy positions are gone and forgotten. He left his mark on Congress and on natural-resource policy as did few men of his time. He takes his place in history alongside Gifford Pinchot, another Pennsylvanian, and Theodore Roosevelt as one of the Republicans who blazed conservation trails.

John Saylor was not a liberal in all things. He may have received the John Muir Medal from the Sierra Club, but he also received the Distinguished Service Award from the ultra-conservative group, Americans for Constitutional Action. This underscores a point that I have made repeatedly in this space: conservation belongs to no party and to no single point of view. Conservation is open territory, with plenty of room for all.

Representative Saylor gave a new dimension to the politics of conservation. He was a prophet in his own time, one of the few men in Washington who foresaw the inevitable onrushing environmental crisis, the need to husband our diminishing stocks of natural resources.

My personal appraisal is that he was impelled by good old-fashioned American patriotism. He was deeply involved, for example, in efforts to save the landscape in and around Washington. He saw the capital area as a shrine of the nation, a model to display before the world. A few years ago, he helped block the Democrats in power from giving away the marshes on the Virginia shore of the Potomac below Washington, which they thought should be filled in for high-rise development. More recently he helped stop the Republicans from giving away the Federal interest in the waterfront of historic Alexandria, George Washington's home town, for much the same purpose. He was the prime mover in Congress in the establishment of Piscatawny Park, embracing seven miles of the Potomac River on the Maryland shore, in order to preserve the vista from Washington's mansion at Mount Vernon.

The loss of such a leading figure is always a tragic blow, yet compensated by the legacy and lessons which he leaves behind. John Saylor rowed upstream against the Watergate tide. He showed that politics could be used for good purpose. Democracy like the use of the outdoors, is not simply a right but a responsibility. The best tribute that outdoorsmen can pay to the memory of this fallen friend is to become involved, participating at some stage of life in some form of the political process. Alas, we no longer can say, "Let Big John do it."

A CASE IN POINT

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. DAN DANIEL. Mr. Speaker, for all the fact that some folks think Washington, D.C., is the center of the universe, I regularly and consistently turn to the newspapers in the Fifth District of Virginia for the balance and perspective which is, to me, so notably lacking in the national media.

No better example exists than the lead editorial appearing in the Lynchburg, Va., News for Tuesday, February 5, 1974. While some in our immediate vicinity wring their hands over the high cost of national defense, the writer of this piece has displayed a high degree of perceptiveness, not only in identifying the problem, but in interpreting Washington reaction.

I include this editorial in the RECORD, and commend it to my colleagues:

A CASE IN POINT

Two giant SS19 missiles each carrying several warheads were fired from a site deep within the Soviet Union recently to a target area in the Pacific some 1500 miles away. This is the distance these weapons must cover in time of war.

Washington was not caught unawares. Defense Secretary James Schlesinger reported last August that the Soviets had begun testing their new multiple warhead system. Last weekend was the first disclosure, however that they were being tested under combat conditions.

There was, of course, no outcry in Washington. The Reds were not denounced for flexing their muscles in an attempt to bully us into giving away even more concessions in the second round of strategic arms limitations talks. During the first SAL talks, the U.S. gave the Soviets a big numerical superiority in offensive weapons. According to the latest U.S. estimates the Soviets now have 2,359 strategic missiles to our 1,710. Moreover, the Soviet missiles are on the whole much larger than ours, capable of carrying heavier payloads. In addition the Soviets have developed new attack bombers (we have not), and have modernized their fleet to the point where it can now effectively challenge the U.S. Navy for control of the seas. Two of the new Soviet missile subs are now stationed off the East Coast of the United States.

The foregoing by itself is neither new nor particularly interesting. The Soviets have been engaged in an arms race for years while the U.S. arsenal has remained at a standstill. Nor does the fact that the Soviets have surpassed us in nuclear capability seem to disturb Washington. What does seem to disturb that part of Washington called the U.S. Congress is the fact that the Air Force is planning to conduct similar tests with our Minuteman missiles.

These tests will be conducted over a two-year period from underground silos in Montana. Already Senate liberals are "viewing with alarm" and charging that the tests are not needed, too expensive, and an attempt to threaten the poor, peace-loving Russians who are trying so hard to achieve detente.

Typical of the Washington criticism was the speech last week by Senate Majority Leader Mike Mansfield. Mansfield said that while the Nixon Administration has not said so, he got the "distinct impression" that one of the reasons for the tests was to bring pressure on the Reds during the SAL talks.

"At a time when we are endeavoring to bring about international peace, the inland testing of such missiles seems to be entirely unnecessary," Mansfield told the Senate, adding that "The use of this weapons system in our international negotiations is untimely and unnecessary in my estimation."

He made no such criticism of the tests the Reds have been conducting and are continuing to conduct.

While admitting that the Air Force had authority to conduct the tests, and also admitting that they posed no threat to safety, Mansfield urged the Senate to "take a stand in opposition through the appropriation process"—meaning: threaten the Air Force with cutting back its funds.

Mansfield stated flatly that there was no need for the Minuteman tests because the missiles have proved highly successful in tests fired over water. The Air Force contends that the tests are needed to judge the accuracy and performance of the missiles under combat conditions. Because there is no margin for error in a nuclear war, it is necessary to test the missiles, their crews and backup squadrons under actual operating conditions. The Minuteman ICBM is the backbone of our nuclear defense.

It could be that Mike Mansfield, the former professor who represents the tiny state of Montana and the Democratic majority in the Senate, knows more about such things than the Chiefs of Staff and the Air Force. It appears more likely, based on his past efforts to downgrade U.S. defenses and pacify the Communists, that he is alarmed that the tests might anger the Reds and shatter a "detente" which has been maintained so far by U.S. concessions. It disturbs him, apparently, that the U.S. is taking action to protect itself against the rapidly overwhelming Soviet nuclear superiority—even at a time when the Soviets are conducting similar tests!

The attitude of such people is simply incomprehensible. They express no concern, no alarm over the Soviet record of broken treaties, invasions, repressions, brutalities, blackmail . . . The Soviet genocide in the Baltic states, the Soviet invasion of Czechoslovakia, the oppression of Jews and intellectuals—none of these trappings of despotism seems to phase them. They profess complete faith in Soviet good will!

Now you can't excuse such people as being naive nor regard them as uninformed. They know. But they seem not to care and some even to welcome a world in which such conditions are the norm. They seem ready, and some even anxious, to live under tyranny—perhaps to exercise a little of it themselves?

THE ROLE OF PARKS IN THE ENERGY CRISIS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. LOTT. Mr. Speaker, one of the potential tragedies springing from the energy crisis will be averted if we get the message to our constituents that the tourist business will, indeed, be alive and healthy this summer. In short, we need to turn what seems to be a negative situation into something which is really positive.

In an effort to encourage and promote tourism in the face of the energy crisis, I wish to enter into the RECORD the attached remarks by the Honorable Ronald H. Walker, director of the National Park Service, who spoke recently to a Jackson, Miss., conference on "Tourism and the Energy Crisis." Mr. Walker takes an interesting look at the role of the Park Service in the energy crisis but, beyond that, he emphasizes the positive role of the vacationing public.

The remarks follow:

THE ROLE OF PARKS IN THE ENERGY CRISIS

I welcome the opportunity to be here today. Since we are all in the same boat, we had better all try to row in the same direction. I thank the sponsors of this meeting for a real public service.

In the National Park Service we have tried to think positively about the so-called energy crisis. I realize that unlike most others represented here, we don't have to show a profit for a group of stockholders. However, in my view, there may be some important longer-range changes that may ultimately benefit parks, park users, and the way parks are used and enjoyed.

Our obligation—with or without ample supplies of energy—is to conserve the natural and historic heritage of this nation so that it may be enjoyed by this and future generations of Americans.

I'm sure that there are a few park superintendents who see in a reduced volume of visitors the chance to get at projects long deferred for lack of money and manpower. Projects that will help bring their parks back to the standard of excellence that is the hallmark of the National Park Service.

We have grown tremendously in the last decade. We acquired 79 new areas. Our visitation went up about 100 percent. Many of those new areas are not now up to standard. One of my primary objectives as Director is to make sure that they meet the standard—and soon.

But, like everything else, parks don't exist in a vacuum. I know full well that many communites depend on parks to generate the tourism revenue that is the difference between economic success and failure. Many private facilities were developed to meet the needs of National Park visitors.

So I want to go on record here today by stating that the National Park Service is not going to sit back just doing its own thing and let the rest of the nation take care of itself.

We will take every opportunity to catch up on the work backlog. But we will also do everything we can to help maintain a viable tourism industry in this country.

In my first year as Director I spent about 40 percent of my time in the parks—getting to know them and getting to know the very dedicated park personnel who run them. I think we have about the most dedicated, enthusiastic and energetic employees in government. And if there are solutions to some of these new energy related problems we are going to find them.

Now let's get down to a few cases:

There are indications that some of our more remote parks will suffer some decline in visitation. How much we don't know.

But it seems equally obvious that other parks—those parks close to large population centers—will see sizable visitation increases.

And I am sure that those parks in or near large cities will be positively flooded with visitors.

I'm sure that many Americans don't realize that there are 200 National Park System areas located within 100 miles of a metropolitan area. These are areas that can—and will—be visited with less than a tankful of gas.

So, while there may be some reduction at places like Yellowstone I suspect that Yosemite and Great Smoky Mountains—both close to large population centers—may hold their own or even increase. The C&O Canal outside Washington, Cabrillo National Monument in San Diego and Independence National Historical Park in Philadelphia will see more visitors than they have ever seen before.

Just recently I participated in a land transfer in New York City, one of the development steps for creation of Gateway National Recreation Aera. This new area in New York Harbor is a timely development, providing a close to home recreational opportunity for more than 20 million urban dwellers. We have a similar development in the Golden Gate National Recreation Area in San Francisco.

These, and other close-in areas, can be visited by existing and traditional transportation systems. I think we will be looking backward to the revival of old transportation traditions in the other parks as well.

Last summer my family and I spent some time—a wonderful time—in Grand Canyon National Park. Right in the middle of the visitor service complex stands the railroads station. It is now used, I was told, to receive only an occasional freight shipment.

Many other parks have similarly good rail connections. I hope that Mr. Lombardi of Amtrak may be able to give us an encouraging word on the revitalization of these facilities later in the convention.

It is interesting to note that in Los Angeles, where a great many of our visitors to all western parks live, efforts have begun to promote travel by public transportation.

For example, an article in the December edition of Los Angeles magazine says that new Amtrak package tours reveal "how old-fashioned and leisurely a winter vacation really can be." This would certainly apply to summer as well.

"Gas shortages," says the magazine, "could bring back a long ago era of visiting Yosemite by public transportation—this winter by Greyhound" from Los Angeles.

We are also considering encouraging concessioners in parks to promote package tours that would feature public transportation to the park, chartered bus service to points of visitor interest in the park, and which would encourage non-consumptive activities such as cross-country skiing, nature hikes and the like.

In Washington, D.C., rather than trying to discourage travel to Shenandoah National Park, for example, we are studying how National Capital Parks can best promote events and experiences within urban area parks which should tempt many people to stay home and get many of the same experiences they would otherwise have to drive three or four hours for. We would like to provide an alternative to travel rather than just saying "*don't*" when perhaps most people *can't* anyway. Why not try to turn what seems to be a negative situation into something which is really positive?

There are many ways we can help save gasoline for visitors once they get to the parks, or even before they get there. Our campsite reservation program—just completing its first year trial run—could avoid gas wasting trips to campgrounds already full. Likewise, it could avoid trips from campground to campground seeking space for the night.

We are considering other types of advance reservation for all kinds of facilities that would help eliminate needless travel within the parks.

Most parks close to urban areas do a lot of week-end business. On week-ends most urban transit companies have most of their equipment standing idle. Why couldn't these buses be used to get people to and from parks within 100 miles of the city?

If concessioners in the parks could be encouraged to rent camping equipment we could eliminate the need of a car to carry tents, stoves, etc. and encourage further use of mass transit to the parks.

We could also increase the availability of rental bikes, horses, canoes, and other energy savers.

This list is almost endless and we are continuing to develop it as fast as we can.

I am convinced that a very positive development to come from the energy crisis—an opportunity if you will—will be a change *in the way people* look at and enjoy the parks.

For years many thoughtful rangers and park superintendents have felt that too many people are so tied to a schedule of 500 miles a day that they never take time to really look at the park they happened to be in. Some stop only long enough to buy a scenic post card for their scrapbook. As in most things in life you get out of parks what you put into them.

The automobile is a great vehicle to get you to a park, but it can be a prison once you get there. Maybe now instead of trying to visit six or eight parks in a three week vacation, the vacationing American may have to spend most of his time in one or two. And believe me there is a quality experience away from the highway.

I think in this area all of us have much to learn from the younger generation. In most of the parks I have visited, especially out west in Grand Canyon, Yosemite, Yellowstone, Grand Teton, young people are there in ever growing numbers traveling by motorcycles, hitchhiking, walking.

They want to get out of suburbia. They want a park experience, a wilderness experience. And to them the trailer filled campsites in the parks aren't much different from the environment they are getting away from.

Most of them feel that with the pop-up, fold-out, walk-in luxury of some styles of modern camping that we are bringing with us the very things we seek to leave behind when we go out to "get away from it all" in the parks.

So they are moving out, moving back into the pristine back country areas, camping out and hiking and leaving their mechanized transportation behind. Now comes the energy crisis and a lot of us "older folks" are going to have to follow their lead. We're going to have to hoof it, too. I remember last September a travel writer on the porch of the Jackson Lake Lodge pointing up at the Tetons and asking, "Do people go into those mountains?" Many of us don't know what's out there beyond those parking lots. The kids come back and say, "Don't worry. Try it. You'll like it." I think we will.

Parents of the younger generation today didn't have the affluence or the free time in their youth to get away and do the things the kids are doing today. A lot of it is new to us. We've even heard the three-day weekend is just around the corner. We all may soon have more recreation time.

People are going to find it difficult to transport all the comforts of home to the park campground. They are going to realize soon, I think, that they aren't getting away from anything.

To really get away then they are going to have to venture further than that 100 yard perimeter of the parking lot back into the woods where they cannot only have a wilderness experience but a recreational experience as well. With a little education on wilderness hazards most anyone can feel comfortable on back country trails.

So maybe, in still another way, this energy shortage will prove to be a blessing in disguise. To say nothing of the exercise most of us need, we may find a whole new world out there.

Even in the most beautiful of parks there is a limit to how far you can walk. Fortunately the Park Service has already done a lot of work on people movers in the parks.

Once you get to Yosemite, for example, you can park your car for the duration of the stay. A free shuttle bus will take you all around the valley. Horses and bikes are available, too. Similar buses are now in operation at Everglades, Mount McKinley, Mesa Verde, in Washington, D.C., Lyndon Johnson Birthplace in Texas and will begin operation this Spring along the south rim of the Grand Canyon.

We have already selected 21 parks where shuttle bus service can be established in a short time with reasonable effort and cost.

There will be many new worlds for a lot of people because of the energy crisis. We are now faced with a lot of crash projects because as a nation we have developed some lazy energy habits we will now have to shed. I hope that we will develop a little more foresight as well.

And, I would like to point out that some of the nation's leaders were giving us warning of what is to come. Back on June 4, 1971, for example, President Nixon warned the nation that just because we had been able to double our energy consumption in the past twenty years, we could not assume "that sufficient energy will always be readily available." Not many of us listened.

I hope people are listening now. For those who hope to continue to enjoy the nation's heritage of parks and historic sites I would like to sum up and suggest the following:

1. Trains, buses and planes go to or near many National Park Service areas.
2. There are 298 areas in the National Park System; one or more probably close to your home.
3. Seeing one park well is better than superficial visits to several.
4. Tours, car pooling, charter buses can help you get there.
5. Once in a park, mass transit, the bicycle and footpower can help you get around.

I am sure that American ingenuity will come up with even more ways to get to the parks. And I am positive that whichever park you get to we will be ready to help you enjoy the experience, to learn from it and to be a better person and better American because you have been there.

In the natural parks where nature both teaches and inspires or in historical areas where the strength of a nation passes from generation to generation the National Park Service wants to share with all the national birthright.

Thank you.

WASHINGTON CREDIT UNIONS PROVIDE HELP FOR POOR

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PATMAN. Mr. Speaker, when Sargent Shriver served as the director of the Office of Economic Opportunity, he told me that credit unions were one of the most effective tools in the war on poverty. He pointed out that low-income credit unions were helping many families to better themselves and had encouraged habits of thrift where none had existed before.

Among the most outstanding low-income credit unions in the country are those operating in Washington, D.C. Although these credit unions received some Government funding to help meet managerial expenses, all of the lending funds were achieved through member savings and shortly even the subsidized managerial funds will be withdrawn in a plan to enable credit unions to operate entirely on their own.

The December 4 issue of the Washington Post carried an outstanding article about the low-income credit unions in Washington. Rather than place the article in the Record at the close of the first session, where because of the press of closing business it might be overlooked by Members, I have withheld the insertion of the article until today so that every Member will have the opportunity to read the article. Hopefully it will lead to additional low-income credit unions in other congressional districts throughout the country:

Neighborhood Credit Unions Aid Poor in City

(By Barbara Bright-Sagnier)

Last year Amiel Summers lost his job. For 10 months he and his family lived off savings while he learned the real estate business. Then money ran out. The rent was overdue and his first commission from a house he'd sold would not come through until December.

"Last year I'd been helping underprivileged people solve their problems," said Summers, 50, previously a counselor for Training Corp. of America, a Job Corps contractor. "This year—ker-plunk—I found myself with problems of my own."

Summers knew he couldn't get a loan from a bank or loan company. "I'm strictly on commission," he said, "and no one was interested in how productive I'd been in the past had I gone to a conventional lender, it just wasn't there."

But from the People's United Community Credit Union, Summers, who lives at 1815 Kalorama Rd. NW., got a loan for $250 to pay his overdue rent. He will repay it in 12 installments at 12 per cent interest prorated monthly on the unpaid balance, or $22.21 per month.

Amiel Summers is one of thousands of District residents who have turned for financial aid to the 10 community savings and lending cooperatives that are part of Washington's American Federation of Community Credit Unions.

Traditional banking and lending organizations have long held that low-income wage earners are a bad credit risk, said William G. White, managing director of the D.C. Credit Union League, Inc. "The poor are generally forced to pay higher interest rates if they want to borrow money," he said.

It was to remedy this situation, said White, that the Credit Union National Administration broadened its charter base in 1964 to allow for the establishment of community credit unions.

Most credit unions—financial cooperatives that do business only with their members—have been set up in industry, government, business or commerce, said White, and the common bond of their members had been where they were employed.

Community credit unions, on the other hand, drew their membership from the residents of a single neighborhood. In 1965 the Office of Economic Opportunity struck on the community credit union idea as a method to alleviate poverty in inner-city neighborhoods. By channeling OEO funds through the District's anti-poverty agency, the United Planning Organization, 9 community credit unions were set up. With the addition of Peoples' United, the newest financial cooperative, the number grew to 10.

"Through the community credit unions, the poor man or woman has a place to save where nickel and dime transactions will not be ridiculed," said Richard Saul, research specialist at OEO who has worked with community credit unions since 1967. "He also has a place to borrow where the interest rates are as low as those enjoyed by the middle class."

"The credit unions have a vital role to play in the community," said White. "They are the one avenue available to the poor to avoid the high-rate money lender. This is the one bright hope of people having an opportunity to help themselves."

Underemployed, often poorly educated, sometimes on welfare or public assistance programs, the poor were often able to get credit "only through loan sharks," said White. Their inability to get credit at rates paid by the middle classes complicated the poor man or woman's attempt to raise his standard of living, he said.

"It's the unfortunate truth," said Joann Kelly, administrative secretary for 15 years at the credit union league, "but the situation has been like the old saying: 'Them's that has, gits.' "

Banks generally discourage the low-income earner, who might need a small loan to buy a refrigerator or a television set. "A one-year loan for under $1,000 would be unprofitable," said Odd Blorstead, vice president in charge of installment credit at Riggs National Bank. The Bank of Bethesda, for example, does not make loans under $300, according to William D. Poling, bank vice president.

Small loan companies, however, may hide the annual percentage rate, said White, unless the credit seeker can read and understand the fine print.

The District has strict laws for small loan companies, said White, allowing 12 percent annual interest. But in Maryland, a loan company may charge 36 per cent annual interest for small loans up to $300, and in Virginia, the allowable interest rate is 30 per cent. Discount loans, in which the interest is paid off before the principal, can carry 24.81 per cent interest rates in Maryland.

If a person buys an automobile and must finance his insurance premium, the interest rate in Maryland may be 58.8 per cent for the first $120, and in Virginia 53.93 per cent for the first $150.

White said he was quoting from figures published in an official credit ratebook by the Financial Publishing Co., Brookline, Mass.

"If you don't know these things, you're at their mercy," said White. "And most people don't."

Shirley A. Grasty, managing director of the 10 UPO-subsidized credit unions, said the low income borrower often turns to the community credit union as a last resort.

She told of a woman who worked as a maid who had borrowed $300 from a Maryland loan company, and after 15 payments of $17.71 each still had $253 of the debt to repay. Apparently she had missed some payments, the credit unions director explained, and had been charged penalties for late payment as well as the 36 per cent annual interest rate.

The woman's employer, who learned of the situation when the loan company began harassing the maid at work, contacted UPO, which referred the call to the Far East community credit union.

Shirley Grasty, who prefers to be called Ms. Grasty, said the woman was able to borrow money to pay her bill in a lump sum and repay the credit union through monthly payments at 12 per cent interest.

Persons eligible for community credit union membership, according to Ms. Grasty, are those who live or work within the community boundaries, own a business there, or belong to a church, club or other organization within the community. They may join by paying a 25 cent membership fee and contributing to a $5 "share," or savings.

The UPO-sponsored community credit unions in the District are: Peoples' United, which serves the Adams-Morgan area; Hospitality, in the near northeast; Armstrong, in the N. Capitol Street area; Friendship, in the southeast; Far East, in the far northeast area; Anacostia; Fides, in the Shaw area; Southwest, in the newly developed Southwest; Change, in the upper Northwest, and Central Cardozo, which serves Cardozo Heights.

Far East is the largest with a membership of 2,452 persons. Hospitality with 2,144 members has the largest savings ($494,643.06) and loans ($438,021.23). Hospitality has recently broken ground on its own building.

Among the 10 credit unions, the average share per member is $128; the average loan per borrower is $569. The ratio of loans to shares, or money loaned out as compared to money in savings, now stands at 88.6 per cent, according to the American Federation's consolidated report ending Sept. 31, 1973, and certified by John Henderson & Company, certified public accountants.

From their beginning in 1965 to September of this year, the community credit unions loaned $12, 402,245.95 to 33,086 member-borrowers, the 1973 report shows. The savings balance of "shares" at the credit unions as of September was $2,500,662.47, accumulated by 19,451 members and earned 4 per cent dividend yearly.

"We're trying to get 90 to 95 per cent of the money out in loans," said Ms. Grasty. "That was why we were created."

"Most people join us to get a loan," she said. "It's up to us to build the thrift part". Without savings, she explained, there would be no money available for loans.

Loans may be made, according to the charter, "for any provident purpose." Which Ms. Grasty said generally means for household appliances, home repairs, cars, medical expenses, taxes or to consolidate bills.

Cornella Mitchell, of 921 Potomac Ave. SE, borrowed $89 to buy a storm door. Hannah Nelson, of 760 13th St, SE, borrowed $900 to consolidate her family's bills, which made it possible for her and her husband to pay cash for a new living room couch. Mrs. Mitchell and Mrs. Nelson are members of the Hospitality credit union, and of the Homeowner's Equity, Inc., a special home improvement loan arrangement for persons who bought their homes under the HUD 235 program, which insured home mortgages for persons of low or moderate income.

Walter Pierce, of 1892 Ontario Place, borrowed $250 to pay for use of the Wilson High School stadium during the Adams-Morgan Football Classic sponsored by the Ontario Lakers sports club. Harvey Carpenter, of 1910 Kalorama Rd., borrowed $250 to pay for Christmas shoping and to buy some equipment for the day care center he owns at 2326 Ontario Rd.

The advantages of the community credit union, said real estate salesman Summers, is that members of the loan committee "are people from the community who understand your situation, because they may have been there themselves."

"Poor people miss out on a lot of opportunities because they don't have capital," he said. "The community credit union helps them because they can get capital, and fairly quickly."

Frank Gross, 19, of 4032 20th St. NE, had been denied credit at several lending institutions before he turned to the Peoples' United credit union, he said.

"They said I was too young, or since I'd never had credit, I couldn't get credit," said Gross. "Or else they said my income was uncertain since I'm a student."

Gross said he takes home about $156 weekly as a student fireman and from partime work as a mailbag handler at a Maryland warehouse. He said the Peoples' United credit union had loaned him $250 to buy his girl an engagement ring for Christmas.

Credit union members may need financial counseling, as well as a loan, said Ms. Grasty. "They may need to change their spending habits. Some people think that the fact they're in debt is a crime. We have to build thier confidence so they'll tell us about all their debts. Being in debt is a problem, but it's not a crime."

About two-thirds of the credit unions' members get a weekly pay check, said Ms. Grasty, but the other third work part-time or subsist on welfare payments. "We're challenged by the OEO to take people for loans who have ben turned down by others," she said.

Last year, the credit unions made 757 loans (amounting to $193,474) to persons whose income was in the zero to $3,000 per year bracket, Ms. Grasty said, persons who bankers agree would probably have been denied credit at thier instituions. The credit unions made 545 loans to persons earning between $3,000 to $4,000 per year and 553 loans to persons in the $4,000 to $5,000 per year bracket. The largest number of loans, 810 were made to persons earning between $5,000 and $6,000 per year.

Much of the credit union program, said Ms. Grasty, is education in economics. The average borrower, she explained, does not know that if he buys a $298 television set with a loan from the credit union at 12 per cent a year, he pays $28 less than if he used the revolving charge accounts of department stores such as Hecht's or Sears. Most retail stores explain their interest rate as 1½ per cent per month, which amounts to 18 per cent annual interest rate.

Many of their members seek to consolidate their bills, said Ms. Grasty, in which case the credit union will contact the creditors to arrange a reduction in the monthly payments and eliminate the finance charge.

In dire cases, the credit unions recommend bankruptcy, but Ms. Grasty can recall only 25 bankruptcy petitions within the last three years.

With some members, the training in economics doesn't take, admitted Ms. Grasty. "We do lose some, who fall back into their old habits. If a personal talk doesn't help, explaining to the member now he or she is hurting their own organization, we turn accounts over to collectors."

Collection agencies then keep 50 per cent of the defaulted debt. "But half of something is better than 100 per cent of nothing for the credit union," said Ms. Grasty. "We feel we have an obligation to our members to keep the credit unions solvent. We consider ourselves community, but we're not pushovers."

Only 1.4 per cent of the total loans have been lost in the eight years the credit unions have been operating, Ms. Grasty said, and loans amounting to $228,108.23 have been turned over to collectors.

The current delinquency rate for the 10 credit unions stands at 9.2 per cent, but Ms. Grasty said she is not alarmed, since this includes many who have missed only a payment or two. "These are hard times," she said.

White said the average national credit union delinquency rate is 2.3 per cent. The loan loss ratio, he said, is .28 per cent.

Both figures are considerably lower than the District credit union figures, but White said the community credit unions in the District were the most successful in the United States. He said D.C. Credit Union League officials had felt "a personal commitment" to train and assist the credit unions.

"As a group, they are the most solvent. They have half the assets of all the 250 community credit unions sponsored by or related to OEO," said White.

Since 1970, the credit unions have worked toward becoming self-sufficient, said Ms. Grasty. Hospitality and Armstrong now require funding for only 20 per cent of their operating expenses, she said, and the other credit unions range from 60 to 70 per cent self-sufficiency.

Last year, the United Planning Organization funded the credit unions with $256,574—about half their operating expenses. In 1970 the funding amounted to $300,000. The funding has gradually decreased and at the same time our expenses have gone up," said Ms. Grasty, "which means we're paying more of our own way."

In 1971 the credit unions, which had already been selling some food stamps, absorbed more of the city's food stamp distribution into their program to reach potential members among the poor and to earn the 75 cents per transaction as the food stamp agent.

Although the average credit union takes 50 per cent of its profits for operating expenses, said Ms. Grasty, the community credit unions now take 65 to 70 per cent.

Expenses are higher, she said, because the community credit unions as part of their UPO sponsorship, are obliged to train community personnel. About 70 per cent of the staff have been trained on the job, she said, occasioning a high turnover rate when the trained personnel go on to higher paying jobs.

EDUCATION AND ATHLETICS

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. CEDERBERG. Mr. Speaker, all too many of us have heard, and perhaps used, the cliche that a competitive loss "builds character." We see ourselves winning or losing battles, athletic and otherwise, in terms of the moment, the competition, and seldom reflect on the overall effect that the struggle has on our lives.

Today, in the face of rapidly increasing costs, many are questioning the value of intercollegiate athletic competition. Usually the question is raised in terms of "so much being spent for so few." In this debate little attention is given to deepening our understanding of the broad role which athletic competition plays in the life of all students, in the life of the university community, in the lives of those who follow athletics.

I would like to bring to the attention of my colleagues an outstanding look at the role of athletics in the educational experience. In the following article the author notes that the "test of legitimacy—of an educational task—is the contribution . . . to education." Dr. Ping analyzes the role of athletics, especially intercollegiate athletics, in the educational experience and finds a significant contribution to not only the athletes involved but to the entire university community.

I take the liberty of bringing this fine speech to the attention of my colleagues not only for the genuine understanding that it brings to the role of athletics in college life, but for the insights that it gives also into the human spirit—and therefore, to the role that the challenges which we face daily play in the development of our own spirit.

I am proud that the remarks which I bring to your attention were delivered at a very fine university in Michigan's 10th District, Central Michigan University at Mount Pleasant. With administrators like Dr. Ping guiding the affairs of the University I am confident that it will continue to provide not only a quality education but growth to the human spirit. I commend Dr. Ping's remarks to your attention:

(Dr. Charles J. Ping assumed the position of provost and Vice President of academic affairs at CMU in 1969. Prior to coming to CMU, Ping served as vice president and dean of the faculty of Tusculum College in Tennessee. He joined the Tusculum faculty in 1966. In 1968 he was named acting president of Tusculum. Ping was a member of the Alma College faculty from 1958 to 1966. For a short time he served as a line coach for the Alma football team. Ping earned his B.A. degree from Southwestern at Memphis, the bachelor of divinity degree from Louisville Presbyterian Seminary and the Ph.D. degree from Duke University. Following is the text of a speech given by Ping at the annual football awards banquet November 27 on the CMU campus. The banquet honors the football team, coaches, seniors and outstanding players.)

I have a love for athletics. As a player, as a coach and as a spectator, sports have been a source of constant delight in my life. This is a bond I share with my father and now, in turn, with my son and daughter.

My life is richer because of athletics, but I am troubled. I am troubled by the stories from Louisiana, Oklahoma, Florida, and Hawaii. I am troubled by what I believe to be fair and accurate criticism of athletics—criticism such as—(1) costs—All resource allocations are value judgments. Behind the actual dollar figures for athletics are unexamined value judgments to the effect—this is necessary, this is important, and something else is less important. (2) racism—while there is a great deal of subtle and unthinking prejudice manifest in athletics; (3) sexism—This is overt; it takes the form of an indefensible distribution of support for athletic programs. Such discrimination mocks the claims of a university to be a community; (4) The catalogue of ills could be expanded—recruitment practices, dehumanizing and brutalizing drils, exploitation.

As troubling as the facts are, much of reaction to scandal and criticism is even more troubling. Corrections are long overdue. The status quo is not acceptable. We may be on the threshold of a convulsion in intercollegiate athletics equal to the trauma which led to the establishment of the NCAA. The common themes used in defense of intercollegiate athletics by university administrators and leaders of the athletic establishment are infuriating, and, ultimately, more destructive than the attack. To rationalize intercollegiate athletics as an end in itself is to lose an essential perspective. Athletics are a part of campus life, a dimension of an educational environment.

As a university, we do not have an educational program along side housing programs, student services programs, and athletic programs; we do not have an educational program because we are an educational program. Education is not an aspect of university life; education is the basis for that life, the reason for the bringing together a varied collection of students, professors, clerks, janitors, accountants, computer programmers, administrators, librarians, coaches, physicians, cooks and counselors. Whatever our tasks in the university, wherever there is an investment of human or material resources, the test of legitimacy is the contribution of that investment to education. Time, decisions, activities, allocations are all subject to this test.

The end sought is human development. Thus, the campus provides setting and occasions for the maturing of understanding, of language, of conceptualization and of skill. Beyond the cognitive, the processes entail nurturing the human capacity to respond to others, to feel and to express, and most importantly, to make judgments and to value.

All that we do as a university must conform to this standard of purpose. When applied to the athletic program the conclusion must be clear. The countless hours of effort, the investment of life energy by coaches and players, the thousands and thousands of dollars expended annually in equipment, supplies and expenses, the huge capital investment for facilities must have as their end human development.

The balance sheet on this investment would be read differently by various members of the university community. I cannot be sure what conclusions a careful analytical study would reach. But of this much I am confident—athletics can provide rich and varied educational experiences. It is this fact, and this fact alone, which ultimately justifies university involvement in athletics.

What are these educational values? A typical list would include discipline and character. Now discipline I can understand, but character is puzzling because it is so often associated with losing. After a disastrous season some years ago, I listened with my teammates to a banquet speaker wear out the theme of character. We were ready for life, he insisted, after that 1 and 8 season.

I remember thinking—what nonsense! If the season we had just finished developed character, who would want that kind of character! Discipline and character have worn thin as themes and I think much more can be said.

One of the most important human experiences is a sense of belonging, the establishment of a group relationship which commands the human response of person with person. Our lives are a steady succession of half-formed communities—of clubs and fraternities, of interest groups, of business or professional associations—which seem so often to lack intensity and power. Only rarely in life do we have a meeting which establishes a genuine community, a commonness in which we surrender a part of our individual self interest and join with others.

Some of the most vivid experiences of belonging in my life are associated with teams and teammates. This is not always true; the experience can be empty of meaning and value; but when it is real, the experience of a team is remarkable. What creates this sense of belonging? Is it a product of hard, sustained work together? Is it perhaps a sense of an intense loyalty to a common goal? Is it shared satisfaction and achievement? Perhaps no one who has had the experience would exclude any of these suggestions. Almost by definition, when you have a functioning team this sense of belonging holds.

It would be wrong, however, to identify this experience too narrowly. Team sports represent only one form of potential for community on campus. This realization of community for many comes through drama, or debate, or music, or campus publications. One of the sad commentaries on academic life is the fact that community is seldom realized as a product of consciously shared intellectual interest. Whatever the form, brief and fleeting though it may be, the experience of community enhances and develops human potential. It teaches through experience the important lesson that one man is no man and that man is more fully human with man.

Secondly, athletic competition occasions a sympathetic experience. The experience drives perception beyond the commonplace to the dramatic. The experience is sympathetic in at least two senses—one, the sense of being consonant with or congenial to, and two, the sense of a reproduction of the same vibrations, such as, sympathetic sound.

Most of life follows a pedestrian and commonplace pattern. The tingling feeling of tension and excitement is rare, all too rare. While the ordinary is not necessarily dreary or dull, the moments of true drama in life are precious. Such moments stretch and enlarge life.

Drama moves through conflict and tension to climax. The conflict engenders tension. With the acting out of the tension there is a sharpening of awareness and dynamic energy. The forces in conflict move toward climax and catharsis.

All who imaginatively penetrate the experience participate in this struggle. For the actors, the dramatic tension is something they must feel. An athletic contest can be a sympathetic experience for participants and spectators alike. Even though it is only a game, the charged air, the sense of conflict and the resolution of conflict, the joy and the anguish, have an electric effect on all who are caught up in the moment.

If this is the sole form of the experience on campus, then the educational life of the campus is impoverished. But that athletics can provide one experience of excitement filled with drama is demonstrated over and over again. Once you have experienced drama, never again will life be quite the same. The memory and capacity are part of your life. Having stretched life under the force of drama, life can never again quite come back the same shape.

Thirdly, athletics release, at least momentarily, the human capacity for high emotion and an uninhibited sense of joy. We chain and gag so much of life, that only in those few moments when we lose ourselves in excitement do we experience "the ideal of truly exurberant, alive, and world affirming man" (Nietzsche).

In recent years one recurring topic of discussion in education has been affective or expressive learning. What is meant by these terms is not clear. Much of the literature discussing the subject of affective learning is marked by a fluffy quality. Like cotton candy, the substance looks good and smells delicious but when you take a bite there is nothing there to chew and the discussion dissolves into a sticky residue lacking both substance and form. Yet I think the explorations of affective or expressive learning have exposed a void. As an educational program we are so preoccupied with cognitive learning that we may waste human potential. We have fostered a climate in which education becomes a grim and joyless experience. The fact is documented by people's faces and attitudes. It is reflected in the words we use—"requirements," "assignments." As I read student reactions, undergraduate experience becomes an obstacle course. A series of hurdles are to be passed or jumped or climbed. There is little joy in the task. Where is the sense of delight in coming to know which should mark such an experience?

The German philosophers of his day, according to Nietzsche, could not dance, and, therefore, could not philosophize:

"Thinking seems to them something slow and hesitant, almost a labor, and often enough 'worthy of the sweat of a noble man,' but never something light, divine, something closely related to the dance and to playful high spirits. 'Thinking' and 'taking something seriously,' 'taking it gravely,' are to them the same thing . . ." (Beyond Good and Evil, Friedrich Nietzsche)

To reach beyond oneself. To know you have become something more is an experience full of satisfaction and happiness. Conditioning and training produce such an experience. The feeling of well being is common to the well conditioned athlete. The experience is described by the feeling of leaving a locker room bruised and tired but somehow fulfilled. This experience of joy is not a matter of constant pleasureful moments, but of drudgery and pain and stress and strain. The joy is the satisfaction of becoming something more. To know this is to experience the meaning of development and to experience the only effective motivator for learning. If we could find some way to carry this experience over into the classroom, if we could reproduce a sense of delight in becoming some more, education would take on new life and force.

Ours is a culture which inhibits expression and a system of education which cripples emotion. We all too seldom dance. Dance as a form of expression is awing in its capacity to express and develop human emotion. Many other cultures use dance for joy or sorrow or excitement or zeal. The Greek novelist, Kazantzakis, created a memorable character in Zorba the Greek; Zorba, whose love of life, whose sense of the earth, was expressed not by words so much as dance. It may be that athletics fills the void created by the absence of dance. Ours is a culture in which men seldom touch or embrace in a free expression of joy and happiness. Yet it is a rare athletic contest without this experience. Tears come hard to most men, and when they come, are hidden in embarrassment. Yet there is a freedom to cry as well as embrace on the athletic field.

The nurturing of the expressive sense is one of the key justifications of an athletic program. Athletics for many serves as expressive movement. How uninhibited is the massed team as they huddle before a game. There is release of human potential in that movement. Only rarely in life do we feel free to express ourselves. What seems more natural than the crushing bear hug in the end zone. The embrace is an expression of joy welling up. How open the tears and how freely the tears can flow. I have a vivid memory of a rugged line backer—a tough, hard, aggressive, strong man.

The picture in my mind is his running to the sidelines with tears streaming down his cheeks after the other team had scored a fourth touchdown; he came to me, grabbing my arms and shouting, "Coach, what can we do?" There was nothing odd in the freedom with which he expressed his emotion and yet I suspect seldom in the rest of his life will he feel free to express himself as he did that day.

Without the driving force of strong feeling, little will be undertaken in life and even less accomplished. To experience and to express strong feeling—this is a contribution to human development. Frank Broyles spoke at a coaches' clinic in Michigan some years ago. He was describing the Arkansas Monster Man defense. "You gotta believe—you gotta feel it"—over and over again he repeated the words. I thought for a moment we were going to have an altar call when he was finished. But what made it a vivid and poignant experience for me was the contrast with the experience of the previous day. Just the day before I had been working with a philosophy seminar analyzing Hegel's philosophy of history. The class discussion had not caught fire. What I had been unable to interpret to my philosophy students, Coach Broyles had effectively conveyed to that audience of coaches. Before he was finished Frank Broyles was unconsciously paraphrasing Hegel. The course of world history, Hegel argued, is the gradual unfolding of the idea of freedom in the state. This is the end but the moving force, according to Hegel, is passion, where "the whole will and character is devoted" to the realization of the idea. Hegel wrote and Frank Broyles interpreted: ". . . nothing has been accomplished without an interest on the part of those who brought it about. And if 'interest' be called 'passion'—because the whole individuality is concentrating all of its desires and powers, with every fiber of volition, to the neglect of all other actual or possible interests and aims, on one object—we may then affirm without qualification that nothing great in the world has been accomplished without passion."

A realization of community, a sympathetic experience of drama, a sense of high emotion and joy, this is a large task and one concerned with the development of basic human potential. But the critic says, "After all, it's only a game and all the men merely players . . ."

SAT SCORES: WHAT HAPPENED TO THE BEST AND THE BRIGHTEST?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. HUBER. Mr. Speaker, on January 22 of this year, I placed in the Congressional Record an article describing the decline of SAT scores during the last 10 years. Anyone who has followed the progress, or lack of progress, in public education was not surprised. The teaching of reading, English composition, and mathematics has been steadily downgraded during that period, albeit under the guise of various "innovative and relevant programs." In an article in Saturday Review/World, for February 9, 1974, Mr. Fred M. Hechinger analyzes some of the causes for the decline in scores. In general, his points are well made. However, when he blames the low scores, in part, on the effect of various national crises, I think he has missed the point. All too many teachers have made a career of teaching the "news of the day," instead of the basic subjects they were hired to teach. Too many people in our schools have spent time expounding on "situation ethics," instead of attempting to teach measurable norms of social and intellectual standards. Our educators have taken the easy way out, which has compounded the problem of a TV generation that wants everything "now."

The article follows:

SAT Scores: What Happened to the Best and the Brightest?

(By Fred M. Hechinger)

According to popular as well as psychological folklore, each new American generation is not only taller but also smarter than any of its predecessors. Thus it was not surprising that the monitors of the 1960s youth culture proclaimed adolescents of the era as the best and the brightest.

Against such a background, what is the country to make of the recent disclosure by the College Entrance Examination Board (CEEB) that high school students have been scoring steadily worse on the Scholastic Aptitude Tests (SATs) administered to most college applicants? The initial reaction to the news that the scores have been in a ten-year downhill slide is one of shock and disbelief.

The tests, which the Educational Testing Service at Princeton, New Jersey, administers for the CEEB, are the pride of objective testing. The separate scores for verbal and mathematical aptitude run from a low of 200 to a maximum of 800. In 1962–63 the mean scores had been 478 (verbal) and 502 (mathematical); in 1972–73 they were 445 and 481 respectively. Over one million students took the tests last year.

"At first, the news hit me square between the eyes," said Ernest L. Boyer, chancellor of the State University of New York. "The experts had told us not only that the kids were brighter and more sophisticated, but also that the difference constituted something like a quantum jump upward."

After the initial shock, however, Boyer and other observers began to raise questions—about the tests and the schools as much as about the youngsters. Even though none of the questions have as yet been satisfactorily answered, they are the beginning of an appraisal without which these startling statistics could be grossly misinterpreted and abused. For the anti-youth forces, who have been waiting for an opportunity to cut the kids down to size, the new statistics are an invitation to vindictiveness.

Because any hasty, unproven conclusion that "they don't make either the kids or the schools like they used to anymore" could set off another round of acrimonious controversy, a sensible reaction would be to raise some possible explanation for dispassionate discussion:

More is worse. The dramatic increase in college applicants during the 1960s should have been expected to lower the scores, particularly since a greater proportion of the new candidates came from the lower socioeconomic sector. If James S. Coleman is right in saying that home background is the most important factor in school *achievement,* then it is more than likely that the environment would also affect a student's *aptitude*. Indeed, CEEB statistics also confirm that students from high-income families score higher on the SATs.

Tempting as it is to accept the demographic logic of that explanation and to drop the matter, the answer turns out to be less than airtight. One informed CEEB source points out that the number of test takers actually had stabilized at about one million several years ago. Yet the decline in the scores continued. Clearly, other possible contributing factors must be considered.

The McLuhan generation. The new generation's minds have been shaped far more by the electronic than by the print media. Children today see and hear more (and understand at least some of it at an often frighteningly early age), but they read less and have less time for reflection. After his first year of teaching English in a middle-class section of Brooklyn, a young man complained: "If I give them fifty pages of overnight reading, I have a revolution on my hands."

The other side of the coin was revealed in the sudden, startling comment by our own son when he was only five years old: "You're nicer than the average mummy." On investigation, it turned out that he had been a steady viewer of television's Yogi Bear, who "is smarter than the average bear."

High school students have grown up amid a steady onrush of national and international crises that call for sophisticated responses, and amid an equally steady decline in measurable norms of intellectual and social standards established by society and school. Such uncertainty makes it harder to answer objective questions.

Non-verbal classrooms. The schools have adjusted to the new style by sacrificing much of the analytical part of learning to mere spontaneity. Under the onslaught of critics who consider all drill autocratic, teachers have moved away from parsing sentences, analyzing ideas, and preparing outlines. Modern language enrollment has declined sharply. Yet those are the activities that sharpen the talents that lead to high SAT scores.

In 1960 Dr. Albert Upton, professor of English at Whittier College, subjected 280 freshmen to a regimen of examining the relationship between "words and things." After eight months of such training, the students' I.Q.s had been raised by an average of ten-and-one-half points. SATs are related closely enough to I.Q. tests to make it qutie likely that a decline in the schools' emphasis on the analytical skills may lower the scores of even bright and sophisticated students.

The easy way out would be simply to charge that the tests have not kept pace with a changing generation of youngsters. While that is probably true, it evades the real issue—how damaging a retreat from analytical, print-oriented schooling will be in the long run. The greater sophistication of the Now Generation, with instant experience and instant reaction, could be an enormous asset. But unless its experience is cross-fertilized with the deliberative and analytical skills of the pre-electronic age, that generation may go intellectually soft—all heart and little mind.

Nothing quite so alarming need yet be indicated by the decline in the SAT scores. The trend does not necessarily prove that the new generation is not as bright as its admirers had thought. But it does suggest that the alignment between students, schools, society, and tests may no longer be in balance. A simplistic response would be to fiddle with the tests; a more fruitful approach would be to try to learn more about the relationship between young people and the intellectual environment that dominates their education and indirectly affects their aptitudes.

CLASS WAR OVER TUITION

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. PERKINS. Mr. Speaker, I want to take a few moments to commend our distinguished colleague, the gentleman from Michigan (Mr. O'Hara). **Jim has** served with distinction on the Committee on Education and Labor since 1959. With the beginning of the 93d Congress he assumed the additional responsibility of the chairmanship of the Special Subcommittee on Education—with specific jurisdiction over matters affecting higher education, including student financial aid programs.

The untiring efforts Jim O'Hara has put forth in his new role of chairman of this subcommittee has commanded the admiration of his colleagues on the committee and of educators across the Nation. He has spent months methodically deepening his knowledge of the very significant matters within his subcommittee's jurisdiction. We can already point to specific improvements in the student aid programs as a result of his diligence and work.

I am, therefore, quite pleased to note that Jim O'Hara is receiving very appropriate praise from other sources for his great and untiring efforts. Yesterday a column appeared in the New York Times which discussed a very controversial issue in the field of higher education, and that column gave Jim O'Hara due praise for his efforts to focus national attention on this matter. I include the New York Times column at this point in the Record:

[From the New York Times, Feb. 6, 1974]

Class War Over Tuition

(By Fred M. Hechinger)

Many of the cures currently prescribed for colleges' fiscal troubles threaten to turn higher education into an instigator of class warfare. The irony in this prospect is that for nearly three decades American higher education has been a major force for the eradication of class differences and hostilities. It has notably narrowed the gap, both in aspirations and opportunities, between haves and have-nots, between privileged and underprivileged youths.

Through a dramatic expansion of educational access across class lines, the post-World War II G.I. Bill of Rights set in motion a trend that substantially reduced the risk of class conflict. The subsequent massive expansion of free or low-tuition public campuses signaled what seemed the permanent removal of economic and class barriers from college gates.

Those gains are now in jeopardy. College costs have followed the general inflation. The annual all-inclusive bill for each student now approaches $5,000 at many private universities and $2,000 or $3,000 respectively for state residents and out-of-state students in public institutions.

Yet prestigious national panels of educators, economists and social planners are advocating a policy of charging higher tuition at the public institutions. They argue that the private sector's survival is threatened by competition from low-cost public education; that a greater part of the cost for public higher education ought, for this and other reasons, to be charged to students; that affluent families reap excessive benefits from tax-supported low tuition; and that middle-class students are well able to shoulder a higher tuition burden.

Such contentions perpetuate a popular myth about American society—that the majority of families are affluent and that, except for the aberration of poverty, ours is essentially a classless nation composed, in the main, of one all-inclusive middle class.

That myth bears looking at against the statistical background provided last week by the National Commission on the Financing of Postsecondary Education. The income of families of youths in the 18 to 24-year age group divide as follows: 23 per cent are at poverty level, below $6,000; almost 58 per cent fall into the $6,000 to $15,000 bracket. That leaves fewer than 20 per cent of all families with children of college age at $15,000 and above.

Viewed against such realities, the demand that "the middle class" carry a larger scale of the tuition burden appears in a different light. Representative James G. O'Hara, Democrat of Michigan, who has been leading the battle against higher tuition in public institutions, said: "From the point of view of the Detroit auto worker who is making over $12,000 a year now and has to moonlight to make ends meet—from the point of view of the schoolteacher or the cop or the accountant or the salesman who has seen meat priced out of his life-style it doesn't make sense blithely to suggest that he ought to be forced to pay more of the money he doesn't have to send his kids to college—in the name of removing financial barriers."

While such hardship pleas have less force for the 6.5 per cent of families with college-age children in the over-$25,000 bracket and even for most of the 12.7 per cent in the $15,000-to-$25,000 group, the charge that they are getting a free ride should be measured against the fact that these families also pay higher taxes to support public campuses, whether or not their children use them.

The commissions and panels concerned with social and educational policies, though generally liberal and public-spirited, are largely recruited from among the affluent. Their view of the nation as basically one happy, classlessly middle-class family is well-intentioned but misleading. They tend, in the fine tradition of *noblesse oblige,* to react responsibility and sympathetically toward the poor. All their proposals include generous, and entirely necessary, provisions for free education and subsidies at the poverty level.

What makes their proposals vulnerable seems an inadequate understanding of the thin line that divides much of the working and lower-middle class from the poor. A minor financial disaster can push those on the plus side of the line back into poverty. There is growing concern that higher college tuition could become just such a disaster.

Such a course could have a corroding influence on the already deteriorating relations between the poor and the lower-middle-class. If the children of the former are encouraged to attend college tuition-free or even on a subsistence subsidy—as they ought to be—then hard-pressed middle-class families are likely to react in anger and political vindictiveness.

It is risky to tamper with low-cost higher education which has been a phenomenally sucessful engine for creation of a harmoniously upward-mobile society. In addition, if the high cost of college-going compels those with limited means to commute to colleges near their homes, simply because they cannot afford room and board in addition to higher tuition, then the residential campuses will quickly turn from melting pots into class-bound, rich ghettos.

To oppose pressures for higher tuition in public colleges is not to abandon the private institutions, whose continued strength is essential to academic diversity and independence. A combination of grants to institutions and scholarships to students can shield these colleges against both runaway tuition inflation and the loss of all but rich students to the low-cost public sector. Such subsidies coud keep the college gates and the competition for students wide open, without the threat of institutional and social class warfare.

OMB WANTS TO CONTRACT OUT THE GOVERNMENT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. WALDIE. Mr. Speaker, I recently spoke before Federal civil service employees in California concerning a massive shift in Government policy. This policy, presently being developed by the Office of Management and Budget—OMB—would contract out functions presently being performed by civil service personnel to major private contractors. I would like to insert for the thoughtful consideration of my colleagues the text of my remarks on that occasion.

The conceptual basis of the OMB proposal is that employees of large private contractors are more efficient than civil servants. Thus, by contracting out, Federal personnel costs would be reduced thereby saving the taxpayer hundreds of millions of dollars. This would be a praiseworthy undertaking if the public could be assured that these savings would ever be realized. However, the performance of large private contractors, ITT, RCA, Westinghouse, General Dynamics, Litton Industries, Lockheed, et cetera, on Government contracts has not been particularly noteworthy. These corporate giants, who would derive the most benefit from the OMB proposal, are the architects of the TFX, the Mark 48 Torpedo, and the C–SA, to list only a few benchmark examples of contractual effectiveness and efficiency. I do not believe, as the public record clearly indicates, that the taxpayers would ever benefit from turning over civil service functions to these companies.

Further, the principal architect of the contracting out proposal is Mr. Roy Ash, Director of OMB and former chief executive of Litton Industries. While at Litton, Mr. Ash was instrumental in the formation of the National Council of Technical Service Industries, the major lobbyist in Washington for firms that provide personnel to the Federal Government on a contractual basis. Further, Litton Industries, Mr. Ash's former employer, would be one of the major bidders on Government contracts resulting from the OMB proposal.

The text of my remarks follow:

REMARKS BY CONGRESSMAN WALDIE

I would like to talk with you this evening about a little known, but perhaps the most powerful agency in the Federal Government. Most citizens surely know what the letters HEW or DOD or even HUD mean, but how many can quickly say that OMB stands for Office of Management and Budget?

Nevertheless, it is clear to me that OMB through the enormous power that it wields in drawing up a 300 billion plus dollar budget is in a position to actually dictate policy to many agencies of the Federal Government and no group of Americans is more directly affected by the power of OMB than Federal employees.

For example, Civil Service Commission officials have to first clear their statement through OMB before they can testify before my Congressional Subcommittee on any retirement legislation, health insurance premiums, leave requirements or any other matter that might even remotely relate to money. In effect, it is OMB which writes the testimony and decides policy and it sends its messenger boys from the Commission down to testify.

In fact, if OMB doesn't have the time to clear a statement, then Civil Service Commission officials can only answer questions (and then rather timidly) but under no circumstances would they be allowed to alter even one word of a statement. But ask OMB to testify on a subject, and the word is sent down from on high that it is the Civil Service Commission that is responsible for the matters under the Subcommittee's jurisdiction. One of my major goals for the next year is to break through this barrier and get to the real decision maker of policy affecting Federal employees.

But in general, OMB will essentially remain isolated, and almost totally unaccountable to the millions of people over whose lives it wields enormous power and control. Indeed, it was probably to maintain this high degree of unaccountability that the President waged such a bitter fight to assure that the Director of OMB would remain not subject to Senate confirmation.

Before going on to look at just how OMB decisions affect every Federal employee in this country, let us first look at its Director for a moment—the person that the President insists upon appointing with no questions asked.

For a little more than one year now, OMB has been run by Roy Ash, the former Chief Executive Officer for Litton Industries. All of us in government know about Litton—you know, it is the company that has millions of dollars worth of government contracts, but always seems to be in court demanding more money after enormous cost overruns. I am told that when Ash was head of Litton, he rarely left his Beverly Hills headquarters to visit subsidiaries. Now he sits in Washington deciding which programs will get what without ever having seen any of them in operation.

Now Ash has long been the opinion that it would be best if government work, now performed by hundreds of thousands of career civil servants, were turned over to private contractors on what amounts to a cost-plus basis. That kind of attitude is quite understandable if you are the head of a company which stands to be a major beneficiary of any increased contracting-out. But it is totally irresponsible, and smacks of conflict of interest, when that individual is put into a position to directly implement his philosophy—and again, all with no questions asked, and with little, if any, accountability.

Perhaps the best example of the Ash philosophy is contained in a recent OMB proposal which I disclosed just before Christmas.

In September of 1973 OMB made a proposal to all the branches of the military calling for the contracting out to private industry of much of the operational support services now performed on military bases. These conversions would include: hospitals, civil engineering, supply, transportation, law enforcement, food service, commissary and other service, special services, transient aircraft maintenance, and such administrative functions as postal service, reproduction, computer operations, and audio-visual services.

I have in my Washington, D.C. office the response of the Air Force to the OMB proposal. That response indicates that the Air Force will reluctantly accept a reduction of 88,000 civilian personnel, if called upon to do so by OMB, but the Air Force further indicates that OMB's cost-saving rationale for the contracting out is "grossly overstated."

That 88,000 reduction is ⅓ of all the civilians working for the Air Force. Although I have requested the OMB proposals to the Army and Navy, they have been denied to me on the grounds that they are internal memos, and no final decision has been made. But, we do know from the OMB proposal that "similar" proposals were made to those services. So allow me a moment to detail exactly what a ⅓ reduction of military civil service personnel would mean just to California.

It would mean the loss of almost 50,000 civil service jobs in California alone, including 5,000 in Los Angeles County, 6,500 in the Sacramento Area, 7,000 in San Diego County, 9,000 in San Francisco Bay, and perhaps 2,500 in San Bernadino.

It would cause enormous disruption in the communities in which these people work. For instance, Federal Impact Aid to Education would be severely affected. Again, using California as an example, school districts could lose up to 9 million of the 75 million they now receive to offset the burdens that federal installations place upon any community's school system. Real Estate markets would be depressed, and about the only businessmen who would be happy would be the moving van company executives.

But wouldn't it save the taxpayer money? The answer is very simple—NO!—and we have the record to back us up on it.

While OMB asserts that contractors are more efficient than civil service operations, GAO audits of personal services contracts have indicated that the net effect of these contracts has generally been a higher cost to Government for services that have been, and could have been, provided by regularly appointed Federal employees.

I guess we all know the game. Once the decision is made to contract out, the award of the contract is based upon the lowest bid received. Then once the contract is let, somehow those initial cost figures start to skyrocket until after a few years the taxpayer is paying through the nose. But once the original decision is made, it is practically irreversible—when was the last time you heard of a contracted-out service returning to "in-house" status?

I should also point out that the OMB proposal had one other interesting aspect—all the work on one base must be contracted out to only *one* contractor, thereby eliminating any possibility that small, specialized companies could compete for a portion of the work. It isn't too hard to imagine who will benefit from such a provision—the giants like Lockheed, RCA, ITT, and yes—of course, Ash's former company, Litton Industries.

If this OMB proposal isn't bad enough, and doesn't convince you that there is a trend starting, let me quickly tell you that the Social Security Administration—long adjudged by competent outside authorities to be perhaps the most efficiently and effectively run of all Federal agencies—is also evidently in line for some contracting out. This OMB plan, now circulating within high levels of the Social Security Administration, would contract out thousands of jobs throughout the nation. The author of the plan? F. D. DeGeorge, a former executive at Litton with Roy Ash.

The writing is on the wall, then. If Roy Ash and his friends had their way, OMB would try to contract out the entire government—including, I'm afraid—the Congress. But these men, imbued as they are with their big business bias, do not have to carry the day—if we fight them.

And we can fight them by getting together all the facts, bringing them to the attention of every member of Congress, and keeping the heat on until OMB has to back down.

THE ENERGY EMERGENCY CONFERENCE REPORT

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, last evening, by a 7 to 7 vote, the Rules Committee rejected a request from the Interstate and Foreign Commerce Committee to permit immediate House consideration of the energy emergency conference report, waiving all points of order.

Mr. Speaker, I wish to indicate today that I think the decision made by the Rules Committee was both responsible and wise. In the Legislative Reorganization Act of 1970 we adopted a provision to require that conference reports must lay over 3 days before they may be brought up on the floor. That provision was incorporated in our rules in 1971 as clause 2(a) of Rule XXVIII, and it reads as follows:

> It shall not be in order to consider the report of a committee of conference until the third calendar day (excluding any Saturday, Sunday, or legal holiday), after such report and the accompanying statement shall have been filed in the House, and such consideration then shall be in order only if such report and accompanying statement shall have been printed in the daily edition of the Congressional Record for the day on which such report and statement shall have been filed. . . .

Mr. Speaker, we adopted this rule to protect the interests of the entire House. In the past, conference reports were often brought to the floor without allowing Members sufficient time to even read them. In the case of the Energy Emergency Act conference report, we have a bill of sweeping significance and importance—a bill which is both complex and lengthy, running nearly 100 pages. I think it would be a travesty on the rules of the House for us to permit this conference report to be brought to the floor on the day after it has been reported, without giving Members adequate time to fully study it.

Another rule which would have been waived under the proposed request was clause 3 of rule XXVIII which states that a conference report, and I quote, "shall not include matter not committed to the conference committee by either House." Again, in the energy emergency conference report, we have an instance where this has been done with respect to substituting a price rollback for the windfall profits prohibition. I think Members are entitled to have sufficient time to study the merits of this entirely new provision, if indeed it should be granted special protection.

In short, Mr. Speaker, I am proud of my vote in the Rules Committee last evening, and I would hope that my colleagues will agree that we must give this very far-reaching report the most careful consideration and scrutiny before bringing it up for a vote.

TRIBUTE TO MURRAY M. CHOTINER BY PROF. IRVING FERMAN

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1974

Mr. HOSMER. Mr. Speaker, at page H585 of this RECORD are remarks I made to the memory of the late Murray M. Chotiner. I referred to the tribute paid him at funeral services at Washington Hebrew Congregation on February 4 by law professor Irving Ferman of Howard University. Professor Ferman's moving tribute is reproduced below:

TRIBUTE

I feel that I should focus in this this morning on the sides of Murray Chotiner which I saw most often and therefore knew best. Sides that were not political. It would be utterly futile for me, or anyone else to reconstitute for tribute all sides and facets of such a rich and diverse a person as was Murray.

Many of those whose suggestions I requested in framing this brief tribute . . . men and women who have been closest to him in politics, the legal profession and his personal life . . . felt, as I did, that to review Murray's political career would be superfluous. . . . Almost everyone already knows or thinks he knows that.

We felt, too, that it would be a disservice, since, for all its public notice, politics, in fact, was only one big part of the unique and fruitful life of our departed friend. Of course, none were more respectful of politics than he; none talked and participated more avidly. But, what of his pride and devotion to the law in all its aspects? And what of the totally private Murray Chotiner . . . . The utterly refreshing wit? . . . the friend, husband, father, grandfather?

To these questions, I can almost see Murray smile, wryly, and say, as he often did, "Irving, you professors should learn the facts of real life", then after another joking exchange, he would add, "Come on, let's talk law."

During my acquaintanceship and subsequent warm friendship with Murray, we talked exhaustively on many issues of the day; Most often Murray chose those of civil liberty import. And while I am, of course, well aware that to many the public image of Murray Chotiner was that of a controversial figure; I found long ago that he was, in fact, a lawyer of uncommon ability and broad knowledge. Those qualities, I believe, enhanced . . . without conflict, his more commonly known qualities as an astute and highly skilled professional political leader.

Observing him as he exercised his intriguing mix of superior talents . . . legal and political . . . called to mind what Chad Walsh wrote in the mid 50's:

"In the quiet study, the good politician sees a hovering ideal. It is the City of God. In smoke filled rooms he learns how far the City of Man is from that ideal. He must begin with the earthly city as it is. He does not despair."

About a year ago, as lawyers and as seekers for that City of God, Murray and I discussed at length the role of Citizen Police Review Boards in the context of urban problems and urban politics.

He brought to that conversation, as he did to virtually all of them over the years, the perceptive sense of a fine legal mind, ... and simultaneously the down-to-earth realism of a politician who knows his task to be the engineering of governmental and political reform without creating imbalance and disorder . . . in other words, real effective reform.

He spoke that evening of the necessity of designing a mechanism that would safeguard communities against the excesses of police action . . . while maintaining the effectiveness of their police force to provide order without which freedom is doomed. He spoke to the salient points of a dilemma that far too few in authority can comprehend: protection of the public; maintenance and concern for the efficiency and morale of police who must provide that protection; and practical means by which both could be effectuated simultaneously without infringing on civil liberties and the Bill of Rights.

In short, Murray demonstrated not only a keen awareness and considerable knowledge of a complex legal and social problem . . . . but he showed, inadvertently, his deep conviction in matters of such grave importance . . . and the fact that he was both a remarkable gifted lawyer and an astutely operational politician.

On another recent occasion, Murray spoke with me on the need of our country to move extensively and quickly in support of Black colleges. His concern was not only with the obvious social obligation, but characteristically he dwelt even more intensively and with greater particularity on the sort of political strategy that should be adopted to achieve this vital educational goal.

The talents Murray so casually demonstrated in numerous instances, such as these, were a mold of: the understanding of the political operation, intimate familiarity with its process, as well as its conception.

And, my fellow friends, and admirers of Murray, in these challenging days, we in our nation, must recognize those uniquely refined talents . . . the talents of the Murray Chotiners and the enormous potential for effective leadership of those who are blessed with those talents.

During many of our conversations . . . and being lawyers, he and I of course liked to talk . . . Murray also revealed perhaps both by instinct and by concept, a deep, perceptive comprehension that is unfortunately rare among intellectuals today. It is the knowledge, that no one man could ever capture the truth . . . that the truth is too elusive for any one human being to so capture because of the very limitation of his perspective.

Our friend, this unusual man from California by way of Pittsburgh had a significant part in successfully launching the careers of many public figures for over a generation . . . Congressmen, Governors, Senators, and even a Chief Justice and a President of the United States.

Yet, Murray Chotiner retained . . . and never for a moment relinquished his independence of thought, action and constructive comment.

There was never a phony fiber in his makeup. Murray Chotiner was both impatient and contemptuous of hypocrites, "Robot Yes Men", sycophants, and self righteous courtiers . . . in fact, all in our body politic and private life that reeks of falseness, stupidity and dead-beating.

Murray was a questioner, a superior organizer of men in behalf of causes and leaders in whom he believed . . . he was never self satisfied . . . his feeling for and understanding of people as such, never faltered.

His broad and deep understanding was the basis for a strong pluralist disposition. Murray felt instinctively the need to listen and to think through what his fellowman had to say, to write, to propose.

Two thoughts . . . or perhaps reflections about Murray that I would like to share with you.

Murray's strong pluralist disposition was reflected in a total lack of . . . and disdain for self-righteousness and hypocrisy. I mean, of course, the sort of self-righteousness reflected in what Harbert Butterfield said nearly a quarter century ago. . . .

"In this kind of world that I see on history, there is one sin that locks people up in all their other sins . . . the sin of self-righeousness."

Or, as St. Augustine taught in the beginning of human history:

"Great care must be taken, lest the mind believing what it does not see, fashion itself what does not exist, and hope and love what is false."

The second thought or reflection is, in essence this:

In Murray Chotiner the absence of self-righteousness not only cleared his eyes and mind for a more realistic recognition of the truth . . . it was reflected as it is in others of Murray's disposition, in an engaging and magnificent sense of humor, often times self deprecating and always a precious trait.

Murray had what Samuel Butler referred to when he wrote:

"A sense of humor keen enough to show a man his own absurdities, as well as those of other people, will keep him from the commission of all sins, or nearly all, save those that are worth committing."

Permit me to add, before closing, that one of the simpliest, yet most important of his personality traits, was reflected in his thoughtfulness and courtesy toward virtually everyone, colleagues, friends, and even foe.

The pressure and stress of work never caused to neglect a telephone call, to acknowledge a letter or in other ways to be unresponsive regardless of circumstances and individuals.

That kind of commitment to form and manner is an integral part of grace among those in power which too often is lacking in our public and private lives.

Courtesy is a quality of greatness . . . a sign of simple decency and human understanding.

An essential observation about Murray Chotiner . . . possibly THE essential observation, is that his sense of pluralism, his sense of humor, his sense of manner and courtesy did not ever dilute Murray's basic strength, his decisiveness. Too often, nowadays, we tend to mistake humor and courtesy for weakness. Murray demonstrated beyond question how to be strong and human, how to be decisive and yet gentle and understanding.

That, to me, more than anything else is the message I find so inspiring in the life of our friend Murray Chotiner.

Murray was, as his family and closest friends were well aware, a private man with a deep innerness. He was a sentimental grandfather. Dana and Cara were ever in his mind and heart. He longed for their company.

His dear wife, Nancy, brought to him a sense of renewal of life and thought and he found sustenance for happiness in the love of his two daughters, Renee and Julie.

His son, Ken, was his pride. A most promising lawyer now in California, whose talents portend a distinguished career in the years ahead.

Our conceptions of immortality are varied as there are people assembled here. We all agree, however, that the most significant immortality is in the impact we make on the lives of those around us . . . particularly those closest to us . . . our family and our friends. It is the most valuable legacy we can leave. Such a legacy is reflected in a magnificent and revealing essay Julie Chotiner wrote in her high school English class back in October!

This routine assignment was a test of the initiative as well as the creativeness and writing abilities of the young student. Each was told to select his or her Hero, then explain in essay form the reasons for esteeming that individual above all others.

Julie Chotiner, a bright, lovable, 16 year old, went beyond the customary idols of her fellow teenagers. She chose a grown man . . . her dad, Murray Chotiner. Julie confided that bare fact to her mother, noting more. Subsequently, she mentioned, in passing, that her composition had received a very high grade. That was more in November.

After Murray's hospitalization because of the accident, Julie asked her mother to deliver a "little message" to her dad at Sibley Hospital.

"It may make him get well faster and come back to us quicker," she said.

Nancy thanked the child, assured her of Murray's love and constant thoughts then rushed back to the bedside watch at Sibley Hospital . . . . Since Murray was hardly up to reading anything at that point, Nancy left Julie's "message" on his bedside table.

The next day. . . . Just last Sunday . . . when Nancy entered her husband's room, Murray was literally his old, ebullent self—but more so. Despite bandages, plaster casts, tubes and whatnot, he was joyfully waving Julie's message in the air . . . quoting passages at random, and declaring to one and all—Nancy, curious nurses and passing doctors. . . .

"Please read what my precious daughter has written. . . . I am a hero to my daughter . . . a Hero."

Nancy, overjoyed at Murray's happiness, read Julie's tribute . . . beamed through tears. . . .

"You are MY hero too, Murray . . . and Renee's and Ken's and the grandchildren's . . . and so, many others. . . ."

What a delightful Sunday that was for the Chotiners. . . .

"I feel great", Murray insisted, "Tell the doctor I want to get home to the children."

No eulogy to this most uncommon man could be more fitting . . . nearly as authentic . . . than Julie Chotiner's essay about her hero. . . .

And, because she wished it so, it is most appropriate that Julie deliver it.

AMERICAN GENEROSITY AND EX-IM BANK

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. SHUSTER. Mr. Speaker, since World War II, America has earned a reputation for its generosity, having contributed $150 billion to the developing nations of the world. Now, if we continue to follow the lead of the government-owned Export-Import Bank, we may earn a reputation for insanity.

American dollars, without the advice or consent of the American people, will finance an oil pipeline in the Middle East for those very nations who even today refuse to lift the oil embargo to the United States. This will happen unless we do something about it now—before it is too late.

The Ex-Im Bank has approved a $100-million loan to the Bechtel Corp., to pay for 45 percent of a pipeline from the Suez to the Mediterranean, so that the Arab countries can get their oil to Europe faster and more economically—$100 million, Mr. Speaker, for people who's recent actions are wrecking havoc on our economy.

Approval for this loan was made by the National Advisory Council which consists of—and listen carefully, because this is incredible—the Secretary of State, Secretary of the Treasury, Secretary of Commerce, and the Chairman of the Federal Reserve Board. These Cabinet level and top-ranking administration officials, who daily make pronouncements about how severely the Arab oil embargo is hurting America, have decided to finance a project which is clearly not in the best interests of the American people.

U.S. participation in this project could balloon to 90 percent of the total project cost before all the financing has been arranged. Forty-five percent has already been committed by the Ex-Im Bank, and another 45 percent will come from another bank—either foreign or domestic. And if we follow the same insane logic that led to the approval of the $100-million loan, it could well be a U.S. bank.

No matter who puts up the other 45 percent, what is left for the Arabs to contribute? Ten percent, Mr. Speaker. The five benefiting Arab nations, those same nations that have tripled the price for a barrel of oil; those same nations that are demanding more and more royalties from American industry that developed their oilfields in the first place;

those same nations that are openly talking about nationalizing American industrial complexes in their countries; those same nations that probably have the highest per capita income of any nation in the world—those nations, Mr. Speaker, will contribute a mere 10 percent of the project cost—$20 million—while we dish out $100 million, or possibly even $200 million. I submit, Mr. Speaker, that if those nations cannot afford to pay for their own pipeline, nobody can.

Mr. Speaker, it is time somebody spoke out about this. It is time the American people woke up. It is time they learned *just what our Government* is doing with our hard-earned tax money.

The contract for this insane Ex-Im-Bank loan has not yet been signed. Public pressure can still make a difference. Congressional pressure can still make a difference. Mr. Speaker, I urge you and the other distinguished Members of this body, in the strongest possible terms, to get to the Export-Import Bank and put a stop to this nonsense. Tell the folks back home about it; urge them to write to the Bank and stop this irresponsible demonstration of fiscal insanity. Moreover, I hope the Congress will take a long, hard look at the Export-Import Bank and its policies so that the American people can know just how it is serving the American interest.

ROLLBACK OF FUEL PRICES

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Ms. HOLTZMAN. Mr. Speaker, I am reintroducing today a bill to freeze and then roll back prices of crude oil and petroleum products which I first introduced on January 28, 1974. The bill has been cosponsored by Mr. Hechler of West Virginia, Mr. Badillo, Mr. Roush, Mr. Brown of California, Mr. Podell, Mr. Fish, Mr. Eilberg, Mr. Roe, Mr. Moakley, Mr. Drinan, Mr. Gaydos, Mr. Carney of Ohio, Mr. Seiberling, Mr. Won Pat, Mr. Riegle, Mr. Rosenthal, Mr. Wolff, Ms. Grasso, Mr. Nix, Mr. Waldie, Mr. Charles H. Wilson of California, Ms. Collins of Illinois, Mr. Gude, and Ms. Chisholm.

It is evident from the numerous cosponsors of the bill that people throughout the country are angry at the recent substantial increases in gasoline and heating oil prices. They are especially angry because, at the same time that prices are rising, oil companies are making windfall profits. The people of the country are already suffering under the biggest inflation we have had since World War II. We in Congress cannot desert the consumer by permitting the recent increases in oil and gasoline prices to remain in effect.

These price increases have been accompanied by unconscionably high profits for the big oil companies. Annual profits of Exxon and Gulf increased by 60 percent in 1973 over 1972. The figures for the rest of the oil giants are slightly lower but still exorbitant. Increases in quarterly profits reported during the height of the crisis late last year were even higher—80 percent for Exxon for example.

My bill proposes to alleviate the inflationary burden on consumers in two steps: first, by immediately freezing prices of crude oil and petroleum products at the level in effect during a 2-week period ending January 19, 1974; and, second, by rolling back these prices within 30 days to the price levels in effect during the week ended November 1, 1973. Thereafter, the bill would permit only certain narrowly limited price adjustments to prevent any gross inequities or hardships.

A provision is included in the bill which is designed to help independent distributors and their customers by eliminating price differentials now suffered by purchasers of foreign rather than domestic oil products. This provision will aid the customers of independent oil distributors who recently have been paying exorbitant prices for products such as home heating oils. Independent oil distributors are now being forced to buy high-priced foreign oil products because of discriminatory allocations of domestic oil products by the oil companies.

Finally, the bill authorizes the President to issue orders designed to preserve the competitive viability of independent marketers, small retailers, and independent refiners within the oil industry.

Enactment of this bill would bring price relief to the consumer and would constitute a very significant step in controlling the runaway inflation suffered during 1973.

The text of the bill follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Economic Stabilization Act of 1970 is amended by inserting in section 203 the following new subsections:

"(k) Immediately upon the date of enactment of this subsection, the President shall issue an order to establish a ceiling on prices of crude oil and petroleum products at levels not greater than the highest levels pertaining to a substantial volume of actual transactions by each business enterprise or other person during the fourteen day period ending January 19, 1974, for like or similar commodities, or if no transactions occurred during such period, then the highest applicable level in the nearest preceding fourteen day period.

"(1) The ceiling on prices required under subsection (k) shall be applicable to all retail prices and to wholesale prices for unfinished, finished or processed goods.

"(m) As soon as practicable, but not later than 30 days after the date of enactment of this subsection, the President shall by written order stating in full the considerations for his actions, roll back prices for crude oil and petroleum products to levels no higher than those prevailing in the seven-day period ending November 1, 1973, in order to reduce inflation. Price increases announced after November 1, 1973, and made retroactive to dates prior to November 1, 1973, shall not be considered as having been in effect prior to such date for purposes of this subsection. The President may make specific exceptions from the rollback by written order to compensate for increased costs for crude oil and petroleum products produced or refined outside the United States, but in no event shall such exceptions allow more than a pass-through for increases in the costs of such commodities. Such orders shall state procedures and adequate public notice of any price exceptions and shall disallow any profit margins on any crude petroleum or petroleum products in excess of the margin applicable in the seven-day period ending November 1, 1973.

"(n) The President may, by written order stating in full the considerations for his actions, make such additional exceptions and variations to the orders required under this section as may be necessary to prevent gross inequities and hardships, and to encourage and preserve the competitive viability of branded independent marketers, small refiners, nonbranded independent marketers, and independent refiners, as defined in the Emergency Petroleum Allocation Act of 1973 (Public Law 93–159).

"(o) The President shall, by written order, issue rules to insure that all corporations or other entities engaging in sales of crude petroleum at the refinery level or petroleum products at the wholesale level reflect, in sales to any purchaser, the average costs of its foreign and domestic crude oil and petroleum products.

"(p) Section 406 of Public Law 93–153 is hereby repealed.

"(q) For purposes of this section 'petroleum product' means gasoline, kerosene, distillates (including Number 2 fuel oil), LPG, refined lubricating oils, or diesel fuel."

ABERDEEN PROVING GROUND AND THE ORDNANCE SCHOOL—THEY MUST REMAIN

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mrs. HOLT. Mr. Speaker, the Members of this body have frequently expressed their commitment to the concept of an efficient all-volunteer armed services. If we are to successfully realize this goal, legislative and administrative actions must be directed toward maintaining high standards of training, retraining, and properly utilizing these skilled individuals.

I am deeply concerned about several recent actions of the Department of Defense which I feel will have an adverse effect on our defense capabilities. Since last November, rumors have been circulating concerning the possibility of the Army transferring the Ordnance School from the Aberdeen Proving Ground in Maryland. Though the Defense Department has not formally announced a decision on this proposal, it is my understanding that they are favorably disposed to transferring the Ordnance School.

I firmly maintain that in defense, as well as all other sectors of the budget, we must exert every effort to conserve the Federal tax dollar. Unneeded installations must be phased out, but these decisions must be based on sound economic factors and proper analysis of the long-range effects. We must have an Ordnance School and traditionally it has been located at the Aberdeen Proving Grounds. I see no reason to move this installation unless it can be clearly demonstrated that considerable cost savings can be effected. To date, such documentation has not been unveiled. In fact, as my colleague, Mr. BAUMAN, from Maryland, has pointed out, it is very likely that the move will cost the Army more than it would if the school were retained in Aberdeen. In light of this, I join my colleague in urging congressional opposition to this proposed action.

In a similar vein, I am concerned about the Defense Department's decision, announced on Monday, February 4, to reduce Army Air Defense Nike-Hercules missile batteries deployed in the Continental United States. Within my district, this decision will eliminate 92 Army National Guard civilian technician positions. These individuals are highly trained and a valuable resource to our total defense effort. The men employed at these sites are civilians with permanent roots in the area. These decisions to abruptly close bases staffed primarily by "citizen soldiers" of the National Guard could have severe adverse effects on our recruitment and retention efforts unless we make every effort when a mission is outmoded to utilize these manpower assets to their greatest potential. I will certainly do everything in my power to see that these men are placed in jobs which will utilize their potential.

A SYRACUSE SENIOR CITIZENS GROUP WINS BATTLES FOR ITS MEMBERS

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. WALSH. Mr. Speaker, for many, many years this Nation's senior citizens have been the forgotten members of our society. Now that is changing, primarily because the elderly are organizing and forming groups to fight for their rights, particularly the right to remain as contributing members of society. I am most fortunate to have one of the most effective of those groups in my district in Syracuse, N.Y. A recent article in the AARP News Bulletin, entitled "ACCORD: A Winner for Elderly in Syracuse Consumer Battles," described this group and its activities. May I share it with you:

ACCORD: A WINNER FOR ELDERLY IN SYRACUSE CONSUMER BATTLES

SYRACUSE.—One of the nation's most effective advocacy coalitions for older persons is being led here by an AARP member, Mrs. Grace Egelston.

Mrs. Egelston, 65, helped organize a group called ACCORD, which consists of 55 clubs and 19,000 members in the Syracuse area. She estimates about 3,000 AARP members are affiliated with ACCORD, which is the acronym for Action Coalition to Create Opportunities for Retirement with Dignity.

Public officials listen when ACCORD sounds off on issues such as housing, fire prevention and medical care. The elderly also get 10 percent discounts in 700 stores, ride buses at reduced fares, and recently were granted a reduction in telephone service charges.

With seed money from United Way, the Community Fund agency, ACCORD launched its effort to improve the lives of older people with 2,000 volunteers in 1969. In that first year, the organization collected 9,000 petition signatures for higher Social Security benefits; began a campaign to get reduced bus fares; and formed a car pool for older people in high-crime localities.

One of ACCORD's most successful projects was developed in 1970 by Frank Barlow, a 70-year-old former investment counsellor. He knew businessmen. Barlow had to prove to area merchants they could profit by discounts. Syracuse newspapers, radio and TV promoted Barlow's idea when he produced polls showing that older persons were eager for a discount project.

More than 12,000 retirees signed up for discount cards in a three-week registration period, exceeding Barlow's "wildest expectations." The number has since jumped to 16,000 card holders and 700 participating stores.

ACCORD's list of achievements doesn't end with the discount program. The group has also compiled 2,000 hours of home interviews to produce a computerized picture of the country's older population; formed a health inspection task force on hospitals and nursing homes which will recommend vital improvements; and conducted a fire safety campaign which educates older people on home fire prevention.

"Our success is proof that seniors can play a great role in changing their lives if they're given half a chance," says Mrs. Egelston, who is a retired teacher.

Chapters interested in forming a similar consumer task force should write to ACCORD, 264 East Onondaga Street, Syracuse, N.Y. 13202.

RECIPE FOR THE WORLD'S BEST VOCATIONAL EDUCATIONAL SYSTEM

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. LEHMAN. Mr. Speaker, during the recent congressional recess, I traveled to Israel to inspect its vocational education program, well-known for its excellence, in order to help prepare for the General Education Subcommittee's upcoming hearings on vocational education.

I would like to share with my colleagues some of the highlights of my investigation and am inserting below a brief summary:

RECIPE FOR THE WORLD'S BEST VOCATIONAL EDUCATIONAL SYSTEM

1. Use serious machinery.
2. Get instructors from industry, not from Educ. schools.
3. Keep up with the latest industrial techniques.
4. Send instructors into the field, even overseas, to keep abreast of recent developments.
5. Make students carry full academic load in addition to vocational studies.
6. Keep teacher pupil ratio close to 10 to 1.
7. Create vocational schools right in the factories.
8. Be sure the project or product the student works on or creates will be needed and useable.
9. Build in the school the equipment that is needed and not available.

These are some ways that Israel created its vocational educational system to produce what that State needed most: skilled manpower, and in doing so has established the finest vocational-technical education I've ever seen.

Carl Perkins, the Chairman of the Education and Labor Committee, had informed me that the Committee's next order of business will be hearings on and consideration of the Vocational Education Act, and authorized travel to Israel and to report back findings there on matters relating to vocational education.

In proportion to the size of the two nations. I found the U.S. compared to Israel is far behind in vocational training. The Jewish people who for centuries have traditionally put trade and profession above manual skill now have in Israel nearly 60% of the 15–20 year old school enrollment in vocational education, and there are 2 to 3 applications for every opening.

Particularly impressive were ORT Singalovsky in Tel Aviv and the Boys' Town School in Jerusalem. The level of skill training is comparable to the Swiss apprenticeship program. The Equipment was complex, the pupils serious, the instructors working closely with the boys, and the plant appearance was clean and efficient. Boys' Town has done something this country may yet have to do to break through the poverty cycle of the disadvantaged. Boys Town takes the oriental Jewish youngsters from extremely deprived families that often live with 8 to 10 children in 2 or 3 rooms. This boy receives room and board at the school, along with others from families with established middle class values. Friendships are formed, and the poorer child can work and study without the handicap of unsatisfactory home environment. And it works. The boy from the low income family learns to make it economically.

These observations were made while schools functioned under most difficult conditions. Nearly a third of the vocational teachers were mobilized, and many of the students had gone to factories and farms to replace regular workers now in the military.

The new State of Israel found its principal raw material was manpower, and self-preservation has made it necessary to train and use this asset fully. With materials now becoming scarce in this country and even worldwide, perhaps the ultimate solution to the energy crisis is the training and utilization of the energy of our own basic raw material—the young people of this country.

One of the best examples of vocational-technical education in Israel is the medical instructional program associated with the Hadassah hospital in Jerusalem.

At the hospital we met with its staff who were involved in various areas of medical technical training programs: the director of the school of occupational therapy, the director of the school of nursing and others. Of particular interest to me was information provided by Dr. Eva Heitner, dean of the Hadassah Community College. Here community college and hospital are joined together to produce lab technicians, medical secretaries, medical librarians, medical photographers, and other paramedical personnel so badly needed throughout the Mideast. The curriculum is being contsantly updated to meet the changing needs of the country.

Heavily endowed by state and by private institutions, the total tuition is $250 annually. Many of the Yemenite and Moroccan emigrants are successfully involved in these courses, and newly arrived Russian emigres with previous technical experience are being retrained in Israeli techniques and methods.

Unfortunately, Dr. Heitner stated, the two year course is not transferable to the Israeli

University system, but we are working on the problem. The applicants are chosen from the top half of the high school graduates. There are about three applicants for each opening. Classes are given mornings and, for those holding down jobs, in the evening hours. The staff summed up their attitude: "The only asset we have is manpower, and those that come to us economically deprived must have outside help to provide our country with this badly needed material."

BUDGET DEFICIT INCREASES 11 PERCENT

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mrs. HOLT. Mr. Speaker, on Monday, February 4, we received the proposed fiscal year 1975 budget. This budget contains projected expenditures of $304.4 billion which is an 11 percent increase in Federal spending over last year, and it contains a built-in deficit of $9.4 billion which is more than double last year's deficit.

Review of this budget and others of recent years clearly indicates that deficit spending is becoming a permanent way of life, insofar as the financial operations of our country are concerned. It is estimated that the total national debt will climb to $346.5 billion by the end of 1974, and $359 billion at the end of 1975. The interest alone on this debt is approaching $30 billion annually.

This live today, pay tomorrow philosophy of Government finance cannot be allowed to continue indefinitely for tomorrow will surely come. We cannot sustain a burgeoning public obligation year after year without experiencing adverse economic effects. The rampant inflation that has afflicted our economy during recent years has been fueled in great part by unrestrained Government spending. There will be no brightening in the economic horizon until we take positive steps to reform our fiscal policies.

We spent a great deal of time discussing fiscal reform during the last session; our efforts culminated in the passage of the Budget and Impoundment Control Act of 1973. I have every hope that final action on this legislation will be forthcoming in the near future. This will provide us with a mechanism for budgetary control; it will still be necessary to mold a new philosophy of Government spending—a philosophy which recognizes the limitations of Federal dollars and the need for curing our apparent addiction to deficit spending.

Mr. Speaker, let it not be said that the legacy left by Congress in the 1970's was that of a bankrupt estate and economic chaos. Let us exchange our well-intentioned words for positive action to reform our budgetary procedures and philosophy.

OPPOSITION TO INTERSTATE 66 AND THREE SISTERS BRIDGE CONTINUES TO MOUNT

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. FAUNTROY. Mr. Speaker, on Wednesday, the Emergency Committee on the Transportation Crisis, which has a long history of being together in opposition to the construction of unneeded roadways, held a press conference to again reiterate their opposition to Interstate 66 and the Three Sisters Bridge. I applaud their timely action and I join them.

This particular project has been consistently opposed by numerous citizen groups throughout the Washington metropolitan area. Indeed, when the Department of Transportation attempted to proceed with construction of the Three Sisters Bridge, the Federation of Civic Associations and many others went to court. The District Court stopped the project because the Department failed to comply with the laws requiring citizen participation and environmental considerations.

As the time goes on, I have found it increasingly clear not only that the citizens do not want this project, but that given the energy shortage in our world, it is the last thing we need. Increasing numbers have come to believe that it will result in the destruction of a scenic parkland and a segment of residential neighborhoods. Increasing numbers have come to believe that the construction of this roadway will bring additional unneeded automobiles into the city, thereby defeating our efforts to encourage the greater use of mass transportation. At a time when gasoline is short and expensive, when we need money for mass transportation construction and operation; and when 84 percent of the people voted against construction of the Three Sisters Bridge and its connecting freeway system as late as just 4 years ago, I simply cannot understand why anybody would encourage this kind of waste.

This money should be spent on mass transportation. It should be spent to make up the operating deficit of this and every other mass transit system in the country. It should be spent to encourage people to remain in the city by offering good alternative means of transportation instead of creating a system that encourages people to own one, two, or three cars to transport one person for a few miles.

With 80 to 90 percent of Washington air pollution caused by motor vehicle emissions and with the recent promulgations of the Environmental Protection Agency and the city government in an effort to comply with the Clean Air Standards Act, I would think, that at a minimum, we would impose a moratorium on all highway construction to accommodate private motor vehicles for at least 2 years after the Metro system is operational.

I hope that the Emergency Committee on the Transportation Crisis is once again successful. As one who has fought against these unwanted highways since 1960, I really welcome them and I urge that citizens everywhere in this area join with us in opposition to this kind of wasteful spending.

PRESIDENT'S STATE OF THE UNION MESSAGE IGNORES THE NEEDS OF AGRICULTURAL WORKERS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. FORD. Mr. Speaker, on January 30, President Nixon appeared before this body and delivered his annual state of the Union message.

After carefully reviewing this message, one thing became immediately apparent to me. The message was totally devoid of any reference to the needs or problems of this Nation's 2.8 million farmworkers and their families. As chairman of the Subcommittee on Agricultural Labor, the problems of these people are of particular interest to me.

The President's failure to address the problems of our farmworkers is deplorable—but in light of his past practices, his failure to acknowledge them is certainly not surprising.

If the President did discuss his policies with respect to the Nation's farmworkers, he would have to say that they have all been negative. During the past 5 years, the Nixon administration has been under constant attack for its failure to administer and enforce laws which protect farmworkers. In carrying out these practices, the administration has demonstrated time and time again its calculated and callous policy of totally ignoring the concerns and needs of the politically and economically powerless people in this country.

If the President were to mention the migrants and farmworkers in that part of the speech which he devoted to education, he would have to mention that he opposed the full funding of the migrant education program—a program designed to meet the special educational needs of the children of migrant workers.

If the President made reference to the farmworker in that part of his speech which he devoted to minimum wage, he would have to say that he opposed extending minimum wage coverage to all farmworkers and raising the present minimum wage for certain farmworkers from $1.30 an hour. He would have to admit that he evidently feels that farmworkers can afford to pay 1974 Nixon administration prices on 1930 Hoover administration wages.

If the President referred to our agricultural workers in that part of his speech he devoted to the health of our Nation, he would have to mention that he opposed the continuation of the migrant health program. He would also have to say that his new health proposal would do virtually nothing for the migrant farmworker employed for short periods of time at low pay in diverse geographical locations.

If the President discussed the agricultural workers in that part of his speech in which he talked about social security benefits, he would have to say that his administration has failed to vigorously enforce the Farm Labor Contractor Registration Act and that his failure to effectively enforce this act has resulted in millions of dollars of lost social security benefits to farmworkers.

Mr. Nixon made no mention whatsoever of agricultural workers in that part of his speech which he devoted to manpower programs. The President could have mentioned how one of his former top aides deliberately planned to scatter and destroy the migrant programs authorized by title III-B of the Economic Opportunity Act, which are now under the jurisdiction of the Manpower Division of the Department of Labor. He also could have mentioned that the grantees of this program from all over the country have experienced nothing but trouble and frustration in obtaining the urgently needed funds to which they are legally entitled.

When he discussed the housing programs, Mr. Nixon made no specific reference to the housing needs of our farmworkers, and in this area the record of his administration has been particularly deplorable. He has requested no funds whatsoever for fiscal year 1975 for farm labor housing, and he has impounded almost $10 million in funds from previous years which are drastically needed to provide housing for hundreds of thousands of homeless migratory workers and their families.

Mr. Speaker, the total omission of any mention of the needs of the hardworking men, women, and children involved in harvesting the food which feeds the Nation is typical of the administration's callous attitude toward the underprivileged and powerless. Farmworkers are not looking for free handouts; they are among the hardest working of any group in this country. They are only looking to the Federal Government for fair and equal treatment, but they will continue to suffer until this administration acknowledges their existence.

ANIMAL HEALTH RESEARCH ACT

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. ANDREWS of North Carolina. Mr. Speaker, I would like to be recorded in support of H.R. 11873, the Animal Health Research Act. After determining that this was to be the last vote of the day, and after ascertaining through conversations with my colleagues on both sides of the aisle that the resolution would probably pass by a substantial margin, I decided to forego the vote on final passage in order to catch my scheduled flight to North Carolina to comply with constituent business in my home district.

THE STATE OF THE UNION ADDRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. HAMILTON. Mr. Speaker, when the Founding Fathers provided that the President, "shall from time to time give to the Congress information of the state of the Union," they could scarcely imagine that these innocuous words would require such elaborate arrangements.

As I walked about the U.S. Capitol in the late afternoon of January 30, it was obvious that big things were underway. Some of the 450 policemen in crisp, dark blue uniforms guarded every entrance to the Capitol; others cordoned off the area around the Capitol, standing only a few feet apart. Helicopters flew overhead, training powerful searchlights on the buildings and the grounds of the Capitol; walkie-talkies were clacking everywhere; and nearly 100 Secret Service men carefully scrutinized each visitor. Large groups of marchers, some supporting the President, others denouncing him, awaited his arrival. Sleek black Government limousines arrived on Capitol Hill to discharge Cabinet officials, high ranking military officers and members of the diplomatic corps. Several ambulances were parked nearby.

On the second floor of the Capitol, in the House of Representatives Chamber where the speech is traditionally delivered, extra chairs were being set in place; TV technicians scurried back and forth from the mobile van parked next to the Capitol, checking their cables, which looked like long black spaghetti running to the House Chamber. The special color television lights in the House Chamber, which had been permanently installed for such events, were being switched on and off. In the press and radio galleries, journalists were speculating about the contents of the speech and the Congress reaction to it.

Downstairs on the first floor of the Capitol in an almost festive atmosphere, Members of Congress and their families and guests were dining in the Capitol restaurant and attending scores of receptions and parties. A couple of blocks away, the Indiana Society of Washington was meeting at the Capitol Hill Club where hundreds of transplanted Hoosiers listened to the snappy lyrics of the Purdue University Glee Club and reminisced about life in Indiana. All across Capitol Hill, television sets were readied for those persons who did not have tickets to the event.

To capture a large television audience, the President's address was scheduled for 9 p.m.—6 p.m. in California and 3 p.m. in Hawaii. By 8 p.m. the galleries began to fill with people, and within another hour over 1,500 persons filled the room. House pages and employees stood on the edge of the Chamber; brightly dressed wives of the Cabinet members took their seats in the President's gallery; and over 100 journalists packed the news gallery right above the place from which the President was to speak.

At 8:30 p.m. Members of the House of Representatives began to file in, and in another 10 minutes the Speaker of the House called the House to order. At 8:45 p.m. the Joint Chiefs of Staff, the ranking officers of each of the military services, took their seats, followed by the Members of the U.S. Senate. At 8:50 p.m. several hundred ambassadors and ministers of foreign governments filed in, and the Justices of the Supreme Court entered at 8:55 p.m. Just before 9 p.m. the President's family was seated to the standing applause of the Members of the Congress, and then the members of the President's Cabinet entered. At 9 p.m. the bright lights were turned up and the Doorkeeper of the House announced in stentorian voice: "Mr. Speaker, the President of the United States."

The President entered the Chamber to standing applause as Senate and House leaders escorted him to the rostrum. After delivering printed copies of his address to Vice President FORD, the Presiding Officer of the Senate, and to House Speaker CARL ALBERT, the President began the 186th state of the Union address, following a custom that is derived from the British practice of opening Parliament with a speech from the throne.

As the President spoke, he stood before an American flag with the Speaker and the Vice President seated immediately behind him. On each side were full-length portraits of President Washington and General Lafayette, and overhead, carved in marble, was the national motto, "In God We Trust."

Throughout his 45-minute address, four television cameras, operating in a network pool, scanned the Chamber, which hummed with the constant clicking of cameras.

During the speech, and for the only time during the course of a year, all high-ranking governmental officials—civilian and military, executive, judicial, and legislative—are gathered in a single room.

Each state of the Union speech is an historic event, and each speech is analyzed, word by word, throughout the world for indications of American policy. The speech has become a potent instrument of national leadership and a solemn annual ritual of the National Government.

THE 75TH ANNIVERSARY OF THE OYSTER BAY GUARDIAN

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. RONCALLO of New York. Mr. Speaker, Sunday, February 10, the Oyster Bay Guardian celebrates its diamond jubilee. In tribute to this fine newspaper I would like to share the history of the Guardian with my colleagues:

THE 75TH ANNIVERSARY OF THE OYSTER BAY GUARDIAN

The Oyster Bay Guardian was founded by Nelson H. Disbrow, with his 17-year-old son as junior partner, just 75 years ago, and this well-known weekly newspaper has been in continuous existence ever since. The first issue of the Guardian appeared on Friday, February 10, 1899, published at the Disbrow Printery, first established several weeks previously on the second floor of the Van Sise Meat Market on South Street, Oyster Bay, and then located in Mrs. Vail's building on the same street.

The Guardian's publisher, Nelson H. Disbrow, was a veteran printer and journalist of Prattsville, New York who moved his family to Northport on Long Island, where he had a job on the Northport Journal. About two years later, the Disbrows moved to Oyster Bay, as Nelson had accepted a place on the Oyster Bay Pilot. Then, over half a year later, Nelson Disbrow started his own paper, the Oyster Bay Guardian.

"It was rough in those days," for the struggling new newspaper, however, as the former junior partner, Leslie C. Disbrow, recalled fifty years afterward, writing in the Golden Jubilee Guardian Issue of February 11, 1949.

The hardest battle Nelson Disbrow was called upon to fight, as told in his obituary, "was caused by the dispossession of his business and equipment, through the then owner of the Pilot renting the building over his head." According to Leslie Disbrow's article, owners of available store space were allegedly warned not to rent or sell to the Disbrows.

The Guardian publisher did succeed, at last, in buying a lot on West Main Street, but did not dare to announce the purchase, his son wrote, until the deed of sale was recorded as feeling against the newspaper was running so high due to the competitor.

The building constructed for the Guardian on the West Main Street lot in 1901 proved a haven for the printing and publishing business, and the Guardian was safely launched on its future—now measuring 75 years of publication, reporting the "vital statistics, social, political and athletic news of our fellow citizens," and participating in the progress of our community, and the surrounding areas.

Sorrow came to the Guardian enterprise on the death of the founder, senior partner and editor, Nelson H. Disbrow, on Thanksgiving Eve, 1928. The junior partner, Leslie C. Disbrow, in charge of the mechanical part of the job, carried on with his nephew N. Edward Disbrow, who had come on as an apprentice in the 20s.

In 1943, Leslie Disbrow was elected Town Clerk of Oyster Bay, and Edward Disbrow carried on with the aid of his wife, Mary Allison Disbrow whom he had married in 1931. Leslie Disbrow served five terms as Town Clerk.

Celebrating the 50th anniversary of the Guardian in 1949, Edward Disbrow printed the Golden Jubilee issue.

Edward Disbrow died Dec. 30, 1966, at his Syosset home, just a few hours after the last issue of the year had been printed.

The following Sept. 29, Mary Disbrow, with "heartfelt emotion," sold the family weekly to Edwina Snow and the Oyster Bay Publishing Co. Inc.

Mrs. Snow, the former Edwina C. Feigenspan, was born in New York City, grew up in New Jersey, and has been a resident of Long Island's North Shore for most of the past 30 years. The wife of MacVicker Snow and the mother of four children, she attended the Madeira, Oldfields and Hewitt Schools, Juilliard School of Music, Barnard College and Columbia University. Her business experiences include work in publicity, fashions, the stock exchange, the music world. In the newspaper field, she is co-owner of the Locust Valley Leader in addition to the Guardian. The Syosset Guardian joined the family in July of 1968, and The Scene, monthly rotogravure supplementary magazine to the Guardian, will celebrate its 5th birthday next month. She is listed in the 1974 Who's Who of American Women, and World Who's Who of Women.

Through 75 years, the Guardian has viewed many changes, from the "derby-stiff-collar" fashions to the mod garb of today; transportation from "Old Dobbin" to the jumbo jets overhead; from quill pen to computer; an agricultural economy to industrial to the space age; the effects of two World Wars, Korea and Viet Nam; the growth of its mother Nassau County and the Town of Oyster Bay, with the concurrent step-up in housing; the recent reorganization of Town government under the Honorable John W. Burke, TOB Supervisor, in the areas of master planning, recreation, parks, youth and senior citizen programs, historic preservation and environmental concerns . . .

For the Guardian, it has been "like being a partner in the making of history," as stated in the Golden Jubilee issue.

Among causes and projects which the Guardian has strongly supported in recent years are the defeat of the proposed Oyster Bay-Rye bridge and access roads, with the accompanying historic and ecological preservation of homes, trees, as well as wetlands; the reestablishment of Planning Fields Arboretum; enactment of federal legislation for the protection of America's wild mustangs; and of state law for the protection of abused horses; also the paving of the way toward the first shelter and regulations concerning domestic cats. The Guardian has been vocal over the paper shortage; over crime, running one of the few Police Blotters in the country's presses; over the related battle against narcotics addiction, on which it began editorializing for action as early as May, 1968. Also as early as 1969, the Guardian began taking a stand on the removal of hazardous and unsightly power and telephone poles in favor of underground wiring, an issue which finally just this week is being pursued on a county level. The local historical scene, including the Wightman House, owned and restored by the Town of Oyster Bay as a museum and home of the Oyster Bay Historical Society, and preservation of a growing number of historical homes have been well chronicled by the Guardian, along with acceptance of Oyster Bay as an official site for the American Revolution Bicentennial.

Next week, on Feb. 15, the Guardian moves into a new home in which to enjoy its 75th year of publication and hopefully many more. That building, 33 W. Main St., is a former Wright homestead, one of the historic Oyster Bay homes salvaged through the Guardian's own efforts.

TAXPAYERS SUBSIDIZE NORTH VIETNAM LOBBY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. RARICK. Mr. Speaker, the taxpayers are subsidizing a lobby for North Vietnam on Capitol Hill. The "authorized" use of Federal office space and equipment in the Rayburn House Office Building to "teach" totalitarian benefits to impressionable salaried staff members and to lobby Members of Congress for a more passionate understanding of North Vietnam is an insult to every veteran who fought in Vietnam.

I agree that the North Vietnam lobby is only furthering the announced goals of President Nixon and Dr. Kissinger to give $5 billion in foreign aid reparations to North Vietnam. At least for the present time this goal has been sidetracked. The conditioning program to accept the giveaway of the Panama Canal and normalization of relations with the Castro government has taken the administration's priority.

As the successful offerer of numerous amendments to prohibit any taxpayers aid to North Vietnam, I strenuously object to the latest affront to the American people and demand that any authorization of the use of Government property and taxpayers subsidy to the North Vietnam lobby be immediately wtihdrawn.

A related newsclipping follows:

[From the Washington Star-News, Feb. 5, 1974]

JANE FONDA, LOBBYIST

(By Mary McGrory)

Her famous face, so like her famous father's, causes heads to swivel in cafeteria lines, and congressmen stop in their tracks at the sight of her in Capitol Hill corridors.

She is Jane Fonda, film star, self-styled "revolutionary woman," and one-half of the newest, most unexpected and most unnerving lobbying team on Capitol Hill. The other half is her husband, Tom Hayden, the Tom Paine of the New Left, a founder of the SDS and a member of the Chicago Seven. Together they are trudging the halls of Congress importuning congressmen to end U.S. military involvement in Indochina, the cause that has claimed him since 1961 and her since 1968, when she came back home from a tour in France as a "sex kitten."

"People expected bandoliers and funny hats," said one bemused aide, "but they're not like that at all. She's very refined, and he's restrained and they're both practical and serious about what they're doing."

It's hard to say which of them would have raised more hackles under the Capitol dome not so long ago.

"Maybe if their memories are good," said one fan, "and they remember the Chicago Seven, he would. But she's projected because of the cinema and they were calling her 'Hanoi Hannah' fairly recently up here."

Hayden, who's slight, dark, grubby and cheerful, says, "Watergate has given us legitimacy. The people who wanted to put the Chicago Seven in jail are going to jail themselves."

Miss Fonda, with the self-effacement not associated with the Silver Screen, says, "They come to see me and to hear Tom."

They met three years ago at a Winter Soldiers' investigation—a war crimes panel organized by the Vietnam Veterans Against the War. She was then ardent and unlettered in peace politics, and Hayden impressed her with his learning.

They were married a year ago. Their seven-month-old son, Troy O'Donovan Geraty, is with them. His three names derive from a South Vietnamese patriot, an Irish revolutionary and Hayden's Irish mother's maiden name. Troy goes along to the peace meetings they address several times a week, but stays home in a borrowed Georgetown apartment while they make the rounds of Congress.

For their calls, they usually wear their funky attire, she in slacks and sweater, he in a navy-blue British busdriver's overcoat with gold braid. Each wears a plastic bracelet with the name of a South Vietnamese political prisoner on it. Working from a list provided by Rep. ————————, they do four offices a day.

"We want to see everyone," says Miss Fonda in her low finishing school voice, "friendlies, marginals, hostiles. We want to see everyone but Henry Kissinger."

"Everyone's very polite around here," says Hayden. "Nobody's turned us down. They're willing to listen to us. No matter how outlandish it sounds, they realize it may be true. We talked for years about murder in the villages, but nobody paid any attention until Mylai. We tell them that Vietnam is going to escalate and become an issue again and they better meet it now. They tell us that military aid is the price they have to pay for not bombing. We tell them that the problem is the same, the Thieu government is unrepresentative and repressive and they can't prop it up forever."

Times have changed so much that Hayden will conduct a school on Capitol Hill for the next three weeks. He will hold seminars in a Judiciary subcommittee room arranged by ——— ——— on the history of Vietnam and U.S. intervention there. At least 60 staff members have signed up. There have been no squawks.

Miss Fonda will attend but will not speak. She is far more sensitive about her notices as a political activist than as a star, and is fearful of being considered a dilettante. She was gratified to be told that a congressman who met her in the hall said later he thought she knew what she was talking about.

"It's kind of ironic to see those two trying the system," said one staffer. "They go around telling people to write to their congressmen. What could be more American than that?"

Hayden grins when asked about his switch to convention. "The situation has changed," he says. "It calls for new tactics. Now a majority of the people are on our side about Vietnam."

HOUSE OF REPRESENTATIVES—*Wednesday, February 13, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord is my Shepherd, I shall not want.—Psalms 23: 1.

O thou seeking Shepherd of our striving souls through all the length of days Thy goodness faileth never. We nothing lack if we are Thine and Thou art ours forever.

In a time filled with fear and frustration save us from hasty decisions and hurried actions. Grant unto us a steadiness of spirit and an inner strength of being which will enable us to be faithful stewards of the trust given to us to lead our Nation in wise ways toward good goals for the benefit of all people.

To this end keep our honor bright, our hearts pure, our hands clean, and our devotion to our country deep and true.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 37. An act to amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the office of Director and Deputy Director of the Office of Management and Budget, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 184. An act to authorize and direct the Secretary of the Interior to sell interests of the United States in certain lands located in the State of Alaska to the Gospel Missionary Union;

S. 194. An act to authorize the Secretary of the Interior to convey to the city of Anchorage, Alaska, interests of the United States in certain lands; and

S. 1863. An act to designate the Weminuche Wilderness, Rio Grande and San Juan National Forests, in the State of Colorado.

REMARKS OF THE HONORABLE RICHARD T. HANNA ON HIS ANNOUNCED RETIREMENT

(Mr. HANNA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANNA. Mr. Speaker, I take this opportunity to make some remarks about the announcement in the newspaper this morning that I will not be seeking reelection.

I would like to make three points, if I may, under this 1-minute speech; the first one is directed to the Members. I hope to see each of the Members individually to tell them how badly my decision weighs upon me because I will be leaving so many good friends.

Mr. Speaker, I shall also admonish the Members that in the future what I think they will need more than my presence is their sense of humor. With all the losses we have had in the country, the least we can afford is the loss of our sense of humor which is so finely nurtured and sustained.

Second, I would like to make the point, Mr. Speaker, that I appreciate the efforts of the wonderful people in and about this Capitol who have the responsibility for the care and feeding of Congressmen. I direct this to my own staff, which is a wonderful group of dedicated people, to those in the offices of other Members, and to the many others around here, both in this great room and in the many other places where Congressmen perform their duties. They are a sustaining, helpful group of people who have made being a Congressman worthwhile. They are going to be missed by me, I am sure, even more than some of the individual friends I have made.

The third point, Mr. Speaker, is directed to the new Members who are going to be coming into this House. My announcement is hallmarked by a complete lack of uniqueness, since I anticipate there are going to be a lot of new Members.

I would like to say that when I first came to Congress, I made a prediction in my district that no one would come to me and say, "Thank God, young man, you are here." And that was very true. It is equally predictable now that there are not going to be a lot of people saying, "Please do not leave." So there is a humility about being in service here.

When I came to Washington, I put a lot of time and energy into finding out what was going on and some additional effort into trying to fit in.

To those who will be in the new group next January, they should put all their time and attention into finding out what is going on. If they find out, they will not have to worry about fitting in, because they will have already reached the elite group in this House.

Mr. Speaker, I hope that during the remaining period of my service I can be of some assistance to my fellow Congressmen and to this House and to my district, and it is with great sorrow that I have made the decision not to be one of those who will be sitting here in the next Congress.

SPECIAL ENERGY APPROPRIATION BILL

(Mr. MAHON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MAHON. Mr. Speaker, the House today will consider an energy bill; namely, the Solar Heating and Cooling Demonstration Act. Today's bill authorizes the appropriation of $50 million to the National Aeronautics and Space Administration over a 5-year period.

The energy crisis is the most urgent and immediate economic problem confronting the Nation and world today, and it is mandatory that Congress act aggressively and promptly in providing the necessary legislation to move forward with energy research and development programs.

The Committee on Appropriations proposes to bring to the House, immediately after Easter, a special comprehensive appropriation bill for energy research and development programs for the fiscal year beginning July 1. This would allow funding to be in place for energy activities in advance of the new fiscal year and would do much to promote orderly planning and efficient execution of the energy programs of the various Federal agencies.

The Appropriations Committee proposes to move as rapidly as possible toward the enactment of the energy appropriation bill, but it will be impossible for the committee to take timely action unless the necessary authorizing legislation is enacted at an early date. I make specific reference to the authorizing bills for the Atomic Energy Commission and the National Science Foundation. There are others.

Mr. Speaker, Congress can and must respond to the urgent national energy needs in a timely, efficient way.

Mr. Speaker, the eyes of the country are appropriately on the Congress with respect to the urgent energy problem which confronts us. I am confident the committees of the House will adopt the firm resolve to get all the necessary authorization bills to the floor so that the House may move forward at the earliest possible date.

By all means, the necessary funds must be made available to the appropriate energy agencies of the Government prior to July 1, the beginning of the new fiscal year.

EMBARGO ON FERTILIZER

(Mr. MATHIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MATHIS of Georgia. Mr. Speaker, I have today introduced legislation which will place an embargo on all fertilizer and fertilizer products that are being shipped out of this country. I have introduced this bill with some hesitation, because I want the business and agricultural community of this Nation to have free access to sell in the marketplace of nations. But, Mr. Speaker, the situation out there in the country, across the Potomac, is so severe that I strongly feel the time has come for positive action. If we are not able to stem the flow of fertilizer from the United States then our farmers are simply not going to be able to produce the food and fiber necessary to meet our demands this year. It is just that simple.

Secretary Butz has placed an additional 55 million acres in production this year, and has consistently called for American farmers to "go all out" to produce record yields, and yet no assurance has been given that fertilizer—not to mention fuel—will be available to meet the needs of the farmers.

Mr. Speaker, this is not a "farmer's bill." This legislation, I believe, is absolutely necessary to protect the interests of American consumers.

I urge my colleagues to support this legislation and I plan to reintroduce it at an early date, at which time I would welcome any Member of the House as a cosponsor.

REINTRODUCTION OF RESOLUTION TO PROVIDE LIVE TELEVISION AND RADIO COVERAGE OF HOUSE PROCEEDINGS ON IMPEACHMENT

(Mr. YATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATES. Mr. Speaker, on February 6, 1974, I introduced House Resolution 832 to provide live television and radio coverage of the proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States.

Because of an error in my office, this resolution bears the name of Congressman Charles Wilson of Texas as a cosponsor. The resolution should instead bear the name of Congressman Charles H. Wilson of California. I am today reintroducing the resolution with this error corrected and regret any inconvenience resulting from this error to my friend from Texas (Mr. Charles Wilson).

A PLEA FOR 20TH CENTURY SANITY

(Mr. MILFORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, a physics student at a university in my district, Miss Ruth B. Kaplan, has written me with her views about nuclear energy.

The call for rational thinking toward solving our energy problem is so clear, that I felt my colleagues in the Congress should have a chance to read it:

ARLINGTON, TEX., *February 1, 1974.*

Congressman Dale Milford,
House of Representatives,
Washington, D.C.

DEAR SIR: In your January, 1974, newsletter, which recently was mailed to me, I notice that you mention that the question of pollution control will be coming before the Congress in the near future. As a senior physics student at the University of Texas at Arlington, and a resident of Arlington, I feel that this is an issue that touches the very fiber of our day-to-day life in the Metroplex. I speak specifically of the proposed nuclear generator at Glen Rose. With the present genuine shortage of electrical power, and the relative shortages of petroleum and natural gas products, which are presently used to produce electrical energy, the time has come to cease in our near-paranoia of the terms "nuclear" and "radioactivity", and so on, and get on with the business of using our twentieth century technology.

Not that I am advocating irresponsible, unlicensed, building of atomic power plants. However, the other extreme of bogging down any more of their large-scale use as an energy source in light-years of red tape is nothing short of the type of mentality that forced Copernicus to recant his theory of a heliocentric solar system. In short, submoronic. I hope that I will not have to live in a society that would prefer to live in the world of the nineteenth century. And I hope that my representatives in Congress will lead the way in preparing by removing some of the ridiculous controls that are presently put on some of our most efficient sources of power—mainly nuclear power plants.

Sincerely yours,
Miss Ruth B. Kaplan.

PAMPERED POLICIES FOR BIG OIL

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VANIK. Mr. Speaker, today's newspapers carry the news of Gulf's oil profits hitting an alltime record of $800 million in 1973. When the information becomes available, if ever, it will disclose that Gulf Oil will pay U.S. Federal income taxes at a lower effective rate in 1973, than ever before in that company's history. The massive accumulation by that company of foreign tax credits will wash out a substantial part of the income tax liability.

In 1972, Gulf conducted a business of $7.7 billion and paid only $12 million in Federal income taxes.

As far as the oil companies are concerned, higher profits and lower effective tax rates are an inevitable combination under present tax laws which prescribe a drip-drop of taxes in an avalanche of profits.

GASOLINE DISTRIBUTION POLICY

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, after seeing the impact of methods being employed by a number of States in the Northeast, I am convinced more than ever for the need of a national policy dealing with the question of gasoline and its method of distribution to the public. It is nothing more than foolhardy if we continue on the course we are taking. In effect we are rationing by chaos. The country is sputtering along like a car operating on half its cylinders. We are in need of leadership at the national level, which we have not been getting.

I am calling on President Nixon today to direct Mr. Simon to put into being a national alternate day gas purchasing plan. I am also calling for control of the hours gas stations stay open, in order that working people who need their cars to get to and from their jobs will be able to get gas either early in the morning or late in the afternoon when they get home. Finally I want a complete immediate review of the gasoline allocation program to States and within States, using the 1972 level as a base period is unrealistic, particularly in densely populated States and metropolitan areas that have had substantial growth in the past year.

THE ALLEY CAT ORCHESTRA

(Mr. BUCHANAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUCHANAN. Mr. Speaker, I rise to extend a cordial invitation to all of my colleagues to attend a unique sporting event taking place in Birmingham, Ala., on Sunday, February 24, a benefit basketball game to raise $5,000 in order to send the Alley Cat Orchestra to Washington.

The Alley Cat Orchestra, Mr. Speaker, is composed of a group of mentally retarded and blind persons and includes some 12 mongoloid youths.

The orchestra members will be the featured performers at the annual meeting of the President's Committee on Employment of the Handicapped. The reason I think this will attract and hold the attention of the Members is that this benefit game is to be played between the radio personalities of WERC in Birmingham and the bunnies of the Playboy Club of Atlanta, Ga.

It is my understanding that the radio

team can accept no more substitutes—it is already oversubscribed—and they have more depth on the court than the University of Alabama and Auburn University teams together could ever hope to attract.

I invite you all to attend.

NEGOTIATIONS REGARDING PANAMA CANAL

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, I am deeply concerned about Secretary of State Kissinger's present negotiations with the Republic of Panama over control of the Canal Zone.

If the reports we are receiving are accurate, it is simply inconceivable that we could consider relinquishing U.S. sovereignty over this waterway that is so vital to the commerce of the free world.

Not only international trade, but also the national security of the United States is at stake in these negotiations. If a group of oil-producing Arab countries can hold the world at bay with an oil embargo, cannot a Panamanian-controlled canal be used in much the same way?

The present absence of traffic on the Suez Canal speaks to this point very clearly.

I am not willing to entrust the economy and security of our Nation to any other country, much less a country with as volatile a political history as that of the Republic of Panama.

None of us can predict with accuracy the turn of international events. One thing is certain. The Panama Canal Zone must remain under U.S. control as a guarantee of our future security.

TERMINATING FOREIGN AID PROGRAM

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I have today introduced a concurrent resolution, previously introduced in the other body by Senator J. WILLIAM FULBRIGHT, terminating major portions of this Nation's foolish and tragically expensive foreign aid program.

The resolution, in my opinion, is a step in the right direction and while it leaves intact certain foreign handout programs, it is a beginning toward abolishment of all forms of foreign aid.

I certainly concur with Senator FULBRIGHT's comment that "it is time to wipe out this relic of the past," and in his remark that many—if not most—of the foreign aid recipients around the globe would have been far better off today if—in his words—"we had let them alone."

Nor can I argue with the Senator's statement that our foreign giveaway program "has become a hydra-headed monster, immune from effective control by either the Congress or the President."

It is long past time when Congress ought to do the taxpayers of America a favor and vote to take this monster off their backs once and for all.

This concurrent resolution is a beginning toward accomplishing that goal and I urge all Members of the House to support it.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

FEBRUARY 7, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: This afternoon at a meeting of the House Republican Committee on Committees, it was recommended that I be appointed to serve on the House Committee on Armed Services in order to fill the vacancy left by Congressman Bill Young.

It is with deep regret that I must therefore tender my resignation as a member of the House Committee on Post Office and Civil Service. Service on this Committee has been a rewarding and challenging experience. I extend to Chairman Thaddeus Dulski, ranking Minority Member H.R. Gross, the membership of the Committee and the staff, my appreciation for their cooperation and friendship during my three years of service with the Committee.

Respectfully,

ELWOOD H. HILLIS.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION TO THE COMMITTEE ON THE JUDICIARY

Mr. ARENDS. Mr. Speaker, I offer a privileged resolution (H. Res. 857) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 837

Resolved, That the following-named Member be, and is hereby elected a Member of the following standing committee of the House of Representatives:

Delbert L. Latta of Ohio: Committee on the Judiciary.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION TO COMMITTEE ON ARMED SERVICES

Mr. ARENDS. Mr. Speaker, I offer a privileged resolution (H. Res. 858) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES 858

Resolved, That the following-named Member be, and is hereby elected a Member of the following standing committee of the House of Representatives:

Elwood Hillis of Indiana: Committee on Armed Services.

The resolution was agreed to.

A motion to reconsider was laid on the table.

UNITED STATES OF AMERICA AGAINST FRANK BRASCO AND OTHERS

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House of Representatives.

The Clerk read as follows:

WASHINGTON, D.C.,
February 12, 1974.

The Honorable the SPEAKER,
House of Representatives.

DEAR SIR: On this date, I received by mail the attached Subpoena Duces Tecum in the case of United States of America v. Frank Brasco et. al., dated February 7, 1974, and commanding the Clerk of the House of Representatives or duly authorized representative to appear as a witness and produce certain House documents and records on telephone calls made by Congressman Frank Brasco during 1967 and 1968, at 10:00 o'clock in the forenoon on February 19, 1974 in Room 1201 in the U.S. Courthouse, Foley Square in the Borough of Manhattan. The documents are records under the control of the House of Representatives.

Since the House stands adjourned under H. Con. Res. 425 until February 13, 1974, and since H. Res. 12 of January 3, 1973 is in effect, I have this date so advised the Judge hearing the case. The subpoena is herewith attached for such action as the House in its wisdom may see fit to take.

Sincerely yours,

W. PAT JENNINGS,
Clerk, House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

SUBPENA DUCES TECUM

U.S. District Court, Southern District of New York,

To: W. Pat Jennings, Clerk, U.S. House of Representatives or Duly Authorized Representative: Greeting:

We command you that all and singular business and excuses being laid aside you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 705, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the 19th day of February, 1974, at 10:00 o'clock in the afternoon, to testify and give evidence in a certain cause now pending undetermined in the said District Court of the United States for the Southern District of New York between the United States of America, Plaintiff, and Frank Brasco, et al, Defendants, on the part of the United States and not depart the Court without leave thereof or of the District Attorney, and that you bring with you and produce at the time and place aforesaid the following:

All and any records which you have in your custody, power or control evidencing telephone calls, dates of said call and numbers called, made from, by or to the Washington, D.C. Congressional offices of Frank Brasco, Member of the House of Representatives from Brooklyn, New York, for the years 1967 and 1968.

And failure to attend and produce said documents, you will be deemed guilty of a contempt of Court, and liable to pay all loss and damages sustained thereby to the party aggrieved, and forfeit Two Hundred and Fifty Dollars in addition thereto and to other penalties of the Law.

Dated: New York, N.Y., February 7, 1974.

Raymond F. Burghardt, Clerk, U.S. District Court, Southern District of New York.

Morris Lasker, U.S. District Judge, Southern District of New York.

Paul J. Curran, U.S. Attorney for the Southern District of New York.

Note: Report at Room 1307, 26 Federal Plaza, New York New York. In order to secure your witness fees and mileage, it is necessary that you retain this Subpena and present the same at the United States Attorney's Office, Room 450, upon each day on which you attend Court as a witness.

Edward M. Shaw, Special Attorney, U.S. Department of Justice, room 1307, 26 Federal Plaza, New York, New York 10007, Tel: (212) 264-3930.

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 859) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 859

Whereas in the case of the United States of America against Frank Brasco, et al. (73 Cr. 535 (IBW)) pending in the United States District Court for the Southern District of New York, a subpena duces tecum was issued by the said Court and addressed to W. Pat Jennings, Clerk of the House of Representatives or his Duly Authorized Representative, directing him to appear as a witness before the said court at 10 in the forenoon on the 19th day of February, 1974, and to bring with him certain documents in the possession and under the control of the House of Representatives: Therefore, be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That W. Pat Jennings, Clerk of the House, or any officer or employee in his office whom he may designate, be authorized to appear at the place and before the court in the subpena duces tecum before mentioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the House of Representatives; be it further

Resolved, That when said court determines upon the materiality and the relevancy of the documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House and take copies of those requested documents which are in possession or control of the said Clerk; and the Clerk is authorized to supply certified copies of such documents in his possession or control that the court or other proper officer thereof shall desire, so as, however, the possession of said documents by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under the said Clerk; and be it further

Resolved, That as a respectful answer to the subpena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS TODAY

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule today be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, last Thursday when the gentleman from Massachusetts asked unanimous consent that the call of Calendar Wednesday be dispensed with, I objected, and for the sole purpose of trying to reach the House resolution which I have pending before the Committee on Post Office and Civil Service to provide for disapproval of the President's recommended pay increases for Members of Congress, the Federal judiciary, and the elite in the executive branch of Government.

Over the weekend I look at the business available on the calendar and realized that to pursue this would be an exercise in futility. Therefore, I am not going to object to the gentleman's request. But I should like to appeal to the leadership of the House of Representatives on both sides of the aisle to use their not inconsequential influence to dislodge from the House Committee on Post Office and Civil Service the disapproving resolution so that it may be brought to the floor for a record vote by all Members of the House on whether they want to increase their pay and that of others in the Federal Government in an election year—or any other year for that matter—in the amount of nearly 25 percent.

This issue of a pay raise, in view of the largest, deficit-ridden budget ever submitted to Congress by a President of the United States, and in view of the critical economic and financial situation confronting the Nation, must be brought to a rollcall vote.

To bottle the disapproving resolution in a committee and permit the pay raises for Members of Congress, the Federal judiciary, and top-flight executives to go into effect without a vote is unthinkable. This is, in effect, delegating to the President—any President—the power to determine the pay of the Members of the House and Senate.

I am now aware that an attempt to reach the disapproving resolution through a call of legislation from the various committees would be unavailing and futile.

Therefore, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONFERENCE REPORT ON H.R. 10203, AUTHORIZING CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS

Mr. ROBERTS submitted the following conference report and statement on the bill (H.R. 10203) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93-796)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10203) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—WATER RESOURCES DEVELOPMENT

SEC. 1. (a) The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to undertake the phase I design memorandum stage of advanced engineering and design of the following multipurpose water resources development projects, substantially in accordance with, and subject to the conditions recommended by the Chief of Engineers in, the reports hereinafter designated.

MIDDLE ATLANTIC COASTAL AREA

The project for hurricane-flood protection at Virginia Beach, Virginia: House Document Numbered 92-365, at an estimated cost of $954,000.

JAMES RIVER BASIN

The project for flood protection for the city of Buena Vista on the Maury River, Virginia: House Document Numbered 93-56, at an estimated cost of $665,000.

SALT RIVER BASIN

The project for Camp Ground Lake on Beech Fork in the Salt River Basin, Kentucky, for flood protection and other purposes: House Document Numbered 92-374. at an estimated cost of $330,000.

PASCAGOULA RIVER BASIN

The project for flood protection and other purposes on Bowie Creek, Mississippi: House Document Numbered 92-359, at an estimated cost of $390,000.

PEARL RIVER BASIN

The project for flood control and other purposes on the Pearl River, Mississippi: House Document Numbered 92-282, at an estimated cost of $310,000.

UPPER MISSISSIPPI RIVER BASIN

The project for flood control and other purposes on the Zumbro River at Rochester, Minnesota: Report of the Chief of Engineers dated June 7, 1973, in House Document Numbered 93-156, at an estimated cost of $150,000.

LOWER MISSISSIPPI RIVER BASIN

The project for Greenville Harbor, Greenville, Mississippi: Senate Document Numbered 93-38, at an estimated cost of $200,000.

The project for flood protection for the east bank of the Mississippi River, Warren to Wilkinson Counties, Mississippi (Natchez area): House Document Numbered 93-148, at an estimated cost of $150,000.

The project for flood control and other purposes on the east bank of the Mississippi River, Warren to Wilkinson Counties, Mississippi (Vicksburg-Yazoo area): House Document Numbered 93-149, at an estimated cost of $150,000.

The project for flood control and other purposes for the Bushley Bayou area of the Red River backwater area, Louisiana: House Document Numbered 93-157 at an estimated cost of $300,000.

PEE DEE RIVER BASIN

The project for flood control and other purposes on Roaring River Reservoir, North Carolina: in accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of $400,000.

ALTAMAHA RIVER BASIN

The project for flood control and other purposes at Curry Creek Reservoir, Georgia: in accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of $400,000.

COOSA RIVER BASIN

The project for flood control and other purposes at Dalton Reservoir, Conasauga River, Georgia: in accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of $440,000.

GUADALUPE RIVER BASIN

The project for flood control and other purposes on the Blanco River at Clopton Crossing, Texas: House Document Numbered 92–364, at an estimated cost of $177,000.

ARKANSAS RIVER BASIN

The project for flood control and other purposes on the Arkansas River and tributaries above John Martin Dam, Colorado: House Document Numbered 93–143, at an estimated cost of $1,140 000.

SPRING RIVER BASIN

The project for flood control and other purposes on Center Creek near Joplin, Missouri: House Document Numbered 92–361, at an estimated cost of $150,000.

COLUMBIA RIVER BASIN

The project for installation of power generating facilities at the Libby Reregulating Dam, Kootenai River, Montana: Senate Document Numbered 93–29, at an estimated cost of $75,000.

UMPQUA RIVER BASIN

The project for flood protection and other purposes at the Days Creek Dam, South Umpqua River, Oregon: House Document Numbered 92–371, at an estimated cost of $400,000.

(b) The Secretary of the Army is authorized to undertake advanced engineering and design for the projects in subsection (a) of this section after completion of the phase I design memorandum stage of such projects. Such advanced engineering and design may be undertaken only upon a finding by the Chief of Engineers, transmitted to the Committees on Public Works of the Senate and House of Representatives, that the project is without substantial controversy, that it is substantially in accordance with and subject to the conditions recommended for such project in this section, and that the advanced engineering and design will be compatible with any project modifications which may be under consideration. There is authorized to carry out this subsection not to exceed $5,000,000. No funds appropriated under this subsection may be used for land acquisition or commencement of construction.

Sec. 2. Sections 201 and 202 and the last three sentences in section 203 of the Flood Control Act of 1968 shall apply to all projects authorized in this section. The following works of improvement for the benefit of navigation and the control of destructive flood waters and other purposes are hereby adopted and authorized to be prosecuted by the Secretary of the Army, acting through the Chief of Engineers, in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in the respective reports hereinafter designated.

DELAWARE RIVER BASIN

The project for local flood protection on Wabash Creek, Borough of Tamaqua, Pennsylvania: In accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of $2,355,000.

CHARLES RIVER WATERSHED

The project for flood control and other purposes in the Charles River Watershed, Massachusetts: Report of the Chief of Engineers dated December 6, 1972, at an estimated cost of $7,340,000.

UPPER MISSISSIPPI RIVER BASIN

The project for flood control and other purposes of Prairie du Chien, Wisconsin: Report of the Chief of Engineers dated February 9, 1972, at an estimated cost of $1,840,000.

Sec. 3. (a) The West Tennessee tributaries feature, Mississippi River and tributaries project (Obion and Forked Deer Rivers), Tennessee, authorized by the Flood Control Acts approved June 30, 1948, and November 7, 1966, as amended and modified, is hereby further amended to authorize the Secretary of the Army, acting through the Chief of Engineers, to acquire thirty-two thousand acres of land for the mitigation of fish and wildlife resources, recreation, and environmental purposes. Such lands shall be made available for public use, consistent with good wildlife management practices.

(b) Due to the urgency of completion of the West Tennessee tributaries feature and the necessity to preserve wildlife habitat, the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to enter immediately into leasehold agreements, accept donations, acquire by direct purchase, and to institute eminent domain proceedings to insure the preservation of the necessary lands in their natural state and to further the objectives of this section.

(c) Final details and designs of this mitigation feature shall consist of plans approved by the Secretary of the Army, the Secretary of the Interior, and the Governor of the State of Tennessee after consultation with the Tennessee Game and Fish Commission prior to the conveyance by the Secretary of the Army to the State of Tennessee as provided in subsection (d).

(d) The Secretary of the Army is authorized and directed to convey without monetary consideration, to the State of Tennessee all right, title, and interest of the United States in the lands and developments acquired under the authority of this section. Prior to such conveyance the State of Tennessee or its appropriate designee shall agree in writing in accordance with the provisions of section 221 of the Flood Control Act of 1970, to operate, maintain, and manage the agreed-upon mitigation lands and developments at no expense to the United States. In addition, the deed of conveyance to the lands and developments shall provide that they shall continue to be used for wildlife purposes in accordance with the plans of subsection (b) and the title to such lands or developments, which have been provided at Federal expense under the authority of this subsection shall revert to the United States if they cease to be used for such purposes.

(e) Not less than 20 per centum of the funds appropriated each fiscal year for the construction of the West Tennessee tributaries feature. Mississippi River and tributaries project, shall be expended to implement the mitigation program authorized by this section, until the entire amount of funds authorized by this section has been expended.

(f) The sum of $6,600,000 is hereby authorized to be appropriated to carry out the purposes of this section, and such sum shall be in addition to funds previously authorized for the West Tennessee tributaries feature.

Sec. 4. The project for beach erosion control on Ediz Hook at Port Angeles, Washington, is authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 93–101, at an estimated cost of $4,553,000. The Secretary of the Army, acting through the Chief of Engineers is authorized to undertake, in connection with such project, such emergency interim measures as may be necessary to prevent the breaching of Ediz Hook prior to construction of the authorized project.

Sec. 5. The project for flood control, water supply, and related purposes, in the Pocatalico River Basin, West Virginia, is hereby authorized substantially in accordance with the recommendations contained in the Pocatalico River Basin joint study interim report prepared by the Corps of Engineers and the Soil Conservation Service, at an estimated cost of $3,568,900, with the funds to be appropriated for use by the Secretary of Agriculture, contingent upon project approval by the President.

Sec. 6. Section 103 of the River and Harbor Act of 1970 is amended to read as follows:

"Sec. 103. The cost of operation and maintenance of the general navigation features of small boat harbor projects shall be borne by the United States. This section shall apply to any such project authorized (A) under section 201 of the Flood Control Act of 1965, (B) under section 107 of the River and Harbor Act of 1960, (C) between January 1, 1970, and December 31, 1970, under authority of this Act, and to projects heretofore authorized in accordance with the policy set forth in the preceding sentence and to such projects authorized in this Act or which are hereafter authorized."

Sec. 7. (a) Section 116(a) of the River and Harbor Act of 1970 (Public Law 91–611) is amended by inserting before the period the following: ", and thereafter to maintain such channel free of such trees, roots, debris, and objects".

(b) Section 116(c) of the River and Harbor Act of 1970 (Public Law 91–611) is amended by inserting before the period the following: "to clear the channel, and not to exceed $150,000 each fiscal year thereafter to maintain such channel".

(c) Section 116(b) of the River and Harbor Act of 1970 (Public Law 91–611) is amended by adding at the end thereof the following: "Non-Federal interests shall pay 25 per centum of the cost of maintaining the channel free of trees, roots, debris, and objects."

Sec. 8. The Secretary of the Army, acting through the Chief of Engineers, is authorized to operate and maintain the San Francisco Bay-Delta Model in Sausalito, California, for the purpose of testing proposals affecting the environmental quality of the region, including, but not limited to, salinity intrusion, dispersion of pollutants, water quality, improvements for navigation, dredging, bay fill, physical structures, and other shoreline changes which might affect the regiment of the bay-delta waters.

Sec. 9. The requirement in any water resources development project under the jurisdiction of the Secretary of the Army, that non-Federal interests hold and save the United States free from damages due to the construction, operation, and maintenance of the project, does not include damages due to the fault or negligence of the United States or its contractors.

Sec. 10. The McClellan-Kerr Arkansas River navigation system, authorized by the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1215), as amended and supplemented, is hereby further modified to include alteration at Federal expense of the municipal water supply facilities of the city of Conway, Arkansas, by the construction of water supply impoundment facilities at a location outside the flat flood plain of Cadron Creek, together with interconnecting pipeline and other appurtenant work, so that the water supply capacity of the resultant municipal facilities is approximately equivalent to that existing prior to construction of the navigation system.

Sec. 11. (a) The Secretary of the Army is hereby authorized and directed to cause surveys to be made at the following locations for flood control and allied purposes, and subject to all applicable provisions of section 217 of the Flood Control Act of 1970 (Public Law 91-611):

San Luis Obispo County, California.

Buffalo River Basin, New York (wastewater management study).

Palo Blanco Creek and Cibolo Creek, at and in the vicinity of Falfurrias, Texas.

(b) The Secretary of the Army is hereby *authorized* and directed to cause surveys to be made at the following locations and subject to all applicable provisions of section 110 of the River and Harbor Act of 1950:

Miami River, Florida, with a view to determining the feasibility and advisability of dredging the river in the interest of water quality.

Port Las Mareas, Puerto Rico, with a view to determining the feasibility and advisability of assumption of maintenance of the project by the United States.

Saint Marys River at, and in the vicinity of, Sault Sainte Marie, Michigan, with a view to determining the advisability of developing a deep draft navigation harbor and international port.

East Two Rivers between Tower, Minnesota, and Vermilion Lake.

Sec. 12. (a) As soon as practicable after the date of enactment of this section and at least once each year thereafter, the Secretary of the Army, acting through the Chief of Engineers, shall review and submit to Congress a list of those authorized projects for works of improvement of rivers and harbors and other waterways for navigation, beach erosion, flood control, and other purposes which have been authorized for a period of at least eight years without any Congressional appropriations within the last eight years and which he determines, after appropriate review, should no longer be authorized. Each project so listed shall be accompanied by the recommendation of the Chief of Engineers together with his reasons for such recommendation. Prior to the submission of such list to the Congress, the Secretary of the Army, acting through the Chief of Engineers, shall obtain the views of interested Federal departments, agencies, and instrumentalities, and of the Governor of each State wherein such project would be located, which views shall be furnished within sixty days after being requested by the Secretary and which shall accompany the list submitted to Congress. Prior to the submission of such list to Congress the Secretary of the Army, acting through the Chief of Engineers, shall notify each Senator in whose State, and each Member of the House of Representatives in whose district, a project (including any part thereof) on such list would be located.

(b) Such list shall be delivered to both Houses on the same day and to each House while it is in session. A project on such list shall not be authorized at the end of the first period of one hundred and eighty calendar days of continuous session of Congress after the date such list is delivered to it unless between the date of delivery and the end of such one hundred and eighty-day period, either the Committee on Public Works of the House of Representatives or the Committee on Public Works of the Senate adopts a resolution stating that such project shall continue to be an authorized project. For the purposes of this section continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the one hundred and eighty-day period. The provisions of this section shall not apply to any project contained in a list of projects submitted to the Congress within one hundred and eighty days preceding the date of adjournment sine die of any session of Congress.

(c) Nothing in this section shall be construed so as to preclude the Secretary from withdrawing any project or projects from such list at any time prior to the final day of the period provided for in subsection (b).

(d) This section shall not be applicable to any project which has been included in a resolution adopted pursuant to subsection (b).

(e) The Secretary of the Army, acting through the Chief of Engineers, shall, on request by resolution of the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, review authorized projects for inclusion in the list of projects provided for in subsection (a) of this section. If any project so reviewed is not included in any of the first three lists submitted to the Congress after the date of the resolution directing the review of the project, a report on the review together with the reasons for not recommending deauthorization, shall be submitted to the Committees on Public Works of the Senate and House of Representatives not later than the date of the third list submitted to Congress after the date of such resolution.

Sec. 13. Section 207(c) of the Flood Control Act of 1960 (33 U.S.C. 701r-1(c)) is hereby amended to read as follows:

"(c) For water resources projects to be constructed in the future, when the taking by the Federal Government of an existing public road necessitates replacement, the substitute provided will, as nearly as practicable, serve in the same manner and reasonably as well as the existing road. The head of the agency concerned is authorized to construct such substitute roads to the design standards which the State or owning political division would use in constructing a new road under similar conditions of geography and under similar traffic loads (present and projected). In any case where a State or political subdivision thereof requests that such a substitute road be constructed to a higher standard than that provided for in the preceding provisions of this subsection, and pays, prior to commencement of such construction, the additional costs involved due to such higher standard, such agency head is authorized to construct such road to such higher standard. Federal costs under the provisions of this subsection shall be part of the nonreimbursable project costs."

Sec. 14. The project for the Sandridge Dam and Reservoir, Ellicott Creek, New York, for flood protection and other purposes as authorized by the Flood Control Act of 1970, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake remedial flood control measures to alleviate flooding in the reach between Stahl Road and Niagara Falls Boulevard that are compatible with the diversion channel plan contained in the report of the district engineer, United States Army Engineer District, Buffalo, dated August 1973, such work to be subject to the items of local cooperation required for similar projects and such work to be limited to areas downstream from Sweethome Road in the town of Amherst, New York, and such other areas as the Secretary may deem necessary. The work authorized by this section shall be compatible with the authorized project and any alternatives currently under study pursuant to the Flood Control Act of 1970.

Sec. 15. The project for navigation at Little River Inlet, South Carolina, authorized under provisions of section 201 of the Flood Control Act of October 27, 1965 (Public Law 89-298), is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to perform such emergency dredging operations as the Chief of Engineers determines necessary to maintain channel depths sufficient to permit free and safe movement of vessels until such time as the authorized project is constructed.

Sec. 16. (a) The comprehensive plan for flood control and other purposes in the White River Basin, as authorized by the Act of June 28, 1938 (52 Stat. 1215), and as modified and amended by subsequent Acts, is further modified to provide for a free highway bridge built to modern standards over the Norfork Reservoir at an appropriate location in the area where United States Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of the Norfork Dam and Reservoir. Such bridge shall be constructed by the Chief of Engineers in accordance with such plans as are determined to be satisfactory by the Secretary of the Army to provide adequate crossing facilities. Prior to construction the Secretary of the Army, acting through the Chief of Engineers, shall enter into an agreement with appropriate non-Federal interests as determined by him, which shall provide that after construction such non-Federal interests shall own, operate, and maintain such bridges and approach facilities free to the public.

(b) The cost of constructing such bridge shall be borne by the United States except that the State of Arkansas shall, upon completion of such bridge, reimburse the United States the sum of $1,342,000 plus interest, compounded annually, for the period from May 29, 1943, to the date of enactment of this Act. Such interest shall be computed at rates determined by the Secretary of the Treasury to be equal to the average annual rates payable on all interest-bearing obligations of the United States forming a part of the public debt for each year during this period, and adjusted to the nearest one-eighth of 1 per centum.

Sec. 17. The projects for Melvern Lake and Pomona Lake, Kansas, authorized as units of the comprehensive plan for flood control and other purposes, Missouri River Basin, by the Flood Control Act approved September 3, 1954, are hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to improve surface roads in the vicinity of such projects which he determines to be necessary for appropriate utilization of such projects. The Federal share of the work performed under this section shall not exceed 70 per centum of the costs of such work. There is authorized to be appropriated to the Secretary not to exceed $500,000 to carry out this section.

Sec. 18. The project for Tuttle Creek Reservoir, Big Blue River, Kansas, authorized as a unit of the comprehensive plan for flood control and other purposes. Missouri River Basin, by the Flood Control Act approved June 28, 1938, as modified, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, in his discretion to improve that portion of FAS 1208 extending from the intersection with Kansas State Highway 13 in section 5, township 9 south, range 8 east, thence north and west to the intersection with country road in section 14, township 8 south, range 7 east, approximately 5.78 miles. The Federal share of the work performed under this section shall not exceed 70 per centum of the costs of such work. There is authorized to be appropriated to the Secretary not to exceed $500,000 to carry out this section.

Sec. 19. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to convey to the Andrew Jackson Lodge Numbered 5, Fraternal Order of Police, of Nashville, Tennessee (hereafter in this section referred to as the "lodge"), all right, title, and interest of the United States in and to that real property consisting of thirty-eight acres, more or less, which is located within the Old Hickory lock and dam project and which is presently leased to the lodge under lease numbered AA-40058-CIVENG-60-431, dated December 1, 1959.

(b) The cost of any surveys necessary as an incident of the conveyance authorized by this section shall be borne by the lodge.

(c) Title to the property authorized to be conveyed by this section shall revert to the United States, which shall have the right of immediate entry thereon, if the lodge shall ever use, or permit to be used, any part of, such property for any purpose other than as a youth camp facility.

(d) The conveyance authorized by this section shall be made upon payment by the lodge to the Secretary of the Army of an amount of money equal to the fair market value of the property. The fair market value of such property shall be determined by an independent qualified appraiser acceptable to both the Secretary of the Army and the lodge. No conveyance may be made pursuant to this section after the close of the twelfth month after the month in which this section is enacted.

Sec. 20. Section 213 of the Flood Control Act of 1970 (84 Stat. 1824, 1829) is hereby amended by (1) inserting before the period at the end of the first sentence the following: ", at an estimated cost of $11,400,000" and (2) striking out the last sentence.

Sec. 21. The project for flood protection on the Minnesota River at Mankato-North Mankato, Minnesota, authorized by the Flood Control Act of 1958 and modified by section 207 of the Flood Control Act of 1965, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse the city of Mankato for local costs incurred in relocating that portion of the existing Mankato interceptor sewer extending approximately one thousand six hundred feet upstream and one thousand five hundred feet downstream of the Warren Creek Pumping Station, provided the relocated interceptor sewer is designed and constructed in a manner which the Secretary of the Army determines is fully adequate to serve the project purpose.

Sec. 22. (a) Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with any State in the preparation of comprehensive plans for the development, utilization, and conservation of the water and related resources of drainage basins located within the boundaries of such State and to submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out such plans.

(b) There is authorized to be appropriated not to exceed $2,000,000 annually to carry out the provisions of this section except that not more than $200,000 shall be expended in any one year in any one State.

Sec. 23. Section 123 of the River and Harbor Act of 1970 (84 Stat. 1818, 1823) is hereby amended by adding at the end of subsection (d) of such section the following: "In the event such findings occur after the appropriate non-Federal interest or interests have entered into the agreement required by subsection (c), any payments due after the date of such findings as part of the required local contribution of 25 per centum of the construction costs shall be waived by the Secretary of the Army.".

Sec. 24. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a complete study of the items of local cooperation involving hold and save harmless provisions which have been required for water resources development projects under his jurisdiction, and his reasons for such requirements, and to report thereon to the Congress not later than June 30, 1975, together with recommendations as to those items of local cooperation which should appropriately be required for various types of water resources development projects.

Sec. 25. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study land use practices and recreational uses at water resource development projects under his jurisdiction, and to report thereon to the Congress not later than June 30, 1975, with recommendations as to the best use of such lands for outdoor recreation, fish and wildlife enhancement, and related purposes.

Sec. 26. Section 208 of the Flood Control Act of 1954 (68 Stat. 1256, 1266) is hereby amended by striking out "$2,000,000" and inserting in lieu thereof "$5,000,000", and by striking out "$100,000" and inserting in lieu thereof "$250,000".

Sec. 27. Section 14 of the Act approved July 24, 1946 (60 Stat. 653), is hereby amended by striking out "$1,000,000" and inserting in lieu thereof "$10,000,000", by inserting after the words "public works," "churches, hospitals, schools, and other nonprofit public services," by striking out "$50,000" and inserting in lieu thereof "$250,000" and by striking out "of emergency bank-protection works to prevent flood" and inserting in lieu thereof ", repair, restoration, and modification of emergency streambank and shoreline protection works to prevent".

Sec. 28. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to improve perimeter access at Lake Texoma, Texas and Oklahoma, utilizing existing roads to the extent feasible. There is authorized to be appropriated not to exceed $3,000,000 to carry out this section.

Sec. 29. The Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110), is amended—

(1) by inserting after "to reconstruct, enlarge, and extend the approaches" in subsection (b) of the first section the following: "(including the eastern approach in Rock Island, Illinois",

(2) by inserting after "approaches" in subsection (c) of the first section the following: "(other than the eastern approach in Rock Island, Illinois)", and

(3) by inserting at the end of subsection (c) of the first section the following: "The reconstruction, enlargement, and extension of the eastern approach in Rock Island, Illinois, to such bridge pursuant to subsection (b) of this section shall be commenced not later than December 1, 1974, and shall be completed before December 1, 1977.".

Sec. 30. The project for enlargement of Lavon Reservoir on the East Fork of the Trinity River, Texas, authorized by the Flood Control Act of 1962, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to provide a crossing and approaches at Tickey Creek and suitable surfacing to permit all-weather use of Collin County Road 115, at a cost not to exceed $800,000.

Sec. 31. The project for the Atlantic coast of Long Island, Fire Island Inlet to Montauk Point, New York, authorized in section 101 of the River and Harbor Act of 1960, is hereby modified to provide that non-Federal interests shall (1) contribute 30 per centum of the first cost of the project, including the value of lands, easements, and rights-of-way; (2) hold and save the United States free from damages due to the construction works; and (3) maintain and operate the improvements in accordance with regulations prescribed by the Secretary of the Army.

Sec. 32. (a) This section may be cited as the "Streambank Erosion Control Evaluation and Demonstration Act of 1974".

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to establish and conduct for a period of five fiscal years a national streambank erosion prevention and control demonstration program. The program shall consist of (1) an evaluation of the extent of streambank erosion on navigable rivers and their tributaries; (2) development of new methods and techniques for bank protection, research on soil stability, and identification of the causes of erosion; (3) a report to the Congress on the results of such studies and the recommendations of the Secretary of the Army on means for the prevention and correction of streambank erosion; and (4) demonstration projects, including bank protection works.

(c) Demonstration projects authorized by this section shall be undertaken on streams selected to reflect a variety of geographical and environmental conditions, including streams with naturally occurring erosion problems and streams with erosion caused or increased by manmade structures or activities. At a minimum, demonstration projects shall be conducted at multiple sites on—

(1) the Ohio River;

(2) that reach of the Missouri River between Fort Randall Dam, South Dakota, and Sioux City, Iowa;

(3) that reach of the Missouri River in North Dakota at or below the Garrison Dam; and

(4) the delta and hill areas of the Yazoo River Basin generally in accordance with the recommendations of the Chief of Engineers in his report dated September 23, 1972.

(d) Prior to construction of any projects under this section, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construction and subsequent operation of the projects; hold and save the United States free from damages due to construction, operation, and maintenance of the projects; and operate and maintain the projects upon completion.

(e) There is authorized to be appropriated for the five-fiscal-year period ending June 30, 1978, not to exceed $25,000,000 to carry out subsections (b), (c), and (d) of this section.

Sec. 33. The flood control project for the Scioto River, Ohio, authorized by section 203 of the Flood Control Act of 1962, as modified, is hereby further modified (1) to permit the construction of local protection works at Chillicothe, Ohio, prior to commencement of construction of the Mill Creek Reservoir, and (2) to permit the plan for such works to be revised by the Chief of Engineers so as to provide a degree of protection substantially equivalent to that provided by the project as originally authorized.

Sec. 34. The project for Newburgh lock and dam, authorized under authority of section 6 of the River and Harbor Act approved March 3, 1909, is hereby modified to direct the Secretary of the Army, acting through the Chief of Engineers, to perform bank protection works along the Ohio River at Newburgh, Indiana. Prior to construction, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construction and subsequent operation of the works; hold and save the United States free from damages due to construction, operation, and maintenance of the works, and operate and maintain the works upon completion.

Sec. 35. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a detailed study of such plans as he may deem feasible and appropriate for the removal and disposal of debris and obsolete buildings remaining as a result of military construction in World War II in the vicinities of Port Heiden, Cold Bay, Unalaska, and Unmak Island, in the Aleutian Islands, Alaska. Such study shall include an analysis of appropriate measures to restore these areas to their natural condition. The Secretary of the Army, acting through the Chief of Engineers, is directed to report the findings of such study to Congress within one year after the date of enactment of this section.

SEC. 36. Section 222 of the Flood Control Act of 1970 (Public Law 91–611) is amended by inserting at the end thereof the following: "The Secretary may also provide for the cost of construction of a two-lane, all-weather paved road (including appropriate two-lane bridges extending from Old United States Highway 40, near Weimar across the North Fork and Middle Fork of the American River to the Eldorado County Road near Spanish Dry Diggings, substantially in accordance with the report of the Secretary entitled 'Replacement Alternative Upstream Road System, Auburn Reservoir—June 1970'."

SEC. 37. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to review the requirements of local cooperation for the Santa Cruz Harbor project, Santa Cruz, California, authorized by the River and Harbor Act of 1958, with particular reference to Federal and non-Federal cost sharing, and to report the findings of such review to Congress within one year after the date of enactment of this section.

SEC. 38. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to review the requirements of local cooperation for the project for Anaheim Bay, California, authorized by the River and Harbor Act of 1954 for Seal Beach, California, with particular reference to Federal and non-Federal cost sharing, and to report the findings of such review to Congress within one year after the date of enactment of this section.

SEC. 39. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake such emergency bank stabilization works as are necessary to protect the Sacred Heart Hospital in Yankton, South Dakota, from damages caused by bank erosion downstream of Gavins Point Dam, Missouri River.

SEC. 40. (a) In connection with any water resource development project, heretofore, herein, or hereafter authorized to be undertaken by the Secretary of the Army, the construction of which has not been initiated as of the date of the enactment of this section, where authorization requires that non-Federal public bodies make an agreed-upon cash contribution as part of their reimbursement to the Federal Government for construction costs, or a specific portion of the construction costs, and where there exists no other provision of law which would permit extended repayment for the construction costs or such specific portion of the construction costs involved, such non-Federal public bodies may make such repayment in annual installments during the period of construction.

(b) Upon the request of affected non-Federal public bodies, the Secretary of the Army is authorized to modify existing cost sharing agreements in order to effectuate the provisions of subsection (a) of this section.

SEC. 41. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a detailed study and report of the total benefits and costs attributable to the water resources development projects undertaken in the Ohio River Basin by the Corps of Engineers. The evaluation of benefits and costs attributable to such projects shall include consideration of the enhancement of regional economic development, quality of the total environment, the well-being of the people, and the national economic development.

(b) The Secretary, acting through the Chief of Engineers, shall report the finding of such study to Congress within two years after funds are made available to initiate the study.

(c) There is authorized to be appropriated to the Secretary not to exceed $2,000,000 to carry out this section.

SEC. 42. The project for flood control and improvement of the lower Mississippi River (adopted by the Act of May 15, 1928 (45 Stat. 534)), as amended and modified is further amended and modified so as to provide that in the case of lands which were authorized to be acquired for the purpose of mitigating losses to wildlife resulting from Federal improvements which have not been acquired and which are no longer suitable for such purpose, the Secretary of the Army, acting through the Chief of Engineers, may, to the extent justified, acquire substitute lands, not to exceed the acreages previously authorized for such purpose, in the same or adjacent subbasins of the project area.

SEC. 43. Any proposed road to the Zilpo Recreation Area shall not be constructed under the Cave Run Lake project in Kentucky authorized by the Flood Control Acts approved June 22, 1936, and June 28, 1938, until there is a full opportunity for public review and comment on the environmental impact statement pertaining to any such proposed road.

SEC. 44. (a) Subject to the provisions of subsection (b) of this section, the Secretary of the Army is authorized and directed to convey to the Mountrail County Park Commission of Mountrail County, North Dakota, all rights, title, and interest of the United States in and to the following described tracts of land:

TRACT NUMBER 1

All of the land which lies landward of a line, which line is 300 feet above and measured horizontally from contour elevation 1,850 mean sea level of old Van Hook Village in the northwest quarter of section 32, township 152, range 91 west of the fifth guide meridian.

TRACT NUMBER 2

All of the land which lies landward of a line which line is 300 feet above and measured horizontally from contour elevation 1,850 mean sea level of Olson's first addition, part of the southwest quarter of section 29, township 152, range 91 west of the fifth guide meridian.

TRACT NUMBER 3

Hodge's first addition, part of the northeast quarter of section 32, township 152, range 91, west of the fifth guide meridian.

(b)(1) The conveyance of such portion of the lands described in subsection (a) as is being used by the North Dakota State Game and Fish Department for wildlife management purposes shall not become effective until the termination of the license granted to such department for such use either in accordance with its original terms on October 31, 1980, or at any time prior thereto.

(2) The lands conveyed pursuant to this section shall be used by the Mountrail County Park Commission, Mountrail County, North Dakota, solely for public park and recreational purposes, and if such lands are ever used for any other purpose, title thereto shall revert to, and become the property of, the United States which shall have the right of immediate entry thereof.

(3) The conveyance authorized by this section shall be subject to such other terms and conditions as the Secretary of the Army deems to be in the public interest.

(c) The Mountrail County Park Commission shall pay the costs of such surveys as may be necessary to determine the exact legal description of the lands to be conveyed and such sums as may be fixed by the Secretary of the Army to compensate the United States for its administrative expenses in connection with the conveyance of such lands, which sum shall be covered into the Treasury into miscellaneous expenses.

SEC. 45. (a) Section 252 of the Disaster Relief Act of 1970 (Public Law 91–606, 84 Stat. 1757) is amended by adding at the end thereof the following:

"(d) For the purposes of this section, 'net cost' and 'net costs' of repairing, restoring, reconstructing, or replacing any such facility shall include the costs actually incurred in replacing the facility's services with services from other sources during the period of repair, restoration, reconstruction, or replacement of such facility, to the extent such costs exceed the costs which would have been incurred in providing such services but for the disaster."

(b) The amendment made by section (a) of this section shall take effect as of August 1, 1969.

SEC. 46. The Secretary of the Army, acting through the Chief of Engineers, is authorized to amend the contract between the city of Aberdeen, Washington, and the United States for use of storage space in the Wynoochee Dam and Lake on the Wynoochee River, Washington, for municipal and industrial water supply purposes. Such amended contract shall provide that the costs allocated to Washington, for municipal and industrial present demand water supply, shall be repaid over a period of fifty years after the project is first used for the storage of water for water supply purposes. The first annual payment shall be a minimum of 0.1 per centum of the total amount to be repaid. The annual payments shall be increased by 0.1 per centum each year until the tenth year at which time the payment shall be 1 per centum of the total principal amount to be repaid. Subsequent annual payments for the balance of forty years shall be one-fortieth of the balance remaining after the tenth annual payment (including interest over such fifty-year period).

SEC. 47. The project for Wynoochee Dam and Lake, Wynoochee River, Washington, authorized by the Flood Control Act approved October 23, 1962 (76 Stat. 1193), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to transfer to the State of Washington, as a part of project costs, an amount not to exceed $696,000 for construction of fish hatchery facilities for prevention of losses of natural spawning areas for anadromous trout occasioned by project construction.

SEC. 48. Section 7 of the River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1970 (84 Stat. 310) is hereby amended to read as follows:

"SEC. 7. That the project for Libby Dam, Kootenai River, Montana, is hereby modified to provide that an amount not to exceed $4,000,000 may be used for the construction of fish production measures in compensation for fish losses attributed to the project, and for the acquisition of necessary real estate, construction of access roads and utilities, and performance of services related thereto, as deemed appropriate by the Secretary of the Army, acting through the Chief of Engineers.".

SEC. 49. (a) The project for Libby Dam, Kootenai River, Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to acquire not more than twelve thousand acres of land for the prevention of wildlife grazing losses caused by the project.

(b) The Secretary is further authorized and directed to convey without monetary consideration, to the State of Montana all rights, title, and interest of the United States in the land acquired under subsection (a), for use for wildlife grazing purposes. The deed of conveyance shall provide that the land shall revert to the United States in the event it ever ceases to be used for wildlife grazing purposes.

(c) There is authorized to be appropriated not to exceed $2,000,000 to carry out the provisions of this section.

Sec. 50. The project for Libby Dam (Lake Koocanusa), Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to reimburse Boundary County, Idaho, for the cost incurred to elevate, relocate, or reconstruct the bridge, located at the mouth of Deep Creek as it joins the Kootenai River, made necessary by the duration of higher flows during drawdown operations at Libby Dam. There is authorized to be appropriated not to exceed $350,000 for the purposes of this section.

Sec. 51. If the Secretary of the Army, acting through the Chief of Engineers, finds that the proposed project to be erected at the location to be declared non-navigable under this section is in the public interest, on the basis of engineering studies to determine the location and structural stability of the bulkheading and filling and permanent pile-supported structures in order to preserve and maintain the remaining navigable waterway and on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969, then those portions of the East River in New York County, State of New York, bounded and described as follows are hereby declared to be not navigable waters of the United States within the meaning of the laws of the United States, and the consent of Congress is hereby given to the filling in of all or any part thereof or the erection of permanent pile-supported structures thereon: That portion of the East River in New York County, State of New York, lying shoreward of a line with the United States pierhead line as it exists on the date of the enactment of this Act, bounded on the north by the south side of Rutgers Slip extended easterly, and bounded on the south by the southeasterly border of Battery Park at a point adjacent to the westerly end of South Street extended south by southwest, is hereby declared to be non-navigable waters of the United States. This declaration shall apply only to portions of the above-described area which are bulkheaded and filled or occupied by permanent pile-supported structures. Plans for bulkheading and filling and permanent pile-supported structures shall be approved by the Secretary of the Army, acting through the Chief of Engineers. Local interests shall reimburse the Federal Government for engineering and all other costs incurred under this section.

Sec. 52. The project for hurricane-flood control protection from Cape Fear to the North Carolina-South Carolina State line, North Carolina, authorized by the Flood Control Act of 1966 (80 Stat. 1418, 1419) is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, may enter into an agreement with non-Federal public bodies to provide for reimbursement of installation costs incurred by such bodies, or an equivalent reduction in the contributions they are otherwise required to make, or a combination thereof, in an amount not to exceed $2,000,000 for work to be performed in the project, subject to the provisions of subsections (b) through (e) of section 215 of the Flood Control Act of 1968.

Sec. 53. The project for flood protection on the Grand River and tributaries, Missouri and Iowa, authorized by the Flood Control Act of 1965 is hereby modified to authorize and direct the Chief of Engineers to proceed immediately with the engineering and design of the Pattonsburg Lake project as presently authorized subject to such modifications as are determined desirable by the Chief of Engineers on the basis of results of a review of the authorized Grand River Basin plan of development including consideration of the current justification and feasibility of advance Federal participation in construction of the I–35 highway crossing of the river and of including power facilities during the project construction. Such inclusion of power facilities shall be subject to submission of a feasibility report to the Congress and subsequent congressional action thereon.

Sec. 54. (a) This section may be cited as the "Shoreline Erosion Control Demonstration Act of 1974".

(b) The Congress finds that because of the importance and increasing interest in the coastal and estuarine zone of the United States, the deterioration of the shoreline within this zone due to erosion, the harm to water quality and marine life from shoreline erosion, the loss of recreational potential due to such erosion, the financial loss to private and public landowners resulting from shoreline erosion, and the inability of such landowners to obtain satisfactory financial and technical asistance to combat such erosion, it is essential to develop, demonstrate, and disseminate information about low-cost means to prevent and control shoreline erosion. It is therefore the purpose of this section to authorize a program to develop and demonstrate such means to combat shoreline erosion.

(c) (1) The Secretary of the Army, acting through the Chief of Engineers, shall establish and conduct for a period of five fiscal years a national shoreline erosion control development and demonstration program. The program shall consist of planning, constructing, operating, evaluating, and demonstrating prototype shoreline erosion control devices, both engineered and vegetative.

(2) The program shall be carried out in cooperation with the Secretary of Agriculture, particularly with respect to vegetative means of preventing and controlling shoreline erosion, and in cooperation with Federal, State, and local agencies, private organizations, and the Shoreline Erosion Advisory Panel established pursuant to subsection (d).

(3) Demonstration projects established pursuant to this section shall emphasize the development of low-cost shoreline erosion control devices located on sheltered or inland waters. Such projects shall be undertaken at no less than two sites each on the shorelines of the Atlantic, Gulf, and Pacific coasts, the Great Lakes, and the State of Alaska, and at locations of serious erosion along the shores of Delaware Bay, particularly at those reaches known as Pickering Beach, Kitts Hummock, Bowers, Slaughter Beach, Broadkill Beach, and Lewes in the State of Delaware. Sites selected should, to the extent possible, reflect a variety of geographical and climatic conditions.

(4) Such demonstration projects may be carried out on private or public lands except that no funds appropriated for the purpose of this section may be expended for the acquisition of privately owned lands. In the case of sites located on private or non-Federal public lands, the demonstration projects shall be undertaken in cooperation with a non-Federal sponsor or sponsors who shall pay at least 25 per centum of construction costs at each site and assume operation and maintenance costs upon completion of the project.

(d) (1) No later than one hundred and twenty days after the date of enactment of this section the Chief of Engineers shall establish a Shoreline Erosion Advisory Panel. The Chief of Engineers shall appoint fifteen members to such Panel from among individuals who are knowledgeable with respect to various aspects of shoreline erosion, with representatives from various geographical areas, institutions of higher education, professional organizations. State and local agencies, and private organizations, except that such individuals shall not be regular full-time employees of the United States. The Panel shall meet and organize within ninety days from the date of its establishment, and shall select a Chairman from among its members. The Panel shall then meet at least once each six months thereafter and shall expire ninety days after termination of the five-year program established pursuant to subsection (c).

(2) The Panel shall—

(A) advise the Chief of Engineers generally in carrying out provisions of this section;

(B) recommend criteria for the selection of development and demonstration sites;

(C) recommend alternative institutional, legal, and financial arrangements necessary to effect agreements with non-Federal sponsors of project sites;

(D) make periodic reviews of the progress of the program pursuant to this section;

(E) recommend means by which the knowledge obtained from the project may be made readily available to the public; and

(F) perform such functions as the Chief of Engineers may designate.

(3) Members of the Panel shall, while serving on business of the Panel, be entitled to receive compensation at rates fixed by the Chief of Engineers, but not in excess of the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5332 of title 5 of the United States Code, including traveltime and while away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b–2) for persons in Government service employed intermittently.

(4) The Panel is authorized, without regard to the civil service laws, to engage such technical and other assistance as may be required to carry out its functions.

(e) The Secretary of the Army, acting through the Chief of Engineers, shall prepare and submit annually a progress report, including therein contributions of the Shoreline Erosion Advisory Panel, to the Committees on Public Works of the Senate and House of Representatives. The fifth and final report shall be submitted sixty days after the fifth fiscal year of funding and shall include a comprehensive evaluation of the national shoreline erosion control development and demonstration program.

(f) There is authorized to be appropriated for the first fiscal year following enactment of this section, and the succeeding four fiscal years, a total of not to exceed $8,000,000 to carry out the provisions of this section.

Sec. 55. The Secretary of the Army, acting through the Chief of Engineers, is authorized to provide technical and engineering assistance to non-Federal public interests in developing structural and nonstructural methods of preventing damages attributable to shore and streambank erosion.

Sec. 56. The project for Libby Dam (Lake Koocanusa), Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to compensate the drainage districts and owners of leveed and unleveed tracts, in Kootenai Flats, Boundary County, Idaho, for modification to facilities including gravity drains, structures, pumps, and additional pumping operational costs made necessary by, and crop and other damages resulting from, the duration of higher flows during drawdown operations at Libby Dam, except that the total of all such compensation shall not exceed $1,500,000.

SEC. 57. The authorization for the beach erosion control project for Presque Isle Peninsula, Erie, Pennsylvania, as provided in section 101 of the River and Harbor Act of 1960 (75 Stat. 480) is reinstated and extended under the terms existing immediately prior to the termination of such authorization, for a period of five years from the date of enactment of this Act, or if the review study of such project being carried out by the Secretary of the Army is not completed prior to the end of such period, until such study is completed and a report thereon submitted to Congress. There is authorized to be appropriated not to exceed $3,500,000 to carry out this section.

SEC. 58. (a) The project for navigation in the Atchafalaya River and Bayous Chene, Boeus, and Black, Louisiana, authorized by the River and Harbor Act of 1968 (82 Stat. 731) is hereby modified to provide that the non-Federal interests shall contribute 25 per centum of the costs of areas required for initial and subsequent disposal of spoil, and of necessary retaining dikes, bulkheads, and embankments therefor.

(b) The requirements for appropriate non-Federal interest or interests to furnish an agreement to contribute 25 per centum of the construction costs as set forth in subsection (a) shall be waived by the Secretary of the Army upon a finding by the Administrator of the Environmental Protection Agency that for the area to which such construction applies, the State or States involved, interstate agency, municipality, and other appropriate political subdivisions of the State and industrial concerns are participating in and in compliance with an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities and the Administrator has found that applicable water quality standards are not being violated.

SEC. 59. Notwithstanding any other provision of law, the States of Illinois and Iowa, which are connected at Keokuk, Iowa, by the bridge constructed by the Keokuk and Hamilton Bridge Company pursuant to Public Law 342 of the Sixty-third Congress and at Burlington, Iowa, by the bridge constructed by the Citizens' Bridge Company, pursuant to Public Law 1 of the Sixty-fourth Congress are authorized to contract individually or jointly with either or both of the cities of Keokuk, Iowa, and Burlington, Iowa, on or before June 1, 1974, to assume responsibility for the operation, maintenance, and repair of the bridges at Keokuk and Burlington and the approaches thereto and for lawful expenses incurred in connection therewith. When either or both States have entered into such an agreement any outstanding principal and interest indebtedness on account of a bridge shall be paid from reserve funds accumulated for that purpose and the balance of such funds, if any, shall be used to defray costs of operating and maintaining the bridge. After such an agreement is entered into with respect to a bridge that bridge shall thereafter be free of tolls.

SEC. 60. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to perform channel cleanout operations and snagging and clearing for selected streams where chronic and persistent flood conditions exist in the lower Guyandot River Basin, West Virginia, for the purpose of improving channel capacities, visual environment, and human well-being all in the interest of flood control. Such operations shall be performed as an interim measure pending completion of the R. D. Bailey Lake project at a total cost not to exceed $2,000,000. Appropriate non-Federal interests as determined by the Secretary of the Army, acting through the Chief of Engineers, shall, prior to initiation of remedial operations, agree in accordance with the provisions of section 221 of the Flood Control Act of 1970 that they will furnish the necessary lands, disposal areas, easements, and rights-of-way, and hold and save the United States free from damages due to the cleanout operations.

SEC. 61. Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended—

(1) by striking out "$25,000,000" and inserting in lieu thereof "$30,000,000".

(2) by striking out "advisable:" and all that follows down through and including the period at the end of such section and insert in lieu thereof the following: "advisable. The amount allotted for a project shall be sufficient to complete Federal participation in the project. Not more than $1,000,000 shall be allotted under this section for a project at any single locality, except that not more than $2,000,000 shall be allotted under this section for a project at a single locality if such project protects an area which has been declared to be a major disaster area pursuant to the Disaster Relief Act of 1966 or the Disaster Relief Act of 1970 in the five-year period immediately preceding the date the Chief of Engineers deems such work advisable. The provisions of local cooperation specified in section 3 of the Flood Control Act of June 22, 1936, as amended, shall apply. The work shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports."

SEC. 62. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to perform such work as may be necessary to provide for the repair and conversion to a fixed-type structure of dam numbered 3 on the Big Sandy River, Kentucky and West Virginia.

(b) The work authorized by this section shall have no effect on the condition that local interests shall own, operate, and maintain the structure and related properties as required by the Act of August 6, 1956 (70 Stat. 1062).

(c) There is authorized to be appropriated not to exceed $330,000 to carry out this section.

SEC. 63. The project for hurricane-flood control at Texas City and vicinity, Texas, authorized by the Flood Control Act approved August 13, 1968, is hereby modified to provide that the non-Federal interests shall have until July 1, 1974, to provide the assurances of local cooperation required in accordance with the recommendations of the Chief of Engineers in House Document Numbered 187, Ninetieth Congress.

SEC. 64. Subsection (b) of section 206 of the Flood Control Act of 1960, as amended (33 U.S.C. 709a), is further amended by striking out "$11,000,000" and inserting in lieu thereof "$15,000,000".

SEC. 65. In the case of any reservoir project authorized for construction by the Corps of Engineers, Bureau of Reclamation, or other Federal agency when the Administrator of the Environmental Protection Agency determines pursuant to section 102(b) of the Federal Water Pollution Control Act that any storage in such project for regulation of streamflow for water quality is not needed, or is needed in a different amount, such project may be modified accordingly by the head of the appropriate agency, and any storage no longer required for water quality may be utilized for other authorized purposes of the project when, in the opinion of the head of such agency, such use is justified. Any such modification of a project where the benefits attributable to water quality are 15 per centum or more but not greater than 25 per centum of the total project benefits shall take effect only upon the adoption of resolutions approving such modification by the appropriate committees of the Senate and House of Representatives. The provisions of the section shall not apply to any project where the benefits attributable to water quality exceed 25 per centum of the total project benefits.

SEC. 63. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake measures to clear the channel of the main channel of the Little Calumet River, Illinois, from its confluence with the Calumet-Sag channel eastward to Indiana State line, of fallen trees, roots, silt, and other debris and objects which contribute to flooding, unsightliness, and pollution of the river.

(b) Prior to initiation of measures authorized by this section, such non-Federal interests as the Secretary of the Army, acting through the Chief of Engineers, may require shall agree to such conditions of cooperation as the Secretary of the Army, acting through the Chief of Engineers, determines appropriate, except that such conditions shall be similar to those required for similar project purposes in other Federal waste resources projects.

SEC. 67. The project for navigation at Murrells Inlet, South Carolina, authorized under provisions of section 201 of the Flood Control Act of October 27, 1965 (Public Law 89-298), is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to perform such emergency dredging operations as the Chief of Engineers determines necessary to maintain channel depths sufficient to permit free and safe movement of vessels until such time as the authorized project is constructed.

SEC. 68, (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase I design memorandum stage of advanced engineering and design of the project involving the Willacy-Hidalgo Floodwater Bypass, the Laguna Madre Floodwater Channel, and the North Floodway Channel in the Lower Rio Grande Basin, in Willacy, Hidalgo, and Cameron Counties, Texas, substantially in accordance with the recommendations for phase I contained in the comprehensive study and plan of development, Lower Rio Grande Basin, Texas, dated July 1969, prepared by the United States Department of Agriculture in cooperation with the Texas Water Development Board, the Texas State Soil and Water Conservation Board, and the Texas Water Rights Commission, at an estimated Federal cost of $600,000.

(b) The Secretary of the Army, in cooperation with the Secretary of Agriculture, shall seek reasonable assurances that an adequate land treatment program satisfactory to the Secretary of Agriculture will be installed to provide necessary protection to the watershed lands and planned structural measures; that non-Federal entities will acquire all land rights needed in connection with the construction of the works of improvement authorized by this section; and that such entities will operate and maintain any upstream structural works of improvement on non-Federal lands.

(c) Notwithstanding any other provision of law or regulation, the draft environmental impact statement prepared on such works of improvement by the Soil Conservation Service pursuant to section 102(2)(C) of the National Environmental Policy Act shall constitute the draft environmental impact statement on such works as authorized by this section, and such draft statement shall be circulated to Federal agencies and other appropriate parties at such time as the Secretary of the Army directs.

SEC. 69. The project for beach erosion control and hurricane (tidal flooding) protection in Dade County, Florida, authorized by section 203 of the Flood Control Act of August 13, 1968 (Public Law 90–483), is hereby modified to provide for initial construction by non-Federal interests, and for subsequent future nourishment by Federal or non-Federal interests, of the 0.85-mile project segment immediately south of Baker's Haulover Inlet, and for reimbursement of the applicable Federal share of those project costs as originally authorized. Federal reimbursement shall be contingent upon approval by the Chief of Engineers, prior to commencement of the work, of the detailed plans and specifications for accomplishing the work as being in accordance with the authorized project.

SEC. 70. Section 107(b) of the River and Harbor Act of 1970 (84 Stat. 1818, 1820) is hereby amended by deleting "July 30, 1974" and inserting in lieu thereof "December 31, 1976", and deleting "$6,500,000", and inserting in lieu thereof "$9,500,000".

SEC. 71. The Secretary of the Army, acting through the Chief of Engineers, shall submit to the Congress not later than June 30, 1974, the survey report authorized by resolution of the Committee on Public Works, House of Representatives, dated October 12, 1972, concerning a modification of the Corpus Christi ship channel, Texas, project to provide increased depths and widths in the entrance channels from the Gulf of Mexico to a deeper draft inshore port in the vicinity of Harbor Island, Texas, and shall complete the advanced engineering and design for such modification by June 30, 1975. Such advanced engineering and design may be accomplished prior to authorization of the modification. The Secretary of the Army, acting through the Chief of Engineers, is authorized to accept funds made available by non-Federal interests and to expend such funds for the preparation of the survey report and accomplishment of the advanced engineering and design authorized and directed by this section. Such funds shall be repaid to such non-Federal interests out of moneys appropriated for construction of the modification.

SEC. 72. The project for hurricane-flood protection and beach erosion control at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, authorized by the Flood Control Act of 1965 (79 Stat. 1073), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to commence work on the beach erosion control aspect of the project, independently of the hurricane-flood protection aspect of the project. Construction of the beach erosion control aspect of the project may commence following the completion of environmental studies regarding that aspect, conducted pursuant to the National Environmental Policy Act of 1969. Nothing herein shall increase or reduce the percentage of total costs of the entire project to be contributed by the affected non-Federal interests.

SEC. 73. (a) In the survey, planning, or design by any Federal agency of any project involving flood protection, consideration shall be given to nonstructural alternatives to prevent or reduce flood damages including, but not limited to, floodproofing of structures; flood plain regulation; acquisition of flood plain lands for recreational, fish and wildlife, and other public purposes; and relocation with a view toward formulating the most economically, socially, and environmentally acceptable means of reducing or preventing flood damages.

(b) Where a nonstructural alternative is recommended, non-Federal participation shall be comparable to the value of lands, easements, and rights-of-way which would have been required of non-Federal interests under section 3 of the Act of June 27, 1936 (Public Law Numbered 738, Seventy-fourth Congress), for structural protection measures, but in no event shall exceed 20 per centum of the project costs.

SEC. 74. The project for water quality control in the Arkansas-Red River Basin, Texas, Oklahoma, and Kansas, authorized by the Flood Control Acts of 1966 and 1970, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers to initiate construction of the area VIII feature of the project, consisting of a low-flow dam, pumping station and pipeline, and a brine dam, prior to the approval required by section 201, of the Flood Control Act of 1970.

SEC. 75. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study the need for and means of providing visitor protection services at water resources development projects under the jurisdiction of the Department of the Army, and to report thereon to the Congress, with his recommendations, not later than December 31, 1974.

SEC. 76. The paragraph of section 209 of the Flood Control Act of 1966, Public Law 89–789, authorizing and directing the Secretary of the Army, acting through the Chief of Engineers, to conduct a survey of the Great South Bay, New York, is amended to read as follows:

"Great South Bay, New York, including the waters of adjoining lesser bays and inlets with respect to water utilization and control. Such investigations and study shall include, but not be limited to, navigation, fisheries, flood control, control of noxious weeds, water pollution, water quality control, beach erosion, and recreation. Such survey shall be provided to the Congress by July 31, 1975, and shall include the use of a comprehensive computer model."

SEC. 77. (a) The Federal Water Project Recreation Act (79 Stat. 213) is hereby amended as follows:

(1) Strike out "and to bear not less than one-half the separable costs of the project allocated to either or both of said purposes, as the case may be" in section 2(a) and insert in lieu thereof "and to bear not less than one-half the separable costs of the project allocated to recreation, and to bear one-quarter of such costs allocated to fish and wildlife enhancement".

(2) Strike out "not more than one-half the separable costs" in section 2(a)(3) and insert in lieu thereof "not more than one-half the separable costs of the project allocated to recreation and exactly three-quarters of such costs allocated to fish and wildlife enhancement".

(3) Strike out "bear not less than one-half the costs of lands, facilities, and project modifications provided for either or both of those purposes, as the case may be" in section 3(b)(1) and insert in lieu thereof "bear not less than one-half the costs of lands, facilities, and project modifications provided for recreation, and will bear one-quarter of such costs for fish and wildlife enhancement".

(b) The amendments made by this section shall apply to all projects the construction of which is not substantially completed on the date of enactment of this Act.

(c) In the case of any project (1) authorized subject to specific cost-sharing requirements which were based on the same percentages as those established in the Federal Water Project Recreation Act, and (2) construction of which is not substantially completed on the date of enactment of this Act, the cost-sharing requirements for such project shall be the same percentages as are established by the amendments made by subsection (a) of this section for projects which are subject to the Federal Water Project Recreation Act.

SEC. 78. The project for flood protection on Indian Bend Wash, Maricopa County, Arizona, authorized by the Flood Control Act of 1965 (79 Stat. 1083) is hereby modified to provide that all costs of the siphon system from the Arizona Canal, required to be provided in connection with the relocation of irrigation facilities shall be paid by the United States.

SEC. 79. The multiple-purpose plan for the improvement of the Arkansas River and tributaries, authorized by the River and Harbor Act of July 24, 1946, as amended and modified, is hereby further amended to authorize the Secretary of the Army, acting through the Chief of Engineers, to reassign the storage provided in the Oologah Reservoir for hydroelectric power production to municipal and industrial water supply and to make such storage available for such purposes under the Water Supply Act of 1958, as amended.

SEC. 80. (a) The interest rate formula to be used in plan formulation and evaluation for discounting future benefits and computing costs by Federal officers, employees, departments, agencies, and instrumentalities in the preparation of comprehensive regional or river basin plans and the formulation and evaluation of Federal water and related land resources projects shall be the formula set forth in the "Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources" approved by the President on May 15, 1962, and published as Senate Document 97 of the Eighty-seventh Congress on May 29, 1962, as amended by the regulation issued by the Water Resources Council and published in the Federal Register on December 24, 1968 (33 F.R. 19170; 18 C.F.R. 704.39), until otherwise provided by a statute enacted after the date of enactment of this Act. Every provision of law and every administrative action in conflict with this section is hereby repealed to the extent of such conflict.

(b) In the case of any project authorized before January 3, 1969, if the appropriate non-Federal interests have, prior to December 31, 1969, given satisfactory assurances to pay the required non-Federal share of project costs, the discount rate to be used in the computation of benefits and costs for such project shall be the rate in effect immediately prior to December 24, 1968, and that rate shall continue to be used for such project until construction has been completed, unless otherwise provided by a statute enacted after the date of enactment of this Act.

(c) The President shall make a full and complete investigation and study of principles and standards for planning and evaluating water and related resources projects. Such investigation and study shall include, but not be limited to, consideration of enhancing regional economic development, the quality of the total environment including its protection and improvement, the well-being of the people of the United States, and the national economic development, as objectives to be included in federally-financed water and related resources projects and in the evaluation of costs and benefits attributable to such projects, as intended in section 209 of the Flood Control Act of 1970 (84 Stat. 1818, 1829), the interest rate formula to be used in evaluating and discounting future benefits for such projects, and appropriate Federal and non-Federal cost sharing for such projects. He shall report the results of such investigation and study, together with his recommendations, to Congress not later than one year after funds are first appropriated to carry out this subsection.

Sec. 81. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study the feasibility and practicality of constructing, operating, and maintaining in the vicinity of Duluth, Minnesota, a hydraulic model of all or a part of the Great Lakes and their connecting channels and an associated technical center, and to report thereon to Congress with recommendations no later than June 30, 1976.

Sec. 82. Section 5 of the Flood Control Act approved August 18, 1941, as amended (33 U.S.C. 701n), is amended as follows:

(1) The first sentence is amended by striking out "in the amount of $15,000,000".

(2) By inserting immediately after the first sentence the following new sentence: "The Chief of Engineers, in the exercise of his discretion, is further authorized to provide emergency supplies of clean drinking water, on such terms as he determines to be advisable, to any locality which he finds is confronted with a source of contaminated drinking water causing or likely to cause a substantial threat to the public health and welfare of the inhabitants of the locality."

(3) The proviso in the next to the last sentence is amended by striking out "of said sum," and inserting in lieu thereof the following: "of sums to such emergency funds,".

Sec. 83. (a) The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 30, 1935 (49 Stat. 1028) and the Act of August 20, 1937 (50 Stat. 731) is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, in connection with the construction of the Bonneville second powerhouse, to relocate the town of North Bonneville, Washington, to a new townsite.

(b) As part of such relocation, the Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate in the planning of a new town with other Federal agencies and appropriate non-Federal interests; to acquire lands necessary for the new town and to convey title to said lands to individuals, business or other entities, and to the town as appropriate; and to construct a central sewage collection and treatment facility and other necessary municipal facilities.

(c) The compensation paid to any individual or entity for the taking of property under this section shall be the amount due such individual or entity under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 less the fair market value of the real property conveyed to such individual or entity in the new town, Municipal facilities provided under the authority of this section shall be substitute facilities which serve reasonably as well as those in the existing town of North Bonneville except that they shall be constructed to such higher standards as may be necessary to comply with applicable Federal and State laws. Additional facilities may be constructed or higher standards utilized, only at the expense of appropriate non-Federal interests.

(d) Before the Secretary of the Army acquires any real property for the new townsite appropriate non-Federal interests shall furnish binding contractual commitments that all lots in the new townsite will be either occupied when available, will be replacements for open space and vacant lots in the existing town, or will be purchased by non-Federal interests at the fair market value.

Sec. 84. (a) The project for flood protection on Fourmile Run, city of Alexandria and Arlington County, Virginia, approved by resolutions of the Committees on Public Works of the United States Senate and House of Representatives, dated June 25, 1970, and July 14, 1970, respectively, in accordance with the provisions of section 201 of the Flood Control Act of 1965 (Public Law 84–298), is hereby modified to incorporate the following:

(1) A channel capacity sufficient to accommodate flood flows of twenty-seven thousand cubic feet per second;

(2) An increase in channel bottom widths along Fourmile Run from one hundred seventy-five to two hundred feet from Mount Vernon Avenue to Long Branch and from one hundred fifty to one hundred seventy-five feet above Long Branch, and, along Long Branch, from forty to sixty feet.

(3) The deletion of the pumping stations, ponding areas, and levees, except for a short levee on Long Branch, and the substitution therefor of bank retention structures, including walls where required due to space limitations, and flood proofing by non-Federal interests of existing and future structures as necessary to provide protection against a one hundred-year flood;

(4) The addition of recreation as a project feature, including pedestrian and bicycle trails, active and passive recreation areas, picnic areas, and protection of existing marshland area.

(b) Prior to initiation of construction of this project, appropriate non-Federal interests shall agree to—

(1) provide without cost to the United States all lands, easement, and rights-of-way necessary for construction of the project;

(2) accomplish without cost to the United States all relocations and alterations to existing improvements, other than railroads and the George Washington Memorial Parkway Bridge, which may be required by the construction works, including the reconstruction of the existing United States Route 1 highway bridge with its approach ramps;

(3) hold and save the United States free from damages due to the construction works;

(4) maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of the Army;

(5) prevent encroachment on the project flood channels that would decrease the effectiveness of the flood control improvement;

(6) provide at their own expense flood proofing of existing and future building and other measures as necessary to provide flood protection against a one hundred-year flood;

(7) develop a land management planning process acceptable to the Secretary of the Army for the entire watershed, including Arlington and Fairfax Counties and the cities of Alexandria and Falls Church, to insure that future development in the basin will not result in increased runoff which would impair the effectiveness of the flood control improvement;

(8) develop a land use management planning process satisfactory to the Secretary of the Army for the area protected by the project and other areas within the jurisdiction of the non-Federal interest or interests furnishing the cooperation for the project, which will insure, among other things, that future development will not be permitted in flood prone areas unless suitable structural or non-structural flood control measures are first undertaken by non-Federal public or private interests at no expense to the Federal Government;

(9) contribute in cash toward construction of the project a sum estimated at $2,439,000, as follows:

(A) city of Alexandria—one-half of the cost of construction of the channels and floodwalls between Commonwealth Avenue and Interstate 95, in the city of Alexandria, or $1,500,000, whichever is greater,

(B) Arlington County—$500,000,

(C) Richmond, Fredericksburg, and Potomac Railroad Company—$439,000;

(10) pay 50 per centum of the separable costs of the project allocated to recreation, consistent with the Federal Water Project Recreation Act (Public Law 89–72).

(c) There is authorized to be appropriated to the Secretary of the Army for construction of the Fourmile Run project not to exceed $29,981,000, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in the cost of construction as indicated by engineering cost indexes applicable to the type of construction involved.

Sec. 85. (a) The projects for Verona Dam and Lake, Virginia, and for Sixes Bridge Dam and Lake, Maryland, are hereby authorized substantially in accordance with the recommendations of the Secretary of the Army in House Document Numbered 91–343 as modified by the recommendations of the Chief of Engineers in his report dated July 13, 1973, except that such authorization shall be limited to the phase I design memorandum of advanced engineering and design, at an estimated cost of $1,400,000.

(b) (1) Prior to any further authorization of such Sixes Bridge Dam Project, the Secretary of the Army, acting through the Chief of Engineers shall (A) make a full and complete investigation and study of the future water resources needs of the Washington metropolitan area, including but not limited to the adequacy of present water supply, nature of present and future uses, the effect water pricing policies and use restrictions may have on future demand, the feasibility of utilizing water from the Potomac estuary, all possible water impoundment sites, natural and recharged ground water supply, wastewater reclamation, and the effect such projects will have on fish, wildlife, and present beneficial uses, and shall provide recommendations based on such investigation and study for supplying such needs, and (B) report to the Congress the results of such investigation and study together with such recommendations. The study of measures to meet the water supply needs of the Washington metropolitan area shall be coordinated with the Northeastern United States water supply study authorized by the Act of October 27, 1965 (79 Stat. 1073).

(2) The Secretary of the Army, acting through the Chief of Engineers, shall undertake an investigation and study of the use of estuary waters to determine the feasibility of using such waters as a source of water supply and is authorized to construct, operate, and evaluate a pilot project on the Potomac estuary for the treatment of such waters at an estimated cost of $6,000,000. The Secretary of the Army, acting through the Chief of Engineers, shall report to the Congress on the results of such project within three years after commencement of operation of such project and such report shall include the results of two years testing at the pilot project for the treatment of water from the Potomac estuary.

(3) The Secretary of the Army, acting through the Chief of Engineers, shall request the National Academy of Sciences-National Academy of Engineering to review and by written report comment upon the scientific basis for the conclusions reached by the investigation and study of the future water resource needs of the Washington metropolitan area and the pilot project for the treatment of water from the Potomac estuary. Such review and written report shall be completed and submitted to the Congress

within one year following the completion of both the Corps of Engineers report on the future water resource needs of the Washington metropolitan area and the report on the results derived from the pilot project for the treatment of water from the Potomac estuary. Completion of such review and written report by the National Academy of Sciences-National Academy of Engineering shall be a condition of further authorization of such Sixes Bridge Dam Project.

(4) The Secretary of the Army is authorized to enter into appropriate arrangements with the National Academy of Sciences-National Academy of Engineering for the purpose of this subsection.

(c) There is authorized $1,000,000 for the purposes of carrying out the provisions contained in paragraph (3) of subsection (b).

Sec. 86. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to assist the National Park Service in the National Park Service's program to plan for, design, and implement restoration of the historical and ecological values of Dyke Marsh on the Potomac River. Such assistance may include, but need not be limited to, furnishing suitable fill material obtained from the Potomac River or its tributaries, its placement, upon request, and engineering and technical services.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make an investigation and study of the siltation and sedimentation problems of the Potomac River basin with particular emphasis on these problems as they exist in the Washington metropolitan area of the basin. This study is to be made in consultation with the Departments of Interior and Agriculture, the Environmental Protection Agency, and other interested Federal, State, and local entities and is to include, but need not be limited to, a description of the extent of such problems together with the Chief of Engineer's recommendations on feasible and environmentally sound methods of removing polluted river bed materials to enhance water quality, recreation use, fish and wildlife, navigation, and the esthetics of the basin, as well as his recommendations on alternative methods and sites for the proper disposal of such materials. The Secretary of the Army shall transmit this study and the Chief of Engineer's recommendations to the Congress no later than three years from the date of enactment of this Act.

Sec. 87. The comprehensive plan for flood control and other purposes for the Mississippi River and tributaries, approved by the Flood Control Act of June 15, 1936, as amended, is hereby modified to provide that the channel of Bayou Courtableau be enlarged from Washington to the west protection levee in lieu of the authorized Washington to Courtableau diversion, and that the right-of-way and spoil areas therefor be provided at Federal expense. Further, that additional culverts through the west protection levee be provided as necessary for the increased flow.

Sec. 88. (a) The project for flood control below Chatfield Dam on the South Platte River, Colorado, authorized by the Flood Control Act of 1950 (64 Stat. 175), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to participate with non-Federal interests in the acquisition of lands and interests therein and in the development of recreational facilities immediately downstream of the Chatfield Dam, in lieu of a portion of the authorized channel improvement, for the purpose of flood control and recreation.

(b) Such participation shall (1) consist of the amount of savings realized by the United States, as determined by the Secretary of the Army, acting through the Chief of Engineers, in not constructing that portion of the authorized channel improvement below the dam, together with such share of any land acquisition and recreation development costs, over and above that amount, that the Secretary of the Army determines is comparable to the share available under similar Federal programs providing financial assistance for recreation and open spaces, (2) in the instance of the aforementioned land acquisition, be restricted to those lands deemed necessary by the Secretary of the Army for flood control purposes, and (3) not otherwise reduce the local cooperation required under the project.

(c) Prior to the furnishing of the participation authorized by this Act, non-Federal interests shall enter into a binding written agreement with the Secretary of the Army to prevent any encroachments in needed flood plain detention areas which would reduce their capability for flood detention and recreation.

Sec. 89. The project for the Rogue River Basin, Oregon and California, as authorized in section 203 of the Flood Control Act of 1962 (Public Law 87–874) is modified to provide that construction of the Applegate Lake, Oregon project may commence prior to non-Federal interests making necessary arrangements with the Secretary of the Interior for repayment in accordance with Federal reclamation laws. The Applegate project shall not be operated for irrigation purposes until such time as the Secretary of the Interior makes the necessary arrangements with non-Federal interests to recover the costs, in accordance with Federal reclamation laws, which are allocated to the irrigation purpose.

Sec. 90. The plan for flood protection in the Big Sandy River Basin, Kentucky, West Virginia, and Virginia included in the comprehensive plan for flood control in the Ohio River Basin, authorized by the Flood Control Act, approved June 22, 1936 (49 Stat. 1570), as amended and modified, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to provide all communities in the Tug Fork Valley of the Big Sandy River Basin, Kentucky, Virginia, and West Virginia, with comprehensive flood protection by a combination of local flood protection works and residential flood proofing similar to the measures described by the Chief of Engineers in the "Report on Tug Fork, July 1970", except that such authorization shall be limited to the phase I design memorandum stage of advanced engineering and design at an estimated cost of $1,290,000.

Sec. 91. The New York Harbor collection and removal of drift project is hereby modified in accordance with the recommendations contained in "Survey Report on Review of Project, New York Harbor Collection and Removal of Drift," dated June 1968, revised March 1969, and April 1971, on file in the Office, Chief of Engineers. There is authorized to be appropriated not to exceed $14,000,000 to carry out the modification authorized by this section.

Sec. 92. (a) The hurricane-flood protection project on Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89–298) is hereby modified to provide that non-Federal public bodies may agree to pay the unpaid balance of the cash payment due, with interest, in yearly installments. The yearly installments will be initiated when the Secretary determines that the project is complete but in no case shall the initial installment be delayed more than ten years after the initiation of project construction. Each installment shall not be less than one twenty-fifth of the remaining unpaid balance plus interest on such balance, and the total of such installments shall be sufficient to achieve full payment, including interest, within twenty-five years of the initiation of project construction.

(b) The rate of interest on the unpaid balance shall be that specified in section 301(b) of the Water Supply Act of 1958 (Public Law 85–500).

(c) Any payment agreement pursuant to the provisions of this Act shall be in writing, and the provisions of subsections (b), (c), and (e) of section 221 of the Flood Control Act of 1970 (Public Law 91–611) shall be applicable to such written agreement.

Sec. 93. Section 107 of the River and Harbor Act of 1948 (62 Stat. 1174) is amended by striking out "$22,000" and inserting in lieu thereof "$45,000".

Sec. 94. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed, in coordination with the State of Kentucky and appropriate local agencies, (1) to repair existing flood damage to River Road at Rabbit Hash, Boone County, Kentucky, or, as appropriate, to relocate River Road, (2) to repair existing flood damage to Huff Road (also known as Ryle Road) at Hamilton Landing, Boone County, Kentucky, or, as appropriate, to relocate Huff Road, and (3) to construct needed streambank protection works to prevent future erosion damage to public and private facilities at and near Boone County, Kentucky.

(b) There is authorized to be appropriated not to exceed $375,000 for the roadwork authorized by this section and not to exceed $600,000 to construct the bank protection works.

Sec. 95. The project for Russian River, Dry Creek, California, as authorized in section 203 of the Flood Control Act of 1962 (76 Stat. 1173), as modified, is further modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to compensate for fish losses on the Russian River which may be attributed to the operation of the Coyote Dam component of the project through measures such as possible expansion of the capacity of the fish hatchery at the Warm Springs Dam component of the project.

Sec. 96. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to investigate and study the feasibility of acquiring, as a part of the project for Kehoe Lake, Kentucky, authorized by the Flood Control Act of 1966, an area consisting of approximately 4,000 acres for maintenance in its natural state and for the purpose of environmental investigations.

Sec. 97. (a) If the Secretary of the Army acting through the Chief of Engineers, finds that the proposed project in Salisbury, Maryland, to be undertaken at the locations to be declared nonnavigable under this section is in the public interest, on the basis of engineering studies to determine the location and structural stability of any bulkheading and filling and permanent pile-supported structures, in order to preserve and maintain the remaining navigable waterway and on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969, then those portions of the South Prong of the Wicomico River in Wicomico County, State of Maryland, bounded and described as follows, are declared to be not a navigable water of the United States within the meaning of the laws of the United States, and the consent of Congress is hereby given, consistent with subsection (b) of this section, to the filling in of a part thereof or the erection of permanent pile-supported structures thereon: That portion of the South Prong of the Wicomico River in Salisbury, Maryland, bounded on the east by the west side of

United States Route 13; on the west by the west side of the Mill Street Bridge; on the south by a line five feet landward from the present water's edge at high tide extending the entire length of the South Prong from the east boundary at United States Route 13 to the west boundary at the Mill Street Bridge; and on the north by a line five feet landward from the present water's edge at high tide extending the entire length of the South Prong from the east boundary at United States Route 13 to the west boundary at the Mill Street Bridge.

(b) This declaration shall apply only to the portions of the areas described in subsection (a) which are bulkheaded and filled or occupied by permanent pile-supported structures. Plans for bulkheading and filling and permanent pile-supported structures shall be approved by the Secretary of the Army, acting through the Chief of Engineers. Such bulkheaded and filled areas or areas occupied by permanent pile-supported structures shall not reduce the existing width of the Wicomico River to less than sixty feet and a minimum depth of five feet shall be maintained within such sixty-foot width of the Wicomico River. Local interests shall reimburse the Federal Government for engineering and all other costs incurred under this section.

Sec. 98. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from Broadway Lake. Anderson County, South Carolina, at an estimated cost of $400,000. The Secretary shall report to the Administrator of the Environmental Protection Agency the plans for and the results of such project together with such recommendations as he determines necessary to assist in carrying out the program for fresh water lakes under section 314 of the Federal Water Pollution Control Act.

Sec. 99. The Cache River Basin Project Feature Mississippi River and Tributaries Project, Arkansas, authorized by the Flood Control Act approved May 17, 1950, is hereby modified to provide for acquisition by fee or easements, of not more than seventy thousand acres of land for fish and wildlife management, recreation, and environmental purposes, of which not less than thirty thousand acres shall be available for public use in accordance with the recommendations of the Chief of Engineers in House Document Numbered 92-366. The total Federal expenditure for this acquisition shall not exceed $7,000,000 and local interests shall contribute 50 per centum of any cost in excess of $6,000,000. No action may be initiated for any taking of prospective mitigation lands until an offer has first been made to the landowner thereof to take only an environmental easement. Easement-taking offers shall allow the landowner the choice of either keeping access subject to private control or allowing public access. Easements for environmental purposes on lands not cleared at the time of taking shall prevent clearing of the land for commercial agricultural purposes or any other purpose inconsistent with wildlife habitat but shall allow any landowners to manage the lands to provide a perpetual, regularly harvested hardwood forest, which may be harvested in such a manner as to provide food and habitat for a variety of wildlife. Selection of areas and designation of use shall be within the discretion of the Chief of Engineers. Section 401 of the Act of June 15, 1935 (16 U.S.C. 715s), pertaining to the distribution of revenues, is hereby extended and made applicable to those lands acquired hereunder by the Department of the Army, Corps of Engineers, for mitigation purposes upon their transfer to the Department of the Interior, or any other governmental agency. No less than 20 per centum of the funds appropriated each fiscal year for the Cache River project shall be appropriated to implement mitigation until the full mitigation amount has been appropriated.

Sec. 100. The Knife River Harbor project on Lake Superior, Minnesota, is hereby modified to require the Secretary of the Army, acting through the Chief of Engineers, to construct such measures as the Chief of Engineers determines necessary to correct the design deficiency which results in unsatisfactory entrance and mooring conditions at such harbor, at an estimated cost of $850,000.

Sec. 101. The project for flood protection on the Rahaway River, New Jersey, authorized by the Flood Control Act of 1965 is hereby modified to provide that the costs of relocations of utilities within the channel walls shall be borne by the United States.

Sec. 102. The project for flood protection on the Chariton River, Iowa and Missouri, as authorized by the Flood Control Act of 1954 (68 Stat. 1262) is modified to authorize and direct the Secretary of the Army to make payment of $700,000 to the Iowa Conservation Commission toward the cost of construction by such Commission of the fish hatchery planned to be constructed for the purpose of restoring fish losses resulting from the construction of Rathbun, Saylorville, Coralville, and Red Rock Dam and Lake in the State of Iowa. No such payment shall be made until the Secretary of the Army, acting through the Chief of Engineers, shall have approved the plans for such fish hatchery.

Sec. 103. The project for the Kansas River, Kansas, Nebraska, and Colorado, authorized by the Flood Control Act of 1962 (76 Stat. 1180, 1187) is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to relocate the existing FAS 1343 crossing over the Vermillion Creek, as required for the Onaga Lake project, in advance of construction of such project.

Sec. 104. The requirements of section 221 of the Flood Control Act of 1970 (Public Law 91-611) shall not apply to any agreements, to include agreements on recreational development, between the Federal Government and the State of West Virginia for local cooperation as a condition for the construction of the project for Stonewall Jackson Lake, West Fork River, West Virginia, authorized by section 203 of the Flood Control Act of 1966 (Public Law 89-789). The Secretary of the Army, acting through the Chief of Engineers, is authorized to contract with the State of West Virginia on the items of local cooperation for the Stonewall Jackson Lake project, which are to be assumed by the State, notwithstanding that the State may elect to make its performance of any obligation contingent upon the State legislature making the necessary appropriations and funds being allocated for the same or subject to the availability of funds on the part of the State.

Sec. 105. The project for flood protection on the Souris River at Minot, North Dakota, approved by resolutions of the Committees on Public Works of the Senate and House of Representatives under the authority of section 201 of the Flood Control Act of 1968, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse the designated non-Federal public bodies for the estimated additional cost being incurred by them for lands and relocations in the proposed channel realignment at the Third Avenue N.E. Bridge in Minot. The amount of reimbursable costs, shall not exceed $200,000.

Sec. 106. Notwithstanding section 105 of the River and Harbor Act of 1966 (80 Stat. 1406) or any other provision of the law, the States of Illinois and Missouri, which are connected by the bridge constructed by the city of Chester, Illinois, pursuant to Public Law 76-751 and Public Law 85-512, are authorized to contract individually or jointly with the city of Chester, Illinois, on or before June 1, 1974, to assume responsibility for the operation, maintenance, and repair of the Chester Bridge and the approaches thereto and lawful expenses incurred in connection therewith (exclusive of principal, interest, and financing charges on the outstanding indebtedness on such bridge and approaches). When either or both States enter into such an agreement, all tolls thereafter charged for transit over such bridge shall, except as provided in the last two sentences of this Act, be used exclusively (A) to retire outstanding indebtedness (including reasonable interest and financing charges) on the bridge and approaches thereto and (B) credited into a sinking fund established for such bridge. No tolls shall be charged for transit over such bridge after the outstanding indebtedness on the bridge and approaches (including reasonable interest and financing charges) has been retired, or sufficient funds are available through the sinking fund to pay off all outstanding indebtedness (including reasonable interest and financing charges) on such bridge and approaches. If a State declines or is unable to participate in the agreement authorized by this Act, the other State may assume the responsibilities such State would have assumed under such an agreement. In that event, the assuming State shall be entitled to receive from toll revenues, after provision is made for principal and interest payments on any indebtedness then outstanding on the bridge and its approaches, as reimbursement, an amount of money (no less often than annually) which is equal to the nonparticipating State's fair share of the operating, maintenance, repair, and other lawful costs incurred in connection with the bridge and its approaches.

Sec. 107. If the Secretary of the Army, acting through the Chief of Engineers and in consultation with the Administrator of the Environmental Protection Agency and affected non-Federal interests, determines that environmental, engineering, and economic considerations make it advisable to utilize the services of a regional or municipal sewage treatment plant for the treatment of sewage resulting from the operating of recreation and other facilities at Corps of Engineers water resources development projects, then the Secretary is authorized to include as part of the reasonable service charges contemplated by section 313 of the Federal Water Pollution Control Act payment, in whole or in part, for that portion of the costs of constructing the sewage treatment plant which is attributable to the purpose of treating the sewage resulting from the operation of such Corps facilities. Payment for such construction cost may be either in lump sum or on an installment basis.

Sec. 108. (a) As used in this section the term "Secretary" shall mean the Secretary of the Army, acting through the Chief of Engineers. The Secretary, in accordance with the national recreation area concept included in the interagency report prepared pursuant to section 218 of the Flood Control Act of 1938 (Public Law 90-483) by the Corps of Engineers, the Department of the Interior, and the Department of Agriculture, as modified by this section, is authorized and directed to establish on the Big South Fork of the Cumberland River in Kentucky and Tennessee the Big South Fork National River and Recreation Area (hereafter in this section referred to as the "National Area") for the purposes of conserving and interpreting an area containing unique cultural, historic, geologic, fish and wildlife, archeologic, scenic, and recreational values, preserving as a natural free-flowing stream the Big South Fork of the Cumberland River, major portions of its Clear Fork and New River stems, and portions of their various tributaries for the benefit and enjoyment of present and future generations, the preservation of the natural integrity of the scenic gorges and valleys, and the development of the area's potential for healthful outdoor recreation. The boundaries shall be as generally depicted on the drawing prepared by the Corps of Engineers and entitled "Big South Fork National River and Recreation Area" identified as map number BSF-NRRA(1)(A) and dated October 1972, which shall be on file and available for public inspection in the office of the District Engineer, U.S. Army Engineer District, Nashville, Tennessee.

(b) The Secretary shall establish the National Area by publication of notice thereof in the Federal Register when he determines that the United States has acquired an acreage within the boundaries of the National Area that is efficiently administrable for the purposes of this section. After publication of notice, and after he has completed the construction of necessary access roads, day-use facilities, campground facilities, lodges, and administrative buildings, the Secretary shall transfer the jurisdiction of the National Area to the Secretary of the Interior who shall administer the National Area in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), as amended and supplemented. In the administration of the National Area the Secretary may utilize such statutory authority available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this section. The Secretary of the Interior may, after transfer to him, revise the boundaries from time to time, but the total acreage within such boundaries shall not exceed one hundred and twenty-five thousand acres. Following such transfer the authorities available to the Secretary in subsection (c) of this section shall likewise be available to the Secretary of the Interior. The Secretary may, prior to the transfer to the Secretary of the Interior, revise the boundaries from time to time, but the total acreage within such boundaries shall not exceed one hundred and twenty-five thousand acres.

(c)(1) Within the boundaries of the National Area, the Secretary may acquire lands and waters or interests therein by donation, purchase with donated or appropriated funds, or exchange or otherwise, except that lands (other than roads and rights-of-way for roads) owned by the States of Kentucky and Tennessee or any political subdivisions thereof may be acquired only by donation. When an individual tract of land is only partly within the boundaries of the National Area, the Secretary may acquire all of the tract by any of the above methods in order to avoid the payment of severance costs. Land so acquired outside of the boundaries of the National Area may be exchanged by the Secretary for non-Federal lands within the National Area boundaries, and any portion of the land not utilized for such exchanges may be disposed of in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377; 40 U.S.C. 471 et seq.), as amended. Notwithstanding any other provision of law, any Federal property within the boundaries of the National Area shall be transferred without consideration to the administrative jurisdiction of the Secretary for the purposes of this section.

(2) With the exception of property or any interest in property that the Secretary determines is necessary for purposes of administration, preservation, or public use, any owner or owners (hereafter in this section referred to as "owner") of improved property used solely for noncommercial residential purposes on the date of its acquisition by the Secretary may retain the right of use and occupancy of such property for such purposes for a term, as the owner may elect, ending either (A) upon the death of the owner or his spouse, whichever occurs later, or (B) not more than twenty-five years from the date of acquisition. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value on such date of the term retained by the owner. Such right: shall be subject to such terms and conditions as the Secretary deems appropriate to assure that the property is used in accordance with the purposes of this section; may be transferred or assigned; and may be terminated with respect to the entire property by the Secretary upon his determination that the property or any portion thereof has ceased to be used for noncommercial residential purposes, and upon tender to the holder of the right an amount equal to the fair market value, as of the date of the tender, of that portion of the right which remains unexpired on the date of termination. Any person residing upon improved property, subject to the right of acquisition by the Secretary as a tenant or by the sufferance of the owner or owners of the property may be allowed to continue in such residence for the lifetime of such person or his spouse, whichever occurs later, subject to the same restrictions as applicable to owners residing upon such property and provided that any obligation or rental incurred as consideration for such tenancy shall accrue during such term to the United States to be used in the administration of this section.

(3) As used in this section the term "improved property" means a detached year-round one-family dwelling which serves as the owner's permanent place of abode at the time of acquisition, and construction of which was begun before January 1, 1974, together with so much of the land on which the dwelling is situated, such land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, except that the Secretary may exclude from any improved property any waters or land fronting thereon, together with so much of the land adjoining such waters or land as he deems necessary for public access thereto.

(4) In any case where the Secretary determines that underlying minerals are removable consistent with the provisions of subsection (e)(3) of this section, the owner of the minerals underlying property acquired for the purposes of this section may retain such interest. The Secretary shall reserve the right to inspect and regulate the extraction of such minerals to insure that the values enumerated in subsection (a) are not reduced and that the purposes declared in subsection (e)(1) are not interfered with.

(d) The Secretary, and the Secretary of the Interior after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the boundaries of the National Area in accordance with applicable Federal and State laws, except that he may designate zones where, and establish periods when, no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish or wildlife management, or public use and enjoyment. Except in emergencies, any rules and regulations of the Secretary or the Secretary of the Interior pursuant to this subsection shall be put into effect only after consultation with the appropriate State agency responsible for hunting, fishing, and trapping activities.

(e)(1) The National Area shall be established and managed for the purposes of preserving and interpreting the scenic, biological, archeological, and historical resources of the river gorge areas and developing the natural recreational potential of the area for the enjoyment of the public and for the benefit of the economy of the region. The area within the boundary of the National Area shall be divided into two categories; namely, the gorge areas and adjacent areas as hereinafter defined.

(2)(A) Within the gorge area, no extraction of, or prospecting for minerals, petroleum products, or gas shall be permitted. No timber shall be cut within the gorge area except for limited clearing necessary for establishment of day-use facilities, historical sites, primitive campgrounds, and access roads. No structures shall be constructed within the gorge except for reconstruction and improvement of the historical sites specified in paragraphs (5) and (6) of this subsection and except for necessary day-use facilities along the primary and secondary access routes specified herein and within five hundred feet of such roads, and except for primitive campgrounds accessible only by water or on foot. No motorized transportation shall be allowed in the gorge area except on designated access routes.

(B) Primary access routes into the gorge area may be constructed or improved upon the general route of the following designated roads: Tennessee Highway Numbered 52. FAS 2451 (Leatherwood Ford Road), the road into the Blue Heron Community, and Kentucky Highway Numbered 92.

(C) Secondary access roads in the gorge area may be constructed or improved upon the following routes: the roads from Smith Town, Kentucky, to Worley, Kentucky, the road crossing the Clear Fork at Burnt Mill Bridge, the road from Goad, Tennessee, to Zenith, Tennessee, the road from Co-Operative, Kentucky, to Kentucky Highway Numbered 92, the road entering the gorge across from the mouth of Alum Creek in Kentucky, the road crossing the Clear Fork at Peters Bridge.

(D) All other existing roads in the gorge area shall be maintained for nonvehicular traffic only, except that nothing in this section shall abrogate the right of ingress and egress of those who remain in occupancy under subsection (c)(1) of this section.

(E) Road improvement or maintenance and any construction of roads or facilities in the gorge area as permitted by this section shall be accomplished by the Secretary in a manner that will protect the declared values of this unique natural scenic resource.

(3) In adjacent areas: the removal of timber shall be permitted only where required for the development or maintenance of public use and for administrative sites and shall be accomplished with careful regard for scenic and environmental values; prospecting for minerals and the extraction of minerals from the adjacent areas shall be permitted only where the adit to any such mine can be located outside the boundary of the National Area; no surface mining or strip mining shall be permitted; prospecting and drilling for petroleum products and natural gas shall be permitted in the adjacent area under such regulations as the Secretary or the Secretary of the Interior, after jurisdiction over the national river and recreation area has been transferred to him under subsection (b) of this section, may prescribe to minimize detrimental environment impact, such regulations shall provide among other things for an area limitation for each such operation, zones where operations will not

be permitted, and safeguards to prevent air and water pollution; no storage facilities for petroleum products or natural gas shall be located within the boundary of the National Area except as necessary and incidental to production; the Secretary is authorized to construct two lodges with recreational facilities within the adjacent areas so as to maximize and enhance public use and enjoyment of the National Area; construction of all roads and facilities in the adjacent areas shall be undertaken with careful regard for the maintenance of the scenic and esthetic values of the gorge area and the adjacent areas.

(4) The gorge area as set out in paragraphs (1) and (2) of this subsection shall consist *of all lands* and waters of the Big South Fork, Clear Fork, and New River which lie between the gorge or valley rim on either side (where the rim is not clearly defined by topography, the gorge boundary shall be established at an elevation no lower than that of the nearest clearly demarked rim on the same side of the valley), and those portions of the main tributaries and streams in the watersheds of the Big South Fork, Clear Fork, and New River that lie within a gorge or valley rim on either side, except that no lands or waters north of Kentucky Highway Numbered 92 shall be included. The designated adjacent areas shall consist of the balance of the National Area.

(5) The Secretary, and the Secretary of the Interior, shall consult and cooperate with the Tennessee Historical Commission and the Rugby Restoration Association and with other involved agencies and associations, both public and private, concerning the development and management of the National Area in the area adjacent to Rugby, Tennessee. Development within the area adjacent to Rugby, Tennessee, shall be designed toward preserving and enhancing the historical integrity of the community and any historical sites within the boundary of the National Area.

(6) The Secretary, or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, shall provide for the restoration of the Blue Heron Mine community in a manner which will preserve and enhance the historical integrity of the community and will contribute to the public's understanding and enjoyment of its historical value. To that end the Secretary, or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, may construct and improve structures within and may construct and improve a road into this community.

(7) The Secretary shall study the desirability and feasibility of reestablishing rail transportation on the abandoned O&W railbed or an alternative mode of transportation within the National Area upon the O&W roadbed, and shall report to Congress his recommendation with regard to development of this facility.

(f) The Federal Power Commission shall not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project works under the Federal Power Act (41 Stat. 1063) as amended (16 U.S.C. 791a et seq.), within or directly affecting the National Area and no department or agency of the United States shall assist by loan, grant, license, or otherwise in the construction of any water resources project that would have a direct and adverse effect on the values for which the National Area was established. Nothing contained in the preceding sentence shall preclude licensing of, or assistance to, developments below or above the National Area or on any stream tributary thereto which will not invade the National Area or unreasonably diminish the scenic, recreation, and fish and wildlife values present in the area on the date of enactment of this section. No department or agency of the United States shall recommend authorization of any water resources project that would have a direct and adverse effect on the values for which the National Area was established, or request appropriations to begin construction of any such project, whether heretofore or hereafter authorized, without advising the Secretary or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, in writing of its intention so to do at least sixty days in advance, and without specifically reporting to the Congress in writing at the time it makes its recommendations or request in what respect construction of such project would be in conflict with the purposes of this section and would affect the National Area and the values to be protected under this section.

(g) The Secretary shall study transportation facilities in the region served by the National Area and shall establish transportation facilities to enhance public access to the National Area. In this connection the Secretary is authorized to acquire and maintain public roads, other than State highways, necessary to serve the public use facilities within the National Area, and to establish and maintain, at Federal cost an interior and circulating road system sufficient to meet the purposes of this section. Any existing public road, which at the time of its acquisition continues to be a necessary and essential part of the county highway system, may, upon mutual agreement between the Secretary and the owner of such road, be relocated outside the National Area and if not so relocated such road shall be maintained at Federal expense and kept open at all times for general travel purposes. Nothing in this subsection shall abrogate the right of egress and ingress of those persons who may remain in occupancy under subsection (c) of this section. Nothing in this subsection shall preclude the adjustment, relocation, reconstruction, or abandonment of State highways situated in the National Area, with the concurrence of the agency having the custody of such highways upon entering into such arrangements as the Secretary or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, deems appropriate and in the best interest of the general welfare.

(h) In furtherance of the purpose of this subsection the Secretary in cooperation with the Secretary of Agriculture, the heads of other Federal departments and agencies involved, and the State of Tennessee and its political subdivisions, shall formulate a comprehensive plan for that portion of the New River that lies upstream from United States Highway Numbered 27. Such plan shall include, among other things, programs to enhance the environment and conserve and develop natural resources, and to minimize siltation and acid mine drainage. Such plan, with recommendations, including those as to costs and administrative responsibilities, shall be completed and transmitted to the Congress within one year from the date of enactment of this section.

(i) The Secretary or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this subsection, shall consult and cooperate with other departments and agencies of the United States and the States of Tennessee and Kentucky in the development of measures and programs to protect and enhance water quality within the National Area and to insure that such programs for the protection and enhancement of water quality do not diminish other values that are to be protected under this section.

(j) (1) Until such time as the transfer of jurisdiction to the Secretary of the Interior authorized by subsection (b) of this section shall take place, for the purpose of financially assisting the States of Tennessee and Kentucky, McCreary County, Kentucky, and Scott, Morgan, Pickett, and Fentress Counties in Tennessee, because of losses which these jurisdictions will sustain by reason of the fact that certain lands and other property within their boundaries may be included within the National Area established by this section and thereafter will no longer be subject to real and personal property taxes levied or imposed by them, payments shall be made to them on an annual basis in an amount equal to those taxes levied or imposed on such property for the last taxable year immediately preceding the date of enactment of this section.

(2) For the purpose of enabling the Secretary to make such payments during the fiscal years ending June 30, 1975, June 30, 1976, June 30, 1977, June 30, 1978, and June 30, 1979, there are authorized to be appropriated such sums as may be necessary.

(k) There are authorized to be appropriated $32,850,000 to carry out the provisions of this section, other than subsection (j) of this section. No moneys shall be appropriated from the Land and Water Conservation Fund to carry out the purposes of this section.

SEC. 109. This title may be cited as the "Water Resources Development Act of 1974".

TITLE II—RIVER BASIN MONETARY AUTHORIZATIONS

SEC. 201. (a) In addition to previous authorizations, there is hereby authorized to be appropriated for the prosecution of the comprehensive plan of development of each river basin under the jurisdiction of the Secretary of the Army referred to in the first column below, which was basically authorized by the Act referred to by date of enactment in the second column below, an amount not to exceed that shown opposite such river basin in the third column below:

	Date	Amount
Alabama-Coosa River Basin	Mar. 2, 1945	$31,000,000
Arkansas River Basin	June 28, 1938	14,000,000
Brazos River Basin	Sept. 3, 1954	19,000,000
Central and southern Florida	June 30, 1948	15,000,000
Columbia River Basin	June 28, 1944	94,000,000
Mississippi River and tributaries	May 15, 1928	211,000,000
Missouri River Basin	June 28, 1938	72,000,000
North Branch, Susquehanna River Basin	July 3, 1958	64,000,000
Ohio River Basin	June 22, 1936	120,000,000
Ouachita River Basin	May 17, 1950	4,000,000
Red River Waterway project	Aug. 13, 1968	9,000,000
San Joaquin River Basin	Dec. 22, 1944	83,000,000
South Platte River Basin	May 17, 1950	15,000,000
Upper Mississippi River Basin	June 28, 1938	4,000,000
White River Basin	do	9,000,000

(b) The total amount authorized to be appropriated by this section shall not exceed $764,000,000.

SEC. 202. The Secretary of the Army, acting through the Chief of Engineers, is authorized to initiate the second phase of the bank erosion control works and setback levees on the Sacramento River, California, authorized by the Flood Control Act of 1960, in accordance with the recommendations of the Chief of Engineers in House Document Numbered 93–151, and the monetary authorization for the Sacramento River Basin, basically authorized by the Act of December 22, 1944, is increased by not to exceed $16,000,000 for such purpose.

SEC. 203. This title may be cited as the

"River Basin Monetary Authorization Act of 1974".

And the Senate agree to the same.

RAY ROBERTS,
HAROLD T. JOHNSON,
GLENN M. ANDERSON,
ROBERT A. ROE,
WILLIAM H. HARSHA,
GENE SNYDER,
DON H. CLAUSEN,
Managers on the Part of the House.
MIKE GRAVEL,
JENNINGS RANDOLPH,
LLOYD BENTSEN,
QUENTIN N. BURDICK,
WILLIAM L. SCOTT,
HOWARD BAKER,
ROBERT T. STAFFORD,
Managers on the Part of the Senate.

JOINT EXPLANATARY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10203) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment.

The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and conforming changes, the differences are noted below:

TITLE I—WATER RESOURCES DEVELOPMENT

ADVANCED ENGINEERING AND DESIGN AUTHORIZATION

House bill

This section establishes a new procedure for authorization of major water resources development projects of the Corps of Engineers. Subsection (a) would authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake the Phase I design memorandum stage of advanced engineering and design of major water resources development projects substantially in accordance with, and subject to conditions recommended by the Chief of Engineers in the reports designated in section 1. Subsection (b) would authorize the Secretary of the Army to undertake advanced engineering and design for the projects in subsection (a) after completion of the Phase I design memorandum stage of such projects only upon a finding by the Chief of Engineers, transmitted to the Committees on Public Works of the Senate and House of Representatives, that the project is without substantial controversy, that it is substantially in accordance with and subject to the conditions recommended by the Chief of Engineers or the Secretary of the Army, as appropriate, in the designated reports, and that the advanced engineering and design will be compatible with any project modifications which may be under consideration. There is authorized to be appropriated for subsection (b) an amount not to exceed $5,000,000, and such funds may not be used for land acquisition or construction.

The following projects are authorized under this section:

Project	H. Doc. No.	Federal cost
Virginia Beach, Va	92–365	$954, 000
Buena Vista, Va	93–56	665, 000
Camp Ground Lake, Ky	92–374	330, 000
Bowie Creek, Miss	92–359	390, 000
Pearl River, Miss	92–282	310, 000
Zumbro River, Rochester, Minn	93–156	150, 000
Greenville Harbor, Miss., Senate Document	93–38	200, 000
Warren to Wilkinson Counties, Miss. (Natchez area)	93–148	150, 000
Bushley Bayou, La	93–157	300, 000
Roaring River Reservoir, N.C		400, 000
Curry Creek Reservoir, Ga		400, 000
Dalton Reservoir, Ga		440, 000
Blanco River, Tex	92–364	177, 000
Arkansas River, Colo	93–143	1, 140, 000
Center Creek, Miss	92–361	150, 000
Libby Reregulating Dam, Mont	93–29	10, 000

Senate amendment

This provision is the same as the House bill with the addition of a flood protection project, Lower Mississippi Basin, Warren to Wilkinson Counties, Vicksburg Yazoo area, Mississippi, at an estimated cost of $150,000 and a flood protection project at Days Creek Dam, South Umpqua River, Oregon at an estimated cost of $400,000.

Conference substitute—Section 1

This is the same as the House bill with the additional projects authorized by the Senate amendment, and with the Columbia River Basin project at Libby Reregulating Dam, authorized at an estimated cost of $75,000 as provided in the Senate amendment.

WATER RESOURCES PROJECTS AUTHORIZATION (POCATALICO RIVER BASIN, WEST VIRGINIA)

House bill

This section authorizes projects for construction in their full amount. These projects and their costs are as follows:

Project:	*Federal cost*
Tamaqua, Pa	$2, 355, 000
Charles River, Mass	7, 340, 000
Prairie du Chien, Wis	1, 840, 000

Senate amendment

This provision is the same as the House with the addition of a project for flood control, water supply, and related purposes, in the Pocatalico River Basin, West Virginia, at an estimated cost of $3,568,900.

Conference substitute—Sections 2 and 5

This is the same as the House bill. The additional project authorized by the Senate amendment in the Pocatalico River Basin, West Virginia, is contained in the conference substitute as a separate section numbered 5.

WEST TENNESSEE TRIBUTARIES

House bill

Section 3 authorizes modification of the authorized project for the Obion and Forked Deer Rivers to provide for the acquisition and development of lands for fish and wildlife purposes, at an estimated cost of $6,600,000.

Senate amendment

Section 5(b) modifies the authorized project for the Obion and Forked Deer Rivers to provide for the acquisition of 32,000 acres of land to be set aside for fish and wildlife management, recreation, and purposes of environmental protection. All such lands acquired shall be available for public use, consistent with good wildlife management practices. The Chief of Engineers is required to use not less than 20 per centum of the funds appropriated annually to the project to implement these mitigation features. $6,600,000 is authorized to be appropriated to carry out this modification.

Conference substitute—Section 3

Except for technical and clerical amendments, this is the same as the Senate amendment.

SMALL BOAT HARBOR OPERATION AND MAINTENANCE

House bill

Section 6 of the House bill amends section 103 of the River and Harbor Act of 1970 to provide that the cost of operation and maintenance of the general navigation features of small boat harbor projects shall be borne by the United States. This applies to all projects authorized by this Act, by section 201 of the Flood Control Act of 1965, section 107 of the River and Harbor Act of 1960, those authorized between January 1, 1970, and December 31, 1970, and to projects heretofore authorized in accordance with this policy.

Senate amendment

No comparable provision.

Conference substitute—Section 6

This is the same as the House bill.

NORTH BRANCH, CHICAGO RIVER, ILLINOIS

House bill

Section 7 authorizes the Secretary of the Army, acting through the Chief of Engineers, to provide for continued maintenance of the channel of the North Branch of the Chicago River, Illinois, free of debris, and authorizes not to exceed $150,000 for this purpose per fiscal year.

Senate amendment

No comparable provision.

Conference substitute—Section 7

This is the same as the House bill with an additional requirement that the non-Federal interest pay 25 percent of the maintenance costs.

DEAUTHORIZATION

House bill

This section provides that as soon as possible after the date of enactment of this section, and at least once each year thereafter, the Secretary of the Army, acting through the Chief of Engineers, shall review and submit to Congress a list of those authorized projects under his jurisdiction which have been authorized for at least eight years without any congressional appropriations within the last eight years and which he determines should no longer be authorized. Each project so listed is to be accompanied by the recommendation of the Chief of Engineers together with his reasons for the recommendations. Prior to the submission of the list, the Secretary of the Army, acting through the Chief of Engineers, must obtain the views of interested Federal agencies and the Governor of each state in which the project is located, and these views accompany the list submitted to Congress.

A project on the list is no longer authorized after one hundred and eighty calendar days of continuous session of Congress after the date of delivery of the list unless during that period either the House or Senate Committee on Public Works adopts a resolution stating that the project shall continue to be an authorized project. The provisions of the section do not apply to any project in a list of projects submitted within one hundred and eighty days preceding the adjournment of a session of Congress sine die.

Nothing in the section is to be construed as precluding the Secretary from withdrawing any project or projects from the list prior to the end of the one hundred and eighty day period.

The section is not applicable to any project which has been included in a resolution stating that it should continue to be authorized.

The Secretary of the Army, acting through the Chief of Engineers, is required to review a project for inclusion in the list of projects provided for in subsection (a) if requested by a resolution of either the House or Senate Public Works Committee. If the project is not included in any of the first three lists submitted to Congress after the date of the resolution, a report giving the reasons for not recommending deauthorization must be submitted to the House and Senate Committees on Public Works not later than the date of the third list submitted to Congress after the date of the resolution.

Senate amendment

This section provides that as soon as possible after the date of enactment of this section, and at least once each year thereafter, the Secretary of the Army, acting through the Chief of Engineers, shall review and submit to Congress a list of those authorized projects under his jurisdiction which have been authorized for at least eight years, for which no construction appropriations have been made during that period, and which he determines should no longer be authorized. Each project so listed is to be accompanied by the recommendation of the Chief of Engineers together with his reasons for the recommendations. Prior to the submission of the list, the Secretary of the Army, acting through the Chief of Engineers, must obtain the views of interested Federal agencies and the Governor of each state in which the project is located, and these views accompany the list submitted to Congress.

Deauthorization of a project on the list can only be accomplished by the adoption of a resolution by both House and Senate Public Works Committees stating that such project shall not continue to be an authorized project.

Nothing in the section is to be construed as precluding the Secretary from withdrawing any project or projects from the list prior to the adoption of a resolution as described.

The Secretary of the Army, acting through the Chief of Engineers, is required to review a project for inclusion in the list of projects provided for in subsection (a) if requested by a resolution of either the House or Senate Public Works Committee. If the project is not included in any of the first three lists submitted to Congress after the date of the resolution, a report giving the reasons for not recommending deauthorization must be submitted to the House and Senate Committees on Public Works not later than the date of the third list submitted to Congress after the date of the resolution.

Conference substitute—Section 12

This is the same as the House provision with the additional requirement that before submitting a list of projects for deauthorization to Congress, the Secretary of the Army is to notify each Senator and Member of the House in whose State and district the project would be located of its inclusion on such list.

LITTLE RIVER INLET, SOUTH CAROLINA

House bill

No provision.

Senate amendment

This section would authorize the Corps of Engineers to undertake emergency dredging to maintain the necessary navigation channel depth in Little River Inlet, South Carolina, until such time as the project authorized in that area under Section 201 of the Flood Control Act of 1965 has been completed. Cost of the dredging is estimated at $75,000 a year for the duration of the emergency period.

Conference substitute—Section 15

This is the same as the Senate provision.

NORFORK RESERVIOR BRIDGE, ARKANSAS

House bill

Section 16 modifies the comprehensive plan for flood control and other purposes in the White River Basin to provide for a free highway bridge over Norfork Lake in the area where U.S. Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of the Norfork Dam and Lake. This is conditioned upon the State paying to the United States compensation received in 1943 with interest from that date.

Senate amendment

Section 15 is essentially the same as this provision in the House bill except that the interest on the sum to be repaid is to be compounded annually and compensated on the average prevailing rates for Federal obligations during the period.

Conference substitute—Section 16

This is the same as the Senate provision.

MELVERN AND POMONA LAKES, KANSAS

House bill

Section 17 modifies the project for Melvern Lake and Pomona Lake, Kansas, authorized by the Flood Control Act approved September 3, 1954, to authorize the improvements of service roads in the vicinity of these projects which the Secretary of the Army determines necessary for the appropriate utilization of the projects. The Federal share is not to exceed 70 percent of the cost and the authorization to carry out this section is not to exceed $500,000.

Senate amendment

No comparable provision.

Conference substitute—Section 17

This is the same as the House bill.

TUTTLE CREEK RESERVOIR, KANSAS

House bill

Section 18 modifies the project for Tuttle Creek Reservoir, Kansas, to authorize the Secretary of the Army, acting through the Chief of Engineers, to improve a portion of FAS 1208 to provide access to recreation areas. The Federal share of the project is not to exceed 70 percent and the authorization to carry out this section is not to exceed $500,000.

Senate amendment

No comparable provision.

Conference substitute—Section 18

This is the same as the House bill.

SPOIL DISPOSAL FACILITIES

House bill

Section 23 amends section 123 of the River and Harbor Act of 1970 to provide that if the Administrator of the Environment Protection Agency makes his findings which permit waiver of the non-Federal-interest contribution after repayment agreements have been entered into any payments due after the date of the finding shall be waived.

Senate amendment

No comparable provision.

Conference substitute—Section 23

This is the same as the House bill.

EMERGENCY BANK PROTECTION WORKS

House bill

This section increases the monetary limitations applicable to emergency bank protection works undertaken by the Corps of Engineers. The individual project amount is raised from $50,000 to $250,000 and the annual expenditure limitation from $1,000,000 to $5,000,000. The section also clarifies the application of the authority by adding churches, hospitals, schools and other nonprofit public services to the definition of facilities which are eligible for protection.

Senate amendment

This is essentially the same as the House provision except that the annual expenditure limitation is increased from $1,000,000 to $10,000,000. The section is modified to add shoreline protection works to the type of emergency works authorized.

Conference substitute—Section 27

This is the same as the Senate amendment.

ROCK ISLAND BRIDGE

House bill

This section authorizes the construction of approaches to the eastern end of Rock Island, Illinois, Centennial Bridge. It amends the Rock Island Toll Bridge Act, 52 Stat. 110, by inserting "(including the eastern approach in Rock Island, Illinois)." after the provisions for reconstruction, enlargement, and extension. This amendment would apply specifically to the eastern end of the bridge and work is to commence prior to December 1, 1974, and shall be completed by December 1, 1977.

Senate amendment

No comparable provision.

Conference substitute—Section 29

This is the same as the House bill.

ATLANTIC COAST OF LONG ISLAND, NEW YORK

House bill

This section modifies the project for the Atlantic coast of Long Island, Fire Island Inlet to Montauk Point, New York, to provide that non-Federal interests shall (1) contribute 30 per centum of the first cost of the project, including the value of lands, easements and rights of way; (2) hold and save the United States free from damages due to the construction works; and (3) maintain and operate the improvements in accordance with regulations prescribed by the Secretary of the Army.

Senate amendment

No comparable provision.

Conference substitute—Section 31

This is the same as the House bill.

STREAMBANK EROSION CONTROL—OHIO RIVER, MISSOURI RIVER, YAZOO RIVER, AND GENERAL

House bill

One section authorizes a varied and comprehensive approach to find means of preventing and reducing the damages caused by the severe erosion problems along the Ohio River. The section authorizes an intensive evaluation of the erosion with a view to determining whether bank protection works should be provided at this time. It also authorizes the Corps of Engineers to develop and evaluate new methods and techniques for bank protection, conduct research on soil stability, identify the causes of erosion, and recommend means for prevention and correction of the problems. The results of these studies are to be reported to the Congress.

In addition, the Secretary of the Army, acting through the Chief of Engineers, is authorized to construct and evaluate demonstration projects as determined by the Chief of Engineers. This will enable the Corps to attempt and evaluate differing types of protective measures as part of the overall study of the problem.

For the demonstration projects, the non-Federal interests must provide without cost to the United States lands, easements and rights of way necessary for construction and operation of the projects; hold and save the United States free from damages due to construction, operation and maintenance of the projects; and operate and maintain the projects after completion.

Another section authorizes a combination of emergency work and studies to help prevent and reduce damages from streambank erosion in the reach of the Missouri River between Fort Randall Dam, South Dakota, and Sioux City, Iowa. It provides for emergency bank stabilization works as determined to be necessary by the Secretary of the Army, acting through the Chief of Engineers. This determination is to be made in cooperation with the Governors of the involved States with regard to priority of locations to be protected and the nature of the protective works. Non-Federal interests must furnish necessary lands, easements and rights of way; hold and save the United States free from damages due to the projects; and operate and maintain the projects after completion.

The section also authorizes and directs an intensive evaluation of streambank erosion along the Missouri River with a view to determining whether additional bank protection works should be provided at this time. In addition, the Corps of Engineers is to develop and evaluate new methods and techniques for bank protection, conduct research on soil stability; identify the causes of erosion, and recommend means for prevention and correction of the problems. The results of the studies, with recommendations, are to be reported to the Congress.

Section 35 modifies the project for flood control and improvement of the Lower Mississippi River to authorize the Secretary of the Army to undertake a demonstration pilot study program of bank stabilization on the delta and hill areas of the Yazoo River Basin, Mississippi, at an estimated cost of $9,500,000.

Senate amendment

Section 12 (a) through (e) of the Senate amendment authorizes $25,000,000 over a 5-year period for a streambank erosion control demonstration program. The program is to consist of (1) an evaluation of the extent of streambank erosion; (2) development of new methods and techniques for protection, research, and identification of causes; (3) a report to Congress together with recommendations; and (4) demonstration projects including bank protection works. Demonstration projects are to be undertaken at a variety of places including specifically sites on the Ohio River, the Missouri River between Fort Randall Dam and Sioux City, Iowa, the Missouri River in North Dakota at or below Garrison Dam, and the Delta and Hill areas of the Yazoo River Basin. Non-Federal interests must provide without cost lands, easements, and rights-of-way, hold and save the United States free from damages, and operate and maintain the project on completion.

Conference substitute—Section 32

This is the same as the Senate amendment.

NEWBURGH LOCK AND DAM, INDIANA

House amendment

This section modifies the project for Newburgh Lock and Dam, Indiana, to direct the Secretary of the Army, acting through the Chief of Engineers, to perform bank protection work along the Ohio River at Newburgh, Indiana. Local interests are required to furnish necessary lands, easements and rights of way, operate and maintain the works after completion, and hold and save the United States free from damages due to the construction works.

Senate amendment

No comparable provision.

Conference substitute—Section 34

This is the same as the House bill.

ALEUTIAN ISLANDS, ALASKA

House bill

No provision.

Senate amendment

This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to make a detailed study of plans for the removal and disposal of debris and obsolete buildings in the vicinities of Port Heiden, Cold Bay, Unalaska, and Unmak Island in the Aleutian Islands, Alaska. This study is to be submitted to Congress within one year after the date of enactment.

Conference substitute—Section 35

This is the same as the Senate amendment.

AUBURN DAM AND RESERVOIR

House bill

Section 36 amends section 222 of the Flood Control Act of 1970 to authorize the construction of a two-lane all-weather paved road extending from Old United States Highway 40, near Weimar, California, to the Eldorado County Road near Spanish Dry Diggings.

Senate amendment

No comparable provision.

Conference substitute—Section 36

This is the same as the House bill.

ANNUAL INSTALLMENTS OF CASH CONTRIBUTIONS

House bill

This section modifies the project for San Luis Obispo Harbor, California, to authorize the Secretary of the Army, acting through the Chief of Engineers, to accept in annual installments during the period of construction the cash contribution of local interests required by the project.

Senate amendment

Section 71 of the Senate amendment would authorize the Secretary of the Army to permit the cash contribution required of non-Federal public bodies prior to construction of a water resources project, as part of their share, to be made in annual installments during construction. When there is no provision of law that would permit extended repayment, this section would ease the financial burden placed on non-Federal public bodies to fund in a single payment those projects which take longer than one year, and often many years, to construct. The Secretary of the Army would determine the schedule of annual installments, not necessarily uniform, which would provide for equitable non-Federal prepayment prior to accomplishment of pertinent project work and be compatible with the construction schedules of the Chief of Engineers. This section would also authorize the Secretary of the Army to modify existing agreements to permit such a schedule of annual installments, upon the request of the non-Federal interests.

Conference substitute—Section 40

This is the same as the Senate amendment.

WATER RESOURCES DEVELOPMENT PROJECTS—OHIO RIVER BASIN

House bill

This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to make a detailed study and report of the total benefits and costs attributable to the water resources development projects undertaken in the Ohio River Basin by the Corps of Engineers. The evaluation of benefits and costs is to include consideration of the enhancement of regional economic development, quality of the total environment, the well being of the people, and the national economic development. The report of the study must be submitted to Congress within two years after funds are made available to initiate the study. There is authorized to be appropriated not to exceed $2,000,000 to carry out the section.

Senate amendment

No comparable provision.

Conference substitute—Section 41

Same as the House bill.

MISSISSIPPI RIVER—FISH AND WILDLIFE LANDS

House bill

No provision.

Senate amendment

Section 17 provides that the project for flood control and improvement of the Lower Mississippi River is modified to provide that in the case of lands authorized to be acquired for mitigating losses to wildlife which lands have not yet been acquired and which no longer are suitable for that purpose, the Secretary of the Army may acquire substitute lands not to exceed the previously authorized acreage.

Conference substitute—Section 42

This is the same as the Senate provision.

ZILPO RECREATION AREA

House bill

Section 43 provides that any proposed road to the Zilpo Recreation Area shall not be constructed to the Cave Run Lake Project in Kentucky until there is a full opportunity for public review and comment on the environmental impact statement pertaining to any such proposed road.

Senate amendment

Section 24, except for technical changes, is the same as the House provision.

Conference substitute—Section 43

This is the same as the House bill.

DISASTER RELIEF ACT OF 1970

House bill

This section amends section 252 of the Disaster Relief Act of 1970 to provide that the costs of replacing certain community services, for which the Act provides assistance, shall include those costs incurred in obtaining substitute services during the period of repair, restoration, reconstruction, or replacement of facilities to the extent such costs exceed the cost which would have been incurred in providing such services but for the disaster.

Senate amendment

No comparable provision.

Conference substitute—Section 45

This is the same as the House bill.

CONTRACT FOR WATER—WYNOOCHEE DAM AND LAKE, WASHINGTON

House bill

This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to amend the contract between the city of Aberdeen, Washington, and the United States for use of storage space in the Wynoochee River, Washington, for municipal and industrial water supply.

The amended contract shall provide that the costs allocated to present demand water supply will be repaid over a period of fifty years after the project is first used for storage of water for water supply, with the first annual payment being a minimum of 0.2 per centum of the total amount to be repaid, and the annual payments being increased by 0.2 per centum each year until the tenth year. Subsequent annual payments for the balance of forty years will be one-fortieth of the balance remaining after the tenth payment.

Senate amendment

This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to amend the contract between the city of Aberdeen, Washington, and the United States for use of storage space in the Wynoochee River, Washington, for municipal and industrial water supply.

The amended contract shall provide that the initial and subsequent payments, including interest, for the present demand water supply storage may be deferred for a period up to ten years. Payments are thus deferred until the city finds customers for the water or until the ten-year-period is up, whichever is sooner.

Conference substitute—Section 46

This provision is the same as the House bill except that the first annual payment shall be a minimum of 0.1 per centum of the total principal amount to be repaid and the annual payments shall be increased by 0.1 percent each year until the 10th year at which time the payment shall be 1 per centum. Subsequent annual payments for the balance (including interest for 50 years) of 40 years shall be one-fortieth of the balance remaining after the 10th payment.

FISH HATCHERY—WYNOOCHEE DAM AND LAKE, WASHINGTON

House bill

This section modifies the project for Wynoochee Dam and Lake to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to transfer to the State of Washington not to exceed $696,000 for construction of fish hatchery facilities for mitigation of project-caused losses of natural spawning areas for trout.

Senate amendment

Section 51 is the same as the House provision except that the amount estimated is $32,000 less than that contained in the House provision.

Conference substitute—Section 47

This is the same as the House bill.

FISH HATCHERY—LIBBY DAM, MONTANA

House bill

Section 48 increases the authorization for Federal participation in the fish hatchery facilities in connection with the Libby Dam, Montana, from $750,000 to $4,000,000.

Senate amendment

Section 33, except for technical changes, is the same as the House provision.

Conference substitute—Section 48

This is the same as the Senate amendment.

COUNTY REIMBURSEMENT—LIBBY DAM, MONTANA

House bill

This section modifies the project for Libby Dam, Montana, to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse Boundary County, Idaho, for the cost incurred to elevate, relocate, or reconstruct the bridge located at the mouth of Deep Creek as it joins the Kootenai River. There is authorized to be appropriated not to exceed $300,000 for the purposes of carrying out this provision.

Senate amendment

Section 19 is the same as the House provision except that the authorization is unlimited.

Conference substitute—Section 50

The conference substitute is the same as the House bill except that the authorization is set at $350,000.

GRAND RIVER, MISSOURI AND IOWA

House bill

This section modifies the project for flood protection on the Grand River and tributaries, Missouri and Iowa, authorized by the Flood Control Act of 1965, to authorize the Chief of Engineers to proceed with engineering and design of the Pattonsburg Lake project so as not to preclude the subsequent addition of power. Prior to initiation of construction, the Chief of Engineers must submit a report to Congress on the scope and scale of the project which best meets the needs of the area for further action by the Congress. Modification of the project to include hydroelectric power would require an Act of Congress.

Senate amendment

Section 32 modifies the project for flood protection on the Grand River and tributaries. Missouri and Iowa, to authorize the Chief of Engineers to proceed with engineering and design of the Pattonsburg Lake project so as not to preclude the subsequent addition of power. Therefore, this section provides for the review of the economics of the project, advantages of advanced bridge participation, continued participation in town relocation, and additionally provides authority to the Chief of Engineers to proceed with the project considered most suited to meeting area needs, subject to the submission to a report to the Congress for action as appropriate.

Conference substitute—Section 53

This is the same as the Senate amendment.

SHORELINE EROSION CONTROL DEMONSTRATION ACT

House bill

This section, which is to be cited as the "Shoreline Erosion Control Demonstration Act of 1973," authorizes a program to develop and demonstrate low-cost means to prevent and control shoreline erosion. The Secretary of the Army is directed to establish and conduct, for a period of five years, a national shoreline erosion control development and demonstration program, consisting of planning, constructing, operating, evaluating, and demonstrating, prototype devices, both engineered and vegetative. The program is to be carried out in cooperation with the Secretary of Agriculture, other Federal, State, and local agencies, private organizations, and the Shoreline Erosion Advisory Panel established by the Act.

Demonstration projects are to be undertaken at no less than two sites each on the shorelines of the Atlantic, Gulf, and Pacific coasts, and of the Great Lakes.

A Shoreline Erosion Advisory Panel is established, to be composed of individuals who are knowledgeable with respect to shoreline erosion, to advise the Secretary of the Army on the program.

The Secretary is directed to submit an annual progress report and a final evaluation report to the Senate and House of Representatives Committee on Public Works. A total of $8,000,000 is authorized for the program.

Senate amendment

This section, which is to be cited as the "Shoreline Erosion Control Demonstration Act of 1973," authorizes a program to develop and demonstrate low-cost means to prevent and control shoreline erosion. The Secretary of the Army is directed to establish and conduct, for a period of five years, a national shoreline erosion control development and demonstration program, consisting of planning, constructing, operating, evaluating, and demonstrating, prototype devices, both engineered and vegetative. The program is to be carried out in cooperation with the Secretary of Agriculture, other Federal, State, and local agencies, private organizations, and the Shoreline Erosion Advisory Panel established by this section.

Demonstration projects are to be undertaken at no less than two sites each on the shorelines of the Atlantic, Gulf, and Pacific coasts, the Great Lakes, and the State of Alaska, and at specified locations of serious erosion along the shores of Delaware Bay.

A Shoreline Erosion Advisory Panel is established, to be composed of individuals who are knowledgeable with respect to shoreline erosion, to advise the Secretary of the Army on the program.

The Secretary is directed to submit an annual progress report and a final evaluation report to the Senate and House of Representatives Committee on Public Works. A total of $8,000,000 is authorized for the program over five fiscal years.

Conference substitute—Section 54

This is the same as the Senate amendment, except that the provision relating to compensation of the members of the panel is the same as that in the House bill.

INDIVIDUAL REIMBURSEMENT—LIBBY DAM, MONTANA

House bill

No provision.

Senate amendment

This section modifies the project for Libby Dam, Montana, to authorize the Secretary of the Army, acting through the Chief of Engineers, to compensate drainage districts and owners of levied and unlevied tracts, in Kootenai Flats, Boundary County, Idaho, for modification to facilities, and additional pumping costs made necessary by higher water levels, and crop and other damages resulting from higher flows during drawdown operations at Libby Dam.

Conference substitute—Section 56

This is the same as the Senate amendment except that compensation is not to exceed $1,500,000.

SMALL FLOOD PROTECTION PROJECTS IN DISASTER AREAS

House bill

This section authorizes the construction of small flood protection projects not specifically authorized by Congress when in the opinion of the Chief of Engineers the work is advisable and protects an area which has been declared to be a major disaster area in the five year period preceding the exercise by the Chief of Engineers of the authority contained in this section. No more than $2 million may be allotted for any one project, and there is authorized not to exceed $25 million in each fiscal year for the next five fiscal years to construct these projects. The projects authorized by this section may not be constructed in areas intended to be protected by projects which have been specifically authorized by Congress. The normal provisions of local cooperation for flood control apply.

Senate amendment

Subsection (a) amends the authority of the Secretary of the Army to construct small flood control projects by increasing the annual expenditure limitation to $50 million and the individual project limitation to $2 million.

Subsection (b) authorizes the construction of small flood protection projects not specifically authorized by Congress when in the opinion of the Chief of Engineers the work is advisable and protects an area which has been declared to be a major disaster area in the five year period preceding the exercise by the Chief of Engineers of the authority contained in this section. No more than $2 million may be allotted for any one project, and there is authorized not to exceed $25 million in each fiscal year for the next five fiscal years to construct these projects. The projects authorized by this section may not be constructed in areas intended to be protected by projects which have been specifically authorized by Congress. The normal provisions of local cooperation for flood control apply.

Conference substitute—Section 61

The conference substitute amends section 205 of the Flood Control Act of 1948 by increasing the annual expenditure limitation to $30,000,000 and by increasing the individual project limitation to $2,000,000 for a project at a locality if the project protects an area declared to have been a major disaster area pursuant to the Disaster Relief Acts in the five-year period immediately preceding the date the Chief of Engineers deems the work advisable.

DELETION OF WATER QUALITY STORAGE

House bill

Section 65 provides that when the Administrator of the Environmental Protection Agency determines that storage in a project for regulation of streamflow for water quality is not needed or is needed in a different amount, the project may be modified accordingly and any storage no longer required for water quality may be used for other authorized purposes of the project. The provisions of this section are not to apply to any project where the benefits attributable to water quality exceed 20 per centum of the total project benefits.

Senate amendment

Section 68 authorizes the modification of projects in the same manner as provided in the House bill except that the modification of the project is to take effect on adoption of resolutions approving such modification by the Public Works Committees and the provisions of this section are not to apply to any project where the benefits attributable to water quality exceed 25 per centum of the total project benefits.

Conference substitute—Section 65

This is the same as the House bill and Senate amendment modified to provide that the modification of a project where the water quality benefits are between 15 and 25 percent will take effect only on adoption of resolutions of approval by the appropriate committees of Congress. The provisions of the section are not to apply to any project where water quality benefits exceed 25 per centum. As used in this provision, the term "appropriate committee" would mean in the case of water resources projects under the jurisdiction of the Secretary of the Army, the Public Works Committees of the Congress, and in the case of such projects under the jurisdiction of the Secretary of the Interior, the Committees on Interior and Insular Affairs of the Congress.

LITTLE CALUMET RIVER, ILLINOIS

House bill

This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to undertake measures to clear that portion of the Little Calumet River, Illinois, between the point of its confluence with the Calumet-Sag channel and the Indiana State line, of fallen trees, roots, silt, and other debris and objects which contribute to flooding, unsightliness, and pollution of the river. Non-Federal interests are required to provide local cooperation similar to that required for similar project purposes in other water resources projects.

Senate amendment

No comparable provision.

Conference substitute—Section 66

The conference substitute is the same as the House bill.

MURRELLS INLET, SOUTH CAROLINA

House bill

No provision.

Senate amendment

This section modifies the project for navigation at Murrells Inlet, South Carolina, to require the performance of emergency dredging operations to maintain channel depths sufficient to permit free and safe improvement of vessels until the authorized project is constructed.

Conference substitute—Section 67

This is the same as the Senate amendment.

LOWER RIO GRANDE BASIN

House bill

This section directs the Secretary of the Army, acting through the Chief of Engineers, to make a review of the plan of development for the Lower Rio Grande Basin in Willacy, Hidalgo and Cameron Counties, Texas, recommended as Phase I in the report of the United States Department of Agriculture, dated July 1969, and submit a report to Congress on the feasibility of the proposed Willacy-Hidalgo Floodwater Channel, and the North Floodway Channel as flood control improvements for the Lower Rio Grande Basin.

Senate amendment

This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to undertake the Phase I design memorandum stage of the project involving the Willacy-Hidalgo Floodwater Bypass, the Laguana Madre Floodwater Channel, and the North Floodway Channel in the Lower Rio Grande Basin in Willacy, Hidalgo, and Cameron Counties, Texas, substantially in accordance with the recommendations for phase I contained in the comprehensive study and plan of development for the Lower Rio Grande Basin, Texas, dated July 1969, prepared by the United States Department of Agriculture in cooperation with the state of Texas.

This section authorizes $600,000 for the design memorandum stage of the project and provides that the draft environmental impact statement prepared by the Soil Conservation Service be circulated for agency comment as required by the National Environmental Policy Act.

Conference substitute—Section 68

Except for minor technical changes, this is the same as the Senate amendment.

DADE COUNTY, FLORIDA

House bill

This section modifies the project for beach erosion control and hurricane flood protection in Dade County, Florida, to provide for construction by non-Federal interests and maintenance by Federal or non-Federal interests of a segment of the project south of Baker's Haulover Inlet. The non-Federal interests would be reimbursed the Federal share as that share is defined in the original project authorization. The work to be undertaken by non-Federal interests in advance of regular Federal scheduling would require prior approval by the Corps to assure its compliance with Corps standards for combined beach erosion-hurricane protection and its conformity with the larger project of which it is a part.

Senate amendment

No comparable provision.

Conference substitute—Section 69

This is the same as the House bill.

EAST ROCKAWAY INLET TO ROCKAWAY INLET AND JAMAICA BAY, NEW YORK

House bill

This section would authorize the Corps of Engineers to commence work on the beach erosion aspect of the combined hurricane-flood protection and beach erosion project at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, authorized by the Flood Control Act of 1965. Initiation of construction would follow completion of environmental studies and receipt of adequate local participation assurances for the beach erosion aspect. Local interest would be required to contribute 50 percent of the cost of the beach erosion aspect.

Senate amendment

This section would authorize the Corps of Engineers to commence work on the beach erosion aspect of the combined hurricane-flood protection and beach erosion project at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, authorized by the Flood Control Act of 1965. Initiation of construction would follow completion of environmental studies and receipt of adequate local participation assurances for the beach erosion aspect. Nothing contained in this section shall increase or reduce the percentage of total costs of the entire project to be contributed by non-Federal interests.

Conference substitute—Section 72

This is the same as the Senate amendment.

ARKANSAS—RED RIVER BASIN

House bill

Section 74 modifies the project for water quality control in the Arkansas-Red River Basin to authorize the Secretary of the Army to initiate construction of the area VIII feature of the project prior to the approval required by section 201 of the Flood Control Act of 1970.

Senate amendment

No comparable provision.

Conference substitute—Section 74

This is the same as the House bill.

VISITOR PROTECTION

House bill

Section 75 requires the Secretary of the Army to study the need for and means of providing visitor protection services at water resources development projects under the jurisdiction of the Department of the Army and to report to Congress not later than December 31, 1974.

Senate amendment

No comparable provision.

Conference substitute—Section 75

This is the same as the House bill.

FEDERAL WATER PROJECT RECREATION ACT

House bill

This section amends the Federal Water Project Recreation Act to increase the Federal share of the separate costs allocated to fish and wildlife enhancement from fifty percent to seventy-five percent.

Senate amendment

No comparable provision.

Conference substitute—Section 77

Except for technical changes, this is the same as the House bill.

PRINCIPLES AND STANDARDS

House bill

This section enacts into law the interest rate formula used in the formulation and evaluation of water resources projects as established by the Water Resources Council in 1968. It also enacts into law the so-called "Grandfather" provision adopted by the Water Resources Council to determine the applicability of the 1968 formula to previously authorized projects.

Senate amendment

Section 66 provides that the interest rate formula to be used in plan formulation and evaluations for discounting future benefits and computing costs and the formulation and evaluation of Federal water and land resources projects shall be those published in the Federal Register on September 10, 1973 (38 F.R. 24777), for all future projects but bars its application to previously authorized projects or those authorized in whole or in part by this bill.

Conference substitute—Section 80

This is the same as the House bill except for a technical amendment to insure that the "grandfather" provision will be exactly as contained in the regulation issued by the Water Resources Council and applicable to all projects in the same manner as published in the Federal Register on December 24, 1968. In addition, a new subsection has been added to require the President to make a full and complete investigation and study of principles and standards for planning and evaluating water and related resources projects and cost sharing for such projects. The report of this study is to be submitted to Congress not later than one year after funds are first appropriated for the study.

FOUR MILE RUN, ALEXANDRIA-ARLINGTON, VIRGINIA

House bill

This section modifies the project for flood control on Four Mile Run, city of Alexandria and Arlington County, Virginia, to incorporate certain reductions in the physical aspects of the project, to limit the Federal participation, and to require non-Federal interests to bear an equitable portion of project responsibilities.

Senate amendment

This is substantially the same as the House bill with a technical correction.

Conference substitute—Section 84

This is the same as the Senate amendment.

VERONA AND SIXES BRIDGE, VIRGINIA AND MARYLAND

House bill

This section authorizes a comprehensive plan to satisfy the water and related resources needs of the Potomac River Basin and the water supply needs of the Washington Metropolitan Area. The plan consists of three interrelated elements.

The second element of the plan is an investigation of the use of the waters of the Potomac estuary as a source of water supply for the Washington Metropolitan Area. This study includes the construction, operation, and evaluation of a pilot water treatment plant. For some years it has been argued that the Verona and Sixes Bridge projects, as well as other proposed dams in the basin, are not necessary because the water needs of the Washington area can be met by the Potomac estuary.

The third element of the plan is the most important. It directs a $5½ million review study of the water and related resources needs of the Potomac River Basin and the Washington Metropolitan Area.

Senate amendment

This section authorizes a comprehensive plan to satisfy the water and related resources needs of the Potomac River Basin and the water supply needs of the Washington Metropolitan Area. The plan consists of three interrelated elements. The Verona Dam in Virginia and the Sixes Bridge Dam in Maryland are authorized through the phase I design memorandum stage of advanced engineering and design.

The second element of the plan directs a study of the water and related resources needs of the Potomac River Basin and the Washington Metropolitan Area, which must be made before there is further authorization of Sixes Bridge Dam.

The third element of the plan is an investigation of the use of the waters of the Potomac estuary as a source of water supply for the Washington Metropolitan Area. This study includes the construction, operation, and evaluation of a pilot water treatment plant.

The section directs the Corps of Engineers to contract with the National Academy of Sciences-National Academy of Engineering to review and by written report comment on the scientific basis for the conclusions reached with respect to the use of the estuary for water supply and the estuarine pilot project. In its subsequent report to Congress, the Corps would also be required to include written comments by the National Academy of Science-National Academy of Engineering on any recommendations made for supplying the water needs of the metropolitan Washington area from the estuary. This report must be submitted before further authorization of Sixes Bridge Dam.

Conference substitute—Section 85

This is the same as the Senate provision.

BAYOU COURTABLEAU, LOUISIANA

House bill

An authorized Corps of Engineers project in Louisiana provides for extension of Bayou Cocodrie to the West Atchafalaya Basin Protection Levee via a diversion canal (Washington-Courtableau) and enlargement of the Bayou Courtableau drainage structure and outlet channel. This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to make a study to determine the feasibility of modifying the authorized project by enlarging the channel of Bayou Courtableau between Washington and and the protection levee, in lieu of the authorized diversion channel, and the installation of additional culverts through the west protection levee.

Senate amendment

This section would authorize an enlargement of the channel of Bayou Courtableau from Washington, Louisiana, to the west protection levee as a modification to an authorized Mississippi River flood control project, and that the right of way and spoil areas for the modification be provided at federal expense. Additional culverts through the west protection levee are also authorized as necessary for the increased flow.

Conference substitute—Section 87

This is the same as the Senate amendment.

APPLEGATE DAM AND RESERVOIR, OREGON

House bill

Section 89 modifies the project for the Rogue River, Oregon and California, to provide that with respect to the irrigation aspect of the Applegate Dam and Reservoir, appropriate non-Federal interests shall make necessary arrangements with the Secretary of the Interior, prior to use of the project for irrigation, for repayment under the provisions of the reclamation laws of the costs allocated to irrigation.

Senate amendment

Section 42 also modifies the project for the Rogue River Basin to provide that construction of the Applegate Lake project may commence before non-Federal interests make necessary arrangements with the Secretary of the Interior for repayment in accordance with the Federal reclamation laws of costs allocated to irrigation purposes, except that the project is not to be operated for irrigation until these arrangements have been made.

Conference substitute—Section 89

This is the same as the Senate amendment.

DRIFT AND DEBRIS REMOVAL—NEW YORK HARBOR

House bill

Section 113 of the River and Harbor Act of 1970 authorized the New York Harbor Collection and Removal of Drift project. The authorization was made subject to the approval by the Secretary of the Army and the President of project plans and local cost sharing. This approval was never given and the authorization has not been implemented. This section authorizes this project without the condition of approvals by the Secretary and the President.

Senate amendment

No comparable provision.

Conference substitute—Section 91

This is the same as the House bill.

RUSSIAN RIVER, CALIFORNIA

House bill

This section modifies the project for Russian River, Dry Creek, California, to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to compensate for fish losses on the Russian River, which may be attributed to the operation of the Coyote Dam, through measures such as possible expansion of the fish hatchery at Warm Springs Dam.

Senate amendment

No comparable provision.

Conference substitute—Section 95

This is the same as the House bill.

BROADWAY LAKE, SOUTH CAROLINA

House bill

This section authorizes the Secretary of the Army acting through the Chief of Engineers to remove silt and aquatic growth from Broadway Lake, Anderson County, South Carolina, at an estimated cost of $400,000.

Senate amendment

No comparable provision.

Conference substitute—Section 98

The Secretary of the Army is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from Broadway Lake, South Carolina at an estimated cost of $400,000. He shall report to the Administrator of EPA recommendations to assist in carrying out the program for fresh water lakes under section 314 of the Federal Water Pollution Control Act.

CACHE RIVER BASIN

House bill

Section 99 authorizes modification of the Cache River Basin feature, Mississippi River and tributaries, Arkansas, to provide for the acquisition of lands for the mitigation of fish and wildlife losses caused by the project at an estimated cost of $5,232,000. Not to exceed 30,000 acres of land shall be acquired and appropriate non-Federal interests shall contribute 100 percent of the cost of measures undertaken for fish and wildlife enhancement. This section is to be effective only if approved by the district court for the Eastern District of Arkansas, Western Division, its decision in the case of E.D.F. and others vs. Froehlke, and others.

Senate amendment

This section authorizes modification of the Cache River Basin feature, Mississippi River and tributaries project. Arkansas, to provide for the acquisition of lands for the mitigation of fish and wildlife losses caused by the project.

It provides for acquisition by fee or easements, of no more than 70,000 acres of land for fish and wildlife management, recreation and environmental purposes, of which no less than 30,000 acres shall be available for public use as contemplated in House Document No. 92-366. Federal expenditure of no more than $7 million is authorized, with the provision that local interests shall bear 50 percent of any of the land acquisition costs in excess of $6 million.

The section provides further that no less than 20 percent of the annual appropriation for Cache River shall be earmarked for mitigation purposes until the full Federal authorization of $6 million as authorized in this section has been appropriated.

Conference substitute—Section 99

Except for technical amendments, this is the same as the Senate provision.

CHARITON RIVER, IOWA AND MISSOURI

House bill

No provision.

Senate amendment

The project on the Chariton River, Iowa and Missouri, is modified to require the Secretary of the Army to pay $700,000 to the Iowa Conservation Commission toward the cost of construction by the Commission of a fish hatchery for the purpose of restoring fish losses resulting from the construction of Rathburn, Saylorville, Coralville, and Red Rock Dam and Lake, Iowa.

Conference substitute—Section 102

This is the same as the Senate provision except that no payment is to be made until the Secretary of the Army has approved the plans for the fish hatchery.

KANSAS RIVER, KANSAS, NEBRASKA, AND COLORADO

House bill

No provision.

Senate amendment

The project for the Kansas River, Kansas, Nebraska, and Colorado, is modified to provide that the Secretary of the Army is authorized to relocate existing FAS 1343 crossing over the Vermilion Creek in advance of construction of the Onaga Lake project.

Conference substitute—Section 103

Same as the Senate provision.

STONEWALL JACKSON LAKE, WEST VIRGINIA

House bill

No provision.

Senate amendment

The Stonewall Jackson Lake project, West Fork River, West Virginia, was authorized by section 203 of the Flood Control Act of 1966. Section 221 of the Flood Control Act of 1970 provides that non-Federal interests must enter into enforceable contracts to furnish the required items of local cooperation in connection with the water resources development projects constructed by the Corps of Engineers. This section provides that the requirements of such section shall not apply to any agreements between the United States and the State of West Virginia concerning this project and specifically authorizes the Secretary to enter into these agreements.

Conference substitute—Section 104

This is the same as the Senate amendment.

SOURIS RIVER, NORTH DAKOTA

House bill

No provision.

Senate bill

The project on the Souris River at Minot, North Dakota, is modified to authorize the Secretary of the Army to reimburse the designated non-Federal public bodies for the estimated additional cost being incurred by them for lands and relocations in the proposed channel realignment at the Third Avenue N.E. Bridge in Minot. Such reimbursable costs are not to exceed $200,000.

Conference substitute—Section 105

This is the same as the Senate amendment.

BRIDGE AT CHESTER, ILLINOIS

House bill

No provision.

Senate amendment

This section authorizes the States of Illinois and Missouri to contract individually or jointly with the City of Chester, Illinois, on or before June 1, 1974, to assume responsibility for operating, maintaining and repairing Chester Bridge and approaches thereto and lawful expenses incurred in connection therewith (exclusive of principal, interest, and financing charges on the outstanding indebtedness on the bridge and approaches). When such an agreement has been entered into, all tolls thereafter charged shall (except as otherwise provided) be used (1) to retire outstanding indebtedness on the bridge and approaches, and (2) credited to a sinking fund established for the bridge. Tolls are not to be charged after the outstanding indebtedness has been retired or sufficient funds are available through the sinking fund to pay off all outstanding indebtedness. If a State declines or cannot participate in the agreement authorized by this section, the other State may assume the responsibilities such State would have assumed under such an agreement. In that event, the assuming State shall be entitled to receive from tolls after provision is made for principal and interest payments on any indebtedness then outstanding on the bridge, as reimbursement, an amount of money (no less than annually), which is equal to the nonparticipating State's fair share of the operating, maintenance, repair, and other lawful costs incurred in connection with the bridge and its approaches.

Conference substitute—Section 106

Same as the Senate provision.

MUNICIPAL AND REGIONAL WATER TREATMENT FACILITIES

House bill

No provision.

Senate amendment

This section authorizes the Secretary of the Army after consulting with EPA to participate in the cost of constructing regional or municipal sewage treatment plant which will receive sewage from recreation areas and other facilities at Corps projects. Section 313 of the Federal Water Pollution Control Act authorizes Federal agencies to participate in construction of treatment facilities through reasonable service charges. This section authorizes the Secretary to make such contributions for that portion of the cost of constructing the sewage treatment plant attributable to the purpose of treating the sewage resulting from the operation of Corps facilities. Payment for such construction costs may be either in a lump sum or on an installment basis.

Conference substitute—Section 107

Same as the Senate amendment.

BIG SOUTH FORK OF THE CUMBERLAND RIVER, KENTUCKY AND TENNESSEE

House bill

No provision.

Senate amendment

Section 5(c) directs the Secretary of the Army, through the Chief of Engineers and in accordance with the national recreational alternative of the Interagency Report (Park Service, Forest Service, and Corps of Engineers), to establish a National recreation area on the Big South Fork of the Cumberland River in Kentucky and Tennessee for the purpose of preserving the natural values of the gorges and free-flowing rivers and streams and for the purpose of developing the area's potential for outdoor recreation. At such time as an administerable area has been acquired and construction of necessary roads, recreational, and administrative facilities completed, authority for management will be transferred to the Secretary of the Interior.

The project area is limited to 125,000 acres.

The Secretary is given the right to acquire property by donation, purchase, or by the use of eminent domain, so that the total area may be efficiently acquired.

Persons residing within the boundary of the project area are given the right to retain their property for their lifetime or for a term of 25 years at their election. Tenants residing upon property to be acquired are allowed to continue residence during their lifetime.

Minerals underlying the recreation area and which can be recovered by deep mining where the adit to such mine is located outside the boundary and where such mining will not disrupt the surface, can be retained for removal by the owner or owners subject to inspection and regulation by the Secretary.

Hunting and fishing are permitted within the recreation area, but subject to such regulations as the Secretary may issue to insure safety to other recreationists and compatibility with other recreation users.

For the purposes of administration the recreation area is divided into two distinct sections—the gorge area and the adjacent areas. Within the gorge area the removal of timber and minerals for commercial purposes is strictly prohibited. The natural values of the gorge area are paramount. The only improvements allowed in the gorge area are to be day-use facilities along the access routes into the gorge, restoration of historical sites, and primitive campsites for access by water. Several access routes are designated for improvement. These will furnish adequate access by motor vehicle into the gorge without diminishing natural values, since they are located in each instance along existing roadways. The bulk of the gorge area outside the access corridors will be accessible only on foot, horseback, or by canoe. Undesignated roads in the gorge will be maintained for foot and horseback use.

The designation of primary and secondary access roads into the gorge will furnish emphasis on balanced use of the gorge area.

Adjacent areas are available to a wider range of uses including the extraction of minerals, according to such regulations as the Secretary may prescribe to prevent interference with the recreational use of the area and to prevent injury to the area. Construction of family and group camping facilities, lodges, nature trails, picnic areas, and bridle paths in adjacent areas will enhance the recreational range of the area and will thus enhance the economic contribution of the project to the region.

Historical restoration will be assisted at Rugby and reconstruction of the Blue Heron mining community which is located on the Big South Fork near Devil's Jump will be undertaken by the Secretary.

The Secretary is commissioned to study possible uses of the abandoned O&W Railroad.

The Secretary is directed to study the transportation access to the recreation areas to establish an internal network of roads sufficient to supply ready access to the facilities of the recreation area. This section also provides that the Corps shall, with the assistance of other interested Federal agencies and with the State of Tennessee, formulate a comprehensive plan for improvement of the water quality of the New River.

The Secretary is charged to maintain the water quality of the Big South Fork and in the execution of this function shall cooperate with appropriate federal and state agencies.

In addition, this section provides for the payment to the counties of sums in lieu of taxes during the first years of the project.

The estimated cost of the project is $32,850,000. Of this sum approximately $14,000,000 will be necessary for the acquisition of lands, $500,000 for the acquisition of improved properties, and $18,350,000 for construction of improvements in the area.

Conference substitute—Section 108

This is the same as the Senate provision except for technical and clarifying changes.

SMALL STREAMBANK EROSION PROJECTS

House bill

This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to investigate, plan, and construct projects for the control of streambank erosion in the United States, its possessions, and the Commonwealth of Puerto Rico, when in the opinion of the Chief of Engineers, such projects are consistent with the objectives of sound flood plan management and will result in substantial public benefits through the provision of needed protection to public, residential, and commercial properties.

No single project may be constructed under this section if the estimated Federal first cost exceeds $250,000. An annual expenditure limitation of $10,000,000 is imposed. Appropriate non-Federal interests are required to furnish assurances that they will provide necessary lands, easements and rights-of-way, hold and save the United States free from damages due to construction, operate and maintain the projects after completion, and contribute 25 percent of the first costs of the project.

Senate amendment

No comparable provision.

Conference substitute

No comparable provision.

FLOOD PROTECTION PROJECT, ST. LOUIS, MISSOURI

House bill

Section 15 modifies the project for flood protection in St. Louis, Missouri, authorized by the Act of August 9, 1955, to authorize the Secretary of the Army, acting through the Chief of Engineers, to reconstruct the existing service and access roads along the line of protection so as to adequately carry present and anticipated traffic loads at an estimated cost of $1,300,000. No appropriation is authorized until engineering plans have been submitted and approved by the Committees on Public Works.

Senate amendment

No comparable provision.

Conference substitute

No comparable provision.

NEW RIVER, VIRGINIA

House bill

This section authorizes a study by the U.S. Army Corps of Engineers of possible recreational, conservation and preservation uses of the New River between its South and North Forks and the town of Fries, Virginia.

Senate amendment

No comparable provision.

Conference substitute

No comparable provision.

MANISTEE HARBOR, MICHIGAN

House bill

Section 5 of the House bill requires the Secretary of the Army, acting through the Chief of Engineers, to remove the sunken steamer Glen from Manistee Harbor, Michigan.

Senate amendment

No comparable provision.

Conference substitute

No comparable provision.

NONNAVIGABILITY—HUDSON RIVER, NEW YORK

House bill

No comparable provision.

Senate amendment

This section declares a described portion of the Hudson River in New York County, State of New York, to be not a navigable water of the United States within the meaning of the laws of the United States, and gives the consent of Congress, subject to the requirements of State and local law, to the filling in or all or any part of the area or the erection of permanent pile supported structures in the area.

Conference substitute

No comparable provision.

Ray Roberts,
Harold T. Johnson,
Glenn M. Anderson,
Robert A. Roe,
William H. Harsha,
Gene Snyder,
Don H. Clausen,
Managers on the Part of the House.
Mike Gravel,
Jennings Randolph,
Lloyd Bentsen,
Quentin N. Burdick,
William L. Scott,
Howard Baker,
Robert T. Stafford,
Managers on the Part of the Senate.

SOLAR HEATING AND COOLING DEMONSTRATION ACT OF 1973

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 823 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 823

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee on the Whole House on the State of the Union for the consideration of the bill (H.R. 11864) to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling, and all points of order against section 8 of said bill for failure to comply with the provisions of clause 4, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Astronautics, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. Anderson), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 823 provides for an open rule with 1 hour of general debate on H.R. 11864, a bill to provide for commercial demonstration of the technology of solar heating and cooling.

House Resolution 823 provides that points of order against section 8 of the bill for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative measure—are waived.

H.R. 11864 provides $50 million over a 5-year period for the commercial demonstration of solar energy for heating and cooling residential and commercial buildings. The main purpose of the bill is to demonstrate the practical use of solar heating technology and to develop and demonstrate on a large scale the application of cooling technology.

Mr. Speaker, I urge adoption of House Resolution 823 in order that we may discuss and debate H.R. 11864.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the gentleman from Texas, my colleague on the committee, has adequately explained the purposes of this legislation.

I think if there can be said to be any positive result from the current energy crisis it is that it has accelerated our interest in and desire to develop all alternative sources of energy, one of which is solar energy.

Frankly I was amazed in reading the report of the committee to find that despite the fact that the practical principles involved have been known for a long time, there is no operating experience of large commercial operations using solar energy, so obviously the two-stage demonstration program that would be provided for in this authorizing legislation is needed.

The bill was reported unanimously by the committee. I know of no objection to the rule. I enthusiastically support it and hope that the bill will be adopted.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently being considered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11864, to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal Agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. Teague).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ANNUNZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 248, nays 2, answered "present" 1, not voting 178, as follows:

[Roll No. 32]

YEAS—248

Abzug
Adams
Anderson, Calif.
Anderson, Ill.
Annunzio
Archer
Arends
Ashley
Badillo
Bafalis
Barrett
Bauman
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Brooks
Broomfield
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Casey, Tex.
Chappell
Clark
Clay
Cleveland
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Denholm
Dent
Derwinski
Devine
Dingell
Downing
Drinan
Dulski
Duncan
Edwards, Ala.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher

Flynt
Foley
Fountain
Fraser
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Grasso
Green, Pa.
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hogan
Holt
Howard
Hungate
Hunt
Ichord
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
Kemp
Ketchum
King
Koch
Kuykendall
Latta
Leggett
Lehman
Litton
Long, La.
Long, Md.
McClory
McCollister
McCormack
McDade
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Mezvinsky
Miller
Minish
Minshall, Ohio
Mitchell, Md.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Perkins
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Railsback
Randall
Rangel
Rarick
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Runnels
Ruth
Sandman
Sarasin
Sarbanes
Satterfield
Sebelius
Shipley
Shuster
Sikes
Sisk
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson, N.J.
Thornton
Tiernan
Vanik
Vigorito
Waggonner
Walsh
Wampler
Whitten
Widnall
Williams
Winn
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Ill.
Young, Tex.
Zwach

NAYS—2

Jordan
Meeds

ANSWERED "PRESENT"—1

Mazzoli

NOT VOTING—178

Abdnor
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Aspin
Baker
Beard
Bell
Blatnik
Bray
Breaux
Breckinridge
Brinkley
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burke, Calif.
Burleson, Tex.
Carey, N.Y.
Carney, Ohio
Carter
Cederberg
Chamberlain
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collier
Conlan
Conyers
Cotter
Culver
Danielson
Delaney
Dellenback
Dellums
Dennis
Dickinson
Diggs
Donohue
Dorn
du Pont
Eckhardt
Edwards, Calif.
Erlenborn
Eshleman
Flood
Flowers
Ford
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gettys
Gibbons
Goldwater
Gray
Green, Oreg.
Griffiths
Gubser
Hansen, Idaho
Harrington
Harsha
Hastings
Henderson
Hillis
Hinshaw
Holifield
Holtzman
Horton
Hosmer
Huber
Hudnut
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Kazen
Kluczynski
Kyros
Landgrebe
Landrum
Lent
Lott
Lujan
McCloskey
McEwen
McKinney
McSpadden
Mailliard
Martin, Nebr.
Mathias, Calif.
Mayne
Melcher
Metcalfe
Michel
Milford
Mills
Mink
Mitchell, N.Y.
Moakley
Myers
Nelsen
Nichols
Patman
Pepper
Pettis
Pritchard
Quie
Quillen
Rees
Reid
Rhodes
Roncalio, Wyo.
Rooney, N.Y.
Rostenkowski
Rousselot
Roy
Roybal
Ruppe
Ryan
St Germain
Scherle
Schneebeli
Schroeder
Seiberling
Shoup
Shriver
Skubitz
Slack
Smith, Iowa
Snyder
Stark
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Waldie
Ware
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wyatt
Wyman
Young, Alaska
Young, Fla.
Young, Ga.
Young, S.C.
Zablocki
Zion

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11864, with Mr. Vanik in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. Teague) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. Mosher) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will be very brief. This bill was reported out unanimously from the subcommittee, and it was reported out unanimously from the full committee.

Mr. Chairman, H.R. 11864 authorizes a program to demonstrate the technology of solar heating and cooling of buildings and water on a scale large enough to make possible the early commercial exploitation of this energy source. This is a 5-year, $50 million program managed by the National Aeronautics and Space Administration and the Department of Housing and Urban Development.

Solar energy is our only source of energy which is not bounded by the physical limitations of our planet's resources. Within mankind's time horizon it is inexhaustible in supply and infinite in quality.

Before going into the details of the bill itself, let me make a few comments on the technical and economic prospects for using solar energy. Solar energy is diffuse—around here the Sun provides a 24-hour average of about 17 watts per square foot. This means that to get very much solar energy, you have to collect it over a large area.

Yesterday a New York Times editorial was directed to this bill—which I would like to read in part and enter in full in the Record:

> The rays of the sun are man's oldest and most dependable source of energy. They are also the cheapest. It is astonishing that oil had to reach its current inflated price in order to compel serious atetntion to solar energy.
>
> The necessary technology for small-scale application is simple and already exists.
>
> To hasten wider use of solar energy in residential construction and to get serious research under way on its application in industrial and commercial use, the House of Representatives considers tomorrow a bill to establish a $50-million, five-year demonstration program. Performance standards for solar heating systems would be prescribed by the National Bureau of Standards, after which two thousand such systems would be installed in homes and monitored by the Government.
>
> Nearly 200 members of the House have introduced solar energy bills in recent weeks. It is clearly an idea whose time has come. By the end of the century, the clean energy of the sun may offer a permanent solution to the energy crisis.

This bill provides for a two-stage demonstration program. NASA will be in charge of contracting for the research, development, and manufacture of the equipment. HUD will manage the second phase; installation of the equipment, monitoring, dissemination of information, and related activities.

This demonstration program will include both residential dwellings and commercial buildings. The residential heating program is planned for 3 years; the residential combined heating and cooling for 5 years. The heating and cooling program for commercial buildings is expected to take 5 years.

Mr. Chairman, the bipartisan nature of support for this bill is illustrated by section 13, which was added during markup. Minority members of my committee, in particular, pointed out that the administration had proposed an Energy Research and Development Administration—ERDA. A measure establishing ERDA has since been passed by the House. Section 13 provides that the funding and responsibilities for this program shall be transferred to ERDA or any other energy R. & D. agency when and if such an agency is created.

H.R. 11864 authorizes $50 million for this 5-year demonstration program. We estimate that the costs of the program for fiscal year 1975 will amount to $4.5 million. This compares to a total fiscal year 1975 request of $50 million for solar R. & D., contained in the President's energy message of January 23 and the budget as submitted to Congress. Ten percent of the administration request for fiscal year 1975 would be needed for the purposes of this bill. The total funding level of $50 million is also consistent in terms of budget totals with the President's 5-year energy R. & D. program.

Mr. Chairman, I believe this bill is an important part of our national energy strategy. It does not require a lot of money, and it requires no radical breakthroughs in science and technology. It does, however, require careful attention to the development of new systems, and expert management to assure that the very tight timetable called for in implementing this new solar technology is adequately carried out. I urge the support of each Member of this body for H.R. 11864.

Mr. Chairman, I yield such time as he may consume to the gentleman from Washington (Mr. McCormack), the chairman of the subcommittee, for an explanation of the bill.

Mr. McCORMACK. Mr. Chairman, H.R. 11864 authorizes a $50 million, 5-year program for the commercial demonstration of heating and cooling of residential, public, and commercial buildings and the heating of water, by solar energy. Such a demonstration of the economic practicability of solar heating and cooling is a necessary step in attaining the goal of widespread commercial production and marketing of solar heating and cooling systems. This is a demonstration program for solar energy for heating and cooling residences and public buildings, and to make it practical for use in millions of American homes.

Mr. Chairman, I should like to take this opportunity to congratulate the gentleman from Texas (Mr. TEAGUE), chairman of the Committee on Science and Astronautics, along with the ranking minority member, the gentleman from Ohio (Mr. MOSHER), and the ranking minority member of the Energy Subcommittee, the gentleman from California (Mr. GOLDWATER), for their support and teamwork in putting this bill together. This bill was unanimously reported from the committee as well as the full committee.

I should like also to congratulate Mr. Harry Thomason of Washington, D.C., who has been operating a solar home here in Washington, D.C., for a number of years. The subcommittee visited Mr. Thomason's home and gained insight into this legislation by the work that he has done.

Mr. and Mrs. Thomason are in the gallery today, and I am happy to see them here.

This is a two-stage demonstration program. The National Aeronautics and Space Administration (NASA) will be in charge of the initial phase, which will consist of contracting for the research, development, and manufacture in substantial numbers of solar heating and combined solar heating and cooling equipment. The second phase will be managed by the Department of Housing and Urban Development. It will include installation of the equipment, monitoring, and dissemination of information that results from the program.

The existing expertise and ongoing programs in the National Science Foundation, the National Bureau of Standards, the General Services Administration, and the Department of Defense will be utilized in support of the objectives of the demonstration.

The bill also provides for the establishment of a solar heating and cooling information data bank, managed by HUD, to assure adequate data acquisition storage, evaluation, and dissemination in areas relevant to the program.

Furthermore, studies and investigations of legal and other problems associated with widespread use of solar energy for heating and cooling will be undertaken. Increased ceilings on federally assisted mortgages and federally constructed housing will be provided for those buildings involved in the program.

Provision is made for adequate participation by small business firms.

Funding for the demonstration program will be transferred to any new agency having jurisdiction over all energy R. & D., such as the Energy Research and Development Administration, which recently passed the House, if, and when, such an agency is established by law.

This bill does not establish a national solar energy R. & D. program. It is a demonstration of solar heating and cooling technology, designed to prove that solar energy can be used for this purpose in the immediate future.

First of all, the bill enunciates specific goals for solar heating, and solar heating and cooling technologies. These goals are a demonstration of solar heating technology in 3 years, and combined solar heating and cooling technology within a 5-year period.

DEVELOPMENT OF RESIDENTIAL SOLAR HEATING SYSTEMS AND COMBINED SOLAR HEATING AND COOLING SYSTEMS

The responsibility for the development of solar heating systems and combined solar heating and cooling systems for residential dwellings is assigned to the National Aeronautics and Space Administration. NASA is expected to set up a project office which will contract for development, fabrication of prototypes if needed, and manufacture of the systems in substantial numbers.

A goal of 4,000 such units is established. The solar heating, and the solar heating and cooling hardware developed and contracted for by NASA must meet performance criteria established by the National Bureau of Standards. These criteria, due for publication 120 days after the enactment of the bill, establish the technical characteristics of the equipment. These characteristics, however, are not to be set in a vacuum. Rather, they are to dovetail with performance criteria, also established by the National Bureau of Standards, for the specific dwellings in which the equipment will be installed.

Furthermore, the National Bureau of Standards will be expected to carry out a design competition for houses that will be in compliance with the dwelling design criteria. This will provide a number of alternative detailed building designs available to individuals and builders that will be certified to meet the performance criteria for the dwellings. This will help assure the compatibility of the hardware systems with the dwellings themselves, so that the performance of the heating and cooling systems will be satisfactory under various climatological conditions.

It is expected that half the heating system and half the combined heating and cooling systems will be installed in federally owned or federally controlled housing. This will help assure a carefully structured and uniform installation, monitoring and evaluation program for a large number of the systems. Although the Department of Defense would be responsible for making arrangements for these installations, the legislation does not rule out participation by other agencies, such as the National Park Service, which have legitimate requirements for residential-type dwellings.

The other half of the systems would be installed in privately owned houses under arrangements made by the Department of Housing and Urban Development. After installation, ownership of these heating and cooling units will remain for a period of 5 years with the U.S. Government. During that time a program of monitoring and evaluation will be undertaken by the Department of Housing and Urban Development, utilizing the technical expertise of the National Bureau of Standards. After the monitoring and evaluation is completed, ownership will be transferred at no cost to the owner of the residential dwelling in which the equipment is installed, in return for his cooperation during the evaluation phase. Since these are all experimental systems, it seems only appropriate that the Federal Government should bear the cost of maintenance and repair while the monitoring and evaluation is underway.

COMMERCIAL PUBLIC BUILDINGS

NASA and HUD will carry out a program of commercial demonstration of solar heating and cooling systems in commercial buildings concurrently with the residential demonstration. It is expected that these projects will encompass varied types of buildings such as schools, industrial complexes, offices, agricultural structures, Government buildings and apartments. The General Services Administration will have a particular responsibility in this demonstration, since it is a major user of commercial buildings in this country. Furthermore, the National Bureau of Standards will be expected to participate in the commercial demonstration activities, utilizing its technical expertise in this area.

AMENDMENT OF THE NSF AND NASA ACTS

This bill amends the National Aeronautics and Space Act of 1958 and the National Science Foundation Act of 1950 so as to make clear the responsibilities of these agencies with regard to the objectives of the demonstration program. Furthermore, the amendments highlight the responsibilities of these agencies in maintaining research and development activities in solar heating and cooling techniques.

DISSEMINATION OF INFORMATION

Under the provisions of this bill, HUD is required to establish a number of programs to assure adequate dissemination of relevant information produced under this demonstration program. Each agency involved is under an injunction to describe its own activities in the annual report the agency makes to the Congress. Furthermore, HUD will have the additional responsibility of submitting a summary annual report to both the President and to Congress detailing all activities related to this demonstration program.

INFORMATION DATA BANK

H.R. 11864 also establishes a solar heating and cooling information data bank to be operated by HUD. This bank will have the responsibility of collecting, reviewing, processing, analyzing, and disseminating information relevant to solar heating and cooling. The objectives of this operation, not expected to be large in terms of total budget, are to encourage the widespread utilization of information related to solar heating and cooling within the academic community, the building industry and trades, and the general public.

POLICY INVESTIGATIONS AND STUDIES

This legislation also charges HUD with the responsibility for studying, investigating, analyzing, and reporting on ways that building codes, zoning ordinances, and other laws and regulations would affect the potential widespread utilization of solar energy for heating and cooling. It would be expected that legal and institutional impediments to such widespread use would be carefully analyzed, and alternative recommendations put forth in order to cope with them. Examples of some of these specific issues which might conceivably come up during such studies include the legal problems associated with sun rights, and labor union jurisdictional issues.

INCREASED CEILINGS ON FEDERALLY ASSISTED MORTGAGES AND FEDERALLY CONSTRUCTED HOUSING

The bill provides for an increase in the ceiling on federally assisted mortgage loans to the extent that building costs are increased due to the installation of solar heating and cooling equipment.

Some federally constructed housing also operates under specific unit cost ceilings. Those ceilings are increased under the provisions of this bill to the extent of the increased cost resulting from the solar systems.

I should like to point out that these increased ceilings apply only to buildings that are incorporated into the demonstration program. They do not apply to solar heated or solar heated and cooled buildings that will be built by the Federal Government or under federally insured mortgage loans outside this demonstration program.

SMALL BUSINESS PARTICIPATION

Section 11 of H.R. 11864 requires all of the agencies participating in this demonstration program to take adequate steps to assure a realistic level of participation in the program by small business firms.

TRANSFER OF THE PROGRAM TO A NEW ENERGY AGENCY

The House of Representatives recently passed a bill establishing an Energy Research and Development Administration. Proposals have also come before Congress to centralize Federal Energy R. & D. activities into other permanent Executive branch organizations.

This bill provides that should such an agency be established by law, the functions of NASA and NSF under this bill would be transferred to it. The attempt here is to make certain that this demonstration program will be compatible with Energy R. & D. organizational alinements approved by the Congress, and to assure an integrated national effort in energy R. & D.

BUDGET AUTHORIZATION

Mr. Chairman, this bill contains an authorization of $50 million to carry out the objectives of the demonstration. This sum was arrived at by careful analysis of the expected costs over the 5-year period. We expect the obligations of Federal funds to be $4½ million during the initial year, fiscal year 1975, and rapidly reach a plateau of $12 or $13 million a year during fiscal years 1977, 1978, and 1979.

These costs will include the prototype development programs for both the heating and combined heating and cooling units; the purchase of the mass produced demonstration units for both solar heating and combined solar heating and cooling units; development and purchase of heating and cooling for commercial buildings; and the associated staff and overhead expenses related to the program.

I should point out that there are necessarily uncertainties associated with budget figures for a program such as this. These solar units, while they do not represent new technologies, will be the "first of a kind." This means that precise budget estimates, broken down by year and specific aspects of the program are difficult to make.

We hope that this amount of money will be adequate to fully fund the targeted 2,000 residential heating units, 2,000 residential combined heating and cooling units, as well as a significant demonstration program for commercial buildings. It is the intent of the committee, however, that if adequate funds are not available to purchase and install all of these units that they will be procured in smaller numbers. This reduced number of demonstration units should, nevertheless, be compatible with the objectives include demonstrating the economic and technical adequacy of these heating and combined heating and cooling units in numbers large enough to show beyond any reasonable doubt that the economics of solar heating and cooling are attractive to private risk capital and the home buyer. Only if we can demonstrate the commercial viability of these technologies will the demonstration be successful. On the other hand, I should like to emphasize that the goal of a total of 4,000 units for the residential dwellings is not sacrosanct. If an adequate demonstration can be made with a small number of units, this will be acceptable to the committee.

Mr. Chairman, my good friend, Bill Simon, Administrator of the Federal Energy Office, recently delivered an address before the National Association of Home Builders in Houston, Tex. He stated—and I quote:

> In the long run, technological development will solve our energy problems—in fact, I'll go even further: I think the search for new sources of energy may one day effect as radical an improvement in society as we know it today as did the industrial revolution in the society of its day.

The role which technology can play in solving the energy problem was also emphasized by the President in his energy message to the Congress of January 23. In calling for an 80-percent increase in energy R. & D. obligations in fiscal year 1975 as compared to fiscal year 1974, he stated that during the period beyond 1985 our country should also have explored the potential of resources such as solar energy.

I agree that we need a strong energy R. & D. program, one that is both comprehensive in scope and well financed. But solar energy, when utilized for heating and cooling buildings and heating water, can make an impact before 1985. But it can do so only if we have a mission-oriented, well-managed program with specific and tangible goals.

H.R. 11864 provides such an integrated approach to the development of the solar energy source.

Just yesterday, the New York Times ran an editorial entitled "The Oldest Source." It stated:

> To hasten wider use of solar energy in residential construction and to get serious research under way on its application in industrial and commercial use, the House of Representatives considers tomorrow a bill to establish a $50 million, five-year demonstration program. . . . It is clearly an idea whose time has come. By the end of the century, the clean energy of the sun may offer a permanent solution to the energy crisis.

This bill is a practical, concrete legislative initiative, providing for the development of an energy source which is clean, competitive, and viable both in the technical and economic sense. It demonstrates that the Congress of the United States can take responsible action in the energy R. & D. arena. Outside of certain nuclear energy programs, this is the first legislation specifically originating in the Congress that is designed to carry out an important and well-defined program to attain a specific goal for developing and utilizing a new energy resource. Instead of responding defensively and dealing with the negative aspects of the energy crisis, the Congress will, with this solar energy bill, take a positive step forward, exploiting a new source of energy, increasing energy production, moving toward national and individual self-sufficiency in energy, and protecting our environment, all at the same time.

This bill doesn't create any new agencies. It doesn't add to the Federal bureaucracy. What it does do is create a working team of existing agencies, drawing the best and most appropriate skills and jurisdiction from each, and setting out a mission—not to conduct more academic studies for the sake of studies, and not to build castles in the sky for some future society. Rather, we will get to work now to start solving a problem now to demonstrate to the utility manufacturing industry, to the building construction industry, to the home loan and mortgage industry, and to the average American homeowner that solar heating and cooling is feasible for use in American homes and buildings.

This program will cost $50 million over the next 5 years, or an avearge of $10 million a year. If, 15 years from today 5 percent of our homes and buildings receive 80 percent of their energy for heating and air-conditioning from solar energy, this will represent a savings of fuel equivalent to about 600,000 barrels of oil per day. At $10 a barrel, this would constitute a savings of $6 million a day, or about $2 billion a year for the people of this Nation. This savings will, of course, continue to grow indefinitely into the future, as we continue to use more and more of this inexhaustible, clean, free, energy.

Mr. Chairman, solar energy is secure energy. No person nor government can cut off our imports of sunshine. Solar energy imports do not add to our balance-of-payments problem. Solar energy can be made practical today for heating and cooling buildings. This bill provides us with the means to insure that practical development. All we have to do is get started. That's what this bill is all about.

Mr. CASEY of Texas. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. CASEY of Texas. Mr. Chairman, I commend the gentleman as chairman of the subcommittee and the distinguished chairman of the full committee and the committee as a whole because the Committee on Science and Astronautics has rapidly reported this bill.

As the gentleman is aware I as well as many others introduced similar bills and the committee has brought forth a very conscientious and practical bill. The only thing I think we can be criticized for is not doing this sooner. The energy crisis I think has awakened all of us to the need for utilizing all sources of energy.

I wholeheartedly join the gentleman in the well in his remarks.

Mr. Chairman, as our Nation faces a growing energy crisis, we must face the obvious fact that our dependence on fossil fuels will be replaced to a very large extent by new sources of power for homes and industry. There is one obvious source of power about which scientists have been talking with optimism for decades.

It is a free source of power. One that is available in abundance to this Nation. And one which does not contribute in any way to the pollution of our environment. This source of power is the Sun.

While it would be misleading at this point to say that solar energy is the answer to our Nation's energy needs, the Sun undoubtedly holds promise as a major source of power for heating and air-conditioning in the not too distant future, especially in those many areas of our country which boast a high number of sunny days throughout the year.

How quickly solar energy becomes available to the American public depends on how rapidly research and development is done to determine what areas of the Nation are suitable for reliance on this still untapped power source.

Meager research already completed gives clear indication that in some parts of the country solar energy is not only feasible, but is already more economical than electrical power for heating and air-conditioning. As prices for natural gas, heating oil, and other present energy sources rise, solar energy may soon be competitive with those common fuels.

Those estimates are based on present experimental installation costs. With the needed research and development to make mass produced solar energy panels available to the public, the cost of using the Sun's energy can without question be reduced significantly. All that is needed is research and development.

That is the opportunity of Congress today as we ask for a 5-year program for a commercial demonstration of solar heating and cooling in both residential and business construction to accelerate the availability of solar energy to all Americans.

The $50 million cost of the proposed demonstration program will be a wise investment of the taxpayer's dollar in our goal to make our Nation independent in vital energy sources.

We should also take note that this program is not one of delving into the unknown. Solar energy has been proven in the vehicles that have made this country second to none in the exploration of space. Solar panels are already being manufactured in Japan, Australia, and Israel.

Under the plan we propose today, the expertise of our national scientific, economic, and housing agencies would be combined into a single effort.

The National Aeronautics and Space Administration would take the lead in the initial step of a two-phase program to develop the actual components needed to harness solar energy and convert it into heating and cooling for homes and businesses.

The Department of Housing and Urban Development will then take charge of the installation of the equipment, monitoring its performance and reporting the facts to the American people.

Support services will be provided by the National Science Foundation, the National Bureau of Standards, the General Services Administration, and the Department of Defense.

The American people would be encouraged to participate in the demonstration through increased limits for federally assisted mortgages to homeowners and businessmen willing to install solar heating and cooling systems.

The Solar Heating and Cooling Demonstration Act provides an excellent opportunity for public leadership, but in full cooperation with the private sector of our economy, to help bring about an end to any shortages in America's long-range energy needs.

I give my full support to this effort to develop solar energy, which eminent scientists of our Nation predict will one day supply at least one-third and perhaps three-fourths of this country's energy needs.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for his comments and respond that about 200 Members of this House have sponsored this bill or very similar bills. Of course we are happy to have this support.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell the House approximately how much has been expended for this purpose in recent years?

Mr. McCORMACK. The National Science Foundation budget for this fiscal year is over $5 million for solar energy R. & D. for buildings. There has been a great deal of research going on in our universities and industries, and by individuals across the country. It is rather difficult to estimate the total research money that has been put into this area. There have been so many projects at so many places, utilizing different resources, that it is difficult to give an accurate answer.

Mr. GROSS. I noted a reference to $15 million in the report as being authorized for fiscal year 1973. Was that the appropriation for fiscal year 1973, does the gentleman recall?

Mr. McCORMACK. I am trying to. As I recall total solar R. & D., was about $13 million for fiscal year 1974. It was much lower than that in fiscal year 1973, of the magnitude of about $4 million, I believe.

Mr. GROSS. Approximately how much is to be authorized in this bill which will go for brick and mortar?

Mr. McCORMACK. About one-half the total, or thereabouts, for the units themselves, that is the heating and combined heating and cooling units themselves. The buildings, of course, will be built by private owners. The buildings will not be paid for by this bill; but the portion of the total funds for the solar heating and cooling units themselves is about half.

Mr. GROSS. Then this does not provide for construction of buildings and houses from the ground up but for the installation of units in certain test areas?

Mr. McCORMACK. The gentleman is correct. The sources of funding for constructing buildings which will be solar heated or cooled must come from sources other than this bill.

Mr. GROSS. I thank the gentleman for his answers and for his presentation of this subject.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Mr. Chairman, I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Chairman, I would like to commend the gentleman and his committee for bringing this bill out. In January, I had the privilege of being in Australia, and I found that in Sydney our host has been heating his hot water for the last 15 or 18 years by solar heating arrangements. They had an electrical backup system, and their annual electric bill for hot water was $15.

Now, while that kind of system does not go as far as the units of heating and cooling that the gentleman's bill has in mind, the bill that the gentleman is introducing today is one that will go ahead with the practical installation of these units, which in many areas of the world have already proven out pretty well.

Mr. Chairman, I am familiar with the work of Dr. Thomason, and I would say that this must be a happy day for him, to see the Congress of the United States take this action.

Mr. McCORMACK. Mr. Chairman, I want to thank the gentleman from New York for his comments, and point out the fact that there has been commercial application for solar energy for the heating of water for home use. This use has furnished valuable knowledge for the subsequent developments that have been made for heating houses. Obviously, we can heat water for use in a water tap.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I want to commend the gentleman and the members of the subcommittee along with the ranking minority member for bringing this bill to the House. I am very proud to be a cosponsor of the legislation.

I know that the measure does provide special inducement insofar as federally assisted housing is concerned. I wonder whether any consideration had been given to requiring that we should incorporate a requirement for specifications and plans for Federal buildings so that they could accommodate solar heating and cooling in the event it becomes practicable to do so.

Mr. McCORMACK. Mr. Chairman, I think the gentleman's point is very well taken. The General Services Administration testified before our committee on this subject. We asked essentially the same question, and they indicated to us a very deep interest in providing for solar heating and cooling in public buildings and offices which are constructed for and by GSA. They testified that they intended to follow through on that interest, so we decided that it was probably not appropriate to write such a requirement into law, but to encourage them to proceed with their present program.

Mr. McCLORY. Mr. Chairman, I gather then it would be possible for GSA to impose such a requirement on such plans?

Mr. McCORMACK. I am sure GSA would do that. They have several buildings under construction now which probably will be solar heated.

Mr. McCLORY. Mr. Chairman, I gather that it would not be appropriate in this legislation to provide tax inducements for installing solar heating, but I judge that the gentleman supports such legislation before another committee of the House; is that correct?

Mr. McCORMACK. Yes, I very definitely would support legislation not only to provide tax incentives, but also mortgage incentives for solar heating and cooling of buildings. Obviously, however, that cannot be done by this committee.

Mr. McCLORY. Mr. Chairman, every day the Sun floods the Earth with enough heat and light to supply the whole world's energy needs many times over. While our thermostats are turned down, while we wait in line for gasoline, while we share the deep concern of all Americans about the rapid depletion of available energy sources we have at hand an unfailing source in the Sun.

The Nation looks to Congress for leadership. H.R. 11864 will provide that leadership in the field of energy research and development using the Sun's power.

There are already many individuals across the country who have designed, built and are living in homes and offices that are solar heated and cooled. Many more would like to be living that way.

New construction is still utilizing our traditional methods of heating and cooling and is dependent on fossil fuels and oil for heating. We know those supplies are dwindling as the demand for them increases.

Now is the time for us to throw our energies in another direction. H.R. 11864 is a step toward the full utilization of the Sun's energy for mankind. And it is a step forward for Congress to support this legislation and provide the impetus for research, development, and utilization of solar energy as a solution to our country's energy dilemma.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Mr. Chairman, I yield to my colleague from Washington.

Mr. MEEDS. Mr. Chairman, I just want to take this time to commend the gentleman from Washington for his sponsorship and authorship of this legislation, and also the subcommittee and particularly the gentleman from Washington for his tenacity in following very doggedly this fine legislation to assure its passage.

Mr. Chairman, I am proud of him as a fellow Washingtonian. I am proud to be a cosponsor of this act.

Mr. SYMINGTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Mr. Chairman, I yield to the gentleman from Missouri.

Mr. SYMINGTON. Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973, now being considered by the House. This timely legislation is, I believe, essential to the prompt development of solar heating and cooling technology which could be commonly used in homes and office buildings. While the generation of electricity from solar energy is many years away, use of solar energy for heating and cooling could soon become a reality. As you may know, at the present time there are only about 30 solar-heated buildings throughout the world, and each one of these systems is custom built. Solar heating technology is not now available on a commercial basis. In the past, with the cost of fossil fuel being quite low, it has not been attractive for industry to develop such technology or worth the bother for individuals to install it. Until now research on solar energy has been left to scientists in exotic laboratories or do-it-yourselfers working in basements or garages.

However, recently we have become acutely aware of the limits of our fossil fuels, and the price of those fuels has begun to reflect that scarcity. As fossil fuel becomes increasingly expensive, solar heating technology becomes competitive with traditional heating and cooling systems. So it is time to get the technology on line which will enable Americans to take advantage of this unlimited energy source, saving our precious fossil fuels for processes which cannot do without them—like our petrochemical industry.

This legislation provides the nudge and incentive necessary to make industry and the marketplace aware of the advantages of solar heating and cooling systems. It orchestrates as a cooperative venture of a number of Federal agencies the early commercial development of solar heating and cooling technology. During the 5-year life of the act, a 3-year time frame is set for the development of solar heating on a large scale; the full 5 years is allotted to the demonstration of combination solar heating and cooling systems to be used not only in homes, but in commercial buildings, factories and industrial buildings. The total cost of these programs over the 5-year period, including installation of approximately 2,000 mass-produced solar heating units and 2,000 mass-produced solar heating and cooling units in residential buildings, will be $50 million. It seems a small investment to make in an energy system which will put us well on our way to energy independence.

The expertise of the National Science Foundation, the National Bureau of Standards, the National Aeronautics and Space Administration, the Department of Defense and the Department of Housing and Urban Development will contribute to making a reality of this practical legislative proposal for the development of an energy source which is clean, competitive and viable both technologically and economically. I urge my colleagues to join in the unanimous support this bill received in the House Science Committee.

Mr. MOSHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I submit that H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973, is commonsense legislation, very much needed and long past due.

I also assure this House that this bill has enthusiastic bipartisan support in our Science Committee. There was no opposition in the committee, and I believe practically all the members are on it as cosponsors.

Therefore, I am in full support of H.R. 11864 and I associate myself with the remarks of Messrs. TEAGUE and McCORMACK, chairman of the full Science Committee and Energy Subcommittee, respectively. I especially compliment MIKE McCORMACK for his vigorous, creative initiatives in perfecting this legislation, as well as TIGER TEAGUE for his support of all our efforts in this area of energy related research development and demonstration. Several of us on the minority side of our committee are proud to be working closely with them. It is a team effort.

Mr. Chairman, for many years this country has been on the threshold of developing solar energy as an alternative source of fuel. But as a nation we have been constrained in our energy research by a set of priorities that has directed billions of dollars into nuclear fission as well as a number of other areas, while clearly neglecting power from the sun.

The fact is, however, that despite our neglect, research into this resource has not only surived but succeeded. Although there have been no historic breakthroughs, the scientific community has convincingly established the solar power is practical, and much closer to reality in quantity than most Americans would suppose.

Clearly, the potential is enormous. Some scientists point out, for example, that the solar energy received in just 1 day of sunlight on the surface of Lake Erie, on which the district I represent borders, is equal to all the energy consumed by Americans in 1 year. That is hard for me to comprehend or believe, but it is a claim that dramatizes how immense are the possibilities, the probabilities for solar energy, at that point when we learn to convert it efficiently on a mass scale.

Furthermore, much of the technology needed to utilize this nonpolluting source of power is nearly at hand. In fact, the consensus is that there are no major technical barriers to the widespread application of solar energy to meet U.S. energy needs, to the degree contemplated in this legislation.

First, however, a convincing demonstration of the economic feasibility of solar heating and cooling is a necessary step. Once the viability of this concept has been established, the last hurdle will have been crossed in achieving the goal of widespread commercial production and use of solar systems for millions of American homes.

Mr. Chairman, it should be recognized that H.R. 11864 does not establish a comprehensive national plan for a solar energy R. & D. program. Instead, the bill is designed to serve as the all-important catalyst in the transition from the research and developmental stage to the large-scale practical application of solar energy technology.

Our bill, which authorizes $50 million over a 5-year period, is aimed at a commercial feasibility demonstration of solar energy for heating and cooling for both residential and small to medium sized commercial buildings. With this funding, the Federal Government will be exerting the necessary leadership to make solar power for warming and air conditioning homes and offices commercially available within 5 years.

However, Mr. Chairman, as ranking minority member of the Science Committee, for the record and for purposes of accuracy and fairness, I believe I have an obligation to point out that the administration is officially opposed to this bill.

The administration assures us of its vigorous support for the objectives of this solar energy plan. It likes and approves what we are attempting to accomplish here, it wholeheartedly agrees that the Federal Government should take an active leadership role in encouraging the commercial development of these new energy technologies. I believe it does not quarrel with the $50 million authorization we propose.

But the administration's objection is aimed at the organizational arrangements which H.R. 11864 would provide. The Office of Management and Budget argues that the best long-term organizational home for solar energy development and demonstration would be in the proposed ERDA, Energy Research and Development Administration, which already has been approved by the House, but not as yet by the Senate.

So, OMB has urged that we delay action on this bill until ERDA comes into being.

Frankly, Mr. Chairman, I do not consider that a convincing argument for delay. I believe our plan in this bill can easily and effectively be coordinated into any future ERDA or other possible reorganization plan for energy-related R. & D.

Therefore, I urge that we should not now wait, but should approve now, today, this very much needed initiative in H.R. 11864.

Also, for the record, I must report that representatives of HUD, the Department of Housing and Urban Development, have expressed to me their doubts and confusion as to just how and where they would receive the funds to support their very important role as contemplated in this legislation. They wish those funding arrangements could be clarified and specified in this bill before it is voted.

I understand HUD's desire for such clarification. But I suggest HUD is being just a bit timid in that regard. We are trying to encourage aggressive, vigorous leadership here, and we believe this bill as it is before us today would provide adequate authority for the indicated agencies, including HUD, to perfect the necessary financial arrangements, and to budget for the needed funds and persuade the Appropriations Committee to provide those funds.

However, Mr. Chairman, I am glad to go on record here as suggesting that HUD should quickly and clearly express to involved Members of the other body, its felt need for clarification of the financing arrangements in support of this program. In other words, as soon as the House approves this bill today, as I believe we surely will, then certainly HUD representatives should be explaining their needs to the Senators who are interested in this on the other side of the Hill. There is no good reason why more and acceptable specifics on that score cannot be written into the bill in the other body and accepted later by this House.

Mr. Chairman, H.R. 11864 provides for a two-stage demonstration program with the National Aeronautics and Space Administration having the responsibility for the initial stage. This stage will consist of contracting for the research, development, and manufacture of solar heating, and combined solar heating and cooling systems.

The second stage, which includes overall responsibility for installation of the solar heating and cooling equipment in addition to monitoring and disseminating design information, will be under the control of the Department of Housing and Urban Development.

The solar heating systems actually manufactured are to be installed half in Federal and half in private residential dwellings. Installation in the Federal dwellings will be carried out under arrangements made by the Secretary of Defense. The Secretary of Housing and Urban Development will arrange for installation in privately owned and occupied residences. Ownership of the actual heating systems will remain with the U.S. Government during the trial period after which title to the equipment will be transferred at no charge to the owner of the establishment.

The assignment of responsibility as well as the carrying out of the program for the combined heating and cooling demonstration effort for residential dwellings is similar to that for the heating program. In addition, the solar heating and cooling demonstration projects for commercial buildings—for example, school, office, industrial, and apartment structures—will be carried out concurrently with the residential heating and cooling program.

Mr. Chairman, I am highly enthusiastic over the farsighted proposal embodied in H.R. 11864. I feel strongly that the concept of harnessing sunshine to reduce man's dependence on scarce and polluting fuels is no longer a matter of wishful thinking. There is simply no limit to where solar energy technology might advance when we consider the abundance of solar radiation. I am impressed by the modesty of such predictions that in 50 years solar energy will be supplying 25 percent of all the U.S. energy needs.

It must be recognized however that harnessing this energy will require a significant effort and commitment. Certainly, thus far we have made only a hesitant beginning. But with the proper recognition given by the Federal Government to the potential of solar energy this Nation will have taken a major step in launching what some energy futurists are referring to as the "sun age."

A firm assertion of a national priority for energy R. & D. is needed to engender the public confidence needed to assure private industry of both public acceptance and a market for solar energy cooling and heating systems. Obviously, there is little time to lose. I therefore ask my colleagues to join with me in providing this measure their fullest support.

Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Chairman, I am pleased to rise today in support of H.R. 11864. As one of the original sponsors of the legislation, I am particularly pleased that it has proceeded so quickly through the process of hearings, committee markup and scheduling for floor debate. The relative speed with which it was considered is, I believe, an indication of the need to act now to solve our long-range energy needs.

The gentlemen before me have adequately explained what this legislation does, and this needs no further elaboration. I would, however, like to briefly stress two points:

First, there has been much talk about the fact that the energy crisis is not real, that there are huge reserves of fossil fuels in the world and that the problem is one of distribution or that it is an attempt by the oil companies to increase profits. Perhaps we will never know exactly what was the cause of the energy crisis, how much of it was real and how much contrived. However, I think it is important to recognize that whatever our reserve of fuel, whether domestically or abroad, that reserve is finite in nature. It will be used up. If the energy crisis is not real today, it will be 5 years from now, or 50 years or 100 years. Congress is often criticized for not being a prospective body, of never looking ahead to solve a problem before it reaches crisis proportion. Indeed, I have been among those most vocal in this regard. Today, we are considering legislation which hits to the heart of that criticism. It offers us an alternative energy source—an energy source which is environmentally desirable and an energy source which greatly decreases our dependence on finite fossil fuel, whether they be domestic or foreign.

Second, I would like to stress that this legislation brings us into the application phase of solar energy. H.R. 11864 does not set forth a comprehensive national solar energy R. & D. program. The basic R. & D. has already been done. Rather, it accomplishes the very important and timely "next step" required to implement the large-scale, practical use of solar energy in the immediate future. Solar heating and cooling of buildings is now ready for commercial exploitation. A commercial demonstration of the economic viability of solar heating and cooling is a necessary step in attaining the goal of widespread commercial production and marketing of solar heating and cooling systems for millions of American homes and offices.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. Cronin).

Mr. CRONIN. Thank you.

Mr. Chairman, I have been very privileged as a freshman to serve on this committee under the able leadership of Tiger Teague and Mike McCormack and our ranking minority Member, Mr. Mosher. It has been a unique opportunity to learn a great deal about solar heating and the other forms of energy on which we are working and also to provide some input as to where we will go in the future.

Mr. Chairman, it is very apparent to me that the hope of mankind lies not in fossil fuels but in the development of nonconventional sources, solar heating and cooling being but one of them.

In fact, solar energy has one of the greatest possibilities for development and implementation in the shortest space of time. In 40 minutes, the Sun beams to Earth as much energy as mankind uses in a year. Solar energy is free, endless, and has no negative impact on the environment. The potential of the Sun as an energy source is virtually unlimited—it awaits only the development of efficient systems to put to use the technology we already possess.

We need the energy approaches and the improvements in the systems approaches to the pieces of hardware we have already so that we can develop them into usable, economical means of power and energy for the benefit of our country.

The Solar Heating and Cooling Demonstration Act requires the National Aeronautics and Space Administration and the National Science Foundation, both agencies experienced in the field of energy research, to combine all known technology and experience in the field of solar energy to develop a demonstration program to produce dependable and economically feasible solar heating and cooling units. This bill will result in a coherent and highly successful program which maximizes solar energy development.

As we embark on this new energy age characterized by the harnessing of the energy of the Sun, the Congress has to provide the leadership necessary for this Nation to become energy self-sufficient.

I am very disappointed to have heard of the OMB dispute, because if there is one lesson to be learned as to why we have an energy crisis on our hands today, it is the fact that decisionmakers have given up our lead time. Thus, we find ourselves confronted with a problem with no time in which to react to it. I think we should learn from the mistakes of the past and really face up to the fact that we have to get on with this today; not next year or next month, but today.

I hope my colleagues will join with me today in support of this bill so that it will become the law of the land as soon as possible.

Mr. MOSHER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Kansas (Mr. Winn).

Mr. WINN. Mr. Chairman, I would like to add my support to H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973.

The current energy situation demands that we as a nation take every possible step to alleviate the impending crisis. The legislation now before us, H.R. 11864, is a comprehensive, well-conceived approach toward implementing an alternative approach to our present energy capabilities.

Mr. Chairman, last weekend many of us on the Science and Astronautics Committee took a trip to Huntsville, Ala., where we saw a part of a demonstration home being built in that area in which solar panels were being installed between the rafters.

We asked to be invited back at a later date so we could see the final tabulations and the computer systems that are analyzing the amount of input in that solar home in Huntsville.

We hope that all Members of Congress, not only on the Committee on Science and Astronautics, but also all of the other committees, will have an opportunity to visit the solar demonstration home in Huntsville under the jurisdiction of NASA, so that all can see that we really have a solar demonstration plan going on at the present time in actuality in a home.

Mr. Chairman, H.R. 11864 will direct currently diffused agency activities in the solar heating and cooling area into a unified national effort. It will expedite research, development, and design work, and will ultimately result in a substantial, viable demonstration program involving several thousand residential and commercial buildings. All this will be accomplished within 5 years.

The proposal will also provide a strong stimulus to both manufacturers and users, hopefully leading toward the widespread application of this concept in the years to follow. The long-range goal is to apply solar energy and technology to the bulk of the Nation's requirements for space heating and cooling—requirements that now consume over 25 percent of our annual energy budget. In turn, every system which can be converted to use this free and limitless source of energy will release conventional fuels for other purposes.

Although the bill is designed to provide for the development and demonstration of solar systems for both residential and commercial buildings, it might be interesting to document the estimated savings which will accrue from the use of solar energy in the home alone. Even the most conservative forecasts indicate that if the majority of homes in the United States were to become wholly or partly heated by solar energy systems, from 20 to 60 percent of the energy now consumed in the home could be saved.

Such predictions have even been borne out in the few dozen solar-heated homes which are now in existence. In the Washington, D.C., area, in fact, a large-sized otherwise conventional residence paid a heating bill for last year for one full winter of $4.65. Obviously, if this kind of system can be produced and installed on a mass-production basis, the United States will be well on its way toward creating the type of energy self-sufficiency which the President has spelled out as a national goal.

The bill itself provides for a 3-year demonstration program involving the installation of prototype solar heating units in private residences as well as residences on Federal property. A number of additional residences will be outfitted with a combined solar heating and cooling unit which will be developed and demonstrated over a 5-year period. In addition, there will be a comparable 5-year demonstration program directed to the solar heating and cooling of commercial buildings, including apartment houses, factories, office buildings, schools and colleges. Mobile homes and agricultural facilities are also included under the bill which will allocate a total of $50 million for the nationwide program.

Mr. Chairman, I personally feel that it is time we recognize the need for this country to bring its "energy account" back into balance. Unless we begin to draw upon the storehouse of solar energy, our "account" will always be in danger of bankruptcy due to our continuing exhaustion of reserves of fossile fuels. Clearly, the Sun is the only answer, not only because it represents an energy source more permanent than even the planet Earth itself, but also because it does not generate the waste which contaminates our air and water.

So far our country has paid very little attention to the possibilities of utilizing solar energy on a more meaningful scale. So far it has not been practical.

I am personally convinced, however, that it is time that this Nation, which is the world's biggest energy user—and which will feel the pain first and worst when the shortages become even more acute—started taking solar energy more seriously. The legislation now before us represents a positive and imaginative step in the direction of the large-scale harnessing of solar energy. I, therefore, encourage my colleagues to join with me in offering their support for this measure.

Mr. TEAGUE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I rise in strong support of H.R. 11864, the Solar Heating and Cooling Demonstration Act. This bill will help to establish a new industry, with an impact that will be felt for many years. As a member of the Committee on Science and Astronautics as well as its Energy Subcommittee, I am especially pleased with the bill's inclusion of a well-structured approach to this demonstration phase. This is necessary for a successful beginning to commercial use of solar heating and cooling systems. I am also pleased to note the emphasis on universities and colleges, both in this bill and in present National Science Foundation solar funding. It is these aspects of the bill that I wish to expand on more fully in the following.

In my own district in Texas, we have an abundant supply of solar energy and the leaders there know it. Recently I received a copy of a formal report to the city of Austin from its energy study commission which noted the exceptional potential savings that could be expected in that city with future low-cost solar collector systems. The study commission urged the city to collect further information for homeowners and to begin further investigation of implementation in city facilities. I support this forward-looking activity and am very hopeful that this present bill with its solar energy information data bank will prove helpful to numerous cities like Austin across the country. Solar energy is one resource available in abundant supply to us all.

I was pleased to note that the National Science Foundation announced last month the awarding of four contracts for retrofitting four schools across the country; one in Virginia was discussed at length on Saturday, February 2, in the Washington Post. I have been contacted by a group of students at the University of Texas hoping that they could also build a solar heated and cooled cooperative dormitory. I express my support for this endeavor. And the point is that it is obvious that there is great public interest in the subject of solar energy.

The present solar energy funding is almost entirely through the National Science Foundation. During the present fiscal year, this country will obligate approximately $14 million for solar energy with approximately $6 million for solar heating and cooling. Although this number is up dramatically from 1970 when we were spending almost nothing on solar research, the numbers will continue to increase—with a reported request from the administration of $50 million for the next fiscal year. Although we do not yet know the breakdown on the National Science Foundation portion of this budget, it is safe to say that the largest share will be assigned to solar heating and cooling, and that it will be rather larger than the amount proposed for the first year of the present bill, which has been estimated in the legislative report at less than $5 million for the first year. Thus the present bill is not a great dislocation in the present level of effort, and only directs the effort more into the demonstration and commercial area, as recommended by almost all of the witnesses before the committee.

And there is a continuing role spelled out in the bill for the National Science Foundation. I am very pleased to see that the present bill is building on an excellent frame of underlying research built up in the last several years by NSF, and which will continue, not only in solar heating and cooling, but also in the allied areas of photovoltaics, central station solar electric power, wind power, various biological conversion methods, and ocean thermal systems. I am sure we are all looking forward to other bills in the future which can take these areas from the research stage into commercial reality as we are proposing with the present bill for solar heating and cooling.

The roles of our schools and colleges are further noted in H.R. 11864 in their inclusion in the commercial buildings portion of the present bill. I believe this to be an especially appropriate means of demonstration, because of the broad exposure which they will receive, but also because we must begin training our future leaders in more economic utilization methods.

Another method of gaining the most rapid possible public acceptance is through the architectural design competitions which are called for in this bill. The National Bureau of Standards is directed to establish these competitions which might be run by the American Institute of Architects, but which are, however, to be open to all qualified participants. The bill specifically allows for student entries, and this again is highly appropriate as a means of educating the future leaders of this profession, and who even now are enthusiastic supporters of this important source of energy. The bill calls for two design competitions—one each for the two distinct phases of the bill; first, solar heating and then combined solar heating and cooling. This is highly appropriate, since the latter phase is not yet as ready as the former, which, all witnesses agreed, needs no further technological advance.

The second design competition will thus be able to draw on the greater fund of knowledge developed both under the present bill as well as ongoing NSF work. Both competitions will serve two purposes: First, it will serve to alert, as well as educate, the architectural community to this forthcoming technology; but second, it will provide a valuable source of ideas for future builders and other architects.

We all realize there may be some administrative problems with this program, assuming passage of the ERDA legislation. We have been assured by all agencies concerned, however, that this work will go forward with even greater emphasis in the future.

In summary, I believe that the bill should be passed—and even made stronger. I have concentrated on the role of the National Science Foundation, our schools and colleges, and lastly of the architectural profession. However, there are many other important reasons for the passage of H.R. 11864, as we are all well aware. Not the least of these are the economic, and national security aspects of the bill, which some of my colleagues may touch on. I reassert my hopes for rapid passage of this bill, and I commend Congressman TEAGUE, Congressman MOSHER, and particularly Congressman MIKE MCCORMACK for their leadership in bringing this bill to us today.

Mr. TEAGUE. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, I thank the gentleman from Texas for yielding me this time.

Mr. Chairman, there are those who believe that coal and oil and even nuclear energy will become prohibitively expensive in a century, or even much sooner. Solar energy, if properly developed, may offer a virtually unlimited and pollution-free supply. Maryland's Chesapeake Bay alone absorbs more energy from the Sun every day than the entire Nation presently consumes in an entire year.

Federal involvement in solar energy research has increased in recent years. I am happy to report that the Timonium Elementary School in my Baltimore County district was one of four schools recently selected by the National Science Foundation for installation of solar collectors, to provide heating and hot water. The target date for completion of installation is early March.

The real test of the advancement of solar heating and cooling will come with an extensive field test in our homes and places of business throughout the Nation. The Solar Heating and Cooling Demonstration Act, which I have cosponsored, will allow $50 million for four thousand experimental solar units for both residential and commercial use.

It may take years—even decades—to overcome the scientific hurdles that lie ahead in the development of solar energy. All the more reason to start now.

Mr. Chairman, I urge the passage of H.R. 11864, and I commend the chairman of the Committee on Science and Astronautics, the gentleman from Texas (Mr. TEAGUE) and the chairman of the subcommittee, the gentleman from Washington (Mr. McCormack) for their farsighted and timely piece of legislation.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. Parris).

Mr. PARRIS. Mr. Chairman, I appreciate this time being yielded to me by the ranking minority member of the Committee on Science and Astronautics, the gentleman from Ohio (Mr. Mosher).

I rise, as one of the cosponsors of this legislation, in strong support thereof, and I would like to associate myself particularly with the remarks of the distinguished chairman of the subcommittee, the gentleman from Washington (Mr. McCormack) in urging the passage of this legislation.

Mr. Chairman, as the House of Representatives considers H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973, I should like to bring to the attention of my colleagues certain provisions of this legislation that underscore the need for continued research in solar energy.

H.R. 11864 provides for the early commercial development and demonstration of solar heating and combined solar heating and cooling technologies. The bill provides for a number of demonstration units in each of these two categories with the aim of the program to stimulate the mass production of solar energy units.

But I believe we must not be content with merely the commercial development and demonstration of this technology. While these steps are necessary to gain public acceptance for the use of solar energy, we must also continue a vigorous program of research on the components and key subsystems to be used in the actual heating and cooling systems. Until we have advanced the state of the art to the appropriate point by making the solar system as efficient, economical, and long-lasting as the more conventional heating and cooling systems, private industry will be reluctant to enter into production of such systems with the individual consumer equally reluctant about purchasing the product in spite of any beneficial impact on our limited supplies of fossil fuels.

At the present time, the National Science Foundation, which the administration has designated as the lead agency for solar energy research, is managing a $13.2 million solar energy program. For fiscal 1975, the President has requested $50 million for NSF's solar research effort. The confidence in the Foundations' ability in this important area is clearly expressed by this 375 percent increase in the National Science Foundation's solar energy budget.

Closely related to the present NSF effort is section 8 of the bill which would authorize the Foundation to initiate and support basic and applied research relating to solar energy development. This provision is designed to tie the effort proposed in the present bill directly to NSF's existing program of basic research. The research effort under H.R. 11864 is then in turn carried into the development phase by assignment of this responsibility to NASA, or, under the provisions of section 13—to the Energy Research and Development Administration—ERDA—or an ERDA-type agency which the Congress might establish.

In conclusion, Mr. Chairman, the House is to be commended for taking prompt action on one of the most significant energy bills to come before this body. To encourage the development of solar and other nonconventional energy sources is to come to grips with meaningful potential solutions to our present energy crisis. To recognize the role of NASA and NSF in basic solar research is to assure a unified and coherent Federal research effort in an energy area which I feel holds the greatest hope for the future. I ask my colleagues to join with me in my enthusiastic support for this measure.

Mr. MOSHER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from North Carolina (Mr. Martin).

Mr. MARTIN of North Carolina. Mr. Chairman, roughly 10 billion years ago we began to receive the benefits of irradiation from the Sun. Today, we seek to improve the efficiency by which we convert that primal energy source to our direct use. Consequently, I join with the other members of the Science Committee in offering my full support for H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973. I would also like to compliment both our committee chairman and Chairman McCormack of the Subcommittee on Energy for the outstanding leadership they have provided in bringing this bill to the floor.

Mr. Chairman, solar energy is a natural resource that has yet to be fully exploited in the United States. In most of this country, enough solar energy falls on the roof of a single residential dwelling or commercial building to supply energy for all of its heating and air-conditioning requirements on a year-round basis. It has not been exploited for two reasons—the previously low cost and availability of more conventional energy sources, and the lack of a developed technology. Now that energy is becoming more expensive, however, and we are threatened with shortages, it is important that we advance solar heating and solar cooling technology to take full advantage of this free resource.

I think that we should also recognize that as exotic as harnessing the Sun may sound, in several parts of the world solar energy is routinely used for heating water as well as living spaces. Particularly in warm climates, the performance required of such systems does not necessitate advanced technology. Thus, even the relatively crude and home-fashioned designs which are now in operation are sufficient to provide a substantial assist in home heating requirements. Almost a decade ago solar hot water heaters were common in Florida, but displaced by cheap fossil fuels.

Improved concepts are required, however, if we intend to develop systems for colder climates, and major advances are called for in order to use solar energy to provide air conditioning. The reason for this progression is that succeeding steps require higher temperatures. Heating water 140° F. may be adequate for milder climatic requirements, but 200° F. may be necessary to efficiently operate an air-conditioning unit.

Serious consideration of utilizing solar heating and cooling in this country was initiated following a study performed by NASA and NSF in late 1972. Since that time over $5 million has been committed for solar heating and cooling technology by these two agencies. NSF is performing a broad-based research and technology effort while NASA has established a standardization testing capability plus building a small home demonstration unit and planning a prototype system "pilot plant" test complex that will supply some of the energy requirements of a new office building.

Mr. Chairman, I am personally convinced that H.R. 11864 is the next logical step in the development of this valuable national capability. This legislation is designed to provide the booster to begin the transition from technology to application. The bill recognizes the fact that solar heating systems can be installed with knowledge available today—systems that will perform the complex types of functions required to permit their immediate adaptation into existing buildings. The bill also allows for a so-called technology improvement period for a number of prototype designs prior to the final definition of a system suitable for mass production.

The legislation would apply the proven program management capabilities of NASA—the lead agency under the measure—to a potentially complex combination of Government agency responsibilities. In addition, the proposal provides for the assimilation of work accomplished under this bill into any future energy agency which may be approved by the Congress.

H.R. 11864 is worthy of the support of every Member of this body. Clearly, passage of this landmark legislation is a major step in advancing a new technology which is destined to play a major role in developing this Nation's energy self-sufficiency. I urge each Member here today to vote in favor of this important program.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Chairman, as one of the cosponsors of an identical bill, I rise in enthusiastic support of H.R. 11864, the Solar Heating and Cooling Demonstration Act. At a time when we as a people have been made so keenly aware of our need for energy, and of the dangers inherent in relying upon foreign sources for this most vital of all commodities, the bill before us today will surely serve to shorten the time needed before the unlimited energy potential of the Sun can be harnessed in order to meet our future energy requirements.

Mr. Chairman, I would first like to commend the gentleman from Washington (Mr. McCormack) the chairman of the Subcommittee on Energy, the gentleman from California (Mr. Goldwater), the gentleman from Texas (Mr. Teague), the chairman of the full committee, the gentleman from Ohio (Mr. Mosher) the ranking representative, and all the members of the Committee on Science and Astronautics for their work in bringing this bill to the floor. Not only those of us here today, but generations yet to come will owe these gentlemen a vote of thanks.

We all realize that solar energy is not new. The concept of harnessing the Sun's power to work for mankind is perhaps as old as mankind itself. In a more immediate way, solar energy has been demonstrated to be a usable source of energy, both here in the United States and in other countries. In this country "solar houses" have been with us for many years. One of these built by Dr. Harry Thomason right here in the Washington, D.C., area has been providing that gentleman with almost all of his home heating needs for some years now. In other parts of the world, particularly Israel, Japan, and Australia, the demand for solar water heaters has created a sizable industry. Japan recently announced a program to develop new, clean energy, called the "sunshine program." Approximately 2 billion yen—about $685 million—is to be appropriated for the year 1974. The Japanese have committed over $7 billion to their program over the next few years.

Then why has solar energy not been developed in any major way until now—why is it still somewhere off in the distant future? Partly, this is because of practical economic and technical problems which undeniably exist. But primarily, the reason is that we have never had to worry about our energy supply before. So long as oil was cheap and plentiful, and apparently inexhaustible, why bother with solar energy? For that matter, why bother with geothermal energy, or nuclear energy, or coal gasification, or any of the other alternative energy sources. Just keep pumping that oil and let the future take care of itself.

Mr. Chairman, we all know that those days are over. The future is here, having arrived abruptly last fall because of the devastating combination of the Arab boycott plus our own expanding energy requirements. Now we are trying to chart a course for ourselves through a suddenly unfamiliar landscape filled with shortages and crises. There is much we can do to alleviate the immediate crisis, both by conserving the energy we now have available and by speeding the development of readily accessible sources of energy hitherto not exploited, such as coal or offshore oil or oil from Alaska. But, let us not make the mistake again of dealing with the immediate situation. A farsighted look at our energy requirements in the coming years will show that we need to look beyond the fossil fuels to the one source of energy which is inexhaustible, nonpolluting, and free from manipulation by foreign powers—the Sun.

The specific legislation before us, H.R. 11864, focuses our solar energy efforts on that application which is the most practical and the closest to commercial use—the heating and cooling of buildings. While this is a proven concept, the roadblock preventing widespread use of solar energy in this way has been the high cost of the solar hardware compared to conventional gas or oil-burning systems. The primary objective of this bill is to achieve at least a 50 percent reduction in the cost of solar-energy hardware in order to make solar heating and cooling cost competitive with conventional systems.

From my own research, I am convinced that this is not an unrealistic goal. In fact, it may be possible to decrease the costs of solar hardware by much more than 50 percent. The key to this reduction in costs in an American concept—mass production. By providing for the procurement of approximately 4,000 solar energy systems for houses and other buildings, this bill will create a market for solar energy products which will be sufficiently large to allow the use of 20th century mass production techniques. Solar energy units will be mass produced, instead of being "handmade" for a particular job as they are today. This is the "secret" and the promise of this legislation.

Mr. Chairman, the bill before us today has not received the public notice which it properly deserves. And yet, future historians may mark its passage as one of the finest achievements of the 93d Congress. To be sure, it is only a beginning, but it can provide tre opening wedge in the door to a future in which the boundless energy of the Sun is harnessed to serve mankind. Mr. Speaker, I urge the passage of the Solar Heating and Cooling Demonstration Act.

Mr. MOSHER. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. Fish).

Mr. FISH. Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973, a bill I cosponsored along with over 100 of my colleagues in the House.

This legislation authorizes a $50 million multiagency program to develop and produce solar heating and cooling units for thousands of private and public buildings during the next 5 years. A 3-year heating demonstration program would be authorized, while a combined heating and cooling demonstration program would be completed in 5 years. Units would be installed in 2,000 residences on military and other Federal property, and in 2,000 private residences. In addition, this bill authorizes research, development, and demonstration of heating and cooling of commercial and industrial buildings with solar energy.

We cannot realistically expect solar energy to provide significant relief from the energy crisis in the immediate future. Even with this expanded research and development program, we will have to continue to rely on coal, gasoline, and oil as primary energy sources for the next two decades. However, this legislation presents us with an opportunity to determine the potential of solar energy, and the extent to which this inexhaustible source of energy can be harnessed.

The energy crisis has brought home the fact that we must explore new sources of energy. Our energy demands have already exceeded our supply. If we are to avoid even more severe shortages in the future, we must look to new sources.

Solar energy has virtually no environmental impact. Further, solar energy cannot be the subject of economic sanctions by one country against another; no one can cut off our supply. This is a highly significant fact, in light of the current Arab oil embargo.

I therefore urge all of my colleagues to join in supporting passage of this bill since it would go a long way toward insuring that we have an adequate energy supply in the future without having to rely on imports to supplement our domestic resources.

Mr. MOSHER. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding. As an early cosponsor of an identical measure providing solar energy demonstration legislation, I am pleased to associate myself with the remarks of the gentleman from Texas and the gentleman from Ohio in support of this measure. Our Nation's critical energy needs makes it highly important that we explore all reasonable avenues for providing new sources of energy, and this certainly is a sound step in that direction.

The National Science Foundation estimates that by the year 2020, solar energy could supply us with 35 percent of the energy we need to heat our homes and buildings, 30 percent of our Nation's gas fuel, 10 percent of our liquid fuel needs, and 20 percent of our electricity.

Each of us these days is confronted with critical energy shortages. We, in Congress, hear daily of our constituent's inability to purchase the gasoline they need to get to their jobs, others are subjected to waiting hours in long lines at service stations. If it were not for the thankfully mild winter we have been experiencing, we would, no doubt, be confronted with an even greater crisis of citizens being unable to purchase fuel to keep their homes warm.

These events which have become everyday occurances should tell us one thing very clearly, that we need to find alternative sources of energy.

Even if we were able to increase our domestic production or import as much foreign crude as we would like, our petroleum resources are finite and are predicated to be dissipated by the end of this century. We must look around to find other energy sources.

In my recent travels to other parts of the world, I found that other nations beginning to utilize the Sun's power to supply their needed energy. Some pioneer Americans have also been successfully experimenting with the productive use of solar energy.

Our experts in the field tell us that we are ready for the commercial demonstration of solar energy. This bill provides the impetus for the feasible usage of this "exotic" energy source.

While certainly we cannot expect too much too soon from solar energy, by proceeding steadily and soundly with commercial demonstration, we will be taking a most logical and progressive step in assuring adequacy of energy supplies for the future.

Mr. Chairman, I urge my colleagues to support the passage of this significant legislation.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER. Mr. Chairman, I thank the gentleman for yielding.

I support the solar heating and cooling demonstration bill, H.R. 11864, and I take this time to ask a few questions of the gentleman from Washington (Mr. McCORMACK). I understand from the legislation that there will be some 2,000 homes that will be equipped so that they may be heated and cooled by solar energy. How will it be decided who will own the homes to be equipped, or whose homes will be equipped? I understand that some private homes will be involved in this transaction.

Mr. GILMAN. In response to the question of the gentleman from Ohio, my answer will be that the homes that will be equipped for solar heating and solar heating and cooling units will be determined by HUD, by the Secretary of HUD, taking into consideration criteria such as: one, we will use a number of prototypes; and, two we will set these prototypes up in a number of regions of the country.

Within those criteria the Secretary of HUD will have discretion to determine where he is to install these units. Some of them will of course go into preexisting private homes and some will go into private homes that will be built specifically for this purpose according to specifications established by the Bureau of Standards. Half of these of course will be federally owned and controlled properties on Federal property and half privately owned on private property. So it is strictly up to the criteria established by the Secretary. Obviously some arbitrary decisions will have to be made by the Director within the provisions of the bill.

Mr. MILLER. I can see a great problem inasmuch as many individuals would like to have the heating or cooling systems installed in their homes. This would save them the price of course of conventional heating and cooling systems, but by all indications in the regulations this determination will be made by HUD.

Mr. McCORMACK. That is correct. The trade off here is that a new solar home will be more expensive than an ordinary home that is heated and cooled with conventional sources of energy such as oil or gas. Thus the owners of these homes are going to have to invest more in the first place. Then the owner is going to have to live with the uncertainties of how this home will operate on the real estate market and how the equipment will function. The title for the heating and cooling units themselves will remain with the Federal Government for 5 years during the testing period. And only after that time do they become the property of the homeowners.

Mr. MILLER. And will the Federal Government be responsible for the maintenance of each piece of equipment for 5 years?

Mr. McCORMACK. Absolutely. This is a test program. We have to see how the units work. We cannot just put them out and forget them. We have to maintain them. The owners have to provide all the information requested, and only after they provide all this information will they receive title at the end of the 5-year period. If the owners do not cooperate in the test program they will not receive title.

Mr. MILLER. I have another question of the gentleman. Will the standard solar cells be used?

Mr. McCORMACK. No. In all likelihood they will not be used. Solar cells, such as used on the satellites, are far too expensive and not nearly efficient enough for this purpose. They generate electricity directly. What we are after is heat. There may be some combined systems, and I will not absolutely preclude the use of some modification of inexpensive solar cells where they are combined with heating units. Thus we may have the solar cell and heat collector in the same panels.

Mr. MILLER. In other words they will not be using some electrical system in order to drive a mechanical unit for airconditioning but they would be using the absorption method?

Mr. McCORMACK. We do not know for sure that they will be economically practical at that time. That is why we have the extra 2-year period for development of solar powered air-conditioning or cooling units. During the next 2 or 3 years if we find a more efficient, less expensive solar cell which might provide enough energy to drive a fan or compressor which can be used in conjunction with a heat pump of some sort for cooling, but this is a little far down the road.

Mr. MILLER. How about the use of thermocouples. Would that be considered at this time?

Mr. McCORMACK. I do not think so. We have discussed research leading to some sort of a miniaturized power mat using that technique. However it is not expected that we will be able to make any application of it in the near future.

Mr. MILLER. I thank the gentleman.

Mr. Chairman, I support the bill H.R. 11864.

Mr. MOSHER. Mr. Chairman, I have no further request for time.

Mr. TEAGUE. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. GUNTER).

Mr. GUNTER. Mr. Chairman, as a cosponsor of this bill, I rise in support of the chairman of the committee and the chairman of the subcommittee and obviously of this legislation.

Mr. Chairman, I wish to commend to the House what I believe to be an important and farsighted piece of legislation.

The Solar Heating and Cooling Demonstration Act of 1974, which I have been privileged to cosponsor, marks a critically important first step, moving toward the day when the full potential of this alternate source of energy will be widely available for the benefit of the American people.

The Energy Subcommittee, under the wise and vigorous leadership of Chairman MIKE McCORMACK—who has been at the forefront in having recognized the need and potential for solar development and in striving to make full development a reality—has produced what I believe to be a vital piece of legislation.

The full committee, under the leadership of Chairman TEAGUE, and with the leadership of the ranking minority Member, Mr. MOSHER, deserves enormous credit as well.

It is a privilege for me to express my wholehearted support for this legislation and to join in urging the House to act favorably on it.

As a member of both the Committee on Science and Astronautics and its Energy Subcommittee, and a cosponsor, I have become keenly aware of the vast potential of solar energy development on a wide scale and the importance such development can have on the entire Nation.

This bill must not be conceived as the final step which this body will take with solar energy. This bill will only set up a Federal mechanism for supporting a demonstration project, a step which all the committee witnesses agreed was necessary. We must also begin to address ourselves to other steps which will be needed in the future. I wish to limit myself only to this area of solar energy implementation in the short time available, although I am, again, in full agreement with the bill as brought forward by the committee, and proud of the work done by the subcommittee and full committee in which I have been privileged to share.

The district which I represent stretches across central Florida, with a broad range of activities that are suitable for solar heating and cooling. In fact, solar hot water systems have been used in Florida for many years, and there are numerous examples in our district.

However, there are very few solar heated homes in the country, and it is this problem which this bill addresses. I am pleased to note that one of these few solar heated homes is at the University of Florida. The director of their Solar Energy Laboratory, Dr. Erich Farber, gave testimony before the committee indicating that H.R. 11864 is a step in the right direction but noting that implementation to the utmost is a necessity. I fully share Dr. Farber's assessment.

The purposes of this demonstration bill are twofold: First, to create a national manufacturing capability for solar heating and cooling units; and second, to create a potential market by demonstrating the practicality of solar systems.

At present, the National Science Foundation is supporting basic research and development in this area, but almost all of the committee witnesses agreed with the present need to begin to actually produce units. I am personally anxious to move at an even faster pace, much as the Japanese are reported to be doing.

In June, the Committee on Science and Astronautics heard oral testimony from 5 expert witnesses, while receiving written testimony from an additional 16 authorities. These experts noted that the problems in this solar area are not technological, but are rather economic and institutional. It is imperative that we begin getting documented evidence on the annual savings in fuel that will be possible with systems with a well-defined initial outlay.

Unfortunately, many persons will be dismayed by the higher initial cost of the solar units. This point was underscored by the many witnesses before the committee. Other roadblocks are now an active area of investigation by the National Science Foundation.

It is further mandated under this bill to bring forth to the Congress remedial actions which will eliminate any roadblocks to effective implementation. This is especially important to the Nation now after the supply of fossil fuels is so low.

We must initiate a national recognition of long-term cost accounting. This is now practiced mainly by those few corporations which are building their own buildings for long-term occupancy. It will be up to imaginative individuals in this Congress to provide greater stimulus for this single most important action.

Much of the remaining testimony in the June hearings was directed toward emphasizing the present readiness of technology to begin the demonstration phase. It was the consensus of the witnesses that it would not be appropriate to wait for industry to take the lead in implementing the present NSF research results. I concurred and was an early supporter of the present bill, which is designed to have the Federal Government take the initiative.

The original bill which was introduced, H.R. 10952, was thoroughly explored by a set of 23 witnesses on November 12, 13, and 14. The bulk of the testimony at this time was directed to the administrative mechanisms, proposed funding level, number of units, and the timing of the legislation. I was pleased that the testimony was essentially favorable on all counts, although I tended to agree with several witnesses who argued for increased funding and a time schedule which recognized a greater sense of urgency. Nevertheless, I believe the committee's present bill, H.R. 11864, marks a firm beginning.

In these November hearings, a number of witnesses addressed the other necessary actions which could be undertaken by Congress, and I wish to call these to the Members' attention, since I know that several bills have been introduced to meet these needs. The present bills are listed on pages 8–11 of the Legislative Report, and I hope that they can be taken up quickly, along with other measures which will address themselves to the particular problems I will list below.

Among the proposals suggested by the various witnesses in the November hearings were: removal of Federal mortgage limitations, which the committee incorporated in H.R. 11864; creation of a solar data bank, also incorporated, but whose function I would like to see expanded to include more exphasis on data gathering, and be expanded to other solar energy areas besides heating and cooling; building code studies; "Sun-right" or three-dimensional zoning questions; possible labor jurisdiction problems as well as obvious suggestions for mortgage and tax incentive legislation.

Many of these topics are already covered within the bill as areas for administration study, and I am pleased that they are so covered. However, there are many areas that should not await the 3 or 5 year time scale called out for in this bill, since we can obviously, as a Congress, do much to help foster this new industry, and must begin now to anticipate the areas of concern.

In order to do this, I suggest we note the chain of institutions which are involved in the successful introduction of this new technology. First is the manufacturer of the new solar hardware. We must be sure to make his entry into the new market as attractive as possible. One approach is to provide faster tax write-offs as well as various inventory credits that are possible. Of course, this set of incentives should be phased, so as to encourage rapid entry, but not be of such long duration as to be self-defeating.

The next link in the chain is the lending institution. We must be sure that they feel that the loans will be safe, and perhaps a Federal guarantee for a few years will be appropriate here. The present bill is partially designed to help remove these fears, but I believe more can be done. Another possibility is to provide further modifications in the FHA laws such as those proposed in the present bill for the limited number of homes to be built under the demonstration projects.

The role of the architect and building designer is critical. The present bill attempts to meet this problem through the design competitions called for in sections 5 and 6, but I believe that we can do more—possibly with other educational means, and possibly through aggressive actions by the Solar Heating and Cooling Information Data Bank established in section 9 of H.R. 11864.

The installer of solar heating and cooling equipment is often a fairly small businessman, who may need further encouragement to train competent installers, and to develop a new area of expertise. Again, some method of short-term insurance or tax incentives may be appropriate, and I urge their study by appropriate committees of this House.

Finally, we must recognize the most important link in this chain—the individual homeowner. My own experience tells me there are many interested homeowners waiting for this new solar technology to become commercially available. Nevertheless, the market will open up greatly with some additional incentives. Federally, we might consider income tax incentives, but at the local level, there will be possibilities with property taxes. In any case, we must be aware of the many possibilities for creative action here. We are all aware of the tremendous need to insure that there are no artificial barriers, given the major one of high initial cost.

In summary, I wish to express again my strong support for this bill, and to urge the other Members on appropriate House committees to begin the important task of finding other ways of furthering this new technology, which has such potential for reducing the current energy situation in which this country now finds itself.

Mr. TEAGUE. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. BERGLAND) such time as he may consume.

Mr. BERGLAND. Mr. Chairman, I strongly support H.R. 11864, the bill before us this afternoon. This legislation provides for the kind of tangible research, development, and demonstration project that we can all understand. It has specific goals: The demonstration of solar heating and combined solar heating and cooling systems on a scale large enough to convince reasonable people that these systems are practical. It utilizes present technology, although not ruling out significant advances in the state of the art for future solar equipment.

The result which we hope to obtain is also quite tangible—by the year 2000 we hope that an important part of the total energy consumed in this country at that time will be solar energy. The bulk of that solar energy which will then be utilized will almost certainly be for heating and cooling of our buildings and water.

This solar heating and cooling demonstration program has many, many similarities with previous Department of Defense and NASA technological development activities. There are specific goals associated with costs, and set dates for completion.

There are also many differences with these earlier programs. In our race for the Moon a decade ago we recognized many limitations in the technology then available. We set about to overcome these limitations by massive research and development efforts. The market considerations in these development programs were minor, since everyone realized that the immediate market would be small. Cost was a factor, but it was only the total cost of the program that was considered, not the unit costs of the components which were produced.

Just as the race to the Moon was based on orbital calculations done many decades earlier, this solar energy demonstration program is also based on work that has been underway for a long time. This earlier work was brought together in 1972 and evaluated in detail by the Solar Energy Panel of the Federal Council for Science and Technology, chaired by NASA and the National Science Foundation.

That panel considered all aspects of solar energy, and gave special attention to utilizing solar energy for buildings. The panel report of December 1972 pointed out that heating and cooling of buildings by solar energy could have an impact on our water heating requirements by 1975 and our space heating requirements by 1980. By any yardstick, this is not far in the future. For example, it takes close to 9 years to build a nuclear central power station from the time the decision is made until the electricity flows out along the distribution lines and that is using tried and proven plans and designs.

I think it should also be pointed out that the three distinct residential solar applications: Water heating, space heating, and space cooling are not at the same state of development. The most ideal system would integrate household needs for all three solar applications, thereby minimizing capital investment and maximizing use.

Solar water heaters have been used for a long time and are commercially manufactured in many parts of the world. Japan has between 2 and 3 million solar water heaters in operation at the present time, according to information that I have seen recently. They have also been used to a limited extent in southern parts of the United States. Although the technology of solar water heaters is well developed, product engineering is still needed in order to make them compatible with large scale manufacturing techniques and modern requirements for dependability and convenience. It is for this reason that the bill before us today specifically provides for solar hot water demonstrations in buildings that may have neither solar heat nor solar cooling systems.

According to testimony which the Committee on Science and Astronautics received from the Department of Commerce, approximately 30 solar heated structures have been built throughout the world. Many of these were designed and constructed by amateurs or hobbyists, and much of our present knowledge about solar heating comes from such installations. The lack of a carefully planned approach has resulted in a lack of test data, and has made detailed technical and economical evaluation difficult. This means that the economics of solar heated homes are now as well defined as they need to be to attract the necessary investment capital and marketing effort by private industry. Reducing the uncertainties associated with the economics of solar space heating systems is one of the most important end products of this solar demonstration program. This will likely have to be done for each major climatic region of the country, and this explains the emphasis in the bill before you today on regional demonstration projects.

Using solar energy for air-conditioning is the most challenging aspect of the demonstration program incorporated into H.R. 11864. No major barriers to successful development of absorption air-conditioning systems are expected. There are also other cooling methods possible, such as solar assisted heat pumps and use of dehumidifiers with solar regeneration. It is also possible to use nocturnal radiation as a form of solar cooling. In this case what one does is to use the dark surface of the solar absorber to radiate excess heat into the sky at night, reducing the total heat content of the building. The important point to remember, however, is that economic demonstration of air-conditioning systems using solar energy must be done before we can expect widespread utilization of solar energy for space conditioning. It is incumbent to develop the very best combined system that will provide us with heat in the winter, air-conditioning in the summer, and hot water all year long. With such a system, refined and economically feasible solar energy will have come of age in the 20th century.

Mr. Chairman, the details of solar heating and cooling technology, and the ways in which hardware systems are economically evaluated, are not very exciting. As far as most of us are concerned, the pipes, pumps, and glass of solar collectors will not make the headlines. But in this day of an energy crisis, solar energy can provide the quiet revolution which can make this country stronger and more secure. The bill before us today can play an important and valuable role in this quiet revolution. I solicit the support of each and every Member of this body for H.R. 11864.

Mr. TEAGUE. Mr. Chairman, I yield 1 minute to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Chairman, I rise in enthusiastic support of H.R. 11864. As I read the title of the bill I am pleased to note that the words used are "early commercial demonstration of the technology of solar heating." Then I was equally pleased to learn that we are shooting for the accomplishment of the practical use of solar heating within 3 years. I am sure we all hope and pray a breakthrough will be accomplished by that time.

Mr. Chairman, when this measure was scheduled for floor action today I suspect there may have been a feeling by some of the Members that no really important legislation would be scheduled because we are still in the time frame that in other years was described as the "Lincoln Day recess."

Of course, if some of our colleagues are not present it is their misfortune that they are not here to be able to say that they spoke for and supported the important start of an alternative source of energy to fossil fuels.

The Solar Heating and Cooling Demonstration Act of 1973, as far as I know, is the first time that either body of the Congress has stepped ahead in a direction of doing something about the practical use on a large scale of solar heating technology. It is believed that there can be a good demonstration of solar heating within 3 years and combined solar heating and cooling technology within 5 years.

To illustrate how very new this technology is and to underscore the fact that today the House embarks upon a really new and innovative adventure can be substantiated by showing that there are only about 30 solar-heated buildings that have ever been constructed in the entire world in our history as it is now written.

What we are really doing in this bill is to implement the means to achieve the practical use of solar energy in the not to distant future. Now this authorizational bill calls for a total of 4,000 units under all sections of the bill. While H.R. 11864 comes out of the Space Committee or what is now known as the Science Committee, the general responsibility for administering this demonstration program will be under the Department of Housing and Urban Development.

Of the 4,000 units, one-half of these solar heating systems manufactured under contract to the National Aeronautical and Space Administration will be installed in federally owned dwellings and one-half in private residential dwellings. In all instances ownership of the heating system shall remain with the U.S. Government for 5 years after installation. HUD will monitor and evaluate the performance and operation of the systems.

I note that $50 million is authorized to be appropriated to carry out this demonstration for the 5 fiscal years beginning after the enactment of this bill. Mr. Chairman, we hope this will be sufficient. In any event, this amount is just a tiny fraction of the total amount of money Americans have had to spend for the increases in fossil fuel costs since the early fall of 1973.

If this demonstration is a success, then this money is well spent. It is not an expenditure, it is an investment. Even if the test is not fully successful the money spent will not be a loss because we will then know whether or not solar energy is a good alternative to fossil fuels. We cannot continue to go on in doubt and uncertainty.

In my judgment those who have worked to bring this bill to the floor deserve the commendation of all of us. This is an exciting moment in our history. It is a time that we can all rejoice that the House of Representatives is no longer indulging in rhetoric about exploring alternative sources of energy but is today moving into action. I am glad that I am present to vote for this bill today. Whoever had any idea that we were not scheduling an important piece of legislation for this first day after the Lincoln Day recess had best revise their thinking. H.R. 11864 may very well be one of the most important things we will do in this session of Congress.

Mr. TEAGUE. Mr. Chairman, I yield 1 minute to the gentleman from West (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I rise in support of H.R. 11864.

Solar energy is indeed an idea and concept whose time has come.

As long ago as a dozen years ago, the gentleman from Maryland, Mr. John R. Foley, our former colleague who is on the floor today with us, was talking about the urgent need for action on solar energy. On the 17th of May, 1964, our colleague in the Senate, Senator Hubert Humphrey of Minnesota, introduced solar energy legislation and did a good deal of pioneering background work to push that idea forward.

Our former colleague from Iowa, Mr. John Schmidhauser, also introduced legislation in 1965 to push forward the concept of solar energy.

Our colleague, the gentleman from California, Mr. Craig Hosmer, has been interested in solar energy and its effect. Therefore, I am very pleased that this bill has been pushed by the chairman of the Subcommittee on Energy, our colleague, the gentleman from Washington (Mr. McCormack), and that the Committee on Science and Astronautics has unanimously supported it.

I would hope that speedier action than contemplated in the 5-year demonstration period of the bill might be achieved. It would seem to me that the speedier application of solar energy on a wider scale will make it demonstrably and totally unnecessary to further engage in the destructive practice of strip mining for coal.

Mr. TEAGUE. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. Lehman).

Mr. LEHMAN. Mr. Chairman, although I rise in support of this bill, I am concerned about the language which states that there will be realistic and adequate opportunity for small businesses to participate in the program. To date, small businesses have carried the ball in solar energy.

At a recent solar energy industry update held in Washington, one small solar energy businessman reported that stock underwriters representing the big financial institutions demanded 20 percent of his stock before they would even consider backing his issue. It is also common, it seems, for banks to charge 14 to 15 percent interest on bank loans to these small solar energy businessmen.

I am concerned that once again, we would be encouraging the concentration of energy efforts and energy distribution in the hands of a few large companies. The real research and development has taken place in small operations, rather than in the vested interests which have so much to lose by the substitution of a new form of energy.

Therefore, with all these concerns on my mind, I would like to have more than just the additional assurance that adequate and realistic funds will be made available for contracts with small businesses in the field.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN. Mr. Chairman, I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, the statement says:

> In carrying out their functions under this act, all Federal officers and agencies shall take steps to assure that small business concerns will have a realistic and adequate opportunity to participate in the programs under this act to the maximum extent possible.

The intent of the committee in putting this section in the bill was to encourage in every way possible small business.

Mr. LEHMAN. Mr. Chairman, I yield further to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, the committee was concerned that we do involve small business to the maximum extent realistic, but it is also unrealistic to try to put any figures on this percentage of the operation which a small business would participate in because we know perfectly well that many large corporations, utility manufacturing concerns, are interested in participating as well.

Since this is a demonstration program, what we are after is getting reliable prototypes out in the field as rapidly as possible.

And so far as we could reasonably go was to write the section as we have it. Hopefully, we want to encourage small business in any way we can.

Mr. LEHMAN. Mr. Chairman, is there any possible ballpark figure the gentleman can give us as to what the intention of the committee is with regard to what proportion small business would be able to participate in this program?

Mr. McCORMACK. I would hope that at least one-third of the prototypes in the business involved in this legislation would go to small business. Of course, however, I cannot be certain of that.

Mr. LEHMAN. Mr. Chairman, I thank the gentleman. In the rush to develop an economically viable energy alternative, we should not overlook the contributions the small solar energy businesses have made so far, nor ignore the significant contributions they are ready and willing to make in the future.

Mr. McCORMACK. Mr. Chairman, I yield 6 minutes to the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Chairman, I support the bill, and compliment the committee for its work.

We have spoken often today about the energy crisis. I maintain that it is not an energy crisis. It is an energy management crisis.

In my congressional district in eastern Kentucky, half the mines were closed down last week for lack of liquid fuel, 2- and 3-hour waits in service station lines were common—if any of the stations were open. We had to hoard enough gasoline to keep the State police and the emergency ambulance service going.

Yet, Mr. Chairman, those communities are sitting on top of some of the finest fuel resources of the world—our abundant beds of coal that could alone supply this country's energy needs for centuries to come.

The only thing lacking is the mechanism for converting this abundant supply of fossil fuel into quick, clean, efficient fuel.

We have the technology in this country to do that, but we are not utilizing it. And that is the shame of this crisis.

This bill makes a fine contribution to the development of solar energy. The main energy bill which we passed a few weeks ago is also good, but it falls woefully short of the mark.

I hope that before the Senate completes action on the energy bill on the other side, it will include provision for at least half a dozen synthetic liquid fuel plants, converting coal to oil and other efficient fuels.

Failing that, I hope that the Interior Committee now marking up H.R. 6602, the Energy Research and Policy Act, will direct the administration to move ahead with half a dozen plants to produce a minimum of 30,000 barrels of synthetic fuel a day each.

Technology which was used in operating a pilot plant in Missouri more than 20 years ago is available today. Technology which enabled Germany to survive for months by converting coal to synthetic fuel in the closing years of World War II is available today. Technology by which coal conversion is being practiced today in the Union of South Africa is available to us.

There is no excuse for our holding back another week, another month, or another day.

We can end this energy crisis by proper management and utilization of the energy resources we have available within our borders today.

Processes for coal conversion were developed in Germany some 50 years ago. From 1936 to 1943 Germany built 12 plants using these processes.

Records we obtained after World War II show that when the German war effort was in an all-out stage, in 1943 and 1944, the plants were producing over 4 million tons of synthetic oil and gas from coal.

I have discussed this with Harry Perry, known to many of us as the former Director of Coal Research of the Bureau of Mines, and research adviser to the Assistant Secretary of the Interior for Mineral Resources. Mr. Perry, who also has been senior specialist in the Environmental Policy Division of the Congressional Research Service, is a strong believer in coal conversion.

In a discussion of this subject he said that we must rely on coal and coal liquefaction and gasification as at least a part of the solution to the energy shortage, probably until 1990.

And by then, Mr. Perry thinks, it is possible that coal will be needed for other chemical processes so much that we will be talking about conserving coal the way we are now talking about conserving petroleum.

And we have an estimated 4,600 billion tons of coal in North America.

Mr. Perry says this knowing as well as anyone how vast our coal resources are, so it is something to consider.

But Mr. Perry has also pointed out, in his report entitled "Energy Research and Development—Problems and Prospects," that the coal industry has not received "the same type of Government R. & D. assistance that its other competitor—nuclear fuel—received."

Mr. Perry goes on to say:

> If a national energy policy includes a decision to rely mainly on domestic resources, the coal industry's future is assured.

I do not think anyone can stand here today and argue against relying on our domestic resources for energy—not after what we have been experiencing with foreign resources over the recent months.

Mr. Perry also accurately points out:

> The R. & D. needed to assure this bright future will require massive investments in coal which are beyond the capability of the coal industry.

I would like to amplify that statement by adding that every dollar invested in developing full utilization of our coal resources is going to pay us back many times over—not just in assuring us an end to our energy problems for generations, but in revitalizing areas of our country which have been historically economically depressed.

We will be building a better life for our people—our own people—and that is my major interest.

I have mentioned the coal conversion processes developed in Germany, and I would like to point out what Mr. Perry has to say about their relationship to our problems today.

In his report, he states:

> There is no reason to believe that large-scale commercial production of liquid fuels from coals using either of these (German) processes could not be achieved quickly.

He adds that more advanced technology is still in the developmental stages, and that is why we should devote the funds needed for research and development, without stinting.

I would like to note that the energy research and development program proposed by Dr. Dixy Lee Ray, Chairman of the Atomic Energy Commission, proposes a $2,175,000,000 program for coal conversion research in the fiscal years from 1975 through 1979.

Her nuclear energy proposal for the same period is more than $4 billion.

I understand when all of the items for coal research in the budget for the fiscal year 1975 are added up they total $415.5 million.

But the nuclear items total $893.3 million for fiscal year 1975.

I do not ask that the figures be reversed, but I do believe that there is room for a more equitable distribution of research funds between coal and nuclear.

I am basing this opinion on the very informed comments of Mr. Perry, who points out that we are ready to go now with construction of coal conversion plants, but ought to be investing heavily in research to make even more efficient use of coal.

Here are some of his statements:

IMMEDIATE PLANT CONSTRUCTION

> Because of security and balance-of-payments problems a policy could be adopted that production of synthetics from coal and oil shale should start immediately. That is the one option that, if selected, could be used in addition to any of the three that follow or could be used alone. For synthetics production, several approaches might be used. In one, all coal gasification plants for production of high-Btu gas would initially use demonstrated Lurgi technology. The subsequent methanation would be carried out by a process that will be demonstrated in late 1973. The disadvantages of this approach are that not all U.S. coals could be used (although this may be changed by studies now underway), economic methods to use the fine-sized coal that is produced (30 percent in some cases) would have to be developed; and a large number of gasifiers required because of their relatively small size. Some of these disadvantages would be avoided if the Koppers Totzek process were used but this process has not been used commercially under pressure.
>
> If a decision were made to proceed now, the costs would be about $1.2 billion [1] of capital investment for each 1 percent of U.S. gas demand (total demand about 22 trillion cubic feet) to be supplied from the coal to gas plants.[2] Production could begin in 3 to 4 years and costs for the gas at the plant would be about $1.25 (western strip mined coal) to $1.40 (eastern deep mined coal) per million Btu as compared to projected average wellhead price for new natural gas [3] in 1977 of about $0.60 (1973 dollars) per million Btu.
>
> Estimates of capital costs of Lurgi plants with a capacity of 250 million cubic foot per day ranged from $300–$400 million for the gasification plant and from $45–$100 million for the mine. The greater range in estimates for the mine over that for the gasification plant depends on whether eastern or western coals are chosen (assuming ways to handle them in a Lurgi gasifier are developed) and whether strip or underground production is used. Most of the estimates for the capital cost of the plant were between $350–$750 million, about $80 million for underground mines and $60 million for strip mines. Time for construction of plants was estimated at from 2 to 5 years, with most of the estimates being for 4 years.[4]
>
> The estimates of the number of plants that could be constructed simultaneously ranged from 3 to 10 plants [5] per year when no special priorities were given to this activity. Most of the estimates, however, were for 3 to 4 plants per year, increasing to about 10 plants per year in 5 to 6 years. At this rate, about 12 to 15 plants could be in operation by 1985 supplying about 4 to 5 percent of the projected natural gas demands in that year. The limitation on the number of plants that could be constructed simultaneously were thought to be engineering construction experience and limitations on equipment for fabrication of the large pressure vessels and other major components.[6]
>
> Because of differences in distances and costs in transporting gas to markets for synthetic gas plants and gas wells, it is difficult to make accurate comparisons of relative delivered gas costs. Assuming transportation costs would be approximately equal, the average yearly cost over the expected costs of natural gas of producing 1 percent of the expected domestic demand in 1977 for natural gas from coal would be approximately $140 million. On the other hand, alternatives to coal gasification (other than new natural gas) to supply gas demand are also high cost. Imported liquefied natural gas either from North Africa, Venezuela, or the U.S.S.R., will probably be landed, even in large volumes, at appreciably more than $1.25 per million Btu. Natural gas from Alaska, when delivered to Midwest city gates, is also expected to be in that price range.
>
> Two different processes for the production of a synthetic crude from coal that can be used in conventional refineries were employed commercially (under a controlled economy) by the Germans in World War II. If the extensive 1952 NPC study of costs of coal hydrogenation are adjusted for inflationary trends, costs would be well in excess of $10 per barrel of syncrude. One plant, using mostly German experience with a modernized Fischer-Tropsch process, is still being operated in South Africa. There is no reason to believe that large-scale commercial production of liquid fuels from coals using either of these processes could not be achieved quickly. Unfortunately, if it were desired to use technology more advanced than that of the Germans it would not now be possible without accepting a high risk of failure.
>
> Although the results of the survey conducted for this report were somewhat more pessimistic, a recent study by the NPC estimates the costs of making a synthetic crude from coal, using the coal hydrogenation process (for a 100,000 barrel per day plant and only a 10 percent discounted cash flow), to be $7 per barrel when using eastern coals, and $6.50 per barrel when using western coals. This same NPC report estimated that when a full-sized industry is in operation, costs might decrease to $6–$6.50 per barrel for western coals. Cost for liquid fuels from the alternative process (Fischer-Tropsch) used by the Germans were not reported in this recent study, and this emission probably reflects the recognition that in all previous studies which compared the two different processes the Fischer-Tropsch process was always higher cost. More advanced technology would be needed but lower cost liquids from coal might be possible if the coal were treated so as to make a number of coproducts that collectively would give lower overall product costs.
>
> Using the NPC estimates, the capital costs for plants to supply 1 percent of our anticipated 1977 liquid fuel consumption, by coal hydrogenation, would be $1.4 billion. The extra total costs over estimated domestic oil prices in that year would be $100 million. However, based on the survey made in connection with this study, the NPC estimates appear optimistic.
>
> The environmental and institutional problems of using coal are fewer than for oil shale although the technical and economic problems may be more severe. Coal is found and mined in a large number of States. Many of the deposits are near adequate supplies of water and in areas in which an infrastructure and a ready labor force already exist. Solid waste disposal problems will be much smaller and simpler for coal since usually only 10 to 15 percent by weight of the raw material fed to the synthetic fuels plant will be rejected as waste compared to about 85 percent by weight for shale. Moreover, unlike oil shale, the coal wastes do not expand

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[1] All costs are in 1973 dollars.

[2] The methodology used to obtain estimates as to times, capital costs, annual operating costs used in the rest of this section, as well as the next two, are described in the appendix.

[3] The consensus of those with whom this subject was discussed (see appendix).

[4] All estimates for time to construct plants in this report assume the absence of delays due to environmental factors. A delay of 2 years was considered normal by most of those interviewed, but if there is serious intervention, to reliable estimates of overall construction time can be made.

[5] Participants were concerned that if a commitment to both high-Btu gas plants and oil shale plants were made there would be competition for design engineering and construction skills and fewer gas plants would result.

[6] For other estimates of the rate at which plants could be constructed based on interviews with large engineering and construction firms, see pages 117–121.

as a result of mining, crushing, and processing.

Coal to oil.—The published information on processes for the conversion of coal, mainly to liquids, indicates that we have not yet demonstrated any processes that appear to have resulted in major improvements over German World War II experience. Every person expressing an opinion agreed that the state-of-the-art experience and knowledge about coal conversion to oil was considerably behind that of making a high-Btu gas from coal, with some estimates that we were as much as 5 to 10 years behind coal gasification research. Although it is certain that it would now be more costly to produce oil from coal than from oil shale, the complete lack of U.S. engineering experience in large plants of this type with their special problems suggests that construction of at least one, and preferably two, large plants would be a worthwhile investment in speeding up development of improved processes and developing the engineering skills needed when advanced processes are found. Building up this know-how would save 3 to 4 years when full-scale plants are constructed.

Experience on a large scale with a number of unit operations in coal processing plants with problems that have plagued every installation (including the Germans) would be invaluable. Coal feeding under pressure, design of high-temperature, high-pressure vessels, valves and seals, and high-temperature solids-liquids separation are some of the special problems about which experience would be gained. The importance of obtaining this experience cannot be overstated. Every pilot plant built in the United States to date has encountered major equipment failures where least expected because of the lack of past U.S. experience with these types of processing conditions and plants.

For these reasons all those interviewed concluded that two largescale demonstration plants, using several combinations of processes that have been studied on a small scale, should be constructed immediately. There were some differences as to whether two 50,000-barrel-per-day plants would produce more information than two smaller plants, each with a full-scale coal-to-oil reactor of about 10,000 barrels per day. Each 50,000-barrel-per-day plant is estimated to cost from as little as $250 million to as much as $600 million, with the majority of the estimates at about $450 million. Each 10,000-barrel-per-day plant was estimated to cost about $125 million to construct. Construction times for both size plants are estimated at 3 years. Operating costs for the large plants would be $20 to $30 million per year per plant and for the small plants about $8 million per year per plant. Oil costs of $7 to $8 per barrel might be possible if the processes are successful with the hope of achieving a further reduction to $6 per barrel with more advanced technology that is still to be developed.

In addition to two demonstration plants, a greatly expanded effort to break out of the technical limitations of the conventional approaches to converting coal to a syncrude should be initiated. Given adequate funding, a number of new approaches to coal liquefaction could be expected to emerge. How many promising new processes would appear to be worth investigating is difficult to predict at this time, but the obvious difficulty of devising new economic processes (40 to 50 years of limited investigation with relatively little progress) dictates that every promising lead be followed. Even then, the chances of success are probably limited and there is little indication that significant production of oil from coil at lower costs than now appear possible could occur before the mid-1980's. Nevertheless, because of the possible constraints that may limit the maximum size of a shale oil industry and the potential advantages of coal over oil shale as a raw material[7] for a synthetic liquid fuel industry (fewer environmental and water problems, the wider distribution of high grade deposits of coal, and the larger percentage of coal in private ownership), every effort should be made to pursue all proposals that are scientifically sound and that appear to have some economic advantages over existing technology.

A number of processes have recently been proposed that are at a stage where pilot plants could be constructed and tested. At least six different processes might be piloted, each one costing about $25 million to construct and operate and requiring about 4 years overall to construct and test.

At least $50 million per year should be spent on both basic and applied research on new coal-to-liquid processes and on improving unit operations. Although the basic research should not be expected to produce processes that can be sealed up to commercial use rapidly, it may be that all of the ideas that have reached the stage of applied research will not prove to be economically successful. In this area a larger-than-normal basic research effort can be justified ($10 million of the $50 million) and it should be continued until promising approaches are developed that can be piloted and then demonstrated. This could take about 10 years or more.

Costs of a 6-year synthetic liquid fuels from coal program would be $250 million for capital costs for two 10,000-barrel-per-day plants ($900 million if 50,000 barrel per day plants were constructed), $50 million for operating costs for these plants, $150 million for construction and operation of six pilot plants to determine which should go to a demonstration scale, $250 million for construction of two demonstration plants based on successful pilot plant operations, and $300 million on engineering improvements and for development of new-coal-to-liquid process approaches, for a total of $1 billion ($1.75 billion if 50,000-barrel-per-day demonstration plants were built in place of two 10,000 barrel-per-day-plants).

If the research were successful and the cost of producing oil were to be reduced to $6 per barrel in a 10-year period, then savings over current costs of making 1 percent of the 1985 liquid fuels demand from coal would be greater than $360 million per year.

Mr. Chairman, I have included problems cited by Mr. Perry, because invariably, Mr. Perry has cited solutions, and they are solutions which need immediate action.

For instance, in discussing converting coal to oil, Mr. Perry points out that we have "encountered major equipment failures where least expected because of the lack of past U.S. experience with these types of processing conditions and plants."

But he follows that statement with the solution, "concluding that two large-scale demonstration plants, using several combinations of processes that have been studied on a small scale, should be constructed immediately."

These are wise conclusions.

More than 20 years ago the Congress was not wise in its attitude toward coal conversion. The administration in office then had dropped a budget recommendation of only a few million dollars—$2 million to be exact—to continue work at two coal conversion demonstration plants. Those plants were on the threshold of success—both technical and economic success.

Mr. WYLIE. Will the gentleman yield?

Mr. PERKINS. I am delighted to yield to the gentleman.

Mr. WYLIE. I thank the gentleman for yielding.

I think the gentleman is making a very constructive statement.

I would like to point out that the Battelle Memorial Institute, the largest private research organization of its kind in the world, located in the congressional district I serve, has developed a process of gasification and liquefaction of coal. The only reason why they are not marketing the process at the present time is because of cost. They have not developed the process at a sufficiently low-cost basis for general use.

I think the same sort of thing we are doing here today for solar heating and cooling should be considered for coal.

Mr. PERKINS. Let me answer the gentleman by stating I feel we should guarantee the oil companies a reasonable profit. Certainly they should not have the rug pulled out from under them by this Middle East situation coming along and their reducing the price, which would mean that then they could not sell their gasoline after they refined it. We should protect them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PERKINS. May I have 1 additional minute, Mr. Chairman?

Mr. TEAGUE. Mr. Chairman, inasmuch as I have no further requests for time, I yield the gentleman 2 additional minutes.

Mr. PERKINS. However, we must make sure that they go ahead and take advantage of this and enter into contracts with the Government to do this job. We have the know-how for underground gasification and coal liquefaction. That was all brought out in the same debate here. We should move ahead in that direction. This is the quickest way out of our dilemma. We have a real emergency management crisis.

I recall only a few years ago when some of the boilers generating electricity were using natural gas during the summer months and when they could get it at dump-rate prices and in the winter months they would switch back to coal.

We have never had any real national energy policy in this country throughout the years. If anything comes out of this, I am sure we will get a national energy policy. However, we must now turn to coal and concentrate on coal to get us out of this emergency in the next year or two. We certainly can do it.

Mr. HECHLER of West Virginia. Will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman.

Mr. HECHLER of West Virginia. The gentleman from Kentucky is absolutely right. He is on the right track. It is absolutely necessary, and if we move forward expeditiously at a very early date, we can do precisely what he suggests.

Mr. PERKINS. I thank the gentleman.

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[7] See p. 94 (original manuscript) for the advantages which oil shale has over coal as a raw material for synthetic liquids.

Mr. Chairman, I want to cite the Congressional Record of April 27, 1953, and I hope the Members will read the debate that took place on the interior appropriation bill simply to prove that we had the technology then, as now, to go forward on coal gasification, coal liquefaction, and underground gasification:

[From the Congressional Record, Apr. 27, 1953]

Excerpts From a Debate

Mr. Perkins. I thank the distinguished gentleman from Pennsylvania for yielding to me.

On page 20 of the report I notice the last sentence at the bottom of the page reads:

"The Secretary is instructed to dispose of the two demonstration plants in accordance with existing law and agreements which may be in existence between the Department and other Federal agencies."

May I ask the gentleman from Pennsylvania if it was not the suggestion of the Secretary of the Interior to close down the coal-to-oil plant at Louisiana, Mo.?

Mr. Fenton. As I understand, he asked to put it in a stand-by condition, and we have allowed money for that.

Mr. Perkins. He also has the authority to dispose of this property, does he not?

Mr. Fenton. Only to Federal facilities, if they so desire.

Mr. Perkins. I will ask the gentleman to inform the Committee how much money has been expended by the Government on the hydrogenation process of making oil from coal at the plant in Louisiana, Mo.

Mr. Fenton. Quite a considerable amount of money, I would say to the gentleman.

Mr. Perkins. Something like $70 million?

Mr. Fenton. That is right. As the gentleman will recall, in 1944, I believe it was, this Congress authorized the program for synthetic fuel.

Mr. Perkins. One other question: Tell the Committee whether this plant at Louisiana, Mo., can be operated, and I mean operated, for a sum of a little more than $2 million annually, and continue its demonstration work. Is that statement correct?

Mr. Fenton. No, absolutely. They cannot do anything in research work without the money, there is no question about that but, as I say, it is to be put in a standby condition.

Mr. Perkins. Briefly tell the Committee just what progress has been made in making oil from coal at this plant in Louisiana, Mo.

Mr. Fenton. I think I told the gentleman that. I told him that great progress had been made. They had come within a couple of cents of the commercial cost of producing gasoline from petroleum.

Let me proceed a little bit further, and maybe I will answer the gentleman's question as I proceed. We have been told that the reason for curtailing the research in hydrogenation was that they have a new research program that tends to offset the two fine research programs that they had, and which are about to become more or less obsolete. What they are trying to do is to put more emphasis on research, particularly on this type of research that they are going to do.

Mr. Perkins. Are not the oil people making the same contention that you just stated? I mean the big oil companies such as Gulf and the Texas Oil Co., and so on.

Mr. Fenton. Not being in very good favor with the oil people, I really do not know what they are thinking. I am a coalman myself.

Mr. Perkins. I know the gentleman is interested in the welfare of the coal industry. If we have come within 2 cents, commercially speaking, of competing with petroleum, that is making oil from coal, is it not reasonable that by a continuation of this process we will get the price down still further in the future?

Mr. Fenton. I am not a technical man along that line, but I will say this: We do not think it is the intention of the Government to go into the production of any kind of commodity, and when it does come down to within reasonable limits of the current commercial price, we think private industry should take over and develop any further research.

Mr. Perkins. But if I understand correctly, these processes are not yet patentable, but will be patentable in the near future—and perhaps a year from now, and if these plants are closed down and disposed of at this particular time, the people throughout the Nation and the coal industry will be deprived of the commercial value because it will be in the hands of some private chemical company or other concern, which perhaps will make hundreds of millions of dollars from these patents.

Mr. Fenton. Let me read to you what Dr. McCabe, from the Bureau of Mines, said.

Mr. Perkins. I will be glad to hear what he said.

Mr. Fenton. You will recognize Dr. McCabe as an authority in that line of work,

Mr. Perkins. Yes, sir; I know that.

Mr. Fenton. Dr. McCabe said:

"We feel now we have learned what we need to know out of the older type of hydrogenation and we can bring this one-step process along; and if in 2 years, say, we are far enough to feel we need a big-scale operation, we will come back and ask Congress for funds to scale that up if we can justify it. It may not be necessary to take it up through the larger scale, because maybe industry will take it up from the smaller-scale work done by the Bureau."

Mr. Perkins. In response to that, I wish to state that if we followed the theory of Dr. McCabe, we may endanger the defense of this country—and that is the philosophy of the oil people altogether which McCabe is following.

Mr. Fenton. I am sure I do not know what is in Dr. McCabe's mind along that line.

Mr. Price. Mr. Chairman, will the gentleman yield?

Mr. Fenton. I yield.

Mr. Price. My colleague the gentleman from Kentucky, of course, touched upon a point which I wanted to bring out. The last part that was brought out is that there is an interest in national defense involved here, and more so year by year. The gentleman himself has always been interested in these projects. I remember his original interest in this. These projects did not originate with the executive branch for the demonstration plants. They originated in the Congress and men like the gentleman from Pennsylvania who is now addressing us put a great deal of effort behind the particular demonstration projects. I just think Dr. McCabe is not looking at the complete picture, and he is particularly overlooking the national defense feature of this.

Mr. Eberharter. Mr. Chairman, will the gentleman yield?

Mr. Fenton. I yield.

Mr. Eberharter. I agree heartily with the statement just made by the gentleman from Illinois. All of us agree that the gentleman from Pennsylvania, Dr. Fenton, has been most helpful to the mining industry and the entire country. I appreciate his stating those things. I know he has the interest of the industry at heart.

Mr. Perkins. If the gentleman will yield, I wish to concur in that statement.

Mr. Eberharter. But what concerns me now is, if this program on which the Government has already spent approximately $75,000,000 is now dropped, then all of these coal miners and the industry itself will suffer tremendously. This program was started as a security measure in 1944.

Mr. Fenton. That is right.

Mr. Eberharter. It seems to me it is quite foolish to drop it at this point.

Mr. Fenton. Of course, the gentleman knows it was supposed to be an 11-year program. There were two amendments to the 5-year program originally.

Mr. Eberharter. But we are so near to a realization of this program and what a tremendous benefit it would be, both in the domestic economy and in the field of security, why should we drop it now? It may mean a wasting of this entire $75,000,000.

Mr. Fenton. Of course, I realize what the gentleman is trying to get at, but you cannot expect synthetic oil or gasoline from coal to become as cheap as natural gas or natural gasoline production. That is practically impossible. But we have approached the time when we are so close to that, that you do not want to keep the Government doing that sort of thing all along, perpetually.

The Chairman. The time of the gentleman from Pennsylvania has expired.

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Mr. Kirwan. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri (Mr. Cannon).

Mr. Cannon. Mr. Chairman, this bill deals primarily with money. But in a larger way it deals with the health, happiness, hopes, and heartbreaks of millions of people and that is the point of view which should have priority in this discussion. The bill also concerns directly, in a particularly decisive way, the still more important subject of national defense.

National defense is inseparably associated with oil. Oil is the lifeblood of war. Oil for trucks and supply trains, oil for motorized artillery and tanks, oil to provide for ships, submarines, and airplanes. The greatest army that could be mobilized would be paralyzed, immobile, helpless, without oil. Eminent military authorities have expressed the opinion that lack of oil alone has prevented Russia from striking. It is obvious that in defense of our shores against foreign invaders the first essential is oil.

And it is also unmistakably evident that oil for national defense must be domestic oil. The German submarines in the last war swept our tankers from the sea. They were the old-fashioned submarines and we controlled the air over them. But they got every tanker that ventured out and that winter New York and New England all but froze because we could get no oil to our own coast. That is why we built that astonishing pipe line in such haste and with such lack of regard for expense.

The Russians would be even more effective. They have, according to authoritative reports, over 300 submarines, all of them snorkels, which do not have to surface to recharge batteries. They can stay under indefinitely and have a cruising radius around the world. Not a drop of oil would ever seep in from abroad through that blockade.

We must depend then on home supplies and although they are still extensive, many oil fields have already been pumped dry and for some time we have been importing large quantities of foreign oil. Here in this process of extracting oil from low-grade coal, which is being worked out at the Louisiana plant, is the answer to the problem. There are vast quantities of subcommercial grades of coal all over the country. Something like two-thirds of the States of the Union can supply this coal in practically unlimited quantities. In most of these States coal miners are idle for want of markets. The perfection of the process being worked out at Louisiana will not only provide oil and gasoline for both peace and war but it will bring prosperity to men and mines throughout the country and at the same time supply every consumer of gasoline with ample fuel at as low a price, if not lower, than the price charged today. Exhaustion of the oil wells will cease to be a cause of apprehension, and the likelihood of increased prices as the underground reservoirs dwindle will no longer concern the owner of the tractor on the farm or the factory in the city.

With so much at stake, why discontinue the work at Louisiana just as it is nearing completion? Already they have produced oil in sufficient quantities and at a cost low enough to bring the total cost within 2 cents of the current price of gasoline. If permitted to continue, there is every prospect that it can be produced cheaper, and, when it is, ample oil for defense and home use is assured. Why stop just when we are nearing the goal?

The only reason so far advanced is that another process not under study at Louisiana may be more desirable, further advanced, more economical. No one says that is positively true and no one has said that with further progress the two systems in use at Louisiana may not be even more successful. And we do know that the Louisiana plant has increased production and decreased costs until we are already within a minimum of the margin at which processed coal will compete with any domestic oil.

Mr. Eberharter. Mr. Chairman, would the gentleman care to yield at that point?

Mr. Cannon. I yield to the gentleman from Pennsylvania.

Mr. Eberharter. It has been said, in line with what the gentleman has just stated, that the difference in cost is about 2 cents a gallon for gasoline. With gas selling today in the District of Columbia at 30 cents a gallon that is only one-fifteenth higher cost for the synthetic gasoline. So I cannot see by any stretch of the imagination why it would be practical to give up the continued experimentation if it is only one-fifteenth different in price today.

Mr. Cannon. The gentleman has analyzed the proposition in convincing terms. The margin has steadily decreased, bringing us already within reaching distance of the purpose for which the plant was established.

But, Mr. Chairman, we are overlooking the principal consideration involved in this comparatively minor appropriation.

If they can stop this process now short of completion, all that the Government has put into it will be taken over without benefit to the consumer.

If on the other hand we are allowed to perfect the process, it will remain the property *of the* Government, and the benefits of low cost production will accrue to the consumer. The amounts eventually involved run into the billions.

Mr. Perkins. Mr. Chairman, will the gentleman yield?

Mr. Cannon. I yield to the gentleman from Kentucky.

Mr. Perkins. If I understand the gentleman correctly, more progress has been made in the past year at this particular plant in his district than in all other previous years. This *coal-to-oil* process proved absolutely successful in Germany more than 10 years ago. In fact, we are more than 10 years behind time now. This is a serious situation when we consider that the Russians now have some of the best German scientists. We all know that Germany successfully extracted gasoline from coal to operate tanks, airplanes, and buzz bombs, that she did not even depend upon the outside world for oil during World War II.

Will the gentleman tell the committee whether or not much of the equipment that is in this plant now was dismantled and much money expended to set up this particular plant in this country?

Mr. Cannon. The plant as it stands today represents an investment in construction of approximately $25 million. To this must be added the annual expenditures on maintenance and operation. It is the most complete and most modern plant of its kind to be found anywhere.

And that brings up the authority conferred by this bill under which the Secretary is instructed to dispose of the plant in accordance with law and agreements. If put up for sale eventually, it would be sold at appalling loss. There would be few bidders, if more than one, and we would have a repetition of the sacrifice of millions of dollars which we saw repeatedly in the disposition of plants after the First World War. I recall one instance in particular in which a plant just completed by the Government at a cost in excess of $100 million was sold for a small percent of its cost and is today the center of one of the most lucrative industries in the United States.

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Mr. Kirwan. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. Perkins].

Mr. Perkins. Mr. Chairman, I wish at the outset to concur in the remarks of the distinguished gentleman from Missouri [Mr. Cannon].

I am glad to learn that the gentleman from Missouri [Mr. Cannon] will offer an amendment to restore the funds necessary to operate the synthetic liquid fuels—coal to oil plants—at Louisiana, Mo. On page 20, of the Interior Department appropriation bill, 1954, we find this statement:

"In the table above the only appreciable change from the amounts allowed in the current fiscal year is for the synthetic liquid fuels program. It was reported to the committee that the Secretary proposed to put the synthetic liquid fuels demonstration plant at Louisiana, Mo., in standby. This plant is used for making gasoline from coal by hydrogenation and gas synthesis processes. It was reported to the committee that refinements accomplished to date in these processes have brought the cost of producing gasoline down to within a few cents of being commercially competitive with other methods of producing gasoline. The Bureau appears to have done an excellent job in leading the way in these important developments which are now at the point where private industry can pick them up."

The report further states that funds have been made available to place the plants on a standby basis. Then we find this language in the last sentence of the paragraph: "The Secretary is instructed to dispose of the two demonstration plants in accordance with existing law and agreements which may be in existence between the Department and other Federal agencies."

This report clearly states that the coal to oil process has been improved to the point where the cost of production is within a few cents of the prevailing costs of securing gasoline and other refined products from petroleum. You will note that this has been urged as a reason for discontinuing the Government research program and to let private industry take over the studies when and if they are ready. But why stop at this point? It is easy to see why some of the oil companies would want the Government research program to stop, but is there any valid reason why the Congress of the United States representing all the people should order the research to stop?

Surely the committee is not trying to tell us that cost reduction can go no further than the level of present costs of petroleum refining. Since these scientists have already made marked improvement in the process and have greatly reduced the costs, is it not possible that they may, if they go on with their work, eventually be able to cut the costs below present costs? Surely the committee is not asking Congress to say that the ulitmate has been reached and the scientists cannot produce any more beneficial results. There is just as much logic in saying that they can cut the costs to one-half those now prevailing as to say that, because this scientific program has reduced these costs to a certain point, that the goal has been reached and that they should stop.

There is another very compelling reason why this Congress should continue and even expand research to make gasoline, oil, gas, and other useful fuel and energy resources from coal. Reserves of coal are found in 31 of the 48 States. Coal is not only the most abundant mineral fuel and source of energy we have, but it is so widely distributed that if ways can be found to convert it to more useful and convenient liquid forms it would benefit more people and contribute to the efficiency of our economic system more than possibly any other single development. Twenty-two of these thirty-one States have energy values in coal greater than all the oil reserves of the entire country. In contrast to the wide distribution of the coal reserves, the oil reserves are highly concentrated. One State has approximately half while 3 States have 80 percent of the known reserves.

By continuing this research program we may soon be able to make economical and convenient energy fuel readily available to people all over America. This optimistic conclusion has more justification than the one now before us that since the scientists have brought the costs of oil from coal down to within a few cents of the prevailing costs of petroleum refining, within 2 cents, as admitted here today, that we have reached our ultimate goal and should stop.

Mr. Elliott. Mr. Chairman, will the gentleman yield?

Mr. Perkins. I yield to the gentleman from Alabama.

Mr. Elliott. I know the gentleman is thoroughly familiar with the plant at Louisiana, Mo., and some of the other plants, and I wish to congratulate him for the interest he consistently shows in the welfare of the coal industry and those connected with it. I am wondering if he is familiar with the fact that at Gorgas, Ala., there has been carried on by the United States Bureau of Mines and by the Alabama Power Co., cooperating over the past few years, the single greatest experiment in underground coal gasification that this entire world has ever known.

Mr. Perkins. Certainly I am familiar with that experiment.

Mr. Elliott. Is the gentleman further familiar with the fact that this bill as it stands now, just as it does in connection with the plant at Louisiana, Mo., and the plant at Rifle, Colo., fails to provide one single cent with which to carry on the great experimental project there at Gorgas, Ala., in underground coal gasification?

Mr. Perkins. The gentleman is absolutely right. As I understand, the only laboratory left is the one at Bruceton.

Mr. Elliott. May I call the gentleman's attention at this point to the fact that experimentation in the field of underground gasification is being carried on by various governments throughout the world. Many of our leading scientists feel that perhaps the Russians are now carrying on intensive experimentation in this field of underground coal gasification. I think it is the height of folly for this Nation, right at the time when we are on the brink of accomplishing the greatest scientific results in this field that the human mind can conceive of, to say suddenly that no further funds will be provided to carry on the work, and there is no further interest on the part of this great people in carrying on those experiments and allowing them to reach the conclusion which is clearly pointed up by what has gone before in the past 4 or 5 years.

Mr. Perkins. I thank the gentleman from Alabama for his contribution. I concur wholeheartedly in his statement.

Since coal is so widely distributed and is so abundant, having 100 times the energy value of all known petroleum and natural gas reserves combined, nothing is more fundamental than to make all possible efforts to perfect known processes and discover all potential processes of utilizing this abundant source of energy.

What would be the predicament of America in event of all-out war that would destroy the lines of communication and cut all overseas sources of oil? All Europe would be paralyzed except for our help.

Would our petroleum industry be equal to the task? How much use will our vast expenditures for research in atomic energy and military facilities be if we do not have the abundant and appropriate energy fuels to supply our ships, airplanes, tanks, trucks, and automobiles?

Along with this recommended scrapping of the liquid fuel research program; does the Congress have assurance that the Communists are also scrapping their research programs?

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. FENTON. I am sure the gentleman wants to be fair and not accuse this committee of wanting to throttle this program. I thought I told you very plainly that there is now another method that they are pursuing which is going to sidetrack the other two methods and put them in a state of standby. That is all. We are not trying to sidetrack them.

Mr. PERKINS. Let me answer the gentleman this way. If we fail to restore these funds here, it will be one of the greatest giveaways of the most valuable property, and one of the greatest errors that this administration could possibly commit.

Mr. FENTON. May I say I am just as much interested in that program, as the gentleman is.

Mr. PERKINS. That is right.

Mr. FENTON. I do not want the program to be scuttled, and if I see there is a tendency to do that, I shall be the first to oppose it.

Mr. JENSEN. Mr. Chairman, I yield myself 1 minute. To prove that this committee has done the thing we figured right and best, we did the exact opposite regarding the plant at Laramie, Wyo., when we said the Government has not yet fulfilled its obligation. We put the money in this bill to continue the plant, even though private industry wanted us to take out that money. We said, "No." So I do not want to hear any more of that kind of talk, because the gentleman from Pennsylvania told the committee, and the gentleman who just left the floor [Mr. PERKINS], exactly why the committee took the action it did. You come on this floor and try to take off our hide and make statements that cannot be borne out by the evidence.

Mr. PERKINS. I can give the reasons why I felt these funds should be restored, from the standpoint of the defense of this Nation. Furthermore, I do not want to follow the philosophy of the oil people in scuttling this program.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. VANIK. Mr. Chairman, I would like to commend the committee, its chairman, and my colleague, the gentleman from Washington (Mr. MCCORMACK), for their forceful leadership in developing this important legislation to promote solar heating and cooling of buildings. It is just this type of congressional leadership that will be required if our Nation is to confront the challenges of the energy crisis.

In speaking of this legislation, I would like to confine my remarks to the solar heating and cooling data bank, established under section 9 of this act. We know that solar heating and cooling is feasible now. The major task for the Federal Government is to provide the "push" for commercial development of this technology. This legislation will perform the task through a number of thoughtfully designed and manageable demonstration projects.

But the lasting impact of these projects will only be as great as our effort to assemble and disseminate—as widely as possible—the information we generate from them. For this reason, we should be concerned with setting up an orderly and convenient procedure for providing access to the information we generate. The data bank will serve this purpose.

The data bank established in this act will, however, do more. Widespread adoption of solar heating and cooling technology requires the integration and application of wide-ranging data on solar equipment performance, architectural design characteristics, and regional weather conditions. Under the provisions of section 9, the Secretary of the Department of Housing and Urban Development will collect this information with the assistance of the Department of Commerce, the National Science Foundation, and NASA. Under regulations to be prescribed by the Secretary, this information will be provided to: Federal, State and local government agencies; universities and colleges; and the private sector.

It is in the national interest that the information in the data bank receive the widest dissemination possible in order to facilitate the construction of solar buildings. For this reason, it is not intended to restrict the access of information to the private sector. However, the Secretary may want to consider a small user charge for services provided by the data bank to cover the costs of these services to the private sector.

Utilizing the Sun's energy to warm and cool a building is one element in an effort to make the buildings we live and work in as energy efficient as possible. For this reason, the solar data bank will not only provide useful information on solar equipment and its application but also will assemble important data on other factors which affect the overall energy efficiency of a building—its orientation with respect to the Sun, design, window space, and insulation qualities.

The need for bringing all of this data together and disseminating it to those who need it for practicable application is incontestable. There is an explosion of information and interest in energy and, particularly, in new form of energy such as solar energy. The gentleman from Illinois (Mr. RAILSBACK) has just sent around a letter to each office pointing to the massive flow of energy-related information on Capitol Hill alone. Last year some 200 hearings on energy were held by at least 21 Senate and House committees. We are already well on the way to breaking that record. Some order, some cataloging, some sense must be made of all this flow of information.

As we begin our first major national effort in the new field of solar energy, it is important that we start off on the right foot with a sound information collection system.

Beyond this, it is my hope that this data bank will serve as a model for similar future projects designed to provide public access to information from other Federal research and development efforts.

Mr. CONTE. Mr. Chairman, as a sponsor of identical legislation, H.R. 11179, I rise in support of this bill and urge its immediate passage.

The Nation is suffering from a critical energy shortage. Unemployment is rising, the rate of economic growth is diminishing, and inflation continues to plague us all.

To keep our country moving, we need more energy. But the orgy of oil consumption is over. Our domestic sources can no longer meet demand. Foreign suppliers are not the most reliable. Where do we go from here?

The solution lies in developing new sources of energy—fuels that are not exhaustible and are not one of the scarce fossil fuels.

This bill gives us one of our first opportunities to develop a new source of energy—solar energy, or energy from the Sun's rays. The need for this supplemental fuel is urgent.

Already, several other countries have mastered the technology of using the Sun's rays. This should give the United States the incentive to catch up and move ahead.

The program of demonstration grants and incentives should provide us with the needed push.

Before passing this bill, however, I want to make one important note for legislative history. It is important that the Federal funds dispensed under this act shall be shared equally on a regional basis. In New England, for instance, there is a special need to develop solar energy as a supplemental fuel. In this region of the country, 74 percent of the homes, 71 percent of the buildings, and 90 percent of the schools are heated by fuel oil. In addition, 70 percent of New England's electricity is generated by oil-burning boilers. This overwhelming dependence upon oil—at a time when supplies are short and prices are skyrocketing—is intolerable.

The people of New England are anxious to experiment with new energy sources. Already, one college in my district, the Berkshire Community College, has informed me of its intention to build a fully solar-heated building on their campus. They have already collected from private sources about two-thirds of the cost of this system. They are hoping to secure financing for the remaining part of the cost from the Federal Government. But so far, there is no agency to help them. The National Science Foundation focuses only on basic research, not on commercially applied demonstration projects. And the General Services Administration funds only Federal buildings.

So, there is an immediate need for this bill.

France, Israel, and other countries are already enjoying the fruits of solar energy. The United States should be too.

And we should not stop our focus on solar energy with the passage of this bill. This is only the very first step in exploiting methods to use energy from the Sun. Following the demonstration grants to be established by this act, we should start planning now for technological breakthroughs that will allow this Nation to harness energy from the tides, from the thermal gradients in the oceans, and from the winds. We should start thinking about converting solar energy to electricity, and using satellites to capture solar energy out in space and transmitting it to Earth receiving stations by laser beam.

The possibilities of developing solar energy are almost endless. But, to get the ball rolling, the House must give the first push today.

I urge my colleagues to give that push and vote to pass this Solar Heating and Cooling Demonstration Act.

Mr. RONCALIO of Wyoming. Mr. Chairman, I have been pleased to see this important legislation move along quickly in the 93d Congress and to see the wide support it has received. This bill is a step toward greater utilization of one energy source which is unlimited and continually renewable. I congratulate the Committee on Science and Astronautics for its work on it. While this bill takes only that first step of solar heating and cooling of buildings, we can look down the road to the successful development and further application of solar energy toward supplying much of our energy needs without depletion of our mineral resources and without the environmental concerns we face today with their use.

Under the authority given in this bill to contract for development and manufacturing of solar heating and cooling systems and the monitoring and evaluation of these programs, I would like to call to the attention of my colleagues the expertise and professional capabilities being displayed by Mr. Raymond B. Larsen and LRC, Inc. of Riverton, Wyo. LRC might very well offer the kind of data management and technological inventiveness that would be a valuable asset in the development of this technology.

Since LRC was organized in 1971, the young company has been primarily engaged in the development of a high speed impact matrix printer for use in conjunction with computer and communications related electronic equipment. The printer developed by Mr. Larsen and LRC prints information and data received either by keyboard or from a computer by forming a series of dots which comprise each character at a rate of up to 240 to 360 characters per second as compared to the current 4 to 60 characters per second produced by printers costing three times the retail price of the LRC machine. The printer can be programed for any written language including Chinese characters.

Mr. Larsen's LRC has demonstrated its potential for great organization and technical ability. The organization is a typical and logical candidate for grants under this legislation and I would hope that in administration of the provisions being considered here today LRC will have the opportunity to contribute its technical ability and assets toward solar technological development and implementation.

Mr. CONLAN. Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973. This is a very significant bill—the first legislation to be reported out of the Subcommittee on Energy of the House Science and Astronautics Committee. This subcommittee is now carrying on the earlier pioneering efforts of the energy task force which was created in 1971.

This legislation comes to the floor with the unanimous endorsement of the Subcommittee on Energy as well as the full Committee on Science and Astronautics. Altogether, more than 180 Members of this body are sponsors of this bill.

Mr. Chairman, the history of our Nation's economic growth is the story of a vast industrial giant which has thrived on the ready availability of cheap fossil fuels. But for too long, we have inefficiently consumed energy with total ignorance of the implications of our actions. Only within the past few months have we come to understand the full costs—in dollars, environmental harm, and industrial production to mention a few criterion—of the present pattern of our energy use.

Today, as a direct result, we find ourselves in the throes of an energy crisis which stems from our habit of overworking too few sources of fuel. In short, we are confronted by a rapidly increasing demand for energy. We need more oil, more gasoline, more coal, more of everything necessary to fuel the machines that sustain our standard of living. But, in the process, we have also discovered another painful truth.

We are just beginning to recognize that the present energy dilemma is not going to subside until we begin to employ alternative sources of energy. One of these, clearly, is the Sun. In fact, the competitive position of solar energy has been so drastically enhanced by recent energy demands that we now look upon this source has playing a key role in the years to come.

The evidence of the future role of solar energy is not hard to establish. For instance, if the United States today depended on the Sun for even 1 percent of all its energy needs, it would save the equivalent of 100 million barrels of oil a year. Or, if half our energy needs for heating were maintained by solar power, by the end of this decade, oil savings would equal 2½ times the daily 2 million barrels projected to be delivered through the Alaska pipeline.

Unfortunately, solar climate control in its most immediately practical application—to heating and cooling for residential and commercial buildings—remains "locked" in the research and development stage. This is in spite of the fact that there are today no technical limitations which would prevent a solar heating and cooling unit from being built. The question simply is whether it would be economically competitive with other fuel sources. It is this question which has to be answered to make the solar energy approach a practical reality.

This then is precisely the goal of H.R. 11864: To establish the technical and economic feasibility of implementing a mass-produced solar heating and cooling system for the consumer marketplace. With this major step behind us, the path will have been paved for private industry to produce and install such systems on a profitable basis.

It must be emphasized, however, that prototype concepts and designs are required prior to the commercial marketability of such systems. In fact, experts are divided on the best way in which to trap the sun's heat in order to warm a home or other building.

Some hold that each building should have its own solar energy system since this design would result in a more efficient use of the Sun's geographically widespread radiation. However, it would involve construction of somewhat more expensive heating and cooling equipment in every building. Another group favors a centralized system with solar energy "farms" providing power for entire communities. These farms would concentrate the Sun's heat on steam boilers that would generate electricity. Leading experts who have worked on this approach, and in particular the husband-and-wife scientist team, Aden and Marjorie Meinel of the University of Arizona—point out that farms could be developed which would provide all the electricity the United States would need in the year 2000.

In particular, the Meinels point out that a 1,000-megawatt solar farm—producing about as much electricity from its steam-driven turbines as one of the country's largest nuclear reactors—would require only 7 square miles of land for its energy collectors in southern parts of the United States. Farther north, the size would have to be increased somewhat to compensate for more cloudy days and cold weather.

In any event, experts such as the Meinels eagerly await such innovative measures as H.R. 11864, as this legislation will pioneer the technology necessary to develop and demonstrate solar energy for heating and cooling buildings.

The specific approach adopted by the community will place the key responsibility in NASA which will carry out the demonstration program in conjunction with the Department of Housing and Urban Development. Both agencies would cooperate in turn with the National Bureau of Standards and the National Science Foundation.

The bill provides for a 3-year demonstration program involving the installation of solar heating units in private residences as well as in residences on Federal property. A second phase of the program involves a 5-year demonstration effort which will test combined solar heating and cooling units. The final phase is also a 5-year program but directed instead to the solar heating and cooling of commercial buildings including office buildings, colleges, and so forth. A total of $50 million will be spent under the legislation.

A final point is in order regarding the administration's views on the bill. I am informed that the administration does not support the legislation in its present form. I understand that instead, it supports the establishment of the Energy Research and Development Administration as the agency to coordinate energy R. &. D. and to carry out demonstrations of solar as well as other energy forms.

The House, as we know, passed the ERDA bill—H.R. 11510—on December 19, 1973 by a vote of 355 to 25. That bill is now in the Senate Committee on Government Operations with no action scheduled. In the meantime, there is no agency to carry out demonstrations of solar energy for heating and cooling. This bill, therefore, will permit this vauable area of research to be pursued, while at the same time through the inclusion of section 13 of the legislation, permit the effort to be folded into ERDA or whatever ERDA-type agency the Congress creates. I feel that this provision should satisfy administration objections.

In closing, Mr. Chairman, the technology is already available for the demonstration of solar energy for heating and cooling purposes. But we must now begin to show the American homeowner that these systems can work and that they will mean a significant savings in fossil fuel consumption over the lifetime of the system. I, therefore, support the bill, as reported out by the House Science and Astronautics Committee. I feel that we should act promptly to see that this kind of demonstration program is carried out and I believe that this bill is a very positive step in that direction. I ask my colleagues to join with me in providing their support for this measure.

Mr. FRENZEL. Mr. Chairman, there may be a few Members who will quibble over the detail of H.R. 11864, and there may be a few more who will want to see a better blueprint or work plan before we authorize this sum of money, but I will be surprised if very many challenge the need to develop solar energy.

I strongly support H.R. 11864 as a much-needed, overdue congressional recognition of the need for priority development of solar power.

Solar power seems like a pretty long-range development now. Indeed, it may be. But if we are to rely on the Sun as our prime power source in the future, we had better get started now.

The $50 million is a lot of money. So is $10 billion, the target R. & D. figure for the next 5 years. But despite my strong balanced budget feelings, I believe both figures are high-priority necessities which have first call on the Nation's resources. The $10 billion the Federal Government will spend will be matched by a possible $200 billion in private spending and a possible $600 billion in 10 years.

It would be better, of course, to have a fully active statutory FEA and ERDA before this bill is passed. Our failure to move swiftly on the creation of those needed agencies is a congressional blunder of major proportions of which all of us and the public are well aware.

But we need to begin developing solar power even if we are unwilling to organize our bureaucracy to develop it effectively. I only hope passage of this bill will stimulate the passage of FEA and ERDA.

The congressional failure to act in the energy field, even on the emergency bill, has been a source of embarrassment to Congress. Executive leadership from FEO has been roundly criticized by Congress, but unfortunately it has not been matched by Congress. I hope at least that H.R. 11864 will be passed by a large majority. It is the least we can do.

Mr. FUQUA. Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act. I come from a part of this Nation that is blessed with vast amounts of solar energy. It is truly one of the great resources of the State of Florida, and I can only say that it is about time that we figured out a way of sharing this great resource with the other citizens of this great country.

For decades people in our State have used solar energy to heat water. We have also, in the past, designed our buildings to take advantage of the natural sunshine so bountiful. Clever designs gave us structures that were warm in the winter and cool in the summer and required a minimum expenditure of energy from fossil fuels or other sources.

But the wide availability of low-cost oil, gas, and electricity changed this emphasis on utilization of natural resources. Our affluent population found it easier to install low-cost furnaces and air-conditioners. This might be termed a "brute force" method of climate control—one that is simple in concept but very dear in the amount of energy consumed.

Shortages in heating and oil and electricity together with high prices for all forms of energy have radically changed all this. Not only do we have easily identifiable short-term shortages, but there is also a widespread realization that our traditional fossil fuels are irrevocably being used up. In the decades to come we must turn to new sources of energy.

The Sun is the ultimate source of almost all of the available energy here on Earth. Natural gas, oil, and coal are really forms of solar energy—millions upon millions of years ago photosynthesis produced those plants which, through a process of physical change and geological evolution, formed the fossil fuel deposits which we use today. But this process took many millennia. We must now be more clever and figure out how to use solar energy in a shorter time frame; that is, we must put sunshine to use in the service of our civilization at about the same time that it arrives at the Earth. We just cannot wait for new oil fields to form by nature's proven but unacceptably slow process.

Mr. Chairman, what we have to do is put modern technology to work to solve our energy problem. This includes: careful, comprehensive reviews of alternative ways to use solar energy; decisions as to what scientific knowledge is ready for applied research, technical development and demonstration; and a willingness to implement those new technologies which are successfully demonstrated.

H.R. 11864 represents just such a comprehensive review of alternatives. Based on an extensive hearing record and other committee studies we are convinced that technology for solar heating is ready for demonstration. Solar heating and cooling is somewhat more complicated but should be ready for demonstration after an additional 2 years of development.

Many of us in Congress have long recognized the abilities of NASA for developing new technologies. The technological expertise and managerial techniques developed by NASA in its space and aeronautics program are relevant to the solution of a wide range of national problems which have technical components. The Committee on Science and Astronautics documented this widespread practical value of space technology in a report issued several years ago, entitled "For the Benefit of All Mankind." The huge demand for this report has prompted a further revision, and it is expected to be reissued in the near future.

In addition, industrial oganizations, professional groups and members of the scientific ways in which technology developed from NASA's programs has had an important role in the solution of other important problems in both the public and private sectors of our economy.

Section 4 of H.R. 11864 amends the National Aeronautics and Space Act of 1958. It provides that NASA support research, development and demonstration activities in solar heating and cooling technologies. I believe that this is an important change in the NASA charter, for it specifically indentifies an area of technology for which the expertise of NASA is ideally suited. I am sure that other areas will arise in the days to come. The partnership between NASA and the Department of Housing and Urban Development, together with the participation of other agencies as called for in this bill, represents a pragmatic approach to getting a specific job done. That job—commercial demonstration of the feasibility of the solar heating and cooling of buildings—is an important one. It can make significant advances in solving our energy problem and strengthen our economy and strategic position in the world. This arrangement also illustrates, I believe, the role which NASA can play as a technology agency in developing solutions to specific problems in conjunction with other agencies of the Federal Government. I hope this approach will serve as a worthwhile model for similar demonstration programs in the future. In this way we can not only save money but we can get the job done in a hurry.

Mr. Chairman, as a representative of the Sunshine State I urge all of my colleagues to support the Solar Heating and Cooling Demonstration Act. My fellow residents of the State of Florida have long recognized the attractions of solar energy, an attraction, I might add, also recognized by residents of New York and other States about this time of year. Now is the time to take solar energy from the beach and move it to the house top, and utilize this vast resource for the benefit of the citizens of this country .

Mr. OBEY. Mr. Chairman, investing in solar energy technology is a three-way bargain: you get the use of an inexhaustible energy source, relatively cheap power, and a clean environment.

I think supporting the development of commercial capability for use of solar energy is one of the most sensible steps we can take in the energy field, and one that is long overdue. That is the reason I cosponsored the Solar Heating and Cooling Demonstration Act which is being debated on the floor of the House today.

Space heating and air conditioning represent some 15 percent of our present energy consumption, electrical and otherwise. This bill will demonstrate the commercial feasibility of solar heating and combined solar heating and cooling systems in both residential and commercial structures. The demonstration will include solar heating or heating and cooling systems in 4,000 public and private units of various models. The National Bureau of Standards is authorized to establish standards for solar systems which can be funded under this act and for the types of residential and commercial buildings which can participate. NASA, in conjunction with HUD, will be responsible for implementation and close monitoring and evaluation of the efficacy of the systems.

In addition to the demonstration programs. the act directs the National Science Foundation to initiate and support research on new solar heating and cooling technologies. It also establishes a data bank to collect and disseminate the widely proliferating material on solar energy.

Fifty million dollars over 5 years is authorized by the bill, with spending rising from $4.5 million in fiscal year 1975 to $13.5 million in fiscal year 1979; this will supplement overall solar research from other appropriations.

Mr. Chairman, as the Federal Government vastly expands the amount of money being spent in the solar energy field, we have a special obligation in the *case of solar* energy development to protect and give special attention to the expertise of small businesses, who have pioneered in this area. For years individual university professors or departments, private inventors, and small private businesses have been almost the only ones to carry on the exploration into the potential of solar energy. I am glad to say that the interests of small business in carrying out the purposes of this act are protected by this legislation.

A number of experimental solar house-heating systems have been built and, in terms of engineering, are relatively simple. Buildings may be heated and cooled with solar energy by the use of large plates on the house roof which collect the sun's energy and store it as heat. A typical house of 1,500 square feet could be provided about three-fourths of its heating and cooling needs with a 600 to 800 square foot collector.

The initial cost of such a heating system is still rather high. However, if systems of this type were financed as part of house mortgages, the annual charges would be quite competitive with the costs of fossil fuel or electric home heating. The bill provides for an increase in the ceilings of federally assisted mortgage loans, to the extent of the increased cost resulting from installation of solar heating and/or cooling systems under this demonstration.

One point should be emphasized: the technology for solar heating and cooling exists; the task is to make it commercially viable.

This bill is one of a series of steps that must be taken to provide this country with flexibility in energy sources. Both private and Federal money should be invested in energy R. & D. in much greater proportion than previously. This bill will be the first one passed by the Congress in an effort to expand research on sources of energy other than fossil fuels and nuclear power.

Mrs. GRASSO. Mr. Chairman, the ultimate source of all energy used on Earth is the Sun. Until recently mankind has lacked the technology to harness the power of the Sun directly, and instead exploited the Earth's limited and dwindling supply of fossil fuels.

This Nation has reached a point in its history when it can no longer ignore this promising and virtually unlimited source of energy. It has been estimated that the Sun now provides the Earth with 10,000 times as much energy as all mankind will need 25 years from now. Also, the roof of a typical house catches three times as much solar energy as the energy it consumes. All we need to harness this permanent power supply is the appropriate technology.

Passage of H.R. 11864, the Solar Heating and Cooling Demonstration Act, will provide the catalyst needed to spur research in solar energy projects.

The bill, which I have cosponsored, authorizes $50 million over 5 years to fund solar heating, and solar heating and cooling demonstration projects. Under the bill's provisions, NASA would contract for the manufacturing of solar heating units to be installed within 3 years in Federal dwellings and private residential dwellings. At the same time, NASA would research and develop a combined solar heating and cooling system that would be demonstrated within 5 years. In addition, H.R. 11864 would establish a Solar Heating and Cooling Information Bank to collect, review, and disseminate data on solar heating and cooling to interested parties.

Solar energy represent only one alternative source of power needed to meet the current and future energy crunch. Many scientists believe it is our most promising source of future energy and that it can be efficiently utilized in only a few years. The demonstration projects created by the bill will enable us to determine the feasibility of existing solar energy technology while at the same time promoting further interest and involvement by the private sector in solar energy research.

Mr. Chairman, the Committee on Science and Astronautics—and particularly the chairman of the Subcommittee on Energy, the gentleman from Washington (Mr. MCCORMACK)—should be applauded for reporting H.R. 11864. In our careful search for new sources of energy which are both economically viable and environmentally sound, solar energy offers great potential. Passage today, and eventual enactment, of H.R. 11864, will be an important step toward perfecting new sources of energy to meet the future needs of the American people.

I urge my colleagues to support the bill.

Mr. FREY. Mr. Chairman, in an era of increasing energy consumption, rising petroleum prices, and embargos on foreign energy sources, the use of solar energy to supplement conventional power sources offers some imposing advantages: solar energy is abundant and inexhaustible; it is an energy source that cannot be manipulated by foreign powers; and it produces no form of environmental pollution. Yet, as attractive an energy source as it is, we cannot look to solar energy for any significant relief from the crisis we are now in. Solar energy, we are told, is an energy resource of the future.

There is, of course, no guarantee that solar energy will be used at all in the future. Its potential utility has been recognized for years, but significant practical application is still in the future. Furthermore, unless some positive action is taken by our country, this inexhaustible and pollution-free resource may always be "in the future," always just beyond practical application. Positive action is needed to make solar energy a practical alternative to conventional power in the near future. I believe H.R. 11864 represents that positive step—a step that is needed to insure that solar energy will be able to contribute significantly to our national goal of attaining and maintaining energy self-sufficiency.

Mr. Chairman, H.R. 11864 largely removes the uncertainty associated with the use of solar energy as a technique for heating and cooling private residences and commercial buildings. The bill establishes a realistic timetable for the development and demonstration of solar heating and cooling systems. It provides 3 years for the development and demonstration of solar heating and because the technology is somewhat more distant, it allows 5 years for the development and demonstration of a combined solar heating and cooling system. Fifty million dollars is provided over a 5-year period to carry out the act.

As a further assurance that this technology will be available for practical use in the shortest possible time, the National Aeronautics and Space Administration, with its outstanding record of achievements in space and solar-related endeavors, is designated to administer H.R. 11864. NASA's ability to accomplish priority missions within stringent time and budget constraints will be an invaluable asset in making solar heating and cooling a practical reality. While NASA's solar energy interests have been largely associated with space applications, the Agency does have highly competent in-house personnel with expertise in terrestrial applications.

For the benefit of my colleagues who might not be fully aware of NASA's present capabilities in terrestrial solar applications, and in particular the field of solar heating and cooling, a brief discussion might be appropriate.

Most of NASA's solar energy work is being carried out at the Lewis and Langley Research Centers. Work at Lewis includes an innovative 4-by-4-foot facility for testing flat plate solar collectors. This facility produces simulated sunlight at varying intensities and angles and is able to provide comparative performance data on candidate devices. Lewis is also in the process of building a small facility that will test the different components of a heating and cooling system simultaneously in order to obtain data on interactions and overall performance.

At the Langley Research Center, a 53,000-square-foot systems engineering building now under construction will be partially heated and cooled by a 15,000-square-foot flat plate solar collector to be installed soon after the building is completed in mid-1975. This one-story office building will be the first known building in the world of its size for which solar energy will provide a significant part of the heating and cooling load. NASA anticipates that the solar energy system will provide a fuel savings of 10,500 gallons per year.

The Marshall Space Flight Center is yet another NASA facility actively involved in solar heating and cooling technology. Marshall plans to install and operate by June of this year a small 1,500 square foot solar collector which will simulate the operation of a solar house. The interesting aspect of this project is that the collector will have a cover of plastic instead of glass. Marshall engineers have found that this material, which was developed for the Skylab program, has the same transparency as glass but costs less.

It is interesting to note that aerospace systems experience, rather than that of electric utilities and oil producers, is primarily responsible for solar energy research. Companies such as General Electric, TRW Systems, Westinghouse Electric, and Honeywell have all received major contracts in solar heating and cooling R. & D. The rapport these and other aerospace companies have established with NASA through our space program will be an asset in the administration of H.R. 11864.

In conclusion, Mr. Chairman, I am confident that our mounting energy problems are not insurmountable. The energy crisis is new to us but the past demonstrates that our economy can adapt and adjust to changing circumstances. Solar energy can and will play a significant part in our changing energy use patterns. And with the enactment of H.R. 11864 I am certain solar energy will be playing a significant role in the very near future.

Mr. **HANNA**. Mr. Chairman, the bill before us today is one of the most important energy bills to come before Congress. This is not because of the amount of money involved—$50 million is small compared to the $10 billion program of energy research and development recently suggested by the President. Rather, it is important because of an opportunity to blaze new trails with regard to the development and commercial demonstration of a new energy technology by the Federal Government. Let me explain in more detail what I mean by this.

Section 10 of H.R. 11864 increases present ceilings of federally assisted or federally constructed housing that is involved in this demonstration program. This has two results. First, it increases the maximum dollar amount of any federally assisted mortgage loan that is furnished with solar heating or combined solar heating and cooling equipment under the demonstration program established by this bill. The maximum increment in this ceiling is the difference in the cost of the structure with solar equipment minus the cost of the same or equivalent structure equipped with a conventional heating and cooling system.

Such a provision makes sense in a bill such as this. These solar heated and solar heated and cooled buildings will be the first of their kind. The costs associated with the solar heating or cooling systems are not solely for the equipment itself, which is paid for by the Federal Government. Rather, one can expect a myriad of unusual construction details and a requirement for different construction materials and methods—all of which will tend to increase the total cost of the structure. Since this experiment will be expected to help thousands of Americans in the future, it seems only fair that an adjustment such as this be made in the ground rules for insuring the mortgages.

Second, this section increases the maximum unit or other cost of federally constructed housing involved in the demonstration program. The amount of this increase is similar to that specified for federally assisted loans, namely the difference in cost between constructing the building using a solar heating or solar heating and cooling system, and the cost with a traditional heating or cooling system.

In building a solar heated or cooled residence, the homeowner has to make a difficult economic decision. What he is doing essentially is making an initial large capital investment and, gaining in return, much lower operating costs. Presently our lending institutions and Government policies fail to recognize this tradeoff, and make it much easier for the average citizen to buy a house which has large operating expenses and a lower initial cost.

I should like to emphasize that these exemptions to present dollar limitations on federally assisted mortgages or federally constructed houses apply only to the demonstration units participating in this program. These exemptions do not affect other buildings heated or cooled by solar energy. This is because H.R. 11864 is just a demonstration program. It does not go all the way to assure the building up of a solar heating and cooling industry. To do so is a very large and complicated job. This bill takes us only through the first step—but it is an extremely important one.

We must also have careful studies of the kind that are provided for in section 9 of this bill. The Department of Housing and Urban Development shall, under these provisions, study and investigate the relationships of current building codes, zoning ordinances, and other laws and practices upon the practical use of solar energy for heating and cooling buildings. This implies that we have to make a careful analysis of sun rights, labor union jurisdictional questions, and a myriad of other issues related to the widespread utilization of solar energy for this purpose. This information can serve as a basis for changes in our laws and policies to encourage widespread use of solar energy in the future.

The technological and economic aspects of solar heating and cooling not only have to be studied and reported on—this information needs to be disseminated to potential users such as industries, builders, labor unions, and consumers. This need will be taken care of by the Solar Heating and Cooling Information Data Bank set up by this legislation. This data bank will have the responsibility of compiling technical information, physical and chemical properties of materials needed for solar heating and cooling, climatic conditions across the United States, and engineering performance of devices used in solar heating and cooling equipment. This data bank, under the management of the Department of Housing and Urban Development, will retrieve and disseminate relevant information to governmental units, colleges and universities, and the private sector.

In addition to the demonstration program provided in this bill, I believe it is clear that we will need mortgage incentives to encourage use of solar energy in the future. We must explicitly recognize the tradeoffs between capital investment in solar heating and cooling equipment and higher operating costs using conventional systems.

Purchasers of homes should be allowed larger loans for buildings that are solar heated and cooled—not only because it is in the public interest, but because they can afford larger monthly payments due to lower operating costs. Our financial institutions must recognize this fact of life and make adjustments in their practices.

It is also clear that we will probably need tax incentives to initially encourage the development of a large-scale solar heating and cooling industry. These incentives will no doubt be temporary in nature, but they should encourage manufacturers, distributors, builders, craftsmen, and consumers to construct and purchase solar heated and cooled homes.

Mr. Chairman, one of the most important issues before us today is the following: "At what point do you plug in incentives in order to assure widespread use of solar energy for heating and cooling of buildings?" In order to answer this question we need experience—and I believe this demonstration act will provide many answers to guide us in accomplishing the overall objective. H.R. 11864 is more a commitment to a beginning rather than a solution. It is, however, a necessary and important beginning and I commend this bill to you.

Mr. **BROWN** of California. Mr. Chairman, I am very pleased, today, to have the opportunity to express my support for H.R. 11864, the Solar Heating and Cooling Demonstration Act. As an active participant in the deliberations of the Committee on Science and Astronautics, as well as its Energy Subcommittee, I can attest to the extensive study, noted in the accompanying legislative report, that has preceded this bill's introduction. I believe the bill will be an important step in improving the awareness of the American people of the need for greater energy conservation in their homes. It is also a reflection of the important work in the solar energy field which has been carried out by many small businessmen across the country. In my following remarks, I will expand on these two important features of the bill—energy conservation and the past and future role of the small businessman.

In my own district near Los Angeles we have an ideal climate and locale for extensive residential utilization of solar energy. It has been obvious to me also that there are many applications of solar power to various types of commercial buildings, including municipal facilities, as well as family residences. But solar energy is not limited to areas like Los Angeles. It is a national resource and can be used virtually anywhere in the country. With no truly unified national energy policy, this bill is important because it will help us move technologically ready energy-conserving systems out of the research and development stage and into commercial application.

In October of last year, it was my pleasure to host a conference on "Conservation of Energy—By Design" at the University of California at Riverside. At this conference, experts from all aspects of our society confirmed the need for this type of energy-conserving legislation. I expect to see a great deal more emphasis on this important topic in the future.

Another reason for my emphasis in these remarks on energy conservation through design has been the insight I have gained through the two trips the committee has taken to visit solar heating installations. The first was to the home of Mr. Harry Thomason, who lives just outside Washington, and whose solar initiatives are, no doubt, well known to other Members of the House. In addition, last fall the committee visited the solar-heated home of Mr. Robert Reines near Albuquerque, N. Mex., and the Los Alamos Scientific Laboratory, Los Alamos, N. Mex., which is constructing a solar heated library. In all of these buildings, great emphasis has been placed on energy-conserving designs, as well as on the solar heating systems. It will simply not be sufficient for the administrators of the program proposed by H.R. 11864 to concentrate on solar heating and cooling systems. It is essential that adequate consideration be given to the overall energy conservation features which we have been neglecting in our home design and construction up to now.

In addition to the two homes which I was able to visit with the committee, there have been a number of other homes built in this country which have employed solar energy—but probably not more than 30. The importance of their work cannot be overemphasized. They have developed, through such organizations as the Solar Energy Society, the present public awareness of solar energy's potential. Most importantly, they have shown the economic effectiveness of their respective systems. One such individual in my own district, Mr. Homer Davis, is presently building his own solar heated home. On November 12, shortly before hearings began on this bill, I described his work in remarks in the CONGRESSIONAL RECORD.

I mention these individual instances to stress the importance of section 11 of H.R. 11864. This section calls for all of the responsible Federal offices and agencies to take steps to assure that small business concerns will have a realistic and adequate opportunity to participate in the programs under this act to the maximum extent possible. It is important that the contributions of these early advocates of solar energy utilization not be lost in our endeavors to achieve the advantages of mass production. It is my belief that the greatest advancement of solar energy can be made by utilizing, in the future, both the expertise of these early advocates and of the large industrial contractors. The housing industry is still one containing many small contractors; it will be to the advantage of us all if the administrators of this program will be sure to include adequately the small businessman in carrying out the provisions of the bill.

At the request of that committee, the legislative report has included some clarifying language that is of similar intent. On page 29 of that report, it is noted that the bill does not prohibit the Administrator from funding individual prototype demonstrations. It is my hope that advantage will be taken of this opportunity because of the great speed and economy with which we can then proceed in furthering the demonstration project. My experience leads me to believe that there are many inventive individuals only waiting for encouragement and that many improvements in mass-produced equipment will result from including this wider source of talent.

Part of my concern about the small businessman is the need for standards or performance criteria. Not only do we need to protect the consumer from the unscrupulous businessman, but we need a mechanism for assuring the prospective purchaser that reputable products have been well designed. The job of establishing these equipment performance criteria has been assigned to the National Bureau of Standards which has an excellent record in this field and which has already begun the job of testing solar units. This will be a complex task since the requirements will vary with geographical location, but I am sure that it will be possible in the 120 days allowed by this bill.

No matter how well designed the solar equipment is, however, if the home is poorly designed, the result will be inadequate heating or cooling. This brings us again to my first point—energy conservation. The National Bureau of Standards is also directed by this bill to prepare energy conservation criteria for the demonstration houses needed to test the equipment developed under this bill. I believe this feature, alone, has a potentially tremendous impact on the future utilization of fossil fuels in this country, even though it is a relatively minor part of the present bill.

In summary, I reiterate my support for this legislation. This bill will provide benefits far beyond the two features I have discussed here—even though this bill is itself only a beginning.

Mr. ROE. Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act. As a member of both the Science and Astronautics Committee and its Energy Subcommittee, from which this bill has come, I am most aware of the importance of this bill and the excellent work that has preceded its introduction. The purpose of the bill is to move the application of solar heating and cooling from the research stage into the demonstration stage. A great deal of testimony before the committee has established the present readiness of technology for this effort on the part of the Federal Government, as well as the necessity of doing so. Not only is the need more obvious now, because of the supply problems, which are especially obvious in my own district in northern New Jersey, but for many years it has been obvious to me that this effort will be especially important for the environment, and it is this aspect of the bill that I wish to comment on in the remainder of the allotted time.

Prior to coming to Congress, I served for a number of years as the New Jersey State Commissioner of Conservation and Economic Development. My chief responsibility was the conservation and preservation of our State's natural resources, the protection and enhancement of the integrity of our environment, and, as the most populous, industrialized State in the Nation, their interrelationship with the economic and growth development of our State dedicated to the optimum yield and most effective use and management of these resources in the best interest of all of our people.

To help meet these environmental objectives is one of the obvious outstanding features of this bill. It has been recognized in the sixth finding of the bills, which I would like to quote in full:

> The Congress hereby finds that the widespread use of solar energy in place of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment.

It is obvious that northern New Jersey because of its serious smog problem, will greatly benefit from a decreased usage of petrochemicals for heating and cooling of buildings. However, in addition to helping to improve the smog situation, there will be an important attendant decrease in thermal pollution—a concern of many people in the Greater New York City area. The use of solar collectors on rooftops should be esthetically acceptable in its own right, but it will also help in alleviating visual pollution caused by other forms of energy delivery systems.

Thus, I wish to express my strong support for the environmental features of H.R. 11864, not only for the congressional district which I represent, but for its beneficial aspects across the country.

However, the use of solar energy in New Jersey is as practical as anywhere in the country, and I am looking forward to working with private enterprise and Federal agencies in implementing this program in our district. It is interesting to note that the Department of Housing and Urban Development has recently opened a test facility in Jersey City, which is partially equipped for later testing of solar collectors as they become commercially available. Since HUD will play such a major role in this bill, it is a pleasure to note that some of the activity will probably be occurring in New Jersey. Along these lines, it is also important to point out that a major portion of the demonstration project will be concerned with commercial buildings. As I represent a district which is in part agricultural, I am pleased to note that agricultural structures—including crop-drying facilities—are intended to be developed under this section of the bill.

Returning to the environmental features of the bill, I was especially pleased that the committee received the testimony of two outstanding environmentalists in considering this bill. Both Sheldon Kinsel of the National Wildlife Federation and Mr. Wilson Clark, Energy Consultant to the Environmental Policy Center testified in favor of the broad features of the bill, and especially on the beneficial effects on the environment. Mr. Kinsel noted the present readiness of technology, urged assembling solar data on a worldwide basis now, urged a retrofitting emphasis, and finally urged a major emphasis in the demonstration on all facets of energy conservation, not simply to limit the demonstration of solar heating and cooling alone. With some qualifications about the last topic, because of the need to have a focus to this work, I support these additional points in Mr. Kinsel's testimony—and I am sure that the administrators of the project will take these into full consideration.

Mr. Clark's testimony was similarly favorable. He noted the urgent worldwide need for energy conservation, and the importance of energy saving architecture—an area of interest of myself as well. The availability of adequate materials is another important area of concern for Mr. Clark, and I agree with that concern. I hope that this project will conduct studies to insure that conservation of scarce natural resources will be an important consideration. Mr. Clark also made a worthy suggestion urging consideration of decentralized solar energy agricultural systems, noting the heavy use of energy in our agricultural industries, and a need to prepare for future shortages there. Lastly, Mr. Clark noted the important contributions that can be made by private organizations, such as architectural trade organizations, builder associations, consumer and other public interest groups in the solar development program. As a former member of the building industry, I can testify to the important contributions that such private organizations can make to the success of this type of demonstration project.

In this same vein, I was pleased to note that the architectural design competitions which have been called for in this bill are open to all recognized professionals. Although the majority of the participants in the two housing design competitions which the bill calls for will undoubtedly be architects, I am pleased to note that the many building contractors who are qualified to design houses will also be eligible to enter this housing design competition. I know from experience that such design competitions will be very valuable in promoting interest as well as knowledge in the subject among an important segment of the building community. A second valuable advantage is that this design competition will provide a valuable library of esthetically pleasing designs for the building trades to call upon in future years.

A different point of view is to be gained by looking at the future potential savings that could result from extensive utilization of solar heating and cooling. Unfortunately for the Nation, previous projections have been badly outdated by the recent oil embargo. However, this has only increased interest in solar heating and cooling from the financial viewpoint. Before discussing this further, I think it is especially important to note that the national security is greatly enhanced by reducing our dependence on imports from other nations.

The Office of the President's Science Adviser set up a study some years ago to look into the potential of solar energy. The results were published in December 1972, in what is known as the NSF/NASA Solar Energy Panel Report, and is entitled "Solar Energy as a National Energy Resource." The assembled experts showed in that report the tremendous potential for solar energy and encouraged greatly increased Federal funding for solar research, development and demonstrations—a part of which is contained in this bill.

However, it is important to note that the intent of this bill is to increase the speed of the introduction in accordance with the increased sense of urgency which we all feel. The panel noted that of all the solar areas of research, solar heating and cooling for buildings was the area closest to commercial readiness. They estimated that if 10 percent of the total housing market could be captured by the year 2000, that over 1 million barrels per day of oil or over $2 billion per year could be saved in fossil fuel expenditures. I am personally convinced that placing emphasis on the existing home market, and taking a more recent figure for the expected prices of fossil fuels, will increase this annual dollar savings several fold. In any case, this is a respectable figure and well justifies the $50 million expenditure to begin this important new national industry.

In summary, I wish to reiterate my support for this solar bill, and urge its passage. I believe it is important for the future well-being of the country for many reasons, but have chosen to speak mainly on the subject of the conservation aspects of the bill, which have played an important role in my career, and which continue to be of great importance to me personally. I am sure that this is only the beginning of an important greater National interest in solar legislation, and energy conservation in general.

Mr. THORNTON. Mr. Chairman, the energy challenge is the most critical problem facing our Nation. The public is aware and asking questions like: What caused the energy shortage to develop? Is the shortage real? How do we divide our resources fairly? How do we keep prices down? How do we keep our jobs?

But with the practical commonsense of the people these other questions are also being asked: How do we overcome the problems? What steps are needed to provide adequate supplies of energy? How can we use our resources more wisely and to greater advantage?

In previous speeches to this House I have outlined the nature of the problem. Last April I projected—on the basis of studies by Prof. Otto Zinke of the University of Arkansas—that by the end of this year we would be short of needed supplies of refined petroleum products by approximately 2.75 million barrels per day. The most recent figures released by the Federal Energy Office show a shortfall of 2.7 million barrels per day. The shortage materialized earlier than projected but will continue to exist and grow until positive steps are taken to reverse the growing gap between our energy needs and our energy supplies.

To fully appreciate the gravity and seriousness of the challenge, we must realize that the shortages we are experiencing are for the most part independent of the oil embargo announced last October 17. That embargo had the effect of catalyzing public opinion to adopt conservation practices which helped us meet the shortages which were already appearing, and which had resulted from institutional failures by both government and industry to take needed action before this problem was brought home to the American people as they wait in lines for gasoline, as they see their budgets wrecked by propane bills, and as they let us know that it is time to find solutions.

Because the importance of the solar heating and cooling bill can only be considered in the perspective of our total energy requirements and supplies, I want to summarize the effect of the oil embargo because there may still be those who suppose that our problems will end when the embargo is lifted.

We import petroleum from the Mideast in two forms, as refined products processed in Italy, the Caribbean, and in Europe; and as crude oil to be processed in the United States.

From September through the last week in December, our imports of refined products remained at the constant level of 2.9 to 3 million barrels per day. These imports were not affected by the embargo and this level of imports is the most we can expect under any circumstances during the next 3 to 4 years.

Our imports of crude remained at 3.5 million barrels per day—keeping American refineries operating at maximum output—from September through the last week in November. Then the effect of the embargo, which was announced as a graduated—5 percent—cutback each month, began to show. For the last week of November, crude imports dropped from 3.5 to 3.1 million barrels per day, and held at this level throughout December with a small decline in the last week of December. For 1973 the total effect of the embargo was approximately one-fourth of 1 percent of our total annual oil supply.

Our shortages are the result of failures to meet our Nation's growing needs for energy and will not be resolved simply by foreign policy negotiations, no matter how skillfully performed.

This bill under consideration, reflecting the strong and positive leadership of the distinguished chairman of our committee, Chairman TEAGUE, and the brilliant work of the subcommittee chairman, the gentleman from Washington (Mr. McCORMACK) is the kind of approach which is so greatly needed to provide leadership and direction in solving the energy challenge.

It is therefore not surprising to find it challenged by some bureaucratic administrators who too often substitute their judgment for those of Congress, and whose judgment too often reflects a fear of departing from traditional approaches and a willingness to trade off real efforts to solve problems for some future bureaucratically designed management system. The energy problem cannot be managed. It must be overcome.

We should be taking steps now to overcome it.

The administration should support efforts to develop permanent alternative energy sources such as solar heating and cooling, geothermal power production, and advanced energy conversion, storage and transportation systems.

The administration should recognize the correlation between energy shortages and employment, and should call for programs to provide useful employment while tackling our energy needs.

The chief executive of each of the Nation's automobile manufacturers should be called to Washington and asked to develop proposals for changes in laws and regulations which would facilitate the development and production of automobiles averaging 30 to 35 miles per gallon without adverse effects upon our environment.

A representative group of executives of the power generating companies should be called to Washington and asked to propose needed changes in laws or in bureaucratic regulations to encourage power generating plants to add topping cycle generating equipment to present plants and to design such equipment into all new plants so as to increase the thermal efficiency in converting fuels to electric power. Bureaucratic regulations should not be permitted to stifle the development of prototype plants designed to accomplish these objectives.

The managers of a representative group of energy-producing companies should be called to Washington and asked to outline plans for the development of additional energy reserves within the United States including such things as oil shale development and secondary and tertiary recovery from existing oil production zones.

These steps are but examples of the approach which is needed if we are to move from the age of dependency upon fossil fuels to a new era of permanent energy sources, wisely used and conserved. The first, most logical step is that contained in the solar energy bill which we are now considering.

Solar energy for heating and cooling of residential and commercial buildings is feasible, it can be demonstrated and it can open an avenue for using the vast and permanent energy of the sun to conserve fossil fuels, while supplying energy needs in a form which has virtually no undesirable environmental effects.

Mr. Chairman, this bill represents a positive and realistic approach to our energy needs and I urge its passage.

Mr. MILFORD. Mr. Chairman, I strongly endorse the Solar Heating and Cooling Demonstration Act which we are considering this afternoon. It is the kind of program that our Nation must pursue in order to cope effectively with the energy crisis in the long term.

H.R. 11864 is the logical culmination of many years of research and development in solar energy. The sun has been the objective of experimentation for centuries. In modern times, private citizens and inventors have built a number of solar-heated homes located in many countries of the world. In the United States a number of universities and colleges have undertaken solar research and development programs, and academic leaders have shown that intellectual curiosity can be successfully combined with practical interests in a manner that produces scientific and engineering advances in this area.

At the Federal level the National Science Foundation is the lead agency for the funding and performance of solar energy research. In 1971 NSF funding for solar energy research exceeded $1 million for the first time in history. Almost half of that effort was directed toward solar energy for buildings—heating hot water, and space heating and cooling. In fiscal year 1974 NSF estimates that its total solar energy research program will amount to $13,200,000. Of this total $5,900,000—again almost half—is allocated for solar heating and cooling of buildings.

Next year, fiscal year 1975, there are indications of a vastly expanded Federal effort in solar research. The President's budget just submitted to Congress contains $50 million for this purpose—an almost fourfold increase over the present funding level. Again, most of this effort will be concentrated through grants and contracts administered by the National Science Foundation.

Mr. Chairman, section 8 of the bill under consideration here today recognizes the important role the National Science Foundation plays in this area. It amends the Foundation's organic act specifically to direct the Foundation to support basic and applied research relating to solar energy development. It further goes on to state that these NSF research activities shall, insofar as practicable, support the solar heating and cooling technology involved in the demonstration called for by H.R. 11864.

During the deliberations of the Committee on Science and Astronautics on this bill, the role of NSF received a lot of attention. It was recognized that a large-scale demonstration program such as this, involving the process of developing, integrating and procuring a large number of hardware systems, would not be appropriate for a basic-research-oriented agency such as the National Science Foundation. It was generally agreed that the role of NSF in developing new technologies does not extend through the demonstration stage—a view expressed by the National Science Foundation Director, Dr. Guyford Stever, in his testimony before the Subcommittee on Energy.

On the other hand, the experience and expertise that the National Science Foundation has developed in the area of solar heating and cooling must not be lost. A comprehensive basic and applied research activity sponsored by the NSF must go on in parallel with this large-scale demonstration project. Although the current state of the art permits the building of solar heating and/or cooling systems, these will not be perfect or necessarily even optimum. We will continue to need new knowledge to provide the necessary improvements for incorporation into future systems.

NSF will retain this general responsibility for supporting research in solar energy, including those aspects related to heating and cooling buildings and heating water. These ongoing activities will be funded in large part through the normal budgetary process. This is a process to which the Committee on Science and Astronautics has devoted a lot of time in the past, and I am sure their specific request for solar research funding will receive careful consideration from the committee this year and in the future. Also I expect that NASA will transfer funds to the NSF for support of specific projects that will furnish information and scientific knowledge needed in the demonstration program.

Mr. Chairman, the National Science Foundation has played a unique role in the development of science in this country. It has trained manpower and produced knowledge that have made possible many technological advances. I am convinced that it will continue to do so. I think this bill before us today will utilize that resource to the maximum extent possible, and that the National Science Foundation will play a vital part not only in this particular demonstration program but in a broad spectrum of future solar energy activities.

Mr. JOHNSON of California. Mr. Chairman, today we have a rare opportunity. We are considering a bill to provide for the demonstration of the effectiveness of solar heating and cooling. We all know that the use of solar energy has been proven technically practical. Our country is in the throes of a serious energy crisis. The people—our constituents—are demanding action. Today we have the opportunity to take positive action which will directly lead to the widespread adoption of solar energy as a viable source of energy in the modern world.

Daily our energy supplies become harder to obtain and the resulting crisis worsens. We see long lines of cars at gasoline stations. We see shortages of food, raw materials, and manufactured goods because the Nation's truckers cannot obtain fuel at a reasonable price. Our home and office temperatures are lowered and we have switched to permanent daylight savings time—all in an effort to save energy.

The President has called for congressional action to alleviate some of the more serious energy problems. The bill before us today provides one option. In fact, it is one of the best options.

Solar energy is technologically feasible, financially viable, environmentally clean, available in limitless quantity, and readily available to each consumer.

We can no longer afford to ignore the benefits of energy produced by the Sun's rays. We, the Congress, can foresee the need for this form of energy, and we must act now to see that its availability is well known. We must provide the incentives for its development and use. We must provide for the "demonstration" of its benefits.

Public education is the key to the success of solar energy. The conversion of light to electrical energy must be demonstrated as a feasible solution to the energy problem. Granted, solar energy is not the only form of energy that we can rely on. That is as it should be. We cannot afford to depend so heavily on any one form of energy in our future. Our dependence on petroleum has been a primary cause of our current crisis.

Some experts who testified in support of this legislation have estimated that as much as 50 percent of our energy could be derived from the Sun. But again, the people must learn that solar energy can work. Large scale demonstration projects are needed so that individuals can go and see the results of using this form of energy. To carry out such an effort, many agencies of the Federal Government must contribute their time, skill, and funds.

This legislation, the Solar Heating and Cooling Demonstration Act, provides for the early commercial demonstration of the technology of solar heating and cooling. Many of our Federal agencies would participate in this effort over a 5-year period. This legislation can lead the way to a better use of our resources and a more realistic use of solar energy and its capabilities as available to us today.

I urge my colleagues today to take action to show that the Congress is actively working to seek new ways of producing energy. Show the Nation that we are concerned about the problems the people are facing from day to day. Show this country that the Congress is not just talking about solutions, but that we are acting. Prompt enactment of this legislation by the Congress can bring about substantial use of solar energy by our 200th birthday. Solar energy is an energy of the future. We must not put it off any longer.

Mr. SHRIVER. Mr. Chairman, I want to commend the distinguished chairman and the members of the Committee on Science and Astronautics for their excellent and prompt action on this bill. The Solar Heating and Cooling Demonstration Act, as reported, represents a significant, positive step toward our country's goal of becoming self-sufficient in energy resources.

In my 13 years in the House of Representatives, I have seldom seen such efficiency, such appropriate response to a national need, as we have witnessed in the committee's handling of this bill. That in itself is refreshing.

As one of the cosponsors of the bill, I look upon this proposed demonstration program as our first, serious action to meet our energy needs of the future and to end our almost total reliance on fossil fuels for all purposes. Solar energy should be considered not as a replacement of fossil fuels, for that it cannot be. Solar energy should be considered as an alternative, as a supplement to other energy sources to meet the world's growing energy needs.

What we envision in this bill is a concentrated, short-term program of research and demonstration into those areas where solar energy can be used in place of fossil fuels and electricity. We want to show how it can be used to heat and cool commercial and Government buildings and eventually our homes. If we can find ways to do this at costs which will be competitive with future costs of other forms of energy, fuel now used for such heating and cooling needs will be available for uses for which solar energy is not expected to be feasible, such as transportation.

This bill does not call for the expenditure of large amounts of Federal funds when compared with other Federal initiatives. The total appropriation authorized is $50 million to be spent over a 5-year period. I think the committee was wise in resisting the temptation to just throw a lot of money at the problem in hopes that the more we spend, the quicker it will be solved. We have learned, or should have by now, that that kind of logic does not work.

The $50 million will be used in a narrowly focused demonstration program using the expertise of the National Aeronautics and space Administration, the National Science Foundation and the National Bureau of Standards, whose research results would be put to use under the guidance of the Department of Housing and Urban Development, the Department of Defense and the General Services Administration. Results from solar heating demonstrations are expected within 3 years, and the combined heating and cooling technology should be available within 5 years.

There are serious problems still to be solved in the field of practical application, and we cannot expect miracles overnight. It is estimated the initial cost of such heating and cooling systems would add at least $2,000 to the cost of a home, that is using current technology. The present trend toward connecting townhouses rather than single family houses brings other difficulties. Environmental and esthetic concerns must also be considered.

But these problems can be solved and existing knowledge, developed by private individuals along with a small amount of government-supported research, is adequate for the demonstrations called for in this bill.

Again, I commend the committee for its work, and I am hopeful that prompt action will be taken by Congress to get this program rolling.

With permission to revise and extend my remarks, I am including the brief explanation of the bill which appeared in the committee report:

PURPOSE OF THE BILL

The purpose of the bill is to demonstrate within three years, using current technology, the practical use on a large scale of solar heating technology; and to develop and demonstrate on a large scale within five years the practical application of combined solar heating and cooling technology.

EXPLANATION OF THE BILL

This bill provides $50 million over a five-year period for the commercial demonstration of solar energy for heating and cooling residential and commercial buildings. It should be emphasized that H.R. 11864 does not set forth a comprehensive national solar energy R. & D. program. Rather, it accomplishes the very important and timely "next step" required to implement the large-scale, practical use of solar energy in the immediate future.

Solar energy has received greatly increased attention from Congress, the scientific community, and the public, a fact well documented by the Committee. Proposals were presented to the Committee for utilizing solar energy to heat and cool buildings, as well as for large scale terrestrial solar energy conversion and huge satellite electric power stations in space. Other proposals included bioconversion, wind conversion and ocean thermal gradient utilization.

Testimony before the Committee indicates that only the area of solar energy heating and cooling of buildings is now ready for commercial exploitation on a large scale. However, only about 30 solar heated buildings have been constructed in the entire world, and the operating experience necessary for large scale commercial implementation of this technology does not exist. A commercial demonstration of the economic viability of solar heating and cooling is a necessary step in attaining the goal of widespread commercial production and marketing of solar heating and cooling systems for millions of American homes.

H.R. 11864 provides a two-stage demonstration program. The National Aeronautics and Space Administration (NASA) will be in charge of the initial phase which will consist of contracting for the research, development and manufacture of solar heating and combined solar heating and cooling equipment.

The second phase, including responsibility for installation of the equipment, monitoring and dissemination of information will be managed by the Department of Housing and Urban Development.

The residential solar heating program is programmed for three years; the residential combined heating and cooling program for five years; and the heating and cooling program for commercial buildings for five years.

Statement of policy

The bill declares that it shall be the policy of the United States to accomplish the demonstration of the practical use of solar heating technology within three years (using current technology for this purpose), and to accomplish the research, development, and demonstration of the practical use of combined solar heating and cooling technology within a five-year period.

Amendment of the NASA Act

The bill amends Section 203 of the National Aeronautics and Space Act of 1958 to make explicit NASA's authority to carry out activities prescribed by H.R. 11864.

Development of residential solar heating systems

The development of solar heating systems for residential dwellings shall be carried out by NASA. This includes the responsibility for contracting for the development, prototypes (if needed), and manufacturing of the systems in substantial numbers. "Substantial numbers" will be administratively defined, but in any case 1,000 units is deemed to meet the requirement for each category of the demonstration program, a total of 4,000 units under all sections of the bill.

The solar heating systems developed and contracted for by NASA must meet performance criteria prescribed by the National Bureau of Standards (NBS). These performance criteria are to be published 120 days after enactment of the bill. NBS will also prescribe performance criteria for the residential dwellings in which the equipment is to be installed, in order to assure satisfactory performance of the solar heating systems under varied climatic conditions. A design competition for homes meeting these performance criteria will be conducted by NBS so that an adequate number of "off the shelf" designs will be available to individuals and small builders to install solar heating systems.

The solar heating systems manufactured under contract to NASA are to be installed, half in Federal and half in private residential dwellings. Installation in Federal dwellings shall be carried out under arrangements made by the Secretary of Defense. The Secretary of Housing and Urban Development shall arrange for installation in privately owned and occupied residences.

Ownership of the heating systems shall remain with the United States Government for five years after installation. During this period, HUD utilizing NBS, will monitor and evaluate the performance and operation of the systems. At the end of this five-year period, in exchange for cooperation in the monitoring and evaluation program, title shall be transferred at no charge to the owner of the residences in which the equipment is installed. During the period of Government ownership, the expense of maintenance and repair of the heating system shall be borne by the Government.

Since HUD has general responsibility for administering this demonstration program after the heating systems have been manufactured, it also has responsibility for the monitoring and evaluation functions. It is expected that NBS will be delegated as much responsibility as possible in this regard. HUD must also report on the progress of the demonstration, and maintain a continuing liaison with the building industry and related industries during and after the demonstration program. The liaison will be directed toward assuring that the benefits of this demonstration program will be realized by the Nation on a continuing basis.

Development of residential combined solar heating and cooling systems

The assignment of administrative responsibilities for the combined heating and cooling demonstration program for residential dwellings is similar to that for the heating program. The major exception is that NASA is authorized to undertake a research and development program for combined solar heating and cooling systems that would meet the performance criteria. It is anticipated that this research and development phase will require about two years, hence the total time planned for the combined heating and cooling program is five years.

Commercial buildings

NASA and HUD, in a phased program similar to that for residential buildings, are directed to concurrently carry out solar heating and cooling demonstration projects with respect to a wide range of commercial buildings, such as school, industrial, office, agricultural, and apartment structures.

NBS is to participate in the commercial demonstration in ways similar to its participation in the residential dwelling program. Because of its unique responsibility for public buildings, the General Services Administration is expected to play an important role in this aspect of the overall program.

Amendment of NSF Act

The NSF Act of 1950 is amended to require the Foundation to initiate and support basic and applied research in solar heating and cooling in support of H.R. 11864. NSF is authorized to use funds appropriated directly to the Foundation or transferred to it from NASA or other agencies.

Dissemination of information—information data bank

As part of its responsibilities to assure continuing public benefit from this program, HUD is required to undertake comprehensive programs that would assure dissemination of all relevant information produced under this demonstration program. In addition to coverage in the annual reports of the various agencies participating in this demonstration program, HUD shall submit to the President and Congress a summary annual report detailing all activities relating to programs under this bill.

HUD is also charged with establishing and operating a Solar Heating and Cooling Information Bank. This bank shall collect, review, process and disseminate information on solar heating and cooling in order to support the objectives of the bill, and encourage the widespread utilization of information related to solar heating and cooling of buildings and water.

Studies and investigation

HUD is charged with studying, investigating and reporting on ways that building codes, zoning ordinances, and other laws and practices can be modified in order to facilitate widespread use of solar energy for heating and cooling buildings.

Increased ceilings on federally assisted mortgages or federally constructed housing

The bill provides for an increase in the ceilings on federally assisted mortgage loans, to the extent of the increased cost resulting from installation of solar heating and/or cooling systems. Unit cost ceilings of federally constructed housing are also increased to this extent.

The increases apply only to buildings specifically incorporated into this demonstration program. The amount of the increases may include but are not limited to the solar heating and/or cooling equipment, and special construction materials.

Small business

All Federal agencies participating in this demonstration program are charged with taking steps to assure adequate participation by small business firms.

Transfer of functions

Research and development functions vested in NASA and NSF by this bill would be transferred to any new permanent organization having jurisdiction over energy R. & D., such as the proposed Energy Research and Development Administration, should such an agency be established by law.

Authorization of appropriations

$50 million is authorized to be appropriated to NASA to carry out the demonstration bill for the five fiscal years beginning after the enactment of the bill.

Mr. BIESTER. Mr. Chairman, I am pleased that the House has before it today the Solar Heating and Cooling Demonstration Act, and as a cosponsor of a similar bill I rise in support of H.R. 11864.

Commentators have noted that, despite all its disruptive and negative effects, encouraging elements are to be found in the current energy situation. For one thing, we are having our energy consumption habits exposed for the excessive drain they have been, hopefully early enough for us to take constructive and positive action for the future. The fact that we have been misusing and abusing our limited energy resources over the years has struck home—in our personal and daily experiences—with unmistakable clarity. When the urgency of the present situation is put behind us, it should not relieve us of our responsibility to more effectively utilize and conserve our energy resources. We will, or should, have learned a lesson from this ordeal. For this reason, it is encouraging that the legislation now being considered will accelerate Federal involvement in a promising but as yet underexploited area of energy development.

Solar heating is not a radically new idea. Its potential has been recognized for many years, but its economic attractiveness—in terms of technological refinement and in comparison with more conventional energy sources—has not been such to make it worth the effort. The current situation, accompanied by a sharpened awareness of likely future energy demand and supply projections, has elevated solar energy to a priority position in the list of promising technologies.

The legislation before us provides for increased governmental efforts in research, development, and application of solar heating and cooling within the next 5 years, and $50 million in funds are authorized for these purposes. The National Aeronautics and Space Administration and the Department of Housing and Urban Development are given primary responsibilities, first, to engage in contracting R. & D. and manufacturing and, second, to apply this technology in operational heating and cooling systems. This measure offers needed investigation into the commercial practicality of solar energy, and the bill states that the systems must be demonstrated in differing climates and in differing types of structures, both governmental and private. It will encourage application on both a small scale as well as in larger projects. In addition to NASA and HUD, other Federal agencies will be brought into the picture and broad-based interest and support for these efforts have been voiced from within the Government. The involvement of agencies such as the National Science Foundation from a research perspective, the General Services Administration from a practical application standpoint and the Bureau of Standards from an evaluative position will be instrumental to the success of the legislation.

We must avoid overexpecting what solar energy can deliver. It will not replace oil, gas, and coal as a major fuel source, but it does hold potential as an ever-replenishable source of supplemental energy. We can hope, that as the result of this legislation, solar energy will be proven adaptable on both a small and large scale in a manner which makes it economically competitive with other energy sources. The ecological attractiveness of this nonpolluting, nondepleting resource must also be factored into any economic evaluation of its practicality.

Solar energy holds out the possibility for available, clean, and economic energy, and I strongly endorse passage of H.R. 11864.

Mrs. HOLT. Mr. Chairman, I rise to express my support for the passage of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973.

The current energy crisis has clearly demonstrated the finite nature of our fossil fuel resources. It has become abundantly clear that we cannot continue to increase our annual consumption of these resources without a corresponding increase in production. If we are to realize our goal of energy independence during the next decade, we must begin immediately to develop new and innovative sources of energy.

Solar power possesses great potential as a future source of energy. It is abundant and environmentally sound. Research in this field has been proceeding on a small scale for many years, but it has only recently received the widespread attention that it deserves. Existing methods of harnessing the sun's power have great potential, but they still remain costly and inefficient.

The bill before us today will authorize $50 million over the next 5 years to develop and demonstrate solar technology for heating and cooling residential and commercial buildings. The economic development of this relatively untapped resource could play an integral role in the long-term solution to the energy crisis.

I strongly urge my colleagues to join with me in supporting the passage of the Solar Heating and Cooling Demonstration Act of 1973.

Mr. PETTIS. Mr. Chairman, I sincerely regret that official business in my congressional district prevents me from being on the House floor to cast my vote in favor of the Solar Heating and Cooling Demonstration Act of 1973.

The need for this program has been amply demonstrated by recent events. The Arab oil boycott starkly illustrates the folly of allowing ourselves to become significantly dependent on foreign sources of energy. Even if this boycott is lifted tomorrow, it is clear the United States must develop new sources of power for the future.

Fossil fuels, foreign or domestic, are not inexhaustible. They are all too limited and will become even scarcer as their use accelerates in our increasingly technological and industrialized world.

The Solar Heating and Cooling Demonstration Act of 1973 represents a first step toward harnessing the greatest energy supply in our solar system—the Sun. Only through the development of new power sources like solar energy can this Nation or the world hope to attain energy self-sufficiency.

Mr. Chairman, I urge adoption of this bill.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I can easily envision a time, in the not-too-distant future, when we will look back on the energy crisis of 1973–74 as the beginning of the end of our dependency on the petroleum industry and the national shift to sun power—solar energy.

Near the turn of the 21st century we shall remember without nostalgia critical shortages of home heating oil and gasoline in the mid-seventies, highly inflated prices for all petroleum products, Mideast disputes, and oil embargoes, endless car lines at gas stations, and hazardous pollution alerts on muggy, overcast days.

I do not think any American will become teary-eyed while reminiscing over such memories as these.

Unfortunately, our dependency on the petroleum industry is not yet a memory, for today we are helpless without gas and oil. Our industries, our transportation, the heating of our buildings are all dependent on a resource that is rapidly being depleted as world demand continues to rise. The energy demands of this country alone will increase by five times the amount we are presently consuming by the year 2020. It is predicted that our domestic supplies of oil, gas, and low-cost uranium-235 could easily be exhausted after the turn of the century.

While these statistics may ring of pessimism, I believe that our recognition of the need for an infinite power source has placed us on the threshold of a brighter, cleaner, healthier future through the utilization of solar energy.

In 1971, the Solar Energy Panel reported to the President that with adequate research and development over the next 30 years, solar energy could provide at least 35 percent of the heating and cooling of future buildings, greater than 30 percent of the methane and hydrogen needed for gaseous fuels and eventually greater than 20 percent of the electrical power needs of our entire country.

Reports by the National Science Administration and the National Aeronautics and Space Administration—NASA—show that harnessing and storage of solar energy in solar collectors is feasible cost-wise. With continued experimentation and refinement solar energy will eventually become a reasonable energy source and will be competitive with other fuels.

Before petroleum products became so inexpensive in the 1910's and 1920's, many homes in Florida were heated by sun power through unsophisticated solar collectors. Today the higher prices of petroleum products emphasize the need to again direct our attention to the Sun.

It is now time that the millions of tax dollars that have been directed toward solar energy research in our space program be invested in solar energy research for the heating and cooling of our homes and buildings on Earth. At NASA scientists harnessed solar energy for use in solar panels on space capsules and for solar batteries which powered the car driven by our astronauts on the Moon.

I would like to call the attention of my colleagues to petition for Sun power which was organized by Mrs. Marge Hayden, one of my constituents in Attleboro, Mass. Thousands of people throughout the country have signed her petition and she hopes to have a million signatures of people who are lobbyists for the Sun within the next few months.

With the consent of my colleagues I would like to include this petition in the RECORD to show that there are hundreds of thousands of people who believe that we must begin the transition to solar energy through Federal funding for research programs such as the Solar Heating and Cooling Demonstration Act.

The petition follows:

OUR ANSWER TO THE PETROLEUM ENERGY SQUEEZE

Familiar to us all, regardless of our race or religion, sits a God-given power in the sky—the Sun. With man's intelligence, we can harness this free and never-ending energy from which I believe will grow love for the human race and a lasting peace here on our planet earth.

Immediate development of solar energy will be a giant step toward a clean and healthy future.

LOBBYISTS FOR SUN POWER.

Mr. BOLAND. Mr. Chairman, today we consider H.R. 11864, a bill to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling.

Over a 5-year period $50 million would be authorized for carrying out the necessary research and actual large-scale demonstration.

It is contemplated that within 3 years, a commercially acceptable prototype for solar heating of homes will be ready.

By the end of 5 years, it is hoped that a combined solar heating and cooling process—applicable to both private homes and all manner of commercial buildings—can be in operation. The principal responsibility in contracting for research, development, and manufacture of solar heating and cooling equipment, for both residential and commercial buildings, will rest with the National Aeronautics and Space Administration.

In all probability, several thousand solar heating units will be installed—half in Federal buildings and half in privately owned homes.

These prototype units will be monitored by the National Bureau of Standards—NBS—according to criteria established to assure their satisfactory performance under all sorts of climatic conditions.

The Department of Housing and Urban Development—HUD—will maintain overall supervision of the demonstration projects, once units have been manufactured.

Both NASA and HUD will share responsibility for the longer 5-year solar heating and cooling program, which will seek to establish projects in different commercial buildings, including apartment buildings, schools, office buildings, and industrial plants.

In order to supplement the NASA contracts, the National Science Foundation will be authorized, by this legislation, to initiate and support basic and applied research in solar heating and cooling.

Mr. Chairman, the great value of this legislation is that within a relatively short time, and at a moderately accelerated pace, this country can approach a technically and economically sound version of solar energy production capable of being quickly marketable.

Solar heating is a process that is workable and can rather quickly contribute—far more quickly than other means of energy production—a substantial source of heating and cooling energy.

Even before such processes become cost competitive with gas and oil heat, it will have become quickly evident that there are numerous other significant pluses on the side of solar energy.

To begin with, it is ecologically superior to any other form of energy generation that depends on the burning of fossil fuels. Solar heating and cooling will produce no harmful emissions, require no ugly powerlines, nor will it depend upon any foreign supply source. Solar energy is free—unlike fuel oil or natural gas. It cannot be boycotted by Arabs. Further, with more advanced technological advances, it can be stored in anticipation of cloudy days. Once installed, solar collectors for heating and cooling can operate for the life of the building which they service.

All of the advantages of solar energy generation are apparent. What it is hoped that H.R. 11864 can accomplish is to finance prototype models of working, efficient solar units that can be competitive enough to be installed on both existing and new construction.

Mr. Chairman, I feel that H.R. 11864 offers more than just a good chance for developing viable heating and cooling alternatives to the oil and gas with which most of our country heats and cools their homes. We possess the technology at this present moment. What we must do is produce a concerted and well-financed effort to develop commercial models that can put our technology on the market. The rewards can be great and they are within reach of this relatively short 5-year program. As a representative from New England, where 80 percent of the homes are heated by oil, of which nearly all is imported, I would be extremely remiss in my duty if I did not wholeheartedly urge a favorable vote from all my fellow Members on this bill. Further, as chairman of the Appropriations Subcommittee on HUD-Space-Science and Veterans' Affairs, I pledge to do all I can to see that this measure, if authorized, is adequately funded through the various agencies that will administer it.

Mr. BIAGGI. Mr. Chairman, I rise in support of the bill H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1974. The time is long overdue for this Nation to begin to look to the Sun for help in the quest to meet the critical future energy needs of this Nation.

It is symbolic that on the day we are considering this legislation, Mother Nature appears to be serving as a lobbyist for the bill, by providing us with an unseasonably warm sunshine-filled day which has made many of us forget it is the middle of February.

The need to undertake a comprehensive solar energy demonstration program has been apparent for years. Yet, it has taken until now, when we are in the midst of the most severe energy crisis since World War II, to even consider utilizing one of the greatest sources of energy known to man—the Sun.

We seem to have virtually ignored the vast potential which solar energy possesses. It represents a safe, economical, inexhaustible, and above all completely domestic source of energy, all of which are important in meeting our future energy needs. For one thing, we would be able to terminate our dependence on foreign nations who seem to relish in policies of energy blackmail. Solar energy could make this international competition and blackmail over energy resources virtually obsolete.

Consider some of the many uses of solar energy:

First. Through certain principles of biology, sunlight can be converted into organic materials that can be used as fuel;

Second. Through direct thermal conversion, sunlight can be absorbed and then turned into heat;

Third. Finally, through a photo-voltaic system, sunlight can be converted into electricity.

These provisions, as well as the fact that solar energy can be accomplished with little adverse environmental impact, make it a truly viable and exciting future energy source.

This legislation we are considering today would authorize $50 million over a 5-year period for an all-important comprehensive demonstration program which will show the effects of solar heating and cooling on millions of American homes and commercial businesses. The obvious goal of these programs is to encourage homeowners and businessmen to look no farther than the Sun for their future energy needs.

The bill will also allow the collective expertise of the National Aeronautics and Space Administration, the Department of Housing and Urban Development, and the National Science Foundation to be used to best explore the enormous possibilities which solar energy has for America's future.

In light of our present energy problems, and an equally bleak future, it would be foolhardy and dangerous for this Nation to continue to ignore solar energy. This bill represents an important first step, yet it is merely a first step. We need to begin to expand our present research and development programs. These programs need additional funding, as well as the creative thinking and bold leadership of the scientific community. This is especially true for solar energy, if it is ever to realize its full potential as a source of energy which all Americans can count on in the future.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of this landmark piece of legislation providing for the early commercial demonstration of solar heating and cooling technology.

During these past few, cold months of winter, our Nation has been forced to learn some very harsh facts of life. Specifically our Nation's supply of natural resources is limited.

We have also learned that we cannot and should not rely on other countries to help us meet our growing demand for energy.

While waiting in long lines to get just a few gallons of gasoline, at any price, we begin to realize the significance of this limited supply of resources for ourselves and our children.

This shortage has produced shock waves which have been felt in every segment of our political, social, and economic life.

Conservation has helped; but we need to develop better sources of energy. While coal is abundant, its present usage further pollutes our air. While we have the technology for nuclear energy, some of its potential dangers overshadow some of its merits.

However, the Sun is a great source of unlimited, clean, inexpensive energy. We have merely to develop the means to inexpensively harness it.

With the passage of this bill today, we will authorize the necessary funds for the research and development of solar heating and for the manufacture and demonstration of solar heating and cooling equipment.

Mr. Chairman, this is a very historic week. Our spacemen return to Earth after a record 84-day orbit in space. This was the culmination of our Nation's concentration of resources and technology in the space program. Let us apply that same determination to enable us to have a sufficient, inexpensive, and clean energy supply for our immediate use and for future generations.

Mr. TAYLOR of North Carolina. Mr. Chairman, the space program has produced our Nation's greatest scientific achievement. The Moon landing, the culmination of more than a decade of intense scientific and technical effort, is something that we and our children's children will always remember.

The practical applications of space technology will continue for decades into the future. Even now, programs utilizing Earth resources satellites are generating valuable data. However, there are no manned space flights programed for a number of years from now. Although the Space Shuttle will require a large amount of scientific and technical know-how, I see no reason why we cannot use space scientists for energy research today. NASA as an organization and its scientists and engineers as individuals can help push back the technical frontiers just as effectively as they did in space.

Mr. Chairman, H.R. 11864, the Solar

Heating and Cooling Demonstration Act of 1973, provides an opportunity for such NASA contributions. This is a very timely measure, designed to take the presently available hardware and move this energy conserving technology forward into commercial readiness.

We are all aware of the tremendous need at this time in our Nation's history to conserve our fossil resources, because of the present imbalance between supply and demand. However, this commercial demonstration project will also have an important impact on our foreign balance of trade, as well as promoting our national security through decreased dependence on supplies that can be interrupted at the whim of other nations.

One particularly important feature of this bill is its inclusion of a major section on commercial buildings. The committee hearings on this bill have brought out the historical importance of the commercial market in introducing new technologies into the building trades and it is this aspect of the bill that I wish to concentrate on in the few minutes I have available.

Section 7 of this bill provides that the Administrator of National Aeronautics and Space Administration and the Secretary of Housing and Urban Development shall be responsible for this commercial buildings phase of the project, in consultation with the General Services Administration and the National Bureau of Standards. Their activities may include demonstration projects on apartment buildings, office buildings, factories, agricultural structures—including crop-drying facilities—public buildings—including schools and colleges—and other commercial or industrial buildings. In short, this section can be construed to include every conceivable type of building other than residential dwellings.

It is entirely appropriate that the major emphasis of this bill be directed to the residential market; not only is the residential sector a larger consumer of energy, but much greater national exposure can be generated through the larger number of residential units that can be produced with a given number of Federal dollars. Nevertheless, there are many features of a commercial buildings demonstration which demand its inclusion. Chief among these reasons are that this sector of the building market is apparently the one nearest to commercial readiness, and also historically this sector of the market has been the one that has introduced many of the present-day technologies that are common in the residential market. The reasons for this downward diffusion from the commercial buildings market seems to be twofold: There is a market conditioning based on economics and aspiration on the part of the homeowner for those architectural features or devices which can be observed in higher priced buildings or homes. Examples of such features are air-conditioning, thermopane windows, dishwashers, and even trash compactors.

It is important, therefore, that the project administrators take account of this historical trend in the innovation of new technologies. Fortunately, we can already begin to see the early evidence of interest in solar heating and cooling on the part of some businesses—and especially among those who both build and occupy their own building. Solar energy can only be justified with long-term cost accounting; it definitely requires a larger initial outlay for the greater amount of hardware. Speculative builders will therefore avoid the use of solar equipment unless forced to do so for such reasons as loss of supply of fossil fuels.

In summary, I wish to commend the chairman of the committee and subcommittee, Mr. TEAGUE and Mr. McCORMACK, for bringing this legislation to the floor of Congress at such an important time. Not only will the commercial phases on which I have concentrated benefit, but I predict that agricultural structures, and factories will be heated and cooled by solar energy in the near future. It is a pleasure to support H.R. 11864 in helping to bring this about.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973. I was proud to join with the author of this bill, the gentleman from Washington (Mr. McCORMACK), in cosponsoring this legislation back in October of last year.

This bill authorizes $50 million over a 5-year period for solar energy heating and cooling demonstration projects, both for residential and commercial structures. Specifically, the bill establishes a 3-year program to demonstrate the practical use of available solar heating technology and a 5-year program to develop and demonstrate the practical use of combined solar heating and cooling technology. These programs will be carried out under the direction of the Administrator of the National Aeronautics and Space Administration, in cooperation with the Department of Commerce and Housing and Urban Development and other Federal agencies.

Under this legislation, the Secretary of Commerce would promulgate performance criteria for solar energy systems. Designs then would be selected from qualified applicants and contracts would then be let for the production and installation of the systems in Federal and private, commercial and residential buildings. HUD would be assigned responsibility for monitoring these latter stages of the program; the National Science Foundation is charged with supplying the backup support for basic and applied research on these programs. It is estimated that some 4,000 units will be involved in this demonstration program, approximately half of which will be Federal units and half private.

I think it is important to point out that this is a Federal demonstration program of a very limited duration. We are not talking about putting the Federal Government permanently into the solar utility business. The main purpose of this bill is to provide for the early development and commercial demonstrations of these systems. Hopefully, this experiment will prove that the systems are technologically viable and commercially feasible. At present, existing models of collectors are inefficient and costly and research is required to improve upon the technology and insure that the systems are suitable for commercial marketing.

I wish to commend the committee on providing in section 13 for the easy transfer of this program to the Energy Research and Development Administration once that authorizing legislation is enacted. I think it is most important that our various energy R. & D. programs be concentrated in a single agency; it would be a mistake and self-defeating for us to get off on the wrong foot by passing legislation which would only contribute to the proliferation and fragmentation of new energy development efforts. This solar energy program must be an integral part of our overall program for developing new energy sources. It must be viewed as an essential part of "Project Independence" which is aimed at developing greater American energy self-sufficiency over the next decade.

I think this bill clearly recognizes that need and the importance of this program as part of our overall effort. Over 25 percent of the energy consumed in this country now goes for heating and cooling systems at a cost of some $18 billion a year. The National Science Foundation has estimated that solar energy could ultimately provide half the energy needs of single-family dwellings and thus save up to 5 percent of our annual consumption of fossil fuels, or a $12 billion savings by the year 2000.

I commend the gentleman from Washington (Mr. McCORMACK) on his pioneering work on this legislation, and I proudly join with him in support of this measure.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 11864, which is similar to a bill I cosponsored last year, as one step in the effort to harness new sources of energy for the future.

The Solar Heating and Cooling Demonstration Act of 1973 would authorize $50 million over a 5-year period for the development and testing of a number of advanced solar climate control systems in public and private buildings to evaluate and increase their efficiency.

Solar energy is a primary energy form. Fossil fuels, which we are so dependent upon today, were formed by solar energy eons ago. Solar energy is limitless, it will be available to man so long as the Sun exists. Solar energy is clean, it will never pollute the air we breathe or water we drink. Solar energy is easily adapted: it can be used in small-scale plants to heat and cool buildings, in commercial applications, and, ultimately, in large-scale extraterrestrial collection and conversion stations to produce electricity, and even gigantic satellite electric power generating stations.

Solar energy has already, on a small scale, proven to be a viable energy alternative. As I have recently witnessed, it is widely used in Israel for hot-water heating in apartments and other homes. For larger units to be made commercially and economically available to the general public, certain technical and design problems must be worked out. This legislation would allow the Federal Government to commit the resources needed to work out these bugs and bring on line solar-powered climate control units that could be produced for mass consumption.

This bill also represents the Congress' recognition that innovative programs such as this must not be authorized haphazardly, but must be a part of a concerted, centralized, and well-planned energy research and development program. Section 13 of this bill would insure that organizational conflicts are avoided by specifying that this project would be merged into whatever centralized energy research agency is ultimately created by the Congress to spearhead the development of America's energy resources.

I commend the committee on its foresight, and urge the adoption of this legislation.

Mr. MEEDS. Mr. Chairman, I appreciate this opportunity to express my support for passage of H.R. 11864, the Solar Heating and Demonstration Act. At a time when the price of heating oil is rising as regularly as the Sun, it is incumbent that we utilize existing technology to benefit homeowners.

Solar energy is free. It will not be stopped for political reasons, held for ransom by multinational corporations, or rationed to waiting lines of automobiles. The purpose of this bill is to prove the economic viability of solar home heating and bring it within the reach of the average citizen.

Even now, considering the expense of converting a home to solar heating, the estimated lifetime cost is about 25 percent less than current electric heat costs. It would have cost 20 to 25 percent higher than gas and oil heating but price increases will soon eat away any advantage enjoyed by conventional systems.

Although the Second District of Washington is in the Puget Sound area, where it rains frequently, utilization of existing sunlight may prove an economical supplement to conventional home heating.

It was my privilege to be a cosponsor of the bill of my friend and colleague, the gentleman from Washington (Mr. McCORMACK) and I commend him and the committee for the finished product. I urge its passage.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in support of H.R. 11864 which provides *for* a 5-year, two-staged practical demonstration project to consider the potential of solar energy.

The bill calls for an initial appropriation of $50 million for the 5-year program to be divided by amounts of $4.5 million in 1975; $8 million in 1976; $11.5 million in 1977; $12.5 million in 1978; and $13.5 million in 1979.

The bill would direct the National Aeronautics and Space Administration and Department of Housing and Urban Development to demonstrate within 3 years the practical use of current solar heating technology for residential dwellings, and also to develop within 5 years the use of combined solar heating and cooling systems for residential and commercial buildings. I urge my distinguished colleagues to consider the need for this bill.

This Nation has always been able to respond to difficult problems with unique solutions. This is one of those times that calls for the application of some native American ingenuity.

The implementation of this program would have a twofold effect. For rural areas, solar energy, properly developed, could be a more efficient method for heating and cooling than transported fuel or energy. For our crowded urban residential and commercial areas, methods may be discovered to utilize this unending energy source. In the future, fuel storage, shortages and allocation dilemmas might be unknown in our metropolitan centers of commerce.

The scarcity of our present energy supply obviously brings to the forefront the importance of developing alternative sources of energy.

Mr. PRICE of Illinois. Mr. Chairman, as chairman of the Joint Committee on Atomic Energy, I have been exploring the potential application of alternative power sources to help ease the energy crunch. New sources of power are necessary if our Nation is to continue its present rate of growth. The United States, with about 6 percent of the total world population, consumes 35 percent of the planet's total energy and mineral production. Each year the energy requirements of the U.S. population increase. From 1960 to 1970 U.S. oil use increased 50 percent while coal usage was up about 40 percent. Growth is dependent upon energy. The United States must insure its future through the development of alternative energy sources.

The Solar Heating and Cooling Demonstration Act is a bill that will research the potential and use of solar energy. It provides $50 million for a two-stage demonstration program of solar heating and cooling technology with the research directed toward the heating and cooling requirements of both residential and commercial buildings. Under the Departments of Defense and Housing and Urban Development 2,000 units will be designed and installed to provide adequate home heating and cooling systems. The results of the demonstration will be closely monitored to determine the practical effectiveness of the units. The success of such a project would be a big step in assuring the United States of adequate power sources.

In conjunction with the demonstration projects the National Science Foundation is directed to carry out basic and applied solar energy research. Other portions of the bill establish an information bank and provide for the coordination of Federal energy efforts.

Development and application of solar energy as a power-producing resource—hopefully in the next 20 to 25 years—could help the United States achieve its long-range energy goals. But the success of such a project depends upon our actions here and now. I urge my fellow colleagues to join me in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act.

Mrs. SCHROEDER. Mr. Chairman, the Solar Heating and Cooling Act is the precursor of legislation which will come out of this Congress to meet the need for long-term planning to combat the energy crisis. This legislation originated with Congress and with the numerous people in this country who advocate solar energy and who have lent their abundant knowledge to Congress. This legislation is opposed by the administration. After all, it did not conceive it. It has been, and still is, too worried about the problems of the oil and gas industry—the vested energy interests—to be concerned with developing new energy sources. Indeed, the administration is walking around under a dark cloud, and has been so walking for so long that I doubt it knows the Sun is still shining.

My district of Denver, Colo., is known as the Mile High City. Being up in the air, as it were, it can collect a great deal of the Sun's rays. Indeed, in the environs of Denver there are numerous progressive people who have solar houses, collecting the yet free rays of Old Sol, and paying little to the utility companies for their energy needs. These pioneers, and many more like them throughout the country, have laid the basis for further development of solar energy. The Solar Heating and Cooling Act is needed to tie together these small deeds and to demonstrate to those who say it cannot be done that the clean, quiet, and cheap Sun can supply our country with a needed energy source.

This legislation, introduced by Congressman MIKE McCORMACK, has the support of many Members. I salute Congressman McCORMACK for his sunny outlook.

Mr. HANSEN of Idaho. Mr. Chairman, not long ago, proposals for using the Sun's energy to generate electricity were apt to be received with considerable skepticism. Within a few agencies of the Government and at an increasing number of university and industry laboratories, this is no longer the case

The exciting prospects of this type of energy have encouraged a score of prestigious scientists and engineers to begin work in earnest to develop methods to convert the Sun's radiation into forms useful to man—heat, electricity, and chemical fuels. A report issued by the National Science Foundation-National Aeronautics and Space Administration Solar Energy Panel estimates that by the year 2020, solar energy could provide 35 percent of heating and cooling in buildings, 30 percent of the Nation's gaseous fuels, and 10 percent of its liquid fuels, and 20 percent of its electrical needs. Additionally, the report notes that the cost of solar energy is competitive now to the cost of heating by fossil fuels in some parts of the country, and could supply as much as 80 percent of the heat needs in sunny climates.

I have recently had an opportunity to visit two of the Atomic Energy Commission's national laboratories where exciting progress is now being made in the field of solar energy—the Lawrence Berkeley Laboratory of the University of California, and the Sandia Laboratories in Albuquerque, N. Mex.

The Lawrence Berkeley Laboratory has developed a broad, comprehensive program of solar energy research and development that addresses essentially all the major aspects of solar energy. This program brings together the many disciplines required to assure timely success in so broad an endeavor: physicists, chemists, biologists, architects, mechanical engineers, electrical engineers, and economists are all involved. It is the presence of this wide range of expertise, combined with a tradition for excellence in scientific inquiry, that makes a national laboratory such as Lawrence Berkeley Laboratory a unique American resource.

The value of this resource has been recognized in the proposed establishment of ERDA. The Berkeley Lab has joined with an industrial firm, United Technology Center—a Division of United Aircraft Corp., and a public utility, Pacific Gas and Electric Co. to form a collaborative effort that has the capability to design, test, manufacture, install, and maintain solar energy heating systems for homes throughout the northern California area. The Berkeley Lab is currently involved in investigating the possibilities for cooling of buildings in its research with Nitinol, a material with unique thermal properties, to drive air conditioners, utilizing only the heat available from roof-top solar collectors.

The possible techniques for the generation of electric power from solar energy include direct conversion by solar cells, such as those used in satellites and photothermal conversion, in which the solar energy is first collected as heat, and the heat is then used to generate electricity. Both of these techniques are being studied at the Berkeley Lab. In the area of direct conversion, the Berkeley Lab is doing important research in materials and surfaces that can be applied to the search for low-cost solar cells. Present LBL research involves polycrystalline thin films, and the use of organic dyes to construct solar cells of greatly enhanced efficiency.

The Berkeley Lab is also engaged in an imaginative project relating green-plant photosynthesis to the generation of electricity through the incorporation of plant cell molecular systems into a solar cell assembly. In a related project, the Berkeley Lab is also studying the possibility of the photosynthesis production of hydrogen using synthetic compounds to produce hydrogen fuels.

The possible environmental impact of large scale solar energy projects is also being studied by the Berkeley Lab, and this environmental perspective is being maintained in all of the Lawrence Berkeley Laboratories' projects to harness the power of the Sun to fill the energy needs of mankind.

Another exciting solar energy project is currently underway at the Sandia Laboratories in Albuquerque, N. Mex. The Sandia project envisages collection of solar energy at a central area in a residential or commercial complex, conversion of a portion of the energy to electricity by means of a conventional turbine generator, and distribution of the remainder of the energy to homes or businesses for space heating and cooling. Studies at Sandia have indicated that the most economical sizes for solar energy collector installations range from 100 to 2,000 residences. This range of sizes would allow employment of full-time plant operators. The homeowner would perceive no difference from his present way of getting energy, except receiving a bill for hot water instead of gas or oil.

This concept that involves providing the total energy package also offers a potential advantage over just space heating and cooling alone. In the United States there are many days in the year when neither heating nor cooling is required; a solar heating installation is then sitting idle. But electrical demand exists year-round, and therefore the system can be continuously utilized.

The Sandia program involves three phases, the first of which is 80 percent complete. This first phase has involved preliminary system analysis and feasibility experimentation. Data has been collected on the performance of the first-generation solar collectors, and this phase of the Sandia program will be completed by June, 1974.

Phase II of the Sandia program involves the design and construction of an operating pilot plant. A complete solar total-energy installation of about a "10-house" size is scheduled to be in operation by June 1975. The energy from this plant will be used to light, heat and cool an existing 12,000-square-foot building at Sandia Labs, and the experimental facility has been designed to accommodate improved or alternate solar engineering equipment which may come from continued research at Sandia or from other R. & D. efforts.

Phase III of the Sandia program will involve the design and construction of a demonstration project. Upon successful operation of the pilot plant, which is expected to yield greatly improved data about system operation and increased confidence in engineering feasibility, it is hoped that a joint venture with a public utility or cooperative can be undertaken to build an actual demonstration plant. Sandia Labs estimates that such a venture could be started in calendar year 1976. At that time it is anticipated that prospects for widespread application of the concept would encourage commercial or industrial participation.

The potential for energy alternatives to fossil fuels is difficult to assess in noncontroversial terms. It has been estimated that if new residential construction between 1980 and 1985 were powered by solar total-energy systems, the energy savings would approach the equivalent of 1 million barrels of oil daily. And the savings would continue, of course, long past 1985. Conversion of existing buildings, which might be feasible in some cases, could add to the energy savings.

Solar energy holds out great promise for contributing significantly to the concepts embodied in Project Independence. Whether this promise will be realized depends greatly on the technical and economic feasibility of the solar total-energy concept. The Lawrence Berkeley Laboratories and the Sandia Laboratories hope to get answers to both of these questions.

Important projects such as these, and other energy R. & D. efforts being conducted by other national laboratories, deserve the full support of Congress and the American people. The challenge of Project Independence is great—but the rewards of success in our energy endeavors will be well worth our scientific, political and public effort.

Mr. GONZALEZ. Mr. Chairman, I support the Solar Energy Act, because it represents one necessary step in the direction of finding new sources of energy. This will be an inexpensive program, and one that holds much promise for future development.

Yet I think all of us realize that no one technological step is going to resolve the energy problem.

The production of electricity consumes huge amounts of relatively limited natural resources. Some 25 percent of all our natural gas is consumed for electric power generation, and this is one of our scarcest resources. In some places it will be practical to use coal to substitute for natural gas—but this still creates vast problems in terms of environmental pollution, transportation and storage. So clearly we have to find not just new fuels, but new technologies for producing electricity, and this bill is a step in that direction.

Nevertheless it is only part of what must be done.

Clearly the greatest promise in the future for meeting our power needs lies in the field of nuclear generation. Even in this field, however, the need for new technology is clear and urgent.

We have only a limited amount of fuel for conventional fission reactors—perhaps only enough for 20 or 30 more years of use. After that something new must be found.

There are two possibilities for new nuclear power generating technology—the development of breeder reactors, which produce their own fuel, and a wholly new concept, that of fusion.

Breeder technology is in a fairly advanced state, but I have my doubts that this is really the best answer to our ultimate needs. In terms of danger to the environment and the possibilities of accident, such reactors are not essentially any better than existing units.

Fusion technology is different. It allows the use of virtually limitless, cheap resources. It is a technology that promises to be far safer than existing fission reactors, and which produces less danger to the environment. Conceivably, fusion reactors would be safe enough to locate in heavily settled areas, which would greatly alleviate one of the most serious problems now confronting the development of any new generating facilites—that of power-plant siting.

There is no question that fusion technology involves extremely difficult problems. For one thing, operating temperatures involved in this process are so high that it is impossible to build a container vessel that would hold the materials involved; this will have to be done by developing a magnetic "bottle" of one design or another. And there are other problems as well. However, the possibility of having a safe, inexhaustible source of power is so great that it cannot be ignored. Every effort should be made to determine at the earliest possible time whether fusion technology is feasible, and I think that the answer is going to be a resounding yes.

Other countries are pressing forward with fusion technology. They see in it enough promise to proceed with all possible speed. Our own approach has up until now been far more conservative and deliberate. I wonder whether this is wise, in these critical days.

I believe that we are obliged to search out every possible source of new energy, to spend all that we need to spend on it, and have in place alternatives for the future. We already know that the price of running out of fuel, or exposing the Nation to the whims and aggressive tactics of fuel suppliers from abroad, is too great to pay. The only way to be prepared against the day when our natural gas resources run short, or the possibility that fission reactors, even those of the breeder type, might be inappropriate to our needs, is to find still other possible answers. Solar energy is one. Fusion technology is another. I renew my call, which I made a year ago, for the country to enter into a crash program for the development of fusion as a process for large scale electricity generation. There is no time to lose, when our needs are so great, and when the promise of this technology is so great. It may be that in this new approach we have the answer that is big enough to solve our problem.

I urge the committee, and the House, to consider this, and bring forward a program of research that will enable us to cover every potential avenue, every possible means of protecting ourselves against future power drought, and making us once more what we always have been—the world's leading producer of energy. That is the one sure way of assuring our continued leadership in the world economy.

Mr. GOLDWATER. Mr. Chairman, our modern civilization is built upon our ability to harness the potential of energy and to make it work for us. In the Sun, we have an obvious source of tremendous energy which most of us are convinced must be harnessed in order to meet this Nation's future energy requirements.

Collectively, the various applications of solar energy have the potential for not only helping to meet our short-term increases in energy demand, but ultimately, the potential for meeting most of the world's energy needs. Unfortunately, any substantial realization of solar energy's benefits appears to be in the far distant future. Solar conversion technologies in their present state of development cannot contribute in any significant way to the relief of the present crisis.

Mr. Chairman, I rise in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act of 1973. Prompt action on this legislation will be a significant step in making solar energy a practical and viable alternative to conventional energy sources within the next 5 years.

The use of solar energy to heat and cool homes and other buildings is the solar application closest to practical use and involves technology which has been in existence for almost half a century. There is no doubt that the technology is well proven, but what is missing is involvement by large manufacturers. It is a vicious economic cycle—the lack of mass-produced solar hardware which has kept equipment costs up and the marketplace small. This limited demand has in turn prevented major manufacturers from mass producing solar hardware.

I am strongly convinced, however, that the present legislation will break that cycle by involving manufacturing firms in the mass production of solar heating and cooling hardware. This then will lead to lower equipment costs and making solar heating and cooling a practical approach to conventional alternatives.

But H.R. 11864 does not provide a quick solution to the energy crisis. It cannot provide any relief this winter or for a number of winters to come. It is instead an important and realistic step toward a long-range solution of our energy problems. It is important because it is aimed at one of the largest energy-consuming sectors of the U.S. economy. It is realistic because it focuses on just one application of solar energy which is an application requiring the least amount of time to develop it to the point whereby it can contribute materially to alleviating our fuels' crisis.

I would like to elaborate further on these two points.

IMPORTANCE

According to a Stanford research study performed in 1972 for the President's Office of Science and Technology, the energy consumed for space heating, air-conditioning, and water heating in residential and commercial buildings during 1968 amounted to approximately 15,000 trillion British thermal units of thermal energy, or about 25 percent of the total U.S. energy consumption for that year. In terms of crude oil, this is an astounding 2.5 billion barrels. The Department of the Interior projects an energy consumption of 116,630 trillion British thermal units by 1985. If patterns of energy consumption remain at approximately the same levels, the energy consumed for space heating and hot water in 1985 will be equivalent to about 4.9 billion barrels of crude oil.

If we act now, however, by 1985 solar heating and cooling will have a significant impact on the Nation's energy budget. Granted, the impact will be small at first, but if even 1 percent of the energy required for domestic purposes is met by solar energy by 1985, approximately 50 million barrels of crude oil will be saved.

It is also interesting to note that the cash value of that many barrels, imported from Libya as an example at today's prices, would pay for the present solar energy legislation 10 times over.

REALISTIC

H.R. 11864, by concentrating exclusively on the development of solar heating and cooling technology, will make it possible to utilize energy in a significant and practical manner in the shortest possible time. The National Science Foundation has identified six diverse applications of solar energy. In addition to solar heating and cooling, there is solar thermal energy conversion, photovoltaic conversion, bioconversion, wind energy conversion, and ocean thermal energy conversion. Undoubtedly, the other applications will be important in the future, possibly surpassing heating and cooling in significance.

But for the present, it is most important that the public be made aware of the potential utility of solar energy. Solar heating and cooling, because it is furthest along in development, and because it is closest to economic feasibility, is the logical target to be the first solar technology developed. The large-scale demonstration projects provided for by the bill will make this application highly visible to the public. Most importantly, the demonstration projects will stimulate the R. & D. activity of a large number of major manufacturers and lead to the mass production of solar hardware.

Mr. Chairman, since the very beginning of mankind, solar power—the greatest of all energy resources—has been taken for granted and largely ignored. In this day of pressing energy needs, this is an attitude we can no longer afford. I, therefore, urge my colleagues to give H.R. 11864 their fullest support.

Mr. MATSUNAGA. Mr. Chairman, as a cosponsor of this landmark legislation, I am pleased to voice my support for H.R. 11864, the proposed Solar Heating and Cooling Demonstration Act of 1973.

There is scheduled for debate on this bill, Mr. Chairman, 1 hour. During that hour, the Sun will beam to Earth as much energy as mankind uses in a year and a half. That energy is clean, does no damage to the environment. It cannot be embargoed by an unfriendly foreign government. It is free, a most remarkable attribute for any fuel.

In my own State of Hawaii, there is an abundance of sunshine, and the potential for solar energy shouldering a major part of the energy burden is great. But scattered demonstrations have shown that even cloudy skies may be no deterrent for some heating and cooling purposes.

The program outlined in the pending bill is a sound one. It envisions a two-step process, in which NASA and HUD play complementary roles—NASA will oversee the initial stage, contracting for the heating and cooling equipment itself, then HUD will supervise the use of these units in buildings of various types.

Mr. Chairman, this is not a research-and-development bill. The R. & D. phase of solar energy has already been completed. What remains, at least in the areas of space heating and cooling, is to demonstrate the commercial viability of these processes. That is precisely what H.R. 11864 will do.

The goals in the bill are very specific: a demonstration of solar heating technology in 3 years, and combined solar heating and cooling technology within 5 years.

Mr. Chairman, the $50 million authorization contained in H.R. 11864 will, in my judgment, yield a very high return on the investment. If, for example, 15 years from now, only 1 home in 10 in America receives, say, 80 percent of its heating and air-conditioning from solar energy—and that is certainly a modest goal—we would be saving over a million barrels of oil, or more than $10 million, each day.

Mr. Chairman, I have for many years advocated the development of alternative energy sources. In Hawaii, as many of my colleagues are aware, there exists a great potential for using the power of the Earth—geothermal power—for energy. I can remember testifying in support of geothermal legislation in 1967. I trust that the Science and Astronautics Committee, which has done such an admirable job on the pending measure, will soon act on legislation in this alternative energy source.

In any event, Mr. Chairman, H.R. 11864 represents a timely and necessary "next step" in the development of the energy source with the greatest long-range potential, the Sun. I urge its overwhelming approval.

Mr. ZWACH. Mr. Chairman, I rise in support of H.R. 11864, a bill designed to provide for the early commercial demonstration of the technology of solar heating and cooling by the National Aeronautics and Space Administration—NASA—and the Department of Housing and Urban Development—HUD—in cooperation with a number of other agencies.

Back on October 30 of last year, I joined with my distinguished colleague from Washington State (Mr. MCCORMACK) in introducing H.R. 11179. That bill is almost identical to the one we are studying today.

I would like to commend the membership of both the Energy Subcommitee and the full Science and Astronautics Committee for their expedient work on this legislation.

The sun is an untapped ocean of energy. This source of power should have been developed a long time ago, but now due to our present energy crisis, we are finally beginning the "big push" to explore new, clean alternatives to oil and gas.

On January 21, 1974, I announced the approval of a $358,000 grant from the National Science Foundation to install an experimental solar energy collector at the North View Junior High School in Osseo, Minn.

The system will be built, installed, and monitored by Minneapolis Honeywell. Four schools have been selected throughout the United States for these experimental installations, one in South Boston, Mass., one in Warrenton, Va., one in Baltimore, Md., and North View at Osseo.

At North View, the 5,000 square foot array of solar energy collectors will be located on the ground. In two of the schools, they will be on the roofs.

The solar energy systems will not replace the regular heating systems in the test schools. The regular heating systems will continue to meet the primary heating needs.

The reason for the accelerated effort for installation and operation and the experimental equipment is to permit the gathering of data on some solar heating systems during the current heating season. The systems are expected to be operational by March 1.

With only four schools in the entire United States selected for these experiments, I am gratified that one of them is located in our Minnesota Sixth Congressional District.

In order for solar heat to be used extensively commercially and in our homes, we need to research the subject thoroughly. H.R. 11864 provides the necessary machinery and some of the money needed to get the required data.

The basic solar heat collector is rather simple to make. It could be manufactured in quantities by aluminum door and window manufacturers. The Sun's rays pass through glass to heat water that is running over metal blackened to absorb heat.

The hot water goes to an insulated storage tank from where a blower may force heated air through ducts around the house. The heated water also could be distributed to radiators throughout the house.

There are no technical roadblocks in the path of development of solar energy; it is merely a matter of getting on with the program. I am hopeful that our present shortage of fossil fuels will now move this solar program forward. H.R. 11864 is a necessary first step.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solar Heating and Cooling Demonstration Act of 1973".

FINDINGS AND POLICY

SEC. 2. (a) The Congress hereby finds that—

(1) the current imbalance between supply and demand for fuels and energy is likely to persist for some time;

(2) the early demonstration of the feasibility of using solar energy for the heating and cooling of buildings could help to relieve the demand upon present fuel and energy supplies;

(3) the technologies for solar heating are close to the point of commercial application in the United States;

(4) the technologies for combined solar heating and cooling still require research, development, testing and demonstration, but no insoluble technical problem is now foreseen in achieving commercial use of such technologies;

(5) the early development and export of viable solar heating equipment and combined solar heating and cooling equipment, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(6) the widespread use of solar energy in place of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment;

(7) the mass production and use of solar heating and cooling equipment will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense; and

(8) commercial application of solar heating and combined solar heating and cooling technologies can be expedited by early commercial demonstration under practical conditions.

(b) It is therefore declared to be the policy of the United States and the purpose of this Act to provide for the demonstration within a three-year period of the practical use of solar heating technology, using current technology for this purpose, and to provide for the development and demonstration within a five-year period of the practical use of combined heating and cooling technology.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "solar heating", with respect to any building, means the use of solar energy to meet such portion of the total heating needs of such building (including hot water), or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods), as may be required under performance criteria prescribed by the Secretary of Commerce acting through the National Bureau of Standards;

(2) the terms "solar heating and cooling" and "combined solar heating and cooling", with respect to any building, mean the use of solar energy to provide both such portion of the total heating needs of such building (including hot water) and such portion of the total cooling needs of such building, or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods) and such portion of the total cooling needs of such building, as may be required under performance criteria so prescribed, and include cooling by means of nocturnal heat radiation or by other methods of meeting peakload energy requirements at nonpeakload times; and

(3) the term "residential dwellings" include mobile homes.

CONDUCT OF ACTIVITIES IN SOLAR HEATING AND COOLING TECHNOLOGIES BY NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 4. Section 203 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473) is amended by redesignating subsection (b) as subsection (c), and by inserting immediately after subsection (a) the following new subsection:

"(b) The Administration shall initiate, support, and carry out basic and applied research, development, demonstrations, and other related activities in solar heating and cooling technologies, including (to the extent that funds are appropriated therefor) activities as provided for in sections 5, 6, and 7 of the Solar Heating and Cooling Demonstration Act of 1973.".

DEVELOPMENT OF SOLAR HEATING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

SEC. 5. (a) The Administrator of the National Aeronautics and Space Administration (hereinafter in this Act referred to as the "Administrator") in consultation with the Secretary of Housing and Urban Development shall promptly initiate and carry out a program as provided in this section for the development and demonstration of solar heating systems for use in residential dwellings.

(b) (1) Within 120 days after the date of the enactment of this Act, the Secretary of Commerce, acting through the National Bureau of Standards and in consultation with the Administrator and the Secretary of Housing and Urban Development, shall determine, prescribe, and publish—

(A) performance criteria for solar heating equipment and systems to be used in residential dwellings, and

(B) performance criteria (relating to suitability for solar heating) for such dwellings themselves,

taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1), the Secretary of Commerce, acting through the National Bureau of Standards and in consultation with the Administrator and the Secretary of Housing and Urban Development, will select on the

basis of open design competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of solar heating systems meeting the performance criteria prescribed under paragraph (1) (A). Any such design competition shall be open to all recognized professionals (including advanced students engaged in studies at recognized schools in architecture, engineering, or related fields) who are qualified to design houses to demonstrate solar heating.

(c) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958 and in consultation with the Secretary of Housing and Urban Development, shall—

(1) (A) enter into such contracts as may be necessary or appropriate for the development (for commercial production and residential use) of solar heating systems meeting the performance criteria prescribed under subsection (b) (1) (A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria); and

(B) if the Administrator determines that it would expedite the program under this section or otherwise accelerate the achievement of the objectives of this Act, provide by contract or otherwise for the manufacture or production of prototype solar heating systems (by the persons with whom the development contracts under subparagraph (A) were entered into), and for the installation of such prototype systems in residential dwellings meeting the performance criteria prescribed under subsection (b) (1) (B);

(2) enter into contracts with a number of persons or firms for actual manufacture and production of solar heating systems as developed under contracts described in paragraph (1) (A) (including adequate numbers of spare and replacement parts for such systems); and

(3) take such action as may be necessary or appropriate—

(A) in conjunction with and under arrangements which shall be made by the Secretary of Defense, to secure the installation of such systems, manufactured on a mass production basis, in substantial numbers of residential dwellings which are located on Federal or federally administered property where the performance and operation of such systems can be regularly and effectively observed and monitored by designated Federal personnel, and

(B) in conjunction with and under arrangements which shall be made by the Secretary of Housing and Urban Development, to secure the installation of such systems, manufactured on a mass production basis, in substantial numbers of residential dwellings which are privately owned and occupied.

The residential dwellings referred to in *subparagraphs (A)* and (B) shall be located in a sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating systems involved, and of the dwellings themselves, under climatic conditions which vary as much as possible. Title to and ownership of solar heating systems which are installed in residential dwellings as provided in subparagraph (B) shall remain in the United States; except that if the owner and occupant of any such dwelling agrees at the time of the installation of the system or of the purchase of the property, in such manner and form and on such terms and conditions as the Secretary of Housing and Urban Development may prescribe, to observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of such system for a period of five years, and such owner and occupant (including any subsequent owner and occupant of the property who also makes such an agreement) regularly furnishes the Secretary with such reports thereon as the Secretary may require, title to and ownership of such system shall vest in the owner and occupant (including any such subsequent owner and occupant) at the close of that period.

For purposes of subparagraphs (A) and (B) of paragraph (3), solar heating systems shall be considered to have been manufactured on a mass production basis and installed in substantial numbers of residential dwellings if they are manufactured and installed in sufficient numbers (as determined by the Secretary of Housing and Urban Development in consultation with the Administrator) to assure a realistic and effective demonstration in support of the objectives of this Act; except that in any event, for purposes of either subparagraph (A) or subparagraph (B) of such paragraph, they shall be considered to have been so manufactured and installed if they are installed in one thousand or more such dwellings under that subparagraph.

(d) The Secretary of Housing and Urban Development, utilizing the National Bureau of Standards and in consultation with the Administrator and the Secretary of Defense, shall have the general function of monitoring the performance and operation of all solar heating systems installed in residential dwellings under this section, and of collecting and evaluating data and information on such performance and operation; and he shall from time to time make such findings and recommendations and take such other actions (including the submission of special reports to the Congress when appropriate) as may be necessary to assure that the program under this section effectively carries out the objective of this Act. The Secretary of Housing and Urban Development shall in addition maintain continuing liaison with the building industry and related industries and interests, during and after the period of the program under this section, with the objective of assuring that the projected benefits of such program are and will continue to be effectively realized.

DEVELOPMENT OF COMBINED SOLAR HEATING AND COOLING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

Sec. 6. (a) The Administrator in consultation with the Secretary of Housing and Urban Development shall promptly initiate and carry out a program as provided in this section for the development and demonstration of combined solar heating and cooling systems for use in residential dwellings.

(b) (1) As soon as possible after the date of the enactment of this Act, the Secretary of Commerce, acting through the National Bureau of Standards and in consultation with the Administrator and the Secretary of Housing and Urban Development, shall determine, prescribe, and publish—

(A) performance criteria for combined solar heating and cooling equipment and systems to be used in residential dwellings, and

(B) performance criteria (relating to suitability for solar heating and cooling) for such dwellings themselves, taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1) (and if possible before the completion of the research and development provided for in subsection (c)), the Secretary of Commerce, acting through the National Bureau of Standards and in consultation with the Administrator and the Secretary of Housing and Urban Development, will select on the basis of open design competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of combined solar heating and cooling systems meeting the performance criteria prescribed under paragraph (1) (A). Any such design competition shall be open to all recognized professionals (including advanced students engaged in studies at recognized schools in architecture, engineering, or related fields) who are qualified to design houses to demonstrate combined solar heating and cooling.

(c) During the period immediately following the publication of performance criteria under subsection (b) (1), the Administrator shall undertake and conduct with respect to solar heating and cooling a program of research, development, testing, and demonstration designed to provide the additional technological resources necessary for the development and commercial application of combined solar heating and cooling systems as contemplated by the program under this section.

(d) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958 and in consultation with the Secretary of Housing and Urban Development, and at the earliest possible time during or immediately after the period specified in subsection (c), shall—

(1) (A) enter into such contracts as may be necessary or appropriate for the development (for commercial production and residential use) of combined solar heating and cooling systems meeting the performance criteria prescribed under subsection (b) (1) (A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria or to reflect the results of the activities conducted under subsection (c)); and

(B) if the Administrator determines that it would expedite the program under this section or otherwise accelerate the achievement of the objectives of this Act, provide by contract or otherwise for the manufacture or production of prototype solar heating and cooling systems (by the persons with whom the development contracts under subparagraph (A) were entered into), and for the installation of such prototype systems in residential dwellings meeting the performance criteria prescribed under subsection (b) (1) (B);

(2) enter into contracts with a number of persons or firms for the actual manufacture and production of combined solar heating and cooling systems as developed under contracts described in paragraph (1) (A) (including adequate numbers of spare and replacement parts for such systems); and

(3) take such action as may be necessary or appropriate—

(A) in conjunction with and under arrangements which shall be made by the Secretary of Defense, to secure the installation of such systems, manufactured on a mass production basis, in substantial numbers of residential dwellings which are located on Federal or federally administered property where the performance and operation of such systems can be regularly and effectively observed and monitored by designated Federal personnel, and

(B) in conjunction with and under arrangements which shall be made by the Secretary of Housing and Urban Development, to secure the installation of such systems, manufactured on a mass production basis, in substantial numbers of residential dwellings which are privately owned and occupied.

The residential dwellings referred to in subparagraphs (A) and (B) shall be located in a sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating and cooling systems involved, and of the dwellings themselves, under climatic conditions which vary as much as possible. Title to and ownership of solar heating systems which are installed in residential dwellings as provided in subparagraph (B) shall remain in the United States; except that if the owner and occupant of any such dwelling agrees at the time of the installation of the system or of the purchase of the property, in such manner and form and on such terms and conditions as the Secretary of Housing and Urban Development may prescribe, to observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of such system for a period of five years, and such owner and occupant (including any subsequent owner and occupant of the property who also makes such an agreement) regularly furnishes the Secretary with such reports thereon as the Secretary may require, title to and ownership of such system shall vest in the owner and occupant (including any such subsequent owner and occupant) at the close of that period.

For purposes of subparagraphs (A) and (B) of paragraph (3), solar heating and cooling systems shall be considered to have been manufactured on a mass production basis and installed in substantial numbers of residential dwellings if they are manufactured and installed in sufficient numbers (as determined by the Secretary of Housing and Urban Development in consultation with the Administrator) to assure a realistic and effective demonstration in support of the objectives of this Act; except that in any event, for purposes of either subparagraph (A) or subparagraph (B) of such paragraph, they shall be considered to have been so manufactured and installed if they are installed in one thousand or more such dwellings under such subparagraph.

(e) The Secretary of Housing and Urban Development, utilizing the National Bureau of Standards and in consultation with the Administrator and the Secretary of Defense, shall have the general function of monitoring the performance and operation of all solar heating and cooling systems installed in residential dwellings under this section, and of collecting and evaluating data and information on such performance and operation; and he shall from time to time make such findings and recommendations and take such other actions (including the submission of special reports to the Congress when appropriate) as may be necessary to assure that the program under this section effectively carries out the objectives of this Act. The Secretary shall in addition maintain continuing liaison with the building industry and related industries and interests, during and after the period of the program under this section, with the objective of assuring that the projected benefits of such program are and will continue to be effectively realized.

DEVELOPMENT OF SOLAR HEATING AND COOLING SYSTEMS FOR COMMERCIAL BUILDINGS

SEC. 7. The Administrator and the Secretary of Housing and Urban Development, in consultation with the General Services Administration and the National Bureau of Standards and concurrently with the conduct of the programs under sections 5 and 6, shall carry out such projects and activities (including demonstration projects) with respect to apartment buildings, office buildings, factories, agricultural structures (including crop-drying facilities), public buildings (including schools and colleges), and other commercial or industrial buildings, taking into account the special needs of and individual differences in such buildings based upon size, function, and other relevant factors, as may be appropriate for the early development and demonstration of combined solar heating and cooling systems suitable and effective for use in such buildings.

FUNDING OF SOLAR ENERGY RESEARCH BY NATIONAL SCIENCE FOUNDATION

SEC. 8. (a) Section 3 of the National Science Foundation Act of 1950 (42 U.S.C. 1862) is amended by redesignating subsections (e) and (f) as subsections (f) and (g) respectively, and by inserting after subsection (d) the following new subsection:

"(e) The Director shall initiate and support basic applied research relating to solar energy development, as provided in section 8(b) of the Solar Heating and Cooling Demonstration Act of 1973.".

(b) The Director of the National Science Foundation is authorized and directed to initiate, support, and fund basic and applied research activities related to solar energy in support of the objectives of this Act. These research activities shall, insofar as practicable, support the new solar heating and cooling technologies demonstrated or to be demonstrated by the National Aeronautics and Space Administration pursuant to sections 4 through 7 of this Act. For this purpose the Director of the National Science Foundation is authorized to utilize funds appropriated to the Foundation pursuant to law or transferred to it from the National Aeronautics and Space Administration or other Federal agencies.

DISSEMINATION OF INFORMATION AND OTHER ACTIONS TO PROMOTE PRACTICAL USE OF SOLAR HEATING AND COOLING TECHNOLOGIES

SEC. 9. (a) The Secretary of Housing and Urban Development shall take all possible steps to assure that full and complete information with respect to the demonstrations and other activities conducted under this Act is made available to Federal, State, and local authorities, the building industry and related segments of the economy, and the public at large, both during and after the close of the programs under this Act, with the objective of promoting and facilitating to the maximum extent feasible the early and widespread practical use of solar energy for the heating and cooling of buildings throughout the United States. In accordance with regulations prescribed under section 12, such information shall be disseminated on a coordinated basis by the Secretary, the Administrator, the National Bureau of Standards, the National Science Foundation, the Patent Office, and other appropriate Federal offices and agencies.

(b) In addition, the Secretary of Housing and Urban Development shall—

(1) study and investigate the effect of existing building codes, zoning ordinances, and other laws, codes, ordinances, and practices upon the practical use of solar energy for the heating and cooling of buildings; and

(2) determine the extent to which such laws, codes, ordinances, and practices should be changed to permit or facilitate such use, and the methods by which any such changes may best be brought about.

(c) (1) In carrying out his functions under subsections (a) and (b) the Secretary of Housing and Urban Development, utilizing the capabilities of the National Aeronautics and Space Administration, Department of Commerce, and the National Science Foundation to the maximum extent possible, shall establish and operate a Solar Heating and Cooling Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating solar heating and cooling information and data in a timely and accurate manner in support of the objectives of this Act.

(2) Information and data compiled in the bank shall include—

(A) technical information (reports, journal articles, dissertations, monographs, project descriptions, etc.) on solar energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of buildings compatible with solar heating and cooling concepts;

(C) physical and chemical properties of the materials required for solar heating and cooling;

(D) climatic conditions in appropriate areas of the United States, including those areas where the demonstrations are to be located; and

(E) engineering performance of devices utilized in solar heating and cooling or to be employed in the demonstration.

(3) In accordance with regulations prescribed under section 12(a), the Secretary shall provide retrieval and dissemination services to cover the solar heating and cooling information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector upon request in appropriate cases.

(4) In carrying out his functions under this subsection, the Secretary shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base.

(d) Each Federal officer and agency having functions under this Act shall include in his or its annual report to the President and the Congress a full and complete description of his or its activities (current and projected) under this Act, along with his or its recommendations for legislative, administrative, or other action to improve the programs under this Act or to achieve the objectives of this Act more promptly and effectively. In addition, the Secretary of Housing and Urban Development shall submit annually to the President and the Congress a special report summarizing in appropriate detail all of the activities (current and projected) of the various Federal officers and agencies having functions under this Act, with the objective of presenting a comprehensive overall view of such programs.

DOLLAR LIMITATIONS ON FEDERALLY ASSISTED OR FEDERALLY CONSTRUCTED HOUSING

SEC. 10. (a) (1) In determining the maximum dollar amount of any federally-assisted mortgage loan (as defined in subsection (b)) or the maximum per-unit or other cost of any federally-constructed housing (as defined in subsection (c)), where the law establishing the program under which the loan is made or the housing is constructed specifies such maximum amount or cost and the structure involved is furnished with solar heating or combined solar heating and cooling equipment under the demonstration program established by section 5, 6, or 7 of the Act, the maximum amount or cost so specified which is applicable to such structure shall be deemed to be increased by the amount by which as (determined by the Secretary of Housing and Urban Development) the price or cost of the structure including such solar heating or combined solar heating and cooling equipment exceeds the price or cost of the structure with such equipment replaced by conventional heating equipment or conventional heating and cooling equipment (as the case may be,.

(2) In addition, in the case of a federally-assisted mortgage loan, the cost excess specified in subsection (a) shall be fully taken into account in determining the value or cost of the structure involved for purposes of applying any statutory provision specifying the maximum loan-to-value or -cost ratio; except that, if the law specifies different rates

of downpayment for successive increments of such value or cost, the lowest such rate shall apply to the additional cost attributable to the solar heating or combined solar heating and cooling equipment, and such equipment shall otherwise be excluded in determining the total value or cost of the structure.

(b) As used in subsection (a), the term "mortgage loan" means a loan which is made to finance the purchase or construction of a residence or any other building or structure; and the term "federally-assisted mortgage loan" means a mortgage loan which—

(1) is made in whole or in part by any lender the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by any lender which is itself regulated by any agency of the Federal Government; or

(2) is made in whole or in part, or insured guaranteed, supplemented, or assisted in any way, by the Secretary of Housing and Urban Development or any other officer or agency of the Federal Government or under or in connection with a housing, urban development, or related program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or agency; or

(3) is eligible for purchase by the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or from any financial institution from which it could be purchased by the Federal Home Loan Mortgage Corporation; or

(4) is made in whole or in part by any "creditor" as defined in section 103(f) of the Consumer Credit Protection Act of 1968 (15 U.S.C. 1602(f)), who makes or invests in residential real estate loans aggregating more than $1,000,000 per year.

(c) As used in subsection (a), the term "federally-constructed housing" means (1) residential or multifamily housing which is constructed by agencies of the Federal Government to provide dwelling accommodations for particular types or classes of persons under programs administered by such Federal agencies (including all housing constructed by the Department of Defense to provide dwelling accommodations for personnel of the armed services or for such personnel and their families), and (2) residential or multifamily housing which is constructed by agencies of State or local government, with financial assistance in any form from the Federal Government, to provide dwelling accommodations for particular types or classes of persons under programs administered by such State or local agencies.

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS

SEC. 11. In carrying out their functions under this Act, all Federal officers and agencies shall take steps to assure that small business concerns will have a realistic and adequate opportunity to participate in the program under this Act to the maximum extent possible.

REGULATIONS

SEC. 12. The Administrator, in consultation with the Secretary of Commerce, the National Science Foundation, the Secretary of Housing and Urban Development, the Administrator of the General Services Administration, the Secretary of Defense, and other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Administrator, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this Act promptly and efficiently.

TRANSFER OF FUNCTIONS

SEC. 13. Within sixty days after the enactment of the law creating the Energy Research and Development Administration or any other law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the enactment of this Act if such a law is enacted prior to the enactment of this Act), all of the research and development functions (and other functions) vested in the National Aeronautics and Space Administration and the National Science Foundation under this Act (and under the amendment made by section 8(a)), along with related records, documents, personnel, obligations, and other items to the extent necessary or appropriate, shall, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in the Energy Research and Development Administration or such other organization or agency.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. There are authorized to be appropriated to the Administrator, for the first five fiscal years beginning after the date of the enactment of this Act, such sums, not exceeding $50,000,000 in the aggregate, as may be necessary to enable him (1) to carry out the functions vested in him or in the National Aeronautics and Space Administration by this Act, and (2) to reimburse the National Bureau of Standards, the National Science Foundation, the Secretary of Housing and Urban Development, the Secretary of Defense, and the General Services Administration for expenses incurred by them (during the respective periods of the program under section 4 and the programs under sections 5 and 6) in carrying out the functions vested in them under this Act.

Mr. TEAGUE (during the reading). Mr. Chairman, I ask unanimous consent that the bill may bc considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENTS OFFERED BY MR. TEAGUE

Mr. TEAGUE. Mr. Chairman, I offer three technical amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. TEAGUE: Page 1, line 4, strike out "1973" and insert "1974".

Page 5, line 9, strike out "1973" and insert "1974".

Page 17, line 20, strike out "1973" and insert "1974".

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas (Mr. TEAGUE).

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. MOSHER

Mr. MOSHER. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. MOSHER: Page 25, line 17. Strike "enactment" and insert in lieu thereof "effective date".

Page 25, line 23. Strike "if such a law is enacted" and insert in lieu thereof "if the effective date of such law occurs".

Mr. MOSHER. Mr. Chairman, we have offered these amendments as committee amendments, and they are strictly technical in nature.

The purpose is to assure compatibility of this bill with H.R. 11510, the bill recently passed by the House, which was designed to create the Energy Research and Development Administration, ERDA. This provides for the transfer of H.R. 11864's responsibilities to ERDA at such time as ERDA will be in operation, and able to accept such responsibility.

I urge the adoption of the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio (Mr. MOSHER).

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. GUNTER

Mr. GUNTER. Mr. Chairman, I offer amendments, and ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. GUNTER: Page 8, strike out lines 13 through 18 and "ble." in line 19.

Page 14, strike out lines 13 through 18 and "much as possible." in line 19.

Page 25, after line 3 add the following new section:

PRIORITIES

SEC. 12. The Administrator will set priorities as far as possible consistent with the intent and operation of this Act, to consider the following criteria:

(a) The residential dwellings referred to in subparagraphs (A) and (B) of section 5 (c)(3) and section 6(d)(3) shall be located in sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating systems involved, and of the dwellings themselves, under climatic conditions which vary as much as possible.

(b) The particular need for assistance under this Act in areas with high density of population and prospects for future growth where early development of solar demonstration projects may more quickly reduce reliance on regular fuel supplies now in short supply.

(c) The desirability of encouraging those projects in which funds appropriated by any State or political subdivision thereof for the purpose of sharing costs with the Federal Government, for the procurement of solar heating and combined solar heating and cooling equipment, are committed before or after the date of the enactment of this Act.

Page 25, line 5, strike out "Sec. 12." and insert in lieu thereof "Sec. 13."

Page 25, line 17, strike out "Sec. 13." and insert in lieu thereof "Sec. 14."

Page 26, line 10, strike out "Sec. 14." and insert in lieu thereof "Sec. 15."

Mr. GUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to

the request of the gentleman from Florida?

There was no objection.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. GUNTER. I am happy to yield to the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. Mr. Chairman, insofar as this side of the House is concerned, on the committee, we would accept the amendments.

Mr. GUNTER. Mr. Chairman, I thank the gentleman.

Mr. MOSHER. Mr. Chairman, if the gentleman will yield, I, too, would join with the chairman of the full committee, the gentleman from Texas (Mr. Teague), and say that on our side we would accept the amendments.

Mr. GUNTER. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I would ask if there are any questions that any Member might have as to the amendments?

Mr. SMITH of New York. Mr. Chairman, if the gentleman will yield, I wonder if the gentleman from Florida would explain what his amendments do?

Mr. GUNTER. Mr. Chairman, I will be happy to do that.

This amendment, the first of two I will be offering, was drawn following the markup of H.R. 11864.

In part, it reflects a further legislative response to the tremendous increase in national interest in solar energy as an important and vitally promising alternative form of energy supply.

That interest, which has intensified several times over following the work of the subcommittee and full committee in marking up H.R. 11864, in part as a response to the committee's action, has been extremely encouraging.

I believe it warrants an enthusiastic sign of recognition and response by the House.

This amendment seems additionally important to me, Mr. Chairman, because of some doubts which have been raised, at least in my own mind, by those who may be administering this program when it is enacted, as to the degree of priority that will truly be accorded solar research and demonstration projects.

The amendment I offer should leave no doubt about the clear intent of the Congress, both Republicans and Democrats alike, as to the priority we are legislatively assigning this program.

As a cosponsor of H.R. 11864, I also wish to make it clear that I wholeheartedly support the bill as it stands, and the extremely farsighted and important work done on it by my colleagues on the subcommittee, under the leadership of Chairman McCormack, and by the full committee directed by Chairman Teague, and by the leadership of the ranking minority member, Mr. Mosher.

This amendment, therefore, is intended to be supportive of, and supplemental to, this very important and, I believe, farsighted piece of legislation.

This amendment is designed, along with a later amendment, basically to make the intentions and response of the Congress more clear to the country as a whole.

But I believe it also provides a basic strengthening of the bill in terms of providing clear guidelines for the administration of the program for the benefit of both the Administrator and the public.

It would clearly spell out criteria to be considered in implementation of the program.

The first criteria mandates sufficiently widespread geographic distribution of demonstration projects. Similar language is already contained in the bill, but I believe that including it within a section setting forth basic criteria will further clarify and emphasize the intention of the Congress that such geographic considerations be treated as a criteria in establishing priorities for administration of the program. The essential purpose is to obtain data on solar research and solar heating and cooling demonstration projects under the most diverse types of climatic conditions in order to fully assess their potential.

The second criteria mandates that the demonstration units be located in regions of high visibility, to the extent possible. The purpose is to make clear, through the language of the legislation, that administrators, developers, and the public at large understand that one of the stated purposes of this legislation is the creation of a national awareness of solar energy, and to promote the accomplishment of that purpose. An equally important feature of the criteria mandates a priority to areas of population density where the earliest practicable development of solar projects might be thought to more quickly reduce reliance on regular forms of energy now in short supply.

The third category in assigning criteria would give priority to States and political subdivisions which already have or hereafter establish programs of State or local support for solar heating and cooling demonstration projects and which share costs with the Federal Government for the procurement of solar-related equipment. It perhaps is apparent on its face that administrators of the program overall would both reap the advantage of ongoing projects at the State level, and would encourage additional States as well to participate in such development. However, it seems to me to be wise to clearly spell out in the language of the bill a criteria setting forth this procedure as the intent of Congress, and for the Administrator's clear authority and obligation to perform. Beyond this, I believe this criteria will in fact encourage States to provide their own inducements through cost sharing arrangements to enhance the growth of this new industry.

Though assigning this criteria may, as one priority among others, seem to minimize the degree of inducement for States to establish their own programs, I believe the motivation for States to do so rests basically in the energy situation itself we all face and which they face, apart from incentives that might be offered by a single piece of legislation.

Incorporating this priority, however, will make it additionally worthwhile for the States to review their own current role or lack of it, and provide incentive that might be incrementally lacking, while at the same time providing a clear focus of priorities for the Administrator which itself would tend to involve the notice and consideration of the States.

The amendment, in focusing priorities, hopefully might accomplish movement toward objectives that would otherwise require immediate separate legislation moving in a deeper and more technically and financially involved way into other forms of incentives.

Mr. Chairman, I believe this amendment sharpens and strengthens the bill and that hopefully it will further add to focusing a national awareness on the vital role to be played by solar energy. I thank my colleagues for their consideration and urge the adoption of the amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. GUNTER. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

The second paragraph says:

> The particular need for assistance under this act in areas with high density of population and prospects for future growth. . . .

Does that mean that the demonstration units would not be located in rural areas?

Mr. GUNTER. Not at all. This particular language would simply be one of the three criteria which, as the gentleman sees under section 12, would be considered as far as possible and consistent with the intent and operation of this act, so it does not preclude the establishing of solar demonstration projects in rural areas. It does give priority to areas where population is more dense. I think this is the purpose of the legislation itself. We want to obtain the greatest impact, obviously, from the demonstration projects, so we need to have a majority of these located in high-density areas where the maximum number of people can become educated to the advantages of solar heating and cooling equipment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield for another observation and question?

Mr. GUNTER. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding. I suppose all of the rural areas in America have heating and cooling systems. I do not know if there are areas in the United States where we do not have heating and cooling systems, but it seems to me that in this demonstration project it might be helpful if we did put some in rural areas to find out the viability of the program, too. This would not preclude them?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Gunter

was allowed to proceed for 1 additional minute.)

Mr. GUNTER. Mr. Chairman, let me say again that the language of the amendment does not preclude the establishing of these projects in rural areas. Certainly, some of the projects will be located in rural areas, but priority should be given to the more heavily populated sections of the country to maximize the results of the money we appropriate.

Mr. WYLIE. I thank the gentleman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Florida.

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. GUNTER

Mr. GUNTER. Mr. Chairman, I offer amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. GUNTER: Page 26, immediately after line 8, add the following new section:

GRANT AUTHORITY

SEC. 14. (a). Subject to the provision of this section, the Administrator is authorized, upon his own initiative or upon the application of any individual, partnership, corporation, association, institution, or other entity, to make a monetary award to any such individual, partnership, corporation, association, institution, or other entity, for any scientific or technical development, commercial use, or development of manufacturing and marketing techniques for solar equipment which is determined by the Administrator to have significant value in the conduct of solar energy activities. In determining the terms and conditions of any award the Administrator shall take into account—

(1) the value of the contribution to the field of solar energy;

(2) the aggregate amount of any sums which have been expended by the applicant for the development of such development;

(3) the amount of any compensation (other than salary received for services rendered as an officer or employee of the Government) previously received by the applicant for or on account of the use of such development by the United States;

(4) the contribution to the government of all relevant data concerning the development for which the award was made; and

(5) such other factors as the Administrator shall determine to be material.

(b) If more than one applicant under subsection (a) of this section claims an interest in the same contribution, the Administrator shall ascertain and determine the respective interests of such applicants, and shall apportion any award to be made with respect to such contribution among such applicants in such proportions as he shall determine to be equitable.

(c) No award involving more than $10,000 shall be awarded under subsection (a) before thirty calendar days after the date upon which the proposal for such grant is transmitted by the Administrator to the President pro tempore of the Senate and the Speaker of the House of Representatives.

For purposes of this action, the term "calendar days" does not include days on which the Senate or the House of Representatives is not in session because of an adjournment of more than three calendar days to a day certain or an adjournment sine die.

(d) The Administrator shall prescribe such rules as he deems necessary to carry out this section.

(e) Not later than six months after the date of the enactment of this Act and at six-month intervals thereafter, the Secretary shall transmit reports to each House of the Congress. Each such report shall include a detailed statement of the administration of this section by the Secretary.

(f) The provisions in this section shall be fully reviewed by the Congress two years after the enactment of this Act.

Page 26, line 10, strike out "Section 14" and insert in lieu thereof "Section 15(a)."

Page 26, immediately after line 23 add the following new subsection:

(b) There are authorized to be appropriated to the Administrator, for the first two fiscal years beginning after the date of the enactment of this Act, such sums, not exceeding $2,000,000 in the aggregate as may be necessary to enable him to carry out the functions vested in him in Section 14.

Mr. GUNTER (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendments be dispensed with and that they be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GUNTER. Mr. Chairman, these amendments are also in furtherance of the purpose of the proposed bill itself. The amendments would simply underscore the activities of small businesses, individuals, and organizations who in the past have carried solar energy and have brought us to this point in our history wherein we are looking at it seriously as an alternate energy source.

The amendments would guarantee that small businesses and creative inventors will share in the allocation of funds for solar energy programs alongside the larger companies.

The amendments establish a grant authority under the Administrator of $2 million in funds, not to exceed $10,000 per grant without prior notification to Congress, for projects that will lead rapidly to demonstration units, and include the participation of smaller business. The amendment establishes specific criteria for the Administrator to consider in the allocation of the grant moneys.

In short, a large, diverse corporation already receiving large amounts of Federal funds under the other sections of this bill would receive low priority under this section compared to a small creative business with evidence of being able to make a substantial contribution to solar development and which does not so share.

It would also facilitate the installation and conversion of solar cooling or heating distribution projects where the project is deemed worthy but lack of funds might otherwise prove an obstacle to such conversion on the large scale basis which it is hoped will occur.

The amendment is only partially intended as a guarantee that small businessmen will share fairly in the allocation of grants, however. It is equally a protection for the goals the legislation is designed to achieve.

It is conceivable to anticipate that the present bill, unamended, might well be administered in such a way as to limit the prototype construction to perhaps 20 or 30 manufacturers—and that only half of these might proceed to final, full implementation.

The testimony before the committee by major manufacturers shows that this many are already actively poised to pursue the incentives offered by this legislation. One consortium has over 40 companies already studying the market and virtually all would be classified as large companies.

Thus, I fear that at most we will find only 30 or 40 approaches presented to the Nation, simply because of the size of the financial pie we are offering.

However, by including this clearly defined small grant program within this bill and by means of the criteria indicated in the amendment, along with a small additional appropriation of funds, we can bring forth an additional group of inventors many times this number.

In this context, I believe it is well to note that so far, in fact, it has been the small businessman who has been the sole advocate of solar heated homes to date.

Although I feel we have turned the corner in interesting big business and their mass-production and mass-marketing capabilities, I feel it would be a mistake not to specifically guarantee the inclusion of those who have pioneered in this field and who might otherwise be left out entirely. I believe it is not the intention of the committee to do so and hope that my amendment might find favor as a method of making the intent of the committee absolutely clear.

The second purpose of the amendment, Mr. Chairman, is the obvious one of promoting greater visibility—not, in this instance, by creating more units alone—but perhaps more importantly by fostering a greater diversity of designs.

In consulting with the chairman of the committee, the gentleman from Texas (Mr. TEAGUE), and the chairman of the subcommittee, the gentleman from Washington (Mr. MCCORMACK), I have found that the committee and the staff—and I serve on the committee—would prefer to approach this area of concern with separate legislation. In deference to my chairmen, I do hereby ask unanimous consent to withdraw the amendments, but I would like to ask the gentleman from Washington (Mr. MCCORMACK), to take the floor if he will and comment on the need for this type of legislation.

The CHAIRMAN. Is there objection to the unanimous-consent request of the gentleman from Florida to withdraw the amendment?

There was no objection.

Mr. MCCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GUNTER. I yield to the gentleman from Washington.

Mr. MCCORMACK. Mr. Chairman, I have objected to this amendment at this time because I think it is unnecessary and complicated and would cause unnecessary confusion.

I think the idea of having Federal incentives in certain areas of research and development for specific goals is a very viable one. For instance, I think incentives for a battery that would have certain performance characteristics within certain cost characteristics is a viable one. I think an award or a contest for a higher efficiency solar cell is a viable one. But I think we have to set specific goals which we know have not been attained and which may be attainable by some individual or some institution, and this is the sort of thing I would like to see in some future legislation.

Mr. GUNTER. Mr. Chairman, with that goal in mind, it is my understanding that the gentleman from Washington would perhaps be willing to work with me and others on the committee to develop legislation of that nature in the near future.

Mr. McCORMACK. If the gentleman will yield further, I will certainly be glad to work with the gentleman.

Mr. GUNTER. I thank the gentleman from Washington.

AMENDMENT OFFERED BY MR. BARRETT

Mr. BARRETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARRETT: On page 21, starting at line 20, strike all through line 22 on page 24.

And renumber the succeeding sections accordingly.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. BARRETT. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, this bill has a provision for 4,000 units of different kinds of housing. The gentleman from Pennsylvania, the chairman of the House Subcommittee on Housing of the Committee on Banking and Currency believes we are infringing or encroaching on the jurisdiction of that subcommittee. The gentleman from Pennsylvania has promised me that they will be marking up their bill next week and that they will place this language which is in our bill that pertains to housing, in their bill. If the gentleman concurs in that statement and will make that promise, then we will accept his amendment.

Mr. BARRETT. Mr. Chairman, in reply to the gentleman, we will certainly be glad to take up this very language in our markup of the housing bill for 1974. We have been marking it up and will continue through next week.

My amendment would strike all of section 10 of the bill. Section 10 relates to dollar limitations on federally assisted housing and covers a subject matter which clearly comes under the jurisdiction of the Committee on Banking and Currency.

I would like to emphasize that my chief concern is the fact that this section is clearly an infringement on the proper jurisdiction of the Committee on Banking and Currency—not with its substance.

I would hope that this amendment would be acceptable to the floor managers of this bill. The Housing Subcommittee is now in the process of marking up general housing legislation and I can assure the gentleman that we will review the substance of this section and get appropriate legislation to the floor of this House in sufficient time to avoid any delay in the implementation of the solar heating and cooling demonstrations contemplated in the bill.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT. I yield to the gentleman from Ohio.

Mr. MOSHER. Mr. Chairman, we on our side of the aisle are extremely reluctant to accept this maneuver. However, speaking at least for myself alone, I will yield to the wisdom of my chairman and I personally am willing to accept the commitment of the gentleman from Pennsylvania, but, I want it on the RECORD, it is with considerable reluctance.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, do I understand what the gentleman is proposing to the House today is that he is going to personally sponsor this language as part of the bill he is going to mark up in his committee next week?

Mr. BARRETT. What I am proposing today is to drop section 10 which addresses itself to the statutory FHA mortgage limits, the housing which falls within the jurisdiction of the Committee on Banking and Currency.

Section 10 would be an overlapping of the work that we on the Housing Subcommittee and the full committee do. I am grateful to the gentleman from Texas (Mr. TEAGUE) in bringing this bill out today. It is urgently needed, and I think we owe a commendation to the chairman of the subcommittee (Mr. McCORMACK).

In order to be in conformance with the legislative work here, I am asking the gentleman from Texas to strike section 10 of this bill, and we will be glad to go along and put it in the housing bill in our markup of the bill for 1974.

Mr. WYDLER. Mr. Chairman, if the gentleman will yield further, I think the language in this bill regarding FHA provisions is very good language. It is very desirable to get that language into the law. What I am trying to arrive at is, what is going to happen when we strike it out of this bill, so far as this bill is concerned, and who is going to propose it? How is it going to be brought forward?

Mr. BARRETT. Mr. Chairman, I am grateful that the gentleman from Texas has indicated how this would be done, and I feel that I would certainly be responsible and sponsor the provision in the housing bill for 1974 which we are working on now.

Mr. WYDLER. Mr. Chairman, can the gentleman tell me if the housing bill that is being proffered is similar to those omnibus housing bills we have tried to deal with here in the House in the past few years?

Mr. BARRETT. Mr. Chairman, I can say the gentleman from New York puts a very good question. For his information, we are hopeful that we can bring out a housing bill which will be palatable to the Administration.

I believe that we will have a housing bill that will satisfy almost everybody in the House.

Mr. WYLIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I reluctantly oppose the gentleman from Pennsylvania, for whom I have a great admiration and with whom I serve on the Committee on Banking and Currency. I am a little surprised that the chairman of the Committee on Science and Astronautics, that he would yield so quickly and willingly. I had, of course, thought of the gentleman from Texas as a kind of tiger, and indeed he is affectionately nicknamed "Tiger" but since he moved from the chairmanship of Committee on Veterans' Affairs to the Committee on Science and Astronautics, he has become a sort of timid tiger, it seems to me.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Mr. Chairman, I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, occasionally one gives up a battle to win a war, and this is not over by any means. I would certainly expect, if the House Committee on Banking and Currency does not carry through on this, that it will certainly be in the Senate bill and in no way, form or shape would I yield in conference unless it is in the Senate bill.

Mr. WYLIE. Mr. Chairman, as I have indicated, I have a great admiration for the gentleman from Pennsylvania (Mr. BARRETT) and the work he does on the housing subcommittee, but I think this is the sort of thing that makes the Members of this body look foolish. We are here today and we have language which has been agreed to by everyone. As a matter of fact, the chairman of the Subcommittee on Housing has said that he will place identical language in another bill which is to come on to this floor later on, maybe next week or the week after that.

It seems to me as though some savings, however miniscule it might be, could be realized by not having to reprint the same identical language in another bill which is to be reported from another committee at another time. I would think that this is a good time for us to get on with the adoption of this language, which everybody agrees we need, and not stand on ceremony.

Mr. BARRETT. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. BARRETT. Mr. Chairman, as a point of clarification, I did not say that we would have a bill out on the floor this coming week or the week after. I said that we will be marking it up. We will start next week the markup in the housing subcommittee. I do not want to let anything be misunderstood here. It will not be out on the floor that quickly, as much as I would like it.

Mr. WYLIE. Mr. Chairman, I thank the gentleman. I think that is all the more reason why we should go ahead and adopt the language in the bill today, because we do not know when the housing bill will be reported. The gentleman has said he will put identical language in the housing bill as we have in the bill which is before us today.

So I do not think anything can be gained by insisting on the gentleman's amendment because of the jurisdictional question.

Mr. BARRETT. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Pennsylvania.

Mr. BARRETT. Mr. Chairman, of course, it has been the policy here that our committee never tries to go behind the back of another committee or to infringe on another committee. I think that this is fair.

We will move as expeditiously as we can in order to get the legislation needed on the solar heat and cooling demonstration bill. There will be no holding back.

I think I can leave one satisfactory statement with the gentleman. If on any occasion it developed that our bill was tied up, we would bring forth what would be necessary to help the solar heating and cooling bill, and we would bring it out as a smaller bill so that we could get it through expeditiously.

Mr. WYLIE. Mr. Chairman, I understand the gentleman's position, and I understand his reluctance to give up any of the jurisdiction of his committee.

However, as I say, I believe the amendment should be defeated, and, therefore, I reluctantly oppose it.

Mr. MAYNE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment and in support of H.R. 11864, the Solar Heating and Cooling Demonstration Act and urge its adoption. I believe that it offers real hope for a practical and viable alternate source of energy and opens an avenue for at least partial solution of our energy crisis.

During the past 5 days, I have been in northwest Iowa discussing the many issues which confront us with the people I have the honor to represent in Congress. In many question and answer sessions and personal interviews in 10 of the 22 counties which make up the Sixth District, I found the energy shortage to be uppermost in the minds of my constituents. They are convinced that our Nation must rapidly develop alternate sources of energy to relieve our present dependence on petroleum, especially oil imported from foreign countries. They expressed great interest in solar energy as one such alternate source, and encouraged me to press for the speedy adoption of H.R. 10810, a bill whose introduction I cosponsored with the gentleman from Ohio (Mr. VANIK) on October 9, 1973, or any similar legislation.

Inasmuch as the bill now before us includes provisions closely corresponding to H.R. 10810, I am confident from these recent discussions that the people of northwest Iowa would want me to give it my wholehearted support today.

H.R. 10810 would authorize and direct the Secretary of Commerce to study applications of solar energy, establish a system of grants for solar energy research, and establish the solar energy data bank. This bill was referred to the House Science and Astronautics Committee's Subcommittee on Energy. On October 23, I cosponsored with the chairman of the Energy Subcommittee (Mr. MCCORMACK) and other colleagues the introduction of H.R. 11056, a bill to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration in cooperation with the National Bureau of Standards, the National Science Foundation, the Secretary of Housing and Urban Development, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling.

On November 3, I called upon the House Science and Astronautics Committee to expedite action on these proposals. I pointed out the need for early action on this legislation which would provide for a $50 million multiagency program to develop and produce solar heating and cooling units for thousands of American private and public buildings during the next 5 years. Enactment of this legislation would enable installation of solar heating and cooling units in about 2,000 residences on military and other Federal property and in about 2,000 private residences in order to demonstrate the use of solar energy as a means of heating and cooling the average American home. Mobile homes, apartments, and townhouses would be included in this commercial demonstration. The bill also provided for research, development, and demonstration of heating and cooling of commercial and industrial buildings with solar energy.

The project would demonstrate that we can put the Sun to work for us now, providing a critically needed and virtually inexhaustible source of clean energy for heating and cooling for homes and public buildings. It is technically feasible and economically practical. I warned that—

> Solar heating and cooling techniques must be implemented and used on a large scale as shortages of oil and gas become more acute. Although the initial research, testing, and monitoring will be done by Federal agencies, the overall program is to encourage the use of solar energy by the average American homeowner and to help create a viable private enterprise solar heating and cooling industry. We must lose no time in getting solar energy legislation enacted into law and in getting these demonstrations fully implemented.

However, I believed that still other approaches, through legislation before other committees, could also prove to be of value in promoting research, development, and utilization of solar energy devices. On December 20, I therefore introduced H.R. 12064, the Solar Energy Act of 1973, which was referred to the House Committee on Banking and Currency. As I explained in a statement made December 26, my bill would authorize Federal housing agencies to increase ceilings on home mortgages where the homeowner utilizes solar energy heating or cooling devices.

In spite of limited funding for research and development, solar devices to heat homes and water and to cool homes have been perfected to function throughout the country year-round. A major obstacle in preventing installation are the present ceilings on housing loans made, insured, guaranteed, supplemented or assisted by the Farmers Home Administration, the Federal Housing Administration, and other Federal agencies, or by lenders whose deposits or accounts are insured by a Federal agency or which is regulated by a Federal agency.

H.R. 12064 directs the Secretary of Commerce to conduct research into how solar energy can be used effectively and feasibly to heat and cool buildings in various regions of the United States. The Secretary would also develop and test new building designs and construction methods utilizing solar energy equipment and prescribe standards and specifications for such design and construction, after consulting with Federal agencies engaged in housing and building regulation, with National Aeronautics and Space Administration and the National Science Foundation, as well as the construction industry.

H.R. 12064 would also enable a prospective homeowner who is interested in utilizing solar energy devices which meet such standards to have the maximum on his Federal housing loan increased by the amount that the cost of utilizing such a device exceeds the cost of utilizing conventional building design or construction methods. This should provide considerable incentive for increasing diversion from conventional fuel-eating heating and cooling systems to a virtually inexhaustible source—the sun. This proposal, pending before the House Banking and Currency Committee, was complementary to the solar energy bills before the House Science and Astronautics Committee and the various tax-incentive proposals before the House Ways and Means Committee.

In the meantime, the Energy Subcommittee under its able chairman (Mr. MCCORMACK) held hearings on November 13, 14, and 15, on the various solar energy bills before it, including the bills I had cosponsored—23 witnesses from Federal agencies, private enterprise and universities, as well as environmental and consumer groups, all generally supported the concept of this legislation and often were quite enthusiastic. The testimony and statements from others provided a valuable source of excellent ideas, many of which the subcommittee incorporated into the final version of the bill, H.R. 11864, the bill now before the House. The witnesses generally supported increased

Federal funding to encourage rapid initiation of this new form of space conditioning. They broadly endorsed the time scale, funding level, and administrative mechanisms proposed by the legislation. The clean bill, H.R. 11864, was cosponsored by all members of the Energy Subcommittee, and was unanimously reported by the full Science and Astronautics Committee. It deserves the full support of the House.

The purpose of this legislation is to demonstrate within 3 years, using current technology, the practical use on a large scale of solar heating technology; and to develop and demonstrate on a large scale within 5 years the practical application of combined solar heating and cooling technology.

This bill provides $50 million over a 5-year period for the commercial demonstration of solar energy for heating and cooling residential and commercial residential and commercial buildings. H.R. 11864 does not set forth a comprehensive national solar energy research and development program. The hearings before the Energy Subcommittee made it clear that only the area of solar energy heating and cooling of buildings is now ready for commercial exploitation on a large scale, and this bill concentrates on taking the very important and timely next step to implement large-scale and practical use of solar energy in that area, solar energy heating and cooling of buildings.

Only about 30 solar heated buildings have thus far been constructed throughout the world. The operating experience necessary for large scale commercial implementation of this technology does not yet exist. A commercial demonstration of the economic viability of solar heating and cooling is a necessary first step towards attaining the goal of widespread commercial production and marketing of solar heating and cooling systems for millions of American homes.

H.R. 11864 provides a 2-stage demonstration program. The National Aeronautics and Space Administration—NASA—will be in charge of the initial phase which will consist of contracting for the research, development and manufacture of solar heating and combined solar heating and cooling equipment. The Department of Housing and Urban Development will manage the second phase, including responsibility for installation of the equipment, monitoring and dissemination of information.

The bill declares it is this Nation's policy to accomplish the demonstration of the practical use of solar heating technology—using current technology—within 3 years, and to accomplish the research, development, and demonstration of the practical use of combined solar heating and cooling technology within 5 years. The residential solar heating program is programed for 3 years, the residential combined heating and cooling program for 5 years, and the heating and cooling program for commercial buildings for 5 years.

Among the amendments incorporated in this bill are a provision charging the Department of Housing and Urban Development with establishing and operating a Solar Heating and Cooling Information Bank. This bank will collect, review, process, and disseminate information on solar heating and cooling in order to support the objectives of the bill, and encourage the widespread utilization of information related to solar heating and cooling of buildings and water.

These provisions are based on language in the Vanik Solar Energy bill, H.R. 10810, which I cosponsored. I am pleased that the bill before the House incorporates in section 10 language similar to that of my H.R. 12064. This language removes Federal legislative or regulatory restrictions on mortgage loans or units costs to the extent of the increase due to solar heating and cooling systems. The additional costs might include but would not be limited to equipment, special insulation and construction materials, special construction techniques, and the auxiliary heating and/or cooling systems. The proposed amendment to strike this section would remove a very important program from this legislation, and should be defeated.

For some decades, private inventors and other interested individuals have taken the lead in developing the technology for heating and cooling buildings with solar energy. Various government agencies have supported small solar research and development programs, but only in this decade has government support exceeded $1 million annually. In fiscal year 1971, the National Science Foundation budget included $1.2 million for all forms of solar research, with $540,000 devoted specifically to research on heating and cooling of buildings. The NSF budget for solar research and development has continued to grow since, to $1.66 million for fiscal year 1972, $3.96 million for fiscal year 1973, and $13.2 million for the current year, fiscal year 1974—of this last total, $5.9 million is being spent this year on research of heating and cooling of buildings. The Atomic Energy Commission budget for all forms of solar energy conversion for this current year is $600,000, while the Department of Defense budget this year provides $200,000 for that purpose.

H.R. 11864 according to the Science and Astronautics Committee's report is going to cost an estimated $4.5 million for fiscal year 1975, $8 million for fiscal year 1976, $11.5 million for fiscal year 1977, $12.5 million for fiscal year 1978, and $13.5 million for the 5th year, fiscal year 1979, a total of $50 million. This estimate, which includes agency staff, prototype development, and equipment purchases costs for both the residential and commercial portions of the demonstration program, appears quite reasonable considering the urgent need for acting in this field, and is consistent with the recommendations made recently for solar energy research and development as part of the President's proposed $11 billion energy research and development budget for the next 5 years.

The approach taken by this legislation is reasonable and practical. It recognizes that resort to solar energy will not provide any short-run solution to our immediate and urgent energy needs—"solar farms" and "solar satellites" are not now economically feasible power sources, for example. But if we enact and implement this legislation, we will be well on the road to effective utilization of solar energy in the future, helping solve our energy needs over the long run. Solar energy is clean, it creates no pollution and requires no "fuel," depending instead on a free and a limitless source of energy, the sun itself. Solar radiation falling on our rooftops and sidewalks amounts to 17 watts per square foot.

The National Science Foundation has estimated that by the year 2020, solar energy could be the direct or indirect source of 33 percent of total building heating and cooling, 30 percent of the Nation's gas fuel, 10 percent of the Nation's liquid fuel, and 20 percent of the Nation's electricity. This could be achieved only if we initiate research, development, and demonstration programs now, through enactment of the present bill and through proper follow-up in the years ahead. The demonstration projects contemplated by this bill are not to be placed only in highly dense urban centers. The use of energy from the Sun must also be demonstrated on the farm and in rural communities, and in every climate. This is of utmost importance.

I commend the chairman, ranking minority member and other members and staff of the Energy Subcommittee for their dedication and fine efforts in developing this legislation. I respectfully urge all my colleagues to give full support to enactment of H.R. 11864, and to defeat the pending amendment to strike section 10.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. BARRETT).

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. BARRETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased that there has been such evident interest in this bill and that it has enjoyed such uniform support on both sides of the aisle. Obviously it is a needed program.

I was particularly interested in the changes that were made in the subcommittee, on which I serve, which gave some emphasis to the universities and colleges in the country, because I believe a great deal of significant work can be done in those institutions.

Mr. Chairman, at this time I particularly want to pay my respects to one of our former colleagues who is on the floor here today. I have reference to the former Member and colleague, the Honorable George Miller, who has had an interest in this subject for many years, as he has on every subject that affects the national aeronautics and space program. It is always a pleasure to have the gentleman here, and I think that it must give him a particular feeling of pleasure to be present when we move this bill forward, since it is one in which he has had such a great interest.

So, Mr. Chairman, I pay my respects to the distinguished former member and chairman of our committee, the Honorable George Miller.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11864) to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling, pursuant to House Resolution 823, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HEINZ. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 2, not voting 174, as follows:

[Roll No. 33]

YEAS—253

Abzug
Adams
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Arends
Ashley
Badillo
Barrett
Bauman
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Brooks
Broomfield
Broyhill, N.C.
Buchanan
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Casey, Tex.
Chappell
Clark
Clay
Cleveland
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Denholm
Dent
Derwinski
Devine
Diggs
Dingell
Downing
Drinan
Dulski
Duncan
Edwards, Ala.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Foley
Fountain
Fraser
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Grasso
Green, Pa.
Gross
Grover
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hogan
Holt
Howard
Hungate
Hunt
Ichord
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Karth
Kastenmeier
Kemp
Ketchum
King
Koch
Kuykendall
Latta
Leggett
Lehman
Litton
Long, La.
Long, Md.
McClory
McCollister
McCormack
McDade
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Mezvinsky
Milford
Miller
Minish
Mitchell, Md.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Railsback
Randall
Rangel
Rarick
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Runnels
Ruth
Sandman
Sarasin
Sarbanes
Satterfield
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson, N.J.
Thornton
Tiernan
Ullman
Vander Jagt
Vanik
Vigorito
Waggonner
Walsh
Wampler
Whitten
Widnall
Williams
Winn
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—2

Crane
Jordan

NOT VOTING—174

Abdnor
Addabbo
Alexander
Anderson, Ill.
Andrews, N. Dak.
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Beard
Bell
Blatnik
Bray
Breaux
Breckinridge
Brinkley
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Calif.
Burleson, Tex.
Carey, N.Y.
Carney, Ohio
Carter
Cederberg
Chamberlain
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collier
Conlan
Conyers
Cotter
Culver
Danielson
Delaney
Dellenback
Dellums
Dennis
Dickinson
Donohue
Dorn
du Pont
Eckhardt
Edwards, Calif.
Eshleman
Flood
Flowers
Flynt
Ford
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gettys
Gibbons
Goldwater
Gray
Green, Oreg.
Griffiths
Gubser
Gude
Hansen, Idaho
Harrington
Harsha
Hastings
Hébert
Henderson
Hillis
Hinshaw
Holifield
Holtzman
Horton
Hosmer
Huber
Hudnut
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Kazen
Kluczynski
Kyros
Landgrebe
Landrum
Lent
Lott
Lujan
McCloskey
McEwen
McKinney
McSpadden
Mailliard
Martin, Nebr.
Mathias, Calif.
Melcher
Metcalfe
Michel
Mills
Mink
Minshall, Ohio
Mitchell, N.Y.
Moakley
Myers
Nelsen
Nichols
Pepper
Pettis
Pritchard
Quie
Quillen
Rees
Reid
Rhodes
Roncalio, Wyo.
Rooney, N.Y.
Rostenkowski
Rousselot
Roy
Roybal
Ruppe
Ryan
St Germain
Scherle
Schneebeli
Schroeder
Shoup
Skubitz
Slack
Smith, Iowa
Snyder
Stark
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Udall
Van Deerlin
Veysey
Waldie
Ware
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wyatt
Wyman
Young, Alaska
Young, Fla.
Young, Ga.
Young, S.C.
Zion

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Charles H. Wilson of California.
Mr. Rooney of New York with Mr. Udall.
Mr. Roncalio of Wyoming with Mr. Frelinghuysen.
Mr. Johnson of California with Mr. du Pont.
Mr. Addabbo with Mr. Scherle.
Mr. Carey of New York with Mr. Brown of Michigan.
Mr. Donohue with Mr. Froehlich.
Mr. Kluczynski with Mr. Young of Georgia.
Mr. Carney of Ohio with Mr. Eshleman.
Mr. Gray with Mr. Brotzman.
Mrs. Green of Oregon with Mr. Ruppe.
Mr. Dellums with Ms. Holtzman.
Mr. Holifield with Mr. Andrews of North Dakota.
Mrs. Chisholm with Mr. Kazen.
Mr. Harrington with Mr. Conyers.
Mr. Culver with Mr. Lent.
Mr. Burleson of Texas with Mr. Pettis.
Mr. Alexander with Mr. Abdnor.
Mr. Blatnik with Mr. Anderson of Illinois.
Mr. Flood with Mr. Quillen.
Mr. Edwards of California with Mr. Metcalfe.
Mr. Melcher with Mr. Ashbrook.
Mr. Rhodes with Mr. Roybal.
Mr. Mills with Mr. Bafalis.
Mr. Nichols with Mr. Hosmer.
Mr. Pepper with Mr. Baker.
Mr. Reid with Mr. Lott.
Mr. Rostenkowski with Mr. Beard.
Mr. Rees with Mr. Horton.
Mr. Slack with Mr. Bell.
Mr. St Germain with Mr. Rousselot.
Mr. Stark with Mr. McKinney.
Mr. Stubblefield with Mr. Bray.
Mr. Van Deerlin with Mr. Myers.
Mr. Waldie with Mr. Brown of Ohio.
Mrs. Schroeder with Mr. Cederberg.
Mr. Smith of Iowa with Mr. Chamberlain.
Mr. Danielson with Mr. Dickinson.
Mr. Flynt with Mr. Goldwater.
Mr. Jones of Tennessee with Mr. Broyhill of Virginia.
Mr. Moakley with Mr. Frey.
Mrs. Burke of California with Mr. Don H. Clausen.
Mr. Ryan with Mr. Carter.
Mr. Jarman with Mr. Clancy.
Mr. Stephens with Mr. Gubser.
Mr. Delaney with Mr. Frenzel.
Mr. White with Mr. Gude.
Mr. Henderson with Mr. Del Clawson.
Mr. Charles Wilson of Texas with Mr. Hansen of Idaho.
Mr. Aspin with Mr. Dennis.
Mr. Breaux with Mr. Huber.
Mrs. Griffiths with Mr. Cohen.
Mr. Breckinridge with Mr. Hruska.
Mr. Dorn with Mr. Hudnut.
Mr. Eckhardt with Mr. Landgrebe.
Mr. Fulton with Mr. Dellenback.
Mr. McSpadden with Mr. Hastings.
Mr. Brinkley with Mr. Lujan.
Mrs. Mink with Mr. Mailliard.
Mr. Roy with Mr. Hillis.
Mr. Ford with Mr. Martin of Nebraska.

Mr. Conlan with Mr. Kyros.
Mr. Landrum with Mr. McEwen.
Mr. Brown of California with Mr. Minshall of Ohio.
Mr. Jones of Oklahoma with Mr. Hutchinson.
Mr. Flowers with Mr. McCloskey.
Mr. Gibbons with Mr. Mitchell of New York.
Mr. Cotter with Mr. Nelsen.
Mr. Forsythe with Mr. Pritchard.
Mr. Gettys with Mr. Quie.
Mr. Michel with Mr. Schneebeli.
Mr. Bob Wilson with Mr. Taylor of Missouri.
Mr. Towell of Nevada with Mr. Young of Florida.
Mr. Wyatt with Mr. Snyder.
Mr. Whitehurst with Mr. Symms.
Mr. Shoup with Mr. Ware.
Mr. Young of Arkansas with Mr. Skubitz.
Mr. Thomson of Wisconsin with Mr. Steelman.
Mr. Steiger of Arizona with Mr. Treen.
Mr. Steiger of Wisconsin with Mr. Zion.
Mr. Young of South Carolina with Mr. Wyman.
Mr. Thone with Mr. Whalen.
Mr. Talcott with Mr. Wiggins.

The vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON AVIATION INCENTIVE PAY

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file a report on the bill on aviation incentive pay.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SPIRO AGNEW'S SECRET SERVICE PROTECTION

(Mr. MOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include a letter.)

Mr. MOSS. Mr. Speaker, on yesterday Spiro Agnew, private citizen, convicted, under sentence for 3 years, a sentence rendered following a plea of no contest by the former Vice President, and characterized by the sentencing Federal magistrate as the equivalent of a plea of guilty, departed the city of Washington accompanied from the city by a force of from 12 to 21 Secret Service agents, bound for Los Angeles and then on to Palm Springs for an 8-day vacation and possibly writing period for his new book.

The Comptroller General of the United States, under a clear ruling on the claimed authority upon which the Secret Service relies for extending this costly protection, made the unequivocal comment that—

> I consider the position now advanced by the Department to be untenable.

Mr. Speaker, I believe the practice now underway to be an affront to every taxpaying American.

Mr. Speaker, may I just briefly say that in speaking with the spokesman for the Secret Service last evening, I was told I could have the information of the total number involved in confidence. I refused it because I intend to find it without any stricture of confidence on it, but I think it is an outrageous action.

Mr. Speaker, the letter from the Comptroller General of the United States follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., February 1, 1974.

Hon. JOHN E. MOSS,
House of Representatives,
Washington, D.C.

DEAR MR. MOSS: This refers to our reports to you of December 14, 1973, and January 28, 1974, dealing in part with protection provided by the Secret Service to former Vice President Agnew since his resignation. We held in those reports that there is no statutory authority for Secret Service protection of a former Vice President, and that consequently a Presidential directive requesting that such protection be provided does not constitute legal authority to do so.

The Washington Post of January 30, 1974, in reporting on this matter, quotes a spokesman for the Treasury Department as saying that the Department's position is that: "the statute authorizing Secret Service protection is not exclusive and that in appropriate cases the President may authorize a Secret Service protective detail. Although the Treasury Department cannot speak for counsel to the President, we understand that the President's authority is based on his inherent executive power." (p. A5.)

Since the Department has raised these issues, and in order to make our response to your request complete, we offer the following comments on the reported Treasury Department statement.

"We consider the position now advanced by the Department to be untenable." The statute authorizing Secret Service protection is 18 U.S.C. 3056(a). It provides in this respect as follows:

"Subject to the direction of the Secretary of the Treasury, the United States Secret Service, Treasury Department, is authorized to protect the person of the President of the United States, the members of his immediate family, the President-elect, the Vice President or other officer next in the order of succession to the office of President, and the Vice President-elect; *protect the person of a former President and his wife during his lifetime, the person of the widow of a former President until her death or remarriage, and minor children of a former President until they reach sixteen years of age,* unless such protection is declined; *protect the person of a visiting head of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; * * * and perform such other functions and duties as are authorized by law * * *.*"

(See also Public Law 90–331 set out as a note to 18 U.S.C. 3056, providing for protection of "major presidential or vice presidential candidates who should receive such protection.")

Section 3056(a) of title 18 thus provides for protection of an incumbent Vice President and of a Vice President-elect, and for protection of a former President during his lifetime. Moreover, the Congress has provided for certain services and facilities to be made available to former Vice Presidents, without including provision for Secret Service protection, (act of March 7, 1964, Pub. L. 88–277, 78 Stat. 153), and for protection of candidates for presidential or vice presidential office (see 18 U.S.C. 3056 note). Former Vice Presidents are not among those listed in 18 U.S.C. 3056(a) to whom protection may be provided. It is thus beyond question that there is no statutory authorization for protection of former Vice Presidents.

The Treasury Department contends however that the President has "inherent executive power" to order protection of persons not within the statute. We believe that the President's power *"must stem either from an act of Congress or from the Constitution itself." Youngstown Sheet and Tube Co.* v. *Sawyer,* 343 U.S. 579 (1952). In this case, the act of Congress in question, as already noted, circumscribes any power the President might otherwise have, in this respect, by listing those classes of persons for the protection of which the Secret Service is responsible, without including former Vice Presidents.

With respect to the question of constitutional authority, we note that section 3056(a) gives the President certain discretionary authority to order protection of distinguished foreign visitors to the United States (other than heads of state) or of official representatives of the United States performing special missions abroad, and we are aware that, in the legislative history of the act of January 5, 1971, Pub. L. 91–651, 84 Stat. 1940, which added that discretionary provision to 18 U.S.C. 3056(a), it is said that the President has "inherent constitutional authority" to direct the Secret Service to perform the functions authorized by the act, and that the law is intended merely to clarify the responsibilities of the Secret Service in this respect. S. Rept. 91–1463, 91st Cong., 2d sess., 2. However, the circumstances there involved were that the Department of State had traditionally provided protection for foreign visitors under its general responsibilities for state visits, that this was considered to be a "foreign affairs function," and that the bill merely transferred the existing responsibility from the State Department to the Secret Service. We would agree that, under his constitutional duties to "receive Ambassadors and other public Ministers" (article II, section 3) and to make treaties subject to Senate advice and consent (article II, section 2), the President can provide for protection of distinguished foreign visitors to this country or of official representatives of the United States while they are abroad. Whether he could order the Secret Service to take over such functions from the Department of State without statutory authority it is unnecessary to decide, since the Congress saw fit to give him specific legislation to accomplish this purpose. However, in that situation, it is clear that the claim of inherent executive power finds its justification in furtherance of the President's performance of a constitutional duty, the conduct of foreign affairs. No such justification appears to be present in this case. Accordingly, the claim here of inherent executive power is without foundation.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MOSS. Mr. Speaker, I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, the gentleman from California deserves the commendation of the House for the persistent efforts he has made to divorce the Secret Service from Spiro Agnew, who is now accompanied by agents of the Service, visiting a crony in California.

I wrote to the Secret Service last October 23 in an effort to find out why and by what authority the Secret Service was still protecting Spiro Agnew. I again commend the gentleman and I am sure the House will commend him for exposing this outrageous expenditure of public funds.

Mr. Speaker, I ask unanimous consent that my remarks and a series of letters follow the remarks of the gentleman from California (Mr. Moss).

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, the letters to which I have made reference follow:

October 23, 1973.

Mr. James J. Rowley,
Chief, Secret Service,
Treasury Department,
Washington, D.C.

Dear Mr. Rowley: Please advise me whether Secret Service agents are still assigned to former Vice President Agnew and, if so, the statutory authority for such assignment.

Sincerely,

H. R. Gross.

Department of the Treasury,
U.S. Secret Service,
Washington, D.C., October 29, 1973.

Hon. H. R. Gross,
House of Representatives,
Washington, D.C.

Dear Mr. Gross: We have received your communication of October 23, 1973, concerning the protection of former Vice President Spiro T. Agnew.

In this regard, protection of the former Vice President is in effect, for a period of time, at the direction of the President of the United States.

If we can be of further assistance, please let us know.

Sincerely,

John W. Warner, Jr.,
Assistant to the Director.

October 31, 1973.

Mr. John W. Warner, Jr.,
Assistant to the Director, U.S. Secret Service, Department of the Treasury, Washington, D.C.

Dear Mr. Warner: Thank you for your letter of October 29.

Please advise me the date on which President Nixon ordered Secret Service protection for former Vice President Agnew, the nature of the directive, the duration of such protection, and the statutory authority for such an order.

Sincerely,

H. R. Gross.

Department of the Treasury,
U.S. Secret Service,
Washington, D.C., November 8, 1973.

Hon. H. R. Gross,
House of Representatives,
Washington, D.C.

Dear Mr. Gross: This is in reply to your letter of October 31, 1973.

The United States Secret Service received a verbal Presidential directive to provide protection for former Vice President Spiro T. Agnew on October 10, 1973. This directive was followed up in writing by Secretary of the Treasury George P. Shultz on October 11, 1973. The directive stated that protection would be provided for a reasonable period of time.

If we can be of further assistance, please let us know.

Sincerely,

John W. Warner, Jr.,
Assistant to the Director.

November 9, 1973.

Hon. George P. Shultz,
The Secretary, Department of the Treasury,
Washington, D.C.

Dear Mr. Shultz: Please provide me with a copy of your directive of October 11, 1973 to the Secret Service regarding the assignment of agents to former Vice President Agnew.

Sincerely,

H. R. Gross.

The Secretary
of the Treasury,
Washington, D.C., November 27, 1973.

Hon. H. R. Gross,
House of Representatives,
Washington, D.C.

Dear Mr. Gross: As you requested in your letter of November 9, 1973, I enclose a copy of my directive of October 11, 1973, to the Director, United States Secret Service, requesting him to provide a detail for the protection of former Vice President Spiro T. Agnew for a reasonable period of time. A copy of the President's request to which that directive refers is also enclosed.

Sincerely yours,

George P. Shultz.

The White House,
Washington, D.C., October 10, 1973.

MEMORANDUM FOR THE SECRETARY OF THE TREASURY

Subject: Protection of former Vice President.

You are hereby requested to direct the United States Secret Service to provide a detail for the protection of former Vice President Spiro T. Agnew for a reasonable period of time.

Richard Nixon.

The Secretary
of the Treasury,
Washington, D.C., October 11, 1973.

MEMORANDUM FOR THE DIRECTOR, U.S. SECRET SERVICE

Subject: Protection of Former Vice President.

In accordance with a request from the President, a copy of which is attached, you are hereby requested to provide a detail for the protection of former Vice President Spiro T. Agnew for a reasonable period of time.

George P. Shultz.

FOOD—THE DIMINISHING NECESSITY

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, the Boston Globe ran a very fine article in its Sunday edition entitled "Food—The Diminishing Necessity" which I commend to each Member's attention. Simply stated, the world is facing critical food shortages and I am sure that the next few years will find us spending much time pondering and debating the domestic and foreign ramifications of this "diminishing necessity."

Although the food supply situation comes as no surprise to anyone in this Chamber, I am afraid that the Department of Agriculture has not yet found out about it. Last year, I introduced legislation which would authorize the Secretary of Agriculture to distribute seeds and plants for use in home gardens. This legislation would cost a minimal amount, yet result in the production of millions of pounds of nutritious food so necessary, not just to the poor and needy, but to everyone in this country. If the energy crisis has taught us one thing, it has taught us that we must begin to reexamine our lifestyles and strive for a new level of self sufficiency in all things. The energy crisis will have a devastating impact on food prices. The level of food production will drop, access to the market place for many will be more difficult, transportation and production related costs as well as a still uncontained inflation will see food costs increase still further. And yet, the Department of Agriculture maintains that they see no need for enactment of the seed and plant bill for the reasons stated in the following report:

Department of Agriculture,
Washington, D.C., January 17, 1974.

Hon. W. R. Poage,
Chairman, Committee on Agriculture,
House of Representatives.

Dear Mr. Chairman: This is in reply to your request for a report on H. R. 9468, a bill to authorize the Secretary of Agriculture to distribute seeds and plants for use in home gardens. Our report also applies to H. R. 9460, a bill having the same purpose as H. R. 9468.

The Department does not recommend enactment of these bills.

The bills would provide seeds and plants for use in home gardens under such conditions as the Secretary determines to be appropriate. As you are aware, the food stamp amendments found in Public Law 93–86 changed the definition of "food" to permit the use of food stamps to purchase seeds and plants for use in gardens to produce food for the personal consumption of eligible households. Since this provision has already been implemented to benefit needy low-income families, the Department believes the objectives of H. R. 9468 have been substantially accomplished.

In addition, Public Law 93–86 requires each State to implement the Food Stamp Program in every one of its political subdivisions by no later than June 30, 1974, unless a State can demonstrate that it is impossible or impracticable to do so in a particular area. It is anticipated that those areas of the country which had previously relied upon the Federal Food Distribution Program will be receiving food stamp assistance. All households in those areas who are eligible for such assistance will be able to purchase seeds and plants with their food stamps.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Clayton Yeutter,
Acting Secretary.

I do not believe that the Department of Agriculture has given this situation the attention it deserves. Its report is not only highly unsatisfactory, it is virtually meaningless in the context of today's rising food prices and potential domestic and world shortages.

Again, I must urge my good friend, the chairman of the House Agriculture Committee, Mr. Poage, to begin hearings on this legislation at the earliest possible time. Expeditious action is required for time is of the essence. The American people should be given the opportunity to produce food in their own gardens if they so desire.

[From the Boston Sunday Globe, Feb. 10, 1974]

Food—The Diminishing Necessity

(By Richard M. Weintraub)

A restaurant owner in Revere complained recently thaat he was having trouble getting enough tomatoes to make his sauces and that the cost of garlic had quadrupled.

Supermarket advertisements urge consumers to buy meats now before they become scarce and more expensive.

Secretary of State Henry Kissinger called not too long ago for a world food conference.

Bakers speak in alarmist terms of the $1.00 loaf of bread.

In each of the above cases, the argument could be made that there really is no problem with food availability, other than manmade problems.

The restaurant owner, it could be said, is suffering from kinks in the distribution system; supermarket owners might simply be creating a panic situation leading up to further price increases; Kissinger could be trying to divert attention from oil and Watergate and the bakers just might be trying to get a bigger slice of the consumer's dollar.

WORLD NEAR BRINK

There is another situation, though, that really can't be argued with, one that portends greater problems for all men than the present petroleum situation for industrialized nations. The world, in brief, is teetering dangerously on the edge of a chronic food shortage and the United States, more than any other nation, is in a position to do something about it. So far, nothing has been done.

In the draft of a paper prepared for an upcoming conference in London, Harvard Business School Prof. Ray Goldberg writes:

"In 1966 we had 3.4 billion people in the world and we were concerned with a wheat carryover (surplus) of 555 million bushels in the United States. In 1974 with 500 million more people in the world, we are even more concerned with a wheat carryover of even less—now estimated to be approximately 200 million bushels (the lowest since WW II).

"Of even more concern is that many U.S. farmers have already sold their wheat to exporters for the fall of 1974 and have yet to plant it, let alone grow and harvest it."

FEW SURPLUS AREAS

What makes this situation so alarming is that the United States, along with Canada and sometimes Australia, has become the world's only area of grain surpluses.

If the Russian or the Japanese wants to spend his increased earnings on bettering his diet, he must come to the United States to get the grain to fatten cattle. If the government of India needs to buy grain to ward off famine, the United States, directly or indirectly, is about the only possible supplier.

Or if there is drought or natural disaster which destroys crops and emergency relief supplies on a massive scale are needed, it is to this country that the relief agencies must turn. There is no alternative.

The problem is that the US, as of now, really has no plan to protect either its own people or those elsewhere who might be in desperate need.

Ten years ago the problem for the United States was not how to get enough food to meet requirements but what to do with all the surpluses. Storage areas were filled to overflowing; farmers were paid NOT to cultivate land and huge food aid programs, such as Food for Peace, were developed.

Now, all that is changed. Under the triple pressure of increasing worldwide population, drought in wide areas of the world and rapidly expanding standards of living leading to increased food consumption, the US has become the major marketplace for world food supplies.

FOREIGN PRESSURES

This means that the US consumer must compete right along with the Japanese or Russian consumer for the produce of the nation's farms. This has its implications both for prices and availability of foodstuffs. In addition, there is fierce competition for the fertilizer which is used to increase crop productivity. As Goldberg notes:

"The US food system, that for the past 25 years had been insulated from the world food system because of high US farm supports, has become an integral part of the world food system in terms of production and consumption.

"This fact became emphasized when price controls were placed on US processed food products and overseas buyers were bidding raw material food supplies away from US processors. This also was evident when fertilizer price controls were put on in the United States while Morocco and Tunisia raised their prices 180 percent in October 1973. US supplies were being bid away in the markets and controls were lifted. Prices for nitrogen fertilizer had risen from $65 a ton to $110 a ton by January 1974."

Added to this is a generally increasing shortage of fertilizers due to shortages of petroleum-related products used to make them.

This general food situation, coupled with the Arab use of oil as a foreign policy weapon, has led some in this country to call for the use of this country's food situation as a foreign policy tool.

In recent testimony before the Senate Foreign Relations Committee, Dr. Jean Mayer, the world-renowned professor of nutrition at the Harvard School of Public Health, argued:

WORLD GRAIN TRADE BALANCES

[Million metric tons]

Region	1934–48	1960	1966	1972	1973	Region	1934–48	1960	1966	1972	1973
North America	+5	+39	+60	[1] +88.8	[2] +91.5	Africa	+1	−2	−3	−.8	−5.3
Latin America	+9	0	+2	−3.4	−2.3	Asia	+2	−16	−30	−48.2	−49.3
Western Europe	−24	−25	−23	−18.3	−19.9	Oceania (Australia and New Zealand)	+3	+6	+8	+7.3	+8.3
Eastern Europe (including U.S.S.R.)	+5	0	−14	−25.6	−11.5						

[1] The United States accounted for 70,100,000 metric tons of this total.

[2] The United States accounted for 74,400,000 metric tons of this total.

(+) Net exports.
(−) Net imports.

GRAIN DEFICITS

(Wheat, coarse grain and milled rice in millions of tons.)

1964–65, 10.5; 1969–70—1971–72, 15.5; 1971–72, 18.4; 1972–73,23.4; and 1973–74, 30.3.

"While all of us may have had reservations about certain aspects of our foreign relations since the end of World War II, we can all take pride over the fact that without any possible doubt, during that period, our country has been the world's chief bulwark against hunger. . . . In some cases famines have been relieved. In many cases they have been averted. The good will resultant from these measures has been enormous and has often dispelled the fear and distrust which a nation as large and powerful as ours normally engenders."

WHEAT DEALS HURT

Mayer went on to argue that the huge, governmentally unsupervised deals between private firms and foreign buyers, such as China and the Soviet Union, are endangering this longstanding U.S. policy and ultimately will lead to higher prices in the U.S.

". . . we risk abdicating much of our influence (and potential profit) in using internationally our chief national resource, the products of our agriculture," Mayer said. He then advocated the creation of a central authority to develop a food policy and oversee foreign grain and soybean trade.

In a recent interview, Mayer argued that the recent huge wheat sales to the Soviet Union not only upset the U.S. economy, but subsidized Russian foreign policy since Moscow was exporting grain to India, Bangladesh and Egypt (just before the October war) at the same time it was importing wheat from the U.S.

"I don't see why we should sell heavily subsidized American grain to Russia—at a cost to the American consumer—only to have them use it for their purposes," Mayer said.

"Egypt and Iraq had drastic shortfalls (in grain last year) and couldn't have launched military adventures without Russian grain," he continued.

Mayer argued that the use of food as a foreign policy tool is not "blackmail."

NOT BLACKMAIL

"It's not blackmailing people if we say, if you cut down availability of oil, then we will have to cut down production since our farmers and industry needs oil to keep production at a high level. If we have to make choices, we will feed our friends—like the Dutch—rather than those who denied the increased production to us to start with," he said.

From a strict "national interest" argument, Mayer said it also would not be a bad idea to let food prices rise, since that would lead to vastly increased earnings from exports.

"If we protect the poor and the elderly—perhaps through a policy which provides sufficient reserves for supplementary food programs—then it is in our national interest to have food prices go up," he said.

Goldberg does not share all of Mayer's views on the use of food as a foreign policy tool, but he argues urgently both for national and international food policies, noting that even a minimal crop failure in the US would have severe repercussions for people around the world.

"Wheat, corn, barley, cocoa, coffee, and sugar all have practically doubled in price in the past 12 months. These raw materials prices have been translated into high retail food prices all over the world . . . In addition, the low inventories of most crops add more price pressure as most users are anxious buyers almost to the point of hoarding," he says.

"What is needed, of course, is some kind of national and world food reserve policy."

Even the development of reserves (food stored against emergency on humanitarian needs) would create further pressure on the market, Goldberg noted, but that is a better situation than not having the reserves at all.

The existence of reserves would have a three-fold objective:

To protect the American consumer who is being "whiplashed" by the frantic scramble for available food supplies.

To provide a cushion against the possibility of a bad harvest in this country.

To leave the US at least some limited supplies of food to use for humanitarian purposes abroad as has been the traditional policy of the country.

Doing less than this leaves both the US and the world in a perilous situation bordering on the disastrous.

City	Boneless sirloin steak	Boneless chuck roast	Pork chops	Ham, canned	Cheese (cheddar, edam, gouda)	Butter
Bonn	3.69	2.38	2.20	5.98	1.48	1.41
Brazilia	.74	.59	1.34	1.67	1.82	1.72
Brussels	3.16	1.78	1.82	3.35	1.18	1.38
Buenos Aires	.69	.38	.43	2.43	.91	.96
Canberra	2.09	1.13	1.28	2.25	1.28	.87
Copenhagen	4.04	1.67	2.37	2.18	1.51	1.38
London	2.75	1.30	1.30	1.25	.75	.51
Ottawa	1.77	1.08	1.58	1.80	1.02	.74
Paris	2.54	1.40	2.01	2.46	1.25	1.41
Rome	2.77	2.25	(1)	(1)	1.11	1.51
Stockholm	4.42	2.04	2.21	2.29	1.64	1.18
The Hague	3.24	2.20	2.07	(1)	1.30	1.29
Tokyo	12.83	5.99	2.57	3.66	1.35	1.58
Washington, D.C	2.29	1.49	1.79	2.00	1.27	.95
Median	2.76	1.68	1.82	2.27	1.28	1.24

[1] Not available. Note: Items may vary by quantity and type.

City	Broilers, whole	Eggs, large dozen	Tomatoes	Apples	Oranges, per dozen	Bread, white
Bonn	0.84	1.03	0.19	0.33	1.23	0.45
Brazilia	.69	.70	.24	.12	.68	.20
Brussels	1.04	1.13	.29	.27	1.45	.22
Buenos Aires	.37	.50	.29	.17	(1)	.24
Canberra	1.13	1.08	.74	(1)	.60	.31
Copenhagen	1.58	1.24	.94	.40	2.10	.39
London	.58	.89	.24	.22	1.44	.15
Ottawa	.78	.90	.33	.16	.97	.21
Rome	1.03	.89	.20	.32	(1)	.24
Paris	.90	1.17	.20	.34	1.37	.39
Stockholm	1.28	1.23	.53	.48	1.38	.61
The Hague	.78	1.08	.32	.21	1.51	.17
Tokyo	1.03	.61	.40	.81	6.11	.36
Washington, D.C	.71	.88	.39	.09	1.07	.25
Median	.87	.97	.31	.30	1.38	.25

[1] Not available. Note: Items may vary by quantity and type.

SOVIET JEWRY: RECOMMENDATION BY THE CONSULTATIVE ASSEMBLY OF THE COUNCIL OF EUROPE

(Mr. FRASER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FRASER. Mr. Speaker, during a recent visit to Strasbourg, France, and the Consultative Assembly of the Council of Europe, I was deeply impressed by two reports prepared for the assembly's Committee on European Non-Member Countries.

The report I present today is on the situation of the Jewish community in the Soviet Union. I plan to introduce in the RECORD a second report—on the situation in Greece—at a later date.

The report on Soviet Jewry was the basis for a consultative assembly debate held January 21, 1974. The recommendation adopted by the assembly that day is identical to the draft recommendation appearing as section I of the report reprinted below.

This report and the recommendation resulting from it are valuable documents well worth our time in any event, but, I think, of especial interest because of the source of these documents.

Mr. Speaker, many Americans have only a very hazy idea of the various international organizations that link many of the European nations. While my primary interest is the report reprinted at the conclusion of these remarks, it may be useful to quote briefly at this point from the 1974 Press Guide of the Council of Europe:

FACTS AND FIGURES ABOUT THE COUNCIL

ORIGINS, AIMS, MEMBERSHIP

The Council of Europe was the first political organisation to be created in Western Europe and remains the widest by membership. Its Statute, which endowed it with a Committee of Ministers and a Consultative (parliamentary) Assembly, was signed on 5 May 1949 in London and the headquarters were established in Strasbourg the same year.

Although the European scene 25 years later is different in many ways, the Council's aims remain unchanged: to work for greater European unity, to improve the conditions of life and develop human values in Europe, and to uphold the principles of parliamentary democracy, the rule of law and human rights. Any European State can become a member provided it accepts these principles. (In one case, a member country, Greece, was obliged to withdraw from the Council in 1969 because she was no longer able to fulfill these conditions).

The ten founder countries were: Belgium, Denmark, France, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden and United Kingdom.

Further countries to join were: Greece and Turkey (1949), Iceland (1950), Federal Republic of Germany (1951), Austria (1956), Cyprus (1961), Switzerland (1963), Malta 1965).

The Organisation has seventeen member countries in 1974 and represents the joint interests of some 310 million Europeans. . . .

BRIEFLY, HOW IT OPERATES

The results of the Council's work are obtained by flexible methods of co-operation between parliamentarians, Ministers, government officials and experts, working together to harmonise member countries' policies and to adopt common standards and practices.

The parliamentary Assembly threshes out, in public, issues of European importance and puts its recommendations for joint action by governments to the Committee of Ministers. The Ministers, or their Deputies, decide on the action to be taken and direct the Council's work. Parliamentary committees prepare the plenary sessions of the Assembly; governmental expert committees carry out work for the Ministers and also put proposals for joint action to them.

Part of the Council's work is carried out by institutions set up specially for the purpose e.g. the European Commission of Human Rights, the Court of Human Rights, the European Youth Foundation, the European Conference of Local Authorities etc. With the increasing technicality of many of the subjects dealt with, conferences of specialised Ministers have also become a major feature of the Council's programme. The Council's all round the year work is served by a permanent international Secretariat in Strasbourg.

PARLIAMENTARY ASSEMBLY

The "Consultative Assembly" is the parliament (not to be confused with the European Parliament of the 9-country European Communities which has its offices in Luxembourg but holds most of its sessions in the Chamber of the Council of Europe building in Strasbourg). When created in 1949 it was the first international parliament in history.

Although without legislative powers, the Assembly acts as the "motor" of the Council, initiating European action in key areas by addressing Recommendations to the Committee of Ministers. As the widest parliamentary forum in Western Europe, the Assembly also acts as the "conscience" of the area by voicing its opinions on important current issues. These are embodied in Assembly Resolutions. There are also "Written Declarations" which commit only the signatories. (Voting requirements: Recommendation, two-thirds majority; Resolution, simple majority; Quorum 69). . . .

The Assembly can check on the fate of their Recommendations by written questions at any time or by parliamentary questions for oral answer addressed to the Chairman of the Committee of Ministers when he presents the ministerial progress report to the Assembly at each session.

The Assembly can also give its opinion on current problems of the day by employing "urgent procedure" to introduce a debate (e.g. the situation in Czechoslovakia, 1968; the free movement of peoples in Europe, 1973). . . . [A]

Political debate is held at each of the Assembly's meetings, on some major current problem facing Europe (e.g. East-West détente, the Middle East, relations with the USA, or domestic European problems).

An annual colloquy of parliamentarians and Ministers takes place once a year, in December, to discuss a political question of current importance.

Up to 1970 the Assembly had 147 members (and an equal number of substitutes). With the withdrawal of Greece, the number was reduced to 140, but three of the seats (Cyprus) have been vacant since 1965 due to internal difficulties.

Delegations to the Assembly vary in size from 3 seats for countries with small populations to 18 for those with large ones. Delegation are appointed by national parliaments from among their own members and reflect in general the strength of political parties in the home parliament. For the first time in October 1973 a member State, France, appointed Communist representatives to the Assembly.

Members sit in the Chamber in alphabetical order of individual names and not in national or party groups. There are however multinational political groups of Liberals, Christian Democrats, Socialists and Independents (Conservatives).

Observers: although non-European states cannot become members, a small observer delegation from the Israel parliament has attended Assembly sessions since 1958, but the Assembly decided in 1965 that, until further notice, applications for observer status would only be considered from European States.

Sessions: The Assembly holds a public one-week meeting 3 times a year, in Strasbourg (normally May/September/January).

Most European organisations were created following proposals from the Council of Europe and send their progress reports to be considered by the Assembly; also organisations not restricted to Europe, in order to gain interest and support of European parliamentarians.

The Assembly holds an annual joint meeting with the European Parliament of the Communities on a subject of topical interest. . . .

Parliamentarians from non-member countries often attend Assembly sessions for exchanges of views . . .

Parliamentary committees: 13 specialised committees hold periodic meetings throughout the year to prepare work and reports for debate by the Assembly. The Standing Committee, composed of leading members and meeting at least 3 times a year, can take decisions between Assembly sittings.

COMMITTEE OF MINISTERS

The Committee, composed of the 17 Foreign Ministers of the member countries, is responsible for the whole of the work of the Council of Europe and for common action by member governments. It decides on recommendations addressed to it by the parliamentary Assembly or on proposals submitted by expert governmental committees.

Decisions can take the form of: a Resolution containing common measures recommended to governments; or a Convention or Agreement binding on the States which ratify them (about 80 concluded since 1949). The Committee of Ministers also consults on major political issues of common European concern.

The Ministers normally meet twice a year to review progress in European co-operation and to direct the Council's work: in December in Paris and in May in Strasbourg (for annual colloquy with parliamentarians, see above). In between the Ministers' Deputies, usually Ambassadors, who are appointed as Permanent Representatives of their government to the Council of Europe and are mostly resident in Strasbourg, meet about ten times a year to execute the Council's business. They have the same powers of decision as the Ministers. Ministerial meetings are not public.

The Chairmanship of the Committee of Ministers (and therefore also of the Ministers' Deputies) is taken in turn following the alphabetical order of countries. It changes twice a year after sessions of the Committee of Ministers i.e. after December and May.

Most decisions of the Committee of Ministers (and of their Deputies) are by majority vote, simple or ⅔; unanimity is necessary in some important instances. Some common activities are arranged between a limited group of members States; these are called Partial Agreement activities.

Human rights are a major concern of the Council of Europe. I find it significant that the 1974 Press Guide opens with the following paragraph:

UPHOLDING HUMAN RIGHTS

With the Europe Convention on Human Rights signed in 1950 the Council of Europe instituted a unique international guarantee for basic rights and freedoms—the first in world history. The Convention, which entered into force in 1953, covers the most important of the civil and political rights enshrined in the United Nations Declaration of Human Rights of 1948.

The Council of Europe countries alone have succeeded in transforming the general principles of the Universal Declaration into legal obligations by creating a working system of international judicial guarantee for human rights. Moreover, the European Convention serves as an example to other regions of the world.

The rights defined by the Convention are safeguarded by two independent bodies: a Commission and a Court, as well as by the Committee of Ministers of the Council of Europe.

Fifteen of the seventeen Council of Europe member States have ratified the Convention and are thus bound by it. France signed the Convention in 1950 and Switzerland in 1972. Both are expected to ratify in the near future.

And it is the Council's preeminence in human rights that makes the following report of more than casual interest:

COUNCIL OF EUROPE,
CONSEIL DE L'EUROPE,
December 17, 1973.

[Consultative Assembly—Doc. 3374]

REPORT ON THE SITUATION OF THE JEWISH COMMUNITY IN THE SOVIET UNION

(Rapporteur: Mr Ahlmark)

I. DRAFT RECOMMENDATION

Presented by the Committee on Euorpean Non-Member Countries [Unanimously adopted by the committee on 12 December 1973. Members of the committee: Mr. *Hofer* (Chairman), MM *Jung, Gessner* (Vice-Chairmen), *Abens, Ahlmark,* Arnason, Mrs. Cattaneo-Petrini, MM *Collins* G, Cornelissen, *Ertug,* La Combe, Mason (alternate: *Mendelson*) *Mende,* Mrs. Munkebye, MM Nothomb (alternate: *Adriaensens*), Oestergaard, Radinger, *Reale,* Wall. NB The names of those who took part in the vote are in italic. Secretaries of the committee: MM Massie and Ringheim.]

The Assembly,

1. Recalling its Recommendation 632 (1971) on the situation of the Jewish community in the USSR;

2. Noting with satisfaction that a considerable number of Soviet Jews have been granted permits to leave the Soviet Union since the beginning of 1971;

3. Conscious, however, of the continued harassments of Soviet Jews who apply for exit visas and of the rejection of many such applications without any valid reason;

4. Concerned by the grave human suffering caused by the arbitrary separation of families;

5. Deeply concerned by the repeated reports of police harassment arbitrary arrests and show trials directed against members of the Jewish community in the Soviet Union as well as by the situation of those prisoners already condemned;

6. Concerned at the possibility of further actions against Soviet Jewish citizens who apply for exist visas on the basis of the Universal Declaration of Human Rights and the International Convention on the Elimination of all Forms of Racial Discrimination;

7. Concerned at expressions of so-called anti-Sionist propaganda in the Soviet Union which is often indistinguishable from anti-semitism and liable to provoke latent anti-semitism;

8. Concerned further at the continued restriction of the freedom of Soviet Jews to practise their religion, to maintain Jewish cultural life (books, periodicals, theatres, etc.) and to use in print or to learn Jewish languages such as Yiddish and Hebrew;

9. Mindful of the aims of the current Conference on Security and Co-operation in Europe and, in particular, of Chapter III ("Co-operation in humanitarian and other fields") of the final recommendations of the preceding Helsinki consultations;

10. Recommends that the Committee of Ministers invite member governments to urge the Soviet authorities to contribute further to the improvement of East-West relations, and thus also to act in the spirit of the current Conference on Security and Co-operation in Europe, by taking the following measures:

i. by removing the obstacles and by simplifying and speeding up the procedures for granting exit permits to those Jews who, for various reasons, wish to emigrate;

ii. by guaranteeing that no repressive actions will be taken against Soviet Jews claiming this elementary right to leave the country in pursuance of the Universal Declaration of Human Rights and the International Convention on the Elimination of all Forms of Racial Discrimination;

iii. by granting the Jewish community the cultural and religious rights guaranteed to all national and ethnic groups on a basis of complete equality by Article 123 of the Constitution of the USSR;

iv. by expressly prohibiting anti-semitic propaganda in the form of books or other publications in pursuance of the same article.

II. EXPLANATORY MEMORANDUM BY MR. AHLMARK

1. Introduction

1. The present report is presented to the committee following a decision (May 1973) to re-examine the situation of the Jewish communities in the Soviet Union, previous reports (of which the last was presented in January 1971) having been overtaken by recent events.

2. The Rapporteur was able to obtain numerous documents, petitions, letters, court proceedings, reports, press excerpts translated from Russian newspapers, etc. He also has met numerous Jewish immigrants, both in Vienna and in Israel, and had lengthy interviews with some forty of them. The choice of persons interviewed was such as to cover a fairly complete gamut of opinions and of problems. Thus, your rapporteur met with former prisoners, with families of prisoners still interned, with writers, engineers, doctors, artists, workers coming from various parts of the Soviet Union, with members of separated families, with "activists" who have tried for years to obtain their exit visas as well as with people who had almost no difficulty in obtaining this document. The conversations were extremely frank and thorough. The Rapporteur has also met with experts on Soviet Jewry in Europe.

3. Most of the persons interviewed knew about previous activities of the Council of Europe on their behalf. All asked that such activities should be pursued. For they are convinced that it is thanks to the pressure of world opinion that emigration is possible, that the gates have opened a slight crack, that hardships for those who wish to leave, and for those who will remain, could be diminished.

4. In retrospect, the last report on this subject, presented to the Consultative Assembly in January 1971, by Mr. Bruno Pittermann, came at what might appear to have been something of a turning point in the evolution of the problem of the Soviet Jews. As that time, there was very little emigration: between 1968 and March 1971, only approximately 4,000 Jews were allowed to leave the Soviet Union altogether.

5. The report came, too, immediately after the first Leningrad trial (December 1970) in which a group of Jews had been condemned by a Soviet court to very harsh prison terms. Two originally were condemned to death, their sentences later being commuted thanks to the world-wide outcry on a hitherto unknown scale. International organisations, political bodies (including some Western communist parties), governments and well-known personalities all joined in an outburst of indignation.

6. While severely critical of the attitude of the Soviet authorities, this criticism was applied in a positive spirit. It crystallised into a demand for the full application of the Soviet Constitution, for the application of conventions and agreements entered into by the Soviet Union as well as for the respect of pledges made by various Soviet leaders in their public pronouncements in previous years. It also was to become increasingly clear, from this time onward, that détente in Europe and the world can be fully achieved only through the respect for human rights, as universally expressed and accepted.

The Emigration

7. It is difficult to ascertain authoritatively what were the various reasons, both internal and external, that brought about a certain change in Soviet emigration policy. Any analysis necessarily has to be based both on known facts and on speculation. Yet it is

apparent that since March 1971, the pattern of emigration of Jews from the Soviet Union has changed, at least so far as numbers are concerned.

8. There are no officially published figures concerning this emigration, either in the Soviet Union or in Israel. The following figures, however, based upon information obtained from various publications and interviews, seems to correspond to reality as near as possible.

[Approximate]

1968–March 1971	4,000
March 1971–December 1971	13,000
1972	31,000
1973 (to November)	28,000
Total	76,000

(This total, incidentally, is in keeping with figures published by the Austrian Government at the time of the crisis involving the Schönau camp, following the terrorist attack on a group of Jews in transit through Austria.)

9. That 76,000 Jews already have been able to reach the country of their choice is a positive development, one that should serve as an encouragement to those who have devoted their efforts to bring about this change. The Council of Europe is not the least among them, as Mrs. Golda Meir, Prime Minister of Israel, declared in her speech before the Consultative Assembly (1 October 1973) speaking about the emigration of Soviet Jews:

> ". . . If more are coming out, I am happy to say it is probably due to a large extent to the attitude this Council has taken on the subject."

10. Such efforts constituted a worthy reflection and echo of the determination and the courage of Jews inside the Soviet Union itself. Their multiple petitions and open letters of protest sent to public figures and institutions in the USSR and abroad, their demonstrations, hunger strikes and sit-ins in public offices—all served unremittingly *to remind* world public opinion of their plight. In such fashion the Jews of the USSR, no longer "the Jews of silence", managed—within the law and with tremendous dignity to demand the respect of their guaranteed rights.

2. The present situation

11. The Committee on European Non-Member Countries has deemed it necessary to present a new report on the subject because the evaluation described above, positive as it is, tends to create the false illusion that the plight of the Jews in the Soviet Union has been, or is on the way to being, resolved.

12. This is far from the case; yet because of this illusion one might be tempted to neglect the issue. Actually, as shall be shown here, the situation of the Jews in the USSR is in many respects as grave, even as alarming, as before.

1. The pattern of emigration

13. First, it should be noted, the present emigration is limited and circumscribed, by deliberate policy of the Soviet authorities, to Jews living in certain definite areas. The large majority of the Jews authorised to leave the Soviet Union come from areas containing only a small minority of the Soviet Jewish population. Most of the 3 to 3½ million Soviet Jews are prevented from applying for emigration through methods which will be discussed below.

14. The more "liberal" areas are the Baltic states (mainly Lithuania and Latvia), the areas formerly belonging to Hungary, Romania, Czechoslovakia and Poland and incorporated into the Soviet Union after World War II, and Georgia and Uzbekistan. Of the total Jewish population of Georgia, for instance, more than 40% has now gone to Israel. In Lithuania the corresponding figure is more than 30%. But in the inner parts of the Union and in the republics which belonged to "Old Russia" it is often totally impossible to get a permit. In the Republic of Russia (RSFSR) less than ½% of the Jews have been able to leave, in *East* Ukraina less than 1%—but in *West* Ukraina more than 15% of the Jewish population has left.

15. One might speculate about the reasons for these vast regional differences, which seem to be maintained from month to month. But the conclusion, which can be drawn from the statistics, is that the emigration during the last 2 years has only very little changed the life and the prospects for the future for the large majority of the Jewish community which do *not* live in the geographical periphery of the Soviet Union. At the same time the authorities try by vigorous efforts to limit the "desire to emigrate" (and the possibility) to these specific areas and to prevent it from spreading to the rest of the Soviet Union.

ii. Harassment and Persecution

16. Various measures are applied to implement this "containment" policy. All seek to defer potential candidates for emigration from applying, mainly through the harassment of those Jews who have already taken this step. A constant, virulent campaign is carried on against them, and against those who would wish to emulate them. The harshness and arbitrariness of measures applied vary in intensity even within "Old Russia" itself (Russia, Ukraine, Bielorussia etc.). The further one gets from the big centres—Moscow, Leningrad, Kiev, Odessa, Kharkov—as a rule, the harsher the persecution of the applicant for emigration.

17. The Soviet Union, it should be stressed, continues to authorise only one kind of emigration, that coming under the category of "family reunion". Thus, every candidate for emigration first has to be invited by a relative abroad (usually in Israel). This is done through a document known as the *"visov"*, the "family invitation". Without this *"visov"* no application is accepted. *Visovs* sent through the mail from abroad often are intercepted, and kept by the authorities and are not delivered, in violation of international postal agreements, sometimes for several months. Cases are known where 5 or 6 such *visovs* had to be sent before any of them reached the addressee. In some towns no *visovs* at all are delivered by the post.

Once the *visov* has reached the addressee, he must start a long quest for a whole series of documents, each indispensable for the presentation of the application, and most meant only as obstacles. Two of these documents deserve special mention.

18. Every applicant needs a *"kharakteristika"*. This is a document delivered by the place of work (factory, scientific institution, school etc.) attesting to the "character" of the applicant, and including the recommendations of his superiors. The delivery of this document frequently is preceded by a general meeting of all the workers, a "popular tribunal" as it were, where the applicant is abused and, finally, "condemned"—usually as a "traitor" to his motherland, to his friends and to the nation. The document is then usually delivered mentioning the fact that the applicant wishes to go to Israel. Experience has shown that it makes absolutely no difference whatsoever what "description of the character" is given—whether "good" or "criminal"—as far as granting the exit visa is concerned. This method obviously is meant to serve as a deterrent, and to bring the applicant to a critical confrontation with those around him.

19. A second document required is the *"family approval"*. Each applicant must bring written proof that his parents (or grandparents) agree to his departure. This is the case even if the applicant is himself a head of a family. More and more, one finds impossible situations arising out of this requirement.

20. There are applicants who must seek out fathers who, 10 or 20 years before, deserted their wives, remarried, and never were seen or heard of again. Yet they need his authorization. This of course opens the door to all sorts of pressure. Such parents (who themselves do not wish or cannot leave the Soviet Union) can be and are sometimes forced, through various threats to refuse the requested authorizations or else find themselves in their turn, in direct conflict with the authorities.

21. There are several cases similar to that of a father living alone with his child for many years, long separated from wife and mother, who saw his parental rights taken away from him by the Russian courts at his wife's request simply because both father and child had applied to go to Israel. The court ruled that "by wanting to take his child out of the Soviet Union (he) has shown that he is unfit to be a father" (the Tiomkin Case, 1973). The 15 year old girl concerned was taken away by force and is now being kept in a camp, about 2,000 kms away from her home town.

22. Once an applicant presents these as well as other documents (about a dozen) to the "OVIR" (Ministry of the Interior, Department of Visas) he more than often sees an immediate change in his working conditions. This can take the form of a change of job. In some instances directors of state laboratories have been demoted to being simple technicians in their own laboratory; full professors have become librarians etc. Often, there is outright dismissal. There are today many candidates for emigration who made applications a year or two ago and have not been able to work since. Some university professors earn their living as night-watchmen, others as porters, by occasional translations etc. The Science Academy of the Ukraine went as far as to decree that no scientific work of a would-be emigrant can be published (not even the reprint of previous works) and his name or work cannot even figure as a reference in other scientific publications.

23. Apart from the obvious financial hardships, the applicant's situation can actually be dangerous. There being a law in the USSR as to the obligation to work (the so-called "law on parasitism"; Decree of the Presidium of the Supreme Soviet of RSSR, 4 May 1961) any person found out of work can be prosecuted and sentenced to one year of hard labour. Most of those dismissed cannot find another job, as few would employ a man dismissed after having applied for an exit visa. (Whenever the request for departure to Israel is *inscribed* in the person's "work book", he cannot obtain *any* job whatsoever.) They are thus under constant menace of arrest and at the mercy of local police officials.

24. University students who apply for a visa are usually expelled. The same is true of the children of applicants. These see their studies stopped when their parents ask to go. When they are in primary and secondary schools the teacher sometimes lectures the class about the "misdemeanour" of their parents and urges the others to keep away from the "child of the traitor". The psychological effects on a young child are obvious.

25. In the past 2 years the authorities have resorted to still another method: enforced conscription into the army of applicants (mainly scientists) or their children. The practice being that no one who has served in the army can leave the country within up

to 5 years of demobilisation (because of the presumed "knowledge of military secrets") this method results in practically blocking the possibility of departure. Often people have been incorporated into the army for a period of only 2 to 4 weeks, just in order for the authorities to be able to apply this "5 year rule".

26. People on pension often lose these on presentation of application. (All such rights are lost in the event of departure.) Three men who served as colonels with distinction in World War II and have been out of the army for 30 years, lost their pension rights for that rank. This happened 18 months ago. Since, they have been offered restitution of full pensions, should they withdraw their applications for departure; but this they have refused to do.

27. The measures described above apply to a large part of the applicants. There are, in addition, special forms of harassment reserved for those known as "activists", ie those who have been refused the right to leave for the longest period and who have made thier struggle public through petitions, interviews with foreign correspondents etc. Many of these "activists" have had their telephones cut off.[1]

Their apartments are periodically searched by police officials many are constantly followed and often arrested, usually for periods of up to 15 days. While they are in prison they are particularly roughly treated. One activist has thus been arrested 23 times in the last 3 years.

28. The most acute form of persecution—the arrests, trials and sentences to long periods of imprisonment—will be discussed under a separate heading.

iii. The refusals

29. Harassment is meant to deter potential candidates, by providing "salutary examples". This could be more easily borne were there the certainty that, in the end, be it after a remote and painful period, a positive reply would be forthcoming. This is not the case.

30. A large part of the requests are held almost indefinitely, without any answer whatsoever. This situation can last for a very long period while the harassment of the person concerned, as described above, continues. Most candidates are left in that limbo, with little hope of seeing their situation evolve one way or another.

31. What of those who receive an outright refusal? Usually, this refusal is not justified in any way and the person concerned can obtain no explanation as to why the answer was a negative one. When an explanation is given (never in writing) it can take any of several forms. The most common among them are "knowledge of state secrets", "need for the person's talents", "state interests" etc.

"Knowledge of state secrets"—This term is used very loosely and can apply almost to every person in every profession. It has been applied to teachers of philosophy in the Moscow University, to newspapermen belonging to literary magazines, to a specialist in Soviet constitutional law and to an old shoemaker living in a town situated next to a military installation. This "rule of secrecy" could have been applied in accordance with definite criteria since every person in the Soviet Union having access to any secret whatsoever has to sign a "secrecy pledge", this being of various grades, depending on the importance of the secrets. Yet many of those refused on secrecy grounds never have signed a pledge of any kind. In other instances all citizens of a certain town simply are declared to fall under this category.

"The need for the person's talents"—This rule has been applied to persons dismissed from their jobs 3 years ago and serving since then in menial occupations, or completely unemployed.

"State interests"—This vague formula can, of course, and does mean any whim of the authorities.

32. One can discern a certain trend in the "refusals policy". These refusals are more numerous in "Old Russia" than in the "periphery" and in small towns than in the larger centres. This policy also singles out certain *professional* groups—scientists, newspapermen, artists etc. The fate of those does influence and sometimes determines the attitude and the will of others to engage in this dangerous path of applying for their right. Thus, once more, refusal for a few is used as an efficient deterrent against many potential candidates.

33. Another result of the arbitrary refusal policy is the tragedy of split families. The author of this report had occasion to talk to members of 8 such families: husbands who had to leave behind a wife or else be arrested; parents who saw an official take away the visa of one of their children upon departure at the frontier etc. In certain cases families accepted separation because they were assured by the authorities that this situation would only be temporary, and that the other members of the family would soon be authorised to join them. Those promises have all too often been broken.

34. These 8 persons supplied your Rapporteur with a list of more than 60 such broken families, mostly cases of parents who had to leave behind children or separated husbands and wives.

iv. The Education Tax

35. This arsenal of measures aimed at stifling the desire of a minority from exercising its guaranteed rights was less successful than the authorities hoped and, in August 1972, they resorted to a new and powerful measure, known as the "Education tax", or the "ransom".

36. A Decree dated 3 August 1972, instituted a new system of taxes imposed upon those wishing to leave the country for good. Kept secret at first, this law was applied from 14 August onwards but published only in December 1972. By the terms of this law the taxes imposed ranged from 4 to 30 thousand Rubles (about 30 thousand dollars, equivalent to 15–20 years of salary). The reason given was the right of a state to recover costs invested in the education of its citizens. Various official spokesmen cited as one justification for this law UNESCO resolutions aimed at reducing the "brain drain" from under-developed to more developed countries. That such an argument should be applied to emigration from the Soviet Union to Israel only underlined the real reason for this law—to throw up an almost insurmountable barrier before a large part of the potential emigrants.

37. The "Ransom," as the tax became known all over the world, brought widespread criticism, starting with appeals to the Soviet authorities from scientists and political figures of most countries[2] and culminating in a direct legislative measure taken in the U.S. to bring about the abolition of this tax. Certain scientific institutions in Europe and the U.S. decided to make the abolition of the tax a condition of any further co-operation with Soviet scientists. The result of this protest was the suspension of regulations 532–533. Since 22 March 1973, the levy of this tax has been stopped.

38. While applied, the "ransom law" resulted in a few hundred people paying the toll, essentially those assessed at a comparatively low rate, obtaining the sums needed by selling their possessions, by borrowing large sums and through the generosity of friends.

39. Two points should be stressed:

The tax was by no means a "monetary way" to obtain the exit visa. Contrary to some belief, the payment of the tax was not in itself enough to obtain the exit visa. Only those who already had *obtained* the visa—that is who had gone through the whole proceeds described above and finally received a positive answer—could then pay the tax. All others could not leave, whether they could have mustered the necessary sums or not.

The education tax has *not* been abolished. The tax, while not applied at the moment of writing, is still on the books. It can be reactivated at any moment. Recent articles (*Literaturnaya Gazeta*, 7.11.73) tend to show that this possibility exists.

v. The Trials and the Prisoners

40. A separate problem, undoubtedly the most tragic one, is that of trials of Jews and the situation of these prisoners. This is probably the most cruel form of persecution and the most acute form of intimidation, going far beyond the other methods described.

41. Trials of persons wishing to leave the Soviet Union for Israel have always existed. Since December 1970, 58 Jews have been condemned for alleged "crimes". Most were "activists" who eagerly sought to live in what they consider to be their own country. 37 still are in prison while 21 have been liberated after completing their sentences. (It should be noted that all the liberated prisoners were allowed to leave for Israel almost immediately upon liberation, which makes their imprisonment even more absurd and cruel.) The Rapporteur was able to meet 2 of those liberated prisoners.

42. The most notable (yet by no means the first) attempt to halt emigration through trials was the Leningrad trial, in December 1970. Arrested for "intention to hijack a plane" a group of Jewish men and women, all known as activists, were arrested and condemned to extremely harsh sentences of up to 15 years' prison.[3]

43. A second group, arrested at the same time and for the same reason, was sentenced in May 1971 to slightly shorter terms of imprisonment, no doubt benefiting from the wave of indignation that swept the world after the first trial.

44. The large scale of the trials, the scarcity of evidence and the harshness of the sentences all were meant to serve as a warning to potential candidates for emigration. As such, it failed. One may even infer that much subsequent emigration was, in a sense, a result of the infamous trial, as it proved most vividly to many Jews that their future in the Soviet Union was doomed.

45. Since that date the Soviet authorities have resorted to a different method of trials. Most later trials took place in smaller and relatively remote towns, such as Vinitza, Rostov, Samarkind, Kishinev, Sverdlovsk, Kharkov etc. These towns are distinguished by the fact that they have compartively small Jewish communities, they are not covered by foreign correspondents, and news from these

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[1] This measure has been used since May 1972. It was made legal by resolution of the Soviet of Ministers on 1 August 1972.

[2] 115 members of the Consultative Assembly took a very strong stand on the issue (written declaration No. 18, October 1972, Doc. 3197 (3rd edition)).

[3] According to the new Soviet anti-hijacking law they would have been condemned to about 2 years in prison (*Pravda*, 4 January 1973). It should be noted that they were also condemned for "high treason".

towns is hard to come by. The powers of the local authorities, including the security police (KGB) are greater; the possibilities for them to operate independent-style "Police systems" and methods, which would be frowned upon in Moscow, enhanced.

46. In these towns, whenever the authorities decide to "make an example" they arrest a member of the Jewish community. Most often it is an "activist" or a "supposed and potential" one. What the accusation may be is of little importance: the trial is conducted practically "in camera"; the lawyers named by the family are refused by the court; and people who wish to testify for the defendant usually are threatened themselves. In one case (Vinitza) the person accused first was charged with "anti-Soviet propaganda" (a clause that has appeared in almost every accusation act against Jews). When it was found that he never engaged in any public utterance, petition or demonstration, the accusation was changed into "spying for Great Britain." After protest by the British authorities this was, in turn, changed into "spying for Israel." This again could not be proved in any way as the man, a worker in a factory, never had any contacts with the outside world, or even met an Israeli. The verdict (10 years imprisonment later commuted, before Mr. Brezhnev's visit to the US, to 7 years) was justified by the court on the grounds that the man "had a phenomenal memory which could have enabled him, had he gone to Israel, to transmit important secrets to that country." It should be noted that at the time of the trial the man had not even applied for an exit permit as his *"visov"* had been intercepted and kept for months by the authorities. Moreover, his place of work was not a classified one. The effect on the small Jewish community of Vinitza can well be imagined.

47. This case is described in some detail as it is typical of many trials conducted after Leningrad. To make a completely absurd accusation is also typical, since the more improbable the accusation the stronger its "deterrent" effect. One activist was condemned (November 1973) to 3½ years in prison for "having thrown a cake at a girl in the street" (Kiev).

48. Another procedure is the one utilized in Sverdlovsk, where a Jew who refused to testify for the prosecution in the Leningrad trial was arrested a few months later, and condemned to three years in a labor camp. After another few months, a second Jew who refused to bear witness against the first one likewise was condemned to three years in a labor camp.

49. At the time of writing of this report a third Jew, who refused to bear witness against the second one, is in prison, awaiting trial. Thus, with a trial a year, the small Jewish community of Sverdlovsk is "kept quiet."

50. It should be noted that in some cases, mainly before the visit of First Secretary Brezhnev to the US (May, 1973), a few trials were cancelled, because of world outcry and because of the effects that this could have had on the visit. Most notably dropped was a mass trial being prepared in Minsk, in which dozens of Jews from all over the Soviet Union were to be charged with the alleged creation of a "secret Zionist underground." The freedom of human beings thus is being used either for the creation of fear or for the promotion of goodwill, that is, of political capital, with total disregard for facts or basic human rights.

vi. The Living Conditions of the Prisoners

51. Once those condemned are transferred to the place of detention (usually a labour camp in the remote regions of Potma or Perm) a new and cruel chapter begins. Some are detained with common criminals while others are kept with political prisoners. Their lot is worse than that of other prisoners. All are prey to the cruelty of their guardians and their co-detainees who, by constantly attacking the "Zionists", seek to prove their loyalty to a regime which has declared the word synonymous with the worst possible crimes.

52. In some of the camps, posts of responsibility are held by prisoners condemned for life for collaboration with the Nazis during the second world war, with results that one can imagine for the daily life of the Jewish prisoners. Jewish prisoners are those made to spend the longest periods in solitary confinement; or who have their half-yearly visits by relatives cancelled. (On one occasion such a visit was cancelled because the prisoner "had not a proper haircut". His mother, who had travelled for two days to reach the camp, was told to "come again for the next visit, in six months time".) The few authorised parcels are withheld and other "rights" often withdrawn.

53. The result is that many of the "prisoners of Zion" are in an alarming state of health. One of them, a young woman, is critically ill. Others have severe heart conditions or suffer from haemorrhages. When unable to fill their work quotas their meagre food rations are further curtailed, as punishment. If world opinion cannot bring about a change, these people risk the worst.

54. Mention should be made of the fate of the families of those arrested. Here again, neighbours and authorities sometimes feel impelled to vent hatred against them, and thus prove their own loyalty. Constant abuse, petty sadism and tremendous sadness is often their lot. Some, finally, have emigrated to Israel, at the request of the prisoners themselves who—while thus foregoing their visits—feel better, knowing their families are away.

vii. Those Who Leave

55. Your rapporteur has not dwelt on the problems faced by those who have obtained exit permits. Compared with the problems of the "refused ones", these seem minor. Yet, one should mention that an exit visa costs 400 Roubles per person ($400 approximately, or about three months salary); that each departing person above the age of 16 is forced to renounce his Soviet citizenship at a cost of an additional 500 Roubles. Most valuables cannot be taken out and a large part of those that can be quite openly are taken away by customs officials who know that they are facing helpless, stateless people who cannot complain in any way. The frontier station in Tchopp is most notorious in this respect.

viii. How Many Emigrants?

56. Before concluding there is one question to be asked: How many Jews would like to leave the Soviet Union?

It is not possible to advance a figure. What is known is that at the end of October 1973, there were some 120,000 Jews trying to obtain the exit visa; and that the backlog of requests grows by the thousands every month; as the number of applications largely surpasses the number of permits granted.

57. The number of potential applicants depends, and will continue to depend, upon a whole series of conditions: the nature and virulence of repression used against applicants; the proportion of permits granted in relation to the number of applications filed; the course of the anti-Semitic campaign to be described below; the "professional categories" question; etc.

58. In areas where it is comparatively easy to obtain an exit visa, applicants already represent an absolute majority of the members of the existing Jewish community as in Georgia, for example. (Yet it should be remembered that even in those areas the number of refusals is very high.) In towns where anyone applying for a visa is in danger of incurring repression, the number of applications is smaller. It becomes very small in places where some applicants are arrested on one pretext or another.

59. In concluding this part of the report one should again stress that the real problem, as presented in Mr. Pittermann's previous report, has remained virtually unchanged. That a few thousand Jews coming mainly from three or four peripheral republics are able to leave the Soviet Union every month has not altered the basic issue, that is the persecution of those wishing to leave, the difficulties imposed, the effort made to halt emigration, the severe punishments meted out whenever possible and the simple fact that *the largest part of Soviet Jewry is deliberately blocked from emigration and thus has, for the time being, very little hope of realising this right and desire.*

3. The anti-Semitic campaign

60. This campaign, often decried, has assumed most disturbing proportions in the last few years. In the past, the authorities sought to disguise this as "anti-Zionism". They recently, often, drop this subterfuge. While attacks still are usually directed at the "Israelis" or the "Zionists", their form, content and themes are directly derived from the most classic and virulent anti-Semitic tradition, adapted by the simple expedient of changing the word "Jew" into "Zionist". Thus, it is now the "Zionists" who control world finance, do not like to work, dominate the world press and try to conquer the whole world through secret religious organisations. . . .

61. The official government organ, *Izvestia*, for example, wrote in 1972 that "throughout the (second world) war international Zionist organisations supplied arms and war materials to Germany . . . the Jewish leaders applauded Nazi crimes, in the belief that these would result in increased immigration to Palestine."

62. The notorious anti-Semitic writer Trofim Kitchko, whose book *"Judaism Without Embellishment"* was withdrawn from circulation in 1963 as a result of a wave of indignation and protest throughout the world, is still publishing material no less racist in content. He frequently quotes from his first volume and, having recently been decorated by the Ukrainian authorities, is today described on the flyleaf of his new works as the "famous author of *Judaism Without Embellishment,*" notwithstanding the fact that the Soviet authorities have described this book as "a mistake." Kitchko's latest book is called *Zionism, the Enemy of the Young;* but the chapter headings are all too familiar: "Judaism, the Enemy of the Young"; "The Rabbinate in the Service of Reaction"; "the Heder and the Synagogue—the Enemies of Education"; etc. This latest book by Kitchko has also taken up the old custom of mentioning in brackets the Jewish Surnames of the "traditional" enemies: Trotsky (Bronstein), Kamenev (Rosenfeld), etc. A recent film about Lenin has adopted the same method by continuously stressing, that Fanny Kaplan, who tried to kill Lenin, was a Jewess (she used to be described as a counter-revolutionary).

63. Numerous "anti-Israel" cartoons are published daily in the press. The person symbolising Israel is always bald, with a very long nose and a money bag hanging from his belt, in the best *Stuermer* tradition.

64. The entire press, radio and television are used in this campaign, and there is a constant publication of books or articles tainted with anti-Semitism of the most primitive kind.

65. Israeli sportsmen participating in the latest university games in Moscow had the sad experience of being called "dirty Jews" by rows of Red Army soldiers around the stadium, who encouraged the teams playing against the Israelis with the cry "turn them into soap," a reference that could hardly be misunderstood.

66. Recently there has been a new, grave development: Soviet authorities have been inserting texts of an anti-Semitic character

in publications meant for external consumption, both in Europe and in Africa and Latin America. In September 1972, for instance, the Soviet Embassy in Paris published in its information bulletin an article entitled "School for Obscurantism," including the following excerpts:

"Here are the concrete rules governing the relationship between Jews and all other people . . . it is strictly prohibited for a Jew to save from death (a non-Jew) with whom he is living in peace. He is forbidden to cure (a non-Jew) even for money, but is allowed to test a drug on him . . . It is better to throw a piece of meat to a dog than to give it to a 'goy' . . . it is ordained that 'goys' under the divine vaults shall be massacred . . ."

67. Similar articles, containing the same quotations (all, by the way, followed by non-existent references, chapter and verse included, all purely invented, to Jewish Holy Books), were published by the Soviet press agency Novosti in Rome and in some English-speaking countries. The publication of this article resulted in the bringing to trial of the editor of the Soviet Embassy Bulletin in Paris. The trial (March 1973) was, in many ways, an historical one. Its high mark was the presentation to the court of the original book from which these quotations and other parts of the Soviet Embassy article were taken—a book published in 1906, in St. Petersburg, by the "Black Hundreds", calling for programs against the Jews. The Soviet Embassy just copied excerpts from this book, spelling mistakes included. The editor of the Soviet Bulletin was condemned by the court for "incitement and provocation to racial discrimination and to racial hatred" and was heavily fined. But thousands of similar (or worse) publications in the Soviet Union itself not only go unpunished, but receive official encouragement.

68. It is hard to speculate about the reason behind such "export" of anti-Semitic hatred. But for the Jews living in the Soviet Union (and many of them, undoubtedly, wishing to go on living there) there certainly could be some danger because of promotion of anti-Semitism, especially in areas remote from urban centres. Here it doubtless would be difficult for the authorities to prevent outbursts of racial hatred of the kind being implanted and stirred up.

4. Culture and religion

69. The problem of those Jews who might wish to remain in the Soviet Union *as Jews* brings to the foreground the question of religious and cultural life available to them.

70. The situation of the Jewish community as a religious and cultural minority remains unchanged. It is still the only minority in the Soviet Union whose legal status and national identity the authorities persist in denying. The Soviet Constitution guarantees the rights of minorities, but the Jewish people, who number more than 3 million, do not enjoy these rights, and are alone in being denied them.

71. The teaching of Hebrew (or Yiddish) is in practice prohibited. The many petitions by Jewish people on this point to the Soviet authorities, at national and local level, and to international bodies like UNESCO, have been in vain. The authorities' reply has always been that "the teaching of foreign languages is provided for in the study programme established by the Soviet Ministry of Education, and therefore private teaching of the (Hebrew) language is forbidden". (Official letter dated 25 February 1972.)

72. The teaching of Hebrew is not only forbidden, but actually often punished. The special police often break into flats when Hebrew lessons are conducted, search the premises and sometimes arrest the tenant. At some trials, the charges include "possession of anti-Soviet writings", when in fact the writings in question are merely textbooks or Russian-Hebrew dictionaries.

73. There is no longer any such thing as Jewish culture as a separate phenomenon. Some of the greatest Soviet artists are indeed of Jewish origin but, since the execution of Jewish writers (in August 1952), any genuine national culture, in the sense used by the Soviet authorities in connection with other minorities, has vanished without trace.

74. In the Soviet Union today there is thus no permanent Jewish theatre (although it was in Russia and Poland that the Jewish theatre burgeoned and won its fame).

75. Occassionally a book is published in Yiddish, in a limited edition, which is quite out of keeping with the situation of other national minorities in the USSR, whatever their size.[4]

76. The only Yiddish-language newspaper is the *Birobidjaner Stern* which comes out several times a week, printed on a single sheet.[5] There is also a monthly review, *Sovietishe Heimland,* with a circulation of 10,000 (it used to be 25,000), which concentrates mainly on deploring anything which, in its eyes, is tinged with suspicion of "Zionism".

77. Almost the only outlet for Jewish identity in the Soviet Union today is religious life. But even this last outlet is in the process of disappearing. The struggle against the Jewish religion is permanent, virulent, and sometimes violent. Most synagogues have already been closed down. Synogagues were not only places of prayer. They were also used as meeting places, points of social contact, the only remaining ones for members of the Jewish community.

78. Now even the synagogue is denied them. In Kiev, for instance, in early 1972, the police diligently prevented access to the synagogue; and every week, on the Sabbath, people on their way to religious service were arrested and condemned to 15 days in prison. In Moscow, ever since March 1972, barricades were erected near the synagogue and the large crowds unable to find room inside were turned away, as they had not been in previous years, and forced to disperse from the street. Since the Jewish New Year (September 1972) the Moscow police, on every Jewish festival, have been directing motor traffic through Archipova street, where the synagogue stands, thus preventing the worshippers from congregating. Moscow Jews were in the habit of assembling in thousands near the synagogue on the evening of the Simchat Torah festival, a few weeks after the New Year. Since 1972 they are forbidden to assemble there. Those who complained to the municipal authorities received the reply: "It is only by mistake that such gatherings were tolerated in the past . . . from now on they will be prohibited." There were armed police to make sure this measure was enforced.

79. Jewish cemeteries are being gradually shut down, and the consecration of new ones is forbidden. Those existing are periodically desecrated.

80. The many Jews who come to lay wreaths at the Baba Yar memorial are not allowed to linger or pray there, or even to inscribe the word "Jew" on the ribbon attached to the wreath.

81. The manufacture or import of religious objects (prayer shawls, phylacteries) is prohibited. The same is true for the Bible. The Jewish cultural heritage cannot be transmitted and books on Jewish history, culture, art and philosophy are unavailable.

82. Prayer books are often confiscated, and there is at least one known case in which a court ordered the Jewish prayer book (the *Siddur*) to be burned as anti-Soviet literature, and officially notified the plaintiff of its decision.

5. Conclusion

83. The situation of the Jewish communities in the Soviet Union continues to be grave and alarming. It also continues to be a special one.

84. The tendency sometimes expressed to group the Jews with "dissidents" in the Soviet Union is erroneous. In a country where the government spends great effort to develop, or at least to guarantee, the specificity of most minorities, Jews are in a particular situation. Anti-Semitism has become state policy. Jewish culture has been destroyed and manifestations of it are sanctioned. In a country that prides itself on having developed the obscurest languages, Hebrew and Yiddish are forbidden. The limited, but existing minority rights are denied to the Jews, although they are "Hebrew", according to their official nationality identity cards. Jews remain the only minority without a territory of their own (they number only about 8% of the population of Birobidjan, their so-called Jewish "Autonomous Region" and this region has no Jewish facilities whatsoever).

85. While the rest of the Soviet Union has enjoyed a certain measure of liberalisation in the last years it is sad to note that in 1973 there were fewer synagogues, fewer Jews knowing their own language, fewer Jewish students in universities than in Stalin's time.

86. This has brought many Jews to a painful process of soul searching and to the conclusion that, more than 50 years after the Russian revolution, they are unwanted in their own birthplace.

87. There are various "dissident groups" in the Soviet Union—"democrats", "believers" etc., who hope to change, to humanise, to liberalise the Soviet regime. These people wish to live in a *better* Soviet Union. Many Jews have by now lost hope that they will ever find their place, as Jews, in that country. While the "democrats" seek to *alter* their country, the Jews now wish to *leave* it, and this is the basic difference between the two struggles.

88. In concluding this report one cannot but emphasise again the importance of world action on behalf of Soviet Jews. This action provides a rare example of achievement by public opinion of concrete results towards the application of universal human rights. Yet, the problem is very far from being solved.

89. In 1971 Mr. Pittermann concluded his report with the words: "the vigilance of public opinion and above all of governments ought to be maintained". This holds as true in 1974.

HEARINGS ANNOUNCED ON KOCH BILL TO PROTECT INDIVIDUAL PRIVACY

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, for the information of many of our colleagues, I announce that public hearings will be held by the Foreign Operations and Government Information Subcommittee of the House Government Operations Committee on H.R. 12206, a bill sponsored by Representative EDWARD I. KOCH of New York; earlier versions of this measure—H.R. 667 and identical bills—have also been cosponsored by more than 100 Members of the House.

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[4] According to the official Soviet publication "Press in the USSR, 1971" 7 books and brochures in Yiddish were published in 1971 with a total circulation of 18,000 copies. The same year there were published 109 books in Karakalpatic (236,000 citizens) with a total circulation of 532,000 and 25 books in Tabasaranic (55,000 citizens) with a total circulation of 47,000.

[5] As an indication of the kind of paper this is, it may be said that, after the Munich tragedy, it reported the death of the 5 terrorists but did not even mention the massacre of Israeli athletes.

This measure would amend the Freedom of Information Act (5 U.S.C. 552) to permit access by individuals to certain types of information concerning them that is maintained by Federal agencies.

The hearings are scheduled for Tuesday, February 19, and Tuesday, February 26 at 10 a.m. in room 2203, Rayburn House Office Building.

The subcommittee held hearings in June 1972, on a similar bill, H.R. 9527, but took no further action prior to adjournment of the 92d Congress. The new, modified version of the legislation will help individual Americans to protect themselves against the use of erroneous information maintained in Government files and records by Federal agencies.

Since such extensive hearings have already been held on this measure, these hearings will be limited to 2 days only to discuss modifications in the approach to the problem, as incorporated in H.R. 12206. Members desiring to submit statements for the RECORD may do so by March 8, 1974. The statements should be sent to the subcommittee office—room B-371B, Rayburn House Office Building.

Mr. Speaker, witnesses from the Office of Management and Budget and the Departments of Justice and Health, Education, and Welfare have also been invited to testify on H.R. 12206. Their testimony will take on added significance in view of President Nixon's statement in his recent state of the Union message to Congress in which he pledged:

> We will make a historic beginning on the task of defining and protecting the right of personal privacy for every American . . .

This pledge is directly in line with more than 15 years of effort by Members of Congress to encourage the executive branch to take a stronger stand on the protection of the right to privacy.

REPEAL ECONOMIC STABILIZATION ACT

(Mr. RARICK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RARICK. Mr. Speaker, it is a pleasure for me to join with many of our colleagues in calling for the immediate repeal of the economic stabilization act and a return to a free market economy.

Governmental meddling with the economic system has proven to be disastrous and has failed to control inflation much less eradicate its basic causes.

Recent events indicate the disastrous effect of price controls on our economy. The independent truckers demanded that they be allowed to pass through increased costs. Such a demand would not have been necessary had we been in a free market situation.

The problems of the American agricultural community in obtaining fertilizer is another instance of the detrimental effects of a controlled economy. Hearings before the agriculture committee brought out the fact that controlled domestic prices forced fertilizer manufacturers to commit their products to exports in order to obtain increased profits. Action of the cost of living council came too late to aid the American farmers.

Finally, today's Wall Street Journal carries an interesting editorial pointing out the serious and damaging effect of price control maneuvering on the energy crisis. The editorial points out that "the United States may end up with rationing even after the Arab-caused crisis is past," because of the price control actions of the Federal Energy Office and their failure to encourage production.

I include this editorial in the RECORD following my remarks:

GULF CHALLENGE

Gulf Oil Co.'s suit against the Federal Energy Office is far more significant than it appears on the surface. Gulf claims that the crude-allocation program instituted by energy czar William Simon is "confiscatory," and this is no small point. But the more immediate significance of the suit is that it could keep Mr. Simon from prolonging the energy crisis.

With the crude-allocation program, Mr. Simon's whiz kids have figured out a way to drive refinery utilization in the U.S. down to 76%. The Arabs must be jealous, and those in the oil industry who see what's happening report it only hurts when they laugh. Economist Alan Greenspan writes "a different type of oil crisis may be upon us, but one originated from Washington, not the Persian Gulf." Petroleum Intelligence Weekly estimates that Mr. Simon's new moves will *cause* shortages of one million barrels a day during the three months ending April 30.

Why? Because while the program makes life easier for the whiz kids, it is loaded with economic disincentives to find and import more crude oil. Briefly, the companies that have the oil have to give it up with almost no profit; it is, as Gulf would say, confiscated. The companies that do not have the oil do not have to go out and buy it; Mr. Simon will make Gulf give it to them at bargain prices. So neither those who have oil nor those who don't have as much reason to look for more.

It all happened this way: The whiz kids decided they wanted to even out the supply of crude oil to the nation's refineries, so it would be easier for them to allocate the refined products to the states. So it asked each refinery company to make a three-month estimate of its crude supply and what its capacity utilization rate would be. When it had these numbers in hand, the whiz kids simply took from the rich and gave to the poor, so that every refinery in the land could operate closer to 76% of capacity during the three months, 76% being everyone's average. Under the formula, Gulf has to give up 11.9 million barrels of crude to a pool of net buyers including Texaco, Atlantic Richfield, Getty and a host of little independents.

The most direct, although not the largest, cost of this scheme results from the innocence of the whiz kids in thinking a refinery is a refinery. Many of the smaller beneficiaries of the program can only make specialty end products and either can't make gasoline or do so at such inefficiencies that much of the crude is simply wasted.

The biggest cost is the indirect one. The government-controlled price of domestic crude is $5.25 a barrel. New domestic crude and foreign crude can be had for $10. A company like Gulf has an assured supply of both for the three-month period, which when mixed in the company's supply stream averages to, say, $7 a barrel. Because this crude supply is higher than the industry average, it must sell 10% of it or thereabouts to companies like Snake Oil Co., which has "forecast" that its supply will only permit it to run at 35% of capacity. Snake pays Gulf $7 a barrel, and will be a little less anxious than otherwise to bring in foreign oil at $10.

Theoretically it should make no difference whether Snake pays $10 a barrel or $7 a barrel, for its selling prices are controlled to reflect these costs. But in fact the prices are only adjusted every 30 days. So for 30 days, Snake gets to buy oil at $7 a barrel and sell it at a price based on costs of $10 a barrel.

Even if not one drop of oil were leaking through the Arab embargo, it's inconceivable that U.S. refineries should be running at only 76%. There is now no huge crude oil shortage in the world, the Arab prices are already showing softness, and product supplies are adequate in most European nations. But the U.S. may end up with rationing even after the Arab-caused crisis is past.

For all we know, Mr. Simon is well aware of all this, but his hands are tied by the congressional mandate for the crude-allocation program. His best bet is to sit back and let Gulf and the courts save him, and the rest of us, from this latest bit of price-control folly.

BILL TO ROLL BACK PROPANE PRICES

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MAYNE. Mr. Speaker, I have today introduced a bill imposing a price rollback of propane prices to January 1973 levels. I do so after several weeks of unsuccessfully urging the Federal Energy Office to take such action on an administrative basis. If it will not act, Congress must. Investigations by the Internal Revenue Service have unearthed shocking instances of market manipulations of the price of propane, some of which may well justify criminal prosecution.

While the FEO claims to have met this scandalous situation by belatedly imposing price ceilings on propane on February 1, this was nothing more than locking the barn door after the horse was stolen. The effect was simply to freeze existing high prices which had already risen to unconscionable levels. Mr. Speaker, during the past year the price of propane has increased more than 300 percent in some parts of Iowa, where it is widely used for cooking, heating of rural residences, grain drying, and other essential agricultural and commercial purposes. A rollback of prices to reasonable levels is absolutely necessary to stop profiteering and ease the hardships being inflicted on consumers. All Members of this body should join together in expediting the passage of this or similar legislation.

In addition to introducing today's bill, I am again calling on Energy Administrator William Simon to take immediate administrative action to roll back the price of propane without waiting for passage of this legislation.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ARENDS. Mr. Speaker, I take this time in order to ask the distinguished majority leader whether he can advise us of any legislative program scheduled for tomorrow.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. Mr. Speaker, I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, may I say that the measure scheduled for tomorrow, H.R. 11035, the Metric Conversion Act, was subject to a rule being granted.

The Committee on Rules will meet Tuesday next, so the measure will be scheduled for next week. Consequently, there is no further legislation for the remainder of this week. However, the House will meet tomorrow.

Mr. ARENDS. Mr. Speaker, I thank the gentleman from Massachusetts.

Do I understand that the House will meet tomorrow and go over to Monday?

Mr. O'NEILL. Mr. Speaker, that is correct.

TOWARD MAXIMUM EFFICIENCY OF OUR NATIONAL TRANSPORTATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–214)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

From the earliest days, ours has been a diverse and mobile society. Americans are constantly in motion. For much of our early existence, the history of America was in great part the history of the constant push westward, with the related development of our canals, our highways, and our railroads. And as we developed our internal transportation system, we also pushed out across the seas in our sailing ships, our steamboats, and later in our tankers and freighters and airplanes.

One of the foundations of our free society is our highly developed system of commerce. And that system of commerce is based on our diverse system of transportation. Transportation accounts for much of the progress we have made as a nation in 200 short years. We have developed sophisticated and effective ways to move goods and produce, and we have developed varied systems for moving people.

Recently, however, the energy crisis has underscored an important lesson: our system of national transportation is not working at maximum efficiency.

It is time to take another hard look at the overall structure of our national transportation system. It is time to improve on existing systems and to develop new ones designed to serve individual needs in individual communities. It is time for innovation and diversity.

As our society grows and our economy continues to expand, we must ensure that the efficiency of this system keeps stride with the changing demands placed on it. Our efforts must center on achieving the goals of *flexibility* in the use of our transportation system, *economy* in the use of our energy resources, and *balance* in the availability of diverse forms of transportation.

- —Let us develop an outstanding system of public transportation within and between our cities and towns and rural areas, a system sufficiently flexible to serve the needs of diverse individuals in diverse communities.
- —Let us revitalize our railroads so that once again they will be a healthy alternative form of transportation, moving people and freight efficiently and competitively.
- —Let us complete the magnificent Interstate Highway System that provides a model for the world.
- —Let us maintain our worldwide supremacy in air commerce.
- —Let us continue to rejuvenate our maritime fleet so that it once again competes effectively on the world's seas.
- —Let us press ahead with our safety programs in the air and on the highways, so that every American can travel free from fear of the drunk driver and the hijacker.
- —In short, let us ensure that in the third century of our Nation's existence, our total system of transportation fulfills the promise of our first two centuries.

I. RECENT PROGRESS

Over the past five years, the Federal Government has laid considerable groundwork for a transportation network which can meet the challenges of America's third century. In addition to moving ahead effectively with programs already in existence, we have proposed, and the Congress has enacted, landmark legislation to expand capacity, to ensure safety, and to minimize the adverse impact on the environment of our transportation systems.

One of our highest priorities has been to help our cities reduce transportation pollution, energy consumption, and congestion. Under the Urban Mass Transportation Assistance Act of 1970, Federal financial assistance to urban public transportation has grown from $125 million in 1968 to $1 billion this year. And for the first time, under the provisions of the Federal-Aid Highway Act of 1973, States and localities can now use a portion of their Federal highway funds for public transit purposes.

This assistance has already saved or improved public transportation in more than 150 cities. The annual decline in total transit ridership in the United States has stopped, and for the first time since World War II, the trend is moving upwards.

Five years ago, the steady decline of rail passenger service throughout the country threatened the Nation with the possibility that we might soon lose the alternative of traveling by train. With the enactment of the Rail Passenger Service Act of 1970, that threat was largely erased. AMTRAK, a private corporation created by the 1970 act, has preserved quality passenger service and reversed steadily declining passenger trends. Over the past year, the number of passengers carried has increased by 14 percent.

During the past year we were also faced with a major rail crisis in the Northeast and Midwest. I proposed and the Congress enacted the Regional Rail Reorganization Act of 1973, which provides for the restructuring of eight bankrupt railroads into a new streamlined system. Within the next several years, we expect that this new system will be able to operate profitably and can survive as a producer, not a consumer, of tax revenues.

In the water transportation area, the enactment of the Merchant Marine Act of 1970 marked the most comprehensive change in our approach to the problems of the U.S. flag merchant marine in nearly four decades. We have challenged our ship construction industries to rebuild our fleet at reasonable expense and our ship operating industry to move toward less dependence on subsidy. At the same time, we will continue to provide all essential support to make such a significant transition possible. The results of these efforts are becoming increasingly apparent, with private orders for ships at a record high of $2.4 billion and ship construction subsidy rates at the lowest level in history. Some ships are being built for the foreign trades without direct subsidy, and modern ships which will operate without direct subsidy are now under construction. Comparison of recent trends between our shipyards and those of foreign countries indicates a long-range possibility that we will be able to compete successfully in the world's ship construction market.

Another of our major concerns has been to protect the safety of the traveling public and the Nation's commerce. We have taken resolute and firm action to protect our air passengers from the threat of the hijacker.

The highway safety picture has both encouraging and discouraging aspects. While we have made steady progress in reducing the fatality rate, the total number of deaths has increased. Although the new mandatory 55 miles per hour speed limit seems to have resulted in a somewhat lower rate thus far this year, the problem of highway safety remains one of the toughest we face.

Our comprehensive highway safety program has encouraged the production of safer motor vehicles, eliminated many hazardous areas on the Nation's highways, and sought new ways to improve driver performance. In the next fiscal year, funding for State and community highway safety programs will be increased to $148 million. Half of this increase will be earmarked for a program authorized by the 1973 Highway Act which allows special incentive grants to States which pass mandatory seat belt laws. And continued emphasis will be placed on keeping the drunk driver off the road. In addition, I have proposed in my fiscal year 1975 budget, a $250 million highway safety construction program. This will, for example, help eliminate dangerous obstacles on our highways.

Finally, I would note that over 35,000 miles of interstate highways are now open—an increase of about 8,000 miles since 1968. By the early 1980's, when completed, this system will carry more than 20 percent of all highway traffic.

II. NEW DIRECTIONS

To continue the forward progress of recent years, I propose that we take new actions in 1974 on two major legislative fronts: public transportation and Federal rail regulations. I am submitting proposals to the Congress in both of these areas. They are designed to increase the flexibility of our Federal transportation programs, to allow State and local officials more latitude in the way they spend Federal transportation dollars and to modernize Federal regulation of the railroads.

1. UNIFIED TRANSPORTATION ASSISTANCE PROGRAM (UTAP)

It has long been apparent that dramatic improvements were needed in our public transportation systems. Now the energy crisis has given new urgency to that need.

Currently most of the Federal funds available for public transportation are provided under the Urban Mass Transportation Act. While this program has enabled us to make a substantial improvement in our urban transportation systems, it can be improved in several important respects. First, it is administered on a project-by-project basis, requiring extensive Federal involvement in reviewing these projects. Priorities have been determined in Washington, not back home where it counts. In addition, communities are unable to predict how much money they will receive from one year to the next. Finally, local communities are restricted in the ways they can spend the money.

By reforming the Federal highway aid program in 1973 to permit some of its funds to be used for public transportation, we took an important step toward increasing the financial resources available to large cities.

As we look to the future, it is apparent that we must further broaden our programs of public transportation assistance, providing more funds and giving greater flexibility to those who spend the money. Our public transportation system itself must be diversified and strengthened. We need not only more physical assets, such as buses, but also sufficient financial support to assure that our buses, trains, and other public conveyances can be operated with greater frequency and reliability and comfort for our communities in both urban and rural areas.

We have also too long taken the transportation systems of rural America for granted. Often, the social and economic needs of our rural citizens are left unfulfilled because of the lack of good public transportation. Expanded public transportation will be a key element in our program to assist rural community development.

To reach these goals, I am submitting to the Congress today legislation to create a unified transportation assistance program. This program would provide $15.9 billion to urbanized areas over a 6-year period and $3.4 billion for small urban and rural areas through fiscal year 1977. This act would mark the largest single commitment by the Federal Government to metropolitan and rural transportation in our history.

This legislation would make several critical improvements over current programs:

—It would permit recipients of funds—State and local communities—to determine their own transportation priorities.

—The recipients could spend the money not only on capital improvements, such as new buses, new rail cars, new rapid transit systems, and non-interstate highways, but also on other transit needs. Broadening the law in this way would permit local tradeoffs between capital investments and costs to improve services. I believe this is the most effective way for the Federal Government to provide transit assistance, and I will continue my strong opposition to any legislation which establishes a new categorical program solely for local operating assistance. Such a program would unnecessarily inject the Federal Government into decisions which can be far better made by State and local governments.

—UTAP also would allocate over two-thirds of metropolitan funds on a population-based formula so that our cities would receive an assured flow of transportation assistance. We are aware of the concerns voiced by some that our proposed formula should be altered to meet the unique problems of some of our largest cities. We intend to work closely with the Congress, elected officials and others, in examining alternative formulas.

—Finally, UTAP would also provide additional, more flexible assistance for public transportation systems in smaller urban and rural areas. Most of these funds would probably be used by the localities for improving the service and safety on main highways and roads. Funds would also be available for public transportation equipment and demonstrations in smaller urban and rural areas.

Enactment of the unified transportation assistance program would augment my budget for fiscal year 1975, which already calls for an increase of 50 percent in spending for transit capital improvements under existing programs.

2. TRANSPORTATION IMPROVEMENT ACT (TIA)

The problem of transporting freight between our communities is as crucial as transporting people within them.

Our railroads, once the pride of the Nation, have been gradually deteriorating. Frequently, the blame is placed upon poor management and rigid labor contracts, but a more fundamental cause lies with our outmoded complex system of Government regulations which govern the railroads. These regulations were drawn up early in the century to protect the public from monopolistic practices by the railroads and to protect the companies within the industry from each other. Over time, however, industry has increasingly given up its managerial powers to the Government, while the rules applied by the Government have become inflexible and inefficient.

This inflexibility is most evident in the ratemaking process where it prevents rail managers from managing their affairs effectively and competitively. The low earnings of our railroads are directly linked to this ratemaking inflexibility.

The current system of regulations is also harmful to the railroads because it prevents them from abandoning lines that have become unprofitable. In 1971 the Interstate Commerce Commission required the railroads to maintain service on 21,000 miles—about 10 percent of the total—of lightly traveled track for which revenues were less than operating costs. To make up the difference, the railroads have sought to charge higher rates on other, more profitable lines. Economic distortions have been inevitable, so that today we often have railroads carrying freight on short runs even though trucks would be more efficient, while trucks carry freight on some of the longer hauls even though the railroads would be more efficient.

The inability to compete in a more open market has seriously affected the railroad industry. Often railroads cannot afford to make necessary improvements in tracks, terminals, and equipment, and their service has steadily declined.

Within recent years the Federal Government has been forced to rescue the Penn Central railroad from collapse and, through the Regional Rail Reorganization Act of 1973, to save seven other railroads of the Midwest and Northeast from undergoing liquidation. While we cannot afford to let railroads like the Penn Central fail, neither can we afford to bail them out every time they get in trouble. Our economy cannot afford it, and our taxpayers will not tolerate it. If we are to revitalize this industry we must instead find a modern approach to Federal regulation of railroads.

To serve that purpose, I am today submitting to the Congress the Transportation Improvement Act of 1974, a bill aimed at restoring this Nation's railroads to their proper place in the national transportation system.

This new legislation would substantially overhaul the Interstate Commerce Act to permit liberalized railroad abandonment in cases where rail service is continually shown to be uneconomic. State and local governments, as well as private interest parties, would have the opportunity to provide an operating subsidy to a railroad for the continuation of such uneconomical service or to arrange outright purchase of the right of way if that is their desire. Furthermore, substitute service by land or water carrier would be required prior to abandonment.

Beyond this liberalization in abandonment policies, the bill would provide improvements in the ratemaking procedures and would abolish discriminatory State and local taxation of interstate rail carriers. If rail managers are truly to direct their own affairs, the ability to raise or lower rates without engaging in a protracted and complex ratemaking process is essential.

The Transportation Improvement Act would also provide significant financial assistance to the railroads for long-term improvements. Some $2 billion in Federal loan guarantees would be provided to finance improvements in rights of way, terminals, and other operational facilities and systems and rolling stock where needed. In addition, $35 million would be available for a research effort to improve freight car utilization through design of a national rolling stock schedule and control system.

The thrust of this entire legislation is to revitalize and modernize freight rail service throughout the country and to provide an economic regulatory environment which would permit the sort of efficient and economical service that can only result from fair competition, free from burdensome and unnecessary regulation.

I recognize that this bill would not solve several basic problems that confront our railways. In the future, substantial investments will be needed in better transportation technology, in improvements and diversification of types of freight service, and in rehabilitation of deteriorating physical facilities. *Before* such investments are made, we must also complete a comprehensive evaluation of the regulatory and institutional structure of both the railways and of the rest of the surface transportation industry. The Department of Transportation and others within the Federal Government will be conducting such an evaluation in the coming months. In the meantime, however, the Transportation Improvement Act can serve as a vehicle for making important improvements in the condition of the railroads, and I urge its enactment during this session of the Congress.

While the focus of the Transportation Improvement Act is on freight service, we must continue to be equally concerned about the quality of passenger service on our railroads. It is clear from the energy crisis that an increasing number of Americans are anxious to build and use a better passenger system. My budget for fiscal year 1975 provides significant new capital and operating funds for AMTRAK to expand and improve its current service. In addition we will move ahead promptly in carrying out the Regional Rail Reorganization Act of 1973.

One of the most exciting moments in our history occurred in 1869 when the Union Pacific Railroad, building west from Omaha, met the Central Pacific, building east from Sacramento. The joining of our Nation in this manner opened a whole new era of economic growth for America. Today our railroads are more necessary than ever. They make efficient use of fuel with little negative impact on the environment, and they deliver nearly 35 percent of the Nation's freight at low cost. The essential tracks are there, the system that crisscrosses the country with a web of steel rails is in place. Now we must make it work again.

III. CONCLUSION

For too long we have focused a great deal of attention on some forms of transportation to the detriment of others, we have permitted decision-making at the Federal level to scramble priorities at the State and local levels, and we have begun to lose the diversity and flexibility in transportation systems that encourage competition and, therefore, great efficiency and greater effectiveness in the employment of these systems.

We have a clear understanding of these problems now, and we have begun to come to grips with them. I believe 1974 will see a crucial breakthrough in expanding and enhancing America's national system of transportation so that it once again serves our Nation with a maximum of flexibility, diversity, and balance.

RICHARD NIXON.

THE WHITE HOUSE, *February 13, 1974.*

CLEAN WATER PROGRAM—BOGGED DOWN IN A MORASS OF IMPOUNDMENTS AND NEEDLESS REDTAPE

The **SPEAKER** pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from Texas (Mr. WRIGHT) is recognized for 60 minutes.

Mr. WRIGHT. Mr. Speaker, the clean water program—the bold initiative of the last Congress, by which we sought urgently to put in motion a massive cleanup of the Nation's streams—has lagged and faltered for the past 15 months.

Cut to less than half its intended size by a series of arbitrary executive impoundments, the program has been further emasculated by an almost unbelievable proliferation of administrative redtape.

Incredible though it may seem, the administration has managed to construct a fantastic maze of baffling guidelines, burgeoning regulations, bewildering paperwork, and ever-changing directives which have brought what was an ongoing program to a virtual halt.

These "bureaucratic impoundments" have choked off the flow of funds even more drastically than the overt Presidential impoundments.

During calendar 1973—a year in which Congress had foreseen the expenditure of some $5 billion in a crash program to help the communities of this Nation build badly needed waste treatment plants under the 1972 law—only $17.3 million was actually spent.

Much more than this was obligated, of course, on paper. But that is how much was expended in the calendar year—$17.3 million.

Since last August 1, the grant program has slowed to a trickle. During the 5 months ending on December 31, a period in which the program should have been moving rapidly into high gear, only $33 million worth of projects were approved for the entire Nation.

And this figure does not represent expenditures. It merely represents the pitifully small amount of work that was permitted to begin.

During that 5-month period, a total of some 33 entire States, with an enormous backlog of unmet needs, received no construction grants at all. Not one penny.

These are among the facts unearthed in 3 days of hearings conducted last week by the Public Works Subcommittee on Investigations and Review.

Testifying at those hearings were Mr. John R. Quarles, Jr., Deputy Administrator of the Environmental Protection Agency, and the State water pollution program administrators for New York, Pennsylvania, Texas, and Georgia.

ENORMOUS BACKLOG OF NEEDS

These four States alone have a current backlog of 752 necessary projects in as many separate communities, ready to go with local matching funds approved and construction plans drafted, awaiting only Federal approval to start work on slightly more than $2 billion worth of needed waste treatment facilities. That approval has not been forthcoming.

The nationwide backlog clearly must be measured in the thousands—literally thousands of communities with local money in hand and anxious to get started. Most of them have been awaiting Federal clearance for months. They have been repeatedly delayed, repeatedly required to rewrite their applications in ever more voluminous detail.

Meanwhile, nothing happens. The backlog grows. Our Nation's waters get filthier, our streams more clogged with pollution.

Walter A. Lyon, director of the Bureau of Water Quality Management for the State of Pennsylvania, showed the committee a stack of written reports 13 inches thick which one community in his State had been required by EPA to amass in support of one grant application.

And one Texas city serving some 800,000 people conscientiously rewrote its thick application no less than 9 times over the past 2 years, still apparently not having satisfied the administrative paperwork requirements in sufficient fulsomeness to qualify for a matching Federal construction grant to start the building of a badly needed facility.

Mr. MILFORD. Will the gentleman yield to me at that point?

Mr. WRIGHT. I will be glad to yield to my distinguished colleague.

Mr. MILFORD. I thank my most distinguished colleague for yielding to me.

I wonder if that city of 800,000 the gentleman mentioned would have been the city of Fort Worth, Tex., and if the particular project concerned is not the Village Creek water treatment plant in that city.

Mr. WRIGHT. The gentleman is exactly correct. He properly and accurately identifies the project to which I just made reference.

Mr. MILFORD. If the gentleman will yield further, the gentleman is also aware of the fact that because EPA is holding up that project it is also forcing numerous other downstream projects to be held up, and hence it is not just that one city of 800,000 that is being hurt tremendously but several other cities on downstream from there.

Mr. WRIGHT. I think the gentleman is exactly correct in that analysis, also. It seems to be a general problem everywhere, and in a regional system, which is to serve a number of communities and to replace the outmoded Riverside plant, the whole area is being held up in its necessary waste treatment developments by the prolonged failure of the administration to approve the grant applicant for that particular plant.

The citizens of Fort Worth, as the gentleman well knows, many months ago overwhelmingly voted the bonds necessary to comply with the local share requirements. Not only that, but the community has had to rewrite its voluminous, thick application no less than nine times and still has not gotten the go-ahead to begin construction.

Mr. MILFORD. I thank the gentleman.

Mr. WRIGHT. Mr. Speaker, on the opening day of the hearings, it was announced that the Blue Plains treatment plant, here in the Washington area, would begin dumping 290 million gallons of raw sewage daily directly into the Potomac River. This tragedy was temporarily postponed by a court order and some emergency sludge storage beds. The crisis could have been avoided entirely if money had been forthcoming to expand and modernize that critically overloaded facility and build others.

Almost everywhere, the story is the same. Local money is raised. Applications are written and returned, rewritten and returned again. States expend monumental energies and precious manpower in the preparation of needs studies and priority lists, and these are returned for redrafting, ad nauseum. Meanwhile, the Federal funds are withheld, and the work does not go forward.

The Environmental Protection Agency itself has identified a minimum of $61 billion in existing waste treatment needs. But it does not release the money to meet the needs, and nothing happens—in spite of the fact that all communities are under deadlines to achieve major cleanup goals by July 1, 1977, and subject to court action if they fail to comply.

More than one-third of these identified national needs could have been fulfilled if the authorizations contained in the 1972 act had been released and expended. But they have not been released, and they have not been expended.

Deputy Administrator Quarles acknowledged to the committee that there now is absolutely no way in which the ambitious goal of the 1972 law can possibly be met.

Mr. Speaker, I submit that this is perhaps the classic example of the way in which the boldest plans, the fondest dreams, and the clearest intent of Congress have been frustrated by bureaucratic footdragging.

MONUMENTAL LEGISLATION

More than 15 months ago, Congress in a vote of almost unprecedented dimensions—approximately 10 to 1—overrode the Presidential veto and enacted the Federal Water Pollution Control Amendments of 1972.

That action was hailed by many as a major milestone in the struggle for a cleaner environment. It was viewed as a decisive commitment of money and effort to a top national priority which Congress manifestly regarded as exceedingly urgent.

It was monumental legislation, hammered out in laborious detail after many months of public hearings, vigorous floor debate and 39 separate sessions of a House-Senate conference committee.

The President's veto was overridden on October 18, 1972. For many, both in Congress and out, it was a time of great expectations. After 16 years of solid experience in a Federal-State matching program, we were ready for this effort to move rapidly into a higher gear.

We were mandating that the struggle for clean water should move forward at a much faster pace.

The urgency of our desire was evident in the level of funding which that bill provided.

For the years of 1973 through 1975, the Congress authorized almost $25 billion in Federal spending, $18 billion of this to speed up the building of community waste treatment facilities.

Most of us who helped in the drafting of that law have been deeply disappointed at the appalling lack of progress thus far experienced.

In fairness, we must acknowledge that 15 months is not a sufficient time in which to judge the ultimate impact of this program. But Congress fully expected the achievement by this date of results far more significant than these. And 15 months is clearly long enough to produce results far more dramatic than we have seen.

Results cannot be measured in the number of applications filed, or in the number of reports written, or in the number of studies completed, or in the millions of pages of paperwork generated.

Results can be measured only in the number of waste treatment plants constructed and the number of streams cleansed from pollution.

CONGRESSIONAL MANDATE THWARTED

We cannot fail to be deeply troubled by statements which have been made to the committee and its investigators by responsible State officials. Statements like these:

> As result of the Federal Act as it has been administered, we have lost ground, not gained it.
>
> Our program has been set back at least one year and maybe more.
>
> Project time is being sharply extended, causing people to lose confidence.
>
> We are choking to death on documents and paperwork.

Fifteen months most emphatically should have been long enough for the adminstrative agency to let the States and cities know precisely what was expected of them and exactly what cooperation they could expect from the Federal Government in return.

But today, almost a year and a half after the enactment of the legislation, a state of almost chaotic confusion still exists among local officials as to what the agency requires of them.

Eleven separate drafts of the proposed adminstrative guidelines on facilities planning have been circulated.

As recently as last week, communities were being told that the agency would accept no more applications that had not been preceded by a "preapplication conference," and that a preapplication conference could not be held until a "preapplication conference kit" was developed, and that a preapplication conference kit could not be prepared until the final administrative regulations had been written. This, more than 15 months after the passage of the law.

In Texas, 198 communities have been caught in this freeze—unable even to file an application.

Is it any wonder, therefore, that a number of communities, in sheer desperation to cure intolerable local sewage problems, have painfully foregone the 75 percent Federal matching share and moved ahead on their own?

Others have waited, and every month of waiting has increased not only the scope of their problems but the cost of rectifying them.

Administrator Quarles testified that one reason things have been so slow in getting off the ground is that the 1972 law contained new deadlines and objectives, and that it has taken a long time to draft new administrative guidelines to implement those objectives.

There is undoubtedly some truth in this. But we have had an ongoing Federal-State matching program in water pollution construction grants for 16 years. It had been running smoothly and under an orderly system. Why not simply continue operating under the existing system until the new guidelines could be perfected? The following excerpt from the testimony is interesting:

> Mr. QUARLES. We did not move ahead under the old ground rules until the new ground rules had been established and could be complied with.
>
> Mr. WRIGHT. Why did you not do that? Why did you not keep it going under the old ground rules until you got new ground rules, keep the money flowing and the construction grants going? Why would that not have been a practical thing to do?
>
> Mr. QUARLES. I think in hindsight probably there is not a person in this room who would not agree that that would have been a practical and common sense thing to have done. It will stand as one of the great mistakes and great tragedies of the conduct in developing this program that that was not done.

Needless to say, I agree with that assessment by the Administrator. It was a great mistake and a great tragedy.

It is true that Congress did write into that law some new requirements and objectives—that new sewage plants and collector systems should be designed so as to guard against excessive infiltration by ground waters and storm runoff, that the best practicable technology should be employed, and that communities should charge fair and proportional user fees to local industries which dump large volumes of effluent into the community treatment systems.

But it was never intended by Congress that these legislative objectives should be used as excuses to slow down the ongoing program and to keep the new program from getting off the ground.

If we had so intended, we emphatically would not have authorized $18 billion for a 3-year crash program of sewage plant construction grants.

DESIGN FOR FOOT DRAGGING

In this connection, however, I cannot help being intrigued by some extremely revealing, indeed prophetic language contained in a letter written on October 11, 1972, by William Ruckelshaus, then Administrator of the EPA to the Office of Management and Budget. Mr. Ruckelshaus was attempting in that letter to persuade the OMB that the President should sign, not veto, the 1972 bill. He seemed to be saying that the intent of Congress for a rapid pickup in construction grant activity could be administratively thwarted even if the bill became law.

At one point in the letter, he wrote the following:

> The numerous conditions, limitations and requirements with respect to treatment facility construction grants, which must be articulated in administrative regulations pursuant to the enrolled bill provides a broad range of controls. Through these administrative mechanisms, storm and combined sewer projects could largely be deferred, collection system projects could be minimized, and the phasing of commitments and funding outlays for all projects could be regulated through the rigorous application of stringent requirements.

Administrative mechanisms. The rigorous application of stringent requirements. These are precisely the devices which have been used, far more effectively than the Presidential impoundment of funds, to choke the water pollution control program almost to the point of total strangulation.

Mr. Quarles told the committee that he has not knowingly or intentionally used redtape and bureaucratic delay for the deliberate purpose of slowing down this program. I accept his word for that.

Yet I find it strangely fascinating that someone—perhaps some publicly unknown functionary in the dark and secret inner chambers of the OMB—has contrived so successfully to carry out the design described in the Ruckelshaus letter.

Mr. Ruckelshaus was even more specific as to ways in which the flow of funds could be impeded and the program kept within the less ambitious scope of the President's spending plans, notwithstanding congressional intent. Later in his letter, he said this:

> Further, by prioritizing the eligibility criteria as provided within the framework of this legislation and by using cost-benefit tests of Environmental Impact Statements, obligations in the near-term can generally be restricted to only those projects necessary to meet the Administration's commitment to fund facilities.

Prioritizing the eligibility criteria. Using cost-benefit tests of environmental impact statements. These techniques have indeed been employed with a vengeance. They have indeed restricted outlays, not only down to the level of the administration's commitment but in fact far below it.

All kinds of roadblocks and impediments have been erected. Some of the hangups are almost unbelievable.

ALMOST UNBELIEVABLE HANGUPS

Professional engineers, for example, agree that New York State has tougher, tighter requirements to eliminate the infiltration of ground and surface waters into sanitary sewer systems than those imposed by the Federal law. Yet New York has been required to go through a rigorous, burdensome paperwork exercise documenting this fact in the minutest detail on each individual application. This wastes great amounts of precious time and needlessly delays the program.

There ought to be a simple certification process by which the State of New York could simply attest, in one sentence, that these requirements have been met.

Pennsylvania has a more vigorous enforcement program than Federal law requires. That State alone brought more actions and collected more fines from polluters than the entire U.S. Government did nationwide during the years 1971–72.

Yet EPA has not seen fit to give Pennsylvania the authority to enforce compliance with so-called discharge permits and thus save the Federal Government money, time, and duplicated effort.

As Pennsylvania waits—the huge State with some 300 projects ready to go has not had a Federal grant approved anywhere within its borders in more than 6 months—16 communities are banned from making additional sewer hookups. And another 16 communities will have such bans imposed on them in the next 4 weeks.

Any opportunity these communities may have for residential, commercial, or industrial growth is absolutely stymied. And some of them are currently suffering a high rate of unemployment which new enterprises could ameliorate.

One dangerously counterproductive result of the proliferating paperwork is that many States have been forced to pull qualified personnel away from such vital tasks as training sewage plant operators and testing the quality of water in the streams, and tie these people down to desks where they do nothing but shuffle papers.

Recognizing that some additional reporting and paperwork requirements might be placed upon the States as result of the new law, but assuredly foreseeing nothing of the magnitude that has developed, Congress specifically included in the law an authorization of funds expressly earmarked to help the States employ additional personnel to assist them in this planning function.

But the EPA requirements to get even this money are so complicated—and in some cases absurd—that only $4.4 million of an available $50 million had been disbursed to the States half-way through the present fiscal year.

WHAT GOOD, THE HEARINGS?

What good have the hearings accomplished? That remains to be seen.

The EPA has promised to look at its complicated guidelines and proclamations and to simplify them.

Perhaps in 6 months it will only take a 6-inch stack of paper to meet the requirements of a grant application—instead of the 13 inches illustrated in the testimony.

The EPA also promised to try to decentralize its decisionmaking and to examine the possibility of letting qualified State officials simply certify that certain requirements have been met instead of having to write a book with each separate application to prove it.

Perhaps more authority can be delegated—to EPA regional offices and to the States themselves. They are capable. For the past 15 years States and municipalities have been spending far more for waste treatment than the Federal Government.

The subcommittee also asked EPA to review the 1972 act itself and to report to us any specific provisions in the law that may need changing to help move the program forward faster. Nothing is perfect, and to the extent Congress may have been unwittingly culpable in contributing to the delays, we owe it to the Nation to make the necessary corrections.

A MATTER OF WILL

But what it comes down to in the final analysis is the unavoidable question of will.

The Congress—and, I believe, the public—want desperately for the water pollution program to succeed.

From the standpoint of tangible results, a large part of the past 15 months has been irretrievably wasted. We will never recapture it.

But it still is not too late, if we will but move with determination and a sufficient sense of urgency.

By a shameful lack of vision in the perception and execution of our national priorities, we recently have seen the painful development of grain shortages, meat shortages, and fuel shortages with their attendant public inconveniences.

I beg my colleagues—and the administration—simply to ponder for one moment the infinitely more painful prospect of a future national shortage of usable water—one commodity which man cannot duplicate and without which he cannot live.

Solomon wrote that "where there is no vision, the people perish."

May that never become the epitaph of this civilization.

Mr. GONZALEZ. Will the gentleman yield?

Mr. WRIGHT. I yield to my friend from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. I thank the very distinguished gentleman, the chairman of this important subcommittee and also the ranking member of the important Committee on Public Works.

I take this opportunity to compliment once again my distinguished and esteemed colleague from Texas for his leadership.

I might point out to the general membership that JIM WRIGHT has been a pioneer on this water question.

In fact, the gentleman is the author of a book, a very prophetic book, and one that we all ought to keep on our bookshelves so as to be able to refer to it from time to time because, unfortunately, the gentleman's voice may be a lonely one in the wilderness, calling attention to the fact that the Nation can very well be confronted with a similar water situation, as we are now with a fuel and gasoline shortage.

But if we heed the words of a leader like the gentleman from Texas (Mr. JIM WRIGHT) I think we can not only confront such a problem, but we can solve it.

I might say that not only is the gentleman an author on this very important subject matter, but the gentleman has been the main dynamo behind the effort of Congress to formulate a national policy. And I am very regretful, very sorry and sad to hear that again the administration is in a general retreat. I have pictured the role of the Federal administrative branch under this present administration, particularly in the last 4 years, as one of general retreat and withdrawal. It has withdrawn from commitments on education, where there are similar experiences in programs that have long been established, and in which local administrators do not know what to confront in their budget-making process, because they simply do not know what the administration is going to do. It has also *declared a* withdrawal and retreat in the area of public health.

So I hope that by calling the attention of the House and the Congress to this matter, by his very eloquent and very direct voice, that somehow we can at least stimulate some activity and some exercise of responsibility from the administrative branch of the government.

I thank my distinguished colleague, the gentleman from Texas (Mr. WRIGHT) for giving me this opportunity to speak on this subject.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman from Texas (Mr. GONZALEZ) for his remarks, and I am grateful for his gracious comments.

Mr. Speaker, at this time I would like to yield to my distinguished colleague, the gentleman from New Hampshire (Mr. CLEVELAND) who is the ranking minority member on the subcommittee to which I have referred, and who was extremely active in the conduct of our hearings during the past week.

Mr. CLEVELAND. Mr. Speaker, I thank the gentleman from Texas for yielding to me. I want to say that one aspect of the remarks which I shall submit later should be emphasized at this point in the RECORD. That is that although EPA is clearly at fault in the foot dragging and lagging of activity in some of these cases, I think that it is also important to repeat which I bring out in my remarks—and which perhaps some of the Members may be interested in reading tomorrow—that Congress too, shares some of the blame. The fact is that we passed a somewhat complex law, so some of these delays and instances of foot dragging are the result of congressional action.

I also believe that confession is good for the soul. I do not doubt that the gentleman from Texas is trying to lean a little hard on this administration. This does happen, because I, too, could be accused of having leaned a little hard on another administration not so many years ago when I thought they were at fault regarding certain similar projects in my own district.

So this is something that we all do from time to time, and more often than not with cause and sometimes with results.

But I do want to point out, as I say—and this is included in my remarks—that it can be fairly said that some of these delays and lags are congressionally imposed. This is not to excuse the EPA—I am merely pointing out that the blame can and should be spread around a little bit.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman from New Hampshire for his comments.

I should like to point out to the Members of the House that the gentleman from New Hampshire (Mr. CLEVELAND) has indeed been one of the most active Members in his efforts toward streamlining administrative procedures, not only in this vital program, but in others. And it was at the gentleman's suggestion that 2 years ago this same subcommittee held some hearings on that very same subject.

Mr. Speaker, at this time I am happy to yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, though I am from another section of the country, I can strongly underscore the very cogent observations the gentleman from Texas has just made. This week, while I was back in my district, I held meetings with one of our county commissioners and with the service director and the managers of utilities and water pollution control for the city of Akron, which is the largest city in the district, and all of them were complaining about this very same thing, the incredible redtape, delays, and foot-dragging that is involved in trying to obtain approval from the Federal bureaucracy for grants under the Clean Water Act.

These gentlemen also had some rather strong complaints to make about some of the language in the act which apparently is enabling this kind of foot dragging—and maybe even encouraging it. I will take up with your committee in due course a possible clarification of some of the provisions of the act to alleviate this.

It is unconscionable that we on the one hand are saying to the cities: You cannot put any more water in the streams unless it meets the Clean Water Act standards, and at the same time the administration not only refuses to spend over half of the money that Congress has authorized for this but by various types of bureaucratic redtape is managing not to spend much of the rest of the authorized amounts. In so doing, it is holding back economic growth and contributing to unemployment.

In many sections of this country, including my own particular district, the construction industry has been very hard hit in recent years, even more so now that we have the energy crisis on top of high-interest rates. There are contractors who have been unable to get work, for example, on the highway program, who are just aching to get at the work of doing some of these jobs that Congress mandated when it passed the Clean Water Act amendments.

I hope that the gentleman's remarks will be listened to in the proper quarters in this town so that we can end this really intolerable situation. I commend the gentleman from Texas for so forcefully bringing the subject up at this time.

Mr. WRIGHT. I thank the gentleman for his kind remarks.

Mr. CASEY of Texas. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. CASEY of Texas. I thank the gentleman for yielding. I returned from my district last night after spending a few days there, and it was really coincidental, shall we say, or very timely anyway that I returned to find a note of the gentleman's hearings and his plan to discuss his hearings today.

Last Monday I was called upon by the public works director of the City of Houston as to what help we could give to break the deadlock or foot dragging—I do not know what it is. There are 35 projects badly needed by the city of Houston—the largest city in the South—that have been pending since the fall of 1972. Again I heard the same story that the gentleman told today about redoing the applications and reworking them. In some instances they said that the delays were possibly necessary, but it seems that most of them are apparently bureaucratic redtape, if those are the words one wants to use.

To give an example, they apply, and they say when they file their application: Do you want an environmental impact statement? They say: Well, we do not think we will.

The application sits there for 7 months. Then they call up or notify them and say: You had better prepare an environmental impact statement. That calls for more delay.

Then they will ask: Well, if we amend the application this way, will that be satisfactory?

Well, we are not sure. You redo it and send it to us, and we will let you know.

Frankly, it is not just this particular agency; I have run into it with other agencies. I think the agencies should be there to be of help, not of hindrance. They should not be there to be a nebulous, questionable agency to which one submits something and then waits. They should be there to help prepare the applications and to accelerate them, and not be there to say nothing and give no advice in that regard.

To show the Members how this affects every city financially, not just the city of Houston, some of the smaller communities in my district are suffering the same way. One plant is vitally needed, where raw sewage dumps into a bayou that goes into the Houston Ship Canal which, as has been pointed out, is the filthiest ditch in the world in many ways. We have been trying to clean it up. This is a vitally needed plant.

The city on its own, anticipating it was going to have the money to build the plant, built a big trunk line. It is buried and it is useless until the plant can be built. It is money that is just sitting there. The city also has to appropriate and set aside complete funds when it first approves a project, so those funds are tied up and cannot be used as long as that application is pending.

When we stop and think about it, it must apply all over the country. I thought for a while maybe it was just happening to our community, but I am glad to know—well, I say I am glad, but I am disheartened to know how extensive it is. I had hoped it was one little instance that just might need clearing up.

I happen to serve on the Subcommittee on Appropriations and I am pretty sure we give them plenty for their help and I do not think they need quite that much help just to have applications sitting around and for them not to be of assistance.

So I am pleased to see the gentleman in the well has had these hearings, but in only 3 days I am sure he has just scraped the surface when he heard from only four States. His committee will probably hear from the other 46 if the same is true all over the country, and evidently it is.

I would say this must be blocked because it is ridiculous when we have all of these needed projects and we have the desires of the people and the desires of the Congress to clean up our country, and the very vehicle which we are supposed to be using to do it has a flat tire, so to speak.

Mr. WRIGHT. I thank the gentleman for his remarks. I think they are very cogent. I would respond to his suggestion by reporting that the committee is indeed pursuing the inquiry into all the States in order to get a total and comprehensive picture. But we have discovered enough already to know the problems as described by the gentleman in Houston are not unique themselves to his State or his area, and they are not unique in New York and Pennsylvania and Texas and Georgia by any means. Those States were selected because the staff investigators believed them to contain problems which probably were characteristic of and fairly well representative of the Nation as a whole.

It is indeed an appalling thing to recognize that this kind of foot dragging and delay and this almost unbelievable jungle of redtape does exist throughout the entire Nation, particularly with reference to this water pollution program. It is incredible that the program which the Congress chose as a crash program—an urgent program, a program which we wanted to go forward—has been the victim of this type of delay.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Speaker, I think the record should show we did have a 1-day hearing last summer, in which the gentleman's investigating committee had called to its attention through our New Hampshire people the fact that there was a holdup in some of the funds for the New England region. This was a very small, specific problem but as a result of the hearings before our committee we were able to at least break that particular logjam and move some $236 million in additional obligational authority for the region 1, which is the New England region.

I am mentioning this so someone like the gentleman from Texas (Mr. CASEY) will know we have had a track record of some success so far. But I hasten to add, so the gentleman does not get too enthusiastic and tell his people back home he is going to turn the magic key here, that we have before us, that is, the whole Public Works Committee, a study which shows that even if every nickel which had been authorized and under contract authority were turned loose, we would still fall way short of the known needs which are now about $60 billion, as I recall the figures given to the Public Works Committee several weeks ago.

Mr. WRIGHT. It is my recollection that the Environmental Protection Agency has identified current needs of $61 billion throughout the Nation. If the $18 billion which has been authorized for the 3 years covered in the 1972 act had been made available and expended, we would have accounted for the meeting of approximately one-third of those needs, or perhaps a little more if we add the local contributions to that total amount.

Still, even that would not have cured the national problem. And so it becomes more acute when half the funds are choked off by an overt Presidential impoundment, and then even those are choked off by these bureaucratic devices.

Mr. CASEY of Texas. Mr. Speaker, will the gentleman yield at that point?

Mr. WRIGHT. Mr. Speaker, I yield to my colleague from Texas.

Mr. CASEY of Texas. Mr. Speaker, I am well aware that the task is monumental, but one does not cure it by doing nothing, or practically nothing; $61 billion has been identified, and at the inflation rate which is going on, I have been told that some of these contracts which are called for new bids, each time the price goes up.

I am sure that that $61 billion, as long as we sit around here and they do not turn the money loose, is going to be continuing to climb and instead of making progress, we will be taking one step forward and sliding two steps backward.

Mr. WRIGHT. Mr. Speaker, the gentleman is undoubtedly correct. At least, that has been the history for the past several years, and every year of delay in going ahead with the program probably adds another $2 billion to the total cost of completing the already urgent projects.

Mr. MILFORD. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Mr. Speaker, I yield to the gentleman from Texas (Mr. MILFORD).

Mr. MILFORD. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would like to make a small correction which may possibly be an error as it would show up in the RECORD, where my distinguished colleague from Texas (Mr. GONZALEZ) referred to the gentleman in the well as the author of a book.

Lest the RECORD be in error, the gentleman in the well is the author of several books, including one entitled "The Coming Water Famine," and another called "You and Your Congressman," which is very helpful not only to freshman Congressmen, but also to their constitutents.

The gentleman is also a prolific writer for national magazines and of newspaper articles.

Mr. Speaker, I thank the gentleman for yielding.

I am sure there is not a member of this body who has not experienced, in his own district, some of the frustrations and complications which the gentleman from my neighboring district has so well outlined to us here today.

Some of my own problems almost defy belief in the area of bureaucratic nitpicking.

Lewisville, Tex., is a prime example of the problem.

This city is in the vicinity of the new Dallas-Fort Worth Airport, and has grown in population from 9,000 in 1970 to 20,000 in 1972. It is still growing at the same rate.

Lewisville's grant to assist in an obviously needed sewer line extension was finally approved, and a 3-inch thick bid offer—approved by EPA—was issued.

Bids were opened in September of last year. In December, EPA denied the grant on the basis that the bid opening was illegal because one sentence in the document was ruled in error, after the fact.

This problem, fortunately, has been straightened out, but not without considerable effort on the part of the people of Lewisville, myself and my staff, and a great many others determined not to let such an injustice be done.

The city of Kennedale had not been so fortunate.

Kennedale filed all its reports with EPA in June 1972, and was ranked as the No. 3 priority project in the State of Texas by the Texas Water Quality Board. The high ranking was obvious. The raw sewage from Kennedale was flowing directly into Lake Arlington.

So what happened? Twice more Kennedale had to file reports with EPA because of "changes in regulations". Meanwhile, the raw sewage flows. I checked with the city this morning, and am advised that funding may come "sometime in March".

Little Elm, Tex. is another example of this problem. Little Elm is experiencing the same sort of growth that Lewisville is having—but it has no sewer system at all.

I have personally seen sludge from overflowing septic tanks on the school grounds there. When it rains, all this mess is washed into Lake Dallas. And it is only after a rain that the school grounds are fit to walk on.

Little Elm has been working with EPA for more than two years without any positive results.

Mr. Speaker; these and other problems with this agency have convinced me that there exists some sort of "bureaucratic" impoundment of EPA funds.

I would much rather deal with a straight-forward impoundment, than to see the communities I represent wrestle with unnecessary paperwork only to be frustrated time and time again by nitpicking.

During the recent hearings chaired by the destingushed gentleman in the well that were held by the Investigation and Review Subcommittee of the Public Works Committee, our subcommittee heard from Mr. Henry J. Graeser. I have personally known this dedicated public servant for a number of years. His outstanding work as director of the Water Utilities Department, city of Dallas, Tex. is known nationally.

His statement, in the hearing, very efficiently summarizes the problem we are facing. I would like to have his statement appear in the Record for all to see.

Mr. Speaker, I would also like to include in the Record a statement of the advisory committee of the Trinity River Authority of Texas Central Region Wastewater System.

Statement of the City of Dallas

Mr. Chairman. Thank you for the opportunity to appear before this committee which is *holding* hearings to determine if the Nation is making satisfactory progress toward meeting the targets and deadlines established in the 1972 Federal Water Pollution Control Act amendments. My name is Henry J. Graeser and I am director of the Water Utilities Department for the City of Dallas, Texas, the eighth largest city in the United States.

I would like to state at the outest that the mayor and council of the City of Dallas are dedicated to the abatement of stream pollution and to providing the requisite degree of treatment of our waste water to accomplish this goal. It is our objective to be the first major city in Texas to achieve advanced waste water treatment of its total waste load. This achievement is important because the Trinity River, into which our treated waste water effluents are discharged, consists almost entirely of treated sewage during the dry season of the year. In North Central Texas, this means nearly all the summer months *and some* of the winter months as well.

The city of Dallas has made significant progress towards its goal during the past five years. We now have under construction a $38 million conversion of our existing sewage treatment plant to advanced waste water treatment. This was made possible largely through a 55% Federal grant under the old law. We are not complacent with our progress thus far and my chief purpose in appearing before you today is to provide you with our views as to how the Environmental Protection Agency might more effectively and more expeditiously carry out the mandate of Congress *as set* forth in the Federal Water Pollution Control Act Amendments of 1972.

First, let me state that it is my belief that undue delays in the grant application process occur because the Environmental Protection Agency is continually changing its rules and formats for applications. Dallas has submitted six applications for grant assistance during the past fifteen months. All of these applications have had to be revised at least once because of changes in procedural rules. One project will have two revisions and another project has undergone three revisions to date. Each time a project is returned to the applicant for revision, we are in effect starting the application process all over again. In none of the six cases just referred to, have there been any design or scope changes by the city. The sole reason for resubmittal has been to comply with the ever-changing instructions from the agency. Title II, section 201, paragraph (4) of the Federal Water Pollution Control Act Amendments of 1972 states that initial rules and regulations for grant applications should be promulgated within 120 days from enactment of the law. As I am sure you are aware, this 120-day requirement was met only by a preliminary draft which was not released to the public. As a matter of interest, the latest revision to the rules that we have received was dated November 18, 1973, 395 days after enactment and is still marked "draft" indicating that more changes are to come.

It should be noted that changed rules are retroactive to grants already in process and this has the effect, even though it may not be the intent, of being a delaying tactic. If acceptable progress is to be made in cleaning up water pollution in this country, the agency is going to have to make up its mind what information is needed on grant applications and not change the rules every time someone thinks that an additional piece of information would be nice to have, or a new format would be easier to file. Moreover, there is a duplication in the information required by various offices within the agency. For example, much of the information contained in the grant application for a treatment plant has to be restructured and resubmitted for the purpose of obtaining a national pollutant discharge elimination system permit for the same plant.

Also, when we apply for a Federal grant for a sewage interceptor line, we have to again restructure and resubmit the information already on file in the agency in our application for a grant for the treatment plant and also in the N.P.D.E.S. permit application. Mr. Chairman, we acknowledge that the Federal Government has us outgunned when it comes to staff and the agency can ask questions faster than we can answer them. The question that needs to be answered is, does the Federal Government really need the mass of information it is requiring in order to carry out the program authorized by the Congress? I think not. I think bureaucracy has gone rampant.

My next topic is the requirement for preparation of a very detailed infiltration/inflow analysis before a grant application can even be considered. The infiltration/inflow analysis is an expensive and time-consuming task and, at least in the Dallas situation, will just confirm a foregone conclusion. That is, it is more economical and cost-effective to provide incremental capacity in the sewage treatment plant to take care of infiltration than it is to tear up city streets and the property owner's front yards to install tighter sewers in the older parts of the city so that the capacity of the treatment plant can be marginally reduced. Moreover, for the past 17 years Dallas has imposed much more stringent requirements in sewer construction to reduce infiltration to the minimum practicable, as a matter of interest, the city of Dallas is paying a consultant more money to prepare an infiltration/inflow analysis of an area approximating 10% of our corporate jurisdiction than the neighboring city of Mesquite budgets for operation and maintenance of sewer service for a year for that municipality. The two areas mentioned are roughly equal in size.

The correctness of the concept of determining the better of two alternates when a choice must be made cannot be argued. What is found objectionable is the money and time that must be expended to reach the same conclusion that we have already determined by experience. We are just as interested as the agency in holding down costs because we must go to our customers for every penny we spend because we, like many municipal utilities, are supported only by revenue and not general tax funds. What we are objecting to is the expenditure of four to six months of time and the employment of a recognized outside expert consultant to confirm what we already know.

We will spend more money engineering the grant application than we would spend in just repairing the obvious leaks in the sewer which will correct 75% of the problem. We understand that the infiltration/inflow guidelines written up for the agency were based on one group's experience in one part of the country but are made applicable nationwide. Let us at least have some relief by delegating some authority to the regional administrators to grant exceptions to the requirement for an infiltration/inflow analysis if in his judgment and knowledge of the conditions in the particular area would so warrant.

Last, I will mention the requirement for recovery and repayment to the Government for those portions of capital costs which can be attributed to industry when a Federal grant is involved. Today, there exists in the waste water treatment industry a great degree of confusion because of the lack of explicit instructions from the agency as to how industrial cost recovery charges are to be formulated and what the resulting revenues will be used for.

To enumerate some of the points of confusion:

1. The source of money for the grant program is income taxes. Industry pays income taxes the same as any other user of sewer service, yet industry is being excluded from the benefit of the Federal grant program. The burden of explaining the equity of this provision is placed squarely on the shoulders of the system operators.

2. There is confusion as to which industry should pay the industrial cost recovery charges. Two approaches are prevalent. The first approach says that only the industries within the area served by a grant project should pay these charges. This means that within a city, an industry located across the street from another industry may be paying a charge because it is served by the grant project while the other industry may not. The second approach is that all industries within the service area of a sewer system should pay the same charges, meaning that some industries will share in the cost of a grant project from which they are not being served. Many cities are constrained to treat classes of customers equally, so this would be the general approach that most would use.

3. Now comes the question of what is to be returned to the Federal Government from industrial cost recovery charges. If all industries within a sewer system's service area are to pay a share of the cost of a Federal grant project, are all the monies collected to be returned to the Federal Government or retained for repair and maintenance of the grant project? This does not seem to be the case. It seems that only those revenues collected from industries within a grant project should be so restricted. This means that the operator must then divide the payment he receives into two pools—those received from the industries within the area served by the grant project and those received from industries not so served. The operators' revenue records must then be adjusted to reflect the division of revenues. Normally, records are not kept in this manner and such a revision would be unwieldy.

4. Assuming that the first three problems are answered, there comes the question of what distribution should be made of the monies collected as a result of industrial cost recovery charges. If we assume that the operator is entitled to use the revenues obtained from the industries not served by the grant project in any manner which he desires, then the operator, in all equity, should use these amounts collected for the benefit of those from whom they were collected. Then all the remaining amount which is collected from the industrtial users within the area served by a grant project must also be treated judiciously.

As EPA Regulations now stand, 20% of industrial cost recovery revenues may be used in any manner the operator wishes, but, in equity, it seems that the 20% should be used for the benefit of the industrial users who contributed this amount thereby reducing their future cost. The problem here is that the future industrial users will not always be the same industrial users that paid the charges.

Thirty percent of the retained amount is to be spent on the repair and improvement of the grant project. With the approval of EPA, it seems that this 30% should accrue solely to the benefit of those industrial users from whom they were collected.

The remaining 50% is to be returned to the Federal Treasury. This is one point that is very clear.

5. So far, we have talked about a single grant project. It seems that it is entirely possible that more than one grant will be provided to a single operator. We then have a layering of these grants, each with a different industrial user cost recovery charge with a different expiration date. In addition, each grant will have a separate reporting system together with industries moving in and out into areas served by the grant. This could result in a monumental accounting chore.

6. The last point in the question is the letter of intent required from "significant" industries. It is not really clear what purpose this letter of intent can serve. In fact, it has the appearance of another source of annoyance. An industry cannot commit itself to being in existence for the useful life of a grant project nor can it commit itself to remain in the same location for the duration of the life of the grant project. So, why bother to have a letter of intent? It will merely call to the attention of the industry the fact that it is being singled out for a special charge that does not apply to other classes of users.

This uncertainty could not come at a more inopportune time. Many municipalities are currently making rate studies and revising their rate structures and they need to know, specifically, what the Federal Government is going to require as the price of obtaining Federal aid.

Thank you for your courtesy and patience in hearing my statement. Please do not construe my remarks as being critical of the many fine individuals in the Environmental Protection Agency that we deal with every day, from Mr. Busch, Administrator of Region VI, down to his engineers and accountants. We find these people genuinely interested in helping us but their hands are tied in many cases because they must carry out the instructions from Washington. Let us not try to run the day-to-day business of the country from a super-headquarters in Washington. Instead we favor granting some flexibility to the people in the field, relying on their judgment to protect the interests of everyone, taxpayers, environmentalists, and last but not least, the operators who must find the money and build and operate the sewage works.

Statement of the Advisory Committee of the Trinity River Authority of Texas Central-Regional Wastewater System

Mr. Chairman and members of the Subcommittee on Investigation and Review:

The Central-Regional Wastewater Advisory Committee to the Trinity River Authority is composed of elected officials from nine cities in the Dallas/Fort Worth metroplex. Collectively our System serves approximately 350,000 people at present and will serve almost one million people in the next ten years. We have signed contracts with the TRA to improve and enlarge our System at an estimated cost of $55 million dollars over the next four years. Many of us have already increased our sewer rates substantially and may have to triple our rates over the next three years to pay for the improvements we are willing to make. Much of our cost is necessitated by our planning to meet the requirements of the Federal Water Pollution Control Act of 1972. We have accepted local responsibility, done our part to be in position to move forward and need only the funds promised under your law to enable us to proceed expeditiously.

Our project is ranked as the top priority project in the entire State of Texas and we sincerely hope that it will not suffer crippling and expensive delays while the Federal Water Pollution Control Act of 1972 is still being interpreted.

We have not experienced an insufferable problem in dealing with either the regional office of the Environmental Protection Agency or our state regulatory agency, the Texas Water Quality Board. However, we do have reason to believe that, without streamlined administrative procedures and guidelines which resemble less of a "moving target" than those heretofore promulgated, our efforts to enlarge and upgrade our facilities in harmony with Federal programs and objectives may become bogged down in endless bureaucratic paper shuffling. We do not feel that the problems originate within Region VI of the EPA. Our Regional EPA office has been most responsive to our needs to the extent it has had adequate guidelines under which to respond. It is not the function of the EPA regional office either to make the law or to interpret it, but rather implement the laws passed by Congress and administered by higher authority.

We suspect that much of the confusion and lack of progress to date under the Federal Water Pollution Control Act Amendments of 1972 (P.L. 92-500) is because of two reasons:

(1) The Act itself is very complicated, technical in nature, and in some instances unrealistic. The Act was passed in October 1972 and in February 1974 there are still no final guidelines under which to make the Act work. Either the Act is just too complicated or those responsible for developing the guidelines need help.

(2) The second reason for lack of progress, in our opinion, is the failure of the Administration to spend the money which Congress appropriated. We point this out not to belabor the point here, because that is not the purpose of your hearing, but to let you know that, even way down in Texas, we are aware that the tax money we send to Washington is not being to us as Congress has directed.

With respect to the Federal Water Pollution Control Act Amendments of 1972, we think that possibly the Act, when viewed in its entirety, may be unrealistic. For example, can the national goal of "water quality which provides for the protection and propagation of fish, shellfish, and wildlife and provides for recreation in and on the water . . . by July 1, 1983" really be achieved in that time frame if, after a year and a half, there is still no direction on how to achieve that goal? The flow of the Trinity River in its upper reaches is more than 90% sewage effluent most of the time. It is possible that this goal can never be achieved with reasonableness, if it can be achieved at all. And, if it can be, we wonder if it can be afforded.

Another proposal by the Environmental Protection Agency which is of particular concern to the Advisory Committee is the proposed limitation of 2% annual growth on wastewater systems. We feel that it would approach gross negligence not to recognize that the Dallas/Fort Worth metroplex is a growing area where the needs of the populace must be anticipated and plans to provide adequate wastewater system expansion must be initiated well in advance of the need. The world's largest airport has been constructed in the heart of the Dallas/Fort Worth metroplex. By its very presence, the airport will serve as an impetus to an expanding community. The Authority's regional wastewater system will play a vital role in meeting the needs of this community. We are opposed to this proposed 2% annual growth rate by the Environmental Protection Agency and strongly urge that it be reconsidered.

We cite these examples Mr. Chairman, not to judge whether or not, in the final analysis, the Act will work. We hope that it will, although, in its present form, we have our doubts.

We understand that the National Study Commission on Water Quality will be conducting studies and making recommendations over the next two years on the 1972 Act. In the meantime, it is imperative that planning and construction of facilities go forward. The Environmental Protection Agency should with dispatch finalize its rules and regulations under P.L. 92-500, particularly in the area of construction grants, and should move forward without delay in funding necessary projects.

In summary, Mr. Chairman, we are saying that progress to date under the Federal Water Pollution Control Act of 1972 has been painstakingly slow. We are still optimistic that, perhaps spurred by hearings such as this one, the momentum will pick up and we will get on with the intent of the law as passed by Congress, to clean up our rivers and streams. If this momentum does not develop, then it will be obvious that either the law, the agency administering it or both need a careful re-examination. We wholeheartedly concur with Section 101 (F) of the Act which states:

"It is the national policy that to the maximum extent possible the procedures utilized for implementing this act shall encourage the drastic minimization of paperwork and interagency decision procedures, and the best use of available manpower and funds, so as to prevent needless duplication and unnecessary delays at all levels of the Government."

MEMBERS OF THE REGIONAL WASTEWATER SYSTEM ADVISORY COMMITTEE

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Officers

Mayor Dan Matkin, chairman.
Mr. T. C. Pace, vice chairman.
Councilwoman McCormick, secretary.

Mr. GINN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Georgia, who is a member of the subcommittee which held the hearings last week.

Mr. GINN. Mr. Speaker, one of the most fortunate things to happen to me since coming to Congress in January of last year was to gain membership on the Committee on Public Works and shortly thereafter to be assigned to the Subcommittee on Investigations and Review, which is so ably chaired by the distinguished gentleman from Texas (Mr. WRIGHT).

I think that all reasonable men will admit that the Environmental Protection Agency has one of the more difficult jobs of any of the Federal agencies at this particular time.

However, as I participated in the hearings held and chaired by the gentleman from Texas (Mr. WRIGHT) just a few days ago concerning where we are and where we are heading in this country in combating pollution, I sat in disbelief when I heard of the unnecessary red tape and restrictions and guidelines that are coming out of EPA.

Mr. Speaker, I, for one, would like to commend the chairman of that subcommittee, the gentleman from Texas (Mr. WRIGHT) for the great job he is doing in pointing out this problem, and I am here today to place with him my continued support as he leads us all in our attempt to help EPA streamline its guidelines and policies so that the State of Georgia and all the other States in this Nation and all the communities in this Nation can get on with the job of combatting pollution.

Mr. Speaker, I thank the gentleman *for yielding* to me.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for his cogent comments.

Mr. CLEVELAND. Mr. Speaker, I wish to commend my friend and colleague, the gentleman from Texas (Mr. WRIGHT), for scheduling this special order to alert Members of this body to the problems plaguing the clean water program and what we are trying to do about them. Our goal is clean rivers and streams, and our chief means to that end is the massive program we enacted with great fanfare in 1972. The program is in grave trouble, as documented in 3 days of sworn testimony last week before the Subcommittee on Investigations and Review of the Committee on Public Works. Our effort to get the program back on the track, if successful, will mean as much to the Nation's clean water effort as the multi-billion-dollar Water Pollution Act Amendments of 1972.

JIM WRIGHT was kind enough to furnish me in advance with a copy of his prepared remarks, with most of which I heartily concur. Rather than duplicate his overview, I shall elaborate on some points meriting emphasis and add others from my perspective as ranking minority member on the subcommittee.

NEW LAW BACKFIRES

One point which cannot be exaggerated is that the massive package we voted 15 months ago over the President's veto has resulted—incredibly enough—in a slow-down in construction of wastewater treatment facilities rather than the accelerated and expanded effort we clearly intended.

Second, Congress and yes, our Committee on Public Works, created part of the problem by enacting a complex piece of legislation, and by our insistence on higher standards of performance and a quick start on putting them into effect. But the Environmental Protection Agency, rather than attempting to minimize the problems inherent in the legislation, has made an admittedly difficult situation impossible by embarking on a bureaucratic binge of incredible proportions. Funds available, after impoundment—and they have been substantial—could not be and have not been spent.

Third, EPA has now burrowed out from under its mountain of paperwork and is predicting a new surge of grant application approvals. But even with the carryover of unused obligation authority, there would not be enough money to do the job and we will confront a backlog.

This much was admitted by witnesses from EPA itself and largely supported by testimony from representatives of four States: Georgia, Texas, New York, and Pennsylvania. My own conclusion is that the problem runs much deeper.

RIVALING INTERSTATE HIGHWAYS

With all respect to EPA, I have emerged from these hearings with the conviction that no Federal agency, EPA or any other, with its current personnel complement or any successors, can run a program of this scope and complexity entirely on its own discretion. I cannot overemphasize the magnitude of the effort, which now gives every indication of exceeding the interstate highway program as the major peacetime public works undertaking in the Nation's history.

I have long had the highest respect for the commitment and competence of the officials responsible for water pollution abatement in New Hampshire. With perhaps understandable pride in my own State, I thought them unique among the States in general. But now, with the history of other States' efforts on record for comparison with EPA's performance, I am overwhelmingly impressed with their capabilities. The wonder is that they have performed as well as they have with the admittedly mind-blowing task of dealing with EPA. And Public Law 92-500. Accordingly, I am convinced that we must devise a means whereby those States with demonstrated track records can be given vastly expanded authority. They must be made true partners—peers—rather than the puppets at the end of EPA's string.

To be sure, there was good news at the hearings. At my prodding, EPA agreed to begin making partial, interim payments to States and communities owed a total of $1.9 billion in reimbursements under the act for some construction undertaken prior to its passage. New Hampshire alone has $12.3 million coming, and EPA's delay has cost nearly $1 million in interest to date, an unnecessary tax levied on the people of my State. This is money appropriated by Congress 15 months ago.

SPENDING DROPS

But the rest of the record is pretty dismal. Funding available has risen as follows over the past 5 years: $214 million, $800 million, $1 billion, $2 billion and $3 billion for the current fiscal year. Another $4 billion will be available next year, which when combined with $3.2 billion in unused authority, will total a staggering $7.2 billion available now, today.

Yet obligations for new projects for the last 6 months of calendar 1973 under the new law were only $153 million, little better than one-tenth of the $1.4 billion for the last 6 months of 1972 under the old law which we in Congress scrapped as totally inadequate to do the job.

One witness compared the two programs as a Model T chugging along with modest horsepower versus a Cadillac with 10 wheels, five steering wheels and a gallon of gas in the tank.

Now we have estimates that needs will total $60 billion, which prompted one subcommittee member to inquire of Mr. Quarles of EPA in what century our clean-water goals would be met. Members of this body might as well be on notice as of today that deadlines will not be met and that our problems of credibility will be even worse 8 months, 10 months and a year from now when our communities are told there are not enough funds available to the survivors of the paperwork jungle.

JIM WRIGHT has given us an excellent summary of instances of bureaucratic bungling. I share in particular his concern over whether EPA is using the administrative mechanisms to slow down spending, a possibility I mentioned in advance of last week's hearings and which I raised with Mr. Rhett of EPA in the hearings. He gave me this assurance:

> We're not using our internal procedures to try to further lower the allocations.

This may be so. But the effect is the same, with the bureaucratic system of consultation, coordination, confirmation which resembles a Rube Goldberg system for twisting pretzels and which Mr. Ruckelshaus stated could be used in control spending.

NEW FEDERALISM NEEDED

A greater concern reflected at the hearings was a disposition on the part of EPA to dismiss the experience of the States and the Federal Government as if the existence of water pollution had just been newly discovered by EPA in Washington. It is the NIH syndrome—not invented here. This is reflected in the Agency's failure to progress under the rules of the old program where applicable guidelines going beyond the traditional, conventional engineering concepts, and rigidity in their application. We also received convincing testimony to the effect that Washington is insensitive to the experience of the States and it often ignores the recommendations of its own regional administrators who are of necessity more familiar with the problems the States are encountering and the competence and dedication of State officials with whom they deal.

If any program needs a strong dose of "new federalism" it's this one.

We heard, moreover, a disturbing suggestion that "no-growth" advocates are seizing on the procedures for approval of waste treatment facilities to obstruct them and thereby choke off a community or area's capacity to develop. In effect, they would condemn the community to continuing degradation of the environment rather than see it grow in an orderly manner consistent with environmental quality. And this presumably in the name of the environment.

This appears analogous to obstruction of the trans-Alaskan pipeline through NEPA. Were the oil flowing today from the North Slope reserves, we might not find ourselves quite so compelled to readjust our clean-air efforts on a short-term basis. In this connection, Jim Wright made a comment to the effect that some of this thinking may underlie EPA policy. He mentioned a community experiencing difficulties in obtaining approval of its environmental impact statement concerning siting of a treatment facility. The concern was over the project's potential impact on air pollution, the rationale apparently being that the community might be enabled to grow, generate more automobile traffic and hence lower the quality of its air. Make no mistake, these concerns are legitimate. But they should be confronted honestly, openly, and in a straightforward fashion rather than as ancillary issues.

Another concern of interest to members at large concerns one thing EPA did properly, in my judgment, in approving a number of projects immediately prior to the effective date of regulations requiring user-fee recovery. This has been subjected to some criticism in the other body and the General Accounting Office has been asked to investigate. Members should be aware that I for one—and other members of the subcommittee may feel the same way, though I cannot speak for them—I will resist any such finding.

SLOWDOWN'S IMPACT PERVASIVE

Members also should be aware that the subcommittee is keenly conscious of another aspect of the situation: the real dimensions of the problem. Our concern is fully justified in view of the urgency of the clean-water effort in its own right. But the impact of the slowdown is far broader. With sewer bans or moratoria in effect and likely to proliferate, the economy of many communities and areas is at stake.

Their ability to meet the needs for housing, business and commercial development, and industrial expansion is being rigidly curtailed, not to mention the construction industry which in many areas represents a major sector of the local economy. With all our problems of inflation and energy shortages, this we do not need. It is all the more unconscionable for being totally unnecessary.

NOTE ON REFORM

On a concluding note, Mr. Speaker, the Select Committee on Committees has recommended that each standing committee establish a committee on oversight and review, comparable to the function of the Investigating Subcommittee of the Committee on Public Works. I think this is an excellent suggestion and invite the scrutiny of Members concerned with this much needed reform. The vigor and responsiveness of this subcommittee, the quality of its staff work, and the totally nonpartisan manner in which its proceedings are conducted—and, hopefully its results in this most important undertaking—make it well worth emulating other committees.

Mr. PICKLE. Mr. Speaker, I want to commend my colleague, and good friend Jim Wright for holding this special order today on the many problems and frustrations that have been encountered in trying to implement our water pollution programs.

No one is comfortable about the delays and the confusion caused by the administration's policies of impoundments and withholdings. This is not just a policy that is debated in theory, for it reaches down to the communities of America and affects the people.

Critical pressures are being felt by the Texas Water Quality Board. This past month a delegation from this organization came to Washington to see if there were any definitive policy in this area. We surely owe it to our State leaders to be more forthright with our Federal programs.

This month I have received a letter from a community in my district that has been caught and frustrated in this policy. This city has been dealing with the Department of Housing and Urban Development for water and sewer improvement. I know that this is not exactly the topic of my friend's special order today, but it is very much related. It is related because proper sewerage handling and water systems are so much a solution to our water pollution problems. This is why I speak up today during this special order—to high-point what delays and confusion can mean to a community.

The letter that I received I want to insert in the Congressional Record. It tells the story of days and weeks and years of frustration. HUD wants to help. The fine people who work at HUD want to help. But help is not forthcoming, as there always seems to be a new policy or a new lack of direction from Washington. I personally intend to deliver this letter to the Secretary of Housing and Urban Development, James T. Lynn, to show him why complex policy decisions in Washington can affect the faith that the average community has in its Government. If the city of Bastrop in my district is typical of the frustrations and disappointments of communities trying to improve the quality of their life, then the Lord help us.

I do not make the point that there is a lack of feeling or a lack of interest on the part of the personnel of HUD—in fact, I believe they have tried to be most helpful. But they cannot be helpful when the policy is one of "withhold and impound" and one that leaves the local people dangling. One wonders if the dangling is sometimes not policy twisting in the wind. We cannot play games with the quality of life in our communities.

Mr. Speaker, I insert the letter from the mayor of Bastrop, Tex., Hon. Benton Sims, in the Record at this time:

City of Bastrop,
Bastrop, Tex., February 4, 1974.

Hon. J. J. Pickle,
The House of Representatives,
Washington, D.C.

Dear Congressman: I feel that the City of Bastrop has received unfair treatment from the Department of Housing and Urban Development, as well as from other government agencies, and in this letter I will set forth some reasons why I feel this way.

To my knowledge, the only grant money the City of Bastrop has ever received was the grant received recently from Environmental Protection Agency for aid in constructing a new sewerage disposal plant. All the surrounding towns have received federal grants for many and various projects, but not Bastrop. H.U.D. did help the Bastrop Hospital Authority build a new hospital; but, there was no grant money involved in this as H.U.D. purchased the Authority's bonds.

Bastrop is in need of aid to repair, replace, and improve the water system and is also in need of help to drain the town. The poor drainage affects our sewerage system and could very well someday cause an epidemic in our town. Bastrop filed an application with H.U.D. for assistance on such a project but, because of the impoundment of funds by the Bureau of the Budget at the instruction of the President, the application has been returned to us. I want to say at this time that the Area Director of H.U.D. in San Antonio, Mr. Finnis E. Jolly, and his staff have always been most interested and helpful to us and would have funded our project had the money been available.

Now I would like to summarize for you our efforts for assistance over the period of the last five years.

In February, 1969, the City of Bastrop made application to H.U.D. for a loan to finance the preliminary and final engineering planning for the drainage project and some water improvements that were most pressing at that time.

In August, 1969, we contacted the H.U.D. Regional Office in Fort Worth telling them our needs, and two weeks later we received an application packet from them.

On October 27, 1969, we received a letter from Mr. Travis Miller, Assistant Regional Director of H.U.D., approving our application for $12,000. for the preliminary planning and engineering. As this program was being phased out, there were no funds approved for the final plans.

On November 17, 1969, we advised our engineers, Bryant-Curington Inc. of Austin, Texas, to proceed with the planning and on May 5, 1970, they completed the plans.

On April 29, 1970, we hand delievered to H.U.D. Regional Office in Fort Worth the completed application packet we had received the previous August and had a review of the application with Mr. Larry Brown and others.

In July, 1970, after several phone conversations with H.U.D. representatives, we received a check list of corrections to be made on the application. These corrections were made and the application was returned to H.U.D. in Fort Worth on August 8, 1970.

In March, 1971, having received no further word from H.U.D. concerning the application, we called the Fort Worth office and were referred to the new area office in San Antonio. Phone calls were made to various department heads in the San Antonio office and we were told that some of the files had not yet been unpacked and that still others had not arrived in San Antonio from the Fort Worth office.

In October, 1971, we were informed by the San Antonio office that the application had been lost in transit from Forth Worth. We immediately prepared another set of the application packet, and it was submitted to them.

In early 1972, we hand delivered another set of the application to San Antonio.

On March 13, 1972, the Bastrop City Council passed a "Resolution of Governing Body of Applicant" (Budget Bureau Form No. 63-*R116 and H.U.D.* Form No. 4140 1A) authorizing the filing of application for a grant under P.L. 89–117.

On August 15, 1972, we transmitted a revised application and about this time our application was assigned a number, WSF-TX–06–59–1048.

On September 19, 1972, the completed, formal application with all supporting documents was delivered to H.U.D.

On September 29, 1972, a letter of transmittal with three binders containing copies of the revised application was sent to H.U.D. as per their request of August 28. At this time, they were advised that the City of Bastrop had passed a $495,000 Bond Issue to finance the city's share of the project.

On October 5, 1972, a letter of evaluation was submitted at the request of H.U.D.

On November 7, 1972, a letter revising the evaluation was submitted after a call from the H.U.D. office in San Antonio.

On November 15, 1972, a letter was sent to H.U.D. including the originals of all documents signed by the mayor as per their request by phone on November 13, 1972.

On December 8, 1972, a letter of transmittal was submitted with letters from Dr. B. J. Marshall, Bastrop City Health Officer, Senator Bentsen, Senator Tower and the Texas State Health Department.

The latter part of November 1972, we were informed that we were at the top of the priority list and that we should soon be funded. Then we were informed that the H.U.D. Regional Office had captured the area office money but had promised to return the money to San Antonio in December; but this was not done.

On January 5, 1973, all H.U.D. funds were impounded.

On July 17, 1973, our application was returned from the San Antonio office with the statement that no funds were available for fiscal year 1974 for water and sewer facilities grant programs and that all such applications in the nation were being returned to the applicants.

In utter frustration, I wrote President Nixon asking that impounded funds be released. I received an answer from the White House saying that we should use our Revenue Sharing funds for this purpose.

The City of Bastrop is receiving only about $26,000 a year through revenue sharing and it was set up to last only five years.

In March, 1973, H.U.D. conceived the Annual Arrangements concept to be funded by special revenue sharing under the Better Communities Act. After many more man hours of work, the City of Bastrop was approved to participate in this concept on May 22, 1973. As you are well aware, this plan was supposed to go into effect in the fiscal year 1974 (starting July 1, 1973); but to date it has not gotten off the ground and, personally, I do not think it will.

As you know, Bastrop has an old water system that was constructed in 1943. While we have seven water wells in the system, we are now able to use only four of them because the other three wells have sanded in. The old pump station and the lines running from the pump station to the elevated tank (some miles away) are all over forty years old and we know that they could go at any time. We have no water storage in town, and if the transmission line from Camp Swift to town, some eight miles away, should rupture, the town would be without water. The State Health Department, as well as the State Insurance Department, have been on us for many years to construct a one million gallon storage tank in town. Plans for this were included in our application to H.U.D. It will cost $50,000 more to construct this tank today than it would have cost one year ago. On a project that was estimated to cost $135,000 a year ago, this will give you an idea how much money has been lost because we were not funded.

The City of Bastrop is not only serving the citizens of Bastrop with water, but we also serve some 1500 customers of Aqua Water Supply Corporation. Aqua has about 500 miles of lines serving customers not only in Bastrop County, but also in Lee, Travis, and Williamson Counties. I would estimate that the City of Bastrop system supplies water for at least 12,000 people.

Bastrop was recently given 18 acres of surplus land at Camp Swift to be used to drill more water wells. It will take money to drill these wells, and it will take help to get the money. Our problem is that no one seems to care whether or not Bastrop ever receives any help.

Sincerely,

D. B. SIMS,
Mayor.

Mr. GROVER. Mr. Speaker, the chairman of the Subcommittee on Investigation and Review of the Committee on Public Works, by good friend from Texas, JIM WRIGHT, and the ranking minority member, my good friend from New Hampshire, JIM CLEVELAND, deserve a full measure of credit for initiating hearings on our clean water program.

Just over 2 years ago, the Congress passed over the President's veto the 1972 amendments to the Federal Water Pollution Control Act. This massive new approach toward providing the quality of water that our Nation needs and deserves was hailed as the finest piece of environmental legislation ever passed by the Congress. Even so, those of us who served on the committee on conference on the part of the House were concerned at that time that control requirements by specific dates may have been too strict. The agreement reached with the representatives of the other body, however, was embraced by all, and we expected great progress in our water pollution control efforts.

I recognize that the Congress set out many and varied, new and difficult requirements in the legislation. However, we did not expect that our requirements would become stumbling blocks and excuses for making the water pollution control progress we expected and required. The bill set requirements that were stringent. We expected, however, that a new, dedicated, energetic agency would seize every opportunity to move ahead rather than delay the effort.

It seems to me from what I heard during the 3 days of hearings held to date that there has been a strong tendency to use opportunities to delay rather than forthrightly to develop techniques and methods consistent with the law for moving ahead. We heard one witness state that the Environmental Protection Agency tended to adopt a rigid interpretation of the law when a rigid interpretation would add delays, and that the Environmental Protection Agency tended to adopt a flexible interpretation when a flexible interpretation would cause delays. I certainly hope this has not been the case, because I know there are many able and dedicated people within the Environmental Protection Agency. Unfortunately, one who had the opportunity to participate in the subcommittee's hearings, as I did, is led to believe that where there is smoke there must fire. There have been delays, and they all do not have a reasonable excuse.

One overriding aspect of the 1972 amendments was clearly defined in section 101(b):

> It is the policy of the Congress to recognize, preserve, and protect the primary responsibiltiy and rights of states to prevent, reduce, and eliminate pollution, to plan the development and use . . . of land and water resources and to consult with the Administrator in the exercise of his authority under this Act.

We meant what we said.

As we have learned from our hearings, it is obvious; neither this policy as declared by the Congress nor the spirit of the law that was enunciated has been carried out.

Some States, certainly not all, have had, do have, and will continue to have superior capabilities to handle water pollution control programs. It is encumbent upon the Environmental Protection Agency to recognize the capability of the States, to coordinate with the States, to turn over as much as possible to the States, and then to depend upon the States to do the job.

I urge the Environmental Protection Agency to concentrate their efforts in the next few months on determining how they may lawfully structure the grant program and operate it in a manner to start more new construction projects. I urge the Environmental Protection Agency to work with the States and municipalities to get more new construction underway. On the other hand, I urge the Congress, and particularly the other body, to recognize that it is more important to get new construction projects started, consistent with the intent of the law, than it is to dot every "i" in every regulation and requirement.

I, at this time, would like to urge the Committee on Investigation and Review to continue these most worthwhile hearings on the water pollution control program throughout the next 5 or 6 months or more. I would suggest that the Members and staff consider at least 3 days of hearings each month to review various aspects of the water pollution control program. For example, I believe it will be useful to devote our scrutiny to the questions of industrial effluent limitations; the impact of the user fee requirements; the research and development program; the planning program, or lack of it; the enforcement program; control of toxic materials; and last but not least, the results in the way of clean water that have been achieved to date.

An important and laudatory effort has

been started by Chairman Jim Wright and Jim Cleveland and the subcommittee. There is a lot more to do, Mr. Speaker, and I look forward to the coming months.

GENERAL LEAVE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE EFFORT TO STOP IMPORTATION OF RHODESIAN CHROME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Sikes) is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, the House Committee on Foreign Affairs has pending before it a bill of importance to every American. It is of especial significance to the Members of the House because it is in the House that the bill must be defeated. It already has the approval of the Senate.

This bill, S. 1868 would prohibit the United States from importing chromium ore from the friendly nation of Rhodesia. This would reinstate the sanctions imposed by the United Nations which had an adverse and costly effect upon our country and which served no useful purpose whatever. The net effect would be that we would become dependent on Soviet Russia for our chrome supply. This was the case while sanctions were in effect and we paid a costly premium for chrome, much of which was transshipped from Rhodesia through Russia to the United States with a handsome profit to the Russians.

I know of no nation on earth which should cut off its supply of a vital and strategic material from a friendly power and place itself at the mercy of an enemy country for essential defense metals. Yet, that is exactly what the pending legislation will do if enacted into law. Please remember, chrome is essential for America's defense.

The Senate bill would set aside the action of both Houses of Congress which allowed us to purchase Rhodesian chrome. It was necessary for the earlier bill to be passed because the United Nations had instructed us not to buy from Rhodesia. Even though this edict was against our own national interest, the U.S. Government went along and refused to purchase high-grade, low-cost chrome from our friends in Rhodesia.

It was at that time that we turned to the Russians. We turned to the Communists who gladly sold us low grade, high cost chrome for use in manufacturing the steels we require to keep our defenses strong. The cost was substantially double what we had previously paid. When the Byrd amendment was adopted, most of us thought the United States had returned to a sensible policy. But in December, the Senate passed S. 1868, which would set the clock back and place us at the mercy of the Russians for chrome ore requirements. It has been referred to the Foreign Affairs Committee where it is now pending.

Hopefully, the committee in its wisdom will not give a favorable report to the measure, but if the bill comes to the floor for action, it should be soundly defeated. It makes no sense to punish our friends and reward our enemies. It makes no sense to place ourselves in a position of dependence for chrome on Soviet whims. It makes no sense to put an embargo on ourselves. It makes no sense to pay a costly premium out of the pockets of the American taxpayer.

To refuse to buy Rhodesian chrome would be akin to refusing to buy Arab oil because we do not always agree with their policies of government. The proposal just does not make sense.

I trust the House of Representatives will make it clear to the United Nations and to the world that the United States knows how to place its own interests above the interests of others.

REPRESENTATIVE JACK KEMP CALLS UPON CONGRESSIONAL LEADERSHIP TO INVITE ALEXANDER SOLZHENITSYN TO ADDRESS A JOINT SESSION OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I was heartened to learn this morning that Alexander Solzhenitsyn, the courageous voice of conscience in the Soviet Union, had been freed by Soviet authorities, after his arrest yesterday.

I was, of course, dismayed that he had, first, been arrested for refusing to subjugate himself to "interrogations" by the Office of the State Prosecutor, a principal cog in the Soviet police state machinery, and second, that he had been forceably exiled from the Soviet Union during the past 24 hours.

While Solzhenitsyn's journey to freedom gives all of us a degree of relaxation—that this man, at least, is now free of the abuses of the Soviet system, that relaxation should not lull us into thinking that all is well there. It is far from it.

I think several things are now in order.

INVITATION TO ADDRESS A JOINT SESSION OF THE CONGRESS

Mr. Speaker, I think it would be fitting and most appropriate for the distinguished leadership of both the House and Senate, majority and minority, to formally invite Solzhenitsyn to address a joint session of the Congress. I avail myself of this opportunity to make such a request of the leadership.

We work daily in this Chamber and in the committees of the Congress on issues which affect the foreign policy of the United States. Most recently we have debated the important questions of the use of America's economic strength to foster changes in Soviet internal policies, as preconditions to liberalized trade policies; of the propriety of certain types of trade—and I wish to add, parenthetically, that I favor trade and liberalized trade policies, provided that those policies are used as economic weapons for freedom by engendering badly needed domestic reforms in Communist countries, provided that we are paid in cash or gold and not through long-term, low-interest credits subsidized in part by the American taxpayers, and provided that such trade is not in strategic or potentially strategic goods; of the financial terms in which trade would be financed by the Soviet Government; and of the relationship between trade policies and a genuine realization of détente and its worthwhile objectives.

Solzhenitsyn's message to this body, I believe, would be a clear one. It would graphically demonstrate the realities which we should consider the basic premises for our actions. It would be a symbol to the Soviet Union that we, the Members of Congress, were hearing his voice, as against their empty promises.

Again, I call upon the leadership to extend such an invitation.

ADMINISTRATION SHOULD RETHINK ITS POSITION

Over the past several months, the Soviet heirarchy has heard the voices of those who warn against any harm befalling Solzhenitsyn. From the Halls of Congress, from spokesmen from the news media, and from the academy have come warnings against Kremlin recriminations. But, there has been one place of noticeable silence—the instruments of official U.S. foreign policy.

The Kremlin has, apparently, devined the will of this administration to be insufficient to do more than a smokescreen fight against continuing Soviet repression. In the simplest of terms, the Soviet heirarchy apparently feels it can get away with the arrest of Solzhenitsyn, and probably many others now, because the United States simply will not be moved into a specific plan of action to mount world opinions, and to impose sanctions, against them.

I hope—I hope very much—that they have misread the administration's will. But, one thing is certain: It is time now for the administration to act demonstrably to show a resolve to oppose Soviet repression.

Our failure to use our economic power as a weapon for human freedom would be as disastrous to the world today as if we had not used our military power to stop the spread of Nazism 25 years ago. Just as the spirit of Munich neutralized Western military power in the 1930's, we must not let such a spirit neutralize our economic power in the 1970's.

The administration has, to date, opposed the Jackson-Vanik amendments to the pending Trade Reform Act, amendments which would precondition a relaxation of U.S. trade policy with respect to the Soviet Union upon a visible demonstration on their part that they have relaxed significantly their denial of basic individual liberties in the Soviet Union. This administration policy has been inconsistent with the previous statements made by the President on this issue. I wish to take this opportunity to remind him of some of those statements.

In October of 1963, at the time of the Kennedy administration's announcement of the massive wheat deal with the Soviet Union, Mr. Nixon declared:

> One of the minimum goals we should set is to get the governments of Communist countries to adopt policies which will allow people to leave if they desire to do so.
>
> * * * * *
>
> Programs of trade and aid are our biggest potential weapons.
>
> No American action should be taken if it strengthens a Communist government's stranglehold on the people.
>
> * * * * *
>
> The (Kennedy) Administration is drifting toward a policy of negotiating away the freedom hopes of . . . people under Communist rule.
>
> It would be shockingly immoral for the U.S. to do anything directly or indirectly which would give the impression that we accept Khrushchev's price—namely—that in return for peaceful coexistence we accept as permanent the Communist enslavement of . . . millions (of) Europeans.
>
> * * * * *
>
> The great and vital issue of freedom for the oppressed is being kept on the back burner. It is high time for us to put it on the front burner, to make it a top-priority objective in every international negotiation.
>
> We should do nothing for any of the Communist governments unless its purpose and effect will be to help the people get relief for Communist oppression.
>
> * * * * *

And in a Saturday Evening Post article that month, Mr. Nixon wrote:

> Americans have always contended that if we are to retain freedom for ourselves, we must support the cause of freedom for others. It is ironical that in the United States some of those who pride themselves on being "liberal" in foreign and domestic policy are the most violent opponents of any move to launch a peaceful offensive for freedom for (Soviet Citizens).
>
> * * * * *
>
> I believe that we must have a single standard for freedom. Its denial in whole or in part any place in the world, including the Soviet Union as well as the United States, is surely intolerable.

These statements are certainly in contrast to the State Department's and administration's 1970 response to a single incident which bears repeating today: The case of Simas Kudirka. Kudirka wished to leave the Soviet Union. When the Soviet ship *Sovyetskaya Litva* was in the U.S. territorial waters, Kudirka jumped on board the U.S. Coast Guard vessel *Vigilant* and asked for asylum. After extensive communications with Washington, the *Vigilant* allowed Soviet personnel to actually board the Coast Guard vessel, seize Kudirka, actually beat him in the presence of American officers, and forcibly remove him to the Soviet ship. The American action was a direct and flagrant contravention of paragraph 23 of the Geneva Convention. Kudirka was subsequently sentenced to 10-years labor in a strict regime camp with confiscation of personal property. This was a shameful act on the part of our Government. It should never have happened; it must never be permitted to happen again.

The incident of this week—of Solzhenitsyn's arrest and forced exile—affords this administration an opportunity to harness public opinion in support of a change in its official policy, adopting thereby the Jackson-Vanik position and using our Nation's preponderant economic strength as weapons for freedom.

I appeal to the President to institute such a change in policy.

ADDRESS AT LAST NIGHT'S SOLZHENITSYN SYMPOSIUM

I had the honor last evening to be one of the featured speakers at a Solzhenitsyn Symposium at the American University, here in the Nation's Capital under the auspices of the ad hoc committee for intellectual freedom at Georgetown University, American University, University of Maryland, Johns Hopkins University, and Howard University. This symposium, while it had been scheduled weeks ago, became the center of national press attention in light of this week's revelations. The symposium audience was composed of political scientists, historians, professors, government employees, and students, as well as members of the general public. The support for Solzhenitsyn and for an official change in U.S. policy was overwhelming.

At this point in the Record, because I think it sets the tone and substance in which we must examine the entire issue of repression in the Soviet Union, I wish to insert the full text of my remarks last evening. The address follows:

SOLZHENITSYN: THE UNCONQUERABLE VOICE OF THE HUMAN CONSCIENCE

(Address by Representative Jack Kemp before the Solzhenitsyn Symposium, the American University, Washington, D.C., February 12, 1974)

The events of recent months have brought forth a renewed wave of disclosures on the plight of human existence for those who dare to exercise freedom of thought within the Soviet Union.

These revelations afford each of us an opportunity to focus, *specifically*, on the denial in the Soviet Union of even the most basic of human rights, and, *generally*, on what the powerful and courageous voice of this man, Alexander Solzhenitsyn, should mean to anyone who cherishes freedom, joined, of course, by others like Andrei Sakharov and Avraham Shifrin.

The publication of Solzhenitsyn's new work, "Gulag Archipelego: 1916–1956", serves as the central beacon for our new focus. But, its release symbolizes much more than that. It is almost as if it had opened the doors behind which the voices of millions had been silenced for decades. It does no good to cry out against shame when there are no ears to hear that cry. Now, buttressed by Solzhenitsyn's courage and borne onward by a more sympathetic press and responsive public, others too have begun to speak from the depths of moral conviction. They speak both of the horror stories of oppression and of the classic awareness of how man's inhumanity to man can become a norm, not an aberration, in a closed society. Each carries its message. And, these messages are not the shrill cries of a fanatical anti-communism; they are the reasoned voices of libertarian philosophy, however perceived or unperceived it may be.

I will not catalogue for you this evening the seemingly endless number of horror stories—those terrifying, specific instances when life and its meaning were extinguished by the violence of consciously sanctioned state policy. Others are doing that, and I commend them for providing us with the factual bases for our conclusions.

I wish, rather, to discuss with you for a few moments what I believe to be the lessons we should, *and must*, learn from what we witness through Solzhenitsyn's experience.

We have been witness to one of the most courageous acts in the annals of modern history. The word "hero," long in disrepute, has been redeemed by Solzhenitsyn. He has the courage, the power of mind, and the strength of spirit to speak the truth to the entire world. His career has come to symbolize the resistance of uncompromising integrity to the forces of evil state action. His courageous challenge to the overwhelming power of the Soviet totalitarian state is a political act without real precedent in the 56 years since the Bolshevik Revolution.

Solzhenitsyn speaks to us in the West. We are the primary audience of GULAG and his other principal works. What does he tell us?

He tells us much.

He tells us that what we see through his works are the realities against which the rhetoric of detente must be measured, and when so done, that reality is found wanton, in letter and spirit. For whatever reasons, our fantasized notions of the philosophical ideals and premises of communism, in theory, are totally inconsistent with the stark, naked realities of state action. A true détente must be based on individual liberty.

His indictment is universal, for it is an indictment of totalitarian society no matter what its form—fascist, socialist, or communist. It is an indictment of that which can happen in any society in which there is no, or inadequate, regard for human life and liberty.

Our failure to use our economic power as a weapon for human freedom would be as disastrous to the world today as if we had not used our military power to stop the spread of Nazism 25 years ago. Just as the spirit of Munich neutralized Western military power in the 1930's, we must not let such a spirit neutralize our economic power in the 1970's.

He tells us that anti-intellectualism is a foundation for the Soviet system. It uses violence, not persuasion. It functions from emotion, not reason. It uses intimidation, not conviction. It censors at will; suppresses without restraint. Due process is not a concept to be skirted; it simply does not exist. There is no freedom—political, economic, moral, or intellectual. In summary, it is the basest of all forms of human society.

He speaks to us of cowardice. About the conditions of his fellow men, he observes:

"The timid civilized world has found nothing with which to oppose the onslaught of a sudden revival of barbarity, other than concessions and smiles."

And, if we have "held back" because of a fear of jeopardizing the superficial relaxation of tensions between our nations, he adds:

"The one who speaks about crimes committed does not harm peace and good relations between peoples and nations. The ones who committed them does that."

His inferences are clear: That the West, no matter what its protestations to the contrary, is so materially and spiritually satisfied as to symbolize the moral decadence which Solzhenitsyn contends arises naturally when good men refuse to do nothing about evil.

In few ways could this be more graphically demonstrated than our government's timidity and reluctance to use our preponderant economic power to insure relaxations so badly needed within the internal Soviet system. Solzhenitsyn and his collaborator, the famed nuclear physicist, Andrei Sakharov, have made repeated calls for the U.S. to use its leverage at the negotiating table to force a real detente—a detente based on liberty, a liberalization of Soviet society in order to insure that Soviet deeds will match their rhetoric. Certainly, we should use our economic power to force a relaxation in Soviet emigration laws, for the right to leave and to return to one's country is one of the most basic rights of men. I agree with Senator Jackson, the prime Senate sponsor of measures to use our trade policies in such a manner, when he said:

"I believe that our economic power at this point in history can be far more effective than our military power alone. It is our trump card.

"I would put top on the list the freer movement of people, the freer movement of ideas across frontiers."

This policy, inculcated in the Jackson-Vanik bills, should be immediately implemented.

Solzhenitsyn tells us of our own misdirections in addressing the questions of war and violence:

"Shaken by two gigantic world conflicts in quick succession, recent generations have committed an emotional wrong. They saw the threat against mankind's peaceful, just and good existence as almost exclusively deriving from war. But man's existence is torn and shattered not alone by the violent arms of war but also by the unending, inhuman processes of violence. Permanent state violence—a concept covering the violation of human rights is the most threatening danger in our world of today."

What he is telling us, in this passage, I believe, is that war is the *second* worst activity of mankind, the *first* being aquiescence in slavery. We must never let a fear of confrontation lead us into acquiescence in slavery—of ourselves or of others.

Conscience. It is a strange word that sends shivers up the spine of those who can think only in collective terms. It has the ancient, honorable connotations of spiritual virtue and intellectual integrity about it. From time to time in history a single events reminds us precisely what conscience means and what it can achieve: This, my friends, is what Solzhenitsyn is all about.

His voice speaks of man's unquenchable thirst for freedom, a quest which has produced mankind's greatest moments of enlightenment and a quest which drives the human mind and body forward when all else seems abandoned. Listen, listen to what Solzhenitsyn says of this quest, as he wrote in the Nobel Prize Address he was never allowed to deliver:

"In order to mount this platform from which the Nobel Prize lecture is read, a platform offered to far from every writer and once in a lifetime, I have climbed not three or four makeshift steps, but hundreds and even thousands of them, unyielding, precipitous, frozen steps, leading out of the darkness and cold where it was my fate to survive, while others—perhaps with a greater gift and stronger than I have perished."

Our tasks become clear against this passage. This man of individual conscience in an age of philosophical and moral anarchy is calling us forth to the exercise of an affirmative responsibility to end the silence which has allowed untold injustices to be perpetrated upon our fellow men. Many within the intellectual community of the West turned their backs on the pleas of dissidents and intellectuals in the Soviet Union during the Stalinist purges of the Thirties. This must never be permitted to happen, ever again. Acquiescence would be unforgivable; we would, then, bear part, if not much, of the guilt.

What is it we now hear from the Soviet Union? That they have heard Solzhenitsyn's message? That they are willing to begin the long and arduous process of restoring liberty? No. Quite to the contrary, today's wire stories carry the news of Solzhenitsyn's arrest for having refused to answer a summons of the State Prosecutor, one of the principal instruments of the Soviet police state. This might be the beginning of a new wave of repression, for the Soviet hierarchy is incapable of allowing intellectual freedom in the Soviet Union. For, that hierarchy is part and parcel of the system of terror itself; Solzhenitsyn himself has well documented that fact.

I predict, with the assurity of nearly sixty years of communist rule, that the Soviet Union will get away with a new wave of persecution, *unless* we, the free nations, exert every conceivable pressure upon them in the court of world opinion. As Solzhenitsyn has said, we who now exert that pressure do not endanger détente; those who made that pressure necessary did that.

I call upon the President of the United States and his Secretary of State—

To immediately cease all trade negotiations, public and private, between the United States Government and U.S. corporations with any Soviet bloc nation or instrumentalities.

To immediately withdraw all scientific, educational, and cultural exchange missions now within their borders and to stop all planning on any such future missions.

To instruct our Ambassador to the United Nations to call for an emergency session of the U.N. Security Council for the purpose of insisting upon an immediate enforcement of the Declaration of Human Rights.

And, I call upon the heads of government of other free nations to take similar actions. These sanctions should remain in full force until Solzhenitsyn is released—and left alone.

We owe it to all the people of the Soviet Union, we owe it to ourselves, we owe it to peace—to impose these sanctions.

Let us resolve that the climb made by Alexander Solzhenitsyn and others up those unyielding, precipitous, frozen steps shall not have been in vain. Let us resolve that we will never take our freedoms so lightly that we will make less than a total commitment to their preservation. Let us resolve that we will never be so materially or spiritually satisfied as to stand unmoved while voices of conscience, no matter in what language, cry out. For if *we* sustain the high sense of purpose that brings us to this Symposium tonight, if we will work together intelligently and effectively in the years ahead, we will shape our future and safeguard the sacred ideals of liberty which shine as a beacon for all mankind.

Let us never be asked what we were doing that we deemed more important than striving for the cause of human freedom.

In light of this morning's announcement that Solzhenitsyn was being spirited to West Germany, rather than being incarcerated or extinguished, I think it depicts well the ability of U.S. opinion to bring about changes in the Soviet Union. While he was exiled, at least it was not a worse fate for him.

WHAT COURSE OF ACTION NOW?

Because Solzhenitsyn is free—and it is not yet even clear whether or not they will permit his family to leave the Soviet Union—we must remember that countless others are not free and that individual liberty is not on the upswing in the Soviet Union.

Listen to what this morning's newspapers reported Solzhenitsyn as saying yesterday afternoon with Western newsmen:

> Oh, freedom-loving leftist thinkers of the West. Oh, leftist laborites. Oh, progressive American, German, and French students. For you, all of this counts for little. For you, my book amounts to nothing. You will understand it all when they bellow at you, 'You are under arrest,' and you, yourselves, trudge off to our (prison) archipelego.

We must heed these words—all of us.

We must renew our Nation's historic commitment to the freedom of all people. We must not surrender from this challenge.

As I said in my remarks last evening:

> Let us never be asked what we were doing that we deemed more important than striving for the cause of human freedom.

APPLICATION OF NATIONAL ENVIRONMENTAL POLICY ACT TO EPA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DINGELL) is recognized for 5 minutes.

Mr. DINGELL. Mr. Speaker, I am introducing legislation today to amend the National Environmental Policy Act to clarify the application of its reporting requirements to the Environmental Protection Agency.

This issue has never been resolved in any definitive manner since EPA was created over 2 years ago. I have publicly stated my belief on any number of occasions that EPA must comply with the requirements of the act just as, and to the extent that, any other agency must comply. Colleagues in this body and in the other have supported this position. Courts have adopted this same position.

Opponents of this view have argued with vigor that NEPA does not apply to EPA in this regard. I might mention parenthetically that it is only the environmental impact statement requirement of section 102(2)(C) of the act which is involved in these discussions—to my knowledge the agency has never argued that it is free of the other obligations created by the act.

To settle the question once and for all, I have drafted this legislation to exempt EPA from the necessity of complying with the section 102(2)(C) requirements of NEPA with respect to its enforcement activities alone. Standard setting and like responsibilities of EPA—which seem to me to be the correct point for environmental analysis—remain covered, and will have to be accompanied by full environmental review.

We hope soon to be in a position to hold hearings on this legislation. If there are individuals or groups which oppose it as undesirable public policy, they will be given ample opportunity to communicate their views to the committee. But this is an issue which has been left hanging too long, and which I think we have an obligation to resolve.

The text of the bill is as follows:

A bill to amend the National Environmental Policy Act of 1969 in order to specify those actions of the Environmental Protection Agency for which environmental impact statements are required

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) is amended by inserting "(a)" immediately after "SEC. 102.", and by adding at the end thereof the following new subsection:

"(b) For purposes of subsection (a), the term 'other major Federal actions' includes actions taken by the Administrator of the Environmental Protection Agency (hereafter referred to in this subsection as the 'Administrator') under the authority of any of the environmental protection laws which he administers, except the following actions:

"(1) Any civil action, suit, or proceeding, including any action, suit, or proceeding to obtain temporary or permanent injunctive relief.

"(2) Any action, suit, or proceeding to impose any civil fine, penalty, or forfeiture.

"(3) Any action or proceeding to impose a criminal penalty.

"(4) Any request by the Administrator to the Attorney General to institute, on behalf of the United States, any criminal prosecution or civil action (including judicial proceedings to secure the abatement of pollution) authorized by any environmental protection law.

"(5) The issuance, denial, amendment, revocation, or suspension of any permit, license, registration, or certificate of conformity (or the prescription of any terms or conditions thereof), but only if the requirements of subsection (a)(2)(C) have been complied with with respect to the standards or criteria under which any such permit, license, registration, or certificate is granted.

"(6) Any proceeding with respect to the issuance of any compliance order (other than a proceeding with respect to the issuance of an order which has the effect of granting the respondent a variance), but only if the requirements of subsection (a)(2)(C) have been complied with with respect to the standards or criteria under which compliance is determined.

"(7) Any action to implement provisions of environmental protection laws which prohibit Federal contracts from being made with, or Federal assistance or loan guarantee from being extended to, persons convicted of applicable offenses under such laws.

"(8) Any emergency implementation of enforcement actions or proceedings, whether judicial or administrative in nature, the standards of criteria for which are subject to the requirements of subsection (a)(2)(C)."

NATIONAL VOCATIONAL EDUCATION AND NATIONAL VOCATIONAL INDUSTRIAL CLUBS OF AMERICA (VICA) WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, earlier this year I had introduced a resolution cosponsored by 38 Members to have this second week in February designated as National Vocational Education and National Vocational Industrial Clubs of America—VICA—Week.

As all Members of the House know last October one of our Members objected to the time-honored congressional custom allowing commemorative resolutions to be approved under unanimous consent agreements, and as a result the Judiciary Committee has not, since that time, brought any of the commemorative resolutions to the House floor.

So while this week has not been officially declared by Congress as National Vocational Education and National Vocational Industrial Clubs of America Week, I would like to take this opportunity to recognize all of the young people across this Nation who are involved in vocational and industrial educational programs and those who are members of VICA.

Vocational education is an area that I believe deserves our attention and support. For years we have encouraged young people to continue their studies by attending college, and have neglected to encourage young people to develop vocational and industrial trades.

Our Nation has been built on diversity. The people that founded our country were not all great scholars; there were farmers, blacksmiths, candlemakers, silversmiths, and many more who worked with their hands. It took people in all kinds of trades to build this Nation and we need this diversity today.

We must make a genuine effort to encourage young people to pursue careers in vocational and industrial areas; otherwise, we will find that we have an overabundance of people to fill jobs requiring a college degree while other areas that require vocational expertise will be vacant.

Today I salute all of the young people seeking careers requiring vocational training, and I wish them well in their endeavors.

RESOLUTION ON U.S. RECOGNITION OF GUINEA-BISSAU

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, the Women's International League for Peace and Freedom has recently considered the question of the new Republic of Guinea-Bissau, a former Portuguese colony in West Africa which is still fighting to expel Portuguese occupation of parts of its territory. The League's National Board passed a resolution on this issue.

I ask unanimous consent that this important resolution be included in the RECORD:

"Whereas the WILPF supports the UN Declaration on the granting of independence to colonial countries and people; Whereas the National Peoples Assembly of Guinea-Bissau announced its independence from Portugal on September 26, 1974; Whereas the National Peoples Assembly of Guinea-Bissau was chosen in a general election by the people of Guinea-Bissau; Resolved, that the U.S. Section of WILPF urges:

1. Immediate U.S. recognition of the independent government of Guinea-Bissau, and

2. The immediate admission of the independent government of Guinea-Bissau to the United Nations."

JUSTICE FOR KOREAN WAR WIDOWS: DANIELS CUTS REDTAPE FOR BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 10 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, all of us are well familiar with the normal and expected process of bureaucratic delay and we tend to do little about it. But when bureaucracy denies to the widows of those who died in defense of their country the compensation to which they are concededly entitled under the laws enacted by Congress, it is time to speak out.

Last year when the Select Subcommittee on Labor, which I chair, considered amendments to the Federal Employees Compensation Act, I discovered that certain widows of reservists who died during the Korean conflict had received no increase in their compensation for the last 20 years. I investigated the situation thoroughly and found that these widows were entitled to elect veterans' benefits—which have been regularly increased—rather than the frozen FECA benefits that they have been receiving. I then requested that the VA confirm my views—and it did so. I asked that the Labor Department confirm my views—and it did so. All that remained to be done was notify these ladies that they had the right to elect to receive higher benefits. I pursued this matter vigorously over the last 5 months, and with the assistance of Herbert Doyle, Director of the Office of Federal Employees Compensation, and certain officials at the Veterans' Administration, my efforts have been rewarded. I am pleased to report to my colleagues that I was today informed that measures are being undertaken by the Office of Federal Employees Compensation in coordination with the VA to infrom these widows of their additional rights.

It is unfortunate that administrative redtape denied increased benefits to these ladies for this long a period of time, but it is gratifying to discover that persistence and the good faith of several administrative officials can achieve just results in spite of the bureaucratic delay we have come to think of as inevitable.

Copies of my correspondence with these agencies and their replies are for the information of my colleagues:

JULY 17, 1973.

Mr. DONALD E. JOHNSON,
Administrator of Veterans' Affairs, Veterans' Administration, Washington, D.C.

DEAR MR. JOHNSON: The Select Subcommittee on Labor, of which I am Chairman, has jurisdiction over the Federal Employees' Compensation Act. As you know, this Act provides for death benefits to widows and dependents of certain military reservists whose deaths occurred prior to January 1, 1957.

Public Law 84–881 (Servicemen's and Veterans' Survivor Benefits Act) terminated FECA benefits to reservists of the Armed Forces effective on or after January 1, 1957. This termination of coverage did not deprive any person of benefits such person was eligible to receive by reason of disability or death occurring prior to January 1, 1957. Thus, beneficiaries eligible for compensation for death occurring prior to January 1, 1957, continue to receive benefits under the FECA unless they opt to receive benefits under Public Law 84–881.

It has come to my attention that there are a number of widows of reservists in the lower ranks who are presently receiving much less under the FECA than they would under the Dependency and Indemnity Compensation provisions of Title 38, U.S. Code. In reading Section 416 (Dependency and Indemnity Compensation in Cases of Prior Deaths), Chapter 13, Title 38, U.S. Code (Veterans' Benefits), it is my interpretation that these widows are eligible to receive DIC benefits if they apply for them. They will, of course, become ineligible for FECA once they are granted DIC benefits.

My Subcommittee is quite concerned over the low benefits received by certain of these widows under the FECA, and it is my plan to contact the Director of the Office of Federal Employees' Compensation at the Labor Department urging him to notify these widows of their right to apply for DIC benefits in lieu of FECA. However, before I take such a step, I would appreciate confirmation from you that under the Veterans' Benefits law, these widows are still eligible to exercise their option to elect DIC benefits.

I am attaching a list of points in support of my contention as to the eligibility of these widows to apply for DIC benefits at this time.

As your opinion on this question will be directly relevant to proposed amendments to the FECA now under consideration by my Subcommittee, I would appreciate a definitive reply at the earliest possible date.

Thanking you in advance for your cooperation, I am,

Sincerely,

Dominick V. Daniels,
Chairman.

POINTS IN SUPPORT OF CURRENT ELIGIBILITY OF CERTAIN WIDOWS FOR DEPENDENCY AND INDEMNITY COMPENSATION

1. The Servicemen's and Veterans' Survivor Benefits Act (Public Law 84–881) places no time limitation on applications for DIC benefits by widows and other eligible persons making claims for death occurring on or before December 31, 1956. The absence in the law of a time limitation was deliberate, as indicated by the fact that "Plan A," considered by the Select Committee on Survivors Benefits, contained a one-year limitation (see hearings before the Select Committee on Survivors Benefits in 1955, Page 614).

2. As a matter of law, widows were not given an "election" between Federal Employees' Compensation and Dependency and Indemnity Compensation. Rather, they remained under the FECA unless they opted for DIC (see Sections 206, 208 and 603(b) of Public Law 84–881).

3. Although 5 USC 8116(b) provides for an election of benefits under the FECA to be made within one year after the injury or death, this is applicable only to persons who are entitled to benefits "because of the death of an *employee*." (emphasis added). Reservists entitled to benefits under the Servicemen's and Veterans Survivor Benefits Act are not included in the definition of "employee." (See 5 USC 8101(1)); hence, this provision is not applicable to them. This is confirmed by the fact that these beneficiaries are not entitled to the cost-of-living adjustments which were limited to "employees" in the 1966 Amendments to the FECA.

4. It was the intention of the Congress in enacting the Servicemen's and Veterans' Survivor Benefits Act to provide equity between the widows of reservists and other military personnel. Although the legislative history focuses on reservists receiving higher compensation than other military personnel, there was no indication that the Congress intended to place the widows of reservists in a worse position (see House Report 84–993, Page 18).

Veterans' Administration,
Washington, D.C., July 27, 1973.

Hon. Dominick V. Daniels,
House of Representatives,
Washington, D.C.

Dear Mr. Daniels: Mr. Johnson asked me to tell you that your communication concerning the election of VA benefits by persons presently under the Federal Employees' Compensation Act who are eligible for service connected death benefits from the VA is receiving our attention and that he will write you soon.

Sincerely yours,

Odell W. Vaughn,
Chief Benefits Director.

August 21, 1973.

Mr. Donald E. Johnson,
Administrator of Veterans' Affairs, Veterans' Administration, Washington, D.C.

Dear Mr. Johnson: Reference is made to my letter to you of July 17 concerning the election of VA benefits by persons presently under the Federal Employees' Compensation Act who are eligible for DIC benefits. I have received an interim reply from Mr. Odell W. Vaughn, Chief Benefits Director of the VA dated July 26.

Since my Subcommittee will commence hearings on H.R. 9118, my bill to amend the FECA, on September 5, I will be most appreciative of a reply from you prior to that date.

Thank you for your cooperation.

Sincerely,

Dominick V. Daniels,
Chairman.

Veterans' Administration,
Washington, D.C., September 4, 1973.

Hon. Dominick V. Daniels,
Chairman, Select Subcommittee on Labor, House of Representatives, Washington, D.C.

Dear Mr. Chairman: Your letter of July 17 requested an opinion as to current application of section 416 of Title 38, U.S. Code, as it pertains to widows of reservists who are receiving benefits under the Federal Employees' Compensation Act because of the veteran's service connected deaths prior to January 1, 1957.

The provisions of such section 416, extending the right to elect dependency and indemnity compensation to persons eligible for death compensation on December 31, 1956, remain in full force and effect. Thus, unless section 8116(b) of Title 5, U.S. Code constitutes a bar, the cited section 416 is available to the group of widows about whom you express concern.

We note that your point 3 in the attachment to your letter suggests that no such bar attaches to this group of beneficiaries because of the definition contained in section 8101(1) of Title 5, U.S. Code. As that section is basically administered by the Office of Federal Employees' Compensation, we are requesting their views as to this matter. We will advise you further when we receive their reply.

Sincerely,

Donald E. Johnson,
Administrator.

September 12, 1973.

Mr. Herbert A. Doyle, Jr.,
Director, Office of Federal Employees' Compensation, Employment Standards Administration, Department of Labor, Washington, D.C.

Dear Mr. Doyle: Enclosed are copies of correspondence between Mr. Donald E. Johnson, Administrator of the Veterans Administration and myself regarding entitlement of certain widows of reservists now on the FECA rolls to elect DIC benefits.

In the third paragraph of his September 4 letter to me, Mr. Johnson states that he has requested your views on a particular portion of my inquiry. I will be most appreciative if you will furnish me with this information at your earliest convenience.

Sincerely,

Dominick V. Daniels,
Chairman.

U.S. Department of Labor,
Washington, D.C. October 26, 1973.

Hon. Dominick V. Daniels,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Mr. Chairman: I am writing further in reply to your letter of September 12, 1973, concerning the entitlement of widows of military reservists now receiving benefits under the Federal Employees' Compensation Act to elect dependency and indemnity compensation from the Veterans Administration.

Since writing to you on September 26, 1973, I have obtained advice from our legal counsel in the Office of the Solicitor of Labor to the effect that the irrevocable election provision of 5 USC 8116(b) does not apply to those cases where benefits of the Federal Employees' Compensation Act are being paid because of a death which occurred while the person killed was on active duty with the military reserves.

I have accordingly notified the Veterans Administration this date of this opinion and have asked for their concurrence of this Office's proposal to notify all applicable beneficiaries of their right to elect benefits of the Veterans Administration if they so desire.

I will write to you further upon receipt and review of their reply.

Sincerely,

Herbert A. Doyle, Jr.,
Director, Office of Federal Employees' Compensation.

FUQUA PROPOSES OSHA AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Fuqua) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, the enactment of the Occupational Safety and Health Act in 1970 was brought about by an increasing awareness that work-related accidents were disabling a large number of American workers. American businessmen have a great stake in providing a safe working place, not only because of their personal interest in their employees, but because of the costs associated with accidents resulting in a 1970 loss of about 250 million man-days of work. When the act was first passed a number of us questioned whether or not the establishment of a new huge Federal bureaucracy was the answer to the problem of employment safety. Not surprisingly, the act has met with a great deal of controversy and has been criticized from several quarters.

One reason for this criticism has been the unwillingness of the Occupational Safety and Health Administration to approach the problem of work safety in a spirit of cooperation, looking not to condemn, but to assist American employers in coming into compliance with OSHA standards. An illustration of this expansion by OSHA of its congressionally derived powers is described in a letter cosigned by me and 56 of my colleagues addresses to President Nixon:

The President,
The White House,
Washington, D.C.

Dear Mr. President: During debate and passage of the Occupational Safety and Health Act of 1970, one of the most important issues concerned the need for due process safeguards in OSHA citation procedures. Until recently the Department of Labor—guided by specific legislative history—has properly withheld from its OSHA inspectors the authority to issue on-the-spot citations. A proposed citation had to be reviewed by the Area Director to insure appropriate and consistent application of the standards. This practice precluded the possibility of hasty, arbitrary action against an employer.

On September 7, 1973 OSHA reversed this careful procedure. In an *unannounced* program directive, OSHA granted some inspectors authority to cite employers on-the-spot.

The intention is a good one. It aims to decrease the administrative burden of compliance officers and thereby increase the number of inspections. It must be said, however, to increase the number of inspections at the expense of due process is diametrically counter to the intent of Congress.

OSHA is not a numbers game. Compliance with safety standards, not more enforcement, is the central purpose of the Act. While inspections are important, overall compliance must be firmly grounded in the certain knowledge of employers and employees alike that each will get a full and fair shake at every step of the standards setting and enforcement procedures. *The action of September 7 does violence to that concept.*

We question both the legal and policy bases for this program directive. We are writing to you to urge its immediate withdrawal.

Respectfully yours,

——— ———.

The President responded in a prompt and responsible fashion as demonstrated in the following letter:

Dear Don: I have received and read the letter which you and 56 of your colleagues in the House addressed to me regarding on-site ciations issues by the Labor Department's Occupational Safety and Health Administration (OSHA).

Because of the concern for due process evident in your request for withdrawal of the Program Directive that permits this activity, I requested a personal report from the Secretary of Labor.

I find that OSHA officials issued the directive believing it importantly serves the needs of due process, management efficiency and Congressional intent. Let me discuss each of those three points.

First, with respect to due process, I understand OSHA felt that an interval between the conclusion of a workplace inspection and the issuance of citations which ran weeks—in some cases, close to a month—denied an employer the protection of due process because of such a lengthy period of uncertainty. Such a protracted period, of course, also would deprive employees of an establishment the benefit of an immediate start toward correction or abatement of the hazards which a compliance officer (inspector) found present.

On the matter of management efficiency, the Labor Department, along with all other Executive agencies, has been instructed to avoid administrative duplication and assure the best use of its personnel.

Finally, and I think most crucial, OSHA wanted to fully recognize Congressional intent in directing their compliance personnel. Certainly we all would agree that our professional staff in carrying out the field compliance responsibilities should exercise judgment. The Program Directive accordingly includes those provisions. However, I am advised that a further study of the program is now being undertaken based on the two months that the program has been effective in the field.

In the two months that the directive has been in force, I have been told by the Secretary of Labor that his Department has issued a total of 123 on-site citations. I am further informed that these have not been met by employer antagonism nor other adverse reactions. Notwithstanding this fact, I believe that a further study of the question is in order. The Department has indicated they are prepared to follow this course. During this period of time, pending a final resolution, the present order will be in suspension.

Sincerely,

Richard Nixon.

Although the President responded favorably to our request and ordered the program directive suspended until a final determination can be reached, I believe that Congress must clarify its position regarding onsite inspections and, if necessary, change the law to preclude arbitrary and harassing citations of first-time violations. The States have been successful in developing industrial safety inspection teams which work in concert with the employer advising him how he can come into compliance. Then, if the employer refuses to take the necessary steps to abate a dangerous situation or take precautionary steps to protect his employees, the full coercive effect of the law should be exerted against him. I do not, however, support the inspection procedures of the present act.

Accordingly I have introduced H.R. 8519 which I feel would improve considerably the more onerous provisions of the present law. Essentially, my bill would eliminate "first visit citations and fines" where an employer is found not to be in compliance with some OSHA rule or regulation. This is not to say, however, that an employer would avoid penalty if he was willfully or repeatedly in violation of the requirements of the act.

The problem is that many thousands of small businessmen simply cannot afford the vast amount of legal and technical research necessary to completely analyze the OSHA regulations and they need and deserve assistance from the Department of Labor in meeting the standards. I know that most firms have been assisted by trade associations or other organizations so that the regulations are better understood. The Department of Labor was kind enough to honor my request that they travel to Madison, Fla., to brief a group of local businessmen at the Chamber of Commerce. But this does still not address the situation where an employer made a good faith effort to come into compliance and has fallen short, because of uncertainty in the regulations or there is a question whether or not the particular standards apply to his business.

Accordingly the legislation I have proposed would strike about that section of the enforcement procedures—section 10(a)—empowering the Secretary to assess a penalty against the employer for first-visit citations. My bill, however, remains intact the next subsection which empowers the Secretary to assess a penalty if he has reason to believe that an employer has failed to correct a violation for which an order has been issued.

Several conforming amendments are also proposed and would eliminate the heavyhanded approach to compliance which is embodied in the present act and regulations. It is appropriate then, that the penalties assessing civil penalties of up to $1,000 for first-visit violations be striken. The final provision is also a conforming amendment which strikes out the definitional section relating to the first-visit violation.

My bill does not, however, attenuate in any respect the power of the Secretary to assess a civil penalty of not more than $10,000 for each violation where the employer has wilfully or repeatedly violated the requirements of the act. Likewise, any employer who fails to correct a violation for which a citation has been issued within the period permitted for its correction, may be assessed a civil penalty of not more than $1,000 for each day during which such failure or violation continues.

By leaving these provisions in the present law, it would demonstrate a strong desire on the part of Congress to insure that every American is provided a safe working place. As in any policy decision, there must be a balancing of countervailing considerations. On the one hand, strong safety and health legislation is certainly an appropriate interest of the Federal Government. On the ether hand, the program of compliance must be one of partnership and cooperation rather than an aggressive and insensitive one.

The Occupational Safety and Health Administration has shown, unfortunately, a willingness to step outside of the bounds of the act and of congressional intent in authorizing onsite citations. Similarly, the regulations which were promulgated are voluminous and overly technical. Massive paperwork and posting requirements are involved and in order to make this important program effective and fulfill its worthy purpose, greater cooperation must be gotten from the OSHA.

It is for this reason that I am pleased to learn that Subcommittee Chairman Dominick Daniels has scheduled oversight and amendment hearings commencing March 19 in order to gather information relating to the act and its impact. I am most hopeful that my colleagues will join with me in appealing to the subcommittee to provide the kind of essential relief so much needed by the small business community and consistent with the otherwise good provisions and purposes of the act. First-visit consultation rather than citation would better serve the needs of the American worker as well as the small businessman. My proposed amendment would provide this consultation and guidance and I encourage its adoption.

AMENDING THE ARMS CONTROL AND DISARMAMENT ACT

THE SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 10 minutes.

Mr. MORGAN. Mr. Speaker, today I am introducing by request of the President legislation authorizing appropriations for the Arms Control and Disarmament Agency for fiscal years 1975 and 1976.

The administration is asking for an authorization of $21 million for the 2-year period, $1 million less than the Congress authorized for the preceding 2 fiscal years. Of the $21 million, $9.5 million has been budgeted for fiscal year 1975.

The legislation also amends the Agency's authority to procure the services of experts and consultants in order to make it comparable to what is said to be the generally prevailing practice in the executive branch.

It is my expectation that the Committee on Foreign Affairs will begin hearings on this authorization in the near future. The occasion also will permit us to exercise our responsibilities of oversight and review of ACDA's operations.

At this point in the RECORD I wish to insert the communications which have been received from the President and the text of the authorization bill:

THE WHITE HOUSE,
Washington, February 7, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I am transmitting herewith proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency, along with a letter from the Director of that Agency in support of this legislation.

Major progress has been made toward this Administration's high priority foreign policy and national security objective of establishing effective arms control arrangements. Most importantly, the Strategic Arms Limitation Talks with the Soviet Union have resulted in definitive treaty limitations on strategic defensive systems and an agreement for interim limitations on strategic offensive systems. The continuing Strategic Arms Limitation Talks, accelerated by agreements reached at the June, 1973 Summit Conference, now are focused on achieving definitive treaty limitations on strategic offensive systems. Also of major importance was the initiation last year of negotiations to reduce the military confrontation in Central Europe.

The objective of this Administration to replace the dangers of a continuing unchecked arms race with the greater security afforded by the establishment of reliable controls over armaments has been well served by the Arms Control and Disarmament Agency. This has been demonstrated especially by the Agency's key role in the Strategic Arms Limitation Talks and the talks on mutual and balanced force reductions in Central Europe. The work of the Agency in these and other forums is vital to future progress in the difficult area of arms control and disarmament.

The draft legislation I am transmitting today would authorize appropriations for the Arms Control and Disarmament Agency for fiscal years 1975 and 1976. It also amends the Agency's authority to procure the services of experts and consultants so as to make this authority comparable to that prevailing elsewhere in the Executive Branch. This change is necessary for the Agency to continue to attract highly qualified consultants to assist it in its tasks.

I urge the Congress to give this bill prompt and favorable consideration.

Sincerely,

RICHARD NIXON.

U.S. ARMS CONTROL AND
DISARMAMENT AGENCY,
Washington, D.C., January 28, 1974.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Enclosed for your approval and transmittal to the Congress is a draft bill that would amend the Arms Control and Disarmament Act to extend the authorization for appropriations for the Agency. The current two-year authorization expires on June 30, 1974, and the proposed legislation would authorize appropriations for the two-year period of fiscal years 1975 and 1976. New legislation will be required to keep the Agency operating, and early enactment is essential to permit timely Congressional consideration of the Agency's 1975 budget. The draft bill also amends the Agency's authority to procure the services of experts and consultants (section 41(d) of the ACDA Act) to make it comparable to the generally prevailing authority in the Executive Branch.

This authorization request is supported by plans for what I believe will be a sound, effective and well-conceived arms control and disarmament effort by the Agency over the two-year period. The Strategic Arms Limitations Talks and the negotiations on mutual and balanced force reductions in Europe will continue to require a major portion of our resources. As you know, this Agency now has the principal support responsibility for both the SALT and MBFR negotiations. Other important arms control activities, including those at the UNGA, the Conference of the Committee on Disarmament in Geneva and other multilateral forms, as well as supporting research for these negotiations, will also be funded under this authorization.

Of the total amount of the proposed authorization of $21 million for two fiscal years, the Budget for fiscal year 1975 would include $9.5 million for ACDA.

Respectfully,

FRED C. IKLE, *Director.*

Enclosed: Draft amendment to the ACDA Act.

A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Arms Control and Disarmament Act, as amended, is further amended as follows:

(1) Section 41(d) (22 U.S.C. 2581(d)) is amended by—

(a) deleting "as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed $100 per diem for individuals," and substituting therefor "as authorized by section 3109 of Title 5 of the United States Code," and;

(b) deleting from the first proviso thereof "one hundred days" and substituting therefor "one hundred and thirty days".

(2) Section 49(a) (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "$22,000,000," the following: "and for the two fiscal years 1975 and 1976, the sum of $21,000,000.".

AMERICAN LAW ENFORCEMENT

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, on January 19 an Escambia County deputy sheriff was shot and killed while in the performance of his duties near Pensacola. This tragic event prompted a listener of radio station WBSR to comment on the public's role in enforcing the law. This was in response to an invitation from the radio station soliciting public opinion on issues of the day. The radio station, much impressed by the simplicity and sincerity of the statement, has given it wide publicity.

The simple eloquence of this listener's statement is a message to all Americans that the upholding of the law is not just a matter for the police, but for each of us. The statement is all the more moving in that the identity of the caller is not known. It is not an effort to gain renown by taking up a just cause. Rather, it is one man's expression of his deep concern for his neighbors and his Nation.

I commend this statement to my colleagues in the Congress. It follows:

JANUARY 22, 1974.

AMERICAN LAW ENFORCEMENT

The incident of Saturday past—the slaying of Deputy Charles L. Wilkerson—is merely a part of the triggering process of all the confrontations and the workload that may put these United States under military or martial law. This has been my thought since 1969.

It has been noted in the past 15 years that the general public has had the attitude of: "I don't want to get involved." I know this view is changing nationwide, and I might add—it had better.

Police officers—whether they be local, county, state, or federal—are not pigs . . . they have never been pigs . . . nor will they ever become pigs. They have . . . they are . . . and they always will be the fairest and the best protectors of private property in the world

The essence of my message is to you, fellow listeners: Support all police efforts—not just by telling your buddy that you believe, not just by your monetary ocntributions, not just by putting a bumper sticker on your car—do what the police suggest. When you see a crime, report it. When someone is in trouble . . . help; Don't just watch. I know—because if anytime I can help, I do. Don't help handcuff the law. Thank you.

THE "GO IT ALONE" FRENCH STRIKE AGAIN

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the "go it alone" French have struck again, this time in an effort to obstruct joint world efforts by the major oil-consuming powers to agree on common objectives which can alleviate the fuel shortage problems confronting each.

This refusal to cooperate for the common good is incomprehensible. It gains France nothing except the hope of currying favor among the Arab States whose greedy pricing policies already threaten French economic security. The French attitude could lead to a breakdown of joint efforts among Western Powers in key areas such as security.

More and more Americans have expressed displeasure at the heavy costs of mutual defense in Europe, to which we are the principal contributor. France *long ago* refused to participate, but continues to get the benefit of joint defense efforts by other nations.

If France wants only to "go it alone," that is her option. But she should have the good grace to stop interfering with other nations which recognize and seek to solve common world problems.

France should take a look at history. In 1871 the Germans, with little difficulty, conquered France when she had no allies. In World War I, France was helpless to deal with the Germans and would have collapsed without Allied intervention. In World War II, France was overrun and only survives because that nation was rescued by the Allies.

The French then accepted huge payments which a generous America provided to put their country on its feet and, in characteristic fashion, later welched on all indebtedness to the United States, including many billions in lend-lease supplies during the war.

It was France that kicked the foundations out from under the NATO alliance by refusing to participate and requiring that NATO facilities and commands be moved out of France. This cost billions of dollars, weakened the alliance, and imposed new burdens on the remaining partners. Yet the French blandly continue to accept the benefit of the NATO shield provided by other countries.

This is the France which today has only policies of obstruction.

AN INTERVIEW WITH SENATOR EDWARD M. KENNEDY, BY CONGRESSMAN JOHN BRADEMAS

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, notwithstanding the estimated printing cost of $522.50, I ask unanimous consent to insert in the RECORD the text of an interview I conducted with the distinguished senior Senator from Massachusetts, the Honorable EDWARD M. KENNEDY, that was shown on station WSJV-TV, South Bend-Elkhart, Ind., on Saturday, February 2, 1974.

The text of the interview, one of a "Washington Insight" series I am privileged to conduct for this station, follows:

WASHINGTON INSIGHT

Mr. BRADEMAS. Welcome to another edition of Washington Insight. The nation's economy, the energy crunch, health care, Watergate, the state of the Presidency—all these are issues facing Congress in the year ahead and here to discuss these and other concerns with me today is one of the nation's leading figures, Senator Edward M. Kennedy of Massachusetts.

Senator Kennedy has served in the Senate since 1962 when he won the seat formerly held by the late President John F. Kennedy.

Senator Kennedy serves on the Labor and Public Welfare Committee where he chairs the important Subcommittee on Health and on the Judiciary Committee, where he chairs the Subcommittees on Administrative Practices and on Refugees.

And, of course, all the major public opinion polls show Senator Kennedy as the leading contender for the Democratic nomination for President in 1976.

Ted, I'm glad to have you with me.

Senator KENNEDY. Well, I'm glad to be with you, whether out in your Congressional district or here in Washington, John.

Mr. BRADEMAS. I'm going to ask you some tough questions. What do you think the top legislative priorities of the country should be in the session of Congress that has just begun?

COST OF LIVING THE NO. 1 ISSUE

Senator KENNEDY. Well, I find in my own state, John, that the number one question really on people's minds is prices, the cost of living. It's the housewife who goes to the supermarket and is paying an ever-increasing part of her budget for milk and eggs and other essentials. It's related, of course, to increased costs of home heating oil up in New England, where we have cold winters, and increased gasoline prices and all the problems that are associated with workers having to spend too much time going from gas station to gas station to get gasoline and find that the cost of it has risen and that there is a limited amount even when they get there.

And the uncertainty that surrounds that . . . about their jobs and job futures. . . . And the desire that Congress take some important legislative action in this area. . . . So I think it's economic issues.

The people of my state have really made up their minds on Watergate. They have their own opinion about what should be done about the President. They have deep feelings about it. But I think it's the cost of living, the economic issues, which are the prime concern and which we are going to have to work towards resolving.

And I don't think they are satisfied with the President's statement that there would be no recession. That was about the extent of his comments and just words are not going to make the cost of living increases go away.

Mr. BRADEMAS. That's what I was going to press you about a little further because both of us were in the Chamber of the House of Representatives Wednesday night when the President delivered his State of the Union Message, and I wondered if you felt the President had responded adequately to the concerns you have outlined about the state of the economy?

HITS LACK OF PROGRAMS IN THE PRESIDENT'S STATE OF THE UNION ADDRESS

Senator KENNEDY. Well, I don't think so. First of all, not on the economy. Now all we really heard from the President is that there will not be a recession. But we didn't have any program for action. I think the American people want some program. They want leadership in the Executive and Congress to do something about these increased costs of living that they are facing—the elderly person, the worker and the housewife.

And secondly, I think the other matter which was on the minds of all Americans, certainly on the minds of so many of the Senators and Representatives in Congress, is the willingness of the President to cooperate with the House Judiciary Committee on these matters. People want this matter of Watergate resolved once and for all, and I think they have increasing awareness that under our Constitution the House Judiciary Committee is really the Committee that's going to have to make these recommendations to the House of Representatives.

NIXON'S REMARKS ON WATERGATE WON'T SATISFY THE AMERICAN PEOPLE

I think they wanted to hear from the President last night—from him, not from his Minority Leader in the Senate and not from the Vice President—they wanted to hear from him that *he* was going to cooperate completely in every way, and I think we really got a mixed reaction. It seemed that he indicated at one time that he was going to cooperate and the next time, he really put a qualification on it.

Mr. BRADEMAS. Let me just make an observation on that second part, and then I want to come back to the economy.

The President said that he would cooperate with the Judiciary Committee in the impeachment inquiry in any way that "I consider consistent with my responsibilities as President."

And I think I'm right in saying that Congressman Hutchinson, my neighbor from Michigan, who is the number one ranking Republican on the Judiciary Committee, has already gone on public record as saying that the executive privilege doctrine would not apply to an impeachment inquiry.

So I think a lot of my Republican colleagues were very upset by the President's indication that he might not cooperate fully with Congress on that matter.

Senator KENNEDY. I think the American people will probably have a pretty clear idea of the amount of cooperation when the Judiciary Committee requests the documents which they feel are essential to conduct their investigation in response to the law, and so we'll know the answer to that much more quickly.

Mr. BRADEMAS. Let me come back to the question of the economy, Senator, because in 1973 we faced a staggering inflation, and I was reading on the wire service ticker that the prices of raw farm goods had leaped up about nine percent from mid-December to mid-January. How do you see us coping with a possible recession? What kind of actions do you think we ought to do to cope with two problems: one, inflation, and the other, recession?

URGES TAX CUT TO FIGHT RECESSION

Senator KENNEDY. This is the extraordinary situation that we find ourselves in with both of those—inflation and recession—and one of the few times in the history, if not the first time, that we've been saddled with this particular dilemma.

But I think there are steps that can be taken in both of these. First of all, I think when we had the recession, at least the stagnant economy in the early part of the 1960's, we saw a tax cut in 1962. And as we remember, between 1960 and 1963 we had the longest period of economic growth and price stability in the history of the nation. There was only 3 percent inflation during that period of time. We have had 18 percent in the last year.

So I think what is necessary now is that we try to put some money back into the economy. This has been suggested and supported by the Chairman of the former President's Council of Economic Advisors, Walter Heller, and Art Okum and Joe Pechman as sound economics.

And I think the best way we could do that is to provide an increase in the personal exemption, raise that from $750 to $850, make it evident this year. That would give every family an additional $100 for every exemption. That would provide a stimulus to the economy at a time when it needs it, which is now. It would provide a sense of equity because so many of the families are paying increased costs of food, as well as energy, and it makes a good deal of sense.

Mr. BRADEMAS. What about the jobs side of the picture?

DON'T DISCARD WAGE-PRICE CONTROLS

Senator KENNEDY. We know we're going to lose jobs. We have 7 percent unemployment in my own state of Massachusetts, the highest unemployment that we've had really in the last twelve years.

We're going to have a good deal more if we find a recession. Obviously, I think that what this would do would provide a stimulus to the economy. We're still going to have to, I think, find that we shouldn't discard the wage-price guidelines authority.

I can understand the feeling of many workers who supported that initially and they were willing to hold their wages down to the 5½ percent and saw that they had authorities always looking over their shoulder to hold those wages down while the profits were going right out through the ceiling. And so it's difficult to blame any workers who say, "Don't give me that same medicine again. The last time we tried it, it wasn't evenhandedly handled."

And they say, "Can you give any assurance that it would be in the future?", and that's a tough question to respond to.

But I think as a practical and a technical matter, we have seen in the past—we saw in the early '60's when we had voluntary restraints where it worked, and I think if it was evenhandedly applied, it would work again.

SEES FURTHER INFLATION

But we have no indication that it would be evenhandedly applied, and so it concerns me that we may be in for still a considerable time of inflation.

Mr. BRADEMAS. I noted only this last week—I sat with Speaker Albert and a number of mayors of the cities of the country, who were in town for the U.S. Conference of Mayors meeting, including Mayor Jerry Miller of South Bend, whom I know you know, Senator—and it was very clear that one of the top concerns of the mayors was that the President might again impound funds that they needed for summer job programs, for example. Have you had conversations with some of the mayors in your area?

Senator KENNEDY. They are concerned about it. One of the programs which we passed, the Public Service Employment Program, has been one of the most successful in providing some opportunity for local mayors to put people to work in important vital servcies for local communities. It was widely supported, and this was, of course, over the reluctance of the Nixon Administration.

But we passed it again now, and I am hopeful that that can make some difference in terms of employment.

Mr. BRADEMAS. Let me turn to another subject that's obviously directly related to the questions of recession and inflation that are much on your mind, I'm sure, as a Massachusetts Senator and as a national leader, and that's the problem of the energy crunch. What do you think we ought to be doing in terms of major approaches in dealing with it?

Senator KENNEDY. We've passed in the Senate, I think, a good authorization bill—$20 billion over ten years to look into the different opportunities that exist in solar, geothermal, coal gasification and the other sources of energy, as well as nuclear and atomic power.

But the thing that concerns me now and what we're trying to do in the Congress with our Office of Technology Assessment—that board the legislation for which you've supported, and the Board on which I sit—is take time to assess the opportunities.

It's good that we are prepared to expend these resources, but we ought to know if we are going to be wasting a lot of money by doing a lot in one area when we could break through in an earlier amount of time in a different area. And we ought to have that information available. And, of course, we haven't been able to get it to date because the oil companies refuse to provide us with adequate data as well as data on the other resources of energy which, in many instances, the oil companies own.

URGES FEDERAL CORPORATION TO DEVELOP OIL ON PUBLIC LAND

But I think this is something that we must move toward. And there is a number of things that can be done in terms of the immediate oil situation. I think that what we might very well consider is to establish a Federal corporation to develop the oil and gas resources that exist on public lands.

The excess profits tax is another area, although that's complicated. I think that many of the people feel it would be good if the oil companies paid their taxes, let alone their excess profits taxes.

And there are other suggestions, the data bank to collect the information on the amount of oil and gas that actually exist.

So there are some things we have to do initially in order to have the information. And I have found that in Massachusetts, although people are concerned about energy, none of them really believed we had an energy crisis. They thought they were just being manipulated by the major oil companies, and to a great extent, that's true.

Mr. BRADEMAS. That's exactly one of the reasons that in the House I've sponsored a bill that I think some of you over in the Senate are working on that would establish an Energy Information Office in the Department of Commerce to mandate that the oil companies and other energy producers tell us what we need to know to make intelligent plans.

What about the inquiries that Senator Church has been conducting on the tax credits that oil companies in the United States have been receiving as a result of the taxes that they have been paying to the Arab states. Do you think we can do something to cure that?

Senator KENNEDY. I hope so. The major oil companies, of course, would be affected. They get the intangible drilling costs, they get the oil depletion allowance and the foreign tax credit. And these are advantages that no other industry has.

OIL COMPANIES PAY ONE-QUARTER THE NORMAL CORPORATION TAX

As a matter of fact, the major companies or the corporations of this country average 40 percent on their income. The average family is 20 percent, but the major oil companies, which are perhaps one of the largest major industries in this nation, average 7 percent on earnings. Now, that just isn't right, and it's impossible to convince any working person who's working hard and paying those taxes that this is fair and equitable.

CRITICIZES NIXON FOR NO TAX REFORM MEASURES

And this brings me to one other point, John, that I was disappointed in the President's speech. There was nothing on tax reform and tax equity. I think the American people are sick and tired of paying their taxes to an inequitable system. I personally feel that the largest welfare bill of all is the Internal Revenue Code, and I think we've got a real responsibility to see about providing some equity and fairness in the tax system.

HITS SILENCE ON CAMPAIGN FINANCING REFORM

I wish that he had talked about reform of campaign financing. Not a word about that. The major lesson of Watergate this year has been the corruptive and corrosive power of large corporate funds in the political system. I think we ought to support some sort of public financing of campaigns, so that Congressmen and Senators alike are going to be accountable to the people and not to those with the big pocketbooks.

Mr. BRADEMAS. I might say in respect to the matter of energy, that we have a very serious problem growing up in Elkhart County, where you've been with me, because we are one of the major producing areas in the country of mobile homes and recreational vehicles, and the energy crunch has, of course, frightened a lot of people away from buying these so-called RV's.

And that's one of the reasons that on the 11th of February at Notre Dame, in cooperation with local chambers of commerce and county labor councils, the UAW and the AFL–CIO, I am putting on a conference at the Center for Continuing Education on the subject of jobs, business and energy, bringing in some top people from Washington and state and local leaders to see what we can do to cope with some of the problems at the local level.

Senator KENNEDY. Well, that's an excellent suggestion, and I think people will very much appreciate it. Too often we get local people blaming the state people and the state people blaming the Federal people and the fact that you'll be able to bring the kind of groups together that you've outlined here should make a great deal of difference. I think it could be a model and a pattern for many of the rest of us.

Mr. BRADEMAS. I told the Federal Energy Office people when I invited them to send one of their spokesmen that although many of us in Congress were at odds with the President, the country still has to go on, we have tough problems, and there are areas in which we can work together, and this is one of them.

Let me come back to something you mentioned earlier, Senator, and that is the question of campaign financing reform. You indicated that Mr. Nixon didn't really touch on that subject in his State of the Union Message, and I know you've been one of the top leaders in the Senate pushing for such legislation. Could you give us a general idea of the kind of legislation you think we ought to have?

Senator KENNEDY. I am hopeful that we can have a system by which we take private campaign funding out of the election process for Presidential, senatorial and congressional campaigns.

SEVENTY-FIVE MILLION DOLLARS: A SMALL PRICE TO PAY FOR INTEGRITY

I think there should be an opportunity for matching contributions to attract small matching contributions, perhaps in the primary system, but we can deal with that. But I think the program which we had actually enacted in the Senate last year, passed by 12 votes in the Senate of the United States, and that dealt with the Presidential, senatorial and congressional campaigns, would have cost $75 million a year. I think when you figure we vote on $273 billion a year in direct appropriations and approximately $100 billion beyond that in trust funds, it seems to me that this could be the most valuable money invested by the American taxpayer in the integrity of the political process by which the Senators and Congressmen and President are elected.

And so I think both of us can understand the reluctance of Congressmen and Senators of funding your opponent. I don't want to be funding mine in a few years—and you don't have to worry about these things, John—but in any event, we can understand this, and there will be many Members of the Congress and Senate who will go home and say, why do this, we should use those public funds in programs for the elderly or education or health programs. I am hopeful that this can be a central theme and an issue in this campaign.

We had bipartisan support for this amendment. Senator Scott, the Republican Leader in the Senate, myself and a number of other Republicans, and I am hopeful that we can make Democrat and Republican alike stand up for this bill.

Mr. Brademas. I happen to be a member, as you know, of the House Administration Committee that has jurisdiction over that legislation, so I am pushing my chairman, Mr. Hays, as vigorously as I can to move us ahead on that issue and get out in front.

I must say that this is my twentieth year in Congressional politics now, and I think the one thing about the experience of being in Congress—which I enormously enjoy—which troubles me more than any other is the difficult problem of having to raise a substantial amount of money every year to put on a campaign. Yet it's necessary to have it to do what has to be done in the way of television and radio and newspapers and all the rest, so if we can move in the direction of diminishing this problem, I think it would encourage more people to go into public life, even though they may be running against you and me.

Let me ask you about another issue where you are a recognized national leader, Senator Kennedy, and that's the field of health.

The President said in his State of the Union Message that he would propose a new health care program, and I know you have had your own health care program bill. I wonder if you would tell us what yours is and how you think it stacks up alongside Mr. Nixon's?

PRESIDENT HAS MADE PROGRESS WITH HEALTH CARE LEGISLATION

Senator Kennedy. First of all, I think the Administration has gone a long way down the road towards a better health program than they had introduced two years ago.

But there are certain very glaring deficiencies in the program. Those of us who believe in health security and support health security legislation believe in one very basic and fundamental fact, and that is good quality health care ought to be a right for all Americans and not a privilege for all Americans. Now, that's the basis of our Health Security Act. That's not the basis of the Administration's program.

You are still going to have to pay a premium of $675 for every family. They're going to have to pay that premium, and they are going to have to pay a $150 deductible every time any member of the family goes to the doctors for service, up to three members of the family. They are going to have to pay 25 percent of any medical expenses they have. And then they are going to have for the workers in your district . . . they ought to understand their health benefits package which is negotiated in a wage-price agreement is not taxable to the workers as income. Under the Administration's program it is, which means that they are going to collect about $5 billion from workers.

BELIEVES INSURANCE COMPANIES MAKE PROFIT OVER HEALTH OF AMERICAN PEOPLE

So the workers are going to have to pay for this program. They are still going to have deductibles. They are still going to have coinsurance, and it's not going to assure any of the working people or people who live in rural or inner cities that there is going to be a doctor at the other end of the phone when they dial it because the Administration proposal does absolutely nothing about improving the delivery of health care, which the Health Security Act does.

And finally, of course, they work with the private insurance companies. Now, private insurance companies are in business to make a profit, which is fine. But I don't think that they should do so over the health of the American people, with $3.3 billion last year that was retained by the private insurance companies. Now, I'd like to see the benefits, that $3.3 billion, reinvested in health programs for people and not distributed to stockholders as profits.

I think we have seen in the past what happens when major industries, such as the oil industry distributing their profits, and I don't want to see the same thing happen in health care. I think we can avoid it. I want to work with the Administration, and I think all of us do. We want to make sure that decent health care is available, so I want to be positive and constructive and willing to work with them, but not to compromise these principles.

Mr. Brademas. Could you say very briefly what your so-called HMO bill was that Congress has just approved?

HMO'S: AN INTERACTION OF DISCIPLINE

Senator Kennedy. The Health Maintenance Organization bill is a partial answer to providing, reaching out into the communities, building of facilities and delivering health services in a single unit to those who are in need of health care, and doing it primarily with a prepaid program.

So, when you need a doctor, no matter what, when you have something wrong with your stomach, you don't know whether it's tummy ache, or if you are going to need surgery, or if you are going to need an internist, or maybe it's a psychological problem, or whatever, and if you have a child who needs eyeglasses, you can go to one facility to get it. You don't have to shop around. You can go to one place, you know it is going to be open and available to you all the time and you know you are going to get quality care because of the interaction of the different disciplines in these centers.

Mr. Brademas. Let me just ask you some questions, Senator Kennedy, about two other areas. One is Presidential politics. You've heard of that?

Senator Kennedy. I think I know what your question is going to be, John.

Mr. Brademas. The latest Harris polls showed that you were leading the field for the Democratic Presidential nomination with about a third of the Democrats favoring your candidacy out of six potential contenders, so, Senator Kennedy, are you going to run for President in 1976?

STILL PLANNING ONLY TO RUN FOR SENATE IN 1976

Senator Kennedy. I know at some time I will have a responsibility to indicate to the people of my state and certainly to the members of our party my plans, but I have no intention now of doing anything other than running for the Senate in Massachusetts. I know there is wide speculation. I intend to be active within the party affairs and hope to be a constructive force within party affairs, and obviously be extremely interested in the future of our party, but at this time I can only be a candidate for the Senate.

Mr. Brademas. Well, let me just ask you—let me be a newsman and ask you a follow-up question. What do you think ought to be the qualities that characterize the Democratic nominee for President in 1976?

Senator Kennedy. I think the quality that I think is of great importance is the great gift I think President Kennedy gave to the American people in 1960 and 1961, and that was a sense of confidence to the American people that the problems that we've faced, although they were problems of extraordinary magnitude and complexity and difficulty, were problems that could be coped with and dealt with by what is best in Americans. And I think it's going to be the challenge to America, the most important thing, from 1976 on through the future.

I think we've gone through a period when there have been those who have appealed to the more base motives and emotions in people, and really have failed to call out the best in them. And I think Americans have always responded best when they're challenged, and I think it's important that we consider what the problems are that we're facing in this nation, we are going to be able to develop programs in these areas that we touched on here, and, of course, a wide variety of others, that are going to be challenging, that are going to be responsible, that are going to be addressed towards the real needs.

And the American people are going to welcome that challenge. They want to do something about this country.

Mr. Brademas. Let me ask you, finally, Senator Kennedy, a question that I find put to me again and again, as I, like you, travel around the country, and especially speak to young people, and that is the general direction our country is taking as we move toward the bicentennial year. One finds in some places a sense of skepticism, even synicism, and I wonder what you could say, especially to young people who look at their responsibility in politics?

Senator Kennedy. In the ten years I have been in the United States Senate, the young people have been right on really the important issues.

They were right about the civil rights issues. They were the ones in the early 1960's that really awakened the conscience of the country on the civil rights issue.

They were right about the war, and they are the ones that awakened the conscience of the country on this matter.

They have been right about the environmental movement.

So, on very important issues, they have been right, and I think the real question for the young people to decide is whether they are going to be actively concerned like their older brothers and sisters were in the period of the 60's, or whether they are going to say politics is bad, politics is rotten, and therefore I am going to work toward my own personal goal and not care about the country. That's something that they are going to have to resolve.

But let me just say in talking with young lawyers and young doctors, they are right in the front on these issues, they want to become involved, and I am very hopeful, and I believe they will be involved. That, I believe, is the best hope for the country.

Mr. Brademas. That's a very encouraging note on which to end this discussion with Senator Edward M. Kennedy on our latest edition of Washington Insight.

FEDERAL HOUSING ACT OF 1974

(Mr. BLACKBURN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, last week I introduced H.R. 12702, the Federal Housing Act of 1974.

This legislation would create an independent Federal agency for unsubsidized Federal housing programs. I think the time has come for all of us to consider carefully the role of the Federal Government in its basic unsubsidized housing programs and the present condition of FHA. It is no secret that the FHA is experiencing deepening difficulties and it is assumed by many in Congress that these troubles essentially stem from all of the programs that this agency administers. This is only partly true. It is both inaccurate and unfair to damn all of FHA's programs because of the difficulties it has experienced in those which are subsidized.

I have spent a great deal of time considering the best approach to resolving FHA's program difficulties and have concluded that the most workable solution is to totally sever the subsidized from the unsubsidized housing programs for which HUD is responsible and to create an independent Federal insuring agency which will be responsible for the administration and proper execution only of FHA's original standard risk unsubsidized programs.

I wish to make it clear, however, that it is not my intention to desert such subsidized housing programs as the Congress wishes HUD to pursue. On the contrary, I believe we will get a great deal better service out of both the subsidized and unsubsidized programs if they are completely separate as to the agencies responsible for their management. While my proposal may have some technical imperfections, it represents the best efforts of my staff and various private organizations with which I have conferred on this problem, most notably the Mortgage Bankers Association of America. I welcome the comments of Members of the House and urge all Members to support the concept embodied in my proposal.

Succinctly stated, this legislation would:

First. Create an independent Federal agency for the purpose of administering the sound, unsubsidized mortgage insurance functions of the Federal Housing Administration;

Second. Charge this new agency with the responsibility of maintaining sound standards of property and credit underwriting and of maintaining a self-supporting operation;

Third. Transfer to the new agency the appropriate insurance reserves and related liabilities of FHA's unsubsidized programs, including the Treasury backstop of the agency's debentures; and

Fourth. Provide authority by which the new agency could handle the mortgage insurance requirements for housing for which subsidies may be granted, with the proviso that such housing subsidies would be administered by a different agency of the Federal Government.

My proposal differs from others that have been before the Congress in that it provides for a clean break between the unsubsidized and subsidized programs for which FHA is now responsible. This would put HUD in a far better position to marshal its resources to resolve the housing problems of the cities and to develop and utilize sound workable subsidy programs to that end. It would also eliminate the fiction that a sound insurance program, such as the Mutual Mortgage Insurance Fund, and a subsidy program, which is in reality a Government guarantee, are the same and can be managed by common principals and personnel.

Above all, the solvency of the Mutual Mortgage Insurance Fund must be preserved. The President's recent budget message indicates that the status of the reserves of FHA's four insurance funds is as follows:

[In millions of dollars]

	1973	1974	1975
Mutual mortgage insurance fund	1,755	1,836	1,912
Cooperative management housing insurance fund	23	22	21
General insurance fund	−137	−413	−715
Special risk insurance fund	−320	−485	−810
Total	1,321	960	408

It is clear that a merger of these four funds, as proposed by H.R. 10036, the Housing and Urban Development Act of 1973 which the Housing Subcommittee is now considering, will assure that appropriations will soon be needed as the losses of the general and special risks funds quickly deplete the assets of the Mutual Mortgage Insurance Fund. This latter fund has always paid its own way and requires no Treasury borrowing. It is the basis for the creation of the new independent insuring agency.

A separate Federal agency should not be an anathema to either the Congress or the administration. Such independent agencies often have been created before, the Federal Home Loan Bank Board being a classic case in point. You will remember the Board was once a part of HHFA until it was made a separate independent agency by the Housing Amendments of 1955.

The preservation and strengthening of HUD's basic insured programs would provide the basis on which we could halt the severely declining housing starts. Total FHA insured loans have been decreasing at an alarming rate for the past year and FHA activity is now at its lowest point since 1951. The 1973 figures show only 83,000 unsubsidized and subsidized new units were insured with only a small portion of this total being unsubsidized. This trend cannot be permitted to continue.

The proposed Federal Housing Act of 1974 is the tool by which we can begin to mount a strong program to assure the FHA can provide extremely needed housing to the forgotten moderate-income Americans.

Accompanying my remarks is a section-by-section analysis of my proposal and an in-depth discussion of the need for FHA, prepared by the Mortgage Bankers Association of America:

SECTION-BY-SECTION ANALYSIS: FEDERAL HOUSING ACT OF 1973

Section 1: Short title.

Section 2: This section sets forth the purposes of the bill.

Section 3: This section amends the National Housing Act by adding to it a new Title XIV which is then set forth.

Section 1401—Creation of FHA: This section creates a new government corporation, called the Federal Housing Administration (FHA) in the executive branch, outside the Department of Housing and Urban Development, to carry on mortgage insurance programs.

Section 1402—Existence, powers of FHA: This section gives the FHA permanent existence, and provides for its powers to continue without interruption until the corporation is formally dissolved by Congress, makes the FHA a resident of the District of Columbia for purposes of venue in civil suits, and establishes the FHA's principal office in the District of Columbia with authority to set up offices in other places as needed.

Section 1403—Board of Directors: This section provides that the FHA is to be governed by a 6 member Board of Directors, and a Commissioner who is also Chairman of the Board. Other members of the Board are the Chairman of the Federal Home Loan Bank Board, the Chairman of the Federal Reserve Board, the Secretary of the Treasury, the Secretary of the Department of Housing and Urban Development, and the Comptroller of the Currency, or their delegates. No member of the Board may, during his time in office, be an officer or director of a mortgage financing institution or hold any stock in such an institution.

Section 1404—Powers, duties of Board: This section gives the FHA permanent existence ,and provides for its powers to continue is to exercise general direction and supervision over the functioning of the FHA. The Board must approve actions taken by the Commissioner in setting maximum mortgage amounts, fees and premiums, and mortgage market interest rates.

Section 1405—FHA Commissioner: This section establishes the Commissioner of the FHA as the administrative and executive head of the corporation. He is to be appointed by the President for a six year term, may be reappointed for an additional six year term, and may be removed for cause by the President. In addition to supervising the day to day operations of the FHA, the Commissioner is Charged with advising the Board and the President on housing matters under the scope of the Act and providing information and technical assistance on the subject of housing to state and local governments.

Section 1406—Liaison with Congress: This section makes the Commissioner responsible for maintaining liaison with Congress for the FHA, and with making a yearly report to the President for submission to the Congress on the FHA's activities.

Section 1407—Assistant Commissioners, General Counsel, other employees: This section provides for the appointment of up to three assistant commissioners, and a general counsel, with the approval of the Board. Such other employees as the FHA may need are to be appointed by the Commissioner under the civil service laws.

Section 1408—Transfer of functions from HUD: This section transfers to the FHA all of the functions, powers and duties now committed to the Department of Housing and

Urban Development under certain sections contained in Title I and Title II of the National Housing Act.

Section 1409—Insurance of Financial Institutions: This section embodies the former section 2 of Title I of the National Housing Act. It empowers the Commissioner to insure loans made for the purpose of financing the renovation and repair of existing structures and the building of new structures including the financing of the purchase of a mobile home to be used as a principle residence. The Commissioner is authorized to set standards for the type of improvements and repairs which can be insured, and minimum standards for mobile homes and the sites on which they are to be located. Maximum mortgage amounts, maturity periods, *and premium* charges for the obligations to be insured under this section are provided in subsection (b). Subsection (c) empowers the Commissioner to deal with any obligations or real property assigned to him in connection with foreclosure or the payment of insurance. Subsection (d) authorizes the Commissioner to transfer insurance when the loan is sold by one financial institution to another. Subsection (e) authorizes the Commissioner to waive compliance with regulations prescribed by him under this section under certain circumstances. Subsection (f) authorizes the Commissioner to set premium charges for the insurance issued under this section. Subsection (g) provides that payments made by the Commissioner to an approved financial institution for loss under this section are to be incontestable, in the absence of fraud or misrepresentation on the part of the institution, after two years. Subsection (h) authorizes the Commissioner to make rules and regulations to carry out the provisions of this section.

Section 1410—Insurance of Mortgages: This section contains the provisions formerly found in section 203 of Title II of the National Housing Act. Subsection (a) contains definitions of terms found in the rest of the section. Subsection (b) authorizes the Commissioner to insure mortgages which are eligible under this section, and to make commitments for the insuring of such mortgages. Subsection (c) sets forth the criteria which must be met for a mortgage to be eligible for insurance under this section. Included are standards as to mortgage amount, loan to value ratio, and length of maturity period for different kinds of housing. Under this subsection the Commissioner is to determine credit standards to be met by mortgagors, interest rates and other terms and conditions of the mortgage to be insured, and the minimum amount of cash which must be paid by the mortgagor as a down payment. Under subsection (d), the Commissioner fixes premium charges for the insurance of mortgages. Subsection (e) provides that any contract of insurance issued by the Commissioner is to be conclusive evidence of the eligibility of the loan or mortgage for insurance, and that the validity of any contract of insurance is to be incontestable after it has been issued to a financial institution or mortgagee. Subsection (f) provides for the insurance of mortgage loans made to reconstruct single family homes destroyed by flood, fire, hurricane, earthquake, storm, riot, or other catastrophe, under the Disaster Relief Act of 1970. Subsection (g) empowers the Commissioner to insure mortgages in outlying areas or small communities where he finds that it is not practical to obtain conformity with many of the requirements for mortgages on housing in built up urban areas. Subsection (h) provides that loans secured by mortgages under this section shall not be taken into account for purposes of computing the amount of real estate loans which a national bank may make in relation to its capital and surplus or its time and savings deposits. Subsection (i) provides for insurance of home improvements loans on certain types of housing. Subsection (j) provides for the Commissioner to insure mortgages on vacation or seasonal homes subject to certain standards and under certain circumstances.

Section 1411(a) provides for the payment of insurance by the Commissioner, and attendant proceedings including foreclosure, conveyance of title and assignment of claims by the mortgagee, issuance of debentures and certificates of claim in lieu of cash if the Commissioner elects to do so, and payment of the costs of foreclosure. Subsection (b) authorizes the Commissioner to consent to release of the mortgagor or the property from the lien of the mortgage. Subsection (c) prescribes the form and denominations of debentures to be issued under this section. Subsection (d) deals with the execution, negotiability, terms, and tax exemption of debentures issued under this section. Subsection (e) governs the issuance of certificates of claim under this section. Subsection (f) governs the disposition of any excess of proceeds of sale over amounts paid by the Commissioner upon conveyance to him of the property, as well as with the settlement of certificates of claim. Subsection (g) gives the Commissioner the power to deal with, in all respects, and in his discretion, any property conveyed to him in exchange for debentures and certificates of claim. Subsection (h) provides that no mortgagee or mortgagor is to have any right or interest in any property or claim conveyed or assigned to the Commissioner, and that the Commissioner does not owe any duty to any such mortgagee or mortgagor with respect to the handling or disposition of such property or claim. Section 1411(i) provides for the determination of the rights of the mortgagor or mortgagee upon foreclosure or payment in full of the obligation. Subsection (j) provides that the Commissioner is authorized to include in the amount of debentures which he issues in payment of insurance, amounts reasonably incurred by the mortgage in the course of foreclosure for protecting and operating the property, and conveying the property to the Commissioner.

Section 1412—Mutual Mortgage Insurance Fund: This section provides for the continued maintenance of a General Surplus Account and a Participating Reserve Account within the Mutual Mortgage Insurance Fund. Subsection (b) provides for the allocation of aggregate net income or loss sustained by the Mutual Mortgage Insurance Fund between the General Surplus Account and the Participating Reserve Account by the Commissioner. Subsection (c) provides that after a mortgagor has paid his mortgage in full, and the insurance thereon has thereby been terminated, the Commissioner is to distribute to such mortgagor his share of the Participating Reserve Account. Subsection (d) provides that the determination of the Commissioner as to any amount to be paid out of the Participating Reserve Account to a mortgagor shall be final and conclusive and no mortgagor or mortgagee is to have any vested right in any credit balance or be subject to any liability arising out of the mutuality of the Fund.

Section 1413—Rental Housing Insurance: This section embodies the former section 207 of Title 2 of the National Housing Act. Subsection (a) contains the definitions of terms used later in the section. Subsection (b) authorizes the Commissioner to insure mortgages on rental housing designed to provide housing for families at moderate rentals. The mortgagor may be either a public housing authority or a private developer. A public housing entity must be one which is regulated by Federal or state law as to rents, charges, capital structure, rate of return, or methods of operation, and such a private developer must be regulated by the Commissioner as to these same items for as long as the insurance remains in effect. Subsection (c) sets forth maximum mortgage amounts and loan to value ratios for projects insured under this section along with the Commissioner's authority to change such amounts with the approval of the Board. Subsection (d) provides for the payment of premium and appraisal charges for the insurance of mortgages under this section. Subsection (e) gives the Commissioner the authority to adjust premium charges upon final payment of the mortgage. Subsection (f) provides for the payment of insurance to the mortgagee upon default by the mortgagor, and the terms and conditions of such payment, including the conveyance to the Commissioner of title to the property, the assignment to him of all claims of the mortgagee against the mortgagor, and the payment of insurance to the mortgagee. Subsection (g) provides for the issuance by the Commissioner of certificates of claim as part of the payment of insurance under this section, together with debentures and cash. The subsection also provides for the disposition of any excess realized upon the sale of property over the amount of insurance payments made. Subsection (h) provides for the issuance of debentures in payment of insurance issued under this section. Subsection (i) sets forth the form and denominations of such debentures. Subsection (j) provides for the acquisition of title to property by the Commissioner by means of voluntary conveyance or foreclosure under this section. Subsection (k) gives the Commissioner authority to deal with property acquired by him under this section, and likewise to pursue and settle all claims assigned to him under this section. Subsection (l) sets forth the rights of the parties in the case of default or payment of the mortgage under this section. Subsection (m) provides for reissuance of insurance issued prior to the enactment of the National Housing Act amendments of 1938. Subsection (n) provides for a service charge to be paid by the mortgagor for a mortgage assigned to and held by the Commissioner.

Section 1414—Labor Standards: This section provides for application of the prevailing area wage rate standards of the Davis-Bacon Act to construction upon which there is a mortgage insured under this Act.

Section 1415—Cooperative Housing Insurance: This section embodies the provisions of the former section 213 of Title 2 of the National Housing Act. This section provides for insurance of mortgages on cooperative housing projects owned and operated by a non-profit cooperative ownership housing corporation or trust, a non-profit corporation or non-profit trust organized for the purpose of construction of homes for members of the corporation or beneficiaries of the trust, or a mortgagor which will sell the property or project to a non-profit cooperative housing corporation or trust. Terms and conditions of mortgages to be insured under this section are prescribed in subsections (b), (c), (d), and (e). Subsection (j) provides for supplementary cooperative loans for improvements or repairs of the property covered by such a mortgage, and cooperative purchases and resales of memberships, subject to terms and conditions set forth in the subsection. The provisions of section 1415 are to be funded by the Cooperative Management Housing Insurance Fund. Under subsection (l) the fund is to continue to have a General Surplus Account and a Participating Reserve Account, and upon termination of the insurance obligation by payment of an insured mortgage or loan, the Commissioner is authorized to distribute a share of the Participating Reserve Account to the mortgagor or borrower.

Section 1416—Issuance of Commitments: This section authorizes the Commissioner to process applications and issue commitments for insurance of mortgages even though the permanent mortgaging financing may not be insured under this Act, and also gives the Commissioner the authority to insure mortgages where the mortgagor is not the occupant of the property by reason of military service where he intends to occupy the property upon discharge from military service.

Section 1417—Appraisal for Home Buyers: This section requires that the purchaser of property approved for mortgage insurance under this Act be provided by the seller or builder with a written appraisal of the property prior to the sale of the property.

Section 1418—Builder's Cost Certification: This section provides that no mortgage covering new or rehabilitated multifamily housing is to be insured unless the mortgagor has provided the Commissioner with a cost certification showing that the approved percentage of actual cost equalled or exceeded the proceeds of the mortgage loan, or that any excess is to be paid forthwith to the mortgagee for application to reduction of the principal obligation of the mortgage. The terms "new or rehabilitated multifamily housing," "approved percentage," and "actual cost," are all defined in this section.

Section 1419—Voluntary Termination of Insurance: This section authorizes the Commissioner to terminate insurance under this Act upon request of the borrower or mortgagor, and the financial institution or mortgagee, and payment of a termination charge.

Section 1420—Acquisition of Mortgages to Avoid Foreclosure: This section gives the Commissioner the right to acquire the mortgage, upon payment of insurance benefits to the mortgagee, for the purpose of avoiding foreclosure by the mortgagee.

Section 1421—Mortgage Insurance for Condominiums: This section provides for mortgage insurance for condominimus. It set forth the terms and conditions for mortgages to be insured, and in addition to individual mortgages, provides for insurance of blanket mortgages under certain circumstances and subject to certain terms and conditions.

Section 1422—Transfer of Assets, Liabilities: This section transfers the personnel, assets, contracts, property, unexpended appropriations, etc., used in the programs under the sections of the National Housing Act being transferred, to the new FHA. Subsection (b) provides that the FHA is to assume all existing insurance in force arising from the programs transferred to it under this Act, and provides for the transfer to the FHA of the Mutual Mortgage Insurance Fund, the Cooperative Management Housing Insurance Fund, and a portion of the General Insurance Fund.

Section 1423—Further Powers, Duties of Commissioner: This section provides for the establishment of mortgage fees, interest rates, and premium charges sufficient to meet the expenditures of the FHA and provide adequate reserve funds. Subsection (a) also empowers the Commissioner to sue and be sued in his official capacity, and to appoint advisory bodies to assist him. It is also provided that all civil suits to which the FHA is a party are to be deemed to arise under the laws of the United States. Subsection (b) authorizes the Commissioner to contract with other government agencies for use of their services by the FHA and for the use of the FHA's services by such other agencies, and authorizes the Commissioner to cause a seal of office to be made for the FHA and for judicial notice to be taken thereof. Subsection (c) authorizes the Commissioner to delegate his functions, powers and duties to such officers and employees of the FHA as he designates. Subsection (d) authorizes the Commissioner to issue temporary and permanent regulations to implement the programs, administration and activities of the FHA.

Section 1424—Power To Borrow Money, Invest Money; Issuance of Debentures: This section authorizes the FHA to borrow from the Treasury such funds as the Board deems necessary for insurance purposes. Subsection (b) provides for investment of money of the FHA not otherwise employed in obligations of the United States or obligations guaranteed as to principal and interest by the United States. Subsection (c) provides for the banking or checking accounts of the FHA. Subsection (d) provides for the Commissioner to set the rate of interest on debentures issued pursuant to this Act in payment of insurance claims, and specifies that such insurance claims may be paid in cash if the Commissioner so elects. Subsection (e) provides that debentures and other obligations of the FHA shall be exempt from all state and Federal taxation, and the FHA, including its franchise, capital, reserves, surplus, and income shall be exempt from all state and Federal taxation, except that the FHA's real property may be taxed as other real property is taxed. Subsection (f) provides for the preparation and printing of notes debentures, bonds, or other obligations needed by the FHA. Subsection (g) specifically authorizes the FHA to acquire, hold, and dispose of real property. Subsection (h) gives the FHA free use of the United States mails in the same manner as other departments of the government.

Section 1425—Authority of Federal Instrumentalities To Purchase FHA Mortgages: This section authorizes other federal instrumentalities, including federally chartered banks and savings and loans associations, currently authorized to purchase mortgages insured under the National Housing Act, to purchase mortgages insured by the FHA.

Section 1426—Non-Abatement of Actions: This section provides for non-abatement of actions by or against agencies whose functions are being transferred by this Act. Subsection (b) provides that all powers and authorities conferred by this Act are to be cumulative and in addition to any powers and authorities otherwise existing, that all actions taken prior to the effective date of this Act by agencies and officers whose powers are being transferred by this Act are to remain in full force and effect until they are modified or rescinded, and that reference to the officer or agency whose powers are being transferred in the other Federal, state or local law is to be understood to mean the new FHA or the Commissioner.

Section 1427—Annual Audit: This section provides for the auditing of the affairs of the FHA annually by the General Accounting Office, and the rendering of a report of the results of that audit.

Section 1428—Savings Clause: This section provides for severance of any part of the Act which might at a future time be declared unconstitutional, and for the continued validity of the remainder of the Act.

Section 1429—Certain Sections Repealed: This section repeals certain portions of the National Housing Act.

Section 1430—Effective Date, Temporary Appointments: This section establishes the effective date of the Act as sixty (60) days after its approval, and provides for the appointment of officers by the President on an acting basis pending final approval of the President's permanent appointments by the Senate.

RESTORING THE VITALITY OF FHA—AN ESSENTIAL NEED

In apparent contradiction of four decades of achievement, FHA's basic programs are now declining in absolute as well as relative importance; declining when both residential construction and conventional mortgage lending are reaching for new records. While low-income families are aided by subsidies in increasing numbers and the affluent find credit and housing readily available in the conventional market, middle-income families are confronted with a dwindling volume of houses being built at prices they can afford and a dwindling volume of credit available from traditional FHA lenders. Sellers, builders and lenders are no longer willing to cope with FHA programs—their arbitrarily fixed interest rates, red tape, processing delays and a long list of new and impractical laws and regulations.

The purpose of this paper is to define the causes underlying the decreased use of federal mortgage insurance for unsubsidized housing, to affirm the continuing public need for federal mortgage insurance and to provide a proposal for restoring its vitality.

CONTRIBUTION OF FHA—A CONSPICUOUS RECORD OF ACHIEVEMENT

Federal insurance of mortgage credit—a major social invention of our times—has been singularly responsible for the growth and development of the nationwide distribution of mortgage funds. The Federal Housing Administration (FHA) has insured $104 billion of residential mortgages for nearly 9 million borrowers under its basic programs [Secs. 203(b)], making home ownership a reality for millions of middle-income families.

These achievements flowed directly from the original purposes of the federal mortgage insurance system: (1) assure the accomplishment of essential reforms in home mortgage lending, and (2) induce the infusion of new money into the mortgage market. It achieved both objectives, relying wholly on private sources for mortgage funds, operating costs, and the creation of insurance reserves. Launching expenses advanced by the Reconstruction Finance Corporation were repaid with interest.

At the same time, FHA generated significant reforms in mortgage lending practices. The principal accomplishments were:

1. Brought into universal acceptance the principle of complete amortization of a home mortgage loan through regular monthly payments of principal and interest over a long period of time. The amortized mortgage helped the borrower avoid the risks of finding himself unable to pay the loan when due or unable to have it renewed; risks that were inherent in the short-term, non-amortized loan that was characteristic of the period prior to the Great Depression and that greatly aggravated the economic disaster that followed.

2. Adopted the practice of requiring the monthly payment of a sum calculated to maintain real estate taxes and casualty and mortgage insurance. This practice has proven to be an important means of helping the borrower avoid delinquency, even foreclosure, and of providing the community with a built-in and reliable means of collecting taxes.

3. Eliminated the possibility of excessive drains on the insurance reserves in times of serious natural or economic catastrophe by paying insurance claims with long-term, interest-bearing, marketable, government-guaranteed debentures rather than with cash. The debenture assured investors that FHA, in its infancy, would not be wrecked by overwhelming demands for cash payments as were earlier mortgage guaranty companies. Once FHA's reserves were soundly based, FHA began saving the interest cost of outstanding debentures by paying insurance claims in cash.

4. Provided that excess reserves be returned to borrowers on a mutual insurance basis, thereby creating an additional incentive to

borrowers to keep up their mortgage payments.

5. Established standards for appraisal and credit underwriting, as well as construction, that gave insured mortgages a degree of uniformity and market acceptability that had not been customary with conventional loans.

6. By setting high but practical construction standards for structures that could qualify as security for an insured loan, the system has had a significantly beneficial effect on building practices.

7. Rendered advisory services on design and subdivision planning that contributed to the legislative mandate "to encourage improvement in housing standards and conditions . . ."

Significant consequences flowed from these reforms in mortgage lending practices:

1. A form of mortgage that increased the safety of borrower and lender alike was created.

2. A demonstration that investment in mortgages that were soundly underwritten was not inconsistent with low downpayments or long maturities.

3. A system adaptable to, and encouraging of, confident investment over areas remote from the source of funds and creating the basis for development of a nationwide mortgage market.

4. A reduction in geographical differentials in mortgage interest rates.

5. An increase in residential mortgage investment by nonspecialized as well as in specialized mortgage lending institutions.

6. An increase in the size and regularity of transactions in closed mortgages that led to the development of advance commitments from lenders which, in turn, helped capital-short builders obtain construction credits and maintain building programs.

7. An expansion of the availability of homeownership to large numbers of credit-worthy families, whose limited resources and income exclude them from the market for conventional mortgages.

All of this was accomplished without cost to the taxpayer. FHA's underwriting practices and prudently set premiums and fees made it possible to cover all operating expenses. It appears that 1972 will be the first year since its beginnings that FHA will have been a drain on the budget; but only because fees and premiums will not cover the increased cost of carrying the operating expenses of the *subsidized* programs. Taken separately, unsubsidized programs remain self-supporting. They have paid all claims on unsubsidized loans, and accumulated adequate reserves. FHA's creators believed that loss reserves accumulated under the system would be adequate to meet all anticipated claims of loss and they were proven to be correct.

DETERIORATION OF FHA—A CONFUSED RECORD OF FAILURE

After nearly 40 years of useful service, the future of FHA's basic insurance programs is seriously threatened by recent misadventures and by the accumulated baggage of programs and objectives loaded on FHA, however far removed they may be from its original purposes and functions.

The declining role of FHA's basic programs is already evident. In 1950, Sec. 203(b) loans comprised 18 percent of total single-family starts. By 1972, this percentage had declined to approximately 6 percent. In 1950, the 203(b) program made up virtually 100 percent of FHA's single-family insuring activity. In fiscal 1971, 203(b) loans made up approximately 68 percent of FHA insurance for existing houses and only 30 percent for new construction. FHA insurance has been losing ground even more rapidly in recent months. For the first half of 1972, total starts jumped 19 percent from the same 1971 period and permits increased 18 percent—both attaining record levels. In sharp contrast, applications for all FHA insurance programs declined 29 percent and insurance issued declined 10 percent during the same period.

This contradictory movement between FHA activity and overall housing construction and finance cannot be attributed to a single factor. If any generalization can be drawn, it is that the current problems stem mainly from FHA's initial success and market acceptance. Mortgage insurance was eminently successful for the purpose for which it was created, particularly in attracting private investors. The conclusion was soon reached that FHA would be equally successful in dealing with other purposes and that builders and lenders alike would succumb to these diversions.

Special and social purpose programs

Beginning in 1938, FHA mortgage insurance has been repeatedly thrust into the attempt to accomplish social, economic, and political objectives. However commendable, these objectives were often of questionable adaptability to the insurance device or to personnel trained in underwriting mortgages. They usually made it necessary to lower underwriting standards and, in so doing, invited chicanery.

Over the years, FHA was called upon to insure mortgages on housing for defense workers, servicemen and their families, critical defense areas, the elderly and the poor, as well as mortgages on nursing homes, hospitals, and facilities for group medical practice. Many of these special and social purpose programs were not acceptable to private investors, not for lack of confidence in federal mortgage insurance, but from past experience that told them the loans would not survive. This apparent contradiction was an outgrowth of the lender's experience with special purpose programs. From the earliest diversion from FHA's original purpose, lenders had learned that when special purpose housing was no longer needed (e.g., critical defense housing which depended upon defense production jobs to maintain the market and the mortgage loan) foreclosures would follow and they, the lenders, would become the scapegoat for the program's eventual failure. Few of these special purpose loans found their way into the private market. Yet, their eventual troubles brought bad publicity to all of the FHA programs.

Other objectives added to the FHA programs included enforcement of wage standards (in rental housing construction), civil rights, environmental protection, and a wide variety of consumer protections relating to property conditions, repairs, construction, and defalcations of builders and sellers—all extraneous to, or beyond the purview of, mortgage lenders and none required to maintain a sound mortgage insurance operation; each another thorn in the side of builders and lenders who still found it necessary to use FHA programs.

As early as 1938, FHA was urged to lower its standards and accept higher risks in order to check a recession. The result, not surprisingly, was an increase in foreclosures.

Perhaps the most notable adaptation of federal mortgage insurance was the "608" program. Section 608 was added to FHA's programs in 1942 to provide housing for war workers. Under war-time restrictions, the program had generated only $175 million in apartment projects by 1946. The Congress, the press, and the public were expressing grave concern over the postwar housing shortage. To help relieve the housing shortage, Congress provided for FHA insurance of multifamily projects up to 90 percent of FHA's "estimate of replacement cost," and FHA literally "sold" the new program to builders and developers on the basis of its profit potential.

The program picked up steam and by 1950, when the program was terminated, FHA was insuring "608" housing at the rate of $1 billion per year. By the end of 1953, when "608" commitments were completed, 7,046 projects with 465,680 units had been completed under Section 608. Contrast this figure with the 80,471 units produced under Section 207 between 1935 and 1955 and it becomes clear that the Section 608 program did accomplish its objective.

The objective was accomplished because the program allowed developers to capitalize fully on rising land values and to borrow the full cost of the project. Specifically, the replacement cost approach—in a period of rapidly rising prices, heavy demand, and federal encouragement to break the housing shortage—assured the program's success.

In 1954, the Commissioner of Internal Revenue reported large windfall profits on 1,149 rental housing projects. Congress conducted investigations in 1954 and 1955 and found that FHA's estimated replacement costs exceeded the builder's estimated costs and his actual costs. If he was particularly efficient, he did very well. Developers were widely accused of taking windfall profits, of fraud and deceit. Fraud and malfeasance by FHA personnel was uncovered. FHA management was blamed for failure to control the program it had been encouraged to push. Lawyers defending their clients were excoriated. Lenders were accused of providing funds for those "excessive" mortgages, which had, of course, been approved by FHA.

No one can condone fraud or malfeasance by FHA officials or by those who do business with them. This could have been avoided by filling FHA positions with trained and experienced personnel—few multifamily projects had come to FHA before the war and none required the expertise necessary to estimate replacement costs in a rapidly inflating economy—and by vigilant controls that prevent as well as uncover fraud. When these fail, criminal penalties are available and should be used.

The point to be made here is that the replacement cost approach was unsound, an inviting "cookie jar" for entrepreneurs who were attracted by substantial profit possibilities as well as those who would resort to fraud. Can the lawmakers shirk all blame for the events that followed?

This long recitation of the "608" experience is presented here, because it exemplifies the result of diverting federal mortgage insurance programs to other purposes, displays the source of the problem, and reveals that the root of the deterioration of FHA began long before the present crisis.

Investigations were common in the mid-Fifties. Urgent housing demands imposed on the homebuilding industry exceeded their prewar capacity and new builders were entering the market with little experience or capital. It was not surprising that Congress deplored the resulting inadequacies of some of the products built under FHA and VA auspices. It is surprising that they continued to pour funds into housing and to insist on still larger volumes of construction.

The so-called scandals of 1964, related to a variety of special purpose construction such as nursing homes, are noteworthy here only in the allegations made that FHA, sometimes against its better judgment, had approved project loans under pressure from individual Congressmen.

Builders and lenders chafted under investigations that blamed the industry for failure to respond to one program and for zealously responding to another. They did, in fact, succumb to the additional red tape and the incursions on market decisionmaking processes. Whenever possible, both moved into the conventional market to escape the growing baggage imposed on FHA lending.

Despite their disenchantment, builders and lenders repeatedly returned to FHA programs, because the process of deterioration was slow in developing, and alternatives were not consistently available. A large group of borrowers needed the FHA low-downpayment loan and FNMA, later FNMA and GNMA, provided a reasonably reliable source of funds when credit conditions tightened.

From the builder's point of view, these conditions changed when the Federal Home Loan Bank Board opened up the low-downpayment conventional loan, when private insurance established itself, and when the FHLB Board adopted an aggressive attitude during periods of credit restraint. These changes, coupled most recently with the flood of savings to thrift institutions, have provided builders with an alternative to FHA programs.

From the lender's point of view, the additional disruption caused by fixed FHA rates, out of touch with the credit markets and often supported by FNMA, became an intolerable barrier to FHA lending much earlier. As a result, today's market for FHA loans is limited to government agencies and thrift institutions that are locked into residential lending. Many life insurance companies, long the mainstay of FHA and VA home mortgages, are no longer interested. Mutual savings banks have become more prone to invest in corporate bonds and mortgages on income properties. If the Hunt Commission has its way, and it is not a foregone conclusion that it will not, savings and loan associations will be free to move away from FHA constraints as well as the conventional loans they now prefer to consumer loans.

Clearly, the deterioration of FHA's basic programs, which is so evident today, began many years ago with the gradual distortion of the original purpose of federal mortgage insurance. With or without federal mortgage insurance, it is doubtful that mortgages circumscribed by extraneous restrictions, for whatever good purpose, will be attractive to private investors.

This outpouring of sensational news stories has also drawn attention away from the problem and the real issues. The problem is not whether the abuses could have been avoided or can be stopped, but how can the nation provide adequate housing for the nation's poor? Surely not by condoning past abuses nor by assuming that the subsidy delivery system cannot or should not be improved. The problem of finding a more effective way to house low-income families will remain after all possibility of abuse has been removed from the programs. The problem must be resolved and its solution must be part of any effort made to restore the vitality of FHA's unsubsidized programs. That is why MBA is already re-examining the subsidy delivery system in an effort to find ways to improve its performance.

The principal issue is one of costs: the overall cost of getting the job done, the cost the nation is willing and able to fit into each year's budget, the costs of greater risks taken to house the inexperienced and poorly educated, to finance housing in the center city, to counsel the uninformed, and to manage subsidized properties. These costs must be recognized, not hidden by the relaxation of property, location, and credit standards, for they will surely surface in some unexpected place.

The issue that is being examined here, largely unnoticed in the press reports and Congressional investigations, is the deterioration of FHA's basic unsubsidized programs. Is there any relationship between the so-called scandals in subsidized housing and the deterioration in the volume of housing financed under Sec. 203?

Without doubt the investigations conducted in FHA offices by HUD, the FBI, and Congressional staff have adversely affected performance. The time of FHA personnel, consumed in large quantities, may be overlooked as a one-shot drain. The aftermath of these investigations is quite another matter. They left behind a maze of new regulations, a demoralized staff, and, in many offices, a fear of making decisions. As late as mid-June 1972, a survey conducted by MBA indicates that many local FHA officials were still unwilling to make decisions and unable to obtain decisions from Washington. As this breakdown applies to unsubsidized as well as subsidized programs, there can be no doubt that the scandals have influenced FHA's overall level of performance.

Some will hold that the cause of the breakdown also applies to both types of program, because defaults and foreclosures in unsubsidized programs also rose in the inner city. On this point, it should be acknowledged that FHA offices consciously processed some "acceptable risk" loans under the Sec. 203(b) program. This questionable practice was stopped and was not a significant factor.

It should also be recognized that thrusting the subsidy programs on the inner city and the acceptable risk standard on FHA had a destructive impact on the value of properties financed with unsubsidized loans and contributed to the rise in defaults in these programs. Consider the inner-city neighborhood of low- and middle-income families that was stable. Properties were being maintained reasonably well, some homes were paid for, some were being financed with FHA unsubsidized loans. The subsidized buyer enters the scene and provides an opportunity for present owners to move up the housing ladder, perhaps to leave the inner city. A number of the subsidized buyers find themselves unable to cope with home ownership and, in the end, they abandon the property. The abandoned properties are quickly vandalized and the neighborhood deteriorates.

It is all too easy to lay the blame on HUD's management of the subsidy programs and its failure to recognize the problems implicit in the new home ownership programs. Alternatively, it is easy to claim that the highly disparate subsidized and unsubsidized programs can be managed under one roof. After all, HUD officials have admitted their failure and have promised to bring off effective changes. On the other hand, one can contemplate serious doubts about the ability of any administration of HUD to respond to the pressures to achieve results in subsidy programs, to adjust to continued change in the form of subsidy, and, in fact, to perform miracles.

When the record is considered from a historical viewpoint, it is difficult to hold that HUD's problems in 1972 rose solely from its subsidized programs. They have been part of the housing scene for many years. The pressure from Congress and from its constituents, principally inner-city minorities, as dissatisfaction with public housing and FHA's progress in housing low-income families increased, was first evident in 1954 when Sec. 221 was added to FHA's responsibilities. Designed to assist low- and moderate-income families, particularly those displaced by urban renewal, 221 did not impose an "economic soundness" criterion and paragraph (f) specified that, "The property shall comply with such standards and conditions as the Secretary may prescribe to establish the acceptability of such property for mortgage insurance."

Some years passed before Congress targeted in on the inner city. The Demonstration Cities and Metropolitan Development Act of 1966 provided a more explicit exemption from the "economic soundness" criterion and reliance on the "acceptable risk" concept. Still, the die was not cast until the fall of 1967 when the FHA Commissioner, responding to Congressional concern, told FHA office directors that they would be expected to take the risks inherent in inner-city loans. At a conference of FHA insuring office directors on October 23, 1967, the FHA Commissioner stated:

". . . Risks are inherent in an insurance program (otherwise there would be no justification or need for insurance) . . . This does not by any means require the elimination of prudence and common sense . . . I want us to develop and support projects which give reasonable promise of success, which give reasonable promise of improving the housing conditions of low- and moderate-income families, and improving the inner city. A project should be rejected if it does not appear to give reasonable promise of accomplishing these objectives. It should not be rejected simply because it involves poor people, or because it is in a portion of the city you have been accustomed to rejecting or redlining for oldfashioned, arbitrary reasons."

The time is long past when we should stop looking for a scapegoat and start looking at the problem realistically. The nation has a social problem of finding ways to provide adequate housing for poor families. It can be argued that there should be no difference in the property inspection and appraisal standards applied to the properties if we insist on using federal insurance as a social device. It cannot be argued, however, that there is no difference in the credit underwriting standards that are to be applied. Standards exist for underwriting economically sound mortgages and they have been applied with great success by FHA lenders for nearly four decades. On the other hand, it is nonsense to claim that there can be credit standards for underwriting acceptable risk loans. This requires a social awareness, an ability to counsel, capacity to make the decision whether a particular poor family is ready for the responsibility of home ownership. These are hard problems that have yet to be faced, that will continue to impinge upon HUD secretaries and their freedom to manage the resources of HUD and FHA.

Clearly, social pressures led to a letting down of economically sound underwriting standards, and appraisal and property inspection standards. Investors who remained with the FHA programs relied on federal mortgage insurance. If the federal government was willing to insure these loans, they were acceptable. Originators, in a highly competitive market, were unable to stay in the FHA market and apply credit and property standards that were more stringent than FHA. Many originators, who did attempt to apply stricter standards, were pressured by local groups to make the loans and, too often, were told by FHA to send in the application and FHA would decide whether it was acceptable or not.

The foreclosures that inevitably followed might have been avoided or at least reduced in number by more careful management and tighter control. Still, the questions remain as to whether any Secretary can resist the persistent pressures to take excessive risks and allocate available resources to subsidized programs and whether mortgage insurance is the appropriate vehicle for subsidizing home ownership for low-income families.

Management

In recent months, HUD's management of FHA's programs, particularly the subsidized programs, has been severely criticized by a number of quarters. HUD officials, themselves, have been critical of their own performance. It is not difficult to claim that all of the current problems are the result of mismanagement. Similarly, it is not difficult to be captivated by the idea that good management can set matters right.

What, then, needs to be done? To prepare a comprehensive and complete answer to that question would require a thorough management study, preferably by a third-party consulting firm with full confidence and support of HUD officials. This may, in fact, be an excellent first recommendation. Not having the advantage of such a study, we must rely on facts known to outsiders, outsiders that do business with FHA every day. These facts include:

1. HUD Secretaries and before them, Housing Administrators have all squirmed under their lack of full control over FHA.

Recorded testimony by Albert Cole, then Housing and Home Finance Administrator, on the proposed independence of the Federal Home Loan Bank Board clearly specifies the concern of top policymakers when a piece of the governmental housing system is outside of or about to be taken outside of their purview. Secretary Romney has expressed similar concerns. Former Administrator and Secretary Weaver, testifying on the current proposal to reorganize the executive departments, clearly expresses the same view.

2. Reorganization plans under consideration prior to the present Administration were adjusted moderately and put into effect. Over the past two years, HUD and FHA have undergone three reorganizations.

3. The timing of organizational changes was unfortunate, as they were incomplete when the investigation and indictments struck.

4. Morale of personnel, particularly old FHA hands, has been driven to a rock-bottom level by:

a. Investigation that indiscriminately tarnished all FHA programs and all FHA personnel.

b. Experienced FHA personnel being subordinated to inexperienced personnel, transferred to new locations, charged with responsibilities where they had no experience.

c. The departure of many experienced FHA personnel who have retired, found other employment, or are seeking other employment.

Clearly, any attempt to restore vitality to FHA's programs, whatever form it takes, will require rebuilding of a trained staff and reviving the morale of trained personnel that remain.

5. The reorganization seems to have:

a. Changed all Assistant Secretaries to staff positions, without line authority to the field.

b. Created Regional Offices which do not have or cannot exercise decision-making authority. They have become roadblocks instead of overseers.

c. Placed decision-making in Area Offices and cut the lines of authority to central offices just at the time when investigations struck. Decision-making stopped and deterioration set in.

d. Resulted in widely disparate interpretations of regulations issued to the central office, adding costs and frustration to operations of multi-state originators.

6. The reorganization as well as the original establishment of the 1968 subsidy programs posed new problems which FHA was ill-equipped to handle, without consideration or understanding of the problems, and, despite warnings from several quarters, without necessary administrative controls.

The mixing together in a single organization, under common administration of two diametrically opposed activities—one designed to serve self-supporting, market-oriented activities and based on sound principles and standards of investment and insurance underwriting; the other directed to serve families needing welfare assistance while requiring heavy subsidization—works to the detriment of both programs.

Problems have arisen from the assumption that credit and welfare activities can be efficiently performed by the same bureaucratic hierarchy and the same personnel handling these programs interchangeably. The fact is that persons capable of handling one of these activities by disposition and/or training are rarely able to handle the other capably. The determination of credit worthiness requires an analysis of financial competence. Welfare, on the other hand requires an analysis of need. Few of the attributes that concern the credit examiner concern the welfare worker. In fact, the very absence of these attributes may add to the eligibility of the welfare applicant and demonstrate more fully the need he may have for aid. The internal competition between these two programs has enormously strained the operational efficiency of HUD.

7. Legislation designed to achieve special social objectives added more unknown fields to FHA's responsibilities.

The Congressional response to a variety of problems ranging from integrating racial housing to environmental control has been to impose compliance requirements on FHA developers and lenders only. These include (1) project selection criteria, (2) affirmative marketing, (3) management program, (4) environment clearance, and (5) equal opportunity hiring.

Here again, HUD was ill-equipped to administer these programs. The survey conducted by MBA in June, 1972, is revealing on this point. Respondents indicated that undue processing delays had been caused by (1) processing compliance requirements in series and (2) giving authority to the official in charge of each requirement which superseded consideration of the viability of the project and was wielded by personnel without experience in construction or financing. Interestingly, a number of respondents reported that they had no objection to the requirement itself, but that its administration was unduly burdensome. In some cases, a single requirement, e.g., environmental clearance, would subvert the objective of another requirement, e.g., project selection criteria. Accordingly, many felt that these requirements cannot accomplish their mission and, in trying, will encourage more and more builders and developers to abandon FHA programs. In the end, the nation will achieve more and more social and ecological goals for fewer and fewer families.

For present purposes, the points to be made are: (1) HUD failed to manage these programs effectively, (2) the attempts added to FHA's deterioration, and (3) the requirements are simply not compatible with the task of administering FHA insurance programs.

Competition

Savings and loan associations have traditionally dominated the single-family residential market. Limited in the geographic area they could serve and favoring the higher-yield and freedom of conventional mortgages, savings and loan associations tended to serve the more affluent borrower. Life insurance companies, lending over long distances, preferred the protection of FHA insurance and VA guarantee. Mutual savings banks were limited to FHA and VA mortgages when they reached beyond their state in which they are located. By making the nationwide market feasible, FHA lenders provided competition for local conventional lenders and credit for the less affluent homebuyer.

This statutory division of local markets began to break down in 1958 when savings and loan associations were permitted to make 90-percent loans.

Until the revival of private mortgage insurance, many savings and loan associations were reluctant to provide more competitive terms. The advent of private insurance for the top 20 percent of the loan reduced their risk to familiar limits and encouraged them to make the high-ratio loans. The concept of private insurance has developed steadily and has contributed to expansion of the mortgage market, principally by traditional conventional lenders. Today, eight private insurance companies are in operation. Over the past year, they have been beneficiaries of change in regulations as well as market conditions.

1. The FHLB decision to lift the maximum loan-to-value ratio for savings and loan associations to 95 percent greatly widened their potential market.

2. The Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association provides a resale market facility for 95-percent conventional mortgages carrying private insurance.

3. Comparatively, FHA statute leaves federal mortgage insurance and its prospective borrowers at a disadvantage.

FHA may insure a loan in excess of 95 percent but only up to $19,950, while private insurers may go up to $36,000 on a 95-percent loan and to $45,000 on a 90-percent loan.

4. The savings and loan industry has experienced a remarkably rapid and sustained growth, providing raw material for expansion and a growing interest in purchasing mortgages originated outside their normal lending territories.

Recent years have seen a rapid expansion of business between mortgage bankers, as producers, and savings and loan associations, as investors. This typically involves greater use of FHA mortgages as the principal nationwide market vehicle.

With the developing back-up of federal facilities—FNMA and FHLMC—and growth of private insurers, however, conventionally-insured mortgages have become a significant factor in the nationwide market. This development of private insurers as competitors to FHA-insured loans is aided materially by the prevailing low level of performance by FHA. It provides the discouraged builder, broker and lender with an alternative.

Presumably all segments of the market will benefit from competition between FHA and private insurers. However, when FHA is hamstrung by statute, regulation, red tape, and inefficient operations, the benefits of competition will not materialize. In 1971, for example, the oldest and largest private insuring company generated more business than FHA. As a business-oriented operation, private insurers naturally avoid insuring loans where the risk of default is very high. Conventional lenders relying on private insurance tend to prefer larger loans and, accordingly, do not reach down the income scale for mortgage investments. As a result, FHA is left with the higher-ratio, smaller loans and, if its unsubsidized programs are abandoned or permitted to dry up, many middle-income borrowers will find credit unavailable.

The only equitable and economic solution is for Congress to permit, indeed to encourage, FHA to compete with private insurance in housing middle-income families.

Supervision of FHA-approved mortgages

The clear and unfortunate aspect of scandals in the mortgage market is that the errors and outright malfeasance of a few HUD employees and mortgagees tarnishes the reputation of the entire industry and raises the specter of increased supervision.

The industry cannot escape by repeating the truth that FHA audits and controls, for which ample authority already exists, could have prevented most of the current problems. Unfortunately, complete reliance on FHA for underwriting, particularly where FHA insisted that it would underwrite loans questioned by the originator, places those who would be willing to do an effective job at an intolerable competitive disadvantage.

Any solution to the problem of restoring the vitality of FHA's subsidized programs must accept, probably ask for, a system that provides for thorough and regular auditing, that is beyond the reach of political influence and that is not subject to political patronage. This may be an opportunity rather than a disadvantage to originators. If the approved mortgagee is willing and able to accept more responsibility for underwriting FHA mortgage loans, a responsibility he must accept in the conventional market, he can materially reduce processing time, better serve the homebuyer, and overcome the excessive reliance on FHA that only protects those who will not or cannot do a sound underwriting job.

ARE FHA'S UNSUBSIDIZED PROGRAMS NEEDED?

Is restoration of the vitality of FHA's unsubsidized programs in the public interest? Or, have the basic FHA programs served their purpose, outlasted their usefulness?

For analysis purposes, let us assume that FHA's unsubsidized programs were terminated yesterday. What would the result be?

Life insurance companies

Observers, who conclude from the changes in the mortgage market of the past decade that federal mortgage insurance is no longer needed, would begin their argument with the gradual disenchantment of life insurance companies with FHA home loans. Important FHA lenders for decades, life insurance companies have not increased their holdings of FHA mortgages since 1967.

This is true. However, it ignores the continued need for FHA mortgage investments by both the very large life companies which need a wide range of investments and the smaller life companies which are unable to invest in large commercial projects. A significant volume of residential mortgage credit would be cut off by the termination of FHA's basic programs.

Some observers believe that even those life companies which have abandoned lending or single-family mortgages will return to the market when: (1) their savings flows exceed investment opportunities in corporate bonds and commercial property mortgages, and (2) the administered FHA rate and FNMA support encourages rather than discourages private investors from holding single-family mortgages. Of course, this reflow of life company funds into single-family mortgages cannot happen if FHA's basic programs have been terminated and life company investments in single-family mortgages remain limited to 75-percent loans. They would be restricted to low-ratio loans the affluent borrower can afford and the public's interest, particularly middle-income families, would not be served.

Savings and loan associations

To a significant degree, savings and loan associations have filled part of the gap left by life companies. During the postwar years, each time the fixed FHA rate drove life companies into other investments, savings and loan associations' lending expanded. The expansion seldom fully offset the decline in FHA lending and total mortgage lending declined. In the mid-Sixties, the inflation-borne interest rates reached state usury limits and the ability of savings and loan associations to move in when FHA lenders reduced their activity came to an abrupt end. More recently, the rapid increase in savings flows to thrift institutions has encouraged them to escape the usury limits as well as to meet their investment needs by entering the nationwide market for FHA mortgages.

Accordingly, if one could guarantee that savers will continue to flood mortgage-oriented thrift institutions with funds, the complacency of those who would permit FHA's basic programs to wither away would be understandable. It seems more likely that, human decisions being what they are, fiscal and monetary decisions will bring on another period of disintermediation, tight credit, and high interest rates. It seems likely that savers, investing in deposits with thrift institutions because they lost principal values on the stock market in the mid-Sixties, will again return to the stock market. It seems likely that *Regulation* Q will be relaxed further, if not removed, and will place thrift institutions at a competitive disadvantage with commercial banks.

Under these probabilities, savings and loan associations cannot be expected to continue to fill the gap left by a termination of FHA's basic programs. They could not turn to FHA mortgages when conventional interest rates exceeded usury limits. They could not continue their recent entrance into the nationwide market for FHA mortgages.

Mutual savings banks

Savings banks have remained a major source of credit for FHA and VA loans. Located in capital surplus areas, they must reach out for high-yielding investments to compete for savings and, in major savings bank states, are not permitted to hold out-of-state conventional loans. Even so, savings banks have shown a proclivity for investment in corporate bonds and, where permitted to go conventional, for large commercial project loans. If FHA were terminated, they would be forced to seek legislation permitting out-of-state conventional lending and to increase their bond holdings. The middle-income borrower would be the principal loser.

Federal facilities

The Federal Home Loan Bank System has made material contributions to the flow of conventional mortgage funds, principally by aggressively expanding advances to savings and loan associations and borrowing on FHLB Consolidated Obligations in the securities markets. With other lenders restricted by loan-to-value and usury ceilings in the conventional market, with the reliance of other federal facilities on FHA and VA mortgages, and with thrift institutions operating under the effect of disintermediation—the termination of FHA's basic programs would increase the burden upon the FHLB System. Even at today's low volume of FHA lending, the termination of FHA could increase FHLB Bank borrowings by 15 percent to 20 percent.

Inasmuch as the present market organization, with FHA in existence, regularly leads the FHLB System to borrowing at rates high enough to draw funds from thrift institutions, it is difficult to consider additional borrowing pressures on the System with complacency.

FNMA and GNMA have made significant contributions to the flow of mortgage funds. In both cases, their stock in trade is the FHA and VA mortgage, although FNMA has recently entered the conventional single-family market. Having terminated FHA's basic programs, by our original assumption, FNMA would be limited to FHA's subsidized mortgages, conventional single-family mortgages and VA mortgages. Looking back over FNMA's difficulties in maintaining a positive spread between its borrowing and lending costs and forward over the likelihood of repeated bouts with inflation, one cannot consider the termination of economically sound FHA mortgages with complacency. Surely, FNMA's borrowing costs, if not its financial condition, would be materially affected by significantly increasing the proportion of high-risk FHA mortgages and untested, privately-insured conventional mortgages that would enter its portfolio.

GNMA's mortgage-backed security was conceived with the concept that the Treasury's obligation would not be materially increased because the mortgages were insured by FHA. It seems most unwise, if not unlikely, to consider providing a Treasury guarantee for securities backed by conventional mortgages, even privately-insured conventional mortgages. Nor does it seem wise to have all GNMA securities backed by subsidized FHA mortgages. Clearly, the costs and risks issuers would have to accept could be carried by few, if any issuers, if the FHA unsubsidized program were terminated.

In both cases, the public interest would not be served. The volume of lending would decline, the number of alternative sources of funds would be reduced, and borrowing costs would increase.

Hunt Commission Proposals

Add to the assumption that FHA's basic programs are terminated the assumption that the proposals of the Hunt Commission are largely enacted into law. Despite arguments to the contrary, thrift institutions with wider lending powers are not likely to invest the same, let alone a larger proportion of their assets in residential mortgages. The comparative yield available in consumer loans must command their interest to a greater extent, or mortgage interest rates must rise markedly.

If depository institutions become less interested in mortgage lending, the available alternative is the securities markets—the GNMA security. Having closed down the basic FHA programs, as assumed above, the GNMA security would not provide the needed alternative. Again, the public interest would not be served by terminating FHA's basic programs.

Nationwide Market

Consider also the view that private mortgage insurance can replace FHA. Private insurance has widened the mortgage market by providing local lenders a means of reducing the risk of low-downpayment conventional loans. With all of its contributions, it has not provided the assurances required by long-distance lenders. Moreover, many long-distance lenders (i.e., mutual savings banks and life insurance companies) are not permitted to invest in low-downpayment conventional home mortgages, nor are they permitted to invest in conventional mortgages out-of-state, with or without private insurance can maintain the nationwide market.

Yet, the nation needs the involvement of long-distance lenders, made possible since 1934 by FHA insurance and later by the VA guarantee. These vehicles make it possible for financial institutions in capital surplus areas to pay higher interest rates and encourage savings in those areas because they can reach beyond their local areas for higher-yielding mortgages. The saver benefits, as does the economy.

At the same time, by sending their funds to distant areas where savings are in short supply, the long-distance lender competes with local lenders for mortgage interest rates in those distant localities. The borrower benefits whether he uses a conventional or an FHA mortgage because it is the average interest rate that is affected by the influx of out-of-state lenders.

The demise of the nationwide market would also result in a widening of regional rate differentials and, thereby, less construction and home financing in growing areas as well as increased costs to borrowers.

What evidence is there that low-downpayment home mortgage financing would cost the consumer more without the FHA unsubsidized programs? Several alternative sources of funds need to be examined. First, a conventional high-downpayment first mortgage coupled with a second mortgage. The median interest rate in the 1950 Census of Housing on the conventional first mortgage where there was also a conventional second mortgage was a half percentage point higher than FHA financing (5.0 vs. 4.5 percent) and the median interest rate on the second mortgage was one and a half percentage points higher (6.0 vs. 4.5 percent). The 1960 Census of Housing has less complete data but the spread widened to 1.4 percentage points between the median interest rate on conventional first mortgages, which also had a second mortgage, and the median rate on FHA mortgages. (The 1970 Census of Housing has not yet been tabulated.)

Another measure is a comparison of the regional spreads in yields on home mortgages. The FHA data are based on an opinion survey of secondary market yields in the six FHA regions. From 1962 through 1965 the monthly spread between the regions with the lowest and highest yields ranged from 16 to 26 basis points. During 1966 and 1967 the range was between 6 and 18 basis points. During 1968 and 1969 the range was between 11 and 47 basis points. Since 1970 the range has been between 7 and 30 basis points with 1972 falling between 13 and 20 basis points.

These spreads are consistently much narrower than the geographic yield spreads on conventional home mortgage loans. The FHLB Board survey provides the effective yield for 18 metropolitan areas. The spread between the low and high areas ranged from 62 to 91 basis points in 1964. In 1965, 1966, 1967 and 1968 the range was from 88 to 149 basis points; during 1969 and 1970 from 104 to 229 basis points and from 1971 to date, 79 to 145 basis points.

Except for a few months in 1970, the FHLB Board conventional yield in the high-rate area has regularly averaged 50 basis points higher than the high-rate FHA region. This is true even though the FHLB Board series includes conventional mortgages of all loan-to-value ratios, whether low, medium or high. Presumably, the high-ratio conventional loans in the SMSAs would have a still higher effective yield and larger premium over FHA loans.

Middle-income borrowers

From the public interest viewpoint, termination of FHA's unsubsidized programs would (1) decrease the availability of credit for a larger proportion of the middle-income families which require FHA low-downpayment loans (roughly estimated at 40 percent to 50 percent) and (2) raise the spectre of still larger federal subsidies to accommodate these families. When considering the massive subsidies required to provide for a part of the nation's low-income families, the prospect of subsidizing borrowing by middle-income families boggles the imagination and provides the most telling need to restore the vitality of FHA's unsubsidized programs.

ALTERNATIVE SOLUTIONS

Whether viewed from this Association's self-interest or from the public interest, the obligation of government and private industry to rebuild FHA's basic programs is irrefutable and urgent. How can this be accomplished and, once accomplished, made secure?

To the extent that a consensus was reached by the Board of Governors on September 6, it left three alternative solutions open for further consideration:

I. Reorganize and improve management of HUD.

II. Re-establish FHA as an independent, constituent agency of HUD.

III. Create an independent federal agency for unsubsidized programs only.

Reorganize and improve management of HUD

This alternative would bring about corrective change by consultation with HUD officials, by persuasion, and, when appropriate, by public criticism and political pressure. It is distinguished from alternatives II and III, because it would not require legislation.

This alternative already is and should remain a part of the Association's continuing effort to expand and improve the performance of the nationwide market for residential mortgages. The Association's track record in obtaining improvements in FHA's performance has varied widely over the years. These variations have been, in part, a failure on the part of the Association to maintain liaison and to develop ideas and methods to aid in FHA's search for solutions to its problems. In larger measure, the variations in the Association's track record are the result of the political system itself.

Politically appointed administrators tend to be uninformed on the intricacies of the market and are not prone to take advice from special interest groups. Recognition of the proper and effective use of expertise available in the ranks of special interest groups, such as trade associations, develops slowly. Each new administration must make its own way in developing procedures that choose judiciously among contradictory views and that perceive the fine line between views that serve a broad public interest and views that serve only a special interest. It must develop an understanding of the role of trade associations and market participants and both parties must construct a communication system that is built on mutual respect and trust.

All of this takes time and effort on both sides. When the performance of the federal agency is satisfactory and the public servants that make it satisfactory are secure in their positions, the relationship is readily developed and maintained. When these conditions are not present, the relationship is haphazard and likely to be unproductive.

The current administration of HUD began with an open door policy, but it lacked confidence in the advice it received. Advice from industry was on its face suspect and top administrators were unable to evaluate whether the advice was, in fact, in the public interest. The sorting process began early, but it was thwarted by reorganizations, shifts in personnel, and investigations. During the past year, the sorting process was finally completed, respect established, and communications systems worked out. In recent months, progress has been made in revised processing procedures and regulations that benefit FHA, market participants and, most importantly, borrowers.

Note that this progress has been limited to technical improvements and is another phase in the up and down variation of the Association's ability to communicate with HUD management. It seems quite likely that the rebuilding process will begin again in a few months when a new Secretary comes on board, brings his own staff and shifts personnel. If the President's plan to reorganize the executive departments is adopted in 1973 or 1974, the rebuilding process will begin still another time. This raises serious doubt about the feasibility of alternative I contributing to restoration of vitality in FHA's unsubsidized programs over any reasonable period of time.

Moreover, it is unreasonable to assume that any trade association will determine who will be on the management team, particularly to assume that individuals indebted to the association may be appointed. Indeed, such a relationship would be highly undesirable. Whatever benefits might be received, they would be short-lived and the trade association that succeeded in creating such an arrangement would find its credibility questioned by the public, the Congress, and by future management teams of HUD. Of course, it is appropriate to seek out qualified men and to recommend their consideration by the Administration—but the matter should rest there. In the end, history tells us to expect the selection of individuals to fill the top positions to be influenced heavily by political decisions and to expect another cycle in the rebuilding process.

Note also that the progress made during the last year has not affected the fundamental causes of FHA's deterioration—political and social pressures, new programs, and new distortions of FHA's original purpose. This raises the critical question as to whether consultation and persuasion or even public criticism, can make a dent in the longer-range task of revitalizing FHA's basic programs. Several points should be considered.

First, many of the new burdens carried by HUD and the baggage distorting the role of federal mortgage insurance are creatures of Congress. They could not be reversed by any Secretary, no matter how well he managed the Department.

Second, it does not seem to be reasonable to assume that sound management alone can reverse the decline in FHA's basic programs. The management problem has been repeatedly aggravated by the diversion of FHA from its original purpose and the "scandals" that followed. The subsidy programs imposed on an ill-equipped FHA in 1968 draw attention to the new management team, but the deterioration of FHA is the result of an accumulation of programs assigned to HUD as well as to FHA over a long period of time. The size of the iceberg simply was not revealed until this year.

It does not seem to be reasonable to assume, therefore, that a new management team, however qualified, can overcome the effects of this accumulated burden of urban and social programs on FHA's basic programs. One need not oppose the nation's will with regard to its social programs to reach that conclusion. It is only necessary to realize that (1) the resources required to manage complex urban problems and critical subsidized housing are far greater than those required to manage FHA's basic programs, (2) different knowledge and skills are required, and (3) FHA's basic programs will lose out in the competition for HUD resources.

Until Congress recognizes the operating cost of subsidy programs and provides enough resources to get that job done without draining resources from FHA's unsubsidized programs, no management can resolve the problems or respond to protestations, persuasion, and advice from trade associations and others to revive FHA's basic programs.

In short, legislation prescribing a separation of these disparate FHA roles and providing adequate resources must be provided before the best of management can get the job done.

Third, the Association's track record on its long-range policy throws light on this point. When the Association's first policy statement was published in 1953, it stated:

"We suggest that a complete reorganization of the Housing and Home Finance Agency should be considered by the responsible governmental office. This office should weigh all the advantages of separating those self-supporting agencies dealing with credit, such as the Federal Housing Administration and the Home Loan Bank System, from those agencies administering direct Federal loans and grants-in-aid programs, both of which are now grouped under the Housing and Home Finance Agency.

"We believe that the Housing and Home Finance Agency should act solely as a policy making and co-ordinating body, leaving all administrative duties to the agencies themselves."

By the time of its next published policy statement MBA had concluded that the inclusion of FHA in HHFA had been a mistake, to be rectified only by its removal from the "coordinating" agency. The pertinent section of the 1956 Statement is as follows:

"That the Federal Housing Administration be incorporated as a government owned corporation; managed by a board of directors and presided over by a president—all appointed by the President.

"That the FHA be made fully accountable for its operating policies, reporting directly to Congress and the President."

With slight modifications, this remains the policy of MBA. At the May, 1972 meeting of the Board of Governors, the earlier policy was, in fact, reaffirmed.

"Association officers shall use necessary financial and staff resources to develop legislation and to organize an effective campaign to promote a federally-chartered corporation devoted to the original purposes of

FHA. Specifically, the effort shall seek to divorce the unsubsidized FHA programs from the Department of Housing and Urban Development."

These facts cannot be viewed lightly. Following the procedures implicit in alternative I for at least two decades, MBA has not only failed in its efforts to gain acceptance of its policy on this matter by successive administration of HHFA and HUD, it has seen the deterioration it feared actually take place. Even under administrations where communications were excellent and technical improvements were accomplished, the inroads on FHA's basic programs and its independence continued.

Perhaps the Association was lulled into inaction by periodic technical improvements and less evident inroads into FHA's capacity to perform. At any rate, it took the legislative road only once. On that occasion, the Association did not pursue a positive legislative program directed towards achievement of its policy. Instead, it reacted belatedly to the failure of its policy by fighting for at least the recognition of FHA in the newly formed Department of Housing and Urban Development. As a result, the title FHA Commissioner was retained, but nothing more. All powers were vested in the Secretary and as a result, it can be argued that today the Commissioner is the only FHA employee in HUD. If this Administration's reorganization plan should become law, even that vestige of FHA will disappear.

In summary, the implicit assumptions of alternative I are:

1. The HUD management team is knowledgeable in all areas and most capable.

2. The relationship between MBA and HUD management is developed and maintained on the basis of mutual respect and a mutual interest in serving the public good.

3. Congress has given the management of HUD the resources and authority necessary to respond to recommendations in the public interest, including recommendations to help restore the vitality of FHA's basic programs.

4. Congress and the Administration desire to restore the vitality of FHA's basic programs.

Assumptions 1 and 2 are quite possible; the record over two decades raises doubts that assumption 3 will be fulfilled; and the record of the past few years at least suggests that the Administration is convinced that conventional lenders can supplant FHA's basic programs. Under these conditions, it seems highly unlikely that this Association, and its allied Associations, can stop the deterioration in FHA through consultation with HUD or Administration officials. And, it seems highly likely that the long-range objective can be accomplished only through legislative reform.

As John J. Corson, experienced consultant to business, industry, and government testified before Congress on the current proposal to reorganize the executive departments:

"Harold Seidman, in *Politics, Position, and Power* . . . says that the idea that 'we can resolve deep-seated and intractable issues of substance by reorganization' is simply a myth, a persisting myth."

Reestablish FHA in an independent, constituent agency of HUD

Legislative reform can take two forms. It can create an independent agency or provide for independence within HUD.

As he pointed out earlier, the historical deterioration of FHA's basic programs began in 1938, when the purpose of federal mortgage insurance was diverted to stimulate economic recovery. The process continued, but FHA maintained its independence and its ability to keep its basic programs in good order. In 1947, FHA was absorbed into the newly formed Housing and Home Finance Agency as a constituent agency, that is, it maintained a degree of independence similar to that of a wholly-owned subsidiary of a corporate conglomerate.

The Administrator found that he did not have the authority to integrate FHA into the HHFA and, when the Department was formed in 1965, Congress gave the Secretary authority to make organizational changes deemed necessary to "bring FHA into the Department." This process would culminate in this Administration's proposed reorganization of executive departments. Specifically, the Administration's proposal to establish a Department of Community Development (DCD) would provide for a housing administrator, but mortgage insurance would be only one of his many responsibilities and the line organization under the housing administrator would parallel the present HUD structure.

This process will have to be reversed if FHA's basic programs are to be revived. And, this can be accomplished only by legislation that clearly provides for separate administration of federal mortgage insurance programs that are self-supporting from administration of socially-oriented programs. The fact that a house is a house, that certain processing functions may be identical, is not relevant. If those functions that are not identical, e.g., credit underwriting, and those goals that are not identical, e.g., housing the poor, continue to be mixed, we must expect repeated breakdowns in the self-supporting programs. This result must be expected not because one individual cannot apply two distinct standards of credit underwriting, but because he cannot resist the shading of one set of standards into the other when Congressional and/or Administration economic and social objectives demand that the standards be stretched. At one time, his performance is measured by housing production, another by the number of poor families provided with shelter, and another by his ability to maintain quality standards. The latter measure of performance should be applied consistently, not revived after each new diversion reveals the cost of losing sight of quality standards.

The crux of the matter, then, is that the arm responsible for FHA's basic programs must maintain singularly firm quality standards in processing, appraisals, inspections, credit underwriting, and approval and auditing of approved mortgagees. This can only be done and made secure by maintaining federal mortgage insurance as a separate and distinct departmental function, untainted by efforts to stimulate or slow down the economy or by social objectives, and free from the task of bringing disparate views together.

Programs for achieving social objectives should be administered separately from FHA. Mortgage insurance is unnecessary and a costly fiction in subsidy programs. It is not the insurance reserve that makes the program marketable. It is the federal subsidy and federal support. In the case of Sec. 235 housing, for example, the socially-oriented arm could determine which families are ready for home ownership, provide the necessary counseling and subsidy funds, and provide a federal guaranty of the mortgages. The self-supporting FHA arm would then apply its standards to the house and the mortgage without the tearing conflict that exists today. The mortgage would be attractive to the private investor. The government would not be faced with today's scandals, nor would it have paid to subsidize the extra cost of putting buyers in the housing they want instead of the housing they can afford. Moreover, this separation would not require serious duplication of manpower in the field if FHA stayed out of the subsidy business and the rest of HUD stayed out of the mortgage insurance business. It requires only that the standards established by the mortgage insurance be maintained without distortion and clearly separated from other HUD functions.

The legislation required would not be complicated. Among other things:

It would specifically establish and make secure the Federal Housing Administrator as the individual responsible for mortgage insurance programs.

It would provide for separate accounting for budget purposes, thereby providing Congress with a more accurate view of the cost of administering subsidies.

It would make the Administrator explicitly responsible for establishing and maintaining standards for appraisals, inspections, property and credit underwriting and the quality of services provided by approved mortgagees.

It may permit the FHA contract rate to be market determined, perhaps limiting the discount to a maximum of 3 points.

If Congress recognizes the ability of the FHA to be self-supporting, it need no longer hold to the view that interest rates should be controlled because the mortgages are federally insured. If it desires to subsidize through the interest rate, the subsidy payment should flow directly to the borrower and should be a federal commitment that qualifies or does not qualify the borrower for a federally-insured loan.

It should permit FHA to compete vigorously with private insurers, e.g., to provide for insurance premiums that vary with the risk.

It should not saddle federally-insured mortgages with any requirements, e.g., compliance requirements, that are not applicable to conventional loans.

It should permit FHA to contract with HUD's research and legal arms or with outside consultant services as needed.

Above all, it should be insulated from the pressures that now bear upon the Secretary and, in the end, result in lower standards for federal mortgage insurance.

This would require ending the practice of holding FHA hostage to other housing legislation. If the legislation proposed here is enacted, subsequent housing legislation should not involve FHA's role as keeper of the standards for federal mortgage insurance, as continuation of this practice would be untenable. As long as FHA is self-supporting, the need for annual appropriations and renewal of its authorization to insure—the weapons for holding FHA hostage—would disappear. Nevertheless, it would remain advisable for Congress to review the performance of FHA annually and for GAO to audit FHA's accounts and to maintain continued surveillance to prevent as well as to uncover fraud and malpractice. The latter would be less of a problem in an agency that is maintaining standards that are periodically reviewed than one where the standards are more or less elastic. If Congress feels that it must rely upon annual authorizations and appropriations for control purposes, such annual reviews should be scheduled by statute in a way that mandates review and action separate from housing or other legislation.

Admittedly, there is little legislative precedent for specifically prescribing how a part of an executive department should be managed; the legislation outlined here would be difficult to achieve; and, once achieved, it could be made secure only by continued vigilance against legislation that would whittle away the constituent agency's independence.

Create an independent Federal agency for unsubsidized programs

This alternative does not differ markedly from alternative II. A few additions should be written into the legislation. These would include:

Appointment of the directors and chief officers of the agency by the President, with advice and consent of the Senate. These appointments should be for terms that are staggered and long enough to protect the agency from political pressures.

A direct line of responsibility to the Congress and the President.

Transfer of personnel and protection of their retirement rights.

Transfer of appropriate insurance reserve funds. (This would not affect the federal budget.)

Tax exemption on net income going into reserves.

Full faith and credit support of debentures issued against foreclosed mortgages.

A clear statement charging the agency with maintenance of standards in federal mortgage insurance and of self-supporting operations.

This alternative differs from II by providing greater assurance that the separation could be made secure. Having made a clean break, it would be more acceptable for it to (1) provide for greater reliance on FHA mortgages for underwriting, (2) provide for sanctions when mortgagees do not perform adequately, and (3) maintain the break in the bond between FHA mortgages and special purpose legislation. It would make a clear contribution to the improvement of morale and restoration of the esprit de corps that once typified FHA.

The separate agency, if structured as suggested, would reduce the likelihood of political patronage and general political pressure as well as the pressure from individual political figures. This is a significant difference between alternatives II and III.

At the same time, HUD would be in a better position to marshal its resources to resolve the problems of the cities and to develop workable subsidy programs. Consumer groups would be more, not less, able to communicate with HUD officials. Both Congress and HUD would be forced to design subsidy programs that are workable in the private market, unclouded by the fiction that a self-supporting insurance program can somehow provide a subsidy and manage the complex and different problems inherent in providing subsidies.

It should be recognized that a separate federal agency is not necessarily anathema to either the Congress or the Administration. Even after the proposed reorganization of executive departments, 50 independent agencies would remain. After years in housing agencies, the FHLB Board managed to regain its independence in 1954. As might be expected, Housing Administrator Cole opposed the separation. The reasons given by proponents of the separation were quite different from those advanced here to create an independent FHA. For the most part, proponents of separating the FHLB Board from HHFA argued that it was no longer necessary to keep the Board in HHFA, that the Banks were privately owned, and that a greater volume of funds would be made available if the separation were permitted. In the FHA situation, it has been self-supporting for most of its existence and it is necessary to separate FHA's mortgage insurance function from HUD's other activities if the nationwide market is going to survive. If Congress can be convinced that an independent agency is in the public interest, it will provide the necessary legislation.

CONCLUDING REMARKS

FHA must formulate practical, efficient, and workable regulations and Congress must permit FHA to compete with conventional lenders and private insurers. The only alternative is to permit the prevailing deterioration to run its course.

Once on this road, the nation would be faced with the task of providing financing for those middle-income families which cannot obtain conventional financing, as builders do not move from $20,000 FHA housing to $20,000 conventionally-financed housing but to $40,000 conventionally-financed housing. This could be accomplished by accepting the cost of subsidizing a still broader income range of home buyers or requiring conventional lenders to invest a specified portion of their funds in mortgages to house middle-income families. The former would require still larger federal expenditures and the latter would require statutory and regulatory control over the entire credit system.

The 1972 housing legislation introduced by the House Banking and Currency Committee would set a precedent for filling the gap left by a failure of FHA to house middle-income families. An eleventh hour amendment would have authorized federal direct lending when borrowers could not obtain credit at a 6.5 percent rate. This concept has been proposed often enough to create concern in the private market. If the federal government persists in its apparent belief that the effect of inflation—the most significant cause of high housing prices and high interest rates—can be overcome by direct federal lending, it is only a step away from direct lending to fill any gap that might be created by FHA's failure to perform. Despite the enormous, but hidden, costs of such a program, the current proposal suggests that its possible use and expansion is not mere speculation.

Clearly, the only economically and socially feasible alternative is to restore the vitality of FHA's basic, unsubsidized programs. It seems equally clear that this can be done and made secure only through legislation.

Legislative objectives are most apt to succeed when a crisis is at hand. The crisis in FHA is already upon us and will come into sharper focus with each passing month. Numerous Congressmen are aware of HUD's failure to perform and would listen to concrete recommendations. A few Congressmen are pursuing their own studies. HUD, itself, is concerned. Even before the publicity broke on subsidized housing, Under Secretary Richard C. Van Dusen stated before a conference sponsored by the *New York Law Journal* on May 12, 1972:

"Finally, let me simply touch on a suggestion which I advanced about a year and a half ago in a speech at the Harvard Business School. I suggested that the Business School students might want to undertake as a case study the problems and opportunities which might be presented by a 'spin off' of the conventional mortgage credit insurance operations of the Federal Housing Administration.

"Basic responsibility for the subsidy and other special risk programs would, of course, have to remain a governmental function. But the FNMA example suggests the possibility that the basic credit insurance operations of the FHA, which have been well established and have proven thoroughly successful, might be 'spun off' to private operation in the manner that the secondary market operations of FNMA 'went private' in 1970."

This Association's Board of Governors concluded in September 1972, on the basis of a consultant's report, that a privately-owned and controlled FHA would not be acceptable to Congress or the Administration, but it remained dedicated to its long-standing policy that FHA's basic programs and function as mortgage insurer should be separated from its social programs and from the hosts of other responsibilities assigned to HUD.

Both Congress and the Administration are faced with a serious breakdown in FHA programs, a heavy federal budget, and a growing number of mortgage borrowers who cannot obtain credit or are forced to pay inordinately high interest rates. Accordingly, they should be receptive to recommendations for reform that can resolve their dilemma and not increase the budget deficit.

As the world's greatest book says, "To everything there is a season, and a time to every purpose under the heaven." If MBA's policy of two decades will ever see its season for legislative accomplishment, the time is now.

GREAT VICTORY FOR MARSHALL UNIVERSITY

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to thank my colleagues who took time out yesterday to extend personal greetings to the great Marshall University basketball team which visited the U.S. Capitol yesterday. Among the Members of Congress who spoke with the Marshall players were Representative Louis Stokes of Ohio, who met the players at the National Airport; Representative Charles Bennett of Florida, Representative Augustus Hawkins of California, Representative James Wright of Texas, Representative Charles Mosher of Ohio, and Senator Lowell Weicker of Connecticut. I would also like to extend special, personal thanks to Speaker Albert for making available the Speaker's Dining Room to honor these fine players and coaches. "Fishbait" Miller gave the team his customary red-carpet treatment when they visited the Doorkeeper's office.

Lincoln's Birthday was a highly appropriate day to visit the Capitol, even though the House and Senate were not meeting yesterday. It was also the birthday of 11-year-old Scott Daniels, son of Coach Bob Daniels. The Marshall team had an opportunity to visit the floor of the House and Senate, the Prayer Room, and all sections of the Capitol. I was very impressed with the questions and discussion of the team members, who have a keen interest in public issues before the Congress and the Nation.

In midafternoon, the Marshall team headed out to Fort Myer to practice for their crucial game with the George Washington University Colonials last night. With a 12–1 record on its home floor, Memorial Field House in Huntington, W. Va., and only a 1–5 record away from home prior to last night's game, the odds clearly favored George Washington University. Using aggressive ball-handling tactics, Marshall sprang into an early lead and dominated the play throughout the game. I was honored to join hundreds of loyal Marshall rooters from the Washington-Virginia-Maryland area who turned out to cheer Marshall on to a convincing 63 to 57 victory over G.W.

The Marshall team making the trip included Cocaptain Greg Imperi of Huntington, W. Va., a graduate of St. Joseph's Central High School in Hunting-

ton, W. Va.; Cocaptain Wayne Smith of Milwaukee, Wis.; Thomas Ferrell of Kenova, W. Va., a graduate of Ceredo-Kenova High School; Earl Williams of Lanham, Md.—born in Beckley, W. Va.; Joe Hickman of Woodstown, N.J.; Jack Battle of Knoxville, Tenn.; Dave Mastropaolo of Falls Church, Va.; Pete Polo of Riverdale, N.J.; Kenny Hurst of South Point, Ohio—born in Huntington, W. Va.—Charles Novak of Goshen, N.Y.; Frank Austin of Cleveland, Ohio; Eric Bachelor of Eminence, Ky.; and Bill Mannefeld of Plano, Texas.

Head Basketball Coach Bob Daniels and his staff deserve a lot of credit for the superior performance of the Marshall team. Accompanying Coach Daniels were assistant coaches W. Stewart Way and Bill Robinette; director of athletics, Joe McMullen; Ed Starling, assistant director of athletics; Sam Stanley, sports information director; Vic Winburn, trainer; Bob Chinn, equipment manager; and Mike Holman, student manager.

SOUTH FLORIDA MEDIA COOPERATE FOR RESPONSIBLE JOURNALISM

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, last year two representatives of the Knight Newspapers' Washington Bureau—Bureau Chief Bob Boyd and Clark Hoyt—were awarded the coveted Pulitzer Prize for their actions and their story involving the medical history of the then Vice Presidential nominee, Senator EAGLETON. The reporters learned of the Senator's record of medical treatment and, instead of printing the story and getting a "scoop" on their competition, they first went to the Democratic Presidential candidate, Senator MCGOVERN, and advised him of what they had learned. The Senator then released the story to the rest of the media.

Last week, a prominent Miami attorney, Mr. Charles Courshon, was kidnaped and held for ransom. News of his capture did leak out and the press learned of it. However, despite enormous pressures to be first to break the story, the local news media, including the Knight paper, the Miami Herald, complied with the request of the FBI and did not release the news. Fortunately, Mr. Courshon was able to escape his captors and they were apprehended.

A free, competitive press and media is one of the most basic safeguards to a democratic system of government and it must be defended and protected to the highest possible degree. It must be free to print or tell the story or to cooperate in withholding a story for a greater public benefit such as saving a person's life.

I commend the Miami Herald and the rest of the South Florida media for their restraint in this instance. I call to the attention of our colleagues an article written by Mr. Steve Rogers, Metropolitan Editor of the Herald, which tells why the Herald and other local press and media held back a page one story:

WHY WE HELD BACK ON PAGE 1 STORY

(By Steve Rogers)

We're in the business of putting news into the paper. If something important happens today, we want you to read about it tomorrow morning.

Our urgency to report the news as quickly as we can usually is tempered only by our insistence on reporting it fully and accurately. Thus were we and other Knight newspapers scooped by our own story, one of the biggest stories of 1972—the history of the mental health problems of Tom Eagleton, the vice presidential candidate. We withheld the story until we could get Eagleton's comments. Aware of what we knew, the Eagleton camp gave its own version to other media.

Rarely is there any other reason to withhold a story. But one came up last week and we and other media temporarily held back the day's major local news story. The result was that South Floridians did not learn of the kidnaping of Miami Beach lawyer Charles Courshon until 18 hours after the fact.

We delayed our story at the urging of Kenneth Whitaker, the regional director of the FBI, and Miami Beach Police Chief Rocky Pomerance.

They made their plea to newsmen, who relayed it to their editors and news directors, at a briefing in Miami FBI headquarters at 1 a.m. Wednesday, about eight hours after two men grabbed Courshon at gunpoint as he walked from his law office.

By that time, through anonymous tips and leaks, reports of the kidnaping had spread. Reporters were questioning the FBI for details.

Whitaker gave some details, but only after he had extracted this promise from newsmen—we would not use the story prior to another briefing, scheduled for 11 a.m., unless Courshon was released in the interim.

Larry Jinks, our executive editor, had discussed our policy with me. We would agree to do nothing until 11 a.m., which meant keeping the story out of our final edition of Wednesday's paper. Mike Haggerty, an assistant city editor in charge of the city desk at the time—who had a staff cranked up to rush in a story—passed the word to Jay Maeder, our reporter at Whitaker's briefing.

We usually don't take kindly to suggestions from the FBI or anyone else to keep news out of The Herald. (These suggestions are sometimes demands or threats; they come often these days from government at all levels.)

But Whitaker was persuasive. To release the story, he argued, was to jeopardize Courshon's life.

Is this so? Who knows for sure?

The rationale is that the sooner the ransom is paid and the case is solved the better the chances the victim will escape unharmed.

Written into the kidnaper's script, when he makes his demand for ransom, is this threat: Don't call the FBI.

One suspects that this warning is almost universally ignored; the police or the FBI are called in and their investigation progresses as quietly as possible. The kidnaper may or may not assume that the FBI has been alerted. Either way, he may panic when he learns they are. Is not the victim's life in greater jeopardy?

Courshon himself certainly thought so.

He found himself listening to the news in his kidnapers' apartment Tuesday night.

"When the radio told about the Hearst girl's kidnaping, I almost fell over," Courshon was quoted as saying after his escape Wednesday, "I was sure mine would be next. And that, I felt, would have endangered things."

Yet there is far from unanimity of thought among news executives over whether reports of a kidnaping, or any story for that matter, should be withheld.

One Florida editor blistered the Associated Press in a letter protesting the decision by AP and other media to delay reports on the Hearst kidnaping. He accused AP of suppressing the news, adding:

"None of us, of course, would ever want to do something which would jeopardize the life of anyone. But the police and others are always asking us not to print something—and they always have an urgent reason. Since when do we make those censorship judgments . . ."

He recalled "The New York Times' unfortunate decision" to suppress its story on the Bay of Pigs invasion at the request of President Kennedy.

Then he recounted some journalistic triumphs that came over government protests, specifying reporting of the Vietnam War and the publication of the Pentagon Papers. Of the latter, he said:

"We gave an award to The New York Times for printing the Pentagon Papers in spite of government protestation that it seriously damaged the entire fabric of the U.S. effort in Asia and threatened the lives of countless GIs in Vietnam."

The editor's argument falls on one point, which he refers to as "censorship judgments." They're made at The Herald, at his paper and every paper in the country hundreds of times each day.

They're made on what stories we cover; they're made on which stories (of the hundreds available) we'll run each day; they're made on what goes in, and does not go in, each story.

We make other censorship judgments. We edit for good taste and thus edit obscenity and profanity out. We won't identify witnesses to crimes if we believe they may suffer as a result. We won't run a story about an impending police drug raid.

A reader recently upbraided us for reporting in some detail how a bank raised a ransom in another kidnaping. That information, he felt, might encourage other kidnapings. We disagreed in part. We don't think kidnapers are inspired by newspapers. We did agree that prudence might have edited out a few of the specifics.

The editor who complained to AP said he believed in "telling it like it is" and "letting the chips fall where they may." A colleague sent him this rejoinder:

"I don't think our decision-making responsibility is that simple, despite the historic example of The Times and the Bay of Pigs.

"We are all paid to make judgments. I've never found any guides that eliminate the need for case-by-case examination when there are conflicting pressures.

"Any good journalist leans toward full reporting, as quickly as possible. That doesn't make our decision automatic when an innocent human life may be at stake."

We call ourselves "Florida's Complete Newspaper," a slogan that implies that if we have news that's important or interesting or useful to Floridians, we'll print it.

One day last week we weren't as complete as we could have been. We're glad we weren't.

KISSINGER SIGNS AGREEMENT ON PRINCIPLES WITH PANAMA

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, last Thursday with Senator McGee, Congressmen Leggett and Forsythe, I had the privilege of accompanying our very able Secretary of State Henry Kissinger to Panama for the signing of an agreement on a set of fundamental principles to govern negotiations of a new Panama Canal treaty. Secretary Kissinger's personal involvement in the signing of the principles is indicative of the importance he attaches both to the resolution of our problems with Panama and to improve relations with all the nations of the hemisphere.

Because of the widespread interest in the House in our negotiations with Panama, I include in the Congressional Record the text of a joint statement by Secretary Kissinger and Panama's Foreign Minister Juan Antonio Tack which incorporates the list of principles agreed on by the United States and Panama.

I am also including the text of a major address given by Secretary Kissinger while in Panama. The positive and constructive thrust of the speech is a welcome indication that the United States is at last intent on again giving to the affairs of our own hemisphere the attention they deserve:

Joint Statement by the Honorable Henry A. Kissinger, Secretary of State of the United States, and His Excellency Juan Antonio Tack, Minister of Foreign Affairs of the Republic of Panama, on February 7, 1974, at Panama

The United States of America and the Republic of Panama have been engaged in negotiations to conclude an entirely new treaty respecting the Panama Canal, negotiations which were made possible by the Joint Declaration between the two countries of April 3, 1964, agreed to under the auspices of the Permanent Council of the Organization of America States acting provisionally as the Organ of Consultation. The new treaty would abrogate the treaty existing since 1903 and its subsequent amendments, establishing the necessary conditions for a modern relationship between the two countries based on the most profound mutual respect.

Since the end of last November, the authorized representatives of the two governments have been holding important conversations which have permitted agreement to be reached on a set of fundamental principles which equitable treaty eliminating, once and for all, the causes of conflict between the two countries.

The principles to which we have agreed, on behalf of our respective governments, are as follows:

1. The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.

2. The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.

3. Termination of United States jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.

4. The Panamanian territory in which the canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what that treaty states, the right to use the lands, waters, and airspace which may be necessary for the operation, maintenance, protection and defense of the canal and the transit of ships.

5. The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the canal in its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

6. The Republic of Panama shall participate in the administration of the canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the canal, to operate, maintain, protect and defend the canal, and to undertake any other specific activity related to those ends, as may be agreed upon in the treaty.

7. The Republic of Panama shall participate with the United States of America in the protection and defense of the canal in accordance with what is agreed upon in the new treaty.

8. The United States of America and the Republic of Panama, recognizing the important services rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in principle 2.

An Address by Secretary of State Kissinger at Panama February 7, 1974, on the Occasion of the Signing of the Joint Statement of Principles for Negotiations on a New Panama Canal Treaty

We meet here today to embark upon a new adventure together. Our purpose is to begin replacing an old treaty and to move toward a new relationship. What we sign today hopefully marks as well the advent of a new era in the history of our Hemisphere, and thus makes a major contribution to the structure of world peace.

Meeting as we do on this Isthmus which links North with South and Atlantic with Pacific, we cannot but be conscious of history—a history which has profoundly changed the course of human affairs. Four centuries ago the conquistadors landed here bringing faith and taking booty. They were representatives of the traditional style and use of power. Seventy years ago, when the Panama Canal was begun, strength and influence remained the foundation of the world order.

Today we live in a profoundly transformed environment. Among the many revolutions of our time, none is more significant than the change in the nature of world order. Power has grown so monstrous that it defies calculation; the quest for justice has become universal. A stable world order cannot be imposed by power; it must derive from consensus. Mankind can achieve community only on the basis of shared aspirations.

This is why the meeting today between representatives of the most powerful nation of the Western Hemisphere and one of the smallest holds great significance. In the past our negotiation would have been determined by relative strength. Today we have *come* together in an act of conciliation. We recognize that no agreement can endure unless the parties to it have a stake in maintaining it. Participation in partnership is far preferable to reluctant acquiescence.

What we do here today contains a message, too, for our colleagues in the Western Hemisphere who, in their recent meeting in Bogotá, gave impetus to this negotiation. The method of solution and the spirit of partnership between Panama and the United States as embodied in this agreement are an example of what we mean by the spirit of community in the Western Hemisphere—it can be the first step toward a new era which we believe will be given fresh hope and purpose when we meet again with the Foreign Ministers of all the Hemisphere in two weeks' time.

THE UNITED STATES AND PANAMA

The relationship between Panama and the United States is rooted in extraordinary human accomplishment—the Panama Canal, a monument to man's energy and creative genius. But as is so often the case, man's technological triumph outstripped his political imagination.

For sixty years, the safe, efficient and equitable operation of the Canal has given to Panama, to the United States and to all nations, benefits beyond calculation.

Yet, the Canal still operates under the terms of a treaty signed in 1903, when the realities of international affairs were still shaped by traditional precepts of power.

The tensions generated by these contradictions—the endless debates over the costs and benefits of the Convention of 1903—have jeopardized the ability of our two countries not only to work together to meet future demands upon the canal but also to develop constructive relationships as friends.

We must assess the document we have just signed against this background of reward and frustration. Above all, we must judge it in the context of what is means for the peoples of the United States and Panama and what is can mean for the people of the Western Hemisphere.

The eight principles in this agreement constitute, as General Torrijos has said, a "philosophy of understanding." Sacrificing neither interest nor self-respect, Panama and United States have made a choice for partnership. Meeting in dignity and negotiating with fairness, we have acknowledged that cooperation is imposed upon us by our mutual need and by our mutual recognition of the necessity for a cooperative world order. Foreign Minister Tack and Ambassador Bunker have shown that Panama's sovereignty and the vital interests of the United States in the Panama Canal can be made compatible. They have engaged in an act of statesmanship impelled by the conviction that we are part of a larger community in the Americas and in the world.

In that spirit of partnership the United States and Panama have met as equals and have determined that a just solution must recognize:

First, that Panama and the United States have a mutual stake in the Isthmus: Panama in its greatest natural resource—its strategic location—and the United States in the use and defense of the canal;

Second, that the arrangement which may have been suitable seventy years ago to both the United States and Panama must be adjusted to meet the realities of the contemporary world;

Third, that a new treaty is required which will strengthen the relationship between us while protecting what is essential to each. A new agreement must restore Panama's territorial sovereignty while preserving the interests of the United States and its participation in what is for us an indispensable international waterway.

Our agreement is the culmination of a long and difficult negotiation.

While we have taken a great stride forward, we must still travel a difficult distance to our goal. There is opposition in both our countries to a reasonable resolution of our differences. Old slogans are often more comforting than changes that reflect new realities. It is the essence of revolutions that to their contemporaries they appear as irritating interruptions in the course of a comfortable normalcy. But it is equally true that those who fail to understand new currents are inevitably engulfed by them.

We are determined to shape our own destiny. Our negotiators will require wisdom, purposefulness, tenacity. They will meet obstacles and disagreements. Yet, they will succeed—for our relations and our commitments to a new community in this Hemisphere demand it.

In the President's name, I hereby commit the United States to complete this negotiation successfully and as quickly as possible.

THE WESTERN HEMISPHERE COMMUNITY

We are here today not just as two sovereign nations but as representatives of our Hemisphere. We meet at a point of time between the meetings of Foreign Ministers in Bogotá and Mexico City which can mark an historic turning point in Western Hemisphere relationships.

I know that many of my country's southern neighbors believe they have been the subject of too many surveys and too few policies. The United States is accused of being better at finding slogans for its Latin American policy than at finding answers to the problems that face us all.

Some of these criticisms are justified. At times rhetoric has exceeded performance. But the United States has been torn by many problems; only from afar does it appear as if all choices are equally open to us. We have not been willfully neglectful. And in any case, we have recognized that the time for a new approach is overdue.

I have come here today to tell you on behalf of our President that we are now fully committed to a major effort to build a vital Western Hemisphere community. We understand our own needs:

To live in a hemisphere lifted by progress, not torn by hatreds.

To ensure that the millions of people south of us will lead lives of fulfillment not embittered by frustration and despair.

And, above all, to recognize that in the great dialogue between the developed and the less developed we cannot find answers anywhere if we do not find them here in the Western Hemisphere.

For with all our differences, the nations of this Hemisphere share similar histories and comparable aspirations. They have a common view of the dignity of man. They have the human and economic potential for great acts of common creation.

It is in this spirit that I shall meet my colleagues in Mexico City later this month to deal with the issues posed by them in their Bogotá meeting. We attach particular significance to the fact that the meeting in Mexico City—its substance and its impetus—is the product of Latin American initiative. It is a response to the necessities of the time such as the United States had hoped to achieve with partners elsewhere in the world.

The United States will not come to Mexico City with a program that presumes to have all the answers. Nor will we pretend that our lost opportunities can be remedied by yet another freshly-packaged program labeled "Made in the U.S.A." But we shall come with an open mind and, perhaps more importantly, with an open heart. We are at a moment of truth, and we shall speak the truth.

We know that our neighbors are worried about the blackmail of the strong. We want them to know that we are sympathetic to this concern. At the same time, blackmail is no more acceptable from any other source. We need each other. So let us seek solutions free of pressure and confrontation, based on reciprocity and mutual respect. In Mexico City we can but lay the foundations for the future. But building upon what we achieve in Mexico City we can, over the months and years ahead, erect an edifice of true partnership, real trust and fruitful collaboration.

Thus we approach the meeting in Mexico with but one prejudice: a profound belief that the Americas, too, have arrived at a moment of basic choice, a time of decision between fulfillment together and frustration apart. Our choice will be found in the answers we give to these critical questions:

Can we make our diversity a source of strength, drawing on the richness of our material and moral heritage?

Can we define together, concretely and realistically, the role for the United States in support of Latin American efforts to build a better Western Hemisphere?

Can we together determine how Latin America's new identity and strength can contribute to a hemispheric community?

In short, can the countries of Latin America, the Caribbean, and the United States, each conscious of its own identity, fashion a common vision of the world and of this Hemisphere—not just as they are, but as they are becoming and as we feel they should be—so that we can move together toward the achievement of common goals?

We will conduct the broader dialogue we have all set for ourselves in Mexico City with the same commitment to reciprocity, the same consideration of each other's interests, that marked the negotiations between the United States and Panama.

Thus, in Mexico we seek to initiate a process. We want to shape a new relationship harnessing the political and economic forces of our time to move us toward beneficial cooperation rather than apart into destructive confrontation. Justice—not size or strength—should be the test of our relations.

We begin the quest aware that we are old friends. If we cannot creatively arrive at a modern relationship, the implications will be somber indeed for a global community which shares neither our sense of common destiny nor our history or collaboration.

For centuries men everywhere have seen this hemisphere as offering mankind the chance to break with their eternal tragedies and to achieve their eternal hopes. That was what was new about the New World. It was the drama of men choosing their own destinies.

An American poet has written:

"We shall not cease from our exploration,
And the end of all our exploring
Will be to arrive where we started
And know the place for the first time."

Panama and the United States have now begun this exploration. Our sister republics can make the same choice. Our creativity, our energy and our sense of community will be on trial. But if we are equal to the opportunity, we will indeed arrive where we started—a hemisphere which again inspires the world with hope by its example. Then we shall indeed know the place for the first time because for the first time we shall truly have fulfilled its promise.

VEHICLE WEIGHT INCREASE EMERGENCY ACT OF 1974

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today, the Honorable CHARLES MOSHER and I have introduced a bill to suspend temporarily the vehicle weight limits imposed by the Federal-Aid Highway Act. The proposed suspension would be effective only to September 30, 1974.

I believe that the prompt enactment of this bill would contribute materially toward ending the truckers' strike and avoiding any similar strike by independent truckers in the near future. Furthermore, it will contribute to this end without raising costs to consumers or creating any appreciable increase in fuel consumption.

I am sure that all of us condemn the

lawless violence of a small minority of truckers and commend the resolute actions of Governors and other officials to curb such violence. At the same time, we have to recognize that the independent truckers had legitimate complaints and that unless those complaints are effectively dealt with in a reasonable time, violence will continue and possibly increase.

Congressman CHARLES MOSHER, Congressman JOHN ASHBROOK, and I have been among the representatives who have met with truckers and officials from the executive branch in an effort to understand and help resolve the crisis. We were informed that many independent truckers find themselves on the brink of complete financial collapse, because of the rapid rise in fuel costs which they are unable to pass on to their customers in the form of higher freight rates. As a result, hundreds of these small businessmen have been forced to operate their trucks at a loss. Nor can they simply discontinue operations, since many of them have interest payments to make on their vehicles.

Fortunately, the bill passed by the Congress last week, which requires the ICC to take action by the end of this week to provide some relief in freight rates, should begin to relieve the truckers' situation. Obviously, a rollback in fuel prices, which, hopefully, the House will vote on next week, should further relieve the situation.

A substantial number of the truckers who are being squeezed the most are those who haul steel and other very heavy materials. A 10- to 20-percent increase in the amount of load that these truckers can carry will immediately reflect itself in a corresponding increase in their income. For this reason, we were advised by truckers' representatives that action to authorize such a load increase would be recognized by all truckers as tangible evidence that the Government is acting to relieve their distress.

Unfortunately, after discussions with the Office of Federal Energy Director William Simon and Secretary of Transportation Claude Brinegar, both of whom demonstrated a most constructive attitude, it became apparent that even a temporary weight increase could not be authorized unless the vehicle weight limitations imposed on the States by the Federal-Aid Highway Act are suspended. In the absence of such suspension, it was the opinion of officials in the Department of Transportation that the act would require the Secretary to cancel Federal highway aid to any State during any period in which the act's vehicle weight limits are followed in that State.

It is understood that the Senate Public Works Committee plans to commence hearings next week on the whole question of uniform interstate vehicle width and weight limits, vehicle licensing, and related matters. Since they will involve a whole range of complex subjects and deal with long term changes in the laws affecting interstate motor vehicle operations, the hearings are likely to be lengthy and be followed by lengthy period for the markup of legislation. Obviously, if we are to provide effective relief to avoid the imminent financial collapse of thousands of independent truckers, we cannot wait for the completion of new permanent legislation.

Accordingly our bill simply suspends the limitations on vehicle weights in the Federal-Aid Highway Act until September 30, which should be ample time for the enactment of more comprehensive legislation. Our bill does not affect vehicle lengths or widths. It does not require any State to change its vehicle weights, but merely makes it possible for the States to do so.

In conversations with the office of Gov. John J. Gilligan of Ohio, the State where much of the strike activity originated, I was advised that the Governor would be prepared to ask the State legislature to take effective action to provide for a temporary vehicle weight increase if the administration and Congress indicated the desirabiilty of such action.

In view of the urgency and importance of this proposal, I would hope that it would receive strong bipartisan support and, in particular, support from the Department of Transportation.

As the truckers' strike has so clearly demonstrated, the tragedy of the independent truckers is not one which the rest of our country can ignore. Even during the short period when the strike and the related violence were at a peak, thousands of workers in other industries were laid off, factories were closed, and the people in many areas faced critical shortages of food, fuel, and other necessities.

We must not allow this situation to happen again. Only this week, a national opinion poll indicated that the public's overall job rating of Congress has fallen to an alltime low. By prompt enactment of the Vehicle Weight Increase Emergency Act, Congress would demonstrate that it can respond effectively to this emergency and would provide new and tangible evidences of our Members' concern for the well-being of all the people of our country.

POW RELEASE ANNIVERSARY

(Mr. CASEY of Texas asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CASEY of Texas. Mr. Speaker, yesterday we observed the first anniversary date of the initial release of the brave Americans held as prisoners of war in Vietnam.

I think it is fitting today that we take a moment to once again express our gratitude to them for what they endured so admirably in the name of justice and liberty of men.

All Americans who served in Vietnam deserve our praise, but the hardships brought on our POW's and their families constitute a debt we can never fully repay.

I know I speak for my colleagues and all Americans when I say once again to our former POW's that they have our continuing gratitude for service so very far above the call of duty.

We must also remember that there are still many of our gallant Americans who remain unaccounted for in Southeast Asia, those who are listed as missing in action.

Mr. Speaker, today, I call on our administration and this Congress to renew efforts for a full accounting, under the terms of the Vietnam agreement, of all Americans who remain MIA's. I join their families in demanding an answer about what happened to these men while serving our country.

SPACE TRIUMPH BY SKYLAB

(Mr. CASEY of Texas asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CASEY of Texas. Mr. Speaker, since this House of Representatives last sat in session our Nation has proudly witnessed an event that will be recorded in history as one of the most significant achievements in man's pioneering ventures into outer space.

Gerald Carr, William Pogue, and Edward Gibson returned to Earth last Friday afternoon after working in our Skylab 3 space station for almost 3 months. The records they established are too numerous to list as they pushed America even further into world leadership in the scientific study of outer space.

I know that all my colleagues here today join me in stating that we, along with all Americans, are proud of the superb performance of not only our astronauts, but the entire team of the National Aeronautics and Space Administration, during their 84-day voyage.

The significance of this mission is much greater than just another in a long line of statistical achievements for America. The Skylab 3 experiments will bring a wealth of scientific knowledge to benefit all men for many years to come.

Astronauts Carr, Pogue, and Gibson did far more than prove that man can live and work in a prolonged state of weightlessness.

They did medical studies, observations of the Sun, studies of the Earth, and experiments involving a variety of chemical and biological processes that man has never done before and could do no other way.

For example, the astronauts found they could make metal alloys in zero gravity that are impossible to make on Earth.

It will take a year or longer to fully analyze the mass of data gathered on this space trip, but we are already certain that the achievements of our Skylab project are a total success and that our investment in space exploration is well spent.

The success of the Skylab program is a tribute to all our Nation's citizens who have joined in supporting the accomplishment of an American dream.

But especially, the credit for these achievements must go to our space team, from Washington to Cape Kennedy and to the L. B. J. Space Center that I am proud to say is in my home district at Houston.

Mr. Speaker, I am convinced that nothing this Nation has ever achieved will be recorded more favorably in history than our effort to go beyond this planet in seeking knowledge where no one had gone before, and then to share it with all mankind.

I hope that my colleagues will join me in telling the American people that our pioneering spirit does not end here, but that we will shall continue to extend our discoveries in space and to apply the benefits of our research here on Earth.

And I know that every Member of this Congress joins me in saying to these three brave Americans who were the crew of Skylab 3: We salute you for a job well done.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JOHNSON of California (at the request of Mr. O'NEILL), for February 13 and 14, on account of illness.

Mr. KYROS (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. MOSS, from February 15, close of business, through March 5, 1974, on account of medical treatment under doctor's orders.

Mr. PETTIS (at the request of Mr. ARENDS), for February 13 and balance of week, on account of official business.

Mr. RONCALIO of Wyoming (at the request of Mr. O'NEILL), for today, on account of necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SIKES, for today, for 15 minutes.

Mr. SIKES, for February 14, 1974, for 15 minutes.

(The following Members (at the request of Mr. GUYER) to revise and extend their remarks and include extraneous material:)

Mr. HANRAHAN, for 30 minutes, February 20, 1974.

Mr. KEMP, for 15 minutes, today.

(The following Members (at the request of Mr. THORNTON) and to revise and extend their remarks and include extraneous matter:)

Mr. DINGELL, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. ROY, for 5 minutes, today.

Mr. REUSS, for 10 minutes, today.

Mr. DOMINICK V. DANIELS, for 10 minutes, today.

Mr. FUQUA, for 5 minutes, today.

Mr. MORGAN, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BRADEMAS and to include extraneous matter notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $522.50.

Mr. FRASER and to include extraneous matter notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,149.50.

Mr. BLACKBURN and to include extraneous matter notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,985.50.

Mr. GROSS to revise and extend remarks made in connection with dispensing of Calendar Wednesday business.

Mr. CLEVELAND, and to include extraneous material immediately following Mr. WRIGHT's special order today.

(The following Members (at the request of Mr. GUYER) and to include extraneous material:)

Mr. PEYSER in five instances.

Mr. FRENZEL in two instances.

Mr. YOUNG of Alaska.

Mr. SARASIN.

Mr. ARCHER in two instances.

Mr. ZWACH.

Mr. WALSH.

Mr. HUNT in two instances.

Mr. SMITH of New York.

Mr. DERWINSKI in three instances.

Mr. GILMAN in two instances.

Mrs. HOLT.

Mr. DUNCAN.

Mr. KEMP in two instances.

(The following Members (at the request of Mr. THORNTON) and to revise and extend their remarks:)

Mr. CORMAN in five instances.

Mr. HAMILTON in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in six instances.

Mr. OWENS in five instances.

Mr. BOLLING in two instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. MONTGOMERY.

Mr. HARRINGTON in four instances.

Mr. SISK.

Mr. DINGELL.

Mrs. MINK.

Mr. OBEY in six instances.

Mr. ROONEY of New York.

Mr. MATHIS of Georgia.

Mr. HARRINGTON in four instances.

Mr. CAREY of New York.

Mr. PATTEN in two instances.

Mr. MOORHEAD of Pennsylvania in 10 instances.

Mr. WRIGHT.

Mr. HUNGATE.

Mr. DENT.

Mr. MURPHY of New York in three instances.

Mr. ASHLEY.

Mr. ROSENTHAL in five instances.

Mr. EDWARDS of California.

Mr. LITTON.

Mr. MADDEN.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 184. An act to authorize and direct the Secretary of the Interior to sell interests of the United States in certain lands located in the State of Alaska to the Gospel Missionary Union; to the Committee on Interior and Insular Affairs.

S. 194. An act to authorize the Secretary of the Interior to convey to the city of Anchorage, Alaska, interests of the United States in certain lands; to the Committee on Interior and Insular Affairs.

S. 1863. An act to designate the Weminuche Wilderness, Rio Grande and San Juan National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 37. An act to amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the offices of Director and Deputy Director of the Office of Management and Budget, and for other purposes.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 9 minutes p.m.), the House adjourned until Thursday, February 14, 1974, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

January 9, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Permanent staff:		
John F.O'Neal	General counsel	$18,000.00
Hyde H. Murray	Associate counsel	17,985.72
John V. Rainbolt	do	13,783.94
Fowler C. West	Staff director	15,357.75
Louis T. Easley	Press assistant	13,875.62
George F. Misslbeck	Printing editor	11,569.44
Betty M. Prezioso	Staff assistant	9,212.67
Martha S. Hannah	do	9,212.67
Marjorie B. Johnson	Secretary to associate counsel.	9,212.67
Peggy L. Pecore	Calendar clerk	9,212.67
Steven S. Allen	Staff counsultant	8,190.78
Investigative staff:		
Mildred P. Baxley	Staff assistant	9,212.67
Mary P. Shaw	do	7,492.62
Doris Lucile Farmarco	do	7,492.62
Julia W. Kogut	Secretary to staff director.	7,678.89
Glenda Louise Temple	Secretary to general counsel.	7,678.89
Nan S. Hunter	Staff assistant	4,482.33
Lydia Vacin	do	1,797.90
Anita R. Brown	Staff assistant (from July 9, 1973).	6,366.13
Emily K. Wulff	Staff assistant (from Sept. 24, 1973).	1,828.89
Stephen J. Pringle	do	3,376.43
Nancy Gail Glass	Staff assistant	1,900.05
Janet L. Jaenke	Staff assistant (through Aug. 24, 1973).	840.01

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	45,444.88
Amount expended from June 30, to Dec. 31, 1973	62,730.58
Total amount expended from Jan. 1 to Dec. 31, 1973	108,175.46
Balance unexpended as of Dec. 31, 1973	41,824.54

W. R. POAGE, Chairman.

COMMITTEE ON APPROPRIATIONS

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Keith F. Mainland	Clerk and staff director	$18,000.00
Jay B. Howe	Reemployed annuitant	4,446.00
G. Homer Skarin	Staff assistant	18,000.00
Eugene B. Wilhelm	Reemployed annuitant	4,840.00
Samuel R. Preston	Staff assistant	18,000.00
Hunter L. Spillan	do	18,000.00
Henry A. Neil, Jr	do	18,000.00
Aubrey A. Gunnels	do	18,000.00
George E. Evans	do	18,000.00
Earl C. Silsby	do	18,000.00
Peter J. Murphy, Jr	do	18,000.00
John M. Garrity	do	15,195.68
Robert B. Foster	do	15,120.68
Milton B. Meredith	do	15,539.81
Thomas J. Kingfield	do	13,084.37
Donald E. Richbourg	do	13,084.37
Robert C. Nicholas	do	12,906.27
George A. Urian	do	11,675.93
Dempsey B. Mizelle	do	12,198.88
Charles W. Snodgrass	do	11,991.24
John G. Plashal	do	9,419.16
Byron S. Nielson	Staff assistant	$9,165.48
J. David Willson	do	12,011.09
Americo S. Miconi	do	11,924.58
Derek J. Vander Schaaf	do	14,877.24
Robert L. Knisely	do	8,012.11
Richard N. Malow	do	12,748.60
Frederick F. Pfluger	do	16,189.50
John G. Osthaus	do	10,321.85
Paul E. Thomson	do	9,200.03
Charles G. Hardin	do	8,955.10
Edwin F. Powers	do	11,970.67
Edward E. Lombard	Staff assistant (from Oct. 1).	9,000.00
Lawrence C. Miller	Editor	14,775.32
Paul V. Farmer	Assistant editor	10,487.98
Gerard J. Chouinard	Administrative assistant.	9,205.03
Austin G. Smith	Clerical assistant	8,653.49
Dale M. Shulaw	do	7,472.90
Gemma M. Weiblinger	do	5,356.16
Virginia M. Keyser	do	6,330.73
Jane A. Meredith	do	5,035.11
Betty A. Swanson	do	7,804.44
Eva K. Harris	do	4,823.65
Marcia L. Matts	do	5,734.85
Sandra A. Gilbert	do	7,166.97
Randolph Thomas	Messenger	6,546.28
Francis M. Hugo	Minority clerk	15,375.00
B. Enid Morrison	Staff assistant to minority.	13,062.51
Mary H. Smallwood	Clerical assistant (majority).	7,949.79
Samuel A. Mabry	do	7,949.79
Catherine M. Voytko	do	7,629.75
T. Robert Garretson	do	7,629.75
Naomi A. Rich	do	7,678.89
Laura E. Lineberry	do	7,223.31
Susan L. Shaw	do	7,629.75
George F. Allen	do	7,949.79
Rachel Shugars	Clerical assistant (to Oct. 31)(majority).	4,874.99
Robert M. Walker	Clerical assistant (majority).	6,143.10
Michael J. O'Neil	Clerical assistant (from Aug. 15) (majority).	8,573.45
Freda J. Sheppard	Clerical assistant (from Nov. 1) (majority).	2,916.66
David K. Kehl	Clerical assistant (minority).	8,299.98
Patience S. Vaccaro	do	7,525.29
Mary Ann Bond	do	6,189.48
Anna L. Lamendola	do	6,757.29
Lawrence W. Siegel	do	8,369.39
Charles M. Seeger	do	10,929.01
Stephen T. Adams	do	11,250.00
Karen S. Vagley	do	10,250.01
Thomas H. Hardy	Clerical assistant (to Nov. 30)(minority).	6,593.96
James W. Dyer	Clerical assistant (to July 31)(minority).	1,666.67
Paul Imse	Clerical assistant (to Aug. 31)(minority).	3,750.00
Douglas Mulligan	Clerical assistant (to Sept. 30)(minority).	2,949.99
Richard Roberts	Clerical assistant (from Aug. 13) (minority).	6,324.12
James E. Donahue	Clerical assistant (from Sept. 1 to Oct. 31)(minority).	3,666.66
Warren S. Chase	Clerical assistant (from Sept. 1) (minority).	6,905.18
Lawrence R. Klur	Clerical assistant (from Nov. 1) (minority.)	2,666.66
Beverly B. Thierwechter	Clerical assistant (from Dec. 1) (minority).	1,000.00

Amount expended from July 1 to Dec. 31, 1973	$752,896.77
Total amount expended from July 1 to Dec. 31, 1973	752,896.77

GEORGE MAHON, Chairman.

COMMITTEE ON APPROPRIATIONS

Investigations staff:

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946. as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cornelius R. Anderson	Chief, surveys and investigations staff.	$18,000.00
Leroy R. Kirkpatrick	Director, surveys and investigations staff.	17,799.99
David A. Schmidt	1st assistant director, surveys and investigations staff.	17,405.43
Dennis F. Creedon, Jr.	2d assistant director, surveys and investigations staff.	16,791.12
Mary Alice Sauer	Administrative assistant.	8,347.26
Genevieve A. Mealy	Secretary	5,006.13
Frances May	do	7,223.34
Sharon K. Tinsley	do	4,575.06
Agriculture, Department of:		
Donald S. Lauder	Investigator	1,810.84
R. W. Brannon	do	7,710.95
U.S. Army Audit Agency:		
Stephen E. Keefer	do	4,478.82
Defense Contract Audit Agency:		
Maurice A. Herron	do	12,566.25
Commerce, Department of:		
Edward Lombard	do	2,958.24
Air Force Audit Agency:		
Donald J. Gibb	do	3,458.04
General Services Administration:		
Kevin F. Flanagan	do	8,118.37
H. H. Jones	do	2,410.87
National Aeronautics and Space Administration:		
Bernard F. Carey	do	3,272.22
Francis Stepka	do	12,624.50
Federal Bureau of Investigation:		
Stuart W. Angevine	do	14,145.76
William M. Baker	do	4,250.40
Carl L. Bennett	do	14,819.44
Willis Bennett, Jr	do	13,984.56
Lane M. Bonner, Jr	do	3,790.40
Andrew P. Bosko	do	13,132.24
Donald A. Brummitt	do	2,065.60
Ronald B. Carpenter	do	6,636.80
Gerard C. Carroll	do	14,145.76
W. Dana Carson	do	14,819.44
John F. Connaughton	do	4,250.40
Bernard E. Currigan	do	7,533.84
Robert M. Franklin	Investigator	14,145.76
Paul K. Funkhouser	do	4,915.68
John G. Goedtel	do	14,293.60
James H. Geer	do	12,120.24
Eugene C. Gies	do	9,680.72
William P. Haynes, Jr	do	12,601.92
Russell N. Kamin	do	10,512.40
Edwin J. Kelly	do	4,121.52
Martin F. Maher	do	6,648.00
Joseph Malyniak, Jr	do	13,811.92
James P. Mansfield	do	14,145.76
Richard F. McEliece	do	14,370.40
Hugh B. McGahey	do	11,797.20
Joseph E. Michalski	do	14,188.00
Earle J. Morris	do	13,811.92
William C. Nash	do	5,816.80
John J. Radican	do	13,811.92
Marion S. Ramey	do	16,008.80
Thomas C. Reneghan	do	4,065.60
Edward V. Schaum	do	14,145.76
Charles E. Szoka	do	14,145.76
Raymond E. Talley	do	13,132.24
John A. Van Wagenen	do	12,241.68
William H. Welch, Jr	do	14,819.44
H. Branch Wood	do	14,819.44
Ann K. Stull	Clerical assistant	3,906.96
Marie L. Strittmatter	do	4,142.24
Health Benefits (FBI)		3,794.03
Life insurance (FBI)		1,455.16
Retirement (FBI)		25,401.53
FICA (FBI)		228.57
Travel expenses		160,687.58
Miscellaneous expenses		2,689.45

Funds authorized or appropriated for committee expenditures	$1,612,000.00
Amount of expenditures previously reported	----------
Amount expended from July 1, to Dec. 31, 1973	764,610.52
Total amount expended from July 1, to Dec. 31, 1973	764,610.52
Balance unexpended as of Dec. 31, 1973	847,389.48

GEORGE MAHON, Chairman.

COMMITTEE EMPLOYEES—Continued

COMMITTEE ON ARMED SERVICES

January 8, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frank M. Slatinshek	Chief counsel	$18,000.00
William H. Cook	Counsel	17,950.00
John J. Ford	Professional staff member.	17,848.83
Ralph Marshall	do	16,467.39
George Norris	Counsel	15,814.38
James F. Shumate, Jr.	do	15,814.38
William H. Hogan, Jr.	do	13,060.35
H. Hollister Cantus	Professional staff member.	11,531.10
Oneta L. Stockstill	Executive secretary	14,196.03
Earl J. Morgan (through Aug. 15).	Professional staff member.	1,875.00
Berniece Kalinowski	Secretary	10,363.11
L. Louise Ellis	do	10,363.11
Edna E. Johnson	do	10,363.11
Dorothy R. Britton	do	10,363.11
Innis E. McDonald	do	7,779.42
Ann R. Willett	do	6,473.40
Emma M. Brown	do	6,473.40
Nancy S. Jones	do	5,912.73
Diane W. Bowman	do	5,394.51
Mary Ann McKibben	do	5,375.22
William B. Short, Jr.	Clerical staff assistant	8,517.60
James A. Deakins	do	7,836.21
Issiah Hardy	do	5,745.33
Staff, Armed Services Investigating Subcommittee (pursuant to H. Res. 185 and H. Res. 264, 93d Cong.):		
John T. M. Reddan	Counsel	17,950.00
John F. Lally	Assistant counsel	16,467.39
Richard A. Ransom (through Oct. 15).	Professional staff member.	8,664.41
Rose C. Beck	Secretary	7,779.42
Adeline Tolerton	Clerk	6,814.11
Joyce C. Bova	Secretary	5,912.73

Funds authorized or appropriated for committee expenditures H. Res. 264	$225,000.00
Amount of expenditures previously reported	73,194.61
Amount expended from July 1 to Dec. 31	74,098.95
Total amount expended from Jan. 1 to Dec. 31	147,293.56
Balance unexpended as of Jan. 1, 1974	77,706.44

F. EDWARD HÉBERT, Chairman.

COMMITTEE ON BANKING AND CURRENCY

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Paul Nelson	Clerk and staff director	$18,000.00
Orman S. Fink	Staff director, minority	18,000.00
Curtis A. Prins	Chief investigator	18,000.00
Charles B. Holstein	Professional staff member.	18,000.00
Benet D. Gellman	Counsel	18,000.00
Joseph C. Lewis	Professional staff member.	18,000.00
Graham T. Northup	do	18,000.00
Mary W. Layton	Secretary to minority	12,213.84
Donald G. Vaughn	Administrative assistant.	10,559.37
Total		148,773.21
Investigative (H. Res. 306):		
Deborah Ambourgey (Alt.).	Secretary	$3,770.12
Annette M. Bouchard	do	5,119.23
Richard C. Barnes	Professional staff member.	11,356.83
James P. Caldwell, Jr.	do	15,357.75
L. Marie Chaillet	Minority secretary	8,190.78
Davis O'Connell Couch.	Counsel	11,806.26
Jane N. D'Arista	Professional staff member.	8,446.77
Delores K. Dougherty	Research associate	9,944.22
Cheryl Dykstra	Secretary	1,069.45
Michael Paul Flaherty	Assistant counsel	10,764.75
Helen Hitz	Administrative assistant.	11,626.05
John P. Hollihan	Assistant clerk	1,000.00
Lorraine G. Inman	Secretary	5,814.56
Joseph J. Jasinski	Professional staff member.	16,634.49
Richard M. Kay	Assistant clerk	2,095.41
Mary E. Kirk	do	6,986.85
Joann Kniphfer	Secretary	2,688.06
Ellen Marie Larkin	Research assistant	4,607.34
Robert Edward Loftus	Professional staff member.	11,774.28
Joel V. Lumer	Assistant clerk	1,611.11
Mary-Helen McGrath	Secretary	5,968.08
Kelsay Ray Meek	Professional staff member.	15,615.63
Mildred S. Mitchell	Assistant clerk	10,471.35
Clifford E. Payne	do	799.22
Margaret L. Rayhawk	Research associate	10,250.07
Yan Michael Ross	Minority counsel	15,869.67
Merrill Stevenson	Assistant clerk	8,611.83
Jeanne Carolyn Smith	Secretary	6,359.82
Richard L. Still	Professional staff member.	16,137.57
Catherine M. Taber	Secretary	3,400.62
Barbara Ann Thompson	do	2,891.34
Robert E. Weintraub	Staff economist	18,000.00
Stephen M. Welch	Research assistant	4,285.90
Total		269,325.41

Funds authorized or appropriated for committee expenditures	$818,800.00
Amount of expenditures previously reported	232.446,36
Amount expended from July 1 to Dec. 31, 1973	309,609.30
Total amount expended from Jan. 3 to Dec. 31, 1973	542.055.66
Balance unexpended as of Dec. 31, 1973	276,744.34

WRIGHT PATMAN, Chairman.

SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Brent B. Barriere	Assistant clerk	$1,552.79
M. Wendell Belew, Jr.	do	1,552.79
Marilyn A. Donahue	Minority secretary	6,143.10
Jane Carey Enger	Secretary	10,471.35
David Glick	Counsel	18,000.00
George Gross	do	18,000.00
Emily Hightower	Executive secretary	9,594.09
Mercer L. Jackson	Minority staff member	15,701.87
Raymond K. James	Counsel	15,327.65
Benjamin B. McKeever	do	17,288.22
Gerald R. McMurray	Staff director	18,000.00
Wanda Jean Raupach	Secretary	7,672.59
Carolyn Sheredy	do	3,000.00
Catherine M. Smith	Minority secretary	6,143.10
Mary Elizabeth Sullivan	Assistant clerk	4,313.68
Anthony Valanzano	Minority counsel	16,893.54
Doris M. Young	Assistant clerk	10,755.42
Total		180,410.19

Funds authorized or appropriated for committee expenditures	$407,500.00
Amount of expenditures previously reported	166,152.48
Amount expended from July 1 to Dec. 31, 1973	195,922.19
Total amount expended from Jan. 3 to Dec. 31, 1973	362,074.67
Balance unexpended as of Dec. 31, 1973	45,425.33

WRIGHT PATMAN, Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Dorothy Quarker	Chief of staff (P)	$18,000.00
Robert B. Washington	Chief counsel (P)	18,000.00
John E. Hogan	Minority counsel (P)	18,000.00
Ruby E. Martin	Counsel (P)	13,714.79
Daniel Martin Freeman.	Counsel	11,774.28
Ralph Ulmer	Professional staff member minority (P).	8,142.00
James T. Clark	Staff assistant (C)	16,338.38
Dale Maclyer	do	12,798.12
Jacqueline Wells	do	11,262.33
Maria L. Otero	Office administrator (C).	10,179.37
Mary B. Wyatt	Staff assistant (C) to Aug. 31, 1973.	4,500.00
Dr. Alvin D. Loving	Scholar in residence (C), education expert from Sept. 1, 1973.	7,500.00
Linda Smith	Staff assistant (C)	10,084.92
Total		160,294.19
Investigative committee:		
Manley, LaVonne	Secretary	7,166.97
Worsham, Wanda	do	7,166.97
Middleton, Joan	do	7,166.97
Stultz, Jean	do	7,166.97
McDaniels, Lorraine	do	6,143.10
DeMaio, Grace	do	5,506.18
Walters, Susan	do	5,354.82
Richardson, Theodore	Clerk	4,863.30
Winston, Louise	Receptionist	4,863.30
Hughes, Wilbur	Investigator	7,678.89
Gantt, Joyce	Secretary to Aug. 31, 1973.	1,916.66
Hilder, Leonard	Research assistant (minority).	12,260.61
Jones, Diana N	Secretary from Sept. 1, 1973.	3,279.96
Boyer, Spencer H	Special assistant, (effective Sept. 1, 1973, terminated Dec. 31, 1972).	5,333.32
Hams, Jacqueline E	Clerk (effective Nov. 1, 1973, terminated Dec. 31, 1973).	1,396.94
Anderson, Dorothy	Secretary (effective Nov. 1, 1973).	1,746.16
Parker, Jane E	do	2,022.22
Chappelle, Yvonne R	Research assistant (effective Nov. 1, 1973).	2,500.00
Moore, Rebecca	Subcommittee consultant, Subcommittee on Business, Commerce, and Taxation.	7,678.89
Hoffman, Margaret	Subcommittee research assistant, Subcommittee on Business, Commerce, and Taxation.	5,119.23
Clair, Joseph	Subcommittee counsel, Subcommittee on Education.	11,262.33
Duberstein, Michael	Subcommittee research assistant, Subcommittee on Education.	1,535.79
Depuy, Jacques	Subcommittee counsel, Subcommittee on Government Operations.	10,970.68

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Darneille, Ann	Subcommittee research assistant, Subcommittee on Government Operations (terminated Sept. 15, 1973).	$1,041.67
Daniels, Harley J	Subcommittee counsel, Subcommittee on Judiciary (terminated Nov. 31, 1973).	10,615.41
Lee, Howard	Subcommittee consultant, Subcommittee on Judiciary.	1,176.46
Pugh, Muriel	Subcommittee research assistant, Subcommittee on Judiciary (effective Dec. 1, 1973).	1,006.25
Swaim, Stephen	Subcommittee consultant, Subcommittee on Revenue and Financial Affairs.	8,702.73
Mosbaek, Margi	Subcommittee research assistant, Subcommittee on Revenue and Financial Affairs.	3,583.47
Kirschten, Joseph D	Subcommittee on Labor, Social Services, and the International Community.	11,313.54
Fleischer, Karen	Subcommittee research assistant, Subcommittee on Labor, Social Services, and the International Community.	1,484.58
Total investigative		169,024.37

Funds authorized or appropriated for committee expenditures	$275,000.00
Amount of expenditures previously reported	77,991.96
Amount expended from July 1 to Dec. 31, 1973	174,049.53
Total amount expended from Jan. 2 to Dec. 31, 1973	252,041.49
Balance unexpended as of Dec. 31, 1973	22,958.51

CHARLES C. DIGGS, JR., Chairman.

COMMITTEE ON EDUCATION AND LABOR—STANDING COMMITTEE

January 15, 1974.

To the *Clerk of the House*:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Donald M. Baker	Chief clerk and associate counsel (from July 1 to Dec. 31, 1973).	$18,000.00
Donald F. Berens	Administrative assistant (from July 1 to Dec. 31, 1973).	14,284.14
Louise Maxienne Dargans.	Research director (from July 1 to Dec. 31, 1973).	18,000.00
William F. Gaul	Associate general counsel (from July 1 to Dec. 31, 1973).	18,000.00
Hartwell D. Reed, Jr	General counsel (from July 1 to Dec. 31, 1973).	18,000.00
Benjamin F. Reeves	Assistant to chairman and assistant clerk (from July 1 to Dec. 31, 1973).	18,000.00
Austin P. Sullivan, Jr	Legislative director (from July 1 to Dec. 31, 1973).	18,000.00
Louise M. Wright	Administrative assistant (from July 1 to Dec. 31, 1973).	$15,175.62
Marian R. Wyman	Special assistant to chairman (from July 1 to Dec. 31, 1973).	17,838.33
Minority Staff:		
Robert C. Andringa	Minority staff director (from July 1 to Dec. 31, 1973).	18,000.00
Charles W. Radcliffe	Minority counsel (from July 1 to Dec. 31, 1973).	18,000.00
Louise W. Finke	Assistant to minority staff director (from July 1 to Dec. 31, 1973).	8,880.93

Funds authorized or appropriated for committee expenditures	Contingent fund
Amount of expenditures previously reported	$198,816.36
Amount expended from July 1 to Dec. 31, 1973	200,179.02
Total amount expended from Jan. 1 to Dec. 31, 1973	398,995.38
Balance unexpended as of Dec. 31, 1973	Contingent fund

CARL D. PERKINS, Chairman.

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Carole J. Ansheles	Assistant clerk (from July 1 to Dec. 31, 1973).	$3,537.26
Portia A. Battle	Assistant clerk (temporary) (summer) (from July 1 to July 8 and Aug. 1 to Aug. 31, 1973).	633.33
Patricia R. Bowley	Administrative assistant (from July 1 to Dec. 31, 1973).	6,727.98
William H. Cable	Counsel (from July 1 to Dec. 31, 1973).	13,008.14
Katherine Kennedy Clark.	Research assistant (from July 1 to Dec. 31, 1973).	9,946.63
Ronald M. Constine	Assistant clerk (temporary) (summer) (from July 1 to Aug. 6, 1973).	600.00
Elizabeth A. Cornett	Administrative assistant (from July 1 to Dec. 31, 1973).	9,944.04
Lelia T. Cornwell	do	8,858.34
Karen Y. Foley	Assistant Clerk (temporary) (summer) (from July 1 to Aug. 14, 1973).	733.33
Katherine Gaudette	Secretary (from July 1 to Nov. 30, 1973).	3,566.78
Eric M. Hall	Assistant clerk (temporary) (from Sept. 17 to Dec. 31, 1973).	
Marilyn L. Hargett	Assistant clerk (temporary) (summer) (from July 1 to Aug. 16, 1973).	766.67
Kevin J. Jennier	Assistant clerk (temporary) (summer) (from July 1 to Aug. 31, 1973).	1,000.00
Douglas P. Katcher	Research assistant (from July 1 to Dec. 31, 1973).	4,305.90
Shirley R. Mills	Secretary (from July 1 to Dec. 31, 1973).	8,858.34
Lewis D. Morris, Jr	Assistant clerk (temporary) (summer) (from July 1 to Sept. 4, 1973).	$1,066.67
Michael Lee Moye	Assistant clerk (temporary) (summer) (from July 9 to Sept. 4, 1973).	933.34
David S. Putnam	Staff assistant (from July 1 to Dec. 31, 1973).	5,516.01
Timothy T. Reese	Assistant clerk (from July 1 to Dec. 31, 1973).	4,158.7
Peter Schott	do	4,197.39
W. Thornton Scott	Assistant clerk (temporary) (summer) (from July 1 to Aug. 10, 1973).	
Michael D. Sherman	Assistant Clerk (temporary) (Summer) (from July 1 to Aug. 22, 1973).	866.67
Mary L. Shuler	Secretary (from July 1 to Dec. 31, 1973).	8,073.57
Jeanne E. Thomson	Legislative assistant (from July 1 to Dec. 31, 1973).	10,842.93
Robert H. Van Meter III	Assistant clerk (temporary) (summer) (from July 1 to Aug. 17, 1973).	783.33
John E. Warren	Research assistant	6,143.10
Minority:		
Kim Allnger	Secretary (from July 1 to Dec. 31, 1973).	4,500.00
Edith Carter Baum	Minority counsel (from July 1 to Dec. 31, 1973).	15,541.65
Mildred Sue Blumel	Secretary (from July 1 to Sept. 30, 1973).	2,200.93
Christopher T. Cross	Minority legislative associate (from July 1 to Dec. 31, 1973).	17,587.59
Susan Connolly DeMarr.	Secretary (from July 1 to Dec. 31, 1973).	4,875.00
Janet Craig Haddesheimer.	Minority research assistant (from July 1 to Aug. 31, 1973).	1,750.00
Karen L. Huester	Minority clerk-typist (from July 1 to Aug. 31, 1973).	1,200.00
Martin L. LaVor	Minority legislative associate (from July 1 to Dec. 31, 1973).	15,529.32
John B. Lee	Minority research assistant (from Sept. 1 to Dec. 31, 1973).	4,416.68
Jo Anne Pierson	Secretary (from July 1 to Dec. 31, 1973).	4,995.16
Silvia J. Rodriguez	do	6,040.71
John Charles Sheerlin	Minority counsel for labor (from July 1 to Dec. 31, 1973).	18,000.00
Yvonne Franklin Smith.	Minority legislative associate (from July 1 to Dec. 31, 1973).	10,152.37
Dorothy L. Strunk	Secretary (from July 1 to Dec. 31, 1973).	7,042.02
Patricia Ann Sullivan	Minority secretary (from Sept. 1 to Dec. 31, 1973).	3,901.41

Funds authorized or appropriated for committee expenditures	$720,000.00
Amount of expenditures previously reported	217,699.63
Amount expended from July 1 to Dec. 31, 1973	254,491.67
Total amount expended from Jan. 3 to Dec. 31	472,161.30
Balance unexpended as of Dec. 31, 1973	247,838.70

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON EDUCATION, NO. 1

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Eydie Gaskins	Special assistant (from July 1 to Dec. 31, 1973).	$9,365.34
John F. Jennings	Counsel (from July 1 to Dec. 31, 1973).	18,000.00
Toni E. Painter	Secretary (from July 1 to Dec. 31, 1973).	3,583.47
Ivan Swift	Legislative assistant (from July 1 to Dec. 31, 1973).	10,750.44

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	33,268.13
Amount expended from July 1 to Dec. 31, 1973	43,855.06
Total amount expended from Jan. 3 to Dec. 31, 1973	77,123.19
Balance unexpended as of Dec. 31, 1973	12,876.81

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON LABOR, NO. 2

(Representative Frank Thompson, Jr., Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jeunesse M. Beaumont	Clerk (from July 1 to Dec. 31, 1973).	$9,409.11
A. Jefferson Dodds	Assistant clerk (from July 1 to Aug. 10, 1973).	577.77
James Edward Fox	Assistant clerk (from July 1 to July 31, 1973).	500.00
Donald J. Kaniewski	Research assistant (from July 1 to Dec. 31, 1973).	3,594.85
Cheryl G. Matcho	Secretary (from July 1 to Dec. 31, 1973).	5,119.23
Richard A. Millner	Assistant clerk (from Dec. 1 to Dec. 31, 1973).	128.33
Robert E. Moss	Counsel (from July 1 to Dec. 31, 1973).	13,725.23
Daniel H. Pollitt	Special counsel (from Sept. 1 to Dec. 31, 1973).	2,666.68
Richard Shaffer	Research assistant (from July 1 to July 31, 1973).	541.67
Timothy F. Wulinger	Assistant clerk (from July 1 to July 31, 1973).	1,000.00

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	39,716.16
Amount expended from July 1 to Dec. 31 1973	39,664.39
Total amount expended from Jan. 3 to Dec. 31 1973	79,380.55
Balance unexpended as of Dec. 31, 1973	10,619.45

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON LABOR, NO. 3

(Representative John H. Dent, Chairman)

January 15, 1973.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Barbara A. Dinuson	Secretary (from July 1 to Dec. 31, 1973).	$3,867.95
Adrienne Fields	Clerk (from July 1 to Dec. 31, 1973).	9,419.16
Karen L. Heck	Assistant clerk (from July 1 to Aug. 31, 1973).	650.00
Robert E. Vagley	Director (from July 1 to Dec. 31, 1973).	17,593.74

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	32,993.32
Amount expended from July 1 to Dec. 31, 1973	33,414.41
Total amount expended from Jan. 3 to Dec. 31, 1973	66,407.73
Balance unexpended as of Dec. 31, 1973	23,592.27

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON LABOR, NO. 4

(Representative Dominick V. Daniels, Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Joseph D. Alviana	Associate counsel (from Sept. 1 to Dec. 31, 1973).	$5,178.89
Loretta A. Bowen	Clerk (from July 1 to Sept. 30, 1973).	4,025.01
Alexandra J. Kisla	Research staff assistant (from July 1 to Dec. 31, 1973).	6,655.02
Daniel H. Krivit	Counsel (from July 1 to Dec. 31, 1973).	16,074.45
Laura Stanton Wyman	Research assistant (from July 1 to July 31 and Oct. 1 to Dec. 31, 1973).	3,003.74

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	35,570.63
Amount expended from July 1 to Dec. 31, 1973	35,564.94
Total amount expended from Jan. 3 to Dec. 31, 1973	71,135.57
Balance unexpended as of Dec. 31, 1973	18,864.43

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON EDUCATION, NO. 5

(Representative John Brademas, Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jack G. Duncan	Counsel (from July 1 to Dec. 31, 1973).	$15,357.75
Eleanor M. Finver	Secretary (from July 1 to Dec. 31, 1973).	4,095.42
James Harvey	Deputy assistant (from July 1 to Dec. 31, 1973).	2,175.00
Frederick V. Mulhauser.	Research assistant (from Sept. 1 to Dec. 31, 1973).	$3,750.00
Christine M. Orth	Staff assistant (from July 1 to Dec. 31, 1973).	650.01
Gladys Marie Walker	Secretary (from July 1 to Dec. 31, 1973).	5,351.40

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	41,449.06
Amount expended from July 1 to Dec. 31, 1973	34,992.68
Total amount expended from Jan. 3 to Dec. 31, 1973	76,441.74
Balance unexpended as of Dec. 31, 1973	13,558.26

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON EDUCATION, NO. 6

(Representative James G. O'Hara, Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Rosanne Aceto	Assistant clerk (from July 1 to Dec. 31, 1973).	$4,359.75
Alfred Carl Franklin	Counsel (from July 1 to Dec. 31, 1973).	11,410.65
James B. Harrison	Staff director (from July 1 to Dec. 31, 1973).	15,124.50
Bernard M. Murphy, Jr.	Research assistant (from July 1 to Sept. 12, 1973).	1,039.99
Elnora Helen Teets	Clerk (from July 1 to Dec. 31, 1973).	6,781.80

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	36,790.40
Amount expended from July 1 to Dec. 31, 1973	41,433.14
Total amount expended from Jan. 3 to Dec. 31, 1973	78,223.54
Balance unexpended as of Dec. 31, 1973	11,776.46

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON EQUAL OPPORTUNITIES, NO. 7

(Representative Augustus F. Hawkins, Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
William J. Beckham, Jr.	Director (from July 1 1 to Dec. 31, 1973).	$15,275.99
Patricia S. Fleming	Research assistant (from July 1 to Nov. 6, 1973).	5,392.52
Susan Durkee Grayson	Special assistant (from July 1 to Dec. 31, 1973).	8,405.67

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Mary F. Higginbotham	Staff assistant (from Nov. 1 to Dec. 31, 1973).	$2,737.50
Carole M. Schanzer	Clerk (from July 1 to Dec. 31, 1973).	5,516.36
Elizabeth Hewitt Ross	Receptionist (from July 31, 1973).	390.00

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	33,605.95
Amount expended from July 1 to Dec. 31, 1973	41,248.08
Total amount expended from Jan. 3 to Dec. 31, 1973	74,854.03
Balance unexpended as of Dec. 31, 1973	15,145.97

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON AGRICULTURAL LABOR, NO. 8

(Representative William D. Ford, Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Virginia E. Anstead	Secretary (from Dec. 1 to Dec. 31, 1973).	$1,000.00
Meredith P. Branson	Clerk (from July 1 to Aug. 31, 1973).	2,833.34
Roy P. Dyson	Research aid (from July 1 to Dec. 31, 1973).	4,687.49
Michael J. Ferrell	Special assistant (from Oct. 1 to Oct. 31 and Dec. 1 to Dec. 31, 1973).	2,000.00
Thomas R. Jolly	Counsel (from July 1 to Dec. 31, 1973).	13,615.41
Patricia R. Morse	Clerk (from July 1 to Dec. 31, 1973).	7,866.97
Daniel H. Pollitt	Assistant clerk (from July 1 to Dec. 31, 1973).	5,019.89
Susan H. Pollitt	Assistant clerk (from Nov. 1 to Nov. 15, 1973).	158.34
Jill M. Zorack	Assistant clerk (from July 1 to Aug. 31, 1973).	1,083.34

Funds authorized or appropriated for committee expenditures	$90,000.00
Amount of expenditures previously reported	32,315.02
Amount expended from July 1 to Dec. 31, 1973	41,546.70
Total amount expended from Jan. 3 to Dec. 31, 1973	73,861.72
Balance unexpended as of Dec. 31, 1973	16,138.28

CARL D. PERKINS, Chairman.

TASK FORCE ON WELFARE AND PENSION PLANS, NO. 9 GENERAL SUBCOMMITTEE ON LABOR

(Representative John H. Dent, Chairman)

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Vance J. Anderson	Counsel (from July 1 to Dec. 31, 1973).	$13,821.99
Kathleen Berish	Stenographer (from Oct. 1 to Dec. 31, 1973).	1,714.36
Patrice C. Connerton	Clerk-typist (from July 1 to Sept. 14, 1973).	1,480.00
Suzanne Hays	Staff assistant (from July 1 to Dec. 31, 1973).	4,991.88
Leonard T. Kelley	Assistant clerk (from July 1 to Aug. 10, 1973).	433.33
Russell J. Mueller	Actuary and minority legislative associate (from July 1 to Dec. 31, 1973).	14,333.88
Robin Reid	Minority secretary (from July 1 to Dec. 31, 1973).	4,504.92
Frances M. Turk	Clerk (from July 1 to Dec. 31, 1973).	6,655.02

Funds authorized or appropriated for committee expenditures	$220,000.00
Amount of expenditures previously reported	54,276.51
Amount expended from July 1 to Dec. 31, 1973	53,361.65
Total amount expended from Jan. 3 to Dec. 31, 1973	107,638.16
Balance unexpended as of Dec. 31, 1973	112,361.84

CARL D. PERKINS, Chairman.

COMMITTEE ON FOREIGN AFFAIRS

January 10, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Marian A. Czarnecki	Chief of staff	$18,000.00
Albert C. F. Westphal	Staff consultant	18,000.00
Harry C. Cromer	do	18,000.00
Everett E. Bierman	do	16,078.23
John J. Brady, Jr	do	14,847.21
John H. Sullivan	do	14,847.21
Robert K. Boyer	do	12,798.12
John Chapman Chester	do	14,763.87
Peter A. Abbruzzese	do	13,628.16
Lewis Gulick	do	13,905.32
Sanford T. Rainwater	Legal consultant (effective Dec. 1, 1973).	1,000.00
George R. Berdes	Subcommittee staff consultant.	14,196.03
Robert B. Boettcher	do	14,196.03
Goler T. Butcher	do	14,196.03
R. Michael Finley	do	12,798.12
Clifford P. Hackett	do	14,196.03
Charles S. Levy	Subcommitte staff consultant (terminated Sept. 30, 1973).	6,249.99
Michael H. Van Dusen	Subcommittee staff consultant.	12,798.12
Thomas R. Kennedy	do	13,706.79
George M. Ingram IV	Subcommittee staff consultant (effective Oct. 1, 1973).	5,500.44
Helen C. Mattas	Senior staff assistant	13,292.94
Mary Louise O'Brien	Staff assistant	11,862.51
Paula L. Peak	do	9,875.22
Ray Sparks	do	10,361.66
Thelma H. Shirkey	do	6,707.72
Arlene M. Atwater	do	6,446.76
Shirley A. McManus	do	7,381.92
Bernadette M. Jenkins	Staff assistant (terminated Nov. 17, 1973).	4,911.49
Donna Gail Wynn	do	5,449.17
Jalayne R. Bruce	do	5,520.48
Jeanne M. Salvia	do	5,824.13
Karen J. Patterson	do	5,185.90
Josephine R. Weber	do	$5,169.23
Diane Lyn Miesel	do	4,247.78
Nancy K. Stout	Staff assistant (effective Sept. 2, 1973).	3,938.53
Joan C. Sullivan	Staff assistant (effective Nov. 15, 1973).	1,469.44
Ellen B. Pinnes	Staff assistant (effective Dec. 3, 1973).	622.22
Andrew B. Vanyo	Clerical assistant	5,451.27
Robert A. Stoner	do	4,776.96
Dona Sims	Special assistant (terminated Aug. 17, 1973).	1,044.45
Theana C. Yatron	Special assistant (terminated Aug. 24, 1973).	1,200.01

Funds authorized or appropriated for committee expenditures	$607,500.00
Amount of expenditures previously reported	231,415.71
Amount expended from July 1 to Dec. 31, 1973	245,569.60
Total amount expended from Jan. 1 to Dec. 31, 1973	476,985.31
Balance unexpended as of Dec. 31, 1973	130,514.69

THOMAS E. MORGAN, Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Expenses July 1, 1973, through Dec. 31, 1973:		
Full committee		$12,808.51
Special investigative staff.		64,085.35
Legislation and Military Operations Subcommittee.		36,280.38
Government Activities Subcommittee.		83,040.44
Intergovernmental Relations Subcommittee.		67,359.21
Conservation and Natural Resources Subcommittee.		67,179.31
Foreign Operations and Government Information Subcommittee.		74,474.51
Legal and Monetary Affairs Subcommittee.		46,523.15
Special Studies Subcommittee.		66,387.60
Total		518,138.46
Standing Committee (Hon. Chet Holifield, Chairman):		
Herbert Roback	Staff director	18,000.00
Elmer W. Henderson	General counsel	18,000.00
Miles Q. Romney	Counsel-administrator.	18,000.00
Douglas G. Dahlin	Associate counsel	14,077.95
Dolores L. Fel'Dotto	Staff member	9,944.22
Ann E. McLachlan	do	9,638.52
Catherine S. Cash	do	8,666.76
Marilyn F. Jarvis	do	8,549.04
Lilian M. Phillips	do	7,858.86
John Philip Carlson	Minority counsel	18,000.00
Warren B. Buhler	Minority professional staff member.	12,798.12
Clara Katherine Armstrong.	Minority research assistant.	8,870.40

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Standing Committee (Hon. Chet Holifield, Chairman):		
Expenses		$12,808.51
Total		12,808.51
Special investigative staff (Hon. Chet Holifield, Chairman):		
Stephen M. Daniels	Minority staff member	9,780.00
Richard L. Thompson.	do	9,780.00
Lawrence T. Graham	Minority staff member (from July 9, 1973).	9,355.46
James L. McInerney	Minority staff member (from Sept. 24, 1973).	5,346.02
Sheila G. Nathanson.	Minority secretary	4,926.64
Karen L. Tauber	do	4,709.73
Eileen W. Theim	Staff member	6,727.98
Ralph T. Doty	Clerical staff	5,086.95
Paul N. Nelson	do	4,305.90
Robert F. Carmody	Minority staff member (through Sept. 1, 1973).	4,066.67
Total		64,085.35
Legislation and Military Operations Subcommittee (Hon. Chet Holifield, Chairman):		
Charles Goodwin	Subcommittee counsel	8,040.00
Michael T. McGinn	Defense analyst	8,702.73
Catherine L. Koeberlein.	Research assistant	9,102.84
Mary Etta Haga	Clerk-stenographer	5,678.43
Wanda C. Johnson	Clerk-stenographer (from Oct. 21, 1973).	2,139.06
Michael A. Vorhaus	Clerical staff (from Sept. 5, 1973).	1,737.55
Expenses		879.77
Total		36,280.38
Government Activities Subcommittee (Hon. Jack Brooks, Chairman):		
William M. Jones	Subcommittee staff director.	15,070.68
William H. Copenhaver.	Counsel	14,333.88
C. Don Stephens	Research analyst	11,808.45
Lynne Higginbotham	Clerk-stenographer	7,898.85
Kathryn J. Ruksenos	Secretary	4,351.35
Expenses		29,577.23
Total		83,040.44
Intergovernmental Relations Subcommittee (Hon. L. H. Fountain, Chairman):		
James R. Naughton	Counsel	17,362.41
Delphis C. Goldberg	Professional staff member.	17,362.41
Gilbert S. Goldhammer.	Consultant	11,496.09
Gary E. Bombardier	Professional staff member (from July 2, 1973).	9,164.65
Pamela R. Horsmon	Clerk-stenographer	5,678.43
Margaret M. Goldhammer.	Secretary	4,766.25
Expenses		1,528.97
Total		67,359.21
Conservation and Natural Resources Subcommittee (Hon. Henry S. Reuss, Chairman):		
Phineas Indritz	Counsel	17,362.41
Davil B. Finnegan	Associate counsel	15,067.98
David H. Baris	Legal assistant	8,606.73
Robert J. Hellman	Staff analyst (from Oct. 10, 1973).	3,150.01
Josephine Scheiber	Research analyst	9,082.65
Ruth M. Wallick	Stenographer	6,948.78
Frances B. Lee	do	4,984.83
Expenses		1,975.92
Total		67,179.31
Foreign Operations and Government Information Subcommittee (Hon. William S. Moorhead, Chairman):		
William G. Phillips	Subcommittee staff director.	$17,362.41
Norman G. Cornish	Deputy subcommittee staff director.	17,362.41
Harold F. Whittington	Professional staff member.	13,542.81
L. James Kronfeld	Counsel	12,798.12
Martha M. Doty	Clerk	5,887.14
Nancy E. Wenzel	Secretary (from Nov. 1, 1973).	1,416.66
Almeda J. Harley	Secretary (through Oct. 31, 1973).	2,806.15
Expenses		3,298.81
Total		74,474.51
Legal and Monetary Affairs Subcommittee (Hon. Wm. J. Randall, Chairman):		
Erskine Stewart	Subcommittee staff director.	14,333.88
William G. Lawrence	Associate counsel	10,238.52
Wanda J. Reif	Professional staff member (from Sept. 10, 1973).	6,405.18
D. Faye Taylor	Clerk	5,887.14
Eleanor M. Vanyo	Secretary	5,119.23
Jeremiah S. Buckley	Assistant counsel (thorugh July 16, 1973).	789.82
Expenses		3,749.38
Total		46,523.15
Special Studies subcommittee, (Hon. Floyd V. Hicks, Chairman):		
Joseph C. Luman	Subcommittee staff director.	14,333.88
Jacob N. Wasserman	Counsel	16,220.73
Dean S. Kalivas	Professional staff member.	10,238.52
James L. Gyory	Investigator	9,214.65
Geraldine A. Fitzgerald.	Secretary	4,812.09
Wileen O. Moore	Clerk (through Aug. 31, 1973).	1,825.00
Expenses		9,742.73
Total		66,387.60

Funds authorized or appropriated for committee expenditures, H. Res 277–93d Congress	$1,219,700.00
Amount of expenditures previously reported	436,879.70
Amount expended from July 1 to Dec. 31, 1973	518,138.46
Total amount expended from Jan. 3 to Dec. 31, 1973	955,018.16
Balance unexpended as of Dec. 31, 1973	264,681.84

CHET HOLIFIELD, Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

January 29, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John T. Walker	Staff director	$18,000.00
Frank B. Ryan	Director, information systems.	18,000.00
Robert D. Gray	Chief auditor	17,819.34
John Warren McGarry	Attorney	3,000.00
John Blair	Assistant to the staff director.	14,763.87
Ralph Smith	Minority clerk	18,000.00
Ralph Murphy	Assistant clerk (minority).	$13,455.96
Mary F. Stolle	Assistant clerk	8,073.57
Evelyn H. Wilson	Office manager	8,073.57
Robert Anton	Assistant legal counsel	7,678.89
Charlene Brimmer	Assistant clerk (minority).	2,383.34
V. Tomlinson Youngblood.	Assistant clerk	5,357.30
Johanna Lucas	do	6,458.85
M. Lynn Hayes	Assistant clerk (minority).	3,156.17
David Carlton	Clerk, Police Subcommittee.	1,245.83
Sebastian Tom	Clerk, E. & M. Subcommittee.	8,546.77
Judith Simmons	Clerk, Accounts Subcommittee.	4,966.23
Gurney Jaynes	Assistant clerk	8,446.77
Shirley Harris	do	5,426.40
Joseph Ventura	Clerk, Personnel Subcommittee.	9,726.57
John Boos	Clerk, Library and Memorials Subcommittee.	11,250.36
Eric Honick	Clerk, Elections Subcommittee.	1,600.00
Cynthia Cortese	Assistant clerk	4,521.55
Margaret Dinneen	do	866.67
Pamela Bussen	Assistant clerk, Personnel Subcommittee.	4,654.89
Barbara Giaimo	Assistant clerk, E. & M. Subcommittee.	4,963.30
Vicki Moser	Assistant clerk	5,382.39
William Sudow	Clerk, Printing Subcommittee.	10,500.00
Thomas Pappas	Clerk, Accounts Subcommittee.	9,982.53
Ronald Merenbach	Assistant clerk	6,450.27
Cathy McMaster	Assistant clerk, Police Subcommittee.	375.00
Ollievia Frasier	Assistant clerk	2,314.35
John Ford	Assistant clerk, Elections Subcommittee.	1,842.93
Robert Byrd	Assistant clerk	500.00
Paul DiLorenzo	do	1,000.00
John Maxwell	Intern	509.19
James Burnes	Assistant clerk	3,559.62
Richard Oleszewski	Clerk, Elections Subcommittee.	4,317.17
Edgar Russell	Clerk, Contracts Subcommittee.	1,111.11
Elizabeth Ray	Assistant clerk, Police Subcommittee.	767.52
Linda Rogers	do	3,176.39
William Phillips	Assistant clerk	2,235.26
Candis Whitley	do	780.00
Sharon Kite	do	833.33

Funds authorized or appropriated for committee expendtirues	$450,000.00
Amount of expenditures previously reported	174,751.55
Amount expended from July 1 to Dec. 31, 1973	144,765.91
Total amount expended from Jan. 1 to Dec. 31 1973	319,547.46
Balance unexpended as of Dec. 31, 1973	130,452.54

WAYNE L. HAYS, Chairman.

INFORMATION SYSTEMS, HOUSE ADMINISTRATION

January 29, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Noah St. Clair	Senior systems programer.	$9,448.21
Timothy Gunter	Programer	6,309.48
David Brazeal	Systems analyst	8,539.95
Pauls B. Weirather	Receptionist/secretary	1,021.58
William Hill	Junior systems analyst	9,632.12
Benjamin Candler	Programer analyst	7,841.72

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Antoinette Gauthier	Communications terminal operator.	$4,645.88
Robert Mamma	Computer operator	5,360.37
Stuart Robinson	Senior information systems specialist.	3,114.80
Curtis Merrick	Junior project manager.	11,819.34
Vernon J. Walters	Programer analyst	7,403.46
Florence D. Franklin	Communications terminal operator.	2,180.49
Lynn Alcock	System factors specialists (junior).	4,931.49
Joseph Wagliardo	Project manager	10,948.44
Charles Graham	Deputy director	17,840.76
Edmond S. Mesko	Information systems specialist.	10,486.01
Dwight Phaehler	Junior information systems specialist.	11,430.27
Gerald Barnes	Computer operator	5,072.62
William Freeman	Computer systems analyst.	10,155.05
Don Anderson	System factors analyst	8,539.95
Jimmy Powell	Programer	7,728.51
Anne Wightman	do	6,079.11
Mark Janczewski	Intern	1,242.62
Norman Young	Junior project manager	12,351.02
Thomas J. Hawk	Communications control coordinator.	5,125.10
Robert Cohen	Information systems specialist.	9,696.10
John T. Reed	Senior systems analyst	10,311.78
Berthine Washington	Data preparation specialist.	3,638.40
Howard Ulep	Manager-standards and evaluation group.	11,819.34
Ada Taylor	Production control coordinator.	4,763.89
John Wunderlich	Systems programer	6,002.05
Edward R. Mills	Information systems	5,421.51
Waites J. Ward	Manager, data processing group.	681.38
Barbara Burda	Senior data preparation specialist.	4,639.19
Donald L. Robinson	Systems factors specialist.	6,904.99
Robert Klukas	Senior systems analyst.	9,678.45
Michael Frazier	Programer	6,012.99
Frank Robertson	Division head	13,769.76
Sheldon Grosberg	Management assistant	11,963.62
Stephen Stofko	Manager-committee applications.	12,887.06
Patricia Costlow	Communications control coordinator.	5,001.88
Carol Rich Meyer	Communications terminal operator.	4,164.24
Marsha Madden	Systems factors specialist, junior.	5,145.26
Frank Byrd	Senior computer operator.	5,416.38
Diana Lee Yudiskas	Junior systems programer.	7,164.90
Deloris Gilliam	Data preparation specialist.	3,397.42
Kathy August	Systems factors specialist.	1 816.93
Mary R. Conroy	Senior Production specialist.	3,968.49
Martha Crouse	Communications terminal operator.	4,333.47
Robert W. Garrett	Information systems specialist.	11,430.27
Margaret Hyland	Secretary	4,534.65
Steve Newman	Communication terminal operator.	4,019.40
Elmer Whiting	Computer operator	5,225.58
Linda Hall	Receptionist	3,640.29
Diane Oshetski	Secretary	4,388.22
Kathleen Fleege	Communications terminal operator.	1,874.92
Francis Pratt	Secretary	4,464.99
Francine Cromwell	Executive secretary	5,291.99
Katherine Diamond	Data preparation specialist.	3,663.86
Ed Fairleigh	Computer operator, junior.	3,731.43
Samuel Rogers	Senior computer operator.	5,124.11
Donald Morris	Manager, administrative applications.	11,819.34
Louis Johannes	Administrative clerk	3,753.59
Lewis DuBusc	Project manager	11,430.27
Barbara Swart	Communications terminal operator.	4,000.31
Susan Starr	Systems factors analyst.	9,109.17
David Underwood	Manager-operations support project.	10,247.17
Marie Williams	Information systems specialist.	9,393.8
Sandra Levine	Communications terminal operator.	3,640.29
Stephanie Everett	do	4,973.88
Wilbur Smith	Senior information systems specialist.	11,093.94
		11,093.94
Kendall Free	Systems analyst	$8,824.56
Gerald Murphy	Manager-financial management.	10,757.61
Katherine Bye	Technical research assistant.	4,873.53
Paul Pritchett	Communications terminal operator.	4,070.31
Hettie Prater	Technical aide	6,757.92
Ruth Wauters	Programmer analyst	8,119.14
Stuart Edwards	Systems analyst	9,028.94
Jeremy Frey	Research intern	470.00
Barbara Mann	Secretary	2,009.51
Gregory Trump	Senior systems programer.	3,136.62
Thomas Brown	Computer systems specialist.	7,626.34
Barbara Daniel	Secretary	3,510.48
Richard Maynard	Senior operations research analyst.	9,531.94
Gerald McQuire	Manager-legislative	10,555.35
Gerald Morrone	Systems analyst	7,626.34
Luis Amigo	Programer	5,355.35
Sandra Burke	Technical writer	4,687.28
Lolita Werhan	Receptionist typist	2,909.44
Sandra May	Communications terminal operator.	2,869.94
James Daley	Programer analyst	5,900.42
Mark Shriver	Computer operator	3,851.09
Mary McNair	Data preparation specialist.	2,422.16
Walter Haggerty	Senior computer systems specialist.	8,884.99
C. Wesley Jenkins	Systems analyst	7,105.13
Susan Zqeighaft	Programer	4,414.71
Robert Silberski	Senior computer operations coordinator.	4,481.63
Donna Fears	Programer (junior)	3,313.31
Jim Cowart	Programer	3,719.48
Cletis Harper	Information systems specialist.	5,876.75
Cleo Tibbs	Systems factors specialist.	3,843.43
Paul Kunkel	Production control coordinator.	2,941.46
Kathryn Lyons	Communications terminal operator.	2,218.10
Dorothy Ellis	Data preparation specialist.	1,983.87
Amos Hilton	do	1,983.87
Cheryl Trovato	System factors specialist.	3,340.54
Barbara Seymore	Data preparation specialist.	2,000.82
Richard Bates	Communications terminal operator.	1,570.24
Candace Butler	do	1,862.55
Philo Funk	do	1,132.15
Nancy Gordon	System factors specialist.	3,042.00
Helen Smith	Clerk	1,094.47
James Howell	Courier	1,578.70
Louise Yates	Secretary receptionist	1,945.75
Stanley Croyden, Jr	Information systems specialist.	3,301.77
Joseph Evalt	Manager-calender preparation.	5,374.47
Colleen Gorgan	Clerk typist	1,210.40
Carol Ruga	Secretary	1,675.25
Thomas Leonardo	Computer systems specialist.	3,106.84
Raymond Ney	Data control specialist	747.60
Niel R. Armann	Information systems specialist.	1,723.63
Carl F. Schmidt	Systems programer	1,255.56
Henry F. Collins	Senior information systems specialist.	1,326.73
Brian M. Conally	Programer analyst	969.91
Diane C. Hitz	Communications terminal operator.	289.25
Terry G. Mann	Programer	405.57

Funds authorized or appropriated for committee expenditures	$2,400,000.00
Amount of expenditures previously reported	480,958.01
Amount expended from July 1 to Dec. 31, 1973	1,230,547.29
Total amount expended from Jan. 1 to Dec. 31, 1973	1,711,505.30
Balance unexpended as of Dec. 31, 1973	688,494.70

WAYNE L. HAYS, Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

January 31, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Sidney L. McFarland[1]	Staff director and chief clerk.	$4,727.00
Lewis A. Sigler[1]	General counsel	3,378.00
William L. Shafer	Consultant on mines, minerals, and public lands.	18,000.00
Charles Leppert, Jr	Minority counsel	17,873.82
Charles Conklin	Special counsel on public lands and environmental matters.	17,873.82
Lee McElvain	Assistant counsel and consultant on national parks and recreation.	17,625.00
Patricia A. Murray	Full committee clerk	11,356.83
Patricia B. Freeman	Administrative assistant	10,221.15
Miriam L. Waddell	Secretary-clerk	7,949.79
Sandra Marie Metcalf	Secretary-clerk (As of Sept. 8, 1973).	4,887.22
Jack Daum	Staff consultant (minority).	11,518.32
Joanne Suter Burgess	Secretary-clerk (minority).	5,631.18
Marsha Lane DeGon	Clerk, Subcommittee on National Parks and Recreation (resigned Aug. 31).	2,495.76
Adrian Winkel	Consultant on territories and insular affairs.	16,467.39
Bertha D. Drotos	Secretary-clerk	6,450.27
Edward Gaddis	Staff assistant	5,678.43
Marston Becker	Printing clerk	9,653.31
Inez Jarvis	Secretary-clerk (resigned Aug. 4, 1973).	1,571.40
Nancy Lou Larson	Clerk, Subcommittee on Territories and Insular Affairs.	9,214.65
Mary Lee Gennari	Clerk, Subcommittee on Water and Power Resources.	6,399.06
Kathy C. Loeffler	Clerk-receptionist	5,119.23
David M. Luken	Staff consultant (minority).	7,166.97
Jim T. Casey	Consultant on water and power resources.	17,596.50
Maurice J. Shean	Consultant on territories and insular affairs.	16,467.39
Rebecca D. Shapiro	Clerk, Subcommittee on Indian Affairs.	5,119.23
Pamela Warfield	Clerk, Subcommittee on Environment.	5,631.18
Stanley E. Scoville	Staff counsel, Subcommittee on the Environment.	9,869.44
James J. McCusker	Consultant on mines and mining (resigned Aug. 31, 1973).	4,166.66
Franklin Ducheneaux	Consultant on Indian affairs.	12,798.12
Carol L. Hall	Staff assistant, Subcommittee on Mines and Mining (resigned July 15, 1973).	500.00
Robert A. Hunt	Consultant on public lands.	13,310.07
Elizabeth K. Medeiros	Clerk, Subcommittee on Mines and Mining.	4,095.42
James A. Rock	Staff consultant (minority).	10,238.52
Nancy G. Drake	Clerk, Subcommittee on Public Lands.	6,910.98
Clay E. Peters	Staff consultant (minority).	10,238.52
Thomas S. Dunmire	do	4,995.45
Bruce Driver	Staff counsel (minority).	9,613.50
Sharon Peck Cockayne	Secretary-clerk (minority).	4,863.30
Jay Parker	Staff assistant, Subcommittee on Environment (resigned Aug. 31, 1973).	1,916.66
J. D. Curtis	Staff assistant, Subcommittee on Environment (as of Aug. 6, 1973).	6,847.24
Betty Nevitt	Clerk, Subcommittee on National Parks and Recreation (as of Aug. 23, 1973).	4,777.28
Dale Pontius	Staff assistant, Subcommittee on Environment (as of Sept. 1, 1973).	5,666.68

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[1] Reemployed annuitant.

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Betty Jo Hunt	Staff assistant, Subcommittee on Indian Affairs.	$5,178.89
Norman R. Williams	Consultant on mines and mining (as of Sept. 1, 1973).	8,333.32
Sandra Ann Hugg	Secretary, Subcommittee on Environmental (as of Sept. 10, 1973).	2,401.93
Thomas L. Laughlin	Staff assistant, subcommittee on Mines and Mining (as of Sept. 17).	3,466.67
Gail Whitestone	Secretary-clerk (minority) (as of Nov. 26, 1973).	899.30

Funds authorized or appropriated for committee expenditures	$694,000.00
Amount of expenditures previously reported	200,315.70
Amount expended from July 1 to Dec. 31, 1973	297,677.33
Total amount expended from Jan. 3 to Dec. 31, 1973	497,993.03
Balance unexpended as of Dec. 31, 1974	196,006.97

JAMES A. HALEY, Chairman.

COMMITTEE ON INTERNAL SECURITY

January 10, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee (majority):		
Robert M. Horner (P)	Staff director	$11,704.02
Richard L. Schultz (P)	Counsel (resigned July 31, 1973).	2,591.76
William H. Hecht (P)	Executive staff assistant.	16,361.10
Alfred M. Nittle (P)	Legislative counsel	17,750.01
Robert A. Crandall (P)	Counsel (to standing Aug. 1, 1973).	13,333.35
Richard A. Shaw (C)	Chief investigator	12,000.00
William G. Shaw (C)	Research director	12,474.00
V. Bernice King (C)	Financial secretary	10,111.86
Mary M. Valente (C)	Administrative secretary.	10,373.55
John F. Lewis (P)	Professional staff assistant.	15,286.20
Standing committee (Minority):		
DeWitt White (P)	Legal counsel	17,749.88
Herbert Romerstein (C)	Chief investigator	16,083.78
James L. Gallagher (C)	Research analyst	13,142.52
Investigative committee (majority):		
Margie D. Biggerstaff	Secretary	5,731.50
Jean Buehler	Information classifier (appointed Dec. 1, 1973—resigned Dec. 31, 1973).	583.33
Daniel Butler	Documents clerk	5,943.75
S. Janice Coil	Secretary	6,592.92
Robert A. Crandall	Counsel (to standing Aug. 1, 1973).	2,666.67
Anniel Cunningham	Chief files and reference section.	9,729.48
Florence Doyle	Secretary	5,437.86
Karen Sue Dring	Information classifier (resigned Oct. 30, 1973).	2,752.06
Daniel R. Ferry	Assistant counsel (terminated Aug. 24, 1973).	3,088.30
Helen M. Gittings	Editor	10,125.03
Toney B. Griffith (summer help).	Assistant documents clerk (appointed July 1, 1973—resigned Aug. 24, 1973).	1,025.12
S. Diana Hardin (summer help).	Information classifier (resigned Aug. 10, 1973).	759.35
Doris Jaeok	Information analyst	$5,743.38
Mildred V. James	Clerk-typist	4,027.98
Norma H. Lewis	Secretary	5,844.24
Tina V. Markey	Information classifier	3,498.54
Anita S. Maggio	Clerk	3,960.96
Virginia Masino	Receptionist	4,824.63
John E. Manning	Investigator (appointed July 15, 1973).	10,605.57
David J. Murray	Assistant Documents clerk (appointed Sept. 17, 1973).	2,055.78
Maureen P. Ontrich	Information analyst	5,048.52
Alma T. Pfaff	Research analyst	6,370.17
Stuart Pott	Investigator	7,870.59
S. Louise Rees	Research analyst (appointed Dec. 17, 1973).	583.33
Audrey Rollins	Secretary	5,395.50
Albert H. Solomon, Jr.	Investigator	11,034.00
William H. Stapleton	Professional staff assistant (appointed Dec. 27, 1973).	186.00
John N. Stratton	Investigator	9,032.10
Barbara C. Sweeny	Clerk-stenographer	4,970.64
Susan K. Tonkinson	Information analyst	5,009.58
Investigative committee (minority)		
George C. Armstrong	Investigator	8,233.71
Richard Norusis	do	8,801.52
William T. Poole	Research analyst	7,817.10
Linda Spirt	Secretary	7,261.14
Brownardine Broyhill	Research assistant	2,303.67

Funds authorized or appropriated for committee expenditures	$475,000.00
Amount of expenditures previously reported	235,623.05
Amount expended from July 1 to Dec. 31, 1973	210,775.11
Total amount expended from Jan. 3 to Dec. 31, 1973	446,398.16
Balance unexpended as of Jan. 31, 1973	28,601.84

RICHARD H. ICHORD, Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

January 14, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff:		
W. E. Williamson	Clerk	$18,000.00
Kenneth J. Painter	First assistant clerk	17,077.44
Marcella F. Johnson	Assistant clerk	11,141.55
Frank W. Mahon	Printing editor	11,237.64
Eleanor A. Dinkins	Clerical assistant	8,934.75
Mary Ryan	do	8,934.75
Laura F. Elder	do	6,527.04
Edwin E. Thomas	Staff assistant	7,938.88
Lewis E. Berry (minority).	Minority counsel	18,000.00
Professional Staff:		
William J. Dixon	Professional staff member.	18,000.00
Robert F. Guthrie	do	18,000.00
Charles B. Curtis	do	18,000.00
Lee S. Hyde	do	18,000.00
Jeffrey H. Schwartz	do	12,795.12
Elizabeth Harrison	do	12,795.12
John Gamble	Counsel	13,700.11
Additional temporary employees under H. Res. 182 and 303:		
Henry Thomas Greene	Staff assistant (minority).	12,798.12
Barbara L. Bullard	Clerical assistant (minority).	8,190.78
Darlene G. McMullen	do	6,245.49
Jan B. Vlcek	Staff assistant (minority).	11,356.56
Bertram J. Levine	do	11,356.56
Thomas C. Sawyer	Staff assistant (minority) (through Dec. 24, 1973).	10,969.19
Joanne E. Bell	Clerical assistant	5,628.51
Violet M. McCarthy	do	7,535.31
Ann P. Jordan	do	5,299.29
Barboura C. Flues	do	6,246.24
Clarence E. Martin III	Clerical assistant (through Sept. 1, 1973).	$1,355.56
Michael J. Barrett	Clerical assistant (through July 15, 1973).	375.00
Martin Auerbach	Staff assistant (from Sept. 1, 1973).	3,452.57
Jo Anne Glisson	Clerical assistant	5,019.23
John L. Duncan	do	7,678.89
Susan Tomasky	Clerical assistant (through Sept. 1, 1973).	1,186.10
Walter J. Graham, Jr.	Staff assistant	14,619.06
Steve Lawton	do	14,619.06
Micahel R. Lemov	do	14,619.06
Richard Krolik	do	14,619.06
Louis D. Wilmer	Clerical assistant (through July 15, 1973).	250.00
Maureen O'Connell	Clerical assistant (from July 16, 1973 through Aug. 31, 1973).	750.00
Elizabeth L. Bailey	Clerical assistant (from Oct. 10, 1973).	2,325.00
Special subcommittee on investigations:		
Daniel J. Manelli	Chief counsel	18,000.00
William T. Druhan	Staff assistant	16,002.24
James F. Broder	Staff assistant (through Nov. 30, 1973).	12,716.90
James R. Connor	Special assistant	14,838.03
Benjamin J. Smethurst.	do	16,002.24
Mark J. Raabe	Staff attorney	14,957.55
Michael J. Parker	do	12,492.48
Albert J. McGrath	Special assistant	8,348.58
Lynne D. Finney	Staff attorney (from Sept. 1, 1973).	8,631.46
Raymond C. Cole	Special assistant	10,763.75
Elizabeth G. Paola	Clerical assistant	8,934.75
Russel D. Mosher	Staff assistant	5,949.66
Diane G. Kirchenbauer	Clerical assistant	6,530.19
Michael F. Barrett	Staff attorney	14,957.55
Elizabeth A. Eastman	Clerical assistant	7,530.60
Special securities study group:		
Robert L. Stern	Special consultant	15,615.63
Harvey Rowan	Staff attorney	13,994.19
Jean F. Zofcin	Clerical assistant	5,109.03
Marion S. Ryan	do	5,109.03

Funds authorized or appropriated for committee expenditures	$1,180,000.00
Amount of expenditures previously reported	384,639.96
Amount expended from July 1 to Dec. 31, 1973	429,629.21
Total amount expended from Jan. 1 to Dec. 31, 1973	814,269.17
Balance unexpended as of Dec. 31, 1973	365,730.83

HARLEY O. STAGGERS, Chairman.

COMMITTEE ON THE JUDICIARY

January 14, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jerome M. Zeifman	General counsel	$18,000.00
Garner J. Cline	Associate general counsel.	18,000.00
Herbert Fuchs	Counsel	18,000.00
William P. Shattuck	do	18,000.00
H. Christopher Nolde	do	17,405.43
Donald G. Benn	Associate counsel	17,200.68
Franklin G. Polk	do	17,200.68
Alan A. Parker	Counsel	15,488.50
Roger A. Pauley	Associate counsel	15,357.75
Thomas E. Mooney	do	14,129.13
Frances F. Christy	Legislative analyst	11,774.28
Jane C. Caldwell	Clerical staff	9,829.20
Gertrude Clara Burak	do	8,744.34
Alma B. Haardt	do	7,319.30
Mary G. Sourwine	Clerical staff (from Oct. 8, 1973).	4,514.63
Ann P. Sartori	Clerical staff (through Oct. 7, 1973).	3,155.35

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Investigative staff salaries paid July 1, 1973, through Dec. 31, 1973, pursuant to H. Res. 74, H. Res. 265, H. Res. 510, and H. Res. 702:		
Lynn Alcock	Clerical staff (from Dec. 1, 1973).	$1,208.33
Deborah Alt	Clerical staff (from Nov. 26, 1973).	1,069.45
Ernest J. Banchero	Clerical staff (from Nov. 14, 1973).	1,279.45
Maurice A. Barboza	Counsel	10,854.63
Maureen Barden	Research assistant (from Dec. 28, 1973).	95.83
Carolyn K. Beahm	Clerical staff (from Nov. 10, 1973).	991.66
Michael W. Blommer	Associate counsel	13,514.82
Philip S. Boone, Jr	Clerical staff (from Nov. 5, 1973).	1,166.67
Sharon L. Borg	Clerical staff	4,674.06
Jeanette B. Brown	Clerical (from Nov. 5, 1973).	1,400.00
Robert L. Brown	Assistant Counsel (from Oct. 23, 1973).	3,022.12
Mary M. Buckley	Clerical staff (from Oct. 29 through Nov. 4, 1973).	202.23
Cheryl R. Budd	Clerical staff (from Dec. 3, 1973).	124.44
Doris G. Cassidy	Clerical staff (from Nov. 19, 1973).	291.66
Richard L. Cates	Assistant to general counsel (from Nov. 11, 1973).	4,200.00
Pearl L. Chellman	Clerical staff	7,327.63
Daniel L. Cohen	Counsel	10,405.18
Alexander B. Cook	Associate counsel	10,750.44
Lois D'Andre	Clerical staff	3,353.33
Lizzie M. Daniels	Clerical staff (from Oct. 1, 1973).	2,341.67
Eva J. Denev	Clerical staff (from Oct. 12, 1973).	3,506.98
William P. Dixon	Counsel (from Sept. 4, 1973).	8,084.42
John M. Doar	Special counsel (from Dec. 20, 1973).	1,100.00
Patricia A. Donohue	Clerical staff (from Dec. 17, 1973).	540.55
Arthur P. Endres, Jr.	Counsel	10,405.18
James F. Falco	do	12,369.55
James B. Farr	Messenger-clerk	4,661.71
Charles E. Feeley	Clerical staff (from Nov. 5, 1973).	1,120.00
Martha A. Ford	Clerical staff (from Sept. 10 through Oct. 31, 1973).	1,966.16
Gayle D. Fralin	Clerical staff (from Dec. 17, 1973).	350.00
Mary Pat Gaffney	Clerical staff (through Nov. 25, 1973).	4,715.34
Theresa M. Gallo	Clerical staff (from Oct. 9, 1973).	2,733.33
Samuel A. Garrison III	Counsel (from Dec. 1, 1973).	2,500.00
Linda Chavez Gersten	Staff analyst	8,745.47
Dagmar Hamilton	Counsel (from Dec. 28, 1973).	183.33
David W. Hanes	Assistant to the special counsel (from Dec. 28, 1973).	229.17
Robert K. Hedrick Jr	Clerical staff (from Dec. 10, 1973).	478.33
Janet A. Howard	Clerk (from Oct. 26, 1973).	2,708.33
Michael H. Hughes	Clerical staff (from Dec. 13, 1973).	410.00
Thomas W. Hutchison	Counsel (from Oct. 15 1973).	4,961.10
Alice M. Jackson	Clerical staff	5,693.71
R. Frederick Jett	Counsel	600.00
Jeffrey Kayden	Clerical staff (from Oct. 15, 1973).	633.33
Michael Kelemonick	Clerical staff	7,319.30
John E. Kennahan	Counsel (from Dec. 6, 1973).	2,048.61
Olga Kirk	Clerical staff (from Oct. 23, 1973).	2,204.16
Stephen P. Lynch	Research assistant (from Sept. 4, 1973).	2,830.17
B. Dianne McConnell	Clerical staff (through Sept. 30, 1973).	2,000.01
Florence T. McGrady	Clerical staff	7,319.30
Betty Jean McKay	do	4,571.61
Mary E. Manners	Clerical staff (from Nov. 7, 1973).	1,125.00
Michael P. Murphy	Messenger-clerk (from Aug. 1, 1973).	3,214.43
Robert J. Murphy	Clerical staff (from Nov. 9, 1973).	1,083.33
Nancy L. Parke	Clerical staff	4,997.82
Thomas J. Payne	Staff assistant (from Oct. 29, 1973).	4,130.01
Joan M. Porter	Clerical staff	$4,567.44
Sally A. Regal	Clerical staff (from Nov. 12, 1973).	925.65
Ruth O. Robinson	Assistant counsel	11,849.52
Gertrude W. Rohrer	Clerical staff (from Dec. 3, 1973).	311.11
Dennis S. Rutkus	Staff analyst (from July 9, 1973).	6,855.86
Dawn M. Ruuspakka	Clerical staff (from July 16, 1973).	4,059.74
Nancy R. Schaefer	Clerical staff (from Dec. 10, 1973).	595.00
Arden B. Schell	Assistant counsel	8,294.93
Judith Shellenberger	Clerical staff (from July 9, 1973).	4,505.29
Alice M. Smith	Clerical staff	5,295.20
Mary G. Sourwine	Clerical staff (through Oct. 7, 1973).	4,416.28
Jared B. Stamell	Assistant counsel	10,321.85
Peter T. Straub	do	13,566.00
Nina Sweetwood	Clerical staff (from Nov. 1, 1973).	1,200.00
Robert J. Trainor	Counsel (from July 30, 1973).	8,794.07
Jean L. Traylor, Jr	Assistant counsel (from Oct. 23, 1973).	3,400.00
Nina J. Turitz	Clerical staff (from Nov. 19, 1973).	840.00
Louis S. Vance	Messenger	5,540.40
Dorothy C. Wadley	Clerical staff	5,693.71
Karen Walsh	Clerical staff (from Nov. 1, 1973).	1,964.50
Gary M. Weaver	Clerical staff (from Nov. 19, 1973).	816.66
Mary Y. Westergren	Clerical staff (from Oct. 9, 1973).	1,708.33
Minnie White	Clerical staff	9,214.65
William A. White	Association counsel (from Dec. 22, 1973).	587.50
Janice A. Zarro	Assistant counsel	7,490.26

Funds authorized or appropriated for committee expenditures	$1,606,217.75
Amount of expenditures previously reported	211,251.29
Amount expended from July 1 to Dec. 31	343,428.77
Total amount expended from Jan. 3 to Dec. 31	554,680.06
Balance unexpended as of Dec. 31, 1973	1,051,537.69

PETER W. RODINO, Jr., Chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Ernest J. Corrado	Chief counsel	$18,000.00
Ned P. Everett	Counsel	16,862.15
Francis D. Heyward	do	11,671.29
Leonard L. Sutter	do	14,830.80
Francis P. Still	Chief clerk	4,680.26
W. Bernard Winfield	Clerk	12,572.04
Vera A. Barker	Secretary	10,196.17
Richard N. Sharood	Minority counsel	15,890.14
William C. Rountree	Minority counsel (July–August–September).	5,594.23
Virginia L. Noah	Minority clerk	10,063.74
Investigative Committee staff:		
Mary C. McDonnell	Counsel	11,123.11
Frank M. Potter Jr	do	10,593.43
Carl L. Perian	Professional staff member.	14,301.12
William H. Hamilton	Professional staff member (July to Nov. 15).	8,231.53
Donald A. Watt	Editor	10,708.88
Terrence W. Modglin	Clerk	5,378.02
Ruth I. Hoffman	Assistant clerk	7,415.39
Jacquelyn M. Westcott.	Stenographer-clerk	6,934.79
Eleanor P. Mohler	Secretary	6,658.03
Betty Ann Nevitt	Secretary (July to Aug. 22).	1,805.56
Jean McLean	Secretary September to Dec. 31).	$4,176.83
Mabel Duran	Secretary (December)	1,151.38
Gwendolyn H. Lockhart.	Assistant minority clerk.	6,885.73

Funds authorized or appropriated for committee expenditures	$291,500.00
Amount of expenditures previously reported	89,588.77
Amount expended from July 1 to Dec. 31, 1973	113,474.42
Total amount expended from Jan. 1 to Dec. 31, 1973	203,063.19
Balance unexpended as of Dec. 31, 1973	88,436.81

LEONOR K. SULLIVAN, Chairman.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

January 10, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Martiny, John H	Chief counsel	$18,000.00
Smiroldo, Victor C	Staff director and counsel.	17,749.98
Irvine, William A	Assistant staff director	17,749.98
Kazy, Theodore J	Senior staff assistant	17,749.98
Mesker, Roy C	Staff assistant	17,749.98
Fortune, Francis C	Coordinator	14,800.02
Lockhart, Robert E	Assistant counsel	15,049.98
Devlin, Ralph J	Staff assistant	14,599.98
Thornton, Elsie E	Chief clerk	12,750.00
Wells, Barbara M	Executive secretary	9,480.00
Investigative staff (H. Res. 180 and 261):		
Bakall, Diane	Intern (to Aug. 19)	735.00
Gabusi, John B	Staff assistant	9,750.00
Howard, Alton M	Printing editor	10,099.98
Hugler, Edward T	Investigator	14,250.00
Napier, Margaret G	Secretary	5,944.98
Pendleton, Maria R	Document clerk	8,955.00
Peters, Dorothy L	Secretary	7,890.00
Thomas, Catharin	Assistant document clerk.	4,939.98
Perdue, Patricia A	Secretary (from Nov. 1).	1,341.66
Mulholland, James S	Intern (to Aug. 12)	700.00
Barry, Margaret	Secretary (minority)	5,500.02
Bates, Kathryn E	do	6,600.00
Coultrap, Ray H	Staff assistant (minority).	7,525.02
Raymond, Anthony	do	12,400.02
Gustafson, Tanya A	Intern (to Aug. 26)	746.67
Manpower and Civil Service Subcommittee:		
Newton, Paul W	Investigator from Nov. 1.	4,000.00
Pankonin, Patricia G	Secretary	5,250.00
Snipes, Justine P	do	2,590.02
McNair, Julia R	Secretary (from Oct. 1).	1,875.00
Holton, Ann C	Intern (to Aug. 21)	680.00
Postal Service Subcommittee:		
Barton, Richard A	Staff assistant	13,500.00
Cox, Cassandra L	Secretary	4,249.98
Burwell, Robert J	Intern (to Aug. 12)	420.00
Gates, Gregory A	do	420.00
Postal Facilities, Mail, and Labor Management Subcommittee:		
Gould, George B	Staff assistant	13,999.89
Ciaravella, Jo Ann	Secretary	5,749.98
Mahoney, Joseph T	Associate staff assistant (to Dec. 2)	4,855.54
Brand, Hugh McGuire, Jr.	Intern (to July 31)	400.00
Stetler, Mary Catherine.	Intern (to Aug. 11)	546.67
Meyer, Robert J	Intern (Aug. 8 to Sept. 8)	413.34
Cavanagh, Michael F	Research assistant (from Nov. 26)	1,166.67

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Retirement and Employee Benefits Subcommittee:		
Terry, Donald F	Assistant counsel	$9,250.02
Gwinn, Mansel Bruce	Clerk	4,750.02
Lee, Clifford T	Intern (to July 31)	300.00
O'Connor, Michael T	Staff aid (from July 16)	8,250.00
Marines, Patricia J	Intern (Aug. 1 to Aug. 31).	300.00
McGonigal, Romona	Secretary (Sept. 17 to Dec. 14).	1,662.24
Census and Statistics Subcommittee:		
Bullock, Richard D	Staff assistant	13,500.00
Bray, Austin C. Jr	Assistant counsel	7,500.00
LaMotte, Bettie J	Secretary	6,000.00
Kerry, Linda Louise	Intern (to Aug. 31)	600.00

Funds authorized or appropriated for committee expenditures	$638,000.00
Amount of expenditures previously reported	235,285.13
Amount expended from July 1 to Dec. 31	251,600.23
Total amount expended from Jan. 1 to Dec. 31	486,885.36
Balance unexpended as of Dec. 31, 1973	151,114.64

THADDEUS J. DULSKI, Chairman.

COMMITTEE ON PUBLIC WORKS

December 31, 1973.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Richard J. Sullivan	Chief counsel	$18,000.00
Lester Edelman	Counsel	18,000.00
Lloyd A. Rivard	Engineer consultant	18,000.00
Carl H. Schwartz, Jr	Consultant-projects and programs.	6,186.00
James L. Oberstar	Administrator	18,000.00
Dorothy A. Beam	Executive staff assistant.	12,519.75
Meriam A. Buckley	Calendar clerk	10,442.04
Sterlyn B. Carroll	Staff assistant	8,727.72
Ruth Costello	do	9,311.52
Clifton W. Enfield	Minority counsel	18,000.00
Richard C. Peet	Associate minority counsel.	17,858.04
Erla S. Youmans	Minority executive staff assistant.	10,505.07
Investigating staff:		
Phyllis B. Stone	Staff assistant	4,351.35
Steven H. Bourke	Staff assistant (terminated Sept. 30, 1973).	4,852.86
Peggy C. Pasquini	Staff assistant	6,911.78
William M. Corcoran	Staff assistant (terminated Oct. 22, 1973).	3,140.25
Joan Marie Kovalic	Staff assistant (effective Dec. 10, 1973).	1,079.17
Thomas L. Anderson	Staff assistant (effective Sept. 12, 1973).	3,619.09
Patricia Carol Cross	Staff assistant	4,351.35
Catherine A. Evans	do	5,140.17
Roger B. Furey	do	2,970.33
Karen Maria Gilbert	Staff assistant (terminated Jul. 31, 1973).	940.83
Ann J. Joseph	Staff assistant	4,453.74
Diana L. Juarez	Staff assistent (terminated Oct. 31, 1973).	2,023.85
Robert Whitfield	Staff assistant (effective Aug. 1, 1973).	5,143.10
Mary Kathryn Leonard	Staff assistant (terminated Dec. 31, 1973).	5,035.74
Machele Miller	Staff assistant	4,992.33
Shirley Ruhe	do	6,802.79
Robert F. Spence	do	9,800.22
Toby J. Stein	do	4,253.13
Clyde E. Woodle, Jr	do	8,497.95
Olga Wynnyk	do	4,095.42
Sheldon S. Gilbert	Assistant minority (transferred from counsel, subcommittee on Investigations and Oversight, Oct. 1, 1973).	$8,261.64
Patricia A. Hill	Minority staff assistant	6,655.02
Richard C. Barnett	do	7,535.31
Brenda G. Jones	do	5,110.56
Alexandra R. Sassoon	do	5,119.23
Joanne Marie Morrone	do	5,119.23
Cheryl Ann Meyers	do	4,863.30
Errol Lee Tyler	Associate counsel	15,357.75
Joseph A. Italiano	Editorial assistant	11,398.83
Robert F. Loftus	Technical staff assistant (terminated Sept. 30, 1973).	8,041.89
Gordon E. Wood	Assistant minority counsel.	16,381.62
Marie M. Lynch	Clerk, Subcommittee on Water Resources.	7,274.28
Nancy B. Vitali	Clerk, Subcommittee on (terminated Sept. 1, 1973, Public Buildings and grounds, reappointed Sept. 17, 1973).	6,900.56
Subcommittee on Economic Development:		
Robert Paul	Consultant, environment and (effective Economic Development July 1, 1973).	17,850.00
Carl J. Lorenz	Counsel	17,035.23
Margaret McCarthy	Staff assistant	4,903.68
Anne Louise Howard	do	4,754.37
Ann D. Clineburg	Staff assistant (effective Sept. 5, 1973).	4,009.77
John Jeffery Carter	Staff assistant (effective Dec. 13, 1973).	450.00
Subcommittee on Energy:		
Salvatore J. D'Amico	Counsel	17,528.31
Henry G. Edler	Technical adviser	17,703.75
Carole Dahlstedt	Clerk	8,190.78
Stephanie G. Negley	Staff assistant	6,143.10
June M. O'Connell	do	866.67
Subcommittee on Investigations and oversight:		
Walter R. May	Chief counsel	18,000.00
John P. O'Hara	Associate counsel	17,035.23
Robert G. Lawrence	do	17,644.20
George M. Kopecky	Chief investigator	18,000.00
Kathryn M. Keeney	Chief clerk	10,764.75
Betty Hay Wright	Administrative assistant.	10,226.52
Shirley B. Novotny	Staff assistant	7,098.03
William O. Nolen	Investigator	11,356.83
George P. Karseboom	Professional staff member.	15,331.71
Charles A. Krouse	do	15,331.71
B. Craig Raupe	Professional staff member (effective Oct. 1, 1973).	7,831.56
Agnes M. Ganun	Staff assistant	7,352.19
Virginia Middledorf	do	6,450.27
Sheldon S. Gilbert	Minority counsel (transferred to full investigative staff Oct. 1, 1973).	7,885.50
Paul R. S. Yates	Professional minority staff member.	17,223.60
Martha F. Downie	Minority staff assistant.	7,665.84
Consultants:		
Stephen Clapp	Consultant	1,200.00
F. Robert Edman	do	11,000.00
Peter Jutro	do	1,400.00
Richard C. Royce	do	7,000.00
Max Taher	do	7,500.00
Samuel S. Epstein	do	500.00

Funds authorized or appropriated for committee expenditures (H. Res. 285)	$1,519,700.00
Amount of expenditures previously reported	483,037.05
Amount expended from July 1, to Dec. 31, 1973	577,100.01
Total amount expended from Jan. 3 to Dec. 31, 1973	1,060,137.06
Balance unexpended as of Dec. 31, 1973	459,562.94

JOHN A. BLATNIK, Chairman.

COMMITTEE ON RULES

January 21, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Laurie C. Battle	Staff director and counsel (P).	$18,000.00
Margaret Anne Bundick	Staff assistant (C)	8,073.57
Dorothy Ballenger	Secretary	7,678.89
William D. Crosby, Jr	Minority counsel	12,917.70
Jonna Lynne Cullen	Assistant minority counsel.	9,769.02
Donald Gregory Nicosia	Majority counsel	8,657.40
Linda Trotter	Secretary	4,276.43
Winifred L. Watts	Administrative assistant.	10,764.75

Funds authorized or appropriated for committee expenditures	$5,000.000
Amount of expenditures previously reported	1,239.36
Amount expended from July 1 to Dec. 31, 1973	1,087.33
Total amount expended from Jan. 3 to Dec. 31, 1973	2,326.69
Balance unexpended as of Dec. 31, 1973	2,673.31

RAY J. MADDEN, Chairman.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

January 9, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John L. Swigert, Jr	Executive director	$18,000.00
James E. Wilson, Jr	Deputy director	18,000.00
John A. Carstarphen, Jr	Chief clerk and counsel	18,000.00
Philip B. Yeager	Counsel	18,000.00
Frank R. Hammill, Jr	do	18,000.00
Carl Swartz	Minority staff	13,566.00
Joseph Del Riego	do	13,054.08
Mary Ann Robert	Administrative specialist.	8,158.92
Carol F. Rodgers	Secretary	7,629.75
June C. Stafford	do	7,629.75
Theresa M. Gallo	Secretary (to Oct. 8)	2,830.54
Rebecca S. Wheeler	Secretary (from Nov. 1).	1,633.34
Patricia S. Schwartz	Secretary	5,887.14
Investigative staff (H. Res. 270):		
Harold A. Gould	Technical consultant	18,000.00
George W. Fisher	Clerk	18,000.00
J. Thomas Ratchford	Science consultant	16,913.85
William G. Wells, Jr	Technical consultant	16,593.87
Thomas N. Tate	Technical consultant and counsel.	13,821.99
John D. Holmfeld	Science policy consultant.	13,628.16
Frank J. Giroux	Printing clerk	9,944.22
Martha N. Rees	Secretary	7,302.63
Rita W. Schwall	Secretary (to Nov. 5)	5,121.54
Don Cooper	Publications clerk (to Nov. 30).	4,883.09
L. Kirk Hall	Technical specialist (from Sept. 5).	5,012.22
Judith A. Everett	Secretary	4,433.77
William G. Carter	Publications clerk (from Nov. 5).	1,524.45
Peggy G. Welch	Secretary	3,756.10
Linda G. Craig	Secretary (from Oct. 1)	2,250.00

Funds authorized or appropriated for committee expenditures	$380,000.00
Amount of expenditures previously reported	161,252.29
Amount expended from July 1 to Dec. 31, 1973	181,107.75
Total amount expended from Jan. 1 to Dec. 31, 1973	342,360.04
Balance unexpended as of Dec. 31, 1973	37,639.96

OLIN E. TEAGUE, Chairman.

COMMITTEE EMPLOYEES—Continued

STANDARDS OF OFFICIAL CONDUCT

January 7, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Swanner	Staff director	$18,000.00
Bennett Wolfe	Assistant staff director	17,067.81
Mariann R. Mackenzie	Secretary	12,286.20
Tempie W. Whittington	Assistant clerk (through Nov. 30, 1973.)	6,114.48
Charlene Brimmer	Assistant clerk (Nov. 1 to Dec. 31, 1973).	1,833.34

Funds authorized or appropriated for committee expenditures (H. Res. 219 (Mar. 20, 1973)	$25,000.00
Amount of expenditures previously reported	1,033.35
Amount expended from July 1 to Dec. 31, 1973	4,125.56
Total amount expended from Mar. 20 to Dec. 31, 1973	5,158.91
Balance unexpended as of Dec. 31, 1973	19,841.09

MELVIN PRICE, Chairman.

COMMITTEE ON VETERANS' AFFAIRS

January 8 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Oliver E. Meadows	Staff director	$18,000.00
Donald C. Knapp	Counsel	18,000.00
John R. Holden	Professional staff member (minority).	17,593.62
Billy E. Kirby	Professional aide	17,593.62
Arthur M. Gottschalk	Professional aide (minority).	11,924.67
Helen A. Biondi	Clerk	11,912.66
Morvie Ann Colby	Clerk-stenographer	8,258.97
Marjorie J. Kidd	do	7,898.85
Candis L. Graves	do	5,631.18
Patsy R. Kelley	Clerk-stenographer (minority) (from Oct. 1 1973).	3,143.76
Diana S. Gaujot	Clerk-stenographer (minority) (July 1 through Sept. 30, 1973).	2,499.99
Investigative staff:		
Audrey A. Powelson	Clerk-stenographer	6,224.73
Philip E. Howard	Investigator	17,481.66
Vance L. Gilliam	Records clerk	4,921.98
Sylvia E. Meadows	Clerk-stenographer (July 1 through July 31, 1973).	516.67
Susan Dawkins	Clerk-stenographer (July 1 through Aug. 31, 1973).	1,033.34
Alice V. Matthews	Clerk-stenographer	3,583.47
Margaret J. Hulehan	do	5,631.18
Margaret S. Boswell	Clerk-stenographer (July 1 through Aug. 31, 1973).	1,033.34
Diana S. Gaujot	Clerk-stenographer (minority) (Oct. 1 through Dec. 31, 1973).	2,618.76
Anna W. Steadman	Clerk-stenographer (Nov. 1 through Dec. 31, 1973).	2,175.00

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	49,785.67
Amount expended from July 1 to Dec. 31, 1973	58,176.55
Total amount expended from Jan. 1 to Dec. 31, 1973	107,962.22
Balance unexpended as of Dec. 31, 1973	42,037.78

WM. JENNINGS BRYAN DORN, Chairman.

COMMITTEE ON WAYS AND MEANS

January 14, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Martin, Jr.	Chief counsel (P)	$18,000.00
Richard C. Wilbur	Minority counsel (P)	18,000.00
John Patrick Baker	Assistant chief counsel (P).	17,749.98
Robert B. Hill	Professional staff (P)	14,375.28
William Kane	do	17,603.88
James W. Kelley	do	17,749.98
Harold Lamar	do	17,749.98
Arthur Singleton, Jr.	do	17,549.04
Florence Burkett	Staff assistant (C)	8,398.35
Virginia Butler	do	9,982.65
William C. Byrd	do	6,771.51
Marie Crane	do	8,563.98
William Fullerton	do	17,749.98
Charles Hawkins	do	17,749.98
Grace Kagan	do	9,982.65
June Kendall	do	11,900.97
Elizabeth Lieblich	do	5,042.97
Danna Palmer	do	5,252.52
Doris Parker	do	5,247.81
Marsha Powell	do	5,113.26
Jean Ratliff	do	6,092.31
Karen Schwarz	do	6,189.72
Gloria Shaver	do	9,681.69
Margo Shildkret	do	4,468.44
Carole Vazis	do	8,139.60
Hughlon Greene	do	8,398.35
Walter Little	do	8,398.35
Under H. Res. 263, 93d Congress:		
John Meagher		17,549.04
Connie Faulkner		4,863.30
Don Johnson (to October 31).		3,000.00

Funds authorized or appropriated for committee expenditures	$125,000.00
Amount of expenditures previously reported	32,480.92
Amount expended from July 1 to Dec. 31, 1973	37,258.29
Total amount expended from January 1 to Dec. 31, 1973	69,739.21
Balance unexpended as of Dec. 31, 1973	55,260.79

WILBUR D. MILLS, Chairman.

SELECT COMMITTEE ON COMMITTEES

January 14, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles S. Sheldon II	Chief of staff	$18,000.00
Melvin M. Miller	Deputy chief of staff (begin Mar. 1).	18,000.00
Gerald J. Grady	Professional staff member (begin Apr. 2).	15,613.71
Spencer M. Beresford	Counsel (begin Mar. 18).	$18,000.00
Linda H. Kamm	Counsel (begin Feb. 12).	12,286.20
Robert C. Ketcham	Special counsel (begin Mar. 10).	15,357.75
Roger H. Davidson	Professional staff member (begin Mar. 23).	15,613.71
Terence T. Finn	Staff consultant (begin Mar. 1).	9,982.53
Dennis J. Taylor	Associate counsel (begin Mar. 15).	14,167.22
Mary E. Zalar	Professional staff member (begin Mar. 1).	7,678.89
Linda G. Stephenson	Chief clerk (begin Mar. 7).	7,178.89
Shirley A. Kalich	Secretary (begin Feb. 19).	5,631.18
Rose M. Sanko	Secretary (begin Mar. 20).	6,660.98
Carmen T. Bagherzadeh	Secretary (begin Mar. 1).	5,119.23
C. Carleda Broughton	Secretary (begin Apr. 1).	5,375.22
Joan Bannon Bachula	Research assistant (begin June 25).	6,143.10

Funds authorized or appropriated for committee expenditures	$1,500,000.00
Amount of expenditures previously reported	99,038.93
Amount expended from July 1 to Dec. 31, 1973	180,808.61
Total amount expended from Jan. 31 to Dec. 31, 1973	279,847.54
Balance unexpended as of Dec. 31, 1973	1,220,152.46

RICHARD BOLLING, Chairman.

SELECT COMMITTEE ON HOUSE RESTAURANT

January —, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas J. Campbell	Staff director	$10,842.96
Barbara E. Cousins	Secretary (resigned July 1, 1973).	2,089.55
Nancy Freeman	Secretary (reported Aug. 1, 1973, resigned Dec. 31, 1973).	2,091.93

Funds authorized or appropriated for committee expenditures (93d Cong.)	$33,500.00
Amount of expenditures previously reported	14,820.99
Amount expended from July 1 to Dec. 31, 1973	15,896.42
Total amount expended from Jan. 1 to Dec. 31, 1973	30,717.41
Balance unexpended as of Dec. 31, 1973	2,782.59

JOHN C. KLUCZYNSKI, Chairman.

PERMANENT SELECT COMMITTEE ON SMALL BUSINESS

January 14, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

COMMITTEE EMPLOYEES—Continued

Name of employee	Profession	Total gross salary during 6-month period
Emilia E. Parrish	Secretary	$6,424.98
Brenda H. Napier	do	4,875.00
William A. Keel, Jr	Research analyst	18,000.00
Myrtle Ruth Foutch	Clerk	12,249.99
Donna M. Watson	Secretary	5,100.00
Henry A. Robinson	Counsel	17,500.02
Leslie A. Glick	do	5,000.00
Lois Liberty	Printing editor	9,000.00
Thomas G. Powers	Counsel	8,874.99
Elizabeth Cingel	Secretary	4,000.02
Justinus Gould	Counsel	17,500.02
William F. Demarest	do	8,250.00
Mary Eileen Hohman	Secretary	3,875.01
Howard Greenberg	Staff director	18,000.00
Lucille C. Hicks	Secretary	6,750.00
Lillian Bracken	do	2,708.32
Michael J. Ward	Counsel	6,375.00
Linda Louise Spakes	Secretary	5,874.99
Charles D. Loyd	General counsel	18,000.00
Bernadette O'Reilly	Secretary (minority)	2,874.99
James R. Phalen	Minority counsel	13,000.02
Susan Pearce	Secretary (minority)	2,499.99
Paul Kritzer	Assistant minority counsel.	11,250.00
Elmira R. Stewart	Secretary (minority)	4,249.99
Willa C. Rawls	do	2,874.99
Carol Ann Ward	do	2,499.99

Funds authorized or appropriated for committee expenditures	$563,000.00
Amount of expenditures previously reported	221,969.90
Amount expended from July 1 to Dec. 31, 1973	248,212.87
Total amount expended from Jan. 1 to Dec. 31, 1973	470,182.77
Balance unexpended as of Dec. 31, 1973	92,817.23

JOE L. EVINS, Chairman.

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

January 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Eugene F. Peters	Executive director	$18,000.00
Raymond L. Gooch	Counsel	15,613.71
Cynthia K. Watkins	Office manager	7,490.26
Donald G. Tacheron	Director of research	17,749.98
George Meader	Counsel	18,000.00
Ann Holoka	Research assistant	9,214.65
Reta Orem	Clerk typist	1,783.34
Beverly Jean Muncy	Stenographer	5,035.91
Barbara C. Lyle	Receptionist	1,552.79
Susan B. Perry	Staff assistant	6,833.63
William B. Blacklow	do	6,405.02
Simeon R. Orlowski	Clerk	527.77
Melinda L. Roberts	Temporary typist	1,520.83
Raba A. Gilbert	do	1,399.99
Robert J. Kelley	Administrative officer	10,494.45
Richard M. Bates	Placement clerk	666.67
James F. McAllister	Administrative officer	14,077.95
Gerard C. Snow	do	5,809.76
James S. Machowski	Placement clerk	141.67
March E. Dyer	do	4,351.35
Betty A. Franklin	do	4,146.95
Lee A. Riedel	do	3,839.43
Mark L. Greenberg	do	3,797.76
Grace Seckler	do	3,851.29
Sally K. Murphy	do	3,583.47
Laura Reed	Temporary typist	797.22
Anne Garrett Burfield	do	1,400.01
Suzanne Hegdal	Temporary clerk	250.00
Philip R. Johnnie	do	250.00
Susan R. Schuster	do	311.11
Scott Sutherland	do	233.33
Veronica L. Hunter	do	229.17
M. Kathryn Stone	do	311.11
Sybil Anne Capps	Placement clerk	2,455.45
John Turner Donelan	Temporary clerk	1,354.17
Robert W. Witt	do	6,499.98
William F. Walsh	do	7,350.00
Richard T. Galgay	do	272.22
Paul W. McKee	do	3,300.00
John Gilman Stewart	Temporary Staff assistant.	$1,000.00
Earl Francis Rieger	Temporary assistant	1,000.00
Robert S. Fonte	Temporary staff assistant.	1,000.00
Samuel Merrick	do	750.00

Funds authorized or appropriated for committee expenditures	$530,000.00
Amount of expenditures previously reported	0
Amount expended from July 1 to Dec. 31, 1973	213,621.02
Total amount expended from July 1 to Dec. 31, 1973	213,621.02
Balance unexpended as of Dec. 31, 1973	316,378.98

LEE METCALF, Chairman.

JOINT COMMITTEE ON DEFENSE PRODUCTION

January 7, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Harold J. Warren	Staff director and counsel.	$17,612.40
Cary H. Copeland	Assistant staff director	13,207.29
Robert B. Geddie, Jr	Professional staff	7,262.22
Robert S. Riggs	do	5,586.89
J. Michael Hemphill	do	12,006.69
Edward A. Sokol	do	7,500.36
Charles H. Liner, Jr	do	465.00
Mary Ellen Simpson	Clerk	947.48
Samuel L. Stewart	do	846.99
Lee Sherman Cox	do	976.19
Ruth Baskerville	Secretary	4,732.69

Funds authorized or appropriated for committee expenditures	$152,105.00
Amount of expenditures previously reported	0
Amount expended from July 1 to Dec. 31, 1973	71,269.50
Total amount expended from July 1 to Dec. 31, 1973	71,269.50
Balance unexpended as of Jan. 1, 1974	80,835.50

JOHN SPARKMAN, Chairman.

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

January 30, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1973, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Laurence N. Woodworth	Chief of staff	$19,999.98
Lincoln Arnold	Deputy chief of staff	18,000.00
Herbert L. Chabot	Assistant chief of staff	18,000.00
Arthur Fefferman	Chief economist	18,000.00
Bernard M. Shapiro	Legislation counsel	17,405.49
Harrison B. McCawley	Refund counsel	16,381.77
James H. Symons	Statistical analyst	18,000.00
John Germanis	do	15,869.73
Albert Buckberg	Economist	17,405.49
Michael D. Bird	do	17,750.01
Leon Klud	do	11,928.00
Mark L. McConaghy	Legislation attorney	13,310.97
Donald C. Evans	do	13,156.50
Howard J. Silverstone	do	15,869.73
Robert A. Warden	Legislative attorney	$15,869.73
Robert A. Blum	do	13,821.99
James Billinger	do	13,156.50
Joseph P. Spellman	Refund attorney	12,183.99
Carl E. Bates	do	12,183.99
Joseph E. Fink	Statistical clerk	12,183.99
Cynthia F. Wallace	do	6,655.23
Allan Rosenbaum	Accountant	12,798.24
Joanne McDermott	Secretary	9,931.50
Marcia B. Rowzie	do	6,808.74
Linda Savage	do	7,679.01
Blanche Nagro	Secretary (refund)	7,371.75
Jamie L. Daley	Secretary	6,962.25
June Matthews	do	6,322.50
Amelia Del Carmen	do	6,194.49
Sharon Malcom	do	4,965.75
Jacqueline S. Pfeiffer.	do	6,808.74
Ellen I. Woodriff	do	5,426.49
Alexa Gage	do	5,887.23
Theresa Sbarra	do	5,276.49
Maria L. Winter	do	5,733.75
Richard Eigenbrode	Clerk (to Sept. 30, 1973).	1,500.00
Michael Cook	Clerk	4,375.02
Herman H. Wommack	Clerk (to July 21, 1973).	666.67
Paul W. Oosterhuis	Legislation attorney (as of July 2, 1973).	7,637.34
James W. Wetzler	Economist (as of July 2, 1973).	8,910.14
Thomas R. White, III	Legislation attorney (as of Aug. 6, 1973).	12,441.08

Funds authorized or appropriated for committee expenditures	$937,720.00
Amount of expenditures previously reported	
Amount expended from July 1 to Dec. 31, 1973	456,313.52
Total amount expended from July 1 to Dec, 31. 1973	456,313.52
Balance unexpended as of Dec. 31, 1973	481,406.48

WILBUR D. MILLS, Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1861. A letter from the Architect of the Capitol, transmitting a report of expenditures during the 6 months ended December 31, 1973, from funds appropriated to him, pursuant to section 105(b) of Public Law 88-454; to the Committee on Appropriations.

1862. A letter from the Deputy Secretary of Defense, transmitting a report on the real and personal property of the Department of Defense as of June 30, 1973, pursuant to 10 U.S.C. 2701; to the Committee on Armed Services.

1863. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting a report on the apportionment of the reduction in the total military strength of the Department of Defense for June 30, 1974, pursuant to section 301(b) of Public Law 93-155; to the Committee on Armed Services.

1864. A letter from the Deputy Assistant Secretary of Defense (Military Personnel Policy), transmitting a supplemental report on former military and civilian officials and Department of Defense employees who have filed reports relating to employment by defense contractors, pursuant to 50 U.S.C. 1436(d); to the Committee on Armed Services.

1865. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting a report of the design and construction supervision, inspection, and overhead fees charged by the several construction agents for military construction projects of the Military Departments and Defense Agencies during fiscal year 1973, pursuant to section 704 of Public Law 92-545; to the Committee on Armed Services.

1866. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Naval and Marine Corps Reserves, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1867. A letter from the Acting Secretary of the Army, transmitting a report on the number of Army officers above the grade of major entitled to receive incentive pay for flight duty, and the average monthly flight pay during the period July 1–December 31, 1973, pursuant to 37 U.S.C. 301(g); to the Committee on Armed Services.

1868. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting a report on the facts and justification for the relocation of military activities at the Military Ocean Terminal, Brooklyn, N.Y., to the Military Ocean Terminal, Bayonne, N.J., pursuant to section 613 of Public Law 89-568; to the Committee on Armed Services.

1869. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting a quarterly report on the programing and obligation of contingency funds, covering the period ended December 31, 1973, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1870. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties entered into by the United States, pursuant to section 112(b) of Public Law 92-403; to the Committee on Foreign Affairs.

1871. A letter from the Governor of the Canal Zone and President, Panama Canal Company, transmitting a report on the disposal of foreign excess property by the Panama Canal Company and the Canal Zone Government during calendar year 1973, pursuant to 40 U.S.C. 514(d); to the Committee on Government Operations.

1872. A letter from the Acting Assistant Secretary of State for Congressional Relations and the Under Secretary of Interior, transmitting a draft of proposed legislation to authorize the measures necessary to carry out the provisions of Minute No. 242 of the International Boundary and Water Commission, concluded pursuant to the Water Treaty of 1944 with Mexico (TIAS 994), entitled "Permanent and Definite Solution to the International Problem of the Salinity of the Colorado River" to the Committee on Interior and Insular Affairs.

1873. A letter from the Acting Assistant Secretary of the Interior, transmitting a copy of a proposed amendment to a concession contract authorizing the continued provision of overnight accommodations and related facilities for the public at the Kalaloch area of Olympic National Park, Wash., for a term ending December 31, 1975, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

1874. A letter from the Acting Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with the University of Idaho, Moscow, Idaho, for a research project entitled "Field Testing Tracer Gas Survey Techniques to Quantify Leakage Ventilation," pursuant to Public Law 89-672; to the Committee on Interior and Insular Affairs.

1875. A letter from the Director of Territorial Affairs, Department of the Interior, transmitting the annual report of the Government Comptroller for Guam on the fiscal condition of the Government of Guam for the year ended June 30, pursuant to 48 U.S.C. 1422(g); to the Committee on Interior and Insular Affairs.

1876. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 18-C, *the Minnesota Chippewa Tribe, et al.*, on behalf of the *Chippewa Indians of the Mississippi and Lake Superior*, plaintiffs, v. *the United States of America*, defendant, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1877. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act, and the Fair Packaging and Labeling Act to improve the protection of the public health and safety, to repeal the Filled Milk Act and the Filled Cheese Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1878. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail tranportation facilities and to develop a rolling stock scheduling and control system; to the Committee on Interstate and Foreign Commerce.

1879. A letter from the Secretary of Transportation, transmitting a report on activities under the Emergency Rail Services Act of 1970, together with an evaluation of the financial condition of railroads which have outstanding certificates guaranteed under the act, pursuant to 45 U.S.C. 669; to the Committee on Interstate and Foreign Commerce.

1880. A letter from the Secretary of Transportation, transmitting a revised prospectus for the National Highway Traffic Safety Administration Compliance Test Facility, to be constructed near Columbus, Ohio; to the Committee on Interstate and Foreign Commerce.

1881. A letter from the Secretary of Commerce, transmitting notice that the first of the annual reports required by sections 201 and 202 of the Marine Protection, Research, and Sanctuaries Act of 1972, covering the period April 23–June 30, 1973, will be combined into one report and submitted before April 23, 1974; to the Committee on Merchant Marine and Fisheries.

1882. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes; to the Committee on Public Works.

1883. A letter from the Secretary of Transportation, transmitting the annual report for fiscal year 1973 on the Urban Area Traffic Operations Improvement (TOPICS) program, pursuant to 23 U.S.C. 135; to the Committee on Public Works.

1884. A letter from the Federal Cochairman, Old West Regional Commission, transmitting the first annual report on the activities of the Commission, covering the period August 18, 1972, through June 30, 1973, pursuant to section 510 of the Public Works and Economic Development Act of 1965, as amended; to the Committee on Public Works.

1885. A letter from the Federal and State Cochairmen, Pacific Northwest Regional Commission, transmitting the first annual report on the activities of the Commission, covering the period December 11, 1972, through June 30, 1973, pursuant to section 510 of the Public Works and Economic Development Act of 1965, as amended; to the Committee on Public Works.

1886. A letter from the Chairman, U.S. Tariff Commission, transmitting the 23d report on the operation of the trade agreements program, pursuant to section 402(b) of the Trade Expansion Act of 1962; to the Committee on Ways and Means.

1887. A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

RECEIVED FROM THE COMPTROLLER GENERAL

1888. A letter from the Comptroller General of the United States, transmitting a report on U.S. programs in Ghana; to the Committee on Government Operations.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBERTS: Committee of Conference. Conference report on H.R. 10203. (Rept. No. 93-796). Ordered to be printed.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10626. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter; with amendment (Rep. No. 93-797). Referred to the Committee of the Whole House.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10294. A bill to establish land use policy; to authorize the Secretary of the Interior, pursuant to guidelines issued by the Council on Environmental Quality, to make grants to assist the States to develop and implement comprehensive land use planning processes; to coordinate Federal programs and policies which have a land use impact; to make grants to Indian tribes to assist them to develop and implement land use planning processes for reservation and other tribal lands; to provide land use planning directives for the public lands; and for other purposes; with amendment (Rept. No. 93-798). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON: Committee on Armed Services. H.R. 12670. A bill to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes (Rept. No. 93-799). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 12770. A bill to assist the States in meeting their liability to supplement the Federal benefits payable under the supplemental security income benefit program by establishing a more recent base period for measuring the "hold-harmless" limitation on such liability; to the Committee on Ways and Means.

H.R. 12771. A bill to make it clear that the bonus value of food stamps is to be included in the "hold harmless" amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive; to the Committee on Ways and Means.

By Mr. ADDABBO:

H.R. 12772. A bill to amend section 601 of the Federal Aviation Act of 1958 to require filing of flight plans in connection with the operation of civil aircraft in air commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRETT (for himself, Mr. Nix, Mr. Green of Pennsylvania, and Mr. Eilberg):

H.R. 12773. A bill to amend the Emergency Petroleum Allocation Act of 1973 to require the President to set a ceiling price on domestice crude oil not to exceed prices prevailing on October 1, 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACKBURN:

H.R. 12774. A bill to amend title 10, United States Code, to restore the system of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. BLATNIK (for himself, Mr. Perkins, Mr. Sisk, Mr. Ichord, Mr. Evans of Colorado, Mr. Towell of Nevada, and Mr. Shoup):

H.R. 12775. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Interior and Insular Affairs.

By Mr. BROOMFIELD:

H.R. 12776. A bill to amend section 428(a) of the Higher Education Act of 1965, as amended, and section 2(a)(7) of the Emergency Insured Students Loan Act of 1969, to better assure that students will have reasonable access to loans to meet their postsecondary education costs, and for other purposes; to the Committee on Education and Labor.

By Ms. COLLINS of Illinois (for herself, Ms. Boggs, Mr. Nix, Mr. Mollohan, Mr. Koch, Mr. Matsunaga, Mr. Davis of Georgia, Mr. Studds, Mr. Young of Illinois, Mr. Riegle, Mr. Edwards of California, Mr. Powell of Ohio, Mr. Conyers, Mr. Holifield, Mr. Anderson of Illinois, Mr. Brown of California, Mr. Mazzoli, Mr. Charles H. Wilson of California, Mr. Yatron, Mr. Sarbanes, Mr. Hawkins, Mr. Rodino, Mr. Metcalfe, and Mr. Roybal):

H.R. 12777. A bill to amend title XVIII of the Social Security Act to include breast prosthesis among the items and services for which payment may be made under the supplementary medical insurance program; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. Helstoski, Mr. Frenzel, Mr. Wolff, Mr. Moakley, Mr. Stokes, and Mr. Rosenthal):

H.R. 12778. A bill to amend title XVIII of the Social Security Act to include breast prosthesis among the items and services for which payment may be made under the supplementary medical insurance program; to the Committee on Ways and Means.

By Mr. CONABLE:

H.R. 12779. A bill to authorize the Secretary of Agriculture to make grants to cities to encourage the increased planting of trees and shrubs and to encourage other urban forestry programs; to the Committee on Agriculture.

By Mr. DAVIS of Wisconsin (for himself, Mr. Zablocki, Mr. Froehlich, Mr. Thomson of Wisconsin, Mr. Aspin, and Mr. Steiger of Wisconsin):

H.R. 12780. A bill to amend the act which created the United States Olympic Committee to require such committee to hold public proceedings before it may alter its constitution, to require arbitration of certain amateur athletic disputes, and for other purposes; to the Committee on the Judiciary.

By Mr. DENT:

H.R. 12781. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. DINGELL (for himself and Mr. Rogers):

H.R. 12782. A bill to amend the National Environmental Policy Act of 1969 in order to specify those actions of the Environmental Protection Agency for which environmental impact statements are required; to the Committee on Merchant Marine and Fisheries.

By Mr. DULSKI:

H.R. 12783. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reduction in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. GROSS:

H.R. 12784. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 12785. A bill to establish the Potomac National River in the States of Maryland, Virginia, and West Virginia and in the District of Columbia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARRINGTON:

H.R. 12786. A bill to provide adequate mental health care and psychiatric care to all Americans; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself and Mr. Reid):

H.R. 12787. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Ms. JORDAN:

H.R. 12788. A bill to amend the Internal Revenue Code of 1954 so as to reduce by 8 percent the amount of individual income tax withheld at the source; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 12789. A bill to prohibit common carriers in interstate commerce from charging handicapped people more than half fare for their transportation during nonpeak periods of travel, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP (for himself, Mr. Steelman, Mr. Baker, Mr. Ketchum, Mr. Symms, Mr. Treen, Mr. Collins of Texas, Mr. Burgener, Mr. Huber, Mr. Del Clawson, Mr. Armstrong, Mr. Fisher, Mr. O'Hara, Mr. Johnson of California, Mr. Goldwater, Mr. Rousselot, Mr. Ashbrook, Mr. Rarick, Mr. Long of Maryland, Mr. Martin of North Carolina, Mr. Powell of Ohio, Mr. Steiger of Arizona, and Mr. Pritchard):

H.R. 12790. A bill to repeal the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. KEMP (for himself, Mr. Steelman, Ms. Holt, Mr. Runnels, Mr. Froehlich, and Mr. Landgrebe):

H.R. 12791. A bill to repeal the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia:

H.R. 12792. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MATSUNAGA:

H.R. 12793. A bill to promote development and expansion of community schools throughout the United States; to the Committee on Education and Labor.

H.R. 12794. A bill to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MAYNE:

H.R. 12795. A bill to amend the Emergency Petroleum Allocation Act of 1973 to rollback the price of propane gas; to the Committee on Interstate and Foreign Commerce.

By Mr. MINSHALL of Ohio:

H.R. 12796. A bill to amend the Shipping Act, 1916, in order to prohibit the practice of port equalization; to the Committee on Merchant Marine and Fisheries.

By Mr. MOAKLEY:

H.R. 12797. A bill to amend title 39, United States Code, to establish improved standards to achieve efficient mail service, to provide an effective method of reimbursing the U.S. Postal Service for public service costs while maintaining a reasonable postal rate structure, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 12798. A bill to encourage earlier retirement by permitting Federal employees to purchase into the civil service retirement system benefits unduplicated in any other retirement system based on employment in Federal programs operated by State and local governments under Federal funding and supervision; to the Committee on Post Office and Civil Service.

By Mr. MORGAN (by request):

H.R. 12799. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations and for other purposes; to the Committee on Foreign Affairs.

By Mr. NEDZI:

H.R. 12800. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX:

H.R. 12801. A bill to require filing of domestic food price impact statement in connection with exports of U.S. commodities; to the Committee on Banking and Currency.

By Mr. O'HARA (for himself, Mr. Nedzi, and Mr. Harrington):

H.R. 12802. A bill to amend section 428(a) of the Higher Education Act of 1965, as amended, and section 2(a)(7) of the Emergency Insured Student Loan Act of 1969, to better assure that students will have reasonable access to loans to meet their postsecondary education costs, and for other purposes; to the Committee on Education and Labor.

By Mr. OWENS:

H.R. 12803. A bill to facilitate the exchange of school lands between the State of Utah and the Navajo Tribe; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H.R. 12804. A bill to amend the Small Business Act to expand the definition of small business concern to include agribusinesses; to the Committee on Banking and Currency.

H.R. 12805. A bill to amend the Small Business Act to provide for direct loans at the rate of 4 percentum per annum to small business concerns adversely affected by the energy crisis; to the Committee on Banking and Currency.

H.R. 12806. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12807. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

H.R. 12808. A bill to establish an advisory commission to make a study and report with respect to freight rates for farm products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBINSON of Virginia:

H.R. 12809. A bill to provide further for uniform annual observances of certain legal public holidays on Monday, and for other purposes; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Moorhead of Pennsylvania, Mr. Evins of Tennessee, Mr. Spence, and Mr. Nix):

H.R. 12810. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSE:

H.R. 12811. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 12812. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. ROSENTHAL (for himself, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Bingham, Mr. Brown of California, Mr. Burton, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Conyers, Mr. Corman, Mr. Cotter, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Fraser, Mrs. Grasso, Mr. Harrington, Mr. Helstoski, Ms. Holtzman, Mr. Howard, Mr. Karth, and Mr. Kastenmeier):

H.R. 12813. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients and to disclose changes in such ingredients; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. Koch, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Pepper, Mr. Podell, Mr. Rodino, Mr. Roe, Mr. Roybal, Ms. Schroeder, Mr. Smith of Iowa, Mr. Stokes, Mr. Studds, Mr. Tiernan, Mr. Waldie, Mr. Whitehurst, Mr. Wolff, and Mr. Yatron):

H.R. 12814. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients and to disclose changes in such ingredients; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING (for himself and Mr. Mosher):

H.R. 12815. A bill to amend title 23 of the United States Code to permit temporary increases in vehicle weight limitations; to the Committee on Public Works.

By Mr. TEAGUE (for himself and Mr. Mosher):

H.R. 12816. A bill to authorize appropriations for activities for the National Science Foundation, and for other purposes; to the Committee on Science and Astronautics.

By Mr. THOMPSON of New Jersey:

H.R. 12817. A bill to amend the Food Stamp Act of 1964, as amended, and for other purposes; to the Committee on Agriculture.

H.R. 12818. A bill to amend the Public Health Service Act to assure an adequate supply of chlorine and certain other chemicals and substances which are necessary for safe drinking water and for waste water treatment; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN:

H.R. 12819. A bill to prohibit the sale of "Saturday Night Special" handguns in the United States; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 12820. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorization for a 5-year period, and for other purposes; to the Committee on Public Works.

By Mr. HARRINGTON:

H.J. Res. 900. Joint resolution to repeal the joint resolution expressing the determination of the United States with respect to the situation in Cuba, approved October 3, 1962; to the Committee on Foreign Affairs.

By Mr. ROBINSON of Virginia:

H.J. Res. 901. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day"; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. Con. Res. 428. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. GROSS:

H. Con. Res. 429. Concurrent resolution providing for the termination of assistance under the Foreign Assistance Act of 1961; to the Committee on Foreign Affairs.

By Mr. KEMP:

H. Con. Res. 430. Concurrent resolution expressing the sense of the Congress that the President should cease all trade negotiations with, and withdraw scientific, educational, and cultural exchange missions from, the Soviet Union, until such time as the Soviet Union demonstrates an effective relaxation of restraints on individual liberties, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CRANE (for himself, Mr. Flood, Mr. Blackburn, Mr. Waggonner, Mr. Bauman, Mr. Myers, Mr. Powell of Ohio, Mr. Robinson of Virginia, Mr. Rousselot, Mr. Symms, Mr. Thone, and Mr. Williams):

H. Res. 860. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. GUDE (for himself and Mrs. Holt):

H. Res. 861. Resolution disapproving the recommendations of the President with respect to the rates of pay of Members of Congress transmitted to the Congress in the appendix to the budget for the fiscal year 1975, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ICHORD (for himself, Mr. Dent, Mr. Aspin, Mr. Heinz, Mr. Stokes, Mr. Rose, Mr. Mills, Mr. Hays, Mr. Landgrebe, Mr. Broomfield, Mr. Grover, Mrs. Sullivan, Mr. Breaux, Mr. Perkins, Mr. Murphy of Illinois, Mr. Biaggi, Mr. Charles H. Wilson of California, Mr. Walsh, Mr. Gettys, Mr. Archer, Mr. Smith of New York, Mr. Steiger of Arizona, Mr. Rodino, Mr. Williams, and Mr. Clay):

H. Res. 862. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank of the United States; to the Committee on Banking and Currency.

By Mr. ICHORD:

H. Res. 863. Resolution authorizing the expenditure of certain funds for the expenses of the Committee on Internal Security; to the Committee on House Administration.

By Mr. STEELE (for himself, Mr. Bafalis, Mr. Cleveland, Mrs. Collins of Illinois, Mrs. Grasso, Mr. Hansen of Idaho, Mr. Heinz, Mrs. Holt, Mr. Lujan, Mr. Riegle, Mr. Rosenthal, Mr. Sarasin, Mr. White, Mr. Whitehurst, Mr. Winn, and Mr. Wolff):

H. Res. 864. Resolution expressing the support of the House for the formation of an Organization of Petroleum Consuming Nations; to the Committee on Foreign Affairs.

By Mr. YATES (for himself, Mr. Hanrahan, Mr. McCormack, Mr. Rosenthal, Mr. Won Pat, Mr. Badillo, Mr. Giaimo, Mr. Lehman, Mr. Koch, Mr. Leggett, Mr. Eilberg, Mr. Boland, Mr. Gibbons, Mr. Harrington, Mr. Studds, Ms. Abzug, Mrs. Grasso, Mr. Van Deerlin, Mr. O'Hara, Mr. Charles H. Wilson of California, and Mr. Cronin):

H. Res. 865. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States; to the Committee on Rules.

By Mr. YOUNG of Illinois:

H. Res. 866. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

347. By the SPEAKER: A memorial of the Assembly of the State of California, relative to changing the boundaries of the Point Reyes National Seashore; to the Committee on Interior and Insular Affairs.

348. Also, a memorial of the Assembly of the State of New York, relative to the energy crisis; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISHER:

H.R. 12821. A bill for the relief of Lystra Umilta Downs; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 12822. A bill for the relief of Librada V. Paclibar, Avita Esparcia Catiwala-An, Luz Arbes Liza; to the Committee on the Judiciary.

By Mr. BUTLER:

H. Res. 867. Resolution to refer the bill, H.R. 12765, for the relief of Robert Alexander, to the Chief Commissioner of the Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

391. By the SPEAKER: Petition of Celestine Thomas, Seattle, Wash., and others, relative to designating the birthday of the late Dr. Martin Luther King, Jr., as a national holiday; to the Committee on the Judiciary.

392. Also, petition of the Kentucky Law Enforcement Council, Louisville, relative to conferring nationwide arrest and investigative authority on railroad police officers; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

GEN. THADDEUS KOSCIUSZKO DAY

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ROONEY of New York. Mr. Speaker, it is indeed fitting that as we all paid tribute this past Tuesday, February 12, to Abraham Lincoln we include a similar homage to the equally beloved and illustrious patriot Gen. Thaddeus Kosciuszko. Both these true heroes served America with distinction in its hours of greatest need. Both were of high courage and possessed deep moral convictions; both were dedicated to the task of serving their fellow men without reservation as to race, creed, or national origin.

President Lincoln sought in vain to prevent the sundering of our Nation over the question of slavery; then devoted himself to the task of binding up the Nation's wounds after tragic years of brothers fighting against brothers. General Kosciuszko fought valiantly to help American patriots to free themselves from the yoke of British rule and to establish themselves as a free and independent nation.

So it is that on the birthday of these great men we cannot honor one without honoring the other. Lincoln gained the name of the "Great Emancipator." Kosciuszko justly deserves the name of "Great Liberator," for the role he played in aiding Gen. George Washington and the Continental Army in defeating the vastly superior forces of the British crown.

We honored Abraham Lincoln last Tuesday for his deep compassion for the enslaved black man and for his constant efforts to liberate all those in bondage. We honor General Kosciuszko for his great humanitarian act of requesting Thomas Jefferson to dispose of his American possessions to buy the freedom of slaves and to provide them with education and adequate training to become good neighbors, good fathers and mothers, and good husbands and wives in order that they might become defenders of their own freedom and the freedom of their country.

Whereas Lincoln was born in a log cabin desperately poor and with little opportunity for formal education, Kosciuszko was born of reasonably well-to-do parents and access to the best in formal education and military training.

Neither was deterred either by poverty or by affluence from developing in childhood the highest in moral values and a dedication to service to mankind. Both had deep loyalties to their own commitments and great allegiance to their fellow citizens, yet both recognized the shortcomings of their governments and dedicated themselves to the elimination of these defeats.

Abraham Lincoln's fervor for freedom and the liberation of his fellow Americans really was not manifested until he became a man and was plunged into the great political issues of his days, whereas young Thaddeus Kosciuszko even as an adolescent boy possessed a keen discernment of right and wrong plus an unswerving determination to do something about the wrongs he encountered. Thus, it was that before he came of age he was thrust into the leadership of his fellow countrymen who were fighting to prevent the dismemberment of his beloved Poland by Russia, Prussia, and Austria. For his zeal and fearless efforts he was exiled from his native land by the Czarist regime which exercised cruel dominion over his homeland.

It is small wonder that Kosciuszko with his passion for freedom so great, found it easy to adopt the cause of the American patriots as his own; easy for him to take a ship for America and offer his services to Gen. George Washington and the Continental Congress who accepted him with alacrity. No single officer and no American-born citizen contributed more to the successful winning of our war of independence than did this skillful and dedicated Polish officer. His engineering accomplishments were both timely and lasting. He shared the disappointments and the bitter hardships that befell the undisciplined, ill-fed, and ill-clothed Continental Army. So dear were his passions for freedom and so effective were his efforts to gain America's independence, Thomas Jefferson referred to him as "the purest son of liberty I have ever known."

Mr. Speaker, in much the same manner in which the Congress on October 13, 1783, showed General Kosciuszko its own and the Nation's appreciation of his magnificent service by awarding him full American citizenship, a land grant, and promotion to the rank of brigadier general, I feel all of us in this body should show once again this Nation's gratitude by expressing anew our personal appreciation of this revered patriot and friend. He is truly worthy of the type of honor with which we acclaim our beloved Abraham Lincoln on this the birthday of both. In these dark days when we encounter so many distressing examples of greedy and self-serving public servants, it is indeed refreshing to all of us to recall the selfless and dedicated service which these two great heroes performed in our behalf—services performed without thought of monetary gain or rewards, but wholly motivated by love of country and the preservation of the joyous freedom of mankind from tyranny and oppression.

THIS IS A FARMER

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. MATHIS of Georgia. Mr. Speaker, as our society becomes increasingly urbanized and the American farmer becomes increasingly removed from our everyday lives, the inevitable result has been that the farmer is too often misunderstood, or worse yet, simply ignored.

In January, I had the privilege of meeting with a dynamic group of young farmers in south Georgia and was handed a copy of an article which I think reveals something about the complexity and humbleness of the great farming profession. So that we will not take the farmers for granted, I am inserting the text of the article in the RECORD:

THIS IS A FARMER

(Author Unknown)

Farmers are found in fields plowing up, seeding down, returning from, planting to, fertilizing with, spraying for and harvesting if. Wives help them, little boys follow them, the Agriculture Department confuses them, city relatives visit them, salesmen detain them, meals wait for them, weather delays them, but it takes Heaven to stop them.

When your car stalls along the way, a farmer is a considerate, courteous, inexpensive road service. When a farmer's wife suggests he buy a new suit, he can quote from memory every expense involved in operating the farm last year, plus the added expense he is certain will crop up next year. Or else he assumes the role of the indignant shopper, impressing upon everyone within earshot the pounds of pork he must produce in order to pay for a suit at today's prices.

A farmer is a paradox—he is an "overalled" executive with his home his office; a scientist using fertilizer attachments; a purchasing agent in an old straw hat; a personnel director with grease under his finger nails; a dietitian with a passion for alfalfa, animals and antibiotics; a production expert faced with a surplus; and a manager battling a price-cost squeeze. He manages more capital than most of the businessmen in town.

He likes sunshine, good food, state fairs, dinner at noon, auctions, his neighbors, Saturday nights in town, his shirt collar unbuttoned, and above all a good soaking rain in August.

He is not much for droughts, ditches, west Georgia tollroads, experts, weeds, the eight-hour day, helping with the housework, or grasshoppers.

Nobody else can remove all those things from his pocket and on washday still have overlooked: five "steeples," one cotter key, a rusty spike, three grains of corn, the stub end of a lead pencil, a square tape, a $4.98 pocket watch, and a cupful of chaff in each trouser cuff.

A farmer is both Faith and Fatalist—he must have faith to continually meet the challenges of his capacities amid an ever-present possibility that an act of God (a late spring, an early frost, tornado, flood, drought) can bring his business to a standstill. You can reduce his allotments but you can't restrain his ambition.

Might as well put up with him—he is your friend, your competitor, your customer, your source of food and fiber, and self-reliant young citizens to help replenish your cities.

He is your countryman—a denim dressed, business-wise fast-growing statesman of stature.

And when he comes in at noon having spent the energy of his hopes and dreams, he can be recharged anew with the magic words: "The Market's Up."

WOMEN OF ACHIEVEMENT

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. WALSH. Mr. Speaker, every year the Syracuse Post-Standard newspaper selects 10 annual and 2 alltime Women of Achievement.

These women represent excellence in their field of endeavor and they win the awards, because of their extraordinary performances, their unusual dedication and their innovative approaches to problems.

To quote the article naming these great ladies:

> The 12 women here honored are typical of the wonderful women of Central New York, who with their professional and voluntary efforts make our world a better place.
>
> If the world is changing for the good, they have a hand in it . . . they join a select society. In the past, Women of Achievement have continued to give their talents to the community: to serve, to lead, to offer.
>
> We honor them all.

In the alltime category, Dr. Bernice Wright has applied a great desire to help people help themselves to her career as an educator. That career began as a graduate assistant in the School of Speech and Dramatic Art at Syracuse University and culminated as dean for the College of Human Development at Syracuse University, from which she retired last June.

Mrs. Reuben Lavine is the second woman honored for "giving unselfishly of herself for many years to improve the quality of life in central New York, and in a larger sense, the quality of life for women."

A commitment to helping others also describes the reason for Mrs. Lavine's award. That commitment began even as a young girl when she gave piano lessons to other young girls who could not afford to pay for them. It continued through the years with the lending of her talents and leadership to a host of national and local organizations dedicated to helping others.

In the citizenship category, Mrs. William Lynch is being honored for her efforts toward educating the public to the unmet needs of children. Mary Lynch is generally given credit for being the guiding spirit behind an attractive and profitable crafts shop in downtown Syracuse. The shop helps with the public education program and also assists in providing necessary funds for local agencies concerned about the unmet needs of children.

Mrs. Lulu Everts is responsible for keeping the Onondaga Hills "alive with the sound of music." For 15 years she has brought great musical artists and the best concert orchestras to Syracuse as impresario of the Syracuse Civic Music Association. For this work, Mrs. Everts is being honored as a Woman of Achievement in the music area.

Constance Timberlake's latest achievement in the field of education has been her election to the Syracuse Board of Education with Republican, Democratic, and Liberal Party endorsements. However, before that election are 9 years of achievement which include membership in and leadership of a litany of varied educational organizations.

In the area of community service, the award goes to Mrs. Lester Cohen, because of her numerous contributions of time and energy and talent to a variety of community service groups.

Tireless dedication to the needs of the elderly is the reason for Mrs. Grace Egelston's reception of the Woman of Achievement Award in the volunteer leadership category. Mrs. Egelston, for the past 3 years, has been president of ACCORD, a senior citizens group in Syracuse which recently received national publicity as one of the most effective advocacy coalitions for older persons in the country.

Syracuse's Everson Museum is now being called "one of the Nation's outstanding art museums," and a large part of the credit can go to Mrs. Robert Small, the president of the Board of Directors. For her contribution she receives the Woman of Achievement Award in the area of cultural development.

Twenty years of devotion to professional life in medicine preventing disease and injury to young children brings Dr. Virginia Goddard Harris the honor in the health category. Her most recent achievement, establishment of a Lead Poisoning Control Center, has resulted in the detection of hundreds of cases of lead poisoning and the saving of many young lives.

Communications is the key to Carolyn West's success as the first woman officer of Crouse-Hinds Co. and as the 1973 Post-Standard Woman of Achievement in industry. Carolyn is the press relations vice president for the company and serves on the public relations committees of several local organizations.

Cited for her work as a good neighbor is Mrs. Henry Bea Ledermann. Aunt Bea, as she is known in Cazenovia, has done much to make the "Fresh Air Kid" program a success in central New York. Mrs. Ledermann still hears from the youngsters she took in more than 20 years ago.

In the category of religion, the honor goes to Sr. Marguerite Tierney for her work as executive director of the Family Life Division of Catholic Charities. Sr. Marguerite is the only woman in any Catholic diocese in this country to have this distinction and large responsibility.

That concludes the Women of Achievement. However, there is one more that needs to be honored. That person is the women's editor of the Syracuse Post-Standard, Lois Vosburgh, who 6 days a week, 52 weeks a year, edits the "Women's World" pages. She is the guiding light behind this fine awards program and she, without a doubt, rates being called a "Woman of Achievement."

MURRAY CHOTINER

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1974

Mr. REES. Mr. Speaker, I was saddened to hear of the death of my fellow Californian, Murray Chotiner, due to complications after an automobile accident.

Although Murray and I were mostly on opposite sides of many campaigns, I came to know him personally and found him to be one of the most brilliant political analysts I have ever met.

My deepest sympathy to Mr. Chotiner's family.

LENA MACHADO, HAWAII'S SONGBIRD, PASSES AWAY

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. MATSUNAGA. Mr. Speaker, it is with much sadness that I speak today of a deep loss to the people of Hawaii, and to me of a personal friend.

The Songbird of Hawaii, Lena Machado Kaiwi, has ceased her enchanting melody. Entertainer of millions, including Presidents Franklin Delano Roosevelt and Dwight D. Eisenhower, during a half century of performances par excellence, Lena Machado has passed away.

Her operatic charms won the respect of her fellow artists and the love of her delighted audiences. Her death brought to a close 70 years of triumph and sorrow, suffering, and success. Her life's story was recounted in two recent articles appearing in Hawaii's major daily newspapers, the Honolulu Advertiser and the Honolulu Star-Bulletin. In tribute to her memory I am today inserting these articles into the CONGRESSIONAL RECORD. To her widower, Samuel Kaiwi, and her family go my heartfelt condolences.

The articles are as follow:

"SONGBIRD OF HAWAII" LENA MACHADO DIES

> The "Songbird of Hawaii," Lena Machado, whose lyric soprano voice delighted millions for almost half a century, died at 2:15 a.m. today in Hale Nani Hospital. She was 70.
>
> Funeral arrangements are being made by Borthwick Mortuary.
>
> She had been ill since 1965 when she and her husband, Samuel Kaiwai, were involved in a near-fatal automobile accident on Kauai.
>
> Last year, Genoa Keawe and many other leading Hawaiian entertainers gave a benefit show in the Honolulu Concert Hall to help defray her hospital expenses.
>
> Until the accident, she had a spectacular singing career.
>
> Because of her remarkable voice Lena earned the nicknames "Songbird of Hawaii" and "Hawaii's Nightingale" early in her career.
>
> It was a career that had many highlights:
>
> Singing before President Franklin D. Roosevelt in 1934.
>
> So impressing opera star Galli Curci that there was talk of serious study in Milan.
>
> Singing on a coast-to-coast radio network.
>
> Making an album of songs she had composed herself from the more than 60 she created along with Hawaiian lyrics.
>
> Nightclub appearances from Honolulu to New York.
>
> But the singing that most enhanced her reputation came in the early days of her career when she sang with the Royal Hawaiian Band on "Boat Day" at the piers of Honolulu Harbor, greeting each ship arrival with "Aloha" and each departure with "Aloha Oe."
>
> She was born Oct. 16, 1903, in Pauoa Valley, Honolulu.

A full-blooded Hawaiian, her father was a noted singer and musician, Robert Waialeale. In the Hawaiian style of the day Lena was given away by her mother, Louise, and raised by Mary Davis Pan, a Hawaiian friend married to a Chinese.

Lena grew up in the Loo Pan home, attended school at Kauluwela and Sacred Heart and did her first singing as a member of a Girl Scout troupe.

A lei seller who greeted every ship arrival, Lena was "discovered" in a romantic manner—while sitting up in a mango tree on Richards Street near the present YWCA.

The late Marion Mulrony, manager of radio station KGU, then in its infancy, heard her singing in the mango tree one day.

Soon Lena was in a radio studio, troubled by "mike" fright, but her career was launched. She was an immediate radio sensation.

She tried out for the Royal Hawaiian Band and again was a sensation. When she sang for the famed Galli Curci, Lena reportedly could hit notes higher than the Italian soprano.

In the 1920s she married a tenor, Luciano Machado, later a policeman who died in 1957. Their three children were stillborn.

Lena's career with the Royal Hawaiian Band was both brilliant and stormy.

Once, in 1930, she quit the band and made the first of more than a dozen Mainland tours, this one with the Aldrich Hawaiian Troupe.

It was in 1935 that Lena was fired by Frank J. Vierra for insubordination. The band appeared too small for the two of them.

Then Mayor Fred Wright used her name in a court test over the legality of a salary hike. Worry about this brought on a nervous breakdown for Lena.

She composed many Hawaiian songs, starting with the early Hooipu Hula, Radio Hula and Aloha Nuuanu, and increasing in popularity with Mai Lohilohi Mai Oe, Hoonanea, and Kamalani O Keaukaha.

She made her first trip to California for recording purposes in 1935.

Her return on the Lurline in February 1941, was somewhat triumphant and there were many damp eyes when she stood at the ship's railing and sang for the hundreds on the docks below. In a few days she was featured in a big benefit show at the Civic Auditorium in her local professional comeback.

At the urging of Mayor Lester Petrie, Lena returned to the Royal Hawaiian Band in May 1942 under new director Domenico Moro.

Through the war years in Honolulu, she was with KGU. She was a great hit with the thousands of servicemen passing through Honolulu in those days.

In 1948 she made her seventh Mainland singing tour with nightclub contracts in both Chicago and New York.

In New York Lena received a phone call, while she was on a radio show, from Gen. Dwight Eisenhower asking that she sing "Mom" and "Sleep, Baby, Sleep," two hits of the war days.

Lena returned to Honolulu in 1951 to sing at the Club Pago Pago, the Niumalu Hotel and to appear in the movie "Bird of Paradise" starring Louis Jourdan and Debra Paget.

Lena went to Chicago in 1952 for another nightclub stint and made her TV debut on the Harry Owens Hawaii show.

She returned to Hawaii in 1953, moved to Waimanalo, opened a hula studio and made spot appearances again with the Royal Hawaiian Band.

She took a hotel engagement in New Jersey in 1956, but fell in a friend's home in Flushing, N.Y., broke a rib and a hip and spent five months in a wheelchair.

Another fall two years later tore ligaments but didn't prevent her from singing for a time at the new Princess Kaiulani Hotel.

After two years as a widow she married Samuel Kaiwi Sr., himself a widower, at Koloa, Kauai, in 1959.

Lena continued to be heard at occasional private parties where she was asked to sing, and in 1962 she made a tour of the Far East with the Sol Bright Hawaiian Troupe.

She recorded the album of her own songs in 1963 before moving to Kauai.

"HAWAII'S SONGBIRD," LENA MACHADO, DIES AT 70

Lena Machado Kaiwi, the Island soprano known as the "Songbird of Hawaii" who has thrilled musical audiences here and abroad for nearly five decades—died early yesterday at Hale Nani Hospital. She was 70.

Her fans affectionately dubbed her "Songbird of Hawaii," "Hawaii's Songbird" and "Hawaii's Nightingale" early in her colorful career.

She first started warbling when she was a member of a Girl Scout troupe. She attended school at Kauluwela and Sacred Heart, and grew up in the household of Loo Pan.

She was born Oct. 16, 1903, in Pauoa Valley.

Her lyric soprano voice has been heard in nightclubs and concert halls throughout Honolulu and on the Mainland. She also made numerous radio appearances in her heyday.

Perhaps she gained her legendary status in the infancy of her career when she performed with the Royal Hawaiian Band during the "Boat Day" hoopla on the docks at Honolulu Harbor. As passenger vessels left and arrived in Honolulu, she would perform "Aloha Oe."

She often performed with the trusty ukulele. It's said she never took a professional lesson—that her performances came naturally.

Her career had many peaks:

She performed for the famed Madame Galli Curci, opera star.

In 1934, she sang before President Franklin D. Roosevelt.

In 1939, she performed at San Francisco World's Fair at Treasure Island.

When "Bird of Paradise" was filmed in Honolulu in the 1950s, Mrs. Machado was among the Islanders appearing in the film starring Debra Paget and Louis Jordan.

In recent years, Mrs. Kaiwi's health had been unstable. In 1965, she and her husband, Samuel Kaiwi, were involved in an auto accident on Kauai, a mishap that nearly proved fatal for the songbird.

Hence, she required constant medical and hospital attention and care—so much so that just last year, a group of her fellow Hawaiian entertainers, headed by her friend, Genoa Keawe, conducted a benefit concert at the Honolulu Concert Hall to help raise funds to defray Mrs. Kaiwi's medical costs.

Prior to her marriage to Kaiwi, she was married to a tenor, Luciano Machado, who died in 1957. Their three children were stillborn.

Mrs. Kaiwi was full-blooded Hawaiian, whose father, Robert Waialaelae, was a noted musician and singer of his time. In the Hawaiian tradition, she was given away by her mother, Louise, and raised by Mary Davis Pan, a Hawaiian friend who was married to a Chinese, Loon Pan.

Her association with the Royal Hawaiian Band had a stormy period—she was fired then rehired in a sea of controversy.

She wrote many songs in Hawaiian. Among them were "Kauoha Mai," "Kaulana O Hilo Hanakahi," "Hoonanea," "Aloha Nuuanu," "Mai Lohilohi Mai Oe," and "Kamalani O Keaukaha."

As a child lei seller, she had spent years watching singers Julia Chilton and Lizzie Alohikea perform during "Boat Day" festivities at Honolulu harbor.

Mrs. Kaiwi was a life member of the Musicians Union of Honolulu, Local 677; ASCAP, an association of songwriters; Hale O Na Alii and Hui Aloha Club.

Funeral services for Mrs. Kaiwi will be held from 6 to 9 p.m. Friday at Borthwick Mortuary. Rosary will be said at 7:30 p.m.

Friends may call again from 8 to 9:45 a.m. Saturday at the mortuary. The funeral procession will leave Borthwick for the Cathedral of Our Lady of Peace, where a Requiem Mass will be said at 10 a.m., followed by interment at the Makiki Cemetery.

She is survived by her husband, a daughter, Mrs. Rose Kaneakua, six grandchildren and 10 great-grandchildren.

UNJUST TREATMENT OF OUR MILITARY PERSONNEL

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BLACKBURN. Mr. Speaker, today, I am introducing legislation which will restore a basic right to retired military personnel which was taken from them by the Military Pay Acts of 1958 and 1963.

Prior to 1958, military retirement pay was based upon years of service and rank at the time of retirement, and was recomputed every time that active duty pay was increased. This law had been in effect for over 100 years.

In 1958, this was changed. Military retirees' retirement pay did not increase in the same proportion as the pay received by members of the armed services on active duty. The Congress gave substantial pay raises to the Active Forces in order to get them somewhere near to parity with the civil service and civilian economy, but gave the retired personnel only a 6-percent increase even though the law governing recomputation was still in effect.

In 1963, the Congress wiped out the recomputation law and instead decided that retirement benefits would increase only on the basis of increases in the Consumer Price Index.

As a result retirement pay is hopelessly confused and this has led to great disparity.

Those veterans of World War II and the Korean conflict are receiving smaller pensions than people who have recently retired because the recomputation law no longer exists. I think the Nation is being unfair in requiring veterans of the world wars and the Korean era to receive smaller pensions than those of the Vietnam era.

I believe it is only fair that men of equal rank and equal service years receive equal benefits. Furthermore, I believe one of the great incentives for men to serve in our Armed Forces has been the idea that he will receive a pension at the time of his retirement and that pension will continue to grow at a rate equal to the cost of living and equal to others who have served as he has.

It is for these reasons, Mr. Speaker, that I am today introducing legislation which will call for the recomputation of retirement pay for our retired military personnel. I believe that our military personnel has been unjustly treated because of the failure of the Congress to remedy a growing disparity between active duty and retired pay, and I hope that this body will give serious consideration to this bill as a matter of equity.

THE 56TH ANNIVERSARY OF THE REPUBLIC OF ESTONIA

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mrs. HOLT. Mr. Speaker, February 24 marks the 56th anniversary of the declaration of the independence of the Republic of Estonia. Ironically, this date is celebrated while the Republic is under Soviet control.

The brave people of this Baltic country proclaimed their independence from Russia in 1918. They repulsed the Red army, and in 1920 concluded a peace treaty with Russia.

They drew up a constitution which was a mature example of human rights and dignity, but it served them only until 1940. Then, Russia effected a total military occupation of Estonia and soon illegally and forcibly incorporated them into the U.S.S.R. Since then the people have been systematically denied their very basic human rights of self-determination and freedom of expression.

During their brief glimpse of freedom, the Estonians achieved a remarkable awakening. Scientific research, as well as art, music, and theater, attained a high level. The country earned the admiration of the free world.

Despite their impressive achievements, the people have gotten few rewards from their oppressors. The Soviet regime has been attempting to diffuse the Estonian people by massive settlement of Russians in Estonia and a corresponding dispersal of Estonians. According to census figures for 1970, Estonians constituted only 68 percent of the population—as opposed to 88 percent in 1939.

Today the Estonians continue their noble fight against subjugation more than ever. They have suffered much aggression in defense of their rights over their own land—but their spirit for independence has not been broken.

The United States has never recognized the legality of the occupation and incorporation of Estonia by Russia. The Soviet regime in this Baltic State lacks any legal basis and must be regarded only as a temporary military occupation. Because we are a leader of liberty in the free world, we have an obligation to our friends behind the Iron Curtain. We must support the Estonians in their struggle.

As we celebrate their declaration of independence, their lot is of the conquered. We must pray to God that justice will prevail in the world, and their native country shall again enjoy freedom and independence.

WHAT MAKES A GOOD POLICE OFFICER?

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. HUNT. Mr. Speaker, we hear a great deal of talk from time to time about "bad" or "crooked" police officers, but seldom do we stop to consider that their number is extremely small when compared with the number of splendid men and women who adhere to the principles and ethics of professional, effective law enforcement.

As a former member of the New Jersey State Police and former Sheriff of Gloucester County, N.J., I know firsthand that much of the good accomplished by those who wear a badge goes unnoticed and unappreciated. I believe that the outstanding achievements and the high quality, sustained performance of duty from law enforcement officers merit more recognition and appreciation for the public.

I want to call my colleague's attention to an excellent address by FBI Director Clarence M. Kelley before The Outstanding Law Enforcement Officers Awards Banquet in Birmingham, Ala., on February 9, 1974. As a graduate of the FBI National Academy and as a staunch supporter of the FBI and local and State law enforcement officers throughout the country, I find Director Kelley's speech, "What Makes a Good Police Officer?" to be an extraordinary tribute to the rank and file members of our Nation's law enforcement agencies. Director Kelley touches on many vital issues that make up the complex role of a good officer. The address follows:

WHAT MAKES A GOOD POLICE OFFICER?

(Address by Clarence M. Kelley)

I am particularly gratified this evening for the opportunity of attending the third Annual Banquet for the Outstanding Law Enforcement Officers of the Year.

It is a pleasure to return to Birmingham. The three years I spent here as Special Agent in Charge of the FBI's office are among my happiest memories in law enforcement. Many of the police officers here tonight I met for the first time.

I am grateful indeed for the splendid assistance which Alabama law enforcement has given the FBI over the years and also to Ralph Miles and Philip McNiff, our present Special Agents in Charge. As FBI Director, I pledge to you continued close and fraternal cooperation.

I want also to extend my sincere personal congratulations to each of the officers being honored tonight.

You are a credit to your profession and your community. Nothing could be more commendatory than to be selected for this distinguished award. For you, this is the culmination of years of dedication, sacrifice and faithfulness to duty. We are proud of you. You bring honor to all of us in law enforcement.

Also, I want to say thank you to the distinguished citizens of Alabama who have made this recognition possible. Having been a law enforcement officer for over 30 years, I know what this occasion means for these brave men and women. They appreciate your interest, concern, and support. Your banquet tonight symbolizes that spirit of warm fellowship which must exist between the officers of the law and our citizenry if a community is to obtain the high quality of protection it deserves.

I want to share with you this evening some thoughts on the theme, "What Makes a Good Officer?" "What are the qualities which make the man or woman in blue a top-flight officer?"

These are not easy questions to answer.

I remember talking to a group of officers when I was Chief in Kansas City.

I posed the question: "What do you expect of your chief? What qualifications do you think a good chief of police should have?"

Well, I really opened the gate. In a matter of minutes, I had the blackboard filled with suggestions

There were such qualities as honesty and courtesy, administrative ability, integrity and a pleasant personality. One officer even suggested "good looking."

Their chief, they thought, should be experienced, wise, intelligent, well-trained, affable, strict in discipline but not too strict, understanding, a family man, healthy—and the list went on and on.

I remember, after jotting down all the suggestions, stepping back, looking at the group, and asking, "Now tell me, where are you going to find a person with all those qualifications?"

There was a moment of silence and no answers. Then I said: "As far as I'm concerned, the only person who could possibly qualify as a chief would be the perfect man and I don't know where you can find him."

And I could have added: "And if you did find him, what community could afford to pay the salary he would command?"

This story illustrates the almost unbelievably high standards expected of law enforcement—by its own personnel and by you, the citizens of the community. We expect not only the very best in our officers, but a range and depth of attributes that no mortal could possibly possess.

All too frequently we expect of the officer what we do not require of ourselves.

He must, in our eyes, be above reproach at all times, scrupulously honest, virtually without a fault.

He must make no mistakes, and, if he does, we criticize him unmercifully.

We expect him to handle all situations with finesse, tact and competence, but seldom do we realize that as a community we have not provided him with the professional training needed to cope with today's sophisticated, changing society.

We expect him to risk his life to apprehend a hijacker, bank robber and murderer, yet we often fail to pay him a livable salary and we make few, if any, provisions for his family in case of death during the line of duty.

We expect him to be enthusiastic and never to complain or gripe (as all of us do), yet we refuse to take the time to acquaint ourselves with his working conditions at headquarters, the precinct station or wherever he may be.

We expect him to perform at top efficiency, for long hours, often being called out in the middle of the night or on weekends, and forget that he too is human, that he gets tired and hungry, and like us, he may have a son with whom he likes to play baseball.

We expect him to immediately accommodate our desires when we call the police, forgetting that we have not given the chief sufficient manpower and equipment to provide the kind of service we expect and deserve.

Yet these men and women in blue, despite these handicaps, perform admirably—and I think the citizens across the great state of Alabama—and the Nation—owe them a tremendous debt of gratitude.

I have worked with police officers all my life. I have been an officer myself. I know their gripes. I know their joys. I think I know the men and women themselves—as human beings. And I can tell you, honestly and truthfully, you will never meet a finer group of Americans. They work not alone for the salary—if they did they wouldn't be there. They work not to be heroes—if so, they would long ago have resigned.

They walk your streets, safeguard your homes, keep your traffic going . . . why?

Because they believe in the dignity of the law, in the triumph of right over might, and, above all, because they want to do their share in helping protect their communities.

Here are the qualities exemplified by these officers tonight. I do not know any of them personally. I don't need to—because I know the traditions in which they believe, the traditions of service, personal integrity and courage.

That's the kind of human being they are.

Today it is not always pleasant to be a police officer. There are many groups and individuals who hate the police, who call the officer vile names. They seek to discredit and impugn our profession. If an officer makes an arrest he is accused of "brutality." If he maintains order during a demonstration he is taunted as a "bully." If he enforces the law he is charged with "harassment." He is called a "pig," and hissed and vilified as he carries out his duties.

It takes a man of unique qualities to do his job, honestly and faithfully, amid this barrage of unwarranted abuse and vilification. The excellent record of our officers in meeting these situations is a tribute to their training, skill, and patience.

In today's society the physical risk of being a police officer is high—and is growing.

Last year 134 brave officers lost their lives from criminal action, 131 being local, state and county officers. This is the highest total ever recorded. Three of these slayings were in Alabama.

For the officer, death lurks at every moment of the day. It may come from stopping a motorist, making an arrest, handling a domestic disturbance call.

Last year, for example, 30 officers were slain handling disturbance calls; 27 in connection with robbery matters; ten while investigating suspicious persons; seven at the hands of prisoners . . . and the list goes on.

In police work there is no sanctuary from the criminal's bullet.

Not only are there the dangers of regular police work but the officer is also the target of carefully planned sniper attacks, ambushes, and deliberate efforts to injure and kill. One antipolice group, for example, circulated a manual telling extremists how to fight the police. Make use of weapons, it said, such as ice picks, leather punches, can openers, sling shots, darts, and red pepper.

I write personal letters to the widows of police officers killed in line of duty. If anything brings a police department, or a group of officers together, it is the death of one of our own. In my letters I try my best to console the widow and family. But what can words say to take away the grief and pain?

Police families know that their husband and father is running a deadly risk every day—but they never expect that moment to come.

They know that when the officer leaves home in the morning they may never see him alive again—but they never expect that moment to arrive.

These widows sometimes write letters that wrench the heart, telling me about their situations. Brave women they are . . . living daily under the fear of death, yet when that moment of disaster comes, they too, like all of us, break down and cry.

"Law Enforcement," one widow wrote, "has been our way of life for 22 years. He (her husband) was doing a job he really loved—protecting the people and the city." Note, if you will, the words "law enforcement has been our way of life"—a family commitment, not just the officer, but the wife and children too. This is what makes a good officer. That he works with the enthusiastic support of his wife and children. That's why tonight, if the wives and children of these honored officers are present, they should receive our applause of appreciation. The officer is a good officer. Why? Because there is a wife, a family, a mother, a father, or other devoted person behind him.

Note also this widow's words, "He was doing a job he really loved." For 22 years—almost a whole career—that officer was doing a job he really liked. Here is another quality of the top-flight officer. He wasn't in law enforcement because he had to be—but because he wanted to be. This means enthusiasm, personal interest, and a dedication to doing the best possible job.

And then these final words, the officer was "protecting the people and the city."

What more can I say? This widow has summed up the whole meaning of being a police officer. This man was a selfless human servant, doing his share, as one officer, in creating a better life for his fellow citizens in the community—most of whom he had never seen and did not know. And he was so faithful to his job that it cost him his life.

What more can we ask?

Unfortunately, you, the citizen, do not have the opportunity to look inside the "inner heart"—to see the humanity—of the officer on the street corner or in the patrol cruiser. We can so easily criticize him . . . but are we, in our jobs and our lives, performing as high quality of public service as he?

This is a question each of us must ask ourselves.

Another widow wrote me that she was overwhelmed by "the hands that reached out to my children and me."

These hands—this help—came after her husband had been killed.

I ask tonight, why cannot this help come earlier? Why must we allow a brave officer to die before the community learns to respect his profession, to appreciate the services he provides, to understand the vital role he plays in their lives?

This is our task—the task of every concerned citizen across this land.

This task is to become better acquainted with your police department and its officers. We need to know more about the cancer of crime in our communities. We must be more ready to personally do our share to help make a crime-free society.

That's why I am so happy to be here this evening. Not alone to honor these brave officers, but because you, as concerned citizens of Alabama, through this banquet are doing your share to show law enforcement in this state your appreciation, concern and support.

What makes a good officer?

It is those qualities of integrity, dedication and loyalty to a principle, those qualities which compel the officer to go the extra mile, to conduct the extra interview, to undertake the extra assignment to protect you. These are truly men of an "extra dimension" here tonight—they embody the highest qualities of their profession. I again salute them!

LEGISLATION INTRODUCED INCREASING AID TO STATES TO ASSIST SSI RECIPIENTS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Ms. ABZUG. Mr. Speaker, I am introducing today a bill to assist the States in meeting their liability to supplement the Federal benefits payable under the supplemental security income benefit program by establishing a more recent base period for measuring the "hold-harmless" limitation on such liability.

The social security supplemental income program will in all likelihood be a fiscal catastrophe for those States which have for years excelled in the field of providing relief to their elderly, disabled, and blind. But more important, we have established a tragic precedent that Congress is simply interested in bringing the poor throughout the country up to the same minimal subsistence level. We have provided little or no assistance to States to improve their programs to the elderly, disabled, and blind poor, but have penalized most those States that have provided above mere subsistence assistance.

In order for New York State to have passed along the congressional increase of $10 to each SSI recipient and to allow these recipients the use of food stamps, it would have increased the burden of New York State by more than $80 million. The effect of this increased burden is to force States such as New York to hold the level of their program to 1972 standards.

It is absolutely unreasonable to believe that the elderly, disabled, and blind, can live on a subsistence level that was created in 1972, while others of us find it hard to keep up with booming prices even though our incomes have increased.

Congress delayed the initiation of the SSI program until January 1, 1974, to allow sufficient time for the Social Security Administration and the States to provide efficient conversion of the elderly, disabled, and blind from State public assistance rosters to the SSI program. But we made a drastic mistake in not providing adequate remedy for inflationary changes in that period. The result is that we have given everyone time to get ready for a program that has proven to be insufficient to meet the needs of the elderly, the disabled, and the blind.

The net effect of this legislation will be to allow States to base their adjusted payment level on the average amount of a public assistance grant given by the State in 1973 rather than in 1972 to a welfare recipient and thus recognizing the reality that the elderly, the disabled, and the blind, are hit by rising prices like everybody else.

Text of the bill follows:

H.R. 12770

A bill to assist the States in meeting their liability to supplement the Federal benefits payable under the supplemental security income benefit program by establishing a more recent base period for measuring the "hold-harmless" limitation on such liability

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 401 of the Social Security Amendments of 1972 is amended—

(1) by striking out "the calendar year 1972" in subsections (a)(1) and (c) and inserting in lieu thereof "the calendar year 1973"; and

(2) by striking out "January 1972" wherever it appears in subsections (a)(2), (b)(1), (b)(2), and (b)(3) and inserting in lieu thereof "January 1973".

PHILADELPHIA WINS AWARD IN FIRE SAFETY AND FIRE PREVENTION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. EILBERG. Mr. Speaker, Philadelphia is once again in first place in fire safety and fire prevention for major cities with 500,000 or more population.

Fire Commissioner Joseph R. Rizzo has announced that he has been notified by Charles F. Morgan, president, National Fire Protection Association, that Philadelphia has won first place for fire safety in major cities in the 1973 NFPA competition.

This marks the 16th time in the last 21 years that Philadelphia has placed first in this national contest. The city has also won four NFPA grand awards for the finest fire service record of any city in the Nation.

The Philadelphia Fire Department's fire prevention program has earned national attention through year-round efforts in educating every segment of the community to the value of fire safety and prevention in the home, school, business, and industry.

Commissioner Rizzo stated that the city's fire prevention program has been successful because of the total commitment of every segment of the community to fire safety and the outstanding work of the Citizens Fire Prevention and Public Relations Committees.

He said:

> Winning awards is very pleasing, but our main job is saving lives and property, and fire prevention is the first line of defense in obtaining this goal.

Over 1,700 cities competed in this contest, which yearly recognizes the best efforts in the fire prevention and safety programs throughout the country.

The NFPA is the only worldwide organization with the express purpose of advancing through science and education the protection of lives and property from fires. The nonprofit agency, founded in 1896 with headquarters in Boston, Mass., seeks to stimulate universal fire safety consciousness and encourage wider use of modern techniques in fire prevention efforts.

LITHUANIA'S INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. PATTEN. Mr. Speaker, I rise today to commemorate the 56th anniversary of the restoration of Lithuania's independence which is to occur on February 16.

This independence took place in 1918, but it was subsequently taken away by the forcible annexation of Lithuania into the Soviet Union in 1940.

Mr. Speaker, I am tired of commemorating these days of independence and occupation of this tiny and courageous country. I am tired of thinking of how bad life is for these people who once knew freedom. I want to rise up and speak of how Lithuania has again gained its deserved liberty, once and for all.

I am hopeful that I will be able to do this soon. The Lithuanian people have shown their hostility to Soviet rule, and have paid a heavy price for such opposition. February 16 marks a day to celebrate as well as a day we hope to see come again for these individuals.

The Lithuanian American Council in the city of Linden, N.J., adopted a resolution at the beginning of this month which states what I have said above, only in even better terms. Lithuanians should not lose heart because there are also courageous people in this country, like the people of Linden, who will always care.

The resolution follows:

RESOLUTION

On the occasion of the 56th anniversary of the resoration of Lithuania's independence, we, American-Lithuanians of Linden and vicinity, assembled this first day of February, 1974, at Linden to:

Commemorate Lithuania's Declaration of Independence on February 16, 1918, in Vilnius, whereby a sovereign Lithuanian State, having more than 700 years of history, was restored;

Honor the memory of the generations of Lithuanian people who have fought and died for their national independence;

Condemn the forcible occupation and illegal annexation of the independent Republic of Lithuania by the Soviet Union on June 15, 1940 as a result of an agreement between Stalin and Hitler;

Express our sincere gratitude to the Administration and Congress of the United States of America for the continued nonrecognition of the seizure of Lithuania by the Soviet Union;

Alarm the free world over the violation of all human rights in the Soviet subjugated Lithuania, especially, over the mass arrests of Lithuanians that are taking place during the past months in Lithuania for religious and political reasons;

Draw the attention of the free nations to the continuous colonization of Lithuania by Russians and the Soviet efforts to change the ethnic character of the population of Lithuania;

Recall the ill fate of Simas Kudirka, who is now for years lingering in a prison camp in the Soviet Union; now, therefore, be it resolved:

1. That we demand that the Soviet Union withdraw its military forces and administrative apparatus from Lithuania, thus permitting the Lithuanian people to exercise their sovereignty and self-government, of which they were deprived as the result of a conspiracy between the dictator of the Soviet Union, Stalin, and the war criminal, Hitler;

2. That we request the President of the United States to make the issue of liberation of Lithuania an integral part of the foreign policy of the United States in seeking European security;

3. That we respectfully request President Nixon to direct the attention of world opinion at the United Nations and at other appropriate international forums on behalf of the restoration of sovereign rights to the Lithuanian people and to protest the present violation of human rights and the Soviet colonial rule in the occupied Lithuania;

4. That Simas Kudirka, who unsuccessfully sought freedom in the United States be released with his family from the Soviet Union into the free world;

Copies of this resolution be forwarded this day to the President of the United States, Secretary of State Henry A. Kissinger, United States Ambassador to the United Nations John Scali, United States Senators from New Jersey, Harrison A. Williams and Clifford P. Case, members of the United States Congress from New Jersey, Matthew J. Rinaldo, Edward J. Patten and Governor of New Jersey, Brendan T. Byrne.

THE RAISIN CRISIS

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. SISK. Mr. Speaker, many of my colleagues have inquired into the apparent shortage of raisins, the sun-blessed grape from California's San Joaquin Valley. Almost everyone who has contacted me wants to know about the "great raisin crisis." I would like to tell you now that this crisis is a hoax, and the reports which gave this stature are erroneous and irresponsible.

Hopefully, in the season ahead, Mother Nature will be kind to the raisin growers of California and we will all have a bumper crop to enjoy. But if it does freeze when the vines are blooming, or it rains while they are drying this fall, even a bumper crop can be short.

I am submitting for your consideration a news article from the Philadelphia Inquirer of January 13, 1974, and a response to that article from the California Raisin Advisory Board's General Manager John Calder.

The material follows:

THE GREAT RAISIN CRISIS IS BARED

(By Dan Lynch)

The Great Raisin Crisis is slowly coming to an end.

Oh, you didn't know about the Raisin Crisis? Well, that's probably because nobody told you about it. What with the shortage of oil and paper and things like that, the Raisin Crisis was, until now, cleverly swept under the rug. But it was, and is, a major problem. If you like raisins that is.

The 1972 California raisin crop—which

was sold in stores through much of last year—was short by some 120,000 tons. The raisin growers say the short crop was caused by a frost on March 26, 1972.

But we have only their word for that.

And The Inquirer has learned that, while housewives were bemoaning the shortage of raisins here at home, the California raisin growers were shipping some 80,000 tons of raisins abroad, where they command a higher price than they do in the domestic market. And at the same time a raisin-hungry nation went without, both Big Business and the White House were getting all the raisins they wanted. (More about that later.)

Meantime, the Australians, who grow nearly a quarter of the world's raisins, deny all charges of an embargo and claim their 1972 crop was damaged by heavy rains. At least, that's what they'd like us to believe.

We have no evidence to the contrary of course—because the Federal government has no way to monitor raisin production. The government must take the word of the raisin industry—both domestically and abroad—as to how many raisins are on hand in any given year.

"The congressman will be looking into it," says a shaken F. John White, press secretary to U.S. Rep. William J. Green (D., Pa.). "We haven't heard a thing about the Raisin Crisis. Obviously it has been kept a secret from Congress."

It wasn't kept a secret from Joe Pizza, who runs a 7-11 store in Wyndmoor. All last year—like most small store owners—Pizza had a terrible time getting raisins.

I couldn't get them in for months at a time," he says. "It was tough."

A spokesman for the Post Cereals Division of General Foods, however, concedes that while his company—one of the nation's great raisin users—had to pay a higher price, it got all the raisins it needed.

Post refuses to reveal the amount of raisins it got, but it does say that even at the height of the crisis it was able to put two scoops in every box of Post Raisin Bran.

And sources in the White House report that while Joe Pizza and Mr. and Mrs. John Q. Public were scrambling for raisins, President Nixon was up to his ears in them. In 1973, Mr. Nixon—or someone in the White House—devoured four 30-pound cases of raisins. Figures are not available for raisin use at the San Clemente and Florida White Houses.

Meanwhile, the raisin crisis has abated a bit. And by 1975, it may be over. All through 1973, store shelves were bare of raisins for long periods of time. But last September, the 1973 crop came in.

In California, which produces better than half the world's raisin supply, the crop totaled 210,000 tons—that's about three trillion raisins—some 10,000 tons below the normal yield.

Retailers say that even though the crop was a bit low this year, they should be able to stock raisins at least a few days a week. They can't get all they want, however, because the growers are rationing the stores.

Despite—or perhaps because of—the raisin shortage, raisin growers are making money.

Three years ago, the grower got $365 a ton. This year, growers are getting $700 a ton. A record crop in 1974 will bring the price down only $50 or $100, according to John Calder, general manager of the California Raisin Advisory Board.

"There are no poor raisin growers this year," says Don Gardner, a raisin buyer for Food Fair Markets.

One reason for this is that a lot of grapes—more than ever before—are going to California wine makers.

"Thompson seedless grapes, from which most raisins are made, cost wine makers about one third as much as varietal grapes," says Calder. "And Thompson made a respectable wine. They don't make great wine. But they make OK wine."

Calder adds, however, that because of stiffer competition from foreign wines, California wine makers plan to slack off on their purchase of Thompson seedless, which lacks the bouquet American wine drinkers are beginning to look for. When that happens, more Thompson seedless will be available for raisins.

Meanwhile, there is still a raisin shortage.

"1974 will also be the year of the Raisin Crisis," says Food Fair's Gardner. "There was no carryover from last year, as there usually is and it has become an economic hassle between buyers and sellers . . . I and everybody else in this world wants raisins. And the packers haven't caught up with the demand. We're always running behind.

"Eventually we'll catch up, but it may take all of this year's crop. The raisin people haven't handled it properly. Not from a malicious viewpoint."

Dave Urner, Acme Food Market's raisin buyer says, "We've noticed a decided increase in our movement of raisins . . . We're not having problems right now. But around the holiday season we did, as did everybody else."

Despite all that, the fact is that people in this country are eating fewer raisins. Over the years, the per capita consumption of raisins here has shrunk to 1.3 pounds. In Ireland, however, the average person eats 5.3 pounds of raisins every year.

"But we're not worried," says Calder, the raisin advisory board guy. "As long as the population keeps increasing, we'll keep selling raisins."

Maybe.

But now you can't get mustard to put on them. That, however, is another story.

California Raisin
Advisory Board,
Fresno, Calif., January 28, 1974.
Mr. Dan Lynch,
Philadelphia Inquirer,
Philadelphia, Pa.

Dear Mr. Lynch: I have received copies of "The Great Raisin Crisis Is Bared" which you wrote and which appeared in the Sunday, January 13, 1974 issue of the Philadelphia Inquirer. Needless to say, I was more than disappointed, and at first decided against any communication regarding the subject feeling that anything I might say would be ignored or fail to accomplish any good purpose.

After further thought, however, and after receiving a few indignant phone calls from people in the raisin industry who had also received copies of your article, I have decided that it is mandatory that I at least tell you where you have misrepresented the facts and then trust that your representative in Congress will take note even though it is unlikely that a correction will appear in the Inquirer.

First, it is absolutely fallacious and malicious for anyone to assert that anything having to do with the raisin crisis was "swept under the rug." The raisin crisis, world-wide, was generated by acts of God which are a matter of record and, so far as California is concerned, the exact date, namely March 26, 1972 and the degree of frost, namely 27° Fahrenheit, is fact and not open to opinion. In Australia rains, again a matter of record, caused havoc with the crop that was about to be harvested. Thus, as you were originally told, the shortage and its cause are well known and documented.

I feel it borders on slander for you to assert that the frost damage to the California crop is only true based on the raisin growers' word. It is this sort of reporting which has led people, including those in government, to lose faith in the fourth estate.

Your second glaring error is due to your statement that 80,000 tons of raisins were shipped overseas while a shortage of raisins existed at home in the United States. This is simply false! The total tonnage shipped overseas in the disaster year amounted to only 18,922 tons which is far short of your alleged figure, and any shipments during this disastrous time span were made solely on the basis of availability and commitment. There is no way for us to know where you get your information that "big business and the White House were getting all the raisins they wanted" but since such consumer end-use is not tabulated on an individual basis, it would appear to have sprung from some amorphous figment of imagination.

You state that the Australians denied all charges of embargo and insisted that their crop was damaged by heavy rains. At least this is true, but then you add, "At least that's what they would like us to believe"—again, I can only stand aghast at such implied duplicity and suggest, as already stated that it is this sort of inferential reporting which gives the press its unsavory name and does nothing to put the economics of the American free enterprise system into its true and proper perspective. More especially is this true since a lot of people will read these unsubstantiated allegations without ever having an opportunity to get at the truth.

You next say that you have no evidence to the contrary for the above errors and then debase your apology by claiming that the "Federal Government has no way to monitor production." Here again, you are not only at fault but have led the reader astray. The facts are that the Federal Government does know about every ton of raisins that is produced and keeps this record as an ongoing operation completely free of any outside intervention. Not only is the total tonnage produced known down to the pound, but also its disposition both domestic and foreign.

When you refer to specific buyers, such as the cereal manufacturers, and assert "they got all the raisins (they) needed," you ascribe no reason for it but the implication is that they must be "big business" and thus enjoy favorable status. What you neglect to mention is that industrial and institutional buyers virtually always make their purchases on a contract basis. I would suggest to you that you ask yourself whether or not you meet your rent payments, mortgage payments, or car payments, all of which are contractual arrangements? What would you do if you had a contract to provide goods and services?

Mr. Lynch, there is more that might be said to you but it seems to me that it would be pointless. After reviewing the blatant errors and allegations numerated above, I can only say to you that my general feeling is one of disgust and disrespect. I can only hope that for the good of your own future, the need to face up to truth and fact may perhaps come a little closer to your intellectual peregrinations when you next undertake to do a feature so that people will be left with a feeling, not akin to anger and frustration, but one of enlightenment on the truth, which is the only fitting purpose for a man in your profession.

Sincerely,
John Calder, *General Manager.*

DR. ALDEN HARRELSON GRAY

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. JONES of Tennessee. Mr. Speaker, I would like to take this opportunity to pay tribute to Dr. Alden Harrelson Gray, of Kenton, Tenn. "Dr. Jack," as he is known by people in his local area, has remained in general practice in Kenton, since joining his father, Dr. Abner Harrelson Gray in 1946. Dr. Gray is one of the few remaining country doctors. He still makes house calls, which in this new era of medical specialization, is, indeed, surprising.

"Dr. Jack" was recently named "Rotary Man of the Year" by the Dyer-Rutherford-Kenton Rotary Club, an honor which he richly deserved, for his outstanding service to the people of North Gibson County.

Dr. Gray is now and has always been dedicated to his profession. Because of this dedication to the people he serves, Dr. Gray rarely has a moment to call his own.

He is on call 24 hours a day and never turns down anyone in need of a doctor. He listens to detailed descriptions of minor aches and pains with the same rapt attention and understanding that he gives to serious medical problems.

Dr. Alden Harrelson Gray is respected and admired by all of those who have known him as a devoted "country doctor" for the past 27 years.

A man of Dr. Gray's character comes along once in a great while and consequently we appreciate him all the more.

THE RIGHT NOT TO BUCKLE UP

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. HUNGATE. Mr. Speaker, there has been much discussion in recent weeks regarding legislation to make mandatory the use of automobile seatbelts. In the February 6 issue of the "Washington Post," columnist William Raspberry takes a look at the issue. I think my colleagues will find his comments both amusing and interesting.

THE RIGHT NOT TO BUCKLE UP

(By William Raspberry)

If I had to choose between Big Brother watching me and Big Mother watching *over* me, I guess I'd go for Mom. But not by a landslide.

There are some decisions I'd just as soon make for myself. Among them is the one that occasions this commentary: the use of auto safety belts.

The D.C. City Council held hearings last week to help it decide whether to enact a regulation making seatbelt use mandatory, with nonuse punishable by law.

The very idea struck me as silly when I first heard about it. Now, after I have seen some of the testimony favoring mandatory buckling, it still strikes me that way—no less so because it is born of genuine concern for public health and safety.

Without bothering with my mental reservations on the statistics they throw about, let me concede the major claims the proponents make: that seatbelts save lives, and, in crashes that would have been nonfatal in any event, they reduce the number and seriousness of bodily injuries.

Most American motorists, I suspect, believe the statistics. And because they believe them, most would probably support legislation that makes it mandatory for manufacturers to provide safety belts in new cars.

But most American motorists don't want to use the belts, or at any rate don't want to be forced to use them all the time.

That does not prove that most American motorists are either suicidal or stupid. It may mean only that they take their statistics with a grain of salt. For instance, I don't know anybody who would dispute the statistics that show it safer to fly 25,000 miles around the earth than to drive 25,000 times around the block. On the other hand, I don't know any motorist who in fact feels safer flying than driving around the block.

But it isn't Big Mother's statistics that bother me so much; it's her oppressive concern, not for the public welfare, which is her duty, but for me personally.

Nor am I taken in by her disanalogous analogies, her illogical logic and her tortured conclusions. One Big Mother's helper—John W. Garrett of the Cornell Aeronautical Lab in Buffalo—has sloughed off arguments based on personal freedom with the rejoinder that speed limits, traffic signals and highway dividers also constitute infringements on personal freedom.

Well, whether Mr. Garrett can or not, you and I can see the difference between laws that protect us from the actions or inactions of others and laws that protect us from ourselves. I'll support a law making it mandatory for you to keep your brakes in good working order, not because you might hurt yourself but because you might hurt me. The same with traffic laws and antipollution laws and mandatory inoculations. I don't want to get broadsided by you, or choke on you filth or catch your typhoid.

But what is the danger to the public if you decide to take a chance on killing (instead of merely maiming) yourself in the event you're involved in an accident? Again, Mr. Garrett:

"Persons injured or killed needlessly through failure to wear belts impose a burden on society in many ways. At the accident scene, police, fire department and ambulance personnel are needed, making them unavailable for other duties. They also run the risk of additional accidents, endangering them and others as they travel to the scene."

Right. And I suppose Mr. Garrett would support mandatory wearing of galoshes on the logic that failure to wear them could lead to cold, wet feet, to pneumonia, to tied-up hospital rooms and the pre-emption of doctors and nurses who otherwise would be available for other duties. Not to mention that your sudden sneeze might startle an orderly, leading him to drop a food tray, thus creating a slippery mess in which an unwary general practitioner could take a fatal skid. And you *know* how badly we need general practitioners.

Okay, I'm not totally unreasonable. I'll accept mandatory belts in airplanes, both because they make me feel safer and because they could prevent my hurtling through the cabin in the event of some sudden maneuver. I won't even protest if you make me strap my children in before I take them driving. (Incidentally, how come nobody's raising much hell about beltless school buses?)

I'll bless the bureaucrats for giving me the information that helps me to know that safety belts increase my safety. But after that, please leave it to me whether I wish to leave my belt unbuckled, my motorcycle helmet in the closet or my head in the oven. It simply isn't their business.

PEYSER BLASTS CONGRESSIONAL RECESS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. PEYSER. Mr. Speaker, I am most concerned that by a vote of 209 to 175, we in Congress voted to adjourn for a 6-day period from February 7 to 13. It is particularly disheartening that leaders of both parties endorsed this recess at a time when America is facing crises on many fronts. Not only are we confronted by crisis in energy and Government credibility, but rampant inflation is bringing the price of foodstuffs and meat out of the reach of many Americans. Particularly hard hit in these times are the senior citizens and others living on a fixed income. Those in the middle-income range are also finding their salaries rapidly eroded by inflation. These situations are not likely to reverse themselves in the near future and most assuredly they will continue unless Congress acts in an expeditious manner.

This recent adjournment is most distressing in that it came on the heels of a 1-month Christmas recess, which in itself indicated an abrogation of congressional responsibility.

It is essential that Congress meet its obligation to the American people by working fervently to first halt and finally reverse the recent trends in our economic and political systems.

CATTLE FEEDERS CAUGHT IN COST-PRICE SQUEEZE

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ZWACH. Mr. Speaker, although meat is high priced at the retail level, it is a money-losing proposition for the man who raises the beef.

How this apparent paradox can be, is well explained by Ted Blankenship in an article on cattle feeding that appeared in the Christian Science Monitor, which I insert into the RECORD:

CATTLE FEEDING

DODGE CITY, KANS.—"The next best thing to feeding cattle and making money," says a sign at Stanley Feed Yards near Dodge City, Kans., "is feeding cattle and losing money."

Yes, cattlemen, many of whom have lost thousands of dollars in the past three months, can still laugh.

"But they laugh to keep from crying," says Calvin L. Drake, vice-president of livestock operations for Agricultural & Industrial Development, with a capacity of 60,000 head, the largest cattle-feeding operation in Kansas.

"The cost-price squeeze has put some large feeders out of business," Mr. Drake said. "A man sells a pen of cattle and, loses $100 a head, and if he has 200 in the pen, he's lost $20,000. Some of them just can't stand it."

Mr. Drake and his colleagues in the custom cattle-feeding business here say the feeder has to pay about 50 cents a pound for his 700 or 800-pound replacement calves.

GRAIN PRICES CLIMB

The cost of grain—double its price a year ago—is about 45 cents a pound. With extremely cold weather that has plagued many of the cattle-feeding states, grain prices have climbed to 50 or 60 cents, according to John Oringderff of Ingalls, Kans.

The feeder has to put about 400 of those 50-cent pounds on the 700-pound animal and 300 on the 800 pounder. The 1,100-pound beef is then—on today's market—worth 52 cents a pound, and that's $572. As long as beef brings 52 cents a pound, the custom feeder is making about $22 a head.

However, right after the freeze on beef thawed, Mr. Drake added, prices began to drop. "In two months," he says, "the price went from $54 and $58 per 100 pounds to $36."

For an 1,100-pound beef, that's $396, or a loss of $154 on the 700- or 800-pound animal.

"In the spring and summer cattle prices were respectable, and profits were decent," said Tom Gatz, market analyst for the Kansas Livestock Association. "From the middle of September to the middle of December losses averaged $100 to $150 a head. No industry can tolerate those kinds of losses for long and survive."

STEERS MARKETED

"We market 600,000 head of steers every week in this country," said Mr. Drake. "You figure that every one them lost $100 average since September. That's $60 million a week."

As of Dec. 1, the U.S. Department of Agriculture reported 9,540,000 head of cattle on feed in the seven-state major feeding area—Texas, Nebraska, Iowa, Kansas, California, Colorado, and Arizona. In the larger 23-state area there were nearly 14 million head. As an industry, the total number of animals on feed is about 20 percent under a year ago.

John Trotman, president of the American National Cattlemen's Association, said he expects the average price of many cuts of beef to be more favorable for consumers than they have been all year.

"Squeezed between extremely high feed costs and reduced prices on fed cattle," he said, "our cattle-feeding industry has been losing money at a rate of a quarter of a billion dollars a month. However, the lower cattle prices are being reflected in supermarkets to a greater extent."

Mr. Trotman blamed "government's price-control program" for causing disruptions in the beef production and marketing system.

"It affected our supply situation in 1973 and, to some extent, we will feel it for years to come," he added. "However, the law of supply and demand is now operating to a greater extent than it was before, and our supermarkets are back to more normal meat-merchandising patterns."

Mr. Trotman and others in the industry, however, look for higher prices in the future, forecasting reductions in numbers of cattle on feed.

The National Cattlemen's Co-Operative (NCC) of Kansas City, Mo., in its December newsletter, predicted a "severe shortage of beef in the nation's supermarkets"—probably showing up in February.

NCC make these points concerning possible beef shortages:

Feedlots, which provide most of the slaughter cattle for the packers; have not been regularly replacing finished fattened cattle with ingoing calves. Explanations for this are overestimation of cattle population by U.S. Department of Agriculture, feeder cattle have been retained on grass longer because of good summer and fall grazing conditions, or death loss because of bad weather.

The high price of grain may cause many feedlots to shorten the length of time they feed cattle. They will buy cattle at heavier weights and sell them at lighter slaughter weights.

High interest rates will encourage feeders to move cattle to market at lighter slaughter weights.

ON NEED FOR A SMALL BUSINESS COMMITTEE

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. WRIGHT. Mr. Speaker, under leave to extend my remarks I am inserting a copy of a letter I received from Mr. Wilson S. Johnson, president of the National Federation of Independent Business. Mr. Johnson makes a persuasive case as to the need for continuing in effect the Small Business Committee of the House.

While in general I applaud and support the extremely craftsmanlike job performed by the Bolling committee in its laudable efforts to recommend a sensible and workable realinement of committee jurisdiction, I do believe that serious consideration should be given to a continuing need for a Small Business Committee dedicated expressly to a study of the problems endemic to small entrepreneurial business establishments in this country.

The small business sector has traditionally been the bulwark of the peculiarly American system of individual and competitive enterprise.

That this sector is increasingly threatened by mergers, acquisitions, and the enormous growth of big and even monopolistic businesses should be evident. Its evidence is everywhere apparent in the large and small communities of our Nation.

The letter from Mr. Johnson follows:

JANUARY 8, 1974.

Hon. JAMES G. WRIGHT,
House Office Building,
Washington, D.C.

DEAR MR. WRIGHT: On behalf of our 367,000 small business members nationally (30,446 in your State, and 1,586 in your District) we are opposed unalterably to the recommendation of the House Committee on Committees that the House Select Small Business Committee be dissolved and its functions transferred to a small subcommittee of the House Committee on Banking and Currency.

Rather than this, we urge that the Small Business Committee be reconstituted as a permanent, standing Committee with full legislative power. It is absolutely untenable that the nation's small business sector, which represents 95 percent of all business units, which provides 60 percent of the employment in the private, non-agricultural sector, and which generates 37 percent of the Gross National Product, be otherwise represented in the House.

This becomes all the more obvious when one considers that Committees representing other sectors—for instance, the nation's 2 million farmers and their Agriculture Committee, our 13,500-plus commercial and other banks and their Banking Committee, our perhaps 400 labor organizations and their members and their Labor Committee—have long had legislative status. Why not, then small business?

It has been the conviction of our Vice-President, George J. Burger, Sr., distilled out of 35 years of experience in representing small business at Washington, that this sector can be represented adequately only by its own Committee, equipped with legislative power. He should know, for he was there "at the creation"—when the House Small Business Committee was formed in 1941.

Congressman, we would appreciate hearing from you on this, as the subject is most important and of great interest to our members.

With all best wishes,
Sincerely,
WILSON S. JOHNSON, *President.*

A PLEA FOR POSITIVE POLITICS

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. LITTON. Mr. Speaker, last fall, I conducted a survey to determine the opinions of the people of the Sixth District of Missouri. My district is a mix of both urban and rural, but is somewhat conservative in nature. The results made up of over 43,000 returned questionnaires astounded me. In addition to questions on various issues facing the 93d Congress, I included three designed to measure how the people I represent felt toward themselves, others, and their Government.

I was disappointed to learn that 60 percent felt the lot of the average man was getting worse and not better. I was even more disappointed to learn that 69 percent felt most public officials were not interested in the problems of the average man. An even higher percentage, 76 percent, agreed with the statement, "These days a person does not know whom he can count on." Over 84 percent of those over 65 years old answered yes to this question and 90 percent of those responding who had an eighth grade education or less answered yes to this question.

These responses indicate Americans are depressed. When 60 percent feel the lot of the average man is getting worse and not better, when nearly 70 percent feel most public officials are not interested in the problems of the average man, and when nearly 80 percent feel they do not know whom they can count on—we have a depressed America. This shows up in reduced productivity at a time when we already have a shortage of goods and need to produce in order to be able to buy increasingly expensive energy from abroad while we gear up to become self-sufficient in the future.

This depressed attitude is also leaving its mark on our economy. The depressed feeling is having a negative effect on the buying habits of Americans as well. Businessmen need to feel good about their country, their Government, and their future before making long-range investments. Farmers need to feel kindly toward the consumer, the Congress, and the country in order to meet the call for increased food production. The American people need to have confidence and trust in their Government and those who govern before they turn down their thermostats, slow down their cars, and change their lifestyles at the urging of those in Washington.

This kind of cynicism can erode the very structure of our Government, and it must be viewed as a seriously disturbing trend. We are at a critical point in our history when the public confidence in Government and those who govern is at an alltime low. Before many of the problems that face this great land of ours can be solved, we must first solve the problems of the credibility gap that exists between the American people and their elected representatives. Once this confidence is restored, then we will find no problems too great that they cannot be solved by people strongly behind their Government.

We cannot solve this problem by continually tearing at the seams of our Government, pointing at its weaknesses and emphasizing its inadequacies as well as the inadequacies of those who govern. We cannot solve this problem by emphasizing past mistakes and wrongdoings. This does not mean we should sweep them under the rug or ignore them, but with many of these matters now in the hands of the courts, I am convinced they will be neither swept under the rug nor ignored.

We can solve the problem, however, by each elected official going on the offensive, speaking out on the good of our country, and taking individual steps to assure the people they represent that their best interest is their main interest. Rebuilding the public confidence will not be an easy or painless task. It may involve many personal sacrifices on the part of elected representatives. It will involve elected representatives going that extra mile, taking that extra step, giving that extra 110 percent and doing those things which, at another point in history, would not be needed, necessary, or perhaps even in the best interest of better Government.

It will require, among other things, that those who hold office avoid at any time any activity which may be viewed as a conflict of interest and public obligation.

At the end of 1973 I made a move relative to my own business. We sold our ranch and home on the ranch. The ranch represents many years of hard work and a lot of dreaming. Selling was not an easy thing to do. It was certainly not something I had planned to do when announcing for Congress or when being elected. But then at that time, elected officials and the Government they serve were given the benefit of the doubt and considered innocent of any wrongdoing *until proven* otherwise. Having the opportunity to do wrong was not considered guilt of wrongdoing at that time.

But in the months that have followed the American people have changed their attitudes, grown short of patience and long on suspicion. While I was never criticized publicly for owning a ranch while voting and speaking out on issues involving agriculture, I was aware that in this time of suspicion it might in some way contribute to the growing lack of confidence in elected officials and concern that these officials were interested more in their pocketbook than that of those they represent.

Does the sale of my business mean that I do not think people in Congress should have a business? No, indeed, it does not. As a matter of fact in announcing the sale of my ranch, I pointed out that I personally felt it was good for those elected officials in State and Federal Government to own a business, have to meet a payroll, and be involved in day-to-day business and people problems. I said that such elected officials might find it easier to vote more intelligently on the important issues coming before Government. But, I also said that at this particular time in history I thought that the most important problem facing our country and Government was confidence in the Government, and this called for unusual action on the part of elected officials.

I think we must go on the offensive. I think we must do everything in our power, even if it hurts, to assure the people we represent that most elected officials in America do have the best interest of those they represent in the No. 1 priority position.

I feel this applies to both Democrats and Republicans. While Republicans are suffering the most from Watergate, all politicians are suffering from the events surrounding Watergate. Our Government is suffering from it. Our economy is suffering from it. Our people are suffering from it. We cannot solve the problem by pointing to the suffering, but we can by taking positive action to stop it. That positive action needs to start with each individual in elected office from the courthouse to the State house to the White House.

TADEUSZ KOSCIUSZKO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. DERWINSKI. Mr. Speaker, I would like to bring to the attention of the Members the anniversary of the birth of Tadeusz Kosciuszko, a "Hero of Two Worlds." Kosciuszko, born February 12, 1746, is well known not only in American history, but also for his role in the never-ending struggle for human freedom on the other side of the Atlantic.

Kosciuszko, who began his education as a member of the corps of cadets in Poland, later furthered his instruction in military science in Italy, France, and Prussia; his studies in those countries being financed by the Polish Government. He continued his education in France by learning naval tactics and fortification.

After declining offers of positions in the British and French armies, he journeyed across the Atlantic, arriving in America soon after the 13 colonies declared their independence from Great Britain. When the British captured New York City, the military position of the infant Nation appeared to be hopeless.

Kosciuszko received an appointment as an engineer, and within 2 months after his arrival, he received the rank of colonel in the new army. His first assignment was the fortification of the Delaware River approaches to Philadelphia which was so successfully carried out that the young Pole was awarded 50 pounds by the Pennsylvania Council of Safety, as a token of appreciation. Sygurd Wisniowski, the Polish historian, thus described the work:

> The strategy depended upon the skillful closing of the river, three miles below Philadelphia, by means of a series of steep palisades, and upon the construction of huge ramparts at Cape Billinge, where the river makes a sharp turn . . . This fortress dominated not only the river, but the entire vicinity as well. The rapid construction of ramparts in accordance with Kosciuszko's plan, and the shape of the redoubts, batteries, parapets, ditches, and underground passages . . . all this was for the Americans an entirely new phenomenon.

Kosciuszko also supervised the construction of fortifications at Saratoga, Ticonderoga, and West Point. Congress granted him an appointment as brigadier general after the War for his military ingenuity.

He returned to Poland in 1784. The second partition of his country in 1793 was followed by a national uprising led by Kosciuszko. Successful in its early stages, it finally collapsed, to be followed by the final partition which erased Poland from the map of Europe. Nonetheless, a proud page in history of this unhappy nation was written by Kosciuszko and his fellow Poles.

On April 3, 1794, at Raclawice, 4,000 Polish troops and 2,000 peasants, the later armed only with scythes and pikes, defeated 5,000 Russian troops. The tide turned against Poland, however, when Prussian troops joined the forces of the Czar to help subjugate the heroic defenders of Poland.

Kosciuszko, who is rightly honored as "The Hero of Two Worlds," helped Americans to secure their independence and did his utmost in a vain effort to save Poland from extinction.

He believed that freedom was indivisible and that its blessings should be shared by everyone—by the slaves in America and by the peasants of Europe, no less than their more fortunate neighbors of the nobility. In a letter to Horation Gates, dated February 21, 1798, Thomas Jefferson wrote in simple but eloquent words about his friend, Tadeusz Kosciuszko:

> He is a pure a son of liberty as I have ever known, and of that liberty which is to go to all, and not to go to all, and not to the few and rich alone.

Mr. Speaker, during the month of February, we are paying tribute to the memory of George Washington, who led our Nation to independence, and Abraham Lincoln, who led it during the war to preserve its Union from dissolution.

Let us also take time to honor the memory of Tadeusz Kosciuszko, who, like Washington, wanted freedom for all nations and, like Lincoln, wanted freedom for all people.

WOMEN AND CREDIT: NEW YORK STATE ASSEMBLY COMMITTEE INVESTIGATES PROBLEM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Ms. ABZUG. Mr. Speaker, the widespread discrimination in the extension of credit to women, a situation that my bill, H.R. 9110, is intended to correct, has

been further documented in hearings conducted by the New York State Assembly Committee on Banks.

Assemblyman Lucio F. Russo, chairman of the committee, reports that discrimination against women exists whether the woman "is single, married, widowed, or divorced. Salary and educational levels often seem to have no bearing on an applicant's case. In addition, the fact that a woman is of child-bearing age is generally regarded as rendering her incapable of being financially responsible, despite the fact that she may have worked during and after previous pregnancies. Perhaps one of the most glaring proofs that women have been discriminated against solely on the basis of their sex is the fact that a man's cosignature can, in many cases, render a women's application for credit acceptable, regardless of the man's capacity."

Assemblyman Russo reaches the conclusion that remedial legislation is necessary.

At this point, I insert in the RECORD, the full text of Assemblyman Russo's report, which appeared in the February 4 issue of the New York State Banker:

PRELIMINARY RESEARCH RESULTS

(By Lucio F. Russo)

During the summer and early fall of 1973, the staff of the Assembly Standing Committee on Banks was committed by me to an investigation of the subject of discrimination against women by the banking industry in the extension of credit. Preliminary research showed evidence that refusal of credit on the basis of sex is a national problem arising from an attitude toward women that does not reflect the radical changes that have taken place in sour society in the last several decades.

Today, purchasing on credit is no longer considered a luxury, nor is it an occasional occurrence. Having a good credit rating is often nearly as important as having a good job. Therefore, refusal or reluctance to extend credit arbitrarily to an entire category of people—in this case, women—results in a real injury or handicap to those people in their transactions.

The Committee on Banks predicated its research on the assumption that good business practices and basic fairness should rule the banking industry in decisions regarding the extension of credit. There is no existing provision of the Banking Law which deals with credit discrimination. Section 296 of the Executive Law labels as an unlawful discriminatory practice the refusal to anyone, on the basis of race, creed, color, national origin or sex, of any of the advantages or privileges of a place of public accommodation. However, there has been some question as to whether banks and the extension of credit fall with the purview of this section of law. Also, the line between "discrimination" and "cautious credit policy" is often difficult to define clearly enough to make legal action on the basis of this statute an effective remedy for women who would like to challenge the actions of financial institutions.

In its preliminary investigations, the Assembly Standing Committee on Banks identified several areas of credit extension in which arbitrary discrimination against women had been documented. This discrimination occurs whether—and, paradoxically, often because—a woman is single, married, widowed or divorced. Salary and educational levels often seem to have no bearing on an applicant's case. In addition, the fact that a woman is of childbearing age is generally regarded as rendering her incapable of being financially responsible, despite the fact that she may have worked during and after previous pregnancies. Perhaps one of the most glaring proofs that women have been discriminated against solely on the basis of their sex is the fact that a man's cosignature can, in many cases, render a woman's application for credit acceptable, regardless of the man's financial capacity.

The problem for most women is complicated by the fact that their applications for banking services are frequently rejected by bank officers on the basis of verbal information obtained prior to the submission of a written application. Consequently, if the woman should later accuse the bank of discrimination, she has no "evidence" of her rejection or the grounds on which it was made.

Women have been refused mortgages in their own names regardless of their income and job status and, when applying for mortgages with their husbands, have had their incomes totally disregarded. Banks tend to consider part or all of a wife's income only if she is employed as a professional (e.g., a nurse or teacher). Some banks have refused to consider the wife's income without some written assurance that the couple cannot or will not have children.

Much assistance is given by banks to men who desire to start their own businesses. Banks tend to neglect women in this regard by not providing services and advice as well as by failing to take seriously any business ventures a woman may wish to undertake. Banks tend to be reluctant to grant loans to women for business purposes for the same reasons that they make it difficult for women to obtain other types of credit.

Although women often have more difficulty being approved for issuance of a bank credit card (such as Bank-Americard or Master Charge) when they are single and working, they seem to face the greatest difficulty regarding such credit cards when they undergo a change in marital status. A single woman with a Bank-Americard may be refused a new card in her own name when she marries even though she continues to work. Conversely, a woman who has had the use of such a bank credit card under her husband's name while married (and employed) may be unable to receive a card for herself when she is widowed or divorced despite the fact that she is still employed.

Money reserve accounts, or line-of-credit checking accounts, have become a common service offered by many banks. These accounts provide an automatic overdraft in the form of a short-term loan up to an amount—or line of credit—agreed upon when the account is originally approved by the bank. In applying for this type of service, women encounter the same discrimination they face in other areas of credit. Single women who apply are usually restricted to a minimum line of credit, as are employed married women wishing to establish the account in their own names.

On October 11 and October 17 of 1973, the Assembly Standing Committee on Banks held public hearings in New York City and Albany to examine the problem of discrimination against women by the New York State Banking industry in the extension of credit.

Through testimony given at these hearings, evidence has been compiled documenting the problems that women have experienced when attempting to obtain credit. With this information to guide the Committee and staff, it is hoped that legislation will be introduced to alleviate any injustices that presently exist.

TEMPERING THE WIND TO THE SHORN LAMB

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1974

Mr. REUSS. Mr. Speaker, chapter 5 of the President's Economic Report, entitled "Distribution of Income," contains a highly misleading statement: "no significant trend has developed in the relative inequality of income among families in the last quarter-century"—page 104.

It is indeed true that during this period, 1947–72, the shares of aggregate income before taxes received by each one-fifth of American families were fairly constant. But what the report fails to mention is that inequality pretty steadily lessened until 1968, but then started to worsen again. The income distribution trend under Mr. Nixon, contrary to the assertion in the Economic Report, is toward relative inequality.

Let us look at Census Bureau figures:

PERCENTAGE SHARE OF AGGREGATE INCOME RECEIVED BY EACH 5TH OF FAMILIES

(1972 level)	Lowest 5th (under $5,600)	2d 5th (under $9,300)	3d 5th (under $12,900)	4th 5th (under $17,800)	Highest 5th ($17,800 and over)
1972	5.4	11.9	17.5	23.9	41.4
1971	5.5	12.0	17.6	23.8	41.1
1970	5.4	12.2	17.6	23.8	40.9
1969	5.6	12.4	17.7	23.7	40.6
1968	5.6	12.4	17.7	23.7	40.5
1966	5.6	12.4	17.8	23.8	40.5
1960	4.8	12.2	17.8	24.0	41.3
1950	4.5	11.9	17.4	23.6	42.7
1947	5.1	11.8	16.7	23.2	43.3

Simply put, the Census Bureau figures show that from 1947 through 1968, poor and moderate-income families—the bottom three-fifths—increased their slice of the national income pie, at the expense of the top two-fifths, who lost ground.

But in 1969, enter Mr. Nixon and rising unemployment. The trend reversed. By 1972, the share of the bottom three-fifths had declined, while the top two-fifths had bounced back—the richest one-fifth with a higher percentage—41.4—than in 15 of the last 16 years.

The super-wealthy 5 percent of American families have also flourished under President Nixon. From 1950 to 1968, their share had declined from 17.3 to 15.6 percent of aggregate income. But by 1972, their share had climbed back to 15.9 percent.

What does this shift in shares mean to individual families? In 1968, the average income for a family in the poorest fifth was $2,707. The average income for a family in the richest 5 percent the same year was $30,170. In 1972, the average income for a family in the poorest fifth was $3,409. The average income for a family in the richest 5 percent was $40,147. Thus, the average income for the poorer family went up by $702—or 25.6 percent—while that of the richer family increased by $9,977—or 33 percent. The difference between their incomes in 1968 was $27,463; by 1972, it had increased to $36,738. No doubt about it: If you want to succeed, start out rich.

As a matter of fact, U.S. income distribution was not very egalitarian to start with, compared to seven other major industrial nations. According to the Cambridge University "Champernowne Study," updated in 1973, inequality of income in the United States is greater than that in Norway, Denmark, Holland, Sweden, and the United Kingdom, and is exceeded by that of Japan and West Germany.

This shift in income shares does not take into account the effect of recent inflation. If you do, things look even worse for the bottom 60 percent of a nation. As a January, 1974, Joint Economic Committee staff study put it:

> The rich by choice spend a higher proportion of their income on luxuries, while the poor have no choice but to spend a higher proportion of their income on such necessities as food and shelter.

Nor is this all. Neither does the shift in income shares take into account recent tax increases aimed solely at the below-$13,000 three-fifths of American families. The social security tax, which starts on the first dollar of earned income, had its rate increased from 5.2 percent to 5.8 percent, and the wage base on which the tax is computed increased from $9,000 to $10,800, on January 1, 1973. The wage base was further raised to $13,200 on January 1, 1974.

The January 1974, Joint Economic Committee study factored in the effects of both inflation and taxes, and concluded that real spendable after-tax weekly earnings have actually declined by 2.8 percent during the first 9 months of 1973.

Families with incomes of $13,000 or less are the real casualties of the current economic crisis. They are hardest hit by rising food and fuel prices. They cannot buy decent homes because interest rates are so high, and they cannot manage to put money by for their own old age. They worry about whether they can pay for their children's education.

What is to be done?

God tempers the wind, said Lawrence Sterne, to the shorn lamb. A general sense of fairness, a desire to promote domestic tranquility, and the need to prevent the economy from running out of purchasing power, make 1974 a good year for Congress to do some windtempering. This requires action on the price, job, and income redistribution fronts:

First. Control unjustified price increases, not condone them. The concentrated, administered-price sector—steel, automobiles, aluminum, oil, for example—still requires rigorous controls. It is unconscionable for the administration, as it did last year, to give the major oil companies a 45-percent price increase on their regular domestic crude production without requiring them to show the slightest cost increase. "The Arabs are sticking the consumer on imported oil; why not let Standard Oil stick the consumer on domestic oil?" seems to be the program. To allow extortionate price increases, and then hope to rectify matters by an excess or windfall profits tax, ignores the need to avoid a price-wage spiral. An effort is being made to strengthen price control where it counts, as by mandating a rollback of unjustified domestic crude oil hikes.

We also need, as an amendment to the Stablization Act, a price ombudsman, independent of the administration, to represent the consumer interest before the Cost of Living Council when it gets lackadaisical; to stand up to Secretary Butz on inflationary food increases; to needle the health industry to improve supply and efficiency; to recommend to Congress TVA yardstick competition for the oil companies where needed, as in shale oil exploration or refinery construction.

Second. Prevent unemployment from increasing. Large-scale public service employment can produce jobs at the least cost, and with the least toll on scarce resources and energy. The administration's projected 50,000 public service jobs for the fiscal year starting next July 1 needs to be multiplied tenfold. And the ban on low-income housing construction must be lifted.

Third. Build fairness into the tax structure. Starting with the proposal for family assistance to provide an adequate minimum income for those unable to work, adjustment also needs to be made for the lower income worker. Such workmen's compensation, model 1974, should include:

Payroll tax relief—total refund of the 5.85 percent payroll taxes paid by families earning $7,000 a year or less, with partial refunds to higher-income families, phasing out at around $10,000.

Income tax relief—increasing the present 15 percent standard deduction to 20 percent and raising the minimum standard deduction, so as to benefit all with incomes of $13,000 or less.

The needed revenues can be obtained by raising the payroll tax base to $20,000 and by plugging such tax loopholes as the foreign tax credit for oil and gas operations abroad, depletion, in tangible drilling expenses, capital gains at death, hobby farms, unlimited personal interest deductions. In addition, if a gasoline excise tax, or oil industry excess profits tax, is enacted, part of the revenues raised should be returned to families with $13,000 or less.

But what are the chances of actually enacting such a program?

Skeptics will point to the demise of H.R. 1—welfare reform—the last Congress, or to Senator George McGovern's negative income tax, as proof that income redistribution is unsalable politically.

But these suffered from a fatal handicap: They helped only the poorest families—who certainly needed the help, and more—while doing nothing for low- and moderate-income workers. Moderate-income families were thought to be getting alone fine. As a result, both H.R. 1 and McGovern were lost in the conflict between "welfare righters" and the blue-collar workers from whose pockets part of the money would have had to come, to the infinite amusement of various "Cheshire fat cats."

Today, poor and middle-income families are in the same boat, threatened by inflation, unemployment, the energy crisis. Now good economics and good politics coincide. Middle-income workers deserve help—and with their help the votes for a fairer income distribution are there.

LAUREN GREEN: NEW JERSEY GRAND CHAMPION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. PATTEN. Mr. Speaker, the 15th Congressional District of New Jersey includes many talented people—and one of them is a 14-year-old student, Lauren Green, of Iselin, N.J., State Grand Champion Twirler of 1973.

Besides acquiring that coveted title—proving that she is the best twirler in the State of New Jersey—Lauren also was named New Jersey State Junior Division Champion. And when she competed in the U.S. Twirling Association contest held in Buffalo, N.Y., last year, she finished seventh—a high and proud achievement when one considers that champions of 50 States were represented. Because of her outstanding talent as a twirler, Lauren also traveled to the U.S. Twirling Association finals in St. Paul, Minn., this year.

Mr. Speaker, I congratulate Lauren Green for her remarkable achievements. It is my understanding that she has received so many medals and trophies, her father recently had to build another den for her. I know that she will continue to develop her fine skills until she wins the national twirling championship. She has the ability and dedication to win such a championship and I am personally confident she will do this. But even if she does not achieve the ultimate award in her field, I want her to know that the estimated 500,000 people of my congressional district are very, very proud of Lauren. I am looking forward to having Lauren and her proud parents visit my Washington office soon and also be my luncheon guests in the Congressional Dining Room.

VIETNAM CEASE-FIRE AND MIA'S

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ARCHER. Mr. Speaker, it has been over 1 year since a cease-fire agreement was concluded in Vietnam. American troops are out of Vietnam and many Americans who were prisoners of war are home. Yet, the question of Americans missing in action has not been resolved. There have been reports that some of these men listed as missing in action are alive and in prison in Southeast Asia. The Government of North Vietnam has not abided by the cease-fire agreement to provide information of these Americans. This has been a concern of mine and to many Americans. We need a full accounting of all Americans listed as MIA. I would like to enter into the Congressional Record an excellent column entitled "A Year After Peace Pact; Tragedy Remains for MIA Kin" by Mr. Frank Starr, chief of the Washington bureau of the Chicago Tribune:

United States Denied Information: A Year After Peace Pact; Tragedy Remains for MIA Kin

(By Frank Starr)

Washington, February 2.—It's been a year since the Paris peace agreement was signed, and families of Americans missing in action consider it broken.

Since January, 1973, American search teams in Southeast Asia have been denied information about the opportunity to investigate 1,363 cases of men missing in action, despite such requirements in the agreement.

The tragedy, according to United States officials, is that the U.S. has no bargaining chips left to force Communist compliance with the pace. Families, on the other hand, believe their government has let them down.

"The pride and honor is slowly being drained away by the ineffective efforts our government has made in dealing with this issue," said Mrs. Joseph P. Dunn, acting national coordinator of the National League of Families of American Prisoners and Missing in Southeast Asia.

"These efforts are now . . . characterized by elusiveness and forgetfulness to the point where Americans are beginning to wonder what our officials are hiding," she told the Senate Foreign Relations Committee.

U.S. officials take such criticism as a natural venting of anger and frustration, but argue they are bending every effort and will continue to do so.

Rogers Shields, deputy assistant defense secretary, concedes there is "not a particularly bright picture for the future."

His State Department counterpart, Frank Sieverts, says every shred of information is being verified but adds "there is no optimism at present" for the diplomatic breakthru that would allow American search teams to operate effectively.

So far the American military search teams operating out of Thailand have been denied access to Communist held territories where 95 per cent of the airplane crash sites are located.

Hanoi has also refused to provide information about the missing or to expedite repatriation of the bodies of 1,100 known dead.

The four-part joint military teams which meet twice weekly in Saigon have been "a dialog of the deaf," an official said. "Nearly all sessions in the last six months," Shields said, "have been characterized by stale polemics and theatrics on the part of the other side" in which charges of ceasefire violations have been dominant.

The American leverage furthermore is exhausted. One diplomatic official described it this way:

"With North Viet Nam you have to pay for everything twice, once when you negotiate it and once when you get it. The U.S. gave up all it had in the negotiation."

Military retaliation is ruled out both politically and logistically. The economic weapon of withholding reconstruction aid for North Viet Nam until the MIA problem is solved hasn't worked, largely because the North Vietnamese believe there's no sentiment for such aid in Congress anyway, officials say.

The strongest weapon left, officials and families seem to agree, is public opinion, criticism from men such as Sen. J. William Fulbright [D., Ark.], who chairs the Foreign Relations Committee and for whose opinions there seems to be sensitivity in Hanoi.

Thus the national league of families got Fulbright to hold hearings last week and some of their members circled the White House vowing to continue until President Nixon met with them.

Reasons for the anger of MIA families have centered partially on the Pentagon practice of changing status of some of the missing to presumed dead. Of the 1,363 missing 253 have been put on the presumed dead list, leaving 1,110 missing.

Of those 1,110, there are only some 50 cases in which the Pentagon says there is reason to believe the man is alive but in many of the other cases there is reason to believe the North Vietnamese know what happened.

In an effort to stop such status changes five families won a temporary restraining order in a class action against the Pentagon now being considered by an appellate court in New York.

MY RESPONSIBILITY AS A CITIZEN

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. OWENS. Mr. Speaker, the Veterans of Foreign Wars have sponsored the Voice of Democracy contest which has as its theme topic "My Responsibility as a Citizen." It occurs to me that if every citizen would define his responsibilities in this regard and fulfill them, our country could readily achieve the ideal that we strive for so painfully. One of my constituents, Marilyn Smith, of Salt Lake City, Utah, has defined her role as a citizen and in doing so has become a winner in the VFW contest. I am proud to submit her speech for your consideration:

My Responsibility as a Citizen

Listen. Do you hear it, too? Do you hear the shouts of the militants, the tinkle of breaking glass, the crackle of flames? Are your ears ringing with the shouts of "America—Love it or leave it!" And can you detect the quiet murmuring undertones of those who know their responsibilities and are trying to build, without destruction, prejudice or regret, the America many want but few are willing to accept the responsibility for?

Listen, Listen to me, for I am one of those whose cries are not strident and whose actions do not destroy.

Perhaps in an election year you can hear my footsteps on the sidewalk; hurrying to the grass-root meetings, attending the state convention, financing my own way to the nationals. You may hear my voice campaigning on the issues of the day, and supporting the candidates of my choice. I may even be one of those candidates.

The rustle of papers on election day may greet you as I present you with your ballot. My responsibility is here and I accept it with a quiet yes.

But it does not end here. I listen also. I listen to those who lead. I listen to the problems of the country; to Watergate, the dollar devaluation, the energy crisis I research, I read. My newspaper rack is filled with well-worn publications used in keeping up with the many sided current events

But I know, like James Burgh, that if you would not have affliction visit you twice, listen at once to what it teaches. I do not view America as perfect, and so I listen to today's problems and do my part in solving them. I participate in my community, I write my Congressman, perhaps I belong to a citizens lobby. I am not apathetic and my actions do not destroy.

Emerson taught that America is only another name for opportunity. I try to pass this belief on by taking advantage of those opportunities, by worshipping my God, exercising my freedom of speech and actively participating in my government.

My responsibility as a citizen is now clearly defined. A responsible citizen is one who is politically active. I should not only be voting in the elections, but I should be actively involved beforehand in the conventions and campaigning. I should know what is happening, not only in my country, but also internationally. I should also be involved politically in non-election years by writing my congressman on some vital issue, belonging to a citizens group or by supporting my community. I should take advantage of my rights, and realize that responsibility is the twin of freedom. If I do not accept responsibility, freedom may soon disappear.

Can you hear me now? Perhaps now your responsibilities are clearer, perhaps your voice will join the quiet minority, and maybe soon the murmuring will become audible. But if you don't listen and act, the murmurs will die away and America will be left to the shouts and the gun shots.

THE WELFARE WASTE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BIAGGI. Mr. Speaker, I have frequently criticized the New York State and city welfare system for the large number of cheats and frauds it has on its rolls. There are stories of people driving up in their Cadillacs to pick up their checks, living on Park Avenue, receiving multiple checks, and other abuses that cost millions annually. Now the Federal Government has come out with yet another report on this terrible abuse.

The following article from the New York Daily News indicates that State and Federal Government are wasting some $1.7 billion annually on unnecessary welfare payments. At the same time many individuals who are eligible for welfare go unpaid because they do not know how to qualify or are too proud to collect welfare.

The cheats must be stopped. They should be prosecuted and fined heavily. Jail is too good for them. Unless the social reformers who feel everyone is entitled to a welfare check are stopped, this country is going to go bankrupt. Welfare payments are the biggest item in many government budgets. I hope this administration will not just file this report away like so many others, but take action to end this dismal waste of taxpayers' money.

The article follows:

[From the New York Daily News,
Dec. 21, 1973]

Welfare Waste Bared by United States

San Francisco, Dec. 20.—The health, education and welfare secretary said today it was a "national scandal" that state and federal governments are wasting $1.17 billion on payments to one million ineligible or overpaid welfare families.

Caspar Weinberger commented at a seminar as he disclosed the results of a government audit of 44,000 of the 3.1 million families receiving Aid to Families with Dependent Children.

The secretary said, "Perilously close to half the people in the AFDC program are not getting the amount they should." But he expressed optimism that a cleanup program by the states over the next 18 months would wipe out the billion-dollar waste and put the money saved into the pockets of the truly needy.

Weinberger said he did not attribute all or even a significant amount of the huge waste to fraud. He noted that there had also been "some fairly inept administration" of state welfare programs.

The review showed that 10.2% or 316,200 cases, were ineligible; 22.8%, or 706,800, were overpaid; and 8.1%, or 252,100, were underpaid.

The cases, which represent families and not individuals, were audited between April and September under a system found to be "eminently sound" by the Gallup Organization, Inc., the Welfare Department said.

At mid-year, there were 3.1 million families on AFDC rolls, representing 10.9 million people, including 7.8 million children.

THE PRESIDENT'S PROGRAM—PART I

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my newsletter, as follows:

THE PRESIDENT'S PROGRAM—(PART I)

The President's State of the Union address and his budget message are the most important documents he sends to the Congress. Together they outline the President's views on the needs of the country and what he thinks should be done about them. The Congress received both messages this week, and this and next week's newsletter will comment on them.

In my view President Nixon's State of the Union address was one of his better addresses. He spoke boldly, stressed peace, prosperity and hope, projected the image of an active, energetic leader, set forth a sound national agenda, and declared that he intended to lead for three more years. It was not an easy speech for him to deliver (the most important of his career, he later said) and one had to admire his capacity to deliver the speech before Congress and a nation that had strong doubts about his leadership.

The highlights of the speech were:

Watergate: "One year of Watergate is enough."

Economy: No recession and no new taxes.

Budget: Expenditures $304.4 billion, revenues $295 billion, with a $9.4 billion deficit.

Energy: Self-sufficiency by 1980.

Health: A comprehensive health insurance program.

Welfare: An income floor with emphasis on cash assistance.

Privacy: A review of abuses by government and the private sector.

To strong applause the President said, "One year of Watergate is enough." One day of it is too much, of course, but the questions surrounding the series of crimes and unethical conduct known as Watergate cannot be put to rest by the Congress in a government of law, as Senator Mansfield suggested. More investigations, indictments and trials lie ahead, and they are the province of the courts, not Congress. As for impeachment, it is a Constitutional process that has now begun and cannot be abandoned.

The President's budget is the first $300 billion budget in the nation's history. President Nixon submitted his first $200 billion budget only four years ago, which suggests the astounding increase in government spending.

A striking difference of tone is noticeable on the economy between the State of the Union speech, as delivered, and the written message on the State of the Union. In his speech the President stated boldly, "There will be no recession." But in the written message his assessment is more cautious. He acknowledges an economic slow-down in 1974, and emphasizes the economic uncertainty the nation confronts with the twin dangers of recession and inflation. He pleads for the flexibility to deal with both and it is apparent that his economic policy for 1974 will be determined by the status of the economy, and whether it is tending toward recession or inflation.

He did express his dissatisfaction with direct controls over prices and wages, but there were no new approaches to inflation, the nation's most pernicious economic problem. At a time when many persons are seriously questioning the policy of continued economic growth, the President argued, rightly I believe, for increased production.

Most State of the Union addresses, including this one, sound more like cheerleading than an assessment of the nation's strength and weaknesses. Some day I hope to see a President confident enough of his leadership to speak with more candor. The Wall Street Journal commented editorially this week, "We yearn for a State of the Union message that admits failures as well as boasting of successes." The result of the lack of candor is that people find no real relationship between what they are experiencing and what the President is describing as the State of the Union. It is hard to persuade Americans that they never had it so good, when they have lost jobs because of the energy shortage, formed long lines at the gas stations and found shortages in high prices at the grocery store.

The President's message contained no surprises, and proposes, as previously indicated, two pieces of major social legislation: comprehensive health insurance with protection against catastrophic illness, and welfare reform featuring an income floor in cash assistance. He proposed these reforms with no additional taxes, which will be a neat trick if he can pull it off.

Although there was a touch of irony that the man who taped the conversations of visitors to his office without their knowledge should lead a crusade for individual privacy, his strong plea for controls on invasion of privacy was an important initiative in the speech and deserves support in this day of awesome electronic eavesdropping capabilities and computerized data banks of information about individuals.

THE AMERICAN WAY

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. HUNT. Mr. Speaker, I call to your attention a letter written by a constituent of mine questioning the wisdom of the Watergate investigation. While not condoning the affair, Mr. Albert would like to see the Congress get on with the major issues confronting our Nation:

COLLINGSWOOD, N.J.,
February 2, 1974.

NIXON BEING PERSECUTED?

To the Editor:

I don't know whether President Nixon is guilty of the crimes imputed to him. But I am willing to believe him innocent until proven guilty. Isn't that the American way?

Amid all the clamor for resignation and impeachment, I smell political profit. Those yelling the loudest for Nixon's hide are advancing their own interests; they are fully aware that their remarks will get free radio and TV coverage. A look into their "closets" would net us many a skeleton hiding there, we would wager.

I found it particularly obnoxious that the clamor got even louder during the past several crisis-filled weeks. The world "is on fire"—a man who is still our president, trying to make momentous decisions, is harassed by a bunch of "me-tooers." The horn blowers in Washington reminded me of a lynch mob out for blood. We need water to quench the fire, but we won't find it in Watergate.

I call for a moratorium on Watergate until the Mideast crisis is over. It is the utmost folly to delude ourselves that Israel is just a Jewish question. In a nuclear age every flare-up should be of grave concern lest someone push that fatal button. It's simply a matter of survival.

Incidentally, Mr. Nixon's excellent handling of the crisis gave the lie to all the prophets of doom who were so sure he could not govern under pressure. He did a better job than anyone I could think of. So I say, "Good luck, Mr. President. May you continue to give us more of such leadership."

MICHAEL ALBERT.

LITHUANIAN INDEPENDENCE DAY—FEBRUARY 16, 1974

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ROONEY of New York. Mr. Speaker, as I contemplate this coming Saturday, the 16th of February, I seem to sense a haunting refrain that echoes and reechoes with poignant monotony "Lest we forget—lest we forget."

Yes, we must always remember that February 16 marks the anniversary of the proclamation of Lithuanian independence by its 20-member Council on February 16, 1918. Some of us can and should remember how Americans joined with their loyal friends in Lithuania in celebrating this historic event.

Freedom-loving people throughout the world rejoiced because the people of Lithuania had at long last gained their independence—an independence dating back to the 11th century AD. Since 1918, Americans have joined with their fellow citizens of Lithuanian birth or extraction to celebrate this meaningful Independence Day, even though so often such celebrations were and are dampened by the realization of the subsequent enslavement of Lithuania by the Red Soviets. Since the illegal annexation of Lithuania as its 14th Republic, the Russian Communists have held it in virtual slavery and oppression. We as a nation and many of us as individuals have repeatedly denounced this usurpation of Lithuania by the Soviet Union in 1940. As a nation we have continued steadfastly to refuse to recognize this illegal conquest of a free and sovereign nation.

In spite of the numerous overtures being made to the Communist Soviet Union today and in spite of an alleged softening of the tensions between East and West, I sincerely trust that we Americans will remain firm in maintaining the policy established by Presidents Franklin D. Roosevelt and Harry S Truman in refusing recognition of the forcefully imposed and illegal annexation of territory.

As Brezhnev and top Soviet Communist leaders pay visits to this country and high level Americans reciprocate with visits to the Soviet Union, I hope and earnestly pray that the sad plight of Lithuania and her sister Baltic nations, Estonia and Latvia, will never be forgotten and constantly given a high priority for discussions at these conferences. I am sure that most of my colleagues and most Americans feel as I do that the future of Lithuania, Estonia and Latvia is of equal importance to that of Cuba, of the Middle East, of oil and of wheat. For far too many years we have denounced but we have not pronounced any positive action on our part with respect to restoration of freedom to the enslaved peoples of these Baltic nations. Our national conscience should dictate a course of action which includes freedom for them as one of the primary issues to be resolved in any kind of trade or loan concessions, peace negotiations or other foreign policy considerations.

Mr. Speaker, 2 years ago I called attention to the fact that we would be celebrating in 1976 the anniversary of 200 years of our priceless independence. I suggested at that time and I now renew the suggestion that both the Congress and the administration make special efforts to devise ways and means to get the matter of the restoration of the independence of the Baltic States on the United Nations agenda. I suggested then and I repeat now that utilization of every possibility of economic and political sanctions should be explored. I am convinced the time is ripe to make good on our pledges of help to these freedom loving slaves of the Kremlin. Without such action, applied with vigor and determination, how can we as Americans participate with honor in a celebration of our own two centuries of peace and freedom?

Finally, Mr. Speaker, I am of the firm opinion that we as a free and dominant world power must share some of that vigor and determination which has gained and preserved our own freedom—share it with our Lithuanian friends to regain their sovereignty. So, lest we forget, let us all be reminded that these enslaved friends seek and covet freedom just as do you and I.

SOLAR HEATING AND COOLING DEMONSTRATION ACT

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. DU PONT. Mr. Speaker, as one of the cosponsors of the Solar Heating and Cooling Demonstration Act, I want to commend my colleagues in the House Committee on Science and Astronautics for their leadership in bringing this legislation to the floor in such efficient fashion. Solar energy has been called the ideal form of energy. It is abundant and its use will not pollute the environment. As a result it holds great potential for helping to meet our present energy shortages. While many believe that solar technology is still in a theoretical stage, it is quite evident that many small research groups have already made pioneering advances in spite of a lack of significant Federal funding. The University of Delaware's Institute for Energy Conversion is one such group that has made great strides in making solar energy a practical supplement to existing forms of energy conversion. The institute, under the able direction of Dr. Karl Boër, has built Solar 1 as a special laboratory to test and apply the fruits of solar research. Programs like these hold the key to providing solar technology for our homes and office buildings within the next few years. This measure I think would make the necessary Federal commitment to make sure that the advances, like those made at the University of Delaware, are perfected and brought into commercial production in the near future.

This exciting program at the university has received national acclaim, and I think all the Members would be interested to learn about some of the details of their work. I, therefore, insert a summary of their program at this point in the RECORD:

GENERAL DESCRIPTION: SOLAR ENERGY R. & D. PROGRAM AT THE UNIVERSITY OF DELAWARE, INSTITUTE OF ENERGY CONVERSION

(By Dr. Karl W. Böer)

GOALS

The goal of the Institute's program is to develop to commercial feasibility:

within five years, proven solar devices which will provide in excess of 50% of the total energy needed in suitable new homes as electricity, heat and air conditioning, and

within two years, simple solar collectors which can be installed in most existing homes to replace from 10 to 30% of the heat now supplied by conventional heating systems for comfort conditioning.

Achievement of these goals would help greatly to alleviate the energy crisis without endangering the environment or depleting energy reserves.

The Institute has built SOLAR ONE House as a special laboratory to evaluate approaches that are being developed to achieve these goals and to select the most practical ones for broad commercial use.

INTRODUCTION

Since solar energy falling between 30° and 40° latitude in the USA amounts to a yearly average of approximately 5 kWh/m^2/day, solar cells installed in solar panels on roofs and south walls of buildings, at presently achieved conversion efficiencies, are able to supply a significant portion of both the electrical and the thermal energy used therein, including that for air-conditioning.

Economic considerations would favor installation of solar devices as an integral portion of a building (replacing certain standard parts) rather than erection as a separate adjoining structure or in a large central power plant. Though expensive equipment is required for capturing incident solar energy, this is offset by the fact that solar energy is free. Moreover, its use is not associated with escalating costs, such as the purchase price or the refining and distribution costs of fuels, or the need to install expensive anti-pollution devices; nor are there losses such as those experienced in sending electricity through transmission lines.

However, despite technical feasibility, a popular desire to use non-polluting, non-depleting resources, and a pressing need to uncover additional sources of energy, a commercial market for a system using solar energy to supplement other energy used in buildings will develop only if many other considerations are favorable. The following essential ingredients seem attainable:

An initial investment which adds no more than 10% to that for a conventional single family residence, and which, spread out over the useful lifetime of the solar equipment and compared with installation and operating cost for use of conventional energy, will allow recovery of the extra investment and possibly even a savings. (All related costs, such as interest, amortization, maintenance, insurance, taxes, etc., must be considered.)

A system that is reliable and which follows changes in thermostat settings or actuation of switches just as well as conventional equipment does. It must also be reasonably quiet and not require unusual maintenance, or introduce any inconvenience.

Promotion and service of installations by an arm of some member of the energy industry, having an image which alleviates fear of undue inconvenience or loss in the event of a breakdown.

TECHNIQUES

The Solar One program is an R & D effort to further develop state-of-the-art components and cadmium sulfide/copper sulfide solar cells (that have recently been improved at the Institute) in order to combine these into an operational system that meets the basic needs of a solar house.

The DC electricity obtained from the solar cells may be used directly for the house lights or heating devices, or it may be stored in batteries (presently lead acid). An inverter (being installed) changes the power withdrawn from the batteries to AC for general use. The system can also accept power from the utility's lines.

The heat collected by the photovoltaic cells and/or by other selective-black heat absorbers is removed from the collectors by circulating air. The warmed air may be used directly for heating or to transfer the heat into storage as heat-of-fusion in containers of salts, which melt at 120° F and at 75° F.

Such heat stored at 120° F may then be withdrawn as needed for controlled heat distribution throughout the house during the day and the night. Heat stored at 75° F may be transferred to 120° F storage by means of a heat pump, preferably during off-peak hours. In the future it is planned to equip SOLAR ONE with a hot water heater which obtains its heat from the solar-thermal energy. Appropriate means for adding heat to the system either from combusition of fossil fuels or from electric power during prolonged periods of inclement weather will be evaluated.

"Coolness" for air conditioning is stored at 50° F in heat-of-fusion containers of salts by means of the same heat pump referred to above. Heat is pumped out of the heat-of-fusion container and released outdoors. This is done most efficiently and advantageously at night when outdoor temperatures are lower and when off-peak power is available. The "coolness" is then distributed both day and night as needed by recirculating the house air through the "coolness" storage unit. This will reduce extreme demands during periods of peak-power loads when conventional air conditioners operate, sometimes causing "brown-outs" during very hot summer days. In the future it is expected that the heat collected during the summer period will be used to operate absorption-desorption type air conditioners and refrigerators (assuming efficient units for such use of low grade solar heat are developed).

Solar One has been built as a development laboratory to allow easy modification of the system or the replacement or testing of alternate components and subcomponents for various modes of operation. Data will be collected for comparison and correlated with weather and insolation data recorded at the house. This will provide necessary knowledge for prototype development of solar houses that will be efficient, yet standardized. It is expected that large scale use of solar energy conversion units which produce electricity and heat (including air-conditioning) may be achieved within this decade while simple heat collectors may begin to be used widely within a few years.

FIVE PHASE PROGRAM

The Institute's development of solar energy for residential use that is being pursued for testing in SOLAR ONE has been divided into a Five Phase Program of increasing sophistication. On a time scale some parts of these Phases run in parallel.

Phase 1 employs energy conservation and proper application of solar energy by conventional means, such as through beneficial use of window curtains, paint and fabrics with desired absorptivity or reflectivity in the visible and infared regions, attic fans, efficient insulation, reduction of air infiltration, optimum house orientation and design, including especially that of roof overhang and/or awnings to shade properly positioned windows in the summer but not in the winter, etc. The public at large will be informed of how to use these techniques in their existing homes to save fuel and electricity.

Phase 2 employs heat-of-fusion containers of salts to store "coolness" for air-conditioning, as described above. Similiarly a detached heat-of-fusion "radiator" will be evaluated for storing heat from sunlight which shines into a room through a window; the salts contained in the "radiator" melt as radiant heat is absorbed during such an exposure and then return the heat to the room at night as the salts refreeze, thereby keeping the room warm with less heat input from the central heating system. The most important part of Phase 2 is the further development of solar collectors with air or liquid as heat transport fluid to transfer heat to a heat changer to heat a room, etc., or to heat a supply of domestic hot water.

Phase 3 is designed to further develop the total solar conversion system which employs cadmium sulfide cells and selective black absorbers for direct electric and thermal conversion of solar energy. The heat obtained will be stored in heat-of-fusion containers filled with mixtures of salts which melt at appropriate temperatures. This system will involve use of basic controls needed for automatic comfort conditioning. Several modes of operation will be compared.

Phase 4 will test various air conditioning modes using newly developed refrigeration units which operate on the heat collected, using hot air directly or from heat stored by the techniques described in Phase 3. Automatic controls will be involved in this cycle.

Phase 5 will test the cadmium sulfide photovoltaic cells for conversion of solar energy into electricty. Means will be tested for storing this DC energy for use as such or for inversion and use as conventional 120 volt 60 cycle AC energy. Finally, a programmable automatic electronic management system will be devised which will govern all energy conversion, storage, and major utilization systems in the house. In cooperation with the power utilities this would include means for withdrawing and inverting the energy stored in the batteries and for transferring measured amounts of this electricity into the utility grid and for similarly returning such energy at off-peak hours.

PROGRAM SUPPORT

The Institute's laboratory research program on the cadmium sulfide photovoltaic cells is funded by grants from the National Science Foundation, from private individual sources and by money budgeted by the University. University funds are also used to do research on other solar devices and components needed for the comprehensive program outlined above. Completion of this program is dependent on procurement of additional financial support.

Construction of Solar One was funded largely through grants from Delmarva Power & Light Company, the University of Delaware and its Research Foundation and by generous supply of furnishings, equipment, etc., from many business concerns. A number of power utilities, notably Delmarva Power and Light Co., Pennsylvania Power and Light Co., Atlantic City Electric Co., Tampa Electric Co., Baltimore Gas and Electric Co., and American Public Power Association, have pooled modest amounts of funds to assist the Institute in underwriting the cost of operating Solar One and collecting data in the program outlined above. A number of other companies are also expected to contribute towards the support of Solar One in its program to obtain data and to improve the system and its components.

EMBRYONIC COMMERCIALIZATION

Outside the scope of the Institute and the University, but because of progress made there, Solar Energy Systems, Inc., has been formed as a new company to attempt early commercialization of solar cells and related devices. This company recently received significant initial funding from Shell Oil Co. The news release covering this development follows:

"DELAWARE SOLAR ENERGY FIRM DRAWS SUPPORT FROM SHELL

"NEWARK DELAWARE, October 26.—Solar Energy Systems, Inc. (SES), announced today it has contracted with Shell Oil Company for about $3 million financing to help develop practical uses of solar energy.

"The company initially will manufacture a low-cost, long-life solar energy cell, but eventually plans to develop a solar energy system that can supply supplemental electric power, heating and cooling for residences, businesses and industries.

"Such a system would involve the use of roof-top solar energy panels and other components which would turn sunlight into electricity and make use of the sun's heat for both heating and cooling. In most areas of the United States, this system would be supplemental to existing public utilities and could help shave the power drain during peak use times.

"The cadmium-sulfide solar cells to be produced by the Company have been used in roof-top panels in a demonstration house called 'Solar One', which is the first to use solar energy for both supplemental heating and electric power. Solar One was constructed by the University of Delaware's Institute of Energy Conversion, which is accumulating data from the harvesting of the solar energy.

"Through the recently signed contracts, Shell will become a minority stockholder in SES and will provide the initial financing of about $3 million for operating capital and research and development. It is expected that SES will fund some research by the Institute, which will share in royalties from commercial applications.

"Solar energy has been recognized as an ideal alternative source of energy to fossil fuels because it is clean, quiet, and inexhaustible in supply. Because of comparatively high cost and relatively low efficiency, solar cells have not yet found widespread applications.

"Solar Energy Systems believes it can overcome present technical problems with solar cells and that the improved cell can be mass produced so that it is competitive economically. If so, solar energy can make a significant long-range contribution to our nation's energy resources."

IMPORTANCE OF NATIONAL GUARD

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. MONTGOMERY. Mr. Speaker, I would like to share with my colleagues a recent position paper of the National Guard Association of the United States concerning the increasing importance of the Army and Air National Guard. I recognize that needs change and that the types of units in the National Guard must undergo periodic revision to keep the total structure compatible with anticipated war requirements. However, along with NGAUS, I submit that it is wasteful to simply eliminate units when those units can be converted to new and essential missions. The costly and laboriously acquired teamwork, individual experience and skills, leadership and collective know-how found in units currently proposed for inactivation, for example, represent a defense asset that once dissipated can never be recovered. I strongly urge that any inactivations be delayed pending a review of the potential new missions to which those units and their talents can usefully be applied. The National Guard Association position paper on this important subject explains in great detail the importance of the National Guard. I recommend this paper to my colleagues:

POSITION STATEMENT ON FORCE REDUCTIONS

(The following statement of position was approved by the Executive Council of the National Guard Association of the United States at its meeting on January 29, 1974.)

TOTAL FORCE POLICY

As an outgrowth of the Nixon Doctrine, which gave a new direction to this nation's international relations, the Administration in 1970 committed our defense establishment to a concept called Total Force, and concurrently to all-volunteer armed forces.

Total Force in one of its applications assigned far greater importance to the maintenance of strong, effective reserve forces, to compensate for massive reductions in the costlier Active forces.

In consequence, National Guard and Reserve units have been handed a variety of high-priority, early-response missions that previously had been allotted only to fulltime troops. The new missions require Guard and Reserve forces to be ready for mobilization and deployment overseas on greatly compressed timetables.

Thus, the National Guard and Reserves have become in reality what they formerly were only in theory—a major part of the force-in-being that would have to respond on extremely short notice to any future military emergency. In fact, the Army National Guard today represents 30 percent of the entire organized Army structure and more significantly, encompasses almost half—46 percent—of all the Army's *combat* elements. Equally important, the Air National Guard contains 38 percent of the Tactical Air Command's total strength and 70 percent of the Aerospace Defense Command's air defense jet interceptor fleet.

This makes it obvious that neither the Army nor the Air Force can make a major commitment of forces in a crisis unless the National Guard and Reserves can rapidly mobilize forces of substantial size possessing high readiness levels upon mobilization.

There'll be no time for the leisurely "fleshing-out" of units with large numbers of filler personnel nor for extensive training after the alert is sounded.

RELATIONSHIP BETWEEN ACTIVE AND RESERVE CAPABILITIES

A long-accepted doctrine, that significant reductions in our Active forces must be balanced off by strengthening and improving our Reserve forces, is the very bedrock of the Total Force policy. Defense leaders have always accepted that doctrine as the only acceptable method by which this nation can maintain an adequate military posture in peacetime at a price Americans will accept. We are a nation that traditionally opposes large standing armies.

The National Guard has responded to the Total Force challenge by elevating its combat-readiness to unprecedented levels and concurrently restoring its strength to full authorized levels, a dual accomplishment which no other component of our Armed forces has matched.

The Army Guard is still engaged in the massive effort it launched several years ago to boost readiness levels still higher, assisted by its Active Army mentors. The Air Guard has been engaged in a similar effort, with the support of the Active Air Force, and currently can boast that an unprecedented 90 percent of its force is rated combat-ready.

A Total Force Study Group late last year launched a comprehensive study of every facet of Reserve Component organization and operations, under Department of Defense sponsorship, to seek ways to make further improvements. It is contemplated that the group will complete its studies by August, 1974, and be in a position to make realistic, innovative recommendations by bringing the Reserve Components into closer conformity with national defense needs.

Without awaiting the results of this evaluation, however, Defense leaders are preparing to direct certain reductions in National Guard/Reserve force structure and manning levels, a premature and ill-conceived step to which the members of this Council strongly object. While most of the details of the pending reductions are still obscured by the "security classification" device, it is an open secret that much of the air defense structure is to be dismantled, including Air National Guard jet interceptor forces and Army National Guard Nike-Hercules units. In addition, a number of other proposals are under active consideration which could lead to further reductions in Army Guard unit structure and/or authorized strength.

This Council regards such developments as inexplicable in view of—

The increased reliance on Reserve Forces which has been proclaimed as national policy;

The steady growth in Soviet military power and its clear attempt to achieve military supremacy;

The National Guard's demonstrated ability to attain any realistic readiness and manning levels assigned to it;

The apprehensions repeatedly voiced in recent years by U.S. military leaders over the succession of strength cuts imposed by Congress;

The wastage of a valuable, irrecoverable defense asset when long-established National Guard units are inactivated and the collective experience, teamwork, individual skills and dedication of their individual members are dissipated; and

The critical secondary responsibility of the National Guard, of protecting the lives and property of citizens in every State, as a State-directed adjunct of civil forces.

MILITARY VERSUS ECONOMIC CONSIDERATIONS

This Council recognizes that the military needs of a nation are dynamic and ever-changing, as are the kinds of military forces required to satisfy those needs. They necessarily are a product of the international environment and the potential threat represented by nations who might become our enemies. We recognize, moreover, that the structure and size of our forces are dictated by the national strategy and by the war plans those forces are designed to implement.

In consequence, we know that revisions must be made periodically in the types of units assigned to the National Guard and in the missions assigned to them. The National Guard is continually making such alterations at the behest of its parent services to insure that the overall military force structure conforms with anticipated needs.

We sense, however, that current proposals to reduce Guard and Reserve forces hard on the heels of drastic reductions in the Active forces stem more from heavy pressures to reduce defense spending at whatever cost than from sober, realistic military considerations.

This Council is particularly concerned lest insufficient consideration be given to two of the factors cited earlier: the wastage of valuable assets when Guard units are eliminated, and the Guard's success in attracting that primary ingredient of readiness, manpower, at a time when other components are steadily losing ground.

The Army and Air National Guard currently stand at the strength prescribed for them—the traditional 400,000 for the Army Guard and 92,000 for the Air Guard. They alone among the Reserve Components can boast of such an accomplishment in the unfavorable environment which exists. Not the least of the factors on which this accomplishment rests is the State and community character of the Guard.

Guard units have been closely identified with their communities and States over periods that extent in many cases back into the last century or earlier. They are motivated by community pride to attain the goals set for them, whether strength or readiness or response to emergencies. They are deeply involved, whether as individuals or units, in the daily affairs of their communities. Their performance in times of disaster and stress are recognized and hailed. From this has grown an esprit de corps and a determination to succeed that recognizes no obstacles as insurmountable.

Guard units represent an amalgam of experience, leadership, dedication, teamwork and individual skills that can be duplicated only by a massive investment of time, energy and money. Immense sums have been spent to develop the military capability possessed by such units. It would be tragic to capriciously dissipate such assets, for once dissipated they cannot be re-created. A far more sensible course is to convert such resources to other essential tasks, when they have outlived their usefulness in their present configuration.

OUR POSITION

Members of this Council therefore express the following convictions in respect to reductions in either force structure or strength in the Army National Guard and Air National Guard:

(1) That nothing in our current military posture vis-a-vis that of Soviet Russia warrants a unilateral reduction in the size and capability of U.S. military forces.

(2) That the interests of the nation will be better served if all decisions regarding force structure realignments and manning levels be delayed pending completion of the Department of Defense Total Force Study Group's evaluation.

(3) That national security considerations strongly suggest the desirability of converting out-moded units, and units of marginal utility in an early-response role, to new and essential missions rather than eliminating them outright.

All who share in the responsibility for defending this nation, from the highest levels to the lowest, also share a single overriding objective—to produce and maintain military forces of a size and capability commensurate with national security needs, at the highest attainable level of readiness, and with the lowest possible expenditure of public funds. This Association likewise is dedicated to such a goal. It is in consonance with that objective that the above convictions are expressed. We earnestly petition the President of the United States, Congress, and leaders of the defense establishment to give consideration to these views.

RECORD GAS RATE APPROVED—DRAMATIC RISE IN FUEL COST COULD FOLLOW

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ROSENTHAL. Mr. Speaker, the beleaguered American consumer is being hit from all sides with higher prices. Foods, drugs, rents, clothing, cars—all continue to jump in price. In addition, the energy crisis caused a 47-percent hike in energy prices in 1973 compared with 1972. And fuel costs show no prospect of abating. Indeed, the petroleum industry proposes to raise gasoline prices in 1974 alone by 10 to 15 cents a gallon.

On top of all these increases, the consumer likely will soon be paying the highest price in history for natural gas. This is expected to come about as a result of a recent, split decision by the Federal Power Commission.

The FPC on February 1, approved an increase in the price of natural gas destined to be sold in interstate commerce from 45 cents per 1,000 cubic feet to a record 55 cents—a 22-percent hike. According to an FPC aide, the Commission may approve still higher rates, despite the fact that the Commission staff had recommended a ceiling price of 35 cents.

The swing vote in this decision was the FPC's newest member, Don Smith, who according to Washington Post reporter Morton Mintz "had been looked to as an ally by consumer forces on Capitol Hill."

If a strong effective Consumer Protection Agency—CPA—had been in existence on February 1, the outcome might have been far different. The CPA would have been an independent, Federal agency looking out for the interests of the consumer instead of the interests of big business.

CPA legislation has failed twice in Congress since 1970, largely because of solid business and White House opposition. It will be coming up for another vote soon during the 2d session of the 93d Congress, and I am hopeful that a strong and effective Consumer Protection Agency will be created.

I insert in the Record Morton Mintz' revealing article on the FPC decision. It appeared on the front page of the February 3, 1974, editions of the Washington Post.

The article follows:

Record Gas Rate Approved—Dramatic Rise in Fuel Costs Could Follow

(By Morton Mintz)

A bitterly divided Federal Power Commission has approved the highest price in its history for natural gas destined to be sold in interstate commerce—a decision likely to bring multibillion-dollar increases in consumer fuel bills.

The price is 55 cents per 1,000 cubic feet, 22 per cent more than the previous record price of 45 cents set last May, and more than double the rate previously approved for the region affected.

The 55-cent price has been sought by a joint venture of seven producers—mainly the independent Mallard Exploration Co. and giant Exxon Corp.—that developed gas in the new Big Escambia Creek field in Alabama. Their customer, under a 20-year contract, will be Southern Natural Gas, a pipeline serving Southern states.

Other contracts will not be affected immediately. But, an FPC aide told a reporter, the commission has signaled the industry that 55 cents is not the top—that the commission may approve still higher rates.

Consequently, said the aide, who asked not to be identified, producers have been given an incentive—an expectation of higher prices—to hold back commitments of new supplies to interstate commerce.

Nationally, the annual consumption of natural gas is about 23 trillion cubic feet. If the price were to increase one penny, the cost to pipelines would be $230 million per year.

The industry and the Nixon administration, along with the FPC, urge legislation be enacted to lift FPC price controls at the wellhead. The industry says prices of around 75 cents per 1,000 cubic feet of gas might result and are necessary to stimulate exploration and development.

Critics reject the contention, saying that even with price increases of 200 per cent from 1954 to 1972, the problem wasn't solved because talk of de-regulation led producers to hold back in expectation of still-higher prices.

The 55-percent decision by the FPA was made Friday on a 3-to-2 vote. The FPC's newest member, Don Smith, who had been looked to as an ally by consumer forces on *Capitol Hill*, provided the swing vote.

In his first major test, Smith, a former utility regulator from Arkansas whose chief sponsor for his present post was the state's senior senator, Democrat John L. McClellan, sided with the oil and gas industry's most steadfast supporters on the FPC, Commissioners Rush Moody Jr. and Albert B. Brooke Jr.

The dissenters, Chairman John N. Nassikas and Commissioner William L. Springer, a former senior Republican congressman from Illinois, denounced the decision as a "travesty of regulatory justice."

In a rare joint statement, the two said the courts would reverse the decision if given a chance to do so. But, they lamented, there can be no appeal, because no outsiders had intervened while the case was before the FPC.

The majority "capitulated to the prescription of an industry-established price of 55 cents . . . rather than prescribing a just and reasonable rate by regulatory review," the minority charged.

"To support the industry's demand for the 55-cent price, the majority uses so-called cost evidence to justify the pre-ordained price set by the applicant and not by the evidentiary record," the dissenters said.

They had recommended 41 cents, although the commission staff had recommended the area "ceiling" price of 35. Administrative Law Judge Michael Levant, who presided in the case, recommended 50 cents, which Springer and Nassikas termed "too high."

Moreover, they complained, the majority acted hurriedly—a few hours after getting a telegram from the producers requesting action.

The FPC staff aide said, "The consumers have been sold down the river."

Area ceiling prices were all but nullified in 1972, when a unanimous commission—led by Nassikas—approved "optional pricing." This procedure lets producers and pipelines negotiate any price they care to, subject to commission approval.

The first case under optional pricing, which is under challenge in the U.S. Court of Appeals, led to approval of a 45-cent price for three producers in offshore Louisiana last May 30.

That was a 73 per cent increase over the 26 cents approved in 1971—a price that, the producers had assured the FPC, would be adequate to stimulate exploration and development.

In the Washington-Baltimore area, the 73 per cent increase translates into an increase of about 15 per cent, or $35 a year, in the price of heating a typical single-family home.

Moody and Brooke voted for the 45-cent price, which the FPC staff estimated would yield one of the three producers involved a 48 per cent annual return on its share of total invested capital.

Nassikas dissented. Later, after Springer's appointment, the pair were able to fight off further increases. Now, with the appointment of Smith, there is a new majority.

No matter how rates are computed, the theoretical maximum "just and reasonable return," after taxes, is 15 per cent. In the Big Escambia case, the staff figured that rate would be earned at the 35-cent price it recommended on the basis of estimated productivity averaged over several years.

In order to assume that a 55-cent price also would yield 15 per cent, hearing examiner Levant and commissioners Moody and Brooke necessarily assumed a lower productivity. They did so by using a one-year rather than a multi-year test period.

This approach was "faulty and not truly representative of industry costs," dissenters Nassikas and Springer charged.

If the extra 20 cents per 1,000 cubic feet of gas proves to be all profit, the producers' rate of return will be about 42 per cent.

Commissioner Smith had won a reputation in Arkansas for being pro-consumer despite a reported close relationship with W. R. Stephens, chairman and president of Arkansas Louisiana Gas Co., a pipeline and gas producer.

President Nixon nominated Smith after his first choice for a vacant seat was rejected by the Senate. Leaders of the fight, pro-consumer members of the Senate Commerce Committee and Senate Antitrust and Monopoly Subcommittee, suported the Smith nomination.

The amount of gas involved in the case is a relatively modest 9.2 million cubic feet a year. The annual cost differential between the 35 cents recommended by the staff and the 55 cents approved by the commission majority is $1.8 million a year to the pipeline, which will pass it on through local distributors to consumers.

Gas was discovered in the Big Escambia field in January, 1972. Its potential reserves are believed to be 255 billion cubic feet—the largest ever found in Alabama.

CONFERENCE ON INDIAN HEALTH CARE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. YOUNG of Alaska. Mr. Speaker, last Thursday, February 7, a Planning Conference on Indian Health Care was held in the Russell Senate Office Building. Although I was unable to attend the Conference, I would like to express my gratitude to Senator Abourezk, whose concern and interest made this conference possible. There were representatives of Indian tribes and Indian health organizations present from all over the country, including a number of Alaskan Natives.

As a resident of Alaska, I cannot help but recognize the many deficiencies in Indian medical services and facilities. In a State whose population consists of approximately 20 percent Indians, Eskimos, and Aleuts, this deficiency poses a staggering threat to a substantial portion of Alaska's residents. This neglect of our citizens is unconscionable and demands for better health services have gone unanswered for too long. I have been working for some time toward improving these services.

Just last month, a special ear surgery clinic for Native children was held in Kanakanak, Alaska. There were funds provided for the approximately 160 children who are participating in the clinic, held from January 14 through March 16, but none for the postoperative care. Families living in the area volunteered their assistance in providing boarding homes for the children who had traveled some distance to undergo surgery. No funds were available to reimburse these families for their expenses and I appealed to the Indian Health Service in Washington, D.C., for assistance. IHS agreed to supply the necessary money and the clinic was able to continue its services.

This is just one instance in which the Indian Health Service was able to supply needed funds. Unfortunately, IHS is not financially capable of filling the many daily requests for assistance. This lack of funds can be rectified only by Congress itself, in the form of appropriations.

Senator Henry Jackson introduced S. 2838 on February 1, the Indian Health Care Improvement Act," a bill to strengthen Indian health services and, where needed, provide new facilities. I understand similar legislation will shortly be introduced in the House. I am currently in the process of studying this legislation and would like to add my support to any legislation that will effectively improve medical facilities and services in this area. I will personally work toward this goal.

I was very proud of the many Alaskans who came to Washington to attend the health conference. Theirs was the longest journey made by the many Indians present who are concerned with improving their health care services. The names of some of those attending are listed in the following statement, but many are not. I would especially like to thank Dr. Donald K. Freedman, director of the State division of public health for coming to testify. One Alaskan Native whose name is not included in the statements but who has been an active leader in the native community for years is Charles Edwardson. He has been to Washington countless times on Alaska projects, including the Alaska Native Land Claims, the Alaska pipeline, as well as the health conference. Mr. Ralph Amouak, president of the Alaska Native Commission on Alcohol and Drug Abuse was also in Washington to attend the conference and to seek Federal assistance in helping to combat one of Alaska's major health problems—alcoholism. To all those who participated in the conference, I extend my thanks and appreciation.

I believe that those concerned with this conference—the American Indians—should be allowed to speak for themselves and request that the statement made by Ms. Lillie McGarvey, chairman of Alaska Native Health Board be included in the Record:

Statement of Ms. Lillie McGarvey, Chairman of Alaska Native Health Board

Mr. Chairman, members of the Committee and guests. I am Lillie McGarvey, Chairman of Alaska Native Health Board. With me, representing Alaska are:

1. Georgianna Lincoln, Executive Director—Fairbanks Native Community Center.
2. Chris Anderson, Planner, DOYON, Limited, President—Fairbanks Native Association.
3. Joseph Lomack—Yukon-Kuskokwim Health Corporation.
4. Dennis J. Tiepelman—Executive Director, Kotzebue Area Health Corporation.
5. Carl Jack, Director Health Affairs Division, AFN, Incorporated.
6. Ray Paddock, Executive Director, Tlingit and Haida Indians of Alaska.
7. Alvin S. Ivanoff, Acting Executive Director, Yukon-Kuskokwim Health Corporation.
8. Dan Rounds, Planning and Evaluation—Yukon-Kuskokwim Health Corporation.
9. Frank R. Peterson, Assistant Director, Health Affairs Division, AFN, Incorporated.
10. Tommy Ontooguk, Deputy Director of Norton Sound Health Corp.
11. Joe Upickson, President-Arctic Slope Native Corporation.
12. Lovetta Kenton, Arctic Slope Borough.

First of all, we would like to express our appreciation to be invited and given time to testify on behalf of Alaskan Natives. We have traveled 4,500 miles from Alaska to Washington, D.C. to participate in this conference. Alaska is 1/5 the size of the United States, and Rural Alaska suffers disadvantages caused by isolation, inadequate communication and undependable transportation, resulting in unmet health needs.

The following statement will emphasize the central issue. These are (1) Federal program study as mandated under Section 2(c) of PL 92-203, "Alaska Native Claims Settlement Act"; (2) Utilization of PL 89-121 funds (Water and Sewer Act); and (3) Subsidy for management functions of Tribal Governments and Alaska Native organizations. Section 2(c) of Public Law 92-203, Alaska Native Claims Settlement Act passed by the 92nd Congress states as follows:

"(c) No provision of this Act shall replace or diminish any right, privilege, or obligation of Natives as citizens of the United States or of Alaska, or relieve, replace, or diminish any obligation of the United States or of the State of Alaska to protect and promote the rights or welfare of Natives as citizens of the United States or of Alaska; the Secretary is authorized and directed, together with other appropriate agencies of the United States Government, to make a study of all Federal programs primarily designed to benefit Native people and to report back to Congress with its recommendations for the future management and operation of these programs within three years of the date of enactment of this Act."

The Department of the Interior upon the formation of the Steering Committee composed of three representatives of the Federal Regional Council, two representatives of the State of Alaska and four representatives from the Native Community has established three criteria for the study. They are:

1. Comprehensive;
2. Objective; and
3. With adequate Native involvement.

We are herewith supporting the position taken by the "2(c) Steering Committee" in a form of a letter dated January 28, 1974 to the Secretary of the Interior, that there be no pre-mature erosion of Federal monies benefiting Alaska Natives.

It is our interpretation that the drafters of P.L. 92-203 intended that benefits generally available to all Native Americans shall also be available to Alaska Natives. This intention, if not clearly defined in the bill, has been borne out by hearings, floor debate and legislative history.

At this time we would like to express to this Committee specific unmet health needs that have been identified by the Alaska Native Health Board, which is the health arm of the Statewide Native organization, the Alaska Federation of Natives, Incorporated. These are not in the order of priority.

Community Health Aide Program;
Communication;
Eye Care;
Dental Program;
Mental Health, Alcoholism and Drug Abuse;
Sanitation and Water Systems;
Patient travel;
Village built clinics;
Data system; and
Ambulatory care and care for the aged.

Discussion will follow by the rest of the delegation on these specific areas.

Of particular concern to the Alaska Natives at this time is the impact the Alaska pipeline will have on our health resources. Many of our people from both throughout as well as those coming from outside the State, will be migrating to areas specific to the construction and subsequent maintenance of the pipeline. The mental health care in the areas mentioned is presently *below* a maintenance level. Schools are now crowded; contract health care is insufficient; travel budgets for patients are overspent; low cost housing is near non-existent; inadequate or no means of transportation—these are but a few areas that will effect the health delivery system for the Alaska Natives.

At this time State and Federal agencies have not shared with us any plans for adjusting their health programs accordingly. Although we rely primarily on Indian Health Service for direct services, we do not however, have total dependence on IHS for our health services. We are continually exploring other resources that are available to upgrade the health status of the Alaska Native people.

To summarize our other concern is that in order for Native people to develop organizations which incorporate the strategic and operational health planning functions and possess the managerial ability to administer health programs that the Federal Government should subsidize the development of "executive branches" and its functions within tribal government and Alaska Native organization if Native Americans are to obtain the self-determination and self-sufficiency we have been promised.

The other concern, is Tribal Government and Native Health Planning. In order for Native people to develop organizations which incorporate this strategic and operational health planning function and possess the managerial ability to administer health programs, there must, gentlemen, be substantial investment of "front-end" money to develop tribal government and Alaska Native organizations. That is, realization by Congress and the Federal Government to subsidize the development of "executive branch" and its functions within tribal governments and Alaska Native organization if we are to attain the self-determination and self-sufficiency we have been promised. We believe that local governments should solve social problems for themselves; and given financial support from the Federal Government. We view the Federal Indian Health Service budget, if brought directly under strong Native and tribal influence, is essentially a special form of Federal revenue sharing. It is, however, critical that the government view the tribal governing bodies and Native organizations in Alaska as legitimate *self-governing units.*

We do not, however, believe that the President, the Secretary, nor Congress can really expect that many Indian tribes or Alaska Natives organizations would seriously consider or wish to totally assume the responsibility now carried by the Indian Health Service nor assume the management of these programs and facilities in their present configurations and conditions.

We say this for two reasons. The IHS is not presently meeting a large portion of our needs, being seriously short-funded in relation to the total needs and many of its facilities are inadequate. Our estimate now is that IHS is funded 70% of need. We think that examination of the statistics on staffing shortage, estimates of costs of up-grade facilities, and health statistics would adequately document unmet needs where there is little budget commitment today. There is little reason to believe that a Native organization could meet the people's needs given the same level of financial support that exists today. Many of these programs could be redesigned to operate more efficiently but there still exists such serious deficiencies in funding that most Native organizations would be hesitant to take them on. Secondly, we must be given the latitude to plan and develop health programs in organizational structures and in service modes of our own design with the flexibility to achieve the most effective utilization of the local resources and skills. There are very few Native organizations which have the resources to launch into planning and development of health programs and the administrative structures required to run them. This situation is not unique to the health field, but merely reflects a pattern of general neglect on the part of the government to invest in development of effective executive branches under tribal and Native governing bodies despite the intent which seems to have been expressed in the Indian Reorganization Act of 1934. We, therefore, recommend to this Committee to appropriate funds which can be invested directly in developing the capability of Tribal Governments and Alaska Native organizations to plan and manage health programs and to provide funds specifically to build up certain parts of the IHS program which will substantially increase the quality and quantity of health services to native people.

SAVING ENERGY IS EVERYBODY'S RESPONSIBILITY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BINGHAM. Mr. Speaker, we are a Nation with a tradition of "tightening the belt" in times of crises or national emergencies. While most of these efforts have been in times of war, the current energy crisis shows again that we are a people willing to make personal sacrifices when the need arises. A prime example of voluntary action to reduce energy consumption comes from a housing development—Co-op City—in my district. Mr. Edward Aronov, executive manager of Co-op City, has implemented a program that has resulted in a 10 percent reduction in fuel usage. Its effectiveness prompted Consolidated Edison to report that Co-op City was the only major development in the entire area to achieve such a substantial reduction in the use of electric power.

This kind of success is of interest to all of us and shows what can be accomplished through the Nation. An article in the Co-op City Times on the details of this effort follows:

RESIDENTS REACT TO CRISIS; SAVE ELECTRIC AND FUEL

Co-op City saved about 130,000 gallons of fuel oil and one-million kilowatt hours of electricity during the month of November, 1973 as compared to last year, according to records of oil and electricity consumption kept by the Power House.

The savings were effected by cooperators who responded to the appeal to "Don't Waste Electricity" in their homes, by careful operation of the heating plant with adjustment of heat to outdoor temperatures, and by the conversion to cold water wash. In November of 1972, Co-op City burned 2,144 gallons of fuel oil per degree day as compared to 1,937 gallons of oil per degree day this November. The 10 percent saving per degree day is computed on the basis of 1,310,000 gallons of fuel oil consumed in November of 1972. Heat in a building is required by law when the outdoor temperature falls below 55 degrees in the daytime and 40 degrees from 10 P.M. to 6 A.M. Degree days are calculated on the basis of average outdoor temperatures per day below 65 degrees. Thus, if the average temperature for the day is 45 degrees, we have 20 degree days for that day.

A spokesman for Consolidated Edison noted that "Co-op City was the only major development in the metropolitan area that succeeded in dropping the use of electricity substantially, from 12,361,000 kilowatt hours in 1972 to 11,361,000 kilowatt hours in November, 1973, a saving of 8 percent. The residents of Co-op City are to be highly commended for their responsible attitude in this energy emergency." The savings were even greater, Executive Manager Edward Aronov pointed out, when it is noted that the Einstein Shopping and Community Centers were not in operation in 1972 and are open and using electricity this year.

Because Co-op City was able to use gas for seven days in November, the actual consumption of oil was about 500,000 gallons less than for the same period in 1972 and it dropped from 1,310,000 gallons to about 803,000 gallons in 1973. "The 10 percent saving is promising," Mr. Aronov stated. "However, if the fuel oil shortage is as great as the government warns, it will be necessary to augment our efforts to conserve energy this winter.

"The city is considering steps to reduce power by 5 percent. In New England, power is now reduced 5 percent daily at scheduled hours.

"Under such circumstances, it is disturbing to note that some families appear to be putting up traditional holiday decorations with strings of lights, indoors and on their terraces.

"When cold weather hits, the demand for heat and electricity will jump sharply. It will be a sad day for all residents in Co-op City and the metropolitan area if during the winter a shortage of energy cuts off heat or electricity.

"Saving electricity is everybody's responsibility, not just Management's," Mr. Aronov concluded. While there may not be a legal way yet to enforce the conservation of electricity, the moral suasion of the community should be effective. Elected, authorized representatives such as members of the Advisory Council and the Building Associations should be able to discuss with their neighbors the unwise use of lighting in holiday decorations this year."

QUAKERS GROWING DISENCHANTED WITH NIXON

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. CLAY. Mr. Speaker, the Midwest or Middle America as it has been coined has come to be associated as Nixon country where he once gained a great deal of support. Many in this Nation have grown disenchanted with their President and this is evident by what citizens living in America's heartland are now saying. I want to share with my colleagues a letter which I received from the St. Louis Religious Society of Friends—Nixon's own congregation. They, too, are now disgusted with the way he has obstructed the Watergate investigation and the way he has wreaked havoc with the social and economic programs of this country.

I think we all need to take a good look at what they are saying.

Their letter follows:

ROCK HILL, MO.,
January 30, 1974.

DEAR MR. CLAY: As Quakers living in the Middle West we wish to correct the general impression that Mr. Nixon has encountered no criticism or opposition from his fellow Quakers in this region. We are deeply concerned about the moral and political crisis in our government which we feel has been brought to a head by the actions of our President. We are writing him directly about our religious concerns, but we feel we must address this open letter to our representatives in Congress, to the press and to our fellow Quakers, stating our position, not only as Friends, but as United States citizens.

We believe that there is substantial evidence that President Nixon has:

Obstructed the investigation of the Watergate break-in;

Approved domestic political surveillance and espionage by such methods as burglary, wire-tapping and eavesdropping, mail covers and military spying on civilians;

Perverted the operations of various federal agencies by engaging them in political surveillance and falsification of information;

Established within the White House a personal secret police; and

Offered a high federal post to the presiding judge during the Ellsberg trial.

We know that President Nixon has:

Impounded funds appropriated by Congress for domestic health and welfare programs; and

Usurped the war-making powers of Congress and repeatedly engaged the military might of his country in secret actions not disclosed to the Congress or to the nation.

These actions, we submit, lead either to the necessity that President Nixon resign or that the House of Representatives immediately institute impeachment proceedings as provided by the Constitution of the United States in which the detailed evidence of these actions will be brought forward and he will be given full opportunity to clear himself before the United States Senate.

We do not ask for these things in the spirit of vindictive righteousness, for we realize that the actions of the Nixon administration are the culmination of a long process of deterioration and corruption in government which started long before he came to office. But we do feel that we must begin to restore the integrity of our political system by demanding that President Nixon submit to impeachment procedures to establish his guilt or innocence or step down from his high office.

Respectfully submitted for the St. Louis Religious Society of Friends.

WALTER BAUER, *Clerk.*

NORTH VIETNAMESE FAIL TO ACCOUNT FOR ALL OUR MIA'S

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ARCHER. Mr. Speaker, the first anniversary of the cease-fire in Vietnam was observed last month. We should not forget a serious problem still remaining: The failure of the North Vietnamese to abide by the provision of the cease-fire agreement to account for all of our American servicemen listed as missing in action throughout Southeast Asia. Paragraph 8B required that all of our prisoners of war be returned and the bodies of the dead repatriated.

The North Vietnamese have rejected the terms of the agreement and humanitarian considerations by constantly frustrating the attempts of American search missions. They have allowed some teams to search in a very limited area in South Vietnam. American teams have not been allowed to search areas where a large number of Americans were known to have been captured—the Vietcong-controlled areas of South Vietnam, areas in North Vietnam, and territory in Laos and Cambodia.

There is evidence—from photos taken of men in captivity, propaganda broadcasts by the North Vietnamese, and taped broadcasts—that some of these men unaccounted for are still alive and being held as prisoners by the Communists.

Americans were shocked by the surprise ambush attack on an unarmed body recovery team authorized under the Paris Agreement in the middle of last December. An American Army captain was killed and four other American soldiers were wounded in the attack which took place 15 miles southwest of Saigon. The Vietcong and the North Vietnamese delegates to the four-party joint military team had been notified of the search 10 days beforehand and had signed receipts that they knew about it.

After the three unarmed and brightly marked helicopters landed, the attack was launched. The American Army captain was shot down while holding his hands high in the air as a gesture of surrender. Secretary of Defense James R. Schlesinger aptly described it as "a despicable act."

The Subcommittee on National Security Policy and Scientific Developments of the House Committee on Foreign Affairs held hearings last December on 19 resolutions which had been introduced expressing the concern of Congress regarding the fate of American servicemen still listed as missing in action. I was proud to cosponsor one of these resolutions. The Senate Foreign Relations Committee held hearings on American servicemen missing in action in Southeast Asia on January 28 of this year.

The facts are distressing. There are over 1,200 American servicemen missing and unaccounted for as a result of the Vietnam war. When we look at the official POW/MIA list, it has been estimated that less than one-third of the men actually came home. Of those Americans listed as dead in gravesites in Communist areas, none of the remains have been exhumed and returned to the United States. The North Vietnamese have ceased talking about the entire question.

I have cosponsored a resolution urging the North Vietnamese Government to account for those Americans missing in action and have cosigned a letter to the President of the United States urging him to marshal world opinion to urge North Vietnam to abide by the Paris Agreement. The adherence to this agreement on prisoners should be a test of the sincerity of the North Vietnamese to secure peace in this troubled area of the world. The results have been very disappointing.

Those Americans whose fate in Southeast Asia are unknown must be accounted for soon. We must not forget these Americans. We owe an obligation to them and to their families. North Vietnam's refusal to cooperate with the terms of the Paris Agreement is a matter of serious concern to all Americans.

LEADERS ARE BORN NOT MADE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. DERWINSKI. Mr. Speaker, the widely circulated and respected Catholic News of western New York, in its issues of November 29, 1973, featured an article by the well-known columnist, Ralph Hubbell, which was written about his longtime acquaintance and friend, Congressman Jack Kemp.

Hubbell's article provided me with fascinating information about our distinguished colleague and I would like to share it with other Members at this time.

The column follows:

Leaders Are Born Not Made

(By Ralph Hubbell)

It was during the middle of the Buffalo Bills' American Football League season in 1962 that the youngster traded uniforms. The deal that brought Jack Kemp from San Diego to Buffalo didn't shake the earth or any portion of football's sod. Actually there was a touch of humor to it. The Bills, for a hundred bucks, had latched on to a quarterback with a broken middle finger on the right, or throwing hand. Of such trivia are trivial stories created only, at a seemingly justified appointed hour, to die aborning. This story didn't die because it was created by a man who was born to live and to lead.

The Kemp of those almost dozen years was no different, really, from the man I sat beside at the Cheektowaga Little League awards banquet in the Cordon Bleu just two weeks ago. Oh, yes, he had come to his football man's estate in the ensuing years using his stocks in trade—ability, courage, discipline and an almost incredible belief in himself—as a master painter culls from his own genius and interprets it on canvas. But back then, and as you watched him grow, you knew that no part of what could be honestly described told the basic story of the man. Meaning that no man can find just the right phrasing to explain the almost indefinable quality of leadership in another man. It lives in a man and it is felt by other men but it cannot be graded or weighed and no one can ever explain it.

Jack Kemp led the Bills to AFL supremacy in 1964 and again in 1965. He was the inspiration for that achievement by the teams as well as its on-the-field main architect for victory. Later a freak accident in preseason training cut him out of action for a whole season and it was during that time that the maturing Kemp took stock of himself. For Jack his life was not to be an entire devotion to the sport of football. He had learned much from it and he owed much to it because of that chance to learn. But the time came to quit that which had given him so much. The time came for him to put into complete context the quality of leadership that had enabled him to emerge as one of the fine craftsmen of professional football. The time came for giant strides after a long succession of important little steps. The time came to prove, again, that leaders are born and not made.

As we sat with such as Bob Kauffman, Frank Swiatek, George Daddario and John Leypoldt the other night, Jack and I looked out at the throng of Cheektowaga family people who had come to savor the rewarding climax to the year's athletic achieving by both their girls and their boys. Kemp looked at the men and the women along the speaker's table. He looked at the young athletes and at their mothers and fathers, their sisters and their brothers. Then he said: "This is good, Ralph. This is where the greatest lessons are learned—this world of athletics. And these youngsters, looking from their seats up to these fine athletes sitting with you and me, are seeing themselves in their images. We are lucky because we have been given the privilege to set the examples. They are lucky," finished Jack Kemp, "because they know of the dedication of their coaches and their teammates and, even to a greater degree, they are learning the meaning of loyalty as it should be taught—by their own families through their own loyalty."

It was as Jack's voice became a kind of whisper mingling with the hum of general conversation that I saw again, the look on his face when he first announced his intention to run for political office. It was the face of a leader ready to lead. Jack Kemp set his standards high from the very beginning. He became the Congressman from the 38th District in a landslide. He was honest enough to admit that his fame as a footballer aided tremendously. But the world was honest enough to admit that what he showed in leadership on the football field were the qualities which he needed to represent us in Washington. How right he has proved the world to be.

Ever since his first day as a Congressman Jack Kemp has walked forward with never a backward glance. He has demonstrated over and over again the basic honesty that is his birthright. He has bowed to no man and to no party and he has never forgotten a single mile of the many miles it took for his long walk from a busted finger to today when he is respected and revered for his leadership.

Through my interesting years, and without belaboring the point, I have contended that the lessons learned "on the fields of friendly strife" are as valuable and as enduring as any learned in any other fashion. Jack Kemp learned those lessons well as witness the fact that he stands today in total respect and with only his onward years to lead him to greater stature. May he embrace them in good health.

BAN THE HANDGUN—XXI

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BINGHAM. My Speaker, the dangers of owning a handgun are great and come from unexpected sources. The odds of a gun owner injuring himself with his own gun are five times higher than are his chances of being shot by an intruder. The bulk of gun deaths occurring each year involve otherwise law-abiding citizens who have shot themselves or another law-abiding citizen. Handguns must be banned from the general public. Indiscriminate purchasing of handguns leads to indiscriminate killing of people.

I commend to the reader of the Record the attached article appearing in the February 11, 1974 issue of Newsweek:

My Neighbor Is Going To Kill Me

(By Dr. Thomas E. Deiker)

My neighbor has a gun. In fact, not having the good fortune to live in the last house on a dead-end street, I am surrounded by neighbors with guns. My situation is hardly novel, since most American households own at least one weapon. We now have stockpiled enough privately owned guns to arm nearly every man, woman and child in the country. And some of those children are not just hypothetical gun users, as recent homicide trends indicate.

My neighbors' guns make me nervous; I'm afraid that they might go off at the wrong time and pointed in the wrong direction. I've asked why such dangerous items are allowed to clutter up the house. I've gotten several answers, from constitutional rights to the innocent sport of blasting birds out of the skies. I'd like to focus on just one of these reasons—for which social scientists are currently assembling enough data to take the issue out of the realm of speculation.

My neighbor tells me that curling up at night with his gun nearby makes him feel safer. Safer from what? A raving maniac out to better the going entry in the "Guiness Book of World Records" for a homicidal atrocity? My neighbor faces far less danger from the "mentally deranged" killer, who fortunately is extremely rare, than he does from my other neighbor who also has a gun. Contrary to the public myth, mental patients have crime rates far below those of my neighbor or me, for all categories of crime and for homicide in particular. One of the few safe places left to live in this pistol-packing country is on the grounds of your local mental hospital, where the residents are far less aggressive than my neighbor and guns are checked in at the gate.

Safer from some prowler in the night seeking to deprive his wife of her virtue or him of his new color television? According to best available estimates, my neighbor's odds of doing himself in accidentally with his own gun are about five times higher than his odds of being done in by some intruder. Professional breakers and enterers have long since adjusted their techniques to the annoying rise in home guns, with an increase in death rates more detrimental to my neighbor than to his attacker. Burglars and robbers have a clear edge in any encounter with my sleeping neighbor. In our best privately armed city, Detroit, robbers and burglars are currently winning the home shoot-outs at the rate of better than 2 to 1. As a gun owner, my neighbor would be better advised to invest his money in locks and a loud dog.

No, the prowler in the night accounts for *fewer than 3 per* cent of our gun deaths. The bulk comes from perfectly law-abiding, but gun-toting, people like my neighbor, who kill each other, themselves, or me. Of course, it is this last likelihood that worries me personally. I will grant my neighbor the constitutional right to run a greater risk of accidentally killing himself than of having it done for him by our hypothetical prowler in the night. But the risk of my losing my life is astonishingly higher. My greatest danger of dying of an unnatural cause off the highway comes from inadvertently stepping on my neighbor's marigolds, willfully winking at his wife, or foolishly arguing gun-control laws with him. If it's of any interest to my neighbor, the odds of his killing himself are even higher than of his killing me—if he happens to be subject to fits of depression about the condition of his flowers, the fidelity of his wife or the status of his ego after losing an argument.

NATIONAL DEFENSE

If my neighbor feels safer with a gun under his pillow because of some concern for an internal or external national threat, he has even less cause for serenity. We have managed to kill each other with our guns on an informal, neighborly basis with far greater efficiency than all our organized enemies in this nation's glorious war history. In that regard we exceed by more than 30 times our closest national rival in the developed world. My neighbor should not be obsessed with the likelihood of fighting foreign enemies house-to-house with a Saturday-night special, as romantic as that notion might seem to him. He should rather take comfort in the thought that his country is a really Big Neighbor who carries really Big Guns. My neighbor's peashooter will be superfluous to the contingencies we have planned for a foreign enemy who gets close enough to set foot on our soil.

Perhaps, on the other hand, my neighbor needs reassurance about his constitutional right to mount his horse with gun-carrying neighbors and march on the White House to wrest power back from the hands of a monarchical President with visions of a coronation. Our country has neither the history, temperament or political structure to make guerrilla warfare a viable alternative in the foreseeable future. We don't even have the geography any longer: the only possible stages on which that constitutional drama could be played out have long since been made into National Parks. Should it come to that, the IRA or Black September will forward my neighbor the appropriate handbooks on the extralegal amassing of arms. He could readily run his own gun and ammunition factory with a good furnace, scrap metal, some discrete mining, and formulas found in any high-school chemistry book.

Like most beliefs, my neighbor's concern has a real basis in fact. He does indeed have good reason to worry about his safety at night. With all of us now armed, we are the first nation to move into the realm of intranational overkill: if the only answer to my concerns about a neighbor's potential armed aggression is to acquire a gun, then my only "safety" lies in acquiring a bigger and better gun. The rise in privately owned machine guns and even more deadly devices in recent years points directly to such a grisly possibility.

THE DIFFERENCE

The incredible fact is that recent polls (after the Kennedys and King, but before Wallace and Stennis) show that two-thirds of our citizens favor stricter gun-control laws. If Congress genuinely voiced the will of the people, that would be enough support even to override a veto. The difference lies, we rabid pacifists suspect, in the vigor of the relevant lobbying groups. Although I am guaranteed by my Constitution the right to bear arms, I don't know how much longer I can bear my neighbors' arms.

VOTER REGISTRATION ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. FRASER. Mr. Speaker, postcard voter registration has worked well in Texas, Kentucky, and Minnesota, the only States which have had experience with the system. Minnesota's new law was tested in the Minneapolis city election last fall. From all reports the law worked well—more people registered for the election in 1973 than had registered in the prior two city elections.

I insert the following two letters for consideration:

STATE OF MINNESOTA,
OFFICE OF THE GOVERNOR,
St. Paul, February 1, 1974.

Hon. DONALD M. FRASER,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: I write to urge your strong support for H.R. 8053, which creates a nationwide system of postcard voter registration.

Minnesota has had some very useful experience with such a system as a result of a 1973 state law that provides for both postcard and election day registration. Our program went into effect last August 31. Between that date and the end of the year, a total of 11,152 people in the City of Minneapolis had registered by mail. Of this number, no fraudulent registrations have been found.

The true impact of this law is suggested by the increase in Minneapolis voter registration during recent elections. In 1973, there were 28,433—or 12.6 percent—more registered voters than in 1971. By contrast, in 1971 there were only 1,214 more voters than in 1969—an increase of just .6 percent. Clearly, our new law has had a significant effect on voter registration. Not only is this new system more convenient for the voters, it has also resulted in financial savings, as the City no longer has to staff its fifteen libraries with registrars several weeks prior to an election.

The right to vote is the most important single right our citizens have. Registration by mail is the best way to extend this right to all our people. It is especially helpful to the handicapped, senior citizens, the hospitalized, those with demanding work schedules, and those who are inadequately served by public transportation.

Again, I urge your strong support for H.R. 8053 to extend to more Americans their basic right to participate in their government through voting.

Sincerely,

WENDELL R. ANDERSON.

MINNEAPOLIS—CITY OF LAKES,
OFFICE OF CITY COUNCIL,
Minneapolis, Minn., January 29, 1974.

Congressman DONALD FRASER,
180 Federal Courts Building,
Minneapolis, Minn.

DEAR CONGRESSMAN FRASER: In response to your recent request, I have, through the efforts of our City Clerk, Lyall Schwarzkopf, compiled the following data and information on the new Voter-Registration-by-Mail Program.

1. *Number of Post Card Registrations*—The new post card registration program went into effect on August 1, 1973. From that date to December 31, 1973, 11,152 people have registered by mail. The number of registered voters this year shows a sharp increase over the past two City elections. In 1969 there were 224,854 registered voters. In 1971 there were 226,068 registered voters. On November 8, 1973 there were 254,501 registered voters. This dramatic rise in total registrations demonstrated the validity of this new State Law and its impact on voter participation.

2. *Fraudulent Post Card Registrations*—We have found no fraudulent registrations by mail.

3. *Administrative Problems With Voter Registrations*—We are now spending more time trying to complete the registration cards which have been mailed. By State Law, each registration card must have five items, which are enumerated in the law, completed on the card. However, a number of these cards are mailed incomplete and we are spending more money on overtime for personnel in order to complete the cards. On the other hand, we do have a financial savings because we no longer have to staff the 15 libraries in the City with registrars prior to the election. Formerly we staffed at least 15 places with one person for a period of two weeks at the cost of $20.00 per day. There is one other administrative problem which takes added time. In the past, a person filled out a card which was mailed to the previous registration address informing the registrar that the person had changed his registration. Under the new law, we now use our clerks to fill out a specified form to send to the municipality in which the registrant was previously registered. One other very minor problem is that campaign workers hold registration cards until the last day, and we are forced to assume overtime costs to process these cards during the 20-day cut off period prior to the election. This problem can be eliminated by cooperation with the candidates, which I believe we can secure.

All in all, post card registration for the November City election in Minneapolis has been recognized by officials and voters alike as a tremendously successful program. The problems that we have experienced with postcard registrations are administrative and can be dealt with effectively and inexpensively. We believe that post card registration now provides a vehicle for those residents to register and vote who in the past might not have voted either through neglect or physical incapacitation. In any event, the number of registrations for the past election is up sharply from previous City elections. We feel that the stronger the participation in polls the stronger and more viable community we have.

If I can be of any more assistance to you in this matter, please contact me.

Sincerely,

JOHN E. DERUS,
Alderman, Fourth Ward.

CREDIT POLICY AND AMERICAN-SOVIET TRADE

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ASHLEY. Mr. Speaker, on January 22 there was introduced by my able colleague from Missouri (Mr. Ichord) House Resolution 774, which would express the sense of the House that, pending consideration and action by the Senate on the bill, H.R. 10710, the "Trade Reform Act of 1973," as amended and passed by the House, no loan guarantees, insurance, or credit shall be extended by the Export-Import Bank of the United States to any nonmarket economy country other than Poland and Yugoslavia, and that no such country shall participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, either directly or indirectly. Eight identical resolutions have been introduced by no less than 171 cosponsors.

Mr. Speaker, in view of the strong prior expression by Members of the House with respect to this policy matter during consideration of the trade bill, and this extraordinary indication of continuing interest in just a matter of days, it is my intention to hold hearings in the near future and to take up the resolution in the Subcommittee on International Trade of the Committee on Banking and Currency with a view to consideration by the full House at the earliest possible date.

LEON VOLKOV: A PERSONAL HERO

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BOLLING. Mr. Speaker, Kenneth Crawford's tribute to Leon Volkov which appeared in the Washington Post of February 9, 1974, is well worth reading. It has a message of great importance to us in this time when so many of our citizens seem to feel that the individual does not count for much any more. The individual and what one individual does or tries to do can be just as important today as it was when Jefferson wrote the Declaration of Independence or Lincoln spoke at Gettysburg:

LEON VOLKOV: A PERSONAL HERO

(By Kenneth Crawford)

This is said to be a time without heroes. Public heroes seem to be out of fashion. Nobody inspires the kind of hero-worship forced upon Charles Lindbergh after his flight to Paris or bestowed upon Gen. Dwight D. Eisenhower after Allied victory in World War II.

Private heroes are something else. We all have them. They are the more heroic because they are unsung and because they don't feel heroic. One of mine has been Leon Volkov.

Born in a shtetl, a poverty-stricken Jewish village in the Ukraine, some 55 years ago, Volkov flew 86 bomber missions against the Germans on the Eastern front in World War II and then, abandoning a position of relative privilege as a lieutenant colonel in the Soviet air force, defected to the United States. For all he knew about this country before his arrival, he might have been emigrating to the moon.

The opportunity to defect presented itself unexpectedly. Assigned to flying missions in Roumania and France after the armistice, he was riding as a passenger in a transport plane east bound from Paris when it became apparent that a crash was imminent. He and a comrade parachuted. They were the only survivors and they felt sure, military records being in a mess, that they would be reported dead.

When they separated, Volkov decided to make it to the United States if he could. He did it by wangling orders from a friendly general, who didn't know the colonel was supposed to be dead, to pick up a plane manufactured for the Russians in Montreal. When he got to Canada, thanks to another snafu, the plane had already been delivered. Volkov presented himself at the U.S.-Canadian border, ostensibly enroute back to Europe, and was admitted.

In New York, he disappeared through the good offices of a refugee journalist named George Denicke, who had been driven out of Russia after a pre-Bolshevik revolution, then out of Nazi Germany and Vichy France. Volkov had known Denicke by reputation in Paris, but not personally. Denicke was wise to the ways of refugee survival. He whisked Volkov out of uniform and into hiding. Then, at leisure, he negotiated the young colonel's surrender to the FBI, with Max Eastman and William Bullitt serving as intermediaries.

The FBI interrogated Volkov, passed him along to the various intelligence agencies and then assured Denicke it would be safe for his protege to surface. It wasn't. Immigration officials arrested Volkov and sent him to Ellis Island under order of deportation. Two Russian ships eligible to receive him lay at anchor in the harbor. Arthur Garfield Hays of the American Civil Liberties Union managed his release just in time.

What motivated Volkov's defection? A number of things, some important, some trivial. Although a member of the Komsomol, the young Communist league, thoroughly indoctrinated in Marxism, and from a family that had known pogroms in czarist times and welcomed the revolution, young Volkov was nevertheless disturbed by the purge trials and the Nazi-Soviet pact.

After the war, he had seen Jewish officers excluded from a victory dinner and one of them jailed for protesting. On a subsequent occasion in Germany he had been impressed by the easy relationship between American officers and men. "They smoke the same brand of cigarets," he confided to a comrade. "Maybe the word 'Chesterfield' means democracy in the American language." This experience is wryly related in biographical notes Volkov made after he had learned a little more about his adopted country.

When I first met Volkov in 1946, shortly after his arrival, he was a lost soul. He spoke no English. He quickly discovered that his training as an aviation engineer and pilot, or even his degrees from Moscow universities, hadn't equipped him to compete in his own or any related field in this strange land. But perhaps his knowledge of Soviet politics, about which Americans appeared to know very little, could be marketed.

None of his exploits up to this point in his story is what has made Volkov a hero to me. Rather it has been what he did from this point on. Progress was uphill all the way and he climbed doggedly and cheerfully.

His struggle with the language never ceased. He was getting on toward 30 before he started learning and he could never quite rid himself of his Russian accent or, in writing, his habit of placing verbs at the end of sentences. Yet for more than 20 years he made important contributions to Newsweek. His prescience about turns in Soviet and Sino-Soviet affairs was valuable. His devotion to the cause of Israel made him something of an expert on Mideast affairs, too.

His own testimony before a congressional committee inspired legislation forgiving his illegal entry from Canada and permitting him to apply for U.S. citizenship, which was later granted by a federal judge in New York over the objection of the Immigration Service, which, during the McCarthy era, was wary of any former Komsomol member.

The vagaries of the American political climate never made things any easier for Volkov. At the time of his arrival, left-of-center opinion was dominantly pro-Soviet. It was uncritical of the Soviets' violation of the Yalta agreements to establish hegemony over Eastern Europe. Volkov often found himself in company where he sensed that he was regarded as a traitor to the noble Communist motherland. Fortunately for him, he found friends among liberals who shared his skepticism about Soviet nobility.

During the McCarthy hysteria, he was suspect on the opposite political flank. He was a Russian, wasn't he? And how could anyone be sure that he wasn't a plant? An American official told me quite recently that, much as he liked Leon personally, he could never confide in a man of Volkov's background.

Just after going to work for Newsweek, Volkov married Galina Talva, a talented painter, singer and dancer, who played the princess in the Broadway production of "Call Me Madam," which starred Ethel Merman. The ceremony was performed backstage while the musical was playing Chicago. Galina died six years ago, after a long illness, leaving Leon with their three children, now 20, 16 and 13. They live in Bethesda, where Volkov bought a house shortly after his base was shifted from New York to Washington.

The household is now presided over by Galina's sister, Natasha, formerly a ballerina with the Metropolitan Opera Company, and her husband, a retired Air Force colonel.

Volkov set about his own Americanization with the zeal of a convert. His curiosity about this country's ways was boundless. He read its literature and shared its enthusiasm for sports, especially baseball and football. He played his own games, tennis, bridge and chess, with intense determination.

In matters of international politics he was an America-against-the-world man. He agonized over U.S. military reverses in Vietnam. He rejoiced in American aid to Israel. The Israeli victory in the Six Day War was as much of a triumph to him as to Moshe Dayan. Yet his feeling for the Russian people was as sentimental as his feeling about its government was realistic.

He was a devotee of Solzhenitsyn long before the dissident Russian author gained world fame. Yet there wasn't much room for bitterness about the Soviet Union in his nature. He had a sneaking admiration for Khrushchev and he stepped in to do the interpreting for Brezhnev and Nixon after a White House dinner when the official interpreter somehow got lost in the shuffle. At times, when U.S.-Soviet relations were good, he even found it possible to make social friends of a few Soviet Embassy officials.

At his own parties or anybody else's he liked to sing. He could bellow the lyrics from "Oklahoma" before he could carry on an understandable conversation about the weather. He was unfailingly courteous and outgoing. He seldom betrayed his downcast moods, though he often suffered them agonizingly.

What was hardest for Volkov, language apart, was his struggle to cope with the mechanics of life in a free society. To one who had succeeded in a dictatorship, where all one's major decisions were made by somebody else, it was not easy to become one's own master—deciding where and how to live, how to bring up children, how to apportion one's time and resources. He once wrote an article about this called "Freedom Frightens Me."

As lecture tours took him to cities he had never known before, he marvelled at the ingenuity, perserverance and courage of friends and acquaintances he made. He made friends easily and cherished them.

Volkov died late last month of a heart attack at Suburban Hospital in Bethesda. He would have been astonished to know that anybody considered him heroic.

SUPPORT FOR RELAXING RESTRICTIONS ON PAY-TV

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. YATRON. Mr. Speaker, because cable television has a long history of excellent service to the public in Pennsylvania and in particular in the district which I am privileged to serve in this body, I took occasion recently to testify before the Federal Communications Commission in support of relaxation of restrictions on pay-telecasting. I pointed out that cable television began in Pennsylvania—23 years ago—and that the experience in my State provides eloquent evidence that any service that provides an additional option for entertainment or education of the people in my district or in the entire country should be viewed as desirable.

Any action to foreclose those options and limit the availability of additional services to the people should be viewed as undesirable and condemned as backward thinking.

It is, therefore, my conviction that anything which throws further light on the potential of this valuable medium of education and entertainment should be made available as broadly as possible. Accordingly, I am pleased to call to the attention of this body excerpts from the very enlightened and revealing remarks of Carl J. Bradshaw, group vice president, CATV/Security, of Oak Industries, Inc., of Crystal Lake, Ill., at a recent forum on Pay TV. Mr. Bradshaw's firm is a leading producer of electronic equipment for the industry. Here is part of what he said:

> Pay television has the potential of becoming a new industry with great economic and social ramifications—one which, if allowed to develop on the basis of classic supply in response to demand, offers the American public the only visible escape from the present pattern of sameness and non-choice in viewing—an oasis in the vast wasteland. Thus, opposition of vested interests advancing spurious contentions regarding some supposed public benefit in retarding progress, must not be allowed to prevail.
>
> It is certainly time that we—and not only we but the public as well—understand what this new industry is going to offer, and what will be lost for the foreseeable future to the public if it is allowed to be drowned in the tide of self-righteous and self-serving opposition which now surrounds it—
>
> Perhaps what I have been saying, in essence, is that if we approach this enormous potential one sound step at a time, while always being willing to make a prudent compromise of short term gain and long term potential, we shall indeed see the realization of a new, widely accepted form of entertainment communications. We will be privileged in our lives to see again the time the whole American public, rather than merely those between the ages of 17 and 24, return to the viewing of new motion pictures as a staple in family entertainment. I believe that we will see a resurgence of the film industry, based on the revenues engendered by pay cablevision, that will provide the wherewithal for a renaissance of fine film making and a diversity of film making that some people believe has been lost forever. We will see the means to provide greatly expanded sports coverage. And, just as important as these to a nation interested in its culture, we will see the means to provide a diversity of television fare, for the first time financially able to cater to intellectual minority interests, which could portend an economic renaissance of the fine arts in this country, as well as the first instance in history of continuous and ample fine arts and educational programming on television.
>
> And all of this, simply because people will be allowed to express a choice in what they see, by asserting their buying power.

ANNUAL LITHUANIAN FREEDOM OBSERVANCE DAY

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. MADDEN. Mr. Speaker, next Sunday the Lithuanian Americans of Lake County, Ind., will hold their annual celebration and ceremony commemorating Lithuanian independence.

The people of Lithuania, over the centuries, have enjoyed long periods of self-government and freedom. In the year A.D. 1215, Lithuania established its national and international identity as an integral nation whose history has been world recognized for seven centuries.

The nationalistic character of its people, by reason of their adherence to representative government and religious devotion, stamps Lithuanians with world respect and honor. Although much of their history has been dominated by powerful, militaristic neighbors, nevertheless, the Lithuanian people have maintained their language and culture and their everlasting desire for independence.

Ltihuania, after the First World War, established its independence and enjoyed liberty for almost a quarter of a century. The experience of Lithuania is a lesson to all other nations as a demonstration of its desire for freedom and self-government.

Until all nations similar to Lithuania, now being dominated by communistic tyranny, can enjoy real peace and freedom, the world will always be confronted with the problem of maintaining global peace. And it is the earnest hope of the Lithuanian people, along with all Americans who cherish freedom, that we cooperate in demanding an end to tyranny.

It is to the everlasting credit of the U.S. Government that it will continue to exert its firm and unwavering position of nonrecognition of Soviet occupation and annexation of Lithuania. Tyrants in world history have not permanently enslaved nations. And I predict the day is not too far distant when Lithuania will again take its position in the world, with freedom, independence, and self-government.

FIRST STEPS TO LITHUANIA'S FREEDOMS

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. SARASIN. Mr. Speaker, this weekend I will be joining many of my constituents in ceremonies commemorating the 56th anniversary of freedom for Lithuania. I would like to go back to Connecticut and tell these individuals that after years of subjugation by the Soviet Union, Lithuania has finally been granted "privileges" which we consider to be rights, including the freedom to pursue artistic endeavors, disseminate literature, and organize into community groups such as our study clubs, YMCA's, and senior citizen groups, not to mention, of course, church organizations. Unfortunately, I will not be able to make such a grandiose pronouncement. Instead, I will have to report to these people, many of whom have relatives living in Lithuania, that not much progress is being made in the achievement of true independence. But I will tell them that some of us here in Congress are "chipping away" at the strong wall of protection built around Lithuania by the Soviet Union.

At the invitation of the Honorable ROBERT P. HANRAHAN of Illinois, several of us have joined in the introduction of House Concurrent Resolution 422 expressing the sense of Congress that the President inform the United Nations, and that the Secretary of State inform the Soviet Union, of our concern with the imprisonment of Simas Kudirka.

As you may remember, Simas is the young Lithuanian seaman who attempted to seek asylum in our country while his ship was moored near a U.S. Coast Guard vessel in our territorial waters. After being forcibly seized from the Coast Guard vessel, he was imprisoned in the Soviet Union. At that time the event made front page newspaper coverage, and Americans were aghast at the flagrant violation of human rights. However, diplomacy dictated that we accept the actions of the Soviet Union. Now, that country has gone so far as to ban any news regarding Simas' welfare. For the peace of mind of his own family, and those of us here in America, we urge the Soviet Union, if it cannot authorize the release of Simas, at least release information regarding his welfare.

In the meantime, I will be suggesting to my constituents that they encourage their friends and relatives in Lithuania to keep their hopes high, as best they can under the circumstances, and to continue "chipping away" from their side to erode the barrier constructed by the Soviet Union. Other Eastern European countries, such as Hungary and Poland, have gained a modicum of freedom and individual rights. The process is slow and discouraging and often frightening, as can be attested to by Czechoslovakians, but it is the best method at this time.

Therefore, I hope Lithuanians will continue to practice their own culture, encourage their youngsters in music and literature, and to give each other the support needed in an oppressive environment. Through incremental gains, often seemingly trite or unimportant, Lithuania can approach the standard of freedom it once knew and now strives to attain on a permanent basis.

MOAKLEY BLAMES NIXON FOR BREAD SHORTAGE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. HARRINGTON. Mr. Speaker, my colleague from Massachusetts (Mr. Moakley) has again placed the blame for the nearly irreparable economic dislocations we face today where it belongs—at the door of the Nixon administration.

The energy shortage is fast becoming an incredible disaster. Mr. Moakley, however, has pointed out another shortage which is just as real and just as serious to every consumer in this Nation—the bread shortage. If, as Mr. Moakley points out, the administration had been more judicious in negotiating the Soviet grain deal, if it had more seriously considered the interests of American consumers, if they had considered the interests of the average men and women of this country as much as it weighed the foreign policy implications and the interests of the large grain companies, we would not today be hearing about the danger of paying at least one dollar for a loaf of bread.

An article appeared in the Boston Globe of February 3 explaining Mr. Moakley's views in more detail. I would like to insert it in the Record at this time for the information of my colleagues. The text follows:

Moakley Blames Nixon For Bread Shortage

(By Paul F. Kneeland)

For the second time within a month, US Rep. John J. Moakley (D-Mass) has said the Nixon Administration owes the American people an apology for shortages.

"Several weeks ago," Moakley said, "I held that the Administration was responsible for oil import quotas which drained America dry of petroleum products.

"Today there is no question in my mind that the Nixon-approved deal to sell wheat to Russia is responsible for sending bread prices in America skyrocketing," he said.

Moakley yesterday addressed a meeting of nearly 50 housewives from Jamaica Plain, Roxbury and Dorchester who were glum about the prospects and bread costing $1 a loaf later this year.

"We just hope that our protest will spread across the country—we're enraged by his 'crisis-a-day' Administration," said Hallie Whitlow, treasurer of the Model Neighborhood Board in Roxbury, where the meeting was held.

"What I would like to know," she added, "is what you're going to do about it."

The congressman promised to call the matter to the attention of the New England Congressional Caucus next week.

"From that point, I propose to bring your appeal to the Cost of Living Council," Moakley said.

"I will do everything in my power to help keep down the price of bread which, as so many of you housewives have so aptly described it, is the staff of life."

Bertram Walker, coordinator of the neighborhood board, pointed out that a loaf of bread costs twice as much today as it did 10 ago.

"We are convinced that prices will rise sharply in the coming months unless there is a public outcry for congressional action. Are we correct in taking this stand?" he asked Moakley.

Replied the congressman: "That's your answer—you have it; keep putting pressure on your senators and representatives in Washington. Bombard them with letters and telegrams; make telephone calls, visit them in their home-state offices.

"The Congress needs that external stimuli, we truly want to hear the voice of the people. Now, if ever, is the time for you to speak up," Moakley said.

In 1963 the average price of a one-pound loaf of white bread was 21.6 cents, according to statistics from the U.S. Department of Agriculture. In 1972 the average price was about 25 cents.

The same loaf of bread costs between 35 and 40 cents today in Boston.

Area bakers blame the rapid price rise on the shrinking wheat crops and the Russian wheat deal, but also on the increasing costs of all the ingredients used to make bakery goods.

The price of wheat rose to a record $4 a bushel late last summer—from the July 1972 price of $1.55—rising steadily. Wheat now sells for $5.69 a bushel.

INDIANA THIRD DISTRICT CONFERENCE ON "JOBS, BUSINESS, AND ENERGY"

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BRADEMAS. Mr. Speaker, on Monday, February 11, 1974, I convened a conference on "Jobs, Business, and Energy" at the Center for Continuing Education of the University of Notre Dame.

The conference was well attended by nearly 190 leaders of labor, industry and government in the Third Congressional District of Indiana, and I believe proved to be a very worthwhile effort.

Mr. Speaker, I would like to include at this point in the Record my remarks at the conference, outlining its purpose and paying tribute to all of those whose participation contributed so much to the meeting's success.

Remarks of Congressman John Brademas

I am pleased to welcome all of you here today to discuss the impact on the lives of the people of our area of what we have come to call "the energy crunch", and in particular, the effect of shortages of energy on employment and business in the three counties of the Third Congressional District of Indiana.

At the outset, I want to extend a warm welcome to our distinguished participants in the conference and also to express my deep appreciation to all the persons and organizations who worked with my office to make this conference possible.

I want to express special thanks to Dean Thomas Bergin of the Center for Continuing Education, and to his very able aide, Monica Jeffers, for their generous and expert assistance in making arrangements for the conference.

And I want to extend my appreciation, too, to the many chambers of commerce, labor organizations, and individuals whose cosponsorship and advice was essential to bringing this meeting about.

And finally, before going further, I would like to take a moment to recall the exceptional diligence and imagination which were brought to Indiana's energy conservation program by the late Robert Morris of our State Department of Commerce. Bob Morris came to be well known here and elsewhere in Indiana for his forthright and vigorous efforts to insure that the energy needs of the people of our state were fairly considered. I know we all here were saddened by his tragic death a few weeks ago.

We are all here because we recognize that energy shortages, present and potential, pose unprecedented challenges to the economy and well-being of our country and our area.

Gasoline and fuel oil shortages, uncertainty over future supplies, and the prospect of still worse shortages and more uncertainty have already begun to operate to the severe detriment of both employment and commerce in the Third District.

Unemployment in Elkhart County alone—as measured by unemployment compensation claims—has risen from 1.9% to 8.4% in the short period of just two months, and what was recently a center of one of the nation's most quickly expanding industries—recreational vehicle manufacturing—has now become regularly featured on national television news shows and in the press as an example of a place where the energy crunch is having its most severe effects.

For many of the men and women who work in the RV plants, President Nixon's State of the Union assertion that "there will be no recession" must have sounded like a message from another planet.

In St. Joseph and LaPorte Counties, the immediate results of the shortages have not been as dramatic, but it is clear from both the economic indicators and the hundreds of letters and phone calls I receive every week that in these counties, too, the effects of energy shortages are rapidly passing the point of mere inconvenience and beginning to pose genuine threats to the economic and physical well-being of our people.

I can tell you as your Congressman that rarely in my over fifteen years as a Member of the House of Representatives have I witnessed as frustrating and foreboding a situation as we now confront with respect to energy.

The advent of the energy crunch has not only been accompanied by a continuing steady rise in consumer prices and the cost of living generally, but it has also been attended by an unprecedented degree of ambiguity and uncertainty.

Indeed, we may face not only an energy crisis, but a crisis of confidence in our institutions.

For if there is any question about energy I have been asked most often during the past few months, it is not whether there will be enough fuel oil to heat our homes, or whether there will be gasoline rationing, or if I think we should take seriously President Nixon's declaration that 1974 will be the year America will "break the back" of the energy crisis.

On the contrary, the most often asked question is: "Is there really an energy crisis, or is this just another fast shuffle orchestrated by the oil interests to increase still further their ballooning profits?"

And I can tell you from personal knowledge that this is also the question my colleagues in Congress from other parts of the nation are now most frequently encountering.

And I think I would be less than candid if I did not tell you that in my view it is not only confidence in government that has been weakened, but also confidence in the American system of free enterprise.

For example, by their unwillingness regularly to disclose inventories and reserves of crude oil and refined petroleum products, the oil companies have in my judgment demonstrated a complete lack of a sense of public responsibility. And the oil companies have not exactly suffered at the hands of the Federal government over the years. Yet public policies that have greatly advantaged the American petroleum industry have not, to understate the case, been matched by a concomitant sense of responsibility by the industry to the public interest.

That is one of the reasons I have introduced a bill to establish a national energy information system to be administered through a new Bureau of Energy Information in the Department of Commerce.

The new Bureau would have authority to require oil companies and other energy producers regularly to report information on their imports, reserves and existing inventories in order that both government and the people may have the facts necessary to formulate a workable energy policy for both the long and short term.

For if government is to be responsive to the needs of the people it must have the facts on which to base policy, and if the people are to have faith in their government it seems to me essential that the government equip itself to carry out its responsibility.

But there are many other vital questions we need to address if we are to cope successfully with the challenge of energy shortages to our economy.

What is likely to be the extent of gasoline and fuel oil shortages in addition to those we have already experienced?

What policies will our Federal, State and local governments follow in allocating scarce fuel resources?

How will future energy shortages affect jobs, business and industry in northern Indiana?

What kind of help can we expect from all levels of government in meeting problems of unemployment, transportation and even recession that might result from energy shortages?

What—working together—can we do to reduce the adverse economic and social effects of the energy crunch on the jobs, businesses and families of the people of the Third District and of the nation generally?

These are some of the questions which people are now asking, and to help provide some of those answers is the principal purpose of this conference.

Let me here take a moment to remind you that it was just over ten years ago that the Studebaker automotive plant was shut down in South Bend, Indiana, throwing out of work overnight thousands of men and women in this community.

That was a cruel blow, economic and psychological, and we recovered from it.

But for all the troubles that the Studebaker shutdown brought us, there was one benefit. The shutdown gave rise, under exceedingly difficult circumstances, to patterns of cooperation on the parts of business, labor and government at every level—Federal, State and local—patterns of cooperation that are with us still and that have helped make this community as strong as it is.

And I would suggest to you, a decade later, that if it becomes necessary to deal with the impact of energy shortages in the future, we should not forget those lessons of the past. We are still going to have to work together. And the kinds of persons and organizations that have helped make possible this conference and are taking part in it today represent, in my view, solid evidence that we can do so.

We are fortunate to have with us today there senior officials of the Federal Government, each of whom has a special responsibility in his department for the kinds of issues central to this meeting on "Jobs, Business and Energy."

I want here to express my keen appreciation and that of all of us to Arthur Hughes of the Federal Energy Office, Quentin Looney of the U.S. Department of Commerce and Lawrence Kovitch of the U.S. Department of Labor.

I am also pleased to welcome to our discussion two distinguished members of Governor Bowen's administration, John Coppes of the Indiana Employment Security Division, and William J. Watt, Executive Assistant to the Governor.

Also on our panel are Mary Briggs, President of the Elkhart County Central Labor Council, AFL–CIO, Jack E. Ellis, District Manager of the Indiana Bell Telephone Company and Immediate Past President of the South Bend-Mishawaka Area Chamber of Commerce, Elroy Kelzenberg, Director of the South Bend Area Manpower Advisory Board, and William Osos, Assistant Director of the United Auto Workers' Region. III.

What we do here today will not, of course, put an end to all our problems of energy supply.

1974 will not be an easy year, nor, I fear, will the rest of the decade, at least with respect to energy.

But if, as Abraham Lincoln used to say, we can establish "where we are and whither we are tending," we can also, hopefully, and to finish the quotation, "better judge what to do and how to do it."

That is why I have invited you here today.

SENATE CAMPAIGN SPENDING BILL IS HALF-BAKED

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. OBEY. Mr. Speaker, last week a subcommittee of the Senate Rules Committee announced that it was going to report a new campaign reform bill which among other things would provide $90,000 in Federal money to each candidate for the House of Representatives in general elections. That is too much money. There is absolutely no way that the people in my district would accept the spending of $90,000 in a congressional race. It is more than has ever been spent in a general election in the history of the State of Wisconsin.

Nationally, only a handful of the 831 candidates for the House in the last general election spent that much. The vast majority spent half that amount in the general and primary elections combined. We need to clean up the way we are financing campaigns but not by lavishing candidates with huge amounts of Federal dollars.

By giving every guy who gets his name on a general election ballot $90,000 to run his campaign, we will not only eliminate big contributors, we will also be greatly reducing the candidate's need to rely on grassroots local party organizations. We would be encouraging the slick media approach to campaigning and I suspect that some candidates might try to run for office entirely from inside of a TV studio.

The potential for gross abuse of public financing by unresponsible candidates is also greatly enlarged by a proposal which makes such mammoth sums available to any nominee for the House regardless of his base of support.

We would be setting up a system which in many parts of the United States would give a congressional nomination a great deal of value for purposes other than winning a House seat. The opportunity to decide how to spend $90,000 for "campaign purposes" could become the biggest patronage plum in American political history.

I do not make these criticisms as one who is opposed to the passage of a strong campaign reform bill or even one that contains public financing. In fact, I am the author of H.R. 11244, which contains many elements of the Senate bill as well as a system of partial public financing. I think it is possible to take the big money out of campaigns and avoid the abuses of 1972 without radically altering our traditional dependence on grassroots political organizations or making the job of candidate more rewarding than the job of Congressman.

The Senate bill does a lousy job on that score—at least as it relates to House races.

LITHUANIAN INDEPENDENCE DAY

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. McCOLLISTER. Mr. Speaker, today I join with Lithuanian Americans and Lithuanians throughout the world in commemorating the 56th anniversary of the establishment of the Republic of Lithuania. February 16 also marks the 723d anniversary of the founding of the Lithuanian State. Yet, the only country in which Lithuanians will be unable to commemorate this historical event will be in Lithuania itself, because of the continuing subjugation and oppression by the Soviet Union.

For 22 years, from February 16, 1918, until June 15, 1940, the nation grew and prospered before its was overrun and engulfed by the Communist empire during World War II. The United States, true to its own basic principles, has steadfastly maintained a policy of nonrecognition of the forceful incorporation of Lithuania and the other Baltic States of Latvia and Estonia, into the Soviet empire. Lithuanians are still risking their lives in defiance of the Communist regime and their courage and determination serves to remind us there has been no widespread acceptance of Soviet rule among Lithuanians.

I share the continued sorrow brought on by Russian occupation, and all Americans can appreciate the never-ending struggle by Lithuanians to break away from Soviet control. The revolts and the tyranny go on. We applaud the efforts of people of Lithuanian descent in the United States who have kept alive the cause of liberty since 1940 for their countrymen at home.

Every human being has the right to freedom of self-government. The lessons Lithuania and her people have heroically given the world should not be forgotten. We honor Lithuanians everywhere on their day of independence and hope the injustices suffered by those in the homeland will be recognized and something done to correct the intolerable situation. I hope those in the homeland soon will have reason to celebrate renewed independence.

COMMISSIONER JAMES R. DUMPSON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. RANGEL. Mr. Speaker, with all the debate going on over the failures of the present welfare system, it is heartening to note that James R. Dumpson, dean of the Fordham University Graduate School of Social Service, has been appointed Human Resources Administrator of New York City.

Throughout his career, Jim Dumpson has committed himself to improving the quality of social services and the delivery of these services to the public. Both in and out of government, Jim Dumpson has stood for the concept that things can be better. His sensitivity to the needs of the poor, coupled with his experience as Director of the Bureau of Child Welfare and Welfare Commissioner, guarantee that he will continue his fight to overhaul the welfare system and make it work. He will also be giving high priority to the development of job opportunities—an especially critical task in view of the exodus of many businesses from New York City.

I would like to share with my colleagues an article on Commissioner Dumpson.

The article follows:

MAN IN THE NEWS: JAMES R. DUMPSON: TOP MAN AT WELFARE

(By Stephen Gayle)

On Monday morning, the man who was the second black commissioner in the history of the city will once more head downtown, this time to a world where color has ceased to be spot news; and in his characteristically softspoken style, he will begin to take apart the most elaborate of the edifices created during the Lindsay era—the Human Resources Administration.

"I don't like the word 'dismantle,'" James Russell Dumpson, Mayor Beame's new HRA commissioner, said this week in his office on the Manhattan campus of Fordham University, where he has been dean of the Graduate School of Social Service.

"I'd rather say reorganize or realign. Dismantle could mean that the pieces are going to be done away with—and I'm not sure of that at this point." (The HRA will pay $43,255 a year, and even after the present agency is no more, Dumpson is expected to retain the Welfare Commissionership.)

There is one thing Dumpson can be sure of, though: the trip from his Fifth Av. cooperative apartment on the fringe of Harlem to the HRA office at 250 Church St. won't be just another subway ride to the latest in a long chain of increasingly better jobs. It will be the most challenging in a 40-year career spent trying to help poor people enter the mainstream of American life. And it will also add another to the growing tally of Beame appointments from the ranks of Wagner Administration officials.

"I prefer to think of myself as the head, or sculptor if you will, of a real social service delivery system," Dumpson said. "The Mayor indicated during his campaign that he was going to take the superagencies apart—and I'm in agreement with him. The administrative spread is too enormous for one individual.

"The superagency concept is very sound, but not for New York. It breeds an administrative distance between the commissioner and the chief executive of the city, and if I'm running a program I want to know what the Mayor thinks. And I don't want to know it through an administrator."

James Dumpson is an acknowledged expert in the field of social welfare. In 1959, when Mayor Wagner named him Welfare Commissioner (the salary then was $22,500), he became the first black man in the country to head a major social agency and the second in New York to head a city department. (The first was Water Supply Commissioner Ford.) "At times, it was a very lonely business," the quietly elegant Dumpson recalls, pursing his lips.

The importance of "supportive environment" is something well understood by the new commissioner. One of five children, he was born April 5, 1909, in a Philadelphia ghetto so riddled by poverty it was called Hell's Half-Acre. When he was 12, the family moved to West Philadephia, "where we were not overcrowded and there was true neighborliness.

"We were poor," he said, "but we were part of a closely knit community where all the parents cared about everybody's children. We were nestled in, and there was a sense of sharing the goodies, no matter how limited they were."

Perhaps this is when Dumpson's lifelong drive to help others, and especially children, was born.

"I had an advantage," Dumpson continued, "that hundreds of other black kids in my neighborhood didn't have: a mother who was a schoolteacher and a father who had a full-time job, as a bank messenger. I can't tell you how important that is."

Like his mother, Dumpson planned to teach and he enrolled at Temple University, earning most of his tuition by working summers as a waiter at a hotel in Cape May, N.J. But the stock market crash of '29 had the effect of reducing tips, so Dumpson transferred to the then-all-black Cheney State Teacher's College, which was run by Quakers and cheaper to attend. There, he was elected president of his class and played organ for chapel services. He graduated in 1932, but the experience at Cheney had given him much more than a degree.

"I didn't know anything about black culture before I went to Cheney," Dumpson said, observing that his image of "militancy" is recently acquired. "There, I had an opportunity to become acquainted with my past and it was the beginning of solving my identity crisis. I could have easily become separated from my people and my community."

After college, Dumpson taught five years in a segregated school in Oxford, Pa., but he was discouraged by the lack of intellectual stimulation. Returning to Philadelphia in 1937, he went to work for the Public Assistance Dept. and soon became a supervisor at $1620 a year.

That was the beginning of Dumpson's social work career, and the dawning of the realization that administration was no bed of roses. Welfare recipients organized in the Workers Alliance, and to protest the dropping of one of their number from the relief rolls, they would lock Dumpson in his office overnight.

In 1940, still wanting to work with children, Dumpson came to New York to be a caseworker for the Children's Aid Society. "I changed jobs for a difference of $60 more a year," he said with a smile. In 1947, Dumpson went to work for the Community Council of Greater New York. Eight years later, he became the director of the Bureau of Child Welfare, a post which led to the Wagner appointment.

Almost immediately, the short, slightly built, bespectacled commissioner was thrust into controversy when he tried some innovations, and these days, when a problem arises, he leafs through a scrapbook of clippings and digs out a parallel from the past.

"We were just a inept in the Dumpson era as we are now," he laughed. "Whenever I hear about 'relief-chiselers' or the inspector-general [the state's examiner of local welfare operations] sounding off, I go back and it's all there."

The six years he served under Wagner were often tempestuous, and Dumpson remembers the then-State Senate majority leader, Walter Mahoney, as "one of my arch antagonists. The World-Telegram came out with an editorial 'Dump Dumpson,' and the Daily Mirror was relentless in its attack on welfare. I was the great public philanthropist."

Indeed, shortly before he was named commissioner, one editorial warned him to open his eyes to the morals of relief clients, citing "ladies having babies by assorted gentlemen so as to keep the relief checks growing fatter every year."

1961, Dumpson recalled, "was my big year—I was raising all kinds of Cain. That was the year I was fighting the welfare legislation the state had put in when they tried to pass a residence requirement for public assistance. I've always been unalterably opposed to that, and every time a bill was proposed, I was out advocating against it."

In 1962, Dumpson, who is a Catholic, "started talking about the need for family planning services to be incorporated in my department. That was an anathema . . . people said it was revolutionary for a Welfare Commissioner to do that."

By 1965, Dumpson had nad his fill, what with the White Citizens' Councils of Georgia and Mississippi paying the fare for jobless blacks to bring their families to the "welfare paradise" in New York, and the strikes by caseworkers and Social Services security personnel. When Dumpson told Wagner he was going to resign, he said, "I want to live, not get sick."

The next years were spent on campus, first as professor and associate dean at the Hunter College School of Social Work and, from 1967 until now, dean and professor at Fordham. They were busy years, teaching, lecturing and consultantships in various areas of social welfare.

Last week there was a quiet farewell party for Dumpson in his seventh-floor office decorated with art collected on his travels in Asia and the Middle East. In the corridor outside, a group of Fordham sophomores described their relationship with the man they considered to be their friend as well as their teacher.

"We're so special to him," said Marilyn Bartlett, "that last night he chose to have dinner with us instead of Mayor Beame."

And one student suggested that there is a paternal glow in the School of Social Service that that will be sorely missed when the commissioner moves downtown and leaves the campus behind.

Dumpson's friends had been concerned when rumors began dribbling out of City

Hall that he would suffer the same fate as David Dinkins and Joseph Galiber, Beame's first two, abortive choices for his black deputy mayor.

But the rumors left Dumpson unperturbed. After all, it was Beame who had called him and asked if he were interested in returning to public life.

"I wasn't surprised when the mayor first asked me, right after the election," Dumpson said. "I said under no condition." But repeated requests and urging from close friends changed Dumpson's mind.

Then, on Jan. 11, Dumpson publicly announced he had been notified by a Beame emissary that his proposed appointment had been withdrawn because of "serious objections from sectarian groups." Although Dumpson refused to indicate who he thought the objectors were, associates cited Roman Catholic and Jewish child-care organizations, dismayed by a Dumpson endorsement of a New York Civil Liberties Union suit against the city, state and major private child-care groups on behalf of the Protestant Welfare Agencies.

It is the suit's contention that the system required by state law of placing children in agencies on the basis of their religion has the effect of discriminating against black youngsters, and the court should compel the provision of adequate public resources for all.

"My position is that the system is dysfunctional and ought to be replaced," Dumpson explained this week, over a hurried luncheon of cheese blintzes. "I was saddened by the sectarian opposition for a number of reasons—I felt that institutional prerogatives were taking precedence over the welfare of children. I decided the time had come to reject any group, small or large, which could unduly influence a decision of this kind. They had a right to object but there are other groups whose voices also have a right to be heard. The time has come for access to new fountains of power."

During Dumpson's eight years of academic life, Mayor Lindsay was busy creating the concept of the HRA superagency, which would come to demand the major share of the city budget: $3.1 billion annually, administered to approximately one out of every seven New Yorkers.

"John Lindsay made an honest search to find better ways of integrating and coordinating services," Dumpson said, "and that's laudable. But in a city like New York I don't think it can be done that way. The superagency concept of necessity had to give great attention to management efficiency and systems analysis. Why? In an agency that should have been giving its priority to public—that almost became secondary.

"People—the center of focus—get lost in the technology of administration and there is a tendency to forget that ultimately, the technology is there to provide better service."

Among his first steps, Dumpson says, will be an attempt to separate the income maintenance part of HRA from the rest of the huge operation. "I'll use the technology and a good management commissioner and follow on a local level the model established by the federal government in administering Social Security. Until such time when we get the state to take over public assistance totally—and I don't think that's too far away."

Another item high on his agenda will be job training and development. "There is no suitable substitute for gainful employment," Dumpson says with firm conviction.

With the burden of his new duties, Dumpson will have little time for the few outside pleasures he enjoys. Already, he has given up his season ticket to the Opera, and it seems that his passion for theater will have to be subdued.

For the last 20 years, he has been separated from his wife, Goldie Branagan, who is the head of the school of nursing anesthesiology at Harlem Hospital. Dumpson and his wife are still excellent friends—"you might see us at any party or theater." They have a daughter, Jeri Palmer, 26, an actress-singer, "who is on her own and very successful," Dumpson says proudly. "In fact she called me the other night to congratulate me, and told me she just made her first TV commercial. I asked her what it was, and she said she would surprise me."

The city has come a long way since James Dumpson was one of the rare blacks who went downtown to occupy a seat of power, and sometimes he thinks about that.

"The survival level of blacks has really been demonstrated during periods like the Depression," he said, reflecting on his life. "Adversity has taught us survival techniques, and I've had opportunities for using those techniques that many of my contemporaries didn't have."

REGARDING AUTISTIC CHILDREN

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mrs. BURKE of California. Mr. Speaker, autism is a crippling developmental disability which has denied from 30,000 to 80,000 children the happiness of a healthy childhood and the promise of a productive adult life.

As the following article by Los Angeles' Wayne Sage shows so powerfully, autistic children have long been the victims of parental, social, and professional misunderstanding and neglect.

To help correct this tragic situation, I have introduced a bill, H.R. 8861, which would specifically include autism under the Developmental Disabilities Services and Facilities Construction Act. The Public Health and Environment Subcommittee of the House Interstate and Foreign Commerce Committee will hold hearings on this bill next week, at which time I will testify to urge its adopion of my bill.

Mr. Sage's aricle, here reprinted from the Washington Post, provides insight into the nature and treatment of this often misunderstood and neglected affliction, and I commend it to the attention of my colleagues.

It may be some time before the debate over the psychogenic/organic origins of autism is resolved. Nevertheless, as Mr. Sage's article eloquently points out, our efforts must be "geared toward what can be done right now to help each individual child," who is severely handicapped regardless of the handicap's origin.

THE CHILDREN OF SILENCE

(By Wayne Sage)

Jimmy, now 9 years old, has spent most of his life strapped to his bed, his arms and legs bound to the bedposts by leather belts, because if released, he might destroy himself.

Billy, age 6, has not been restrained quite so constantly. He has gnawed off a large part of his right shoulder. Several ounces of flesh are gone. There are teeth marks etched on the bone.

Tina, since she was 3, has pounded her head against the sharp edges of furniture. She is now 11. She never uses the rounded edges. They are too slow to draw blood.

Karen, 5, has been concentrating on biting off her little finger and pulling out her fingernails with her teeth.

There are thousands of children like these who slam their heads against walls until they knock themselves out. Others slap their skulls with their fists until they detach their retinas and go blind. Still others crush their middle ears and go deaf.

At most mental institutions, "treatment" consists of binding such children into straitjackets and harnesses. They spend their days rocking, nodding and humming the same few notes to themselves, as though some inner, never-changing rhythm were an all-important compulsion. A cymbal banged near their ears brings no reaction. They seem to see no one who comes and goes around them and apparently are unaware of whether the lights in the room are on or off. Yet they are neither blind nor deaf. They may spot a cornflake on the floor 20 feet away and go after it, or cringe from the crinkle of a candy wrapper or the whine of a distant, barely audible siren.

What such children don't do is almost as pathetic. Most never speak. Those who do parrot mindlessly. "What's your name?" a stranger asks. "What your name?" the child echoes back with mock tone and inflection. He may echo it back to himself again and again for days afterward.

The list of paradoxes these youngsters present goes on and on. In cases where they are testable, they sometime score extremely high on IQ tests. Others seem to be of average intelligence for their ages. Yet they cannot learn even to feed and dress themselves. At 5 or 10, they may be unable to control their own bowel movements, living within the social and intellectual repertoire of a 6-month-old baby.

Those who would cuddle or hug them out of pity encounter essential disinterest. Even their own parents find that they do not seem to care whether they are around or not. These children are also indifferent to their brothers and sisters, who are almost invariably "normal."

They do not love. No one knows why.

Some have tried to find out. They may have done more harm than good.

BLAMING THE PARENTS

A child may have any of the above behaviors in any combination and still get off with the label "retarded," "psychotic," "child schizophrenic," "aphasic" or "brain damaged." But a child who has them all is called "autistic." The word itself is crippling.

Usually not even special schools for the retarded or emotionally ill will accept a child so diagnosed. Physicians and even many child psychiatrists will recoil, pass him on to other experts. Those who make the effort usually give up eventually, rather than lose faith in their treatments. Most decide beforehand that the child is simply too complicated, or hopeless, to deal with.

The term itself was coined by Johns Hopkins psychiatrist Leo Kanner. From the Greek he borrowed the word *autos*, meaning "self." The child was apparently locked totally within himself, in a state, of extreme "autistic aloneness," Kanner observed. It was on this inability, or perhaps refusal, to communicate with the outside world that the experts began to hinge their claims. Out of their speculations grew a theory that may have truly isolated the "autistic" child, by cutting him off from the very people who it now seems are the only ones who are ever able to help him—his parents.

"The autistic condition in a child is directly consequent to the wish of the mother that this child did not exist," said Bruno Bettelheim, a University of Chicago psychiatrist and patriarch of the psychogenic theory of autism. The child very early in life senses this rejection, the idea continues, and turns totally inward. He cannot learn or love because his entire energies are devoted to blotting out every effort to reach him. Thus, "In protecting himself from the destructive designs of his mother, he ends up defending the deprived and 'empty fortress' of his life," wrote Bettelheim, and, with those words, set up the analogy that walled the parents of autistic children into their own syndrome of guilt and passive acceptance.

Since no drug or other attempt on the physiological level had ever been shown effective in the treatment of autism, Bettelheim proceeded by way of the psyche.

SYMBOLIC REVENGE

The first few autistic children to be treated came to live at the Sonia Shankman Orthogenic School in the early 1950s. Shut away from their parents, they were lavished with love and the most tender care. No demands were placed on them. Through almost constant observation, everything from their family backgrounds to their rote actions and babblings were carefully sifted for clues. The hope was that once rescued from their theoretically hostile home environments, they would "work through" their psychic disturbances. Over the years, some seemed to improve. The stories of three of these children—Laurie, Marcia and Joey—as told by Bettelheim in "The Empty Fortress," have become modern classics in the annals of child psychology.

For example: When Laurie began to play with her own feces, dropping them among her blocks and smearing them over her body and clothes, she was thought to be exploring the limits of her abandoned self and the consequences of her own actions.

When Marcia took up squeezing water from a baby bottle onto the floor, this was seen as symbolic retaliation. "As she had been flooded by the enemas, by water coming out of an 'enema bottle,' so she now flooded us," wrote Bettelheim, referring to the enemas her parents had supposedly forced upon her.

Joey's obsession with machines and propellers was seen as an expression of some vicious emotional cycle in which he himself was trapped. His self-destructive behavior was thought an attempt to puncture his body so as to drain the waste material that his long anxious hours at his toilet could not completely remove. He feared defecation because he feared losing a part of himself, Bettelheim explained.

"I was afraid I was letting go of something," Joey himself said many years later.

That is to say, Joey recovered. On his return visit many years later, he brought with him his new high school diploma, and also brought a most telling gadget: A device "he had constructed himself changed the eternal back-and-forth of the alternating current into a direct continuous flow," Bettelheim describes. "Joey had truly freed himself of the vicious cycle in which he rotated forever between longing and fear. All by himself, he had altered the course of events till he was now meeting life in a straightforward direct encounter."

MEAGER RESULTS

The story of Joey notwithstanding, there has never been any objective proof that psychoanalysis has any curative properties whatsoever. There is considerable proof that it doesn't, especially for autistic children. There have been no less than 57 studies, covering far more than 8,000 children, in which autistic kids who have undergone such treatment were matched with those who didn't. The results consistently show their recovery rates to be identical. Those who are going to get better, get better. Those who won't, don't, regardless of whether their psyches are probed or not.

One of the big frustrations of this countertheory is the autistic child's apparent physical perfection. He is invariably exceptionally beautiful, as though his lack of contact with the world protects him from tarnishes. Most medical tests, including electroencephalograms, turn out "normal."

Unfortunately, there is so little known about how the brain works that there is still plenty of room for such a defect that present techniques could not begin to measure.

As for the genetic aspect, Rimland points to several studies that purport to demonstrate that autistic children tend to be the offspring of highly intelligent parents. One investigation by psychologists Ivar Lovaas, Laura Schreibman, Robert Koegel and Richard Rhem at UCLA found that autistic children overselect when presented with stimuli. That is, if an autistic child does manage to pay attention to something being said to him, he cannot follow visual, tactile or other signals at the same time. Rimland believes this may be the result of an excessive dose of the ability to concentrate that the child receives through the genes of his parents. Since both parents had such tremendous powers of concentration, the child's ability to concentrate may become so concentrated that he cannot deconcentrate from a single cue at a time, Rimland speculates. Since learning is largely a matter of pairing, say, a smile and a hug with forcing out the word "mommy," the autistic child may perceive only the smile, fail to make any associations and regress.

Actually, as Lovaas points out, there is no way of knowing if overselectivity of stimuli is the cause or a symptom of autism.

Even more intense have been Rimland's efforts to find a biological cure. In one such venture, he mailed out mammoth doses of certain vitamins to the parents of over 300 autistic children across the country. Some reported phenomenal improvements, and 2 out of 3 of the elaborate computerized methods of analyzing the data based on such reports found the results "significant."

But parental reports under such circumstances can hardly be accepted as objective proof, no matter how one analyzes the data. Parents who want to see improvement badly enough can be expected to see it, especially when left to their own devices to discern it. Other work that has attempted to use blood tests to discern abnormalities related to the inability to use certain vitamins is also methodologically weak. Overall, Rimland has presented data no stronger than that of Bettelheim to prove his point of view.

Nevertheless although practically no one is willing to come right out and stake his professional reputation on the matter, most experts are inclining toward the organic theory. Studies continue to pile up that show, for eaxmple, that autistic children have different arousal patterns that may prevent them from responding to the world effectively. Certain low voltage "bursts" in electrical potential across the brain may characterize autistic children, other researchers believe. Autistic boys, as well as some of their fathers, have an unusually long arm to their Y chromosomes; yet another neurologist insists the significance of this, if any, is anybody's guess, especially when one considers that females who have no Y chromosome, are also autistic.

Those who have delved into the physiology of the autistic child are as much at a loss to explain him as are those who have delved into his psyche. Perhaps the good that has come overall is that the theories are now canceling one another out. Neither can any longer do much harm. While the biochemists search for a neuron that can be rewired to make everything all right, parents are free at last to try to help their children without fear that they may hurt them even more in the effort.

IS IT A DISEASE?

Both the psychogenic and organic theories of autisan are framed in the disease concept of mental illness. An autistic child is one who has a list of six behaviors that parents report and experts observe. According to the disease theory, these behaviors are common symptoms of an illness with a fundamental cause that, once discovered and corrected, would eliminate them all in one fell swoop.

That this approach has yet to uncover a cause of the type it seeks may be due to the nebulous nature of autism. There is a positive correlation between the number of experts a child has seen and the number of different diagnoses he has received. Autism, it seems, is largely in the eye of the expert beholder.

"We have data that show without question that if you call a kid autistic and sick, then it's hands off," says psychologist Lovaas of UCLA. "And the minute you stop making demands on them, they regress. At all cost one should avoid labeling any child autistic. Either people don't want to deal with him or they believe he is so complicated that they can't deal with him. It frightens me, all the kids who have been hurt by diagnoses. We do more damage that way than nature does."

Even those children who have the classic autistic behaviors are extremely different from one another, according to Lovaas. There is no evidence that they are all linked to a common cause. Each child reacts very differently to efforts to reach him.

Lovaas also began his work in the psychoanalytic tradition. But as he sat observing and analyzing his patients, he found it difficult to shake the feeling that there was simply nothing a mother could do to hurt a child so profoundly.

As Rimland is fond of noting, social workers regularly encounter case after case of the most horrendous mental and physical child abuse, and yet in no instance does this result in autism. Also a child with Down's syndrome is extreme in his affections, almost as warm as the autistic child is cold. Rimland says, "If the mother of an autistic child is to be blamed for her child's coldness, does this mean that the warmth of a child with Down's syndrome is because the parents were so thrilled to have a Mongoloid baby?"

STOPPING THE POUNDING

Lovaas has given up trying to decipher profound psychic meanings from the rocking and babbling of children traditionally labeled autistic. He no longer asks why they behave the way they do, or what might have happened in the past to start them behaving a certain way. These are questions he believes it is impossible to answer today. All his efforts are geared toward what can be done right now to help each individual child. The resulting approach he describes as "very physical." His therapists are constantly working with the children in decidedly unpsychoanalytic fashion. There is lots of touching, hugging and kissing—and spanking.

Perhaps the best illustration of the difference between the Bettelheim and Lovaas approaches is their treatment of self-destructive behavior, which Bettelheim never really treated in the first place. "Such behavior is only a symptom, and you can't treat a symptom," insists Bettelheim. "You have to correct the disease and then it will go away." Children tearing the flesh from their own bodies with their teeth and pounding their heads against walls appeared so hopelessly ill that no one had dared question this position. When they began such behavior, they were stopped, held and comforted.

When Lovaas first removed such a child from restraints, the theory seemed confirmed. Allowed to pound himself without interruption as psychologists watched and kept count of the blows, the child first beat himself even more fiercely than ever before. But the researchers did not restrain him, even as the blood began to flow. Then gradually, very gradually, the pounding began to slack, and finally stopped completely.

Certainly the "disease" was still there. If self-destruction were a symptom, why did it stop? The process was repeated with another child with the same results. It soon became well established that self-destructive behavior would "extinguish" by itself, provided one could stand to ignore it several thousand times—and provided the child did not kill himself in the process. The treatment seemed inhumane, and yet children who had battered themselves for practically their entire lives no longer did so.

But although the child would not hurt himself in the "extinction" room where such behavior had proved useless in getting attention, he would pound at full strength only feet and seconds away if taken to a place where he had been comforted for such assaults. As Lovaas observed, "The child did not waste any blows unless there was a payoff for it, and they were very discriminating as to which situations paid off."

Then one day a different treatment was discovered. Lovaas had become so close to one small girl under his care that he had come to feel she was one of his own children. For once, the process became simply too much even for him to watch. Quite without recourse to the theories of psychopathology, he slapped her on the rear end and shouted, "Stop that!" She whirled around and looked straight into his eyes, as if to say, as he remembers, "What kind of psychiatric clinic is this?" But she did not hit herself again. Thus began one of the most controversial experiments in modern psychology—the exploration of pain in the treatment of autistic children.

A more sophisticated form of punishment, electric shocks, was tried. They worked. Not slowly, over thousands of bloody tries. Immediately. Self-destructive behavior in such children can now be essentially eliminated within one minute—although usually the method of punishment is a slapping rather than a shock.

Self-destruction, far from being a symptom, seems to be a way of communicating for children who cannot express their needs in any other way. Therefore, it falls under the same laws as any other social behavior. If it is rewarded with attention and consolation, it continues. If it is punished, it ceases. It tends to occur most frequently (whether the child has previously been diagnosed *"autistic"* or not) in large state mental hospitals where there are a great many children competing for the attention of only a few overworked staff members.

"GARBAGE BEHAVIOR"

Next, Lovaas turned to self-stimulation, the endless rocking, nodding and twirling that blocks out all attempts to teach such *children*. An electrified grid was spread under the floor of the room of autistic twins. The minute they began to self-stimulate, the current was shot into their feet. They stopped.

Lovaas has never seen autistic children who did not self-stimulate. But again, it has been found not to be an immutable symptom of an incurable disease. Rather, it seems to be what Lovaas calls "garbage behavior." If one does manage to teach an autistic child some other, useful behavior, the new behavior will gradually replace the self-stimulation completely. Normal children have been found to self-stimulate in the same way if they are left alone with absolutely nothing to do. Children who are blind and deaf look "autistic" until they receive special education. Every organism must have stimulation to live, the theory goes. If it does not get it from the outside, it stimulates itself. However, self-stimulation itself in turn tends to block out cues from the outside, leaving the child caught in a vicious cycle that he cannot break. If self-stimulation is removed, teaching becomes much easier, although still very slow.

With the power to overcome self-destructive and self- stimulatory behavior, teaching has become the byword for the children so many thought could not be taught. But their educations are excruciatingly slow. Just establishing eye contact and teaching the child to attend can take months. Simple tasks such as dressing and feeding himself can take many more months. One parent watched week after week as a therapist struggled to teach his son to come when called. "A dog after two nights in obedience school is still light years ahead of my boy," he admitted morosely.

LEARNING TO LOVE

But perhaps the greatest hurt with which the parent of an autistic child must learn to deal is the emotional coldness of his child. Even the most severely retarded child is usually affectionate. The autistic child, even from birth, usually does not respond to being picked up and does not mold its body when cuddled. During behavior modification, the parents watch as therapists yell at their child and spank him until he learns that only by running to his parents will the anxiety let up. The child thus learns at least to go to their vicinity when frightened or in danger.

But once there, he must be taught what to do next. Lovaas and his staff then work to "build a hug." The child is deprived of his breakfast and rewarded with bits of nourishment as he comes closer and closer to his mother, then only after raising his arms to her, and finally after putting them around her neck "as though he were hugging her."

Hugs and affectionate behavior are always learned, not innate, Lovaas believes. This goes not mean that the autistic child is truly incapable of learning affection, only that he can not learn it the way a normal child does. The autistic child can be prompted only by what can reach him: pain, hunger, and then relief and nourishment and then finally the warmth of his mother's body.

There are disconcerting aspects, however. When one 6-year-old boy who had finished such treatment followed a stranger in a park and hugged his leg, his father made a disheartening discovery that although his son did indeed now show affection, he seemed to do so at random.

Speech can also be taught in many cases as the child is gradually nudged from passive withdrawal to active communication. He learns to use a vocabulary to at least express his basic needs. Along with the fundamental self-help skills such as dressing and feeding himself, the child then can be taught the rudiments of how to take care of himself.

The results can be staggering. For psychiatrists trained in the old theories, just step into a school to see "autistic" children sitting at desks in a classroom, paying attention, slowly beginning to pronounce and associate the meanings of words, is little short of miraculous.

PARENTS ARE VITAL

And yet the question still nags: Why are some children who are both intelligent and apparently physically perfect so unable to deal with the world?

Bettelheim's theories still haunt. In the words of a parent who had known all the reassurances, including Lovass' treatments: "I've never forgotten that [my child] *was* unwanted. It's as though he sensed that on the day he was born, and has never forgiven us. It sometimes seemed he couldn't even look at me because it would hurt too much."

Every now and then Lovaas encounters an exceptional case of an autistic child (perhaps one much akin to Bettelheim's Joey) who manages to recover almost completely. He enters public school and becomes practically indistinguishable from the "normal' children.

But where the program really means the most is for the non-Joeys. Followup studies on Lovaas' children show those who are returned to state mental hospitals, where no demands are made on them and no one insists on trying to teach them, regress, forgetting all they ever knew about how to take care of themselves. Those who return to their parents continue to progress, sometimes even growing into adults who can hold menial jobs and become at least economically self-supporting.

The parents, not his therapists, remain the child's only source of hope. For this reason, Lovaas trains parents to continue treatment on their own. In ways reminiscent of the education of Helen Keller, they are taught to set up each goal in agonizingly small steps, but then to insist that their child take that step.

One of the most distinguishing characteristics of the child who makes it to normal status is having parents who tend to deny that he is sick, giving no excuses for his behavior and putting lots of demands on him while devoting fantastic amounts of time to him.

Thus the real harm done by the psychogenic theory may not have been the blame it laid, but the wedge it drove between the autistic child and his best allies in his fight to come to grips with the world.

PORT OF NEW YORK—FOREMOST IN THE WORLD

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. CAREY of New York. Mr. Speaker, the Honorable George H. Hearn, distinguished member of the Federal Maritime Commission, spoke before the 74th annual dinner of the Cathedral Club of Brooklyn. I was privileged to be present and enjoy the Commissioner's address and the fellowship of the club.

Commissioner Hearn has spent his professional life in service to enhancing this Nation's ability to engage in trade. His work on the CAB and the Maritime Commission, plus his years practicing admiralty law, make him uniquely qualified to discuss the qualities and capabilities of the Port of New York.

My own 15th Congressional District borders New York Harbor from Brooklyn Bridge to the span of Verrazano. I was born within sight of the harbor and have lived in Brooklyn all my life. It is with particular pleasure and pride that I commend Commissioner Hearn's remarks to my colleagues, and I include his remarks at this point in the RECORD:

REMARKS OF COMMISSIONER GEORGE H. HEARN, JANUARY 24, 1974

Your Excellency Bishop Mugavero, Mayor Beame, our guest speaker Senator Dan Inouye, Comptroller Levitt, Right Rev. & Very Rev. Monseignori, Rev. Fathers and Brothers, My Father and Brothers, Honored Guests who grace our dais this evening, Members of the Cathedral Club of Brooklyn, Ladies and Gentlemen, friends, all.

I would like to express to you Bishop Mugavero, to the officers and members of the Cathedral Club, my sincere appreciation for affording me this wonderful evening. I have always relished the opportunity I had several years ago in addressing your annual dinner when, by doing so, I joined the illustrious rank of former speakers—including President John F. Kennedy, President Lyndon B. Johnson, Vice President Hubert H. Humphrey, Secretary of State Dean Rusk, Senators Mike Mansfield and Henry M. Jackson to list but a few; and I welcome Senator Inouye to this group this evening, particularly after that fine speech; and now to be your honoree this evening qualifies me for membership in the other exclusive group of many dear friends such as Gene Keogh; my own Congressman, Hugh Carey; Congressmen John Murphy and John Rooney; that great sportsman, Bill Shea and the Bishop himself. So it is in appreciation for this twofold honor that I express to you my heartfelt thanks.

To have the opportunity of saying a few words to you after your listening to men such as our guest speaker—Senator Dan Inouye, Bishop Mugavero and Mayor Beame leaves very little left for anyone to say. However, I would feel somewhat remiss if I did not bring you some short, but what I think is an important message this evening. I am being honored here this evening as a Member of the Federal Maritime Commission, a regulatory agency of the Federal government which plays an important role in the economics of this area.

Transportation for the last twenty years has been, as they say, "my bag"—as a maritime lawyer practicing with a prestigious admiralty law firm here in New York City; as counsel for the Civil Aeronautics Board in Washington, D.C. and as a Member and Vice Chairman of the Federal Maritime Commission. While engaging in this practice I have travelled to all the ports of the United States and to the major port cities of the world. Upon arriving at each port one immediately becomes aware of the sense of pride that the inhabitants of these great places have in their individual ports. We, here in this great metropolitan area and particularly those of us living within the geographical limits of the Port of New York and New Jersey, have been blessed with the world's finest geographically structured port. Since 1613 when the Port was established by the Dutch traders, it has blossomed in the international community of trade and, as a result of the labors of many over the centuries, this port today has emerged as the foremost trading center of the world.

I wish that New Yorkers and Jerseyites alike would not just take the port for granted, but would realize its value and acclaim it. Outside of the community of my many friends here this evening who are actively and economically engaged in international waterborne commerce, few ever think of this great port and fewer get involved with its activities, nor are they concerned with its future. Every man, woman and child living within a thousand miles of the Statue of Liberty must rely on this port to deliver their goods. Many of these goods are the bare necessities of life—a few its luxuries. Twenty-seven percent of those living within twenty-five miles of the Statue of Liberty are engaged in business activities which are directly or indirectly related to the Port and but for the Port would have no source of livelihood.

I realize that this great metropolis and that the New York/New Jersey metropolitan area offers many other business and leisure attractions to its inhabitants and visitors which compete for their interest and enthusiasm. However, without the necessary functions and activities of this port, this area would not be the economical and commercial center of not only the United States, but of the world.

My activities are concerned with the regulation of all of the foreign waterborne commerce of the United States. However, this is my home and, my friends, if there is only one thing you carry away with you this evening and which you might reflect on over the next few weeks, it is my plea that each and everyone of you get involved with the port, become knowledgeable of its needs, figure out what you might do for it and how it may help you in your business and private lives, and, above all, make some effort to do something to insure that this great Port of New York and New Jersey continues to play a vital role in the future international waterborne trade.

Let this generation of New Yorkers be remembered for having the foresight to realize, in difficult times, that the most important way of protecting the economic and commercial superiority of this area lies in a continuing, viable Port and realizing that the men of the Cathedral Club of Brooklyn lead the way in doing something about it. God bless you all!

MONTHLY CALENDAR OF THE SMITHSONIAN INSTITUTION

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. SMITH of New York. Mr. Speaker, it is my privilege to insert in the RECORD each month the Monthly Calendar of the Smithsonian Institution. The February Calendar of Events follows:

FEBRUARY AT THE SMITHSONIAN

FRIDAY, FEB. 1

Exhibition: *American Self-Portraits.* One hundred nine works that provide a record of important artists, their varied styles and techniques. The paintings provide an artistic and social history of America through the differences shown in taste and fashion in both portraiture, styles, interior decor and landscapes over a 300 year period. Portraits are being circulated by the International Exhibitions Foundation and are from both major museums and private collections. National Portrait Gallery, through March 15.

SUNDAY, FEB. 3

Sunday Shorts: *Them Thar Hills.* Laurel and Hardy: *To Parsifal*, Bruce Baillie: *Gino's Pizza*, Warren Bass; *Divided World*, Arne Sucksdorff; *Runner*, National Film Board of Canada. A variety of short films selected for both adults and teenagers. 3 p.m. History and Technology Building auditorium. $1.25 general, $1 students: $.75 Associates. Sponsored by the Smithsonian Resident Associates. Call 381–5157.

MONDAY, FEB. 4

Illustrated Lecture: *Joseph Cornell* (1903–1972), by Walter Hopps. Visiting Curator of Contemporary Art, National Collection of Fine Arts. Scheduled in conjunction with the current exhibition of Cornell's assemblages and collages, 12:30 p.m., National Collection of Fine Arts.

Theatre Chamber Players: Program includes the first Washington performance of Ligeti's *Nouvelles Aventures.* Sponsored by the Smithsonian Division of Performing Arts. $4.75 general: $2.10 students and senior citizens: $4.25 Associates. For reservations call 381–5395. 8:30 p.m., Natural History Bldg.

TUESDAY, FEB. 5

Museum Lecture: Edwin A. Battison. Curator. Mechanical and Civil Engineering, talks on *Patents, Productivity and Prosperity.* 12:30 p.m., History and Technology Building auditorium.

WEDNESDAY, FEB. 6

Seminar: *State of Non-commercial Theatre in America.* Moderator: Donn Murphy, Director of Theatre, Georgetown University. Participants: Stanley Kauffman, drama critic, *The New Republic;* John Simon, drama critic, *New York;* Peter Zeisler, Theatre Communications Group. 7:30 p.m. $6 general, $5 Associates. Call 381–5157 for further information.

THURSDAY, FEB. 7

Creative Sceen: *Symphonies in Expression* (15 min.)—the art work of Abdul Rahman Chugtair; *Symphony of the Seasons* (40 min.)—the people and their customs reveal the moods and seasons of Pakistan. Two films made in Pakistan, shown in conjunction with the current exhibition, *Paintings from Pakistan.* Complete program begins 11 a.m., 12:15, and 1:15 p.m. Renwick Gallery.

FRIDAY, FEB. 8

Exhibition: *Art of the Pacific Northwest: From the 1930s to the Present.* Paintings, sculptures and drawings by forty-five artists depict the strong distinctive art produced in the Pacific Northwest over the past four decades—with basic qualities of quietness, pastoral sense and mysticism. Artists include Mark Tobey, C. S. Price, Morris Graves and Kenneth Callahan. National Collection of Fine Arts, through May 5.

SATURDAY, FEB. 9

Film for Kids: *My Brother Talks to Horses*—the story of a small boy who likes to chit-chat with a racehorse. Directed by Fred Zinneman. 2 p.m., History and Technology Building auditorium. $.75 general; $.50 Associates. Sponsored by the Smithsonian Resident Associates. Call 381–5157.

SUNDAY, FEB. 10

The Bach Family 'Twixt Bloody Marys: *Concerto for Two Harpsichords* by Wilhelm Friedmann Bach, *Partita in C. Minor*, No. 11, *Sonata for Violin and Harpsichord in G Major*, No. VI, by Johann Sebastian Bach. Performed by harpsichordists John Fesperman and Anthony Cantrick and violinist Susan Cantrick. Bloody marys, brioches and danish served before or after the concert. 10 a.m. to 12 noon or 11 a.m. to 1 p.m. $6.50 general; $5.50 Associates. Call 381–5157.

Sunday Shorts: *The Tramp*, Charlie Chaplin; *This Is War?*, The Marx Brothers; *Frogs*, Charles Braverman; *Children of Synanon*, Howard Lester; *Wind and the River*, Arne Sucksdorff; *Gallery*, Ken Rudolph. 3 p.m., History and Technology Building auditorium. $1.25 general; $1 students; $,75 Associates. Sponsored by the Smithsonian Resident Associates. Call 381–5157.

MONDAY, FEB. 11

Illustrated Lecture: *Shaker Architecture: A Survey of the Existing Buildings*, by A. D. Emerich, member of the Society of Architectural Historians and former chairman of the Shaker Studies Conference in 1968. Mr. Emerich will base his talk on his past twelve years survey of the twenty remaining Shaker sites in eight states conducted in preparation for a book on the communal sect's architecture. Co-sponsored by the Renwick Gallery and the Latrobe Chapter of the Society of Architectural Historians. 6 p.m., The Renwick Gallery.

TUESDAY, FEB. 12

Oriental Art Lecture: *The Power of Imagery: Silver Vessels of Sasanian Iran (3rd-7th century A.D.)*, An illustrated lecture by Prudence Harper, Metropolitan Museum of Art. 8:30 p.m., The Freer Gallery. Exhibition galleries open at 6:30 prior to the lecture.

Panel Discussion: *History, Identity and Aspiration.* An examination of the history and heritage of Black Americans, being held in connection with Black History Week.

Topics and speakers are follows: *Black Immigration into the U.S.*, **Dr. Roy S. Bryce-Laporte, former Director, Afro-American Studies, Yale University and currently with** the Smithsonian Institution: ***Identifying a Minority Culture in a Majority Society***, James Gibson, Chairman, District Bicentennial Commission; ***Struggle for Political Leverage***, Barbara Simmons, Member at Large, D.C. School Board. 8 p.m., History and Technology Building Auditorium. Free—Tickets Required. Call 381-5157.

Museum Lecture: *From Natural History to Biology: The Growth of a Science.* Speaker: Audrey B. Davis, Associate Curator, Medical Sciences, 12:30 p.m., History and Technology Building Auditorium.

WEDNESDAY, FEB. 13

American Aviation Historical Society: Monthly meeting. 8 p.m., National Air and Space Museum. The public is welcome to attend.

FRIDAY, FEB. 15

Exhibition: *The Prints and Drawings of Herman Webster.* Some 70 drawings, watercolors and prints by American expatriate artist Herman Webster (1878-1970), revealing his interest and skill in portraying romantic Europe through New World eyes. Works include drypoints, handcolored etchings, pen and ink, and pencil, and such subjects as streets and churches in Venice, parks in Paris, gypsy camps in Spain, chateau dungeons and cathedral interiors. National Collection of Fine Arts, through April 28.

SUNDAY, FEB. 17

Sunday Shorts: *The Barber Shop*, W.C. Fields; *Natural Habitat*, Ralph Arlyck; *Bouquet*, Ken Rudolph; *Cream of Beatles*, Charles Braverman; *Portrait of a Horse*, Witold Gierz; *Chicken Soup*, Carousel films. Short films selected for both adults and teenagers. 3 p.m., History and Technology Building auditorium. $1.25 general, $1 students; $.75 Associates. Sponsored by the Smithsonian Resident Associates. Call 381-5157.

Jazz Heritage Concert: *Lionel Hampton Quartet.* A free workshop will be conducted at 4:30 p.m.; History and Technology Building. Concert begins 8 p.m., Baird Auditorium, Natural History Building. $4.50 general, $3.50 students and senior citizens, $4 Associates. For reservations call 381-5395.

MONDAY, FEB. 18

Audubon Lecture: *Spring Pageant of Wildflowers in the Potomac Valley.* Lecturer: Stanwyn Shetler, Associate Curator, Department of Botany Smithsonian Institution. Mr. Shetler will use color slides to illustrate his lecture and examine the relationship between birds and wildflowers. 5:30 and 8:30 p.m., Baird Auditorium, Natural History Building. Co-sponsored by the Smithsonian Resident Associates and the Audubon Naturalist Society. $2.50 general, $1.50 members. Children $1.50 and $1. Call 381-5157 for reservation information.

Concert: *A Concert for George Washington's Birthday: The Music of Claude Debussy.* Seven Air Force musicians and guest harpist Claudia Wijent present an all-Debussy program of vocal and chamber music. 8 p.m. The Renwick Gallery. Free.

TUESDAY, FEB. 19

Museum Lecture: *Women in Politics.* Speaker: Edith P. Mayo, Museum Specialist, Political History. 12:30 p.m. History and Technology Building Auditorium.

WEDNESDAY, FEB. 20

Lunchbox Forum: *Airships in the Space Age.* Informal discussion led by Kurt Stehling 12 noon, Room 449, Smithsonian Institution "Castle" Building.

THURSDAY, FEB. 21

Creative Screen: *Symphonies in Expression; Symphony of the Seasons.* Repeat. See February 7 for details.

FRIDAY, FEB. 22 THROUGH FEB. 25

Bach's Clavieruebung, Parts I-IV. James Weaver, harpsichordist and organist, presents four evenings of concerts. Sponsored by the Divisions of Musical Instruments and Performing Arts. The program schedule is as follows: Feb. 22 and 23—Books I and II, Partitas, French Overture, Italian Concerto, 8:30 p.m., Hall of Musical Instruments, History and Technology Building. Feb. 24—Book III. The Organ Mass. 8:30 p.m. All Souls Unitarian Church, 16th and Harvard Streets, N.W. Feb. 25—Book IV. The Goldberg Variations, 8:30 p.m., Hall of Musical Instruments. All four programs included in one ticket price: $3.50 general, $1 students and senior citizens and $3 Associates. For reservations call 381-5395.

SATURDAY, FEB. 23

Mime for Children: *Archaesus Productions*, under the direction of Robert White, Jr., performs classical mime in addition to short playlets. 2 p.m., Baird Auditorium, Natural History Building. $3 general $2 Associates. Sponsored by the Smithsonian Resident Associates. Call 381-5157 for ticket information.

SUNDAY, FEB. 24

Sunday shorts: *Solo*, Mike Hoover; Behind *the Scenes*, Mike Hoover; *Pigskin Capers*, The Marx Brothers; *Corrida Interdite*, Denys de Daunant; *Games of Angels*, Walerian Borowczyk; *Lapis*, James Whitney. Short films selected for both adults and teenagers. 3 p.m., History and Technology Building auditorium. $1.25 general, $1 students; $.75 Associates. Sponsored by the Smithsonian Resident Associates. Call 381-5157.

MONDAY, FEB. 25

Lecture: *Environmental Design and the Federal Government.* Michael Straight, Deputy Chairman of the National Endowment for the Arts, discusses how the Endowment has come to view design as a principal art form and, in turn, has become a major national design resource. 8 p.m., The Renwick Gallery. Co-sponsored by the Renwick Gallery and the American Institute of Planners.

TUESDAY, FEB. 26

Museum Lecture: *Restoration of the Harlan and Hollingsworth Engine.* Speaker: William K. Henson, Supervisor, Technical Laboratory, Department of Science and Technology. 12:30 p.m., History and Technology Building Auditorium.

THURSDAY, FEB. 28

National Capital Shell Club: Monthly meeting and program. 8 p.m., Room 43, Natural History Building. The public is welcome to attend.

Lecture: *Art in the Pacific Northwest.* Joshua C. Taylor, Director of the Smithsonian's National Collection of Fine Arts, will discuss the issues raised by the current exhibition on Pacific Northwest art. 12:30 p.m., Lecture Hall, National Collection of Fine Arts.

OTHER EVENTS

(Sponsored by the Smithsonian Resident Associates Program. For further information call 381-5157)

Luncheon Talks: Directors of four major museums discuss the collections, history and activities of their respective areas: Feb. 7—Tom L. Freudenheim, Baltimore Museum of Art; Feb. 21—Brooke Hindle, Museum of History and Technology; Mar. 14—Roy Slade, Corcoran Gallery of Art; Mar. 28—Michael Collins, National Air & Space Museum. Series or individual tickets available. Admission includes cocktails and buffet.

Dance—Film Screenings and Discussions. With George Gelles, dance critic, *Washington Star-News.* Screenings: Edward Villella, New York City Ballet; Paul Taylor Dance Company; the company of the late Jose Limon. Mime artist Gary Glover will perform and discuss his art form. Feb. 11, 18 and 25. 8 p.m., History and Technology Building. $16 series; $12 Associates.

The Citizen: Power and/or Powerlessness. Feb. 4—*The Citizen and Crime*, Patrick Murphy, President, Police Foundation; Feb. 11—*The Citizen and Consumerism*, Virginia Knauer, Special Assistant to the President for Consumer Affairs; Feb. 18—*The Citizen and the Media*, Robert Maynard, *The Washington Post;* Feb. 25—*The Citizen and His Environment*, Russell Peterson, Chairman, Council on Environmental Quality. 8:10 p.m., History and Technology Building. $7 each lecture; $5 Associates.

Giants of Contemporary Architecture. Feb. 5—*Saarinen and Roche*, Allan Temko, Prof. of Art, California State University; Feb. 12—*Le Corbusier and His Influence on Contemporary Architects*, Richard Meier, New York architect; Feb. 19—*The Architecture of Louis Kahn*, by Louis Kahn; Feb. 26—*Philip Johnson and his Antecedents*, Robert M. Stern, architect and author. 8:10, Natural History Building. $8 each lecture; $6 Associates.

DEMONSTRATIONS—MUSEUM OF HISTORY AND TECHNOLOGY

Spinning and Weaving—Tuesday through Thursday, 10 a.m.-2 p.m. 1st floor, and Sunday, Feb. 10 and 24, 1-4 p.m.

Printing and Typefounding: Monday, Tuesday, Thursday, Friday, 2-4 p.m., 3rd floor.

Musical Instruments. A selection of 18th and 19th century instruments, and American folk instruments, Hall of Musical Instruments, 3rd floor, 1:30 p.m., Mondays and Fridays—keyboard; Wednesdays—lute and guitar; Thursdays—folk.

REHABILITATION MEDICINE FILMS AND LECTURE

Shown each Friday at 12:30 p.m., History and Technology Building auditorium, in connection with the current exhibition: Triumphing Over Disability—200 years of Rehabilitation Medicine in the United States.

Feb. 1—*20th Century Epidemic*, Washington Heart Association; *Toward Tomorrow*, Goodwill Industries; *Can You Hear Me?*, John Tracy Clinic.

Feb. 8—*Rheumatic Heart Disease* and *Common Heart Disorders*, Washington Heart Association; *Reach Into Silence*, University of Southern California.

Feb. 15—Lecture: *Triumphing Over Disability*, by Dr. Audrey B. Davis, Curator, Division of Medical Sciences.

Feb. 22—*One Fine Day*, Washington Heart Association; *Help for Mark*, Appleton-Century Croft; *The Person Within*, Clark School for the Deaf.

Dial-A-Museum—737-8811 for daily announcements on new exhibits and special events.

Dial-A-Phenomenon—737-8855 for weekly announcements on stars, planets and worldwide occurrences of short-lived natural phenomena.

PINOCCHIO

Smithsonian Puppet Theatre Begins February 6

The popular fantasy performed with music in commedia style by Allan Stevens and Company, using 15 rod puppets and four puppeteers. The new production was created by Allan Stevens and Vera Hughes, and is presented by the Division of Performing Arts. Wednesday through Friday, 10:30 and 11:30; Saturday and Sunday, 11 a.m., 12:30 and 2:30 p.m. Admission—$1.25. Discounts are available for groups or members of the Smithsonian Associates. Arts and Industries Building. Call 381-5395 for reservations.

HOURS

Open 7 days a week

Arts and Industries Building, Freer Gallery of Art, National Collection of Fine Arts, National Air and Space Museum, National Museum of History and Technology, National Museum of Natural History, National Portrait Gallery, The Renwick Gallery, Smithsonian Institution Building—10 a.m.-5:30 p.m.

Anacostia Neighborhood Museum—10 a.m.-6 p.m. Monday through Friday; 1-6 p.m. weekends.

National Zoo Buildings—9 a.m.-4:30 p.m.

EXPERIMENTARIUM

National Air and Space Museum

New Born Babe—a demonstration show that introduces the spacearium concept. Included in the program is a simulated Apollo launch, a look at the different colors of stars, a description of pulsars and an imaginary closeup look at a quasar on the edge of the universe. Tuesdays through Fridays, 4:30 p.m.; Saturdays and Sundays, 11 a.m., 12 noon, 1, 2, 3 and 4 p.m. To verify schedule call 381-6242.

MUSEUM TOURS

Museum of History and Technology

Highlights: Weekdays, 10:30 and 11:30 a.m., 1:30 p.m. Weekends, 10:30 a.m., 12 noon, 1:30 and 3 p.m.

First Ladies' Gowns: Monday-Friday, 10:30 and 11:30 a.m.

200 Years of Needlework: Tuesdays only, 10:15 a.m. Begins at the Star-Spangled Banner exhibit.

Museum of Natural History

Highlights: Weekdays, 10:30 a.m., 12 noon (noon tour may be delayed)

Renwick Gallery. the Smithsonian's design and crafts museum: Shaker furniture exhibition—tours for groups of 10 or more, on a pre-arranged basis. Through April 7. Call 381-6541 for scheduling.

VOLUNTEER DOCENTS NEEDED

National Collection of Fine Arts and the Renwick Gallery—training for participation in the innovative programs of either museum will include lectures in the history of art and art appreciation in May and formal training in September. Deadline for applications: March 15. Call Nora Panzer, 381-6541, for further information.

National Museum of Natural History or National Museum of History and Technology—training begins in March. Call Magda Schremp, 381-6471, for further information. Deadline: March 1.

ASCENT OF MAN

BBC-TV and Time-Life Films series presents Dr. Jacob Bronowski and his personal views of the history of man and science. The final four programs will be featured in February, one each week, on the following schedule:

Wednesday and Thursday, 10:30, 11:30, 12:30, 1:30, 2:30 and 3:30 p.m., History and Technology Building.

Saturday: 12:30, 1:30, 2:30 and 3:30 p.m., Natural History Building; (Feb. 23—History and Technology Bldg.)

Evening Showings (tickets required)—Wednesday 5:30 and 8 p.m. Tickets may be picked up, in person, at the Great Hall, Smithsonian Institution "Castle" Building beginning the Saturday preceding the evening show. The schedule for February is as follows:

Feb, 6, 7, 9—*World Within World*. The history of the men and ideas that made 20th century physics "the greatest achievement of human imagination."

Feb. 13, 14, 16.—*Knowledge or Certainty*. Dr. Bronowski's personal statement on the moral dilemma of today's scientists, contrasting humanist tradition in science with some inhuman results.

Feb. 20, 21, 23—*Generation Upon Generation*. The complex code of human inheritance shown in the experiments of pioneer geneticist Gregor Mendel and the discoveries of modern laboratories.

Final Film—Special Schedule: *The Long Childhood*.

Feb. 24—2 p.m. Interdepartmental Auditorium, 14th and Constitution Ave., N.W. No tickets required—1200 seating capacity.

Feb. 27—8:30 p.m. Natural History Building. Tickets required and will be available Feb. 23, Great Hall Reception Center, Smithsonian Institution Castle Building.

Dr. Bronowski will be present at these two showings to introduce the film and be available for a question period following the screening.

Feb. 27—hourly from 10:30 a.m., last showing 3:30 p.m., History and Technology Building Auditorium. 5:30 p.m., Natural History Building.

Feb. 28—hourly 10:30 a.m.-3:30 p.m. History and Technology Building Auditorium.

OTHER RECENTLY OPENED AREAS

Explore Gallery, National Collection of Fine Arts. A special room designed for children with bright colors, contrasting textures, shapes and sounds. Included are movable sculptures, photographic blowups, environmental sounds and a "portrait gallery" with a funhouse mirror for instant self-portraits. 10 a.m.-5:30 p.m., 7 days a week.

American Masters. Hall of Photography, Museum of History and Technology. More than fifty recently acquired works by major American photographers Ansel Adams, Lisette Model, Laszlo Moholy-Nagy, Minor White, Aaron Siskind, Harry Callahan, Jerry Uelsmann, Lee Friedlander, Wynn Bullock, Gyorgy Kepes, Paul Caponigro and Diane Arbus. Through May 26.

Anatomy of a Gallop. Division of Graphic Arts, Museum of History and Technology. Lithographs of Currier and Ives and photographs of Eadweard Muybridge contrast the movements of animals and man as they were captured by the artist, and the reality of photography. Through April.

Restaurant. National Collection of Fine Arts. Open seven days a week from 10 a.m. to 3 p.m., and serving soups, salads, sandwiches, fruits, pastries and beverages.

RADIO SMITHSONIAN

Radio Smithsonian, a program of music and conversation growing out of the Institution's many activities, is broadcast every Sunday on WGMS-AM (570) and FM (103.5) from 9-9:30 p.m. The program schedule for February:

3rd—*Concert*, featuring the Western Wind and the Paul Hill Chorale performing music of America.

10th—*Mayans and the Supernatural*. Professsor Michael Coe of Yale University discusses the spiritual world of the ancient inhabitants of Mexico. *Americans in Self-Portrait*. A talk with the noted American art critic Alfred Frankenstein.

17th—*Cajun Music Today*. The Balfa Brothers of Louisiana perform their special style of Cajun music, in concert at the Smithsonian.

24th—*Genetics: Beyond DNA*. Biologist James Dewey Watson, discoverer of DNA, describes the background of his discovery and the new challenge of genetics research.

DOMESTIC STUDY TOURS

For information on the following tours, contact Mrs. Howe, Room 106-SI, Smithsonian Institution, Washington, D.C. 20560.

Channel Islands, Calif.: April 15-22, 1974.

Fiesta, San Antonio, Texas: April 21-28, 1974.

Boston Art and Architecture: June 21-24, 1974.

THE COAST GUARD STACKS ITS OFFSHORE ADVISORY COMMITTEE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. OBEY. Mr. Speaker, writing in the Observations column of the National Observer for the week ending February 9, August Gribbin suggests that the Commandant of the Coast Guard has "blundered badly" in naming a 17-member National Offshore Operations Advisory Committee composed entirely of representatives from the offshore drilling industry.

Mr. Gribbin spells it out:

First. The Coast Guard enforces safety and antipollution laws and regulations and, consequently, guards our ecological interest.

Second. Increased offshore drilling activity will increase the possibility, if not the probability, of more and more damaging oil spills that will affect greater numbers of recreational areas and fishing grounds.

Third. Membership on the advisory panel need not be limited to industry representatives, and, "Indeed, it might seem less than prudent to have as principal advisers the people to be policed."

Fourth. Yet 13 of the 17 committee members come from oil companies, two from oil well drilling companies, and two from charter ship and charter helicopter companies doing all or practically all of their business with the rig owners.

As Mr. Gribbin says, the Coast Guard has "an important job" to do—and the offshore drilling industry is not the only sector with an interest in how that job is done.

The Coast Guard's advisers should include persons who want to protect the offshore environment as well as those who want to exploit it. Without that kind of balance, the Government cannot expect much public support for offshore drilling. To appoint a stacked pro-industry advisory committee can only increase public suspicion about hand-in-glove relationships between Government and the oil industry, not decrease it.

I should like to include the item by Mr. Gribbin, headed "Advice From the Experts," and a notice from the Federal Register of January 18 announcing a meeting of this advisory committee:

ADVICE FROM THE EXPERTS

It's just good common sense: If you've a job to do and wish to do it correctly, have experts advise you. Certainly the commandant of the Coast Guard has followed the axiom—and I believe he has blundered badly.

The Coast Guard regulates offshore oil-drilling operations. Along with routinely licensing drilling-vessel crews and safeguarding navigation around rigs, the Coast Guard enforces safety and antipollution laws and regulations. Consequently, the Coast Guard guards our ecological interest.

It's an important job. And it's becoming increasingly important now that oil companies are winning permission to drill off the East Coast and in new areas of the West and Gulf coasts, thus increasing the possibility, if not the probability, of more and more damaging oil spills that will affect greater numbers of recreational areas and fishing grounds.

For guidance in its antipollution and safety regulating, the Coast Guard relies on a 17-member group called the National Offshore Operations Industry Advisory Committee. According to Coast Guard officials the group needn't be limited to industry representatives. Indeed, it might seem less than prudent to have as principal advisers the people to be policed.

Yet Adm. Chester R. Bender, the Coast Guard commandant, has announced that he has appointed a new committee. It's to be chaired by Texaco's George Mott. *All* of its members come from the offshore-drilling industry. Thirteen of the 17 committee members come from oil companies, two from oil-well drilling companies, and two from charter ship and charter helicopter companies doing all or practically all of their business with the rig owners.

Now all we need is a similar group to advise about coastal defense and cutter patrol operations. The Coast Guard could appoint experts from, say, Poland, East Germany, China, Albania, and Russia. They have an interest in our defenses. So doesn't that make good common sense?—*August Gribbin.*

[Department of Transportation—Coast Guard—CGD 74 15 1]

NATIONAL OFFSHORE OPERATIONS INDUSTRY ADVISORY COMMITTEE

PUBLIC MEETING

This is to give notice pursuant to Pub. L. 92-463, sec. 10(a), approved October 6, 1972, that the National Offshore Operations Industry Advisory Committee will conduct an open meeting on January 30, 1974, in room 2232, NASSIF Building, 400 Seventh Street, SW., Washington, D.C. The meeting is scheduled to begin at 8:30 a.m. and is expected to last all day.

The agenda for the meeting will be the following:

1. Call to order.
2. Approval of minutes of 11-12 July 1973 meeting.
3. Committee organization and future activity.
4. Personnel.
5. Vessel safety.
6. Vessel admeasurement.
7. Fixed structure safety.
8. Portable tanks.
9. Occupational Safety and Health Act.
10. Law of the Sea.
11. Environmental matters.
12. Manned Subsea operations.
13. Miscellaneous.
14. Adjournment.

The National Offshore Operations Industry Advisory Committee was chartered on August 15, 1973, by the Commandant of the Coast Guard to advise the Marine Safety Council on a variety of matters concerning safe practices in offshore operations. Public members of the Committee serve voluntarily without compensation from the Federal Government, either travel or per diem.

Interested persons may seek additional information by writing:

COMMANDANT (G-CMC/82)
U.S. Coast Guard
Washington, D.C. 20590

Dated: January 15, 1974.

D. H. CLIFTON,
Captain, U.S. Coast Guard, Acting Chief, Office of Merchant Marine Safety.

[FR Doc. 74-1507 Filed 1-17-74; 8:45 am]

SINAI PENINSULA

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. LONG of Maryland. Mr. Speaker, the Sinai Peninsula will play an important role in the Arab-Israeli peace negotiations at Geneva. I should like to enter into the RECORD an article by Stanley Blumberg which appeared in the Baltimore Evening Sun, January 23, 1974, pointing out the economic potential of a land often thought of as just desert.

THE SINAI: A BIG, EMPTY BAG EVERYONE WANTS TO GET HIS HANDS INTO

(By Stanley Blumberg)

The retention of the Sinai peninsula is considered by the Israelis to be essential to their national defense. They argue—and with apparent justification, considering that the Egyptians unilaterally broke the Suez cease-fire line last fall—that the Arabs cannot be trusted. And so, the Israeli negotiators are certain to argue at Geneva, this barrier of sand and mountains must remain in Israeli hands.

An odd ambivalance on this point prevails among the Egyptians. President Sadat views the Sinai as Egyptian territory and can't tolerate its occupation by foreign forces. His predecessor President Abdul Nasser, in contrast, did not agree that Sinai was part of Egypt. This he made clear in a speech to Egyptian airmen as recently as May, 1967. Recounting events preceding the Sinai war in 1956, Nasser said: "On October 31, the Anglo-French attack on us began. The air raids began at sunset on October 31. At the same time all our forces in Sinai were withdrawn completely to inside Egypt."

Was this but a slip of the tongue? Hardly. Nasser was a proud Egyptian and looked down with scorn on the Bedouin tribes that wandered across this desolate peninsula. In his view, they were part of the despised Arab nation. That was known to be his position, even though earlier, for political reasons, he had proclaimed that the Egyptians were also Arabs and he was the leader of this Arab nation.

These historical arguments will have little effect on the decision as to who will control both the Sinai and the people who dwell on it, if Henry Kissinger's grand design for "peace" is implemented. He had frequently asserted that Israel must withdraw from territories it captured from the Arabs in the last two wars. Its security, however, will have to be assured by the Arabs, perhaps with "outside guarantees." In other words, the Egyptians would resume their stewardship of the Sinai and the Gaza strip. And so the question arises: apart from strategic value, what is the Sinai really worth in concrete terms?

The Sinai's potential for development has become apparent since the Six Day War. Unfortunately, because of political uncertainties, its mineral wealth has not been harvested. Even more distressing, in this energy-hungry world, has been the lack of prospecting for additional sources of oil in the Sinai. In order to appreciate the opportunities for exploitation of the peninsula's natural resources, a brief geographical description is helpful.

The Sinai is a triangular mass, bounded on the north for 150 miles by the Mediterranean coast. Some 730 miles due south its apex meets the Red Sea near Sharm el Sheikh. It is separated on the west from Egypt by the Gulf of Suez and its extension, the Suez Canal. Its eastern limits are the Gulf of Aqaba and the desert of Israel, the Negev. The northern coastal region is desert. A few fishing villages, now occupied by Israeli paramilitary groups, nestle among the sand dunes on the Mediterranean Sea.

South of this barren area, a chain of eroded mountains paralleling and east of the Suez Canal have, from time immemorial, protected central Sinai from military invasion. There are, however, three passes through the mountain range that permit the passage of troops and armor. The most famous, the Mitla Pass, is due east of the city of Suez, and the Israeli occupiers of the Sinai contemplate a long stay there after thir canal pullback.

Before the Six Day War, an Italian group prospected for and found oil in the southern section of the Gulf of Suez. The war inflicted little damage to the oil rigs, tanks and other facilities and when the fighting subsided, production continued. The only change was a partial transfer of ownership. The wells on the east side of the Gulf were placed under Israeli control and the Egyptians retained guardianship over the west bank wells. The Italian group agreed to accept a 50 per cent share in the oil wells. Up until the beginning of the Yom Kippur War this arrangement worked well. Not a shot was fired by either side in anger. Israel is still pumping oil from its fields on the east bank of the Gulf of Suez.

According to some sources, the Israelis were under outside pressure during this period between the wars not to expand their fields by additional prospecting. The Italians were satisfied to restrict their output to 5.5 million tons per year—about a million tons less than Israeli pre-war annual requirements. After all, they also had the concession on the Egyptian side of the gulf and did not wish to antagonize Sadat. Israelis, such as Mordecai Friedman, former manager of Netivei Neft (an Israeli oil company), believe the reserves along both sides of the gulf have a potential yield of one million tons of oil per day. Many geologists consider this forecast "highly optimistic."

Fossil fuels, however, are not the limit of the Sinai's riches. For the past five years a team of Hebrew University geologists, led by Professor Ya'acov Ben-Tor, have carried out an exhaustive exploration of the Sinai desert. Even though all their findings have not been published—some are under secret classification—enough has been revealed to promise profitable mining, providing the deposits are large enough.

A sample of ore discovered in the southern Sinai contains a very high concentration of the very valuable non-ferrous metal, tungsten, used in making steel alloy. In addition to tungsten the ore contains commercially valuable concentrations of two other prized non-ferrous metals, copper and molybdenum. Tungsten is highly profitable to mine even when found in ore containing only one-half of one per cent. The ore in the Sinai contains between one and two per cent of tungsten.

According to tests made in the Technion laboratory, it is a simple process to extract the three elements from the ore. But this is only a promise for the future. Currently, the Israelis are operating a large scale magnesium mine in southern Sinai. Again, for security reasons, the tonnage of the ore being extracted is not available.

And that's not all. Agronomists in Israel believe that profitable farming on land encompassing vast acreage in the northern Sinai awaits only water and dedication. They point out the growth of agriculture in Arizona made possible by irrigation.

We are entering a period of American pressure on Israel to yield territory that Israel considers essential for her national defense. Most Israelis, at this point, are concerned less with the current and potential riches of the Sinai peninsula than with strategic value. To that extent many of her citizens consider the peace conference soon to be revitalized, a fraud, a papering-over, a proposed legal cover for decisions already agreed to by Dr. Kissinger and President Sadat. They remind us that Dr. Kissinger has pledged the return by Israel to her pre-1967 boundaries, including abandonment of the entire Sinai. They ask whether that is what most American senators really want the Secretary to do.

CONGRESSIONAL REORGANIZATION AND THE ENVIRONMENT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. DINGELL. Mr. Speaker, I have had the occasion in the past to discuss some of the less desirable consequences of the activities of the Select Committee on Committees, and I will no doubt continue to do so in the future. A careful examination of the merits of the proposal discloses not a great deal of redeeming social value—at least in those portions of the proposal which deal with committee structure.

I have recently received a copy of a letter sent to the chairman and members of the Select Committee, and feel that this letter makes several points which are of relevance to the controversy. The letter, signed by representatives of a number of conservation and environmental organizations, focuses on the negative value of the "One Member, One Committee" rule which appears to lie at the heart of the Select Committee's proposals, and stresses the inherent conflict between the traditional responsibilities of the Agriculture Commitee and the responsibilities which would be given to that committee if these proposals were carried out.

The organizations which signed this letter are by no means the only groups which have expressed their opposition to the draft proposal. I understand that more are being contacted every day, and that the ranks of the opposition are indeed growing. I must say that I find this development gratifying, but not surprising.

For the information of my colleagues, I include the letter in the Record:

January 29, 1974.

Hon. Richard Bolling,
Chairman, Select Committee on Committees, U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: We would like to bring to your attention our very deep concern with some of the proposed changes for House reorganization in the Working Draft Report of the Select Committee on Committees. Although we are in sympathy with the overall goals of the House reorganization plan, we have studied the working draft in detail and believe some changes are necessary. Two major concerns are: (1) the reorganized committee structure with regard to natural resource and environmental jurisdictions; and (2) limiting members to service on one major committee.

The undersigned oppose the granting of the following five new jurisdictions to the Agriculture Committee: (1) Parks and Wilderness; (2) Wildlife; (3) Fish and Fisheries; (4) National Forests; and (5) Public Lands. At the local, regional and national level, there are strong and rapidly growing demands for the development of programs to protect and enhance the natural resource values in each of these five jurisdictions. Our reasons for opposing this committee's control over these five jurisdictions are:

(a) Historically, the Agriculture Committee's predominate focus has been the production of commodities. Virtually the only interest of the committee in public forests has been as a commodity source. While this focus may be acceptable with regard to some uses of the National Forests it ignores other legitimate functions, and it is not acceptable with regard to parks and wilderness or wildlife programs. This Committee has often opposed proposals for land and wildlife preservation despite the fact that agriculture programs affecting land and water resources are an excellent vehicle for services in support of these resources. Removing these five jurisdictions from committee control will not preclude the Committee from developing support programs for fish, wildlife, and wilderness. Through farm programs the Committee and USDA will have, as they always have had, the ability to enhance fish, wildlife, and wilderness resources without the necessity for formally controlling these jurisdictions.

(b) We do not believe that the combination of these five jurisdictions together with agriculture will in the future attract sufficient members with environmental protection and preservation interests to this committee to offset this committee's inherent commodity production orientation. Nor would the addition of these five jurisdictions result in the desired balance of members from varied geographic and demographic areas.

(c) This jurisdictional realignment would place Interior's Fish and Wildlife Service under the control of the very interests of which the Service has been critical on occasion in the past. EPA is currently within a subcommittee dominated by agricultural interests at the appropriations level. Thus, by this proposed realignment, the agricultural community could dominate the only agencies in the federal government which have the potential for providing an effective audit of the environmental consequences of USDA programs.

In addition, we question the advisability of continuing jurisdiction over pesticides in the Agriculture Committee. Although we recognize that in many respects this is a legitimate concern of the Department of Agriculture pesticides are also important concerns of other federal agencies such as the Environmental Protection Agency, the Department of Interior, and the Department of Commerce. A change in jurisdiction could provide attention to problems such as the health and environmental effects of pesticides which have heretofore received less attention in the Agriculture Committee due to a predominate concern for commodity production.

We do not believe that the stature and influence of the Agriculture Committee will be significantly reduced by removal of these five or six jurisdictions from its control. In terms of personnel numbers and budget size, the Department of Agriculture is and will continue to be a dominant element in the federal establishment. Federal commodity programs will become even more important in the years ahead as contributors to our nation's foreign trade and balance of payment accounts.

The other major issue of concern is the limitation of each member to one major committee assignment. We are strongly opposed to this recommendation. The legitimate interests and constituent responsibilities of members are more often than not too varied to be structurally limited by such a proposal. Further, this system without a requirement for mandatory rotation would only aggravate the problems of the current seniority system, which is one of the dominant problems pointed to by many advocates of Congressional reform. Not only would this proposal further entrench the power of the seniority system over particular jurisdictions and programs, but it would also lead to the narrowing of members' expertise and knowledge. Most issues before Congress are very complex and quite often benefit from interdisciplinary approaches. A member's service on two major committees would more often than not bring valuable expertise and insights to solving the problems addressed by each committee. And, the proposal penalizes members who desire and are able to handle more than one committee assignment. Allowing two major committee assignments would also have beneficial effects in balancing committees where there are diverse jurisdictions but in which one particular jurisdiction would dominate another. The limitation of committee assignments to one would also penalize issues which are of important national concern but for the most part of secondary concern to most constituencies.

We believe that limitation would be better set a a maximum of two committee assignments, with limitation set on the number of subcommittee assignments. The decision to limit committee assignments should be a matter of individual choice, and many members do this voluntarily already. The problem of lack of time can be solved through other techniques such as: (a) better utilization of the full week from three days to four or five; (b) more efficient scheduling of House floor action; (c) allowing an extra staff person to members serving on two committees; and (d) designating alternative days for major and minor committee meetings. The one committee assignment limitation can only work if it also includes mandatory rotation.

We appreciate the committee staff bringing the draft report to our attention and asking for our comments, and we look forward to working with the committee in developing a final document which will correct the problems we have outlined here. Some of us will have other constructive suggestions to make in the future.

Sincerely,

M. Brook Evans,
Director, Washington Office, Sierra Club.
Charles H. Callison,
Executive Vice President, National Audubon Society.
Stuart Brandborg,
Executive Director, the Wilderness Society.
Thomas L. Kimbell,
Executive Vice President, National Wildlife Federation.
Anne Roosevelt,
Legislative Director, Friends of the Earth.
Peter Harnik,
Washington Representative, Environmental Action.
David Zwick,
Director, Clean Water Action Project.
David Scoll,
President, American League of Anglers.

GEN. THADDEUS KOSCIUSZKO—A GREAT SOLDIER AND PATRIOT

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ANNUNZIO. Mr. Speaker, February 10 is the 228th anniversary of the birth of Gen. Thaddeus Kosciuszko, whose mighty contributions to the winning of our War of Independence symbolize so well the contributions made by millions of Polish Americans to their adopted country through their skill, hard work, and patriotism.

Americans cannot recall without deep emotion that he was the brave and courageous Polish soldier and statesman who voluntarily entered the American Continental Army and distinguished himself in the battles of New York and Yorktown.

We will soon celebrate the bicentennial of the birth of our Nation—a time when we will pause to pay tribute to the great heroes of the American Revolution who joined together in the fight against *tyrannical rule.* No rollcall of those men would be complete without the name of Thaddeus Kosciuszko for most historians recognize the significant contributions he made in the War of Independence.

As one of the proud cosponsors of the bill—now Public Law 92-524—to officially designate the Kosciuszko home in Philadelphia as a national memorial, I consider this an occasion to honor this great Polish patriot and also salute our fellow citizens of Polish descent who, following in the footsteps of Kosciuszko, have dedicated their lives, often at great risk, to continue the cause of freedom.

It is important for Americans to remain aware of the fact that American greatness is the result of vital contributions made by all of our ethnic groups and certainly the outstanding contributions of Polish Americans to the growth and advancement of our country merit the recognition that has now been officially extended through designation of the Kosciuszko home as a national memorial.

Even before our Declaration of Independence was signed, this young Polish officer sailed across the Atlantic and appeared before Gen. George Washington to volunteer his military skill and training to help create an effective military force from the fledgling Continental Army.

Kosciuszko was commissioned a colonel of engineers in the Continental Army with the task of strengthening the breastworks at Saratoga as well as the fortifications along the Delaware River and at West Point. The ardor and the zeal of this young officer were equaled only by his courage. It is small wonder that Thomas Jefferson hailed him by saying:

> He was as pure a son of liberty as I have ever known and of that liberty which is to go to all and not the few or to the rich alone.

Throughout the 6 long and bleak years of the American Revolution, Kosciuszko devoted himself to helping General Washington win the war. In addition to his engineering prowess which meant so much to the Continental Army, this talented officer fought valiantly on the battlefields in the North as well as in the South. Leading cavalry troops through the bitter campaign of the Carolinas, he played a major role in driving the British out of Charleston.

Kosciuszko might have chosen to dwell in America and enjoy the love and acclaim of the American people while making continued contributions to our Armed Forces of which he was now a full-fledged general officer. The grateful Congress, in addition to land and money, had bestowed upon him all the rights and privileges of American citizenship.

Kosciuszko chose instead to return to Europe and to his native Poland where he issued a call to arms. Polish patriots rushed to his side to begin a battle for Polish independence. Unfortunately, the military might of Russia and Prussia was so enormous, the efforts of Kosciuszko and his followers were in vain. The gallant leader was captured and imprisoned in a dungeon. Upon the death of Catherine, the Empress of Russia, he was freed—sorely ill and suffering physically, but still with a burning passion for the independence of his homeland—and continued to work for the liberation of Poland until his death in 1817.

Mr. Speaker, I am honored to join Polish Americans in my own city of Chicago and all over this Nation as they pause this week to commemorate the birth of Thaddeus Kosciuszko and the enormous contributions he made to the freedom of all Americans.

ENERGY CRISIS EFFECT ON NEW YORK'S SCHOOL SYSTEM

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. MURPHY of New York. Mr. Speaker, during this very trying period in which our energy needs are not being fulfilled, with resulting domestic and international complications, the needs of our schoolchildren must not be overlooked. No responsible legislator will be worth his salt if he does not keep the interests of one of our most valuable national assets, our youth, in mind. It is with such an understanding that I speak with grave dismay of the effects of this shortage upon New York State's school system.

First is the question of price. Some supplier contracts have escalator clauses which have been invoked, but in other situations, suppliers have insisted that they can no longer supply fuel at the original contract price. In the case of heating oil, prices have skyrocketed since September 1973—in New York City and Buffalo, the No. 6 fuel oil price is up 148 to 149 percent. Though less spectacular, gasoline price rises have also cut deeply into school board budgets. Detailed figures are presented in the memo.

Second is the question of continued supply. Apparently, some fuel companies, which from the standpoint of the Federal Fuel Association regulations did not supply their present customers during a "base period"—1972–73—are claiming that their contracts have been voided by the new rules. Their argument is that the regulations only refer to "base period" suppliers in determining the allocations. As these governmental contracts are generally let on a sealed bid-lowest bidder basis, suppliers often change from year to year. In fact, as is indicated in the memo, New York State now has a different supplier of gasoline than in fiscal 1972–73 and that supplier is currently attempting such a cutoff.

A problem in New York State may not be so much availablility of energy supplies but price. So far there have been huge increases in the cost of No. 6 heating oil which is used—along with some coal—to heat New York City schools. The fuel bill budget for the 1973–74 school year was set at $9.5 million. Since September 1973, the price of No. 6 fuel oil in New York City has skyrocketed from 13.45 cents per gallon to 32.21 cents per gallon, a 149-percent rise just midway through the heating season. This increase has forced the New York City board of education to revise its heating fuel costs upward by $2 million to $11.5 million for the school year ending in June. The expectation is that next year's—1974–75—fuel bill will be $18 million.

The problem is not unique to New York City as the Buffalo school system is finding itself in a similar price squeeze situation. Buffalo schools heat off No. 2 and No. 6 heating oils. At the beginning of this school year No. 2 oil was selling at 18.70 cents per gallon and it is now priced at 31.90 cents per gallon, a 70 percent increase. No. 6 oil prices have skyrocketed in Buffalo just as in New York City. In September the No. 6 oil price was 12.15 cents per gallon. Now, No. 6 oil in Buffalo is selling for 30.08 cents per gallon, a 148-percent increase. The original heating budget for No. 2 oil in Buffalo for the 1973–74 school year was $243,744, for No. 6 oil, $224,000. Due to the price rises, it is now anticipated that the heating budget for the 1974–75 school year will be $818,400 for No. 2 and $776,000 for No. 6—total heating costs up from $467,000 to $1,594,000.

The New York State Department of Education has just completed a survey of 25 New York school districts to determine a rough average fuel price increase figure. These districts heat off either No. 2, No. 4, No. 6 fuel oils or a combination. Average price in September was 17.09 cents per gallon. Now the average price is 27.31 cents per gallon, a 59.8 percent increase.

A similar polling of 21 New York school districts was taken to determine a rough average gasoline price increase figure. In September, buying gasoline in bulk cost 15.85 cents per gallon. Now, the price is 23.81 cents per gallon, a 50.2 percent increase:

FUEL PRICE INCREASE

NEW YORK CITY

No. 6 Oil Price—Sept. 13.45¢/gal.; Jan. 32.21¢/gal. — + 149%.

Heating Budget Yr. '73–'74.—$9.5 million; $11.5 million—Estimate '74–'75 $18 million.

BUFFALO

No. 2 Oil Price—Sept. 18.70¢/gal.; Jan. 31.90¢/gal.—+70%.

No. 6 Oil Price—Sept. 12.15¢/gal.; Jan. 30.08¢/gal.—+148%.

Heating Budget Yr. '73–74—No. 2 Oil $243,744: No. 6 Oil $224,000—$467,744.

Estimate '74–75—$818,400; $776,000—$1,584,400.

25 District Survey No. 2, No. 4, No. 6, Fuel Oils—Average Price Sept. 17.09c/gal.; Jan. 27.31c/gal. — + 59.8%.

21 District Survey Gasoline—Average price Sept. 15.85c/gal.; Jan. 23.81c/gal.—+50.2%.

Another problem has developed which is related to price. With respect to heating oil, the Federal Fuel Allocation Regulations refer to base period levels and base period suppliers. In some cases, school districts have switched to new suppliers for the current school year either because their traditional supplier did not submit a bid or because a submitted bid was not the lowest—calls for bids go out each year. Now, a number of heating oil contractors who are "new suppliers" are claiming that their contracts put them in a confusing situation since they did not supply the districts in the base year, are claiming that the contracts violate the regulations, are canceling their contracts. The Federal regulations state any contractual arrangement violating the regulations is null and void. Now, they are caught in the middle. The New York State attorney general's office has been forced to authorize school districts to go on the open market and pay the resultant current—retail in some cases—prices—a huge price increase—in cases where no one has submitted bids, then school districts can negotiate with anyone to get the needed fuel.

The problem with suppliers of heating oil now seems to have spilled over into gasoline. New York State operates under a system whereby the State contracts for gasoline for State vehicles. Cities, counties, and other governmental units—that is, school districts—can buy into these contracts for fuel supplies. In 1972–73 the gasoline contract was with Texaco. In 1973–74 the State switched to Mobil. Mobil has just announced that as of January 31, 1974, it will no longer supply gasoline under its State contract as the contract is null and void because it was not the "base period supplier" under the Federal regulations. The State is trying to scramble back to Texaco but, of course, any new contract will be at the current higher prices. Furthermore, since prices have been rising and show every indication of rising further, contractors are reluctant to submit bids and again, many claim—those other than Texaco—that they cannot enter into a contract because of the regulations.

The proper solution to these problems can only be found in the correct framework for action on the part of those who possess the requisite knowledge and capability for applying it. Of initial importance is the realization that the oil companies have certain expertise and ability in the field of distribution which the Federal Energy Office does not possess. The complexities inherent within the distribution of energy supplies are numerous. The companies themselves understand them. The Federal Energy Office does not. The companies themselves must be given the leeway they need to work out our distribution problems.

In a similar vein, the Federal Energy Office may have what it takes to properly evaluate and administrate in the field of pricing. It is possible that the Federal Energy Office might be able to properly utilize certain control and flexibility in energy pricing. Hopefully, it could then cooperate with the oil companies, with each exercising its respective ability in its properly designated domain.

It is my profound hope that any attempts to cope with this energy crisis will point directly at the problems enumerated here. Our schools deserve a fair shake commensurate with the vital role they fulfill in our society. A breakdown of our educational system would prove disastrous. Despite the obvious interdependence of all aspects of this energy shortage, every effort must be made to extend to our schools a top priority.

SENSIBLE ANALYSIS OF OUR ECONOMIC SITUATION

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. BOLLING. Mr. Speaker, Hobart Rowen's column in the Washington Post, Sunday, February 10, 1974, is a sensible analysis of the very bad economic situation which faces the country. We in the Congress should not make the mistake of believing that the American people's recognition of the failures of the Nixon administration in dealing with our economic problems in any way relieves us of our responsibility to act promptly to take the steps we can to help prevent further inflation and too high a rate of unemployment.

The newspaper article follows:

[From the Washington Post, Feb. 10, 1974]

End to Wage-Price Controls Triumph of Nixon Ideology

(By Hobart Rowen)

The Nixon administration's proposal to kill off mandatory wage and price controls April 30, except for health services and oil is not surprising—but it makes no economic or political sense.

At a minimum, the administration should have suggested some form of stand-by controls, as a bargaining chip to keep major industries in line.

And if the Democratic majority hasn't taken leave of its senses, that's exactly what it will insist on. In that way, it can dramatize an essential point: it will be the President's responsibility, not Congress', if he gives the public no shield at all from inflationary forces.

After all, it was congressional insistence in 1970—in passing the first economic stabilization act—that enabled President Nixon to impose wage and price controls in August 1971 when any other course would have led straight to economic disaster.

What could have impelled the Nixon administration to decide to throw in the towel on controls at this time, when the cost of living is accelerating at a 9 per cent rate—which means that the threat of "double-numbers" inflation may be just around the corner?

The ideological opposition of Mr. Nixon's band of "free marketeers" is, of course, well known. Treasury Secretary George P. Shultz, the leader of the band, told the Senate Banking Committee that the administration had decided that even stand-by controls "can become an inflationary force in and of themselves," because they lead to expectations that they would eventually be used.

Former Economic Council Chairman Arthur M. Okun suggested to Washington Post reported James L. Rowe Jr. that this represents a "triumph of ideology over pragmatism."

For example, the cagey John L. Dunlop, in administering the current phase of controls has been able to keep a lid on rising prices because he retained power to act tough if industry misbehaved.

If the administration succeeds in junking controls altogether, the residual monitoring apparatus envisoned by Shultz and Dunlop could provide only toothless "jawboning."

The history of the administration's handling of wage-price restraints is replete with errors, many stemming from the fact that those planning or administering them didn't believe in controls.

As economist Robert R. Nathan observed in 1972, when Economic Council Chairman Herbert Stein was put in charge of planning Phase II, that was like putting a notorious madam, Polly Adler, "in charge of a convent."

After considerable good luck with the original freeze (Phase I) and Phase II, Mr. Nixon abruptly shifted into a weaker and disastrous Phase III in Janaury 1973. Despite persistent denials and explanations, the controls program never recovered from that misstep. In retrospect, that was a triumph of ideology over success.

Then, in mid-year, with inflation rampant and the Watergate scandal buzzing around his head, the President over-reacted, and imposed a 60-day price freeze. That got him a headline, and little else except a meat shortage.

This step, it should be recalled, came only a few weeks after Economic Council Chairman Herbert Stein had assured one and all that "we will escape the dangers" of either a freeze or a return to comprehensive wage-price controls.

When the President then replaced the second freeze with Phase IV, Stein was explaining things by saying "a radical change in policy" was necessitated by the need to get inflation down from an unacceptable 9 per cent rate to something like 3 per cent.

"Most forecasters, including me," Stein said then, "thought the rate of inflation would subside in the second half of 1973 without any change of economic policy."

But now, Stein and Shultz say that controls have not stopped inflation in the past and will not in the future. Instead, they argue we must rely on the "free market" to solve all of our problems.

The "free market" notion that the administration has been peddling for the past five years is a myth. It is a nice idea as written up in the textbooks, but there is no free market in international relationships, when an Arab oil cartel controls the price of oil—and there is no effective retort to the monopoly.

There is no truly free market at home, where the monopoly power of big business and big labor override what would be the real operation of supply-and-demand factors. Only a portion of the American economy enjoys anything like the discipline of real competition.

Thus, the proposition that the nation should be thrown on the mercies of the "free market" at a time when the administration itself admits that prices have gone too high and will move even higher; and at a time when we face critical shortages of materials that threaten to disrupt economic activity is manifestly absurd.

If the administration won't face realities, it's up to the Congress to carry the ball.

FOOD LABELS SHOULD WARN CONSUMERS OF INGREDIENT CHANGES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. ROSENTHAL. Mr. Speaker, many infants and children become ill every year because food manufacturers change ingredients without notifying parents. With the support of 41 colleagues I am today introducing legislation to end this dangerous policy.

The bill would require food manufacturers to put notices on their labels that will alert consumers to the fact that ingredients have been changed. This notice, which must be in plain and conspicuous language, will have to remain on the label for at least 6 months.

Unlike the new and improved notices found on so many products, which give the shopper no hint as to what is actually new in the product, the label would have to specifically identify the new ingredients.

People who are allergic to certain foods or additives usually read labels very carefully, but after using a product for a period of time, they tend to assume it is the same, although a potentially harmful change could have been made quietly by the manufacturer.

All consumers have the right to be informed when a food manufacturer changes his product. For some, it can be a matter of life and death.

Infants and children seem to be affected most often by ingredient changes, according to pediatricians and allergy specialists, because food allergies are most common to those under the age of 2.

The president of the Metropolitan Washington chapter of the Allergy Foundation of America has cited cases of several Capital-area children who suffered adverse reactions after eating or drinking products whose ingredients had been changed. All had used the product for long periods of time and their parents no longer bothered to check the label.

One was a 1-year-old child from Takoma Park, Md., whose sudden and painful urinary tract infection was finally traced to a drink to which vitamin C had recently been added. Another was a 13-year-old girl from Rockville, Md., who had been afflicted with eczema since the age of 2½. The eczema suddenly became much worse and the cause was finally pinpointed as a cranberry juice to which dextrose had recently been added.

This legislation was suggested to me by New York State Senator Emanuel R. Gold, whose infant son could no longer hold down a baby formula on which he had been thriving for months. After several weeks, it was finally discovered that several ingredients in the formula had been changed, but the outward physical appearance of the two differing products was identical.

This legislation introduced today would complement the truth in food labeling bill which I introduced more than a year ago. That bill would mandate full ingredient disclosure on all food labels.

Joining me in sponsoring this legislation are:

LIST OF COSPONSORS

Bella Abzug, (D–N.Y.); Joseph Addabbo, (D–N.Y.); Herman Badillo, (D–N.Y.); Jonathan Bingham, (D–N.Y.; George Brown, (D–Cal.); Phillip Burton, (D–Cal.); Shirley Chisholm, (D–N.Y.); Cardiss Collins, (D–Ill.); John Conyers, (D–Mich.); James Corman, (D–Cal.); William Cotter, (D–Conn.); Robert Drinan, (D–Mass.); Don Edwards, (D–Cal.); Joshua Eilberg, (D–Pa.); Donald Fraser, (D–Min.); Ella Grasso, (D–Conn.); Michael Harrington, (D-Mass.); Henry Helstoski, (D-N.J.); Elizabeth Holtzman, (D–N.Y.); James Howard, (D–N.J.); and Joseph Karth, (D–Minn.).

Robert Kastenmeier, (D–Wis.); Edward Koch, (D–N.Y.); Ralph Metcalfe, (D–Ill.); Parren Mitchell, (D–Md.); Joe Moakley, (D–Mass.); William Moorhead, (D–Pa.); Claude Pepper, (D–Fla.); Bertram Podell, (D–N.Y.); Peter Rodino, (D–N.J.); Robert Roe, (D–N.J.); Edward Roybal, (D–Cal.); Patricia Schroeder, (D–Colo.); Neal Smith, (D–Iowa); Louis Stokes, (D–Ohio); Gerry Studds, (D–Mass.); Robert Tiernan, (D–R.I.); Jerome Waldie, (D–Cal.); William Whitehurst, (R–Va.); Lester Wolff, (D-N.Y.); and Gus Yatron, (D-Pa.).

TO REPEAL THE CUBAN RESOLUTION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. HARRINGTON. Mr. Speaker, today, I am introducing a bill to repeal Public Law 87–733 of October 3, 1962, known as the Cuban resolution. The same legislation was introduced by Senator CLAIBORNE PELL (S. 2802) on December 12, 1973.

The Cuban resolution became law during the height of the cold war. But international events and developments of the past decade strongly suggest that it is not only obsolete but harmful and should therefore be repealed at the earliest possible moment. In 1962, it seemed possible that a policy of diplomatic and economic isolation of the Republic of Cuba, under a government headed by Prime Minister Fidel Castro, might work to the best interests of the United States. It is now clear that such interests are not being served by the persistence of an outmoded resolution whose major effect is to limit the flexibility of foreign policy initiatives by the United States, impede foreign trade, and help maintain a tension in the hemisphere dangerous to the peace and security of all its people.

The Cuban resolution does not provide the legal basis for U.S. policy toward Cuba. It is little more than a policy statement. But, as such, it represents an attitude of hostility toward the Cuban Government by inferring threats to its sovereignty. Its repeal would provide an opening for reconsideration of policy matters, not the least of which being the policy of "economic denial" which Cuban officials often cite as the major obstacle in any effort to normalize relations between the two neighbors. Thus, repeal of Public Law 87–733 can be regarded as an act by which the Congress would signify its hope and desire for further steps on the part of the executive branch in the direction of understandings with Cuba similar to those which have been taken in the cases of the Peoples' Republic of China and the Soviet Union.

These understandings, based upon common recognition of the fact that there is no future in a cold war state of affairs, however much nations differ in their internal affairs, testify to the changing international climate within which U.S. policy toward Cuba grows increasingly out of place. Friendly talks and mutually beneficial economic exchanges with Communist nations containing hundreds of millions of people contrast strangely with attempted ostracism of a nearby country whose population numbers less than 9 million and whose threat is more imagined than real. Especially so when other states, Communist and non-Communist, hemispheric and worldwide, have found it to their advantage to recognize the legitimacy of the Cuban Government, establish or continue diplomatic relations with that country, and carry on a commerce from which U.S. firms are currently excluded.

In the Americas, nations with such policies include Peru, Mexico, Canada, Argentina, Jamaica, Trinidad-Tobago, and Barbados.

Latin American nations with which Cuba is developing trade and cultural contacts in the absence of diplomatic relations—resembling the situation of the United States and the Peoples Republic of China—include Panama, Honduras, Ecuador and Venezuela. And in the Organization of American States as a whole, only some 55 percent of the nations originally voting for sanctions against Cuba in 1964 still support such action. Most European Nations, among them Great Britain, France, Italy, West Germany, Spain, and numerous others either have full diplomatic relations or trade extensively with Cuba. It is worth noting, too, that Japan, 8,000 miles from Cuba, markets there a variety of products ranging from heavy machinery and buses to air conditioners and transistor radios. The United States' policy of "economic denial" has not only proven ineffective, but has been detrimental to U.S. industries which face increasing competition from rivals abroad.

Recent American public opinion polls indicate that a majority of our populace have no objections to the resumption of U.S. ties with Cuba. They see no logic to the maintenance of a policy of open hostility toward a tiny nation 90 miles off our shores. I hope that domestic political considerations—and I know that there will be opposition to this measure from the right—will find no place in any of my colleagues' judgment as to the advisability of this repeal. Recommendation for repeal, or repeal itself, should in no way be interpreted as approval of the political, economic, or social system in

Cuba. Rather, it would simply mean that the Congress of the United States has assumed a proper responsibility, in the light of new conditions in the world and the hemisphere, to improve the prospects for true world peace and friendship, and a "Generation of Peace."

I ask the support of my colleagues in taking this first step toward that goal.

AIRLINE FARES: WHY PAY FOR INCONVENIENCE?

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 1974

Mr. MOSS. Mr. Speaker, on January 6, 1974, the Tulsa Daily World reported that American Airlines would discontinue its direct flight 269 from Washington to Tulsa via Nashville starting Monday, January 7, when its new January 1974 schedules became effective and, thereafter, provide only two through flights each day between Washington and Tulsa—one via Chicago and Oklahoma City, the other by way of Dallas and Oklahoma City.

The reason given for these two circuitous routings was the energy crisis: "An attempt to conserve fuel while maintaining service frequency;" the Tulsa Tribune, Wednesday, January 9, 1974, page 7D. That is to say, the schedule changes were designed by American to provide the most adequate and efficient service in this market in the most economical and efficient manner.

These and other more economical and efficient patterns of service, which have been forced upon the airlines by a crisis, are actually the same sort of passenger and aircraft routings which my colleagues and I have, for at least 5 years, been encouraging the airlines to make available to the public as alternate routings—not merely to meet a crisis—but in order to increase their own earnings. As a matter of fact, a member of our staff specifically proposed a Washington-Dallas-Oklahoma City routing as a means of reducing airline costs and increasing airline sales, revenue, and earnings some 13 years ago this month in an article in a European aviation publication; Richard W. Klabzuba, "The Answer to the Puzzling Riddle: 'What Makes an Airline Profitable?'" Interavia, Geneva, No. 2/1961, February 1961, pages 191–194.

There is, however, one very significant difference between my colleagues and my proposal and the carriers' present operations. Under our plan, the fare charged the public would be the same regardless of their routing, except possibly in two special cases, to wit: First, those situations where the circuitous routing would involve more than 20 percent or 300 additional miles, whichever is greater, or second, the passenger makes a connection between flights at some intermediate point having a greater fare to either the passenger's point of origin or destination. In these two cases, the airline would be permitted to charge a higher fare, if it so desired, but it would not have to do so. After all, it does not make much sense to charge a passenger more for an inconvenient circuitous routing which is more economical and efficient for the airline than a more convenient direct flight for the passenger that is less profitable to the carrier.

The public seems to agree with us as the following editorial by Jenkin Lloyd Jones, editor and publisher of the Tulsa Tribune, and past president of the U.S. Chamber of Commerce, reflects:

[From the (Okla.) Tulsa Tribune, Jan. 11, 1974]

WHY PAY FOR INCONVENIENCE?

Citizens are sympathetic to airlines that have had to rearrange schedules and cut flights because of shortened fuel allowances. But when it comes to requiring citizens to pay extra for inconvenience the line must be drawn.

Because direct flights between the East Coast and Tulsa have been axed it will now be necessary at certain times to come through Dallas. Tulsans will pay $8 extra on an economy class ticket.

An evening flight out of Chicago that makes important connections with planes from Europe will proceed to Tulsa via Oklahoma City. Tulsans must pay the Oklahoma City fare which is $7 more. The airline in question argues that if the Tulsa fare were allowed, sharp Oklahoma Citians would simply buy a ticket to Tulsa and get off at Oklahoma City.

But suppose stewardesses on the Dallas-Tulsa and Oklahoma City-Tulsa legs simply asked Tulsa passengers to show their through tickets and then handed them $8 or $7 rebate chits? For a long time Braniff handed out such rebates when their planes exceeded a degree of lateness.

People smart enough to run airlines ought to be able to figure out how not to penalize customers who are forced to make irritating detours.

In this particular situation, American Airlines is charging $7 to $8 more for a coach seat—$10 to $12 first class—from Tulsa to Washington, New York, Chicago, et cetera, for the inconvenient circuitous routings than it does for the direct routings, even though in some of these cases the direct routing is less profitable. From Oklahoma City the coach fare is $2 to $3 more—first class, $3 to $5—to the east coast by way of Dallas, even though once again the more circuitous routing is the more profitable routing to the carrier. I might add, Oklahoma City passengers also have to pay a higher fare to Arizona and California cities for inconvenient routing via Dallas; $2 to $5 both coach and first class.

In my view, the carrier's pricing practice in these cases does not reflect good business judgment and is, therefore, unjustifiably prejudicial to these two nonhub cities and the State of Oklahoma. Their pricing policy is also unduly prejudicial, because it cannot be justified on economic grounds. Remember, the stated purpose for adopting these circuitous routings is to save fuel—and thereby reduce operating expenses—while maintaining frequency of service. In other words, these circuitous routings were adopted because of—not in spite of—economic reasons.

Mr. Speaker, my colleagues and I have repeatedly pointed out to the Civil Aeronautics Board and the airlines that circuitous routings can enable them to provide more adequate, economical and efficient service in many markets where the low density of traffic does not make direct flights, or multiple direct flights, economically viable with the larger jet aircraft we have today. The problem is that the rate setters in the airlines hold that rates must vary directly with mileage because, in their view, costs vary with mileage. My colleagues and I have repeatedly shown that this is not true. Instead, we have demonstrated that the terminal handling costs are a fixed capacity cost, the line-haul costs are an hourly capacity expense, and that none of these costs vary directly with mileage or traffic handled.

The fact that airline expenses do not vary directly with mileage or traffic handled is the principal reason my colleagues and I have proposed open routings. The validity of our proposal seems to have once again been borne out by recent developments brought on by the energy crisis, where many routings which may be more circuitous mileagewise have enabled the airlines to provide adequate, economical, and efficient service while attempting to save fuel.

The reason the airlines have finally adopted some of these more economical and efficient routings at this time is that the operations departments of the airlines—the departments from whom we learned that the carriers' costs are fixed capacity costs—have at least temporarily gained ascendancy over the rate setters in the scheduling and routing of the aircraft. It now seems apparent to my colleagues and myself that the rate setters must quickly learn the lessons these operation department people learned long ago, and which the energy crisis has now brought to public light.

Mr. Speaker, the pertinent sections of the two articles from the Tulsa newspapers which I have referred to previously follow. In the second article, two arguments are advanced by American Airlines for charging a higher fare for a more circuitous routing. These two arguments, however, are not novel. The Civil Aeronautics Board has addressed itself to both on at least two different occasions. Both cases, by the way, involved American Airlines. In the first case, American opposed another carrier charging the same fare for a more circuitous routing; in the latter case, American proposed the fare itself. In both cases, the Board permitted the fares to go into effect, and those routings are still in effect today. Indeed, in the Hartford situation—the Allegheny fare case—Allegheny now provides 16 flights daily between Hartford and Washington via Providence at the direct fare, even though it now has nonstop authority and provides 7 such flights daily. The Board's orders in these two cases follow the two Tulsa newspaper articles:

[From the Tulsa Daily World, Jan. 6, 1974]

AMERICAN BEGINS NEW TULSA-DALLAS FLIGHT

A new Dallas flight along with additional service to Chicago and Washington will be offered Tulsans by American Airlines starting Monday when January schedules become effective.

American also has cancelled two flights as part of the move to alter schedules in keeping with 1973 fuel allocations.

The new Dallas to Tulsa flight leaves the Texas city at 655 a.m. and arrives here at 7:46 a.m., A Washington-Chicago-Oklahoma City-Tulsa has been added, leaving Washington at 6:30 p.m. and arriving in Tulsa at 11:07 p.m.

American has cancelled Flight 156 from Dallas to Tulsa. That trip now makes up at Tulsa and leaves here at 4:20 p.m. with a 5:59 arrival in Chicago. The Chicago-Washington portion has been cancelled.

Flight 269 from Washington to Nashville to Tulsa is another schedule discontinued. Flight 356 now ends at Chicago instead of Washington. It leaves Tulsa at 11:45 a.m. and arrives in Chicago at 1:19 p.m.

Other changes by American affecting Tulsans include Flight 473 which used to originate at LaGuardia Airport in New York City. It now begins in Boston and arrives in Tulsa after stops at LaGuardia and St. Louis.

American officials said Flight 399, which departs Tulsa at 7:37 p.m. for Dallas will continue to El Paso effective Monday with schedule changes. It is due to arrive there at 9:41 p.m. Flight 164 which replaces 461, leaves Tulsa at 9:30 a.m. and arrives in Dallas at 11:18 a.m. It then continues to John F. Kennedy Airport in New York City, arriving at 3:53 p.m.

[From the Tulsa Tribune, Jan. 9, 1974]

AMERICAN HIKES FARES ON TWO FLIGHTS

(By Larry Levy)

In an attempt to conserve fuel while maintaining service frequency, American Airlines will operate two flights through Tulsa that will have higher than normal fares.

An evening flight from Washington will cost Tulsa passengers an extra $6 and one flight from Tulsa to New York will be $8 more.

Instead of the one-way Washington to Tulsa coach fare of $86 for its Washington, Chicago, Tulsa, Oklahoma City, Los Angeles flight, American is substituting a $92 Washington, Chicago, Oklahoma City, Tulsa flight.

Tulsa-bound passengers will be paying the same fare as the normal coach fare for those going to Oklahoma City. American officials said the flight was routed that way so it could be at its Maintenance & Engineering Center at Tulsa for overnight maintenance. The Oklahoma City fare was necessary to keep people going to Oklahoma City from purchasing the lower Tulsa fare and then getting off the plane early.

On another flight, American took its morning Tulsa, Oklahoma City, Dallas trip and extended it to New York City. A one-way coach trip to New York on that one plane will be $107 instead of the $99 for a plane that doesn't take the out-of-the-way jog.

The change in schedules has caused some problems among both travelers and ticket and travel agents because the Official Airline Guide was unable to publish the changes before they took effect.

[Docket 12291 et al. (E–17546)]

ALLEGHENY FARE CASE—PROPOSED ROUTING BETWEEN HARTFORD/SPRINGFIELD AND WASHINGTON

Decided October 5, 1961.

Found that proposed routing 30 to the extent that it is a rule or regulation affecting the fares between Hartford and Washington as contained on 18th revised page 26 of Agent C. C. Squire's CAB No. 44 will not be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or otherwise unlawful, and should be allowed to become effective.

Appearances: Herbert Elish for Allegheny Airlines, Inc.

Howard C. Westwood and William H. Allen for American Airlines, Inc.

Theodore M. Forbes, Jr., for Eastern Air Lines, Inc.

Susanne White for Bureau of Economic Regulation.

OPINION

By the Board:

Upon complaints filed by American Airlines, Inc., and Eastern Air Lines, Inc., this proceeding was instituted by the Board to determine whether routing 30, a rule or regulation affecting fares between Hartford and Washington proposed by Allegheny Airlines, Inc., is, or will be, unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or otherwise unlawful. Pending investigation, the fare is suspended.[1]

Pursuant to notice, a public hearing was held before Examiner William J. Madden, who has issued his initial decision. The examiner concluded that proposed routing 30, to the extent that it is a rule or regulation affecting the fares between Hartford and Washington, will not be unjust or unreasonable, or unduly discriminatory, or unduly preferential, or unduly prejudicial, or otherwise unlawful. He further concluded that the tariff provision should be allowed to become effective, the investigation terminated, and the complaints of American and Eastern dismissed.

Exceptions to the initial decision have been filed by Eastern. In lieu of briefs to the Board, Eastern and Allegheny rely on their briefs to the examiner, and bureau counsel adopts its statement of position previously filed.[2] Oral argument has been waived, and the case, accordingly, stands submitted for decision.

Upon consideration of the record and the contentions of the parties, we adopt as our own the findings and conclusions of the initial decision which is included herein. We will add only two comments.

1. Eastern claims that the proposed routing is not justified because Allegheny could achieve even better efficiency and better cost savings by using routings suggested by American which do not involve service to Hartford/Springfield and Providence on the same flight. However, the fact is that under both of American's proposals Hartford/Springfield and Providence would each receive only one round trip to Washington daily, whereas under Allegheny's proposed routing two daily round trips would be furnished in each of these markets. If American's proposed routings were followed but two daily round trips were provided Hartford/Springfield-Providence and Providence-Washington, Allegheny, instead of achieving cost savings, would incur increased direct costs estimated at $1,119.02, or $892.22 daily, depending upon which routing would be adopted. Accordingly, we reject Eastern's contention.

2. In its brief to the examiner, Eastern raised for the first time the contention that Allegheny cannot use Providence as an intermediate point between Washington and Hartford/Springfield to comply with the condition in its certificate that it shall schedule service to a minimum of one intermediate point, exclusive of New York, between Washington and Hartford/Springfield. The examiner granted Allegheny's motion to strike these pages of Eastern's brief directed to this argument, holding that the order of investigation did not place this question in issue, and moreover, Eastern should have raised the question at the prehearing conference. We agree with the examiner.

Even were Eastern correct in its assertion that under the issues we must consider whether the proposed routing conforms to Allegheny's certificate, our ultimate conclusion would be the same, since we find that Allegheny under that certificate, and consistent with the terms and conditions set forth therein, can operate flights between Washington and Hartford/Springfield with a single stop at Providence.

We have considered the remaining exceptions to the initial decision filed by Eastern and find that they do not alter our decision herein.

An appropriate order will be entered.

Boyd, Chairman, Murphy, Vice Chairman, Gurney, Minetti, and Gillilland, Members of the Board, concurred in the above opinion.

ORDER

A full public hearing having been held in the above-entitled proceeding, and the Board, upon consideration of the record, having issued its opinion containing its findings, conclusions, and decision, which is attached hereto and made a part hereof;

IT IS ORDERED—

1. That the tariff provision of Allegheny Airlines, Inc., containing proposed routing 30, to the extent that it is a rule or regulation affecting the fares between Hartford and Washington as contained on 18th revised page 26 of Agent C. C. Squire's CAB No. 44, be allowed to become effective;

2. That the investigation instituted in docket 12291 by order E–16614 on April 5, 1961, be terminated;

3. That the complaints of American Airlines, Inc., in docket 12255 and Eastern Air Lines, Inc., in docket 12253 be dismissed.

INITIAL DECISION OF EXAMINER WILLIAM J. MADDEN

Found that the proposed routing 30 to the extent that it is a rule or regulation affecting the fares between Hartford and Washington as contained on 18th revised page 26 of Agent C. C. Squire's CAB No. 44 will not be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or otherwise unlawful.

The route system of Allegheny Airlines includes segment 8 which extends between the terminal point Washington and the terminal point Boston via the intermediate points Philadelphia, New York, Hartford/Springfield, and Providence, among others. Allegheny is authorized to operate nonstop flights between Washington and Providence but flights serving Washington and Hartford/Springfield must serve at least one intermediate point exclusive of New York. The instant proceeding is concerned only with service which it will provide between Washington, on the one hand, and Hartford/Springfield and Providence, on the other, under a so-called proposed routing 30.

Under this proposed routing a flight will proceed out of Washington to Philadelphia, Hartford/Springfield, and Providence and return to Washington nonstop from Providence. A complementary flight will operate in the opposite direction, that is, out of Washington nonstop to Providence and thence to Hartford/Springfield, Philadelphia, and return to Washington. The following diagram shows the relative location of the cities, the routing plan, and the mileage over the segments.

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[1] Under the proposed routing, a clockwise flight would proceed from Washington to Hartford/Springfield and Providence, stopping at Philadelphia, and return to Washington nonstop from Providence. A counterclockwise flight would provide a northbound nonstop flight from Washington to Providence and thence to Hartford/Springfield and return to Washington, stopping at Philadelphia. Under this routing Allegheny would offer a Hartford/Springfield service from Washington at the present fare of $23.50 on the counterclockwise flight over a route of 423 miles, while at the same time otherwise unlawful. He further concluded a Washington-to-Providence service, 357 miles, at the existing fare of $26.90. (See appendix A.)

[2] American filed a letter in which it stated that it will not file exceptions in view of the narrow scope of the examiner's decision.

This somewhat unusual routing procedure has been devised by Allegheny as a means of providing for Hartford/Springfield-Washington and Providence-Washington the most direct services permitted under its authorization but with the minimum number of scheduled flights. Thus the clockwise flight will provide a one-stop northbound flight for Washington-Hartford/Springfield (the required stop being made at Philadelphia) and a nonstop southbound flight from Providence to Washington. The counterclockwise flight will provide the northbound nonstop flight from Washington to Providence and the one-stop flight from Washington to Hartford/Springfield (the required stop being made at Providence.) While the principal purpose of the routing is to provide the best service between Washington, on the one hand, and Hartford/Springfield and Providence, on the other, the routing also incidentally makes available a service in each direction between Hartford/Springfield and Providence, Hartford/Springfield and Philadelphia, and Philadelphia and Washington.

The controversy over this routing arises because Allegheny will be offering a Hartford/Springfield service from Washington at the present fare of $23.50 on the counterclockwise flight that makes the required intermediate stop at Providence, while at the same time and on the same flight it will be providing a Washington-to-Providence service at the existing fare of $26.90. The Hartford/Springfield passenger will be paying the lower fare for a flight over a 423-mile routing while the Providence passenger will be paying the higher fare over the 357-mile routing. The distance between Washington and Hartford/Springfield on the routing via Philadelphia is 315 miles. The circuity for the Hartford/Springfield passenger as related to the routing via Philadelphia is approximately 35 percent, and the 66-mile part of the journey beyond Providence to Hartford adds approximately 18 percent to the Washington-Providence segment.

There is no quarrel that the creation of a situation in which a higher fare is charged for the shorter journey is basically objectionable in the construction of rates and fares and Allegheny has submitted evidence which, it contends, establishes adequate reasons to allow the situation to obtain in this case. In addition to the basic objections to such a situation there is present in this case an element which has attracted a greater amount of concern from the objecting airlines; viz, the opportunity for possible abuse of the Washington-Providence fare. This abuse would take the form of a Washington-to-Providence passenger boarding the plane with a Washington-to-Hartford/Springfield ticket and deplaning at Providence and thereby obtaining transportation at a discount of $3.40 from the fare stated in the carrier's tariff.

Allegheny has established that if it is permitted to provide service under the proposed routing, significant cost savings will be achieved amounting to approximately $88,000 per year. This annual figure represents the difference in the direct cost of operating two round trips per day in the conventional manner and in the manner proposed under routing 30. Each round-trip flight under the conventional routing would involve 6 stops, at a calculated cost of $56.70 each while only 4 stops are required under routing 30. The mileage saving is 24 miles per round trip at a calculated direct cost of about 77 cents per mile.

Allegheny's calculations of the cost savings were not challenged but American suggested two routings under which Allegheny could achieve even larger savings of $122,000 and $160,000. In the former instance American's proposal would offer a flight between Washington and Providence stopping at Philadelphia in each direction and another flight between Washington and Hartford/Springfield, also stopping at Philadelphia. Under the second plan a Washington-Providence nonstop in each direction would be provided on a flight also serving Boston, Philadelphia, and Pittsburgh, with a separate flight operating between Washington and Hartford/Springfield and stopping at Philadelphia. While American's alternative suggestions are theoretically feasible they fail to provide for the operation of a service between Providence and Hartford/Springfield which is included in the routing proposed by Allegheny. American's suggestion that this failure is not significant because the market generated only 240 passengers in the second quarter of 1960 and that it is "abundantly" serviced by two other carriers is not adequate or acceptable.

From the standpoint of the cities of Hartford, Springfield, and Providence and the rights and protection extended to them by section 404(b) of the Act, it does not appear that operation of the proposed routing 30 should cause any concern. There has been no expression of such concern by or on behalf of either of these cities and while this apparent disinterest could be attributed to a lack of knowledge or understanding of the proposed routing there does not appear to be any grounds for concern.

While the Hartford/Springfield passenger from Washington using the counterclockwise flight will be "forced" to travel a greater distance than he would on the clockwise flight, he will be selecting the former flight for reasons related to his own convenience and not because other flights are not available, either on Allegheny's system or on the systems of American, Eastern, or Northeast, or on combinations thereof. In any event while the distance traveled on the counterclockwise flight will be greater, there will be a difference of only 1 minute in the elapsed time over the Philadelphia routing. The possibility that a Washington-to-Providence passenger might pay the same fare as a Washington-to-Hartford/Springfield passenger (for carriage to a "nearer" point) by resort to the abuse mentioned earlier is not of sufficient magnitude to constitute a preference for Providence over Hartford/Springfield within the meaning of opportunity for such abuse and the extent that it might attain are minimal.

As to the Providence passenger from Washington, there appears to be even fewer reasons for concern. He will have available, in addition to the nonstop flight, the choice of another schedule at a different time which will follow the routing via Philadelphia and Hartford/Springfield. The fact that the nonstop flight to Providence may also be carrying a Hartford/Springfield passenger who will continue beyond Providence and pay a lower fare cannot of itself constitute a real objection. To give weight to the bare existence of such a situation, where there is no tangible basis for objection, and especially in a situation such as presented here where significant advantages are apparent, would constitute a failure to recognize and preserve one of the inherent advantages of air transportation, contrary to the provisions of section 102(b).

To the extent that the objections of American and Eastern are based on possible abuse of the tariff provisions by some Washington-to-Providence passengers it does not appear that this possibility should preclude the use of the proposed routing. While the possibility exists, it would not be reasonable to assume that if abuse develops it would be otherwise than minimal and inconsequential in effect, and that it would fall short of justifying a rejection of the opportunity for Allegheny to extend a better service and increase the efficiency of its operations. The concern of American and Eastern gives a minimum of credit to the probability that Allegheny will be alert to the possibility of abuse, that abuse would be readily discernible, and that Allegheny would be disposed to devise and adopt appropriate measures to police the tariff. It certainly would have no intention or disposition to stand by and observe a loss of $3.40 on each of any significant number of tickets sold to Providence passengers. If necessary, appropriate tariff rules could be adopted requiring Hartford/Springfield passengers electing to use the counterclockwise flight to pay the Providence fare subject to a rebate being available upon deplaning at Hartford/Springfield. However such a protective provision or tariff rule is not suggested for adoption at this time.

The concern of American and Eastern about abuse also gives a minimum of credit to the fact that people are essentially honest. But even assuming a disposition toward dishonesty for a significant proportion of the Washington-Providence passengers, the absolute number of such passengers to whom the opportunity would be available is small. It must be remembered first that the opportunity to cheat would be available on only one of the four flights per day which would operate between Providence and Washington, the northbound nonstop. The number of prospective cheaters would be further reduced to those who do not elect to check their baggage, since it would be impracticable for a Providence-bound passenger to check his baggage to Hartford/Springfield and somehow thereafter reclaim it. A survey made by Allegheny during a selected week in May 1961 disclosed that out of the 199 Washington-to-Providence passengers, 148, or 74 percent, checked their baggage despite the fact that the aircraft was equipped with carry-on baggage racks for the use of passengers. While those baggage-checking passengers disposed to cheat would forgo the checking service, it is also reasonable to assume that many of the nonbaggage-checking passengers would eschew the opportunity.

American deprecates the elimination of baggage-checking passengers from the number of prospective cheaters contending that the saving on the ticket would be adequate incentive to forgo the service. It points out that in Allegheny's no-reservation commuter service between Pittsburgh and Philadelphia very little baggage is checked because on that service a charge of 9 cents per pound is imposed for the service. It is conceded that the Washington-to-Providence passenger disposed to cheat on the fare would use the carry-on baggage racks but the comparison with Allegheny's Pittsburgh-Philadelphia service is not valid. In that case there was an aboveboard, completely legal, readily discernible, and adequately published opportunity to obtain a significant saving on the trip cost. The opportunity to obtain passage to Providence at the Hartford/Springfield fare will not be published, it will be discernible to only a few travelers who are very sophisticated, tariffwise, and in turn it will be used by only a few of this select group who elect to furtively participate in an illegal scheme.

The prospect of any significant dollars and cents effect on other carriers becomes remote in the same degree that the prospect of the illegal use of the tariff becomes minimal. American does not contend that it will be affected by the financial impact but Eastern constructed an estimate of revenues exposed to diversion which is extravagant and unimpressive. On the basis of figures for the first 4 months of 1961, it calculated the revenues exposed to diversion at $106,000 per year and using figures for the year 1960 it obtained a revenue exposure figure of $322,000. To suffer the loss as calculated on either basis, Eastern would have to lose to Allegheny all of the local passengers it carried from Washington to Providence plus all of the passengers it carried to Providence from eight major cities south of Washington where Eastern competes for the Providence passengers with other carriers that have joint fare arrangements with Allegheny over Washington. Obviously Eastern is not going to lose Providence traffic to any such proportion of volume.

In its brief Eastern raised for the first time following the entry of the investigation order a contention that Allegheny cannot use Providence as an intermediate point between Washington and Hartford/Springfield to comply with the condition in its certificate that it shall schedule service to a minimum of one intermediate point, exclusive of New York, between Washington and Hartford/Springfield. Allegheny has moved to strike those pages of Eastern's brief directed to this argument. It is clear from the order of investigation that the Board did not intend to place this question in issue and in any event Eastern should have raised the question at the prehearing conference. The motion of Allegheny will be granted and accordingly the language in Eastern's brief on pages 7, 8, and 9 directed to this issue has been ignored.

On the basis of the foregoing findings and conclusions and all the facts of record, it is found—

1. That the proposed routing 30 to the extent that it is a rule or regulation affecting the fares between Hartford and Washington as contained on 18th revised page 26 of Agent C. C. Squire's CAB 44 will not be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or otherwise unlawful.

2. That said tariff provision should be allowed to become effective.

3. That the investigation instituted by order E–16614 on April 5, 1961, should be terminated and the complaints of American Airlines, Inc., in docket 12255, and Eastern Air Lines, Inc., in docket 12253, should be dismissed.

An appropriate order follows.

ORDER

A full public hearing having been held in the above-entitled proceeding, and, upon consideration of the record, there having been issued an initial decision containing findings and conclusions which is attached hereto and made a part hereof:

It is Ordered—

1. That the tariff provision of Allegheny Airlines, Inc., containing the proposed routing 30, to the extent that it is a rule or regulation affecting the fares between Hartford and Washington as contained on 18th revised page 26 of Agent C. C. Squire's CAB No. 44, be allowed to become effective;

2. That the investigation instituted by order E–16614 on April 5, 1961, be terminated;

3. That the complaints of American Airlines, Inc., in docket 12255, and Eastern Air Lines, Inc., in docket 12253, be dismissed.

[United States of America, Civil Aeronautics Board, Washington, D.C., Order 71–4–119]

ORDER DISMISSING COMPLAINT

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 19th day of April, 1971.

Fare and routing changes proposed by American Airlines, Inc., Docket 23228.

By tariff revisions[1] marked to become effective on April 25, 1971, American Airlines, Inc. (American) proposes to revise its fares and applicable routings between Los Angeles and Little Rock. Presently American publishes two local fares, one applying to direct service, and a second applicable via Memphis at a level equal to the Los Angeles-Memphis fare. American's proposal would cancel the second-level fare and routing and apply the direct fare to service via Memphis.

United Air Lines, Inc., (United) has filed a complaint urging suspension and investigation of the proposal, alleging that charging the direct-route fare for service via Memphis would cause substantial revenue losses for both American and United, since it would undercut both existing joint fares which apply for services connecting at Memphis and the direct Memphis-Los Angeles fares. United is concerned that Memphis-bound passengers would purchase the lower-priced Little Rock ticket and deplane at Memphis, either destroying or reselling the remaining Memphis-Little Rock ticket coupon and saving $6.48 in coach service. United maintains that it could lose $150,000 in revenue in the Memphis market if all its passengers used the lower Little Rock-Los Angeles joint fares it would be forced to establish.

American has not answered United's complaint.

Upon consideration of all relevant matters, the Board finds that the complaint does not set forth facts sufficient to warrant suspension, and consequently the request therefor will be denied. This matter is already under investigation in Phase 9 of the *Domestic Passenger-Fare Investigation*.

We recognize that the proposal will result in an anomaly in the fare structure, in that Little Rock-Los Angeles passengers traveling via Memphis will pay less than Memphis-Los Angeles passengers. On the other hand, it will result in additional service alternatives for Little Rock passengers at the direct-route fare.

American's proposal will, as alleged, make it possible for a Los Angeles-Memphis passenger to purchase a lower-priced Los Angeles-Little Rock ticket for his transportation. However, we are not persuaded that abuse of this sort will occur in significant degree. In any event, if such abuse should occur, we would expect that American would take appropriate measures to curtail it, since it likewise has an interest in preserving its revenues from service to Memphis.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204, 403, 404, and 1002 thereof,

It is ordered that:

1. The complaint of United Air Lines, Inc., in Docket 23228 is dismissed; and

2. A copy of this order be served upon American Airlines, Inc., and United Air Lines, Inc.

This order shall be published in the Federal Register.

By the Civil Aeronautics Board:

HARRY J. ZINK,
Secretary.

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[1] Revisions to Airline Tariff Publishers, Inc., Agent, Tariff C.A.B. Nos. 99 and 136.

HOUSE OF REPRESENTATIVES—*Thursday, February 14, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Thy Word is a lamp unto my feet and a light unto my path.—Psalms 119: 105.

O God and Father of us all, guardian of our pilgrim way and guide of our spirits through life, for this moment we would turn away from the clamor of a busy world to lift our hearts unto Thee that we may discern more clearly Thy will for us and for our Nation. Cleanse Thou our minds, strengthen our souls, give us wisdom, and make us ready for the responsibilities of these disturbing days.

Thy love divine hath led us in the past;
In this free land by Thee our lot is cast;
Be Thou our ruler, guardian, guide, and stay,
Thy word our law, Thy paths our chosen way.

In the spirit of Him who is the Way, the Truth, and the Life, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

REQUEST TO TRANSFER CONSENT CALENDAR

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Consent Calendar rule, clause 4, rule XIII, may be transferred from Monday, February 18, to Tuesday, February 19, 1974.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, I object.

ECONOMY AND EFFICIENCY OF INTERNATIONAL AIR TRAVEL BY GOVERNMENT OFFICIALS

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, under clause 8 of House rule XI, the Committee on Government Operations has jurisdiction over studying the operations of Government activities at all levels with a view to determining its economy and efficiency. In the fall of 1970, the Foreign Operations and Government Information Subcommittee, which I chair, began a study of the economy and efficiency of international air travel by Government officials. We found that the Department of Defense travelers—both civilian and military—were transported by the U.S. international air carriers at substantially lower rates than were the official travelers of the nondefense agencies. Efforts had been made over the years to obtain the lower rates for all U.S. Government official travelers but to no avail.

By unanimous vote, the House Committee on Government Operations approved and adopted our report entitled "Economy and Efficiency of International Air Travel by Government Officials," House Report No. 93–599, October 19, 1973. In the report it was recommended that:

> In view of the progress made during the course of the subcommittee's study—though

> tardily in most instances—the Committee's recommendations are limited to the following:
>
> 1. The Administrator of the General Services Administration should immediately issue appropriate policy directives to permit the Department of Defense to place a chartered air shuttle system into operation and require the Government's official travelers to use such system except when use of other means of overseas transportation are specifically justified on individual travel authorization and individually approved by the Head of the Department or Agency concerned.
>
> 2. The Secretary of Defense should—immediately upon receipt of a delegation of authority from the Administrator of the General Services Administration—direct its Military Airlift Command to establish and operate, under charter, a worldwide air shuttle system for the overseas transportation of all official overseas travelers.

In concluding our 1972 hearings on this subject, I urged officials of the General Services Administration to again attempt to negotiate fair and equitable rates with the scheduled airlines. I also asked the Comptroller General to determine whether the procedures followed by the Civil Aeronautics Board in determining special Department of Defense rates were adequate to produce a fair and equitable return for the airlines. Subsequently, I was advised that the special Department of Defense rates are in reality adequate to provide efficient carriers with an opportunity to earn 10.5 percent profit on this segment of their business.

Officials of the General Services Administration testified, during our 1973 hearings, that neither of the two larger U.S. international air carriers would consider lower rates for the Government's nondefense business in spite of the fact that many elements of their costs—such as travel agency commissions, special promotional advertising cost, credit card fees, and billing costs—are not attributable to Government passengers. Thus, it became necessary for our Government to look for other more efficient and more economical methods of transporting its official travelers.

Mr. Speaker, I am pleased to report that officials of the Department of Defense, the General Services Administration, the Department of State, and other agencies heavily involved in U.S. overseas operations—through mutual cooperation with one another—have developed a system for the mass transportation of all official overseas Government travelers. The airlift system—the initial phase of which will commence by May 1, 1974—will reduce the cost to the Government in transporting our overseas travelers from 7½ to 2½ cents per passenger-mile for the initial long leg of the travelers' journey. The Department of Defense computers estimate that the savings to the American taxpayers will be $20 to $30 million per year—each and every year.

During the past 14 years, the Department of Defense has contracted with certified U.S. air carriers—at rates set by the Civil Aeronautics Board—for plane load transportation of its civilian and military travelers and their dependents from the east and west coasts of the United States to appropriate points overseas. This system is now being expanded to include all Government official travelers and their dependents.

Essentially what this means is that official Government travelers will be transported in planeload groups between, say Dulles Airport and major airports overseas such as London, Frankfurt, Madrid, Rome, Athens, Istanbul, Ankara, Tokyo, Hong Kong, Saigon, Bangkok, Panama, and San Juan. Many of the Government's travelers are traveling on official business to these precise points. Others may be going to other nearby cities in connection with their official duties. In those cases, they will be transported to one of the foregoing major airports—at a cost of 2½ cents per passenger-mile—from which they will proceed to their final destination on regularly scheduled flights at regular commercial rates. For example, a State Department official assigned to Oslo, Norway, would be transported to London, England—3,658 miles—at 2½ cents per mile—on the governmental air shuttle at which point he would transfer to PanAm flight 102 and continue on to Oslo—730 miles, at 7½ cents per mile. Should this official instead be assigned to Moscow, why, of course, he could connect with a PanAm flight from London to Moscow. Currently, our Government is paying $291 to transport this State Department official to Oslo. Under the expanded Department of Defense airlift system, we will be paying less than $150. Savings on transporting our officials to locations in the Far East are even more impressive because of the initial longer distances involved—Washington to Tokyo equals $207 as compared to our current cost of $585.

As U.S.-flag carriers service the major overseas airports mentioned, I foresee no increased usage of foreign-flag carriers to transport our Government travelers. Naturally, I will expect the General Accounting Office to monitor this expansion of the Department of Defense airlift system to insure full use of U.S.-flag carriers.

Likewise, I foresee no increased cost to the Government as a result of layovers while travelers wait for ongoing transportation. Under current Government regulations, official Government travelers are permitted a rest stop in connection with most international flights because of the long distances involved. It is not unreasonable for an official traveler—after having flown for more than 17 hours on his way to an official duty station in the Orient—to be permitted a rest stop in, say, Tokyo before completing his trip. Here again, I would expect the General Accounting Office to monitor this expansion of the Department of Defense system to insure the utmost of economy and efficiency. After all, this airlift system has worked efficiently and economically for the Department of Defense for the past 14 years; thus, there is no reason to believe that it will not work equally well for the balance of the Government travelers.

Early during the deliberations on expanding the Department of Defense system to include all Government travelers, I asked the Chairman of the Civil Aeronautics Board whether there were any governing factors which might preclude governmental use of chartered aircraft to transport official governmental travelers and was assured that there were not. In view of the 14 years' history of the Department of Defense plane load charter system and the assurances from the Civil Aeronautics Board, it became apparent that new legislation is not needed to expand the already existing Department of Defense airlift system. Interestingly, the Secretary of the Department of Transportation in commenting on the proposed expansion of the airlift system stated that he felt the proposal has merit and should be developed.

Equally important, during our deliberations we considered how expansion of the Department of Defense airlift system to include all governmental overseas travelers would affect usage of our fuel supplies. Simply stated, it is more efficient, in terms of fuel usage, to fly a plane with a 100-percent seat occupancy than to fly with only a 50- to 60-percent seat occupancy. Also, looking to further fuel conservation in light of the present fuel emergency, the Civil Aeronautics Board, on November 16, 1973, issued an order to permit the U.S. scheduled international air carriers to transport Department of Defense plane load charter passengers on their scheduled flights—at the special charter rates. Not only can we save fuel, we can also fill up some of those empty seats for the air carriers—but at special Government charter rates, which is as it should be.

Mr. Speaker, what it all comes down to is this: What is the Government going to pay to transport its overseas travelers?

For the past 14 years, the Department of Defense has been transporting its overseas travelers in plane load groups at rates which are roughly one-third the rate paid by our other Government agencies. The Civil Aeronautics Board has reviewed these special rates yearly—for the past 14 years—and has concluded that the special rates will permit an efficient air carrier to earn a 10½-percent profit on this segment of its business. The General Accounting Office auditors have checked the Civil Aeronautics Board review system and found nothing to criticize. Thus, it seems only proper that the Government expand the Department of Defense airlift system to include all its overseas travelers.

We also are faced with the necessity of fairly distributing the Government's business to all segments of the U.S. air carrier industry. With the termination of direct U.S. involvement in South Vietnam, the Government's business with the U.S. international air carriers has dropped from a high of about $700 million in 1968 to roughly $400 million for 1973.

Our Government has a responsibility to see that this reduced Government business is fairly distributed to all segments of the U.S. international air carrier industry. This we can better do through the expansion of the Department of Defense airlift system to cover all governmental overseas travelers.

The expanded airlift system to London and Frankfurt will be in operation by May 1, 1974. Airlift service to the Mediterranean area will commence in

July 1974, followed by inclusion of the non-Department of Defense passengers in the currently existing Defense plane load charters to the Far East by the fall of this year.

Mr. Speaker, let there be no doubt, I come here firmly convinced of the wisdom of this proposed system. I will be most pleased to explain this matter further to any of our colleagues. Also, the subcommittee staff is available for in-depth explanation of the mass transportation system to be used to transport our overseas travelers.

I will also be most pleased to provide copies of our printed hearings and report on this subject matter to any colleague who wants copies. For immediate delivery, please phone the subcommittee office—extension 5371—and ask for House Report 93–599.

ADDRESS BY DANIEL P. MOYNIHAN, VICE CHAIRMAN, BOARD OF TRUSTEES, WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS, ON THE OCCASION OF THE 50TH ANNIVERSARY OF THE DEATH OF PRESIDENT WOODROW WILSON

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I was privileged to be present on February 3, 1974, at the Smithsonian Institution for an event marking the 50th anniversary of the death of President Woodrow Wilson.

Two distinguished Americans, former Ambassador George F. Kennan, and our present Ambassador to India, the Honorable Daniel P. Moynihan, delivered outstanding addresses on this occasion.

The event was sponsored by the Woodrow Wilson International Center for Scholars, of which Dr. James H. Billington is director.

Mr. Speaker, I ask unanimous consent to insert at this point in the Record the text of the address of Ambassador Moynihan, who also serves as vice chairman of the Board of Trustees of the Woodrow Wilson International Center for Scholars.

The address follows:

Address by Daniel P. Moynihan, Vice Chairman, Board of Trustees, Woodrow Wilson International Center for Scholars on the Occasion of the 50th Anniversary of the Death of President Woodrow Wilson

Woodrow Wilson once began an address to an occasion such as this by saying that when he thought of mankind he did not think of men in dinner jackets. This is not precisely so recorded by Arthur Link, but I was taught it by Ruhl Bartlett, and so much more of the same as to qualify as a third generation Wilsonian, studious of texts, but accepting as equally of apocrypha that evoke the spirit and the mystery of the man, as of the literal and undemanding facts. I will speak, as it were, from a mixture of both, for there is a Wilson who to any such as I still summons one to belief and disbelief and to a search for understanding of things necessary if not possible to know.

WILSON'S VIEW OF MANKIND

One would like to know, for it would matter, just what, if not men in dinner jackets, Wilson *did* think of when he thought of mankind. It is clear that once he entered politics he came more and more to think of the working masses whose party he was soon to lead. (I have argued elsewhere that the role of the International Labor Organization in his view of the League system was larger than generally appreciated, as was also the role of the ILO in the defeat of the Covenant.) He came to think, surely, of mankind as inclusive of persons who spoke other than English, and on his great Western tour in quest of the Covenant, would say so with a candor now quite lost to American public life:

"Do you know where Azerbaijan is? (He asked his audience speaking of the Peace Conference in San Francisco on September 18, 1919). Well, one day there came in a very dignified and interesting group of gentlemen from Azerbaijan. I did not have time until they were gone to find where they came from, but I did find this out immediately, that I was talking to men who talked the same language that I did in respect of ideas, in respect of conceptions of liberty, in respect of conceptions of right and justice. . . ."

It is at such points, of course, that one inclines to quarrel with Wilson: How can he ask us to believe that he believed such things? Worse: What if indeed he did? And for a new generation influenced at most by what I should suppose is now an attenuated Wilsonianism there are vastly greater difficulties of his concluding assertion:

"And I did find this out, that the Azerbaijanis were, with all the other delegations that came to see me, metaphorically speaking, holding their hands out to America and saying, 'You are the disciples and leaders of the free world; can't you come and help us?' "

I suppose there are among us those who would be willing to advise the Azerbaijanis on the correct pricing policies for crude oil, but for the rest . . . no, we fall back in disbelief. Even such as I do, who were taught, if anything, to move forward in acceptance.

What then does it matter what he thought of mankind? It matters because therein resides the essence of his quest for legitimacy in the world order, a quest which still eludes us, and which, if I am not altogether wrong, honesty requires that we acknowledge cannot any longer be successfully pursued in Wilsonian terms.

There is no mystery *here*. Wilson's was a profoundly optimistic, Christian view of man's condition. His vision of a world order was a religious vision: of the natural goodness of man prevailing through the Holy Ghost of reason. That it were Calvinist I will not contest; the distinctions are small, given the gulf between belief and disbelief, and it was neither reformed nor unreformed in its fundamentally Christian conviction that such visions are not in fact attained on earth. Or at very least, in its susceptibility to such conviction.

THE PUEBLO SPEECH

We gather on the anniversary of his death in Washington in 1924, but of course he died in the public sense on his way back from Pueblo, Colorado, on the night of September 25th, 1919. He was only once ever again to speak in public, on Armistice Day in 1924, a few weeks before the final end. The Pueblo speech is to be reread: the last of that Western tour. It is surely a premonition, an evocation almost, of death. A speech from the Cross. A speech to be sure by a Presbyterian St. Jerome, contesting texts to the very end, but a Passion withal. It is a premonition of his own death, and a prophesy, I suppose, of the death of the Western civilization that would not be saved, excepting always that those who believed would be saved, the City would not be saved: the City would be lost now to war and rumors of war.

The Biblican iambic, the New Testament ecstacy in that extempore speech are as moving as anything in the language of the American presidency:

"Again and again, my fellow citizens, mothers who lost their sons in France have come to me and, taking my hand, have shed tears upon it not only, but they have added, 'God bless you, Mr. President!' Why, my fellow citizens, should they pray God to bless me? I advised the Congress of the United States to create the situation that led to the death of their sons. I ordered their sons oversea. I consented to their sons being put in the most difficult parts of the battle line, where death was certain, as in the impenetrable difficulties of the forest of Argonne. Why should they weep upon my hand and call down the blessing of God upon me? Because they believe that their boys died for something that vastly transcends any of the immediate and palpable objects of the war. They believe, and they rightly believe, that their sons saved the liberty of the world. They believe that wrapped up with the liberty of the world is the continuous protection of that liberty by the concerted powers of all civilized people. They believe that this sacrifice was made in order that other sons should not be called upon for a similar gift—the gift of life, the gift of all that died—and if we did not see this thing through, if we fulfilled the dearest present wish of Germany and now dissociated ourselves from those alongside whom we fought in the war, would not something of the halo go away from the gun over the mantelpiece, or the sword? Would not the old uniform lose something of its significance? These men were crusaders. They were not going forth to prove the might of the United States. They were going forth to prove the might of justice and right, and all the world accepted them as crusaders, and their transcedent achievement has made all the world believe in America as it believes in no other nation organized in the modern world. There seems to me to stand between us and the rejection or qualification of this treaty the serried ranks of those boys in khaki, not only these boys who came home, but those dear ghosts that still deploy upon the fields of France."

He tells of visiting a cemetery in France where French women tended American graves:

"France was free and the world was free because America had come! I wish some men in public life who are now opposing the settlement for which these men died could visit such a spot as that. I wish that the thought that comes out of those graves could penetrate their consciousness. I wish that they could feel the moral obligation that rests upon us not to go back on those boys, but to see the thing through, to see it through to the end and make good their redemption of the world. For nothing less depends upon this decision, nothing less than the liberation and salvation of the world."

WILSON'S LEGALLY

What is one to make of this? Was he right? We have almost given off asking such questions, much less answering. But this, surely, is clear. It was very late in the history of the West to put any large public question in such terms. Carl J. Friederich and Charles Blitzer are correct, surely, that with the religious revival of the 17th Century, and the wars of that Century, "Once again, and for the last time, Life was seen as meaningful in religious, even theological, terms. . ." For the last time. A half century from Wilson, official belief is trivialized to the point of contempt and contemptibility. What will be more wondrous in two years time: that the Republic has survived two centuries, or that in a mere two centuries it has wholly lost the power to celebrate that survival. But one is not to pity the Bicentennial Commissioners, if there are any left, for their fumblings mirror our general fate. Nor for that matter lament the loss of the halo round the gun over the mantlepiece. A world without God, Woodrow Wilson's or whomsoever's, is necessarily a world without pity. Sentiment is not the same, and its origin is in fear not faith.

The world does not share his faith, much as individually we might wish otherwise; and we do not share his optimism. But we *can* share his sense of personal and national honor, his ethic of effort, his nerve of failure, his attention to the large capacities of the American people. It is the hope of our Center—his Center—to do that.

RELIEF FOR LOW-INCOME FAMILIES

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extent his remarks.)

Mr. DE LA GARZA. Mr. Speaker, American families with average or below average incomes are hard pressed by inflation, soaring costs of living, and high personal taxes. In this time of fuel shortage and of threatened shortages in other important areas of consumption, people are having to spend more to live worse.

Last year's inflation was the worst in 25 years, striking especially hard at families in the lower income brackets. Consumer prices as a whole rose 8.8 percent in 1973 and the trend is still up. Price increases were greatest for such necessities as food, housing, and fuel.

In an effort to bring some relief to the most seriously affected victims of this situation, I am introducing legislation that would reduce the average family's Federal income tax by up to several hundred dollars a year.

My bill is not complicated It simply proposes to permit taxpayers to take a $200 tax credit for themselves and each of their dependents instead of the present $750 personal exemption.

Each taxpayer would have the option of taking the $200 credit or continuing to use the $750 exemption. However, it would be to the advantage of nearly all families of low- or moderate-income to take the tax credit.

The $750 personal exemption only permits a percentage, its size depending upon total income, of that sum to be deducted from the tax to be paid. Under my plan, on the other hand, $200 for each family member would be deducted from the final tax bill. The saving to low-income families would be substantial.

In my south Texas district a great many families have incomes below $6,000 annually. A family of four with an income of $6,000 now pays a Federal income tax of $245, assuming standard deductions. Under my plan, that family would pay no tax at all.

A four-member family with an annual income of $8,000, taking standard deductions, now pays a tax of $569. My tax credit plan would reduce the tax to $333, a savings of $236.

Mr. Speaker, such sums as these are important to families struggling to keep a balance between inadequate income and inflated outgo. Furthermore, the money saved in taxes would be channeled immediately into consumer spending and stimulate the whole economy.

I respectfully solicit the support of my colleagues for this realistic proposal for giving a measure of tax relief to those who need it most.

LEGISLATIVE PROGRAM

(Mr. MILLER asked and was given permission to address the House for 1 minute.)

Mr. MILLER. Mr. Speaker, I have asked for this time in order to receive the program for the balance of this week, if any, and the program for next week from the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, if the distinguished acting minority leader will yield, I will be happy to answer the gentleman's request.

Mr. MILLER. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, the program for the House of Representatives for the week of February 18, 1974, is as follows:

Monday we will have the reading of George Washington's Farewell Address only.

Tuesday we will have the Private Calendar, and two suspensions, H.R. 1628, Veterans Education and Rehabilitation Amendments; H.R. 10834, Golden Gate National Seashore Act Amendments; and then we will have a conference report on H.R. 10203, the Water Resources Act.

For Wednesday and the balance of the week:

S. 2589, the National Energy Emergency Act conference report, which is subject to passage in the Senate,

H.R. 11793, Federal Energy Administration, vote on amendments and the bill,

H.R. 11035, Metric Conversion Act, subject to a rule being granted, and

H.R. 12670, Aviation Career Incentive Act, also subject to a rule being granted, and it is expected that the Committee on Rules will meet on Tuesday and Wednesday on these last two items.

In addition, of course, conference reports may be brought up at any time, and any further program will be announced later.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT TO MONDAY, FEBRUARY 18, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INCREASING THE PRODUCTIVITY OF SMALL FORESTS

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, in 1972, I was privileged to play a role in the enactment of Public Law 92–288 to further the protection and management of the Nation's privately owned forest lands. This legislation broadened the scope of cooperative State-Federal forestry assistance programs to private forest owners and processors by providing authority for an "urban and community forestry" program. It increased the appropriation authority under the Clarke-McNary Act for fire protection from $20 to $40 million. It increased the appropriation authority under section 2 of the Cooperative Forest Management Act of 1950 from $5 to $20 million.

The enactment of this legislation by the 92d Congress demonstrated national concern for our environment and renewed interest in the importance of the three-fifths of our forest lands which are in small private ownerships.

While the appropriation authorities were increased, no budget action has been taken by the administration or Congress to increase the dollars needed to catch up with forestry needs and inflationary costs. In the meantime, the Congress has enacted forestry incentives legislation to stimulate timber production on nonindustrial private forest ownerships.

The energy crisis has put a spotlight on forest products as a low energy conversion substitute for materials such as steel and aluminum. These materials respectively require 8 and 44 times as much energy as wood for conversion to usable products. Forest values have increased at a rate far outstripping the inflationary rate, thus the risks at stake in fire protection are much greater. The effect of inflation, of course, has reduced the ability of our public agencies to provide needed services to forest landowners and processors. New air and water quality standards require more dollars to meet the silvicultural and protection standards for prudent management and utilization of forest resources.

All of these factors evince the need to increase the funds available for cooperative forestry assistance. I note the President's budget contains small increases for cooperative forest management, general forestry assistance, and cooperative tree planting. This is commendable but the request falls far short of the needs. I propose asking the Appropriations Committee to include $12 million for cooperative forest management, $25 million for fire protection under the Clarke-McNary Act and $25 million for forestry incentives. I urge widespread support for these efforts.

If you will indulge me for a few moments, I will expand upon what I believe are the Nation's concerns in this regard.

Twice in less than a decade we have seen housing construction starts reach an annual level approaching the level needed to attain our goal of a decent home for each American. And each time we have seen shortages and high prices for lumber and plywood short-circuit our progress toward this national goal.

Impending shortages of timber and other forest based products have been forecast just as the current energy shortage was forecast. This year we have seen three independent reports confirm this status of our forest resources and outline the national policy and commitment that is required to avoid future shortages. The "outlook for timber in the *United States,*" the report of the President's Panel on Timber and the Environment, and the National Commission on Materials Policy Study, "Timber—The Renewable Material," all point to the same conclusions—to avert a timber problem similar in result to that we currently face in energy, we must manage this Nation's forests more intensively to produce more wood fiber without harming the air we breathe, the water we drink, our bountiful wildlife resources, and our splendid outdoor recreation playgrounds.

The forest industries of the Nation are currently managing their forests at a much more intensive level than any other category of forest ownership and this is to be expected. Our public forests are subjected to severe pressures to provide, in addition to timber, water, forage, wildlife habitat, and recreation opportunities in infinite variety. Millions of acres are being set aside for wilderness areas. Management for all these purposes must be intensified on public ownerships. However, these ownerships, industrial and public constitute only two-fifths of the commercial forests of the Nation.

My concern today and that addressed in our legislation in the last Congress is for the 296,000,000 acres of forests, 59 percent of the total, in the care of some 4 million private owners.

A recent study by the Trees For People Task Force of The American Forestry Association pinpoints the needs and concerns of this category of forest ownership.

These needs and concerns become the needs and concerns of the Congress and the Nation since nearly one-half of our annual timber supply is derived from these small privately owned forests. All the reports cited are in agreement that through improved management these forests can produce at double the rate they are currently producing and at the same time maintain and increase their contribution to the quality of our environment.

At the insistence of the Federal Government, State laws on air and water quality standards designed for the benefit of all our people are being enacted. These standards impact upon the activities of the small forest owner and require that he modify his actions to meet these environmental requirements. This owner is not generally a professional forest manager. He needs help to create and maintain the environmental conditions required by the regulations. To prevent these air and water quality regulations from becoming an intolerable burden, private and public assistance must be available to the forest owner to assist him in attaining the public goal of increasing productivity on his forest ownership without impairing the equally important environmental benefits.

To achieve this increase in productivity without adverse impact upon air and water quality, professional management assistance is required.

Twin concerns now and for the foreseeable future are energy and the environment. Wood and its products can be produced without significant adverse impact upon our environment, and in addition, its production, manufacture and use is conserving of energy. Converting raw wood to useable products requires less energy than aluminum or steel. Also it is renewable and biodegradable.

I now call your attention to program needs as I see them.

Protection from destruction by fire is basic if State and private forest lands are going to produce their optimum of goods and services for our Nation's needs. Forest fires not only cost the taxpayers millions of dollars each year in direct expenditures but they destroy many more millions of dollars worth of our natural resources. Many acres of timberland are burned and made nonproductive for years. It is a public responsibility to do all we can to reverse the current trend toward the increasing number of man-caused fires. A major reversal must be made for we can no longer accept the wasteful destruction of forest lands.

I was disappointed to note that no increase was indicated in the President's budget for the cooperative forest fire control program. It remains at the same level as fiscal year 1974. In fiscal year 1973 the Congress agreed on a $25 million level for this program. This increase was not made available to the protection agencies by the administration. Since then, inflation has kept fire organizations from making real progress in improving their capabilities.

Another objective of the new authority contained in Public Law 92–288 is to encourage the extension of forestry assistance beyond the rural forest into the communities and urban areas of the Nation. Forestry assistance is an integral part of efforts to upgrade urban and rural community environments. In my own State, foresters are assisting town and city governments in establishing provisions for retention, maintenance, removal, and utilization of trees. The foresters also provide assistance to developers in meeting these regulations for the benefit of all who live in and pass through these towns and cities. I know of similar pilot programs in Georgia, Kansas, and Missouri. All of these activities share a common problem, they are hampered by the shortfall between authority and appropriation.

We have provided authority in this legislation, we deliberated over its merits and found them to be extremely worthwhile, yet we have failed to carry through with our responsibility in providing the funds authorized. We have heard of the billions of dollars needed for a crash effort to become self-sufficient in the energy field in the next decade. Here we have in our grasp the means to make significant progress toward the goal of self-sufficiency in another important natural resource. Will we delay until it too becomes a crisis? Or will we begin now to make investments which will help to avoid that crisis in the future?

While I have confined my remarks to the forestry activities authorized under Public Law 92–288, I am aware of other pressing needs, such as protection from forest insects and diseases. Tree planting and stand improvement also must be considered in our deliberations in the months ahead.

I shall ask the Appropriations Committee to include increases for cooperative fire protection and forest management as they begin their work on the funding process—increases not to the full authorized amount, but to an amount commensurate with the need when viewed in the total context of our budget priorities. Increases, in my opinion, are warranted to bring appropriations to $12 million under section 2, and to $25 million under section 3 of the Public Law 92–288 authority. Approximately 100 of my colleagues cosponsored this important legislation with me. I urge you to again join in supporting the appropriations necessary to fulfill our commitment.

ENERGY DISASTER LOANS?—YES!

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. ROBISON) is recognized for 10 minutes.

Mr. ROBISON of New York. Mr. Speaker, there is an unreal quality about many things these days—an increasingly pervasive sense, as Congress can find no leadership and no consensus for action on so many fronts, that official Washington is doing an awful lot of "fiddling" while, all around it, things are getting ready to "burn."

Take the so-called energy crisis—which some say is not even there. Well, I am certain we have a crisis, and not a manufactured nightmare, though I will not take the time to detail why, again. But one of the troubles with that crisis is that, while it concerns and plagues all of us with its attendant uncertainties, inconveniences, and potential for demanding eventual changes in our lifestyles, it has not really touched the vast majority of us.

Colder living rooms, and long lines—now on odd or even days—for buying a few gallons of gasoline do not really add up to hardships and are inconveniences standing light-years away from disaster. American industry has had to change many of its ways in its new awareness of the need to conserve both fuel and energy—but it will roll successfully with that punch and, in many cases, even benefit from it; not to mention those segments of American industry that stand to profit enormously—and unfairly, unless we do something about it—as a direct result of our energy crunch.

But, here is where some of that unreality begins to come in—for there are others, and mostly small businessmen and their employees, to whom the energy crisis has brought, or threatens to bring, clear economic disaster. In our near-total preoccupation with the larger issues—how do we become energy self-sufficient, for instance, over the next few years—and the smaller issues—like whether or not gasoline rationing would do away with those service station lines—we have ignored, almost completely, those few citizens among us who have been caught right in the middle of the energy crunch and who do face, almost overnight, economic disaster.

I speak of the gasoline station owner-operator, himself; I speak of the automobile dealer who, up to his ears in big cars for which, at least today, there is no market, and unable to get enough small cars to meet even a tenth of his overhead has, in recent months, had to bail large sums of cash into his dealership-garage to meet his "floor-plan" payments and a minimum payroll; and I speak, too, of such people as the motel and resort proprietors who, like the gas station operator, the auto dealer, and probably others—small businessmen, all—now stand to lose their businesses, into which they have put a lifetime of toil, and all their savings, sometime in the next several months unless they have some help.

What kind of help, Mr. Speaker?

Well, surely their local financial institutions stand ready to help—in many cases—but at interest rates that are, themselves, disastrous; these small businessmen that have already borrowed all they can, locally, at prime interest rates these past few weeks just to keep their doors open until things get better, do not need any more of that kind of help.

I do not know if, for them, things are going to get better or not—nor how soon—though we can all certainly hope so. But, in the meantime, they do face, at least many of them, economic disaster of a sort demanding, I think Federal attention and help. My congressional district was one of those hard hit, year before last, by Hurricane Agnes. To its credit, both the administration and the then Congress came through, promptly and responsibly, with disaster loans through the Small Business Administration.

Agnes was a natural disaster—an act of God—not a manmade disaster such as the one I have been describing. But I think it matters little, in such circumstances, from whence disaster comes; the point is, if it is important to help these small businessmen, and their employees, and if it is an economically viable thing to try to do to help them over the present "energy-bump" so that they can stay in business, then we ought to do it, and do it now with the same sense of urgency that brought relief to the victims of Agnes.

In an effort to get things going in this direction, Mr. Speaker, I am today introducing a bill which authorizes the Small Business Administrator to provide low interest—3 percent—loans to small businesses to meet their operating costs where other financial assistance is not available to them on reasonable terms, and where the Administrator finds that such business concerns have suffered substantial economic injury as the result of a shortage in any energy producing material.

Mr. Speaker, I believe such relief is urgently needed, and I hope that this step on my part will become a rallying point for early action.

The bill follows:

H.R. 12843

A bill to amend the Small Business Act to provide low-interest operating loans to small businesses seriously affected by a shortage in energy producing materials

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end thereof the following new subsection:

"(i) (1) The Administration also is empowered, where other financial assistance is not available on reasonable terms, to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) at a rate of interest not to exceed 3 per centum per annum as the Administration may determine to be necessary or appropriate to assist any small business concern to meet operating costs, if the Administration determines that such business concern has suffered substantial economic injury as the result of a shortage in any energy producing material.

"(2) No loan under this subsection, including renewals and extensions thereof, may be made for a period of more than five years."

U.S. FERROCHROME INDUSTRY LOSSES FROM SANCTIONS VIOLATIONS

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

Mr. DIGGS. Mr. Speaker, the United States is currently violating a solemn legal undertaking which we were instrumental in formulating: the United Nations sanctions against the illegal minority regime of Southern Rhodesia. Since 1971, the U.S. Government has openly violated sanctions by means of the Byrd amendment—section 503 of the Military Procurement Act of 1971. Although the advocates of violating sanctions originally argued in terms of the need for chrome ore imports for the ferrochrome industry, the major item imported from Southern Rhodesia has in fact been ferrochrome. This has been a major factor in eliminating one ferrochrome producer, and creating great difficulties for others. The almost desperate position of U.S. ferrochrome industry, an industry of vital national security interest to the Nation because it produces the material required for stainless steel, has been temporarily alleviated by the steel industry boom at home and abroad. However, if we continue to increase our dependence on Rhodesian and South African suppliers for ferrochrome, and allow our domestic industry to go under, we could find the vital supplies for our national economy and defense disrupted at a vital point. This could easily happen for economic reasons, given the world demand for ferrochrome, or for political reasons, since Rhodesia is notoriously and increasingly unstable. It is ironical that the very advocates of violating a solemn treaty obligation to observe sanctions have been responsible for allowing the erosion of an industry of major importance to the national economy and our national security.

Mr. Norris B. MacFarlane, group vice president of Airco, Inc., a major U.S. ferrochrome producer, has outlined the danger to the ferrochrome industry which arises largely from accelerating imports from Southern Rhodesia and South Africa—using Rhodesian chrome ore, which would make it inadmissible into the United States if the Byrd amendment were repealed. I am inserting this important article from American Metals Market of May 23, 1973, in the RECORD at this point:

THINGS DO LOOK BETTER—BUT FOR HOW LONG?

(By Norris B. MacFarlane)

MONTVALE, N.J.—It looks like the rocky road the ferroalloys industry has been traveling for the past five years is taking a turn for the better. Domestic producers are operating at capacity: prices are beginning to firm and have reached their best levels in years. Things are looking better—for now.

The obvious reason for this resurgence is the unprecedented boom in steel production. Domestic manufacturers are predicting that shipments will top the 100-million-ton mark this year. And the forecast is for continued strong demand for steel, which should keep the pressure on ferroalloys production.

But for how long? Should ferroalloys producers consider expanding capacity? These are the questions that probably are uppermost in the minds of domestic producers today.

To get a true picture of what the future portends we need only look back six months to see what happened to the ferro-alloy industry when dislocations occurred in the steel industry.

Sure, everything is rosy when steel production is booming; especially now, when European and Japanese steel production is also running at record levels, when the net effect being to reduce the availability to United States steelmakers of low-priced ferroalloys imports.

And last year's poor showing will happen again as soon as world demand for steel eases—if some action isn't taken to curb imports by quotas, or to increase tariffs on imports sufficiently to give domestic producers a fighting chance.

Also, unless action is taken, there is no incentive for U.S. producers to expand capacity.

PRODUCTION CAPACITY LOWER

In ferroalloys, virtually all new capacity placed on-stream in the past five years or so has replaced older production facilities—primarily in the interest of pollution control. There are less kilowatts of ferroalloys capacity operating in the U.S. now than there were five years ago because of all the negative forces affecting the industry.

Stringent pollution control regulations not only have forced a great deal of capacity to shut down because of high equipment installation costs but also have increased the operating costs of controlled capacity tremendously. Greatly increased power rates, with the promise of more increases, and abnormally high construction costs are also to blame.

All this amidst prices which, although firmer now than for some time, are still about 20 percent lower than they were 15 years ago. Producers just cannot justify new plant construction—as long as these costs keep soaring and imports continue uncontrolled.

IMPORTS DOUBLED

According to the Ferroalloys Association survey mentioned earlier, imports of ferroalloys have more than doubled in volume in

1972 over 1961–66, and were 64 percent above the 1967–71 average. These figures must be considered in light of the fact that domestic consumption was only 12 percent higher in 1972, compared with 1961–66, and was virtually unchanged in 1972, compared with 1967–71.

Although imports of all ferroalloys—manganese, silicon and chromium—are a serious threat to the entire domestic industry, ferrochrome imports have created a unique situation for that product in the U.S.

In 1972, more than 40 percent of the ferrochrome consumed in this country was imported. And now, with one domestic producer already shut down, another on its way out of the ferrochrome business, and still another importing more and more ferrochrome to meet customer demands, we are forced into the unenviable position of exporting an important part of the U.S. ferroalloys business to offshore producers.

This situation is certainly not healthy for the stainless steel producers in the U.S., especially when, because of rising costs and imports, expansion of capacity cannot be justified and domestic producers will have to rely on imports to fulfill much of their needs.

Consider what would happen if, say, foreign steel producing interests contracted to buy South Africa's total ferrochrome output. For one thing, U.S. stainless steel producers would have to reduce their production rates drastically (for lack of ferrochrome), and stainless steel imports would soar. It would certainly take too long to try to expand ferrochrome capacity here to forestall permanent dislocations in the stainless steel business.

A CONSTITUTIONAL AMENDMENT TO PERMIT REMOVAL OF A PRESIDENT WHO HAS FORFEITED CONFIDENCE

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 20 minutes.

Mr. REUSS. Mr. Speaker, I am today introducing a resolution, House Joint Resolution 903 proposing an amendment to the Constitution to remedy a grave problem in representative government that the past year has shown to exist. By no stretch of the imagination could the amendment be enacted and ratified in time to affect the outcome of the constitutional crisis thrust upon us by Mr. Nixon. But we must give thought to future times.

The problem is how the United States is to be well governed, or perhaps governed at all, when the President is deemed to have lost the confidence of the Congress and the public, but refuses to step aside for the good of the country.

Public opinion polls are the least of the President's worries, of course. But the catastrophic plunge in the President's approval rating from 68 percent to 26 percent or lower symbolizes the demise of his ability to govern with the full effectiveness that modern times demand.

The people are convinced that he has lost the moral authority needed to lead. They have lost faith in him and his administration.

Yet they draw back from the trauma of impeachment. In the absence of a viable alternative, they prefer a crippled Executive to the dimly perceived evils they fear lurking throughout the impeachment process.

The same polls show a similar decline in public appreciation of Congress as an institution, and a decline in esteem for the individual Congressman. The public sees us, 535 strong, unable to enter upon any coherent policy, unable to move the administration upon a consistent policy designed to lead us out of our current troubles.

Of course we can and must do more than we have been doing. But it is to the Executive that the country must look for leadership, for execution of legislative policies, for planning and administration of the laws.

Under our present constitutional structure, the only way we can give them that kind of Executive is by the drastic remedy of impeaching the incumbent. As Lord Bryce said:

> The remedy of impeachment is so heavy it is unfit for ordinary use.

The House Judiciary Committee is now embarked on an investigation to determine whether grounds do exist for the impeachment of the President. However much the public may fear, and misconceive, the impeachment process, I am sure that we will not flinch our duty to do what we must upon the completion of the investigation. It may be that the committee will find that the President has committed impeachable offenses. We will act on that finding. It may be that the committee will find to the contrary. We will act on that finding.

But inability to lead, loss of moral leadership, presiding over an administration in shambles, possessing an aptitude to choose the wrong aides and subordinates—all these and many other faults are not impeachable offenses. If it is not shown that Presidential complicity in wrongdoings—whether indictable offenses or not—exists, we will not impeach, and we will not convict.

And the Presidency will stumble on. Things will grow worse. Congress can do a lot, but it cannot shoulder the burden alone.

Therefore, it seems clear that the necessity exists to develop an alternative method of removing the President—one that lets the people make the ultimate decision.

A parliamentary system has that alternative, of course. When the government loses the confidence of the people and of the legislature, it falls, and recourse is had to a new judgment of the people.

In the Federalist, Hamilton described the ideal of constitutional government—the idea of a constitution as a contrivance which not only empowers but confines government. He said:

> In framing a government which is to be administered by men over men the greatest difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is, no doubt, the primary control on government; but experience has taught mankind the necessity of auxiliary precautions.

Among the auxiliary precautions is, of course, impeachment. But the framers also structured the powers conferred in the Constitution to include an intricate system of checks and balances. Impeachment, as we have seen, is so frightful a remedy as not to be readily invoked.

If we recur to Hamilton's "dependence on the people" as "the primary control on government," we must provide a mechanism by which vigor and health and moral authority can be restored to the Executive.

The constitutional amendment I propose is aimed at that goal. It is a variation on the parliamentary system. Under it the legislative branch, by a vote of no confidence, can set in motion proceedings for a new election to determine the choice of the people.

While the proceedings are in motion, the President who has brought his administration to such a state would be required to turn over the Government to his Vice President to act in his stead.

Here is the rationale for the amendment.

First, if the President has managed to weaken his administration to such a point that Congress is willing to vote no confidence, and call for new elections, that President should not be left in office to muddle through until new elections are held. But, in order to relieve any unease that a Congress in the hands of an opposition party would use the vote of no confidence as a narrow partisan weapon to get rid of the President, the proper recourse is to follow the line of succession established by the Constitution and statute. Passing the office to the Vice President would mean that the same party would retain the Presidency. Such a step would also deter narrow partisanship, inasmuch as the new acting President would be expected to enter into a honeymoon with public opinion and thus would be a leading candidate in the election.

Second, the special Presidential election that follows the vote of no-confidence will take place in 90 to 110 days, or at the mid-term congressional election date if the no-confidence vote occurs after June 1 of that year. In practice, if the no-confidence vote occurred during the first 17 months of the Presidential term, or during the third or fourth years—in which a vote of no confidence would be increasingly less likely, because of the term's prospective running its course—the special election would occur in this 90 to 110 days.

If the election occurs at the regular November midterm congressional election date, the President would serve a regular 4-year term, right in phase with congressional elections.

If the special Presidential election is set at 90 to 110 days from the date of adoption of the concurrent resolution, the term would be the time between that special election and the next congressional election, plus 2 years—a total of around 3 years or so. Such a term is long enough to make the special election process worthwhile, while at the same time it gets back into phase with the regular congressional election dates at the earliest possible time.

Third, since the incumbent President against whom no-confidence is voted will have sat out a substantial part of his term, it seems only fair and equitable to exempt him from the two-term limitation and permit him to submit himself to seek vindication from the voters if he wishes to have a referendum on his conduct in office—assuming, of course, that his party will nominate him.

Fourth, while the vote of no-confidence and the stepping aside of the President is new in the U.S. system, it is by no means a radical proposal. It is common to parliamentary systems, and its development in England preceded the American Revolution. To adopt the no-confidence procedure would be a long way from adopting the total parliamentary system, however, since the new government to emerge from the election would be the American Presidential government, not a British parliamentary prime minister-cabinet system.

Fifth, we should not think of the special election as something unheard of in our system. At the Philadelphia Convention the framers deliberately structured the language of Article II, section 1, clause 5, so as to give Congress the option of calling a special election whenever both the office of President and the office of Vice President became vacant at the same time. Acting upon this authority, the Congress in the act of March 1, 1792, dealing with presidential succession, did provide for a special election in that event. This provision was law for some 80 years and, while the occasion never arose for its utilization, its existence should dispel any inclination to view with alarm this proposal.

Incidentally, the same act also appears to have intended to give the victor of such a special election a full 4-year term rather than the remainder of the vacancy.

Sixth, it should be noted that the amendment is not intended to make, and does not make, a vote of no-confidence something easily achieved. An extraordinary three-fifths majority is required. And one-third of the Senate and all the House will be running at the same time as, or shortly after, the new Presidential election, vulnerable to the criticism that they have acted vindictively or on trivial grounds.

More important than the actual removal of a President is the existence of the power to remove. This should lessen Presidential arrogance, and induce a President to consult and cooperate with the Congress. It should help check the erosion of congressional power by the President—excessive delegation of powers to the President, use of Executive agreements not requiring ratification rather than treaties, making war without congressional approval, impoundment of funds, Executive privilege. Both the Presidency and the Congress would be strengthened in the process.

Our system needs measures to prevent a continuing downward spiral of governmental vitality. A strong President and a strong Congress are both necessary. I therefore submit this proposed amendment in the hope that it will stimulate serious study and thoughtful discussion.

The text of House Joint Resolution 903 and an explanatory note, follow:

H.J. Res. 903

Joint resolution proposing an amendment to the Constitution of the United States relative to a Congressional vote of no confidence in the President

Resolved by the House of Representatives and the Senate of the United States of America in Congress assembled (two-thirds of each House concurring therein), That

The following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress.

"Section 1. Notwithstanding any other provision of this Constitution, the President of the United States may also be removed from office upon the adoption of a Resolution of No Confidence by the Congress in the manner hereinafter provided for. A Resolution of No Confidence shall be privileged in the House of Representatives and shall have precedence over all other bills, resolutions, and motions in the Senate. A three-fifths vote of the Members of each House present and voting shall be necessary to adopt such a resolution as a concurrent resolution.

"Sec. 2. Upon the adoption by Congress of a Resolution of No Confidence, the President shall relinquish all the powers and duties of his office to the Vice President, or, if the office of Vice President be vacant, to the next officer in line by law to succeed to the office of the President, who shall thereafter act as President until he is discharged pursuant to this article of amendment.

"Sec. 3. In the resolution of no confidence, Congress shall fix a date falling not less than 90 days and not more than 110 days from the date of adoption of the resolution for the calling of a special election for the choosing of electors for President and Vice President: *Provided*, that if the date of adoption occurs on or after the June 1 of the second year of the President's term, and at least 90 days prior to the date of the choosing of Representatives in Congress in that year, the special election shall coincide with the choosing of Representatives; and *Provided further*, that if the date of adoption of the resolution of no confidence occurs in the last year of the President's term, Congress in its discretion may forgo providing for a special Presidential election. The Clerk of the House of Representatives shall notify the Chief Executive of each state and of the District of Columbia of the date of the special election, and each state and the District of Columbia shall provide for the choosing of electors on that day. The convening and balloting of electors at a date specified by Congress, and the transmittal of the ballots to Congress which shall count them, shall be in the manner specified in the 12th and 20th articles of amendment.

"Sec. 4. If the election occurs at the time of choosing of Representatives in Congress, the President and Vice President chosen pursuant to this article of amendment shall enter upon their terms of office on January 20 of the year immediately following. If the election occurs at any other time, Congress in the resolution of no confidence shall specify a commencement date not less than 60 and not more than 75 days following the date of the election.

"Sec. 5. The term of office for the President and Vice President assuming office on January 20 of any odd-numbered year shall be four years. The term of office of the President and Vice President assuming office at any other date shall expire on January 20 of the next odd-numbered year which shall be more than two years following the date the commencement of the term.

"Sec. 6. Notwithstanding the Twenty-second article of amendment, the incumbent of the office of President at the time of adoption of the Resolution of no confidence shall be eligible to stand for election at the election herein provided for and to serve the term commencing thereafter.

"Sec. 7. The times, places, and manner of holding elections for presidential electors shall be prescribed in each State by the Legislature thereof; but the Congress may at any time make or alter such regulations.

"Sec. 8. Congress shall have power to enforce this article by appropriate legislation."

Explanatory Note

Section 1. The language of the first sentence is intended to make clear that this amendment would not supersede either the impeachment clause nor the Twenty-fifty Amendment. The second sentence is designed to make a resolution of no confidence privileged so that it could not be bottled up in committee but would have to be brought to the floor for a vote; the difference of language as between the two Houses recognizes the fact that the Senate does not really have any provision for privileged bills or resolutions as the House does. The language would not deal with the matter of the filibuster in the Senate.

Sec. 3. The language is intended to make the special election subject to all the other provisions of the Constitution dealing with the election of the President. As with the Constitution itself, the amendment would not deal with the selection of candidates by the parties through conventions or otherwise.

Sec. 7. The section is taken from Article I, section 4, clause 1, dealing with the election of Representatives and Senators. There is no similar provision in the Constitution dealing with presidential elections, and this absence has left in doubt Congress' power to legislate in this area. See the opinions of Justices Black and Harlan in *Oregon* v. *Mitchell*, 400 U.S. 112 (1970). It is intended to apply to all presidential elections.

STATEMENT ON INTRODUCTION OF EMERGENCY PROPERTY TAX RELIEF ACT

The SPEAKER. Under a previous order of the House, the gentleman from Utah (Mr. Owens) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, today I am introducing legislation which would encourage State and local governments to reform their real property tax systems to decrease the real property tax burden on low- and moderate-income persons 65 years and older.

Latest reports from the Bureau of Census show that a total of $45.9 billion was paid by the American populace in property taxes during the period between September 1972 and September 1973. This reflects an increase of 51.8 percent from January 1969 property tax figures.

This steep increase has been felt hardest by the older citizen. Persons over 65 pay an average of 8.1 percent of their total incomes for real estate taxes. Aged individuals with an income of less than $3,000 pay over 13 percent for this tax, and those with less than $200 per year incomes pay almost 16 percent.

The meager increases they receive in their social security or other retirement funds barely allow the aged to meet their living costs, and the increases are soon overshadowed by this regressive tax.

This legislation, the Emergency Property Tax Relief Act, is identical to S. 471, introduced on January 18, 1973, by Senator Frank Church and Senator Warren Magnuson, page S952 of the Congressional Record.

The Emergency Property Tax Relief Act provides for Federal financial assistance to States which establish a system of tax relief to aged persons of greatest need.

The relief, in the form of credit, refund or rebate, would generally be available, on a tier, or step basis, to households with incomes of not more than $6,000. Individual jurisdictions would apply directly to the Secretary of the Treasury for qualification for payments under this act.

The text of the bill is as follows:

H.R. 12840

A bill to encourage State and local governments to reform their real property tax systems so as to decrease the real property tax burden of low and moderate income individuals who have attained age 65

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Emergency Property Tax Relief Act".

SEC. 2. DEFINITIONS

For purposes of this Act—

(1) JURISDICTION.—The term "jurisdiction" means a State, a political subdivision of a State, and the District of Columbia.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Treasury.

(3) PERSONAL INCOME TAX.—The term "personal income tax" means a tax imposed by a jurisdiction on the income of individuals.

(4) REAL PROPERTY TAX.—The term "real property tax" means an ad valorem tax imposed by a jurisdiction on real property.

(5) QUALIFYING HEAD OF HOUSEHOLD.—The term "qualifying head of household" means an individual—

(A) who has attained age 65, and

(B) provides more than 50 percent of the support of a household which is his principal residence.

SEC. 3. REIMBURSEMENT TO JURISDICTIONS PROVIDING REAL PROPERTY TAX RELIEF TO LOW- AND MODERATE-INCOME OLDER INDIVIDUALS

(a) ENTITLEMENT TO REIMBURSEMENT.—If the Secretary determines that a jurisdiction has established a qualifying real property tax relief program which meets the requirements of subsection (b), he shall reimburse such jurisdiction for one-half of the qualifying revenue losses attributable to such program (as determined under subsection (c)) sustained by it during each fiscal year.

(b) QUALIFYING REAL PROPERTY TAX RELIEF PROGRAM.—For purposes of this section—

(1) IN GENERAL.—The term "qualifying real property tax relief program" means a program established by law of a jurisdiction which provides for eligible households a credit against a personal income tax or real property tax imposed by the jurisdiction, or a rebate or other cash repayment in lieu of

(2) ELIGIBLE HOUSEHOLD.—The term "eligible household" means a household of a qualifying head of household if the direct tax burden or indirect tax burden, as the case may be, of such household exceeds the applicable amount determined under the following table:

If the household income is:	And the direct tax burden exceeds:	Or the indirect tax burden exceeds:
$3,000 or less	4 percent of household income.	25 percent of household income.
Over $3,000 but not over $4,000.	$120, plus 5 percent of household income over $3,000.	25 percent of household income.
Over $4,000 but not over $5,000.	$170, plus 6 percent of household income over $4,000.	25 percent of household income.
Over $5,000 but not over $6,000.	$230, plus 7 percent of household income over $5,000.	25 percent of household income.

(3) HOUSEHOLD INCOME.—The term "household income" means the aggregate annual income of all individuals occupying the same household as their principal residence. For purposes of this paragraph, the term "income" means net income from whatever source derived and without regard to whether it is subject to the Federal individual income or the personal income tax of the jurisdiction in which the recipient resides.

(4) DIRECT TAX BURDEN.—The term "direct tax burden" means the amount of real property taxes imposed on the real property occupied as his principal residence by a qualifying head of household if such real property is owned, and such taxes are paid, by him or another member of the household.

(5) INDIRECT TAX BURDEN.—The term "indirect tax burden" means the amount of rent paid for occupancy of real property occupied as his principal residence by a qualifying head of household, if such rent is paid by him or another member of the household.

(c) QUALIFYING REVENUE LOSSES.—For purposes of this section, the qualifying revenue losses attributable to a qualifying real property tax relief program sustained by a jurisdiction during a fiscal year is the sum of—

(1) the credits allowed during the fiscal year with respect to eligible households against a personal income tax or real property tax imposed by the jurisdiction, and

(2) the rebates and other cash payments made during the fiscal year with respect to eligible households under such program.

but, with respect to any eligible household, only to the extent the amount of the credit, rebate, or other payment does not exceed $500, in the case of an eligible household which has a direct tax burden, or $300, in the case of an eligible household which has an indirect tax burden.

SEC. 4. ADMINISTRATION.

(a) APPLICATION, ETC.—

(1) A jurisdiction which desires to qualify for payments under this Act shall make an application therefor at such time, in such manner, and containing such information as the Secretary shall prescribe by regulations. Payments may be made to a jurisdiction only if its application is approved by the Secretary. The Secretary may not finally disapprove any application submitted under this Act, or any modification thereof, without first affording the jurisdiction submitting the application reasonable notice and opportunity for a hearing.

(2) Whenever the Secretary, after reasonable notice and opportunity for a hearing to a jurisdiction which has had an application approved under paragraph (1), finds that such jurisdiction no longer has a qualifying property tax relief program, he shall notify such jurisdiction that it will not be eligible to receive payments under this Act until he is satisfied that the jurisdiction has a qualifying property tax relief program.

(b) JUDICIAL REVIEW.—

(1) If any jurisdiction is dissatisfied with the Secretary's final action with respect to the approval of its application submitted under subsection (a)(1) or with his final action under subsection (a)(2), such jurisdiction may, within sixty days after notice of such action file with the United States court of appeals for the circuit in which the jurisdiction is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(c) PAYMENT.—Payment of the amount to which a jurisdiction is entitled for a fiscal year shall be made at such time after the close of the fiscal year as the Secretary shall prescribe by regulations.

(d) FISCAL YEAR.—For purposes of determining eligibility for, and the amount of, payments to a jurisdiction under this Act, any reference in this Act to "fiscal year" shall be considered to be a reference to the annual accounting period of such jurisdiction.

(e) REGULATIONS AND GUIDELINES.—The Secretary shall prescribe such regulations as may be necessary to carry out this Act and such guidelines as may be necessary to enable jurisdictions to apply for and qualify for payments under this Act.

(f) This Act is not to be construed to discourage States from establishing a qualifying real property tax relief program which provides credits, rebates, or payments benefiting eligible households in excess of the qualifying limitations established under this Act.

SEC. 5. APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEC. 6. EFFECTIVE DATE.

Payments may be made under this Act with respect to fiscal years beginning on or after January 1, 1974.

TO REDUCE REGRESSIVE SOCIAL SECURITY PAYROLL TAX

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, today, along with 24 cosponsors, I am refiling the legislation I filed earlier last week with Congressmen VANIK, CORMAN, and GREEN, H.R. 12489, for the purpose of reducing the regressive social security payroll tax from its present 5.85 to 3.9 percent. To accomplish this goal, the bill provides for an increase in the taxable wage base from $13,200 to $25,000 and introduces financing out of the Federal Government's general revenues.

Mr. Speaker, I have an enormous amount of respect for the Representatives of the people in this Chamber who have joined me in cosponsoring this legislation. In so doing, they have shown a keen sense of foresight, fairness, and most of all, a willingness to change a system that is patently unfair to millions of wage-earning Americans.

Mr. Speaker, the following list is a showcase of the men and women of this body who are true Representatives of the people. I hope the other Members will soon be adding their names to this list and begin to fulfill their obligation as elected Representatives of the people:

LIST OF COSPONSORS

Joseph Addabbo
Frank Annunzio
Edward P. Boland
Frank J. Brasco
George E. Brown, Jr.
Charles J. Carney
Shirley Chisholm
Walter E. Fauntroy
Michael Harrington
Ken Hechler
Henry Helstoski
Floyd Hicks
Joe Moakley
Thomas E. Morgan

Robert N. C. Nix
James G. O'Hara
Claude Pepper
Bertram Podell
Charles B. Rangel
Donald W. Riegle
Benjamin S. Rosenthal
John F. Seiberling
Gerry E. Studds
Robert O. Tiernan

THE TIMES OF THE AMERICAS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, 17 years ago this month, the first edition appeared of a brand new newspaper which was published in Havana, Cuba, by a small group of dedicated and hard-working U.S. citizens. Known as the Times of Havana, the paper covered the last 2 years of the Batista regime and the first 2 years of Castro. Eventually, Castro's policies made it impossible for a free press to continue to operate in Cuba and publication of the paper was moved to Washington.

The years since have not been easy ones, but as then editor of the Washington Daily News, John O'Rourke, wrote:

> The Times of Havana is proof of the old saying that nothing is harder to start than a good newspaper and nothing is harder to kill.

Despite all the hardships involved in moving the paper from one country to another, the Times, now known as the Times of the Americas has found a new home in the United States and established itself with its nationwide readership as a truly authoritative source of news on all Latin America.

As with every enterprise the story of the Times of the Americas success is the story of people and in this case of two brothers, Publisher Clarence Moore and Editor Carl Moore. Their diligence, many long hours of grueling work and dedication to the idea of the importance of Latin America to the United States have enabled them to succeed when lesser men would have given up.

On the occasion of the 17th anniversary of the Times of America I want to take this opportunity to salute Clarence and Carl Moore for the outstanding job they have done and to thank them for the great service they have performed for all of us who are interested in Latin America and the Caribbean.

A BILL TO HONOR SUSAN B. ANTHONY

(Mr. SYMINGTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYMINGTON. Mr. Speaker, as of today there is no legal holiday or day of recognition in this country which honors an American woman. Is not this an oversight of more or less cosmic proportions? If so it seems to me time to rectify it. A search through the history of this Nation produces many candidates for that signal honor. But, surely, the great American woman figure who stands in boldest relief is Susan B. Anthony, who fought all the great fights a century ago. When told at a public meeting that women were invited to listen and not to speak, she realized there were other bonds to break.

She worked all her life to establish a recognition not just of the equality of women, but of the magnitude of their contribution once equality was achieved. The date of her birthday is February 15. That it is but 1 day after Valentine's Day should remind us that the emotional response to womanhood should be followed by a practical act of awareness.

Together with the 32 cosponsors who have joined me thus far on this bill, Mr. Speaker, I hope it will find favor in this House.

DADE COUNTY GAS SHORTAGE

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, I would like to take this opportunity to discuss the gasoline redistribution order announced by Energy Administrator William Simon earlier this week. Mr. Simon has ordered gasoline supplies to be shifted from the 10 Midwestern States to 12 other States and the District of Columbia. The State of Florida was conspicuously absent from the list of States scheduled to receive additional gasoline.

It is inconceivable to me that Florida will not be one of the States to receive more gas, since FEO officials in the field have admitted that the southern half of the State is facing one of the most severe shortages in the Nation. In spite of this, Mr. Simon appears to be ignoring Florida's problem entirely.

The gasoline problem in south Florida has become intolerable largely because the Federal Energy Office seems to be incapable of adjusting the area's allocation to account for its rapid growth since the 1972 base period.

Under the present system, each gasoline retailer is required to apply individually to the Federal Energy Office for additional gasoline. As recent events in south Florida have shown, this system of allocation is unwieldy at best, and unworkable at worst. In this particular case, the Federal Energy Office has shown a talent for making the worst of a bad situation. No effort was made by the FEO to inform gasoline retailers of the need to apply for more gasoline, nor were the necessary forms readily available.

My colleagues and I from south Florida were finally able to prevail on FEO officials to go down to south Florida to take a firsthand look at the situation and to distribute and explain these incredibly complex forms to the gasoline retailers. Now we hear that Mr. Simon has decided to ignore his own staff people, as well as the people of south Florida, and send the gasoline somewhere else.

While I agree that Mr. Simon had to circumvent his own system in order to more equally distribute gasoline, I am dismayed at his indifference to the needs of the people of south Florida, and I have called upon Mr. Simon to rectify this situation as quickly as possible.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Iowa.

Mr. GROSS. I thank my friend, the gentleman from Florida, for yielding.

I think the gentleman should take note of the fact that we are trying to get gasoline to the people in the Northern States so that they can get down to Florida.

Mr. FASCELL. I think that is a great idea. We have suggested that probably would be the greatest conservation feature of the whole program.

SITING OF NUCLEAR POWER REACTORS

(Mr. McCORMACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, I have today submitted H.R. 12823, a new bill relating to the siting of nuclear power plants. This bill is cosponsored by the gentleman from Illinois (Mr. Price), chairman of the Joint Committee on Atomic Energy, along with Representatives Hosmer and Holifield who have worked so long to help build our nuclear power program. I believe this is an important piece of legislation, and I want to take this opportunity to call the Members' attention to it.

The purpose of this bill is to eliminate duplication and unnecessary delays in approving sites for nuclear power plants, preserve States' rights, provide a greater degree of local participation in decisionmaking, and maintain the maximum standards for protecting the environment and the public. I anticipate that if this bill is adopted and if the Atomic Energy Commission establishes a program of licensing reactors simultaneously with site selection by individual States, we may reduce the time required to get a nuclear power plant on the line by from 1 to 2 years.

In addition to transferring all nonnuclear decisions in choosing the locations for nuclear power plants to the individual participating States, the bill encourages the predesignation of approved sites for nuclear plants by the States, thus eliminating unnecessary litigation and delay in powerplant siting.

The bill also encourages the formation of interstate compacts wherein a group of contiguous States who may agree to act as a single governmental unit in locating nuclear powerplants and cooperating with the Atomic Energy Commission. Studies of possible future nuclear power parks are also proposed in the bill. Such parks might include several nuclear powerplants, along with nuclear fuel fabricating and reprocessing facilities and storage facilities for nuclear wastes.

The entire emphasis on this bill is to transfer as much authority as possible to the States. However, the States must agree to meet all of the safety and environmental standards of the AEC and to act promptly and decisively on requests by utilities for nuclear powerplant sites. This bill, if it becomes law, will save substantial time and considerable sums of money in getting nuclear powerplants on the line, thus helping in the long run to relieve the energy crisis. It will preserve States' rights, protect the environment, reduce the cost of electrical power, and increase the reliability of utility systems.

PAY INCREASE RECOMMENDED FOR MEMBERS OF CONGRESS

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, in view of the tremendous amount of the people's business that was not accomplished this week and the unburdensome schedule for next week, including two bills on the program for next week on which rules *have not even been* granted, I would suggest that Members of the House give a second thought and a second look at the 25-percent pay increase that has been recommended for them by President Nixon, and which may well go into effect without ever having been voted upon by Members of Congress.

That leads me to another observation and that is the groaning and crying and weeping in Congress, especially in the House of Representatives, about the power wielded by the President, the usurpation of power on the part of the President and the delegated powers to the President. It was this House and the other body which gave him the authority to determine pay increases for Members of Congress.

It seems to me the least the Members of the House of Representatives can do to demonstrate responsibility is to vote up or down on the issue of whether they get a 25-percent pay increase before the expiration of 30 days from the date the President recommended the pay increase.

On the basis of accomplishment since this session opened the Members do not deserve an increase in pay. Nor do they deserve an increase that is handed to them on a platter by the White House and on which those who may be opposed are precluded from a vote.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Miller) to revise and extend their remarks and include extraneous matter:)

Mr. Robison of New York, for 10 minutes, today.

Mr. Kemp, for 10 minutes, today.

(The following Members (at the request of Mr. James V. Stanton) and to revise and extend their remarks and include extraneous matter:)

Mr. Diggs, for 10 minutes, today.

Mr. Reuss, for 20 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Owens (at the request of Mr. James V. Stanton), for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Sikes in two instances and to include extraneous matter.

Mr. Hechler of West Virginia in two instances and to include extraneous matter.

(The following Members (at the request of Mr. Miller) and to include extraneous material:)

Mr. Crane.

Mr. Rinaldo.

Mr. Kemp in four instances.

Mrs. Holt.

Mr. Hanrahan.

Mr. Vander Jagt.

Mr. Biester.

Mr. Conable.

Mr. Treen.

Mr. Shriver.

Mr. Steelman.

Mr. Derwinski.

(The following Members (at the request of Mr. James V. Stanton) and to include extraneous matter:)

Mr. Mahon.

Mr. Edwards of California in two instances.

Mr. McFall.

Mr. Dingell.

Mr. Biaggi in five instances.

Mr. Natcher.

Mr. Roncalio of Wyoming.

Mr. Ullman in three instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Dent.

Mr. Adams in five instances.

Mr. Anderson of California in four instances.

Mr. Brooks.

Mr. Donohue.

Mrs. Sullivan in two instances.

Mr. Breaux.

Mr. Burke of Massachusetts.

ADJOURNMENT TO MONDAY, FEBRUARY 18, 1974

Mr. JAMES V. STANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 17 minutes p.m.), under its previous order, the House adjourned until Monday, February 18, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1889. A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend section 2575 of title 10, United States Code, to provide for more efficient disposal of lost, abandoned or unclaimed personal property that comes into the custody or control of military departments; to the Committee on Armed Services.

1890. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Older Americans Act of 1965 to extend the nutrition program for the elderly; to the Committee on Education and Labor.

1891. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report that no specialized or technical services were provided by NASA to State or local governments during calendar year 1973 under title III of the Intergovernmental Cooperation Act of 1968, pursuant to 42 U.S.C. 4224; to the Committee on Government Operations.

1892. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting the reports of the U.S. Water Resources Council and the Ohio River Basin Commission on comprehensive studies of the Wabash River Basin, Ill., Ind., and Ohio, and the Kanawha River Basin, N.C., Va., and W. Va., pursuant to 42 U.S.C. 1962a-3(b); to the Committee on Interior and Insular Affairs.

1893. A letter from the Director, U.S. Water Resources Council, transmitting the report of the Council, together with the report of the Great Lakes Basin Commission and the final environmental statement of the Council on Environmental Quality, on the Genesee River Basin, N.Y. and Pa., pursuant to 42 U.S.C. 1962a-3(b); to the Committee on Interior and Insular Affairs.

1894. A letter from the Director, U.S. Water Resources Council, transmitting the preliminary report of the Council on a comprehensive early-action plan for the Big Muddy River Basin, Ill.; to the Committee on Interior and Insular Affairs.

1895. A letter from the Chairman, Federal Trade Commission, transmitting the annual report of the Commission on its implementation and administration of the Fair Packaging and Labeling Act during fiscal year 1973, pursuant to section 8 of Public Law 89-755; to the Committee on Interstate and Foreign Commerce.

1896. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the proposed disposal of NASA land at the Goddard Space Flight Center, pursuant to section 207 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476a); to the Committee on Science and Astronautics.

1897. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to extend and improve the Nation's unemployment compensation programs, and for other purposes; to the Committee on Ways and Means.

Received From the Comptroller General

1898. A letter from the Comptroller General of the United States, transmitting a report on how more intensive reforestation and timber stand improvement programs by the Forest Service could help meet timber demand; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs.

H.R. 10834. A bill to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes; with amendment (Rept. No. 93-800). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK (for himself, Mr. Price of Illinois, Mr. Holifield, and Mr. Hosmer):

H.R. 12823. A bill to amend the Atomic Energy Act of 1954 to provide for improved procedures for planning and environmental review of proposed nuclear powerplants, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ADAMS:

H.R. 12824. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 12825. A bill to amend title 38 of the United States Code in order to increase the rates of educational assistance allowances; to provide for the payment of tuition, the extension of educational assistance entitlement, acceleration of payment of educational assistance allowances, and expansion of the work-study program, to establish a Vietnam Era Veterans Communication Center and a Vietnam Era Advisory Committee, and to otherwise improve the educational and training assistance program for veterans; to the Committee on Veterans' Affairs.

H.R. 12826. A bill to amend title 38, United States Code, to improve the veterans' education loan program, to authorize an action plan for employment of disabled and Vietnam-era veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ANDERSON of California:

H.R. 12827. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. BOWEN:

H.R. 12828. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for an additional 1-year period; to the Committee on Public Works.

By Mr. BURKE of Massachusetts (for himself, Mr. Addabbo, Mr. Annunzio, Mr. Boland, Mr. Brasco, Mr. Brown of California, Mr. Carney of Ohio, Ms. Chisholm, Mr. Fauntroy, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hicks, Mr. Moakley, Mr. Morgan, Mr. Nix, Mr. O'Hara, Mr. Pepper, Mr. Podell, Mr. Rangel, Mr. Riegle, Mr. Rosenthal, Mr. Seiberling, Mr. Studds, and Mr. Tiernan):

H.R. 12829. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. CONTE (for himself and Mr. Biester):

H.R. 12830. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. de la GARZA:

H.R. 12831. A bill to amend the Internal Revenue Code of 1954 to permit taxpayers to utilize the deduction for personal exemptions as under present law or to claim a credit against tax of $200 for each such exemption; to the Committee on Ways and Means.

By Mr. DIGGS (for himself, Mr. Fraser, Mr. Dellums, Mr. Rees, Mr. Adams, Mr. Fauntroy, Mr. Breckinridge, Mr. Stark, Mr. Nelsen, Mr. Gude, and Mr. Smith of New York):

H.R. 12832. A bill to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia; to the Committee on the District of Columbia.

By Mr. GUDE:

H.R. 12833. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. HALEY (by request):

H.R. 12834. A bill to authorize the measures necessary to carry out the provisions of Minute No. 242 of the International Boundary and Water Commission, concluded pursuant to the Water Treaty of 1944 with Mexico (TIAS 994), entitled "Permanent and Definitive Solution to the International Problem of the Salinity of the Colorado River"; to the Committee on Interior and Insular Affairs.

By Mrs. HANSEN of Washington (for herself and Mr. Meeds):

H.R. 12835. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HECHLER of West Virginia:

H.R. 12836. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating segments of the New River as a potential component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. LATTA:

H.R. 12837. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. MOLLOHAN:

H.R. 12838. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. OWENS:

H.R. 12839. A bill to provide for public and regular disclosure of lobbying activities undertaken to encourage the taking of specific actions by the Federal Government, and for other purposes; to the Committee on the Judiciary.

H.R. 12840. A bill to encourage State and local governments to reform their real property tax systems so as to decrease the real property tax burden of low and moderate income individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. PEYSER:

H.R. 12841. A bill to make it clear that the bonus value of food stamps is to be included in the "hold harmless" amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive; to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 12842. A bill to repeal the Emergency Daylight Savings Time Conservation Act of 1973; and to amend the Uniform Time Act of 1966 to repeal daylight saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBISON of New York:

H.R. 12843. A bill to amend the Small Business Act to provide low interest operating loans to small businesses seriously affected by a shortage in energy producing materials; to the Committee on Banking and Currency.

By Mr. SHIPLEY:

H.R. 12844. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes to the Committee on Interior ad Insular Affairs.

By Mr. SHRIVER (for himself, Mr. Hudnut, Mr. Wyman, and Mr. Roy):

H.R. 12845. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SLACK:

H.R. 12846. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 12847. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act to improve the protection of the public health and safety, to repeal the Filled Milk Act and the Filled Cheese Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. SULLIVAN:

H.R. 12848. A bill to amend the Federal Boat Safety Act of 1971 in order to increase the Federal Government's share of the costs of State boat safety programs during fiscal year 1975 and thereafter, and to increase the authorization for appropriations for such programs; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (for herself and Mr. Dingell):

H.R. 12849. A bill to establish a comprehensive program to insure the wholesomeness of fish and fishery products; to the Committee on Merchant Marine and Fisheries.

By Mr. SYMINGTON (for himself, Ms. Abzug, Mr. Badillo, Mr. Bingham, Mr. Brasco, Mr. Brown of California, Mrs. Burke of California, Ms. Chisholm, Mrs. Collins of Illinois, Mr. Corman, Mr. Dent, Mr. Dellums, Mr. Fraser, Mr. Fulton, Mrs. Grasso, Mr. Harrington, Mrs. Holt, Ms. Holtzman, Mr. Long of Maryland, Mr. Metcalfe, Mrs. Mink, Mr. Moakley, Mr. Murphy of New York, Mr. Pepper, and Mr. Riegle):

H.R. 12850. A bill to designate the birthday of Susan B. Anthony as a legal public holiday; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself, Mr. Roe, Mr. Rogers, Mr. Rosenthal, Mr. Sarasin, Mr. Stark, Mr. Stokes, Mr. Waldie, and Mr. Charles H. Wilson of California):

H.R. 12851. A bill to designate the birthday of Susan B. Anthony as a legal public holiday; to the Committee on the Judiciary.

By Mr. TAYLOR of Missouri (for himself, Mr. Hammerschmidt, Mr. McSpadden, Mr. Brown of California, Mr. Andrews of North Dakota, Mr. Mayne, Mr. Fisher, Mr. Bray, Mr. Bevill, Mr. Flynt, Mr. Litton, Mr. Ichord, Mr. Hamilton, Mr. Drinan, Mr. Randall, Mr. Charles Wilson of Texas, Mr. Robison of New York, Mr. J. William Stanton, and Mr. Duncan):

H.R. 12852. A bill to amend the Emergency Petroleum Allocation Act of 1973 to rollback the price of propane gas; to the Committee on Interstate and Foreign Commerce.

By Mr. VIGORITO:

H.R. 12853. A bill to amend the Food Stamp Act of 1964, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD:

H.J. Res. 902. Joint resolution to authorize the President to issue a proclamation designating the month of May 1974, as "National Arthritis Month"; to the Committee on the Judiciary.

By Mr. REUSS:

H.J. Res. 903. Joint Resolution proposing an amendment to the Constitution of the United States relative to a congressional vote of no confidence in the President; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H. Con. Res. 431. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. LONG of Maryland (for himself, Mr. TIERNAN, Mr. BRASCO, Mr. DELLUMS, and Mr. EILBERG):

H. Con. Res. 432. Concurrent resolution expressing the sense of the Congress that the United States should call an international conference to limit the sale of arms to the Middle East; to the Committee on Foreign Affairs.

By Mr. ANDERSON of California:

H. Res. 868. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

FEDERAL CIVILIAN EMPLOYMENT, DECEMBER 1973

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. MAHON. Mr. Speaker, I include a release highlighting the December 1973 civilian personnel report of the Joint Committee on Reduction of Federal Expenditures:

FEDERAL CIVILIAN EMPLOYMENT, DECEMBER 1973

Total civilian employment in the Executive, Legislative and Judicial Branches of the Federal Government in December 1973 was 2,810,239 as compared with 2,795,567 in the preceding month of November—a net increase of 14,672. Total pay for November 1973, the latest month for which actual expenditures are available, was $2,965,256,000.

Employment in the Legislative Branch in December totaled 34,105—an increase of 255, and the Judicial Branch decreased 257 during the month to a total of 8,682. These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Federal Expenditures.

EXECUTIVE BRANCH

Civilian employment in the Executive Branch in December, as compared with the preceding month of November, with June six months ago and with December a year ago, follows:

	Full-time in permanent positions	Change	Temporary, part-time, etc.	Change	Total employment	Change
Monthly change:						
November 1973	2,426,093		326,685		2,752,778	
December 1973	2,432,473	+6,380	334,979	+8,294	2,767,452	+14,674
6-month change:						
June 1973	2,421,700		359,189		2,780,889	
December 1973	2,432,473	+10,773	334,979	−24,210	2,767,452	−13,437
12-month change:						
December 1972	2,457,667		331,083		2,788,750	
December 1973	2,432,473	−25,194	334,979	+3,896	2,767,452	−21,298

Some highlights with respect to Executive Branch employment for the month of December and during the first six months of fiscal year 1974 are:

Total employment in the month of December for executive agencies shows an increase of 14,674, primarily in Postal Service with 14,397, Treasury with 1,947 and Health, Education, and Welfare with 1,543. The major decrease was in Agriculture with 1,771.

During the first six months of fiscal year 1974 total employment in the executive agencies decreased 13,437, primarily due to a decrease of 19,175 in Defense agencies. Much of this six month change is due to seasonal factors and summer youth employment.

Full-time permanent employment in the executive branch increased 6,380 during December and 10,773 over the first six months of fiscal year 1974. The increases were primarily in Postal Service, Health, Education, and Welfare, and Treasury; and the Defense agencies showed a major offsetting decrease over the six month period.

Based on the present level of full-time permanent employment in December it would appear that the President's new budget requests would provide for an increase of more than 48,000 by the end of the current fiscal year on June 30, 1974 and an additional 22,200 by the end of fiscal year 1975.

BUDGET PROJECTIONS

The following is a summary of full-time permanent employment—the relatively stable hard-core of federal civilian employment (excluding categories of temporary employment which are subject to sharp seasonal fluctuations)—comparing December 1973 with June 1973 and with the budgeted projections for June 1974 and 1975, contained in the 1975 budget document submitted by the President on February 4, 1973:

	Civilian agencies	Military agencies	Total
December 1973	1,449,641	982,832	2,432,473
June 1973	1,434,419	987,281	2,421,700
Budget projections:			
June 1974	1,455,300	1,025,300	2,480,600
June 1975	1,477,800	1,025,000	2,502,800

In addition, Mr. Speaker, I would like to include a tabulation, excerpted from the joint committee report, on personnel employed full-time in permanent positions by executive branch agencies during December 1973, showing comparisons with June 1972, June 1973, and the new budget estimates for June 1974:

FULL-TIME PERMANENT EMPLOYMENT

Major agencies	June 1972	June 1973	December 1973	Estimated June 30, 1974 [1]
Agriculture	82,511	81,715	78,997	80,200
Commerce	28,412	28,300	27,975	28,600
Defense:				
Civil functions	30,585	29,971	28,506	28,700
Military functions	1,009,548	957,310	954,326	996,600
Health, Education, and Welfare	105,764	114,307	120,942	[2] 123,900
Housing and Urban Development	15,200	15,820	15,194	14,800
Interior	56,892	56,771	56,708	58,900
Justice	45,446	45,496	46,892	48,900
Labor	12,339	12,468	12,216	12,700
State	22,699	22,578	22,460	23,400
Agency for International Development	11,719	10,108	9,618	9,900
Transportation	67,232	67,885	67,249	69,500
Treasury	95,728	98,087	102,043	104,700
Atomic Energy Commission	6,836	7,145	7,305	7,400
Civil Service Commission	5,260	5,911	6,087	6,100
Environmental Protection Agency	7,835	8,270	8,537	9,200
General Services Administration	36,002	35,721	35,469	37,200
National Aeronautics and Space Administration	27,428	25,955	25,682	25,000
Panama Canal	13,777	13,689	13,709	14,000
Selective Business Administration	3,916	4,050	3,955	4,100
Selective Service System	5,791	4,607	3,437	3,100
Tennessee Valley Authority	14,001	13,995	13,553	14,000
U.S. Information Agency	9,255	9,048	8,871	9,100
Veterans' Administration	163,179	170,616	171,526	173,400
All other agencies	33,499	34,603	34,449	37,300
Contingencies				2,000
Subtotal	1,910,854	1,874,417	1,875,706	1,942,700
U.S. Postal Service	594,834	547,283	556,767	537,900
Total [3]	2,505,688	2,421,700	2,432,473	2,480,600

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[1] Source: As projected in 1975 budget document submitted by the President on Feb. 4, 1974.

[2] Excludes 4,000 positions involved in proposed transfer of St. Elizabeths Hospital to the District of Columbia.

[3] December figure excludes 972 disadvantaged persons in public service careers programs as compared with 1,043 in November.

LITHUANIA WILL CELEBRATE HER INDEPENDENCE ON FEBRUARY 16

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. HANRAHAN. Mr. Speaker, on February 16, the great country of Lithuania will celebrate the anniversary of her independence. Accordingly I would like to submit the following resolution by the Lithuanian American Society for inclusion in the CONGRESSIONAL RECORD:

RESOLUTION

Metropolitan Washington area residents, gathered on February 10, 1974, at the Washington Hotel under the auspices of the Lithuanian American Society and Community to observe the Lithuanian Independence Day, extend their greetings to the freedom loving people of Lithuania and bring the following resolutions to the attention of the President, the Secretary of State, and Members of Congress of the United States:

Recalling President Nixon's second Inaugural Address wherein he reaffirmed the principle "that no country has the right to impose its will or rule on another by force" and urged a structure of peace in the world "in which the weak are as safe as the strong," we regret to note that the Government of the United States, as far as is known, had undertaken no initiative in 1973 to remove one of the remaining obstacles to peace and security in Europe—the continuing occupation and subjection of Lithuania, Latvia and Estonia by the Soviet Union. This was particularly evident at the Conference on European Security and Cooperation initiated by the Soviet Union to legitimize postwar frontiers. In the instance of the Baltic States, such frontiers were imposed by the Soviet Union in connivance with Nazi Germany. The United States, on July 23, 1940, had condemned the Soviet aggression against the Baltic States and never recognized their forcible absorption by the Soviet Union.

President Nixon, in his second Inaugural Address, affirmed: "We shall answer to God, to history, and to our conscience for the way in which we use these years." The continuing oppression of the people of occupied Lithuania by the Soviet Union violates the United Nations Charter the Universal Declaration of Human Rights and the Genocide Convention ratified by the Soviet Union, as well as the Nixon-Brezhnev statement of principles of 1972, in addition to the violation of peace, nonaggression and friendship treaties concluded by the Soviet Union with Lithuania, Latvia and Estonia.

Therefore, we urge the Administration to move from a passive policy of nonrecognition and to initiate sustained diplomatic efforts to convince the Government of the Soviet Union that restitution of sovereignty to Lithuania, Latvia and Estonia would enhance the true interests and security of the Soviet Union itself, and the trust in, and respect for, the Soviet Government and its policies and would mark a giant stride in creating a structure of peace envisioned by President Nixon.

The President's scheduled visit to Moscow should provide the opportunity to test the Kremlin's credibility and sincerity in upholding durable peace based on justice and non-interference in internal affairs of other states.

ECONOMIC AND SOCIAL OPPORTUNITIES, INC., OF SANTA CLARA COUNTY, CALIF., MAKES DRAMATIC RECOVERY

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. EDWARDS of California. Mr. Speaker, I would like to tell you and my colleagues a most heartening success story about an antipoverty program in my district.

Richard J. Rios became the executive director of Economic & Social Opportunities, Inc. on December 6, 1971. ESO is a nonprofit charitable community action agency which serves Santa Clara County in California. Mr. Rios inherited a very difficult job. At that time ESO was on the verge of collapse. Past funding had been mismanaged and financial records were a mess. Slighted subcontractors and consultants were filing suits against the agency for payments which past administrations failed to pay. Community support was severely lacking, and $16,000 worth of office equipment and furniture was missing.

It was at this point that ESO, with Rios at the head and some determined volunteers, began to fight for its life. An unqualified open-door policy was established to show the community and the government that ESO would not hide anything and that it was truly an organization for the community. This policy proved to be very effective. Community support began to grow and missing property began to mysteriously materialize until all was recovered. Overhead costs were cut by almost $10,000 per year by consolidating their efforts into one office.

In order to make effective funding decisions a funding task force was established composed of one-third public, one-third private, and one-third low-income persons. At one point the California State Office of Economic Opportunity Auditors made a surprise audit. The audit showed that under the new management ESO had no disallowed expenses at all. This was truly an amazing feat. ESO's Richard J. Rios was recently recognized as citizen of the month by a local television station.

ESO has made an astonishing and difficult recovery. It stands as a tribute to the sacrifices and many hours of work Mr. Rios and many others put into the organization. ESO's motto, "If you just want a job, you won't find it at ESO; this is a way of life," typifies the effort each member of ESO makes. I send my warmest congratulations to Richard J. Rios and his staff for a job well done.

DR. GERALD MURPHY, DIRECTOR OF ROSWELL PARK MEMORIAL INSTITUTE, TESTIFIES ON CANCER CONTROL PROGRAMS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. KEMP. Mr. Speaker, cancer centers, and the research promoted therein are an integral part of our community and our country. Western New York is indeed fortunate to have Roswell Park Memorial Institute, one of the most progressive and well-directed cancer centers in America, at our disposal. It is vitally important to the citizens of this Nation that we continually expand our knowledge in the area of cancer research, and support our many worthy centers across the country.

Mr. Speaker, with this in mind, I would like to insert into the RECORD the testimony of Dr. Gerald P. Murphy, director of Roswell Park Memorial Institute, Buffalo, N.Y. Dr. Murphy is a member of the President's National Cancer Advisory Board, chairman of the Cancer Control Committee, and president-elect of the New York State American Cancer Society.

On February 7, 1974, Dr. Murphy presented the following testimony on the National Cancer Act of 1971:

TESTIMONY OF DR. GERALD P. MURPHY

Mr. Chairman, I would like to testify on the importance of Cancer Centers and their associated impact on community outreach cancer control programs. I refer particularly to those programs mounted by Comprehensive Cancer Centers authorized by the National Cancer Act of 1971. Moreover, I wish to stress the necessity to review this Act at this time. As you know, Roswell Park Memorial Institute and its large constituency supported this Act when this Committee held its hearings at the Institute in Buffalo, New York on 11 October, 1971.

Mr. Chairman and members of the Committee, I am Dr. Gerald P. Murphy, Institute Director of Roswell Memorial Institute in Buffalo, New York. Our Institute is the oldest and one of the largest Comprehensive Cancer Centers in the world.

I am also a member of the President's National Cancer Advisory Board. In addition, I am Chairman of the Cancer Control Committee on the Advisory Board. Moreover, I am President-Elect of the New York State American Cancer Society, and a Director-at-large of the Society.

As I stated above, I support the renewal of the National Cancer Act of 1971 which expires June 30, 1974. The consensus of many segments of the medical and scientific community agree that the Act has worked well since its inception; however, as in all new ventures; there is room for improvement and expansion. The following are my impressions:

1. One feature the Act should make more strongly, I feel, is the necessary provisions to insure that the National Cancer Program continues to be unique from other Health Institute programs. I feel that these incon-

sistencies could be more administratively answered by reinforcing the position of the National Cancer Institute Director.

2. The provisions for full staffing to effectuate the National Cancer Plan, I feel, should be reinforced by increasing special positions from 50 to 100 and that they be specified as not to be counted in the usual allotment of staff positions to the NCI, but be additions. People to review and maintain a high quality program are as essential as the program itself.

3. The authorization for centers should be continued, the number to be determined by the assessment of the needs throughout the country. In addition, construction authority for centers should not be limited to only clinical centers. However, in stating this, I feel there should be some balance. Building more laboratories is fine, but we must recognize that we need Comprehensive Cancer Centers that are going to result by 1974 or 1977 to an increase of the number of cancer cures. In discussing Comprehensive Cancer Centers, I feel it is important to point out that such newly identified projects cannot be totally supported by federal funds. Federal assistance is, in my opinion, intended to provide only Core program aid. Such centers must have local support to assure their success and future availability. The State of New York has in this regard been most generous to our own Institution in Buffalo throughout its 75-year history. Others must in some form do likewise, for a Comprehensive Cancer Center cannot stand alone.

4. On page 6, section 410C, paragraph (b) subsection (1) the words "for direct costs" should be inserted after $35,000. The National Cancer Institute Director should be given explicit authority to allocate this money for the direct costs of cancer research and training without additional interpretations or limitations. This appears to have been the case in allocating $35,000 grants as originally described in the Act of 1971.

5. As regards to the level of appropriation and in view of the cost of everything, I urge support that we amend section 410C of the Act for the next three years by increasing these levels respectively changing $400,000,000 to $750,000,000, $500,000,000, to $830,000,000 and $600,000,000 to $985,000,000. These changes would then be for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, respectively.

6. In section 409 Cancer Control Program, I feel that this section should be amended by striking out "and" before "$40,000,000 and by inserting the following increased levels of appropriations, $65,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, and $95,000,000 for the fiscal year ending June 30, 1977. We need to increase the amount for cancer control.

7. The review of this Act must make some provision for evaluation of effectiveness or impact of this program, for, the American people, and I believe all sectors of government have a right and a need to know in defined, reassured steps how this expanded war on cancer is progressing, and what it has meant to all of us. Mr. Chairman, I am sure that such information is available and can be provided. However, to define and provide for this information would be reassuring to all those involved in concern over our national health care.

Mr. Chairman, implicit within the National Cancer Control Program is the urgent need to educate the public and the medical profession. The results of research and study in cancer prevention, detection, therapy, rehabilitation and continuing care must be communicated in an appropriate form to the physicians, nurses and paramedical personnel who see and treat some 90% of this country's cancer patients and to the lay public who must play an active role in preventing and detecting cancer. Greater emphasis must be undertaken by Comprehensive Cancer Centers to reach the practicing physicians who undertake the primary care of the cancer patients. These physicians therefore should not only be informed of the most up to date and effective techniques in cancer prevention, detection and treatment but they should also be motivated in turn to educating their patients in methods of prevention and detection. The success of the cancer control program hinges on how well we outreach and as well coordinate our efforts with other established voluntary and federal health agencies. Comprehensive Cancer Centers are in some present aspects in the best position to outreach by sending out teams to community hospitals and providing consultative service to office based physicians and by such centers establishing effective use of established media, i.e., press, radio, television, films, brochures. At Roswell Park Memorial Institute, we are doing this but need to do this at a greater level and we, like other Comprehensive Cancer Centers, need funds to expand and enhance our programs in these directions.

On February 15, the NCI will review a number of applications from Comprehensive Cancer Centers in this country which are seeking awards for financing these outreach cancer programs. However, the current level of funds for cancer control programs for these eventual awards will only cover the beginning of this program.

8. My last point, Mr. Chairman, I feel is also important. Whereas cancer centers and the academic world are responsible for developing new knowledge and for training cancer specialists, we have seen funds, particularly for training, greatly curtailed. There are recognized shortages of certain cancer specialists on all levels. The Act has to make definite provisions to supply manpower in some acceptable fashion, so that we can effectively implement the National Cancer Act.

Mr. Chairman, now that I have covered some specific items concerning the revision of the National Cancer Act of 1971, I am sure that you might want to know my position on identification and measurement of the results of the programmed action that has come about from the National Cancer Act of 1971.

It is logical to assume that well planned and executed programmed activities has and will accelerate progress. It is logical to assume that the net effect of all our effort for the improvement of cancer control has been beneficial. It is not possible at this time, however, to measure or predict the extent to which an individual program has affected our national progress in the control of cancer.

Nevertheless, I feel that an analysis of our programmed activity at Roswell Park Memorial Institute and at several established Comprehensive Cancer Centers demonstrate that treatment for certain cancers has been beneficial. For instance, in one report it has been shown that among 60 acute lymphocytic leukemia patients treated in the past 18 months, 96% entered complete remission, 92% remained in complete remission at the end of the 18 month period which statisticians say indicated that at least 50% of the patients will remain free of clinical and laboratory evidence of disease five years after diagnosis. End results data from NCI from the years 1955–64 showed a 3-year survival rate of only 5% nationally. We believe that between 30 to 90% of cancer deaths in man may be preventable. A concerted research effort is being mobilized for cancer of the colon, breast and cancer of the prostate. There is promise for substantial pay-off in these organ sites.

From our Institute, at present the 5-year survival rates for invasive cervical cancer are 75–80%, endometrial cancer 80%, and ovarian cancer 60–75%. This is impressive and demonstrates what good cancer management at a Comprehensive Cancer Center can accomplish.

Mr. Chairman, I want to make very sure that the Committee understands one point about which I am emphatic. We have the means at independent Comprehensive Cancer Centers to provide good cancer management because such centers take advantage of new discoveries that are taking place. The center is where research and education is active. We need to support existing cancer centers and establish new ones so that they can transmit their advances in good cancer management to all practicing physicians. As you know, there is a great temporal lag in getting this to a large percentage for some practitioners.

We urgently need to support existing cancer centers and for establishing new independent cancer centers as provided by the National Cancer Act of 1971. We urgently need community outreach cancer programs sponsored by cancer centers, so the U.S. citizen can gain the maximum benefits from these centers.

Mr. Chairman and members of the Committee, I want to thank you for giving me the opportunity to present my views.

THE 46TH ANNIVERSARY OF THE FUTURE FARMERS OF AMERICA

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. NATCHER. Mr. Speaker, the week of February 16–23 marks the 46th anniversary of the Future Farmers of America and the 26th anniversary of National FFA Week. It is always a great pleasure for me to have the opportunity to express my admiration for this outstanding youth organization.

The FFA is one of the best examples of youth in action in America today. This organization of students studying vocational agriculture in over 8,500 high schools throughout our Nation are confident that agriculture has a bright future and they are preparing themselves for a career in this vital industry that provides food, fiber, and environment not only for our Nation but the world. The recent food shortages in this country point up the need for continuing a strong vocational agriculture program to provide technically trained, capable, energetic leaders "for tomorrow's agriculture," theme for 1974 National FFA Week.

The traditional celebration of National FFA Week always includes George Washington's Birthday, February 22, because of his interest in farming and his leadership in the field of scientific farming practices. The Father of our Country considered the life of a farmer to be an honorable profession, sometimes amusing and with judicial management, profitable.

More than 450,000 students of vocational agriculture are members of the FFA and it is this group of young people who will ultimately emerge as the vital force to insure that tomorrow's agriculture will meet the needs and demands of tomorrow's consumers. The FFA stimulates its members to grasp opportunities for leadership, set measurable goals and to prepare themselves to lead and appreciate their citizenship.

We are justifiably proud of our future farmers because they are indeed a credit to their country and the influence of their activities has had a far-reaching impact which is highly significant of the high caliber of our youth today.

Mr. Speaker, I am delighted and proud to again offer my congratulations and best wishes to this fine organization and I sincerely hope that what's ahead "for tomorrow's agriculture" will mean a bright future for the members of the FFA.

SPASSKY ON THE WEST SIDE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Ms. ABZUG. Mr. Speaker, residents of the 20th Congressional District believe they live in the most intellectually stimulating area in the country, and I agree. On the night of February 5, the west side lived up to its reputation with a chess tournament at Chess City in which 41 men, women and children—including a 6-year-old boy—simultaneously matched wits and endurance with the visiting Russian grandmaster, Boris Spassky.

Mr. Spassky, who is hoping to qualify for a rematch with American Bobby Fisher in next year's world championship, put on a dazzling 5-hour performance as he moved from board to board averaging a few seconds per move. The final score was 32 games won by Mr. Spassky, eight draws and one game won by Charles Madigan, a 21-year-old chess buff who dropped out of college to devote all his time to the game.

It was a great night for chess lovers, and a great night for the west side. It would be even greater if the next world championship contest were to take place in New York City, the home of world champion Bobby Fisher and thousands of amateur chess enthusiasts.

At this point I am inserting in the RECORD an article from the New York Times of February 6.

FORTY-ONE SPASSKY RIVALS HAVE CHUTZPAH AND $25

(By Robert McG. Thomas Jr.)

Like a storied gunman riding into town, Boris Spassky, the Soviet grandmaster, ended his brief vacation here last night by facing down 41 of the city's brashest pawn slingers in a simultaneous tournament at Chess City.

Despite Spassky's awesome reputation, few of the 40 who paid $25 each for the privilege of playing admitted they expected to lose.

"All of me says I can beat him," says Lewis Grossberger, an unrated player, as he surveyed the second-story loft at Broadway and 96th Street two hours before the scheduled start of the tournament.

While most of the field was made up of players of Mr. Grossberger's caliber, the 40 challengers included seven experts and one master, Bruce Pandolfini, who appeared as an analyst on Channel 13's television coverage of the 1972 match in which Spassky lost the world title to Bobby Fisher.

"IT'S NOT RELAXING"

Charles Madigan, a 21-year-old expert who said he dropped out of the University of California at Berkeley to devote full time to chess, gave himself a "slight chance" to defeat Spassky.

"If it was head to head, it would be a joke," Mr. Madigan said.

He added that he tried to devote at least four hours a day to studying chess and confirmed that for the serious chessman actual play is a tension-filled experience. "It's not relaxing," he said.

Despite the relative low standing of the field, the play was not expected to be a breeze for Spassky either.

"All this publicity has put him on the spot," said Frank Brady, who wrote "Profile of a Prodigy," a biography of Bobby Fisher.

Commenting on "the great egos" of every half serious chess player, Mr. Brady said that "they all think they're going to beat him," and added, "I'll be very much surprised if Spassky wins every game."

SPASSKY TO PLAY KARPOV

The demonstration was arranged by Stuart Morden, one of Chess City's three partners, who flew to Puerto Rico to sign up Spassky during his quarter-finals match against Robert Byrne in the candidates' tournament to select a challenger to play Bobby Fisher in next year's world championship.

Spassky defeated Byrne, the chess columnist for the New York Times, and will face Anatoly Karpov in the semifinals in April.

Jerry Bernstein, another partner in Chess City, refused to discuss any of the financial arrangements "at the request of the Russian," but Spassky was expected to retain at least most of the $1,000 paid by his challengers.

In addition, Chess City collected $3 from each of the 175 spectators allowed at the match.

"We haven't been able to sell a ticket in two days," Mr. Bernstein told a plaintive telephone caller seeking last-minute admission to the match.

LITHUANIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. ANNUNZIO. Mr. Speaker, it is a privilege for me to join Lithuanian-Americans all over this Nation in commemoration of an outstanding event in the rich history of Lithuania. Fifty-six years ago, on February 16, 1918, a courageous people proclaimed to the world its right to stand proudly among free countries.

The very brief time—less that a quarter of a century—that the Lithuanian people enjoyed the privilege of living in independence has left an important impression on the Lithuanian people. And the years of Communist domination and Nazi occupation have made their love of freedom all the more keen.

Lithuania has been known to history for almost a thousand years. During the Middle Ages, education and religious toleration were encouraged, and as a result, the people of Lithuania enjoyed more freedom than their neighbors in adjoining areas. Her people have been strong in faith and spirit surviving as a cultural and political entity during long periods of foreign domination. This spirit has repeatedly overcome outside attempts to replace Lithuanian language and culture with those of alien societies. To this day, Lithuanians have proudly resisted outside pressures and remain faithful to their language, tradition, and religion.

One of the first duties of the representatives of the Lithuanian people after they signed the Declaration of Independence of Lithuania on February 16 was the adoption of a national flag for the new state. The new national flag of three horizontal bars symbolized the natural beauty of the Lithuanian countryside as well as the courage of its people. At the top was a bar of deep yellow, symbolic of the golden rye fields and agricultural wealth of the land. In the middle came a rich green stripe, a reminder of the abundant forests and natural resources of Lithuania. The deep red bar at the bottom of the flag symbolized the blood shed by Lithuania's sons in the defense of freedom.

During the period of independence, great strides were made toward the betterment of her people. Placing emphasis on improving the nation's primary occupation—agriculture—through land reform, Lithuania became a nation of small farmers. As she industrialized and expanded her railroad system, she advanced progresssive social legislation including the introduction of the 8-hour day, labor control laws, and various other social measures to improve the life of her people.

The Second World War, however, ended Lithuania's brief period as a sovereign state and ushered in an era of Russian rule that has lasted until the present day. Thus, Mr. Speaker, we see that the Lithuanian people have enjoyed few years of freedom. Little wonder, then, that Lithuanians have a proverb that says, "There is justice in the world but it is blind." In a just world, the beautiful land of Lithuania would stand in the ranks of the free world and her courageous people would enjoy the blessings of liberty.

In recognition of the injustice done to Lithuania, I introduced the following resolution during this week of commemoration in the U.S. Congress for a free Lithuania:

CONCURRENT RESOLUTION

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Mr. Speaker, in keeping with sacred principles carefully guarded, the United States continues to recognize the independent Lithuanian Government and affirms her right of self-determination. I proudly join with Americans of Lithuanian descent in my own 11th District, in the city of Chicago, and all over this country as they share with Lithuanians everywhere the fervent prayer that their bravery and strength of character will soon be rewarded, that right will triumph over injustice, and that Lithuania will be free once more.

RARICK REPORTS TO HIS PEOPLE: LAND-USE CONTROL, THE QUIET REVOLUTION BECOMES NOISY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. RARICK. Mr. Speaker, private ownership of land has always been considered to be the cornerstone of our system of individual liberty. The Constitution prohibits the State and Federal Governments from taking your property without just compensation and due process of law. But within the next few months, Congress will consider a far-reaching piece of legislation called the "Federal Land Use and Planning Assistance Act." If this proposal becomes law, you may continue to own the title to your property and pay the taxes, but how you use your land will be decided in Washington.

Most Americans do not even know that land-use control will affect them. But it could become law by this spring.

The Senate quietly passed the "Federal Land Use Planning and Assistance Act" last summer with little notice by the general public or the news media. Proponents of land-use legislation have deliberately attempted to maintain a low profile in hopes that the American people would not awaken to the danger before it was too late. But an increasing number of people have awakened. The ones who realize the destructive potential do not like it. And for good reason.

This bill could prove to be the most damaging blow ever dealt to our traditional concept of the rights of private ownership of land.

Land-use legislation is being spearheaded by Senator HENRY M. JACKSON of Washington, and places severe restrictions on the uses that an owner can make of his private property. These restrictions are dangerously close to Government seizure of that land. This was one of the things that the drafters of the Constitution feared enough to include a prohibition in the Bill of Rights against Government taking private property without just compensation being paid to the owner.

Restrictions placed on the use of property, by Government bodies, reduce the property in value. A critical issue here is how far the use of property can be restricted without compensating the owner for the diminished value. A provision in this bill which has already passed the Senate specifically prohibits States from expending any grant money to compensate owners for the loss of property value.

The supporters of the measure, however, do not care to publicize these restrictions. These provisions are carefully tucked away in the massive 55-page, 10,000-word bill. As a result, a surprising number of the Members of Congress who may normally be expected to oppose extending Government restrictions over our citizens are in favor of this bill.

The supporters of land-use legislation maintain that the bill is merely a "voluntary" grant-in-aid program intended to encourage States to develop comprehensive plans within the States for use of the land. They would have us believe that the plan is not an attempt to force a standardized zoning program on the entire Nation. States are promised millions of dollars in Federal aid if they set up their own land-use programs which must be approved by Washington. If State officials agree to this, they can soon expect to be acting as agents of the Federal Government, rather than carrying out their own zoning plans.

The price tag attached to the scheme is high—more than $1 billion.

Some $10 million per year will be used to set up and operate new Federal agencies to make sure that the "planned society" crowd's dictates are carried out. This sum is for the administrative costs only. An additional $160 million a year will go to the States to set up a State bureaucratic power pyramid. These funds can only be used to pay salaries, expenses and to fund various studies. Other administrative costs will run the tab up to more than $1 billion over the first 8 years of the act. It must be pointed out that none of this money is to be used in any productive manner or to contribute to our economy. It merely goes to pay the cost of expensive "planning specialists," who are supposed to know more about what is best for the people of a local community than they themselves or their elected officials.

In addition, the taxpayers would be forced to shell out even more money in the form of 25-percent matching funds. Then too, the bill would reduce local revenue by lowering the market value of local property. As one Member of Congress pointed out the other day:

> Not only do we tax away the value of a citizen's property, but we tax him to death at all three levels of government.

This is the same old big-carrot-big-stick approach that the Federal Government has used so many times in the past to entice local and State governments into accepting Federal edicts, despite local needs or wishes. The "big carrot" is millions of dollars in promised grants that States badly need. They need the money because local money has been taken away from them by the Federal Government through excessive Federal taxes.

There is vastly more to this piece of legislation than appears on the surface. Let us look at some of the provisions for land use in the bill.

Each State's planning process is to be reviewed by Federal agencies to be sure that they conform with Federal guidelines. Machinery is set up to demand that each State have a State planning agency with authority to carry out the will of the Federal Government as outlined in the bill. In order to conform to Federal regulations, and thus get the money, States must adopt a program to regulate private land sales and development projects. The real clincher, and the one that is being used to drum up blind support from various special interest groups, involves environmental considerations. The Secretary of Interior is given a blackjack to use to insure that States restrict the use of all "areas of critical environmental concern which are of more than statewide significance."

But the definition, spelled out in this land use bill is "areas of critical environmental control." The areas of control by the Secretary of Interior are "any geographical areas whose development might substantially impair the historic, cultural, scientific, or aesthetic values or natural systems or process within fragile or historic lands." This is so widely drawn that almost any land could be considered subject to federally dictated zoning restrictions. The decision to be made by Washington bureaucrats.

Interestingly enough, the Nation's largest single land owner, the Federal Government which owns over one-third of the total acreage, is not required to abide by the land use rules saddled on the private land owner. Areas of environmental concern are to be designated only on private, State, and Indian lands.

In the minority report by the Senate committee which studied land use, the opposing Senators said:

> It is not folly to say that in some states every square foot of private property and state land could fall within such a limitless definition. Here lies the seed of the destruction of the American concept and practice of private ownership of land.

No thinking American wants to see the land desecrated. Certainly we must take every reasonable precaution to see that the vast lands we inherited from our forefathers are passed on to our children as unspoiled as possible. However, we must not allow overreaction to environmental concerns to overshadow our concern for human rights and basic freedoms including the right of private ownership and control of property. This is precisely what this collectivist concept of Federal land control seeks to do.

This land-use concept is being pushed by some of the most powerful people in this country, including the President of the United States. The President, in his September 17 message to Congress, said:

> I am also convinced that Federal legislation is needed now both to stimulate and to support the range of controls that states must institute.

Administration officials realize that it will be no easy task to shove this concept of land control down the American people's throats, if all the facts are known. The Secretary of the Interior recently noted that opposition to the Federal guidelines covering land use is so intense in many State legislatures that many States may forgo the Federal funds in order not to be entangled in the Federal land take-over. This is the reason that these dangerous measures are being promoted at the national level through Congress. The people must be forced into the new American revolution of socialized land reform whether they want it, whether needed, and whether legal, or not.

States after a fast buck from Federal assistance, are being bought off by Washington politicians with the promise of a share in the multi-million-dollar pork barrel. They are willing to exchange their people's birthright for a Washington handout. While the program may appear to be State controlled, Washington owns the blueprint.

Big government is bent on control: gun control, medical control, and now land-use control.

Individual liberty has always been equated with the freedom to use your private land as you decide. But now Government is trying to tell the American people they cannot be trusted to exercise this freedom.

I do not believe that Americans are ready to turn over the control of their land to the Federal Government—nor that they should. Ownership of private property is the cornerstone of the American system. It is our birthright.

FREEDOM HOUSE IN BOSTON GHETTO

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. MOAKLEY. Mr. Speaker, too often, Americans complain that they are powerless to be of constructive service to people of their own community. Many times these complaints are justified. Examples of others overcoming such an obstacle are rare. When we notice an example of community service, one that appeases this feeling of impotence, we must feel proud.

Muriel and Otto Snowden are one couple who have overcome this feeling of impotence. They have worked at providing invaluable services for the Boston black community. An article appeared recently in the Boston Sunday Herald Advertiser describing the accomplishments of this couple.

I would like to share that article with my colleagues so that we and our constituents might note and applaud their humanism and follow their fine example.

The article follows:

THE SNOWDENS OF FREEDOM HOUSE

(By Paul Katzeff)

As a black youth growing up in Roxbury, Otto Snowden delivered newspapers to neighborhood homes, bundled groceries at First National stores, and turned house and synagogues gaslights off and on for Orthodox Jews observing their Sabbath.

"That's how I got to know the community," Snowden recalls.

Years later when Otto and his wife, Muriel, opened Freedom House—Roxbury's now-venerable civic center—and the district's Jewish population was still substantial, they lit menorah candles in a window.

"We though our neighbors on Crawford street would appreciate that gesture," Muriel Snowden says.

As co-directors, the Snowdens have made Freedom House a place where everyone is welcome and understood. Under their direction, Freedom House has hosted companies recruiting black employes, and it has been a meeting place for autonomous community groups as diverse as an inter-racial pre-school center and the Division 9 auxiliary police.

When it opened in October, 1952, Freedom House's 17 founders wanted more than a recreation center. Their goal was "to stabilize the community," which required attracting home owners and deterring urban blight. To achieve this, in 1954, the Snowdens helped organize Upper Roxbury neighborhoods block-by-block and initiated a block leaders' council. Separately and through their council, the block organizations pressured the city for such improvements as street and sidewalk repair and tree planting.

The Snowdens' efforts to help people help themselves have made Freedom House an outlet for community opinion. When Edward Logue became director of the Redevelopment Authority, the Snowdens advised him that any renewal plans for Boston had to include Roxbury. Freedom House eventually received the third-party contract between the BRA and the community for the Washington Park renewal program.

From 1960 to 1967, the Snowdens worked at nothing but urban renewal. Roxbury residents and businessmen held 500 meetings at Freedom House between 1960 and 1963, when the federal government approved the project plans.

"And we are thoroughly disillusioned in 1973," confides 59-year-old Otto Snowden, who was born in Phoebus, Va. "The Washington Park project was never completed. It breaks my heart to still see boarded-up stores along Blue Hill avenue. Ten years from now we'll be right where we started despite all the millions spent."

Even as a youth in Roxbury, Snowden resisted prejudice. As a student at the Lewis Intermediate School, he led a boycott against the track team coach.

"He called us 'boy,'" Otto Snowden explains bitterly.

When he entered Howard University in Washington, D.C., in 1933, "where basically I majored in student activities," Otto Snowden refused to join the mandatory Reserve Officers' Training Corps program. "I didn't believe in war," Snowden says.

He did believe, however, in war against racial discrimination. At Howard, he organized a football team strike; picketed with NAACP members a government crime conference meeting in the DAR hall to consider federal anti-lynching legislation; stormed the U.S. House of Representatives' dining room, which barred blacks; and with the New Negro Alliance picketed stores which refused to hire blacks.

In 1944, Otto Snowden was drafted by the Army. Despite his objections to war, Snowden served because he had promised not to "embarrass" his father, then an Army major, and he "refused to be a C.O. because I believed this wouldn't solve the problem at that time."

Nevertheless, he chafed under the Army's racist separation of facilities.

"I honestly believe if the war had lasted long enough, I believe they would have had to do away with the segregated Army, but I didn't want the bloodshed of prolonged war to achieve that.

"It's a wonder I'm not extraordinarily bitter. Only by working at the problem could I keep from being bitter. That's why I've dedicated my life to this kind of work."

Muriel Snowden was nearly three years old when her father, a dentist, moved the family from Orange, N.J., where she had been born, to affluent, white Glen Ridge, N.J. The community appeared so hostile that Dr. Sutherland had to purchase the house through a "straw" and move his family in at night.

Prejudice continued to stalk Muriel Snowden after her high school graduation as class valedictorian. Although Radcliffe College was the only school to which she applied, her high school advisor failed to tell her of the New Jersey Radcliffe Club's merit scholarship, which she could have used in that Depression year, 1934. Then, once accepted for admission by Radcliffe, she was discouraged from living in the dormitories.

"I'm reluctant to tell this. My family was told: what you should do with Muriel is let her live out with her friends. My mother told them she wasn't paying them to direct my social life . . . but I lived that year with my mother's friends in Belmont. They said if I 'insisted,' I could live in a dorm my second year . . .

"I was a speaker at my class' 15th reunion. The woman (Mildred Sherman) who had been college president when I was a student told me then, 'We treated you badly. I know that now, but I want you to know I have changed and Radcliffe has changed.' I felt this was quite a big thing for her to do."

After graduating, Muriel Snowden worked five years as a social worker with the elderly in Newark, N.J., before starting graduate work at the New York School of Social Work.

She and Otto have been happily married since 1944, but their respective approaches to any problem are quite divorced. Muriel is interested in "basic changes," which may take years to accomplish. Otto, however, has pursued remedies which are immediate, but may not change the circumstances that created a problem.

Muriel Snowden's view was shaped by her experience as a social worker. Conventional approaches did not solve the elderly's problems, and she gradually became convinced of the need for different approaches.

In contrast, Otto Snowden seeks tangible results as soon as possible. He tries to find a job for an unemployed man today; not a new economic order for tomorrow. Snowden's politics are equally utilitarian: accumulate favors which can be cashed in for Freedom House—but never himself. When he recently declined a job offer from Sen. Edward W. Brooke, in whose campaigns he has worked, Snowden explained, "You get paid off, you're all through."

In 1946 the Army discharged Otto Snowden. He rejoined his wife in Boston, and resumed work at St. Mark's Service Center, where he had worked before the war. He also became involved with the bi-racial Upper Roxbury Council on Community Affairs, but by 1948 Otto Snowden recognized the need for an organization that could work full-time on Roxbury's problems.

Others shared his insight. On a February night in 1949, 17 Roxbury leaders meeting in the Snowden's apartment decided to create Freedom House; years of work despite inadequate financing, however, were endured before the decision became reality.

As Freedom House is poised on the verge of its second quarter century, the Snowdens are most concerned with the problems of the elderly and of education.

"For the young," Muriel Snowden asserts, "the primary things is schools. Education is basic to coping with society. You need a School Committee made up of people concerned with education, not politics. Boston politicians try their first wings for office on the School Committee."

"I'm tired," Otto Snowden says. "I don't want to talk about busing, and I don't want to talk about community control. All I want to talk about is a conscientious effort . . . to change the school system."

Tired, perhaps; but defeated, no. Their own daughter, Gail, is now 27, married, and a Radcliffe graduate. But the Snowdens have no plans to retire.

"We'll stay," Muriel insists. "As individuals and together, we have never been willing to let the ghetto lick us."

STATEMENT CONCERNING CONGRESSIONAL PAY INCREASE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. CRANE. Mr. Speaker, the very fact that the Congress is at this time considering whether or not to accept a pay increase is some indication of why so many of our fellow citizens hold us in low esteem.

The Harris poll which was released in the Chicago Tribune of February 11, 1974, for example, indicates that 69 percent of the public rates Congress negatively while only 21 percent rate it favorably, the lowest ever recorded by the Harris survey.

Discussing the poll results, Louis Harris notes that:

> Whether the issue is Watergate, inflation, energy, the economy, spending, or simply getting along with each other, the devastating fact is that roughly three out of every four adult Americans come up with a negative assessment of the job being done by Congress.

The criticism is, in large measure, well founded. We repeatedly lament the mounting inflation and the decreased purchasing power of the dollar yet, at the same time, we vote more money in appropriations than the Government receives in revenue. It is these deficits which are the primary cause of our mounting inflation, together with a continued artificial increase in the money supply to help pay for them.

At a time when Congress should be setting an example of restraint for the American people, there are many who are prepared to vote salary incrases for themselves. It seems to me that at a time when the Federal Government should be looking for every possible means to reduce Federal spending, it would be the height of hypocrisy for Government employees, most of whom are vastly overpaid, including Members of Congress, to receive substantial salary increases.

I am cosponsoring a resolution calling for the House to reject President Nixon's request for pay increases to Members of Congress and top officials of the executive and judicial branches of government. The President's recommendations for salary increases include a 23-percent increase over the next 3 years. I opposed such an increase during the last session of Congress, and I oppose it today.

The Congress evaded its responsibility when, in the Federal Salary Act of 1967, it established the rule that the President might recommend pay increases and that Congress would only have to act in opposition to such increases. This permitted Members of Congress to avoid paying any political price for their increased salaries.

It is necessary that we set an example for the American people. If we insist upon pursuing inflationary policies which debase the currency, we should not also be able to avoid paying our own share of that price by inflating our salaries at will.

The Bible says the worker is worth his salt. I intend no evaluation of the value of my contribution or that of my colleagues to the taxpaying voters of this country. But I do take a dim view of the lament of many in the Congress over the loss of purchasing power of their salaries since the last pay raise in 1968 when the Congress itself can claim the lion's share of responsibility for that loss through its refusal to balance its books. If Congress, through chronic deficits, wants to destroy the value of insurance policies, pension plans, and savings accounts, let the Congress feel the brunt of such irresponsibility where it hurts most—in its own pocketbook. Let us withhold consideration of any proposed pay raises until we produce a balanced budget and are in a position, simultaneously, to offer relief to the pensioner trying to survive on a fixed income or to the people in the lowest income brackets who never keep up with the ravages of inflation.

LITHUANIAN INDEPENDENCE DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. DERWINSKI. Mr. Speaker, Saturday will be the 56th anniversary of the independence of the small Baltic nation of Lithuania. On February 16, 1918, the Taryba or National Council declared the freedom of this nation on the Baltic Sea which for over 100 years, had been held captive by the Russian Empire.

Its brief period of freedom came to an end during the summer of 1940. Soviet forces invaded Lithuania on June 15, and it was absorbed by the Soviet Empire on August 3, following a parliamentary election with none but Communist candidates. In 1941, the Nazis invaded and occupied Lithuania, remaining in possession until the Communists returned at the end of World War II.

Well over a million people of Lithuanian background live in the United States, many thousands of them in Illinois. Many of them came to America after their native land had been occupied by the Soviet Union. Thousands fled from Lithuania to other lands and others have been sent to Siberia and elsewhere by the tyrants in the Kremlin.

As a result of migrations, deportations, and repopulation from other sections of the Soviet Union, over half of the people now living in Lithuania are unable to speak Lithuanian. What makes this so tragic is that Lithuanian is the oldest living language in all Europe. Not only their language, but their national and cultural heritage face extinction.

I have introduced House Concurrent Resolution 394, which concerns recognition by the European Security Conference of the Soviet Union's illegal occupation of Estonia, Latvia, and Lithuania.

Mr. Speaker, it is very important that we keep in mind the plight of the Lithuanian nation and other Baltic States, and that we provide some practical network for initiating Baltic language radio broadcasts over Radio Liberty and Radio Free Europe. We can do so by seeing that proper funding is allocated for the fiscal year 1974 for Radio Liberty and Radio Free Europe. At the present time, the Baltic nations are the only major ethnic minorities under Soviet rule which are not receiving radio broadcasts.

BLACK FILMMAKERS HONORED

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. DELLUMS. Mr. Speaker, I would like to call the attention of the House to a cultural event to be held in my district which I am certain will be regarded as an historic moment in the development of black awareness in this country.

On Sunday, February 17, in observance of Black History Month, the Cultural and Ethnic Affairs Guild of the Oakland Museum Association will sponsor the first Hall of Fame for black filmmakers. This event will pay tribute to early black filmmakers who performed in the era between 1920 and 1960. Those black filmmakers who will receive awards during the Oscar Micheaux awards ceremony will be Alvin Childress, Lil Cumber, Katherin Dunham, Stepin Fetchit, Eugene Jackson, Juanita Moore, Clarence Muse, Gordon Parks, Beah Richards, Vincent Tubbs, Lorenzo Tucker and Leigh Whipper.

These outstanding stars will be inducted into the Black Filmmakers Hall of Fame, and each will receive a plaque which will be duplicated so that a copy can be retained for a permanent collection.

I would take this opportunity to extend my personal congratulations to each of these distinguished honorees, as well as to the Cultural and Ethnic Affairs Guild of the Oakland Museum for conceiving and implementing this pioneering cultural program. The contributions of blacks to the cultural life of the Nation has for too long been obscure, and has for too long been enshrouded in the myths and masks of cultural exclusion. That our generation has had the wisdom to unveil these achievements and to honor those who have blazed the trail for present black accomplishments in the film media makes one proud to be among this generation of black people, and is itself a tribute to that same indomitable spirit that allowed those before named to excel in the face of excruciating odds and difficulties. The guild is to be commended for this occasion. Most importantly, the high achievements of the esteemed honorees compel the notice of this legislative body, and for this reason it pleases me to bring this event to your attention, and to record this occasion in the Congressional Record.

FEDERAL PAPERWORK BURDEN BILL

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. SIKES. Mr. Speaker, I have joined in cosponsoring legislation to reduce the expensive and time-consuming burden of bureaucratic red tape imposed on millions of small businessmen. The legislation directs the General Accounting Office to study the nature and extent of Federal reporting requirements, and to report its findings to the Congress. The bill is entitled the "Federal Paperwork Burden Relief Act."

I have been concerned for some time that small businessmen are being inundated by Federal record keeping and reporting requirements which are costly, repetitious, and frequently unnecessary. Federal paperwork requirements are particularly burdensome for small businessmen and professional partnerships. Because of limited resources, small businesses make a proportionately greater expenditure of time and money on Federal paperwork than large corporations. This adversely affects the ability of small businessmen to compete effectively in the marketplace.

The basic question which obviously comes to the minds of the harassed businessmen who must fill out these forms is—What good are they? To what use are they put? What benefits accrue from form-filling? Unfortunately it is hard to find sound reasons which make sense to the business community. Presumably forms are tabulated and the results appear in statistics. Yet it is doubtful that the average small businessman benefits sufficiently from the information which accrues from form-filling to make it worth his time and expense.

The study provided for in the bill will help gage the actual amount of paperwork which has been created for small business and what might be done to reduce it. At the present time, it is estimated that each year the amount of Federal required paperwork would fill about 4.5 million cubic feet of space and cost the government about $8 billion to manage. Actually, no one can say with certainty what it costs the Government, but assuredly it costs the small businessmen many billions more. Armed with the recommendations of the GAO study, the Congress can begin to cut away some of the redtape.

Under existing law, the Office of Management and Budget is assigned the responsibility of reviewing the information-gathering needs and procedures of Federal agencies. OMB is supposed to prescribe procedures for consolidating and streamlining Federal information collection activities. However, OMB and its predecessor, the Bureau of the Budget, have failed to implement this requirement since it was enacted in the Federal Reports Act of 1942.

The importance of this legislation is reflected in the fact that it may affect virtually every segment of the private sector. The small businessman is coming under increasing demands by the Federal Government to comply with the completion of myriad forms and papers under a number of programs.

Over a hundred Congressmen have joined in support of this measure and I believe that the prospects for congressional approval are also enhanced by interest in the Senate. Also, a number of national organizations have endorsed this legislation, including the National Federation of Independent Business and the American Farm Bureau Federation.

GROWTH OF EXECUTIVE AUTHORITY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. GAYDOS. Mr. Speaker, much has been said and written in this era of Watergate about the need for Congress to regain the powers ceded to the Presidency over the last four decades and to reassert its responsibility to provide moral and political leadership in a nation so sorely in need of it.

I, as a Congressman, agree totally with these statements. The steady growth of the executive authority, in my judgment, not only has made Congress less effective than the Founding Fathers intended it to be, but it also has diluted the democratic process by denying to the people their full right, through their elected representatives, to shape their own destiny.

The big issue, of course, is credibility. We know the Nixon administration has lost much of its credibility as the events of Watergate have unfolded. But what about Congress? Has Congress the necessary strength and resolve to grasp the present opportunity and reassert itself and resume, after the long lapse, the constitutional duties prescribed for it?

I think that the opportunity is here now. The President has provided in his budget three 7.5 percent pay raises for Congress, starting next year, in addition to similar boosts for the Supreme Court Justices and other Federal officials. Do we need these raises, amounting to 22.5 percent over the 3-year span? I know that a case can be made for them—that Congressmen have heavy expenses and that there are many men and women in the House and men in the Senate who serve at a personal sacrifice and could earn much more in private life.

But the fact remains that 7.5 percent in the coming year and the like raises subsequently pale in comparison with the bigger issues before us. Imagine the effect on the general public if we Congressmen, in a demonstration of our patriotic concern, would vote down this boost provided for in the swollen Nixon budget? I would guess that nothing we might do at this time would have more favorable impact on the thinking of our constituents and enhance the credibility of the Congress.

I recall back when, in my first term here, Congress by the compensation commission route gained that $12,500 raise which lifted our salaries to the present $42,500. It was said then that this "unconscionable grab" by Congress would knock all wage restraints from the economy and usher in a time of competitive demands that would spark a serious round of inflation. Whether this was the direct result or not is left to the individual assessment of each one of us. However, it is a fact that the "jaw-boning" successes in holding the line of the Lyndon Johnson years collapsed with the Nixon era and we have had greater inflation than we know how to manage.

Is a 7.5-percent raise, or 22.5 percent over the coming 3 years, equal in value to what this Congress could attain in public respect and credibility by rejecting it? I, for one, would welcome the chance to turn it down and then face my people as a Member of one branch of Government which thought enough of the general good of the Nation to forego personal advantage. Let us seize this chance to show that we are here as public servants in fact and not as money seekers. Let us vote down the administration's pay raise proposal.

A PRAYER FOR THOSE IN AUTHORITY

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. BAUMAN. Mr. Speaker, all of us in Congress encounter bright spots throughout the many hours we labor, and recently at a meeting of the Harford County Board of Realtors, I had the good fortune to hear a prayer delivered by its author, Lorraine S. Jackson, of Havre de Grace, Md. I was so impressed by this invocation that I requested a copy of this prayer, and I would like to share it with the other Members of the House:

A Prayer for Those in Authority

Almight God, whose kingdom is everlasting and power infinite; who hast bound us together in this bundle of life; Have mercy upon the whole land; so rule the hearts of thy servants, Congressman Bauman and all others in authority.

Give us grace to understand how our lives depend upon the courage, the industry, the honesty and the integrity of our fellowmen. Make us mindful of their needs, grateful for their fidelity and faithful in our responsibilities to them.

Fix thou our steps that we stagger not at the uneven motions of the world, but go steadily on our way, always knowing that thy hand is leading us and thy love supporting us.

May we pursue the right—without self-righteousness.

May we know unity—without conformity.

May we grow in strength—without pride of self.

May the turbulence of our age yield to a true time of peace, when men will share a life that honors the dignity of each, the brotherhood of all. Amen.

BRIGHT ENERGY PERSPECTIVE

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. McFALL. Mr. Speaker, I would commend to the House two recent articles which provide a bright perspective relative to our efforts to achieve long-term solutions to the energy shortage.

The January 5 edition of the London Economist devotes considerable space for a discussion of a surprising "coming glut of energy."

In the same vein, Dr. Oscar Kiessling, who has edited the Minerals Yearbook, directed the decennial census of minerals, and performed special industrial advising duties to the U.S. Tariff Commission, shares the optimistic outlook of the Economist. Dr. Kiessling's comments appeared in the Washington Post of January 27.

The articles follow:

THE COMING GLUT OF ENERGY

There is a case for arguing that the world is likely to be glutted with energy before the end of this decade. The present energy "crisis" is about the fifteenth time since the war when the great majority of decision-influencing people have united to say that some particular product is going to be in the most desperately short supply for the rest of this century. On each of the previous occasions the world has then sent that product into large surplus within 5–10 years.

The reasons for this are now quite logical and rather technical. In modern conditions of high elasticity of both production and substitution, plus surprisingly equal lead times for many investment projects, we now generally do create overproduction of whatever politicians and pundits 5–10 years earlier thought would be most urgently needed, because both consensus seeking governments and profit-seeking private producers are then triggered by that commentary into starting the overproduction cycle at precisely the same time.

ALL THE FALSE PROPHETS

In 1946–49 all agricultural experts forecast a permanent postwar shortage of temperate areas and especially of dairy produce; this led to butter mountains within a decade. In 1950–51 the Korean war boom was said to show that raw material prices would keep rising for ever; instead, some took until 1970 to regain their 1951 peak. In particular, an international action group was set up in 1951 to deal with the world's "worst permanent bottleneck" of sulphur, shortly before the stuff became practically unsaleable. The future chief economic adviser to the British Treasury published his book on the world's lasting dollar shortage in 1953–54, which was the first of the world's twenty consecutive years of dollar surplus. Russia's first sputnik in 1957 was said to be so far ahead of the west's conceivable technology that it would leave America for the rest of our lives at the back end of a "missile gap"; within six years the Americans were preparing to fire surplus rockets at the moon. Then there was going to be a world-wide shortage of university graduates especially from the science departments; within a decade they were one of the bigger groups of the unemployed.

As the 1960s started, there were said to be limitless prospects for offshore funds and other equity investment media for the small man, for go-go business conglomerates, for high technology companies like Rolls-Royce; these were therefore the ventures that went bust (as property developers and then North Sea oil may in the 1970s). In the mid-1960s we were told it was impossible to bridge the lasting technological gap between America and the rest of the world; this meant that the dollar would soon be devalued. As a result of yesterday's tardiness, we have now created in the developed world an unfortunate excess of both birth control devices and anti-pollution controls, although the rearguard of yesterday's preachers about ever-increasing pollution is still infuriated when the figures are pointed out.

Energy has played its part in the game of cheat-the-prophet three times since the war. During the coal crisis of 1947, it was said that no coal miner in Europe or Japan need fear for his job during the rest of this century; within a decade a majority of European and Japanese coal mines had closed down. In 1956 France and Britain went briefly to war because the closing of the Suez canal for a week would starve Europe of oil and cause an insurmountable world shipping shortage, even although it was agreed that this invasion would put France and Britain into the Arabs' bad books for a millennium. Instead, Europe continued its quick switch to cheaper oil even when the canal closed again; the rear-admiral whom Mr. Macmillan appointed to ration Britain's share of world shipping was still recruiting staff when the biggest-ever laying-up of the world's surplus shipping began; within rather less than a millennium France and Britain are the Arabs' European powers.

EVER SINCE WATT

A product can be said to have an elasticity of supply of four within five years if a 10 per cent price rise (above the average of other price rises) is likely within five years to expand its production by 40 per cent above the rise that would otherwise have been expected; this is a convenient definition because then nobody can measure it exactly. For the last 200 years, energy seems to have had a higher elasticity of supply than anything else except transport. Indeed, the accelerating elasticity of supply of these two things is what the industrial revolution since Watt's steam engine has been largely about. A product generally has a high elasticity of supply (a) if it can be produced in many different ways; (b) if technology seems on the brink of bringing in more powerful new ways; (c) if the distribution system for it can be greatly improved. Gluts will also occur if (d) economies in the product's use seem fairly easy. Energy fulfills each of these conditions in profusion.

There are many thousand possible ways of releasing energy from storage in matter. They range from petty ways like 25 BTU per pound of matter by letting a pound of elastic bands untwist; through fairly petty ways, like 20,000 BTUs by burning a pound of petrol; through more sophisticated ways like 250 million BTUs from the fission of the U–235 isotope in one pound of natural uranium; up to 260 thousand billion BTUs from the fusion of helium of a pound of hydrogen. Note that this last system, in which the waters of the oceans could serve as a limitless reservoir of fuel, would therefore be more than 10,000,000,000 times more effective per pound of matter than burning a pound of the Arabs' oil. Of course, new technology will drive on towards the cleaner power sources nearer the top of the range.

The distribution of electricity—and, indeed, of all energy—is grossly inefficient. Look at the towering chimneys of your local power station to see how many of them throw up into the wasting air two-thirds of the heat and energy they could produce. Remember that those in control of most devices for bringing you the energy released from storage in matter have not been concerned with economising on the use of that energy, because far too many distribution systems, from garages to antediluvian electricity transmission lines, are in the hands of monopolies (especially the worst sorts of monopoly, called public utilities) which do not have a competitive incentive to attract your custom by improving their technology.

Among possible economies in energy use, the Americans would save the equivalent of three-quarters of Britain's annual imports of oil if they used cars with the same economy of fuel consumption as Europe's. The whole advancing revolution of microminiaturisation with integrated circuits will be enormously energy-saving, because we are going to be increasingly able to put on to a chip the size of a postage stamp properly connected electrical circuitry which would previously have required great assemblies of machinery that would fill a room. Amazing savings in energy can be secured by even a small staggering of working hours (why not let Britain south of the Trent—but not north of it—go back to British Summer Time this winter?).

Above all, the greatest of the three main transport revolutions since the 1770s is now speeding towards us. It will clearly replace the internal combustion engine revolution as dramatically as that revolution replaced steam, and it happens to be extraordinarily energy-saving. This great new transport revolution is telecommunications. Because the businessman's future essential tool, the computer, talks to other computers by telecommunication, instead of by taking a walk, much of present business travel and then personal travel to work are going to become unnecessary in the main growth jobs in post-industrial societies. Even in the 1970s some of this travel will be replaced by a great growth in telex transmission, facsimile transmission by telecommunication, picturephone, etc. As there is no logical reason why the cost of telecommunication should vary with distance, quite a lot of people by the late 1980s will telecommute daily to their London offices while living on a Pacific island if they want to; and temporary price rises for oil-driven travel in the early 1970s will now bring a few of these habits forward.

THE MULTIBILLION FACTOR EQUATION

Some critics say: "Which of these science-fiction inventions do you really expect will be operating within six or seven years?" The *pons asinorum* of economics is to recognise why that question is absurd. If you were so foolish as to try to draw up a computer model of energy economics over the next 6–7 years, you would have to combine the thousands of possible ways of producing energy, and of possible ways of changing distribution systems and consumption patterns for it, together with estimates of time lags for each, and today's prices for each, and of guessed elasticities of supply and substitution for each, into an equation with multibillion factors. Governments which produce "energy policies" do not work with multibillion factor models of this kind, but with the guesses of perhaps three boffins and a minister—which is why such policies have no serious chance of being right. Apostles of a free market say that it arrives infallibly at the best possible answer to the multibillion factor equation. Actually, it usually does something much less perfect but still rather useful: a free market will generally bring the mix of production—consumption—distribution patterns within the spectrum of the "several million possible answers" which are not wholly incompatible with the multibillion factor equation.

If you then change some price in the system rather marginally, a different but overlapping spectrum of "several million possible answers" replaces the present spectrum; if the market has already rather haphazardly chosen one of the answers within the overlap, then neither production nor demand will change with the change in price, and both supply and demand are said to be surprisingly inelastic over that range of price. But if you change expectations about the price of the most important present energy source, namely oil, from under $3 a barrel before this autumn to a level where people and governments and profit-seeking entrepreneurs actually believe that it is going to be over $12 a barrel or $17 a barrel (or whatever is the figure that the latest hopeful Arab or temporarily panic-stricken auction bidder last thought of), then people and governments and profit-seeking entrepreneurs suddenly believe that billions of possible new answers will be more profitable than whichever one of the "several million possible answers" is the one most people are using now. If other factors remained as now, they would be more profitable, but other factors won't remain as now, because the new ventures will themselves change them. It is because you cannot get many quarts into a pint pot—or an expectation of billions of possible answers into a situation where only a changing several million answers will at any one time be possibly logical—that forecasts of lasting shortage generally do lead nowadays, within a short time span, to embarrassing glut.

It is always most difficult to persuade people within the particular industry and within the scientific establishment to see this, because all their habits of thought are geared to the relationships existing within the multibillion factor equation now. So the only proper answer to the *pons asinorum* question "Are you relying on advances in magnetohydrodynamics, or solar energy, or fusion, or what?" begins "Well, now, an improvement in magnetohydrodynamics would affect the multibillion factors in the energy equation in the following multibillion ways." No economist can give the answer, because (a) no economist is clever enough, and (b) he would anyway be dead before he reached answer number multibillion minus one—and a hundred-year time-take-up for answering a question about what to do in the next seven years is not very useful. What an economist can say is that the recent wild changes in expectations about oil prices will lead to an energy glut, within a debatable time span, according to all that has been known up to now about the elasticity of supply for energy.

The most respectable argument on the other side is that the time lag may nevertheless stretch beyond the end of the 1970s, because of a supposed long lead time before changes can come into effect (which is true of some of the investment, but most unlikely of economies in demand), or (this is a better argument) because the elasticity of substitution from an oil-based to an another-energy-based system will be low since people are romantically in love with the expensive oil-using machinery such as motor cars which they possess. There are three answers.

WHY IT'S QUICKER THAN YOU THINK

First, the speed of change has in fact been very quick in the downward direction. People forget that from 1963 right up to the early 1970s the "oil question" in America meant that you should not allow Texan oil millionaires to make so much money. Indeed, it was this trendy populism in America in the past decade which created much of the present temporary energy "crisis". In 1964 American courts compelled a quite unprepared Federal Power Commission to regulate for the first time the prices charged for natural gas; by 1970 the FPC had a backlog of over 2,000 producer rate cases in natural gas, which would have taken 13 years for it to give answers to. The price allowed for this environmentally clean and premium fuel was therefore so low and out of date that it not only made more production of natural gas uneconomic, but also distorted the market for other fuels and cut investment in them at just the wrong moment. Through the years of gathering crisis, the price of gasoline in America was about half the price of petrol in most other countries. In President Nixon's first budget, as late as 1969, there was universal acclaim when he cut drilling for oil through reducing the rate of percentage depletion allowances for oil and gas from 27½ to 22 per cent. Then in 1970–72 environmental restrictions were directed most especially against the energy industries. By 1971 fewer exploratory oil wells were being drilled in America than at any time since 1947. One reason why Mr. Herman Kahn and others think that it is going to be very easy to step up output of energy in America is because they are among the few who remember that almost everything has been done for a decade to bring it down.

Secondly, the very low figures usually published for oil reserves round the world are mostly reserves discovered in days when just about the only known way of striking oil was to get a Texan to go and sniff for it. There really is now a much greater, and still expanding, ability to find the stuff by electronic sensors attached to computerised systems.

Third, it will gradually be realised that the mechanism through which the price of anything is determined—including oil—really is a bit more sophisticated than an Arab saying what he wants for it. So oil's price should come down rather sharply well in advance of the energy glut which its price rise this winter will now create; but this is unlikely to be in time to stop the energy glut, because the new investment and habits will already be in train. Until this winter, it had seemed marginally likely that the oil price would rise in 1970–80 by more than most other prices; the main consequence of the past three months is that it will now presumably rise by less.

Most of this article should not be regarded as good news for Britain. A main implication is that Britain's North Sea oil "bonanza" may very well come on full flow just when oil is coming towards glut. Another is that the £1 billion being spent on Britain's coal mines will be wasted, because it will be surprising if by the mid-1980s any man-operated coal mines should remain open at all. A more tragic implictaion is that the most deserving charity of Christmas, 1980, will probably be to relieve Arab states ruined by their monoculture of unwanted oil—a charity which is likely to be mainly subscribed by rich Jews. Not enough tears seem to be raised by that.

HOPEFUL ENERGY OUTLOOK

(By Oscar Kiessling)

Large increases in prices of gasoline, heating oil and utility services have made most citizens aware of significant developments taking place in the energy market. Anxious inquiries are being made as to how all this came about and whether the energy shortage is temporary or permanent. Fortunately, information available from engineers, geologists and other scientists provides a basis for appraising both the present situation and the future.

Much of our prosperity and high standard of living has been due to the application of ever increasing doses of energy in virtually all facets of the economy—at factories, farms, on the highways and in homes.

This has been going on for decades. A recent study of the Interior Department reported that gross energy consumption more than doubled from 33 quadrillion British thermal units in 1947 to 69 quadrillion in 1971, a 3.1 percent annual growth rate over the period. The annual growth rate in recent years—4.8 per cent for 1965–70—has been higher than the long-term average.

In terms of quantity, total energy use increased by 23 per cent from 1951 to 1961, and by 51 per cent from 1961 to 1971. Despite the imposing figures on present use, the country has remained largely self-sufficient with only moderate imports, almost entirely of oil.

Total energy is a mixed bag filled from several sources. In 1971, petroleum contributed 41 per cent of the total, natural gas 37 per cent, bituminous coal 17 per cent, hydropower 4 per cent and nuclear power less than 1 per cent.

There have been substantial changes in the relative position of the three major supplying sources over the past 20 years. In 1951, coal accounted for 33 per cent of the total, petroleum for 38 per cent and natural gas for 32 per cent. In terms of quantity, petroleum increased by 101 per cent from 1951 to 1971, natural gas increased by 214 per cent and coal remained about stationary.

Imports of energy materials have not been a major factor in the domestic energy scene. Such imports have consisted mainly of petroleum and have been moderate, ranging from 12 percent of domestic crude oil consumption in 1967 to 15 percent in 1971. The bulk of the crude oil imports have come consistently from Canada and Venezuela, and these countries supplied 39 percent and 12 percent of imports, respectively, in 1972. In the same year, seven Middle East countries supplied an aggregate 28 percent of the imports. Thus, the position of Middle East countries as suppliers in the U.S. crude petroleum market has not been dominant, and it has been relatively small with regard to total energy consumption.

Until recently, foreign oil has been very much cheaper than domestic oil and imports doubtless would have been larger if they had not been restrained by a U.S. import quota. This import quota was terminated April 18. During 1973, however, the quoted price for Middle East oil increased from $2.59 a barrel to $11.65. As the latter price is more than twice that for most domestic oil, there is less financial incentive for importation.

Numerous forecasts of even greater needs in the period ahead add a special dimension to the energy problem. This comes down to the question of whether, with expected increased use, our supplies will be adequate for reasonable self-sufficiency to avoid being victimized by the capricious whims of foreign suppliers. The outlook for achieving this goal is not as bleak as often painted; while the situation does not look rosy for the immediate future, supplies should be adequate after a few years needed to get properly organized.

With regard to petroleum, completion of the Alaska pipeline and access to the huge reserves of the arctic North Slope are already within range. But this is not all. The U.S. Geological Survey reports that the Atlantic continental shelf from Cape Hatteras to Canada—no more than 100 miles offshore, much of it only 30 to 50 miles offshore—contains an estimated 46 billion barrels of oil along with 228 trillion cubic feet of natural gas. The same agency estimates that all our continental shelves—the Atlantic, Gulf of Mexico, the Pacific and Gulf of Alaska—contain at least 180 billion barrels of oil and 900 trillion cubic feet of gas.

Reserves of such magnitude are not peanuts even in the light of recent annual domestic oil output arount 3.5 billion barrels. Geological estimates of reserves, moreover, have consistently understated by a wide margin the potential of producing areas. There are legal and ecological problems in developing these vast resources, but it is unreasonable to believe they will not be solved if there is sufficient urgency.

The thick seams of good grade coal at relatively shallow depths that underlie vast areas of the U.S. constitute one of the world's greatest energy bonanzas. It will be recalled that the Germans fought a first-class mechanized war with very little natural oil They did it by synthesizing their low-grade coal into crude petroleum from which they derived motor fuel and strategic basic chemicals.

What the Germans did 30 years ago we can now do better and much cheaper. The Interior Department Office of Coal Research has contracts with 60 organizations running pilot plants and conducting research in coal gasification and liquefaction.

Large areas of Montana, Wyoming, North and South Dakota, and some other western states have huge coal deposits that have been little utilized because of high transportation costs to major consuming centers. The coal can now be mined and converted at the site into pipeline-quality gas or synthetic crude oil and shipped to distant markets in pipelines that already cross these areas. This would require large amounts of capital and creation of virtually a new industry. But it is unlikely that the capital cost would equal the cost of converting millions of home heating plants and of making electric buggies out of our 100 million passenger cars and 20 million trucks, even if we could do it.

In addition to the increased use of coal directly in power generation and as a chemical raw material, a significant increase in nuclear power is under way. These projects require substantial lead time and it is not yet clear what their ultimate contribution will be.

Not much increase can be expected from hydropower since the most economic sites have been largely developed, but hydropower is important, and saves fossil fuels, particularly in areas such as the Pacific Northwest and the Tennessee Valley.

Oil shale, of which there are large deposits in Colorado, Utah and Wyoming (processing yield estimated at 30 gallons of oil per ton of rock) also ultimately may contribute supplemental supplies. The government leasing program for these deposits have just gotten under way with some takers.

The nation's potential energy resources are so imposing that the present shortage, if there really is one, should be of only moderate duration. Prompt and proper action by industry and government can assure adequate domestic supplies for many years to come. The recent escalation in prices has been triggered mainly by short-term panic psychological influences without regard to our strong long-term supply position.

LITHUANIAN INDEPENDENCE

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. CONABLE. Mr. Speaker, 34 years is a long time for the people of one country to be under the domination of another, against their own desires for independence and sovereignty. Yet, in these days of détente and negotiations for peace, it is appropriate that we again call to the attention of all the sad plight of the people of Lithuania, a nation occupied by the Soviet Union in 1940 and still held under the yoke of Soviet domination.

This next Saturday, February 16, marks the 56th anniversary of the restoration of the Republic of Lithuania after World War I. For the people of that nation and for the many who have immigrated here to our shores and to other countries, this day will be an important occasion to remember the aspirations of a people who still seek the kinds of freedom and self-determination we have taken for granted here for almost 200 years. The seizure of Lithuania and the other Baltic States by the Soviet Union is not accepted by the people of these nations, even though nearly one-fourth of the population has been removed from its homeland; civil rights have been denied and economic and social freedoms are practically nonexistent.

Mr. Speaker, Congress first passed House Concurrent Resolution 416 in 1966. The resolution provides that the case of Lithuania and the other Baltic countries be brought before the United Nations for consideration. We still support this tactic so that in this way the first steps may be taken to redress the grievances of the people of Lithuania and its neighboring Baltic States and to permit them the self-determination we advocate for all people.

STATE OF MICHIGAN WAGES BATTLE AGAINST SHORELINE EROSION

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. VANDER JAGT. Mr. Speaker, as one of many Members of Congress to sponsor legislation calling for a research and demonstration program to develop effective, low-cost technology to control shoreline erosion, I am very pleased that such a provision has been included in the rivers and harbors bills that have passed the House and Senate. Continuing losses of extremely valuable shorelands warrants the intensified attention of the Corps of Engineers, the Department of Agriculture, and other Federal agencies, as well as State agencies.

I wish to call to the attention of Members concerned about shoreline erosion the very promising R. & D. program now being conducted under Gov. William G. Milliken's direction by the Michigan Department of Natural Resources. Demonstration sites are being established around the State, financed by a $370,000 appropriation by the Michigan Legislature. This work will be of great value to Michigan property owners and to shoreline communities and other concerned governmental units, and should be very valuable to persons developing the Federal program and those working on this problem in other parts of the country. The following press release from the Governor's office, dated February 6, 1974, describes this important program:

> State of Michigan Wages Battle Against Shoreline Erosion
>
> Gov. William G. Milliken said Wednesday his state has completed construction of a sixth demonstration project under a program designed to determine the best means of erosion control on the Great Lakes.
>
> The projects, financed by $370,000 appropriated by the Legislature last year at Milliken's request, are being constructed at various points around the Great Lakes shorelines under direction of the Department of Natural Resources.
>
> The completed project is located at Lincoln Township in Berrien County. It consists of two groins; one made of wood and one made of a 40-inch diameter sand filled polyethelene tube called a Longard tube, a new device for erosion control.
>
> Excessive precipitation over the past four years has resulted in abnormally high water levels on the Great Lakes. The high levels have caused millions of dollars of damage to property and homes. Property owners faced with loss of shoreline property have turned to many devices in an attempt to control the erosion. Many of the methods and materials used are futile. Others, while they may be effective, are so costly that the average property owner cannot afford to install them.
>
> The main thrust of the demonstration program is to find low cost protection which the property owner can construct, or at least participate in the construction of, so the overall costs are lower.
>
> Milliken said that at least 15 projects will be completed around the state. Already completed are projects at Michiana and Lincoln Township in Berrien County, Empire in Leelanau County, Pere Marquette Townshop and Ludington State Park in Mason County, and Marquette.
>
> Other sites are at Lakeport State Park, south of Port Sanilac County; East Tawas, Tawas City and the Tawas Point Coast Guard Station, Iosco County; Mears State Park in Oceana County, Moran Township in Mackinac County, west of Manistique in Schoolcraft County, Whitefish Bay near Paradise in Chippewa County, and another site yet to be selected.
>
> Through a DNR contract with the University of Michigan's Coastal Zone Laboratory, Dr. Ernest Brater, one of the Great Lakes' foremost experts on shoreline erosion control, is a consultant for the project. It is with Dr. Brater's guidance that sites, methods and materials for each project were selected.
>
> Milliken said that both conventional and innovative methods and materials are being used so that significant comparisons and evaluations can be made.
>
> "Not only do we want to learn what types of shoreline protection will succeed," Milliken said, "but we want to also be able to advise shoreline property owners which types of structures are a waste of time and money."
>
> In Sanilac County, three different materials are being tested; the Longard tube is being used in a configuration different from that in Lincoln Township, one groin is made of very large nylon bags which are filled with sand, and a third groin is made of rocks covered with an asphalt mastic. Each of these materials is also being tested as a revetment on Lake Michigan. A revetment is protection placed directly on the bank. Another material being tested is the gabion—a wire basket filled with rock. Gabions are being used both as groins and revetments.
>
> As each project is completed, it will be monitored by the Coastal Zone Laboratory. Laboratory personnel will evaluate the performance of each project and report findings to the Department of Natural Resources. A report will be released in the spring.

PERSONAL EXPLANATION

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, because of a previous commitment, I was unable to be in the Chamber for rollcall No. 31.

Had I been present, I would have voted "yea."

ENERGY CRISIS COULD INSURE AMTRAK SUCCESS

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. STEELMAN. Mr. Speaker, when Amtrak was established some 2½ years ago, many felt the chance for its success was slim. The current energy crisis, however, enhances the need and probable success of Amtrak. Moreover, the American people, and especially my constituents from the Fifth District of Texas, want improvement and expansion of our national passenger train service.

Dallas to Houston rail passenger service was supposed to be inaugurated in June, 1973. This train, which is to run between the sixth and eighth largest cities in the United States, should now be providing the business and vacationing public with efficient, intercity travel. However, because of disagreements between Southern Pacific and Amtrak on the extent of track repairs, the traveling public is being deprived of this much-needed service.

The following article, printed in the Wall Street Journal on December 28, 1973, further indicates the possible success and urgent need for such lines as the Dallas-Houston service.

I ask unanimous consent to have this article printed in full at the conclusion of my remarks.

The article follows:

REVIVING THE RAILS: THE ENERGY CRISIS NOW SEEMS TO INSURE THE SUCCESS OF AMTRAK

(By Albert R. Karr)

Philip Terman recently took his first train trip in 20 years. He and his wife Nancy rode to Chicago from their home in Bloomington, Ind. They saw hardly any other way to go. Had they driven, Mrs. Terman says, they'd have found a lot of gas stations closed. Train riding "is going to be a long-term thing," she adds.

And that's just a hint of the travel turnabout being wrought by the fuel shortage.

Thousands of phone calls pour in to Amtrak ticket offices every day from worried auto owners who now yearn to ride the rails. Holiday trains on some routes were sold out by early November. Standees jam some trains. At times, railroad stations hum as in the World War II era.

Amtrak's planners are scurrying to find more passenger cars and wring more mileage out of those they have. "We're a little overwhelmed," says Roger Lewis, the corporation's president and chairman. As soon as they can, perhaps in a month or two, officials plan to run more trains on such popular routes as New York-Washington. And they're thinking of adding new routes later on, in response to pleas from Senators, Congressmen and state officials.

NO FLEETING PHENOMENON

The holiday rush back to the rails, amid gasoline shortages and airline curtailments, may seem almost too hectic to continue. But this is no fleeting phenomenon. The shortage of fuel for other travel, which could endure for years, holds promise of transforming the once-sputtering U.S. effort to revive rail passenger service into a roaring—and lasting—success. "A whizbang success," in the words of Rep. Brock Adams, a Washington State Democrat who's a rail expert.

Travel on Amtrak trains will go "right through the roof" as more people give up auto and air trips, one government planner predicts. Thanks to the fuel crisis, adds another, "intercity rail passenger service is on the verge of a birth." Amtrak officials themselves now expect ridership to leap 30% next year, double what they previously predicted.

To help accommodate all the eager riders, influential members of Congress want to give Amtrak all the dollar push they can; they know the trains' fuel use per mile per passenger is less than half of a small auto's consumption. And the Nixon administration's attitude toward federal financing for the semipublic corporation has turned from cool to almost hot.

But the sudden demand for train service may mean hard going for the men at Amtrak's throttle. They worry that they won't have enough equipment to accommodate the throng of travelers, that many people will be turned away and won't try again, and that who do climb aboard will be unhappy with their experience and will swear off for the future.

NEW OPPORTUNITIES

And if Amtrak doesn't handle the challenge just right, its executives add, costs and deficits could balloon so that today's seeming boon would turn into a bane.

Even before the fuel crisis burst upon the nation, the movement back to the train was growing. For the past two years, Amtrak ridership has been rising about 12% a year, reversing a 20-year rail-passenger decline. But the corporation has thus far remained in the red, with a deficit of $141.8 million in the fiscal year ended last June 30.

Now, new opportunities are looming. Consider:

The clamor to get aboard a train has zoomed, especially since President Nixon's November speech on the energy crisis. In recent weeks, ridership has shot 25% ahead of a year ago. Calls to Amtrak reservation offices have gone as high as 64,000 a day, three to five years ahead of projections, and may soar to 100,000 next summer, some think. "We're getting deluged with calls from people who are concerned they're going to have to spend two or three days somewhere," stranded without gasoline, Mr. Lewis says.

One inquirer, from Bethlehem, Pa., reasons that "traveling by auto over the weekends may soon be a thing of the past." And F. H. Pannill, a Midland, Texas, attorney who now plans to take the train to meetings in Houston and New Orleans, says that on past trips "I've driven a good deal and flown some, but I think those days are gone for good." To catch the train, he must drive 166 miles, but he's hoping for a new rail route closer to home.

Amtrak has been flooded with state bids for new routes. Nebraska would like an Omaha-Kansas City train, Colorado a Denver-Kansas City route, Missouri a Kansas City-St. Louis route, and Ohio a Cincinnati-Columbus-Cleveland run. "I've had to put a map on my wall showing all the inquiries and expected inquiries. It looks like a bloody spider web," an Amtrak state-relations official says.

Members of Congress are clamoring for new service, too. Sens. Hugh Scott of Pennsylvania, Robert Taft of Ohio and Jacob Javits of New York want a revival of service linking New York City, Albany, Erie, Cleveland and Chicago. Sen. Robert Stafford of Vermont seeks a second daily Washington-Montreal train through his state. Sen. Mark Hatfield of Oregon proposes more routes, including one between Portland and Denver; he's concerned about Pendleton, Ore., which is losing its United Air Lines flights to Portland. Rep. William Scherle, an Iowa Republican, has a simpler request: have the Chicago-Oakland "Zephyr" stop at Red Oak (pop: 6,210) in his state.

Congress is looking more favorably on financing for Amtrak. "Until now," says Rep. James Harvey of Michigan, ranking Republican on the House Transportation subcommittee, "I have never been convinced that Amtrak could be made into even a marginal loser, but now the possibility is there." He adds that if Amtrak gains sharply higher patronage, "it might be well to invest more money in it." On the Democratic side, Senate leader Mike Mansfield sees in the fuel crisis "an opportunity for Amtrak to expand and upgrade its passenger train service." In the northeast rail measure enacted last week, Congress earmarked $500 million for improving high-speed passenger service in the Boston-Washington corridor.

Nixon administration money men are looking more kindly upon Amtrak. The Office of Management and Budget, which originally wanted to cut the fiscal-1974 Amtrak budget to about half the $93 million it later accepted, now brushes aside any doubts about Amtrak's request for an additional $40 million this fiscal year. "They just said it looks good to them," a Transportation Department man reports. Thus, says a government planner, "more public money will go to intercity rail passenger service than ever before."

SQUEEZING IN MORE PEOPLE

But even before getting new cash, Amtrak will seek ways to satisfy the swelling demand. Officials figure they can add about 250 cars to the 1,100-odd usually moving down the track at any one time. They plan to buy more old cars, get Amtrak's existing fleet into better operating shape and do a better scheduling job.

After purchasing two batches of old cars from the railroads, procurement men now hope to come up with another 100 or so, fully realizing that some may be "clunkers" costly to run and repellent to riders. "I'm not so sure we should buy them," says Richard Tomlinson, Amtrak's executive vice president.

The operating fleet will also be increased by faster renovation. This should trim the unusable cars needing repair to 12% of Amtrak's fleet from the present 15%, in effect adding another 100 usable cars for operations. Also, procurement men are escalating weekend leasing of commuter cars from big-city transit systems, which don't need many on Saturdays and Sundays.

And Amtrak will squeeze more people into some of the cars. By moving back partitions and putting in new seats, closer together, the strategists figure to raise the seating capacity in many cars by 15% to 20%.

BUMPY RIDES

Amtrak officials plan to run the New York-to-Washington Metroliner trains on later trips each evening, and there will be more on weekends. Boston-Washington trains will run every hour, instead of every two hours. Other urban corridors will see similar moves, stemming "strictly from the fuel crisis," Mr. Tomlinson says. A third trip per day is planned for the Chicago-Detroit route, for instance.

But Amtrak is already turning people away. Sen. Mansfield complains that at least 1,000 Montanans couldn't get reservations for the Dec. 15-Jan. 4 period. Rigers fret, too, that on a number of long-haul trains Amtrak is taking coach reservations only for 500 miles or more. Despite increased service, "a lot of people are going to be left holding the bag," Mr. Tomlinson says.

Those who ride the trains in the months ahead may find it an experience they'd like to forget, Amtrak planners also worry. Standing in the aisles will increase, and current problems of heating and air-conditioning breakdowns, bumpy rides, late arrivals and reservations snafus aren't likely to disappear.

But Amtrak men insist they're trying to erase the black marks. Among other things, they're adding 135 new, more reliable locomotives that should bring more trains in on time next summer. New cars due for delivery in 1975 and 1976 will boast innovations like cafeterias and showers that will "give us an entirely new image," a spokesman says.

Also, Amtrak has been winning travelers back to the rails by offering service aimed at the pleasure-bent. Included is the Montrealer, a train running between Washington and Montreal, that carries skiers and vacationers. That train, says Dr. John G. Freymann, a Hartford medical educator, is "the best thing that's happened to the Connecticut Valley in 20 years."

AFRICAN DROUGHT WORSENS

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. BIESTER. Mr. Speaker, despite a massive infusion of basic foodstuffs and other forms of assistance into the drought-stricken areas of central Africa, the famine continues to spread and take its toll. The grain shortage has destroyed livelihoods and has taken hundreds of thousands of lives in past months with prospects for relief which are less than encouraging. The situation increasingly and progressively worsens, and international relief efforts—of both a short- and long-range nature—are frustrated by the magnitude of the problem.

For the benefit of my colleagues who may have missed a timely update of what is occurring in the Sahel and other areas of drought-ravaged Africa, I am inserting into the RECORD a recent Washington Post article on this tremendously difficult question:

AFRICAN DROUGHT SPREADS—U.S. FOOD GOES, BUT LONG-TERM AID IS STALLED

(By David B. Ottaway)

The worst drought of the century in West Africa is continuing unabated, and in Ethiopia, where thousands died last year from famine, the situation is steadily worsening.

International relief agencies and African leaders are warning of mass starvation later this year if preventive steps are not taken in the next few months.

American black groups and U.S. church relief organizations have been beating on congressional doors to indicate their high interest in the situation, and the United States has become the largest food donor to meet the stricken regions' pressing immediate needs.

But U.S. officials concede that Washington has so far been far more reserved about committing itself to long-term development aid projects to get at the drought area's fundamental problems.

Reports indicate that conditions have worsened in four of the six West African countries already seriously affected last year. For the first time, the drought has also reached crisis proportions in the northern regions of Nigeria and Cameroon.

In East Africa, the drought is spreading in Ethiopia and now is a serious problem in neighboring Kenya.

The West African intergovernmental relief coordinator, Upper Voltan Agricultural Minister Antoine Dakoure, is warning that without fast emergency relief 200,000 people may die of starvation in remote corners of the Sahel, the 2,600-mile semi-desert strip across Africa below the Sahara.

International relief groups estimate that between 50,000 and 100,000 persons have died in northern Ethiopia from drought or famine-related diseases. No estimate has been made of the death toll in West Africa, but thousands of nomads are known to have died last year.

About 2 million persons have been left destitute by the drought in West Africa and another 1.2 million have needed emergency assistance in Ethiopia, with as many as 63,000 living in relief camps at one point.

The U.N. Food and Agricultural Organization believes that more than 3.5 million head of cattle, worth $400 million and about 25 per cent of the total cattle population, perished last year in the six affected West African countries—Senegal, Mali, Mauritania, Niger, Upper Volta and Chad.

Dakoure said that the total grain shortfall in the West African famine area will be 1.2 million tons this year, compared to 850,000 tons in 1973. He estimated that 660,000 tons of emergency food will be necessary in the next few months to prevent a disaster.

FAO director Addeke Boerma, on an 11-nation African tour pressing an appeal for more international aid, said at a press conference Jan. 23 in Lagos, Nigeria, that only about 300,000 tons of food had been promised and "practically no money" was pledged for the $30 million drought relief fund.

But officials of the U.S. Agency for International Development say here that about 530,000 tons of grain and foods have been pledged, according to their reports. They place the total need for grain and supplementary high protein foods at about 715,000 tons.

The U.S. government has committed to the West African states 350,000 tons of food grains for the 1974 fiscal year, bringing its total donations to 500,000 tons, and the value of its emergency relief assistance to $100 million, over the past 18 months. The U.S. also has pledged 22,250 tons of grains for relief efforts in Ethiopia.

The U.S. contribution last year, and again this year, will be about 40 per cent of all international relief aid pledged to the stricken West African countries.

Under unusually intense pressure from the black and church communities, Congress also has approved $25 million for recovery and rehabilitation programs in West Africa and has appropriated, although not yet authorized, another $50 million.

The drought has aroused enormous sympathy and concern in the United States, particularly among American blacks. U.S. officials say they have not seen such mobilization for an African issue since the civil war in Nigeria which ended in early 1970.

Africare, a private and largely black Washington-based organization, has so far raised $230,000 for its Famine Relief Fund from contributions—namely as small as $5 or $10—from more than 10,000 persons, according to program director John Grey.

The three-year-old group has received a 32,000 grant from AID and $250,000 from the Lilly Endowment of Indianapolis for drought relief and recovery programs in the Sahelian region.

Another New York-based group, Relief for Africans in Need in the Sahel (RAINS), has raised $50,000, mostly from black organizations and private citizens throughout the country.

As American involvemnt in drought relief and rehabilitation programs grows, so does concern about how the U.S. government is spending the $25 million earmarked for economic recovery programs in West Africa.

Rep. Charles Diggs (D. Mich.), chairman of the House Subcommittee on Africa and author of the amendment for $25 million in recovery assistance, toured West Africa last December with a congressional group and has since called on the U.S. government to support a "major, long-term" economic development program for the six countries.

Robert E. Bates, an aide to Sen. Edward Kennedy (D-Mass.) and a member of the touring congressional group, criticized the U.S. relief and recovery program as being too preoccupied by a "cost-benefit ratio" approach toward helping people there.

"We're not spending anything on ways to make this area viable," Bates said. "Everybody will go along with providing food, but the governments there realize they need more than just shipments of grain, and our government hasn't made up its mind to respond to these kinds of needs."

AID officials counter that the first priority has been to improve the West African governments' ability to deal with the immediate crisis and "to do the maximum possible to avoid another costly airlift," such as was necessary last summer to send food to isolated towns and starving nomads.

Most of the $25 million in recovery assistance is going into schemes to increase agricultural production immediately, according to Fermine J. Spencer, AID's West African director. "If the new techniques being used take hold, it will have an effect that will go way beyond the next harvest," he said.

But AID officials readily admit they are taking a "wait-and-see attitude" toward multi-million dollar projects being proposed to build dams on the Niger and other rivers elsewhere in the drought-affected region. They are awaiting a $1 million study of the region's "development options" by a Massachusetts Institute of Technology team whose project is not expected to end for two years.

Present conditions in the inland West African states of Chad, Mali and Niger as well as in Mauritania on the coast generally are described as grim. Food stocks have been exhausted and many animals that last year provided milk and meat for hundreds of thousands of nomads and peasants now are dead.

Only Senegal and Upper Volta are in somewhat better straits than last year in terms of rains and crops, according to AID officials. But Senegal has lost 50 per cent of its major foreign exchange earner, the peanut crop.

In Ethiopia, the U.S. government has accepted a United Nations estimate that the need for emergency food relief will reach 150,000 tons, of which the Ethiopian government probably will be able to provide less than 30,000 tons.

Pledges from foreign governments and international relief agencies now total about 93,000 tons of food grains, and the U.S. government is being pressed to contribute another 30,000 tons to fill the gap.

Press reports have questioned whether the Ethiopian government has done enough for its starving people and whether the situation is as serious as described by U.S. agencies.

AID officials now have reports that the drought has spread into large areas of southern and eastern Ethiopia and still is a serious problem in the two northern provinces of Tigre and Wollo, where thousands of peasants died last year from famine.

This has led AID officials to conclude that the U.N. agencies' reports are essentially correct in their assessment of the need for outside emergency relief.

But one AID official quickly added: "There is also still a need for the Ethiopian government to increase the mobilization of its own resources."

UAW STATEMENT ON UNEMPLOYMENT

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, one of the most predictable of human reactions is that when a person's livelihood is threatened or appears to be threatened, he seeks to do something about it. He seeks the removal or the alleviation of what threatens his job.

We have seen it in response to the flood of imports into this Nation which has cost American workers more than a million jobs, and which threatens more jobs as it continues unabated.

The bill that I have cosponsored with Senator HARTKE is a response to this; it seeks to regulate the flow of imports into this country as a means of helping to safeguard jobs of American workers.

This bill has long had the strong support of the AFL–CIO and its affiliated unions.

I am now glad to see that the United Auto Workers has now publicly come out in support of import quotas—for the reason that it wants to help save the jobs of its members. The UAW previously had supported many of the other provisions of Burke-Hartke, but up to now has been reluctant to seek quotas on the imports of cars. While I am sorry that the union has taken so long to see the light, it is nice to be able to welcome them aboard.

While the Burke-Hartke bill was not part of the deliberations by the House on trade legislation, it is now before the Senate. Therefore there still is the opportunity for across-the-board cooperation on an import regulating provision in the trade legislation which finally is approved by the Congress.

The statement follows:

UAW STATEMENT ON UNEMPLOYMENT

The worker who loses a job is more than a statistic. The loss of the breadwinner's income is stark human tragedy. Nothing is of greater concern to UAW members and their families than jobs. No matter how wide the range of the interests of the UAW, our first priority is and always has been jobs and security of our members.

We are not doomsayers but we are realists. We must face the facts. The unemployment picture in some sections of the auto industry is worse now than it has been at any time since the great depression of the thirties.

On the basis of the very early and incomplete reports from the different parts of our Union, we estimate conservatively that there already are more than a hundred thousand UAW members laid off indefinitely. In addition tens of thousands see their plants totally shut down for varying periods of time. The truth is that there is the potential of catastrophic unemployment for workers in general, and automobile workers in particular.

Unbelievably, while unemployment rates threaten to go through the ceiling, the rate of inflation continues to break all records. As our people lose income, prices for the necessities of living soar. There are even threats of a dollar for a loaf of bread and a dollar for a gallon of gas. Once again workers are the chief victims.

While the workers bear the brunt of both galloping inflation and mounting unemployment, the whole society is in jeopardy. Should unemployment nationally hit the 8 to 10 percent range, we face not recession but depression.

While the huge oil companies show profits as much as 60 percent higher than a year ago, the unemployment rate increased about 9 percent in December to 4.9 percent after reaching a Nixon "low" of 4.5 percent in October. The rapidly deteriorating economic situation has recently added about 400,000 people to the ranks of the jobless and these ranks of the unemployed are growing daily. UAW members are among the hardest hit. Company reports of additional layoffs keep pouring in almost hourly; the latest indications are that auto workers in the hundreds of thousands could be affected in the coming months—a substantial proportion of them indefinitely. We are already well into a cold economic winter.

All of this didn't happen by accident. Nor is the energy crunch the whole cause. We are in this terrible shape not only because of the energy shortage, but also because under President Nixon we have lived with programs of economic nonsense, instead of economic sense. As the Administration doffed its hat to politically supportive industries, it actually planned unemployment for workers. Phases 1 through 4 were economic nightmares. Just imagine what Phase 5 will do to us. The Administration coupled inept, contradictory and inequitable economic policies with a public relations program of infantile optimism. Every piece of bad news was alibied and the future was always seen through rose-colored glasses. Practically every economic prophecy by Nixon and his aides has proven wrong.

The energy shortage itself is, of course, the major determinant in the continually worsening unemployment picture. The Nixon Administration has been inept and almost criminally negligent in failing to prepare adequate programs to meet long anticipated problems, including petroleum shortages. It has been guilty of shifting positions. It has, as yet, refused to probe the secrets of the big oil companies. Prices for energy soar. Administration spokesmen promote scare headlines and panic buying. Misinformation is heaped on misinformation.

We cannot restrain our shock when we focus on the federal government's slashing of the administrative budgets of the state unemployment agencies at the very moment unemployment is mushrooming. In Indiana, where there are thousands upon thousands of unemployed workers, a million dollars was cut from the administrative budget of the agency. In Ohio, the government imposed a similar cut of $1.4 million. In Michigan it was a million, six hundred thousand dollars, announced when the number of new claims filed during one week in the state was up 45 percent over the same week a year ago. Instead of more dollars with which to meet astronomically multiplying claims, this Administration decided to cut budgets.

The UAW demands a national commitment to solve immediately the urgent problem of massive unemployment. There must be both short range and long range actions. They must be bold and innovative. If the Administration will not or cannot furnish leadership, the Congress must.

While we work out a total national program, there are immediate steps we must take.

ESTABLISH TEMPORARY QUOTAS ON VEHICLE IMPORTS

We are, after all, automobile workers. We know that in 1964 there were 484,100 imported automobiles sold in this country; a figure that grew in ten years to 1,773,779 units in 1973. With the dollar strengthening in the international currency market, it now seems likely that the old 360 Yen relationship to the dollar and a similar relationship to the Deutschmark will be re-established. As unemployment in automobile and related industries rise precipitously, there seems to be only one immediate answer to the problem of imports.

We must institute temporary quotas on automobile products imported from outside North America. We emphasize temporary, because these quotas must exist only long enough to prevent severe hardship in this country. We therefore will ask the Congress for federal legislation which will keep auto imports, during this crisis period, from growing beyond the percentage of imports to sales averaged over the past three years. Automobile workers and their families must have that minimal protection to survive.

The temporary quotas on imports must apply both to "captive" imported vehicles manufactured abroad by U.S. companies as well as those made by foreign manufacturers. U.S. companies must not be permitted to glut the market with their foreign produced cars while they lay off thousands of American workers at home.

The temporary quotas will help to preserve some auto workers' jobs and will, therefore, not only alleviate human suffering, but maintain purchasing power so sorely needed to keep the economy from sagging further.

As temporary quotas on imports are established, U.S. auto companies must not be permitted to relax their efforts to embark on a crash program converting increased proportions of their production to small car manufacture and implementing known techniques for greater fuel economy.

DEVELOP A FEDERAL PROGRAM OF PUBLIC SERVICE JOBS

On the broader level, we will seek also a massive federal program of public service jobs to give work to the growing numbers of unemployed. Here again, to emphasize the temporary nature of this short range, quick solution to the problem of massive unemployment, the number of these jobs should be tied directly to the rate of unemployment. This sliding scale concept—tying the number of public service jobs to the percentage of unemployed—would avoid building unnecessary numbers of federal job holders. Thus, when unemployment rose to eight percent there would be more public jobs to take up the slack, and each time the rate fell, the number of jobs would be cut.

We need a revitalized public employment program patterned after but stronger than the program approved and implemented in 1971. Those programs contained a triggering mechanism which set it off whenever the national unemployment rate went over 4.5 percent or unemployment in a local area exceeded 6 percent. This could be extended so that the degree of assistance would be graduated by the severity of unemployment in particular regions. There are innumerable tasks which could be undertaken by those publicly employed.

PROVIDE SPECIAL FEDERAL FUNDS TO HARD HIT AREAS

In particularly hard-hit areas, there is a strong justification for the federal government to spend money in the way of grants to communities which may have never experienced this sort of plight before and that are financially ill-equipped to deal with it. In 1972 the federal government, through salaries, contracts, welfare, and other expenditures, accounted for a smaller percentage of the total personal income of Michigan residents than it provided for the residents of all other states; Illinois, Indiana, and Ohio ranked only slightly higher. If the government is at all sensitive to the people's needs, these states should find themselves at the top rather than the bottom of federal expenditures in the period immediately ahead.

MICHIGAN—A SPECIAL CASE

Michigan is the heartland of the UAW. We cannot discuss unemployment and its cures only in national terms. Michigan is critical not only to auto workers; it is critical also to the national economy.

Unemployment is increasing dramatically in Michigan. Flint, Michigan at this moment, is nearing depression levels of unemployment. The prognosis in Michigan is, of course, much worse than the present actuality. In 1958 we had more than 409,000 unemployed workers in Michigan, but we believe 1974 could make 1958 look like a good year.

Michigan's Governor Milliken, however, has shown the same lack of regard for workers as Mr. Nixon. Despite the 380 million dollar tax cut last year, now, in an election year, Governor Milliken proposes to slash another 107 million dollars in tax funds by new amendments for tax credits.

The game Milliken is playing is easy enough to understand. He underestimates and miscalculates the budget—especially the social services budget, which according to him would increase in this time of dire need less for the coming year than it did for the last. Then if the legislators fill in the gaps he has left, like Mr. Nixon, he can label them "Big spenders," and the latest 107 million dollar tax gift to industry and others will have evaporated because the legislature exceeded his budget. But even if his budget were honest and reasonable, this is no time to reduce taxes. Any leader who would cut taxes when the state is on the brink of economic disaster is playing politics at the expense of the people.

We therefore urge the Michigan legislature to reject the Governor's grandstand play. Refuse his tax cut. Make his budget realistic. Institute a constructive state program to give work to people and a future to the state.

STATE PUBLIC SERVICE PROGRAMS

Michigan and other states threatened with a disastrous increase in unemployment must establish programs of public service employment. If the unemployed were offered work by the state in a crash program at prevailing wages, we could do wonders. We could help people retain their dignity. We could clean up our communities. We could make our cities livable. We could revitalize our towns. We could stimulate the sick housing industry. We could repair our streets, highways and sidewalks. We could fill the chuckholes. We could beautify our environment. We could renovate and improve recreational facilities, particularly those adjacent to and within major cities and towns. Deteriorating railroad beds could be renovated and repaired. We could construct and operate recycling depots. All of this could be done—programs socially constructive, labor intensive and which will contribute to the easing of the energy problem.

PROVIDE SUFFICIENT FUNDS TO ADMINISTER UNEMPLOYMENT ASSISTANCE PROGRAMS

There are priority items which can't wait for a total program. All of the money cut from the administrative budgets of the state unemployment agencies must be restored immediately. But that is only the beginning. Budgets of such agencies must be increased realistically to take care of the fast multiplying numbers of our out of work people. Benefit levels and duration periods for unemployment compensation must be federally strengthened, improved and extended. There should be 52 weeks of benefits in every state faced with major unemployment problems.

These things must be done forthwith. After we have accomplished those first steps we can go to work on a total set of instruments to avoid human suffering and economic disaster.

In time of urgency, workers like other Americans, look to their national leaders for answers. They want leadership. They want action.

In the Nixon administration they find nothing more than confusion, lack of credibility, callousness toward their plight, and primary concern for big business which provided the money to wage Nixon's election campaign.

In the current void of national leadership, the UAW issues this urgent call for action by the President, Congress and state governments.

JANUARY 30, 1974.

THE PANAMA CANAL IS VITAL TO OUR NATIONAL INTERESTS

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. SHRIVER. Mr. Speaker, for the past 5 years the goal of our Nation's foreign policy has been a realistic reassessment of our national interests. While remaining strong in support of interests which are determined to be vital to our national security and economy, we are lowering our presence in other areas. The general terminology for this policy is the Nixon doctrine. I have consistently supported that policy.

However, I now believe the architects of the Nixon doctrine are in danger of making a serious mistake in their determination of what is and what is not vital to our national interests. I am referring to the current negotiations on the future operation of the Panama Canal.

Secretary of State Henry Kissinger has signed an "agreement on principles" with the present Government of Panama which could lead to the surrendering of our control over the U.S.-owned Canal Zone and the Panama Canal. I have the greatest respect for the Secretary, but I cannot support any action which could endanger the future use of the canal by our naval and maritime vessels.

At the present time approximately 70 percent of canal traffic either originates or terminates in the United States. Continued operation of the canal is vital to our economy. One look at the history of the Suez Canal should teach us never to give up our control of canal operations.

Our Government should not take any action which could lead to an opportunity for leaders of another country to dictate the terms of our use of the canal, which is so vital for the defense of the United States and the Western Hemisphere.

Therefore, I am today cosponsoring a resolution declaring that it is the sense of the House of Representatives that the United States should retain our sovereign rights and jurisdiction over the Panama Canal.

The United States designed and built the Panama Canal at great cost in both lives and money. Existing and valid treaties give title and ownership of the Canal Zone "in perpetuity" to the United States. These treaties include the Hay-Pauncefote Treaty of 1901, the Hay-Bunau-Varilla Treaty of 1903, and the Thomson-Urrutia Treaty of 1914.

Under article IV, section 3, clause 2 of our Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives. Our resolution declares it the sense of the House of Representatives that this clause take precedence over the treaty ratification power of the Senate, and that any new agreement with Panama which would relinquish our property in the Canal Zone could not take effect without prior authorization from both Houses of Congress.

In introducing this resolution, it is my hope that the administration will take another look at what is at stake in these negotiations with Panama. Any steps short of surrendering our sovereign control over the operation of the canal which can be taken to ease political pressures in Panama should be taken. But no steps should be taken which would seriously jeopardize our economy and national defense.

VETERANS BENEFITS

HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. ADAMS. Mr. Speaker, I rise today to present to the House of Representatives a comprehensive package of legislation designed to improve the educational and economic situation of our Nation's veterans, especially our Vietnam-era veterans.

They are a vast group of Americans who have probably given more of themselves for the well-being of the United States than any other single group; yet, in many very major ways, we have not given them the recognition and the benefits extended to many other people in our society.

We began many years ago with good intentions and some effective programs to assist our returning veterans in reestablishing themselves in our society. Of particular significance was the GI bill. A study recently completed by the Educational Testing Service called the bill:

> One of the most important and effective pieces of legislation Congress had ever enacted. It profoundly affected the fortunes of veterans and postwar society, and it transformed the nation's higher education system.

However, over the years, that fine program has been eaten away by higher education costs, inflation, and changes in the Veterans' Administration policy toward the program. Similarly, while we have long provided veterans with pensions and disability compensation, we have subsequently either allowed inflationary costs to outpace those benefits or have allowed compensatory reductions in veterans' payments due to increases in social security benefits.

The Veterans' Affairs Committees of both the House and the Senate have been conscientiously working to improve many of these veterans programs. Their task has not been an easy one because of obstinacy on the part of the Veterans' Administration and the Nixon administration. Perhaps, however, we will see some advances on veterans' fronts during this session of the 93d Congress since President Nixon has recently changed his tune on veterans' affairs by calling for an 8-percent increase in veterans' educational benefits and a revised pension plan with regular cost-of-living increases.

Nevertheless, I do not believe that the Congress should be deluded by the administration's sudden generosity. The cost of living rose about 9 percent last year and is expected to increase another 7 percent this year. That means that the President's generous 8-percent increase in veterans educational benefits is half as much as is really needed by our veterans to keep pace with the vicious circle of educational, financial, and employment problems which confront them.

The State of Washington, like other States, is facing a staggering increase in living costs. However, unlike other States, Washington has an unemployment rate that is roughly 8 percent, which is higher than the national level of 5.2 percent. The unemployment rate for Vietnam era veterans is even higher. The Educational Testing Service has determined that the national average for tuition at a 4-year public institution is $419 a year. In Washington State, the average tuition is about $564. That amount is not as high as some States' averages, but that expense perhaps explains why only 27.8 percent, or 37,808 veterans in Washington State have ever gone to college under the GI bill. In fact, during the 1972 academic year, only 2 percent or 3,200 Vietnam era veterans were enrolled in Washington State community colleges.

Because I believe that it is imperative to help provide veterans in Washington State and throughout the Nation with the dignity we have offered to other members of our society, I am today offering a package of veterans legislation. My package includes:

A comprehensive Vietnam era veterans education benefit plan.

THE COMPREHENSIVE VIETNAM ERA VETERANS EDUCATIONAL BENEFITS ACT OF 1973

Inadequacies in the present GI bill deny the Vietnam veteran the assistance and opportunities that Congress intended they have. This is the conclusion of the congressionally commissioned report published by the Educational Testing Service on educational assistance programs for veterans. Their findings are confirmed by independent hearings conducted by the National League of Cities, U.S. Conference of Mayors, and the American Association of Junior Colleges.

This bill is designed to overcome the specific inadequacies of the present GI bill and provide assistance and opportunities to veterans who are currently unable to use their benefits. It is also designed to meet the mandates of major veterans organizations in the most comprehensive, flexible, and effective manner possible.

MAJOR PROVISIONS

First. A tuition payment made to the veteran for tuition costs above $400 per school year. The ETS study showed $400 to be the average tuition cost at a 4-year public institution. The veteran would pay the first $400 himself and the VA would reimburse him for tuition costs up to a total of $1,000. Out of a total tuition cost of $1,000, the veteran would pay $400 and the VA $600. Any cost above $1,000 would have to be paid by the veteran.

This would enable veterans in States with high-cost public education to use the GI benefits. The GI bill participation rates in Ohio, Pennsylvania, Indiana, New Jersey, and New York—States with public education costs averaging over $750—are half those of States with low-cost public education—California, Texas, and Massachusetts. The inability of the veteran to make an initial tuition payment of $600 or $800 is the most formidable obstacle preventing participation in an education or training program.

Second. An increase in the subsistence allowance paid to veterans in vocational rehabilitation and education programs of 13.6 percent. This is consistent with action already taken in the House of Representatives and covers the 8-percent inflation rate since the present rates were enacted.

Third. An extension of the present 36-month entitlement period for up to 9 additional months subject to case-by-case approval by the VA. This will allow veterans who are subject to special circumstances to complete the course of education they set out on. Specifically, it is intended for those who have lost credits because they have transferred from one school to another or because they lacked sufficient preparatory background and need additional courses to complete their program of instruction.

Fourth. An increase from 8 to 10 years in the eligibility period. Presently veterans have 8 years from date of discharge to complete their education with the help of GI assistance. Many veterans discharged in 1964, 1965, and 1966 were unable to use the benefits until 1970 when the subsistence rate was raised above $130. Others have attended on a part-time basis and also face the prospect of losing part of their 36-month allotment when the 8 years are up.

Fifth. A provision allowing a veteran to draw his full 36-month entitlement in larger amounts over a shorter period of time. Present subsistence allowance for a single veteran is $220 per month. This provision would allow the veteran to draw up to $440 per month for only 18 months. This would enable veterans with prior education to complete their programs with a minimum of money worries. It would also enhance the prospects for those who may wish to attend medical or law school or a 2-year vocational objective.

Sixth. The bill removes the restrictions of the work study program. This will enable the VA to utilize veterans to fulfill vitally needed outreach work while allowing them to earn money that will help defray their college costs.

Seventh. Establishment of a Vietnam Era Veterans Communication Center and a Veterans Advisory Committee. The center would insure that the input, advice, experience, and knowledge of young veterans would be used in the coordination and implementation of programs affecting Vietnam era veterans. The advisory task force would combine Government and private efforts to make veterans programs more effective and more widely utilized.

COST—A CONSENSUS REACHED AFTER CONSULTING THE VA, OMB, AND VARIOUS PRIVATE CONCERNS

First. Tuition payment—$200 million.

Second. Subsistence increase—$370 million.

Third. Extension of entitlement—$15 million.

Fourth. Extension of eligibility period—$20 million.

Fifth. Accelerated subsistence—No new cost.

Sixth. Expansion of work-study—$25 million—to be determined by VA and congressional authorization.

Seventh. Communication Center—Funded out of existing VA funds.

An educational low-interest rate loan program.

An action plan for employment of disabled and Vietnam-era veterans; chapter 42 would be amended by adding new section 2014 directing an action plan for employment of disabled and Vietnam-era veterans. This section is identical to that which was passed by the Senate unanimously last August but was dropped following House-Senate negotiations. Under this provision, the Administrator of Veterans' Affairs in consultation with the Secretary of Labor and the Civil Service Commission, shall, within 90 days of enactment, establish an affirmative action plan for every Federal department and agency for the preferential employment of disabled veterans and veterans of the Vietnam era. Each agency would be required to submit to the President, a report indicating action taken under the plan and the President in turn is required to submit detailed statistical reports to Congress once a year indicating the extent to which the action plan has been successful during the preceding calendar year, together with statistics showing the extent to which each department and agency has complied with the action plan.

A 15-percent increase in the disability rating schedule for all disabled veterans.

I intend to vote for the veterans educational benefits package which the House Committee on Veterans' Affairs has recently reported to the House floor. I believe it is a good package. I also believe that the additions to that package I have mentioned above would create an excellent program for our veterans.

On March 29, the Nation will honor all our Vietnam-era veterans. That honor is certainly well deserved. However, with the enactment of a comprehensive and sound veterans program, we will be presenting our veterans with real honor and dignity, and, indeed, gratitude for the services they have rendered the Nation.

EXPULSION SHOWS DEGREE OF INDIVIDUAL LIBERTIES OF RUSSIAN CITIZENS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mrs. HOLT. Mr. Speaker, the arrest and expulsion of Alexander Solzhenitsyn from the Soviet Union has resulted in worldwide public condemnation. Mr. Solzhenitsyn's crime was writing a vivid account of the excesses of the Stalin regime; his efforts were rewarded with a loss of citizenship.

In our consideration of improved relations with the Soviet Union through trade concessions, the SALT talks, cultural exchanges, joint scientific projects and the like, it is important that we keep the case of this brave author in mind. His case has far more importance than the fate of one man and his family; it is indicative of the true nature of the Russian Government and the degree of individual liberties within that country.

Ignoring the Soviet Union's rhetoric and observing its actions gives one little encouragement as to positive change in its philosophy or policies. If the fate of Solzhenitsyn is typical of domestic policy and recent Russian actions in the Mideast demonstrative of foreign policy, then we must continue to be extremely wary of the motives and ambitions of this country.

Mr. Speaker, while we have cause to be thankful for the successes of the policy of détente, let us not allow these achievements to blind us to other hostile Russian initiatives. In our desire to relax tensions let us not compromise our principles. And in our efforts to create a climate of international harmony, let us place a greater value on actions rather than words.

FEDERAL ASSISTANCE AND TECHNOLOGICAL DEVELOPMENT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. HARRINGTON. Mr. Speaker, one of the problems each of us must deal with daily is that of local Federal grants. Most commonly, this arises when a constituent is having a problem with a specific grant application. But I believe there is a more serious problem of which we are less aware. It seems to me that most businesses and communities simply do not know what funds are available to them, or how they can be obtained. In fact, providing that kind of anticipatory information could prove in itself to be a full-time, major operation.

It is for this reason that I would like to call to the attention of my colleagues the formation of a new organization, Government R. & D. Report, a public service corporation located in Cambridge, Mass. The purpose of this new organization, organized and headed by William Margetts, is to publish a regular report, detailing new Federal grant opportunities and the ways in which local governments, private researchers, or small businesses can apply for such funds.

I would like to insert Dr. Margetts' introductory letter in the Record at this time for the information of my colleagues. The text follows:

Government R&D Report,
Cambridge, Mass.

Dear Friend: Having been associated for some years with organizations involved with Federally supported programs, many times I found it difficult to remain adequately informed about the numerous Federal agencies which should have been approached for support for additional projects. In recognition of the need for busy individuals to remain up to date on current Federal funding sources, Government R&D Report has been established.

Access to relevant funding information is but a part of the total effort that will be required by you to obtain government information. There will also be agency personnel to talk to, nuances of departments to understand; and of course, preparation of the formal proposal. However, access to relevant information is a vital part of the overall proposal effort.

I hope that this complementary copy represents a service which you will want to take advantage of. A partial list of the agencies surveyed by Government R&D Report is listed in this edition. A number of these agencies support R&D projects within the capabilities of your organization. And, to ensure that our publication remains an asset to your planning activities, it is our policy to survey other agencies specifically requested by our subscribers.

Sincerely,
William G. Margetts, Ph. D.,
Editor.

THE FORGOTTEN ENERGY AGENCIES

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, I am happy to insert into the Record an excellent and farsighted article by Mr. S. David Freeman, director of the Ford Foundation's energy policy project.

The article follows:

[From the Washington Post, Feb. 10, 1974]

THE FORGOTTEN ENERGY AGENCIES

(By S. David Freeman)

Now that the United States is experiencing a crisis, we find that energy policy has become too important to be left to the energy agencies. William E. Simon, the energy czar, has taken charge, and his Federal Energy Office is the focal point of public attention. Yet the Interior Department, the Atomic Energy Commission, the Federal Power Commission and the Environmental Protection Agency, to mention only a few, still carry out programs that are vital to any solution of our energy problems. While we listen to what Simon says, the nation had better take a look at what the old line agencies are doing.

A good place to start is with the Interior Department, which has custody over the federal domain. Most of the oil and gas that is economically recoverable in the next decade is public property buried in the earth, largely beneath offshore waters. The government also owns huge coal reserves in the West and most of the country's oil shale. Interior's performance can make or break our energy future; and in the process it can either destroy or protect vast regions of the nation that are still naturally beautiful.

Historically, the Interior Department has been dedicated to development of the fuels on the federal lands pretty much at the pace that the energy industry demanded. But in recent years public concern over oil spills and strip mining and growing opposition to development of unspoiled places have brought a new dimension into the decision-making at Interior, one that the department is poorly equipped to handle in the public interest. Striking an intelligent balance between development and environmental protection requires knowledge and concern for what might be lost by development, as well as what might be gained. The alarming fact is that the Interior Department knows very little about how much the public owns and what it is worth; it knows even less about the harm that may happen to marine life, wildlife, the face of the earth, or to people's cherished lifestyles if development proceeds.

A GIGANTIC GIVEAWAY

The Interior Department is now under intense pressure to throw open the remaining federal lands to the energy companies. In his Jan. 23 energy message to Congress, President Nixon directed the Secretary of the Interior to lease 10 million acres of the Outer Continental Shelf in 1975. This would be an amazing tenfold increase over the less than 1 million acres leased in 1973. On the face of it, a stepped-up program sounds like a fine response to the energy crisis. But is a massive sale of public assets really in the public interest?

In the first place, it is doubtful that the oil industry can triple its drilling capability in these offshore waters in the next few years, much less explore 10 times as much acreage. Shortages of drilling rigs and skilled manpower are already a bottleneck. A likely prospect is that ownership of the petroleum in the ground will simply pass from the government into oil industry hands. And with leases offered faster than they can be developed, they are likely to bring only bargain-basement prices.

The sale in one year of what could be a series of oil fields the size of Maryland and Delaware combined has all the ingredients of a gigantic giveaway of the public domain even if "competitive bidding procedures are followed," as the President assured. The danger of selling the vast federal domain for a fraction of its value is especially acute because the department has little or no knowledge of how much oil and gas it will be selling and thus no solid basis for appraising the bids. The problem is compounded by the system of selling the oil and gas to the highest cash bidder, rather than a profit-sharing system under which the government would receive a sizable share of the selling price of whatever quantities of oil and gas were discovered. When the government doesn't know how much it is selling and is flooding the market with sales, even a very large cash bonus could prove to be a very bad bargain.

Yet there is an even graver threat from a sudden tenfold increase in offshore drilling. Anyone familiar with the meager capability of the Interior Department for analyzing the environmental impacts of its leasing program must shudder at the prospect. Lack of knowledge can become a formula for lack of environmental protection. The department's performance in the Alaska pipeline and its offshore leasing program to date—where citizen suits were required to order compliance with environmental protection law—inspires little confidence.

The Interior Department has shown neither the ability nor the determination to withstand the pressure for development even if serious environmental concerns are present. With the Atlantic coastal zone the next target for development, the nation had better watch this leasing program very carefully.

AEC: POWER OR SAFETY

The President's request in his Jan. 23 message for legislation to accelerate the licensing and construction of nuclear power plants reemphasizes the key role of the Atomic Energy Commission in the nation's energy policy. The speed-up campaign from the White House, coupled with President Nixon's remark of a few months ago that fears about atomic power are "old wives' tales," is not terribly comforting to people who are soberly aware of the dangers. These concerns are heightened by the AEC's failure to press for the budget initially requested for its regulatory program, and a feeling by key regulatory officials at the AEC that their efforts are not understood or supported by the agency head.

The safety record of atomic plants to date has been good in large part because the AEC has taken the time to carefully scrutinize their design and construction. Even so there are unresolved problems of safety, waste disposal and safeguarding nuclear material. In addition, there is a need to strengthen the quality controls and inspections to assure that the growing number of plants are built to operate safely and reliably.

One of the major problems with the AEC's regulatory program is that it is only a part-time job for the chairman and most of the other commissioners. Assuring that atomic plants are safe requires full-time attention by the people responsible for signing their names to the decisions. The administration proposal to split the AEC's regulatory function away from its promotional activities and create a separate independent Nuclear Energy Commission is thus an urgently needed reform. Yet in the final analysis it is people rather than organizational structures that count. Nuclear power needs regulators who put safety first and will not be carried away by concern for the current shortages in deciding issues that pose dangers to mankind for generations to come. The nation must keep the spotlight on the Atomic Energy Commission or its successor.

FPC: NONREGULATION

The Federal Power Commission is hardly in the news these days, even though it is the principal federal agency for public regulation of the electric power and natural gas industries. Despite earth tremors in the energy world, the FPC seems content to carry out routine activities that deal with a tiny fraction of the electric power industry's problems. It has made no effort yet to seek a broader mandate so it can deal with urgent issues that no public agency is now equipped to handle.

The public is concerned about the massive increases in the retail rates for electricity, the problems of where to locate power plants and transmission lines in harmony with the best use of the land, and of course the electric power industry's ability to avoid blackouts and brownouts. The FPC really plays only a small role in satisfying these public concerns.

The electric power industry is becoming steadily more important as it takes on a larger share of the entire energy supply each year. Already over 25 per cent of all fuel goes into generating electricity each year, and by the turn of the century over half our energy supply may reach the consumer as electricity. As oil and natural gas become scarcer, coal, atomic energy, geothermal steam and, in the future, solar energy will be converted to electricity to meet future energy needs.

The electric power industry has always been subject to public regulation primarily by state utility commissions. But the 3,400 separate utilities have hooked their systems together into networks in which power flows over vast regions of the country. They are really beyond the power of the states to regulate effectively. The utilities come in with rate increase requests that are a *fait accompli*. The state commissions do not control their expansion plans and are duty bound under existing rules to grant them rate increases that cover all their costs and a reasonable profit. And the Federal Power Commission has no power over the expansion plans of the electric power industries, except when they build power dams, which they seldom do these days.

The fact that the electric power industry is going to keep growing is all the more reason to limit its growth to the facilities really needed and to locate them so as not to ruin the countryside. If the Federal Power Commission can't perform that job for the public then what good is it?

A whole new mandate for the Federal Power Commission and utility regulation in general is going to be required, and perhaps some reorganization of the electric utility industry as well. Rate-making concepts in effect today are part of the promotional era—when we measured progress in kilowatt hours. They need to be turned around.

New rules for pricing electricity are needed to provide incentives for conservation to replace promotional rates and profits based solely on plant expansions. Regional regulatory agencies may be needed to develop regional plans for maximum efficiency and minimum impact on the landscape, with authority to assure that utility expansions conform to the plan. These regional agencies could assist the states in fixing retail rates. They could assure that power grids were strong enough to take full advantage of the savings in land and capital from truly integrated planning and operation.

A Federal Power Commission alert to the public need should be actively proposing such reforms. We cannot afford to drift ahead with utility expansions under ground rules and institutional arrangements that are inflating our electric bills and cluttering the landscape with more investments in facilities than are really needed. If the FPC or the executive branch show no initiative, the Congress should.

EPA: STILL VITAL

Another victim of the energy crisis is public attention to pollution abatement. The cleanup campaign so nobly begun and so widely reported in the media a few years ago is giving way to daily bulletins as to whether we will get enough energy, never mind whether it is clean or dirty. It is therefore useful to remind ourselves that the work of the Environmental Protection Agency is just as vital as ever. The medical evidence on air pollution has not changed—it is still a health hazard. The damage from strip mining, oil spills and the rest is still a clear and present danger.

The crucial test of our resolve is coming up as EPA acts in 1975 to implement the primary air quality standards to protect human health. It will require industry to use cleanup technology that is expensive and which industry claims is not yet reliable. The energy crisis will no doubt be cited as an execuse for putting off the cleanup. Yet the irony is that the actions some cities must take to comply with these clean air standards are precisely those that are needed to overcome the shortage of gasoline; creating better public transportation to substitute for private cars in getting to work. The ability of EPA to stick by its guns and withstand the pressures from inside and outside will depend on how much the public cares.

Energy policy in the government has been so fragmented and so ineffective in the past that it is good to have a czar. But paying attention to what the established agencies are doing, or not doing, may be much more important.

CORPS OF ENGINEERS REPORTS ON LAKE MICHIGAN DIVERSION

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, during the past 2 years residents of shoreline areas bordering the Great Lakes have been plagued by severe property damage resulting from unusually high water levels.

Among the suggestions for easing this critical situation is a proposal to increase the rate of diversion from Lake Michigan into the Illinois Waterway at Chicago. Legislation such as H.R. 12015 has been introduced to allow diversion rates averaging up to 10,000 cubic feet per second, although a maximum of 3,200 cubic feet per second would apply when lake levels fall below normal.

In trying to evaluate the implications of such a plan, I thought it wise to turn to the Army Corps of Engineers for advice. As a result I learned that studies had already predicted a drop of about 1¾ inches during the first year and an ultimate fall of 6 inches after 15 years, assuming diversion at the maximum 10,000 cubic feet per second rate.

More information was needed, because the above analysis neglected the variability of rates built into the pending legislation. Further, available data failed to define the plan's expected impact during times of low lake levels. While the present high water lasts, the idea of increasing diversions is attractive, but it could pose serious problems when we face a low water period such as the one we had in 1964–65. We might then regret having increased diversions during preceding years.

Gen. W. O. Bachus, North Central Division Engineer, has provided the results of further studies in a letter addressed to me. His investigation applied the variable water level management program outlined in the proposed legislation to the 1900–67 historical period. The research revealed that the lakes' maximum, minimum, and mean levels during the period would have been reduced by 4 inches, 1¼ inches, and 2¾ inches respectively. Thus, measured in inches, the benefits during times of very high water levels would be three times as great as the costs incurred when Lakes Michigan and Huron are very low.

Of course, the analysis must be extended to translate this raw data into more meaningful estimates of the gains and losses. Hearings should be held soon to fully evaluate the proposal.

The text of this letter follows:

DEPARTMENT OF THE ARMY,
Chicago, Ill., February 4, 1974.

HON. WILLIAM A. STEIGER,
House of Representatives,
Washington, D.C.

DEAR MR. STEIGER: This is in further reply to your letter of 22 January 1974, requesting information regarding the possible effects of increasing the diversion of water from Lake Michigan.

There have been numerous suggestions over the years to vary the diversions of water into and out of the Great Lakes Basin. Because of the high levels of the lakes for the past two years, many requests have been received to increase the diversion at Chicago.

Our studies show essentially the same results as those provided to you by the Lake Survey Center in Detroit. Based on maximum rate of about 10,000 cfs in the first year, the level of Lake Michigan would fall about 1¾ inches below the level that would result from current diversion policies. The ultimate effect was also estimated to reach a six inch drop over a period of about 15 years.

This office has made a preliminary study of the effects of increasing the Chicago diversion whenever the combined water supplies to Lakes Superior and Michigan-Huron were at or above average. At other times when the combined supplies were below average it was assumed that the diversion rate would remain at 3,200 cfs. The results indicate that applying such a variable Chicago diversion scheme over the period 1900–1967, the maximum, minimum and mean levels on Lakes Michigan-Huron would be reduced by 4 inches, 1¼ inches and 2¾ inches, respectively. Therefore, it is concluded that the low levels such as those which occurred in 1964–1965 on Lakes Michigan-Huron would have been about 1¼ inches lower.

There will be some problems created on the Illinois Waterway by increasing the Chicago diversion. Since it takes several days for flows to pass from Chicago to Alton, it would be impossible to eliminate all flood effects from the increased diversion when adverse weather conditions occur. Also navigation interests on the Illinois Waterway would experience increased operational problems in certain constricted reaches due to higher velocities.

I trust this information is helpful to you.

Sincerely,

W. O. Bachus,

Brigadier General, USA, Division Engineer.

WELFARE AND PENSION PLANS DISCLOSURE ACT

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. DENT. Mr. Speaker, yesterday, I introduced H.R. 12781, a bill to revise the Welfare and Pension Plans Disclosure Act. This bill contains the text of the substitute language necessary to conform H.R. 2 to the proposed accommodation between the Committee on Ways and Means and the Committee on Education and Labor. While our committee has not endorsed, or in any other way approved of this proposal, I am hopeful that they will accept and endorse the language contained in H.R. 12781 so that it may be offered as a committee amendment for the text of H.R. 2.

I must apologize to my committee for the shortness of time remaining for them to review this rather lengthy document, but the enormity of the job of reconciling the provisions of the recently reported ways and means bill, H.R. 12481, to our proposals has precluded a more timely publication.

I hope that both the Members of my committee as well as my colleagues in the House will be able to examine this bill as well as the complementary provisions of H.R. 12481.

THERE IS URGENT NEED TO REFORM OUR GRAND JURY SYSTEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. RANGEL. Mr. Speaker, on June 27, 1973, Congressman Bob Eckhardt and I introduced the "Federal Grand Jury Reform Act of 1973" (H.R. 9008 and 9837), a bill which would significantly reform the Federal grand jury procedure without removing the effectiveness of the grand jury as a tool for investigating crimes and returning indictments. This legislation has now been cosponsored by 20 other Members of Congress and is pending before Congressman Joshua Eilberg's subcommittee along with a similar bill that Congressman Eilberg has introduced. Hopefully, hearings on these bills will begin sometime this spring.

Over the last few years, the Federal Government has used the grand jury as a vehicle to harass and punish political dissidents. The grand jury no longer serves its original purpose of protecting the innocent from unwarranted prosecution. On the contrary, the grand jury is now the potentially abusive tool of the overzealous prosecutor. For the prosecutor is the individual who decides what should be investigated, who should be subpenaed and when, and what questions should be asked of the witnesses. The grand jurors rarely take part in any of these vital functions.

Complicating this problem of complete prosecutorial dominance of the grand jury proceedings are two other factors. First, the witnesses who appear before the grand jury, since they have not been accused of any crime, have virtually no constitutional rights. Second, the recent practice of granting "use" immunity, where a witness may still be prosecuted for a crime, but not on the basis of this testimony or any evidence derived from it, has allowed the Federal Government to take advantage of the other inadequacies of the grand jury.

When Congressman Eckhardt and I introduced our legislation, we were responding to a series of events which demonstrated that the grand jury was failing to function properly. One of the most well-known of these events was the "Fort Worth Five" case. Five Irish-Americans who resided in New York City were served subpenas in June 1972, requiring them to testify before a grand jury in Fort Worth, Tex. The grand jury was investigating gun-running activities to Northern Ireland. None of these men had ever been to Texas.

After being granted "use" immunity, the men refused to testify and were sentenced by a judge for civil contempt until such time as they were willing to talk. Civil contempt is presently punishable by up to 18 months in jail or the length of the grand jury.

The men continually refused to testify on the grounds that their first, fourth, and fifth amendment rights were being violated. They remained in jail for over a year.

Three basic abuses of the grand jury process were involved in this investigation. First, the issue of venue. Why did the Justice Department believe it was necessary to drag these five men 1,400 miles from their families and friends to testify before a grand jury in Fort Worth, especially in view of the fact that a grand jury was convened in the southern district of New York in November of that year to also investigate gun-running?

Besides the obvious reason of harassment, many persons have speculated that the administration wanted to remove this particular investigation from the New York City area since it involved Irish-Americans in a heavily Irish city during an election year.

Second, the issue of punishment was involved. Since no other witnesses besides the "Fort Worth Five" were called to testify before the grand jury, it became apparent that the prosecutors were really not concerned with gathering testimony on gun-running. The Justice Department was using its ability to have witnesses cited for civil contempt after refusing to testify under "use" immunity to harass and punish, just as it was similarly using its power to choose the venue of the grand jury.

Third, the prosecutors were asking questions of the "Fort Worth Five" which concerned men who had either already been found guilty of, or had been indicted for, gun-running. If the Justice Department was indeed interested in the testimony of the "Fort Worth Five," it was using the grand jury as a tool to gain information about an individual who had already been indicted. This practice has been many times declared by the courts as contrary to the purpose of a grand jury, for gathering knowledge about indicted individuals is the function of our law enforcement agencies.

Similar abuses of the grand jury process have taken place in numerous cases all across the country. The grand jury has been used not only to harass political dissidents, but also to attack this country's freedom of the press. It is not necessary to recall the number of journalists who have faced jail sentences under a civil contempt charge for refusing to reveal their sources after being granted "use" immunity.

Recently, it has been brought to my attention that another incident apparently involving grand jury abuse is taking place on the west coast. In a case that is remarkably similar to the "Fort Worth Five" incident, Robert Meisel, a Vietnam war veteran, has been in jail for the past 10 months for refusing to testify before a Federal grand jury investigating a gun-running conspiracy originating in Butte, Mont.

After being granted use immunity, Mr. Meisel refused to testify on the basis that his first, fourth, fifth, sixth, and ninth amendment rights were being violated. He was cited for civil contempt and jailed. During the last 10 months only one other person has been called to testify before the grand jury and the apparent target of the investigation has already been indicted and pleaded guilty to gun-running charges.

Although these two cases represent only a small portion of the grand jury abuse that has taken place in the last few years, they are still good examples of why Congressman ECKHARDT and I introduced H.R. 9008 and H.R. 9837. Congressman EILBERG has introduced, in addition to his proposed reform legislation, a constitutional amendment which would abolish the use of the grand jury for returning criminal indictments. Whether this would be the proper path to follow is something that Congressman EILBERG's subcommittee will have to decide. But in any case, it is quite clear that the present Federal grand jury system is alien to the American ideals of justice. Reform is desperately needed.

SHALL WE DROP STANDBY WAGE AND PRICE CONTROLS?

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. SIKES. Mr. Speaker, in 1970 the Congress, having experienced serious misgivings about an inflationary trend which obviously was threatening to get out of hand, passed legislation establishing a standby wage and price control system. The President stated that it was not needed and implied that he would not use it. Nevertheless within a matter of months, the President did use the standby controls in the most effective action yet taken to halt inflation.

That legislation will soon expire. It appears that the President will propose that it not be extended. I feel that a decision to allow wage and price control legislation to die is, at best, misguided and, at worst, an invitation to uncontrolled inflation in the months ahead.

Even with controls, inflation has gotten out of hand. This requires comment. When controls were first applied, it was "across the board" and they worked. It was the change in policy under pressures to apply controls selectively which produced problems. No one likes controls. The question is, who likes inflation more? Inflation is still a serious threat. I do not believe the answer to inflation is to go back to where we were before controls were initiated.

It does not take an economist to understand that America's economy is overheated. There is great purchasing power in the marketplace. Without the possibility of controls, prices on many items will go as high as the traffic will bear. Witness mile-long lines of cars waiting today to buy 60-cent-per-gallon gasoline. It is conceivable that the real or imagined necessities of life will be beyond the reach of a great many Americans unless there are some means of curbing inflation.

There is no question but that the executive branch must have flexibility to act against inflation in a manner appropriate at a given moment. But, unless control legislation is in force, the administration is hampered or helpless in the fight.

I believe the Congress should give authority to control inflation to the President, even if he does not want it. Hopefully it will be used, if necessary, before it is too late.

LITHUANIAN INDEPENDENCE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. MOAKLEY. Mr. Speaker, February 16 marks the 56th anniversary of the Lithuanian Declaration of Independence. Lithuania has existed as a unified state for more than 700 years. However, it was not until 1918 that the 20-member national council declared Lithuania a free and independent state based on democratic principles.

During World War II, Lithuania suffered the aggression of both Nazi Germany and the Soviet Union. Fearful of the German armies which had moved into neighboring Poland, Lithuania granted garrison privileges to the Soviet Union in 1939. This precautionary measure proved to have dire consequences. In August 1940, with troops already stationed in Lithuania, the Supreme Soviet of the U.S.S.R. formally incorporated Lithuania into the Soviet Union. In June 1941, the Germany forces invaded Lithuania and subjected it to Nazi rule until 1944 when the Soviets were successful in expelling the German armies. But once under the Communist regime, Lithuania was subjected to continuing foreign domination.

Tremendous pressure has been applied in order to coerce the Lithuanian people to abandon their culture, language, and religion. Although they have endured numerous hardships, their spirit and their desire for independence remain strong. Brave citizens formed the Lithuanian underground movement which battled the Soviets from 1944 to 1953. During that struggle, more than 20,000 casualties were sustained.

Only 4 years ago we were reminded of the oppressive nature of Soviet rule when Simon Kudira attempted to defect to the United States from a Soviet fishing trawler. More recently, in 1972, a young Lithuanian, Roman Lalanta, took his own life to protest the Soviet Union's continued denial of Lithuanian Independence. Riots in Kaunas following his death remind the world of Lithuania's continuing struggles for independence. Also in 1972, a petition signed by 17,000 Lithuanian Catholics was presented to the United Nations protesting religious persecution under Soviet domination.

The U.S. Congress, in 1966, passed a resolution requesting that the President bring the issue of Lithuanian Independence to the United Nations. One purpose of this resolution was to remind all Americans of the plight of the Lithuanian people who are denied the right of self-government that we Americans so cherish.

Individual Congressmen have urged Radio Free Europe to initiate broadcasts to the peoples of Estonia, Latvia, and Lithuania. Neither this nor any other effort should be overlooked in an effort to encourage the Lithuanian people in their effort to maintain their national identity.

On the 56th anniversary of Lithuania's Declaration of Independence, it is appropriate that we renew our support for the Lithuanian people and their right to self-government.

CONGRESS SHOULD ACT NOW TO HELP SMALL BUSINESS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. KEMP. Mr. Speaker, small business needs help from the Congress. And it is not as if we were giving small business special preferential treatment. Quite to the contrary, we owe it to them to remove some of the hardships and burdens which have been unwittingly placed upon them by laws and regulations over the past years.

Since I came to the Congress after the 1970 elections, I have been distressed that the plight of small business is often overlooked. This is not always the case, but it is too often the case. That is one reason why I fought hard to be assigned to the Select Committee on Small Business at the beginning of this Congress, and I am most honored to now serve on it under its distinguished and capable chairman, Mr. EVINS of Tennessee. It is also the ever-continuing reason why I fight hard to obtain meaningful reforms on behalf of small business.

Small business is defined in varying ways, but, as a rule of thumb, they are those small firms, corporations, and partnerships employing fewer than 50 people. It has been estimated that there are over 8 million small businesses in our Nation, nearly 18,000 of them in Erie and Niagara Counties in New York State.

We refer to them as small businesses, but taken as a whole, they constitute a major, integral part of our Nation's economy.

Small business constitutes 96 percent of all businesses in the Nation. They account for 60 percent of the nonagricultural work force, 37 percent of the gross national product, and 20 percent of business taxes paid.

Despite this major role in our economy, the plight of small business is deplorable. It is being hit from almost every side. It is being caught in a credit crunch, by overwhelming paperwork requirements, by growing regulation, by devaluation and inflation, by supply shortages, by transportation difficulties, by antiquated tax laws, and by what can best be described as a reluctance to stick with it because of all one is up against.

There are a number of reasons why all of this has come about. One of those is the way in which Congress addresses the question of dealing with small business problems.

THE CASE FOR A STANDING COMMITTEE

The standing committees of the Congress have legislative jurisdiction—that is, after they have held hearings and decided what ought to be done, they can act on specific pieces of legislation, report them to the floor for consideration of the entire body, and steer them through final passage.

The Congress also has another type of committee—the select committee, and there are several of these. The Select Committee on Small Business is, of course, one of them.

Select committees can hold formal, public hearings and decide what ought to be done, but that is, essentially, where they must stop. For, select committees have no legislative jurisdiction—they cannot receive legislation, for none can be referred to them by the Speaker. Thus, they can act upon no bills, nor report any, nor see any through enactment, except, of course, through coincidental assignments of their members on standing committees.

At present, small business is represented in the House by the Select Committee on Small Business and by a subcommittee of the Committee on Banking and Currency. And, a number of other committees act on bills which impact directly upon the affairs of small business and businessmen and women.

This is fractured jurisdiction at its worst. It is a split in authority which is inherently divisive and not in the interest of small business or the taxpaying consumer. Such splits allow "buckpassing"—however unconsciously—between committees, disheartening their staffs and members, discouraging the small business community, and confusing the public. Some people attribute the current turmoil within the Small Business Administration itself to this failure of adequate congressional oversight of its affairs.

Why, then, not abolish the select committee and simply transfer all authority to the subcommittee of the Banking and Currency Committee? There are several reasons why not, any one of which would be sufficient to not make such a move, in my opinion.

First, it would reverse past congressional policy, downgrading the status of small business in the House.

It would strip small business of its separate and distinct identity and lump its special problems with those of the corporate giants.

It would disregard the significant impact of this sector in the Nation's economy.

It would waste the valuable experience, expertise, and talent of those persons in the House, Members and staff, who have dealt most closely with the special problems of small business.

And, it would ignore the less-than-satisfactory record of the Banking and Currency Committee on this subject matter, for prior to the appointment of its current subcommittee chairman, that subcommittee had not met for 6 years to consider much needed SBA legislation, and even today that subcommittee, after 3 years under a much more able chairman, still does not have a permanent staff, majority or minority.

A permanent, standing Committee on Small Business, given authority under the rules of the House to deal specifically, cohesively, and actively with the problems affecting those businesses is what is needed.

SPECIFIC TAX REFORMS NEEDED

On September 20, I requested the distinguished and learned chairman of the Committee on Ways and Means (Mr. MILLS) to give top priority before that committee to certain important tax matters pending before it. I specifically asked him to consider several tax reform measures and report them to the floor, in order that the full Congress can express its will this session.

The first measure is the proposed increase in the exemption for corporations on the present surtax from $25,000 to $100,000. This increase in the exemption would simply bring the exemption level into line with inflationary increases and devaluations since it was originally established, with a slight "edge" on the future.

The second measure is the proposed Small Business Tax Simplification Act, which I cosponsored in March 1973. This bill would provide for an adjustment of corporate normal tax and would be a modest, progressive reform, providing normal corporate tax rates for corporations earning less than $500,000 per year. From earnings of $500,000 to $1 million per year, the base rate of 22 percent would remain the same, but the effective rate of taxation would decrease due to the reduced percentage in the lower brackets. As corporate earnings rose above $1 million per year, the normal tax would incline slightly upward to a maximum of 24 percent.

This latter bill would also provide for special provisions to encourage establishment of new small business enterprises, through an exemption of $25,000 operating income for a 3-year period; for an increase from $25,000 to $50,000 in the amount of allowable losses resulting from the purchase of small business stock; and for additional first-year depreciation allowance from $10,000 to $20,000.

The third measure was the Bible-Evans legislation, among the provisions of which are the creation of joint Government and small business advisory machinery for simplifying tax laws and tax forms; the making of subchapter S corporations more flexible and less dangerous to use; and, the creation of additional incentives for new small businesses.

I also called upon the chairman to reject proposed changes in estate taxation which would result in the taxation of capital gains at death. Such proposals would strike in an inequitable fashion at the small businessman, most of whose net worth is usually represented by a business built up over a lifetime, often as an integral part of a family endeavor.

These requests should never be taken as a call for a special system of taxation that would benefit small business but be unfair to others. Rather, the tax treatments which would be afforded by the enactment of these three measures—and the denial of the one—would simply take into account the particular problems of small business in accumulating capital and to avail them of opportunities which are presently available to large businesses. That is all.

I avail myself of this opportunity to call upon the chairman to consider these measures.

WE SHOULD PROVIDE LOW-INTEREST LOANS FOR SMALL BUSINESSES HIT BY ENERGY CRUNCH

I have cosponsored legislation to amend the Small Business Act to provide low-interest loans to small businesses which have been hurt by the energy shortage.

The proposal, H.R. 12497, would allow SBA to make or refinance loans to companies which are "directly and seriously affected" by the energy shortage. These loans will carry a lower interest rate than the prevailing rate charged by banking institutions to small businesses. For example, this fiscal year, the interest rate charged would be 6.125 percent.

Forecasts on the economic effects of the energy shortage range from bottlenecks in certain industries to a virtual, full-blown recession in others. Certainly, the small businesses in western New York are feeling the blunt of the energy crisis.

While we all hope that the economic dislocations can be minimized, it is already clear that small businesses and their workers will share a heavy part of the burden. Hopefully, most businesses will survive the energy crisis with only temporary cutbacks and inconveniences, but we must move now, in the Congress, to do all that we can to help those who are being hurt to overcome their crisis.

This legislation is intended to do just that—to help.

THE FEDERAL PAPERWORK BURDEN RELIEF ACT

As a result of correspondence and personal contact with many small businessmen in western New York, I have become increasingly concerned with costly, repetitious, and frequently unnecessary Federal recordkeeping requirements. They are particularly burdensome for small businessmen and small professional partnerships who, because of their limited resources, make a proportionately greater expenditure of time and money on Federal paperwork than large corporations.

In 1972, the cost of complying with these regulations to the small business community was $18 billion to handle an estimated 10 billion sheets of paper. Obviously, this adversely affects the ability of small businessmen to effectively compete in the marketplace.

In an effort to remedy this situation, I have joined several Members of the House in sponsoring legislation, H.R. 12183, directing the General Accounting Office to study the nature and extent of Federal reporting requirements and report its finding to Congress. Armed with the recommendations of the GAO study, Congress can begin to cut away the red-tape and begin the very necessary task to consolidating and streamlining Federal information collection activities.

I am pleased to report that this legislation has already been endorsed by the National Federation of Independent Businesses, the American Farm Bureau, and the American Pharmaceutical Association.

My efforts will now be directed toward prompt consideration of this proposal by the House and your thoughts and suggestions, based on your experiences, would be invaluable in this regard.

A PERSONAL COMMITMENT

Mr. Speaker, I wish to close my remarks this afternoon on a personal note, one of announcing a determined commitment on my part to help small business this year.

There is no doubt great concern—concern which I share—over the many issues facing our Nation, issues which must be resolved. Some of these solutions will be aided by the efforts of the Congress. I am convinced that some—those like certain wage and price controls—would be best resolved by Congress staying out of the picture, adopting a policy of noninterventionism, and letting the market system work. But, as we work to solve these many major problems, we cannot lose sight of those major problems which are not the subject of press attention, the White House nerve center, the early evening television broadcasts. Such an issue is helping small business.

I am committed to the goal of helping to gear up the Congress to meet adequately its responsibilities in this area. I believe strongly that if we do not, we not only hurt the economy even further, but we invite the scorn of those who know that we could have acted and did not.

THE WISDOM OF CONGRESSMAN CHARLES E. WIGGINS

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. TREEN. Mr. Speaker, my distinguished colleague, Congressman CHARLES E. WIGGINS, who so ably represents California's 25th Congressional District, recently spoke out on the issue of impeachment and popularity polls. While Mr. WIGGINS recognizes that Congress should not be oblivious to public sentiment, he also recognizes that its judgment must be based on something more than a popularity contest. To act otherwise would be a grievous injustice to our Constitution and to the confidence that is bestowed upon public officials through the electoral process.

The wisdom of Congressman WIGGINS was recognized and commended by the New Orleans Times-Picayune by an editorial appearing in the January 21, 1974, edition. I take this opportunity to share that editorial with my colleagues:

WISDOM OF WIGGINS

California Congressman Charles E. Wiggins, a Republican member of the House Judiciary Committee mulling the question of impeaching President Nixon, has dramatized an important issue of representative government in this day of popularity polls and contests.

His attitude is in stark contrast to committee chairman Congressman Peter W. Rodino Jr., who personally supported the confirmation of Vice President Gerald Ford in committee hearings but pleaded "responsiveness" to his black New Jersey constituents when he cast his vote against the man. That seems a classic example of the politician who talks out of both sides of his mouth.

Rep. Wiggins cites the precedent of British Statesman Edmund Burke, who said two centuries ago: "Your representative owes you not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices it to your opinion." To the California congressman, "we don't need Congress, just a computer polling system," if representatives are merely supposed to push voting buttons corresponding to district majority sentiment on every issue coming down the pike.

Beyond the broad plateau of responsible representation are the precipitous extremes of constituents-be-damned voting and slavish response to the fickle weathervane of polled public opinion.

To chronic anti-Nixonites the issue is not whether there is any hard evidence (distinct from the slings and arrows of outrageous prejudice and presumption of guilt) to impeach, convict and thus remove the President from office. Rather, it's: Let's get on with it—don't let legal facts get in the way of a dramatic executive hanging.

With the Rodino committee evaluated by one congressman as "the most liberally oriented" in the House, it seems almost a foregone conclusion that that "liberality" will translate into a resolution for impeachment. However, views reflected by the House in general indicate that a vote of the whole body will be based more on the legal weight of a bill of particulars against the President than on pro- or anti-Nixon prejudice.

When the time for a crucial decision comes, congressmen will be more apt to realize they are voting for history—not to mirror transitory popular sentiments.

EXPULSION OF SOLZHENITSYN

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Ms. ABZUG. Mr. Speaker, the forcible deportation of writer Alexander I. Solzhenitsyn from the Soviet Union is a shocking act that should be condemned by all people who value freedom and the rights of the individual.

Mr. Solzhenitsyn is now a man without a country, but he remains a man of conscience and courage. By arresting him and expelling him from the land which he has said he would never leave voluntarily, the Soviet Government is admitting that it cannot tolerate the presence of even one vocal critic within its borders.

Alexander I. Solzhenitsyn is a great writer who has been forced to smuggle his books abroad for publication because only one of his works has been allowed to be published legally within his own country. It is not necessary to agree with all of Mr. Solzhenitsyn's views or his charges against the Soviet Government to affirm his right to think, speak, and write as he pleases or his right to live in his native land. I can understand that his defense of General Vlasov who collaborated with the Nazis enraged the Soviet Union, but by throwing him out, the government has once again proved his basic charge that dissent or criticism of any kind is repressed by the authorities.

I have been a longtime advocate of peaceful relations and cooperation with the Soviet Union and other Socialist nations, and will continue to maintain that in this nuclear age we have no alternative but to work as hard as we can for a peaceful world. Unfortunately, there can be no doubt that the expulsion of Mr. Solzhenitsyn, who wanted to stay, and the detention of ballet dancer Valery Panov and other Soviet Jews, who want to leave, will be a major setback for the developing spirit of détente.

The Soviet Government by this latest action has seriously misjudged the influence of world opinion and created new difficulties for itself. Andrei Sakharov and other Soviet intellectuals have made a public demand that Alexander Solzhenitsyn be allowed to return to his homeland and to live without the fear of punishment or repression. I join in that demand, and call on the leaders of the Soviet Union to rescind this terrible action.

COMMUNIST CHINA CONTINUES TO SPREAD REVOLUTION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. CRANE. Mr. Speaker, as a result of the détente rhetoric which has occupied so much of our attention, as well as Secretary of State Kissinger's trips to Peking, many Americans have lost sight of the fact that Communist China is proceeding with its international plans of subversion.

Despite the soft words which it aims at the West to serve its own purposes, its actions indicate that there has been no change in its long-term goal of world revolution.

In Burma, for example, Communist China is supporting rebel forces and these rebels have won control of nearly one-third of the country.

Writing in the Washington Star-News of December 17, 1973, Richard H. Boyce notes that the fighting has intensified during the past year "when Peking actively began supporting the Burmese Communist Party and supplying it with arms and ammunition."

Mr. Boyce reports that:

> China also trains Burmese Communist Party guerrillas and lets them use a sanctuary in China's Yunnan Province, which borders on Burma.
>
> The areas held by the Communist forces contain about three million of Burma's 30 million people. The guerrillas operate a clandestine radio Voice of the People of Burma. Broadcasts talk of organizing a separate "independent" Burma government.

The world press has paid little attention to the subversive activities being sponsored by the Peking Government in Burma. It is high time that we understood the fact that the aggressive goals of the Communist Chinese remain unchanged and that détente seems, in reality, to be a one-way street in which concessions are made by the West but in which the Communists proceed with their own revolutionary program.

It is also interesting to note that the Burmese Government, which is now under attack from Peking, was the first non-Communist government to recognize the Communist Chinese when Mao Tse-tung took power in 1949. In addition, the current regime, under Ne Win, is a Socialist one.

Mr. Boyce reports that:

> The current situation is of particular concern to the United States and other big oil users because Burma has considerable oil reserves.

I wish to share with my colleagues the article by Richard H. Boyce from the Washington Star-News, and insert it into the Record at this time:

> ### China Aiding Guerrillas in Neighboring Burma
>
> (By Richard H. Boyce)
>
> Communist China is backing rebel forces in neighboring Burma and the rebels have won control of nearly a third of the country, Western diplomats just returned from Rangoon have disclosed.
>
> The diplomats reported recent fighting between the Communists and the Burmese regular army resulted in heavy casualties.
>
> As in South Vietnam, where Communists have sought for years to take control, the Burmese Communist Party has been fighting sporadically against the government since 1948.
>
> But the fighting intensified over the past year, the diplomats said, when Peking actively began supporting the BCP and supplying it with arms and ammunition.
>
> China also trains BCP guerrillas and lets them use a sanctuary in China's Yunnan Province, which borders on Burma.
>
> The Associated Press reported from Rangoon yesterday that Rebels occupied two towns near the Chinese border for five weeks, but government troops ran them out, according to military authorities.
>
> Government troops with air support on Dec. 7 recaptured the towns of Mong Yang and Mong Mah, taken by 4,000 rebels last month, the military said. Officers showed newsmen places where the rebels lived during the occupation. The quarters contained Chinese writing allegedly left behind by the insurgents.
>
> The situation is of particular concern to the United States and other big oil users because Burma has considerable oil reserves. After refusing to develop the reserves, or let outsiders do so, Burma now has begun negotiations with a syndicate of U.S. and other oil firms, and drilling is expected to begin early next year.
>
> The areas held by the Communist forces contain about three million of Burma's 30 million people. The guerrillas operate a clandestine radio called Voice of the People of Burma. Broadcasts talk of organizing a separate "independent" Burma government.
>
> Despite the little-publicized war, China and Burma continue to have diplomatic relations, and China even gives Burma some economic aid. The two nations have a treaty guaranteeing each other's borders.
>
> Burma was the first non-Communist government to recognize the People's Republic of China when Mao Tse-tung took power in Peking in 1949. The present Burmese regime under former army colonel Ne Win, who took power in a military coup in 1962, is a Socialist.
>
> Ne Win forced the country into general nationalization and depression followed, bringing the once prosperous nation to the brink of ruin.
>
> Last year's rice crop, Burma's biggest earner of foreign exchange, was a disaster. Now the war has driven some 15,000 refugees into the capital—where they are a severe drain on the government.
>
> Yet Ne Win has neither asked for outside help nor tried to publicize China's sedition. His small country is no match for the Chinese giant, and Ne Win does not wish to provoke Peking.
>
> Peking is thought to be motivated by its almost paranoid fear of the Soviet Union. It fears that Moscow, which has established close ties with India, another state on China's border, also might seek to dominate Burma. Only five months ago the Russians helped Afghanistan's army topple King Mohammed Zahir Shah in a military coup, bringing another neighbor of China into the Soviet orbit and further increasing China's concern.

THE ENERGY CRISIS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. WOLFF. Mr. Speaker, the current energy shortage has affected the life of every American. For most, it has meant significant alterations in lifestyle, intolerably long lines at gasoline stations, reductions in supply and increased costs in home heating oil, inconveniences at airports, train stations and bus terminals, shortages of food because of the truckers' strike and generally higher prices for a large number of commodities, not only fuel. For some Americans, however, the effects of the energy crisis have been even more critical; it has meant jobs lost, businesses shut down, and the most severe economic havoc. It is without question a very grave situation which will only be resolved through the cooperation of Government, industry, and the public alike. I would like to take this opportunity to outline some of my efforts to combat the energy crisis and the steps I have taken to insure that it is not the average American alone who ends up bearing the brunt of our energy ills.

One of my major concerns regarding the energy crisis is the drastically increased costs it has forced consumers to pay for fuel and petroleum-related products. One of the most critical areas is that of home heating oil, where costs have not only soared but where there is blatant discrepancy in the prices being charged. Although this situation has reached critical proportions in the last few months, it is by no means a new phenomenon.

Over the years, I have led the fight against oil company profiteering. Back in 1968, I launched an intensive investigation into the procedures by which home heating oil prices were established along the east coast. I requested the Antitrust Division of the Justice Department to investigate increased costs to consumers and the so-called two-tier price system, and I held a series of hearings on the matter in New York. As a result of these inquiries, I proposed a package of legislation designed to lower prices and stabilize the heating oil picture. This included a measure to eliminate the oil import quota system, which at that time was estimated to cost U.S. consumers $5 billion annually. I urged approval of the recommendations made by the President's Cabinet Task Force on Oil Import Control which called the quota system "unnecessary to national security." I also introduced legislation to repeal the so-called Connally Hot Oil Act, to end federally sanctioned State production controls, which the President himself confirmed as "interfering with the domestic market system" by holding down supply and keeping costs up.

Although I proposed these actions be taken almost 4 years ago, the administration did not suspend the oil import quota system until only a few months ago, and the Connally Hot Oil Act is still in effect. Recently, to combat the latest wave of heating oil increases, I have called for an investigation by the Federal Trade Commission into the allegations that the major oil companies are attempting to squeeze out the independents who, thus far, have provided the only real competition in the market, thereby helping to keep prices down. I have also asked energy "czar" William Simon to investigate the two-tier pricing system on heating oil.

There is grave concern among many Americans, as well as Members of Congress, that the major oil companies may have conspired to create the present shortage. It is my own feeling that for too long the oil industry has taken advantage of very lucrative tax loopholes, at the consumer's expense, and has been generally unwilling to cooperate with either Government or the public in seeing that our energy needs are met at a reasonable price.

Over 4 years ago, I introduced legislation to suspend the oil depletion allowance in light of drastically increased fuel costs for the consumer and inordinately high profits for the oil industry, which are now a matter of record. I also introduced legislation to prohibit the percentage depletion allowance in the case of mines, wells, and other natural deposits located in foreign territory.

Recently, I received reports that the industry has been exporting oil products and then reimporting the same product in order to take advantage of favorable import regulations. Such a practice has led to the consumer paying close to double the cost for certain petroleum products, and I have asked the General Accounting Office, the investigative arm of Congress, to investigate these rumors. The preliminary findings I have received from the GAO indicate that oil exports have risen significantly, while domestic production is down. To combat the depletion of domestic resources, I have thus sponsored legislation to prohibit the exportation of fuel oil, gas, propane, petrochemicals, and coal during the current shortage. This is similar to legislation I first introduced in 1971, when we also experienced a rapid rise in fuel prices.

The record high profits enjoyed by the industry during this past year seem to many, including myself, unconscionable in light of high costs and inadequate supplies. I vigorously supported, and will continue to urge, a tax on windfall profits; I have also introduced legislation to roll back oil prices.

To insure industry cooperation with the Government, I have sponsored legislation to establish a National Energy Information System, to require the industry to furnish information to the Federal Energy Office and to allow GAO auditing of this data. I have also called for the creation of a special committee in the House to investigate the industry and the role which they may play in contributing to shortages. Finally, I am looking into the possibility of nationalizing the oil industry; while I realize this is a major step, I feel that the critical dimensions of the shortage we are now experiencing warrant such a consideration.

One of the most annoying aspects of the shortage, especially for New Yorkers, has been the intolerably long lines at gasoline stations. I know this from personal experience having spent hours on end on line to get gas for my own car. My feeling is that the New York area, particularly Nassau and Queens, was seriously slighted during the formulation of the Government's mandatory allocation plan. I have called upon Mr. Simon to reconsider the allocation for New York, to allocate more especially for those critically low areas where gas lines have stretched for miles. I have also called upon local officials to take an action which is solely within their purview, that of petitioning the Governor to declare Long Island a "disaster area" for purposes of qualifying for emergency allocations under the Emergency Petroleum Allocation Act. In addition, just recently I conducted ad hoc hearings in New York with Members of Congress, local officials, representatives from the industry, and the public to highlight how we can combat the fuel shortages and high prices in New York.

I think it is also important that we provide incentives for people to conserve energy, that we insure the consumer is not bearing all of the burden with the Government's help. To cut down on the use of automobiles and encourage the use of more economical forms of transportation, I have introduced legislation to allow commuters a tax deduction for the expense of traveling to and from work using mass transit facilities. I have also called for a freeze on transit fares during the current shortage. In addition, I have sponsored legislation to provide tax breaks for those who improve their home heating through the purchase and installation of insulative material. Back in 1971, I introduced a measure to establish an Office of Utility Consumers' Council to represent consumers before Federal and State agencies with matters pertaining to electric, gas, and telephone utilities. I think that now is an appropriate time to continue to push for the creation of such an Office.

Traditionally, one of the mainstays of Long Island's economy has been the stability and growth of our small business community. The energy crisis has severely threatened to cripple this dynamic force. I have requested William Simon to investigate the Government's propane allocation program as it affects small businesses on Long Island, as propane is one of the major sources of energy for small business and supplies of it are critically short. In addition, I have sponsored legislation to provide low-cost loans to those small businesses adversely affected by the energy shortage, and a measure requiring an investigation into the paperwork burden placed upon small business by Federal reporting requirements, which have grown more massive during the shortage.

When I first came to Congress back in 1965, I predicted that the United States would experience a shortage as we now have unless we began to develop a long-range, national energy plan. I advocated the development of alternate energy sources, like solar energy, shale, coal conversion, and the like, and called for the creation of a special committee to investigate all aspects of our energy resources. I have again introduced legislation designed to increase production of coal as an energy source and to develop solar energy, and have called for the creation of a U.S. Council on Energy Policy—these with a view toward making this Nation more "energy self-sufficient." As a ranking member of the House Foreign Affairs Subcommittee on Foreign Economic Policy, as well as the Subcommittee on the Middle East, I have attempted to give direction to the work of the committees to counter the machinations of the very powerful Organization of Petroleum Exporting Countries—OPEC—the oil-producing nations, and the oil industry itself, in order to protect and further American interests. I have actively encouraged the formation of an organization of oil-producing nations to counterbalance OPEC, and it now appears that such a coalition is in the offing.

I will continue to do everything in my power to combat the energy shortage, to see that the people in my district receive a fair distribution of supplies, and to try to prevent such a crisis from occurring in the future.

I believe it is important that the people know that their Representatives are working to find solutions to what are our common problems.

CONGRESS AND THE MEDIA

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. BROOKS. Mr. Speaker, the Joint Committee on Congressional Operations will open public hearings February 20 on methods that Congress might employ to improve its capability for communicating with the American people through the mass media.

For many years I have been concerned that the branch of our Federal Government closest to the people is often least understood by the people. I have seen the executive branch during the tenure of Republican and Democratic Presidents alike develop a highly effective—and expensive—capacity to communicate its views directly and often massively in a manner that is denied to the Congress. In short, there is today a serious imbalance between the two constitutionally coequal branches in their relative abilities to reach the people on the crucial issues of the day.

This is the broad issue that the joint committee will examine in its hearings, scheduled February 20 and 21, and March 7 and 12. I encourage all interested Members of the House to testify and give us the benefit of your views on the following questions, among others:

First. How can the role of Congress be more fully and accurately covered in the news media?

Second. How can spokesmen for Congress gain direct access more readily to the broadcast media to present congressional viewpoints on issues?

Third. What additional facilities, staff and other supporting services, if any, are required to provide Congres with more adequate institutional capability in the area of mass communications?

Those wishing additional information about the hearings may call the joint committee staff extension 58267.

DO NOT DISARM CITIZENS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. DINGELL. Mr. Speaker, pursuant to permission granted, I insert in the CONGRESSIONAL RECORD an excellent article by Mr. G. S. Knight, a practicing attorney, which appeared in the American Bar Association Journal entitled "Don't Disarm the Citizens."

Hopefully, this excellent commentary will help lay to rest some of the outrageous comments now appearing in the press calling for elimination of one of our precious constitutional rights.

DON'T DISARM THE CITIZENS

(By George S. Knight)

As a lawyer in private practice, I should like to relate my personal reactions to those of Richard L. Thornburgh, United States attorney for the Western District of Pennsylvania, in his comments published in this space in April (page 404). The tenor of Mr. Thornburgh's comments is that the police should be supported by rigid handgun controls.

First, Mr. Thornburgh does not give sufficient facts in the three cases cited at the beginning of his comment to identify exactly what happened. If I am correct, the third case of the Norfolk, Virginia, woman shooting "an officer mistakenly raiding her home" was similar to the two cases reported in Collinsville, Illinois, where two families were raided by armed federal narcotics agents dressed as hippies and with no warrants. In both cases, as reported in newspaper accounts, "their doors were kicked in, their homes damaged, their arms shackled. And the screaming bearded men told some they were to die. . . . When they realized their error, the men disappeared with no apologies." Mr. Thornburgh refers to the Norfolk case as "typical." If it is typical (as well as the two "mistaken" raids in Collinsville), then heaven help the average citizen, for he will need all the supernatural help he can get. *Newsweek* of May 14, page 45, reported that a local Illinois attorney stated, "The thousand-year Reich they've read about. But they don't expect it here. No sir, not in Madison County."

Mr. Thornburgh is almost casual when he says handguns are "easily acquired [and] subject to little regulation or control." It has been estimated that there are more than twenty thousand laws on the books today affecting guns in general. Specifically, the

1968 Gun Control Act prohibited the interstate sale of handguns, by mail or any other means, by individual owners, except through federally licensed dealers. The same law prohibits convicted felons and mental incompetents from possessing handguns.

With respect to the mandatory registration of handguns being a panacea for crime, the California Peace Officers Association in 1969 said, "We have been unable to discover any evidence which would indicate that there is any direct relationship between the registration of firearms or the licensing of gun owners and the reduction in crime committed by the use of firearms."

Mr. Thornburgh feels that persons who demonstrate a need for handguns for personal protection and hunters should not be *deprived of them*. Once the authority to issue gun permits or licenses is given to bureaucrats, the individual runs into delays, the likelihood of ever-increasing fees that can make it impractical to own even a few guns, red tape, and other arbitrary abuses. In this crime-ridden country why should Mr. Average Citizen have to demonstrate a need to have a handgun for protection of life and family?

Several informants told the New York commission to investigate allegations of police corruption (the Knapp Commission) last year that $100 was the going rate for a pistol permit in New York City—that is, for $100 the need to have a permit could be established. Although automobiles are by far a greater killer, how many of them would be on the road if operators had to show a "need" to get a license to drive? Judging by what has happened in New York City, where only about two thousand of the eight million private residents have been issued gun permits (the only other gun permits are for sixteen thousand private security guards), there would be a great reduction in the number of automobile drivers and automobiles.

Mr. Thornburgh quotes Mayor Daley's statement that "The only purpose of a handgun in unauthorized hands is to kill." Obviously a person with a criminal propensity will use a gun or any other weapon to commit a crime. Police Chief Edward M. Davis of Los Angeles has expressed his opposition to more gun laws. The police commissioner of Buffalo, New York, Frank N. Felicetta, in 1972 said: "In the long run, there must be a sensible system which will protect citizens' rights and still curb the illegal use of firearms, but no one has come up with it yet."

With respect to the results of the Gallup poll favoring stricter gun controls, I would cite polls conducted by the National Enquirer, the Forum Foundation, and the Akron Beacon Journal that reached completely opposite conclusions. In 1971 the National Sheriffs Association, with twenty-two thousand members in every level of law enforcement, took a position against arbitrarily depriving "law-abiding citizens of their right to bear and/or own firearms," and urged mandatory sentences in addition to any other sentence imposed, for the use of firearms or other weapons in connection with the commission of a crime.

Mr. Thornburgh states that when "some politicians . . . call for the abolition and confiscation of all firearms . . . the National Rifle Association . . . responded with equal rigidity, stating that no firearms should be subject to increased controls." The N.R.A. takes the bedrock stand that the guarantees of the Second Amendment to the Constitution shall not be infringed. This does not mean that the association is intractable. In June of 1972 the N.R.A. executive vice president. Maxwell E. Rich, appeared before the Democratic Party's platform committee and emphasized "let us put the burden where it belongs—on the lawless instead of licensing the law abiding."

He stated that the "N.R.A. supports laws existing or proposed that (1) prohibit firearms sales by dealers to persons under voting age, (2) require adequate adult supervision for use of firearms by juveniles, (3) control the importation of all firearms and their component parts, (4) control all machine guns and destructive devices, (5) require licensing of manufacturers, importers, dealers and pawnbrokers and their keeping of records, (6) require, under reasonable and specific conditions, a license for the carrying of a handgun concealed on the person."

Let us examine some before-and-after figures on the crime rate in those jurisdictions that have the most rigid gun controls. Hawaii requires the registration of all firearms, including handguns. Notwithstanding, there was a 50 percent increase in homicides in 1971 over 1970. In New York state, which has the rigid Sullivan antigun laws, there was a 26 per cent increase in homicides in the 1970–71 period. In Chicago, according to an article in *Chicago Today* of April 4, 1973, in 1965, when there was no gun registration law, there were 393 murders. In 1971, after every person in Chicago was required by law to register his firearms, there were 824 murders. Where there are less rigid gun restrictions—South Dakota, Oregon, Idaho, Arizona, and Utah—sharp decreases in homicides occurred in 1970–71.

Mr. Thornburgh uses the old argument that we should have rigid gun controls because "the rate of homicides with guns in the United States is thirty-five times higher than the rate in relatively gun-free England." But examine this statement through the findings of Chief Inspector Colin Greenwood who, through a grant from Cambridge University, has researched the subject and in 1972 published *Firearms Control*.

Inspector Greenwood said in a speech on March 31 of this year that before 1920 anybody in England could get a gun without difficulty and that the crime rate was low and remained low until 1957 in spite of the enactment of rigid gun control laws. "But the picture began to change after 1957, and the use of guns in robbery began to rise fairly rapidly. In 1971 in London, there were 310 cases of robbery in which a gun was used. Now, if you want to compare that with Washington or New York, that is nothing. . . . But compare London in 1971 with London in 1954. You have a change from a city where robberies involving guns occurred once a quarter, to a city where it's now a daily occurrence . . . and the real problem isn't just the availability of guns. The real problem is the increased willingness to use criminal violence of all types, whether it be guns or knives or axes."

Mr. Thornburgh refers to the bumper sticker slogan, "Support Your Local Police," and he feels it should be put into meaningful action by enactment of severe handgun controls. I recently saw a bumper sticker reading "Support Your Local Criminal—Register/Confiscate All Guns."

It is abundantly clear that there is a good sound basis for this bumper sticker. The words contain more truth than poetry and reflect the fear of confiscation of all guns privately owned, which would amount to disarming all citizens.

THE PHYSICALLY HANDICAPPED AND OTHER INDIVIDUAL HARDSHIP SITUATIONS DESERVE SPECIAL CONSIDERATION

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. DONOHUE. Mr. Speaker, as I have repeatedly stated here during other discussions about the energy emergency, those who are physically handicapped, those who must travel exceptional distances in their employment, and other individuals with unusual hardships must and should, in all justice and fairness, be granted special consideration in the rationing of gasoline, if and when such a system is ordered into effect by the President.

The State senate in the Massachusetts Legislature has recognized the special consideration that should be extended toward the handicapped and all other hardship situations created by the energy shortage and I am pleased to include, at this point, the pertinent resolution that was adopted by the Massachusetts State Senate on January 29, 1974:

RESOLUTION MEMORIALIZING THE FEDERAL GOVERNMENT OF THE UNITED STATES TO CONSIDER THE SPECIAL NEEDS OF THE PHYSICALLY HANDICAPPED IN FORMULATING ANY GASOLINE RATIONING PLAN

Whereas, This country is faced with an energy crisis which may necessitate the rationing of gasoline; and

Whereas, The federal government is now developing contingency plans for said rationing; and

Whereas, The physically handicapped cannot, in most cases, use alternative methods of transportation, such as public transportation; and

Whereas, Many physically handicapped people must use their automobiles to get to work, shopping, etc.; and

Whereas, The automobile is not just a convenience but a necessity for the physically handicapped; now, therefore, be it

Resolved, That the Massachusetts Senate hereby respectfully and urgently memorialize the United States Government to consider the special needs of the physically handicapped in formulating any gasoline rationing plan; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the Director of the Federal Energy Office, William E. Simon, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

FLAME OF TRUTH AWARD

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. RINALDO. Mr. Speaker, as we all recognize, one of the most important areas of concern today in our country—indeed, in the world—is education. There is an organization which has seen this need and set out successfully to do something about it.

The organization is called the Fund for Higher Education. Although it was organized just 3 years ago, it already has made its mark with major accomplishments in educational institutions both in the United States and in Israel.

The Fund for Higher Education has recently honored a distinguished citizen who resides in my congresional district, heads a major corporation, and as a result of the honor bestowed upon him, has raised a significant sum for a distinguished educational institution.

The man who was honored is David M. Tracy, president of Fieldcrest. He was presented with the Flame of Truth Award for his many years of devoted service to higher education and particularly to Stonehill College in North Easton, Mass., where he is a member of the board of directors.

Leaders in all walks of life came forth to honor Mr. Tracy at a banquet in the Waldorf Astoria Hotel in New York City.

Persons associated with this cause are all outstanding people devoted to the cause of education, a cause important to everyone in the United States and around the world. I urge a special vote of thanks to this dedicated group of individuals for their devotion to the cause they so vigorously support.

LITHUANIAN INDEPENDENCE DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. ANDERSON of California. Mr. Speaker, again this year I join my colleagues and freedom-loving people throughout the world in commemorating the 56th anniversary of the independence of the Republic of Lithuania. Yet, February 16 remains a bittersweet celebration for nearly 23,000 Americans of Lithuanian descent in the State of California.

The Lithuanians are a courageous and proud people whose history extends over a thousand years. Unfortunately, much of that was under foreign domination; a subjugation which kindled a spirit for freedom. Finally, on February 16, 1918, Lithuania became a sovereign nation.

For nearly a quarter of a century, this tiny Baltic State grew and prospered—until she was betrayed by her Communist neighbor during World War II. On June 15, 1940, the Soviet Union reneged on its own peace treaty and engulfed Lithuania into its vast empire. This earlier pledge stated:

> The Soviet Union recognized the sovereignty and independence of the Lithuanian State with all the juridical rights associated with such a declaration, and forever renounces, in good faith, all Russian sovereign rights which it previously had in regards to the Lithuanian Nation and its Territory.

It is a credit to our Government that the United States has not, and will not, recognize this subjugation by the Soviet Union.

Thousands of brave Lithuanians are risking and sacrificing their lives resisting this foreign suppression. The desire for freedom is indeed embedded in the hearts of these gallant people.

Mr. Speaker, I am proud of the great efforts being made by these people desiring to achieve their natural right of self-determination, and I applaud the contribution of the Lithuanian American Council in Los Angeles and throughout the United States.

It is a tragic irony that the only Lithuanians not allowed to celebrate this Lithuanian Independence Day are those in Lithuania itself.

On February 16, voices will be raised throughout the world recalling the words of the Lithuanian national anthem:

1

Lithuania, land of heroes,
Thou our Fatherland that art,
From the glorious deeds of ages
Shall Thy children take heart.

2

May Thy children ever follow
Their heroic fathers
In devotion to their country
And good will to others.

3

May the sun of our loved shore
Shine upon us evermore;
May the right and the truth
Keep our pathway lighted.

4

May the love of our dear land
Make us strong of heart and hand,
May our land ever stand
Peaceful and united.

For those 3 million Lithuanians struggling under the yoke of communism, all Americans echo the words, "May the right and the truth keep our pathway lighted."

UTAH POLL ON ENERGY CRISIS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. OWENS. Mr. Speaker, we are constantly bombarded with public opinion polls asking questions on a variety of issues. Sometimes we tend to overlook their significance. Two polls released this past week, deserve careful consideration. The latest Harris survey published on February 12 shows that Congress popularity is at an alltime low.

Only 21 percent of those polled feel that Congress is doing a good to excellent job in handling the affairs of the Nation. On such issues as the economy, confidence in Government, and control of inflation we received from 6- to 11-percent approval. I think these are rather significant and disturbing statistics.

On February 9 the Deseret News, a newspaper in Salt Lake City, published a Utah poll on the energy situation which I think deserves the attention of Congress. Almost three-fourths of the people believe that the fuel shortage is contrived. Although the blame for the energy crisis is divided among several groups, I think we should realize that the lack of information on the severity and extent of the current energy crisis has provided the general public with no reliable statistics with which to make their own conclusion on the nature of this crisis. It is time to acquire the facts. Only through a close examination and compilation of all information pertaining to this crisis will we be able to determine the real significance of the situation and gain the respect and confidence of the public which desperately needs to be restored. I submit a copy of the Deseret News poll for your information:

[From the Deseret News, Feb. 9, 1974]

FUEL CRISIS IS PHONY, UTAHANS

Almost three-fourths of the people of Utah believe the fuel shortage is phony.

They place most of the blame on the oil companies, politics and government controls.

These are the central conclusions of a Deseret News poll conducted by Dan Jones Associates, of Logan.

Of the 600 persons interviewed by telephone in the survey, 74.8 said they feel the shortage is "contrived," while 20.2 percent believe it is "real", and 5 percent "don't know."

The blame was pinned on the petroleum companies by 44.8 percent with 17 percent placing responsibility on politics (Watergate), and 15 percent on government controls.

"Public misuse" was singled out as the cause by 7.7 percent, "underdeveloped resources" by 6 percent, "Arab-Israeli war" by 4 percent "other" factors by 3.3 percent, and 2.2 percent answered they "didn't know."

Interviewers asked two questions: "Do you believe that the current fuel shortage is real or created?" and "The current fuel shortage is caused by whom?"

The tendency to believe the shortage is contrived was overwhelming in almost every strata of Utah society. The people of Southeastern Utah where most oil activity is concentrated were more prone to feel that the shortage is real.

In that area 28.3 percent felt the shortage is real, while 71.7 believe it was created. People in Cache and Box Elder counties voiced similar opinions.

The greatest skepticism was found in Weber, Davis and Salt Lake counties where less than 17 percent believe the shortage is genuine. In Salt Lake almost 80 percent feel it's a hoax.

Peculiarly, there is a rather sharp division of opinion along religious lines of Catholics interviewed, 40.5 percent believe the shortage is real, while 57.1 percent are suspicious.

REAL OR CREATED?

	Real	Created	Don't know
Total	20.2	74.8	5.0
Area:			
Cache, Box Elder	28.0	70.0	2.0
Weber, Davis	16.8	72.3	10.9
Salt Lake	16.7	79.3	4.1
Utah (Provo)	24.4	72.2	3.3
Southeast	28.3	71.7	0
Southwest	20.0	71.7	8.3
Age:			
18 to 29	21.8	74.9	3.3
30 to 40	22.4	74.1	3.4
41 to 50	20.5	73.2	6.3
51 to 60	16.7	76.7	6.7
Over 60	15.5	76.1	8.5
Party:			
Democrat	19.2	76.7	4.1
Republican	21.2	72.5	6.2
American Independent [1]	25.0	75.0	0
Independent	21.9	73.4	4.7
Other	0	91.7	8.3
Income:			
Under $5,000	20.3	71.0	8.7
$5,000 to $10,000	17.8	78.5	3.7
$10,000 to $20,000	21.2	73.5	5.3
Over $20,000	27.3	69.1	3.6
Sex:			
Male	24.5	71.4	4.1
Female	16.0	78.1	5.9

[1] Indicates only direction of opinion, too small to be significant

The respective percentages among Mormons and Protestants are around 28 and 77 percent.

Republicans show only slightly more tendency than Democrats to believe that the shortage is real.

As to assessment of blame, the geographic factor comes into play again. The oil field area of the southeast places less blame on the oil industry and more on government controls and misuses than do other sectors.

Salt Lake County displays the least confidence in the industry's veracity with 52.6 percent placing the blame.

When broken down into age groups, a peculiar pattern develops in the survey. Of those 51 to 60 years old, 52.2 percent blame the oil industry for the shortage, while among those over 60 the percentage is only 40 percent.

American Party adherents split the blame exactly down the middle between the oil companies and politics.

Not surprisingly, the lowest percentage of blame attributed to politics (8.8 percent) emanates from Republicans whose party is currently in administrative control of the federal government.

Mildly surprising is that persons earning under $5,000 show less tendency to blame the oil industry than do middle-income groups, agreeing on this point more closely with the affluent (those earning over $20,000).

The "poor" understandably attribute more of the blame to public misuse of fuel than do other income groups. They are, of course, less likely to own gas hog cars, motor homes, boats, trailers, snowmobiles, etc.

Despite the much-publicized Arab oil embargo, few of those interviewed placed blame on the Arab-Israeli war as a major cause of the fuel shortage.

The percentages ranged from nothing to 11.1, the latter expressed by persons with higher than a bachelor degree education.

The war was also singled out as a significant factor by residents of Utah County (Provo area) where 10 percent felt it was a cause of the shortage.

WHO CAUSED SHORTAGE?

	Oil companies	Underdeveloped resources	Government controls	Arab-Israeli war	Politics (Watergate)	Public misuse	Other	Don't know
Total	44.8	6.0	15.0	4.0	17.0	7.7	3.3	2.2
Area:								
Cache, Box Elder	44.0	6.0	8.0	6.0	18.0	14.0	4.0	0
Weber Davis	45.5	3.0	6.0	2.0	23.8	5.0	6.9	6.9
Salt Lake	51.6	6.9	14.6	2.0	14.6	5.3	3.3	1.6
Utah (Provo)	37.8	7.8	21.1	10.0	13.3	8.9	1.1	0
Southeast	26.4	9.4	22.6	9.4	17.0	15.1	0	0
Southwest	43.3	1.7	20.0	0	20.0	8.3	3.3	3.3
Age:								
18 to 29	45.0	5.2	14.7	6.6	16.1	8.1	3.3	.9
30 to 40	42.2	7.8	21.6	2.6	16.4	6.9	1.7	.9
41 to 50	43.8	6.3	12.5	.9	23.2	8.0	2.7	2.7
51 to 60	52.2	5.6	12.2	1.1	10.0	10.0	4.4	4.4
Over 60	40.8	5.6	12.7	7.0	19.7	4.2	5.6	4.2
Party:								
Democrat	44.6	6.2	14.0	6.2	18.1	5.7	1.6	3.6
Republican	47.7	5.2	19.7	3.1	8.8	10.4	4.1	1.0
American Independent [1]	50.0	0	0.0	0	50.0	0	0	0
Independent	41.1	6.8	13.0	3.1	22.4	7.8	3.6	2.1
Other	50.0	8.3	0	0	25.0	0	16.7	0
Income:								
Under $5,000	39.1	2.9	15.9	5.8	13.0	13.0	4.3	5.8
$5,000 to $10,000	45.0	5.2	15.2	4.7	17.3	8.4	3.7	.5
$10,000 to $20,000	47.3	6.8	15.2	3.0	17.0	6.1	1.9	2.7
Over $20,000	38.2	10.9	10.9	5.5	18.2	7.3	7.3	1.8
Sex:								
Male	46.9	9.2	11.6	5.8	17.0	7.1	1.4	1.0
Female	42.8	2.9	18.3	2.3	17.0	8.2	5.2	3.3

[1] Indicates only direction of opinion, too small to be significant.

EXILE OF ALEXANDER SOLZHENITSYN

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. ROGERS. Mr. Speaker, it was with deep regret that I learned of the exile of Alexander Solzhenitsyn from his home in the Soviet Union to West Germany.

As we have observed the unfolding drama of Mr. Solzhenitsyn's conflict with the Soviet authorities, this possibility was always present in our minds, but it comes as no less a shock now that the event has occurred.

While this enforced exile and deprivation of citizenship is surely a heavy burden for him to bear, I am thankful that Mr. Solzhenitsyn is alive and well, and that more punitive actions were not taken. I understand that the author's family is to be permitted to join him soon.

It is indeed unfortunate that the Soviet Union, as it moves into a greater participation in the world commercial and scientific community, has yet to resolve such a basic issue as the freedom of expression of thought by its citizens. I am sure that the fact that Mr. Solzhenitsyn's fame has put his situation in the world's view was the reason for the decision to exile rather than to punish the author.

I hope that Mr. Solzhenitsyn's family is able to rejoin him soon, and that they can create a new and productive life in their new setting.

PRICE CONTROLS NO ANSWER TO ECONOMIC ILLS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. DELLUMS. Mr. Speaker, it is interesting to note that the Nixon administration finally seems to be getting the message that much of our current economic ills derive from disastrous results of over 2 years under a misguided incomes policy which featured price controls.

For me, price controls as a limit on inflation is comparable to immersing a thermometer in ice water and then announcing that the patient is cured.

Price level changes—and especially what we would term "galloping inflation"—instead are key indications of severe economic dislocations. Instead of treating symptoms, our efforts should be aimed at dealing with causes of our economic problems.

I rue the fact that Congress authorized the implementation of the price controls that the President has imposed over the past 2½ years. And I would hope that Congress would act as soon as possible to eliminate that power.

For me, the fact that the administration resorted to price controls showed that Mr. Nixon and his friends were not at all interested in dealing with the real economic problems facing our Nation.

We do not need price controls. What we do need is a massive reordering of our national priorities so that it reflects real needs of our citizens rather than the wrong view that America can solve the world's problems; what we do need is significant tax reform; what we do need is a commitment to ourselves and our children.

That commitment is not found in price controls, and it is not found in the objectives of this administration.

SULLIVAN-DINGELL COMPULSORY FISH INSPECTION BILL

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mrs. SULLIVAN. Mr. Speaker, as chairman of the House Committee on Merchant Marine and Fisheries, and as a longtime advocate of strict food standards, I have today introduced legislation for compulsory inspection for wholesomeness of all fish sold in the United States. I am pleased to have as a cosponsor of the bill, H.R. 12849, the distinguished gentleman from Michigan (Mr. DINGELL), chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, who will conduct subcommittee hearings on this measure and on related bills beginning February 27.

The Sullivan-Dingell bill generally parallels existing laws for compulsory inspection of meat and poultry. It would be administered by the Commerce Department, which now conducts a fish inspection program on a voluntary basis in plants willing to pay for this service and thereby become eligible to sell their products to the school lunch program or in other Government procurement, or in order to be able to have a Federal wholesomeness label placed on their consumer packages.

Under the proposed compulsory program, all normal costs of Federal fish inspection would be borne by the Federal Government, or in joint Federal-State programs involving fish sold only in intrastate commerce, as is the case with compulsory inspection of meat and poultry.

As many of the Members will recall, Mr. Speaker, I have been closely identified with legislation dealing with Federal inspection of food for wholesomeness since my first term in Congress, having introduced the legislation which became the Poultry Products Inspection Act of 1957; the first bill, introduced in 1962, to expand the Meat Inspection Act of 1907 to include compulsory inspection of meat sold only in intrastate commerce; and the first bill, introduced in 1967, to amend the Poultry Inspection Act to require poultry inspection also in intrastate commerce. The Wholesome Meat Act of 1967, and Wholesome Poultry and Poultry Products Act of 1968 accomplished these objectives.

Under both the Federal meat and poultry laws as expanded in the Johnson administration, the States are encouraged to develop their own inspection systems, equal to the Federal standards, for products sold only within their borders. Those which do so receive Federal matching funds for doing their own inspection work. But in cases where the States fail to adopt comparable meat and poultry inspection programs, the Federal Government maintains inspectors in all of the plants in those States, including those engaged only in intrastate commerce.

NEED FOR CONSUMER PROTECTION

H.R. 12849, the Sullivan-Dingell fish inspection bill, entitled the Wholesome Fish and Fisheries Products Act, provides for the same pattern of Federal and Federal-State inspection and enforcement as in meat and poultry inspection. The Commerce Department's primary responsibilities for fish wholesomeness would begin with the operations of the fishing vessels, including periodic inspection of vessels for sanitation, and entail continuous inspection of all processing activities. State and local health authorities would retain jurisdiction over retailing operations not involving actual fish processing.

Imported fish would be admitted to the United States only if it was found to be processed under the same standards imposed on the domestic fish industry.

Fish products represent an important source of protein in the American diet, particularly so since the large increases in recent years in meat prices. The Federal Government is engaged in numerous programs to promote the development of the American fishing industry. In order to assure public acceptance of fish as a food product, it is essential that unsanitary conditions be eliminated in the industry, both for the protection of the consumer and for the healthy growth of the industry.

I am afraid that many segments of the food fish industry are operating today much in the way the meat industry operated prior to the passage of the 1907 Meat Inspection Act, and as the poultry industry operated prior to the passage of the Poultry Products Inspection Act of 1957. The Food and Drug Administration at present has the responsibility for investigating unsanitary conditions in fish processing plants and in uncovering shipments of adulterated or unwholesome fish, but the FDA's spot checking program does not take the place of continuous monitoring of every stage of the production process.

Just as we had to institute compulsory and continuous inspection for meat and poultry, the time has come for us to require similar standards of wholesomeness for fish, and eliminate the danger to the public from contaminated products sold to unsuspecting shoppers.

Along with the Sullivan-Dingell bill introduced today, the subcommittee hearings beginning February 27 will consider H.R. 887, by the gentleman from Florida (Mr. PEPPER) and the gentleman from Michigan (Mr. DINGELL) to have the Department of the Interior set and enforce standards for fish wholesomeness; and H.R. 8894 by the gentleman from Montana (Mr. MELCHER) to have the Department of Agriculture establish a compulsory system of fish inspection.

H.R. 1235, a bill I introduced in this and in previous Congresses to rewrite the Food, Drug, and Cosmetic Act of 1938, and which provides among other things for the Food and Drug Administration to operate a continuous inspection system for fish, has been pending before the House Committee on Interstate and Foreign Commerce without action.

I hope my own Committee on Merchant Marine and Fisheries can now proceed to close this serious gap in our food safety laws.

IS THE PUBLIC RECEIVING A FAIR RETURN ON THEIR OIL SHALE LANDS?

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. VANIK. Mr. Speaker, the second tract of public oil shale lands put up for sale last Tuesday brought some startling results. The first tract of land, "C–a," which was bid on in early January, brought what most Interior officials thought to be the enormous sum of $210 million for 4 billion barrels of oil identified as "recoverable" by the Department of the Interior. That amounts to about a nickel per barrel of oil.

But it was difficult to know whether that first bid was a low or high. We did know that offshore oil leases have brought about 10 cents per barrel or more, although precise data is extemely hard to find on that subject.

The second lease, however, has given us something to compare the "C–a" bids with, and the results are outrageous. The per-barrel yield from bonus bids shows a huge disparity. While the C–a tract leased in January yielded only about 5.2 cents per barrel, the C–b tract bonus bids of February 12 will bring about 16.3 cents per barrel of oil, or three times as much. These figures do not include royalty payments or lease fees.

Is the American public being taken for a ride? How can one tract of oil shale land bring three times as much per barrel as another? Are public energy resources being sold at ridiculously low prices to an industry that will make its profits by selling that resource back to the public?

Mr. Speaker, I have called on the Secretary of the Interior to delay the Federal prototype leasing program until we can be sure that the public's interest is not being severely abused. Surely a 1- or 2-month delay in leasing would not seriously affect the progress of that program, and it could help insure the public owners of that oil shale land that they are getting a fair return on their properties.

The letter to Secretary Morton follows:

FEBRUARY 13, 1974.

HON. ROGERS C. B. MORTON,
Secretary of the Interior,
The Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: Those following the evolution of commercial oil shale development in the United States have waited anxiously for the results of bidding on the second, 'C–b', tract in the Federal Prototype Oil Shale Leasing Program. The wait has been particularly suspenseful following last month's unpredictably high bid of $210 million for the four billion barrels of shale oil that the Final Impact Statement identified as recoverable from the first, 'C–a', tract.

Although thought to be a staggering amount, the C–a bid of $210 million actually yields only about five cents per barrel of oil in bonus bid payments to the government, not including royalty and lease fees. Additionally, provisions in the Prototype Program lease will allow costs of the construction of the recovery facilities to be deducted from the last two of the five bonus bid payments if those facilities are built within three years of the lease date. This provision will amount to a forty percent decrease in the amount of the bonus bid that will actually reach the Federal Treasury. Thus the public will realize about three cents per barrel of shale oil—an outrageously low return to the American public whose lands contain the oil.

In contrast, today's high bid of almost $118 million for the C-b tract will yield about sixteen cents per barrel of shale oil. This occurs despite the fact that C-b must employ a more difficult and expensive deep-mining recovery process. While C-a apparently will be able to surface mine much of its 5100 acres.

In addition to the tremendous per barrel bid disparity between the first two Prototype tracts, there are indications that the Department of the Interior would actually have leased the C-a tract for even less; for less than $10 million—and that Department officials were actually flabbergasted at the enormity of the bids on January 8. Because the "formula" for determining "minimum acceptable bids" was apparently seriously inadequate, the Federal government was willing to lease rights to the C-a shale oil for less than 1/20th of the eventual winning bid. This is an unconscionable situation and the entire minimum bid process must be immediately overhauled.

Because of the huge disparity between the per-barrel rates of the first and the second Federal Prototype tracts, and the apparent tendency of the Bureau of Land Management to almost *give* away the tracts at ridiculously low prices, I am requesting that you temporarily delay further leases in the Prototype Oil Shale Program to allow for a complete, emergency examination of the return to the American public on the sale of their natural resources. The question must be answered: Why were four billion barrels sold at a nickel a barrel—while less than one billion went for sixteen cents per barrel? Should not the first bid be re-examined and re-negotiated? Would not a re-negotiation procedure be the best way of assuring equitable leasing of the Nation's oil shale lands?

Since it appears that the public interest is not being served adequately, I hope you will halt the program until safeguards are established. The sale of the public's oil resources at what may be 1/100th of their retail value is not in the interest of either long or short term energy supplies, nor is it in the national interest. The American people must rely on your office to ensure that oil shale leases are fair and equitable.

Sincerely yours,

CHARLES A. VANIK,
Member of Congress.

IDA FUNDS DO HELP THE POOR

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. HAMILTON. Mr. Speaker, on January 23, 1974, this body considered the merits of the International Development Association. Some of my colleagues asked what good these funds did, and if they ever reached the poor. I think the following article from the December 18, 1973 issue of the Saturday Review which describes IDA's cooperation with the World Health Organization in trying to eradicate the dread disease, river blindness, helps answer the question:

[From the Saturday Review, Dec. 18, 1973]

RIVERS THAT EAT THE EYES

(By Thomas A. Blinkhorn*)

FOUNGOU, UPPER VOLTA.—By now the news is out that Chief Guebre Sabaure has died. He was eighty, a gangling giant of a man with a vicious-looking scar across the nose that totally belied his joviality.

When I first met him, he was holding court in the village of Foungou, a drab collection of mud huts along the White Volta River, nearly one hundred miles southeast of Ouagadougout, Upper Volta's capital. It was the dry season then, and the flat, brittle land seemed a hostage of the merciless sun. The chief was not to be subjugated, though. Perched on his red-cushioned chair, he would laugh and toss out brief pronouncements to the assembled village elders, all the while casting defiant stares at the blazing sun through a pair of lensless glasses.

When I returned four monts later, the first rains had come, and the land was magically transformed—released and alive, greening by the day. But the chief was gone; he had died a few days earlier. The villagers, honoring the tribal custom that a chief's death must be concealed from the outside world for at least thirty days, either avoided questions about his whereabouts or explained simply that he was away. Visiting Abidjan, one said. Gone to Ghana, claimed another. A third said he was inspecting a farm to see the new crops. That was the grandest fabrication, for Chief Sabaure had been completely blind for years.

The curious thing about his blindness was his matter-of-fact reaction to it. He seemed convinced that it was somehow inevitable. And it did not strike him as extraordinary that other men and women in the village also were blind, or nearly so. After all, he explained, there was much in life that could not be understood, and anyway, as an old tribal saying put it, ultimately the "rivers will eat the eyes." How they did it was, well, just another of life's mysteries.

That a tiny, black female fly, born in the precious waters of the nearby Volta, had actually robbed him of his eyesight was apparently beyond the old man's comprehension. He just laughed incredulously at the suggestion that a mere insect was the real menace, transmitting a disease called onchocerciasis, or river blindness, which has claimed thousands of victims in Upper Volta and other West African countries.

Actually, the disease can be found in a wide belt stretching from Senegal to Ethiopia. It also occurs in Yemen and in parts of Central and South America. An estimated 20 million people in the world are affected, according to the World Health Organization. The largest endemic areas, however, are in the savanna zones of West Africa, especially in the Volta River basin. In the seven countries worst affected—Upper Volta, Mali, Niger, Togo, Dahomey, Ivory Coast, and Ghana—more than a million people have the disease. Of these, an estimated sixty thousand are totally blind. In some villages it is not uncommon to find 10 to 15 percent of the population blind, many of them in their thirties and forties. Since the disease does not shorten life, the blind impose a tremendous welfare burden on communities that are already desperately poor.

The menace is about half the size of the normal North American housefly and belongs to the species *Simulium damnosum*. (Another species, *Simulium venustrum*, inhabits Maine and Canada and is known as the "curse of the north." Its bite can raise large welts and cause itching and swelling of glands.)

While spreaders of other parasitic diseases in Africa (*Bilharzia*, for instance) breed in still or stagnant waters, the black fly thrives in fast-moving foamy water. In what must be one of the most amazing feats in nature, the female fly hovers above the rushing water, picks out an inviting rock or blade of grass, and deposits eggs covered with a gluelike substance.

"The females lay their eggs in batches of one hundred to six hundred," explains Dr. René le Berre, a French entomologist for the World Health Organization who has studied the fly's habits for years.

"The eggs develop in thirty-six to forty-eight hours. The young larvae, nourished by the oxygen and nutrients in the fast water, emerge into pupae in eight to ten days," Dr. le Berre says. "Pupal development lasts another two to five days, after which the adult fly emerges and takes flight."

The female requires a meal of blood in order to develop her eggs. Man is her favorite source of supply, although she also bites animals but, strangely, without the same damaging consequences. In her lifetime, which usually lasts about a month, she may seek up to six blood meals.

"Females bite during the day, outside dwellings and near the ground," Dr. le Berre explains. "During the blood meal they ingest a volume of blood slightly heavier than their own weight. A single blood meal suffices to ensure the maturation of an egg mass, and this phase lasts three to four days."

In sucking blood from the human being, the female fly can, at the same time, deposit tiny, infectious parasitic worms into the skin. Concentrations of these invaders invariably produce lumps or nodules on the body. In each of the swellings, male and female worms live and breed. Their offsprings, called microfilariae, can be found in the skin throughout the entire body.

Dr. Alfred A. Buck, a specialist from Johns Hopkins University who works as a consultant for WHO, reports that persons living in endemic areas receive numerous bites, as many of 13,000 per man per day in the very worst areas. As a result, there is a continuous build-up of the worm load; each square millimeter of skin may be crowded with hundreds of larvae. As the infection deepens, nodules may appear. Skin tissue, especially on the lower legs, turns white and red. Skin also thickens and ages prematurely. Intense itching develops, in some cases so severe that people have been known to commit suicide. Blindness comes gradually, after several years. At first, tiny white spots appear on the outer edges of the cornea. They eventually swell into "snowstorm zones" that block all vision.

It used to be thought that river blindness affected only the skin and eyes. Recent studies, however, have unveiled an entirely different picture.

"It is now established beyond doubt that onchocerciasis may affect the regional lymph nodes, causing hanging groins, swelling of the scrotum, and even elephantiasis," according to Dr. Buck. "Pathological studies have confirmed the presence of the microfilariae in the kidneys, liver, and lungs. They have also been found in vaginal smears from adult females in endemic areas. There is also evidence to show that severe onchocerciasis may become a wasting disease."

The parasite that caused onchocerciasis was first discovered by medical researchers in the latter part of the nineteenth century. But it was not until the post-World War II period that the slow, painstaking detective work on the intricacies of the disease began. Many mysteries had to be solved (and some still must be solved): the precise nature of the parasite, the crucial role of the fly in transmission, the exact evolution of the infection inside the human body. Much early ground-work was done by agencies of the French government. Later the World Health Organization and local ministries of health became involved.

The magnitude of the investigation is awesome, for river blindness involves the interaction of singular forces, each with its own intricate set of characteristics: the fly, an infectious parasite, and a human being.

It took years to pin down precisely which species of fly was the real culprit and exactly how it delivered the infectious parasite. Today the species in question, *Simulium damnosum*, is easy to differentiate from other African black flies at all stages of development. But recent studies have shown that the name actually covers a complex of closely related forms, of which at least seven are found in the Volta River basin. And each of these seven shows certain differences in biological formation and in the way it transmits the parasite. Only the larvae can, at present, be identified with certainty.

Another puzzle that had to be tackled in the early investigations was the correct identification of the infective larvae of the parasite (*Onchocerca volvulus*) transmitted by the fly. Failure to perform this basic first step with sufficient precision led many entomologists into a maze of blind alleys. The reason is that disease-carrying insects can harbor a varied arsenal of filarial parasites, some infective and harmful to humans, others not. Some three hundred filarial parasites are known to man. Superficially, the infective larvae of these parasites look very much alike. But under the probing eye of a compound microscope, many distinguishing characteristics emerge: total length, maximum breadth, and, most important, the form and structure of the tail, or what biologists term "the morphology of the caudal extremity." The tails of some infective larvae are long; others are short. Some have tiny knobs at the tips. The infective larvae of *Onchocerca volvulus* have two minuscule knobs inside the tails near the tips and a third protruding from the tips themselves. Armed with this vital information, investigators were then able to zero in on the breeding places of the fly, the size of the man-biting fly population, the number of infective flies in the fly population, the intensity of biting, numbers of infective larvae in individual infective flies, etc.

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*Thomas A. Blinkhorn is a loan officer in the West Africa region of the World Bank. He is at work on a documentary film about river blindness.

Many puzzles remain, however. While much is known, for instance, about the fly's breeding habits, much less is known about the so-called resting places to which the female retires briefly while developing eggs after a blood meal. Much more also needs to be discovered about the precise nature of the disease in the savanna and the forest zones of West Africa. Eye damage occurs far more frequently, for example, in the endemic areas of the savanna, while it is not very common in the forest.

Another cloudy area is the chemotherapy of the disease, that is, the effort to find safe, reliable drugs for combating the infection in human beings. A good deal of work has been done on this, but to date none of the available drugs or remedies so far developed appear to be suitable for mass-treatment campaigns.

Experts like Dr. le Berre and others who have devoted their professional lives to the study of the disease believe that the only effective way to control or eradicate it is to attack the fly itself through periodic introduction of insecticides into the streams and rivers where it breeds. And this, they believe, must be done over an extended period.

Successful control operations have been undertaken in other parts of Africa—Nigeria and Kenya particularly, but also in parts of Ghana, Ivory Coast, and Mali. None of these operations have been on a large enough scale to have had a major impact on onchocerciasis. One reason is that the particular species of fly in West Africa—unlike its cousins in East Africa and other parts of the world—has a tremendous flight range, more than one hundred miles. During the rainy season especially, the female, flying in front of monsoon winds, can travel great distances. Any lasting control effort, therefore, must be regional, covering several countries.

The prospects for just such a control effort look hopeful. A rather unique international-regional campaign has just begun to try to control or eliminate river blindness in seven West African countries over a twenty-year period. The World Bank will lead the campaign, which will cost $120 million dollars.

A steering committee for onchocerciasis control has been established by the World Health Organization, the U.N. Development Program, the Food and Agriculture Organization, and the World Bank. Specialists working with the committee have delineated a project zone covering 600,000 square kilometers in parts of Dahomey, Ghana, Ivory Coast, Mali, Niger, Togo, and Upper Volta. The area includes many depopulated river valleys where the disease is a major development obstacle to their good agricultural potential. The zone also contains overpopulated areas that could become "departure zones" for people moving back into areas of future settlement once the fly has been controlled.

The control campaign would be conducted in several phases and involve several methods of attack. Experimental work with new, biodegradable chemicals designed to kill the larvae of the fly without harming other aquatic life has already begun. The chemicals are applied by boat upstream from breeding sites and by helicopter in those river areas that are inaccessible. On another front, further investigation is planned of drugs that will effectively treat disease victims. Even if the fly is controlled, thousands of affected people will still need help. Finally, studies are panned for development of fertile valleys for repopulation of areas that had to be abandoned because of the fly.

The main objective now is to raise sufficient funds (more than $100 million) for the campaign from rich countries and international organizations. This effort is now under way, and, if successful, the initial phase of the control program will begin in 1974. It could take as long as twenty years to complete the job. But if it succeeds, one more source of human misery will have been eliminated, and a lost opportunity for development will have been regained in a part of the world that desperately needs it.

METRIC MADNESS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. RARICK. Mr. Speaker, the House is to vote next week on H.R. 11035, called the Metric Conversion Act of 1973.

If the House passes this legislation I think it is reasonable to assume that we will receive more mail and phone calls from our constituents than on any issue, including Watergate. I can honestly say that I have not received one piece of mail, one phone call, or had one request from any of my constituents suggesting that our present system of weights and measures was so confusing or inadequate that to get along we must "convert" to the metric system to get in step with the rest of the world and enter the 20th century. I sincerely doubt that an outraged and confused society will take much solace from findings of the Committee on Science and Astronautics that "use of the metric system—was authorized—in 1866." Some might even suggest that if metric conversion was so essential to progress, why was it not made the law of the land then.

Nor will our people be pacified by such findings as, "the United States is the only industrially developed nation which has not established a national policy committing itself to—conversion to the metric system." Many persons may recall the gigantic amounts of our foreign aid giveaways and have concluded that the United States is, and has been, the foremost industrially developed nation. Personally, I know of no foreign country that has refused U.S. products or goods, because our people have not used the metric system as their national standard.

The mothers and fathers in this country will not be happy to learn that the conversion is "voluntary," extending over a 10-year period, or that the costly rewriting of our school textbooks will compel our children to study the metric system, with the inevitable result being the creation of a barrier to understanding—yet another generation gap.

The cost of this latest change of our cultural environment can in no way be estimated. The cost of rewriting the textbooks, retooling all of the machinery, replacement of all of our highway speed signs, and the recomputation of millions of deeds and title transactions in every courthouse in the land, can only suggest a few of the tangible expenses.

To the sports fan, one wonders how many meters or dekameters will be necessary to make a first down in football. Or imagine the announcement that a star halfback just ran a hectometer for a touchdown.

Or that the fisherman noticed on his license that a legal size for keeping a bass was two decimeters.

And how many farmers, real estate agents, or for that matter, tax assessors can visualize an 80-hectare farm? Or how many rods or feet in a lot make up an acre?

Or for that matter, how many liters of milk will the housewife want the milkman to leave? Or for the farmer, what is the price of corn given to him in hectoliters, rather than in bushels or pecks, or kilos rather than pounds?

And imagine the chagrin of the craft union man in learning he will now have to carry two sets of tools, because even the bolts and screws under the metric system will be a different size. Even the gun lobbyists will find the calibers and gage in ammunition and bore are now transferred to milimeters.

Most of us in thinking of the language, customs, and needs of our people, can only agree that the metric conversion to the American people would be about as simple as abolishing the English language and teaching them to reeducate themselves in a foreign tongue. It is one of the most bizzare products to come out of the "new American revolution," and a strange way to commemorate the 200th anniversary of our Republic by initiating the conversion of our American time-proved and accepted standards of weights and measures into those of an "international standard" or as the bill, H.R. 11035 provides:

> (c) The term "international standard or recommendation" means an engineering standard or recommendation formulated and promulgated by an international organization and recommended for adoption by individual nations as a national standard.

In order that our colleagues may better understand the system we are deciding whether or not to impose on the unsuspecting citizens of the United States, and that we may be able to communicate it to our constituents when they write concerning the confusion that will develop, I include a metric conversion table following my remarks:

METRIC SYSTEM

LENGTH

Unit and abbreviation	Number of meters	Approximate U.S. equivalent
Myriameter (my m)	10,000	6.2 miles.
Kilometer (km)	1,000	0.62 mile.
Hectometer (hm)	100	109.36 yards.
Dekameter (dam)	10	32.81 feet.
Meter (m)	1	39.37 inches.
Decimeter (dm)	.1	3.94 inches.
Centimeter (cm)	.01	0.39 inch.
Millimeter (mm)	.001	0.04 inch.

AREA

Unit and abbreviation	Number of square meters	Approximate U.S. equivalent
Square kilometer (sq km or km)	1,000,000	0.3861 square miles.
Hectare (ha)	10,000	2.47 acres.
Are (a)	100	119.60 square yards.
Centare (ca)	1	10.76 square feet.
Square centimeter (sq cm or cm^2)	.0001	0.155 square inch.

VOLUME

Unit and abbreviation	Number of cubic meters	Approximate U.S. equivalent
Dekastere (das)	10	13.10 cubic yards.
Stere (s)	1	1.31 cubic yards.
Decistere (ds)	.10	3.53 cubic feet.
Cubic centimeter (cu cm or cm^3 also cc)	.000001	0.061 cubic inch.

CAPACITY

Unit and abbreviation	Number of liters	Approximate U.S. equivalent		
		Cubic	Dry	Liquids
Kiloliter (kl)	1,000	1.31 cubic yards		
Hectoliter (hl)	100	3.53 cubic feet	2.84 bushels	gallons.
Dekaliter (dal)	10	0.35 cubic foot	1.14 pecks	2.64 gallons.
Liter (l)	1	61.02 cubic inches	0.908 quart	1.057 quarts.
Deciliter (dl)	.10	6.1 cubic inches	0.18 pint	0.21 pint.
Centiliter (cl)	.01	0.6 cubic inch		0.338 fluid ounce.
Milliliter (ml)	.001	0.6 cubic inch		0.27 fluidram.

MASS AND WEIGHT

Unit and abbreviation	Number of grams	Approximate U.S. equivalent
Metric ton (MT or t)	1,000,000	1.1 tons.
Quintal (q)	100,000	220.46 pounds.
Kilogram (kg)	1,000	2.2046 pounds.
Hectogram (hg)	100	3.527 ounces.
Dekagram (dag)	10	0.353 ounce.
Gram (g or gm)	1	0.035 ounce.
Decigram (dg)	0.10	1.543 grains.
Centigram (cg)	0.01	0.154 grain.
Milligram (mg)	0.001	0.015 grain.

Source: "Webster's New Collegiate Dictionary," 1973.

SOKOL MEMBERS CELEBRATE ANOTHER YEAR OF ACHIEVEMENT AND EXCELLENCE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. ANNUNZIO. Mr. Speaker, February 15 marks the 109th anniversary of the founding of the first American Sokol unit by a group of Czech immigrants in St. Louis, Mo., and on October 30, 1892, the first Slovak Sokol Society was organized.

The members of the American Sokol Organization—Czech—and Sokol U.S.A.—Slovak—as well as the Catholic Sokols, practice a system of physical fitness through a series of calisthenics and activities which are all-encompassing, with the realization that to maintain a free nation, its people must be physically and morally strong.

Sokol stresses the development of physical, spiritual, moral, and cultural enlightenment among its members and for this reason, I was proud to introduce the bill which passed the 92d Congress and became Public Law 92–486 designating October 30 as National Sokol Day and authorizing the President to call upon the American people to observe October 30 with appropriate ceremonies as a salute to all Sokol members across the country who have contributed so much to the freedom and individualism of America.

In addition to gymnastic training and competition, social functions such as golf, bowling, and volleyball tournaments, as well as dances, parties, picnics, winter carnivals, and other events of interest are held throughout the year by and for all members, who range from the very young to the very old.

Sokol potential class leaders are offered the opportunity to plan their own social functions, and also to assist all organizational activities. This enables the youth to learn leadership, responsibility, cooperation, and organization.

Mr. Speaker, I am proud to join with Sokol members in the 11th Congressional District of Illinois, which I am honored to represent, in the city of Chicago, and all over our Nation as they celebrate another year of achievement and resolve to continue their record of excellence.

PAT THORN HONORED

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. BYRON. Mr. Speaker, recently Mr. Pat Thorn was honored by the Veterans of Foreign Wars Post 751, American Legion Post 142, Knights of Columbus Council 5466, and the Woodlawn Democratic Club. The benefit and dinner were to honor Mr. Thorn for his many civic accomplishments, and I would like to join in praising him for his many years of dedicated work in his community.

I would like to share with my colleagues an account from the Randallstown Times describing the dinner in Mr. Thorn's honor.

The account follows:

WOODLAWN HONORS ONE OF ITS OWN

(By Janice Griffin)

One of Woodlawn's most beloved residents was feted on Sunday by more than 1,000 well-wishers at Our Lady of Perpetual Help School.

Pat Thorn, a victim of diabetes, was the honoree at the benefit dinner and bazaar planned by the Veterans of Foreign Wars Post 751, American Legion Post 142, Knights of Columbus Council 5466 and the Woodlawn Democratic Club.

"He's helped all these organizations with their programs and we want to show Pat our appreciation at the time when he needs it," said Chris Murphy, who was instrumental in organizing the festivities.

Although Mr. Thorn is not a VFW member, it was that organization which first suggested honoring him. Bill Kelly, a VFW representative commented, "Pat Thorn is a dedicated community man and now it's time for the community to appreciate him."

Mr. Thorn, who was given a three-day pass from Ft. Howard Veterans Hospital to attend Sunday's event, is commander of the American Legion post, vice-president of the Democratic Club, and past Grand Knight of the Knights.

As a result of his diabetes, he has undergone four operations in three weeks, losing his left leg in the process. But he doesn't want sympathy; he's still thinking about how he can help others in Veteran's Hospitals.

"Now that I've been a patient in Ft. Howard," related Pat Thorn, "I'll be better equipped to plan activities for those fellas when our organizations go for visits."

Throughout the day, surprises were planned for Mr. Thorn. One came when he won the door prize (to the delight of his many friends) and found an oversized green hat with Blaze Starr inside.

Miss Starr of Block fame and Mr. Thorn are old friends who have worked together on many events to help their community.

"I've known Pat and the work he's done a long time," said a smiling Miss Starr, "so when the committee asked me to come, I said 'Of course.' "

According to Miss Starr, when Mr. Thorn saw her, "He had tears in his eyes."

A presentation by William Bartenfelder, County Council chairman, and Francis Bossle, a county councilman, also drew the crowd's approval.

They awarded Mr. Thorn a plaque, signed by the eight Council members and citing him for his work with Kernan Hospital, Christmas projects, and his "efforts in promoting the furtherance of brotherhood."

Mr. Thorn said he was "overwhelmed" and "filled up emotionally" by the people who came to honor him. "Today, I'm the happiest man in the world."

Mr. Thorn and his wife, Connie, had a smile and a handshake for everyone. Moved by the community's expression of love for her husband, Mrs. Thorn remarked, "I knew he had friends, but this is unbelievable."

The couple's daughter, Connie, and son, Pat Jr., expressed the same feelings and added, "He knows everyone here!"

The four representatives who planned the affair, Mr. Kelly (VFW), Mr. Murphy (Knights of Columbus), Mel Burgress (Democratic Club), and Mitt Harten (American Legion), were especially pleased with the turnout. "Everyone here is so enthused over the event," said Mr. Kelly.

One of those in attendance, Bruce Wendesheim, felt the event was "a most heartwarming experience. I'll thrilled that other people feel this way about another human being."

Woodlawn residents who thought Mr. Thorn might curb his activities, can rest assured that he'll be back. "Why should my plans change?" he questioned. "I haven't lost anything," Just as soon as Mr. Thorn gets his artificial limb and can get around, he plans to resume his busy schedule with organizations in his favorite community.

COOKIE GILCHRIST AND THE UNITED ATHLETES COALITION OF AMERICA, INC.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 14, 1974

Mr. KEMP. Mr. Speaker, Cookie Gilchrist and I were teammates with the Buffalo Bills and I admired him as a teammate and as a great fullback, but even more as a man who wants to help other people.

Today he is actively nurturing a vision he has long held to help ease the difficult transition of athletes from the playing field to the business world of American life which many times is difficult indeed and leads to some real life tragedies.

The Colorado nonprofit corporation he has helped establish, United Athletes Coalition of America, Inc., will attack the problems created by the tremendous popularity of athletics in the United States: first, problems of their possible overemphasis and consequent distortion of values by young people; second, problems in the maintenance of personal and financial perspective by active professional athletes; and third, problems in the transition by athletes from participation in professional sports to the mainstream of American life at the conclusion of their athletic careers.

UACA will direct its efforts toward:

First. Education and guidance of athletes at the preprofessional levels by using individual present and retired athletes to express their experiences through visitations to colleges and high schools and elementary educational institutions; through financial assistance to worthy and needy athletes pursuing educational goals in nonathletic areas.

Second. Education and rehabilitation of ex-athletes by establishing information and counseling centers in key cities in order to direct ex-athletes in financial, legal, medical, psychological, and career counseling; make available direct financial assistance to appropriate ex-athletes and their families in the form of controlled grants for alleviating severe personal problems.

Third. Education and guidance of current professional athletes by (a) disseminating information regarding education and vocational training; (b) disseminating information concerning legal, financial, social problems common to professional athletes; (c) establishing in key cities local offices manned by qualified ex-athletes to give one-to-one counseling and advice regarding problems affecting all areas of life which may be particular to athletes; (d) make available professional expertise concerning personal and financial management for athletes through educational group seminars.

The objectives toward which Cookie Gilchrist and the UACA are working make it important that my colleagues become aware of this effort. The Buffalo Courier-Express recently carried an article about Cookie and the UACA which I include at this point and commend to the attention of my colleagues in the Congress:

COOKIE WORKS TO HELP OVER-THE-HILL ATHLETES

DENVER.—Fourteen years of professional football gave Cookie Gilchrist fleeting fame, a pair of bad knees and the devastating realization that he was fundamentally unprepared for life off the gridiron.

But Gilchrist survived in the real world and now is nursing a vision he hopes will make the transition easier for other athletes.

It's called the United Athletes Coalition of America and that's what Carlton Chester Gilchrist, 38, is devoting his energies to these days.

"What we're interested in is trying to rehabilitate athletes once they're finished playing. We're trying to salvage the lives of individuals," Gilchrist says, sounding more like a social worker than the 6-foot-3, 255-pound fullback who once set an AFL record with 243 yards and five touchdowns in one game.

Gilchrist wants to assemble volunteer professional counselors in such areas as finance, career planning, law, psychology, and he's not only interested in dealing with the ex-athlete but also in educating and advising current athletes and youngsters.

Gilchrist says being a professional athlete can become essentially an ego trip, and the comedown, for too many, is hard and fast. The athlete suddenly finds he can't borrow money, people don't recognize him on the street anymore, and all the money from those huge player salaries has been squandered.

"On the field, court or whatever, an athlete is as sleek, quick, instinctive as any animal in the jungle," Gilchrist explains. "But an athlete's instincts to survive in the everyday world are dulled by adulation, acceptance, what he reads in the papers and hears on radio and TV.

"Having been exposed to such a high, fast way of living, he sometimes finds he'll do almost anything to sustain himself. He becomes vulnerable to con men . . . who rape him of all the things he's worked hard for. Or he becomes an alcoholic, drug addict, criminal."

Gilchrist can document such cases, "I know a great back, a Hall of Famer, who is sleeping on a park bench in the same city where he was a star. Big Daddy Lipscomb died of an overdose of heroin. Lenny Ford died drunk and broke in some rundown hotel."

Gilchrist remembers Warren Wells, former Oakland wide receiver.

Wells, dogged by a police record, served out a prison term and attempted a comeback in 1972. But after a minor altercation with police, he found his parole in jeopardy last May.

"I went to Oakland and found Wells couldn't put together a sentence," Gilchrist says. "All he could talk about was that he didn't understand what they were doing to him and that he just wanted to play football. He couldn't adjust to the idea that he was no longer just Warren Wells, the football player. He's now in a psychiatric ward in Houston."

That experience is what gave birth last July to the UACA.

"I got together with Ernie Barnes, Dick Bass and other players in the L.A. area to sign an agreement that we need some kind of a system to keep from falling into a bottomless pit, to quit pretending that the world always loves us, that the world will always do things for us."

What his organization needs, he says, is "support, volunteers, money, and we need to know where athletes are that need help." Gilchrist says he has received little response from such groups as the National Football League and the NFL Players' Association but is confident he'll make in-roads.

He also firmly believes much of the billions of dollars in the sports industry is being misspent and could better be used by an organization such as UACA—for the benefit of players, owners and fans.

"The fan, in particular, should realize that this athlete entertained him for a number of years, and the man is worthy of more than outright rejection once his playing days are over," he says.

It now has been six years since Gilchrist's sometimes controversial and off-beat career ended after playing for teams in Canada and for Buffalo, Denver and Miami. And, although he found the game dehumanizing, he feels an obligation to leave it something.

"I want to make a greater contribution than I did as a player."

HOUSE OF REPRESENTATIVES—*Monday, February 18, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us now praise famous men and our fathers that begat us; in whom the Lord showed forth His glory, His mighty power in the days of old.—Ecclesiasticus 44: 1, 2.

O God and Father of us all, our hearts expand with pride as we think again of our first President whose birthday we celebrate today. By the example of his life, his spirit still calls us to have courage in adversity, to be faithful in times of trouble, and to learn to pray that we may be equal to the experiences which daily attend our ways.

As we listen once more to the words

which fell from his lips, may the fact of his devotion to our country, the faith he had in Thy providential care, and the fruits of freedom he helped to ripen, stir our spirits, strengthen our souls, and send us forth into this day with new vigor and new vitality to keep the flag of liberty and justice flying in our Nation and in our world.

In the spirit of the Prince of Peace we pray. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

GEORGE WASHINGTON'S FAREWELL ADDRESS

The **SPEAKER**. Pursuant to the order of the House of January 30, 1974, the Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERY) to read George Washington's Farewell Address.

Mr. MONTGOMERY read the farewell address as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionally greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discrimination,—*nothern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute: they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politican, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

A WORD OF THANKS TO KISSINGER

Mr. WRIGHT. Mr. Speaker, the successful conclusion of the International Energy Conference, with 12 energy-consuming nations agreeing on a common U.S.-sponsored course of action in spite of bitter French obstructionism, is a further tribute to the remarkable negotiating skills of Secretary of State Henry Kissinger. Add this to the recent Middle East settlement which he almost singlehandedly piloted through the stormy waves of ancient hatreds, and we begin to sense the true measure of this gifted and almost indefatigable public servant.

While our relations with Russia and China still are not exactly cuddly, there is a definite and undeniable thaw in the ice which remained solidly frozen for 25 years. At least we are talking with one another—and listening to one another—like mature and sensible people. Much of the credit for this rightfully belongs to Dr. Henry Kissinger and his tireless, and often thankless labors behind the scenes.

Those of us on the Democratic side of this Chamber sometimes are quick to point up the failures of the present administration. Only last week I stressed the ways in which I feel the water pollution abatement program is being poorly administered. We ought to be as quick to emphasize administrative successes, and to rejoice in them—particularly when, as in the present case, they represent successes for the Nation.

To introduce a calm and civil dialog and at least a modicum of reasoned restraint into the chaotic scene of boiling world pressures is almost, as someone said, like trying to change a tire on a speeding car. Henry Kissinger, who chose this country in his youth after witnessing the Nazi tyranny, has done this perhaps as well as any person could have done it. The Nation owes him its thanks.

BROOKINGS INSTITUTION STUDY ON RESERVE FORCES

Mr. SIKES. Mr. Speaker, the current agitation to reduce Reserve Forces strength, which is the subject of widespread discussion in military circles, was sparked in part by a study issued by the Brookings Institution. The study is entitled "The U.S. Reserve Forces: The Problem of the Weekend Warrior."

Undoubtedly the Reserves have problems. In particular there is the problem of maintaining present strength levels. Congress must accept its responsibility to provide new incentives for service in the Organized Reserves to help overcome this.

The problem of a mandatorv strength reduction should not be a live topic. At a time when the costs of defense are constantly increasing and the principal item of cost increase is manpower, it is only logical to assume that we shall have greater need for Organized Reserves rather than less. The lowest cost item in the defense budget could well be the personnel in the Organized Reserves.

The Association of the U.S. Army has prepared a position paper which treats in detail with the Brookings Institution study. It should receive careful consideration by Members of Congress. The concluding paragraph of the AUSA position paper states:

> Frankly, this study is a disappointment. It is shallow, negative and counterproductive. Criticism is undoubtedly warranted in many areas of our Reserve program. Hopefully, the on-going DOD study will identify those areas, so that our full effort can turn again to improving the strength, readiness and training of our Reserve Components.

I submit the AUSA response for printing in the RECORD in detail:

A RESPONSE TO THE BROOKINGS INSTITUTION STUDY ON THE U.S. RESERVE FORCES

The Brookings Institution has recently issued the fifth in a group of studies on defense policy. This one is entitled "The U.S. Reserve Forces: The Problem of the Week-End Warrior." The study has been prepared by Martin Binkin, a retired Air Force colonel and a senior fellow in the Brookings Foreign Policy Studies Group. He also served formerly in the office of the Assistant Secretary of Defense for Systems Analysis. The study was funded by money made available by the Ford Foundation.

Basically the study calls for a re-examination and restudy of our whole Reserve forces program. Binkin maintains that, if this were done, at least some of the following of his recommendations could be adopted:

I. Reduce size of Reserve Components:

A. Eliminate non-essential and marginally effective Army units;

B. Merge the headquarters, training and recruiting facilities of the Army's Guard and Reserve;

C. Reduce to cadre status the equivalent of four Army National Guard divisions (including associated support elements) and augment them with Reservists from IRR or standby Reserves on mobilization;

D. Integrate selective elements of Army Reserve Components into five active Army divisions, thus reducing requirement for active manpower;

E. Reduce number of individual Reservists in Naval Reserve and use some on assignment to Naval vessels undergoing overhaul to reduce active forces; and

F. Merge Air National Guard and Reserve headquarters, training and recruiting facilities. Limited integration of Reserve crews into strategic bomber and tanker forces.

II. Eliminate the need for Reserve forces recruiting bonuses by reducing Reserve manpower requirements.

III. Revise Reserve retirement compensation to eliminate the "recomp" feature which bases amount of pay on pay scales in effect at retirees age 60 rather than the date he retires.

Binkin estimates these steps would reduce active military manpower by 60,000, Reserve manpower by 310,000 and, when fully effective, would yield average annual savings of about $1.4 billion in constant FY74 prices.

The study contains sufficient errors in fact, and an apparent lack of knowledge of some of the key features of our Reserve Component program, as well as on-going actions in the study area, to warrant a reply at least in sufficient depth to clarify the record. Additionally, a great many serious students of national defense would disagree with some of the basic philosophy on which Binkin bases his views and his recommendations.

While the study purportedly covers all the services, by far the greatest weight of his comments and suggestions are directed *solely* at the Army. It is these to which we will respond.

Binkin does not appear to be aware of the great amount of time, energy and manpower that has been consistently devoted for the past twenty-five years to the examination, reexamination and restructuring of the Reserve forces, as well as their role in our total force structure. It is quite possible that these components have been more studied, reorganized, realigned and otherwise harassed than any segment or system that has been part of our defense structure. He obviously either was not aware of or chose to overlook the current arbitrary 48,000 man cut in the Army's Reserve Components force structure which DOD directed earlier this year.

He also failed to mention the latest of many major studies of the Guard and Reserve which was directed by the Secretary of Defense on 23 August 1973. Included in this study's objectives are considerations of the availability, force mix, limitations and potential of these components in a national emergency. This study is underway now, to be completed by fall of 1974.

Early in his paper, he states that "a detailed rationale for Reserve forces has remained outside the range of debate." An examination of the Congressional Record or a casual inquiry to the service force planners, the Section 5 Committee, any Army Readiness Region Commander or, for that matter, senior Reserve Component commander would have clarified that error of assumption.

At the outset, he makes a sweeping premise that starts the whole study on the wrong path when he says that the "precise role of the Reserve Components in current national security planning remains unclear." It is now and always has been. This is what the Total Force Concept is all about. It has been clearly stated on numerous occasions that our national defense posture is based on a one and one-half war strategy in which "NATO First" is a key element. The Army's contribution to this strategy is the 21 division force structure with the supporting elements.

In the Army, the Reserve Component portion is usually referred to as the 711,000 TO&E structure and includes all those elements which are considered essential to make the 21 division force viable and supportable. So there is a very clear cut rationale and understanding, not only of what units are needed, but why they are. As with any worthwhile plan, changes are required from time to time, but the basic plan remains intact. This fluctuation, particularly among smaller units, takes place with frequency.

Several times in this study, Binkin refers in a derogatory manner to the fact that the Reserve Components played no major role in Vietnam. On page 1, for example, he says, ". . . their failure to be used in Vietnam—the longest and most difficult war in U.S. history—cast strong doubts *on their value* and raises serious questions about their future role in national security." Again on page 40, "Vietnam experience cast a stigma on Reserve forces that will be difficult to erase." Nowhere in this study does he indicate that the decision not to mobilize more Reserve forces for Vietnam was a purely political decision made by President Johnson over the strongest objections of the Joint Chiefs of Staff and the Service Secretaries. History has shown it to be a bad decision and one that had a devastating effect on the active establishment. It was not a decision made by the Reserve Components and there is no evidence of any reluctance on their part to serve playing any part in the decision.

Later in the paper, the author cites a GAO report to point up that those Army units which were called up were disappointing. All three of the points he cites have to do with individual training and equipment and personnel shortages. He does admit these units were undergoing reorganization at the time they were called up. He fails to point out that during the six months or so before callup, they were flooded with untrained people that even a trained cadre couldn't digest. Surely he would not hold these units responsible for equipment shortages over which they had no control. These allegations make an invalid basis for judging "value" or "future role in national security."

One other basic point that obviously colors Binkin's thinking needs to be clarified before going on to address some of his specifics. On page 19, he states the view that "The basic rationale for maintaining Reserve forces rests on economic grounds." This reflects a fundamental misunderstanding of our historic aversion to overly large standing forces and our traditional reliance on the citizen-soldier concept that is part of our constitutional heritage.

One would gather from the tenor of this study that Binkin sides with the adherents of the short war policy who believe, a) that Europe is probably the only place we would fight again, and b) that would be all over so swiftly that the Reserve Components would not get involved in time to make a significant contribution.

The record of the past twenty-five years would seem to refute adequately the idea that the United States would not respond anywhere in the world where our basic interests were seriously challenged.

The concept of short wars has long been the Lorelei of military philosophers and, more significantly, political leaders. Geoffrey Blainey, in his excellent new book, *The Causes of War,* points out that one of the most recurrent clues illuminating the causes of war and so of peace is the optimism with which most wars were commenced. He goes on to document the point in great detail, using, among others as prime examples, World Wars I & II, the Soviets in Finland, North Korea's attack on the South, Anglo-French Campaign in the Suez and the fantastic case of Indian and China in 1962.

Moving on now to an examination of specific points in the Binkin study, let us examine these in more or less chronological order for ease of checking.

On the credit side, the author is quick to acknowledge that in the absence of the draft, "the Reserves have become the primary option available to the President for quickly expanding military forces in a national emergency." He could have been more precise by saying the *only* option available.

He suggests that hard choices await national security planners, who are faced with fitting maximum defense capabilities "within more limited defense resources." Successive Secretaries of Defense, as well as the President of the United States, have been at considerable pains to point out that our national priorities *have already been reordered* through the massive cuts which have already been made in our defense establishment and that what we are working at now is increased efficiency and effectiveness on what may be a *modestly rising* scale of defense expenditures. We have had occasion in the past to quote from the President's Foreign Policy Report to Congress three years ago. Perhaps it is pertinent to repeat: "It needs to be understood with total clarity . . . that defense programs are not infinitely adjustable . . . there is an absolute point below which our security forces must not be allowed to go. That is the level of sufficiency. Above or at that level, our defense forces protect national security adequately. Below that level is one vast undifferentiated area of no security at all. For it serves no useful purpose in conflicts between nations to have been almost strong enough."

Binkin goes on to discuss some of the problems incident to mobilization. He rightly points out that it does take a longer time to deploy Reserve Component units than those in the active establishment. He doesn't acknowledge the very active efforts to reduce the administrative work loads involved in mobilization and to get the maximum amount done prior to call-up. Nor is it clear, as it should be, in his remarks that deployment schedules take into account that our equipment pipeline and transportation system limitations make it evident that all units cannot be digested at once. In the order of priority, Reserve Component units are worked into the schedule at realistic intervals which take into account these problems. The fact remains, however, that readiness and deployment goals are being shortened as rapidly as conditions permit and should soon be substantially better than his estimate indicates. Certainly the active Army views this as a manageable problem.

This would have been the appropriate place for Binkin to describe and assess the really massive effort which the Army has put in motion to assist with these very problems. In a major reorganization effected by the Army early last year, training and readiness support of the Reserve Components was made the sole responsibility of the commanders of each of the three CONUS Armies which operate directly under the Army's new Forces Command. Under the CONUS Armies are nine Readiness Regions, each organized into subordinate groups and teams of experts who work shoulder to shoulder with Reservists to improve their readiness. These active Army people are doers and specialists in hands-on training, not staff supervisors. Since their mission is aimed exclusively at improving Reserve Component training and readiness, it is unfortunate that Binkin chose to ignore this effort. It should do much to change his views on this basic problem.

Binkin states that at the beginning of FY73, about 60% of the Reserve maneuver units were without weekend training areas. This is incorrect. Only 18% are without necessary areas today. There is an on-going program to which he refers for armories and training areas that will improve this even more.

Again discussing readiness, he says that "Army National Guard units are designed to attain readiness at the company level" and "the post-mobilization training would delay division-sized deployments for perhaps four months." The company level training is a *minimum*. There is considerable training above that level that has been going on for some time. In the January 1974 issue of *Soldiers* magazine, there is a good description of the seven maneuver training commands which have been established from Army Reserve Training Division Brigades to write and organize field exercises for the active Army as well as the Reserve Components and to conduct tests from battalion to corps level.

But it would be wrong to infer that large units will ever get to the point where post-mobilization training is not required. The goal is to reduce the time. If the Reserve could be left alone for a while and the active Army's current support effort be given a chance to work, these goals can be met.

His chapter four suggests that sinister political forces are constantly plotting to maintain over-large Reserve forces to the detriment of our country's welfare.

There are political forces exercised in all segments of our society and many far more effectively than those on behalf of the Reserve Components. This will be borne out, if proof is needed, by data which those two "prosperous, united, articulate and highly active" Reserve Component lobby organizations would be willing to supply.

In the latter half of his paper, Binkin gives us his rationale which he believes could result in substantial cuts in the size and costs of our Reserve forces. He first addresses what he describes as "relatively small, obscure support units and activities." His first target is the 53 civil affairs units which he says have about 7,000 plus men. There may very well be too many of these units. But for an Army that has spent 25 years helping govern one of the world's major cities in Berlin and governed our second largest trading partner for a number of years before drafting her consttiution, the civil affairs function needs a nucleus of units which are able to perform their specialty when we need them. So, while there may be more units than we need, it would be foolhardy to wipe them out as Binkin suggests.

Binkin is also of the opinion that medics, lawyers, construction workers and administrative people whose civilian skills are required need not be in units. One could apply the same logic to licensed pilots. In the first place, the President has no authority to call individuals to duty without Congressional action, so we would have to have complete mobilization before these people could be called up as individuals. But, even beyond this, to suggest that an amalgam of civilians, however talented, could be welded quickly into a functioning military unit flies in the face of all our past experience.

A minor point, Binkin raises the question as to why we still need 4,500 Army Guardsmen in Nike/Hercules units. The answer is we don't, and the slots assigned to these organizations have already been eliminated—another example of the continual up-dating of our Reserve organization.

Binkin also questions the need for the 21 separate brigades, including the special mission brigades. The answer is that all of these are specifically targeted for early deployment in our total force mobilization plan.

He assumes that of the roughly 300,000 people in the non-divisional units he's been discussing, 200,000 are of marginal use and could be eliminated. This suggestion reveals a lack of knowledge of the functioning of land forces and the diverse elements whose teamwork is required for success in combat.

Binkin next makes a pitch for another try at some sort of a merger of the Guard and Reserve. He takes cognizance of past attempts in this direction and is fairly pragmatic in his assessments of the meager chances for a success of another effort. He offers a variation with his suggestion that the Army Guard and Reserve be combined into the Guard while the air components of each *be combined under the* Reserve. Although he rightly says that the elimination of headquarters saves very little, he nevertheless arbitrarily assigns annual savings of $30–$50 million to his merger plan on the assumption that combined base operations, training and recruiting would provide such savings. This is pure crystal ball.

As a further means of saving money, Binkin next suggests that four Reserve Component divisions and their supporting elements could be reduced to cadre status, since there would be time after mobilization to assign the additional personnel required, issue equipment, etc. As we have pointed out, there is a place in our Total Force Plan for these divisions, and it calls for them to be ready far sooner than they could be under any cadre system. In-being units can obviously be whipped into top shape far faster than those requiring so much filling and training after mobilization. Units that can be deployed in the first 60 days after mobilization are more valuable than those that come along later. Finally, anyone who has ever had any exposure to a cadre operation is aware of its severe limitations. Cadre units cannot adequately maintain the unit's equipment. They are not susceptible to effective training over any extended period of time. They do not provide the basis for either leadership or team training, both of which are essential, particularly for units of the combat arms. There is no teamwork, esprit or the other essentials to a successful military unit. In short, it's a bad idea.

He goes on to make a gratuitous comment that deserves refutation. He says: "Motivated in part by the past performance of Reserve units, and possibly by the conviction that current active forces will need but limited assistance to meet the range of likely contingencies, many defense planners appear to be counting on no more than four—and perhaps as few as two—National Guard divisions in the first six months following mobilization." He doesn't identify the planners, but that statement contradicts the testimony of the Secretary of Defense, the Secretary of the Army and the Army's Chief of Staff. On the record, this statement is completely opposite from the DOD positions.

He moves on next to suggest the possible replacement of some active Army units with Reserve Component units in what he terms "hybrid" divisions. Basically, what he is suggesting is that possibly a battalion of each brigade, and a battery of each of the artillery support units could be a Reserve Component unit. The same would apply to the division base units. He would only do this in CONUS land divisions *"not likely"* to be needed immediately in an emergency.

There may be occasions when our active divisions will be employed *without* mobilization. Obviously the "hybrid" divisions would be at only ⅔ of their strength if this took place.

There would always be a disparity in readiness between active and Reserve units which, in a "hybrid" situation, would slow the combat deployment of the total unit.

In all of his suggestions, the basic thought keeps coming through that we will face only one contingency at a time (if, in fact, we face any at all) or, if we do get committed, it will be all over in less than 90 days. Fortunately, our defense planners have a more prudent view.

The concept of leaving Reserve Component units satellited on active units for training does have merit. The Army has been experimenting with that idea for the last two years at Fort Hood in its so-called "Round Out" concept. Emerging from this experience is an "affiliation" program now being worked up which would provide for separate battalions and brigades to be attached to active Army units for training, supervision, et al. It is even contemplated that they would fight with these units as an *augmentation*.

His final suggestion for cutting costs is in chapter seven, dealing with what he calls "Compensation Efficiencies."

First, he makes a pitch for not making available recruiting bonuses for the Reserve Components. As is the case elsewhere, not all his facts are straight.

He takes the Reserve Components to task when he says, "If greater reliance were placed on attracting people with previous service, possible shortages could be alleviated." The problem is *exactly* the opposite. The Reserve Components have not been meeting their quotas of *non-prior service personnel*. They have already been relying too heavily on prior-service people and with that source drying up when the remaining draftees leave the Army this fall, they will have to rely on getting non-prior service people. This was pointed up again in an article in the January 1974 *Soldiers* magazine: "Latest figures reveal the Guard is at 95% strength, the Reserves at 90% strength. But the figures are deceiving. Both the Guard and the Reserve are hitting lows when it comes to getting non-prior service people. The Guard, for example, is getting 1,700 monthly against a 4,000 requirement. The Reserve is not faring much better."

Actually, as the foregoing quote also points up, recruiting for the Reserve Components has improved considerably, and, were the recruiting aids requested made available by the Congress, many working on the problem believe the Reserve Components could maintain their strength goals.

Binkin would reduce the recruiting problem further by the massive cuts in authorized strength he has suggested.

The author's final point is his concern that the Reserve Component retirees may be overcompensated. He advocates that Reserve retirees be paid their retirement based on the pay scales in force on the date of their retirement rather than those prevailing at their age 60, when they actually begin to draw the pay. This suggestion will undoubtedly be considered with other facets of the retirement program now being examined.

In any consideration of retirement, it is useful to have a feel for the numbers under discussion. He did not include them. In response to query, we were advised by the Department of the Army that, as of 3 November 1973, the following were considered careerists and apt to go on to retirement:

[In percent]

Army National Guard:	
Officer	69.8
Enlisted	21.7
Army Reserve:	
Officer	64.8
Enlisted	16.5

In one of his last chapters, Binkin presents the case for the short war which would, of course, make all mobilization plans obsolete. In his scenario, he gives no weight at all to what an adequate in-being total force defense establishment can do to prevent even a short war from starting.

Frankly, this study is a disappointment. It is shallow, negative and counterproductive. Criticism is undoubtedly warranted in many areas of our Reserve program. Hopefully, the on-going DOD study will identify those areas, so that our full effort can turn again to improving the strength, readiness and training of our Reserve Components.

GENERAL LEAVE TO EXTEND

Mr. McFALL. Mr. Speaker, without it being considered a precedent I ask unanimous consent that all Members who desire to do so may have permission to revise and extend their remarks and to include extraneous matter in the Record following the reading of George Washington's Farewell Address and also in that portion of the Record entitled "Extensions of Remarks."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Forsythe (at the request of Mr. Rhodes), for February 11 through 18, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Cochran), to revise and extend his remarks, and to include extraneous matter:)

Mr. Hosmer, today, for 5 minutes.

(The following Members (at the request of Mr. Denholm), to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Diggs, for 10 minutes, on February 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

General leave granted.

ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 19, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1899. A letter from Deputy Secretary of Defense, transmitting the annual report on disposal of Government-owned communications facilities in Alaska, pursuant to 40 U.S.C. 786; to the Committee on Armed Services.

1900. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report showing the fiscal year 1974 country and international organization allocations for the international narcotics program, pursuant to section 653 of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2413(a)]; to the Committee on Foreign Affairs.

1901. A letter from the Acting Secretary of the Interior, transmitting a report on the activities of the Geological Survey outside the national domain during the 6 months ended December 31, 1973, pursuant to 43 U.S.C. 31(c); to the Committee on Interior and Insular Affairs.

1902. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, to revise and extend programs of health services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1903. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according to certain beneficiaries' third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

1904. A letter from the Chairman, Marine Mammal Commission; transmitting the Commission's first annual report, covering calendar year 1973, pursuant to Public Law 92–522; to the Committee on Merchant Marine and Fisheries.

1905. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal-Aid Highway Act of 1973 as it relates to the conduct of charter bus operations by grantees of Federal financial assistance, and for other purposes; to the Committee on Public Works.

RECEIVED FROM THE COMPTROLLER GENERAL

1906. A letter from the Comptroller General of the United States, transmitting a report recommending changes in law to improve the acquisition of public building sites and to eliminate excess property exchanges by the General Services Administration; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEVINE:

H. Res. 869. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. TAYLOR of North Carolina:

H. Res. 870. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

349. The SPEAKER presented a memorial of the Senate of the Commonwealth of Massachusetts, relative to Federal funding of the Massachusetts unemployment compensation system; to the Committee on Appropriations.

PETITIONS, ETC.

Under clause 1 of rule XXII,

393. The SPEAKER presented a petition of Earl Gayhart, North Canton, Ohio, relative to redress of grievances; to the Committee on the Judiciary.

SENATE—*Monday, February 18, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. Floyd K. Haskell, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We shall pray today in the words of President George Washington's prayer for his country.

Let us pray.

"Almighty God: We make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the Divine Author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy Nation. Grant our supplication, we beseech Thee, through Jesus Christ our Lord." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., February 18, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Floyd K. Haskell, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. HASKELL thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on February 8, 1974, the President had approved and signed the joint resolution (S.J. Res. 185) to provide for advancing the effective date of the final order of the Interstate Commerce Commission in Docket No. MC 43 (Sub-No. 2).

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore (Mr. Haskell) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 37) to amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the offices of Director and Deputy Director of the Office for Management and Budget, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Metcalf).

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, February 8, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the Legislative Calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VACATING OF ACTION TAKEN ON FEBRUARY 8, 1974, ON S. 1017

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the action taken on Friday, February 8, 1974, on S. 1017, the Indian Self-Determination and Education Reform Act of 1973, be vacated and the bill be restored to its position on the Senate Calendar, with the understanding that the bill will be called up within 3 days.

The ACTING PRESIDENT pro tempore. *Without objection, it is so ordered.*

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the minority leader desire to be heard?

SENATOR AIKEN, DEAN OF THE SENATE, TO RETIRE

Mr. **HUGH SCOTT.** Mr. President, while we were in recess, one of our most distinguished, fair-minded, and perceptive colleagues, the senior Senator from Vermont (Mr. AIKEN)—a long-time personal friend and confidante of mine, to whom I have turned so often for advice—announced to the dismay of all of us that he would not seek reelection. This, indeed, is a deep loss to the U.S. Senate, to the people of the United States and to those of us who know him so well. But, as the Senator has said, he has much to do back home and this we understand.

We look forward to further volumes on his favorite source of joy and happiness, wild flowers in particular, and gardening and agriculture in general.

Mr. President, the people of Vermont and those throughout the land who have benefited from the wise judgments of Mr. AIKEN have shared this outstanding public servant for many years. I ask unanimous consent that newspaper articles from the Washington Post and the Washington Star-News noting the retirement of our colleague, after 34 years, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post]

SENATOR AIKEN IS RETIRING—DEAN OF SENATE RETURNING TO VERMONT FARM

(By William Greider)

George David Aiken, a gentle-spoken farmer who was kept from his orchard and wildflowers by 34 years in the United States Senate, announced yesterday that he is going home to Vermont for good.

Sen. Aiken is the dean of the Senate, the oldest member at 81, the senator with the longest service, the ranking Republican. He was first elected in 1940 when Franklin D. Roosevelt won his third term as President.

"When I came to Washington," the senator said yesterday, "I left much unfinished work at home and I now want to get back to it."

He has already ordered some new varieties of nectarines for his orchard at Putney. He is counting the days—10 months, 14 days—until he leaves office. He will miss old friends, he said, but not Washington.

"I've never felt at home in Washington," he confessed. "No, no, Washington's not home. Home's up on the mountain in Vermont where I always lived."

Thoughout his career, Aiken has been counted on the liberal side of his party, a strong advocate of agriculture, an early critic of the U.S. military adventure in Indochina. More than any issue or idea, however, Aiken has been known for his civility—an abiding sense of fairness and decency which over the years added a special influence to his opinions on the great issues.

Sen. Mike Mansfield, the Democratic floor leader, an old personal friend who breakfasts every morning with the Republican from Vermont, described the loss to the Senate:

"The nation will lose a great senator and will be the poorer because of the retirement of this rock of integrity, this independent New Englander, this son of Vermont, who has contributed so much to his state, the nation and a better world understanding."

The senator is a small man with a craggy face and wispy white hair which seem just right for the role he played in the Senate—a wise elder who eschewed partisan fights. Though he was an early and articulate critic of the war in Vietnam, Aiken often bridled when he thought the antiwar movement was turning the issue to political advantage.

"I've never gone in for partisanship," he said. "Probably never made more than 15 partisan speeches in my life. Get into a community and find out what their problems are. That's the best politics."

Aiken's impish style has enabled him to state pungently what others were merely thinking. Last November, when the Watergate crisis was in one of its periodic bubblings, Aiken warned the President's critics: "Either impeach or get off his back." Today that is a widely used expression.

Probably Aiken's best known remark is the one he never made. During the height of the Vietnam debate, he announced on Oct. 19, 1966, what became known in the popular shorthand as the Aiken peace plan:

"The United States should declare victory and get out."

But that's not exactly what he said. His proposal was, indeed, that the U.S. should announce "victory" in its limited military objective of deterring North Vietnamese aggression—but that American forces should then be redeployed to defend strategic population centers. If the north did not respond with further attacks, Aiken said, then U.S. troops could begin their gradual withdrawal.

Aiken, who said Watergate and other controversies had nothing to do with his retirement decision, takes a long view of Washington and its continuing wrangles between Congress and the President.

"It was before I came here under Roosevelt that Congress began turning its authority over to the executive branch," he mused. "They did that for 25 years. Then three or four years ago, they began trying to take some of it back. That's an issue that will always be with us."

Before becoming a politician Aiken was a widely-regarded horticulturist, growing raspberries and other fruit in his Vermont nursery and propagating wild flowers for domestic cultivation. Trailing arbutus and fringed gentian—now old favorites for American gardeners—were first propagated for commercial distribution by him. His 1933 book, "Pioneering in Wild Flowers," is now back in print.

"It sold more last year than it did the first year it was out," the senator said proudly.

Aiken's expertise was derived from boyhood roaming of his Vermont hills. He never went to college. In 1936, after two terms in the state legislature, he left his nursery to become a fulltime public servant—governor of Vermont.

Even then, he had an aversion to partisan politics. Gov. Aiken shocked his fellow Republicans with an open letter to the GOP National Committee, insisting that Republicans should stop calling FDR names and start making positive proposals.

Aiken is the sixth senator to announce his retirement this year. The others are Norris Cotton (R-N.H.), Wallace F. Bennett (R-Utah), Harold Hughes (D-Iowa), Sam J. Ervin Jr. (D-N.C.) and Alan Bible (D-Nev.).

In Vermont, Aiken's announcement produced immediate speculation about successors. Mentioned as likely Republican contenders are Rep. Richard W. Mallary, the state's congressman, and insurance executive Jack Fey of Montpelier.

Possible Democratic candidates include Gov. Thomas P. Salmon, whose term also ends this year, and former Gov. Phillip Hoff, who is now Democratic state chairman.

[From the Washington Star-News]

AIKEN, 81, GOING HOME TO VERMONT

(By Shirley Elder)

George D. Aiken, the wise old Republican in the Senate, plans to return to his first love, the orchards of his Vermont farm, after 33 years in Washington's political vineyards.

At 81, he is the oldest man in the Senate and the member with the longest service. In announcing his retirement, when his latest Senate term is up, Aiken said yesterday he will turn to work left undone on his farm when he came to Washington 33 years ago.

An old friend, Senate Democratic Leader Mike Mansfield, said the nation will be the poorer for the loss of this "rock of integrity, this independent New Englander, this son of Vermont who has contributed so much to his state, the nation and a better world understanding."

For years, Aiken and Mansfield have had breakfast together early each morning long before most Senate offices are open. They share common concerns, a deep bond of friendship and one outstanding trait: Neither wastes a word.

Rumpled and white-haired, Aiken is known for a dry wit and succinct wisdom. His words of advice, if not always heeded, are clearly understandable.

For instance, four years before the United States finally ended its involvement with the Vietnam war, Aiken offered a simple solution: Declare a military victory and stop fighting.

On the long, often bitter debate over Watergate and whether President Nixon should remain in office, Aiken advised one and all: "Impeach him, or get off his back."

Aiken is an old-fashioned man. No slick newsletters bombard his constituents with word of his good works. He seldom sends out a press release. He has no Vermont office, preferring trips north as often as possible to discuss problems directly with the home folks.

Still, Aiken was born to politics. There has been one member of every Aiken generation in public life since Deacon Edward Aiken settled in Vermont before the Revolutionary War. Aiken's father was in the state legislature and Aiken himself was first elected to the Vermont House in 1931.

In the next few years, he moved up swiftly in state politics, to speaker of the House, lieutenant governor and, finally, governor in 1937. His staff and old friends still address him as "governor."

During those same years, Aiken operated a nursery, pioneered in the commercial cultivation of wildflowers, and wrote books about them. He also has been a fruit farmer and was seen more than once selling his own apples from a stand at the edge of his orchards.

He was elected to the U.S. Senate in 1940 to fill a vacancy caused by the death of Sen. Ernest W. Gibson.

Re-elections have come easy. Aiken has

attracted little opposition, winning support from Democrats as well as Republicans. In 1968, with no one to challenge him, Aiken reported that he spent $17.09 on his reelection campaign.

In the Senate, he has been a leader of the moderate Republicans, holding to an independent course in both Republican and Democratic administrations. His legislative work has centered on agriculture and foreign affairs.

He was one of the first senators to oppose the tactics of Sen. Joseph R. McCarthy in 1950. He has supported civil rights and opposed war. He fought successfully for the St. Lawrence Seaway and unsuccessfully for the Dickey-Lincoln federal power project.

He can claim large credit for the food stamp program—a logical way, he said, to assure that the nation's bountiful harvests leave no one hungry.

Aiken, the sixth senator to retire this year, will serve in the Senate until Jan. 3, 1975. He said he announced his resignation early "in fairness to the people of Vermont," to give others a chance to run for his seat.

At the top of the list of probable contenders is Vermont's lone congressman, Republican Richard W. Mallary, a 44-year-old dairy farmer who also served in the Vermont legislature as speaker of the House.

Democratic Gov. Thomas P. Salmon also is said to be interested in making the race. Earlier he said he would not run if Aiken did. Another possible GOP candidate is Charles Ross, a former member of the Federal Power Commission.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from Pennsylvania yield?

Mr. HUGH SCOTT. I am delighted to yield.

Mr. MANSFIELD. Mr. President, there is no Member of this body for whom I have greater affection or greater respect than the distinguished senior Senator from Vermont. It was a sad day when Senator Aiken announced that he would not be a candidate for reelection. I say this on a somewhat personal basis, but I also say it because of the work which he has done in this Chamber down through the years during which I have been a Member of the Senate.

Senator Aiken is a man of outstanding integrity and unquestioned patriotism, a man of independence, a man who represents, to me, what I was led to believe, in my younger days, is the characteristic of all New Englanders. He is, in a sense, a reminder of the glorious past, because of the things which he stands for and the fierce independence which he has displayed. He is just as young as any of us in this Chamber, or in the country, as far as ideas are concerned, because he keeps up with them, and is ahead of us most of the time.

So it was with deep regret—very deep regret—that I received the news that Senator Aiken had decided to retire. I wish he had not. I know there is still time for him to reconsider. But knowing George Aiken as I do, I know that "this is it." But it will be for us a loss, for the Nation a loss, and for the world a loss—and for those of us in this Chamber, the Senate's loss.

Mr. HUGH SCOTT. Mr. President, I thank the distinguished majority leader.

Few people have made more pungent statements than has the distinguished Senator from Vermont. We remember him for many reasons, such as his statement that "we should declare a victory in Vietnam and get out"; and to "get on with the job or get off his back." Senator Aiken has said so many things in so few words, words which it would take volumes for us to enunciate.

He is a man whom we all love, whom we all honor. I am so sorry that he has made this decision. I am sure that he will find happiness and irenic satisfaction in the pursuit of all those matters which are of interest to him. We extend to him and to his beloved wife, Lola, the very best wishes of all of us in the Senate.

Mr. MATHIAS. Mr. President, will the distinguished Senator from Pennsylvania yield?

Mr. HUGH SCOTT. I yield.

Mr. MATHIAS. I merely wish to say to the Senate, as I have already said to Senator Aiken personally, that I hope in the years ahead, when he is relieved of his official responsibilities to the Senate, he will sleep more soundly, but that the rest of us in the Senate will sleep less soundly.

Mr. HUGH SCOTT. I thank the Senator from Maryland.

I now yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I should like to join with other Senators in expressing our gratitude for the long and excellent service of our friend, Senator Aiken, and to wish him the very, very best in all the days ahead.

Mr. AIKEN. Mr. President, may I say a word?

Mr. HUGH SCOTT. Mr. President, it is a great pleasure to yield to the distinguished Senator from Vermont, the dean of the Senate.

Mr. AIKEN. Mr. President, it was many years ago that I said that two of the most important hours in the Senate were the eulogy hour and the alibi hour. At that time I never expected to be the object of the eulogy hour myself.

I had no idea that my leaders would talk as they have been doing—but now that they have spoken, I want to thank Senators Scott, Mansfield, Curtis, and Mathias for their remarks.

I will say that I took some satisfaction in making the announcement on last Thursday that I would not be a candidate for reelection because, to the best of my knowledge, it is the only news that has gone out of Washington for a long time that has not been leaked in advance. [Laughter.]

I do intend to carry on my work here until the 3d of next January. It will leave me just 1 week short of 34 years service in the Senate. You know, one can create a lot of difficulties for a lot of people in the 10 months I have remaining but my suggestion to others has been, "Be sure you make trouble for the right people." [Laughter.]

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the reading of Washington's Farewell Address, the junior Senator from West Virginia (Mr. Robert C. Byrd) be recognized and then the distinguished Senator from Michigan (Mr. Griffin) be recognized, which will be in reverse order to that which was ordered last week.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my time be allotted to the distinguished senior Senator from West Virginia (Mr. Randolph), that 5 minutes of the time allotted to Mr. Griffin be allotted to Mr. Randolph, and that the remaining 10 minutes under the order for the recognition of Mr. Griffin be allotted to the distinguished senior Senator from North Carolina (Mr. Helms).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NO-FAULT INSURANCE BILL TO BE PLACED ON THE CALENDAR TODAY

Mr. MANSFIELD. Mr. President, it is my understanding that, by order of the Senate, the no-fault insurance bill will go to the Calendar today.

It is also my understanding that negotiations are now underway that may give the Committee on the Judiciary a little more time to consider the matter. I note this for the record, pending the outcome of these discussions.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to the order of the Senate of January 24, 1901, as modified February 1, 1974, appoints the Senator from Iowa (Mr. Hughes) in lieu of the Senator from Alabama (Mr. Allen), to read Washington's Farewell Address.

Under the order of the Senate of January 24, 1901, as amended, the Senator from Iowa (Mr. Hughes), having been appointed by the Vice President, will now read Washington's Farewell Address.

Mr. HUGHES, at the Secretary's desk, read the Farewell Address, as follows:

To the people of the United States.

Friends and Fellow Citizens: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me *to suspend the* deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquillity at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north,* in an unrestrained intercourse with the *south,* protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north,* sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north,* it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east,* in a like intercourse with the *west,* already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? Let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute: they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a mere comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With we, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

Mr. GOLDWATER. Mr. President, I commend our distinguished colleague from Iowa for the superb manner in which he read Washington's Farewell Address.

I was once privileged to perform the same duty. I know that it is most difficult to read. Some of the sentences that George Washington wrote are paragraphs in themselves.

I have been in this body for many years, and I can truthfully say that I have never heard it done better than it was done by Senator HUGHES today.

Mr. METCALF. Mr. President, I, too, want to commend the Senator from Iowa. I had the privilege to read the Washington's birthday address twice, once as a Member of the House of Representatives and once as a Member of the Senate. I realize how difficult it is. Many of the sentences contain as many as four, five, and six clauses; sometimes you run out of breath before you can complete a sentence. Yet, in that beautiful voice of the Senator from Iowa and with his composure and presence, he has read it in a way that is most impressive, and again reminded us of our need for remembering the beautiful words and the wonderful inspiration that Washington's Farewell Address can provide for all of us in the Senate.

Mr. MANSFIELD. Mr. President, I join with my colleagues in commending the distinguished Senater from Iowa for the effective way in which he presented to the Senate Washington's Farewell Address to the people of the United States. Even though this address was written in 1796, much that is contained in it would, could, or should be applicable to the situations which confront this Nation today. From a narrow range of interests, today we have achieved, hopefully, a time of maturity; but I remind my fellow Senators that it would be good for us to take home a copy of the Farewell Address, study it, and consider what the first President of this Republic, the Father of his Country, had to say so many years ago, and how applicable so much of what he said then is today.

The ACTING PRESIDENT pro tempore (Mr. HASKELL). Under the previous order, the Senator from West Virginia (Mr. RANDOLPH) is recognized for not to exceed 20 minutes.

GEORGE WASHINGTON OVERCAME SEVERE OBSTACLES IN THE STRUGGLE FOR FREEDOM

Mr. RANDOLPH. Mr. President, I, too, wish to commend our esteemed colleague, the Senator from Iowa (Mr. HUGHES) for the moving manner in which he read the Farewell Address of George Washington. The first President of our Republic reflected on his years of service and admonished the people who were to read his words of wisdom.

I remind the Members and our guests that there was a feeling that the preparation, in part, of that farewell address had been the joint work of Hamilton and Madison. In reality the final preparation of the message was done in longhand by George Washington. It carried the imprint of the President himself. So, although he had assistance in its preparation, the words of the address were truly the words of George Washington.

Mr. President, I, too, had the opportunity, in 1962, to read this address in the Senate and I have asked for this time to review some of the hardships which General Washington and some who stood with him, endured 20 years before this farewell address of September 17, 1796, was published. It is to this period of 1776, particularly the December of that year, that I want to talk rather quietly, yet very earnestly of the problems, almost insurmountable, which were faced by George Washington.

In my research on our first President, I have been assisted by Virginia Krog, a friend and neighbor. She served several years with the State Department and has long been an avid student of American history, particularly the life and times of George Washington.

As we navigate our ship of state through troubled waters today we certainly need to understand the hardships experienced by George Washington then, and the thoughts he expressed in those days, when he was not the President of the United States but the leader of a little band of men who were torn asunder, often by disease, even disaffection. It is of that period that I speak.

Let us remember also that in those days of 1776, we were not a united people in our desire or determination to become a new nation. Only one-third of our population believed that we should bring into being a new republic—one-third believed that we should remain under British rule. Perhaps more significantly than the two-thirds of which I speak, was that one-third of the people who had no opinion whatsoever. It did not matter too much to them which side was to prevail.

In a sense, these are the conditions we face today and have faced during other periods of our country's history.

I listened today, as Senator HUGHES read the Farewell Address, to those words of Washington when he said,

> Citizens by birth, or choice, of a common country, that country has the right to concentrate your affections.

Let us review now the dire distress of George Washington as general of our Continental Army in December of 1776. He made desperate pleas again and again to the Continental Congress in Philadelphia. He pleaded for men. He pleaded for supplies. He pleaded for a thousand men to join him, to restore a semblance of strength to an army that needed rebuilding. Only 100 raw recruits responded.

How precise was Washington?

He pleaded for "261 pairs of pants." People may smile today when that statement is made, but he had documented exactly the number of men who could not stand muster because they had no trousers. Of 8, 10, 12 men living in a small tent or a hut, often only 1 was able to answer the rollcall.

Sometimes today, when we find billions and billions of dollars in cost overruns in our delivery of military equipment, we should recall the preciseness—I use that word again—with which Washington knew the needs in 1776.

Yes, Mr. President, the dark picture becomes very clear. Dr. Thatcher, assigned to the Virginia Regiment at Valley Forge, wrote that often just one man among dozens and dozens of soldiers could stand muster. So 261 pairs of pants became a very real need to George Washington as he pled for that supply.

General Mercer, on the eve of Trenton, talked about the staff hospital. It was not truly a hospital, it was a so-called hospital. He wrote—

> We have no medicine. We have no food. We have not a bandage fit to be used.

"We have," he concluded, "three blankets." Three blankets, my colleagues, that was all.

Washington, when he was 10 miles above the Falls of the Delaware River was thinking to himself, I am sure at night as well as during the day, "What am I to do? Will there be a deliverance? What course shall I follow on the morrow?"

So, often he wrote his thoughts in his own diary and addressed them to friends and relatives because it was an outpouring, really, of his soul as he talked with others through his pen.

It was on December 17, 1776, that he wrote to Lund Washington—20 years before his Farewell Address which has been read today. That letter was to be like many letters—he said:

> Your imagination can scarce extend to a situation more distressing than mine.

Today I suggest we look back and remember the trials of Washington in 1776 when we are asked to dim the light, when we are requested to lessen the speed, when we are asked to lower the thermostat. Let us remember in this period—the affluent period of this country and its people—of the hardships in the beginning years of this country's history.

Colonel Reed was perhaps the most devoted and dedicated of these officers who served under George Washington. He admired his superior officer. On December 22, 1776, he wrote to George Washington these words:

> Our cause is desperate and hopeless. If we do not take the opportunity to strike—some stroke. Delay with us is the equal of total defeat.

Then came Trenton and the raid which was an unusual military success. Henry Knox wrote to his wife on December 28, 1776, and he wrote correctly:

> Providence seemed to have smiled upon this enterprise.

I believe that in those days, God did stretch out his hand to help a people.

Mr. President, the Delaware River, with its floating ice was freezing over, the British and Hessians felt they could move across it. So certain were they that one or two or three of their generals went off to the comforts of New York City to be warm and to forget their benumbing cold. Then, as the attempt came to move across the river, history records that there was a very quick thawing.

Yes, sometimes there is a providence which works its way on this country's history.

So there were in that period doubts which came to George Washington, just as men and women today, not only in public life but everywhere in our country, have doubts and fears and forebodings. They, too, feel the obstacles, as in Washington's times, are too great to be overcome.

I hope that whose read the RECORD of today's proceedings will weigh carefully the words of Washington from his diary on the eve of Yorktown. He said:

> Chimney corner patriots abound. Venality, corruption, prostitution of office for selfish ends, abuse of trust, perversion of funds from national to private use, and speculations upon the necessities of the times pervade all interests.

We should read and reread those words, not just the Farewell Address of 20 years later, but of the beginnings when General Washington was confronted with the problems that were visited on the Republic he helped bring into being.

Yes, there is today a crisis. There was also a crisis in the time of Abraham Lincoln, when he said:

> The occasion is piled high with difficulty and we must rise with the occasion. As our case is new, so we must think anew and act anew; we must disinthrall ourselves and then we shall save our country.

I quote, in closing, the published comments of Tom Paine, of December 19, 1776, in an editorial entitled "Crisis." He wrote:

> These are the times that try men's souls.

But he was to say much more than that. He continued:

> The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country, but he that stands by it now deserves the love and thanks of man and woman.

Then these words, which I hope we shall never forget:

> What we obtain too cheaply, we esteem too lightly.

I have talked of George Washington as a man, not as a President retiring from public office, but as the indomitable general in those almost impossible days when a nation was born.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Under the previous order, the Chair recognizes the Senator from North Carolina (Mr. HELMS).

Mr. HELMS. Mr. President, first, I desire to commend the distinguished Senator from West Virginia (Mr. RANDOLPH) for his eloquent address concerning the career of our first President.

I was also pleased, furthermore, to hear the reading of George Washington's Farewell Address by the distinguished Senator from Iowa (Mr. HUGHES). I commend both Senators, they being the good Americans that they are.

HONORARY CITIZENSHIP FOR SOLZHENITSYN

Mr. HELMS. Mr. President, on February 12, the noted Russian author and intellectual leader Aleksandr I. Solzhenitsyn was forcibly removed from his apartment by seven Soviet police agents and taken away for interrogation. At first his family was not even told where he had been taken, or what charges were brought against him. But the whole world knew that Solzhenitsyn had invited the confrontation, indeed, had welcomed it, despite the dangers involved to his family and to his compatriots fighting in the same cause.

That cause is the cause of freedom—the freedom to think, the freedom to write, and the freedom to publish. It is also the cause for the right to dissent from totalitarian ideology, and the right for those trapped under oppression to move about freely. These are all rights which are fundamental aspects of a free society.

Despite the lack of these rights in Soviet society—indeed, despite the agressive campaign against them—Solzhenitsyn had no desire to leave his native land. Instead, he wanted to use his special gifts to improve conditions for his fellow citizens. He spoke as an Old Testament prophet, castigating the ills he saw in a sick society. His prophecy first took the form of imaginative literature which aroused millions all over the world, and which won him the Nobel Prize for literature. But hidden in secret places he kept the most devastating work of all, composed from the many voices of suffering and of oppression that he had listened to in the transit camps and the prisons and recorded in his memory. These were voices that had been stifled, voices from the grave. But strangely enough, it was only these voices of the dead and dying that kept Solzhenitsyn alive. He blackmailed his oppressors with their guilty secret, threatening to release it if they moved against him. They in turn adopted the very methods which he, as a prophet, had discerned in their political system. Through torture and interrogation they found the manuscript of "The Gulag Archepelago." He countered by publishing it abroad from another secret copy. And so they moved against him step by step, drawing the menacing circle tighter.

A prophet is without honor in his own country. But this prophet had made himself too well known for him to disappear in the night as uncounted thousands had done before him. Solzhenitsyn himself had said in his undelivered Nobel Prize address that one word of truth is sufficient to counterbalance the weight of the whole world. His books now outweighed the system that they attacked. Solzhenitsyn was stripped of his Soviet citizenship, put aboard a plane, and ejected in West Germany.

It was not Solzhenitsyn's desire to be free in West Germany. What he wanted was to be free in Russia. The exile's bread is always bitter. More important than his own freedom is the freedom of the millions who live under Soviet domination. His exile is another step in the long campaign of intimidation and threats conducted by the Soviet government against Solzhenitsyn because he has become the living symbol of dissent within the Soviet Union, the spokesman for the dissidents, and the hope of those who are discriminated against by the intolerable emigration policies of his country. He had become a courageous witness to the truth of Soviet history and the consequences of Communist ideology.

But he speaks not only to the conscience of the Russian peoples; he speaks to the conscience of the whole world, and most particularly to the conscience of the United States as the leader of the non-Communist nations. He has been stripped of his own citizenship, but he has become a citizen of the world. He stands for the wavering hope of all those who wish to see the softening of rigid attitudes in a bipolar world, the loosening of restrictions on creative thought and activity, and an era of peace and freedom for ourselves and our children.

For these reasons, Mr. President, I intend to offer tomorrow a joint resolution which will authorize and direct the President of the United States to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States of America.

Mr. President, the text of the joint resolution which I will offer tomorrow is as follows:

JOINT RESOLUTION

> Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and directed to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States of America.

It is a very simple resolution, unadorned by superfluous rhetoric, that proposes a very high honor. In my opinion, it is the highest honor that this Republic can bestow. It is not an honor that can be given lightly or for reasons of passing moment. It would not impose any legal obligations upon him, or prejudice his standing with his native land. Technically, he is a stateless person. This honor is unsought, as his Nobel Prize was unsought. It does not imply that he must accept or reject it. It merely places the United States on record, in a most emphatic way, that we honor him for his contributions to the freedom of mankind.

It is urgent that we make this gesture. Solzhenitsyn is in the West, but is family is not. His friends are still under a totalitarian system. And millions more are waiting to see what the United States is going to do. Solzhenitsyn himself has complained of the "spirit of Munich" that seems to pervade the relations of the United States with the Soviet Union, and our amoral policy of ignoring oppression so that we can make deals—deals for food, deals for trade, deals for disarmament.

He said:

> The spirit of Munich has by no means passed away, it was not just a brief episode in our history. I would dare to say even that the spirit of Munich is the dominant one of the 20th Century. The timorous civilized world, confronted by the sudden renewed onslaught of a snarling barbarism found nothing better to oppose it with than concessions and smiles.

The prophets of old always made one uncomfortable; it was their duty to do so. Solzhenitsyn warns us that the only coverup for terror is a lie, and those who make deals with terrorists are liars also. But his harsh judgments and his brusque manner are simply goading us to take a stand. We can take that stand now by conferring upon him this great honor in recognition of his witness to truth.

Mr. President, I am asking now for those who wish to consponsor this resolution to take that stand, so that when the resolution is offered tomorrow it will be printed with as many signers as we can muster quickly.

Mr. President, I would like to make a few additional remarks about the background of this action. It is an action that has been taken before when citizens of other lands fought shoulder to shoulder with us on behalf of the common freedom. It was conferred upon Lafayette. It was conferred upon Winston Churchill. Solzhenitsyn, the Nobel Prize winner, has performed meritorious service for freedom at great personal risk.

The honor conferred upon Lafayette, of course, was not done by an act of Congress, because this Congress was not yet in existence. It was done during the period of the Articles of Confederation by the legislatures of Virginia and Maryland.

Sir Winston Churchill was given honorary citizenship by proclamation of President Kennedy pursuant to an act of Congress in 1963. The report of the Committee on the Judiciary set forth the legal ramifications—or rather, the lack of them—when the bill was brought to the floor. The language of my resolution is identical to that of the act passed for Churchill, and the same considerations would apply.

In reading this report, it becomes clear that no legal obligations of citizenship apply, and no tax complications arise. It is an honor pure and simple.

Mr. President, I ask unanimous consent that Public Law 88-6; 77 Stat. 5 (H.R. 4374) be printed in the Record at the conclusion of my remarks, along with the Senate report to accompany H.R. 4374.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. HELMS. Mr. President, although this resolution would not make Solzhenitsyn an actual U.S. citizen, I think it is clear that we would be greatly honored by him if he chose to reside in our country. There is no implication, however, that he ought to reside here, or accepts any obligation to do so. If he should desire it, and only if he desires it, I stand ready to offer a private bill that would grant him permanent residence in the United States. This would enable him to qualify for permanent U.S. citizenship if he should also desire that.

Meanwhile, the Senate will, tomorrow, have before it this joint resolution, and I urge my colleagues to have their names added to the roll.

Mr. President, I ask unanimous consent to have printed in the Record at the conclusion of my remarks an article entitled "Solzhenitsyn: 'Spiritual Death Has—Touched Us All' " which was published in the Washington Post on February 18, 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Exhibit 1

[Public Law 88-6; 77 Stat. 5: H.R. 4374]

Sir Winston Churchill—Honorary Citizenship

An Act to proclaim Sir Winston Churchill an honorary citizen of the United States of America.

Be it enactd by the Senate and House of Representatives of the United States of America in Congress assembled, That: The President of the United States is hereby authorized and directed to declare by proclamation that Sir Winston Churchill shall be an honorary citizen of the United States of America.

Approved April 9, 1963.

Exhibit 2

Proclaiming Sir Winston Churchill an Honorary Citizen of the United States of America

[April 2, 1963.—Ordered to be printed]

Mr. Dirksen, from the Committee on the Judiciary, submitted the following report, to accompany H.R. 4374.

The Committee on the Judiciary, to which was referred the bill (H.R. 4374) to proclaim Sir Winston Churchill an honorary citizen of the United States, having considered the same, reports favorably thereon, without amendment, and recommends that the bill do pass.

PURPOSE

The purpose of the proposed legislation is to authorize and direct the President of the United States to declare by proclamation that Sir Winston Churchill shall be an honorary citizen of the United States of America.

STATEMENT

Similar resolutions have been introduced in the Senate to accomplish the purpose set out by H.R. 4374. Among those are Senate Joint Resolution 3, introduced by the Honorable Jennings Randolph, of West Virginia, and Senate Joint Resolution 5, introduced by the Honorable Stephen M. Young of Ohio, for himself and other Senators, to pay tribute to Sir Winston Churchill.

The Department of State, in reporting to the chairman of this committee on Senate resolutions concerning the conferring of honorary U.S. citizenship on Sir Winston Churchill, advised that that Department welcomes the opportunity to recommend appropriate recognition of the outstanding quality of Sir Winston Churchill's leadership and his contribution to the free world.

The State Department further advised that in view of Sir Winston's advanced age and uncertain health, that Department recommends that, should it be the wish of Congress to grant his honorary citizenship, such action be taken as promptly as possible.

The Department of Justice, in a report submitted to the chairman of this committee, advised the committee that in view of the unparalleled contributions which Sir Winston Churchill has made to the free world, the high esteem in which he is held by the people of this country, and his ties of heritage and sentiment with the United States, the Department of Justice strongly endorses the passage of legislation of the type embodied in each of the two Senate resolutions.

The Department of Justice further observed that while such resolution is without clear legal precedent, that Department perceives no legal objection to its enactment. As the Department understands the joint resolutions, they are not intended to confer citizenship upon Sir Winston in the technical sense of that term so as to impose upon him the legal obligations which ordinarily accompany the acquisition of U.S. nationality. Rather, the resolutions would constitute an expression of the affection and high regard which the people of this country have for him, perhaps stronger in sentiment or similar in effect to legislation conferring a medal or decoration upon him.

The committee concurs in the recommendations of the Department of State and the Department of Justice that legislation of this character and for this purpose should further concur in the observations of the Department of Justice that favorable consideration of this legislation is not intended to confer citizenship upon Sir Winston in the technical sense of that term, but rather, constitutes an expression of the affection and high regard which the people of the United States have for Sir Winston Churchill. There is no intention of conferring honorary citizenship which would have the effect of requiring Sir Winston Churchill to be a national of the United States under the immigration and nationality laws or under the tax laws of the United States or of the individual States of the Union. What this does is to confer on him an expression of esteem rather than U.S. nationality in the technical sense.

The committee believes that this legislation demonstrates the feeling of esteem and admiration of the American people for Sir Winston Churchill just as he has often demonstrated his affection for the United States many, many times. A notable example of his affection is contained in a speech to a joint session of Congress, December 26, 1941, when he said in part:

"I feel greatly honored that you should have thus invited me to enter the U.S. Senate Chamber and address the representatives of both branches of Congress. The fact that my American forebears have for so many generations played their part in the life of the United States and that here I am, an Englishman, welcomed in your midst makes this experience one of the most moving in my life, which is already long and has not been entirely uneventful.

"I wish, indeed, that my mother, whose memory I cherish across the vale of years, could have been here to see.

"By the way, I cannot help reflecting that if my father had been an American and my mother British, instead of the other way around, I might have got here on my own * * *."

The committee is of the opinion that this legislation should be favorably considered in recognition of one of America's greatest friends and the many contributions made by Sir Winston Churchill to the free world. Accordingly, the committee recommends favorable consideration of H.R. 4374, without amendment.

Attached hereto and made a part hereof are the reports of the Department of Justice and the Department of State submitted in connection with similar Senate resolutions.

Department of Justice,
Washington, D.C., February 18, 1963.

Hon. James O. Eastland,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: This is in response to your request for the views of the Department of Justice concerning Senate Joint Resolution 3 and Senate Joint Resolution 5, identical resolutions authorizing the President of the United States to issue a proclamation declaring Sir Winston Churchill to be an honorary citizen of the United States of America.

As indicated in its title, each resolution, after appropriate recitations, would authorize and direct the President to proclaim Sir Winston Churchill to be an honorary citizen of the United States. Each would also instruct the Secretary of the Senate to transmit a copy of the joint resolution to Sir Winston.

In view of the unparalleled contributions which Sir Winston Churchill has made to the free world, the high esteem in which he is held by the people of this country, and his ties of heritage and sentiment with the United States, the Department of Justice strongly endorses the passage of legislation of the type embodied in each of the two resolutions. However, it is suggested that the transmittal of the enactment to Sir Winston would have greater ceremonial significance if done by the President rather than by the Secretary of the Senate.

While such legislation is without clear legal precedent, this Department perceives no legal objection to its enactment. As we understand the joint resolutions, they are not intended to confer citizenship upon Sir

Winston in the technical sense of that term so as to impose upon him the legal obligations which ordinarily accompany the acquisition of U.S. nationality. Rather, the resolutions would constitute an expression of the affection and high regard which the people of this country have for him, perhaps stronger in sentiment but similar in effect to legislation conferring a medal or decoration upon him.

So viewed, the resolutions would not have the effect of requiring Sir Winston to be considered a national of the United States under the immigration and nationality laws, for example, or under the tax laws of the United States or of the individual States of the Union. If your committee recommends the enactment of legislation conferring honorary U.S. citizenship on Sir Winston, it may wish to make this clear by an appropriate explanation in its report in order to avoid any possibility of imposing unintended hardships upon him or his estate. Such an explanation would also make it clear that, since what is being conferred on Sir Winston is an honor or expression of esteem rather than U.S. nationality in the technical sense, article I, section 8, clause 4 of the Constitution which authorizes Congress to establish only "a uniform Rule of Nationalization," has no bearing upon these resolutions.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

NICHOLAS DEB. KATZENBACH,
Deputy Attorney General.

DEPARTMENT OF STATE,
Washington, February 12, 1963.

Hon. JAMES D. EASTLAND,
Chairman, Committee on the Judiciary,
House of Representatives.

DEAR MR. CHAIRMAN: I want to thank you for your letter of January 30 concerning the conferring of honorary U.S. citizenship upon Sir Winston Churchill.

We welcome this opportunity to recommend appropriate recognition of the outstanding quality of Sir Winston's leadership and his contribution to the free world.

Subject to the recommendation of the Department of Justice, the Department of State is greatly pleased to support Senate Joint Resolution 3, and Senate Joint Resolution 5.

In view of Sir Winston's advanced age and uncertain health, the Department recommends that, should it be the wish of Congress to grant his honorary citizenship, such action be taken as promptly as possible.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the submission of this report.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary
(For the Secretary of State).

EXHIBIT 3

SOLZHENITSYN: "SPIRITUAL DEATH HAS . . . TOUCHED US ALL"

MOSCOW, February 17.—Following is the full text of Alexandr Solzhenitsyn's essay "Live Not By Lies." It is perhaps the last thing he wrote on his native soil and is circulating among Moscow's intellectuals. The essay is dated Feb. 12, the day that secret police broke into his apartment and arrested him. The next day he was exiled to West Germany.

LIVE NOT BY LIES

At one time we dared not even to whisper. Now we write and read *samizdant*, and sometimes when we gather in the smoking room at the Science Institute we complain frankly to one another: What kind of tricks are they playing on us, and where are they dragging us? Gratuitous boasting of cosmic achievements while there is poverty and destruction at home. Propping up remote, uncivilized regimes. Fanning up civil war. And we recklessly fostered Mao Tse-tung at our expense—and it will be we who are sent to war against him, and will have to go. Is there any way out? And they put on trial anybody they want, and they put sane people in asylums—always they, and we are powerless.

Things have almost reached rock bottom. A universal spiritual death has already touched us all, and physical death will soon flare up and consume us both and our children—but as before we still smile in a cowardly way and mumble without tongues tied: But what can we do to stop it? We haven't the strength.

We have been so hopelessly dehumanized that for today's modest ration of food we are willing to abandon all our principles, our souls, and all the efforts of our predecessors and all the opportunities for our descendants—but just don't disturb our fragile existence. We lack staunchness, pride and enthusiasm. We don't even fear universal nuclear death, and we don't fear a third world war. We have already taken refuge in the crevices. We just fear acts of civil courage.

We fear only to lag behind the herd and to take a step alone—and suddenly find ourselves without white bread, without heating gas and without a Moscow registration.

We have been indoctrinated in political courses, and in just the same way was fostered the idea to live comfortably, and all will be well for the rest of our lives: You can't escape your environment and social conditions. Everyday life defines consciousness. What does it have to do with us? We can't do anything about it.

But we can—everything. But we lie to ourselves for assurance. And it is not they who are to blame for everything—we ourselves, only we. One can object; but actually you can think anything you like. Gags have been stuffed into our mouths. Nobody wants to listen to us, and nobody asks us. How can we force them to listen? It is impossible to change their minds.

It would be natural to vote them out of office—but there are no elections in our country. In the West people know about strikes and protest demonstrations—but we are too oppressed, and it is a horrible prospect for us: How can one suddenly renounce a job and take to the streets? Yet the other fatal paths probed during the past century by our bitter Russian history are nevertheless, not for us, and truly we don't need them.

Now that the axes have done their work, when everything which was sown has sprouted anew, we can see that the young and presumptuous people who thought they would make our country just and happy through terror, bloody rebellion and civil war were themselves misled. No thanks, fathers of education! Now we know that infamous methods breed infamous results. Let our hands be clean!

The circle—is it closed? And is there really no way out? And is there only one thing left for us to do, to wait without taking action? Mabe something will happen by itself? It will never happen as long as we daily acknowledge, extoll, and strengthen—and do not sever ourselves from—the most perceptible of its aspects: Lies.

When violence intrudes into peaceful life, its face glows with self-confidence, as if it were carrying a banner and shouting: "I am violence. Run away, make way for me—I will crush you. But violence quickly grows old. And it has lost confidence in itself, and in order to maintain a respectable face it summons falsehood as its ally—since violence can conceal itself with nothing except lies, and the lies can be maintained only by violence. And violence lays its ponderous paw not every day and not on every shoulder: It demands from us only obedience to lies and daily participation in lies—all loyalty lies in that.

And the simplest and most accessible key to our self-neglected liberation lies right here: Personal nonparticipation in lies. Though lies conceal everything, though lies embrace everything, we will be obstinate in this smallest of matters: Let them embrace everything, but not with any help from me.

This opens a breach in the imaginary encirclement caused by our inaction. It is the easiest thing to do for us, but the most devastating for the lies. Because when people renounce lies it simply cuts short their existence. Like an infection, they can exist only in a living organism.

We do not exhort ourselves. We have not sufficiently matured to march into the squares and shout the truth out loud or to express aloud what we think. It's not necessary.

It's dangerous. But let us refuse to say that which we do not think!

This is our path, the easiest and most accessible one, which takes into account our inherent cowardice, already well-rooted. And it is much easier—it's dangerous even to say this—than the sort of civil disobedience which Gandhi advocated.

Our path is not to give conscious support to lies about anything whatsoever! And once we realize where lies the perimeters of falsehood—each sees them in his own way.

Our path is to walk away from this gangrenous boundary. If we did not paste together the dead bones and scales of ideology, if we did not sew together rotting rags, we would be astonished how quickly the lies would be rendered helpless and subside.

That which should be naked would then really appear naked before the whole world.

So in our timidity, let each of us make a choice: Whether consciously to remain a servant of falsehood—of course, it is not out of incination, but to feed one's family, that one raises his children in the spirit of lies—or to shrug off the lies and become an honest man worthy of respect both by one's children and contemporaries.

And from that day onward he:

Will not henceforth write, sign or print in any way a single phrase which in his opinion distorts the truth.

Will utter such a phrase neither in private conversation nor in the presence of many people, neither on his own behalf nor at the prompting of someone else, neither in the role of agitator, teacher, educator, nor in a theatrical role.

Will not depict, foster or broadcast a single idea which he can see is false or a distortion of the truth, whether it be in painting, sculpture, photography, technical science or music.

Will not cite out of context, either orally or written, a single quotation so as to please someone, to feather his own nest, to achieve success in his work, if he does not share completely the idea which is quoted, or if it does not accurately reflect the matter at issue.

Will not allow himself to be compelled to attend demonstrations or meetings if they are contrary to his desire or will, will neither take into hand nor raise into the air a poster or slogan which he does not completely accept.

Will not raise his hand to vote for a proposal with which he does not sincerely sympathize, will vote neither openly nor secretly for a person whom he considers unworthy or of doubtful abilities.

Will not allow himself to be dragged to a meeting where there can be expected a forced or distorted discussion of a question.

Will immediately walk out of a meeting, session, lecture, performance or film showing if he hears a speaker tell lies, or purvey ideological nonsense or shameless propaganda.

Will not subscribe to or buy a newspaper or magazine in which information is distorted and primary facts are concealed. . . .

Of course, we have not listed all of the possible and necessary deviations from falsehood. But a person who purifies himself will easily distinguish other instances with his purified outlook.

No, it will not be the same for everybody at first. Some, at first, will lose their jobs. For young people who want to live with the truth, this will, in the beginning, complicate their young lives very much, because the required recitations are stuffed with lies, and it is necessary to make a choice.

But there are no loopholes for anybody who wants to be honest: On any given day, any one of us will be confronted with at least one of the above-mentioned choices even in the most secure of the technical sciences. Either truth or falsehood: Toward spiritual independence, or toward spiritual servitude.

And he who is not sufficiently courageous even to defend his soul—don't let him be proud of his "progressive" views, and don't let him boast that he is an academician or a people's artist, a merited figure, or a general—let him say to himself: I am in the herd, and a coward. It's all the same to me as long as I'm fed and warm.

Even this path, which is the most modest of all paths of resistance, will not be easy for us. But it is much easier than self-immolation or a hunger strike: The flames will not envelop your body, your eyeballs will not burst from the heat, and brown bread and clean water will always be available to your family.

A great people of Europe, the Czechoslovaks, whom we betrayed and deceived: Haven't they shown us how a vulnerable breast can stand up even against tanks if there is a worthy heart within it?

You say it will not be easy? But it will be the easiest of all possible resources. It will not be an easy choice for a body, but it is the only one for a soul. No, it is not an easy path. But there are already people, even dozens of them, who over the years, have maintained all these points and live by the truth.

So you will not be the first to take this path, but will join those who have already taken it. This path will be easier and shorter for all of us if we take it by mutual efforts and in close rank. If there are thousands of us, they will not be able to do anything with us. If there are tens of thousands of us, then we would not even recognize our country.

If we are too frightened, then we should stop complaining that someone is suffocating us. We ourselves are doing it. Let us then bow down even more, let us wait, and our brothers the biologists will help to bring nearer the day when they are able to read our thoughts are worthless and hopeless.

And if we get cold feet, even taking this step, then we are worthless and hopeless, and the scorn of Pushkin should be directed to us:

"Why should cattle have the gifts of freedom?

"Their heritage from generation to generation is the belled yoke and the lash."

Mr. DOMENICI. Mr. President, like most observers in the Western, free world, I am dismayed by the Soviet Union's expulsion of Nobel Prize-winning writer, Alexandr Solzhenitsyn. It seems to me especially ironic that on that day when Americans celebrated Abraham Lincoln's birthday, the Soviet Union chose to strip of freedom and citizenship one of its most vital voices. Nothing more dramatically illuminates the fundamental differences in belief in the sanctity of human freedom between this Nation and the Soviet regime than Solzhenitsyn's forced exile.

As I testified before the Senate Subcommittee on Defense Appropriations last September, tension and hostility between America and the Soviet Union have not been eliminated. The expulsion of Solzhenitsyn underscores the basic difference between their style of government and our system; his expulsion should make us all step back and take a good look at the real Soviet intentions and beliefs.

I am more concerned than ever that we will be misled by détente. It is a two-way street and we cannot travel it alone. Here are some questions we must raise: Does the Soviet Union have a new attitude toward freedom? Has the Soviet Union's system changed? How far can this Nation, founded in freedom and based on Christian values of the worth of each man, go toward accommodating a system so alien, apparently, toward these values?

I, for one, am going to take a closer look at the legislation that is introduced that would give more concessions to the Soviet Union, that would aid them with better technology, and industry, or that would put this Nation at any disadvantage, theoretical or otherwise, in its dealings with the Soviet Union.

Mr. President, this issue deserves full airing in this body. I am confident that it will get such a hearing during the next months. I intend to insure that it does.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 5 minutes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUMPHREY, from the Committee on Agriculture and Forestry, with amendments:

S. 2296. A bill to provide for the protection, development, and enhancement of the national forest system, its lands and resources; and for other purposes (Rept. No. 93–686).

By Mr. HUGH SCOTT, from the Committee on the Judiciary, without recommendation:

S. 354. A bill to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HELMS (for Mr. EASTLAND):

S. 3001. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and papers of the United States, involving an element of identification. Referred to the Committee on the Judiciary.

By Mr. YOUNG (for himself, Mr. DOLE, and Mr. BELLMON):

S. 3002. A bill relating to the date on which the carryover of wheat for any marketing year is to be determined and announced by the Secretary of Agriculture. Referred to the Committee on Agriculture and Forestry.

By Mr. YOUNG:

S. 3003. A bill for the relief of Nieves Ong Caladiao. Referred to the Committee on the Judiciary.

S. 3004. A bill for the relief of Muriel S. Wilton. Referred to the Committee on the Judiciary.

By Mr. EAGLETON:

S. 3005. A bill to provide for a transitional disaster relief program in connection with floods in areas having special flood hazards prior to the time when flood insurance under the National Flood Insurance Act of 1968 as amended is available. Referred to the Committee on Public Works.

By Mr. PROXMIRE:

S. 3006. A bill to require that certain bills and joint resolutions introduced in the Senate or received by the Senate from the House of Representatives be printed with a "fiscal note." Referred, by unanimous consent, jointly to the Committees on Rules and Administration and Government Operations.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 3007. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1975. Referred to the Committee on Interior and Insular Affairs.

S. 3008. A bill to declare that 3.308 acres, more or less, of federally owned land is held by the United States in trust for the Pueblo of Cochiti. Referred to the Committee on Interior and Insular Affairs.

By Mr. HASKELL (for himself and Mr. DOMINICK):

S. 3009. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools; and

S. 3010. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, may be used for purposes other than public roads and schools. Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS (by request):

S. 3011. A bill to amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, to revise and extend programs of health services, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JAVITS (by request):

S. 3012. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act to improve the protection of the public health and safety, to repeal the Filled Milk Act, and the Filled Cheese Act, and for other purposes. Referred, by unanimous consent, simultaneously to the Committees on Labor and Public Welfare and Commerce, with the proviso that when and if one committee reports the bill, the other committee must report within 60 days.

By Mr. CURTIS (for himself and Mr. HELMS):

S.J. Res. 187. A joint resolution to express the sense of Congress for the extension of citizenship to Alexander Solzhenitsyn and his family. Referred to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELMS (for Mr. EASTLAND):

S. 3001. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and papers of the United States, involving an element of identification. Referred to the Committee on the Judiciary.

Mr. HELMS. Mr. President, by request, for the Senator from Mississippi (Mr. EASTLAND), I introduce a bill for appropriate reference; and I ask unanimous consent that a short statement by Senator EASTLAND with respect to this bill may be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

STATEMENT BY SENATOR EASTLAND

This bill is intended to fill a gap in the law dealing with persons who improperly obtain or seek to obtain official documents and papers of the United States, or who produce and use false papers of the United States.

This is an original bill reported on February 12 favorably from the Internal Security Subcommittee to the full Judiciary Committee. I have caused it to be formally introduced so that the Judiciary Committee may have printed copies for consideration, and for distribution to interested agencies and individuals.

The bill is short, and its provisions are quite clear so I shall not discuss it further at this time.

By Mr. EAGLETON:

S. 3005. A bill to provide for a transitional disaster relief program in connection with floods in areas having special flood hazards prior to the time when flood insurance under the National Flood Insurance Act of 1968 as amended is available. Referred to the Committee on Public Works.

FLOOD LOANS

Mr. EAGLETON. Mr. President, the National Weather Service has reported that record floods could plague the Nation again this year. Rainfall is up 75 percent above normal along the Mississippi River. High tides are threatening both the Atlantic and Pacific coasts. The water level in the Great Lakes is the highest it has been in 200 years.

Last week, in my own State of Missouri, the Mississippi River was 5 feet over its banks. The flood threat exists all the way downstream to Louisiana, where the river also is above its banks. The spring thaw, coupled with continuing heavy rain, could create a potentially catastrophic situation affecting hundreds of thousands of Americans, including those living in the Missouri-Mississippi flood plain.

What is particularly distressing about this situation is that many flood-prone communities will have less protection and assistance than they have had in previous years. This is a result of two separate, but related, factors. First, administrative and jurisdictional obstacles will delay full implementation of the Flood Disaster Protection Act of 1973, which expands the national flood insurance program. Second, President Nixon vetoed legislation last year which would have provided loans to disaster victims at lower interest rates than are currently available.

The Flood Disaster Protection Act became effective on December 31, 1973. I supported the effort to substitute flood insurance for costly disaster assistance programs. The act doubles the amount of flood insurance available to owners of residential and business properties, but it requires communities, in turn, to restrict building in flood-prone areas. Provided a community adopts those land-use restrictions, residents would be eligible to buy flood insurance at a low rate of 25 cents per $100 of coverage, with the Government paying the other 90 percent of the premium.

To qualify for the flood insurance program, a flood-prone community must certify to HUD's Federal Insurance Administration in Washington that it has adopted minimum land use measures to abate damage from future floods. However, despite the recent efforts of FIA to publicize the flood insurance program nationwide, certain local conditions prevail which probably will delay applications from some communities for many months.

Of the 456 flood-prone communities in the State of Missouri, for instance, only 96 currently are eligible for Federal flood insurance. I am certain that number will increase before the spring flood season, but many will not qualify by then.

One reason for that is that some of these communities are unincorporated. Among other things, that means they have no land use authority to regulate building in the flood plain. The Missouri State Legislature is currently considering measures which would permit State authorities to regulate building in the flood plain in unincorporated areas, but this will take time. In the meantime, residents of these communities are ineligible for coverage.

Other programs would prevent flood-prone communities from applying for the program in a timely manner. In some cases, public notice must be given in order to execute the FIA required resolution by which the flood-prone community certifies it has adopted minimum land use standards. In other instances, both a public notice and hearings are necessary. In any event, it appears there will be some unavoidable delays which neither the community nor the individual residents can control.

What happens if flooding occurs while flood-prone communities are making every effort to comply with FIA regulations? Flood disaster victims who have no insurance coverage would be eligible only for 5-percent interest loans with no forgiveness features.

These are the stiffest disaster loan terms in 5 years because last year President Nixon vetoed a measure which would have made disaster assistance loans to homeowners, farmers, and small businesses at 3 percent interest with the first $2,500 forgiven or at 1-percent interest rate with no forgiveness. It does not make sense to me to reduce assistance at a time when it appears it will be needed most.

Today, I am introducing legislation which is designed to bridge the gap which now exists in the benefits available to flood disaster victims. It is designed to ease the transition between reliance on disaster loans to full implementation of the Federal Insurance Act. The measure would make 1 percent disaster loans available to those residents living in communities which are eligible to participate in the flood insurance program but whose application had been delayed because of difficulties in complying with local or State regulatory requirements.

Section 3 of the bill would extend the same 1 percent loan terms to residents of communities which have been admitted into the flood insurance program under the emergency application provisions. Residents of these areas are eligible only for the lower limits of subsidized coverage until such time as their communities adopt more comprehensive zoning measures restricting building in the flood plain. This could take several years. The bill I am introducing today would permit low interest loans to be made to these individuals for uninsured losses up to the maximum limits of subsidized insurance coverage or to the maximum allowable disaster loan under existing FHA and SBA regulations.

This interim disaster loan program would be available to flood victims until June 30, 1975, which should be a sufficient time for most communities to meet necessary local administrative and regulatory requirements for participating in the flood insurance program.

I fully support efforts of Congress and the administration to substitute flood insurance for disaster loans. However, a program of this magnitude takes time to implement. My bill would provide some limited relief to those caught up in this transition.

By Mr. PROXMIRE:

S. 3006. A bill to require that certain bills and joint resolutions introduced in the Senate or received by the Senate from the House of Representatives be printed with a "fiscal note." Referred, by unanimous consent, jointly to the Committees on Rules and Administration and Government Operations.

FISCAL NOTE ACT—A PRICE TAG ON LEGISLATION

Mr. PROXMIRE. Mr. President, every year thousands of bills are introduced in the Senate to further the goals of our Constitution. Yet, seldom do we as Senators have any idea of how much it might cost to improve justice, insure domestic tranquility, or to provide for the common defense. Neither do we know the price of promoting the general welfare nor securing the blessing of liberty.

These mandates must be carried out. And we owe it to our constituents to carry them out to the best of our ability. That means we must, through the committee system, examine all proposals carefully. A part of that examination—since the Legislative Reorganization Act of 1970—has been the inclusion in Senate and House committee reports of long-range cost projections on authorization bills.

It would be helpful to have some idea of these costs long before that stage. Indeed, only a fraction of the bills introduced ever get to the committee report stage. Yet, the cost of a proposal is a vital piece of information—vital to the Senator introducing it—vital to his colleagues—vital to those affected by the bill—and vital, above all, to those who will have to pay for it, the taxpayers.

PRODUCE PUBLIC DEBATE

Knowledge of the approximate cost of a bill very well could affect its future in the legislative process. A good idea at a bargain price might move along quickly with all due deliberation. A good idea with a high price tag might produce more public debate and promote a search for alternative means of filling the need. Such a search might find a better and cheaper solution.

Knowledge of a proposal's cost can produce efforts to match the reality of need against the reality of meeting that need.

Mr. President, that is the purpose of the bill I introduce today. The Fiscal Note Act would hang a price tag on all spending—or money-saving—legislation introduced in the U.S. Senate.

The Fiscal Note Act would be a taxpayer's guide to proposed legislation. For us in the Senate, it would help us choose better buys in pursuing the good life for the American public.

My bill requires that before a bill may be printed, an estimate of the cost of carrying out its purpose must be placed as a footnote on the first page of the bill.

The estimate would cover its costs in the fiscal year that the bill or joint resolution is introduced and for each of the next 5 fiscal years, if it is to be a continuing program.

VESTED INTERESTS LOBBY

Just what good is this kind of price-tag information?

Pressure against spending on specific bills has been almost nonexistent in the Congress in recent years. Almost all the lobbying comes from vested interest groups which stand to gain directly from every kind of taxpayer ripoff, no matter how unjustified it may be in the overall public interest.

A stark, sharp, direct reminder of cost on every bill that cost money—right there on page 1 of the bill itself—could save billions.

Just as important, such price tags could stimulate the quest for better ways of accomplishing the things that need to be accomplished—at a price we can all afford.

Also, Senators and interested citizens examining the bill would be given a head-start in weighing priorities and in making necessary judgments.

The appropriate committees of the Senate, of course, would continue their careful, detailed assessments of each bill. Still, the price tags would be concrete reminders of the current requirement of law to report on the long-range costs of legislation. Undoubtedly, the committee study of the bills would result in refined cost estimates.

The idea for placing price tags on legislation is not new. Many State legislatures have been doing it for years.

Just the other day the director of an education association in Wisconsin called my office to talk about a bill pending in the U.S. Senate. During the conversation, he asked—and these are his exact words— "what is the fiscal note on the bill." He had to be told, of course, that none existed. But he is accustomed to reading price tags on proposed legislation pending before the Wisconsin Legislature.

WISCONSIN WAS THE FIRST

Wisconsin was the first State to require fiscal notes. That was in 1957. Since then a majority of the States have adopted the practice. The Council of State Governments has recommended that all State legislatures require that all bills affecting either income or appropriations be accompanied by an estimate of its fiscal impact.

Wisconsin has developed the fiscal note into a very useful tool. It is useful because all concerned, lawmaker and State agency, treat the preparation of the fiscal note in a professional manner. During that preparation the fiscal note is a confidential document. The legislator requesting it does not have to fear that his idea or information will be lost to others.

He also knows that the fiscal note will be objective. Information gathered in its preparation will not be biased. And the note itself will be written objectively without any attempt to sway the reader in favor of or in opposition to the proposal. The reason is simple: The agency may have to live with the information it supplies for a long time. The incentive, then, is to be objective.

Mr. President, the bill I am introducing today calls for basically the same procedure as is used in Wisconsin. Any bill introduced in the U.S. Senate that affects Federal expenditures directly or indirectly will require a fiscal note before the bill or joint resolution may be printed. The fiscal note may be prepared by the sponsor before introduction, or it may be prepared after introduction. In either case, the responsibility for writing the note is that of the department or agency which will carry out the mandate of the bill after enactment. To prevent delays in introduction, the departments or agencies will be required to have the fiscal note to the Public Printer within 72 hours.

NO EXTRA WORKLOAD

I am assured that basic budgetmaking information available in the departments and agencies will enable them to prepare fiscal notes with ordinary diligence.

As drafted, this bill would affect only bills and resolutions originating in the Senate. It would be presumptuous to try to impose such a requirement on the House of Representatives.

Representative Patricia Schroeder of Colorado, I am happy to say, having read of my proposal, has informed me that she intends to introduce a similar bill in the House.

What will my bill cost? What would be its fiscal note?

This bill would authorize no direct expenditure of funds. Therefore it would not require a fiscal note on those grounds. But, what about indirect expenditures?

I believe that there would be no requirement for Federal departments or agencies to request added manpower to carry out this bill. All have capabilities that can be called upon to prepare fiscal notes. As a matter of good administration, departments and agencies seek out the same information, in any event, after learning of the introduction of bills affecting them. So there would be no extra workload.

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 3007. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1975. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. Fannin) a bill to authorize appropriations for the Indian Claims Commission for fiscal year 1975.

Mr. President, this draft legislation was submitted by the Indian Claims Commission, and I ask unanimous consent that the executive communication accompanying the proposal from the Chairman of the Commission be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Indian Claims Commission,
Washington, D.C., January 18, 1974.

Hon. Gerald R. Ford,
President of the U.S. Senate,
Washington, D.C.

Dear Mr. President: Enclosed is a proposed bill "To authorize appropriations for the Indian Claims Commission for fiscal year 1975." We recommend that the proposed bill be introduced and referred to the appropriate committee for consideration, and we recommend that it be enacted.

FISCAL YEAR 1975 APPROPRIATION AUTHORIZATION

The legislation under which the Indian Claims Commission conducts its program, the Indian Claims Commission Act, as amended, 25 U.S.C. § 70e (1972), states "There are authorized to be appropriated for the necessary expenses of the Commission not to exceed $1,500,000 for fiscal year 1973, and appropriations for succeeding fiscal years shall be made only to the extent hereafter authorized by Act of Congress." In order to meet fiscal year 1975 program requirements, we propose that such sums as may be necessary to continue the program of the Indian Claims Commission be authorized. There is need for enactment of this authorization in order for work to proceed during the next fiscal year.

The Office of Management and Budget has advised that this proposed legislation is in accord with the program of the President.

Sincerely yours,
Jerome K. Kuykendall, *Chairman.*

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 3008. A bill to declare that 3.308 acres, more or less, of federally owned land is held by the United States in trust for the Pueblo of Cochiti. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. Fannin) a bill to declare that 3.308 acres, more or less, of federally owned land is held by the United States in trust for the Pueblo of Cochiti.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Office of the Secretary,
Washington, D.C., January 24, 1974.

Hon. Gerald R. Ford,
President, U.S. Senate,
Washington, D.C.

Dear Mr. President: Enclosed is a draft of a proposed bill "To declare that 3.308 acres, more or less, of federally owned land is held by the United States in trust for the Pueblo of Cochiti."

We recommend that the proposed bill be referred to the appropriate committee for consideration and that it be enacted.

This bill provides that all right, title and interest of the United States in 3.308 acres, more or less, of federally owned land, acquired for school purposes, together with improvements thereon, will be held in trust by the United States for the Pueblo of Cochiti. Also, the bill provides that the Indian Claims Commission will determine the extent to which the value of the beneficial interest conveyed should or should not be set off against any claim against the United States Government determined by the Commission.

In 1911, the subject property was acquired by the United States for $150 through condemnation action and was used as a government supported day school for the Cochiti Indians until the mid 1960's. The land and improvements were permitted in 1966 to the school board of the Bernalillo Public Schools, District No. 1, for the purpose of operating a public school and housing for teachers. This permit was in effect until May 31, 1968, when it was terminated by the school board since the construction of a new public school was completed and this school would serve the educational needs of the Cochiti Pueblo.

Upon completion of the new public school, the Cochiti school site became obsolete and the property is excess to our needs. A permit was approved on October 15, 1968, to the Pueblo of Cochiti, for the use of this property. The Pueblo of Cochiti enacted a resolution requesting the parcel as it could be used advantageously by them for community purposes, including the Pueblo Governor's office, council office, library, headstart classrooms, and other community uses.

The school site is located within the village of Cochiti, adjacent to tribal lands, most of which are assigned to individual members of the Pubelo for homesites. Although the Cochiti Pueblo has no formal land consolidation program, it has in the past pursued a policy of acquiring alienated parcels within the exterior boundaries of the reservation through land exchanges in order to consolidate its use areas.

An appraisal of the property indicates a fair market value of $8,500 for the land, including the water and sewerage system. The property records at the agency contain the following inventory of the improvements on the land:

School building and quarters	$5,000.00
School building	4,144.69
Fuel shed and storage	518.00
Garage, storage and bath	1,625.00
Dispensary	747.00
Pump house	905.48
Water system	1,200.00
Sewer system	1,150.00
Playground equipment	1,054.70

The improvements are old and obsolete and would require considerable outlay to be made usable. If the land was held in trust for the Pueblo of Cochiti, the Pueblo would have the security and more incentive to make necessary improvements. At present, utilizing the property under a permit from the Bureau of Indian Affairs, the Pueblo is naturally reluctant to maintain or improve property which it has no firm assurance of continuing to use. Transfer of the property to trust status would also, of course, relieve the Federal Government of responsibility for its upkeep.

This land is in an area where the geologic formations, under suitable stratigraphic and structural conditions, are favorable for the occurrence of oil and gas. However, the nearest producing well is 50 miles to the west and the mineral value for this tract is considered to be quite low. It is without value for other minerals.

As the Cochiti Pueblo has a very definite need for this property and the Federal Government can be relieved of the maintenance and upkeep responsibility, we urge that trust title to the property be given to the Pueblo. As this property is surrounded by trust land, we believe that there should be a declaration of trust.

The Cochiti Pueblo has no claim pending before the Indian Claims Commission. The claim filed by this Pueblo with the Commission, Docket No. 136, was dismissed on March 27, 1959, and the dismissal was reported to Congress on June 29, 1959.

The Office of Management and Budget has advised that the presentation of this proposed legislation is consistent with the program of the President.

Sincerely yours,

John H. Kyl,
Assistant Secretary of the Interior.

By Mr. HASKELL (for himself and Mr. Dominick):

S. 3009. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development oil shale resources, may be used for purposes other than public roads and schools; and

S. 3010. A bill to provide that moneys due to the States under the provisions of the Mineral Leasing Act of 1920, as amended, may be used for purposes other than public roads and schools. Referred to the Committee on Interior and Insular Affairs.

Mr. HASKELL. Mr. President, I am introducing legislation today to amend the Mineral Leasing Act provision which governs the distribution of bonus bid moneys to the States when public lands are leased for oil shale development.

Section 191 of the Mineral Leasing Act of 1920 limits the States to using their portion of the bonus bid moneys, "to be used by such State or subdivisions thereof for the construction and maintenance of public roads or for the support of public schools or other public educational institutions, as the legislature of the State may direct."

This provision hamstrings the State and makes it impossible to do the type of comprehensive planning which is so necessary if the overwhelming impact of oil shale development is to be handled wisely.

A brief look at the promise and problems of oil shale development will make it absolutely clear that this provision needs to be amended.

The oil shale reserves in the Green River formation in Colorado, Utah, and Wyoming contain the equivalent of 600 billion barrels of oil—a quantity approximately equivalent to the entire known world reserves of oil. Others estimate the reserves may be as high as 1.8 trillion barrels a total which would be 47 times the total U.S. reserves.

The vast majority of these deposits—approximately 80 percent—is on public lands.

This Nation has recently embarked on a program of leasing those public lands for the development of our shale resources. Through its prototype leasing program the Department of the Interior has offered two 5,000-acre tracts in Colorado for lease. A combined total of six oil companies has leased these tracts by bidding over $327 million which will go to the Federal and State governments as a bonus for the development rights.

The oil shale boom which has been long awaited by those who live in oil shale country seems to be here. We are no longer left wondering if there will be shale development, only how big it will be and who will pay for the massive impact on the communities in oil shale country.

As chairman of the Public Lands Subcommittee I held a day of hearings in Grand Junction, Colo., in January to try finding some tentative answers to those questions. Around 25 witnesses testified during the day-long session and the Grand Junction Civic Auditorium was packed with interested citizens. I came away tremendously impressed with the willingness and the ability of local government to prepare for an oil shale boom—if we give them the necessary funds to do the job.

The State of Colorado will receive 37½ percent of the bonus bid moneys. The rest of the funds go to the Federal Government with 52½ percent earmarked for the Bureau of Reclamation and 10 percent credited to "miscellaneous recepits" or the Department of Interior general fund.

That 37½ percent figure means Colorado will receive $24.5 million annually for at least 3 years. A lease holder is allowed to credit development costs against his bonus bid obligation for the last 2 years' payments so the entire 37½ percent may not be paid. But at least $73.5 million will go to Colorado.

Obviously schools and roads are just a part of the services local communities will have to provide for thousands of new residents. Water and sewer treatment plants, health and emergency services, police and fire protection all must be considered, planned, and funded. The amendment I am introducing today will allow that to be done.

Once the Federal law is changed, and assuming a comparable change is made in State law, local governments in the affected area can immediately begin using available funds to plan and provide the entire range of services growth will demand.

This is all we can do until we know exactly what to expect from shale development. I am not at all certain just freeing money paid for the leases for all governmental uses will solve all the problems. But it is a start until we can develop the type of data base to give us an idea in dollars and cents terms of what additional funds will be necessary.

Frank Cooley, executive director of the Oil Shale Regional Planning Commission testified in Grand Junction that the impact of oil shale development—on both public and private land—will result in huge costs which must be met by local government. He said:

> From our final report, we know that each new thousand population in Western Colorado is going to require capital expenditure of $3 million and, with roads, in my own judgment, $4 million.

What does that mean? According to estimates made by John H. Gilmore and Mary K. Duff of the Denver Research Institute at the University of Denver, the development of a mature oil shale industry will add 160,000 people to the area in the next 15 years. The non-oil-shale population will likely be around 147,600 for a total population of over 300,000. The current population is near 80,000 so the resulting increase will be 3½ times the current figure.

Some of the costs of increased services will be absorbed by the local tax base which will develop as the industry matures. A study of the tax base time lag problem is about to be completed which will give us a better idea of the dimensions of the problem.

As Pat Halligan, executive director of the Colorado West Area Council of Government puts it:

> People coming into this area will not expect that there be paved streets or sewer and water or police and fire protection, they'll demand it.

The Federal Government has an obligation to help the people in Colorado meet that demand. Amending the Mineral Leasing Act of 1920 is a first step in that direction.

Now I realize there are those among my colleagues who will question the desirability of amending a law which has served us so well. But a look at the legislative history of the Mineral Leasing Act indicates that the 37½ percent returned to the State was meant by the original authors to insure that costs incurred by State and local communities in accommodating new mining industries would be met by other means than the local tax base.

Floor debate in 1920 indicates that it was the consensus of the Congress that some percentage of royalties and bonuses should be returned to the State from which they were generated, "to an extent intended to reimburse them for the loss of taxing values . . ." as a result of leasing the land. Congressman Mays of Nebraska stated on November 13, 1919:

> We desire . . . that some of this money be available to build up immediately upon the beginning of these operations, and if this bill operates as we hope it will, there will be communities built up at once. You have to build schoolhouses and roads, and you have to pay for the administration of justice.
>
> A forest reserve has few requirements, whereas a community of people must have improvements, must have schools, must have teachers. Roads must be constructed, government must be sustained.

If a great portion of a county or State is held in public domain, and will remain untaxed under Federal ownership due to the Mineral Leasing Act of 1920, as is the case in the Western States, funds for public facilities must come from some alternate sources. Mining industry and resultant population increases make supplementary revenue sources mandatory for low-population density areas such as Colorado, Utah, and Wyoming.

The legislators of the 66th Congress made provision for the limited public necessities of transportation and education. The Federal and State governmental services have expanded beyond those two functions in the intervening years and we must expand the legislation to keep pace with that change.

As Gov. John Vanderhoof made the case in Grand Junction:

> But Congress does need to move and move rapidly to give us those tools that we can use to do the situation right for once.

The mayor of Grand Junction, Stanley Anderson, put the need succinctly:

> If, as has been suggested, the national energy crisis is the result of poor planning and miscalculation at the national level, where virtually unlimited funds have been available, how can we now expect or require that limited local resources are equal to the task of its solution? The single point of contention at the outset of impacted growth will be for the allocation of front end monies.

Mr. President, the need to provide the necessary flexibility to State and local governments to use funds derived from sales, bonuses, royalties, and rentals of public lands for oil shale development is obvious. If we call the local people to help us out in meeting our energy needs we must provide the necessary planning funds to help them.

The Federal Government also leases its lands for coal recovery, oil recovery, geothermal energy recovery and many other energy and mineral resource development projects. The Mineral Leasing Act may well need to be amended so that the funds derived from all sales, bonuses, royalties, and rentals of public lands do not have strings attached which limit their use to roads and schools.

In addition to introducing legislation to untie the strings attached to the money which will result from leasing public lands for oil shale development I am also introducing separate legislation to provide the same flexibility for funds resulting from other Federal mineral leasing activities as well.

I hope that my colleagues will share my view that new flexibility in the use of these moneys must be provided. It must be available to provide for planning, construction and maintenance of public facilities, and provision of public services. I ask for your support.

I ask unanimous consent that the text of both pieces of legislation be printed at this point in the Record.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 3009

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 35 of the Act of February 25, 1920 (41 Stat. 450), as amended (30 U.S.C. 191), is further amended by striking the period at the end of the proviso and inserting in lieu thereof the language as follows:

": *And provided further,* That all moneys paid to any State from sales, bonuses, royalties, and rentals of public lands for the purpose of research in or development of shale oil may be used by such State and its subdivisions for planning, construction and maintenance of public facilities, and provision of public services, as the legislature of the State may direct."

S. 3010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 35 of the Act of February 25, 1920 (41 Stat. 450), as amended (30 U.S.C. 191), is further amended by striking "the construction and maintenance of public roads or for the support of public schools or other public educational institutions," and inserting in lieu thereof: "planning, construction and maintenance of public facilities, and provision of public services,".

By Mr. JAVITS (by request):

S. 3011. A bill to amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcoholic Abuse and Alcoholism Prevention. Treatment, and Rehabilitation Act of 1970, to revise and extend programs of health services, and for other purposes. Referred to the Committee on Labor and Public Welfare.

HEALTH SERVICES AMENDMENTS OF 1974

Mr. Javits. Mr. President, I introduce (by request), on behalf of the administration, a comprehensive bill to amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and to revise and extend programs of health services.

In essence this bill incorporates into a comprehensive bill two legislative measures I previously introduced, by request, on behalf of the Administration—S. 1632 and S. 1654—and also provides separate appropriations authorizations, first, to assist in the prevention and treatment of alcoholism—parts C and E of the Community Mental Health Centers Act; second, to provide health services for domestic agricultural migrants—section 310 of the Public Health Service Act; and third, to render services, disseminate information, and promote research in the field of family planning—title X of the Public Health Service Act.

Despite previously indicated concerns and criticisms of S. 1632 and S. 1654 when I introduced such legislation by request, the administration has now decided to continue to urge these measures without recognition of the deficiencies printed out already.

When I introduced S. 1632, I made crystal clear that a determination to utilize section 314(e) of the Public Service Act for funding programs the Executive chooses to support disregards congressional intent. When Congress passed and the President signed into law Public Law 92–449, the legislative history of section 314(e) was enunciated in Senate report 92–285, where in discussing this section of the law, it cities the House Committee on Interstate and Foreign Commerce in its report on the Communicable Disease Control Amendments of 1970:

> In each of its budget presentations each year since the enactment of section 314(e), the Department of Health, Education, and Welfare has earmarked specific amounts of the 314(e) fund request for specific programs for the coming year. In other words, the categorical grant approach has continued since the enactment of Public Law 98–749, except that instead of the Congress setting the categories, the categories have been set by the Department of HEW.

I believe we must restore some control to Congress of the categories of health programs for which project grant funds are to be made available.

The Senate Labor and Public Welfare Committee in respect to this matter in its report on the Health Services Improvement Act of 1970 stated:

> The Committee notes with concern the fact that a large portion of the programs funded under section 314(e) continue to be too narrowly focused rather than focused upon the broader area of the organization and delivery of health services.

When I introduced S. 1654, again I made clear my disappointment—and indicated it again when the Department's ICF regulations were published—that my "Bill of Rights for the Mentally Retarded" was not recommended for enactment into law, a view apparently shared by the Department of Justice which is interested in assuring they institutionalized their constitutional right to humane care and treatment. I also indicated that the broadening of the definition of developmental disabilities to include "autism" was far too limited a change. I believe an expanded definitional change is consistent with the original intent of the law and is necessary primarily because of the extremely narrow interpretation the Department has chosen to give "developmental disabilities."

Legislative hearings in regard to much of the subject matter of this bill has also made it clear that the Senate Committee on Labor and Public Welfare, of which I am ranking minority member, and which committee has jurisdiction over these matters, has no intention of proceeding in the fashion contemplated by the provisions of this comprehensive bill in regard to alcoholism or family planning, or for that matter developmental disabilities.

The Labor and Public Welfare Committee, and the Senate when it passed S. 1125, has made clear its commitment to project grants for alcoholism programs. Moreover, the merger into a single National Advisory Council of the functions of the Mental Health and Alcohol Advisory Councils clearly runs counter to the intent of the House passed S. 1125.

Furthermore, I am not convinced we should, as set forth in the bill, eliminate support for community mental health programs. The committee's legislative hearing record is replete with bipartisan opposition to such an approach and there is no evidence that all community mental health center programs can be absorbed and supported by the existing health care system.

Mr. President, I ask unanimous consent that the text of the bill, a section-by-section analysis of the bill, and the executive communication requesting the proposed legislation be printed at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Services Amendments of 1974".

TITLE I—COMPREHENSIVE PUBLIC HEALTH SERVICES, AND HEALTH SERVICES DEVELOPMENT

REPEAL OF MENTAL HEALTH ALLOCATION

SEC. 101. Section 314(d)(7) of the Public Health Service Act is amended to read as follows:

"(7) Allocation of Funds within the States.—At least 70 per centum of a State's allotment under this subsection shall be available only for the provision under the State plan of services in communities of the State."

EXTENSION OF STATE FORMULA GRANTS

SEC. 102. Section 314(d)(1) of such Act is amended by striking out "and" after "1973," and inserting immediately after "1974" the following: ", and such sums as may be necessary for each of the next three fiscal years".

EXTENSION AND REVISION OF PROJECT GRANTS

SEC. 103. Section 314(e) of such Act is amended to read as follows:

"(e)(1) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1975, and each of the next two fiscal years, for grants to any public or nonprofit private entity to pay part of the cost of—

"(A) providing services (including related training) to meet health needs of limited geographic scope or of specialized regional or national significance;

"(B) preventing or treating alcoholism;

"(C) providing or operating centers to make available comprehensive health services (as defined by the Secretary);

"(D) providing or operating health service clinics for domestic agricultural migratory workers or for projects in improving health care or conditions of these workers or their families, or to encourage and cooperate in programs to improve their health services or conditions, including the support of services to seasonal agricultural workers when it contributes to improving the health conditions of migratory workers; or

"(E) providing services (including related training) in the field of family planning.

"(2) With respect to a facility or center, or portion thereof, used or to be used for a purpose enumerated in the preceding paragraph, the Secretary may provide, upon such terms as he deems necessary to protect the financial interest of the United States, that a grant under this subsection shall be available to pay the cost (in addition to any cost for which it may otherwise be made available under this paragraph) of—

"(A) in the case of a facility or center in existence prior to January 1, 1974, amortizing the prinicpal of, or paying the interest in, a loan for the facility's or center's acquisition, construction, expansion, alteration, or remodeling (including a facility or center acquired from, or constructed in connection with, any program or project transferred to the Secretary from the Office of Economic Opportunity), including architects' fees and the cost of acquiring land; or

"(B) its minor remodeling or minor alteration, including architects' fees."

CONSOLIDATION OF ADVISORY COUNCILS

SEC. 104. (a) Section 316 of the Public Health Service Act (establishing a National Advisory Council on Comprehensive Health Planning Programs) is repealed, and there is enacted a new section 316 to read as follows:

"NATIONAL ADVISORY COUNCIL ON HEALTH SERVICES

"SEC. 316. (a) The Secretary shall appoint, without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, a permanent body to be known as the National Advisory Council on Health Services. The Council shall consist of the Secretary or his designee, who shall be the chairman, and not to exceed twenty members, not otherwise in the regular full-time employ of the United States, who are (1) leaders in health care administration or the provision of health services, or (2) representatives of consumers of health care. At least one third of the appointed members shall be individuals representing the consumers of health care. Insofar as practicable, the members shall be appointed from different geographic areas of the United States and, in the aggregate, shall be representative of all areas within the United States in which health services are provided, or their provision assisted, under this Act.

"(b) Each appointed member of the Council shall hold office for such term as the Secretary shall prescribe.

"(c) Appointed members of the Council, while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive compensation at rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate specified at the time of service for GS–18 of the General Schedule (as limited by section 5308 of title 5 of the United States Code), including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"(d) The Council shall advise the Secretary as to matters of policy arising with respect to the financing and delivery of health services under this Act."

(b)(1) Section 217(a) of the Public Health Service Act is amended—

(A) in the first sentence thereof, by striking out "the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism";

(B) in the second sentence thereof—

(i) by striking out "the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, and", and

(ii) by striking out "psychiatric disorders, alcohol abuse and alcoholism, and dental diseases and conditions, respectively" and inserting "and dental diseases" in lieu thereof; and

(C) in the fourth sentence thereof—

(i) by striking out "(other than the members of the National Advisory Council on Alcohol Abuse and Alcoholism)";

(ii) by inserting "and" before "(2)"; and

(iii) by striking out "; and (3)" and the remainder of clause (3) preceding the period.

(2) Section 217(b) of such Act is amended, in the second sentence thereof, by striking out "mental health, alcohol abuse and alcoholism,".

(3) Section 217 of such Act is further amended by striking out subsections (c) and (d) thereof, and redesignating subsection (e) as subsection (c).

(c) (1) Section 303(b) of such Act is amended by striking out "may be made only upon recommendation of the National Advisory Mental Health Council. Such grants".

(2) Section 303 of such Act is amended by adding a new subsection (c) to read as follows:

"(c) The National Advisory Council on Health Services shall advise the Secretary on matters of policy arising in the administration of this section."

(d) Section 329(e) (1) (E) of such Act is amended by striking out "National Advisory Council on Comprehensive Health Planning" and inserting "National Advisory Council on Health Services" in lieu thereof.

(e) Section 223 of the Community Mental Health Centers Act is amended by striking out", after consultation with the National Advisory Mental Health Council (appointed pursuant to the Public Health Service Act),".

(f) Section 266 of such Act is repealed.

TITLE II—EXTENSION OF ALCOHOLISM FORMULA GRANTS

SEC. 201. Section 301 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by striking out "each of the next two fiscal years" and inserting in lieu thereof "each of the next five fiscal years".

TITLE III—DEVELOPMENT DISABILITIES

SHORT TITLE; REFERENCES TO SECTIONS

SEC. 301. (a) This title may be cited as the "Developmental Disabilities Amendments of 1974".

(b) Unless the context otherwise requires, whenever in this title an amendment or repeal is expressed in terms of an amendment, to repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Developmental Disabilities Services and Facilities Construction Act.

EXTENSION OF AUTHORIZATION

SEC. 302(a). Section 122(b) is amended by striking out "and" before "$9,250,000" and by inserting before the period at the end thereof", and such sums as may be necessary for the fiscal year ending June 30, 1975, and for each of the next two fiscal years".

(b) Section 131 is amended by striking out "and" before "$32,500,000" and by inserting before the period at the end thereof ", and such sums as may be necessary for the fiscal year ending June 30, 1975, and for each of the next two fiscal years".

MINIMUM ALLOTMENT FOR TERRITORIES

SEC. 303. Section 132(a) (1) is amended by striking out "any State (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands)" and inserting in lieu thereof "the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for any such fiscal year shall not be less than $50,000, and the allotment of each other State".

ELIMINATION OF REQUIREMENTS OF FEDERAL APPROVAL OF EACH CONSTRUCTION PROJECT

SEC. 304. (a) (1) Sections 135 and 136 are stricken, and sections 137, 138, and 139 are redesignated as sections 135, 136, and 137, respectively.

(2) Section 123(a) (2) is amended by striking out "139" and inserting in lieu thereof "137".

(3) Section 134(b) is amended by striking out "and" after the semicolon at the end of paragraph (17), by redesignating paragraph (18) as paragraph (20), and by inserting the following new paragraphs after paragraph (17):

"(18) provide reasonable assurance that adequate financial support will be available to complete the construction of, and to maintain and operate when such construction is completed, any facility, the construction of which is assisted by funds made available pursuant to section 132;

"(19) provide reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on any construction project assisted with funds made available pursuant to section 132 will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276-a-5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c); and".

(4) The heading of the section redesignated as section 135 by paragraph (1) of this subsection is amended by inserting "Construction," after "Planning,".

(5) The heading of the section redesignated as section 136 by paragraph (1) of this subsection is amended by inserting "Construction," after "Planning,".

(6) The section redesignated as section 135 (a) (1) by paragraph (1) of this subsection is amended by striking out, "other than expenditures for construction,".

(7) Section 140 is amended by striking out so much thereof as precedes subsection (b) (other than the section heading), by striking out "(b)" and inserting in lieu thereof "Sec. 138.", and by inserting "construction," after "planning,".

(8) Section 142(a) (2) (A) is amended by inserting "which was used by the State in which the facility is located" before "to assist in financing the construction of the facility".

(b) (1) Section 401(h) (1) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended by striking out "part C of title I or".

(2) Section 401(h) (2) of such Act is amended by striking out "(A) for any project under part C of title I may not exceed 66⅔ per centum of the costs of construction of such project; and (B)".

(3) Section 401(h) (3) of such Act is amended by striking out "under part C of title I or".

(4) Section 403(a) of such Act is amended by striking out "section 134 in the case of a facility for the mentally retarded or persons with other developmental disabilities, or" and by striking out "section 136 or" and "as the case may be," from clause (2) thereof.

(5) Section 403(b) of such Act is amended by striking out "135 or".

(6) Section 404 of such Act is amended by striking out "135 or" and "136 or" from the first sentence thereof.

(7) Section 405 of such Act is amended by inserting "or section 135" after "section 403".

(8) Section 405(1) of such Act is amended by striking out "135 or" from clause (A) thereof and by inserting "(in the case of a community mental health center" after "205" in such clause.

AMENDMENTS TO FEDERAL SHARE PROVISION

SEC. 305. The section redesignated as section 135(b) by section 304(a) (1) of this Act, is amended to read as follows:

"(b) The 'Federal share' with respect to any State for purposes of this section shall be 70 per centum for the fiscal year ending June 30, 1975; 60 per centum for the fiscal year ending June 30, 1976; and 50 per centum for the fiscal year ending June 30, 1977."

INCLUSION OF LAND ACQUISITION COSTS

SEC. 306. Section 401(e) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, is amended by inserting ", for purposes of title II of this Act only," before "the cost of the acquisition of land.".

INCLUSION OF AUTISM

SEC. 307. Section 401(1) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended by inserting "(including autism)" after "condition of an individual".

INCREASING EMPHASIS OF DE-INSTITUTIONALIZATION AS A PROGRAM OBJECTIVE

SEC. 308. (a) Section 130 is amended (1) by striking out "and" in clause (e), (2) by striking out the period at the end of clause (f) and inserting "; and" in lieu thereof, and (3) by inserting a new clause (g) as follows:

"(g) grants to assist in the elimination of inappropriate placement of persons with developmental disabilities in institutions."

(b) Section 134(b) (1) (4) is amended by redesignating clauses (C) and (D) as clauses (D) and (E), respectively, and by inserting the following new clause (C): "(C) part of such funds will be made available for the elimination of the inappropriate placement of persons with developmental disabilities in institutions;".

TITLE IV—EFFECTIVE DATE

SEC. 401. This Act is effective with respect to appropriations for fiscal years beginning after June 30, 1974, except that section 104 is effective upon its enactment.

SUMMARY OF THE PROPOSED "HEALTH SERVICES AMENDMENTS OF 1974"

The first section of the bill provides the short title: the "Health Services Amendments of 1974."

TITLE I—COMPREHENSIVE PUBLIC HEALTH SERVICES AND HEALTH SERVICES

1. *Repeal of mental health allocations.* Section 101 would repeal the current requirement of paragraph (7) of section 314(d) of the Public Health Service Act that at least 15 percent of a State's allotment under the section be made available only to the State mental health authority for the provision of mental health services. As a conforming change, we would amend the last sentence of that paragraph, which requires a State to spend 70 percent of the amount of its allotment reserved for mental health services, and 70 percent of the remainder of its allotment, in services in communities of the State, so as merely to require that a State spend 70 percent of its allotment for services in communities.

2. *Extension of State formula grants.* Section 102 would extend the Partnership for Health formula grant program, section 314 (d) of the Public Health Service Act, for three years, through fiscal year 1977.

3. *Extension and revision of project grants.* Section 103 would similarly extend the Partnership for Health project grant program, section 314(e) of the Act. In addition, the program would be amended so as to authorize expressly (in addition to the current authority to make grants to meet health needs of limited geographic scope or of specialized regional or national significance) the award of grants for the prevention or treatment of alcoholism, for providing or operating comprehensive health services centers, for conducting the migrant health activities now conducted under section 310 of the Public Health Service Act, and for conducting family planning activities now provided for under title X of the Act.

Grants under the amended section 314(e) of the Act, in addition to being available to pay the cost of program operations now assisted under it, would be made available for the payment of installments of principal and interest on loans for facilities or to centers in existence prior to calendar year 1974 and currently used in the program, and for the minor remodeling of those facilities.

4. *Consolidation of advisory councils.* Section 104 would amend section 316 of the Public Health Service Act to substitute for the existing National Advisory Council on Comprehensive Health Planning Programs, a new council, the "National Advisory Council on Health Services". The new council would replace, in addition to the CHP body, two other statutory councils: the National Advisory Mental Health Council, and the National Advisory Council on Alcohol Abuse and Alcoholism, both established by section 217 of the Act; and one council established administratively, the National Migrant Health Advisory Committee.

The section would substitute the new council for the Mental Health Council in the provision of the Public Health Service Act (section 303(b) requiring council approval of mental health project grants, and would limit it to advisory functions. The new council would also be substituted for the CHP Council in the provision requiring that one member of the CHP Council be a member of the National Advisory Council on Health Manpower Shortage Areas (section 329(e) (1) (E) of the Public Health Service Act).

Provisions in the Community Mental Health Council are repealed. No substitution of the new council is proposed.

TITLE II—EXTENSION OF ALCOHOLISM FORMULA GRANTS

5. Section 201 would amend section 301 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to extend for three years, through fiscal year 1977, the current program of alcoholism formula grants.

TITLE III—DEVELOPMENTAL DISABILITIES

6. *Short title.* Section 301 would give title III of the bill a short title, the "Developmental Disabilities Amendments of 1974".

7. *Extension of authorizations.* Section 302 of the bill would amend sections 1222(b) (relating to authorization of appropriations for demonstration and training grants) and 131 (relating to authorization of appropriations for the formula grant program) of the Developmental Disabilities Services and Facilities Construction Act to authorize the appropriation of such sums as may be necessary to carry out the purposes of those sections for the fiscal year ending June 30, 1975, and each of the next two fiscal years.

8. *Minimum allotment for territories.* Sec. 303 of the bill would amend section 132(a) (1) of the Developmental Disabilities Services and Facilities Construction Act to provide a minimum allotment of $50,000 for each of the territories. Currently the minimum allotment for the States is $100,000, but there is no minimum allotment for the territories.

9. *Elimination of requirements of Federal approval of each construction project.* Section 304 of the bill would amend various provisions of the Development Disabilities Services and Facilities Construction Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to eliminate the requirement of Federal approval of construction projects assisted with funds made available to States under part C (providing for allotments to States on a formula basis) of the Developmental Disabilities Services and Facilities Construction Act.

10. *Amendments to Federal share provision.* Section 305 of the bill would amend section 135(b) of the Developmental Disabilities Services and Facilities Construction Act (formerly section 137(b), but redesignated by section 304(a) of the bill) to provide a single Federal share with respect to any State for planning, administration, services, and construction. Currently, the Federal share for construction is 66⅔ percent, and for other activities it is 70 percent. The amendment would make the Federal share for purposes of all activities in any State 70 percent for the fiscal year 1975, 60 percent for the fiscal year 1976, and 50 percent for the fiscal year 1977.

Section 305 of the bill would also delete from the section redesignated as section 135 (b) of the Developmental Disabilities Services and Facilities Construction Act the limitation on the Federal share with respect to any project located in a poverty area. Currently, the Federal share with respect to any such project cannot exceed 90 percent.

11. *Inclusion of land acquisition costs.* Section 306 of the bill would amend section 401 (e) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to include the cost of land acquisition in the construction costs which may be assisted with funds made available under the Developmental Disabilities Services and Facilities Construction Act.

12. *Inclusion of autism.* Section 307 of the bill would amend the definition of "developmental disability" in section 401(1) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to include in the State program for developmental disabilities individuals suffering from autism.

13. *Increasing emphasis on de-institutionalization as a program objective.* Section 308 of the bill would amend section 130 of the Developmental Disabilities Service and Facilities Construction Act to express as a specific purpose of the Act's program of grants for planning, provision of services, and construction and operation of facilities for persons with developmental disabilities, the purpose of assisting in the elimination of inappropriate placement of persons with developmental disabilities in institutions. Section 134(b) (1) (4) of the Act would also be amended to require the States, in the State plan submitted to the Secretary, to provide assurance that funds will be made available for this purpose.

TITLE IV—EFFECTIVE DATE

14. Section 401 of the bill would make it effective with respect to appropriations for fiscal years beginning after June 30, 1974, except that the new health services council would be established upon the bill's enactment.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
February 13, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed for the consideration of the Congress is a draft bill, "To amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, to revise and extend programs of health services, and for other purposes."

The Department now administers separate project grant structures, containing separate appropriations authorizations, (1) to assist in the prevention and treatment of alcoholism (parts C and E of the Community Mental Health Centers Act); (2) to provide health services for domestic agricultural migrants (section 310 of the Public Health Service Act); (3) to render services, disseminate information, and promote research in the field of family planning (title X of the Public Health Service Act); and (4) to provide services to meet health needs of limited geographic scope, and to develop and support new health services programs (section 314(e) of the Public Health Service Act).

Title I of the enclosed bill would consolidate these programs under the umbrella of the existing project grant portion of the Partnership for Health. It is hoped that the consolidation will enable us to simplify the administration of these activities, and give us a degree of flexibility in marshalling for areas of greatest need the appropriations available for these programs.

Nevertheless, to underscore our intention to continue the activities to be consolidated, the draft bill would amend the Partnership to specify these areas expressly. In addition, it would make express our authority to award grants under the Partnership for Health for the operation of health centers and related facilities, including those formerly assisted under programs of the Office of Economic Opportunity which have now been transferred to the Department.

We would also amend the Partnership to authorize the use of project grants for amortization of principal, and payment of interest, on loans for facilities or to centers in existence prior to calendar year 1974 for the construction or acquisition of facilities used for program purposes, and for the payment of costs of minor remodeling.

Title I of the draft bill would also extend the entire Partnership for Health for three years, through fiscal year 1977. In connection with its extension of the program of formula grants for comprehensive public health services, the bill would eliminate the current statutory reservation of 15 percent of a State's allotment for mental health services. This reservation is inconsistent with the basic concept underlyinig the Partnership for Health. Under that concept, areas of special national significance were to be provided for through the project grant authority, which permits the precise targeting of Federal assistance to meet identified need. For other areas of health need, the Partnership recognizes that State, rather than national, government is in the best position to determine where funds should be applied, and that this determination may appropriately vary in response to varying State priorities. Accordingly, the Partnership established a formula grant program to assist the States in meeting what they, the States, determined to be their health needs. The earmarking of these grants for specific needs, such as mental health, is, in the context of the purposes of the formula grant, an inappropriate Federal imposition on State decision-making.

Title I of the draft bill would also merge into a single advisory committee, to be styled the "National Advisory Council on Health Services", functions now performed by the National Advisory Council on Comprehensive Health Planning Programs, the National Advisory Mental Health Council, the National Council on Alcohol Abuse and Alcoholism. The new council would also replace the National Migrant Health Advisory Committee, which the Secretary created administratively.

The Department does not seek extension of the separate authorities that title I of the draft bill would consolidate, or of the remaining portions of the Community Mental Health Centers Act. The community mental health services program has proven itself and should now be absorbed by the regular health service delivery system.

Title II of the draft bill would extend for three years the program of formula grants under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970.

Title III of the draft bill would extend and amend the Developmental Disabilities Services and Facilities Construction Act. The amendments are substantially those submitted to the Congress in our letter of March 23, 1973, in two respects. First, we would increase emphasis in the use of assistance under the Act for eliminating the inappropriate placement of persons with developmental disabilities in institutions. Second, we would not seek extension of the currently unfunded program of grants for the construction of university-affiliated facilities.

As we said in that March 23 letter, we have been generally pleased with the operation of the Act. Our experience with its programs, however, has led us to the conclusion that some minor modifications in the statutory authority would improve the capacity of the Federal Government and the States to work cooperatively to improve the lives of the developmentally disabled. The enclosed draft bill, in addition to extending for three years the programs authorized by parts B and C of the Developmental Disabilities Act, would amend those programs in ways which we believe *will increase* their effectiveness.

Amendments contained in the bill would eliminate the requirement of Federal approval of construction projects assisted with funds made available to States under part C of the Act. The effect of these amendments would be to simplify the approval process, and thereby decrease the time and funds required, for the construction of needed community facilities. This amendment is in accord with the President's objective of returning responsibility to the States and localities whenever possible.

Also in keeping with the Administration's philosophy of greater State responsibility, the bill would delete the 90 percent limitation on the Federal share with respect to any project in a poverty area. We believe the States should judge the needs of their communities. So long as the Federal share limitation with respect to States is met and so long as States meet the State plan provision requiring special assistance to urban and rural poverty areas, each State should be able to apportion Federal funds within the State according to its evaluation of local need.

In order to further simplify the administration of the programs authorized under the Developmental Disabilities Act, the draft bill would provide a single Federal share of State expenditures under the Act for planning, administration, services, and construction. Currently, the Federal share for construction is 66⅔ percent, and for other activities it is 70 percent. The amendment would make the Federal share for purposes of all activities under the State plan 70 percent for the fiscal year 1975, 60 percent for the fiscal year 1976, and 50 percent for the fiscal year 1977.

Title III of the draft bill would also amend the definition of developmental disabilities by including autism as a disability for which services would be covered under the Developmental Disabilities Act. This would allow for treatment, under the program, of autistic children, whose disability requires treatment similar to that provided to individuals with neurologically caused developmental disabilities. Currently, these individuals are excluded from participation in the program because of the lack of certainty over whether their disabilities are neurologically based.

Other amendments contained in the title would provide a minimum allotment of $50,000 to the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands and would include in construction costs the cost of land acquisition.

We recommend prompt and favorable consideration of this bill. We are advised by the Office of Management and Budget that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

Caspar W. Weinberger,
Secretary.

By Mr. JAVITS (by request):

S. 3012. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act to improve the protection of the public health and safety, to repeal the Filled Milk Act, and the Filled Cheese Act, and for other purposes. Referred, by unanimous consent, simultaneously to the Committees on Labor and Public Welfare and Commerce, with the proviso that when and if one committee reports the bill, the other committee must report within 60 days.

FOOD, DRUG, AND COSMETIC AMENDMENTS OF 1974

Mr. JAVITS. Mr. President, I am today introducing on behalf of the administration a bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act, to improve the protection of the public health and safety, and to repeal the Filled Milk Act and the Filled Cheese Act.

Several Senate committees—the Labor and Public Welfare Committee, of which I am ranking minority member, the Commerce Committee, and the Finance Committee—are concerned with different provisions in the bill. I ask unanimous consent that the bill simultaneously be referred to the Committees on Labor and Public Welfare and Commerce and that if and when reported by one committee, the other be given an additional 60 days to file a report on their version thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, as the Congress seeks to insure consumer safety with respect to foods, drugs, cosmetics, and medical devices many of the provisions of the administration bill have been considered, are being considered, or will be considered with respect to medical device, food surveillance, and cosmetic legislation in the respective committees.

Without passing on the bill itself, I believe the administration is to be commended for its submittal as an earnest advocate of its purposes which seek to protect the public health and to recognize the inadequacy of existing legal authority in crucial areas for example in the Federal Food, Drug, and Cosmetic Act.

The major provisions of the bill follow:

First. Broaden FDA's inspection authority to cover records in food, drug, device, and cosmetic factories. The records would include data on complaints, adverse reactions, product claims, and product composition and processing.

Second. Enable FDA to require recordkeeping and reporting for foods, devices, cosmetics, and all drugs including those placed on the market before 1938.

Third. Authorize the issuance of subpenas for witnesses and documentary evidence in matters under investigation by the FDA.

Fourth. Authorize the FDA to administratively detain violative food products, drugs, devices, and cosmetics for up to 20 days while initiating appropriate legal action. Over the years there have been instances where such products have been removed from warehouses, et cetera, before effective action by FDA would be taken.

Fifth. Increase fines for criminal violations of the FDC Act from $1,000 to $10,000 for first offenses and from $10,000 to $25,000 for each subsequent violation. This action brings these 1938 fines into closer conformity with those imposed by more recent regulatory statutes.

Sixth. Require the labels of nonprescription drugs to show the quantity of all active ingredients. At the present time, except for a few specified ingredients, nonprescription drugs are required to list only the names of the active ingredients.

I ask unanimous consent that the full text of the letter of transmittal from the Department of Health, Education, and Welfare, which explains the necessity and the purpose of the provisions of the bill and the bill, be printed in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Food, Drug, and Cosmetic Amendments of 1974".

TITLE I—AMENDMENTS TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND THE FAIR PACKAGING AND LABELING ACT

REFERENCES TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Sec. 101. Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

Part A—Prohibited Acts and Penalties

INCREASE OF CRIMINAL FINES

Sec. 111. Section 303 is amended (1) in subsection (a), by striking out "$1,000" and inserting "$10,000" in lieu thereof, and (2) in subsection (b), by striking out "*$10,000*" and inserting "$25,000" in lieu thereof.

ADMINISTRATIVE DETENTION

Sec. 112. (a) Section 304 is amended by adding at the end the following new subsection:

"(g) Whenever any article that is a food, drug, device, or cosmetic is found, by any officer or employee duly designated by the Secretary, upon any premises where it is manufactured, processed, packed, or held, for introduction into interstate commerce or after its introduction, or in any vehicle being used to transport or hold the article in interstate commerce, and there is reason to believe that the article is adulterated or misbranded within the meaning of this Act, or is an article which may not be manufactured, introduced into interstate commerce, or sold or offered for sale by reason of any provision of this Act, the article may be detained by that officer or employee for a reasonable period but not to exceed twenty days, pending action under the foregoing provisions of this section or notification of any Federal, State, or other governmental authority having jurisdiction over the article, and shall not be moved by any person from the place at which it is located when so detained (except as the officer or employee may authorize) until released by the officer or employee. Insofar as practicable and consistent with protection of the public health, the officer or employee shall allow the owner or bailee of the detailed article to employ reasonable measures to preserve the article from decomposition."

(b) Section 301 is amended by adding at the end the following new subsection:

"(q) The movement of an article detained under section 304(g), except as authorized under that section, or the removal or alteration of any mark, stamp, tag, label, or other device affixed by or at the direction of the officer or employee detaining the article for the purpose of identifying it as a detained article."

(c) Section 201(h) is amended by inserting "301(q)," after "301(i),".

Part B—General Administrative Provisions

EXTENSION OF FACTORY INSPECTION AUTHORITY TO RECORDS OF ESTABLISHMENTS SUBJECT TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

SEC. 121. Section 704(a) is amended in the first sentence (A) by inserting "consulting laboratory," after "warehouse," each time it appears; and (B) by inserting after "containers," the following: "quality control records (including all records relating to composition, processing, product claims, and complaints or adverse reactions),".

PAYMENT OF TRAVEL AND PER DIEM IN CONNECTION WITH THE TRAINING OF STATE OFFICIALS UTILIZED BY THE SECRETARY TO ENFORCE THE FEDERAL FOOD, DRUG, AND COSMETIC ACT OR THE FAIR PACKAGING AND LABELING ACT

SEC. 122. (a) Section 702(a) is amended by inserting after the first sentence the following: "In connection with the training by the Secretary of any individual who is not an officer or employee of the United States to prepare him to perform the duties described in the preceding sentence, the Secretary may allow such individual travel expenses to and from the place of such training, including per diem in lieu of subsistence while in travel status and during such training, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently, provided that the individual's training is conducted under an agreement between the Secretary and the State, Territory, or political subdivision, whereby the individual, upon completion of the training, will be employed by the State, Territory, or political subdivision in the conduct of examinations or investigations to carry out the purposes of this Act."

(b)(1) Section 6(c) of the Fair Packaging and Labeling Act is amended by inserting at the end thereof the following: "In connection with the training by the Secretary of any individual who is an officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department of Health, Education, and Welfare to conduct examinations, investigations, or perform other functions, for the purposes of carrying out this Act, the Secretary may allow such individual travel expenses to and from the place of such training, including per diem in lieu of subsistence while in travel status and during such training, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently, provided that the individual's training is conducted under an agreement between the Secretary and the State, Territory, or political subdivision, whereby the individual, upon completion of the training, will be employed by the State, Territory, or political subdivision in the conduct of examinations or investigations to carry out the purposes of this Act."

(2) Section 6(c) of such Act, as amended by the preceding paragraph, is transferred to section 7 of such Act and redesignated as subsection (d) of such section, and section 6(d) of such Act is redesignated as section 6(c).

RECORDS AND REPORTS RESPECTING ARTICLES SUBJECT TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

SEC. 123. Section 702(c) is amended by inserting "(1)" after "(c)" and adding at the end a new paragraph (2) as follows:

"(2) In addition to any other such requirement imposed by this Act, every person who owns or operates any factory, warehouse, consulting laboratory, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or after such introduction, shall establish and maintain such records, make such reports, and provide such information as the Secretary may, by regulation, reasonably require for the purposes of implementing this Act, or to determine compliance with rules or orders prescribed under this Act. Upon request of an officer or employee duly designated by the Secretary, every such person shall permit the inspection of appropriate books, records, and papers relevant to determining whether such person has acted or is acting in compliance with this Act or with rules or orders prescribed hereunder. The provisions of this paragraph shall not apply to pharmacies, practitioners, and other persons, described in clauses (1) through (4) of the last sentence of section 704(a)."

ISSUANCE OF SUBPENA TO ASCERTAIN VIOLATION OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

SEC. 124. Secton 702 is amended by adding at the end the following new subsection:

"(f) For the efficient administration and enforcement of this Act, the provisions (including penalties) of sections 9 and 10 of the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes', approved September 26, 1914 (38 Stat. 722, 723, as amended; 15 U.S.C. 49 and 50) are made applicable to the jurisdiction, powers, and duties of the Secretary in administering and enforcing the provisions of this Act and to any person, firm, or corporation with respect to whom such authority is exercised. The Secretary may prosecute any inquiry necessary to his duties under this Act in any part of the United States, and the powers conferred by those sections 9 and 10 of the Act of September 26, 1914, as amended, on the district courts of the United States may be exercised for the purposes of this Act by any such court."

Part C—Drugs

REQUIREMENT FOR STATING ON NONPRESCRIPTION DRUG LABELS THE QUANTITY OF THE DRUGS' ACTIVE INGREDIENTS

SEC. 131. A semicolon is substituted for the colon preceding the proviso to clause (ii) of section 502(e)(1), and the proviso is repealed.

MANDATORY REGISTRATION OF FOREIGN ESTABLISHMENTS EXPORTING DRUGS TO THE UNITED STATES

SEC. 132. Subsection (a) of section 801 is amended (1) in the second sentence, (A) by striking out "establishment not so registered" and inserting in lieu thereof "unlisted establishment" and (B) by inserting after "testimony" the following: "on whether such establishment is registered under such subsection", and (2) by striking out "or" in clause (2) and inserting after "505," the following: "or (4) such article is a drug manufactured, prepared, propagated, compounded, or processed in an establishment not registered pursuant to subsection (i) of section 510,".

BAN ON EXPORT OF UNOBLIGATED ANTIBIOTICS

SEC. 133. Section 801(d) is amended (1) in the first sentence, by inserting ", except as provided by the last sentence of this subsection," after "shall not", and (2) in the last sentence, by inserting "a drug deemed to be misbranded under section 502 (l) or" after "exportation of".

TITLE II—REPEAL OF LAWS REGULATING FILLED MILK AND FILLED CHEESE

REPEAL OF THE FILLED MILK ACT

SEC. 201. (a) The Act of March 4, 1923, 42 Stat. 1486, known pursuant to 57 Stat. 499 (1943) as the Filled Milk Act, is repealed.

(b) Section 902(c) of the Federal Food, Drug, and Cosmetic Act is amended by striking out "the Filled Milk Act of March 4, 1923 (U.S.C. 1946 ed., title 21, ch. 3, secs. 61–64);".

REPEAL OF THE FILLED CHEESE ACT

SEC. 202. (a) Part II of subchapter C of chapter 39 of the Internal Revenue Code of 1954 is repealed. The table of subchapters of such chapter is amended by striking out "and filled cheese"; the heading of such subchapter C is amended by striking out "AND FILLED CHEESE"; and the table of the parts of subchapter C is amended by striking out "II. Filled Cheese."

(b) (1) Sections 7236 and 7266 of the Internal Revenue Code of 1954 are repealed, and the listing of such sections in the table of the sections of part II of subchapter A of chapter 75, and the table of the sections of subchapter B of such chapter, respectively, are stricken.

(2) Section 7303 of the Internal Revenue Code of 1954 is amended (A) in paragraph (4), by striking out "filled cheese or" in the caption and text of the paragraph, and by striking out "or 4841", and (B) in paragraph (5), by striking out "or filled cheese" in the caption and text of the paragraph, and by striking out", or part II of subchapter C of chapter 39, whichever is applicable," and "in the applicable subchapter or part thereof".

(c) Section 7641 of the Internal Revenue Code of 1954 is amended by striking out "filled cheese,".

(d) Section 902(c) of the Federal Food, Drug, and Cosmetic Act is amended by striking out "the Filled Cheese Act of June 6, 1896 (U.S.C., 1946 ed., title 26, ch. 17, secs. 2350–2362);".

TITLE III—EFFECTIVE DATE

SEC. 301. This Act shall be effective upon the date of its enactment except for the sections contained in part C of title I. In the case of such sections, (1) section 131 shall take effect on the first day of the thirteenth month beginning after the date of enactment, except that such effective date shall be postponed, if the Secretary of Health, Education, and Welfare determines that there is good cause therefor, for a period of not to exceed an additional twelve months with respect to any specific drug not in compliance with section 502(e)(1) of the Federal Food, Drug, and Cosmetic Act as amended by this Act, other than a drug bearing a label printed after the first day of the fourth month beginning after the date of such enactment; (2) section 132 shall take effect with respect to articles imported on or after the first day of the sixth month beginning after the date of enactment of this Act, except that the Secretary may extend such date by regulation for good cause; and (3) section 133 shall take effect with respect to articles manufactured on or after the first day of the sixth month beginning after the date of enactment of this Act.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
February 8, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: We enclose for the consideration of the Congress a draft bill "To amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act to improve the protection of the public health and safety, to repeal the Filled Milk Act and the Filled Cheese Act, and for other purposes."

Title I of the draft bill contains amendments to the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act.

Part A of title I would amend chapter III of the Federal Food, Drug, and Cosmetic Act in two respects:

INCREASE OF CRIMINAL FINES

Section 111 of the draft bill would amend section 303 of the Federal Food, Drug, and Cosmetic Act to increase the maximum fine imposed for violation of the Act from $1,000 to $10,000. If the violation is a second or subsequent offense, or is committed with the intent to defraud or mislead, the bill would increase the maximum fine from $10,000 to $25,000.

The purpose of the amendment is to bring these fines, which were originally established in 1938, into closer conformity with fines, whether civil or criminal, imposed by more recently enacted regulatory statutes. Thus, for example, the maximum criminal fine set for a willful violation of the Consumer Product Safety Act, which was signed into law last year, is $50,000 (section 21). Violations of the National Emissions Standards Act by manufacturers of motor vehicles may result in a civil fine of $10,000 for each noncomplying vehicle or engine. (Section 205)

ADMINISTRATIVE DETENTION

Section 112 of the draft bill would amend sections 301 and 304 of the Federal Food, Drug, and Cosmetic Act to empower the Secretary, when he has reason to believe that an article that is a food, drug, device, or cosmetic held in interstate commerce is adulterated or misbranded, to detain the article for up to 20 days pending the initiation, against the article, or appropriate legal action.

At present, when an inspector of the Food and Drug Administration locates such products he is limited to three methods of bringing about compliance with the Act: he may attempt to persuade the holder of the product—the dealer or manufacturer—to retain or destroy the product voluntarily; he may collect one or more official samples for his use in moving for the product's judicial seizure; or he may arrange for his district office to request State or local health authorities to embargo the product under applicable State law, if any.

Inasmuch as the Secretary has no authority to hold the product at the locations where found, the inspector must rely upon the good faith of the holder of the product not to move or ship it. Over the years there have been many instances in which, in consequence, adulterated or misbranded products have been removed from the premises in which they were found before effective action could be taken against them.

For this reason, a recent report of the General Accounting Office, "Lack of Authority Limits Consumer Protection: Problems in Identifying and Removing from the Market Products which Violate the Law", recommended that the Congress enact legislation along the lines proposed by section 112.

The section's amendments to the Federal Food, Drug, and Cosmetic Act are modeled upon language now contained in the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act. Under the latter three Acts, the Secretary shares with the Secretary of Agriculture an authority to detain lots of meat, poultry, egg products, and certain other articles, believed to be in violation of the Food and Drug Act, found outside premises subject under the Meat, Poultry, and Egg Acts to inspection by the Secretary of Agriculture.

Current law confers exclusive jurisdiction upon the Secretary of Agriculture *within* those premises, however, and the Food and Drug Act is therefore inapplicable within them. Our proposed detainer authority would not alter these jurisdictional lines, and would therefore not apply to premises now subject to that exclusive jurisdiction.

Although the detainer authority would apply to animal biological products, we have by regulation exempted from the Food and Drug Act products subject to licensing under the Virus-Serum Toxin Act of March 14, 1913 (21 U.S.C. 151–158). It is our intention to continue that exemption.

Part B of title I would amend chapter VII of the Federal Food, Drug, and Cosmetic Act, and the Fair Packaging and Labeling Act as follows:

EXTENSION OF FACTORY INSPECTION AUTHORITY

Section 121 of the draft bill would amend section 704(a) of the Federal Food, Drug, and Cosmetic Act to empower the Secretary to inspect a manufacturer's quality control records in the course of an authorized factory inspection.

We are aware of no persuasive reason why manufacturers of all products regulated under the Act should not be required to permit inspection of these records if they are within the inspected establishment and bear on a possible violation of the Act. The Secretary now exercises a broader authority than that proposed in the inspection of premises in which prescription drugs are held.

TRAVEL EXPENSES OF STATE TRAINEES

Section 122 of the draft bill would amend section 702(a) of the Federal Food, Drug, and Cosmetic Act, and sections 6 and 7 of the Fair Packaging and Labeling Act, to authorize the Secretary to pay transportation and per diem expenses incurred by State officials in connection with their receipt of training by the Secretary to carry out examinations, investigations, or other of the Secretary's functions under these Acts.

Since 1968, the Food and Drug Administration has entered into work-sharing agreements with various States in order to avoid a costly duplication by the Federal Government of regulatory effort under the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act that the States were prepared to undertake under State food and drug laws. However, a major problem facing many of the States, with respect to this work-sharing, is their inability to train field and analytical personnel to perform certain sophisticated inspections and laboratory analyses that the cooperative program calls for. The small number of employees in the responsible State agencies have made it economically infeasible for individual States to develop such a training capacity.

The Intergovernmental Personnel Act of 1970 (P.L. 91–648), which permits the Secretary to offer this training, does not authorize Federal payment for a trainee's travel and per diem expenses. Whatever may be the justification for this omission where the purpose of training is to enhance an employee's capacity to discharge functions for which the State is responsible, it would not apply where, as here, the purpose of the training is to improve the ability of the Secretary to enforce Federal law. By empowering the Secretary to pay these ancillary costs, the amendment will remedy a frequent inability of these non-Federal officials to attend out-of-State training that has resulted from State budgetary constraints and has proved a major barrier to upgrading their proficiency.

RECORDS AND REPORTS RESPECTING ARTICLES SUBJECT TO ACT

Section 123 of the draft bill would amend section 702(c) of the Federal Food, Drug, and Cosmetic Act to enable the Secretary to require establishments subject to the Act to maintain such records and make such reports as the Secretary may reasonably require for the Act's implementation. At present only manufacturers of new drugs are subject to such requirements. If the proposal is adopted, it will permit the Secretary to obtain, for example, industry data on clinical experience of drugs not now subject to such requirements, and to monitor industry data relating to the safety of other products subject to the Act, particularly as reflected in industry files of consumer complaints.

USE OF SUBPENAS TO ASCERTAIN VIOLATIONS

Section 124 of the draft bill would amend section 702 of the Federal Food, Drug, and Cosmetic Act to authorize the Secretary to compel, by subpoena, the attendance of witnesses and the production of documents in connection with any proceeding or investigation in the course of his administration of the Act. A refusal to comply with the subpoena would be subject to criminal penalties. In addition, the subpoena would be enforcible in any United States district court. The amendment is modeled upon section 407 of the Federal Meat Inspection Act which, like the instant proposal, assimilates comparable authority exercised under the laws governing the Federal Trade Commission.

* * * * *

Part C of title I would amend three sections of the Federal Food, Drug, and Cosmetic Act with respect to drugs:

QUALITY OF ACTIVE INGREDIENTS ON NON-PRESCRIPTION DRUG LABELS

Section 131 of the draft bill would repeal the proviso of section 502(e)(1) of the Federal Food, Drug, and Cosmetic Act that exempts non-prescription drugs from the requirement that drug labels show the quantity of the drugs' active ingredients. Now the labels of these drugs need declare quantitatively only certain ingredients specified by the Act. The amendment would aid physicians called upon to administer antidotes for children or others who have ingested the drugs excessively, and would also assist consumers in comparing these drugs.

MANDATORY REGISTRATION OF FOREIGN ESTABLISHMENTS EXPORTING DRUGS TO THE UNITED STATES

Section 132 of the draft bill would amend section 801 of the Federal Food, Drug, and Cosmetic Act to require foreign drug establishments that export drugs to the United States to register annually with the Secretary. Current law now imposes this requirement upon domestic drug establishments under section 510 of the Act, and requires, as well, that registrants file with the Secretary certain information about the drugs that they prepare. The law permits, but does not require, registration of foreign drug establishments, but only if adequate means are available to the Secretary for determining whether drugs prepared in those establishments would, if imported, be in compliance with the Act. Registration of a drug's manufacturer is not a precondition to the drug's importation into the United States, however.

Because imported drugs from unregistered foreign establishments demand from the Secretary an excessive inspectional and analytical effort in comparison to that required by drugs prepared in registered establishments, and because the expenditure of this effort reduces the resources available for the inspection and analysis of drugs imported from registered establishments, we propose through this amendment to make the drug registration requirements universal.

BAN ON EXPORT OF UNCERTIFIED ANTIBIOTICS

Section 133 of the draft bill would amend section 801(d) of the Federal Food, Drug, and Cosmetic Act to prohibit the exportation of antibiotics not certified by the Secretary as safe and effective under section 507. As now written, section 801(d) provides, in substance, that a food, drug (other than an unsafe animal drug), device, or cosmetic intended for export shall not be deemed adulterated or misbranded under the Act if it conforms to the laws of the receiving country.

This section does *not* have the effect of authorizing the exportation of unapproved new drugs, *i.e.,* drugs for which there is not in effect an approved new drug application, or which have not been approved for investigational use. The exportation of these drugs is directly prohibited by section 301(d). Through an anomaly of the law, however, antibiotic drugs for human use subject to section 507 do not fall within this prohibition and, if not certified by the Secretary, are merely deemed to be misbranded by section 502(l). Therefore, the effect of existing law is to allow the exportation of a range of unsafe or ineffective drugs. The instant proposal would correct this situation.

* * * * *

Title II of the draft bill would repeal the Filled Milk Act and the laws regulating the sale of filled cheese. The Filled Milk Act prohibits shipment in interstate commerce of any milk, cream, or skimmed milk which has any added fat or oil other than milk fat. The Act has the effect of barring the marketing of combinations of milk solids and vegetable oils which are inexpensive and nutritious, even though properly labeled to disclose their contents. The Act has recently been held unconstitutional by a United States district court. Its repeal would be consistent with a recommendation of the White House Conference on Food, Nutrition, and Health.

In addition, we recommend repeal of the laws regulating the sale of filled cheese. These laws, which use the Federal revenue power to restrict sale of cheese products which contain added vegetable fat, interefere with the marketing of inexpensive and nutritious food products. Their repeal has also been endorsed by the White House Conference.

* * * * *

Title III of the draft bill, which establishes its effective date, would delay this date for the three provisions contained in part C of title I, relating to drugs. Section 131, which would require label changes on over-the-counter drugs, would take effect a year after the date of enactment, except that the Secretary would be authorized to extend the date, within certain limitations, for good cause. The approach taken is the same as that proposed in our bill "To amend the Federal Food Drug, and Cosmetic Act to require the disclosure of ingredients on the labels of all foods," transmitted to the Congress on March 12, 1973, and introduced as H.R. 5642 [S. 1451].

Section 132, which would mandate the registration of foreign establishments exporting drugs to the United States, would take effect with respect to articles imported more than five months after enactment, except that the Secretary would be authorized to extend this date for good cause.

Section 133, the ban on the export of uncertified antibiotics, would take effect with respect to articles manufactured on or after the first day of the sixth month beginning after the date of enactment.

* * * * *

We ask that the draft bill receive prompt and favorable consideration.

We are advised by the Office of Management and Budget that enactment of this draft bill would be consistent with the Administration's objectives.

Sincerely,

Frank C. Carlucci,
Acting Secretary.

By Mr. CURTIS (for himself and Mr. Helms):

S.J. Res. 187. A joint resolution to express the sense of Congress for the extension of citizenship to Alexander Solzhenitsyn and his family. Referred to the Committee on Foreign Relations.

Mr. CURTIS. Mr. President, first let me say that I wish to commend my distinguished colleague, the Senator from North Carolina, for his remarks and the action that he has taken.

Mr. President, the arrest and forcible banishment of Alexander Isayevich Solzhenitsyn from the Soviet Union has properly prompted a worldwide chorus of indignation. Not since Stalin's order to exile his rival Leon Trotsky in 1929 have the Kremlin leaders resorted to such a desperate action to suppress one of their own citizens.

Even under the bizarre judicial regulations that intrude upon all facets of Soviet life there is no provision for the punishment laid upon Solzhenitsyn. The legal summons which Solzhenitsyn ignored contained no charges or cause for investigation. No pretense of a trial was even attempted. Instead he was simply arrested and declared guilty of what the Communists refer to as: systematically performing actions that are incompatible with being a citizen of the Soviet Union and detrimental to the U.S.S.R.

They thus labeled him a traitor and therefore subject to a penalty ranging in severity from 10 years imprisonment to death.

And what was his crime really? His actual crime was nothing more than speaking the truth about the manner in which the Communist Party has repressed the people of Russia for over half a century. The actions now taken against Solzhenitsyn by the Soviet leaders, which even violate their system of justice, most graphically illustrates to the entire world the very charges he has made against them.

Just 1 week prior to his arrest Solzhenitsyn prophesied that the Soviet authorities would move against him. Despite what he feared they may have done to him personally he boldly asserted that:

> They will not crush the truth. . . . The truth will come to my people. I believe in our repentence, in the purification of our souls, in the Resurrection of Russia.

This faith and fortitude of Solzhenitsyn should be an heroic inspiration to all Americans, especially those who feel that our own difficulties are insurmountable. Solzhenitsyn is today a man without a country simply because he loved his own country so very much. No welcome, however cordial, extended by any other country to Solzhenitsyn can alleviate his anguish over his banishment from Russia. But the enthusiastic reception he has already received in Germany and Switzerland should encourage his hopes that the ideals he stands for remain alive in the free world and may yet be reasserted in his homeland.

Both because of his extraordinary character and the unusual punishment he has been subjected to, I am today introducing a resolution which encourages the extension of American citizenship to Alexander Solzhenitsyn and his family. This sense of the Senate resolution is more than simply a symbolic expression of our sympathy with his plight because quite literally he is a man without a country.

Many other government leaders have informed Solzhenitsyn that he would be welcome in their countries. As the most prominent nation in the free world I believe that it is especially incumbent upon us to extend a welcome to Solzhenitsyn as we have to all innocent refugees fleeing from political tyranny.

Just as fervently as the Communist hierarchy in Russia have rejected Solzhenitsyn we should embrace him. We should embrace him, however, not simply as a manifestation of the cold war which we now know the Soviets have never abandoned. Instead we should embrace him for what he represents which happens to collide forcibly with the most basic tenets of communism. Both in his life, and the novels which reflect the genius of his life, Solzhenitsyn stands as probably the most profound and eloquent exponent of what it means to be a human being. This insight and his ability to express it threatened the Communist system under which he lived. Solzhenitsyn himself pointed out this threat years ago in "The First Circle" as he wrote:

> And for a country to have a great writer . . . is like having another government. That's why no regime has ever loved great writers, only minor ones.

Even as we recognize the great merits of Solzhenitsyn and welcome him to the free world, we must not ignore the broader implications of what has transpired.

Some have already suggested that we should take consolation in the nature of Solzhenitsyn's punishment. It is true that the Soviet Union did not execute Solzhenitsyn or even send him down the well trodden path to Siberian exile, but instead banished him from his home country entirely. The authorities may have foresworn imprisoning him inside the Soviet Union precisely because the threat would remain that the frightening reality of "The Gulag Archipelago" could be supplemented someday with additional autobiographical sketches. This, possibly more than the pressure of world opinion, may have prompted what has been termed the "lessor penalty".

But let us note most emphatically, that, for a literary figure who draws his inspirational sustenance from his native soil, the punishment imposed upon Solzhenitsyn represents nothing less than an attempted literary execution. We might well term this action "literacide"—meaning quite simply the calculated attempt to destroy literary creativity. The Soviets have previously encouraged their great writers and scientists who were dissidents to leave the country or prohibited them from returning when they went overseas for visits and conferences. Out of a similar fear of being denied an opportunity to return to Russia, Solzhenitsyn declined to accept his Nobel prize for literature in Stockholm. In forcibly evicting him from the country the Soviet dictators have never quite so vividly depicted their paranoic fear of the expression of truth.

We can and should be grateful that Solzhenitsyn is alive and free and we can only hope that his family will be allowed to join him. But we severely err if we think that any of this gratitude should be directed toward the Kremlin leadership clique. Solzhenitsyn certainly is not thanking them. Instead our gratitude must go to the seemingly unfathomable power of the ideals he has expressed so eloquently. The resulting accolades of the entire world focused such intense moral force upon the Soviet Government that they would not bring physical harm to him.

We must not now allow this proper indignation of the world community to subside with the exile of Solzhenitsyn. To do this would betray the thousands of other courageous individuals in the Soviet Union who remain as either potential or actual political prisoners. The people Solzhenitsyn has described so movingly must remain a fundamental concern of all civilized societies.

Solzhenitsyn and all those who have also suffered so much at the hands of a ceaselessly suppressive regime must become an indelible lesson to the United States in her dealings with the Soviet Union. Careless talk about the liberalization within Soviet society and convergence theories of political development must be dismissed as euphoric, and hence dangerously misleading, doctrines. We can continue to negotiate with the Soviet Union as a great power, but our own interests, as well as those of the oppressed people within Russia, require that in the course of such negotiations we do nothing to increase either the threat to our own security or the tyrannical rule of the Kremlin over her subjects.

Although we should despair over the actions taken against Solzhenitsyn, the fact that men such as him can arise even in such an oppressive society demonstrates the unquestionable reality of the truths he has borne witness to. The fact that the striving for freedom and decency emerges even in Russia remains a tremendously encouraging element of hope that any tyranny must eventually topple. As Solzhenitsyn comments in his brilliant novel "Cancer Ward:"

> A man sprouts a tumor and dies—how, then can a country live that has sprouted camps and exiles.

Such a country may exist, but it cannot really live and thrive. Only when the leadership in the Kremlin allow this truth to penetrate their Marxist-Leninist mythology will the possibility arise that the Soviet Union will join the ranks of the civilized world. Only then can we be assured that peace is possible, and only then can we confidently beat our swords into ploughshares.

We of course most earnestly hope that Solzhenitsyn shall be allowed to return to his homeland. But the historical record of half a century of Communist rule in Russia teaches us how bleak such a prospect must be. Consequently we should welcome Solzhenitsyn and his family to our country. As America approaches her two hundredth anniversary as a refugee for freedom-loving people from throughout the world it is especially appropriate that we offer them citizenship. Moreover, as my resolution states, we should also make clear to the Soviet Union and the world that in this Congress our paramount concern continues to be focused upon human freedom and thus we deprecate most vigorously the violation of basic human rights by the rulers in the Kremlin.

If Solzhenitsyn should decide to come and live amongst the free people of the United States then we may be able to share in a much more direct and personal manner his tremendous insights into our times. Through his life and work we have already learned far more about the Soviet Union and probably even about ourselves than scores of scholars have taught us.

But whether Solzhenitsyn should accept our offer of citizenship or not, I believe that he should be encouraged as strongly as possible to visit with us so that we can clearly demonstrate our appreciation for the courage and sacrifices he has made.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2296

At the request of Mr. Ervin, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 1688, a bill to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy.

S 2296

At the request of Mr. Humphrey, the Senator from South Dakota (Mr. Abourezk), the Senator from Vermont (Mr. Aiken), the Senator from Alabama (Mr. Allen), the Senator from Oklahoma (Mr. Bellmon), the Senator from Iowa (Mr. Clark), the Senator from New Mexico (Mr. Domenici), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Oregon (Mr. Hatfield), the Senator from Maine (Mr. Hathaway), the Senator from South Carolina (Mr. Hollings), the Senators from Washington (Mr. Magnuson and Mr. Jackson), the Senator from South Dakota (Mr. McGovern), the Senator from Oregon (Mr. Packwood), the Senator from Mississippi (Mr. Stennis), the Senator from Illinois (Mr. Stevenson), and the Senator from Georgia (Mr. Talmadge) were added as cosponsors of S. 2296, the National Forest Environmental Management Act of 1973.

S. 2801

At the request of Mr. Proxmire, the Senator from Montana (Mr. Mansfield) was added as a cosponsor of S. 2801, a bill to amend the Food, Drug, and Cosmetic Act concerning vitamin supplements and for other purposes.

S. 2846

At the request of Mr. Mansfield (for Mr. Hart) the Senator from Massachusetts (Mr. Kennedy), the Senator from Minnesota (Mr. Humphrey), and the Senator from Colorado (Mr. Haskell) were added as cosponsors of S. 2846, the Emergency Chlorine Allocation Act.

S. 2848

At the request of Mr. Javits, the Senator from Pennsylvania (Mr. Schweiker) and the Senator from West Virginia (Mr. Randolph) were added as cosponsors of S. 2848, the Alcoholism and Drug Abuse Education Act of 1974.

S. 2933

At the request of Mr. Helms (for Mr. Eastland). the Senator from Tennessee (Mr. Baker), the Senator from Nebraska (Mr. Curtis), the Senator from Arizona (Mr. Fannin), the Senator from Florida (Mr. Gurney), the Senator from North Carolina (Mr. Helms), the Senator from Nebraska (Mr. Hruska), the Senator from Arkansas (Mr. McClellan), the Senator from Georgia (Mr. Nunn), the Senator from Georgia (Mr. Talmadge), and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 2933, a bill to provide greater security for the U.S. passport.

SENATE JOINT RESOLUTION 186

At the request of Mr. McIntyre, the Senator from Pennsylvania (Mr. Hugh Scott) was added as a cosponsor of Senate Joint Resolution 186, asking the President to declare the fourth Saturday of each September "National Hunting and Fishing Day."

SENATE RESOLUTION 284—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 93-392—NO-FAULT INSURANCE

(Referred to the Committee on Rules and Administration.)

Mr. MANSFIELD (for Mr. Magnuson, Mr. Cotton, Mr. Baker, Mr. Hart, and Mr. Moss) submitted the following resolution:

S. Res. 284

Resolved, That there be printed for the use of the Committee on Commerce one thousand additional copies of its report to the Senate on S. 354, the National No-Fault Motor Vehicle Insurance Act (S. Rept. 93-382).

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 281

At the request of Mr. Mansfield (for Mr. Inouye) the Senator from Wisconsin (Mr. Nelson), and the Senator from New Hampshire (Mr. McIntyre) were added as cosponsors of Senate Resolution 281, to express the sense of the Senate with respect to the allocation of necessary energy sources to the tourism industry.

NOTICE OF HEARINGS ON LEGISLATION TO AMEND THE CONTROLLED SUBSTANCES ACT OF 1970

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Indiana (Mr. Bayh), I wish to announce that the Subcommittee to Investigate Juvenile Delinquency of the Committee on the Judiciary will hold hearings on S. 1646 and S. 2544, bills to amend the Controlled Substances Act of 1970 to conform with the Convention on Psychotropic Substances.

The Convention of Psychotropic Substances was transmitted on June 29, 1971, to the Senate, for its advice and consent to ratification and is now pending before the Senate Foreign Relations Committee. The aim of the Convention, as that of the Controlled Substances Act of 1970, is to limit the use of psychotropic substances to legitimate medical, industrial, scientific, and research purposes. Although our present domestic statutes enable us to fulfill most United States obligations under the Convention, new legislation, amending the Controlled

Substances Act, is required to satisfy and clarify all our commitments under the Convention. S. 1646 and S. 2544 are designed to accomplish these purposes.

The hearings are scheduled for February 25, 1974, at 10 a.m., in room 2228, Dirksen Senate Office Building. Representatives from the Department of Justice, the Department of State, the Department of Health, Education, and Welfare, the American Medical Association, and the Drug Abuse Council have been invited to testify.

Any person wishing to submit a statement for the record should notify John M. Rector, staff director and chief counsel of the subcommittee at 225-2951.

ADDITIONAL STATEMENTS

NATIONAL OCEANS POLICY RESOLUTION

Mr. ERVIN. Mr. President, approval of the Senate oceans policy resolution (S. Res. 222) is vital to the future best interests of the Tar Heel State of North Carolina and the whole of these United States.

It gives me great pleasure, therefore, to cosponsor it and to speak in its behalf. I do so from the dual perspective of both a coastal and an inland State, for one need only look at the map to realize that among my constituents I count mountainmen and watermen, farmers and industrialists, tradesmen and fishermen—all of the interests and activities of a great and diversified, progressive and growing State.

North Carolina is the third "most coastal" State in the Nation. Our 2,200,000 acres of coastal sounds, salt marshes, and broad river mouths are exceeded only by those of Alaska and Louisiana.

North Carolina has over a thousand miles of general tidal coastline and literally thousands of miles of detailed saltwater shoreline. We have the longest and most beautiful recreational beaches in America.

Our Outer Banks are unique in the world.

Our waters—both inshore and offshore—contain some of the Nation's richest fisheries, a boon to both commercial and sport fishermen.

Hatteras National Seashore is a mecca for sport fishermen the world over.

North Carolina's broad Continental Shelf has an area of 15,000 square miles, above which is one of the Nation's most heavily traveled ocean shipping routes. And Cape Hatteras can be a seaway that tries the sea- and weather-wisdom of skippers that ply its waters—it did not earn its reputation as the graveyard of ships for nothing.

Behind our barrier islands is the Intra-Coastal Waterway which permits both towboats and yachts to travel virtually from New York City to Brownsville, Tex., comparatively safe from ocean wind and wave.

North Carolina's coastal region contains the most extensive area of largely undeveloped wetlands in the contiguous 48 States—exceeded only by Alaska. Coastal North Carolina is on the Atlantic Flyway, and hundreds of thousands of migratory waterfowl—snow geese, Canada geese, swans, loons, mergansers, ducks, and others—winter there. Bear, deer, racoons, possum, wild turkeys, quail, and a great variety of other game still roam the cypress swamps and dense woods of these coastal lands.

This beautiful and largely unspoiled estuarine region lies just beyond the southern limit of the northeastern megalopolis that stretches virtually unbroken from Boston to Norfolk, and 100 million people live within 500 miles of this great resource. The threat and the potential—depending on how it is viewed and how it is carried out—of impending intensive development is obvious. The term "coastal zone management" has real meaning for North Carolina.

Developers have already begun to dredge and fill swamps and other wetlands. We now have laws, however, to bring this activity under control. Clearly, we cannot block all such development; it would not be in either the State's or the individual's best interests.

The barrier islands that make up North Carolina's outer banks are long and narrow and made entirely of sand—transported and shaped through eons by wind and wave. Unlike high, hard ground and the rocky spines of mountains, these barrier islands are fluid and in a state of continuous change—maintained by the day-to-day forces of the elements. Whereas inland geology is static—except through eons of time—the outer banks are geologically dynamic. The giant sand dunes—Jockey Ridge, for example, at Nags Head—slowly migrate, pushed by the prevailing winds.

One severe storm can close and open inlets. Of 24 such inlets between the Virginia-North Carolina border and Core Banks known to exist during the last 250 years, only 5 are open today.

The islands themselves move, eroding away at one end and building up at another, sometimes wearing away at both ends. Portsmouth Island used to be a thriving fishing community; today much of it has succumbed to the steady encroachment of the sea, and what is left of Portsmouth Town is deserted.

Were it not for the works and economic interests of man, the constant shifting of the sands could be left to nature's way. Man, however, constructs his highways and his bridges, his motels and his beach houses, his marinas and boat ramps, his fishing ports and minimum-depth channels, and he does not want these things swept away in a storm or consumed by some walking sand dune.

Sometimes when man builds these things he changes the natural contours of both the land and the shoreline. This upsets nature's dynamic balance, and the result often is that the topography in the next storm is drastically changed and many human constructions are destroyed. North Carolina now has laws prohibiting excessive alteration of the dunes and the grasses that help to stabilize them.

For years the U.S. Army Corps of Engineers as well as appropriate institutions of the State of North Carolina have maintained channels and inlets where they were when man built his bridges and ports. Admittedly this has been and continues to be a very expensive procedure. Recently the Corps of Engineers has raised serious questions about the economics and, indeed, the wisdom of continuing these efforts. They suggest that the very efforts to stabilize may themselves increase the erosion rate, and they question the benefits derived from this particular use of national effort. I am not going to comment on that here today, except to ask: What will we do with the multimillion-dollar bridge over Oregon Inlet, once the inlet has moved out from under it? This is one of the countless problems of coastal zone management that demands critical examination, and will be among the topics to be studied if Senate Resolution 222 is approved.

The U.S. Geological Survey believes that oil exists under parts of the North Carolina Continental Shelf. If it does, the Nation will surely need it. North Carolina itself produces very little of the energy it consumes, so on a smaller scale we know the problem of the Nation as a whole.

If North Carolina does have oil, it does not seem possible or even desirable that we, like the dog in the manger, should refuse to permit its exploitation. Conversely, however, we cannot permit our broad white beaches to be coated with thick, black crude oil. We cannot permit our rich fisheries to be jeopardized. These are important State and national assets too. They have value, and they are needed to foster the growth and sustain the quality of life of this great Nation. Now, nobody can tell me that we cannot have our oil and our beaches and fishes, too. There are ways, or if there are not, they can be developed. If we do not have the means to take oil from beneath the seas and still avoid pollution, we can and must develop them.

The confrontation between environmentalist and developer should not be a forum for adversaries but rather a meeting ground for rational men. Among the purposes of the Senate oceans policy resolution will be to study and analyze the Nation's total stake in the coastal zone and to identify needs and policies necessary to the rational use and management of all coastal resources.

Now, Mr. President, I wish to speak briefly about our commercial fisheries.

In 1959 North Carolina commercial fishermen landed 171,306 metric tons of fish. That was the alltime record year. In 1972, just 1 year ago, my State's fishery production totaled only 87,705 metric tons—a drop of almost half. During that same period the adverse balance of payments from U.S. trade in fish and fish products increased from around $300 million to a shocking $1.3 billion.

In 1956 the United States was second in world catch totals, exceeded only by Japan. Today the United States is sixth, topped by Peru, Japan, China, Russia, and Norway. While the world catch as a whole has steadily increased over the last 15 years, the U.S. catch has remained essentially static, even dropped to less than 3 million tons. In 1956, it was over 3 million tons. This situation not only contributes to the decline of the dollar's value abroad and tends to keep the price of fish to the consumer up, but also it marks just one more instance of American dependence on foreign sources of supply and is stark evidence of what can only be described in many parts of the country as a depressed, dying industry.

Is this deplorable state of our commercial fisheries really necessary? Is it in America's best interest? The answer to both questions is a firm "no." There are things we can do to increase American fisheries production, and they do not necessarily entail massive subsidies or Government assumption of the responsibility of finding and catching the fish.

Quite the contrary. Basically all it takes is giving the American fishermen the same competitive free enterprise opportunities enjoyed by other, more successful segments of the national economy. Speaking for much of North Carolina's commercial fishing industry this means three things: first, assure that stocks of fish are accessible to American fishermen; second, restore free enterprise marketing to the fishermen; and third, adopt both national and State policies and procedures that not only protect but enhance the productivity of commercially valuable stocks.

Speaking to the first point, American fishermen take over three-quarters of their catch from waters inside the limits of the 12-mile fishing zone—where foreign fishing fleets are not permitted to operate. Only 13 percent is taken from American coastal waters beyond the 12-mile limit. The balance, mostly tunafish and shrimp, is taken by distant-ranging American fishing vessels off the shores of other nations.

In terms of actual catch, American fishermen operating 12 miles or more off the Atlantic coast take fewer than 150,000 tons of fish each year, while massive industrial fishing fleets from other nations annually take over 960,000 tons. The Communist nations of Russia, Poland, East Germany, Bulgaria, and Cuba account for almost 800,000 tons of that total. The fishing intensity by these foreign fleets is so great that stocks of fish that would otherwise be available to our American fishermen are being threatened with extinction.

There are supposed to be international agreements to control such fishing efforts within acceptable limits, but they are not working. Illegal fishing by these foreign fleets is common; they set out to catch and take species prohibited under the agreements.

Our own State aircraft fly over and observe them, and North Carolina's fishery research vessel, the *Dan Moore*—itself a fishing vessel—has gone out among the Russian ships, rigged as the Russians rig, and has caught banned species.

Repeated complaints by North Carolina State officials to the State Department have done little good. State authorities are not permitted to enforce the treaty regulations. Even if they had the authority, they would be as a gnat harassing an elephant—so numerous are the Russian vessels.

The Congress right now is considering legislation that would push the U.S. exclusive fishery zone out to 200 miles. This is one solution to the problem, but it may not be the best. This problem, too, is to be studied under the authority of Senate Resolution 222.

Addressing the second point—restoration of a free enterprise market for the fish—in many parts of coastal North Carolina and other regions of the coastal United States, fishermen claim to be deprived of the fundamental American opportunity of a free market. The opportunities provided by the American competitive free enterprise system constitute an inherent right of every individual citizen of these United States. If the fishermen of North Carolina and other States are being deprived of these opportunities, it is necessary that the laws of the land be enforced to restore them.

Meanwhile, some of my fishermen constituents are not waiting. In the northeastern region of North Carolina known as the Albemarle, fishermen have joined together and formed the Sound and Sea Fisherman's Association through which they intend to do their own marketing. Some such fishermen's cooperatives in other parts of the country have worked very well. And, I might add, they have not run the independent buyers out of business, but have merely given them competition. In any event, it would be a purpose of Senate Resolution 222 to examine all the constraints to the expansion of American commercial fisheries productivity and to identify remedial actions and policies.

The third point concerns fishery resource management and enhancement. Included, of course, would be private mariculture, or fish farming, where individuals lease wetlands and and conduct their own farming of marine animals for their own profit; and public mariculture, the activities of State and Federal authorities both in protecting and in increasing the productivity of commercially valuable stocks. Present actions by North Carolina in restoring long-depleted oyster beds in Pamlico Sound are an example of public mariculture.

Contrary to first impressions, such activities do not need to be a drain on the public till. In a well-managed and productive operation they can be entirely self-supporting through the sale of licenses.

The whole subject of fish farming needs to be examined anew in the light of present and prospective national and State needs. This, too, will be examined under the authority of the Senate oceans policy resolution.

Finally, I would like to illuminate the need for Senate Resolution 222 with a broader perspective.

As I indicated earlier, stretching as it does nearly 500 miles from the sea to the Great Smoky Mountains, North Carolina is also an inland State. It produces raw materials, including agricultural products, part of which it uses itself and part of which it ships to other States and foreign countries. It is a manufacturing State of considerable and growing importance. Everyone, I am sure is familiar with North Carolina textiles, furniture, and tobacco products.

However, like other States in the country, North Carolina is not self-sufficient. It produces a surplus of some things which it sells elsewhere, using the moneys thus received to buy its needs from outside the State. The State of North Carolina, then—indeed, every State—is directly analogous to the country as a whole. America does not produce all its raw materials needs; its dependence on non-American sources of supply for not only fuels but most of the raw materials needed by American industry has been growing. With the impact of the Arab States' not-so-subtle "black gold" embargo presently affecting every aspect of our lives, there is no need for me to expound on the pitfalls of political dependence on "our friends" abroad for the continued supply of the very lifeblood of America's great industrial economy.

To the degree that this Nation cannot supply its own needs of energy and industrial raw materials from within the limits of our jurisdiction, we must develop and assure the continued availability of alternative sources of supply.

The ocean is particularly attractive in this respect. America buys critical raw materials from all over the world: Tin from southeast Asia, copper from South America and Africa, iron ore from Africa, bauxite from the Caribbean, and so forth. These supplies are subject to political interruption at any time, and they cost us dollars. To the extent that these supplies can be obtained from the ocean beyond the limits of any national jurisdiction—and incredible reserves of many critical raw materials exist on and beneath the floors of the deep ocean—we will increase our independence from others and improve our balance of payments. Access to such resources cannot be cut off at the whim of some Middle Eastern ruler or by the vicissitudes of Latin American politics. The dollars we spend for their recovery, processing and transport will go to American labor and American companies. Considering the sudden devastating impact that the severing of critical sources of supply can have on the whole American economy and the severe problems we have been having lately with our balance of payments, these are factors we can ill afford to overlook.

I favor approval of the National Oceans Policy Resolution, therefore, as being in the total national interest—good for North Carolina and the other coastal States and good, too, for all those States not blessed by a coastline on the sea or one of the Great Lakes. I hope that my colleagues will join me and assure its passage.

SINGLE TAXPAYERS' BILL

Mr. DOMENICI. Mr. President, I have joined as cosponsor of S. 650, a bill to extend to all unmarried individuals the full tax benefits of income splitting, now enjoyed only by married individuals filing jointly. At this time I would like to explain my reasons for supporting this bill.

In 1969 the Senate passed a Tax Reform Act that became law. Although this act improved the situation of single taxpayers, it in no way alleviated the burden carried by this group of taxpayers. Under the provisions of this act, the single taxpayer still has to pay up to 20 percent more in taxes than the married couple filing a joint return and taking advantage of the benefits of income splitting.

Granted, married couples often have the financial responsibility for their children, but the present law does not differentiate between married couples with children and those without. Consequently, both may share the benefits of income splitting, even though many married couples without children have no other financial burdens beyond supporting themselves.

Moreover, in the United States today there are 30 million single taxpayers who simply because they are not married are forced to pay a larger amount of tax than the married couple in the same income range. When we consider that many of the single taxpayers are widows or widowers supporting children or individuals with the financial responsibility for older mothers and fathers or the young children of their families, then we see what a great burden our present tax laws put on the single taxpayer.

It is my belief that S. 650 would do nothing to hamper our tax system, but would give to all Americans a fair and more uniform tax system. By relieving the single taxpayers of the burden placed on them, we would correct an injustice, affecting a large group of Americans. Accordingly, I urge action on this bill and its swift enactment into law.

YELLOWSTONE CONCERTO

Mr. MANSFIELD. Mr. President, the members of the Montana delegation and I are greatly concerned about the orderly development and planning of the future of the State of Montana and its resources. People of the Big Sky Country certainly want to do their share but we are not going to be exploited. The January 21 issue of the Livingston Enterprise contains an excellent analysis of the past, present, and future of the Yellowstone River Basin which encompasses a large part of eastern Montana. The approach suggested could be applied to the river basin with good effect. The inspiration for the Yellowstone Concerto came to Bill Hornby, a long-time friend, while on a visit to the People's Republic of China and is well worth the time and study of all of us who are interested in the environment, ecology, and energy.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks, the W. H. Hornby Yellowstone Notebook.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YELLOWSTONE NOTEBOOK—OUR RIVER NEEDS A "YELLOWSTONE CONCERTO"

(EDITOR'S NOTE.—The following remarks presented at the Thursday night banquet of the Miles City Area Chamber of Commerce by W. H. Hornby, executive editor and vice president of the Denver Post, are substituted for Hornby's weekly Yellowstone Notebook today.)

(By W. H. Hornby)

A year and a few months ago I was thinking of the Yellowstone River Basin in, of all places, the ancient Chinese interior capital of Sian. This bustling center has been the locale of organized human life for several thousands of years, not just a few hundreds as with us in the Yellowstone Basin.

But very like us, the life of these Chinese has been for these many, many years dependent upon a great river, its water table and its tributaries. And its human use or abuse. For all these years the Chinese have lived off this water—have drunk it, floated in it, sprinkled it on seeds and troughed it into animals, and into a myriad of other manufacturing machines. They have at various times, depending on changing value systems and political realities, prayed to the river as a God and cursed it as a Devil. They have seen it too empty, in fact bone dry, and too full, in devastating flood. They have tried to control it by dams and channels, with varying success. And by gazing at it, some of them have even become philosophers, not many, but some. And part of that philosophy is a respect for the river as a great natural force, entitled to some awe.

Sian, China, is on the upper reaches of this great Huang Ho, or Yellow River, the life artery of northern China. When our group of editors was there a year ago last fall, we were more out of contact with this country than the moon astronauts—no Houston wiring for our blood pressure. So homeward thoughts were understandable. Perhaps the obvious name comparison—Yellow River, Yellowstone River—turned my mind toward this area, or perhaps it was the similarity of the countryside. In many respects this part of China was reminiscent of Eastern Montana—sparce, a dry beauty interspersed with green patches of irrigation, clean, crisp air, far-off rims touched by the same glint of sun.

The event of this particular Chinese day was a visit to a group organized to bring fine arts performances to the rural communes. We were to hear one of the first Western-type symphonies which had been permitted by the Chinese Communist authorities to be arranged and played. It was called the Yellow River Concerto. As the vigorous young Chinese pianist developed the lovely imagery of the various themes, you could hear those thousands of years of history flow by on the great river, the Flood and Famine, the Irrigation and Harvest, War and Revolution, and, of course, for the finale, with cymbal and trumpet, Victory for the Cause.

A curious place for one's mind to stray home to the Yellowstone, in that very far-off surrounding. I began to muse on what a great concerto could be written for our river. I mused on passages for the explorers and mountain men, for the Indians and the cavalry, with a trumpet for Custer. I tried to figure notes for the miners, rumbles for the buffalo. I could hear the shout of the muleskinner, smell the dust of the longhorn herd, and somewhere from the woodwinds, the whistle of the NP. The whir of the combine, the thunder of the stampede, the clank of the oil drill (if "clank" is what they do), and the crunch of the coal shovel. And a placid trill or two for the trout stream. Maybe our own cymbals, not for a Cause, but for the mighty Yellowstone Falls, for the great Park with its fires and geysers and its white-capped lake which is the tempestuous mother of much of our exciting life along our river.

Such wanderings were swiftly interrupted by the hosts who were interested, naturally in their river. But ever since I've been looking for an unemployed composer who can paddle a canoe from the Park down to Fairview. No luck—a Yellowstone Symphony is not only unfinished but unwritten.

Why is it unwritten?

Well, the Chinese didn't get around to writing theirs until they began to look at the river as a whole, and had some kind of common approach to its problems.

And, in Chinese fashion, when it comes to great natural facts like a river, they think as much with their hearts as with their heads. They think of a river in terms of love, beauty, history.

Maybe we haven't thought much about a Yelowstone Concerto because under the pressures of these modern times we've never developed a common approach to the Yellowstone, and we think about it too much with our heads, not enough with our hearts. Chamber of Commerce sermons, such as this, are usually in terms of profit margins, acre-feet, stream flows, water rights, and taxes. Let's talk Watergate and energy, lawsuits, evil politicians and perfidious Arabs. What's with concertos? But indulge me.

As you look at the hundred or so years of organized human living in the Yellowstone Basin, it is clear that our river has more often been a line of battle or a link between hostile camps than a particularly peaceful pathway. The Yellowstone has never been looked upon as requiring interdependence of those living along its shores, or elsewhere on its table. Whether it is the trout fisherman fighting the irrigator, the smalltown retailer fighting the bigger town discounter, the environmentalist fighting the miner, you name it. The attitude of the 7th Cavalry toward the Sioux and of the cowman toward the shepherd is a legacy of watchful hostility, even to this day. The idea of a Yellowstone River legislative voting bloc in Helena, for example, would seem ridiculous. But sometime, for your amusement, figure out the strength there would be in such a grouping. It might not seem so laughable, especially if the stake happened to be our river lifeline.

These divisions are matters of attitude, of concept. Think of the names by which we identify and divide ourselves as cities—Livingston, Big Timber, Columbus, Billings, Forsyth, Miles City, Terry, Glendive, Sidney. Or of Park, Sweet Grass, Stillwater, Carbon, Yellowstone, Rosebud, Custer, Dawson, or Richland as counties. In truth we believe the river we have in common is merely a body of water to be exploited for individual interest alone. The idea of a Yellowstone River identity never arises. Until now there was nothing to be very concerned about.

This concept of river identity has had in the past great obstacles of space and economy to overcome.

It's hard not to be automatically suspicious and uncooperative when the economic margins of survival are as thin as they have been in our region. And when the distances between are still far.

And the forces that would hate to see a common Yellowstone River identity manifest itself politically—those who prosper by the divide-and-conquer technique—have had plenty of fuel with which to set fire to any bridges between our communities and our interest groups.

Adding to this problem is a state of mind common to all Montanans, all of us. Someone once asked what the state bird was, and a not-so-funny wag said it was the schizophrenic ostrich.

We Montanans are of split mind about many things—we want growth, but not more people; better schools and roads, but not more taxes; more tourists, but not on our particular fishing pool or pheasant field. We want Montana to preserve itself as the best place where the American dream is not impossible. But we want outsiders to dream somewhere else.

So the wide spaces, the harsh economic margins, and wishes that the world might pass by, have not been the best foundations for a community of spirit along the river.

But can we afford this legacy of battle, this split of identity today? Must we not try to write a Yellowstone Concerto?

Considering what we used to believe were our major problems along the Yellowstone, the year 1974 should be dawning on a somewhat optimistic note.

In a great food producing area, the low prices for farm products for many years were sustaining many of our families at a low level in comparison to the returns given other sectors of the economy. Yet as 1974 dawns we see much more substantial price levels, and a general economic climate of world food shortage. This would indicate that the principal products of our agriculture—grain, meat, and produce—will continue in better demand than a few years ago we would have thought possible.

For as many years as we were fretting about price levels on the farm, we were also concerned about the breadth of our economy. There didn't seem to be enough jobs—we were too dependent on the farm sector. Wouldn't anything ever happen to help us broaden out? Now the coal developments while bringing many problems are most obviously going to put another economic leg *under our stool*, as has oil and developing tourism.

At one point rumor had the railroads going out of business. Today energy developments have blessed railroad freight and are even promising to revive Amtrak. The Interstate system has not been completed as fast as hoped, but it is getting there.

On a broader scale, some 10 years ago the demise of the smaller town was being more widely forecast. Everything—men and money—was seen as tilting toward the cities. But as the mid-70s arrive, the overpowering problems of the cities, the turning of many minds toward the simpler community life, the basic filling-up of the country with people—all of these factors have made Montana residence a hotter topic in the cities, as the real estate markets, especially in the mountain areas, will testify.

It is safe to say that the trend of the future will be for at least a modest reversal of the population flow into the major urban areas. Dispersal and decentralization of population as a national policy, based on greatly improved communication, will in our lifetimes be getting farther off the drawing boards of the planners and more into operative policy.

But even with farm prices up, coal development around the corner, the railroads humming and the highways improving, we are worried. With hometown community life more of a plus in people's psychology than ever, with Montana state government temporarily solvent and structurally much overhauled, with even a small cloud of hope hanging over the Miles City lagoon, we are gloomy. With the war in Vietnam finally over and many of its divisive effects calmed down, with the kids in college actually getting job conscious and work oriented again—with all of this, why aren't we more optimistic about the future?

Part of our malaise is of course national. There is no need to pontificate about the troubles of the presidency or the motives of King Faisal. The problem is deeper than these surface events. The Nixon presidency will come to an end in some fashion in due time and will eventually find its rank with the administrations we have survived but not revered.

And we may hang a medal on Faisal before we're done for convincing Americans, in a fashion available to no domestic politician, that we do need to turn off the lights and slow down the car. Indeed at this moment concern over the potential economic impact of the energy crisis has us all hypnotized.

But our deeper doubts come from the recognition that there are limits, even in America.

The idea of limitation is foreign to our nature. There has always been someplace to move that's better. Always a product improvement that will give us an edge, a dollar comfortably stronger than its competitor. But in the era since the death of John Kennedy 10 years ago, America has come to realize that its future self-confidence will have to find a new basis—something more than optimism, space, and endless resources. We are not going to win all wars, pack on to virgin country, or guarantee the Declaration of Independence elsewhere to a Free World.

This new sense of limitation is compounded at the regional level because of the complexity and chaos of national problems. It is easy to become gripped by a feeling of regional powerlessness. What can we do when they are out to take all our water, or dig all our coal, or cut our farm prices, or move us off our land?

Yet out of this past decade in which, in so many ways, we have had to recognize new limitations to the old version of the American dream, there have also come some expansions of our older ideas. And some of these expanded ideas, I believe, are the most important legacy of this past decade, not the temporary setbacks to our ego and self-confidence.

For example, it is becoming ever more widely recognized by businessmen and bureaucrats that we have to have new concepts of cost in determining our government or private actions. It is not enough to figure just direct costs of production or sales. Many now believe we bear a cost responsibility for what our endeavors do to the general well-being. We must charge enough for products or accept high enough taxation to support the true social and environmental as well as the economic costs of an activity.

The traditionalist will of course argue that if his particular activity is burdened with these indirect costs, he will go out of business because he cannot compete.

But the broader truth is that if he does not bear these costs, society itself may go out of business, with his market in the wreckage.

This new concept of cost, and of broader social responsibility, is a definite plus. Another, equally important, is the growing recognition of our resource limitations.

Knowing that there are limits can, of course, lead to competitive scrapping for an ever-smaller pie. But it can also motivate cooperative conservation, a rational sharing of the pie, and a drive to enlarge it.

Take the question of water availability in our river. When we did not really fear it would ever run dry, farmer and fisherman, rancher and miner, could afford to feud. Can they now?

If it weren't that there are some of these new attitudes afoot, our New Year gloom might be better founded, particularly as respects our own Yellowstone region. But we have one other great thing going for us. There is a genuine perceived threat to our Yellowstone way of life and to the future balance of its economy. There are smoke signals in the buttes plain enough for anyone anywhere on the river to see. That threat can be the force that brings us together.

A few years ahead is there going to be enough water in our river to support the life we want, let alone to write a concerto about? Or will the water needs of massive development of the coal resource in the form of mine-mouth conversion plants leave everyone else on dry ditch?

A WATER WARNING

In preparing these observations I contacted some of the energy company research departments in Denver. Each was doing a little figuring on its own project, but no one was taking an overview of the water impact on the whole river. Organizations like the Northern Plains Research Council in Billings and the Yelowstone Basin Water Users Assn., are trying manfully with slim resources to force an overall view of the area's water problems. And to slow down individual mine-mouth plant developments until such an overview exists.

But the forces tending to take the overview are very weak in comparison to those trying to stake out particular pieces of the action, using the national energy crisis as the rationale for ever-greater speed.

Is there really any threat to our Yellowstone River water supply? The National Academy of Science is trying to warn us. They conclude that mining coal and shipping it by rail is one thing, and feasible with proper reclamation of the soil in areas of more than 10 inches of annual rainfall.

The National Academy states, and even though familiar, it's worth quoting again for this record:

"The shortage of water is a major factor in planning for future development of coal reserves in the American West. Although we conclude that enough water is available for mining and rehabilitation at most sites, not enough water exists for large-scale conversion of coal to other energy forms (e.g. gasification or steam electric power). The potential environmental and social impacts of the use of this water for large-scale energy conversion projects would exceed by far the anticipated impact of mining alone. We recommend that alternate locations be considered for energy conversion facilities and that adequate evaluations be made of the options (including rehabilitation) for the various local uses of the available water."

This is disinterested testimony by a prestiguous organization of national viewpoint. Let us listen.

Let us also listen to our own state of Montana Environmental Quality Council. An article in its recently released second annual report by engineer Robert Anderson is the clearest exposition I've yet seen of the options facing us in the Yellowstone Valley in this crucial relationship of water supply and coal development.

The two really unique aspects of our great basin are its freeflowing river and its massive coal formation. As Anderson puts it, "It is apparent that Eastern Montana has at least two unusual attributes: the free-flowing Yellowstone River and the vast strippable deposit of Fort Union coal. Decisions could now be made, which would trade one off for the other."

In a nutshell (and I urge you to go further and obtain a copy of this report from the Environmental Quality Council, Box 215, Capitol Station, Helena 59601), if we go for massive conversion at the mining sites of crushed coal into gas or oil, the energy planners foresee a need for as much as 2.7 million acre-feet of water a year. They have already optioned or applied for that amount.

But if that scale of development is to be permitted, there isn't that much water available in the low periods of the Yellowstone River, let alone leaving any for further agricultural, recreational, or municipal use.

One alternative would be to dam the Yellowstone River south of Livingston, flooding Paradise Valley, the so-called Allenspur Project which the Bureau of Reclamation has clung to as a potential over the years. There is massive damage inherent in the Allenspur plan to environmental values, including physical threat to a community of 10,000 which would perch directly beneath a huge dam in potential earthquake country. To say nothing of the threat to one of the Yellowstone's most beautiful mountain valleys and highest recreational assets.

As an alternate to Allenspur, the mention of which still turns on Bureau dam builders like Pavlov's dogs, there are proposals for three holding reservoirs with which you are familiar—Buffalo Creek, Cedar Ridge, and Sunday Creek—the latter just north of us here in Miles City. The concept is to let the water come down the river, dip it out by pump into these large holding reservoirs, and then release it as required through aqueduct to the coal field industries. A large-scale coal conversion industry using about 2 million acre-feet of water a year (as opposed to the 2.7 million of massive development) could be supported by such off-stream holding reservoir regulation. This would maintain the free-flowing characteristics of the Yellowstone, but might raise other problems.

There are other options, which the state report calls "water conservative alternatives."

DRY-COOLING

Water of the Missouri, already stored by Fort Peck Dam, could be used, either by bringing it down here to add to Yellowstone flow, or by taking it direct to the coal conversion plants. Or the coal could be taken to Missouri River sites for conversion next to the water there. These are the Missouri River options.

Dry-cooling technology, expensive and presumably a long way off in development, could greatly reduce the water demands of conversion factories, which need most of the water to cool their mysterious processes. But dry-cooling would call for holding back coal development until the technology is ready. Such a delay is unlikely in the face of national energy demand.

And, of course, there are the extreme answers of either prohibiting any further conversion industry, thus limiting our problems to those of strip mining and shipping the coal out by rail, or of prohibiting coal development altogther. Neither extreme answer is likely.

The best hope is that the problem will be solved by a mix of these water-conservative alternatives.

It seems obvious that most of the coal will be mined. Much of it will be converted by factory into energy at mine-mouth. The water need will be met by a combination of off-Yellowstone and on mine-site storage, of developing more water conservative technology, and possibly of sharing some of the water burden with the Missouri.

We must remember that the current energy crisis seems to be doing one thing that's good—it is lifting the cost basis of fuels. Hopefully that means that we may now find feasible technologies and solutions which were too expensive under the old massive-use low-cost philosophy about fuel. Admittedly this concept means higher prices to us as consumers. But is not ruination of our habitat for the thousand years to come a higher price than heavier taxes or higher fuel prices today?

The danger is not that adequate solutions to the Yellowstone water vs. coal development problem do not exist, but that they will not be reached. What are the threats to reaching the proper solutions?

There is the threat of haste, even more poignant in the atmosphere of energy crisis which is our national preoccupation at this moment.

BEWARE OF FLAG-WAVERS

The national goal of seeking energy self-sufficiency puts tremendous pressure on our state and community leaders to relax their environmental vigilance in the name of a phony patriotism. We must beware of flag wavers who would drain us dry. The Yellowstone Basin's record of service to the nation is as good as any. And there are many Americans out there who believe that reasonable preservation of these last great open spaces comes closer to being a fulfillment of the American dream than heating one more office building in Portland, Seattle, or Kansas City.

The autumn issue of the State Historical Society magazine, "Montana," has an excellent article on the history of coal mining in our state, much of it in the Yellowstone Basin. One of the significant lessons is the number of times that the sites and techniques of coal production have shifted to match relatively sudden shifts in technology or national policy. For example, when the railroads shifted to diesel fuel or when war procurement set in. The number of communities which have come and gone or dwindled in the case of coal is formidable.

As it does in regard to the development of so many other resources in Montana, our state's history of boom-and-bust resource exploitation suggests we try for a solemn pace in the development of our coal, however exasperating that may be to national planners. The recent fascinating glimpse that Watergate has given us into the mental depth of our national leadership further suggests that Montanans can take some comfort and counsel from their own commonsense in these matters and refuse to be shoved.

The energy companies should realize that to rush Yellowstone Basin coal conversion development on the pretext of crisis, beyond the point where they reasonably share our water and land with other needs, is to invite in the long-haul massively increased public regulations of their activities. And it could bring the end of their enterprise freedoms as they enjoy them. (In fairness, many of the energy entrepreneurs do not realize that there are greater stakes in this matter than today's profit or production, and most of them mean it when they remind us that their production people are citizens who want a good place to live, too.)

Another threat to finding proper solutions lies in public indecisiveness. We should be proud of the very great strides made by our state legislature and by various private action groups in setting the right kind of initial ground rules for coal development in Montana.

We have made great beginning in legislation regulating strip-mining reclamation and energy factory location.

FOLLOW THROUGH

And you are probably getting tired of being nagged about the necessity for constant vigilance.

Yet, in all candor, it is disconcerting to read press reports of the opening of the 1974 legislature and to find that some members are still bitching about annual sessions and wondering how soon they will be able to go home.

And to note that the governor, who was foremost in his environmental vigilance last year, seems more worried so far this year about the matter of taxes. The governor's State of the State message a week ago made no mention at all of the coal development problem and Yellowstone Water, nor of any requests to increase funding or activity of the Natural Resources Department. Since the Environmental Quality Council report suggests greatly expanding the role of that department in overseeing coal development, the governor's omission of any reference to these matters is puzzling.

If ever there was a state that needed a well-paid annually-convening, professionally-staffed, and tough Legislature, that state is Montana.

If ever a state needed follow-through to make sure that its environmental laws are enforced and regulated, that state is Montana.

As the Environmental Quality Council report stresses, the party with the greatest stake in this coal-water dilemma is the public. The public owns much of the land. The public's way of life is subject to the most dangerous stresses. And who will have to live with and hand on whatever is left of our land and our river after the coal is gone and the country is cheerfully using new forms of energy, developed just a bit too late.

Only the quality of our Montana Legislature stands between us and the fate of the swell guy who buys energy for the house and is out on the street the morning after.

Again, the Montana Legislature has a shining record, but the temptations to dim it by qualification, corner-cutting, penny pinching, and lack of dedication is always with us, to be played upon by skillful persuaders who would be delighted to see the Montana lawmen stay home.

Indeed, the greatest threat, as our state council points out, is that no great decisions in these matters will be taken in time. Rather, we will have a series of what it calls "non-decisions," that is "non-decisions" by a public which doesn't demand that its interests be represented in a deliberate and thorough fashion.

Under the fate of "non-decision" individual energy plants will be built. Each will take a "little" water, with no attention to overall plan or conservation.

Finally, with the plants built and employing your customers, there won't be enough water. And then, with irrigation low and jobs threatened in dry years, the pressures will sway toward trading off the free-flowing river for the huge, easy answer of mainstream dams. A grim scenario, but at this stage a possible one that almost tends to be probable.

To the two threats already mentioned, haste and public indecisiveness (which means legislative indecisiveness,) we may add a third, public divisions.

I don't want to overextend the sermon, but the threat to our whole Yellowstone way of life is great enough, particularly in terms of the potential claim of coal upon our life-giving water, that many of the historic divisions among us have become luxuries we can no longer afford. From a vantage point a bit, but only a bit, removed from Montana's daily quarrels, one gathers that we have not lost our penchant for fighting each other more fiercely than we fight the common foe. As but one example, the rancher and the recreationist, both environmentalists and conservationists in their own way, seem unable to do anything but tear each other apart over the question of how to use our river shorelines more wisely. I have detected no abatement of the fact that our towns put their individual interests ahead of regional good and find it very hard to cooperate. Downstreamers who want irrigation water look with disdain on upstreamers who want fish, and vice versa, to an idiotic extent, considering the fact that it's one river, and someone else is trying to take the water away from both of them.

HIRED GUNS SET POLICY

Compounding these divisions, it seems to me that our political parties and our occupational and other interest-groups associations contribute very little to meaningful debate on the really important problems facing Montana. I am not as interested in politicians' concern about the gas consumption of the governor's or attorney general's cars as I am about their proposals for stream protection.

And it would make one absolutely dumbfounded to read that the Stockgrowers and Trout Unlimited had sat down to build bridges toward common solutions.

But somehow the idea lives that the greatest treachery is to be out-of-step with the program of your group, whatever its name or interest. That program usually has been written by a few hired guns called executive secretaries who are out to score points with their board and to see that there is enough to quarrel about to justify their jobs as professional quarrelers. The desires of the general memberships, that's you, are at best imperfectly polled and considered through our traditional methods of organization. In other words, I'm not sure anymore how many stockgrowers or fishermen or irrigators or Republicans or Democrats their organizations really speak for.

But I am sure that the greatest treachery any of us can commit is not to depart from an interest group or political party program but to ignore what commonsense tells us is best for Montana and our grandchildren.

In other words, Montanans don't build very good bridges between themselves; they find it hard to discover the common denominators, the common identities—to think with long-run hearts as much as with their wallets. This is not a problem common only to us, but, to me at least, it is made more poignant in Montana by the threats of outside events.

Certainly here along the Yellowstone we need to believe in a greater common identity than we have been able to discover before.

And if my imagery of a Yellowstone Concerto seems overblown, I make no apology.

We need to be emotionally concerned about our free river. It isn't just a matter of slide rules and contracts and potential jobs, which may or may not mean real economic progress.

How often we hear the energy engineers decry the "emotionalism" involved in "unscientific" efforts to regulate their activities.

Well, I'm for the hearts behind that emotionalism, if not for all of its extreme manifestations. We can't always prove that something is wrong. But we usually know it, if we have the courage to heed our instinct.

And we Yellowstone River residents know, if we can't always prove it, that some very great potential wrongs are on our doorstep, with just enough, but only just enough, time left to do something about them.

SOME RECOMMENDATIONS

What do we do?

1. We support the organizations that are trying to protect the public interest and slow down the development pace until it is reasonably planned and regulated. This means support for organizations such as the Northern Plains Resources Council and the Yellowstone Basin Water Users Assn., even if you may not agree with all their positions or love all their personalities. In the battle of mimeograph machines and lawsuits, they will lose if you don't send them the bullets.

2. We insist that the Legislature keep up its pace in enacting and monitoring solid environmental and energy regulatory measures. We don't want state planning agencies such as the Environmental Quality Council or the operational agencies such as the Department of Natural Resources and Conservation cut up in the legislative clinches on the grounds of economy, or because of a presumed trend of attitudes toward the latest political imperative such as the "energy crisis". We must tell our legislators to hang in there, and replace them, regardless of party, if they don't.

And we could stand to pay them more and respect them more, in the process.

3. We must look for the things we have in common as residents of one great river basin, and try to build bridges towards its protection and away from its fragmentation.

4. Recognizing that we have an adversary system of government, and special interests that need protection and representation, still we must do what we can to move our political parties and trade associations toward developing positions on the issues that really matter.

And we must move them away from petty, nickel-and-dime personality politics which feeds on divisions and dogmas and ignores the unique things that Montanans have in common and the very grave new problems they can only face in concert.

May I return to China.

That Yellow River had flowed for thousands of years, past many of the same kind of human divisions and problems we have on the Yellowstone today, albeit in different tongue and garb. Only in recent years has their Chinese society been able to do much about finding a balance in their use of their river, and in its control.

They finally are getting somewhere because they have achieved a certain faith in their future, and a certain political cohesion—a capacity for decisive public action—which was denied them before. Of course, their system, particularly of their present political system, is far different from ours.

But our value system can be just as decisive, if not more, in the field of public action. And it can express just as much faith in the future.

I'm not sure how we recapture that faith nationally, but as far as our river goes, I believe we can do it by finding composers for a Yellowstone Concerto, which would imply that we realize there are just as great values at stake in our hearts as in our pockets, and that we realize that there is no successful way toward our goal than by performing together, which, of course, is what the word "Concerto" suggests.

We said that China has developed a few philosophies among its gazers at the passing flow. We need some river philosophers as well as those doers, on the Yellowstone today.

THE FUEL CRISIS

Mr. GOLDWATER. Mr. President, since the development of the energy crisis, many interesting situations have resulted as a result of the early moves and some early misunderstandings on the part of the Government in its efforts to allocate fuel where it could do the most good.

One of these involved an early proposal by the administration to cut fuel for general aviation in this country by up to 50 percent. The proposal, which never went through, has been referred to recently as "The World's $2.5 Billion Misunderstanding" or "Wichita's $2.5 Billion Misunderstanding."

The story of the gigantic "misunderstanding" was described in detail recently to the Wichita Rotary Club by Mr. James B. Taylor, vice president of the Cessna Aircraft Co.

Because of its bearing on the fuel shortage which is now affecting every segment of American life, I believe the Members of Congress should have an opportunity to read this unusual address. Therefore, Mr. President, I ask unanimous consent that Mr. Taylor's speech of January 7, 1974, entitled "Wichita's $2.5 Billion Misunderstanding," be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Wichita's $2.5 Billion Misunderstanding

(By James B. Taylor)

The significance of the title of my speech today: "Wichita's 2.5 Billion Dollar Misunderstanding" should really be the "World's 2.5 Billion Dollar Misunderstanding." I'm referring to the loss that could have accrued had the up to 50% fuel cut to General Aviation gone through.

The dramatically inequitable fuel cuts the administration originally proposed for General Aviation fortunately united all sectors of the aviation community, and most effectively . . . the users.

Our thanks also to the people of Wichita, the Chamber of Commerce, Senator Bob Dole, Congressman Garner Shriver, Senator Jim Pearson and Governor Bob Docking. They were most helpful in getting our story across to those in Washington who, despite their initial lack of understanding, were earnestly and honestly seeking a fair-minded solution.

We must now take unified and coordinated action to correct the misconception that the public and the press have of who General Aviation is and what it does. We have a long way to go.

Webster's New World Dictionary defines "esoteric" as "understood by only a chosen few." General Aviation is truly esoteric. Outside of Wichita, there's only a handful of people who know what General Aviation is. The industry trade association (G.A.M.A.) recently had a study completed by the opinion research institute of Princeton, New Jersey. In summary, they learned that 59% of all people in the U.S. never heard of the term "General Aviation." And, of the remaining 41% who thought they'd heard the term, only a few could accurately describe what General Aviation is.

It's no wonder that General Aviation was singled out to carry such a heavy burden in the proposed fuel cuts. Nobody knows who we are or what we do?

No one knows that:

162,000 (98.5%) of all civil aircraft in the U.S. are General Aviation compared to the 2,479 (1.5%) operated by the scheduled and supplemental carriers.

Or worldwide: the General Aviation numbers 235,000 while the airlines total 9,000. (Only 4% of the total world civil fleet are scheduled or supplemental carriers.)

No one knows that:

At the end of 1973, turbine-powered aircraft in the U.S. General Aviation fleet numbered 3,011 compared to 2,300 for the airlines. And by 1984, the turbine-powered business fleet is projected to grow to 8,200 U.S. (10,250 worldwide) and turbine-powered airliners 3,500 U.S. (7,900 worldwide).

No one knows: that:

General Aviation accounts for less than 4% of jet fuel consumed nationwide, and only 7/10th of 1% of the total fuel used for all transportation. (Why—other industries spill more than that!)

No one knows that:

80% of all General Aviation flying or approximately 23 million hours in 1973 was for business or commercial purposes.

Or that General Aviation carries one in every three intercity air passengers and is the only air link to more than 19,000 incorporated American communities. And that it serves 379 cities with populations of 25,000 to 100,000 that do not have any kind of air service.

Or that General Aviation aircraft transport 70 million Americans annually. (This is 33% of all U.S. intercity air passengers.)

No one knows that:

In 1973, General Aviation exports exceeded 3,500 airplanes valued at over 250 million dollars. Certainly a very positive contribution to the balance of trade.

Year after year, 25% of all General Aviation aircraft manufactured in the U.S. are exported. Or that 90% of the world General Aviation fleet was made here in this country.

And that 72% of all the air carrier jets (worldwide) are U.S. manufactured.

Aside:

Exports of all aerospace equipment (which averages 10% of all exports) reached an all time high in 1973 (approximately 5.3 billion dollars) compared to exported motor vehicles and automotive equipment totaling less than 1.5 billion dollars . . . I'll bet you're surprised.

No one knows that:

Of the over 12,000 airports in America, less than 500 are served by the scheduled airlines. And 375 of the 500 have minimum service.

No one knows that:

25% of all airline passengers fly out of only three airports; 71% out of the 25 hub airports; and 97% of all air carrier passengers fly out of only 146 airports.

All of these statistics were calculated before the air carriers started unilaterally frequencies and withdrawing from non-profitable locations where they were rendering the minimum service then required by the C.A.B. (And they were calculated before many air carriers started grounding and mothballing some of their best equipment.)

I'm, in no way, trying to degrade the airlines. They do a fine job under some trying circumstances. They have the dubious distinction of being regulated as fully as monopoly utilities, while being exposed to competition as great as that in most consumer industries. And, except for the railroads, they have done and are doing more to sell people on flying than any other factor.

And, speaking of the far less competitive railroads, such regulation has been conspicuously unsuccessful.

Every American's hat should be off to our airframe industry. The Beechcrafts, the Boeings, the Cessnas, the Great-Learjet, the Lockheeds, the McDonnell-Douglases and the Pipers . . . for the tremendous job they are doing to keep such a substantial lead in commercial aircraft everywhere.

I, for one, am confident that we are going to stay ahead. American research and development, ingenuity, productivity and marketing will make it happen. We have been able to accomplish this to date in spite of the heavy government subsidies that practically all foreign airframe and engine manufacturers, and air carriers enjoy. And many countries, particularly those that build competitive aircraft, place other hurdles in our path.

They insist on additional, time-consuming and costly modifications to meet their airworthiness certification requirements.

And they impose extremely high import taxes on our products.

It's high time we re-examine the manner in which our government subsidizes our foreign competition without any reciprocal agreements.

Our airline friends face additional inequities that affect them much more than us. These have emerged as a result of our government's generosity. We give away routes, rights and services.

Landing fees are a good example: to land a single 747 (U.S. or foreign-operated)—at Boston $190; at our nation's Capitol $124; and at Miami $68. But when Pan American, TWA and National land a 747 at London, the charge is $1,844. At Paris, Pan Am and TWA pay $1,088 and at Frankfurt $1,244. The worst examples are in the Pacific. An Australian carrier pays $240 to land a 747 at Los Angeles, but Pan Am pays a resounding $3,483 for each landing at Sidney.

Sure—Qantas and all other government-owned airlines around the world pay the same landing fees as American carriers. But government-owned airline fees merely go from one pocket to another—in the same suit.

Incidentally, Pan American is paying one million dollars each week in landing fees around its system. That's 52 million dollars per annum.

I'm sure that you are all familiar with many of the roles of General Aviation airplanes: training, transporting people and things, for agriculture, for mapping, for photography, for patroling, for search and rescue, for forest fires, for all kinds of services and emergencies, etc., etc., etc.

But are you aware of the reasons for business aircraft which is 80% of all Geenral Aviation flying?

Business aircraft provide a stimulus for spreading industries and branch plants to widely-disposed areas. In 1940, 50% of all plants were in cities of more than 100,000. By 1956, one-third of all new plants were being built in cities of less than 10,000. Today, eight out of ten new factories are being built in small towns and cities all across America. The reasons include: decentralization, diversification, lower land costs, lower labor costs, lower taxes and better living conditions, which creates a more stable work force.

Airports attract whatever type of industries or corporate headquarters you desire to have in your community. 85% of corporations emphatically state they would not locate plants or offices at a town or city without an airport. And FAA studies verify that airport development is a catalyst for business and industrial growth.

A business airplane is a productive piece of communication equipment that makes it possible for companies to spread the talents of their key people over more territories, more situations, more opportunities.

A business aircraft, just like any other piece of capital equipment (if properly used), will multiply efficiency, improve productivity, save money and make money . . . exactly like a tape-controlled milling machine or a computer. And, it can be justified on the same grounds.

Businessmen operate airplanes for exactly the same reasons that you people sitting out there own automobiles: because the bus doesn't take you where you want to go, when you want to go.

If effective use of executive time . . . by having the right man in the right place at the right time . . . is important for the big firm, it can mean survival for the small company.

A business plane can pay for itself many times over, And, even though some of them have a loud voice (our CITATION speaks quietly), they have never been known to ask for a raise.

Companies like to do business with suppliers who are modern in their approach to things. The company-owned plane helps build prestige and stature because it's a symbol of speed, efficiency and modern management. It helps create, in the customer's mind, the image of a progressive and aggressive operation.

A Fortune Magazine study showed that 43% of this nation's 1,000 largest industrials operate business aircraft. This 43% dominates the American scene in employment, sales, assets, net income and, most notably—return on stockholder equity. And, as a group, they are the largest contributors to the U.S. gross national product. They must be doing something right.

Dun's, last month, reported their selection of the five best-managed companies in the U.S. for 1973. All own and operate business aircraft extensively. (It's also interesting to note that the 20 companies Dun's has selected, since starting this selection process four years ago, have been operators of business aircraft.) Certainly a contributing reason why all of these companies achieve more of their objectives . . . and in less time.

General Aviation in conjunction with the airlines is providing for the spreading and growth of multi-national companies and accelerating overseas investments and returns.

General Aviation and the airlines complement each other by providing a means of travel that has unshackled our families and businessmen from any restrictions of movement here on this earth. A face-to-face communication and travel system so reliable that we will look back some day to realize that it was this single capability, more than any other, that made a peaceful world a reality.

Both the airlines and general aviation are extremely important and necessary contributors to the U.S. economy. Without the continued growth and success of each, the future structure of our country is in jeopardy.

Understanding can only be accomplished, if all of us . . . the manufacturers, the suppliers and, most importantly, the users . . . work together in a coordinated effort to get the general public aware that you cannot limit the airplane to the air carriers any more than you can limit the powered wheel to railroads and buses.

As long as misunderstanding exists, General Aviation will be vulnerable. The energy crisis is not going to go away. And we cannot return to the supreme optimism and complacency that characterized our outlook just a few months ago.

We must stop talking to ourselves. We have an obligation to make it possible for our customers to publicly advocate, not just privately defend, their use of business aircraft.

WATERGATE: A TEACHING CHALLENGE

Mr. ERVIN. Mr. President, on December 3, 1973, Rozanne Weissman, editor of the National Education Association News Service, interviewed Philip B. Kurland of the University of Chicago Law School on the subject: "Watergate: A Teaching Challenge."

In this interview, Professor Kurland, who is one of the most thoughtful of all Americans, made many penetrating observations upon this subject. Hence, the interview deserved wide dissemination.

For this reason, I ask unanimous consent that a copy of the interview be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

WATERGATE: A TEACHING CHALLENGE

(By Rozanne Weissman)

Watergate has invaded the nation's classrooms. Despite the fact that it is a controversial subject with obvious partisan overtones, today's teachers realize that they cannot play ostrich and pretend that one of the biggest and most complex governmental news stories of our day does not exist. Watergate is a natural discussion topic to stimulate student thinking and make government, history, and other subject areas relevant and alive.

But how does a teacher deal with a hot topic like Watergate without getting burned?

NEA News Service asked the advice of Philip B. Kurland, professor at the University of Chicago Law School who is now also teaching an oversubscribed undergraduate course on the "Constitutional Aspects of Watergate." Parade magazine and others have termed Kurland one of the nation's outstanding authorities on the U.S. Constitution and one of the three foremost professors of constitutional law in the country, along with Alex Bickel of Yale and Paul Freund of Harvard.

Kurland has served for six years as chief consultant for the Senate's Separation of Powers subcommittee under chairman Sen. Sam Ervin, Jr. (D-NC) who has gained national fame as the folksy-but-shrewd, bible-quoting Chairman of the Senate Select Watergate Committee.

Kurland and Ervin seem to have a mutual admiration society. Says Kurland of Ervin, "Sam Ervin asked me to become a consultant to his subcommittee without my ever having known him or done anything. He read my work. He is a scholar. He has never been a political leader in the legislature. He is no Everett Dirksen or Lyndon Baines Johnson., He doesn't head a fraction of the Senate, much less a whole party. He has earned the place he's earned out of respect. He is sincere in what he is trying to accomplish and devoted to the Constitution and the Bible. I have tremendous respect for him, although I think we probably differ on as many conclusions as we agree on."

And says Ervin of Kurland, "He would go

down in history as an outstanding Supreme Court justice if any President possessed the wisdom to nominate him for such a post."

Kurland met with NEA News Service for an exclusive interview in his home on Chicago's South Side near the university. Surrounded by law books piled high on desks, chairs, tables and in bookcases in his third-floor den, Kurland seemed very much at home as he discussed the handling of Watergate in elementary-secondary school classrooms. While the law professor admits that "I am not a pedagogue," he goes on to give usable advice and source suggestions to teachers, emphasizing particularly the need to take Watergate discussion out of the realm of personalities and to deal with it factually, comparatively, institutionally, and historically because "current events cannot be isolated as if they have no antecedent."

Kurland urges teachers to compare the intentions of the Founding Fathers to where this country is now governmentally as highlighted by Watergate. Important issues raised by Watergate, according to Kurland, will not be dealt with in the courts. He specifically points to the undue accumulation of power in the executive branch of government because of a willing surrender of authority by the legislative branch and the subsequent abuse of that power. Observes Kurland about Watergate, "We have arrived at the stage where the love of power—rather than of money—is the root of all evil."

TRANSCRIPTION OF INTERVIEW WITH PHILIP KURLAND

Q: Tell me about the college course you are teaching on Watergate.

A: Essentially, the effort is to bring undergraduates some concept of how legal rules are applicable in practical situations. Watergate gives a backdrop for dealing with a large number of constitutional questions—separation of powers, impeachment, executive privilege—and such a popular subject assures student interest. The course will be an attempt to suggest that Watergate is simply a symptom of a very serious disease from which we are suffering. I will go down a list of areas or functions which we have entrusted to the White House but which the Constitution did not place in the executive branch, and then ask what are the ways and means for restoring a balance. I will be quite clear that one of the reasons we have turned to the White House is that in the past Congress has not been adequately responsive to the American will. So, part of the Watergate problem is how to make Congress responsive.

Q: How would you recommend dealing with the Watergate experience in elementary-secondary classrooms where teachers have less leeway than college professors?

A: Issues that I am covering that can be dealt with at the lower levels include separation of powers and impeachment. With regard to impeachment, I can recommend several readable sources that high school teachers might use: a new book titled "Impeachment" by Raoul Berger of Harvard and a more popular and contradictory book by Irving Brandt. If a teacher is willing to put in the time and effort, the best source for discussions is that record of the federal Constitutional Convention of 1787 which highlights the concerns of our Founding Fathers. That involves hard work because the convention did not start at the beginning, go through the end, and finish each article as they went along. Instead there is a piece here on Article II and a piece there on Article III, but it is very well indexed. The Founding Fathers sought to avoid the dangers of majesties, like the kings, and were very much opposed to centralizing power in any single man. They hoped to utilize the legislature (Congress) to afford protection as well as representative government. For the teacher, Max Farrand's four-volume "The Founders of the Union" and his three-volume "The Framing of the Constitution of the United States," both from Yale University Press, are good sources.

In my course, I also want to talk about the role of Congress as the watchdog, the overseer, of the administration of the laws. Many people assume that the only function of the legislature is to make laws, but it is quite clear that the intention of the Founding Fathers was that Congress have the obligation to see that the laws are executed in the way that they intended. The bulk of congressional hearings are not for the purpose of taking evidence on framing a law but are concerned with how the laws that have been passed are being effected—the oversight function. The courts can only supervise the behavior of the executive branch on a retail basis; it remains with the legislature to do it on a wholesale basis.

Q: Can you recommend any other teaching approach to make history and government more interesting and dynamic in light of Watergate?

A: My problem is that essentially I am not a pedagogue. The one thing that law school professors do not have is any educational training. We attempt to engage our students in dialogue and call it Socratic dialogue (questions-and-answer as opposed to lecture approach) because that's the way we pat ourselves on the back.

But while there are a lot of interesting teaching ploys, I think that a factual basis and a historical and comparative government approach are likely to be most productive of a real analysis of the problem. I would like to see teachers confine themselves to facts. One of the things that shocked me during the Watergate hearings was listening to the commentator tell me during the break what he saw, and it was very different from what I saw. One of us was wrong, and me being me, I am quite convinced that he was.

It is important to get back to the facts. In a court of law as opposed to the Watergate hearings, lawyers can only present factual data and would not be able to say, "Are you of the opinion that Mr. Nixon is an evil man?" You say, "What facts do you have that Mr. Nixon approved or didn't approve this, and that Mr. So-and-So was involved in the break-in?" One collection of data which I think would be very useful to the teacher and a helpful tool to get at the facts is published by Congressional Quarterly. The concise presentation of the factual developments in the Watergate case includes press commentary, but without value judgments on factuality. ("Chronology of a Crisis," Vol. 1, can be ordered for $6 from CQ, 1735 K St., N.W., Washington, D.C. 20006. Vol. 2 is in the works.)

Getting at those facts and building on them should be important to teachers, and I think high school students would be very much interested in digging out the facts, i.e., what did former White House counsel John W. Dean III do—not what newspapers have said Mr. Dean did or reported in interviews. Look at the record and find out what it is Mr. Dean did. You have to get not only from Mr. Dean's testimony but from others who have testified about Mr. Dean and then make a judgment as to who is telling the truth. What is he guilty of? What would you charge him with if you were a United States attorney?

Q: Do you believe that the Watergate-related events have highlighted the difference between the theory of government as it is taught in the classroom and the actual practice?

A: I am not sure that I would adopt that thesis. It isn't so much a conflict between theory and fact as between constitutional intent and the current operation of government. The current situation indicates not nearly so much a grasping for power as a willing surrender of authority by the legislature to the presidency. We have come a long way from the intention of the writers of the Constitution. Starting with Franklin Roosevelt, we had a huge transfer of power from the states to the national government and then a movement within the national government, transferring power from the legislature to the President. The most recent example is the attempt by the executive branch to assume control of the spending power which the Constitution gave solely to Congress. The executive branch is also concerned with lawmaking, issuing executive orders which reportedly have the same effect as a statute and entering into agreements with foreign countries. They call the latter an executive agreement and avoid the necessity for Senate approval.

Finally, in the most recent days, the White House staff has taken power from the old-line departments—State, Treasury, Defense, Justice. A real symbol of the problem is the Executive Office Building, which once also housed the State Department and several other departments but now houses a part of the executive staff. We have come a long way from where we should be. In 1968–69, we had a grand movement on the part of large numbers at the universities toward the creation of an Orwellian State as depicted in "Animal Farm." I think we successfully avoided that, but now we are moving toward a different Orwellian State which is described in "1984." Rather than go to either one of these—both of which I regard with abhorrence—I think we are going to have to go back to the recognition of the institutional functions of the separate practices of government.

Q: What about the whole issue of executive privilege, perhaps even over and above the court-ordered release of secret White House tapes whose existence was revealed at Senate Watergate hearings?

A: While I think the tapes have been a hot political issue, they have not really been a terribly important one because the secret taping of confidential communications between the President and his staff is not likely, I hope, to be engaged in again. At most, the tapes will reveal either corroboration or contradiction of evidence already on the record—i.e., the statement by Dean as to what he told the President and what the President replied. (The interview was conducted before the President claimed there was no Dean tape.) Fundamentally—and I feel very strongly about this point—I think transferring the issues of Watergate to the courts is a trivialization of the issues. The basic questions which Watergate raises are the undue accumulation of power and the abuse of that power by the President.

If we start breaking it down into questions of whether Dean or former Attorney General John Mitchell should go to jail, we'll get answers to those questions. Either they will, or they won't. But, that is not going to correct the very dangerous situation of the accumulation of White House power.

Raoul Berger, author of a new book on impeachment, has submitted a manuscript on executive privilege, which Harvard University Press will publish, in which he makes the point that executive privilege is a myth. There is no constitutional foundation for the allegation by the executive branch that it can withhold information sought by the legislative branch because Congress has the obligation to oversee what is going on. If materials can be denied Congress, it cannot engage in this oversight function. To that extent, there is a very substantial problem of executive privilege. The oversight function is not an issue with regard to the tapes, though.

Q: Many students, particularly minority students, are more turned off to the system because of Watergate and point to the fact that the Cubans who were caught during the Watergate break-in landed in jail while the "big fish" go free or are out on bond. Do you see any way that teachers can use Watergate to advantage in educating minority students?

A: I haven't any doubts that everybody will be treated alike, that is, the Cubans will be sent to jail only if the others go to jail. To suggest that the only persons who have access to government authority are the wealthy is less true today than it used to be. Almost all the legislation that the national government has engaged in during the last two decades is concerned with the distribution of wealth accumulated by the rich and disseminated to the less wealthy in terms of services, goods, and, so far as the civil rights acts are concerned, the opening up of opportunity to the heretofore deprived.

What Watergate shows and what should be encouraging to young people is that the system can be made to work. If the press calls the public attention to the deficiencies and if the people whom the congressmen represent make demands, the Congress can be made to do its job. The real danger is that Watergate is going to be a sensational, short-lived affair. Then apathetic students really do have something to worry about. But, teacher-student concern at the moment should be to see that Watergate does not die, that Watergate is a symbol to this country to the same extent that the Dreyfus case was a symbol to France in the late 19th Century. I don't think it was important whether Dreyfus did or did not go to jail or did or did not do what he was alleged to have done, but the abuse of the executive powers and the abuse of the judicial system that were represented there and are represented here is what has to be cleaned up. I'm concerned that the public is going to lose interest, that after the trials and after people are sent to jail, everybody will say, "Okay, we've done all that's needed to be done." That's not true. We must have constant supervision of the legislative and executive branches.

The best way to supervise the executive branch is through the legislative branch. The best way to see that the legislative branch does its duty is for the people to keep themselves informed and to let their legislators know what they want done. I have been working with Sen. Sam Ervin's (D-N.C.) Subcommittee on Separation of Powers for six years now, and I must say I am surprised at the extent to which the Congress responds to the mail. Nothing moves them—not the dollars or whatever it is that an industry can bring to bear—so much as a huge mail turnout indicating what the people want.

Q: What force could NEA bring to bear, other than lobbying for a strong campaign financing act, to see that Watergate-type incidents do not reoccur?

A: I think that NEA has a particular responsibility to educate the educators of this country—to attempt to service them with the data as to what is happening. NEA maintains headquarters in Washington primarily to let the legislature know what it thinks education interests demand and to get money for education. That is a one-way street. What NEA is not doing—if you will excuse me—is taking the data about what is going on in Washington and communicating it to the education community so that they in turn can transmit it to the people they are dealing with. At the legislative level, NEA lobbyists will have to let the legislators know that the organization does not regard the end-all and be-all of the Watergate scandal as sending half a dozen or two dozen or three dozen people to jail. NEA and its teacher-members have to let legislators know that they understand the basic issue is excessive accumulation of power in the White House.

Q: I think it may be for that reason that NEA leaders landed on the White House enemies list. NEA criticized the President's stand and influence on the parochiaid issue.

A: Well, I congratulate you, but that is not enough. The enemies list is like one pox in a bad case of chicken pox; it is not very important in itself. There is another problem that has to be carefully recognized. We tend to think of these things in terms of personalities, and if you have a distaste for President Nixon as I have a distaste for President Nixon, then we tend to see Nixon as the devil. The fact is that the institution is creating the problem. It was not Nixon, it was President Kennedy who engaged in the Bay of Pigs invasion. It was not Nixon, but President Kennedy who entered the Korean War. It was not Nixon, but Presidents Kennedy and Johnson who got us involved in the Vietnamese War. The problem is that we tend to say, 'If Kennedy does it, it must be right, and if Nixon does it, it must be wrong.' It is wrong whoever is doing it!

Q: Do you attribute this all to the growth of presidential power?

A: That's right. It is an assumption by these men that they can do anything. They can commit what I think is the important act of American government—to cause this country to enter into a war. The Constitution didn't give them that authority. For a long time, starting with Franklin Roosevelt, the liberal elements in our community assumed that White House power was good. Roosevelt, Truman, Kennedy, and Johnson were friends of the liberals and, therefore, liberals wanted the power in the White House rather than in the Congress. They should have spent their efforts educating Congressmen rather than allowing this growth of power in the White House because you can't always count on having the right kind of man in the White House.

The other basic element of the Watergate controversy is the election problem. With all due respect to Sen. George McGovern (D-N. Dak.), we did not have a choice in the last election. The McGovernites captured the Democratic convention every bit as ruthlessly as others who capture their own convention. What we clearly must have is a different kind of system so that the American people have a greater choice—not merely the two men that the machinery of a particular convention offers. The Constitution started out with a system which made sense to the Founding Fathers. They decided, 'Let all the wise men of our state get together with the wise men of all the other states, and then these wise men will in turn choose the President and Vice-President of the United States.' That is what the electoral college is about. The people could determine their own wise men because they came from their own community. And, when you put all these people together, they would know who was the best man for the national office. Our party system destroyed that.

We have changed the Constitution. We can't go back to the old system because we're no longer a series of small communities. But, we ought to give basic thought to how we choose the President of the United States. Sen. Birch Bayh (D-Ind.) notwithstanding, I do not think nationwide primary elections are going to provide us with that answer because, again, we would be forced to choose between a Democrat and a Republican, and that Republican and that Democrat would be chosen by the organization not by the people.

Q: Teachers have been criticized or even fired for bringing controversial issues into the classroom—whether or not they mentioned their viewpoints. How can teachers best deal with Watergate when some parent-supporters of President Nixon think that the problem has either been intensified or created by the media and does not belong in the classroom?

A: The only way teachers can deal with it is by attempting to persuade both the students and parents that teachers are concerned about institutional values. Taking it out of the level of personalities and bringing it up to the level of institutions would permit a sounder framework for teachers to operate on. This is why I suggest that the problem is not Nixon and what he did and Mitchell and Dean and what they did, but whether it is a healthful situation for all this authority to be collected by that small group of men headed by the President of the United States—whoever he may be. The parents, too, tend to think in terms of personalities, and they have their pros and cons. If teachers are willing to recognize that the problem is as great with Truman's Korean War as with the Vietnam War of Kennedy, Johnson, and Nixon, and can show that both to the students and to the parents, they are likely to get less flack.

Q: Can you suggest how this could be done?

A: You have to use history. You cannot isolate current events as if they have no antecedent. Let's talk about the war-making power. Sen. Jacob Javits' (R-N.Y.) new book "Who Makes War?" goes through the war-making activities of every President. The problem outlined: ought the President of the United States to have the authority to commit our troops to battle? It isn't written in terms of whether Nixon has that authority or Kennedy or Truman did. It goes back to the days of George Washington. That is the kind of approach needed.

Q: As part of the historical approach, are you also suggestnig that teachers discuss Watergate in relation to other previous scandals?

A: The scandals of our past have been comparatively simple and irrelevant to the scandal of Watergate. There was a time when the love of money was really the root of all evil. That does not seem to be true anymore. We're not dealing with a scandal in which a number of politicians are trying to line their own pockets. This is one of the things that makes Watergate frightening. They weren't taking money; they were spreading it around as if it didn't count. They weren't interested in accumulating money for themselves. What they were interested in was accumulating power. We have arrived at the stage where the love of power is the root of all evil.

My problem in dealing with Watergate in relation to other scandals is that the scandal is overshadowing far more threatening problems, such as the rise of a police state. We're appalled, I think, by the break-in by the presidential "plumbers." Why? At the time of the founding of this country, Americans were concerned that there not be a standing army—a military or semi-military power available to a President as a means of controlling the country. The problem has become whether the President ought to have a private police force. Former FBI Director J. Edgar Hoover in one thing was absolutely sound: he fought the notion that the FBI should become a national police and that all crime should be subject to FBI investigation and control. That was the way Hitler and most South American dictators came to power and controlled their dictatorships, either through an internal police force or a military force. That is what is going on now in Russia: that's what was going on in Germany and Italy when those were totalitarian states.

Q: A study indicated that people responded very negatively to rights cited in our Bill of Rights when they did not know the source. Do you think that teachers are doing a good enough job of teaching about the Bill of Rights and the Constitution in the schools? If not, how can this be improved?

A: Teachers are not doing a good enough job. What we read in the newspaper is often only the use of this Bill of Rights for the protection of those we don't like—those we might consider enemies of society. Somehow, teachers have to convey a realization that any individual might be on the wrong end of an investigation. We permit all people to assert these rights only because we want to be assured that the society as a whole is entitled to that protection. The 5th Amendment, which gives a person the right of silence against his accusers, was not created for the dope peddler or what have you, but like the search-and-seizure amendment and others, was created to see that the government does not impose on the ordinary individual.

Teachers can also deal with the Bill of Rights historically. If you look at the Bill of Rights and the Declaration of Independence, you can see a very close correlation. The Declaration of Independence says, "These are the wrongs that the Crown committed against our people." And the Bill of Rights says that the "national government shall not do these things." And they are the same things. The Bill of Rights was a direct response to impositions by the royal government on the colonists and to some extent on the residents of England. That's why clauses cover such things as freedom of religion, speech, and assembly.

We have obsolete provisions in the Bill of Rights that we no longer regard as important because the possibilities of their being abused really don't exist, such as a provision that troops should not be quartered in private homes except in times of war. The due process clause goes back to King John's day. The rule of law is purported to be established in the Magna Carta—at least that is the myth that we have carried.

Q: Do teachers have a role of bringing honesty into politics?

A: I don't think that is the role of teachers. That is the role of the citizen, and every teacher is a citizen. The primary function of the teacher is to teach students to raise questions. Former Supreme Court Justice Felix Frankfurter was fond of saying that the right answer depends on the right question, and the more I see of what goes on, the more I think that's true. There is a very fine line, however, between skepticism, which I think is healthy, and cynicism which I think is unhealthy, diseased, if you will. And the teacher has got to maintain that line, and what you are asking me is how does a teacher get wisdom? I can't tell you.

Q: Teachers are educating tomorrow's future politicians and government workers and officials. How can they best deal with the attitude expressed during the Senate Watergate hearings on nationwide television by White House aide Gordon Strachan, who urged other young people to stay away from politics and Washington?

A: I don't know how idealized Strachan's notions of government were when he came to the job, but nothing is so disillusioning as having engaged in wrong-doing and having been caught at it. If young people come to Washington with their own ideals and the right attitude of skepticism—not cynicism—and say, "How can we work within this system so as to accomplish our ideals." I think the United States would be very much strengthened by an in-pouring of these people into the political process.

The United States suffers politically from the fact that most people don't give a damn about what happens in government. Most Americans can't tell you who their local representative is in the city council or the state legislature. It's not that past participation has been put down, so much as that there hasn't been any effort at participation. In 1968–69, nothing riled me so much as the attack on the universities. All this force was directed at institutions which were not guilty of creating the wrong-doing that the students wanted to correct. That was simply a paroxysm of hopelessness, revenge, striking out at the nearest object because the object you want to reach isn't at hand.

Q: How can educators combat the attitude that the individual cannot effect change?

A: It is quite true that no one of us in a society can live exactly the way he would like. The chaos that would result would be totally destructive of the society, and we would be back to an aborigine state. If that is the goal, it can be accomplished by dropping out and trying to get away with as much as you can. Historically, the lot of the common man has been improved only to the extent that he has a real voice in government, and a real voice in government is by organization, not by mobs. Mobs have always been put down. The use of violence in Anglo-American history has repeatedly been unsuccessful. It creates an excuse for those with real force to destroy those who are engaging in violence. Violence is successful only if you have a majority of the force in the country with you. Otherwise, all you can do is get yourself destroyed. That is part of the lesson of the 1968–69 activities, which also gave an excuse to Mr. Nixon to say that the reason he had to engage in these Watergate illegalities is because others have engaged in illegalities. Now, you can say that's an absurd position, but it is a popular one that convinces a lot of people. After all, he is doing what is necessary in order to prevent these agitators from engaging in the same kind of thing.

I think that educators can urge students to accomplish their goals through organization. Nothing makes a congressman move faster than the recognition that the person who is speaking to him is speaking on behalf of X-thousand voters. The consumer and the average American individual is not organized. They could take a lesson from labor—whatever you think of its position at the moment. At the time of Franklin Roosevelt's election, there was no organized labor force. Labor came to the fore by organizing itself and now is one of the strong forces in government.

Q: Do you feel that Watergate highlights the value of a free press?

A: Certainly there is a useful point to be made about the role of the press in this country. Comparisons with other countries are likely to make our government look pretty good in certain areas. I understand that after the Watergate news broke, someone tried to make a scandal out of the fact that the French are wiretapping everywhere and everyone. When the French minister was accused of it, he said, 'Certainly we do,' and that, as far as France was concerned, was the end of the matter. And, while the English press isn't as free as the American press, I think the English government is nonetheless more responsive to the will of the people. Overall, though, I don't think that Watergate has been terribly revealing of the necessity for the 1st Amendment to the Constitution. The press isn't the only institution that we should use for our self-protection. Let's come back to the fact that the American Congress is the representative of the American people.

Q: John Wilson, the attorney for former White House aides H. R. Haldeman and John Ehrlichman, proposed that under the guise of national security, anything including burglary is permitted. What do you think of his position?

A: There is no constitutional basis for Mr. Wilson's position. None whatsoever. I thought his behavior was abominable and left a lot to be desired. The national television cameras have a strange effect on people. The whole Senate Watergate committee has behaved miserably. Wilson did ill service to his clients as a lawyer. A lawyer ought not make an absurd point to begin with, and certainly ought to make a point which will not help his client and which may certainly injure him. Wilson starts off by saying the President can do anything for national security. But then in regard to the Watergate burglary, the President reportedly knows nothing about it. Next down the line are Haldeman and Ehrlichman. Maybe they could do it as alter egos of the President. But they supposedly don't know anything about it, according to the story. Then we get down to the point that Howard Hunt could do what he pleased because he thought national security was involved.

Q: Sen. Ervin said that you would make an outstanding Supreme Court justice if a President had the foresight to pick you. Could you comment?

A: I've always said that prediction is the function of either scientists or fools, and I am not a scientist.

CAMBODIA

Mr. HUGH SCOTT. Mr. President, I wish to make a few remarks on the tragic situation in Cambodia. More than a year has passed since the Government of the Khmer Republic tried to end the increasingly bloody conflict in its country. Khmer leaders with full U.S. support have unilaterally stopped their offensive operations, have offered talks with any authorized representative of their opponents and have explored other channels that might bring peace to their country.

The response of the Khmer Communists and their North Vietnamese patrons have been a murderous escalation of the war. During the past 3 months an intensified systematic campaign of terror bombardment has been directed against the civilian population in Phnom Penh. Over 1,000 civilians have been killed or wounded in these rocket and artillery attacks and thousands have been left homeless.

The women and children killed, wounded or burnt out of their homes were neither combatants nor accidental victims of attacks aimed at military bases or depots. They are the intended targets of an enemy who, failing to destroy the Khmer Republic's Army, has turned its weapons against helpless civilians.

Long after any American soldier has fired a weapon or dropped a bomb in Indochina, innocent civilians continue to be deliberately slaughtered to further the interests of Communist forces. Self-appointed war crimes tribunals no longer attract the interests of faddists. The murder of civilians in areas controlled by governments friendly to the United States is apparently regarded as less tragic or less criminal than those deaths that somehow could be made purely an American responsibility.

While the Communists in Cambodia are shelling civilians, the people in areas under their military control seek to escape at any opportunity. To the north of the Cambodian capital in just the last few days some 10,000 refugees fled to the government after 3 years under Communist control. Despite the dangers and hardships of life in the government areas, these villagers have registered another dramatic referendum on the unpopularity of their former Communist masters. World opinion, which should be struck by this rejection of the so called people's forces in Cambodia, is strangely silent. International opinion and an elementary sense of justice which should be outraged at a systemtic and deliberate war of terror against a civilian populace seems fatigued or bored.

However, the Congress of the United States and the American people should not remain untouched or uninterested in this tragic situation daily brought to their attention by the media. The Khmer Republic fights entirely alone. Congress ended the last U.S. air combat operations there over 6 months ago.

In summation, the Khmer Government has repeatedly offered to end the fighting on honorable terms to all. On the other hand, thousands of North Vietnamese troops remain illegally in Cambodia aiding the Khmer Communists who cannot command the loyalty of many of the people in their own areas. The Communists refuse proposals for a ceasefire, for negotiations, or for any discussion of a political solution. Instead they threaten the leaders of the Cambodian Government with hanging and turn their guns on women and children.

I think that the Congress and the American people can draw their own conclusions as to the responsibility for the continuing death of innocents in Cambodia.

SOLZHENITSYN AND DÉTENTE

Mr. JACKSON. Mr. President, the administration has chosen, when it spoke at all, to waffle in the face of the action of the Soviet authorities in abducting and forcibly expelling Alexander Solzhenitsyn from his homeland. The White House has limited its public expression on this matter to a press spokesman's statement that Secretary Kissinger has "eloquently spelled out" the conception of détente according to which silence is deemed appropriate; and the Secretary himself has once again obscured the relationship between détente and human rights by implying that firm American support for human rights will somehow increase the chance of nuclear war.

At a time when men and women throughout the free world—ordinary citizens, government officials and even heads of state—have voiced their revulsion at the mistreatment and brutal expulsion of this great and brave man, I cannot allow the silence of the President to be understood as representing the sentiments of the American people; it does not.

The American people support the conduct of relations with the Soviet Union on the basis of constructive negotiation and accommodation. This approach to the resolution of differences is characteristic of our relations with more than 120 nations; and as a means of enhancing our security, diminishing the risks of war and safeguarding our national interests it is wholly appropriate.

The process of negotiation, whether with the Soviet Union or any other country, is a means to certain ends; and the ends we may wish to pursue through negotiating channels are not self-defining. What is so deplorable about the President's silence and the Secretary's waffling on the Solzhenitsyn affair is the clear indication that the administration has narrowed its conception of détente to exclude issues of human rights. In so doing, the administration has posed a false choice between avoiding nuclear war and keeping faith with traditional values of human decency and individual liberty.

Are we to take seriously the proposition that the President and the Secretary of State of the United States cannot give voice to the grave concern with which the American people view Solzhenitsyn's forced exile without increasing the likelihood of nuclear war? Is the moral leadership of the Western World to be left to the heads and foreign ministers of states—which though less powerful and more vulnerable than the United States—have nevertheless expressed on behalf of their people the dismay that I am confident lies in the hearts of the American people as well?

It is false and misleading to suggest that the pursuit of peace requires official indifference to the fate of those brave men and women who are struggling to resist tyranny. Nuclear war would be mutual suicide—and that is reason enough for making sure that it never take place. Carefully negotiated arms reductions can stabilize the nuclear balance and reduce the risks of war—and that is reason enough for entering into them. Restraint in the use of military power has its own logic and its own rewards. References to nuclear war as a response to challenges on the issue of human rights may divert questions at press conferences, but neither the conception nor the practice builds a foundation for the sort of détente that the American people will support.

It is high time for the administration to indicate that the pace of the developing détente, and the inevitable accommodation on our part that this will require, must be conditioned on reciprocal accommodation by the Soviet Union. The administration should reconsider its understanding and definition of détente and the objectives of the process of negotiation.

The issue before us is not, as has sometimes been claimed, whether the pursuit of détente with the Soviet Union should encompass the restructuring of Soviet society. No one is proposing so ambitious a goal. The effort of the Congress to define the objectives of détente to include progress on issues of human rights, including the freer movement of people and ideas, is modest and, in my judgment, manageable. More modest still is my hope that the administration will find the voice of the American people and endorse a genuine human détente—the only long-term hope for a more stable and peaceful world.

THE SECURITY OF THE NATION

Mr. GOLDWATER. Mr. President, during the year 1973, I placed in the CONGRESSIONAL RECORD, from time to time, position papers on "The Security of the Nation," prepared by the Association of the U.S. Army.

These papers proved invaluable to those of us who are concerned with a proper understanding of the rapid moving events of today as they affect our Nation's defense interest.

In this connection, Mr. President, I wish to point out that the AUSA recently published a year-end assessment of defense matters with the idea of providing useful information on how to best channel our most productive efforts during 1974.

The AUSA surveyed in particular the concept which has become known as détente and discussed events that took place in 1973 which had a direct bearing on this alleged relationship with the Soviet Union. It found, for example, that not only was the latest Arab-Israel war a major jolt to détente but that the follow-up oil blackmail of the United States and other free world countries by the Arabs promised to be even more dangerous.

The report said:

> The American people have been slow to appreciate the full impact of the energy crisis which is upon us—and which will be harsher on our most valued allies, NATO, Europe, and Japan. At the moment, we are on the threshold of inconvenience, but in a very short time, we shall face a young abyss of recession, disruption, and real hardship unless we can solve the energy crisis or abandon some of our commitments.

The AUSA warned particularly of a rapid decline in our credibility as a Nation capable and willing to stand up for its right and commitments. It stated that our potential adversaries believe they perceive, in recent developments, a decline of the American spirit as well as a lowering of our military capabilities. As a result, the report stated the situation has encouraged "some of the most dangerous military adventurism since the outbreak of the war in Korea."

Mr. President, because of the great importance of this assessment to the Members of the Congress, I ask permission to have the text of the report entitled "The Security of the Nation—1973—A Year-End Assessment," printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE SECURITY OF THE NATION

NOTE. Illustrations are not reprinted in RECORD.

INTRODUCTION

During the past year, AUSA has issued a series of position papers entitled *The Security of the Nation*. In these papers, we have attempted to present in an objective manner the extent and validity of our country's national interests and commitments overseas. We discussed in considerable detail our views on what kind and size of a defense establishment we needed, the difficulties we foresaw in providing adequate manning, as well as the role of our Army Reserve Components in our total defense structure.

Much has happened in the intervening months that has impacted on our defense needs and posture. We felt it appropriate, therefore, to make a year-end assessment of these matters with the thought that it would prove useful in suggesting the most productive areas in which to channel our efforts during 1974.

Events of recent weeks have proven the substance of General Abrams' comments on détente to the Annual Meeting of the Association of the U.S. Army in mid-October. He said, in part, "the environment today is a difficult one for the country's security. The word détente, which for some people evidently colors everything rose and turns their perceptions away from even obvious threats has gained some currency." He went on to say, "Détente means only that the tension between countries in the world may have in some way decreased. This is a matter of quality and degree." Secretary of Defense Schlesinger has argued further that "détente doesn't imply further defense cutbacks and the atmosphere of tension should not govern our decisions about defense. Tension can be created, and can disappear in a day or two; but it takes years to build a defense establishment."

Not only was the latest Arab-Israeli war a major jolt to détente, but the follow-up oil blackmail of the U.S. and other free-world countries by the Arab countries promises to be even more dangerous. The American people have been slow to appreciate the full impact of the energy crisis which is upon us—and which will be even harsher on our most valued allies, NATO Europe and Japan. At the moment, we are on the threshold of inconvenience, but in a very short time we shall face a yawning abyss of recession, disruption and real hardship unless we can solve the energy crisis or abandon some of our commitments.

One thing that came through all of this loud and clear was the decline in our credibility as a nation capable and willing to stand up for its rights and commitments. The dramatic reductions in recent months in the size of our forces, the elimination of the draft, the obsolescence of much of our military equipment and the constant public drumfire of those who seek to reduce our defense has not been lost on our potential adversaries. They have perceived it as a decline of the American spirit, as well as in our military capability and it has encouraged some of the most dangerous military adventurism since the outbreak of the war in Korea. Such dubious political ploys as the passage of the War Powers Act may be great material for the domestic political stump, but they are dangerous moves in international diplomacy—as we have just seen.

Before we look overseas for scapegoats for the very serious dilemma we are facing, let us look closely at home to see how we talked ourselves into our present state and what we need to do to retrieve our prestige and the control of our destiny.

OUR NATIONAL INTERESTS OVERSEAS

When we look at our national interests overseas, we must examine the impact of the October Arab-Israeli war and the subsequent use of oil resources for blackmail by the Arab states. The oil chart on the following page makes abundantly clear the susceptibility of our NATO allies as well as Japan to such blackmail. While the two week war was short enough to avoid the outright choice of sides, it was clear that a number of our NATO allies chose to disassociate themselves from our support of Israel because they are completely dependent on Arab oil. Secretary of State Kissinger described it thus, "One cannot avoid the perhaps melancholy conclusion that some of our European allies saw their interests so different from those of the United States that they were prepared to break ranks with the United States on a matter of grave international consequence, and that we happen to believe was of profound consequence to them as well." The Arabs responded by rewarding these allies with continuing fuel—contingent on continued good behavior—while punishing those who did not follow this course, such as the Netherlands, which is under an oil embargo by the Arabs, as is the U.S. This raises the question as to the extent which the Arabs can influence the policies of our NATO allies in future conflicts. It is too early to assess the damage these strains may have caused to our Atlantic alliance.

Another aspect of oil diplomacy was evidenced when Singapore refused to refuel our Pacific fleet, lest their oil supply be severed. So the implications of the energy crisis go beyond the purely economic sphere. We are seeing in our own country the impact of fuel shortages on our defense capabilities, despite the fact that only 2.4% of our total U.S. energy goes for defense. Diesel fuel for ground operations has been cut by 60%, gasoline by 36%. Fuel for ship operations is down by 27%, and fuel for air operations by 24%. It may be necessary to keep 50% of our Pacific fleet in port at any given time. Obviously, then, the energy crisis is cutting deeply into our training activities, and could cut into our responsive capabilities too, over a long period, unless we increase our fuel output.

A second point we must consider when we talk about our national interests overseas in the markets and trading partners we need in order to remain an economically viable nation. The chart describing the world gross national product gives a clear indication that there is a pretty sound correlation between our national *interests* and our national *commitments* overseas. Our national policy is far more pragmatic than altruistic.

Other on-going negotiations are also testing the viability of our Atlantic alliance. These include negotiations on offset, burden sharing and Mutual and Balanced Force Reductions, as well as the Conference on Security and Cooperation in Europe. The SALT II talks likewise impact on the alliance, but not so directly.

We are engaged in bilateral negotiations with the West German government to offset the foreign exchange costs which we attribute to maintaining U.S. forces in Germany. We are also pushing NATO for some sort of multilateral arrangement which would cover not only all of the foreign exchange costs of keeping U.S. forces in Europe, but also the incremental budgetary costs—those additional expenditures which we estimate are incurred as a result of stationing U.S. forces in Europe which would not be incurred if the same forces were stationed in the U.S.

Allied with these fiscal problems are our efforts to get our NATO allies to share a greater portion of the financial burden, and also to improve materially their own forces so that their defense role in NATO could be expanded. A NATO study group has been wrestling with these issues for the past several months. The importance of this particular issue was highlighted in the conclusions of a staff report issued by the Senate Foreign Relations Committee:

"To many in the United States, European willingness to make a greater contribution to the maintenance of U.S. forces in Europe is regarded as a primary index of the devotion of the European NATO countries to the principle of common defense. On the other hand, while they accept the necessity of some greater effort on their part, Europeans appear to believe that the United States must acknowledge that its own national interests are served by the maintenance of significant conventional forces in Europe regardless of what the Europeans do to support them. They also believe that the American willingness to acknowledge European concerns is, in turn, a measure of our willingness to make the alliance a true partnership and not only an instrument of U.S. policy."

Late in October of this year, a group of western nations sat down with a group from Communist Eastern Europe to begin negotiations to see if it is feasible to bring about mutual reductions in NATO and Warsaw Pact forces and armaments. The problem for the West is to hold the NATO alliance together while seeking step-by-step practical arrangements which will ensure undiminished security for all parties at a lower level of forces in Central Europe. This tremendous challenge was one of the primary reasons for AUSA's continuing opposition to unilateral U.S. troop reductions in Europe. It is too early yet to make any assessment of the possible success of these negotiations. News reports have indicated an initial Soviet proposal that suggests cuts on the order of 15% for NATO and 19% for the Warsaw Pact. The U.S. and NATO continue to press for cuts that will establish parity between the forces and not perpetuate the imbalance that now exists and would continue to exist under the Soviet proposal. Some leaders here, and more in Europe, are dubious that Soviet long-term intentions have changed and wonder whether or not the Soviets have entered the MBFR negotiations in good faith. The fact remains however, that the possibilities of stabilizing Central Europe at lower levels of risk and expenditure has great appeal to both sides and every effort will be backed by the West, at least, to achieve this prospect.

It is worth noting that our continued strength and perserverance in Europe has been the backbone of NATO and, in fact, has made it possible for negotiations to take place. There obviously would be no need for the Soviets to negotiate if they could impose their will on a weakened Europe by other means. This is another outstanding example of how military strength and determination unite to provide a powerful force for peace and not for war.

The Conference on Security and Cooperation in Europe got under way in Geneva on September 18. Almost all nations of Europe from both sides are participating, as well as the U.S. and Canada. Four primary issues are being considered: political and military aspects of security in Europe; economic cooperation; broadened contacts between people; and possible follow-up arrangements to put conference decisions into effect. Moscow has been pushing for this Conference for almost 20 years. Their desire for some sort of rapprochement is based on a number of points, but not the least of which is their perception of the bug-a-boo of a resurgent Germany which could dominate the West if NATO should weaken and the Common Market efforts fail.

The situation in Europe is a difficult one. The alliance is under great strain, as are the other efforts, such as the Common Market, which we hope will gradually unify the Western European countries. The fuel shortages, if prolonged, will surely impact heavily on the economy of the Common Market countries and, in turn, affect our own trade with the European community.

Our own self-interest requires that we continue to support NATO fully while at the same time negotiating to lower the physical defense requirements. We must not lose sight of the fact that our forward deployments are intended not only to deter potential enemies, but at the same time and equally as important, give assurances to our allies—our presence should represent a stabilizing element in societies that might become volatile without it.

Our interests in Asia are not as easy to define. But foremost is our relationship with Japan. Japan is most significant to the United States. Under the security cloak provided by the United States since World War II, Japan's industrial capacity has expanded to an economic giant power surpassed only by the U.S. and the U.S.S.R. Japan has a gross national product of $200 billion, which is growing in excess of 10% annually—twice the rate of growth of most developed countries—and this expansion is expected to continue if the fuel crisis can be solved. Japanese iron and steel production has grown to the point where she is the world's largest steel exporter—80% of this production going to the U.S. As a trading partner with this country, Japan is exceeded only by Canada.

For the next ten years, at least, areas to the east of India probably will be changing more rapidly and will be more important for U.S. policy. The course of development in Communist China will not necessarily repeat the grim story of the Soviet Union. One difference is the fact that the West Pacific Basin is now the most dynamic region of the world. A realistic U.S. China policy must recognize not only what happened within that country in 1949, but also the other revolution, the political-economic one, perhaps more fundamental, that has occurred around China in the past 10 or 15 years.

Stability, the objective of U.S. policy in Asia, is threatened from many sources. Asia is the geographic point of contact of the divergent interests of four of the world's five major power centers. In brief, these interests are:

The Chinese desire for a position of prestige in the world—particularly dominance on the Asian mainland.

Japanese desire for exploitation of Asian markets and raw materials.

Soviet desire to contain China and exclude U.S. influence.

U.S. desire to prevent dominance by a single power in the area.

To this collection of conflicting pressures is now added considerable anxiety on the part of the U.S. allies. This anxiety is caused by the discrepancy between the stated U.S. policy of continued interest and assistance and the policy perceived by Asians as they observe the withdrawal of U.S. military power and the reduction of assistance from Asia and initiatives towards normalization of U.S.—Chinese relations.

Japan has reacted very promptly and strongly to the oil embargo, for she imports 85% of her oil, mostly from the Mid-East. So she falls hostage, too, to Arab blackmail and must note our inability thus far to be in a position to do much about it. Japan must therefore negotiate the best arrangement she can with the Arab countries to restore the fuel supply she so urgently needs. It is obvious from their point of view that friendship with the U.S. is no guarantee from blackmail.

These kinds of strains, coupled with the draw down of our troops in Asia, certainly create in Asian minds serious doubts about ability, desire or will to fulfill our SEATO commitments. Here again we see clearly the potential for defeat of our interests without armed conflict because our military posture and our perceived will are not credible.

While our draw down in Asia may have satisfied critics of our national policy, it is not clearly understood, particularly by the Asians. We will have to do a better job both at home and abroad in clarifying our interests and intentions in that important area if we are to continue the associations we have there now that are so important to our national interests. We would not support further drawdowns in the immediate future from our present dispositions in Asia.

HOW MUCH DEFENSE DO WE NEED?

Earlier in the year, when we took a look at how much defense we needed, we made certain strategic assumptions which must be reviewed as a preface to this section of our year-end assessment. Because of the devastating nuclear arsenals of both the United States and the Soviet Union, AUSA supported the agreements and treaty that resulted from SALT I. We felt it was a first step toward relieving mankind of the burden and terror of nuclear weapons. We felt it was an important beginning in bringing a halt to the senseless and spiraling strategic arms race. But we prefaced our support by stating clearly that we gave it only on the basis that the U.S. could continue vigorously to modernize and maintain a comparable capability with the Soviets so that we might be in a position to negotiate further acceptable limitations on offensive system and also to prevent the U.S. from being in a position of strategic vulnerability. It is important that our allies and the uncommitted nations have positive evidence of our intention to maintain at least nuclear parity with the Soviet Union. Many of them consider this strategic deterrence essential to their security.

As 1973 draws to a close, we find a further weakening of our defenses vis-a-vis the Soviet Union. For at least the last five years, U.S. military strength has been declining while that of the U.S.S.R. has been increasing. In constant dollars, U.S. defense spending in 1973 is 40% below the level of 1968; Soviet spending, meanwhile, has increased 16% in real terms. Unless this trend is reversed, the U.S. will be militarily inferior to the Soviet Union in a few years.

The SALT II talks are apparently deadlocked. Recent Soviet proposals have been so one-sided as to be totally unacceptable to the United States. Moreover, changes in strategic capabilities are occurring which affect SALT I agreements, as well as any future agreements. Essentially in SALT I we traded some numerical superiority on the part of the Soviets for some technological superiority on our side.

The Russians can now launch more and larger nuclear missiles propelled by rockets of greater power than ours. We still have a substantial lead in weapons technology and precision guidance; principally in our multiple independently targeted reentry vehicles (MIRVs). Minuteman III missiles can launch three and Poseidon missiles up to fourteen warheads each on a separate trajectory for different targets. MIRV has given us the ability to increase the number of warheads we can launch from 4,500 to 7,100 during the past five years, even while the number of our launchers remains unchanged.

Last fall, the Russians conducted test flights of their own MIRVs. While scientists agree that it will take them from five to seven years to perfect this system, it is further evidence that they are striving mightily to close the technological gap.

It seems abundantly clear that much greater efforts need to be made to buttress and improve our strategic forces and our research, development and technological effort if we are not to lose our strategic balance with the Soviets.

Among the U.S. strategic programs calling for more urgent action are the Trident submarine program, the B–1 strategic bomber and the Site Defense ABM advanced technology package.

Trident program continues to enjoy the support of Congress, but they prefer to see the program develop at a much slower pace than the military leaders have proposed. The House Appropriations Committee recommend that the production rate be slowed from 3 to 1 a year, and the Senate went along with this.

The B–1 strategic bomber continues in engineering development. Congress has expressed some dissatisfaction with the management of the program and threatened to slow the pace of development even further. However, this has not been done and the program is moving, but with the same sense of urgency that is required.

Last January, the Army requested $170 million for the research and development of a new ABM system called "Site Defense." This is a system separate from Safeguard. It is designed to provide a point defense for Minuteman missiles. The research and development in this program is required to provide use with a timely and credible hedge against failure to conclude a final agreement on offensive weapons. This program has had rough sledding in Congress. A more effective effort to explain its urgency is required. The Senate restored the very major cuts made by the House, but the program needs more.

The changes in our strategic balance continue against our U.S. interests. A greater understanding of our strategic needs must be developed if we are to obtain the support needed for these important programs.

During the Arab-Israeli war we had further evidence of the outstanding strategic mobility which our C5A provide. Now that the emotion has been stripped from that program, the addition of more squadrons of these highly efficient carriers would greatly enhance our flexibility and security.

In our whole general purpose forces area, the trend has continued downward. We have less combat troops, fewer ships, fewer planes and less equipment. We are at the lowest level in all of these categories since the 1950s.

During the past four years, for example, the number of Army and Marine divisions has dropped from 22 to 16, the number of Navy ships from 976 to 535, our tactical Air Force squadrons from 210 to 163. This leaves us with smaller conventional forces now than before the Vietnam buildup began.

In another section of this paper, we discuss in more detail our defense manpower needs. We should point up here, however, that the Army is about 22,000 men below the baseline force supported by the Department of Defense. One Army combat division takes 16,000 men, which serves to give a measure of the current shortfall. Nevertheless, the Congress has tacked onto the FY74 budget still another personnel cut.

In the area of general purpose force hardware, FY74 can scarcely be termed one of great progress. In close support aircraft, for example, the Senate Armed Services Committee has insisted on setting back the new and badly needed A–10 close support airplane by withholding funds until such time as there is staged a fly-off between it and the Air Force AD–7D Corsair aircraft which has been in the inventory for several years.

The House Appropriations Committee had recommended cutting out $29.3 million of the advance procurement funding for the first sea control ship. Fortunately, the Senate Appropriations Committee restored these funds which, hopefully, will survive the conference and be approved by both houses. Funds for the continued development of the Army's advanced attack helicopter were made available, as were those for work on the new battle tank, the utility transport aircraft system and the mechanized infantry combat vehicle. The Army's new tactical air defense system, SAM–D, was cut about 11% or $22.6 million, however, and the Senate Armed Services Committee directed that an immediate cost-effectiveness study be made of the system.

The short-sighted view would hold that none of these cutbacks seriously degrade our total defense effort and, taken alone, few of them do. But in total they not only represent a continuing diminution of our defense capability, but also a complete lack of any sense of urgency about the serious state of our defense posture. If we are to accept the judgements of the nation's military leaders and their civilian colleagues, our general purpose forces are not now capable of carrying out all the missions to which they have been assigned. Moreover, the FY74 budget will not provide the means to reach this capability.

To restate our earlier view of how much defense we need: "We need enough, with our allies, to deter warfare at all levels and to defend our interests, should deterrence fail. We need enough to maintain technological superiority over the Soviet Union. And above all, we need enough to provide the strength upon which negotiations can be pursued." We do not now measure up to these criteria.

MANPOWER FOR DEFENSE

As the total strength of our nation's Armed Forces continues downward, the efforts to recruit them solely through voluntary means remains the boldest military manpower experiment in the history of our country. It is still one of the most controversial as well.

Charts in this section indicate our military manpower trends over the past years, as well as summarizing the results of our all-volunteer efforts thus far.

Irrespective of the all-volunteer effort, it should be emphasized that our overall strength levels are dangerously low, particularly when examined in conjunction with the Reserve Component portion of our total force, which is similarly below strength. The Reserve Components are discussed in more detail in a later section.

While no one can say with certainty exactly how many soldiers, sailors and airmen we need at this moment in history, we have been told consistently by the administration and its military leaders that the FY74 personnel requests represented a bare-bones, baseline level below which we could not go with safety. Nothing on the international scene has transpired since those submissions which rationally could be construed as lessening international crises, quite the contrary. Tensions are at a substantially higher level than they were last October. So we can only conclude that we are now short of our actual military manpower needs and the only way we have, at the moment, to make up that shortfall is through the all-volunteer effort. Without Presidential authority for inductions under Selective Service, we have no strategic backup for procuring needed military manpower.

The volunteer effort is in fact doing better. In November, for example, the Army *slightly exceeded its* adjusted quota for the first time ever and contributed a couple of hundred extra toward the shortages that have been experienced in every month since the program was started. Those who work closely with the program are optimistic that it has turned the corner, that momentum is improving and that the upward trend lines will continue. It now appears in the judgment of key personnel people that it is entirely possible that an Army end strength in the range of 760–775 thousand is possible by 30 June.

Certainly there is no lack of effort on the part of the military to make a success of the program. In the Army, for example, from the Secretary on down to units in the field, there is enthusiasm, optimism and momentum. There are no signs of foot dragging or half-hearted efforts at compliance with all-volunteer programs. This is salutary, not only from the standpoint of the success of the program, but for the additional benefits that derive from a difficult task attacked by a team effort.

We are not yet at the point where the all-volunteer program can be acclaimed a success, nor do we yet have evidence that when we do reach the initial goals they can be sustained over a period of time.

Congress has expressed increasing restiveness over the costs that they associate with the all-volunteer program. The House Appropriations Committee in its report on the Department of Defense Appropriation Bill was at great pains to point out their continuing view that soaring military personnel costs were "the direct result of the decision to move from the draft to the all-volunteer force." The report goes on to say, "The Committee discussed the all-volunteer force concept at considerable length and concluded that the program should be supported for one more year. This decision was made despite the long range effect of the all-volunteer force concept on America's military posture." This attitude in the Congress has been one of AUSA's continuing concerns about putting all eggs in the all-volunteer basket. The effort simply cannot succeed without the continued strong financial support of the Congress.

The perception by young men and women of the military forces as an attractive career has been an important target of our recruiting advertising and efforts. Improving the will and attitude of youth toward military service has been among the more important goals of the all-volunteer effort. It is discouraging, therefore, to see statements such as that attributed to an Assistant Secretary of Defense favoring reduction of appropriated fund support for commissaries, exchanges, golf courses, hobby shops and day-care centers because "They are an affront to private enterprise." This means a strange pronouncement from a civilian leader of the Defense Department whose colleagues are spending millions of dollars on programs to attract young people to the volunteer program. Whatever the confusion, no one disputes that cutbacks in these types of fringe benefits do impact unfavorably on service attractiveness and hence recruiting.

The volunteer program will suffer setbacks in the months ahead in any period when more of the remaining draftees leave the service than we are able to replace with volunteers. The last big batch of these draftees should be leaving the service in the late summer or early fall. Coincidentally, these same departing draftees represent the last big pool of prior service personnel for the National Guard and Reserve to draw on for their recruiting efforts.

Should our country experience an economic downtrend as a result of the energy crisis, unemployment could be expected to rise with a diminution in civilian job opportunities for young people. Presumably, this could help the all-volunteer effort. On the other hand, it may be essential for this country to take a more belligerent foreign stance and even conceivably engage in limited combat. It remains to be seen what impact these possibilities might have on the flow of volunteers, since we no longer stress as a matter of national policy the obligation of every able-bodied citizen to serve his country if needed.

Not only is there great effort and enthusiasm in the services to meet all-volunteer goals, but a solution may be working out to the problem of maintaining adequate educational and quality levels amongst the volunteers, which would have applicability to draftees as well.

In the absence of more precise criteria, the measuring stick of the quality of input has been the level of formal education and a categorization of skill potential based on a battery of aptitude tests. Not only is such measurement fairly imprecise, it can be misleading and wasteful as well. So several other approaches are being devised to insure that we get the maximum out of those young people who can be persuaded to volunteer.

The Army, for example, has embarked on an experiment with a trainee discharge program which provides a new quality screen. During the first 179 days of a volunteer's military training (basic and advance individual) his leaders are particularly on the lookout for the misfits, the trouble-makers and the inept so that they may be purged from the system, with honorable discharges, before being assigned to their units.

The Army is also experimenting with a "whole-person" approach as a screening device. This application of tests, background information, etc., is similar to the testing of applicants for many colleges, service academies, etc. Behavioral scientists believe strongly that the results of these efforts are easily correlative to the individual's potential for success or failure as a soldier. In connection with this, a whole new battery of tests has been developed.

There are other experiments ongoing as well to try more precisely to make better use of available manpower. The experience thus far shows that four out of five non-high school graduates can become effective soldiers. Hopefully, the efforts described above will help weed out the one that won't.

In summary, it would appear that the all-volunteer effort has made great progress due jointly to the enthusiastic, persevering, can-do attitudes of the military and the strong financial support of the Congress. AUSA will continue to support all measures possible to maintain the momentum that has been established.

Prudence demands that we have in hand also the authority of the President to induct people into the Armed Forces promptly if needed. An analogy can be drawn easily between having the induction authority on the books and the provisions of the War Production Act which permitted the government to act promptly to get oil for defense needs in the present energy crisis. That provision of the law had never been used before, but it was important to our national defense to have it right there when it was urgently needed.

Despite the great effort and all of the good will of our defense leaders, both civilian and military, the volunteer effort is prey to obstacles which they cannot control. We applaud, encourage and support their continued efforts and urge at the same time the prudent back-up of induction authority on the books. It may never be needed, but it doesn't cost anything either. We think it is the best national insurance investment we can make.

THE ARMY'S RESERVE COMPONENTS

In our detailed examination of our Army's Reserve Components in June of last year, we called attention to several points that we thought were particularly important.

The administration has consistently characterized the active forces provided for under the FY74 budget as "a baseline force—the minimum force that the President and the Secretary of Defense consider necessary to carry out our national security objectives." In achieving this baseline force, the administration has assigned far greater responsibility to the National Guard and the Reserve than has heretofore been the case and, for most units, assigned them an early readiness requirement considerably beyond anything they have been asked to do in the past. The rationale in today's environment was to require that the Reserve Components meet certain of our national security requirements which heretofore were the responsibility of active duty forces.

We have indicated in our earlier papers our assumption that the basis for our strategic planning is the one and one half war strategy, which we have previously described in detail. We need only mention our commitments in NATO, the precarious balance in Southeast Asia, the very tenuous situation in the mid-East and the always volatile situation in Latin America to suggest a climate in which complacency has no place. We could respond to none of these precarious situations without the firm backup of our Reserve Components. The Active Army simply does not have sufficient tools to do the job. Of 21 divisions, 8 are in the Guard. And in support elements, two-thirds are in the Reserve forces.

We went on to describe recent Army reorganizations that were designed specifically to assist the Reserve Components with training and readiness problems.

Finally, we analyzed Reserve Component strength and recruiting problems and their impact on our total defense posture.

The *authorized strength* of the Reserve Components as of FY73 constituted 45% of the Army's total force manpower requirements. This will approximate the requirement in the immediate future.

To be sure that this strength problem is more clearly in focus, consider the following:

The authorized overall paid drill strengths for these forces is 411,979 for the Guard and 260,554 for the Reserve, which is really what they should have to meet mobilization requirements.

DOD reduced its requests for Army Reserve manpower authorizations to 379,144 for Guard and 232,591 for the Reserve. This represented an assessment by the Department of the manpower problem and how difficult it has been to solve. Defense leaders have been adamant in their testimony on these lower strength requests that they are not recommending a smaller Reserve Component. They point out clearly that no priority missions have been eliminated. What they are asking for is a floor upon which they hope to rebuild the strength.

Congress mandated by law that a minimum average strength of the Army National Guard would be 379,144 for FY74. The Army Guard is projected to end FY74 with a strength right at 400,000. As their low was only 384,424, they will exceed the funded average. Money will most certainly be provided by Congress for the overage.

In the case of the Army Reserve, the Congressionally established minimum average strength was 232,591. The USAR recruiting trends have been slower to bottom out, but Reserve leaders feel that these can be reversed and that at year end they will approach the 232,000 goal.

The full TO&E strength for the force structure of the Army's Reserve Components is 711,000. The Congress has appropriated money for about 79% of the actual TO&E strengths of these units, believing these to be the actual goals that will be met.

We mention the TO&E strength only to point up the fact that when our Reserve Components reach the full strengths authorized by Congress, they are still short 21% of their TO&E strength and approach the point where meaningful team training is jeopardized.

As a result of a truly Herculean effort, it now appears that the Army National Guard has a good chance of meeting a strength goal of 400,000 by the end of the fiscal year on 30 June. This will be accomplished without the requested special incentives package which the Congress has failed to enact. It also has been accomplished with some sacrifice of training and administrative time and effort. We cannot expect to develop well-trained and adequately ready Reserve Component units if the greater part of their energies must be devoted consistently to recruiting. There is also serious concern that in their drive to meet the 400,000 goal, the Army Guard has failed to meet their quota of non-prior service recruitees. This is a situation which can be tolerated only in the short term if the organization is not to suffer. The prior service pool of prospects is drying up fast now that the Army strength is getting down to all volunteer. By early fall, all the draftees will have left the active duty services.

Unfortunately, the trend in the Army Reserve has continued downward. The Reserve has not met a recruiting goal since the draft was eliminated. Reserve leaders are hopeful that an uptrend in the last six months will enable them to approach their goal. Their recruiting problems are obviously very similar to the Guard's.

An additional source of concern that has received almost no public attention is the downward plunge of those available in the Individual Ready Reserve—the pool from which fillers are to be supplied to both the Active Army as well as our Reserve Components. In FY73, the IRR was projected 70,323 officers and 680,111 enlisted men for a total of 750,434. By the first of October 1973, there were actually 705,000 on board. Projections out over the next five years would indicate that the total availability in the IRR pool could drop to around 200,000.

It should be obvious that the Reserve Components need assistance. The House Appropriations Committee alluded to this in their report when they discussed "Increased benefits or a Reserve draft." They also urge a realignment of the Reserve structure.

We also see in the press obviously knowledgeable stories about a Defense Department proposed cutback in our Army Reserve Components. The figure that most frequently is mentioned is 48,000 plus the 4,500 air defense spaces the Guard will lose with the phase out of its air defense units.

Such a cut would be most unwise unless there were a compensating increase in the size of our active forces. As we pointed out earlier, it has been the consistent position of the administration and defense leaders that our total force structure is truly a bare-bones, baseline force and that we need every single slot. To suggest a cut of this magnitude in our Reserve Component forces at a time when our active establishment is at its lowest ebb in more than 20 years seems to us the height of folly. We should now be embarked on a vigorous program for filling up and strengthening our Reserve forces rather than cutting them.

This, in our opinion, is the time to bend our energies toward helping our Reserve Components meet their goals—not to further demoralize and disrupt them.

We suggest that two actions can be taken promptly that will materially improve the situation: 1) pass the special incentive legislation that has been pending before the Congress, and 2) restore the authority of the President to induct under the Selective Service Act. It's a very feasible way to provide all the essential manpower we need for all components at a reasonable cost.

Once the manpower problems have been suitably addressed, allow the new Reserve Readiness organization of the active Army the opportunity to get on with their task of assisting the Reserve Components with their training and readiness problems. Nothing constructive can be accomplished by any organization in a constant atmosphere or reorganization, upheaval and chance. We have inflicted so many reorganizations on our Reserve Components already that it is a tribute to the dedication or perversity of our Reserve Component leaders at all levels that we have the capable unit organizations that do exist.

If there are some small marginal units that are not needed for our combat or combat support structure, these can be converted into more pertinent organizations. There will frequently be minor adjustments in types of units that will be required, but we feel it is time that the major organizations be left alone.

Conclusion

From the standpoint of our national defense, our country faces the new year in a relatively weaker defense posture than twelve months ago. The international tensions and the strains on our old alliances are more dangerous than a year ago. So the prudent course of action seems completely clear—to strengthen our own defenses.

We were struck by the philosophy enunciated by the Senate Appropriations Committee in stating the principles which guided their consideration of the Defense Appropriation Bill. One of the principles was obviously the need for economy, but they described the other thusly: ". . . the necessity for an adequate defense posture—one that will honor our treaty commitments, discourage aggressive action, and protect our way of life. In the last three decades, the United States has engaged in three major conflicts. At the outset of each of these struggles, we were either woefully unprepared, as in World War II, or only marginally prepared, as in the Korean War and the war in Southeast Asia. It would be idle to speculate over imponderables as to the degree to which our military lack of preparedness encourages these aggressions. Because of the advent of nuclear fission, America can expect no grace period of months or years in which to ready our defenses as it enjoyed in the past. In time of crisis, we would be forced to utilize the resources we have at hand . . . We are well aware of the fate of nations who are forced to negotiate through weakness. And those nations who in years past have amply demonstrated their desire for world dominance have more recently increased, rather than relaxed, their military potential. Under these conditions, it behooves this country to maintain a military strength commensurate with an anticipated threat not merely as a bargaining agent, but rather as a condition of national survival."

We agree. What is needed now is to match our deeds to the words.

RULES OF PROCEDURE—COMMITTEE ON GOVERNMENT OPERATIONS

Mr. ERVIN. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, which requires the rules of each committee to be published in the Congressional Record no later than March 1 of each year, I ask unanimous consent that the rules of the committee be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Rules of Procedure Adopted by the Committee on Government Operations

PURSUANT TO SECTION 133B OF THE LEGISLATIVE REORGANIZATION ACT OF 1946, AS AMENDED

Rule 1. Meetings and meeting procedures other than hearings

A. *Meeting dates.* The committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite committee business. (Sec. 133(a), Legislative Reorganization Act of 1946, as amended.)

B. *Calling special committee meetings.* If at least three members of the committee desire the chairman to call a special meeting, they may file in the offices of the committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within three calendar days after the filing of such request, the chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special committee meeting will be held, specifying the date and hour thereof, and the committee shall meet on that date and hour. Immediately upon the filing of such notice, the committee clerk shall notify all committee members that such special meeting will be held and inform them of its date and hour. If the chairman is not present at any regular, additional or special meeting, the ranking majority member present shall preside. (Sec. 133(a), Legislative Reorganization Act of 1946, as amended.)

C. *Meeting notices and agenda.* Written notices of committee meetings, accompanied by an agenda enumerating the items of business to be considered, shall be sent to all committee members at least three days in advance of such meetings. In the event that unforeseen requirements of committee business prevent a three-day notice, the committee staff shall communicate such notice by telephone to members or appropriate staff assistants in their offices, and an agenda will be furnished prior to the meeting.

D. *Open business meetings,* Meetings for the transaction of committee or subcommittee business shall be conducted in open session, except that a meeting or portions of a meeting may be held in executive session when the committee members present, by majority vote, so determine. The motion to close a meeting, either in whole or in part, may be considered and determined at a meeting next preceding such meeting. Whenever a meeting for the transaction of committee or subcommittee business is closed to the public, the Chairman of the committee or the subcommittee shall offer a public explanation of the reasons the meeting is closed to the public. This paragraph shall not apply to the Permanent Subcommittee on Investigations.

Rule 2. Quorums

A. *Reporting legislation.* Eight members of the committee shall constitute a quorum for reporting legislative measures or recommendations. (Sec. 133(d), Legislative Reorganization Act for 1946, as amended).

B. *Transaction of routine business.* Six members of the committee shall constitute a quorum for the transaction of routine business. For the purpose of this paragraph, the term "routine business" includes the convening of a committee meeting and the consideration of legislation pending before the committee and any amendments thereto, and voting on such amendments.[5] (Rule XXV, Sec. 5(a) Standing Rules of the Senate.)

C. *Taking sworn testimony,* Two members of the committee shall constitute a quorum for taking sworn testimony: *Provided, however,* That one member of the committee shall constitute a quorum for such purposes, with the approval of the chairman and the ranking minority member of the committee, or their designees. (Rule XXV, Sec. 5(b), Standing Rules of the Senate.)

D. *Taking unsworn testimony.* One member of the committee shall constitute a quorum for taking unsworn testimony. (Sec. 133(d)(2), Legislative Reorganization Act of 1946, as amended.)

E. *Subcommittee quorums.* Subject to the provisions of section 5(a) and 5(b) of Rule XXV of the Standing Rules of the Senate, and section 133(d) of the Legislative Reorganization Act as amended, the subcommittees of this committee are authorized to establish their own quorums for the transaction of business and the taking of sworn testimony.

F. *Proxies prohibited in establishment of a quorum.* Proxies shall not be considered for the establishment of a quorum.

Rule 3. Voting

A. *Quorum required.* No vote may be taken by the committee, or any subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. *Reporting legislation.* No measure or recommendation shall be reported from the committee unless a majority of the committee members are actually present, and the vote of the committee to report a measure or matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

C. *Proxy voting.* Proxy voting shall be allowed on all measures and matters before the committee, or any subcommittees thereof, except that, when the committee, or any subcommittee thereof, is voting to report a measure or recommendation, proxy votes shall be allowed solely for the purposes of recording a member's position on the pending question and then, only if the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. All proxies shall be addressed to the chairman of the committee and filed with the chief clerk thereof, or to the chairman of the subcommittee and filed with the clerk thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the committee as to how the member wishes his vote to be recorded thereon. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

D. *Announcement of vote.* (1) Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such mesaure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

(2) Whenever the committee by rollcall vote acts upon any measure or amendment thereto, other than reporting a measure or recommendation, the results thereof shall be announced in the committee report on that measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the committee who was present at that meeting. (Sec. 133(b), Legislative Reorganization Act of 1946, as amended.)

(3) In any case in which a rollcall vote is announced, the tabulation of votes shall state separately the proxy votes recorded in favor of and in opposition to that measure, amendment thereto, or recommendation. (Sec. 133(b) and (d), Legislative Reorganization Act of 1946, as amended.)

Rule 4. Hearings and hearing procedures

A. *Announcement of hearings.* The committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Sec. 133A(a), Legislative Reorganization Act of 1946, as amended.)

B. *Open hearings.* Each hearing conducted by the committee, or any subcommittee thereof, shall be open to the public unless the committee, or subcommittee, determines that the testimony to be taken at that hearing may (1) relate to a matter of national security, (2) tend to reflect adversely on the character or reputation of the witness or any other individual, or (3) divulge matters deemed confidential under other provisions of law or Government regulations. (Sec. 133A(b), Legislative Reorganization Act of 1946, as amended.)

C. *Radio, television, and photography.* The committee, or any subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television or both, subject to such conditions as the committee, or subcommittee, may impose. (Sec. 133A(b), Legislative Reorganization Act of 1946, as amended.)

D. *Advance statements of witnesses.* A witness appearing before the committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least one day prior to his appearance, unless this requirement is waived by the chairman and the ranking minority member, following their determination that there is good cause for failure of compliance. (Sec. 133A(c), Legislative Reorganization Act of 1946, as amended.)

E. *Minority witnesses.* In any hearings conducted by the committee, or any subcommittee thereof, the minority members of the committee shall be entitled, upon request to the chairman by a majority of the minority to call witnesses of their selection during at least one day of such hearings. (Sec. 133A(e), Legislative Reorganization Act of 1946, as amended.)

Rule 5. Committee reports

A. *Timely filing.* When the committee has ordered a measure or recommendation reported, following final action, the report thereon shall be filed in the Senate at the earliest practicable time. (See 133(c), Legislative Reorganization Act of 1946, as amended.)

B. *Supplemental, minority, and additional views.* A member of the committee who gives notice of his intention to file supplemental, minority or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views. (Sec. 133(e), Legislative Reorganization Act of 1946, as amended.)

C. *Draft reports of subcommittees.* All draft reports prepared by subcommittees of this committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the committee at the earliest practicable time.

D. *Cost estimates in reports.* All committee reports, accompanying a bill or joint resolution of a public character reported by the committee, shall contain (1) an estimate, made by the committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next five fiscal years thereafter (or for the authorized duration of the proposed legislation, if less than five years); (2) a comparison of such cost estimates with any made by a Federal agency; or (3) a statement of the reasons for failure by the committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (See 252(a), Legislative Reorganization Act of 1970.)

Rule 6. Subcommittees and subcommittee procedures

A. *Regularly established subcommittees.* The committee shall have four regularly established subcommitees, as follows:

Permanent Subcommittees on Investigations

Intergovernmental Relations

Reorganization, Research, and International Organizations

Budgeting, Management, and Expenditures

B. *Ad hoc subcommittees.* Following consultation with the ranking minority member, the chairman shall, from time to time, establish such ad hoc subcommittees as he deems necessary to expedite committee business.

C. *Subcommittee membership.* Following consultation with the majority members, and the ranking minority member, of the commitee, the chairman shall annouce selections for membership on the subcommittees referred to in paragraphs A and B, above.

D. *Subcommittee meetings and hearings.* Each subcommittee of this committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the committee.

E. *Subcommittee budgets.* Each subcommittee of this committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the committee, not later than January 10 of that year, its request for funds for the 12-month period beginning on March 1 and extending through and including the last day in February of the following year. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a written justification, addresed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities; (2) its accomplishments during the preceeding year; and (3) a table showing a comparison between (*a*) the funds authorized for expenditure during the preceding year, (*b*) the funds actually expended during that year, (*c*) the amount requested for the current year, and (*d*) the number of professional and clerical staff members and consultants employed by the subcommittee during the preceding year and the number of such personnel requested for the current year. (Sec. 133(g), Legislative Reorganization Act of 1946, as amended.)

UKRAINIAN INDEPENDENCE

Mr. TAFT. Mr. President, I have received a copy of the remarks made by Prof. Michael S. Pap, Ph. D., of John Carroll University, Cleveland, Ohio, at the Commemoration Academy sponsored by the United Ukrainian Organization on January 20. His views are indicative of my feelings, and I am sure of the majority of the Members of Congress, that world freedom is, and has always been, one of our primary goals. I ask unanimous consent that the remarks of Dr. Michael Pap be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

The Proclamation of the Independent Ukrainian Democratic Republic in January 1918

(Remarks by Professor Michael S. Pap, Ph. D.)

The Anniversary celebrated by the Ukrainians in the free world each January has a meaningful significance not only for the Ukrainians but for the people of the United States and the whole free world as well. It is obvious that when freedom is obliterated in one country, it indirectly affects all the other free peoples. At a time when Moscow tries to impress the world as the champion on anti-colonialism, there is an urgent need to remind our people of the fate of nations forced to live under the brutal oppression of Communist Russian dictatorship.

Ukraine, with a population of 45 million, was the first victim of Soviet Russian aggression. It is the largest non-Russian nation within the Soviet Russian Empire. This entitles it to rank in Europe next to Russia, Germany, and France not only in terms of population, but also in terms of strategic geographic position and rich resources. Because of its resources, it had always been regarded as a coveted prize of aggressors—first the Mongols, then Moscovite Tsars and finally the Russian Communists.

When, in 1917, the Russian autocratic Government disintegrated, the Ukrainian people availed themselves of the opportunity to regain their own independence. A National Government was formed which then issued decrees and promulgated laws, securing liberty and equality for all citizens of Ukraine. At the same time, the Russian Communist Party issued its declaration in favor of the right to self-determination. It soon became apparent, however, that this Soviet declaration was only a clever Bolshevik maneuver to preserve the unity of the former Russian Empire. Simultaneously with the ostentatious proclamation of the right to self-rule, the Soviet Russian Government dispatched to the Ukrainian National Government a 48-hour ultimatum dated December 17, 1917, signed by Lenin and Stalin, demanding unconditional surrender and the acceptance of Soviet Russian domination over Ukraine.

The reply by the Ukrainian Government of December 19, 1917, is regarded today as an historical and a classic document which clearly exhibits a unique comprehension of the potential Communist threat not only to the young Ukrainian Republic, but to the free peoples throughout the world. Ukrainians realized already in 1917 that between the Tsarist and the Bolshevik imperialism, there was little or no difference. Rejecting the Soviet Ultimatum, Ukraine proclaimed for Independence on January 22, 1918. A proclamation of the reunification of all Ukrainian territories in one single democratic state followed a year later on January 22, 1919. With these two significant acts, the Ukrainians demonstrated to the world that *Moscow* and *Kiev* represented two different cultures, two different nations, and two different mentalities. Kiev personified the democratic concept of government based on respect for human rights and the dignity of man, while Moscow represented not only totalitarianism but also a godless force of destruction.

The ensuing Russian-Ukrainian war of almost four years' duration (1917–1921) is rather obscured, because at that time Communism was not recognized as a danger to the free world. The Russian Communists were aided in their war against Ukrainians by a majority of the Russians who sacrificed democracy in order to preserve the unity of the Russian Empire. How well the Ukrainians understood the danger of Russian Bolshevism can best be described by quoting the Ukrainian Representative Liubinsky at the Brest-Litovsk Peace Conference in February, 1918, when following Trotzky's declarations of Communist "peaceful" airs, he stated:

"The noisy declarations of the Bolsheviks regarding the complete freedom of the people of Russia is but the vulgar stuff of demagogy. The Government of the Bolsheviks, which has broken up the Constituent Assembly and which rests on the bayonets of hired Red Guards, will never elect to apply in Russia the very just principle of self-determination, for they know only too well that not only the Republic of the Ukraine but also the Don, the Caucasus, Siberia, and other regions do not regard them as their government, and that even the Russian people, themselves, will ultimately deny their right; only because they are afraid of the development of a National Revolution do they declare here at the peace conference and within Russia, with a spirit of demagogy peculiar to themselves, the right of self-determination of the peoples. They themselves are struggling against the realization of this principle and are resorting not only to hired bands of Red Guards but also to meaner and even less legal methods."

Since the Bolshevik Russian occupation of Ukraine, ten million Ukrainians or more died in the defense of their Independence. Ukraine would have remained free had the Western nations paid heed to her warnings of the potential Communist menace and answered her desperate call for moral and military assistance. Without Ukraine's strategic position and her immeasurable mineral resources the Soviet Russian Government would have difficulties in initiating aggressive policies toward the West. We, Americans, should find comfort in knowing that the Union of Soviet Socialist Republics is not *all Russia*, but a chain of captive nations yearning for an opportunity to break this chain of bondage and become masters of their destinies within their respective Republics. During and after World War II, the Ukrainian Insurgent Army was actively engaged in fighting Nazism and Communism alike. Paradoxically, the Western Powers *again* were not interested in the emergence of this freedom force in Eastern Europe and unwittingly helped the Kremlin pave its way to the heart of Europe and Asia. On the basis of our experience with the Communists, we should know by now that the only policy capable of shaking the foundation of the Soviet Russian slave empire is a policy motivated by the idea of individual and national liberty for all. It is this ideological weapon the Communists fear most. For this reason, the Ukrainians would wholeheartedly support the U.S. ideological reorientation which would include an *open* support for Ukraine's as well as for other nations' right to liberty and independence. Such a policy would force the Kremlin into a defensive position and may prove to be the best deterrent to a nuclear war.

SUNSET IN THE DESERT

Mr. GOLDWATER. Mr. President, Arizona, which abounds in scenic wonders, also has its share of able poets. One of the latter is Judge Carr Bailey of Sun City, Ariz., who has written a poetic tribute entitled "Sunset in the Desert." Judge Bailey's poem was first published on October 5, 1973, in the Sun City News Sun. It described a sunset which Judge Bailey informs me he saw on October 3, 1973, and which "could be viewed only in Arizona."

I ask unanimous consent that Judge Bailey's poem be printed in the Record.

There being no objection, the poem was ordered to be printed in the Record, as follows:

Sunset in the Desert

(By Judge Carr Bailey)

A sunburst sinks slowly behind the crags
And peaks of Arizona; aloft glows a flaming
Expanse of western skies. There's a hush of
Death about the landscape; no chirrup of the
Cricket is heard; nightbirds are silent
While the mating call of the coyote from
Hilltop to hilltop is muted.

Now, the budding horns of a new moon appear,
To blend the day into evening twilight as life
Again begins to stir for survival in the desert.
Out of the darkness high above, the incessant
Cry of wild geese penetrates the stillness; on
Tired pinions they fly unerringly southward to
The gulf, a haven from the wintry storms on the
Coastal plains of their Arctic home.

In the false-dawn of the morning a wolftail
Streams across the sky to herald a new day; shafts
Of sunbeams steal above the distant ramparts as
The domes and spires of the city glisten in the
Splendor of dewdrops and sunshine; a mouse
Scurries on little white feet before the fluttering
Wings of a screeching owl. A horny toad blinks sleepy
Eyes as it drifts into slumber.

Desert life seeks the shadows from a blazing orb as
Man goes blithely on, oblivious to the long night
Awaiting—a night of mystery and eternity.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the record is clear: 78 nations of the world have ratified the United Nations' Genocide Convention treaty, but ours has not. We must act now, before the name of the United States falls even further down the list of those endorsing this affirmation of human rights.

As I have said before, our claims to moral leadership suffer every time this treaty is mentioned in an international forum. No matter how fervently we may argue our commitment to liberty, that commitment can always be questioned: "Why do you not support the Genocide Convention?" And our diplomats are always at pains to give an answer, for they themselves do not know. The truth is that there is no satisfactory reason for our failure to ratify this document, and the time to correct that failure has long been upon us.

Mr. President, it is bad enough that we were not the very first to approve this treaty; that would have been consistent with our traditions and heritage. Let us take action before we are in danger of being the last.

SOLZHENITSYN: LIVE NOT BY LIES

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the Record the essay written by Alexander Solzhenitsyn dated February 12. The essay is called "Live Not By Lies" and is currently being read and distributed by Moscow's intellectuals. The text is from the Washington Post, Monday, February 18, 1974.

There being no objection, the essay was ordered to be printed in the Record, as follows:

Live Not by Lies

(Moscow, February 17.—Following is the full text of Alexander Solzhenitsyn's essay "Live Not By Lies." It is perhaps the last thing he wrote on his native soil and is circulating among Moscow's intellectuals. The essay is dated Feb. 12, the day that secret police broke into his apartment and arrested him. The next day he was exiled to West Germany.)

At one time we dared not even to whisper. Now we write and read *samizdat,* and sometimes when we gather in the smoking room at the Science Institute we complain frankly to one another: What kind of tricks are they playing on us, and where are they dragging us? Gratuitous boasting of cosmic achievements while there is poverty and destruction at home. Propping up remote, uncivilized regimes. Fanning up civil war. And we recklessly fostered Mao Tse-tung at our expense—and it will be we who are sent to war against him, and will have to go. Is there any way out? And they put on trial anybody they want, and they put sane people in asylums—always they, and we are powerless.

Things have almost reached rock bottom. A universal spiritual death has already touched us all, and physical death will soon flare up and consume us both and our children—but as before we still smile in a cowardly way and numble without tongues tied: But what can we do to stop it? We haven't the strength.

We have been so hopelessly dehumanized that for today's modest ration of food we are willing to abandon all our principles, our souls, and all the efforts of our predecessors and all the opportunities for our descendants—but just don't disturb our fragile existence. We lack staunchness, pride and enthusiasm. We don't even fear universal nuclear death, and we don't fear a third world war. We have already taken refuge in the crevices. We just fear acts of civil courage.

We fear only to lag behind the herd and to take a step alone—and suddenly find ourselves without white bread, without heating gas and without a Moscow registration.

We have been indoctrinated in political courses, and in just the same way was fostered the idea to live comfortably, and all will be well for the rest of our lives: You can't escape your environment and social conditions. Everyday life defines consciousness. What does it have to do with us? We can't do anything about it.

But we can—everything. But we lie to ourselves for assurance. And it is not they who are to blame for everything—we ourselves, only we. One can object; But actually you can think anything you like. Gags have been stuffed into our mouths. Nobody wants to listen to us, and nobody asks us. How can we force them to listen? It is impossible to change their minds.

It would be natural to vote them out of office—but there are no elections in our country. In the West people know about strikes and protest demonstrations—but we are too oppressed, and it is a horrible prospect for us: How can one suddenly renounce a job and take to the streets? Yet the other fatal paths probed during the past century by our bitter Russian history are, nevertheless, not for us, and truly we don't need them.

Now that the axes have done their work, when everything which was sown has sprouted anew, we can see that the young and presumptuous people who thought they would make our country just and happy through terror, bloody rebellion and civil war were themselves misled. Now think, fathers of education! Now we know that infamous methods breed infamous results. Let our hands be clean!

The circle—is it closed? And is there really no way out? And is there only one thing left for us to do, to wait without taking action? Maybe something will happen by itself? It will never happen as long as we daily acknowledge, extoll, and strengthen—and do not sever ourselves from—the most perceptible of its aspects: Lies.

When violence intrudes into peaceful life, its face glows with self-confidence, as if it were carrying a banner and shouting: "I am violence. Run away, make way for me— I will crush you. But violence quickly grows old. And it has lost confidence in itself, and in order to maintain a respectable face it summons falsehood as its ally—since violence can conceal itself with nothing except lies, and the lies can be maintained only by violence. And violence lays its ponderous paw not every day and not on every shoulder: It demands from us only obedience to lies and daily participation in lies—all loyalty lies in that.

And the simplest and most accessible key to our self-neglected liberation lies right here: Personal nonparticipation in lies. Though lies conceal everything, though lies embrace everything, we will be obstinate in this smallest of matters: Let them embrace everything, but not with any help from me.

This opens a breach in the imaginary encirclement caused by our inaction. It is the easiest thing to do for us, but the most devastating for the lies. Because when people renounce lies it simply cuts short their existence. Like an infection, they can exist only in a living organism.

We do not exhort ourselves. We have not sufficiently matured to march into the squares and shout the truth out loud or to express aloud what we think. It's not necessary.

It's dangerous. But let us refuse to say that which we do not think!

This is our path, the easiest and most accessible one, which takes into account our inherent cowardice, already well-rooted. And it is much easier—it's dangerous even to say this—than the sort of civil disobedience which Gandhi advocated.

Our path is not to give conscious support to lies about anything whatsoever! And once we realize where lie the perimeters of falsehood—each sees them in his own way.

Our path is to walk away from this gangrenous boundary. If we did not paste together the dead bones and scales of ideology, if we did not sew together rotting rags, we would be astonished how quickly the lies would be rendered helpless and subside.

That which should be naked would then really appear naked before the whole world.

So in our timidity, let each of us make a choice: Whether consciously to remain a servant of falsehood—of course, it is not out of inclination, but to feed one's family, that one raises his children in the spirit of lies—or to shrug off the lies and become an honest man worthy of respect both by one's children and contemporaries.

And from that day onward he:

Will not henceforth write, sign or print in any way a single phrase which in his opinion distorts the truth.

Will utter such a phrase neither in private conversation nor in the presence of many people, neither on his own behalf nor at the prompting of someone else, neither in the role of agitator, teacher, educator, nor in a theatrical role.

Will not depict, foster or broadcast a single idea which he can see is false or a distortion of the truth, whether it be in painting, sculpture, photography, technical science or music.

Will not cite out of context, either orally or written, a single quotation so as to please someone, to feather his own nest, to achieve success in his work, if he does not share completely the idea which is quoted, or if it does not accurately reflect the matter at issue.

Will not allow himself to be compelled to attend demonstrations or meetings if they are contrary to his desire or will, will neither take into hand nor raise into the air a poster or slogan which he does not completely accept.

Will not raise his hand to vote for a proposal with which he does not sincerely sympathize, will vote neither openly nor secretly for a person whom he considers unworthy or of doubtful abilities.

Will not allow himself to be dragged to a meeting where there can be expected a forced or distorted discussion of a question.

Will immediately walk out of a meeting, session, lecture, performance or film showing if he hears a speaker tell lies, or purvey ideological nonsense or shameless propaganda.

Will not subscribe to or buy a newspaper or magazine in which information is distorted and primary facts are concealed.

Of course, we have not lised all of the possible and necessary deviations from falsehood. But a person who purifies himself will easily distinguish other instances with his purified outlook.

No, it will not be the same for everybody at first. Some, at first, will lose their jobs. For young people who want to live with the truth, this will, in the beginning, complicate their young lives verw much, because the required recitations are stuffed with lies, and it is necessary to make a choice.

But there are no loopholes for anybody who wants to be honest: On any given day, any one of us will be confronted with at least one of the above-mentioned choices even in the most secure of the technical sciences. Either truth or falsehod: Toward spiritual independence, or toward spiritual servitude.

And he who is not sufficiently courageous even to defend his soul—don't let him be proud of his "progressive" views, and don't let him boast that he is an academician or a people's artist, a merited figure, or a general—let him say to himself: I am in the herd, and a coward. It's all the same to me as long as I'm fed and warm.

Even this path, which is the most modest of all paths of resistance, will not be easy for us. But it is much easier than self-immolation or a hunger strike: The flames will not envelope your body, your eyeballs will not burst from the heat, and brown bread and clean water will always be available to your family.

A great people of Europe, the Czechoslovaks, whom we betrayed and deceived: Haven't they shown us how a vulnerable breast can stand up even against tanks if there is a worthy heart within it?

You say it will not be easy? But it will be the easiest of all possible resources. It will not be an easy choice for a body, but it is the only one for a soul. No, it is not an easy path. But there are already people, even dozens of them, who over the years have maintained all these points and live by the truth.

So you will not be the first to take this path, but will join those who have already taken it. This path will be easier and shorter for all of us if we take it by mutual efforts and in close rank. If there are thousands of us, they will not be able to do anything with us. If there are tens of thousands of us, then we would not even recognize our country.

If we are too frightened, then we should stop complaining that someone is suffocating us. We ourselves are doing it. Let us then bow down even more, let us wait, and our brothers the biologists will help to bring nearer the day when they are able to read our thoughts.

And if we get cold feet, even taking this step, then we are worthless and hopeless, and the scorn of Pushkin should be directed to us:

"Why should cattle have the gifts of freedom?

"Their heritage from generation to generation is the belled yoke and the lash."

LITHUANIAN INDEPENDENCE DAY

Mr. JAVITS. Mr. President, on February 16, people throughout the world—especially those of Lithuanian descent—observed the 56th anniversary of Lithuanian Independence Day. The Republic of Lithuania was established in 1918, however, that nation's political liberty was shortlived. In 1940, following Stalin's infamous bargain with Hitler, the Soviet Union invaded and overran this heroic little country. But the independence of the Lithuanian spirit and Lithuanian culture has not been extinguished.

The world has continued to witness many manifestations of the Lithuanians' continuing aspirations for freedom and independence. Recent demonstrations of this undying desire are the signing by 17,000 Roman Catholic Lithuanians of a petition to United Nations Secretary General Waldheim calling his attention to continued religious persecution in Lithuania and throughout the Soviet Union, the self-immolation of Romas Kalanta in protest to the Soviet regime and the tragically truncated attempt of Simas Kudirka to seek asylum in this country.

Mr. President, these expressions of the desire for freedom and independence have not gone unnoticed in the free world. It would be tragic, indeed, if in our search for a basis of understanding with the Soviet Union, we abandoned our solidarity with those Lithuanians who crave their freedom. The sacrifices of Lithuanian men and women over the centuries in the search for freedom and self-expression demand no less.

ARTICLE IN THE FBI MAGAZINE ENTITLED "ATTORNEY GENERAL WILLIAM BART SAXBE"

Mr. THURMOND. Mr. President, the February issue of the magazine, the FBI, contains an article of interest to all Americans, and particularly to the Members of this body. It is a brief résumé of the distinguished public career of our former colleague, and now U.S. Attorney General, William Bart Saxbe.

Mr. President, I ask unanimous consent that this article be printed in the Record, and I again commend our former colleague on his fine public career and wish him every success in the future.

There being no objection, the article was ordered to be printed in the Record, as follows:

Attorney General William Bart Saxbe

On January 4, 1974, the United States gained its 70th Attorney General, the Honorable William Bart Saxbe. He succeeds the Honorable Elliot L. Richardson, who recently resigned from this position.

With his long and distinguished career of public service, Mr. Saxbe brings to the position as head of the Department of Justice a rich reservoir of experience. At the time of his nomination by Prestident Richard M. Nixon, Mr. Saxbe was the senior U.S. Senator from Ohio.

Born in Mechanicsburg, Ohio, on June 24, 1916, Mr. Saxbe can trace his ancestral roots to Patrick Henry, the great American orator and patriot. In 1940, following graduation from Ohio State University, Mr. Saxbe entered on active duty with the U.S. Army. During World War II, he served in cavalry and armored divisions, with subsequent transfer to the Air Corps where he was a bomber pilot. After the war, Mr. Saxbe enrolled in the Ohio State Law School, from which he received his LL.B. degree in 1948. He is also a veteran of the Korean War, having served honorably from 1951–52.

In 1946, Mr. Saxbe was elected to the Ohio House of Representatives, beginning his public service career at the age of 29. He was reelected to the House three times, and at the age of 34 became majority leader. Three years later, he was chosen Speaker of the Ohio House. From 1957–58 and from 1963–68, he was the Attorney General of Ohio, serving as the State's chief legal officer longer than any other person.

Mr. Saxbe was admitted to the Ohio bar in 1948 and was a practicing attorney there from 1948–58 and from 1960–63. In addition to membership in the Ohio State Bar Association, he is a member of the American Bar Association and of the American Judicature Society. Six Ohio colleges have recognized Mr. Saxbe's accomplishments and have awarded him honorary degrees.

On November 5, 1968, Mr. Saxbe was elected to the U.S. Senate. During his tenure there, he earned the respect of his colleagues. His assignments included the Armed Forces Committee, the Government Operations Committee, and the Post Office and Civil Service Committee.

Mr. Saxbe has been married to the former Ardath (Dolly) Kleinhans since 1940. They have two sons, a daughter, and three grandchildren.

LITHUANIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, February 16 was the 56th anniversary of Lithuania's independence. It is my privilege today to pay tribute to the gallant and courageous people of Lithuania whose history reaches back to the 11th century.

Lithuania has been thwarted time and again from functioning as an independent state. On February 16, 1918, at the close of World War I, the Lithuanian people proclaimed their independence and established a free government. The Bolsheviks invaded the newly established state, but after a bitter struggle the Lithuanians drove them back and forced the Bolshvik government to sign a peace treaty on July 19, 1920.

During the period between the two world wars Lithuania knew peace and independence. These 20 years were years of national revival when Lithuanian literature and culture blossomed.

But in 1940 Soviet troops marched into the Baltic and occupied Lithuania, along with Latvia and Estonia. Domination by the Soviets, however, did not quench the spirit and resolve of these free and independent thinking people. Even now, after almost 24 years of Soviet control, Lithunanians are risking and sacrificing their lives in defiance of the Soviet regime, seeking religious and political freedom for their country. The unsuccessful escape attempt of the Lithuanian sailor, Simas Kudirka; the self-immolation of 20-year-old Romas Kalanta; the subsequent demonstration by thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to the United Nations, demonstrate Lithuanian thirst for freedom.

Mr. President, we the people of the free world cannot forget our good friends, the Lithuanians. Even after decades of Communist and Nazi domination and persecution, these liberty-loving and stouthearted people cherish and pursue their freedom. We Americans should rededicate ourselves to the ideals of freedom and justice that motivated the Lithuanians in 1918 and continue to motivate them to this day.

PRESSING AIR FORCE NEEDS

Mr. GOLDWATER. Mr. President, it might surprise some Members of the Senate to learn that the United States "sees" almost instantly any intercontinental ballistic missile regardless of when and where it is launched, and also knows where it is going.

Details of this early warning capability were outlined recently by Air Force Secretary John L. McLucas in an interview with Mr. Edgar Ulsamer, senior editor, Air Force magazine.

In this lengthy interview, Secretary McLucas reported in detail on the unique advantages which space offers for such military missions as early warning, command control, communications, navigation, reconnaissance, and related functions. He also detailed possible changes in the Air Force's B–1 program, discussed the shrinking research and development budget of the Air Force, and reported on the need to modernize the aeronautical test facilities of the Air Force.

Mr. President, I highly recommend that Secretary McLucas' interview for any Members of Congress interested in the Air Force and its achievements and problems. I ask unanimous consent to have the McLucas interview from the January issue of Air Force magazine printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

Secretary McLucas Looks at Pressing Air Force Needs

(By Edgar Ulsamer)

The United States "sees" almost instantly any intercontinental ballistic missile regardless of where and when it is launched and also knows where it is going. What's more, this worldwide monitoring capability has been tested over a number of years and has proved "very reliable and highly credible." This high degree of credibility, in turn, enables the National Command Authority to react rapidly and decisively on such warning information, according to Air Force Secretary John L. McLucas.

"The basic objective of our early warning satellites," which provide that information, Dr. McLucas told this reporter, "is to keep track of missile activities going on around the world; these satellites are deployed in such a way that they can see missile launches anywhere and at any time. The system reports in essentially real time any missile launches and gives an indication where the missile is going. This worldwide capability provides precise, unambiguous information about test launches or an actual attack."

Early warning satellites consist of so-called integrated satellites, meaning spacecraft using a number of different sensors that augment one another. These sensors detect and track missiles and also monitor nuclear explosions in the atmosphere and space. While it might be possible to attack these warning satellites, it would seem impossible, at least on the basis of presently available technologies, to do so with any real chance of surprise; the system would presumably detect interceptor missiles fired against it hours before the aggressor could reach the satellites' high orbital altitudes.

Almost ten years ago, Secretary McLucas told AIR FORCE Magazine, the Air Force started the development of a nuclear-armed antisatellite system at the request of former Defense Secretary Robert S. McNamara. Known as Program 437, this system was premised on Secretary McNamara's belief that the United States "needed assurance that if the Soviets or anybody else started playing around with our satellites, we should have the ability to do likewise. Of course, the subsequent prohibition against the use of nuclear weapons in space caused us to change our position on this matter."

USAF'S SPACE BUDGET: MORE THAN $1 BILLION ANNUALLY

The Air Force, Secretary McLucas revealed, spends more than $1 billion annually on military space programs. Control over most USAF space activities is exercised by its Satellite Control Center at Sunnyvale, Calif., an agency of AFSC's SAMSO. The Center operates ground stations scattered around the globe, which relay information to and from the individual satellites "so that we can, in effect, control a worldwide satellite network," according to Dr. McLucas. "We do have in the works a new approach, a satellite relay system that would give us the same kind of controls, but, instead of ground stations, would use space stations or satellites." The advantage of the spaced-based control system, the Secretary explained, is "that it gives us more communication channels to a given satellite," and, by eliminating the need for ground stations on foreign territory, the political and military vulnerabilities of the control system will be reduced significantly.

Now under development by Hughes Aircraft Co. is such a system, the Satellite Data System (SDS), part of the Air Force Communications System (AFSATCOM). SDS will eliminate some of the ground stations.

THE AIR FORCE IN SPACE

Although formerly the government's executive agency for all military space programs, the Air Force, under a 1971 Department of Defense directive, is no longer the sole service with space responsibilities. But while service responsibility for new programs is now considered on individual merit, the Air Force remains the principal designer, manager, and operator of space systems. "The only decision to date—as a result of the change of 1971—that involved a service other than Air Force is the [Navy's] Fleet Satellite Communications System (FLTSATCOM). But even in this instance, DoD agreed that the Air Force should act as the Navy's subcontractor to actually contract to build and manage the system and put it into orbit. The Navy is in charge, of course, in the sense of procedural operations, but we provide the routine management function such as station keeping."

Because the Air Force has the people, know-how, and facilities, Secretary McLucas said, "it would not make sense for the Navy to duplicate all this at high cost." While any service that can convince the Department of Defense that it has a good case can be granted a given space mission, it is likely that the Air Force will continue "to perform the actual work," he suggested. This is likely to include space launches, since there are no plans to build new launch facilities.

Cooperation with the Navy on FLTSATCOM extends beyond routine management matters, Dr. McLucas pointed out. Although primarily designed to serve a large number of Navy ships and aircraft, the system will also carry Air Force transponders, which are part of the Air Force Satellite Communications System (AFSATCOM). The Navy satellites, Dr. McLucas revealed, are to become operational in about two or three years. Four satellites will form the system and be spaced around the equator at ninety-degree intervals to provide broad coverage.

Concurrent with the Navy's initial interest in FLTSATCOM as a means of providing reliable communications with the fleet, the Air Force was probing the design of AFSATCOM to assure "worldwide control of our strategic forces," Secretary McLucas explained, adding that "by joining up with the Navy, we will be able to use these four platforms in space for our own transponders and, thereby, be able to control our strategic forces in all areas of the globe except the polar regions. These gaps, which result from the equatorial placement of FLTSATCOM, will be closed by AFSATCOM, which is to incorporate components of the Satellite Data Relay System, some of whose spacecraft are in polar orbits.

"By combining the capabilities of the two systems, the Air Force will be able to communicate with its strategic forces, be they bombers, other aircraft equipped with satellite terminals, or an airborne command post, anywhere in the world." This combined system will have the additional virtue of intrinsic redundancy. If one satellite fails, others can take its place. In the case of FLTSATCOM, for instance, only three out of the four in orbit are actually needed.

The redundancy that assures reliable operations automatically makes the two systems fairly survivable, Dr. McLucas pointed out. "The two systems can be categorized as medium-survivable. We have not gone all out and tried to do everything we can think of because that would cost too much; besides, it is more important to develop the needed communications capabilities expeditiously rather than come up with a design that will last forever," he said.

Present trends point clearly toward multiple uses of spacecraft. "I think the kind of redundancy that is gained from using piggyback arrangements [putting different transponders and other components aboard individual satellites], and thereby making each satellite a space bus of sorts, makes good sense," Dr. McLucas said.

Secretary McLucas expressed strong support for efforts to assure the survivability of space-based military systems. If we are going to rely on space communications, then we must insist that these systems be as reliable and survivable as possbile. One side of that effort is redundancy, the other involves hardening of the satellites [against EMP—electromagnetic pulse—and other destructive radiation of nuclear explosions. Overpressure, the most lethal effect of nuclear weapons in the atmosphere, is not a factor in space]. It would seem certain that over a period of time more and more hardening will be incorporated into our space systems."

The Air Force, Dr. McLucas said, is working on SURVSATCOM, the Survivable Satellite Communications Development Project—a highly survivable communications satellite that can perform vital general-war command and control functions. The project involves two satellites, LES 8 and 9, which are being developed by Lincoln Laboratory and are scheduled for launch in Fiscal Year 1975.

Military experts and the scientific community remain divided over whether the survivability of space systems is better attained through hardening or through redundancy, according to Dr. McLucas. Because hardening runs up both costs and weight, he said, "I personally tend toward redundancy, but it will take more time and research to answer this question." Dr. McLucas agreed with the majority of USAF leaders that an attack on the US military satellites is not likely; such an act, of itself, would signal, categorically, the attacker's intent and could trigger a US response.

He nevertheless advocated "a fallback position through hardening and redundancy, especially in case of a relatively inaccurate attack. In the case of a head-on hit, of course, hardening would not help anyway."

Hardening or shielding involves a variety of techniques to contain the energies of EMP in the outer shell of a spacecraft, design of the electronics to minimize damage from what EMP reaches them, and shutdown of on-board circuitry during the split second of EMP effectiveness.

Finally, the survivability is also being enhanced through the development of advanced optical space communications systems, including lasers and other techniques that are impervious to the communications blackout that accompanies the explosion of large nuclear weapons in space.

POSITION-FIXING AND NAVIGATION SATELLITES

It is axiomatic that the efficacy of military operations depends on the accuracy with which the forces involved know where they are, where they are going, and at what rate of speed. The more mobile these forces and the greater the accuracy and range of their weapons, the more urgent becomes the need for precise position-fixing and navigation. This has been recognized by a multiservice program that probes navigation-satellite systems and associated technologies. It will culminate—between the years 1977 and 1979—in a major navigation-satellite experiment to test and demonstrate satellite-navigation technology and its potential. In mid-1974, the Air Force will launch an experimental satellite to explore the complex phenomena of signal propagation and modulation in space, in concert with a special simulation facility that was placed into operation at the White Sands missile range last year.

The potential inherent in navigation and position-fixing satellites, Dr. McLucas pointed out, "is virtually unlimited and largely untapped. We have had some important lessons from the Navy's Transit Navigation Satellite system, of course, and we have run some hardware experiments that show what could be done with a multiple satellite system in terms of distance measuring techniques—TOA [Time of Arrival] and Time Difference of Arrival.

"What's involved here is precise measurement of how long it takes signals from different satellites, whose locations are known with high precision, to reach a point whose position is to be fixed, thereby establishing its location. We have demonstrated the feasibility of these techniques with aircraft for some time now and know that it can be done with extremely high accuracy. It seems entirely reasonable to predict that it should be possible to fix the location of any point on the globe or in the air with a three-dimensional accuracy of at least 100 feet. This, by itself, offers a revolutionary potential for blind weapon delivery standoff systems, and—to a degree—the elimination of weather and visibility as major factors in military operations."

While the feasibility of systems with these kinds of capabilities has been demonstrated convincingly, the "major remaining question is what constitutes the optimum hardware configuration," Secretary McLucas said. This boils down largely to a decision on where to put the computer, into the spacecraft or the user systems, such as aircraft.

"You could either keep the satellites very simple and have big, complicated computers in each aircraft or other users, or you could build a very sophisticated system into the satellites and put only a small electronics package into the aircraft. We in the Air Force tend in the latter direction—that is, put the complexity into the satellites. We have had a somewhat competitive atmosphere with the Navy in this regard, with the Navy advocating one approach and the Air Force supporting another. But recently, all of us agreed on a compromise that resolved this problem, and we now have an approach that all services think is feasible. One could say that we have adopted a policy of compromise where we acknowledge that the Navy's disposition of satellites makes sense, provided they radiate Air Force-like signals. The present proposal is to place enough of this type of satellite into space to find out how the system can work best; subsequently, the idea would be to put up enough of them so that we can get worldwide coverage." This is likely to take between eight and ten years, according to Dr. McLucas.

THE AIR FORCE AND THE SPACE SHUTTLE

The Air Force is aware of the potential of manned military space missions, but knows that it costs a great deal more to operate a manned system than an unmanned one. The cancellation of the MOL program is a case in point. The Air Force considers it fortunate that "we don't have to foreclose the option of future manned space missions because of the national Space Shuttle program," a two-stage reusable space transportation system scheduled to reach operational status by the end of this decade. The system will be capable of delivering military and civilian payloads of up to 65,000 pounds into low earth orbit.

The Shuttle is, however, limited to orbital altitudes of about 200 miles. Another vehicle, usually referred to as the Space Tug, is needed to deliver payloads from the Shuttle's orbit to geosynchronous or other high-energy orbits. Present Pentagon estimates indicate that about fifty percent of all military payloads will require the higher orbits in the foreseeable future.

Secretary McLucas told Air Force Magazine that NASA—the developer of the Space Shuttle—and the Air Force have agreed in principle that the latter should pay for and develop an interim Space Tug. The initial upper stage would be a minimum cost modification of an existing expendable stage that would meet most requirements during the period when payloads are transitioning from current launch vehicles to the Shuttle. The stage will deliver payloads to high orbits, but will not be capable of retrieving payloads. The stage itself may be reusable.

This tentative agreement "has not been fully staffed throughout government, and, as a result, I don't know how far we will get with it," he said. The main reason why the Air Force supports this arrangement is that "we want to get on with a program of this type. It doesn't make sense to have the Shuttle and not be able to go the rest of the way," according to Dr. McLucas.

From the Air Force's point of view, the principal appeal of the Shuttle is that this system will make it possible to fix, refurbish, retrieve, and reuse expensive space systems operating within the Shuttle's orbital range. Obviously, extending this capability into high-altitude orbits would be equally desirable. But the high R&D investment associated with a recoverable, reusable, and possibly man-rated "upper stage" militates against such a program at this time, the Air Force Secretary said. "On a long-term basis, it can be shown that it would make economic sense to recover space systems from synchronous orbit, but I seriously doubt that this will happen any time soon."

The argument in favor of recovery of space systems, so far as the Air Force is concerned, must be tempered with a number of realistic considerations. One is that the longevity of space systems usually exceeds the original specifications with the result that, by the time many of these systems fail, their components, or even their basic concept, may be obsolete. Recovery of such older systems that have outlived their usefulness would not be economical or even desirable, Dr. McLucas pointed out.

"Simply put, the longer the life of a payload, the less productive it is to recover. Obviously, the most profitable recovery involves systems that fail as you put them up and where, by replacing a $10 component that doesn't work, you salvage a multimillion-dollar spacecraft."

THE B–1 PROGRAM REVIEW

On July 12, 1973, Secretary McLucas reported to the Congress a slippage in the schedule of the B–1 program and, concomitantly, an increase in the R&D costs as well as a postponement of the program's key milestone—the production decision—to May 1976. Shortly thereafter, Dr. McLucas appointed, under the aegis of the Air Force's Scientific Advisory Board, a thirty-odd member review committee. Headed by Dr. Raymond L. Bisplinghoff, Deputy Director of the National Science Foundation, the Committee is currently completing its final report on the program, covering both management and technical qualities.

The Committee's basic findings, conveyed orally, contained, according to Dr. McLucas, "some good news and some bad news." In the first category, he said, was the fact that the Committee's intensive, one-month study confirmed that the B–1 "looks like a good design, in the sense of being able to execute the mission assigned to the aircraft, and that it is within the state of the art." At the same time, Dr. Bisplinghoff and his panel of experts found the program "too success-oriented" meaning that, in the Committee's view, the B–1 effort is funded and phased in an "optimistic way." It is Dr. Bisplinghoff's opinion that it would take "a great deal of luck" for things to go the way we planned. "Given the perverse nature of inanimate objects, [Dr. Bisplinghoff] felt," Secretary McLucas said, "we are bound to run into some problems."

A third feature of the B–1 program that is being questioned by Dr. Bisplinghoff's committee is "the fact that it is not easy to see how we get from the first three test aircraft to the production aircraft. In the committee's opinion, there should be an intermediate step, a preproduction stage, in order to accommodate the changes that the flight-test program demonstrates ought to be made. This would enable us to test out these changes on the preproduction aircraft, *before* we commit ourselves to full production," Secretary McLucas said.

The Air Force views the findings and recommendations of the Committee as "quite realistic, especially so far as the recommendation for a preproduction stage is concerned," according to Secretary McLucas. The variance between the actual structure of the program and what's being sought now is anchored in differences in objectives. "Our original approach was geared to give us, at minimum cost, the answer to one question: 'Do we, in fact, have a B–1 design that we can go into production with?' This meant that we had to flight-test an aircraft that wasn't just a bare airframe, but included the kind of equipment, such as avionics, radar, and so on, that showed we could actually execute the assigned mission. If our objective had been to go into production quickly, we would not have taken the course we did."

"Our initial reaction to the Committee's recommendation is positive, because more than three years have gone by since we formulated the program, the B–52s have gotten older, people are getting more concerned about the obsolescence of these aircraft, and the likelihood of a decision in favor of a production go-ahead on the B–1 has increased. Three years ago, the time was not yet right for such a program structure, but now we have a coalescence of opinions regarding full program go-ahead, and, therefore, Dr. Bisplinghoff's recommendation for a preproduction stage makes more sense. As a result, we are now pricing out such a change, and the B–1 Program Office is analyzing the specific recommendations to establish what should be adopted," Dr. McLucas told AIR FORCE Magazine. A decision should have been reached by the end of 1973, he added.

USAF R&D SHRINKS WHILE SOVIET EFFORTS INCREASE

USAF's R&D budget has dropped, expressed in FY '74 dollars, from $4.4 billion in 1968 to $3.2 billion in the current fiscal year. "I am not sure that we can continue to function with an R&D budget of this type. Much depends, of course, on the outcome of SALT [whose phase II is to be concluded by the end of 1974]. If we don't reach any agreements with the Soviets about their pulling back from further development and deployment of strategic systems, then we will have to modernize and improve our defensive and offensive missile systems, as well as update other weapons. In such an eventuality, we would have to show greater progress and increase our R&D effort because we can't afford to be left behind. At present, the technical quality of our systems is still quite good, but if the Soviets continue with their high-level efforts [manifested by recent missile and MIRV tests], we might have to step up our own efforts," Dr. McLucas explained.

The Air Force Secretary was sanguine about the present level of military R&D providing "reasonable assurance against major technological surprise five or ten years from now." He emphasized the need for a "balanced approach to our R&D effort, unless there is good reason to panic, and I don't see that. I do see a definite need to maintain a very aggressive effort in the ICBM field, and we must somehow cope with the ECM challenge." While the Soviet weapons introduced during the recent Middle East war proved very effective, he said, they contained no technological surprise, and after an initial period of adjustment, the U.S.-supplied systems "proved quite effective."

In the tactical weapons field, the Air Force has made great strides in terms of smart weapons, "but they have to be deployed on a much larger scale than is the case at present. We don't have Europe stocked with these weapons to anywhere near the degree that we achieved in Southeast Asia. This must be remedied. Also, we have not applied these new technologies to nearly the extent that we could and should. Finally, we must recognize that any system embodying sophisticated components is susceptible to countermeasures. We have to assume that there will be countermeasures, and we will have to concentrate our efforts on defeating them," according to Dr. McLucas.

In the related area of RPVs (Remotely Piloted Vehicles), Dr. McLucas cautioned that, in spite of the enormous potential of this technology, it might take years before the rank and file of the Air Force will fully accept the robot airplane. "We started out with RPVs flying photographic missions, and this, in time, has become a widely accepted mission. There are many other applications of equal promise, including high-altitude radio relay and a strike role. There are many missions where we can use RPVs to form something like a LORAN grid to guide missiles and other weapons to a target. We have already demonstrated that RPVs can be used to launch Maverick missiles against moving tanks; we have shown that they can be used for both high- and low-altitude photo reconnaissance; and we have proved their capability in the radio-relay area. The real issue is to get people to accept the RPVs. It is only natural for the Air Force to be biased toward the manned system, but it is also clear that there are missions that can be performed better with RPVs. I have no doubt that gradual acceptance of this fact will set in."

NEEDED: A NEW APPROACH TO AERONAUTICAL TEST FACILITIES

A currently pressing Air Force concern is the inadequacy of certain of our national aeronautical test facilities, to meet modern needs. For example, the Arnold Engineering Development Center has some equipment dating back to World War II. This is costing the Air Force and others a good deal of money, because it requires more flight testing than would be otherwise necessary. Dr. McLucas disclosed that the Air Force and the Department of Defense are currently "working with NASA in order to come up with precise requirements for high Reynolds numbers [high-performance] wind tunnels as well as V/STOL wind tunnels and other facilities," to assess the performance of new aircraft and engine designs.

"We have more or less agreed on what's needed and what these new test facilities should be. It now becomes a question of putting enough emphasis on this matter. I believe that we can get the support we need on Capitol Hill once we can come up with a fully coordinated program."

The Air Force, traditionally, has advocated a government-wide, centralized approach to aeronautical test facilities in the belief that this would cut costs and permit more effective utilization and ease the funding of what, in effect, becomes a general national resource.

TOUR OF THE WASHINGTON VA HOSPITAL

Mr. THURMOND. Mr. President, on February 12, 1974, it was my pleasure to visit the Washington VA Hospital as a part of a national salute to our hospitalized veterans.

February 12 marked the first anniversary of the initial return of our POW's from North Vietnam, and it was the POW returnees who led the salute to the VA patients.

Adm. Thomas H. Moorer, Chairman of the Joint Chiefs of Staff, Members of Congress, representatives of the VA and the national service organizations, and players on the Washington Redskin football team were present.

Mr. President, I think it was a morning well spent. Our attention was directed toward the problems of the hospitalized veterans. We live in a free society today because of the sacrifices made by our veterans. Their problems deserve our constant vigilance.

My visit to the wards of the Washington VA Hospital impressed on my mind once again the great debt our Nation owes to the veterans of the Armed Forces.

I hope the American people will never forget the great debt we owe our veterans.

COURT UPHOLDS SERVICEMEN'S CONSTITUTIONAL RIGHTS

Mr. ERVIN. Mr. President, I wish to bring to the attention of the Senate a recent opinion of Judge Gerhard A. Gesell of the U.S. District Court for the District of Columbia, in which he held certain features of the drug prevention plan implemented by the Army's European Command in 1973 to be unconstitutional. The opinion is important not only as it applies to the particular facts of the case but also as an eloquent exposition of a serviceman's rights under the Constitution.

The case is titled *The Committee for G.I. Rights, et al.* v. *James R. Schlesinger, et al.*, Civil Action No. 835–73, announced on January 14, 1974. The court ruled that certain provisions of USAREUR Circular 600–85 which permitted mass searches without probable cause, and which provided for the imposition of administrative sanctions without a hearing, violated the serviceman's rights under the fourth and fifth amendments. It found that the Army's intrusion upon these rights was not justified by its claim of military necessity:

> The doctrine of military necessity does not embrace everything the military may consider desirable. One does not automatically forfeit the protections of the Constitution when he enters military service. The constitutional rights of G.I., including his privacy, may not be infringed except to the extent that the military can demonstrate by concrete proof an urgent necessity to act unconstitutionally in order to preserve a significant aspect of discipline or morale . . .
>
> The limited amount of drug involvement within the [European] Command creates a situation which obviously requires attention and perhaps even limitation of the constitutional right of particular troops in highly sensitive duty assignments, but it does not reflect the type of urgent and generalized threat to military morale or discipline which would warrant ignoring constitutional safeguards as to everyone in this large Command . . .
>
> In the absence of a showing of military necessity, illegal searches and the imposition of penalties and other discipline without fair hearing cannot be permitted. Inspections without probable cause undertaken for the specific purpose of identifying drug users which involve the use of dogs, strip searches, examinations of body cavities and the most intimate inspection of a G.I.'s most private belongings cannot be justified under any circumstances unless the results of such inspections are confined to medical treatment of the drug abusers so identified. Soldiers forced into the rehabilitation program on mere suspicion must be protected against discipline or unfavorable discharge based on information developed during medical processing. Moreover, failure to provide a hearing prior to the imposition of non-medically oriented administrative sanctions which significantly affect a G.I.'s liberty or property is constitutionally unsupportable.

Mr. President, I ask unanimous consent that the full text of Judge Gesell's fine opinion be printed in the Record.

There being no objection, the opinion was ordered to be printed in the Record, as follows:

[In the United States District Court for the District of Columbia]

(Civil Action No. 835–73)

Memorandum Opinion

(The Committee for G.I. Rights, et al., Plaintiffs, v. James R. Schlesinger, et al., Defendants)

This is a class action brought on behalf of all G.I.'s attached to the United States Army's European Command. Plaintiffs claim that certain features of a drug abuse prevention plan developed by the Army for that command are unconstitutional and they seek a declaratory judgment and injunctive relief.

The issues have been narrowed and clarified during several pretrial proceedings. Plaintiffs have abandoned damage claims. The Army published a revised comprehensive statement of the plan on September 10, 1973, which reflected a reevaluation of the program and coincidentally satisfied some objections previously urged by plaintiffs. The plan as now before the Court is embodied in the elaborate circular designated as USAREUR Circular 600–85 (Sept. 10, 1973),[1] and the litigation has focused on certain clearly identifiable provisions in that document. The parties have filed affidavits and briefs and the case is before the Court after full oral argument on cross-motions for summary judgment. The pertinent facts are not in dispute, although the legal positions of the parties are in sharp conflict.

The original complaint filed in April, 1973, was somewhat defuse and raised a variety of issues reflecting the uneven manner in which a drug program had been administered in its early stages and uncertainties caused by some confusion in the implementing directives. Defendants at that stage properly opposed certification of the alleged class. In view of the pretrial development mentioned, however, certification under Rules 23(b)(2) and 23(c) of the Federal Rules of Civil Procedure is now appropriate. The named plaintiffs have ably represented the class, joinder of some 145,000 G.I.'s is impractical, the challenged plan, as clarified, is applicable to the entire class, and common issues of fact and law can be readily identified and can be most efficiently adjudicated in a single action. The class will be certified as representing all soldiers in the European Command with ranks of E–1 through E–5 who are subject to the drug provisions of Cir. 600–85.[2]

The USAREUR drug prevention plan is designed to identify drug pushers and users, to provide users with medical assistance, counseling and other support directed toward rehabilitation, and, where rehabilitation fails, to eliminate confirmed drug users from the service. The program is directed against use of both hard and soft drugs. In broad outline, the authorizing circular in pertinent part contemplates the following procedures.

A soldier enters the USAREUR drug program when he is either "suspected" of drug abuse or "identified" as a drug abuser. Suspicion may be established by such vague criteria as "unexplained changes in job performance, behavior, or physical condition related to the use of . . . drugs" or the frequenting of known drug sales points. Cir. 600 85, ¶ 7a. Identification is based upon reliable witness reports or possession of drugs. Cir. 600–85, ¶ 8a. Possession may, in turn, be established through the use of special drug inspections of individual billets as well as public areas.

The Army drug inspection has developed over the past few years and is specifically authorized under the new plan. *See* Cir. 600–85, Annex I (3,4). Inspectors are permitted to examine all of the soldiers' property (although they may search personal items such as wallets only cursorily in order to determine the presence of contraband), their clothing and even their entire exterior skin area for drugs or indications of drug use. All inspections are to be conducted without undue harassment, in the presence of those whose property is under examination, and, in the case of skin searches, with as much privacy as is possible. Groin or anal inspections must be conducted by qualified medical personnel in complete privacy. Drug detector dogs may be used throughout the inspection process. Cir. 600–85, Annex C (5).

When a soldier is identified as a possible drug user, whether on the basis of an inspection or otherwise, he is subject to mandatory drug processing. Cir. 600–85, ¶¶ 7–13. He is first confronted by his Commanding Officer, who informs him of the basis for the identification, warns him of his rights, and permits him to provide relevant information to dispel the suspicion. The Commander may then refer the soldier to a Community Drug and Alcohol Assistance Center (CDAAC). If the Center finds credible evidence of drug abuse, it must send the soldier to a Medical Treatment Facility (MTF) for clinical evaluation. Counsel is provided during the MTF interviews, if requested.

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[1] Hereinafter cited as Cir. 600–85.

[2] The Court takes notice of the fact that Cir. 600–85 authorizes virtually identical procedures for the detection and rehabilitation of alcohol and drug abusers. The holding of the Court is, of course, limited to the drug aspects of the circular, since plaintiffs have not challenged the USAREUR alcohol program. However, since many of the findings below apply with equal force to the treatment of alcohol abusers, the Army is urged to take the rights of this group into account in bringing the circular into compliance with this Opinion.

Prior to medical confirmation of drug abuse by the MTF, no disciplinary or rehabilitative measures may be taken except for the temporary suspension of access to classified material, the loss of flight status, the suspension of nuclear duty, and, if the soldier has been involved in an automobile accident, the temporary suspension of his driver's license. Cir. 600–05, ¶ 14d(3).

Once a soldier has been designated a "confirmed drug abuser" by the MTF, however, a variety of restrictive sanctions may be imposed. The MTF will either admit the soldier to a hospital or return him to CDAAC for development of a 60-day rehabilitation program, which may include urine and other testing, treatment, and counseling at a variety of drug facilities. In addition, the Commander may elect to impose one or more administrative sanctions, including temporary withdrawal of pass privileges and/or suspension of a driver's license without hearing. Medically confirmed drug abusers may be required to move onto the base (even if billeted with wife and family off base) and may be segregated into a separate section of the barracks. Cir. 600–85, Annex J.

By the end of the 60-day period, the Commander must determine whether or not the drug abuser is a "rehabilitative success." If not, he must be processed for administrative discharge under circumstances that may adversely affect his military record. If his rehabilitation is deemed satisfactory, he may be returned to normal duties but will be subjected to 300 days of follow-up testing and observation, including unannounced urinalysis testing twice a month. The effects of this processing, including preclusion from promotion and the stigma of having been labeled a confirmed drug abuser, may continue long after even the follow-up period has terminated successfully.

When rehabilitation fails, a confirmed drug user may be separated under other than honorable conditions, and the circular permits military authorities to advise prospective employers, Government or civilian, of the soldier's drug involvement. Moreover, under varying circumstances that need not be detailed, the circular contemplates use of facts developed as a result of the identifying and rehabilitative process as evidence in court marshal trials. Thus, the program combines rehabilitation with the prospect of strict disciplinary action when deemed appropriate by the Army.

An analysis of this drug program reveals serious constitutional infirmities when measured against established civilian standards. The special drug inspections authorized without probable cause are made in a most intrusive manner solely to ferret out drugs and are not analogous to the Army's traditional preparedness. *Compare with United States* v. *Lange,* 15 USCMA 486 (1965); *United States* v. *Grace,* 19 USCMA 409 (1970). Such distinguishing features as the use of dogs, strip skin examinations and detailed intrusion into a soldier's personal effects take this procedure out of the narrow exemption from traditional Fourth Amendment restrictions that has been carved out for legitimate inspections. *Compare United States* v. *Biswell,* 406 U.S. 311 (1972), *with Almeida-Sanchez* v. *United States,* 413 U.S. 266 (1973). The drug inspection described above constitutes a mass search, and would be illegal in a civilian context if conducted in the absence of particularized probable cause. *See Lankford* v. *Gelston,* 364 F.2d 197 (4th Cir. 1966). Moreover, the subsequent use for disciplinary purposes of facts developed during such a search or during participation in a rehabilitative program ordered by reason of an illegal search would be equally improper. The fruits of an initial illegality cannot be used to punish. *Wong Sun* v. *United States,* 371 U.S. 471, 487–88 (1963). In fact, since the rehabilitative program contemplated by the circular itself entails intrusive searches and interrogation, information obtained during drug processing could not be used for disciplinary purposes unless the Army had probable cause, obtained independently of that processing, to believe that a particular soldier was guilty of drug abuse.[3]

The circular also provides for the imposition of numerous administrative sanctions without hearing. These sanctions may restrict the immediate liberty of the soldier, reduce his eligibility for promotion, taint his military record, and lead to forms of discharge carrying a serious stigma affecting his future civilian status. Such sanctions are serious and often are not dictated by emergency health or safety concerns, so the complete absence of a hearing in any form[4] offends due process. *See Morrissey* v. *Brewer,* 408 U.S. 471 (1972); *Fuentes* v. *Shevin,* 407 U.S. 67 (1972); *Bell* v. *Burson,* 402 U.S. 535 (1971); *Wisconsin* v. *Constantineau,* 400 U.S. 433 (1971).

There is no need to elaborate on these constitutional infirmities in detail, for the law has been well defined in these areas and, indeed, defendants have not seriously quarreled with this analysis. They assert, however, that because of military necessity they need not comply with constitutional safeguards otherwise applicable.

At the very outset of these proceedings, and continuously thereafter, the Army has interposed its claim of military necessity. It urges that the USAREUR drug abuse program is required to prevent serious impairment of morale and discipline and that, accordingly, under the well-established doctrine enunciated in such cases as *Burns* v. *Wilson,* 346 U.S. 137 (1953), and *United States* v. *Jacoby,* 11 USCMA 428 (1960), the constitutional rights of soldiers affected by the program must be judicially determined to be inapplicable under these circumstances. The Army has the burden of establishing military necessity, however, and it has failed to do so.

The doctrine of military necessity does not embrace everything the military may consider desirable. One does not automatically forfeit the protections of the Constitution when he enters military service. The constitutional rights of a G.I., including his privacy, may not be infringed except to the extent that the military can demonstrate by concrete proof an urgent necessity to act unconstitutionally in order to preserve a significant aspect of discipline or morale. The present drug program, which also applies to alcoholics, arose not solely from some military situation encountered in the field but rather represents the Army's effort to implement a congressional statute. In 1971, Congress directed the Secretary of Defense to "prescribe and implement procedures, utilizing all practical available methods . . . [to] identify, treat, and rehabilitate members of the Armed Forces who are drug or alcohol dependent persons. . . ." Pub. L. No. 92–129, Title V (Sept. 28, 1971). This statute provided the primary legal basis for the Army's action in establishing the program here under review. An examination of the language and legislative history of this and related statutes demonstrates that Congress at no time intended to authorize the military to proceed with a drug/alcohol program in disregard of fundamental constitutional safeguards. Indeed, its focus has been entirely upon treatment, not punishment. *See* Pub. L. No. 92–129 (Sept 28, 1971); 21 U.S.C. §§ 1101–91; H.R. Rep. No. 775, 92d Cong., 2d Sess. (1972). *See also* note 3 *supra.*

The Army sought to support its claim of military necessity by referring to information indicating the extent of the drug problem in the European Command. Surveys of drug abuse since 1970 reveal a fairly stable level of daily drug use: ten to fifteen percent for cannabis and one to two and one-half percent for other drugs. There are no reliable statistics with respect to addition, and the Army's claim of increasing drug use is subject to serious question because of changes in testing procedures. It is certainly clear that drug use in the Command has not reached anything comparable to the epidemic proportions detected in Vietnam and is not particularly different from drug use encountered among civilians in major United States cities. *See generally* Defs.' Ex. 2.

Even this limited extent of drug involvement within the Command creates a situation which obviously requires attention and perhaps even limitation of the constitutional rights of particular troops in highly sensitive duty assignments, but it does not reflect the type of urgent and generalized threat to military morale or discipline which would warrant ignoring constitutional safeguards as to everyone in this large Command.

The difficulty with the circular, as plaintiffs repeatedly point out, is that it attempts to deal with the drug abuse problem not only as a health problem, as Congress intended, but also as a disciplinary problem. The Army has, since 1970, moved gradually in the direction of rehabilitation rather than discipline in dealing with medical problems such as drugs, alcohol, personality disorders, and the like, but it has not foreclosed its punitive options. While the Court can see nothing unreasonable in conducting intrusive searches without probable cause for the sole purpose of placing individuals into a medically oriented drug rehabilitation program, or with placing soldiers merely suspected of drug abuse into such a program, the USAREUR drug plan is not so limited. Far more than reasonable health monitoring precautions are involved. *Cf. Wyman* v. *James,* 400 U.S. 309 (1971). Information developed for medical purposes can be used in court martial proceedings, to impose strict administrative sanctions, and to justify an unfavorable discharge which will follow the G.I. for the rest of his life.

In the absence of a showing of military necessity, illegal searches and the imposition of penalties and other discipline without fair hearing cannot be permitted. Inspections without probable cause undertaken for the specific purpose of identifying drug users which involve the use of dogs, strip searches, examinations of body cavities and the most intimate inspection of a G.I.'s most private belongings cannot be justified under any circumstances unless the results of such inspections are confined to medical treatment of the drug abusers so identified. Soldiers forced into the rehabilitation program on mere suspicion must be protected against discipline or unfavorable discharge based in information developed during medical processing. Moreover, failure to provide a hearing prior to the imposition of non-medically oriented administrative sanctions which significantly affect a G.I.'s liberty or property is constitutionally unsupportable.

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[3] It is arguable that both individual rights and the detection and rehabilitation of drug abusers could be maximized by a total ban on the use in punitive proceedings of any information obtained during the drug processing described in paragraphs 7 through 13 of the circular. The Senate adopted just such a prohibition in 1971, *see* H.R. 6531, 92d Cong., 1st Sess., 117 Cong. Rec. 22411–12 (1971), but it was dropped by a conference committee on the principal ground that such an important step required further study of the constitutional, statutory and evidentiary principles involved. *See* Conf. Rep. No. 433, 92d Cong., 1st Sess. (1971). The record in the instant case is similarly insufficient to permit judicial resolution of these complicated issues, but no such resolution is required by the pleadings. Since plaintiffs have attacked this aspect of the drug program solely on Fourth Amendment grounds, the Court may properly limit is consideration to those soldiers who are forced to participate in the program on the basis of illegally obtained evidence or of suspicions which do not rise to the level of probable cause.

[4] The confrontation presently guaranteed by the circular, *see* p. 3 *supra,* coming as it does before confirmation of drug abuse and long before a rehabilitation program is developed, offers the accused soldier no opportunity to challenge the sanctions eventually applied. The formal complaint procedures available to soldiers are normally unavailable until after administrative sanctions have been imposed, and so do not satisfy the requirements of due process. Bell v. Burson, 402 U.S. 535, 542 (1971).

Two other aspects of the USAREUR drug plan can be dealt with summarily. First, the provisions permitting dissemination of drug information to non-military government agencies and even, under more limited circumstances, to civilian applicants are in direct conflict with 21 U.S.C § 1175, through which Congress sought to protect from stigma those who entered federal drug programs. *See* H.R. Rep. No. 775, 92d Cong., 2d Sess. (1972). Defendants argue that this statute was not intended to apply to the Army, but the Special Action Office for Drug Abuse Prevention, an agency set up to administer the statute, has ruled otherwise, *see* 37 F.R. 24636–37 (Nov. 17, 1972), and its reasoning is persuasive. *See Udall* v. *Tallman,* 380 U.S. 1, 16 (1965).

Second, the circular's poster regulation is impermissible. Paragraph 14d(4) authorizes Commanders to prohibit the display on barracks walls of posters and other items which, in their estimation, constitute "a clear danger to military loyalty, discipline, or morale." Cir. 600–85, ¶ *14d(4)*. This is obviously too vague a standard by which to regulate First Amendment liberties. *See Avrech* v. *Sec. of the Navy,* 41 U.S.L.W. 2497 (D.C. Cir. March 20, 1973); *Stolte* v. *Laird,* 353 F. Supp. 1392 (D.D.C. 1972); *Keyishian* v. *Bd. of Regents,* 385 U.S. 589 (1967); *NAACP* v. *Button,* 371 U.S. 415, 432–33 (1967); *Cox* v. *Louisiana,* 379 U.S. 536, 555-58 (1965).

In light of this analysis, the Court concludes that the existing USAREUR drug plan is so interlaced with constitutional difficulties that Cir. 600–85 must be withdrawn and cancelled, along with all earlier related orders and instructions. The Army is, of course, free not only to reestablish its drug rehabilitation program but also to punish drug offenders. The Court requires only that any directives with regard to disciplinary proceedings, courts martial, administrative discharges, the regulation of posters or the dissemination of drug information conform to the limitations set forth in this Opinion and in the relevant legislation.

Counsel shall submit an Order within one week.

Gerhard A. Gesell,
United States District Judge.

January 14, 1974.

THE NATIONAL HEALTH PLANNING ACT OF 1974

Mr. JAVITS. Mr. President, I am pleased to join with Senator Kennedy in the introduction of a bill to amend the PHS Act to revise the programs of health services research and statistics and to extend the program of assistance for medical libraries.

This legislation addresses itself to three important facets of the Nation's health care problems:

First. The need for an increased commitment to health service research aimed at improving the use of our health care dollars.

With a strong commitment backing it, health care research will assist in answering fundamental questions about national health insurance, quality of care, effective use of personnel and technological resources.

Second. The need for accurate and comprehensive statistics about the Nation's health. Without such information, we can never know what benefits we have obtained from the billions of dollars we spend on health nor what directions we must take in the future to improve the health of the Nation. Responsibility for gathering, analyzing, and distribution of this vital information rests with the National Center for Health Statistics. The center has achieved a worldwide reputation as an objective and competent reporter of the health status of the American people.

Third. The need for funding authority for medical libraries assistance programs. The effectiveness of these programs in the important function of disseminating medical knowledge justifies continuing support for this worthwhile investment.

The principal modification this legislation makes in these three authorities is that it does not mandate, as does the House-passed bill, that the existing HEW units which conduct health services research and which gather health statistics be combined into a new National Center for Health Services Research and Statistics in order to obtain statistics which are responsive to the needs of health services researchers as well as the generally close relationship between health services research and statistic gathering activities.

With respect to medical libraries, the only change of substance is the elimination of moneys for the construction of medical libraries which was not funded last year.

I believe this legislation will help to insure that the rapid advances in medicine and science will not leave public and professional knowledge far behind.

CHILI VERSUS NORTH CAROLINA BARBECUE: THERE IS JUST NO COMPARISON

Mr. HELMS. Mr. President, on February 5, the distinguished Senator from Texas (Mr. Tower) and the equally distinguished Senator from Arizona (Mr. Goldwater) engaged briefly in debate about a subject which I gather was of substantial importance to them. It was not heated debate, Mr. President. In fact, I am tempted to say that their discussion was rather chili.

In any case, Mr. President, a distinguished newspaperman from my State, Mr. Don Hill, took note of the exchange between Senators Goldwater and Tower. Mr. Hill is chief of Landmark Washington Bureau, which serves the Greensboro Daily News and Record in my State, along with the Virginian-Pilot and Ledger-Star in Norfolk, Va., and the Roanoke Times and World-News in Roanoke, Va.

Noting the debate between Senators Goldwater and Tower, Mr. Hill decided that their chili dispute was largely academic. He wrote to me, pointing out that regardless of which State, Texas or Arizona, may have the best chili, it is still second-rate when compared to that epicurean delight known as North Carolina barbecue.

Mr. Hill knows whereof he speaks. Moreover, he is a topflight newspaperman. He was recently honored for the excellence of his craftsmanship by the North Carolina Press Association.

Mr. President, I ask unanimous consent that Mr. Hill's letter, bearing date of February 8, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Dear Senator Helms: I have been less than edified—in fact I have been disheartened—in recent days by news accounts of the Senate debate over the relative merits of Texas and other kinds of chili. Senator Goldwater went so far as to say that Texas chili could be compared to the leavings in a cow pasture.

This sort of frivolous concentration on inconsequentials offends the dignity of the United States Senate as a great deliberative body. It is quite apparent to anyone of epicurean tastes that chili of any kind, while good enough to eat perhaps when one is hungry, is as nothing relative to Southern barbecue. Even bad barbecue is better than good chili.

Of course, North Carolina barbecue has no peer. The feeble efforts of Virginians, West Virginians, Georgians and others may be noble insofar as they DO produce barbecue for the beknighted; but man has not risen to the heights to which his palate can take him until he has partaken of North Carolina pit-cooked barbecue at its best.

It's sad to see the United States Senate debating such things as the merits of chili when so many really pressing matters face America. May I respectfully suggest that you seek to get the Senate back on a course of significance to our nation. You could start with North Carolina barbecue.

Sincerely

Don Hill,
Bureau Chief,
Landmark Washington Bureau.

THE FROZEN SUMMER OF 1816

Mr. McINTYRE. Mr. President, with the current shortages of fuel oil, many of us in the New England area have been keeping our fingers crossed for a mild winter. Now, as March approaches, it might be thought that our worries are over.

I would just like to add one small note of caution against overoptimistic predictions for spring thaw. An excellent article in the current issue of New Hampshire Echoes provides an account of the "frozen summer" of 1816—a phenomenon that brought great suffering to the State of New Hampshire.

By all reports, 1816 was truly "the year winter never really left." Heavy frost was experienced throughout June, July, and August. Crops were destroyed and many towns subsisted on emergency supplies.

Usually, New Hampshire is blessed with beautiful summers—warm days and cool nights—that lend themselves perfectly to the booming tourism industry. Its clear waters and green forests are playgrounds for visitors from all over the world. But 1816 was a different story—it was a summer "cold at both ends."

Mr. President, I ask unanimous consent that the enjoyable and interesting article, "1800—And Freeze-to-Death," by Raymond E. Derouin, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

1800—And Freeze-to-Death: 1816 Was the Year Winter Never Really Left

(By Raymond E. Derouin)

(That summer was "so cold in the meeting house, I wanted a great coat," according to one shivering diarist.)

Remember those icy winters of yesteryear when you would stare with childish eyes through frosty window panes at snow drifts so large it seemed as if they would engulf the entire country side in their snowy folds? Back then, spring was a May thing, not a March present, appreciated like Christmas after an interminable wait. But even back then, in the throws of the fiercest storm, grandma sat clucking away from beneath her afghan that it wasn't much more than a heavy frost compared to when she was passing fair. Then like rain from the down spout, one would pour tales of those winters of days gone by. And you would wonder to yourself as, no doubt, your heirs wonder now, is it just the passing years? Is it simply the tricks time plays on our fallible memories or is it really milder than in the good old days? Are winters really melting like the spring snow?

Although we owe much to our forefathers for the weather records they kept in their diaries and notes, they are not consistent and accurate enough to give us much more than a general picture. After all, when you are hacking a living out of a wilderness, the barometric pressure is far from your mind, even if you were possessed of a device to record it. Scientifically accurate weather information has been recorded only since 1870. Still, even allowing for a bit of exaggeration, the old folks had a time of it with the weather. Take 1816, for instance.

That year, Robert Wiggins of Wolfeboro, New Hampshire told of the ground being bare until the month of March, when in one storm, four feet fell. He must have been accurate as only fourteen hardy souls made it to town meeting that year. The whole affair caused a local to quip "We had six weeks of sledding this March." But that was only the beginning. An old Chester diary tell of the ground, on the fifteenth of May being "Froze hard enough in plowed land to bare a man." The spring was indeed "very cold and backward."

Then came June.

At first, it seemed almost normal. The temperature crept up until on the fifth, a reading of eighty-eight degrees was recorded in at least one town. And then Jack Frost made a return engagement. The *Farmers Cabinet*, an early Amherst newspaper, put it aptly when they said "Great and sudden changes in the weather . . . considerable snow . . . standing water froze(n) to the thickness of window glass . . . destroyed garden vegetables and corn, so much so that many have planted anew." Marian Newton was more explicit in her Marlboro diary "From the fifth to the twelfth." On the eleventh a Chester man lost five-sixths of his apples, and snow was reported in Antrim on the same date. Even on the coast. "So far in June, there has been a frost on eight nights."

Like the snow, June melted away, but the July that followed was little improvement. *The New Hampshire Sentinel*, published in Keene on the fifteenth reported, "The spots on the Sun have returned and were to be seen by good eyes the week past through smoked glass . . . whether the unusual cold for a number of days can be attributed to the obstruction of the rays, we pretend not to judge, but that light is less intense is plainly discernible , . . we begin to despair of corn and the hay crop will be light."

While the country was celebrating the fortieth anniversary of its independence, John Plummer of Rochester was noting in his diary "Dreadful windy and cold and frosty nites four days in succession" and later "On the ninth a full moon and a great frost" and "A frost on the seventeenth."

The history of Andover confirms the frost on the ninth and adds that the hay crop was so light that many were forced to sell off their stock, for want of feed. Further north it was so bad people were travelling miles to the south, returning with a bushel of corn on their backs.

August showed little change, and in Keene it was noted, "So great a change from heat to cold has hardly ever been observed as was felt on the twentieth and twenty-first . . . and again on the twenty-eighth a frost that ended all hope of a crop, so much so, that what remained was cut up for fodder." In Swanzey too, the crop failed entirely and the town subsisted on emergency supplies from the Connecticut River towns. Deacon Enoch Little of Boscawen despaired of his corn crop "From four acres not eight bushel."

To the north, in Bristol. "Farmers made heroic efforts to save their crops when whole nights were spent, feeding giant bonfires near the corn, to keep away the frost. But on the night of the nineteenth, there came a frost even the bonfires could not drive away, and the entire crop was lost. Not even enough remained for seed the following year." And on August twentieth, "Snow on the mountains at Goffstown."

The summer ended in September, as it began "So cold in the meeting house, I wanted a great coat" and on the twenty-eighth "A frost three nights past." But at least the drought, twelve long weeks in some areas, washed away with the fall rains. It was a summer, as a Windham man quipped "Cold at both ends."

Earlier, when it became apparent that crops would fail, suggestions were rampant, such as plowing under and replanting heartier crops such as oats and Indian corn. And a Sunday sermon cautioned "Let it be remembered that he who destroys a single kernel of good seed corn, deprives his family of two good ears in the coming season."

The following March, hay was twenty-five dollars and thirty dollars a ton. Many had none at all, and their cattle died. Corn climbed steadily from a normal dollar a bushel to two, three, four and even five dollars.

The year became known as poverty year or Mackerel after the necessary addition of salted mackerel to the diet. But not all was distressing. The passenger pigeons were especially heavy that year, so great that nearly any shot skyward brought a welcome addition to an otherwise sparse table. And some crops did well. Jacob Carr of Weare boasted of a crop of potatoes that "Did not get less than five hundred bushels to the acre and never allowed one picked, smaller than a tea kettle!" And turnip! A Sullivan, New Hampshire man placed one on exhibit that weighed in at ten pounds fifteen ounces and was three feet in circumference. But it was quickly topped by another of fourteen and a half pounds!

But these were little solace to the wretched misery the season had caused. It was a time often talked about in the years that followed and never forgotten by those who lived it.

Could another year without summer come along? No doubt it's possible. While the long term averages of snowfall and temperature are definitely on the milder side, no one is putting out a written guarantee for any individual year. So, although the chances of it lessen as the years pass by, don't pack your long johns where you can't get at them!

IN SUPPORT OF S. 2938, INDIAN HEALTH LEGISLATION

Mr. DOMENICI. Mr. President, in this age of increasing concern for minority rights, the plight of the American Indian merits special attention. The distress of the Indian is severe. On virtually every scale of measure—health, education, income, employment—the Indian ranks at or near the bottom.

This deplorable condition, the legacy of centuries of injustice and neglect, is one of the most glaring failures in the American experiment. One of the most important areas of concern, and perhaps the most basic, is that of health. For centuries the Indians were ravaged by diseases brought from Europe against which they had no native resistance. To this day the tuberculosis rate, infant mortality rate, and life expectancy are still below the national average

In recent years progress has been made toward redressing the wrongs of the past and bringing the condition of Indians toward parity with the rest of America. The infant death rate among Indians and Alaska Natives declined by nearly 62 percent between 1955 and 1971. The 1955 death rate of 62.5 per 1,000 live births was reduced to 23.8 deaths per-1,000 by 1971. This is a gratifying improvement. Similarly, tuberculosis death rates for Indians and Alaska natives declined by 86 percent from 1955 to 1971. As a result, the Indian and Alaska Native tuberculosis death rate, which was more than 6 times the U.S. rate in 1955, was 3.7 times as high in 1971. Also significant progress, but, obviously, not enough.

But I do not want to dwell on statistics. My point is the need for continued attention to Indian health and continued progress in combatting Indian health problems. As stated by the Indian Health Service before the 1974 appropriations hearings:

> There have been marked improvements in the health of Indians and Alaska natives since 1955; however, their current health status is still deficient when measured against that of the general population. These people live for the most part under severe deprivation caused by the extreme physical hardships of their home environment, characterized by gross unsanitary living conditions, substandard and crowded housing, and unsafe water supplies; they also suffer from inadequate nutrition, limited educational opportunities, emotional, and sociological problems brought about by a culture in transition.
>
> In spite of very substantial program achievements, morbidity and mortality among Indians remains considerably higher than in the general population. Significant strides have been made in recent years, particularly in the prevention of the infant deaths and deaths from tuberculosis. However, the environment, both physical and economic, in which the Indians find themselves, predisposes them to the ravages of disease to a far greater degree than found in the general population.

Furthermore, on February 7, 1974, in the Senate Appropriations Committee room, a planning conference was conducted to discuss Indian health care. Representatives from both Indian and Government agencies spoke out on the needs and possible solutions.

I believe that S. 2938 addresses itself to these needs. S. 2938 would further implement Federal responsibility for care and education of Indians by improving the services and facilities of Federal Indian health programs. A further purpose of the bill is to encourage maximum participation of Indians themselves in administering such programs—a reflection of the Government's recognition of the need for greater Indian self-determination in the conduct of Indian affairs.

Specifically, S. 2938 addresses these major problem areas: The deficiency of health personnel serving Indians; excessive backlogs of patient care; lack of hospitals and hospital facilities; and inadequate Indian health care in urban areas. As stated in the bill:

> A major national goal of the United States is to provide the quantity and quality of health services which will permit the health status of Indians to be raised to the highest possible level and to encourage the maximum participation of Indians in the planning and management of those services.

Thus I strongly support S. 2938 as an integral part of the Indian self-determination policy as well as an essential milestone in the attack on the grave problems of Indian health in our country today.

A CONCURRENT RESOLUTION ADOPTED BY THE SOUTH CAROLINA GENERAL ASSEMBLY

Mr. THURMOND. Mr. President, on February 8, 1974, the South Carolina General Assembly adopted a Concurrent Resolution memoralizing the Congress of the United States to utilize all of its facilities to effect a reduction of the use of commercial fertilizers on established grass areas on highway rights-of-way and to obtain the cooperation of the U.S. Department of Transportation in this effort.

Mr. President, there exists in this country an extreme shortage of commercial fertilizer for agricultural purposes. This shortage is aggravated by a shortage of all types of fuels used in the production of fertilizer. As a result of the shortages, and the increased cost of shipment, the cost of commercial fertilizers has substantially increased, with such increases being reflected in the cost of food and fiber.

A reduction in the use of fertilizer on a nationwide scale on grass areas of highway rights-of-way would materially assist those engaged in the production of food and fiber by making available additional supplies for agricultural use.

The South Carolina Highway Department has estimated that a ninety percent reduction in the use of fertilizer on highway rights-of-way in South Carolina alone would result in a savings of 900 tons of fertilizer at an approximate cost of $100 per ton, 1,200 man hours of labor and 1,500 gallons of gasoline. I am confident that comparable savings would result in the 49 other States.

Mr. President, on behalf of the Junior Senator from South Carolina (Mr. HOLLINGS) and myself, I ask unanimous consent that this concurrent resolution be printed in the RECORD, and I urge all of my colleagues in the Senate, as well as appropriate officials in the Department of Transportation, to give this resolution their most careful consideration.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

> H. 2602
>
> Whereas, there exists in this country an extreme shortage of commercial fertilizer for agricultural purposes; and
>
> Whereas, this shortage is aggravated by a shortage of all types of fuels used in the production of fertilizer; and
>
> Whereas, as a result of such shortages and the increased cost of shipment thereof the cost of commercial fertilizer has substantially increased with such increases being reflected in the cost of food and fiber; and
>
> Whereas, a reduction in the use of fertilizer on a nationwide scale on grass areas of highway rights-of-way would materially assist those engaged in the production of food and fiber by making additional supplies available for agricultural use; and
>
> Whereas, a nationwide effort to accomplish this purpose would be substantially assisted by the cooperation of highway departments in each state; and
>
> Whereas, a program of conservation by the Highway Department of South Carolina, resulting from a resolution of the General Assembly, will reduce the use of fertilizer on highway rights-of-way in South Carolina by approximately ninety percent; and
>
> Whereas, it is estimated by the State Highway Department that this South Carolina program will result in a saving of nine hundred tons of fertilizer at an approximate cost of one hundred dollars per ton, twelve hundred manhours of labor and fifteen hundred gallons of gasoline. Now, therefore, be it
>
> *Resolved* by the House of Representatives, the Senate concurring:
>
> That by this resolution the Congress of the United States is hereby memorialized to utilize all of its facilities and influence to encourage each state and the United States Department of Transportation to substantially reduce the amount of commercial fertilizer used on areas of the highway rights-of-way of this country where grass has already been established in order to conserve fertilizer for use in the production of food and fiber so necessary for all the people of the nation. Be it further
>
> *Resolved,* That copies of this resolution be forwarded to each member of the South Carolina Congressional Delegation and the Secretary of the United States Department of Transportation in Washington, and that a copy of the resolution concerning the above-mentioned matters, enacted by the South Carolina General Assembly, be attached to all copies so forwarded.

COURT HOLDS FIRING OF VETERAN UNCONSTITUTIONAL

Mr. ERVIN. Mr. President, I wish to bring to the attention of the Senate a recent decision of the court of appeals for the fifth circuit, which has great significance for veterans with discharges under less than honorable conditions.

The case, *Thompson* v. *Gallagher,* No. 73–1415, was decided on December 28, 1973. The court held that a city ordinance which prohibited veterans with other than honorable discharges from holding employment with the city to be unconstitutional under the due process clause of the 14th amendment. Writing on behalf of the three-judge panel, Circuit Judge Lewis R. Morgan noted:

> Numerous factors which have absolutely no relationship to one's ability to work as a [city employee] may lead to other than honorable discharges from the military, including security considerations, sodomy, homosexuality, financial irresponsibility and bed-wetting. The point is not that some of all of these considerations must, as a matter of due process, be excluded from consideration of fitness to hold the position of a [city employee]. However, a general category of "persons with other than honorable discharges" is too broad to be called "reasonable" when it leads to automatic dismissal from any form of municipal employment. We have no hesitancy in calling the ordinance which bars that class of persons from city employment, without any consideration of the merits of each indivdual case, irrational.
>
> In addition, the statute distinguishes between veterans and non-veterans. By eliminating veterans with other than honorable discharges, the city eliminates veterans with those characteristics which lead to other than honorable discharges. Yet there is no effort to "weed out" civilians who have the same characteristics . . .

Mr. President, I would submit that although the facts of this case apply to a veteran who lost his employment with a small town in Louisiana, the court's rationale is a lesson to all employers. Any public or private employer who refuses to hire veterans with other than honorable discharges without bothering to look at the merits of each individual case is acting irrationally. As the court notes, there are many and varied reasons for discharge under honorable conditions from the Armed Forces. The reason for such discharge may have nothing to do with the ability to perform the job being sought. Furthermore, the discharge itself may have been awarded by means of administrative procedures which did not accord the serviceman adequate opportunity to challenge the discharge he received. To discriminate against such individuals may be doing them a great injustice.

Mr. President, I ask unanimous consent that the text of this fine opinion be printed in full in the RECORD. I also request that two related pieces which recently appeared in the New York Times be printed in the RECORD. One is an editorial entitled "Badge of Dishonor" which appeared in the January 16 edition, and is a commentary on the Thompson decision. The other is a column by Tom Wicker entitled "Good, Bad, and 'Other'" which appeared in the edition of December 30. It is a compelling critique of the military administrative discharge system, in general.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

> [In the United States Court of Appeals for the Fifth Circuit, No. 73–1415]
>
> TOMMY THOMPSON, PLAINTIFF-APPELLANT, VERSUS HONORABLE HARRY K. GALLAGHER, MAYOR FOR THE CITY OF PLAQUEMINE, LOUISIANA, DEFENDANT-APPELLEE
>
> *Appeal from the United States District Court for the Middle District of Louisiana,* (December 28, 1973), Before Tuttle, Dyer and Morgan, Circuit Judges.
>
> Morgan, Circuit, Judge: Tommy Thompson served in the United States Army for 22 months before being discharged under other than honorable conditions on May 14, 1970. He went to work for the City of Plaquemine, Louisiana, on December 16, 1971, as custodian at the city diesel plant. Five weeks later, the city council passed the following ordinance:
>
> "Resolved that any person employed by the City of Plaquemine or by the Emergency Employment Act, if said person is a veteran

must have an Honorable Discharge and must be a man of good character."

The day after the ordinance was passed, the City of Plaquemine fired Thompson because his employment violated the ordinance. Thompson sued the Mayor Plaquemine under 48 U.S.C. § 1983, charging that his dismissal violated his rights under the due process and equal protection clauses of the Fourteenth Amendment, that it was a bill of attainder and that it was an *ex post facto* law. Jurisdiction was asserted under 28 U.S.C. §§ 1331, 1343, 2201 and 2202. Thompson sought a declaration that the ordnance as applied to him is unconstitutional an injunction restraining the mayor from applying the ordinance to him, and an order reinstating him to his position at the power plant, with compensation for wages lost as a result of the dismissal.

After hearing on the merits, the District Court of the Middle District of Louisiana entered judgment for the defendant on the ground that the dismissal pursuant to the ordinance violated none of Thompson's rights. Thompson appeals.

I.

The first question we must consider is whether Thompson's interest in his job is protected by the Fourteenth Amendment.[1] Faced with the question of whether a state government as employer must comply with the requirements of due process in its employment practices, some courts have concluded that since a job with the government is neither life, liberty nor property, courts may not review the hiring and firing of government personnel. See, e.g., *Bailey* v. *Richardson*, 182 F.2d 46 (D.C.Cir., 1950), aff'd. by an equally divided court, 341 U.S. 918 (1951), *Jenson* v. *Olson*, 353 F.2d 825, 828 (8 Cir., 1965), and *Orr* v. *Trinter*, 444 F.2d 128, 133 (6 Cir., 1971).

The intellectual progenitor of all these cases is *McAuliffe* v. *Mayor of City of New Bedford*, 155 Mass. 216, 29 N.E. 517 (1892). Judge (later Justice) Holmes summarily rejected a policeman's complaint that he had been fired because he exercised his rights under the First Amendment, saying simply,

"[t]he petitioner may have a constitutional right to talk politics, but he has no constitutional right to be a policeman. 155 Mass. at 220, 20 N.E. at 517."

Notwithstanding Holmes' distinguished imprimatur, we feel that this reasoning does not come to grips with the question in cases such as this. The real question is whether the Fourteenth Amendment's prohibition against governmental actions which violate due process of law reaches a government's actions as employer. We feel that it does.

The Fourteenth Amendment is a general prohibition against arbitrary and unreasonable governmental action. It no longer suffices to say that although a government may not deprive someone of a *right* arbitrarily, it may do so in the case of a *privilege*. *Goldberg v. Kelly*, 397 U.S. 254, 262 (1970), *Shapiro* v. *Thompson*, 394 U.S. 618, 627 n.6 (1969). The right-privilege distinction has been rejected as a method of analysis in Fourteenth Amendment cases, because the question is not whether a person has a right to something denied by the government, but whether the government acted lawfully in depriving him of it. *Bell* v. *Burson*, 402 U.S. 535 (1971), and cases cited therein at 539. "One may not have a constitutional right to go to Baghdad, but the government may not prohibit one from going there unless by means consonant with due process of law." *Homer* v. *Richmond*, 292 F.2d 719, 722 (D.C.Cir., 1961), cited in *Cafeteria and Restaurant Workers Union* v. *McElroy*, 367 U.S. 886, 894 (1961).

II.

In the context of public employment, the question of whether employment is protected by the Fourteenth Amendment usually arises when an employee is dismissed for actions which may be characterized as the exercise of some other specifically defined constitutional right. In *Slochower* v. *Board of Education*, 350 U.S. 551 (1956), a tenured professor was dismissed from his position at Brooklyn College for asserting his Fifth Amendment privilege against self-incrimination at a Congressional hearing. The court held the dismissal invalid both because it punished assertion of constitutional rights and because "constitutional protection does not extend to the public servant whose exclusion pursuant to a statute is patently arbitrary or discriminatory." 350 U.S. at 556. Slochower was reaffirmed recently in *Connell* v. *Higginbotham*, 403 U.S. 207 (1971).

As precedent for the latter proposition, the court relied on *Wieman* v. *Updegraff*, 344 U.S. 183, 192 (1952), in which certain staff and faculty members of the Oklahoma Agricultural and Mechanical College were fired for refusing to take an oath disclaiming membership in certain allegedly subversive organizations. The court invalidated the dismissals, holding that the oath lumped together innocent and knowing activity, and as such was an assertion of arbitrary power. 344 U.S. at 191.

In *Hobbs* v. *Thompson*, 448 F.2d 456 (5 Cir., 1971), this court invalidated sections of the city charter and ordinances of Macon, Georgia, which restricted electioneering activities of that city's firemen. We held there that the statutory scheme was overboard and interfered with the firemen's First Amendment rights. In doing so, we specifically relied on the proposition in *Pickering* v. *Board of Education*, 391 U.S. 563, 568, that " 'the theory that public employment which may be denied altogether may be subjected to any conditions, regardless of how unreasonable, has been uniformly rejected.' *Keyishian* v. *Board of Regents*, [385 U.S. 589, 605–06 (1967)]." 448 F.2d at 474.

This case differs somewhat from the *Weiman-Slochower-Pickering* line of cases since it involves no constitutional right other than the right to be free from arbitrary and unreasonable government action. But the same reasoning applies. Just as a public employee does not give up his First Amendment rights when he begins receiving a pay check from the government, neither does he give up his right to due process of law. The Fourteenth Amendment stands for the proposition that the government must act, when it acts, in a manner which is neither arbitrary nor unreasonable. This stricture is in addition to those which restrict the government from acting in a manner which impinges on freedom to speak or associate, or to be free from self-incrimination. It is one which most certainly applies not only to the government as policeman but also to the government as employer. Public employees are every bit as protected by the Fourteenth Amendment's safeguards as in the rest of the populace. *Grausam* v. *Murphey*, 448 F. 2d 197 (3 Cir., 1971), *Buckley* v. *Coyle Public School System*, 476 F. 2d 92 (10 Cir., 1973), *Fitzgerald* v. *Hampton*, 467 F. 2d 755 (D.C. Cir., 1972).

III.

Having determined that Thompson's dismissal must be evaluated according to Fourteenth Amendment standards, we turn now to the question of whether the city's dismissal of him violates due process or equal protection. Thompson was dismissed pursuant to a city ordinance forbidding the employment by the city of any veteran not having an honorable discharge from the armed forces. The ordinance thus creates two different classifications. First, it divides the employees of the city into veterans and nonveterans. In addition, it distinguishes between veterans with honorable discharges and those with other than honorable discharges.

Thompson attacked the ordinance on both equal protection and due process grounds. In many cases, of which this is one, it makes little difference which clause of the Fourteenth Amendment is used to test the statute in question. *Bolling* v. *Sharpe*, 347 U.S. 497 (1954). The question is whether the challenged statute is a rational means of advancing a valid state interest. A regulation not reasonably related to a valid government interest may not stand in the face of a due process attack. Likewise, a classification which serves no rational purpose or which arbitrarily divides citizens into different classes and treats them differently violates the equal protection clause.

Although it is proper for a city to create different classes of citizens and treat them in different manners, the classifications thus created must serve a rational and valid governmental purpose. Thus, we are faced with two questions. In there a valid governmental interest at stake in this case? Does the ordinance bear a rational relationship to the fulfillment of those interests?

In an effort to determine what interest of the City of Plaquemine was at stake in this ordinance, we have listened to oral argument, read the briefs presented by both parties, and examined the entire record, including the transcript of the trial held in district court. The defendant seems to feel that there are three interests which the ordinance is intended to fulfill.

The first is that persons with other than honorable discharges should not be employed by the city. The district court apparently accepted this as a valid justification for the ordinance, stating.

"The burden is upon the plaintiff to prove his case and everyone who has testified in this case has testified that this ordinance was passed because first they felt that no one with a Dishonorable Discharge or a Discharge under other that honorable conditions should work for the City of Plaquemine. I personally would wholeheartedly agree."

Of course, to state that persons with other than honorable discharges should be fired because a person with other than an honorable discharge is unfit to be a city employee is totally circular. The question is, what is it about a person with other than an honorable discharge that makes him unfit to be a city employee?

It was suggested at trial that the ordinance was an effort to comply with the Emergency Employment Act of 1971, P.L. 92–54, 85 Stat. 146, which provided funds to the city for Thompson's wages of $350.00 per month. The act, insofar as it is relevant here, authorized financial assistance for federal, state and local governmental units to hire people particularly affected by high unemployment Congress was particularly concerned about low-income persons, migrants, those from socio-economic backgrounds generally associated with high unemployment, young persons entering the labor force, persons recently separated from military service, and others likely to have trouble finding jobs. Governmental units seeking assistance under the act must submit to the Secretary of Labor applications which describe the programs to be instituted. The act further provides that these applications must include:

". . . assurances that special consideration in filling public service jobs will be given to unemployed or underemployed persons who served in the Armed Forces in Indochina or Korea or after August 5, 1964 in accordance with criteria established by the

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[1] The Fourteenth Amendment states, in part, ". . . nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

Secretary (and who have received other than dishonorable discharges); . . . P.L. 92–54 § 7(c)4.)"

Thus, the act provides preferences for veterans with "other than dishonorable discharges." The Plaquemine ordinance, however, requires the discharge of veterans with other than honorable discharges. Thompson has an undesirable discharge under other than honorable conditions. This is clearly demonstrated by the record in this case, although Thompson's attorney, at the beginning of the trial, stipulated that he had a dishonorable discharge. An undesirable discharge is not an honorable discharge, but neither is it a dishonorable discharge. Thompson's dismissal not only fails to further the purposes of the act, it actually subverts them. As a veteran who has received other than a dishonorable discharge, Thompson is actually entitled to a preference under the act. Thus, the employment act cannot provide any justification for the ordinance which led to Thompson's dismissal.

Finally, the appellee appears to argue that the characteristics which cause a person to receive other than an honorable discharge from the military are characteristics which hinder that person's effectiveness as a city employee. This rationale is stated in the appellee's brief in the following manner:

"Certainly, the fact that a person does not get an honorable discharge from the armed forces conotes, [sic] if not criminality, at least antisocial character. The City undoubtedly has an interest in not hiring persons with such character. . . . It cannot be gainsaid that the exclusion of persons with criminal and/or strongly antisocial character will not, in the long run, operate to create a better serving, more efficient and more reliable service."

We agree that the city has an interest—indeed, a very strong interest—in maintaining the quality of its work force and assuring that its employees perform their tasks as well as possible. Of the three governmental interests advanced by the appellee, this is the one that may be considered for the purposes of Fourteenth Amendment analysis.

IV

The next question, therefore, is whether the classifications in question are reasonably related to the city's interest in maintaining the quality of its work force. First, we consider the distinction between veterans with honorable discharges and other veterans.

Numerous factors which have absolutely no relationship to one's ability to work as a custodian in a power plant may lead to other than honorable discharges from the military, including security considerations, sodomy, homosexuality, financial irresponsibility and bed-wetting. The point is not that some or all of these considerations must, as a matter of due process, be excluded from consideration of fitness to hold the position of power plant custodian. However, a general category of "persons with other than honorable discharges" is too broad to be called "reasonable" when it leads to automatic dismissal from any form of municipal employment. We have no hesitancy in calling the ordinance which bars that class of persons from city employment, without any consideration of the merits of each individual case, irrational.

In addition, the statute distinguishes between veterans and non-veterans. By eliminating veterans with other than honorable discharges, the city eliminates veterans with those characteristics which lead to other than honorable discharges. Yet there is no effort to "weed out" civilians who have the same characteristics. We have been directed to no ordinance limiting city employment to those who are financially responsible, or who are good security risks, or who have never committed sodomy, or who do not wet their beds. There has not even been a showing that the city excludes convicted felons from employment. This is not to imply that any or all of these restrictions would be valid. On that question we express no opinion. The point is only that the ordinance being challenged might stand in a very different light if it were part of a general comprehensive scheme which enumerated characteristics deemed to be conducive to competent performance as a city employee, and which excluded all those who lacked those characteristics. That is not what we have here. As it now stands, the Plaquemine ordinance subjects veterans to standards to which non-veterans are not subjected. It also disqualifies veterans who have received other than honorable discharges, in spite of the fact that a veteran may receive a discharge for a wide range of reasons, many of them totally unrelated to performance as a city employee. By no stretch of the imagination could such a scheme be called rational.

The cause is reversed and remanded to the district court for proceedings not inconsistent with this opinion.

Badge of Dishonor

The United States Court of Appeals for the Fifth District has taken an important step toward eliminating abuses of the classification system used in labeling those men and women who leave the Armed Forces.

The court held unanimously that an Army veteran was unjustly dismissed from a city job in Plaquemine, La., after it was discovered that he had been given an "undesirable" discharge for his refusal to go to Vietnam. The ruling challenges both the manner in which the Armed Services administer the discharge system and the way in which society applies that system to unrelated civil situations, from the exclusion from employment to the denial of insurance.

At the heart of the court's strongly implied criticism of the existing process is the fact that many of those who are not "honorably" discharged have had no opportunity for due process. Many discharges below the honorable level are issued by administrative fiat or at the order of commanders, without benefit of trial, yet they may nevertheless have a permanently punitive effect. A discharge resulting from a former serviceman's conscientious objections or even from a physical or psychological unsuitability to special requirements of military life could unfairly haunt him for years to come.

By holding that such broad applications of vaguely defined military yardsticks violate the Fourteenth Armendment, the court does not deny potential employers the right to refuse to hire persons who have been dishonorably discharged for the commission of criminal offenses. At issue is merely the automatic substitution of an inadequately defined military labeling system for the fair judgment of individuals on their merit.

The military is clearly within its rights in attesting to the quality of the services rendered by those who leave the Armed Forces. But it is wrong in a democratic society to allow military demerits to be transferred automatically from uniform to mufti, without taking into account whether they bear any relationship to civilian law, life, and responsibilities.

Good, Bad and "Other" . . .

(By Tom Wicker)

In a striking article in the new quarterly Civil Liberties Review, Prof. Howard Zinn of Boston University points out that the Supreme Court and the Constitution do not, in fact, protect our liberties nearly to the extent that "power and money" constantly endanger them.

The real threat, he writes, is in "the situations of every day: where we live, where we work, where we go to school, where we spend most of our hours. Our actual freedom is determined . . . by the power the policeman has over us on the street, or that of that local judge behind him; by the authority of our employers; by the power of teachers, principals, university presidents, and boards of trustees if we are students; by parents if we are children; by children if we are old; by the welfare bureaucracy if we are poor; by prison guards if we are in jail; by landlords if we are tenants, by the medical profession or hospital administration if we are physically or mentally ill."

He might have added: "by the military, even after we have left its ranks and returned to civilian life." For another article in Civil Liberties Review, by Haywood Burns of the National Conference of Black Lawyers, details how the military services cause unfair unemployment, social stigma and loss of Government benefits for those veterans, many of whom endured combat in Vietnam—who are encumbered with "general" or "undesirable" discharges.

These discharges fall somewhere between "honorable" and the "bad conduct" or "dishonorable" discharges that result from court-martial convictions. Generally termed "other than honorable," they are awarded through administrative action and, as Mr. Burns points out, "can be given for a variety of 'good of the service reasons,' " including bed wetting, failure to achieve, and minor rules infractions "related to not toeing well enough someone's line." At worst, whatever offense might be involved usually would be no more than a misdemeanor in civilian life; often, the trouble is no more than nonconformity.

Yet these discharges—in reality, a veteran's inability to show an "honorable" discharge—cause employers to refuse to hire, colleges to turn down applicants, veterans' hospitals to refuse to treat even men who were wounded in combat, the Government to withhold G.I. Bill and other benefits, and other agencies—the courts, the police, civil service boards—to take hostile attitudes. Ironically enough, the men and women who suffer these penalties often received their "administrative" discharges from nonjudicial bodies within the military services, after little, if any, counseling and protection of their rights; while those given "bad conduct" or "dishonorable" discharges are sentenced by courts-martial after full exercise of their rights and with ample opportunity for appeal.

In a report prepared last November on the same subject, Otilio A. Mighty, veterans' affairs director for the New York Urban League, said that "during the Vietnam era (August 1964 to 1972), 161,917 servicemen have been shackled and burdened with undesirable discharges" alone. Even without including those who received "general" discharges, therefore, the services discharged the approximate equivalent of eighteen infantry divisions of Vietnam war veterans under "other than honorable" conditions.

Aside from the questions this raises about military policies and procedures, this "army of the forgotten," as Mr. Mighty labeled it, has been placed in roughly the position of the offender emerging from prison—society wishes him or her to do better, to be "rehabilitated," to become a useful citizen, but at the same time it so stigmatizes and restricts opportunity for the person involved as to make such human reform all but impossible.

Even those with "honorable" discharges can find their service records penalizing them in civilian life, through "separation" code numbers. There are over 200 separate numbers, one of which is stamped on every discharge paper. Some of these numbers, decoded, mean "unsanitary habits," "homosexual tendencies," "apathy," "unsuitability—multiple reasons," and the like—even "obesity!" What right the military has arbitrarily to stigmatize men and women for life is not clear; but it *is* clear that many civilian employers know the code and apply it to veterans seeking jobs.

Haywood Burns—who served in 1972 on a civilian-military task force to study the administration of military justice—believes that the whole system of graded discharges ought to be abolished. In his view, every person leaving the military should get a simple certificate of service; thereafter, only actual records of criminal conviction, determined judicially by courts-martial, could be held against veterans.

After all, why should those who served in the military—often draftees—be more categorized, graded and judged—arbitrarily at that—than those who did not serve? And anyway, who gave the military the power to classify American citizens as good, bad or indifferent?

LITHUANIAN INDEPENDENCE DAY

Mr. CURTIS. Mr. President, a few days ago, an elderly gentleman was in my office to visit with me as any other constituent would do. But he wasn't the usual constituent with average concerns.

John Kreivenas, who has relatives in Neligh, Nebr., had just been permitted to come to America after 33 years of captivity behind the Iron Curtain. Mr. Kreivenas was not allowed, in all that time, to leave Lithuania to rejoin his wife in Pennsylvania.

Through the efforts of my office, through the efforts of the State Department and the American Embassy in Moscow, Mr. Kreivenas was finally granted his independence. And it means so much to him.

It is with this poignant memory that I urge all Americans to commemorate the 56th anniversary of the establishment of the Republic of Lithuania.

February 16 marks Lithuanian Independence Day, but it has been 34 years since independence has had any real meaning in that Soviet-invaded country.

As Americans who cherish the ideals of freedom and mutual cooperation, we should look to Lithuania and the other Baltic States with compassion, but not with pity.

There is a future ahead for all of us. Détente could create a new world community where captivity behind "curtains" becomes obsolete.

We, in Congress, should actively strive to use all opportunities to achieve this ideal of a peaceful world community and to help other countries become part of this dream. And all of us should keep this idea in our hearts, so John Kreivenas may be only one of many to return to America's open arms.

SERVICE TO THE PEOPLE IN DURHAM, N.H.—THE RED CROSS

Mr. McINTYRE. Mr. President, in these days when our major attention is turned to oil embargoes, long lines at the gas station, rampant inflation, and the many other vicissitudes of life today, we may forget that great accomplishments continue to be made by our people in thousands of communities throughout the Nation—accomplishments which unfortunately do not always get reported in the headlines.

The American Red Cross is at the forefront of those organizations that carry on service to the people day in and day out every day of the year.

The publication "The Good Neighbor" which reports on what the Red Cross is doing in communities across America recently turned its attention to Durham, N.H., home of the University of New Hampshire. This report reveals that the Durham Red Cross has achieved an outstanding level of community service by association with the university and the community in general.

Mr. President, I ask unanimous consent to print this article from "The Good Neighbor" in the Record so that my colleagues may know of the accomplishments of the Durham Red Cross.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Good Neighbor

Durham, N.H.—In this lovely old (first settled 1623, incorporated 1732) New England town, the Red Cross is a living presence of people who care, a "web of organization"—in the words of one of its leaders—"that if something comes up, somebody—A, B or C—is going to do something about it."

Durham has 5,000 permanent residents. Some 10,000 University of New Hampshire students live there for parts of the year. The community has more than 2,000 Red Cross members; over 700 are active Red Cross volunteers. The Red Cross in Durham has 12 programs and scarcely a penny's overhead. It has the highest per capita rate of blood donation in the highest per capita blood donation region of the American Red Cross blood program. It made 159% of fund goal in 1973; it has exceeded every regular and special fund goal for 8 consecutive years.

Readers don't need to write to Durham to find out the magic used to accomplish these things; it's magic available in every U.S. community. Durham's Red Cross applies people power to people needs, keeps up with what's happening and needed in its community and involves the community's leadership in Red Cross leadership. Any chapter that isn't afraid of able people and hard work can do likewise.

The Good Neighbor visited Durham to talk with some of its volunteer Red Cross leaders. The words and photos that follow portray the flourishing health of the American volunteer spirit there.

While we derive satisfaction from our small share of the work of the American Red Cross on a nationwide basis, it is at the chapter level, on a person-to-person basis through the work of our community service programs that most of us have the opportunity to feel a part of the Red Cross, to be the good neighbor. And it is at the chapter level that most of our responsibilities lie. To be the good neighbor in Durham, we of the Red Cross must be alert to the new needs of the community and willing to begin new programs in addition to continuing and expanding existing ones.—Nobel K. Peterson, University of New Hampshire teaching/research scientist and Durham chapter chairman.

The program of this chapter is used by the people. It's seen as a very strong and positive factor in the life of the community.—C. Robert Keesey, UNH ombudsman and Red Cross chapter vice chairman/chairman of Service to Military Families.

We let the community know we're here and what we do. On almost every bulletin board in town is a complete list of the chapter's directors and service chairmen, with telephone numbers. . . . We invite everyone in the community to the annual meeting and we welcome everyone who comes with a program that's informative, warm and fun, an event at which everyone is thanked and has a good time. . . . I try for a story a week with one or another of the media that cover Durham—Doris Peterson, chapter chairman of public relations and information.

How we raise money for the Red Cross is simple and basic. We ask each area leader (we call them leaders, not captains) to recruit 6 to 10 solicitors, and each area leader is assigned a fund goal. We have found that by setting a realistic goal, area leaders have been motivated to work hard to obtain their individual goals. People call on people they know; personal contact with followup is the key.—Eugene A. Savage, UNH director of admissions and New England Red Cross division advisory council member.

I can see why in some university communities the Red Cross chapter doesn't work with students. It has to be a constant thing. And you no sooner get them trained than they graduate. But there is great reward in bringing students into the experience of volunteering. I think university community chapters that don't work with their students are missing an important opportunity.—Doris Peterson.

It's competition, it's morale, it's excitement. That's why students get involved. For us it started with giving blood and then planning and staging the blood drive. We got wrapped up in it; we psyched each other. It grows. We now have some 20 to 25 campus groups and maybe 25 dormitories involved in some way in Red Cross projects.—Tom Hammett III, UMH student and member of the Red Cross chapter board of directors.

In another perspective, the Red Cross blood drive is an outward and visible sign to the rest of the state of what we students here in the Durham community are really like.—Tom Hammett.

In the Air Force ROTC and its auxiliaries our primary concern is to develop leadership, and the Red Cross helps us in this, especially by giving our students leadership opportunity in blood drives and fund raising. These do a lot for our students and their feeling of accomplishment. . . . On a more personal plane, I have been impressed by the Red Cross ever since as an enlisted man I got a lot of help during an emergency leave situation. I hope to plant some seeds here that will grow in Red Cross support when these students are out of school and scattered around the world.—Maj. Darrel D. Lynch, USAF, UNH ROTC instructor in areospace studies and Red Cross membership enrollment chairman.

We emphasize membership. It's more than just making a donation. It's joining our community's Red Cross.—Nobel K. Peterson.

Red Cross helps us instill a sense of purpose, leadership and accomplishment.—Lt. Col. Wilfred West, U.S. Army, UNH, ROTC.

It has always amazed me, the number of New Hampshire children who don't know how to swim. Swimming is the one sport you can learn for life and you don't have to be in a team to learn. It's one gift that should be given to every child. . . . Teaching children to swim is like watering flowers every day for 5 weeks. And then they bloom!—Margaret Sumner, Red Cross water safety program chairman.

The Red Cross disaster plan is one part of the total community-wide disaster plan. Specifically, it's the social service branch of the community disaster plan.—E. Warren Clarke, UNH civil defense training program director and Red Cross disaster services chairman.

I like to hear the telephone ring. I like the civic life, and I like our convalescent equipment loan program because there's a lot of good in it and no waste motion. We hold ourselves ready and when we are needed we do what we have to do. I think we do a very useful service.—Wayne Shirley, retired university librarian and supervisor of the Red Cross convalescent equipment loan program.

I am impressed by the role the Red Cross plays on the campus here. In fact, I was surprised by the extent to which the chapter is intertwined with the life of the university and the degree to which staff and faculty are involved in Durham's Red Cross leadership. We encourage this kind of outreach and involvement. We think it's healthy. It's also necessary for a university that wants to keep in tune with its community and its state.—Thomas N. Bonner, president, University of New Hampshire.

The personality of the instructor has as much to do with the progress of first aid instruction as does the need for the instruction in the community—Caroline Wooster, UNH emeritus associate professor of physical education and state volunteer consultant in Red Cross safety services.

I became involved because I was asked. I was retired and they thought I had lots of time. Well, to tell the truth, I had taught school all those years as a way of giving service, and I wanted to continue being of service. I felt it a privilege to be asked.—Dorothy Wilcox, Red Cross volunteer motor corps director.

Our chapter works because of people who take an interest and put in the work. Moreover, we have been blessed with leaders who have the knack of making one ashamed to say no and who pay attention to the little formalities that are so important—recognition for service well performed, a story in the paper, a mention at a gathering of those you want to think well of you.—Alden L. Winn, chairman, Durham Board of Selectmen, UNH professor of electrical engineering and Red Cross chapter board of directors member.

We began in 1951 with one campus blood drawing a year. Then we went to a fall-spring schedule. Then to 2-day operations. Then, with the help of the ROTC students, to 3 days in the fall and 4 in the spring. All told, we now have 14 days of blood drawings a year in Durham. We collected 4,040 units of blood last year.

Campus recruitment for each drawing is conducted by a volunteer committee of 16 students. They help with everything from theme to radio announcements. Volunteers working at the drawings are about half from the campus and half from the town.

Another thing we do. Every University of New Hampshire freshman gets a letter on university stationery from a committee of students inviting him to become a blood donor.—Mrs. William Stearns, volunteer Red Cross blood program chairman.

I'm always almost in tears because we're about to lose one of our best student workers, and then I realize there's another one just as tremendous coming along.—Mrs. Charles McLean, volunteer Red Cross blood program nursing chairman.

I teach Red Cross home nursing because I believe in preventive medicine, good service and economy.—Mrs. Robin Willits, instructor in adult home nursing programs.

CHARTER NO. 1—CHAMBER OF COMMERCE, FREDERICK, MD.

Mr. MATHIAS. Mr. President, no matter how much harder we try, there can only be one No. 1. It is not unusual that the Chamber of Commerce of Frederick, Md., which serves a unique community, should hold the first charter issued to a local chamber by the Chamber of Commerce of the United States.

It was my privilege to attend the Frederick chamber's 62d annual dinner on January 24, 1974. During the evening there was an interesting review of the chamber's history and its development. Since this a facet of our national, social, and economic evolution, I thought it would be of interest to Members of the Senate and others across the country.

I ask unanimous consent that the accompanying history of the Frederick chamber and the list of past and present officers be printed in the RECORD.

There being no objection the history was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF FREDERICK COUNTY, INC.—CHARTER NO. 1, CHAMBER OF COMMERCE OF THE UNITED STATES

The beginnings of the Chamber of Commerce movement are traced back almost 6,000 years to the city of Mari in Mesopotamia.

The evolution of the modern Chamber began in 1599 when merchants in Marseilles, France formed an independent, voluntary organization to represent commercial interests of the port.

The first American Chamber of Commerce was the Chamber of Commerce of the State of New York, which was organized in 1768.

As a result of a suggestion by President William Howard Taft that some system of national cooperation between business and government be established, the Chamber of Commerce of the United States was created on April 22, 1912. It was a new step in commercial organization—a representative federation with autonomous chambers of commerce and trade associations from every part of the country and from every type of industry as its controlling and directing force.

The Frederick Board of Trade, first organized in 1895, was the forerunner of today's organization. It was in April 1912 that Officers and Members of the Frederick Board of Trade responded to the call of President Taft to attend a meeting in Washington that resulted in the formation of the Chamber of Commerce of the United States.

The Frederick delegates were enthusiastic about the formation of a National Chamber of Commerce. Within a few hours after their arrival home, a letter was sent to the national association accompanied by a certified check for $25.00—the fee for membership in the national body. The letter was purposely sent so that the Frederick Board of Trade would hopefully be the first membership of the association.

On May 8, 1912, a letter was received from the Secretary of the National Chamber of Commerce informing the local association that it was the first association of the country to join the national body. Being the first body to join the national association was considered as one of the greatest advertisements that Frederick could possibly get. The actual value would be hard to estimate, but would be considerable, it was stated. The Charter, bearing "Number One," was received on May 21, 1912 and is now displayed in our Chamber office.

This organization continued to function under the name of the Frederick Board of Trade until June 1920. At that time the officers and executive committee resigned in the interest of the reorganization of that body. The resignation was signed by: Raymond G. Ford, President; J. M. Dronenburg and Casper E. Cline, Vice Presidents; Lewis R. Dertzbaugh, Secretary and Treasurer; Edwin C. Markell, R. Ames Hendrickson, Holmes D. Baker, D. John Markey, and J. H. Gambrill, Jr., members of the Executive Committee.

The first meeting of the Board of Directors of the Chamber of Commerce was held at the YMCA on July 26, 1920. Officers elected were: Casper E. Cline, President; James H. Gambrill, Jr., P. A. Hauver and Mrs. W. Hayes Brown, Vice Presidents; J. M. Dronenburg, Treasurer; and Edgar H. McBride, Acting Secretary, until a permanent one could be secured.

From the time of affiliation with the Chamber of Commerce of the United States to present, many of our citizens have given freely of their time, energies and talent to help build our community into one that is a highly desirable one in which to live, to raise families, to do business and to work.

This organization was honored with the election of one of its Past Presidents to the Board of Directors of the Chamber of Commerce of the United States. Elected to a two-year term (1955–56) was Mr. Elmer I. Eshelman who, to this day, holds the distinction of being the only member of our organization to have been elected to that body. He is "Number 1" for Charter No. 1!

The list of those serving in any and all capacities is endless. They are honored for their valuable contributions toward the success of this organization.

IN HONOR OF OUR PAST PRESIDENTS, 1912 THROUGH 1973

Baker, Holmes, D.—1918–19
Bowers, Charles F.—1949–50
Bowlus, E. Robert—1970
Bush, Sr., Francis W.—1967
Callan, Jr., G. Bernard—1971
Cline, Casper E.—1920
Cramer, Noah E.—1916–17
Daugherty, Edward J.—1972–73
Dronenburg, J. M.—1914–15
Eshleman, Elmer I.—1946–47
Fanos, Nicholas G.—1962
Ford, Raymond G.—1920
Freeman, James W.—1968
Gallup, Girard—1935
Garber, Glenn O.—1927
Grove, James H.—1959–60
Hardy, William E.—1952
Hartmann, Edward C.—1951
Hendrickson, R. Ames—1924–26
Hooper, J. Harold—1964
Keller, Lemuel D.—1958
Kline, Joseph M.—1961
Kolb, Jesse W.—1935
Markey, D. John—1912, 1921–23
Morgan, John W.—1965
Motter, S. Lewis—1913
Offutt, W. Jerome—1966
Payne, Paul I.—1929–30
Rice, Donald B.—1956–57
Roney, Clyde M.—1954–55
Sanner, Charles S. V.—1963
Seeger, Charles F.—1931
Simmons, Richard F.—1932–34
Taylor, Charles K.—1948
Trubac, Charles M.—1969
Wilson, Louis L.—1928
Wolfe, R. Brad—1936–45

OFFICERS AND DIRECTORS

1973

Edward J. Daugherty, President
Gilbert P. Bohn, Vice President
Donald C. Linton, Vice President
William F. Moran, Jr., Vice President
Kenneth E. Fogle, Treasurer
Richard D. Hammond, Executive President
Louie J. Brosius
G. Bernard Callan, Jr.
William L. Haugh, Jr.
Robert E. Haynes
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William G. Linehan
George H. Littrell
Frank R. Martin
Donald B. Rice
Arthur J. Reilly
Charles A. Schroer
F. L. Silbernagel
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1974

Donald C. Linton, President
William L. Haugh, Jr. Vice President
William G. Linehan, Vice President

F. L. Silbernagel, Vice President.
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Robert G. Hooper
Lawrence W. Johnson
Noah E. Kefauver, Jr.
Robert C. Lindquist
William Parkins
Donald B. Rice
Arthur J. Reilly
Dr. Alfred Thackston

SOYBEANS COME TO THE MEAT MARKET

Mr. HUMPHREY. Mr. President, in view of our present meat shortage and further indications that meat prices will be rising substantially in the future, I would like to bring to the attention of the Congress an outstanding article by Daniel S. Greenberg entitled, "Slaughterhouse Zero."

In a highly informative manner, Mr. Greenberg points out that the use of soybean extract as a meat extender is sweeping the country's supermarkets. According to Mr. Greenberg, sales this year of the "extended" product are estimated at 100 million pounds, but government projections for the market run as high as 3.7 billion pounds in 1980.

From all indications, the soybean extract industry has clearly offered the "red meat" industry ample competition in the areas of taste, cost, and nutrition. In addition to being considerably cheaper, the extended meat is cholesterol-free and comes close to equalling the protein content found in real meat. And according to Mr. Greenberg, who sampled many of the "extended" products at a General Mills test kitchen, the "ham chunks were—to my astonishment—indistinguishable from the animal-grown version."

Mr. Greenberg also pointed out that the major companies are rapidly expanding their research programs. For instance, Miles Laboratories raised its research budget from $1 million to $3 million in a year or two to do further soybean research.

Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Harper's magazine, November 1973]

Slaughterhouse Zero: How Soybean Sellers Plan To Take the Animal Out of Meat

(By Daniel S. Greenberg)

Among some dozen major firms in America's vast culinary-industrial complex, the rise of simulated meats is regarded as the biggest opportunity for the triumph of an ersatz product since margarine took over two-thirds of the nation's butter trays. Already, by employing new and revived technologies for creating meat-like texture and tenderness in extracts of the celebrated soybean, the companies are bypassing slow-growing meat on the hoof. On fast-moving production lines, they are manufacturing credible and edible highly nutritious "engineered" simulations of ham, chicken, beef chunks, pork sausage, bacon bits, hamburger, and other products. The flavors are wholly man-made or are extracted from the real thing.

The present-day consumption of these products—which bear the unpalatable generic name of "textured vegetable protein"—is still relatively small. But no longer are sales concentrated in health food stores, where the stuff attracted an initial following. Hundreds of supermarket throughout the country are now selling ground meat "extended" approximately 25 percent with textured vegetable protein. The extended product is supposed to be clearly labeled as such, and that generally seems to be the case, but the opportunities for deception are obviously inviting. Numerous regional hamburger chains now serve mass-produced "extended hamburger patties, and all-vegetable simulations of breakfast sausage and patties are routinely available in supermarkets. Finally, the institutional market—factory cafeterias, hospitals, schools, and so forth—is slowly yielding to the use of simulated ham and chicken chunks that defy detection. Figures are closely held by the manufacturers, but sales curves are reported to be sharply upward.

Aided by food prices that are dislodging shoppers from deeply set habits, and by popular concern over cholesterol (which is abundant in red meat but absent from the protein-rich soybean), big-league companies like General Mills and Miles Laboratories are selling these new products in big and ever-growing quantities. Sales this year are estimated at 100 million pounds; government projections for the market run as high as 3.7 billion pounds in 1980. (The latter figure is about one-fifth of the current annual consumption of ground meat in all forms—from hamburger to chili.)

All this arises from new techniques that give the new soyfoods a meaty texture. The process starts with the soybean, of which American farmers will produce some 1.5 billion bushels this year. Most of this output is put through giant presses to squeeze out oil for margarine, shortening, paint, and other products. What's left behind is soybean meal of approximately 50 percent protein content: golden stuff for animal feed, since protein is the essential ingredient for producing meat on the hoof, and the soybean contains more of it than any other high-volume crop. Soybean meal can also be processed for direct human consumption. Asians have been doing this for years.

However, in the bygone era of relatively cheap and plentiful meat, soy preparations fared poorly in penetrating the American diet, outside of their use as invisible protein "fortifiers" for pasta products. Efforts to expand the use of this cheap source of protein were also thwarted by soy flour's tendency to become a soggy, non-rising mush when moistened. What was needed to make it conform to traditional American food preferences was some means of giving it "chew."

Research on the texturizing process began in the 1930s, when the elder Henry Ford became fascinated with the soybean and assigned a team of researchers to transform it into products ranging from fenders to upholstery material. Following laboratory successes that were not economical enough for the production line, the team eventually split up, but two of the researchers, Robert A. Boyer and William T. Atkinson, maintained an interest in rendering the soybean palatable to American tastes. In 1954, Boyer patented a process for isolating protein from soybean meal and spinning it into resilient threads that could be fabricated into simulated meat products, known in the trade as "analogs." In other words, they look and taste like the real thing. The process, however, was relatively expensive, and beyond the vegetarian market there was little demand for these simulations.

The real break came in 1970, when Atkinson patented a cheap and comparatively simple process for imparting "chew" to soybean flour by moistening it into a "plasticized" mass, bringing it to a high temperature, and rapidly forcing it through perforated dies into a chamber of lower temperature and pressure. The result is a neutral-tasting granular material of any desired size and shape, depending on the dies, which contains about five percent moisture. When these granules are mixed with water, they retain their structural integrity, and in feel and texture resemble moist bits of hamburger. Rather than being analogs of whole products, they are employed as "extenders"—i.e., they're mixcd in with hamburger or other ground meat preparations and they soak up the flavor of the surrounding material.

The product is close to meat in protein quality, the main deficiency being one amino acid, methionine, which, after long supplication from the manufacturers, was recently certified for addition by the Food and Drug Administration. Another difference is that, while the product is fat-free, and therefore cholesterol-free, it also contains 31 percent carbohydrates. Meat has none. The manufacturers point out that the carbohydrates reaching the consumer are relatively small in amount, since the end product must be heavily diluted with water for use and is usually mixed with two parts of real meat to make a table-ready preparation. The analogs of real meat are far richer in protein than the extenders and are relatively low in carbohydrates.

The arithmetic of producing meat on the hoof or "meat" in the factory is simple. Feed a steer on the meal extracted from the 1440 pounds of soybeans yielded by the average acre and you'll end up with roughly 58 pounds of protein. Process that same soybean meal into textured vegetable protein and the result is approximately 500 pounds of material that in laboratory and feeding tests approximates the protein content of meat. As for price, it turns out to be almost dirt cheap for extenders. The factory price has been about 40 cents a pound in recent months, but to make the material usable for extending other foods, each pound must first be moistened with two pounds of water, which brings the cost down to about 13 or 14 cents a pound. Even as the price of soybeans goes higher, the price of textured vegetable protein necessarily remains substantially below the price of meat for the simple reason that it takes a lot more soybeans to make meat than it takes to make textured vegetable protein.

While a number of consumer groups and public-nutrition officials are skeptically eyeing what they suspect may be still another industrial raid on the nutritional welfare and pocketbooks of the American public, the firms involved are exuding both economic optimism and nutritional righteousness. "Margarine was the last big one to invade a national market," explained Cy L. Ducharme, a General Mills executive. "Now we're next," he said, motioning to a platter of "ham" and "chicken" chunks that had never resonated to an oink or cackle. "Nutritionally, it's fine, too, since we take the position that if it's a replacement, it must be the equivalent of the real thing"—a claim that is a matter of some dispute.

Dr. Michael F. Jacobson, a microbiologist from MIT who is co-director of the Washington-based Center for Science in the Public Interest, questions the need for all the factory processes: "Why don't the concerned companies and governmental agencies tell people about tempting sauces and recipes that allow [natural] soybeans to be made part of delicious meals?" The answer, says Dr. Jacobson, is that "the companies are salivating at the prospects of enormous profits that can be reaped from fabricated foods."

Opposition has also been expressed by the Bureau of Nutrition of the New York City Department of Health, whose director, Catherine Cowell, stated last May in a letter to the U.S. Department of Agriculture: "Since both textured vegetable protein and enriched macaroni products do not have a balance of the known essential amino acids, these products would not contribute toward efficient utilization of essential nutrients that growing children need to meet their increased demands."

In response to these criticisms, the industry replies that experience demonstrates that Americans are unreceptive to natural soybeans and that with the amino acid methionine now certified by the FDA for addition to textured vegetable protein, the product is nutritionally comparable to meat. While consumer groups have not yet had time to evaluate these claims fully, the industry's arguments have been supported by a number of scientists in the field. Dr. Jean Mayor, the well-known Harvard nutritionist, acknowledged that soybean proteins are nutritionally inferior to animal proteins in a pure scientific sense, but his conclusion appears favorable to the simulated products: "In actual practice, the textured vegetable protein is used in a mixture that has 70 percent meat, fish, or poultry. When you put the various proteins together, the whole is nutritionally better than the sum of its parts. Proteins have a way of 'boosting' each other when you combine them in the right way." Dr. Aaron M. Altschul, head of the nutrition program at the Georgetown University School of Medicine, is more outspoken: "The ability to produce texture out of soy flour will probably rank with the invention of bread as one of the truly great inventions of food. It is possible to allow people the enjoyment they expect from meat-like compounds and yet avoid the excesses in calories, fat, and a high proportion of saturated fat that ordinarily come from such consumption."

Nutrition is one thing, but taste is another, and the companies know that they must at least win the battle of the palate. While it is doubtful that three-star pantries are about to be invaded by textured vegetable protein, many of the products I sampled could easily slip into the typical American diet without much—if any—notice.

The General Mills test kitchen served us a long succession of dishes that were described as containing the company's own "extenders," plus several with ham and chicken analogs, and a few "controls" made wholly of the real stuff. Unsauced, and thawed directly from the cartons in which they come frozen, the "ham" chunks were—to my astonishment—indistinguishable from the animal-grown version. They were chewy, moist, and perfectly ham-like in flavor. Mixed in with cheese and noodles, however, they seemed a bit watery, a conclusion that my fellow diner, a General Mills executive, said he found hard to understand. But when I asked the cook whether the "ham" was inclined to pick up excessive moisture, he replied, "Yeah, that's a problem we haven't licked yet." His superior emitted a slight groan. The unsauced "chicken" was slightly less credible than the "ham"—it seemed to be a bit pulpier than the barnyard variety. But mixed into "chicken" chow mein, it was indistinguishable from the real thing.

The dishes presented as real tuna salad and extended tuna salad—the latter containing about 30 percent textured vegetable protein—defied my telling them apart, as was the case with ham and "ham" salad.

As for hamburgers, two platters were presented, one described as pure ground meat, the other as pure ground meat extended 30 percent. I got the impression that the extended hamburgers tasted a bit grainy, but I wasn't certain. In any case, the two became indistinguishable when covered with a thick "mushroom" sauce containing, I was later told, manmade "mushrooms."

In the test kitchens of Archer Daniels Midland, another pioneering firm in textured foods, my impressions of the ground meat preparations were identical to those I got at General Mills. ADM, however, is venturing beyond the hamburger market. Its subsidiary, Gooch Foods, Inc., of Lincoln, Nebraska, is marketing "Noodles Stroganoff with Beef-flavored Vegetable Protein Chunks," as well as other dishes containing simulated beef. The "beef" pieces were small but could easily have passed for overcooked, heavily sauced bits of meat. (Big chunks of "beef" turn out to be something of a problem for the simulated "meat" makers. Requesting a sample of a big chunk, I was presented with something that looked and tasted like a mahogany-colored marshmallow that had got mixed into last week's beef stew. My ensuing grimace brought the explanation that it was an "experimental" model that had been in a can for three years.)

Given the variety of flavors and textures employed by the breakfast sausage industry, Miles Laboratories' "Breakfast Links" could probably pass muster at any roadside diner. In fact, they tasted quite good, as did the "sausage" patties. The ham analogs, sold under the name of "Breakfast Slices," gave the impression of something that was trying hard to resemble ham but wasn't quite making it. Nevertheless, they were extremely tasty, and I downed more than a sample slice simply because I liked them.

The industry is clearly plugging away on all its problems—taste, cost, nutrition, government regulations. Though predictions of factory-made, mile-long "beefsteaks" turn out to have been no more than technological braggadocio, the industry has come much further in making and selling textured meat substitutes than most people realize. In February 1971, after years of badgering by the industry, the Food and Nutrition Service of the U.S. Agriculture Department finally sanctioned the use of extenders for the meat portion of the school diet to a maximum of 30 percent. The enabling document—FNS Notice 219—is generally regarded as the Magna Carta of textured vegetable protein. During the first year of certification, the schools used 23 million pounds of the stuff; this year they're up to 40 million pounds, and with meat prices soaring, no one thinks it unreasonable to expect at least a doubling of that amount in the next year or two.

"Now we've got a whole generation coming through the school lunch program and experiencing this product," said General Mills' Ducharme, who directs the company's commercial protein operations. "It was 219," he said, "that really put this on the map."

Ducharme noted that the Red Owl supermarket chain, some 130 stores in the Midwest, had recently introduced ground meat extended 25 percent with textured vegetable protein, labeled "Juicy Blend II" to conform with a Minnesota ban on using "burger" for extended products. It sells at about 20 cents a pound below the undiluted version, and is said to be outselling the all-meat counterpart by three and four to one. "Red Owl," said Ducharme, "was courageous to try this. There is nothing more sacred to a supermarket manager than the red-meat counter. People relate to supermarkets through the red-meat counter, and most managers would rather have you fool around with their wives than do anything that might hurt the image of the red-meat counter. But now we've got the stuff in there, side by side with the regular ground meat, and it's outselling the ground meat."

If you eat in a company cafeteria, there is more than a slight chance that you've encountered simulated ham or chicken in heavily sauced dishes. General Mills is "spinning" ham and chicken analogs for the institutional market at a Cedar Rapids, Iowa, plant and is selling them frozen and diced in five-pound cartons, six to a case, waste-free, in ready-to-use form. The price, 70 to 75 cents a pound, is extremely appealing to purveyors of low-price meals.

Miles Laboratories, best known for Alka-Seltzer, is pursuing the general market under its Morningstar Farms brand names. "What we're aiming for with Morningstar is the general grocery trade," said Miles' president, George Orr. "We want people to like these products enough to eat them in preference to other things. We'll make it the Alka-Seltzer of the food business," he predicted—a metaphor that made his public-relations assistant wince.

Miles' Morningstar lineup currently includes analogs of sausage links, sausage patties, and thinly sliced ham, all of which, after extensive market testing, are available in the Southeast and a few other places, with marketing scheduled to expand as production increases. Like all analogs, they're just as perishable as real meat, and so they're marketed in frozen form to cut down the chance of spoilage. The label on the package says the "sausages" are free of cholesterol, whereas the amount in two real pork sausages of equivalent weight is listed at 38 milligrams. The calorie count in two of the analog sausages is listed at 175, compared with 260 for pork sausages. The protein content of the analogs is rated at 10.5 milligrams, compared with 9.8 for the real thing.

These breakfast "meats" currently cost about the same as the foods they simulate, but Miles executives say prices should come down when the production lines are automated. A sales advantage is now sought in the proclamation of "No cholesterol, no animal fat. And for those who seek to harmonize religious dietary laws with a liking for "sausage-like" or "ham-like" flavor, there's a "K" on the packages, signifying "kosher."

Meanwhile, at Archer Daniels Midland, in Decatur, Illinois, "soy capital of the world," Richard Burket, president of protein specialties, looks back on recent meat boycotts and rising prices "as the best thing that ever happened to us." ADM, one of the giants of the soybean processing industry, holds Atkinson's patent for textured vegetable protein, as well as the trademark "TVP." ADM is solidly booked up for every granule of the 2,000 tons a month coming from its own plant and is expanding facilities to raise production to 4,000 tons a month. "We could sell that amount right now," Burket said. "You'd be surprised at how much of this stuff is going into the hamburger business." He noted, however, that as far as he knew, no manufacturer had yet penetrated beyond regional hamburger chains. "People have approached McDonald's," he said, "but they've made it on their 'pure beef' reputation and they're not interested. But if they ever make the move, then the sky's the limit for TVP."

Perhaps the biggest problem the manufacturers have faced since rising meat prices opened the market for them involves legalities of labeling, which accounts for the early concentration on the institutional market, where the ultimate consumer never sees the label. But even that problem has been tossed aside by the FDA, which recently responded to the industry's appeals by rewriting the rules governing the use of the word "imitation" in a fashion reminiscent of Humpty Dumpty's dictum, "When I use a word, it means just what I choose it to mean—neither more nor less." The old rules specified that "A food shall be deemed to be misbranded" if it is an "imitation" of another food and does not bear the word "imitation" on the label. The new rules simply say that "nutritional inferiority" shall be the only criterion for evaluating the difference between reality and verisimilitude. The man-made version, if it's nutritionally equal, need not bear the pejorative "imitation," though it may not be labeled as the real thing either. What's needed is some sort of madeup name, such as Miles employs when it calls its sausage limitations "Breakfast links; Sausage-like flavor; Textured protein links."

State and local authorities are similarly reluctant to allow the nomenclature of the real stuff to be applied to simulated or extended products, and the result is a plethora of names that come close to hamburger but semantically shy off. Thus, in El Paso, it's Patti-Mix; in Colorado, Sooper Blend; in Tucson, Better Burger; in Virginia, Protein Plus; in Albany, Blend-O-Beef.

What next for textured vegetable protein's invasion of the meat market? The answer is that the major companies are rapidly expanding their research programs. Miles raised its soybean research budget from about $1 million to $3 million in a year or two, and General Mills plans to double its present expenditure of about $1 million a year. At General Mills, they're talking about whole shrimp and scallop analogs "within five years." And bacon, now amounting to about 1.5 billion pounds a year from the on-the-hoof variety, is also being looked into.

Further down the research trail are more exotic projects. Dr. John Luck, who directs a staff of 280 researchers at General Mills' Minneapolis research staff, noted simply that "we give vegetable protein a very high priority and we're expanding our research program." Toward what goals? "Well," he explained, "you could take scrap meat that now goes into sausage, and you could mix it with vegetable protein and texturize the mix into, let's say, sandwich steaks."

What about factory-made "beefsteaks"? "Oh," said Dr. Luck, "there was some interest in that years ago, but we're a long way off. Too difficult a problem with what we know now."

Whatever the consequences for our stomachs or our taste buds, there seems to be little reason to doubt the determination of the plucky food companies. The transformation of food has a momentum of its own, striving for every possibility. As Miles board chairman Walter A. Compton puts it: "If you can do it in a cow's stomach, there's no reason you can't do it in a factory."

EFFECT OF THE ENERGY CRISIS ON THE ECONOMY OF MARYLAND

Mr. BEALL. Mr. President, on December 27, 1973, my distinguished colleague from Maryland (Mr. MATHIAS) and I conducted hearings in Baltimore on the effect of the energy crisis on Maryland and its citizens.

I ask unanimous consent that the statement of the Honorable Joseph G. Anastasi, secretary of the Department of Economic and Community Development for the State of Maryland, which was presented by Mr. John Nelson, director of tourism for the department, be printed in the RECORD. I believe my colleagues will find Secretary Anastasi's comments most informative and valuable.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY JOSEPH G. ANASTASI, SECRETARY STATE OF MARYLAND, DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Mr. Chairman: The interest and concern of Maryland's two senators in the impact of the national energy crisis on the State of Maryland is greatly appreciated. The problem is presently one of grave significance to the State, both in terms of Maryland's economy and its standard of living.

I very much regret that I cannot personally attend today's hearing on this important issue due to unavoidable prior commitments. In my stead, I am directing Mr. John Nelson, Director of Tourism for the Department of Economic and Community Development to speak to you in my behalf. I want particularly to assure you that this Department will keep you up to date on its efforts in dealing with the crisis situation during the coming months.

At the present time, a general lack of substantive information clouds the energy picture for Maryland as it does for the nation as a whole. We do not know the character of federal policy which will evolve from the Emergency Petroleum Act of 1973. We as yet only know fragments of the Maryland problem. The Department of Economic and Community Development's Office of Business Liaison, which works to aid local residents, business and industry in obtaining appropriate State and Federal assistance, reports that, while the Maryland problem is worsening, our efforts are frustrated by the cumbersome Federal machinery. For instance, Mr. Bruce Falhenburg of the Maryland Glass Company in Baltimore reports that three appeals to the federal authorities remain unanswered even though a payroll supporting 700 employees is threatened. We are hopeful that the amended federal mandatory petroleum allocation regulations, effective December 27, will provide policy leadership, but it will take time for a direction to be established and take hold.

Because the economy and needs of Maryland are unique, we must work out our own approaches and policies for dealing with the energy shortage. We expect to have developed at least a rough research capability to support policymaking by late February, 1974. This will require our Department to consolidate a number of operations under one roof. We must locate, collect and store data on energy users and suppliers from a multitude of Federal, State and local government agencies and private sources. We must design a computerized system for quick access and analysis of the stored information. Given this capacity, we will provide Maryland policy makers with a system which can measure the economic impact of alternative policies regarding energy restrictions to classes of households, firms and industries in terms of employment, personal and corporate incomes, State and local tax revenues, and indices of health, discomfort or inconvenience impacts.

Shortages of petroleum, natural gas and electric power will probably have large direct and important secondary effects on the Maryland ecnomy. Assessment of such secondary effects, however, requires knowledge of inter-industry relationships of the State's economy which will, in turn, necessitate a widening of the information base. While the scope of the energy problem is vast, the time-frame within which the State must initially react is short. The Department of Economic and Community Development is diverting a significant portion of its resources to energy studies, in an effort to create a quick response capability in analytical support of the State's policy formulation. Even in this very early stage, it is clear that, unless maximum collaboration is obtained among all the public and private institutions, progress toward an informed approach to the crisis will be frustrating and slow.

In light of the limited time and resources which Maryland and its sister states have available to meet the pressing energy research and policy problems, I urge that our senators use their influence with the Federal Executive to insure that, to the extent feasible, the federal government attains and passes on the states information and analytical conclusions which otherwise they would have to develop individually. The nation cannot afford, at this juncture to have fifty states performing research and analysis on the same problems of energy restriction impacts on user categories or energy conservation methods.

EDITORIAL PUBLISHED IN NATION'S BUSINESS ENTITLED "OUCH"

Mr. THURMOND. Mr. President, the February 1974, issue of the magazine Nation's Business, contains an editorial which is very brief, but which contains a message that we all should heed. The editorial is entitled "Ouch!" and I would like to quote it in full.

OUCH!

In all the years between the founding of our republic and the middle of World War II, federal government spending totaled about $300 billion.

The budget for the next fiscal year proposes $300 billion for that single year.

Does that make sense to you?

If it doesn't, let your Senators and Congressmen know you want spending brought under control.

Mr. President, I can state without reservation that I want the Federal budget brought under control. Fiscal irresponsibility simply must stop, and we in the Congress are the ones who can stop it. I sincerely urge all of my colleagues to listen to this editorial and to keep it firmly in mind when the appropriations bills are again considered in the Senate.

FORD'S THEATER—A BEAUTIFUL AND EXCITING NATIONAL ARTS FACILITY

Mr. HUMPHREY. Mr. President, Abraham Lincoln once said:

> Some think I do wrong to go to the opera and the theatre; but it rests me. I love to be alone, and yet to be with people. A hearty laugh relieves me; and I seem better able after it to bear my cross.

These words of President Lincoln eloquently explain man's need for cultural sustenance. Today, our leaders and our people, beset as they are by endless problems, also need a resting place—a spot where the soul and mind can be refreshed and the spirit renewed.

President John F. Kennedy spoke of a connection, hard to explain logically but easy to feel, between achievement in public life and progress in the arts. He said:

> I look forward to an America which will steadily raise the standards of artistic accomplishment and which will steadily enlarge cultural opportunities for all of our citizens.

Both of these great and tragic Americans urged us not to forget the passion and pride we can feel through an appreciation of our cultural heritage. They shared a common concern and appreciation for the performing arts and actively promoted their proliferation as a means of appreciating and preserving our national heritage while we also give our people an opportunity to understand and appreciate man's ascent to our present civilization.

It, therefore, seems most appropriate

that both Presidents Lincoln and Kennedy, whose burdens of office were eased by an occasional escape into the performing arts, are memorialized by thriving performing arts programs.

The success of the recently established Kennedy Center for the Performing Arts, under the leadership of Roger L. Stevens, has done much to realize President Kennedy's desire to enlarge cultural opportunities for our citizens. The Kennedy Center has afforded the American public an opportunity to enjoy superior theater, opera and music.

President Lincoln knew well the charm and beauty of another great theater—Ford's Theater. He attended perhaps a dozen performances at Ford's during his 4 years as President.

In light of his great love for the performing arts, it is a tragic irony that the fact of his assassination at the theater provoked an attitude of hate toward the very thing that he valued so highly. In the aftermath of Lincoln's assassination at Ford's, actors were stoned in the streets and theaters were closed all over America. Secretary of War Edwin Stanton ordered Ford's Theater permanently closed, its beautiful interior gutted, and for more than 100 years it stood as a bleak reminder of the tragedy brought on by the act of a madman.

No small part of the tragedy was that Abraham Lincoln's humanistic involvement with the performing arts was all but forgotten. And perhaps it would have remained so but for the dogged perseverance of two quite dissimilar but both extraordinary people.

One is a Member of this body—Senator MILTON YOUNG, whose persistent efforts to have Ford's Theatre reconstructed to reflect the beauty and elegance it enjoyed in 1865 spanned some 15 years. Year after year Senator YOUNG made his appeal for restoration of this beautiful building and slowly but surely he lined up the support for its eventual reconstruction.

During those early years Senator YOUNG conceived of the restoration as a museum project. He wanted the threatre to look as it did in 1865 so that when visitors came from all over the world they would see a national historic site worthy of the name. It was midway in the planning for this museum that a meeting took place which altered this concept.

Frankie Hewitt, an energetic, intelligent, dynamic and beautiful woman, whose own life of dedication to bettering the lot of mankind is not unlike that of President Lincoln, ran into an old acquaintance at the theatre in New York one evening in 1965. He was then Secretary of the Interior Stewart Udall, under whose direction the reconstruction of Ford's Theatre was about to begin.

In casual conversation about the restoration project, Frankie asked if plans were included to use it as a theatre, and was told they were not. She suggested that restoring the site of an assassination as such was akin to building a monument to a murder, and suggested, instead, that restoring it as an active theatre would make it a living memorial to a great President's love for humanity and the performing arts.

Fortunately, she found a ready ally in Secretary Udall who shared her love for the performing arts. His only question was how such a theatre program could be financed and run in a national historic site. The Government could not and should not undertake such a program directly, he felt, and he did not know if alternatives were available.

Mrs. Hewitt assured him that the theatrical community would enthusiastically support a program at Ford's, and she felt equally sure that sufficient private funds could be found to support such an undertaking. At that time, she was merely expressing an opinion, in no way expecting that almost the whole burden of making it all come true would eventually fall to her.

And so began what must seem like a lifetime of weekly commuting from her home in New York, where her husband, Don Hewitt, producer of the immensely successful CBS–TV news show, "60 Minutes" and her two children live, to Washington. She called on Senator YOUNG and found an ally; she got Mrs. Lyndon Johnson and the White House involved; she explained her idea to interested Members of Congress; she worked long and hard trying to win over a reluctant bureaucracy. And then, once the political decisions had been made, she undertook to find a theatrical producer and the private funds necessary to launch Ford's as a national theatre.

I still remember with much pleasure the night of January 30, 1968, when this beautiful restored building was unveiled for the whole world to see. As Vice President, I was one of the hosts for that evening, along with all the members of President Johnson's cabinet. Frankie Hewitt had arranged for the event to be telecast as a CBS–TV news special called "Inaugural Evening at Ford's Theatre," and she and Stewart Udall had convinced some of America's most illustrious performers to come and pay homage to President Lincoln's love for the performing arts.

America's first lady of the theater, Helen Hayes, was the first performer to set foot on Ford's stage since the assassination in 1865. She was followed that night by an all-star roster—including Henry Fonda, Robert Ryan, Andy Williams, Fredric March, and Harry Belafonte.

These stars all contributed their time and talent so that a large grant from the Lincoln National Life Insurance Co., sponsors of the television program, could be used to launch an ongoing theatrical program at Ford's.

And so, with perseverance, imagination, and a great deal of hard work, Frankie Hewitt had turned the Government around, mobilized a group of theatrical greats, and found the necessary funds from private sources to make a theater season at Ford's possible. She felt at that point that she ought to be able to withdraw and go back to her life in New York. Never expecting to actually run the theater herself, she sought out the experts—two different established theatrical producing organizations whom she hoped would build a strong professional program for Ford's.

Both failed. And again, Mrs. Hewitt had to find the money to underwrite large deficits and somehow keep the theater going. Finally, in the fall of 1971, after four generally lackluster seasons under outside producers, attendance had dropped to a dismal 35 percent of capacity and funds were drying up. Frankie decided that—in addition to raising the money—she would have to take on the job of producing a theatrical season as well. The rest is happy history.

With characteristic imagination, sensitivity and not a little courage, she began her producing career by choosing a new, partially developed all-black musical, the first show written by a young black woman named Micki Grant.

The show was "Don't Bother Me, I Can't Cope," and, of course, since its premiere at Ford's in September of 1971, it has gone on to become a major international hit. Cope has been on Broadway for nearly 2 years; it broke box office and attendance records in Los Angeles and has played to standing room only audiences in theaters across the country. It has won more than 25 major awards for excellence.

With several interesting, innovative shows in between—among them "Mother Earth, An Unpleasant Evening With H. L. Mencken," and an appearance of Hal Holbrook as "Mark Twain Tonight"—Frankie ended her first season as producer by arranging for Washington's own production of a musical called "Godspell." Her audience for that first season averaged 76 percent of capacity. What she had not anticipated was that "Godspell," alone, would be her second season. Quite literally, the people would not let "Godspell" go and so it stayed in Washington at Ford's for an unprecedented 18 months.

This season, her third as producer, Mrs. Hewitt has concentrated much of her energy and resources on finding and presenting shows which highlight the American heritage, with a special eye toward our country's bicentennial celebration. She commissioned Paul Sills to use his "Story Theater" technique to dramatize the beginnings of the American Revolution. She brought to Washington a rousing John Philip Sousa operetta, "El Capitan," which had not been professionally produced since the 1890's, and it helped many people to realize that Sousa not only was the "March King" but a many faceted and very talented writer of musical comedy as well.

"El Capitan" was followed into Ford's by George and Ira Gershwin's "Funny Face," for its first production since 1928. Again, it offered a unique slice of Americana for today's theater audience. Of course, I was particularly pleased to see the return of the "Will Rogers' U.S.A." one-man show, starring James Whitmore. It premiered at Ford's 3 years ago and, frankly, the more time that passes, the more pertinent and contemporary Will Rogers' comments become.

The rest of this year's session—"Oh, Coward!", a visit by the immensely talented City Center Acting Company and a return of the champion "Don't Bother Me, I Can't Cope"—promises to make 1973–74 at Ford's the most exciting year yet.

No theater in America is better known than Ford's and so it is important that our constituents have an opportunity to visit it as an historic site during the day, and enjoy its theatrical delights in the evening.

Mrs. Hewitt's organization provides moderately priced programs for all, as well as many thousands of low cost tickets to young people and senior citizens each year, and endeavors to arrange free programs for many inner city children who otherwise would not have the exciting experience of live theater.

One very important question is: "How does Frankie Hewitt do it?" She operates in a small theater of only 741 seats, consistently presents first class productions, and less than 9 percent of her budget comes from the Government.

One of the answers is that she runs a tight ship. Her staff is small, efficient and dedicated. Another answer is that she has been extraordinarily successful at enlisting the interest and aid of remarkable groups of people. Stars such as Andy Williams, James Stewart, Pearl Bailey, Raymond Burr, Bob Hope, Tennessee Ernie Ford, Henry Mancini, the Supremes, the Pat Boone Family, Carol Channing, Melba Moore, Charlie Pride, and Jonathan Winters all have donated their talents to make the exciting "Festival at Ford's" telecasts smashing successes.

Large corporations, such as Armco Steel, Atlantic Richfield, Occidental Petroleum, TRW, Inc., IBM, Reynolds Metals Co., Rockwell International, J. Walter Thompson, The Quaker Oats Co., Kaiser Industries, and the Western Pennsylvania National Bank have helped by making regular annual contributions.

Successive Secretaries of the Interior—first Stewart Udall, then Walter Hickel and today Rogers Morton—all have given their personal attention to this project, thanks in large measure to Frankie Hewitt's enthusiasm and perseverance. And she has successfully enlisted the aid of both the Johnson and the Nixon White House; she has assembled an impressive Board of Trustees, and very soon she will be launching a truly national membership and fundraising campaign to assure that Ford's Theater continues to thrive as an independent, exciting, creative center for America's theater arts.

Surely, Abraham Lincoln, if he were alive today, would be first in line to help. The National Park Service, which administers Ford's, can be justifiably proud of the splendid use to which this national historic site is being put.

And I, for one, think the American people have reason to be proud of and grateful to Frankie Hewitt for sticking with it and finally realizing her dream of a beautiful, exciting, alive Ford's Theater.

ENERGY CONSERVATION AT THE SOCIAL SECURITY ADMINISTRATION

Mr. BEALL. Mr. President, all Americans, and particularly Federal employees, have been asked by the President to conserve our Nation's valuable energy resources during the current shortage. I am most pleased that all figures indicate that conservation plans are being followed by most Americans, and that their efforts are paying major dividends in stretching our petroleum stocks.

On February 1, 1974, the Baltimore Evening Sun published an article detailing the success of the Social Security Administration in saving fuel. The SSA complex, which is located near Baltimore, has shown a 23.3 percent decrease in units of energy used to heat and cool the enormous agency. Additional gasoline savings have occurred through the use of car pools by SSA employees and reductions in the use of agency motor pool cars.

Mr. President, I commend the Social Security Administration and its employees for this significant accomplishment and ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FEDERAL SCENE—SSA EMPLOYEES RESPOND TO BUS, CAR POOL PLEAS

(By Anne S. Philbin)

"Take twice a day to relieve your congestion" sounds more like a cough medicine commercial than part of Social Security Administration's campaign to get more employes to take a bus or join a car pool.

The prescription must be working because latest figures show that in December, 1973, about 30 per cent more employes were riding the bus and 21 per cent more were in car pools than in December, 1972.

SSA and other federal agencies initiated their energy conservation programs in July after President Nixon's order to cut consumption by 7 per cent before June 30, 1974.

HEATING, COOLING DECREASE

Energy conservation figures for SSA were compiled for the period July through December, 1973, and compared with the same period in 1972.

As a result of actions taken in many areas, SSA showed a 23.3 per cent decrease in units of energy used to heat or cool buildings in the Woodlawn complex.

Actions include daytime cleaning, temperature ranges from 65 to 68 degrees for heating and 80 to 82 degrees for air-conditioning, using window blinds and turning off all heating systems except window units at night and on weekends in unoccupied areas.

LIGHTING DECREASE

In the last six months of 1972 energy used for lighting decreased from 7.8 per cent to 21.5 per cent. September's reduction was the greatest, 23.4 per cent.

To accompilsh savings in lighting, SSA rearranged shift parking and turned lights off on unused parking lots, and turned off lights at work sites at the end of each shift except for overtime and night shift areas.

Less lighting is also being used in corridors, lobbies and restrooms, and cleaning is done in daylight hours.

MILEAGE CUT

Mileage of motor pool sedans and station wagons has been cut from 11 per cent in July to 42.6 per cent in December, 1973, over the same 1972 period.

Presently, SSA is computerizing the results of a survey of Woodlawn employes to help match those wishing to participate in a car pool. Those living within a specific grid area will be mailed a computer printout showing other SSA employes living within the same grid.

After that, it's up to employes to get together to form car pools. The computerized system is replacing a 10-year-old manual system, which has had its difficulties.

OTHER STEPS

SSA also plans to minimize evening overtime, reschedule night classes and night shifts, shut down ventilation equipment when buildings are unoccupied and arrange for more buses from Glen Burnie, Columbia and Ellicott City. A Catonsville-Woodlawn bus schedule went into effect this week.

Established work schedules of employes have also been liberalized and employes are allowed a 15-30 minute variation to accommodate those on different shifts who use the same car pool.

Those now riding in the approximately 1,151 car pools carrying a minimum of three persons to work include Arthur Hess, deputy SSA commissioner.

WE CANNOT TAKE FOOD FOR GRANTED ANY MORE

Mr. HUMPHREY. Mr. President, recently I read an excellent article by Laurence A. Mayer, entitled "We Can't Take Food for Granted Any More," which explores both the short- and long-term implications of rising world demand for food and with it, substantially higher food costs.

The article discusses many of the principal findings of 2 days of Senate hearings on the "World Food Situation" held by Senator HUDDLESTON and myself on October 17 and 18, 1973.

According to Mr. Mayer, there are several major reasons to be concerned about recent price pressures. First, nations are becoming increasingly more dependent on others for both food and fertilizer. Second, developing nations hardly produce enough food to feed their growing populations. Third, Mr. Mayer states that if harvests continue to be as poor in future years as they proved to be in 1973, reserve stocks of the United States and Canada will be totally inadequate to meet world food needs.

Mr. Mayer offers several important suggestions regarding how we and other nations might cope with the current food shortage, specifically the meat, wheat, and rice scarcities. These suggestions include: Using soybean products as a meat extender, extending the research in agriculture, developing the breeding and cultivation of fish, placing greater emphasis on tropical agriculture, and speeding the growth and quality of various forms of plant life.

But beyond these suggestions, Mayer concludes that with the demand-supply relationship as it is today, the price of food will go up—perhaps substantially.

Mr. President, the findings of this important article reinforce in my mind the urgent need to provide American consumers, and those throughout the world, with a minimum level of food security. Toward this end, a strategic domestic reserve of the most important grains, as I have proposed in S. 2005, as amended, must be created. The United States must also take the lead in the cooperative creation of a world food reserve system.

Mr. President, because of the importance of this subject, I ask unanimous consent that Mr. Mayer's article be printed in the RECORD.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

WE CANNOT TAKE FOOD FOR GRANTED ANYMORE

(By Lawrence A. Mayer)

The idea of a bounteous American food supply, which goes back to the first Thanksgiving Day, some three hundred and fifty years ago, has rather suddenly been called into question. In the past year the U.S. has had shortages of many foods—a fact evidenced by soaring prices. Retail food prices last summer were 20 percent above those of a year earlier; beef alone was up 25 percent.

In the years when they took cheap food for granted, Americans could also assume that the trend of food spending could be pretty much taken for granted by anyone making general economic forecasts. Housing, capital goods, defense, inventories—these were the dynamic sectors of the economy, where sizable swings had major impacts on economic growth. But food spending, whose magnitude is about equal to spending on capital goods (both were around $140 billion last year), could nevertheless be viewed as a "given"; its total in any one year could be predicted fairly readily, as could the proportion of total consumer income spent on food. (The proportion declined steadily, from around 20 percent in 1960 to around 16 percent nowadays.)

The sudden emergence of food prices as a dynamic element in the economy hit a lot of businessmen hard. For companies like Avon Products and Simplicity Pattern, both of which reported that sales were running below expectations because consumers were straining to pay those higher food prices, the higher prices were obviously jolting. They also jolted our eminent economists, whose forecasts of the inflation rate last year were almost uniformly wrong.

And the full impact of the higher prices may not have been felt yet. William Fellner, a member of the Council of Economic Advisers, observed recently that workers' real hourly earnings would have risen substantially last year but for the higher food prices; as it was, price increases offset all of the effect of wage increases. It is now generally believed that union wage demands become explosive following any prolonged period in which there are no real income gains. Hence we may well find this year that, after a period in which the unions have been rather moderate in their demands, those higher food prices will propel us into still another round of inflationary wage settlements.

The short-term outlook for U.S. food prices is not bad. Our prices are affected by worldwide currents of supply and demand, and right now world food supplies are increasing again. In general, crops have been good recently. The Russians claim to have harvested a record amount of grains, and the Chinese seem to be doing well too. Wheat prices in the next year or two could drop quite a way from the recent price of well above $5 per bushel, as the price of wheat futures suggests.

PLENTY OF REASONS TO BE CONCERNED

Any yet a question remains about the long-term implications of last year's explosion in food prices. It is possible that the soaring prices were the result of a number of special, nonrecurring circumstances; it is also possible that those prices were the harbinger of a new era. It is at least clear that the U.S., which is by a wide margin the major food exporter, cannot be insulated from price pressures in other countries. In a world where many nations are increasingly dependent on others for food, where the less developed nations barely produce enough food to keep pace with population growth, and where reserve stocks will be inadequate if harvests turn poor again, there are plenty of reasons to be concerned about price pressures.

Indeed, there are some pessimists around who are concerned about the danger of famines. Lester R. Brown, a senior fellow of the Overseas Development Council—a group funded by several U.S. foundations and companies to study problems in the less developed countries—is one of the most vociferous of the pessimists. Brown cites a number of reasons for believing that, within a few years, the growth of population will outstrip that of food, and that chronic malnutrition or hunger will then give way to outright starvation in many countries He believes, for example, that food production will be limited by inadequate supplies of water, deteriorating soil conditions, floods caused by man-made alterations of nature, and long bouts of bad weather (for a report on why the weather has been getting worse, see page 90 of this issue).

Those who argue, hopefully, that last year's price rises were a result of nonrecurring special events can certainly point to some remarkable events. Some of them trace back to 1972, when total world food production declined by about 1 percent, the first dip since World War II. With total population growing by 2 percent, the decline meant a shocking 3 percent decline in food supplies per capita.

The trouble seems to have started with the poor 1972 rice crop. Rice production was off by 5 percent, world rice exports fell by 12 percent, and by late 1973 the world price of rice was up about 150 percent. The shortfalls in the supply of rice shifted some demand to wheat—but wheat too came up short in many countries.

It is a fact of the world's agricultural economy that a relatively small change in output and trade can generate a relatively large change in price. The reason is that a shortfall in production means that additional supplies must come from reserves, and world reserves for most foods are badly distributed; grains constitute the basic world food supplies, and the U.S. and Canada have traditionally held by far the largest stockpiles.

ENOUGH WHEAT FOR 4 WEEKS

The recent history of wheat is a prime illustration of the relationships between output and price changes. World output dropped 3 percent in 1972. Exports, principally from the U.S., increased about 30 percent to make up for the shortfall. The powerful export demand for wheat depleted existing stockpiles, which declined 40 percent worldwide. As this drawdown in stocks became apparent, the price of wheat in world markets started to soar. So thin was the supply in 1973, according to a report by the Food and Agricultural Organization of the United Nations, that wheat reserves in exporting countries were down to a level representing only about four weeks of world consumption.

Another piece of bad luck in both 1972 and 1973 was the well-publicized failure of the anchovy catch off the coast of Peru. The reduction of the anchovy supply put pressure on soybeans, which are also an important animal feed. The going price of a bushel of soybeans in the U.S. rose from less than $3 in late 1971 to a peak of $12.27 in June, 1973.

The weather was also a problem in 1972–73. There was a below-normal monsoon that cut India's grain crop in 1972. Last year floods wiped out harvests in Pakistan. And south of the Sahara, the countries in what is known as the Sahelian Belt—Mauritania, Mali, Chad, Senegal, Upper Volta, and Niger—suffered their sixth consecutive year of drought, which has severly affected both cattle and crops.

All these events contributed to higher food prices by reducing supply, in addition, prices were bolstered by the great worldwide economic boom, which steadily drove up demand. Meanwhile, the two devaluations of the dollar—at one point during July, 1973, its trade-weighted value was down 22.5 percent from the level at the end of June 1970—made U.S. food abnormally cheap abroad, and Japan, among other nations, loaded up on U.S. supplies.

The loading-up process included a good deal of speculative buying. Don Paarlberg, the director of Agricultural Economics at the Department of Agriculture, points out that his staff's forecasting equations, which attempt to determine the price consequences of various demand-and-supply conditions, were able to account for only one-half to two-thirds of last year's sudden price rise in foods, "The rest is psychological and speculative activity and these are not in our models," says Paarlberg.

BAD LUCK WITH THE RUSSIANS

The U.S. also had some bad luck—and some bad management—in its dealings with the Soviet Union, which needed grain after the 1972 harvest came up short. The bad luck began, in a sense, with a shift in Soviet policy. When the U.S.S.R. has had poor crops in the past, it has liquidated part of its livestock herds, i.e., by feeding more meat to its citizens, it lessened the demand for grains. One trouble with this policy is that it takes years to rebuild depleted livestock herds; if the herds had been slaughtered in 1972, Soviet citizens would have had much less meat for a long time. Nowadays, however, there are intense new demands for higher standards of living in the Soviet Union, and there have been riots at food stores than run short of supplies.

In consequence, the government decided not to cut back when the 1972 grain harvest turned out to be a disaster (the official figures show a harvest of 168 million metric tons, versus 181 million a year earlier). Instead, Soviet buyers went into the world market to get wheat for their people and feed grains for the livestock. Demand from the Soviet Union accounted for a great deal of the additional grain and feed exports that hit world markets beginning in 1972.

U.S. agricultural officials did not spot this basic shift in policy very early. One reason they did not is that the Soviet buyers entered the U.S. market very adroitly—for instance, by first expressing a great interest in U.S. corn and soybeans when it was wheat that was really critical to them. As a result of this shortage, the Russians were able to pick up amazingly large quantities of grain at amazingly low prices.

All together, they committed themselves to buy nearly 20 million metric tons of grain from the U.S. This represented about 20 percent of all the grain stocks held by the U.S. as of the end of June, 1972. These massive purchases were helped along by U.S. export subsidies and by a $750-million Export-Import Bank credit. After the effects of this buying hit the markets, prices of wheat leaped from below $60 per metric ton to $200 recently.

One reason the Russians were able to buy so astutely is that they were dealing with a number of individual American companies, no one of which could see the pattern of the purchases. A monopoly state trading organization (Exportkhleb) was buying in individual batches from an array of companies that were competing among themselves, and the monopoly could be a big winner if it played its cards right—which it did. The Agriculture Department had no method by which the export sales of private traders were reported to it, and so there was no intelligence system to warn that a concerted buying plan was afoot. (The department has now begun a monitoring mechanism to keep tabs on foreign grain orders, while the Russians have undertaken to give the U.S. access to reports on the state of its crops.)

It is not possible to say with certainty whether the Russians would have ended up with as much of our grain as they did if they had laid their cards on the table right at the beginning. Had they done so, of course, market prices would have gone wild, and the U.S.S.R. might then have preferred to buy less. In addition, the Department of Agriculture might well have asked them to spread their purchases over a longer period of time.

And yet, for all the special circumstances of 1972–73, there are reasons to wonder whether the pressure for higher food prices might not emerge again—and on a permanent basis. It is certain that world demand for food is on a long-term uptrend. It is going to keep rising if only because world population is likely to grow about 2.1 percent annually—a rate that represents about 75 million people a year just now. The overall growth involves a 1.1 percent annual increase in the developed countries and 2.4 percent in the less developed world.

Furthermore, demand will grow more rapidly than population as people try to improve their diets. The FAO projects that demand will increase 1.1 percent a year faster than population in the developed countries and about 0.6 percent faster in the less developed ones.

The improvement in eating standards will be reflected powerfully in two ways. In the poorer nations the principal improvements are expected to come from adding new varieties or improved strains of cereals. In addition, people are expected to get more proteins from vegetables, including soybeans.

In the more developed countries, the improvements will involve more meat, particularly beef. U.S. consumption of meat, mainly beef, pork, poultry, and fish, is already running about 250 pounds per capita. Beef alone accounts for about 116 pounds of that amount, although last year, because of the buyers' strike and shortages during the summer, it came to only 111 pounds.*

THE LIMITS TO MEAT EATING

Americans' consumption of meat will certainly increase in the future, with the increase centered in the lower-income groups. Low-income families seem to have been making relative gains in real income recently. The number of food-stamp recipients has swelled from 3.3 million to 12.5 million in four years, and outlays for all federal food programs have climbed from $1.1 billion to $3.8 billion. In addition, social-security benefits have been increasing rapidly, and another 11 percent rise is scheduled to take effect by next June. If the real incomes of poorer families continue to improve, the U.S. as a whole might someday approach a kind of limit to meat consumption per person. Richard Lyng, president of the American Meat Institute, has suggested that so far as beef alone is concerned, high-income Americans may have already reached a practical upper limit at 140 to 150 pounds.

Perhaps even larger gains in meat consumption will come in Europe, Japan, and the U.S.S.R., where per capita consumption is now much lower than in the U.S. Western Europeans are apt, not only to increase their meat consumption per se, but also to shift to beef from pork and veal. Some of the effects of the broad ingoing shift to beef have already been seen in beef prices around the world. Although the sharp upward turn of beef prices last year attracted enormous attention, the fact is that they were rising steadily before then—and had doubled since 1963.

Japan's beef consumption could increase tremendously, even though virtually all of the beef would have to be imported. (Japan doesn't have grassland on which large numbers of calves could be raised.) Right now per capita consumption of all kinds of meat in Japan is only 106 pounds; most of that is in fish, with only seven pounds in beef and veal. If the present population of Japan were to eat as much beef per capita as the present population of the U.S., current world beef slaughter would have to incerase by some 20 percent.

While demand for meat will surely be rising, it is also possible to discern some trends that may ease the pressure. One important trend has to do with the expanding use of soybeans to supply proteins. Soybeans, which have long been used to feed animals, are increasingly entering the human diet directly. In the U.S., soybean products are now used in many baked foods, dessert toppings, Metrecal, and other prepared foods. There is also greater interest in the use of soybeans as meat extenders. They are used in, for example, canned chili con carne and meatballs and spaghetti. And last year, when meat prices began to soar, soybean preparations got their first big trial as additives to hamburger meat sold at meat counters. General Mills, Miles Laboratories, Cargill, Archer-Daniels-Midland, and Central Soya are among the companies that produce soya derivatives. Ralston Purina has joined with Continental Can to market a form of processed soybean called SPE-200 that takes on the taste characteristics and texture of whatever meat or fish a processor combines it with. It appears that soybean products used as meat extenders can take the place of quite a lot of meat; depending on the kind of meat involved, the derivatives can "stretch" it by 10 to 30 percent.

At present, soybean products are still insignificant in relation to all the meat in American diets. But estimates cited by Secretary of Agriculture Earl L. Butz suggest that by 1980 soybeans will be stretching all the pork and beef consumed in the U.S. by 8 to 10 percent. Obviously, the more expensive meat and fish get, the more soybean products are likely to be used for this purpose.

Meanwhile, the overall pressure of demand on food supplies would be eased by anything—including higher meat prices—that led consumers to shift from meat to cereal products. Eating meat is a very inefficient way to consume grain; so is eating dairy products and eggs. It is estimated that cattle have to take in about seven pounds of grain in order to put on one pound themselves. The ratio for hogs is about four to one, for poultry about three to one. The average American consumes about 1,600 pounds of grain a year, but he eats only 150 of those pounds in the form of bread, cereals, cake, and the like. He takes in the balance indirectly, by eating a lot of meat. (A consumer in a less developed country puts away perhaps 400 pounds of grain, most of it eaten directly.)

For all imponderables that affect the future demand for food, supply is a good deal more difficult to gauge. It can be affected, not only by economic considerations, and in several different technologies associated with food production.

The supply of beef, for example, would be enhanced considerably if other countries followed the lead of the U.S. and increased the proportion of animals brought to maturity on feedlots rather than on grazing lands; feedlot operations can speed up the growing process considerably (see "Monfort Is a 'One-Company Industry,'" FORTUNE, January, 1973). It would also be much more economic for Europeans to eat more beef and less veal—because the weight of the animals being slaughtered would be greater. Then there is the possibility of getting cows to give birth to more than one calf at a time. Several different research approaches are now being explored in efforts to discover a "twinning" process that will produce a litter of two calves.

Yet most of the major opportunities for expanding the supply of meat abroad present problems. Raising more cattle would create a need for a major expansion of grazing lands, and some of that land would have to be irrigated to make it usable. Large-scale feedlot operations would create air- and water-pollution problems for nearby towns. And, of course, feeding all those additional animals would put still more pressures on the supplies of soybeans and feed grains.

What about the possibility of expanding soybean supplies? It seems likely that much of the additions to world soybean output will have to come in the U.S.—but several problems are involved in increasing U.S. output. One is that any rise in our total, which is around 1.5 million bushels now, will depend mainly on increases in acreage. In the past, farmers have found more acres for soybeans by shifting out of hay or small grains. But any sizable grains in the future will probably involve diverting acreage from corn. And the trouble with that is that soybean yields are smaller than corn yields per acre and increase much more slowly. Consequently, farmers would have to see a lot more profit in soybeans than in corn. Agricultural economists calculate that in the U.S. it takes a soybean price that is three times as high as that of corn to provide the incentive to divert acreage. At year-end, the ratio was only 2.2 to 1 (and U.S. farmers have been switching back to corn).

The world's protein supplies might also be expanded significantly by increasing our fishing output. The FAO estimates that the worldwide catch could expand to 83 million metric tons by 1980, a rise of 20 percent over 1970. This supply estimate is admittedly somewhat conjectural. For one thing, it is not yet clear whether the Peruvian anchovies have been badly overfished or have simply disappeared for a while because of a shift in ocean currents. (The Peruvian catch alone constituted about 17 percent of all the fish caught in 1970.) And even apart from the sudden scarcity of anchovies, it appears that the sharp rise in the world fish catch, which went up 75 percent between 1960 and 1970, has abated.

It is conceivable that this fall-off reflects some strenuous overfishing during the late 1960's in several traditional fishing areas—in the Grand Banks of Newfoundland, for example. It is also conceivable that the lower growth rates in the early 1970's are a consequence of cooler water in northern seas, compliance with internationally agreed-upon quotas, or attempts to fish only at sustainable rates. Any of these explanations would imply difficulties about reaching that FAO level by 1980.

On the other hand, smaller catches might be offset to some extent by boosting our efforts in aquaculture—the breeding and cultivation of fish. Trout, carp, eel, and pike have long been raised in ponds, particularly in Europe. Japan and China have cultivated shellfish and mollusks as well as ordinary fish; turtle farming is flourishing in the Bahamas and elsewhere; and catfish farming has become an American specialty.

Moreover, an FAO conference reported, there are major possibilities in the extension of fishing to waters not yet fully exploited. There are also possibilities in the retention of catches now discarded as "trash fish" because of local prejudices about taste. These two approaches, combined with the fishing of previously neglected species, might yield 35 million or 45 million additional tons.

Food supplies might also be increased by the use of some interesting new techniques. One process, which involves large-scale production of single-celled organisms in petroleum-based cultures, is described in an article elsewhere in this issue (see page 96.)

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*These often cited consumption figures are somewhat misleading in one respect. The beef-consumption average is calculated by dividing the weight of carcasses by the population. Subtracting the portion represented by bones, discarded fat, and other inedible parts of the carcasses, plus the portion cook but thrown away, may reduce the consumption of beef per person to something like sixty pounds rather than 116 pounds.

There is a good deal of interest right now in the use of petroleum-based urea cakes as animal feed—American cattle were fed quite a few such cakes last year because of the squeeze in soybeans. And cattle, in particular, can be nourished on their own wastes are specially processed. (The digestive system of cattle is such that many nutrients remain in the manure.)

HOW TO HELP THE PLANTS

Researchers are also working on a host of projects to speed the growth or improve the quality of various forms of plant life. There are, for example, efforts to speed up the process of photosynthesis; to produce hybrid strains without conventioned bisexual pollination; to make it possible for plants to grow in saline soils (rather than to remove the salt); to grow plants hydroponically (i.e., in a liquid nutrient rather than in earth).

Some of these techniques might, in time, help the less developed as well as the affluent countries to feed themselves more adequately. The new techniques would thus supplement the most publicized agricultural development of our times, the so-called "green revolution"—the application of new seed strains and advanced methods to the growing of food crops in the less developed countries.

So far the revolution has been limited mainly to two crops, wheat and rice. But it already has some solid gains to its credit. Cultivation of the new strains helped India build up a stockpile of 4.5 million tons of wheat, a savior during recent bouts of bad weather. When the monsoon failed in 1965 and 1966, India had to import 15 million tons of wheat; after the 1972 failure, only about five million tons were needed.

Until now, the green revolution has been pretty much confined to several Asian countries, and to Mexico and Cuba. The revolution is only now getting under way in the rest of Latin America and in Africa. Because of its geographic confinement, the growth rate was slowing by 1970, i.e., the yearly increase in acreage devoted to the new seeds was down. It is possible that there has been a speedup lately; still, a return to the growth rates of the late 1960's seems unlikely.

THE POTENTIAL OF THE TROPICS

Beyond the particular techniques associated with the green revolution, there are interesting possibilities for expanding supplies of food simply by placing greater emphasis on tropical agriculture. Former Secretary of Agriculture Orville L. Freeman believes that tropical agriculture must be improved if the world is to avoid a serious food squeeze after 1976. Freeman also believes that the tropics have a tremendous productive potential. "I have been in places where test plots, with multiple crops, will produce, three, four, and five times as much as the best land in the U.S.," he observed recently. "When you have 360 days of sunshine to work in, and you know what you are doing, then new seeds, pesticides, chemicals, and fertilizers can give you an explosion of production."

Secretary Butz agrees, adding that the possibility of growing several crops a year makes the tropics "one of the great untapped agricultural areas of the world." Freeman and Butz make expansion of tropical agriculture seem like a self-evident proposition. It should be added that some scientists believe the ecological balance of tropical regions to be quite delicate, and warn that development there must be undertaken cautiously.

Aside from the tropics, how much land is available for expansion of the food supply? How much new acreage might be put to work? The statistics pertaining to this important matter are not entirely unsatisfactory, but several points are worth noting.

The total amount of land now under cultivation in the world is estimated to be about 3.8 billion acres (of which 9 percent are being farmed in the U.S.). Another 7.2 billion acres are being used for grazing. Some of this grazing land could be planted; in addition, another four billion acres or so of "virgin land" might be available.

But these "spare acres" tend not to be where they are most desperately needed. There are few in Japan, for example, where land is so scarce that to build a new golf course requires the approval of the central government. And in China, India, Pakistan, and Indonesia, which together account for more than half of the world's existing population, there is not much opportunity to bring new land under cultivation. "They have no cushion of rangeland and meadows to bring under the plow," says Professor Daniel G. Sisler of Cornell University. Sisler points out that most of the remaining open spaces are in Australia, Brazil, or Central Africa, i.e., a long way from where the food is apt to be needed most.

In addition, there are all sorts of hazards involved in putting some land under tillage. Lester Brown believes, for example, that last year's disastrous floods in Pakistan resulted in part from the earlier deforestation of mountainsides in Nepal in an effort to create more farmland.

Some additional farmland might be found in the U.S. However, the easy part of our expansion—releasing the 60 million acres set aside two years ago, when the Agriculture Department was still concerned about surpluses—has already taken place. Of the 335 mililon acres being planted to major crops in 1974, some 12 percent have been brought into use since 1972.

Some heavy investments would be needed in order to make more arable land available. These might in fact prove to be worthwhile for farmers if the value of their land continues to rise. (All together, the value of U.S. farm real estate is now estimated at $310 billion, up over 300 percent from 1950. It went up 20 percent in 1973 alone). On the other hand, farmers have been borrowing heavily in order to buy land going on the market, and also to pay for new machinery; and so in some circumstances, e.g., in a period of falling prices, many of them would have difficulty making investments for terracing, irrigation, and other improvements.

SOME PROBLEMS DOWN ON THE FARM

In many ways, American farmers have the problems of American businessmen: there is a powerful demand for their output but they are short of capacity; they have heavy debt charges, have trouble getting raw materials—and now confront a new range of uncertainties and cost pressures related to energy. The principal raw-material problem these days has to do with fertilizers. Several years ago, world capacity was greatly overbuilt, and many fertilizer plants were taken out of production. Today there is a fertilizer squeeze, and there may be less available than will be needed for U.S. plantings next spring. Potash is the only major kind of fertilizer in sufficient supply. Demand for phosphates is running ahead of production, while anhydrous ammonia is particularly scarce because its manufacture requires a lot of natural gas, which is itself scarce at the moment. U.S. fertilizer prices had to be decontrolled last fall because so much of the available supply was being shipped abroad, where prices were well above the domestic ceilings. Domestic prices have since risen as much as 50 percent.

The long-run prospects for abatement of food price pressures are somewhat different from those in the short run. In the short run, we should get some abatement because harvests are generally expected to be abundant both here and abroad. World production of wheat and feed grains, which were off 2.8 percent during the last crop year, are expected to be up 9.5 percent in the present crop year. It is true that the Russians and others are still buying our grains and also true that worldwide grain stocks are low. Still, if the harvests turn out as expected, the price pressure will be less.

But prospects further out are not so favorable. It seems certain that demand for food will continue to rise—and uncertain that supplies can keep pace. On balance, the demand-and-supply relationship makes it likely that the price of food will go up—perhaps substantially. In addition, food producers face higher costs from a number of different directions, e.g., the costs involved in giving up some efficient pesticides that create ecological damage, and these may also boost prices.

THE BIN MAY BE EMPTY

Meanwhile, it seems likely that food prices will fluctuate more from one year to another than they have in the past. In the wake of last year's farm legislation, the world can no longer expect the U.S. government to buy and accumulate excess stocks when prices fall below specific levels. Instead, U.S. farmers will be selling their output of wheat and corn in a free market (they will be reimbursed to the extent that market prices fall below minimums announced by the government). Thus the U.S. government, which has served for years as the world's principal storage bin, may no longer have immense backlogs of grain for the world to fall back on in emergencies.

Fears of excessive price fluctuations, as well as the threat of famine in some of the less developed countries, are the reasons given by Addeke H. Boerma, Director-General of the FAO, in pushing for a world food-reserve plan. Most countries now agree that some such arrangement is necessary because of the change in U.S. farm policy. Boerma's idea is for each country to maintain its own stockpile of cereals. The machinery to coordinate stockpile policies, as well as the problems of managing and financing a reserve plan, will be among the matters discussed at a World Food Conference scheduled to take place in Rome next November.

The prospect of some famines in a world grown increasingly small and interdependent suggests that U.S. food prices will be affected by political decisions of a peculiarly sensitive nature. The task of those trying to project food prices may be, in the circumstances, even more difficult in the future. And food, already established as a "dynamic sector" of the U.S. economy, may become a new source of instability in the economy.

DEATH OF LARRY LEWIS

Mr. THURMOND. Mr. President, on February 1, a man whose life was, perhaps, the best example of keeping physically fit died in San Francisco, Calif., at the age of 106. His name was Larry Lewis and he had maintained a vigorous and active pace until recently.

Mr. Lewis had made exercise and fitness part of his daily routine throughout his life. Until his recent illness he jogged through Golden Gate Park for a distance of 6.7 miles every day. He could run 100 yards in a little over 17 seconds and boxed regularly in a local gymnasium.

Additionally, he walked several miles each day and, until last year, worked as a hotel banquet waiter where his job required the lifting of heavy trays.

Mr. President, in our fast-paced lives these days with the pressures of stress taking such a toll on the physical well-being of so many people, one lesson of Mr. Lewis' life is obvious. Exercise and regular physical activities are beneficial to human health.

Such vibrant health is truly one of the

blessings to mankind. However, each of us can do much to attain and keep this level of physical fitness which makes our lives more useful and meaningful.

Mr. President, at the time of Mr. Lewis' death an article, entitled "Former Circus Acrobat Larry Lewis, 106, Dies," appeared in the State newspaper of Columbia, S.C., February 3, 1974. I ask unanimous consent that this article be printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Former Circus Acrobat Larry Lewis, 106, Dies

San Francisco.—Larry Lewis, the 106-year-old former circus aerialist and assistant to Houdini who ran 6.7 miles every day through Golden Gate Park, died Friday of cancer.

The centenarian could run 100 yards in just over 17 seconds, carry a 200-pound sack across a hotel ballroom, and he boxed every day at the Olympic Club.

Lewis, who became ill only recently, was a veritable dynamo and could outrun and outwalk men half his age.

Lewis celebrated his 102nd birthday by running 100 yards in 17.3 seconds, half a second faster than on his 101st birthday.

Dr. S. Barrie Paul, his physician, credited Lewis' health to good living habits and genetics—"the right combination of parents."

Until he "retired" at the age of 105 Lewis also walked several miles every day to his job as a hotel banquet waiter where he lifted heavy trays.

After "retirement" he took a job as goodwill ambassador for an employment agency, but continued his athletic activity without a slowdown.

Born in 1867, Lewis grew up playing with Indian children.

"A Navajo Indian, Chief Iron Shell, my grandfather, taught me the most important thing in life. He told me to never stop exercising and to try to treat everyone as you want to be treated."

When he was 15, he joined P. T. Barnum's circus as an aerialist and acrobat.

For 33 years Lewis was an assistant to the legendary magician Houdini, and until Lewis' death he delighted in amusing friends by escaping from straitjackets.

Lewis hardly had an ounce of fat on his five-foot-seven, 136-pound frame. He subsisted on a daily small portion of lean meat, steamed vegetables and three gallons of spring water. He did not drink, and he did not smoke.

"I can outrun almost anyone, and outwork them, too," he said at age 100. "That shouldn't be so remarkable. It's just that everyone else lets themselves get out of shape.

"Anybody can do what I've done," he once said.

"Nobody is too old, either. If they started regular exercise and worked up to it gradually, they'de be like me, too."

Lewis left no survivors. His second wife, Bessie, whom he married when he was 86, died of a heart attack in 1972 at the age of 75.

His death at Hahnemann Hospital was attributed to cancer of the liver.

THE ENERGY CRISIS AND THE DEVELOPING WORLD: AMERICAN RESPONSE TO A GLOBAL ECONOMIC CRISIS

Mr. HUMPHREY. Mr. President, the energy crisis is beginning to have a serious impact on every household in America. Gasoline is becoming a luxury and extremely difficult to obtain. Utility rates are climbing and will go higher before winter's end. Shipments of vital foodstuffs and manufactured products have been slowed by the truck strike and the general economic downturn.

American workers are losing their jobs in ever-increasing numbers as a result of the energy shortage. The energy related layoff is becoming a tragic fact of life for hundreds of thousands of working people. And the threat of job loss looms large in many communities across the Nation. The President's economic advisers are already talking "mild recession." Without a strong economic antidote administered over the next several months, the predicted recession could cause unacceptable economic suffering for millions of Americans.

While the energy crisis reaches into American towns and cities and creates hardships of growing magnitude, its impact on the hundreds of millions of poor living in the urban slums and remote villages of the developing world will be devastating. Too many Americans will lose their jobs and be inconvenienced by the energy crisis. But a significant percentage of the already suffering poor in Asia, Africa, and Latin America will very likely face starvation and increasing deprivation.

The magnitude of the energy crisis in the developing world and what it portends for global economic stability are gradually becoming known. Unfortunately, neither the U.S. Government, international financial institutions such as the World Bank nor private groups are able to predict the final impact of the energy crisis on the world's poor. Here are the dimensions of the crisis as they are understood now:

The massive increase in the price of oil will force developing nations to spend approximately $14 to $15 billion in 1974 on oil imports alone at prices set last December 22. In 1973, the oil imports of these countries amounted to only $5.2 billion. In 1972, only $3.7 billion was spent on imported oil.

This three-fold increase in the cost of imported oil will mean that developing countries will have to deplete their meager foreign currency reserves. But they still will not be able to buy all the oil they need. Some nations may even be forced to sell already scarce agricultural products on the export market to gain foreign currency, thus depriving their own people of these supplies.

Lack of energy supplies will cause severe slowdowns in the few industries developing countries possess. India has already announced that it will cut back its oil purchases, thus stalling economic advancement.

In the industrialized world, high oil prices, the Arab embargo and increased consumption have increased prices of manufactured goods which are needed by developing nations. On top of high priced oil, these poor nations will be forced now to pay higher prices for other needed commodities.

Foodstuffs and fertilizer—two commodities indispensable to the developing world—are becoming increasingly expensive. Fertilizer prices have doubled since 1972 and urea now sells for $250 a ton. Poor nations will pay more than $5 billion additional for food and fertilizer imports in the crop year 1973–74. Experts indicate that their bill for wheat imports alone could run as high as $3 billion. Even if developing countries can afford to purchase these commodities at exorbitant prices, their availability is questionable.

The sharp increases in prices for petroleum products, fertilizer and food will cause developing countries to expend more than $15 billion additional for these essential commodities this year. James Grant of the Overseas Development Council has estimated that the impact of these price increases on developing countries is demonstrated by the fact that the combined increases are equivalent in amount to five times net American development assistance in 1972.

Alarming increases in oil prices and resulting price increases in other commodities will place such a heavy financial burden on developing nations that economic growth will be greatly slowed in some countries and completely halted in others. Increased growth rates remain the only hope for improved lives for over 1 billion people. Without continued economic growth, developing countries cannot even begin to remedy their massive problems of unemployment, unchecked population growth, rural stagnation, and inequitable distribution of income.

Recession in the industrialized world and depression in the developing world will take an immediate toll on agricultural production. Lack of fertilizer will definitely reduce American output and the export of foodstuffs to poor nations under our Food for Peace Public Law 480 program. Few developing nations are self-sufficient in food production. They must depend upon the United States, Canada, and a few other exporters for the prevention of mass starvation. It is questionable whether we will be able to provide the world with the customary food commodities to halt starvation. Our present reserves are at an all-time low.

In the poor countries, lack of fertilizer and oil will have an extremely adverse impact on food production. The world-renowned food expert, Dr. Norman Borlaug, has predicted that as many as 20 million people may die this year because of crop failure related to the curtailment of fertilizer production as a result of the oil shortage.

Industrialized nations are becoming sharply aware of the impact of oil price increases upon imports of essential raw materials from less developed countries. Unable to purchase petroleum products at previous levels, these countries must slow down the extraction of critical minerals, thereby increasing the export price and the price of the finished product. And increased oil prices will also result in higher shipping costs, which will boost still further the cost of exported raw materials, and the price that less developed countries must pay for the manufactured goods they must import.

No facet of any nation's economic and commercial life remains untouched by the staggering increase in the price of petroleum products, the artificially created oil shortage and resulting price increases. In fact, high-priced crude oil has become a major factor in global inflation.

It is clear that in 1974 the developing world could be faced with a depression while the economies of industrialized nations undergo recessions of varying degrees of severity.

A depression in the developing world this year will cause untold human suffering. Without a doubt, the coming economic crisis among the poor nations will wipe out gains made over the last few years. The economic setback could be so severe as to reduce gravely the effect of bilateral American economic assistance and assistance from multilateral sources. In other words, in many countries, American foreign aid dollars will not be able to have a significant impact on development at a time of economic stagnation and regression.

The answer to this dilemma is not to reduce foreign assistance. Rather, an all-out diplomatic effort should be made to obtain a significant reduction in the price of crude oil established by the Organization of Oil Exporting Countries. The Government of the United States and the major American oil companies must work toward this end.

Without a major price reduction for crude oil, a global economic crisis cannot be avoided. No other factor adds such a destabilizing element in the economies of all nations—rich and poor—as the artificially high price of crude oil. A crude oil price rollback has become imperative. Certainly the developing countries must join with the industrialized nations in asking that this be done in the interest of all concerned.

U.S. SUPPORT FOR IDA ESSENTIAL

We have already witnessed in our own country the political repercussions of high oil prices. The recent vote in the House of Representatives on the American contribution of $1.5 billion to the International Development Association is an excellent example of how sky-rocketing oil prices have poisoned the atmosphere for increased multilateral economic assistance. The measure was defeated on January 23, 1974 by a vote of 248 to 155.

Although I understand the atmosphere in which the House considered this authorization, I consider the action taken to be a regrettable and harmful response to an international economic crisis. The IDA authorization was to be spread over 4 years with the American contribution to this soft loan window of the World Bank falling from 40 percent to 30 percent.

It is truly unfortunate that we responded to the coming economic crisis by withdrawing our commitment to develop the resources of the poorest nations. It was argued in the House that the United States should no longer contribute to IDA because we were going to have economic difficulties ourselves. As James Reston has pointed out:

> This was like saying that if you're gouged by the rich, you are justified in turning around and kicking the poor.

It also reveals a very short-sighted perception of our own national interests. We can only gain from the development of natural resources—energy, mineral, agricultural and human—throughout the world. And IDA contributes significantly to the development of the Earth's vast untapped resources. A significant percentage of these undeveloped resources is to be found in the less developed countries of the world.

It was further argued in the House that loans to the least developed countries would only go to the Arab States to pay for oil. We would thus be indirectly aiding those who are causing so much misery in the poor countries. Those who made this argument were obviously unfamiliar with the nature and purpose of IDA loans.

Through IDA, the World Bank has sought to improve the conditions of the world's poorest people and bring them into the development process. IDA funds are used to distribute improved seeds to farmers and teach them better farming methods. They are used to transform subsistence into market economies. They are used to establish small industries to employ the jobless and for training the unskilled. Such projects do not yield immediate high returns. Governments of extremely poor countries cannot afford to undertake them without some assistance.

It is therefore not a question of these governments spending money on oil that they would otherwise spend on IDA-type projects, if they did not receive this assistance. Regardless of whether IDA aid is forthcoming, they will have to buy the oil needed to keep what industry they have running and the fertilizer needed to maximize their agricultural production. Without IDA funding, projects which develop the as yet untapped resources of these countries will simply not be initiated.

The United States must respond to the Arab countries' disruption of the international economic structure, not by abandoning all efforts to secure greater international economic cooperation, but by reaffirming the importance of that cooperation. The International Development Association is vital to this effort.

In the long and arduous negotiations leading up to the recent U.S. pledge of $1.5 billion over 4 years, the United States convinced the other developed countries that they should play a greater part in the funding of IDA. While the U.S. share of IDA funding was decreased from 40 percent to one-third, the shares of the EEC and Japan increased significantly.

If Congress does not authorize our contribution, there is a strong possibility that the other developed countries will not follow through on their pledges; and this important institution for international cooperation in the development of the world's resources will be lost.

We must not let this happen. We must not respond to nationalistic selfishness with similar nationalistic selfishness. We must, rather, reaffirm our commitment to international cooperation in building a more prosperous world.

And we must strongly encourage the Arab States to join us in this effort. The Arab States should now be asked to play a greater part in international development assistance, since they have a greater share of the world's wealth. The hard currencies they will earn are desperately needed in the poor countries of the world, as is their oil. The Arab States could, in fact, contribute significantly to development in the poorest countries simply by producing and distributing fertilizer, an important by-product of their valuable resource. There is little likelihood that the Arab States will heed appeals to assist the developing countries, either through aid or through lower oil prices, if the first response of the more affluent countries to economic hardship is to cut off assistance to the world's poorest countries.

A second set of reasons given for the House failure to authorize IDA funds did not center around the international economic crisis, but around the current domestic crisis—the crisis in leadership. This was an administration bill.

It was argued by many that the Nixon administration impounded funds and vetoed bills providing assistance to the poor of this country. Why should we grant that same administration's request to help the poor of other countries? It was also felt that the administration did not care that much about assisting the poor of other countries either. The fact that only 47 Republicans supported the IDA authorization bill, while 108 Democrats supported it, indicates that the administration did not work very hard to organize its own forces in support of this measure.

Mr. President, if Congress is to reassert its position as a coequal branch of Government, we cannot use lack of Executive support as an excuse for inaction. If there is a crisis in leadership in the executive branch, we must fill the void by exerting more forceful and more responsible leadership in the legislative branch. This is particularly important in building a "structure for peace," in establishing a lasting framework for international cooperation. This cannot be accomplished by a few leaders in each nation alone. All the people of each nation must be committed to it and participate in building if it is going to last.

I am certain that the majority of my colleagues in the Senate would agree that "assistance" to the poor of this or any other nation is not just an expensive, inflationary give-away program. It is, rather, an investment in the well-being and prosperity of all men and in domestic and international stability. We are all poorer when valuable human and natural resources go untapped and undeveloped. We know that extreme poverty and poor living conditions are a threat to domestic stability, just as unrelieved misery and famine are threats to international peace. When there is no hope for those who are poor, when they see no possibility of improving the conditions in which they live, when those who are more affluent are either apathetic toward or contributing to the conditions of poverty—then the threat to domestic stability or international peace is the greatest.

FIRM DECLARATION BY WASHINGTON ENERGY CONFERENCE REQUIRED

In the past few weeks while the House rejected the IDA authorization, the administration embarked on the convening of an international energy conference. Recognizing the need for collective action at the time of crisis, the President issued invitations to the major oil consuming nations of the industrialized world to meet in Washington this month.

Although the conference will, of course, deal with the role of the developing countries as it relates to the energy crisis, the economic superpowers will attempt to determine international economic policies without the direct participation of governments which represent the majority of the world's population. It is clear to me that the chances of achieving "global solutions" to the energy problem cannot occur until the developing world becomes a participant in the process of dealing with this global crisis. International cooperation in the field of economic assistance or economic planning is essential.

The urge for shortrun national advantages at the expense of greater international cooperation will only lead to a prolongation and worsening of the economic crisis. The United States has a choice. We can either encourage the evolution of a cooperative world order to deal with the crisis or we can retreat into isolation and the securing of momentary economic advantage at the cost of greater prosperity for all the world's people.

Mr. President, I would like to make one final appeal. I address this directly to all of the foreign ministers who will be attending the energy conference in Washington on February 18. There must be a strong and unanimous declaration from this conference that the oil producing nations should roll back their crude oil prices to reasonable levels. Unless such a declaration is forthcoming and unless it is unanimous, the conference will be a failure.

Without a substantial price reduction in the per barrel price of crude oil—even if the embargo is terminated tomorrow—there will be a global economic crisis of massive proportions. I urge the foreign ministers to work toward this end. Any action short of a joint declaration will only be a remedial step which avoids the major problems of skyrocketing inflation, recession, depression and mass starvation caused by artificially high crude oil prices.

Mr. President, in the past few weeks there have been numerous articles concerning the energy crisis as it relates to the developing world and House rejection of the IDA authorization. I ask unanimous consent that these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Jan. 26, 1974]

Parley Says Oil Cut Reduces Fertilizer

(By Walter Sullivan)

Weather changes, notably a southward migration of the monsoons, combined with a sharp reduction in fertilizer production, threaten food supplies for a considerable part of the world population, according to experts on climate and agriculture who completed a two-day meeting yesterday at the Rockefeller foundation.

The southern shift of monsoon rains is thought to account for the five-year drought in Africa that, it was reported, is causing mass migrations to the south. It is blamed, as well, for severe droughts in India and Latin America.

The curtailment in fertilizer production is a result of the oil shortage. According to Dr. Norman E. Borlaug, of the Rockefeller Foundation, often called "father of the green revolution," as many as 20 million people may die because of crop shortages in the next year. He attributed this in part to the climate changes, but primarily to the fertilizer cutbacks.

Japan, which has been the chief exporter of nitrate fertilizers, has cut its production in half because of the fuel shortage. Since this fertilizer goes to India and other areas already affected by the climate change, the effect may be devastating, he said.

Dr. Borlaug, who won the 1970 Nobel Peace Prize for development of high-yield strains of wheat and rice in what was termed the "green revolution," did not attend the meeting, but was reached by phone at his offices in Mexico City.

An ample petroleum supply is a key to fertilizer production, both because the process demands much energy and because petroleum components, such as naphtha, are used. Dr. Borlaug commented, bitterly, that the Arab oil embargo, aimed at the industrial countries, would ultimately strike most heavily at the developing nations of Asia.

At the conference it was suggested that, while China depends heavily on Japanese fertilizer, the Japanese for political reasons, would probably honor their obligations to China at the expense of India, Southeast Asia and Indonesia.

Japan itself has been hit by the shift of the monsoon, which in recent summers has not spread its customary rains over Hokkaido, the large nothern island of the archipelago.

Monsoons are the dominant winds in regions, such as southern Asia, where they blow from the land toward the sea part of the year and in the opposite direction the remainder of the time. In India the dry monsoon blows from the northeast between April and October and the wet monsoon comes from the southwest the rest of the year, producing the rainy season.

Because of the southward shift of monsoon rains in Africa, it was reported, the Sahara is spreading its sands southward at a rate, in some areas, of 30 miles a year. The result is great social upheavals.

DROUGHT HAS WIDE IMPACT

Bernard Oury, an agricultural economist at the United Nations concerned with aid to this part of Africa, said some six million residents were seriously affected by the drought. Great numbers are migrating south with their cattle, over grazing land that is already heavily burdened.

While there was no consensus as to the cause of the climate changes—or the likelihood of their duration—it was generally agreed that current fluctuations are more extreme than any on record.

Dr. Reid Bryson, director of the Institute for Environmental Studies at the University of Wisconsin, displayed a record of climate in Iceland over the last thousand years, showing an unprecedented shift in the first half of this century.

The record showed a gradual cooling over the 10 centuries until about 1900, when there was a sharp rise in temperature, followed by an equally abrupt drop to the earlier low. The temperatures, except for those of the last few years, were derived by Berg Torsson.

He used temperature records as far back as available and, prior to that, the records of sea ice conditions in the area, which are a sensitive climate indicator.

COOLING TREND REPORTED

Dr. Kenneth Hare, a meteorologist who was formerly president of the University of British Columbia and who was chairman of the meetings, reported that for 19 consecutive months, centered in 1972, weather stations across most of Canada recorded abnormally low temperatures. Some were the lowest on record.

The head of the Soviet weather service, Dr. Yevgeny K. Federov, was quoted as saying that temperatures in central Russia, in 1972, were the lowest in several hundred years.

Dr. Bryson argued that the chilling of climate in the entire Northern Hemisphere, that began a few decades ago, had intensified the westerly flow of air in mid-latitudes and driven the monsoons southward.

The purpose of the two-day meeting was to examine present knowledge on weather and climate change, both natural and manmade, and their influence on food production and interstate conflict. Great concern was expressed at the decline in food reserves, particularly in view of climate uncertainties.

Lester R. Brown, food production specialist at the Overseas Development Council, presented figures on grain reserves of the grain exporting countries—those capable of averting famine in other regions. In 1961, he said, they were sufficent to feed the world for 95 days. By 1971 the figure was 51 days. Now, he said, it is 29.

DECLINE HELD SERIOUS

This decline in reserves, as population and food requirements rise, is extremely serious, Dr. Borlaug said. "I hope and pray that in the next two years it will be possible to build up some reserves again," he added.

It was recognized that great climate changes occurred in the past, bringing about the rise and fall of civilizations. The Sahara has, at times, extended further south than it does today. During the ice ages it was a grassland.

But it was noted, earlier, less deeply rooted civilizations were better able to cope with change. Today some of the tribes moving south in Africa are nomadic in any case. But for the farmers who fled the "dust bowl" of the Western Plains, the droughts of the mid Nineteen thirties were catastrophic.

Not only is an industrialized civilization firmly rooted, Dr. Hare pointed out, but great migrations are also impeded by national boundaries.

It was noted that much concern was expressed in recent years that air pollution or other factors might be altering the climate in an irreversible manner.

A particularly sensitive Achilles heel of world climate, Dr. Walter O. Roberts said, is the pack ice covering the Arctic Ocean. Dr. Roberts was formerly head of the National Center for Atmospheric Research in Boulder, Colo.

MELTING THE ARCTIC PACK

From time to time it has been proposed that the Arctic ice, which on the average is only about six feet thick, could be melted—for example by spraying with coal dust in summer. Some believe that, once gone, it would form again and world climate would be drastically altered (though in ways that are uncertain).

Reliable predictions of long-term weather or climate change could be a mixed blessing, it was pointed out. If a northern country were faced by the sure prospect of prolonged drought, it might be tempted to melt the Arctic pack, affecting all inhabited lands in drastic ways.

Hence, it was agreed, some form of international agreements are necessary to avoid conflicts. Yet, it was also proposed, the prospect that, for centuries to come, drought in one region will often be matched by plentiful rain and good crops elsewhere could bring nations closer together.

The massive grain transactions of recent years have, it was said, fostered a new spirit of "global cooperation." With the prospect of more such deals, plus the needed creation of a "world food bank," it was proposed that the one-world atmosphere could be enhanced.

[From the New York Times, Jan. 26, 1974]

SUB-SAHARA DROUGHT IS TERMED WORSE

(By Thomas A. Johnson)

LAGOS, Nigeria, Jan. 25—Dr. Addeke H. Boerma, director general of the Food and Agriculture Organization, has declared that the drought in the sub-Sahara region is worse this year than ever before, while pledges of aid have fallen far short of needs.

Dr. Boerma, whose organization supervised a broad international food distribution program in the region last year that was credited with saving many thousands of lives, has just toured the stricken areas, which include wide swaths of northern Nigeria.

In talks with newsmen here on Wednesday, Dr. Boerma said: "The situation has not improved—the rains were too short. Some crops came up during the rains but they withered and died and people are continuing to move south. It is necessary to ask again for the world to help."

Dr. Boerma said the nations most affected—Chad, Mali, Mauritania, Niger, Senegal and Upper Volta—would require about 500,000 tons of grain plus about 60,000 tons of high protein foods to avoid widespread starvation and malnutrition.

These figures come from F.A.O. officials in the region who have balanced the food needs of the region against stocks on hand from last year's relief effort and from the harvest.

At present, Dr. Boerma said, the organization had commitments for only about 300,000 tons of grain.

He said that about $15 million would be necessary for transportation and that no pledges had as yet been received to meet this need.

He added that food commitments and shipments would have to be made soon if they were to reach the region before summer rains wash out the roads and make traveling almost impossible.

Because of a late start in the drought relief programs last year, it was necessary to transport much of the food by air, a very costly operation.

Last year, F.A.O. officials said that about six million of the region's more than 25 million people were in danger of dying from starvation because of the drought, then in its fifth year.

Many thousands have died and are dying in the region from starvation and, because weakened by hunger, from diseases that are not normally fatal. Officials have declined to attempt to give a figure for the number of deaths because of the remoteness of the vast area involved, the poor communications and the lack of statistics.

In a far smaller area of northern Ethiopia, the drought was reported to have taken more than 50,000 lives.

Throughout the sub-Sahara region a number of international organizations are working to resettle farmers and rebuild cattle, camel and sheep herds. Many thousands of farmers and herdsmen in the region are receiving no help at all, however.

Long-range solutions to the problems of drought, famine and the steady southward movement of peoples in the region are being pursued.

Last September, the leaders of the six hard-hit sub-Sahara nations proposed a series of programs to advance water and soil conservation, forestation, irrigation and animal husbandry over a 10-year period at a cost of $1.5-billion.

They asked international organizations and richer nations to lend the money and provide the expertise for the purpose.

Dr. Boerma noted that since then the F.A.O., in cooperation with representatives of the sub-Sahara nations have identified 126 major rehabilitative programs in the region.

[From the Washington Post, Jan. 30, 1974]

INDIA STAGGERS AS OIL SCARCITY SAPS ECONOMY

(By Lewis M. Simons)

NEW DELHI.—India is finding itself peculiarly vulnerable to the oil crisis, and the government, faced with the prospect of the economy grinding to a halt, appears to be stunned into ineffective fumbling. India's optimistic new five-year plan has been rendered wholly meaningless.

The problem is simple: India's crude-oil import bill is expected to rise by $1 billion in the next year and the government cannot even remotely afford to pay it.

The results, however, are far from simple: If India does not get the oil it must import—about 119 million barrels at today's rate of consumption—a disastrous chain of events will be set in motion.

At one end of the chain, oil-fed fertilizer factories will fall behind in production; farmers will be unable to feed their fertilizer hungry "Green Revolution" wheat crops; food will grow scarcer and costlier than it already is; and suffering will reach new heights.

At the opposite end of the chain, the government looks to industry to step up production for increased sales abroad, bringing in foreign currency to help meet the oil bill. In fact, government economists estimate that at least 80 per cent of this year's export earning will go for oil. But industry, too, needs oil.

What's the answer? So far the government has said much but done little, if anything, other than flounder around helplessly, blaming developments outside India.

Perhaps the area most talked about and most sorely required is oil exploration. At the moment, India has only two producing fields in all of its vast territory—one in the remote northeastern state of Assam and the other in Gujarat, on the west coast.

Between them, these two fields pump out 56 million barrels of crude oil a year, about 30 per cent of the nation's requirement. All the rest must be imported.

Last week, after two years of negotiating, the government reached an agreement with Esso Eastern, Inc., to buy out 74 per cent of the American-owned company in the next seven years. The agreement is expected to set a precedent for taking over the other two major foreign oil firms in India, the American-owned Caltex and the British-owned Burmah-Shell.

The Esso agreement initially raised fears that foreign exploration companies would be scared off. However, most observers are now confident that the terms are amenable enough to Esso to have little negative effect. At the same time, serious doubts have been raised that the government will be able to improve upon—or even match—Esso's management.

While exploring for oil obviously is chancy, experts are convinced the chances warrant an intensified program—beginning immediately.

"A great deal of this country has never been explored," one veteran Western specialist said recently. "And the geology, both inland and offshore, is such that a great effort ought to be made. The quantity and quality of exploration should be stepped up dramatically."

In a widely publicized step taken a week ago, the Soviet Union agreed to assist India in inland exploration as well as in boosting the production of the Assam and Gujarat fields. However, examination of the new agreement indicates that it is little more than a reaffirmation of a bilateral accord that has been in existence since 1971.

The principal motivation behind the agreement, from the Soviet viewpoint, appears to be the sale of Soviet equipment to India.

Offshore, the Soviets are not able to help: Their technology in the field is inferior. India has just one offshore project in operation. The rig, built in Japan by the Offshore Company International of Houston, is located in the so-called Bombay High Area, 90 miles off Bombay in the Arabian Sea.

Although the self-propelled platform and its massive drill, built at a cost of $15 million, have been described as "the best in the world," the project has been plagued from the start. The major problem is that the French exploration team that decided on the Bombay High Area failed to recognize that the seabed there was covered with unusually thick and deep mud.

When the rig was installed last summer, the American technicians aboard discovered that the platform legs were not long enough to penetrate the mud and support the platform safely. Lloyds of London, which insures the rig, has refused to allow Offshore to extend the legs, claiming that they would not hold up in the 150-mile-an-hour cyclones that rake the Bombay High.

Until designers come up with something new, the drill is working in a less dangerous—but so far unproductive—area. The drill is currently boring its first hole, which was begun last October. According to a knowledgeable source, as many as 500 bores may have to be made before oil is struck—if it ever is.

Meanwhile, foreign companies have made bids to explore elsewhere on the Arabian Sea and Bay of Bengal coastlines. The government has not disclosed any details about the bidding, but one informed source said they are at the "nitty-gritty stage" and should be complete in the next few months.

But experts point out that at best, any new exploration could not reach the production stage in anything less than five years. Even if a strike were made today at the Bombay High, for example, oil would not be in production for at least three or four years.

Some Indian experts maintain that while oil exploration should be stepped up, India should be turning far more attention to developing its impressive coal deposits. Others urge that greater attention be paid to developing nuclear energy.

In fact, coal and nuclear power are linked. Although India already ranks among the world's leaders in the use of nuclear energy for peaceful purposes, further development is in a lull, largely because coal and hydroelectric-generated steel mills have fallen behind in the last year so that not enough stainless steel has been produced to move ahead with building nuclear generators.

In an editorial this month, the sober Economic and Political Weekly complained that government planners preferred to woo Middle East oil suppliers rather than get down to developing India's own oil- and coal-producing capabilities.

"What is it precisely that the government of India hopes to achieve by courting the oil suppliers?" the editorial asked. "Even if they were keen to help India, it is unlikely that any of them would be willing to sell oil to India at lower than the going market prices."

Planners themselves take a largely hands-off attitude to the oil crisis. The planning commission keeps reminding everyone that the fifth five-year plan, which is to go into effect in April, was completed before the crisis struck.

Conversations with commission officials make it clear, though, that they are going to be forced to reduce the plan's optimistic goals. Arguments are centering on whether cuts must be made across the board or if selected areas of development can be singled out for the axe.

The question poses a thorny political problem for Prime Minister Indira Gandhi, particularly since she is now facing the most serious socio-economic problems India has had in its quarter-century of independence.

Some observers believe that there is no workable solution and that the nation faces disaster. Others point to the Indians' incredible ability to absorb punishment and to muddle through.

In either case, India surely faces a year that will test its government and its people to the utmost.

[From the New York Times, Feb. 4, 1974]

India To Cut Back on Oil Purchases—3 Million-Ton Reduction Due—Arabs' Prices Are Cited

(By Bernard Weinraub)

New Delhi, Feb. 3.—India is planning a major reduction in imported oil this year, a move that will stall economic advancement.

Senior government officials say privately that India will cut back on import oil by at least three million tons, in the light of the decision of Persian Gulf nations to double their price of crude oil. Prime Minister Indira Gandhi is to make the final decision in the next few weeks.

The move will deeply affect production of fertilizers and foods, rail transportation, generating of power, shipping and industrial growth. Government officials, while dismayed at the prospect of the cutbacks, say in effect that India can no longer afford her current requirements of 17 million tons of imported oil.

SITUATION CALLED CRITICAL

One official said that the cutback might amount to as much as four million tons. He termed the situation "critical" for India.

"Unless the oil producers or the U.N. does something," another official said, "India and the third world are doomed to poverty. You will find standards of living, already meager, and built up in the last 20 years at great sacrifice, completely nullified in less than a year."

An Indian Government source said that officials involved in drawing up contingency plans were "benumbed" and "frightened," adding, "People are preparing papers, shifting suggestions from one box to another, setting up committees. But they have not been able to deal with this crisis in a sensible way."

So far, India has sought and has apparently failed to obtain "concessional financing" from oil producers—either repayment over a long period, or a major increase in exports to Persian Gulf nations that would balance the higher prices.

NATION'S MOOD IS ANGRY

The move comes at a time of riots over food shortages and hoarding, the worst inflation in decades, labor strikes, diminishing production and amid charges of official mismanagement and corruption.

"The dramatic hike in oil prices threatens to bring the country to its knees only because New Delhi is unable to rally the country to meet the challenge," Dilip Mukerjee, a columnist, wrote in the Times of India yesterday. "If this drift continues, central ministers may find themselves going around hat in hand from one oil-rich country to another before the end of the year."

India consumed 24.5 million tons of petroleum and petroleum products in 1973, of which 17 million tons were imported, mostly from Iran and Iraq, at a cost of about $500-million. Similar imports this year would cost about $1.4-billion, or 40 per cent of India's export earnings.

"We have little fat to cut from our total consumption, perhaps 5 per cent, without reducing our growth," said an official. "Import cuts are inescapable, and so is a reduction in our rate of growth."

"We will meet the needs for fertilizer," the official said. "The most critical areas are transport, railways, power generation and agriculture."

FUEL CUTS PLANNED

The government plans to reduce this year's consumption of gasoline by 6 per cent, of furnace oil—used mostly by industrial plants—by 10 per cent, and kerosene for cooking and lighting, 15 per cent. Foreign economists, think the crisis may set back India's industrial production by 20 per cent and diminish over-all investment by 20 to 25 per cent.

Officials are convinced that India's energy needs must be turned toward her huge coal reserves, which have been estimated at 200 billion tons. But economists and Government officials concede that India's nationalized coal industry has performed dismally. Production has not budged from 76 million tons a year since 1969.

"The trends in the physical production of coal are disappointing and ominus for the future," said Subramanya Bhoothalingam, a former Finance Secretary and now director general of the National Council of Applied Economic Research, an autonomous group that receives Government support.

The Government has set a goal of 135 million tons of coal a year within five years. "The prospects are bleak," the economist said in a weekend report. "With the current attitudes toward production and development, the achievement of a target of 135 million tons is just not possible. But the time has come when it will be tragic if something is not done to make it possible."

[From the Washington Post, Feb. 3, 1974]

The House Deals a Blow to a World Bank Affiliate

(Note.—The writer is co-author with Edward S. Mason, of the 1973 Brookings book, "The World Bank Since Bretton Woods.")

The House of Representatives on January 23 voted down the authorization for the U.S. contribution to the painstakingly-negotiated fourth replenishment of the funds of the World Bank's soft-loan affiliate, the International Development Association (IDA). The action seems brilliantly calculated to serve a number of deplorable purposes.

It adds significantly to the already staggering problems of the worlds poorest countries.

It further shakes the dwindling confidence of the rest of the globe in the good sense and fundamental decency of the United States.

Since the principal change in World Bank/IDA policy in recent years has been a much greater effort to help directly the poorest people in poor countries, it can be interpreted as repudiating this new policy.

It substantially increases the opportunities of the Arab countries to blackmail poor countries by using the excess proceeds of oil exports in the same play-it-my-way fashion that they have been using the oil itself.

It undergoes the patient work of more than a quarter of a century devoted to building up an efficient and effective group of international development agencies.

It undermines the position of the distinguished American, Robert S. McNamara, who heads the group.

The United States was the principal architect of the IDA. Enthusiasm in other rich countries in the late 1950s was well below the infectious level, but thanks to the efforts of Secretary of the Treasury Robert B. Anderson and Under Secretary of State C. Douglas Dillon, the IDA came into being in 1960. It has won its spurs. Without IDA, its older brother, the World Bank, could continue to make loans at close to commercial rates of interest to what are called less developed countries but are really middle-income countries: Mexico, Brazil, Columbia, Iran, Malavsia and certain others. But the Bank could do little or nothing for India, Pakistan, Bangladesh, Indonesia and the drough-stricken areas of Africa.

In previous replenishments, the United States has contributed 40 per cent of IDAs funds. The United States is still by far the strongest economic power, much less damaged by inflation, skyrocketing oil prices and other body blows to the economy than most other nations. The logic of lowering its share in IDA from 40 to 33⅓ per cent is dubious at best, but it has been accepted. Failure at this stage to pony up the reduced portion could easily trigger the chain reaction that abruptly terminates IDA on June 30, 1974. This is because the replenishment agreement cannot become legally effective without the U.S. contribution. Theoretically, other contributing countries can keep the program alive by advance voluntary contributions. But the temptation will be almost overwhelming for Great Britain, Benelux and others to say they are in no better position to contribute now than is the United States. And who could gainsay them?

Even if one grants the IDA concept may need rethinking and its operations may need revamping, more than five months will be needed for the job. Therefore, unless the United States wishes to accept the entire blame for killing a highly respected multilateral agency, IDA must be permitted to function beyond next July 1. If the House cannot reverse its action in any better way, let us make certain that clear, affirmative action in the Senate gives the House a chance to be less short-sighted when considering the Senate's view.

Robert E. Asher.

Washington.

[From the New York Times, Jan. 25, 1974]

The Poor of the Earth

(By James Reston)

Washington, Jan. 24.—One of the bitter tragedies of the present world crisis is that the heaviest blows are falling, as usual, on the poor of the earth.

For the rich, inflation, the energy shortage and rising food prices and unemployment are an irritation and at worst an inconvenience, but for the poor they are a disaster.

The point is obvious, but it seems to have been missed by the House of Representatives in its recent vote to kill President Nixon's bill to aid the world's poorest countries through the World Bank's International Development Association.

This vote tells a lot about the present mood of the Congress and the state of Presidential and Democratic leadership. Though the danger of mass starvation in sub-Sahara Africa and in India and Bangladesh is now alarming, the House voted 248–155 against the relief sought by the Administration, with 108 Democrats voting for it and 118 against it, and 130 Republicans voting against the President and only 47 Republicans supporting him.

Now we are beginning to see the consequences of Vietnam, Watergate, and the turmoil of the Middle East. The House is surly and frustrated, disillusioned with foreign aid and foreign adventures, and hostile to a President who impounds funds for the poor at home while seeking more aid for countries overseas.

President Nixon anticipated this mood but he underestimated it. By diligent private negotiating over the last year, and with the help of Robert McNamara, the head of the World Bank, he managed to persuade the other industrial nations of the world to increase their "soft loans" to the poorest countries from 40 per cent to 66⅔ per cent, allowing the United States to reduce its contribution to one-third from 40 per cent.

Even at 40 per cent of the total funds contributed by the rich nations through I.D.A. to the poor nations, the United States was putting up less of its gross national product than fourteen of the sixteen most prosperous countries.

Nevertheless, though inflation has reduced the value of I.D.A.'s soft loans by almost 30 per cent in the last few years, and though starvation is an immediate problem in most of the countries concerned, the vote for relief in the House wasn't even close.

If this were an isolated case of nationalism, it might be passed over as a regrettable and correctable offense; but the tide of nationalism is running strong in the world again, and there is little doubt that the vote in the House will probably be popular with the voters in this country.

Wherever you look in the advanced countries today, you will find leaders arguing for a new world order and pointing to the monetary crisis and the energy crisis as evidence that this is an increasingly interdependent world, requiring mutual aid and cooperation.

But at the same time, many of these same nations turn protectionist whenever they get in trouble. Europe is trying to form a more cooperative union, but when the Netherlands irritates the Arab oil-producers, the Dutch are left to fend for themselves.

Likewise, though Europe is engaged in the most delicate monetary negotiations in order to bring stability to its currencies, the French flat and devalue the franc on their own. Now it is the House of Representatives that recognizes the danger of world hunger but votes against relief.

The leadership on both sides of the aisle was appalling during the debate. A White House preoccupied with its personal and legal problems gave its bill very little support—in fact, the President's name was seldom mentioned by his own House leaders—and the Democrats were just as bad.

Representative George Mahon of Texas, who is normally a sensible man except in election years, warned the House that he wouldn't be for appropriating the money requested by the President even if the House authorized it, and Representative Wayne Hays, Ohio's gift to diplomacy, was worse.

He argued that money voted for the poor countries would merely be used to pay for higher gas and oil prices, and thus would probably wind up in the pockets of the oil sheiks. This was like saying that if you're gauged by the rich, you are justified in turning round and kicking the poor.

The situation is particularly awkward now, not only because the World Bank will run out of "soft-loan" funds at the end of June but because no nation is obliged to meet its commitments to I.D.A. if other nations refuse to meet their quotas.

State Secretary Kissinger and Treasury Secretary Shultz reached strongly against the House vote, but the following day, Mr. Kissinger was condemned on Capitol Hill for doing so.

Accordingly, they are now turning to the Senate for a more careful reappraisal of the problem. Their aim is to get the decision reversed or at least modified before Feb. 11, when the world on producers and consumers meet here to discuss cooperative action on the cost and distribution of fuel.

"How can we expect cooperation on oil if we will not cooperate to relieve hunger?" Mr. Kissinger asks. But Congress has its mind on other things and so has the President.

[From the Washington Post]

Crisis of Aid

The House vote denying new funds for development aid is the shocking but logical result of the world economic crisis created by the oil price increases. In recent years, the margin of congressional tolerance for aid, whether given straight to the recipients or channeled through the international development agencies, has been extremely thin. That margin utterly disappeared in the wake of the oil price increases, whose cost to the poor countries more than wipes out the foreign funds they could expect to get for development. Why should the United States help the poor, the Congress asked, when the money will merely be passed on to the oil producers? This argument ignores not only the poor countries' desperate needs but the political and moral interest of the United States in continuing participation in development. But it provided Congress with the excuse it needed to say no.

So it was that House Republicans voted by almost 3 to 1 not to contribute the proposed $1.5 billion over four years to the World Bank's easy-money branch, the International Development Association (IDA), which helps the poorest of the poor. Democrats opposed the administration bill too, though by a lesser edge. Since other donor countries will likely seize on the American example to justify their own retreat, the House vote means in effect that the whole carefully negotiated $4.5 billion IDA package may go down the drain. Donor support for the regional development banks now also comes into deep jeopardy.

The administration's reaction to the reversal is indicative of the general confusion generated by the energy crisis. It had worked long and carefully before October to reduce the American share in IDA from 40 per cent to a more palatable 33 and to nourish congressional support. It argued, correctly, that without American leadership in IDA, the basic structure of international development assistance would crumble. What the administration failed to do, however, was to crank the post-October turmoil into its political thinking on aid. After the House vote on Wednesday, the Secretaries of State and Treasury scolded the Congress as though nothing had changed. They displayed no hint of awareness that the basis of political support for aid had been shredded. Whether it can be restored, though unquestionably worth the effort, is problematical. Congress, listening to rumbles of voter discontent at home, is hardly in the mood to heed appeals to do the statesman-like thing.

The problem of presidential leadership aside, the root trouble is that in Congress' eyes—and not only in its eyes—it is now the Arabs and other oil producers and not the United States and its Western partners who have the extra cash which can be put to use for development. This is, as we say, a shortsighted view, but it is liable to be the controlling view until the oil producers start showing some responsibility for the massive blows they have struck against their friends, the poor. So far the producers have been brutal. They have not only hurt their friends but have refused to consider means of relief, such as a two-tier price system. The blow must be particularly galling to those African nations which, at Arab bidding, broke relations with Israel during the October war.

Already it is becoming clear that the deepest effects of the war lie not in terms of political relations in the Mideast but in terms of a fundamental change in relations between the world's consumers and producers of natural resources. In turn, this bids to render inadequate, if not entirely obsolete, the whole mechanism by which capital and technology have been transferred from "rich" countries to "poor" countries at least since World War II. The World Bank, the regional development banks and the various national aid programs have made up a large part, the official part, of this transfer mechanism. But the terms on which it will continue its operations must now be reappraised. This is a large task that will take many minds, many nations, many years. The shock of the House vote is just one early indication of the need to get the process under way.

[From the New York Times]

No Aid, No Trade

The House of Representatives threw much more into jeopardy than its members may have realized when it refused to authorize funds for an enlarged development loan pool to be operated by the World Bank for the poorest nations of the world. Several reasons for defeat of the Administration's proposal are obvious; there are many more reasons why this unthinking action should be quickly reversed, if it is not too late.

The mass defections among Republicans—only 47 supported the measure despite strong urging from the White House—gives one more sign of weakened Presidential influence, even in his own party. Neither among voters nor, more inexcusably, among their elected representatives does the notion of foreign aid seem able to overcome its earliest years of being considered an American "giveaway." However often it is argued, the Congress seems reluctant to recognize that development assistance brings mutual benefits to industralized and less developed nations alike.

The program just defeated a $1.5-billion contribution to the World Bank's International Development Association, represented a positive and sophisticated approach to foreign aid. First of all, it is multilateral in its funding, avoiding the dangers inherent in attaching political strings. Through its multilateral structure, the I.D.A. is equipped to draw on the new resources of oil-rich countries, as well as the convention donors, for redistribution among countries still in need of investment funds.

Secondly, the World Bank sponsors development projects of direct benefit to the poorer segments of the population in the less developed countries, as opposed to the earlier practice of strengthening national economic institutions from the top and hoping that the benefits would "trickle down" to the poor—hopes that were often shown to be futile.

Finally, the I.D.A. loan pool, negotiated last September at the World Bank meeting in Nairobi, represents a genuine trend toward burden-sharing among the richer states—another retort to the traditional critics of American giveaways. The United States share would have been dropped from 40 per cent to one-third; Japan, in contrast, had agreed to triple its contribution: West Germany's share would have more than doubled.

The essence of worthwhile foreign aid in the coming decade is to create productive economic ties among richer and poorer nations, to realize the benefits from cooperation as opposed to short-term advantages that might be gained from embargoes, unilateral price hikes and expanding cartels. The threats of economic warfare that have arisen over the Middle Eastern oil powerplays should stand as ample lesson of what is endangered when a country or group of countries goes its own way into economic confrontation rather than cooperation.

[From the New York Times, Jan. 24, 1974]

House Curb on Aid "Disaster" for Poor, McNamara Says

(By Edwin L. Dale, Jr.)

WASHINGTON, Jan. 24—Robert S. McNamara, the president of the World Bank, said today that the vote yesterday by the House of Representatives to deny new United States contributions to the bank was "an unmitigated disaster for hundreds of millions of people in the poorest nations of the world."

In an unusual public statement on an action in one of the bank's member countries, Mr. McNamara said the arm of the bank that was affected, the International Development

Association, "is the major source of development assistance for 21 countries classified by the United Nations as 'least developed,' to whom the United States and other nations have pledged a special assistance effort."

Most of these countries are small and most are in Africa. But the association is also important to much larger countries. In the past year it supplied 30 per cent of all the aid received by India, for example.

High officials of the World Bank said the bank's strategy for the moment was to "give the United States another chance"—that is, to see whether the legislation can be revived—before contemplating an appeal to the 24 other relatively rich countries that provide funds to the development association to put up their share without the United States.

The sharing agreement, negotiated last September in Nairobi, Kenya, at the annual meeting of the International Bank for Reconstruction and Development, or World Bank, provides for $4.5-billion over three years, with the United States share $1.5-billion. This is the smallest share ever for the United States, which, unlike the others, would be allowed to spread its contribution over four years instead of three. It was this contribution that was killed by the House yesterday.

Secretary of the Treasury George P. Shultz was in charge of the negotiations for the United States and pledged to do his best to win Congressional approval. Mr. Shultz, it has been reliably learned, was taken by surprise by the adverse house vote yesterday, having believed that the bill would pass. The vote to kill it was 248 to 155, with Republicans voting overwhelmingly against the bill.

Mr. Shultz is still groping for the best way to revive the legislation. One possibility would be to seek passage in the Senate and then, in the words of one official, "give the House another chance to do the right thing." But no decision on tactics has been made.

Once before in 1969, the House voted down the bill authorizing a three-year United States contribution to the development association and then later reversed itself and approved the bill by a narrow margin. The necessary appropriations for these three years were also approved, but with a long delay, leaving the United States far behind schedule in the current round of contributions.

One result of the surprise vote, which came at a time of growing disillusion with foreign aid, was a decision by Mr. Shultz and the House leadership to postpone indefinitely consideration of a companion bill that would provide new United States contributions to the much smaller Asian Development Bank.

Mr. McNamara, in his statement, emphasized that "the United States total development effort today runs 14th among the 16 principal donor countries, and in relation to its national income is only one-tenth of what it was 25 years ago."

"Moreover," he said, "United States per capita income now is 30 to 40 times that of people in the poor nations of Africa and Asia."

DROUGHT CITED

Mr. McNamara said the poorest nations that rely on the World Bank unit for much of their external assistance include such countries as Niger, Upper Volta, Mali, Mauritania, Senegal and Chad, which "have been undergoing one of the worst droughts in human history."

He added that other large recipients of these funds such as India, Pakistan and Bangladesh, "have also recently been hit by drought, tripling the cost of imported food grain."

He said that to people in these countries international aid, including that from the development association, which makes loans on easy terms, "means the difference between some alleviation of their poverty and desperation."

[From Newsweek, Feb. 11, 1974]

SHOULD FOREIGN AID BEGIN AT HOME?

(By Kermit Lansner)

Now why did Robert McNamara go out of his way to appear on the "Today" show one dark morning early last week? Since he became president of the World Bank he has kept a studiously low profile in his own country.

Well, McNamara was disturbed. The House had just defeated a bill that would have provided $1.5 billion over four years to the International Development Association (IDA)—the soft-loan "window" of the World Bank. The Secretary of State joined with the Secretary of the Treasury in calling the vote a "major setback." The former Secretary of Defense called it an "unmitigated disaster."

These vigorous comments might have been more useful before the vote than afterward. Indeed, it is generally felt that one of the major reasons for the unexpected defeat was the indifferent way the Administration managed the bill. A lesser reason was the tendency of the World Bank to use a kind of financial shorthand in talking about its work. This finally obscures what it is really doing for the countries it helps.

So it was easy (with the energy crisis in full swing) for Rep. Wayne Hays to say: "The amount of money we are asking for today will not even soak up the amount of money that the Arab states are taking away from the underdeveloped nations in the price raises they have put on oil in the last 90 days."

It was easy, too, for Rep. John Dent to argue: "We have plants closing down all over my area because they are paying 10 and 11 per cent interest on their money . . . Yet we are giving this money and billions more for 1 per cent interest for ten years and 3 per cent for 30 years."

REBUTTAL

Sensitive to these arguments, McNamara made the point that no IDA funds would go for oil purchases and that they would be used only for such things as irrigation projects in the Sudan, food and grain in Bangladesh and education in Ethiopia. He also explained the loans. It will be interesting to see if the Middle American TV audience to whom he directed these remarks are favorably impressed. Their congressmen certainly brought back another message.

The way things go in Washington, there is a good chance that the IDA bill will be saved in one form or another. But its fate suggests the steady erosion of support for foreign aid—a process that began long before the Arabian blitz.

This weakening of support has been visible everywhere. In the White House, where Kissinger and Nixon showed little concern for the grungy business of the underdeveloped nations; in the Congress, which has never been very enthusiastic about foreign aid; and out in the country, where people find it difficult to take a deep interest in places they know nothing about.

Even the foreign-affairs Establishment often questioned foreign aid and wondered about the waste and the bureaucracy that seem to accompany it. It became one of the great sport for political humorists to point out the cultural idiocies (bathtubs in the Sahara) that seem to follow aid programs. More brutally, there were critics who insisted that aid was counterproductive. They argued that it kept the recipients from taking the harsh steps—exploitation, regimentation or revolution—that might be necessary to put the countries on the road to some kind of progress.

CRY HAVOC

I suppose that under normal circumstances the vast and ramshackle house of aid with its interlocking bureaucracies, its foundation support and its international connections would have kept growing. But now it is coming under a concentrated attack—at a time when it may be needed more than ever.

If the oil-producing cartel has caused havoc among the Developed Countries, consider what it has done to the Less Developed Countries and the Least Developed Countries. (This last category—an official one—numbers 21 nations.)

In one blow, the rise in oil price may knock the pins out from under the development structures that had been so painfully built up over the years. For example, in the past decade, India has had two massive crises—the famine of 1966–67 and the influx of refugees from Bangladesh during the Pakistani-Indian war. The first cost some $500 million to import wheat, the second some $700 million to take care of those who had fled. Three hundred million dollars was in aid. But in one year, the rise in the cost of oil will cost India an additional $1 billion. For all the LDC's, the Arabian blitz will send the price of pesticides, fertilizers and fuel soaring and bring to a halt the process of development.

True, there is some optimistic talk that the Arab countries (such as Kuwait and Saudi Arabia), with a new sense of statesmanship, will try to help the LDC's in some way. Perhaps. But there is also some macabre talk that one should not worry too much about people living so close to the subsistence level, since they will not feel the impact of a little more pain. (This line of thought raises the interesting problem of the calculus of suffering. Is it more painful for a prosperous American to pay an extra 3 cents for a gallon of gas than it is for a subsistence farmer in drought-ridden Mali to find his daily ration of sorghum fall by one-half?)

CRAZY QUILT

These are questions which are always buried during periods of prosperity and growth but which move to the forefront at moments of great world stress. And they will multiply and intensify as the economic crazy quilt of the world changes during the next few years and a new distribution of blessedness and blight marks the globe. For we can now expect the copper countries and the bauxite countries, the zinc countries and the tin countries to join forces and try to find some economic purchase in the world. And we will find the advanced technological countries fighting back. Most ominous would be an irreconcilable split between the industrialized and nonindustrialized worlds.

So the search continues for some logically compelling reasons for giving aid, and you could see the congressmen wrestling with the question during the House debate. There was the argument of self-interest (new markets, assured sources of raw materials) and the argument of social justice and charity. The argument of political advantage (keep the Commies out) seems to have disappeared.

I think that it would be a failure of never for the United States to turn away from the Third World. It would mean that we are turning inward toward an anxious isolation, a sour independence that is neither proper nor satisfying for a country of our history and our ideals.

But, unfortunately, none of these arguments is compelling.

A few days ago, I spoke to an Indian diplomat who is one of the directors of the United Nations Development Programme. He told me about a moment some years ago when he was in search of aid for his own country. A Soviet official asked him why he thought that the Russians have an obligation to help poor countries. And Dr. I. G. Patel replied: "I am a Hindu, and we Hindus believe in life after death. You may be reborn a Hindu—in my country."

DEATH OF LOUIS W. CASSELS

Mr. THURMOND. Mr. President, Louis W. Cassels, an eminent journalist and devout Christian who combined the talent of his profession with the wisdom of his faith, died January 23, 1974, at his Aiken, S.C., home.

The subjects of his writings had varied greatly, involving people of all stations and events of all magnitudes, but his greatest contributions involved the religion he believed. As a staff member of United Press International he began writing about religion and its deep significance in our everyday lives. It was a contribution he was to make through his articles, columns, and books until his death last month. Although he was only 52 at the time of his death he had made a major impact on the public view of our lives and times.

As a college student at Duke University Mr. Cassels had considered the ministry as his life's work. However, he was drawn to writing and turned his outstanding talent to that field where he left such a distinguished legacy of performance. Moreover, it was only natural that he should combine his writing skill with the insight of his religious convictions to blaze trails in the applied journalism of our day. His column "Religion in America" circulated in 400 newspapers throughout the Nation and was recognized as one of the outstanding voices on this subject in America.

True to his beliefs he was an active layman in the Episcopal Church, whether he was in Aiken or the Washington area where he and his family lived so many years.

His pen was ever busy during the 32 years he spent with UPI which he served as senior editor. Presidential elections, racial conflicts, and human events of all grades were his interest. Between the tasks of his daily life he wrote books of great lyrical and persuasive qualities. Interlaced through his written observations and views were the moral and ethical considerations which he knew to be the foundation of human existence. The awards he received for his work were numerous; his reputation for excellence and depth of understanding was complete.

The contributions of wisdom were great which Mr. Cassels made to people who came within the realm of his words or his deeds. He helped us see events for what they really were and all who knew him or his work benefited by his life. He will be sorely missed.

Mr. Cassels, who was born January 14, 1922, grew up in the town of Ellenton, S.C., an Aiken County community which was later to disappear from the map. When the Federal Government built the Savannah River plant of the Atomic Energy Commission, the town of Ellenton was engulfed in the huge compound that was created. However, in 1970, when Mr. Cassels faced semiretirement as the result of a heart attack, he returned to Aiken to live. There, he continued to write two columns a week. He became a part-time journalism lecturer at the University of South Carolina. His latest book, "Coontail Lagoon," will be published in the spring.

The memory of this eminent man whose life and work are filled with meaning for all of us will be honored tomorrow at Washington Cathedral. His ashes will be placed in a niche of the Cathedral's Bethlehem Chapel. This is a fitting honor to the memory of this devout and distinguished man.

Mr. President, I wish to extend my deepest sympathy to his devoted wife, Mrs. Charlotte Norling Cassels; his son, Horace Michael Cassels IV of Rockville, Md.; and his sister, Mrs. J. Reese Daniel of Columbia, S.C.

At the time of his death, a number of articles and editorials about Louis W. Cassels appeared in newspapers around the country. Mr. President, I ask unanimous consent that several of these be printed in the Record at the conclusion of my remarks, as follows: "Louis Cassels, 52, UPI Editor, Dies," Aiken Standard, Aiken, S.C., January 24, 1974; "Louis Cassels Dies in Aiken," the Augusta Chronicle, Augusta, Ga., January 24, 1974; "Louis Cassels Dies in Aiken," the State, Columbia, S.C., January 24, 1974; "Service Set Today for Louis Cassels," Aiken Standard, Aiken, S.C., January 25, 1974; "Religion Writer Louis Cassels Rites in St. Thaddeus Today," the State, Columbia, S.C., January 25, 1974; "Cassels Memorial Service Set," the Augusta Chronicle, Augusta, Ga., January 25, 1974; "Cassels' Ashes Will Rest in Washington Cathedral," the Greenville News-Piedmont, Greenville, S.C., February 3, 1974; "Louis Welborn Cassels," Aiken Standard, Aiken, S.C., January 25, 1974; "Louis Cassels," the Greenville News-Piedmont, Greenville, S.C., January 27, 1974; and "Louis Cassels," the Augusta Chronicle, Augusta, Ga., January 25, 1974.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Aiken (S.C.) Standard, Jan. 24, 1974]

Louis Cassels, 52, UPI Editor, Dies

Louis Welborn Cassels, 52, well-known senior editor of United Press International and well-known author, died here early yesterday evening at his home from a coronary.

Mr. Cassels, who started his own newspaper at the age of 12 in his hometown of Ellenton, pursued a lifetime career in journalism.

At 17, he began as a police reporter for the Augusta Herald, working during the summers while he was in college.

He was graduated Phi Beta Kappa from Duke University in 1942 and began work with UPI in New York. After an intermediate period in the United States Air Force during World War II, he returned to UPI. In 1947, he joined the Washington Bureau. In that post, he covered every presidential election from 1948 until his retirement here in 1970.

Mr. Cassels wrote two religious columns from his Aiken home, Coontail Lagoon, "Of God and Man", in addition to a political and social commentary, "National Window".

Mr. Cassels won a host of national press awards, including the Christopher Award and the Newspaper Guild of New York Front Page Award, but the one he coveted the most was a trophy for his series, "The Nation's Negroes in Revolt". He covered many of the major race riots in the nation and was considered to be an expert in urban riots by his coworkers.

Although Mr. Cassels has written 11 books on the subject of religion, he insisted he never specialized in religion. "I am simply a newspaperman who believes in God," he said. It was Mr. Cassels who persuaded the national wire service to start covering religion.

"I felt that they (the news media) were covering religion in a superficial way. They treated religion as if they were scared to death of it." Mr. Cassels urged them to start treating it "with the gloves off".

In 1956, his first UPI religion column dealt with the Roman Catholic Church in the deep South and its effects on politics, a quasi-political subject.

Next he took on a controversial subject, the reality of hell, straight reporting, giving the pros and cons. It brought in such an abundance of mail that religion became a routine assignment at UPI.

One of his major books is "What's The Difference", a book delving into the various religions of the world. He has written a number of books since a coronary forced him to become semi-retired in Aiken, including "Haircuts and Holiness", "The Reality of God" and "The Real Jesus".

His 12th and latest book, a secular work, "Coontail Lagoon", is due out in April and revolves around his rediscovery of God's world of nature and life in a small town since his first illness. An untitled detective book will be released in September.

Mr. Cassels owned and operated Cassels Oil Company here, a family business he and his family have held for many years.

He has taught journalism at the University of South Carolina in Columbia and Aiken.

Discussing his career when he moved here in 1970, Mr. Cassels said, "If I had it all to do over, I wouldn't do anything differently," referring both to his professional and private life.

"If you really want to do something to make the world a little less insane," he said writing is the way to do it. You may not solve everything, he said, but at least you can get in the fight.

Mr. Cassels was the recipient of the Bryan McKissick Lecture Chair at USC in 1973. He is listed in "Who's Who in America" and "Who's Who in the World". He was a member of St. Thaddeus Episcopal Church. He was a member of the National Press Club, Sigma Delta Chi and Alpha Tau Omega.

Surviving are his widow: Charlotte Norling Cassels, a son, Horace Michael Cassels IV, and a sister, Mrs. J. R. Daniel of Columbia. He was the son of a prominent Ellenton family, the late Mr. and Mrs. Horace Michael Cassels.

Interment will be private. Plans will be announced later for St. Thaddeus Episcopal Church.

Memorials may be sent to the Washington National Cathedral, Washington, D.C.

[From the Augusta (Ga.) Chronicle, Jan. 24, 1974]

Louis Cassels Dies in Aiken

Louis Cassels, a senior editor and award-winning religion writer for United Press International, died Wednesday evening at his home in Aiken. He was 52.

Cassels apparently suffered a coronary attack shortly after finishing dinner at his home, his wife Charlotte said. Medical help arrived within four minutes of the attack but was unable to revive him.

A veteran of 32 years service with UPI, Cassels was the author of numerous magazine articles and five books on religion and ethical problems in the modern day.

Besides his wife, Charlotte, survivors include a son, Michael. Mrs. Cassels said he would be buried near their Aiken home in a private ceremony. Arrangements were not complete Wednesday night.

Cassels was born Jan. 14, 1922, in the town of Ellenton, where his family operated a general store. After graduation from high school, he enrolled at Duke University with an inclination to study for the ministry. But he found more and more of his time being devoted to newspapers and decided instead on newspapering as a career.

[From the Columbia (S.C.) State, Jan. 24, 1974]

LOUIS CASSELS DIES IN AIKEN

AIKEN.—Louis Cassels, a senior editor and award-winning religion writer for United Press International, died Wednesday evening at his home in Aiken. He was 52.

Mr. Cassels, who had a history of heart trouble, apparently suffered a coronary attack shortly after finishing dinner at his home, his wife Charlotte said. Medical help arrived within four minutes of the attack but were unable to revive him.

A veteran of 32 years service with UPI, Mr. Cassels was the author of numerous magazine articles and five books on religion and ethical problems in the modern day.

His weekly column, "Religion in America," appeared in afternoon papers; another "World of Religion," was for morning newspaper use. He was the first wire service reporter to write regularly and in depth on religion as a topic of continuing importance to newspaper readers.

Mr. Cassels recently served as J. Rion McKissick Lecturer in the University of South Carolina School of Journalism.

He wrote penetratingly on topics other than religion. Noteworthy was a 4,600-word report for UPI in 1967 titled "The Negro in Revolt—What Now?"

As a Sunday School teacher for a class of high school seniors, Mr. Cassels was keenly interested in the problems of youth. He was in Ohio on a survey assignment in May, 1970, when the shootings occurred on the Kent State University campus. He went immediately to the scene to help with the spot coverage of the event.

[From the Aiken (S.C.) Standard, Jan. 25, 1974]

SERVICE SET TODAY FOR LOUIS CASSELS

A memorial service for Louis Welborn Cassels, 52, of Spring Lake, Aiken, a senior editor of United Press International, who died Wednesday, will be held at 5 p.m. at St. Thaddeus Episcopal Church with the Rev. Howard McKay Hickey and the Rt. Rev. Monsignor George Lewis Smith officiating. Private funeral services were held this morning.

Surviving are: his widow, Mrs. Charlotte Norling Cassels; one son, Horace Michael Cassels IV, Rockville, Md.; and one sister, Mrs. J. Reese Daniel, Columbia.

Friends may call at the home. Memorials to the Washington Cathedral, Mt. St. Albans, Washington, D.C., or a favorite charity are suggested.

[From the Columbia (S.C.) State, Jan. 25, 1974]

RELIGION WRITER LOUIS CASSELS RITES IN ST. THADDEUS TODAY

AIKEN.—Memorial services for Louis Welborn Cassels, United Press International senior editor and prize-winning religion writer who covered nearly every major religious and social welfare story during the turbulent 1960s, will be 5 p.m. today in St. Thaddeus Episcopal Church. Burial will be private.

The family suggests that those who wish may make memorials to the Washington Cathedral, St. Alban's, Washington, D.C., or a favorite charity.

George Funeral Home is in charge.

Mr. Cassels, 52, who had a history of heart trouble, apparently suffered a coronary attack Wednesday evening shortly after finishing dinner at his home, his widow, Charlotte said. Medical help arrived within four minutes of the attack and he was taken to Aiken County Hospital but efforts failed to revive him.

After his first heart attack, he had written "To say that God is with you when you enter the valley of the shadow doesn't mean you're assured of getting safely through. It simply means that in serious illness you can be aware of His presence and confident of His love to a degree not often attained in the peaceful and painless passages of everyday life."

Mr. Cassels was a veteran of 32 years service with UPI. He covered every presidential election from 1948 until his retirement in Aiken in 1970.

Mr. Cassels won the Christopher Award and the Newspaper Guild of New York Front Page Award. The award he prized most was a trophy for his series, "The Nation's Negroes in Revolt."

He covered many of the major race riots in the nation and was considered to be one of the experts in urban riots by his co-workers.

He wrote eleven books on the subject of religion but insisted he never specialized in religion. "I am simply a newspaperman who believes in God," he said.

It was Mr. Cassels who pursuaded the national wire service to start covering religion. "I felt that they were covering religion in a superficial way. They treated religion as if they were scared to death of it." He urged the wires to start treating religion with the gloves off.

In 1956 his first UPI religion column dealt with the Roman Catholic Church in the Deep South and its effect on politics, a quasi-political subject.

Despite his long years in New York City and Washington, D.C., with United Press, and then its successor UPI, he never lost touch with his kinfolk or his native state.

A coronary forced him to become semi-retired in Aiken in 1970.

Although born in Augusta, Ga., Jan. 14, 1922, Mr. Cassels claimed old Ellenton, S.C., as his home. He was a son of the late Horace Michael Cassels II and Mollie Welborn Cassels.

Mr. Cassels paid great tribute during his life to the influence of his parents. His mother "Miss Mollie" taught school and was very active in her church and in Aiken County community affairs. His father was the popular "Big Mike" Cassels, mayor and general store proprietor in Ellenton, the town which hit the headlines in the 1950's when it was forced to disappear from the South Carolina map and was taken over as the site of the Savannah River Atomic Energy Plant.

He started his own newspaper at the age of 12 in his home town of Ellenton. At 17 he became a police reporter for the Augusta Herald, working during the summers while he was at college.

After graduation from high school, he enrolled in Duke University with an inclination to study for the ministry. But he found himself devoting most of his time working on the student newspaper, The Duke Chronicle, and decided instead on newspapering as a career. He graduated Phi Beta Kappa from Duke in 1942.

After a brief period of recuperation after his retirement in Aiken, he turned to his typewriter again and enjoyed making frequent reference to the national scene as viewed from his Aiken Southern grassroots perspective.

For a time, he was doing a live radio report for United Press International each morning . . . a kind of "commentary from Coontail Lagoon", as he called his Aiken home surrounded by tall pines.

He was for years an active layman of the Episcopal Church he and his family attended when they lived in Bethesda, Md., and later at St. Thaddeus Episcopal Church in Aiken. He was a contributing editor for The Episcopalian for many years.

At the time of his death, he was J. Rion McKissick lecturer in the University of South Carolina College of Journalism.

He was named to the part-time post to teach feature writing in September, 1973. Mr. Cassels had taught at the USC Aiken Regional Campus in spring, 1972.

In April 1973 Mr. Cassels presented a collection of over 200 items from his personal papers to the University of South Carolina Library. The papers reflect 35 years of his career, beginning with his experience as college editor for the Duke University Chronicle and continuing to his present assignment with UPI.

Mr. Cassels delivered the invocation at the dinner Dec. 7, 1970, on the 20th anniversary of the site selection for the Savannah River Plant.

Mr. Cassels spoke last October to the fall meeting of the South Carolina UPI Association and observed "Race relations in South Carolina today are light-years ahead of race relations in Washington or New York, or Chicago, or Detroit, or San Francisco, or Los Angeles or nearly any other big city of the North, East, or West."

His twelfth and latest book, "Coontail Lagoon," is due out in April and revolves around his rediscovery of God's world of nature and life in a small town since his first illness.

An untitled detective book will be released in September.

Mr. Cassels owned and operated Cassels' Oil Co. in Aiken, a business he and his family have held for many years.

He was a member of National Press Club, Sigma Delta Chi and Alpha Tau Omega.

Surviving are his widow, Mrs. Charlotte Norling Cassels; a son, Horace Michael Cassels IV of Rockville, Md.; and a sister, Mrs. J. Reese Daniel of Columbia.

[From the Augusta (Ga.) Chronicle, Jan. 25, 1974]

CASSELS MEMORIAL SERVICE SET

AIKEN.—A memorial service for Louis Welborn Cassels, of Spring Lake, Aiken, a senior editor of United Press International, will be held today at 5 p.m. in St. Thaddeus Episcopal Church, with the Rev. Howard M. Hickey officiating. Burial will be private.

Born in Augusta, Mr. Cassels claimed Old Ellenton as his home. He started his career at the age of 12 by publishing his own community newspaper. At 17 he became a police reporter for the Augusta Herald, working during summers while he was in college.

He was graduated Phi Beta Kappa from Duke University in 1942 and began work with UPI in New York. After service in the Air Force during World War II, he returned to UPI and in 1947 joined the Washington Bureau. In that post he covered every presidential election from 1948 until his retirement to Aiken in 1970.

From his Aiken home, Coontail Lagoon, he continued writing two nationally known columns, one entitled "Of God and Man" and the other a political and social commentary, "National Window." He insisted he had not specialized in religion, but was "simply a newspaperman who believes in God."

He had written 11 books on the subject of religion. His latest book about his home, "Coontail Lagoon," is to be published in April.

His many national press awards included the Christopher Award and the Newspaper Guild of New York Front Page Award. He was also cited for a series, "The Nation's Negroes in Revolt," and was considered an expert in urban riots by his co-workers.

He also owned and operated Cassels Oil Company in Aiken, a business which has been in his family many years.

Survivors include his widow, Mrs. Charlotte Norling Cassels; one son, Horace Michael Cassels IV, Rockville, Md.; and one sister, Mrs. J. Reese Daniel, Columbia, S.C.

Memorial contributions may be made to the Washington Cathedral, Mt. St. Albans, Washington, D.C., or a favorite charity.

[From the Greenville (S.C.) News-Piedmont] Feb. 3, 1974]

CASSELS' ASHES WILL REST IN WASHINGTON CATHEDRAL

WASHINGTON.—The Washington Cathedral will honor the memory of Louis Cassels on Feb. 19 when the ashes of the late UPI senior editor and religion writer are to be placed in a niche of the Cathedral's Bethlehem Chapel.

Arrangements for the memorial service for Cassels, who died a week ago at his home in Aiken, S.C., are being made by Dean Francis B. Sayre Jr.

A Cathedral spokesman said the immurement in the Cathedral is reserved for outstanding members of the congregation and friends of the Cathedral.

Others who have been similarly honored in the past include President Woodrow Wilson, Adm. George Dewey, former secretary of state Cordell Hull, Nobel peace prize winner John R. Mott, former U.S. ambassador to Russia Joseph Davies, Helen Keller and her childhood teacher, Ann Sullivan Macy.

In his long career as a Washington newsman, Cassels was a member of the congregation of St. Johns Episcopal Church in suburban Bethesda, Md.

On behalf of UPI, he often worked closely with Dean Sayre, arranging coverage of major events at the Cathedral such as the funeral of secretary of state John Foster Dulles.

He was the author of numerous magazine articles and more than half a dozen books on religion and ethical problems in America. At the time of his death, he wrote two columns a week for UPI entitled "Religion in America" and "World of Religion."

[From the Aiken (S.C.) Standard, Jan. 25, 1974]

LOUIS WELBORN CASSELS

Louis Welborn Cassels lived and died ahead of his time.

Death, which had been a mere heartbeat away for the past several years, overtook him Wednesday night at his home here.

As a hard-pushing United Press International newsman, he had roamed the world, rubbing elbows with royalty and peasants, bishops and atheists. He had visited most of the celebrated international centers of beauty and culture, of industry and world power. When a severe coronary in 1971 forced a change of pace, he came back to Aiken.

While his roots in Aiken run deep, it was not the same community he had left in the days prior to the revolutionizing advent of the AEC's Savannah River Plant. Quickly, however, he meshed into the changed community and drew to himself a host of new friends in addition to those he had known and loved from childhood days in Ellenton, the little town of dear hearts and gentle people that was wiped from the face of the earth by the AEC.

Lou Cassels was displaced physically, but his heart never strayed far. It was a part of his sentimental make-up that he could never forget it through the years. Two decades after Ellenton was obliterated, he wrote: "Pompeii at least has some ruins which show where a home stood before it got in the way of a volcano 2,000 years ago."

Lou Cassels was never one to bite his tongue. Anyone interested in his views quickly found that he had opinions backed by scholarship. One never had to remain in doubt as to how he stood. This quality, along with his empathy and compassion were outstanding attributes of Lou Cassels' character.

As a professional writer, he was prolific, and he possessed that greatly cherished ability of all reporters—the ability to tell a story so that people can understand it. He once wrote a description of another journalist's style which actually described his own: ". . . a gift for bringing scientific intricacies down to poolroom terms."

A Phi Beta Kappa at Duke University, he remained an avid scholar throughout his life. He was an urbane world traveler. Yet he never lost a friendly, folksy personal interest in people that so endeared him to so many.

His numerous books and articles incidentally told much about Louis Cassels the man.

When he was recovering from his near-fatal attack in 1971, he had a spiritual experience which made him impatient with convalescence—he wanted strength to write about it. He did, in a deeply moving book entitled "God Is With You." He felt that serious illness could be a blessing making a person aware of God's presence and "confident of his love to a degree not often attained in the peaceful and painless passage of everyday life."

His was a rich life—made so in large measure by his enrichment of other lives.

Lou Cassels at death was nearly two decades short of the three score and ten years long considered the promised normal lifespan.

But then he had packed into 52 years more real living than most people realize in a much longer lifetime.

[From the Greenville (S.C.) News-Piedmont, Jan. 27, 1974]

LOUIS CASSELS

Louis Cassels lived a relatively short life, but it was a fruitful one. A native South Carolinian, he became a nationally respected journalist and expert on religion and ethics.

A senior editor for United Press International, Cassels was best known for his wire service reporting, columns and books on religion and ethics. But he handled many other subjects as a good all-around journalist.

A native of Ellenton, one of the small towns razed to make room for the Savannah River atomic energy plant, Cassels was the first wire service reporter to write about religion in depth. He became famous because of his ability to report on and explain development in the complex field relating to mankind's deepest emotions and most personal experiences.

He was a credit to the profession of journalism.

Cassels returned to South Carolina a few years ago after developing heart trouble, and lived in Aiken. He continued working, writing wire service columns for both morning and afternoon newspapers.

In addition he was taking on an important new work, training prospective young journalists as a part-time instructor in the University of South Carolina's College of Journalism. He was coming to be regarded as a fine teacher of journalism.

Louis Cassels' recent death at age 52 is a severe loss to his many readers, numerous religious leaders and many promising young writers. But the products of his pioneering career will endure for many years.

[From the Augusta (Ga.) Chronicle, Jan. 25, 1974]

LOUIS CASSELS

The death of Louis Cassels of Aiken removes from the journalistic and literary scene a writer of national stature, who for 32 years had been a staff member for United Press International.

Louis Cassels was that rare type of newspaperman who, through personal interest which in early years led even to contemplation of the ministry as a career, could write and speak with unquestioned authority on the subject of religion. In addition to wire service reporting in that field, he was the author of five books dealing with religion and ethics. Needless to say, he will be missed by millions of readers all over the United States who knew him through the printed page.

Mr. Cassels held a deep, but broad, view of the role of the Church. He did not limit his concept of worship to the sanctuary, but affirmed the need to live religion in daily life.

He was a man not only devout, but devoted to his family, his friends and his community. One of the sorrows of his life was the destruction of his native town of Ellenton, which the federal government felt was necessary in order to provide a site for the Savannah River plant.

He was a man who for many years gave unstintingly of his time and effort in making addresses to groups interested in his area of activity. In this process, he extended tremendously his circle of friends.

As those friends and his family mourn his unexpected death at the relatively early age of 52, we add our heartfelt sympathy.

HISTORY OF FISCAL YEAR 1974 DEPARTMENT OF DEFENSE RESEARCH, DEVELOPMENT, TEST AND EVALUATION AUTHORIZATION AND APPROPRIATION

Mr. McINTYRE. Mr. President, once again the Subcommittee on Research and Development of the Armed Services Committee has compiled in tabular form the complete history of the actions of Congress on the fiscal year 1974 authorization and appropriation requests for the Department of Defense research, development, test and evaluation appropriations. This information is of widespread interest. It is presented in detail by military department and by program element. Certain program elements have been excluded because of security considerations, but the total amounts by budget activity and by military department or defense agency are complete. Copies of these tables may be obtained in room 224 of the Russell Senate Office Building.

I ask unanimous consent to have a set of these tables printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

[COMMITTEE PRINT]

FISCAL YEAR 1974 R.D.T. & E. AUTHORIZATION

[In millions of dollars]

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
	R.D.T. & E. ARMY									
	Military sciences:									
61101A	In-house laboratory, independent research	11.1	10.7	11.0	11.0	11.0	11.0	11.0	10.8	10.8
61102A	Defense research sciences	70.7	67.5	69.0	69.0	69.0	69.0	69.0	67.0	67.0
62101A	Information processing	.1	.3	.5	.5	.5	.5	.5	.5	.5
62102A	Electronic warfare	2.9	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6
62103A	Surface mobility studies	1.2	.6	.6	.6	.6	.6	.6	.6	.6
62105A	Materials	10.3	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4
62106A	Human factors in military systems	4.3	3.7	4.2	4.2	4.2	4.2	3.7	3.7	3.7
62107A	Military selection, training and leadership	3.0	2.5	1.3	1.3	1.2	1.2	1.2	1.2	1.2
62108A	Performance effectiveness American soldier	2.3	3.4	4.7	4.7	4.7	4.7	3.4	3.4	3.4
62110A	Medical investigations	21.0	35.6	38.0	38.0	38.0	38.0	38.0	37.0	37.0
62111A	Atmospheric investigations	3.4	3.7	4.8	4.8	4.8	4.8	3.8	3.8	3.8
62112A	Terrestrial and construction investigations	1.8	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
62114A	Fluidic technological investigations	1.1	1.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1
62115A	General biological investigations	5.2								
62116A	General chemical investigations	5.7	3.9	5.3	5.3	5.3	5.3	5.3	4.1	4.1
62117A	Nuclear munitions and radiacs	1.7	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1
62118A	Nuclear weapons effects research—test	6.1	4.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1
62119A	Nuclear power applications	2.1	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7
62120A	Combat development investigations	2.6	2.6	2.8	2.8	2.8	2.8	2.8	2.3	2.3
62121A	Civil engineering technology	4.6	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
63101A	Manpower resources development	4.4	3.7	4.9	4.9	4.9	4.9	3.9	3.9	3.9
65101A	Studies and analysis	8.8	7.2	8.1	8.1	8.1	8.1	7.0	7.0	7.0
	Total, military sciences	178.0	176.5	187.4	187.4	187.3	187.3	182.4	177.5	177.5
	Aircraft and related equipment:									
62201A	Aircraft weapons technology	1.7	2.0	1.4	1.4	1.4	1.4	1.4	1.4	1.4
62202A	Aircraft avionics technology	5.0	4.8	6.1	6.1	6.1	6.1	5.1	5.1	5.1
62203A	Air mobility technology	2.4	1.6	2.2	2.2	2.2	2.2	2.2	2.2	2.2
62204A	Aerodynamics technology	2.2	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
62205A	Aeronautical technology	6.1	6.4	6.0	6.0	6.0	6.0	6.0	6.0	6.0
62206A	System synthesis analysis	.6	.9	.9	.9	.9	.9	.9	.9	.9
62207A	Aircraft propulsion technology	2.9	3.2	3.4	3.4	3.4	3.4	3.4	3.4	3.4
62208A	Aircraft loads and structures technology	2.3	3.1	2.9	2.9	2.9	2.9	2.9	2.9	2.9
63201A	Aircraft powerplants and propulsion	3.1	3.4	3.5	3.5	3.5	3.5	3.5	3.5	3.5
63203A	Heavy lift helicopter	29.5	38.0	59.9	59.9	59.9	59.9	59.9	59.9	59.9
63204A	Advanced helicopter development	1.9	4.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2
63205A	Aerial scout	9.8	6.1	1.0	1.0	0	0			
63206A	Aircraft weapons	9.8	7.1	6.9	6.9	6.9	6.9	6.9	6.9	6.9
63207A	Aircraft avionics equipment	5.8	3.1	1.8	1.8	1.8	1.8	1.8	1.8	1.8
63208A	Aircraft loads and structures	3.1	3.0	2.5	2.5	2.5	2.5	2.5	2.5	2.5
63209A	Air mobility support	4.7	2.9	1.1	1.1	1.1	1.1	1.1	1.1	1.1
63210A	Aerial surveillance, target acquisition, and night observation	1.2								
63211A	Rotary wing research aircraft	11.8	3.4	10.6	10.6	10.6	10.6	10.6	1.06	10.6
63212A	Tilt rotor research aircraft		3.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
64201A	Aircraft avionics	5.8	8.3	9.6	9.6	9.6	9.6	9.6	9.6	9.6
64202A	Aircraft weapons	7.6	1.3	.6	.6	.6	.6	.6	.6	.6
64204A	Air mobility support equipment	1.4	4.2	7.7	7.7	7.7	7.7	7.7	7.7	7.7
64206A	Utility tactical transport aircraft system (UTTAS)	23.5	50.4	108.8	102.6	102.7	102.6	102.6	102.6	102.6
64207A	Advanced attack helicopter	0	20.0	49.2	49.2	45.7	45.7	45.7	49.2	49.2
64209A	Air mobility readiness techniques	2.1	.6	.4	.4	.4	.4	.4	.4	.4
64210A	Advanced attack helicopter evaluation	8.6								
64211A	Aerial surveillance, target acquisition, and night observation system	2.8								
64212A	Cobra TOW	10.4	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
23625A	Cheyenne AH56A	9.3	3.5							
	Total, aircraft and related equipment	175.3	193.9	301.4	295.2	290.8	290.7	289.7	293.2	293.2
	Missiles and related equipment:									
62301A	Missiles	8.6	8.4	7.9	7.9	7.9	7.9	7.9	7.9	7.9
62303A	Missile technology	18.2	16.9	22.0	22.0	22.0	22.0	20.0	19.0	19.0
62304A	Exploratory ballistic missile defense	37.2	43.4	39.3	39.3	23.9	34.0	34.0	23.9	23.9
63301A	Advanced forward area air defense system	3.0	8.1	28.1	28.1	8.6	11.1	11.1	11.1	11.1
63303A	Surface-to-surface missile rocket system	2.0	.1	3.3	3.3	3.3	3.3	3.3	3.3	3.3
63304A	Advanced ballistic missile defense	58.8	49.2	60.7	60.7	33.7	52.7	77.7	37.7	37.7
63306A	Terminal homing system	9.9	11.0	27.1	27.1	27.1	27.1	27.1	27.1	27.1
63307A	Missile effectiveness evaluation	7.5	5.2	6.1	6.1	6.1	6.1	6.1	6.1	6.1
63308A	Site defense	59.7	80.1	170.0	145.0	100.0	135.0	0	135.0	110.0
63309A	Cannon launched guided projectile	7.2	8.5	6.4	6.4	6.4	6.4	6.4	6.4	6.4
63310A	Heliborne missile—(Hellfire)	4.9	11.1	11.1	11.1	11.1	11.1	6.1	6.1	6.1
64306A	Stinger	7.5	20.0	24.6	24.6	24.6	24.6	24.6	24.6	24.6
64307A	Surface-to-Air Missile Development (SAM-D)	115.5	171.1	193.8	193.8	193.8	193.8	193.8	171.2	193.8
65301A	Kwajalein Missile Range	79.6	75.9	69.7	69.7	69.7	69.7	69.7	69.7	69.7
65302A	White Sands Missile Range	77.6	74.8	71.3	71.3	71.3	71.3	71.3	71.3	71.3
12514A	Safeguard defense system	297.6	299.4	216.0	191.0	199.7	181.0	181.0	181.0	181.0
22233A	Surface-to-Air missile Hawk; improvement program	3.3	6.4	1.9	1.9	1.9	1.9	1.9	1.9	1.9
22234A	Chaparral/Vulcan	4.8	3.8	2.3	2.3	2.3	2.3	2.3	2.3	2.3
22251A	Division support missile—Lance	25.9	7.7							
22254A	Surface-to-surface missile—Pershing	5.8	6.6	4.0	4.0	4.0	4.0	4.0	4.0	4.0
23623A	Land combat support system	2.0	1.6	1.2	1.2	1.2	1.2	1.2	1.2	1.2
	Total, missiles and related equipment	840.4	912.4	967.2	917.2	819.0	866.9	751.7	811.2	808.8
	Military astronautics and related equipment:									
63403A	Defense navigation satellite system	.9	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
33142A	Satellite communications ground environment	11.3	15.0	16.2	16.2	16.2	16.2	16.2	16.2	16.2
	Total, military astronautics and related equipment	12.2	16.7	17.9	17.9	17.9	17.9	17.9	17.9	17.9

[COMMITTEE PRINT]

FISCAL YEAR 1974 R.D.T. & E. AUTHORIZATION—Continued

[In millions of dollars]

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
	R.D.T. & E. ARMY—Continued									
	Ordnance, combat vehicles, and related equipment:									
62601A	Tank automotive technology	5.5	5.6	6.3	6.3	6.3	6.3	6.3	6.3	6.3
62603A	Firepower other than missiles	15.8	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
62604A	Army small arms program	5.6	5.4	5.3	5.3	5.3	5.3	5.3	5.3	5.3
62605A	Vegetation control chemical investigations	1.5	.9	.5	.5	.5	.5	.5	.5	.5
62606A	Riot control agent investigations	1.5	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4
62607A	Incapacitating chemical investigations	.7	.7	.7	.7	.7	.7	.7	.7	.7
62608A	Lethal chemical investigations	1.6	1.6	1.0	1.0	1.0	1.0	1.0	1.0	1.0
62609A	Laser technology and application									
62610A	Weapons technology	2.3	2.1	2.5	2.5	2.5	2.5	2.5	2.5	2.5
62611A	Fuels and lubricants	2.2	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
63601A	Power systems converters	.9	.7	.9	.9	.9	.9	.9	.9	.9
63604A	Nuclear munitions and radiacs	.6	.9	1.2	1.2	1.2	1.2	1.2	1.2	1.2
63606A	Mine warfare	5.4	5.0	6.4	6.4	6.4	6.4	6.4	6.4	6.4
63607A	Army small arms program	4.9	4.3	6.0	6.0	6.0	6.0	6.0	6.0	6.0
63608A	Weapons and ammunition	4.6	2.7	4.3	4.3	4.3	4.3	4.3	4.3	4.3
63611A	High energy laser development									
63613A	Advance fuze design	2.6	.6	.8	.8	.8	.8	.8	.8	.8
63614A	Incapacitating chemical munitions concepts	2.0	.8							
63615A	Lethal chemical munitions concept	2.6	2.9	1.3	1.3	1.3	1.3	1.3	1.3	1.3
63619A	Mine neutralization	5.7	1.2	1.5	1.5	1.5	1.5	1.5	1.5	1.5
63620A	Tank systems	20.0	19.6	52.1	52.1	52.1	52.1	52.1	52.1	52.1
63621A	Vehicle engine development	9.7	7.6	6.7	6.7	6.7	6.7	6.7	6.7	6.7
64601A	Infantry support weapons	.3								
64602A	Weapons and ammunition	11.4	13.9	15.1	15.1	15.1	15.1	25.1	15.1	15.1
64603A	Nuclear munitions	16.0	11.5	14.5	0	6.1	6.1	6.1	6.1	6.1
64604A	Mobility	1.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
64605A	Howitzer light 105mm. (XM204)	1.7	3.1	7.8	7.8	7.8	7.8	7.8	7.8	7.8
64606A	Fortifications, mines and obstacles			7.0	7.0	7.0	7.0	7.0	7.0	7.0
64608A	Army small arms program	1.0		1.0	1.0	1.0	1.0	1.0	1.0	1.0
64609A	Riot control agent systems	.9	.4	.6	.6	.6	.6	.6	.6	.6
64610A	Chemical munitions		1.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3
64612A	Mine neutralization	.9	2.7	3.0	3.0	3.0	3.0	3.0	3.0	2.0
64613A	Incapacitating chemical munitions			.3	.3	.3	.3	.3	.3	.3
64614A	Howitzer medium 155mm. (XM198)	7.6	18.8	6.0	0	6.0	6.0	6.0	6.0	6.0
64615A	M60A1 thermal sight	1.0	1.0	4.3	4.3	4.3	4.3	4.3	4.3	4.3
64616A	Mechanized infantry combat vehicle (XM723)	2.2	8.1	9.8	9.8	9.8	9.8	9.8	9.8	9.8
64617A	Vehicle rapid fire weapon system—Bushmaster		1.8	13.7	13.7	9.8	9.8	9.8	9.8	9.8
64618A	Armed reconnaissance Scout vehicle (XM800)	6.3	12.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4
64619A	Mine systems	4.8	9.3	2.2	2.2	2.2	2.2	2.2	2.2	2.2
23618A	Shillelagh	2.1	.3							
23619A	Main battle tank (MBT-70)	1.5								
23624A	Antitank assault weapon TOW	1.1	1.6	8.1	8.1	6.5	6.5	6.5	6.5	6.5
23627A	Medium antitank assault weapon Dragon	12.5	4.3	.7	.7	.7	.7	.7	.7	.7
23630A	M60A1 tank product improvement program	5.0	7.4	3.4	3.4	3.4	3.4	5.1	5.1	5.1
	Total, ordnance, combat vehicles, and related equipment	194.9	190.1	240.8	220.3	226.9	226.9	235.7	228.6	228.6
	Other equipment:									
62701A	Communications electronics	6.3	4.2	3.5	3.5	3.5	3.5	3.5	3.5	3.5
62703A	Combat surveillance target acquisition and identification	4.9	5.0	4.6	4.6	4.6	4.6	4.6	4.6	4.6
62705A	Electronics and electronic devices	11.7	11.6	10.7	10.7	10.7	10.7	10.7	10.7	10.7
62707A	Mapping-geodesy	2.8	3.1	2.9	2.9	2.9	2.9	2.9	2.9	2.9
62708A	Combat support	7.0	11.4	12.1	12.1	12.1	12.1	12.1	12.1	12.1
62709A	Night vision investigations	4.5	4.8	4.0	4.0	4.0	4.0	4.0	4.0	4.0
62710A	Defense against chemical agents	7.4	7.0	6.7	6.7	6.7	6.7	6.7	6.7	6.7
62711A	Defense against biological agents	5.5	1.3	1.6	1.6	1.6	1.6	1.6	1.6	1.6
62712A	Mine detection and neutralization	3.8	5.1	3.9	3.9	3.9	3.9	3.9	3.9	3.9
62713A	Technical support of the military man	10.1	9.9	9.3	9.3	9.3	9.3	9.3	9.3	9.3
63701A	Land warfare laboratory	7.0	6.3	5.2	5.2	5.1	5.1	5.1	5.1	5.1
63702A	Electric power sources	3.2	3.3	2.0	2.0	2.0	2.0	2.0	2.0	2.0
63703A	Automatic data systems-field army	1.4	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1
63706A	Identification, friend or foe developments	.1	.3	.3	.3	.3	.3	.3	.3	.3
63707A	Communications development	4.8	1.7	3.4	3.4	3.4	3.4	3.4	3.4	3.4
63711A	Electronic warfare									
63712A	Mapping-geodesy	6.8	.8	1.3	1.3	1.3	1.3	1.3	1.3	1.3
63713A	Therapeutic development	9.0	7.7	7.0	7.0	7.0	7.0	7.0	7.0	7.0
63715A	Subsystem reliability	2.2	1.4							
63718A	Missile electronic warfare									
63719A	Surveillance, target acquisition, and night observation	21.3	16.8	10.9	10.9	10.9	10.9	10.0	10.9	10.9
63720A	Biological defense materiel concepts	2.0	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
63721A	Chemical defense materiel concepts	1.7	.7	2.4	2.4	2.4	2.4	2.4	2.4	2.4
63722A	Tactical Operations System (TOS)	8.4	8.4	8.2	8.2	8.2	8.2	8.2	8.2	8.2
63723A	Command and control	6.4	5.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
63724A	Low cost ownership development		.5							
63725A	Remotely piloted vehicles and drones	3.2	2.5	4.0	4.0	4.0	4.0	3.0	4.0	3.5
63726A	Combat support equipment	.5	4.0	4.9	4.9	4.9	4.9	4.9	4.9	4.9
63729A	Counter battery radar		8.0	8.6	8.6	8.6	8.6	8.6	8.6	8.6
64701A	Communications—engineering development	10.1	7.3	5.6	5.6	5.6	5.6	5.6	5.6	5.6
64706A	Nuclear surveillance survey	1.0	.9	.6	.6	.6	.6	.6	.6	.6
64709A	Identification, friend or foe equipment	1.6	1.9	1.1	1.1	1.1	1.1	1.1	1.1	1.1
64711A	Electronic warfare									
64712A	Joint advanced tactical command, control, and communications program (C3P)	3.2	2.6	3.0	3.0	3.0	3.0	3.0	3.0	3.0
64713A	Combat feeding, clothing and equipment	5.3	4.6	4.1	4.1	4.1	4.1	3.1	4.1	4.1
64715A	Manpower resources and training applications	3.2	2.2	3.7	3.7	3.7	3.7	3.7	3.7	3.7
64716A	Mapping and geodesy	2.4	1.2	1.5	1.5	1.5	1.5	1.5	1.5	1.5
64717A	General combat support	14.7	10.7	10.0	10.0	10.0	10.0	10.0	10.0	10.0
64723A	Surveillance, target acquisition and night observation system	10.4	13.7	15.6	15.6	15.6	15.6	15.6	15.6	15.6
64725A	Chemical defense material	1.6	1.7	2.5	2.5	2.5	2.5	2.5	2.5	2.5
64726A	Meteorological equipment systems	.5	.8	1.0	1.0	1.0	1.0	1.0	1.0	1.0
64727A	Command and control		.6	1.4	1.4	1.4	1.4	1.4	1.4	1.4
64728A	Family of military engineering construction equipment		.9	1.1	1.1	1.1	1.1	1.1	1.1	1.1
64729A	Counter mortar radar		5.0	4.5	4.5	4.5	4.5	4.5	4.5	4.5
65710A	Communications-electronics testing activities	9.7	9.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
65702A	Testing	47.5	44.3	43.6	43.6	43.6	43.6	43.6	43.6	43.6
65704A	Deseret Test Center	10.9	9.1	9.5	9.5	9.5	9.5	9.5	9.5	9.5
65705A	Modern Army selected systems, test, evaluation and review	4.0	1.7	3.0	3.0	3.0	3.0	3.0	3.0	3.0
65706A	Materiel concepts evaluation	7.8	7.8	8.5	8.5	8.5	8.5	8.5	8.5	8.5
65707A	Support operational test and evaluation combat equipment		10.0							
65709A	Evaluation of foreign components	2.6	1.6	1.1	1.1	1.1	1.1	1.1	1.1	1.1

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
23626A	Tactical fire direction system (TACFIRE)	3.2	4.2	10.0	10.0	10.0	10.0	8.0	8.0	8.0
23629A	Surveillance, target acquisition, and night observation development	.4								
28010A	Tri-Service tactical communications program	5.1	12.2	20.8	20.8	20.8	20.8	20.8	20.8	20.8
31011A	Cryptologic activities									
33401A	Communications security equipment									
	Total, other equipment	336.1	339.5	335.9	335.9	335.9	335.9	331.0	333.9	332.5
	Programwide management and support:									
65801A	Programwide activities	51.2	51.1	52.8	52.8	52.8	52.8	52.8	52.8	52.8
65802A	International cooperative research and development	.3	.3	.3	.3	.3	.3	.3	.3	.3
65803A	Technical information activities	2.2	3.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
91212A	Civilian training pool	.9	.5	.5	.5	.5	.5	.5	.5	.5
	Total, programwide management and support	54.7	55.3	58.1	58.1	58.1	58.1	58.1	58.1	58.1
	Undistributed reduction				−.3				−1.0	−1.0
	Financing adjustment (transfer from R.D.T. & E. Army) fiscal year 1973–74								−3.5	−3.5
	Total, R.D.T. & E.—Army	1,791.6	1,884.6	2,108.7	2,031.7	1,935.9	1,983.8	1,866.5	1,915.9	1,912.1
	R.D.T. & E. NAVY									
	Military sciences:									
61152N	In-house independent laboratory research	13.7	12.4	13.0	15.6	15.6	15.6	12.3	12.3	12.3
61153N	Defense research sciences	110.9	103.4	108.1	105.5	105.5	105.5	100.5	100.5	100.5
65151M	Studies and analysis support, Marine Corps	2.2	2.4	2.2	2.2	2.2	2.2	2.2	2.2	2.2
65152N	Studies and analysis support, Navy	9.2	9.2	9.8	9.8	9.8	9.8	9.0	9.0	9.0
65153M	Center for naval analysis, Marine Corps	.7	.5	1.0	1.0	1.0	1.0	.7	1.0	.7
65154N	Center for naval analysis, Navy	6.5	3.5	7.1	7.1	7.1	7.1	5.5	7.1	6.5
	Total, military sciences	143.2	[1] 131.3	[1] 141.2	[1] 141.2	[1] 141.2	[1] 141.2	130.2	132.1	131.2
	Aircraft and related equipment:									
63201N	Airborne ASW detection system	1.0	1.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
63202N	Avionics	1.1	1.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
63203N	V/STOL developments	1.5		1.3	1.3	1.3	1.3	1.3	1.3	1.3
63204N	Air/surface fire control systems	2.0	1.2							
63206N	Airborne electronic warfare equipment	20.7	9.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4
63207N	Environmental applications	1.6	1.6	1.9	1.9	1.9	1.9	1.9	1.9	1.9
63210N	Advanced aircraft propulsion systems	1.2	1.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8
63216N	Airborne life support system	.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
63228N	CV tactical support center	1.2	3.0	1.6	1.6	1.6	1.6	1.6	1.6	1.6
63254N	Air ASW	26.8								
63257N	V/STOL for sea control ship (prototype)	8.0	7.5	26.3	26.3	22.4	24.3	24.3	24.3	24.3
63258N	Advanced propulsion for V/STOL	1.3	7.0	11.3	11.3	5.9	5.9	5.9	5.9	5.9
63259N	Acoustic search sensors (advanced)	10.4	9.8	11.8	11.8	11.8	11.8	11.8	9.8	9.8
63260N	Airborne mine countermeasures	2.2	4.1	5.0	5.0	5.0	5.0	5.0	5.0	5.0
64203N	Avionics development	2.4	2.0	2.2	2.2	2.2	2.2	2.2	2.2	2.2
64204N	Target development	.3	.5							
64205N	Laser target designator	2.6	1.0	.1	.1	.1	1.	.1	.1	.1
64206N	TRAM (Target recognition attack multisensor)	1.0	.1							
64210N	Search and rescue system	.5		.9	.9	.9	.9	.9	.9	.9
64211N	AIMS/ATCRBS (Air traffic control radar beacon) MARK XII	1.9	1.6	.8	.8	.8	.8	.8	.8	.8
64215N	Aircraft handling and servicing equipment	1.8	1.2	1.4	1.4	1.4	1.4	1.4	1.4	1.4
64218N	Environmental modification system	1.0	.6	.5	.5	.5	.5	.5	.5	.5
64219N	Airborne ASW developments	8.6	11.5	12.7	12.7	12.0	12.0	12.0	12.0	12.0
64220N	Aircraft infrared signature suppression	4.2	.7	.4	.4	.4	.4	.4	.4	.4
64223N	Visual target acquisition, identification and weapon control system development	2.1	1.4	1.6	1.6	1.6	1.6	1.6	1.6	1.6
64252N	Aircraft propulsion	100.2								
64255N	Air electronic warfare	5.4	5.1	5.2	5.2	5.2	5.2	5.2	5.2	5.2
64258N	Aerial target systems development	7.9	9.5	14.4	14.4	12.5	14.4	10.4	10.4	10.4
64259N	VCX			1.0	1.0	1.0	1.0	1.0	1.0	1.0
64260N	CH-53E		10.0	30.0	30.0	28.8	28.8	28.8	28.8	28.8
64261N	Acoustic search sensors (engineering)		.7	1.5	1.5	1.5	1.5	1.5	1.5	1.5
24134N	A6 squadrons	2.0	6.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
24135N	A7 squadrons	2.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
24152N	Early warning aircraft squadrons	30.8	14.1	1.4	1.4	1.4	1.4	1.4	1.4	1.4
24234N	S-3 squadrons	204.2	38.8	5.2	5.2	5.2	5.2	5.2	5.2	5.2
24243N	LAMPS (Light airborne multipurpose system)		18.5	9.3	9.3	9.3	9.3	9.3	9.3	9.3
25662N	Aircraft propulsion evaluation general	6.4	3.7	4.0	4.0	4.0	4.0	4.0	4.0	4.0
25663N	Aircraft flight test general	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
25666N	F14B		104.6	17.0	17.0	17.0	17.0	17.0	17.0	17.0
25667N	F14A	126.0	58.0	40.4	40.4	40.4	40.4	40.4	40.4	40.4
25674N	Electronic warfare counter response	14.9	7.1	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Total, aircraft and related equipment	610.3	353.7	252.9	252.9	239.8	243.6	239.6	237.6	237.6
	Missiles and related equipment:									
63301N	Long range surface weapon system	3.1	6.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
63303N	ARM system technology	1.6	1.7	3.2	3.2	3.2	3.2	3.2	3.2	3.2
63305N	Air-launched air-to-air missile system (AGILE)	21.7	15.9							
63306N	Advanced air-launched air-to-surface missile system	5.1	8.8	6.4	6.4	6.4	6.4	6.4	6.4	6.4
63307N	Advanced fuze design	1.2								
63312N	Air-launched/surface-launched anti-ship missile (HARPOON)	38.4	59.9							
63353N	Air-to-ground weapon technology			.6	.6	.6	.6	.6	.6	.6
63358N	Weaponizing of ships (prototype)	.5	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
63361N	Strategic cruise missile		4.0	15.2	15.2	0	2.5	2.5	2.5	2.5
63362N	Cruise missile	5.7	1.4							
63363N	HARM (high-speed anti-radar missile)	2.1	6.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7
63364N	Encapsulated Harpoon	4.3	12.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5
64302N	3T major systems development	2.0	1.2							
64303N	AEGIS	100.0	78.5	43.1	43.1	40.1	40.1	40.1	40.1	40.1
64352N	Surface-launched weaponry, systems and technology	7.2	5.9	9.3	9.3	4.8	4.8	4.8	4.8	4.8
64354N	Air-to-air weapons technology			21.5	21.5	21.5	21.5	21.5	21.5	21.5
64358N	Close in weapon system (PHALANX)	10.6	10.9	4.7	4.7	4.7	.47	4.7	3.7	4.7
64359N	Standard surface-to-surface missile	16.6	25.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
64361N	NATO SEA SPARROW	5.7	2.4	1.5	1.5	1.5	1.5	1.5	1.5	1.5
64362N	Point defense improvements	6.3	21.7	12.7	12.7	12.7	12.7	22.7	12.7	12.7
64363N	TRIDENT missile system	59.1	348.4	529.0	529.0	529.0	529.0	517.0	529.0	523.0
64364N	Anti-ship weaponry			66.4	66.4	66.4	66.4	66.4	66.4	80.5
64366N	Surface missile guidance	5.8	11.4	6.8	6.8	6.8	6.8	6.8	6.8	6.8
65351N	Pacific missile range	64.5	65.8	65.7	65.7	65.7	65.7	65.7	65.7	65.7
65352N	Systems test and instrumentation	1.6	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
11221N	Fleet ballistic missile system	33.1	15.5	14.0	14.0	14.0	14.0	14.0	14.0	14.0
11224N	SSBN defense	14.2	11.8	18.8	18.8	18.8	18.8	16.8	16.8	16.8
11401N	SANGUINE	4.5	9.1	16.6	16.6	16.6	16.6	0	16.6	8.3
11402N	GRYPHON	6.3	5.0	9.5	9.5	9.5	9.5	9.5	8.0	9.5

[COMMITTEE PRINT]

FISCAL YEAR 1974 R.D.T. & E. AUTHORIZATION—Continued

[In millions of dollars]

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
	R.D.T. & E. NAVY—Continued									
	Missiles and related equipment—Continued									
11043N	HYDRUS	2.8	4.0	5.9	5.9	5.9	5.9	5.9	4.4	5.9
25638N	Surface missile systems project	7.2	1.7							
25664N	SIDEWINDER (AIM 9L)	2.0	6.7	7.6	7.6	7.6	7.6	7.6	7.6.	7.6
25665N	PHOENIX	3.7	5.0	4.1	4.1	4.1	4.1	4.1	4.1	4.1
25668N	SPARROW (AIM 7F)	21.3	9.0	5.4	5.4	5.4	5.4	5.4	5.4	5.4
25669N	CONDOR	21.1	8.0	8.3	8.3	8.3	8.3	8.3	8.3	8.3
	Total, missiles and related equipment	479.4	767.6	921.9	921.9	899.2	901.8	871.1	894.7	899.5
	Military astronautics and related equipment:									
63401N	Navigation satellite	3.4	8.1	12.4	12.4	12.4	12.4	12.4	12.4	12.4
63451N	Space technology	19.2								
33109N	Satellite Communications	13.9	41.1	41.4	41.4	41.4	41.4	41.4	41.4	41.4
35111N	Weather service	2.4	2.1	1.7	1.7	1.7	1.7	1.7	1.7	1.7
35131N	Mapping, charting and geodesy	.4								
	Total, military astronautics and related equipment	39.3	51.4	55.5	55.5	55.5	55.5	55.5	55.5	55.5
	Ships, small craft, and related equipment:									
63501N	Reactor propulsion plants	6.9	7.1	7.2	7.2	6.9	6.9	6.9	6.9	6.9
63502N	Advanced mine countermeasures	.6	.4	.5	.5	.5	.5	.5	.5	.5
63504N	Submarine sonar developments (advanced)	3.0	2.0	2.6	2.6	2.6	2.6	2.6	2.6	2.6
63505N	Advanced surface ship sonar development	1.7	3.6							
63506N	Acoustic countermeasures	2.1	1.7	2.4	2.4	2.4	2.4	2.4	2.4	2.4
63507N	ASW ship integrated combat systems	.8								
63508N	Marine gas turbines	6.7	15.9	18.2	18.2	18.2	18.2	18.2	16.2	16.2
63509N	New ship design	.8	.6	1.4	1.4	1.4	1.4	1.4	1.4	1.4
63511N	Air control	.5	1.7	.4	.4	.4	.4	.4	.4	.4
63512N	Aircraft launching and retrieving	2.8	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
63513N	Shipboard systems component development	1.4	1.3	1.8	1.8	1.8	1.8	1.8	1.8	1.8
63514N	Shipboard damage control	2.9	2.6	3.2	3.2	3.2	3.2	3.2	3.2	3.2
63515N	Advanced identification	3.1	1.0	2.4	2.4	2.4	2.4	2.4	2.4	2.4
63516N	Radar surveillance equipment	.5	.7							
63518N	Advanced navigation development	1.2	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1
63519N	Advanced command data system	2.7	2.1	5.8	5.8	4.8	5.8	3.8	3.8	3.8
63520N	Advanced communications	.7	1.7	5.5	5.5	5.5	5.5	3.5	3.5	3.5
63521B	Surface electronic warfare	16.9	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
63522N	Advanced submarine surveillance equipment program	5.4	3.9							
63531N	HY 130 steel	2.9	4.4	3.9	3.9	3.9	3.9	3.9	3.9	3.9
63534N	Surface effect ships	21.7	32.0	72.8	72.8	60.9	60.9	60.9	60.9	60.9
63538N	BLUE MAIL	1.2	.5							
63541N	Nuclear electric power plants	.7	.5							
63553N	Surface ASW		1.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
63561N	Submarines (advanced)			2.7	2.7	2.7	2.7	2.7	0	0
63562N	Submarine tactical warfare systems (advanced)			1.6	1.6	1.6	1.6	1.6	1.6	1.6
63564N	Ship development	18.7	12.6	14.0	14.0	14.0	14.0	14.0	13.0	13.0
63566N	Amphibious assault craft	5.8	12.2	15.8	15.8	15.8	15.8	15.8	15.8	15.8
63567N	Hydrofoil craft	7.5	3.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0
63578N	A4W/A1G nuclear propulsion plant	9.1	9.1	7.5	7.5	7.2	7.2	7.2	7.2	7.2
63579N	D2W nuclear propulsion reactor	7.8	7.3	7.2	7.2	7.0	7.0	7.0	7.0	7.0
63580N	Advanced design submarine nuclear propulsion plant	10.7	18.3	11.7	11.7	11.6	11.6	11.6	11.6	11.6
63582N	Combat system integration			2.0	2.0	2.0	2.0	2.0	2.0	2.0
63583N	Joint sonar development	4.6	7.4	4.3	4.3	4.3	4.3	4.3	4.3	4.3
63584N	OTH (over the horizon) technology	.4	2.8	3.0	3.0	3.0	3.0	3.0	3.0	3.0
63585N	Shipboard automation development		.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0
63586N	Naval inshore warfare craft	2.8	4.2	3.0	3.0	3.0	3.0	3.0	3.0	3.0
63587N	Test bed development and demonstration			10.0	10.0	10.0	10.0	10.0	10.0	10.0
64502N	Advanced ASW communications system	9.3	7.2	5.8	5.8	5.8	5.8	5.8	5.8	5.8
64503N	Submarine sonar development (engineering)	.3	1.5	3.6	3.6	3.6	3.6	3.6	3.6	3.6
64506N	BR/CW countermeasures	.4								
64508N	Radar surveillance equipment	1.8	3.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
64510N	Communications systems	2.9	2.9	4.2	4.2	4.2	4.2	4.2	4.2	4.2
64511N	Intelligence systems	3.5	2.4							
64513N	Electronic warfare QRC (quick reaction capability)	.7								
64514N	Navigation systems	.3	.3							
64515N	Submarine surveillance equipment program (engineering)	12.1	9.7							
65417N	Joint advanced tactical command and control	2.8	4.0	3.6	3.6	3.6	3.6	3.6	3.6	3.6
64518N	Combat information center (CIC) conversion	1.9	3.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
64521N	Ship antimissile integrated defense (SAMID)	3.3	2.8							
64523N	ASW acoustic warfare	6.2	4.6							
64554N	Surface electronic warfare	9.9	16.4							
64559N	Deep submergence technology (nuclear power)									
64560N	TRIDENT submarine system	45.7	122.0	125.0	125.6	125.6	125.6	125.6	125.6	125.6
64562N	Submarine tactical warfare systems (engineering)	35.0	1.3	2.7	2.7	2.7	2.7	2.7	2.7	2.7
64564N	NATO PHM (patrol hydrofoil missile)		30.4	24.0	18.8	18.8	18.8	18.8	18.8	18.8
64565N	Sea control ship		10.0							
64566N	Acoustic communications	7.2	8.9	11.8	11.8	11.8	11.8	11.8	9.3	9.3
24281N	Submarines		30.0	18.2	18.2	18.2	18.2	18.2	18.2	18.2
24291N	Cruisers	.6								
25617N	All weather carrier landing system	.7	1.0							
25623N	Sonar AN/SQS-26	4.3	2.0	1.8	1.8	1.8	1.8	1.8	1.1	1.1
25634N	Submarine silencing	9.3	7.7							
25670N	Tactical intelligence processing support	1.3	.7							
31011N	Cryptologic activities	4.4	5.4	8.4	8.4	8.4	8.4	7.4	8.4	7.4
31015N	Technical sensor collection	4.5	1.5							
31022N	Scientific and technical intelligence		.5	.5	.5	.5	.5	.5	.5	.5
31025N	Intelligence data handling system (IDHS)			.5	.5	.5	.5	.5	.5	.5
32016N	National Military Command System-Wide Support									
33401N	Communications security	2.2	4.1							
34111N	Special activities	169.7	128.4	127.7	127.7	127.7	127.7	125.7	127.7	127.7
	Total, ships, small craft, and related equipment	493.6	583.1	620.1	621.0	600.6	602.1	595.1	589.2	588.2
	Ordnance, combat vehicles and related equipment:									
63601N	Mine development	23.9	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7
63605N	Advanced conventional ordnance	2.0	.3	1.0	1.0	1.0	1.0	1.0	1.0	1.0

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
63606M	Advanced Marine Corps weapons systems	.6	1.3	2.6	2.6	2.6	2.6	2.6	2.6	2.6
63609M	Surface launched munitions	2.9	6.5	6.9	6.9	6.9	6.9	6.9	6.9	6.9
63652N	Fire control system (advanced)			1.1	1.1	1.1	1.1	1.1	1.1	1.1
63653N	Gun systems			.5	.5	.5	.5	.5	.5	.5
63654N	Joint service explosive ordnance disposal development (advanced)	.6	1.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
64603N	Unguided conventional air-launched weapons	1.2	.2							
64606M	Marine Corps ordnance/combat vehicle systems	1.8	2.1	1.6	1.6	1.6	1.6	1.6	1.6	1.6
64652N	Fire control systems (engineering)	18.6	5.1	9.2	9.2	9.2	9.2	9.2	9.2	9.2
64654N	Joint service explosive ordnance disposal development (engineering)		.6	.6	.6	.6	.6	.6	.6	.6
24304N	Mines and mine support		21.3	13.2	13.2	13.2	19.9	19.9	19.9	19.9
25645N	Modular guided weapon improvement program	2.1	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
25660N	MK-48 torpedo (operational systems)	18.6	6.8	8.3	8.3	8.3	8.3	13.6	13.6	13.6
26620M	Marine Corps weaponry	.5	.5	.4	.4	.4	.4	.4	.4	.4
	Total, ordnance, combat vehicles, and related equipment	72.8	48.9	50.1	50.1	50.1	56.8	62.1	62.1	62.1
	Other equipment:									
62751N	Target surveillance technology	38.0	35.7	38.4	38.4	38.4	38.4	38.4	38.4	38.4
62752N	Command and control technology	17.9	19.4	18.3	18.3	18.3	18.3	18.3	18.3	18.3
62753N	Weaponry technology	70.2	69.0	73.7	73.7	73.7	73.7	73.7	73.7	73.7
62754N	Naval vehicle technology	39.6	36.6	38.6	38.6	38.6	38.6	38.6	38.6	38.6
62755N	Support technology	80.8	79.9	82.9	82.9	82.9	82.9	80.9	77.9	77.9
62756N	Laboratory independent exploratory development	13.7	13.9	13.9	13.9	13.9	13.9	13.9	13.9	13.9
62757N	Nuclear propulsion technology	21.6	21.0	21.6	21.6	21.6	21.6	21.6	21.6	21.6
63702N	Ocean engineering systems development	7.2	4.3	4.2	4.2	4.2	4.2	4.2	4.2	4.2
63704N	Oceanographic instrumentation development	1.3	.2	.4	.4	.4	.4	.4	.4	.4
63705N	Logistics		1.0							
63706N	Medical development (advanced)	3.5	3.9	4.8	4.8	4.8	4.8	4.8	4.8	4.8
63707N	Manpower effectiveness	1.6	1.7	2.5	2.5	2.5	2.5	2.0	2.5	2.5
63709N	Advanced marine biological system	1.7	2.3	2.5	2.5	2.5	2.5	2.5	2.5	2.5
63713N	Ocean engineering technology development	9.3	8.7	9.0	9.0	9.0	9.0	9.0	9.0	9.0
63714N	Nuclear vulnerability/survivability	.8	1.1							
63715N	Electronic intercept system	.8								
63717N	Integrated ocean surveillance information system (OSIS)	1.5	2.9	5.8	5.8	5.8	5.8	5.8	5.8	5.8
63718N	Biological/chemical protection	.6								
63720N	Education and training	2.4	2.1	5.5	5.5	5.5	5.5	5.5	5.5	5.5
63721N	Environmental protection	1.6	4.1	9.1	9.1	9.0	9.0	5.9	7.4	7.4
63722N	Naval special warfare	4.9	2.4	1.8	1.8	1.8	1.8	1.8	1.8	1.8
63723N	ASW force command control system	1.9	4.1	5.6	5.6	5.6	5.6	5.6	5.6	5.6
63754N	Hi energy laser	11.7	18.3	19.3	19.3	19.3	19.3	19.3	19.3	19.3
63763N	Aerospace Ocean surveillance	2.9	33.0							
63765M	Other Marine Corps developments (advanced)	3.7	2.8	3.4	3.4	3.4	3.4	3.4	3.4	3.4
63766M	Marine Corps data systems (advanced)	2.1	3.2	4.5	4.5	4.5	4.5	4.5	4.5	4.5
63791N	Reliability and maintainability initiative	2.0	5.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
63793N	ASW sensors (prototype)		1.5	1.2	1.2	1.2	1.2	1.2	1.2	1.2
63794N	ASW surveillance	16.5	21.5	31.6	31.6	31.6	31.6	31.6	23.0	23.0
63795N	Long range acoustic propagation (LRAP)	9.7	7.0							
63796N	Airborne electro-magnetic and optical systems		.5	.7	.7	.7	.7	.7	.7	.7
63797N	Surface electro-magnetic and optical systems (advanced)	3.9	1.2							
63798N	Special processes			14.8	14.8	14.8	14.8	14.8	43.4	43.4
64702N	Counterintelligence systems	.7	.4	.4	.4	.4	.4	.4	.4	.4
64703N	Training devices prototype development	.6	2.0	4.8	4.8	4.8	4.8	7.6	7.6	7.6
64706N	Remote unattended sensor warfare	2.3	2.7	.6	.6	.6	.6	.6	.6	.6
64765M	Other Marine Corps developments (engineering)	10.1	4.5	4.2	4.2	4.2	4.2	4.2	4.2	4.2
64766M	Marine Corps data systems (engineering)	.5	.5	.3	.3	.3	.3	.3	.3	.3
64771N	Medical development (engineering)			1.0	.1.0	1.0	1.0	1.0	1.0	1.0
64792N	Surface electro-magnetic and optical systems (engineering)	.8	1.2	1.7	1.7	1.7	1.7	1.7	1.7	1.7
24311N	Undersea surveillance systems	24.7	29.0	38.6	3.86	38.6	28.6	38.6	34.3	36.3
25635N	SAW environmental prediction system	.5								
26617M	Marine Corps operational logistics development	.8	.9	.2	.2	.2	.2	.2	.2	.2
26619M	Marine Corps operational electronics development	2.3	.6	.9	.9	.9	.9	.9	.9	.9
26622M	Marine Corps data systems (operational systems)	1.6	3.4	4.1	4.1	4.1	4.1	4.1	4.1	4.1
28010M	TRITAC, Marine Corps	1.4	3.1	3.6	3.6	3.6	3.6	3.6	3.6	3.6
28010N	TRITAC, Navy			2.0	2.0	2.0	2.0	2.0	2.0	2.0
33131N	Support of MEECN (minimum essential emergency communication net)		1.0							
	Total, other equipment	419.4	458.5	523.6	523.6	523.5	523.5	512.8	527.5	529.5
	Programwide management and support:									
65803N	Electromagnetic compatibility and effectiveness	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
65804N	Technical information centers	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
65852N	Atlantic undersea test and evaluation center (AUTEC)	15.6	12.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
65853N	Management and technical support (ASW)	10.0	9.1	8.7	8.7	8.7	8.7	8.7	8.7	8.7
65854N	Special laboratory support (Marine Corps)	3.4	3.8	2.4	2.4	2.4	2.4	2.4	2.4	2.4
65855N	Naval arctic research laboratory, Point Barrow		4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
65856N	Strategic technical support	1.2	1.4	1.8	1.8	1.8	1.8	1.8	1.8	1.8
65857N	International R.D.T. & E.	.6	.6	.6	.6	.6	.6	.6	.6	.6
65858N	Tactical electronics support	.6	3.1	3.5	3.5	3.5	3.5	3.5	3.5	3.5
65859N	ASMD (antiship missile defense) test range		5.0	4.5	4.5	4.5	4.5	4.5	4.5	4.5
65860N	U.S.S. "Hip Pocket"	1.7	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
65861N	R.D.T. & E. laboratory and facilities management support	46.9	42.2	42.9	42.9	42.9	42.9	42.9	42.9	42.9
65862N	R.D.T. & E. instrumentation and material support	31.2	26.1	29.5	29.5	29.5	29.5	29.5	29.5	29.5
65863N	R.D.T. & E. ship and aircraft support	38.9	37.0	38.5	38.5	38.5	38.5	41.9	41.9	41.9
65864N	Test and evaluation support	.9	.9	.9	.9	.9	.9	.9	.9	.9
65865N	Other test and evaluation capability			2.0	2.0	2.0	2.0	2.0	2.0	2.0
	Total, programwide management and support	153.0	150.2	146.4	146.4	146.4	146.4	149.8	149.8	149.8
	Undistributed reduction				−36.4			−.1	−.1	−.1
	Petroleum, oil, and lubricants								−1.4	−1.4
	Total, Navy	2,411.1	[1]2,544.6	[1]2,711.7	[1]2,675.2	[1]2,656.2	[1]2,670.7	2,616.1	2,648.0	2,651.9
	Military sciences:									
61101F	In-house laboratory independent research	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3
61102F	Defense research sciences	81.7	74.7	74.6	74.6	74.6	74.6	74.6	74.6	74.6
62101F	Environment	7.5	7.0	9.5	9.5	9.5	9.5	8.0	8.0	8.0
62102F	Materials	25.2	24.0	26.0	26.0	26.0	26.0	25.0	24.0	24.0
63101F	Preliminary design and development	5.3	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
63102F	Innovations in training and education	6.1	6.7	6.0	6.0	6.0	6.0	6.0	6.0	6.0
65101F	Air Force project RAND	9.6	8.5	8.7	8.7	8.7	8.7	8.7	8.7	8.7
65102F	Analytic Services Incorporated (ANSER)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
	Total, military sciences	141.9	130.7	134.6	134.6	134.6	134.6	132.1	131.1	131.1

Footnote at end of table.

[COMMITTEE PRINT]

FISCAL YEAR 1974 R.D.T. & E. AUTHORIZATION—Continued

[In millions of dollars]

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
	R.D.T. & E. NAVY—Continued									
	Aircraft and related equipment:									
62201F	Aerospace flight dynamics	35.9	31.5	30.0	30.0	30.0	30.0	30.0	30.0	30.0
62202F	Aerospace biotechnology	20.3	20.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5
62203F	Aerospace propulsion	28.5	28.5	29.3	29.3	29.3	29.3	29.3	29.3	29.3
62204F	Aerospace avionics	46.7	46.5	45.0	45.0	45.0	45.0	45.0	45.0	45.0
63202F	Aircraft propulsion subsystem integration	8.3	4.3	4.7	4.7	4.7	4.7	4.7	4.7	4.7
63203F	Advanced avionics for aircraft	13.5	12.9	8.2	8.2	8.2	8.2	8.2	8.2	8.2
63205F	Flight vehicle subsystem concepts	21.1	8.8	6.4	6.4	6.4	6.4	6.4	6.4	6.4
63208F	Advanced reconnaissance and target acquisition capability	2.7	2.1	2.4	2.4	2.4	2.4	2.4	2.4	2.4
63211F	Aerospace structural materials	13.9	11.1	12.7	12.7	12.7	12.7	12.7	12.7	12.7
63216F	Advanced turbine engine gas generator	13.7	11.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0
63225F	Subsonic Cruise Armed Decoy (SCAD)	10.0	48.6	72.2	22.0	0	11.0	5.0	11.0	11.0
63232F	Advanced aerial target technology	5.7	6.6	5.2	5.2	5.2	5.2	5.2	5.5	5.2
63235F	Lightweight fighter prototype	6.0	40.0	46.5	40.0	46.5	46.5	46.5	46.2	46.5
63236F	Advanced medium STOL transport prototype	6.0	25.0	67.2	67.2	65.2	65.2	0	65.2	25.0
63237F	Stall/Spin inhibitor		1.0							
63238F	Advanced turbofans engine			15.6	15.6	0	0			
63240F	Lightweight fighter engine	3.0	6.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
63241F	Electronically agile radar	1.6	3.8	8.2	8.2	8.2	8.2	8.2	8.2	8.2
64206F	F-4 avionics	11.5	3.9	2.4	2.4	2.4	2.4	2.4	2.4	2.4
64212F	Aircraft equipment development	13.8	7.9	8.0	8.0	8.0	8.0	8.0	6.5	6.5
64215F	B-1 aircraft	370.3	444.5	473.5	473.5	373.5	448.5	448.5	448.5	448.5
64220F	EF-111A aircraft			15.0	15.0	15.0	15.0	15.0	15.0	15.0
64225F	A-10 aircraft	47.0	48.1	112.4	112.4	92.4	107.4	107.4	97.4	107.4
01007F	International fighter aircraft	42.5	17.7	2.6	2.6	16.6	16.6	16.6	16.6	16.6
27129F	F-111 squadrons	19.2	3.5							
27130F	F-15 squadrons	420.2	454.5	229.5	229.5	229.5	229.5	258.0	258.0	258.0
41119F	C-5 airlift squadrons	22.4								
	Total, aircraft and related equipment	1,183.8	1,288.8	1,226.0	1,169.3	1,030.2	1,131.2	1,088.5	1,148.2	1,118.0
	Missiles and related equipment:									
62302F	Rocket propulsion	20.2	21.4	20.1	20.1	20.1	20.1	20.1	20.1	20.1
63305F	Advanced ICBM technology	8.4	7.9	6.0	6.0	6.0	6.0	6.0	6.0	6.0
63311F	Advanced ballistic re-entry system	95.8	95.0	95.3	95.3	95.3	95.3	90.0	90.0	90.0
63314F	Strategic bomber penetration	1.3	3.4	4.0	4.0	4.0	4.0	4.0	4.0	4.0
64301F	Tactical air-to-ground missile (Maverick)	7.8	8.3							
64309F	Hound Dog II	5.0	2.2							
65301F	Western test range	64.6	57.4	59.1	59.1	59.1	59.1	59.1	58.1	58.1
65304F	Western test range (telecommunications)	4.8	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5
11118F	Short-range attack missile AGM-69	5.9								
11213F	Minuteman squadrons	181.6	139.7	99.8	99.8	99.7	99.7	99.7	99.7	99.7
27141F	Tactical AGM missiles	1.6								
27161F	Tactical air interceptor missiles	7.8	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
27243F	Tactical drone support squadrons		.5					2.5	0	2.5
	Total, missiles and related equipment	404.8	344.5	292.4	292.4	292.3	292.3	289.5	286.0	288.5
	Military astronautics and related equipment:									
63401F	Space vehicle subsystems	7.2	4.0	4.1	4.1	4.1	4.1	4.1	4.1	4.1
63402F	Space test program	18.7	12.0	19.9	19.9	19.9	19.9	19.9	19.9	19.9
63404F	Satellite balloons and rockets	1.6								
63408F	Advanced liquid rocket technology	1.6								
63411F	Space shuttle	3.0	4.0	5.5	5.5	5.5	5.5	5.0	4.0	4.0
63421F	Satellite system for precise navigation	2.7	3.5	10.7	10.7	10.7	10.7	3.5	10.7	10.7
63424F	Advanced surveillance technology	22.6	11.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5
63428F	Missile and space defense concepts	2.5	1.5	.7	.7	.7	.7	.7	.7	.7
63429F	Missile attack assessment		1.0	10.3	10.3	6.1	8.7	1.0	1.0	1.0
63431F	Advanced space communications	10.1	16.2	18.8	18.8	18.8	18.8	18.8	18.8	18.8
64406F	Space defense system	3.1	.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0
65402F	Aerospace	15.0	13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1
12431F	Defense support	31.6	32.3	50.2	50.2	50.2	50.2	67.2	67.2	67.2
31035F	Defense system applications program	3.3	6.9	7.5	7.5	7.5	7.5	7.5	7.5	7.5
33110F	Defense satellite communication system		1.6							
33601F	Air Force satellite communications system	6.9	15.1	17.3	17.3	17.3	17.3	17.3	17.3	17.3
34111F	Special activities	154.6	188.4	299.4	299.4	299.4	299.4	299.4	299.4	299.4
35110F	Satellite control facility	31.6	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
35119F	Space boosters	3.4	1.8	3.1	3.1	3.1	3.1	3.1	3.1	3.1
35153F	Satellite data system	17.8	23.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
	Undistributed Reduction							−20.3	−20.3	−5.9
	Total, military astronautics and related equipment	337.3	339.8	529.1	529.1	524.9	527.5	507.8	515.0	529.4
	Ordnance, combat vehicles, and related equipment:									
62601F	Advanced weapons	14.8	21.9	21.0	21.0	21.0	21.0	21.0	21.0	21.0
62602F	Conventional munitions	12.0	13.9	14.0	14.0	14.0	14.0	14.0	14.0	14.0
63601F	Conventional weapons	8.6	10.0	11.1	11.1	11.1	11.1	11.1	11.1	11.1
63605F	Advanced radiation technology	26.1	27.1	26.2	26.2	26.2	26.2	26.2	26.2	26.2
64601F	Chemical/biological defense equipment	.5	.5	.5	.5	.5	.5	.5	.5	.5
64602F	Armament ordnance development	10.6	8.8	9.4	9.4	9.4	9.4	9.4	9.4	9.4
64603F	Improved aircraft gun systems	14.0	16.4	22.7	22.7	22.7	22.7	22.7	22.7	22.7
64605F	30mm close air support weapons gun system	6.3	9.0	10.3	10.3	10.3	10.3	10.3	10.3	10.3
64608F	Close air support weapon system	2.0	3.0	8.0	8.0	0	5.0	5.0	5.0	5.0
	Total, ordnance, combat vehicles, and related equipment	94.9	110.6	123.2	123.2	115.2	120.2	120.2	120.2	120.2
	Other equipment:									
62702F	Ground electronics	38.8	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5
62703F	Human resources	5.7	5.3	8.2	5.2	8.2	8.2	5.2	5.2	5.2
63702F	Over-the-horizon radar technology	1.7	2.4							
63706F	Advanced tactical command and control capability	3.2								
63714F	Base security	.8	2.7	3.6	3.6	3.6	3.6	2.7	2.7	2.7
63715F	Reconnaissance/Intelligence	4.3	1.7							
63718F	Electronic warfare technology	11.5	9.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
63719F	Simulator for air-to-air combat	4.2	3.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
63723F	Aerospace facilities technology	3.0	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
63727F	Advanced communications technology	1.5	.7	1.2	1.2	1.2	1.2	1.2	1.2	1.2

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
63728F	Advanced computer technology	1.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
63731F	Advanced detection system development	6.4	5.2	5.6	5.6	5.6	5.6	5.6	5.6	5.6
63739F	Advanced drone/remotely piloted vehicle development	2.4	1.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
63740F	Ground based sensors technology	1.9	.9							
63741F	Defense suppression	16.1	9.6	4.2	4.2	4.2	4.2	4.2	4.2	4.2
63742F	Air-to-air identification of noncooperative targets	3.8	2.5	1.9	1.9	1.9	1.9	1.9	1.9	1.9
63743F	Electro-optical warfare	4.0	3.0	4.3	4.3	4.3	4.3	4.3	4.3	4.3
64701F	Tactical information processing and interpretation	10.4	13.2	13.0	13.0	13.0	13.0	13.0	13.0	13.0
64702F	Air Traffic Control Radar Beacon System/Air Identification Mark XII system (ATCRBS/AIMS)	.3								
64706F	Life support systems	5.8	4.9	5.3	5.3	5.3	5.3	5.3	5.3	5.3
64708F	Other operational equipment	5.7	8.0	6.3	6.3	6.3	6.3	6.3	6.3	6.3
64709F	Improved tactical bombing	1.7	2.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1
64710F	Reconnaissance/electronic warfare equipment	11.7	8.6	6.1	6.1	6.1	6.1	6.1	6.1	6.1
64711F	Systems survivability	3.1	5.2	8.3	8.3	8.3	8.3	8.3	8.3	8.3
64714F	Improved aircraft firefighting equipment	.5	.5	.5	.5	.5	.5	.5	.5	.5
64715F	Integrated program for air base defense	.8	.3							
64716F	Sensors for weather reconnaissance aircraft	5.3	3.5							
64718F	COBRA MIST	8.3	.5							
64720F	Mapping, charting, and geodesy	.9								
64721F	Common mobility support	2.1	.3	.4	.4	.4	.4	.4	.4	.4
64723F	Advanced airborne command post (AABNCP)		48.3	37.3	37.3	33.1	33.1	33.1	27.3	27.3
64728F	Tactical Loran	2.7	4.8	9.1	9.1	9.1	9.1	9.1	9.1	9.1
64730F	Ground-based sensors development and testing	2.0	.3							
64732F	Drone/remotely piloted vehicle system development			8.4	8.4	8.4	8.4	5.0	8.4	6.7
64733F	Surface defense suppression	9.9	7.8	6.0	6.0	6.0	6.0	6.0	6.0	6.0
64735F	Improved capability for operational test and evaluation	2.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
64736F	Foreign weapons evaluation	1.0	1.7							
64738F	Protective systems	19.6	6.7	8.4	8.4	8.4	8.4	8.4	8.4	8.4
64739F	F-4/F-105 protective systems	.2	5.1	4.5	4.5	4.5	4.5	4.5	4.5	4.5
64741F	Side looking radar			5.0	5.0	5.0	5.0	5.0	5.0	5.0
64742F	Precision emitter location strike system		10.2	8.0	8.0	8.0	8.0	8.0	8.0	8.0
64743F	Tactical support jamming		4.4	5.6	5.6	5.6	5.6	5.6	5.6	5.6
64744F	Airborne warning and control system AWACS	139.3	194.2	197.8	155.8	155.8	158.5	155.8	155.8	155.8
64745F	F-4 support jamming		1.8							
64746F	Expendable drones		.3							
64747F	Electromagnetic pulse test facilities		8.3	8.1	8.1	8.1	8.1	8.1	8.1	8.1
64748F	Advanced fighter protective systems	9.4	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9
64750F	Intelligence equipment	.7	.9	2.5	2.5	2.5	2.5	2.5	2.5	2.5
65704F	Electromagnetic compatibility analysis center (ECAC)	5.0	4.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0
65705F	Lincoln Laboratory	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
65706F	MITRE	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
65707F	Aircraft navigation system verification	1.1	.9	.6	.6	.6	.6	.6	.6	.6
11316F	Strategic air command communications	4.6	4.8	4.9	4.9	4.9	4.9	8.9	8.9	8.9
12311F	NORAD-COC							12.5	12.5	12.5
12417F	Conus Over-The-Horizon (OTH) radar system	3.0	3.4	5.5	5.5	5.5	5.5	5.5	5.5	5.5
12425F	Over The Horizon (OTH) radar	1.0								
27412F	Tactical air control system	4.2	3.2	4.5	4.5	4.5	4.5	13.5	13.5	13.5
28010F	Joint tactical communications program (TRI-TAC)	.4	2.9	8.6	8.6	8.6	8.6	8.6	8.6	8.6
31015F	Technical sensor collection	.2								
31025F	Intelligence data handling system	1.2								
31036F	Special reconnaissance vehicles	7.2	10.9							
33125F	Air Force communications (defense communications support)	1.4	3.9	3.4	3.4	3.4	3.4	3.4	3.4	3.4
33401F	Communications security (COMSEC)	1.2	2.1	.6	.6	.6	.6	.6	.6	.6
35114F	Traffic control approach and landing system (TRACALS)	3.2	6.1	7.4	7.4	7.4	7.4	20.1	20.1	20.1
	Total, other equipment	422.9	524.6	516.9	471.9	470.7	470.7	504.1	499.2	500.0
	Programwide management and support:									
65801F	International cooperative research and development	.3	.3	.3	.3	.3	.3	.3	.3	.3
65802F	Arnold engineering development center base costs	12.5	53.7	57.0	57.0	57.0	57.0	57.0	57.0	57.0
65805F	Development and test support	138.4	138.7	146.6	146.6	146.6	146.6	146.6	146.6	146.6
65806F	Acquisition and command support	190.5	187.5	185.8	185.8	185.8	185.8	185.8	185.8	185.8
01004F	International military hqs. and agencies	1.1	.9	.6	.6	.6	.6	.6	.6	.6
	Total, programwide management and support	342.8	381.1	390.3	390.3	390.3	390.3	390.3	390.3	390.3
	Undistributed						−32.0	−32.0	−32.0	132.0
	Petroleum, oil & lubricants								−1.0	−1.0
	Total, Air Force	2,928.4	3,120.0	3,212.5	3,110.8	2,958.2	3,034.8	2,998.0	3,057.0	3,042.0
	DARPA PROGRAM									
	Military sciences:									
61101E	Defense research sciences	35.4	35.3	37.1	37.1	36.6	36.6	36.6	36.6	36.6
62101E	Technical studies	5.4	3.1	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Total, military sciences	40.7	38.4	41.1	41.1	40.6	40.6	40.6	40.6	40.6
	Missiles and related equipment:									
62301E	Strategic technology	76.7	70.8	72.5	72.5	69.8	69.8	69.8	69.8	69.8
	Other equipment:									
62701E	Nuclear monitoring research	35.8	24.4	21.4	21.4	21.1	21.1	21.1	21.1	21.1
62702E	Tactical technology	26.8	27.0	27.6	27.6	27.1	27.1	27.1	27.1	27.1
62703E	Advanced sensors	9.0	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2
62706E	Distributive information systems	18.9	19.2	20.3	20.3	20.3	20.3	20.3	20.3	20.3
62708E	Advanced command, control and communications technology		4.5	9.8	9.8	8.8	8.8	8.8	8.8	8.8
62709E	Training, forecasting and decision technology	1.2	3.8	6.2	6.2	6.2	6.2	6.2	6.2	6.2
	Total, other equipment	91.7	87.1	93.5	93.5	91.7	91.7	91.7	91.7	91.7
	Programwide management and support:									
65801E	**Project management support**	3.3	3.5	3.4	3.4	3.4	3.4	3.4	3.4	3.4
	Total, ARPA	212.4	199.7	210.5	210.5	205.5	205.5	205.5	205.5	205.5

[COMMITTEE PRINT]

FISCAL YEAR 1974 R.D.T. & E. AUTHORIZATION—Continued

[In millions of dollars]

Program element number	Program element title	Fiscal year 1972 program	Fiscal year 1973 program	Fiscal year 1974 estimate	Fiscal year 1974 authorization action			Fiscal year 1974 appropriation action		
					House	Senate	Final	House	Senate	Final
	DCA PROGRAM									
	Other equipment:									
28012K	Defense special projects group	9.3								
32016K	National military command systemwide support	1.4	1.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
32017K	Worldwide military command and control system—Joint technical support agency	1.5	1.7	2.0	2.0	1.0	2.0	2.0	2.0	2.0
33127K	Defense communication system	11.1	7.4	9.5	9.5	8.8	8.8	8.8	8.8	8.8
33131K	Minimum essential emergency communications net	2.6	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
33143K	Defense communication system test and evaluation		.1	4.1	4.1	3.9	3.9	3.9	3.9	3.9
	Undistributed reduction								−1.1	−1.1
	Total, other equipment	25.9	13.2	21.1	21.1	20.2	20.2	20.2	19.1	19.1
	Total, DCA	25.9	13.2	21.1	21.1	20.2	20.2	20.2	19.1	19.1
	DIA PROGRAM									
	Other equipment:									
31021L	Intelligence production activities	.6	.6	4.5	4.5	2.0	3.1	4.5	4.5	4.5
31022L	Scientific and technological intelligence	.1	.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0
31025L	Intelligence data handling system		.3	.5	.5	.5	.5	.5	.5	.5
31026L	Intelligence and mgt. spt. activity	.2	.2	.5	.5	.5	.5	.5	.5	.5
	Undistributed reduction							−1.3	−1.3	−1.3
	Total, other equipment	.9	1.6	6.4	6.4	3.9	5.1	5.1	5.1	5.1
	Total, DIA	.9	1.6	6.4	6.4	3.9	5.1	5.1	5.1	5.1
	DMA PROGRAM									
	Other equipment:									
63701B	Mapping, charting, and geodesy investigations and prototype development		7.8	8.0	8.0	7.6	8.0	8.0	8.0	8.0
64701B	Mapping, charting and geodesy engineering development		3.2	3.9	3.9	3.9	3.9	3.9	3.9	3.9
	Total, other equipment		11.0	11.9	11.9	11.5	11.9	11.9	11.9	11.9
	Total, DMA		11.0	11.9	11.9	11.5	11.9	11.9	11.9	11.9
	DNA PROGRAM									
	Other equipment:									
62704H	Nuclear weapons effects development	53.5	53.5	53.5	53.5	52.4	52.4	52.4	52.4	52.4
62710H	Nuclear weapons effects test	64.0	70.0	73.7	73.7	69.8	69.8	69.8	69.8	69.8
	Total, other equipment	117.5	123.5	127.2	127.2	122.2	122.2	122.2	122.2	122.2
	Total, DNA	117.5	123.5	127.2	127.2	122.2	122.2	122.2	122.2	122.2
	DSA (DDC) PROGRAM									
	Programwide management and support:									
65801S	Defense documentation center	11.3	10.2	11.1	11.1	11.1	11.1	11.1	11.1	11.1
65802S	Information analysis centers	1.9	2.1	2.4	2.4	2.4	2.4	2.4	2.4	2.4
	Undistributed reduction								−1.0	−1.0
	Total, programwide management and support	13.2	12.3	13.5	13.5	13.5	13.5	13.5	12.5	12.5
	Total, DSA (DDC)	13.2	12.3	13.5	13.5	13.5	13.5	13.5	12.5	12.5
	NSA PROGRAM									
	Total, other equipment	65.2	70.6	93.5	93.5	91.7	91.7	91.7	91.2	91.2
	Total, NSA	65.2	70.6	93.5	93.5	91.7	91.7	91.7	91.2	91.2
	TECHNICAL SUPPORT TO OSD/OJCS									
	Military Sciences:									
65101D	Studies and analyses	7.2	6.2	7.7	7.7	7.7	7.7	7.7	7.7	7.7
65102D	Net technical assessment	5.8	6.8	7.2	7.2	7.2	7.2	7.2	7.2	7.2
65103D	Manpower studies	1.5	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4
	Total, military sciences	14.5	14.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3
	Programwide management and support:									
65805D	Support of test and evaluation	3.8								
	Total, programwide management and support	3.8								
	Total, technical support to OSD/JCS	18.3	14.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3
	Undistributed reduction				−21.0	0	−5.4	−25.0	−25.9	−25.9
	Total, defense agencies	453.4	446.3	500.4	479.4	484.8	481.0	461.4	457.9	457.9
	DIRECTOR OF TEST AND EVALUATION									
	Programwide management and support:									
65804D	Test and evaluation		27.0	24.6	24.6	24.6	24.6	24.6	24.6	24.6
	Civil defense program (nonadd):									
13814C	Civil defense research and development	3.5	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
	Total, defense agencies and test and evaluation	453.4	473.3	525.0	504.0	509.4	505.6	486.0	482.5	482.5
	Grand total, research, development, test and evaluation	7,584.5	[1]8,022.5	[1]8,557.9	[1]8,321.8	[1]8,059.7	[1]8,194.9	7,966.6	8,103.4	8,088.5

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[1] Includes $3,000,000 million in fiscal year 1973 and $2,600,000 in fiscal year 1974 special foreign currency program.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Is there further morning business? There being none, morning business is closed.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that after the special orders, if there are any, there be a period for the conduct of routine business tomorrow, with a limitation of statements therein of 3 minutes, and that the time not extend beyond the hour of 1:30 p.m., at the latest. However, if it extends until 1:30, or if it is concluded before 1:30, I ask that at the conclusion of morning business the time from then until the hour of 4 p.m. in the afternoon be equally divided between the distinguished Senator from Arizona (Mr. FANNIN) and the distinguished Senator from Washington (Mr. JACKSON).

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the order calling for the Senate to convene at 10 o'clock tomorrow morning be vitiated.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THIRD UNITED NATIONS LAW OF THE SEA CONFERENCE—APPOINTMENTS BY THE VICE PRESIDENT

The **PRESIDING OFFICER.** The Chair, on behalf of the Vice President, appoints the following Senators to attend the third United Nations Law of the Sea Conference to be held in Caracas, Venezuela, June 20 through August 29, 1974: The Senator from Washington (Mr. MAGNUSON), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from New Jersey (Mr. CASE), and the Senator from Alaska (Mr. STEVENS).

ORDER FOR RECOGNITION OF SENATOR MONTOYA TOMORROW

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the distinguished Senator from New Mexico (Mr. MONTOYA) be recognized for not to exceed 15 minutes tomorrow after the joint leadership has been recognized.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE NATIONAL TRANSPORTATION SYSTEM—MESSAGE FROM THE PRESIDENT

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the message received from the President today, which is at the desk, relative to public transportation and Federal rail regulations, be jointly referred to the Committees on Banking, Housing and Urban Affairs, Commerce, Finance, and Public Works.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The message is as follows:

To the Congress of the United States:

From the earliest days, ours has been a diverse and mobile society. Americans are constantly in motion. For much of our early existence, the history of America was in great part the history of the constant push westward, with the related development of our canals, our highways, and our railroads. And as we developed our internal transportation system, we also pushed out across the seas in our sailing ships, our steamboats, and later in our tankers and freighters and airplanes.

One of the foundations of our free society is our highly developed system of commerce. And that system of commerce is based on our diverse system of transportation. Transportation accounts for much of the progress we have made as a nation in 200 short years. We have developed sophisticated and effective ways to move goods and produce, and we have developed varied systems for moving people.

Recently, however, the energy crisis has underscored an important lesson: our system of national transportation is not working at maximum efficiency.

It is time to take another hard look at the overall structure of our national transportation system. It is time to improve on existing systems and to develop new ones designed to serve individual needs in individual communities. It is time for innovation and diversity.

As our society grows and our economy continues to expand, we must ensure that the efficiency of this system keeps stride with the changing demands placed on it. Our efforts must center on achieving the goals of *flexibility* in the use of our transportation system, *economy* in the use of our energy resources, and *balance* in the availability of diverse forms of transportation.

—Let us develop an outstanding system of public transportation within and between our cities and towns and rural areas, a system sufficiently flexible to serve the needs of diverse individuals in diverse communities.

—Let us revitalize our railroads so that once again they will be a healthy alternative form of transportation, moving people and freight efficiently and competitively.

—Let us complete the magnificent Interstate Highway System that provides a model for the world.

—Let us maintain our worldwide supremacy in air commerce.

—Let us continue to rejuvenate our maritime fleet so that it once again competes effectively on the world's seas.

—Let us press ahead with our safety programs in the air and on the highways, so that every American can travel free from fear of the drunk driver and the hijacker.

—In short, let us ensure that in the third century of our Nation's existence, our total system of transportation fulfills the promise of our first two centuries.

I. RECENT PROGRESS

Over the past five years, the Federal Government has laid considerable groundwork for a transportation network which can meet the challenges of America's third century. In addition to moving ahead effectively with programs already in existence, we have proposed, and the Congress has enacted, landmark legislation to expand capacity, to ensure safety, and to minimize the adverse impact on the environment of our transportation systems.

One of our highest priorities has been to help our cities reduce transportation pollution, energy consumption and congestion. Under the Urban Mass Transportation Assistance Act of 1970, Federal financial assistance to urban public transportation has grown from $125 million in 1968 to $1 billion this year. And for the first time, under the provisions of the Federal-Aid Highway Act of 1973, States and localities can now use a portion of their Federal highway funds for public transit purposes.

This assistance has already saved or improved public transportation in more than 150 cities. The annual decline in total transit ridership in the United States has stopped, and for the first time since World War II, the trend is moving upwards.

Five years ago, the steady decline of rail passenger service throughout the country threatened the Nation with the possibility that we might soon lose the alternative of traveling by train. With the enactment of the Rail Passenger Service Act of 1970, that threat was largely erased. AMTRAK, a private corporation created by the 1970 act, has preserved quality passenger service and reversed steadily declining passenger trends. Over the past year, the number of passengers carried has increased by 14 percent.

During the past year we were also faced with a major rail crisis in the Northeast and Midwest. I proposed and the Congress enacted the Regional Rail Reorganization Act of 1973, which provides for the restructuring of eight bankrupt railroads into a new streamlined system. Within the next several years, we expect that this new system will be able to operate profitably and can survive as a producer, not a consumer, of tax revenues.

In the water transportation area, the enactment of the Merchant Marine Act of 1970 marked the most comprehensive change in our approach to the problems of the U.S. flag merchant marine in nearly four decades. We have challenged our ship construction industries to rebuild our fleet at reasonable expense and our ship operating industry to move toward less dependence on subsidy. At the same time, we will continue to provide all essential support to make such a significant transition possible. The results of these efforts are becoming increasingly apparent, with private orders for ships at a record high of $2.4 billion and ship construction subsidy rates at the lowest level in history. Some ships are being built for the foreign trades without direct subsidy, and modern ships which will operate without direct subsidy are now under construction. Comparison of recent trends between our shipyards and those of foreign countries indicates a long-range possibility that we will be able to compete successfully in the world's ship construction market.

Another of our major concerns has been to protect the safety of the traveling public and the Nation's commerce. We have taken resolute and firm action to protect our air passengers from the threat of the hijacker.

The highway safety picture has both encouraging and discouraging aspects. While we have made steady progress in reducing the fatality rate, the total number of deaths has increased. Although the new mandatory 55 miles per hour speed limit seems to have resulted in a somewhat lower rate thus far this year, the problem of highway safety remains one of the toughest we face.

Our comprehensive highway safety program has encouraged the production of safer motor vehicles, eliminated many hazardous areas on the Nation's highways, and sought new ways to improve driver performance. In the next fiscal year, funding for State and community highway safety programs will be increased to $148 million. Half of this increase will be earmarked for a program authorized by the 1973 Highway Act which allows special incentive grants to States which pass mandatory seat belt laws. And continued emphasis will be placed on keeping the drunk driver off the road. In addition, I have proposed in my fiscal year 1975 budget, a $250 million highway safety construction program. This will, for example, help eliminate dangerous obstacles on our highways.

Finally, I would note that over 35,000 miles of interstate highways are now open—an increase of about 8,000 miles since 1968. By the early 1980's, when completed, this system will carry more than 20 percent of all highway traffic.

II. NEW DIRECTIONS

To continue the forward progress of recent years, I propose that we take new actions in 1974 on two major legislative fronts: public transportation and Federal rail regulations. I am submitting proposals to the Congress in both of these areas. They are designed to increase the flexibility of our Federal transportation programs, to allow State and local officials more latitude in the way they spend Federal transportation dollars and to modernize Federal regulation of the railroads.

1. UNIFIED TRANSPORTATION ASSISTANCE PROGRAM (UTAP)

It has long been apparent that dramatic improvements were needed in our public transportation systems. Now the energy crisis has given new urgency to that need.

Currently most of the Federal funds available for public transportation are provided under the Urban Mass Transportation Act. While this program has enabled us to make a substantial improvement in our urban transportation systems, it can be improved in several important respects. First, it is administered on a project-by-project basis, requiring extensive Federal involvement in reviewing these projects. Priorities have been determined in Washington, not back home where it counts. In addition, communities are unable to predict how much money they will receive from one year to the next. Finally, local communities are restricted in the ways they can spend the money.

By reforming the Federal highway aid program in 1973 to permit some of its funds to be used for public transportation, we took an important step toward increasing the financial resources available to large cities

As we look to the future, it is apparent that we must further broaden our programs of public transportation assistance, providing more funds and giving greater flexibility to those who spend the money. Our public transportation system itself must be diversified and strengthened. We need not only more physical assets, such as buses, but also sufficient financial support to assume that our buses, trains, and other public conveyances can be operated with greater frequency and reliability and comfort for our communities in both urban and rural areas.

We have also too long taken the transportation systems of rural America for granted. Often, the social and economic needs of our rural citizens are left unfulfilled because of the lack of good public transportation. Expanded public transportation will be a key element in our program to assist rural community development.

To reach these goals, I am submitting to the Congress today legislation to create a Unified Transportation Assistance Program. This program would provide $15.9 billion to urbanized areas over a six-year period and $3.4 billion for small urban and rural areas through fiscal year 1977. This act would mark the largest single commitment by the Federal Government to metropolitan and rural transportation in our history.

This legislation would make several critical improvements over current programs:

—It would permit recipients of funds—State and local communities—to determine their own transportation priorities.

—The recipients could spend the money not only on capital improvements, such as new buses, new rail cars, new rapid transit systems, and non-interstate highways, but also on other transit needs. Broadening the law in this way would permit local tradeoffs between capital investments and costs to improve services. I believe this is the most effective way for the Federal Government to provide transit assistance, and I will continue my strong opposition to any legislation which establishes a new categorical program solely for local operating assistance. Such a program would unnecessarily inject the Federal Government into decisions which can be far better made by State and local governments.

—UTAP also would allocate over two-thirds of metropolitan funds on a population-based formula so that our cities would receive an assured flow of transportation assistance. We are aware of the concerns voiced by some that our proposed formula should be altered to meet the unique problems of some of our largest cities. We intend to work closely with the Congress, elected officials and others, in examining alternative formulas.

—Finally, UTAP would also provide additional, more flexible assistance for public transportation systems in smaller urban and rural areas. Most of these funds would probably be used by the localities for improving the service and safety on main highways and roads. Funds would also be available for public transportation equipment and demonstrations in smaller urban and rural areas.

Enactment of the Unified Transportation Assistance Program would augment my budget for fiscal year 1975, which already calls for an increase of 50 percent in spending for transit capital improvements under existing programs.

2. TRANSPORTATION IMPROVEMENT ACT (TIA)

The problem of transporting freight between our communities is as crucial as transporting people within them.

Our railroads, once the pride of the Nation, have been gradually deteriorating. Frequently, the blame is placed upon poor management and rigid labor contracts, but a more fundamental cause lies with our outmoded complex system of Government regulations which govern the railroads. These regulations were drawn up early in the century to protect the public from monopolistic practices by the railroads and to protect the companies within the industry from each other. Over time, however, industry has increasingly given up its managerial powers to the Government, while the rules applied by the Government have become inflexible and inefficient.

This inflexibility is most evident in the rate-making process where it prevents rail managers from managing their affairs effectively and competitively. The low earnings of our railroads are directly linked to this rate-making inflexibility.

The current system of regulations is also harmful to the railroads because it prevents them from abandoning lines that have become unprofitable. In 1971 the Interstate Commerce Commission required the railroads to maintain service on 21,000 miles—about 10 percent of the total—of lightly traveled track for which revenues were less than operating costs. To make up the difference, the railroads have sought to charge higher rates on other, more profitable lines. Economic distortions have been inevitable, so that today we often have railroads carrying freight on short runs even though trucks would be more efficient, while trucks carry freight on some of the longer hauls even though the railroads would be more efficient.

The inability to compete in a more open market has seriously affected the railroad industry. Often railroads cannot afford to make necessary improvements in tracks, terminals and equipment, and their service has steadily declined.

Within recent years the Federal Government has been forced to rescue the Penn Central railroad from collapse and, through the Regional Rail Reorganization Act of 1973, to save seven other railroads of the Midwest and Northeast from undergoing liquidation. While we cannot afford to let railroads like the Penn Central fail, neither can we afford to bail them out every time they get in trouble. Our economy cannot afford it, and our taxpayers will not tolerate it. If we are to revitalize this industry we must instead find a modern approach to Federal regulation of railroads.

To serve that purpose, I am today submitting to the Congress the Transportation Improvement Act of 1974, a bill aimed at restoring this Nation's railroads to their proper place in the national transportation system.

This new legislation would substantially overhaul the Interstate Commerce Act to permit liberalized railroad abandonment in cases where rail service is continually shown to be uneconomic. State and local governments, as well as private interest parties, would have the opportunity to provide an operating subsidy to a railroad for the continuation of such uneconomical service or to arrange outright purchase of the right of way if that is their desire. Furthermore, substitute service by land or water carrier would be required prior to abandonment.

Beyond this liberalization in abandonment policies, the bill would provide improvements in the rate-making procedures and would abolish discriminatory State and local taxation of interstate rail carriers. If rail managers are truly to direct their own affairs, the ability to raise or lower rates without engaging in a protracted and complex ratemaking process is essential.

The Transportation Improvement Act would also provide significant financial assistance to the railroads for long-term improvements. Some $2 billion in Federal loan guarantees would be provided to finance improvements in rights of way, terminals, and other operational facilities and systems and rolling stock where needed. In addition, $35 million would be available for a research effort to improve freight car utilization through design of a national rolling stock schedule and control system.

The thrust of this entire legislation is to revitalize and modernize freight rail service throughout the country and to provide an economic regulatory environment which would permit the sort of efficient and economical service that can only result from fair competition, free from burdensome and unnecessary regulation.

I recognize that this bill would not solve several basic problems that confront our railways. In the future, substantial investments will be needed in better transportation technology, in improvements and diversification of types of freight service, and in rehabilitation of deteriorating physical facilities. *Before* such investments are made, we must also complete a comprehensive evaluation of the regulatory and institutional structure of both the railways and of the rest of the surface transportation industry. The Department of Transportation and others within the Federal Government will be conducting such an evaluation in the coming months. In the meantime, however, the Transportation Improvement Act can serve as a vehicle for making important improvements in the condition of the railroads, and I urge its enactment during this session of the Congress.

While the focus of the Transportation Improvement Act is on freight service, we must continue to be equally concerned about the quality of passenger service on our railroads. It is clear from the energy crisis that an increasing number of Americans are anxious to build and use a better passenger system. My budget for fiscal year 1975 provides significant new capital and operating funds for AMTRAK to expand and improve its current service. In addition we will move ahead promptly in carrying out the Regional Rail Reorganization Act of 1973.

One of the most exciting moments in our history occurred in 1869 when the Union Pacific Railroad, building west from Omaha, met the Central Pacific, building east from Sacramento. The joining of our Nation in this manner opened a whole new era of economic growth for America. Today our railroads are more necessary than ever. They make efficient use of fuel with little negative impact on the environment, and they deliver nearly 35 percent of the Nation's freight at low cost. The essential tracks are there, the system that crisscrosses the country with a web of steel rails is in place. Now we must make it work again.

III. CONCLUSION

For too long we have focused a great deal of attention on some forms of transportation to the detriment of others, we have permitted decision-making at the Federal level to scramble priorities at the State and local levels, and we have begun to lose the diversity and flexibility in transportation systems that encourage competition and, therefore, great efficiency and greater effectiveness in the employment of these systems.

We have a clear understanding of these problems now, and we have begun to come to grips with them. I believe 1974 will see a crucial breakthrough in expanding and enhancing America's national system of transportation so that it once again serves our Nation with a maximum of flexibility, diversity, and balance.

RICHARD NIXON.

THE WHITE HOUSE, *February 13, 1974.*

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the conference report on S. 2589, which the clerk will state by title.

The legislative clerk read as follows:

> The report of the committee of conference on the disagreeing votes of the two Houses to the bill (S. 2589) to authorize and direct the President and State and local governments to develop contingency plans for reducing petroleum consumption, and assuring the continuation of vital public services in the event of emergency fuel shortages or severe dislocations in the Nation's fuel distribution system, and for other purposes.

Mr. FANNIN. Mr. President, most of what I will say at this time has been said before on the floor of the Senate but I trust this condensed recap will be helpful for all of us to better understand the facts we must face in considering this legislation, the energy bill S. 2589 conference report.

In the last few months we have seen unprecedented increases in the price of oil, both imported and domestic. These increases are being reflected in product prices. As a consequence, there is a great deal of consternation and confusion over the cause of the price increases. In general, many Members of Congress and others conclude that there must be some conspiracy to raise the price. Most persons who have carefully studied the subject, however, can generally agree as to the real reasons behind these developments and as to policies which should be followed in the future with respect to both oil and gas prices in the United States.

For many years the United States lived "off the shelf" in the sense that we consumed vast quantities of oil and gas which had been discovered in the 1930's, 1940's and 1950's when the cost of doing so was much cheaper than it has been for the last 10 or 20 years. In other words, the price of oil and natural gas did not reflect its then current replacement cost, and we did not in fact replace the oil and gas we were consuming. Commencing particularly with the first closing of the Suez Canal in 1956, many in the industry spoke out loudly about the perils of such a policy, but these warnings were generally ignored.

There were many who argued there was no need to develop expensive domestic energy resources when cheap foreign oil was available and would always be available. We have now found, however, that foreign oil is no longer cheap, is not likely to be so in the future and may not even be available. There is general agreement that we must strive toward achieving a reasonable degree of energy self-sufficiency within the shortest possible time. Such a goal necessarily implies that the price of energy must be high enough to make its development possible.

Free market forces ultimately will determine what this level has to be. Free market forces, however, have not been permitted to determine the price of energy in the past and may not be permitted to determine the price of energy in the future. Governmental interference in this price mechanism can be and has been a serious impediment to the development of a sound energy base.

Most qualified neutral observers agree that the governmental restraints on natural gas prices in the 1950's and 1960's constituted one of the principal factors which led to our present shortage of domestic energy resources. For this reason, it is important to look at natural gas pricing as a case history of the kind of mischief that can and will be created by governmental price interference. When the Federal Power Commission was saddled with the responsibility of setting producer prices as a result of the Phillips' decision in 1954, it felt that it must do so under the general pattern of consumer protection contemplated by the Natural Gas Act. Thinking the lowest "reasonable" price must be related to cost—rather than value—it applied a public utility rate methodology which sought to determine the cost of production of gas. Under this methodology, one looks back at a test period and takes into account the various components of cost and rate base in order to derive a regulated price.

The Commission eventually learned that it would be impossible for it to determine individual cost of service for each gas producer in each area of the country. Furthermore, it learned that this type of individual company cost of service determination would result in wildly different prices for different producers even in the same producing field. In an attempt to cope with this problem the Commission then went to area rates where it attempted to determine cost of service on a composite basis for all producers in a given area. This incredibly complex determination was based inevitably on data that was several years old by the time any decision could be reached. The Commission was always looking backwards at cost factors that were several years out of date by the time it could complete its determination and such factors might be a decade out of date by the time the courts could review such determination. Furthermore, any such determination at best could determine only what it had cost to find gas in the past and could not remotely indicate what future price would be required to develop additional gas.

In other words, Mr. President, there would be no question of determining under that formula whether gas could be obtained in the future or be regulated on that basis.

As a result of these inherent disabilities in attempting to determine an appropriate price for gas on a cost or public utility basis, both the Commission and the courts concluded that some other method would have to be followed. So, as a result, the Commission, with the sanction of the courts, has attempted to consider "noncost" factors and to allow prices which would elicit the necessary response. Even with these commendable efforts prices have continued to lag well below replacement costs and well below the value of gas compared with other sources of energy.

The result of 20 years of producer rate regulation is a severe shortage of natural gas and a severe shortage of other domestic energy resources. Specifically, as the price of then abundant gas was held to artificially low levels, an artificially high demand was created for it. Where gas was interchangeable for coal or oil and where it cost only a fraction of the cost of coal or oil, obviously it would supplant these other less desirable and more costly forms of energy. There is no question that low gas prices resulted in low oil prices and low coal prices. Gas took over more and more energy markets and inhibited the development of our oil and coal resources. Depressed oil and oil products, together with reduced levels of domestic production, discouraged the construction of additional domestic refining capacity. The advent of nuclear energy for power generation in truly significant quantities was stunted. Many plants were not built. Now, we are running out of cheap natural gas resources developed in past years. Gas is no longer available for many of the markets it has previously supplied. The development of additional gas resources is inhibited still by the continuing restraints on its price.

No one wants energy to be priced at levels in excess of those required to permit the full development of our known and potential energy resources. No one is in favor of true "windfall" profits, meaning profits that are not necessary to develop an adequate energy base. Our problem is that we have priced energy too low in the past. As a result, we have not kept pace with our normal requirements of energy. Furthermore, by pricing energy so low, we were creating an artificial demand for it. With 6 percent of the world's population we were consuming one-third of its energy.

There was absolutely no incentive for anyone to conserve energy since its cost was trivial in relation to income.

Gas and oil and other energy resources must be priced at levels which will cause the necessary development of our energy resources. Energy must be priced to consumers at its true cost to avoid excessive and profligate use. Price in the final analysis is by far the best allocator of any resource. Pricing energy at its replacement cost has the added advantage of putting the cost of energy in the proper account, namely, that of the user. Permitting all forms of energy to compete among themselves is the best allocator of these different energy sources and will eliminate the irrational results we have achieved by holding the price of natural gas at a level which reflects neither its energy value nor its replacement cost.

There is general agreement the United States still has a very large and adequate energy resource base. We simply have not developed that base in keeping with our essential energy needs. There also is general agreement that the supply of energy is elastic—meaning that it is unusually responsive to the price stimulus. Some estimate that a domestic price for oil of $10 a barrel would result in a relatively short time in a domestic production level as high as 20 million barrels a day. Even if this estimate of increased production levels is only half right, the increased level of oil production plus a concomitant increase in gas production, coal production, and nuclear energy production would more than satisfy our essential energy needs.

In order to avoid short-term windfalls it may be necessary to adopt on a temporary basis proposals of the type recently made by the administration so long as there is incorporated in any such proposal a provision for crediting against the tax the reinvestment of additional revenues in domestic energy producing projects. Such a measure should be expressly limited to a 2- or 3-year period during which our domestic resource base is rebuilt.

Similarly, governmental regulation of new gas prices should be phased out over the same period with a proviso that the rates during this interim period should reflect the energy value of gas in relation to other fuels such as oil and should not be set on any historical cost of service basis. Regulation of old gas prices should be continued until contract termination or price redetermination becomes operative.

Price increases will be reflected, of course, in cost to the consumer of energy. Nevertheless, they will still have a relatively small impact on such cost. For example, a $1 per barrel increase in the cost of crude oil translates into an increase of approximately 2 cents per gallon in the cost of gasoline. A 25 cent increase in the producer price of natural gas will result in a relatively modest price increase to a consumer in the Middle Atlantic States since the great part of such cost is the transmission and distribution charges. These price increases can be more than offset by even a modest degree of conservation in the use of energy by the consumer.

In the final analysis, so long as the cost of domestic energy does not exceed the cost of imported oil or liquified natural gas, we have not burdened the consumer with any cost he would not have to pay in any event, and we have benefited our entire economy. We simply cannot afford to become more and more dependent on imported energy.

Such a policy would inevitably lead to a drastic lowering of our living standards. Our economy cannot stand the outpouring of $30 to $40 billion annually for foreign oil when there is no substantial balancing of foreign trade. We are indeed fortunate among the developed countries to have the requisite energy base to avoid such a catastrophe. We are also fortunate in having the most highly developed energy industry in the world to secure this energy base. The only way we could create a long-term catastrophe for this Nation would be to impose governmental decisions at this time which would destroy our ability to develop this adequate domestic energy base.

Rolling the prices back as provided in

this conference report could prove devastating to the economy of this Nation. The net result will be less energy which will result in longer lines at the service stations with prices rising as a result of passthrough of higher cost for foreign petroleum that it will be necessary to import to replace the cut back domestic production caused by marginal wells being unable to produce at the reduced prices.

Mr. President, I yield the floor.

Mr. WEICKER. Mr. President, I would like, if I can, to express in a few words some of my feelings on this subject prior to the conference report coming to a vote tomorrow afternoon.

I must confess that I am still quite undecided as to how I will vote should we have a motion from the floor to recommit the report. I do not have any difficulty with the work done by the conference and its very able leadership. I do have a great deal of difficulty with the fact that the report provides merely for permissive action on the part of the President relative to rationing.

Let me describe what the situation is today—a situation that is getting worse. And this does not apply only to my State of Connecticut, the States of the Northeast, or the more populous areas of the country. The situation is widespread, and growing.

Basically, we were told when this started that it was a national crisis, and yet the response of both the President and Congress has been not to devise a national solution, but rather to importune the service station operator, the local government, and the State government to respond to the crisis, rather than taking that responsibility on their shoulders.

If we have a national crisis, then indeed it demands a national solution. The situation today is quite simple insofar as the gas station operator is concerned. He is the one who gets the abuse. He is the one who is asked to play the enforcement official. He is the recipient of ill-will on the part of the public. I do not think that is the way it ought to be.

By the same token, because of our failure to act on a national basis, human beings are now behaving like animals. There is no dignity. There is no respect. There is panic. Because of our failure of leadership at the Federal level, the individual citizen has been placed in a situation such that, if he saw it reflected in a mirror, he would be aghast.

I was aghast when, during the course of the State of the Union Message, the President made the statement, "There will be no rationing," whereupon a good majority of Congress stood up and started to applaud.

So it is not only a question of inadequacy of response by the President, but also by Congress. What was there to applaud about? If indeed we have a crisis, is it not best to measure what a proper response should be, rather than come forward with a response rooted in past history?

We with that statement, both the President and Congress, took away the number one alternative for resolving the crisis.

Why should we define, for instance, rationing in terms of a World War II system? That is what the politicians keep on talking about. They say we cannot have that $500 million front money for the program, that we cannot have the large bureaucracy that rationing would entail.

Mr. President, two things have happened since World War II. We have acquired an expertise in Government where we can apply another type of solution, No. 1; and No. 2, the American public is perfectly capable of being treated in a mature way and of having a full understanding of the problem, rather than being patted on the head, and told, "Even though we have a crisis, don't worry, the solution will be painless," when it will not be.

I repeat, if we have a national crisis we need a national solution. We cannot stop human emotions. We cannot stop the energy crisis at the boundaries of the service station, any more than at the boundaries of a local government or of a State. That is like saying you can stop air pollution at a State boundary. It is impossible. You cannot handle it at the State level or at the local level; and when I say "you," I mean we in Congress and the President. We tend, if there are negative points, to try to let them fall on the other fellow; but the other fellow in this instance happens to be the gasoline retailer and the American public.

I am not afraid of the American people. I think they are far ahead of the politicians when it comes to understanding what needs to be done in this situation. And if you think the situation is bad now watch it grow worse. If we go out to the news ticker, we find that crisis situations have developed in States not just in the Northeast but also in the West, the South, and the Midwest. All this during the period of time when we estimate in the way of a gasoline usage somewhere around a 15 percent shortfall, and at a time in January and February when we are at our lowest period of gasoline usage. Just exactly what do we think will happen when that shortfall goes to 30 percent which will be the case this coming spring and summer? The lines then will be four times as long. So if we have only a small line now, figure out what four times as long this summer will mean in many areas of the country.

The tempers that have flared now will be four or five times worse in the future. The same goes for the violence.

It is up to us here in the Senate and House, and at the White House, to go ahead and lead and not try to sample the fears of the Nation.

There is no easy answer. There is going to have to be discomfort. There is going to have to be sacrifice. Maybe some of us will even lose votes of some of our constituents as a price for our leadership.

I believe that the public today expects honesty insofar as its politicians are concerned, both in telling the public what the situation consists of and in advising the remedy. We started off, as I indicated, with the words "national crisis," I have noticed some weasel words creeping into statements of the administration and in Congress, when they now say it is only restricted to a few localities or to a few States. That does not quite sound like a national crisis. But we do have that crisis. The Senator from Arizona pointed out that we are 6 percent of the world's population and use roughly—and he was on the conservative side—33⅓ percent—my estimate would be 40 percent—of the world's energy.

Well, if we do not have any other figure in hand to convince ourselves that there is a crisis, that one should do it.

Just how long do you think, Mr. President, the United States of America, 6 percent of the world's population, can use 40 percent of the world's energy?

How long is someone in Central Africa, the Middle East, or South America going to have to suffer or die so that an American can be more comfortable?

It will not happen.

So the crisis is real. It is with us to stay.

Anyone who says it will be over in a month or two is lying.

The response by Congress and the President as to mass transit system is inadequate because we will not get them for 5 or 10 years—again, one of the principal solutions which has long been denied because we did not anticipate this crisis.

I have heard the Democratic responses regarding the matter of transportation. Let us make it clear that on both sides of the coin there has been a handful fighting for mass transit, but there has been very little interest on the part of the administration and the Democratic majority in Congress putting an end to the highway trust fund or bringing about additional funds for mass transit systems. So the fault lies with government as a whole at the Federal level.

Solar energy will not come to pass immediately. We have not even started in that direction to the point we should have reached by now. We need time to develop these concepts. It is not a matter of hitching up our belt a notch for a week, for a month, but rather for years. Yet, for some reason, we are giving the impression that this crisis will clear up when the embargo is lifted. It will not. It will get worse. We have also got to know that the sacrifice required is not going to be insignificant. All that has happened now is that leadership in the Federal Government is setting person against person, town against town, State against State. We are being set one against the other—individuals, towns, and States.

That is a solution for a national crisis?

Mr. JACKSON. Mr. President, will the Senator from Connecticut yield at that point?

Mr. WEICKER. Right after my statemet I would be pleased to yield.

Mr. President, I have got nothing else to say in this regard except for the fact that I know self-sufficiency is a great concept. But self-sufficiency requires self-discipline. That is one hard fact of life. It does not involve gambling on the Arabs' giving up their boycott while, at the same time, we curse the Arabs. It should involve gambling on ourselves, no one else.

Yet, the leadership which is supposed to come from Washington, D.C., engages in exercises which solve nothing but cause a great deal of misery.

I know that the motion comes up tomorrow and I am not particularly enthusiastic about blocking the energy bill any longer than we have to, but I must confess that I am deeply concerned about the permissive grant of authority in this area. We should have some guts in the Senate. The American people are way ahead of us. It takes guts to say yes to rationing. But we are going to have to do it in order to solve this crisis.

I am happy now to yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I want to compliment the able Senator from Connecticut for his very fine statement. I happen to share his view of rationing. The Senator will recall that we had a vote on this, that is, the mandatory rationing question, and we lost by, what? Seven or eight votes?

Mr. WEICKER. Right.

Mr. JACKSON. May I also say that in the conference, we went through this same business and the House, of course, previously, had voted down a mandatory rationing requirement. I think it is only a question of time that we will be forced to rationing simply because there is not enough gasoline to go around. I would point out that even if there is a settlement tomorrow in the Middle East, it will not provide the necessary additional crude supply that will take care of our demands.

As the Senator knows, they were queuing up in New England and all over the United States last summer, before the October conflict. Therefore, even if we assume that they go back to pre-October production levels in the Middle East, it will not change. It is my own personal judgment that the countries over there are not going to increase their production. The reason is, they have learned, by cutting back on production and raising their prices, that they can make more money and will conserve their own petroleum resources. So we are in a very tight situation.

May I suggest this to my good friend. I believe that as a condition precedent to action, and this bill gives the President the rationing authority, not on a mandatory basis but on a discretionary basis, as a condition precedent to actual rationing. Would it not be wise to extend the authority contained in this bill that is before the Senate as provided for in section 105 to require the station operators to be open at a specific time and close at a specific time, and that the public be fully apprised of what stations are open and what stations are closed?

I wonder what experience my colleagues are encountering—but when I came to work this morning, I had to check with the policeman in the Old Senate Office Building and inquired what gas stations around here were open, and I had a member of my staff out looking for gas. My wife is doing the same thing. I am suggesting, Mr. President, that we are wasting millions of gallons of gasoline every day just sitting in line for gasoline.

My point is that in this bill the President can set the hours of opening and closing. Then he can back it up under the allocation authority with a reserve of gasoline which will insure that the stations that are open will have a sufficient supply to meet the demand. I would suggest this course as a court of final action prior to the imposition of rationing. I know of no other way out.

I believe that something must be done without delay. If this situation continues the way it is going now, we are going to have riots. We have already had a number of bad incidents in our large metropolitan areas.

I hope the President would have the authority—by that I mean, of course, Mr. Simon—to work out that kind of scheme. I think it is outrageous that we have areas of surplus and areas of shortage and nothing is really being done about reallocation.

I believe that the public is entitled to know what gas stations are open in their neighborhood or community, what hours, and what hours they are going to close. If we have that kind of arrangement, we will know that all options have been exercised, that every effort of last resort is being utilized to come up with an answer short of rationing.

I just wanted to say to my good friend that it is of critical importance that this bill not go back to the conference again. If it does, we are going to have the wrath of the people of the United States on us. While this bill is not perfect, it does give the tools that are needed here to do the job. I must say that if it goes back to committee, we are going to find ourselves wallowing in a mess in which Congress is going to take the blame, and properly so, for not going forward with at least some of these tools. That is my point. We know what the House will do and will not do.

I just wanted to say to the Senator from Connecticut that I share his view. As he knows, I supported it.

Mr. WEICKER. I know how hard the Senator from Washington has worked on this problem, and it has gone back and forth between the Senate and the conference. Certainly, his efforts speak for themselves. They have been without equal. But I want to make a couple of points.

No. 1, I realize the difficulties I would have. As the Senator has indicated, we did turn down rationing about 2½ months ago when we were debating the bill itself. So probably I would be subject to a point of order, which would rule me out of order, if I made a motion to recommit with instructions.

Mr. JACKSON. I do not think so. I think it would be in order.

Mr. WEICKER. I say this to the Senator: If that is the case—if it is not recommitted—then I still feel that we in the Senate should immediately move on a separate bill dealing with rationing, and I will tell the Senator why. I do not think it is fair to excuse ourselves by saying we have given the power to the President. If I am ready to come down on his head on this issue, I am also willing to come down on ours. If he does not move and the crisis accelerates, the finger can be pointed at him. But as far as I am concerned, this is a shared responsibility. The Senate is also responsible, and we should say that we are willing to go ahead and ration.

We talk about riots and the service station operators, a portion of whom are going to go on strike probably in the middle of this week in my State. But the fault does not belong there. The fault is ours. Even the situation that the distinguished Senator from Washington has mentioned is merely a distribution system. It does not conserve fuel. A rationing system is going to cause a little discomfort for everybody, but I believe it is much better than riots and the animalistic behavior going on in this country now.

What about a system whereby each one of us designates 1 day a week when the car can stay in the garage. Such a system is conservation.

Let us assume that the Arab embargo stays on. We are going to have no more fuel oil produced and available to us this year than last year. It is not there. It is the same amount, except that we know that usage will soar.

Mr. JACKSON. If the Senator wishes to introduce a bill, or plans to, I assure him that we will have early hearings on rationing. I want to assure him on that, because we are going to have oversight hearings on this matter. It is clear to me that we cannot go on the way we are going now. This is anarchy.

Mr. WEICKER. It is anarchy.

Mr. JACKSON. It is getting worse. We do have some safeguards in here so far as the operators are concerned. We have the safeguards that affect the franchise dealers, both branded and nonbranded, and those franchises cannot be terminated without cause. Many of those people are being terminated, period, just put out of business.

Mr. WEICKER. Does the Senator from Washington know that in Connecticut, for example, the independents, I gather, are possibly considering forming a consortium to buy some spot gasoline from Canada? And If that happens, such gasoline will be selling at 75 cents a gallon.

I recall the initial debate on the floor of the Senate. We were debating whether or not we should put a tax on gasoline, and we all agreed that it would be unfair to the poor. What we have done is to permit this matter to get so far out of hand that it is indeed unfair to the poor, and this time I define poor not by a few people at the lower end of the spectrum but by defining who the rich are, and only they will be able to afford gasoline.

Mr. JACKSON. As the Senator knows, we provide for a rollback on the price of petroleum in a sensible way. We provide for incentives but say that it cannot go above $7.09.

Speaking of the poor, I was in the Tennessee Valley Friday evening. One of the typical letters that was received was from a couple drawing $160 a month in social security. The previous month, their propane bill—this was in the wintertime—was $30 a month. The next month, it was $100 a month. The cost of propane has gone through the roof. This hits all the little people—the people living out in the country, away from the gas pipelines. They are being clobbered.

I add that to the additional point the able Senator has made of perhaps a spot price market being utilized for Canadian gasoline. I would be surprised if it would not go higher than 75 cents a gallon.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. FANNIN. Mr. President, I commend the distinguished Senator from Connecticut for bringing out the important part involved in whether or not we are going to be successful in achieving legislation. Here we have an all-encompassing bill with so many controversial provisions that it has not passed. We would have passed a bill such as he has suggested in November, if it had been a simple bill.

The Senator speaks of the price of fuel and about the use of Canadian fuel. If we pass this bill, we are going to see a much larger amount of that Canadian fuel, or fuel from across the water, coming into this country, and the price is going to be higher.

Naturally, we cannot roll back the price of foreign fuel, but if we are going to roll back the price of domestic fuel, there will be less domestic fuel.

I have talked to a number of small independents who have stripper wells, and they are successfully bringing those stripper wells up to capacity.

We have discussed this many times, but let us look at it from the standpoint of the 350,000 stripper wells in the country.

In Texas alone there are 84,000 that produce about 3.8 barrels a day, but in the 3.8-barrels-a-day wells there is 1.8 billion barrels of oil that is available to be pumped out. But here is the catch. If this bill is passed it rolls back the price. There is no insurance that the $7.09 is high enough for the stripper well to operate. I have talked to men operating these wells and they say that at a price around $8 most of them can go ahead in that area. Some need a higher price. The situation requires flexibility.

They say they can double their production in 6 months. Twelve and a half percent of our oil comes from stripper wells so if we double that and produce 25 percent from stripper wells they will make a significant contribution. This bill would kill that opportunity.

I think the Senator from Connecticut is on the right track on what should be done, and that is to pass legislation which is needed. Then we can discuss the other bills, some of which are in the House and some of which are in the Senate, to take care of this great need that we have. But if we go forward with this bill we are in deep trouble.

Mr. JACKSON. I wish to say a word about the stripper bill. I wrote it and I thought it was something that would be useful. We debated it on the floor of the Senate in connection with the Alaska pipeline bill and finally we had it put into the mandatory allocation bill. Oil was then at $3.90 a barrel. The debate on the floor centered on the fact that it would go up a dollar or maybe $1.50; that would be the maximum. I will put all of that information in the RECORD tomorrow. What happened? It went from $3.90 to as high as $10.35 a barrel. That is what we are talking about.

So that my colleagues can understand, let me say that under the existing regulations there is a stripper loophole in the bill. It is as big as an oil well. Let me tell Senators what it is. All they have to do in a given oilfield that is already functioning is to put a well down alongside the one that is already in the oilfield, where they are taking out oil. They can take out new oil which is really old oil and it is unregulated.

Mr. FANNIN. Mr. President, if the Senator will yield, the Senator knows that is not the stripper well. The Senator is talking about 29 percent and I am talking about 25 percent. I am fighting to hold the stripper wells.

Mr. JACKSON. Very well. Let us explain it to the Senate.

Mr. FANNIN. Let us be factual.

Mr. JACKSON. You are talking about a stripper well?

Mr. FANNIN. The Senator is talking about the new oil wells or other wells that bring the total up to 29 percent. I am talking about 12½ percent going up to 25 percent.

Mr. JACKSON. The impression the industry is trying to give is that by taking the lid off they are going to open up new oilfields. I am saying you can run a well on a property adjacent to a stripper well and take oil out of that area which is part of the same oil pool and it is deregulated. This is a big, big loophole.

Mr. HANSEN. Mr. President, will the Senator yield for a question?

Mr. JACKSON. It means in a well area—that is, where there is a pool—if you want to take it out faster under present regulations you run another well and for every new barrel of oil you are taking out of the same pool that is deregulated you deregulate another barrel alongside of it that is under the lid.

That is a fact and if anyone wants to dispute it we have checked it out.

Mr. HANSEN. I would like to.

Mr. JACKSON. The Senator from Connecticut has the floor.

Mr. WEICKER. Mr. President, I would like to yield but I do wish to make one statement. I want to repeat that for 25 years Congress, aided and abetted by Democratic and Republican Presidents, invested about 95 percent of our transportation moneys in highways and in the automobile. We are the ones responsible for hooking the American public on that as the form of transportation.

Now ingredients basic to that form of transportation are denied us. We stand here and talk about a variety of issues. One is giving leadership, in a temporary sense, so that everybody will be treated fairly; and that can be done only by a national system of rationing .

Second, long-range steps in exploration and making certain that the oil companies are dealing fairly with the American public. At least, I think we owe that type of responsibility and action to the American people.

Mr. GRAVEL. Mr. President, will the Senator yield? I should like to ask him a question on that point.

Mr. WEICKER. I yield.

Mr. GRAVEL. I suppose that in this legislation there are some short-run measures that do achieve this operation equitably among the American people. But suppose in the bill there is also the seed of not solving the long-term energy crisis, and also going in the opposite direction by creating more scarcity. What does the Senator say about that?

Mr. WEICKER. I have made myself clear as to the steps that should be taken. Let us be candid. We are not going to take the inadequacies that have developed over 25 years and resolve them in one bill.

Mr. GRAVEL. What is the main point? It is increasing production, is it not? Capital is needed. Does it not take dollars to do what is needed to be done?

Mr. WEICKER. There is no question about it.

Mr. GRAVEL. Where will the dollars come from, in the short or the long term, to build a refinery, to build pipelines, to drill for oil and gas, to liquefy gas. Where will the capital come from?

Mr. WEICKER. Principally from the private market.

Mr. GRAVEL. So if the price is frozen at an unreasonable point, or if the price is rolled back, it will not be possible to get the capital.

Mr. WEICKER. That is very possible. I remember the amendment offered by the Senator from New York (Mr. BUCKLEY). He offered an amendment which would have kept the price steady on old gas, but would have lifted it on new gas, so that the production of new gas would have been encouraged. It was defeated. So what we were telling the American people was that they were going to get more gas at no cost.

Mr. GRAVEL. Does not the Senator agree that there is demagoguery, that it is a shame? It is not possible to get something for nothing.

Mr. WEICKER. There is no question about that.

Mr. GRAVEL. So where are we going to get the capital?

Mr. WEICKER. From the private market.

Mr. GRAVEL. How can we stand here and say that we are being responsible to the American people if we recognize—as I recognize—that the problem of getting capital is more serious in Connecticut than it is in Alaska? I just came from Connecticut this morning.

Mr. WEICKER. How did the Senator get here?

Mr. GRAVEL. We recognize that the only solution is to tell the American people that we are going to get it from the gasoline.

Mr. WEICKER. The Senator from Connecticut has already expressed his reservation as to no mandatory rationing. There is a problem of getting gasoline through the short term, which relates to rationing. However, for the long term, it relates to explorative mass transit, solar energy, and so forth.

Mr. GRAVEL. But the Senator has to vote on the totality of it. So if he is voting for this bill, he is voting for cutting back on money.

Mr. WEICKER. The Senator from Alaska can describe his vote; I will speak for mine. I would only say that what we are looking for, is that everybody be treated fairly. Under the present system, when we leave enforcement, when we leave the solution, to the gasoline retailers and the State governments, such cannot happen. The panic, the crisis, is going to go ahead and get worse.

Insofar as the long-range policies, are concerned, those that been alluded to by the distinguished Senator from Arizona and the distinguished Senator from Wyoming, about the need to encourage exploration, about mass transit being made available, about solar energy being made available, the fact is that none of these are available to the American people, and they will not be available to the American people for some time. The first relief might come in 6 months to 1 year, but most of the things we are talking about here are a matter of 1 or 2 years, and I do not think the people of this country want to live like animals for that long.

So I would hope, regardless of the long-range policies—the Senator from Washington, upon the adoption of this conference report, should hold hearings on rationing. We should not say, "We gave the power to the President, but he did not use it." We all ought to stand up and be counted on that issue.

I yield to the Senator from Wyoming.

Mr. HANSEN. I thank my distinguished colleague from Connecticut very much.

There are many statements that I would like to debate, but I did ask permission to address the one statement that I think was made by the distinguished Senator from Washington. I thought what he was saying was that today, with the situation as it is—and I quote from a press release that was issued today, Monday, February 18, wherein the Senator is quoted as saying—"Unregulated prices are encouraging drilling for loopholes rather than oil."

The Senator went on, just a few moments ago, to suggest that with the regulations as they are now, or with the lack of regulations, it is possible for a person to drill a new well alongside a stripper well and to produce new oil that would be unregulated.

Am I quoting the Senator correctly?

Mr. JACKSON. The Senator is very correct.

Mr. HANSEN. Very well. The facts are these: If I am not mistaken, it was the distinguished Senator from Oklahoma (Mr. BARTLETT), the present occupant of the chair, who proposed the stripper well amendment, and I do not recall any great enthusiasm among some of the members of the Committee on Interior and Insular Affairs at that time to exempt stripper well oil, but because I like to believe reason prevailed, we were able to attach the stripper well amendment to the Alaska pipeline bill and it became law.

What does that law say? The law says that stripper wells are identified as those wells producing not more than 10 barrels of oil per day based upon a field or a leasing unit, and if the average production in that leasing unit is not in excess of 10 barrels of oil per day, based upon what was produced the previous year, the Senator from Alaska was implying in his question, that is stripper well oil.

It would be absolutely inane for any oilman to drill a new well alongside a stripper well to get exempted oil. It is already exempted.

So I repeat to the distinguished chairman of the Interior and Insular Affairs Committee, what he said is not true. It is not true because stripper well oil is oil coming from a leased field that, on a previous year's production, was producing under 10 barrels a day.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. HANSEN. I would like to make this statement first. Then I will be happy to yield for a question.

I will say this: The only way a person would have any interest at all in drilling a well today alongside a qualified stripper well would be to anticipate a continuance of the present regulations for 1 more year, and then to be hooked with the increased production which I assume impliedly goes above 10 barrels of oil a day for the entire leased field. If that were the case, that would be the only reason on earth anybody would be willing to drill a new well alongside a stripper well.

Now I yield to the Senator from Washington.

Mr. JACKSON. Is it not a fact that under the regulations, exclusive of the stripper provision, a new well can be drilled, because it is not a stripper well, taking oil out of that oil pool, and it becomes unregulated oil? That is the interpretation we have received.

I would point out further that when there is a large pool that covers a vast area, the same thing applies.

Stripper wells are defined in the legislation as those having production of 10 barrels or less under that lease, but those are existing wells. Drill a new well and it is no longer a stripper well, and it is exempt under the regulations.

We have checked this out. This is what the answer is. I just point it out to my good friend.

I would say the real problem in opening up new fields relates to manpower, pipe, rigging, drilling equipment, and so on. This is the drawback to getting new oil reserves. That is what we are talking about. I want an incentive to getting new oil reserves.

Mr. President, I would like to insert into the RECORD at this point the pertinent sections of the Cost of Living Council Regulations of August 22, 1973, which define "new oil" and "released oil".

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION 150.354. CEILING PRICE RULE: CRUDE PETROLEUM

(a) *Applicability*. This section applies to the first sale of domestic crude petroleum.

(b) *Definitions*. As used in this section—

"Based production control level" for a particular month for a particular property means:

(1) If crude petroleum was produced and sold from that property in every month of 1972, the total number of barrels of domestic crude petroleum produced and sold from that property in the same month of 1972;

(2) If domestic crude petroleum was not produced and sold from that property in every month of 1972, the total number of barrels of domestic crude petroleum produced and sold from that property in 1972 divided by 12.

"Property" is the right which arises from a lease or from a fee interest to produce domestic crude petroleum.

"New crude petroleum" means the total number of barrels of domestic crude petroleum produced and sold from a property in a specific month less the base production control level for that property.

(c) *Rule*. (1) **General.** Except as provided in paragraphs (c) (2) and (3) of this section, no producer may charge a price higher than the ceiling price for the first sale of domestic crude petroleum.

(2) *Special release rule*. Notwithstanding paragraph (c) (1) of this section, a producer of new crude petroleum produced and sold from a property may in the month produced, beginning with the month of September 1973, or in any subsequent month, sell that new crude petroleum without respect to the ceiling price. However, if the amount of crude petroleum produced and sold in any month subsequent to the first month in which new crude petroleum was produced and sold, is less than the base production control level for that property for that month, any new crude petroleum produced from that property during any subsequent month may not be sold pursuant to this subparagraph until an amount of the new crude petroleum equal to the difference between the amount of crude petroleum actually produced from that property during the earlier month and the base production control level for that property for the earlier month has been sold at or below its ceiling price.

(3) *Released crude*. Notwithstanding paragraph (c) (1) of this section, if during a particular month new crude petroleum which could be sold at other than the ceiling price pursuant to paragraph (c) (2) of this section is produced from a property, the entire base production control level crude petroleum for that month may be sold at a price which exceeds the ceiling price provided that the maximum price charged per barrel of that base production control level crude petroleum does not exceed the following:

$$P_{max}=P_c+\left[\frac{C_{pr}}{C_{bpcl}}-1\right][P_m-P_c]$$

Where:

P_{max}=Maximum price that may be charged for the crude petroleum (other than new crude) purchased from the property (dollars per barrel);

P_c=Ceiling price of the crude petroleum (dollars per barrel);

C_{bpcl}=Base production control level for property (barrels);

C_{pr}=Total amount of crude petroleum produced from the property during the month (barrels); and

P_m=Current free market price of the particular quality and grade of crude petroleum (dollars per barrel).

Application of this formula may be illustrated by the following example:

Example: During September 1973, Firm X produces 3,170 barrels of a single grade of crude petroleum from a particular property. During September 1972, 6,420 barrels of crude petroleum were produced from the same property. The ceiling price for the September 1973 crude petroleum is $4.10 per barrel. and its fee market price (i.e., the price X can get on the market for the 1,750 barrels of new crude) is $4.95 per barrel. The maximum price that X may charge for the 6,420 barrels of other than new crude petroleum (i.e., old plus released crude) produced in September 1973 is:

$P_{max}=\$4.10+(8{,}170/6{,}420-1)\ (\$4.95-\$4.10)$
$P_{max}=\$4.10+(.27)\ (\$0.85)$
$P_{max}=\$4.10+\$0.23$
$P_{max}=\$4.33/\text{barrel}.$

(4) *Certification.* Each producer of domestic crude petroleum which charges a price above the ceiling price pursuant to the provisions of paragraphs (c)(2) or (3) of this section, must, with respect to each sale of domestic crude petroleum, certify in writing to the purchaser: (i) The ceiling price of domestic crude petroleum, (ii) the amount of the new crude petroleum, and (iii) the amount of the base production control level crude petroleum. The certification shall also contain a statement that the price charged for the domestic crude petroleum is no greater than permitted pursuant to this section.

Mr. JACKSON. The Senator from Wyoming is correct that there is no incentive to drill a well beside an existing stripper well just to get a decontrolled price for old oil, because oil from stripper wells is already decontrolled. My point is that there is a special incentive to drill new wells on properties adjacent to existing wells producing controlled oil, but draining the same reservoir. Not only does this loophole let the operator charge almost twice the controlled price on the oil he produces from the new well, but he gets to increase the price on an equal quantity of old oil from his other properties. At a controlled price of $5.25 and the current uncontrolled price of $10.35, that means the producer gets an additional profit of $10.20 for every barrel that comes up the new well, even if most of that oil would have been produced from the previously existing wells.

Suppose that the new and released oil loophole, by virtue of drilling new wells in old reservoirs, does actually increase production by 10 percent. Does the Senator from Wyoming realize that consumers are paying more than $100 per barrel—or $2.10 per gallon—for that increase in production.

By this loophole we have created a powerful incentive, indeed, to drill wells, but mainly on known structures, an incentive much more powerful than the incentive to take the risks of exploratory drilling on wildcat acreage, the only kind of drilling that will increase our ultimate producing capacity.

What I am talking about is drawing down of oil out of an existing field and doing it in a way in which there is developed, technically, a new field and that oil is drawn out and it is exempt.

Mr. HANSEN. What I must say to my friend from Washington I think has been illustrated by him. He does not deny my allegation that it would be wrong to say that there would be an incentive now to drill a new well alongside a stripper well to get that oil out of that, because in that leased unit all that oil is exempt. It is a little bit of double talk to imply that the regulations as they are presently enforced would give any incentive to anybody to drill a new well alongside a stripper well. That oil is already exempt.

Mr. JACKSON. It is not exempt.

Mr. HANSEN. It is exempt.

Mr. JACKSON. Ten barrels and less.

Mr. HANSEN. Exactly right.

Mr. JACKSON. But all over that——

Mr. HANSEN. No. Read the regulations. If the Senator is going to talk about what is going to happen——

Mr. JACKSON. New oil is exempt.

Mr. HANSEN. I would be happy to yield to the Senator.

Mr. JACKSON. Would the Senator say that if a new well were drilled to take oil out of an existing field, that is new oil, or is that old oil? I ask that question of the Senator.

Mr. HANSEN. I would say that any time anyone drilled a new well he could argue it is new oil.

Mr. JACKSON. He could argue, but what is it under the regulations? We have checked it out. It is exempt from price control,, and it has been going as high as $10.35.

Mr. HANSEN. The point the Senator from Washington very conveniently fails to recognize or admit is that this oil is already exempt. He does not deny. He does not deny because he cannot deny. He knows it is not true. He knows it is not true that with stripper wells there is any incentive to go in and drill alongside a stripper well to get oil out of a new well. The Senator from Alaska has said this repeatedly. He chaired a number of hearings in the Energy Subcommittee, and he did a great job. I would also say we had better listen to what he is saying, because he happens to make good sense.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. HANSEN. I was hoping the Senator would wish to make a comment on that.

Mr. GRAVEL. I would like to make what I hope will be good sense on the point the Senator from Washington addresses himself to. That is the point that we are faced with a problem of getting rigs, pipe, steel, et cetera. I would like the Senator to explain to me and to the American people, if we have $10 world oil prices and $5 American oil prices, how anybody in this country will be able to compete to buy steel or to buy anything they need to drill for oil, and compete with the rest of the world. And if we cannot compete, are we talking about an embargo on steel pipe or on the technology, or an embargo on the cybernetics, so that we can address ourselves to a problem which involves uneconomical waste because we have created fortress America by the embargo. How can we get steel, rigs, and all of the other things we need if we cannot compete with the other countries.

Mr. JACKSON. Mr. President, I would be happy to make a brief statement at this point in response to the Senator from Alaska.

We have been checking with the oil analysts on Wall Street and elsewhere.

Respected oil analysts on Wall Street and elsewhere say that these price levels will not buy increased supply. We can get the oil. That is what is being missed here. We are talking about whether or not there is an opportunity to have new reserves. The real constraint on supply is not price. At $5.25 a barrel, there is plenty of incentive. I am talking about figures from the Petroleum Council. I am taking the figures of the Independent Petroleum Association. We have done a brief survey of industry price studies which shows that as late as December of 1973, their own target price for incentive was, I think, $4.50 a barrel.

Mr. President, I ask unanimous consent that this survey be printed at this point in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

SUMMARY OF RECENT PRICE STUDIES

A number of recent studies have focused on determining the long run supply price of crude oil needed to elicit adequate domestic supplies of oil. A summary of the findings of these studies is given below.

Federal Energy Office (January 1974):

". . . The long term supply price of bringing in the alternate sources of energy in this country, as well as drilling the Outer Continental Shelf and the North Slope . . . is $7 a barrel, current 1973 dollars."

Department of the Treasury (December, 1973):

"No one knows exactly what the long-term supply price is, as no one can predict the future that clearly. Our best estimate is that it would be in the neighborhood of $7 per barrel within the next few years."

Independent Petroleum Association of America (1973 projections):

"In terms of constant 1973 dollars . . . an average price of about $6.65 per barrel for crude oil . . . would be required over the long run to achieve 85% self-sufficiency in oil and gas by 1980."

National Petroleum Council Oil and Gas Availability (Dec. 1973):

For maximum attainable self sufficiency by 1980, average revenue required per barrel of crude is shown on the following table for different rates of return.

TABLE 653.—AVERAGE UNIT REVENUE REQUIRED PER BARREL OF CRUDE OIL[1]

[Dollars per barrel][2]

	10 percent rate of return	12.5 percent rate of return	15 percent rate of return	17.5 percent rate of return	20 percent rate of return[3]
1971..	2.739	2.981	3.223	3.465	3.706
1972..	2.819	3.066	3.315	3.563	3.812
1973..	2.855	3.112	3.370	3.623	3.836
1974..	2.941	3.214	3.486	3.759	4.031
1975..	3.468	3.359	3.650	3.941	4.232
1976..	3.216	3.530	3.844	4.158	4.472
1977..	3.398	3.738	4.078	4.418	4.758
1978..	3.612	3.978	4.344	4.711	5.077
1979..	3.815	4.208	4.601	4.995	5.369
1980..	4.056	4.476	4.896	5.317	5.737
1981..	4.288	4.738	5.188	5.639	6.087
1982..	4.553	5.037	5.520	6.004	6.487
1983..	4.864	5.281	5.899	6.417	6.935
1984..	5.151	5.707	6.262	6.818	7.374
1985..	5.500	6.093	6.687	7.280	7.873

[1] Based on economics for lower 48 States and South Alaska.
[2] Constant 1970 dollars.
[3] All rates of return are annual book return on average net fixed assets.

Oil and Gas Journal (September 17, 1973):

"The price outlook for domestic crude thus has to be rated promising . . . The new prices make investment attractive in the new equipment and services to rejuvenate marginal wells . . . Risks are becoming worth taking."

Petroleum Independent (November 1973):

"There's no doubt that prospects are for increased drilling. Everybody I know is planning on it. With new oil priced from $5.30 to $6.00 per barrel, there's incentive now to go looking for oil."

Mr. JACKSON. Under this bill it is 32 percent higher than the price of $5.25

a barrel. This is 32 percent higher than the price of less than a year ago. The constraints today are shortages: shortages of trained manpower, pipe, drilling rigs, and practically every other material a high technology industry needs.

In fact, the unregulated and artificially high price of domestic crude oil is counterproductive. It is retarding exploration for and development of new oil discoveries. Instead of encouraging the development of new "wildcat" acreage, the present price structure does the opposite. It encourages the drilling of new wells on old reservoirs that are already in production.

These new wells divert scarce drilling rigs, pipe, other equipment and manpower away from new exploration for the sole purpose of taking advantage of major loopholes in the price system. These loopholes enable unscrupulous producers to double the value of their "old" oil—their presently producing fields—by simply drilling and pumping the oil through a new well.

Pursuit of this loophole enriches owners of producing fields. It does not produce more oil. It does waste precious materials already in short supply. It can damage the ultimate recovery from these reservoirs. It does penalize the honest operator who is trying to bring in real new production. It does force consumer prices up and up. It does not produce any public benefit in the form of increased supply. It does impose unreasonable burdens on the American people.

Mr. GRAVEL. Mr. President——

Mr. HANSEN. Mr. President, I believe I have the floor.

Mr. GRAVEL. The Senator from Wyoming does have the floor. However, I posed a question to the Senator from Washington, and in response he read a paper which did not respond to the question.

Would the Senator from Wyoming permit me to get a response to my question?

Mr. HANSEN. Mr. President, I would appreciate very much the Senator from Alaska getting a response from the Senator from Washington. However, before he does so, I would like to make a few observations.

I think that one of the problems we have today in trying to research a rational decision as to what should be done results from the fact that we have been barraging the American people with a great number of statements that are sheer demagoguery.

One of the reasons why the average citizen of today is so upset and so frustrated and so persuaded at times to engage in fist fights and in other actions of seeming violence is that he has been told day after day that all oilmen are alike, that all oilmen are wealthy, that they have tax loopholes that are unconscionable, that they have windfall profits. These things are simply not true.

Mr. President, the fact is essentially that oil production in foreign countries has become very profitable and has produced a windfall profit not because of contrivance on the part of the American industry to withhold supplies, but simply because most of the oil in the world today happens to come from the Arab countries or the non-Israel oriented countries. And by that, of course, I include the country of Iran.

The Senator from Oklahoma (Mr. BARTLETT), the Senator from Arizona (Mr. FANNIN), and I have been over there, as have many other Senators.

The reason the Arabs have been boycotting those nations in the free world that have evidenced an attitude toward helping Israel is simply that they do not like what we are doing over there. They have said that as long as we continue to make funds available to Israel and as long as we continue to supply them with the munitions of war, with planes, rockets, and everything else, they are going to use everything at their command to retaliate against us.

I do not want to get into an argument as to what our foreign policy should be. For a long time it has been my opinion that we ought not—this Nation, the United States of America—to get ourselves into a position where we can be dictated to by any foreign country.

I have heard people remark about conditions a few years ago and about some of the commissions. And we have had plenty of them, believe me. Some of these commissions were talking about how silly it was to operate stripper wells in America.

They said, "Why don't you go about this in another way and buy the oil where it is cheap?" I did not hear anyone at that time talking about the tax advantages that we have given to multinational oil companies operating in the Middle East. There was not anyone saying then that they are getting wealthy.

Why was that not said? It was not said because the oil was not bringing very much at that time. The people were saying then, "You can buy it over there." A lot of the people in the United States were saying that we should buy it over there for one-third of what it would cost over here. They were saying that we should buy it over there and save the American consumers at least $5 billion a year.

That is what the commission recommended. And they said in addition that we could do even better and put a tax, an import tariff on this oil as it comes in. We would then not only save the American consumers a lot of money, but we would also be able to replenish the depleted Federal Treasury at the same time.

What happened, Mr. President, is that the Arabs thought we were getting a little too friendly with the Israelis. They cautioned us, as the distinguished Senator from South Dakota knows, because he was over there. They cautioned us and told us that we should take a more evenhanded position in the Middle East.

They told us that they would shut off the oil. We said that we would not be blackmailed. And I say that we should not be blackmailed. However, there is only one way that we should have acted, and that is to reduce our dependence upon any foreign source of supplies.

My friends used to say that we can always count on Canada because we are just like sister countries. We have also said—some of us have, although I have not—that Canada is the 51st State. And they refer to us as the 17th Province, or whatever the number may be. There is great rapport between these two countries; I recognize that. But what has happened?

You know, for a long time the Canadians had the best of all worlds. Most of their oil and gas production, as we all know, occurs in the western part of Canada, and they had a great market in the United States. They could ship their oil down here, and for a while we had quotas on what they could bring in; in order to give some degree of stability to the domestic oil produced, we imposed some quotas. We had the mandatory oil import program.

Then that was phased out a couple of years ago, as our domestic supply failed to measure up to our needs. That is another story, and I shall not go into it now, but I simply say this, Mr. President: Canada was selling oil and gas to the United States which came from western Canada, and it was importing oil for eastern Canada, where most of the people live, at a far lower unit price than what it got for the western Canadian produced oil and gas. So they had the best of all worlds. You could not make money any better than that.

But what happened? When the Arabs started closing the valves a little bit, and as consumption worldwide increased to the point where we did not have enough production worldwide to meet all of the demand, under the laws of supply and demand—and I suggest that despite intentions to the contrary, the United States will not repeal those laws of supply and demand—we found that there was not quite as much to go around as there had been. So Canada has increased the tax on its oil, and right today what does Canada receive at the borders for oil? I think about $10.40 a barrel. They were not about to keep sending oil down to the lower 48 for far less than it was costing them to bring the oil in from the Middle East. And we were suckers. We were foolish. We were extremely naive ever to have believed that they would have done anything else. Of course they did what their best national interests would dictate, and I suggest that any other country is going to do the same thing.

Without getting into the merits of the contests between armies in the Middle East, let me say that we can depend on it that the Arab countries and the non-Arab countries alike which oppose our Middle Eastern policy are going to continue to use oil as a weapon. And what does that have to do with this debate? It has this to do with the debate: Senator JACKSON and a majority of the conferees on the energy conference bill, both the House and the Senate conferees—I think there were only three of us who voted "nay" on that conference report, and I have forgotten how many signed it, but everyone else did, as I recall—are trying to say to the American public today, "We are going to solve your energy problem. You do not like waiting in line; you do not like being unable to find any gasoline. We'll fix that up. We'll ration it. And we'll go you one better than that:

We will not only say that you do not have to put up with these inconveniences that you abhor and inveigh against, we'll roll the price back. You are sure going to have the best of all possible worlds."

And I guess if I were running for the Presidency of the United States, I might say the same thing. But, Mr. President, I want to say this: I do not believe we are really going to fool the American people, in the long run. Because it will not take very long, if this bill passes and we institute rationing, for the average American motorist to find out that it is one thing for the Congress of the United States to say, "By law you will have your filling station opened certain days of the week, certain hours of the day"; but if there is no oil in the tank, it really will not do you much good to open up your filling station. They can say, "We are open for business," but they cannot get another drop out of the gas hose.

That is exactly why I think that the American people need to understand a few basic facts of life. The first is that if we want more oil produced in this country, we have got to make it profitable for those people with money, just as the Senator from Alaska was saying, to invest in oil.

What has happened? Since 1957, comparing 1957 with 1972, a period of 15 years, about half of all of the people in the oil business in the United States—half of all of the independents, and that is more than 20,000—have gone out of business. And why did they go out of business? For one very simple, basic, elemental business reason: There were better ways of making money.

We changed the tax laws. We have done all sorts of things. We had encouraged overseas production, because at the time most of the people in the Congress of the United States—and I say specifically most of the representatives from the Eastern States—were all for that, because they could see cheap oil coming in, and they thought it was great. They did not oppose it; they were leading the pack, saying "Let's do this."

Now, of course, we have found out, though it takes a long time for some of these facts to digest, that it has not worked out as well as we thought it would, and over half of the independents, roughly, have gone out of business. In 1972, we drilled only half as many wells as we drilled in 1957. And yet, the authors of this bill, the proponents of this rollback legislation, are trying to say to the American public, "We will not only ration gasoline, so that you will not have to wait in line, so that you can be sure of getting your fair share; maybe it will be 1 day a week you can buy it, or 1 day a week you cannot buy it"—there are 10,000 ideas on rationing gasoline, and they have all the answers—they are saying to the American people today, "Let us roll the price back, so that the poor people can buy gas."

You know, India has had famines for thousands of years. The story is told about one of the early emperors experiencing the pangs of hunger among his people that inevitably accompany a famine, who said, "We are going to control the price of grain in India, so that the poor people can get it."

What happened? That was probably the first black market, so far as I know, in the world, and a lot of people starved to death because they found out, in India, many thousands of years ago, that by pegging the price, a black market immediately sprung up, and the people who needed the grain were not able to buy it.

I know that in a short supply situation there is no way to make everyone happy, and I do not think it becomes a Member of the Congress of the United States to try to think for one moment that we are going to make everybody happy about this situation, because we simply are not going to.

But let us not make matters worse. Later on, another emperor of India, confronted with the same situation, said, "Here is what we are going to do. We will publicize throughout all of India what grain is selling for, and we know, on the basis of past history, that those areas which are in critically short supply are going to find that the prices rise, so we will let people throughout the whole nation know that if they have surplus grain, they can get more by shipping it from there over to here and as they do that through the mechanism of a free market the best solution of a short supply will result." It worked out, just as the second emperor noted that it would. While there were hungry people and while prices did rise, there was not the starvation the second time around that there was the first time around.

The reason I tell this story, Mr. President, is that it seems elementary to me that all of us should recognize what the facts are. We are dependent upon foreign countries for more than one-third of the oil we use in the United States today. That is the highest priced oil we buy. What are we doing?

We are saying, let us solve this problem. We cannot, by the passage of laws in Congress, tell the Arabs, the Canadians, and the Venezuelans, or the Indo-Chinese what they will get for their oil. We know that we are going to have to pay whatever they ask us to pay if someone else is willing to pay about as much.

So, what are we doing?

We are saying, let us roll the prices back. Let us treat this poor man in America—and we have a number of them, I do not minimize at all the problems of inflation—but I say this, that the most important thing America has going for it today is its standard of living, its productive capacity, and the fact that so many of us are at work.

Now if we really want to bring about unemployment, and this bill talks about unemployment, we can do that very easily. All we have to do is to shut off the supply of oil and gas.

Why will that bring about unemployment?

It will bring about unemployment because 78 percent or 79 percent of all the energy we consume in the United States today comes from oil and gas. If we roll the prices back, as this bill would have us do—Senator Jackson said that if the price of new oil—$10.30—$10.40—I have forgotten the precise figure—is rolled back to $5.25—and I admit this does make the provision that if the President wants to go through the Administrative Procedure Act—he can, in addition to the requirement that he comply with the Administrative Procedure Act, and by submitting substantial evidence as well, authorize the price to be raised another 35 percent, and that would be the top price, then, at $7.09 a barrel.

Mr. ABOUREZK. Mr. President, would the Senator from Wyoming yield at that point?

Mr. HANSEN. As quickly as I can finish my statement. Has the Senator a question?

Mr. ABOUREZK. I wanted to ask a couple or three questions of the Senator.

Mr. HANSEN. I understood the Senator might, but I would like to finish my statement first and then I will be very happy to yield to the Senator.

Mr. President, what would this do?

All we are talking about is the price of domestic oil. We are saying that we will take care of America by lowering the price of that oil.

Now, if Senators will look at the Congressional Record for February 7, 1974, beginning at the top of page 2768 and continuing all the way through the bottom of the first column on page 2781, I think they would agree with me that there is evidence in that portion of the Record to point out the lack of economic reality in some of the statements made on this floor. It has been said that the price of $7 a barrel is more than adequate, that even $5.25 is more than adequate, to assure all the domestic production we need.

Mr. President, that is poppycheck to make such a statement, because I have included in here the testimony from some of the most reputable people we can find, including a very eminent member of the staff of Harvard College who says that that is not so, that it does not work that way.

Of course, if we stop to think about it, we can easily understand why it is that if we control prices—and there has been a great stimulation given the oil business recently, I grant that, and the stimulation has come from the increased price of oil and gas. That is what has got the oil people out working. It has caused a lot of the old stripper wells to be opened up and brought back into production. That is just one reason—just one reason, Mr. President. There are not many people in the oil business, in the cow business, in the lumber business, or any other business that I know of who are willing for very long to operate just because they are altruistically inclined.

Most of them, sooner or later, have to pay the note at the bank, they have to meet the payroll, and they have to pay their taxes. If they do not make some money, they are not going to be in business very long. Despite their good intentions and despite all of their desire to help America, the fact remains that, for most of them, they have got to make some money or they cannot stay in business.

That is precisely why the distinguished Senator from Oklahoma (Mr. BARTLETT) proposed the stripper well amendment. He knows what he is talking about. Senator FANNIN of Arizona also spoke about the amount of oil that is being recovered today from stripper wells. Senator BARTLETT said that if we want to get into production, take the price controls off the stripper wells. That is what is done. It is simply not true to say that there is any economic reason at all why a person would go into a stripper well field today and drill for a new oil well alongside a stripper well, to tap that well because that oil would be exempt, when the fact is it is already exempt. We all know that. The only test that is made of this is on the previous year's production.

But now to get back to what the price rollback would be, I will admit it has great appeal. It has great appeal because the American people have been bombarded with the phony arguments that everyone in the oil business is a millionaire, that they have earned unconscionable profits, when the facts are that the biggest bulge in profits today in the oil business has come not from domestic production but rather from foreign production. It has come from foreign production not because of contrivance on the part of the oil industry but because the Arab-banded, non-Israeli-oriented countries have gotten together and said, "We are going to do something about that price. We are going to have a boycott." I would say simply——

Mr. GRAVEL. If the Senator from Wyoming would yield at that point, just to underscore the point he has just made——

Mr. HANSEN. I would like all my points to be underscored, so I am happy to yield to the Senator to underscore one of them.

Mr. GRAVEL. The profits of the integrated oil companies have come from sales abroad and not from profits abroad. I repeat, from sales abroad. No oil in Saudi Arabia is transported to the United States of America, but oil from Saudi Arabia is transported either to Europe or Japan. So those profits created have helped our balance of payments. I would just like to underscore that.

Mr. HANSEN. I thank my colleague from Alaska for his observation. He is exactly right.

Mr. ABOUREZK. Mr. President, will the Senator from Wyoming yield for one question on that point?

Mr. HANSEN. I am happy to yield to the Senator from South Dakota.

Mr. ABOUREZK. Is the oil that is sold by the multinational oil companies to Europe and Japan subject to the foreign tax credits we provide here in this country?

Mr. HANSEN. As nearly as I know, in response to the question of the distinguished Senator from South Dakota, any tax paid, any royalty—I do not say for a moment that we should not reexamine our tax laws, that is precisely, of course, what the Senator from Alaska (Mr. GRAVEL) has been doing——

Mr. GRAVEL. If the Senator will yield there, we held extensive hearings on that subject, and I might say, in response to my colleague's question about the foreign tax credits, that, yes, the oil companies have foreign tax credits, and they have had them for some time.

Mr. ABOUREZK. That is, when we say profits, does not the majority of the profits that come from Middle East oil to any other country—does not the majority come from foreign tax credits?

Mr. GRAVEL. No. The integrated oil companies on an international basis are paying the taxes wherever they are operating, and that tax, when it is fully accounted, amounts to about 60 percent. If they do not pay the taxes to us, they pay it to Saudi Arabia or to other countries. That is as it should be. If we do not give them an investment tax credit, they will suffer double taxation. It will put them in an uneconomic position with other nations in the world.

Mr. ABOUREZK. That is why I am asking. I am not sure about this. Is not the amount of the royalty they pay credited as a foreign tax credit and subtracted from the tax bill in this country?

Mr. GRAVEL. No question. In fact, you could increase that tax bill if you considered it as royalty. All you would be doing would be taking more money from the oil companies operating abroad, money which helps our balance of payments.

Mr. ABOUREZK. And that gives them an additional profit.

Mr. GRAVEL. No question.

If we take the example of Exxon, they had a 16-percent increase in profit for domestic sales in this country, not the high figure we have heard of 69 percent. They had an 83-percent growth abroad. That is why we have over a billion dollar net balance of payments this year, which helps the farmers in the Senator's State and the rest of the people in this country. We can throw that away.

My colleague is right. If we take away the investment tax credit from the oil companies, we have to do it to the motion picture industry, and we have to do it to all other industries. When we do that, we make America uneconomic in the world, and then we really will have a problem with our balance of payments.

The rollback in this bill would guarantee that we would have to buy abroad. Why would a person take a million dollars and invest and drill for oil in the United States, where he can sell it for $5, when he can go to Venezuela, Canada, and Saudi Arabia and find oil and sell it for $10? We are going to force capital to go abroad, and we will have scarcity in this country.

Mr. ABOUREZK. What is being posed is a choice between paying highway robbery prices for oil or not having any oil at all, apparently.

Mr. GRAVEL. That is the choice, because we gave the highway robbers the guns and we left ourselves naked. If we want to control inflation and the price of oil, the way to do it is by supply. You cannot legislate against the laws of economics, just as you cannot legislate against the law of gravity. If you want oil, increase supply. If you have the supply, then you can depress the price. If you want to create scarcity, you keep the price low, so that nobody would provide oil. Then you will have continued scarcity; and we can pass a law which will provide rationing not just for this year but for the next 20 years as well.

Mr. ABOUREZK. If we want the law of economics to apply to the oil industry, perhaps we ought not allow a monopoly to exist that does exist.

Mr. GRAVEL. That is an interesting charge. Let us compare that monopoly. Does the Senator feel that there is a monopoly in automobiles in this country?

Mr. ABOUREZK. Yes.

Mr. GRAVEL. Why do we not do something about it?

Mr. ABOUREZK. I wish we would.

Mr. GRAVEL. Three percent of the automobile manufacturers control the entire automobile industry.

Mr. ABOUREZK. Three automobile manufacturers.

Mr. GRAVEL. Ninety-seven percent is controlled by three manufacturers. In oil, it is only 59 percent. Not many industries in this country are as competitive as the oil industry.

What we are going to succeed in doing with the policy we are developing here is to make sure that, like every other part of American industry that the government has fiddled with, the little guy will be driven out.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ABOUREZK. Mr. President, will the Senator from Wyoming yield?

Mr. HANSEN. Mr. President, I have a few concluding remarks to make, and then I would like to yield to the distinguished Senator from Oklahoma. I have two further statements in mind that I think need to be underscored and clearly understood by all of us before we vote on this matter tomorrow afternoon.

What has transpired already underscores the good wisdom displayed by the Senator, from Arizona when he objected to a motion that had been proposed by the Senator from Rhode Island (Mr. PASTORE) just before the recess, when the Senator from Rhode Island wanted to move to recommit at that time. Senator FANNIN pointed out that this is a very complicated bill. It contains approximately 40 sections, with a great deal of new material. We have things in this conference report that were not in either the Senate bill or the House bill.

It is not difficult these days, with long lines of people queued up before gas stations, with the frustration that accompanies a short supply situation at any time, to demagog an issue and have a lot of people think—who do not take enough time to think—about a simple answer. But we must not, in the Senate or in the House of Representatives, make the fatal error of acting on this kind of emotionally charged situation; because if we do, we are going to get out of the frying pan and smack dab into the fire.

If we think the situation is bad now, let us consider for a moment what would happen if we were to roll these prices back. I have pointed out that a stripper well is a well with 10 or fewer barrels per day average production, based upon the previous year's record. There is no reason at all to think that anybody with enough money to drill a well would drill a well along side a stripper well to have exempt oil, because it is already exempt.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

Mr. BARTLETT. On that point, the distinguished chairman made the statement that there is a big loophole in the stripper well amendment, that an operator would have an incentive to drill a well right next to an already exempt stripper well, that he has checked this out, and that this is correct. However, I do not think he has checked it out with a stripper well operator or with an independent.

In drilling a well next to any well, the best that the operator could hope to achieve, if it is a producing well, would be to have that well produce about half of what the other well produces. The two wells together, with twice the investment and twice the lifting cost, would lift the same amount of oil. So the well is not going to be drilled unless it is drilled to some other horizon or unless the stripper well for some reason is impaired.

What is an operator going to do? If an operator thinks that this well will produce more oil because the sand has become plugged off by basic sediment out of the oil or that some gypping is going on or that there is something to restrict the permeability, to prevent the oil from flowing into the well, he may enter into a number of remedial measures designed to enhance that production, all of which costs money, but normally much less than the drillling of a new well. If it is a well completed with an old shot hole, he might use nitroglycerine and shoot the well again, or he might acidize to remove some of the limestone, to open the permability. He may also fracture it with water or the different "fracs" they have now, designed to create fractures in the producing formation and designed to bring in more oil. This is happening today, and it is happening because of the stripper well amendment, and it is bringing immediate results.

The president of the Stripper Well Association said that he estimates that the increased production is about 250,000 barrels a day from stripper wells.

We estimated it in our office. One of my staff members, who is one of the few petroleum engineers in Washington, estimated the life of the average stripper well is extended 2.6 years by the stripper well amendment at the present time and this means that if this conference report would roll back the price and fix it in legal cement where it would stay, there is going to be a sharp reduction in the amount of stripper production that could be produced because it would not be economically feasible; it is marginal and there would not be the opportunity to stay on production because they would not be making a profit.

I ask if it makes sense to cause early abandonment of the stripper well in order to replace that barrel of oil with higher cost oil from a foreign country, to add to our balance of payments deficit and also to pay more money for a product that normally is not of such high quality. It makes more sense to encourage the stripper well operator who is going to keep his money in this country, where it goes from pocket to pocket and has the advantage of rubbing off on more people; and also it would not add to the problem we have of the balance-of-payments deficit.

So the loophole the Chairman referred to does not exist. A prudent operator is not going to drill a well because he does not want to drill a well and not have it produce; nor will he drill a well beside a good producing well because the most he could hope for would be to share in the production equally.

One thing that is happening in stripper well areas because of the extra incentive of higher prices, the operators of marginal leases are drilling step-out wells and other wells in the stripper field, increasing total production because at the present time in a certain field a three-barrel well may pay out the whole cost of the well, or a five-barrel well, whatever it is. So they are interested in adding to production that is available for refining and use in this country.

I think the distinguished Senator from Wyoming for making this point.

Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. HANSEN. I thank my distinguished colleague from Oklahoma.

Mr. President, I conclude by making two points. First, if we are concerned, as certainly we must be, by the Arab boycott, the best thing we can do is to increase our domestic production. It is that simple. If we do not want to give any foreign country a bigger club than they have with this short supply situation, we can do that by increasing our own production here, and we will not increase that production in this country by rolling back the price.

I am happy to yield to the Senator from South Dakota. I think that he and the Senator from Alaska have not concluded their colloquy. I am happy to yield now.

Mr. GRAVEL. I will let the Senator from South Dakota proceed first.

Mr. ABOUREZK. Mr. President, first I wish to ask, by way of getting some facts on the record so far as production and oil prices are concerned, if the chairman of the Committee on Interior and Insular Affairs will answer several questions. He has indicated he is willing to answer the questions.

First of all, What is the price of uncontrolled oil in terms of domestic oil?

Mr. JACKSON. Domestically produced oil?

Mr. ABOUREZK. Yes. What is the price of new, uncontrolled oil in a stripper well?

Mr. JACKSON. The average price has been about $9. I am advised that in January the average price was $10.35 a barrel.

Mr. ABOUREZK. That is new, stripper well, and the controlled oil at this point, I understand, is selling for a controlled price of $5.25, and that price went to $5.25 in December 1973.

Mr. JACKSON. There was a $1 increase permitted by the Cost of Living Council.

Mr. ABOUREZK. It is my understanding there was no justification provided by the oil industry to the Cost of Living Council for that increase.

Mr. JACKSON. They alleged this was necessary in order to provide an incentive. An incentive for what, I do not know. They already were producing. There was no formal representation, to my knowledge, by the industry. The Cost of Living Council simply adjusted it upward.

Mr. ABOUREZK. I wonder if the May 1973 increase was done also without any cost justification.

Mr. JACKSON. Dr. Dunlop stated that the May increase of 35 cents was based upon cost increases, but the $1 increase in December was not justified by cost. If I recall correctly, Dr. Dunlop justified the December rise of $1 by the so-called disequilibrium between controlled and uncontrolled crude oil prices.

Mr. ABOUREZK. So we have gone up, as I understand it, about $1.40 or $1.50 a barrel.

Mr. JACKSON. $1.35.

Mr. ABOUREZK. $1.35 a barrel, and without any cost justification whatever. Now, under the provisions in the conference report——

Mr. GRAVEL. Mr. President, will the Senator yield on that point for a question?

The PRESIDING OFFICER (Mr. BARTLETT). Does the Senator yield?

Mr. ABOUREZK. I yield for a question.

Mr. GRAVEL. I think I understood my colleague to state that there was no justification given by the oil industry for an increase in price. Is that what my colleague and the Senator from Washington are saying?

Mr. JACKSON. There was no——

Mr. GRAVEL. We made a record in hearings in the Committee on Finance showing justification, part from the industry and part from the academic community.

Mr. ABOUREZK. Was there justification to the Cost of Living Council?

Mr. JACKSON. The answer to the question by the Senator from South Dakota is that the Cost of Living Council did not provide a justification for the December increase. The record is undenied on that point.

Mr. GRAVEL. I disagree with that record, because I have before me a paper from the Cost of Living Council, and they say the reason they did it was to create a desire within the domestic community to increase production, and they succeeded.

Mr. JACKSON. Wait a minute.

Mr. GRAVEL. There was a rapid increase in oil activity and it has been as a result of prices.

Mr. ABOUREZK. Mr. President——

Mr. GRAVEL. They are merely following the lead of Congress. They realized this worked so they tried it in November and again in December.

Mr. ABOUREZK. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from South Dakota has the floor.

Mr. ABOUREZK. The question was: Was there any cost justification to the Cost of Living Council by the oil industry for the price increase of $1.35 a barrel?

Mr. JACKSON. May I respond? My response was and is that at the time the increase was granted neither the industry nor the Cost of Living Council gave a justification for those increases.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. JACKSON. I do not know what the Senator from Alaska is reading from.

Mr. GRAVEL. For the last 15 years intelligent industry representatives have been pleading for a free market situation, starting with gas and, after 1971, with oil. They have been pleading to let the price rise so we can entice production. We had testimony from representatives of the Chase Manhattan Bank. I can show Senators the chart we received from Mr. Simon on this particular matter, and others. When he is testifying before a committee of Congress and gives a justification, if the Senator from Washington cannot accept that justification, that is fine. We have ample evidence.

Mr. ABOUREZK. Excuse me just a moment. Just the statement by the oil industry that they needed incentive is not cost justification in terms of what I consider to be justification. If their costs increase they should be able to justify them.

Mr. GRAVEL. If days and days of testimony cannot convince my colleague, obviously nothing will convince him, and he can say they offered nothing to justify it. They have been offering material to justify this for many years.

Mr. ABOUREZK. I mean, have they done it in the structured manner that most industries have to follow?

Mr. GRAVEL. They come before the committee, they come before the Senator and his committee, and me and my committee, and they make their case. If we do not like their case, we can query them. What justification do they have to have? Do we expect them to have an opinion poll of every member of the industry asking the question: "Do you want a dollar increase? Yes or no?" Is that the justification the Senator wants?

Mr. ABOUREZK. No. What I am now talking about is that procedure generally followed by any company requesting a price increase under the structure of the Cost of Living Council. It has to go before that office and show that costs of production have increased so that it needs an increase.

Mr. GRAVEL. We have had an 8.8 percent increase in the cost of living.

Mr. ABOUREZK. Was that offered as a reason?

Mr. GRAVEL. The testimony that was presented brought out that for the past 10 to 15 years we have had a flight of capital. So this administration finally came to realize, under the leadership of Mr. Simon, that the only way we are going to increase production is by making it profitable for money to flow back into oil.

I have a chart here. The chart shows the price and the amount that is allocated to the private sector for drilling for oil. They both have been going downhill. The administration realized that if the industry received an increase, perhaps it would drill for oil, and if it did, it might find it, and if it did it might be able to sell it to the American people, and if there were enough oil produced, it could proced to decrease the price because of the increased production.

Mr. ABOUREZK. That really is not price justification.

Mr. President, I yield briefly to the Senator from Washington.

The **PRESIDING OFFICER.** The Senator from Washington is recognized for a question.

Mr. JACKSON. Mr. President, I appreciate the yielding by my friend from South Dakota in pursuit of the price question.

I want to point out that in the debate on July 14, 1973, in connection with the stripper well amendment, on page S. 13438 of the Record there is a letter that the able Senator from Wyoming (Mr. Hansen) inserted in the Record from the National Stripper Well Association, Tulsa, Okla., dated May 19, 1972, addressed to the Price Commission.

It is a very interesting letter, Mr. President, in light of this talk about the need for a free market and $10.35 oil. I want to read this letter. We will see what they are talking about. I might also say to my friend from Alaska, when he is talking about the oil companies wanting a free market, I wonder where the international oil companies stood then when they had the import oil quota system. They did not want a free market; they wanted it fixed. They wanted quotas. They did not want oil to come into the United States because they wanted to keep prices up. I want to read this letter. I want to read from part of this letter, and I will ask unanimous consent that the entire letter then go into the Record.

Mr. GRAVEL. Mr. President, will the Senator yield on that point?

Mr. JACKSON. I yield.

Mr. GRAVEL. It is strong language to say that the oil companies wanted import quotas because they wanted to increase prices. They did it to decrease prices, not to increase prices. They wanted to be competitive when the Government would not permit them to be competitive.

Mr. JACKSON. Let us not kid ourselves. It is a price-support program. The program was to keep oil out, so that you would not drive the price of domestic oil down.

Mr. GRAVEL. It was not a price-support program; it was for defense purposes. I was not even in the debate.

Mr. JACKSON. I was here. I want to explain to the Senator that its purpose was to keep oil out, so that domestic oil prices would not go down. Instead of being self-sufficient, we went the other way. American companies drilled abroad. We went down from being a net exporter of oil to being a net importer of oil.

Let me read excerpts from the letter; then I shall ask that the entire letter be printed in the Record. It is from C. John Miller, president of the National Stripper Well Association. It appears on page S. 13438 of the Congressional Record of July 14, 1973. It is a very interesting letter. Let me read in part:

> A recent study by this Association indicates that a price increase of only 25 cents per barrel in crude oil from marginal wells would result in continued operation of approximately 15,400 wells which are expected to be plugged this year for economic reasons. As a result of such price increase, an additional 10.7 million barrels of crude could be expected to be produced in the following 12 months from wells currently facing abandonment.

Mr. Miller then goes on to say:

> However, substantial and prolonged results would be gained from a realistic crude price increase to $5 per barrel. In this case, and using the same limiting factors, a well would produce for 6 years before a new break-even point would be reached.

I ask unanimous consent to have the entire letter printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

> National Stripper Well Association,
> *Tulsa, Okla., May 19, 1972.*
> The Price Commission,
> Mr. C. Jackson Grayson, Jr.,
> *Chairman, Washington, D.C.*
>
> Gentlemen: This letter proposes an increase in the price of domestic crude oil as being in the best interest of the Nation and the consuming public.
>
> It is our understanding from reports in the oil press that it is not a prerogative of the Price Commission to consider appeals by groups or associations. Within these parameters it is therefore urged that the Commission favorably act on requests by individuals or specific firms seeking an increase in the price of crude oil, or other constructive improvement in incentives which would assure greater longevity for present producing oil wells, thereby adding to the nation's recoverable petroleum reserves as advocated in this submission.
>
> Information presented specifically refers to marginal or stripper wells and the price of crude oil as the controlling factor in the essential contribution such wells make to the national economy and the total domestic crude oil supply. Fundamentally, economic conditions determine the amount of oil which may be recovered from known reservoirs.
>
> A marginal or stripper well is defined as being one which has an average production of less than 10 barrels daily. Nationwide, these wells averaged only 3.37 barrels of oil daily in 1970.
>
> Marginal wells total approximately 359,000 it is revealed in a survey sponsored by this Association and represent 70% of all the Nation's oil wells. In 1970 marginal wells accounted for more than ⅛th of total domestic oil supply, or 441 million barrels.
>
> As the production of a well gradually but inevitably declines an conomic break-even point is approached. As such level, these wells and the otherwise producible reserves they represent are abandoned.
>
> Increased operating costs through recent years in materials, taxes, wages and maintenance combined with only a minimal increase in the price of produced crude oil have seriously impaired the producer's ability to continue operation of marginal wells, forced cancellation of plans for normal development drilling, made it economically less desirable to convert properties to secondary recovery projects, and hastened the break-even point. These factors have jeopardized the position of the marginal well as an essential segment of the entire producing industry.
>
> There is ample evidence that this Nation's

immediately available supply of crude oil is at the critical stage. Productive capacity in excess of domestic demand has been exhausted. Exploration and development drilling has declined constantly since 1956. A proper and adequate balance between increasing demand for petroleum and available reserves no longer exists.

This imbalance, resulting from lack of a reasonable crude oil price, is forcing the abandonment of thousands of small wells while substantial proven reserves remain to be recovered from underlying reservoirs.

During the past five years for which data are available abandonments were as shown:

1966	16,207
1967	14,986
1968	20,496
1969	15,618
1970	15,631

A recent study by this Association indicates that a price increase of only 25¢ per barrel in crude oil from marginal wells would result in continued operation of approximately 15,400 wells which are expected to be plugged this year for economic reasons. As a result of such price increase, an additional 10.7 million barrels of crude could be expected to be produced in the following 12 months from wells currently facing abandonment.

Applying these same factors to the total of presently operated marginal wells, additional recovery would be 235,000,000 barrels, equivalent to the total production from two major oil fields.

Considered in arriving at this added production figure have been the following elements:

1. Well has reached the zero profit/loss status

2. Production continues its typical production decline of 5% per year for a well that has reached a 2 barrels per day producing level

3. That taxes and royalty payments to farmers and landowners be applied against the increased price as these are integral to the value of produced oil

4. That other cost elements . . . wages, materials, etc., remain constants.

The effective value of the 25¢ crude price increase would be reduced by approximately 32% through allowances made for No. 3 above. This was taken into consideration in the calculations extending total recovery. Despite the substantial gain of 10.7 million barrels in production resulting from the application of the effective balance available to the producer from a 25¢ price increase, the total thrust would be inadequate to the Nation's needs for oil. The measure would only be a short term gain, and limited in results to a 12-month period at which time normal depletion through continued production would establish a new zero profit/loss point.

However, substantial and prolonged results would be gained from a realistic crude price increase to $5.00 per barrel. In this case, and using the same limiting factors, a well would produce for six years before a new break-even point would be reached.

Production anticipated from one typical well would be as follows:

	Barrels
1st year	693
2nd year	659
3rd year	626
4th year	595
5th year	565
6th year	536

During the extended productive life of six years this typical well would produce 3,674 barrels which would have been left in the reservoir without the price increase. Applying this factor only to present marginal wells as they reach their break-even point, an additional 1.32 billion barrels of crude would be recovered. It is observed, however, that the total number of marginal wells is augmented each year as production in larger wells declines below the 10 barrels per day definition.

No attempt is here made to project total future production resulting from the proposed price increase to present non-marginal wells. Whatever the figure, it would be quite substantial. Further, benefits in additional available crude oil would be cumulative.

Direct advantages would also accrue to other segments of the economy. Continued operation of marginal wells would provide jobs and wages which cease with abandonments. Further, well services, chemicals, tubing, casing, pumping units, purchased power, taxes and royalty payments would be continued in support of a desired overall economic posture.

It is submitted that a realistic increase in the price of crude oil is consistent with sound economics, is in the best interests of the consuming public, and would assure a substantially greater recovery of this valuable energy resource from known and proven reserves.

Respectfully,

C. John Miller,
President.

Mr. JACKSON. Now we have reached $10.35 a barrel. What has happened? It is very obvious that they do not want to curtail that price, which is the price set by OPEC. I would point out that the Independent Petroleum Association said only 2 months ago that:

> In terms of constant 1973 dollars, the average price of $6.65 per barrel for crude oil would be needed over the long run to achieve 85 percent self-sufficiency in oil and gas by 1980.

It is clear that what the oil companies are talking about is not any specific target price. They want to get whatever they can get at the world price.

I think it is tragic, when we are confronted with a situation in which they used these figures for the current purpose as late as December. In December, the National Petroleum Council had a target price of $4.50. But when oil jumped to $10.35 or $10.55——

Mr. FANNIN. Mr. President, will the Senator yield for a question?

Mr. JACKSON. I should like to finish. The Senator from South Dakota has the floor.

Mr. FANNIN. Mr. President, will the Senator from South Dakota yield?

Mr. ABOUREZK. I will yield to the Senator from Arizona.

Mr. FANNIN. I thank the Senator.

It is not true that the extent to which oil can be pumped from these wells is dependent on the price? Many of the wells are marginal. They would be marginal at $5.25; they would not be marginal at $18. Is that not true?

Mr. JACKSON. I do not know. The point I want to make is that taking their figures——

Mr. FANNIN. That is true; but we want to recover more oil. They sell it to the independents, and here we have the independents reporting to us that for every barrel of oil they produce in Texas, they must dispose of two barrels of prime. That is quite expensive. At $5.25, they could not possibly do that. At $8, they could.

All we are talking about is the 84,000 wells in Texas that produce only 3.4 barrels a day. However, in the combined pool of that structure, there is 1.8 billion barrels of oil. This is what we are talking about it. It takes more money. However, why should we not pay that much when we get our own oil?

Mr. JACKSON. Mr. President, are they producing any more oil at $10 a barrel than at $6 a barrel?

Mr. FANNIN. Absolutely. They are producing more oil at $10 a barrel than they were at $6 a barrel.

Mr. JACKSON. Does the Senator have any statistics?

Mr. FANNIN. The operators say that they cannot produce oil unless they have a price of around $8. This is probably true.

Mr. JACKSON. Mr. President, I am reading from the statement of the president of the National Stripper Wells Association of last year. It was $5 a barrel last year.

Mr. GRAVEL. How much did they say they were producing?

Mr. JACKSON. I do not know.

Mr. FANNIN. I am sure that the Senator will agree that in many wells they cannot recover the oil at that price.

Mr. ABOUREZK. Mr. President, I have the floor.

Mr. JACKSON. Would the Senator yield to me so that I might complete my thought?

Mr. ABOUREZK. I yield.

Mr. JACKSON. Mr. President, we have debated the stripper well amendment. Did anyone come in here and say that if we increase prices from $3.90 to $10 a barrel, we can get strip well production?

Mr. FANNIN. Did anyone realize it then? Nobody realized it.

Mr. JACKSON. However, the Senator is not saying that the price to get them producing jumped that much?

Mr. FANNIN. I am saying that the price was there to begin with.

Mr. JACKSON. Why did they not say it? I am referring to what was debated here at the time.

Mr. FANNIN. No one thought the oil would ever go to that level and that they would be able to recover that oil.

Mr. JACKSON. Mr. President, if it goes to $50 a barrel overseas, should we be able to charge $50 a barrel here also?

Mr. FANNIN. No. However, if we roll the price to $6 or $6.25 a barrel, it could be done. We are talking about rolling it to $6.25.

Mr. JACKSON. Mr. President, I have read from the Record when we were debating the stripper well amendment, we were talking about a maximum of $5 a barrel. I was quoting directly from the letter of the president of the Stripper Well Association. I think the record speaks for itself.

The logic of the argument is simply that the price of oil can go to any level worldwide, and then that level is reached over here.

Mr. President, this is the way to destroy the American economic system.

We had spot prices in Iran that went as high, I think, as $28 a barrel. If they want to destroy our free enterprise system, I cannot think of anything more effective than that. These are not market prices. They are cartel prices.

Let me say to my good friend, the Senator from Alaska, in connection with the pipe shortage, that there is a very interesting article in the Oil & Gas Journal of February 4, 1974. The headline is "Pipe Shortage Blamed on Majors' Stockpiling."

I will read pertinent paragraphs from the article and will then have it printed in the RECORD. It reads:

> The shortage of oil-country steel among independent operators was blamed last week on stockpiling by major oil companies.
>
> A study by the Government showed that, on the average, as of Dec. 1, 1973, stocks of the 22 largest oil companies were 30% greater than their monthly average since Jan. 1, 1972. Furthermore, the Federal Energy Office and, eight of these companies held 74% of the inventory.
>
> * * * * *
>
> The shortages are real to independents, in particular, and to some of the majors as well "as a result of higher than normal inventory of tubular goods by some of the major companies," FEO said.
>
> * * * * *
>
> If adequate rigs were available, FEO says the demand for tubular goods would be still higher this year. The task force is also looking into the problem, as well as availability of associated services and manpower.
>
> Pipe is available only on a steel-mill order basis, FEO said, adding that an order placed now by a consumer, either with the mill or through a distributor, cannot be completed for 9–12 months.

Mr. President, I ask unanimous consent that the entire article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PIPE SHORTAGE BLAMED ON MAJORS' STOCKPILING

The shortage of oil-country steel among independent operators was blamed last week on stockpiling by major oil companies.

A study by the Government showed that, on the average, as of Dec. 1, 1973, stocks of the 22 largest oil companies were 30% greater than their monthly average since Jan. 1, 1972. Furthermore, the Federal Energy Office said, eight of these companies held 74% of the inventory.

A joint task force of FEO, the Cost of Living Council, and the Commerce Department will continue its investigation, FEO said. It promised to "develop recommendations to correct the current maldistribution."

FEO didn't say how it would get casing and tubing from stockpiles of the majors with plentiful supplies to those who are short. Earlier, the agency offered its assistance to any independent operator who is holding off drilling wells because of lack of oil-country goods.

The shortages are real to independents, in particular, and to some of the majors as well "as a result of higher than normal inventory of tubular goods by some of the major companies," FEO said.

The tubular goods situation, and the resulting uncertainties, add up to "a major detriment to maintenance and expansion of our domestic petroleum exploration and development effort," William E. Simon, FEO administrator, declared.

Total 1974 supply should be adequate to meet projected industry demands, according to the study, with specific shortages in individual types, weights, grades, and sizes of tubular goods. Government and industry experts project an increase in 1974 drilling to 156 million ft, an increase of about 20 million ft, according to FEO. This will require an estimated 1.75 million tons of oil-country tubular goods, the study says, well within the scheduled production of 1.85 million tons.

If adequate rigs were available, FEO says the demand for tubular goods would be still higher this year. The task force is also looking into the problem, as well as availability of associated services and manpower.

"The effect of his maldistribution," FEO adds, "is compounded by the fact that the majority of drilling activity is performed by the independent operators." Historically, companies have depended on stocks held by the manufacturers and distributors. But the inventories by these groups as of Dec. 1, 1973, were more than 60% below the average monthly volumes held between January 1972 and October 1973, according to the survey of 26 major distributors and steel producers. Current inventories are believed to have diminished further, and the balance is said to be fully committed.

Pipe is available only on a steel-mill order basis, FEO said, adding that an order placed now by a consumer, either with the mill or through a distributor, cannot be completed for 9–12 months.

Mr. JACKSON. Mr. President, I call attention to the fact that there is authority in the pending bill to provide for allocations. Section 107 provides for material allocations. It can be moved from the large companies, the majors, that have a corner on this, to the independents.

So I think the record ought to be made very clear as to what is going on and who has what and why. These are findings by the FEO.

Mr. President, that concludes my statement.

Mr. GRAVEL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HANSEN). The Senator from South Dakota has the floor.

Mr. ABOUREZK. Mr. President, I would like to finish the question I started quite some time ago of the Senator from Washington. Then I would be happy to yield.

Mr. GRAVEL. Mr. President, will the Senator yield to me at this time? A point has been made, and if we do not reply to that point at this time, the point has been made, and we have lost.

Mr. ABOUREZK. I yield to the Senator from Alaska.

Mr. GRAVEL. Mr. President, the Senator from Washington makes the best point of all for my argument; namely, if it is tied up, all of the money is lost and economics prevail.

The people who bought up the necessary stocks to satisfy their demands took the money and bought up the necessary stocks. They paid 2 or 3 times what those tubular goods would normally be worth. That is exactly what happened. Now we have a bill to insure that it not only happens to the majors but also happens to the United States, because we will make more money to be able to compete. The foreign countries are competing unfairly with the Americans. How can the American oil companies compete and buy rigs, tubular goods, and all of the technology necessary to drill when we can sell a product for $5 and a foreigner can sell it for $10?

The Senator from Washington says that we have section 107. That is just a booby trap. It really says to the administration that we will create a problem and that the administration can come forward and clean up our mess. It says that the administration shall come up with a plan in 30 days with respect to all of these products. That is insanity, because it is a return to the economics of fortress America.

We have to compete. If we in the United States embargo the technology necessary to handle the product inside of the wells, we can shut down every market in the world.

That would be the beginning of an international trade war. I know that the distinguished Senator would not want to see that because of the difficulties we could experience, difficulties such as when we had a run on the dollar.

My distinguished friend very ably proved my point on the law of economics.

Mr. JACKSON. Mr. President, section 107 is not an embargo authority. I am very amazed that my friend, the Snator from Alaska, wants to justify a hoarding by the multinational oil companies, and they have over half of it.

Section 107 makes it possible to take it away from those who are hoarding.

Mr. President, my second point is a very simple one. It goes to the heart of the whole business where there has been an argument going on for months in the Senate that if the price of oil would only go up, production would go up. I have two tables here with FEO and industry statistics on crude of prices and production. I ask unanimous consent that they be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

AVERAGE U.S. WHOLESALE PRICES OF CRUDE PETROLEUM

[Cost per barrel]

	Domestic old	Domestic new	Average domestic
1971	(1)	(1)	$3.38
1972	(1)	(1)	3.39
1973:			
January	(1)	(1)	3.40
February	(1)	(1)	3.40
March	(1)	(1)	3.41
April	(1)	(1)	3.47
May	(1)	(1)	3.62
June	(1)	(1)	3.78
July	(1)	(1)	3.79
August	(1)	(1)	3.86
September	$4.18	$5.12	4.27
October	4.11	5.62	4.49
November	4.25	6.17	4.73
December	5.25	9.51	6.31
1974: January	5.25	10.35	6.75

[1] Not available.

Source: FEO estimates.

DOMESTIC PRODUCTION OF CRUDE OIL AND NGL

[In millions of barrels per day][1]

	Crude and condensate	NGL	Total
1971	9.463	1.692	11.155
1972	9.441	1.744	11.185
1973:			
January	9.179	1.680	10.859
February	9.373	1.745	11.118
March	9.175	1.734	10.909
April	9.233	1.749	10.982
May	9.290	1.739	11.029
June	9.209	1.727	10.936
July	9.195	1.737	10.932
August	9.161	1.748	10.909
September	9.077	1.741	10.818
October[1]	9.331	1.750	11.081
November[1]	9.118	1.750	10.868
December[1]	9.143	1.750	10.893

[1] IPAA sources with exception of October-December 1973 statistics.

Note: API estimates.

Mr. JACKSON. It is interesting that the average domestic price on January 23, 1973, was $3.40 a barrel.

By January 1974 it had almost doubled to $6.75 a barrel.

What happened to production? It stood still. Production did not increase. It started out——

Mr. FANNIN. Will the Senator yield on that? What is the source of that?

Mr. JACKSON. I will give the Senator the figures.

Mr. FANNIN. All right, fine.

Mr. JACKSON. In January 1973 production stood at 10,859,000 barrels a day, and at the end of the year, it stood at 10,893,000 barrels a day, and the price doubled. What happened to production? That is all I have to say.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota has the floor.

Mr. ABOUREZK. I have had the floor for quite some time. I would like to try to finish my questioning, and then make a short statement, if I could.

Mr. JACKSON. Mr. President, will the Senator yield? The Senator from Arizona asked a proper question.

Mr. ABOUREZK. I yield.

Mr. JACKSON. The figures come from sources that I know he would agree is absolutely reliable, the Independent Petroleum Association, and the American Petroleum Institute.

Mr. FANNIN. I will not take the time now, but it is——

Mr. ABOUREZK. Mr. President, I have the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota has the floor.

Mr. FANNIN. Will the Senator from South Dakota permit me to say——

Mr. ABOUREZK. Let me say to the Senator from Arizona that if I can finish my question, I will be happy to give him the whole shooting match, as soon as I finish. I have tried to accommodate everyone during the debate.

Mr. JACKSON. Everyone but the Senator from South Dakota. Be careful; you know there is a lot of hoarding going on here.

The PRESIDING OFFICER. The Senator from South Dakota has the floor. Does he desire to yield?

Mr. ABOUREZK. Mr. President, I think we established, before we got off on another track, all the prices, as I recall, of oil as it is selling today. The price is $10.35 a barrel for uncontrolled oil, and $5.25 under the controlled price. If you figure out an average of what that would be—I have done it with some arithmetic here——

Mr. JACKSON. May I correct one thing?

Mr. ABOUREZK. Yes.

Mr. JACKSON. The $5.25 figure is an average figure, because you have different grades of crude oil, but that is the average, regulated price—$5.25—of sweet crude and sour crude.

Mr. ABOUREZK. And so is the $10.35.

Mr. JACKSON. That is correct. I wanted to be sure the record was straight on that.

Mr. ABOUREZK. And the domestic production right now is 11.2 million barrels a day?

Mr. JACKSON. I think that is in the ballpark.

Mr. ABOUREZK. So that comes out, in essence, to a minimum cost to the American public, per day, of $76.5 million, if my figuring is correct. That is what it is costing the American consumer for oil produced domestically in this country.

Mr. JACKSON. That sounds right, if it computes accurately.

Mr. ABOUREZK. If this rollback goes into effect, as I understand it, it will freeze all oil prices, old, new, stripper, and whatever else, at $5.25 a barrel, plus a 35-percent optional increase if the President can somehow justify the cost. Is that an accurate statement?

Mr. JACKSON. Yes; it sets the ceiling. It could go lower than $5.25. That is not a floor; that is a maximum.

Mr. ABOUREZK. And it could go as high as $7.09 a barrel, if my figures are correct.

Mr. JACKSON. Yes, if the President—and only if the President—makes a detailed finding demonstrating that there is an unusual or specific requirement that necessitates such an upward adjustment. I will read the exact language.

Mr. ABOUREZK. No, that is all right. In other words, in trying to establish that my arithmetic also shows that if it does go up to $7.09 a barrel, the cost to the consumer per day of domestically produced oil can be about $78 million a day.

Mr. JACKSON. How much?

Mr. ABOUREZK. $78 million, which is our daily production multiplied——

Mr. JACKSON. That is the total price, yes. But I would not anticipate that it will go up to that level.

Mr. ABOUREZK. I would hate to make book on what President Nixon will do with that option, very frankly.

The point I am trying to make to the distinguished Senator from Washington is that if the Senate passes this particular price provision, which is called a rollback by some people—I call it a price increase provision—if we pass this provision, I would be willing to bet that we will never see any crude oil priced lower than $5.25, and most likely we will see crude oil priced at $7.09 a barrel within a very short time, and it will go on from there, and we will never be able to achieve a real price rollback, where the oil industry will have to justify whatever increased costs they incur for production of oil.

Mr. JACKSON. The Senator has to decide whether he is going to allow it to go the way it is going. That is, that by the end of this year, based on existing projections, we are going to have as much as 42 percent of all domestically produced crude oil unregulated, and that will have a disastrous impact on the economy.

Mr. ABOUREZK. Yes, I know.

Mr. JACKSON. This is what you have to decide. We provided elasticity in this formula for the simple reason that there is a justification for a price adjustment in those operations where the cost per barrel is very high, as compared with a gusher well. This is what we have to face up to, and this is what we attempted to do.

The Senate has a choice, here, of whether we are going to have unrestricted pricing of petroleum products, which will increase the price on everything—we have seen that in what has already taken place. The Senate has to decide also whether we are going to have an unfair apportionment of the product from the barrel of crude oil. That is what is happening now. Take propane prices as an example, which have gone up 3½ times in a matter of weeks. Such price increases are killing the little people in this country. The Senate has to decide whether we are going to permit to become law the formula which we have in the legislation, which requires an equal apportionment of costs among the refined products.

I would point out further that the airlines are being clobbered. The price of kerosene has gone up from 11 cents to over 40 cents per gallon, because they are at liberty now, under existing law, to apportion it any way they want to.

Without this bill, the President could decontrol the oil to $10.35. We stopped that.

Mr. ABOUREZK. Yes, without this bill; I agree with the Senator from Washington that without this bill that is true. But in addition to that, if we do pass this particular price freeze provision in the conference report, I would not hesitate at all to predict that there will never be another rollback bill which will have any effect whatsoever.

Mr. JACKSON. It is a ceiling, I emphasize, and there is no ceiling now.

Mr. ABOUREZK. Yes.

Mr. JACKSON. Therefore, you take your choice. It is a difference between a ceiling we know about—there is not a ceiling now, and prices are at $10.35—and $7.09, which is a difference of $3.26 per barrel. That is a lot of money.

Mr. ABOUREZK. Mr. President, there are people in my State of South Dakota at this time—I just returned, like almost everyone else in Congress, from my own State and my own district—there are people in my district of South Dakota, particularly the elderly, the Indians, and low-income people, who, with the price of fuel right at this time, which has increased by tremendous proportions, have to make a choice between food and fuel at these prices. If we are not going to roll them back any further than this, I am afraid that, as the Senator has said, there is going to be violence.

Mr. JACKSON. The poor people in the rural areas of my State depend on propane. We have rolled back propane specifically. Under this bill its price will be rolled back, I think, some 14 cents a gallon.

Let us do something about it. This is the best we could get out of the conference. That is what I want to say to my good friend from South Dakota. But I do not think the Senator from South Dakota wants to go on record and say he wants the price of propane to stay way up.

Mr. ABOUREZK. Oh, no.

Mr. JACKSON. There is a specific rollback provision. I think my colleagues have to decide whether they will do anything about the problem. We have been on this since last October, trying to get the best bill we could.

Mr. ABOUREZK. I want to point out that while we have been arguing this issue for weeks and months and some people think we have cut prices too far, and as we have heard in the debate today, I do not think we have rolled them back far enough by a long ways. We should put them back to the January 1973 prices and then put the burden of proof on the oil industry to see if they need a cost increase. Further, while we are doing that, I want to make the point that the President does have the authority under the Economic Stabilization Act to roll back prices to whatever level they should be, and he has not done it.

Mr. JACKSON. But we are mandating a lid here by action of Congress. Just because we cannot get everything in a bill—I have been here a long time and I learned a long time ago that we have to compromise. This is the best we can get. We are going to save here $20 million a day, which amounts to some $7.7 billion a year. That is a big saving.

If we do not do that and we allow this inflation to go on, it will go on to another higher plateau. Then when we come in here later and try to roll it back, we will not be able to roll it back even as far as we are now. That is my judgment.

Mr. ABOUREZK. The Senator says we will save over $7 billion a year. Looking at it either way——

Mr. JACKSON. As against no controls on oil.

Mr. ABOUREZK. There is also another point. We can also roll it back further. It depends on whether the glass is half full or half empty.

Mr. JACKSON. If we wait to come in here 6 months later and try to do this, we will not get legislation through to roll back prices to the level as low as the Senator from South Dakota is talking about. We will have other factors aggravating the situation.

Take Canada. There was discussion on the floor about the price the Canadians are charging. The Canadians came back at us and said, "Look, we are going to put a tax on that is equal to what you are paying your own producers of unregulated oil." Let us face the fact that our largest source of supply from abroad is Canada—1 million barrels a day.

Mr. President, they just said to us, "We are not going to put our price below what you are paying your producers on an unregulated basis."

How can we ask OPEC to roll back its prices if we do not roll back ours?

They will come back and say, "Well, look you are just following the same price scheme that we have set——

Mr. BARTLETT. If the Senator would yield there, is the Senator trying to imply that OPEC is going to roll back its prices?

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. Hansen). The Senator from South Dakota has the floor.

Mr. GRAVEL. Mr. President, will the Senator from South Dakota yield now?

Mr. ABOUREZK. I would like to try to make just one more point. Let me just finish, if I may, and then I will be happy to yield the floor.

I was not suggesting that we wait a few months for a rollbock. For the first time, we can undertake our responsibilities and do it now, because we are here and in session. We should do it. What I would like to see done is this provision being removed or, in the alternative, lowered lower than it is now. If the chairman of the committee says he cannot get it done in conference, we should try to do it on the floor.

Mr. JACKSON. If the Senator will join me, I will help him. I have a bill before the committee and we properly held hearings on a rollback bill, that is open to amendment in the Committee on Interior and Insular Affairs, separate from the conference report.

Why kill the whole bill? It has provisions for unemployment insurance. It requires public disclosure by the oil companies of their assets and their holdings. There is a long list of things in the bill, including antitrust provisions, and provisions providing for protection of air quality standards during the energy crisis. We will be killing a bill—if this is what the Senate wants to do—that has all of these vital requirements in it, that we have been debating and discussing since last October.

Look at the independent operators. We provide for protection to that little independent operator with a franchise. Under this bill, they cannot cancel his franchise. It is the long list of things that we are going to kill. Perhaps the Senator from South Dakota feels it will not matter, that these other things are not necessary. That is something each Senator has to decide for himself. But we have to look at the whole bill. I have never found a bill yet that I agreed with everything in it. This is the best we could get. We have been back to conference on a recommittal once and if it goes back again, it will just be dismembered.

There are 250,000 men out of work today due to the oil crisis—the energy crisis. We have, as you know, a provision in here to provide for a year's unemployment coverage if the State meets the minimum 6 months requirements. All of these things are crucial. They are vital. I hope that my good friends from South Dakota will look at the entire bill and not at one paragraph.

Mr. ABOUREZK. I am not suggesting that we kill the bill——

Mr. JACKSON. I can assure the Senator that——

Mr. ABOUREZK. But that we kill the price freezing provision that has been called the price rollback provision, and then I would be happy to support it.

Mr. JACKSON. The last time we debated this bill, those who voted to recommit it were saying they did not like the provision of the excess profits. Well, we did not have an excess profits provision in there. We had the so-called renegotiation provision, put in there by the House. I was not happy with it. My colleagues know this. We tried everything we could to avoid that unworkable situation. We passed the bill in the closing days just before Christmas. We took out that provision and sent the rest of the bill to the House and the House rejected it, with 20 votes supporting the Senate amended bill. If we send an amended bill to them again, let us forget it. We will have to start all over again. What we have here is a complete omnibus bill which I think is crucial so far as the energy crisis is concerned.

The head of the FEO will be able to do something about the people standing in line. He has the authority to ration. He has all of the necessary authorities that he does not have today. I think we should look at the whole bill and I would hope that my colleague from South Dakota would approach it on that basis and vote against any motion to kill the bill, because that is what is going to happen if the motion prevails. The oil industry is active in trying to kill it. The White House is active in trying to kill it. They are lobbying all over the place. I would hope that there will be enough people in this body who will support what I think is a very sensible bill.

Mr. President, I would also like to place in the Record at this time an exchange of letters referring to yet another provision of the bill, section 16. The letters refer to a recently reported study on the health effects of sulfur dioxides.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., February 18, 1974.

Mr. S. David Freeman,
Director, Energy Policy Project,
Washington, D.C.

Dear Mr. Freeman: I understand that the Ford Foundation has funded, through your Energy Policy Project, a study by the American Public Health Association regarding health effects of energy by-products.

Recent news accounts of this study suggest that the report is directed to the matter of conversion of electric power plants from petroleum-based fuels to coal. Because the Senate will consider legislation tomorrow which would direct or permit certain limited conversions of this type, I would appreciate a copy of the referred-to study.

I am particularly interested in the basic assumptions of the study; how it relates to the pending legislation; and the extent to which its findings could or should be applied to the legislation before the Senate.

Thank you for your cooperation.

Sincerely,

Edmund S. Muskie,
Chairman, Subcommittee on Environmental Pollution.

The Energy Policy Project,
Washington, D.C., February 18, 1974.

Senator Edmund S. Muskie,
Chairman, Subcommittee on Environmental Pollution, Senate Public Works Committee, New Senate Office Building, Washington, D.C.

Dear Senator Muskie: This is in response to your letter received this morning for a copy of a study of "Health Effects of the Various Forms of Energy" undertaken as part of the research for this Project by a Task Force of health experts assembled by the American Public Health Association. I am responding to your letter since the APHA officials are not available because of the holiday.

Members of my staff have had access to

some working papers associated with the study but a completed draft has not been submitted to us. When it is the study will be reviewed by outside experts and will then be published. I therefore cannot supply you with a copy of the study because as far as I know it has not yet been completed even in a preliminary draft.

The grant to the APHA was made in December of 1972 to undertake a comparative evaluation of the health effects of alternative source of energy on the basis of available information. Our purpose was to provide such an evaluation as part of our Project's analysis of national energy policy options in order to give relevant weight to the important objective to protecting human health. The study was designed as part of the Energy Policy Project's objective of providing public information in the energy field. It, of course, had no relationship to any legislation and in fact was designed and well underway before the present emergency situation began in October of 1973.

It was certainly not designed to answer the questions inherent in the emergency legislation before the Congress which I gather turns on judgments as to how long the emergency may last.

Sincerely,

S. David Freeman,
Director.

Mr. GRAVEL. Mr. President, if the Senator from South Dakota would yield, I should like to ask him a question or two.

Mr. ABOUREZK. I yield.

Mr. GRAVEL. We do not have a great deal of wheat in Alaska, but I know that the Senator from South Dakota has a lot of wheat in his State. I am not terribly expert in that field, but I do know that the price of wheat in the world market trebled in 1973. I wonder whether there is any justification on a cost basis for wheat going up three times.

Mr. ABOUREZK. I do not even know if that is a proper parallel to make, simply because the wheat producers in South Dakota and anywhere else in the rain belt in the middle part of the country do not really set the price on the products they sell. They take what they are offered and if they do not like it, they can dump it. They have to take what they are offered.

Mr. GRAVEL. Is there not a guaranteed parity on wheat so that they do not have to throw it away, and they will make money?

Mr. ABOUREZK. It takes subsidies, but they are not in use this year because the market price is up.

Mr. GRAVEL. To be fair to my colleague, he is aware that in wheat we have a parity and if we produce too much——

Mr. ABOUREZK. Not in parity, no—we have a subsidy which is not anywhere near parity.

Mr. GRAVEL. If a fellow produces too much oil, is there anyone who will buy his oil at a set price so that he will recover the cost of his drilling?

Mr. ABOUREZK. The Senator says, if he produces too much oil will there be someone there to buy it?

Mr. GRAVEL. If he cannot sell his oil at the price of the guarantee, they will have a minimum purchase and someone will store it for him?

Mr. ABOUREZK. I do not believe so.

Mr. GRAVEL. Wheat has trebled, oil has trebled, which is about the same thing. My colleague feels that the argument is that there is no cost justification for this trebling of the price of unregulated oil at $9.51, and therefore we should roll it back. Would not that same logic apply to wheat. We all need bread and flour and all the other things from wheat? Would it not apply that we should roll that back, also?

Mr. ABOUREZK. If it goes too high, yes.

Mr. GRAVEL. They both trebled in price in 1973. Is there something wrong with oil?

Mr. ABOUREZK. If I may finish my statement, the prices to farmers were way too low, and that is why they had to have subsidies. The Senator from Alaska knows that. What the farmers are getting now is just about an adequate price, and they are making an adequate profit. Before oil prices increased—which were not set by the buyer but were set by the seller, the producer of oil, generally the major oil companies——

Mr. GRAVEL. What is an adequate price?

Mr. ABOUREZK. Let me finish my statement. What has happened is that the oil companies have been making adequate profits. Now they are making windfall profits, and they are going to make more this year and more next year.

Mr. GRAVEL. The wheat business has trebled their price in 1 year, and they are not making any windfall profits?

Mr. ABOUREZK. No; they are just making adequate profits.

Mr. GRAVEL. What is adequate?

Mr. ABOUREZK. They are making a living now, for a change.

Mr. GRAVEL. What is the return? The Senator is a farmer.

Mr. ABOUREZK. I am not a farmer. I am a lawyer.

Mr. GRAVEL. The Senator has a constituent with a million dollar equity in his farm. What is he making this year? What is the return on his capital?

Mr. ABOUREZK. I do not know what it is this year, but before the prices increased, before 1972, he was making about 1 percent.

Mr. GRAVEL. One percent return?

Mr. ABOUREZK. One percent on his investment.

Mr. GRAVEL. Then I agree with the Senator that we should raise the price of wheat so that he can get a decent return. Otherwise, nobody is going to invest in wheat.

Mr. ABOUREZK. If the Senator from Alaska, who continues to talk about the laws of economics, would bear with me for just a minute, I might say that the laws of economics were repealed a long time ago, when the oil industry grew to a monopoly. I do not recall the figures, but I believe that 90 percent of the oil reserves are owned and controlled by the 20 top companies. As I understand it, that is a monopoly in the oil industry.

Mr. GRAVEL. That is not nearly as monopolistic as most American industry.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. ABOUREZK. May I retain the floor for a minute, Mr. President?

The PRESIDING OFFICER. The Senator from South Dakota has the floor.

Mr. BARTLETT. Mr. President, will the Senator yield the floor?

Mr. ABOUREZK. In a minute, as soon as I finish,

Mr. BARTLETT. Will the Senator yield for a question?

Mr. ABOUREZK. In a minute.

The laws of economics were repealed by the oil companies and the oil industry when it grew to a monopoly, whenever that happened. So that what we have now is something that does not apply to the laws of economics, simply because they have grown to a monopoly. They have gotten the Government involved in tax benefits, in oil imports restrictions.

Mr. GRAVEL. We have not done that in wheat? We have not repealed the laws of economics for wheat?

Mr. ABOUREZK. If the Senator from Alaska will allow me to finish, I would be most grateful.

We have the situation that follows now, in which they can demand, without price control, almost any price they wish, and they would be above $10.35 a barrel if they thought they could get away with it.

The people in my State—I do not know about Alaska—are choosing between food and fuel, and it is a tough choice for many people out there.

If the oil companies, who say they need some kind of profit incentive to keeping going, are not satisfied with an adequate profit, then the U.S. Government ought to take over the oil reserves and let out the drilling and production and refining, and so on, and see what real competition is like.

Mr. GRAVEL. Let me ask the Senator what he would consider the average return on manufacturing, the average profit on manufacturing, in the average industry in this country? Would he say that is an adequate profit?

Mr. ABOUREZK. I have no idea. What is the average return?

Mr. GRAVEL. This is not a trap.

Mr. ABOUREZK. What is the average return?

Mr. GRAVEL. It is about 13 percent; 12.5 to 13 percent is the average return.

Mr. ABOUREZK. Based on what?

Mr. GRAVEL. On equity.

Mr. ABOUREZK. On investment?

Mr. GRAVEL. Yes. Someone invested his money, and if he gets 12 or 13 percent, that is average in this country for manufacturing. Is that adequate?

Mr. ABOUREZK. It seems to me that it is more than adequate.

Mr. GRAVEL. The oil industry, on average, has been one to two points below average in its profit return for the last 15 years; and Exxon, the one we would like to throw rocks at, only made 12 percent this year on domestic activity. So they are one point below the average of manufacturing. How can anybody say that this is a windfall profit?

Mr. ABOUREZK. I wonder whether the Senator from Alaska knows anything about the accounting system used by the oil industry.

Mr. GRAVEL. I have some knowledge of it.

Mr. ABOUREZK. Is it any different

from that used by ordinary industries, such as airlines?

Mr. GRAVEL. I think that each accounting system is germane to the activity in question. With respect to the wheat and land and farming and subsidies and the Government payoffs, you have a system in which you play with your financial statement. So you do things with your financial statement that serves a purpose.

I asked the same question the Senator from South Dakota did in a hearing, because I was suspicious of the machinations that have taken place. We hear this charge here and that charge there. But when we come to the final report card, the American people, does the Senator know what the true test is? Are the American people willing to invest their money? That is, the Senator and me and John Q. Public. Are we willing to take our dollars that we saved and invest them in an industry? If we are, then what we are saying, collectively, is that it is profitable to move into that industry.

For the last 15 years, the American people have said "no" to oil. Here is the chart of the capital activity that has taken place in oil and gas, and it shows there has been a flight of capital. Why the flight of capital? It is very simple. It is not profitable—just like wheat. It was not profitable to do it, so we had to prop it up.

Mr. ABOUREZK. There has been a flight of capital because of the oil import quotas which were put on at the request of the oil industry and which were kept on at the insistence of the oil industry, and it was cheaper and more profitable for them to invest overseas.

Mr. GRAVEL. There has been a great misunderstanding. I think the Senator from Washington alluded to it, and did so erroneously.

First, as to the quotas, there was an argument made in this country by segments of the oil industry and by segments of those people in Government who are particularly concerned about our defense posture. The argument was made that if we did not have enough oil to satisfy the present and projected needs in this country, we would become dependent upon foreign nations.

Incidentally, that is exactly what the situation is today with our Mediterranean fleet and our NATO forces, which cannot move 10 miles without the beneficense of foreign governments. Be that as it may, that is what they were afraid of. So they were able to sell this to Congress, and we had an import quota system.

It worked very well for the purpose, except for one thing. There was another element in Congress that barely won—if I may have my colleague's attention.

Mr. ABOUREZK. The Senator may. I was checking on a point he mentioned. It was not a program voted on by Congress. The oil import quota system was put in effect by Executive order.

Mr. GRAVEL. I accept that correction. In the last year of the Eisenhower administration, 1957, a quota system was established by the Executive and obviously was sustained by Congress on a de facto basis, because they could have passed a law to the contrary immediately. So we had a de facto agreement between Congress and the Executive that it was in the national interests of this country from a defense posture and from an energy point of view.

Many people took the argument in Congress and said, "What is this? The oil companies want to feather their nest by having an artificially high price to produce more oil or to enrich themselves."

What happened? Through the pressures of Congress and through the reticence and lack of decisiveness in the Executive, we began to see a quota system. There was an exception for this company and that company, an exemption so we could bring in cheaper oil from the Caribbean. As a matter of fact, all the exceptions were valid and acceptable to the American people, because they wanted cheap oil. The only way to get cheap oil was from abroad. The Arabs had cheap oil. As a matter of fact, American oil companies in the 1960's—that is what started OPEC—rolled back the price of oil unilaterally on the Arab countries. They did it to get cheaper oil to the United States.

Mr. ABOUREZK. What percentage of imports were in existence at that time?

Mr. GRAVEL. I do not have the figures offhand. It was a growing figure.

Mr. ABOUREZK. Was it 5 percent of our total use, our total consumption in this country? Was it less than 5 percent?

Mr. GRAVEL. I do not know.

Mr. ABOUREZK. The statement given late last year by the administration was 6 percent, and this was 1973; so that 6 percent of our total use came from the Middle East or embargoed countries.

The Senator's argument that the oil companies were trying to bring cheaper oil to the United States by pushing back prices in the United States does not ring valid because they were not providing enough oil from the Middle East.

Mr. GRAVEL. We are talking about the total world market. If the oil came from Venezuela, or Canada, the total world market is involved. If there is a lot of oil and someone drops the price, other countries have to follow suit. All OPEC countries have to follow suit.

Mr. ABOUREZK. The reason there was not enough oil being brought in makes a lot of difference. I find it hard to believe that these companies have the interests of America at heart.

Mr. GRAVEL. These people, like the Senator and I, are Americans. I think it is unfair to say they are thieves and rip-off artists. How would the Senator feel if that were said about his wheat farmers.

Mr. ABOUREZK. It is not true.

Mr. GRAVEL. It is not true there, nor is it true about the oil industry here.

Mr. ABOUREZK. The top executive of Phillips oil said on CBS television, when he was asked if it came to a choice between his company's interests and the country's interests which he would choose, and he said he would take the company's interest. I do not know how many feel that way, but one does. It tends to prove they do not really care. If they did, they would not be price gouging the people of this country.

Mr. GRAVEL. Doubling the wheat price is not gouging, but with respect to oil it is. Is that right? We covered that ground.

Mr. ABOUREZK. If I may finish my statement, if it got to be price gouging on the part of wheat farmers, I would be one of the first Members of the Senate to do something about it, but they do not set the price.

Mr. GRAVEL. The Senator cannot stand here and tell me how much profit they are making. I have a relative who grows a little wheat. I know what a good year they had, if the Senator wants to talk about increases in profits. It has been substantial. They were starving before. They had a growth of profit that was unbelievable. When they have had a return equal to the industry average how can the Senator make that statement? It is not so.

Mr. ABOUREZK. When did they have this return equal to the average industry. Does the Senator mean 1973?

Mr. GRAVEL. 1973.

Mr. ABOUREZK. They had an average return.

Mr. GRAVEL. Let us take Exxon.

Mr. ABOUREZK. That is before the price went up.

Mr. GRAVEL. That is the end of the year.

Mr. ABOUREZK. That is before the new oil was $10.35 a barrel.

Mr. GRAVEL. The figure I have is $9.61 in November. Maybe in February it is $10.

Mr. ABOUREZK. How much was it in July of last year?

Mr. GRAVEL. This oil was not deregulated then.

Mr. ABOUREZK. How much?

Mr. GRAVEL. $3.77.

Mr. ABOUREZK. How about September for new oil?

Mr. GRAVEL. I beg the Senator's pardon.

Mr. ABOUREZK. How much in September?

Mr. GRAVEL. $4.02.

Mr. ABOUREZK. New oil.

Mr. GRAVEL. Oh, new oil; $5.06.

Mr. ABOUREZK. So even with those prices on new oil and old oil being down to $4.25 they made just about the average profit according to their bookkeeping system. Now, with prices going up considerably since then, what are they going to make this year?

Mr. GRAVEL. That is pretty interesting arithmetic. The Senator has lumped together returns of the last quarter and has said that is average. How does the Senator know it did not take the balance of the last quarter to make the year right?

Mr. ABOUREZK. I am taking the Senator's statement.

Mr. GRAVEL. That is it for the entire year. I do not have a breakdown quarter by quarter.

Mr. ABOUREZK. The first 3 quarters oil never went above $5.

Mr. GRAVEL. What was wheat?

Mr. ABOUREZK. Just a minute. Let us talk about oil.

Mr. GRAVEL. They both trebled. Wheat is more a factor in the family budget than is oil. Why go through a cathartic process of slitting the throat of oil when wheat had as much impact on the cost of living?

Mr. ABOUREZK. Is wheat involved in this conference report?

Mr. GRAVEL. No, let us talk about oil, but we should be consistent. I presume my colleague recognizes the needs of the country and wants to see more capital flow into oil production, which would depress prices.

Mr. ABOUREZK. If we decrease the prices of oil now that will increase production.

Let me say that if there were not a monopoly it would be true but they control the price in a very small, select group of oil companies. They control most of the production and there is no way they are going to lower prices.

Mr. GRAVEL. Is the Senator saying there is more free enterprise in wheat than there is in oil?

Mr. ABOUREZK. A great deal more.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr GRAVEL. There is no monopoly on the part of people looking for oil. There are 10,000 independent oil producers looking for oil. How many independent wheat farmers are there in this country?

Mr. ABOUREZK. One or 6 million.

Mr. FANNIN. Mr. President, will the Senator from South Dakota yield?

Mr. GRAVEL. Maybe the Senator from Arizona can enlighten us.

Mr. FANNIN. I was going to give a few figures that might be helpful. We are all interested in higher production.

Mr. ABOUREZK. The Senator from Arizona is not too concerned because he is arguing for higher oil prices.

Mr. FANNIN. There will be lower oil prices as the end result. But I would like to give a few figures to indicate the percentages of the cost-of-living price. For energy it is 6 percent; food is 22.5 percent; but in 1973 food increased 20.1 percent and energy increased 18.6 percent.

Just to give an idea so the Senator will know what we are up against, the percentage increases in 1973 were as follows: For ferrous scrap, 92 percent; all nonferrous metals, 32.5 percent; raw cotton plus all cotton products, 32.4 percent; raw wool plus all wool products, 18.3 percent; corn, 65.8 percent; wheat, 102.7 percent; soybeans, 43 percent.

I regret as the Senator from South Dakota does that these prices have gone up to this extent; but I still feel that if we pass this legislation as now constructed, prices will continue to increase. For every barrel of oil we do not produce in this country—and this conference report does not give any incentive to produce more oil in this country—we must displace it with a barrel of foreign oil. The cost of foreign oil has been going from $10 to $20 a barrel. That is as much as domestic crude. This is something very important. Also I call to the attention of the Senator that "because of the improved prices for crude oil that occurred in 1973 there has been a very substantial and widespread reactivation of independent explorers and producers as has not been witnessed for more than 15 years."

We have been talking much of the independents in this country. This is a letter from the Independent Petroleum Association of America. I ask unanimous consent to have printed in the Record this letter dated February 14, 1974.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Independent Petroleum Association of America,
Washington, D.C., February 14, 1974.

Hon. Paul J. Fannin,
U.S. Senate,
Washington, D.C.

Dear Paul: This is to express our deep concern about the rollback of *domestic* prices as proposed by Senator Jackson in the Emergency Energy Act (S. 2589).

In our opinion, the proposal would cause a drastic curtailment in exploration and development of domestic reserves forcing U.S. consumers to become more dependent on imports which cost from $10 to $20 per barrel, about twice as much as the average for domestic crude oil. Because of the improved prices for crude oil that occurred in 1973 there has been a very substantial and widespread reactivation of independent explorers and producers, as has not been witnessed in more than 15 years. The Jackson proposal would apply to "new" oil and stripper well production. The Cost of Living Council exempted "new" oil from price controls and the Congress exempted stripper well production for the sole purpose of permitting the market place to stimulate domestic exploration and production. This is now working most effectively and the average price of this exempted oil is only $9.50 per barrel, well below the price being paid for imports which would continue to be passed on to U.S. consumers.

We also submit that Senator Jackson is completely wrong in holding out to the U.S. consuming public that his proposal will bring about a meaningful reduction in consumer prices. His rollback applies to only 15 percent of total oil supply from both domestic production and imports. At most this could mean about 1 cent per gallon reduction on all oil products. This savings would be temporary because domestic exploration and production will be reduced, aggravating existing shortages and necessitating an increased use of far higher priced imports.

Furthermore, the domestic production that is rolled back is primarily owned by independents who do most of the exploratory drilling. They would thus be denied funds vitally needed to expand domestic exploration and development.

For your further information there is enclosed a fact sheet on this matter.

Very best regards.

Sincerely,

L. Dan Jones.

Mr. FANNIN. The rollback applies to only 15 percent of the total oil supply from both domestic production and imports. At the most, it could mean a 1 cent a gallon reduction on oil production.

Mr. ABOUREZK. Does the Senator mean the rollback provision in the conference report?

Mr. FANNIN. The rollback would apply to only 15 percent of the total oil supply from both domestic production and imports. That is right.

Mr. ABOUREZK. It really applies to——

Mr. FANNIN. 39 percent.

Mr. ABOUREZK. To domestic oil.

Mr. FANNIN. 15 percent of the total oil supply from both domestic production and imports.

I have read from the letter of the Independent Petroleum Association of America.

I also ask unanimous consent to have printed the fact sheet on crude oil prices that goes with it.

There being no objection, the fact sheet was ordered to be printed in the Record, as follows:

Fact Sheet On Crude Oil Prices

A rollback of domestic crude oil prices, as proposed by Senator Jackson, would result in less U.S. oil and gas supplies, increased dependency on higher cost foreign oil and higher prices for oil products to consumers.

During 1973, the government permitted the price of U.S. crude oil to rise. According to the Federal Energy Office, the average price of controlled domestic crude oil is $5.25 per barrel; the average price of uncontrolled crude oil which includes new and stripper production is $9.51 per barrel; and the average price of all domestic crude oil is $5.95 per barrel.

The increased prices have brought forth an increase in the activities related to domestic petroleum exploration. The number of active rotary rigs at the end of January 1974, for example, had risen by 12 percent over the same period in 1973. Although there is a time lag between increased exploration and production there is some evidence already that domestic supplies are being increased. U.S. crude oil production declined steadily from 9,637,000 barrels daily in 1970 to 9,077,000 in September 1973, a decrease of 560,000 barrels per day. This trend has been reversed and preliminary figures indicate that production in January 1974 was approximately 9,200,000.

A price rollback hurts the independent producer to a far greater degree than the major oil company. This is so because independents drill 80 percent of exploratory wells and it is estimated that they operate 80 percent of the stripped wells. Most of the oil which the major oil company sells is "old" or controlled oil. But the price rollback would only apply to new and stripper well oil.

To approximate the financial loss to the independent due to this rollback, new and stripper oil produced by independents constitutes approximately 1.9 million barrels of the 9.2 million barrels of oil produced each day. The price of this oil would be rolled back from $9.51 to $5.25 per barrel, a reduction of $4.26 per barrel which would deprive the independent segment of over $3 billion per year, a large portion of which would be spent on domestic exploration and development.

The professed reason for the rollback is to save money for the consumer through lower product prices. The rollback would apply to only 15 percent of total supply (domestic and foreign) and could result in temporary savings to consumers of about 1 cent per gallon on all oil products.

There has been understandable concern as to increases in price of oil products to the consumer and speculation that we may be facing gasoline prices of 75 cents or even $1.00. In this regard, it is pertinent to keep in mind that the current average price of domestic crude oil is only some 6 cents a gallon over the 1972 price. Obviously, since the average price of gasoline in 1972 was 36 cents, domestic crude oil prices have not been, and will not be, the cause for 50 cent, 75 cent, or $1.00 prices for gasoline. Sharply higher gasoline prices can be attributed to high prices of imported foreign crude oil ranging in price from $10.00 to $20.00, and higher charges for refining and marketing, not domestic crude oil prices.

A rollback of domestic crude oil prices would not solve the problem of increased prices for gasoline, home-heating oil, jet fuel and industrial fuels. By reducing domestic supplies of crude oil, the rollback would result in increased dependency on foreign oil and higher prices for oil products to consumers.

What percent of CPI is energy? 6%.

What percent of CPI is food? 22.5%.

By what percent did food increase in 1973? 20.1%.

By what percent did energy increase in 1973? 18.6%.

Figures in percentages

Percentage increases* in 1973 for:	
Ferrous scrap	92.0
All nonferrous metals	32.5
Raw cotton plus all cotton products	32.4
Raw wool plus all wool products	18.3
Corn	65.8
Wheat	102.7
Soybeans	43.0

*All figures are WPI.

Mr. FANNIN. Mr. President, I do not want to take the Senator's time, but this document gives a full report of what has happened. U.S. crude oil production declined steadily from 9,637,000 barrels daily in 1970 to 9,077,000 in September 1973, a decrease of 560,000 barrels per day. This trend has been reversed and preliminary figures indicate that production in January 1974, was approximately 9,200,000.

I think we are receiving, as a result of the increase in price, a return in the form of stripper well and new oil. We see results already. I know, from my investigation, this is so. I bring these facts to the Senator's attention because I think they are very important to this colloquy.

The **PRESIDING OFFICER.** The Senator from South Dakota has the floor.

Mr. ABOUREZK. Mr. President I want to say one thing in conclusion of what I have been saying. If the oil companies, the major companies, which are now admitting, in their public statements and in their advertising, that to explore and drill for more oil and refine more oil they have to have a higher price, and thereby admitting that for a year they have been holding back production in order to hold for higher prices, if there is no other way for them to gouge us unless we have a crisis situation, and if they insist on doing what they are insisting on doing, and if they do not want to produce oil at an adequate profit, then what we ought to do as a U.S. Government is take over the reserves and produce it ourselves, because it is too essential and too important to leave it to the oil companies of this country.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. ABOUREZK. If I may complete my statement, I will yield to the Senator. As a matter of fact, I will yield the floor to the Senator in just a second.

I for one am not going to tell the people of my State that we are passing legislation in the Senate that essentially will freeze prices the way they are right now without an effort on the part of the Senate to roll them back. I am not going to tell my people that, because they are not going to stand for it, and I do not blame them. I am with them.

I will be glad to yield the floor to the Senator from Alaska.

Mr. GRAVEL. Mr. President, I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I thank the Senator from Alaska and the Senator from South Dakota.

I know people are frustrated. I know they are angry about prices. But I must say that to turn the oil industry over to the Government of the United States to operate would be the worst possible of all solutions. The Senator from Oklahoma, the Senator from Arizona, and I had the experience of touring the Middle East this year. We were in London. The British, you will recall, decided that private industry was doing the job poorly, so they nationalized a number of things. They nationalized transportation. Then they nationalized the coal mines. If Senators could have been with us flying into London and seeing how few lights were burning, and be in a hotel room where the hot water was turned off from 4 in the afternoon until 10 the next morning, they might have second thoughts about the desirability of turning over to a bunch of politicians something as vital and as important to this country as oil is. I just have to say that, and I assume my friend from Alaska might be in accord with me. I do appreciate his courtesy in yielding to me.

Mr. GRAVEL. Mr. President, I would only add, it is not so much turning the oil industry over to politicians. It is the fact that it is impossible for us of good will, through the Executive or ourselves, to really plug all of the holes in the sieve. Our free enterprise system is a great one. I do not advocate the laissez faire system of the turn of the century vintage. There are places where the Government must come in and require accountability, but our system says I can make the choice; that it is not going to be the Government that is going to tell me how to live every step of my life. That is really what I have been fighting for. I have been privileged, because energy is an important part of my State, to become acquainted with some of the problems. I get thoroughly chagrined when I see good friends of mine continue to misunderstand the workings and the dynamism of what is going on in our system today.

I will hold on that, because I am prepared to speak at some length on it, but I see the Senator from Oklahoma may want to take the floor for a moment.

(Mr. HANSEN assumed the Chair as Presiding Officer.)

Mr. GRAVEL. I would hope the Senator from Washington will be returning to the floor, because there are certain statements that he made that I think deserve amplification.

The first was the one he made about hoarding; that the major oil companies are hoarding tubular material. Well, hoarding means that someone takes it and pulls it off the market, hides it, and nobody uses it. That is the furthest thing from what is happening today. There is no hoarding going on. What is going on is a competitive system between the various companies, and if one has the money, it goes out and buys the tools that it needs. That is exactly what these big oil companies are doing, because they have the money to buy the material, and a lot of the independents do not have the capital to do that kind of speculation. So when we say the oil companies have tied up all the tubular goods, they have tied it up to use it.

I think the best example of that is to show that last year Exxon made profits of $2.4 billion. At the same time, Exxon spent $2.9 billion on exploration. That is $500 million more than they received in profits. This year their capital budget is $3.7 billion, and they do not know what their profits are going to be. All they know is that they have a job to do, and they are going to do it.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. GRAVEL. I am glad to yield to the Senator from Oklahoma.

Mr. BARTLETT. The Senator mentioned the word "profit." In listening to the debate earlier, did the Senator not make the statement, or was he not in the process of making the statement, that the profits of the oil companies, based on a 10-year look at it, or a 10- or 20-year look at it, were lower than that of all manufacturers, even though in those profits of the big oil companies there were sizable profits from foreign operations at a time of cheap foreign oil, which was quite profitable, with low lifting cost, and that this was not necessarily the picture of the domestic oil industry?

Mr. GRAVEL. Quite the contrary. In fact, the great confusion—and I am sure it is not intentional—of many of our colleagues who talk about the fantastic growth of profits is illustrated by the example of Exxon, which last year had an increase in profits of 16 percent domestically, while the increase in foreign operations was 83 percent.

Mr. BARTLETT. Mr. President, will the Senator yield again?

Mr. GRAVEL. I yield.

Mr. BARTLETT. In the colloquy of a few minutes ago the price of wheat and the price of oil were discussed. It was mentioned that the price of oil in 1973 was at $3-something a barrel. I have forgotten the exact figure.

Mr. GRAVEL. In the beginning of the year, domestic oil was $3.40.

Mr. BARTLETT. Is it not correct that the price of oil in 1957, 17 years ago, was $3.09, and then the price went down and did not regain the $3.09 figure until 1969.

Then, is it not true that at that point the law was passed which decreased the depletion allowance from 27.5 percent to 22 percent, and that that added an additional expense to the oil industry of approximately $500 million, which is about 40 cents a barrel for oil. So, at that point, the price was far less than the $3.09 in dollars and cents of 1969. And, following that, in 1970 the price went up 9 cents a barrel and then in 1971 it went up 21 cents a barrel. It was then frozen on August 15, 1971.

What I am trying to say is that from 1957 until 1973, which was a period of

16 years, the price of oil had only the slightest of movement. And yet during that period—in fact, not even for the entire period but for the first 13 years of that period—the cost of labor went up 30 cents and the cost of steel then went up over 40 cents. And those are the largest expenses to the industry. The cost of drilling wells went up some 75 percent.

Mr. GRAVEL. Mr. President, I did not have that figure on the actual cost of drilling wells. What I had in this chart was the combination of figures on prices from Chase Manhattan and the amount of capital going in, and the price to the Bureau of Mines.

It is interesting, I think, that the Senator is using figures without extracting inflation. And we confront inflation when we talk about the increases that took place.

This is the way it looks when we have constant dollars. In this chart we have constant dollars. In 1957, the cost in constant dollars was about $2.80 a barrel. In 1970, in constant dollars, taking out inflation, the cost is about $2 a barrel. So, in point of fact, the cost of oil to the buying public has decreased in that period of time. Little wonder that if we take the amount of money invested in looking for oil and gas in this country from a chart that is in constant dollars, we find that we had a high point shortly after 1957 of a little over $7 billion, about $7.5 billion that went into exploration in the private sector. And in 1971 that came down to somewhere around $3.6 billion. This money was continuing to be spent for new production.

So we can see what is really happening and what caused the energy crisis. The point made by the Senator is a very valid point.

Mr. BARTLETT. Is it not also true that one of the results of the passage of that law was a virtual drought in the oil industry insofar as the domestic oil industry is concerned, that the number of independents decreased by 53 percent in the same period.

Mr. GRAVEL. The Senator is correct. Those were the little people who left the business. It was not the big companies. Exxon, Mobil, and Texaco are still in business. The little guys were wiped out. That was the result of government action when we passed the law. We now propose to go in exactly the opposite direction. That is exactly what this conference report would do. It will go in exactly the opposite direction.

Mr. BARTLETT. The point was made earlier about a monopoly that is claimed for the oil industry. Is it not correct to say that the control or the impact of large companies in the drilling business is very minor? The 30 largest companies control only 21 percent of all the domestic wells drilled in this country. To compare the impact, as I think it was compared, of the steel industry, the computer industry, the aircraft industry, or whatever it is, a comparison of more or less, eight companies in those areas of specialization in industries which have a power, impact, control, or influence of 65 to 85 or 90 percent?

Mr. GRAVEL. That is the reason why I just cannot fathom the developments of recent months in what is probably one of the most competitive areas of our society. We seem bent on turning it into a military-industrial complex similar to aviation.

We are going to destroy the last vestiges of the free enterprise system because of the crisis, because the people of the country do not understand what has happened. And the leadership of the country has not been able to enlighten the people as to what has happened. Nor are the media of the country carrying their full responsibility in focusing on areas which really deserve it by getting the facts of the case to the people.

Mr. BARTLETT. I should like to ask the Senator from Alaska about the mandatory import program, which was discussed earlier. The mandatory import program was created in order to protect the domestic industry, and I certainly agree that we have to have a prop under it, so that it will have the ability to create national security and create a strong economy.

But is it not true that even though that was the intent of the mandatory import program in a domestic industry, to permit a certain amount of cheap foreign oil to come into the country, but not to the detriment of the domestic industry—is it not true that the mandatory import program was used to coerce the industry into increasing prices when costs went up? As costs went up 30 or 40 percent for steel and labor, and 75 percent for drilling a well, there was not the opportunity to justify the increased costs or to have those costs passed on.

Instead, the managing of the program during different administrations created a tendency to cause prices to go up. Then foreign oil was permitted to come in in larger and larger amounts.

The major companies, and even the independents, said, in effect, that if that went on too far and too long, so that domestic industry was weakened, then we would see, instead of plentiful, cheap foreign oil, a very short supply of expensive foreign oil.

Was the mandatory import program designed to protect the domestic industry, or actually was it to weaken it in the full hope of having cheaper and cheaper foreign oil?

Mr. GRAVEL. Exactly. It was done with knowledge and forethought, I believe, in the 1950's and 1960's, so that what we call cheap foreign oil—and there was a place in the world that had cheap oil, and it was the Middle East—could be imported, and the American people became accustomed to it.

It was done so that the American people could have cheap energy. That is what happened. We went on a binge. We went on a drunk. We had cheap energy for a while, and we glutted ourselves to the point that we destroyed elements of the industry. We have skewed other parts of the industry so that they cannot be recognized.

Take the natural gas company in Chicago, which sells natural gas cheaper than the Btu cost of the oil. We realize a sense of disaster that has been brought on the country. Now the chickens are coming home to roost. They are coming home to roost because the Arabs, when they are in a command position, have just raised the price of oil.

We have all the figures. We did not make the price of oil like this; it was the Arab nations that did it.

Mr. BARTLETT. I recall the Senator from Washington said he voted against, or opposed, whichever was the case, the mandatory import program. But it seems to me that that position in opposition to the import program as it was designed was an opposition against an effort designed to strengthen the domestic industry.

Mr. GRAVEL. Exactly.

Mr. BARTLETT. But that in our quest for the cheaper and cheaper oil, finally it seemed to hit a high point in 1970, I believe, when the AREEDA Committee was appointed by President Nixon, and the report of that committee to the Cabinet level committee was that the mandatory import system should be completely dismantled, and they estimated that the price of oil would then go to $2 a barrel, and the estimates were made that the price would stay and be stabilized at $2 a barrel, for the simple reason that there was so much foreign oil that there would not be the opportunity to make political judgments by the Arab nations, and have an embargo or have a cartel setting the price, but that the argument was made, am I not correct, during that period that this would come about at such time as our reliance on foreign oil had increased to the extent that we would not be self-sufficient and could not take care of ourselves, and that at that time the price would rise and the amounts available would drop, so that we would be blackmailed, or at least the attempt would be made to blackmail this country and change its foreign policy, and that all this would result from the weakened condition of the domestic oil industry, because people wanted cheaper and cheaper oil.

Mr. GRAVEL. I call to the attention of my colleague from Oklahoma a speech that was made on this very floor 15 years ago, saying exactly the same thing, containing the statement the Senator has made, that the market would control, that we would have cheap oil until they get control, and then there is no more cheap oil, and dire consequences would ensue; and I think that is the situation today.

Mr. BARTLETT. If the Senator will yield, he urged an interesting comparison that can be made with the price of wheat. My State is a large wheat producer as well as a producer of oil and gas and other energy. It would seem to me that we had a chance to observe the price of wheat, and that in order to produce the larger amounts required by the world market, it was necessary for the market price to go up, in order to do the fertilizing and increase rather drastically the production, because up to the point of the large wheat sale to Russia, we had had surpluses for a long time; but that if, however, this kind of a proposal would make sense to bring about lower prices and higher productivity, it would make sense in the case of wheat.

I say heaven forbid, because I think

we have seen from the baling wire shortages, fertilizer shortages, steel shortages, and all the other shortages we have a chance to experience, including propane, that higher prices in the free market, set by thousands of purchasers, are prices that will do several things to bring on more production of a commodity, or, in the case of energy, to bring out alternate sources of energy: and, in addition, it works to dampen the demand.

Mr. GRAVEL. I think that is what we are talking about, because I for one rest my case on the argument of free enterprise and the movement of capital. Because we do not have what we consider a real free enterprise system domestically or internationally, we then must have a free enterprise system that has some government involvement. When we talk about the cheap energy of the sixties and early seventies, that is a free market. Then all of a sudden when the Arabs have control of the market, having driven out the competitors, they have a monopolistic situation, and jack it up. In order to assure continuity of the situation, we must, therefore, have government involvement.

I think that is where many of us go askew philosophically.

We had the "cheaper gas" problem given to our Committee on Finance, where the instigation of our energy problem was tracked back to this regulation of gas in 1954. It was interesting to see the machinations that took place in the marketplace as a result of that first intrusion by government into the domestic situation.

I think we can arrive at, within certain boundaries, a very competitive situation within the Nation, and then, when we go abroad, we have to look at a different type of problem. But essentially our problem is one of capital.

When I made the comparison with wheat, I was trying to get across to my colleague that we have problems with inflation in all parts of our society, and that, to my mind, that inflation is caused primarily by a lack of understanding of what has to be done in our economy. That is the reason why many of our colleagues stand here and say, "We are going to roll back the price of oil."

You cannot roll back the price of oil, and you cannot roll back the price of wheat. You must pay what it costs. If you try to avoid the cost, you skew and distort the system, and then you have to distort it again and again and again.

So I advocate fighting inflation, and hope that it might sell here in Congress, so that we can try to return to some fundamentals of this business.

What we are talking about, when we say we are going to roll back the price of oil, is not going to decrease inflation; it will actually cause inflation. The price of oil will be higher by the month of July, if this legislation passes, for the very simple reason that we cannot put a gun to everyone's head; and what investor in these United States of America is going to take his money and invest it in oil in this country, if his investment can only return a price of $5 a barrel, when he can go to Canada and sell his product for $10?

There is no one in his right mind who will take his money and do that with it, and there is no way to pass a law to take money away from the people and force them to make the investment, unless we make this a socialistic country.

My colleague from Wyoming remarked that we may see the Government go into the oil business. That has happened in the last few months. It is happening at Elk Hills, and it is happening in Alaska, where the Navy sits on the national reserves that the people have in oil. The Navy is sitting on that oil, and if we developed that oil, it would depress the market. Likewise, it would cause the inflationary prices in energy to subside; and do not blame the oil industry for that one. Blame the Navy and the Members of Congress who insist on keeping that 33 billion barrels of oil in the hands of the Government.

I would be happy to continue the dialog with my colleague, because I find him very expert in these areas.

Mr. BARTLETT. I would like to ask the Senator from Alaska, if he will yield a little further, he mentioned, I think, the Brookings report. The Brookings report gives a very valid explanation as to how the control on the price of gas, starting in 1954, led to the present shortage of gas.

Mr. GRAVEL. And oil.

Mr. BARTLETT. That is what I was going to add. Because the point that the Senator made earlier about gas being underpriced on a Btu basis as much as one-tenth, but at least a third compared to oil, and because of its attractiveness as an environmentally acceptable fuel, that it did keep the price of oil and coal down; and also the mandatory import program and the manner in which it was administered was the depletion allowance plus the effort to do away with the mandatory import program in 1970, so that the price of oil has also been controlled both directly and indirectly, which has followed the same pattern.

Mr. GRAVEL. This report is actually humorous in that regard. It has a section in it which tells the utility companies, through the President, to convert such utilities from gas to coal. So if we are telling them to raise the price of electricity, we are playing a shell game. The Government on the one hand says, "Gas is cheap at 30 cents, therefore you utility companies are supposed to do the job for your consumers, to buy gas because it is cheaper than oil." Now we get to another arm of Government around and saying, "Don't you buy that cheap gas. You have got to buy the more expensive coal."

Would it not be better if we turned around and deregulated gas and let the people choose freely on a priority basis from the best energy available?

Mr. BARTLETT. It seems to me there is confusion about what this proposal would do. From my understanding of it, it would roll back only that part of the domestic price structure that represents about 19 percent of total consumption—around 29 percent of total production. But it does not affect approximately one-third of the oil we consume, which consists of some 5 million plus barrels of imports. This price is not controlled in any way by this country but is a cartel-set price by the OPEC nations and others.

Mr. GRAVEL. What figures is the Senator using?

Mr. BARTLETT. The figures I used are about 19 percent and 20 percent.

Mr. GRAVEL. Could I help my colleague there, as I have some recent figures from the——

Mr. BARTLETT. That is on consumption not on production—29 percent on production and only 19 percent or 20 percent on consumption.

Mr. GRAVEL. The figures I have here are the total amount of foreign and domestic crude oil and foreign products. So often I used to follow that pattern; but in Connecticut, Massachusetts, New York, when they cannot find any oil, they go to Germany and buy some. So we have to look at the total picture. The total picture on crude oil and refined products is, imported 37.8 percent. This is totally unregulated.

Mr. BARTLETT. Right.

Mr. GRAVEL. Almost 40 percent will be unregulated. So what will happen is, we are going to cause a scarcity because people will not drill. That will create more scarcity at home in order to buy more abroad. It will place a greater burden on the balance of the resources of the world.

Mr. BARTLETT. Where will the larger companies that might prospect to a greater extent in this country do their drilling? Will they not go after higher prices in other countries?

Mr. GRAVEL. The majors are already abroad in their integrated status, so let us not talk about the majors. I do not know of any independent in his right mind who would drill in this country under those circumstances. Why would a person go to a bank to borrow $100,000, or take $1 million in borrowed money from the bank and drill in Oklahoma or Texas or in Alaska, when he can go to Canada and drill, or go to Indochina or to Saudi Arabia or to Libya, or any other place that will let him in—the North Sea—if he can find oil and sell it for $10 a barrel? His banker would never lend him the money in the first place. People will go where they can get a return on their money. If we make money noncompetitive—which is exactly what this bill would do—we will create additional domestic scarcity. Prices will go up abroad and therefore we will cause more inflation plus—we have not even touched on this, and I know my colleague is aware of how serious it is—jeopardizing the outflow of dollars. When we begin to buy oil abroad at $10, $15, $20 a barrel, the amount of dollars that will go abroad—at a time when our own oil companies are being nationalized abroad so that they will not be able to bring back any more profits—there will be no more contributions to our balance of payments, and we will have an accelerated "double whammy" on our trading position. This is much more serious than the energy crisis—very much more so.

Mr. BARTLETT. I believe that the current estimate of our foreign balance-of-payments deficit amounts to about $20 billion—that is, at the current volume and current prices. They could both increase, and we would like an increase in volume, if we could, of course. The price, we hope, will come down. But at this level of expenditure, I think it is safe to say that we cannot afford it without serious erosion——

Mr. GRAVEL. My colleague is talking a little bit like the Senator from Washington (Mr. Jackson) when he says he hopes the price will come down. He hopes that Canadians will roll back the price of oil and that the Arabs will roll back the price of their oil. Since when do people have have a desire to make money?

Mr. BARTLETT. That is a very good point, but the point I was going to make is that currently it is $20 billion and that is an amount we cannot afford. Also, to get back to——

Mr. GRAVEL. That is $20 billion in purchases abroad?

Mr. BARTLETT. Yes.

Mr. GRAVEL. Right. The figures I have, if I could amplify on them, indicate that last year, when we were debating the Alaska pipeline, the best projections were that by the mid-1980's—1985—we would have a net—not just purchases—but a net outflow of $30 billion. That is the key thing. In order to keep up our balance we not only have to produce oil in Oklahoma, but we had better also produce a lot of wheat. We know the only way right now that we will get by is in the quantity of dollars we send abroad to buy oil. That was last year's projection. This year, the best projection we could put together is that by 1980 we will have a deficit—net outflow—of $30 billion a year.

From the end of the Second World War until last year—roughly 30 years—we pushed abroad, with the war costs, with foreign aid, and so forth, between $80 billion and $100 billion. That of course, is one of the things that triggered the devaluation we experienced in 1971 and again in 1973. What we are talking about, if we continue with this, from our dependency on oil, whether to Venezuela, Canada, Saudi Arabia, Great Britain, Norway, or wherever—if we try to push that many dollars abroad, we are going to go bankrupt. Our monetary system will fail. That means unemployment and poverty on the grandest scale possible.

Mr. BARTLETT. My figures are a little bit different from yours. They show a $20 billion balance-of-trade deficit currently being spent in purchases of oil. If we add 2 million barrels per day, which we would like to do, and which at the present time we cannot do, we would be approaching something like $27½ billion in balance-of-trade deficits. If we really accept the challenge, there is no chance we can have as much energy as we want, because we cannot afford the amounts we would like to bring in. We are going to have to suffer larger and larger shortages.

If I might carry this one point further, I would like to mention that, as I understand it, this price rollback—the fixed price rollback provision in the bill—applies only to about 19 percent of our consumption, about one-fifth of the total consumption of crude oil and oil products in this country; that the average price of new oil, matching and new oil itself, and stripped oil, as of about 2 weeks ago, was $9.51; that the price of imported oil at that time, although it ranged up to $22, was priced, on an average, about $10.40; that the price of domestic oil was $5.25; that the price of all domestic oil was $5.95.

The point I am trying to make is that the price of oil that would be rolled back and the price of oil that is now providing the incentive is just 19 percent of the total consumption; further, that if this rollback is accomplished to $5.25—and I think if it is accomplished to that point, because it is written into law with a small limit of 35 percent that can be increased, it is going to stay there—and all the savings to the consumer are realized by the consumer, he will only benefit to the amount of 1.4 cents a gallon. I think that somehow the consumer feels that there is going to be a large saving involved, but I do not believe this is the case.

Mr. GRAVEL. I am grateful to my colleague for making that point. That is probably the best point of the day.

The hoax that is being perpetrated upon the public is that they are going to get something for nothing. Even this bill, which is trying to do that, cannot do that because of the economics in question.

Mr. FANNIN. Mr. President, last Monday, the Washington Post published a most enlightening editorial on oil prices and controls. While I do not agree with the idea of a ceiling on any oil price, or a price ceiling on any other commodity, for that matter, I certainly do agree with the Post editorial that—

> Both the petroleum industry and the government often speak as though, except for offshore drilling, our domestic production has a rigid physical limit and is now irrevocably declining. In fact, the amount of oil drawn from a well depends on the price for which that oil can be sold. If the oil is forced up the well by the pressure of gas or water trapped underground, producing it is comparatively cheap. But in time the pressure will fall, and then recovery begins to get expensive. At that point it becomes necessary to pump the oil up. In time, again, the pump no longer reaches the oil. Then recovery becomes still more expensive, and perhaps the producer has to pump water or gas down to force the oil up. Or perhaps he just closes the well as exhausted. In this country wells have typically been shut down with two-thirds of the oil still in the reserve that it has tapped. But at present prices it will become profitable to get many of these wells back into production. It will also be worth sinking wells deeper in the old fields.

One of the best examples I know of is an old field in west Texas that has been rejuvenated and is now producing almost twice as much oil per day—127,000 barrels—as it did at its peak production 30 years ago.

Not only has production been doubled but ultimate recovery of oil in the formation is now estimated at about 45 percent rather than 41 percent when the new recovery effort was begun and the national average of some 32 percent.

As Jim C. Langdon, chairman of the Texas Railroad Commission and an authority on secondary and tertiary recovery methods said recently:

> The state's known reservoirs contain at least 98 million barrels of presently unrecoverable oil, part of about 300 billion barrels in the same category in the U.S. as a whole.
>
> In my judgment, at a cost not exceeding the cost of extracting an equivalent amount of energy from tar sands, shale oil, gasification or liquefaction of coal, nuclear power, or the importation of natural gas . . . an additional 10 percent of our "unrecoverable" crude oil could be produced.
>
> This would permit the nation to almost double its present recoverable reserves, or expressed in other terms, would be equivalent to the discovery of three new North Slope Alaskan oilfields.

Mr. President, I ask unanimous consent to have printed in the Record the editorial published in The Washington Post.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Oil Prices and Controls

> For one narrow category of American oil production, a price roll-back makes sense. A limit needs to be set on the oil that is not currently controlled at all. But it is disingenuous for Sen. Henry Jackson (D-Wash.) to suggest that this kind of roll-back would result in large reductions in gasoline prices for consumers. The dispute revolves around a provision in the Energy Emergency Bill, which has been reported by the conference committee but still faces a sharp challenge from the oil state delegations in both Houses of Congress. The first question is whether Congress ought to legislate oil price ceilings at all, and the second is where to fix them.
>
> Legislating fixed ceilings, and trying to write prices into law, is always a bad idea. It is particularly dangerous when applied to a commodity like oil, the future prices of which are very difficult, to predict precisely, Congress is, of course, thrashing about in frustration as it tries to find some way to express its constituents' wrath over gasoline costs. So far none of the various proposals to attack excess profits or to sell prices has given any hope of working effectively. But there is one thing that Congress could do immediately. It could extend the price controls to cover all of our domestic oil production, not just part of it. That would compel the administration to set a top price for the oil that, under the present exemptions, is now selling for about $10 a barrel. The Energy Emergency Bill would let the President put the ceiling as high as $7.09, which is just about the right range under present circumstances. But circumstances change quickly, as we have all seen, and Congress would be wiser to leave the figure flexible.
>
> About one-fourth of our domestic production is now exempt from controls. The administration took the controls off oil from new wells to stimulate drilling, and Congress exempted small wells. The rest of our domestic production is controlled at $5.25 a barrel. Domestic production is two-thirds of the oil that we are now consuming. The country imports the other third, and the world price for crude oil is now around $10 a barrel.
>
> The trouble with the present very high, uncontrolled prices is that they are inducing more expensive production than we are likely to need. It is perhaps a strange thought in midst of the present shortage. But it is important not to let the shortage chase us into extremely costly petroleum ventures that require $10 a barrel to be viable. Most evidence suggests that the Treasury Department is probably in the right range when it says that, over the next several years, the price of crude oil in the United States will come to rest at about $7. Since the administration itself assumes that the country does

not need more expensive oil, it is hard to see any reason to induce production based on higher prices. It is not only the producers who have a stake in the question. If very high prices becomes estabilshed in practice, and a substantial part of the industry adapts to them, it can be expected to use its very considerable political influence to protect them.

The chief reason for expecting a price of $7 a barrel is that large new sources of oil become profitable at that figure. Shale extraction is one example, and coal liquefaction is possibly another. A number of economists also believe that, at that same price, conventional drilling and the present methods of recovery may give us enough oil to meet our national requirements.

Both the petroleum industry and the government often speak as though, except for offshore drilling, our domestic production has a rigid physical limit and is now irrevocably declining. In fact, the amount of oil drawn from a well depends on the price for which that oil can be sold. If the oil is forced up the well by the pressure of gas or water trapped underground, producing it is comparatively cheap. But in time the pressure will fall, and then recovery begins to get expensive. At that point it becomes necessary to pump the oil up. In time, again, the pump no longer reaches the oil. Then recovery becomes still more expensive, and perhaps the producer has to pump water or gas down to force the oil up. Or perhaps he just closes the well as exhausted. In this country wells have typically been shut down with two-thirds of the oil still in the reserve that it has tapped. But at present prices it will become profitable to get many of these wells back into production. It will also be worth sinking wells deeper in the old fields.

The administration is letting crude oil prices rise in order to induce more production. It is letting retail prices rise to discourage consumption. But both of these processes take time. Bringing in new wells and reviving old ones will take months and years. For the consumer, it will be a slow process of switching to more efficient cars and appliances, insulating houses and reorganizing patterns of commuting. To keep the shortages in hand during this time of adjustment, the country will require gasoline rationing. While some parts of the Energy Emergency Bill can better be deferred, the section providing the authority for rationing needs to be enacted immediately.

Mr. FANNIN. Mr. President, I think this is very significant, because it indicates the vast amount of oil that can be recovered if we give our domestic industry a chance to go forward with their work at a decent price level, and not restrict them to the point that they will not be in a position to make the development being discussed.

I ask unanimous consent to have printed in the RECORD an editorial published in the Los Angeles Times, which brings out the danger in the oil price rollback.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DANGER IN THE OIL PRICE ROLLBACK

The House-Senate conference committee working on emergency energy legislation has adopted a proposal by Sen. Henry M. Jackson (D-Wash.) that purports to aid consumers by rolling back the price on some domestically produced crude oil.

Jackson estimates that his plan would cut gasoline prices by 4 cents a gallon, and perhaps it would, for a while. But there is also a good chance that the measure would work to shrink the output of U.S. petroleum, thereby adding to shortages and ultimately leading to still higher prices because imports of expensive foreign oil would rise.

Under the Jackson measure, a basic price of $5.25 a barrel would be set on U.S.-produced crude oil. That is the regulated price at which about 70% of U.S. crude is now selling. This is so-called "old oil," pumped from wells that were in operation in 1971, when price controls were imposed.

The rollback would affect the 30% of U.S. production where price is not now controlled. This involves "new oil," meaning oil from wells that have boosted output since 1971, or wells that came into production since then. It also involves oil from stripper wells, which produce 10 barrels or less a day. Many of these wells, which now account for about 12% of U.S. production, had been shut down for years because it was not economical to operate them.

Oil from these sources could be permitted to sell for as much as $7.09 a barrel, as against the nearly $10 it is now commanding. But energy chief William E. Simon argues that, given the costs of production, even $7.09 is not enough to keep this oil flowing, and that, if that limit was imposed, the output of some new oil would decline and a lot of stripper wells would again be shut down. There is no certainty of that, but there is a good possibiltiy, and that is the great risk of the Jackson plan.

Some congressional action on soaring oil prices is plainly needed. But, as we have argued before, that should come as part of a comprehensive approach to the whole price, profit and tax situation in the oil industry. A main aim of reform must be to encourage, through the tax structure, greater investment in U.S. production and refining. The Jackson measure could have the opposite result, and for that reason Congress should say no to it.

Mr. FANNIN. Mr. President, we should realize what is being done when we start talking about rolling back prices. The oil industry has been going forward very rapidly since it was given the opportunity to sell oil at a price the market would stand, which is still lower than the price of oil that is being imported.

When we are talking about domestic oil we are talking about jobs in this country; we are talking about taxes being paid in this country; we are talking about keeping industries going that are vital to the economy of the country.

Why should we pay a higher price for foreign oil? For every barrel of oil that is not produced in this country, to take care of our needs we must import a barrel of oil from a foreign country at a premium price. Even then, we do not know whether we can get that additional barrel beyond the ones that could be produced domestically. It is certainly a fallacy to say that we should roll back these prices to a point where it will not be profitable for us to produce the oil that is available in this country.

We are talking about approximately 350,000 stripper wells now producing in this country, 84,000 of them in Texas alone. The Texas Railroad Commission further brought out that those 84,000 stripper wells produce 3.8 barrels a day, involving deposits of 1,800 million barrels of oil.

So it just seems ludicrous that we could even think about rolling back prices that would curb production of this oil.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. FANNIN. I am pleased to yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I appreciate very much the observations just made by the distinguished Senator from Arizona. What we need to understand is how the laws of economics do work. I am certain that if we have been listening, as I hope we have, to the Senator from Arizona he has pointed out very graphically exactly what does happen in the free enterprise system as the prospect for profit increases, because I think I have materials which supplement and corroborate what he has said.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article from the Oil and Gas Journal dated January 14, 1974, describing in detail the Texas Slaughter field.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXAS' SLAUGHTER FIELD OUTPUT SOARS

One of the largest oil fields in Texas is undergoing extensive infill drilling, and production is surging as a result.

Over 600 additional wells have been drilled in Slaughter field since late 1969. And the rigs are still running. As a result of the performance of these wells and price increases since the start of redevelopment, another 150–200 wells probably will be drilled in areas too poor to justify this work under earlier economics.

The infill drilling, coupled with secondary recovery by waterflooding, has resulted in a dramatic increase in oil production. In the early 1960's, when waterflooding was instituted, production had declined to about 22,000 b/d from a high of 76,000 b/d in 1944. By 1968, waterflooding had pushed production up to 60,000 b/d. Latest production figures show field output at 127,000 b/d, and it is expected to peak at about 150,000 b/d in 1975.

Recovery efficiency also has been increased. Under waterflooding, ultimate recovery of a typical portion of the field was expected to be avout 41% of original oil in place—about 9% above the national average. Infill drilling, however, is expected to boost recovery to 44.6%—and in a field the size of Slaughter, those 3.6 additional percentage points represent a lot of oil.

Slaughter field was discovered in 1936 and as presently defined covers 100,000 acres. Production is from the San Andres at about 5,000 ft. During primary development, operators drilled 2,500 wells in the field, most on 35.4-acre spacing.

The odd spacing pattern is due to the surface ownership being based on Spanish land grants which used the "labor" measure. Labors vary somewhat in size but in general contain about 170 acres.

In Slaughter, spacing was set at five wells to the labor, with the option of infill drilling to 10/labor. The result was a "chicken-wire" pattern of development for secondary recovery with two injectors for each three producers.

Amoco Production Co., which holds about 40% of the field, found through a numerical model that additional recovery could be obtained by infill drilling of two additional producing wells spaced in the middle of the pattern. And in the best part of the field infill drilling could be extended along the legs of the injection pattern.

The company believes that present economics will allow this to be expanded to the lower quality areas of the field.

Pumping units and production equipment are being added continually to handle the increased oil and water, but pipeline capacity is adequate, Amoco says.

Completion of the infill drilling is expected to take about 2 years or longer.

TERTIARY RECOVERY

Operators hope to boost the take still higher if tertiary recovery proves feasible. Although the secondary-recovery projects in Slaughter field have yet to reach peak production, Amoco already has initiated two tertiary pilot projects—both miscible drives. Still another has been started by Texaco.

In planning its two projects, Amoco selected small areas which had not been affected by waterflood, drilled new wells on a double five-spot pattern, and is sweeping the reservoir with water before initiating tertiary efforts.

The Slaughter Estate Unit project will be using CO_2 injected at 2,600 psi (bottomhole). Injection pressure is critical and was carefully engineered to avoid fracturing the formation.

The Central Mallet Unit project is using natural gas enriched with propane. Cost of the enriched gas, however, will impact on the economics of the project.

Close spacing is being used in both projects in order to speed their evaluation.

Amoco says that if either is expanded, it will be done on normal spacing.

Texaco's tertiary project is on the Bob Slaughter block, which is considered to be one of the lushed portions of the field.

The experimental project will be a polymer flood with four injectors and one producer on a 4-acre, five-spot pattern.

A Texaco official said the area has been partially flooded and will be completely flooded before polymer injection begins next September or October.

Two of the wells were converted and three are new holes.

Texaco also has done quite a bit of infill drilling, maps indicate. A rough count shows 122 producing wells on infill locations on the Bob Slaughter block.

The Mallet Land & Cattle Co. "E" lease, which adjoins the Bob Slaughter block on the northwest, appears to have 19 wells drilled and three location on infill spots.

To the south, on the Mallet C, D, and F leases, 33 wells are in what appear to be infill spots.

Other principal operators in Slaughter field are Mobil Oil Corp., Gulf Oil Corp., Skelly Oil Co., and Getty Oil Co., Sun Oil Co., Union Oil Co. of California, Atlantic Richfield Co., and Crown Central Petroleum Co. have lesser holdings.

In almost every feasible area, operators have conducted infill drilling programs similar to those of Amoco and Texaco.

Some work still is in progress, particularly on the thin edges of the field where higher prices are making it economic.

Mobil started its program in 1970, has completed 84 wells, and plans to drill another 15 by the end of 1974. Getty drilled 82 wells on its Dean A unit between 1966 and 1973. The company says it has no plans for additional infill wells or tertiary projects on the unit.

A Conoco spokesman, noting that the reservoir thins out considerably and gets tighter under its Dean Unit, said the unit was developed on a diagonal 40-acre spacing. Only one infill well has been drilled, and its performance will dictate whether to drill any more.

Atlantic Richfield started early on its miscible test, which was conducted from 1958 to 1962 on the H. T. Boyd lease.

ARCO injected small propane slugs into three areas, followed by gas and finally with alternate slugs of water and gas to improve the sweep efficiency.

The project is considered a limited success, spokesmen say. The lease is under waterflood at this time.

ARCO developed the 1,247-acre lease on 24-acre spacing, closer than in the bulk of the field, and as a result has had to do little infill drilling. The company has 44 wells on the lease, 17 of which are employed for injection.

Another three wells will be drilled next year.

Mr. HANSEN. Mr. President, in the Texas Slaughter field the output has soared as infill drilling has taken place. It is expensive. The only reason the added interest and activity in that field occurred is that it becomes a profitable operation due to these things that are taking place. Secondary and tertiary efforts are being implemented. The field is being drilled more intensively than before because it is profitable to do that.

Mr. President, I also ask unanimous consent to have printed in the RECORD an article from World Oil dated October 1973, which is headlined "Improved Oil Recovery Could Help Ease Energy Shortage."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPROVED OIL RECOVERY COULD HELP EASE ENERGY SHORTAGE

(By Ted M. Geffen)

TEN-SECOND SUMMARY

Economic incentives plus advancement up the "learning curve" will enable industry to produce more "unrecoverable oil." The *Big Four* tertiary recovery methods, their advantages and limitations, are outlined.

TERTIARY RECOVERY is one answer to the existing energy crisis that has not been given sufficient consideration to date. With better economic incentives will come more research and development of recovery methods needed to produce a potential 55 billion barrels of already-discovered oil. Industry, with the aid of associations such as the API, has begun and will continue to develop ways to economically produce these currently unrecoverable reserves.

This article discusses tertiary recovery methods now in use and those of the future. An explanation of various methods, and a means of selecting an appropriate method for a particular reservior, are given.

Future U.S. oil demand will be supplied from domestic sources plus imports. The domestic supply will be derived from three sources:

1. Exploration
2. Secondary recovery
3. Tertiary recovery

Exploring for new oil requires, to a large extent, drilling deeper and moving further from inhabited areas, making financial investment less desirable under existing economic conditions. In addition to increasing difficulty in finding new oil, costs for drilling wells deeper are not directly proportional to depth. Generally, for each 5,000 feet of added depth, cost about doubles. In hostile environments (offshore and Arctic) it doubles again. And ecological protection continues to be a major cost factor.

Secondary recovery has reached maturity with waterflooding the most used method. Opportunities of adding to domestic supplies from existing fields are dwindling rapidly, Of course, new discoveries will add a future storehouse of oil to be recovered by waterflooding. But even after prudent flooding, most oil discovered in a field will be left in the ground.

Secondary recovery has been a significant contributor of low-cost oil, but this low cost has given a false reflection to the real overall cost of supplying domestic needs. Replacement crude oil supplies will not enjoy all the benefits in costs provided by extensive waterflooding.

Tertiary recovery refers to recovering part of the oil left after water-flooding. Capturing this oil economically is today's challenge to industry. It is not a new objective, since millions of research dollars have long been invested to develop technology that might provide a third crop of oil.

Tertiary recovery adds a new dimension of difficulty for the operator. This "hard-to-get" oil is in known locations but is also in lean deposits. These conditions present both advantageous and disadvantageous economic situations. Like exploration, tertiary recovery projects are heavily front-loaded financially, with large initial investment and long income delays. Environmental difficulties should be minimal since conventional and in-place production facilities would be used. Operational wells must be available, as tertiary operations usually will not be able to carry the financial burden of redrilling.

U.S. OIL RESOURCE

A simplified picture of U.S. original oil-in-place (OOIP), discovered to date (excluding North Slope), is shown in Fig. 1. Of 408 billion barrels, recognized reserves are 33 billion barrels, which include all oil ultimately recoverable by presently used methods from presently found fields. This is about one-third as much as the 100 billion barrels already recovered. With no change in operating mode, ultimate recovery will be about 32.5% of oil found. The other 67.5% can be divided into three categories: unrecoverable, possibly recoverable and potentially recoverable.

Some experts judge that about 40% of OOIP will not, for practical reasons, be recovered. The remaining 27% is divided into two parts. Half is thought, by some visionaries, reachable by future innovative developments, while the other half is considered recoverable using current and soon-to-be-developed technology together with favorable economic environment.

Fifty-five billion barrels in this category may be optmistic. It is 1¾ times the current recoverable reserve figure. Even if this amount is not ultimately realized, there could still be a volume equal to current reserves. This is the target for tertiary recovery and it offers a significant contribution in easing the energy shortage.

Industry is spending more than $25 million per year on tertiary recovery research. This is being done to reduce the time factor in achieving viable recovery methods. Essentially, all funds for tertiary recovery research have been and are being supplied by the producing industry. Stimulations to increase this effort have been suggested by individuals in responsible positions inside and outside industry.

TERTIARY METHODS

Unconventional, improved fluid injection or *tertiary* methods, whatever name is used, also are operable in the secondary recovery mode since the same technology applies. They can be used instead of waterflooding, but their value is in terms of incremental oil recovery to incremental cost over waterflooding.

Tertiary methods are listed in Fig. 2. Boxed-in words refer to manner in which supplied energy is moved through reservoirs which exist between wells. A few methods incorporate a substance in the injection water which, in effect, improves performance of conventional waterfloods.

Methods offering greatest incremental recovery potential involve injecting a slug, or small bank, of one fluid and driving this slug through reservoir with another fluid(s). These combinations are indicated by connecting lines. The first material injected is characteristically small in volume, but high in cost.

Objective of the active ingredient (solvent or hot zone) is to mobilize and push forward oil that remains in pore spaces. This, in turn, is propelled from injection to production wells by drive fluids such as water or a selected gas.

A dilemma exists in using methods to maximum potential since the more effective the oil clean-out job (displacement efficiency) by the active ingredient, the greater the tendency for the method to contact less oil-bearing formation (sweep efficiency). This can be disastrous to oil recovery efficiency.

A remedy, called mobility control, is performed by selecting injection fluids, such that each fluid bank is driven by fluid having a lesser ability to flow. This allows for displacement efficiency as well as forcing fluids to spread out and increase sweep efficiency, or volume of rock contacted. Examples of mobility controls now used are polymers added to drive water and water slugs injected alternately or continuously with drive gases.

In waterflooding, a certain amount of injected fluid, cycling through high-flow conductor zones, can be tolerated because of water's low cost and handling. Economics demand that these conditions, if severe, be corrected in tertiary projects. Means to overcome this detrimental condition are under development and so far are not widely used.

For treating thin, low-volume, highly permeable zones, materials such as time-set gels and very high molecular weight polymers are encouraging. If the culprit is a fracture, then a promising treatment is to inject a slurry of solid fines (powders).

Tertiary operations have to support costs of handling large volumes of water put into formation by previous operations. Thus, it is often desirable, when possible, to use an improved recovery method instead of waterflooding as a secondary recovery approach. This could have favorable economic benefits in some fields. Total life would be shorter and further savings would be realized by handling water only once.

However, there is a benefit from waterflooding first, particularly in formations where there is little or no tertiary experience. The waterflood can be used as a low-cost evaluator of reservoir floodability. This information would be critically useful—first, in making the decision as to desirability of specific tertiary operations, and second, in design.

Fig. 2 shows the considerable tertiary technology available. Some methods are being used commercially in selected fields, while others are being evaluated by field pilot tests. Most technology originated in industrial laboratories, but the API Fundamental Research Program also has contributed significantly. Project 37, in particular, provided basic information and led to miscible hydrocarbon methods. And discussions and symposia sponsored by the former API Oil Recovery Technology Domain Committee introduced ideas which were the starting point, or contributed many of currently recognized improved recovery techniques.

"BIG FOUR"

Recovery methods with promise for commercial application include hydrocarbon miscible, CO_2 miscible, water miscible and thermal.

Hydrocarbon miscible methods involve displacing crude from pore space by solvent action, which prevents formation of interfaces between driven and driving fluids. Elimination of interfaces allows complete displacement of oil from the part of reservoir contacted by solvent. Existence of interfaces in waterflooding and other immiscible drives causes capillary trapping and incomplete displacement of oil.

Since solvent is expensive, only a bank or slug is used. Final drive fluids is a less valuable material, miscible with the solvent, which can be either hydrocarbon or non-hydrocarbon gas. Injected fluid compositions and pressure are selected so that fluids will exist as single phase in the reservoir. Sometimes the ultimately injected fluid can be water.

Solvent slugs can be generated on site using some hydrocarbon components native to the crude, or by injecting intermediate molecular weight (i.e., C_2–C_6) components. In high pressure gas drives, solvent consists mostly of intermediate materials that vaporize from in-place crude. In rich gas and LPG slug methods, intermediates are injected.

When using LPG solvent, miscibility occurs on first contact with reservoir oil. But when using rich gas, the solvent bank forms by condensation of intermediate molecular weight hydrocarbons from injected fluid into reservoir crude. Thus, like high pressure gas drive, rich gas requires some contact between injected fluid and in-place crude to form solvent. This is commonly referred to as multiple contact miscibility.

Solvent and drive fluids are not as dense or viscous as reservoir crude. Because of this, in horizontal floods injected fluids tend to override oil and preferentially penetrate more permeable zones. These effects can be catastrophic toward efficient oil recovery. However, both natural conditions and operating controls can reduce these effects significantly.

For example, gravity effects can be used advantageously by flooding downward in pinnacle reef or other high relief type reservoirs. Thin shale lenses in the pay can reduce gravity override tendencies. Operating controls to force injected fluids to spread through more reservoir can be accomplished by injecting water continuously, or in slugs, with solvent and drive fluids.

Major investment items for hydrocarbon miscible flooding are costs of compressors and injected fluids. Availability of solvent and drive gas materials is critical as demand for these materials (as energy supplies) increases directly with demand for crude to be recovered.

Carbon dioxide miscible conditions can be realized with some crude oil by multiple contact mechanisms. Preceding comments regarding hydrocarbon miscible flooding also apply to CO_2 since it can be classified as a solvent.

In CO_2 miscible applications, density and viscosity contrasts are not as severe as when using hydrocarbon solvents, so there is a lesser degree of overriding and bypassing. In some geographic areas CO_2 is inexpensive, particularly where there is a naturally occurring deposit, large plants releasing high volumes of stack gases of CO_2 and where CO_2 is removed from natural gas for pipe line transportation.

Where a very low cost, large CO_2 supply is available, consideration can be given to driving a CO_2 slug immiscibly by water instead of miscibly by more valuable gas. Then, an "extra large" slug of CO_2 can be injected to allow for trapping by the drive water.

Water miscible floods use chemical mixtures both for solvent-acting slug and drive fluid, and are mostly water. The slug is a combination of surfactant solutions that form a miceller fluid, or micro-emulsion. Drive fluid is "thickened" water made by adding a polymer to injection water. Since injected fluids are primarily water, gravity segregation effects are minimal. To maximize sweep and oil recovery efficiency, mobilities of slug and drive fluids are designed to provide a favorable viscosity contrast with the reservoir fluid.

Chemicals used tend to plate-out (i.e. absorbs) on pore surfaces. This loss adds to cost. Acceptable chemical costs and higher crude prices will be the key to commercialization of this method.

Thermal methods use heat to thin oil and make it flow more easily to production wells. Steam injection, both in "huff-and-puff" mode and straight-forward drive, is used commercially in recovering heavy oils. From a technical standpoint, steam drive also could be used for tertiary recovery of some high gravity crudes.

Combination of forward combustion and waterflooding (COFCAW) involves igniting formation oil in some wells and then propagating a combustion zone by continuous air injection toward producing wells. Water injected has two potentially favorable effects. It conserves generated heat and moves it forward, thus minimizing amount of air which must be injected and amount of crude which must be burned to maintain combustion. It also improves sweep efficiency by mobility control.

Both of these add to potential oil recovery. Major investment is for compressors, and compressor fuel can be a significant expense. Air and water supply present no general availability problems. COFCAW can be used to recover any API gravity oil that could be or has been waterflooded.

SCREENING GUIDE

Table 1 gives tentative preferred criteria for screening projects that are prospects for application of Big Four methods. This guide is based on reported information derived from laboratory and field studies and is useful only as an initial filter. But prospects that pass this screen are candidates for further engineering study.

Screening Guide items are related to suitability of a reservoir, both as to operability and economic potential. One screening factor deserving special mention is oil saturation. It is not uncommon to find that calculated average oil saturation remaining in a reservoir is higher than that which exists in the portion of pay that can be processed by tertiary recovery methods. This situation is particularly prevalent in reservoirs where length is many times greater than width, and where pay stringers have limited horizontal continuity. Before committing to tertiary recovery operation, it is advisable to make direct measurements of oil saturation by at least one of several means, such as log-inject-log, pressure core analysis, tracer injection, etc.

TABLE 1.—SCREENING GUIDE—PREFERRED CRITERIA FOR UNCONVENTIONAL RECOVERY METHODS

Process	Oil grav. °API	Reservoir temp. °F	Operating press. psia	Oil visc. cp	Perm. md	K_{field}/K_{cores}	Thickness feet	kh/μ_o md-ft/cp	ϕh	S_o,%	ϕS_o, frac.	Depth feet	Well spacing acres	Favorable factors	Factors which increase risk
High pressure[1] gas drive	>40	(2)	>3,500	<1	(2)	<5	(2)		Low, best.	>25	(2)		(2)	1. Deep formation (see pressure). 2. High dip. 3. Undersaturated crude with high C_2-C_6 concentration.	1. Extensive fractures. 2. Strong water drive. 3. Gas cap. 4. High vertical permeability in a horizonta reservoir. 5. High permeability contrast. 6. Natural gas supply limitations.

Process	Oil grav. °API	Reservoir temp. °F	Operating press. psia	Oil visc. cp	Perm. md	K_{field}/K_{cores}	Thickness feet	kh/μ_o md-ft/cp	ϕh	S_o,%	ϕS_o, frac.	Depth feet	Well spacing acres	Favorable factors	Factors which increase risk
Enriched gas[1] drive (condensing gas drive).	>30	(2)	>1,300 (900–1,000 with modif.).	<3	(2)	<5	(2)		do.	>25	(2)		(2)	1. At low pressures gas required with high C_2 and low N_2. 2. High dip. 3. Thin pay, low k_v.	Items 1–6 same as above. 7. LPG supply limitations
LPG slug	>30	(2)	>1,300 (800–900 with modif.).	<5	(2)	<5	(2)		do.	>25	(2)		(2)	1. Distress (cheap) LPG available. 2. High dip. 3. Thin pay, low k_v. 4. C_2 rich fluid for low pressure reservoir.	Same as above.
CO_2 (miscible)[1] (water or gas driven).	>30	(2)	>1,100	<3	(2)	<5	(2)		do.	>25	(2)		(2)	1. CO_2 available. 2. High dip. 3. Thin pay, low k_v.	Items 1–5 same as above. 6. CO_2 supply and transportation requires high initial investment.
Micellar[1] flooding	(2)	≤220	(2)	<10	>20–50 in contacted portion of reservoir.	<5	(2)		High best.	>25	(2)	(2)	(2)	1. It is essential that good water be available (<5,000 ppm total dissolved solids; <500 ppm CA++ and mg++). 2. Waterflood sweep >50 percent.	1. Extensive fractures. 2. Strong water drive. 3. Gas cap. 4. High permeability contrast. 5. Highly saline (>30,000 ppm. TDS) connate or flood match.
Steam drive	>10	(2)	<2,500		(2)	(2)	>20	>20	do.		<0.10 (>780 B/AF)	<4,000	≤10	1. Existing wells adaptable to steam injection. 2. Avaliable gas supply for steam generation. 3. Available water which is cheap, slightly alkaline, free of H_2S, oil, dissolved iron, and turbidity.	1. Strong water drive. 2. Gas cap. 3. Low net to gross pay fraction. 4. Extensive fractures (not as serious as in other injection methods).
COFCAW	<45	(2)	>250		(2)	<5	>10	>100	do.		>0.05 (>390 B/AF)	<500	≤40	1. Formation temperature >150°F. 2. Low vertical permeability. 3. Available water which is cheap and won't precipitate solids in presence of air. 4. Existing wells in condition to withstand high pressure. 5. Cheap gas supply for compressors.	1. Extensive fractures. 2. Gas cap. 3. Strong water drive. 4. Low net to gross pay fraction. 5. Serious preexisting emulsion problems.

[1] Requires laboratory test to confirm suitability.

[2] Not critical.

SECONDARY VERSUS TERTIARY RECOVERY

Table 2 compares some tertiary with secondary methods. Figures, except for waterflooding, are based on judgment since insufficient data are available on tertiary field projects to generate statistical values. Also, figures represent expectations for carefully selected, well-designed, good-performing operations.

In addition to Big Four, figures are shown for three tertiary methods not as effective in displacement efficiency as are miscible or thermal types.

Recovery improvement values in Table 2 are presented in the form from the value of recovery obtained by previous operations to the value after conducting the referenced method. For example, where a miscible hydrocarbon tertiary project might be conducted, oil recovery by preceding primary and waterflooding would be around 45%. After tertiary operation, total recovery would be about 75%, or an incremental increase of 30% OOIP.

Incremental costs, above normal well operating expense, are shown as a range in terms of dollars per barrel of incremental oil. These values include both investment and added operating costs. For tertiary methods, 50–80% of this cost is for front-load items such as facilities and flooding fluids. Total cost for production would require (in addition to normal well operating costs for the field involved) cost to lift and dispose of water injected during preceding waterflood operations, and time value of investment money due to time delay in income.

Three methods, not included in Big Four, are expected to reach nominal increase in recovery for modest increase in cost. Of the Big Four, CO_2 miscible flooding appears to have the edge in costs. Unfortunately, cheap naturally occurring supplies of CO_2 near suitable fields are limited. Big Four are thought to have potential of providing additional recovery from some reservoirs amounting to 30–35% of OOIP. Incremental cost is estimated to be in the range of $0.75 to $1.50 per barrel for ideal applications.

Not all tertiary field projects will be successful. During pioneer applications, there will be a higher than normal number of marginal performers and failures. So real average cost to industry could be more until advancement up the "learning curve" minimizes risk. To put a sizable part of potential tertiary oil into the category of U.S. reserves, risks will have to be taken. There is an urgency for doing this before irrevocable losses of oil occur because of abandonment of wells.

TABLE 2.—COMPARISON OF CONVENTIONAL SECONDARY AND TERTIARY RECOVERY

	Normal range of recovery improvement percent OOIP		Approximate range incremental cost above well operating expense dollars per barrel of added oil
	From	To	
Secondary:			
Waterflood	10–20	30–50	0.35–0.50
Steam (heavy oil)	10	60	.75–1.25
Tertiary (after watered-out):			
Alternate gas-water	30	40	.25–.35
Thickened water (polymer)	30	40	.60–.80
Wettability reversal	45	55	.50–.75
Miscible-hydrocarbon	45	75	.75–1.00
Miscible-CO_2	45	70	.60–.85
Miscible-(micellar) water	45	80	1.00–1.50
IFT (micellar) water	45	75	.75–1.25
Thermal (COFCAW)	40	70	1.25–1.50

TERTIARY RECOVERY'S FUTURE

In December 1972, the National Petroleum Council published a report, "U.S. Energy Outlook." An extensive study was made (starting in 1956) of sources which make up domestic production. Also, projections were made as to future (1970–1985) sources considering future economic climate changes. Several sets of assumptions were used.

One of these projections indicates that the proportion of total reserves to be added, attributed to tertiary operations, rises gradually starting in 1975, to 25% by 1985. Also by 1985, tertiary production will, after an inherent time delay, amount to about 20% of domestic total.

It appears from this forecast that there is likely to be an accelerated effort by industry on conducting tertiary operations. Continued frequent publication of results will help in development of viable methods in the time available. Delays could result in some extra oil being lost due to abandonment of uneconomic wells.

This article is taken from the paper "Improved Oil Recovery Expectations When Applying Available Technology" presented at the Third Annual Meeting, Division of Production, API, held in Denver, Colo., 1973.

Mr. HANSEN. Mr. President, this article tends to underscore the points made by the Senator from Arizona. Again, I think it points out how the laws of supply and demand work in a country that believes in free enterprise, as the United States does.

I know we do not have much time left between now and tomorrow at 4 p.m., at which time a final vote will be taken, but I hope very much that before that hour arrives most of us will have taken the time to consider what the facts are to try to make up our minds as to what will be best for America in the long run, and not try to demagog an issue that already has had too much of that done. It is easy to get up and inveigh against high prices for gas and oil. We tend to forget that in the United States we have had bargain basement prices for oil and gas for many years. This was mostly because we have had an industry that was active and alert to the problems in this country. It has been true also that through the tax treatment, through the depletion allowance, and other publicly passed laws we have subsidized the consumer in America. By not taking as much as we have from the oil companies we have had lower prices than anywhere else in the world.

I have seen a comparison for 1973 with respect to the price of gasoline in the United States. It was roughly half of what it was in England, one-third of what it was in Germany, and it was exceeded by nearly six times when customers in Spain bought gas and oil. There is not a place in the world that approximates our price. We have had dramatic increases in price and I know how concerned everyone is. But when we take cognizance of the fact that we are talking in this bill only about the domestic production in the United States and think we are going to bring prosperity and happiness to all the people by trying to roll back domestic prices, we fail to recognize that we are playing into the hands of exporting nations around the world who find it incredible that the United States in a time of stress, and this is a time of stress, would take steps to curtail its own production so as to make us even more dependent on foreign sources.

We complain already about the big stick the Arabs have been using through the boycott, and bend our policy with regard to the Middle East. If we want to make certain that that club becomes larger than it is now, all we have to do is pass this bill because if we decrease our domestic production we will increase our dependence on foreign sources of supply. This is not the time to demagog an issue as vital as this.

Nearly 80 percent of all the energy we use in this country comes from oil and gas. I know the distinguished chairman of the Committee on Interior and Insular Affairs spoke about the 250,000 people who were out of jobs. I am as concerned as he is. He proposes in his bill to roll back prices and by Federal participation in unemployment compensation benefits to help people out for a longer period of time after the State unemployment rights have expired.

I think a far better and more realistic position to take is to recognize that ours is an energy-intensive country. We do depend on jobs in this country. For every man-hour that is discharged in raising the food and fiber that makes Americans the best fed and the best clothed of all the people in the world, for each hour we work on our farms we bought 1.2 gallons of diesel fuel or gasoline.

Mr. President, if you want to bring about poverty in rural America you do not have to do anything more about farm production; just shut off the petroleum.

I was in California at Christmastime. At that time the State Unemployment Compensation Board of California estimated that there were then 32,000 people out of jobs in California alone because of the fuel shortage. If we are concerned about the 250,000 people out of jobs now I can assure Senators that if this bill passes, then before this year is up we will be concerned about several times that many people out of jobs, because this country runs on energy. There is no substitute for it in the short run. We have great reserves in this country and we have other alternatives of energy that can be put to use. We talk about coal gasification and liquefaction. It is estimated we have recoverable oil shale deposits in the tri-State area of Utah, Colorado, and Wyoming for 1.8 trillion barrels of oil.

Mr. GRAVEL. Mr. President, will the Senator yield for a question?

Mr. HANSEN. I yield.

Mr. GRAVEL. How can we develop that oil shale or bring about the gasification of coal if we are limited by the price of oil? Oil shale cannot be developed for $7 a barrel, I do not care what they are saying. Some were saying that figures last year showed an 8.8 percent increase in inflation. How can we pass a law saying the price shall be no more than $8 barrel?

Mr. HANSEN. In response to the Senator's question, there is no way. If we want to make certain that we do nothing about developing these other important sources of energy, which include uranium and geothermal steam, all we have to do is pass this bill, because it works this way.

Mr. GRAVEL. And solar.

Mr. HANSEN. And solar. These alternative sources of energy become feasible. A lot of the technology has been done. The University of Wyoming has been doing a lot of work on oil shale technology. They have retorted it. When the temperature is raised to 900 degrees the kerogen in the oil shale turns into shale oil. A few years ago it cost about $7 a barrel before that operation would become operable. Now, as the Senator from Alaska has pointed out, with inflation, the cost is above that.

So none of these things are going to happen until they become economically possible. People will put money into programs that have a reasonable expectation of being profitable. We know that even thought we are short of energy, there are not many people trying to dig a coal mine or oil well by themselves unless they have a fair prospect of getting a fair return on their investment. That is precisely the point made by the distinguished Senator from Alaska. That point has been eloquently made by the Senator from Arizona. It is a fact that the American people ought to keep in mind.

Unless we decide, as some would have us believe, that socialism and the Federal Government's entry into private business is a better way to operate than the way we have historically operated in the United States, I say there is no place for this bill. If we want to do what England has done, if we are satisfied to have miners work a couple of days a week, or none at all, in order to prove their point with the Government, where the coal industry is nationalized, if we are willing to put up with cold houses, very little energy, with people out of work, which brings us to a situation as desperate as it was in early World War II days, that should be our choice.

But I hope we do not get into this legislation tomorrow, I hope we do not proceed to a final vote on that issue, under any illusions as to what the facts are. They are clear. They have been spelled out by people in Government. They have been spelled out by people in industry. They have been spelled out by the academic community. The record is replete with testimony that these decisions are made on the basis of return on investment, and the record of the industry itself has disclosed that same thing.

It was reported earlier today that drilling activity in 1957 was double what it was in 1972. There were more than 20,000 independent oilmen working in this country in 1957. By 1972 there were about half that many. The reason for that was that there were better ways of making money than to go out and invest money in the increasingly costly search for oil. It costs more money to drill wells than previously. Wells have to be dug deeper than before.

The thing that has turned the situation about and made our production start to climb, though it be ever so slightly, has been the fact that the prospect for a profit has encouraged people to invest their money into this business. We need more oil, not less, in America, in order that Americans may work tomorrow.

Mr. GRAVEL. Mr. President, I want to underscore one point that my colleague made, and that is the item of inflation. I am terribly chagrined to see good friends of mine make the argument that we cannot do what we are doing, that we have to roll back the price of oil, because the present price is so hard on poor people. Let me say that everything is hard on poor people, because they are poor. We cannot solve the problems of poor people by this energy bill. If we do, we are going to spew more problems on our society. What we are going to do is cause a flight of capital, which means productive capacity, which means jobs. That is the tragedy behind the legislation. There are a lot of well-meaning and sincere people who support this effort, who think that they are doing the right thing. But, in point of fact, they are doing exactly the opposite of what they think they are doing.

(Mr. HUDDLESTON assumed the chair as Presiding Officer.)

Mr. HANSEN. Mr. President, if the Senator from Alaska will yield. I want to say that I agree with his comments. A poor person with a job is better off than a poor person out of work, who does not have to buy gas, because he has nowhere to go. If he is out of work, he is not going anywhere. So the one thing that is worse than having a high price on gasoline is having no gasoline. If we want to bring about real trouble, all we have to do, being as gas oriented as we are, is simply decrease that supply. If we do that, I can assure Senators we will have trouble, as the Senator from Alaska knows so well.

Mr. GRAVEL. I thank my colleague.

One point made by the Senator from Washington was that production in 1973 was constant, or that there was no appreciable increase in production as a result of increased prices. Prices did not begin to move substantially until September of this last year, so obviously, with the lead time in question, there is no question that the marketplace could not act sufficiently rapidly to bring about a substantial increase in productivity. But what productivity did take place was offset by the fact that a number of wells were expiring, wells that were no longer able to produce.

Let me in closing, before I address a few questions to my friend from Arizona, say what I think is the fundamental argument of the whole energy crisis. It is: First, that the need for oil, oil and gas, is only the short-run part of the problem. We are talking about our ability to do something about the next 10 to 15 years. After that will come a more serious problem. Then, by the year 2000, if we as a society have not made a breakthrough on new energy sources, we will see the planet disintegrate from the effects of pollution.

The reason why we are responding in oil today is in recognition of the fact that it is a technology readily at hand, and it is something our society is geared to. It is something we can do something about and show results in 4 months, 12 months, 18 months, 2 years, 5 years. In fact, in 5 years we could be out of the woods. I do not say we will be self-sufficient, but we would be out of the woods. But there would have to be an alternate source of energy, whether it be nuclear energy, solar energy, you name it. That is where the real problem lies. But in the short run, if we do not address this problem, we are going to make severe mistakes. One is the simple problem that we are not putting moneys from the Government's side in the responsible area, be it R. & D. or prototypes. We are not nearly addressing ourselves to the problem.

In the private sector, the problem is one of capital. We can cut out the depletion allowance, we can cut out all of the taxes; we will have nobody drilling for oil; we are going to be out of all the incentives. It works out that way. Incentives depress price and bring about production. Essentially, that is the situation we have in this country with depletion allowance and others. But if we go to taxation, we depress consumption, but we also do nothing at all about increasing production, which is the way to solve the problem.

Then when we go to rationing, we make it worse. What we do is apportion the burden, but provide no solution to the problem of what has caused the burden. In other words, we are treating only the symptoms; we are not treating the illness.

If we go to a free market, that is, if we deregulate gas, deregulate oil, what we do is permit oil to rise to a level where it clears itself on the market and we move from a period of scarcity which increased prices. That is what we have in this country, scarcity occasioned by the lack of capital over the last 10 or 15 years to do the job domestically.

So if we do away with scarcity, in point of fact what happens is that we turn around and actually decrease price. We decrease price through abundance.

I will read from a statement which I think touches exactly upon what we are doing today. I will read from the statement of Prof. Edward J. Mitchell, professor of the University of Michigan. Here is an oil expert, a person who is not in the pay of the oil companies. Here is a person who does not even live in an oil State. This is what he has to say:

> To create a shortage, you simply depress the market price below the level that equates supply and demand; to eliminate the shortage, you free the price and allow it to rise to equate supply and demand once more. To create a surplus, you raise the price above the market-clearing level; and to eliminate the surplus, you let it fall back. We always have three options: a market-clearing price; a price that gives us shortages; a price that gives us surpluses. Our representatives in Washington are presently opting for energy shortages. If we are all decided in retrospect that this was a bad choice, we have the means to change it.

That is exactly what this legislation will do. It will create a shortage and will increase the inflation in this country and bring about an increase in price.

We need to increase the price at the well so the people will be able to buy wells and pay the price for gas stations and everything else.

We have two ways of doing this. We can get it from price, and that is pay as you go, which is the least inflationary approach. Then the consumer pays.

And if we do not want to do it that way, we can get it in the same way that the Soviet Union and other countries do. We can get it from taxation. We can tax the people and pay for the refineries with the money. The taxpayer pays it, because he is also the consumer. All we have to do is to pick the system that we want to solve the problem with.

In closing, I would briefly like to ask my friend, the Senator from Arizona, something that is very important to me and something that I have been laboring to have changed.

I notice that in the energy bill that we are dealing with, there is a section entitled "Federal Actions To Increase Available Domestic Petroleum Supply."

I do not have any knowledge of this. However, I do know where we can double in 1 day's time, if Congress were to act intelligently on this subject, the reserves of this country. And I am not talking about Elk Hills and I am not talking about the sands of Colorado. I am talking about Pet 4, which is in Alaska.

The military tells us this, and not the oil companies. I have talked with the oil companies, and they are fairly pessimistic about it. However, the Navy tells us that there is somewhere between 33 billion barrels of oil and 100 billion barrels of oil, to say nothing about gas. With the Alaskan pipeline we could begin in 3 years to bring that oil to our country.

I would like to know what debate ensued in the conference that caused this title, the Federal actions to increase available domestic petroleum supplies, to be added, to the categorical exclusion of these petroleum reserves.

There is a dichotomy that I cannot reconcile with the public interest. I would like to know why that is not released to the American people.

Mr. FANNIN. Mr. President, I would like to say to the Senator from Alaska that it was stated that this would be handled separately. However, I do not anticipate that action, since it was, as the Senator knows, removed from the legislation. At one time it was included, but disposition of petroleum reserves 1, 2, 3, or 4 was removed from consideration with the understanding that it would be taken up at another time.

Mr. GRAVEL. It is my understanding, based on an authorization by Congress to fund the Navy for $150 million over the next 10 years to do oil exploration at Pet 4, that we have already made a decision to do that.

Mr. FANNIN. I understand that the cost of these measures is continuing. I cannot give the Senator complete information, because I think the Armed Services Committee and other committees are involved in addition to the Department of the Interior.

Mr. GRAVEL. Mr. President, I testified before the Armed Services Committee to try to get them away from what I think is folly. I understand the Department of Defense has now changed its position and is prepared to turn this over to the Department of the Interior. I hope that my friend would use his influence to investigate that matter and maybe inform the American people in that regard.

This is what is at stake. The argument is used that the Navy needs Pet 4 in the event of emergency. I cannot conceive of any emergency more serious than we have today, the embargo on any shipments or sales of oil to the American Government. It is an emergency in NATO, our tanks in NATO and our fleet in the Mediterranean. They cannot buy Arabian oil. That means that if France or Germany makes a deal with the Arabs, as long as King Faisal says that they cannot sell it to the Navy, they cannot sell it.

We have seen Aramco placed in that situation. Members of this body charged that these companies were lacking in patriotism. If I had been a stockholder and holding any stock in a company having control of Aramco, I would have said that it was impossible for the president of Aramco to stand up to King Faisal, because he could have thrown him out the next day. It would have been false patriotism to my mind.

The point I am making is what would the Air Force or the Navy have done since last October with the embargo? What have the armed services of this country done? We have taken oil from the west coast, from the civilians. We have taken oil from the east coast and taken it away from civilians. And they have used it to man the vessels and the planes.

We have done this under the name of the National Defense Act. That is not bad, because they do have to have first priority.

What I cannot understand is that in a time of emergency, the Navy and the Air Force take it away from the total inventory. Where do they get the notion that they have to hang on to the petroleum reserves in Alaska and in other parts of the country when it is not usable by them? They should let it go to inventory and then let them take it off the top if they need it.

If they do not need the Pet 4 or the reserves elsewhere, they could then be sold to the oil companies. They could then turn around and buy refined products.

It is ridiculous that people talk about conspiracies to hold back large quantities of oil.

The only place that I know that that occurs is in Pet 4 in Alaska, where I know that there are large quantities of oil. That oil belongs to the American people. And the American people cannot get it, because of the myopic vision of some leaders in the Department of Defense, in the Navy. And incidentally that is also true with respect to some Members of the Congress, who sustain the hoarding of oil and keeping it from the people.

I do not think this is in the national interest. And I hope that with that realization by the American people that some people are hoarding oil, something will be done about it.

I do not buy the argument made about Teapot Dome and all of that. We have had scandals in our history: Teapot Dome was one of them. But turning the oil over to the Navy, because of Teapot Dome does not make any more sense to me than asking an admiral to be Vice President of the United States, because we had a bit of a scandal in the Vice Presidency. It does not make any sense there, and it does not make any sense with respect to Pet 4.

We have a department of the Government that leases billions of acres of ground, and has for the last 50 years, and there is no reason to be depriving our industry of power, because we are afraid to do what is right and what is in the public interest. We have billions of barrels of American oil that our people could use today if they could get the Government to stop hoarding it. Mr. President, the conspiracy, if there is one, lies within the bowels of the Government.

Mr. President, I do not seek comment on the part of my colleague from Arizona. I hope, however, that the American public will demand that something be done in the near future.

I ask unanimous consent to have printed in the RECORD at this point a paper I have written on the profits of oil companies, together with an article published in Human Events of January 5, 1974, written by M. Stanton Evans, entitled "Why Oil Companies Need Higher Profits."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PERSPECTIVE ON OIL PROFITS

Our current energy crisis has sparked a new public awareness of oil company profits. As oil prices continue to rise, Americans are understandably concerned that their increased costs of oil will result in windfall profits for the petroleum industry.

As the policing arm of the people, the government is called upon to insure that the prices charged for petroleum products and the profits made by oil companies are not exorbitant. This means that Congress must accept the responsibility for determining what are the most socially beneficial and proper price structures and what should be the accepted level of profitability.

Much of the decision making will be based on the financial figures now being released by the oil companies. I think that it is imperative, therefore, that everyone understand the framework within which decisions must be made and the true import of the information now being made available.

In determining the optimal profit rate of the petroleum industry, we are faced with two competing objectives. To keep prices as low as possible, profits should not be excessive. However, as we have a significant energy shortfall, profits must be high enough that energy companies can acquire the capital they need to expand production facilities. To finance this massive expansion, which will require $1 trillion by 1985 to meet world oil demands, petroleum companies will need to make sufficient profits to partially finance large reinvestment programs and to maintain a profit ratio sufficient to attract outside capital to finance the rest.

It is estimated that the industry's profit margin will have to rise to nearly 16% if we are to meet the objective of supplying all of our energy needs. Raising profits to this level will necessitate price increases. If allowed to function freely, our market structure would increase the price automatically, thus insuring that oil companies will have the capital needed to finance the investment program our country needs.

In our free enterprise system, we have only three alternative pricing strategies. We can allow the price to move to the equilibrium point that equates supply and demand; we can set the price below the equilibrium price and have shortages; or we can set the price above the equilibrium price and have surpluses. Our policy so far has been a policy of shortages.

Through strict price controls and an excess profits tax, we can keep oil profits low, but at a cost committing ourselves to a continued policy of shortages. It is a simple fact that in a free enterprise system, we cannot have both.

Some say there are two other alternatives if we decide to move away from the free enterprise system, government regulation or government ownership.

Government regulation of energy has already been tried with natural gas and has failed. Price regulation has succeeded in keeping prices low, but at a cost of not permitting expansion to increase supplies. Natural gas shortages experienced in the last two years are a direct result of the mismanagement of the private sector by government. The result of this policy is that we are forcing consumers to buy imported gas at a cost of over one dollar per mcf, which is over five times greater than the domestic price for interstate gas and far above the cost consumers could be paying for increased domestic supplies if a reasonable price increase were allowed. Thus government regulation is not really an alternative, but a policy of shortage under the free enterprise analytical framework.

Neither is government ownership, that is nationalizing the oil companies, a true alternative. The government could charge abnormally low prices and expand production. However, the capital required to expand production and subsidize prices would still be paid by Americans through taxes.

There is no way to escape the additional charge for increased supplies, only to hide it. We can pay it through prices and allow private industry to continue managing oil operations, or we can pay it through taxes and allow government to manage operations.

Frankly, I see no reason to put government in the oil business. This distorts our whole free market system and runs counter to our American philosophy of free enterprise.

Furthermore, while a free market policy aimed at overcoming shortages rather than maintaining artificially low profits and prices will result in price increases, I do not believe that these will be exorbitant.

A rise in prices is a normal market adjustment procedure. We have a shortage of oil and must finance increased exploration and development which will increase supplies. Price increases are the cost of expanding domestic production to eliminate our dependence on foreign oil.

With foreign oil selling at prices of $10 to $12 per barrel on contract oil and some spot sales going as high as $20 per barrel, normal economic market operation would increase domestic production even if we were guaranteed a continuous supply of foreign oil. The increased prices that would result will still be cheap in comparison to world prices and will allow oil companies to increase domestic operations in those areas that cannot be developed at current domestic prices, but which would bring forth additional supplies at prices much lower than world oil prices. Thus, keeping prices too low to finance increased domestic exploration results in our being forced to purchase foreign oil at much higher prices.

Some individuals would have us believe that current prices have led to profits that already are too high and claim that recent profit increases prove this point. But what is their standard for excessive profits?

It seems to me that industry profits must be viewed either relative to their historical rates or relative to the profits of other industries. A historic determination, however, cannot be based merely on the rates set in one particular year because of the cyclical nature of our economic system. The profits in one or several years could be abnormally low, and it is unfair to analyze one's profit only with respect to a low period. Industry shifts and changes occur over a decade or longer, and it is within this time-frame that we should look at profits.

Information and tables prepared by the Congressional Research Service and some supplementary data I have compiled from the Fortune 500 listing and Business Week supply the information for this more equitable analysis.

The profitability of the major oil companies has been steadily declining during the twenty years prior to 1973 as shown in Table I. The declining profit margin indicates that costs of oil production have increased significantly faster than oil revenues. The declining return on net investment shows that earnings have been squeezed.

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TABLE 1.—SELECTED FINANCIAL DATA FOR 30 OIL COMPANIES

[Dollars in millions]

Year	Revenues	Net income after tax	Percent profit margin	Percent return on net worth
1952	19,458	2,020	10.4	13.4
1957	31,162	3,100	10.0	12.4
1962	37,473	3,344	8.9	10.0
1967	55,921	5,402	9.7	11.9
1972	106,278	6,860	6.5	9.6

Source: Chase Manhattan Bank: Financial analysis of a group of petroleum companies, 1953, 1958, 1963, 1968, 1973.

This same information on profitability is shown for several major oil companies in Table II. Fluctuations in profitability are normal occurrences in the oil industry. For instance, for Gulf to bring its 1972 percent return on net worth up to its previous level for 1967, a 264% increase would be required. A 264% increase sounds phenomenal and excessive, but is a 13.1% return on net worth really that high? I do not believe so in comparing it with the historical patterns of the oil industry and previous rates of up to 16.6%.

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TABLE II.—SELECTED FINANCIAL DATA FOR 8 MAJOR OIL COMPANIES

[In millions of dollars]

	Revenues	Net income after tax	Percent profit margin	Percent return on net worth
Exxon:				
1952	4,050.8	520.0	12.8	16.6
1957	7,830.3	805.2	10.3	14.0
1962	9,536.9	840.9	8.8	11.1
1967	13,266.0	1,232.3	9.3	13.0
1972	20,309.8	1,531.8	7.5	12.5
Mobil:				
1952	1,560.6	171.1	11.0	11.3
1957	2,976.1	220.4	7.4	9.3
1962	3,933.3	242.3	6.2	8.2
1967	5,771.8	385.4	6.7	10.0
1972	9,166.3	574.2	6.3	11.2
Texaco:				
1952	1,510.1	181.2	12.0	13.7
1957	2,344.2	332.3	14.2	16.2
1962	3,272.1	481.7	14.7	14.8
1967	5,121.4	754.4	14.7	15.3
1972	8,692.9	889.0	10.2	12.4
Gulf:				
1952	1,528.8	141.8	9.3	13.0
1957	2,730.1	354.3	13.0	16.2
1962	2,836.3	340.1	12.0	10.6
1967	4,202.1	578.3	13.8	13.1
1972	6,243.0	197.0	3.2	3.6
Shell:				
1952	1,142.6	90.9	8.0	15.2
1957	1,764.6	135.1	7.7	13.8
1962	1,960.7	157.7	8.0	11.2
1967	3,073.2	284.8	9.3	13.8
1972	4,075.9	260.5	6.4	8.9
Standard of Indiana:				
1952	1,592.1	119.9	7.5	8.8
1957	2,010.1	151.5	7.5	7.5
1962	2,147.8	162.4	7.6	6.6
1967	2,918.1	282.3	9.7	9.5
1972	4,503.4	374.7	8.3	9.9
Arco:				
1952	602.8	40.5	6.7	10.7
1957	565.9	25.3	4.5	7.4
1962	580.7	46.3	8.0	7.7
1967	1,270.8	130.0	10.2	10.2
1972	3,320.7	195.6	5.9	6.6
Socal:				
1952	1,015.3	174.9	17.1	15.0
1957	1,650.8	288.2	17.5	15.5
1962	2,150.9	313.8	14.6	11.6
1967	3,297.8	421.7	12.8	10.8
1972	5,829.5	547.1	9.4	10.5

Source: Moody's industrial manuals and annual Fortune 500 listings.

Since 1968, the petroleum industry has been near or below the average for return on investment for all manufacturing industries, as shown in Table III.

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TABLE III.—PERCENT RETURN ON NET WORTH FOR SELECTED U.S. INDUSTRIES

Industry	1972	1971	1970	1969	1968
Soft drinks	22.4	23.1	22.7	22.5	22.7
Soap, cosmetics	20.4	19.3	18.7	18.6	18.9
Drugs and medicines	19.7	19.0	18.8	17.0	19.8
Autos and trucks	17.2	15.0	5.8	13.8	16.6
Instruments, photo goods	16.8	15.4	15.8	18.7	19.2
Tobacco products	16.2	16.6	16.4	14.6	14.6
Hardware and tools	15.9	12.5	12.5	16.5	16.7
Household appliances	15.4	12.1	11.9	13.5	14.0
Brewing	14.7	15.8	16.0	13.2	13.2
Lumber and wood	13.9	11.2	10.2	15.2	14.1
Furniture	11.6	11.9	8.4	12.4	11.3
Chemical products	11.3	9.7	9.7	11.4	11.7
Petroleum production and refining	10.8	11.2	11.0	11.9	13.1
Cement	8.8	7.6	6.1	7.1	7.5
Aerospace	8.8	6.3	6.7	11.4	13.9
Textile products	7.8	6.6	6.4	8.8	9.8
Meatpacking	7.1	7.7	6.6	9.4	8.3
Iron and steel	6.2	4.6	4.6	7.4	8.5
Total, manufacturing	12.1	10.8	10.1	12.4	13.3

Source: First National City Bank: Net income of leading corporations, 1968–72.

Furthermore, there is a wide dispersion in rates of return among the various industries. There is no one set rate without deviation. The free market "assigns" rates based on risk and other factors. When these factors change, the rate must be allowed to fluctuate if we are to keep a dynamic market structure.

Many recent comments on petroleum profits have focused on the increase in total profits. While complete figures on 1973 profits for all firms and industries are not available, Table IV shows how 1972 profits compared with 1971. Some industries like the oil industry experienced only modest profit increases, while others increased by as much as seven times the oil industry rate, or 47%. These are natural and healthy adjustments which help allocate capital to those firms that generally can make the best use of the additional funds and to those firms which must finance expansion.

TABLE IV.—CHANGES IN PROFIT, 1971 TO 1972

Industry	Increases (percent)
Paper and wood products	47.5
Broadcasting and motion pictures	40.3
Shipbuilding, railroad equipment, mobile homes	37.2
Metal manufacturing	33.4
Motor vehicles and parts	33.2
Textiles	29.8
Appliances, electronics	29.3
Glass, cement, gypsum, concrete	28.6
Chemicals	27.8
Measuring, scientific, and photographic equipment	21.9
Farm and industrial machinery	20.7
Office machinery (includes computers)	18.8
Leather and leather products	18.6
Apparel	18.4
Metal products	18.4
Publishing and printing	17.8
Pharmaceuticals	16.0
Soaps, cosmetics	14.9
Rubber	13.5
Aircraft and parts	13.0
Food	9.8
Petroleum refining	6.8
Beverages	6.5
Tobacco	6.2
Mining	3.8

Source: Fortune 500 listing.

Thus far the focus has been on industry data, as indeed it should be. However, as most individuals are more acquainted with companies rather than industries and it is companies not industries which receive profits, it may be helpful to look at data on some well-known corporations. Consequently, Table V shows profitability data on several corporations. The oil industry figure is included as a comparison, and one can refer to Table II for the same information on major oil companies. Many companies in various industries have much higher profit margins and returns on investment than the oil companies.

TABLE V.—PERCENT RETURN ON NET WORTH AND PROFIT MARGINS OF SELECTED COMPANIES, 1972

Company	Percent return on net worth	Percent profit margin
Gillette	22.0	8.6
Eastman Kodak	19.8	15.7
General Motors	18.5	7.1
Minnesota Mining & Manufacturing	18.1	11.6
Columbia Broadcasting	17.5	5.9
General Electric	17.2	5.2
IBM	16.9	13.4
Ford Motor Co	14.6	4.3
American Broadcasting	13.5	4.1
General Mills	12.4	3.4
The Washington Post	12.3	4.5
The New York Times	11.5	4.1
Pillsbury	10.1	2.4
Honeywell	9.7	3.9
Oil companies	9.6	6.5

Source: Fortune 500 listing and Business Week Quarterly Report on profits.

Data for 1972 has been used thus far because data for the year 1973 is not yet available. However, it is important to analyze the changes that have occurred during 1973 as much as possible because of the major impact the petroleum shortage has had on the industry and its financial posture relative to other industries. Tables VI and VII therefore compared third quarter figures for 1973 and 1972, Table VI by industry and Table VII by company.

Industries other than oil have also experienced accelerated profit growth. The leader, the steel industry, experienced a profit growth 60% greater than the petroleum industry.

TABLE VI.—3D QUARTER 1973 PROFIT FIGURES FOR SELECTED INDUSTRIES

Industry	Profit percent change from 1972	Percent profit margin
Steel	101	4.3
Metals and mining	82	6.3
Paper	74	6.4
Oil	63	8.3
Chemicals	51	7.2
Building materials	38	5.9
Automotive	34	2.7
Textiles and apparel	33	3.2
Aerospace	32	1.8
Office equipment, computers	25	10.3
Instruments	23	11.7
Drugs	18	10.2
Utilities	17	13.0

Source: Business Week Quarterly Report on Profits.

TABLE VII.—3D QUARTER 1973 PROFIT FIGURES FOR SELECTED COMPANIES

Company	Profit percent changes from 1972	Percent profit margin
The Washington Post	249	3.3
General Motors	118	3.5
The New York Times	113	4.8
Ford	95	1.9
Pillsbury	73	2.3
Oil companies	63	8.3
Honeywell	46	3.7
American Broadcasting	37	4.8
IBM	28	14.9
Eastman Kodak	23	18.0
Minnesota Mining & Manufacturing	20	11.5
General Mills	17	4.1
Columbia Broadcasting System	13	6.3
General Electric	11	4.9
Gillette	3	8.3

Source: Business Week Quarterly Report on Profits.

One argument for paying particular attention to the price and profit increases in the petroleum industry is the major impact increases have on individual budgets. However, the steel, metals and mining, chemicals and building materials industries also have a significant impact because of their price effect on other manufactured goods and household budgets.

In the selected companies table, we again see many firms with profit increases greatly exceeding the oil company average. One, The Washington Post, is almost four times the oil average.

The information supplied above shows the wide dispersion in profit margins and rates of return, both between industries and companies. With so many variations, how do we determine excess profits?

Let us consider the term. "Excess profits" is not an economic term. It is a vague and nebulous term to which it is hard to give an objective definition that can be used as a standard to determine when they occur. Free market forces objectively allocate funds to their most useful end and set prices based on similar objective forces. Supernormal profits may occur, but this is the principal phenomenon forcing supply adjustments to increase production. Supernormal profits occur during shortages, such as we have today, and are needed to finance the hefty production increases warranted by the same market situation that permits supernormal profits in the first place.

"Excess profits" is a social term, but a meaningless one if free market forces are allowed to function. Profits are "excessive" if they are not in the best interests of society. However, as the "invisible hand" in the market place makes proper adjustments, market adjustments are in the best interests of society. In the case of the petroleum industry, it is in the best interests of society that there be supernormal profits to finance supernormal production increases and eliminate our dependence on the unstable supply of higher-priced foreign oil.

Another term frequently used is "windfall profits"; meaning those profits that accrue from a short-run price which is higher than what is expected to be the long-run price. Under normal growth patterns, the short-run price will move with the long-run price, and there will be no exorbitant price increases and no windfall profits. These only occur when there is an abrupt dislocation in markets.

However, it must be realized that these abrupt market aberrations mean that adjustments must be made in the market place if we are to move to the new point of optimal resource utilization and pricing structures. The slower we move to this point and the longer it takes, the more time we spend at a less than optimal position. Thus there is a true economic cost of not moving immediately to the optimal point, an economic cost which is larger the greater the adjustment necessary and the longer it takes to adjust.

Windfall profit is the market mechanism for speeding up this adjustment. Windfall profits are naturally larger when the economic costs are greater. If we remove the windfall profits by taxation, price controls, or other means, we only delay adjustment and increase total economic costs. Windfall profits, therefore, benefit society. Through government interference with the free market, consumers can escape from paying the windfall profits but cannot escape from paying the then greater economic cost.

It is thus an inescapable economic fact that Americans, in one form or another, will bear the costs of increasing domestic energy production. I share the concern of all Americans for the problems this will place on individual citizens and the poor in particular. I caution, however, that there are no panaceas, no way that the government can remove this burden from the people. Even in a totally controlled economy, citizens would bear the cost as government shifts capital from other activities to petroleum production. They would then get less output from the other activities to continue consuming petroleum at the old levels.

We can, however, shift the burden of cost increases from the poor if that is what we want to do. It cannot be shifted by stringent controls on prices and profits, as some argue, because the economic costs will still be levied on the poor consumer as it will on the rest. This just hides the costs and distorts market operations. But it can be shifted, and can only be shifted, by direct income redistribution. If this is what we want to do, we must provide tax relief for the poor.

An income tax credit, tax deduction, or increase in the low income allowance is the only effective tool we have for changing the incidence or burden of petroleum price increases. Such a tax adjustment would not decrease the total cost of price increases, as nothing can, but could shift a greater burden on the wealthy.

This is the real decision facing Congress. Talk of price controls and excess profits taxes are discussions of a policy of shortages and hiding costs. We must allow the free market to operate and provide tax relief if we are not satisfied with the effect of free market operations on the less wealthy.

[From Human Events, Jan. 5, 1974]

Why Oil Companies Need Higher Profits

(By M. Stanton Evans)

Some months ago a witness before a Senate committee in Washington discoursed on an unusual but highly effective propaganda technique called disinformation—which consists of spreading spurious "facts" as a method of confusing public opinion and disorienting unfriendly governments.

We have been witnessing a choice example of this tactic in the current dispute about the energy crisis and profits earned by American oil companies. Much is being made of the asserted fact that petroleum profits are up by 63 per cent, or 79 per cent, or some other enormous figure, over the corresponding period a year ago. The impression conveyed is that the oil companies are gouging the public and that their behavior is the source of the discomfort experienced by everyone else.

Newsweek magazine, for instance, tells us that oil profits "are at record levels this year, and many consumers are concluding that the industry is profiteering from the shortages." *Newsweek* finds industry complaints of insufficient earnings "astounding in light of oil profits this year: Up a total of 79 per cent in the third quarter over last year and an average of 59 per cent for the first 11 months," according to the researches of the Chase Manhattan Bank. The magazine concludes that if the shortages are drawn out, "some kind of legislation directed against the industry—perhaps a lower depletion allowance, or even a specific antitrust law mandating breakup—seems all but inevitable."

All of which is "disinformation," pure and simple.

Fact "A" in such discussion is that oil profits, far from being enormous, are and have been comparatively modest. In the third quarter of '72, for example, oil industry profits on sales amounted to 6.7 per cent—compared to 9.7 for the office equipment industry, 8.5 for chemicals, 11.1 for instruments, and so on.

In the third quarter of '73, in the face of surging demand, oil's percentage margin improved to 8.3 per cent. It is this rather moderate improvement which gets translated into the 63 and/or 79 per cent increase in profits which scandalizes critics of the industry.

Such percentage games can of course be played by anyone, depending on what it is you want to prove. If a firm had a profit of only $1 last year, and raises that to $2 this year, then it is possible to say it has experienced a "100 per cent increase" in profits—statistically accurate but substantively misleading. By the same standard it applies to oil, the profit hike enjoyed by *Newsweek*'s own parent company, the Washington *Post*, is a cool 249 per cent—far greater than the profit increase accruing to petroleum. Should consumers therefore be clamoring for punitive legislation against the *Post?*

To this it may be added that oil profits for the past 10 years have lagged behind profits for manufacturing in general (11.8 as opposed to 12.2 per cent). Petroleum's 6.5 per cent of revenues retained as net earnings in '72 was down from 7.4 per cent a year before and 9.5 per cent four years earlier. By way of contrast, 14.5 per cent of oil's gross revenues were taken by government as taxes.

Indeed, for those who like exploding statistics, it is noteworthy that taxes on the oil industry have increased by more than 100 per cent in four years' time, while dividends fell to 3.5 per cent of revenues, an all-time low.

Result of these contrasting trends is that oil companies have less capital for exploration and potential investors can do better by putting their money elsewhere. And since *Newsweek* quotes Chase Manhatttan as an authority on the subject, it may be well to see what this authority has to say about the profitability of oil investments.

"Even in the face of a progressively worsening shortage of petroleum," says Chase, "government continues to exhibit little understanding of the industry's essential need for financial resources. . . . The lack of concern is made abundantly clear when government prevents the generation of the capital funds needed to provide additional petroleum supplies by imposing artificial restraints on petroleum prices.

"Over the past four years the taxes paid by [the major petroleum companies] increased by as much as 112 per cent. But the combined net earnings of the companies increased by only 2.9 per cent—an average growth of not even 1 per cent a year. . . . Over the four-year period capital expenditures rose by no more than 16.6 per cent—far less than the amount necessary to keep pace with the expanding need for petroleum. No wonder petroleum is in short supply."

The Chase Manhattan analysis says the problem confronting the petroleum industry and the nation at large is a lack of public awareness concerning the need for earnings sufficient to attract capital. When we read articles in *Newsweek* quoting selectively from Chase itself to argue for still more punitive treatment of the industry, there is nothing very mysterious about the confusion of the public.

Quite obviously, on these data, the need of the hour is improvement of the oil profits picture rather than demagogic assertions that profits are too high.

Mr. GRAVEL. I also ask unanimous consent to have printed in the RECORD another statement I made before the democratic conference on January 24, 1974. That statement includes a quotation from Prof. Edward Mitchell, and also a chart showing the decline in price and the decline in dollars and investment in oil and gas in this country.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MIKE GRAVEL

JANUARY 24, 1974.

Forcing back prices of crude oil to the November 1973 level, as proposed by the Mondale resolution, is directly contrary to the development of our domestic energy resources.

In 1974, our consumption of liquid petroleum fuels will approximate 18 million barrels daily. Our production of petroleum liquids is currently only 10.6 million barrels a day. Our dependence on foreign supplies, therefore, exceeds 7 million barrels daily.

If we are to reduce our dependence on imports we have to develop greater domestic supplies. The relationship between price and the exploration and development of domestic energy resources is shown dramatically on the attached chart. As can be seen, if the inflationary factor is removed, the price per barrel in 1970 dollars declined from approximately $2.80 in 1957 to a little over $2.00 in 1971. During that period of declining real prices, exploration and development efforts fell at the same rate.

We are suffering from an energy crisis today, because our nation has lacked a coherent energy policy. Government and industry have made energy decisions based only on the consideration of the moment.

Those decisions were based on three things: To keep the cost of energy low, to encourage its consumption, and not to worry about where it would come from.

Now, we must rectify those mistaken decisions. We should do so within a coherent policy that is aimed at achieving the goal of energy self-sufficiency. Rolling back prices, while attractive politically and socially, will in the long run accomplish nothing.

To be sure, our pocketbooks will have momentary respite. But, there is no ignoring the fact that we will pay even more in the end. And we will pay not only in higher prices, but also in unemployment, in acute shortages of many commodities and in economic dislocation.

The American people recognize that anything valuable cannot be cheap. I think they are willing to pay what their energy is worth to them. I also think they will eventually lose trust in those who say we could have it both ways. They will lose trust in leaders who say we can have energy and it will be cheap. The American people are sick of false promises, sick of deception and sick of demagoguery. Let's be honest. If we are going to have enough energy, we will have to pay what it costs.

The price of energy must be set at a level that increases our domestic supplies and at the same time avoids excess profits.

The effect of price controls on oil and natural gas was summarized sufficiently by Professor Edward J. Mitchell of the University of Michigan as follows:

"To create a shortage, you simply depress the market price below the level that equates supply and demand; to eliminate the shortage, you free the price and allow it to rise to equate supply and demand once more. To create a surplus, you raise the price above the market-clearing level; and to eliminate the surplus, you let it fall back. We always have three options: A market-clearing price; a price that gives us shortages; a price that gives us surpluses. Our representatives in Washington are presently opting for energy shortages. If we are all decided in retrospect that this was a bad choice, we have the means to change it."

That is a clear expression of the laws of economics which even the Democratic Party can't change.

In the hysteria over the energy crisis, Congress should not rush into hasty actions which would only serve to make the problem worse. Price controls are one of the major reasons why we have the problem.

If we have learned anything in the last two years, it is the folly of price controls. The Senator from Minnesota well remembers when we had price controls on chickens and not on feed—farmers drowned their baby chicks. If we impose price controls now, the energy producers will not produce. Instead, they will invest their capital in other areas where there is a better return. We will only further harm the consumers in Minnesota, Connecticut, Massachusetts and throughout the United States. If you think you can rely on "cheap foreign oil" just take note of the fact that even a friendly country like Canada has imposed a $6.50 per barrel "export tax", bringing the price of Canadian crude to well over $12 a barrel. The people in Minnesota will not benefit from price controls that drive out domestic production and leave the State dependent upon Canadian crude oil. And, while the Senator from Massachusetts may not realize it, his State is becoming heavily dependent upon Algerian gas to heat his constituents' homes, a direct result of price controls on domestic natural gas.

If price controls are not the answer, how are we to assure that price increases will not be unwarranted? In my view, a free and unfettered market will produce a fair price, so long as there is protection against excessive pofits.

Let us take a look at the profits in the energy industry compared to those in other industries to see just how great its profits are:

Percent return on net worth for selected U.S. industries

Petroleum production and refining	10.8
Autos and trucks	17.2
Soft drinks	22.4
Soap and cosmetics	20.4
Drugs and medicines	19.7
Household appliances	15.4
Lumber and wood	13.9
Hardware and tools	15.9

Thus, the petroleum industry is gaining less of a return than these other major industries, some of whose commodities are not nearly so vital to the American people.

If we want the energy industry to invest its capital in the search for new and increased supplies of domestic energy, then we have to allow that effort to be profitable. If we refuse, the industry will go where the profits are. We will encourage a flight of capital from production of domestic energy to foreign energy and from energy to real estate.

Rigid price controls are not in our Nation's interest. Emphatically, they are not in the best interest of the American consumer.

ORDER FOR RECOGNITION OF SENATORS CHILES, WEICKER, TAFT, ROBERT C. BYRD, AND GRIFFIN TOMORROW

Mr. FANNIN. Mr. President, I ask unanimous consent that following the remarks of the Senator from New Mexico (Mr. MONTOYA) tomorrow, which I ask to be changed from 15 minutes to 10 minutes, the following Senators be recognized for not to exceed 15 minutes each, and in the order stated: Mr. CHILES, Mr. WEICKER, Mr. TAFT, Mr. ROBERT C. BYRD, and Mr. GRIFFIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. FANNIN. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:53 p.m. the Senate adjourned until tomorrow, Tuesday, February 19, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 18, 1974:

Executive nominations received by the Senate February 18, 1974:

DEPARTMENT OF JUSTICE

Carla Anderson Hills, of California, to be an Assistant Attorney General vice Harlington Wood, Jr., resigned.

W. Vincent Rakestraw, of Ohio, to be Assistant Attorney General vice James D. McKevitt, resigned.

THE JUDICIARY

Thomas E. Stagg, Jr., of Louisiana, to be U.S. district judge for the western district of Louisiana vice Benjamin C. Dawkins, retired.

DEPARTMENT OF STATE

Sumner Gerard, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be lieutenants (junior grade)

Daniel S. Eilers.

David W. Yeager.

Robert K. Norris.

To be ensigns

Mark W. Allen
Kathryn A. Andreen
Peter W. deWitt
Donald A. Dreves
Carl W. Johnson
Roger A. Morris
James W. O'Clock
Stephen A. Reynolds
Thomas J. Rice

IN THE NAVY

Rear Adm. Emmett H. Tidd, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

In the Marine Corps

The following-named (Navy enlisted scientific education program) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Spinks, Grafton.

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Gallegos, Joey R.
Roten, Richard C.

EXTENSIONS OF REMARKS

SOVEREIGNTY OF UNITED STATES OVER PANAMA CANAL

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, February 18, 1974

Mr. HARRY F. BYRD, JR. Mr. President, on February 13 the Honorable George F. Barnes, a member of the Senate of Virginia, introduced a resolution in that body calling upon the U.S. Senate to reject any encroachment upon the sovereignty of the United States over the Panama Canal.

I applaud this action on the part of Senator Barnes.

I was discouraged to learn of the recent action of Secretary of State Kissinger in signing an agreement which seeks to commit the United States to a surrender of its sovereignty in the Canal Zone.

The sovereignty of the United States is guaranteed by a treaty of 1903 and cannot be abrogated without a two-thirds vote of the U.S. Senate. If an agreement surrendering U.S. sovereignty is negotiated by the administration, I hope that it will be rejected by the Senate.

I ask unanimous consent that the text of the resolution introduced in the General Assembly of Virginia by Senator Barnes be printed in the Extensions of Remarks.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Senate Joint Resolution No.—

Expressing the sense of the General Assembly of Virginia relative to the Hay-Bunau-Varilla Treaty of 1903

Whereas, in nineteen hundred and three, the United States of America was granted sovereignty over the Panama Canal Zone in perpetuity; and

Whereas, the Panama Canal is essential to the defens and national security of the United States of America; and

Whereas, the Panama Canal is a vital importance to the economy and interoceanic commerce of the United States of America and the remainder of the free world; and

Whereas, valuable exports from Virginia go through the Panama Canal to distant reaches of the globe; and

Whereas, under the sovereign control of the United States of America, the Panama Canal has provided uninterrupted peacetime transit to all nations; and

Whereas, the traditionally unstable nature of Panamanian politics and government poses an implicit threat to the security of the interests of the United States of America served by the Panama Canal; and

Whereas, the Republic of Panama possesses neither the technical and managerial expertise to effectively operate and maintain the Canal nor the capability to meet the growing demands placed upon the Canal; and

Whereas, the Canal represents a five billion dollar investment on the part of the people of the United States of America; now, therefore, be it

Resolved by the Senate of Virginia, the House of Delegates concurring, That the General Assembly of Virginia requests that the Congress of the United States reject any encroachment upon the sovereignty of the United States of America over the Panama Canal and insist that the terms of the Hay-Bunau-Varilla Treaty of 1903 as subsequently amended be adhered to and retained; be it further

Resolved, That the Clerk of the Senate send copies of this resolution to Richard M. Nixon, President of the United States; Gerald R. Ford, Vice President of the United States; Henry A. Kissinger, Secretary of State; Carl Albert, Speaker of the House; J. William Fulbright, Chairman, Senate Foreign Relations Committee; and to each member of the Virginia Delegation to the Congress of the United States.

IF ROLLBACK OF OIL PRICES—LESS GASOLINE

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. COLLINS of Texas. Mr. Speaker, the name of the political game today appears to be "take a shot at the major oil companies." They are a great target because they do not vote, and everyone wants cheap gasoline.

For years under price control pressure, new oil well drilling has been declining. Domestic new discoveries are down. The only way to encourage more drilling is to provide a profit margin. Costs are up from $56,000 to $94,000 in drilling a new oil well and only one of nine holes drilled will be a producer. We can also increase secondary recoveries of stripper wells if we realistically pay the costs of these inflationary times.

I saw a recent editorial from the Dallas Times Herald. Both Texas Senators are quoted. But remember the major oil companies are owned by the stockholders who live in New York City, Chicago, Boston, Los Angeles. The need is for the major oil companies to start speaking out and stop whispering. Here is the Dallas Times Herald editorial:

Rollback Won't Work

Congressional conferees, acting in political fever, could prolong the fuel shortage rather than easing it if the proposal to roll back oil prices is passed by both houses.

In making political passes at a critical issue, the joint Senate-House committee is running counter to federal energy chief William E. Simon's position. It could put a burden on oil producers that would be too heavy to carry.

The amendment which they propose to tack on to the emergency energy act would automatically turn back domestic crude oil to $5.25 per barrel and prohibit that price from rising above a ceiling of $7.09 per barrel.

That, says Mr. Simon, would be totally restrictive and make continued production unprofitable for many oil companies. He is correct.

Further, it would place President Nixon in the tight position of considering a veto for the entire emergency act. Or, if he leaves the amendment in the act, he would be the scapegoat later if price increases were granted.

Briefly, and simply, the cost of the oil product today is at a higher level than the conferees proposed—$5.25. Mr. Simon argues that the closest price he "could live with" would be a price ceiling of $7.88 per barrel if there is to be continuing oil production in the critical period of shortage.

It is odd, indeed, that politically ambitious men such as Sen. Henry Jackson—architect of the idea—oppose the thinking of Simon and his knowledgeable staff just to give the consuming public the idea that they are getting a price cut.

It won't work.

Sen. Lloyd Bentsen and Sen. John Tower immediately saw the holes in the plan and asked that it be considered. Bentsen made the point that stripper wells, now an important part of the accelerated energy plan, would have to be exempt or there simply wouldn't be enough oil production.

The public is getting weary of grandstand plays on their energy shortage. They want studied action and results—preferably from a man like Simon rather than ambitious vote seekers.

DR. MALCOLM R. CURRIE

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 18, 1974

Mr. THURMOND. Mr. President, Dr. Malcolm Currie, the new Director of Defense Research and Engineering, was the subject of a short article in the January 1974 issue of Government Executive.

Because of the importance of Dr. Currie's post, and the fact that this article was one of the first which tells us something about Dr. Currie, I ask unanimous consent that the article "Decision Maker" by printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Decision Maker—DOD's Malcolm Currie: Focusing on the Fiscal Year 1975 Budget

Last June, Dr. Malcolm R. Currie took on the job of Defense Research and Engineering, filling a post Dr. John Foster filled for the previous seven years. Hierarchically, Currie has the number three post in the Pentagon. He had been vice president for R&D at Beckman Instruments, Inc., of Fullerton, Calif.

Currie's modus operandi differs from Foster's though it is not to say he criticizes the Foster stye.

"I'm forming an extremely close working team with the three R&D assistant secretaries (of Army, Navy and Air Force)," he said. "I'm regarding my whole office staff as peripheral to that R&D central management team in DOD."

Objectives of this move are to bring in the service assistant secretaries closer to where the DOD decisions are made—indeed, contribute to them—and thus to force the individual assistant secretaries to take a more objective, less parochial view of their individual services.

Although he works with the Research and Development Policy Council, staffed with the Service chiefs as well, his closer liaison is with the assistant secretaries. "It's a civilian group," Currie said, "consisting of men with diverse backgrounds, but similarly oriented. They all come from industry, and they're all concerned with problems of management."

MIDEAST LESSONS LEARNED

The group, including Currie's principal deputy Bob Parker, meets for an extended lunch every Tuesday. "I have formal meetings with each of them alone," Currie said, "set up on a regular weekly basis. And then we have hot lines to each other's offices. We see each other many times a day, to discuss problems." His is an anticipatory kind of management, dealing with problems by nipping them in the bud; he is, as he refers to himself, "a constructive adversary."

Currie is in the process of "constructing a series of fairly broad objectives from this office, that I'm going to achieve in three years. That's management by objective; it's a useful tool."

The difficulties he encounters here are built in constraints—budgetary, Congressional, "and of course the constraints of advocacy in the Services and their own set of self-imposed constraints."

His approach to this is to review programs of a tri-Service level, by mission area and technology. "I'm going to institute a procedure by which we do this on an ongoing basis during the year, not just in the Fall season of cutting the budget for the next fiscal year."

One example he cited was in the technology of high energy lasers "it's big business." And another is electronic warfare: "we're going to be looking at (that) in the next two months, across the Services."

Intra-Service: The Navy's antisubmarine warfare efforts are fragumented in terms of the number of efforts ongoing and the number of people involved. "We're working with the Navy to collect these fragmented efforts in ASW into overall packages which, from a management point of view, we can inject a sense of responsibility in tradeoff between these elements."

In the '74 budget, Currie is concerned about the level of investment in component and systems technology the Nation should have in the ballistic missile defense arena. "I don't believe it should be zero," he said, "and quite clearly it can't be a billion dollars a year. What should it be? It consists of several large programs collected under the general heading of ballistic missile defense. I'm trying to initiate conversation with people in Congress on coming to agreement as to coming to the right, approved level."

Emphasis in the 1975 Fiscal Year budget in DDR&E on the strategic R&D, the two biggest will be programs being the *Trident* and the B–1.

Also focused in the FY '75 budget will be aspects of modern warfare that have been "created by the Mideast conflict." For example, air mobility has shown to be very decisive: "Our ability to transport 50 percent more tonnage over three times the distance with one-third fewer sorties than the Soviets had a decisive influence."

Also in FY '75, the whole spectrum of air defense, from guns to infrared missiles to radar-controlled surface-to-air missiles that make up air defense and the mobility associated with that (which has) to be reevaluated; we're doing that right now."

The Mideast conflict emphasized the importance of electronic warfare. The precision in stand-off delivery of weapons with pinpoint accuracy is being reevaluated. "We're shifting monies around, shifting emphasis.

"Of course, the whole business of anti-armor missiles like the TOW missile, and the requirements these place on armor and the mobility attached with that armor—these are all questions we're actively studying."

The fuel energy crunch is impacting on the Services. "We're going to be looking very critically at new developments in our ability to standardize on fuels more than we have, decreasing the number of jet aircraft fuels we're using.

"I don't have any magic there (solving fuel problems). One can think of making a greater fraction of ships in our future Navy nuclear rather than conventional power. I'm certain there will be an increased trend in that direction."

Project *Sanguine* is still alive. It is "felt to be extremely important for future communications with the ballistic missile fleet," Currie said. Its status is experimental. There's a small demonstration system in Wisconsin and it's being experimented with. We would like to go ahead with a fully-hardened system when we can overcome the human and political kinds of factors involved."

A new tri-Service program of growing importance is NavStar, a new navigation satellite. The Executive Manager will be the Air Force but both Navy and Army managements are locked in with it.

"It will be a DOD system that will not only furnish over the long terms some real cost savings in avoiding continued proliferation of all kinds of navigation equipment," said Currie, "but it will provide a tremendous new military capability in the common grid at which we can operate very accurately. It will impact on precision weapon delivery in a tactical sense and strategic guidance of weapons."

The four-year program will have wide industry participation.

Phase I of this program will be a concept validation phase," Currie said, "not only in terms of the satellite system itself, but in terms of the user equipment. I'm going to make sure that industry does participate on a wide basis, because billions of dollars will be spent over the next 10 or 15 years in user equipment of one kind or another. We want to extract from industry on a competitive basis the best of what technology and engineering can offer."

BEYOND THE TIP OF THE ICEBERG

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mrs. BURKE of California. Mr. Speaker, I would like to bring to the attention of my colleagues a memorandum issued by the Members of Congress for Peace Through Law, entitled "U.S. Mineral Resources—Where Do We Stand?" This excellent study gives an indication of the problems we are likely to face if we do not give sufficient attention to our natural resource position and impending mineral shortages.

The statistics included in the MCPL report substantiate the claim made in Business Week that "fuel, of course, is only the tip of the shortage iceberg," and deserve an amount of attention and concern corresponding to that which has been showered upon the energy crisis of late, before it is too late.

In 1973 the National Materials Advisory Board reported that we are now almost completely dependent on foreign sources for 22 of the 74 nonenergy mineral commodities considered essential to a modern industrial society. We are now running a deficit arising from minerals importation of about $6 billion per year; this could approach $100 billion a year if present trends in the use of minerals continue. Programs to insure against the waste of already scarce commodities can no longer be a matter of purely corporate concern; they are a matter of national necessity.

Experimentation with resource diplomacy by the world's commodity producing countries could follow in the wake of the successful example set by the Arab oil producing states. Commodity cartels such as CIPEC, the copper counterpart to the Organization of Petroleum Exporting Countries—OPEC—have been encouraged to take a stronger, more unified position as the result of OPEC's renowned success at influencing prices and profits.

We, in turn, must plan and take preventive measures to insure that the coordination of production by commodity exporters cannot, and will not determine the level of the prosperity of the United States. We must be in a position to be able to make and implement policy with regard to specific materials and specific needs before we reach a crisis situation. The development of new domestic, lower grade and hitherto unprofitable reserves will require new economic policies regarding exploration and extraction, new impetus for developing necessary technological skills, and a new nationally accepted basis upon which to balance environmental and industrial considerations.

Moreover, we need to develop immediately administrative mechanisms, first, to deal with the depletion of domestic mineral reserves by rapid industrial growth; second, to determine the availability and security of access to various imported materials; third, to develop strategies for stockpiling some vital commodities; and fourth, to identify minerals which can be substituted for ones which become scarce.

It is scarcely conceivable that the present administration's policy of extensive metal stockpiles disposal, announced last April as a way to fight inflation and balance the budget, might fit into such a preventive strategy. The General Services Administration is now disposing of all 252,000 tons of copper in the U.S. Government defense stockpile—a move that is hardly likely to serve the country in good stead against the threatened export restrictions by the CIPEC countries.

As Harry B. Ellis, business-financial correspondent of the Christian Science Monitor has written:

> Much is heard of the growing energy shortage, because of its impact on every American who drives a car and heats a home. It now develops that Americans need to be just as concerned about shortages of minerals of whose presence is countless products they may scarcely be aware.

U.S. MINERAL RESOURCES—WHERE DO WE STAND?

[To: All Members of MCPL]

(From Congressman **SAM GIBBONS**, Chairman, World Trade and Development Committee)

The Steering Committee of MCPL recently asked me and our Committee staff to provide some facts and figures on where this country stands in its mineral resources relative to growing demand and to dependence on foreign sources.

Using the recently released Department of the Interior study "United States Mineral Resources," as our basic reference, we have put together this paper which we hope will be helpful to you and your staffs.

Energy fuels are of course in the spotlight these days and while there are gaps in our data on U.S. oil and petroleum reserves, work on them is now getting underway. There are a large number of other basic mineral resources, however, which are vital to our economy. The U.S. is presently moderately too heavily dependent on foreign sources for the following materials:

1. Aluminum and Bauxite (mainly Jamaica, Surinam, Australia and Guinea)
2. Antimony (South Africa, Mexico and Bolivia.
3. Chromium (USSR, South Africa, Rhodesia and Turkey)
4. Copper (Chile, Peru, Zambia and Zaire)
5. Fluorine (Mexico, Spain, and Italy)
6. Gold (South Africa)
7. Manganese (Brazil, Gabon, South Africa, Zaire, and Ghana)
8. Nickel (Canada)
9. Oil and Gas (Canada, Saudi Arabia, Iran, Persian Gulf States, Venezuela, and Nigeria)
10. Tin (Malaysia, Thailand, Bolivia, Brazil, and Zaire)
11. Titanium (Australia)
12. Tungsten (Canada, Australia, Bolivia, Peru, Portugal, and South Korea)
13. Zinc (Canda, Peru, Mexico and Australia)

As Fred Bergsten of the Brookings Institution has pointed out, the United States already depends on imports for over half of its supply of six of thirteen basic raw materials. Interior Department projections suggest the number will rise to nine by 1983. Bergsten notes that four countries (Chile, Peru, Zambia and Zaire) control more than 80% of the world's copper; that two countries account for more than 70% of tin exports, that four countries control more than half the supply of natural rubber, and that four countries possess over half the reserves of bauxite. Recent experience with the cartelization of oil-producing countries into OPEC might soon be followed by similar moves by the tin (Malaysia, Thailand, Bolivia) and bauxite (Jamaica, Surinam, Guinea, perhaps Australia) producing countries. This is not to mention producers of agricultural products like coffee, tea, rubber, and jute.

Elburt Osborn, former Director of the Bureau of Mines, warned shortly before leaving office last year that if present trends continue, the U.S. deficit resulting from mineral imports (currently $6 billion yearly) could approach $100 billion a year. Carroll Kirkpatrick points out in the Washington Post (Jan. 14, 1974) that:

"The U.S. now imports all or nearly all of its platinum (used to make jewelry, laboratory containers and as a catalyst in chemical processes), mica (electrical equipment, insulation), chromium (metallurgy), strontium (flares and fireworks), cobalt (tool steel, magnets), tantalum (electronic equipment), manganese (metallurgy), and bauxite.

"It imports more than half its fluorine (refrigerants), titanium (paint, rubber, aircraft parts), nickel (metallurgy), columbium (stainless steel, other metallurgical processes, and antimony (metallurgy, certain plastics).

"The nation also imports more than a third of its iron ore, up from 8 per cent in 1960."

What follows are highlights of the Interior Department's study which will provide you and your staffs with some details of our dependence on foreign suppliers of these minerals.

The countries listed above as primary foreign sources, with few exceptions, are all in Asia, Africa or Latin America—the Third World.

It has been suggested that cooperation is the corollary to the growing interdependence of nations. The alternative, international economic and political chaos, is a price we need not pay if we are willing to accept the logic of focusing on the needs and aspirations of the suppliers, the Less Developed Countries, as well as upon our own. The OPEC situation, tied as it is to the Middle East, is perhaps an area which presents American policymakers with more problems than opportunities. But in dealing with nations supplying other essential materials in Africa, Asia and Latin America, we can certainly try to make our trade and development assistance policies toward those countries more responsive to their needs than they have been in the past. U.S. foreign policy objectives and Third World goals can and, indeed must, become more accommodating of each other if we are to have economic and political peace in the 1970s and beyond.

UNITED STATES MINERAL RESOURCES

(Geological Survey Professional Paper 820, Department of the Interior, 1973)

I. IS OUR SUPPLY OF MINERALS RUNNING OUT?

A. Distinction between resources (reserves plus other mineral deposits that may eventually become available—either known or unknown) and reserves (known, identified deposits of mineral-bearing rock, from which minerals can be extracted profitably with existing technology and under present economic conditions.

B. ". . . because reserves are the only part of the total resource that is immediately available, they are of paramount concern to the mineral industry, and reserve estimates for most mineral commodities are generally available and are undergoing constant revision. For most minerals, however, current reserves are only a small part of the total resource. The remainder of the total—the potential resources—are by far the most important for the long term . . ." But they are NOT reserves and in most cases are NOT readily available in the near future.

II. GENERAL CONCLUSIONS OF STUDY

A. Mineral Potential: Where do we Stand—Table (see attached page)—Potential U.S. resources of some important mineral commodities, in relation to minimum anticipated cumulative demand (MACD) to year 2000 A.D.

III. SELECTED MINERAL RESOURCES

A. Aluminum and Bauxite: Imports, mainly from Jamaica (over half our bauxite (Reynolds & Kaiser are major investors there), Surinam (almost one-fourth of our bauxite), and Australia (over 50% of our aluminum imports) supply about 87% of U.S. manufacturing requirements. Remaining 13% supplied by bauxite mined in Arkansas, Georgia and Alabama. Barring unforeseen political developments, the growing requirements of the aluminum industry in the United States will be met by imports (added emphasis) on increasing amounts of aluminum metal and alumina rather than bauxite ore." U.S. domestic resources of bauxite: about 40 million tons reserves plus 250–300 million tons potential resources are inadequate to fulfill long term demand. However, U.S. has virtually inexhaustible potential resources of aluminous materials other than bauxite. Detailed information on potential U.S. non-bauxite aluminum resources is inadequate. A meeting of aluminum ore-producing nations is scheduled now for February—Guinea is organizer.

B. Antimony: U.S. consumes 40% of world supply; U.S. deposits provide only 15% of U.S. needs. Most imported from South Africa, Mexico and Bolivia. Principle world resources in China, Bolivia, USSR, South Africa and Mexico (in that descending order). A strategic commodity used in manufacture of ammunition, visual range-finding shells, and tracer bullets as well as in alloy-hardening processes and paint manufacture.

C. Chromium: 1968–73 U.S. consumed 7 million long tons (about 28% of world production); has mined none since 1962 (all U.S. resources low grade). Since that year, all U.S. chromite supply imported from Eastern hemisphere; since 1968, 45% of our chromium needs supplied by USSR. Only minable reserves in Western Hemisphere are (perhaps) in Cuba and Brazil. Most of Eastern Hemisphere resources in Rhodesia and South Africa; some also in Turkey, Finland, Malagasy Republic, smaller deposits elsewhere.

Indispensible industrial metal. Required for stainless steel, hardening and toughening of metal alloys (especially ferroalloys). Strategic commodity, especially for defense-related, scientific, medical, automotive production.

D. Coal: estimated U.S. total resources 3.2+ billion tons (49% identified, 51% hypothetical). U.S. total resources estimated at about 20% total world resources and larger energy source than combined U.S. domestic resources of petroleum, natural gas, oil shale and bituminous sandstone. Coal is a widespread and abundant fossil fuel in the U.S., although other fuels are cleaner burning and easier to handle.

E. Columbium (Niobium): Important in metallurgy, electronics, chemical and nuclear uses. Most of world's resources lie outside the U.S. We depend almost entirely on foreign imports although low grade U.S. deposits could be utilized in national emergency. Worldwide resources more than adequate to supply projected needs to year 2000. At present, although domestic deposits have been identified, none presently commercially productive. Columbium is principally imported from Brazil, Canada, Nigeria and other African countries in mineral concentrate form and from Brazil in form of ferro-columbium. Primary use is in manufacture of high-strength low alloy steels.

F. Copper: U.S. share of identified world copper resources is 19%. Currently known world resources estimated sufficient to last 50 years at current rates of production. Other producing countries: Chile, Peru, Zaire, Zambia, and USSR. Domestic U.S. production plus re-used old scrap have produced the bulk of U.S. needs. 6% of copper used in 1971 was imported. Advancing industrialization of other countries will, however, increase their copper needs and global demand and prices. (There is probably as much unidentified copper in the U.S. as we already have found, especially in western states and Alaska). Chile, Peru, Zambia and Zaire have agreed to restrict exports of their copper if the present favorable international price structure threatens to collapse.

G. Feldspar: Used in glass and ceramic industries. Domestic U.S. resrves considered adequate for anticipated demand.

H. Fluorine: U.S. produces only 20% of its present requirements. The other 80% is imported mainly from Mexico, Spain, and Italy. An essential for steel (as fluorspar) and aluminum metal (as aluminum fluoride and synthetic cryolite) manufacturing; also used in refrigerants, aerosol propellants and solvents (as fluorocarbons). Fluorine consumption in the U.S. and world has increased greatly since 1945 while fluorine production in the U.S. has remained static. World reserves of fluorspar are estimated at 190 million short tons, of which 25 million are in the U.S. Speculative resources in the world are probably very large.

I. Gold: Most of world reserves in South Africa (about ⅔) with most of remainder in USSR. U.S. not self-sufficient as deposits are small and generally low grade.

J. Iron: U.S. has sufficient reserves and potential resources of iron ore to meet its needs for many decades but imports about ⅓ of the ore it consumes—primarily from Canada and South America. U.S. reserves are about 9 billion tons and total identified U.S. resources are 100.6 billion tons.

K. Manganese: Known reserves and resources irregularly distributed throughout world. U.S. has almost no domestic reserves. One potential source lessening U.S. dependency on imports would be exploitation of manganese nodules found on ocean floors. But unilateral exploitation could create international problems until agreement is reached on a Law of the Seas treaty at the United Nations. Principal suppliers of manganese ore to U.S. (1971) were: (in order of importance) Brazil, Gabon, South Africa, Zaire and Ghana. Of ferromanganese: South Africa, France and India. Manganese is essential to steel manufacturing.

L. Nickel: Most of non-communist world resources in Canada and New Caledonia. Small resources in U.S. (since 1966, about 26 million pounds produced per year). U.S. imports most of its nickel requirements (97%) from Canada and is almost completely dependent on foreign sources. The world supply exceeds demand.

M. Nuclear Fuels:

1. Uranium: current U.S. demand moderate but near-future needs expected to be great. Domestic resources sufficient to last into 1980s. After that needs will be much higher and tremendous exploration efforts will be required. U.S. not currently dependent on imports.

2. Thorium: current demand small. Future use as nuclear generator fuel may be much greater. U.S. has large resources in Florida, South Carolina, and Georgia; other lower grade resources in Wyoming and Michigan.

N. Oil and Gas: All current estimates of petroleum and natural gas resources depend on prior exploration results and are unreliable.

Oil: U.S. proved reserves of crude oil (1972) are 400 million barrels. World proved reserves (1972) are 650 billion barrels.

O. Oil Shale: Oil shale yields substantial amounts of oil by destructive distillation and occurs in large amounts in the U.S. and in other parts of the world. Production is significantly more costly than oil production from wells. Shale is an enormous resource of oil. Identified U.S. resources are 2 trillion barrels of oil in shale (which yields 15 or more gallons per ton). Most U.S. resources in U.S. deposits (about 30 gallons per ton of shale) in western Colorado. Shale oil has been mined in Scotland, USSR, China and in lesser amounts in France, Sweden, Germany, Spain, South Africa, and Australia. Operations were to begin in Brazil in 1972.

P. Tin: The U.S. consumes almost 30% of the non-communist world's annual production of primary tin. Nearly half of this goes into tin plate, primarily for the manufacture of tin cans. Many of these uses could be met by substitutes such as tin-free steel. aluminum and plastics. Current U.S. production is negligible. Domestic reserves mainly in Alaska, are sufficient for only ¾ of one year's needs. Largest foreign conditional and undiscovered resources are in Southeast Asia (Indonesia, Malaysia, Thailand and Burma), Brazil, China, Bolivia, and Zaire. Since the U.S. uses such a great proportion of the non-communist world's annual tin production and yet produces almost none, tin is a strategic commodity and is stockpiled by the Defense Department accordingly.

Q. Titanium: Extracted principally from rutile, ilmenite and titanium slag made from ilmenite. The U.S. is dependent almost entirely on foreign sources, mostly Australia, for rutile but has substantial reserves and production of ilmenite. Annual demand in 1970 was 490,000 short tons. It is expected to exceed 1 million short tons by the year 2000. U.S. titanium reserves in 1970 were estimated to be about 25 million short tons, mostly in ilmenite.

Primary uses of titanium metal include aerospace production (in which its light weight and strength make it particularly desirable in aircraft and spacecraft structural components) and in the chemical industry. Hypothetical resources of considerable amounts are calculated to exist in Africa.

R. Tungsten: U.S. reserves estimated at 15 million short tons. This is about 6.8% of known world reserves (of which about 60% are in China). The U.S. has the potential for adequate tungsten production into the foreseeable future. We will have to pay the price, however, in research, exploration and processing of high-cost and low grade ores. Tungsten has the highest melting point (next to carbon) and the highest tensile strength of all metals. It is used extensively in the production of alloy steels, nonferros alloys, and chemicals. These products are essential in many manufacturing industries, including tools, turbines, structural materials used in nuclear and space activities and lamp filaments. U.S. production has met only 75% of domestic demand. We are thus a net importer of concentrates, mostly from Canada, Australia, Bolivia, Peru, Portugal, and South Korea. 80% of known and estimated world reserves are in Communist countries.

S. Zinc: The fourth most important metal in world trade. The U.S. produces about 9% of total world production (5 million metric tons). However, we consume three times our output. Total world identified and undiscovered zinc resources are estimated to be about 5 billion metric tons. Six leading countries (Canada, Russia, the U.S., Peru, Mexico and Australia) produce more than 60% of the world's total U.S. production has not kept up with demand. Cheaper imported materials have been growing in use to make up the gap. World resources are sufficient to last several decades and certainly into the next century although world consumption in the period 1960–80 will probably equal all production before 1960.

POTENTIAL U.S. RESOURCES OF SOME IMPORTANT MINERAL COMMODITIES, IN RELATION TO MINIMUM ANTICIPATED CUMULATIVE DEMAND (MACD) TO YEAR 2000 A.D.

[ST=short tons; LT=long tons; lb=pounds; Tr oz=Troy ounces]

Identified resources: Includes reserves, and materials other than reserves that are reasonably well known as to location, extent, and grade, that may be exploitable in the future under more favorable economic conditions or with improvements in technology.

Hypothetical resources: Undiscovered but geologically predictable deposits of materials similar to present identified resources.

I. Domestic resources (of the category shown) are greater than 10 times the minimum anticipated cumulative demand, 1968–2000.
II. Domestic resources are 2 to 10 times the MACD.
III. Domestic resources are approximately 75 percent to 2 times the MACD.
IV. Domestic resources are 35 to 75 percent the MACD.
V. Domestic resources are 10 to 35 percent the MACD.
VI. Domestic resources are less than 10 percent the MACD.

Commodity	MACD, 1968–2000[1]	Identified resources	Hypothetical resources
Aluminum (ST)	290, 000, 000	II	(2)
Asbestos (ST)	32, 700, 000	V	VI
Barite (ST)	25, 300, 000	II	II
Chromium (ST)	20, 100, 000	VI	VI
Clay (ST)	2, 813, 500, 000	III	II
Copper (ST)	96, 400, 000	III	III
Fluorine (ST)	37, 600, 000	V	V
Gold (Tr oz)	372, 000, 000	III	(2)
Gypsum (ST)	719, 800, 000	I	I
Iron (ST)	3, 280, 000, 000	II	I
Lead (ST)	37, 000, 000	III	IV
Manganese (ST)	47, 000, 000	III	(2)
Mercury (flasks)	2, 600, 000	V	(2)
Mica, scrap (ST)	6, 000, 000	II	I
Molybdenum (lbs)	3, 100, 000, 000	I	I
Nickel (lbs)	16, 200, 000, 000	III	(2)
Phosphate (ST)	190, 000, 000	II	I
Sand and gravel (ST)	56, 800, 000, 000	III	(2)
Silver (Tr oz)	3, 700, 000, 000	III	III
Sulfur (LT)	473, 000, 000	I	I
Thorium (ST)[3]	27, 500	II	(2)
Titanium (TiO_2) (ST)	38, 000, 000	II	II
Tungsten (lbs)	1, 100, 000, 000	IV	IV
Uranium (ST)	1, 190, 000	II	III
Vanadium (ST)	420, 000	II	(2)
Zinc (ST)	57, 000, 000	II	II

[1] As estimated by the U.S. Bureau of Mines, 1970.

[2] Not estimated.

[3] For thorium, maximum anticipated cumulative demand 1968–2000, which assumes commercial development of economically attractive thorium reactors by 1980.

Source: U.S. Mineral Resources, Geological Survey Professional Paper 820, Department of the Interior, 1973.

PUBLIC FUNDS FOR POLITICAL CAMPAIGNS

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, February 18, 1974

Mr. HARRY F. BYRD, JR. Mr. President, newspapers of February 6 published an excellent column by John Chamberlain pointing out some of the weaknesses in the plan to provide public funds for political campaigns.

Mr. Chamberlain maintains that besides unjustifiably using tax funds for high-priced campaigning, this proposal could result in serious distortions in the American political process.

We must recognize, however, that reform is needed in the way in which we finance the campaign expenses of candidates. I think that it is essential that Congress approve a tight ceiling on the expenses of candidates and on the donations by individual contributors to campaigns.

I ask unanimous consent that the column by Mr. Chamberlain be printed in the Extensions of Remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WHY RAID THE U.S. TREASURY?

(By John Chamberlain)

Chamberlain would limit private funds for political campaigns without putting up public money for anybody.

John Gardner's own high-level pressure group, the uncommon organization known as Common Cause, thinks a "new era" of honesty in public life can be touched off if only Congress will vote to pay for the cost of political campaigning out of the U. S. Treasury. Mr. Gardner wants to force you and me, as taxpayers, to foot the bill for the TV appearances of candidates whom we might prefer to see starved for funds. A better solution might be to limit private campaign funds without putting up public money for anybody at all.

The President's man, Patrick Buchanan, who is against public funding of federal political campaigns, has taken issue with John Gardner's panacea. Maybe, as a Nixon lieutenant, Pat Buchanan is not the most advantageously placed individual to oppose even the most obviously fallacious campaign-expenditure reforms. Nevertheless, Pat is correct when he says that outlawing or severely limiting private contributions, while at the same time compelling the taxpayer to fund a multiplicity of candidates by a compulsory levy, would drastically limit the freedom of most individuals to take part in the political process.

What would happen, so Pat Buchanan predicts, is that still another federal agency would be created to allocate the tax-seized money. The agency would be staffed by the kind of $30,000-a-year bureaucrat who supports Common Cause. We would be paying the salaries of the police force that would have to be created to see the money was spent as prescribed.

But this is only a small part of the story. The fact is that the sort of reform proposed by Common Cause would throw future elections to any candidate endorsed by the AFL-CIO's George Meany. Labor has its fine-tuned organization that is always ready to make the telephone calls, to transport people to the polls, to spread literature, to canvass whole neighborhoods, to provide baby sitters, and to provide poll watchers, without making big cash contributions that can be identified as such. The cost of labor politicking is hidden; it appears on the union books as ordinary salary expenditures for maintaining locals that are ostensibly devoted to such nonpolitical things as collective bargaining with employers and making pitches for new members.

I could go along with the idea of limiting campaign monetaray contributions if there were only someway of giving the middle condition of men and women, most of whom have no organizations to conduct "political education" campaigns for them, an election-day clout comparable to that exerted by the union operators of telephone banks and car pools. But most of us middle-condition people are not organization prone. Nor can we take time off to do our own stamp-licking, our own protracted canvassing. We have to make our livings. If we are not to be allowed to make cash contributions to political parties to do our telephoning and our house-to-house visiting for us, it means that the college students (conveniently excused from classes) and the labor union hierarchy must have unfair advantage.

Besides, there are those among us who might see no choice between candidate Tweedledum and Candidate Tweedledee. What about our rights in this event? Must we be taxed to pay for the campaigns of politicians of both major parties whom we might prefer to boycott on election day? Must our money be used against us?

My idea of a healthy common cause (no capital letters here, please) is one that tries to create a distrust of all politicians who think the government should support the people instead of vice versa. Instead of putting my money into political campaigns I prefer to support movements designed to increase the scope of voluntary non-state action. Under any reasonable conception of freedom, that should be my right.

Of course, I do happen to make small political contributions and I do vote. But I try to throw my support to the politician who will do me the least harm. If I am not to be permitted to steer my money to such a politician, it must surely mean that any influence I have will shrivel away while the Common Cause-supported bureaucrats take over.

THE AGRICULTURAL MIDDLEMAN

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. SISK. Mr. Speaker, the so-called middleman in the food industry—that group of people who are the link between the farmer and the consumer—have been accused of many things, but very seldom are their remarks heard. So that my colleagues may have a better understanding of the marketing situation I am submitting a copy of a speech presented by Mr. Larry Taber, secretary-treasurer of the Canners League of California, to the California Assembly Select Committee on Agriculture, Food, and Nutrition:

THE AGRICULTURAL MIDDLEMAN

Madam Chairwoman and members of the Committee: My name is Larry Taber. I am the Secretary-Treasurer of the Canners League of California whose members produce approximately 80% of the canned foods processed in California. The Canners League is particularly pleased to appear today before the Assembly Select Committee on Agriculture Food and Nutrition. We welcome the opportunity to give this committee an overall picture of the canning industry—its functions, size, structure, and economic characteristics. I will also present an illustration of the canning industry from purchase of raw product to sale of the finished product. Hopefully, this information will serve to clarify some common misconceptions about this very important and complex industry.

FUNCTIONS

The middleman functions of the canning industry are:

I. Production:

(a) Buying (contracting) raw product.

(b) Grading standards.

(c) Field operations—assisting growers.

(d) Agricultural research—development of improved varieties and seed.

(e) Scientific research.

(f) Purchase supplies.

(g) Processing and packaging.

(h) Quality control.

II. Marketing:

(a) Transportation and storage.

(b) Selling, merchandising, and advertising.

(c) Risk taking.

(d) Marketing research and market information.

(e) New product research.

SIZE AND STRUCTURE

In a typical year the California canning industry packs well over 200 million cases of canned fruits and vegetables—more than one case for every citizen in the United States. This enormous pack has a factory value of over $1 billion. Approximately 57 companies with over 85 canning plants employ upwards of 75,000 workers during the peak processing season. California produces a substantial portion of the total U.S. pack of canned fruits and vegetables. In California there are 23 different fruits and vegetables which are commercially processed. Recent indications are that the California canning industry will continue to grow and account for even more of the total pack in the coming years.

For a clearer understanding of the canning industry, it is important to point out that, with few exceptions, all canned foods produced are shipped in interstate commerce. It is therefore necessary to grasp the size of the U.S. canning industry since competition is nationwide and, in some products, world-wide.

In the United States there are about 1,200 canning companies operating approximately 1,600 processing plants in 49 states. The total factory value of the canned fruits, vegetables, juices, specialties, meat, poultry, and seafood produced in 1973 will be about $9 billion. Considering only fruits, vegetables, juices, and specialties, the factory value of the products produced in 1973 is approximately $6 billion. This production requires the employment of 120,000 workers with a payroll of over three-quarters of a billion dollars.

In structure, the canning industry is marked by every type of business enterprise. There are grower-owned cooperative canneries. There are independently-owned canneries. The latter group includes partnerships, small family-owned corporations, and large publicly-owned corporations with thousands of shareholders.

Small, medium, and large sized canners buy from small, medium, and large sized growers and sell to wholesalers, vendors, brokers, retailers, hospitals, restaurants, remanufacturers, and government units.

In describing the structure of the industry it is not meaningful to talk in terms of the tomato processing industry, or the peach canning industry, or the pineapple industry. To understand the canning industry and its effect on the economy, it must be viewed as a single entity.

SALIENT ECONOMIC CHARACTERISTICS

I will now discuss some of the salient economic characteristics of the canning industry.

1. In any given region, most canning crops are planted and harvested only once a year. The canning season for a particular crop may range from several months to only a few weeks or days. After that, you're through for the year—and if your pack is short, well, better luck next year. Seasonality controls virtually every important decision and operation and complicates the recruitment and utilization of labor. Costly plants and equipment can be employed for only short periods, yet they must be maintained throughout the year for ready use in the next season. Incidentally, there is constant effort to increase utilization of plant and equipment by finding new crops for canning whose harvest period either precedes or follows that of the plant's primary canning crop. As an additional means of lengthening the processing period, and achieving higher quality, canners have developed early and late maturing varieties of the crops they are presently using.

2. Canners are very large users of short-term financing. The peak requirement comes in October and November, when most large packs are complete and inventories are highest. In recent years the low point of cash demand has been from mid-April to July. Success in canning is dependent on receiving an adequate supply of quality raw products. Growers are promptly paid. In California, for example, growers are paid weekly throughout the harvest period. In addition, large sums must be available to meet seasonal weekly payrolls and to pay suppliers. All this occurs several months before the income is realized from sale of the finished products. Consequently, a strong line of credit must be continuously available. Interest costs are substantial.

3. Over the past four or five decades—and particularly since the end of World War II—the canner has gradually assumed many of the inventory risks formerly borne by the wholesaler and the retailer. Traditionally, the canner packed fruits and vegetables during the season, then sold and shipped his product immediately to the trade. After the packing season, the canner could close the plant, relying on the wholesaler to store and distribute the merchandise to the retailers throughout the year. Conditions are much different today. Modern wholesale and retail store managers are reluctant to tie up capital in heavy inventories. To increase their rate of stock turnover, they buy only a few weeks supply at a time—leaving the major risks and burden of inventory maintenance to the processor-distributor. The canner carries the economic risk of uncertain demand for his products, season-to-season carry-overs of stock if he is unable to sell his production, and of the impact upon his sales prices of excess production in his own or in

other competitive producing areas. He also bears the risk of any changes in consumer purchasing power or in business conditions from the time he makes his commitments at the beginning of an operating year to the time he can sell the finished canned product. Indeed, buyers are often afforded price protection on orders shipped to them. That is, if the canner lowers his trade prices after the order is placed, the buyer gets the lower "sale" price. It is a striking characteristic of this industry that, in the essential job of assuring an abundant supply of a wide variety of canned foods, practically all of the major economic risks between the harvest and the purchase of the finished product by the consumer are borne by the canner.

4. Another important factor is that the character of the canning industry varies from region to region, from state to state, and, often in marked degree, within particular states. There are variations in practically every industry activity. These variations exist among regions, often within the same commodity, and in the various forms and styles of pack of a commodity. To a considerable extent, historical patterns underlie these variations. The point is that in dealing with this industry, there is a major hazard in attempting to generalize about any particular detail of operation, method, or technique.

5. The canning industry is both capital and labor intensive. Substantial sums of money are required for plant and equipment. Substantial short term capital is required to finance the canning operation. Despite the development of new and more sophisticated equipment, a great deal of labor is still required to produce and distribute canned foods.

6. Another important economic characteristic of the canning industry is its dependence on large quantities of energy and water.

Fields must be plowed and maintained. Water must be pumped for irrigation. Crops must be harvested the moment they reach maturity and trucked to the cannery as rapidly as possible. Enormous amounts of energy are needed to fire the cannery boilers and operate the many other machines used in the canning process. Additional energy is needed to move finished product into the distribution system. We know that some traditional forms of energy will not be available in the future. Costs of converting to an alternative fuel will be very expensive.

Canneries require a large, dependable supply of pure, fresh water. Water is needed to wash the raw product several times, to flume the fruit or vegetable in the cannery, to generate steam for the canning and cooking process, and to wash down the equipment and floors for safety and sanitation. The product itself must contain a prescribed amount of water or syrup to aid the cooking and sterilization process.

7. I come now to an aspect of the canning industry which is of special interest to the consumer—prices. The market for canned foods is extremely price sensitive. In a highly competitive market characterized by stable demand, the manufacturer's and the retailer's primary selling tool is *pricing*. When demand is slack and you want to stimulate sales, you mark the product down to a "special" price. And so we see frequent and sometimes perplexing variations in prices—from market to market and time to time—as merchants take advantage of "trade allowances" (discounts from the processor's list prices) to feature one product or another. But—and I think this is a critical point—the *aver*age price of most canned foods has remained remarkably constant over the years.

Last spring, for example, the U.S. Department of Agriculture published an interesting table of food prices which I'd like to share with you. On Table No. 1 you'll note a list of nine common grocery items and their average prices in 1952 compared with their average market price in February, 1973. Notice that a typical can of peas has risen from 21¢ to 26¢. This gain of 24 percent over a 21-year period is one of the lowest percentage gains in our hypothetical grocery list. Now look at the last column on the right. If the price of canned peas had kept pace with the rise in average wages in this country, it wouldn't cost 26¢ today—it would cost 50¢—according to the U.S. Department of Agriculture.

Over the years, our records indicate that canned food prices have consistently lagged behind the rise in prices of retail foods in general, other living expenses, and the consumer's spendable income. Even during the current period of inflated food prices, Bureau of Labor Statistics figures show canned food prices registering only modest increases.

On Table No. 2 you'll note the comparative rise in various wholesale price components from the beginning of price controls in August, 1971 to October, 1973. For that 27-month period, canned fruits, juices, vegetables, and specialties were up 13.8 percent; processed foods in general up 28.4 percent—and farm products in general up 66.4 percent.

Competition and improved production efficiency—more than any other factors, including price controls—have been responsible for the remarkably slow rise in canned food prices over the years.

8. Finally, I come to the economic feature of the canning industry which is most critical to us—profits. Table No. 3 is prepared by the National Canners Association. It shows the profit margin of 32 representative canning companies over a ten-year period beginning in 1961. It's especially worth noting that the smaller canners—those with less than $100 million in annual sales—registered net losses in the last two years of the study period, 1969 and 1970. Earnings figures from the larger canning companies reflect the same cyclical pattern. Incidentally, judging from published financial statements from the leading publicly-owned canning companies, it would appear that the downtrend in industry profit margins has continued unabated to the present time. In 1970 the average *pre-tax* profit margin for the 32 representative companies was 2.7 cents on the dollar. That figure has undoubtedly declined in the last three years. On balance, then, we're talking about an industry whose return on sales is less than *half* that of comparable manufacturing industries.

In terms of return on invested capital, another key index of earnings vitality, the canning industry is not much better off. During the period of the National Canners Association study, the average reported return on equity was 6.7 percent. This is generally considered an unacceptably low rate of return on risk capital. During four of the ten years, 10 or more of the 32 companies actually reported net losses. And even the most successful companies in our industry have seen their return on equity decline to a level where it has become more difficult to obtain additional risk capital from the investing public.

I think that these figures go a long way toward explaining the frequently voiced criticism that our industry is "dragging its feet" in complying with various consumer demands—or that it is not moving ahead rapidly enough in the area of environmental controls. It is not difficult to take a forward-thinking, socially-responsible position on consumer and environmental issues when profits are skyrocketing and your profit margins contain a comfortable cushion to provide for the added costs these measures would require. But to a large and growing number of canners, each additional cost increment created by a new consumer or environmental regulation which he is not able to pass on to the ultimate consumer drives him closer to the point of no return.

ILLUSTRATION

We believe it will become clear to the Committee that in any examination of the so-called spread between the farmer and the consumer, there is a wide range in cost between what the grower receives for his crop and the ultimate retail price. We will graphically illustrate this point in a moment. Between the grower and the consumer there is a vitally important processing and distributive structure and function, which necessitates large investment and operating costs. With the blessing of nature, the grower can produce tomatoes in California and be assured of payment for them. The canner must process them with a large additional cost and the assumption of most of the market risks. At this time it might be helpful to illustrate the middleman function of this industry with an example. Each of you has been given a diagram showing the picture of a can of tomatoes and the breakdown of the costs involved. Step by step, I would like to describe each of the canning industry cost factors involved in this 29¢ can of tomatoes.

Raw tomatoes—3.4 cents

Most canning crops are supplied to the processor on contract. It is important to the processor that he have an adequate supply of quality raw product for canning, and it is equally important for the grower to be assured of a market for his crop. An elaborate system of production planning is employed by the processor to determine his raw product needs.

The end purpose of production planning is to provide enough stock for a canner to maintain a planned share of the market and continuous in-stock supply without excessive inventory carry-over. Hence, the first input comes from the marketing staff, which establishes the volume of each item needed to satisfy estimated trade movement for the following year. This estimate is based on a review of past sales of the product, with consideration given to anticipated raw product availability, competitive activity, desired share of market, and consumer buying trends. Projected requirements are developed for every size and style of pack. Pack planning for the next season generally begins immediately after the current season's pack is completed.

Having estimated his raw product requirements, the canner must then determine where this supply shall come from. Grower and processor jointly evaluate the history of each field as to crop quality and yield, fertilization, weed control, irrigation, and soil. Orderly delivery of the crop during the season must be arranged. The grower's ability to arrange for delivery of the crop, the help to be furnished him by the processor, and many other factors must be agreed upon by negotiation throughout the year.

These arrangements cannot be postponed until planting or harvest time. As a result, contracts are often signed long before the grower begins preparing the fields for the coming season. During these negotiations the processor discusses contracts with other growers, and the growers may negotiate with other processors, and consider alternative crops in case no agreement is reached.

Throughout the growing season, the processor's field men will be in close contact with the grower. They assist in the treatment of pest, weed, and disease control, help with irrigation and fertilization problems, and estimate maturity dates.

All of these activities lead up to the time when the grower harvests his crop and sells it to the canner. It is at this point that the processor takes possession of the raw product, pays the grower an agreed price, and transports the raw product to the cannery.

Processing and container—12.8 cents

The processing operation begins with the unloading of the crop from the truck into cannery flumes, which convey the newly harvested raw product into the cannery. There it is inspected, sorted, peeled, sliced, and otherwise mechanically prepared for canning. Once the product is ready, it is filled into the container; the container is hermetically sealed and conveyed to a cooker or retort where it is heat sterilized. The container is then labeled, cased, palletized, and moved to a storage area.

The major processing costs are for direct labor and labor benefits and for the container itself. Other direct-cost items include ingredients such as salt and spices, various other supplies such as caustic soda used for peeling, fibre packing cartons, labels, and fuel, light, power, and water. Another significant cost factor is the increasing expenses required to comply with new environmental laws and regulations.

There are also a number of year-round overhead costs which must be recaptured. These include the substantial investment in building and equipment, regular maintenance thereon, scientific research, agricultural research, and salaries for year-round employees.

At this point in our illustration the processed and preserved tomatoes are at the end of the canning line ready for movement into the distribution system. Value added by manufacture has increased its cost to 16.2¢, but it is a long way from the grocer's shelf.

Processor's distribution expense—3.8 cents

As I explained earlier, retailers and wholesalers place heavy emphasis on reduced inventories and increased stock turnovers. Thus, most of the production from a particular canning season is transported into storage warehouses from which the product will be shipped throughout the year to wholesalers and retailers.

Direct costs involved in this part of the process are heavy expenditures for transportation to the storage warehouse, handling costs, warehousing and carrying charges, and the expenses of reshipping to the trade when the product is ordered out. Other direct expenses are for selling, merchandising, and advertising. Many canned foods, particularly "private label" brands bear little or no advertising costs—and even the major advertised brands spend less than a half a cent a can, average, on advertising.

Indirect costs include the overhead charged back against the product for myraid general and administrative expenses which include marketing research, inventory control, billing, collection of accounts payable, payment of interest on loans, payment of taxes, and numerous other business expenses.

Processor's profit—0.4 cents

After all supplies are paid, all salaries and wages paid, there is less than ½¢ per can left over as a profit for the processor. Out of this, the processor must pay income taxes to the government, and pay the owners of the company whether it be a sole proprietor, shareholders of a corporation, or grower owners of a cooperative canning company. Enough must be saved out of this profit to replace worn or obsolete machinery and to expand the business to keep up with increasing demand.

In our example of the 29¢ can of tomatoes, the wholesaler or retailer takes possession of the product at his receiving dock. The value of the can at this point is 20.4¢. Considerable value, however, must yet be added to this product before it is finally in a position for the consumer to conveniently pick it off a grocery store shelf and take home whatever quantity she desires.

Let me close with one last reference to our simple "can of tomatoes" diagram which is really analagous to all the products we produce. Looking only at the canner's cost you have 3.4¢ worth of raw product, 12.8¢ worth of labor, materials, and overhead, and 3.8¢ worth of distribution cost. After paying all these costs, the processor is left with 4/10ths of a cent profit. All it takes to liquidate that small margin of profit is about a 12 percent increase in raw product cost—or a 2.5 percent increase in total production costs. It's simple arithmetic, but it's something we sometimes fail to recognize when considering the impact of legislation which would increase the middleman's cost of doing business.

ADM. THOMAS MOORER

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, February 18, 1974

Mr. THURMOND. Mr. President, the distinguished columnist, Holmes Alexander, has published an article in the February 4, 1974, issue of the Aiken Standard newspaper in Aiken, S.C., reference the outstanding service Adm. Thomas Moorer has rendered our country.

The thoughtful remarks of Mr. Alexander deserve the attention of the Congress and the Nation.

Admiral Moorer has served our country throughout his entire adult life with distinction and honor. His sound advice to our last two Presidents has been invaluable to the conduct of our national defense and combat operations in Vietnam. He is a man of character and competence.

Mr. President, I ask unanimous consent this editorial be published in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Admiral Moorer: An Important Naval Person

(By Holmes Alexander)

In Admiral Thomas Moorer there is just about as little strut and vanity as can ever be found in a leader of armed men.

As chairman, Joint Chiefs of Staff, the extremely knowledgeable but self-effacing Moorer holds the highest post in our military forces, and for the most part this position has not been one that glittered.

Only Gen. Max Taylor and Adm. Arthur Radford came anywhere matching such a booted, spurred and oracular Caesarean figure that we had when Douglas MacArthur was Army chief of staff. Indeed, the act of 1949 which unified the armed services, at least in the top echelons, seemed to contemplate something other than an image of glory. Significantly, the first chairman was Omar Bradley, known in World War II as the GI's general, a reserved, plainspoken man with a map-of-integrity face. Designedly or not, Bradley became the prototype for his successors who have been chosen to preside over the service chiefs and to advise the civilian authorities.

Admiral Moorer is just about the perfect product of the tradition that was set in the postwar period when much—perhaps too much—care was taken to walk wide of the Prussian model. In his second term as chairman, Moorer is best known for the firm and accurate testimony he gives to committees of Congress, and for the unobtrusive, businesslike manner in which he does his important job without drawing undue attention to himself.

All this supplies an incongruity to the disagreeable publicity into which the Admiral has been drawn. In the dragnet investigation of presidential affairs, it appears that intrigue is accepted as the normal way of life, and that even the servants now get in on the act. A loyal Navy yeoman, working in the National Security Council within the White House complex, thought it his duty to swipe some information and carry it across the Potomac to the Pentagon.

How the carbon copy sheets reached as high an official as Admiral Moorer, and why he bothered to receive material which he says would have reached him by normal channels in due time, would not concern this busy capital very long in ordinary circumstances. But in the present atmosphere of scandal and suspicion, the ordinary event is magnified into an ominous one, and the casual footfall is heard as the tramp of doom.

It is a gross distortion to treat this insignificant episode as having any place in Moorer's exemplary career of public service. He is not formed to be a spymaster, nor a dissenter to the rule, which is as old as the nation, that officers in uniform are subordinate to their civilian leaders. But what makes it particularly untimely for Admiral Moorer's repute to be dangled over the pit of the administration's credibility gap is that we have a special need to believe in the importance and wisdom of our naval persons.

Disarmament groups sit in several of the fashionable meeting places of Europe. It is quite within the reach of the negotiators to bring off a thinning out of ground forces without altering the balance of power. Israeli and the Arabs, the Warsaw Pact and NATO, are more or less in equipoise along the main fronts. We have to look seaward to perceive where the imbalance is broken. One passage in the current issue of the magazine Seapower says it all:

"The only significant change to the strategic equation during the past quarter of a century is that the Soviet Union has now achieved, for all practical purposes, equality at sea with the West."

This equality, however, is only measurable in ships, guns and numbers of sailors. Any comparison of leadership and performance is another matter. We have a present need for the prestige of our naval power, and much of that resides in the ranking Navy officer, Thomas Moorer. It would be a major loss if the Admiral's good name were injured by those who are heedlessly trying to pull down anybody near the President.

CONGRESSMAN BILL CLAY SAYS: "NIXON WOULD MAKE NIGGERS OF US ALL"

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. STOKES. Mr. Speaker, in a recent speech in Boston, Congressman Bill Clay pointed out with vivid irony one of the ways President Nixon has achieved his goal of bringing all Americans back together again:

> When you deprive one group of liberty, you deprive us all.

Robert Healy, of the Boston Globe, has written a thoughtful and incisive commentary on Congressman Clay's speech. I call it to the special attention of all my colleagues in the House:

WHEN YOU DEPRIVE ONE GROUP OF LIBERTY, YOU DEPRIVE US ALL

(By Robert Healy)

Congressman William Clay (D-Mo.) is a black, the most influential member of the congressional Black Caucus. He is an outspoken critic of President Nixon.

Last week he was in Boston and he made a stinging case against the President. It is one with which many people will not agree. But what he said was that liberty could not be selective, that when a government or a President denied freedom to one segment of society, in fact it or he denied to all the nation.

Clay began by saying that the nation is more divided now than perhaps at any other time since the Civil War.

"President Nixon is the chief architect of the division that exists," said Clay. "He finds security in the past and popularity among those who relish 18th Century ideas. He has not distinguished himself by appealing to the worst in our people, by killing social programs, by stalling school integration, by tampering with the Constitution, by attempting to sabotage the 1965 voting rights act, by appointing reactionaries to the courts or inflaming deep-seated biases with his racist stand on busing. Mr. Nixon may not have distinguished himself by spearheading a program to return blacks to their previous condition of involuntary servitude but he certainly enhanced his political position and standing in this racist country.

"I am personally convinced that the overwhelming majority of that 61 percent who elected him President was motivated primarily by one factor—President Nixon was going to put the niggers in their places. Well, people whose thinking is that shallow never see the whole picture. The same was true in Nazi Germany—the Catholics, the trade unionists, the intellectuals did not realize that Hitler could not deny Jews basic rights without affecting the basic rights of all the others. And Nixon likewise could not enslave 25 million blacks without jeopardizing the rights of 150 million whites.

"The problem is basically one of definition. You can't define niggers in terms of color because skin pigmentation in the black case runs the gamut of the rainbow. So color cannot become the criterion of definition. It has to be something else—like attitude, life style, actions. That then becomes all-inclusive. Anything or anybody that's personally objectionable to the powers that be—becomes a nigger.

"Long haired white kids become niggers. Students at Kent State, protestors against the war, chaplains at Yale, psychiatrists who treat intellectuals all become niggers, opposition political parties and their headquarters all become niggers.

"That, my friends, is the danger of hatred becoming the deciding factor in determining leadership," said Clay.

That of course is the special function of a President, the Congress and the courts. It is to protect everyone's freedom.

In the last week, there has been an effort in some quarters to equate Egil Krogh's law violation in the leadership of the White House plumbers' group to break into the home of Daniel Ellsberg's psychiatrist with Ellsberg's release of the Pentagon Papers.

Those who make this equation leave out the most important element which is that Krogh was acting in the capacity of the government. He had all the agencies of government behind him. He could call in the FBI, he had access to the CIA and the IRS. He was acting for the President and with all this power he did not have to act outside the law.

Ellsberg was attempting to change the policies of a government, policies which were based on faulty judgments. All these judgments were clearly spelled out in the Pentagon Papers, not in an editorial fashion, but in an objective manner, based on memos and other government communications.

There has been much discussion about the Pentagon Papers since they were released but no one yet has shown that our national defense establishment suffered one bit.

No one is trying to make a hero out of Ellsberg or a heel out of Krogh. But it is essential to understand that each man was operating from a different power base. One had the force of government behind him and the other was operating against the policies of his government.

If the day comes that one cannot speak out and show the mistakes of government, then our system will really be in trouble.

That's what freedom in this country is all about. It is not remote. It is not abstract. It is, as Clay said in his speech, a case of when you take it away from any person, you take it away from everyone.

LITHUANIAN INDEPENDENCE COMMEMORATED

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. McCLORY. Mr. Speaker, Saturday, February 16, marked the 723d annivesary of the founding of the Lithuanian State and the 56th anniversary of the founding of the modern Republic of Lithuania.

This proud, centuries old heritage of independence was interrupted in 1940 when Lithuania was annexed by the Soviet Union. Although their native land is now in the "Captive Nations" bloc, the hearts and souls of Lithuanians the world over are not "captive."

The human desire to be free and self-determining is unquenchable. It can never be held captive. Alexander Solzhenitsyn demonstrated this unmistakably over the past year of political détente.

The human spirit in essence is not political. It is not bounded by geographic lines, by governmental organizations. Nor is it confined within any limits of oppression.

We in this country and in the Congress must support the efforts of Lithuanians here and behind the Soviet umbrella for free exchange of goods between families, travel and communication with their loved ones—civil liberties we in the United States take for granted.

We must not allow our natural desire for progressively better relationships with the Soviet Union in Russia blind us to the plight of the Lithuanians who seek reinstatement of their country's independence.

Let us take this occasion, Mr. Speaker, to offer our support, our continued vigilance, and the reaffirmation of our belief in the rights of individuals to live free from oppression to the Lithuanian citizens of this country and to their family members behind the Soviet arm.

Let us thank again the Lithuanians who have made such an important contribution to the heritage of our United States. And let us not relax our vigilance and support for self-determination for the captive nations of the world.

WHAT ABOUT JOHN DEAN'S CREDIBILITY?

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. FISHER. Mr. Speaker, there has been a flurry of publicity recently about former White House Counsel John Dean's veracity. This has prompted the Special Prosecutor's Office to go beyond the call of duty, so to speak, in efforts to bolster and prop up Dean's stature—evidently eyeing him as a prospective government witness. The Congress has an interest in this because of pending impeachment charges.

Quite obviously Dean's former assignment in the White House would qualify him as a useful witness concerning matters within the purview of his own knowledge. His willingness and eagerness to testify before the Senate committee does not necessarily reflect upon his credibility, although his eagerness does raise questions regarding his motivations. And since in law the truthfulness of a witness is always related to one's motivations, this aspect of John Dean's testimony becomes relevant.

In evaluating any testimony, it is always proper to probe the witness's incentives to prevaricate. Is a witness moved to tell it like it is, or does he have an ulterior ax to grind?

Having listened to Mr. Dean's televised testimony before the Senate select committee, I have been troubled by his performance. Perhaps this can be attributed to an intuition growing out of my several years as a district attorney when I dealt with many witnesses under all sorts of circumstances. Let us avoid emotionalism for a moment and take a cold look at some of the facts which give rise to these reservations.

CONFLICTS AND OMISSIONS

As pointed out by William Safire in a column entitled "The Veracity of John Dean," there appear to be documented conflicts in Dean's Senate testimony and other statements.

Another conflict developed when two White House aides—Egil Krogh and Richard Moore—told of conversations each had with John Dean on March 20, 1972, in which the latter purportedly revealed to them the pertinent coverup facts of which he had knowledge, and assured them the President "just doesn't know what's been going on." Later, in his Senate committee testimony, Dean claimed he had told the President a few things at an earlier date which he omitted from his conversations with Krogh and Moore.

In his March 20 talk with Richard Moore, Dean confided for the first time to Moore about coverup maneuverings and Dean's own involvement, along with assurance the President had been kept in the dark. Moore urged Dean to reveal all he knew to Mr. Nixon immediately. That meeting was held the next day—March 21—following which Dean told Moore the President showed surprise.

It must be assumed that Dean in his

two separate conversations on March 20 with two close friends filled them in on all pertinent facts of which he had knowledge, as related to any knowledge the President had received about cover-up, which led to Dean's conclusion expressed to them that the President "just doesn't know what's been going on." His later testimony at variance with this smacks of conflict, and naturally raises questions about his credibility.

Although glossed over by the press, Dean admitted to an unauthorized withdrawal of $4,850 from a Republican political fund entrusted to him, for use on his honeymoon last year. On advice of counsel months later he restored the shortage. Does this incident serve as an alert warning concerning credibility?

DID FEAR OF PUNISHMENT FIGURE?

But let us go back a little further in a search for John Dean's motivations for a change in attitude and an apparent new militancy toward the White House.

There is very compelling evidence that Dean's strategy from and following March 21 has been to escape punishment himself, at any cost. It appears that Dean's defense plans and grand strategy to escape prison began to jell after one of the top Watergate convicted burglars, James McCord, wrote a letter to Judge Sirica in which McCord charged that others were involved in the scandal. Dean knew that could include him, in the alleged coverup.

CHANGE IN ATTITUDE NOTED

At about that time, according to Time, the White House counsel developed a fear H. R. Haldeman was backpedaling, and Dean "was beginning to protect his flanks." A written report on the Watergate melee, requested by Haldeman, was partially completed by Dean but withheld while he secretly sought legal advice. At that point while still at the White House, the record reveals he frantically began a series of secret meetings with the Justice Department prosecutors, hoping for immunity in exchange for testimony.

The real payoff appears to have come on April 17 when President Nixon announced there would be "no immunity" for any White House people involved. Earlier, at the March 21 meeting, the President reportedly told Dean the latter should go before the grand jury without immunity. Dean, according to Newsweek, took all of that as a threat to him personally and 2 days after April 17 vowed to the press he would "never be made a scapegoat."

Two weeks later Dean was fired, and his grand strategy to escape punishment was accelerated. He readily embraced and decided to exploit the role of Judas in the official White House family. That was his own business, but it calls for close scrutiny of the course of action he chose to follow in pursuit of his designs.

A TRADEOUT FOR IMMUNITY?

The press reported that following his dismissal Dean returned to the Justice Department, again offering to incriminate others as a tradeout for immunity. But the prosecutors apparently felt they had the goods on him and his involvement and declined his offer.

John Dean had another recourse open to him. The Ervin committee had opened public televised hearings and was on the lookout for witnesses. In apparent desperation, Dean responded. He rushed to Capitol Hill where he went into a huddle with Ervin committee staffmen—seeking immunity. In accordance with committee practice, he had to first outline his proposed testimony, what he had to offer that would justify the committee to take the extraordinary action of granting immunity from prosecution. The committee had been searching in vain for evidence which would link the President to knowledge that some sort of a coverup had taken place. Dean was very much aware of the committee's dilemma, and he proceeded to make the most of it. The committee promptly accepted his offer and immunity was granted.

It is in that backdrop that we must evaluate the widely publicized testimony which followed. It will be recalled that Archibald Cox, the Special Prosecutor, took a dim view of the immunity offer, and tried in vain to block the testimony lest it and the publicity might interfere with the Government's case against Dean and others. But the chairman insisted that exposure was of primary interest to the committee. The stage was set for Dean's appearance, amid kleig lights and an abundance of fanfare. The committee's star witness was to be heard.

DEAN'S ANTIPATHY REVEALED

In appraising John Dean's motivations, it should be kept in mind that he made no secret of his obsession against going to prison. One Washington press report stated Dean feared his youthful appearance would make of him a special sex target at the hands of fellow prison inmates.

Another aspect of Dean's motivations that should not go unnoticed was an obvious bitter attitude he had developed toward the President and some of Dean's former coworkers. Whether from his standpoint that attitude was justified or not, evidence of his venom must be reckoned with in adjudging his credibility.

Now, in what way was that antipathy revealed? On the eve of Dean's departure from the White House he seems to have collected an abundance of copies of all the memos and other documents which he might be able to use to embarrass the White House. Some may say that was fine, that it may have enabled evidence to be adduced which might not otherwise have been discovered, regardless of the ethics of the acquisition. Perhaps a look at some of Dean's testimony will throw light on his designs, and hence his credibility.

With the help of two lawyers he prepared an elaborate 245-page statement, obviously carefully tailored to achieve his objectives, and expertly designed to maximize its usefulness for TV coverage. During his testimony he produced 50 exhibits which he had purloined or otherwise acquired before his hasty departure from the White House. Many of these bore no remote relationship to the Watergate scandal, but they provided juicy tidbits for the media to devour.

DEAN'S NON-WATERGATE TIDBITS

For example, taking advantage of freedom to talk about anything or anybody, accorded him by the committee, whether related to Watergate or not, Dean produced an informal list of 200 names put together, according to the witness, in 1971 by a White House staffman, which Dean claimed "the White House staff" considered to be the administration's prime domestic enemies. There was no claim the President had in fact ever seen the list or approved it, though Dean clearly wanted to leave that impression. But it made top billing for the TV audience and the press, and the names were publicized.

Although prepared more than a year before the Watergate burglary, and could have no remote connection with factual information relating to the burglary and alleged coverup, it did afford Dean a rare opportunity to vent his spleen toward the White House and at the same time court the favor of the press. Time described the "enemy" list as "the most bizarrely captivating document" that Dean turned over to the committee.

The resourceful Dean felt impelled to let the world know that in the White House he picked up a piece of gossip from some undisclosed source that periodic surveillance of Senator EDWARD KENNEDY was surreptitiously ordered by somebody—as if that had any remote relationship to the Watergate scandal which was supposed to be the subject of the committee hearing. Actually, there was no surveillance, but the witness had again rung the bell.

For some reason which made no sense at all, Dean told of an occasion when the President saw a man parading with a placard in front of the White House and ordered "thugs" to be gathered to take care of the protester. If anything like that happened it had to be a big joke because for years protesters with placards have appeared in front of the White House with regularity. Yet, the sky being the limit the witness was free to talk about anything or anybody under the comforting aegis of committee immunity. Totally unrelated to Watergate, this disclosure served only to reveal Dean's purpose to "get even" with somebody at the White House.

Again, what was John Dean's purpose in relating so many non-Watergate news-catchers which might embarrass his former boss who had befriended him with a high position? The answer, I think, is self-evident: He was trying to ingratiate himself to the committee and to Judge Sirica who would some day be expected to adjudge his guilt and assess his punishment.

Even Newsweek recognized John Dean's desperate plight and reported "he is equally concerned with staying out of prison." Then added:

> His chances now depend heavily on his making such a splash before the committee that he will at least be granted immunity by the Watergate prosecutors—or, alternately, that his case will be thrown out of court because of publicity.

Another motivation for Dean's proclivity for sensationalism may have been money—a possible vision of wealth from writing a book about his White House capers. Could it be that the witness saw a chance to cash in on the committee's proffer of nationwide exposure and publicity, which he may have hoped would catapult him into celebrity status and enhance the sale of any writing he might want to sell? It goes without saying that dull, routine, factual material would hardly suffice if he entertained such thoughts.

Credence for the book-selling idea which may have lurked in the back of Dean's mind is revealed in recent disclosure of negotiations by Dean's agent with a New York publisher. The press reported the agent was asking $250,000 for rights to a forthcoming book.

A number of other newsy non-Watergate gems were included in the witness' 245-page grand slam offering. Although fuzzy and inconclusive, Dean's testimony implied the President did know something of "what's been going on" regarding the post-Watergate burglary, thereby retreating from the opinion he had expressed to Egil Krogh and Richard Moore on March 20.

CREDIBILITY DOUBTFUL

Mr. Speaker, it is not easy to probe the mind of a witness. We do know that in this instance the witness had a rather extreme obsession against going to prison. We do know that he developed a bitterness toward the White House. We do know that he desperately sought immunity, and we are left to wonder what price he was willing to pay for it. We know he is an admitted participant in a surreptitious scheme to prevent the public from learning more about Watergate involvements, prior to the time his own guilt was discovered. We do know that at some time along the way he made plans to cash in on his anti-White House exposés.

From all of this we can make our own deductions about John Dean's credibility.

I would say that as a former prosecutor myself I would hate to think that as a prosecutor I would have to depend upon John Dean's testimony in order to make out a case against any Watergate-connected defendant.

CONGRESSIONAL COUNTDOWN ON CONTROLS

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. STEELMAN. Mr. Speaker, I find it intolerable that prices today are rising at almost twice the 1972 rate.

Since I introduced a congressional countdown on controls, a series of 1-minute speeches calling for hearings on the repeal of the Economic Stabilization Act by the Banking and Currency Committee, or administration cessation of controls, 29 of my colleagues have joined in the fight to scrap wage and price controls.

It is quite apparent that the current controls have contributed to and resulted in galloping inflation, severe shortages, chaotic disruptions, and crippling strains on the economy.

Apparently the administration has now seen the wisdom of discontinuing controls. It has been announced that controls will come off all industries, except oil and health, by April 3. I applaud and support this move, but do not feel it to be thorough enough. With the support of my colleagues, I plan to continue the congressional countdown on controls until all controls, including energy and health, have been lifted and we have returned to a free market economy.

Joining me in this effort are the following Representatives: Bill Armstrong, Robin Beard, Clair Burgener, John N. "Happy" Camp, Thad Cochran, Phil Crane, Ron Dellums, Bill Frenzel, Ben Gilman, Tennyson Guyer, John Hammerschmidt, Henry Helstoski, Marjorie Holt, Robert Huber, James Johnson, William Ketchum, Carleton King, Dan Kuykendall, Clarence Long, Trent Lott, Stan Parris, Joel Pritchard, John Rarick, John Rousselot, Sam Steiger, Steve Symms, David Treen, Victor Veysey, and Bill Young.

ESTONIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. ANNUNZIO. Mr. Speaker, February 24 marks the 56th anniversary of the declaration of independence of the Republic of Estonia. Thirty-four years is a long time for the people of one country to be under the domination of another against their own desires for independence and sovereignty. Yet, it is appropriate that we again call to the attention of all Americans and peoples of the world the sad plight of the people of Estonia, a nation occupied by the Soviet Union in 1940 and still held under the harsh and brutal yoke of Communist domination.

The brave people of this Baltic country proclaimed their independence from Russia in 1918. They repulsed the Red army, and in 1920 concluded a peace treaty with Russia.

The courageous Estonian people then drew up a constitution which was a mature example of human rights and dignity, but it served them only until 1940. In that year, the Communists attacked and occupied Estonia and soon thereafter illegally and forcibly incorporated that heroic nation into the U.S.S.R. Since then the people have been systematically denied their most basic human rights and freedom of expression, in addition to their just aspirations to self-determination in liberty and justice.

During their brief glimpse of freedom, the Estonians achieved a remarkable awakening. Scientific research, as well as art, music, and theater, attained a high level and the country earned the admiration of the free world. The Republic of Estonia was the first in the world to have effectively solved its problems of minorities, by granting them a wide national and cultural autonomy with the Cultural Autonomy Act of 1925.

The Soviet regime is continuing its attempts to intimidate the Estonian people by massive settlement of Russians in Estonia and a corresponding dispersal of Estonians to other parts of the Soviet Union. According to census figures for 1970, Estonians constituted only 68 percent of the population—as opposed to 88 percent in 1939.

Today the Estonians continue unabated their noble fight against subjugation. They have suffered much aggression in defense of their rights over their own land, but their glorious spirit of independence has not been broken.

It is in this spirit that the members of the Estonian Society of Chicago are celebrating this 56th anniversary commemoration with ceremonies at the Latvian Community Center at 4146 North Elston Avenue.

Taking part in the commemoration ceremonies are Harld Raudsepp, editor in chief of the Pre-Estonian World, a New York weekly newspaper, who will be the independence day speaker, an Estonian men's choir, along with Harmon Animati, a soprano soloist, and young people who are soloists on the cello and violin.

The president of the Estonian Society of Chicago is August Parts, and the regional director of the Estonian American National Council for the Midwest is Alexander Koepp, two men who are doing outstanding work as officers in Estonian organizations in Chicago.

I extend my greetings to the fine members of the Estonian Society and their officers as they celebrate the 56th anniversary of the independence of Estonia, because this significant event remains a symbol of hope for repressed people all over the world who continue to aspire to human dignity and freedom.

The United States has never recognized the legality of the occupation and incorporation of Estonia by Russia. The Soviet regime in this Baltic State lacks any legal basis and must be regarded only as a temporary military occupation. Because we are a leader of liberty in the free world, we have an obligation to our friends behind the Iron Curtain. We must support the Estonians in their struggle.

It was for this reason that I introduced House Concurrent Resolution 431 expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania. The text of my resolution follows:

H. Con Res. 431

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to there cognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Mr. Speaker, in keeping with sacred principles carefully guarded, the United States continues to recognize the independent Estonian Government and affirms her right of self-determination. I proudly join with Americans of Estonian descent in my own 11th District, in the city of Chicago, and all over this country as they share with Estonians everywhere the fervent prayer that their bravery and strength of character will soon be rewarded, that right will triumph over injustice, and that Estonia will be free once more.

EQUALITY FOR BLACKS—OR SPECIAL FAVORS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. DERWINSKI. Mr. Speaker, a very thought-provoking article by Father Andrew M. Greeley, a distinguished sociologist, in the New World of February 1, publication of the Catholic Archdiocese, comments on the subject of academic standards as they may apply to students of different races.

Father Greeley has earned the reputation among his associates as a recognized authority on the urban area.

The article follows:

EQUALITY FOR BLACKS—OR SPECIAL FAVORS?

(By Father Andrew M. Greeley)

Martin Kilson, the distinguished black scholar, recently argued in a vigorous article in the New York Times Magazine, that blacks should be judged by the same academic standards as whites. His point was that other practices are little more than a sophisticated form of racism since such quotas assumed that blacks couldn't make it in a college unless they were given special favors.

Blacks, Kilson seemed to be arguing, have the right to be treated like full-fledged American citizens—no better and no worse than anyone else. Kilson—who is scarcely an Uncle Tom—has taken the same position as a number of tough young black scholars, such as economist Thomas Sowell, who want no favors from anyone.

I find such toughness admirable and am delighted at the plight of the white liberals who find the ground cut out from under them by such blacks as Kilson and Sowell. For in the liberal mythology of the black who needs special favors if he is to make it, white liberals have created a caricature and a racial stereotype as degrading as the minstrel show end man and all the other previous creations of the bigoted and guilty white conscience.

Unfortunately, not all blacks are immune to the effects of the seductive condescension of the white liberal. There was a time, not so long ago, when there scarcely could be a meeting on anything in the United States which would not be disrupted by a handful of blacks demanding confessions of guilt for all white people present. Blacks who permitted themselves to be caught in such stereotypes were merely doing what the white liberals present wanted them to do. They were one more product of white caricaturization.

Curiously enough, such black disrupters almost always worked for white funded organizations. I remember one meeting in particular that was disrupted by a black cleric dressed in the hippiest of clothes. A number of black political leaders in conservative garb sat quietly and discreetly by until the militant left to disrupt another meeting.

Without ever mentioning what had happened or explicitly refuting "the brother," one of the political leaders proceeded to say exactly the opposite thing than the militant had. When I pointed this out during a coffee break, the black politician said with ill-concealed anger, "That man was never elected to anything in his life, and never will be. I've been elected by tens of thousands of people in my district. Why are you white people more interested in listening to him than to me?"

It is now clear, I think, that most whites are much more interested in listening to blacks who have constituencies than blacks who have anointed themselves as spokesmen. But at least some of the disrupters have found a new audience. According to a recent issue of the Thomas More newsletter, Overview, Dr. James Cone, so-called black "theologian," did a splendid job in disrupting the consultation in Geneva, insisting on being called "Herr Doktor," and saying, "Well, why should I cooperate with you? I don't know you. Shouldn't you let me decide whether you qualify as an ally? Maybe the time has come when whites wait around until we let them help us."

Let us overlook the blatant racism of Cone's behavior. Let us also overlook that such clownish cavorting is a disgrace to American blacks. Let us rather ask one simple question: Who ever elected Prof. Cone to speak for anyone? When he speaks of "we" and "us," who are the "we" and "us," he has in mind? What is his constituency? Who has authorized him to claim to speak for the American black population or for the American black experience? By what right does he claim that his partciular kind of theological posturing represents anyone's experience but his own?

The available survey data suggests that Cone speaks for only a segment of the American black population, and a very small segment at that. Come to think of it, it's very difficult to conceive of a tenured faculty member of Union Theological Seminary as being the victim of oppression. Most American blacks would dearly love to have it so good.

Ah, comes the reply from the white liberal, but Cone and indeed all other American blacks have been subjected to horrendous psychological pressures and have incurred grave psychological damages because of the injustices of oppression and racism. Cone is merely more conscious than most blacks are of how much the whole people have suffered and of what grave psychic damage has been done to them because of their "victimization."

It all sounds very plausible though, again, what it really is is the crypto-racism of the liberal. That blacks have been oppressed, treated with awesome injustice is beyond doubt but it does not follow that they have been so psychically wounded that somehow or other they are inferior in self-confidence and ego strength to whites. The psychically wounded black is—at least according to most of the research on the subject currently being done—just one more white stereotype.

The World Council of Churches may still be interested in paying Dr. Cone's plane fare to travel around the world playing the role of an end man with a Ph.D., but the role is becoming obsolete in the United States.

Still, one suspects there are many white liberals who would prefer Cone. If you can seduce a black into adolescent behavior which forces you to abase yourself before him, you can still feel secretly superior to him—as one always feels secretly superior to charming and outrageous savages—but tough, smart men who demand to be treated like adults and ask for no favors from anyone—ah, they must be treated like equals—and who wants to treat a black like an equal?

ACCOMPLISHMENTS OF THE 93D CONGRESS, 1ST SESSION: REPORT TO THE PEOPLE OF THE 4TH DISTRICT OF WISCONSIN

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. ZABLOCKI. Mr. Speaker, while visiting in my district prior to the reconvening of the 2d session of the 93d Congress and over this last weekend, I was impressed by the responsible attitude and concern of my constituents regarding the current issues and problems confronting our country. Many, however, have questioned the efforts and the record of the Congress. Therefore, as has been my practice in the past, although belatedly, I take this opportunity to summarize the accomplishments of the 1st session and to highlight the major issues that need to be resolved in the 2d session of the 93d Congress.

There is no doubt that my record will not totally please each and every constituent. However, in representing the people of the Fourth District of Wisconsin I have followed the dictates of my conscience and sincerely tried to work in their best interest and for the security of our Nation.

Congress has established a respectable record which could have been even more dramatic if the will of the 10 Presidential vetoes were reversed. The Congress has responded to the immediate problems confronting our Nation, thereby meeting its obligation as the national legislative body of the American people. With renewed strength resulting from internal reforms, Congress last year has reasserted its constitutional authority in formulating legislative policy and in fulfilling its obligation to curb abuse of authority by the executive branch.

REASSERTION OF CONGRESSIONAL AUTHORITY

The most dramatic example of Congress insisting on its constitutional responsibilities was evidenced by the enactment of the War Powers Act over the President's veto. As the floor manager of this historic legislation, I submit the War Powers Act provides a reasonable compromise by properly balancing the need to keep the warmaking authority firmly in the control of Congress while allowing the President flexibility in responding effectively and quickly when the security of our Nation is threatened.

Of great significance in the enactment of this legislation is the fact that many Republicans joined in providing the more than two-thirds majority of the Congress to override the President's veto.

Other significant areas characteristic of the renewal and the reassertion of the constitutional authority of Congress were in internal and procedural reforms and budget reform.

Responding to a rapid erosion of public confidence in the Federal Government, the 93d Congress initiated sweeping reforms of its internal procedures. While the executive branch has been growing more closed and secretive with its excessive claims of executive privilege, the Congress, particularly the House of Representatives, has opened up its proceedings to closer inspection by the public. As a consequence, only when absolutely necessary have committee meetings and deliberations been closed.

Another major action in reform was achieved in the area of congressional budgetary responsibilities by passing the Budget and Impoundment Control Act of 1973. This legislation offers substantive progress in two crucial areas: Overhauling congressional handling of the budget to enable the Congress to exercise its power of the purse more effectively; and providing procedures through which Congress can control unwarranted impoundments of appropriations by the President.

ECONOMY AND INFLATION

Notwithstanding administration rhetoric that "Next month things are going to be better," the American economy last year experienced its worst round of inflation in a generation.

The Nixon administration has not only failed to stop inflation—but the administration's economic policies have actually contributed to the unprecedented price spiral. For example, the administration erred in judgment by authorizing the removal of interest ceilings from certificates of deposit. The Congress reacted by passing appropriate remedial legislation.

In the area of food prices, Congress adopted new farm legislation removing all limitations on the domestic production of food. There is no denying, however, that much needs to be done to keep future price increases within reasonable levels and to control persistent inflation. Other legislative programs to cope with our economic problems have and will receive the attention of Congress. However, the Congress cannot administer anti-inflation programs. That responsibility lies in the hands of the executive branch.

There is no doubt that the serious energy-related problems facing our country today will require extensive cooperation between the Congress, the Executive, and the public. Some of the necessary legislative groundwork for resolving our energy problems was initiated last year.

The Congress adopted legislation authorizing fuel allocation programs, energy research and development, and needed energy conservation. Specifically, Congress has passed the Alaskan pipeline legislation, mandatory petroleum allocation legislation, and on an experimental basis, year-round daylight saving time. Considerable congressional hearings and investigative efforts were also devoted toward examining oil company practices and expanding exploration and research of new energy sources to meet our Nation's long-term needs.

SOCIAL SECURITY AND VETERANS BENEFITS

In meeting the basic financial needs of some 30 million Americans, Congress acted twice last year attempting to keep social security benefits in line with rising prices. Measures were also adopted to encourage emergency medical services and health maintenance systems, as well as to improve overall veterans' benefits.

INTERNATIONAL AFFAIRS

After 3 years of extensive study and debate, Congress during the first session of the 93d Congress passed the already-mentioned historic war powers resolution into law.

New legislative proposals which reformed and restructured U.S. economic assistance to developing countries were also included in the enactment of the Foreign Assistance Act of 1973. Under this new approach, American aid to developing countries will be concentrated on projects that most directly benefit the poorest majority of the people in those countries. By emphasizing the allocation of aid in the areas of food, nutrition, population growth and health, and education, this legislation should increase economic growth and social justice for those people most in need.

In addition, as part of my subcommittee's long-established record of interest in the POW/MIA issue, during the first session I chaired extensive hearings on this matter. In an effort to allay the growing concerns of MIA families, my subcommittee sought to clarify the position of our Government regarding an alleged policy of establishing presumptive findings of death and again urged the executive branch to exert every possible effort in learning the final fate of our MIA's. It is my goal to have my subcommittee continue these efforts regarding the status of our MIA's until complete satisfaction of their fate is obtained.

THE 2D SESSION OF THE 93D CONGRESS

While the efforts of the first session have been significant and constructive, there is important new and unfinished business to be considered and acted upon during the second session.

In the domestic areas, congressional action should be pursued in the following areas: tax reform; national system of health insurance; campaign reform; pension reform; mass transportation; veterans' benefits; housing; minimum wage; and reversal of the unfortunate Supreme Court decision last year on abortion.

On the international scene, I intend to pursue the goal of obtaining a full and complete accounting of our MIA's; to monitor our country's policy and efforts affecting the strategic arms limitations talks with the Soviet Union; and to initiate a major in-depth study of the Arms Control and Disarmament Agencies with objectives at making ACDA more effective. Finally, constructive and objective measures must be taken at the international level to enable our country to meet our foreign trade and energy requirements.

The following is a summary of my position and status on some of the major issues considered during the 1st session of the 93d Congress:

Position	Issue	Status
	NATIONAL ECONOMY	
Voted for	Extension of President's authority to control prices, rents, wages and salaries, and other provisions to combat unemployment and inflation.	Became law.
Do	Legislation encouraging domestic food production and eliminating subsidies in times of high market prices.	Do.
Do	Extension of interest equalization tax to stem outflow of dollars.	Do.
Do	Federal assistance to areas suffering from high employment and underemployment.	Do.
Do	Extension of unemployment insurance benefits	Do.
Supported	Legislation to develop flood control programs and demonstration projects to prevent shoreline erosion.	Do.
Voted for	Limits on interest rates for FHA mortages and VA guaranteed loans.	Do.
Supported	Extension of programs of urban housing, water and sewers, and other community developments.	Pending in House.
Cosponsored	Tax reform legislation to close tax loopholes and provide additional Federal revenues.	Do.

Position	Issue	Status
	CONSTITUTIONAL ISSUES	
Sponsored	Legislation reasserting Congress' constitutional role in the warmaking areas.	Became law over President's veto.
Cosponsored	Legislation prohibiting impoundments unless approved by congressional action.	In conference.
Do	Legislation improving congressional control over the Federal budget including reform of budgetary process.	Pass by House.
Voted for	Confirmation of Gerald R. Ford as the 40th Vice President of the United States.	Became law.
Supported	Investigative hearings into the activities of the President to determine whether or not grounds exist for impeachment.	Pending in House.
Do	Legislation to establish criteria covering and restricting the use of executive privilege.	Do.

Position	Issue	Status
	ENERGY, NATURAL RESOURCES AND ENVIRONMENT	
Voted for	Legislation authorizing a variety of emergency measures to conserve and allocate available energy resources and to implement energy conservation measures.	In conference.
Do	Construction of the Alaska pipeline	Became law.
Do	Reorganization and consolidation of national energy research development projects.	Passed by House.
Do	Legislation temporarily placing the Nation on year-round daylight saving time in an effort to conserve energy.	Became law.
Do	Legislation to curb discharges of oil from ocean-going vessels and to regulate oil tankers.	Do.
Do	Legislation to reduce gasoline fuel consumption by reducing national speed limit to 55 miles per hour.	Do.
Do	*Extension* of the protection of fish and wildlife species in immediate danger of extinction.	Do.
Do	Increased coverage of national flood insurance for communities designated as floodprone areas.	Do.
Do	Legislation to control the sale and production of potentially harmful chemicals.	In conference.
Do	5-year moratorium with regard to licensing and construction of water research projects affecting certain water and river systems.	Passed by House and Senate.
Do	Extension of solid waste disposal systems and waste recycling programs.	Became law.
Do	Legislation providing for the construction and preservation of public works on rivers, lakes, and harbors for navigation and flood control.	Passed by House.
Supported	Reimbursement to communities for full amount of Federal assistance authorized for sewerage control treatment between 1966 and 1972.	Became law.
	SOCIAL SECURITY AND HEALTH	
Cosponsored	11 percent in social security benefits, rising by 7 percent in March 1974 and an additional 4 percent in June 1974.	Became law.
Supported	Reforms in social security, medicare, medicaid, and welfare programs.	Pending.
Sponsored	Reduced social security benefits for retirees at age 60.	Do.
Supported	Supplemental national health insurance programs	Do.
Cosponsored	Establishment of a House Select Committee on Aging.	Pending in House.
Voted for	Extension and expansion of programs to assist the elderly.	Became law.
Do	Establishment of a National Center on Child Abuse and Neglect.	Do.
Do	Assistance to domestic volunteer programs including senior volunteers and foster grandparents.	Do.
Do	Increase in minimum payments for the needy, blind, disabled, and aged.	Do.
Do	Legislation to establish an independent corporation to replace the OEO's legal services program to assist the poor.	Passed by House.
Do	Establishment of health maintenance organizations and providing for more preventative medicine.	Became law.
Do	Legislation providing Federal aid to areawide systems of emergency medical care.	Do.
Cosponsored	1-year extension of public health programs, comprehensive health services, migrants' health programs, and community health centers.	Do.
Voted for	Increased Federal assistance against lead-based paint poisoning.	Do.
	EDUCATION AND LABOR	
Voted for	Legislation increasing minimum wage and extension of minimum wage coverage to 7 million workers.	Vetoed by the President.
Do	Educational rehabilitation for the handicapped	Became law.
Do	Increased aid to school nutrition programs to offset rising food costs.	Do.
Do	Increased individual grants to 1st year, full-time college students.	Do.
Do	Extension of environmental education in elementary and secondary schools, and community education programs.	Passed by House.
Do	Legislation approving job training bill and developing comprehensive manpower training policy.	Became law.
Do	Legislation expanding legal services to a greater number of blue collar and middle-income working Americans.	Do.
Do	Liberalizing eligibility requirements for railroad retirement and extending benefit increases.	Do.
Do	Extension of school- and community-based programs of drug abuse, alcohol education, and training programs.	Passed by House.
Sponsored	Provision for tax credit up to $400 for tuition paid for nonpublic elementary and secondary education.	Pending.
	VETERANS AND NATIONAL DEFENSE	
Voted for	Comprehensive veterans' health care legislation and health manpower training programs for veterans.	Became law.
Supported	10 percent increase in the monthly pension payments to single and married veterans.	Do.
Cosponsored	Elimination of reductions in veterans' pension and compensation resulting from social security increases.	Pending.
Voted for	Increase in veterans' funeral and burial allowances and the establishment of a national cemetery system.	Became law.
Do	Tax relief for military and civilian POW'S returning from Vietnam.	Do.
Voted against	Excessive cuts in manpower, research and development, and construction funds affecting our national security.	Do.
Cosponsored	$1 billion cut in the military weapons procurement and research development systems.	Reduced in conference.
	TRANSPORTATION AND CRIME CONTROL	
Supported	3-year extension of interstate highway system and allocation of funds for urban mass transit by 1976 from the highway fund.	Became law.
Voted for	Legislation offering deficit-ridden urban mass transit companies Federal subsidies for operating expenses to supplement revenues derived from passenger fares.	In conference.
Do	Increased airport development grants and construction moneys.	Became law.
Do	Establishment of a new railroad corporation to replace the bankrupt railroads in the Northeast.	Do.
Do	Increased Federal assistance to local law-enforcement officials including training and equipment.	Do.
Do	Extension of the Watergate grand jury of the District of Columbia.	Do.
	INTERNATIONAL AFFAIRS	
Sponsored	Legislation to establish Joint Committee on National Security.	Pending in House.
Do	Restrictions on the use of emergency military assistance to Israel in excess of $1.5 billion.	Became law.
Supported	Resolution calling for complete and full accounting of our MIA's in vietnam.	Pending in House.
Voted for	Continued operation of Radio Free Europe and Radio Free Liberty.	Became law.
Do	Participation by the United States in the U.N.'s environmental program.	Do.
Sponsored	Legislation reforming and restructuring U.S. economic assistance to developing countries.	Do.
Voted for	Extension and revision of U.S. economic and military aid programs.	Do.
Sponsored	Resolution calling for collection of overdue debts to the United States.	Pending in House.
Voted for	Legislation granting the President new flexibility to control exports of scarce materials and commodities.	Passed by House.
Sponsored	Resolution on U.S.-oceans policy at the Law of the Sea Conference.	Do.

ROLLCALL RECORD OF CONGRESSMAN CLEMENT J. ZABLOCKI, 93D CONG., 1ST SESS.

	Yeas/ nays	Quorum calls	Recorded votes	Grand totals
Number of calls or votes	307	185	234	726
Present responses (yea, nay, present, present-paired for or against)	304	179	233	716
Absences (absent, not voting, not voting-paired for or against)	3	6	1	10
Voting percentage (presence)	99.0	96.7	99.5	98.6

TRIBUTE TO THE LATE NORTH CAROLINA CONGRESSMAN HAROLD D. COOLEY

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. TAYLOR of North Carolina. Mr. Speaker, I desire to share with my colleagues the contents of a resolution introduced in the North Carolina House of Representatives by Representatives John Ed Davenport, Julian B. Fenner, A. Hartwell Campbell, Larry P. Eagles, and Thomas E. Gilmore, paying well-deserved tribute to the late North Carolina Congressman Harold D. Cooley. I wish to also share individual statements by Representatives Gilmore, Davenport, and Fenner, honoring the life and memory of Congressman Cooley. The resolution and statements follow:

GENERAL ASSEMBLY OF NORTH CAROLINA, 1973 SESSION

HOUSE JOINT RESOLUTION 1406

JANUARY 23, 1974.

A joint resolution honoring the life and memory of Harold Dunbar Cooley, former member of the United States House of Representatives

Whereas, Harold Dunbar Cooley the son of the late Roger A. P. Cooley and Harriett Davis Cooley, was born in Nashville, Nash County, North Carolina, on July 26, 1897, attended the public schools of Nash County and the Law School of the University of North Carolina and Yale University; and

Whereas, Harold Dunbar Cooley served his nation as a member of the Naval Aviation Flying Corps during World War I; and

Whereas, Harold Dunbar Cooley was a distinguished and effective attorney; and

Whereas, Harold Dunbar Cooley was elected a member of the 73rd Congress on July 7, 1934, and served as a member of Congress for over 32 years; and

Whereas, Harold Dunbar Cooley was chosen as the first member of the Agriculture Committee of the House of Representatives from North Carolina in over one hundred years; and

Whereas, Harold Dunbar Cooley became Chairman of the House Committee on Agriculture in 1948 and served as Chairman of that Committee longer than any Chairman in the history of our nation; and

Whereas, during the course of his career, Harold Dunbar Cooley championed the farmers, not only of North Carolina, but of the entire United States, and introduced or actively supported every piece of major farm legislation passed by Congress for a period of 32 years, including the Rural Electrification Act, The Farmer's Home Administration Act, the Tobacco Program, the Wheat Program, the Cotton Program, the Food for Peace Program and many other important acts; and

Whereas, legislation introduced by Harold Dunbar Cooley benefited the people of his district, and people of the entire United States and the world; and

Whereas, Harold Dunbar Cooley served as a delegate to the Interparliamentary Union for many years and served as its President; and

Whereas, Harold Dunbar Cooley was honored by the governments of Italy, Japan, Korea, France and other countries and many farm organizations for his service to Agriculture and as a statesman of the world; and

Whereas, the North Carolina General Assembly desires to express its appreciation for the long and distinguished career, and the fruitful life of Harold Dunbar Cooley, and desires to express its sympathy to his wife, Madeline Strickland Cooley, and to other members of his family; and

Whereas, this desire can best be expressed in words to his family:

"Thank you for sharing Harold Dunbar Cooley with North Carolina, the United States and the world."

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

SECTION 1. That the North Carolina General Assembly does hereby express its grateful appreciation for the useful and dedicated life of Harold Dunbar Cooley.

SEC. 2. That the General Assembly extends its sympathy to the family of Harold Dunbar Coley for the loss of its distinguished member.

SEC. 3. That this resolution shall become a part of the public record of the 1974 Session of the General Assembly of North Carolina, and a copy shall be duly certified by the Secretary of State and forthwith transmitted to the family of Harold Dunbar Cooley.

SEC. 4. This resolution shall be effective upon ratification.

THOMAS O. GILMORE

(Member of North Carolina House of Representatives; resident of Greensboro, N.C.)

Harold D. Cooley was a friend of the nation's farmers and a person to whom agriculture is very deeply indebted. He was the first North Carolinian to be chosen as a member of the Agriculture Committee of the United States House of Representatives in over one hundred years, and he served as chairman of that committee longer than any chairman in the history of our nation. In this capacity, he championed the farmers, not only of North Carolina, but of the entire United States. Through his many efforts he served not only the people of his district and his state, but all the people of his nation. Harold Cooley was indeed a great American whose leadership is badly needed in this time of crisis. I hope that we who serve in government will use his life as an example to follow.

JOHN ED DAVENPORT

My association with Harold Dunbar Cooley has been close since my birth. I was born next to his birthplace. For a number of years, we shared adjoining law offices. I participated in his campaigns, so I feel a deep sense of personal loss.

In spite of the feeling of loss, I am thankful for the farm legislation which he authored and promoted. Harold was instrumental in the enactment of the Rural Electrification Act and establishing of the Farmers Home Administration. This legislation has benefited thousands of people of every race, color and creed in rural America. Time and again Harold displayed his interest in tobacco farmers, cotton farmers, wheat farmers and dairymen.

As Chairman of the Committee on Agriculture of the United States House of Representatives and President of the Interparliamentary Union, he walked among the important people of the world. During all of this time, to the people at home, he remained "Harold". He kept the common touch.

On one occasion, I heard him say that "thoroughbreds never cry". Therefore his friends should not mourn but celebrate and give thanks for an active and useful life of dedication to the people of his state, his country and the world.

JULIAN B. FENNER

(Member of North Carolina House of Representatives; president of Fenner's Warehouse, Inc; resident of Rocky Mount, N.C.)

Harold Dunbar Cooley, a close friend and neighbor, who represented North Carolina's Fourth Congressional District for 32 years, was the outspoken champion of legislation helping the American farmer, as well as farmers all over the world.

As chairman of the House Agriculture Committee for many years, he sponsored many landmark pieces of legislation which today continue to help the American farmer in the production and marketing of his crops. His interest in people was so far-reaching that he sponsored the legislation launching a World War on Hunger through the Food for Freedom Program.

Much more can be said about this outstanding public servant, but suffice it to say that those of us in the area he served, and especially those as myself who are farmers and are connected with the tobacco industry, are proud of his record and grateful for the services he has given to mankind.

HOUSE OF REPRESENTATIVES—*Tuesday, February 19, 1974*

The House met at 12 o'clock noon.

Rabbi Ben Zion D. Schaffran, Brooklyn, N.Y., offered the following prayer:

Honorable Members of the House of Representatives of the United States of America, you represent not only the various people of this country, but also their problems and the hopes and endeavor for solutions thereto. The Founding Fathers of this great Nation set a precedent for you as Representatives and the people of this country, acknowledgement of the great divine providence, and a constant search for divine guidance—so much so that every governmental assembly is opened with a prayer and even the currency of this country bespeaks trust in G-d. A nation which is cognizant of its reliance on the Almighty will surely weather the storms which have befallen it. Let us verbalize the prayer of a people who stand before G-d seeking his guidance. "Great are the needs of Thy people, yet their understanding is incomplete. They are unable to enumerate their wants and desires. Please grant understanding to them prior to their calling, great powerful and awful Lord."

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

RABBI BEN ZION D. SCHAFFRAN

(Ms. HOLTZMAN asked and was given permission to address the House for 1 minute, to revise and extend her remarks, and include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, it is a distinct pleasure for me that Rabbi Ben Zion D. Schaffran has given the benediction to the Congress today. At a time when Congress is confronting such difficult and complicated problems, I hope that his words will provide a source of guidance for us.

Rabbi Schaffran, who is a constituent of mine, is a distinguished member of the Crown Heights community, and is associated with the Lubavitcher Movement, the worldwide headquarters of which are located within my district.

He does not minister only to the spiritual needs of his neighbors, but has taken an active role in working to alleviate many of the urban problems besetting the Crown Heights community.

Rabbi Schaffran has done important work with young people, both as a lecturer on college campuses and as a teacher at the Hadar Hatorah Institute. He serves as the executive vice president for Concerned Help To Augment Services for Inner City Dwellers. He has worked diligently with Brooklyn groups to seek new and fruitful approaches to uniting and improving their communities.

I am pleased as a Representative of the 16th Congressional District that Rabbi Schaffran could be with us today.

APPROVAL OF PROSPECTUS FOR LEASE RENEWAL IN FALLS CHURCH, VA., AND CONSTRUCTION PROSPECTUS FOR FEDERAL BUILDINGS AT ELKINS, W. VA.

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works which was read and referred to the Committee on Appropriations:

WASHINGTON, D.C.,
February 7, 1974.

Hon. CARL ALBERT,
Speaker of the House,
Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the Committee on Public Works of the United States House of Representatives on January 29, 1974 approved the prospectus for the proposed lease renewal at 5611 Columbia Pike, Falls Church, Virginia; and a construction prospectus proposing the construction of a Post Office, Courthouse and Federal Office Building at Elkins, West Virginia.

Sincerely yours,
JOHN A. BLATNIK,
Chairman.

THE HONORABLE CHET HOLIFIELD, OF CALIFORNIA

(Mr. BROOKS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BROOKS. Mr. Speaker, it is with a tinge of sadness that we learned today officially that Congressman CHET HOLIFIELD, of California, will not run for reelection and will retire at the end of this congressional session.

I have served with Congressman HOLIFIELD since I came to Congress in January 1953, and have had the pleasure of working with him on many important matters, particularly in the Government Operations Committee, on which we have sat side by side for many years.

Congressman HOLIFIELD has served his country with honor, untiring energy, and undeviating dedication. He will be sorely missed by the people of his district and by the House of Representatives.

CHET will long be remembered for his service as chairman of two great committees of Congress, the Government Operations Committee and the Joint Committee on Atomic Energy. He has established a record of which any Member of Congress would be proud.

I can understand why, after 30 years of service, he now chooses to take a little time for himself and his family. He has earned it. So has his lovely wife, Cam, who has been so helpful to him throughout his distinguished career. I am sure both of them will enjoy the opportunity to be with their children, grandchildren, and great-grandchildren more often.

Though the chairman is retiring, I hope that he will continue to maintain an active interest and participation in matters of crucial importance to our country.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS GRAND RAPIDS ELECTION CONTAINS A MESSAGE FOR THE NATION

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, the people of Grand Rapids have passed judgment on a lot more than the election of a single Congressman.

RICHARD VANDERVEEN made that election a referendum on the confidence of the people in the Nixon administration and the way it is doing its job. The people's response was a decisive thumbs down.

The seat had been Republican since 1910, and its most recent incumbent—Vice President FORD—had polled 61 percent of the vote in 1972. Yesterday, the people awarded his seat to the Democratic candidate, RICHARD VANDERVEEN, by a solid majority of 51 percent to 44 percent.

Vice President FORD said the outcome was probably affected by the country's unsettled economic situation. I agree that the administration's consistent and continuing mismanagement of the economy had much to do with the Democratic victory.

The outlook for 1974 is bleak: rising prices and rising unemployment. It will cost more to buy less this year, and yet production is declining and more people will be out of work.

Worse yet, the Nixon administration has entangled itself in so many other difficulties that it would have a hard time responding to the energy crisis and the economic crisis, even if it wanted to. By its evasiveness and its attitude toward the Watergate inquiry, the administration has forfeited the trust and confidence of the people. And without these it cannot act.

That was what the election was all about in Grand Rapids, and the message ought to be unmistakable.

ELECTION IN GRAND RAPIDS

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, the Democratic Campaign Committee and Mr. VANDERVEEN made no wild claims before the election and it is not my purpose to come here today and shout about it. I really came in hope that I would have the opportunity to hear my counterpart, the gentleman from Illinois (Mr. MICHEL), or better still the gentleman from Michigan (Mr. CEDERBERG), explain exactly what happened up there. They had a great many explanations about the closeness of the special election in Pennsylvania but I do not see either one of them here today.

It seems to me Mr. VANDERVEEN, who won this election and who knocked the margin—the Republicans got 62 percent a year ago—down to 43 percent today might have had the right campaign slogan because he paraphrased the President's speech and said the following:

> The only thing around the corner is a gas station with prices of 50 cents a gallon if they have any gas or a supermarket where half a basket of groceries costs as much as a whole one did a short time ago.

PERSONAL EXPLANATION

(Mr. DANIELSON asked and was given permission to address the House for 1 minute.)

Mr. DANIELSON. Mr. Speaker, on Wednesday, February 13, 1974, I was absent and missed two recorded votes. For the record, I now state how I would have voted had I been present:

Rollcall No. 32: Motion that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H.R. 11864, to establish a program to demonstrate solar heating and cooling technology. I would have voted "yea."

Rollcall No. 33: Final passage of H.R. 11864, solar heating and cooling technology, I would have voted "yea."

ENERGY CRISIS

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I am reading from a press release of the Federal Energy Office dated February 9, 1974, which redirected gasoline stocks in 22 States, in which it says in part that the program to redistribute some of the oil supplies around this Nation was done to "achieve a more equitable balance in supply." Supplies in my district and in my State were to be increased some 2 percent. The directive also stated that the FEO would "take further steps to redirect supplies if severe shortages persist." I am informed that that program is being scrapped by the Federal Energy Office as of today. This action is reminiscent of the Cost of Living Council's on-again-off-again administration of the programs that drove prices of beef up to the highest levels in recent history.

The Federal Energy Office administration of the crude oil allocation program under the Mandatory Allocation Act, which was passed by this Congress some few months ago, has brought about an unprecedented fuel crisis. The individual capabilities of refineries around the Nation have been ignored and equal crude oil supplies ordered to each regardless of its design or capacity. As a result, this administration has brought down the average refinery utilization across the country from an average of approximately 93 percent to 76 percent. Under this bureaucratic mishmash, we have reduced our refined supplies of fuel products by almost 20 percent and substantially worsened the current situation. This condition cannot be permited to persist and I call on the FEO and the Congress to take remedial action in the immediate future.

REMOVAL OF WAGE AND PRICE CONTROLS

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, many Mississippians, like millions of Americans from every State in this great Union, are convinced that wage and price controls must end. They have seen what Government controls can do to a free enterprise system and they overwhelmingly support immediate removal of all such controls.

One of my constituents, a college student, probably summed up Mississippi's view of controls in a recent letter to me. He wrote:

> Price controls were supposed to be temporary, but inflation has actually gotten worse since those started. I'm no doctrinaire free-market type, but anybody can run the economy better than the Government. If we have to control gasoline, let's subcontract it out to the Mafia; they'll at least get results, which is a whole lot more than John Dunlop and his boys are doing.

Mr. Speaker, that young man's solution is obviously overstated, but his distrust of Government controls is not. Americans everywhere are convinced—like that student—that anybody can run the economy better than the Government. The Government has tried and failed. Its time to give America's free enterprise system a chance to work out its own problems.

APPOINTMENT OF CONFEREES ON H.R. 6186, AMENDING DISTRICT OF COLUMBIA REVENUE ACT OF 1947

Mr. DIGGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947, with the House amendment to Senate amendment numbered 3 thereto, insist upon the House amendment to Senate amendment numbered 3 and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? The Chair hears none and appoints the following conferees: Messrs. DIGGS, FRASER, DELLUMS, REES, ADAMS, NELSEN, HARSHA, and BROYHILL of Virginia.

OUTCOME OF ELECTION IN FIFTH DISTRICT OF MICHIGAN

(Mr. BROWN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Michigan. Mr. Speaker, without in any way meaning to detract from the victory of Mr. VANDER-VEEN in the Fifth District of Michigan, I would be remiss if I did not express my regret and sorrow that Bob VanderLaan, a former very capable associate of mine in the Michigan Senate, was not victorious in that race.

Mr. Speaker, I listened with interest to the gentleman from Ohio and the gentleman from Massachusetts, both of whom preceded me in the well. I only suggest to them that one does not add to the brightness of his own light by pointing at the dimness of others.

Mr. Speaker, I would only hope that this one more Member will give the House Democratic majority the strength it apparently needs to be able to pass the laws necessary for the Congress to accept the responsibility as well as the authority for resolving the many agonizing difficulties of our present situation.

ADMINISTRATIVE RESPONSIBILITY

(Mr. DENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I have not joined in discussing any of the special elections, although we just have been successful in my State with one representative winning a House seat. However, I would dislike any Member of this Congress continuously and continually belittling the membership of the Congress.

The Congress passes good legislation. If it did not pass good legislation, I would say that we then are at fault. We cannot help what happens in the administrative end. All we can do is pass legislation. The rest must be done by the administrative and executive heads.

Mr. Speaker, I do not believe that I have knowingly, in 43 years as a legislator, ever voted for what I really had any idea would be bad legislation. Has any Member ever taken a law that was passed by this House and by the Senate and reviewed it after the bureaucrats had written a new law? They do not pay attention to what we pass. They write what they want to write.

Are we to blame for this mess in energy? Where would we be at fault?

The thing that Mr. Kissinger is doing, the treaties he is making today, will come back some day and be laid at the feet and on the heads of the Members of this Congress, and there is not a Member of this Congress that knows what is in any of those agreements. I would hate to see the day—and I hope I am not a Member at that time—when we have to pay the fiddler for the dance tune Mr. Kissinger is calling now all over the world. No one has any idea of how much money it is going to cost.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

RICHARD BURTON, SFC., U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late RICHARD BURTON, SFC., U.S. Army (retired).

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

RESOLUTION TO REFER BILL FOR THE RELIEF OF ESTELLE M. FASS TO THE CHIEF COMMISSIONER OF THE COURT OF CLAIMS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) entitled "A bill for the relief of Estelle M. Fass," to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

BOULOS STEPHAN

The Clerk called the bill (H.R. 4438) for the relief of Boulos Stephan.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4127) for the relief of Romeo Lancin.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JAMES V. STANTON. Mr. Speaker, I ask unanimous consent that further reading of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

VETERANS' EDUCATION AND REHABILITATION AMENDMENTS OF 1974

Mr. DORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Education and Rehabilitation Amendments Act of 1974".

SEC. 2. Chapter 31 of title 38, United States Code, is amended as follows:

(1) by amending paragraphs (1) and (2) of subsection (a) of section 1502 to read as follows:

"*(1) arose* out of service during World War II, the Korean conflict, or the Vietnam era; or

"(2) arose out of service (A) after World War II and before the Korean conflict, (B) after the Korean conflict but before August 5, 1964, or (C) after the Vietnam era, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a pronounced employment handicap."; and

(2) by amending the table contained in section 1504(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$193	$240	$282	$20
Three-quarter-time	145	180	212	15
Half-time	97	120	141	10
Farm cooperative, apprentice, or other on-job training:				
Full-time	168	203	235	16."

SEC. 3. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by deleting in the last sentence of section 1677(b) "$220" and inserting in lieu thereof "$250";

(2) by amending the table contained in paragraph (1) of section 1682(a) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$250	$297	$339	$20
Three-quarter time	188	223	254	15
Half-time	125	149	170	10
Cooperative	201	236	268	16";

(3) by deleting in section 1682(b) "$220" and inserting in lieu thereof "$250";

(4) by amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$201	$236	$268	$16
Three-quarter time	151	177	201	12
Half-time	101	118	134	8";

(5) by deleting in section 1696(b) "$220" and inserting in lieu thereof "$250";

(6) by inserting in clause (3) of section 1652(a), immediately after "1661(a)," the following: "except as provided therein,";

(7) by adding at the end of section 1661(a) the following:

"For purposes of this subsection, in determining the period to which any eligible veteran is entitled to educational assistance under this chapter, the initial period of active duty for training performed by him under section 511(d) of title 10 shall be deemed to be active duty if at any time subsequent to the completion of such period of active duty for training such veteran served on active duty for a consecutive period of one year or more.";

(8) by amending section 1662—

(a) by deleting "eight" in subsection (a) and inserting in lieu thereof "ten";

(b) by deleting "8-year" in subsection (b) and inserting in lieu thereof "10-year";

(c) by deleting "8-year" and "eight-year" in subsection (c) and inserting in lieu thereof "10-year" and "ten-year", respectively; and

(d) by adding at the end thereof the following new subsection:

"(d) In the case of any veteran (1) who served on or after January 31, 1955, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to his last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing his ten-year period of eligibility for educational assistance, any period during which he was so detained and any period immediately following his release from such detention during which he was hospitalized at a military, civilian, or Veterans' Administration medical facility.";

(9) by deleting in section 1673(d) "chapter 31, 34, or 36" and inserting in lieu thereof "chapter 31, 35, or 36";

(10) by adding at the end of section 1682 a new subsection as follows:

"(d)(1) Notwithstanding the bar in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which he is 'already qualified', a veteran shall be allowed up to six months of educational assistance (or the equivalent pursuit of refresher training to permit him to update his knowledge and skills and to be instructed in the technological advances which have occurred in his field of employment during the period of his active military service.

"(2) A program of education pursued under this subsection must be commenced within twelve months from the date of the veteran's discharge or release from active duty and must be pursued continuously (except for interruptions for reasons beyond the veteran's control).

"(3) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate payable as set forth in the table in subsection (a)(1) or in subsection (b)(2) of this section, whichever is applicable.

"(4) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title."; and

(11) by amending section 1685—

(a) by deleting "$250" wherever it appears in subsection (a) and substituting "500" in each case;

(b) by deleting "one hundred hours" wherever it appears in subsection (a) and substituting "two hundred hours" in each case; and

(c) by deleting "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)" in subsection (c).

SEC. 4. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $250 per month if pursued on a full-time basis, (B) $188 per month if pursued on a three-quarter-time basis, and (C) $125 per month if pursued on a half-time basis.";

(2) by deleting in section 1732(a)(2) "$220" and inserting in lieu thereof "$250";

(3) by deleting in section 1732(b) "$177" and inserting in lieu thereof "$201";

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $250 per month. If the charges for tuition and fees applicable to any such course are more than $78 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $78 a month upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $8.35 that the special training allowance paid exceeds the basic monthly allowance.";

(5) by amending section 1723(c) by deleting "any course of institutional on-farm training,"; and

(6) by amending section 1732 by redesignating subsection (c) as subsection (d) and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week),

shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at a rate of (A) $201 per month if pursued on a full-time basis, (B) $151 per month if pursued on a three-quarter-time basis, and (C) $101 per month if pursued on a half-time basis."

SEC. 5. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by deleting in section 1786(a)(2) "$220" and inserting in lieu thereof "$250";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the followng for each dependent in excess of two:
First 6 months	$182	$203	$223	$9
Second 6 months	136	158	177	9
Third 6 months	91	112	132	9
Fourth and any succeeding 6-month periods	45	67	86	9";

(3) by amending section 1787(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be (A) $182 during the first six-month period, (B) $136 during the second six-month perod, (C) $91 during the third six-month period, and (D) $45 during the fourth and any succeeding six-month period.";

(4) by amending section 1784(b) to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either chapter 34, 35, or 36 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to report to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans or eligible persons enrolled under chapter 34, 35, or 36 of this title, or $4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable."; and

(5) by adding at the end of section 1788(a) the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses on a clock-hour basis below the college level may measure such courses of a quarter- or semester-hour basis (with full-time measured on the same basis as provided by clause (4) of this subsection), provided that (A) the academic portions of such courses require outside preparation and are measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week per quarter or semester; (B) the laboratory portions of such courses are measured on not less than our quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses are measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester: *Provided*, That in no event shall such course be considered a full-time course when less than twenty-five hours per week of attendance is required.

SEC. 6. (a) Chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—VIETNAM ERA VETERANS COMMUNICATION CENTER

"§ 251. Establishment of the Center

"(a) There is established in the Veterans' Administration a Vietnam Era Veterans Communication Center (hereinafter referred to in this subchapter as the 'Center') which shall be headed by a core group composed of not less than five employees of the Veterans' Administration, each of whom is a veteran of the Vietnam era. There shall be at least one employee of the Veterans' Administration in each veterans' assistance office established pursuant to section 242 of this title who shall be a Vietnam era veteran and who shall be responsible to the core group.

"(b) The Center shall consist of such other employees as the Administrator deems necessary to carry out the purposes of this subchapter.

"§ 252. Functions of the Center

"The Center shall make an initial evaluation (and report the results of such evaluation to the Administrator and to the Congress within three months after the effective date of this subchapter) and thereafter make a periodic evaluation of—

"(1) the effectiveness of the veterans outreach services program established by subchapter IV of this chapter, particularly as it applies to Vietnam era veterans; and

"(2) make recommendations, based on its evaluations under subparagraph (A), to the Administrator and to the Congress for establishing new, and improving existing, methods and procedures to be implemented by the Veterans' Administration (whether through such subchapter IV or otherwise) to insure that all veterans are made aware of, and are assisted in applying for, all benefits and services under laws administered by the Veterans' Administration.

"§ 253. Reports to the Congress and the Administrator

"In addition to the initial report required under section 252 the Center shall make a report of to the Congress and to the Administrator every six months on its activities under section 252.".

(b) The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER V—VIETNAM ERA VETERANS COMMUNICATION CENTER

"251. Establishment of Center.
"252. Functions of Center.
"253. Reports to the Congress and the Administrator.

SEC. 7. Any veteran who becomes eligible for an additional period of educational assistance under chapter 34 of title 38, United States Code, by virtue of the enactment of item (7) of section 3 of this Act and who was discharged or released from active duty (qualifying him for such additional period) prior to the date of enactment of this Act shall have a period of twenty-four months from the date of such enactment to use such additional period of educational assistance.

SEC. 8. The rate increases provided by this Act shall become effective on the first day of the second calendar month which begins after the date of enactment.

The SPEAKER. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration, H.R. 12628, Veterans' Education and Rehabilitation Amendments of 1974.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Members will recall that in the 92d Congress we took positive action on a major veterans' bill increasing the rates of educational allowances and making a number of other significant liberalizations in the program. H.R. 12628 is the culmination of further committee study and action in the 93d Congress. Again, our committee recommends further increases in the allowances payable to veterans and other participants in the education programs as well as several additional and very significant improvements.

The bill is the result of hearings and major executive consideration on the part of the Subcommittee on Education and Training and is substantially in the form recommended by the subcommittee. The Honorable Henry Helstoski is the chairman of the mentioned subcommittee and the Honorable Margaret M. Heckler is the ranking minority member. The other members of the subcommittee are as follows: The gentleman from Texas (Mr. Teague); the gentleman from California (Mr. Edwards); the gentleman from California (Mr. Danielson); the gentlewoman from Connecticut (Mrs. Grasso); the gentleman from New York (Mr. Wolff); the gentleman from Georgia (Mr. Brinkley); the gentleman from Texas (Mr. Charles Wilson); the gentleman from Minnesota (Mr. Zwach); the gentleman from Ohio (Mr. Wylie); the gentleman from New Jersey (Mr. Maraziti); the gentleman from South Dakota (Mr. Abdnor); the gentleman from Michigan (Mr. Huber); and the gentleman from New York (Mr. Walsh).

The current GI education program for veterans and certain wives, widows, and children of veterans was instituted in 1966 for veterans of the Vietnam era and others who served after January 31, 1955. The educational allowances provided thereunder are payable directly to the veteran or other beneficiary concerned. At the outset of the program the allowance for a single veteran was $100 per month. This has been increased three times in succeeding years and is now $220 per month. The administration has recommended an increase of approximately 8 percent in such allowance bringing it up to $238 per month but, as pointed out in its report, the committee feels that a further increase to $250, representing 13.6 percent, can be fully justified in view of the very significant increase in living costs and school expenses. If the Congress approves the bill in its present form it will represent a 150-percent increase in this typical allowance less than 8 years after the program was authorized. Comparable increases are of course provided for veterans with dependents. The bill also makes a number of other improvements in the educational assistance programs, including an extension of the time limitation for completing the training from 8 to 10 years following discharge. Further, it would extend to Vietnam-era veterans the same liberal criteria for vocational rehabilitation as has prevailed for veterans of World War II and the Korean conflict.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from New Jersey, who will discuss in greater detail the major provisions I have mentioned as well as the other liberalizing provisions of this major legislation.

The gentleman is a devoted and dedicated member of our full committee, and he has worked long and hard to bring this bill to the floor today. I yield to the gentleman from New Jersey (Mr. Helstoski).

Mr. HELSTOSKI. Mr. Speaker, in line with its objective of periodically reviewing the adequacy of the various education programs, our Subcommittee on Education and Training held a series of hearings in July, September, and October of 1973 following which specific recommendations were made for the consideration of the full committee. I was gratified to note that with very limited exceptions the full committee earlier this month adopted the recommendations which were unanimously agreed upon by our subcommittee.

H.R. 12628 contains three major provisions as well as a number of additional minor liberalizations. In the first place, all education allowances are increased by 13.6 percent. This means that the basic rate for a single veteran is increased from $220 a month to $250 a month and proportionate increases are provided for those with dependents. As Chairman Dorn pointed out, upon approval of the bill in this form it will represent, as an example, an increase of exactly 150 percent in the rate authorized for a single veteran attending full-time institutional training since the program was inaugurated in 1966.

As will be noted in a comparative chart which I will place in the Record at the conclusion of my remarks, during the same period the Consumer Price Index, reflecting the cost of living generally, increased by 43.08 percent. Accordingly, over 100 percent of the increase in the authorized allowance represented a recognition of other costs facing the veteran, such as accelerated school expenses. The additional cost of the increased allowances for the first full fiscal year amounts to $347.1 million.

The committee was pleased to learn that the administration recognizes a need for increasing the educational allowances and therefore may be said to favor in principle the major provision of our bill. However, the rate changes proposed in the submission of the Veterans' Administrator represented an increase of only 8.2 percent in the current rates. According to the data furnished to the committee, the cost of living reflected by the CPI alone has already exceeded 11 percent to date and it is inevitable that additional time will elapse during the legislative process before a bill can be enacted and the new allowances actually received by the veterans concerned. We therefore felt that the administration's specific proposal was most unrealistic and completely inadequate.

Another major provision of the bill extends relief in an area as to which I am sure that all Members have received voluminous communications and contacts from constituents. Under the present law all training must be completed before the expiration of 8 years from the date of discharge. With regard to veterans who served between 1955 and 1966, when the new GI bill was enacted, they have a period of 8 years from the date of the bill's enactment. This latter period will expire on May 31 of this year and unless we extend this period thousands of veterans will have to terminate prematurely their period of training. The committee believes that a 2-year extension, that is, to 10 years, is a reasonable additional time to enable all veterans to utilize their entitlement, which is a maximum of 36 months of educational training. The estimated additional cost of extending this delimiting date for the first full fiscal year is approximately $166 million.

The third major provision of our bill would relax somewhat the present strict eligibility criteria for vocational rehabilitation in the case of Vietnam era veterans. In 1962, during a generally peacetime period, vocational rehabilitation for veterans with service-connected disabilities was extended on a permanent basis with the eligibility requirements more restrictive than those that had been in effect for World War II and Korean conflict veterans. As a result, service-disabled veterans of the Vietnam era which commenced in August 1964 have been required to meet these criteria. Consistent with our efforts in other programs to place the Vietnam era veterans on a par with veterans of the two previous wars, we feel it is only equitable to do likewise in this important program of vocational rehabilitation. The additional cost of this equalization for the first full fiscal year is estimated to be $35.7 million.

Among the other provisions of the bill is one in which I have a particular interest. In our education amendments of 1972 we authorized for the first time a program of veteran-student services under which the administrator was authorized to pay a selected number of veterans whose services could be utilized by the VA an additional educational assistance allowance known as a "work-study allowance." The Vietnam veteran more often than not needs a part-time job to supplement his GI bill benefits if he is to afford a 4-year college education yet many veterans have complained that the college work-study program is largely unavailable to them in view of the rigid requirements to qualify.

Although I feel that the work-study program is a meritorious activity in connection with the overall education program, it is the view of the committee that limitations in the present law are unrealistic and too restrictive. Accordingly, under H.R. 12628 we have extended from $250 to $500 the maximum amount that may be paid to any one veteran during a semester and have extended from 100 hours to 200 hours the maximum period for providing such services to any one veteran. Finally, we have deleted the overall limitation in the program of not to exceed 800 man-years or their equivalent in man-hours during any fiscal year. It is our hope that consistent with the committee's intent, the Veterans' Administration will make every effort to expand the scope and effectiveness of this worthwhile program.

Mr. Speaker, at the conclusion of my remarks as a part thereof, I include a detailed explanation of the remaining significant but relatively minor objectives of the bill, including all pertinent cost data, relevant comparative tables and a complete section-by-section analysis of H.R. 12628.

In addition, I include for the record a letter from the Veterans of Foreign Wars and telegrams from the Disabled American Veterans and Amvets each expressing the strong support of those organizations for the pending legislation.

Mr. Speaker, I strongly urge approval of H.R. 12628. I believe it is a liberal but reasonable and sound piece of legislation which should serve to relieve in considerable measure the financial problem facing veterans in their pursuit of education and training and otherwise improve and strengthen the various education programs which the Congress has so generously provided for war veterans and certain wives, widows, and children of such veterans.

The material referred to follows:

PURPOSES OF BILL

The purposes of the bill can be briefly stated as follows:

(1) Increase the educational assistance allowances under all veterans' education programs by 13.6%. The following table sets forth the old and new rates under the various programs according to type of training and beneficiary:

VOCATIONAL REHABILITATION (CH. 31, SEC. 1504(b))

Type of training	Present law: No dependents	Present law: 1 dependent	Present law: 2 or more dependents	Present law: Additional for each dependent in excess of 2	H.R. 12628: No dependents	H.R. 12628: 1 dependent	H.R. 12628: 2 or more dependents	H.R. 12628: Additional for each dependent in excess of 2
Institutional:								
Full-time	$170	$211	$248	$18	$193	$240	$282	$20
¾-time	128	159	187	14	145	180	212	15
Half-time	85	106	124	9	97	120	141	10
Institutional onfarm, apprentice or other on-job training: Full time	148	179	207	14	168	203	235	16

INSTITUTIONAL AND COOPERATIVE TRAINING (COLLEGE TRAINING) (CH. 34, SEC. 1682(a))

Type of program	Present law: No dependents	Present law: 1 dependent	Present law: 2 dependents	Present law: Additional for each dependent above 2	H.R. 12628: No dependents	H.R. 12628: 1 dependent	H.R. 12628: 2 dependents	H.R. 12628: Additional for each dependent above 2
Institutional:								
Full-time	$220	$261	$298	$18	$250	$297	$339	$20
¾-time	165	196	224	14	188	223	254	15
Half-time	110	131	149	9	125	149	170	10
Cooperative	177	208	236	14	201	236	268	16

FARM COOPERATIVE TRAINING (CH. 34, SEC. 1682(c))

Basis	Present law: No dependents	Present law: 1 dependent	Present law: 2 dependents	Present law: Additional for each dependent above 2	H.R. 12628: No dependents	H.R. 12628: 1 dependent	H.R. 12628: 2 dependents	H.R. 12628: Additional for each dependent above 2
Full-time	$177	$208	$236	$14	$201	$236	$268	$16
¾-time	133	156	177	11	151	177	201	12
Half-time	89	104	118	7	101	118	134	8

APPRENTICESHIP OR OTHER ON-JOB TRAINING (CH. 36, SEC. 1787)

Periods of training	Present law: No dependents	Present law: 1 dependent	Present law: 2 dependents	Present law: Additional for each dependent above 2	H.R. 12628: No dependents	H.R. 12628: 1 dependent	H.R. 12628: 2 dependents	H.R. 12628: Additional for each dependent above 2
1st 6 mos	$160	$179	$196	$8	$182	$203	$223	$9
2d 6 mos	120	139	156	8	136	158	177	9
3d 6 mos	80	99	116	8	91	112	132	9
4th and any succeeding 6-mo. periods	40	59	76	8	45	67	86	9

OTHER PROVISIONS (CH. 34)

	Present law	H.R. 12628
Flight training	$220	[1] $250
Active duty and less than half-time training	220	[1] 250
Correspondence courses	220	[2] 250

[1] 90 percent of established charges, with 1-month's charge to entitlement for each $250 cost.

[2] Established charge for tuition and fees, but not to exceed full-time rate of $250 per month.

OTHER PROVISIONS—WAR ORPHANS, WIDOWS, AND WIVES EDUCATIONAL ASSISTANCE (CH. 35)

	Present law	H.R. 12628
Full-time	$220	$250
¼-time	165	188
Half-time	110	125
Institutional-business courses	177	201
Special restorative training	220	250

(2) Increase the period of time during which veterans must complete training from the present 8 years following last discharge or release to 10 years. (Veterans who were discharged after January 31, 1955 and before June 1, 1966, whose eligibility for training is scheduled to expire on June 1, 1974, will have until June 1, 1976 to complete training.)

(3) Reduce the disability requirement for eligibility to receive vocational rehabilitation (for service-connected disabled veterans of the Vietnam era) to 10 percent. Presently veterans whose service occurred after January 31, 1955 must show a disability rated at 30 percent or more or, if less

than this degree, the disability must be "clearly shown to have caused a pronounced employment handicap."

(4) Remove limitation on number of veteran-students V.A. may assist under the work-study program and increase number of hours during which a veteran may work under this program from 100 to 200 hours per semester or enrollment period and the maximum a veteran may receive for such work from $250 to $500.

(5) Allow veterans to count periods of active duty for training (usually 6 months) when computing periods of eligibility for education and training, provided that the veteran serves on full-time active duty for a period of 1 year or more subsequent to performance of active duty for training.

(6) Allow a veteran who was captured and held as prisoner of war following his last discharge or release to exclude the period of time detained as prisoner of war (plus any period immediately following release from detention when he was hospitalized) when computing the period of time during which he is eligible for training.

(7) Permit an exception to the prohibition against enrollment in a program of education for which a veteran is already qualified, by allowing up to 6 months of assistance for pursuit of refresher training, to allow a veteran to update his knowledge and skills and to be instructed in technological advances which occurred in his field of employment during the period of his active military service. Training must begin within 12 months from date of discharge or release and must be pursued continuously except for interruptions beyond the control of the veteran.

(8) Extend eligibility to pursue farm cooperative training (which is now available to veterans) to wives, widows and children eligible to receive training under the war orphans education program. Those eligible include wives and children of 100 percent service-connected permanently disabled veterans and widows and children of deceased veterans whose deaths are service-connected.

(9) Allow educational institutions offering courses not leading to a standard college degree to measure such courses on a quarter or semester-hour basis in some cases, provided that no course is to be considered a full-time course when less than 25 hours per week of attendance is required.

(10) Allow the Administrator of Veterans' Affairs to pay a reporting fee to a "joint apprenticeship training committee," acting as a training establishment. This fee, usually $3 per year per veteran enrolled, is presently payable to authorized educational institutions.

(11) Establish a "Vietnam Era Veterans Communication Center" within the VA, to be composed of VA employees who are veterans of the Vietnam era. The proposed Center would be charged with making periodic evaluations of the effectiveness of the Veterans Outreach Services Program (authorized by Public Law 91–219 in 1970) and make reports, with recommendations, to the Administrator of Veterans' Affairs and to the Congress.

COST DATA—COST OF VETERANS EDUCATION AND REHABILITATION ACT OF 1974

[In millions]

	Fiscal year—					
	1975	1976	1977	1978	1979	Total, 1975–79
Rate increase	$374.1	$318.2	$281.0	$247.6	$220.7	$1,414.6
10-year delimiting	165.9	137.8	61.9	73.1	74.5	513.2
Equalize war vet, ch. 31 benefits	35.7	36.3	36.9	37.7	38.1	184.7
Refresher training	2.8	2.4	2.4	2.4	2.4	12.4
Count active duty for training	.6	.1	.1	.1	.1	1.0
Ch. 35 farm	.4	.4	.4	.4	.4	2.0
Joint apprenticeship committees $3 payment	.5	.5	.4	.4	.3	2.1
Trade and technical course measurement	(1)	(1)	(1)	(1)	(1)	(1)
Vietnam Veterans Communications Center	.1	.1	.1	.1	.1	.5
Civilian POW's	(1)	(1)	(1)	(1)	(1)	(1)
Work study program	[2]8.3	8.3	8.3	8.3	8.3	41.5
Grand total	561.4	504.1	391.5	370.1	344.9	2,172.0

[1] No significant cost.

[2] While this proposal does not limit the total number of man-years that may be worked, for cost purposes a maximum usage figure of 2,400 man-years has been used (3 times the present allowable maximum). If experience shows a greater usage then the cost would be increased accordingly.

Section-by-Section Analysis

SECTION 1

This section provides that the bill may be cited as the "Veterans' Education and Rehabilitation Amendments Act of 1974."

SECTION 2

Clause (1) amends section 1502 of chapter 31 of title 38, United States Code, to provide that veterans of the Vietnam era shall receive the same wartime vocational rehabilitation benefits as those granted veterans of World War II and the Korean conflict. These latter veterans were granted such benefits if they had a 10 percent or greater service-connected disability. Under current law, veterans who served after World War II and before the Korean conflict and after the Korean conflict (including Vietnam era veterans) must be rated for compensation purposes as 30 percent or more disabled, or if less than 30 percent, must have a pronounced employment handicap, before they may receive such benefits. Under the change, veterans serving on or after August 5, 1964 would qualify if they are rated 10 percent or more.

Clause (2) amends the table in section 1504(b) to provide a 13.6 percent across-the-board increase in monthly subsistence allowance rates paid to chapter 31 trainees.

SECTION 3

Clause (1) amends section 1677(b) of chapter 34 to provide a 13.6 percent increase in the monthly entitlement charge for veterans pursuing flight training courses from $220 to $250.

Clause (2) amends the table in paragraph (1) of section 1682(a) to provide a 13.6 percent across-the-board increase in the monthly educational assistance allowance rates paid to veterans pursuing institutional and cooperative courses.

Clause (3) amends section 1682(b) to provide a 13.6 percent increase in the rates for educational pursuits by servicemen on active duty and for veterans pursuing less than half-time courses from $220 to $250.

Clause (4) amends the table in section 1682(c) to provide a 13.6 percent across-the-board increase in the monthly educational assistance allowance rates for veterans pursuing farm cooperative training courses.

Clause (5) amends section 1696(b) to provide an increase of 13.6 percent in the monthly educational assistance rate for veterans pursuing PREP courses from $220 to $250.

Clause (6) amends section 1652(a) to make a technical change in the law concerning the six months active duty for training provision set forth in clause (7).

Clause (7) amends section 1661(a) to permit the initial six months active duty for training performed by a reservist to be counted for educational benefit entitlement purposes where the reservist subsequently serves on active duty for a consecutive period of one year or more.

Clause (8) amends section 1662 to extend the current 8-year delimiting date for veterans to complete their programs of education to ten years. It also adds a new subsection (d) to section 1662 which would exclude, in computing the delimiting date for those veteran-civilians held as prisoners of war in the Vietnam theater of operations, the period of time during which they were detained, plus any period of time they were hospitalized immediately subsequent to their release.

Clause (9) amends section 1673(d) to make a technical correction in the law premised upon an error occurring at the time Public Law 92–540 was enacted.

Clause (10) amends section 1682 to provide that recent dischargees from military service may be allowed up to six months of educational assistance to pursue refresher training to update their knowledge and skills in the technological advances occurring in their fields of employment during their period of active military service. The refresher training program must be commenced within twelve months from date of discharge or release. Under current law, a veteran may not pursue a program of education in an area in which he is already qualified.

Clause (11) amends section 1685 to remove the limitation on the number of veteran-students the VA may assist under the work-study program and increases the number of hours during which a veteran may work under this program from 100 to 200 hours per semester or enrollment period and the maximum a veteran may receive for such work from $250 to $500.

SECTION 4

Clause (1) amends section 1732(a)(1) of chapter 35 to provide an increase of 13.6 percent in the monthly educational assistance allowance rates payable to wives, widows and children pursuing institutional courses under chapter 35.

Clause (2) amends section 1732(a)(2) to provide a 13.6 percent increase in the monthly educational assistance rate payable in the case of wives, widows and children pursuing programs of education on a less than half-time basis from $220 to $250.

Clause (3) amends section 1732(b) to provide a 13.6 percent increase in the monthly educational assistance rate payable to wives, widows and children pursuing cooperative training from $177 to $201.

Clause (4) amends section 1742(a) to increase the special restorative training assistance allowance payable to those children who are in need of special restorative training.

Clause (5) amends section 1723(c) to delete the bar to pursuit of farm cooperative training by wives, widows and children which is authorized by clause (6).

Clause (6) amends section 1732 to provide that eligible wives, widows and children may pursue farm cooperative training programs and sets the rates of monthly educational assistance allowance payable to eligible persons pursuing such programs.

SECTION 5

Clause (1) amends section 1786(a) of chapter 36 to provide a 13.6 percent increase in the monthly entitlement charge for veterans, wives and widows pursuing correspondence course training from $220 to $250.

Clause (2) amends the table in paragraph (1) of section 1787(b) to provide a 13.6 percent across-the-board increase in the monthly training assistance allowance rates payable to veterans pursuing apprentice and on-job training programs.

Clause (3) amends section 1787(b)(2) to provide a 13.6 percent increase in the monthly training assistance allowance rates payable to wives, widows and children pursuing apprentice and on-job training programs.

Clause (4) amends section 1784(b) to provide that where joint apprenticeship training committees act as training establishments, they shall be entitled to be paid the same $3 reporting fee for furnishing the VA with report or certifications as is currently paid to educational institutions furnishing the same type of information.

Clause (5) amends section 1788(a) to provide that vocational schools may measure courses on a quarter or semester hour basis premised on a set formula, but requires a minimum of 25 hours of attendance per week.

SECTION 6

Subsection (a) of this section adds a new Subchapter V to chapter 3 to provide for the establishment of a new Vietnam Era Veterans Communications Center in the VA, headed by a core group of not less than five VA employees, all of whom shall be Vietnam era veterans. At least one employee in each veterans' assistance office shall be responsible to the core group. The Center is required to make an initial evaluation, followed by subsequent periodic evaluations, of the effectiveness of the veterans outreach services program, particularly as it applies to Vietnam era veterans, and to make reports and recommendations to the Administrator and to Congress concerning new, as well as improvements in existing, programs and procedures in this area.

Subsection (b) makes appropriate changes in the table of sections at the beginning of chapter 3 to reflect the new subchapter.

SECTION 7

This section establishes a savings clause to permit those reservists discharged prior to the date of enactment of this Act to avail themselves of the additional educational benefits authorized under clause (7) of section 3. They would be allowed 24 months from the date of enactment to use such additional period of educational assistance.

SECTION 8

This section sets the first day of the second calendar month beginning after the date of enactment as the effective date for rate increases authorized under this Act. All other provisions are effective the date of enactment.

COMPARATIVE INCREASES IN CONSUMER PRICE INDEX[1] AND EDUCATIONAL ASSISTANCE RATES UNDER VETERANS' AND WAR ORPHANS' PROGRAMS
(FULL-TIME TRAINEE WITH NO DEPENDENTS)

		1st increase			2d increase			3d increase			Proposed in H.R. 12628			Total increase from June 1, 1966	
	June 1, 1966	Oct. 1, 1967	Dollar increase	Percent change	Feb. 1, 1970	Dollar increase	Percent change	Sept. 1, 1972	Dollar increase	Percent change	Jan. 1, 1974	Dollar increase	Percent change	Amount	Percent
Consumer Price Index (percent)	96.8	100.7	--------	4.03	113.3	--------	12.51	125.7	--------	10.94	138.5	--------	10.18	--------	43.08
Readjustment assistance: (veterans, no service-connected disability ch. 34):															
Institutional	$100	$130	$30	30.00	$175	$45	34.62	$220	$45	25.71	$250	$30	13.64	$150	150.00
Cooperative	80	105	25	31.25	141	36	34.29	177	36	25.53	201	24	13.56	121	151.25
Cooperative farm	NA	[2] 105	NA	NA	141	36	34.29	177	36	25.53	201	24	13.56	[3] 96	[3] 91.43
Onjob training	NA	[2] 80	NA	NA	108	28	35.00	160	52	48.15	182	22	13.75	[3] 102	[3] 127.50
War orphan assistance: (wives, widows, and children, 100 percent disabled service-connected or deceased service-connected veterans: ch. 35):															
Institutional	130	NC	NA	NA	175	45	34.62	220	45	25.71	250	30	13.64	120	92.31
Onjob training	NA	NA	NA	NA	NA	NA	NA	[2] 160	NA	NA	182	22	13.75	[3] 22	[3] 13.75
Cooperative	105	NC	NA	NA	141	36	34.29	177	36	25.53	201	24	13.56	96	91.43
Onfarm training	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	[2] 201	NA	NA	NA	NA
Vocational rehabilitation: (service-connected disabled veterans: ch. 31):															
Institutional	110	NC	NA	NA	135	25	22.73	170	35	25.93	193	23	13.53	83	75.45
Farm cooperative or OJT	95	NC	NA	NA	118	23	24.21	148	30	25.42	168	20	13.51	73	76.84

[1] CPI cited for 1st day of stated month is index for the preceding month.
[2] Benefit provided for the 1st time for this group of beneficiaries.
[3] Dollar or percentage increase since benefit was first provided.

NA—means Not Applicable.
NC—means No Change in Benefit.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D.C., February 12, 1974.

Hon. WM. JENNINGS BRYAN DORN,
Chairman, Committee on Veterans' Affairs, U.S. House of Representatives, Washington, D.C.

MY DEAR MR. CHAIRMAN: The Veterans of Foreign Wars is extremely pleased that your Committee has favorably reported H.R. 12628, the Veterans Education and Rehabilitation amendments of 1974.

H.R. 12628 carries out a number of mandates approved by the delegates, representing 1.8 million members to the V.F.W. National Convention held in New Orleans last August. In addition, several of the provisions of H.R. 12628 reflect Priority Legislative goals for 1974 approved by our Commander-in-Chief Ray Soden.

The Veterans of Foreign Wars has for many years dedicated itself to gaining Congressional approval of comparable readjustment assistance for the millions of returning Vietnam veterans. The Veterans of Foreign Wars was extremely pleased when substantial increases in the GI Bill rates were approved in October, 1972, together with other liberalizations of the program. Unfortunately, inflation has continued to skyrocket, making it more difficult for many veterans to begin or continue an education or training program under the GI Bill.

The 13.6% increase in the allowance for all training programs, including vocational rehabilitation for the handicapped service-connected disabled, will more than offset the increase in cost of living since the rates were last increased in October of 1972.

Allowing a service connected disability veteran with a 10% or more disability to be entitled to vocational rehabilitation from the VA will place Vietnam veterans on a par with veterans of the Korean war and World War II in this regard.

Of great importance to many Cold War veterans is extending the delimiting date for two years, or from June 1, 1974 to June 1, 1976.

These and other provisions of this bill will be a giant step toward achieving comparable GI Bill and related assistance for Vietnam veterans, as was available to veterans of previous wars.

The Veterans of Foreign Wars commends you for your sponsorship and support of H.R. 12628. Approval of H.R. 12628 by the full House when it is presented for consideration and vote will be deeply appreciated by the Veterans of Foreign Wars.

With kind personal regards, I am,

Sincerely,

FRANCIS W. STOVER,
Director, National Legislative Service.

FEBRUARY 15, 1974.

Hon. WM. JENNINGS BRYAN DORN,
Chairman, House Veterans' Affairs Committee, House of Representatives, Washington, D.C.:

The Disabled American Veterans commends you and the members of the House Committee on Veterans Affairs for acting so promptly in the current session of Congress to improve the education and training benefits available to America's veterans.

We share your concern over the inadequacies of the present rates which have made it difficult, and in some instances impossible, for thousands of Vietnam veterans to participate in the education programs.

The Disabled American Veterans strongly support House passage of H.R. 12628.

With all good wishes,

CHARLES L. HUBER,
National Director of Legislation.

Hon. WM. J. B. DORN,
Chairman, Committee on Veterans' Affairs, U.S. House of Representatives, Washington, D.C.:

AMVETS urges Congress to take affirmative action on H.R. 12628 to correct current inequities in the GI education and training laws.

The excessive rate of inflation has taken its toll on those veterans and dependents who attend college or technical training under the present program administered by the Veterans Administration.

We believe that America must not forget those men and women who served in this nation's armed forces and it must be remembered that the education benefits were earned by those Americans who served their country.

Ron Hartley,
AMVETS National Legislative Director.

Mr. HAMMERSCHMIDT. Mr. Speaker, I appreciate the explanation of this legislation by our most distinguished chairman, the gentleman from South Carolina (Mr. Dorn). I concur in his remarks and in his explanation. I want to express my appreciation for his excellent leadership as well as the contribution made by all of those members on the Subcommittee on Education and Training, for the leadership of the gentleman from New Jersey (Mr. Helstoski) and for the *leadership of* our distinguished minority member (Mrs. Heckler) on our side of the aisle.

Mr. Speaker, I rise in support of H.R. 12628, the Veterans Education and Rehabilitation Amendments of 1974. This bill, Mr. Speaker, will authorize increases in monthly payments to veterans and to dependents and survivors of certain veterans and servicemen who are participating in educational assistance programs. It will also liberalize other provisions of the current educational benefits programs.

This measure, Mr. Speaker, will improve even more the veterans education program—a program that has already trained more college students than were trained during the entire World War II GI bill program.

It will authorize a 13.6-percent increase in monthly educational allowances. Under existing law, an unmarried veteran attending school full time receives $220 per month. This amount will be increased to $250 per month under this bill. Proportionate increases, of course, are provided for veterans with dependents and those attending school on a part-time basis.

Educational allowances were last increased September 1, 1972. Since that time, the cost of living as reflected by the Consumer Price Index has increased by 10.8 percent. Projections furnished the committee indicate the increase will be 13.2 percent by May of this year. Thus, the 13.6-percent increase in monthly payments is justified. President Nixon, in his message of January 28, 1974, said:

> The cost of living is also a problem for those veterans now taking advantage of the GI bill to further their training or education. They need additional help if their allowances are to keep pace with inflation.

The bill, Mr. Speaker, contains an important provision relating to the time period for utilizing benefits under the GI bill. Under existing law, a veteran is given 8 years after his separation from military service to exhaust his educational benefits entitlement. Those separated between February 1, 1955, and May 31, 1966, were given 8 years from the effective date of the GI Bill, June 1, 1966, in which to utilize their entitlement. Thus, the first date that educational benefits will expire for a substantial group of veterans, May 31, 1974, will soon be upon us.

It is true that the GI bill was intended to be a readjustment benefit, to assist the serviceman in readjusting to civilian life. Ordinarily 8 years is a sufficient period of time in which to complete the readjustment process. Cogent arguments have been advanced, however, that monthly allowances payable in the early days of the program were insufficient to permit many veterans, particularly those with dependents, to attend school. Accordingly, Mr. Speaker, this bill authorizes a 2-year extension of the 8-year period during which educational benefits must be utilized.

The vocational rehabilitation program for disabled veterans has also been liberalized, Mr. Speaker. Under the law, a veteran must have a service-connected disability rated at 30 percent or more or if less than 30 percent, the disability must be clearly shown to have caused a pronounced employment handicap. In the bill before us, the 30 percent requirement is reduced to 10 percent, thus making it identical with the provisions of the World War II law.

Additionally, Mr. Speaker, the measure will permit veterans to count periods of active duty for training—usually 6 months—when computing periods of eligibility for education and training, if there is subsequent service on active duty for a consecutive period of 1 year or more.

The increases in monthly allowances are also authorized for those dependents of veterans and survivors who are eligible for education or training benefits. Additionally, these dependents and survivors of veterans are made eligible to pursue farm cooperative training. This benefit is now available only to veterans. Those made eligible are the wives and children of service-connected totally disabled veterans and widows and children of deceased veterans whose deaths are service connected.

Mr. Speaker, these are the major provisions of H.R. 12628. The Subcommittee on Education and Training has labored long and hard in perfecting this bill that is responsive to the needs of the young veteran. They are to be commended. It is a good bill and I shall support it.

Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts (Mrs. Heckler) the ranking minority member of the Subcommittee on Education and Training.

Mrs. HECKLER of Massachusetts. I thank the gentleman for yielding.

Mr. Speaker, as the proponent in committee of three of the provisions of the Veterans Education and Rehabilitation Amendments of 1974, I rise in strong support of this legislation. This is an important bill, bringing up to date one of the most significant programs that our Government administers. Our action today affects the future of millions of Vietnam-era veterans and their families.

The provisions I fought for as ranking minority member of the Veterans Education and Training Subcommittee are the result of a series of meetings I have had in my district in Massachusetts, and the 1,200 letters I have received from veterans all over the country. The support given my proposals by my colleagues on the subcommittee and the full Veterans' Committee no doubt is the result of similar communication between constituent and representative. This fact, in conjunction with the far-sighted leadership of the subcommittee chairman (Mr. Helstoski), the committee chairman (Mr. Dorn) and the distinguished gentleman from Texas (Mr. Teague) produced the bill before us today. My colleagues in this Chamber should take note that this legislation is the Congress timely response to a real need, with the language conceived and drafted with the direct assistance of veterans themselves—from Massachusetts and other States.

My proposals go to what I believe is the heart of the matter—the adequacy of the veterans education program. I offered three amendments in the subcommittee:

Increasing by 13.6 percent the monthly payments made to veterans in school and rehabilitation programs;

Extending to 10 years the time during which a veteran must use his education benefits;

Establishing a Vietnam-era Veterans Communication Center at the top of the VA, to improve communication between the VA and the Vietnam veteran.

The proposals are the end result of a series of meetings I held last summer in Fall River, Mass., and this winter in Taunton, Mass., with veterans from my district. After hearing testimony last year on the need for increases, I thought it wise to investigate for myself, to talk with as many veterans as possible to see what was really needed in terms of legislation to maintain the education assistance statute as an effective program of helping veterans.

What I found was a disturbing situation—the benefit levels we had passed in September of 1972 had already been outstripped by spiraling costs. Also, I learned that the current 8-year period for eligibility is unrealistic, because many veterans need time to readjust after discharge. They are delaying entrance into school, and then finding that 8 years is gone before they finish. In several cases, I found , veterans were within one semester of graduating when their benefits expired.

The third finding was a definitive communication difficulty between VA officials and Vietnam-era veterans. The vital link that is necessary between the VA field officer and the veteran is not as strong as it should be. Consequently, information on benefits and application procedures is not getting through to the one person who needs it—the veteran. I am not implying that the VA is not dedicated or is not working to correct this problem. What I am saying is that the top level of VA could well use direct input from their field offices, from officials who understand the difficulty. Incidentally, I have learned that a similar problem existed after the Second World War.

Starting from the premise that the young veteran will respond best to his peers, I worked out the proposed center. This would essentially amount to a task force within the VA, utilizing a relatively small number of VA employees who are Vietnam vets. Each VA contact office would have a center representative, reporting directly to the center, which would gather information on communication problems and reports its findings and recommendations to both the Administrator and Congress. This center will help VA and Congress determine directly what must be done to further improve veteran programs. Based on my inquiries, I believe it is needed and designed to do the job. I hasten to point out that I expect VA to staff the center with on-hand employees. Since the center staff will be directly involved with communicating benefit information to veterans, I do not expect that there will be any deterioration of current VA services.

I must say that this bill comes before the House at an auspicious time, for we have all recently learned that food prices are expected to rise 16 percent this year. Nothing could better underscore the need for quick action to bring benefit levels up to meet the cost of going to school in 1974.

Moreover, nothing could better demonstrate that the 13.6-percent increase we provide is hardly generous—it is merely adequate. When one looks at the 6 million Vietnam veterans as a group, and when one takes into account the actual cost of education today then one cannot avoid the conclusion that this increase is absolutely necessary.

The current monthly allowance is clearly inadequate. Sixty-eight percent of veterans in school now find they must work to make ends meet. Forty percent must work more than 20 hours a week. In my district, fully half of the vets in school are married, thus increasing the burden.

The typical vet today comes from a background that does not provide him with financial assistance, making him even more dependent on his own resources. The American Council on Education reported in December 1972, that the Vietnam veteran's family is of a lower income level than the nonvet student. The ACE study revealed that about 75 percent of the vets in school now depend on their monthly check from VA to pay their bills.

What must this monthly check pay for? First, it must cover tuition, which in this academic year averages $489 in State colleges, according to the American Association of State Colleges. Private school tuition is about five times that figure, out of reach of most veterans.

What is left after tuition is paid? Figures compiled by the National League of Cities veterans project last year show that in the 1972–73 school year—when tuitions were lower—a veteran had the following sums left to live on after paying his tuition and buying his books:

At the University of California	$134
At Penn State	111
At Miami of Ohio	116
At the University of Michigan	128

My colleagues should keep in mind that in only two States—Illinois and Massachusetts—does the veteran get free tuition at State schools.

Now, this remaining sum must cover a student's rent, food, clothing, transportation, and so forth. I checked with HUD last winter and was told that the average rent for a one-bedroom apartment is about $110 a month. The only alternative is a dormitory, but I find that the average room and board charge at these same State colleges is now $997 a year, which is not much better. Subtract either rent or dormitory charges from the balance after paying tuition, and the veteran has no money at all. No wonder 7 vets in 10 must work to stay in school.

Mr. Speaker, this is the real world as the veteran finds it. Without this increase, many veterans will find the doors to school closed to them. What will be their fate? The younger veteran, fresh out of the service, will have to put himself against the 8-percent unemployment rate among young veterans. Without education or vocational training, he goes to the bottom of everyone's list.

Mr. Speaker, my colleagues should not look on this bill's price tag as an expenditure, but as an investment. The higher incomes generated by better educated people results in higher tax revenues, and less money spent on welfare payments. We have here the opportunity to give the veteran the chance to be a successful member of our society. This, I believe, is the least we can do for those who fought the longest and toughest war in our history. If we leave the GI bill benefits at their current inadequate levels, then we are only taunting and mocking the veteran. I urge my colleagues to support this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. Zwach), a member of the Subcommittee on Education and Training of the Committee on Veterans' Affairs.

Mr. ZWACH. Mr. Speaker, I thank my ranking minority member for yielding.

Mr. Speaker, I rise in support of H.R. 12628, Veterans Education and Rehabilitation Amendments of 1974.

This bill contains a number of related and important features. The most publicized feature of H.R. 12628 is the increase of 13.6 percent in the allowances of all participants in the programs of education, training, and rehabilitation administered by the Veterans' Administration. This is necessary if the allowances are to be kept abreast of the increasing costs of living which has risen by 13.2 percent since September 1972.

Under the terms of the bill, reservists will be able to credit for educational purposes the customary 6 months of active duty for training if they subsequently serve on full active duty for at least 12 months.

Under the present law, veterans must complete their education or training within 8 years after their separation from active duty. For those who were discharged between February 1, 1955, and May 31, 1966, the 8 years will expire on June 1, 1974. This bill will extend the 8 to 10 years and thus the earliest delimiting date, June 1, 1974, will be advanced to June 1, 1976. This is probably the most important feature of H.R. 12628.

At present, veterans with service-connected disabilities must be rated at 30 percent or more in order to be eligible for vocational rehabilitation. This requirement will be reduced to 10 percent. A very significant improvement will occur in the prevailing law by granting refresher training, not to exceed 6 months, to the veterans who had a skill or vocation prior to entering on active duty. The training must take place within 12 months from date of separation from service.

As a member of the Agriculture Committee and the Veterans' Affairs Committee, I am especially interested in the features of this bill relating to the farm cooperative program. I am proud to have played an active part in improving this program to the point that more veterans than ever before are able to take advantage of farm training through a combination of classroom instruction and day-to-day farm experience. Unfortunately, the dependents of service-connected totally disabled veterans and the widows and children of service-connected deceased veterans, although eligible for other types of education, are not eligible for this type of farm training.

This measure will correct this situation by making farm cooperative training available to all dependents and survivors who are presently eligible for war orphans and widows educational assistance.

These are the major provisions of this bill, Mr. Speaker. As a member of the Subcommittee on Education and Training of the Committee on Veterans' Affairs and an American who is proud of those who fought so bravely for this country, I am pleased to commend it to the House for its approval.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. ZWACH. I yield to the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am very disappointed that the House of Representatives is today considering H.R. 12628 under suspension of the rules procedure, which does not allow the House to work its will. This is the second time the committee has brought out a veterans' education assistance bill under this procedure, and I certainly hope it is the last.

I believe the Congress should return the GI bill to the form provided the World War II veterans. Under it, direct payments were made to institutions of higher education to cover the cost of tuition, fees, and books, with the veteran also given a monthly cash allowance to cover his living expenses. The World War II veteran was able to pursue his training at whatever institution offered the best curriculum for his career objective. The current GI bill is much more limiting; today's veteran often has to go to an institution which would be his second or third choice if he had the funds to attend his first choice. I regret the bill before us today does not contain a revision in the overall concept of veterans' education assistance to make it like the first GI bill, but I will vote for it since no amendments can be offered.

I heartily commend my colleague from Massachusetts (Mr. Conte), who will be presenting some recommendations resulting from a "White Paper." I regret we cannot vote on these recommendations.

Further, I introduced a bill which would have eliminated the time period within which a veteran must complete training. The committee bill, H.R. 12628, does extend from the present 8 to 10 years the time within which a veteran must complete training following his last discharge. Again, while I preferred my own bill, I will be supporting H.R. 12628.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. WYLIE), a member of the Subcommittee on Education and Training of the Committee on Veterans' Affairs.

Mr. WYLIE. Mr. Speaker, I thank the gentleman from Arkansas, the distinguished ranking minority member of the Committee on Veterans' Affairs for yielding.

Mr. Speaker, I rise in support and am pleased to be a cosponsor of H.R. 12628, a bill to liberalize the provisions of the educational programs for veterans and certain dependents and survivors of ex-servicemen.

This measure grants a much needed 13.6-percent increase in the monthly allowances of existing law. This means the single veterans enrolled in a full-time program of education will receive $250 per month instead of $220. Veterans with one dependent will receive $297 instead of $261, while those with two dependents who now receive $298 will be increased to $339. Twenty dollars will be provided for each dependent in excess of two.

Information furnished the committee, Mr. Speaker, indicates that by May of this year the cost of living will have increased by 13.2 percent since the last adjustment in monthly educational allowances on September 1, 1972. This information was mentioned by the gentleman from New Jersey, the distinguished chairman of the subcommittee and included in the CONGRESSIONAL RECORD for reference.

I am hopeful that this increase in monthly allowances will enable thousands more veterans to avail themselves of the educational benefits they have earned.

I am certain that most Members are being deluged with mail from veterans indicating that their educational benefits are about to expire and requesting an extension. Existing law allows 8 years, either from the effective date of the act—June 1, 1966—or from discharge, whichever is later, in which to use the educational benefits earned. The first date after which educational benefits may no longer be used occurs on May 31 for a substantial number of veterans separated between 1955 and 1966.

This bill, I am pleased to report, contains a provision extending the 8-year period for using educational benefits to 10 years. Thus, those late starters who, for a variety of reasons, were unable to timely initiate their programs of education or training will now have 2 additional years. Otherwise, the law will expire for a substantial number of veterans on June 1.

There are other important provisions of this bill. For disabled veterans, the disability requirement for eligibility to receive vocational rehabilitation training is reduced from 30 percent to 10 percent.

Farm cooperative training, heretofore available only to veterans, is extended to those dependents and survivors entitled to war orphans and widows educational assistance.

Reservists, under the terms of the bill, may count periods of active duty for training in computing their educational entitlement provided there is subsequent active duty of 1 year or more.

These, Mr. Speaker, are the major features of this omnibus-type education bill. The present GI bill, has provided educational benefits to more than 4.5 million veterans since it went into effect June 1966, and it will provide educational opportunities to hundreds of thousands more in the years ahead. Any program of this magnitude is extremely costly. I must hasten to add that it is money that is well spent.

Just a couple of years ago, statistics released revealed that a man with a college degree will earn $541,000 in his lifetime, over $201,000 more than a high school graduate. At that time it was estimated that he would pay about $38,000 in income taxes on that extra $201,000—more than four times the $9,000 this billl authorizes the Government to spend for 36 months of college for a veteran.

Mr. Speaker, this is a good investment in the future of our country by any standard and I urge passage of the bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. HILLIS), a member of the Subcommittee on Education and Training of the Committee on Veterans' Affairs.

Mr. HILLIS. Mr. Speaker, I thank the distinguished gentleman from Arkansas for yielding.

Mr. Speaker, I rise in support of H.R. 12628, a particularly meritorious bill which is designed to enhance and make more viable the existing law relating to the education, training, and vocational rehabilitation programs administered by the Veterans' Administration.

Basic to these programs, of course, is the rate of the allowances. This bill will increase them by 13.6 percent.

Vocational rehabilitation will be extended to the veteran who has a service-connected disability ratable at 10 percent. At present a 30-percent disability is required.

The existing education and training law will be amended by crediting active duty for training in computing educational entitlement where the veteran also has at least 1 year of full active duty. Refresher training not to exceed 6 months will be accorded the veteran who wants to update a skill or profession that he had before military service. Those wives, widows, and children eligible for education or training will have their entitlement extended enabling them to pursue farm cooperative training.

The present work study program will be expanded by removing the limitation on the number of veterans who may participate and doubling the number of hours a veteran may work with a commensurate doubling of the amount of money that may be paid.

These are the most significant improvements and I endorse them wholeheartedly.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. Speaker, I rise in support of this legislation.

I recognize that the economic consequences of the energy shortage could mean that workers will be laid off, and the veterans who were the last to be employed would be the first to be laid off. This can be translated into an excellent opportunity for these veterans, if they are properly compensated, to avail themselves of the opportunities for education which will be provided in this bill.

This bill would increase the monthly allowance for single veterans who are full-time students from $220 to $250. For veterans with one dependent, the allowance would be raised from $261 to $297, and for two dependents, the allowance would go from $298 to $339. Each additional dependent's allowance would be raised from $18 to $20.

The bill also extends the deadline for veterans to make use of their GI benefits from the present 8 years after discharge to 10 years. It removes the limit on the number of student veterans who may take part in a Veterans' Administration work-study program and increases the maximum amount a veteran may be paid under this program from $250 to $500 per semester.

In these days of spiraling living costs, I can certainly understand the difficulties a veteran, and his family if he is married, must have trying to secure an education and still keep food on the table. I have received many letters from veterans in my district, and I am glad to see this measure which will provide continued opportunities for education for them.

Mr. Speaker, I thank the gentleman from Arkansas for yielding.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Massachusetts (Mr. CONTE) who is not on the Committee on Veterans' Affairs but who has always had a great interest in veterans and veterans' legislation. He has been holding hearings on the subject in several cities around the Nation. I know of his deep feelings and gratitude for the contribution the GI education bill made to his own life and his distinguished career. It is my pleasure to yield to Mr. CONTE at this time.

Mr. CONTE. Mr. Speaker, inadequacies in the present GI bill deny the Vietnam veteran the assistance and opportunities intended by Congress. This conclusion is clear, from an intense probe I have conducted over the past 11 months, including three public hearings in Newark, N.J., Cleveland, Ohio, and Seattle, Wash.

Certainly, this generation of veterans has paid its dues to this Nation—now, I am inserting into the public record today a 43-page "white paper," prepared by the Special Veterans Opportunity Committee of the National League of Cities/U.S. Conference of Mayors, documenting most graphically that today's veteran is not getting the break his father got in educational benefits.

Mr. Speaker, the World War II GI bill gave me the only chance I would have had for a college and law school education. As a member of Congress Appropriations Subcommittee for Labor-HEW, I wanted to see programs responsive to the needs of today's veterans. I, therefore, became deeply involved in the situations of returning Vietnam veterans, particularly efforts to obtain the education and training many had to forego to fight for their country.

The public hearings I cochaired with the mayors of Newark, Cleveland, and Seattle on veterans readjustment problems convinced me that changes must be made now so that our new veterans get the benefits they most richly deserve.

That observation recently was reaffirmed by a report commissioned by the VA released last month by the Educational Testing Service, which manifests the actual degree to which the Vietnam veteran lacks parity with World War II veterans under the GI bill.

Mr. Speaker, when I undertook to cochair the Special Veterans Opportunity Committee, I thought veterans were as well off as we were, and that any gaps could be filled from Labor-HEW and by State and local action. This, regretfully, is not the case. And on top of that, today's veteran faces peculiar problems of readjustment due to the unpopularity of the Vietnam war, a conflict most Americans would just as soon forget.

If we are to convince these men that their country and their Government does care, we have to have some good answers.

I remember one young Vietnam vet, who had recently dropped out of his GI bill college course because he could not afford to support his wife and child, and go to school at the same time. He testified about this, then looked up—and in that crowded city hall chamber in Cleveland, said to us: "All we want is what our fathers got." The applause from the other vets in the room was thunderous.

Mr. Speaker, at this point I wish to insert into the Record letters from veterans around the country who have written to express their plight to me. And our 43-page white paper report on Vietnam veterans.

When we began our hearings—we found a situation where many young veterans are not using their educational benefits because they cannot afford to—they do not have the reservoir of cash to meet both living costs and high tuition payments, even at public colleges: They may not live in an area where a college has an upward bound for veterans program which will seek them out, counsel them and help them put the pieces together; they may not have been stationed at a military base where a project transition or college discovery or other remedial effort was fully subscribed to by a unit or base commander; they may not live in a State where cheap public higher education is readily available; they may not be where public employment opportunities exist; they may live where unemployment rates are high and no jobs exist for them to supplement their benefits; they may not be able to patch together food stamps, welfare, social security student benefits, unemployment compensation, or other social programs to make it under the GI bill.

Mr. Speaker, our "white paper" report concludes with seven recommendations:

First. The restructuring of the GI bill so that it pays 80 percent of all tuition and fees and makes a separate subsistence payment of at least $220 per month;

Second. A guarantee of a job by work-study and public employment programs to every enrolled veteran who needs or wants one;

Third. The elimination of delays and obstacles to discharge review and more leniency by the Veterans' Administration in the granting of educational benefits in those cases where it had administrative jurisdiction;

Fourth. The development of a program of effective marketing and communication to increase the use of the GI bill;

Fifth. The expansion of programs in the areas of readjustment and pre-release remedial education and the universal availability of the programs on a continuing basis for all GI's;

Sixth. The convening of a special commission to review the relevancy of VA benefits and procedures and recommend needed reforms; and

Seventh. The full funding of the veterans cost of instruction provision in the 1972 Higher Education Act and the continuation and expansion of other programs which support or supplement local veterans assistance efforts.

Mr. Speaker, I intend to vote for the veterans educational benefits package which the House Committee on Veterans' Affairs recently reported even though it falls somewhat short of the mark. On March 29, the Nation will honor our Vietnam-era veterans. That honor is well deserved. However, with the enactment of today's comprehensive veterans measures, we shall be presenting our veterans with the proper honor and dignity; the Nation's gratitude for the services they have rendered us all.

The material follows:

HAVERHILL, MASS.,
October 2, 1973.

DEAR CONGRESSMAN CONTE: I want to thank you very much for what you are trying to do for the veterans. Myself I am totally disabled and have five children. Being a World War II veteran. I agree with you 100%, $220.00 a month is nothing today with everything going up sky-high, such as food, education, rents, medical care, public utilities, etc. But let us concentrate on education. How can any veteran afford to go to a good college on $220.00 a month. For instance, my son graduated last June at 22 yrs. old with a B.S. degree in mechanical engineering. He done five years of college in 4 years, taking an overload. He went to Northeastern University in Boston, Mass. Many times he starved, as that college only had dormitory for the engineers for the first year. He had to share an apartment with 3 other students, plus he had to buy food. I couldn't give him too much help as my daughter also attends college and is in her second year. In 1975 my son Dominick, who is very brilliant, will attend college at Tufts to become a medical doctor. I am strapped now. I only pray you and your committee will pass a law for the veterans and the children of totally disabled will be able to attend college with the government paying the whole bill, plus give them $220.00 a month for eating and sleeping.

They give all kinds of money and help to many foreign countries, but our veterans are getting short changed when they should become *first*. Colleges are going to go up and something *must and should be done right now*, not 10 years from now. I cannot afford to send my son to Tufts at $220.00 per month to study for a medical degree. I feel as a disabled combat World War II veteran the government should pay all costs. Why should these intelligent children be denied a good education simply because the parents do not have the money to send them. This is the richest country in the world, but at times our money is not being spent right. More money on education and less money in other countries. Let the other countries take care of themselves. Nobody cares for the U.S. problems. But our veterans should be entitled to a good education without suffering trying to scrape up enough money and starving their stomach like my son did and many others, with no money in their pockets. I come from *Italian born parents* and my wife comes from Calobecca, Italy. She came here in 1947. I was born in Portsmouth, N.H. My father was a U.S. bandmaster and composer. They erected a plaque in his honor at the Portsmouth, N.H., Navy Yard in 1951. Hoping to hear from you, I remain,

Sincerely,

DOMINICK ZANGAN, Sr.,
Life Member, Commander, Haverhill DAV No. 20; Life Member, VFW No. 29, Haverhill; Life Member, Amvets Post No. 147, Haverhill.

MARIONVILLE, MO.,
September 19, 1973.

Hon. SILVIO O. CONTE,
House of Representatives,
Washington, D.C.

SIR: A recent associated Press News item in the Springfield News and Leader stated that you are the chairman for the Special Veteran's Opportunity Committee. The news item stated that your committee is concerned that present-day veterans are not receiving educational aid on a par with earlier veterans. As a veteran with a wife and three children who is attempting to attend Southwest Missouri State University, I would like to state I fully agree with the committee's concern. We are buying only the necessities (food, transportation, shelter), but those three items alone have inflated tremendously in the past three months. I sincerely hope you and your committee are able to raise the veterans' benefits in keeping with the current costs of attending college.

I also feel very strongly that the expiration of GI education benefits, eight years after separation, should be changed. In our present society, retraining is sometimes required to allow a man to remain employed. In my own case, I have held three different jobs with two aerospace companies in the past few years, and I am now attempting to retrain again. My GI educational benefits will expire next May even though I have thirty months of eligibility left. I am asking for no additional eligibility—just the chance to use what I acquired during my tour in the service. I doubt seriously that an extension for GI education benefits would greatly escalate the cost of the program. I am sure there are many veterans in situations similar to mine who would love to have the chance to use their full eligibility.

Thank you sir for your concern for the veterans. In this day and age, such concern is refreshing.

Very truly yours,

WILLIAM W. TORBETT.

ACTON, MASS.,
November 1, 1973.

Hon. SILVIO O. CONTE,
Cannon Building,
Washington, D.C.

DEAR REPRESENTATIVE CONTE: I am a Vietnam veteran pursuing my college education under the present Veteran's Administration education allowance. I encourage your support of increased allowances, especially those proposed by the special Veteran's Opportunity Committee.

Present benefits are not in line with those received by my father (World War II) and my uncles (Korean War). I am unable to attend classes and support my family simultaneously. The present level of educational assistance is a help but I must work full time and attend classes at night in order to take advantage of the existing benefit. Increased tuition allowance plus a subsistence payment would make it possible to pursue full time studies as previous veterans have. The Vietnam veteran should not be a victim of the unwanted memory of an "unpopular" war.

Respectfully yours,

JOSEPH E. ESPOSITO.

FEBRUARY 6, 1974.

DEAR SIR: I would also at this time like to express my feelings and opinion in how I feel about the veterans GI Bill for education, and compensation for disabled veterans.

I do feel that the GI Bill for veterans education should be increased to ease the financial burden, and that the time allowed to complete school be extended to ten years after discharge. I also feel that the 36 months given to the veteran to go to school should be extended to 48 months, as past veterans had received.

I was happy and proud to have served in the U.S. Marine Corps for thirteen years, four months, and nineteen days, and I still feel the same, because I feel I did very little for such a great country. I also would like to continue to contribute in some small way to help this country, or help the people of this country, and that is why I'm going to college, and majoring in mental health, so that I can help.

I am now married and have six children and going to college isn't easy financially, but I didn't expect it to be easy, and I also didn't, and don't expect any more benefits than past veterans, but I do feel that the veterans of today do not receive as good a benefit that World War II and Korean veterans received. Also, that getting an education today is a lot harder for today's veterans and this is why most veterans don't continue their education. *Because financially they can't!*

With the cost of living so high I just can't understand how the House of Representatives and the Senate can forget today's veterans, especially the disabled veterans who's compensation does not increase with the high rise in the cost of living, and has it so difficult. I just feel that it's about time that somebody takes the bull by the horns and gets things straightened out now before it's too late. Not only for veterans, but for all the people of this great country.

Thank You For Your Time,

ROBERT LUCIA.

SOUTH HADLEY, MASS.,
February 12, 1974.

DEAR CONGRESSMAN CONTE: I am writing regarding the *Veterans Education* Bill which I hope will be acted upon this year. I am a Dartmouth College graduate ('64) and Vietnam veteran (1st Lt. Army Intelligence) discharged 24 June '66 who, after discharge, worked as a stockbroker for seven years. I now wish to further my education and enter another field which, I hope, will be more rewarding to both myself and my country. I feel the current *eight year limitation on benefits,* especially to those who have never taken advantage of them like myself and now find themselves all but ineligible is highly unfair and discriminatory.

This country's people are its greatest resource—the oil 'shortage' notwithstanding—and education of our citizens is its best investment. If we can afford to blow up errant 18 million dollar rockets we can surely spend money on our veterans' education. The dollar amount of help is also inadequate in these inflationary times, but that point is obvious.

I have never written a representative in Washington before, and I therefore hope this letter will be useful.

Sincerely,

JAMES P. STEWART.

PITTSFIELD, MASS.,
February 6, 1974.

Hon. SILVIO O. CONTE,
Pittsfield, Mass.

DEAR CONGRESSMAN: I am writing in response to information that I have received concerning Veterans Legislation under consideration by the House Committee on Veterans Affairs. One of the prime components of this legislation is an increase in the educational allowances from the present $220.

I am no longer directly concerned with this aspect of the bill since I have just completed my undergraduate work and am currently employed by the General Electric company as an electrical engineer, but I still feel a pay increase is desperately needed. I started my education when the allowance was $130/month thus gaining considerable experience in scrounging for an education. I might never have gotten my degree without the GI Bill and I am grateful for it. But let's make it a little easier on the guys that will follow in my footsteps and vote for an increase in the Veteran's education allowance.

In summary, how do you feel about the Senate's 23% increase versus the House's 13.6%?

Sincerely yours,

JOSEPH T. POOT.

[Special Veterans' Opportunity Committee, U.S. Representative SILVIO O. CONTE (Republican, Mass.), Chairman]

FINAL REPORT: FINDINGS AND RECCOMENDATIONS

VETERANS' EDUCATION AND TRAINING SERVICE (VETS), SEPTEMBER 13, 1973

Based on Public Hearings held in Newark, N.J.; Cleveland, Ohio; and Seattle, Wash.

SEPTEMBER 4, 1973.

Hon. SILVIO O. CONTE,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CONTE: This report is the culmination of an extremely important, timely and productive undertaking—the series of public hearings which we, as Mayors, co-chaired with you under the sponsorship of the National League of Cities and the U. S. Conference of Mayors. As local chief executives, we are very much aware that many Vietnam-era veterans have problems. These problems—jobs, the search for understanding, educational opportunities and the attitude of the public—are not the things these young men should have to face on a daily basis.

Opportunities in both employment and education should be readily available; and the gratitude of a nation well-served should be automatically apparent. The fact that neither of these is the case is the real lesson of the hearings.

With the issuing of this final report, we all must dedicate ourselves to making these recommendations a reality, and these findings obsolete. Just as the hearings brought together in common cause public officials, academic leaders, business and labor executives, the military, a concerned citizenry, the media, and the veterans themselves—that same coalition must follow through, with this report as the first step.

We look forward to working with you as this is done.

Sincerely yours,

KENNETH A. GIBSON,
Mayor, Newark.
RALPH J. PERK,
Mayor, Cleveland.
WES UHLMAN,
Mayor, Seattle.

SUMMARY OF FINDINGS

A. Public reaction to the Vietnam War has been a severe obstacle to civilian readjustment of returning GI's.

B. The present GI Bill has not been able to adequately help those who need it the most.

C. The World War II veteran got a substantially better deal in terms of benefits and acceptance.

D. Jobs for GI Bill-enrolled veterans is a major problem.

E. Veterans generally see the bureaucracy only as something to be overcome—not as a positive force.

F. There are wide geographic disparities in GI Bill use and in available assistance programs.

G. The federal government has primary responsibility for veterans' programs, but should make its resources available for support of state and local assistance efforts.

H. Lack of uniform in-service assistance by the military has made civilian readjustment more difficult.

I. There is a lack of leniency and understanding in the administrative dealings with those who may have gotten less than honorable discharges by proceedings other than courts martial.

SUMMARY OF RECOMMENDATIONS

A. The GI Bill should be restructured so that it pays 80% of all tuition and fees and makes a separate subsistence payment of at least $220 a month.

B. Work-study and public employment programs should guarantee a job to every enrolled veteran who needs or wants one.

C. Delays and obstacles to discharge review should be eliminated; and the VA should be more lenient in the granting of educational benefits in those cases where it has administrative jurisdiction.

D. A program of effective marketing and communication should be undertaken to increase use of the GI Bill.

E. Readjustment programs and pre-release remedial education efforts should be expanded and made universally available to *GI's,* on a continuing basis.

F. A special commission should review the relevancy of VA benefits and procedures and recommend needed reforms.

G. The Veterans Cost of Instruction Provision in the 1972 Higher Education Act should be fully funded. Other programs which should be fully funded. Other programs which support or supplement local veterans assistance efforts should be expanded and continued.

INTRODUCTION

When I came home from World War II, my home town turned out for a welcome. There were parties, ceremonies, honors and a feeling that, whether we served in combat or were on permanent KP in the states, we were all heroes.

More importantly, the nation we fought for showed its gratitude through the GI Bill; and each and every one of us had the opportunity to get—at little or no cost to us—all the education we wanted. Im sure the 7,000,000 World War II vets who used the GI Bill feel as I do, that it was the most valuable thing that ever happened to us. Without it, I certainly would not be in Congress today.

This report is the result of an eight-month effort to find out what the problems of today's veterans are, and what can be done about them. I was asked by the National League of Cities and the U.S. Conference of Mayors to chair a Special Veterans Opportunity Committee and hold a series of public hearings across the country, so that we could hear, first-hand, from the veterans themselves, as well as from those who are in a position to help them.

The all-day hearings were designed to strengthen city-sponsored veterans assistance projects by involving local leaders and by hearing the views of veterans and other concerned citizens.

The hearing panels included Vietnam veterans, public officials and leaders of the business, labor, academic and service organization communities. The first hearing was held in Newark, New Jersey, on October 25, 1972; the sceond in Cleveland, Ohio, on March 9, 1973; and the third in Seattle, Washington, on May 18, 1973.

In the three hearings, a total of 111 witnesses were heard, 62 of whom were Vietnam-era veterans. The hearing panel members and complete witness lists are attached.

As can be seen from the hearing summary reports, these findings and recommendations represent a broad consensus, although several witnesses wanted to go much farther in remedial action. The evidence indicates that what is contained here is fair, reasonable and necessary.

The National League of Cities and the U.S. Conference of Mayors operate the Veterans Education and Training Service (VETS) through a grant from the Office of Economic Opportunity. VETS has helped to establish Vietnam-era veterans assistance projects in 10 cities across the country and has provided technical assistance to veterans efforts in many other cities.

In the course of running these projects, thousands of Vietnam-era veterans have been contacted, counseled, enrolled under the GI Bill, and helped with employment and benefits problems.

A major recurring complaint of veterans is that they feel few people are either listening to or really caring about their problems. They believe their problems are unique due to the nature of the Vietnam conflict and the public reaction to it.

These public hearings were, therefore, conducted to provide the veterans themselves—as many as wanted to testify—a chance to tell a panel (which included Vietnam veterans) what they think the problems are, and what the solutions to those problems should be.

This testimony was supplemented by testimony from college officials, employment services, businessmen, psychiatrists, psychologists, veterans organizations, state legislators, U.S. Congressmen, military personnel, federal, state and local agency officials, labor leaders and interested citizens.

We greatly appreciate the full cooperation we received from all these groups and individuals—especially benefits personnel at the Veterans Administration—and believe that their valuable contributions will lead to positive and immediate action.

As a World War II veteran who benefited so substantially from the GI Bill, I am most concerned with the problems of today's veteran. It is disquieting that these highly motivated young men would—as one did at the Cleveland hearing—equate their plight with the soldier's lament from "All Quiet on the Western Front":

"Now, if we go back, we will be weary, broken, burnt-out, rootless and without hope. We will not be able to find our way any more, and men will not understand us. For the generation that grew up before us, though it has passed these years with us here, already had a home and a calling; now it will return to its old occupations and all will be forgotten. And the generations that have grown up after us will be strange to us and push us aside. We will be superfluous even to ourselves and will grow older. A few will adapt themselves—some others will merely submit—and most will be bewildered. The years will pass by, and in the end we shall have fallen into ruin."

There is much that we can do to see that today's veterans have a more hopeful future.

It is apparent to me that we must work to see that today's veterans have more than just the present GI Bill available to them. There will be many who will need a package of assistance that will include a guaranteed part-time job, special counseling, help in obtaining other applicable programs, as well as the financial assistance available through both the GI Bill and the individual educational institutions. We cannot expect that the majority of Vietnam-era veterans will be able to put all this together themselves—even if it were universally available. We must have both adequate programs—available to all—and an efficient *and* usable delivery system.

That is what this report is all about.

SILVIO O. CONTE,
Member of Congress, Chairman, Special Veterans Opportunity Committee.

PART I—FINDINGS

A. The Vietnam veteran

"Today's veteran must not be a political pawn. The hawks and the doves have had their day in court, and now society must understand the need to assist the *man*. His problems are society's problems."—Mayor Kenneth Gibson, Newark hearing.

The Vietnam-era veteran is no different from the veteran of earlier conflicts. But the *war* was different—and the public reaction to the war is different. Any assistance program must recognize this.

This is not to say that the Vietnam-era veteran is any less highly motivated or less valuable as a student, employee or citizen. Having survived a complex and difficult assignment in a difficult time, he may be more valuable.

A production manager for a steel plant said at the Cleveland hearing, "Our experience with today's vets shows them to require less training, less supervision and to be more work-disciplined than non-veteran employees." A college president at the Newark hearing commented that his experience with Vietnam vets showed that they were highly motivated and mature students and less likely to drop out [for non-financial reasons] than the student fresh from high school.

Former Army Chief of Staff General William Westmoreland has said of today's veterans, "... They are, as a group, more eager for betterment and more responsible than GI's of the same age in past wars. Their service has been difficult, demanding and devoid of the public acclaim that was given to past GI's. They understand and accept this and have proven to be unusually anxious to build a meaningful future for themselves."

However, during the course of the hearings, it became obvious that the world is a long way from beating a path to their doors. Far from being welcome heroes, many veterans at the hearings told of feeling, in effect, discriminated against just because they were Vietnam veterans. At Cleveland, one young veteran said, "Most people treated me like I was a psycho, a probable drug addict or just a dummy for fighting in a dumb war. It got so that I hid the fact that I was a veteran."

Psychiatrists and psychologists who testified at the Newark hearing confirmed this. Dr. Gordon Livingstone, an Army psychiatrist, said, "Today's vets are survivors of what happened in Vietnam and . . . have become a crucible for all of society's doubts and misgivings about our involvement in Vietnam." The VA's Harris Survey showed that "A plurality of the people feel 'Veterans of this war were suckers, having to risk their lives in the wrong war at the wrong time.' "

Several expert witnesses traced the problem back to the decision to fight the war basically with draftees, taken under a less than universal draft—recognized on all sides to be highly unfair in its operation. The college deferment exempted people from higher income brackets, and lower income men served in their place. Later, these men came home to an economic situation that was rapidly deteriorating. From 1970 through 1972, while close to a million men a year were discharged, veteran unemployment rose from 100,000 men to a high of 400,000 (in January of 1972), with the rate exceeding 15% "and among non-white veterans and those with less than a high school education reaching 21% and 31% respectively," according to the VA's Harris Survey.

As a result, these men became frustrated. They expected that their service to their country would be fully recognized, as earlier service had been recognized. Yet the controversy surrounding the war made this impossible. They felt that the bureaucracies of the Veterans Administration, the employment services and the colleges where they sought help disregarded their sacrifices and treated them as children. A persistent theme was that the federal government educated, trained and transported the soldier-citizen for combat with great efficiency. But the manner in which the veteran returning to civilian life is treated contains none of that efficiency and concern.

Their own words best reveal their feelings:

"Why do we have to beg for assistance or even attention?"

"All we want is the chance that the guys got who didn't have to go."

"Either I can take care of my wife and child or I can go to school—not both. Why should I have to make such a choice?"

"Liberals hate us for killing and conservatives hate us for not killing enough."

"The real prisoner of this war is the ordinary veteran—the conscripted grunt who didn't have the money to buy his way out of the war by going to college or didn't have the political connections to get into the National Guard to sit it out."

"All we want is what our fathers got."

"We feel that no one is really listening."

B. GI bill use

Many returning Vietnam-era veterans lack the financial resources to use today's GI Bill, which they see as their best opportunity. A high proportion of the draftees in the Vietnam era were high school dropouts, members of minority groups and persons from lower income backgrounds. Consequently, a GI Bill which requires supplementary financial aid, special outreach and remedial efforts by educational institutions and a sophisticated understanding of government and bureaucracy will reach primarily those veterans who had pre-service higher education. This is generally what has happened. The use of the GI Bill is, therefore, inverse to need.

The proof of the "use is inverse to need" claim lies in the following discussion (based on VA statistics): About 20% of returning Vietnam-era veterans have less than a high school education. And yet, of those actually enrolled in college or junior college under the GI Bill, this educational group represents only about 3% of the total. You have to dig this figure out because the largest number in this category are in the "other schools" groups, which is about 70% correspondence schools. This group is discounted here because, according to a recent GAO report, those vets in correspondence schools have a 75% dropout rate. The combined college and junior college use rate is higher today than after earlier wars, because of the higher level of education offered by junior colleges that previously would have been counted under other categories. The availability of cheap, good technical education at junior colleges, as well as the higher education qualifications demanded for jobs, are the reasons this report stresses the college and junior college participation route. But many veterans have much to gain from on-the-job and technical training in other settings. We recognize that fact.

Todays GI Bill has educated hundreds of thousands of veterans, and will cost $2.5 billion this year. It is in many respects the best available federal scholarship program, yet it operates with an uneven impact. Its successes in helping many veterans must be weighed alongside the difficulties other veterans have in using this—the prime readjustment tool. While nationally 46.1% of the nation's 6,220,000 Vietnam-era veterans have used the GI Bill (for one purpose or another), 53.9% have not. Within the ranks of those that have used it, there are many that have failed to complete their courses, for reasons that were brought out during these hearings and in Congressional hearings.

The low level of GI Bill benefits has for all intents and purposes precluded most veterans from using the bill to go to private colleges. In effect, these veterans have been forced to compete for limited spaces in public community and junior colleges with low tuition. Even the tuition at four-year public colleges is higher than some veterans can afford. This was demonstrated at the Cleveland hearing, when one young vet said he was enrolled at Cuyahoga Community College (instead of Cleveland State College, where he wanted to go) merely because of the difference in tuition: At Cuyahoga, he said, the tuition was $380, while at Cleveland State it was over $700. "Why should I be restricted in the choice of a public college just because of $320? Doesn't that mean there is something wrong with a GI Bill that does that?"

The monthly subsistence funds a student veteran at Rutgers Newark would have for living expenses, after payment of tuition, rose on account of the October 1972 benefits increase from $101.11 to $133.33. Veterans at the Newark hearing considered both sums inadequate because of the consistently high unemployment rate in the Newark metropolitan area, resulting in difficulties in locating part-time jobs, and a high cost of living in the city.

Far more veterans appear to be married than non-veteran students, and their financial obligations are commensurately greater. According to an American Council on Education research report—"The Vietnam-Era Veteran Enters College"—38.3% of the veteran students are married, while only 1.2% of non-veteran, first-time college students are.

C. Comparison with situation of World War II GI's

Compared with the World War II veteran, his counterpart today is receiving unequal treatment, both in terms of benefits and opportunities and in terms of public acceptance. "We only want what our fathers got," was a frequent veteran comment. After World War II, veterans had most tuition and fees paid directly by the federal government, a book allowance, some subsidized housing and a $75 month subsistence allowance; and they were eagerly sought after by educational institutions, both public and private. Today's GI Bill, increased in three stages, now gives the single veteran a base allowance of $220 a month, out of which must come his tuition, as well as money for rent, food, books, transportation and other basic necessities. Schools and colleges do little to adapt their procedures to the needs of veterans.

Under the World War II GI Bill, veterans could attend any approved institutions of higher education. Today they are effectively excluded from private colleges by high tuition costs, which are five times higher than those of the late 1940's. The average tuition charge at private colleges has risen from $396 to $1,902. After World War II, public colleges were encouraged to take veterans as a result of direct reimbursement from the federal government of what amounted to out-of-state tuition rates for instate veterans. Out-of-state tuition rates more truly recognize the actual or true costs of education to the states.

Those rates today are $2,000 or more in California, Ohio, Michigan and Pennsylvania—four of the states with large concentrations of veterans. In effect, the federal government has shifted a large bulk of the costs of education from itself to state and local government, and to the veteran. Until $25,000,000 for the Veterans Cost of Instruction Provision was released in June 1973, no federal funds went directly to colleges to support veterans education efforts other than a $4.00 per student processing fee, and the small Upward Bound for Veterans Program. Thus, the federal government no longer funds—through the GI Bill—the expansion of post-secondary education necessary to enroll additional veterans.

As a result. the veteran of the Vietnam era feels that his lot is directly related to the unpopularity of the war and the divisions and debates engendered by it.

As pointed out at the Seattle hearing by Dr. Charles Odegaard, President of the University of Washington:

"Soldiers from Vietnam were not universally conscripted as they were during World War II; more were chosen from among men who could not go to college and who were not granted deferments. Not surprisingly, then, veterans from Vietnam include more financially disadvantaged men and more minorities than previous veteran groups, at least in recent history. Predictably, these men are going to have unusual, indeed unique problems. They are not going to be as well prepared for college, so that they will require more and specialized attention to get through college and to enter graduate or professional study. They are going to be difficult to place in jobs; and more than previous veteran groups they are going to find reentering civilian life an emotionally difficult and traumatic experience. Unless these men are given special help, the original inequity which encouraged the drafting of poorer and less well educated individuals will be magnified by the fact that those who were less equipped to support themselves when they were drafted come back as veterans to compete in the job market with men who have had two more years of education and training. At the same time they have to face a less receptive and unfriendly environment than their predecessors."

At the Seattle hearing, the Director of the VA regional office took issue with the World War II "discrepancy" argument, submitting a chart showing differences in costs and allowances in constant dollars. The VA chart did not refute the testimony of veterans, who offered their budgets and cost figures and compared them to what was available to the World War II GI Bill-enrolled veterans.

One veteran, William Albinger, Jr., wrote to the Evening Star in Washington, D.C., after reading about these hearings: His feelings were similar to those of many other veterans:

"After receiving the Grateful Nation speech in Cam Ranh Bay, I got on the plane to return to the United States and resume my law studies. I was surprised to return to a place that was practicing cut-rate government. Like in so many other ways, the hidden costs of the war were being foisted off on those who lacked the votes, organization, or money to have political clout—the returning veterans. . . . I wonder how the hell guys who were shot up make it through. What made the situation particularly galling was that at least 50 percent of the people I encountered (fellow students, faculty members, friends of my family) all thought I was receiving the same benefits my father and his generation received."

Because of the continuing controversy about the relative benefits given World War II and today's veterans, the Committee staff undertook its own analysis of the available data.

The VA chart used in Seattle, which is similar to other such presentations, lumps together the charges at two- and four-year public colleges. Four-year public college tuition has climbed so that the average charge is now $609 in the 12 states with 60% of veteran population. The point is that today's veteran in many states, unlike his World War II predecessor, has been hard pressed to command four-year college or graduate education at public colleges, and is priced out of private colleges completely. The latest of three increases since the GI Bill was reenacted in 1966 (at a level lower than the Korean War benefits) has come the closest to giving today's veteran subsistence monies equivalent to those the World War II veteran received.

The veteran, in the cities where we held hearings, trying to attend four-year public colleges received the following benefits after paying for tution and books:

MONTHLY LIVING FUNDS AFTER PAYMENT OF TUITION

	Academic year		
	1969–70	1971–72	1972–73
Rutgers University	$51.33	$101.11	$133.33
Cleveland State	68.33	84.44	129.44
University of Washington	74.55	106.11	143.44

The GI Bill carried benefits before tuition payments, of:

June 1969, $130 per month.
June 1971, $175 per month.
October 1972, $220 per month.

The value of $75 in subsistence (received by World War II vets) in current dollars:

1969, $114.
1970, $121.
1971, $126.
1972, $131.
June 1973, $138.

As noted above, the October 1972 increase in the GI Bill came the closest to giving the veteran a sum equivalent to the $75 a month subsistence of a single veteran after World War II. However, the strict dollar conversion of the $75 in today's dollar seems to overestimate the buying power today's veterans' benefits represent in many states. The World War II veteran had subsidized housing in many instances. The familiar quonset hut was frequently mentioned during the hearings. The colleges and employers adapted their procedures to student veterans. Today's veteran has no such benefits.

But, more importantly, when the GI Bill is compared to the percent of average monthly earnings, as the VA did, in testimony to the Senate Veterans Affairs Committee, then the difficulties of the Vietnam-era veteran become readily apparent. The GI Bill was never intended as a full scholarship; however, it was designed to give the veteran a fair chance at working his way through school. The World War II GI Bill did this by giving the veteran with no dependents 35.4% of the average monthly earnings; the veteran with one dependent, 49.5%; and the veteran with two dependents, 56.6%. Today's veteran with no dependents, after paying the average tuition at all two- and four-year public colleges, is left with 26.4% of average monthly earnings; with one dependent, 33.1%; and with two dependents, 38.9%. The veteran who attempts to attend four-year public colleges in major states ends up with 22.4%; 29.0%; and 35.0%, respectively. What this means is that the Vietnam-era veteran has to have alternative sources of income, particularly part-time and summer jobs that bring in substantially more than the World War II veteran needed. Given the high cost of living in cities and the difficulties in finding part-time jobs of the last several years, the demands of the veteran for equal treatment become justifiable.

COMPARISON OF U.S. AVERAGE MONTHLY EARNINGS TO GI BILL BENEFITS

Date	Average monthly earnings	No dependents: Monthly payment	No dependents: Percent of average monthly earnings	1 dependent: Monthly payment	1 dependent: Percent of average monthly earnings	2 dependents: Monthly payment	2 dependents: Percent of average monthly earnings
1948	$212	$75	35.4	$105	49.5	$120	56.6
May 1973: After payment of average tuition and book costs at all public colleges	614	163	26.4	204	33.1	241	38.9
May 1973: After payment of average tuition and book costs at major 4-year public colleges	617	138	22.4	179	29.0	216	35.0

D. Unemployment

Employment of any kind is the major concern of veterans. To use the GI Bill, most veterans (without outside financial help) must have either a full- or part-time job. Many veterans found they had to get a job and get reoriented to civilian life before they could make the decision to return to school. Yet in many cases, the jobs they thought they were qualified for because of their service were unavailable. In the cities, where most vets are concentrated, jobs are difficult to obtain. Where it has been used for veterans, the EEA Public Employment Program has helped some. But under the President's budget, that program is scheduled for termination; and even those jobs will no longer be available. The college work-study program has not helped the veteran enough, primarily because of funding levels and demands on it by non-veterans. In fact, testimony was presented that veterans were largely excluded from the HEW work-study program because of inclusion of their GI Bill income in determining their economic status.

Unemployment among Vietnam veterans aged 20–24 has remained consistently high, and the figures for the first quarter of 1973 were 11.0% for veterans, versus 7.3% for non-veterans (not seasonally adjusted) in that age bracket. The seasonally adjusted figures were 9.2% for veterans 7.0% for non-veterans. Testimony was heard repeatedly at the hearings that the Vietnam veteran was caught in a vicious cycle because he lacks the education and training to obtain a job. Yet without a job to supplement his inadequate GI Bill benefits, he cannot obtain the education and training.

Both veterans and college officials agreed that the greatest need was for an assistance package that combined an assured part-time job with GI Bill educational benefits. One veteran testified at the Newark hearing that in his search for a job (which he needed to be able to make it under the GI Bill), it was only after he threatened to call his Congressman that he finally secured employment. Part-time employment did not yield enough income, so he carries both a full course of study *and* a full-time job.

Veteran witnesses told of giving up on using the GI Bill after fruitless searches for part-time jobs. While the state employment services came in for much criticism, the problem is that many employers do not list with the service, and usually only full-time jobs are available. Obviously, the employment service has a difficult time in supplying jobs in a time of high unemployment, like that beginning in 1970.

E. Bureaucracy

Many of today's veterans feel that the whole system of assistance—the VA, the governmental bureaucracy and the traditional veterans organizations—is neither sympathetic to their needs nor representative of their era of service.

While the VA, the employment service, the American Legion, the Veterans of Foreign Wars and others have made important efforts to use Vietnam veterans in their programs, they have had great difficulties in getting veterans to accept those efforts at face value.

One veteran at the Newark hearing summed up the feeling of many about bureaucracy:

"America needs to gamble on the potential of this generation of veterans to at least the same degree as it did on the World War II generation. Instead, with its tradition of diversity, American society can only offer benefits to Vietnam-era veterans through increasingly narrow channels, developed over 25 years ago and administered with decreasing flexibility, under tons of regulations and overregulation, by people who it seems have forgotten the gamble society took on them.

* * * * *

"Efforts on behalf of Vietnam-era veterans should be more in humanistic terms rather than the present national and economic crisis terms. A greater number of Vietnam-era veterans should be involved in the development and running of efforts on behalf of veterans, not just token representation, or a Vietnam-era veteran with a title, for display purposes, with no authority or responsibility. Programs are designed and implemented on a 'Daddy knows what's best for you' philosophy, and when they fall short or fail, the reason is always 'you don't really know what's best for yourself.'"

At the Cleveland hearing, an advertising executive (himself a Korean War veteran) noted that the problem seemed to be one of communication, and cited the many forms and brochures with their governmental jargon—and then asked, "How can you expect to relate to today's alienated vet with this sort of stuff?"

At the Seattle hearing, a veteran of World War I, representing the combined charter veterans organization, offered this comment to the Vietnam vets: "I know what it is to be frustrated by bureaucracy." However, he urged vets to "approach it on the basis of negotiation rather than abuse." He suggested that the charter veterans organization's tactic of "constantly watching and constantly checking up" was a good one, and was a lobbying effort worth emulating.

Also in Seattle, a Vietnam veteran—one of the few to be elected to a state legislature—testified that this era of vets needs a lobby of its own. He urged the election of more Vietnam veterans to public office, and suggested that they organize themselves more effectively. He cited the fact that there are no Vietnam veterans in Congress today, and said that in contrast, 1946 saw newly elected vets—such as John F. Kennedy and Richard M. Nixon.

Many vets in the hearings noted the absence of young veterans in outreach roles and in responsible positions in regional offices. They felt the need for Vietnam veterans to have a major influence in the development of national policies, as well as at the local level, on their behalf.

Another major thrust of the veterans was for local organizations that were veteran-run and veteran-influenced. Satisfaction was expressed with the third-party contracts that bring federal money in to support city-sponsored and controlled agencies. The difficulties of federal regional agencies, such as the VA regional office, that were pointed out included their inability to involve the local public and private non-profit agencies and important men and women who could contribute to programs for veterans. From the testimony given at the hearings, it was evident that there was a great deal of good will that could be channeled to Vietnam veterans; yet the lack of operable mechanisms, such as the citizen committees that were formed in Seattle, prevented assistance from reaching many veterans through existing public and private agencies.

Testimony was given at the Cleveland hearing on the tremendous value of the recent Upward Bound for Veterans projects funded by HEW in 1972. Former astronaut Neil Armstrong, now a professor at the University of Cincinnati, detailed how such a project is working there. Similarly, officials at Cuyahoga Community College told how they have set up successful outreach, counseling, remedial education and assistance efforts with such a grant. These, and projects such as College Discovery, run at Fort Dix by Montclair State College (and detailed at the Newark hearing), show the advantages of federal funds going to locally run "vets helping vets" projects.

Tom Tharpe, a product of College Discovery, testified at the Newark hearing, "When I was in high school, I was told I wasn't college material. Then in the service I discovered College Discovery. They counseled me and got me into college, where I have a 3.2 average." Mr. Tharpe will graduate soon from Brooklyn College with a degree in mathematics.

Ralph Munro, Special Assistant to Governor Daniel Evans, suggested that the principle of special revenue sharing be applied to veterans. He felt that if the state had the financing to tackle veterans problems, it could go a long way toward solving them. Unfortunately, the Emergency Employment Act program, with which the state had launched a major veterans program, assigning veterans to each community college in the state, may run out shortly. Munro suggested that a special revenue sharing program for veterans could solve the problem.

Delays in the receipt of GI Bill benefits have been particularly harmful to Vietnam veterans attempting to stay in college. The fact that checks are late in arriving makes it hard for counselors to persuade veterans to return to school. In fact, many men in school have had to drop out because of late receipt of their checks. The President's

Committee on the Vietnam Veteran pointed out in its 1969 report that low participation in the GI Bill was related to these delayed payments. The report said:

"The effect of this after-the-fact method of payment can be to discourage program participation by the veteran who cannot afford the initial outlay required by most schools for prepayment of fees, tuition, books, and the necessary money for subsistence for himself and his family until the first payment is received. The intent of the program is thus jeopardized."

While the advance payment provision of the 1972 GI Bill is designed to correct this, many veterans at the hearings expressed skepticism, as long as the system depends on computers. However, the new system developed as a result of combined administration and Congressional initiatives, should alleviate the very major problem of payment delays. It appears from discussions with the Veterans Administration officials that taking a veteran's file out of the system to find out why delays are involved may in its own right slow down the processing of his claim. Obviously, the computer is only as good as the paper that is fed into it; and the current system, with its potential delays—by the veteran, by the college and by the Veterans Administration—works a serious hardship on individuals.

F. Geographical differences in GI bill effectiveness

The programs of assistance which are designed to supplement the GI Bill are not uniformly available to veterans. The GI Bill itself is used to widely varying degrees in different states. Some states have bonuses and free public tuition. Some schools have federally funded veterans assistance efforts. Some local areas have outreach programs. Some areas have available jobs. But nothing, not even the GI Bill itself, is uniform in its effectiveness.

The effectiveness of the GI Bill depends on which state a veteran returns to. California has the nation's most extensive public college system. Community colleges and a state college system with a 200,000-student enrollment are available at low tuition rates.

A California student veteran pays $140 of his GI Bill benefits for tuition at a state college, while a New Jersey veteran pays $630 and an Ohio veteran $700. (Because the present program no longer takes into account variations in tuition costs, equal military service no longer means equal readjustment opportunities, as it did under the World War II GI Bill.)

The National Association of Collegiate Veterans submitted a report that it had prepared, entitled *The Vietnam-Era GI Bill—Equal Military Service—Unequal Readjustment Opportunities*. Unfortunately, NACVI President James Mayer was unable to come to Cleveland and testify. However, the substance of the report shows that per capita payments to individual veterans vary greatly from state to state. California leads the major states, with its veterans able to use over $1230 in GI Bill benefits on a per capita basis during the five years from fiscal 1968 to fiscal 1972. New Jersey and Ohio veterans used slightly more than half as many dollars in GI Bill benefits.

The NACVI report cites the difference in how California veterans were able to make use of the benefits in contrast with New York veterans. In fiscal 1972, Californians used $302,000,000 in benefits, while New Yorkers used $99,000,000. These two states ordinarily get nearly equal shares under most federal programs; however, between fiscal 1968 and fiscal 1972, California veterans used more than $565,000,000 more than New York veterans in GI Bill benefits. This is largely a reflection of the mix of the state's postsecondary education system and the lower levels of tuition in California. With few private colleges, a heavily subsidized state system, and a community college system three times as large as New York's, the California veteran had much easier access to the GI Bill than did the New York veteran. It should be noted that California veterans take no money away from New York veterans when they use the GI Bill to the extent they do, for the GI Bill contains a unique commitment by Congress to make more money available as more veterans decide to use the benefits.

The attached chart shows the great disparities among states in the usage of the GI Bill. In a per capita basis (to show the relation of GI Bill payments to the number of veterans on a state-by-state basis), annual educational benefits go from a high of $469 for veterans in North Dakota to a low of $174 for veterans in Virginia. As for the utility of the GI Bill for college or junior college education, 35% of California's veterans use it, while less than 14% of Indiana's veterans do so.

This points up the inherent inequality in the practical limits on the way the GI Bill can be used by veterans in various states. Further variances among veterans with diferent economic and social backgrounds were testified to at the hearings. However, no definitive national statistics exist on this point.

IMPACT OF VIETNAM-ERA GI BILL

	Payments per 10,000 Vietnam-era vets	Vietnam-era vet population (November 1972)	Total GI bill payments fiscal year 1972	Percent ever in college under GI bill
1 North Dakota	$4,690,000	15,000	$7,040,000	34.4
2 New Mexico	4,550,009	31,000	14,120,000	29.7
3 Arizona	4,500,000	61,000	27,440,000	32.2
4 South Dakota	4,210,000	15,000	6,320,000	27.2
5 California	4,170,000	725,000	302,180,000	35.3
6 Out of Country	3,900,000	71,000	27,690,000	16.4
7 Utah	3,880,000	38,000	14,750,000	28.2
8 Colorado	3,810,000	81,000	30,860,000	26.6
9 Alabama	3,690,000	90,000	33,240,000	20.8
10 Hawaii	3,670,000	28,000	10,280,000	26.7
11 Oklahoma	3,670,000	87,000	31,950,000	25.5
12 Washington	3,450,000	136,000	46,890,000	27.8
13 Florida	3,410,000	213,000	72,590,000	25.4
14 Oregon	3,390,000	77,000	26,140,000	29.2
15 Louisiana	3,370,000	94,000	31,700,000	20.0
16 Idaho	3,350,000	21,000	7,040,000	28.8
17 Texas	3,320,000	342,000	113,680,000	24.3
18 Kansas	3,300,000	67,000	22,130,000	25.3
19 Tennessee	3,230,000	114,000	36,870,000	19.9
20 Montana	3,180,000	22,000	7,000,000	26.8
21 Arkansas	3,160,000	51,000	16,140,000	19.4
22 Georgia	3,040,000	147,000	44,730,000	16.6
23 South Carolina	2,990,000	77,000	23,000,000	17.2
24 North Carolina	2,970,000	136,000	40,360,000	20.1
25 Wyoming	2,960,000	11,000	3,260,000	27.3
26 Wisconsin	2,930,000	125,000	36,610,000	21.5
27 Minnesota	2,900,000	128,000	37,070,000	20.6
28 Mississippi	$2,870,000	45,000	$12,910,000	19.8
29 Iowa	2,820,000	79,000	22,300,000	19.1
30 Missouri	2,790,000	141,000	39,360,000	20.8
31 Nebraska	2,780,000	43,000	11,970,000	24.1
32 Rhode Island	2,730,000	33,000	9,020,000	19.2
33 Michigan	2,650,000	255,000	67,600,000	22.1
34 Illinois	2,550,000	309,000	78,940,000	20.5
35 Nevada	2,430,000	19,000	4,610,000	16.9
36 Kentucky	2,330,000	83,000	19,340,000	15.8
37 New Hampshire	2,310,000	26,000	6,010,000	17.0
38 Connecticut	2,300,000	91,000	20,890,000	19.1
39 Maine	2,280,000	29,000	6,620,000	17.0
40 Massachusetts	2,270,000	181,000	41,070,000	19.1
41 West Virginia	2,250,000	45,000	10,120,000	17.6
42 New York	2,160,000	461,000	99,730,000	20.3
43 Pennsylvania	2,160,000	344,000	74,160,000	16.1
44 Vermont	2,080,000	14,000	2,670,000	13.3
45 New Jersey	2,040,000	198,000	40,440,000	16.4
46 Delaware	2,020,000	19,000	3,840,000	18.2
47 Indiana	1,970 000	161,000	31,750,000	13.8
48 Maryland	1,940,000	133,000	25,860,000	20.2
49 Ohio	1,910,000	322,000	61,590,000	16.2
50 Alaska	1,800,000	12,000	2,160,000	15.4
51 Virginia	1,740,000	152,000	26,510,000	18.5
Total	[1] 2,960,000	6,220,000	1,806,540,000	[2] 23.4

[1] Average per 10,000 vets.

[2] Average.

Source: Vietnam-Era Veterans Population and College Participation Rate, Department of Veterans Benefits, Veterans Administration; payments by State, VA work sheet for Office of Management and Budget Report, Federal Outlays Bulletin of November 1973.

G. Federal responsibility

The President's Budget Message for FY 1974 says, "The primary responsibility for most [education and manpower training] activities, *other than those for veterans*, rests with state and local government. (emphasis added)" Yet for the shortcomings in federal funds—not only for the GI Bill, but for the Veterans Cost of Instruction Program, work-study, EEA, OEO and other programs needed by veterans—it is the states that are trying to deal with the gap. State and local governments have had to make up for the differences in today's GI Bill and that of World War II. Where they have not, veterans have been unable to use their opportunities. California, with its extensive public higher education system, has, in effect, created a universal scholarship program for all its citizens. Most states have not. As a result, the veteran who returns to California has a far better chance to effectively utilize GI Bill benefits.

The federal government's programs which have benefited veterans—such as the EEA and the Jobs for Veterans Program—and the National Alliance of Businessmen's veterans program have gone part way in reducing veterans unemployment and in creating opportunities. But with 250,000 veterans still unemployed, the federal government will have to assume a greater share of the burden. Where local veterans projects exist, each must persuade the city to allocate money for those veterans. The veterans themselves are largely unorganized and competing with established interest groups for available funds.

At all three of the hearings, testimony was given by members of the state legislature about proposed or existing cash bonuses for veterans or so-called State GI Bills granting educational benefits as add-ons to the federal GI Bill. A survey of all 50 states revealed an incredible amount of activity in this regard. The total amount of one-shot cash bonuses either passed or pending is more than a billion dollars, while the annual amount of total state education benefits is nearly half a billion dollars. These figures say a great deal about the inadequacy of the present GI Bill; and, while much of this state legislation will probably not become law, it is significant that so many public officials feel it is necessary

Ohio State Senator Anthony Calabrese put the case of state legislators for federal responsibility when he said, "The State doesn't have adequate resources to solve the (veterans) problem. The federal government alone has the power to declare and wage war; therefore, because the federal government is responsible for this war, it has responsibility for the veterans of this war."

At both the Newark and the Cleveland hearings, the American Servicemen's Union testified in favor of a flat $2500 bonus for Vietnam-era veterans—a figure representing the minimum average difference between civilian and military pay over the usual two-year military tour of service. The Committee tends to agree more with the testimony of the state legislators at the Cleveland and Seattle hearings, who argued that cash bonuses are an inappropriate way of structuring veterans benefits. Such benefits under the GI Bill are more appropriately related to the pursuit of education and training, and any cash payments should be made only for subsistence while enrolled in school.

Pending State Veterans Benefits. This is a chart showing present and pending Vietnam-era veterans benefit legislation by state. It is limited to either cash bonuses or educational benefits, such as tuition credits. It does not include the multitude of bills affecting POW's, MIA's or survivors and dependents of veterans. It also does not include the low or non-interest loan bills being considered by the states.

The estimated costs of the benefit levels are figured in the following way: Bonus payments are multiplied by the latest VA figures showing numbers of Vietnam-era veterans by state (figures do not include payments some states make to earlier veterans); tuition credit costs are figured by multiplying 75% of the number of veterans using the GI Bill to go to college (75% being the average number of students in state schools) by the average out-of-state tuition rate (as being close to the true cost of education to the state).

States not listed either do not have legislatures in session or do not have identifiable veterans legislation.

Sources: American Legion, VFW and Council of State Governments, May 1973.

State and legislation	Status	Provides	Estimated cost (millions) Annual payment	Estimated cost (millions) Total payment
Arizona:				
(1) Vet bonus	Committee	$500 maximum		$30.5
(2) Educ. benefit	Introduced	$50 cut/semester in tuition.	$1.5	
Arkansas: Educ. benefit	Committee	Free textbooks, full tuition, State schools.	6	
Colorado: Educ. benefit	Senate passed	$300 tuition, credit at State schools.	4.8	
Connecticut: Vet bonus	Passed	$300 maximum		27.3
Delaware:				
(1) Vet bonus	Passed	do		5
(2) Educ. benefit	Committee	Tuition, all schools	3.5	
Florida: Educ. benefit	do	Tuition credit	64.8	
Illinois:				
(1) Vet bonus	Passed	$100		31
(2) Educ. benefit	Committee	Tuition, State schools	61.7	
Indiana: Vet bonus	Passed	$200 Vietnam vets		5
Louisiana: Vet bonus	Committee	$500 maximum		28
Louisiana: Vet bonus	Passed	$250		23.5
Massachusetts:				
(1) Vet bonus	Passed	$300 maximum		54.3
(2) Educ. benefit	Pending	Tuition, State schools	18.2	
Michigan:				
(1) Vet bonus	Committee	$500 maximum		127.5
(2) Educ. benefit	do	Tuition, State schools	50	
Minnesota: (1) Vet bonus	do	$300 maximum		63
Missouri:				
(1) Vet bonus	do	$200 maximum		28.2
(2) Educ. benefit	do	66 percent reduced tuition, State schools.		
Montana:				
(1) Vets bonus	Introduced	$300 maximum		$6.6
(2) Educ. benefit	do	Tuition, State schools	$5.8	
New Hampshire: Vet bonus	Committee	$100 maximum		2.6
New Jersey: Educ. benefit	Passed House	$500 tuition credit	15	
New Mexico: Educ. benefit	Introduced	Tuition, State schools	3.2	
New York: Educ. benefit	do	do	84.6	
North Dakota: Vet bonus	Passed	$600 maximum		9
Ohio: Vet bonus	Conference	$500		225
Pennsylvania:				
(1) Educ. benefit	Introduced	$50/mo supplemental to GI bill.	25	
(2) Vet bonus	Passed	$750 maximum		256
Rhode Island: Vet bonus	Introduced	$350 maximum		9.9
South Dakota: Vet bonus	Passed	$500 maximum		7.5
Tennessee: Vet bonus	Not yet signed	$300 maximum		34.2
Texas: Educ. benefit	Committee	Tuition, State schools	85.7	
Vermont: Vet bonus	Passed	$120 maximum		1.7
Washington: Vet bonus	do	$250		34
West Virginia: Vet bonus	Conference	$400 maximum		40
Wisconsin: Educ. benefit	Committee	Tuition credit, all schools.	5.5	
Total bonuses amount (of which 454.3 passed)				1,049.8
Total annual education benefits				448.2

H. The military

The military itself has done far too little in the area of GI readjustment. Many psychiatrists and psychologists contend that no attempt at real readjustment counseling has been made. Given the nature of the war and the public reaction to it, these experts feel that lack of readjustment—and lack of any significant elapsed time between field service and homecoming—are the heart of the veteran problem.

Present veterans outreach efforts, conducted by nearly 30 different national public and private groups and agencies, would have been greatly simplified if the military had conducted a uniform and thorough program of information about, the encouragement to use, the GI Bill.

As it is, some GI's have benefited from demonstration projects, such as Fort Dix's College Discovery. But the vast majority returning from Vietnam have merely been told to be proud of their service and to convert their GI life insurance. They have then been released to confront an often hostile public and to deal with a complex system of sporadic and uneven assistance.

Testimony from Fort Dix officials at the Newark hearing and from the Commanding General of Fort Lewis at the Seattle hearing told of commendable pre-release programs at these installations. However, such efforts are not national in scope, and often depend on local unit commanders as to whether GI's can have proper counseling and remedial education available to them—especially on a "release time" basis.

Project Transition received roughly $17,000,000 a year in Labor Department funding for several years, and additional Department of Defense support, but each base commander had the option as to how deeply to get involved in Project Transition. However, the veteran coming back directly from Vietnam was in many cases discharged directly, without ever getting the chance to take advantage of a transition program. He was briefed at his point of discharge, which was often in California. This briefing was limited and usually given to a man whose attention was focused on his return to his family and loved ones. If the Army would begin to treat the veteran, from his first day, as someone whose future it was concerned with, the morale problem might be greatly improved, and the ability of the veteran to find post-service opportunities might also be substantially enhanced.

I. Discharges

The present system of awarding less-than-honorable discharges by administrative proceedings can be unfair in its application and can result and has resulted in unwarranted hardships. Testimony at the Cleveland hearing both by the co-author of the Nader Report on the Vietnam Veteran, a former Marine Corps lawyer, and by recipients of such discharges, gave ample indication of the problem. Congressman Louis Stokes also testified about many constituents who have been unduly penalized.

However, it appears that agreement of the type and means of reform will require much more investigation and research. Meanwhile, the results of the present system must be dealt with. The VA, as well as present military boards of review, have authority to deal with such cases, but have a record of delay, complexity and a demonstrated lack of leniency and understanding.

The VA, while it has a limited right to grant educational benefits to certain recipients of less-than-honorable discharges, has a 93% rejection rate of such applications. Given the hardship this imposes on the veterans involved—most of whom share common economic and social backgrounds—this seems shortsighted and harsh. Since a less-than-honorable discharge already imposes employment restrictions on the recipient, to deny him a chance for needed education shuts him completely off from society and from any means of readjustment and rehabilitation.

The process for discharge review is complex, costly and to a large extent unrewarding. The American Legion and American Red Cross (as well as other groups—provide valuable assistance for some veterans in this regard. However, the successes are limited, and many veterans are precluded from pursuing the matter if only because of the cost of travel involved.

If the problem of alienation, peer involvement and readjustment are to be met, it seems logical that veterans who are precluded from using the GI Bill must be given assistance and understanding. Otherwise, charges of discrimination, undue hardship and harassment will continue. The most outspoken and emotional parts of the public hearings concerned this one issue, indicating the need for more sensitivity on the part of the benefits system.

PART II—RECOMMENDATIONS

A. GI bill

If today's GI Bill is going to be truly adequate for Vietnam-era veterans, the experience of these hearings is that major changes must be made in the present GI Bill. As the President of the University of Washington put it, "Though the benefits are intended to be equally available, they are not equally accessible to all veterans."

Therefore, today's GI Bill must do two things:

1) It must make a reasonable tuition payment, so that more veterans can further their education without regard to state differences in education costs; and

2) It must provide a subsistence allowance equivalent (in terms of buying power) to that which was available to World War II veterans.

As presently constituted, the GI Bill is not equally available to veterans of differing economic means. This has implications that disturb many Vietnam-era veterans, college administrators and public officials. Further, the structure of the GI Bill limits its use by veterans in many states. Merely raising the present benefits will not attack the major problem—the GI Bill must be made more usable by more veterans, especially those who most need its education and training benefits. Only in this way will the GI Bill give those who were called to military service the same chance for advancement enjoyed by those who stayed home. If the GI Bill really represents this country's gratitude towards those who sacrificed their best time and efforts in behalf of their country in a difficult war and in a difficult time, then it must be uniformly available to all who want or need it.

Therefore, the educational benefits under the GI Bill must be made part of an assistance package to the veteran—a package which includes: a reasonable tuition payment which does not limit the veteran in applying to the school of his choice; a subsistence payment equivalent to that given the World War II veteran; loans; a part-time job for those who need it; counseling; and whatever remedial measures are necessary to enable the veteran to get full usage out of the GI Bill.

How can this be done? First, each veteran eligible for educational benefits should be given a voucher which constitutes at least 80% of tuition costs at instituions of higher learning of his choice. Both the VA and the educational institutions should work together on this system, so that the veteran is least impaired by paperwork, financial complexities, computer delays and timetables for payment.

This Committee initially recommended a tuition payment which would represent the average non-resident tuition at public colleges ($1200). However, as was pointed out at the Seattle hearing, college charges are such that such a strict payment formula would not allow veterans to enroll in many nearby private colleges that might exactly suit their needs. Also, it would disadvantage those veterans presently enrolled in low-tuition community colleges. An initial recommendation would have limited them to a subsistence allowance of $150 a month, which is less than they are presently getting.

To be a fair equivalent of the World War II GI Bill, close to full tuition at private colleges must be paid. College tuitions at private colleges have increased, on the average, five times from what they were in 1948—far exceeding the cost of living increase since that time.

Testimony by two college presidents at the Seattle hearing dwelt on the fact that the present GI Bill represents "a tilt towards public colleges," and this is neither wise nor fair. Dr. Odegard, President of the University of Washington, pointed out that some 30 states assist private colleges, while others do not, and that if a GI Bill is going to be "equally accessible," it will have to pay tuition and fees at both public and private colleges. The 80% maximum is consistent with the principle that the veteran make a significant contribution to his own education.

Besides the World War II system, a precedent of direct tuition payment is within the present GI Bill. Full tuition for disabled veterans is paid through the GI Bill. Adequate safeguards have been devised to protect the government against abuse when tuition is paid for the disabled veteran. These safeguards could easily be carried over to the regular veteran students.

The second element in restructuring the GI Bill is to contain a direct subsistence payment to the enrolled veteran. This figure should be the present $220-a-month base payment. This amount is the equivalent of the World War II GI Bill subsistence payment, in that the $75 a month paid then was 35.4% of the average monthly earnings reported by the Department of Labor. The latest average monthly earnings figure is $617, and an equivalent 35.4% of that is $220. Married veterans' payments are out of line with the corresponding World War II percentages, however, and payments for married veterans with two or more dependents especially should be brought into line.

Several witnesses at the hearings recommended a straight cost-of-living increase be applied to the World War II $75-a-month subsistence payment—yielding a base payment of about $150 a month. However, the percentage applied to the average monthly earnings figure more closely approximates the buying power available to veterans of World War II—especially when consideration is taken of the fact that the earlier bill covered cost of books and that colleges then made available low-cost veteran housing, frequently government surplus.

These two changes—the 80% tuition voucher and the base $220-a-month subsistence payment—would wipe out the disparities that exist in the usage of the present GI Bill. They would also enable veterans to consider enrolling in private colleges—something they are economically precluded from doing now. The following chart reflects this situation in comparison to that of the World War II era:

SAMPLE PRIVATE COLLEGE VETERAN ENROLLMENT

	1947-48			1971-72		
	Enrollment	Veterans	Percent veterans	Enrollment	Veterans	Percent veterans
Harvard University	5,600	3,326	59	6,073	89	1.5
Holy Cross University	1,079	989	87	2,379	13	.5
New York University	26,438	14,359	54	10,932	463	4.2
Northwestern University	21,128	9,941	47	9,372	90	1.0
Notre Dame University	4,200	3,587	85	6,439	108	1.7
Pepperdine University	4,431	2,299	52	4,641	639	13.8
St. Olaf	1,660	564	34	2,650	5	.2
Stanford University	15,800	7,011	44	18,000	291	1.6
Whittier College	1,249	507	41	1,815	66	3.6
Xavier University	3,163	1,715	54	2,918	175	6.0
Yale University	5,676	3,365	59	4,739	37	.8

SAMPLE PUBLIC COLLEGE VETERAN ENROLLMENT

	1948-49			1972-73		
	Enrollment	Veterans	Percent veterans	Enrollment	Veterans	Percent veterans
University of California	43,469	18,948	44	148,813	9,635	6.5
Ohio State University	23,929	12,146	51	49,943	3,516	7.0
Penn. State University	12,410	5,496	44	52,360	4,364	8.3
Purdue University	13,674	7,623	56	27,492	1,256	4.6
Rutgers University	9,088	4,290	47	38,060	3,729	9.8
University of Illinois System	25,920	11,880	46	57,536	4,427	7.7
University of Wisconsin	22,353	10,808	48	135,921	12,342	9.1

A further recommendation is to relax the present eight-year time limit for GI Bill eligibility. It was felt that this unnecessarily puts the veteran under the gun to take courses that will enable him to get through college as quickly as possible—without proper regard to field of study and relevant courses. If a veteran is going to college half-time, he literally must begin the day he is separated to complete his studies before his benefits run out. This seems an unwarranted restriction. It also prevents veterans from using, today, a program that, when enacted in 1966 at $100 a month, offered benefits $10 less a month than the Korean War GI Bill offered. The 1972 amendments gave veterans in many states, for the first time, a level of GI Bill benefits that was feasible for them to begin to use, even though these benefits remained far below those of World War II in terms of buying power. Indeed, the 1972 amendments passed by the Congress and signed by President Nixon enabled the veteran to come closer to parity with World War II benefits than he had ever been before.

A similar easing of the 36-month entitlement period—extending it to 48 months—is also recommended. This gives the veteran needed flexibility in changing courses, upgrading job skills and other aspects of education and training.

It is estimated that there would be a major increase in public dollar expenditures for veterans' education by such changes in the GI Bill. However, the GI Bill is a unique investment in individuals. It is proven; indeed, many think our post-war prosperity rests on the trained manpower that resulted from the $19 billion expenditure on the World War II and Korean War GI Bills. Some savings might be realized in the many federal, state and local programs which are now tapped by veterans because of present low GI Bill benefits. These range from welfare to food stamps, to social security benefits, to unemployment compensation, to education grants and loans, to other programs which have been funded to help veterans take advantage of the GI Bill. If benefits were adequate, veterans would not so often have to seek and use funds from these other social programs.

Secondly, a survey of activity in the 50 state legislatures reveals that more than a billion dolllars is currently either pending or available in Vietnam-era veterans' cash bonuses, and nearly $500 million in annual educational benefits costs is pending for veterans. This substantial fiscal activity is only planned because of the inadequacies of the federal GI Bill. Much of it will probably not become law, because of the unpopularity of the war, although earlier veterans received significant benefits in this fashion. The President's FY 1974 Budget Message stated that the federal government has primary responsibility for veterans' benefits and programs. Therefore, veterans should not be subject to the kind of disparities such non-uniform state efforts engender. Educational opportunity should be equally available for equally rendered national service.

More important than any fiscal impact of such GI Bill benefits changes is the effect of producing a fairer and more usable system of educational assistance.

Veterans who testified at the hearings resented the fact that they are compelled to act as charity cases in order to take advantage of the GI Bill. As veteran Walter Copeland said at the Newark hearing, "The legend is the Army builds men . . . what kind of man has to walk around begging people to help him?" Another veteran complained that the state of New Jersey houses its veterans affairs agency in the department that deals primarily with prisoners, mental patients, orphans and the handicapped—thereby confirming how the veteran is categorically viewed by the government. Vets at the Cleveland and Seattle hearings also complained of the complexities and the demeaning task of seeking aid from welfare, unemployment compensation, food stamps and other programs which were not primarily designed for use by veterans attempting to use their GI Bill benefits.

At the Cleveland hearings, Mr. Bernard B. Direnfeld, past National Commander of the Jewish War Veterans, testified, "The GI Bill for Vietnam veterans . . . as pertains to education . . . is grossly inadequate, and substantially less than the World War II veteran received. . . . It is my hope that Congress will be realistic in according today's returnees an allowance for living expenses and tuition that is in line with today's prices and requirements."

In a statement submitted to the hearing by student veterans from campus clubs associated with the National Association of Collegiate Veterans, the indictment of today's GI Bill was precise and characteristic of the bulk of veteran testimony:

"It is a tragic fact that the Vietnam-era GI, unlike his World War II counterpart, is almost totally at the mercy of factors out of his control—income; geography: higher education's finances—in utilizing today's very different GI Bill. The individual's motivation, initiative and need regrettably play a minor role. While many veterans are able to use it, others with equal service and equal qualifications cannot.

"The degree of educational opportunity available to today's veteran unfortunately depends on such things as what state he lives in; what city he lives in; the local unemployment rate; the extent of commitment of local and state leaders; the quality and structure of the educational system available to him; his economic and social background; the public attitude towards the war; and whether his area has been selected as the site for a limited number of federal demonstration assistance efforts."

B. Employment

Employment opportunities for veterans are a total necessity. In areas of high unemployment, the federal government should be the funding source, through public employment programs.

Given both the educational and economic background of the veterans who do not use their GI Bill benefits, a part-time job (at the very least) is their main concern, if they are to use the GI Bill. It has been demonstrated by many veterans at the hearings that the lack of such jobs, combined with the complexities of securing benefits and their unfamiliarity with higher education admissions procedures, has produced college enrollment rates among veterans that are way below reasonable expectations.

It is obvious to this Committee that a substantial work ingredient is an essential part of making the GI Bill more available and more usable to more Vietnam-era veterans.

Jobs for GI Bill-enrolled veterans should be a national priority. Even with the GI Bill changes recommended above, enrolled veterans will need *and should have* the necessary jobs to enable them to meet the high costs of furthering their education. *The veterans' needs must be viewed as a package.*

Under its present structure, the GI Bill largely precludes the poorer veterans from its benefits. The Bill must be changed so that all veterans have an equal opportunity to further their education by using its benefits. With the disproportionately high unemployment rates among veterans in the key 20–24 year age group, and the general paucity of adequate part-time jobs in most cities, this means that the government will have to take the lead.

At the Newark hearing, Mr. Benito Guzman, a Vietnam veteran who has worked with Spanish-speaking veterans, testified that he knew of several vets who became so frustrated in trying to find work to enable them to go to school that they gave up and re-enlisted in the Army. Veteran John Moss, at the Cleveland hearing, told how he was forced to drop out of college because he couldn't earn enough to meet costs, even with the GI Bill *and* a part-time job. Similarly, veteran Larry Parker, at the Cleveland hearing, said, "Either I can take care of my wife and son, or I can go to school—not both. Why should I have to make such a choice?"

After World War II, veterans studying under the GI Bill worked, depending on their economic circumstances, in a wide variety of part-time jobs. The jobs were there. Today the jobs are too often not there, and with more veterans in the low income category, the jobs are needed now more than ever.

There are five specific steps that can be taken to assure that GI Bill-enrolled veterans can have jobs available to them:

1. A public employment program should be continued and fully funded. Percentages of these public employment jobs suggested for Vietnam-era veterans should reflect the employment needs of veterans in each locality.

The Emergency Employment Act, in those cities, counties and states where it has been used to give jobs to veterans, has had two extremely valuable applications. First, because these jobs have been on a one-year basis, they have had natural application to veterans enrolled in school and college. This has been especially true where the job has been "split," so that two veterans share it—freeing each for full-time study.

Second, the EEA jobs have been used to hire veterans to recruit and counsel other veterans to use their GI Bill benefits. This type of peer outreach has been of key importance in dealing with the Vietnam-era veteran who generally feels that the system doesn't relate to him.

This precise point was made strongly by educator Dr. Murray Polner and Army psychiatrist Dr. Gordon Livingstone at the Newark hearing. Also, the VETS projects themselves in 10 cities (as well as similar outreach efforts) have had great success with this approach. Where the VA, employment service and American Legion have participated in the training of these peer recruiters and counselors, results have been even more substantial.

2. Not only EEA jobs, but also federal employment opportunities, should be made available to GI Bill-enrolled vets on a split-job basis.

At the Newark hearing, Co-Chairman Conte mentioned the President's Memorandum to Executive Agencies and Departments, urging the hiring of veterans and the use of this split-jobs-for-veterans approach. In subsequent follow-up with the Civil Service Commission and other government agencies, requested by veterans at the Newark hearing, it appeared that the split-job initiative had not produced substantial results.

Available federal jobs must be set aside and designated as available on a split-job basis for veterans enrolled under the GI Bill, in order to ensure results.

3. The college work-study program and the VA work-study provision of the GI Bill Amendments of 1972 should be adequately funded and expanded to meet the employment needs of GI Bill-enrolled veterans. In addition, the new Work-Study for Community Service Learning Program, contained in the Higher Education Act of 1972, should be funded. These programs should be fully coordinated with the GI Bill so that the question of whether a veteran can afford to use his educational benefits becomes moot. A job for those who need it should be part of his GI Bill benefits package. Federal work-study funds should be made available in sufficient quantities to areas with high unemployment

rates for the key veteran age group, perhaps through a separate GI Bill program.

The college work-study program, many veterans testified, is largely unavailable to them, since qualification for it is based on income, and colleges consider GI Bill benefits as income. One veteran complained that if the GI Bill benefits weren't considered as income for tax purposes, why should they be considered as income in the awarding of work-study jobs? He concluded that such a determination was just a bureaucratic way of limiting funds for the purpose. Veterans Cost of Instruction funds provide a significant source of jobs for student veterans, and it is urged that colleges use all these funds, rather than just the 50% required by statute, to aid veterans.

4. *All efforts* should be made to provide for the transferability of military training and skills to civilian use for full credit and qualification. There is no reason, for instance, why military driving licenses, and especially heavy equipment operators' permits, should not be acceptable and certifiable by the States. The Department of Labor should work with labor unions to see that military skills with civilian utility receive full recognition.

5. The President's Jobs for Veterans program, an interagency task force, has done a commendable job with a small staff and limited funds. Its advertising campaigns have brought an awareness to the public and to employers, and have probably contributed to the success that the National Alliance of Businessmen has had in placing several hundred thousand veterans in job opportunities. JFV should be allowed to continue its efforts among employers and communities as to the need to hire the vet. Job fairs should be expanded to include counseling and information on benefits and educational opportunities, so that the GI Bill-enrolled vet can have easy access to available jobs.

C. Discharges

As long as the present system of awarding less-than-honorable discharges through administrative (non-court martial) proceedings affect veterans, review, upgrading and benefits awards methods should be reformed. Discharge review should be available in each of the 10 federal regions, and should be by boards made up of not just military and VA personnel, but also Vietnam veterans' representatives, local leaders and service organizations. In addition, the VA must be more lenient in administratively granting educational benefits to recipients of less-than-fully-honorable discharges.

The practice of coding DD–214 separation papers so that employers know whether a veteran is reenlistable (due to drug use or other reasons) should be stopped. Such a red flag, representing a judgment that may be arbitrary or questionable (or related to a situation since corrected), is merely a further stigma to a veteran seeking employment. The reenlistment code was not intended for use by employers as a means of judging an applicant's qualifications, but that is what is happening.

Congressman Louis Stokes and Raymond Bonner, a former Marine captain and a lawyer with considerable experience with veterans who have less-than-honorable discharges, both testified in Cleveland as to the ills of the present system. They added considerable weight to the testimony of several veterans who have suffered under the stigma of such discharges.

Veterans' testimony in Cleveland confirmed that even with the notable help of the American Legion and the American Red Cross, upgrading of discharges is virtually impossible—the more so because review takes place only in Washington, D.C., before a board representing only the military.

The cries of anguish from veterans with less-than-honorable discharges who try to get a job or education were shrill. One veteran at the Cleveland hearing said the system was driving these veterans to violence and crime. "He doesn't want to do this," he said. "It's what you are forcing him to do."

The appropriate Congressional committees would make a large contribution by undertaking an intensive review of the processes used for granting less-than-fully-honorable discharges during the Vietnam War. Recommendations for the reform of those discharges deserving of it and for a system to aid veterans who might otherwise fall into a vicious circle of problems would also be evaluated.

D. Communication

To ensure that no veteran neglects his benefits and rights merely because of poor communication, the federal government should fully fund an effort to reach and convince veterans to use the GI Bill—using the best marketing, advertising and communications techniques, like those employed in the campaign to recruit volunteers for the Armed Services. These tools of communications should be available not only for VA and employment service use, but for the coordinated use of all the nearly 30 private groups and agencies involved with veteran outreach and counseling across the country.

Where necessary, explanatory materials should be printed in Spanish or otherwise adapted, so that benefits are clear and easily utilized.

Mr. George Sapin, a vice president of the advertising firm of Meldrum & Fewsmith, testified at the Cleveland hearing (as a professional communicator) that the government's effort to reach and inform returning GI's of their rights and benefits had the appearance of "non-communication." He suggested that if the same kind of expertise went into an effort for veterans as presently goes into the drive to recruit volunteers for the Armed Forces, many more veterans would at least try to use the GI Bill.

The complexities and bureaucrat-ese embedded in the whole system of veterans assistance (from the VA to employment service to other government efforts) were cited repeatedly by veterans at the hearings. Veteran Larry Parker, at the Cleveland hearing, as well as veteran Bob Penn, who sat as a panelist, cited the callous, bureaucratic treatment veterans receive. They suggested that the speedy, personalized, no-expense-spared treatment accorded men entering the service is typical of how the government feels about them—"Get us in, do the job and then forget us."

Mr. Raul Vega, testifying at the Cleveland hearing, said the problem of non-communication is much more severe for Spanish-speaking veterans. The Senate Veterans Affairs Committee Report reported testimony that only one Puerto Rican veteran was working as a VA counselor in New York City.

It is apparent that much of the effort to inform veterans of benefits and procedures is through direct mail—a project largely ignored and discounted by today's veteran. One veteran at the Newark hearing told of receiving 45 separate pieces of such mail—benefits information, form welcome home letters from organizations, sales pitches and the like.

Shortly after the Cleveland hearing, the United Press carried a story on the reaction of Ohio veterans to direct mail:

"DISCHARGED VETERANS LEAVE CHECKS UNCASHED

"COLUMBUS, OHIO, April 11—An Air National Guardsman mailed $1 checks to 50 recently discharged servicemen last month. So far only one check has been cashed.

"M. Sgt. Charles Dowdy said he sent the checks out of personal curiosity to find out if men fresh out of the service read their mail. The envelopes also contained recruiting information and personal letters. Dowdy said yesterday one check has been cashed, two were sent back because of changed addresses and one was returned with a 'No thanks.'

"He believes the other 46 were thrown away as junk mail."

The complex legal jargon used in pamphlets and brochures is further proof to many veterans that the system cannot and will not relate to them. Changing that jargon and widely distributing information through television and radio would be a distinct signal to the veteran.

E. In-service programs

The military should make a special effort for those 350,000 to 400,000 men who will continue to be released annually. Readjustment programs and pre-release remedial education efforts should be expanded and made uniformly available. Unit commanders should be required to allow participating GI's to utilize such programs during duty hours. Every effort should be made to provide for and encourage GI Bill enrollment before separation.

Testimony was given at the Newark hearing by officials and GI's involved in Fort Dix's College Discovery program. This project, a PREP program funded through the 1970 GI Bill Amendments, is an excellent and effective attempt to offer and deliver college preparatory instruction to GI's.

The main ingredient in such programs is release time from military duties to attend remedial courses. Several veterans testified that their unit commanders would not grant this, while others received it. This is a local commander option. It illustrates the necessity that in-service education be stressed by the Department of Defense, so that local commanders will encourage their men to use the opportunities.

It makes good sense to have released GI's be "satisfied products," especially if the Armed Services are going to depend exclusively on enlistments. Efforts to help the educationally disadvantaged should be made while the GI is still in the service. Similarly, programs to help him readjust and use his benefits should be directed at the pre-released GI, and coordinated with local institutions of higher education. The varied program in effect at Fort Lewis, described by Major General Fulton at the Seattle hearing, could serve as a model for many bases.

F. Veterans' Administration

A review commission, similar to that appointed after World War II, should be established to study and recommend reform of veterans benefits and benefits procedures. Congressman Peter Rodino, Chairman of the House Judiciary Committee, stated at the Newark hearing:

"It is time to call for a new national Commission on Veterans Affairs to conduct a careful examination of the kind of treatment our veterans can reasonably expect from this society and how we are delivering on that expectation. My colleague, Congressman Joseph Minish, and I recommend that such a commission be established by the Congress, with carefully balanced representation from major segments of the society, and not simply the education community and business who were the only groups represented in President's Eisenhower's Commission. We recommend that such a Commission have substantial representation from traditional veterans service organizations, representatives of all major groups of veterans, including Vietnam-era veterans, as well as the education, business and the religious communities. The Commission would consider all aspects of benefits, reemployment rights, pensions and compensations. It would examine the $12 billion budget of the Veterans Administration, as well as the substantial funds expended by other Federal and state agencies for services and evaluate the quality of support and service that those Federal dollars bring to today's veterans."

Many other witnesses—veterans, academic leaders and others—endorsed this proposal and urged that it be enacted immediately, so that any results could be of timely help to today's veterans.

G. Support programs

In addition to the work-study programs previously mentioned, there are a number of other programs which, if fully funded, could measurably improve educational opportunities for Vietnam-era veterans. Chief among these is the Veterans Cost of Instruction Provision of the Higher Education Act of 1972.

This provision authorizes a $300 payment per enrolled veteran to educational institutions showing a 10% increase in veterans for the purpose of conducting outreach and remedial education. After a prolonged Congressional struggle, and legal action brought by the National Association of Collegiate Veterans, $25 million in appropriated funds was finally obligated. However, due to the low funding level, a payment of only $55 per veteran was actually made. If this program is really going to give incentives to higher education institutions to seek out the veteran and help him further his education, the full authorized funding will be needed.

The rationale behind the Veterans Cost of Instruction program, as originally enacted, was to provide colleges and junior colleges with federal funds to undertake efforts on behalf of the Vietnam-era veteran. Unlike under the World War II GI Bill, whereby money passed through the hands of the colleges, no more than a $4.00 payment is made directly to the colleges through the GI Bill. With the funds, which, in the case of public colleges, covered the equivalent of out-of-state tuition rates for in-state veterans, colleges and junior colleges were able to develop administrative structures to deal with the problems of the World War II veteran. Although there was a change-over to a direct tuition payment to the veteran under the Korean War GI Bill, those administrative structures remained in place throughout the Korean era—but went out of existence in the period subsequent thereto. The Veterans Cost of Instruction funds would give colleges which increase their enrollment of veterans the direct funding needed to undertake veterans outreach and counseling programs and offer special courses.

The point was made at the Seattle hearing that schools with large enrollments of veterans may be unable to meet the 10% increase requirement, because of past activities which have been successful, and because of the dropoff in the numbers of veterans. The Committee would suggest that a longer base period be considered in determining eligibility under the increase requirement, and that the dropoff in the numbers of veterans be recognized.

As noted in the findings, the Committee recognizes the value of the Upward Bound for Veterans projects now operating at 67 colleges. This most worthwhile program, which is being continued, should be expanded, for while many veterans benefit from its counseling and remedial education, many more do not—just because a college in their area may not have received such funds. Between this program and the Veterans Cost of Instruction Provision, such efforts should reach *all* veterans.

As one young veteran, who is in college because of such a program, testified at Seattle, "Every veteran should have the same opportunity."

Another key support program can be Veterans Administration funding of non-federal agencies to aid veterans through contracts. The Senate Veterans Affairs Committee Report of July 1972 recognized the need for such outreach activities, but there has been no significant support of such agencies by the Veterans Administration. There are nearly 30 national groups and agencies (both public and private) conducting veterans outreach, counseling and assistance programs. Given the fact that the workload of the VA is increasing concurrent with administrative funds and personnel cuts, such outside activity is essential.

In Seattle, for instance, the regional office of the VA reported a 10% increase in benefits workload and an 8% reduction in personnel. Agencies such as SeaVac perform a function that would be impossible for the VA itself within existing funding. Such groups now funded by OEO, the Department of Labor, HEW and many private foundations should be supported and coordinated by the VA. Third-party contracts are the best way to do this.

All these support-type programs are part of the total package that must be available and fully funded at the federal level if today's veterans are to really receive the intended benefits of the GI Bill.

CONCLUSION

This public hearing process, which produced this report, brought forward much new information on the problems of the Vietnam veteran. Obviously, much has been done on his behalf, and those efforts should not be underestimated. But there remains much more to do. The personal testimony taken at the hearings clearly pointed up the gap between present education and job opportunities and those available to veterans of World War II. This gap merely serves to reinforce the belief of today's veteran that he fought an unpopular war and must deal with public apathy about his future.

The trend to merely increase the GI Bill benefits in stages has not dealt with the basic problem that many veterans simply cannot afford to use the GI Bill.

The federal government and the Congress must show decisive leadership in rectifying the situation and in supporting and encouraging state and local efforts to make benefits and opportunities equally available to *all* veterans. The fact that the United States' involvement in the Vietnam conflict has ended should not make this effort any less necessary or pressing.

PUBLIC HEARING ON THE PROBLEMS OF VIETNAM-ERA VETERANS, NEWARK, N.J., OCTOBER 25, 1972

PANEL

Mayor Kenneth A. Gibson.

U.S. Representative Silvio O. Conte (R.-Mass.).

U.S. Representative Henry Helstoski (D.-N.J.).

Msgr. Thomas Fahy, President, Seton Hall University.

Mr. Mark Hanson, National Council of Churches.

Mr. Joel Jacobson, United Auto Workers, Region 9.

Mr. Austin Kerby, National Headquarters, American Legion.

Mr. Robert Penn, Vietnam veteran; Commissioner of Parks, Buffalo, New York.

Mr. Robert Kleinert, President, N.J. Bell Telephone Co.

Dr. Nathan Weiss, President, Newark State College.

Mr. Angel Rodriguez, Newark VETS Project Director.

WITNESSES (IN ORDER OF APPEARANCE)

U.S. Senator Clifford P. Case (R.-N.J.).**

U.S. Representative Joseph G. Minnish (D.-N.J.).**

Rev. Philip E. Kunz, N.J. Council of Churches.**

Dr. Murray Polner, author of "No Victory Parades."

Mr. Walter Myer, Vietnam-era veteran.*

Mr. Benito Guzman, Vietnam-era veteran.

Mr. Walter Copeland, Vietnam-era veteran.

Mr. Jack McMahon, Vietnam-era veteran.

N.J. Assemblyman William H. Hamilton, Jr., Middlesex County.*

Dr. James Smith, clinical psychologist, N.Y.C.

Dr. Gordon Livingston, psychiatrist, Columbia, Md.

Mr. Otilio Mighty, N.Y.C. Urban League.

U.S. Representative Peter Rodino (D.-N.J.).*

Mr. Alan Leder, Vietnam-era veteran.

Mr. Emilio Mola, Vietnam-era veteran.

Mr. James Pizzaro, Vietnam-era veteran.

Mr. Neil Clarke, Vietnam-era veteran.

Mr. Thomas Giddings, Project College Discovery, Ft. Dix.

Ms. Barbara Barnes, Project College Discovery, Ft. Dix.

Sp3 Dan Keyes, Ft. Dix, N.J.

PFC Jose Nieves, Ft. Dix, N.J.

Sp3 Thomas Tharpe, Ft. Dix, N.J.

Mr. George G. King, Montclair State College.

Mr. Cody Barrett, N.J. State Employment Service.

Mr. Ralph Geller, N.J. State Employment Service.

Mr. Frank Donovan, Vietnam-era veteran.

Mr. Ken O'Brien, Vietnam-era veteran.

Mr. Kenneth C. McCarthy, disabled veteran.

Mr. John Hagan, Director, VA Regional Office, Newark.

Mr. Hakim Abdullah, American Servicemens Union.

Mr. Raul Morales, American Servicemens Union.

Mr. William Vincenti, Rutgers Newark.*

Mr. John Rowan, Vietnam Veterans Against the War.

Mr. Skip Delano, Vietnam Veterans Against the War.

Mr. Robert Sniffen, National Association of Collegiate Veterans.

Mr. Fabio Frank, Vietnam Veterans Against the War.

FOOTNOTES

* Also submitted written statement.

** Submitted written statement only.

PUBLIC HEARING ON THE PROBLEMS OF VIETNAM-ERA VETERANS, CLEVELAND, OHIO, MARCH 9, 1973

PANEL

Mayor Ralph J. Perk.

U.S. Representative Silvio O. Conte (R.-Mass.)

Mr. Austin Kerby, National Headquarters, American Legion.

Mr. Robert Penn, Vietnam veteran; Commissioner of Parks, Buffalo, New York.

Mr. Lester W. Dettman, Regional Vice President, General Electric.

Mr. John Rosel, Cleveland Federation of Labor.

Mr. James Gillam, Cleveland VETS Project Director.

WITNESSES

U.S. Senator Robert A. Taft (R.-Ohio).**

U.S. Senator William Saxbe (R.-Ohio).**

U.S. Representative Charles Vanik (D.-Ohio).**

Professor Neil Armstrong, former astronaut.

U.S. Representative William Minshall (R.-Ohio).*

U.S. Representative William Keating (R.-Ohio).

U.S. Representative Louis Stokes (D.-Ohio).*

Mr. Greg Penn, Vietnam veteran.

Mr. James Vocaire, Vietnam veteran.

Mr. Robert Swift, Vietnam veteran.

Mr. William Cade, World War II veteran.

U.S. Representative James Stanton (D.-Ohio).

Mr. Larry Holmes, American Servicemens Union.

Mr. Welton Chappell, Vietnam veteran.

Mr. Thrice Polk, Vietnam veteran.

Mr. Donald Clayton, Vietnam veteran.

Mr. John Moss, Vietnam veteran.

Mr. Paul Schumacher, Vietnam veteran.

Mr. Ron Johnson, Vietnam veteran.

Mr. Bill Schumacher, Vietnam veteran.

Mr. Billy Jones, Vietnam veteran.

Ms. Nicolette McClure, veteran.

Ms. Hunter, mother of Vietnam veteran.

Capt. Ray Bonner, Vietnam veteran.*

State Senator Anthony Calabrese.

Mr. Chester Koch, Ohio VFW.

Mr. Roger Munson, Ohio American Legion.

Mr. Bernard Direnfeld, former National Commander, Jewish War Veterans.*

Mr. Freddie Williams, Greater Cleveland Veterans Council.

Mr. Harry Lee, AmVets.

Mr. George Traicoff, Dean of Community Services, Cuyahoga Community College.*

Mr. Samuel Carrington, Director, Project Search.

Mr. Paul Taylor, veterans counselor.

Mr. Larry Parker, Vietnam veteran.

Mr. Raul Vega, veteran.

Mr. George Sapin, Vice President, Meldrum & Fewsmith.

Mr. Arthur Haffner, Vietnam veteran.

Mr. Jim Carlton, Vietnam veteran.

Mr. Michael Carmody, Vietnam veteran.

Mr. Raynard Hammond, Vietnam veteran.

Mr. John Belliveau, President, Ohio Private Employment Services Association.*

Mr. Ray Barnett, Manager, Manpower, Inc.

Mr. Robert Jones, Ohio Bureau of Employment Security.

Mr. Jack Faught, Production Manager, Standard Pressed Steel Corporation.

Mr. Robert Johnson, Vietnam veteran.

Mr. Clint Nelson, Vietnam veteran.

Dr. John Corflas, President, Dyke College.*

Mr. Kenneth Sislak, Vietnam veteran.

Mr. Ronald Chandler, Vietnam veteran.

Mr. John J. Pokorny, American Red Cross.

Mr. Julius P. Scipione, President, Cleve-Tech Machine & Tool Company.**

Mr. John Rosel, Cleveland Federation of Labor.**

Mrs. Dorothea Brown, Director, Extended Learning Program.**

Mr. John Grady, Vietnam-era veteran and faculty member, Pennsylvania State University.**

FOOTNOTES

*Also submitted written statement.

**Submitted written statement only.

PUBLIC HEARING ON THE PROBLEMS OF VIETNAM-ERA VETERANS, SEATTLE, WASH., MAY 18, 1973

PANEL

Mayor Wes Uhlman.

U.S. Representative Silvio C. Conte (R.-Mass.).

Mr. Austin Kerby, National Headquarters, American Legion.

Mr. Robert Penn, Vietnam veteran; Commissioner of Parks, Buffalo, New York.

Rev. William B. Cate, President, Church Council of Greater Seattle.

State Senator Booth Gardner.

Mr. Robert Hill, Project Director, VETS.

Mr. Stuart Feldman, Program Coordinator, VETS.

Ms. Jeanette Williams, Seattle City Council.

WITNESSES (IN ORDER OF APPEARANCE)

U.S. Senator Warren G. Magnuson.*

U.S. Senator Henry M. Jackson.*

U.S. Representative Brock Adams.*

Dr. Charles Odegaard, President, University of Washington.

Dr. Nolen Ellison, President, Seattle Central Community College.

Mr. Joe Garcia, Director, Sea-Vac.

Mr. William Phillips, Director, VA Regional office.

Mr. John Rabel, State Representative.

Mr. Les Blevins, Vietnam-era veteran.

Mr. Santiago Juarez, Vietnam-era veteran.

Mr. Edgar Bentley, Vietnam-era veteran.

Mr. Phillip Meyerson, Vietnam-era veteran.

Mr. Ralph Munro, Special Assistant to the Governor.

Mr. Ernest LaPalm, Assistant Commissioner, Employment Service.

Mr. Peter Jamero, Assistant Secretary, Department of Social and Health Services.

Mr. Gregory Barlow, Director, Special Projects, Community College Education.

Mr. J. B. McKremmin, State Office of Economic Opportunity.

Maj. Gen. Howard McGee, Adjutant General, Washington National Guard.

Maj. Gen. William Fulton, C.G. 9th Division & Ft. Lewis.

Ms. Mary Garvey, Vietnam-era veteran.

Mr. James Sanders, Vietnam-era veteran.

Mr. Richard Moore, Vietnam-era veteran.

Mr. Dale Bott, Vietnam-era veteran.

Mr. Tom Davis, Vietnam Veterans Against the War.

Mr. Wellington Rupp, United Veterans Organizations.

Mr. Dwight Long, Chairman, Executive Committee, Washington State Veterans Coalition.

Mr. Tom Levanto, Vietnam-era veteran.

Mr. Jon Lantz, Vietnam-era veteran.

Mr. Michael Rooney, Vietnam-era veteran

Mr. Paul Richards, Vietnam-era veteran.

APPENDIX A

A summary comparison of World War II and today's GI Bills follows, with an evaluation of the impact those differences make:

WORLD WAR II

GI Bill paid for all tuition, books and fees (effectively) at any public or private college or technical school.

TODAY

No direct tuition payment to schools—a flat $220 a month to the vet. Education costs at many colleges are five times greater than in 1948.

WORLD WAR II

A separate monthly subsistence allowance of $75—35% of average monthly earnings. Available cheap quonset hut housing.

TODAY

Cost of living doubled. Vet must cover it, *plus tuition*, from $220. In many areas, this barely covers rent and food. There is no subsidized housing.

WORLD WAR II

Part-time jobs readily available.

TODAY

Tight job market has made part-time jobs hard to find.

WORLD WAR II

Public colleges paid out-of-state tuition by the federal government for vets. Colleges and technical schools eagerly recruited vets. Led to expansion of higher education.

TODAY

Vets pay in-today tuition rates at public colleges from their $220. Out-of-state charge at U of Cal is $2100; total GI Bill is $1980; vet pays $660. Colleges have few significant vets programs.

In large part because of the funding differences between the World War II and today's GI Bills, the effectiveness of the GI Bill is uneven, particularly for college and junior college education and for institutional non-college training.

1) *Great regional disparities in GI Bill use.* California has a 36% GI Bill use rate; New York, 20%; Massachusetts, 19%; Pennsylvania and Ohio, 16%. In fiscal 1972, California vets used $302,000,000 in GI Bill benefits; New York vets used $99,000,000.

2) *Equal military service means unequal opportunity.* Since today's veteran pays tuition out of his GI Bill, veterans in states with cheap public colleges end up with considerably more subsistence money than those from states whose public colleges charge higher tuition; for example, California State at Los Angeles charges $117, while Jersey City State charges $635, a difference of $518, leaving the New Jersey veteran with $1,365 to live on for nine months, while the California veteran has $1,862—almost $500 more.

3) *Veterans are a smaller percentage of college students.* After World War II, veterans were 50% of all enrollees in college. Today they are 9%. Although there was a large universe of eligible World War II veterans—15,000,000 versus 6,220,000 Vietnam-era veterans—today's veterans are still a large potential audience. Higher levels of education in the population and the greater availability of junior colleges result in a higher percentage of veterans using their opportunities for college—23.4% versus 20.8% after Korea, and 14.5% after World War II.

4) *Use is inverse to need.* Roughly 20% of the 6,220,000 Vietnam-era veterans have pre-service college; 20% are high school dropouts; and 60% are high school graduates. High school dropouts have about a 20% use rate, while those with pre-service college have a 50% use rate, and high school graduates have close to a 50% rate. But the dropouts and high school graduates make the greatest use of the GI Bill for correspondence courses, with 800,000 persons having done so; 75% of those, according to a GAO study, dropped out prior to completion.

5) *Percent of federal budget devoted.* After World War II, the GI Bill took 7.5% of the federal budget; today it takes 1%.

6) *Ruled out of private colleges, with fewer at state universities.* Today veterans comprise only 1% of total enrollment at Holy Cross, Northwestern and Yale; veterans can no longer afford most private colleges, and represent less than 10% of the student body at major state universities.

Mr. TEAGUE. Mr. Speaker, I support the bill before us which will increase the education and training allowances to veterans in line with the changes in the Consumer Price Index.

It is a fair bill and one which I feel can become law. I hope there is no delay in the other body in acting on this bill, and I know that the Senate Veterans' Affairs Committee is making plans for hearings in the near future.

I am distressed, however, that the public is being subjected to the steady barrage of propaganda calculated to support a bill which has been introduced in the Senate which has a price tag of $1,400,000,000 for the first year. Statements being made in support of this bill are devised to create the impression that Vietnam veterans are not being treated fairly when compared with veterans of the previous wars.

In testimony before our committee spokesmen for the Veterans' Administration stated unequivocally that when adjusted to constant dollars, the U.S. Government is paying out more money per veteran in training for Vietnam veterans than was paid on behalf of either World War II or Korea veterans. Of course, we all know we no longer employ the practice of making higher payments to those veterans enrolled in high-cost schools, but on the average expenditures for Vietnam veterans are greater when adjusted than expenditures for veterans of the two previous wars.

For several years it was the favorite

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*Submitted statements.

propaganda tactic to contend the present education and training program was inadequate and that Vietnam veterans were not taking advantage of the program. The detractors have now fallen strangely silent when the record shows conclusively that Vietnam veterans are actually going to school in greater numbers than veterans of World War II or Korea.

In the propaganda being used, there is an attempt to infer that the program for Vietnam veterans is more rigid than the programs for veterans of previous wars. The fact of the matter is that Vietnam veterans enjoy several major benefits, such as work-study programs, tutorial assistance, military PREP and high school education without charge against entitlement, that were not available to veterans of previous wars. The time limitations for Vietnam veterans is more generous than those for the two previous groups, and with the passage of H.R. 12628, the time limits will be substantially more liberal.

Even though World War II veterans did receive separate tuition payments, rarely is it mentioned that these individuals had an accelerated use of their entitlement for tuition paid in excess of $500 a year, and almost no one ever mentions the fact that World War II veterans were subjected to an income limit on their outside earnings or income.

The education program for Vietnam veterans is working. There are 1,400,000 veterans in training. More Vietnam veterans are going to school than the two previous groups. After the passage of this bill, the position of the Vietnam veterans will be distinctly preferential. Certainly, any Member is entitled to support any legislation he chooses, but I do hope that we can see less of the misleading statements that are emanating in connection with the Senate bill mentioned above, and let me make it clear that I am not referring to the bill supported or introduced by the Senate Committee on Veterans' Affairs.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. O'BRIEN).

Mr. O'BRIEN. Mr. Speaker, with the Nation at peace, it is all too easy to turn our backs on the courageous young men who fought in Vietnam.

These men returned home not to a hero's welcome but more often to hostility or indifference. In many cases, they were greeted not with parades but with unemployment lines.

Though these men fought as bravely and suffered as deeply as my own comrades in World War II, the educational benefits offered them fall short of those available to veterans of that conflict. I believe it is only a matter of fairplay that these men should be granted benefits equal to those accorded veterans of World War II and the Korean conflict.

Therefore, while I applaud today's enactment of H.R. 12628, I feel that it does not go far enough. This bill will raise benefits available under the GI bill 13.6 percent, from $220 to $250 per month, for single veterans attending school full time. In this respect, the committee bill is identical to my own, H.R. 12664.

Nevertheless, I believe more must be done to give younger veterans a well-deserved boost in educational benefits.

The bill passed today will extend the time limit on eligibility for GI bill benefits from 8 to 10 years. This is an improvement, yet I see no valid reason for imposing any time restrictions on eligibility. Therefore, I am sponsoring legislation that would eliminate all such restrictions.

It was with the help of the GI bill that I was able to get through law school after World War II and I am well aware of how valuable such benefits are to the young veteran. It would be a great injustice to deny Vietnam veterans comparable benefits simply because they fought in an unpopular war.

Mr. WALSH. Mr. Speaker, I rise in support of H.R. 12628 and I praise the action of the Veterans' Affairs Committee for its work on this most important legislation.

As a member of the committee, and of the Subcommittee on Education and Training which held hearings and drafted the bill much as it is today, I can say that a great deal of effort went into this bill and that a great many points of view were taken into consideration. I can state without reservation that this bill is vitally needed and I recommend speedy passage.

This legislation will help the veteran of today to defray his college expenses. It is, however, not enough, particularly when compared to the benefits offered the World War II veteran.

Some statistics will point out the wide disparities between the Vietnam and World War II veterans. The World War II GI bill paid for all tuition, books, and fees—effectively—at any public or private college or technical school. Today, no direct tuition payment is made to the school—a flat $220 a month goes to the single vet. Education costs at many colleges are five times what they were in 1948. In addition, the World War II vet got a monthly subsistence allowance of $75—equal to one-third of the average U.S. worker's monthly earnings then. Today, average monthly earnings are nearly triple and vets must cover living costs plus tuition from that $220 per month. In many areas, this barely covers rent and food.

The disparity, Mr. Speaker, is obvious. I have long advocated that equal time in the military service deserves equal benefits. I benefited from the World War II GI bill and I feel that the Vietnam veteran earned his benefits the same as I—so he should get the same chance to attend college. The bill before us today is a step in the right direction, but it is only a step.

Last October 25, I introduced H.R. 11134, and since then many of my colleagues have joined me in sponsoring it, introduced similar measures on their own, or expressed their support of the concept contained in it.

The idea has gained support over the past weeks and now my distinguished colleague, Mr. HELSTOSKI, chairman of the Subcommittee on Education and Training, has promised to set a date for hearings in the very near future. I urge my colleagues to lend their support to all of our efforts to hasten early passage of this most important concept.

What my bill does is to provide a tuition payment to each veteran who must pay more than the national average in tuition payments. This average for public colleges and universities is $419 per school year, so everything over this amount would be paid to the school by the Veterans' Administration. In no case, however, would the payment exceed $600 per school year. In other words, tuition between $419 and $1,019 would be defrayed. Over $1,019, the payment would remain at $600.

Mr. Speaker, this is an idea whose time has truly come. My colleague from New York (Mr. WOLFF) has been of great assistance in garnering support for this proposal, and we have been joined by Members of both parties and all ideologies. This is truly a nonpartisan issue—politics has been set aside in the effort to provide all veterans with equal benefits for equal service.

Mrs. HOLT. Mr. Speaker, I enthusiastically rise to urge the immediate adoption of H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974.

There are, currently, 29 million living veterans in the United States, 7 million of whom are Vietnam era veterans. In our efforts to hold down Government spending this year, we must avoid the tendency to neglect these men and women who have served their country so valiantly.

Last year, through the Veterans Health Care Expansion Act, the National Cemeteries Act, and the pensions legislation, we made meaningful progress toward meeting our obligation to these individuals, but there is still much work to be done.

The bill before us today will provide needed relief to veterans who have been subjected to the rapidly rising cost of living and skyrocketing tuition costs. It will give an across-the-board increase of 13.6 percent in allowances, and it will extend from 8 to 10 years, the time in which veterans may utilize their benefits. In addition, it makes many improvements in programs such as the work-study program, and vocational rehabilitation.

Mr. Speaker, the passage of this bill is of paramount importance to our Nation's veterans. I urge its swift adoption.

Mr. BURKE of Massachusetts. Mr. Speaker, the future of America, as we all know, lies in the untapped potential of the present generation of Americans who are currently students and trainees in our school systems and job training programs across the Nation. Included among these are the veterans of the Vietnam war era.

All of these veterans during their span of service in the Armed Forces incurred what is commonly referred to in economics as "opportunity costs." A simple definition of this concept can be stated as: Those losses which have been accrued, knowingly or unknowingly, while pursuing any other course of action. For example, the loss of educational benefits and employment opportunities while serving in the Armed Forces of our country.

Mr. Speaker, America has always been known as the land of opportunities and it is our responsibility, and in this case our privilege, to provide these opportunities, not deny them. These veterans have served their time in defense of their Nation now let us provide them with the means to restore to them seemingly lost opportunities, for we cannot provide them with what they long for most, lost time.

In a time where the cost of living has increased to a brandnew high, where the percentage of unemployment has just reached 5.2 percent nationally, I feel that it would be the height of negligence on our part if we do not pass the proposed legislation before us today. The provisions that the Veterans' Affairs Committee have recommended are essential to the continuing success of the GI bill, and any major deletions from the proposed bill would be in effect denying the veteran an opportunity which he has justly earned and deserves.

I feel that special recognition should be accorded to certain provisions of the proposed bill. Included among them are the following:

The increase in educational allowances by 13.6 percent is a major step forward which provides a much more realistic opportunity for an education. I feel that this will enable many more veterans to partake in the program, especially in the New England area. In New England the vast majority of the colleges are privately owned, and this provision will go a lot further than the present allowance in alleviating tuition and book payments.

Many of the veterans are married and are in the tight position of trying to support a family and to obtain an education. As we all know, the dollar of the World War II does not stretch very far today. It is about time that we updated the figure and put the Vietnam veteran on a par with the World War II veterans.

The reducing of the disability requirement from the previous 30 percent standard to the World War II standard of 10 percent will be of great help to veterans who should be receiving vocational rehabilitation but are now technically ineligible.

The allowance of a 6-month refresher course under the bill is also a key consideration. In the few years that the Vietnam veteran was on active duty there were many great technological advances and without proper new training to correspond with the basics, a technician of the 1960's is lost in the technology of the 1970's.

Another point which I feel merits our support for this legislation is the expansion of the work-study program. This bill removes the limitation on veteran-students which the Veterans' Administration may assist under the work-study program and increases the number of hours during which a veteran may work under the program from 100 to 200 per semester, and increases the maximum a veteran may receive under the program from $250 to $500. This along with the 13.6 percent increase will enable veterans to enlist in the ranks of academia and to support a family to a much greater degree than before.

Although this bill will begin to place the Vietnam veteran on a more equal par with the World War II veteran, much more can be done. In the future, I would hope that the time period during which these benefits could be taken advantage of would be extended indefinitely so that the veteran could pursue his education to the fullest. Mr. Speaker, these people served their country well and they are fully deserving of our complete support in this area. I urge all of my colleagues to join with me in voting for the passage of the Veterans Education and Rehabilitation Amendments of 1974.

Mr. **BROYHILL** of Virginia. Mr. Speaker, I doubt if there has been a greater success story in modern education than the GI bill of World War II.

Veterans by the hundreds of thousands trooped to the classrooms as they had in answer to the rallying cry for freedom. Their brains and their hands, as they emerged from college classrooms and vocational training schools, built modern America and kept her flourishing today.

The new generation of Vietnam and Korean veterans are as eager for learning as their earlier comrades. More, in fact, are seeking college level educations than ever before, Mr. Speaker.

A grateful Nation did not shortchange the veterans of World War II. It must not shortchange the veterans of today.

H.R. 12628 contains veterans' education and rehabilitation amendments to lock the door on any doubts that this Congress or the American people have any desire to do so.

As a veteran, a Congressman and a citizen taxpayer, I support H.R. 12628. I support it as a debt of decency. I support it as an obligation of good government. I support it as a measure of justice.

Mr. Speaker, this legislation will bring up to parity the equivalency in dollars, in an age of inflation, what this Nation invested in its future in the 1940's. It will loosen up and relax some of the stringencies of previous congressional efforts by providing for the realities of today's higher costs and urgencies for expanded learning by our newest veterans.

If we can afford to spend, Mr. Speaker, billions to clean up our air, clean up our water and rebuild our cities, we can afford to add a 13.6-percent increase in GI educational benefits and to open up the arms of opportunity to more of those who served, or their widows who now silently endure the loss of a husband and father, as they try to educate themselves and their children. We can use the better brains this legislation will build for the better tomorrow we seek.

Higher education, in the arts or the trades, is the handhold on success for today's veterans, Mr. Speaker, just as it was for those who came before them in search of knowledge and training.

It will extend by 2 years—to 10 years, the time a veteran has to complete his education—a recognition and renewed opportunity for those who have been unable to do so because of financial or other reasons.

It will increase the opportunity for Veteran-students in work-study programs, and double the allowance.

It will reduce the disability requirement for veterans who seek vocational rehabilitation by dropping the eligibility requirement of 30 percent disability to 10 percent.

It will provide eligibility for 6 months of educational benefits for refresher courses in colleges and vocational training schools for veterans who may have fallen behind in technical expertise while defending their country—electronic, computer, physic, mathematical, and other practitioners and theorists of the exotic sciences. It will extend eligibility to pursue farm cooperative training.

And, Mr. Speaker, this legislation will, in ultimate tribute to reality, say to the veterans who suffered the ultimate indignities as prisoners of war, that the time you spent in bamboo cages or in the dank of caves of communism, nor the time spent recovering in a hospital, will be counted against you in computing the time period available for educational benefits.

I strongly urge passage of H.R. 12628, Mr. Speaker, in gratitude and devotion to those who served.

Mr. **MILLER**. Mr. Speaker, I rise in support of H.R. 12628, to increase educational benefits for veterans.

Unlike their counterparts of previous conflicts, Vietnam era veterans seeking to broaden their educational and employment opportunities have had to contend with unprecedented inflation and rising costs of education. Congress has repeatedly recognized this burden on the veteran and his dependents as it passed legislation in 1967, 1970, and 1972 to boost educational allowances. Since the last time the benefits were adjusted in 1972, the Consumer Price Index has jumped 10.2 percent as of last December and is expected to rise another 3 percent by May. It seems to me that the 13.6 percent, across-the-board increase contained in this bill is reasonable. I regret, however, that the committee choose to drop from the bill automatic cost-of-living increases for the future. The need for such adjustments to prevent income erosion while the Congress acts has already been applied to civil service and social security pensions. I believe it is time to also apply this mechanism to not only the GI bill but all VA monthly benefits as provided in a bill I introduced last year.

On the other hand, I am pleased to see that the committee has included in H.R. 12628 language to lengthen the period of time in which a veteran can complete his or her training. H.R. 12628 provides that a veteran now has 10 years after service discharge to complete his training or education using GI bill benefits instead of 8 years. As a sponsor of legislation to extend this time period to 12 years, I feel the committee has taken positive action to hold open educational opportunities so that more veterans may be able to take advantage of their entitlements.

The bill also reduces from 30 to 10 percent the disability rate requirement for Vietnam era veterans wishing to utilize vocational rehabilitation programs.

H.R. 12628 now makes it possible for a veteran to receive up to 6 months of refresher training provided the veteran begins training within 12 months after service and the training is continuous except for interruptions beyond control.

Also, a Vietnam Era Veterans Communication Center within the Veterans' Administration would be established by H.R. 12628. The center would be staffed by VA employees who are veterans of the Vietnam era, and will be responsible for making periodic evaluations of the effectiveness of the veterans outreach service program which distributes information about training program activities to veterans.

While the bill could have been improved in several ways I have indicated, I feel H.R. 12628 should be approved and enacted promptly.

I view the GI bill as an investment in the future of America and its costs are repaid many times over through the taxes derived from the increased earning power of GI bill trained and educated veterans. We cannot and must not forget those who answered their country's call and bore the battle. They deserve our respect and that extra measure of gratitude we can provide by offering them the opportunity and means to improve their lives through education and training.

Mr. MATSUNAGA. Mr. Speaker, as the sponsor of an identical bill, I am very pleased to rise in support of H.R. 12628, the proposed Veterans Education and Rehabilitation Amendments Act of 1974.

From an objective viewpoint, this bill deserves to be approved overwhelmingly today by the House. But I find it very difficult, Mr. Speaker, to be completely objective about this legislation. When I returned to Hawaii after World War II, along with thousands of my comrades who served in the Asiatic-Pacific and European theaters of war, I found that the GI bill could provide me with an opportunity I had yearned for all of my adult life—the chance to attend law school. So many returning GI's used the educational benefits to obtain professional or college-level training; it can truly be said that the GI bill changed the lives of thousands of Hawaii residents, and with that had a profound impact on the socal and political atmosphere in the islands.

Nationally, the same sort of thing was happening. The post-World War II GI bill produced 450,000 engineers, 360,000 teachers, and hundreds of thousands of professionals in the fields of medicine, science, and law.

But the obstacles faced by a veteran seeking to better his education through this program have grown substantially since World War II. No longer can the veteran count on his tuition, books and fees being paid. The $220 basic monthly allotment scarcely covers tuition in hundreds of institutions. That is why Congress recently directed the Veterans' Administration to study the program today as compared with the program existing after World War II. The key finding of the study was that—

The actual value of the educational allowance available to veterans of World War II was greater than the current allowance being paid to veterans of Vietnam, when adjustments are made for the payment of tuition, fees, books, and supplies.

That is why, Mr. Speaker, I am pleased with the central provision of H.R. 12628, an increase in all allowances of some 13.6 percent. That will raise the basic, full-time educational allowance from $220 to $250—hardly enough to overbalance the greater costs of today, but certainly a move in the right direction.

There are two other major provisions in this bill about which I must comment, Mr. Speaker.

First is the extension of the period of time in which veterans may take advantage of their benefits, from 8 years to 10 following discharge. For a variety of reasons, Vietnam war veterans have not been able to use their educational benefits immediately. This extension will give many of them a chance to finish their education in a rational way.

The other major improvement contained in H.R. 12628, Mr. Speaker, is a provision which would grant credit for Reservists serving 6 months active duty for training, who are later called to active duty for a year or more. This would merely put Reservists and others serving 18 months active duty on an equal footing, and is the substance of a separate bill which I have sponsored in the past several Congresses. I congratulate the Veterans' Affairs Committee, under the able leadership of the gentleman from South Carolina (Mr. Dorn), on incorporating this equitable change into the bill.

Mr. Speaker, I have long supported amendments to the veterans educational benefits program which would more nearly approximate those America provided for her World War II vets. I believe that the earlier program not only benefited hundreds of thousands of individual Americans, but it allowed our country to tap a resource which otherwise would have been wasted. I shall continue to press for improvements in the veterans education program. Certainly, H.R. 12628 is such a major improvement, and I urge the House to pass it by substantially more than the two-thirds margin needed.

Mr. KAZEN. Mr. Speaker, I believe there are two major reasons why we should pass this GI education bill of 1974. It is, I suggest, an equal rights bill, because it proposes to bring educational and vocational assistance for veterans into line with our times. None of us likes the fact that the cost of living has been rising, and we wish that trend would end, but we should not lock assistance levels for veterans into levels that do not recognize that trend.

So the first major reason for passing this bill is that we owe it to these men and women, and a grateful nation can do no less than maintain our care for those who served our Nation so well in time of need.

The second reason, I believe, is that we need the skills and talents of these young people who left their homes, their education or their jobs when the country called them into service. Thousands and thousands of them answerd that call, accepting the training and performing the duties that were required in military life. Some may have gained skills of peacetime benefit to themselves and to their communities, but most were not so fortunate. They came home to resume their educations or their vocational training, and we should not consider that they should carry that load alone.

For years, our Nation has recognized that it should help them regain some of the time they lost. Many of them, in colleges and universities, carry expedited study schedules. We should not ask them to be held back by limited help, or by restrictions on their outside employment while they are students. We should do all we can to help them be good civilians, just as we wanted them to be good soldiers, sailors, and airmen. I, therefore, urge passage of H.R. 12628, as unanimously recommended by the Committee on Veterans' Affairs.

Mr. CLEVELAND. Mr. Speaker, I rise in support of H.R. 12628, the veterans education and rehabilitation amendments, as a much-needed improvement in our GI educational program.

In doing so, I wish to commend the Veterans' Affairs Committee and Chairman William Jennings Bryan Dorn and his colleague Representative John Paul Hammerschmidt for their responsiveness to the needs of the veterans as reflected in this most worthwhile measure. Thanks are due as well to my fellow members of the New England House delegation who have expressed unified support for these improvements in a formal statement of the New England Congressional Caucus.

Action to increase benefits by 13.6 percent is certainly justified in light of cost-of-living increases of 10 percent since the benefit level last was raised. Expansion of the work-study program by doubling the hours worked from 100 to 200 hours and the maximum payment received from $250 to $500 also are worthwhile improvements.

Another desirable feature is the stretch out of the period for eligibility from 8 to 10 years following expiration of term of service. Personally, however, I would prefer to see this limitation done away with altogether, and have cosponsored a bill to do so.

In all, Mr. Speaker, this is a most deserving measure and one which should pass overwhelmingly in the interests of keeping faith with those who have served our Nation and in recognition of the critical importance of education in equipping them from the place they have earned in society.

Mr. EDWARDS of California. Mr. Speaker, increasing tuition costs, inflation, and the recent rise in the unemployment rate make our approval today of H.R. 12628 absolutely necessary. At the present time it is not only difficult, but often impossible for veterans to avail themselves of the GI educational benefits provided by law.

In this bill we are only trying to put recent veterans on a par with their fathers and mothers who went to school on GI benefits after World War II. This is certainly not too much to ask in behalf of the young men and women who interrupted their education and careers to serve their country.

Vietnam era veterans came home with serious handicaps: While they were gone their peers have advanced professionally and educationally; many came back without any notably marketable skills; for many inflation has wiped out their ambitions and expectations for advancement; and now they find they cannot afford to take advantage of the education and *rehabilitation* benefits the Government promised them.

We owe these young men and women no less than the opportunity to obtain the education or vocational training they require, and I urge my colleagues to give this legislation their support.

Mrs. GRASSO. Mr. Speaker, we must insure that Vietnam era veterans are provided with educational benefits that compare favorably with those made available to their fathers after World War II and the Korean war.

If the veterans education assistance program is to remain responsive to those it is designed to serve, then the level of assistance must be expanded to cover escalating costs facing the veteran. The continued rise in the cost of higher education and the cost of living has placed too many of our Vietnam era veterans in financial difficulties. Without relief in the form of an increase in GI education benefits to cover inflationary increases, the effectiveness and participation level of the current program will be impaired.

As a member of the Education and Training Subcommittee which helped draft this legislation, I am giving my strong support to H.R. 12628, the Veterans Education and Rehabilitation Amendments of 1974. The bill improves many existing assistance programs, two of which are of particular interest to the Vietnam veteran. First, it provides a 13.6-percent increase in the monthly education assistance allowance to help meet the added cost-of-living expenses incurred over the past 18 months. Under the provisions of H.R. 12628, a single full-time student will receive an increase from $220 to $250 a month. A married, full-time student with two dependents will have his monthly assistance increased from $298 to $339 a month. Naturally, comparable increases will be given to other categories of veterans. Second, the bill increases from 8 to 10 years the time period after discharge during which veterans must utilize their GI benefits.

Mr. Speaker, studies conducted by the Educational Testing Service—ETS—and the National League of Cities-United States Conference of Mayors indicate that the current level of benefits is insufficient to meet today's education expenses. Only by providing an adequate increase in benefits to compensate for inflation and rising tuition will our present veterans receive the assistance needed to meet their career objectives.

As for the increase in the time period for using GI benefits, I have received numerous comments from veterans who are faced with a loss of eligibility this coming May. Many of these veterans began working after their discharge and have only recently begun utilizing their education benefits. By expanding the period of eligibility, the veteran will be allowed more freedom to design a program better suited to his individual goals and circumstances. In this way the program's flexibility and responsiveness will remain while the veteran's education desires are fulfilled.

For the 95,000 Vietnam era veterans in Connecticut, H.R. 12628 offers an opportunity for greater access to institutions of higher education. Nothing less than the provisions of this legislation will enable our veterans to meet their present and future education needs.

This important bill must be approved by the House today.

Mr. HARSHA. Mr. Speaker, I would like to express my strong support of H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974.

The GI education bill is without a doubt one of the most important and most effective pieces of social legislation ever enacted by the Congress, and it has profoundly affected the lives and fortunes of thousands of veterans and their families.

Since this educational program was initiated in 1944, hundreds of thousands of veterans who would not have been able to further their education or training without their financial assistance have been able to do so. In addition to benefiting personally, veterans educated under this program have contributed immeasurably to our country and our economy, and the investment our Nation has made in educating them is clearly evident and eminently worthwhile.

When discharged from the service, a veteran is generally faced with the choice of going to work or continuing his education or training. If he cannot afford the schooling, he is forced to seek employment and is unlikely to pursue his education at a later date.

Since the GI bill was originated, the cost of living has increased tremendously and the cost of higher education has soared astronomically. As a result, veterans of the Vietnam era are not receiving assistance comparable to that provided veterans of World War II. While benefits have been increased a number of times, they still fall far short of the benefits older veterans received, and if our efforts today to provide a reasonable increase in benefits are not successful, many veterans may have to leave school and abandon their hopes for a better education and a more meaningful and more rewarding future.

The Vietnam war was a most controversial and unpopular war, but the young men who were called upon to serve their country in this conflict made the same sacrifices and suffered the same inconveniences and interruptions in their normal lives as did the veterans of previous wars. As a nation, we owe them the same gratitude, the same respect, and the same benefits enjoyed by previous veterans.

The bill before us today seeks to correct the inadequacies of the present GI bill and bring benefits up to a level comparable to what they were following World War II. While it will not increase benefits as much as many of us would like, it will ease the financial strain many veterans are feeling and enable them to continue their schooling and better prepare themselves to serve their Nation in what will hopefully be an era of lasting peace and prosperity. By investing in our veterans and their future, we are investing in our future as a nation.

I urge all of my colleagues to join with me in support of this important and most worthwhile proposal.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of H.R. 12628. In the past few weeks I have been contacted by many of my constituents concerned about veterans educational benefits.

One of these letters is typical in the sentiments it expresses and I would like to share it with you. Mr. Pete Calgaro of Rockford, Ill., is a veteran of 6 years in the U.S. Navy, a policeman, and a father of five children who attends Rock Valley College in my district. In order to defray costs of education, Mr. Calgaro currently works 48 hours a week and his wife babysits to make ends meet. He tells me that because of the almost daily increase in the cost of living, he may not be able to finish his education, without the support envisioned in this measure.

An increase of 13.6 percent in educational assistance allowances will, as Mr. Calgaro points out, just barely compensate for the rise in the cost of living since the last rate increase. This does not tell the whole story, as the costs of tuition have risen steadily and at a great rate.

A major study, commissioned by the Veterans' Administration concluded that todays educational benefits, on an adjusted basis, compare unfavorably with those of post-World War II. At that time, a $500 payment that could be made for tuition covered tuition not only at public colleges, but also at 89 percent of the private institutions of higher education.

In addition, the World War II era veteran received a $75 per month subsistence allowance which represented at that time 35 percent of the average U.S. monthly wage. Today's veteran receives a lump-sum payment to purchase an education and pay living expenses. This $220 a month also represents 35 percent of the average U.S. monthly wage, but it does not cover living expenses.

The increase in educational assistance is therefore needed at this time, but it is by no means the only worthy provision in this bill. Many veterans who served before 1966, because of the pressures of family life or financial necessity, were able to recommence their educations only recently. If this bill is not enacted, they will be left high and dry, willing, but lacking the money to continue their efforts at self-improvement.

Almost all of the constituents who wrote me mentioned the sacrifices they and their families are making in order to continue their studies. We owe to these young men and women the chance to achieve the goals they have set for themselves, and are earning through their diligence. This measure will also correct a situation in which a veteran who was captured and held as a prisoner of war subsequent to his last discharge, would be penalized for the time he was confined. The time spent in captivity, will not, under this bill, be subtracted from his 10-year period of eligibility for educational assistance.

Finally I wish to call attention to the provision this bill makes for the establishment of a Vietnam Era Veterans Communication Center. While we in this country honor all our veterans, we must recognize the fact that some have had a more difficult time after their return than others. The young men who went to Vietnam fought in an unpopular, but particularly long and nightmarish war.

I do not intend to explore the full sociological ramifications of this, but I do wish to remind you of the difficulties these young men faced upon their return home. Unable to take a great deal of satisfaction in the uncertain progress or the uneasy atmosphere of the war in which they had fought, they returned to a country much changed since the first veterans' benefits were enacted. An increasingly complex economy has more than necessitated the training provided for by the educational assistance and other veterans programs.

The Communications Center will be one further step in making certain that all the veterans of the Vietnam era receive the information and assistance they need to avail themselves of the opportunities offered. In contrast to the many benefits offered by this bill, the cost estimated for it seems to fall safely within the bounds of prudence. We must increase our vigilance in the attempt to keep Government spending from growing out of all proportion.

However to deny our recent veterans the same benefits as their predecessors would certainly be a move of specious economy. We do not provide for the future by neglecting those who have served our country in the past. We can guarantee a decent way of life for our veterans only by providing them with the opportunties they have proven they deserve.

Mr. MAYNE. Mr. Speaker, I rise in support of H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974. The cost of living is a growing burden on those veterans who are attempting to further their education under the present GI bill. No built-in cost-of-living increase is included under the present law. This makes it the duty of Congress to keep a constant check on such increases. The time has come when the $220 monthly payment is simply not enough compensation to offset the cost of 1 month's schooling. Although we must be ever mindful of our budgetry responsibilities, our newest generation of veterans certainly deserve adequate educational opportunities. I fully support the full 13.6-percent increase as proposed by the House Veterans' Affairs Committee in their legislation before us today. The 13.6-percent-a-month increase would raise payment to $250 a month, a level much more in line with today's costs.

This adjustment alone is not enough. There is another proposal before us today which is extremely important to thousands of veterans. Veterans who were discharged after January 31, 1955, and before June 1, 1966, will lose their eligibility for educational benefits on June 1, 1974, under present law. New emphasis has been added to veterans' outreach activities in recent years. Schools are being encouraged to enroll more veterans by adopting their programs to meet the special needs of veterans.

However, many of the veterans who have been reached by these programs are veterans who are in the group due to lose their benefits this June 1. They will be left in the predicament of losing benefits before completing degrees for which they have already sacrificed much hard work and time. I was fortunate enough to be able to visit with several groups of veterans during the month long Christmas recess. I found a large number caught in this unfortunate dilemma of losing their benefits before completion of their schooling. They expressed sincere hopes of finishing a degree program, and asked that I support an extension of their eligibility from 8 to 10 years. H.R. 12628 includes this 2-year extension which I consider a must.

The American veteran deserves our most conscientious efforts. It is my opinion that the needs of the over 2.1 million veterans now under the GI bill will be better met with the passage of H.R. 12628.

Mr. FRASER. Mr. Speaker, legislation is desperately needed to upgrade and extend educational and rehabilitation benefits for veterans, especially those of the Vietnam era.

While President Nixon's comprehensive veterans' proposal is a step in the right direction, I feel that it does not go far enough in fulfilling our obligations to this newest group of veterans.

A recent study by the Education Testing Service—ETS—has confirmed the contention that Vietnam veterans get considerably less benefits than the benefits provided for World War II veterans.

I believe that we can and must do more to help our veterans reestablish themselves in our society by use of educational or rehabilitational programs.

Congress is vitally concerned with the welfare of our veterans. This is evidenced by the wide variety of educational benefit proposals introduced recently. Proposals have been made ranging from an increase of over 25 percent in monthly allowances to the 8-percent increase advocated by the administration. Legislation has been introduced which would extend the delimiting period to 10 years, to 15 years, 20 years, or to remove it completely.

I introduced a bill—H.R. 9147—and testified on July 24, 1973, in favor of eliminating the time limitation.

The bill we are considering today, H.R. 12628, would provide a 13.6-percent increase in both educational assistance and vocational rehabilitation allowances. This would allow a single veteran taking advantage of the GI bill to receive $250 a month, rather than the present $220. In addition, the House bill would equalize the criteria for receiving vocational rehabilitation for Vietnam era veterans, establishing the same basis used for World War II and Korean conflict veterans.

Another problem which this House bill addresses is the impending expiration on May 31 of this year of the GI bill education training benefits for many veterans of the post-Korean conflict period. As the law now stands, those veterans discharged prior to the effective date of the current GI bill—June 1, 1966—will have reached the statutory delimiting date of May 31, 1974, 8 years after the date of enactment of the bill. In addition, no educational assistance is presently available to any other veterans 8 years after discharge. The House bill extends the delimiting period to 10 years, thus enabling veterans to pursue training.

Many post-Korean veterans did not take immediate advantage of their GI bill benefits upon discharge because they already had a trade or skill. However, with advancing technology, their professions may become outmoded or obsolete and additional training becomes necessary. The extension of the delimiting period would alleviate some of the frustrations encountered by this group of veterans by giving them a "second chance" to obtain much needed education.

Another necessary provision of this bill would correct an oversight in amendments made last year to the GI bill and authorize farm cooperative training programs for eligible wives, widows, and children under chapter 35 of title 38, the war orphans' and widows' educational assistance program. There are, in addition, several technical amendments made to the present GI bill.

There are provisions in S. 2784, Senator HARTKE's bill, not present in H.R. 12628, that I have long advocated such as extending the aggregate period for which any person may receive assistance under two or more programs. Perhaps these will be included in a conference on H.R. 12628 is required. I hope so.

Under the provisions of H.R. 12628, a veteran could receive up to 72 months of training, 36 months based upon his status as a war orphan, and 36 months based upon his own active duty entitlement.

It seems evident that both the administration and Congress have recognized the need for an increase in educational assistance under the GI bill. The question now remaining is how much assistance and how long our veterans will be forced to wait.

We must not stand by and watch inflation and the constantly spiralling cost of living erode the education benefits of those veterans who so selflessly served their country.

I stress the urgency of this legislation. The veteran, particularly the veteran of the Vietnam era, has had a hard enough time readjusting to civilian life. He has received less than a hero's welcome home. We now owe it to these veterans to make their transition as easy as possible. Inadequate education benefits must not be another burden on those men who have served their country.

Mr. MIZELL. Mr. Speaker, I rise at this time in strong support of this legislation, H.R. 12628, the Veterans Education and Rehabilitation Amendments of 1974.

I count it a privilege, Mr. Speaker, to be able to vote in favor of legislation to improve and expand this Government's assistance to the armed service veterans of America.

As I have said many times, our debt to these courageous men and women is one that we can never fully repay.

This bill would increase the educational assistance allowances under all veterans' education programs by 13.6 percent. These rates were last increased in September of 1972, when an increase of 25.7 percent was approved.

In addition to increasing educational allowances, these amendments will:

First, increase the period of time during which veterans must complete training from the present 8 years following last discharge or release to 10 years. Veterans who were discharged after January 31, 1955, and before June 1, 1966, whose eligibility for training is scheduled to expire on June 1, 1974, will have until June 1, 1976, to complete their training.

Second, remove the limitation on the number of veteran-students the Veterans' Administration may assist under the work-study program and increase the number of hours during which a veteran may work under this program from 100 to 200 per semester or enrollment period and the maximum a veteran may receive from such work from $250 to $500.

Third, reduce the disability requirement for eligibility to receive vocational rehabilitation—for service-connected disabled veterans of the Vietnam era—to 10 percent. Presently, veterans whose service occurred after January 31, 1955, must show a disability rated at 30 percent or more, or if less than this degree, the disability must be "clearly shown to have caused a pronounced employment handicap."

Fourth, allow veterans to count periods of active duty for training—usually 6 months—when computing periods of eligibility for education and training, provided that the veteran serves on full-time active duty for a period of 1 year or more subsequent to performance of active duty for training.

Fifth, allow a veteran who was captured and held as prisoner of war following his last discharge or release to exclude the period of time detained as prisoner of war—plus any period immediately following release from detention when he was hospitalized—when computing the period of time during which he is eligible for training.

Sixth, permit an exception to the prohibition against enrollment in a program of education for which a veteran is already qualified, by allowing up to 6 months of assistance for pursuit of refresher training, to allow a veteran to update his knowledge and skills and to be instructed in technological advances which occurred in his field of employment during the period of his active military service. Training must begin within 12 months from date of discharge or release and must be pursued continuously except for interruptions beyond the control of the veteran.

Seventh, extend eligibility to pursue farm cooperative training—which is now available to veterans—to wives, widows and children eligible to receive training under the war orphans education program. Those eligible include wives and children of 100 percent service-connected permanently disabled veterans and widows and children of deceased veterans whose deaths are service-connected.

Eighth, allow educational institutions offering courses not leading to a standard college degree to measure such courses on a quarter or semester-hour basis in some cases, provided that no course is to be considered a full-time course when less than 25 hours per week of net instruction is required.

Ninth, allow the Administrator of Veterans' Affairs to pay a reporting fee to a "joint apprenticeship training committee," acting as a training establishment. This fee, usually $3 per year per veteran enrolled, is presently payable to authorized educational institutions.

Tenth, establish a Vietnam Era Veterans Communication Center within the VA, to be composed of VA employees who are veterans of the Vietnam era. The proposed Center would be charged with making periodic evaluations of the effectiveness of the veterans outreach services program—authorized by Public Law 91–219 in 1970—and make reports, with recommendations, to the Administrator of Veterans' Affairs and to the Congress.

Mr. PRICE of Illinois. Mr. Speaker, by passing the Veterans Education and Rehabilitation Amendments we can assure every American veteran the benefits of an assistance program tailored for the economic and social needs of 1974.

Experience has demonstrated that some of the current program limitations are preventing veterans from receiving the kind of educational assistance they need and deserve. This bill resolves many of these problems and should insure every veteran the maximum opportunity in education and employment.

The most important aspect of the bill is its attention to increases in the cost of living. It increases the educational assistance allowances under all veterans' education programs by 13.6 percent. This will compensate for a projected cost-of-living increase of over 13 percent by May of this year.

The bill would raise rates for single veterans and servicemen from $220 to $250 monthly, for those with one dependent from $261 to $297, and for those with two dependents from $298 to $339. At a time when the cost of living continues its alarming rise, increases such as these are more than justified.

It is interesting to note that the President recommended an eight-point increase in the allowances when an 8-percent increase in the cost of living had been reached between August and September of last year. I think our veterans deserve more consideration than a program based on last year's standards.

One amendment increases the period of time during which veterans must complete training from the present 8 years to 10 years. This provision is very important to the great number of Vietnam veterans who served on active duty before June 1, 1966, and whose eligibility would otherwise expire on June 1 of this year.

I am also pleased to see that the bill would establish a Vietnam Era Veterans Communication Center. On several occasions in the past I have spoken of the special needs of the Vietnam veteran. He was denied the kind of honor bestowed upon veterans of past wars, and for that reason we owe him special consideration. The Communication Center is one method for doing so.

Mr. Speaker, I urge that this bill be passed. Providing for the education and rehabilitation of our veterans is a way of demonstrating our gratitude for their service. If we allow our gratitude to become half-hearted, it becomes an insult. These amendments demonstrate our firm belief that veterans deserve something of continuing value in return for their contributions to their country.

Mr. TIERNAN. Mr. Speaker, I rise in support of H.R. 12628, the Veterans Education and Rehabilitation Amendments Act of 1974, and would like to commend the committee on their unanimous approval of this legislation. The committee has taken a realistic approach to the problems facing American veterans today and their efforts to correct these problems should be given our favorable consideration.

During the past 3 months I have received hundreds of letters from veterans attending school who are enrollees in several veteran educational benefit programs. It is obvious that without this help many veterans would be unable to finance their education, and consequently could not continue their studies.

Many of these veterans have been faced with that very prospect come June 1 of this year. Fortunately this bill would allow them an additional 2 years to complete their education and would allow all veterans 10 years in which to complete their course of study.

Everyone here knows the provisions of this bill and the arguments for it. I would just like to say that there are few tasks which this country asks of its youth that are more demanding and potentially dangerous than military service. It is a period of time in a young person's life that can never be recovered.

By passage of this legislation today, we pay a debt to our veterans and help build a better America.

Mr. DON H. CLAUSEN. Mr. Speaker, I would like to voice my strong support for the Veterans' Education and Rehabilitation Amendments of 1974.

Our Nation has, as a part of its heritage, a tradition of gratitude to those who have served in our armed services.

Our returning soldiers need our help in affording them adequate financial assistance to obtain the educational status they would normally have aspired to and achieved had they not served their country. The bill before us provides this incentive by increasing the level of benefits as well as expanding the overall scope of the programs.

Veterans in my congressional district have pointed out to me the inflexibility of the time limitation in the current law. By extending the eligibility period from 8 to 10 years many more of our veterans will be able to take full advantage of their educational benefits.

Veterans in my district have also emphasized the fact that the cost of obtaining an education is rising even faster than the spiraling cost of living, making it exceedingly difficult for them to make ends meet. The increase provided in this bill is, in my opinion, greatly needed and justly deserved.

Therefore, I strongly urge the immediate enactment of this measure.

Mr. DONOHUE. Mr. Speaker, I most earnestly urge and hope that the House will overwhelmingly approve this bill before us, H.R. 12628, the Veterans Education and Rehabilitation Amendments Act of 1974.

In summary, the main features of this measure are those providing for a 13.6-percent increase in the educational assistance allowances under all veterans education programs; extending to 10 years instead of 8 the eligibility period during which veterans must complete training following their last military discharge; allowing veterans to count the normal 6-month period of active duty for training when computing periods of eligibility for educational enrollment, on the condition that the veteran serves on full-time active duty for a period of 1 year or more following his performance of active duty for training; permitting an exception, to the prohibition against enrollment in an educational program for which a veteran is already qualified, for the granting of 6 months of refresher training in order for the veteran to update his knowledge and skills and receive instruction in the technological advances which occurred in his employment field during the period of his active military service.

To take advantage of this exception, the training must begin within 12 months from the veterans' discharge date and must be normally pursued continuously without interruption; establishing a Vietnam Era Veterans Communication Center within the Veterans' Administration, to be composed of VA employees who are veterans of the Vietnam era. This proposed center would be responsible for making periodic evaluations of the effectiveness of the veterans outreach services program and make appropriate reports to the Veterans' Administration Director and to the Congress.

Mr. Speaker, this country and Government has the highest moral and legal obligation to render every reasonable assistance to our military veterans and very few, if any, will question the rightness or the wisdom of that obligation and national investment. There is no doubt whatever that the spiraling economy now afflicting us has skyrocketed the basic costs of living as well as all charges related to educational instruction and training.

Unfortunately, Mr. Speaker, the energy crisis has further accelerated the inflation spiral and already has begun to generate tragic unemployment in almost every occupational field.

Under all of these circumstances, Mr. Speaker, it is quite obvious that this bill, on behalf of all our veterans and their families, and in particular the Vietnam veteran, represents but simple justice to those who have given priceless service to this country.

It is also very obvious that the bill is timely and prudent and, finally, we can truthfully say, in this instance, that what is good for the veteran and his family is good for all Americans and in the best interest of all the people in this Nation. Therefore, I again urge my colleagues to resoundingly adopt this measure.

Mr. BOLAND. Mr. Speaker, H.R. 12628, the omnibus veterans bill, would raise the level of Vietnam era veterans' benefits by 13.6 percent in an effort to insure that these benefits keep pace with the ever rising cost of living.

Affected by the rate increase would be programs providing monthly subsistence payments, educational assistance and special restorative allowances. The effect upon the monthly subsistence check of the average veteran would be to increase the amount from $220 to $250.

Such an increase has become all too necessary in light of the mercurial rise in the Consumer Price Index during fiscal year 1974. By December, it had risen a phenomenal 10.2 percent. If it continues to rise at that rate, it will have approached 13 percent by July 1.

The administration offer of 8 percent is, thus, totally inadequate if veterans benefits are to keep in stride with the wild fluctuations of our cost of living.

Vietnam veterans should not be asked to bear the brunt of the worst economic planning this country has seen in many years.

Besides an across-the-board rate increase, current GI programs now in existence simply must be brought up to a level that realistically compares with that on which benefits were extended to veterans of World War II.

Foremost among areas needing reform are educational and vocational rehabilitation programs. I have sponsored legislation that would extend the current 8-year delimiting period for educational benefits from 8 to 10 years.

I welcome the presence of such a provision in H.R. 12628 as well as that allowing the computation of 6 months active duty training for assessing eligibility for veterans programs.

The bill before us today also allows Vietnam prisoners of war to disregard the period of their imprisonment in figuring the delimiting date of their educational eligibility. These provisions become all the more important when it is noted that 50 percent of all Vietnam era veterans have availed themselves of educational and vocational opportunities created by the 1966 version of the GI bill. Considering the fact that 26 percent of Vietnam veterans had some college training previous to their service—as compared with a 14.3-percent figure for World War II veterans—this indicates that an increased proportion of veterans have gained from educational benefits since World War II.

Vocational rehabilitation programs will be available to a larger number of veterans as a result of H.R. 12628.

A lowering of the disability percentage from 30 to 10 percent will allow vocational rehabilitation benefits to veterans on the same basis as they were after World War II. The bill also would permit veterans to take refresher courses in fields where they have an established expertise within 12 months of their release.

Cooperative farm training assistance will be lent to families of veterans who have 100 percent service-connected disabilities.

The list of benefits that will be added or expanded by H.R. 12628 does not read like that of an expensive grab bag that some voices have called it. I consider it more a restoration of benefits and rewards promised our Nation's soldiers and then taken away by inflation. If we really intended that Vietnam era veterans receive benefits similar to those given to veterans of World War II or the Korean war, H.R. 12628 is hardly an expansion. It will merely maintain what has already been granted at rates commensurate with the cost of living. It will also append additional and incidental benefits new to the Vietnam era veteran, but familiar to the veterans of World War II. Thus, H.R. 12628 offers no grab bag of favors and treatment. It does, however, renew the obligation this Congress and this Nation have to our veterans—and on a scale that is consistent with our national philosophy—equality of treatment for all.

Mr. BAUMAN. Mr. Speaker, H.R. 12628, which extends veteran's benefits under the GI bill, will provide increased educational opportunities and benefit levels for hundreds of thousands of veterans. This bill is especially important to America's Vietnam era veterans, many of whom are now pursuing further education under the GI bill.

The cost of living has gone up 13.2 percent since the last increase in veteran's educational benefits was approved by Congress in September 1972, and this bill will increase those benefits accordingly by 13.6 percent across the board. It also increases the time during which a veteran must complete his training, from the present 8 years to 10.

Other provisions will insure that information concerning available benefits is conveyed to eligible veterans, and provide an opportunity for "refresher" training not now available.

This legislation is particularly important to the many hundreds of veterans attending community colleges within my congressional district. These young people have served their country during the Vietnam era and they certainly deserve the support this legislation offers.

The Veterans' Affairs Committee reported this bill by a unanimous vote, and I am confident that the full House will lend its overwhelming support to it. I fully support the measure and urge its adoption.

Mr. HARRINGTON. Mr. Speaker, I rise in support of H.R. 12628, the Veterans Education and Rehabilitation Amendments of 1974. This bill will be of great benefit to many thousands of Americans and their families, who have served our country in the Armed Forces. In particular, the Vietnam-era veteran will be helped by this bill.

Clearly, there is a need to improve existing programs to assist returning veterans in their effort to reestablish themselves in civilian society. The fact of the matter is that the GI bill simply has not kept pace with today's need, as education costs and the cost of living have escalated.

H.R. 12628 makes desirable changes in veterans' educational programs.

The two outstanding features of the bill are the 13.6 percent across-the-board increase in veterans' education allowances, and a 2-year increase in the period of time during which veterans must complete training, from the present 8 to 10 years, after last discharge or release. The basic rate of assistance to a single veteran is thus increased from $220 per month to $250 per month.

While this increase is substantial and desirable in its own right, it nonetheless is an imperfect answer. Many veterans will still be effectively denied the opportunity to attend the higher education institution of their choice, because of the wide disparity between the costs of one institution and another.

While this increase is substantial and doubtless make it easier for a veteran to attend a public, State-supported university, the increases are of little assistance in meeting the much larger financial demands of a private university, where costs for a year might approach $6,000 for a single individual. It seems to me that sooner or later, our Federal student assistance programs, both for veterans and for the general populace, will have to be restructured and expanded to more adequately come to grips with the realities of higher education today.

The 2-year increase in the amount of time a veteran has, after release or discharge, to use his education benefits is also of great importance. I have received many letters from constituents, Vietnam veterans, who indicated that they would be ineligible for further assistance in the middle of their education unless such an extension were enacted.

I urge that my colleagues join me in voting for this vital legislation. While not an ultimate answer to the many problems facing our veterans today, it seems to me that this bill will significantly improve training and education opportunities for our veterans, and make the benefits of these programs more adequate in this time of high inflation.

Mr. BINGHAM. Mr. Speaker, we vote today on a bill to improve the educational assistance provided for veterans under the GI bill. I am confident that despite the opposition of the Veterans' Administration and the Office of Management and Budget, which have 8 pages of comments and objections in the committee report on the bill, the Veterans' Education and Rehabilitation Amendments of 1974 will be approved by the House, I think every Member of this body is aware of the crucial importance of this bill to Vietnam-era veterans and post-Korean war veterans, whose benefits have been eroded by galloping inflation.

H.R. 12628 provides an increase in education allowance of 13.6 percent, which will increase the basic rate for a single veteran from $220 a month to $250 a month, with proportionate increases for veterans with dependents. This bill also increases the period of time during which veterans must complete training from the present 8 years following discharge or release from active duty to 10 years. This is especially important for those veterans whose eligibility for the GI bill commenced in June 1966, since their eligibility is scheduled to expire on May 30 of this year. Limitations on the number of veteran students the VA may employ through its work study program have also been eased, and a new evaluation of VA services to be conducted by Vietnam veterans is authorized in this bill.

Together with other technical amendments, these provisions make this bill a necessary equalizer for those veterans who are now enrolled in school and have been unable to meet the 12.8 percent increase in the cost of living since the last benefit increase was enacted by Congress in 1972. I have supported similar provisions in bills such as H.R. 11008 and H.R. 11009 which I have introduced.

However, cost of living tuneups will not make the GI bill the kind of education and training vehicle we need in these times. Serious problems in the present structure of VA educational assistance programs remain and can only be overcome by additional legislation.

The fact is that the GI bill today is not as useful as a readjustment tool as it was after World War II. As an investment in the future of this Nation through the education of veterans, and as partial compensation for the disruption of the lives of young men and women who have served their Nation in times of war, the present GI bill still falls short. Millions of veterans who need further education and training fail to use the GI bill. Although the Veterans' Committee points proudly to the fact that the same proportion—about 50 percent—of Vietnam-era vets have used the GI bill for some form of training as did the veterans of World War II, this simple equation is misleading.

A far higher proportion of young people pursue some higher education in the 1970's than did in the 1940's, as the general educational level of the population and job qualification requirements have accelerated over the decades. Clearly, then, a higher proportion of veterans should be expected to use the GI bill today than after World War II.

The fact that the participation rates are the same for both periods is therefore not cause for rejoicing. It is instead reason to wonder what is wrong with the GI bill.

In fact, dollar for dollar we give today's ex-GI less than we gave his father after World War II. In those years, the GI bill paid for practically all tuition, books, and educational fees, with the payment going directly to the college chosen by the veterans. In addition, the VA paid each veteran $75 per month for living expenses, putting a 4-year education at a public college or university within the reach of every veteran. Today there is no direct tuition payment, and increases in the cost of living plus the dramatic increase in educational costs at both public and private colleges, have made today's GI bill relatively less helpful for the GI who wants to return to school. For example, in 1948, the $75 per month living allowance received by veterans represented 35.4 percent of average U.S. monthly earnings as determined by the U.S. Department of Labor. Using that measure today, 35.4 percent of average monthly earnings represents $220 per month—ironically, the exact payment Vietnam veterans receive to cover all educational expenses as well as living cost.

The level of assistance provided by the GI bill may help explain why those who need the GI bill the most use it the least. Substantial additional resources are needed by the ex-GI if he wants to use the GI bill to return to school, but the chronic, above-average unemployment facing the veteran and the difficulty in securing educational loans certainly contributes to discouraging veterans. Those with the least preservice education are likely to be the most negative about their prospects for further education anyway, and the economic obstacles thrown into their path seem insurmountable in many cases. As a result veterans who had some preservice college experience are two to three times as likely to return to college or junior college as high school graduates, and up to four times as likely as those veterans who dropped out of high school before entering the service. Stated another way, about 20 percent of Vietnam-era veterans have less than a high school education, yet these men account for only about 3 percent of those veterans enrolled in college or junior college under the GI bill.

Perhaps the most startling conclusion of all, however, is the fact that there is a clear geographic use pattern of GI bill education benefits, with a wide variation in the number of veterans who use the GI bill in each State. For example, 37 percent of California's Vietnam-era veterans have used the GI bill to go to college or junior college, but only 17 percent of New Jersey's veterans have. This is a remarkable disparity.

A comparison of utilization rates by States reveals the fact that Western and Midwestern States seem to enroll far more of their veterans in schools than other parts of the country. No Eastern State has more than 25 percent of its eligible Vietnam-era veterans enrolled in college under the GI bill, but 19 other, primarily Western States do. Perhaps this pattern is explained by the relative availability of inexpensive, accessible, public education opportunities supplied by State colleges and junior and community colleges. The growth of these types of institutions has been uneven nationally concentrating primarily in the South and West. A veteran returning to a State with an underdeveloped community college system has a set of opportunities far less attractive than the veteran in a State with a fully developed system. The costs at private colleges are out of reach for most veterans, and if public college opportunities are not readily available, the use rate drops.

For example, 59 percent of Harvard's students in the 1947–48 school year were veterans, but only 1.5 percent are today. Holy Cross enrolled enough veterans to comprise 85 percent of its student body in 1947–48, but only 0.5 percent today. Today's GI bill will not allow any but a few veterans to enter private colleges and universities.

Let me describe this pattern as it relates to my own region of the Nation and as it compares to California. The percentage of veterans who have ever used the GI bill to go to college in New York is 21.3 percent; in New Jersey, 17 percent; and in Connecticut, 19.4 percent. California's 37-percent use rate far outstrips all of these figures. Interestingly enough, California also has 763,000 junior college slots, compared with only 216,000 in New York and 55,000 in New Jersey. Tuition charges for public colleges in these three States are also higher than in California, with the notable exception of the City University of New York, whose low charges have attracted thousands of veterans as students.

When these use rates of the GI bill are translated into Federal dollars the consequences are truly staggering. In the fiscal years 1968 through 1973, California veterans have received $1,270 million in GI bill payments. New York veterans have received $457,360,000 or a little more than one-third what California's veterans have received even though New York has almost two-thirds the number of California's veterans. In fiscal year 1973 alone, California's veterans received $380,085,982 in GI bill education benefits and New York only $141,885,629. Because New York State has not been able to attract as many veterans into its educational institutions, New York's veterans and the educational institutions of the State have been losing hundreds of millions of dollars. California has not been getting more than its share or depriving the veterans in other States, however, since the GI bill is an open-ended program for which Congress appropriates whatever funds are needed. While I can estimate the dollar losses to the State of New York, it is impossible to estimate the damage of the lost training opportunities, the potentially higher skills, higher incomes, and higher taxes paid by a better educated work force. The World War II and Korean war GI bills had a great broadening effect on our society by giving men and women veterans the skills they needed to become competitive. Today's GI bill operates in such a way that some States may be losing their ability to compete with others, as huge disparities in the Federal Government's largest educational assistance program continue.

The bill we will act on today does not address these problems. I understand that the Veterans' Committee will, however, begin hearings next month on legislation which I have sponsored along with my colleague from New York, WILLIAM WALSH, to provide direct tuition payments of up to $1,000 for each school year as a means of equalizing the opportunities of veterans in the several States. Only such a measure can open the doors of higher education which have been slammed in the faces of hundreds of thousands of discouraged veterans.

Mr. WOLFF. Mr. Speaker, I rise in support of the Veterans' Education and Rehabilitation Amendments Act, H.R. 12628. It is impossible to overemphasize the need for improving the GI education bill for Vietnam era veterans. As one who worked on the drafting of this bill in the Education and Training Subcommittee, I have heard a wealth of testimony which pinpointed the inadequacies of the current GI bill, particularly in comparison to its World War II predecessor. Nor was it possible for the Veterans' Administration to convincingly counteract this testimony. Most of us are aware of the recent study made by the Educational Testing Service for the VA, which confirmed that the present GI bill not only falls far short of the World War II program, but that the present bill actually discourages hundreds of thousands of vets from trying to improve their education.

The present formula for distributing the GI bill, as you know, gives veterans a lump sum of $220 a month. Out of this alone, the vet must pay all education fees, books, supplies, plus his living expenses. In effect, it is a misnomer to call the $220 per month a subsistence allowance for it must be stretched to cover a good deal more. The World War II bill, in comparison, paid for essentially all tuition, books, and educational fees—payments going directly to the college the vet chose; in addition, the World War II vet received a monthly subsistence allowance which was the equivalent, considering the cost of living index, of what today's vet receives to cover everything.

The bill we are considering today provides for a 13.6-percent increase in the monthly subsistence allowance, or rather in educational benefits since we are talking about the same thing. This will unquestionably help a good number of vets presently enrolled in school who are trying to make ends meet. It is a greatly needed step in the right direction, but we still have a way to go if we are going to bring the present GI bill anywhere close to a par with its World War II counterpart.

One of the single most important findings made by the Educational Testing Service study was that the ability of a Vietnam vet to take advantage of his GI bill benefits depends more on the State in which he resides than on any other factor. This was not the case for World War II vets, who in fact were virtually free to pick and choose not only among public schools but among private as well. In a good number of our States, public in-State tuition—never mind private—is so high that the vet is discouraged from even beginning his education; the inadequacy of current benefits simply obfuscates whatever educational opportunities he might wish to pursue.

While it is important for use to make benefits more realistic, as the bill before us tries to do, I think we should also take a good, hard look at the basic, disparate structure of the current GI bill. In plain truth, it does not afford equal educational opportunities, and yet, is not our debt and gratitude to each and every vet the same? If we are going to give more than lipservice to what is recognized as a national commitment, we must not only pass the bill before us today, but begin action on the proposal to authorize a variable tuition payment where tuition costs exceed the national average.

One final point I would like to make about the bill before us today concerns the provision to extend the eligibility time period from 8 to 10 years. Last session, I introduced legislation to eliminate the time limitation completely; I felt it was simply unfair to force vets to use their benefits within the confines of an arbitrary time period. Over the course of the past few months, I have heard from literally hundreds of vets from around the country urging, if not a complete elimination of the time period, at least an extension. The 2-year extension contained in the bill will help countless numbers of cold war vets whose benefits are due to expire in May of this year.

In sum, Mr. Speaker, let me just say that there are many in this Chamber who, because of the World War II GI bill, are now in a position of responsibility where they can provide needed assistance to the young vet of today. I know that we will not shirk that responsibility, that we will pass this bill in sufficiently overwhelming numbers so that, when it goes to the President for his signature, he cannot possibly veto it. I mention this concern, not only because of the President's rather limp proposal for an 8-percent increase in benefits, but also because the administration has tried to block virtually every meaningful veterans' measure that Congress has enacted. The time has come for honesty in dealing with the Vietnam vet.

For my colleagues' consideration, Mr. Speaker, I would like to include in the RECORD a table showing resident and nonresident undergraduate tuition rates at State colleges and universities for the 1973–74 academic year. I think this chart will serve to highlight some of the points I have been making as to why improvements are needed in the GI bill. The table follows:

TABLE A.—RESIDENT AND NONRESIDENT UNDERGRADUATE TUITION RATES AT STATE COLLEGES AND UNIVERSITIES, 1973-74 ACADEMIC YEAR. (WHERE DIFFERENT, 1972-73 TUITION RATES IN PARENTHESIS)

	Undergraduate tuition and/or required fees	
	Resident	Nonresident
ALABAMA		
Ala. A&M U	$280(270)	$630(520)
Auburn U	525(450)	1,050(900)
U. of Alabama	510	1,020
Alabama State U	405(345)	630(570)
Florence State U	470(450)	470(450)
Livingston University	439(430)	612(603)
U. of Ala.—Huntsville	525	1,050
U. of Montevallo	360	570
U. of South Alabama	579	867
ALASKA		
U. of Alaska	472(402)	1,072(1,002)
ARIZONA		
Ariz. State U	320	1,210
U. of Arizona	411	1,301
Northern Arizona U	330(304)	995(969)
ARKANSAS		
U. of Arkansas, Fayetteville	400	930
U. of Arkansas, Pine Bluff	400	1,000
Arkansas Polytechnic College	410	940
Arkansas State U	400	700
Henderson State College	400	800
Southern State College	410	680
State College of Arkansas	410	920
CALIFORNIA		
U. of California, System	644	2,144
Cal. Maritime Academy	1,380(1,080)	1,680(1,380)
Cal. St. Polytechnic U.:		
Pomona	163	1,156
San Luis Obispo	165	1,300(1,100)
California St. Colleges:		
Bakersfield	39	1,100
Dominguez Hills	146(143)	1,256(1,253)
San Bernadino	157	1,270
Sonoma	140	1,345(1,250)
Cal. St. Universities:		
Chico	166(160)	1,276(1,270)
Fresno	168	1,278
Fullerton	160	1,270
Humboldt	163	1,399(1,273)
Long Beach	164	1,369(1,274)
Los Angeles	165	1,236(1,110)
Northridge	164	1,145
Sacramento	160	1,110
San Diego	161	716
San Francisco	164	1,110
COLORADO		
Colorado State U	778(570)	2,069(1,759)
U. of Colorado, Boulder	593(576)	1,959(1,895)
Adams State College	471(456)	1,446(1,431)
Fort Lewis College	433(418)	1,337(1,283)
Metropolitan St. College	330(333)	1,080(1,062)
Southern Colo. St. Coll	474(450)	1,489(1,389)
U. of Northern Colo	427(402)	1,303(1,200)
Western St. Coll. of Colo	358(349)	1,003(1,315)
CONNECTICUT		
U. of Connecticut	715(655)	1,715(1,555)
Central Conn. St. Coll	570	1,410
Southern Conn. St. Coll	524	1,424
Western Conn. St. Coll	450	1,350
DELAWARE		
Delaware St. C	355(345)	930(920)
U. of Delaware	585(475)	1,560(1,350)
DISTRICT OF COLUMBIA		
District of Columbia Teachers Coll	70	1,082
Federal City College	132	852
FLORIDA		
Fla. A&M U	570	1,620
Florida State U	570	1,620
U. of Florida	570	1,620
Florida Atlantic U	570	1,620
Florida Technological U	570	1,620
U. of North Florida	570	1,620
U. of South Florida	570	1,620
U. of West Florida	570	1,620
GEORGIA		
Fort Valley St. C	387(382)	927(922)
Georgia Inst. of Tech	534	1,419
U. of Georgia	539(519)	1,259(1,239)
Albany State College	435	975
Armstrong State College	$405(390)	$945(930)
Augusta College	400(390)	940(930)
Columbus College	396	936
Georgia College	423	963
Georgia Southern Coll	367(361)	787(781)
Valdosta State College	429(387)	969(792)
West Georgia College	417	957
HAWAII		
U. of Hawaii	223(233)	733(743)
IDAHO		
U. of Idaho	380(356)	1,280(1,156)
Boise State College	356	1,296
Idaho State U	276(373)	1,126(1,123)
Lewis-Clark St. College	240	840
ILLINOIS		
Southern Illinois U	579	1,437
U. of Ill., Chicago Circle	636	1,626
U. of Illinois, Urbana-Champaign	686	1,676
Eastern Illinois U	599(691)	1,445(1,437)
Governors State U	585	1,650
Illinois State U	611(585)	1,272(1,246)
Northeastern Illinois U	476(520)	1,322(1,366)
Northern Illinois U	603(574)	647(617)
Sangamon State U	472(447)	1,133(1,110)
Southern Illinois U. at Edwardsville	589(584)	1,447(1,442)
Western Illinois U	561(558)	1,407(1,404)
INDIANA		
Indiana U	682(650)	1,560(1,490)
Purdue U	700	1,600
Ball State U	630	1,260
Indiana State U	660(600)	1,260(1,110)
IOWA		
Iowa State U	600	1,332(1,230)
U. of Iowa	620	1,350(1,250)
U. of Northern Iowa	600	1,100(1,000)
KANSAS		
Kansas State U	526(746)	1,316(1,066)
U. of Kansas	544(486)	1,334(1,076)
Fort Hays Kansas St. Coll	475(407)	970(802)
Kan. St. Coll. of Pittsburg	390	885(785)
Kansas St. Teachers Coll	394(386)	889(781)
Wichita State U	536(459)	1,327(1,060)
KENTUCKY		
Kentucky State U	455(395)	985(911)
U. of Kentucky	480(405)	1,210(1,120)
Eastern Kentucky U	420(360)	950(875)
Morehead State U	420(380)	950(896)
Murray State U	425(365)	955(881)
North'n Kentucky St. Coll	420(360)	950(876)
Western Kentucky U	420(360)	950(876)
LOUISIANA		
La. St. U	320	950
Southern U	284	914
Grambling College	332	782
Louisiana Tech U	334(318)	964(948)
McNeese State U	290(285)	530(525)
Nicholls State U	302	932
Northeast Louisiana U	292(270)	922(900)
Northwestern State U	302(294)	932(924)
Southeastern Louisiana U	165	480
MAINE		
Maine Maritime Academy	600	1,350(1,200)
U. of Maine:		
Augusta	400	1,400
Farmington	400	1,400
Fort Kent	430	1,430
Machias	400	1,300
Presque Isle	400	1,400
MARYLAND		
U. of Maryland, College Park	698(639)	1,698(1,439)
U. of Md., Eastern Shore	345(320)	695(620)
Bowie State College	570(450)	1,020(655)
Coppin State College	520(335)	970(685)
Frostburg State College	636(420)	1,086(770)
Morgan State College	651(460)	1,051(835)
St. Mary's Coll. of Md	470(460)	720(710)
Salisbury State College	721	1,179(954)
Towson State College	546(436)	996(886)
U. of Md., Baltimore City	560(500)	1,560(1,300)
MASSACHUSETTS		
U. of Mass	520(469)	1,320(1,069)
Boston St. College	369(318)	669
Fitchburg St. College	$300(250)	$600
Framingham St. College	300(250)	600
Massachusetts Coll. of Art	405(353)	705(703)
North Adams St. College	357(302)	652
Salem St. College	400(350)	800(700)
Southeastern Mass. U	420(370)	700(650)
Westfield St. College	300(250)	600
Worcester St. College	395(345)	695(645)
MICHIGAN		
Mich. St. U	720(675)	1,620(1,530)
U. of Michigan:		
Freshman-Soph	800(696)	2,600(2,260)
Junior-Senior	904(696)	2,800(2,260)
Wayne St. U	704(668)	1,893(1,857)
Central Michigan U	550(510)	1,240(1,110)
Eastern Michigan U	565	1,353
Grand Valley St. College	517(480)	1,305(1,224)
Northern Michigan U	495	1,260
Oakland U	602(557)	1,562(1,502)
Saginaw Valley College	510(450)	1,290(1,200)
Western Michigan U	540	1,140
MINNESOTA		
U. of Minn	592(550)	1,522(1,456)
Bemidji St. College	453(416)	827 (788)
Mankato St. College	333(307)	580 (555)
Moorhead St. College	333(307)	508 (555)
St. Cloud St. College	330(308)	578 (555)
Southwest Minn. St. Coll	453(416)	824 (787)
Winona St. College	477(438)	873 (834)
MISSISSIPPI		
Alcorn A&M C	400	1,000
Mississippi State U	506	1,106
U. of Miss	516	1,116
Alcorn A & M College	400	1,000
Delta St. College	434(428)	1,034(1,028)
Miss. St. Coll. for Women	474(465)	1,074(1,065)
Miss. Valley St. College	400	1,000
U. of Southern Mississippi	320	920
MISSOURI		
Lincoln U	370(350)	640(620)
U. of Missouri	540	1,540
Central Missouri St. U	315(300)	915(900)
Harris Teachers College	205	NA
Missouri Southern St. Coll	300	710
Missouri Western St. Coll	340	720
Northeast Missouri St. U	280	760
Northwest Missouri St. U	310(300)	600(800)
Southwest Missouri St. U	300	900
MONTANA		
Mont. State U	476(471)	1,376(1,318)
U. of Montana	487(471)	1,387(1,318)
Eastern Montana Coll	450(445)	1,350(1,292)
Montana Coll. of Mineral Science and Technology	378(375)	1,278(1,223)
Northern Montana Coll	430(413)	1,330(1,260)
Western Montana Coll	434(432)	1,334(1,280)
NEBRASKA		
U. of Nebraska	484	1,210
Kearney State Coll	505(403)	865(711)
U. of Neb. at Omaha	600(492)	1,508(1,218)
Wayne State College	555(443)	915(751)
NEVADA		
U. of Nevada	519	1,719
NEW HAMPSHIRE		
U. of New Hampshire	983(1,033)	2,233
Keene State College	617	1,450
Plymouth St. Coll. of the U. of New Hampshire	714	1,547
NEW JERSEY		
Rutgers U	725	1,310
College of Medicine and Dentistry of New Jersey:		
New Jersey Dental Sch	1,188	1,838
New Jersey Med. Sch	1,135(1,125)	1,775
Rutgers Medical Sch	1,200(1,250)	1850(1900)
Graduate Sch. of Biomedical Sci	635	805
Glassboro St. College	535	1,070
Jersey City St. Coll	636	1,171
Montclair St. Coll	679	1,339
Newark Coll. of Engineer	632	1,216
Ramapo Coll. of N.J	674	1,209
Stockton St. College	666	1,201
Trenton State College	640	1,175
NEW MEXICO		
New Mexico State U	466	1,296
U. of New Mexico	456	1,284
Western New Mexico U	333	900

TABLE A.—RESIDENT AND NONRESIDENT UNDERGRADUATE TUITION RATES AT STATE COLLEGES AND UNIVERSITIES, 1973–74 ACADEMIC YEAR, (WHERE DIFFERENT, 1972–73 TUITION RATES IN PARENTHESIS)—Continued

	Undergraduate tuition and/or required fees	
	Resident	Nonresident
NEW YORK		
City U. of New York	$70	$620
Cornell U. (statutory)	1,350(1,200)	1,950(1,800)
State U. of New York:		
Fresh-Soph	750(740)	1,175(1,165)
Junior-Senior	900(890)	1,400(1,390)
Queens College of City U. of New York	138	1,338(1,038)
State U. of New York:		
Empire State College	900(786)	1,468(1,234)
Maritime College	800[600]	1,300[900]
St. U. of N.Y. Colleges:		
Brockport	890[740]	1,390[1,165]
Buffalo	887[737]	1,387[1,162]
Fredonia	800[650]	1,300[1,075]
Geneseo	800[650]	1,300[1,075]
New Paltz	875[725]	1,375[1,150]
Old Westbury	800[650]	1,300[1,075]
Oneonta	800[650]	1,300[1,075]
Oswego	800[650]	1,300[1,075]
Plattsburgh	800[650]	1,300[1,075]
Potsdam	895[885]	1,395[1,385]
	[745(735)]	[1,170(1,160)]
Purchase	650	1,075
Utica/Rome	800	1,300
NORTH CAROLINA		
N.C. A&T U	542(525)	2,075(2,074)
N.C. State U	474(427)	2,034(2,002)
U. of North Carolina	439(422)	1,997
Appalachian St. U	485(467)	2,070(2,067)
East Carolina U	438(423)	2,004
North Carolina Central U	443(421)	2,043(2,021)
Pembroke St. U	389(390)	1,730
U. of N.C. at Wilmington	368(396)	1,923(1,936)
Western Carolina U	169(166)	691(699)
Winston-Salem St. U	490(472)	1,875(1,872)
NORTH DAKOTA		
N. Dak. St. U	435	1,164
U. of N. Dak	456	1,184
Dickinson S. College	415(406)	952(943)
Mayville St. College	305	852
Minot St. College	400	937
Valley City St. College	405(396)	942(933)
OHIO		
Kent St. U	804	2,004
Miami U	780	1,980
Ohio State U	750	1,800
Bowling Green St. U	780	1,179(1,143)
Central St. U	663(648)	1,188(1,173)
U. of Akron	705	1,605
U. of Toledo	780	1,935
Wright St. U	780(750)	1,680(1,650)
Youngstown St. U	630(570)	1,200(1,050)
OKLAHOMA		
Langston U	337	832
Oklahoma State U	456	1,236
U. of Okla	448	1,200
Central St. U	340	835
East Central St. College	348	843
Northeastern St. College	352(345)	847(840)
Northwestern St. College	332(327)	827(822)
Oklahoma College of Liberal Arts	335	830
Southeastern St. College	355	835
Southwestern St. College	330	825
OREGON		
Oreg. St. U	451(425)	1,633(1,484)
U. of Oregon	566(534)	1,748(1,593)
Eastern Oregon St. College	549(519)	1,392(1,239)
Southern Oregon College	549(513)	1,392(1,233)
PENNSYLVANIA		
Pennsylvania St. U	900(885)	2,100(1,986)
Temple U	1,050(970)	1,950(1,870)
U. of Pgh	1,012(982)	2,002(1,972)
Bloomsburg St. Coll	750(700)	1,500(1,400)
California State College	820(770)	1,570(1,470)
Cheyney State College	415(780)	1,576(1,470)
Clarion State College	750(700)	1,380
East Stroudsburg St. Coll	840(790)	1,470
Edinboro State College	750(700)	1,380
Indiana U. of Pennsylvania	750(700)	1,500(1,400)
Kutztown State College	750(700)	1,380
Lincoln U	1,018(1,418)	1,718(1,418)
Lockhaven State College	750(700)	1,380
Mansfield State College	NA(760)	NA(1,450)
Millersville State College	750(700)	1,500(1,380)
Slippery Rock State Coll	750(700)	1,500(1,380)
RHODE ISLAND		
U. of Rhode Island	$761	$1,661
Rhode Island College	490	1,175
SOUTH CAROLINA		
Clemson U	$640	$1,340
S.C. State C	480	960
U. of South Carolina	570	1,280
Francis Marion College	410	910
Winthrop College	560(470)	1,220(1,130)
SOUTH DAKOTA		
S. Dak. St. U	596(510)	1,337(1,132)
U. of S. Dak	554(500)	1,259(1,076)
Black Hills State College	525(455)	1,058(874)
Dakota State College	550(488)	1,017(936)
Northern State College	397(345)	390(765)
U. of South Dakota at Springfield	492(436)	1,024(856)
TENNESSEE		
Tennessee State U	351	1,161(1,071)
Austin Peay State U	318	1,128(1,038)
East Tennessee State U	378	1,188(1,113)
Memphis State U	348	1,068(948)
Middle Tennessee State U	358	1,168(1,078)
U. of Tennessee:		
Chattanooga	416(396)	1,226(1,116)
Martin	414(390)	1,224(1,110)
TEXAS		
Prairie View A&M U	198	1,422
Texas A&M U	288(279)	1,368(1,359)
Texas Southern U	346(284)	1,422(1,364)
Texas Tech. U	292(290)	1,444(1,442)
U. of Houston	266(256)	1,346(1,336)
U. of Texas, Austin	378(267)	1,458(1,347)
Angelo St. U	300(280)	1,380(1,360)
East Texas St. U	322(250)	1,402(1,330)
Midwestern U	120	1,200
North Texas St. U	170(152)	710(692)
Sam Houston St. U	276	1,356
Southwest Texas St. U	270(218)	1,350(1,298)
Stephen F. Austin St. U	280	1,360
Texas A&I U. Kingsville	270(190)	1,350(1,270)
West Texas St. U	280	1,360
UTAH		
U. of Utah	480	1,155
Utah St. U	453(438)	963(948)
Weber State College	405	810
VERMONT		
U. of Vermont	1,088(1,086)	2,688(2,536)
Castleton St. College	720	1,850
Johnson St. College	720	1,850
Lyndon St. College	720	1,850
VIRGINIA		
U. of Virginia	622(597)	1,447(1,372)
Virginia Poly Inst. & State U	627	1,227
Virginia State C	690	1,150(950)
George Mason College	690(640)	1,410(1,360)
Longwood College	585(500)	935(850)
Madison College	652(647)	1,077(1,072)
Mary Washington Coll	792(762)	1,547(1,517)
Old Dominion U	470	870
Radford College	480(462)	879(861)
Virginia Commonwealth U	590(540)	1,190(1,080)
WASHINGTON		
U. of Washington	564	1,581
Washington St. U	564	1,581
Central Washington St. Coll	495	1,359
E. Washington St. Coll	495	1,359
Evergreen St. Coll	495	1,359
W. Washington St. Coll	495	1,359
WEST VIRGINIA		
W. Virginia U	310	1,140
Bluefield State College	242(240)	992(990)
Concord College	240	990
Fairmont State College	242(232)	992(982)
Marshall U	282	1,082
Shepherd College	280	1,030
West Liberty State College	270(250)	1,020(1,000)
W.Va. Institute of Tech	277(260)	1,027(1,010)
West Virginia State Coll	250	1,000
WISCONSIN		
U. of Wisconsin—Madison:		
Freshman-Soph	573(558)	1,906
Junior-Senior	628(558)	2,006(1,906)
U. of Wisconsin:		
Eau Claire	$604(528)	$1,846(1,673)
La Crosse	611(535)	1,853(1,680)
Oshkosh	602(526)	1,844(1,671)
Platteville	620(544)	1,862(1,689)
River Falls	627(537)	1,869(1,680)
Stevens Point	519(518)	1,717(1,663)
Stout	604(528)	1,846(1,673)
Superior	610(534)	1,852(1,679)
Whitewater	607(531)	1,849(1,676)
WYOMING		
U. of Wyoming	411	1,377

Sources: National Association of State Universities and Land-grant Colleges and American Association of State Colleges and Universities.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of the bill, H.R. 12628, the Veterans Education and Rehabilitation Amendments of 1974. Passage of this legislation is critical to the future well-being of millions of veterans, for it will allow them the same educational and employment opportunities as their fellow countrymen enjoy.

This past year was a difficult one for veterans, especially those who were seeking either to start or continue their education. For the returning Vietnam serviceman, this problem was particularly acute. Thousands of these brave Americans had discovered that in the course of their years of duty, the cost of a decent education had become prohibitive to them. The costs of tuition and books had skyrocketed while their educational benefits were not registering similar increases.

This bill we are considering today will take great strides in eliminating this tragic inequity. The basic educational benefit for veterans under the GI bill will be increased by 13.6 percent, the kind of realistic figure necessary if veterans are to be provided with the basic opportunity to pursue an education.

Equally as important to the veteran of today is vocational rehabilitation and training. Through the years there have been a number of requirements which have prevented many veterans from taking part in these important programs. H.R. 12628 removes some of the more stringent requirements and opens the door for thousands more veterans to participate in vocational rehabilitation and training programs. These include:

Increasing the period of eligibility for veterans to receive training, from the present 8 years after discharge, to 10 years.

Reducing from 30 to 10 percent the disability level required for a service-connected veteran to qualify for vocational rehabilitation.

Finally, I am pleased to see included in this legislation the creation of a Vietnam Era Veterans Communication Center within the VA to assist Vietnam veterans with problems related to education or employment. The time is long overdue for this Nation to respond to the special needs of the Vietnam era veteran. This is one important step, and another might be the establishment of a new Deputy

Administrator for Vietnam Veterans' Affairs.

Many people have proclaimed 1974 as the "Year of the Veteran" in America. There is no doubt about the need for a national commitment to improve the quality of life for the veterans, but more than rhetoric is needed to succeed. This legislation represents the kind of positive response needed to help solve the problems of veterans. For far too many of them, their return from the rigors of warfare has been anything but triumphant. They have been forced to do battle here in America with such enemies as inflation and discrimination. The American veteran is weary, tired of fighting, tired of *idle promises of* help from the Government, but above all tired of a nation who seems to turn their backs to them in their times of need. Let us show the veteran that we do care, and let us not wait until it is too late.

Mr. SEIBERLING. Mr. Speaker, I rise in support of the Veterans' Education and Rehabilitation Amendments of 1974 which would increase veterans' education allowances from $220 to $250 a month. I commend the distinguished chairman of the Veterans' Affairs Committee, Hon. WILLIAM JENNINGS BRYAN DORN, for reporting out an excellent bill. Over the last 25 years, the cost of higher education has risen three times as much as GI educational assistance. The bill before us today is a significant step forward to making educational opportunities more readily available to veterans who wish to take advantage of them.

Unfortunately, even with the passage of this bill, the cost of higher education will still be beyond the reach of many veterans. Tuition fees in some States are vastly higher than in other States. In the 14th District of Ohio which I represent, for example, the tuition fee at Kent State University is $804 and at Akron University, $705. In contrast, 1 year's tuition at California State Universities is $164.

The present GI bill fails to take note of these variances. The result is that some veterans are penalized simply because they reside in one State rather than another.

I know the distinguished chairman is aware of this discrepancy, and has indicated that his committee plans to investigate this issue. I simply want to take this opportunity to express my support to the chairman for immediate hearings and legislative action to insure that no matter where a veteran lives, he will have the same educational opportunities as other veterans.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974.

This legislation combines general provisions from two bills which I have previously sponsored, calling for an increase in educational allowances for our veterans and extending the time period in which our retired servicemen may avail themselves of educational benefits.

In addressing ourselves to the measure before us today, let us be mindful of the initial reasons for providing educational benefits for veterans. Under the Selective Service System, operating until very recently, our Nation called upon its young men to respond to our defense needs by entering the armed services. In the many times we were involved in hostilities in other parts of the world, large numbers of our men were summoned to active duty. By responding to the call, these men were interrupting their lives at an age when they were only beginning to plan for their futures. Upon completion of their tours of duty, these same men returned to their homes to pick up the pieces of their lives and to begin to pursue their goals.

The congressional decision offering assistance to veterans pursuing their educations was one way by which we expressed our gratitude for service rendered to our country. To my mind, I find this expression one of the best responses we can make.

I need not remind my colleagues of the affects of the inflationary economy which is causing hardship for many individuals throughout our Nation. It would be unfortunate, indeed, if those men who served their country faithfully and well were not afforded the opportunity to pursue their educational needs, because the benefits provided were inadequate to meet increased costs. For this reason, I strongly support that portion of the bill providing a 13.6-percent increase in veterans education benefits.

A measure I sponsored earlier called for an indefinite time extension for utilizing educational benefits. While the "open-ended" assistance is more realistic, particularly for the veteran who is the head of a household and must remain employed, forcing him to receive his education on a part-time basis, I feel that we have made some headway in this measure by extending the time period for use of educational assistance from 8 to 10 years.

I applaud the work of the Veterans' Affairs Committee in reporting out this measure and urge its speedy adoption.

Mr. MINISH. Mr. Speaker, I rise in enthusiastic support of H.R. 12628, the Veterans Education and Rehabilitation Amendments.

Before discussing the provisions of this legislation, I want to pay tribute to my good friend and colleague from New Jersey, HENRY HELSTOSKI. It was Congressman HELSTOSKI's Subcommittee on Education and Training which developed this important and much-needed measure.

The bill before us today increases educational allowances by 13.6 percent under the GI bill. This amount is much more realistic than the proposal by the administration for a meager 8-percent increase, which would fail to meet even the cost-of-living rise since the last boost in benefits.

H.R. 12628 also increases the period of eligibility to receive training from the present 8 years following discharge to 10 years, or until June 1, 1976, in the case of those discharged between January 31, 1955 and June 1, 1966.

Additionally, the bill would receive disability requirements for eligibility to receive vocational rehabilitation to 10 percent, thus placing Vietnam era veterans on a par with veterans of World War II.

Mr. Speaker, I urge overwhelming approval of H.R. 12628 and its prompt consideration by the Senate.

Mr. BURLISON of Missouri. Mr. Speaker, I would like to voice my strong support for this important veterans benefits bill before the House today.

H.R. 12628 recognizes the debt this country owes to those noble young men who have served their country in the Armed Forces. I have been proud to support two previous legislative efforts increasing veterans benefits. Since I have represented Missouri's 10th Congressional District, educational allowance benefits have risen 69.2 percent. The legislation before this body today will raise this figure to 92.3 percent. In practical terms, the single veteran attending college today will receive $250 per month if this bill is enacted into law. This compares to $130 per month for the same veteran in 1969.

In addition, this legislation allows veterans 10 years to utilize their GI bill entitlements rather than the 8 years from time of discharge under current law.

This bill also contains a number of other important provisions designed to liberalize assistance programs for Vietnam era veterans. For example, this legislation reduces the disability requirement for vocational rehabilitation eligibility from 30 to 10 percent, making present vets on an equal level with World War II vets. Veteran students will also be allowed to increase part-time employment and work-study programs without jeopardizing their benefit eligibility. Of special significance to many veterans from my rural communities is the provision extending eligibility to wives, widows, and children to participate and pursue farm cooperative training.

Finally, H.R. 12628 establishes a Vietnam Era Veterans Communication Center within the Veterans' Administration that would be responsible for making periodic evaluations concerning the effectiveness of several VA Outreach programs. Hopefully, such a center will provide a workable clearinghouse for much-needed information on VA benefit programs.

Mr. Speaker, I enthusiastically endorse this measure and urge my colleagues to vote prompt passage of this measure.

Mr. WAMPLER. Mr. Speaker, I rise in support of the Veterans' Education and Rehabilitaton Amendments, H.R. 12628, because the legislation recognizes an obligation to the Vietnam veteran on the part of this Government and the people of the United States who benefited from their service to the country during a difficult period. I believe there is no better way to show our gratitude and appreciation than by giving the veteran a greater opportunity to improve his education or to learn a trade with which to support his family and to further enhance his contribution to society.

The legislation recognizes some of the inequities and inadequacies of the present law by liberalizing the eligibility requirements for wives, widows, and children, as well as the veteran. It gives him more time after discharge to complete his training, and broadens the choices of career training for which he may receive assistance.

The bill encourages veteran participation in work-study programs by removing the current limitation on the number of veterans who may receive assistance, and by doubling allowable work hours and payments under the program. I believe the work-study program is of special value to those who already have heavy family responsibilities, but still wish to pursue their educational or job training opportunities.

In addition, the 13.6-percent increase in benefits is a realistic and reasonable amount consistent with the increased cost of living.

The Vietnam-era veteran has received the short end of the stick from the American people and the Government in many respects. With the signing of the peace treaty more than a year ago, and the return of our troops and our prisoners of war, the people and the Congress have been anxious to put the Vietnam war and everything connected with it far from their minds. Especially since the onslaught of Watergate and the energy crisis, we have tended to be preoccupied. These things are important and demand our attention, but we must not renege on our obligations to our veterans and their dependents.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina (Mr. DORN) that the House suspend the rules and pass the bill H.R. 12628.

The question was taken.

Mr. HAMMERSCHMIDT. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 382, nays 0, not voting 47, as follows:

[Roll No. 34]

YEAS—382

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NAYS—0

NOT VOTING—47

Badillo
Blatnik
Boland
Brasco
Broomfield
Carey, N.Y.
Chisholm
Cochran
Conlan
Conyers
Cotter
Crane
Delaney
Dennis
Frelinghuysen
Gray
Hosmer
Jarman
Johnson, Pa.
Jones, Tenn.
Jordan
Kluczynski
McCloskey
Mills
Minshall, Ohio
Moss
Nix
Patman
Patten
Railsback
Reid
Rodino
Rooney, N.Y.
Roybal
Scherle
Shoup
Stanton, J. William
Stokes
Stubblefield
Talcott
Teague
Vander Jagt
Vanik
Wilson, Charles, Tex.
Wyatt
Wydler
Zablocki

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Broomfield.
Mr. Patten with Mr. Cotter.
Mr. Delaney with Mr. Crane.
Mr. Boland with Mr. Hosmer.
Mr. Kluczynski with Mr. Cochran.
Mr. Brasco with Miss Jordan.
Mr. Reid with Mr. Dennis.
Mr. Carey of New York with Mr. McCloskey.
Mr. Rodino with Mr. Frelinghuysen.
Mrs. Chisholm with Mr. Roybal.
Mr. Zablocki with Mr. Conyers.
Mr. Stubblefield with Mr. Conlan.
Mr. Teague with Mr. Minshall of Ohio.
Mr. Nix with Mr. Moss.
Mr. Stokes with Mr. Vanik.
Mr. Badillo with Mr. Blatnik.
Mr. Gray with Mr. Scherle.
Mr. Jarman with Mr. Talcott.
Mr. Jones of Tennessee with Mr. Railsback.
Mr. Patman with Mr. Shoup.
Mr. Mills with Mr. Vander Jagt.
Mr. J. William Stanton with Mr. Wyatt.
Mr. Wydler with Mr. Johnson of Pennsylvania.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GOLDEN GATE NATIONAL RECREATION AREA

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10834) to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes, as amended.

The Clerk read as follows:

H.R. 10834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(a) of the Act of October 27, 1972 (86 Stat. 1299), is hereby amended by deleting "Boundary Map, Golden Gate National Recreation Area, numbered NRA–GG–80,003. sheets 1 through 3, and dated July, 1972." and inserting in lieu thereof "Revised Boundary Map, Golden Gate National Recreation Area, numbered NRA–GG–80,003–D, and dated September 1973.", which shall include, in addition to the existing properties within the Golden Gate National Recreation Area, the following:

"Marin County:

"(1) Allan Associates, Incorporated property, 38.89 acres,

"(2) County of Marin and Tamalpais Community Services District lands, 22.94 acres,

"(3) Ghilotti Brothers property, 10.40 acres,

"(4) Oakwood Valley area, various properties, 208.89 acres,

"(5) Olds property, 207.56 acres,

"(6) Wolfback Ridge area, various properties, 287.47 acres: *Provided,* That the Secretary is authorized to acquire such interest as he deems reasonably necessary to preserve the scenic quality of the 9.47 acres designated for scenic protection,

"(7) Keller property, Stinson Beach, 10 acres,

"(8) Leonard property, Stinson Beach, 8.25 acres,

"(9) Muir Beach properties, 4 acres, and

"(10) State of California, Department of Transportation, 120 acres.

"San Francisco County:

"Haslett Warehouse; and shall exclude the following:

"(1) Leonard (homesite), 10 acres,

"(2) Panoramic Highway area, Stinson Beach, 40 acres."

SEC. 2. Section 5(b) of the Act of October 27, 1972 (86 Stat. 1299), is amended to read as *follows:*

"(b) The Commission shall be composed of sixteen members appointed by the Secretary for terms of three years each. At least one of the members appointed to the Commission shall be a member of the Marin County Planning Commission, Marin County, California, who is familiar with the purposes and facilities of the Golden Gate National Recreation Area and the Point Reyes National Seashore and is a resident of the area known as West Marin located in Marin County, California.".

The SPEAKER. Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from North Carolina (Mr. TAYLOR) will be recognized for 20 minutes, and the gentleman from Kansas (Mr. SKUBITZ) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of the enactment of H.R. 10834—a bill to amend the act establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties in California. This legislation was introduced by Representative PHILIP BURTON and cosponsored by his California colleagues—Representatives MAILLIARD, JOHNSON, DON H. CLAUSEN, HOSMER, BURKE and KETCHUM—as well as by 23 other Members.

This is not a complicated measure. It simply makes some changes in the existing boundaries of the recreation area which was created by the 92d Congress. Some of the changes were necessitated by relatively minor errors made in the original boundary map—particularly the Haslett Warehouse in San Francisco which was inadvertently omitted. In other cases, the Department of the Interior found that certain parcels were not necessary for the recreation area, that some were already developed with expensive residential dwellings, and that some were needed for the orderly expansion of the community of Stinson Beach. For these reasons, some properties formerly within the recreation area would be excluded if H.R. 10834 is enacted. In addition, Mr. Speaker, the bill would add to the recreation area certain additional tracts of land which are important to the scenic values of the area or which are needed for public access or facilities.

Altogether, H.R. 10834 adds approximately 925 acres of land to the boundaries of the recreation area and excludes about 50 acres. Included in the additions are 120 acres of State-owned lands which would be acquired under the terms of the original act by donation only. While it would not be correct to assume that this legislation will be free of the need for funds in order to implement it, the committee believes that the acquisition program can be accomplished within the existing authorization ceiling for the recreation area.

Mr. Speaker, the committee amendments also include a provision expanding the existing Advisory Commission by one member in order to assure proper representation of the Marin County Planning Commission. As everyone knows, most of the Golden Gate National Recreation Area and Point Reyes National Seashore are located in Marin County. Because of this fact, the principal sponsor of the bill suggested and the committee agreed that the agency most directly involved in county planning should be represented on the Advisory Commission.

In short, Mr. Speaker, H.R. 10834 does two things:

First, it makes certain relatively noncontroversial boundary revisions which will have the net effect of enlarging the recreation area by 875 acres; and

Second, it expands the Golden Gate Advisory Commission from 15 to 16 members.

I urge the adoption of the bill, as amended, by the Members of the House.

Mr. HOSMER. Mr. Speaker, the Congress made an important decision in 1972 when it enacted the law creating the Golden Gate National Recreation Area near San Francisco. Some outstanding natural and scenic landscapes are now preserved on the very edges of this city. They afford outdoor recreational opportunities for large numbers of people living in and near this urban area. Visitors from elsewhere also are attracted to the area.

The bill before us is designed to effect various boundary adjustments in this recreation area. While a few small parcels are deleted from the original area, more of the adjustment is in the nature of additions, for a net increase of about 875 acres. It is anticipated that the costs entailed by this bill can be absorbed within the authorization ceiling of the original act which established the area in 1972.

An amendment to the bill was adopted in committee which is controversial. Its nature and background will be explained by our colleague from California (Mr. GUBSER), whose objections to the bill as amended are entitled to respect. I hope that this difficulty as well as the possible exclusion of some acreage which is questionable may be handled by the other body if and when it acts on the bill.

On balance, I reluctantly support the legislation by my colleagues. The bill will help perfect the administration of an already successful venture.

Mr. SKUBITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am in support of this bill, H.R. 10834, amending the act passed by the Congress in 1972 which created the Golden Gate National Recreation Area in California.

The bill before us essentially deals with boundary adjustments so as to extend protection to adjacent valuable scenic and recreational landscapes. The bill also deletes some minor acreages from the recreation area so as to improve the effectiveness of administration of the area.

Mr. Speaker, it is important to note that while this bill provides a net gain to the existing recreation area of about 875 acres, there is no dollar cost attached to this bill. The cost of this additional acreage is expected to be able to be absorbed within the initial authorization ceiling for the area set by the Congress when the parent act was enacted in 1972.

Mr. Speaker, this is a simple bill, a needed bill, and one without cost. I hope my colleagues will join me in voting for its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Speaker, I should like to express my gratitude to the chairman of the subcommittee, the gentleman from North Carolina (Mr. TAYLOR) for his assistance in attaining passage of this legislation, to note the effective assistance of the coauthor, my distinguished colleague, the gentleman from California (Mr. MAILLIARD), as well as the great assistance to us by the gentleman from California (Mr. DON H. CLAUSEN), our colleague, the gentleman from California (Mr. JOHNSON), and the gentlewoman from California (Mrs. BURKE). I wish to express my appreciation to one and all for this corrective and improving legislation on the Golden Gate National Recreational Area.

Mr. Speaker, the Golden Gate National Recreation Area in San Francisco and Marin Counties was established in the closing days of the 92d Congress and preserved for future generations an important part of the most beautiful and easily accessible open space in all of America.

Study and analysis in the intervening months have brought an even greater appreciation of the magnificence of this park that will stand as a monument to the foresight of the Congress that created it.

The same study and analysis have brought into focus some necessary boundary adjustments, both exclusions and additions, which I have incorporated into my bill, H.R. 10834.

The proposed additions are necessary refinements that round out boundaries for more efficient management, avoid potential adverse development, protect the scenic quality of the landscape, and provide necessary access to planned recreational facilities. The excluded parcels, on the other hand, contain developed homesites or land which the local community needs for growth and which are not essential to the recreation area. The current authorization ceiling is adequate to take care of the boundary adjustments recommended to you in H.R. 10834.

I urge speedy approval of these modest changes in the lines defining the Golden Gate National Recreation Area, destined to be the finest urban recreation area in the Nation. Approval of this measure will be another opportunity to express commitment to the preservation of our treasured open space for the enjoyment of all the people and all future generations of America.

In brief the boundary changes would add to the present 34,000-acre park approximately 925 acres and exclude about 50 acres. The additions would include Allan Associates, Inc. property, 38.89 acres; County of Marin and Tamalpais Community Services District lands, 22.94 acres; Ghilotti Brothers property, 10.40 acres; Oakwood Valley area, various properties, 208.89 acres; Olds property, 207.56 acres; Wolfback Ridge area, various properties, 287.47 acres: Provided, That the Secretary is authorized to acquire such interest as he deems reasonably necessary to preserve the scenic quality of the 9.47 acres designated for scenic protection; Keller property, Stinson Beach, 10 acres; Leonard property, Stinson Beach, 8.25 acres; Muir Beach properties, 4 acres; and State of California, Department of Transportation, 120 acres.

The exclusions would be: Leonard—Homesite—10 acres and Panoramic Highway area, Stinson Beach, 40 acres.

Mr. STARK. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from California.

Mr. STARK. I thank the gentleman for yielding. I wish to associate myself with the remarks of the gentleman from California (Mr. Burton), and to extend my congratulations to the Chairman of the committee, the committee, and our colleagues from California who have joined together to make this great national monument a step forward in the fight for conservation of our natural resources.

Mr. Speaker, I would like to take this occasion to commend my colleagues, the gentlemen from California, Don Clausen, Biz Johnson, Bill Mailliard, and Phil Burton, for the outstanding contribution they have made by their joint work to report this bill.

This legislation has enjoyed strong bipartisan support by Members from across the country, and under the leadership of these four northern California Representatives, was promptly considered by the House Interior Committee.

The Golden Gate National Recreation Area is one of the best examples we have of the concept of urban parks. Its purpose is to preserve the undeveloped land surrounding our cities for the use and enjoyment of those urban residents. This particular area, extending north and south from San Francisco, encompasses beach and forest land on the peninsula south of San Francisco and extends far north into Marin County along the rugged, magnificent coast. These lands have long been landmarks of the northern California coastline, and have been enjoyed not just by city residents, but by people from across the country coming to visit the area.

Passage of the Golden Gate National Recreation Area in 1972 was a major step in the preservation of these lands. These amendments, though, are just as critical. They will improve the boundaries for the area and increase the amount of land that can be acquired, and thereby saved from development.

The northern California members of the Interior Committee have done an admirable service in the cause of conservation in their work on this bill. As a Representative from the East Bay, I would like to express my sincere appreciation, on behalf of my constituents, to these men for helping to preserve our rapidly dwindling undeveloped lands.

Finally, I am most heartened by the work they have done on this bill, as it suggests that the conservation movement is gaining impetus in the House. That is a boost to every inner-city resident, particularly in the bay area, who has worked to see the coastlands and ridgelands, unique to the bay area, preserved for their enjoyment.

I urge all my colleagues to join me in support of this bill, and to extend their appreciation to the chairman and committee members who are legislating conservation.

Mr. SKUBITZ. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I should like to ask the gentleman from North Carolina how much, if any, these land deals cost the taxpayers of the country?

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. It is estimated that the additional cost of these additions to the Golden Gate National Area will be $5.6 million.

Mr. GROSS. How many millions?

Mr. TAYLOR of North Carolina. $5.6 million.

Mr. GROSS. Was any of this land previously purchased by the Government from those to whom it will revert? Was there any land previously purchased by the Government, for which compensation is being paid, that is now being returned to private use?

Mr. TAYLOR of North Carolina. If the gentleman will yield further, I might state that the legislation does provide for the deletion of 50 acres of land which is included in the present boundaries. That land has not been purchased, so it will not be a matter of deeding back property that has been purchased. The land is just being taken out of the park and will not be acquired. It would be very expensive to purchase it, and the Park Service recommended that it be removed.

Mr. GROSS. There is no land that was previously purchased by the Federal Government that is being returned without compensation to private ownership; is that correct?

Mr. TAYLOR of North Carolina. That is correct.

Mr. GROSS. Do I understand from reading the report that a new member is being added to some kind of a board or commission in connection with this deal?

Mr. TAYLOR of North Carolina. If the gentleman will yield further, the parent legislation establishes the Golden Gate Advisory Commission, and this bill does add one additional member to that Commission. The Commission presently has 15 members. This will increase it to 16 members.

The reason for the increase is that there is a request that the Marin County Planning Commission be represented on the board.

Mr. GROSS. Has that individual been selected; does the gentleman know?

Mr. TAYLOR of North Carolina. Not to my knowledge. I should think the selection would be made after the legislation is passed.

Mr. GROSS. The gentleman has no information as to whom that individual will be?

Mr. TAYLOR of North Carolina. I do not.

Mr. GROSS. I thank the gentleman.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. There was a member added in addition to that one member. There has been some mention about this. In fact, the next speaker has asked for 5 minutes to discuss that.

Mr. GROSS. I thank the gentleman from Kansas.

The SPEAKER. The time of the gentleman has expired.

Mr. SKUBITZ. I now yield 5 minutes to the gentleman from California (Mr. Gubser).

Mr. GUBSER. Mr Speaker, I rise to request a "no" vote on the motion to suspend the rules. Let me emphasize at the outset that a "no" vote will not be an anticonservation vote, and do not let anyone tell you it is. All we want to do is bring this bill up in the regular order with a rule so that some of the gimmicks in it can be amended out. That is all we are asking. I am for the Golden Gate National Recreational Area.

In fact, last year I played a very significant part in bringing about the compromise between the Armed Services Committee and the Committee on the Interior and Insular Affairs which made a bill possible.

There are two features in this bill which are wrong and the House should have the opportunity to at least offer amendments to delete those features.

The gentleman from Iowa alluded to one, and that is language in this bill which calls for the appointment of a 16th Commissioner. That language is so tight that it can apply to only one person. His name is Jerry Friedman. He will be the new Commissioner, and no one else will be eligible. If the supervisorial representative from the West Marin District happens to appoint someone else to the Planning Commission then today we are acting to appoint a new Commissioner whom we do not know and have never heard of.

I do not labor under any delusion as to why Mr. Friedman is being appointed. I know why and you know why. I say we should let a man dispense his political patronage after he is elected and not before.

The second feature that should be amended in this bill is to delete what is referred to as Assessors Parcel No. 195-232-01. This is 8.25 acres of expensive land which sells for about $12,000 an acre and is too expensive for park use.

It is right next to the city of Stinson Beach. The Planning Commission of Marin County and the board of supervisors of Marin County have both asked that this land be deleted because they feel it is needed for some commercial development in the city of Stinson Beach and it is the only place that development can take place. The chairman of the board of supervisors, Mr. Arrigoni testified before the committee and was assured the views of the Marin County Board of Supervisors would be given due consideration. But their views were completely ignored, and we do not have the right even to offer an amendment to give their wishes fair consideration in this House.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from California (Mr. MAILLIARD) in whose district this park is going to be built.

Mr. MAILLIARD. Mr. Speaker, I thank the gentleman for yielding.

I may say I am really in agreement with the point the gentleman is making. On the other hand, as a coauthor of the bill I have been around here long enough, and the gentleman has been, to know that we do not always get a bill written precisely as we want, but I want certainly to underline two things the gentleman says.

I have a telegram from the Marin County Board of Supervisors which reiterates their testimony about this 8.25 acres.

I also did not realize the committee had slipped in this provision creating an extra position on the Supervisory Commission in terms that only one man can qualify, and if that man should leave the job on that County Board, then his successor on the County Board would be the only man who could qualify. I think this is a terrible way to legislate.

Mr. GUBSER. I thank the gentleman for his comments.

Let me reiterate the Marin County Board and the Planning Committee of Stinson Beach say they believe this 8.25 acres are necessary for logical growth and orderly expansion of the city of Stinson Beach, and if they say that I believe we in Congress ought not to impose our contrary will on them.

Remember this. If we defeat this motion to suspend the rules, then we can have a rule and we can offer an amendment to strike these two objectionable portions, and then we will have a park which we all favor of at least about 30,000 acres. I do not believe this 8.25 acres is going to ruin the Golden Gate National Recreation Area.

I respectfully ask the Members to vote "No" on suspending the rules and let the bill be brought up under regular procedure, under a rule, and then we can all vote on this fine recreational area.

Mr. SKUBITZ. Mr. Speaker, I am not in agreement with what my colleague *from California* says. It reminds me of something that was said by Danny Thomas years and years ago. Danny was portraying the part of an immigrant Lebanese boy and he was bragging about this country and what we could do in it.

I always remember that Danny made this statement:

> America is a great country. You can do anything here you want to do, but don't do it in my front yard.

I have been on the National Parks and Recreation Subcommittee for 12 years. I have never seen a time yet that I did not have somebody coming in and saying, "Well, we would like to have the park, but we want you to take this in or take that out."

I think the committee has done a pretty good job here and I hope this bill is not sent back for that reason.

I was not present in full committee at the time the amendment was made regarding the adding of an additional Commission member.

I think it would be fair to pass this bill and let us try to work this point out in conference. If there is something about this that is bad, I am sure that the conference can work it out.

I hope that this bill will be given very unanimous support.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks at this point in the RECORD on the bill H.R. 10834.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, as an original cosponsor of legislation establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, and as a cosponsor of H.R. 10834, I am pleased to rise in support of this measure to include additional lands in the recreation area in order to assure its scenic quality and to provide needed access points to its planned recreational facilities.

Mr. Speaker, approval of H.R. 10834, notwithstanding the controversy involved, should properly be credited to our distinguished colleague and member of the Interior Committee, PHIL BURTON, who steadfastly and tenaciously guided the original legislation creating the Golden Gate National Recreation Area through the Congress in 1972. Throughout his service in the House, PHIL BURTON has been dedicated to the preservation of those areas now comprising the Golden Gate National Recreation Area, and it is a tribute to his legislative skill, his tireless efforts and his leadership in the conservation movement, that we add these critical lands needed to perfect the boundaries of this outstanding scenic, recreation area.

Mr. TAYLOR of North Carolina. Mr. Speaker, I have no other requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill H.R. 10834, as amended.

The question was taken.

Mr. GUBSER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 284, nays 88, not voting 57, as follows:

[Roll No. 35]

YEAS—284

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Boggs
Bolling
Brademas
Breaux
Breckinridge
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Clark
Clausen, Don H.
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Dellenback
Dellums
Denholm
Dent
Derwinski
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Foley
Ford
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gude
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holtzman
Hosmer
Howard
Hungate
Hunt
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kastenmeier
Kazen
Ketchum
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
McClory
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mailliard
Mallary
Mann
Maraziti
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Obey
O'Hara
O'Neill
Owens
Passman
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Quie
Quillen
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stephens
Stratton
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Yates

Yatron
Young, Ga.
Young, S.C.
Young, Tex.
Zwach

NAYS—83

Abdnor
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bevill
Blackburn
Bray
Brinkley
Broyhill, N.C.
Broyhill, Va.
Butler
Chamberlain
Clancy
Clawson, Del
Cleveland
Collier
Collins, Tex.
Conable
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dennis
Devine
Dickinson
Edwards, Ala.
Erlenborn
Esch
Eshleman
Flynt
Forsythe
Ginn
Goodling
Green, Oreg.
Gross
Gubser
Gunter
Guyer
Hanrahan
Heinz
Hinshaw
Holt
Horton
Huber
Hudnut
Hutchinson
Ichord
Kemp
King
Landgrebe
Landrum
Latta
Lent
Lott
McCollister
McEwen
Madigan
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Michel
Nichols
Parris
Powell, Ohio
Price, Tex.
Rhodes
Robinson, Va.
Robison, N.Y.
Rousselot
Ruth
Satterfield
Shuster
Spence
Steiger, Ariz.
Symms
Towell, Nev.
Treen
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Zion

NOT VOTING—57

Blatnik
Boland
Bowen
Brasco
Broomfield
Brown, Mich.
Carey, N.Y.
Chisholm
Cochran
Conlan
Cotter
Crane
Delaney
Diggs
du Pont
Fish
Frelinghuysen
Gray
Hansen, Wash.
Hébert
Jarman
Johnson, Pa.
Jones, Tenn.
Jordan
Kluczynski
Kuykendall
McCloskey
Mills
Minshall, Ohio
Moss
Nix
O'Brien
Patman
Patten
Pritchard
Railsback
Rarick
Reid
Rodino
Rogers
Rooney, N.Y.
Roybal
Scherle
Shoup
Stanton, J. William
Steed
Stokes
Stubblefield
Stuckey
Talcott
Teague
Vander Jagt
Vanik
Wiggins
Wilson, Charles, Tex.
Wyatt
Zablocki

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Zablocki.

Mr. Rooney of New York with Mr. Vander Jagt.

Mr. Rodino with Mr. Talcott.

Mr. Kluczynski with Mr. J. William Stanton.

Mr. Boland with Mr. Scherle.

Mr. Brasco with Mr. O'Brien.

Mr. Nix with Mr. Moss.

Mr. Cotter with Mr. Johnson of Pennsylvania.

Mr. Delaney with Mr. du Pont.

Mr. Carey of New York with Mr. Fish.

Mr. Diggs with Mr. Gray.

Mr. Vanik with Mr. Freylinghuysen.

Mr. Roybal with Mr. Stokes.

Mr. Hébert with Mr. Crane.

Mr. Jarman with Mr. Kuykendall.

Miss Jordan with Mr. Patman.

Mr. Patten with Mr. McCloskey.

Mr. Rarick with Mr. Conlan.

Mr. Reid with Mr. Broomfield.

Mr. Rogers with Mr. Minshall of Ohio.

Mr. Blatnik with Mrs. Chisholm.

Mrs. Hansen of Washington with Mr. Railsback.

Mr. Jones of Tennessee with Mr. Pritchard.

Mr. Mills with Mr. Cochran.

Mr. Steed with Mr. Brown of Michigan.

Mr. Stubblefield with Mr. Shoup.

Mr. Stuckey with Mr. Wiggins.

Mr. Wyatt with Mr. Bowen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DENNIS. Mr. Speaker, I was detained on official business and missed the rollcall on H.R. 12628, the Vietnam Veterans Education and Rehabilitation Amendments. I would like the RECORD to show that had I been present, I would have voted "aye."

CONFERENCE REPORT ON (H.R. 10203) WATER RESOURCES DEVELOPMENT ACT OF 1974

Mr. ROBERTS. Mr. Speaker, I call up the conference report on the bill (H.R. 10203) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of February 13, 1974).

Mr. ROBERTS during the reading. Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the managers on the part of the House, I am proud to bring to the floor the conference report on H.R. 10203, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, as amended.

The bill, as agreed to by the conferees, is the House bill with some of the additions and modifications contained in the Senate amendment and accepted by the House conferees. The major provisions in the bill reflect the position of the House. I would particularly like to mention four items in the bill which are of particular importance.

A new procedure for authorization of major water resources development projects is established. These projects are authorized only through what is called the phase I design memorandum stage of advanced engineering and design. This is the first stage of post-authorization planning, prior to commencement of construction, when the original project plan is reviewed and brought up to date, the final environmental impact statement is prepared, and the final decisions are made as to the precise nature of the project to be built.

The committee adopted this change in procedure because of its growing concern over the major changes that often take place in projects between the time a project is first authorized and the time detailed plans are prepared for construction. This new authorization procedure will give the Congress the opportunity just prior to construction to examine and affirm or modify any changes which may have taken place in a project.

The bill establishes a uniform procedure for deauthorization of projects. Under this procedure, the Secretary of the Army will annually submit to Congress a list of projects he has determined, after study and coordination with local interests, should no longer be authorized. After 180 days the projects become deauthorized unless the House or Senate Public Works Committee passes a resolution to the contrary. This will provide an orderly and efficient means of reducing the large backlog of old projects which do not meet present day criteria.

Federal agencies are directed to consider nonstructural alternatives when planning flood control projects. This provision will encourage the wise use of flood prone lands, the preservation of open spaces, and the preservation and enhancement of the environment. In fact, three projects are included in the bill which incorporate nonstructural alternatives—acquisition of natural storage areas in the Charles River Basin in Massachusetts, relocation of the inhabitants at Prairie du Chien, Wis., and flood plain acquisition for park purposes at the Chatfield Dam project in Colorado.

There is one last provision of the bill which I would like to discuss. This is the provision concerning the principles and standards used in the formulation and evaluation of water and related land resources projects.

In 1965 the Congress enacted into law the Water Resources Planning Act. The purpose of that act was to encourage the conservation, development, and utilization of water and related land resources of the United States on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprise with the cooperation of all affected Federal agencies, States, local governments, and others concerned.

The act established the Water Resources Council to achieve the goal of comprehensive and coordinated planning. One of the specific duties assigned to the Council by the Congress was the establishment, after consultation with other interested entities, and with the approval of the President, of principles, standards, and procedures for Federal participants in the formulation and evaluation of Federal water and related land resources. One part of these principles and standards is the discount rate formula to be used.

On December 24, 1968, the Water Resources Council adopted a new formula for computing the interest rate to be used in plan formulation and evaluation for discounting future benefits and computing costs. This formula is based on the yield rate of marketable securities which at the time of computation have 15 or more years remaining to maturity. The current rate—July 1973—under this formula is 5⅝ percent.

In October of last year a new interest rate formula, prescribed by the Council, became effective. The rate, which is to be established initially at 6⅞ percent and which may vary by one-half of 1 percent per year, is to be based upon the estimated average cost of Federal borrowings as determined by the Secretary of the Treasury taking into consideration the average yield during the 12 months preceding his determination on interest-bearing marketable securities of the United States with remaining periods to maturity comparable to a 50-year period of investment. This formula differs markedly from the previous formula adopted by the Water Resources Council in 1968.

We are greatly concerned with the effect this new discount formula would have on the justification of water resources projects that are essential to meet the needs of future generations. The higher the discount rate, the less future benefits are worth when discounted to present-day values. Thus, the formula encourages capital-intensive projects which provide for immediate or early near-future benefit returns, and lessens the opportunity to build projects which are designed to satisfy the needs of future generations.

We feel strongly that Congress must play a role in the establishment of principles and standards for water resources development. The bill accordingly provides that any changes in the interest rate formula must be approved by Congress, and enacts into law the 1968 formula.

The interest rate formula is but one aspect of water resource project formulation and evaluation, and cannot be considered in a vacuum. There is a real need for a complete examination of all the issues involved in project formulation and evaluation—not just the interest rate, but the principles and standards to be used and the Federal and non-Federal cost sharing to be employed. We cannot consider the discount rate to be used in evaluating benefits without also considering what benefits should be evaluated and how the evaluation should be made. Likewise, the appropriate Federal and non-Federal responsibilities must be considered in the formulation and evaluation of projects. For these reasons, the legislation provides for the President to study, and report to the Congress with his recommendations on, all of these matters—principles and standards, including the interest rate formula, and appropriate Federal-non-Federal cost sharing. When this report is received it will provide the Congress with the information it needs to examine the whole spectrum of issues involved in the water resources program and to come up with those changes it determines should be made. We look forward to receiving the report and intend to give it our thorough consideration.

There are some who claim that if the Congress takes the action intended by section 80 of the conference report, the executive branch is somehow limited in making recommendations as to specific projects. Some would argue further that the Congress has no right to reverse the action taken last October by the President and the Water Resources Council. I would point out the absurdity of these contentions by noting first, that the executive branch is free to make whatever recommendations it desires for whatever reasons it chooses as long as it furnishes the Congress with the information that the Congress specifically requests; and second, the authority for the October action was as a result of an act of Congress, the Water Resources Planning Act of 1965, and clearly what the Congress gives, the Congress can take back.

However, what is far more important than these arguments is that it is time for the executive branch and the Congress to jointly examine the future direction of the water resources development program and to determine where we want to go with it and how we get there.

It may turn out that after the President completes and submits to the Congress his study and recommendations—and after we review them in detail—we may be in agreement. And, then again, we may not be. Nevertheless, it is only through this procedure will we be able to give some direction and momentum to this program. Accordingly, I call upon all who may have some influence in the determination as to whether this legislation will or will not become law to carefully consider their actions and recommendations.

I firmly believe that section 80 is in the best interests of our Nation in providing a means for a reexamination of th entire scope—benefits, costs, interest rates, cost sharing, cost allocation, and objectives—of water resources development projects, and I urge the most serious consideration of this provision both by the executive branch and the Congress.

One section of the conference report that I believe requires further clarification is section 80 concerning the projects in the Potomac River Basin. The House provision was modified in the conference report so as to accept substantially the language of the Senate amendment—which essentially was a rewrite of the plan which had been included in the House version. The advocates of the amendment desired specific language in the section which would preclude the construction of Sixes Bridge Dam in Maryland until all elements of the plan were completed, including the Corps of Engineers' comprehensive study of the Potomac River Basin and the Washington metropolitan area, the study of the use of the Potomac estuary area as a source of water supply, and the report of the National Academy of Sciences-National Academy of Engineering on the scientific basis for the conclusions reached with respect to the use of the estuary for water supply and the estuarine pilot project.

At page 126 of House Report No. 93-541, which accompanied H.R. 10203, the Committee on Public Works stated unequivocably:

> The Committee feels strongly that the three-element plan authorized and directed by this section is the best means of securing the necessary information needed to arrive at a decision as to what must be done to meet the water and related resources needs of the Potomac River Basin and the Washington Metropolitan Area. The Committee wishes to emphasize that in no event will the Sixes Bridge and Verona projects be authorized for construction until the Committee is satisfied, based on the results of the pilot program and on the comprehensive review study, that they are necessary.

This is still our position—despite the language of section 80 which would provide a limitation on construction only on Sixes Bridge Dam until the completion of all studies, it is our intent not to consider either project—Sixes Bridge Dam or Verona Dam in Virginia—for construction until the completion of all studies authorized by this section.

At this point, I would point out one technical error in the conference report which I believe to be of minor significance, but nevertheless has to be noted, and we would expect the Secretary of the Army to administer the provision in accordance with the congressional intent. In section 51 in the area described by that section, the words "shoreward of a line with" should read "shoreward of a line within".

Finally, Mr. Speaker, we have computed the estimated costs to the United States in accordance with rule XIII(7) of the Rules of the House of Representatives—even though it is our understanding that rule XIII(7) does not apply to conference reports—which would be incurred in carrying out H.R. 10203, in fiscal year 1974 and each of the following 5 years. It is not possible at this time to predict the stages and the rate of construction of the various projects authorized in this legislation. Accordingly, the estimate which has been prepared by the Managers on the part of the House after consultation with the Corps of Engineers, is based on the total amount of authorization contained in H.R. 10203 for the 6-fiscal-year period. Such amount is $551,393,900 for title I, the Water Resources Development Act of 1974, and $780,000,000 for title II, the River Basin Monetary Authorization Act of 1974.

I would further point out that the $551,393,900 authorized in title I includes modifications of and additions to existing emergency and disaster-type continuing programs. These consist of $2,000,000 per year for planning assistance to States—section 22; $3,000,000 per year for clearing and snagging for flood control—section 26; $9,000,000 per year for emergency bank and shoreline erosion protection—section 27; $25,000,000 per year for disaster relief services, plus a one-time reimbursement payment of $30,000,000—section 45; $5,000,000 per year for small flood control projects—section 61; and $4,000,000 per year for additional flood plain information studies—section 64; or a total for these provisions of $270,000,000.

I am, as always, deeply appreciative of the splendid leadership of the chairman of the Committee on Public Works, the gentleman from Minnesota (Mr. BLATNIK), and the ranking member of the committee, the gentleman from Alabama (Mr. JONES), and the cooperation given by the ranking minority member of the committee, the gentleman from Ohio (Mr. HARSHA), and the ranking minority member of the Subcommittee on Water Resources, the gentleman from California (Mr. DON H. CLAUSEN). I sincerely appreciate the counsel and the support of my other colleagues on the conference—the two gentlemen from California (Mr. JOHNSON and Mr. ANDERSON), the gentleman from New Jersey (Mr. ROE), and the gentleman from Kentucky

(Mr. SNYDER). I would also commend the conferees on the part of the Senate, expertly led by the Senator from Alaska, Mr. GRAVEL, for their helpful attitude, their patience, and their understanding of the position of the House when we explained it to them. My thanks to the chairman of the Senate Public Works Committee, the Senator from West Virginia, Mr. RANDOLPH; my colleague from Texas, Mr. BENTSEN; the Senators from North Dakota, Mr. BURDICK; Virginia, Mr. WILLIAM L. SCOTT; Tennessee, Mr. BAKER, and Vermont, Mr. STAFFORD.

Mr. Speaker, this was an unusually good conference and a highly successful one. All the conferees and the staffs on both sides worked together in a spirit of cooperation and understanding and I am delighted to present this conference report—the results of our joint efforts—to you, my good friends in the House, for your support.

Mr. HARSHA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report in H.R. 10203.

As you remember, the President vetoed the last rivers and harbors bill passed by Congress. The President stated that the legislation was too costly. It has now been stated that objectionable features leading to a veto of the 1972 omnibus bill have been retained in this bill. This deserves comment.

As the distinguished chairman of the Subcommittee of Water Resources has stated we have made a significant change in the method for authorizing new projects. We have provided in section 1 that large new construction projects are now authorized for the design stage only. Thus, even though a number of projects not recommended for construction by the administration have been authorized through phase I design. I must emphasize that this is not an authorization for construction. Such projects, after the design phase is completed, after the design is determined, and after a more detailed assessment of costs and benefits is made, will again have to face scrutiny by the Committee on Public Works, Congress, and the administration. This new approach to major projects reflects the need for thorough review. Let me emphasize, design authorization is not an automatic indication that construction authorization will follow.

I understand the administration opposes new Federal programs for streambank erosion. This deserves comment. I am sure most of us have witnessed the ravages of unabated erosion along many of our rivers and streams. Fertile farmland as well as urban areas are destroyed or threatened in hundreds of areas. Homes have been lost or threatened.

Mr. Speaker, the potential loss of productive lands and property damage from erosion may ultimately exceed the level of damage from any other natural force. Certainly, our hearings on H.R. 10203 demonstrated the severity of the problem.

Section 32 of the conference report, the "Streambank Erosion Control Demonstration Act of 1974," provides for an evaluation of the extent of erosion; research and development; a report to Congress on results and recommendations; and demonstration projects, including bank protection works.

The need for study of the problems of streambank erosion and demonstration projects is critical. This is a national problem; most if not all States are experiencing erosion problems. The provisions of the Streambank Erosion Control Demonstration Act of 1974 are most important. Possible administration opposition is not justified.

Mr. Speaker, I wish to call attention to a report by the Comptroller General of the United States on dredging activities conducted and licensed by the Corps of Engineers. He recommended that the Congress establish a national dredging policy for the guidance of the corps. The committee commented on the report on page 5 of House Report 93-541 which accompanied H.R. 10203.

Both the House and the Senate have provided such guidance by appropriate language in the committee reports. The reports make it clear that Congress intends that the Corps of Engineers put out for competitive bid all dredging work which industry has the capability to perform and that such work shall be done by contract whenever reasonable prices can be obtained. By "reasonable prices" the committee means prices based upon a fair and reasonable cost to a well-equipped contractor.

Mr. Speaker, the committee has worked hard on H.R. 10203. We have today a conference report which reflects our national needs. I commend RAY ROBERTS of Texas, the chairman of the Subcommittee on Water Resources, and DON H. CLAUSEN of California, the ranking minority member, who managed this bill. They have done their work well. I urge your support.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the conference report on H.R. 10203. The conference report is a result of many days and months of effort by the Committee on Public Works, the committee of conference, and the Members of this body.

I believe that the conference report, which in all of its major national-scale provisions is essentially identical to the original House bill, meets the needs of our national water resources program. The fact that this conference report meets our needs reflects the hard work of the committee and the leadership, dedication, and hard work of the chairman of the Water Resources Subcommittee, my good friend from Texas (Mr. ROBERTS). It has been a pleasure to work on this bill with his leadership and I commend the product of our efforts to the membership of the House.

In this vein, I would like to relate to our colleagues, Mr. Speaker, an experience I shared with Chairman Roberts prior to the consideration of this legislation by the committee.

He and I met with Mr. Roy Ash and Mr. John Sawhill at the Office of Management and Budget. The basic thrust of the meeting centered around the Administration's desire to keep the total authorization level at a reasonable and responsible level. Because of the backlog in funding water resource projects, it was a desire of all of us to keep authorization levels in line with our ability to appropriate funds.

As a result of the meeting, we set out to develop a dual phased authorization system to allow the Congress to review projects again after the advanced engineering and design stage is completed. Thus, decisions on the costly construction stage will be made in the future after the design is fixed, the cost estimates have been refined, and the benefits have been stated in more detail.

It is this kind of innovative thinking that has characterized the leadership of the gentleman from Texas in his handling of this legislation and in his responses to a variety of suggestions that have been made regarding the bill. It was a privilege for me to have worked with him.

Another new and important provision in this legislation is the deauthorization section which will permit inactive projects to be completely deauthorized. There are from time to time requests that certain projects be deauthorized. It was wise and appropriate for the Committee to set up an automatic procedure for deauthorization so that a special bill need not be introduced and considered by the Congress for each project which is to be terminated.

As I pointed out when we originally had this bill before this body, section 80 of this legislation could be the basis for a recommendation to the President by OMB that H.R. 10203 be vetoed. I say to you today that I hope this will not be the case. Section 80 of H.R. 10203 would enact into law the interest rate formula used in the formulation and evaluation of water resource projects as established by the Water Resources Council in 1968. This amendment to section 80 of the conference report make it clear that all of the provisions of the Water Resources Council's 1968 discount regulation including subsection 3 apply.

As we noted on page 120 of the original committee report on H.R. 10203:

> Section 80 does not in any way preclude the President or the Water Resources Council from submitting to the Congress alternative legislative proposals for an interest rate formula.

In addition, we recognized in the conference report that the administration may desire to send to the Congress its recommendations on cost sharing. We have specifically invited the administration to submit such recommendations for congressional review.

Our provisions in section 80 are intended to provide time for further study and review of the methods for evaluating long-range water resource projects. We believe the proposal recently approved by the President could place long-range water resources needs in jeopardy. We feel strongly about this and feel as though the Congress should be in the position to be able to further study and evaluate the methodology for the evaluation of water resource projects.

Also, the bill as approved by the Conference Committee totals $551 million in authorizations. This represents a $700 million decrease from the original bill which was vetoed by the President. This substantial decrease has been accomplished even though the scope of this legislation is not much different from the initial measure.

Another key provision in this bill is the section permitting the use of nonstructural alternatives for flood control purposes. These alternatives include such things as channel stabilization, flood proofing, and relocation.

While there are specific nonstructural flood control projects listed in the bill, it is certainly the intent of the committee that this provision apply to all water resource projects so as to permit the modification of existing authorized projects, thereby permitting more flexibility in coordinating channel stabilization with flood-proofing and relocation.

The committee believes very strongly in the value of this section and expects that its full potential will be explored by those Federal agencies involved in the formulation of flood control projects and plans under this new authority.

This provision has nationwide relevancy and I can give as an example the Eel River Basin and Delta in my own congressional district. There is a wide variety of nonstructural action plans that can be developed to help reduce the damages caused by flooding on an interim basis, that can be coordinated with and integrated into the comprehensive basin plan for flood protection and prevention.

These include improving the channel of the river, removing structures from the flood plain, designing buildings so as not to be devastated by floods. None of these, of course, can come close to preventing all, or even most, flood damage in this particular basin and the Eel River Valley and Delta areas, but they can serve to lessen financial loss and personal hardship to a great degree and possibly be completely successful at times of minor flooding.

Lastly, Mr. Speaker, I would like to comment on a statement made by the senior Senator from Tennessee at the time the other body considered this legislation. Senator BAKER's remarks appear on page S229 of the CONGRESSIONAL RECORD for January 22.

The Senator appeared to be taking exception to language in the Senate committee report on the bill relating to the use to that which appeared on page 5 of House Report 93-541.

I wish to emphasize that the views of the Senator from Tennessee do not reflect the intent of the House Committee on Public Works. The language on page 5 of our report on the bill does in fact reflect the thinking of our committee. There should be no misunderstanding on this.

Let me again thank RAY ROBERTS for his leadership on this bill. I urge that our colleagues give their full support to the conference report.

Mr. Speaker, during this past week, I flew over the flood-stricken areas of Humboldt, Mendocino, and Sonoma Counties. In addition, I had a number of meetings with flood victims and local officials concerned with and/or affected by the flood problems.

I make this point to once again remind my colleagues of the continuing threat of floods and the need for the Congress to maintain its support for flood control and disaster relief legislation.

Further, I want to make a personal observation and comment regarding a lovely young lady, Miss Laurabelle Rocha, a senior student from Ferndale Union High School. Miss Rocha and her family reside near the Eel River and they are intimately familiar with annual flood threats and devastation that has taken place in the Eel Delta.

Laurabelle is in Washington this week attending the Presidential classroom and has been observing from the executive gallery of the House Chambers here today.

I have been explaining to her in my office, the various alternative plans for flood control, we have for dealing with the Eel Basin and the Eel Delta areas. She has a deep and abiding interest in this legislation and other legislative proposals of the past and has expressed her concerns to me.

It is my hope that some of the provisions of this legislation will provide us with more flexibility to more forward, on interim flood protection measures, and at the same time integrate the effort into the longer range Eel River watershed conservancy program review recently approved by our water resources subcommittee.

I further hope this will prove to be an historic and productive day for Miss Rocha and our neighbors who live in the Eel River Valley.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Speaker, I want to express my appreciation for the hard work done by the conferees, particularly the distinguished chairman of the subcommittee, the gentleman from Texas (Mr. ROBERTS) and the distinguished gentleman from California (Mr. DON H. CLAUSEN).

Mr. Speaker, I rise in support of the conference report on H.R. 10203, Water Resources Development Act. The report before us today contains important specific project authorizations to benefit many communities throughout the country, as well as river basin monetary authorizations.

In view of the Presidential veto, at the close of the 92d Congress, of similar water resources legislation it is, in my judgment, imperative that the House take affirmative action on this conference report in order for long-delayed projects to be undertaken. The authorizations involved include municipal water trol efforts, flood control projects and bridges.

Of particular concern to the Third Congressional District of Arkansas is the section 16 authorization for construction of a highway bridge over Norfork Reservoir in the area where U.S. Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of Norfork Dam and Reservoir. This provision would correct a long-standing inequity and bring about overdue relief to a constant transportation problem which has hampered economic growth and greatly inconvenienced citizens in north central Arkansas.

Since 1943, transportation along two major routes has been interrupted and is presently dependent upon a totally inadequate and outdated ferry service.

When the Norfork Dam was constructed, the settlement amount with the State of Arkansas was inadequate to construct a bridge or relocate U.S. Highway 62 or State Highway 101 after the critical material ban of the war years was lifted. Under the terms of section 16 of the 1973 Water Resources Development Act, the State of Arkansas would, upon completion of the bridge by the Corps of Engineers, reimburse the United States the sum of $1,342,000 plus interest for the period from May 29, 1973. It would then be owned and maintained as a free highway bridge by the Arkansas State Highway Department.

This bridge will bring about great economic advancement for the surrounding area in increased tourism and greater flow of interstate commerce, since U.S. Highway 62 is a major route roughly east-west across northern Arkansas and State Highway 101 goes north into Missouri from Henderson, Ark., along the eastern edge of Lake Norfork.

With the State of Arkansas willing to make full restitution of the funds it received three decades ago from the Federal Government, in my judgment, it is certainly time for the Federal Government to provide just and equitable compensation to the loss suffered by the people and State of Arkansas by replacing the bridges.

In addition to the important bridge provision, this 1973 Act also authorizes alteration of the municipal water supply facilities of the city of Conway, Ark., to restore capacity which existed prior to construction of the McClellan-Kerr Arkansas River navigation system.

Another section of the act provides for the acquisition of lands for the mitigation of fish and wildlife losses caused by the Cache River project, up to 30,000 acres of land, subject to approval by the district court for the eastern district of Arkansas.

Of nationwide importance in water resources development, this conference report has a provision designed to nullify the new regulations promulgated in 1971 by the Water Resources Council on a new discount rate formula for evaluating projects. This act would require the Corps of Engineers to continue to use the 1968 procedures that have one benefit category—national economic development—and a 5⅝ percent discount rate. Water resources development continue to be critical in the well-being of our Nation. If the higher discount rate figure recommended in 1971 were used to reevaluate the 377 active authorized projects, only 176 of these would remain viable at the higher rate of 6⅞ percent.

I urge my colleagues to support the 1973 Water Resources Development Act.

Mr. ROBERTS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. DON H. CLAUSEN).

GENERAL LEAVE

Mr. DON H. CLAUSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 10203.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DORN. Mr. Speaker, I just wish to commend the distinguished minority leader of the subcommittee and the members of the committee, for an outstanding job.

Mr. Speaker, as a member of the Water Resources Subcommittee of our Public Works Committee I am especially pleased to support passage of our Water Resources Development Act conference report. In many ways this $1.3 billion bill is a landmark in developing the Nation's water resources.

Of special interest to our people in South Carolina is the section authorizing and directing the Corps of Engineers to conduct a national demonstration project at Broadway Lake in Anderson County. Broadway Lake is presently "dying" due to continued silting and growth of aquatic life. Our bill directs the Corps of Engineers to restore the lake, at an estimated cost of $400,000, and to report on its results so that the techniques developed in cleaning up Broadway Lake might be applied in a national program to restore silted lakes.

Mr. Speaker, our Broadway Lake provision was included in our original House bill but was omitted from the Senate bill. Therefore, we especially want to thank and commend the Senate and House conferees for agreeing to accept the House version with respect to Broadway Lake.

Broadway Lake is a major public recreation area for one of our State's most populous and growing regions. We are delighted that the heavily used lake will be restored and that we will be able in this way to make a major contribution to the national program to restore other lakes in similar condition. This will be a tremendous advance for environmental improvement on a national scale.

Mr. Speaker, we are glad that over the years we have had the opportunity to participate in developing our Nation's water resources. One can only speculate how desperate our overall energy situation would be, especially with respect to electric power generation, had we not pressed forward with development of our water resources. Our Nation's environment has been immeasurably enriched. Our committee has authorized flood control programs and rivers and harbors programs that have paid for themselves many times over in benefits to all Americans. The bill before us today continues in that great tradition, and I am proud to be a member of the Public Works Committee, which is responsible for this investment in the future of America.

Mr. ROBERTS. Mr. Speaker, I yield to the distinguished gentleman from Alabama (Mr. JONES) who may be our new Chairman.

Mr. JONES of Alabama. Mr. Speaker, that introduction is somewhat premature.

Mr. Speaker, I want to commend the committee, the gentleman from Texas (Mr. ROBERTS) the gentleman from California (Mr. DON H. CLAUSEN) and the members of the subcommittee for bringing about a great innovation for capital improvements in water resources development.

If the Members will recall when we brought the bill to the floor some time ago, the preamble of the report put in place the requirements for the necessity of water conservation, and we related it to the energy situation that presently exists. In anticipation of the problems that may arise, here was a dislocation of the amount of water and how it is to be restricted.

In this conference report and in the bill itself and the hearings we put full recognition on that problem with an emphasis which I think will draw great attention from the Members of the House as to how we are going to make future distribution of water in the areas of this country where it is lacking.

This bill is a good piece of legislation and will go far to improving this Nation's water resources program. It contains many major provisions needed to meet the water resources needs of the country more effectively and efficiently. One of the important innovations in the bill is that large water resources projects are no longer authorized through construction, but only through what is known as the phase I stage of advanced engineering and design. The committee adopted this change in procedure in recognition of its growing concern over the major changes that often take place between the time a project is authorized and the time detailed plans are prepared for construction. This new authorization procedure will give the Congress the opportunity to reaffirm or modify its original authorization in keeping with the new information that becomes available.

Another provision of the bill would direct Federal agencies to consider nonstructured alternatives in the planning of flood control projects. This will encourage the wise use of flood prone lands and protection of the environment.

The bill establishes a uniform procedure for deauthorization of projects. Under this procedure, the Secretary of the Army will annually submit to Congress a list of projects he has determined, after study and coordination with local interests, should no longer be authorized. After 180 days the projects become deauthorized unless the House or Senate Public Works Committee passes a resolution to the contrary. This will provide an orderly and efficient means of reducing the large backlog of old projects which do not meet present day criteria.

The bill also contains an important provision with regard to the formulation and evaluation of water resources projects. The interest rate formula to be used in evaluation of projects, promulgated by the Water Resources Council in 1968, is enacted into law, and cannot be changed except by act of Congress. We recognize the need, however, to take a new look at the whole process of project formulation and evaluation. Accordingly, we have included a provision directing the President to study, and report to Congress with his recommendations on, the principals and standards, including the interest rate formula, to be used in the formulation and evaluation of water resource projects, and appropriate Federal-non-Federal cost-sharing. This will give us the information we need to consider any changes in these matters.

One other matter which must be addressed soon is the impending water crisis facing this Nation.

On a gross quantity basis, the total amount of water available in our country is ample for foreseeable needs for domestic use, industry, agriculture, recreation, fish and wildlife, and other beneficial purposes. The problem is that the Nation's water supply is not uniformly distributed in time or place. We are continually faced with damaging excess supply in time of flood and equally damaging shortage in time of drought. The coming crisis will not be one of total quantity, but one of gathering, storing, and delivering water where and when it is needed.

We must act today to avert the coming crisis, since the leadtime between decision to act and online operation of facilities is long—often 10 to 15 years.

We must be prepared to make the financial investments necessary to avert future water shortages and we need to take a broader view of regional water resource development. A new and fundamental emphasis must be placed on planning and implementing programs to assure the continued availability of water to our Nation.

We must plan for a vigorous economy and healthy growth for our Nation, and not allow complacency, shortsightedness, or neglect to bring the impending crisis upon us.

I commend the chairman, as I said, the gentleman from Texas (Mr. ROBERTS) and the others who have worked so diligently and so long in their efforts to improve the legislative process as well as their earnestness to try to build these capital improvements that are going to mean so much for the future welfare of our Nation.

Mr. ROBERTS. Mr. Speaker, I yield to the gentleman from California (Mr. JOHNSON) such time as he may consume.

Mr. JOHNSON of California. Mr. Speaker, I rise to commend the distinguished gentleman from Texas (Mr. ROBERTS) for the fine job he did as chairman of the committee of conference on H.R. 10203, the Water Resources Development Act of 1974. I also wish to commend the entire membership of the Subcommittee on Water Resources and of the full committee for their efforts which resulted in this bill coming to the floor.

This legislation contains many significant and innovative provisions which will insure the continued viability of the Nation's water resources program. This program has already resulted in vast benefits to the country through the prevention of floods, the generation of hydroelectric power, the provision of municipal water supply, recreation opportunities, fish and wildlife enhancement, and navigation improvements. The navigation improvements have been of particular benefit in providing low cost transportation of raw and finished products necessary to our economy and way of life. With regard to maintenance of these projects, we pointed out in the committee report on H.R. 10203 that the Comptroller General, in a report to Congress on dredging activities, recommended that Congress provide guidance to the corps as to what the role of the Federal Government should be in meeting the future national dredging requirements. The Comptroller General's report indicated that the dredging industry has an "idle" dredge plant rate of 53 percent based on the latest statistics. The report also pointed out a conflict between the corps' policy for maximum utilization of its own dredging plant with the corps' general policy of contracting for dredging.

Much of the dredging work done by *Government equipment* is not put out to industry for competitive bids. The purpose of the report language is to give industry an opportunity to competitively bid on such work which industry has the capability to perform. In addition, full utilization of the dredging industry capability will help to avoid spending Federal funds for the costly rehabilitation and replacement of existing Government equipment. Government dredges will continue to be utilized to perform work which industry may not have the capability to perform or when reasonable prices cannot be obtained or where emergency or other circumstances make contracting with private contractors impracticable. Along the same line, Government cost estimates for competitively bid dredging jobs should be based on a reasonable cost to a well equipped and efficient dredging contractor and not on the basis of the cost of performing dredging in-house with corps-owned dredges. This is what we on the House Public Works Committee meant when we refer to "reasonable prices" in the "omnibus bill."

I am also pleased to note the following provisions which are of particular interest to my State of California.

Authorization of the use of the San Francisco Bay Delta model for research on proposals affecting the environmental quality of the region.

Studies of the local cooperation and appropriate cost sharing for the Santa Cruz Harbor and the Anaheim Bay projects.

An amendment to the Disaster Relief Act to provide that the costs of replacing certain community facilities shall include the cost of obtaining substitute services insofar as they exceed the normal costs of providing the services.

Authorization of construction of a two lane, all weather road from Weimar, Calif., to Spanish Dry Diggings, Calif., as a replacement for roads which will be inundated by construction of the Auburn Reservoir.

Authorization of a fish hatchery on the Russian River to mitigate the fish losses occasioned by operation of the Cayote Dam.

Mr. ROBERTS. Mr. Speaker, I yield such time as he may consume to another distinguished member of the committee on conference, the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I rise in support of the conference report on H.R. 10203, the Water Resources Development Act, which would authorize the construction, repair, and preservation of certain projects on rivers and harbors designed to aid in navigation and prevent flooding.

And I would like to emphasize the importance to California of two specific sections which will benefit our State by, first, reimbursing local governments for added expenses incurred by the February 9, 1971, earthquake, and, second, establishing a shoreline erosion control program.

REIMBURSEMENT

The purpose of the Disaster Relief Act of 1970 was to aid those communities which were devastated by floods, hurricanes, earthquakes, and other natural phenomena. The law, however, has been interpreted in such a way as to deny Federal funds for the added costs to those areas that were forced to find alternative services—at higher prices—to replace services which were interrupted by the disaster.

When the Sylmar earthquake knocked out power sources and water supplies for areas within Los Angeles County and, as a result, the local governments were forced to purchase more expensive water and power from alternative sources, the local taxpayers were asked to foot the bill for the nearly $20 million in added costs.

The conference report before us today would correct this inequity by amending the Disaster Relief Act to permit the Federal Government to incur these additional costs if the Federal Administrator decides that the services—such as water and power—are necessary for the health and well-being of the people of the community.

And since these services were obviously necessary, the Federal Government will be permitted to reimburse the local agencies for these added costs totaling nearly $20 million.

While this section will aid the people of the Los Angeles area, it will also aid other communities by encouraging them to provide essential services—even at higher costs—when tragedy strikes. Obviously, when disaster hits a community, the public welfare must be the highest priority without overburdening the local citizens with expensive water and power.

SHORELINE EROSION CONTROL

Mr. Speaker, of our many assets, our beaches certainly deserve a high rating. Yet, as each year passes, we witness a deterioration of our shores, caused by high tides, winds, and the pounding surf. And the costs of preserving these national assets are high and sometimes prohibitive for the local taxpayer alone.

The conference report attempts to take a first step toward preserving our coastal beaches by establishing a program to develop and demonstrate low-cost means to prevent and control shoreline erosion.

Under this provision, the Corps of Engineers is directed to establish and conduct a national shoreline erosion control development and demonstration program with demonstration projects at no less than two sites each on the shorelines of the Atlantic, gulf, and Pacific coasts, as well as on the Great Lakes and Alaska.

At the conclusion of this study and from the information gathered at the project sites, we should be in a position to effectively preserve our beaches and coasts through low-cost conservation methods.

Mr. Speaker, this conference report is designed to meet our pressing needs in navigation, in flood prevention, in disaster situations, and in preserving our invaluable coasts. I was pleased to serve as a conferee on this measure, and I urge my colleagues to adopt this important legislation.

Mr. WYLIE. Mr. Speaker, will the gentleman yield for a question?

Mr. ROBERTS. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

How does this conference report compare with the bill that was vetoed by the President in 1972?

Mr. ROBERTS. It is a substantially different bill and a much improved one. One significant change is that in this bill large projects of the Corps of Engineers are no longer authorized through construction, but only through what is known as the phase I design memorandum stage of advanced engineering and design. This new authorization procedure will give the Congress the opportunity just prior to construction to examine and affirm or modify any changes which may have taken place in a project.

Another important change was made in the provision of the bill concerning the discount rate formula to be used in the formulation and evaluation of water resources projects. The vetoed bill simply established the interest rate formula to be used. H.R. 10203 specifies the interest rate formula, but in addition provides for the President to make a study of all of the principles and standards to be used in formulating and evaluating water resources projects and of appropriate Federal and non-Federal cost sharing for such projects and to submit a report to the Congress with his recommendations. This will enable the executive branch and the Congress to jointly examine the future direction of the water resources development program and to determine where we want to go with it and how we get there.

Mr. WYLIE. What is the difference in the amount of money in each bill?

Mr. ROBERTS. The estimated total amount of authorizations in the vetoed bill was $458,000,000. The comparable authorizations in H.R. 10203, title I, total $551,000,000. I might point out that the $458,000,000 figure for the vetoed bill is not a realistic figure because that bill contained many partial project authorizations, a procedure which both we and the administration have found to be unsatisfactory because partial authorizations of that type are commitments to build entire projects.

Mr. DON H. CLAUSEN. Mr. Speaker, if the gentleman will yield, I would also remind the gentleman that we have included in this bill the river basin authorizations. They would normally have been taken up this year separately but for the fact that the 1972 bill was vetoed. Thus, we have included it as a separate item, and as a result the total cost of the bill is around $1.3 billion including the authorization of $551 million for the phase I authorizations.

Mr. WYLIE. That is about the same as it was before, then.

Mr. ROBERTS. The gentleman is quite correct. Title II of the bill, the River Basin Monetary Authorization Act of 1974, is usually considered as a separate bill. It is only included in H.R. 10203 because this is the year in which it normally would have been considered. As the gentleman knows, it is the title I authorizations which are, in effect, being considered out of normal sequence because of the veto of the last authorization bill.

H.R. 10203 is really two bills instead of one.

Mr. WYLIE. Mr. Speaker, I wonder if the gentleman would yield for one more question.

Mr. ROBERTS. I yield to the gentleman from Ohio.

Mr. WYLIE. I notice in the report accompanying the conference, it says in the bill which previously passed in 1971, the so-called cost-benefit ratio was such that it would yield a rate of about 6⅞ percent on water projects approved, and in this conference report the cost-benefit yield has been reduced to 5⅝ percent.

Mr. ROBERTS. The 6⅞ percent to which the gentleman refers is the interest rate used in evaluating water resources projects under the new formula established by the Water Resources Council last October. In H.R. 10203, we continued in existence the 1968 formula of the Water Resources Council and provided for a complete study of the whole question of project formulation and evaluation as I pointed out earlier.

Mr. WYLIE. I thank the gentleman. The reason for that is to include additional water projects and the gentleman does not think the figure is unrealistically low then?

Mr. ROBERTS. No, I do not.

Mr. WYLIE. I thank the gentleman.

Mr. ROBERTS. I have one other request for time, the gentleman from Ohio (Mr. JAMES V. STANTON).

Mr. JAMES V. STANTON. Mr. Speaker, I would like to commend the conference committee. I was interested to see section 23, because it is important to the Great Lakes area because it enables the Environmental Protection Agency to assist in clearing disposal facilities that could not be constructed in the past because of local contributions.

I would like to thank the gentleman from Texas (Mr. ROBERTS) and the gentleman from Ohio (Mr. HARSHA) and the other members of the conference committee for their cooperation and assistance.

Mr. BLATNIK. Mr. Speaker, I rise to commend the distinguished chairman of our Water Resources Subcommittee, the gentleman from Texas (Mr. ROBERTS) for the outstanding job he has done in chairing the committee of conference on H.R. 10203. I wish also to extend my appreciation to the ranking minority member of the full committee, the gentleman from Ohio (Mr. HARSHA), and to the ranking minority member of the Subcommittee on Water Resources, the gentleman from California (Mr. DON CLAUSEN), for their very able assistance and cooperation on this bill.

This bill contains many important items. One of the items which I find particularly important, coming as I do from the Great Lakes area, is section 54, the Shoreline Erosion Control Demonstration Act of 1974. This section directs the Corps of Engineers to conduct a national shoreline erosion control development and demonstration program to consist of planning, constructing, operating, evaluating, and demonstrating prototype shoreline erosion control devices, both engineered and vegetative, on the Atlantic, gulf, and Pacific coasts, and on the shores of the Great Lakes. These projects will emphasize the development of low-cost shoreline erosion control devices, and will provide the Congress with the information it needs to solve the erosion problem.

There is also another provision in the bill of importance to shoreline erosion damages. Section 27 authorizes emergency protective works to protect public facilities from damages caused by streambank and shore erosion.

I am also pleased to note the following provisions which are of particular interest to my State of Minnesota:

Authorization of a flood protection project for Rochester, Minn.—Zumbro River Basin;

Authorization of a survey study of the East Two Rivers between Tower, Minn., and Vermillion Lake;

An extension of the demonstration program for extending the navigation season on the Great Lakes until December 1976 and an increase in funding to $9,500,000;

Authorization of a study of the feasibility and practicality of constructing a hydraulic model of the Great Lakes and an associated technical center in the vicinity of Duluth, Minn.;

Amendment of the Corps of Engineers' emergency authorities to permit the corps to provide emergency supplies of clean drinking water on a temporary basis to any community which is confronted with a source of contaminated drinking water likely to cause a substantial threat to the public health; and

Authorization of the necessary measures to correct the design deficiency in the Knife River Harbor on Lake Superior, Minn.

Mr. BURKE of Massachusetts. Mr. Speaker, at this time I wish to express to my colleagues in the House of Representatives my strong support of the conference report of H.R. 10203, the Water Resources Development Act of 1974. The construction, repair, and preservation of public works on rivers and harbors for navigation and flood control which will be supported by this legislation are urgently needed.

I wish to specifically make reference to section 61 of the conference report, which will increase the allotments for small flood control projects from $1,000,000 to $2,000,000 in areas where a major disaster has occurred within the past 5 years. In the 11th District of Massachusetts as well as many other areas throughout the country, this provision is of vital importance in providing for the small flood control projects which are desperately needed to protect residences and businesses from the threat of floods.

A regional conservation planning board in the South Shore area of Boston has notified me to emphasize the fact that many small flood control projects which are well along in the planning stages will not be executed unless the dollar limitation is increased, as provided in section 61 of this conference report.

Mr. Speaker, I am pleased to support the conference report to H.R. 10203, as many flood-prone areas of Massachusetts will greatly benefit by passage of this legislation.

Mr. CLEVELAND. Mr. Speaker, the conference report on H.R. 10203 strongly merits support as a measure reflecting heightened concern for the environment, and accordingly I urge its adoption by an overwhelming vote.

I also wish to express my appreciation to Chairman RAY ROBERTS, ranking minority member DON CLAUSEN and other members of the Water Resource Subcommittee of the Public Works Committee for their receptivity to at least three of my proposals incorporated in the bill at my request. A direct outgrowth of problems in the Second District of New Hampshire, these provisions should also be of considerable benefit elsewhere.

NONSTRUCTURAL ALTERNATIVES

They include encouragement of nonstructural alternatives to traditional approaches to flood protection, establishment of a procedure for deauthorization of dams no longer deemed in the public interest, and expansion of the size of eligible emergency projects where riverbank deterioration threatens adjourning public facilities and other structures.

I also welcome inclusion of another provision, which I strongly supported, which makes possible an innovative approach to flood prevention in the Charles River Basin in Massachusetts. Employing the natural impoundment capacities of upstream wetlands to absorb potential floodwaters, this approach evolved in the committee as a logical application of one nonstructural alternative.

The nonstructural alternatives in the bill include regulation of construction in flood plain, floodproofing of existing structures, acquisition of flood plain lands for recreational, fish and wildlife, and other purposes, and relocation of threatened facilities.

The bill would require that such alternatives be given due consideration in the planning of federally assisted projects, along with conventional measures such as dams, dikes, and levees, with the disruption which such facilities construction can entail. Structural and nonstructural measures can be taken in combination, with a resulting reduction in the scope of construction involved.

It simply makes no sense to go in flood-prone areas, leaving no alternatives but costly construction or postflood relief. Similarly, it makes no sense to protect uncontrolled development—which can intensify the flooding potential of heavy rainfall—in urban areas while creating demand for flood-control impoundments upstream in what may be rural areas of an adjoining State.

Some of these approaches have been evolving administratively, on paper, but this measure will put teeth in the requirement by building into law the possibility of challenges to construction projects for which nonstructural alternatives have not been fully considered.

DEAUTHORIZATION

The dam deauthorization provision, and outgrowth of my experience in the torturous process in having a dam long authorized for Clarement, N.H., scrubbed from the books, should lift from many areas the blighting effects of the threat that a dam may someday be constructed. This problem is common to many areas of the country.

The provision increasing the size of riverbank protection projects is a direct *outgrowth of problems* experienced in Charlestown, N.H., which the town selectment and I have been wrestling with for literally a matter of years.

For these and other reasons, I urge my colleagues to adopt the report and the President to sign this legislation into law.

Mr. BAUMAN. Mr. Speaker, I rise in support of the conference report on H.R. 10203, the Water Resources Act. This bill contains authorization necessary for the completion of the urban river project in Salisbury, Md., an imaginative and very important plan to revitalize the business district in that city.

Section 97 of this bill declares the southern prong of the Wicomico River, which flows through Salisbury, to be nonnavigable. This is necessary to permit construction of bulkheads and other alterations required for completion of the project drawn up by the Greater Salisbury Committee. The urban river project will be a catalyst for the redevelopment and revitalization of the downtown area of the city, which has been undergoing a rebirth in recent years. The plan, which was drawn up by a renowned architectural and engineering firm, has been adopted as part of the comprehensive plan for the city of Salisbury. Several million dollars will be invested in the project by the city, as well as some $12 million by private interests.

I wish to thank members of the Senate and House Public Works Committees and the conferees on this bill for including the provisions allowing the Salisbury project. I particularly want to express my appreciation to the gentleman from Ohio (Mr. HARSHA), the gentleman from California (Mr. DON H. CLAUSEN), and the gentleman from Texas (Mr. ROBERTS), all of whom cooperated to include this provision in the bill.

Mr. KEMP. Mr. Speaker, I rise in support of the conference report now pending before this Chamber—the conference report on H.R. 10203, the Water Resources Act. I do so because I believe most of its provisions to be worthy of the support of the Members and the public interest we represent.

A conference report is, by definition, a compromise between the House and Senate over particular matters in which those two bodies were in disagreement. As a compromise, there is, understandably, a lot of give and take, as both sides strive toward the important final result—getting a bill to the respective floors for final action, thence to the President for signature or veto.

There are several projects within this conference-reported bill which pertain to western New York, and I am grateful that the deliberations of the House and Senate Committees on Public Works, as well as the struggles of the conference committee, produced their inclusion in the bill.

I think particular words of thanks are in order for the distinguished chairman of the full committee, Mr. BLATNIK; the ranking minority member of the full committee, Mr. HARSHA; and to Mr. ROBERTS of Texas and Mr. DONALD CLAUSEN of California, the chairman and ranking minority member of the subcommittee.

There is one particular provision, section 54, the proposed Shoreline Erosion Control Demonstration Act of 1974, which I think warrants particular attention. It embodies one of the most significant, new approaches in the long-standing Federal commitment to works of improvement—to protect life, limb, and property—in recent years. I strongly support its enactment.

I personally know, from the many conversations I have had throughout my congressional district, of the tragic damage which has been caused to both personal property and to the environment by shoreline erosion. I have visited the affected areas along the shores of Lake Erie and have seen instances where property in which entire life savings have been invested is being washed away. A single storm that battered the southern shore from March 16 through March 26 of 1973 caused an estimated $1 million in property damage and shoreline erosion in just one cite in Erie County, N.Y.

The problems occasioned by the erosion of our Nation's shorelines are myriad. And, the complexity of the problem pales into virtual insignificance when compared to proposed solutions. We cannot ignore the fact that, in addressing ourselves to the beach erosion issue, we are interjecting ourselves into the ceaseless struggle between land and water, each of which gives a little and takes a little. Remedial engineering techniques and devices can, at best, usually only slow the rate of erosion, an erosion which customarily comes as a gradual decrement of the beach area but occasionally comes as an extraordinarily severe cutting away of massive areas of the shoreline. Slow water currents occasion the former; storms and excessive tides, the latter.

In summary, though, the end results are the same:

Homes are jeopardized and sometimes totally lost, and these are not always the "second" or "weekend" homes of the well-to-do, for they are often the sole residences of families which have placed the bulk of all their personal earnings into their equity and furnishings;

Commercial and industrial facilities, ranging from manufacturing plants to marinas, are damaged and, in some instances, must be abandoned or relocated;

Public service facilities and structures—such as, roads, storm and sanitary sewers, utilities—are damaged or destroyed;

Economically vital sections of real estate are wholly or partially abandoned to the elements, causing distresses and turmoil in local economies;

Important recreational and park areas are lost or severly damaged;

Pollution occasioned by silt is worsened; and

Because of inadequate Federal assistance and disaster relief coverage, local government is called upon to bear costs far exceeding its normal taxing capacities.

Recognition of the old adage that "man's eternal proclivity is to build upon flood plains" does not, however, remove from government an affirmative obligation to protect life and property against the ravages of nature, when man has built on such flood plains because they are the most practical and viable places on which to build, to live, to work, and to play.

It has been an American tradition, going back to the earliest days of the Republic, for Government to participate in meeting the costs of works of improvement—public works of genuine need—essential to the preservation of life and property and to the facilitation of commerce among the States. Government has built flood control works, erosion control structures, channelization levies, dikes—all in an effort to retard flooding or ferocious water, to lessen damage to life and property, and to alleviate the sufferings which arise from such natural disasters as floods, storms, and so forth. Federal participation in beach erosion control is consistent with that tradition.

The Great Lakes have been the site of severe shoreline erosion, both by storms and by the gradual wearing away of the shore. The severe storm of March 1973 to which I have referred left shoreline areas throughout the Great Lakes in disaster conditions.

One of the most severely damaged sites was at Hoover Beach in Erie County, N.Y. As a result of this storm and the persistent erosion already having been suffered there, nearly a full mile of the Hoover Beach shore was severely effected, with 65 residences damaged. State and local authorities determined the damage to be of disaster proportions. Losses to real estate, including a loss of the land, are continuing. There has been severe damage to retaining walls and structures by the undercutting action of the water. Temporary excavations to retard the erosion have, themselves, been washed away. And, damage is continuing to accumulate.

The provisions of the bill before us constitute a great stride toward alleviating these severe conditions.

The bill authorizes the Secretary of the Army, acting through the Chief of the Corps of Engineers, to establish and conduct for a period of 5 fiscal years a national shoreline erosion control development and demonstration program. The program shall consist of planning, construction, operating, evaluating, and demonstrating prototype shoreline erosion control devices, both engineered and vegetative. Such projects "shall be undertaken at no less than two sites each on the shorelines of the Atlantic, gulf, and Pacific coasts; the Great Lakes; and the State of Alaska," and at several other specifically named coastal locations. The demonstration projects may be carried out on private or public lands, except that no funds appropriated pursuant to this act may be used for the acquisition of privately owned lands.

I have compared the factual circumstances appertaining to the Hoover Beach site location with the testimony offered before the committees, with the language of the bill, and the various reports which accompanied the bill as it wound its way through the legislative maze, and I am convinced that the Hoover Beach site lends itself demonstrably to the type of project envisaged by this bill.

I have communicated this opinion to both the Secretary of the Army, Howard H. Callaway, and to the Chief of Engineers, Lt. Gen. F. J. Clarke.

I have also begun to solicit the support of the private sector, including corporations internationally known for the construction of shoreline erosion control devices.

The Hoover Beach Association, a group of dedicated and conscientious residents of the area, have worked diligently to harness State and local public funds and private capital to alleviate the erosion conditions. Now, let us hope that this new Federal commitment can come to their long overdue aid.

Mr. Speaker, I extend my appreciation to those in committee most responsible for this legislation for having reflected the voices of those of us who have long sought the inclusion of this authority in law. I know I speak for thousands of families on the Great Lakes who have seen their lives detrimentally affected over the years by uncontrolled or inadequately controlled erosion. Now, we are to have a new beginning. I trust it is only the first step in a long, national commitment to help resolve this problem.

EROSION CONTROL ESSENTIAL TO SOUTHEASTERN OHIO COMMUNITIES

Mr. MILLER. Mr. Speaker, as the House prepares to act on the Water Resources Development Act conference report, I would again like to underscore the significance of section 32 of the bill.

Section 32 deals specifically with the increasingly serious problem of streambank erosion by giving the U.S. Army Corps of Engineers a much broader role in preventing and controlling erosion on navigable rivers and assisting in the repair of damaged shoreline.

Demonstration projects will be initiated at four "multiple sites" including along the Ohio River. Because of the severe damage incurred to public and private property along the stretch of the Ohio I represent, I can say that empowering the corps to develop methods and means of bank protection is not only necessary but long overdue. The steady erosion by river forces has washed valuable farmland away, ruptured highway foundations, and endangered home and public facilities. Believe me, there is nothing more discouraging to a property owner than to see a river eat away his land and threaten his physical safety. It must be stopped.

For many years now, I have been working with the Army Corps of Engineers trying to find a remedy to curb the erosion process to Ohio and protect the river homes and communities. In one case, the very foundation of the municipal parking lot is about to crumble because of unchecked erosion and in another situation the retaining walls of a village's sewage lagoons are being washed into the river.

Section 32 is absolutely necessary to efforts to stabilize riverbanks and to help construct bank protection works at critical points on the Ohio River.

Ms. ABZUG. Mr. Speaker, I wish to compliment the gentleman from Texas (Mr. ROBERTS) and all of the conferees for the excellent and speedy work of the conference committee on the Water Resources Development Act of 1973. The report represents a most reasonable compromise between the House passed measure and the bill approved by the other body.

This legislation is significant in that it adopts a new national policy for the approval of major water resources projects. As I have previously stated, we will no longer walk blindly into authorizing projects which may later become environmental red herrings. Individual projects will be considered through phase I design and advanced engineering studies. After completion of such studies, projects will be considered for authorization based upon phase I findings. If environmental or other major controversies should appear during phase I design and studies, the project could then be reviewed in its new light and halted, if necessary, before construction begins.

This measure also provides that nonstructural alternatives to be considered for flood control projects. This provision is another key environmental gain. Rather than building dams, such an approach includes floodproofing of structures and flood plain acquisition for recreation, fish, and wildlife.

The Water Resources Development Act is also significant to the people of the New York City metropolitan area.

First, it provides for the relief of the Rockaway beaches in Queens, which are threatened by serious erosion. This provision was introduced by me, and cosponsored by 30 other members of New York State's House delegation and by both New York Senators. Section 72 of the bill will permit the Corps of Engineers to proceed immediately to commence work on beach erosion control at the Rockaways. I have received assurances that the corps will begin work on beach erosion control by May or June of this fiscal year.

This will be welcome news to the residents of the area and to the millions in the metropolitan area—particularly those of low and moderate income—who use the beaches for their recreational activity.

A second project of vital importance to the metropolitan area is the provision of the legislation which provides for the collection and removal of drift and sunken and abandoned vessels from New York Harbor; $14 million are authorized for the harbor cleanup.

The inclusion of the New York Harbor provision in this bill is the culmination of a 10-year effort which involved many members of the New York congressional delegation. The section was introduced by myself and cosponsored by 16 other members of New York City's House delegation and by Senator JAVITS. In a harbor which is a national, if not an international resource, this measure is important for both commercial and health reasons.

Damage to public and private shipping amounts to over $5 million annually. Furthermore, health problems are created when drift and debris jam the tide gates permitting the intrusion of salt water into the sewerage system at high tide and causing raw sewage to wash out into the harbor when the tide goes out. Over the past 8 years, the city of New York has spent over $14 million in removing deteriorated piers which are a source of drift and debris. However, due to fiscal constraints, it is not possible for the city to complete the job alone. This provision will provide much needed Federal assistance to alleviate health and environmental problems from the harbor, as well as to protect shipping from damage.

Because of its environmental provisions and because of its benefit to the New York City metropolitan area, among other reasons, I urge my colleagues to support the conference report.

Mr. RINALDO. Mr. Speaker, I rise today in support of the conference report on the Water Resources Act. I do so because of the importance to the 12th Congressional District of New Jersey.

No single problem within the 12th Congressional District has consumed as much of my time as the flooding that has afflicted communities in the Rahway River Basin.

The bill under consideration today will increase the funds available for the flood control project on the Rahway River by $300,000. These funds will allow the Federal Government to pay for the relocation of utilities within the channel wall.

The Rahway River in Union County has caused severe hardships to people whenever it overflowed its banks. The completion of this flood control project is of the utmost importance to the people of my district. I am hopeful that passage of this bill will move us a step closer to the day when rainfall will no longer cause terror in the hearts of people living near the Rahway River.

Previously, I was instrumental, along with Senator CLIFFORD P. CASE, in obtaining additional funds to advance flood control studies at Cranford, so as not to delay similar work at Springfield and Clark, which are ahead of the Cranford schedule.

In addition to the benefits for the 12th Congressional District, this bill will provide other needed projects throughout the Nation, including an innovative program to halt the serious beach erosion that is occurring along the entire coastline.

Since it does so much to improve and

preserve our Nation's waterways and seashores, I urge passage of this bill.

Mr. LONG of Louisiana. Mr. Speaker, I would like to extend my congratulations to the Members of the House who participated in producing the conference report for the Water Resources Development Act of 1974.

I was especially pleased to see that the conference report includes as one of its sections the text of a certain bill I introduced last session.

Essentially, the section eliminates the existing authorization for construction of a huge diversion channel intended to relieve flooding conditions in St. Landry and *Evangeline Parishes* and authorized in its place the enlargement of the natural water escape route. Also, the section authorizes the addition of more culverts to speed the water toward the Gulf of Mexico.

I would point out that in accepting this section the House can help solve a severe flooding problem, satisfy ecological considerations, and promote the economy of St. Landry and Evangeline Parishes, all at the same time.

The flooding problem the section would correct is one that has been caused by Federal flood control projects in Louisiana and other States. St. Landry Parish and to some extent, Evangeline lie in an area that was never flooded until the elaborate system of levees was built along the Mississippi and Atchafalaya Rivers. These levees block drainage from the natural basins of the rivers and cause flooding in formerly upland areas. The enlargement of Bayou Courtableau and the installation of additional culverts will allow more of this blocked drainage to pass into the rivers.

Environmentally, the section will spare the parish from the destruction of the 500 foot right-of-way previously authorized. By enlarging the existing bayou, we will preserve a beautiful hardwood forest, a Scout camp and a game management area.

Another beneficial effect of the section will be to relieve the citizens of the area of the burden of paying all the costs of disposing of the spoil and waste from the project. Normally, local interests are required to pay substantial amounts for disposal, but this section recognizes that these flooding problems are the direct result of other Federal projects. As a result, the costs of correcting the problems should be borne by the Federal Government, as is called for by this section.

Mr. Speaker, I have been privileged to take part in the creation, consideration and passage of this legislation. I believe the bill is sound and well-balanced. I urge the House to adopt the conference report.

Mr. ROBERTS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HARSHA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 374, nays 4, not voting 51, as follows:

[Roll No. 36]

YEAS—374

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stratton
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Waldie
Walsh
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NAYS—4

Dennis
Gross
Steiger, Wis.
Wampler

NOT VOTING—51

Blatnik
Boland
Brasco
Broomfield
Carey, N.Y.
Cochran
Conlan
Conyers
Cotter
Crane
Culver
Delaney
Frelinghuysen
Gray
Holifield
Jarman
Johnson, Pa.
Jones, Tenn.
Jordan
Kluczynski
McCloskey
Mann
Mayne
Mills
Minshall, Ohio
Moss
Nix
Patman
Patten
Railsback
Rarick
Reid
Rodino
Rogers
Roncallo, N.Y.
Rooney, N.Y.
Roybal
Scherle
Shoup
Skubitz
Stanton, J. William
Stokes
Stubblefield
Stuckey
Talcott
Teague
Vanik
Widnall
Wilson, Charles, Tex.
Wyatt
Zablocki

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Zablocki with Mr. Patman.

Mr. Rooney of New York with Mr. Teague.

Mr. Gray with Mr. Wyatt.

Mr. Rodino with Mr. Minshall of Ohio.

Mr. Kluczynski with Mr. Holifield.

Mr. Boland with Mr. McCloskey.

Mr. Brasco with Mr. Johnson of Pennsylvania.

Mr. Nix with Mr. Moss.

Mr. Cotter with Mr. Stokes.

Mr. Delaney with Mr. Frelinghuysen.

Mr. Carey of New York with Mr. Shoup.

Mr. Vanik with Mr. Conyers.

Mr. Jarman with Mr. Crane.

Miss Jordan with Mr. Culver.

Mr. Patten with Mr. Broomfield.

Mr. Rarick with Mr. Mayne.

Mr. Reid with Mr. Scherle.

Mr. Blatnik with Mr. Conlan.

Mr. Jones of Tennessee with Mr. Roncallo of New York.

Mr. Mills with Mr. Cochran.

Mr. Stubblefield with Mr. Skubitz.

Mr. Mann with Mr. J. William Stanton.

Mr. Rogers with Mr. Talcott.

Mr. Roybal with Mr. Widnall.

Mr. Stuckey with Mr. Railsback.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MAZZOLI. Mr. Speaker, on rollcall No. 32 on February 13, 1974, I am recorded as voting "present" on a rollcall vote to resolve into the Committee of the Whole House on the State of the Union on the Solar Heating and Cooling Demonstration Act bill. I would like the record to reflect my statement following the vote on rollcall No. 32, showing that I would have voted "aye."

THE HOUSE SHOULD EXERCISE LEADERSHIP IN THE ENERGY CRISIS AND ENACT GAS RATIONING LEGISLATION

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I rejoice in the victory that took place in Michigan, the election of the Democratic candidate, but I think if we Democrats are going to profit from those victories we have got to establish the leadership that the people are looking for us to establish.

Mr. Speaker, 2 weeks ago, just before this House recessed for the Lincoln's Day holiday, I took this well to plead with Members not to stall on passing the emergency energy bill. Whatever other flaws that bill might have, I said then, it did contain authority for the rationing of gasoline supplies, and the situation at the gas pumps in this country, I said, had already become so intolerable that the rationing of gasoline was the only fair and reasonable solution to the problem. If the President was not going to order rationing, I said, then we in Congress ought to exercise the leadership the public was desperately looking for, and order rationing ourselves, before we left town or another 5 days of recess.

No one rose in the Chamber that evening to second my remarks. Instead the replies were along strictly political lines, that if the country was in a mess it was the President's fault, and why should we do anything to help relieve a situation that he was responsible for?

Well, Mr. Speaker, if the gas lines were chaotic and intolerable on February 7 they are far worse today. And still the administration refuses to act.

But one other thing has happened since February 7, Mr. Speaker, that we ought not to forget. The polls have indicated that if the President is in grave disfavor because of his inability to handle the energy crisis among other things, Congress is in even greater disfavor. The President's favorable quotient is 29 percent; ours is only 21 percent.

Does not that tell us something, Mr. Speaker, about the value of the accepted wisdom around here on the best way to handle the energy crisis, that whatever else we do, do not touch rationing with a 10-foot pole because it will get us all defeated at the polls in November, if we have to go to rationing to arrange it so it is the President who takes the rap?

Mr. Speaker, I do not think the purveyors of this accepted wisdom have been paying much attention to the American people these last few weeks. The American people are completely fed up with long lines at gas stations. The American people are fed up with spending an inordinate amount of their time and their limited gas supplies searching for and standing in line to get gas on the present catch-as-catch-can system we are operating on. In the present vacuum of Federal leadership State after State has moved forward to set up its own partial rationing system. But even this will not do the job, I am afraid.

What the people want is some system that will let them know in advance how much gas they can count on, and let them buy it without interminable waits and endless searches.

How many times have we heard that Congress must recover its proper powers, that we, not the Executive, must begin to exercise our share of the national leadership. Well here is a perfect chance to do just that, and yet our major concern seems to be to do nothing that might run the risk of incurring disfavor with the people.

But can anything be in less disfavor, Mr. Speaker, than an institution with only a 21 favorable rating? If we do not want to run the risk of doing something unpopular we might as well give up legislation altogether.

I say the time for this House to act is now, by taking over the leadership in this energy chaos and enact a fair and responsible gasoline rationing plan promptly, to end turmoil, chaos, and confusion at our gas stations that could shortly blow this country apart.

PROVIDING RELIEF FROM INFLATION FOR SENIOR CITIZENS

(Mr. du PONT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. du PONT. Mr. Speaker, today I am introducing four measures designed to assist our senior citizens who have caught the brunt of our inflationary economy. Recent increases in social security have helped, but the comments I have received from thousands of senior citizens indicates that they are still losing ground. The Federal Government has not moved fast enough to keep pace with the elderly's needs, and I offer this package of legislation to at least ease some of their financial burdens.

First, I am introducing a bill to provide property tax relief to those citizens over 65. This legislation would give a tax credit on Federal returns for up to $800 for real estate taxes paid—or an equivalent percentage of rent paid to give relief to those who do not own their homes. Under this proposal an individual over 65 would get 100 percent credit for the taxes paid at $6,000 per year family income, and declining percentages of the amounts paid up to $11,000 per year family income. In no event would the credit exceed $800 per family.

The second bill would provide out-of-hospital prescription drug coverage under medicare for those who suffer from the most common of life-threatening chronic diseases that plague the elderly. This proposal was passed by the Senate in the last session, but has never been cleared by the House Ways and Means Committee. The bill would create a "Formulary Committee" to select the specific drugs to be covered under the program and would require a nominal $1 copayment by the medicare patient for each prescription. The drugs to be selected would cover patients for such diseases as diabetes, high blood pressure, all types of heart diseases, respiratory diseases, arthritis, rheumatism, gout, tuberculosis, cancer, and epilepsy.

The third measure would eliminate capital gains treatment on the sale of an individual's primary residence. This proposal is not limited to the elderly, but recognizes the hardship that many people, especially the elderly, endure when they are forced to move and cannot comply with the present requirement of purchasing another house within 1 year in order to avoid capital gains tax. The Congress has already taken one step in eliminating capital gains on houses by giving individuals an indefinite postponement of capital gains tax as long as they buy another house. The real inequity occurs, however, when people decide they do not want to live in a house any more and they want to move into an apartment. In many instances after all those years of postponing capital gains tax, the time to pay the tax comes when an individual can least afford it, when he or she is a senior citizen living on a fixed income. This situation came to my attention when an elderly woman in Delaware called me and told me that she literally could not afford to move out of her house, even though the cost of maintaining the house was beyond her budget. She had lived in the house for over 40 years, so it had a very low basis. Because it had appreciated over the years, the capital gains tax would have been sizable. She needed to realize all the gain if she were to continue to live comfortably. If you think about it, however, much of her gain was simply due to inflation. In short she was paying a tax on inflation at a time she needed every penny she could get to provide for her future. This bill would give senior citizens a chance to realize the fruits of a lifetime investment without having to pay a substantial tax.

The last measure would remove what I consider one of the obvious inequities in the social security laws. This is a country where we pride ourselves in self-reliance, but our laws place a $2,100 limitation on the outside income that social security recipients may earn before their benefits are reduced. I have received many comments from senior citizens who object to the provision and believe that it destroys any incentive for them to go out and supplement their meager social security income. My bill would remove this limitation all together, leaving the elderly to remain productive members of society and still allow them to fully benefit from the social security system to which they contributed for so many years.

Marshall McLuhan said that "a community in which the elderly do not play an integral and central role is not really a community at all." If we do not lift some of the financial burdens that our elderly must bear in this fast-moving society, they will not be able to be active, productive members of the community. If that is the case all of us will be the losers.

HOLD THE LINE

(Mr. NICHOLS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, I am aware, just as every Member of this body is aware, that the recent budget proposed by President Nixon contains a significant pay increase for the Members of Congress; Presidential appointees, including members of the President's Cabinet; Federal judges; and top level executives in the administrative branch of Government.

On previous occasions, when such measures were presented to this House, I have spoken in opposition to them and I intend to do so again this year.

Mr. Speaker, I believe very strongly that this Congress has the responsibility to curtail public spending and that the Members of Congress should rightfully set the example. The national debt of these United States is rapidly approaching one-half trillion dollars and I am told that this debt exceeds the combined indebtedness of all other countries throughout the world.

I have just returned from my district and I find my constituents to be universally opposed to further increases in salary levels which they view as being quite adequate at the present time. The sentiments expressed by those Alabamians who have written to me and spoken with me personally about this matter are identical to those views expressed in an editorial entitled "Hold the Line," which appeared in that outstanding Alabama newspaper the Birmingham Post-Herald on February 8, and in an editorial in the LaGrange Daily News entitled "Congress Sets Sorry Example," also of February 8.

I can hardly see how this 93d Congress can ask for prudence and thrift in other branches of Government unless we begin right here in this House by saying "no," to the recommended pay increases as contained in the President's budget.

I suggest that Members who share these sentiments should sign the discharge now at the Speaker's desk. This will provide a means to bring the matter before this body for a vote. I also hope that each Member takes the time to read the two editorials which so ably express the views of so many Americans regarding this matter.

HOLD THE LINE?

During the next few weeks members of Congress will be forced, one way or another, to decide whether in these times of economic stress and in the face of pressures toward a more austere way of life for all Americans, they can get away with approving a boost in their own salaries.

And American taxpayers will have a chance to watch many of their elected federal representatives try to wiggle out of making that agonizing decision publicly.

President Nixon's budget provides for these raises, as well as for similar boosts for presidential appointees, including cabinet members; top-level careerists in the executive branch, and federal judges. The general plan is for a 7.5 per cent raise in each of the next three years, which, when compounded, means about 24 per cent. In the case of the members of Congress, this would hike the current figure of $42,500 to $52,800 by 1976.

Under the law, the raises become effective automatically unless Congress votes against them by March 6.

Naturally, most members of Congress want the raise, but they have a major problem in saying so. This is an election year when every member of the House and one-third of the senators must face the voters. They have no liking for the prospect of watching their opponents make political capital of the fact that the incumbents voted to give themselves more money—in times like these.

Consequently, they'll do everything possible to avoid the issue.

Soon after the budget was submitted on Capitol Hill, Rep. H. R. Gross, R-Idaho, traditional House gadfly, and Sen. Frank Church, D-Idaho, introduced resolutions condemning the proposed raises. These resolutions were referred to the Post Office and Civil Service Committees of both chambers. And there, unless enough pressure is brought to bear, they will be allowed to die, and no member of Congress will have been called upon to stand and be counted. The raises will be in force.

However, if a vote is forced to the floor of either House or Senate there's a good chance a majority of the members won't have the gall to vote themselves the money. Only one chamber need vote against the proposal to kill it.

In due fairness, it should be noted that the salaries affected by the proposed raises have been frozen for five years. However, it should be noted further that congressional prerequisites—fringe benefits—involving such items, among others, as cheap insurance, munificent pensions, free haircuts, free postage, free travel and subsidized restaurants add up to sizable dollar additions to the base pay.

The larger view of salary scales for federal officials in general, in whatever branch; also brings into focus the long-debated problem of "comparability" with jobs of similar responsibility in private industry. During most of the nation's history; federal officials were, by comparison, underpaid. Sometimes, grossly so.

However, in recent years federal officials have made great economic strides. The plea that they are poor relations is no longer valid.

So, we come back to the original question: is this the right time for federal pay raises; or should they be deferred for a year or two? Or should Congress scale down the raises to a more modest level, say 5 per cent per year.

If concerned taxpayers have thoughts on the subject—and they should—now is the time to make those thoughts known. Write your congressman and senators and tell them what you think. And send a copy to the chairmen of the Senate and House committees. They are:

Sen. Gale W. McGee, U.S. Capitol, Washington, D.C. 20510.

Rep. Thaddeus J. Dulski, U.S. Capitol, Washington, D.C. 20515.

Remember—if no action is taken on the floor of either House or Senate, the raises go through as proposed.

CONGRESS SETS SORRY EXAMPLE

Prematurely, as it turned out, President Nixon told Congress two years ago in his message on the State of the Union that "the inflationary psychology which gripped our nation so tightly for so long is on the ebb."

Far from having ebbed, the inflationary expectations which have prevailed so long are even more widespread now than they were two years ago. The responsibility rests with the federal government itself.

Congress demonstrated its own inflationary expectations in the federal pay act of 1967 when it created an advisory commission to review congressional salaries and those of other top-ranking employees in the legislative, executive and judicial branches every four years and to make pay recommendations to the President.

With their submission by the President, the recommendations become effective within 30 days unless one congressional branch or the other votes to the contrary.

Congress never would have created such a commission if it had thought for a moment that a pay cut ever would have been justified by declining living costs.

Thus it betrayed its own inflationary expectations, as it did later when it attached a cost-of-living escalator to Social Security retirement benefits.

With this example before them, other less comfortably protected individuals in both the public and private sectors proceeded to press for whatever they could get, and the national leadership was in no moral position to admonish restraint.

In 1964, Congress voted itself a raise of about 33 per cent—from $22,500 to $30,000.

In 1969, it voted itself a 41 per cent raise—from $30,000 to $42,500.

The 41 per cent increase between 1964 and 1969 contrasted to a 14 per cent rise in living costs during the same period.

Expected now is a presidential proposal to raise congressional pay by 7 per cent in March and by 7 per cent in each of the two ensuing years.

Such a proposal, along with its foregone acceptance by Congress, would set a sorry example on the part of a government which constantly admonishes the private sector to practice wage and price restraint.

ECONOMIC STABILIZATION ACT OF 1970 SHOULD NOT BE EXTENDED

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I am today introducing a resolution which expresses the sense of the House "that the Economic Stabilization Act of 1970 should not be extended beyond its present expiration date of April 30, 1974."

It is also my intention, Mr. Speaker, to sponsor a special order in the House on or about March 6, 1974, in order to allow my colleagues to join me in a discussion of the need to abolish the controls completely. As you are probably aware, the Committee on Banking and Currency is expected to hold hearings sometime in March on the future of economic controls in this country.

Since the controls were first imposed in August 1971, they have introduced intolerable distortions in the operation of the free market mechanism, while at the same time permitting the primary cause of inflation, unrestrained Federal spending, to go unchecked. In addition, economic controls have provided a major cause of the "demand-pull" inflationary pressures that we are now experiencing in such vital commodities as food and gasoline. To continue the controls can only further aggravate the shortages that are so severely affecting every consumer in our Nation. In an article which appeared in Newsweek, December 31, 1973, Dr. Milton Friedman, professor of economics at the University of Chicago, stated conclusively: "The key to today's shortages is the price freeze ordered by President Nixon on August 15, 1971."

As one who has opposed the use of wage and price controls ever since this discretionary authority was first given to President Nixon in 1970, I am convinced that if this body takes the lead now in passing my resolution, and refuses to extend the controls, even selectively or on a stand-by basis, we can restore economic stability. In testimony before several committees of the House and in statements I have made on the floor, I have consistently supported the following initiatives as being the real and only solutions to curbing the inflationary spiral:

First. Congressional control of the budget.

Second. Balancing Federal spending with anticipated receipts.

Third. Systematic repayment of the public debt.

Fourth. Congressional control over the Federal Reserve Board and thereby controlling its creation of new money:

> Article I, section 8 of the Constitution gives Congress the power "To coin money, regulate the value thereof."

If some of you still believe that selective controls are necessary, I would like to direct your attention to an article written by Dr. C. Jackson Grayson, Jr., chairman of the Price Commission during phase 2, which appeared in the Wall Street Journal on February 6, 1974. Dr. Grayson states:

> Continued controls are not going to help the shortage problem. If anything, they will prolong shortages because of the lack of increased incentive (profits) to invest and expand quickly. Management, labor, and capital will delay action or even flow elsewhere. The result could then reach a point where arguments would be made that the federal government must invest to expand capacity through direct investment (to wit, the proposed federal oil and gas corporation).
>
> While some people would agree with the philosophy of total decontrol, they would stop short of energy decontrol. For the same reasons as given above, I would not.
>
> Yes, prices will increase. (They are going to increase anyway, with controls.) Yes, prices would increase more rapidly with decontrol. But the solution to the shortages would also be faster as price served its function of rationing and as incentives were increased for supply of more energy sources. Again, help for people with lower incomes should be done with mechanisms other than continued wage/price controls.
>
> Similar arguments can be made for also removing controls from other sectors popularly nominated for long term controls—construction, health, food.
>
> It's easy to get into controls, but as we are now witnessing, hard to get out. It is time to act with courage. Let's get out, and let's get out completely.

I urge my colleagues to join with me in sponsoring similar resolutions, and to participate in the special order in March.

The resolution is as follows:

> *Resolved*, That it is the sense of the House that the Economic Stabilization Act of 1970 should not be extended beyond its present expiration rate of April 30, 1974.

DISAPPROVAL OF PAY INCREASE

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, I have today introduced legislation which is identical to H.R. 2154, sponsored by my distinguished colleague, and minority leader Congressman John J. Rhodes. The bill provides that if a resolution disapproving the recommendations of the President for pay increases under the Federal Salary Act of 1967 has not been reported at the end of 10 calendar days after its introduction, then it is in order to move to discharge the committee from further consideration of the resolution. The resolution could then be brought to a vote as a highly privileged resolution.

Under the existing circumstances, H.R. 2154 offers the only possible method of securing a vote in respect to the currently proposed congressional pay increase. If adopted, this bill would offer such a method in the future for a vote by the full House so that salary increases for Members of Congress and certain officials of the executive branch and judiciary would not take place automatically but would be subject to a vote upon the merits of the recommended increase.

The Federal Commission on Executive, Legislative and Judicial Salaries has recommended a 25-percent increase for Members of Congress and similar pay raises for other high governmental officials. Although the power to set pay levels for Members of Congress and those officials on the executive schedule of compensation, I want to share with my colleagues my views in opposition to this increase and my support for a resolution of disapproval, which must be passed by either House of Congress by March in order to counter the Commission's recommendations.

I realize that the escalating cost of living has adversely impacted citizens throughout the Nation, and that those who serve in Congress have not been exempt from the shrinkage in buying power of the dollar. In fact, there are high demands brought about on a Member's salary by virtue of conscientious service in Congress. But this is not the central question. We are faced with the question of equity and, in my judgment, an increase would be inequitable to the taxpayer's of our Nation. I appreciate this opportunity for explaining my reasons for opposing it.

First, I am basically against an administrative procedure whereby a significant sum of Federal funds may be expended without the requirement that Members of Congress take a stand. These salaries are a congressional responsibility in which those who would benefit should not be enabled to stand behind procedural formalities.

Second, but not less importantly, is this grave problem of governmental spending and rising national debt. It is becoming more and more evident that a significant portion of the cure for our economic ills lays in improving congressional control over the spending mechanism. I have sought, during the 93d Congress as well as in the past, to approach all legislative proposals with a sense of fiscal responsibility. A 25 percent total increase, even in increments, does not meet this important test. The Federal Salary Commission's jurisdiction includes many officials of the executive and judicial branches of our Government; the recommended increase for this group would cost $25 million annually in salary costs. The addition of retirement benefits to this figure would inflate the already large price tag.

Third, it was the U.S. Congress that passed the Economic Stabilization Act and subsequent amendments and extensions. Although many segments of our economy have been "decontrolled" and wage guidelines are now generally voluntary standards, the 5.5-percent-pay-increase percentage is adhered to as one means of controlling inflation. To my way of thinking, it would be most inconsistent with the spirit of the law as well as a poor example of responsible leadership to implement an aggregate 25-percent increase in the compensation of those who head the three governmental branches. I am aware that it has been 5 years since an increase in the Federal executive salary schedule and that, in the last 4 years alone, consumer prices have risen 20 percent. However, it is becoming more and more imperative that the Government operate within strict budget limits if we are to maintain a healthy economy and avoid additional acceleration in inflation and increased taxes. Under these strictures, many existing governmental programs have been curtailed or abolished.

Finally, there are millions of Americans who must continue to manage their households on fixed or retirement income; it is this group of citizens who are most severely burdened by the effects of years of inflation. It is my view that, taken from the perspective of the taxpayers who must foot the bill, the recommended increase is not justified and, further, such a raise in our own salaries would constitute a harsh insult. I, therefore, urge my colleagues to support H.R. 2154 and, once the pay recommendation is brought to the floor, to vote against it.

LOST CAUSES

(Mr. BURTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BURTON. Mr. Speaker, 2 weeks ago yesterday after the remarkable Democratic victory in a long-held Republican seat in Pennsylvania, I brought some smiles to the Republican side of the aisle when I mentioned this could foretell the loss of some 70 Republican seats.

Perhaps laughter, rather than smiles will be induced today, when I note that if the pattern in yesterday's Michigan election holds, there will be over 100 Republicans who will not be returning to the House of Representatives. That should provide a real chuckle for our Republican colleagues. We Democrats, of course, may be only dreaming—but the thought does make life more enjoyable.

The two special elections held thus far show a phenomenal fall off in the Republican vote compared with the Democratic vote.

This fall off has been totally ignored by the political experts who kissed off the first special election—Pennsylvania 12—as proving nothing one way or the other.

Nonetheless, in that election the Republican vote fell 32 percent below the average GOP vote in the 10 previous elections while the Democratic vote remained virtually the same as the Democratic average over the past 20 years.

The phenomenon occurred in the second *special election*—Michigan 5—held yesterday. The Republican vote dropped a whopping 55 percent below the average for the past 10 elections while the Democratic vote was only 7 percent below the average.

In both instances, the GOP vote fall off is even more severe when compared with the GOP average in the past decade only rather than in the past two decades.

A fall off in voter participation in special elections is to be expected; however, it should affect both parties, not just one. Thus something other than normal fall off—be it Watergate, the energy crisis or the economy—is causing great numbers of potential Republican voters to either stay at home or vote Democratic.

Following is a summary of the vote fall off in two special elections held thus far:

	Pennsylvania 12		Michigan 5	
	Democrat	Republican	Democrat	Republican
Average vote 1954–72	61,086	89,015	57,099	103,295
1974 vote	60,550	60,320	53,008	46,159
Fall off	[1] −536	[2] −28,695	[3] −4,091	[4] −57,136

[1] 1 percent.

[2] 32 percent.

[3] 7 percent.

[4] 55 percent.

A NEW FORMULA FOR TITLE I OF ESEA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. QUIE) is recognized for 10 minutes.

Mr. QUIE. Mr. Speaker, within the next several weeks the House will be considering H.R. 69, the bill reported by the Education and Labor Committee to amend and extend the 1965 Elementary and Secondary Education Act.

One of the most controversial sections of that bill during the first session of the 93d Congress was the formula for the distribution of title I funds among school districts throughout the Nation.

In its deliberations in late January, the Education and Labor Committee adopted a new formula for title I which I believe rectifies many of the problems with the old formula. Let me tell you briefly about the elements of the new formula and how those elements insure that a more equitable distribution of funds will emerge.

First, the bill improves upon the old law by adopting a more flexible and realistic approach to the definition of low income. Since 1965 when ESEA was first enacted, we have used the set dollar figure of $2,000 to identify low-income people. That figure remained the same through 1974 and did not reflect such obvious variables as the size of family in income requirements. Because of that, it made no difference whether a family had one child and a $1,950 income or five children and an income of $2,050.

Above the $2,000 line one did not get counted, below the line all were counted.

The committee bill for the first time moves to the use of the so-called Orshansky definition of poverty. That definition was utilized by the Bureau of the Census at the time of the 1970 census and is now regularly used by almost all Federal agencies concerned with programs in the human resources area. It is this definition which is used when one hears reports that last year so many million people were below the poverty line or that a certain program is directed to assist those in poverty.

At the time the 1970 census was taken, the index ranged from $1,632 for a farm family of one to $5,820 for an urban family of eight. Clearly this sort of flexibility is much more equitable than use of a single income figure which does not permit refinements for family size.

Two. The committee bill reduces the reliance of the formula on the AFDC caseloads in a particular area or State. In the past as much as 70 percent of the money a given State has received has been because of the size of the AFDC caseload and the payments which are made under that program. The recent HEW validity check of all 50 States indicates that nationally 10.2 percent of the caseload is not eligible under the law for assistance. Another 22.8 percent receives payments in excess of eligibility and 8.1 percent are underpaid. In total, the error rate in the AFDC program in the period from April to September 1973 was in excess of 40 percent of the total caseload.

If that error rate were equitably distributed, the problems would not be as great. Regrettably, the error rate runs from a low in Maine of less than 13 percent to a high in New York of over 60 percent making it totally impossible to devise some simple way to discount the error rate.

In addition to this problem, it is well known that the AFDC program is not reflective of need in areas with high concentrations of Chicanos and orientals. A study done last year by the Los Angeles schools clearly shows that areas with high concentrations of very low-income people from either of these racial backgrounds did not reveal AFDC caseloads in proportion with other types of population. That is apparently because in those communities there is a stigma against going on welfare and a feeling that friends, neighbors, and relatives will help out. In certain areas it may also be because of the presence of illegal aliens who wish to conceal their status.

AFDC is also a program that is biased against rural areas. Testimony before our committee by officials of the Social Rehabilitation Service at HEW confirms the fact that people in rural areas are more reluctant to accept public assistance.

Finally, AFDC is a program with a unique administrative structure. Although most of the money is Federal, the rules are made to some extent in each State. Because of that, 26 States have programs where the father can be present in the home, and the family can still receive assistance. In the other 24 States, that is not true. Hence, in some States one rewards a school system for the presence of broken families. In a neighboring city in a different State, just the opposite situation may hold true. It is also up to each State to set payment levels and to determine eligibility. That means that poor States have lower payments, and some States require little verification. Hence, error rates like the 60 percent in New York.

In order to reduce double-counting, the committee amendment counts two-thirds of AFDC above the eligibility line. Further reduction of reliance on AFDC is accomplished by moving the threshold above which AFDC children are counted from the $2,000 figure in current law to the dollar figure which is adjusted each year to reflect the poverty line. In 1973 that figure is about $4,200 for an urban family of four.

Third. The old law reimbursed States at one-half their State cost or one-half the national cost, whichever was higher. This led to situations where some very low spending States, particularly in the South, were utilizing the national average and getting a much greater payment rate than anyone else. Alabama with a 1971–72 per-pupil cost of $563 was using one-half the national cost of $970 and, therefore, was eligible for a payment of $485 per child. Illinois on the other hand, with a per-pupil cost of $1,075 was using one-half of its cost or $537.50, only $52 more than Alabama even though the actual differences in cost were more than $500 per child. At the other extreme New York was using one-half of its total cost of $1,513 and, therefore, becoming eligible for per-pupil entitlements of almost $756.

In regard to this last point, it is interesting to note that although New York's average per-pupil cost is more than 150 percent of the national average its average salary for classroom teachers is only about 120 percent of the national average—$11,803 versus $9,705. The extra costs in New York are apparently due to a large degree to the very rich pension system which that State maintains.

The new law proposes to pay each State 40 percent of its actual State per-pupil costs with a proviso that no State would receive less than 80 percent of 40 percent of the national average nor more than 120 percent of 40 percent of the national average. What this means is that under the new formula Alabama will be entitled to $310, Illinois $430, and New York $465. Since the current law is only funded at 36 percent of entitlement, the actual difference to any State is not as great as might be indicated by these figures.

Use of a payment rate of 40 percent instead of the former 50 percent rate also decreases the authorizations for the program to a realistic level. Under the old law authorizations in fiscal 1974 were more than $5 billion for title I. Under the new law the title I authorization is reduced to $3.2 billion, a figure 40 percent greater than the President's 1975 budget request.

Four. Finally, the new title I provisions also contain a specific directive to the Secretaries of Commerce and HEW to devise methods to update title I counts of children in a timely fashion to prevent the "10-year shock" that occurred last fall when the results of the 1970 census became known and applicable to the distribution of funds. When that happened, there were a great many changes that occurred in the program caused by the fact that census figures had not been updated since 1965. The new bill incorporates provision for the Bureau of the Census to expand its current population survey to enable it to determine the number of children below the poverty line in each State and directs the Secretaries of HEW and Commerce to report back to the committee within a year on devising a way to update allocation methods within States. The combination of these two factors should enable the executive branch to update allocation in a regular fashion and not wait to find out the results of a new census in 1980.

It should also be noted in this regard that the formula contains a provision guaranteeing that no district will receive less than 85 percent of the funds it received in the previous year. This is to enable those districts who have lost population to absorb those losses in a fashion which does not cause chaos in the local district. This provision also insures that the allocation of funds does reflect real shifts in population and does not continue to provide full funding to those school districts which have fewer eligible children.

The committee formula is a good formula. Some may criticize portions of it, but to date no one has been able to come forward with another formula that does so well in meeting the problems created by the old formula.

AMERICA'S CREDIBILITY AS A RELIABLE ALLY

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Mississippi (Mr. LOTT) is recognized for 60 minutes.

Mr. LOTT. Mr. Speaker, with so much attention fixed upon the current turmoil that has seemingly engulfed the entire globe the last few months, I feel that at this time it is especially important that the Congress consider House Concurrent Resolution 268 which I am reintroducing today. American policy towards the Republic of China, and by extension, all of Asia, deserves careful scrutiny now in order to prevent any serious difficulties from enveloping us in the future. Twice before the United States has suffered from precipitant withdrawals from Asia at the apparent conclusion of hostilities. Cautious considerations now can be of incalculable value in the months and years ahead. In this regard the Congress, even more than the executive branch, needs more thoughtful analysis and foresight in the determination of foreign policy.

Through previous discussion in several special orders and the growing list of cosponsors of this resolution, the Congress has been able to focus attention on the need for a realistic assessment of American policy toward China. There are two basic reasons why it is so vitally important that, as the resolution states—

> The United States Government, while engaged in a lessening of tensions with the People's Republic of China, do nothing to compromise the freedom of our friend and ally, the Republic of China and its people.

First a dispassionate evaluation of the current situation in Asia makes continued close cooperation with the Republic of China an indispensable element of protecting American security and correlatively maintaining stability and peace in East Asia. Second, America's credibility as a reliable ally and as a Nation genuinely committed to the values of individual liberty and national sovereignty are integrally related to continued diplomatic relations with the Republic of China.

Having just recently approached the threshold of conflict with the Soviet Union in the Mideast, it behooves us to carefully reexamine America's strategic posture throughout the world. We have seen how the rhetoric of détente can turn rapidly into the reality of a military alert. And in that reality of crisis in the Mediterranean we discovered that only Portugal among our European allies stood firmly with us. We must not make a similar mistake in Asia and allow a dialog with the People's Republic of China to corrode and eventually destroy partnerships bound together in blood on battlefields from Korea to Vietnam. The Republic of China, with her political stability, military, and economic power, remains a linchpin in our all too fragile alliance structures.

Many more Americans would be aware of our strategic requirements in Asia if so many of our messengers from mainland China were not mesmerized by the extravagant show carefully orchestrated by the rulers in Peking. If American interests are to be effectively perceived in Asia, then we must focus our attention on the reality of concrete actions rather than the polite public pronouncements. No one doubts that in the Mideast the principal support for aggression has come from the Soviet Union, but we hear little about the responsibility for the continued fighting in Southeast Asia. The campaign by the Communist Chinese to overthrow the government in Cambodia has not abated with the withdrawal of American forces from the region or the signing of a cease-fire. Instead, they have become the main supplier of weapons to the Communist forces in Cambodia, whether they be Khmer Rouge, North Vietnamese, or Vietcong. The President explicitly recognized this threat with his emergency request for $200 million in aid to Cambodia at the same time that he sought assistance for Israel. In the international diplomatic community the Chinese Communists have led an attempt to replace the Khmer Government in the United Nations with deposed Prince Norodorm Sihanouk.

In other activities, the Communist Chinese have encouraged the Arabs to continue fighting in the Mideast and abstained from all major cease-fire proposals in the United Nations, have seized the Paracel Islands from the Vietnamese, have driven over 50,000 refugees fleeing into Hong Kong this year, and have quietly built their Navy up to the fourth largest in the world while maintaining the biggest standing army. These actions merely reconfirm in a more eloquent language the Maoist adage that "political power comes out of the barrel of a gun."

Only in the past several weeks we have also witnessed a resurgence of ideological fanaticism within mainland China. Western music, loudly applauded only a few months ago, is now being subjected to the bitterest of derisive scorn. Whole cities have been closed off to foreign visitors as a new so-called cultural revolution begins to ominously sweep across the land. Even the most revered philosophical leader in Chinese history, Confucius, is now the principal target of a government orchestrated campaign of public abuse and ridicule. Any state which can exercise such erratic vicissitudes of public policy should not be relied upon as durable basis for the construction of foreign policy.

Logic should indicate that the language of Oriental détente is governed more by the barrels of a million Soviet guns posed on China's northern frontier than any serious reconsiderations of Maoist doctrines. Neither American security nor that of the free nations of Asia should be sacrificed for the transient needs of one Communist dictatorship pitted against another.

In contrast to the actions taken by the Communists, the Republic of China has continued to exercise a responsible role in world affairs despite being the victim of unjustified diplomatic setbacks. Rather than being governed by rigid ideological dogma, the people on Taiwan have benefited fully from the rich cultural tradition of Chinese civilization. Moreover, the Republic of China has become a nearly perfect model of the tremendous economic progress that can be unleashed in a developing country through the conjunction of political freedom and individual industriousness.

The United States has just passed the first anniversary of the conclusion of the longest and most unselfish war in our Nation's history in order to bolster the security of the free people of Asia. To sacrifice the freedom of the 15 million people of the Republic of China through any form of diplomatic subterfuge would betray our Nation's most basic philosophical commitment to humane values. Surely the remarks a few months ago by Secretary of State Henry Kissinger regarding one small beleaguered country in the world must equally pertain to the Republic of China as well:

> The United States in the postwar period has supported the concept that international conflicts should not be settled by force. It has, moreover, supported the concept that nations should not be eliminated simply by the superior numbers or in any manner of their neighbors.

By supporting this resolution the Congress can reaffirm their adherence to these basic concepts.

The text of House Concurrent Resolution 268 is as follows:

Resolved by the House of Representatives (*the Senate concurring*), That it is the sense of the Congress that the United States Government, while engaged in a lessening of tensions with the People's Republic of China, do nothing to compromise the freedom of our friend and ally, the Republic of China and its people.

CONGRESSMEN COSPONSORING HOUSE CONCURRENT RESOLUTION 268

Mr. Addabbo
Mr. *Anderson of* Illinois
Mr. Archer
Mr. Ashbrook
Mr. Bafalis
Mr. Baker
Mr. Blackburn
Mr. Broyhill of Virginia
Mr. Buchanan
Mr. Burgener
Mr. Burke of Florida
Mr. Chappell
Mr. Don H. Clausen
Mr. Del Clawson
Mr. Cohen
Mr. Conlan
Mr. Crane
Mr. Davis of Georgia
Mr. Dennis
Mr. Derwinski
Mr. Dickinson
Mr. Dorn
Mr. Duncan
Mr. Fish
Mr. Fisher
Mr. Gilman
Mr. Goldwater
Mr. Gross
Mr. Gunter
Mr. Hanley
Mr. Hansen of Idaho
Mr. Hinshaw
Mr. Huber
Mr. Hudnut
Mr. Hunt
Mr. Hutchinson
Mr. Ichord
Mr. Kemp
Mr. Ketchum
Mr. Landgrebe
Mr. Leggett
Mr. Lott
Mr. Montgomery
Mr. Moorhead of California
Mr. Murphy of New York
Mr. Myers
Mr. Price of Texas
Mr. Rarick
Mr. Roberts
Mr. J. Kenneth Robinson
Mr. Rousselot
Mr. Satterfield
Mr. Scherle
Mr. Sikes
Mr. Smith of New York
Mr. Snyder
Mr. Spence
Mr. Steiger of Arizona
Mr. Symms
Mr. Thomson of Wisconsin
Mr. Treen
Mr. Vander Jagt
Mr. Veysey
Mr. Waggonner
Mr. Whitehurst
Mr. Winn
Mr. Charles H. Wilson of California
Mr. Bob Wilson
Mr. Won Pat
Mr. Wyman
Mr. Young
Mr. Zablocki
Mr. Zion

THE PANAMA CANAL ZONE SITUATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 mniutes.

Mr. EDWARDS of Alabama. Mr. Speaker, if the United States relinquishes its control of the Panama Canal and Canal Zone to the Republic of Panama, there may be real and lasting damage to the entire Free World.

In one quick afternoon's visit recently, Secretary of State Henry Kissinger flew to Panama to sign accords which paved the way for future United States talks with Panama on a new treaty that would end American control of the canal. This is the culmination of many years of negotiations and debate between our two countries.

The agreement that Secretary Kissinger signed is therefore a new beginning or perhaps it could be called the start of phase II. Ahead are difficult negotiations not only between the two countries, but also involving Congress and the Pentagon.

The United States completed construction of the canal in 1914 after ten long years of hard work. We took up the project after the French had failed. The United States paid Panama $10 million and agreed to pay $250,000 a year rent in perpetuity—forever—for the area. Since then, the annual payment has been raised to $2 million a year.

Cost to the United States of building the Canal was $380 million.

Panamanians can be broken into several groups on the canal issue. Those who prefer to keep things as they are, but would like an increase in rent make up one group, probably the majority.

Another group is composed of activist youth who want the United States out now.

A third wants a sea level canal built 25 miles north of the present canal at U.S. expense. This group would concede to the U.S. control of the present canal for 22 years.

Still another group wants the Canal Zone and canal immediately though they would be willing to grant the U.S. partial jurisdiction even while preferring total control by Panama. One in this faction is Fernando Manfredo, Panama's Minister of Commerce and Industry and a member of the Panamanian team that has been negotiating the issue with the United States.

The 371-square-mile area Manfredo wants for Panama contains housing and clubs, churches, a theater, commissary, a hospital, and a clinic and he would like it for nothing. As if that were not enough, he wants Panama to have major jurisdiction over the remainder.

A revolutionary coup headed by Brig. Gen. Omar Torrijos of the National Guard has been in control of Panama since President Arnolfo Arias was overthrown in 1968, 11 days after he was elected. This military regime of Panama has been friendly with Communist countries.

Russia has constantly supported the efforts of Panama to gain control of the canal. It has been reported that the Russians have expressed an interest in building a new sea level canal or modifying the present canal to handle larger vessels, similar to the manner in which the Russians did the Aswan Dam for the Egyptians.

Obtaining ownership and control of the Panama Canal from the United States has been a longtime goal of the Russians. John Reed, American journalist who covered the Russian revolution, reported that Lenin realized the importance of the canal and was determined to force the United States to give up unilateral control of the waterway.

The strategic nature of the canal to international commerce and to the military defense of the Western Hemisphere are two good reasons why the United States should never let the canal slip from its control.

If the canal ever becomes totally owned and controlled by Panama, it may very well become a victim of Russian takeover, because Panama, I feel, will be unable to resist the pressure the Russians no doubt will apply.

I don't like the direction in which we are going. Unless we can reverse the trend of recent years, one day we may be asking the Russians for permission to use the Panama Canal. This is unthinkable.

PERSONAL ANNOUNCEMENT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN) is recognized for 5 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, during the debate on House Resolution 803, on February 6, I was necessarily away from Washington. I was forced to miss both of the votes which were taken on the resolution to give subpena authority to the Judiciary Committee in order to carry out its responsibilities pertaining to the impeachment resolutions that have been introduced.

I take this time, therefore, to announce that had I been able to be here I would have voted in favor of final passage of the resolution (rollcall No. 21) and against setting a specific deadline for completion of the inquiry (rollcall No. 20).

My vote in favor of the resolution is based upon the simple fact that the committee must have the necessary powers to obtain the evidence it determines is relevant to its inquiry. And, it must have the backing of the full House in this regard.

My vote against setting a deadline is based upon my feeling that nothing could be worse than to force the committee to complete its investigation at a certain time and then find new information or developments at a later date. A deadline requires an inflexibility that is neither required nor proper.

The impeachment investigation by the committee must be detailed, thorough, and complete. To do less is an abdication of our responsibility and my votes will reflect my desire to see to it that no procedural problems inhibit an honest, full, and fair investigation.

Neither the President, the Congress, nor the country stands to benefit from an incomplete investigation.

POLICE BRUTALITY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois, Mr. METCALFE, is recognized for 15 minutes.

Mr. METCALFE. Mr. Speaker, I would like to call to the attention of my colleagues an article which appeared in the February 9, 1974, issue of the Nation.

The article was written by Mr. George Bliss, chief investigative reporter for the Chicago Tribune. Mr. Bliss has received the Pulitzer Prize on two occasions; in 1962 for his investigations of the Chicago Metropolitan Sanitary District; and in 1973 for supervising an investigation of Chicago vote fraud.

POLICE BRUTALITY IN CHICAGO: BAD APPLES ON THE BEAT

(By George Bliss)

CHICAGO.—Claude Bailey is a 14-year-old boy who had part of his life destroyed on his first run-in with police. Claude, who lives in a substantial middle-class, all-white neighborhood in Chicago, was a promising athlete who had been named the most valuable player on his grammar school team. But Claude dropped his dream of playing football in high school when a policeman's blow blinded his left eye. He was mistaken for a suspect in a crime he hadn't committed and for which he was never charged.

At the time when Claude was under medical care, Rep. Ralph H. Metcalfe, an important black political leader of Chicago and a former Olympic track star, made public a report, "The Misuse of Police Authority in Chicago." [See editorial, "The Metcalfe Report," *The Nation*, September 17, 1973.] The report and accompanying recommendations were garnered from a series of hearings conducted by a "blue-ribbon" panel convened by Metcalfe in 1972, following persistent complaints to Mayor Richard J. Daley and Chicago police officials that Chicago police were guilty of numerous acts of brutality principally in the black and Spanish-speaking areas of the city. Daley and police officials almost completely ignored the complaints. The police department failed to send a representative to the Metcalfe hearings.

Vernon Jarrett, a black columnist on the *Chicago Tribune*, accurately predicted that the Metcalfe report would be attacked by the city administration and the police department as slander of "Chicago's finest." At the same time, Jarrett said, the more militant in the black community would consider it too soft. Police abuse, as well as police graft, shakedowns and other unethical activities, is a fact of life, Jarrett continued. He added that the abusive treatment of citizens by Chicago police, particularly the unnecessary use of force, cannot be denied.

At the time the Metcalfe report became public, four *Chicago Tribune* reporters had already spent more than a month on an in-depth investigation of police brutality. Their task, which was to require almost four months of intensive digging for additional facts and evidence on a highly controversial subject, was to find out who was right, Metcalfe or the city administration. The eight-part series of special reports on police brutality, printed in November, had an impact that brought about almost immediate corrective reform at almost every level of government in Chicago. The *Tribune* found Metcalfe substantially correct in all but one of his charges. He had said that the problem was almost exclusively in the ghetto areas of the city. The *Tribune* investigation found it to be citywide.

Many readers angrily criticized the paper for publishing the series, but the editors also received hundreds of phone calls and letters registering indignation and relating stories of abuse and beatings by policemen. "They [the readers] see it as an attack on the police force, rather than the attack on official crime which it really is," the *Tribune* replied editorially. In Chicago, it was pointed out, a policeman is a policeman twenty-four hours a day. He carries a gun, night stick and handcuffs. There are more than 13,000 policemen in Chicago, and most of them are dedicated, honorable and courageous. But some have abused their public trust.

Reporters talked to hundreds of alleged victims, interviewed hundreds of persons who claimed they had witnessed illegal police acts, examined thousands of documents and arranged polygraph tests whenever possible. The newspaper found that the Internal Affairs Division (IAD) of the police department, responsible for investigating such abuses, continued to be seriously negligent in its duties, despite years of public criticism. Documented cases of brutality showed that the IAD often ignored basic investigative techniques. Its investigators often failed to seek out key witnesses, monitor relevant court testimony or use the polygraph. The IAD had a surprisingly low score in sustaining brutality complaints against policemen. In the five-year period through 1972, the department received 5,251 complaints from citizens who alleged police abuse. The IAD sustained only 144. In 1973 the IAD compiled its "best" record ever, sustaining about 8 per cent of the brutality complaints.

"I wish I could say I didn't sustain a single case," said IAD Director Alfred Conrad. "I'm not proud of high figures here." Conrad, a veteran of thirty-two years on the force, has a staff of policemen selected from the general ranks of the department. The department has traditionally and strongly resisted the suggestion that anyone from outside the department should investigate allegations of police misconduct. The argument is that only another policeman can fully understand the subtleties of the policeman's duties. There are sixty-two investigators on the IAD staff, which operates on 1 per cent of the annual department budget.

Some IAD investigators, it was found, merely sent out letters telling witnesses to come to the IAD offices at a time picked by the investigator. If they didn't show up, the investigator considered them uncooperative and dropped the case. Chicago police officials insisted that their program of investigating misconduct was working well. But they could find no reasonable way to explain the career of Patrolman Michael Winfield.

Winfield was certified as a policeman on February 19, 1967. The first brutality complaint against him was registered on April 11, 1967. On August 11, 1968, when Winfield met Bennye Moon and her family, it was a wonder that he was still a policeman. He had been on the force for eighteen months and in that time had accumulated fifteen complaints, including eleven from citizens who charged physical abuse and malicious and threatening conduct.

When Winfield applied to join the force he said he had no arrest record, though he had been convicted of assault and disorderly conduct. His former employer told the police department that he was "a hothead, arrogant and short-tempered." But the Chicago civil service commission, over objections, certified him. In June 1968, the police superintendent had on his desk five separate misconduct complaints against Winfield and two recommendations from district commanders that he be fired; also a file warning of Winfield's questionable mental stability and recommending a psychiatric review. The recommendations were ignored and Winfield continued to work on the streets, with the exception of a thirty-day suspension without pay for a brutality case. Then he met Bennye Moon.

Mrs. Moon, a 45-year-old emigrant from an Oklahoma sharecropper's cabin, was walking home from the drugstore that day with her son, Cornell, and her daughter, Diane, who was far along in pregnancy with her second child. Winfield stopped them a few doors from their house. He called Cornell over, ordered him to put up his hands and then put handcuffs on him.

When Cornell dropped his hands, Winfield shouted at him and then smashed him across the face with his revolver. When Bennye screamed at Winfield he swung his revolver and hit her across the face, shattering her lower left jaw. She started to sag to the street and grabbed his lapels to keep from falling. Winfield kept swinging and she finally fell, unconscious and bleeding, her shoulder dislocated, her teeth knocked loose and her head cut. Diane ran up to her mother's still form on the ground and Winfield hit her in the mouth and struck her swollen stomach with his night stick; she, too, fell to the ground.

The Moon family went to the hospital and its members were later charged with aggravated battery and resisting arrest, charges that were eventually dropped. Diane's son, Eddie, was born the following October. He is now 5 years old. He has a deformed left eye, a bone protruding from his chest and a congenital heart defect. Doctors say they cannot be sure his defects came from Winfield's blow, but Diane is sure.

The police department fired Winfield on February 13, 1969, for one of the fifteen complaints filed against him before the Moon incident. The department completed its investigation of Bennye's complaint a month later. It agreed that the Moons had been beaten in an unprovoked attack.

And police brutality was supposed to be foreign to the exclusive Rogers Park neighborhood of Chicago. But on a sunshiny Father's Day morning, quiet, matronly Harriet Bauman, 36, was cleaning her $60,000 home when she had her first encounter with police. She was eventually charged with resisting arrest and assaulting a police sergeant. She said that the sergeant had pulled her out of her house and chased her across the street and into a neighbor's house. She said she was thrown across a railing of the neighbor's porch and handcuffed and thrown down a flight of stairs while the sergeant addressed her with obscenities in front of her children and neighbors. Although her story sounded wholly unbelievable, witnesses and a polygraph test arranged by the *Tribune* supported it.

Once upon a time the Chicago Police Department had a psychological screening program second to none in the nation. But then politics, as it is played in Chicago, came onto the scene. *Tribune* reporters were told that the psychological testing program was dropped because it was screening out many recruits sponsored by ward committeemen and other city politicians. So for a two-year period the Chicago Police Department was without a program to test police recruits for sadistic tendencies or emotional instability. It is estimated that more than 1,000 policemen were hired without any screening.

The police department, the *Tribune* found, systematically dismantled its widely acclaimed psychological testing program—one that had served as a model for programs in major cities across the country. And for two years police department officials lied, assuring anyone who asked that the department was using the best testing in the nation. The consequences were shocking.

On a beautiful June morning 70-year-old Otto Saxinger and his wife drove over to Lincoln Park in their beloved 1936 Dodge, a car Saxinger had bought when it was new and carefully preserved ever since. But before they got home from their little jaunt, Saxinger found himself in a police station, charged with assault and battery, resisting arrest and failure to signal a turn. His wrists were cut and bleeding because the arresting officer had jammed handcuffs on Saxinger so tightly that they cut through the flesh.

The *Tribune's* investigation discovered more complaints about handcuffs than about any other aspect of police abuse. Citizens charged that handcuffs were used as instruments of torture, leaving wrists bleeding, swollen and scarred. In theory and common practice, handcuffs are a piece of safety equipment that can prevent injury to a policeman and those around him. But by simply tightening the metal bracelets a policeman can turn them into an instrument that stops circulation, draws blood and paralyzes nerves.

Saxinger still bears the scars on his wrists. When he and his wife pulled the car into an alley to garage it a policeman pulled up behind. Saxinger said the policeman accused him of not having a brake light but Saxinger showed him the brake lights were working. When the policeman started writing a ticket for making a wrong turn, Saxinger made his mistake. He said he was "so mad at the policeman and his attitude" that he spoke up.

"Buddy, some day somebody is going to take you by the legs and wrap you around a post," he said. Saxinger found himself looking down the barrel of a gun. He was handcuffed and tossed head first into a squad car. Saxinger pleaded with the policeman to loosen the handcuffs but he was taken to a police station and charged with assault and battery and the rest.

Saxinger filed a complaint of brutality with the police department Internal Affairs Division, but said he has never heard what happened with its investigation. The IAD told reporters the complaint was dismissed as unfounded. Saxinger volunteered to take a lie test but his high blood pressure interfered with the readings.

Gorki Tellez, editor and publisher of *El Manana*, the largest Spanish-language newspaper in the Midwest, was manhandled by police while he was attempting to cover a student-police confrontation at a high school. He said he was handcuffed so tightly that his wrists began to bleed and he couldn't use his arm for a week. He thought a man in his position could do something with a complaint of brutality. Tellez said his paper gets phone calls almost daily from Spanish-speaking people complaining of police misconduct.

But the experience of Tellez was minor compared to that of Leroy Watts. He was on his knees, pleading for his life as his recent landlord, Patrolman Maurice Beacham, stood over him. They were in Watts' former apartment in a building owned by Beacham, and Beacham was angry because Watts had left in the kitchen some plastic bags filled with trash. Frantic with fear, Watts leaped to his feet and ran into the next room. Beacham followed and shot him in the left arm. Watts stumbled into still another room, and Beacham shot him in the right hand.

The police department had an impressive list of evidence, witnesses and polygraph tests to show that Beacham willfully shot Watts. But Beacham continued to work every day as a policeman, and Watts, though alive, is still recovering from his wounds and unable to work. It was only after the *Tribune* printed the series that any action was taken against Beacham. He was suspended from the department and then indicted by a county grand jury on attempted murder and other charges.

Then there was the case of Jose Maldonado. His problem started during the winter months when his baby was hungry and his wife discovered there was no milk in the house. Maldonado got into an argument with several policemen over double parking when he went into the store to buy the milk. He was pistol-whipped and kicked in the groin in a hospital, and had to have his scalp sewn together in three places. He also had been charged with assaulting and attempting to elude two policemen, and with drunk driving. Maldonado was convicted and fined $1,000 and placed on two years' probation. The secretary of state's office suspended his driver's license for a year because of the drunk driving charge.

A $3-an-hour factory worker, Maldonado had to take a second job to pay legal fees, fines and medical expenses. In company with a reporter, Maldonado took a polygraph test and passed on each question relating to his behavior when confronted by the policemen. One of the policemen was suspended for ten days, but police never informed Maldonado of this. And neither was the court apprised that the policemen were found guilty by the IAD. Finally, the judge who had sentenced Maldonado read his story in the *Tribune*. He called Maldonado into court and vacated the fine. The secretary of state's office agreed to lift the license suspension.

The *Tribune* told in detail the experiences of people brutalized by police in more than thirty specific cases. The reaction to the series came on numerous fronts as public officials announced determination to halt police brutality once and for all. Cook County state's attorney Bernard Carey summonded a grand jury to investigate police brutality and shortly afterward three policemen were named in indictments. They face charges ranging from attempted murder to perjury and false arrest reports. More grand jury action is expected.

Marlin Johnson, president of the Chicago Police Board, ordered acting police superintendent, James M. Rochford, to:

Prepare a new psychological screening program for recruits.

Set up a plan to re-evaluate policemen already on the force who show signs of emotional instability.

Investigate police recruiting methods which have been admitting a decreasingly small number of applicants from minority groups.

Mayor Daley spoke out against police brutality and has said he would seriously review a proposal for an independent city agency to investigate police conduct, a plan he had rejected in late 1972. State's attorney Carey said he would form a special unit in the prosecutor's office to handle police brutality cases. At the same time, new legislation was introduced in the Illinois General Assembly which would make it mandatory for all police agencies in the state to give psychological and other testing to policemen. The state agency would have the power to suspend a policeman found guilty of brutality.

It is possible, but not yet certain, that Chicagoans may soon be able to look on a policeman, whose salary they pay, without having the blood freeze in their veins.

H.R. 12777

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. Collins) is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, on February 13, 1974, I introduced with cosponsors H.R. 12777, a bill to amend title XVIII of the Social Security Act to include breast prosthesis among the items and services for which payment may be made under the supplementary medical insurance program—medicare.

Unfortunately, due to a staff error the gentleman from Ohio (Mr. Powell) was inadvertently included on the list of cosponsors. I hope that this will not cause any undue hardship to the gentleman from Ohio and regret that the error occurred.

CONGRESS REPLIES TO THE PRESIDENT'S TRANSPORTATION MESSAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'Neill) is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, on Saturday, February 16, Majority Whip John McFall spoke on nationwide radio, on behalf of the Congress, in response to President Nixon's transportation message. Mr. McFall is also the chairman of our Transportation Appropriations Subcommittee.

In his remarks, John pointed out that the legislation sent up by the President falls far short of what we need. Neither bill—nor both of them put together—represent anything like a massive, broad based assault on our transportation problems.

I insert the full text of Mr. McFall's remarks into the Record:

February 16, 1974.

Address of Congressman John J. McFall of California, House Majority Whip, on Transportation Initiatives of the Congress

(Response in behalf of the Congress to President Nixon's Radio Broadcast of February 9)

I am speaking to you today on behalf of your Congress about the serious challenges facing our nation's transportation system and what we must do to meet them.

In his radio message last week, the President rightly recognized that our transportation system—the nation's lifestream—is no longer working at maximum efficiency and must be improved.

In cooperation with this and previous Administrations, the Congress has enacted a long and productive list of measures to improve that system—from the creation of the Department of Transportation in 1966 to the Airport Development Act in 1970 to the Northeast Rail Reorganization Act of 1973. We recognize the continuing need for improvement in our transportation system, and we pledge our determined efforts to reach this objective.

Last week, the President submitted two transportation bills to the Congress: one dealt largely with urban highways and mass transit, the other with railroads. The Congress welcomes in these bills what appear to be some helpful changes in policy on the part of the Administration.

However, we must regretfully say that neither of these two proposals represents anything that could be described as a massive, broad based assault on our nation's basic transportation problems.

In the Unified Transportation Assistance Act, the President for the first time acknowledges the necessity for mass transit operating assistance. This will be welcome news to our hard-pressed cities and states. In the past, the Administration has flatly opposed such legislation, including the operating assistance bill now pending in House-Senate conference.

However, we should also understand what the Unified Transportation Assistance Act does not do. It has been billed as a big-money recommendation. However, it does not provide the big infusion of funds that it seems to imply. The act would simply rearrange funds, and in some cases cities and states would come up with less than they thought they had.

For example, mass transit operating assistance, under the President's proposal, would not be available unless a city gave up construction money to get it. Thus, while one hand giveth, the other taketh away.

After 1977, all money would be thrown into a common pot, subject to far more demands than it could fulfill. The Administration would make the fund available for mass transit construction and operating assistance as well as highway construction. As the range of choices widens, the money available to cities for each purpose diminishes.

The bill also fails to provide cities and states with the guidance which they desperately need to make increasingly sophisticated transportation decisions. In fact, the bill would intensify pressure on the cities and states: we would be requiring them to make more difficult choices without giving them the necessary direction or information. No state can make the best use of its transportation money if it doesn't know how its system will affect—or be affected by—adjoining states' systems or the nation at large. And we cannot know this until we develop the national transportation policy that Congress has demanded for so long.

The other thing the bill does not do is to tell us what will happen to the highway trust fund. After 1977, the bill would shift the burden for urban highways as well as mass transit to the general taxpayer. There is no mention of the highway trust fund—as if the Administration expected to let it die.

The President's other bill—the Transportation Improvement Act—would set up a loan guarantee program for the railroads. This follows an initiative marked out by the Congress in 1971 when it drafted and considered the Surface Transportation Act. At that time the Administration strongly opposed the legislation. Today, the President has recommended a rail assistance plan which incorporates a broad loan guarantee program. In the present Congress, similar legislation has already passed the Senate and is now pending in the House.

The Transportation Improvement Act also revives an Administration attempt to make major changes in the governmnt regulation of railroads, including rate-making and the abandonment of rail service. A few years ago, the Administration urged radical deregulation as the way to help railroads out of their financial difficulties. The Congress rejected that concept, and rightly so. Deregulation would have unleashed ruinous competition among the carriers and severely damaged the industry. Although the deregulation proposals in this bill are more moderate, the Congress will want to examine them carefully.

It has been the stubborn insistence of the White House on three inadequate precepts—deregulation, special revenue sharing and reorganization of the Department of Transportation—that has held up the formulation of a national transportation policy. None of these, nor all of them together, can substitute for transportation policy, and the Congress will continue to push for the development of one.

This Congress is seeking to build with President Nixon a better record of cooperation and achievement on transportation matters. Furthermore, we will need everyone's help, from the Administration to every American. Only if we all strive together can our nation achieve the vital, flourishing, preeminent transportation system that our well-being today and our children's future demand.

GET RID OF OFFICIAL GOLD PRICE—DO NOT INCREASE IT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, the latest increases in the market price of gold—to $152 yesterday—have again raised the question of a uniform multiple rise in the official price. A tripling or quadrupling has been mentioned in the financial press. The increase would have to be sufficient to preclude the possibility of a repetition within the next decade or so.

These rumors have arisen despite the decision taken in November 1973, permitting monetary authorities to make sales from their gold reserves in the private market, and thus finance oil imports or any other type of net payments outflow.

Whenever controls of one sort or another have resulted in two prices for a single commodity, the incentive to make profits by selling from one market to the other has tended to erode the dual price system. For example, under present circumstances, officials at their own volition can sell gold to private parties at the market price, but one central bank is not supposed to sell it to another to finance a payments deficit. Yet, while the lower official price exists, billions of international reserves are immobilized.

The remedy, however, does not lie in a uniform increase in the official value of gold. This would have the following undesirable consequences:

First. It would tend to reinstitute gold as a primary, if not the chief, reserve asset, and accordingly displace special drawing rights—SDR's—from their growing and potentially primary reserve asset role in the future. An increase in the official value of gold to approximately the market level would more than triple the reserve asset value of official gold stocks and obviate any need for the creating of additional SDR's for years to come. In fact, existing SDR's might even be withdrawn from circulation.

Second. An increase in the official value of gold would cause private hoarders to sell substantial portions of their gold stocks to monetary authorities. These transfers could create huge increases in the money supplies of many different nations and would greatly intensify the inflationary pressures that economic policymakers are now attempting to combat, with limited success.

Third. Unless the official value of gold were increased to substantially more than its current market price, monetary authorities around the world might subsequently fear to take any action that could introduce a major new element of private demand into the gold market. Consequently, the right of American citizens to invest in gold at their own discretion would probably be further postponed.

Fourth. We have seen from our experience under the two-tier system—when the private market price of gold threatened to fall below the then $35 per ounce official value—that a new much higher official price for gold would effectively become a floor. Therefore, in the event, however improbable it may seem today, that market forces once again began to depress the price of gold, monetary authorities would again be obliged to take action preventing the free market price from slipping below the official level. Monetary authorities would then effectively be placed in the role of subsidizing the operation of mines wherever throughout the world gold is produced—including South Africa and the Soviet Union.

Fifth. An increase in the official value of gold would again put the international monetary system on the old commodity standard roller coaster that has intermittently plagued international monetary relations since nations first began cooperative efforts to regulate money internationally. In another decade or two we would again experience rising pressures for another change in the official price.

For these reasons, a uniform increase in the official price of gold is no solution to our present dilemma. But there is a superior alternative: abolition of the official price of gold. This move would entail severing the link between SDR's and gold, and redefining special drawing rights in terms of a bundle of currencies.

Abolishing the official price of gold would have the following advantages:

First. It would bring a further reduction in the role of gold as a reserve asset. An important step was taken in this direction when in August 1971 the United States suspended interconvertibility between gold and dollars. Abolition would continue this progression.

Second. It would not preclude individual central banks from holding gold at their own discretion, and using it as a reserve medium if they choose to do so. Monetary authorities could continue to use gold as a medium for settling debts at bilaterally negotiated prices, or at the free market price. Thus, the reserve asset role of gold would not be eliminated. It would just no longer be guaranteed.

Third. It would resolve the issue of further periodic increases in the official value of gold in the IMF system.

The suggestion to abolish the official value of gold does raise a number of difficult technical issues. For example, what should be done with the gold currently deposited with the IMF? If the gold tranche positions of IMF members are to be converted into SDR's, at what rate? Perhaps the conversion could be carried out at the market price of gold and at the exchange rates obtaining at some time in the recent past.

In any case, these technical difficulties are no reason to forego the benefits to be derived from abolishing the official price of gold, rather than increasing it.

IS UNCLE SAM CHECKING YOUR PHONE CALLS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, after months of scandal emanating from the Government's abuse of power and contempt for the rights of privacy; amid charges that the Internal Revenue Service and other agencies were used for political purposes, one might have expected the Federal Government to mend its ways. Or at the very least, that public exposure would have put the fear of God into them. Apparently this administration's arrogance and contempt for civil liberties has yet to be checked.

Recent IRS action in subpenaing the telephone records of the New York Times as well as those of several other newspapers and individual reporters is a frightening example of the administration's present attitude. These records were not subpenaed in the course of a tax investigation but solely to trace the sources of reporters' stories. This is a clear abuse of power. The IRS implicitly conceded this when they agreed to a New York Times demand that they return the records under threat of a suit.

Our liberties should not depend on an individual's ability to force the Federal Government, in court, to desist from illegal actions.

This administration is operating under a new concept of law. Any action is legal and proper until the courts specifically enjoin them from taking it. Their own responsibility to act in accordance with the law and the Constitution seems nonexistent.

Yet President Nixon is always quick to point out that he has certain inherent rights and powers as President which the Congress may not challenge and which the courts may not adjudicate. It is clear what is happening. Mr. Nixon hides behind the Constitution like a spoiled child behind his mother's apron. After some particularly malicious act he claims the safety of his protected status. A wise mother in such a situation will discipline her child and the American people might do well to take a lesson.

The entire issue of Government access to individual records needs to be carefully examined. Major institutions which possess revealing files on their customers, including banks and telephone companies, have been all too willing to comply with Government requests for information without proper consideration for the rights and needs of their customers. While the phone company must accede to subpenas and authorized Government requests for the toll-call records of their subscribers this information has frequently been made available on an almost *casual basis*. Formal procedures for the release of files are necessary as well as adequate provisions for informing people when their files are checked.

The abuse in the case of investigative reporters is even more ominous. For it endangers their sources of information and becomes a handy Government device for stifling the free press.

Government examination of private records also creates a pervasive distrust, at times approaching paranoia, among citizens. Probably everyone here has at one time or another speculated as to whether his telephone was tapped. We grow accustomed to this fear and learn to ignore it, but it is not pleasant. Similarly the knowledge that a ledger of our private calls; who we speak to, when, and for how long, is open to Government agents is a chilling enough thought however innocent our calls may actually be.

Legislation is needed. Safeguards must be built into the still developing system where computer-stored knowledge on our private lives increases daily. However no legislative safeguards will be sufficient to protect us as long as powerful agencies within the Government feel justified in extending and abusing the powers at their command.

I am a cosponsor of the "Right to Financial Privacy Act of 1973". That bill regulates the disclosure of financial information by financial institutions to governmental agencies to protect the constitutional rights of citizens and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing the disclosure of such information.

I am drafting legislation to place similar restrictions on the private records of phone calls and electronic communications in the hands of telephone companies and other entities involved in the transmission of private communications.

There have been enough of these sneaky third-party subpenas, buggings and similar shennanigans by the footloose, high and mighty muckety-mucks who as often as not are running political inquisitions for higher ups. The right to privacy ought to prevail and I urge my colleagues to act as quickly as possible on these matters so that they may be disposed of in this session of Congress.

PANAMA CANAL: MASS NEWS MEDIA INTIMIDATION OF THE CONGRESS INTO SURRENDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, in an address to this body on February 4, 1974, I warned that Secretary of State Kissinger would make a flying trip to Panama to sign an "agreement on principles" to govern the negotiations of a new canal treaty. That blueprint for adject surrender of the Canal Zone and canal was signed by him on February 7 and it was given the widest publicity as another "great diplomatic triumph," especially in the newspapers of Panama.

As stated on other occasions, I can think of no better way for the administration to bring about another confrontation with the Congress than by proposing a giveaway Canal Zone treaty, for the issue is nonpartisan and the Congress, in the exercise of its constitutional powers, will dispose of such treaty where it belongs—in the wastebasket.

The response to the recent "Dear Colleague" letter calling for sponsors or cosponsors of a resolution in support of continued U.S. sovereignty over the Canal Zone has been gratifying. This should serve as a further warning to our officials attending the current meeting of American foreign ministers now in session in Mexico and which Kissinger will attend later this week that surrender of either the zone or canal will not be tolerated.

As expected after the February 4 address and the introduction of various resolutions in support of continued undiluted U.S. sovereignty over the Canal Zone, there has been what appears to be an organized drive of obvious origin to gain public support for the seductively phrased giveaway program and to brainwash the Congress into acceding to what may be presented as a fait accompli. Such scheme calls not for acceptance but for repudiation.

Leading newspapers in the drive for the giveaway have been the New York Times and the Washington Post. An editorial in the first commended what it called the Good Start on Panama and the latter sent a reporter to the Isthmus to cover the situation.

The New York Times editorial called for a "vigorous follow-through" on the negotiations. The two news stories in the Washington Post from the Isthmus avoided presenting the realistic issues involved and attempted to beguile by inconsequential trivialities and sloppy sentimentalism hostile to the United States. All three writings were superficial, and this despite the ready availability of extensive authoritative documentation on every major aspect in the canal equation.

Mr. Speaker, it is well to bear in mind that the above mentioned newspapers. the New York Times and the Washington Post, led the Nation in the propaganda after World War II in picturing Mao Tse-tung as a gentle, high-minded agrarian reformer and in no sense linked with Red causes. Furthermore, let us also recall that these two newspapers led in the clamor describing Fidel Castro as a highly motivated friend of the United States and not in any way a Communist revolutionary. In a subsequent speech, Castro declared that throughout his adult life he had been a Communist. As to Mao Tse-tung, after his installation in power by U.S. officials, he likewise showed his real colors, triggering the wars in Korea and Viet Nam that cost tens of thousands of American lives. It is only natural that these two sheets should wish the United States to surrender its sovereignty over the Canal Zone to a declared admirer of Castro. He is Omar Torrijos, the dictator of Panama.

In order that Members of the Congress may be informed as to the nature of the prosurrender propaganda that they will face, I quote the indicated New York Times editorial and the two Washington Post news stories as follows:

[From the New York Times, Feb. 15, 1974]

GOOD START ON PANAMA

As Secretary of State Kissinger said, the agreement between the United States and Panama on eight principles to govern negotiation of a new Panama Canal treaty has created a favorable climate for the meeting of American foreign ministers in Mexico next week. Whether it will fulfill Mr. Kissinger's prediction of a "first step toward a new era" in inter-American affairs will depend on how promptly the treaty can be concluded and ratified.

As previous abortive efforts to conclude a new treaty demonstrate, these tasks will not be simple. The Administration seems willing eventually to meet all of Panama's reasonable demands; but the governments are still apart on the most emotional issue of all: the date on which sovereignty over the waterway and the Canal Zone will finally be transferred to Panama.

Once that is agreed, the Administration will have to mount one of its most effective efforts ever to win Senate approval of a treaty certain to be opposed on national security grounds by Pentagon forces and many among the "Zonians"—the 12,000 Americans who live in the Canal Zone. And Panamanian politicians and businessmen must for once stand up to those who will charge that their Government has sold out to Washington.

"There is opposition in both our countries to a reasonable resolution of our differences," Mr. Kissinger acknowledged at the signing of the Joint Statement of Principles in Panama. "Old slogans are often more comforting than changes that reflect new realities." He and President Nixon must now go to work to expose the emptiness of those old slogans and to point up the long-range dangers for this country in trying to perpetuate a relic of another era.

The eight principles are rooted in common sense and intelligent compromise, reflecting Panama's consuming desire to regain control of its territory but also legitimate American concern for the operation and defense of the vital waterway. What is required now is a prompt start on the final negotiation and then a vigorous follow-through by both governments.

[From the Washington Post, Feb. 15, 1974]

U.S. COURT WEIGHS UPON PANAMANIANS

(By Dan Morgan)

BALBOA, PANAMA CANAL ZONE.—In the little magistrate's court which sits between the police station and the Elks Lodge atop a hill here, almost everything was American, except the defendants.

Shortly after 8:30 a.m. the 10 accused filed in. All were Panamanians, charged with offenses ranging from possession of marijuana to trespassing.

A constable called the court to order in English and Spanish. Families and friends sat down, and an American police officer read the charges in the first case—the government of the Canal Zone versus Vilma Cordero.

Mrs. Cordero stood, slouching slightly and nodding when addressed by Judge John

Baker a patient, slow-talking graduate of West Point and Yale Law School.

Finally he said to the constable, "I don't think she understands. Please read that in Spanish."

A few minutes later the woman was escorted back to jail, to await a hearing later in the day on a charge of reentering an American air force base after being ordered to stay out.

Few places in Panama better illustrate the basic issue that gives rise to the tensions in and around the Canal Zone than the Balboa Magistrate's Court.

Thousands of Panamanians, and many Americans, have passed through the lower court. Now the increasingly nationalistic population of Panama wants to recapture sovereignty over the Canal Zone which, among other things, would end trials of Panamanians by Americans.

Although the United States has offered to make concessions to Panama, probably by allowing the Republic more canal revenues and turning over some zone for needed urban expansion, many Panamanians say that American law prevailing over the 530-square miles of the Zone angers them most.

Over the years, many economic tensions between the two nationalities have been eliminated.

The old double standards for jobs and pay—the "gold role" for Americans, the "silver role" for Panamanians—has been curbed.

Half or nearly half of the engineers, nurses, and doctors now working in the Zone are Panamanians. Of the 15,000 employees of the Panama Canal Co., a United States government agency, more than 11,000 are local people paid higher wages than countrymen working outside the Zone.

Although none of the 187 pilots who guide vessels through the canal is a Panamanian, two now are in training, and there are American-run apprenticeship programs in many other fields.

Some effort also has been made to diminish a harsh side of American law in the Zone. Forty of the Zone's 300 policemen are Panamanians, and so are many court personnel.

Yet none of that satisfies Panamanians who hate the fact that American law governs a large area of their country.

"It's not right," exclaimed a local newspaper editor recently, as he drove his car on Fourth of July Street, the Zone's boundary in Panama City.

"One minute I am in Panama. The next I can be picked up by a foreign policeman, tried in a foreign court and sent to a foreign jail—in my own country," he said.

Similar emotions were expressed recently by a truck driver, who lives in an $18-a-month cottage in San Miguelito, a poor suburb of Panama City.

"There must be one law," he said. No more American police, no more American courts, no more American judges." Otherwise, he predicts violence of the kind that caused 21 deaths in 1964.

It seems to make little difference to Panamanians that most Zone police are correct and meticulous or that Judge Baker runs his court smoothly and speedily.

Many say that being in American courts in the Zone is a confusing and somewhat frightening experience. American Judicial officials also concede that penalties tend to be somewhat more severe than those for similar offenses in Panamanian courts.

About 90 Panamanians are serving long prison terms in the American penitentiary at Gamboa. Americans convicted by the District Court in the Zone usually are transferred to prisons in the United States.

About 10 times a year, the American governor signs deportation orders against Panamanians—meaning they cannot re-enter the enclave, which halves their country.

Administration of justice in the Canal Zone requires dozens of persons. Last year, 2,075 cases were tried in magistrate's court, and about 8,000 traffic violations were handed outside the court.

It is far from clear how this burden ultimately will be shifted to the Panamanians. A joint judicial administration, with Panamanian and American judges, has been discussed, but even such a fusion would not settle the question of whose law prevails.

At present, the Canal Zone Code is based on laws passed by the Congress, as is the case in the District of Columbia.

This may be at the root of the tense situation here.

"It's just getting worse and worse," said an American engineer who works on the only railroad between the country's two largest cities. Panama City on the Pacific Coast and Colon on the Atlantic side.

Last week, some people threw rocks at the train and broke several windows, he said.

Rising nationalism makes many of more than 40,000 Americans living in the Zone nervous and defensive.

"People have the idea that we are like the British colonialists, or that we kick a Panamanian every time we cross the street," said the Zone's American governor, David S. Parker. "Actually, the Americans here work hard. They do fan out into the country and many speak Spanish."

Gen. Omar Torrijos, Panama's leader, has called the sovereignty issue "our only religion." His political fortunes are firmly hitched to a settlement that would help restore Panamanian jurisdiction relatively soon.

[From the Washington Post, Feb. 16, 1974]

Panama's Leader on Spot—Torrijos' Political Future Tied to New Canal Pact

(By Dan Morgan)

Panama City.—The reputation, and perhaps political survival, of Gen. Omar Torrijos of Panama is on the line as his government prepares to start final negotiations with the United States on a new Panama Canal treaty.

Although Secretary of State Henry A. Kissinger said here last week that "vital United States interests" would have to be preserved, Torrijos has done little to prepare his countrymen for the compromises that many diplomats feel probably are inevitable.

As a result, Torrijos, who has survived two challenges to his power since he seized control in a 1968 coup, may be caught in a squeeze between the left and the right as negotiators begin work on details of an agreement.

The Canal Zone issue is central to Panamanian politics and any moderates who may have existed in the past have been driven out of sight by Torrijos' fiery, nationalist rhetoric.

Torrijos is a new kind of man in Panama's political scene. The pre-1968 rulers of the country tended to be drawn from wealthy families—the "oligarchy" as it is called here—which made fortunes in sugar and other commodities.

Torrijos, a man of humble, back-country origins, is described by aides as a "Latin populist." His following is among farmers and workers, and he has courted these groups with improved social benefits.

His ideology is vague, but his ambition, according to friends, is less so: to rise above his own humble background to the stature of a "continental man" such as the late Salvador Allende of Chile.

In moving toward that goal, the Canal Zone issue, with its strong emotional appeal to Panamanians has been an asset.

"They will be getting out, gentlemen," he has promised, and even has boasted that if the treaty negotiations break down a generation of Panamanians will be ready to give their blood for freedom.

Diplomats and others agree that last week's visit here by Secretary of State Kissinger, and the signing of an eight-point joint declaration, bolstered the 44-year-old military leader.

However, the aura of success could fade quickly if the final treaty fails to live up to Torrijos' earlier promises.

On the left, Torrijos has succeeded in muffling opposition by taking a tough public line with the Americans on the Canal issue, placing some leftists in political and judicial jobs, manipulating the Marxist-oriented student organization and outlawing the Communist Peoples Party. However, any sign that Torrijos is getting soft on the Americans would spoil this relationship.

There also are many signs that intellectuals, businessmen, priests, and others critical of military rule now see opportunity in the Canal Zone issue to embarrass Torrijos.

There is a new boldness on the part of critics, and one group the National Civic Movement, has demanded public discussions of the treaty proposals.

Only a few hours after Kissinger left off last week, some opponents of the strict, military-backed government described the joint declaration as a victory for the United States because it allegedly conceded nothing new.

"This was nothing but paperwork," said a businessman. "The Americans are going to get everything they want. Either you get control, or you don't. Who is going to make the final decisions in the Zone? The Americans."

On the right, there is an uneasy truce between Torrijos and the business community which controls the local economy. Torrijos exiled some members of the oligarchy, but others are still around, and they tend to despise Torrijos' earthy, populist style and social policies.

Several years ago, Torrijos became dissatisfied with the writings of the English-language newspaper Star and Herald, which is run by the wealthy Duque family. He insisted in a change of management, but the family simply appointed another of its members to run the paper.

When a local radio station ran a commentary suggesting that discussion about the role of the oligarchy, a favorite Torrijos theme, should be expanded to include the "military oligarchy," the station was closed down briefly.

Financially, Torrijos' government does not appear to be in a strong position to extract concessions from the United States. The country's foreign debt, mainly to the United States, is one of the highest in Latin America.

The American connection is evident everywhere, from housing projects financed through the U.S. foreign assistance program, to Dairy Queens, Kentucky Fried Chicken shops and Chase Manhattan Bank branches. The country does not have its own paper currency, using the American dollar for this purpose.

From the glittering gambling casinos of Panama City to the country's 55 banks, with their $2.2 billion in deposits, money and international finance are the lifeblood of the republic. Many of the financial threads lead to the United States, or to American business subsidiaries.

Numbered bank accounts, unrestricted movements of foreign capital and negligible taxes on profits on foreign investments have lured millions of dollars from all over the world.

Any tampering with this capitalist paradise immediately sends shock waves through the country, and gives a taste of what might happen if the government gave full vent to nationalism.

That was demonstrated last October when the government issued a new law aimed at controlling rents, providing incentives for low-income housing construction and imposing a greater measure of supervision over the real estate industry.

Some business entrepreneurs viewed this

as a first, halting step toward nationalization.

In the words of a local economist, the measure "panicked the business community" and provoked a show-down between government and private interests that still is not resolved.

No matter what forces are at play for the future, Torrijos is now in full command. He has the apparent solid backing of the 8,000-man National Guard, which he commanded, and the support of his friend, Manuel Noriega, the powerful chief of intelligence.

But the government is obviously aware of the potential dangers which the explosive Canal Zone issue holds for it.

At a press conference the night of Kissinger's departure, Foreign Minister Juan Tack appealed for confidence in the government.

"Panama didn't choose the way of being a protectorate," he said. "Therefore we have to complete this process. Whoever believes we are just playing at it, or having an academic game is very wrong. We are planting flags of national dignity."

RULES OF PRACTICE IN PROCEEDINGS BEFORE THE HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. UDALL. Mr. Speaker, I submit for printing in the RECORD at this point the Rules of Practice in Proceedings before the House Commission on Congressional Mailing Standards.

Mr. Speaker, notice is hereby given that, pursuant to section 5 of the act of December 18, 1973 (87 Stat. 742; Public Law 93–191), the Rules of Practice in Proceedings before the House Commission on Congressional Mailing Standards, as hereinafter set forth, have been prescribed and established by the House Commission on Congressional Mailing Standards at its organizational meeting held on February 4, 1974.

Subsection (e) of section 5 provides in part that the Commission "shall prescribe regulations for the holding of investigations and hearings, the conduct of proceedings, and the rendering of decisions under this subsection providing for equitable procedures and the protection of individual, public, and Government interests. The regulations shall, insofar as practicable, contain the substance of the administrative procedure provisions of sections 551–559, and 701–706, of title 5, United States Code. These regulations shall govern matters under this subsection subject to judicial review thereof."

In view of the fact that a commission of the legislative branch is not authorized to publish documents, such as these rules of practice, in the Federal Register (44 U.S.C. 1501), the commission has determined to provide public notice thereof by printing them in the CONGRESSIONAL RECORD. In addition to the notice hereby given, copies of the rules will be made available to any person upon request to the commission.

Due to the fact that the only remedy now available to persons who may wish to commence a proceeding on a violation of the franking privilege as it relates to the House of Representatives, is the filing of a complaint and proceedings before the commission under section 5 of the act of December 18, 1973 (87 Stat. 742; Public Law 93–191), the commission has determined that these rules shall take effect immediately.

Although the commission does not anticipate any specific future changes in these regulations, the commission would appreciate, and therefore invites comments or suggestions which might assist in future revision of the rules. Comments should be submitted with at least 10 copies and may be mailed to the commission at 207 Cannon House Office Building, Washington, D.C. 20515.

In consideration of the foregoing, the Rules of Practice in Proceedings before the House Commission on Congressional Mailing Standards as hereinafter set forth are made effective immediately.

The rules, issued in Washington, D.C., on February 19, 1974, are as follows:

RULES OF PRACTICE IN PROCEEDINGS BEFORE THE HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

ANALYSIS OF RULES

Rule 1. Authority for rules.
Rule 2. Scope of rules.
Rule 3. Informal dispositions.
Rule 4. Office, business hours.
Rule 5. Complaints.
Rule 6. Notice of hearing.
Rule 7. Service.
Rule 8. Filing documents for the record.
Rule 9. Answer.
Rule 10. Default.
Rule 11. Amendment of pleadings.
Rule 12. Continuances and extensions.
Rule 13. Hearings.
Rule 14. Change of place of hearings.
Rule 15. Appearances.
Rule 16. Hearing officers.
Rule 17. Evidence.
Rule 18. Subpenas.
Rule 19. Witness fees.
Rule 20. Depositions.
Rule 21. Transcript.
Rule 22. Proposed findings and conclusions.
Rule 23. Decisions.
Rule 24. Motion for reconsideration.
Rule 25. Modification or revocation of orders.
Rule 26. Computation of time.
Rule 27. Official record.
Rule 28. Public information.

RULE 1. AUTHORITY FOR RULES

These rules of practice are issued by the House Commission on Congressional Mailing Standards of the U.S. House of Representatives, hereinafter referred to as the commission, pursuant to authority under section 5 of the act of December 18, 1973 (87 stat. 742; Public Law 93–191).

RULE 2. SCOPE OF RULES

These rules of practice shall be applicable in all proceedings before the commission.

RULE 3. INFORMAL DISPOSITIONS

These rules do not preclude the disposition of any matter by the commission, if it determines that there is no reasonable justification for the complaint, or by agreement between the parties either before or after the filing of a complaint when time, the nature of the proceeding, and the public interest permit.

RULE 4. OFFICE; BUSINESS HOURS

The offices of the commission and the officials mentioned in these rules are located at the House of Representatives, 207 Cannon House Office Building, Washington, D.C. 20515, and are open Monday through Friday except holidays from 9:00 a.m. to 5:30 p.m.

RULE 5. COMPLAINTS

(a) Any person who believes that a Member of, or a Member-elect to, the House of Representatives, Resident Commissioner or Resident Commissioner-elect, Delegate or Delegate-elect, surviving spouse of any of the foregoing, or other official of the House of Representatives authorized to use the frank is about to violate or, within the immediately preceding period of 1 year, has violated the use of the frank under sections 3210, 3211, 3212, 3213(2), or 3218, or in connection with the operation of section 3215, of title 39, United States Code, may file with the commission a signed complaint which names the person involved; states the legal authority and jurisdiction under which the proceeding is initiated; states the facts in a manner sufficient to enable the person named therein to make answer thereto; recommends the issuance of an appropriate order; sets forth the address of the complainant and the name and address of his attorney, if any.

(b) All allegations in the pleadings shall be made in numbered paragraphs, the contents of each of which shall be limited as far as practicable to a statement of a single set of circumstances, and a paragraph may be referred to by number in all succeeding pleadings. Each complaint founded upon a separate transaction or occurrence and each defense other than denials shall be stated in a separate count or defense whenever a separation facilitates the clear presentation of the matters set forth.

(c) Statements in a pleading may be adopted by reference in a different part of the same pleading or in another pleading or in any motion. A copy of any written instrument which is an exhibit to a pleading is a part thereof for all purposes.

(d) The person so named in the complaint shall be known as the respondent and the person filing the complaint shall be known as the complainant.

RULE 6. NOTICE OF HEARING

If the Commission determines that there is reasonable justification for a complaint filed under rule 5, it shall issue a notice of hearing stating the time and place of the hearing and the date for filing an answer, which shall not exceed 10 days from the service of the complaint, and a reference to the effect of failure to file an answer or appear at the hearing. (See rule 10.) Except for good cause shown, the hearing date shall be within 30 days of the date of the filing of the complaint.

RULE 7. SERVICE

(a) The commission shall cause a copy of the complaint to be served upon the respondent or his agent and in addition, if it determines there is reasonable justification for the complaint, the notice of hearing.

(b) Service of all papers shall be effected by mailing the same, postage prepaid registered, or certified mail, return receipt requested, or by causing said papers to be personally served on the parties or their respective agents, as appropriate, by an authorized representative of the commission. In the case of personal service the person making service shall secure from the parties or their agents, a written acknowledgement of receipt of said papers, showing the date and time of such receipt. Said acknowledgement (or the return receipt where service is effectuated by mail) shall be made a part of the record of the proceedings. The date of delivery, as shown by the acknowledgement of personal service or the return receipt, shall be the date of service.

RULE 8. FILING DOCUMENTS FOR THE RECORD

(a) Each party shall file with the commission pleadings, motions, orders, and other documents for the record. The Commission shall cause copies to be served promptly to other parties to the proceeding and to the hearing officer.

(b) The parties shall submit four copies of all documents unless otherwise ordered by the hearing officer. One copy shall be signed as the original.

(c) Documents shall be dated and state the title of the proceeding. Any pleading or other document required by order of the hearing officer to be filed by a specified date shall be delivered to the commission on or before such date. The date of filing shall be entered thereon by the Commission.

RULE 9. ANSWER

(a) The answer shall contain a concise statement admitting, denying, or explaining each of the allegations set forth in the complaint.

(b) Any facts alleged in the complaint which are not denied or are expressly admitted in the answer may be considered as proved, and no further evidence regarding these facts need be adduced at the hearing.

(c) The answer shall be signed personally by the respondent except for good cause shown.

(d) The answer shall set forth the respondent's address and the name and address of his attorney.

(e) The answer shall affirmatively state whether the respondent will appear in person or by his attorney at the hearing.

(f) If the respondent does not desire to appear at the hearing in person or by his attorney he may request that the matter be submitted for determination pursuant to paragraph (b) of rule 10.

RULE 10. DEFAULT

(a) If the respondent fails to file an answer within the time specified in the notice of hearings, he shall be deemed in default, and to have waived a hearing and further procedural steps. The commission shall thereafter issue an order without further notice to the respondent.

(b) If the respondent files an answer but fails to appear at the hearing, the hearing officer shall receive complainant's evidence and submit proposed findings of fact and conclusions of law to the commission.

(c) If the complainant or his attorney fails to appear at the hearing, the hearing officer shall receive the respondent's evidence and submit proposed findings of fact and conclusions of law to the commission.

RULE 11. AMENDMENT OF PLEADINGS

(a) Amendments proposed prior to the hearing shall be filed with the Commission. Amendments proposed thereafter shall be filed with the hearing officer.

(b) By consent of the parties a pleading may be amended at any time. Also, a party may move to amend a pleading at any time prior to the close of the hearing and, provided that the amendment is reasonably within the scope of the proceeding initiated by the complaint, the hearing officer shall make such ruling on the motion as he deems to be fair and equitable to the parties.

(c) When issues not raised by the pleadings but reasonably within the scope of the proceedings initiated by the complaint are tried by express or implied consent of the parties, they shall be treated in all respects as if they had been raised in the pleadings. Such amendments as may be necessary to make the pleadings conform to the evidence and to raise such issues shall be allowed at any time upon the motion of any party.

(d) If a party objects to the introduction of evidence at the hearing on the ground that it is not within the issues made by the pleadings, but fails to satisfy the hearing officer that an amendment of the pleadings would prejudice him on the merits, the hearing officer may allow the pleadings to be amended and may grant a continuance to enable the objecting party to rebut the evidence presented.

(e) The hearing officer may, upon reasonable notice and upon such terms as are just, permit service of a supplemental pleading setting forth transactions, occurrences, or events which have happened since the date of the pleading sought to be supplemented and which are relevant to any of the issues involved.

RULE 12. CONTINUANCES AND EXTENSIONS

Continuances and extensions will not be granted by the hearing officer except for good cause shown.

RULE 13. HEARINGS

Hearings are held at the U.S. Capitol, Washington, D.C. 20515, or other locations designated by the commission.

RULE 14. CHANGE OF PLACE OF HEARINGS

Not later than the date fixed for the filing of the answer, a party may file a request that a hearing be held to receive evidence in his behalf at a place other than that designated for hearing in the notice. He shall support his request with a statement outlining:

(a) The evidence to be offered in such place;

(b) The names and addresses of the witnesses who will testify; and

(c) The reasons why such evidence cannot be produced at Washington, D.C. The commission shall give consideration to the convenience and necessity of the parties and the relevancy of the evidence to be offered.

RULE 15. APPEARANCES

(a) The parties may appear and be heard in person or by attorney.

(b) When a party is represented by an attorney, all pleadings and other papers subsequent to the complaint shall be mailed to the attorney.

(c) Parties must promptly file a notice of change of attorney.

RULE 16. HEARING OFFICERS

(a) A hearing officer may be appointed by the commission for any hearing hereunder.

(b) The hearing officer shall have authority to:

(1) Administer oaths and affirmations;

(2) Examine witnesses;

(3) Rule upon offers of proof, admissibility of evidence, and matters of procedure;

(4) Order any pleadings amended upon motion of a party at any time prior to the close of the hearing;

(5) Maintain discipline and decorum and exclude from the hearing any person acting in an indecorous manner;

(6) Require the filing of briefs or memoranda of law on any matter upon which he is required to rule;

(7) Order prehearing conference for the purpose of the settlement or simplification of issues by the parties;

(8) Order the proceeding reopened at any time prior to a final decision for the receipt of additional evidence; and

(9) Take any other action authorized by the commission.

RULE 17. EVIDENCE

(a) Except as otherwise provided in these rules, the rules of evidence governing civil proceedings in matters not involving trial by jury in the courts of the United States shall govern. However, such rules may be relaxed to the extent that the hearing officer deems proper to insure a fair hearing. The hearing officer shall exclude irrelevant, immaterial, or repetitious evidence.

(b) Testimony shall be under oath or affirmation and witnesses shall be subject to cross-examination.

(c) Agreed statements of fact may be received in evidence.

(d) Official notice or knowledge may be taken of the types of matters of which judicial notice or knowledge may be taken.

(e) Authoritative writings of the sciences may be admitted in evidence, but only through the testimony of expert witnesses or by stipulation.

(f) The written statement of a competent witness may be received in evidence provided that such statement is relevant to the issues, that the witness shall testify under oath at the hearing, that the statement is in all respects true, and, in the case of expert witnesses, that the statement correctly states his opinion or knowledge concerning the matters in question.

(g) A party who objects to the admission of evidence shall make a brief statement of the grounds for the objection. Formal exceptions to the rulings of the hearing officer are unnecessary.

RULE 18. SUBPENAS

At the request of any party, subpenas for attendance of witnesses at a hearing may be issued over the signature of the chairman of the commission or of any member designated by him or by the commission and may be served by such person or persons as may be designated by such chairman or member.

RULE 19. WITNESS FEES

Fees and expenses for witnesses for either party or for depositions requested by either party shall not be paid by the commission.

RULE 20. DEPOSITIONS

(a) Not later than 5 days after the filing of respondent's answer, any party may file application with the commission for the taking of testimony by deposition. In support of such application the applicant shall submit under oath or affirmation a statement setting out the reasons why such testimony should be taken by deposition, the time and the place, and the name and address of the witness whose deposition is desired, the subject matter of the testimony of each witness, its relevancy, and the name and address of the person before whom the deposition is to be taken.

(b) If the application be granted, the order for the taking of the deposition will specify the time and place thereof, the name of the witness, the person before whom the deposition is to be taken, and any other necessary information.

(c) Each witness testifying upon deposition shall be duly sworn, and the adverse party shall have the right to cross examine. The questions and answers, together with all objections, shall be reduced to writing and, unless waived by stipulation of the parties, shall be read to and subscribed by the witness in the presence of the deposition officer who shall certify it in the usual form. The deposition officer shall file the testimony taken by deposition as directed in the order. The deposition officer shall put the witness on oath. All objections made at the time of examination shall be noted by the deposition officer and the evidence objected to shall be taken subject to the objections. In lieu of participating in the oral examination, a party may transmit written interrogatories to the officer, who shall propound them to the witness and record the answers verbatim. Objections to relevancy or materiality of testimony; or to errors and irregularities occurring at the oral examination in the manner of taking the deposition, in the form of the questions or answers, in the oath of affirmation, or in the conduct of the parties; and errors of any kind which might be obviated, cured or removed if promptly presented, are waived unless timely objection is made at the taking of the deposition.

(d) At the hearing, any part or all of the deposition may be offered in evidence by any party who was present or represented at the taking of the deposition or who had notice thereof. If the deposition is not offered and received in evidence, it shall not be considered as a part of the record in the proceeding. The admissibility of depositions or parts thereof shall be governed by the rules of evidence.

(e) The party requesting the deposition shall pay all fees required to be paid to witnesses and the deposition officer, and shall provide an original and one copy of the deposition for the official record, and shall serve one copy upon the opposing party.

(f) Within the United States or within a territory or insular possession, subject to the dominion of the United States, depositions may be taken before an officer authorized to administer oaths by the laws of the United

States or of the place where the examination is held.

(g) Depositions may also be taken and submitted on written interrogatories in substantially the same manner as depositions taken by oral examination. When a deposition is taken upon written interrogatories and cross-interrogatories none of the parties shall be present or represented, and no person, other than the witness, a stenographic reporter, and the officer shall be present at the examination of the witness, which fact shall be certified by the officer, who shall propound the interrogatories and cross-interrogatories to the witness in their order and reduce the testimony to writing in the witness' own words.

RULE 21. TRANSCRIPT

(a) Hearings shall be stenographically reported under the supervision of the hearing officer. Argument upon any matter may be excluded from the transcript by order of the hearing officer. A copy of the transcript shall be a part of the record and the sole official transcript of the proceeding. Copies of the transcript shall be supplied to the parties to the proceeding at their own expense by the reporter. Copies of parts of the official record other than the transcript may be obtained by the parties from the reporter upon the payment to him of a reasonable price therefor.

(b) Changes in the official transcript may be made only when they involve errors affecting substance and then only in the manner herein provided. No physical changes shall be made in or upon the official transcript, or any part thereof, which have been filed with the record. Within 5 days after the receipt by any party of a copy of the official transcript, or any part thereof, he may file a motion requesting correction of the transcript. Opposing counsel shall, within such time as may be specified by the hearing officer, notify the hearing officer in writing of his concurrence or disagreement with the requested corrections. Failure to interpose timely objection to a proposed correction shall be considered to be concurrence. Thereafter, the hearing officer shall by order specify the corrections to be made in the transcript. The hearing officer on his own initiative may order corrections to be made in the transcript with prompt notice to the parties of the proceeding. Any changes ordered by the hearing officer other than by agreement of the parties shall be subject to objection and exception.

RULE 22. PROPOSED FINDINGS AND CONCLUSIONS

(a) Each party to a proceeding, except one who fails to appear at the hearing or indicates that he does not desire to appear, may, unless at the discretion of the hearing officer such is not appropriate, submit proposed findings of fact, conclusions of law, and supporting reasons either in oral or written form in the discretion of the hearing officer. The hearing officer may also require parties to any proceeding to submit proposed findings of fact and conclusions of law with supporting reasons. Unless given orally, the date set for filing of proposed findings of fact and conclusions of law shall be within 5 days after the delivery of the official transcript to the commission who shall notify both parties of the date of its receipt. The filing date for proposed findings shall be the same for both parties. If not submitted by such date, or unless extension of time for the filing thereof is granted, they will not be included in the record or given consideration.

(b) Except when presented orally before the close of the hearing, proposed findings of fact shall be set forth in serially numbered paragraphs and shall state with particularity all evidentiary facts in the record with appropriate citations to the transcript or exhibits supporting the proposed findings. Each proposed conclusion shall be separately stated.

RULE 23. DECISIONS

(a) *Findings and conclusions by hearing officer.*—Within 20 days after the hearing has been concluded, the hearing officer shall submit to the commission proposed findings of fact and conclusions of law, with the reasons therefor, upon all the material issues of fact or law presented on the record.

(b) *Final decision by the commission.*—The commission shall render a final decision within 30 days after the hearing has been concluded. Such decision shall include findings and conclusions, with the reasons therefor, upon all the material issues of fact or law presented on the record, and the appropriate order or denial thereof.

RULE 24. MOTION FOR RECONSIDERATION

A party may file a motion for reconsideration of a final commission decision within 10 days after receiving it or within such longer period as the commission may fix. Each motion for reconsideration shall be accompanied by a brief clearly setting forth the points of fact and of law relied upon in support of said motion. The commission shall transmit a copy of the motion and brief to the opposing party, who shall file a written reply brief within 10 days after filing or such other period as the commission may fix. A copy of the reply brief shall be sent to the moving party by the commission.

RULE 25. MODIFICATION OR REVOCATION OF ORDERS

A party against whom an order has been issued may file an application for modification or revocation thereof. The commission shall transmit a copy of the application to the opposing party, who shall file a written reply within 10 days after filing or such other period as the commission may fix. A copy of the reply shall be sent to the applicant by the commission. Thereafter, an order granting or denying such application will be issued by the commission.

RULE 26. COMPUTATION OF TIME

A designated period of time under these rules excludes the day the period begins, and includes the last day of the period unless the last day is a Saturday, Sunday, or legal holiday, in which event the period runs until the close of business on the next business day.

RULE 27. OFFICIAL RECORD

The transcript of testimony together with all pleadings, orders, exhibits, briefs, and other documents filed in the proceeding shall constitute the official record of the proceeding.

RULE 28. PUBLIC INFORMATION

The commission maintains for public inspection in its offices copies of all final decisions, including a record of the votes on any question on which a record vote is taken. The commission also maintains a complete official record of every proceeding, all other records, data, and files of the commission which shall be the property of the commission or such other places as the commission may direct.

THE REAL MEANING OF THE SOLZHENITSYN EXILE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, upon learning of the arrest and exile of Alexander Solzhenitsyn, I could not help but feel some measure of both sadness and relief. That this great writer was banished from his homeland for asserting his natural rights to free thought and expression is a tragedy for not only Mr. Solzhenitsyn, but for all those who respect the dignity of the human intellect. Yet one could not understand Solzhenitsyn's crusade to expose Soviet oppression without expecting that some day the full weight of Soviet terror would be used to oppose him. From this perspective, we have cause to be thankful that the reprisals against him were not more vicious.

In my mind, there is no question but that this exercise of restraint by the Soviet Union is a response to pressure from the West and especially the United States. The Russian authorities correctly expected that any further brutalization of Solzhenitsyn would inspire a torrent of Western protest. Indeed, it is to the credit of Russia's Western critics that they have been able to exercise this degree of influence over her internal policies. But we must be clear about the nature of that influence. Russia was not persuaded by the strength of our arguments, for the Russian people remain in bondage. She was persuaded by the prospect that violence against Solzhenitsyn would jeopardize Soviet-American détente and the consequent economic benefits she expects to reap. The Soviet treatment of Solzhenitsyn should be viewed as an indication of Russian strategy in her move toward détente. In preference to guaranteeing emigration rights or relaxing its iron grip on thought and speech, the Soviet regime will apparently show its good will by using less than its strongest measures against its most renowned dissidents.

From the Russian point of view, the strategy is a clever one. It is designed to make us celebrate Solzhenitsyn's safety while we forget his message: that, for the Soviet people, liberty is an empty vision. Our response, Mr. Speaker, must be unequivocal. We must let the Soviet authorities know that we will not be pacified by token gestures. If our commitment to human rights is to be taken seriously, we must pledge an unrelenting effort to use our peaceful power toward the goal of freedom for the Russian people. It would be the cruelest turn of events if the exile of Alexander Solzhenitsyn were to diminish the pleas for freedom that he inspired. There is no reason for détente to be available to the Soviet Union free of charge. If she desires cooperation with the Western community, let her pay the price of adhering to those principles of justice and decency upon which that community is founded. To insist upon this condition would be the highest tribute we could pay to Alexander Solzhenitsyn.

SPN'S SHOULD BE REMOVED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, today many veterans are being prejudiced in their attempts to find employment because of numerical codes on their discharge papers: separation program numbers—SPN's—and reenlistment numbers. Just because a veteran has an honorable discharge does not necessarily mean that he has a good SPN. There are 530 of these numbers, although the Pentagon intends to reduce the quantity to 126 as of July 1, 1974. Their meaning can be as simple as "expiration of term of service," or as damaging as "unsuitability—enuresis"—bed-wetting—or "unsuitability—homosexual tendencies."

These numbers are supposedly confidential and for use only by the Department of Defense and the Veterans' Administration, but their meaning is known by most major employers.

I have introduced legislation, H.R. 7557, to ban the use of SPN's and reenlistment code numbers on servicemen's discharge documents. This would help eliminate the problem today in which veterans are prevented from obtaining employment even if they are equally or better qualified than the nonveteran applicant.

The Department of Defense might have reason to retain information in their files on a veteran's conduct in the service. But there is no reason why a veteran should have to have such information coded on his discharge paper to prejudice a prospective employer.

Because of my concern over the unfairness of the SPN to the serviceman and the risk of invasion of privacy if the designation becomes known to a potential employer or any other person, I requested the Department of Defense to remove these numbers on future discharge papers by administrative action, and to reissue discharge papers without the numbers upon request. My correspondence has been with Lt. Gen. Leo E. Benade, Deputy Assistant Secretary of Defense. The most recent letter I received from General Benade, dated November 16, 1973, indicated that the Department of Defense intends to keep SPN's on the discharge papers. The Department of Defense conducted two studies on the use of SPN's—one in August 1972 and the other in October 1973. I have written to General Benade requesting that these background reports be sent to me. Should he refuse, I will seek to obtain them through court action under the Freedom of Information Act.

It is interesting to note that for some time the Air Force has recommended that SPN's be deleted from discharge papers because SPN's "reflecting adverse reasons for discharge are just as stigmatizing as an unfavorably characterized discharge." The Air Force has also acknowledged that as long as the meaning of SPN's is readily ascertained, individual privacy is susceptible to invasions.

YOUNG AMERICANS FOR FREEDOM AND THE ENERGY CRISIS

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, this week the House may consider two very significant pieces of legislation which purport to deal with the so-called energy crisis. These bills, S. 2589 and H.R. 11793, respectively, would vest the President with extraordinary emergency powers, including the power to ration gasoline, and would create a Federal Energy Administration to take over from the Federal Energy Office the task of administering the program. This type of Federal intervention can only result in the same type of distortions and further shortages in the supply of gasoline that we have seen occur in all of our vital commodities as a result of the Economic Stabilization Act of 1970.

Fortunately, there is at least one group of young people, with which I am proud to be associated, which is ready to take up the fight against energy controls. "Youth for the Energy Solution"—YES—a new organization sponsored by Young Americans for Freedom, recognizes the irony of granting even more power to the Federal Government, whose regulatory actions over the past two decades created the "crisis" in the first place. YES calls upon young people of all persuasions to help it "ration Government—not gasoline." I wholeheartedly support this effort and urge my colleagues to do likewise.

Last Monday, February 13, 1974, Ronald F. Docksai, national chairman of YAF, conducted a press conference to announce the formation of YES, whose chairman will be Gary Giordano. I am inserting the text of a statement which Mr. Docksai delivered at that time in the RECORD for the attention of my colleagues:

YOUNG AMERICANS FOR FREEDOM AND THE ENERGY CRISIS

(Statement by Ronald F. Docksai)

Young Americans for Freedom chose this particular moment in the Congressional recess to announce the birth of a new organization, YES, Youth for the Energy Solution. YES will initiate a national youth campaign in opposition to schemes for the governmental rationing of oil. YES will sponsor letter-writing campaigns and visitations to congressmen, senators, and influential voices in the media; distribute thousands of leaflets to the general public; and spend time individually convincing congressmen in Washington, D.C. and in their respective home district offices, of the stupidity of rationing. We express our opposition to rationing, because we feel it is a scheme which, however intended, can only result in depleted energy supplies and a dramatic heightening of this current crisis which threatens us with the spectre of an energyless America.

We believe that only a free market approach, permitting demand to meet supply, will provide the incentive oil companies must have to finance the discovery, development and refining of needed oil resources. Such a plan as advocated by Dr. Milton Friedman, however, has won little notice or support in congress. And it is for this reason that we, young conservatives, hope to champion a cause for which there are all too few crusaders in the older community.

YES hopes to expose the recurrent myths which visit the public and encourage the anti-economic and irrational call for government rationing. The charge, for example, that the current crisis results from a close-knit conspiracy involving the government and a roomfull of oily businessmen ignores the fact that over 7,000 different U.S. firms are engaged in the search for and the production of oil and natural gas, the largest producer of which accounts for only 9% of the total.

The suggestions by some tenants of the Liberal community that we must henceforth seek a long-term cutback in production ignores the fact that America is an energy-intensive country, dependent on automotive commutation and fuel consuming industries. It is not, we would suggest, the work of Satan working for Shell Oil which has caused the current shortage, nor will our problems be exorcised away by rationing or other national socialist solutions. The cause of our present discontents is a critical lack of refined oil supplies, a shortage which resulted from the artificially low price of fuel forced on the oil companies by governmental agencies which, as always, are capable of making political, but not economic decisions. Drilling, refining and labor costs rise with inflation. Keeping them artificially low warrants a shortened supply and our running the risk of black-outs in the year ahead. At a time of depleting social mores and values, we certainly do not need re-institutionalization of that value known as scarcity, and that is what inevitably follows a system of government rationing.

Youth for the Energy Solution does not claim to know all the answers. We are young people, students who happen to have a politically conservative point of view. We believe that if any rationing should be implemented, it ought to be rationing the size of government, not oil. To this end, we urge senior political leaders to join our ranks in this effort, an invitation which does not exclude non-conservatives. Senator Proxmire and Congressman Arends led the effort which prevented Federal-slush funds being rewarded to failing industrial firms like Lockheed. It would seem natural that in a similar bid for economy in government, they should join in this fight against rationing and the expensive company of bureaucrats it would require. Once we are returned to a free market system in energy, we could join in an effort to end government subsidies to the oil companies, subsidies in the form of the oil depletion allowance (e.g., expensing of intangible drilling costs) and foreign tax credits against U.S. corporate income. Therefore, we hereby invite Senator Proxmire and Congressman Arends to lead other interested colleagues in this battle against the ever-growing Federal bureaucracy. Beginning February 19th, with the opening of the session's business, we will visit their offices as well as those of other political leaders to personally deliver our messages and invitations.

Finally, Young Americans for Freedom will be holding an emergency meeting of our National Board of Directors this weekend, February 15–17, at the Dulles Airport Motor Inn, to map out strategy to coordinate this young people's campaign against rationing.

We agree with the view of Dr. Paul McCracken, former chairman of the President's Council of Economic Advisers, who recently said that "Economies that are managed by license and edict and coupon books are also economies with the pervasive corruption and graft." If it is one thing Washington does not need more of, it is pervasive corruption and graft. Rationing would invite such a situation, and it would celebrate the victory of an economic socialism that should have died with the Pharoahs, one which poses the greatest current threat to our economic liberty and well being.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MAILLIARD (at the request of Mr. RHODES), for February 20, 1974, and the balance of the week, on account of official business.

Mr. BRASCO (at the request of Mr. O'NEILL), for today and the balance of the week, on account of official business.

Mr. COTTER (at the request of Mr. O'NEILL), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Baker) and to revise and extend their remarks and include extraneous matter:)

Mr. Quie, for 10 minutes, today.

Mr. Lott, for 60 minutes, today.

Mr. Miller, for 5 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mr. Don H. Clausen, for 5 minutes, today.

(The following Members (at the request of Mr. Rose) and to revise and extend their remarks and include extraneous matter:)

Mr. Fraser, for 5 minutes, today.

Mr. Roy, for 5 minutes, today.

Mr. Metcalfe, for 15 minutes, today.

Mrs. Collins of Illinois, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. O'Neill, for 10 minutes, today.

Mr. Reuss, for 10 minutes, today.

Mr. Ford, for 5 minutes, today.

Mr. Podell, for 10 minutes, today.

Mr. Flood, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Ms. Holtzman immediately following the prayer.

(The following Members (at the request of Mr. Baker) and to include extraneous matter:)

Mrs. Heckler of Massachusetts.

Mr. Treen.

Mr. King in five instances.

Mr. McKinney.

Mr. Hammerschmidt in two instances.

Mr. Ashbrook in three instances.

Mr. Miller in six instances.

Mr. Robert W. Daniel, Jr.

Mr. Bray in three instances.

Mr. Derwinski in three instances.

Mr. McClory in two instances.

Mr. Frenzel in five instances.

Mr. Wyman in two instances.

Mr. Hosmer in two instances.

Mr. Anderson of Illinois in two instances.

Mr. Hudnut.

Mr. Whalen.

Mr. Archer.

Mr. Gilman.

Mr. Thomson of Wisconsin.

Mr. Zwach in five instances.

Mr. Nelsen.

Mr. Rinaldo.

Mr. Hanrahan in three instances.

Mr. Don H. Clausen.

Mr. Conable in two instances.

Mr. Spence.

Mr. Davis of Wisconsin.

(The following Members (at the request of Mr. Rose) and to include extraneous matter:)

Mr. Annunzio in six instances.

Mr. Fisher in four instances.

Mr. Gonzalez in three instances.

Mr. Sikes in six instances.

Mr. Zablocki.

Mr. Andrews of North Carolina in 10 instances.

Ms. Abzug in 10 instances.

Mr. Rarick in three instances.

Mr. Sisk.

Mr. Taylor of North Carolina.

Mr. Minish.

Mr. Boland in two instances.

Mr. Roy.

Mr. Dingell in three instances.

Mr. Kyros.

Mr. Gunter in two instances.

Mrs. Griffiths.

Mr. Corman in five instances.

Mr. Bingham in 10 instances.

Mr. Pike.

Mr. Flood.

Mr. Macdonald.

Mr. Leggett.

Mr. Waldie in four instances.

Mr. Ford.

Mr. Burton.

Mr. Hungate.

Mr. Johnson of California.

Mr. Madden.

Mr. Evins of Tennessee.

Mr. Harrington in five instances.

ADJOURNMENT

Mr. ROSE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to accordingly (at 2 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 20, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1907. A letter from the Director of ACTION, transmitting a draft of proposed legislation authorizing appropriations for Peace Corps; to the Committee on Foreign Affairs.

1908. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report on budgetary reserves as of February 4, 1974, pursuant to 31 U.S.C. 581c–1 (section 3, Public Law 93–9); to the Committee on Government Operations.

1909. A letter from the President, National Railroad Passenger Corporation, transmitting the annual report of the Corporation for calendar year 1973, pursuant to 45 U.S.C. 548(b); to the Committee on Interstate and Foreign Commerce.

1910. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce; to the Committee on Merchant Marine and Fisheries.

1911. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce; to the Committee on Merchant Marine and Fisheries.

Received From the Comptroller General

1912. A letter from the Comptroller General of the United States, transmitting a report on the audit of payments from the special bank account to the Lockheed Corp. for the C–5A aircraft program, covering the quarter ended December 31, 1973, pursuant to section 802(b) of Public Law 93–155; to the Committee on Armed Services.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIESTER:

H.R. 12854. A bill to extend to volunteer fire companies and volunteer ambulance and rescue companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations; to the Committee on Post Office and Civil Service.

By Mr. ULLMAN (for himself and Mr. Schneebeli):

H.R. 12855. A bill to amend the Internal Revenue Code of 1954 to provide pension reform; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 12856. A bill to amend title 39, United States Code, to provide for the mailing of letter mail to Senators and Representatives in Congress at no cost to the sender, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BLATNIK (by request):

H.R. 12857. A bill to amend the Federal-Aid Highway Act of 1973 as it relates to the conduct of charter bus operations by grantees of Federal financial assistance, and for other purposes; to the Committee on Public Works.

By Mr. BLATNIK (for himself and Mr. Udall):

H.R. 12858. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK (for himself and Mr. Harsha):

H.R. 12859. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes; to the Committee on Public Works.

By Mr. BROWN of Ohio:

H.R. 12860, A bill to amend title 10 of the United States Code in order to clarify when claims must be presented for reimbursement of memorial services expenses in the case of members of the Armed Forces whose remains are not recovered; to the Committee on Armed Services.

H.R. 12861. A bill to reestablish November 11 as Veterans Day; to the Committee on the Judiciary.

By Mr. BROYHILL of North Carolina:

H.R. 12862. A bill to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons, to make improvements in the educational assistance programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CORMAN:

H.R. 12863. A bill to amend section 6103 of title 5, United States Code; to the Committee on Post Office and Civil Service.

By Mr. DULSKI:

H.R. 12864. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes; to the Committee on Education and Labor.

By Mr. du PONT:

H.R. 12865. A bill to amend the Internal Revenue Code of 1954 to provide that gain from the sale or exchange of an individual's principal residence shall be excluded from gross income; to the Committee on Ways and Means.

H.R. 12866. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 12867. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a Formulary Committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

H.R. 12868. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 12869. A bill to amend the Public Health Service Act to assure an adequate supply of chlorine and certain other chemicals and substances which are necessary for safe drinking water and for waste water treatment; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER:

H.R. 12870. A bill to amend the Lower Saint Croix Act of 1972 by increasing the authorization; to the Committee on Interior and Insular Affairs.

By Mr. FRASER (for himself and Mr. Yatron):

H.R. 12871. A bill to amend the Small Business Act to provide for loans to small business concerns affected by the energy shortage; to the Committee on Banking and Currency.

By Mr. FREY:

H.R. 12872. A bill to amend title 38, United States Code, to increase the rates of educational assistance allowances paid to eligible veterans and other persons, to improve veterans' educational assistance programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FUQUA:

H.R. 12873. A bill to amend the Small Business Act to provide for loans to small business concerns affected by the energy shortage; to the Committee on Banking and Currency.

By Mr. GOLDWATER:

H.R. 12874. A bill to provide that certain time spent by Federal employees assigned to the California offshore islands shall be considered as hours of employment; to the Committee on Post Office and Civil Service.

By Mrs. GRIFFITHS:

H.R. 12875. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Mrs. GRIFFITHS (for herself, Mr. Corman, and Mr. Badillo):

H.R. 12876. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 12877. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Interior and Insular Affairs.

H.R. 12878. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HARSHA:

H.R. 12879. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. Anderson of California, Mr. Ashley, Mr. Brown of California, Mr. Buchanan, Mr. Corman, Mr. Edwards of California, Mr. Ford, Mr. Gunter, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Ms. Holtzman, Mr. Hungate, Mr. Lent, Mr. Long of Maryland, Mr. Moakley, Mr. Pritchard, Mr. Rees, Mr. Shoup, Mr. Thompson of New Jersey, Mr. Charles Wilson of Texas, and Mr. Won Pat):

H.R. 12880. A bill to amend title 5, United States Code, to provide that persons be apprised of records concerning them which are maintained by Government agencies; to the Committee on Government Operations.

By Mr. LUJAN:

H.R. 12881. A bill to provide for the establishment of a National Museum; to the Joint Committee on Atomic Energy.

By Mr. MACDONALD:

H.R. 12882. A bill to amend the Internal Revenue Code of 1954 to eliminate, in the case of any oil or gas well located outside the United States, the percentage depletion allowance and the option to deduct intangible drilling and development costs, and to deny a foreign tax credit with respect to the income derived from any such well; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 12883. A bill to extend the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. MELCHER (for himself, Mr. Haley, Mr. Hosmer, Mr. Bingham, Mr. Burton, Mr. Camp, Mr. Don H. Clausen, Mr. de Lugo, Mr. Foley, Mr. Johnson of California, Mr. Jones of Oklahoma, Mr. Kastenmeier, Mr. Lujan, Mr. Meeds, Mrs. Mink, Mr. Roncalio of Wyoming, Mr. Runnels, Mr. Ruppe, Mr. Sebelius, Mr. Seiberling, Mr. Taylor of North Carolina, Mr. Towell of Nevada, Mr. Udall, Mr. Won Pat, and Mr. Young of Alaska):

H.R. 12884. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER (for himself, Mr. Badillo, Mr. Bell, Mr. Bennett, Mr. Brown of California, Mr. Byron, Mr. Corman, Mr. Dellums, Mr. Duncan, Mr. Edwards of California, Mr. Fascell, Mr. Forsythe, Mr. Helstoski, Mr. Lent, Mr. Mathias of California, Mr. Minshall of Ohio, Mr. Pepper, Mr. Rees, Mr. Riegle, Mr. Rodino, Mr. Roe, Mr. Sandman, Mr. Studds, Mr. Walsh, and Mr. Winn):

H.R. 12885. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER (for himself and Ms. Abzug):

H.R. 12886. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. METCALFE (for himself, Mr. Badillo, Mr. Leggett, Mr. Podell, Mr. Moakley, Mrs. Schroeder, Mr. Rosenthal, Mr. Frenzel, Mr. Roybal, Mr. Corman, Mr. Riegle, Mr. Conyers, Mr. Moss, Mrs. Burke of California, Mr. Harrington, Mr. Stokes, and Mr. Rooney of Pennsylvania):

H.R. 12887. A bill to amend section 1979 of the Revised Statutes (42 U.S.C. 1983) to permit suits against bodies politic and the District of Columbia with respect to certain violations of civil rights; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. Dingell, Mr. Rooney of Pennsylvania, Mr. Adams, Mr. Eckhardt, Mr. Podell, Mr Helstoski, Mr. Carney of Ohio, Mrs. Sullivan, Mr. Reuss, Mr. Ashley, Mr. Corman, Mr. Harrington, and Ms. Abzug):

H.R. 12888. A bill to regulate commerce and amend the Natural Gas Act so as to provide increased supplies of natural gas, oil, and related products at reasonable prices to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RARICK (for himself and Mr. Hillis):

H.R. 12889. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 12890. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus supplies and equipment to State and local public recreation agencies; to the Committee on Government Operations.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 12891. A bill to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in financing of rail transportation and to develop a rolling stock scheduling and control system; to the Committee on Interstate and Foreign Commerce.

H.R. 12892. A bill to amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, to revise and extend programs of health services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN:

H.R. 12893. A bill to commemorate the American Revolutionary Bicentennial by establishing a meetinghouse program, by making grants available to each of the several States for the purpose of acquiring and restoring certain historic sites with a view to designating and preserving such sites for use as meetinghouses in connection with such bicentennial, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TIERNAN (for himself, Ms. Abzug, Mr. Bergland, Mrs. Burke of California, Mr. Carney of Ohio, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Derwinski, Mr. Edwards of California, Mr. Gibbons, Miss Holtzman, Mr. Mann, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moss, Mr. Podell, Mr. Reuss, Mr. Rooney of Pennsylvania, Mr. Stokes, Mr. Towell of Nevada, Mr. Van Deerlin, Mr. Waldie, Mr. Charles H. Wilson of California, Mr. Wolff, and Mr. Won Pat):

H.R. 12894. A bill to establish an independent commission to administer the internal revenue laws; to the Committee on Ways and Means.

By Mr. ANDERSON of Illinois:

H.J. Res. 904. Joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer; to the Committee on the Judiciary.

By Mr. BOLLING:

H.J. Res. 905. Joint resolution extending the filing date of the 1974 Joint Economic Committee Report; to the Committee on Government Operations.

By Mr. GILMAN:

H.J. Res. 906. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy one citizen of the Kingdom of Laos; to the Committee on Armed Services.

By Mr. GUBSER:

H.J. Res. 907. Joint resolution authorizing the President to proclaim the 28th day of September 1974 as Teacher's Day; to the Committee on the Judiciary.

By Mr. HAWKINS:

H.J. Res. 908. Joint resolution to designate the month of March of each year as Professional Social Work Month; to the Committee on the Judiciary.

By Mr. DENT:

H. Res. 871. Resolution authorizing the Speaker to administer the oath of office to John P. Murtha; to the Committee on House Administration.

By Mr. ASHBROOK:

H. Res. 872. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. BREAUX (for himself, Mr. Archer, Mr. Bauman, Mr. Burgener, *Mr. Chamberlain*, Mr. Chappell, Mr. Dan Daniel, Mr. Denholm, Mr. Derwinski, Mr. Duncan, Mr. Fulton, Mrs. Green of Oregon, Mr. Hammerschmidt, Mr. Hechler of West Virginia, Mr. Hinshaw, Mrs. Holt, Mr. Hudnut, Mr. Huber, Mr. Ketchum, Mr. Lott, Mr. Mann, Mr. Mathis of Georgia, Mr. Montgomery, Mr. Robinson of Virginia, and Mr. Shoup):

H. Res. 873. Resolution expressing the sense of the House of Representatives concerning the expenditure of money appropriated by the Congress for the Bicentennial celebration; to the Committee on the Judiciary.

By Mr. BREAUX (for himself Mr. Shuster, Mr. Sikes, Mr. Williams, Mr. Charles Wilson of Texas, Mr. Yatron, and Mr. Young of Florida):

H. Res. 874. Resolution expressing the sense of the House of Representatives concerning the expenditure of money appropriated by the Congress for the Bicentennial celebration; to the Committee on the Judiciary.

By Mr. BRINKLEY:

H. Res. 875. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. CRONIN:

H. Res. 876. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. FLOOD (for himself, Mr. Bennett, Mr. Brown of Michigan, Mr. Chappell, Mr. Del Clawson, Mr. Dominick V. Daniels, Mr. Denholm, Mr. Dickinson, Mr. Eilberg, Mr. Evins of Tennessee, Mr. Fountain, Mr. Gaydos, Mr. Haley, Mr. Hogan, Mr. Hosmer, Mr. Rogers, Mr. Rose, Mr. Shriver, Mr. Sikes, Mr. Snyder, Mr. Symms, Mr. Whitehurst, Mr. Charles H. Wilson of California, Mr. Bob Wilson, and Mr. Young of Florida):

H. Res. 877. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. ICHORD (for himself, Mr. Dent, Mr. Aspin, Mr. Hawkins, Mr. Thone, Mr. Kyros, Mr. Van Deerlin, Mr. Buchanan, Mr. Gude, Mr. Kuykendall, Mr. Dominick V. Daniels, Mr. Butler, Mr. Mezvinsky, Mr. Ford, Mr. Chappell, Mrs. Boggs, Mr. Casey of Texas, Mr. Fisher, Mr. Jones of North Carolina, Mr. McDade, Mr. Whitten, and Mr. Pike):

H. Res. 878. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank of the United States; to the Committee on Banking and Currency.

By Mr. MARAZITI:

H. Res. 879. Resolution disapproving congressional pay raises; to the Committee on Post Office and Civil Service.

By Mr. MIZELL (for himself and Mr. Young of South Carolina):

H. Res. 880. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. ROUSSELOT:

H. Res. 881. Resolution expressing the sense of the House that the Economic Stabilization Act of 1970 should not be extended; to the Committee on Banking and Currency.

By Mr. SARASIN:

H. Res. 882. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. WAGGONNER (for himself, Mr. Flood, Mr. Crane, Mr. Blackburn, Mr. Davis of South Carolina, Mr. Fisher, Mr. Fuqua, Mr. Mollohan, Mr. Rarick, and Mr. Satterfield):

H. Res. 883. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 12895. A bill for the relief of Frank Cappuccio; to the Committee on the Judiciary.

By Mr. YOUNG of Illinois:

H.R. 12896. A bill for the relief of Dr. Earl B. Sanborn, Jr.; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

350. By the SPEAKER: A memorial of the Senate of the State of Washington, relative to an accounting of American servicemen missing in action in Indochina; to the Committee on Foreign Affairs.

351. Also, memorial of the Senate of the State of Washington, relative to State matching funds requirements for highway construction; to the Committee on Public Works.

SENATE—*Tuesday, February 19, 1974*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. Eastland).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, Father of our spirits, at the threshold of this day's duty, we turn from the tension of our times and from the pressure of unfinished tasks, beseeching Thee to strengthen our finite weakness by Thine infinite power. Across the toiling hours of the day keep our hearts in tune with Thee.

Help us to hear the pleas of the people, but to hear more clearly the voice of the Eternal. Make us receptive to wisdom, however, mediated to us, even amid the contention and collision of debate.

May we ever heed the promptings of conscience, the corrections of Thy word, the clear guidance of Thy spirit. Equip us with grace and compassion that in these demanding days we may be Thy worthy servants. Hold ever before us the vision of that kingdom which is yet to come, the ruler of which is the Lord of Life, in whose name we pray. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, February 18, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ATTENDANCE OF A SENATOR

Mr. VANCE HARTKE, a Senator from the State of Indiana, attended the session of the Senate today.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that, pursuant to section 194 of title 14 of the United States Code, the chairman of the Committee on Merchant Marine and Fisheries had appointed Mr. Murphy of New York, Mr. de la Garza, and Mr. Cohen, as members and Mrs. Sullivan, an ex officio member of the Board of Visitors to the U.S. Coast Guard Academy for the year 1974.

The message also informed the Senate that pursuant to Public Law 301 of the 78th Congress, the chairman of the Committee on Merchant Marine and Fisheries had appointed Mr. Downing, Mr. Eckhardt, and Mr. Mosher as members and Mrs. Sullivan an ex officio member of the Board of Visitors to the U.S. Merchant Marine Academy for the year 1974.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 11864. An act to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling; and

H.R. 11873. An act to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

BILL HELD AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the House on H.R. 11864, to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling be temporarily retained at the desk.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The Senator from Pennsylvania (Mr. HUGH SCOTT) is recognized.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

REFERRAL OF COMMUNICATION ON UNIFIED TRANSPORTATION SYSTEM ACT OF 1974 TO COMMITTEES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a communication from the Secretary of Transportation on the Unified Transportation System Act of 1974 be jointly referred to the Committees on Banking, Housing and Urban Affairs; Finance; and Public Works.

The PRESIDENT pro tempore. Without objection, it is so ordered.

VACATING OF ORDER FOR SENATOR CHILES TO SPEAK TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the recognition of the distinguished Senator from Florida (Mr. CHILES) to speak today be vacated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from New Mexico (Mr. MONTOYA) is now recognized for not to exceed 10 minutes.

CHILI

Mr. MONTOYA. Mr. President, I have noted with interest and some amusement the "chili" war which seems to have been touched off at that famous Mexican restaurant, "The National Press Club," between two distinguished U.S. Senators from the States of Arizona and Texas.

When my fellow Senator from New Mexico, PETE DOMENICI, offered to settle the dispute by selecting the world's second best chili in a chili competition between the two bellicose chili-loving States, I applauded his diplomatic gesture and wished him well as a peacemaker.

However, recent events have forced me to speak out. The war of the chili has now spread to other States, with the Senator from Ohio (Mr. TAFT) and the Senator from Oklahoma (Mr. BELLMON) challenging the others for second place. I felt that I am perhaps in the best position to mediate and bring peace with honor back to the U.S. Senate and the National Press Club. It is certainly no time for further brushfire wars, over hot chilies, either red or green.

My special qualification for the mediation post is, of course, well known. I am the only Member of the Senate who can honestly say that when the Pilgrims landed at Plymouth Rock my ancestors were already in what is now New Mexico and already growing and cooking chilies. In fact, as I often tell students, they served pinto beans and chili to the Pilgrims.

The Spaniards who discovered the chili plant carried it north and east and west as they pioneered—but it is important to note that they carried it from its native land of New Mexico to other areas of what has since become the United States.

Out of respect for understandable sensitivities, I normally do not mention the handicaps of monoculturalism and monolingualism which are suffered by most of my colleagues in the Senate. However, in a case of this sort, where a specific cultural background is essential to a true understanding of the problem, I am sure that my friends will welcome my special taste talent which is so pertinent to settlement of the current chili battle. As any resident of New Mexico can testify, describing the absolutely perfect chili of New Mexico to those who were not born to the "pod" is like trying to describe the colors of a sunset to a friend born blind.

My sympathies to those fellow Senators who have risen to defend their States, brandishing stories of chilies grown or cooked in States other than New Mexico. But surely corn or bull would be a more appropriate weapon for them.

In order to clarify the position of the chili in the history of this continent and to speed a better understanding of the negotiations which I am prepared to pursue as mediator, I have requested that the publication "Chile" be sent from the New Mexico State University Cooperative Extension Service to all Senators, and that several copies be made available to the National Press Club for use by investigative reporters who wish to properly cover hot stories and raise national steam levels.

In addition to the more formal history of the "Chile" pamphlet, I will also send copies of "Della Montoya's Famous Recipes," a publication much sought after by those who know their chili facts.

I hope, Mr. President, that my remarks will be accepted in their spirit of friendship and multicultural understanding.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. ERVIN. Mr. President, I merely want to say that the eloquent statement about chili, by the distinguished senior Senator from New Mexico, has convinced the Senator from North Carolina that his is the next best dish to North Carolina barbeque.

I thank the Senator from New Mexico for yielding.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time remains to the distinguished Senator from New Mexico?

The PRESIDENT pro tempore. The Senator from New Mexico has 6 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, does the Senator from New Mexico intend to use the remainder of his time?

Mr. MONTOYA. No, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if the Senator from New Mexico has no objection, that his remaining time be allocated to the senior Senator from North Carolina.

The PRESIDENT pro tempore. Is there objection?

Mr. MONTOYA. I have no objection.

(The remarks Senator ERVIN made at this point on the introduction of S. 3013 and S. 3014 are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut (Mr. WEICKER) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. GRIFFIN. To be charged against the Senator from Connecticut.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed at this time under the order, without prejudice to the distinguished Senator from Connecticut.

The PRESIDING OFFICER. Without objection, it is so ordered.

DÉTENTE

Mr. ROBERT C. BYRD. Mr. President, it is only in the recent past that détente has occupied a prominent place in the lexicon of American diplomacy. Until the advent of Communist aggression in Korea, and later, in Southeast Asia, the conduct of U.S. foreign policy necessitated little or no "relaxation of strained relations or tension—as between nations"—as détente is defined in the dictionary.

Now, however, the pursuit of détente with Soviet Russia and the Peoples's Republic of China are two of the basic and most prominently exposed facets of U.S.

foreign relations. This policy of détente has its adherents, and it has its detractors. In the present political climate in America, they are almost equally divided. I would like to pose the question: What is the alternative?

First, let me offer a definition of what détente does not mean. It does not mean that we accept the ideology or the values or endorse the form of government of the Soviet Union or the People's Republic of China. It does not mean that the United States, in the pursuit of détente, should in the slightest degree jeopardize the security or stability of this Nation, without being assured of a reciprocity which *would guarantee* a continuation of equable power relationships. It does not mean that we should seek in symbolic fashion an aura of better relations—détente through documents—without first developing sure and substantive underpinnings.

The rationale for détente is very simple. It is that war between the United States and Soviet Russia or the People's Republic of China is unthinkable for reasonable men in all three countries. Further, it is a venture born of the instinct for self-preservation, which, hopefully, will evolve into a process with tangible benefits in human, scientific, and economic contacts and exchanges.

While the policy of détente is still in its relative infancy, it is in stark contrast to the major power relationships of just a decade ago. Then, our relations with the U.S.S.R. were still in the shadow of the Cuban missile crisis and the Berlin confrontation. Our relations with the People's Republic were nonexistent. The Vietnam war was beginning to escalate, and the Communist powers were espousing revolution through the so-called wars of national liberation.

It is indisputable that our current relations with Russia and China are noticeably improved, but a legitimate question arises. Have we moved too far, too fast, and too trustingly? This is impossible to judge for anyone not privy to the innermost negotiations between the leaders of the nations concerned. History shows that the negotiations and agreements between nations that are disseminated to the people are seldom of equal significance with the negotiations and agreements that are conducted in private. Those of us who are outside these private realms can only hope that the men entrusted with the representation and protection of our Nation's vital interests are at all times aware that history is replete with examples of trust betrayed.

If we accept the premise that prevention of war is the prime object of détente, we should, nevertheless, look beyond the purely strategic questions. We should attempt to determine under what circumstances we should build a broader pattern of relations with the Soviets and with the People's Republic.

For détente to be successful, it is necessary that all parties focus realistically on the tough issues that are the source of international friction. It was not until the United States, the United Kingdom, and France, on the one hand, and the U.S.S.R., on the other, took a realistic look at their differences over the status of Berlin that a tolerable agreement was reached, assuring access between West Berlin and West Germany. Agreement having been reached on this seemingly insoluable question, it was then possible to apply the same criteria to other tough military and political issues in Europe. The Vienna talks on mutual and balanced force reductions, and the Geneva Conference on Security and Cooperation in Europe are outcomes of this pragmatism.

This same realism underlies the objectives of the SALT talks, and is also at the heart of the June 1973, Agreement on the Prevention of Nuclear War between the United States and the U.S.S.R. Though the pace of these negotiations on such sober issues is frustratingly slow, that is the nature of diplomacy. It is reasonable to assume that eventually the mutually desired objectives will be attained, just as long as the channels of communication are kept open. As long as there is reasonable dialogue between the nations concerned—as long as friction, confrontation, and political warfare are kept to a minimum—it is possible to move forward in the field of economic relations. For, in the final analysis mutually advantageous trade between nations is the best guarantee for the avoidance of a military confrontation. No treaty or agreement has ever been stronger than national self-interest.

In the decades of the 1950's and the 1960's, it was valid to ask if by supplying the U.S.S.R. with American foodstuffs, consumer goods, industrial equipment, and technology, the United States was not freeing Soviet resources that might be channeled into military production, to the detriment of U.S. security. This question is not now critical, as Soviet economy, though slow and erratic in its growth since World War II, has for some years been able to devote increasing portions of that growth to consumer benefits without detriment to military potential.

If the policy of détente has a danger, it is that increasing levels of its success carry with them the potential for mindless euphoria and uncritical complacency. As much as a lessening of international frictions and a relaxation of international tensions are to be desired, they must not be won, in the slightest degree, at the expense of U.S. security and stability. If the day ever comes when the policy of détente is an unqualified success, and the possibility of military confrontation becomes extremely remote, then, and only then, might it be possible for the United States to reduce our commitment to defense security.

This is not to say that I approve of, or could even personally tolerate the social and political repression that apparently is standard operating procedure in the Soviet Union—anymore than I approve of, or could tolerate, the caste system in India, which, though banned under the Indian Constitution, is still very much a part of life on the Indian subcontinent; or the economic and social repression practiced by the oligarchies in certain of the countries of Latin America. But what we, as a nation, can morally approve, and what we must tolerate in order to maintain our position as a leading influence in the world community, are vastly different.

In the New York Times of Thursday, February 14, there was published "A Brief Essay on the Ontology of Ethical Principles in International Affairs" written by Irwin Berger, professor of English at the Bronx Community College. The essay, in its entirety, read:

> National governments are primarily mercantile enterprises. Allegiance to ethical behavior between and among countries is contingent on secure financial relationships.

The moralists will condemn this view as being dangerously cynical. The pragmatists will applaud its practicality. But whether we condemn or applaud, there is no denying that the brief essay contains a significant element of truth. With the possible exception of the American Revolution, men have not moved against men for spiritual as against material reasons since the defense of Christendom against the Saracen.

More than any other single happening, the expulsion of Aleksander Solzhenitsyn from his native land to West Germany, has called into question the desirability of our policy of détente with the Soviet Union. This further example of repression of individual liberty by the Soviet Government will inevitably cause further erosion in the base of support in the United States for the détente policy. But, though the outrage that is being expressed in America is understandable, it must not be allowed to influence our official attitudes to the exclusion of commonsense, or to jeopardize the course of official negotiations directed toward America's enlightened self-interest. This latest display of the Kremlin's inhumanity to man does not override the need for further relaxation of tension, and a reduction of the risk of nuclear conflict between the world's two most powerful nations. And, as a practical matter, apart from the philosophy of when to conduct business with whom, blanket condemnation of Soviet internal policies on moralistic grounds and the overuse of leverage by economic means are not likely to succeed with the U.S.S.R. In fact, and despite some American claims to the contrary, the Soviets have moved to a noticeable degree on the vexing question of freedom to emigrate, over the past year. What was a trickle of emigrants from Russia has now grown to thousands. I am informed by our Government that the education taxes that were levied on many Soviet citizens—especially Jewish citizens—are not, in fact, being collected.

So, however antithetical to American ideals and to the American system of government the Soviet system may be, it is naive for us to expect that the Soviet Union will make a formal admission that its system is wrong, or that it will codify to the world and to its own citizens that a new set of values is being accepted in response to pressures from the United States or anywhere else. The Soviets have softened their stance on some key points, but have done so tacitly. I believe that they will continue to do so. But I do not believe, nor do I expect, that the U.S.S.R. will make a public capitulation. To think that they will is to be unrealistic. We cannot remake Russia in our image and after our own likeness.

This, however, does not mean that we cannot realistically hope to influence change in the Soviet Union, bearing in mind the limits of pride of a powerful, sovereign state. But the prerequisite to such an accomplishment is relief from the dangers of physical confrontation. This danger is gradually receding on the foundation of agreements concluded between the United States and the U.S.S.R. over the past 3 years. If this basic sense of security is achieved, the most reasonable way for the United States to work for long-range change in the Soviet Union is through a broader front of interrelated interests to be developed between the two countries over what could be a long period of time. This will involve expansion and deepening of the ties between groups, enterprises, and individuals. In this endeavor, there is no room for false optimism. Success, if it comes, will not be rapid. But what chances there are for success will not be helped by an overabundance of emotionalism, or a reluctance to balance our inherent idealism by the pragmatism of self-interest.

The United States must attempt to build on the foundations that détente has built to date—flimsy as they may be. We must do so with our eyes open. We must drive hard bargains, with high but realistic prices. We must do so while maintaining good relations with our old friends and allies. We must do so without jeopardy to our national security for as long as the possibility of failure exists. To lower our defenses at home or abroad without assuring ourselves that corresponding steps toward a lower armed profile are being taken by the Soviets is both wishful thinking and bad negotiating.

I believe that pursuit of the policy of détente is a sortie worth making, just as long as we remember the military maxim that no competent leader makes a sortie without insuring the invulnerability of his base. And, Mr. President, I repeat the question that I posed earlier in this speech—what is the alternative?

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has a minute and a half remaining.

Mr. ROBERT C. BYRD. I yield my remaining time to the distinguished majority leader.

THIRD UNITED NATIONS LAW OF THE SEA CONFERENCE—APPOINTMENT BY THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, through an inadvertence yesterday, the name of the Senator from New York (Mr. BUCKLEY) was left off the list of delegates to the Third United Nations Law of the Sea Conference to be held in Caracas, Venezuela, June 20 through August 29, 1974. I send a memorandum to the desk and ask that the Presiding Officer act on it.

The PRESIDING OFFICER (Mr. CLARK). The Chair, on behalf of the Vice President, appoints the Senator from New York (Mr. BUCKLEY) to attend the Third United Nations Law of the Sea Conference to be held in Caracas, Venezuela, on June 20 through August 29, 1974, in addition to the group appointed yesterday.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized for not to exceed 15 minutes. The Senator has 13 minutes remaining.

(The remarks Senator WEICKER made at this point on S. 3015, the Mandatory Gas Rationing Act of 1974, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Ohio (Mr. TAFT) is recognized for not to exceed 15 minutes.

SPECIAL PROSECUTOR

Mr. TAFT. Mr. President, media reports over the last week and correspondence received by the Senate Judiciary Committee from Mr. Jaworski point to the increasing possibility of a further showdown between the counsel to the President and the Office of Special Prosecutor. Without making a determination of the legal merits of either position, I believe the potential for confrontation once more makes it absolutely crucial for the Congress to enact legislation to insure the necessary independence and authority to the Special Prosecutor. If such action is not taken by the Congress, it seems likely to reflect on the decisions and actions of Mr. Jaworski, the Attorney General, and possibly on the President's counsel. Legislation directed at the objective of independence for the Office of Special Prosecutor was reported by the Senate Judiciary Committee December 3, 1973—S. 2611, introduced by Senators HART and BAYH, and S. 2642, introduced by Senator HRUSKA and myself. Pursuant to a decision of the distinguished majority leader both proposals remain on the Senate Calendar without any known action contemplated. I thought this decision to be in error at the time it was made and so stated on the floor. Recent events confirm my apprehensions.

I point out that the pressures I refer to with regard to the Special Prosecutor can come from either side, or both sides, with regard to any decision he may make. One decision may place him in the jeopardy of being discharged by the White House. On the other hand, the pendency of either piece of legislation which would call for a new appointment of a Special Prosecutor hanging over his head from the Senate might be accused of being for the purpose of pressure on decisions he may make, in one direction or another, in carrying out his responsibilities.

Circumstances parallel to the dismissal of the former Special Prosecutor Cox, the former Attorney General, and his deputy, must not be permitted to develop again. The investigations and legal actions initiated by the Office of Special Prosecutor must not be interrupted or terminated. Congress should enact legislation to insure the independence of the Office of Special Prosecutor.

It is not fair to Mr. Jaworski, the Attorney General, or the President's counsel to leave this whole area in limbo.

Therefore, I am today making written requests to both Senator SCOTT and through him to Senator MANSFIELD, asking expeditious floor consideration of the proposals pertaining to the Office of Special Prosecutor that are on the Senate Calendar. If the leaderships' position remains unchanged on consideration of this matter, I expect to initiate appropriate action to try to bring consideration of this subject by the full Senate. I believe this matter is serious enough to merit such an initiative.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TAFT. I am glad to yield.

Mr. MANSFIELD. The leadership appreciates the request made by the distinguished Senator from Ohio, but I would hope that the Senator would be aware of the custom, the precedent, the procedure in this body which normally leaves the determination as to what should be called up to the joint leadership.

The Senator may recall that it was largely through the efforts of the Senator from Montana now speaking that debate was shortened on the Special Prosecutor bills and that the Senator from Montana at that time said that the retention of these two proposals on the calendar, one by the distinguished Senator from Michigan (Mr. HART) and other Senators, and the other by the distinguished Senator from Ohio (Mr. TAFT), would serve as insurance and assurance to Mr. Jaworski so that there would be no repetition of what had occurred to Mr. Cox. The purpose was to serve notice that if there was such a repetition, it would then be the intention of the leadership of the Senate to call up legislation dealing with an independent Special Prosecutor immediately.

While there have been straws in the wind which indicate that relations are not as good as they might be, if the press is to be believed, between the Special Prosecutor and Mr. James St. Clair, who represents the White House, I would urge the Senator from Ohio to give the leadership a little time on this and to see how things develop in the meantime.

Mr. TAFT. I thank the distinguished majority leader for his comments. I greatly appreciated, early in December when we were considering the Special Prosecutor legislation, the agreement of the leadership to keep these bills pending, keep them on the calendar, keep them ready for consideration. However, as I recall, in a colloquy with the distinguished majority leader at that time, I pointed out that I felt that leaving the bills on the calendar was a mistake, because the decisions made by the Special Prosecutor in carrying out his responsibilities might be made under the shadow of the legislation. Either piece of legislation would call for appointment of a

Special Prosecutor. At that time it was obvious that it would be Mr. Jaworski. Whether that is so obvious now remains to be seen.

I do feel that we have gotten to the situation where decisions made by Mr. Jaworski under the responsibilities he has are going to be considered by many to have been made under the threat either that Congress is going to move to replace him or that he might be subject to discharge, as he is legally, by the Attorney General, under the same pattern that was followed in the Cox case. I believe the situation is becoming an intolerable one, one in which the Senate and the Congress have an obligation to act to give notice to the public generally of the specific responsibilities which the Special Prosecutor has, so that he can carry out his duties without being under any shadow.

Mr. MANSFIELD. Mr. President, I do recollect the colloquy we had. It seems that neither of us has changed his position since then. However, I would point out that certain commitments were made by Mr. Jaworski to the Committee on the Judiciary. I would further point out that at the first hint of difficulty he communicated with the Judiciary Committee as part of the agreement.

It is my understanding that he has the full confidence of the Judiciary Committee. I am certain that he has the full confidence of the Senate. I daresay that he has the full confidence of the Congress and the American people. So those are factors which I think we ought to consider because he is not going to be fired by our former colleague, the Attorney General, who, when he was at the hearings on his confirmation, went pretty far out in stating what his support of Mr. Jaworski would be.

I certainly do not anticipate that the President would fire Mr. Jaworski because he was, in effect, the President's choice.

If the Senator would allow us a little time, let us see how things come out.

Mr. TAFT. Mr. President, I appreciate the remarks of the distinguished Senator from Montana. I say that the reason I am here today repeating the statement I made at that time is that certain statements made in the press would leave this impression with the American people. Like the Senator from Montana, I have confidence in Mr. Jaworski, and I am sure that all Senators have confidence in him. However, why should we handicap him and put him under a cloud. I think that he ought to be above suspicion in this case. And I think the type of implications that have been made in the press to the effect that Mr. Jaworski is in danger of being fired one way or the other cast doubt on the situation.

I know the commitments that have been made. I think that they will be honored. I do not think it will help to resolve this matter by having it held under a cloud with no specific authority given, as we could do under the bill for the Special Prosecutor.

Mr. MANSFIELD. Mr. President, I appreciate the comments of the distinguished Senator from Ohio. He knows how I feel about the Special Prosecutor. He is also aware that Judge Sirica and Judge Gesell, I believe, both indicated that they believe that this is the wrong way to proceed in the case of a special prosecutor.

I could not disagree with them more. I think that they are wrong. And I think that the Constitution gives Congress the power to create and select a Special Prosecutor.

I would again ask the Senator to allow us a little time and let us see how things develop, because we have not lost sight of these resolutions.

Mr. TAFT. Mr. President, I appreciate the comments of the Senator from Montana. Incidentally, by way of keeping the record straight, the comments of Judge Sirica and Judge Gesell are not to the effect that we have no power to appoint a special prosecutor. I think that the statements were made as a way of expressing reluctance, certainly on the part of Judge Sirica and the other judges of the District of Columbia, regarding any proposal we might consider by which judges might be called upon to appoint a special prosecutor.

Mr. MANSFIELD. The Senator is correct. Sometimes judges, like attorneys who appear before them, talk out of turn, too.

Mr. TAFT. Mr. President, I thank the distinguished majority leader, and I yield the floor.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

TRIBUTES TO SENATOR AIKEN

Mr. GRIFFIN. Mr. President, unfortunately I was unable to be present in the Senate yesterday when tributes were paid to the distinguished senior Senator from Vermont (Mr. AIKEN), who announced during the recent recess that he would not be a candidate for reelection.

I want to join with those who expressed regret at his decision. I also join in expressions of understanding as to the reasons why he might want to go home and do some of the things that he has been unable to do since his service in the Senate began back in 1940.

There is no question that this body—and the Nation—will sorely miss GEORGE AIKEN when he does step down after his long and distinguished service.

In a real sense it can be said that he has become the voice of conscience and reason in the Senate. He has said what needed to be said, but always in a way that commands the respect and the attention of his colleagues on both sides of the aisle.

I suspect that one of the finest measurements of the kind of person he is would come from those who know him best—the people in Vermont.

For that reason, I thought it would be appropriate to add to the statements made yesterday. I therefore ask unanimous consent that a number of editorials which have appeared in the Vermont newspapers following his announcement be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Springfield (Vt.) Times Reporter, Feb. 15, 1974]

GEORGE D. AIKEN

The kind of senator and the kind of person George D. Aiken is can be summed up in his statement yesterday that he would not seek reelection to the U.S. Senate.

"In fairness to the people of Vermont, I am making this statement now," were his words.

A man of no pretense, his fairness and honesty is what have earned and retained the respect and support of Vermonters who have returned him to the Senate in five elections, with scarcely any opposition.

George D. Aiken, senior Republican in the Senate was never a highly partisan man. One of his good friends and the president with whom he had some of his longest and most intimate conversations was President Lyndon Johnson. He visited with President Truman nearly twice a week. In the style of the presidency of Richard Nixon, visits to the White House have been in late years much less frequent.

Elected to the Senate in 1940, Sen. Aiken served continuously since then with scarcely any opposition. In the last two elections he reported campaign expenditures of just $14 in 1962 and in 1968 of $17.09. He says that one dollar of that increase was because of an increase in postage rates.

His base was not a political machine that kept the votes in line election after election. Rather, his base was his personal integrity in a day when it has not become unusual to accumulate personal fortunes through the political process. It has been a sense of mutual trust which has been the strength of George Aiken's political career.

Sen. Aiken will be 82 in August. Like so many life long Vermonters, he said it simply to his Washington interviewer, "I want to go home."

He says he has much unfinished work at home and he wants to get back to it.

He will continue in his influential capacity, for there is yet much work for Sen. Aiken to do in Washington, and the chores he has set for himself back in Vermont may have to wait a bit, at least through the balance of the year.

It was a sincere and honest statement from a truly great but humble man—"I want to go home." More than one displaced Vermonter around the country would echo the Senator's sentiments.

For some, Vermont is a place you leave. For some it is a place to stay. For others it is a place to which you return. For George Aiken, it is all of these. He is truly Vermont's First Citizen.

[From the Barre (Vt.) Times Argus, Feb. 15, 1974]

SENATOR AIKEN STEPS DOWN

If Sen. Aiken could have seen the reaction in Vermont to his announcement Thursday that he would not seek re-election to a sixth term, he would probably have said in characteristic understatement: "I guess it caused a bit of a stir."

The size, depth, and breadth of the stir has not been even remotely divined yet, and probably won't be until all the races for all the offices the decision leaves in doubt have been firmly determined. But judging from the initial scramble, the voters may need a graph and a private appointment with a political analyst to tell who wants to do what to whom this November.

Like dice, it may also eventually turn out that any number can play for the three highest offices that Vermont has to offer—governor, the U.S. House, and the U.S. Senate. At the moment, a large factor in determining how those three races shape up will be what Democratic Gov. Thomas P. Salmon and freshman Republican Rep. Richard W.

Mallary decide to do now that Sen. Aiken has tipped over the first political domino.

In dark places where people gathered in Vermont Thursday, mumbled conversations could be heard that went like this: "If Mallary goes for the Senate, and Salmon goes for the Senate, who will go for the House? Or if Salmon goes for governor, what will House Speaker Kennedy do? Or if Chittenden County State's Atty. Patrick Leahy insists upon running for the U.S. Senate, instead of for governor, what will Salmon say?"

And, of course, people are wondering who Sen. Aiken may choose to endorse for his seat.

In most all quarters, though, despite the scrambling, most seem to be viewing Sen. Aiken's decision with complex and mixed emotions.

For Sen. Aiken's own part it can be no easy matter for a man with 33 years in Washington, much of them in the highest places of government, to step away from it all. And in these decidedly unsteady times it will be no easy matter for the Senate to lose a steady force such as Sen. Aiken either.

Yet by calling it a day at what will be age 82 this August, the senator has displayed the same kind of practical, no-nonsense wisdom that helped get him elected to the Senate in 1940, and four successive terms, in the first place.

And yet, he will be greatly missed in the Senate where he held the distinction in a frequently windy, overstating group of political people, of delivering speeches on the Senate floor that not only gained strength in understatement but were actually frequently listened to.

And the Presidents of the future may have a hard time deciding whom to go to, with Sen. Aiken gone, for the wealth of the Senate dean's information and advice about foreign policy matters that he always had for the asking for any President, regardless of political affiliation, and which he frequently gave.

But perhaps those who will miss Sen. Aiken the most in Washington will be the uncountable thousands in Vermont who, over the years, have come to regard Sen. Aiken as the man to call upon when they have tough problems with the giant, often impassive, Washington machinery that so frequently responded to the senator's touch.

Perhaps it is most fitting then, whether by coincidence or the senator's design, that on the day of his announced retirement he also announced that Washington was rethinking its earlier refusal to provide higher gasoline allocations to Vermont.

Either way, it appeared that the senator had once again caused Washington to respond "by causing a bit of a stir." And for that, Sen. Aiken can be assured that he is being thanked now and will be sorely missed later.

[From the Burington (Vt.) Free Press, Feb. 15, 1974]

Senator Aiken's Retirement

The retirement of U.S. Senator George D. Aiken will dramatically change the nature of Vermont politics and will deprive the nation of one of its few truly independent legislators.

For four decades George Aiken has been something of an institution in Vermont. From the day he was elected town representative in 1931 through his two terms as governor and his initial election to the U.S. Senate in 1940 up to the present time, he has served his fellow Vermonters with an independence of mind which is unlikely to be duplicated by anyone who follows.

His contributions to the wellbeing of our state and our nation have been enormous, particularly in the fields of agriculture, froeign relations and atomic energy. He has championed the interests of rural America but has never been a captive of those interests. He has been a personal friend of many Presidents, notably Harry Truman, and his greatest influence undoubtedly was exerted behind the scenes away from the spotlights which so often dramatize merely the superficial and the ambitious.

Senator Aiken's great good friend, Senate Majority Leader Mike Mansfield, spoke yesterday of "this rock of integrity, this independent New Englander, this son of Vermont, who has contributed so much to his state, the nation and a better world understanding." We will be reading many such tributes in the following days—but unlike those accorded to most aging politicians, the tributes to George Aiken no matter how flowery cannot help but be understated.

Now, with the retirement of George Aiken, the influence of the Vermont Congressional delegation will be diminished considerably. The person who assumes his seat next January will have no seniority whatever, in contrast to Senator Aiken's ranking as dean of the Senate.

Robert Stafford will become Vermont's senior U.S. Senator, but he has served in the Senate only since 1971 and thus will exert hardly a shadow of the influence George Aiken has been accustomed to exerting for these many years past.

The retirement also is likely to end the era of the unopposed senatorial candidate in Vermont. George Aiken was the last opposed in a general election in 1962 (though he was later challenged in a primary election). Hereafter all senatorial elections promise to be hard-fought battles.

We believe Senator Aiken's decision to retire was a wise one, and we are more than a little amused that he made the decision after his reelection in 1968 but told nobody until yesterday. How typical of this independent Vermonter, who now can return to his beginnings in Vermont—to the cultivation of strawberries, to the neighborliness of humble people, and to the rest and peace so richly deserved.

[From the St. Johnsbury (Vt.) Caledonian Record, Feb. 15, 1974]

Senator Aiken's Retirement

Vermont's George Aiken, the eighty-one year old dean of the United States Senate, announced his intention yesterday morning, not to seek reelection this November to another six year term in Washington.

We once again take the opportunity to express our gratitude to Senator Aiken, one of the most beloved political figures in the history of the Green Mountain State, for his many years of excellent and dedicated public service on behalf of Vermont and the nation. At a time when the Watergate scandals have caused many citizens to adopt a cynical attitude concerning our country's political processes, George Aiken remains a symbol of the most noble instincts within the American democratic system. Both the Republican and Democratic Parties in Vermont will be hardpressed to find a Senatorial candidate equal to the stature of this man who has ably served his constituents for over four decades.

Aiken's rise to political prominence within the state was meteoric during the 1930's when his fellow Vermonters selected him as a state representative from Putney, Speaker of the Vermont House of Representatives, Lieutenant Governor and then as chief executive of the Green Mountain State. Upon Aiken's election to his first term in the United States Senate in 1940, the dedicated public servant rapidly won the bipartisan respect of official Washington, and attained national recognition as the highest ranking Republican member of the Senate Foreign Relations Committee.

But despite the fact that Aiken's impressive legislative abilities rendered him an effective spokesman for Vermont's interests on Capitol Hill and in the counsels of six consecutive Presidents, Democratic State Chairman Philip Hoff indicated last fall that the Senator's age would be used as a campaign issue in the forthcoming elections. Although the "age issue" may have conceivably contributed to the electoral defeat of such senior legislators as Maine's Republican Margaret Chase Smith and Brooklyn Democrat Emanuel Celler, we do not doubt for one moment that the extraordinarily popular George Aiken would have been overwhelmingly reelected to yet another term in the United States Senate.

At the time Hoff called upon the Senator to retire (a statement which may well have been more damaging to Hoff's future political ambitions than to Aiken) we suggested that if age, in and of itself, is a barometer of noteworthy public service, the "young zealots" of the 1972 Committee to Re-Elect the President, would have proven a credit to their country, and this was decidedly not the case. But yet we think the Senator made a wise decision in choosing not to seek reelection. We are inclined to believe that the rigorous workaday schedule of hectic Washington could impose a rather severe physical strain upon any senior citizen and particularly a legislator as conscientious as Senator Aiken.

In any event, Senator Aiken sorely misses the hills of Vermont and thus has chosen to return to his state and its people. Upon his departure from Washington, George Aiken will leave to his Senatorial successor a political legacy which includes the championing of Vermont's economically hardpressed farmers, a successful battle to restore some semblance of passenger rail service to our state, and a cosmopolitan perspective concerning the intricate nature of the international arena.

There is little wonder why this man is a legend in the Green Mountain State.

Mr. JAVITS. Mr. President, I would also like to say a word about George Aiken, with whom I have been associated for so many years and in such an intimate manner, and lately as a Member of the Senate Foreign Relations Committee in which he is the senior member of our party.

He is quite an exemplar of the New England philosophy. He is fair in his comments, but very pithy as the Senator from Michigan has so properly said. He has spoken out when necessary and has been very useful in speaking out. He also has a great capacity for action and a disarming manner. When there is a real need, he acts decisively.

Perhaps the greatest tribute I can pay to our distinguished senior colleague is that his attitude is that of freshness and youngness with a willingness to look at any proposition in any manner and he has a remarkable freedom from any feeling of being bound and lashed down by precedent.

While precedent is probably George Aiken's salient characteristic, it is what has made him a great American and a leader in this body, a position that he so richly deserves.

STATEMENT OF SENATOR MANSFIELD BEFORE SENATE DEMOCRATIC CONFERENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement I made before the Senate Democratic Conference this morning be printed at this point in the Record. In addition, I should note that the conference went on record, unanimously, as favoring an effort by the leadership to establish a joint executive-legislative grouping to meet with appropriate representatives of industry and labor with a view to trying to think ahead on the Nation's needs.

The conference also gave unanimous support to a proposal of a special ad hoc committee chaired by Senator INOUYE providing for a consolidated, across-the-board committee to consider matters related to the energy situation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR MIKE MANSFIELD (D., MONTANA) BEFORE THE SENATE DEMOCRATIC CONFERENCE

In a statement which the Conference and the House Leadership asked me to make to the nation three weeks ago, I cited certain legislation which would be considered prior to the adjournment of the 93rd Congress. Since the items had previously been discussed with this Conference, I felt on reasonably sound grounds in doing so.

While the reaction to the speech was generally favorable, there were also indications of a deep-seated skepticism about the competence, not to speak of the efficiency of Congress, in dealing with public problems. I might note that this view of the Legislative Branch has existed for many decades. A recent widely-circulated poll showing the reputation of Congress at its lowest ebb suggests only that the criticism has now become harsher and more widespread. That confirms what many of us have suspected about the Watergate affair and its impact on the public. Not only the Presidency, but all politics, politicians and political institutions—the entire government—have suffered a devastating blow.

With that said, I would like to review the pending work of the Senate. In it is contained, I believe, the steps that must be taken at least in an initial way if we are to restore a degree of popular faith in this government. What we do or how well we do it in the next few months is not going to work any miracles of change in public attitude. That is not to be expected and, in any event, we are not here to gain public applause. We are here to discharge our responsibilities as best we know how. That is all that this Congress or any Congress can do for the people of the nation.

In this context I would note, first, that the Committee on Rules and Administration under the leadership of Senators Cannon and Pell has ordered reported a new measure dealing with elections. Included are public financing provisions and other significant features on limitations on campaign spending. It is my understanding that the bill was approved in Committee with only a single dissent and that it goes a long way to foreclose the excessive intrusion of the factor of wealth from any private source into the electoral process. I would hope that we will be able to move expeditiously on this proposed legislation when it is before the Senate. There may be, I believe, some technical procedural problems that must be resolved prior to consideration. These matters, however, should not delay the proposal.

Of equal urgency is the fuel crisis. Later today the Senate will vote on the Conference Report covering the Emergency Energy Act which includes a price roll-back. If the President wants to veto this bill, as some vague reports indicate, that is his responsibility. This should not dissuade us from exercising our separate legislative responsibilities as we see them.

We owe a great deal to Senator Jackson for his work on the Emergency Bill. There are also other members—Senators Magnuson, Mondale, Church, Cranston, Stevenson, Hart and others—who have offered legislation on a wide front designed to stimulate alternate sources of energy and to bend the performance of the oil and natural gas industries more in the direction of benefit for the people of the United States. Several of these proposals could be reported to the Senate prior to the Easter recess.

As for the remainder of the legislative program, I have asked each Chairman to give the highest priority to the following significant items:

(1) *An effective national health insurance system*. This is a revenue measure and must be considered initially by the House of Representatives. If the House acts on a national health insurance bill by the middle of the year, however, I would expect that the Senate could take up the legislation after the Independence Day recess and, hopefully, well before final adjournment.

(2) *An expansion of the housing system*. The Senate Committee on Banking, Housing and Urban Affairs has all but completed its mark-ups of the Omnibus Housing proposal. It should be ready for floor action in two weeks or so. Perhaps, then, those of limited means will be able, once again, to acquire and pay for homes.

(3) *A fair minimum wage*. The Senate Committee on Labor and Public Welfare has ordered reported a minimum wage bill that underwrites a modest living level in the face of an explosive inflation. It is my understanding that the report will be filed later this week so that the Senate may begin work on this measure within the next few days.

(4) *A system of no-fault automobile insurance*. This is an issue that has been pending in the Congress for too long. The procedural and other barriers that inhibited Senate action in the past hopefully have been erased. Many states have established their own systems of no-fault insurance. The Judiciary Committee has had an opportunity to review certain aspects of the proposed legislation. The bill is now on the Senate Calendar and it, too, should soon be scheduled for floor action.

(5) *An increase of Congressional control over the budget*. The budget bill devised last year by the Government Operations Committee is in the Committee on Rules and Administration on re-referral. By order of the Senate, the bill with that Committee's recommendations will be reported on February 25th.

(6) *A renewed commitment to excellence in education*. The Subcommittee on Education of the Committee on Labor and Public Welfare has reported the Omnibus Education Bill to the full Committee. The full Committee is expected to report the bill within the next few weeks.

From the Senate standpoint, then, these are the major legislative items which are to be considered in 1974. There will be others. There are programs that expire this year which must be reviewed and, as necessary, extended. There will be time, also this year, to address ourselves to the questions of providing more equity in the tax structure. There are measures dealing with the economy and inflation and with pollution and the environment. There are measures of consumer protection. And, of course, there are the appropriations bills on which Senator McClellan's Committee and the Senate will act expeditiously, as soon as the House processes and passes them.

Beyond these matters, I would report that since the initial Conference of the year, the Policy Committee has held two meetings in pursuit of an effort to identify and examine emerging issues of national and international concern. Dr. Walter Heller provided us with his professional judgments on the question of energy and the economy. In a similar fashion, the Secretary of State, Dr. Henry Kissinger, shared his great knowledge and sensitivity with regard to current international events in an extremely candid and highly useful encounter with your Committee.

There is one final matter which I should like to bring to your attention. You will recall that in my remarks to the nation on February 1, I set forth one proposal which had not previously been discussed in the Conference. I think the importance of this proposal is underscored by the highly unsatisfactory crash-program approach which we are currently pursuing in dealing with the ordeal of the energy crisis. Nor is this the first of these situations of sudden storms and hurriedly-erected shelters. Our recent history is pock-marked with them. Indeed, one might say that this wasteful, inefficient form of Federal intervention or bail-outs of faltering parts of the economy is now almost built into our system. I do not know that we can bring about a change but I am persuaded that, in the interests of the nation's future, we should be examining the possibilities of a better way. What I suggested to the nation, therefore, was that we ought not stop with our concern over the current energy shortage. Rather, we should look up from our immersion in this problem and take a look at the entire manner in which our national economic life has come to be organized. We should attempt to sort out the relative importance of demands on this government's resources in some orderly fashion and to anticipate and act in advance on gathering difficulties.

Unless we do have some coordinated machinery for this purpose, we will almost certainly be subject to a plague of unending crises in the years ahead. I would hope that this Conference, therefore, would give the Leadership its thoughts on this proposal and, if possible, record its support for bringing together, on a regular basis, representatives of the Executive Branch and the Legislative Branch with those of industry, labor and other areas of our national life for the purpose of thinking through and thinking ahead on the needs of the nation not only today but five or ten or more years. As I said in my remarks on February 1, "We owe this nation more than a decent present. We owe this nation leadership in the reach for a decent future."

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 11864. An act to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling. Referred to the Committee on Aeronautical and Space Sciences.

H.R. 11873. An act to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research. Referred to the Committee on Agriculture and Forestry.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 1:30 p.m., with statements made therein limited to 3 minutes.

Is there morning business?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. THURSDAY, FEBRUARY 21

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock a.m. on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM THURSDAY UNTIL MONDAY, FEBRUARY 25

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Thursday next, it stand in adjournment until the hour of 12 o'clock noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Proposed Disposal of Certain Land at the NASA Goddard Space Flight Center, Greenbelt, Md.

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report of proposed disposal of certain land at the NASA Goddard Space Flight Center, Greenbelt, Md. (with accompanying papers). Referred to the Committee on Aeronautics and Space Sciences.

Proposed Legislation To Provide Adjustments in the Top Level Policy Staff of the Department of Agriculture

A letter from the Assistant Secretary of Agriculture, transmitting a draft of proposed legislation to provide adjustments in the top level policy staff of the Department of Agriculture (with accompanying papers). Referred to the Committee on Agriculture and Forestry.

Report of Insured Loan and Commitment of a Loan Guarantee to United Power Association of Elk River, Minn.

A letter from the Administrator, U.S. Department of Agriculture, Rural Electrification Administration, transmitting, pursuant to request, information relating to a $36,470,000 insured loan and the commitment of a $199,668,000 loan guarantee to United Power Association of Elk River, Minn. (with accompanying papers). Referred to the Committee on Appropriations.

Report of Insured Loan and Commitment of a Loan Guarantee to Cooperative Power Association of Minneapolis, Minn.

A letter from the Administrator, U.S. Department of Agriculture, Rural Electrification Administration, transmitting, pursuant to request, information relating to a $46,417,000 insured loan and the commitment of a $254,124,000 loan guarantee to Cooperative Power Association of Minneapolis, Minn. (with accompanying papers). Referred to the Committee on Appropriations.

Report of Final Determination in the Minnesota Chippewa Tribe, et al., on Behalf of the Chippewa Indians of the Mississippi and Lake Superior, Plaintiffs, Versus the United States of America, Defendant, Docket No. 18–C

A letter from the Chairman, Indian Claims Commission, transmitting, pursuant to law, a report of final determination with respect to Docket No. 18–C, the Minnesota Chippewa Tribe, et al., on behalf of the Chippewa Indians of the Mississippi and Lake Superior, Plaintiffs, versus the United States of America, Defendant (with accompanying papers). Referred to the Committee on Appropriations.

Report of Reapportionment of Appropriation for the Department of Agriculture for "Forest Protection and Utilization," Forest Service, Fiscal Year 1974

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, on the reapportionment of appropriation for the Department of Agriculture for "Forest Protection and Utilization," Forest Service, for the fiscal year 1974, on a basis indicating a need for a supplemental estimate of appropriation. Referred to the Committee on Appropriations.

Report of Sale or Other Transfer of Government Owned Communications in Alaska

A letter from the Deputy Secretary of Defense, reporting, pursuant to law, on the sale or other transfer of Government-owned communications in Alaska. Referred to the Committee on Armed Services.

Report of Real and Personal Property of the Department of Defense

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report of Real and Personal Property of the Department of Defense, as of 30 June 1973, OASD (Comptroller), Directorate for Information Operations (with an accompanying report). Referred to the Committee on Armed Services.

Report of Reduction of Total Military Strength of the Department of Defense

A letter from the Assistant Secretary of Defense, Manpower and Reserve Affairs, reporting, pursuant to law, on the reduction among the services of total military strength of the Department of Defense (with accompanying papers). Referred to the Committee on Armed Services.

Supplemental Report on Certain Civilian Employees

A letter from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, a supplemental report on certain civilian employees, for fiscal year 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Report of Certain Fees for Military Construction Projects

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, a report of the design and construction supervision, inspection, and overhead fees charged by the several construction agents for military construction projects of the military departments and defense agencies, for fiscal year 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Report on Army Personnel Above Grade of Major Receiving Flight pay

A letter from the Acting Secretary of the Army, transmitting, pursuant to law, a report on the Department of the Army personnel above the grade of major receiving flight pay for the period July 1–December 31, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Report on Relocation of Certain Military Activities

A letter from the Assistant Secretary of the Army (Installations and Logistics) transmitting, pursuant to law, a report on the facts, and justification of military activities at the inactive Military Ocean Terminal, Brooklyn, N.Y., to the Military Ocean Terminal, Bayonne, N.J. (with an accompanying report). Referred to the Committee on Armed Services.

Proposed Legislation by the Department of the Army

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend section 2575 of title 10, United States Code, to provide for more efficient disposal of lost, abandoned or unclaimed personal property that comes into the custody or control of military departments (with an accompanying paper). Referred to the Committee on Armed Services.

Proposed Legislation by the Department of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal-Aid Highway Act of 1973 as it relates to the conduct of charter bus operations by grantees of Federal financial assistance, and for other purposes (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Unified Transportation Assistance Act of 1974

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs, the Committee on Finance, and the Committee on Public Works.

Ocean Pollution

A letter from the Secretary of Commerce, reporting, pursuant to law, on the status of reports required to be transmitted to the Congress on ocean pollution. Referred to the Committee on Commerce.

Report on Fair Packaging and Labeling Act

A letter from the Chairman, Federal Trade Commission, transmitting, pursuant to law, a report concerning the implementation and administration of the Fair Packaging and Labeling Act by the Commission during fiscal year 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report of Marine Mammal Commission

A letter from the Chairman, Marine Mammal Commission, transmitting, pursuant to law, a report of the Commission for calendar year 1973 (with an accompanying report). Referred to the Committee on Commerce.

Revised Prospectus for Construction of National Highway Traffic Safety Administration Compliance Test Facility

A letter from the Secretary of Transportation, transmitting, pursuant to law, a revised prospectus for the National Highway Traffic Safety Administration Compliance Test Facility which is to be constructed near Columbus, Ohio (with accompanying papers). Referred to the Committee on Commerce.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Commonwealth of Massachusetts. Referred to the Committee on Appropriations:

"Resolutions Memorializing the Congress of the United States to Enact Legislation Appropriating Three Million, One Hundred Thousand Dollars, for the Administration of the Massachusetts Department of Employment Security's Unemployment Compensation System

"Whereas, The Massachusetts labor force has been significantly reduced as a direct result of the present economic recession, the current energy crisis, as well as military shutdowns; and

"Whereas, In Massachusetts, unemployment claims have increased by twenty-four per cent in the past year while federal funding has decreased by eighteen per cent; and

"Whereas, Said federal funding for the administration of the Commonwealth's unemployment compensation system has been depleted; now, therefore, be it

"*Resolved,* That the Massachusetts Senate hereby respectfully and urgently memorialize the Congress of the United States to appropriate the three million, one hundred thousand dollars, necessary for the administration of the Massachusetts Division of Employment Security's unemployment compensation system; and be it further

"*Resolved,* That copies of these Resolutions be transmitted forthwith by the Clerk of the Senate to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

A resolution of the Commonwealth of Massachusetts. Referred to the Committee on Finance:

"Resolutions Memorializing the President of the United States and the Congress of the United States To Take Immediate Action To Alleviate the Burden Imposed Upon the American People by the Energy Crisis

"Whereas, The United States Department of Justice has the power to investigate and prosecute any illegal activities engaged in by corporations controlling the flow of energy to homes and businesses; and

"Whereas, The Federal Cost of Living Council has the authority to control the radical price increases of petroleum products; and

"Whereas, The Federal Power Commission has the authority to protect consumers from being penalized by the energy crisis while oil industry profits go unchecked; and

"Whereas, Said aforesaid federal agencies have the power to regulate the discovery, production and bulk delivery of oil products and to provide for an equitable distribution of such products throughout the nation; now, therefore, be it

"Resolved, That the Massachusetts Senate hereby urges the President of the United States and the Congress to take immediate action, including necessary legislation, to prevent large oil corporations or any other persons from making excess profits while the people of the United States endure an unconscionable sacrifice and bear a tremendous financial burden; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the presiding officer of each branch of the Congress and to each member thereof from the Commonwealth."

A resolution of the Commonwealth of Massachusetts. Referred to the Committee on Labor and Public Welfare:

"Resolutions Memorializing the Congress of the United States to Enact Legislation Providing Financial Assistance for Research Activities Relative to the Sudden Infant Death Syndrome

"Whereas, Sudden infant death syndrome is the largest killer of infants between the age of one month and one year and there is to date no known cause, preventive measures or cure for this affliction; and

"Whereas, The Commonwealth has in nineteen hundred and seventy-three enacted several statutes which aid in the detection and research relative to sudden infant death syndrome, but federal financial assistance is necessary to effectively eliminate sudden infant death syndrome; and

"Whereas, The Congress of the United States is presently considering two proposals, S. 1745 and H. R. 10490, which provide funds for research activities and study of this syndrome; now, therefore, be it

"*Resolved,* That the Massachusetts Senate hereby respectfully and urgently memorializes the Congress of the United States to enact such legislation to identify and prevent sudden infant death syndrome; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

A resolution of the Commonwealth of Massachusetts. Ordered to lie on the table:

"Resolutions Memorializing the Federal Government of the United States To Consider the Special Needs of the Physically Handicapped in Formulating Any Gasoline Rationing Plan

"Whereas, This country is faced with an energy crisis which may necessitate the rationing of gasoline; and

"Whereas, The federal government is now developing contingency plans for said rationing; and

"Whereas, The physically handicapped cannot, in most cases, use alternative methods of transportation, such as public transportation; and

"Whereas, Many physically handicapped people must use their automobiles to get to work, shopping, etc.; and

"Whereas, The automobile is not just a convenience but a necessity for the physically handicapped; now, therefore, be it

"*Resolved,* That the Massachusetts Senate hereby respectfully and urgently memorialize the United States Government to consider the special needs of the physically handicapped in formulating any gasoline rationing plan; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the Director of the Federal Energy Office, Richard E. Simon, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth."

A resolution of the Nebraska Legislature. Referred to the Committee on the Judiciary:

"LEGISLATIVE RESOLUTION 19

"Whereas, there should be an amendment to the Constitution of the United States providing that no student shall be assigned to nor compelled to attend any particular school on account of race, religion, color, or national origin, or bussing used for such purpose.

"Now, therefore, be it resolved by the members of the 83d Legislature of Nebraska, second session:

"1. That the Congress of the United States propose an amendment to the Constitution of the United States to read as follows:

"ARTICLE —

" 'No student shall be assigned to nor compelled to attend any particular public school on account of race, religion, color, or national origin, or bussing used for such purpose.'

"2. That a copy of this resolution be sent to each individual member of the House of Representatives of the United States, to each senator of the United States, to the President of the United States, and to the Vice President of the United States."

A resolution of the Assembly of the State of New York. Ordered to lie on the table:

"RESOLUTION No. 28

"Assembly resolution memorializing the Congress of the United States to proceed with effective action in coping with the energy crises

"Whereas, Petroleum prices continue to rise to heretofore unprecedented levels in both the nation and New York State; and

"Whereas, At the present time, there appears to be little anticipation of relief from these increased prices in the immediate future; and

"Whereas, The continued scarcity of petroleum products in both the nation and New York State is causing widespread economic repercussions in increased costs for business and domestic purposes, and has an effect on all aspects of daily life of our citizens; and

"Whereas, The federal government has failed to act in halting this unprecedented rise in petroleum prices; and

"Whereas, The petroleum producers are reaping the rewards in excess profits from these increased prices caused by the alleged scarcity of petroleum; and

"Whereas, We must place the petroleum industry and the federal government on notice that the petroleum industry cannot continue to take unfair advantage of the citizens of this State, and of the nation, and that these prices must be rolled back, and the petroleum industry taxed on the excess profits they reap from such prices, now therefore, be it

"*Resolved,* That the Congress of the United States be and it hereby is memorialized to enact the necessary legislation to roll back the prices on petroleum products to levels that Congress shall determine are compatible to the well-being of the citizens of the United States and to the economy and to impose any tax on those profits, which were made as a result of the petroleum industry's recent unparalleled price increases, and be it further

"*Resolved,* That a copy of this resolution be transmitted to each and every United States congressman from the state of New York, and to the clerk of the House of Representatives."

A resolution of the Winnebago County Board of Illinois, regarding Community Development and Housing Programs. Referred to the Committee on Banking, Housing, and Urban Affairs.

A resolution adopted by the Rice Millers' Association, Washington, D.C., relating to the production of rice. Referred to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the Long Island Federation of Women's Clubs, Inc., praying for the protection of all U.S. fishing boats from interference and harassment. Referred to the Committee on Commerce.

A resolution adopted by the City of Youngstown, Ohio, praying for the *enactment of* legislation to increase personal and dependent income tax exemptions. Referred to the Committee on Finance.

A resolution adopted by the Long Island Federation of Women's Clubs, Inc., opposing the establishment of a new cabinet rank department devoted to consumer affairs. Referred to the Committee on Government Operations.

A resolution adopted by the Harborview Medical Center, Seattle, Wash., praying for the enactment of legislation to declare January 15 a State and national holiday. Referred to the Committee on the Judiciary.

A resolution adopted by the Long Island Federation of Women's Clubs, Inc., relating to amending the Federal and State basic educational opportunity grant program. Referred to the Committee on Labor and Public Welfare.

A resolution of the Executive Committee, National Conference of Federal Trial Judges in support of an increase in judicial salaries. Referred to the Committee on Post Office and Civil Service.

A resolution adopted by the California Federation of Republican Women, in support of thorough investigation of office staffs of all Members of Congress. Referred to the Committee on Post Office and Civil Service.

A resolution adopted by the city of Youngstown, Ohio, urging the U.S. Government to initiate legislation appropriating moneys to the cities to include elimination of architectural barriers for the handicapped. Referred to the Committee on Public Works.

A letter in the nature of a petition, from the Association for the Study of Afro-American Life and History, Inc., transmitting a kit for the 48th annual observance of African-American History Week. Ordered to lie on the table.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that, on today, February 19, 1974, he presented to the President of the United States the enrolled bill (S. 37) to amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the offices of Director and Deputy Director of the Office of Management and Budget, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HASKELL, from the Committee on Interior and Insular Affairs, with amendments:

S. 2394. A bill to authorize the acquisition of certain lands for addition to Rocky Mountain National Park in the State of Colorado, and for other purposes (Rept. No. 93-687).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. METCALF, from the Committee on Interior and Insular Affairs:

Thomas V. Falkie, of Pennsylvania, to be Director of the Bureau of Mines.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ERVIN (for himself, Mr. Ribicoff, and Mr. Metcalf) (by request):

S. 3013. A bill entitled "General Accounting Office Act of 1974; and

S. 3014. A bill entitled "Accounting and Auditing Act of 1974." Referred to the Committee on Government Operations.

By Mr. WEICKER:

S. 3015. A bill to direct the President to establish and carry out a program for rationing gasoline. Referred to the Committee on Interior and Insular Affairs.

By Mr. BENTSEN:

S. 3016. A bill to provide that an individual, who for December 1973, was entitled to disability benefits under a State program approved under title XIV or XVI of the Social Security Act may be presumed, for purposes of the supplemental security income program, to be disabled during the first 6 months of 1974. Referred to the Committee on Finance.

By Mr. MONTOYA (for himself and Mr. Domenici):

S. 3017. A bill to provide for the establishment of a National Nuclear Museum. Referred to the Joint Committee on Atomic Energy.

By Mr. FULBRIGHT:

S. 3018. A bill to authorize the Secretary of the Army to convey certain lands to the city of Charleston, Ark. Referred to the Committee on Armed Services.

By Mr. GRAVEL (for himself and Mr. Stevens):

S. 3019. A bill to make available to the city of Ketchikan, Alaska, certain lands necessary to the replacement of the Carlanna Creek Dam. Referred to the Committee on Interior and Insular Affairs.

By Mr. CHILES:

S. 3020. A bill to designate certain lands in the National Key Deer Refuge, Great White Heron National Wildlife Refuge, and the Key West National Wildlife Refuge, Monroe County, Fla., as wilderness. Referred to the Committee on Interior and Insular Affairs.

S. 3021. A bill to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the northern judicial district of Florida. Referred to the Committee on the Judiciary.

By Mr. NELSON (for himself, Mr. Mondale, and Mr. Humphrey):

S. 3022. A bill to amend the Lower Saint Croix River Act of 1972. Referred to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY (for himself, Mr. Javits, Mr. Schweiker, and Mr. Beall):

S. 3023. A bill to amend the Public Health Service Act to strengthen the research programs of the National Institutes of Health, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. RIBICOFF (for himself, Mr. Williams, Mr. McGovern, Mr. Metcalf, and Mr. Pell):

S. 3024. A bill to provide for the payment of unemployment compensation to workers whose unemployment is attributable to an energy shortage. Referred to the Committee on Finance.

By Mr. GURNEY:

S. 3025. A bill to require the Secretary of Labor to make periodic reports concerning the rate of unemployment and the extent to which the unemployment rate is attributable to the energy shortage, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOMENICI:

S. 3026. A bill to exempt the first sale of certain categories of crude oil from Government price controls. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 3027. A bill to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis. Referred to the Committee on Labor and Public Welfare.

By Mr. HASKELL (for himself, Mr. Abourezk, Mr. Moss, Mr. Hughes, and Mr. Fannin):

S. 3028. A bill to establish a comprehensive system for regulation of weather modification activities, and for other purposes. Referred to the Committee on Commerce.

By Mr. HELMS (for himself, Mr. Bennet, Mr. Bartlett, Mr. Buckley, Mr. Beall, Mr. Brock, Mr. Curtis, Mr. Dole, Mr. Dominick, Mr. Fannin, Mr. Gurney, Mr. Hansen, Mr. Hatfield, Mr. Hruska, Mr. Javits, Mr. McIntyre, Mr. Packwood, Mr. Schweiker, Mr. Thurmond, and Mr. Weicker):

S.J. Res. 188. A joint resolution to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ERVIN (for himself, Mr. Ribicoff, and Mr. Metcalf) (by request):

S. 3013. A bill entitled "General Accounting Office Act of 1974"; and

S. 3014. A bill entitled "Accounting and Auditing Act of 1974." Referred to the Committee on Government Operations.

GENERAL ACCOUNTING OFFICE ACT OF 1974; ACCOUNTING AND AUDITING ACT OF 1974

Mr. ERVIN. Mr. President, on behalf of myself, Senator Ribicoff, and Senator Metcalf and at the request of the Comptroller General of the United States, I introduce for appropriate reference two bills, the General Accounting Office Act of 1974 and the Accounting and Auditing Act of 1974.

On June 21, 1973, I introduced, also on behalf of Senators Ribicoff and Metcalf and at the request of the Comptroller General, S. 2049, which is known as the Accounting and Auditing Act of 1973. That bill contained most of the provisions of the two separate bills I introduce today.

The Comptroller General has requested that S. 2049 be divided into two bills in order to expedite consideration of largely routine changes in GAO's activities, which are incorporated in the Accounting and Auditing Act of 1974. Changes which involve more profound and complex issues are contained in the General Accounting Office Act of 1974.

The request of the Comptroller General was set out in letters from him to me dated December 19, 1973, and February 7, 1974.

Mr. President, I ask unanimous consent that the Comptroller General's letters, the texts of the two bills, and section-by-section analyses of the bills be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Comptroller General
of the United States,
Washington, D.C., December 19, 1973.

Hon. Sam J. Ervin,
Chairman, Committee on Government Operations, U.S. Senate

Dear Mr. Chairman: We have, in recent weeks, conducted discussions with the staff of your Committee concerning S. 2049, "a bill to revise and restate certain functions and duties of the Comptroller General of the United States and for other purposes." As a result of these discussions, and as a result of our own analysis of the bill, we have recommended several changes in the bill's provisions. In addition, we believe that consideration of the various provisions of S. 2049 could be simplified and expedited if the bill were divided into two separate bills: one dealing with relatively straightforward provisions relating to largely routine changes in this agency's activities and a second bill dealing with what may be considered more profound and complex issues relating to our functions.

Thus, we have taken the liberty of preparing two clean bills that we respectfully request be introduced and considered in place of S. 2049. Copies of the two are enclosed.

The first, the bill containing the simpler provisions of S. 2049, we labeled the "General Accounting Office Act of 1973." It contains S. 2049 title VII (Statistical Sampling Procedures in the Examination of Vouchers), title VIII (Audit of Transportation Payments), title IX (Audit of Nonappropriated Fund Activities), title X (Employment of Experts and Consultants), title V (General Accounting Office Building), title XI (Audit of Government Corporations), and title XII (Revision of Annual Audit Requirements).

The second bill, the "Accounting and Auditing Act of 1973," continues the title of S. 2049 and contains the more complex provisions. These contain S. 2049 title I (Enforcement of Decisions and Settlements), title II (Subpoena Power), title III (Budget, Fiscal and Program Information for the Congress), title IV (Access to Records), and title VI (Profits Study).

The titles of the new bills contain some changes from the corresponding titles of S. 2049. The changes are largely nonsubstantive, and, as I said, have been previously provided to be discussed with your staff.

Section by section analyses are enclosed for both bills.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., February 7, 1974.

Hon. SAM J. ERVIN,
Chairman, Committee on Government Operations, U.S. Senate.

DEAR MR. CHAIRMAN: On December 19, 1973, we submitted two draft bills to you for introduction in the Senate as replacements for S. 2049, "a bill to revise and restate certain functions of the Comptroller General of the United States and for other purposes." We believe that consideration of the various provisions of S. 2049 could be simplified and expedited if S. 2049 were divided into two bills: one dealing with the relatively straightforward provisions relating to largely routine changes in this agency's activities, and a second bill dealing with what may be considered more profound and complex issues relating to our functions.

Since submitting those bills, we have developed an additional section that we respectfully request you add to the new bill that deals with the routine changes before it is introduced. That bill we labeled the "General Accounting Office Act of 1973."

The new section, which would be title VIII, would change from ten years to six years the time within which claims cognizable by the General Accounting Office may be filed in this Office. This change would make the time limitations consistent with the Statute of Limitations now applicable to claims filed in the courts. Numerous acts provide for time limitations for bringing actions before administrative bodies, but none that we could find exceeds six years. In addition, it might be noted that the Government is precluded from bringing a claim against an individual after six years. The shorter time limitation would also reduce significantly the amount of records required to be stored by this Office, a reduction that will result in substantial savings in storage costs.

A draft of the new title VIII and an analysis are enclosed.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

S. 3013

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "General Accounting Office Act of 1973."

TITLE I—STATISTICAL SAMPLING PROCEDURES IN THE EXAMINATION OF VOUCHERS

SEC. 101. Subsection (a) of Public Law 88–251, approved August 30, 1964 (31 U.S.C. 82b–1(a)), is amended to read:

"(a) Whenever the head of any department or agency of the Government or the Commissioner of the District of Columbia determines that economies will result therefrom, such agency head or the Commissioner may prescribe the use of adequate and effective statistical sampling procedures in the examination of disbursement vouchers not exceeding such amounts as may from time to time be prescribed by the Comptroller General of the United States; and no certifying or disbursing officer acting in good faith and in conformity with such certification or payment made by him on a voucher which was not subject to specific examination because of the prescribed statistical sampling procedure: *Provided,* That such officer and his department or agency have diligently pursued collection action to recover the illegal, improper, or incorrect payment in accordance with procedures prescribed by the Comptroller General shall include in his reviews of accounting systems an evaluation of the adequacy and effectiveness of procedures established under the authority of this Act."

TITLE II—AUDIT OF TRANSPORTATION PAYMENTS

SEC. 201. (a) Section 322 of the Transportation Act of 1940, as amended, 49 U.S.C. 66, is further amended by deleting from subsection (a) the first sentence thereof and substituting therefor the following:

"Payment for transportation of persons or property for or on behalf of the United States by any carrier or forwarder shall be made upon presentation of bills therefore prior to audit by the executive agency or agencies designated by the Director of the Office of Management and Budget, but the right is reserved to the United States Government to deduct the amount of any overcharge by any carrier or forwarder from any amount subsequently found to be due such carrier or forwarder. This does not affect the authority of the General Accounting Office to make audits in accordance with the Budget and Accounting Act, 1921, as amended, 31 U.S.C. 41, and the Accounting and Auditing Act of 1950, as amended, 31 U.S.C. 65."

SEC. 201. (b) Section 322 of the Transportation Act of 1940, as amended, 49 U.S.C. 66, is further amended by deleting from the second proviso of subsection (a) the words "the General Accounting Office" in the two places where they appear and substituting therefor in the first place the words "the executive agency or agencies designated by the Director of the Office of Management and Budget," and in the second place the words "such executive agency."

SEC. 201. (c). Section 322 of the Transportation Act of 1940, as amended, 49 U.S.C. 66 is further amended by redesignating the present subsection "(b)" as subsection "(c)," the present subsection "c" as subsection "d", and inserting the following new subsection (b):

"(b) Nothing in subsection (a) hereof shall be deemed to prevent any carrier or forwarder from requesting the Comptroller General to review the action on his claim by the executive agency designated by the Director of the Office of Management and Budget: *Provide, however,* That such request shall be forever barred unless received in the General Accounting Office within six months (not including any time of war) from the date the action was taken or within the periods of limitation specified in the second proviso in subsection (a) of this section, whichever is later."

SEC. 202. (a). Incident to the transfer of functions to an executive agency under section 801 of this Act, there shall be transferred to such agency such records, property, personnel, appropriations, and other funds of the General Accounting Office as the Comptroller General and the Director of the Office of Management and Budget, after consultation with the agency concerned, shall jointly determine.

SEC. 202. (b). The transfer of personnel pursuant to subsection (a) of this section shall be without reduction in classification or compensation for one year after such transfer.

SEC. 203. The transfer of functions authorized by sections 201 and 202 of this Act shall be fully effected not later than July 1, 1976.

TITLE III—AUDIT OF NONAPPROPRIATED FUND ACTIVITIES

SEC. 301. (a) The operations of nonappropriated funds and related activities within the executive branch, such as the Army and Air Force Exchange Service, Navy Exchanges, Marine Corps Exchanges, Coast Guard Exchanges, and Exchange Councils of the National Aeronautics and Space Administration, the systems of accounting and internal controls and any internal or independent audits or reviews of such funds and activities, unless otherwise provided by law, shall be subject to review by the Comptroller General of the United States in accordance with such principles and procedures and under such rules and regulations as he may prescribe. The Comptroller General and his duly authorized representatives shall have access to such books, accounts, records, documents, reports, files, and other papers, things, or property relating to such funds and activities as are deemed necessary by the Comptroller General.

(b) To aid the Comptroller General in planning audits or reviews under subsection (a) of this section, each nonappropriated fund activity within the executive branch of the Government shall furnish to the Comptroller General at such times and in such form as he shall require an annual report of the operations of such activity, including an annual statement of financial operations, financial condition, and cash flow.

TITLE IV—EMPLOYMENT OF EXPERTS AND CONSULTANTS

SEC. 401. (a) The Comptroller General is authorized to employ not to exceed ten experts on a permanent, temporary, or intermittent basis and to obtain services as authorized by section 3109 of title 5, United States Code, but in either case at a rate (or the daily equivalent) for individuals not to exceed the rate for Level V of the Executive Schedule (5 U.S.C. 5316).

(b) The provisions of sections 3323(a), 5532, and 8344 of title 5, United States Code, and any other law prohibiting or limiting the reemployment of retired officers or employees or the simultaneous receipt of compensation and retired pay or annuities shall not apply to individuals employed as experts or consultants under subsection (a) of this section.

TITLE V—GENERAL ACCOUNTING OFFICE BUILDING

SEC. 501. Notwithstanding any other provision of law, the Comptroller General shall have exclusive custody and control over the General Accounting Office Building, including the operation, maintenance, repairs, alterations, and assignment of space therein. The Comptroller General and the head of any Federal agency may enter into agreements for space to be occupied in the General Accounting Office Building by such agency at such rates as may be agreed upon. Amounts received by the General Accounting Office pursuant to such agreements will be deposited to the appropriation initially charged for providing operation, maintenance, repair and alteration services with respect to such space. The Comptroller General is authorized to lease buildings or parts of buildings in the District of Columbia (without regard to section 34 of title 40, United States Code) or elsewhere for the use of the General Accounting Office for a period not to exceed ten years.

TITLE VI—AUDITS OF GOVERNMENT CORPORATIONS

AMENDMENTS TO THE GOVERNMENT CORPORATION CONTROL ACT

SEC. 601. (a) Section 105 of the Government Corporation Control Act (31 U.S.C. 850) is amended by adding thereto the following sentence: "Effective January 1, 1973, each wholly owned Government corporation shall be audited at least once in every three years."

(b) The first sentence of section 106 of such Act (31 U.S.C. 851) is amended to read as follows: "A report of each audit conducted under section 105 shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

(c) Section 202 of such Act (31 U.S.C. 857) is amended by adding thereto the following sentence: "Effective January 1, 1973, each mixed-ownership Government corporation shall be audited at least once in every three years."

(d) The first sentence of section 203 of such Act (31 U.S.C. 858) is amended to read as follows: "A report of each audit conducted under section 202 shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT

SEC. 602. (a) Section 17(b) of the Federal Deposit Insurance Act (12 U.S.C. 1827(b)) is amended by adding thereto the following sentence: "The Corporation shall be audited at least once in every three years."

(b) The first and second sentences of section 17(c) of such Act (12 U.S.C. 1827(c)) are deleted and the following is inserted in their place: "A report of each audit conducted under subsection (b) of this section shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

AMENDMENT TO FEDERAL CROP INSURANCE ACT

SEC. 603. Section 513 of the Federal Crop Insurance Act (52 Stat. 76; 7 U.S.C. 1513) is amended to read as follows:

"The Corporation shall at a times maintain complete and accurate books of accounts and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation."

AMENDMENTS TO THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

SEC. 604. Section 107(g) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701(g)) is amended by:

(1) adding a new sentence at the end of subparagraph (1) thereof as follows: "Such audit shall be made at least once in every three years."

(2) substituting the following sentence in lieu of the first sentence in subparagraph (2) thereof: "A report of each such audit shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

AMENDMENT TO DISTRICT OF COLUMBIA REDEVELOPMENT ACT OF 1945

SEC. 605. Section 17 of the District of Columbia Redevelopment Act of 1945 (60 Stat. 801) is amended by deleting the word "annual" from the clause "such books shall be subject to annual audit by the General Accounting Office."

TITLE VII—REVISION OF ANNUAL AUDIT REQUIREMENTS

AMENDMENT TO FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

SEC. 701. Section 109(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 756(e)) is amended to read as follows:

"(c)(1) As of June 30 of each year, there shall be covered into the United States Treasury as miscellaneous receipts any surplus in the General Supply Fund, all assets, liabilities, and prior losses considered, above the amounts transferred or appropriated to establish and maintain said fund.

"(2) The Comptroller General shall make audits of the General Supply Fund in accordance with the provisions of the Accounting and Auditing Act of 1950 and make reports on the results thereof."

AMENDMENT TO THE FEDERAL AVIATION ACT OF 1958

SEC. 702. That part of the second sentence of section 1307(f) of the Federal Aviation Act of 1958 (49 U.S.C. 1537(f)) which precedes the proviso is amended to read as follows: "The Secretary shall maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950."

AMENDMENT WITH RESPECT TO THE BUREAU OF ENGRAVING AND PRINTING FUND

SEC. 703. Section 6 of the Act entitled "An Act to provide for financing the operations of the Bureau of Engraving and Printing, Treasury Department, and for other purposes" (31 U.S.C. 181d) is amended to read as follows:

"The financial transactions, accounts, and reports of the fund shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950."

AMENDMENT WITH RESPECT TO THE VETERANS' CANTEEN SERVICE

SEC. 704. Section 4207 of title 38, United States Code, is amended to read as follows:

"SEC. 4207. Audit of accounts.

"The Service shall maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950."

AMENDMENT WITH RESPECT TO THE HIGHER EDUCATION INSURED LOAN PROGRAM

SEC. 705. Paragraph (2) of section 432(b) of the Higher Education Act of 1965 (20 U.S.C. 1082(b)(2)) is amended to read as follows:

"(2) maintain with respect to insurance under this part a set of accounts, which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950, except that the transactions of the Commissioner, including the settlement of insurance claims and of claims for payments pursuant to section 428, and transactions related thereto and vouchers approved by the Commissioner in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government."

(b) Section 402(a)(2) of the Housing Act of 1950 (64 Stat. 78; 12 U.S.C. 1749a (a)(2)) is amended to read as follows:

"(2) maintain a set of acounts which shall be audited by the Comptroller General in accordance with the provisions of the Accounting, and Auditing Act of 1950: *Provided*, that such financial transactions of the Administrator as the making of loans and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government."

AMENDMENT TO THE FEDERAL CREDIT UNION ACT

SEC. 706. Section 209(b)(2) of the Federal Credit Union Act as added by section 1 of Public Law 91–468 (12 U.S.C. 1789(b)(2)) is amended by deleting the word "annually" therefrom.

AMENDMENT WITH RESPECT TO AUDIT OF THE GOVERNMENT PRINTING OFFICE

SEC. 707. The third sentence of subsection 309(c) of title 44 of the United States Code is amended to read as follows:

"The Comptroller General shall audit the activities of the Government Printing Office at least once every three years and shall furnish reports of such audits to the Congress and the Public Printer."

SECTION-BY-SECTION ANALYSIS

TITLE I—ENFORCEMENT OF DECISIONS AND SETTLEMENTS

Section 101 would add new sections to the Budget and Accounting Act, 1921, as amended, which would provide the Comptroller General procedural remedies through court action to prevent the obligation or expenditure of funds in an illegal or erroneous manner.

The new section 320 provides for declaratory relief when the Comptroller General has reasonable cause to believe that any official of the executive branch is about to expend, obligate, or authorize the expenditure or obligation of public funds in an illegal manner.

Subsection (a) authorizes the Comptroller General to institute a civil action for such relief in the United States District Court for the District of Columbia; it authorizes the Attorney General to represent the defendant official in such action if he disagrees with the Comptroller General; it provides that other parties may intervene or be impleaded; and it provides that service or process may be made by certified mail beyond the territorial limits of the District of Columbia.

Subsection (b) provides that upon application of the Comptroller General or the Attorney General an action brought under this section shall be heard and determined by a district court of three judges under section 2284 of title 28, United States Code, and that an action brought under this section shall be expedited in every way. An order in such actions would be appealable directly to the United States Supreme Court under 28 U.S.C. 1253.

Subsection (c) provides that in actions brought under this section the Comptroller General shall be represented by attorneys of the General Accounting Office and by additional counsel of his choosing who may be employed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapters III and VI of chapter 53 of such title relating to classification and General Schedule pay rates.

Subsection (d) provides that in the event a suit brought under this section delays a payment for goods or services beyond its due date, the said payment when made by the agency involved shall include interest thereon at the rate of 6 per centum per annum from the time it was withheld and that no other court shall have jurisdiction to award damages against the United States as a result of any delay occasioned by the institution of a suit under this section.

Subsection (e) provides that this section shall be construed as creating a procedural remedy in aid of the statutory authority of the Comptroller General and is not intended to otherwise affect existing provisions of law.

Section 321 provides that the Comptroller General shall give notice to the Congress of the filing of such an action in court.

TITLE II—SUBPOENA POWER

Section 201 would authorize the Comptroller General to sign and issue subpoenas requiring the production of negotiated contract and subcontract records and records of other non-Federal persons or organizations to which he has a right of access by law or agreement. This authority includes books, accounts, and other records of contractors or subcontractors having negotiated Government contracts and of various other non-Federal persons or organizations most of which have received Federal grants or other financial assistance.

Section 202 would provide that in case of disobedience to a subpoena the appropriate district court may issue an order requiring compliance with the subpoena and any failure to obey such order shall be punished by the court as a contempt thereof. The Comptroller General could be represented by General Accounting Office attorneys in subpoena enforcement proceedings under this section. However no provision is made for employment of special counsel for this purpose.

TITLE III—BUDGET, FISCAL AND PROGRAM INFORMATION FOR THE CONGRESS

Section 301 would provide for the Comptroller General to assist congressional committees and Members of Congress in obtaining fiscal, budgetary and program information needed in connection with improving congressional control over the Federal budget. The Comptroller General would conduct a continuing program to ascertain congressional needs for such information; in cooperation with other Government officials, develop and maintain standard terminology for Federal budget and fiscal information; assist congressional committees in developing specifications for legislative requirements for executive branch evaluations of Federal programs and reports thereon to the Congress; and monitor reporting requirements of the Congress and congressional committees, and recommend improvements to enhance their usefulness and to eliminate duplicative or unnecessary reporting.

TITLE IV—ACCESS TO RECORDS

Title IV would amend the Budget and Accounting Act, 1921, to provide a procedural remedy to enforce already existing rights of the Comptroller General to access to information, books, documents, papers or records in Government departments or establishments.

The Title would permit the Comptroller General to institute a suit in the U.S. District Court for the District of Columbia to compel the production of the material. The Comptroller General would be authorized to employ his own attorneys, and the Attorney General would be authorized to represent the defendant official in such an action.

The suit would be brought before a three-judge court pursuant to section 2284 of title 28, U.C. Code, and either party could appeal directly, to the Supreme, within 30 days for a decision of the Court.

TITLE V—PROFITS STUDIES

Section 501 would afford the Comptroller General authority to make selective studies of the profits of Government contractors and subcontractors whose Government business, in their most recent fiscal year, aggregated one million dollars or more. These studies would be made with a view toward comparing profits on Government business with profits on commercial business.

Subsection (a) defines the contractors covered by the section, authorizes and directs the Comptroller General to make studies of profits made by these contractors at least once every five years, and requires the Comptroller General to properly report the result of each study to the Congress.

Subsection (b) requires that when requested by the Comptroller General or his representatives, contractors will submit such information maintained in the normal course of business as the Comptroller General determines is necessary or appropriate to conduct his studies under subsection (a).

Subsection (c) authorizes the Comptroller General and his representatives to audit and inspect and to make copies of any books, accounts, or other records which the Comptroller General determines are necessary to permit calculation of the profits of any contractor. This subsection specifically precludes the Comptroller General from disclosing any information obtained under the authority of section 501 which relates to the contractor's profit on any individual commercial contract or on any individual contract entered into pursuant to formally advertised competitive bidding.

Subsection (d) defines for the purpose of section 501 the terms "contractor," "services and materials," "Government contracts," and "commercial contracts."

By section 408 of the act approved November 19, 1969, Pub. L. 91-121, 83 Stat. 204, 208, the Comptroller General was authorized and directed to conduct a one-time study of the profits of representative defense contractors and subcontractors. The Comptroller General's report on this study, B-159896, was submitted to the Congress on March 17, 1971. Title V would provide permanent authority for such studies.

S. 3014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Accounting and Auditing Act of 1974."

TITLE I—ENFORCEMENT OF DECISIONS AND SETTLEMENTS

SEC. 101. The Budget and Accounting Act, 1921, as amended (31 U.S.C. 42), is further amended by adding at the end thereof the following new sections:

"SEC. 320. (a) Whenever the Comptroller General, in the performance of any of his functions authorized by law, has reasonable cause to believe that any officer or employee of the executive branch is about to expend, obligate, or authorize the expenditure or obligation of public funds in an illegal manner, he may institute a civil action in the United States District Court for the District of Columbia for declaratory relief. If the Attorney General is in disagreement with the Comptroller General he is authorized to represent the defendant official in such action. Other parties, including the prospective payee or obligee who shall be served with notice or process, may intervene or be impleaded as otherwise provided by law, and process in such an action may be served by certified mail beyond the territorial limits of the District of Columbia.

"(b) Upon application of the Comptroller General or the Attorney General an action brought pursuant to this section shall be heard and determined by a district court of three judges under section 2284 of title 28, United States Code. An action brought under this section shall be expedited in every way.

"(c) In actions brought under this section the Comptroller General shall be represented by attorneys employed in the General Accounting Office and by counsel whom he may employ without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapters III and VI of chapter 53 of such title relating to classification and General Schedule pay rates.

"(d) In the event the institution of suit under this section serves to delay a payment beyond the date it was due and owing in payment for goods or services actually delivered to and accepted by the United States, then such payment when made by the agency involved shall include interest thereon at the rate of 6 per centum per annum for the time it has been withheld. Otherwise, no court shall have jurisdiction to award damages against the United States, its officers, or agents as a result of any delay occasioned by reason of the institution of suit under this section.

"(e) This section shall be construed as creating a procedural remedy in aid of the existing statutory authority of the Comptroller General and not an enlargement or limitation of such authority.

"SEC. 321. The Comptroller General shall notify the Committees on Government Operations of the Senate and the House of Representatives of any action instituted under section 320 within 24 hours of the filing of such an action in court.

TITLE II—SUBPOENA POWER

SEC. 201. To assist in carrying out his functions, the Comptroller General may sign and issue subpoenas requiring the production of negotiated contract and subcontract records and records of other non-Federal persons or organizations to which he has a right of access by law or agreement.

SEC. 202. In case of disobedience to a subpoena issued under section 201, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the records involved. Any district court of the United States within the jurisdiction in which the contractor, subcontractor, or other non-Federal person or organization is found or resides or in which the contractor, subcontractor, or other non-Federal person or organization transacts business may, in case of contumacy or refusal to obey a subpoena issued by the Comptroller General, issue an order requiring the contractor, subcontractor, or other non-Federal person or organization to produce the records; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

TITLE III—BUDGET, FISCAL AND PROGRAM INFORMATION FOR THE CONGRESS

SEC. 301. The Comptroller General shall conduct a continuing program to ascertain the needs of the committees and Members of the Congress for fiscal, budgetary, and program information and shall recommend to the Congress and to the executive agencies, as appropriate, improvements in developing and reporting such information to meet these needs most effectively.

SEC. 302. The Comptroller General, in order to meet the needs of the Congress, in consultation with the Director, Office of Management and Budget, the Secretary of the Treasury, and the Legislative Budget Director shall develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes, for Federal fiscal, budgetary, and program-related data and information. The authority contained in this part shall include, but not be limited to, data and information.

SEC. 303. The Comptroller General shall assist committees in developing specifications for legislative requirements for executive branch evaluations of Federal programs and activities, including reporting the results of such evaluations to the Congress.

SEC. 304. The Comptroller General shall monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in these reporting requirements to meet the congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users and to eliminate duplicative or unneeded reporting.

TITLE IV—ACCESS TO RECORDS

SEC. 401. Section 313 of the Budget and Accounting Act, 1921 (31 U.S.C. 54), is amended by adding the following subsections:

"(b) If any information, books, documents, papers, or records requested by the Comptroller General from any department or under subsection (a) as amended, or any other authority, have not been made available to the General Accounting Office within a period of twenty calendar days after the request has been delivered to the office of the head of the department or establishment involved, the Comptroller General is authorized to bring an action in the United States District Court of the District of Columbia against the head of the department or establishment concerned to compel the furnishing of such material. The Attorney General is authorized to represent the defendant official in such action. The Comptroller General shall be represented by attorneys employed in the General Accounting Office and by counsel whom he may employ without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapters III and IV of chapter 53 of such title relating to classification and General Schedule pay rates.

"(c) Actions instituted pursuant to subsection (b) of this section shall be brought in accordance with section 2284 of title 28, United States Code. Immediately upon the filing of a complaint under subsection (a) of this section the matter shall be referred to the chief judge of the United States Court of Appeals for the District of Columbia Circuit, who shall designate three judges, at least one of whom shall be a circuit judge, to serve as members of the court to hear and determine the action. Such Court shall have jurisdiction to issue such orders compelling the furnishing of such material. Actions under this subsection shall be governed by the rules of civil procedure to the extent consistent with the provisions of this section, and shall be expedited in every way.

"(d) Any party may appeal directly to the United States Supreme Court from an order under subsection (c) of this section. Such appeal shall be taken within thirty days after entry of the judgment. The record shall be made up and the case docketed within sixty days from the time such appeal is taken under rules prescribed by the Supreme Court."

TITLE V—PROFITS STUDY

Sec. 501. (a) With respect to contractors having Government contracts, including subcontracts, aggregating one million dollars or more in the contractor's most recent fiscal year, the Comptroller General is authorized and directed to conduct studies on a selective basis of all profits made by such contractors on Government and commercial contracts. Such studies shall be made from time to time within the discretion of the Comptroller General but not less frequently than once in each five-year period following enactment of this Act and reports on the results of each study shall be promptly submitted to the Congress.

(b) Any contractor referred to in subsection (a) of this section shall, upon the request of the Comptroller General or his authorized representatives, prepare and submit to him such information maintained in the normal course of business by such contractors as the Comptroller General determines necessary or appropriate in conducting any study authorized in subsection (a) of this section.

(c) In order to determine the profits referred to in subsection (a) of this section, either on a percentage of the cost basis, percentage of sales basis, a return on private capital employed basis, or any other pertinent basis, the Comptroller General and his authorized representatives are authorized to audit and inspect and to make copies of any books, accounts or other records which the Comptroller General determines are necessary to permit calculations of the profits of any contractor, but he shall not disclose any information obtained under the authority of this section relating to a contractor's profits on any individual commercial contract or on any individual contract entered into pursuant to formally advertised competitive bidding.

(d) As used in this section:

1. The term "contractor" means any individual, firm, corporation, partnership, association or other legal entity which provides services and materials under direct contracts or under subcontracts with a prime contractor.
2. The term "services and materials" means either services or materials or services and materials and includes construction.
3. The term "Government contracts" means contracts and other transactions between any department, agency, or instrumentality of the Federal Government and any contractor.
4. The term "commercial contracts" means all contracts and commercial transactions other than Government contracts.

TITLE VIII—LIMITATION OF TIME ON CLAIMS AND DEMANDS

Sec. 801 Section 1 of the Act of October 9, 1940, 54 Stat. 1061, chapter 788, is amended by deleting the phrase "10 full years" and substituting "6 years" therefor.

Sec. 802. The amendment provided for in Section 801 shall go into effect 6 months after the date of enactment and will have no effect on claims received in the General Accounting Office before that time.

Section-by-Section Analysis

TITLE I—STATISTICAL SAMPLING PROCEDURES IN THE EXAMINATION OF VOUCHERS

Public Law 88-521 authorized heads of departments and agencies and the Commissioners of the District of Columbia to prescribe the use of adequate and effective statistical sampling procedures in the examination of disbursement vouchers for amounts of less than $100. Certifying and disbursing officers who acted in good faith and who followed such procedures were relieved of liability for the improper certification or payment of vouchers that may not have been examined because of the statistical sampling procedure provided that such officer and his department or agency diligently pursued collection actions prescribed by the Comptroller General.

Section 701 would amend subsection (a) of Public Law 88-521 so as to eliminate the $100-dollar limitation on the amount of disbursement vouchers subject to audit by statistical sampling techniques and in lieu thereof impose a limitation of such amount as may from time to time be prescribed by the Comptroller General for each department or agency. Section 701 would also add a new requirement that the Comptroller General include in his reviews of accounting systems an evaluation of the adequacy and effectiveness of procedures established under the authority of the amended act.

TITLE II—AUDIT OF TRANSPORTATION PAYMENTS

Section 201 would amend section 322 of the Transportation Act of 1940, as amended, 49 U.S.C. 66, to continue the requirement for payment of carrier bills upon presentation contained in the law since 1940, but to make clear that the primary responsibility for the audit of transportation bills and the recovery of overcharges is to be removed from the General Accounting Office and placed in one or more executive agencies designated by the Director of the Office of Management and Budget. This responsibility includes the processing of carrier claims and furnishing records and reports to the Department of Justice for the proper defense or prosecution of litigation arising from the handling of carrier accounts and claims. The General Accounting Office transportation audit responsibilities and related functions would then conform to the procedures for the audit of Government activities generally under the provisions of the Budget and Accounting Act, 1921, as amended, 31 U.S.C. 41, and the Accounting and Auditing Act of 1950, as amended, 31 U.S.C. 65.

Section 202 deals with the transfer of records, property, personnel, etc., pursuant to the transfer of functions under Section 201.

TITLE III—AUDIT OF NONAPPROPRIATED FUND ACTIVITIES

Section 301(a) would authorize the Comptroller General, unless otherwise provided by law, to review the operations, systems of accounting and internal controls, and any internal or independent audits of review of nonappropriated funds and related activities within the executive branch. Under this section the Comptroller General and his duly authorized representatives would have access to such documentation relating to these funds and activities as is deemed necessary.

Subsection (b) would require such nonappropriation fund activities to furnish to the Comptroller General an annual report of the operations of their activity, including annual statements of financial operations, financial conditions and cash flow.

The authority provided in section 301 would extend generally to instrumentalities established and operated under the control or aegis of an executive department or agency for the benefit of its personnel and which are financed from sources other than appropriations. Primary examples of such instrumentalities are the Army and Air Force Exchange Service, Navy Exchanges, Marine Corps Exchanges, Coast Guard Exchanges, and Exchange Councils of the National Aeronautics and Space Administration. The Comptroller General would not review nonappropriated fund activities to the detriment of his reviews of higher priority appropriated fund activities. However, in recent years the size, scope and number of nonappropriated fund activities have increased greatly and the authority and requirement imposed by this section, even though a limited number of reviews will be made, should afford some needed control and review over such activities.

TITLE IV—EXPERTS AND CONSULTANTS

Section 401(a) would provide the Comptroller General discretion to employ on a full or part-time basis up to ten experts and to obtain consultant services authorized by 5 U.S.C. 3109, at a rate of compensation not to exceed Level V of the Federal Executive Pay Act.

Subsection (b) would exempt individuals serving under subsection (a) from restrictions upon reemployment of retired Federal employees and simultaneous receipt of compensation and retired pay or annuities.

TITLE V—GENERAL ACCOUNTING OFFICE BUILDING

Section 501 would afford the Comptroller General control of the General Accounting Office Building; would provide for the subletting of space therein to other agencies; and would authorize the Comptroller General to lease additional space for the use of the General Accounting Office in the District of Columbia and elsewhere.

TITLE VI—AUDITS OF GOVERNMENT CORPORATIONS

Section 601(a) would provide that each wholly owned Government corporation subject to the Government Corporation Control Act shall, effective January 1, 1973, be audited at least once in every three years.

Subsection (b) would provide that the Comptroller General's report of each audit of each wholly owned Government corporation shall be made to the Congress not later than six and one-half months following the close of the last year covered by such audit. The use of the six and one-half month time period following the close of the corporation's fiscal year for reporting to the Congress replaces the date of January 15 specified in existing law, since the Comptroller General's audit would not be made annually and would be made on the basis of the fiscal year used by the corporation in maintaining its books rather than the year ending June 30 of each year.

Subsections (c) and (d) would make the same change in the frequency of audit and reporting date with respect to each mixed-ownership Government corporation as is provided in sections 1101(a) and 1101(b) for wholly owned Government corporations.

Section 602 would make a similar change in the frequency of audit and reporting date with respect to the Federal Deposit Insurance Corporation.

Section 603 would amend section 513 of the Federal Crop Insurance Act so as to delete the requirement for an annual audit by the General Accounting Office of the Federal Crop Insurance Corporation.

Section 604 would make a change similar to that provided in sections 601 and 602 for wholly and mixed-owned Government corporations and the Federal Deposit Insurance Corporation in the frequency of audit and reporting date with respect to the National Homeownership Foundation, a nonprofit corporation chartered by the Congress but which is not an agency or instrumentality of the United States Government.

Sections 605 and 606 would repeal the requirement for an annual audit by the General Accounting Office of the District of Columbia Redevelopment Corporation and the Federal Home Loan Bank Board, respectively, and thereby granting the Comptroller General discretionary authority to determine the frequency of such audits.

TITLE VII—REVISION OF ANNUAL AUDIT REQUIREMENTS

Title VII would eliminate the requirements for annual audits of the following revolving funds and make them subject to audit at the discretion of the Comptroller General, in accordance with the provisions of the Accounting and Auditing Act of 1950:

Section 701—The General Supply Fund, GSA.

Section 702—War Risk Insurance Fund, Transportation.

Section 703—Bureau of Engraving and Printing Fund, Treasury.

Section 704—Veterans Canteen Fund, VA.

Section 705—Student Loan Insurance Fund, HEW.

Section 706—Urban Renewal Fund, HUD. College Housing Fund, HUD.[1]

Section 707—National Credit Union Administration Fund.

Section 708—Government Printing Office Fund.

TITLE VIII—LIMITATION OF TIME ON CLAIMS AND DEMANDS

Section 801 decreases from ten to six years after the date a claim accrued the time within which claims cognizable by the General Accounting Office may be filed in that Office. This will make the time limitation consistent with the Statute of Limitations now applicable to claims filed in the courts. Numerous acts provide for time limitations for bringing actions before administrative bodies, and none exceeds six years. It will also reduce significantly the amount of records required to be stored by the General Accounting Office, which reduction will result in substantial savings in storage costs.

Section 802 provides that the reduction in time allowed for filing claims in the General Accounting Office will not go into effect until six months after enactment, and makes it clear that the enactment of the new time will not affect claims filed before such enactment. This is intended to minimize any hardship on potential claimants whose clams may be barred by the new provision by allowing them time to file their claims before the provision takes effect, but after they are put on notice that it will take effect after six months.

By Mr. WEICKER:

S. 3015. A bill to direct the President to establish and carry out a program for rationing gasoline. Referred to the Committee on Interior and Insular Affairs.

Mr. WEICKER. Mr. President, I am today introducing legislation to require nationwide gasoline rationing.

The Mandatory Gas Rationing Act of 1974 puts an end to the half-measures and weasle-worded assurances that have deceived the motorist and created false expectations, while all the time the crisis worsens. Optimistic predictions of an early end to gas shortages are not only a consumer fraud, but the Government has known they were a fraud, just as we know today that the crisis will be worse in the coming months, not better.

The time has come to tell the truth and face up to the unpleasant reality of the necessary steps. First, we cannot fight a shortage of gasoline with one hand tied behind the back, and that is just what we are doing by refusing to use the only practical method of controlling consumption: gas rationing.

Second, we are wrong in assuming that hard-nosed steps will not be necessary. The simple fact is the motorist is going to be in much worse shape come spring and summer. More gasoline is consumed during those seasons than any other time of year, and the theory that it is offset by decreased home heating oil refining is again untrue. Our refineries cannot just produce gasoline, because the demand for residual products requires that they produce all types of oil products and the shift from home heating oil can only be a small shift at best.

In fact, the Federal Energy Office, in its Monthly Energy Indicators, predicted that what was a 14-percent gasoline shortage in January and February will become a 17-percent shortage in April, and a 20-percent shortage in May. Clearly the crisis worsens as we get into the hot summer months with the air-conditioning demands. So the crisis is not easing; it is getting worse.

It is just as misleading to pretend that all our problems go away as soon as the Arab oil embargo is lifted. Such an announcement would be good news, but it is no answer to our problem.

If the oil embargo is lifted today, the Federal Energy Office has predicted that it would be at least 3 months before the result would be felt, at all. By then it would be summer, the peak consumption period.

Furthermore, nobody is predicting that the Arab nations will consent to the level of massive imports we have enjoyed in the past.

The message is clear and simple. There is, and will be, a basic shortage of gasoline, a shortage great enough that it will not be solved by driving tips and allocation gimmicks.

It is not enough for the Congress to turn over authority for rationing to the President, and then wash its hands of the matter. The country expects and deserves better leadership from its Congress. The time has come for some initiative and hard decisions right here, not placing authority in the hands of the Executive so we can point a finger in that direction when the need for rationing becomes critical and no action has been forthcoming.

For those who say the American people would not stand for it, they have done a great injustice to the Nation. The people of this Nation have always faced up to what must be done, and they will do so again, with good spirit. Those who demagog the chant of "no rationing" fail to understand that people would far prefer rationing to behaving like animals at the gas pump.

Mr. President, the Mandatory Gas Rationing Act of 1974 would require the President to impose rationing within 30 days of enactment. It is not intended to endorse a coupon system, and clearly other forms of rationing such as automobile stickers indicating 1 day a week that a car would not be used are concepts that should be seriously explored. The bill gives the President powers to use State and local officials, such as State motor vehicle departments, for the program.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3015

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mandatory Gas Rationing Act of 1974".

SEC. 2. After section 4 of the Emergency Petroleum Allocation Act of 1973, the following section is to be added, and subsequent sections renumbered accordingly:

"MANDATORY RATIONING

"SEC. 5. (a) Not later than thirty days following the date of enactment of this Act, the President shall promulgate and put into effect regulations for the establishment and carrying out of a program for the rationing of gasoline.

"(b) The President shall provide for procedures by which any gasoline user for whom rationing is established under subsection (a) of this section may petition for a review or modification with respect to his ration. Such procedures may include the use of such state and local officers and boards as may be necessary to carry out the functions of this section.

"(c) No regulation or order under this section may impose any tax or user fee, or provide for a credit or deduction in computing any tax."

By Mr. BENTSEN:

S. 3016. A bill to provide that an individual, who for December 1973, was entitled to disability benefits under a State program approved under title XIV or XVI of the Social Security Act may be presumed, for purposes of the supplemental security income program, to be disabled during the first 6 months of 1974. Referred to the Committee on Finance.

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[1] This change will have a similar effect on the following programs: Housing for elderly or handicapped (12 U.S.C. 1701q); Rehabilitation loans (42 U.S.C. 1452b); Public facility loans (42 U.S.C. 1494); New Community assistance (42 U.S.C. 3912); low-rent housing (42 U.S.C. 1417a); riot insurance (12 U.S.C. 749bbb–17); transportation grants (49 U.S.C. 1609).

AID FOR THE TOTALLY AND PERMANENTLY DISABLED

Mr. BENTSEN. Mr. President, I am today introducing legislation to extend by 3 months the time for transferring to the supplemental security income program those recipients of aid to the permanently and totally disabled who had not received a State disability payment for a month prior to July 1973.

On December 31, 1973, the President signed into law Public Law 93-233, which contains a number of amendments to the supplemental security income program—SSI. Among these amendments is a provision affecting the transfer to the SSI program of certain recipients of aid to the permanently and totally disabled. Prior to the amendments, all recipients under State plans were to be included in the SSI program if they were entitled to a payment under State plans in December 1973.

Public Law 93-233 requires that an individual permanently and totally disabled must have actually received payment under an applicable State program at least 1 month prior to July 1973, or meet the disability criteria of the federally administered title XVI program. That means that many thousand recipients who did not receive disability payments for 1 month prior to July 1973, will now have to have their eligibility reviewed. A formal determination will have to be made as to whether these people are, in fact, eligible for SSI coverage.

Mr. President, this review and screening process can be very complicated. It involves a detailed search of every State's records to determine whether those people who did not receive State payments prior to July 1973, are actually eligible for SSI assistance under Federal criteria.

My own State of Texas has 4,802 cases, which fall into this category. The department of public welfare is screening each of these cases to provide medical information on which their original eligibility was based, so that their eligibility for supplemental security income can be redetermined. I know that the situation is equally serious in other States as well.

Screening the volume of records, plus the even larger job of redetermining medical eligibility, makes it very difficult if not impossible to complete this task by the date required in the law, which is March 31. The Texas Department of Public Welfare predicts that a high percentage of the 4,802 Texans involved will have their future supplemental security income checks interrupted in April 1974.

Mr. President, it does not matter whether the number of cases is 4,802 or some lower figure. If only one totally and permanently disabled person is denied a supplemental security income check because of our actions, an injustice will have been committed.

Let me be clear: I do not believe that a single person should receive SSI payments who does not deserve them, and I have long been concerned that our welfare rolls contain many people who should not be on them. But, by the same token, I do not believe that eligible persons should be denied SSI payments because of congressional action or bureaucratic ineptitude.

HEW, which was on notice about the proposed changes in the law last December, did not send official notices to the States until February 7. That leaves the States only a few weeks to complete a thorough check of their records. If they are to do an accurate job, we must give them the time to do it.

During this transitional period when the SSI program is getting underway, I believe we must be particularly careful not to penalize the aged, blind, and disabled. A 3-month extension for determining eligibility is necessary, and I urge its swift approval by the Congress.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3016

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, In the administration of title XVI of the Social Security Act (as enacted by section 301 of the Social Security Amendments of 1972), the period referred to in section 1631(a)(4)(B) of such Act shall be deemed to be the period commencing January 1, 1974 and ending June 30, 1974, but only when the provisions of such section 1631(a)(4)(B) are applied to an individual who would meet the conditions prescribed in section 1614(a)(3)(E) of such Act if such section 1614(a)(3)(E) did not contain the phrase "(and for at least one month prior to July 1973)".

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S. 3017. A bill to provide for the establishment of a National Nuclear Museum. Referred to the Joint Committee on Atomic Energy.

Mr. MONTOYA. Mr. President, today I introduce a measure calling for the establishment and maintenance of a National Nuclear Museum at a suitable site or sites in the State of New Mexico for the advancement of public knowledge with respect to matters pertaining to the uses and development of nuclear energy.

This measure is identical to S. 3364 which my colleagues from New Mexico, Senator ANDERSON, and I introduced on January 17, 1967. I believe it unfortunate that neither of the previous measures were enacted and I, therefore, intend to push for action on the present proposal.

Mr. President, when the first atom bomb was developed, J. Robert Oppenheimer, director of the Los Alamos Laboratory, exulted "these are heroic days." It was dawn in New Mexico over 28 years ago when, on July 16, 1945, men gathered at a remote section of Holloman Air Force Base, Alamogordo, 120 miles southeast of Albuquerque, to witness another dawn—that of the atomic age. The event they attended on the Alamogordo sands was an unprecedented scientific experiment to test the idea of the atom bomb, the end result of Operation Trinity of the Manhattan Engineer District. That morning meeting culminated an enormous effort by thousands of people, many of them working in secret places in New Mexico.

Today, with the wisdom that over two decades' hindsight affords, we can know how heroic were those days in New Mexico, how significant were those men and their achievement at Alamogordo. In the atomic age they ushered in, mankind possesses a technology of war to destroy mighty nations, to decimate their peoples, to devastate their lands; and a technology of peace to move mountains and furnish energy for our future. During the time since that event, each Member of Congress has had to share the burden of the dread responsibility of providing nuclear weapons for our national defense, while yet restraining their rash use in order to assure our survival as a nation. The men who worked at Los Alamos, and those who followed them there and at the Sandia Base and at ACF Industries in Albuquerque have bought us the time to seek ways for the community of nations to live together without nuclear war.

Since 1945, Los Alamos and Sandia in Albuquerque, N. Mex., have emerged as great national centers for nuclear research and engineering, with dramatic achievements in military and civilian applications. I hope that someday the history of the Los Alamos Laboratory and Sandia Base and their work on nuclear and thermonuclear weapons can be properly chronicled. In recent years, Los Alamos and Sandia have extended their research beyond military functions to important peaceful uses of fission and fusion, to the development of alternative energy sources, to basic physical research and to lifesaving medical research.

The splendid work begun and being continued in New Mexico should, I feel, be commemorated. The awesome achievements of our nuclear scientists, engineers, and technicians makes New Mexico appropriate for a place where men might reflect upon the great physical powers now entrusted to governments, a place where they might study and learn about this nuclear force and the political and social forces which govern its use, and a place they might reaffirm their dedication to the proposition that the enormous energy unleashed at Alamogordo shall always be used benevolently, beneficially.

A park, a statue, or a plaque could perform the commemorative function. But this is not enough; more is needed. I submit that even more important than public commemoration, is public understanding of the nature of the primordial blast. For this reason I introduce today a bill to establish a National Nuclear Museum at a suitable site or sites in New Mexico for the advancement of public knowledge of the uses and development of nuclear energy. The initial displays specified in this measure can be an important first step toward a vital and living memorial.

Mr. President, a modest museum has already been initiated in Los Alamos as a tribute to, and an explanation of, the contributions which have been made in New Mexico in the nuclear field. I say modest, for although much has been accomplished with resources available, it is still not the quality museum which this Congress should take upon itself to establish. Mr. President, I ask unanimous consent that an article from the Albuquerque Journal of December 15, 1968, entitled "'Hill' Museum Is Nuclear Physics Primer," be printed at this point in the RECORD as an example of the tremendous educational potential in the proposal which I make. That is, the establishment of a National Nuclear Museum.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"Hill" Museum Is Nuclear Physics Primer

(By Bill Hume)

LOS ALAMOS.—Atomic energy—from Alpha particle to Pi Mesons—came of age behind the barbed wire fences of wartime Los Alamos. Today, most of the secrecy is gone.

And the Los Alamos Scientific Laboratory features a unique window into the world of nuclear research in its unique action-filled science museum.

In this museum, working models of most of the projects underway on the "Hill" go bang, make sparks, whir and otherwise simulate what the actual devices do. There is even an electric train in the scale model of the Project Rover site.

"The museum began in 1963 in an old barracks-type building," said Robert Y. Porton, director of community relations. "We moved into the present new building in 1965."

Most popular exhibit, according to a recent public opinion poll, is "Pinocchio," an ingenious device for illustrating a nuclear chain reaction.

Pinocchio looks like a cross between a pinball machine and a large aquarium. Four glass walls enclose approximately one square yard of space over a "floor" with a grid of ping-pong ball sized holes.

When a chain reaction takes place in atoms of Uranium 235, a neutron striking the nucleus of a U–235 atom causes the atom to split in two, releasing two free neutrons. These two, all else being equal, strike two more nuclei, splitting them and releasing four neutrons, and so on.

In Pinocchio, a long ping-pong ball represents the first free neutron. Each of the holes represents a U–235 nucleus.

The museum attendant drops the "neutron" in the glass box. It bounces around aimlessly, eventually dropping into one of the holes.

Out shoot two ping-pong balls, and these "neutrons" repeat the performance. Soon the glass box is filled with widly bouncing "neutrons," and the "splitting atoms" sound like a cowboys-and-Indians shoot-em-up.

Community relations staff member Kent Bulloch told of the experience of an Italian film crew trying to film Pinocchio in action.

The ping-pong balls trigger the ejection of their fellows by tripping photoelectric cells, Bulloch explained. When the Italian crew turned on their floodlights and the first ball was dropped in, it fell into a hole and nothing happened.

Bulloch suggested turning off the floodlights temporarily, and "there was an explosion of ping-pong balls," as every tube fired, activated by the floodlights being turned off.

Pinocchio was so named because as his namesake wanted to be a real human, but couldn't, LASL's Pinocchio wants to be a real reactor, but can't.

In an average month, more than 5,000 persons sign in at the museum. The visitors have come from all 50 states and more than 70 foreign countries.

One day last week, for example, persons from six different states toured the facility.

The museum has its serious side, too.

In the patio are ballistic cases like the two which carried nuclear holocaust to Japan in World War II, and two sleeker, more modern looking casings, one from a 20 kiloton nuclear bomb and the other from a thermonuclear hydrogen bomb.

The more peaceful uses of the atom share the patio with the bombs, however. Kiwi-A, the first experimental nuclear rocket reactor is on display.

The museum, the only Los Alamos Scientific Laboratory area in which cameras are welcome, is open from 8 a.m. to noon and 1 to 5 p.m. Monday through Friday, and 9 a.m. to 5 p.m. Saturdays, and 1 p.m. to 5 p.m. Sundays.

One very simple display makes a very startling indication of the difference in densities of various elements. It is a table on which are placed three-inch cubes of various elements.

Each has a handle by which the observer can lift the identically sized cubes and compare their weights.

The weights vary from the magnesium cube, at 1.75 lbs., to the uranium cube, weighing 18.97 lbs.

The most exotic cube by far is one of solid gold, valued at more than $10,000. It is kept locked in a safe when not on display.

In Project Sherwood at LASL, scientists are trying to devise some method of containing a thermonuclear reaction and tap it for its power potential. The problem with the concept is that thermonuclear reactions take place at such temperatures that all known materials on earth would quickly vaporize.

Project Sherwood scientists are working on a Buck Rogers-styled electromagnetic "force field" to contain the reaction.

Even though one of the project scientists compared the method to "trying to contain Jello with rubber bands on a hot day," the physicists hope to solve the problem in a few years.

Scylla II, the portion of Sherwood concerned with the force field, is represented in the museum.

A tube of aluminum foil is inserted into a plastic tube around which two electromagnetic coils are wound. Electricity is fed to a capacitor which, when it discharges, momentarily creates a strong electromagnetic field in the coils.

The electromagnetic fields instantly crush both ends of the foil tube closed, causing a report as loud as a firecracker.

The museum, however, like the city of Los Alamos, is aware that the history of New Mexico didn't begin with the coming of the nuclear age.

The entrance hall of the museum contains cases of artifacts from the Pajarito Plateau's first tenants, Indians who were there back when gunpowder was the "ultimate weapon."

Mr. MONTOYA. Another museum, with a somewhat different focus from that of the Los Alamos museum, exists in Albuquerque, N. Mex. This is the Sandia Atomic Museum, currently funded and staffed by the Defense Nuclear Agency. Here the contribution of nuclear energy to our defense effort is the principal theme. I ask unanimous consent that a letter from Rear Adm. L. V. Swanson concerning this museum and the support it has with Albuquerque be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEFENSE NUCLEAR AGENCY,
Kirtland Air Force Base,
N. Mex., Oct. 4, 1973.

Hon. JOSEPH M. MONTOYA,
U.S. Senator,
Washington, D.C.

DEAR SENATOR MONTOYA: On several occasions you have shown a personal interest in the problems confronting the Sandia Atomic Museum and the possibilities of it attaining national status through such action as the bill you introduced in January 1969 (S–418). I appreciate your support in our efforts to secure national status for the Museum, even though you informed us in July 1972 through Mrs. Carrol Canfield, Museum Manager, that action on S–418 would be discontinued due to the designation of the American Museum of Atomic Energy at Oak Ridge as a national museum.

Since then, the Sandia Atomic Museum has continued to expand. Our annual visitor count already exceeds that of the Oak Ridge Museum and includes, in addition to individual visitors and educational groups from the United States, many visitors from other countries. Since over 5,000,000 tourists visit Albuquerque every year, the potential count is almost unlimited. Also, the availability of a truly outstanding museum of international fame would undoubtedly increase Albuquerque's tourist count. A Foundation has recently been set up to lend community support and to provide financial assistance to the museum. Members of the Board of Trustees include Mr. Ralph Trigg; Mr. Don Kirby; Mr. Frank Mapel; Mr. Oscar Love; Lt. Gen. Emmanuel Schifani, USAF, Ret.; Mr. C. Bruce Hanson; Mr. R. P. Tinnin; Mr. George Doolittle; Dr. Clayton S. White; Maj. Gen. Francis W. Nye, USAF, Ret.; and myself.

The Museum is currently funded and staffed entirely by the Defense Nuclear Agency, probably the most logical controlling agency for such a museum. However, if the Museum is to continue to expand and improve, some form of national sanction and direct congressional funding is imperative. The size of our collection is outgrowing the space in our facilities. Our facilities are sufficient to provide teaching tours of the educational community on a number of subjects related to advancements in the field of nuclear research, but the lack of a professional staff greatly hampers our success in this area. We have the nucleus of an excellent research library, but staff and facility limitations drastically limit its use. In all areas, we are at a point in development where we must level off within the confines of our staff, facilities and budget if additonal funding and support cannot be located.

My concern is not solely for the preservation of nuclear history, but for the retention of New Mexico's claim on the right to present that history. In addition to the new Oak Ridge Museum, the Air Force Armament Museum will be opening at Eglin Air Force Base in November, and the West Point Museum is adding an area on the history of the Manhattan Project. What we have already accomplished can, and probably will, be duplicated to some extent in those other museums. However, with adequate funding we can present the most comprehensive record of nuclear history and the special role that New Mexico has in its development.

Albuquerque has long been recognized as the nuclear capital of the United States. since most of the nation's nuclear research program is conducted or administered from here. An institution dedicated to the preservation, restoration and interpretation of the history of nuclear research rightfully belongs here, and it would indeed be an injustice to the people of New Mexico if located elsewhere. We must either exercise our claim or lose it.

Since the major emphasis of the American Museum of Atomic Energy is currently restricted to the peaceful applications of atomic energy, to the exclusion of the history of atomic research, it is requested that you reconsider your earlier decision and reintroduce Senate bill 418. A proposed draft is enclosed for your consideration.

I hope it will be possible for you to visit the Museum again soon. I am sure that you will be pleased with the progress we have made since your previous visit.

Sincerely yours,

L. V. SWANSON,
Rear Admiral, U.S. Navy, Commander.

Mr. MONTOYA. Mr. President, a National Nuclear Museum could take advantage of what Congress already has provided for the development of finer museums. I urge action on this measure during this session of Congress. Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Atomic Energy Commission is authorized and directed to provide for the establishment and maintenance, at a suitable site or sites in the State of New Mexico, of a National Nuclear Museum for the advancement of public knoweldge with respect to matters pertaining to the uses and development of nuclear energy. The Commission is authorized to acquire the site for such museum by purchase, gift, condemnation, or otherwise, and to make all necessary improvements thereto. Items displayed in such museum shall be selected to reflect their historical interest and educational value, subject to such limitations as the Commission in consultation with the Secretary of Defense, determines are necessary to the interests of the national security.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. DOMENICI. Mr. President, I am pleased to join today with the distinguished senior Senator from New Mexico (Mr. MONTOYA) in the introduction of a bill to establish and maintain a National Nuclear Museum at a suitable site or sites in the State of New Mexico. The purpose for such a museum would be for the advancement of public knowledge regarding the history, the development, and the uses of nuclear energy.

As the distinguished senior Senator has so well described in his introductory remarks, the State of New Mexico is uniquely situated as the State for such a national attraction. It is altogether fitting, then, that the very important and impressive history of nuclear energy development and its great potential for benefit to the human race be permanently available for public view at the scene of its inception.

I am also particularly pleased that this bill is flexible enough to permit the most effective utilization of existing facilities and previous activities. I agree with Senator MONTOYA that these provide a firm foundation on which to build and that the U.S. Congress has not yet met its obligation to preserve and present to the American public this material of such historical and cultural importance. I am pleased that the sites presently located at Los Alamos and Sandia will be continued and improved and that the significant work already done there by dedicated and qualified people will be continued and upgraded.

For these reasons, Mr. President, I urge swift action on this bill so that it may quickly become the law of the land for the advancement of public knowledge of the history, development, uses, and vast potential of nuclear energy.

By Mr. FULBRIGHT:

S. 3018. A bill to authorize the Secretary of the Army to convey certain lands to the city of Charleston, Ark. Referred to the Committee on Armed Services.

Mr. FULBRIGHT. Mr. President, I am today introducing legislation to authorize the Secretary of the Army to convey certain lands to the city of Charleston, Ark., and ask for its appropriate referral.

The purpose of this bill is to transfer land from the Fort Chaffee Military Reservation to the city of Charleston, which land would be used for water impoundment for municipal and industrial needs, or for flood control purposes. The lake which would be created as a result of this legislation would be developed by the city of Charleston in conjunction with the Soil Conservation Service. It would significantly benefit residents of Franklin, Sebastian, and Logan Counties by insuring against a water shortage in the event of a drought, and by attracting industry to this area of Arkansas.

Mr. President, many citizens in this area of Arkansas have been working diligently for some time in an effort to meet the water resource needs of this locale, but it appears that the administrative difficulties presented make it unlikely that adequate relief can be obtained without legislation to accomplish this purpose. So, in view of the urgent need for an adequate water supply in this area, I respectfully request that the Senate Armed Services Committee and the Senate give prompt consideration to a matter which will mean so much to the economic and social progress of this area of my State.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3018

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized and directed to convey, by quitclaim deed or other appropriate instrument to the city of Charleston, Arkansas, all right, title, and interest of the United States in and to the following described property, together with any improvements thereon, comprising a portion of Fort Chaffee Military Reservation:

Part of Sections 17, 19, 20, 21, 28, 29, 30, 31 and 32, T–7–N; R–29–W, Sebastian County, Arkansas, and being more particularly described as follows:

Beginning at the Northwest corner of the NE¼ of the NW¼ of said Section 17, T–7–N; R–29–W; thence East 100 feet; thence South 5280 feet more or less to a point on the North line of said Section 20; thence East 1220 feet; thence South 3000 feet; thence East 1100 feet; thence North 1300 feet; thence East 1870 feet; thence South 940 feet; thence East 990 feet; thence South 1650 feet; thence East 990 feet; thence South 2310 feet; thence West 4710 feet; thence South 2460 feet; thence East 1100 feet; thence Southeasterly 1985 feet more or less to the Northeast corner of Section 32; thence South 660 feet; thence West 1320 feet; thence North 660 feet; thence West 1320 feet; thence South 870 feet; thence West 2310 feet; thence South 2100 feet; thence West 2310 feet; thence North 1650 feet; thence East 660 feet; thence North 2170 feet; thence East 1980 feet; thence North 1790 feet; thence West 1980 feet; thence North 1320 feet; thence West 1320 feet; thence North 2970 feet; thence West 920 feet; thence North 3630 feet more or less to a point on the North line of Section 19; thence East 4880 feet more or less to the Southwest corner of the SE¼ of the SW¼ of said Section 17; thence North 5280 feet more or less to the point of beginning, containing 1,900 acres.

SEC. 2. The conveyance authorized by the first section of this Act shall be made without consideration, but shall be made subject to the condition that such property so conveyed shall be utilized by the city of Charleston, Arkansas, for water impoundment for municipal and industrial needs of the area, or for flood control purposes. Upon a determination by the Secretary of the Army that any such property so conveyed is not being so used, all right, title, and interest in and to that property shall, upon such determination, revert to the United States.

By Mr. GRAVEL (for himself and Mr. STEVENS):

S. 3019. A bill to make available to the city of Ketchikan, Alaska, certain lands necessary to the replacement of the Carlanna Creek Dam. Referred to the Committee on Interior and Insular Affairs.

Mr. GRAVEL. Mr. President, in November 1973 the city of Ketchikan, Alaska, suffered a disaster with the break of the Carlanna Creek Dam, threatening the water supply for that city. The dam loss was declared a disaster by the President on November 7, 1973.

It is urgent that work begin on construction of a new dam. The land required is now in Federal hands as provided by the act of July 27, 1939 (53 Stat. 1131, which was passed to protect the Carlanna Lakes watershed area). In order for the construction to proceed, it is necessary for these lands (congressional setaside USS 1281 and 1282), be transferred to the State of Alaska which will, in turn, be turned over to the city of Ketchikan.

I send to the desk for appropriate referral a bill which would make these lands available to the city of Ketchikan, Alaska, for replacement of the dam.

By Mr. NELSON (for himself, Mr. MONDALE, and Mr. HUMPHREY):

S. 3022. A bill to amend the Lower Saint Croix River Act of 1972. Referred to the Committee on Interior and Insular Affairs.

Mr. NELSON. Mr. President, on behalf of myself and the distinguished Senators MONDALE and HUMPHREY of Minnesota, I am introducing legislation which will affirm the commitment of the Federal Government to fully protect the Lower St. Croix River as a segment of the National Wild and Scenic Rivers System.

Probably unique in the Nation, the Lower St. Croix flows near a major metropolitan area, Minneapolis-St. Paul, yet still retains much of its original natural beauty and pleasant, pastoral character.

Situated 52 miles along the Minnesota-Wisconsin border, the Lower St. Croix was originally included as a "study river" in the Wild and Scenic Rivers Act of 1968. The Upper St. Croix was made an "instant river" in that same legislation.

Studies conducted pursuant to that designation determined that a different form of administration would be necessary, because of the urban-rural transition of the river. Because of the desire to both fully protect the river and to adhere to established principles of local jurisdiction in urbanized areas, half of the Lower St. Croix is to be administered by the States of Wisconsin and Minnesota, and the other half is to be administered by the Department of the Interior—National Park Service.

The Lower St. Croix River Act of 1972 took the official step of adding the Lower St. Croix—under the dual administration plan—to the Wild and Scenic Rivers System. The initial studies had determined that $7.275 million would be needed for the purpose of land and scenic easement purchase along the Federal segment of the river. That amount was authorized in the 1972 legislation.

However, since the inclusion of the river in the Wild and Scenic Rivers System, the Department of the Interior has prepared an advance master plan. That master plan has revealed that the Department feels that only about one-third of the Federal segment can be adequately safeguarded with the $7.275 million authorization. The plan as prepared provides for the land and easement purchase along 10.3 miles, leaving the remaining 16.7 miles virtually unprotected.

For their part, the States of Wisconsin and Minnesota, through Governors Lucey and Anderson and their respective departments of natural resources, have already demonstrated their willingness to protect the 25-mile State segments. Legislation has already been passed or is on the way toward passage providing for a significant State effort in land purchase and the development of State parks and recreation areas.

The extent of potential development along the Lower St. Croix makes a reaffirmation of the intention of the Federal Government to meet its obligation under the act all the more important. Already, 17 sites have been set out as possible housing or commercial development locations.

The Interior Department has determined that an additional $11.725 million will be necessary if the entire Federal segment is to be adequately protected for the use and enjoyment of future generations. This sum would be used for similar land and scenic easements along the lower portion of the Federal segment.

The legislation we are introducing today provides that additional authorization in the Lower St. Croix River Act of 1972, to reflect the updated estimates. It is my hope that through this legislation and cooperation from all parties involved in the administration of the Lower St. Croix that the original intent of the Congress can be met.

Mr. President, I ask unanimous consent that a statement submitted for the Record by the distinguished Senator from Minnesota (Mr. Mondale) and a copy of the legislation, be printed in the Record at this point.

There being no objection, the bill and statement were ordered to be printed in the Record, as follows:

S. 3022

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6(a) of the Lower Saint Croix River Act of 1972 (86 Stat. 1174) is amended by deleting "7,275,000" and inserting in lieu thereof "19,000,000".

Statement of Senator Mondale

Mr. President: I am privileged to introduce today with Senators Nelson and Humphrey a bill to amend the Lower St. Croix River Act to provide an additional $11,725,000 to carry out the preservation program for the riverway.

The Lower St. Croix River is in many ways unique in the nation. It is essentially the only unspoiled natural river in the United States which is adjacent to a major metropolitan area. The Lower St. Croix provides a wide variety of scenic and recreational opportunities to the residents of the Upper Midwest, including boating, swimming, canoeing, fishing, hiking, camping and simple aesthetic enjoyment. But because it borders the two States of Minnesota and Wiconsin and flows through some 36 units of local government, the Lower St. Croix poses particularly complex problems of preservation and management.

It is therefore appropriate that the Lower St. Croix River should be protected by a program which is also rather unique. It is the only river within the National Wild and Scenic Rivers System to be preserved through a cooperative federal-state management program with administrative responsibilities shared by the Department of Interior and by the States of Minnesota and Wisconsin.

Under this program, the Department of Interior is responsible for preservation of the 27 miles of the river between Taylors Falls and Stillwater, Minnesota; and the States have responsibility for the 25 miles extending from Stillwater downriver to Prescott, Wisconsin.

Under the leadership of Governor Wendell R. Anderson of Minnesota and Patrick J. Lucey of Wisconsin, the States have developed plans for the acquisition of scenic easements on all lands outside of incorporated communities within the State management zone. Plans are also underway to expand existing State parks and to develop the new Afton State Park in Minnesota and the Kinnickinnic State Park in Wisconsin to accomplish the goals of preservation and public recreation. The States are therefore moving ahead responsibly toward full protection for the stretch of the river corridor falling under their jurisdiction.

When the Congress approved the Lower St. Croix River Act in 1972, it established the funding level on the basis of an estimate of $7.275 million for acquisition and development along the 27 mile segment of the river to be administered by the Department of Interior. This funding level was considered to be adequate by the Administration and by the Congress at the time for the purchase of land and easements to protect the entire federal segment from Taylors Falls to the City of Stillwater.

However, on the basis of more detailed updated appraisals, the National Park Service now reports that the $7.275 million would only allow acquisition of land and easements along the upper 10 miles of the river from Taylors Falls to the Chisago-Washington County line. An additional 11.4 million would be required to purchase necessary land and easements so that the remaining 17 miles of the federal management zone can be preserved in perpetuity.

The legislation which Senator Nelson, Senator Humphrey and I introduce today is designed to accomplish this objective. We do not believe that preservation of any of the Lower St. Croix River should be compromised because of the current $7.275 million ceiling on funding for the program. Clearly, it was the intent of Congress in passing the 1972 Act to assure perpetual protection for the river in its present condition.

Mr. President, I am hopeful that the Congress can move quickly on the proposal we introduce today to achieve this pressing objective.

By Mr. KENNEDY (for himself, Mr. Javits, Mr. Schweiker, and Mr. Beall):

S. 3023. A bill to amend the Public Health Service Act to strengthen the research programs of the National Institutes of Health, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. KENNEDY. Mr. President, I am pleased to be able to introduce today legislation which proposes to create a President's Biomedical Research Panel. I wish it were not necessary to take this step. However, this Nation's biomedical research effort is now severely jeopardized. The recently submitted budget for 1975 tells the story. Funds for cancer research are proposed to increase by more than $70 million. The President's budget for heart disease research is up by more than $20 million.

Yet all of the rest of the National Institutes of Health is increased by only $1 million. The President's budget in this respect is shortsighted. It is not in the interest of the Nation's biomedical research community, which is the finest in the world. And, more importantly, *it is* not in the interests of making the requisite progress in biomedical research which will be required to ultimately improve the health of the American people.

Mr. President, this bill is modeled after the legislation which was enacted in 1971 which created the President's Cancer Panel. The Cancer Panel has been remarkably effective in assuring that the cancer program go forward in the most effective way possible. To a remarkable extent the success of this Panel is directly attributable to the efforts of its chairman, Mr. Benno Schmidt.

The legislation which I am introducing today, with the cosponsorship of my friend and colleague from New York, Senator Javits, will assure the integration of the overall biomedical research program by requiring that the chairman of the President's Cancer Panel is always one of the three members of the President's Biomedical Research Panel.

I believe a mechanism like this is necessary if we are to continue to have confidence in the maintenance of this country's leadership in biomedical research. At the conclusion of my remarks, Mr. President, I ask unanimous consent to include a letter to the editor which appeared in this past Sunday's edition of the Washington Post concerning the very serious threat which now exists for the Nation's biomedical research program. As the letter makes clear, scientific inquiry cannot be the handmaiden of political necessity. This letter has been signed by more than 500 senior research scientists at the NIH.

Mr. President, next Tuesday my Health Subcommittee is scheduled to hold an executive session on my bill to extend and improve the National Cancer Act. And at that time I intend that the committee also consider the substance of the legislation that Senator Javits and I are introducing today.

Mr. President, I also ask unanimous consent that the entire text of my bill be printed in the Record.

There being no objection, the bill and article were ordered to be printed in the Record, as follows:

S. 3023

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Biomedical Research Act of 1974".

Sec. 2. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section,:

"Sec. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the "Panel") which shall be composed of the Chairman of the President's Cancer Panel; and two members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health. At least two of the members of the Panel shall be distinguished scientists or physicians.

"(b)(1) Appointed members of the Panel shall be appointed for three-year terms, except that (i) in the case of the two members first appointed after the date on which this section becomes effective, one shall be appointed for a term of one year and one shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(a) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(c) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(d) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committee on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

FUNDING FOR BIOMEDICAL RESEARCH THROUGH THE NIH

As individual scientists at the National Institutes of Health in Bethesda, we believe that a public response to Dr. Charles C. Edwards' letter of January 24th will be useful. We are scientists who, in Dr. Edwards' own terms "are determined that NIH will contribute effectively and creatively to solution of the health problems facing this country and the world." But rather than decry, as Dr. Edwards does, the past leaders of the NIH, we credit them with making the NIH what Dr. Edwards calls ". . . the finest biomedical research institution in the world." With Dr. Edwards, we deplore the fragmentation of the NIH, but it is essential to recognize that this fragmentation was opposed by the NIH administration.

With extraordinary success, the leaders of NIH have established and administered an atmosphere of creative scientific inquiry. They accomplished this by operating on the principle that scientific and medical criteria, rather than political considerations, must be the basis for policy decisions related to biomedical research. Two decades of free scientific investigation, rather than large scale, mission-oriented, research projects, have resulted in accomplishments, such as elimination of Rh-incompatibility disease of the newborn, prenatal diagnosis of genetic defects, surgical correction of valvular heart disease, kidney dialysis and transplantation, cure of choriocarcinoma, and effective drug therapy for hypertension, various malignant lymphomas. Parkinson's disease, and mental illnesses.

Human endeavors of different kinds require a variety of administrative techniques. In the present instance, for example, the nation's $2 billion research effort sponsored by the NIH (10 per cent at the Bethesda laboratories and the remainder at universities, hospitals, and laboratories throughout the country) clearly requires a different administrative approach than does the $85 billion expenditure for health care and delivery. The administrative approach required by research (as distinct from technological development) reflects the very nature of research itself. One characteristic of research is, that one cannot know in advance how to plan large scale specific programs conerning essentially unknown phenomena. Another is the fact that the quality and extent of progress in research are not measurable by any of the yardsticks available for assessing performance and productivity in other fields, at least in the short run.

We fully appreciate the importance of political and economic considerations in the process by which the nation decides how much is to be spent on biomedical research. But whatever that sum may be, we believe that the nation will reap the largest benefit if scientific and medical considerations govern the programs and administration of the NIH.

Robert F. Goldberger, M.D.
Maxine F. Singer, Ph. D.

Bethesda.

(The above letter also bore the signatures of 512 senior research scientists at the National Institutes of Health.)

Mr. JAVITS. Mr. President, I am introducing today with Senator Kennedy a bill to establish a President's Biomedical Research Panel. This bill is fashioned after the remarkably successful President's Cancer Panel provisions in the National Cancer Act enacted into law as Public Law 92–218. A panel creatively chaired by a distinguished New Yorker, Benno Schmidt.

The need for this measure is reflected in the administration's proposed budget for 1975. While the National Cancer Institute and the National Heart and Lung Institute reflect an increase of approximately $1 million for 1975, all the other vitally important research institutes of the National Institutes of Health are increased only $1 million over their 1974 appropriations.

I believe our Nation's biomedical research effort is the finest in the world. If it is to continue to maintain its excellence and leadership in improving the health of the American people, we must assure that it receive adequate funding priorities. This is the goal of the bill I introduce today with Senator Kennedy.

The serious threat which exists for our Nation's biomedical research program is set forth in a letter to the editor which appeared in the February 17th edition of the Washington Post.

By Mr. RIBICOFF (for himself, Mr. Williams, Mr. McGovern, Mr. Metcalf, and Mr. Pell):

S. 3024. A bill to provide for the payment of unemployment compensation to workers whose unemployment is attributable to an energy shortage. Referred to the Committee on Finance.

ENERGY CRISIS UNEMPLOYMENT BENEFITS ACT OF 1974

Mr. RIBICOFF. Mr. President, today I am introducing legislation to provide up to 2 years of Federal unemployment benefits to those who are unemployed during or because of an energy shortage.

The present programs of unemployment benefits are not broad enough to deal with the energy emergency. They provide only a basic 26 weeks of unemployment benefits and an additional 13 weeks of benefits in those States where unemployment is unusually high.

The broad approach I am proposing here recognizes the need for temporary emergency action to assure the unemployed workers of Connecticut and the other States of regular income until the crisis is over.

The number of workers who have lost their jobs due to the energy crisis is growing. Since early December 226,000 persons have lost work because of the energy shortage. As of January 19, 2.6 million people were receiving unemployment benefits, an increase of 98,100 over the previous week and double the number who received benefits in mid-September of last year.

Too many of these people will exhaust their regular and extended benefits and still remain unemployed.

The assistance provided by this legislation will tide these unemployed workers and their families over the crisis.

New England, with its heavy dependence on oil, is extremely susceptible to a rise in unemployment. Over 75 percent of the electricity generated in the area is from oil. This compares with 14 percent nationally.

The New England economy will be

heavily hit in a number of ways. First, and most directly, unemployment can result from slowdowns and shutdowns in industry due to restrictions on the use of electricity, natural gas, and oil.

Second, many slowdowns and shutdowns may occur due to the uncertainty of the supply of petrochemicals. In Connecticut, where thousands of people are unemployed in the plastic industry, this is a significant economic factor.

Another factor in the New England economic outlook is the effect of curtailed automobile production for which many New England firms produce parts. Cutbacks can also be expected in the production of air-conditioning units, frost-free refrigerators and other appliances which consume a large amount of electricity.

New England's unemployment problems are already severe. The region's unemployment is now over 350,000 or 6.5 percent of the labor force—well above the national rate of 4.5 percent. This bleak unemployment picture can be expected to become bleaker in 1974 with the number of New Englanders without jobs increasing by 150,000 to one-half million—a rate of 9 percent.

By June it has been estimated that unemployment in Connecticut could go from its present figure of 70,000 to over 120,000.

According to a survey by the Connecticut Business and Industry Association, a 10 percent energy reduction would eliminate 7,208 Connecticut jobs. A 20-percent reduction would eliminate 38,726 jobs. And a 30 percent energy reduction would eliminate 100,355 jobs in the State of Connecticut.

In the long run New England's economic prospects, especially those of Connecticut, are bright. Our State is a dynamic area that is attracting many service industries in trade, finance, health, education, the arts and recreation.

But we must not ignore the short-term problems of unemployment which are being aggravated by the energy crisis.

For that reason I am introducing the Energy Shortage Unemployment Benefits Act of 1974.

The legislation directs the President to make grants to the States to provide unemployment benefits to any individual who is unemployed during or because of an energy shortage. The benefits would take effect once a worker has exhausted his other unemployment benefits and they would not exceed the premium weekly payments under the regular unemployment program of that State.

To be eligible for payments under this program, it must be found that the unemployment of an individual is attributable to and energy shortage as defined in the National Energy Emergence Act of 1973.

The cost of this program will be borne by the Federal Government from general revenues. No additional tax is charged to the employees.

The workers of this country cannot afford to go through a severe period of unemployment without additional help. I hope this bill will receive prompt consideration.

By Mr. GURNEY:

S. 3025. A bill to require the Secretary of Labor to make periodic reports concerning the rate of unemployment and the extent to which the unemployment rate is attributable to the energy shortage, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, today I am introducing a bill which would direct the Administrator of the Federal Energy Office to increase a State's petroleum allotment if the unemployment rate in that State has risen 0.5 percent per month above the State's 1972 unemployment rate per month due to the energy shortage.

Mr. President, I am sure my colleagues are well aware that the Nation's unemployment rate has jumped from 4.8 percent to 5.2 percent during the month of January. This represents the largest monthly increase since the start of 1970. The January unemployment rate increase was the third month in a row that unemployment has risen since October, when the Arab oil embargo began.

Although the unemployment rate was predicted to increase, there is no doubt that the energy crisis has had a major effect of wiping out a substantial number of jobs. The Department of Labor has stated that the "unemployment for the month—of January—or 4.7 million seasonally adjusted" was almost 370,000 more than those unemployed after adjustment in December. Of this number, an estimated 98,000 are workers in the automobile industry; 40,000 from service stations and automobile dealerships, 38,000 from the service industry—that is, airlines, motels, resorts—and 20,000 in public utilities. Nobody doubts that it will continue to go up, the only question now is how high it will rise.

The significant rise in the rate of unemployment is evident in many States. New York State reports an increase of 25,000 unemployed persons in the month of December. This represents an increase of 0.3 percent over the previous month.

California also reports a high unemployment rate. In December, there were 10,000 new victims of the energy crisis; bringing the State unemployment rate to 5.5 percent in December from the previous rate of 5.3 percent in November. Authorities predict that if the energy situation continues as it is, the unemployment rate in California could well reach or surpass 8.5 percent during fiscal year 1974–75; with an estimated additional 122,000 to 262,000 persons out of work.

My own State of Florida has been directly hit by shrinking fuel supplies. Particularly hard hit is the recreation industry, construction, boat manufacturing and transportation. Disney World, for example, according to the New York Times, has laid off a total of 1,700 persons including part-time college students.

In December, the unemployment rate was 3.3 percent, up from 3 percent in November and 3.1 percent in December of 1972. In the first week of January unemployment in Florida directly due to the energy shortage, was reported to be 9 to 10 percent.

At this time, I would like to call my colleagues' attention to an article which appeared in th U.S. News & World Report entitled "Fuel Crunch: Who's Losing Jobs—and Who's Next."

This article focuses on some of the major industries that have felt the brunt of the energy shortage, including the airlines and the automobile industry.

The airline industry has been particularly hard hit by the energy crisis. After the Federal Energy Office ordered reduced fuel allocations in October, the airlines began major cutbacks, including the furloughing of low-seniority workers, whose jobs may never be restored. So far 16,500 airline employees have suddenly found themselves out of work. Much is the same for the auto industry.

While automobile manufacturers have cut down production of large cars, the unemployment rate for the industry workers has risen dramatically. General Motors is furloughing 86,000 employees in the months of January and February; 38,000 of which are to be laid off indefinitely.

This article also points out that it is not just the big companies that are laying off workers as the fuel crisis tightens, but hundreds of small firms in scores of industries which are affected as well. I ask that this article be printed in the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

Fuel Crunch: Who's Losing Jobs—And Who's Next

Businessmen and labor leaders are voicing growing alarm over layoffs resulting from the energy crisis—and the threat of more joblessness to come.

Thousands of workers in diverse lines already have been furloughed for lack of needed fuel, raw materials and power.

In some cases, scheduled end-of-the year shutdowns are being extended into the early weeks of 1974. In a few instances, small producers talk of closing their plants indefinitely.

The auto, plastics and airline industries have been hardest hit up to now, but fears are widespread that layoffs will fan out to many other fields.

I. W. Abel, president of the Steelworkers Union, asked the Government to relax antipollution standards to allow steel mils to make wider use of coal. Failure to do so, he said, could force layoffs of; 50,000 to 60,000 employes.

The AFL–CIO, opening a broad attack on the Administration's handling of fuel problems, predicted that unemployment could reach 7 or 8 per cent in 1974. That would add 2.4 million idle workers to the 4.3 million now out of jobs, a Federation economist asserted.

So far, nearly 20,000 workers who have lost their jobs directly or indirectly because of fuel problems have registered at unemployment-compensation offices across the U.S. The total includes some people already getting benefits, as well as others just applying, the Labor Department said.

AUTO WORKERS' PLIGHT

Layoffs in the auto industry stemming directly from the energy crisis will total about 185,000 at the start of 1974, according to Detroit estimates.

In that industry, the furloughs are coming because manufacturers are overstocked with larger cars, which are not selling as well as small models.

Some of the laid-off auto workers will not return immediately to their jobs, in cases where plants are being converted from big-car production to smaller units.

Union officials have been predicting even heavier layoffs in the auto plants in months just ahead, based on the likelihood of further production cuts on big cars.

Auto workers generally get the benefit of supplementary unemployment compensation, which assures most of them of nearly 95 per cent of their regular pay while they are out of work. But workers in many other industries do not enjoy such a large cushion. For them, the fuel crisis means a layoff with smaller State unemployment checks coming in. Thousands of other workers face shortened workweeks and loss of overtime pay.

The prediction of a large rise in unemployment, from the current rate of 4.7 per cent, came from Nathaniel Goldfinger, the AFL-CIO's research director.

Mr. Goldfinger said unemployment could go as high as 8 per cent as the result of the "complicated mess we're in." He said the energy crisis comes at a time when the country already "was heading into higher unemployment because of the very high interest rates and tight money."

As a result, he expects" continued inflation," with sharply rising prices.

The industrial-union department of the AFL-CIO has begun a survey of its affiliated unions to determine the size of current and upcoming layoffs in their particular industries.

The department's president, Mr. Abel, on December 18 attacked the Nixon Administration's handling of the crisis. He has warned of rising unemployment.

TEAMSTERS MOVE

Concern over the impact of the fuel pinch on industry was dramatized by these developments—

The Teamsters Union told trucking lines it is reopening the national contract to get wages increased. Cutbacks in highway speeds as a gasoline-saving measure, the union said, are slashing drivers' paychecks—based on mileage driven—by 15 to 20 per cent.

Government wage stabilizers voiced concern that other unions may copy the Teamsters move. Various agreements in other lines, as in trucking, permit new wage talks as a result of Government action of one type or another.

The National Association of Manufacturers on December 21 released a list of hundreds of products it described as being in "critical supply," with severe impact on jobs in many instances. The shortages, tallied in a survey of 2,300 of its members, were blamed largely on wage and price controls which, some analysts say, have been intensified by the fuel pinch.

Employes of airlines were among the first to suffer furloughs tied to energy problems. More than 5,000 workers have been laid off by airlines so far, according to William Jackman, assistant vice president of the Air Transport Association of America. He added:

"We've estimated that unless the fuel allocation is adjusted [upward], more than 25,000 airline employes will be laid off. Most of these cuts have to be done by January 7."

The air carriers have been told that they will get 25 per cent less fuel than their scheduled requirements for 1974.

Individual airlines have been reporting heavy cutbacks in schedules and payrolls as a result of the fuel curbs.

A union agreement with one airline, however, guarantees that there will be no layoffs for the union's members there. The Machinists Union and Braniff Airways on November 16 signed a new two-year agreement that continues a provision pledging management to avoid furloughs.

The Machinists Union says that the clause was extended to include problems arising from fuel shortages.

At a meeting on December 20, officials of the Air Line Pilots Association said that a strike might be called in February if airline operations have to be cut back.

PLASTICS' PROBLEMS

By contrast with the big airlines, the energy crisis is hurting many small businesses in the plastics industry. As part of the oil crisis, the industry is running short of petrochemicals needed for plastics manufacture. Sam Nuspliger, director of public affairs of the Society of the Plastics Industry, Inc., puts it this way:

"The smaller molder is the one that feels this shortage first because he may have just a one or two-item line. If he has two machines and his raw material is cut back, he just will close down.

"If he has 20 machines, he may cut back but keep operating. A larger operation may be able to get by by cutting overtime rather than laying off workers."

Mr. Nuspliger said that there are fewer than 400,000 employes in the plastics industry, "but a slowdown in our industry will affect the electronics and auto industries." Some shortages of plastic parts already are reported.

Larry Gottsegen, vice president of Gotham Industries, of Leominster, Mass., cites this example:

"Leominster is 80 per cent dependent on plastic molding. Gotham Industries produces plastic housewares, furniture and beverage cases. There are more than 100 firms in our line of work.

"Our plant is running at less than 50 per cent capacity and we are faced with even further cutbacks. We could run our business at 25 or 30 per cent of capacity, and, although we wouldn't be making any money, we could ride out the storm. Many companies won't be able to ride it out."

Gotham Industries farms out half of its custom work to other companies. Out of some 700 workers involved altogether, about 350 have been furloughed so far, Mr. Gottsegen said. Normally, workers get considerable overtime work, but now one quarter of the factory is on 30 to 35 hours, rather than the usual 40.

"STAGGERING" TOTAL?

The plastics official predicted that there will be a "staggering" number of layoffs in the industry. An officer of another company, he added, told him it intended to lay off 800 workers early in 1974.

In Lenexa, Kans., Ron G. Dolasky, sales manager for Sunset Plastic Products, said that the plant would have to got out of business unless it found new sources of resin. Its former supplier stopped production of the type used.

Mr. Dolasky said his company's labor force had been cut from 130 workers to 30 in early December.

Plastics firms in the Southeast also tell of supply problems. Again, many of the companies are small businesses that may be forced to close.

Charles J. Silver, president of Silver-Line Plastics Corporation, in Asheville, N.C., says he has furloughed 18 of his 30 employees since October. There will be further layoffs, he said, if he can't get more polyvinyl chloride by February.

All overtime has been eliminated, and 10 to 15 per cent of the workers have been laid off at two plants of Perma-Pipe Corporation, based at Stone Mountain, Ga., according to J. J. Cawley, president.

Mr. GURNEY. We, here in Congress, are working on legislation which will change our Nation's unemployment insurance program so as to include those workers directly affected by the energy crisis by permitting extended unemployment insurance benefits for up to 2 years, along with training and relocation benefits. However, we must also take the necessary action to insure that where jobs can be protected by reallocating petroleum products, the authority to take these steps will be there.

The legislation I am introducing will first direct the Secretary of Labor and the Administrator of the Federal Energy Office to determine and analyze the current and prospective unemployment rate in the United States which is attributable to the energy shortage and to report its findings to Congress within 30 days and each 60-day period thereafter. Second, the Administrator will be directed to increase a State's petroleum allotment if it is determined that a State's unemployment rate, attributable to the energy shortage, increased by 0.5 percent during a 30-day period, corresponding to the same 30-day period in 1972.

Mr. President, I strongly urge the Senate to adopt this measure so as to assure that those who are presently working are not left hanging in the air as to whether they will be next in line at the unemployment office. We must guarantee that this will not happen.

I ask unanimous consent that this bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3025

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Labor, within the thirty-day period following the date of the enactment of this Act and each thirty-day period thereafter, shall submit to the Congress and the Administrator of the Federal Energy Office such reports as may be necessary to keep the Congress and the Administrator fully informed as to the current and prospective unemployment rate in the United States, including the extent to which such unemployment rate is attributable to the energy shortage, together with the recommendations of the said Secretary with respect thereto.

SEC. 2. The Administrator of the Federal Energy Office, upon being notified by the Secretary of Labor that the unemployment rate of any State, during any thirty-day period following the date of the enactment of this Act, has increased by 0.5 per centum or more over such rate in effect for the corresponding thirty-day period during calendar year 1972, shall, if such increase was attributable to the energy shortage, take such action as may be necessary to increase that State's petroleum allotment to such extent as may be necessary to return the unemployment rate in such State to that rate which existed for the period immediately preceding the period during which such rate so increased. Notwithstanding the foregoing provisions of this section, the Administrator of the Federal Energy Office shall not increase any State's petroleum allotment pursuant to this Act by means of diverting petroleum products from one region or area to another if such diversion would result in an increase in the rate of unemployment in such region or area.

By Mr. DOMENICI:

S. 3026. A bill to exempt the first sale of certain categories of crude oil from Government price controls. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I am introducing a bill today which I feel is absolutely necessary to insure the continued exploration and development of new sources of crude oil in the United States.

It is a fact that well over half of the new oil produced in this country in recent years was discovered and produced by producers who are not a part of any integrated oil company and whose oil operations are confined entirely to the United States. This category of oil producer I will refer to as independent domestic producers. These independent producers accounted for more than 80 percent of the new domestic oil discovered last year.

It is obvious then that this is the category of oil producer about whom we ought to be concerned in our efforts to make this Nation truly self-reliant in terms of petroleum products. It is these 10,000 or so small and medium producers who have always been, who are now, and who will continue to be the key to domestic petroleum exploration and development—hence they are also the key to Project Independence.

Mr. President, at the present time there are price controls on certain categories of crude oil produced in this country, regardless of who produces that oil. These controls act to the detriment of independent domestic producers who take most of the risks in exploring for and developing new wells. These controls, quite obviously, discourage further exploration and development.

There is also legislation pending in the Congress which would place a price ceiling on all categories of domestic crude oil at $5.25 per barrel with administrative procedures to raise that ceiling to $7.09 for some categories. Under certain special circumstances this ceiling could be exceeded.

This rollback, in my opinion, would be counterproductive in the long term because it would severely limit the exploration incentive oil producers must have, inevitably resulting in diminished crude oil exploration, development and production. This is particularly true regarding the independent domestic producers who have the best track record of searching for, finding and producing new oil, and who are still the best hope for increasing the Nation's petroleum supply. These discovery and development operations are risky and expensive and the independent producer's financial ability to take those risks and bear those astronomical expenses is directly related to the price of the crude he produces.

The bill I introduce today would remove all price controls on crude oil produced by independent domestic producers from wells brought into production after the date of enactment. This will allow these producers to receive sufficient return from oil operations and investments to explore and develop the new sources so essential to national energy independence.

The other feature of my bill relates to stripper wells which for the most part are operated by independent domestic producers. Whether or not stripper wells continue to produce is directly dependent upon the price of oil; that is, when the well begins to lose money, it is shut down and abandoned. It seems senseless to me, Mr. President, to refuse to allow a price at least equal to the $10 per barrel it costs to produce stripper well oil and daily deny our citizens the use of some 250,000 barrels of domestic oil—that amount produced each day by stripper wells when economically profitable.

Our demand for that 250,000 barrels of oil—foreign or domestic—will continue and we, when buying from foreign countries at whatever price, will send dollars out of our country and pay a price even greater than $10, while our own wells sit unworked with vast quantities still in the ground; at the same time, frustrated motorists are lined up for miles at filling stations just trying to get enough gas to get home.

For the welfare of our consuming public and for the economy of our Nation and her independent domestic producers, I feel this legislative measure is necessary. Accordingly, Mr. President, I urge its immediate consideration and swift enactment.

I request unanimous consent that the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the first sale of the following categories of crude oil shall not be subject to price restraints established pursuant to the Economic Stabilization Act of 1970, as amended, or the Emergency Petroleum Allocation Act of 1973, as amended:

(1) crude oil produced from any lease whose average daily production for the preceding twelve-month period does not exceed ten barrels per well, and,

(2) crude oil produced from any well put into production on or after the date of enactment of this Act, by any oil producer who produces only crude oil or natural gas in the United States and who does not own or control any transporting, refining, or marketing facilities.

By Mr. HUMPHREY:

S. 3027. A bill to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis. Referred to the Committee on Labor and Public Welfare.

ENERGY EMERGENCY EMPLOYMENT ACT OF 1974

Mr. HUMPHREY. Mr. President, the "energy crisis" has cost the American worker dearly, and he has just begun to pay.

Cutbacks in big-car production at seven General Motors plants will result in the long-term elimination of some 38,000 hourly and salaried jobs. The United Auto Workers says more than 100,000 of its members are on indefinite layoff already with more to come.

Layoffs on the airlines, since the fuel shortage hit last fall, climbed to 16,971 by the end of January.

Labor Department statistics indicate that some 50,000 jobs in auto dealerships and service stations were lost in December 1973 alone.

Lockheed Aircraft Corp., the country's largest defense contractor, announced in mid-January that 2,500 workers will be laid off due to the jetliner slump caused by the energy shortage. This brings to 5,000 the number of jobs lost since mid-November. The firm said that many of these workers have considerable seniority. And in December, Cessna Aircraft Co. in Wichita, Kans., laid off 2,400 of its 11,000 workers.

In Florida, uncertainties caused by the energy crisis, resulted in a 15 percent dip in tourist trade between Christmas and New Year's Day and a substantial loss of jobs. Disney World, for example, laid off 700 permanent employees because of an attendance drop blamed on the energy crisis.

In Michigan, the State's employment service officials confront severe unemployment prospects. Some predict unemployment will be pushed by the "energy crisis" to as high as 12 percent later this year.

At home, in Minnesota, the "energy crisis" is taking a particularly heavy toll of jobs in the plastics industry where petrochemical feed stocks are very hard to get; in the airline industry due to fuel shortages and related schedule changes; and in the tourist industry as a result of unreliable gas supplies and higher prices. Workers in a range of other industries have also been affected.

During the second week in January, the number of Minnesotans with active claims for jobless benefits soared by 2,722 persons to 61,183—the highest level in more than a decade. Active claims are up 11,407, or nearly 25 percent, from the 49,776 of the same week of last year. While no quantitative estimate of the portion of those job losses due to the energy crisis is available, all agree it is a major factor.

We are just beginning to get a picture of nationwide job losses resulting from the energy crisis.

The Department of Labor's report on the January employment situation, issued on February 1, said "preliminary information intended to provide estimates of employment reduction that resulted directly from shortages of fuel or power and shortages of other materials arising from energy shortages suggest that the number of jobs eliminated in the past several months was substantial." Unfortunately, the Labor Department was unable to give a quantitative estimate. However, it appears that the bulk of the additional 370,000 people added to the ranks of the unemployed during January, had worked in the automobile, airline, hotel/motel, and retail gasoline industries, which have been hardest hit by the energy emergency.

A close look at the data also indicates that the unemployment rate for adult men, usually the most stable of the various categories of the unemployed, rose by over 13 percent during the month of January. This compares with an increase in the rate of unemployment among adult women of 4 percent.

The Labor Department reported on February 7 that the number of workers claiming they lost their jobs because of the energy crisis has risen steadily since early December and at latest count stood at 226,000. This represented an increase of roughly 100,000 in the number claiming energy related unemployment in one short month. As the Arab oil embargo continues unabated, we can expect such job losses to continue to mount.

Unemployment was expected to rise significantly above its 4.5 percent October 1973 level by most economists. It was variously estimated at increasing to 5.0 percent or even to 5.5 percent for the year. This would have meant an additional 450,000 to 900,000 unemployed in 1974. However, all the experts have now changed their projections to take the Arab oil embargo into account.

The revised unemployment forecasts, taking the Arab oil embargo into account, generally predict a 1974 unemployment rate of between 5.8 percent and 6.5 percent. In other words, the Wharton School, Development Resources, Chase Econometrics, and other highly respected economic "crystal ball" organizations now believe that the energy crisis will take away an additional 270,000 to 900,000 jobs.

The respected economist, Walter Heller, has recently estimated that some 600,000 workers will lose their jobs to the oil crisis in 1974. He feels that unemployment that otherwise would have topped out at about 5½ percent will go up over 6 percent and average nearly 6 percent for the year.

The administration's economists are still saying that they expect the 1974 rate to average just over 5.5 percent.

Herbert Stein, Chairman of the President's Council of Economic Advisers, has estimated that unemployment would increase 0.3 to 0.6 of a percentage point, or 270,000 to 540,000, as a result of the Arab oil embargo. Of course, this estimate was made in mid-December when hopes where high that an end to the fighting in the Middle-East would soon bring a resumption in oil shipments from Arab countries to the United States.

Other economists claim much larger unemployment will result from the energy crisis than the administration or the majority of forecasting organizations estimate.

Wassily Leontief, the Harvard economist who has received the Nobel Prize in economics for his input-output work, predicts a "10 percent reduction in the level of economic activty." His close associate, Anne P. Carter, recently told a Joint Economic Committee hearing that we could expect "a cut of at least 10 percent in employment," largely as a result of the energy crisis.

While there is no consensus as to the exact number of jobs that will be lost in 1974 as a result of the energy crisis, there is no doubt that it will cost American workers hundreds of thousands of jobs.

It is also apparent that the nature of this unemployment will be substantially different from that resulting from a general economic slowdown. More specifically, energy related layoffs will affect some industries very severely and others not at all. It will affect highly skilled and highly paid workers who are normally unaffected by recession layoffs. And it will hit some areas of the country much more severely than other areas.

The administration's recently announced response to this growing employment emergency has been woefully inadequate. They would provide $1 billion in additional unemployment compensation for the fiscal year beginning on July 1. While this will help workers make ends meet, if their areas of the country meet the administration's unemployment criteria, it will not provide a single new job. Nor will it help workers whose unemployment benefits run out before July 1. Further, it does not respond to the unique characteristics of energy-related unemployment.

Because of the extent of unemployment resulting from the energy crisis, and the unique nature of the unemployment that is and will take place, I believe a major new program is needed to provide jobs and assistance specifically to these affected workers.

I believe such a program is appropriate, since without it these workers will be forced to bear a very heavy and inequitable share of the burden imposed on our Nation by the energy crisis. It is undeniable that the prosperity of all Americans relies first and foremost on the maintenance of full employment. A concerted effort to get these workers and their skills fully and productively engaged in our economy is essential. Not only will such a program deal fairly with our workers, but it will also provide needed stimulus to an economy on the verge of a major recession.

The legislation that I am introducing today—the Energy Emergency Employment Act of 1974—is designed to meet the legitimate needs of the energy related unemployed as rapidly and equitably as possible with the lowest possible cost to the American taxpayer.

This bill has three substantive titles.

Title I sets up an "Energy Emergency Employment Board," chaired by the Secretary of Labor. The director of the Federal Energy Office would be on this Board, along with five public members—a labor representative, management representative, economist, manpower expert, and general public representative. The Board would draw primarily on the Federal bureaucracy for expertise, but would also have a small staff of its own.

The Board would:

Oversee the emergency employment program authorized in this bill;

Develop an "early warning system," by industry and geographic area, to anticipate major energy emergency related layoffs and see to it that programs are in place when needed;

Recommend to the President and Congress additional measures to cope with energy related unemployment problems;

Establish the detailed guidelines and criteria under which the programs proposed in this bill would operate; and

Report to Congress and the President, every 6 months, at least, their projections of energy-related underemployment and unemployment.

Title II would set up a public service employment program. This program would provide financial assistance to public service employers to provide jobs to the unemployed. Public service employers would apply to the Secretary of Labor to participate in this program.

Special consideration will be given in the provision of public service jobs to those unemployed as a result of the energy crisis.

Eighty percent of the funds appropriated pursuant to this bill shall be available to a State strictly on the basis of its share of total unemployment in the United States. The remaining 20 percent will be allocated to areas suffering from substantial unemployment as a result of the energy crisis.

This title would also authorize a special program of incentives to private employers to hire the energy related unemployed. The two major incentives are:

Reimbursement of training and recruitment costs for companies taking on those unemployed as a result of the energy crisis, and

A 15-percent Federal income tax credit on the first 12 months of wages paid by a private employer to a worker formerly unemployed as a result of the energy crisis. This credit would only be available for wages to persons certified as "energy related unemployed" by the State employment service under guidelines set by the Board, and only after such a worker was employed for 12 consecutive months.

Title III provides "economic adjustment assistance" to workers losing jobs because of the energy crisis, until they are able to find a new fulltime job.

"Economic adjustment assistance" under this title includes the following:

Readjustment assistance allowance;

Training and counseling help;

Relocation allowance; and

Health insurance benefits.

I believe that this comprehensive approach is needed.

It would assure an overall focus on energy-related unemployment and actions to reduce its impact on people and the economy.

It would provide limited financial assistance to help those thrown out of work by the energy crisis to protect themselves and their families from economic ruin, while also assisting the affected worker in quickly returning to the labor force.

It would give private industry an incentive to quickly employ those who have lost jobs, and at a cost to the taxpayer that would be substantially less than if only public service employment were available.

It would include a public service employment program to provide useful employment and reduce the need for extended periods of direct financial assistance to workers losing jobs as a result of the energy crisis.

Mr. President, I believe that legislation of the type I am offering today deserves the careful, but immediate, consideration of the Senate. Those who have already lost their jobs, and those thousands who will join them each day for months to come, need the help this legislation offers, and they need it now.

Mr. President, I ask unanimous consent that the full text of the Energy Emergency Employment Act of 1974 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3027

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Emergency Employment Act of 1974".

CONGRESSIONAL STATEMENT OF POLICY AND FINDINGS

SECTION 1. (a) Congress hereby finds and declares that—

(1) The scarcity and higher price of fuel and energy intensive products, called the "energy crisis," has resulted in the loss of employment for hundreds of thousands of workers.

(2) Those unfortunate workers have lost their jobs through no fault of their own and, in a period of rising unemployment and slackening national economic growth, will have great difficulty obtaining alternative employment without special help from their government.

(3) A program to help citizens who have lost jobs because of the "energy crisis" is appropriate, because without it these workers will be forced to bear a very heavy and inequitable share of the burden imposed on our nation as a result of the energy crisis.

(4) A strong national economy and the well-being of all Americans depends upon keeping the maximum possible number of our workers fully employed.

(5) The nature of unemployment and underemployment resulting from the energy crisis varies greatly. It is short-term and long-term; it affects the newest workers only, in some places, and entire plants in others; it affects some areas of the country and of a State greatly and others very little.

(b) It is the purpose of this Act to detect unemployment and underemployment as a result of the "energy crisis" as early as possible; to provide affected workers with assistance for the period of time they are underemployed or unemployed: to return affected workers to full time productive private or public employment as quickly as possible, and to provide areas with particularly heavy energy related joblessness special employment assistance.

TITLE I—ENERGY EMERGENCY EMPLOYMENT BOARD

SEC. 101. (a) There is hereby established within the Department of Labor an Energy Emergency Employment Board (hereafter referred to as the "Board"). It will consist of five private members appointed by the President by and with the advice and consent of the Senate as follows:

(1) One member shall be representative of labor.

(2) One member shall be representative of management.

(3) One member shall be a distinguished economist.

(4) One member shall be a distinguished manpower expert.

(5) One member shall be a representative of the general public.

(b) The Board will also include two "ex officio" members, as follows:

(1) The Director of the Federal Energy Office.

(2) The Secretary of Labor, who will also serve as Chairman.

(c) Not more than four members of the Board shall be members of the same political party.

(d) Each private member shall hold office for a term of two years, or until the energy employment emergency is determined to be ended by Congress. Each of the five private members shall serve full time.

(e) The Board shall meet at the call of the Chairman or at the call of the President and in no event less than once each month. A quorum shall consist of four members, but must include at least three private members.

(f) Members of the Board shall receive compensation at the rate prescribed for level IV of the Executive Schedule by section 5315 of title 5 of the United States Code.

(g) The Chairman, with the approval of the majority of the Board, is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out the Board's functions under this act, without regard to the provision of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized, subject to such provisions, to employ such other officers and employees as may be necessary for carrying out its functions under this Act and fix their compensation in accordance with the provisions of such chapter 51 and subchapter III of chapter 53.

(h) The President shall nominate the private members of the Board, for Senate approval, within 30 days from the date of enactment of this Act.

FUNCTIONS OF THE BOARD

SEC. 102. (a) The Board is authorized and directed to—

(1) oversee the implementation of the energy emergency employment programs authorized in this act,

(2) recommend to the relevant Executive agencies and to the Congress programs and policies that will return those persons rendered unemployed or underemployed, as a result of the energy emergency, to productive full-time employment as rapidly as possible,

(8) develop an early energy unemployment warning system, to be administered by the Department of Labor, that will assure a timely identification and adequate response to job losses arising from the energy emergency,

(4) undertake manpower planning projects to estimate long and short term energy emergency related employment trends, by sector, by industry, by geographical area, and by occupation,

(5) develop guidelines, standards, and criteria for the allocation and use of public funds under the emergency energy employment programs in the public and private sectors, provided for in this act,

(6) conduct independent evaluations of programs carried out under this act and publish and distribute the results thereof,

(7) make recommendations, including recommendations for changes in legislation, for the improvement of the administration and operation of programs authorized under this act,

(b) The Board shall make a semi-annual report to Congress and the President, and such other reports as it deems appropriate. This report shall include an evaluation of the effect of the programs authorized in this act in providing for the needs of those rendered unemployed or underemployed as a result of the energy emergency. The report shall include a projection of energy related unemployment during the next twelve month period and alternative employment opportunities that can be expected. It shall also include the Board's recommendations on further actions to be taken by Congress and/or the President to help reduce the unemployment impact of the energy emergency.

(c) For the purposes of this section, funds may be used from any of the sums appropriated to carry out the purposes of this Act.

TITLE II—ENERGY EMERGENCY EMPLOYMENT OPPORTUNITY PROGRAM

PART A—ENERGY EMERGENCY PUBLIC SERVICE EMPLOYMENT OPPORTUNITY PROGRAM

SEC. 201. (a) The Secretary of Labor (hereinafter referred to as the "Secretary") shall enter into arrangements with public service employers, in accordance with the provisions of this Act and the guidelines, standards and criteria established by the Board, in order to make financial assistance available for the purpose of providing employment opportunities, particularly for persons who are unemployed or underemployed as a result of the energy emergency, in jobs providing needed public services.

(b) Financial assistance shall be provided under this Act pursuant to applications submitted by eligible public service employers, which shall be—

(1) states;

(2) cities, counties, and other units of general local governments;

(3) local educational agencies and community colleges; and

(4) other public or private nonprofit agencies and institutions, and institutions of the Federal Government, which operate facilities and programs providing public services.

APPLICATION FOR ASSISTANCE

SEC. 202. (a) An application for financial assistance for the purpose of carrying out a public service employment program under this Act shall set forth a public service employment program, and related training and manpower services, designed to provide jobs in needed public services in such fields as environmental quality, energy conservation, health care, housing and neighborhood improvements, education, public safety, crime prevention and control, correctional and rehabilitation programs, recreation, maintenance of streets, parks, and other public facilities, rural development, transportation, beautification, conservation, and other fields of human betterment and public improvement.

(b) An application for financial assistance for a public service employment program under this Act shall include provisions setting forth—

(1) assurances that the activities and services for which assistance is sought under this Act will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services under such supervision;

(2) a description of the area to be served by such programs, the dimensions and nature of the unemployment problem, and a plan for effectively serving, on an equitable basis, the significant segments of the population to be served, including data indicating the number of potential eligible participants and their income and employment status;

(3) assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, but nothing contained in this paragraph shall be construed to preclude persons or programs for whom the foregoing goals are not feasible or appropriate;

(4) assurances that special consideration in filling public service jobs will be given to persons unemployed or underemployed as a result of the energy emergency, and persons who have served in the Armed Forces of the United States (and who have received other than dishonorable discharges) as determined in accordance with criteria established by the Secretary with the concurrence of the Administrator of Veterans Affairs; and that the applicant shall (A) make a special effort to acquaint such individuals with the program, and (B) coordinate efforts on behalf of such persons with those authorized by chapter 41 of title 38, United States Code (relating to job counseling and employment services for

veterans) or carried out by other public or private organizations or agencies;

(5) assurances that, to the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public or private sector;

(6) assurances that due consideration be given to persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available;

(7) a description of the methods to be used to recruit, select, and orient participants, including specific eligibility criteria, and programs to prepare the participants for their job responsibilities;

(8) a description of unmet public service needs and a statement of priorities among such needs;

(9) a description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired, and the approximate duration for which participants would be assigned to such jobs;

(10) the wages or salaries to be paid persons employed in public service jobs under this Act and a comparison with the wages paid for similar public occupations by the same employer;

(11) where appropriate, the education, training, and supportive services (including counseling and health care services) which complement the work performed;

(12) the planning for training of supervisory personnel in working with participants;

(13) a description of career opportunities and job advancement potentialities for participants;

(14) assurances that agencies and institutions to whom financial assistance will be made available under this Act will undertake analysis of job descriptions and a reevaluation of skill requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations promulgated by the Secretary in cooperation with the Board;

(15) assurances that the applicant will, where appropriate, maintain or provide linkages with upgrading and other manpower programs for the purpose of (A) providing those persons employed in public service jobs under this Act who want to pursue work with the employer, in the same or similar work, with opportunities to do so and to find permanent, upwardly mobile careers in that field, and (B) providing those persons so employed, who do not wish to pursue permanent careers in such field, with opportunities to seek, prepare for, and obtain work in other fields;

(16) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among persons currently unemployed or underemployed.

(17) assurances that the program will, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service requirements which restrict employment opportunities for the disadvantaged; and

(18) such other assurances, arrangements, and conditions, consistent with the provisions of this Act and the guidelines, standards and criteria established by the Board, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe in consultation with the Board.

APPROVAL OF APPLICATIONS

SEC. 203. (a) An application, or modification or amendment thereof, for financial assistance under this Act shall be approved if the Secretary determines that—

(1) the application meets the requirements set forth in this Act;

(2) an opportunity has been provided to officials of the appropirate units of general local government to submit comments with respect to the application to the applicant and to the Secretary; and/or

(3) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Secretary, whichever the Secretary deems appropriate.

ALLOCATION OF FUNDS

SEC. 204. (a) The amounts appropriated pursuant to this chapter for any fiscal year shall be allocated by the Secretary in such manner as prescribed by the Board. Of such appropriated amounts—

(1) 80 per centum shall be apportioned among the States in that proportion which the total number of persons underemployed or unemployed in each such State bears to such total number of such persons, respectively, in the United States, and

(2) the remainder shall be available to carry out a special Energy Emergency Area Employment Assistance Program.

(b) The amount apportioned to each State under clause (1) of subsection (a) shall be apportioned among areas within each such State in that proportion which the total number of persons unemployed or underemployed in each such area bears to such total number of such persons, respectively, in that State.

(c) The amount available under clause (2) of subsection (a) shall be available to enable the Secretary to enter into agreements with eligible applicants, as established in this Act, for the purpose of providing employment for unemployed and underemployed persons residing in areas of substantial energy related unemployment as defined by the Board.

(d) As soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Board shall publish in the Federal Register the apportionments required by subsections (a), (b), and (c) of this section.

SPECIAL PROVISIONS

SEC. 205. (a) The Secretary shall not provide financial assistance for any program or activity under this Act unless he determines, in accordance with such regulations as he shall prescribe in consultation with the Board, that—

(1) the program (A) will result in an increase in employment opportunities over those which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed, and (D) will not substitute public service jobs for existing federally assisted jobs;

(2) persons employed in public service jobs under this Act shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(3) all persons employed in public service jobs under this Act will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits at the same levels and to the same extent as other employees of the employer and to working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy;

(4) the provisions of section 2(a)(3) of Public Law 89–286 (relating to health and safety conditions) shall apply to such program or activity;

(5) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants; and

(6) every participant shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under any program for which an application is being developed for submission under this Act, such organization shall be notified and afforded a reasonable period of time in which to make comments to the applicant and to the Secretary.

(c) For programs which provide work and training related to physical improvements, special consideration shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

(d) The Secretary in consultation with the Board shall prescribe regulations to assure that programs under this Act have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

(e) The Secretary, operating within the guidelines, standards, and criteria established by the Board, may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments.

(f) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(g) The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

SEC. 206. There are authorized to be appropriated such funds as may be necessary to carry out the purposes of this chapter.

PART B—ENERGY EMERGENCY PRIVATE EMPLOYMENT OPPORTUNITY PROGRAM

SEC. 221. The Secretary, in accordance with the provisions of this Act and the guidelines, standards, and criteria established by the Board, shall develop and carry out a program of incentives to private industry to hire, and train if necessary, persons unemployed or underemployed as a result of the energy emergency.

SEC. 222. (a) The Secretary, directly and through grants or contracts with organizations of private employers, shall provide technical assistance and encouragement to private employers to hire as permanent employees, persons unemployed or underemployed as a result of the energy emergency.

(b) The Secretary, through contracts with private employers and/or organizations of private employers, shall offset the added costs of counseling, job training, transportation and other supportive services needed to assist persons unemployed or underemployed as a result of the energy emergency to become, in the shortest reasonable period of time, permanent employees of private employers.

(c) Any private employer that hires and retains the services of a person unemployed or underemployed as a result of the energy emergency shall be eligible to receive a 15 percent Federal Income Tax credit on the first twelve months of wages or salary paid to such an individual. No tax credit shall be provided until such individual has been employed for twelve consecutive months.

Sec. 223. (a) All private profit or not-for-profit companies, regardless of size, located in the United States, are eligible to participate in the programs outlined in this chapter.

(b) The Board shall develop and the Secretary shall implement additional incentive programs to achieve the purposes of this chapter, as soon as possible.

(c) Any person who is unemployed or underemployed, as a result of the energy emergency, shall be eligible to participate in all programs authorized in this chapter.

Sec. 224. (a) Payments to private employers, under this chapter, except for the tax credit provision in Section 222 (a), shall not exceed the difference between the costs of recruiting, training, and providing supportive services for persons unemployed as a result of the energy emergency and those regularly employed.

SPECIAL PROVISIONS

Sec. 225. Neither the Federal Income Tax credit provided in Sec. 222(c) nor the assistance provided in Sec. 222(b) shall be allowed for any program or activity under this Chapter, unless the Secretary determines, in accordance with such regulations as he shall prescribe that—

(1) the program (A) will result in an increase in employment opportunities over those which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed, and (D) will not substitute assisted private sector jobs for existing jobs;

(2) persons employed in private sector jobs under this chapter shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a) (1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar occupations by the same employer;

(3) all persons employed in private sector jobs under this Chapter will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits at the same levels and to the same extent as other employees of the employer and to working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy;

(4) the provisions of section 2(a)(3) of Public Law 89-286 (relating to health and safety conditions) shall apply to such program or activity;

(5) where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under any program under this Chapter of this Act, such organization shall be notified and afforded a reasonable period of time in which to make comments to the applicant and to the Secretary;

(6) that programs under this Chapter have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

Sec. 226. The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Chapter, as he may deem necessary to carry out the provisions of this Chapter, including necessary adjustments in payments on account of overpayments or underpayments.

Sec. 227. The Secretary shall not provide financial assistance for any program under this Chapter unless the grant, contract or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

Sec. 228. There are authorized to be appropriated such funds as may be necessary to carry out the objectives of this chapter.

TITLE III—ENERGY EMERGENCY EMPLOYMENT ASSISTANCE

Part A—Authority Applications

Sec. 301. (a) Any person unemployed or underemployed as a result of the energy emergency may file an application with the Secretary for one or more of the forms of economic adjustment assistance provided under this title.

(b) Economic adjustment assistance under this title consists of—

(1) readjustment allowances;
(2) training and counseling benefits;
(3) relocation allowances;
(4) health benefits.

(c) The Secretary shall determine pursuant to the guidelines, standards and criteria established by the Board and by this Act, whether an applicant is entitled to receive the economic adjustment assistance for which application is made and shall furnish such assistance if the applicant is so entitled. Such determination shall be made as soon as possible after the date on which application is filed but in any event not later than thirty days after such date.

Part B—Readjustment Allowances

Qualifying Requirements

Sec. 311. (a) Payment of a readjustment allowance shall be made to any adversely affected worker who applies for such allowance for any week of unemployment, subject to the requirements of subsections (b) and (c).

(b) Total or partial separation shall have occurred not more than one year prior to the date of the application for assistance under this title and as a result of the energy emergency.

(c) Such worker shall have had—

(1) in the one hundred and fifty-six weeks immediately preceding such total or partial separation, at least seventy-eight weeks of employment at wages of $15 or more a week, or

(2) in the fifty-two weeks immediately preceding such total or partial separation, at least twenty-six weeks of employment at average wages of $40 or more a week, or if data with respect to weeks of employment are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary.

WEEKLY AMOUNTS

Sec. 312. (a) Subject to the other provisions of this section, including section 312 (f), the readjustment allowance payable to a worker for a week of underemployment or unemployment resulting from the energy emergency shall be an amount equal to 80 per centum of his average weekly wage, reduced by 50 per centum of the amount of his remuneration for services performed during such week.

(b) Any worker who is entitled to readjustment allowances and who is undergoing training approved by the Secretary, including on-the-job training, shall receive for each week in which he is undergoing any such training, a readjustment allowance in an amount (computed for such week) equal to the amount computed under subsection (a) or (if greater) the amount of any weekly allowance for such training to which he would be entitled under any other Federal law for the training of workers, if he applied for such allowance. Such readjustment allowance shall be paid in lieu of any training allowance to which the worker would be entitled under such other Federal law.

(c) The amount of readjustment allowance payable to an adversely affected worker under subsection (a) or (b) for any week shall be reduced by any amount of unemployment insurance which he has received or is seeking with respect to such week; but, if the appropriate State or Federal agency finally determines that the worker was not entitled to unemployment insurance with respect to such week, the reduction shall not apply with respect to such week.

(d) The amount of readjustment allowance payable to an adversely affected worker under subsection (a) or (b) for any week shall be reduced by any amount of retirement annuity which he has received.

(e) If unemployment insurance, a retirement annuity, or a training allowance under any other Federal law, is paid to an adversely affected worker for any week of un-employment with respect to which he would be entitled (determined without regard to subsection (c)) to a readjustment allowance if he applied for such allowance, each such week shall be deducted from the total number of weeks of readjustment allowance otherwise payable to him under section 313 (a) when he applies for readjustment allowance and is determined to be entitled to such allowance. If the unemployment insurance or the training allowance paid to such worker for any week of unemployment is less than the amount of the readjustment allowance to which he would be entitled if he applied for such allowance, he shall receive, when he applies for a readjustment allowance and is determined to be entitled to such allowance, a readjustment allowance for such week equal to such difference.

(f) Whenever, with respect to any week of unemployment, the total amount payable to an adversely affected worker as remuneration for services performed during such week, as unemployment insurance, as severance pay, as a training allowance referred to in subsection (d), and as a readjustment allowance would exceed his average weekly wage, his readjustment allowance for such week shall be reduced by the amount of such excess.

TIME LIMITATIONS ON READJUSTMENT ALLOWANCES

Sec. 313. (a) Payment of readjustment allowances shall not be made to an adversely affected worker for more than twenty-six weeks, unless upon application to the Secretary for extension, that proof of a good faith effort to attain employment has been made, pursuant to criteria established by the Board, in which case one additional 26 week extension shall be allowed.

(b) A readjustment allowance shall not be paid for a week of unemployment beginning more than one year after the beginning of the appropriate week. The appropriate week for a totally separated worker is the week of his most recent total separation. The appropriate week for a partially separated worker is the week in respect of which he first receives a readjustment allowance following his most recent partial separation.

APPLICATION OF STATE LAWS

Sec. 314. Except where inconsistent with the provisions of this part and subject to such regulations as the Board may prescribe, the availability and disqualification provisions of the State law—

(1) under which an adversely affected worker is entitled to unemployment insurance (whether or not he has filed a claim for such insurance), or

(2) if he is not so entitled to unemployment insurance, of the State in which he was totally or partially separated, shall apply to any such worker who files a claim for readjustment allowances. The State law so determined with respect to a separation of a worker shall remain applicable, for purposes of the preceding sentence, with respect to such separation until such worker becomes entitled to unemployment insurance under another State law (whether or not he has filed a claim for such insurance).

Part C—Job Training and Counseling

Purpose: Applications

Sec. 321. (a) To assure that the readjustment of adversely affected workers shall occur as quickly and effectively as possible, with minimum reliance upon readjustment allowances under this title, every effort shall be made to prepare each such worker for full employment in accordance with his capabilities and prospective employment opportunities. To this end, and subject to this part, every adversely affected worker who applies for readjustment allowance under part B shall also apply for counseling, training, and placement assistance under this part. Any other adversely affected worker may apply for counseling, training, and placement assistance under this part. Each such applicant shall be furnished such counseling, training, and placement services as the Secretary determines to be appropriate.

(b) Insofar as possible, the Secretary shall provide assistance under subsection (a) through existing programs established by law. To the extent that assistance cannot be provided through any existing program, the Secretary, in cooperation with the Board, is authorized to furnish such assistance through programs established at the direction of the Board by the Secretary to provide job skills to persons unemployed and underemployed as a result of the energy emergency, including programs carried out through private nonprofit institutions and organizations.

(c) To the extent practicable, before adversely affected workers are furnished training, the Secretary shall consult with local governmental agencies, State agencies, unions, and private business organizations to develop a worker retraining plan which provides for training such workers to meet the area's manpower needs. A worker retraining program shall, as far as practicable, include a list of jobs which will be available to the workers at the conclusion of the training program.

(d) To facilitate the provisions of this part, the Secretary may require that businesses in labor markets with severe unemployment and underemployment resulting from the energy emergency, as defined by the Board, report all job vacancies to the local employment service.

PAYMENTS RELATED TO TRAINING

Sec. 322. An adversely affected worker receiving training under section 321 shall be paid a travel allowance and a subsistence allowance, necessary to defray transportation expenses and subsistence expenses for separate maintenance, when the training is provided in facilities which are not within commuting distance of his regular place of residence. The Board shall, by regulations, prescribe the amount of such allowances for various areas of the United States.

Part D—Relocation Allowances

RELOCATION ALLOWANCES AFFORDED

Sec. 331. Any adversely affected worker may file an application for a relocation allowance, subject to the terms and conditions of this part.

QUALIFYING REQUIREMENTS

Sec. 332. (a) A relocation allowance may be granted only to assist an adversely affected worker in relocating within the United States and only if the Secretary determines that such worker—

(1) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which he wishes to relocate, or

(2) has obtained a bona fide offer of such employment.

(b) A relocation allowance shall not be granted to such worker unless—

(1) for the week in which the application for such allowance is filed, he is entitled (determined without regard to sections 312 (c) and (e)) to a readjustment allowance or would be so entitled (determined without regard to whether he filed application therefor) but for the fact that he has obtained the emplyoment referred to in subsection (a) (1); and

(2) such relocation occurs within a reasonable period after the filing of such application or (in the case of a worker who is being provided training under part C) within a reasonable period after the conclusion of such training.

RELOCATION ALLOWANCE DEFINED

Sec. 333. For purposes of this part, the term "relocation allowance" means—

(1) the reasonable and necessary expenses, as specified in regulations prescribed by the Board incurred in transporting a worker and his family and their household effects; and

(2) such allowance shall be comparable to the relocation allowance provided government employees of similar experience.

Part E—Health Benefits

Program Authorized

Sec. 341. (a) Notwithstanding any other provision of law, the Secretary shall, in accordance with the provisions of this Title, make whatever arrangements are necessary for the continuation of health benefits, or for obtaining similar health benefits, on such terms and conditions as he deems necessary for adversely affected workers after the date of separation.

(b) In any such arrangement, provisions shall be made to insure that—

(1) a contribution by an adversely affected worker who has not obtained new employment shall not exceed 25 per centum of the cost of such benefits; and

(2) such benefits so far as practicable, will be equivalent to the health benefits to which an adversely affected worker was entitled to receive prior to his separation.

(c) Any arrangement entered into under this Title shall provide for health benefits to any adversely affected worker solely for the period during which the adversely affected worker is receiving a readjustment assistance allowance.

APPROPRIATIONS AUTHORIZED

Sec. 342. There are authorized to be appropriated such funds as may be necessary to carry out the provisions of this Title.

TITLE IV—DEFINITIONS

Sec. 401. As used in this Act—

(a) "adversely affected worker" means an individual who has been totally or partially separated from employment as a result of the energy emergency.

(b) "average weekly wage" means one-thirteenth of the total wages paid to an individual in the high quarter; for purposes of this computation, the high quarter shall be that quarter in which the individual's total wages were highest among the first four of the last five completed calendar quarters immediately before the quarter in which occurs the week with respect to which the computation is made, such week shall be the week in which total separation occurred, or, in cases where partial separation is claimed, an appropriate week, as defined in regulations prescribed by the Secretary in consultation with the Board;

(c) "partial separation" or "underemployed," for purposes of Title III of this Act, means with respect to an individual who has not been totally separated, that he has had his hours of work reduced to 85 per centum or less of his average weekly hours and his wages reduced to 85 per centum or less of his average weekly wage as a result of the energy emergency;

(d) "total separation" or "unemployed" for purposes of Title III of this Act, means the layoff or severance of an individual from employment as a result of the energy emergency;

(e) "remuneration" means wages and met earnings derived from services performed as a self-employed individual;

(f) "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

(g) "State Law" means the unemployment insurance law of the State approved by the Secretary under section 3304 of the Internal Revenue Code of 1954;

(h) "unemployment insurance" means the unemployment insurance payable to an individual under any State law or Federal unemployment insurance law, including title XV of the Social Security Act and the Railroad Unemployment Insurance Act;

(i) "week" means a week as defined in the applicable State law; and

(j) "week of unemployment" means with respect to an individual any week for which his remuneration for services performed during such week is less than 75 per centum of his average weekly wage and in which, because of lack of work—

(1) if he has been totally separated, he worked less than the full-time week (excluding overtime) in his current occupation, or

(2) if he has been partially separated, he worked 75 per centum or less of his average weekly hours.

(k) "public service" includes, but is not limited to, work in such fields as environmental quality, health care, energy conservation, housing and neighborhood improvements, education, public safety, crime prevention and control, correctional and rehabilitation programs, transportation, recreation, maintenance of parks, streets, and other public facilities, rural development, conservation, beautification, and other fields of human betterment and community improvement;

(l) "unemployed or underemployed person," for purposes of Title II of this Act, means—

(1) persons who are without jobs and who want and are available for work;

(2) persons who are without full-time jobs, normally of approximately 40 hours of work per week, and who want and are available for work; and

(3) adults who or whose families receive money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act (1) who are determined by the Secretary, in consultation with the Secretary of Health, Education, and Welfare, to be available for work, and (2) who are either (i) persons without jobs, or (ii) persons working in jobs providing insufficient income to enable such persons and their families to be self-supporting without welfare assistance; and the determination of whether persons are without jobs or under-employed shall be made in accordance with the criteria

used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed or underemployed.

(m) "unemployed or underemployed as a result of the energy emergency" shall be determined for each applicant for participation under this Act by the Employment Service of his State based on criteria and standards established by the Board.

By Mr. HASKELL (for himself, Mr. Abourezk. Mr. Moss, Mr. Hughes, and Mr. Fannin):

S. 3028. A bill to establish a comprehensive system for regulation of weather modification activities, and for other purposes. Referred to the Committee on Commerce.

WEATHER MODIFICATION REGULATION ACT OF 1974

Mr. HASKELL. Mr. President, it gives me great pleasure to introduce for myself, Mr. Abourezk, Mr. Moss, Mr. Hughes, and Mr. Fannin S. 3028, a bill to be known as the "Weather Modification Act of 1974." This bill is aimed at creating order from the chaos which now surrounds the subject of weather modification.

An important part of this bill is the section which, if enacted, would institute a comprehensive data-gathering system to assist in the administration and supervision of weather modification. No such system now exists. Neither Colorado nor any other State can readily determine where weather modification activities are taking place in other States. The Federal Government cannot precisely determine the extent of such activities or determine which of these activities affect the weather in contiguous States.

If a little information is dangerous, no information can be disastrous.

Let me paint a scene for my colleagues. Suppose two adjoining States were buttressed against a range of mountains, one on the east, one on the west of those mountains. The flow of moist air up the range from the west leads to the creation of rain and snow. This natural phenomenon causes valuable moisture to fall on the west face of the range, to the benefit of the State on that side of the mountain.

Were interests downstream of this watershed to decide to drain via weather modification techniques whatever residual moisture was left from the air as it passed over into adjoining State to the east, no Federal system would exist to monitor or report such activities immediately. Farmers and cities in the adjacent eastern State would be left to vaguely surmise the cause of their drought. The dichotomy of bounty adjacent to drought would be extenuated without a systematic determination of cause.

Within Colorado, much controversy has been caused by similar events, that is similar in effect, if not in topography.

The historical San Luis Valley in southcentral Colorado has experienced a reoccurring phenomenon. Moist air has since time immemorial distributed rainfall throughout the valley. Man has recently intervened, attempting to coax an uneven distribution. Farmers on one side of the valley are experiencing increased rainfall; farmers on the other side are complaining of decreased rainfall.

Whether the cause of the situation is natural or induced has not been determined. More basic to that question is the need to determine precisely what has taken place.

This vignette is one which blends into similar experiences in other States. The establishment of a monitoring system would be instrumental in providing the needed first step toward control knowledge of what activities are taking place at any given time.

Mr. President, I have mentioned only one provision of this bill and its underlying need. Each of the other provisions lends itself to similar discourse. Without burdening my fellow Members further, I would offer for introduction, if no objection is heard, a summary of this bill's provisions. The gentlemen present or those engaged in other important business are urged to study this bill. It is a bill which is not oriented to today's crises, but to those we may experience tomorrow. Hopefully, no crisis will occur, assuming insightful action by the Senate on this bill.

There being no objection, the bill was ordered to be printed in the Record as follows:

S. 3028

A bill to establish a comprehensive system for regulation of weather modification activities and for other purposes:

Establishes a requirement for federal permits to engage in commercial weather modification. Stipulates a federal permit cannot be issued unless permittee obtains a state license first. (Effect would be to deny federal permit in states having no licensing procedure or in case where state denies license to a specfic project.)

Establishes stiff requirements for education, experience and knowledge to help make certain permittee is capable within reason of adhering to stipulations of permit. Authorizes bond of up to $1 million on a commercial permittee, depending upon scope of project, again to ensure compliance with terms of permit.

Requires daily reporting on modification efforts and results from both commercial and experimental modification projects.

Establishes fines of up to $100,000 per day for operations outside scope of permit.

Requires military to clear requests from foreign countries before such modifications are carried out. (Clearance with State Department.)

Establishes register of competent modifiers for use of foreign countries who wish to retain firms for weather activity. Prohibits modifier from getting U.S. permit for period of 10 years if he modifies in a foreign country without being on register.

Encourages President to develop international agreements and controls on weather modification.

Establishes computerized system in Department of Commerce for collecting and analyzing natural meteorological and weather modification data.

By Mr. HELMS (for himself, Mr. Bennett, Mr. Bartlett, Mr. Buckley, Mr. Beall, Mr. Brock, Mr. Curtis, Mr. Dole, Mr. Dominick, Mr. Fannin, Mr. Gurney, Mr. Hansen, Mr. Hatfield, Mr. Hruska, Mr. Javits, Mr. McIntyre, Mr. Packwood, Mr. Schweiker, Mr. Thurmond, and Mr. Weicker):

S.J. Res. 188. A joint resolution to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States. Referred to the Committee on the Judiciary.

Mr. HELMS. Mr. President, on behalf of myself and other Senators, I introduce a joint resolution to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States. Yesterday I spoke briefly on this joint resolution. I ask unanimous consent to have the joint resolution printed at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S.J. Res. 188

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and directed to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States of America.

Mr. HELMS. Mr. President, as I pointed out on the floor yesterday, the exiling of Aleksandr I. Solzhenitsyn has appealed to the conscience of the world. Because of his courage in opposing the system of terror and in opposing the distortion of human society caused by the necessity of constant falsehoods to hide the truth, he is forcing the world to reexamine its relationships with the Soviet Union and its leaders. Like it or not, he is making us look at such dealings in the light of whether they contribute to détente or to the illusion of détente.

It is for this reason, as I indicated in my remarks yesterday, that I am today offering a resolution authorizing and directing the President of the United States to proclaim Solzhenitsyn an honorary citizen of the United States. I will not repeat what I said yesterday, for it may be found in the Record at page S. 1656.

It is important that we act on this proposal as soon as possible. We must highlight Solzhenitsyn's actions, and show that we are taking official action on his behalf. Although my resolution implies no legal obligation on either side, and does not require that he accept or reject it, swift passage will demonstrate that the United States is concerned, and will not stand by to see either him or his family harmed.

We must not forget that the last notable exile officially expelled from the Soviet Union was Leon Trotsky, and that he was assassinated when he began publishing his writings.

Mr. President, there have been several notable articles published yesterday and today about the Solzhenitsyn story. Prominent among these is the perceptive column by George Will, printed in this morning's Washington Post, and the lead article which appeared in Time, U.S. News & World Report, and Newsweek.

Mr. President, I ask unanimous consent that these articles be printed in the Record at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

SAND IN THE GEARS OF THE MACHINE

(By George F. Will)

Comparison between famous faces often reveal more than words can about the history of nations.

Compare a portrait of Jefferson—untroubled, rational, confidently in possession of "self-evident truths"—and a photograph of Lincoln, etched with ambiguity. You see the difference between the innocent Republic and the torn Union.

The face of Thomas Mann—wise and ironic—was a vivid contrast to the obsessed mask of Adolph Hilter from whom Mann had to flee.

The face of Lenin was the strangely featureless, hard-eyed face of the ideologue, the archetype for our century's men of action. Compare it to the face of the man who has confounded Lenin's heirs, the magnificent, sad, wise but unweary face of Alexander Solzhenitsyn.

When Thomas Mann, the greatest novelist of his time, stepped off the ship into exile, he was a vivid symbol of the German national culture that the Nazi had to destroy. When Alexander Solyhenitsyn, the greatest novelist since Mann, arrived in Germany a few days ago, he was a perfect symbol of the rich Russian culture that is the enduring threat to the Soviet government.

The Soviet regime, today as always, like Hermann Goering reaches for a revolver when it hears the word culture. It is the nature of totalitarian regimes to wage unremitting war against the cultural heritage of the nations they capture.

All such regimes assume that human beings are infinitely malleable. The regimes seek to impose total control over the citizens in order to mold the "new Aryan race" or the "new Soviet man." And a nation's culture—the values and visions of the enduring society—is an obstacle.

Thus it is wildly exhilarating to see a solitary representative of Russian culture—a man of words surrounded by men of vicious actions—serving as sand in the gears of the totalitarian machine.

Solzhenitsyn is guilty of what the Soviet regime accused him of, but not in the sense that Leonid Brezhnev and his associates meant the accusation. They accused him of "actions incompatible with being a Soviet citizen." As a carrier of Russian culture, Solzhenitsyn is a carrier of an anti-Soviet disease, and the crude men in the Kremlin are not too dim understand that.

Simply by embodying the tradition of European humanism, Solzhenitsyn is subversive of a regime that depends for its long-term survival on the achievement of its long-term goal—the eradication of all ideas not licensed by the state.

The most appalling aspect of the Solzhenitsyn drama is not the behavior of the Soviet leadership, which has been about what you would expect from dumb and frightened bullies. But what excuse is there for the behavior of the United States government?

It is pathetically obvious that Secretary of State Henry Kissinger is not very interested in Solzhenitsyn's plight. Like Brezhnev, Kissinger's strongest feeling is a morose longing for Solzhenitsyn to just go away. After all, Solzhenitsyn is a living reproach to the Soviet regime.

Kissinger believes that a revived anti-Communist impulse in America would be fatal to detente, as he envisions it. And he is right. Detente, as he envisions it, assumes that the Soviet regime is mellowing and that detente will make it mellow further.

The keynote of this detente is trade, with the U.S. using cheap, long-term loans to subsidize the Soviet economy. Kissinger's only hope had been to sneak this subsidy program past the American people when they were asleep. But now they are gloriously awake, aroused by the Solzhenitsyn drama. Anti-communism is becoming respectable again. For the time-being, Kissinger's plan for detente is dead.

Unfortunately, time may be on Kissinger's side. There are not enough Solzhenitsyns to keep the western public galvanized. Were he not a vivid symbol to the outside world, he would have perished quietly like the millions of faceless victims still being fed into the maw of the Soviet terror system.

Because Solzhenitsyn is famous, Mr. Brezhnev deemed it prudent to deport him rather than shoot him. But the gnawing question remains: What can free nations do for the anonymous millions in the Soviet Union who have no hold on the sympathy of the Western public?

That question is not of much interset to the current administration's architects of detente. But if the continuing drama of the Soviet dissidents can hold the attention of the American people, perhaps the next administration will be different.

THE EXILE: A TALE OF REPRESSION

Each of us is a center of creation, and the universe is shattered when they hiss at you: "You are under arrest."—Aleksandr Solzhenitsyn

Solzhenitsyn knew what to expect. Two months ago, on the very day that his latest book, "The Gulag Archipelago 1918–1956," was published in the West, Russia's Nobel Prize-winning novelist packed a small black overnight bag—and settled down to wait for the knock at his door. Last week it came. Outraged at Solzhenitsyn's searing indictment of Russia's rule by repression, the Politburo had him charged with treason and banished him from the Soviet Union forever—a punishment one of his own fictional characters had once described as "spiritual castration."

Only once before in its entire history had the Soviet Union taken such a drastic step—that was back in 1929 when Stalin threw his rival, Leon Trotsky, out of the country. The reverberations from Solzhenitsyn's expulsion were felt from Red Square to Pennsylvania Avenue. In the Soviet Union itself, the decimated ranks of the dissident movement found themselves virtually leaderless and fearful of being wiped out altogether. Throughout Europe, there was a wave of revulsion at Soviet behavior, and offers of asylum showered down upon Solzhenitsyn in his temporary exiles in West Germany and Switzerland. But nowhere did the Solzhenitsyn affair stir a greater storm of protest than in the U.S. Democrats and Republicans in the Congress condemned the Kremlin and predicted that this harsh new display of Soviet repression would set back the already somewhat frayed cause of U.S.-Soviet cooperation. And there was even talk that the loss of Congressional support for détente—one of the last standing pillars of Richard Nixon's Watergate-weakened Administration—might ultimately help his opponents bring the President down.

A DISCREET SILENCE

No one was more keenly aware of the stakes involved than Mr. Nixon, and throughout the week he maintained a discreet silence on the Solzhenitsyn affair. But while the White House showed no inclination to step into the Soviet domestic scene on Solzhenitsyn's behalf, Secretary of State Henry Kissinger declared firmly that despite the legitimate repugnance felt by many Americans, détente—as a policy designed to avert the horror of nuclear war—was too important to be scuttled. "We don't look good either to the public or to Congress," conceded one put-upon White House staffer last week. "But Henry has drawn a sophisticated line between moral repugnance and the requirements of a realistic foreign policy, and I think we did the best we could with it." Kissinger's argument was helped by the Kremlin's politically astute decision not to martyr Solzhenitsyn by putting him in jail or on trial, and by Moscow's offer to let the writer's wife and three children leave the country to join him—with Solzhenitsyn's books and research materials.

What made the situation so delicate for all concerned was the fact that Aleksandr Solzhenitsyn was more than just another Soviet dissident. At the age of 55, he is a towering literary figure with a worldwide reading public numbering in the millions. And over the last few years, as his struggle with the authorities in the Kremlin has come to the attention of the outside world, he has increasingly been seen as the personification of a humanistic tradition with deep roots in Western culture. This tradition is not particularly dead to the Kremlin, and after the publication of "The Gulag Archipelago," Soviet propagandists mounted a vitriolic campaign against him. When that failed to silence him or, as it was apparently hoped, force him to leave the country on his own, state prosecutors twice summoned him for interrogation—and he twice refused to accept their summonses. With that, the Politburo went ahead and booted him out.

A NONPERSON

Late one afternoon last week, just as dusk was settling over Moscow, two Volga police cars, one yellow and one black, drew up to the curb outside a buff-colored building at No. 12 Kozitsky Lane. Solzhenitsyn's two oldest children, Yermolai, 3, and Ignat, sixteen months, were playing outside in the grimy snow as seven men, five in uniform, two in plainclothes, jumped out of the cars and hurried up the stairs to Apartment 169. There Solzhenitsyn, officially a non-person banned by law from living in Moscow for more than three days at a time, stayed every now and then with his wife, Natalya Svetlova, 34, their children, and her mother. One of the plainclothes men rang the bell, Natalya opened the 11-foot-high door to the apartment and peered out, leaving the chain on the latch. "How many of you are there?" she asked. "Only two," said one of the raiders. "We want to see your husband."

Natalya summoned Solzhenitsyn from his study, but suddenly, when the couple opened the door a second time, the entire raiding party burst into the apartment, a homely pad littered with teddy bears, children's rubber balls, and stacks of books, letters and papers. The police arrested Solzhenitsyn on the spot, warned him that they would take him by force if he resisted, and told him to pack his things. He picked up the black overnight bag that had been waiting since late December, donned an ancient sheepskin coat he had worn while in exile twenty years earlier, clapped on his fur hat, and kissed Natalya and his son Stepan good-by. "What's all the fuss?" snapped one of the plain-clothes men. "You'll soon be back."

Solzhenitsyn had heard that one before. The soft-pedaled arrest was one of the more chilling leitmotivs of his own life and literary works, and he had vowed never to cooperate with captors again. But he surrendered without resisting. "There were seven of them," Natalya shrugged later. "What could he do? He had to submit." He was taken to Lefortovo Prison across town, stripped of his clothes and belongings, searched from head to foot and told that he was being charged with treason—a crime that carries a sentence ranging from ten years at hard labor to death. Solzhenitsyn received the ominous news with stony silence. He refused to respond to the charges—or even to eat—during his ordeal. The next morning a state apparatchik read him a chilling decree from the Supreme Soviet: he had been stripped of his citizenship ("for systematically, performing actions that are incompatible with being a citizen of the U.S.S.R.") and was to be expelled from the country.

The decision caught many people by surprise, but it caused no little relief around Washington. "It was certainly better than having him shot," one White House aide noted dryly. Soviet police gave their prisoner a set of jailbird civies, kept his belongings and dispatched him off to exile in the first-class section of an Aeroflot jetliner. But as a final cruelty, they didn't tell him where he was going. Two and a half hours out of Moscow the plane landed, Solzhenitsyn peered out the window and saw a sign by the runway that said "Frankfurt-am-Main." The drop-off had been arranged in a hectic morning of negotiations between the Soviet Union and West Germany. A bit dazed, Solzhenitsyn stepped off the plane and into exile. A German stewardess offered him a single red rose, and he began his exile by bowing to her, smiling and kissing her hand.

A NIGHT'S REST

German officials plunked him into a black Mercedes limousine and sped him off to the stone farmhouse of his friend and fellow Nobel laureate, novelist Heinrich Böll. There, after a night's rest, the new exile woke to a cacophony of cackling geese, barking dogs, squawking police radios and the squabbling of dozens of newsmen whose requests for interviews Solzhenitsyn firmly declined. "For me," he said, "it is too great an upheaval in my life to get involved with talk." Then he was joined by his Swiss lawyer and literary agent, Fritz Heeb, who swept him down to Zurich, where his Nobel Prize money and book royalties have been gathering dust—and interest (some reports said Solzhenitsyn was worth as much as $6 million). "Money," conceded Heeb cheerfully, "is no problem at all."

Solzhenitsyn wound up with no shortage of friends either. Sweden's Prime Minister Olof Palme and Britain's Prime Minister Edward Heath joined West German's Willy Brandt in offering to take the writer in. In Washington, Kissinger said that Solzhenitsyn "would certainly be welcome to reside in the United States if he desires," and a handful of politicians said they would introduce bills in the Congress granting him honorary citizenship. But the reaction to his banishment was oddly muted, and the Kremlin seemed confident that its outcast would soon fade from the front pages. Some even said Moscow had planned it all that way. "The Soviets are betting he will be a 90-day wonder," said one Kremlinologist in Washington, shrugging. "I'm not so sure they're wrong."

The Soviet decision to expel Solzhenitsyn may yet backfire. In the U.S., it drew an angry attack from Sen. Henry Jackson, a foe of relaxing restrictions on U.S.-Soviet trade unless the Russians agree to ease their rigid emigration policy. "The action of the Soviet authorities against a brave and decent man threatens Solzhenitsyn," Jackson said, "but more than that, it underscores the question of whether the Soviet Union wants a genuine détente." And any chance of liberalizing the ground rules for trade with the Soviet Union in the current session of Congress appeared doomed to failure, which would dash a promise Mr. Nixon made during the Moscow summit of 1972.

The Administration also found itself fighting a brisk brush fire over Solzhenitsyn on its own right flank. New York's conservative Sen. James L. Buckley accused Kissinger of an unacceptable attempt to separate the moral content of détente from pragmatic considerations. He called on the President to cancel his upcoming visit to the Soviet Union scheduled next June. Other voices on the right agreed with Buckley, and Mr. Nixon found himself scrambling to prevent an open break with the right wing of the GOP. With impeachment proceedings a constant threat, the President could ill afford this new danger to his waning base of support in Congress.

As for Solzhenitsyn himself, there was no question that his banishment was particularly cruel punishment. Solzhenitsyn, like many Russian writers of the past, has a deep feeling for his country. In 1970 he declined to go to Stockholm to pick up his Nobel Prize, fearing that Soviet officials would not let him return. "Exile," noted Böll last week after talking to Solzhenitsyn, "is the worst thing that can happen to a writer." As it happens, there is a long Russian tradition of the dissident exile stretching back into czarist times: Alexander Herzen, Mikhail Bakunin and Lenin himself all managed to fan the fires of change from abroad.

A NEW VANTAGE POINT

The key question was how Solzhenitsyn would fare both as a writer and as a critic of the Soviet regime from his new vantage point of enforced exile in the West. For the moment, his first concern was to find a permanent place to live, perhaps in a Scandinavian country, so that his wife and children can join him. Until they are reunited, he intends to remain silent on the great issues that have tormented his conscience for more than 30 years. But nothing will still Solzhenitsyn's voice for long. He has already squirreled away the last five of the seven parts in "The Gulag Archipelago," and probably has other unpublished works ready for print as well. In the coming years, Solzhenitsyn can be counted on to hurl them one by one at his persecutors.

Soviet Heretics: Other Voices, Other Dooms

Only two Soviet citizens have ever been forcibly exiled abroad—Leon Trotsky and Solzhenitsyn. For most dissidents, there are other penalties.

Andrei Sinyavsky: Convicted of slandering the state in manuscripts smuggled to the West, literary critic Sinyavsky spent five years at hard labor. He was released in 1971 and allowed to emigrate. Today, at 48, Sinyavsky teaches Russian literature at the Sorbonne in Paris.

Pyotr Yakir: Stalin executed his father—a distinguished general—and condemned him to a boyhood in prison camps. As a result, Yakir became an outspoken critic of the regime. Arrested in 1973, the 50-year-old historian recanted. He was banished from Moscow.

Yuri Galanskov: For editing an underground literary journal, Galanskov received seven years at hard labor. Chronically ill with ulcers, the 33-year-old poet collapsed in 1972. He died during surgery at a prison camp.

Gen. Pyotr Grigorenko: For years, he had been a regular at Soviet civil-liberties demonstrations. In May 1969, police arrested Grigorenko, a World War II hero, for trying to attend a dissident trial. Grigorenko, 66, has been in insane asylums ever since.

Larisa Bogoraz: Philologist Bogoraz, 44, demonstrated quietly in Red Square against the 1968 Soviet-led invasion of Czechoslovakia. She served three years in Siberia at hard labor and is now free.

Andrei Amalrik: In the book "Will the Soviet Union Survive Until 1984?" historian Amalrik, 35, predicted a bleak future for his nation. He was sentenced to three years, then a further term for defaming the state during custody. He is in exile.

Valery Chalidze: Though he is a physicist by training, 35-year-old Chalidze became an expert on Soviet law by working in the dissident movement. Moscow granted Chalidze a travel visa in 1972—and revoked his citizenship when he reached the U.S. He is now writing in New York.

Zhores Medvedev: When geneticist Medvedev protested restrictions on scientific exchanges with the West, officials dispatched him to an asylum. Released after a storm of protest, he traveled to England for research. Moscow canceled the 48-year-old Medvedev's citizenship.

Détente: End of Illusions

Only last summer, Leonid Brezhnev was the toast of San Clemente—gamboling on the lawn of President Nixon's seaside estate, bear-hugging movie stars and reveling in verbal bouquets about a new era of U.S.-Soviet relations. Last week, that same Leonid Brezhnev, in a gesture rich in contempt for the opinion of Americans and most of mankind, expelled from his homeland Russia's most distinguished author. Both in style and in substance, the contrast was stunning. And inevitably, the forced exile of Aleksandr Solzhenitsyn sparked fresh debate in the U.S. over the wisdom and morality of pursuing a policy of détente with the Soviets.

As in all such discussions about the Soviet Union, it was hard to separate fact from feeling. Many Americans have never felt altogether comfortable cooperating with a regime whose values and goals are so different from those of their own society. Others, recognizing that Washington does not need to approve of a foreign nation to do business with it, nonetheless seriously wonder whether the Soviet leaders can be trusted. And even those pragmatists who believe that détente with the men in the Kremlin is vitally necessary if the world is to avoid nuclear destruction realize that America faces a major dilemma. As Henry Kissinger, the chief architect of U.S. policy toward the Soviet Union, once observed: "When domestic structures—and the concept of legitimacy on which they are based—differ widely, statesmen can still meet, but their ability to persuade has been reduced for they no longer speak the same language."

TALLY SHEET

As it happens, Solzhenitsyn's exile has spurred the American public and Congress to second thoughts about détente at precisely the moment when the tally sheet of recent U.S.-Soviet relations is being subjected to some close and hard scrutiny. According to both Mr. Nixon and Kissinger, the purpose of détente was to weave a fabric of interrelationships that would bind each nation's self-interest to that of the other and thus thaw out the cold war for good. Yet despite an impressive array of accords on everything from cancer research to seabed exploration, that goal has, at best, been only partly achieved.

For one thing, the U.S. and Russia still find themselves at loggerheads on a whole series of vital issues. In the area of strategic weaponry, the Soviets in recent months have made such dramatic strides with their MIRV's (missile with multiple warheads that are independently targetable) that this now threatens to undermine the 1972 strategic-arms limitation (SALT) accord. At the SALT bargaining that resumes this week in Geneva, Soviet negotiators can be expected to insist on maintaining a numerical lead in offensive missiles—as opposed to warheads—and they are also using current talks on East-West force reductions in Europe to ensure a continuing military advantage on the Continent. In addition, some U.S. officials are disappointed that Moscow failed to warn Washington last autumn of the impending Arab attack on Israel, in view of the recent bilateral agreement calling for consultations to damp down potential crises. And in recent weeks, the Communists have shown signs of going back on their 1971 guarantees of Western access to West Berlin.

At the same time, some critics fear that détente has benefited the Soviet economy at U.S. expense. Backward Soviet industry has already acquired a sizable infusion of American technological know-how. Two years ago, faced with a poor wheat crop, the Russians cleverly bartered for U.S. grain at bargain prices—a total of $800 million—leaving Americans short of wheat. Moscow is also boosting its prestige by joining in some highly touted cooperative ventures that depend primarily on American technology. For the joint space link-up scheduled to take place in 1975, for example, U.S. technical input is so far superior to that of the Soviet Union that at the Houston space center the project is called "the great wheat deal in the sky."

THE POSITIVE SIDE

Still, the achievements of détente are real and far from negligible. U.S.-Soviet trade has increased sevenfold since 1971—with results evident on the profit sheets of U.S. business corporations. Far more important, Secretary Kissinger can rightly cite his bargaining with Moscow as one of the factors that enabled the U.S. to end its bitter Vietnam venture. Without the new level of U.S.-Soviet dialogue that Kissinger developed, the Mideast war might easily have escalated to a real great-power confrontation. And on a range of issues from Berlin to Jerusalem, the two superpowers are barraging each other with telegrams and notes rather than with military maneuvers.

As for the painful moral questions posed by relations with a regime that dispatches its dissenters to insane asylums, labor camps or exile, Kissinger is clear about his priorities. "The necessity for détente," he told a press conference last week in the wake of Solzhenitsyn's departure from Russia, "does not reflect approbation of the Soviet domestic structure. The necessity of détente is produced by the unacceptability of general nuclear war under present conditions."

It can also be argued that the recent easing of Soviet-American tensions—and an increasing Soviet sensitivity to Western criticism that appears to be developing along with it—played a crucial role in the Kremlin's decision to ship Solzhenitsyn abroad rather than try him for treason. In fact, Soviet sources last week openly hinted that Washington was very much on the Kremlin's mind when the novelist's fate was decided. "Solzhenitsyn could have been put on trial," one Soviet source told NEWSWEEK's Jay Axelbank in Moscow. "But we didn't want people picketing the White House with signs saying 'Nixon, Don't Go to Russia'."

To count Solzhenitsyn's exile as a small triumph for détente while Russia's other dissidents remain in prison might seem a curious way of gauging Soviet progress. Yet that is precisely the measure that some Soviet dissidents themselves would use. These Russian dissenters argue that changes in Russia can only come about as a result of a slow evolution—and that evolution will be enhanced by closer relations with the West. "Détente will promote the broadening of democratic rights and freedoms in our country," dissident Soviet historian Roy Medvedev recently wrote. The Nixon Administration agrees. "In the long run," Deputy Secretary of State Kenneth Rush asserted last week, "greater trade and closer economic relations with the Soviets will be a far more effective liberalizing influence than continued isolation and lack of contact."

Unhappily, most Western Kremlinologists doubt that there will be any real softening of Soviet repression—at least not any time soon. Many Soviet dissidents share this gloomy prediction—and it is for precisely this reason that men like Solzhenitsyn and Russian nuclear physicist Andrei Sakharov have urged the U.S. to demand Soviet liberalization as a price of détente. It was just such Western pressure, they would claim, that eased Moscow's restrictions on the emigration of Russian Jews.

But if the U.S. tries to rush the U.S.S.R.'s internal evolution by means of threats and blackmail, the effort could be counterproductive. Medvedev has argued that outside pressure strengthens the hand of Soviet hardliners—and could lead to an even more crushing internal repression. Some Western experts foresee the same possibility. "Whenever there are public efforts to put pressure on the Soviets they dig in their heels," one State Department official said last week. And that, other specialists added, might lead to a dangerous buildup in international tension. "The U.S. can't lay down conditions for a diplomatic relationship with a world power like Russia," says one American diplomat in Moscow. "Otherwise we have an era of confrontation and all nuclear bets are off."

FROM ROMANCE TO REASON

That consideration—the need to reduce the risks of nuclear war—is obviously paramount in the Administration's policy of détente. Hardly anyone seriously suggests that the superpowers should return to the frigid posturings of the cold war. But the Solzhenitsyn affair does serve as a timely and poignant reminder that détente has not really altered the totalitarian, repressive nature of the Soviet regime.

For some reason, Americans seem perculiarly needful of such reminders about the Soviet character and motives from time to time. The euphoria of the U.S.-Soviet thaw has brought with it in some quarters a simplistic sense that the Russians have suddenly shifted from "bad guys" to "good guys." Solzhenitsyn's ordeal will presumably help replace such romantic illusions with a more rational perception of Soviet behavior. Hopefully, as détente proceeds, the U.S. can find the means to press on the Soviets—in a firm but unofficious way—the kind of democratic reform for which Aleksandr Solzhenitsyn and other Russian dissidents have risked their lives. "The answer is not to turn our backs on the Soviets," said one West German official after Solzhenitsyn's arrival in Frankfurt last week. "It is to recognize the limits of our influence and to exploit it as fully as we can. Like a heavyweight boxer, what we need now is patience, toughness and pragmatism. And we must not quit because our opponent has struck under the belt."

THE MAN WHO DEFIED THE KREMLIN

Kremlin leaders, in a throwback to Stalinism, have jolted the world again—this time by sending Russia's greatest living writer into exile.

Banishment of Alexander Solzhenitsyn, Nobel Prize novelist, was taken by many in the West as a reminder that the Soviet Government, although a superpower, is not yet strong enough to absorb vigorous criticism by its citizens. Instead, the regime apparently feels it must strangle dissent in order to survive.

Mr. Solzhenitsyn has been the strongest voice detailing the Stalinist regime of terror in the past—and documenting its continued existence today.

On February 12 the Kremlin ended any chance his voice would be widely heard from inside the Soviet Union. Eight policemen burst into the Solzhenitsyn apartment in Moscow and dragged him away. After a night in Lefortovo Prison, he was stripped of his Soviet citizenship and banished into involuntary exile. He flew first to West Germany, then went on to Switzerland.

EFFECT ON "DÉTENTE"

As a world outcry arose over the Kremlin's action, this question was uppermost: what impact would the author's expulsion have on moves toward easing relations between Russia and the Western world?

In the U.S., Mr. Solzhenitsyn's exile was likely to heat up an old debate on whether Americans have any business interfering in Russia's treatment of its dissident intellectuals.

Senator Henry M. Jackson (Dem.) of Washington, has long favored extracting a Soviet commitment to liberalization in exchange for better relations and trade with the U.S. Said Senator Jackson:

"The action of Soviet authorities . . . underscores the question of whether the Soviet Union wants a genuine détente."

The Nixon Administration however, restated its position that it would be of little use to put pressure on the Kremlin. Secretary of State Henry Kissinger said:

"Our constant view has been that the necessity for détente, as we conceive it, does not reflect approbation of the Soviet domestic structure. The necessity of détente is produced by the unacceptability of general nuclear war under present conditions."

But many observers came to this conclusion: The Kremlin is so fearful of dissent that it was willing to risk undermining some aspects of "peaceful coexistence" in order to snuff out the writer's criticism of the system. Immediately put under a cloud was the Conference on European Security and Coperation, long sought by the Soviets and now meeting in Geneva.

A few critics also questioned whether there would be a third summit conference between President Nixon and Communist leader Leonid I. Brezhnev, scheduled for later this year in Moscow.

A STALIN VICTIM

Mr. Solzhenitsyn, now 55, was a young artillery captain in World War II when censors found in his letters criticism of "the whiskered one"—meaning Stalin. It brought him eight years in prison camp.

Mr. Solzhenitsyn became known in the West, and to millions of Russians, during the rule of Premier Nikita Khrushchev when his novel, "One Day in the Life of Ivan Denisovich" was published. It was a moving fictional account of a Stalin labor camp. And it was the only major Solzhenitsyn work to be printed in his homeland.

In the outside world he was hailed for "The First Circle," "Cancer Ward" and "August, 1914." In 1969 he was expelled from the Union of Soviet Writers. A year later he won the Nobel Prize for Literature, but refused to go to Stockholm to receive the award, fearing he would not be allowed to return.

All this—plus Mr. Solzhenitsyn's outspoken interviews with Western newsmen—enraged Soviet authorities. But it was his latest book, "Gulag Archipelago," now being published in the West, that brought on his exile.

In that book, Mr. Solzhenitsyn documented the savagery of the prisons, traced Soviet tyranny back through Stalin to Lenin, and pinpointed the involvement of present Soviet leaders.

There was widespread fear among Mr. Solzhenitsyn's friends in Russia and abroad that the book would send the author back to the prison system he had laid bare before the world.

Instead, apparently bowing slightly to world opinion, the Kremlin chose exile, and announced that his wife and three young sons could join him later.

It was the first such involuntary exile imposed by the Soviet Union on a major figure since Leon Trotsky was deported to Turkey in 1929 after losing a power struggle with Stalin. However, other dissidents have been stripped of their citizenship while traveling abroad, and ordered not to return. There was evidence this practice would continue.

"I WRITE THE TRUTH"

Mr. Solzhenitsyn has written:

"Our law is powerful, slippery and unlike anything else on earth known as 'the law.'. . .

"There is simply a wall. And its bricks are laid in a mortar of lies. . . .

"All this perfidious secrecy, all this fog of uprighteousness, hangs in the air around us, hangs over our cities more densely than the city smoke itself.

"A powerful state towers over its second half century, bound with hoops of steel. The hoops are there indeed, but not the law."

In a statement set down just before his arrest, Mr. Solzhenitsyn said:

"I leave them the simple choice of all tyrants: to kill me quickly because I write the truth."

But the Kremlin had another choice: exile. The truth, apparently, is seen as not so dangerous if written outside the Soviet Union.

SOLZHENITSYN: AN ARTIST BECOMES AN EXILE

Woe to that nation whose literature is cut short by the intrusion of force. This is not merely interference with freedom of the press but the sealing up of a nation's heart, the excision of its memory.

The blue and white Aeroflot TU-154 jet airliner taxied to the far end of the terminal at Frankfurt's Rhein-Main Airport. From the first-class exit emerged a husky 55-year-old man with a distinctive fringe of red beard. At the bottom of the ramp, a German hostess handed him a single pink rose; he smiled faintly and bowed over her hand. As police held a swarm of newsmen at bay, the traveler got into a Mercedes-Benz limousine that whisked him to the tiny village of Langenbroich, 100 miles away. Arriving at his host's small farmhouse, he was welcomed in the harsh glare of TV floodlights. He slipped past the crowd of reporters, photographers, local police, neighbors and gawkers. "I was in prison just this morning," he said. "First I must get used to things and try to comprehend my situation."

Thus last week began the exile of one of the world's great writers, an authentic hero in an age sorely lacking them, the man who for millions the world over has come to represent the conscience of Russia: Alexander Solzhenitsyn. Shortly after the dazed and weary writer landed in West Germany, the Soviet news agency Tass issued a laconic, nine-line communiqué. It announced that Solzhenitsyn had been stripped of his citizenship by a decree of the Supreme Soviet and deported for "systematically performing actions that are incompatible with being a citizen of the U.S.S.R." Tass added that his wife and children could join him "when they deem it necessary."

With the banishment, Solzhenitsyn's remarkable career as a writer in Soviet Russia came full circle. It had begun with the official publication in 1962 of his concentration camp novel *One Day in the Life of Ivan Denisovich*, a work that *Pravda* hailed as a masterpiece. Nikita Khrushchev was, in a way, his patron; he had encouraged the publication of *One Day* as part of his own effort to discredit Stalin. But once Khrushchev himself was deposed, there followed for Solzhenitsyn a decade of increasingly dramatic confrontations with the authorities. His subsequent novels were banned, and he was regularly excoriated in the Soviet press.

Nonetheless, his books circulated widely in Russia by *samizdat* (self-publishing) and became bestsellers in the West. At the same time, he became the spiritual leader of Russia's dissident "democratic movement." The award of the Nobel Prize for Literature to Solzhenitsyn in 1970 infuriated the Soviets, for it only enhanced the worldwide following that made him hard to silence. Instead, they turned on others in the dissident movement in a brutal three-year drive to imprison its leaders or confine them in police-run madhouses.

A GIANT THORN

Solzhenitsyn's final and intolerable challenge came when he authorized publication in Paris of the first two parts of *The Gulag Archipelago*. A devastating, documented account of Lenin's and Stalin's reign of terror, the book was a reminder of how unfree Soviet society was, and still is. Moreover, as the Kremlin well knew, he had even more devastating revelations to make: five as yet unpublished sequels to *Gulag* deal with repression under Khrushchev and his successor Leonid Brezhnev. Soviet frustration was mixed with anger when the author declared that he would order all his banned work published abroad if he was arrested. Defying the regime to act against him, Solzhenitsyn answered a barrage of criticism in the Soviet press with ever more daring and pointed rebuttals.

By exiling Solzhenitsyn, the Kremlin ridded itself of a giant thorn. And yet, as TIME Correspondent John Shaw cabled from Moscow last week, "in the last analysis, the deportation was an act of weakness and desperation—an admission that the Soviet system holds no answer in law or fact or argument to meet Solzhenitsyn's challenge. Unable to answer his charges, incompetent to silence him, afraid to imprison him and incapable of tolerating his opinions, the Soviet state had no other option but to declare him a non-person.

Solzhenitsyn's deportation climaxed a harrowing suspense drama that had riveted international attention for five days. It began with an ominous summons from the Soviet state prosecutor's office, which ordered the writer to meet with investigators. Solzhenitsyn's wife Natalya rejected the order. In response to a second, more peremptory summons, Solzhenitsyn released a defiant written statement of refusal. "Given the widespread and unrestrained lawlessness that has reigned in our country for many years, and an eight-year campaign of slander and persecution against me, I refuse to recognize the legality of your summons. Before asking that citizens obey the law, learn how to observe it yourselves. Free the innocent, and punish those guilty of mass murder."

Friends, who feared that Solzhenitsyn would be arrested and imprisoned, were struck by his composure. After refusing the second summons, he went back to his desk in his narrow, 6-ft. by 18-ft. study. Solzhenitsyn often worked here twelve hours a day. That kind of dedication made possible his prodigious production in two decades of novels, plays, short stories—not to mention the massive *Gulag*. Six weeks ago, when the official drive against *Gulag* began, he had vowed, "They will not make me lose a single day of work."

CRUEL MOCKERY

The day of his arrest began as a normal, busy family day. While Solzhenitsyn worked, his mother-in-law looked after his five-month-old son Stepan; his two older boys, Yermolai 3, and Ignat, 16 months, played in the park near by. As dusk fell, seven policemen entered the building and hurried up the stone steps to Apartment 169. Solzhenitsyn's wife was told that the men wanted to talk to her husband. Their leader announced that he had the authority to take Solzhenitsyn with him—by force, if necessary. "There were seven of them," Natalya said later. "What could we do? If there had been two it might have been different." Calmly, Solzhenitsyn packed a razor, a toothbrush and warm winter clothes and kissed baby Stepan goodbye. The men took him to Moscow's Lefortovo Prison, familiar to readers of *Gulag* as one of the most terrible of Russia's prisons.

What followed was like a scene from *Gulag*. Solzhenitsyn was first stripped and searched, then dressed in prison garb. He was questioned for several hours by a team of interrogators but refused to answer questions or sign the usual official report of the interrogation. He was told that the charge against him was treason, for which the maximum punishment is death. Just as another great Russian writer, Fyodor Dostoyevsky, was placed before a sham firing squad 125 years ago, so was Solzhenitsyn subjected to a similarly cruel mockery. Although the Soviets planned all along to deport him to the West, he was locked in a cell that night under the threat of the death penalty. At 1 p.m. the following day, he was ordered to dress in prison-issue street clothes and driven to Moscow's Sheremetyevo Airport. Only when the jet landed in Frankfurt did he know his destination.

Four and a half hours before Solzhenitsyn's departure, Soviet Ambassador to Bonn Valentin Falin had called on the West German Foreign Ministry to inform them of Solzhenitsyn's banishment and formally ask if the writer would be accepted. Bonn quickly agreed, and indeed there was speculation that the arrangement might have been worked out in advance between Moscow and Bonn. Only twelve days earlier, in a curious aside in a speech about freedom of expression, Chancellor Willy Brandt had stated: "Solzhenitsyn would be able to live freely and work unhampered here."

Solzhenitsyn's host in Germany was a friend and fellow Nobel prizewinner Novelist Heinrich Böll. The morning after he arrived in Germany, Solzhenitsyn posed for photographers and even autographed copies of *Gulag* that were thrust at him by newsmen. Still, he refused to answer questions. *"Genug, genug* [Enough]," he said in German, adding in Russian, "I have given enough in my own country. There I spoke. Here I remain silent."

Among his first visitors was Dimitri Panin, who had been in prison with him and was the model for the character Sologdin in Solzhenitsyn's novel *The First Circle*. Panin, who now lives in Paris, later talked with Time Correspondent David Tinnin. He said he found the author "very nervous, tired and restlessly pacing up and down," but that he seemed to relax somewhat after managing to get a telephone call through to his wife in Moscow. After two days in Langenbroich, Solzhenitsyn took a train to Zurich with his Swiss lawyer, Fritz Heeb. Although the writer chose to remain silent about his plans, Heeb told reporters that he thought the Solzhenitsyns would ultimately settle somewhere in Scandinavia.

The Soviet leaders' decision to deprive Solzhenitsyn of his citizenship and fling him out of Russia was a shrewdly calculated maneuver to rid themselves of their most eloquent critic while defusing the explosion of protest in the West. Although many European leaders expressed shock last week at Solzhenitsyn's summary banishment, the worldwide response was largely one of relief. The Kremlin's solution was made to appear very nearly humane, in contrast with the worst that had been feared.

CLUMSY TACTICS

The reaction within the Soviet Union of course was quite different. Prior to his arrest and deportation, Soviet papers were full of letters from citizens insisting that the authorities do just that. After his banishment, the letter-writing campaign continued with a new twist. Demands for his punishment were replaced by expressions of gratitude that Kremlin leaders had uprooted "the traitor." Only twelve hours after Solzhenitsyn's deportation had been announced on Moscow Radio, *Izvestia* was able to print a letter purportedly from a reader in Baku, although mail usually takes ten days to reach Moscow from there. Other minor miracles were performed by letter writers from Minsk and Kiev; their messages of approval were also received several days ahead of schedule. Such transparently clumsy tactics were added evidence that the Kremlin had long prepared the action against Solzhenitsyn.

Soviet leaders have reason to fear him: no man alive today has more authority than Solzhenitsyn to draw world attention to the Kremlin's long record of inhumanity. In an era of détente, many would prefer to have that record forgotten. Yet Solzhenitsyn—martyr, survivor and great writer—demands a hearing. He spent eleven years in Stalin's prisons, camps, and in exile, preparing himself to bear witness to what he had observed. His superb earlier novels (*The First Circle, One Day in the Life of Ivan Denisovich* and *The Cancer Ward*) were fictionalized reflections of that experience. In the first two parts of *Gulag*, however, he set out to document the entire range of horrors inflicted upon the Soviet people from 1918 to 1956. A 260,000-word mosaic, composed of personal reminiscences, interviews with survivors, and documents, *Gulag* lays out the intricate patterns of terror.

True, that terror subsided after 1956, when, by Khrushchev's decree, millions were freed from the giant "archipelago" of prisons and camps run by "Gulag," the Central Corrective Labor Camp Administration. But the significance of *Gulag* lies in its thrust into the present—and future—of the U.S.S.R. Solzhenitsyn perceives that an entire nation has been debased by four decades of totalitarianism far more oppressive than Czarist authoritarianism. Ordinary people have been rendered indifferent to injustice and pitiless toward the suffering of others. Among bureaucrats, the absolute exercise of power in the past continues to corrupt absolutely in the present. "Thus," he mourns, "have we been driven to become savages."

BY ACCIDENT

Solzhenitsyn argues that Stalin's rule by terror was no mere aberration in the development of Communist. Instead, he writes, it is inherent in the system established by Lenin, consolidated by Stalin and preserved, in essence, by the present Kremlin leaders. He points an accusing finger at Stalin's accomplices who still hold office in the Soviet Union: "What a path to ruin lies ahead if we cannot cleanse ourselves of this filth festering in our body!"

Much of *Gulag's* power to persuade lies in the author's unsparing personal account of the path he traveled before arriving at the convictions expressed in his book. An archetypal child of the Russian revolution, he was born in 1918, the son of an officer, and brought up in the provincial city of Rostov-on-the-Don. As a youth, Solzhenitsyn dreamed of writing a history of the revolution. "Then," he recalls, "I never needed anything but Marxism to understand the revolution." He failed to recognize signs of mass terror, like the column of prisoners he remembers seeing pass through Rostov in his boyhood. Solzhenitsyn entered Rostov University to study mathematics in 1936 on the eve of the Great Purges, which sucked millions of innocent people into the camps. He admits that it was only by accident that he was not hired by the secret police when their recruiters came to the university. "I was a fully qualified executioner," he writes. "If I had gotten into NKVD school under Yezhov,* maybe I would have matured just in time to serve Beria."

Instead, Solzhenitsyn was drafted into the Red Army in 1941. After that, he confesses, he acquired the habits of the Soviet elite: "I ate my officer's butter with pastry, without giving a thought to why I had a right to it, while rank and file soldiers did not . . . This is what happens when you put epaulets on people's shoulders; they begin to feel like little gods." Rising to the rank of artillery captain, Solzhenitsyn was decorated several times for bravery while serving on three fighting fronts. Then, in the midst of a battle in 1945, he was arrested for criticizing Stalin in letters to a friend.

Solzhenitsyn views his arrest as a great personal turning point—the beginning of his life as a thinking being. At that same crossroads, he suggests, millions of Russians entered into one of two categories of Soviet citizens: the oppressed and the oppressors. This national dichotomy, he says, tragically disturbed the balance of good and evil that he perceives in every man. Speaking of the oppressors, he asks: "How did this tribe of wolves arise from among our people? Are they not of the same root, the same blood?" He confesses that he too might have joined the predators had he not been imprisoned.

In *Gulag*, Solzhenitsyn describes his arrest for the first time. In February 1945, as the Red Army rumbled inexorably through Germany to Berlin, the battle-worn captain was suddenly seized near Königsberg, on the East Prussian front. He was stripped of his rank, his medals and his gun, and escorted by armed guards back to Moscow's Lubyanka Prison. It was then that the writer was born. Passing through a Moscow subway station en route to Lubyanka on that bitter winter day, Solzhenitsyn paused and surveyed the scene:

"The circular upper hall with its white cupola is bathed in electric light, and from the depths of the station, along two parallel escalators, Muscovites rise to meet us in serried ranks. They all seem to look at me as if expecting me to shout at least one word of truth. Why am I silent? . . . Because these Muscovites standing on the escalator stairs are not numerous enough; my cry would be heard by 200, perhaps 400 people. But what about my 200,000,000 compatriots? I have a vague premonition that one day I will scream out to all those 200,000,000. But for the moment I do not utter a sound, and the escalator carries me irresistibly to the nether world."

BITTER PARADOX

Gifted with near-total recall, Solzhenitsyn set out to develop his powers of observation while in captivity. In the monotonous daily routine of his first weeks in Lubyanka, he noted that "the events are tiny, but for the first time in your life you learn to examine them under a magnifying glass." For the first time, too, he encountered the victims of Soviet terror whom he would meticulously interview for the next 23 years. He was struck by a bitter paradox: prison offered the possibility of discussing freely what was unthinkable "outside." Meetings with prisoners led him, for the first time, to question his faith in Marx and Lenin. One oldtime convict, a former associate of Lenin's, told him: "You're a mathematician. Don't forget Descartes. Subject everything to doubt. *Everything.*"

Solzhenitsyn also became aware at that time of alternatives to Communism. From an Estonian lawyer he heard about the democracy that was finally crushed by the Soviets in 1944. "I had never before dreamed that I would become interested in Estonia or bourgeois democracy," he writes. "It was not clear why, but I began to like it all, and the new information was stored away in my mind." His education continued as he learned of the mass arrests that had swept millions of peasants, as well as hundreds of thousands of party members and Soviet intellectuals into prison camps in the 1920s and '30s. He memorized hundreds of grim stories told by the survivors. He also noted the methods of police interrogators, often so cynical that they did not even bother to disguise their disbelief in the confessions they wrung out of their victims.

SCOPE OF EVIL

After a few weeks in Lubyanka, the seeds of doubt had been planted in the mind of the fervent young Marxist. But it was only after he was transferred from Lubyanka to another Moscow prison, Butyrki, that Solzhenitsyn began to perceive the scope of the evil that had befallen his country. In Butyrki, he met the first contingent of Russian soldiers and civilians who had been captured by the Germans during the war. These people were now being repatriated—straight into Stalin's prisons and camps. Nearly 2 million of the 5.7 million prisoners of war had died of hunger and mistreatment in the Nazi camps. Now Solzhenitsyn began to hear the appalling stories of the survivors. Recalling one of the horrors recounted to him by an ex-prisoner, Solzhenitsyn writes, "A crazed P.O.W. might have crawled up to me, too, as I was dying, and gnawed the flesh off my elbow. . . . Listening to such things, the story of my own arrest seemed to me insignificant."

Solzhenitsyn regards the brutal fate of these returned P.O.W.s as one of the most frightful of Stalin's crimes. "They were called traitors," he writes of them, "but they did not betray the motherland. The motherland betrayed them, and betrayed them three times." The first betrayal was Stalin's bumbling strategy, which nearly lost the war and allowed the Germans to capture vast numbers of prisoners. Then these Soviet P.O.W.s were virtually abandoned by Stalin and left to die in Nazi camps. Finally the survivors were lured home by the oft-repeated promise of forgiveness.

Some of the repatriated Russians were, as Solzhenitsyn concedes, Nazi collaborators. He does not condone the fact that more than 500,000 Soviets served in the German army—mostly as noncombatants. But he also points out that this was the first time in history that a nation had formally and officially renounced its P.O.W.s refusing to sign the Geneva Convention on prisoners of war. Since Stalin had written them off, Hitler treated the Russians far more cruelly than other Allied prisoners.

As a result, many felt compelled to serve the Germans in order to survive. Solzhenitsyn is careful to distinguish between degrees of collaboration. Some "scum" joined the Nazi *polizei*. Ukrainians, Latvians and other national groups, deeply embittered by Soviet persecution, joined Waffen SS divisions. The so-called "Russian Army of Liberation"* held the pitiful belief that a German victory would enable them to bring democracy to Russia. Other P.O.W.'s escaped the Nazis to fight with the Soviet partisans or try to rejoin the Red Army. Whether scum or hero, all received the same sentence when they returned home: ten years.

As a former soldier, Solzhenitsyn deeply identifies with the plight of these wretched men. He records "with shame" an incident he witnessed at the front. A sergeant of the Soviet Secret police, on horseback, was using a knout on a captured Russian soldier who had served in a German unit. Staggering, the man was naked from the waist up, his torso covered with blood. Suddenly he cried out to Solzhenitsyn in agony: "Mister Captain!"

"Any officer in any army in the world should have put a stop to this act of torture without trial," he writes. "But I was a coward . . . I said nothing and I did nothing . . . This picture has remained in my mind ever since. It is, after all, almost the symbol of the archipelago."

The passages in *Gulag* about the Russian P.O.W.s are the first accounts of their tragic fate to come out of the Soviet Union. Soviet authorities have used these chapters to portray the author as a Nazi traitor. Most of the official attacks on the book have included falsified quotations purporting to show that Solzhenitsyn called General Vlasov a "hero" and "mocked the sacrifices made by the Soviet people during the war."

Though utterly untrue, these allegations were shrewdly calculated to appeal to the citizenry of a nation that lost 20 million in

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* Nikolai Yezhov, head of the secret police from 1936 to 1938; he was replaced by Lavrenty Beria.

* A phantom "army" led by ex-Red Army General Andrei Vlasov. Two Russian divisions in the Wehrmacht were formed in 1944 under him. These units switched sides in 1945 and helped liberate Prague from the German army.

World War II. This terrible memory has been kept alive by three decades of Soviet propaganda, presenting "the Great Patriotic War" as an unmitigated triumph for Communism. Any objective appraisal of wartime collaboration by Soviet citizens with the Germans is still forbidden.

But this, as Solzhenitsyn points out, is no way to write history. "My object," he declares "is to examine the social reasons for this unheard-of phenomenon: that several hundred thousand young people took up arms against their mother country on the side of her worst enemy. We must consider who was to blame—these young people or the motherland. You cannot explain it by some inborn biological instinct for treachery. In general," he concludes, "the war showed us that the worst thing on earth is to be a Russian."

The Kremlin would clearly have preferred a harsher punishment for Solzhenitsyn had he been less famous and more vulnerable, but exile had its political advantages. The author's deportation was unlikely to cause more than an intense but brief flurry of dismay at the 34-nation European Security Conference currently meeting in Geneva.

Plans for the Brezhnev-Nixon summit next spring continued in Washington, and the White House declined to comment on the deportation. Predictably, Democratic Senator Henry Jackson called Nixon's silence "deplorable." He said that "the Administration has posed a false choice between avoiding nuclear war and keeping faith with the traditional value of individual liberty."

High-level State Department officials, on the other hand, were relieved that the writer was out of prison before Secretary of State Henry Kissinger was obliged to face the issue of his arrest. Explained one U.S. Government official: "Kissinger was rescued from a terribly difficult situation. He would have had to deplore the arrest or lose a great deal of stature. From his standpoint, he was very lucky." Kissinger's statement was distinctly cool. He said that Solzhenitsyn would be welcome to settle in the U.S., but added that "our constant view has been that the necessity for détente does not reflect approbation of the Soviet domestic structure." That necessity, in Kissinger's view, is rooted in the threat to the world's survival posed by the U.S. and Soviet nuclear arsenals; hence the absolute priority given to a measure of concord and understanding between the two superpowers.

From that perspective, the Solzhenitsyn case has long been regarded by the Nixon Administration as troublesome for the course of détente, however just the writer's case and criticisms of the Soviet regime. In turn, Solzhenitsyn has often been cited by opponents of East-West accommodation as the symbol and proof of the Kremlin's resistance to any ideological or social change.

Inevitably, questions arise as to whether he had any sort of political strategy plotted out in the timing of *Gulag's* publication, which seemed to force the pace of retribution against him. By all accounts, apparently not. He has never directly engaged in polemics about détente, unlike his friend and fellow dissident, Physicist Andrei Sakharov, who appealed to the U.S. Congress last year to make democratization of the U.S.S.R. a precondition for expanding trade relations with Russia. Solzhenitsyn's concerns have always been less political than moral. In his Nobel Prize lecture, he wrote: "The salvation of mankind lies only in making everything the concern of all. People in the East should without exception be concerned with what people are thinking in the West; people in the West should without exception care about what is happening in the East. Literature, one of the most sophisticated and sensitive instruments available to human beings, has been one of the first to pick up and to join in expressing this feeling of the growing unity of mankind."

Though provoked by Solzhenitsyn's defiance, the Soviet leaders' action against him was doubtless calculated to deprive the dissident movement within Russia of its spiritual leader while further intimidating the regime's remaining critics. About 50 dissidents have been detained and interrogated in the past three weeks, and many feared that Sakharov might soon be deported too. "We now feel very naked, very alone," a young liberal intellectual told Correspondent John Shaw in Moscow last week.

Nonetheless, Solzhenitsyn's example may in fact hearten rather than discourage Russia's libertarians. Last week Sakharov and nine other prominent dissenters issued an impassioned defense of Solzhentisyn's actions: "His so-called 'treason' consists of his disclosure to the whole world, with shattering force, of the monstrous crimes committed in the U.S.S.R. not very long ago." They demanded the publication of *Gulag* in the Soviet Union and called for an international investigation of the crimes against innocent Soviet citizens.

But what now of Solzhenitsyn in exile? From a financial standpoint, at least, he has no worries. Swiss banks have custody of anywhere from $2 million to $6 million in royalties on his books—money that he had earmarked for "humanitarian purposes." Part of this could justifiably be used to ensure his family's future. Ironically, a new life of freedom might expose Solzhenitsyn to a hazard he never faced in Moscow: the constant distracting attention of *paparazzi* and other celebrity seekers. So far he seems to be tolerating, if not actually enjoying the novelty. On arriving in Zurich, he smilingly acknowledged cheers from the waiting crowds.

The larger question, though, is whether his work might suffer now that he has been cut off from his native language. Solzhenitsyn certainly is aware of the difficulty: a character in *The First Circle* refers to exile in the West as "spiritual castration." Most experts, though, believe that he will survive as a creative force, even though he will have lost his unique platform in Russia.

HIS MISSION

Britain's leading specialist in Soviet literature, Max Hayward, points out that "Solzhenitsyn is already a fully formed, great writer who has completed many major works in Russia. Exile is hardly likely to affect him now as a writer." Leonard Schapiro of the London School of Economics adds that "even if he is cut off from the living speech of Russia, he is now engaged in writing historical works, and there is no doubt that he has a tremendous gift of bringing history alive that is denied to us mere historians."

Before his exile, Solzhenitsyn spoke of his "relief and calmness" in the accomplishment of his mission. This he perceives as a memorial to the dead of the archipelago. But his books are also Solzhenitsyn's gift to the living. Mindful of George Orwell's dictum that he "who controls the past controls the future," he has already wrested Soviet history from those bent on obliterating it and restored it to his people. In the future, he may also succeed in quickening the conscience of both the oppressed and the oppressors in his unhappy country. For, as he wrote in his Nobel Prize lecture, "The persuasivness of a true work of art is completely irrefutable; it prevails even over a resisting heart."

Mr. THURMOND. Mr. President, it is my pleasure to rise in support of the resolution offered by my distinguished colleague from North Carolina (Mr. Helms).

Alexander Solzhenitsyn is a living symbol of the basic freedoms that we Americans hold so dear. He is a man not only of great ability, but of great courage. Perhaps most important, he is a man who has dedicated his entire life to a tireless struggle against oppression. He is a man whom any country in the world would be honored to call "citizen"—any country, that is, except the Soviet Union or other Communist nations.

The personal trials of Alexander Solzhenitsyn point out, once again, the vast differences between the United States and the Soviet Union—the differences between democracy and communism. The fight that Alexander Solzhenitsyn is now waging against the Communist rulers is a fight for freedoms that are so firmly endowed in the American way of life that they are often taken for granted. It is painfully too clear that these freedoms are completely foreign to communism.

Mr. President, it is both a privilege and a pleasure to join with my distinguished colleague from North Carolina in support of this resolution. I urge my other colleagues in the Senate to also join in this expression of support for a very worthy and courageous man.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 41

At the request of Mr. Dole, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 41, to designate November 11 of each year as Veterans Day and to make such day a legal public holiday.

S. 467

Mr. RANDOLPH. Mr. President, following the introduction last year of S. 467, a bill to extend the programs of the Public Works and Economic Development Act, the Senator from Georgia (Mr. Nunn) asked to be listed as a cosponsor of that measure. Through a regrettable oversight his name was not shown as cosponsor of that measure. The subject matter of the bill was subsequently enacted as H.R. 2246. Mr. President, I ask unanimous consent that the Record show Senator Nunn's support of this legislation and his cosponsorship of S. 467.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1401

At the request of Mr. Hruska, the Senator from Texas (Mr. Tower) was added as a cosponsor of S. 1401, to establish rational criteria for the mandatory imposition of the sentence of death, and for other purposes.

S. 2510

At the request of Mr. Chiles, the Senator from Maine (Mr. Muskie), the Senator from Illinois (Mr. Percy) and the Senator from Florida (Mr. Gurney) was added as cosponsors of S. 2510, a bill to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes.

S. 2518

At the request of Mr. Mondale, the Senator from Wisconsin (Mr. Nelson) was added as a cosponsor of S. 2518, the Women's Education Equity Act.

S. 2650

At the request of Mr. CRANSTON, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 2650, the Solar Home Heating and Cooling Demonstration Act.

S. 2657

At the request of Mr. MOSS, the Senator from Delaware (Mr. BIDEN) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of S. 2657, to provide scholarships for the dependent children of public safety officers who are the victims of homicide while performing their official duties, and for other purposes.

S. 2759

At the request of Mr. HART, the Senators from Minnesota (Mr. HUMPHREY and Mr. MONDALE) and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors of S. 2759, to amend the Land and Water Conservation Fund Act of 1965.

S. 2782

At the request of Mr. NELSON, the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 2782, to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of U.S. energy resources on public lands and elsewhere, and for other purposes.

S. 2823

At the request of Mr. CHILES, the Senator from Arizona (Mr. FANNIN), the Senator from Utah (Mr. BENNETT), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of S. 2823, to amend the Occupational Safety and Health Act of 1970.

S. 2854

At the request of Mr. CRANSTON, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Nevada (Mr. CANNON), the Senator from New Hampshire (Mr. COTTON), the Senator from Kansas (Mr. DOLE), the Senator from Alaska (Mr. GRAVEL), the Senator from Florida (Mr. GURNEY), the Senator from Wyoming (Mr. HANSEN), the Senator from Maryland (Mr. MATHIAS), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Texas (Mr. TOWER), and the Senator from California (Mr. TUNNEY) were added as cosponsors of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis.

S. 2861

At the request of Mr. BEALL, the Senator from Vermont (Mr. STAFFORD), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. CHURCH), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of S. 2861, to authorize the Administrator of the Federal Energy Office to obtain certain information with respect to current supplies of crude oil and petroleum products.

S. 2875

At the request of Mr. HATHAWAY, the Senator from New Hampshire (Mr. McINTYRE) was added as a cosponsor of S. 2875, to amend the State and Local Fiscal Assistance Act of 1972 to exempt any unit of local government which receives not more than $5,000 for the entitlement period from the requirement that reports of use of funds be published in a newspaper.

S. 2877

At the request of Mr. GRIFFIN (for Mr. TOWER) the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2877, the Meeting House Preservation Act.

S. 2882

At the request of Mr. MONTOYA, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of S. 2882, to designate May 30 of each year as Memorial Day and to designate November 11 of each year as Veterans Day and to make such days legal public holidays.

S. 2887

At the request of Mr. BARTLETT, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 2887, the daylight savings bill.

S. 2895

At the request of Mr. DOLE, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 2895, to amend the Economic Stabilization Act of 1970 to stabilize the price of propane.

S. 2906

At the request of Mr. MONDALE, the Senators from Iowa (Mr. CLARK and Mr. HUGHES), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors to S. 2906, a bill to amend the Internal Revenue Code of 1954 to permit taxpayers to utilize the deduction for personal exemptions as under present law or to claim a credit against tax of $200 for each such exemption.

S. 2923

At the request of Mr. INOUYE, the Senator from Maryland (Mr. BEALL), the Senator from New York (Mr. BUCKLEY), the Senator from Illinois (Mr. PERCY), the Senator from California (Mr. TUNNEY), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 2923, to amend chapter 55 of title 10, United States Code, to require the Armed Forces to continue to provide certain special educational services to handicapped dependents of members serving on active duty.

S. 2941

At the request of Mr. BAYH, the Senator from Iowa (Mr. HUGHES), the Senator from California (Mr. TUNNEY), the Senator from Wisconsin (Mr. NELSON), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. BUCKLEY), the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 2941, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer.

S. 2971

At the request of Mr. McCLURE, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2971, to suspend for a temporary period of time the provisions of section 27 of the Merchant Marine Act, 1920, in order to permit, under certain circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the west coast of the United States.

SENATE RESOLUTION 285—SUBMISSION OF A RESOLUTION TO DISAPPROVE THE RECOMMENDED RATES OF PAY

(Referred to the Committee on Post Office and Civil Service.)

Mr. FULBRIGHT. Mr. President, included in the President's $304.4 billion budget request is a recommended pay raise for Members of Congress and other officials in the executive and judicial branches of Government amounting to $34 million through fiscal year 1975. Under existing law these pay raises will become effective automatically unless either the U.S. Senate or the House of Representatives passes legislation disapproving the recommendations within 30 days of their submission—in other words by March 6.

In my judgment congressional pay raises at the present time are unjustified and should be disapproved. We are in the midst of one of the most inflationary periods in our country's history and interest rates are at record levels. In these circumstances, when the average American is being asked to sacrifice more and more of the purchasing power of his dollars, it seems to me inconsistent to increase the salaries of Members of the Congress and others who are among the highest paid officials in Government.

During the past several years there has been a great deal of rhetoric in this body about fiscal responsibility. In my view, the 1975 budget is excessive and I feel strongly that it can and should be reduced. There is no better place to begin this process than by disapproving the President's recommendations and thereby indicating to our constituents that we are willing to take our own fair share of fiscal discipline. A pay increase for Members of Congress at the present time would only serve to create additional inflation and place the economy in an even more perilous position. I am unable to support such a pay increase while the average taxpayer is forced to bear the burden of inflation.

Accordingly, I am introducing a resolution which would disapprove the salary recommendations of the President pursuant to section 225(h) of the Federal Salary Act of 1967. I hope my colleagues will join me by supporting the measure.

The resolution reads as follows:

S. RES. 285

Resolved, That the Senate disapproves the recommendations of the President with respect to rates of pay transmitted to the Congress in the budget for the fiscal year 1975 pursuant to section 255(h) of the Federal Salary Act of 1967.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 222

At the request of Mr. MAGNUSON, the Senator from Texas (Mr. TOWER) was added as a cosponsor of Senate Resolution 222, a resolution to authorize a national ocean policy study.

SENATE RESOLUTION 271

At the request of Mr. CHURCH, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) and the Senator from Missouri (Mr. SYMINGTON) were added as cosponsors of Senate Resolution 271, to disapprove the recommended rates of pay.

SENATE RESOLUTION 273

At the request of Mr. TALMADGE, the Senator from Georgia (Mr. NUNN) was added as a cosponsor of Senate Resolution 273, relating to the disapproval of certain pay recommendations of the President.

SENATE RESOLUTION 276

At the request of Mr. DOLE, his name was added as a cosponsor of Senate Resolution 276, to disapprove pay recommendations of the President.

SENATE RESOLUTION 281

At the request of Mr. INOUYE, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of Senate Resolution 281, to express the sense of the Senate with respect to the allocation of necessary energy sources to the tourism industry.

ADEQUATE RESERVES OF CERTAIN AGRICULTURAL COMMODITIES—AMENDMENT

AMENDMENT NO. 963

(Ordered to be printed, and refered to the Committee on Agriculture and Forestry.)

NATIONAL FOOD AND FIBER RESERVES

Mr. HUMPHREY. Mr. President, on behalf of myself, Senator MONDALE and Senator AIKEN, HARTKE, HUGHES, MCGEE, MCINTYRE, PASTORE, and STEVENSON, I introduce an amendment to S. 2005, a bill which Senator MONDALE and I introduced last summer, to provide for more adequate reserves of grains and soybeans.

The need for this legislation has become even more critical since last summer. Our Nation's reserves of both wheat and feed grains today are the lowest they have been in about 27 years. In fact, it is highly probable that U.S. carryover stocks of wheat by the end of this marketing year will reach almost zero. Carryover stocks of feed grains by the end of this marketing year also are expected to reach near record lows. These grains, of course, are the feedstock for livestock, dairy, poultry, and hog industries.

The effect of the changes to S. 2005, incorporated in my substitute amendment, is to simplify the reserve features, add reserve provisions for cotton, and give the Secretary of Agriculture authority to license exporters of agricultural commodities in short supply. It also gives the Secretary authority to require prior approval of certain export sales. It stops short, however, of authorizing any export embargoes or export limitations.

The amended bill continues the provision that if estimated carryover stocks go below the levels set in the bill—600 million bushels of wheat, 40 million tons of feedgrains, 5 million bales of cotton, and 150 million bushels of soybeans—the Secretary is authorized and directed to make loans and purchases, at not less than 100 percent of the established price for 1974 and 90 percent for 1975 through 1977, to bring the reserve stocks up to the levels in the legislation.

Also, whenever projected carryover stocks of a commodity fall below the level specified, the commodity is designated as a "critical commodity," and an exporter of a "critical commodity" must obtain an export license from the Secretary of Agriculture.

Government—Commodity Credit Corporation—stocks of "critical commodities" could not be sold on the domestic market for less than 135 percent of the established market price for wheat, feed grains, and cotton and 150 percent of the current loan rate for soybeans. Exports of CCC stocks of "critical commodities" could not be sold for less than 20 percent above the cash market price prevailing in the preceding week. This would price CCC stocks sold for export at about 20 percent higher than those sold for U.S. domestic use.

The Secretary of Agriculture is directed to maintain a weekly projection of foreign sales and domestic requirements in relation to available supplies of each designated "critical commodity." Each person licensed to export any "critical commodity" shall report exports of such commodity on a daily basis to USDA.

Prior approval by the Secretary of Agriculture must be obtained for exports of a "critical commodity" to any country when exports to that country in any given marketing year reach 120 percent of the previous year's exports. This provision is designed to prevent any country from raiding U.S. supplies unexpectedly, thereby assuring all buyers—both United States and foreign—equal access to U.S. supplies.

Mr. President, I was delighted to find that someone on the President's staff succeeded in alerting this administration to the need for food supply and price-stabilization measures for consumers.

The following illuminating paragraph appears on page 128 of the annual report of the Council of Economic Advisers, February 1974:

> Wide swings in farm and food prices contribute to instability throughout the economy. This became especially clear in 1973 when rising food prices accelerated the overall inflation rate. Although instability will at times lead to reduced farm prices, there are existing standby measures that cushion the decline in farm incomes. *Comparable measures do not exist at present to moderate an acceleration in consumer food prices.*

This paragraph is followed by the statement that new conditions and new issues face agriculture. The new conditions and issues are discussed, but policy recommendations for dealing with them are lacking.

Mr. President, S. 2005, as amended by this bill, provides an effective, efficient, low-cost method of correcting this deficiency.

RESERVES FEATURES BENEFIT BOTH PRODUCERS AND CONSUMERS

S. 2005, as amended by this bill, provides for acquiring and managing reserves of grains, soybeans, and cotton within the general framework of the forward-looking Agriculture and Consumer Protection Act of 1973.

At this time, attractive economic incentives are needed to assure maximum crop production in 1974. The possibility exists, however, that the crops may be so large that market prices will fall below the target prices set in the 1973 act, $2.05 a bushel for wheat, $1.38 for corn, and 38 cents a pound for cotton.

This bill requires the Secretary of Agriculture to offer producers nonrecourse loans on the 1974 crops of these commodities at the target price levels, and to offer nonrecourse loans at not less than 90 percent of the target price levels in future years when the carry-in from the previous marketing year was less than the desirable minimum reserves listed above. Government loans on soybeans would be made on a comparable basis.

These particular provisions would not only provide farmers with higher floor-price protection in times of over-production, but also would reduce the Federal Government's liability exposure regarding direct payments during such periods, and provide consumers—both livestock producers and housewives—with reserve stock protection for any future periods of severe shortage.

In order to prevent stocks at the desired minimum levels from depressing market prices in future years, minimum Commodity Credit Corporation resale prices would be raised to 135 percent of the established or target prices for grains and cotton and 150 percent of the loan rate for soybeans when the projected carryover of any of these commodities falls below the minimum desirable levels specified earlier.

I believe that if this bill is approved promptly, the 1974 harvests will be larger than otherwise because of the much higher floor prices provided. Rather than allowing prices to fall below the target levels, if the harvest is bountiful, some stocks might be accumulated in the 1974–75 marketing year.

We might be so fortunate as to harvest such large crops in 1974 that $1 billion in stocks of these commodities would be placed under loan and turned over to the Commodity Credit Corporation at the close of the marketing year. If that should occur and 2 years later another shortfall occurred, these stocks would be available for sale at 135 percent of their original cost. This would more than cover storage costs.

A reserve program as authorized in S. 2005, if properly administered, would benefit producers, domestic consumers, and export buyers, and probably would result in some income to the Government, because of the substantially higher selling prices as compared with acquisition costs. Excessive and burdensome stocks would not be accumulated by the higher loan levels authorized in S. 2005, when supplies are short. As soon as supplies reach desirable levels, the Secretary of Agriculture may return to the lower nonrecourse loan levels authorized in the Agriculture and Consumer Protection Act of 1973.

EXPORT-MANAGEMENT FEATURES

S. 2005, as amended, also authorizes the Secretary of Agriculture to exercise a degree of control over exports of agricultural commodities in critically short supply. This is accomplished by four measures, all much less disruptive than resorting to export embargoes as in the case of soybeans in June 1973.

First, all exporters of an agricultural commodity designated as critical by the Secretary of Agriculture would be required to obtain an export license.

Second, all export sales of these commodities would have to be reported on a daily basis.

Third, prior approval by the Secretary would be required for export sales of any commodity in critically short supply when sales of that commodity to any individual country reach 120 percent of the previous year's exports to that country in any given marketing year.

Fourth, Government stocks of commodities in critically short supply may not be sold for export for less than 120 percent of the average cash market price prevailing in the principal markets in the preceding week.

Mr. President, U.S. farmers have a magnificent production record. Food supplies have been so abundant for the past two decades that consumers in the United States have been the best fed people in the world at relatively the lowest cost.

The situation changed abruptly in 1972, however, when the U.S.S.R. and the People's Republic of China entered the international grain markets to make up their shortfall in domestic production at a time when weather was unfavorable for crop production in a large part of the world.

We must continue to be a reliable supplier in the international markets. Our farmers cannot prosper without access to world markets.

Yet, if we are to maintain reasonably stable economic conditions in this country, and assure stable supplies for our regular foreign buyers, we must exercise some control over exports of agricultural commodities in critically short supply. S. 2005, as amended, will permit this desired, yet minimum control.

Prompt approval of S. 2005, as amended, is urgently needed. It will give producers additional economic incentives and security, with a higher floor under 1974 crop prices, as they are forced to make record expenditures to produce these crops. It will give consumers and our regular export customers additional protection in case supplies of these commodities become critically short before the 1975 crops are harvested.

For the future, the bill would help keep farm prices from going as low as otherwise might be expected, and it would permit the accumulation of stocks and prevent their release until they are needed to stabilize consumer and export supplies in time of short supply.

Mr. President, I already have requested that hearings on this bill be held sometime in March.

Senator Walter D. Huddleston, chairman of the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, of the Senate Committee on Agriculture and Forestry, has indicated to me that he expects to move forward on this legislation very soon.

Mr. President, I invite other Senators to join in sponsoring this legislation.

Mr. President, I ask unanimous consent to have my amendment to S. 2005 which is in the nature of a substitute, printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 963

Strike out all after the enacting clause, and insert in lieu thereof the following:

That the Agricultural Act of 1970 is amended by adding at the end thereof a new title as follows:

"TITLE XI—CONSUMER AND MARKETING RESERVES

"Sec. 1101. (a) Effective only with respect to the 1974 through 1977 crops of wheat, corn, grain sorghum, barley, oats, rye, cotton, and soybeans, the third sentence of section 407 of the Agricultural Act of 1949, as amended, is amended by striking out the third proviso (relating to the minimum price at which certain grains in the stocks of the Commodity Credit Corporation may be sold) and inserting in lieu thereof the following: '*And provided further*, That the Commodity Credit Corporation shall not sell any of its stocks of wheat, corn, grain sorghum, barley, oats, rye, or cotton, respectively, at less than 135 per centum of the established price applicable by law to the current crop of any such commodity, or any of its stocks or soybeans at less than 150 per centum of the current national average loan rate for such commodity, adjusted (in the cast of all such commodities) for such current market differentials reflecting grade, location, and other value factors as the Secretary determines appropriate, if the Secretary determines that the sale of such commodity will (1) cause the total estimated carryover of such commodity at the end of the current marketing year for such commodity to fall below six hundred million bushels in the case of wheat, forty million tons (collectively) in the case of corn, grain sorghum, barley, oats, and rye, 5 million bales in the case of cotton, or one hundred and fifty million bushels in the case of soybeans, or (2) reduce the stocks of the Commodity Credit Corporation below two hundred million bushels in the case of wheat, fifteen million tons (collectively) in the case of corn, grain sorghum, barley, oats, and rye, 1.5 million bales in the case of cotton, or fifty million bushels in the case of soybeans; and in no event may the Corporation sell any of its stocks of any such commodity in any marketing year at less than 115 per centum of the current national average loan rate for the commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges, whenever the total estimated carryover of such commodity in such marketing year is in excess of the amount specified for such commodity in clause (1) above.'

"(b) Notwithstanding any other provision of law, whenever, for any marketing year, 'the Secretary estimates that the carry-over stocks of wheat will be less than six hundred million bushels, the carry-over stocks of feed grains will be less than forty million tons, the carry-over stocks of cotton will be less than 5 million bales, or the carry-over stocks of soybeans will be less than one hundred and fifty million bushels, the Secretary is authorize and directed to make available loans and purchases (1) to producers participating in the wheat, feed grain, or upland cotton programs, as the case may be, at not less than 100 percent of the established price for such commodity for the 1974 crop and at not less than 90 percent of the established price for such commodity for the 1975–1977 crops years and (2) to producers of soybeans on a comparable basis. As used in the preceding sentence, the term "feed grains" means corn, grain sorghum, barley, oats, and rye.'

"(c)(1) Effective only with respect to the 1974 through 1977 crops of wheat, corn, grain sorghum, barley, oats, rye, cotton, and soybeans, whenever the Secretary of Agriculture finds that the combined domestic requirements and export sales of any such commodity threaten to reduce the carryover of such commodity at the close of the marketing year for such commodity below the level specified for such commodity in clause (1) of the third proviso of the third sentence of section 407 of the Agricultural Act of 1949, as amended, he shall designate such commodity as a 'critical' commodity for the current marketing year, and thereafter, during such marketing year, no person may export any such commodity from the United States without an export license issued by the Secretary of Agriculture authorizing the export of such commodity by such person.

"(2) The Secretary of Agriculture shall require each person licensed to export any critical commodity to report daily all bona fide export sales of such commodity.

"(3) The Secretary of Agriculture is directed to maintain a weekly projection of foreign sales and domestic requirements in relation to available supplies for each designated critical commodity. Except for sales made to friendly countries under the Agricultural Trade Development and Assistance Act of 1954, at any time that the projected carryover stocks for any commodity in any marketing year fall below the level specified for such commodity in clause (1) of the third proviso of the third sentence of the Agricultural Act of 1949, as amended, the Commodity Credit Corporation may not, so long as the stocks of such 'critical' commodity remain below such level, sell any of its stocks of such commodity for export for less than 120 per centum of the weekly average cash price of the commodity in Chicago, Kansas City, and Minneapolis markets in the immediately preceding week, except that in the case of cotton, the minimum price at which such commodity may be sold shall be 120 per centum of the weekly average cash price in the designated spot markets reported by the U.S.D.A. in the immediately preceding week. None of the stocks of any commodity designated as a critical commodity under this section may be sold by the Commodity Credit Corporation to any buyer for domestic utilization unless such buyer agrees, in such manner as the Secretary of Agriculture may prescribe, that any stocks of such commodity sold to him will not be exported.

"(4) Whenever the projected carryover stocks of any commodity fall below the level specified for such commodity in clause (1) of the third proviso of the third sentence of the Agricultural Act of 1949, as amended, no quantity of such commodity may be exported to any foreign country in an amount that would result in total export sales to such country (from the United States) during such year in excess of 120 per centum of the amount of export sales of such commodity to such country (from the United States) in the preceding marketing year, unless the Secretary of Agriculture specifically approves the export of such quantity to such country.

"(d) The Secretary is authorized to issue such rules and regulations as he deems necessary to provide for the effective administration of this section.

"(e) In determining the quantity of carryover of any commodity at the beginning of or during any crop marketing year and the quantity of any commodity owned by the Commodity Credit Corporation, there shall be included any quantity of such commodity contained in the disaster reserve inventory maintained under the provisions of section 813 of this Act.

"(f) There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this section."

NOTICE OF HEARINGS ON GOVERNMENT PROCUREMENT AND USE OF DRUGS

Mr. NELSON. Mr. President, the Subcommittee on Monopoly of the Select Committee on Small Business will resume its hearings on Government procurement and use of drugs.

The hearings will be held on February 20 and 21 in room 6202 of the Dirksen Senate Office Building and on March 5 and 6—room to be announced.

The hearings will begin each day at 10 a.m.

NOTICE OF CONTINUATION OF HEARINGS

Mr. MUSKIE. Mr. President, on February 21 and 22, the Subcommittee on Intergovernmental Relations will continue its hearings on the impact of the energy crisis on State and local governments.

These particular hearings will focus on the economic effects of energy shortages on the States and localities.

The hearings will begin at 10 a.m. in room 3302 of the Dirksen Senate Office Building. Anyone wishing to testify should contact Mrs. Lucinda Dennis at extension 5-4718.

NOTICE OF WITNESSES TO TESTIFY AT HEARINGS ON LEGISLATION TO CREATE A DEPARTMENT OF ENERGY AND NATURAL RESOURCES AND AN ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Mr. RIBICOFF. Mr. President, the Subcommittee on Reorganization, Research, and International Organizations of the Committee on Government Operations will hold hearings on February 26 and February 27 on S. 2135, a bill to create a Department of Energy and Natural Resources, and on S. 2744, a bill to create an Energy Research and Development Administration and a Nuclear Energy Commission. The hearings are scheduled for 10 a.m. in room 3302, Dirksen Senate Office Building.

Roy L. Ash, Director, Office of Management and Budget, and William E. Simon, Deputy Secretary of the Treasury and Administrator of the Federal Energy Office, will testify on February 26. The witnesses on February 27 will be S. David Freeman, Ford Foundation energy policy project; Joseph Fisher, president, Resources for the Future; and Arthur Maass, professor of government, Harvard University.

ADDITIONAL STATEMENTS

J. MARK TRICE: A TRIBUTE

Mr. BUCKLEY. Mr. President, the retirement of Mark Trice at the end of last year marked the end of an era in the U.S. Senate. For 53 years he served the Senate in important capacities, ending his career as Secretary to the Minority. In a city that has a superabundance of institutions, Mark Trice is a rarity: a living institution whose 53 years of service to the Senate and to this country are all but unique in their dedication and devotion to duty.

Like most freshmen Senators, I benefited from his wisdom and his guidance when I first began the difficult adjustment of entering into important and, to a newcomer, often very confusing duties of a U.S. Senator. His guidance, his understanding and his knowledge of the Senate helped to make my first few months of adjustment easier to bear and the rest of my time until his retirement more efficient and more pleasant. I, for one, shall always be grateful to him for the understanding and kindness that made my own transition from citizen to Senator so much easier than it might otherwise have been.

In this city of monuments, perhaps the most lasting monument is that which exists in the hearts of those who remember a person who has really made a real difference, for the better, in their lives. Mark Trice is such a person.

LEAA HALTS BEHAVIOR MODIFICATION FUNDING

Mr. ERVIN. Mr. President, on Thursday of last week, Donald Santarelli, Director of the Law Enforcement Assistance Administration, made what I feel is a very important announcement. To quote Mr. Santarelli:

> I am forbidding the use of LEAA funds for medical research, behavior modification, and chemotherapy because there are no technical and professional skills on the LEAA staff to screen, evaluate, or monitor such projects.

Mr. President, on many occasions I have expressed my concern that the many forms of behavior therapy funded by the Federal Government raise questions with respect to basic human freedoms, individual privacy, and self-determination. For well over a year, I have been concerned that LEAA was funding such programs in the absence of any substantial standards and review. I have long been of the opinion, particularly with regard to biomedical and behavioral research which can so drastically affect the lives of individuals, that when such research is conducted under the aegis of the Federal Government, it should be subjected to the most rigorous review in order to protect the basic constitutional rights of persons affected by such research.

It goes without saying that medical research has had profoundly beneficial effect on mankind. It must continue to do so, and individual researchers must be enthusiastically encouraged to make the kinds of breakthroughs essential to the advancement of medicine. Moreover, riots and violent crime remind us time and again that our understanding of human behavior is far from adequate. Sociological and psychological research can help us better to understand and perhaps even prevent such terrifying and destructive disturbances in the future.

Nevertheless, biomedical and behavioral researchers in many parts of the country are going ahead with projects that raise some of the most fundamental moral and ethical questions that we have ever faced. We are at an exciting point in the history of the medical and behavioral sciences. The cover story of a recent issue of Time magazine, for example, described the future of research into the brain as a new frontier comparable to that faced by the 15th century explorers. All of this comes at a time when basic questions concerning the sanctity of an individual's personality remain to be answered. Until these questions have been answered, and until strict and comprehensive mechanisms guaranteeing informed consent and the individual privacy, self-determination, and dignity of human subjects of experimentation have replaced the Federal Government's present slipshod methods of funding such projects, such experimentation should be halted.

The announcement by LEAA was especially gratifying to me because it came 4 weeks after I sent a detailed, 6-page inquiry to LEAA expressing my concern that LEAA's review structure was woefully inadequate. I was particularly concerned about one especially disturbing grant request under consideration from the center for the study and reduction of violence at UCLA. Among other things, the UCLA center grant request describes proposed testing of electrophysiological methods of remote control of an individual's behavior by computer. As I mentioned in the letter, information I have received "indicates that programs are being contemplated for the center that raise profound moral and constitutional questions, and it would be extremely desirable for LEAA to conduct a comprehensive review and evaluation of the projects under consideration." I further expressed my view that "LEAA ought to consider a moratorium on the further use of its funds for these purposes until it develops guidelines at least as comprehensive as those under consideration by Congress and HEW." I am pleased LEAA has accepted my suggestion.

Earlier this year Senator Kennedy's human experimentation bill passed the Senate as title II of H.R. 7724. Senator Kennedy's bill would establish a Human Experimentation Standards Board within HEW. The function of the board would be twofold: First, it would develop strict ethical guidelines pertaining to biomedical and behavioral research; and, second, it would establish and oversee the operation of a review structure in HEW set up to apply these principles to research projects. In the meantime, HEW itself has been working on a variety of measures designed to strengthen its existing departmental guidelines. Although I believe that there are some fundamental weaknesses in the HEW measures, I feel that this action, along with the legislation introduced by Senator Kennedy, constitutes a substantial step toward the protection of human rights affected by biomedical and behavioral research.

As significant as these measures are, however, they fall short of solving the overall problem. As the action by LEAA indicates, though HEW conducts a large percentage of the medical research conducted by the Federal Government, it by no means conducts all of it. The Bureau of Prisons, the Defense Department, and the Veterans' Administration, just to name a few, all conduct substantial amounts of research on human beings. It is my firm belief that strong ethical guidelines should be applied to all federally funded research. H.R. 10573, introduced by Congressman Preyer of my home State of North Carolina, would establish an independent national commission, similar to that established within HEW by Senator Kennedy's bill, but whose jurisdiction would include all federally funded projects. Mr. President, I see the enactment of such across-the-board protection of human research subjects as a high-priority matter for congressional action.

In the meantime, it is high time we found out about how many and what kinds of biomedical and behavioral research projects involving human subjects are now being conducted under Federal auspices and just what review procedures and protections for individual rights are provided. LEAA found the answers to such questions sufficiently difficult, or perhaps embarrassing, so that it terminated its involvement in such research altogether.

Now let us ask the Bureau of Prisons, the Veterans' Administration, and all other Federal agencies involved in such research similar questions. As part of a comprehensive investigation of federally funded biomedical and behavioral research on human subjects, the Constitutional Rights Subcommittee, which I chair, is in the process of doing just that.

Mr. President, there is presently a great deal of activity in the field of human experimentation. I feel that we have come a long way toward protecting human rights in the face of our burgeoning biomedical and behavioral research capabilities. But we have a long way to go. We must establish a framework within the Federal Government whereby all federally funded research projects are subjected to rigorous standards both with respect to the propriety of the experiments themselves, and with regard to the rights of individuals affected by such experiments.

Mr. President, I ask unanimous consent that the attached correspondence with LEAA and two newspaper articles describing the LEAA decision to cease funding biomedical and behavioral research be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Committee on the Judiciary, Subcommittee on Constitutional Rights,
Washington, D.C., March 22, 1973.

Mr. Jerris Leonard
Administrator, LEAA
Washington, D.C.

Dear Mr. Leonard: It has come to my attention that the California Council on Criminal Justice is planning to contribute funds to a project to be managed by the University of California which will investigate violent behavior. The project will involve the use and development of psychological techniques to identify and treat aggressive behavior. In relation to this project, I would appreciate a response to the following questions dealing with the Law Enforcement Assistance Administration's role:

1. To what degree does LEAA fund the California Council on Criminal Justice? Has LEAA specified the use of funds by CCCJ for a study of violent behavior research? May the funds given the Council be spent on projects not approved by or reported to LEAA? If so, may the Council legally spend the unspecified funds on violent behavior research?

2. Does LEAA have copies of the California Council's study proposal? Please send copies of this proposal. Has LEAA reviewed and approved this project? Will any of the work in the project be performed by Dr. William Sweet, Dr. Vernon Mark, or Dr. Frank Ervin?

3. Does the LEAA fund other projects which involves violent behavior research such as the California project or the $100,000 study which was conducted last year by Dr. Frank Ervin and others in several prisons to identify a classification system for violent offenders? Please send copies of any projects involving violent behavior research being funded by LEAA. If LEAA is funding projects for violent behavior research please send copies of procedures concerning conduct and reporting by those projects.

4. Does the LEAA have guidelines for projects it funds employing human subjects? Please send copies of any such guidelines.

Thank you for your cooperation.

With kindest wishes,

Sincerely yours,

Sam J. Ervin, Jr.,
Chairman.

Law Enforcement
Assistance Administration,
Washington, D.C., April 6, 1973.

Hon. Sam J. Ervin, Jr.,
Chairman, Committee on the Judiciary, Subcommittee on Constitutional Rights, U.S. Senate, Washington, D.C.

Dear Chairman Ervin: This is in response to your recent letter concerning the possible funding by the California Council on Criminal Justice of a study investigating violent behavior.

We have been informed that an application proposing a project of the general nature you have described is being prepared by the California State Department of Health and Welfare for submission to the California Council on Criminal Justice. You will hear from us again just as soon as we have the information upon which to base a reply.

Sincerely,

Dean Pohlenz,
Assistant Administrator.

Law Enforcement
Assistance Administration,
Washington, D.C., May 10, 1973.

Hon. Sam J. Ervin, Jr.,
Chairman, Subcommittee on Constitutional Rights, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: This is in further response to your letter concerning Law Enforcement Assistance Administration funding of programs for the investigation of violent behavior. The following paragraphs refer to the corresponding numbered paragraphs of your letter:

PARAGRAPH 1

a. *To what degree does LEAA fund the California Council on Criminal Justice?* LEAA annually awards block grants to the individual states for the improvement of their criminal justice systems. The CCCJ is the criminal justice planning agency for the State of California and has received approximately $56 million in planning and action block grants for fiscal year 1973.

b. *Has LEAA specified the use of funds by CCCJ for a study of violent behavior research?* No such use of funds by CCCJ was specified.

c. *May the funds given the Council be spent on projects not approved by or reported to LEAA?* The award of block grant action funds is contingent upon the review and approval by LEAA of a state's annual comprehensive criminal justice plan, and these plans include all major programs and the projects of which they consist. Any project not included in an approved plan is subject to LEAA review and, as a matter of practice, is normally the subject of coordination between LEAA and the respective state planning agency during its formulative stage.

d. *If so, may the Council legally spend the unspecified funds on violent behavior projects?* Special measures have been taken to assure that medical research projects, including violent behavior research, will receive individual and prior approval by LEAA. The requirement for such approval is set forth in paragraph 26 of the LEAA Guideline Manual for Planning and Action Grants, the pertinent page of which is attached. (Attachment A). More specific and restrictive guidelines concerning the use of LEAA funds for such projects are under consideration.

PARAGRAPH 2

a. *Does LEAA have copies of the California Council's study proposal?* An application for block grant funds in the amount of $750,000 for a project entitled Center for the Study and Reduction of Violence has been submitted to the CCCJ by the California State Health and Welfare Agency and a copy was received by LEAA's Regional Office in San Francisco on April 25, 1973.

b. *Please send copies of this proposal,* Copies of the proposal are attached. (Attachment B).

c. *Has LEAA reviewed and approved this project?* The proposal has not yet been reviewed by LEAA. At the April 27th meeting of the CCCJ, the California State Attorney General recommended that the Council appoint an advisory committee to hold public hearings on this proposal and that LEAA be represented on that committee.

PARAGRAPH 3

a. *Does LEAA fund other projects which involve violent behavior research such as the California project or the $100,000 study which was conducted last year by Dr. Frank Ervin and others in several prisons to identify a classification system for violent offenders?* No projects similar to the California proposal or to that conducted by Dr. Ervin are being funded by LEAA.

b. *Please send copies of any projects involving violent behavior research being funded by LEAA.* LEAA's regional offices and the state planning agencies of each of the states are being queried concerning such projects. You will be furnished this information as soon as it is available.

c. *If LEAA is funding projects for violent behavior research, please send copies of procedures concerning conduct and reporting by those projects.* Reporting procedures for violent behavior research projects being funded by LEAA grants would be similar to reporting procedures for other LEAA funded projects. In the case of projects supported by discretionary funds, grantees are required to submit quarterly narrative and financial reports to LEAA. Copies of the Discretionary Grant Progress Report Form and the reporting instructions are attached. (Attachment C). Reporting procedures for projects supported by subgrants from block grant funds are prescribed by the state and normally consist of semi-annual narrative and financial reports, In addition, LEAA requires the states to include in their annual plan progress reports of those projects funded during the prior year.

PARAGRAPH 4

a. *Does LEAA have guidelines for projects it funds employing human subjects?* Yes, such guidelines are included in the LEAA Guideline Manual cited in answer to 1.d. above.

b. *Please send copies of any such guidelines.* A copy of the pertinent page from such guidelines is attached. (Attachment A).

Your interest in this matter and the programs of the Law Enforcement Assistance Administration is greatly appreciated. You will hear from me again just as soon as the additional material mentioned in paragraph 3.b. is available.

Sincerely,

DONALD E. SANTARELLI,
Administrator.

LAW ENFORCEMENT ASSISTANCE
ADMINISTRATION,
Washington, D.C., June 14, 1973.

Hon. SAM J. ERVIN, Jr.
Chairman, Subcommittee on Constitutional Rights, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further response to your letter concerning Law Enforcement Assistance Administration funding of programs for the investigation of violent behavior.

Our regional offices, and through them each of the state planning agencies, have been queried regarding violent behavior research projects. The seven projects which have been identified as falling within this category are listed on the attached page and additional information on each project is enclosed. Four of the projects are supported by LEAA discretionary grants and three are supported by subgrants from state planning agencies using LEAA block grant funds.

None of the seven projects involve any type of psychosurgery or the use of experimental drugs. Two of the projects reflect some degree of clinical treatment methodology.

The project entitled Research—Penal Population, Grant Number 70–A–152–24, a neurological research grant to the University of Puerto Rico by the Puerto Rico Crime Commission, utilizes two types of drugs both of which are approved and authorized by the Puerto Rico Department of Health. There is no surgery involved and a special condition to the grant requires emphasis on the recognition of the individual human rights of the participants.

The project entitled Planning for the Treatment of the Repetitive Violent Offender, Grant Number 73ED–05–0005, supported by a discretionary grant to the Illinois Department of Corrections, also contains a clinical treatment component, although the project is still acquiring data for analysis. Dr. Frank Ervin, mentioned in your letter, is participating in the research but only as a consultant and only for ten days.

Please let me know if you wish us to furnish additional information.

Sincerely,

DONALD E. SANTARELLI,
Administrator.

VIOLENT BEHAVIOR RESEARCH PROJECTS SUPPORTED BY LEAA FUNDS

A. DISCRETIONARY GRANT PROJECTS

1. Planning for the Treatment of the Repetitive Violent Offender. Grant Number 73ED–05–0005 (a copy of the grant application is enclosed).

2. Multi-state Treatment of Special Offenders. Grant Number 72Ed–01–0010 (a copy of the grant application is enclosed).

3. Assault on Police. Grant Numbers 72–DF–06–0053 and 73–TA–06–0004 (a copy of the grant application is enclosed).

4. Reducing the Incidence of Violence. Grant Number 73ED–05–0009 (a copy of the grant application is enclosed).

B. BLOCK GRANT PROJECTS

1. Research—Penal Population. Grant Number 70–A–152–24 (a copy of the progress report is enclosed).

2. Early Prevention of Individual Violence. Grant Numbers 1–J1–460 and 2–J1–993 (copies of four progress reports are enclosed).

3. The Prediction of Violence. Grant Number DS–306–72A (a summary of the project is enclosed).

JANUARY 14, 1974.

Mr. DONALD E. SANTARELLI,
Administrator, Law Enforcement Assistance Administration, Washington, D.C.

DEAR MR. SANTARELLI: On March 22 of last year I addressed an inquiry to your office concerning LEAA funding for violence studies and behavioral research. I was particularly interested in information pertaining to the Center for the Study and Reduction of Violence at UCLA. Your responses were most informative, and your cooperation is appreciated.

Since that time I have received additional information and have had an opportunity to digest the material you sent in response to my earlier inquiry. The use of human subjects in biomedical and behavioral research raises several fundamental constitutional and ethical questions, and I believe LEAA must develop guidelines adequate to protect fully the constitutional rights of the subjects of LEAA-funded research in these areas. Of particular concern is a lack of needed supervision of biomedical and behavioral research projects that receive funds indirectly from LEAA through the Block grant system.

Since last March a great deal of information pertaining to the UCLA Center has come to my attention. Much of this information indicates that programs are being contemplated for the Center that raise profound moral and constitutional questions, and it would be extremely desirable for LEAA to conduct a comprehensive review and evaluation of the projects under consideration. In light of my concern, I would appreciate your response to the following questions:

1. In your letter of May 10, you mentioned that "the award of Block grant action funds is contingent upon the review and approval by LEAA of a state's annual comprehensive criminal justice plan, and those plans include all major programs and the projects of which they consist. Any project not included in an approved plan is subject to review and, as a matter of practice, is normally the subject of coordination between LEAA and the respective state planning agency during its formulative state."

Does LEAA have any guidelines pertaining to what is to be included in a state's comprehensive criminal justice plan? Specifically, what guidelines insure that descriptions of individual plans will be included and that these descriptions will be comprehensive? What measures are taken to insure that plans not included in a state's annual report will subsequently be reviewed by LEAA to provide that plans not subject to prior coordination with LEAA are sufficiently reviewed thereafter?

2. In your response you mention that "special measures have been taken to assure that medical research projects, including violent behavior research, will receive individual and prior approval by LEAA." Are there additional measures other than those specified by paragraph 26 of the LEAA Guideline Manual? If so, would you please describe these special measures in as much detail as possible. You also mentioned that "more specific and restrictive guidelines concerning the use of LEAA funds for such projects are under consideration." What progress has been made in the development of more restrictive and specific guidelines since last May? Please include copies of all drafts that may have been produced pertaining to these additional guidelines.

3. In paragraph 2 of my March 22 inquiry, I asked whether Dr. William Sweet, Dr. Vernon Mark or Dr. Frank Ervin will perform any of the work in the UCLA project. Though your response went into considerable detail, a specific reply to this question was omitted.

I understand that Drs. Sweet and Ervin are both now associated with the neuropsychiatric institutes of UCLA, and that their work with violence reduction is closely aligned with the types of projects to be conducted at the Center for the Study and Reduction of Violence. Their work in the past has raised some questions with regard to the constitutional rights of the subjects of their experiments. Though none of their names appear in the curriculum vitaes section of the most recent grant request for the UCLA Center, I note that Dr. Ervin's name appears several times in the original version of the grant request. Will Drs. Ervin, Mark or Sweet be associated in any capacity with the Center for the Study and Reduction of Violence at UCLA? Are they associated in any capacity with any other LEAA-funded studies?

4. What action has been taken since May concerning LEAA funding for the California project? I understand that LEAA has submitted the California proposal to the Department of Health, Education and Welfare for its opinion as to the validity of the project. I also understand the committee to review the LEAA proposal is co-chaired by Drs. Frank Ochberg and Saleem Shah. Who are the other members of the committee? Will the decision of the committee be binding as far as LEAA is concerned? Will the decision be based on the applicability of the California proposal to HEW guidelines concerning research on human beings?

Dr. Ochberg was formerly director of the California regional office of NIMH. Was he associated in any way with the formulation of plans for, or the operation of, the Center for the Study and Reduction of Violence. Dr. Shah is presently the Director of the National Center for the Study of Crime and Delinquency, an agency in NIMH. Was he involved in any way with the formulation of plans for the Center? Will the grant be reviewed by any persons who have not had prior close connection with research into violent behavior?

If the decision of the committee is not to be based on the applicability of the proposal to HEW guidelines concerning human experimentation, what criteria will be used to determine whether or not the proposal contains adequate guarantees of the protection of the rights of human subjects to be used in the experimentation conducted by the Center?

5. You mentioned in your response that a copy of the grant request for the UCLA project was received by your San Francisco office on April 25, 1973. My initial inquiry was dated March 22. Is there any correlation between the receipt of the block grant request by LEAA and my inquiry? Specifically, would the grant request for the UCLA Center normally have been received by LEAA in Washington and subject to its review? What mechanisms other than paragraph 26 of the LEAA guideline manual are provided to insure that medical research requests for funding derived from LEAA block grants receive prior individual review and approval? What

guidelines are used in the determination of a project's validity? What guidelines does LEAA use pertaining to the proper derivation of true informed consent from subjects of LEAA-funded medical research projects? What is LEAA's policy toward psychosurgery and aversion therapy? Are anectine, prolixin, thorazine, cyproterone acetate, or any emetics ever used in connection with LEAA-funded medical research projects?

6. On page 20 of the copy of the grant request for the California Center you included in your response of May 10, there is reference to the use of various California facilities in the development of "treatment models designed to ameliorate or supplant the expression of violent behavior." Among the centers to be used are Atascadero State Hospital, Camarillo State Hospital, and the California Medical Facility at Vacaville. Please enclose a complete listing of all such facilities that will be used in the testing of programs developed at the Center for the Study and Reduction of Violence.

Exactly what types of programs are to be tested at these satellite institutions? For each institution, please describe in detail the programs to be conducted. Will psychosurgery or any experimental surgery of any type be conducted at these institutions? Will aversion therapy in any form be tested? Will such biological techniques as hormone therapy be tested? What degree of control does LEAA have over these satellite programs? To what specific reporting requirements are these peripheral programs subject? Is it possible that plans formulated at the Center for the Study and Reduction of Violence which are unacceptable to LEAA could actually be executed at other institutions under the supervision of individuals that originally developed the plans under LEAA grant? Are individuals that conduct experimentation under LEAA funding subject to any contract or binding promise with regard to maintaining high ethical standards in the conduct of their experimentation?

For each of the outside facilities to be used in the program, has specific official permission been granted by the respective heads of the institutions? Please supply copies of all correspondence pertaining to the derivation of that permission.

7. Your follow-up letter concerning LEAA-funded violence study projects other than that at UCLA was received by the subcommittee on June 14. In that letter you included copies of progress reports relating to the three block grant projects mentioned. According to paragraph 26 of the guideline manual, the block grant projects should have received individual prior approval from LEAA. Were specific grant requests for these subgrant projects received by LEAA prior to the beginning of the experiments? What was the nature of LEAA's approval of these projects, i.e., was the approval tacit or expressed, and was the approval based on individual grant requests? If the approval was not based on individual grant requests, please explain the process that was used. If it was based on the original grant requests, please enclose copies of the formal requests.

8. Is Dr. Frank Ervin presently associated in any capacity with project no. 73-ED-05-0005, "Planning for the Treatment of the Repetitive Violent Offender," at the Illinois Department of Corrections? The grant request specifies that the "immediate result of this planning effort would be a precisely detailed document which would concern itself with (a) the selection process, (b) the treatment program, and (c) the evaluation procedures." Has a preliminary draft of this document been produced? If so, please include copies of all such drafts. In the letter received on May 10, you indicated that projects conducted under discretionary grants must submit quarterly narrative and financial reports to LEAA. Would you please include copies of these reports for this and the other three violence studies (project nos. 72-ED-01-0010, 72-DF-06-0004, and 73-ED-05-0009) conducted under discretionary grants that you mentioned in your letter.

9. In the June 14 letter you referred specifically to grant number 70-A-152-24, a neurological research grant to the University of Puerto Rico. You mentioned that the project utilizes two drugs approved by the Puerto Rico Department of Health. What are the names of these drugs and exactly what are they used for? Are the two drugs approved by the Food and Drug Administration? Due to a clerical error, the progress reports that were originally submitted to us have been misplaced, and information concerning these drugs may have been included in those reports. Would you please send additional copies of the reports along with any reports received since June 14, and the grant requests mentioned in question 7. If specific information concerning the drugs is not included on the reports, please elaborate.

You also mentioned that "a special condition to the grant requires emphasis on the recognition of the individual human rights of the participants." What exactly is that special condition, and how is it enforced?

10. On page 5 of the original version of the grant request for the California Center dated September 1, 1972, it says that—

"It is even possible to record bioelectrical changes in the brains of freely moving subjects, through the use of remote monitoring techniques. These methods now require elaborate preparation. They are not yet feasible for large-scale screening that might permit detection of violence-predisposing brain disorders prior to the occurrence of a violent episode. A major task of the Center should be to devise such a test, perhaps sharpened in its predictive powers by correlated measures of psychological test-results, biochemical changes in urine or blood, etc."

From the most recent version of the grant request, I quote page 19:

"Studies of abnormal electrical activities within the brain, involving various forms of brain diseases and brain lesions, will be carried out in the neurological and physiological laboratories to clarify their relationships to various types of violent behavior. The subjects of such studies will include hyperkinetic children and individuals who have committed aggressive or violent sex crimes."

And from a memorandum dated March 29, 1973, concerning plans for a program to be conducted at the Atascadero State Hospital under the auspices of the Center for the Study and Reduction of Violence:

"Within our electrophysiological laboratory we presently have the capability of (1) programming the presentation of a wide variety of audio-visual stimuli, with concurrent recording of (2) heart rate, both directly and in beats per minute, (3) galvanic skin response, (4) changes in ——— volume, (5) electromygraphic response, and (6) alpha and beta brain waves. We are presently in the process of developing portable bio-feedback devices which can be used for self-monitoring in vivo."

Are any studies presently being conducted under block or discretionary grants that are concerned in any capacity with telemetry and electrophysiology as they relate to the identification and control of certain types of behavior? Ars. Drs. Barton L. Ingraham or Gerald W. Smith conducting projects under LEAA grants?

Needless to say, research programs such as those described above raise important questions which must be resolved both by LEAA and Congress. There is a serious issue of whether the federal government should be in a position of financing programs posing such extraordinary challenges to human freedom and dignity at all. Certainly LEAA ought to conduct a most searching inquiry before committing its funds to such a project, whether by discretionary or block grant. If, after such inquiry, LEAA were to support such projects, it ought first to develop stringent and exacting requirements for the control and maintaining of these experiments.

As you are aware, HEW and the Congress are now subjecting the question of federal financing of human behavioral research to close scrutiny. A series of guidelines on the ethical and administrative standards have been developed both in legislation and in regulations. I believe that LEAA ought to consider a moratorium on the further use of its funds for these purposes until it develops guidelines at least as comprehensive as those now under consideration by Congress and HEW. These guidelines should provide for specific approval by a special committee on research and ethics within LEAA and the Administrator's Office of any project, whether funded by block or discretionary grant, in the field of human behavioral research. These projects also should be subject to close institutional control and review and to prior approval by local, ethical committees as well.

I know that you appreciate the extreme importance of the questions raised by these projects. While I am aware that the questions I have asked will require a substantial amount of work, I believe that the subject matter's importance well justifies the burden.

With kindest wishes,
Sincerely yours,

Sam J. Ervin, Jr.,
Chairman.

[From the New York Times, Feb. 15, 1974]

United States Bars Crime Fund Use on Behavior Modification

(By Lesley Oelsner)

Washington, February 14.—The Government today banned any further use of Federal anti-crime money for behavior modification, calling a halt of the programs it has funded for the systematic manipulation of the behavior of inmates, juvenile offenders and alcoholics.

It also banned the use of Federal anti-crime money for psychosurgery, medical research and chemotherapy.

The ban, effective immediately, was announced this afternoon by Donald E. Santarelli, administrator of the Law Enforcement Assistance Administration. It means that prisons and other institutions now using L.E.A.A. funds for such things as neurological research and drug experimentation will have either to cease operations or to find other funding.

The ban does not mean a total halt to the use of behavior modification in law enforcement. It applies only to funds provided by L.E.A.A., and while the Federal agency is considered a prime source of money in this area a number of other agencies, both state and local, have also financed behavorial programs.

The agency's funding in the last three years has included $130,000 in grants to the University of Puerto Rico for neurological research into the correlations between criminal behavior and brain damage.

USE WITHIN STATES

A study by The New York Times has found that behavior modification has become an increasingly important and controversial—law enforcement tool in recent years.

At least one state prison system has been injecting misbehaving prisoners with a drug that produces vomiting, for instance. At least two states apply electric shock to male sex offenders, particularly child molesters, in an attempt to change their behavior by focusing their attractions on a more "suitable" subject, adult women.

"This is going to be one of the trends

of the future," said Al Bronstein, director of the national prison project of the American Civil Liberties Union Foundation. Both Mr. Bronstein and Diane Bauer of the Children's Defense Fund contend that unless abuses of behavior modification in the law enforcement area are stopped, there will be abuses later involving hyperkinetic children and the elderly.

L.E.A.A. funding in the last three years has included $130,000 in grants to the University of Puerto Rico for neurological research into the correlation between criminal behavior and brain damage.

The Puerto Rican project states that once sufficient data and "expertise" are acquired a "prospective community search can be made looking for young individuals who may suffer from undiagnosed cerebral or neurological pathology which may contribute, or in some manner be significantly associated, with criminal behavior."

BEHAVIOR OF SOCIOPATHS

Other projects funded by the agency range from a drug experimentation program in Chilicothe, Ohio, in which drugs were given to inmates in an effort to alter the "institutional behavior and adjustment patterns" of sociopaths, to a manuscript on the issue of "whether there are certain kinds of human behavior which the criminal law cannot coerce."

The Law Enforcement Assistance Administration also gave a Pennsylvania correctional institution funds for a behavior modification program for youthful offenders, "based on Dr. B. F. Skinner's reinforcement principles," in which a reinforcer, or reward, is given at each stage at which a subject produces the specified behavior.

Mr. Santarelli, whose agency was created to provide Federal funding to state and local criminal justice agencies under President Nixon's anticrime program, did not describe or mention any of these programs in his announcement today.

He said simply that a staff review had disclosed that a "number" of L.E.A.A.-funded programs "may involve medical research, medical experimentation or behavior modification."

He also said that "to the best of our knowledge," his agency had not funded any psychosurgery—a process in which tiny portions of tissue deep in the brain are destroyed through surgery, electricity, radiation or ultrasound to erase symptoms of otherwise uncontrollable behavioral and emotional disorders.

According to Mr. Santarelli, psychosurgery is "so fraught with peril and uncertainty" as not to be "appropriate" for the agency's funding. The other types of projects are now being banned, he said, because the agency does not have the "technical and professional skills" needed to "screen, evaluate, or monitor such projects."

KEY TOOL OVER NATION

Investigation by The New York Times over the last two weeks has found that behavior modification—whether through psychological techniques based on principles such as the Skinner "reward" theory or through psychological methods combined with drugs or electric shock—has become a significant tool in American law enforcement.

On the Federal level, in addition to L.E.A.A.-funded programs, the Bureau of Prisons has or is planning a number of projects that, according to its director of mental health programs, involve "principles of behavior modification." The National Institute of Mental Health, a part of the Department of Health, Education and Welfare, is funding several behavioral modification programs for juveniles.

Several states also employ behavior modification in their prison systems. At least two—Wisconsin and Connecticut—use electric shock treatments in an effort to alter behavior patterns of sex offenders.

The Connecticut program has been in operation for about six months; Wisconsin's, since 1967. In Wisconsin, male inmates who agree to participate are given what officials there describe as an "uncomfortable" shock from a one-and-a-half-battery cell in an effort to transfer their feelings of sexual attraction from children to adults.

In Connecticut—where officials describe the shock as "mild" and combine it with hypnosis—the inmates are given the shocks as they watch slides of children.

IOWA SYSTEM UPSET

Some states have also used "aversive" drugs, on a smaller principle: to associate an unpleasant sensation with behavior that is deemed unacceptable.

The United States Court of Appeals recently ruled that the aversive drug program of the Iowa prison system was cruel and unusual punishment and thus unconstitutional under the Eighth Amendment—overruling the trial court, which had simply dismissed the inmates' complaint.

The Iowa program, according to the appeals court involved a drug called apmorphine that was injected without their consent into inmates who violated prison behavior rules.

"When it was determined to administer the drug," the court wrote in its opinion, "the inmate was taken to a room near the nurses' station which contained only a water closet and there given the injection. He was then exercised and within about 15 minutes he began vomiting. The vomiting lasted from 15 minutes to an hour. There is also a temporary cardiovascular effect which involves some change in blood pressure and 'in the heart.' This aversion type 'therapy' is based on 'Pavlovian conditioning.' "

The court did not totally ban the treatment, however. It said that the lower court should enjoin the use of the drug except when the treatment was authorized by a doctor and given with the written consent of the inmate after he had been advised of his right to end it at any time.

INCREASE IN CRITICISM

As the use of behavior modification techniques in law enforcement has grown, so have the criticism and concern. Prisoners rights groups and civil liberatians—as well as some law enforcement officials and doctors—have questioned both the propriety and the efficacy of such projects.

A major issue has been whether inmates can ever give a truly informed "consent" to such procedures, in view of the fact that inmates may believe that they will improve their chances for early parole if they cooperate with prison officials' requests to participate in a special program.

Other concerns include the lack of appropriate guidelines for such projects and the incomplete state of the science.

Some critics have flatly rejected the concept of using behavior modification—whether purely psychological or whether combined with drugs or shock—in law enforcement. But others have taken a less stringent view, saying that behavioral modification, if properly used on truly consenting persons, may in fact help prisoners escape long prison terms.

L.E.A.A. says it cannot provide any estimate of either the amount of money it has spent or the number of projects it has funded on behavior modification.

A request for such information by The Times two weeks ago was answered by the agency yesterday with a computer read-out of some 400 projects that it said "might" somehow be connected to behavior research.

From a preliminary review of this read-out, as well as of some grant applications and reports on other projects specifically identified by The Times for L.E.A.A., it was possible to pinpoint at least about $1.5-million spent on projects involving behavior modification.

Asked how the agency would halt currently operating projects covered by the ban when it did not know what those projects were, a spokesman said that "some of the details have to be worked" but that there would be a "careful screening" by agency headquarters here and by its regional offices.

[From the Los Angeles Times; Friday Feb. 15, 1974]

MIND CONTROL STUDIES WILL LOSE FUNDING

(By Robert A. Jones)

Washington—The Law Enforcement Assistance Administration Thursday cut off the funding of programs that seek to alter the behavior of criminal offenders through brain surgery, drug treatment or a process called "aversion therapy."

LEAA Administrator Donald E. Santarelli described the behavior modification programs as "fraught with peril." He said all future requests for funding of such programs would be referred to the Department of Health, Education and Welfare.

The fund cutoff also applies to any LEAA programs that engage in medical research for law enforcement purposes, Santarelli said.

The LEAA directive exempted from the ban programs which are "generally recognized" as "not subjecting the patient to physical or psychological risk." The directive listed methadone maintenance and certain alcoholism treatment programs as examples of exempted techniques.

The funding cutoff appears to terminate the plans of several neurophysiological centers that had advocated experimental treatment of prison inmates found guilty of violent or sex-oriented crimes.

One of the most controversial programs has been the proposed Center for the Study and Reduction of Violence at UCLA, which the California arm of the LEAA agreed "in principle" to fund in July, 1973.

In his proposal to the California Council on Criminal Justice, Dr. Louis J. West, who had been chosen to head the center, said it would conduct "studies of abnormal electrical activities within the brain (which) will be carried out in the neurological and physiological laboratories: to clarify their relationship to various types of violent behavior.

"The subjects of such studies will include hyperkinetic children and individuals who have committed aggressive or violent sex crimes."

Although in later testimony before the state Senate Health Committee West denied that he planned to use psychosurgery on his subjects, plans for the center raised a storm of protest from civil rights groups and public officials.

Last month, Sen. Sam J. Ervin Jr. (D–N.C.), chairman of the Senate Judiciary Committee's subcommittee on constitutional rights, questioned approval of the center by the LEAA and said the medical techniques "raise profound moral and constitutional questions."

A spokesman for the LEAA in Sacramento said that Thursday's directive "sounds like it will kill the idea for the center."

The LEAA cutoff leaves the possibility, however, that funding for such programs could be obtained through the National Institute of Mental Health, a division of the Department of Health Education, and Welfare.

Advocates of behavior modification programs claim such treatments would enable some repeated criminal offenders to be released into society, thereby reducing the cost to governments of long prison terms.

"Aversion therapy" seeks to program offenders away from violence by punishing them with electrical shocks or very loud noises immediately after they have been stimulated into violent moods by therapists.

Various civil rights groups protested the techniques, claiming they could lead to behavior control on a wider scale. The Children's Defense Fund, which has led the fight against the programs, applauded the LEAA ban but said, "We will continue to monitor government projects of this kind, particularly those funded by the National Institute of Mental Health."

IT'S A NAME IN THE NATION

Mr. BEALL. Mr. President, I recently received a letter from Mr. Lloyd I. Tilghman of Suitland, Md., who will be celebrating his 78th birthday on February 25, 1974. Mr. Tilghman has continued to remain active in his retirement years and one of his activities is poetry. He enclosed with his letter a copy of a poem he has written entitled "It's a Name in the Nation". This poem reflects the positive and healthy attitude Mr. Tilghman has assumed towards his status as a senior citizen.

Mr. President, I ask unanimous consent that the poem entitled "It's a Name in the Nation" by Mr. Floyd I. Tilghman of Suitland, Md., be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

IT'S A NAME IN THE NATION

(By Lloyd I. Tilghman)

Senior citizens is a name
That God gave us to wear
We trod along the elder path
As if no one were there

Sometimes we need a cane or crutch
Or even a wheel chair
We give each other a helping hand
And other things we share

Senior citizens is a name
We'll all share some day
Age has no limit course
It spreads out every way

Our name will always be the same
Our age they call it old
We count the days as they go by
Up to a hundred fold

Senior citizens is a name
That time can only tell
Something that God gave us to wear
A name we love so well

Sometimes we're called old timers
We answer to our name
God gave us the time and age
Old folks are not to blame

Senior citizens is a name
In a class of its own
God gave it to us to keep
Year after year its grown

We have a union of our own
It moves on slow with care
Its called the senior citizens
We meet year after year

Senior citizens is a name
We earn from year to year
It's sometimes we're proud to be
That God gave us to share

Now we bend our knees and say
Thank God for what he has done
It was a happy day for us
Each and every one

We trod along the outer path
The hurried pass us by
We take our stride step by step
No other way to try

When we are parting
You will always hear us say
God bless us senior citizens
Each night and every day.

FOOD ADDITIVES

Mr. NELSON. Mr. President, on December 20, 1973, I introduced a bill (S. 2845) to require testing of food additives to determine whether they cause birth defects—mutagenesis—or genetic damage—teratogenesis. Based on information we had at that time, the introductory remarks stated that one widely used preservative, butylated hydroxytoluene—BHT—an antioxidant, had been banned in Britain.

We have received new information from the British Food Standards Division of the Ministry of Agriculture, Fisheries and Food, outlining the present status of BHT and BHA—butylated hydroxyanisole—another antioxidant, in Britain.

The British Embassy, in a letter to us, February 5, 1974, writes:

> When the regulations (governing food additives) were reviewed in 1963, the Food Standards Committee recommended that BHT (but not BHA) should be withdrawn from the list of permitted antioxidants because it was thought that the margin of safety was less than for the other permitted antioxidants. However, in subsequent supplementary reports this recommendation was revised and its continued use was permitted. There were, however, certain continuing doubts about the significance of observed liver enlargements in test animals receiving low doses of BHT. These doubts were almost entirely resolved as a result of further consideration by our Expert Advisory Committee and this was dealt with in a supplementary report issued in 1971. This report recommended the continued use of BHT.
>
> Our Expert Advisory Committee are at present engaged in a full review of the 1966 regulations. This will involve consideration of all the available toxicological data (including the recent Russian evidence on BHA examined at the Geneva meeting of the Joint FAO/WHO Expert Committee on Food Additives, held last year) on all the permitted antioxidants including BHA and BHT. The report of our Expert Committee will eventually be published, together with the toxicological evaluation, towards the end of this year.

The Food Research Institute at the University of Wisconsin advises us:

> Our own studies show that monkeys metabolize the antioxidants as man does, not like rodents. We have been unable to demonstrate harm from feeding BHA and BHT to adult and infant monkeys.

The Joint FAO/WHO Expert Committee on Food Additives recently shifted BHA and BHT from permanent to "temporary" status as regards an acceptable daily intake—ADI. The committee, in a report, said recent evidence indicates—

> Possible effects on reproduction in the rat, when BHA, alone or with propyl gallate, is mixed with lard in the diet.

The "temporary" status for acceptable daily intake on these additives was made, pending further studies of the effect on reproduction of BHA, used alone or in mixtures.

Scientists at present clearly disagree on the safety of these additives, which points to the need for further study and testing, such as would be required under S. 2845.

LEFTOVERS FOR LATIN AMERICA

Mr. BENTSEN. Mr. President, I want to take this opportunity to bring to the attention of the Senate the meeting of United States and Latin American foreign ministers which will take place next week in Mexico City. This occasion is portentous not only for the future of hemisphere relations but also for the direction of U.S. foreign policy toward Latin America and indeed toward the rest of the developing world. When Secretary of State Kissinger travels south to this foreign ministers summit, he and his counterparts will face a full and diverse agenda. Mr. President, this is an extraordinary opportunity for the United States to bring our Latin American policy into step with the times. This is a chance we must not miss for a new beginning in our relations with our Latin neighbors, a beginning that will eschew the rhetoric of the past, that will scrap the sloganeering and will substitute some substance. In his first—and last—major address on our Latin American policy, back in 1969, President Nixon said there should be "fewer promises and more action" vis-a-vis the Latins. At that time I applauded what appeared to be a new dimension in U.S. foreign policy, an awareness of the importance of Latin America to the United States and a desire to replace empty promises with more substantive and meaningful cooperation to face the rapidly developing problems of the hemisphere.

But words have not been followed by action or commitment. This auspicious beginning turned out to be the last landmark of Presidential interest in the area and President Nixon's intention of visiting Latin America before the end of 1973 has gone by the wayside.

Statements of good intentions are not enough; reiteration of tired old slogans is not enough; benign neglect is not enough. Problems that are not necessarily of our making but for which we have offered no real solutions are creating points of friction between us. And new political and economic trends are emerging in Latin America which require a rethinking of some of our traditional policies toward that area.

Secretary Kissinger announced several weeks ago that there would be new initiatives in Latin America. That was a welcome statement and I sincerely hope that these initiatives are forthcoming. Next week's meeting in Mexico provides a perfect forum and I urge Secretary Kissinger to engage in a serious, substantive dialog with his Latin counterparts. We—and they—have had enough rhetoric. Let us now avoid headline-grabbing spurts of diplomacy and start to work hard on problems close to home. A good way to start is by making use of the Mexico City forum for a top-level dialog to agree on common goals for our hemisphere, and to make the necessary commitments to achieve these goals. We meet with the Chinese, the Russians, the Europeans, the Japanese, the Canadians, the Arabs; our neighbors to the south deserve a place in our foreign policy considerations as well. They deserve to be consulted on their perceptions of hemisphere problems for we have passed the era when the United States could singlehandedly direct the course of this hemisphere.

I urge the Secretary of State as well to develop a policy of aid through trade in Latin America. Foreign aid has not been the panacea for the ills of the developing world and that kind of aid is neither feasible from our own point of view nor always desirable from the recipients' *point* of view. We have talked about generalized trade preferences for too long. Now that such a proposal is included in the trade bill which is pending before the Senate Finance Committee, I am hopeful that action will replace verbiage and Latin America will get the trade preferences it so urgently needs.

We also need to clarify the role of private investments in Latin America as well as that of multinational corporations. United States private investment in Latin America has had a far from satisfactory relationship with host governments and resentment has smoldered in Latin countries over the domination by U.S. investors and their political influence in the countries where they operate. Imposition by Latin nations of higher taxes on corporate enterprise, restrictions on American companies and investments, and nationalization of U.S. companies without compensation have discouraged much-needed investment and technical expertise. It is time to reexamine these policies and formulate a code of conduct for responsible international companies, setting forth the rights and responsibilities of a company in the country where it operates, and making clear provision for the resolution of disputes.

We should review our Cuba policy and move toward normalizing relations with Cuba and I urge Secretary Kissinger to discuss this move, which I suggested last year, with his Latin colleagues. In view of our new attitude toward the Soviet Union and the People's Republic of China, consistency demands a similar posture toward our closest neighbor.

If we learned anything from our experience with China, we learned that 20 years of noncommunication and isolation handicapped us as well as the Chinese. We learned that we cannot afford to live in ignorance of any other nation in this shrinking world. We cannot afford to close our eyes and our minds to the existence of any nation simply because we do not fully support its policies. Clearly we have more to gain from talking with people than from ignoring them.

In addition to the trade benefits and access to Cuba's sizable deposits of important raw materials, improving relations with Cuba would demonstrate a new political maturity in the United States; a willingness to respect differences among peoples; and a realization that Latin America is seeking to fulfill its destiny in its own way.

As the people of Latin America strive toward this goal, they need our cooperation, our understanding and our support. Now when the need for coordination of effort is greater than ever, let us renew our commitment to strive for a new spirit of hemispheric cooperation, for development and progress and for a partnership to shape the future of our nations.

Our backs have been turned on Latin America for too long. From the time of the Monroe Doctrine, 150 years ago, we have viewed Latin America as our own special preserve. We have come to take it for granted. In recent years, we have lost track of what Latin America means to us, not just strategically and economically, in terms of trade and raw materials, but also as a hemispheric neighbor and a growing member of the community of nations with problems and potentials we cannot afford to ignore.

We have a unique opportunity next week in Mexico City to reassert our role as good neighbor to a continent that is threatened with instability, overwhelmed by problems of widespread poverty and illiteracy, soaring birth rates, rampant disease, and high mortality rates. If we can demonstrate our capacity to work with our nearest neighbors in a spirit of true partnership, we will have laid the foundation for dealing with similar problems elsewhere. We have at our door in Mexico City an opportunity to establish a precedent for international cooperation and it is an opportunity we cannot afford to lose.

CATERPILLAR

Mr. PERCY. Mr. President, on February 5 I had the pleasure of attending a breakfast in the Capitol hosted by the Caterpillar Tractor Co. Senator STEVENSON and other Senators and staff members were also present.

The Caterpillar story, as outlined by Chairman William Franklin and President Lee Morgan is certainly impressive. Caterpillar sales, exports, employment, and favorable contribution to the U.S. balance of payments were all up in 1973. In fact, for the first time in its history, Caterpillar's net favorable contribution to the U.S. balance-of-payments account exceeded $1 billion.

Caterpillar's record in international markets is particularly impressive. In 1973, Caterpillar had over $1½ billion in sales outside the United States, of which better than $1 billion resulted from direct U.S. exports. Caterpillar's international activities have not been at the expense of reduced domestic activities but rather have resulted in increased domestic employment, investment, and sales. As Mr. Franklin pointed out at the breakfast:

> In 1950, our employment was almost 25,000. 7,500 of those jobs were dependent on exports. In 1973, U.S. employment exceeded 59,000, and of that number, 40 percent or over 23,000 jobs are dependent on the business generated by our exports.

Mr. Franklin outlined his attitude to international trade policy by saying:

> On the basis of our experience and analysis, we are convinced that the people of the various countries in which we do business have much to gain and little to lose by following the practice of free trade as opposed to the protection of domestic industries.

Mr. Morgan addressed himself to the pending trade legislation in the Senate. He feels that on balance the House-passed trade bill is sound legislation that will continue to encourage U.S. growth and progress. The one area of the trade bill that Mr. Morgan had some question about was the section denying most-favored-nation tariff treatment to nonmarket economies. He expressed the hope that means other than the Trade Reform Act could be found to accomplish the ends desired. Mr. Morgan also made a strong statement on behalf of freer trade.

Mr. President, the Caterpillar story is one that demonstrates that an American corporation, soundly managed, can aggressively and successfully compete in world markets, with benefits for company and country alike.

Mr. President, I ask unanimous consent that the remarks delivered by Mr. Franklin and Mr. Morgan, as well as a statistical sheet on Caterpillar's activities be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CATERPILLAR TRACTOR CO.,
Peoria, Ill.

(Remarks by Lee L. Morgan)

We can't emphasize enough the direct positive relationship between the trade volume increase from 1950 through 1973, and its effect on our U.S. employment, the expansion of our U.S. facilities, and the favorable balance of payments contribution.

We believe the Trade Reform Act, as passed by the House, is good, sound, and reasonable legislation, and will continue to encourage U.S. growth and progress. We are convinced that the provisions of the bill addressing tariff and NTBs, adjustment assistance for affected workers, and consideration of tariff preferences for developing countries will continue the hard-won progress in improving world economic relationships. A relationship that we have benefited from, both for ourselves and the nation.

To continue the world movement toward freer trade, U.S. representatives in Geneva at the GATT negotiations need the mandate found in the trade reform bill for improving trade agreements and removing unnecessary restrictions on world commerce.

However, we find ourselves in support of those who believe it unfortunate that the House selected this vehicle for expressing disapproval of Soviet emigration practices. While we sympathize with and understand the intent of Congress in this regard, we hope that other ways can be found to communicate this concern.

Over the past several administrations, companies like ours have been encouraged to explore business opportunities within Eastern Europe and the U.S.S.R. This was consistent with the foreign policy objectives of the United States. We support the view that trade with the East can also lead to improved long term political relationships.

Restraining the President from granting MFN to non-market countries discriminates against imports from nations with whom the United States is attempting to improve relationships. However, we suspect that the greater effect will be on exports to the U.S.S.R. rather than sharply increasing our imports from her.

As you know, the House-passed Trade Reform Act would also deny Eximbank credits on U.S. exports to the Soviets, and to all other Eastern European countries (excepting Poland and Yugoslavia). We believe that if this provision is retained in its present form by the Senate, it will severely discourage sale

of U.S. goods to the U.S.S.R. . . . leaving that vast market to other trading nations, such as Japan and Western Europe, which support their exports with their own development banks.

As I stated at the outset, we recognize the position taken by those who favor sanctions against the U.S.S.R. for the manner in which she treats her people; namely restricting the free emigration of her Jewish population and certain intellectuals. It is also compatible with our history and tradition that the United States be concerned with the treatment of people, regardless of the segment of the world community they represent.

Our observations are that, if possible, means other than the Trade Reform Act should be found to accomplish these ends.

Therefore, we raise the question as to whether these limitations on trading with the Soviets could be softened, or whether a common ground of compromise could be found.

Bill Franklin started our presentation with the observation that we have had the good fortune of being a successful exporter. We believe that the continuation of this success is in large measure depending on the kind of trade bill Congress approves.

Our experience clearly indicates that we have not succeeded at the expense of American jobs or investment in the U.S. Rather, we are part of the free trading community that produces contributions for home and host countries alike.

I believe that the whole question of free trade versus protectionism must recognize that the crux of all trade is its multilateral, reciprocal basis. In order to sell products abroad, goods and services must be bought from others in exchange . . . a free and flexible economic exchange between nations. We believe this can best be achieved through a strong United States position at the GATT discussions. Negotiations based on a positive trade measure that does not restrict America's ability to compete in world business.

We hope that our remarks have been helpful in your understanding of Caterpillar's philosophy and practice of multinational business. As you deliberate such matters as the Trade Reform Act and multinational corporations, please call on us should you find that some of our experiences would be helpful.

Gentlemen, we invite and welcome your questions and observations.

CATERPILLAR TRACTOR CO.

(Remarks by William H. Franklin)

Good morning! I'm Bill Franklin. Senator Percy—Senator Stevenson—other members of the Senate—and guests—on behalf of my Caterpillar associates, I welcome you to this breakfast meeting.

We're honored to meet with you this morning to compare thinking on subjects in which we have real mutual interest.

Caterpillar, as you know, is an American-based multinational corporation. A company that has had the good fortune of becoming one of the country's largest exporters. Among our aims today is to review for you our foreign trade experience—especially our experience in 1973 which was, in fact, our very best year. For the first time in our history, Caterpillar sales resulting from U.S. exports exceeded $1 billion.

Regarding trade, we seek your support—and the support of your colleagues—for the Trade Reform Act which has been passed by the House and sent to you for your deliberation.

But, before we address this subject, I suggest that we have breakfast. Please join me!

With me today are Company officers that have responsibility for areas directly related to our multinational operations, and others who have the responsibility of representing the Company in public and governmental matters.

I would like to introduce them to you:

Bill Naumann, Vice Chairman.
Lee Morgan, President.
Virgil Grant, Executive Vice President.
Bob Gilmore, Executive Vice President.
Chappy Chapman, Vice President.
Roger Kelley, Vice President—who, I note, some of you already know—from his tour of duty in the Defense Dept.
Ed Schlegel, Vice President.
Byron DeHaan, Public Affairs Manager.
Bill Dronen, Governmental Affairs Manager.
Henry Holling, Governmental Affairs.

I wonder if I could call on our co-hosts—Chuck Percy and Adlai Stevenson—for their comments before we make our presentations.

Although my remarks will be brief, I intend to comment on Caterpillar's 1973 results and to trace our growth both at home and abroad. In doing this, we will emphasize what we believe to be the impact of our operations on the U.S. economy. Our main objective is to encourage your passage of a trade reform bill that will set the stage for multilateral reduction of trading restraints.

Before you is our newly published 1973 Annual Report. You are among the first to receive a copy. I will make references to information contained in this report throughout my remarks.

1973 was a good year for Caterpillar. For the first time our sales exceeded $3 billion. This is an increase of 22% over 1972.

Our 1973 record was the result of a number of factors, not the least of which was a relatively favorable business climate in the U.S. The Congress and the Administration deserve a good share of the credit for improving the U.S. business climate; I'm talking here about such things as the realistic devaluation of the dollar, the investment tax credit, and a pace of inflation that although exceedingly high is still lower than that experienced by practically all the world's industrialized nations. Such things are vitally important to us as we compete in world markets from U.S. bases.

Cooperation between government and business to build a strong economy is, in our opinion, generally good—and should be jealously protected. Our system is the envy of the world.

But let me turn now to our 1973 results—and more important, their impact on U.S. jobs and the U.S. economy.

Of our more than $1½ billion in sales outside the United States in 1973, better than $1 billion resulted from U.S. exports. In short, sales outside the U.S. represent almost half—49.7%—of our total business. And two-thirds of that foreign business resulted from U.S. exports.

The aggregate flow of funds into the United States from these exports—plus dividends, license fees, interest, and other income from our foreign investments—exceeded the outflow of funds by slightly over $1 billion for the year, and thus represents a favorable contribution to the U.S. balance of payments in that amount.

In fact, for the ten years 1964–1973, Caterpillar's contribution toward a more favorable balance of payments has totaled $6.4 billion.

It is with satisfaction that we look at our country's 1973 balance of payments ledger. And, in 1973, the U.S. experienced a trade balance that was once again in the black. Accounting for over 1% of all U.S. export volume, we at Caterpillar are proud to have been able to make a contribution to this result.

Caterpillar's growth has not been limited to sales volume alone. In fact, as our overseas investments have increased, and international trade grown, Caterpillar employment in the U.S. has also increased. Let me explain how this took place.

Beginning after World War II, it became increasingly apparent that we and our dealers outside the United States could not compete by marketing only U.S.-manufactured products. If we wanted to retain existing markets and expand them, it was essential to establish production in other countries.

Some of you, I am sure, will remember the so-called "dollar gap" which developed just after World War II. This "dollar gap," particularly in Great Britain, made it impossible for the users of our product there to import replacement parts from the U.S. It soon became obvious that to protect our customers it was necessary to manufacture parts and later machines in Great Britain.

So, we set up our first facility abroad—a parts distribution center in Leicester, England. Two other British plants followed later. As a result, two things happened. First, we were able to maintain and expand our market position in Britain through the sale of British-made Caterpillar products. The second result was when the "dollar gap" eased there was a phenomenal jump in the sale of American-made Caterpillar products in the British market. This was brought about as British customers purchased British-made Caterpillar products, and then desired to purchase companion Caterpillar products made in the U.S.

In 1950, the year we began operations there, our exports to Britain were $2.3 million. In 1973, our exports to Britain were $46.7 million.

This experience in Britain is duplicated in each of the other countries where we have established a manufacturing plant. In every case we have established that plant only because it became obvious that we could not reach those markets with U.S. exports, and in every case where we have established such a plant—from one in 1950 to 11 plants in 10 countries in 1973—our U.S. exports to that country have shown a remarkable increase.

Thus, rising foreign business has been a major cause for substantial expansion of our U.S. facilities and employment.

In 1950, we had two U.S. plants occupying 5½ million square feet of manufacturing space—an investment of $57.5 million. In 1974, we have 14 plants occupying almost 20 million square feet of manufacturing space, and when added to our other U.S. facilities represents an investment exceeding $647 million. We also have under construction what we have been told is the largest manufacturing plant being built in the U.S. today. In addition, we have a plan for the next five years that would result in additional capital expenditures of nearly $2 billion for expanded manufacturing facilities. The great majority of this will be in the U.S.

This expanded investment in the United States is a major result of our multinational operations.

In 1950, our employment was almost 25,000. 7,500 of those jobs were dependent on exports. In 1973, U.S. employment exceeded 59,000, and of that number, 40% or over 23,000 jobs are dependent on the business generated by our exports.

As you can see, our decision to do business abroad actually increased our domestic operations. Actually, for every dollar invested abroad, we've invested in excess of $4.50 in this country.

We believe the evidence is clear. It shows that establishment of plants in other countries has helped us increase U.S. exports, U.S. employment, and bring other contributions to the U.S. economy.

Inserted in your copy of our 1973 Annual Report is a sheet of statistics which document this growth.

On the basis of our experience and analysis, we are also convinced that the people of the various countries in which we do business have much to gain and little to lose by following the practice of free trade as opposed to the protection of domestic industries.

And yet, even with this experience, efforts to curtail the overseas operations of companies like Caterpillar continue.

Challenges are coming from several directions.

Proposals have been offered to change tax and depreciation rules for American-owned affiliates abroad. At present our affiliates operate on a basis no better, and sometimes worse, than their competitors in the host countries where they are located. New restrictions and heavy taxes would make us less competitive with our aggressive trading partners.

Proposals to end the credit and deferral provision in the present tax system would be quite unfair to American business. No country taxes unremitted earnings of foreign affiliates of their corporations. In fact, France and Italy, plus 22 other countries, do not tax foreign source income at all.

Unfortunately those who hold to the view that overseas investment is responsible for economic ills at home have proposed an extensive system of government restraints on new investments along with penalties on existing ones. These restraints would be accompanied by a gird of controls of international trade.

Frankly, these kinds of responses to trade cause us a great deal of concern, not only because of what it could do to Caterpillar, but more importantly, what it could do to our country. It may well have been this kind of response in the late 1920's and in the 1930's that played a part in plunging the world into economic depression

We certainly do not want that to happen again. However, proposals to place quotas on foreign imports, restrict types of American exports related to energy concerns—such as mining exploration and extraction equipment—and artificially protect domestic industry, are before you today. Restrictions that could cause international retaliation.

Turning to another subject—that of the "energy dilemma." The current deep and sober concern with the energy crisis serves as another example of how critics of free world trade can develop the wrong answers for the right questions.

To pay for our country's increased imports of scarce fuels—a price tag that reached $8 billion last year and could exceed $40 billion by 1980 at present prices—we need to fortify and increase the export business of the United States. And yet, there are legislative suggestions that would, in fact, place limitations and quotas on the export of U.S.-made machinery and at the same time place limits on foreign imports.

To insure that the commercial sector will be equal to the challenge of the energy we need to encourage the freer and more open exchange of commodities and services between nations—not restrict it.

Still another factor in the complex issue of trade is the world monetary system. We believe that the progressive improvement in world trading relationships will result from a more flexible monetary system—a system whereby exchange rate adjustments keep trade on a more realistic and balanced basis.

We encourage continued efforts to improve the functioning of the international monetary system, recognizing that the end purpose of this monetary system is not money itself, or the preservation of historic parties; rather its basic function is to facilitate trade and investment among nations.

Since President Nixon's action in August 1971, various measures have brought the dollar into a more realistic relationship with other currencies. As a result our products are now more competitive abroad.

We have touched only the surface of issues in which we have mutual interest, ranging from a multinational corporation's involvement in the world marketplace to the passage of a progressive trade reform measure.

To add to these observations, we call on Caterpillar President Lee Morgan. Following Lee's remarks, we are anxious to receive your comments and reply to your questions.

CATERPILLAR TRACTOR CO. SENATE BREAKFAST, FEB. 5, 1974

EXHIBIT I—TOTAL SALES

[In millions of dollars]

	Inside United States	Outside United States	Total
1950	$244	$93	$337
1973	1,601	1,581	3,182

EXHIBIT II—GROWTH OF EXPORT BUSINESS

[Sales resulting from U.S. exports]

1950	$93
1973	1,040

EXHIBIT III—EMPLOYMENT

	Total U.S. employment	Employment dependent on exports
1950	24,746	7,480
1973	59,017	23,000

EXHIBIT IV—U.S. BALANCE OF PAYMENTS CONTRIBUTION

[In millions of dollars]

1950	$94
1973	1,012
1964–73	6,400

EXHIBIT V—NUMBER OF PLANTS

	United States	Overseas
1950	2	1
1973	14	11

EXHIBIT VI—CATERPILLAR EXPORTS TO COUNTRIES WHERE MANUFACTURING FACILITY ESTABLISHED

[In millions]

Britain:	
1950	$2.3
1973	46.7
Brazil:	
1954	10.0
1973	81.1
Australia:	
1954	10.0
1973	39.6
France:	
1960	7.6
1973	40.2
Japan:	
1963	1.9
1973	52.9
Belgium:	
1965	3.2
1973	29.0

ABA COMMITTEE RELEASES REPORT ON SEPARATION OF POWERS

Mr. ERVIN. Mr. President, the importance of the constitutional separation of powers between the three branches of Government never has been more evident than it is today. Recent events have brought the issue sharply into focus and into the view of the entire Nation. Today, Members of Congress, public officials; scholars, the public, the media, all are pondering its meaning and how this principle upon which our Government is founded may be preserved.

The Senate Subcommittee on Separation of Powers, which I have the honor to chair, has devoted its entire efforts to a study of this question, and I believe, through its investigations, hearings, and reports, has contributed much to a better understanding of the constitutional issues and has sought to find remedies for some of the damage that has been done to our system of checks and balances.

Today, I should like to take note of the work being done by the American Bar Association in this area, through its Administrative Law Section Separation of Powers Committee. That committee, with Prof. John L. Fitzgerald of the Southern Methodist University Law School as chairman, has published its 1972–73 report and recommendations.

Mr. President, I ask unanimous consent to have printed in the Record the ABA committee's report and a resolution of the Section of Administrative Law as adopted by the ABA House of Delegates.

There being no objection, the material was ordered to be printed in the Record, as follows:

[Administrative Law Review, Summer 1973,
Volume 25, No. 3]

1972–73 Report of the Separation of Powers Committee[1]

1. SUMMARY OF RECOMMENDATIONS

The Committee recommends that a procedure be established by the Office of Management and Budget of the Executive Office of the President, and by the Congress, for the drafting of more definitive standards to be contained in federal legislation. Such procedure would provide for coordinated review of proposed substantive and procedural provisions of legislation—most of which is proposed by the federal administrative agencies—in an Office of the Department of Justice, and in an Office or Offices of the Congress, to assure that Congress does not delegate unlawfully its legislative power in such statutes, and to this end assure that more precise statutory standards shall replace the vague definitions and other indefinite substantive and procedural directions now being enacted into federal statutes that form the bases of administrative policy, quasi-legislative, quasi-judicial and administrative.

The Committee offers the following recommendations:

2. RECOMMENDATIONS

(1) That the President of the United States designate the Department of Justice to review (and when appropriate to such review perform a drafting function) and report to the Office of Management and Budget within 30 days with respect to the constitutional sufficiency of each legislative proposal initiated by the Executive Branch, an instrumentality thereof, or any independent administrative tribunal or independent regulatory board or commission, hereinafter "administrative agency," and particularly whether such proposal sufficiently sets forth standards for exercise of the powers, functions and duties proposed to be delegated by the Congress to the administrative agency. Such report should be in writing and should be transmitted to the Congress with the legislative proposal of the administrative agency. The Office of Management and Budget should withhold its concurrence in any such legislative proposal until it receives the Department of Justice report. Circular No. A–19

Footnotes at end of article.

of such Office should be revised appropriately to effectuate this recommendation.

(2) That the Congress or each House thereof establish an officer or offices that shall review, draft and report with respect to the constitutional sufficiency of each legislative proposal initiated by an administrative agency, and particularly with respect to the sufficiency of the standards set forth therein for the exercise of the powers, functions and duties proposed to be delegated by the Congress. Should establishment of such an office not be feasible, the responsibility otherwise to be vested in such office should be vested in Committee Counsel. The required report should be in writing and, together with the Department of Justice report transmitted with the legislative proposal, should be included with each bill reported by a Committee to the floor for consideration by the members of the Senate or House. The inclusion of such reports, providing evidence of constitutional compliance should be required upon risk of a point of order being made by any member to the consideration of the bill.

3. REPORT

Need for recommendations

Previous Administrative Law Section Committee reports relevant to the delegation of legislative power in Federal administrative agency statutes were made as follows: Report of the Separation of Powers Committee, 1972 (the 1972 report of this Committee was distributed to the Council but otherwise was unpublished, under the recent Council policy to discontinue publication of the Annual Reports of Committees); Report of the Separation of Powers Committee, 7 Ann. Rep. Com. (Admin. Law Section) 6 (1970); Report of the Separation of Powers Subcommittee, 3 Ann. Rep. Com. 22 (1966); Report of the Committee on Housing and Urban Development, 4 Ann. Rep. Com. 72–85 (1967); Report of the Committee on Housing and Urban Development, 5 Ann. Rep. Com. 111, 115–120 (1968).

We agree with Professor Kenneth Culp Davis that as applied to federal agency statutes "The Nondelegation doctrine is almost a complete failure."[2] A condition should be added—that, as now applied (or not applied), it is a failure.

As the above reports show, Congress has not maintained a position of enacting laws containing clear standards governing administrative rule making and administrative orders. As a result, federal courts are faced with unrealistic alternatives of striking down the law because of constitutional defects or accepting nebulous standards. Past reports of the Committee have furnished examples of the broad legislative delegations of discretion to administrative agencies that result. In view of the Section's and the Association's awareness of their existence, a few illustrations from those reports should suffice. They are contained in Exhibit A attached.

The Committee agrees, however, with Professor Maurice Merrill[3] that most, if not all, of the Supreme Court decisions can be classified by their factual settings or other statutory subject matter, in a manner that leaves the delegation doctrine intact in theory. For example, the Supreme Court has never expressly held that a statute delegating the power to an administrative body to act as it deems fit in the public interest in a given area, such as the licensing of radio communications stations, in the absence of any other "standard," is valid; it may be acknowledged that the Court also has not expressly held that such a delegation would be invalid. The Court has found other statutory provisions which, read "in context" with the phrase "public interest," have supplied the necessary intelligibility and standard.

In practice, however, the Courts tend to refer less frequently to the limiting "context" of the statutes, and accord more apparent acceptance to the "public interest" alone. Through dicta the inference grows that the latter term might carry a meaning of its own.[4]

It must be conceded that the term "public interest" should convey an idea resembling the common weal, the general welfare, and the like. But as an expression of legislative policy, though it may supply an optimum objective, it supplies no clue and no measure of its attainment. The "what" and "why" may be revealed or intimated, but not the "who," "when," "where," and especially the "how." Professor Merrill's article suggests:

". . . the practical employment of the doctrine of standards embodies a number of useful functions. It furnishes guidance for administrators in the application of the statutes entrusted to their care. It affords safeguards against unwarranted enlargement of legislative grants. It focuses attention upon the public objectives of statutes. It limits the extension or discretion as to social policy beyond the approved legislative direction. Judicial enforcement of requirement for standards improves legislative draftmanship. The insistence upon the observation of standards impels exploration by the agencies as to the existence or absence of conditions justifying proposed action. Appropriate standards, of course, are an almost indispensable prerequisite to effective judicial review of administrative action.[5]

On the basis of the past Committee reports of the Administrative Law Section referred to *supra*, the conclusion of the 1971–72 report of this Committee, partially repeated below, bears similarity to Professor Merill's suggestion, and to certain of the conclusions reached by the Senate Subcommittee on Separation of Powers. It also recommends that certain further steps be taken:

"The Administrative Law Section has been concerned for some time about the problem of increasingly vague and indefinite statutes, particularly those conferring discretion upon administrative tribunals, insofar as such laws (1) cause a variance from the intention of the framers of the Constitution, Federal and State, and (2) permit or encourage administrative action that may be arbitrary, capricious, inconsistent or ultra vires, but most difficult to challenge or obtain appropriate judicial review because the statutory measure of validity of the action is obscure.

"A Senate Subcommittee[6] has evidenced its grave concern with the same problem, . . . From the depth of its concern, we may take some hope that Congress *can* cope with the difficult task of drafting broad policy directives. The depth of concern shown by the Senate Subcommittee indicates an interest in undertaking cooperative effort of enacting laws requested by the administrative branch but drafted in a manner preserving the prerogatives and functions of the Congress, the one branch that directly represents the electorate.

"It is suggested that next year's efforts of this Committee be directed toward examination of the tools and methods available that could be of assistance to the Congress in firming up, by more definite statutory standards and procedural provisions, the often indefinite policy objectives appearing in laws delegating power to administrative agencies."

Most of the important legislation Congress enacts is proposed by the Executive Branch, or by the independent regulatory commissions, after clearance with the Office of Management and Budget in the Executive Office of the President.[7] Such proposals nearly always come to Congress in the form of bills, ready for introduction, drafted in the Executive Branch or the independent agencies.

These legislative proposals (including amendments), drafted by officials who will execute them if enacted, are drafted in such manner as they believe is necessary or desirable to deal with a problem. They are drafted without special attention to the inroads the law will make upon congressional powers. That is not the draftmen's problem; administrative flexibility of action ordinarily is sought, and in this sense the executive and regulatory officials, and their attorneys who undertake the drafting of the proposals as their agents, are special pleaders. Their interests, and those of the Congress, can and do clash when the administrative advantages of a flexible statute are weighed in the balance with the legislature's function to enact a law having appropriate standards.

The Office of Management and Budget, Executive Office of the President, is not organized to correct this lack of balance, e.g., to weigh the question of whether appropriate standards are contained in the administrative legislation. The Office's review function is for the purpose of determining whether the legislation proposed by the agency (or the agency comment to Congress on pending legislation) is in accord with the President's overall legislative program. This is a policy function. It would not include the question of breadth, indefiniteness or vagueness of the draft of bill being cleared through the Office for submission to and adoption by Congress.[8]

This is a brief statement of the administrative process in which nearly all important legislation arises that Congress enacts. As constituted, it explains, but offers no practical solution for, the problem.

The legislative process, with one exception, does not focus more specifically on the problem. Legislative proposals of the Administration are enacted without substantial amendment; rarely does the matter of adequacy of legislative standards receive special consideration. Committee hearings, and executive Committee sessions for marking up bills, take or review testimony on broad social and regulatory policies and the need for laws on particular subjects, and some changes are made in the executive sessions to meet stated objections. At times a bill may be referred to Senate or House Legislative Counsel for drafting, or preparation of amendments. In this situation, which is the exception mentioned above, constitutional questions of delegation of legislative power would be considered; and the consideration would be on the part of an *expert working for the legislative branch*. However, the advice of Legislative Counsel may not be sought, or may be received and disregarded, for example, if the advice is received at a late juncture and there is pressure for the legislation. Counsel for Senate and House Committees, on the other hand, are not as a rule charged with this kind of responsibility. Other priorities have primary claim upon their attention.

Thus, (1) most important legislation is initiated by scores of administrative agencies; (2) no coordinated legislative drafting supervision or review is provided for in the legislative branch to give legislative policy direction thereto by establishing statutory standards in the legislation before enactment, and (3) no coordinating legislative drafting and review staff, expert in constitutional matters and particularly those raising doctrinal questions of separation of powers and delegation of congressional power to the administrative branch, functions on an interagency basis at the point where most legislation is initiated and drafted—e.g., the administrative agency. A grap of crevasse proportions exists in the way of accomplishing the foregoing objectives. This report attempts to offer a constructive plan for closing this gap.

Explanation of recommendations

As one member of our Committee remarked in appraising statutory delegations:

Footnotes at end of article.

"just how precise the expression of standards will be may depend on how well thought out the proposed program is," as well as on what compromises and deferrals of decision are thought necessary to get it enacted.

It is hoped that if the Committee's recommended procedure is approved the result will be to force the administrators and the legislators to think out adequately the proposed program before writing it into law. It is the expressed intent of the recommended procedure that the legislative clearance offices in both the Executive Branch and the Legislative Branch, as provided *infra*, be granted all jurisdictional authority necessary to enable them to require the full cooperation of the administrative agency personnel. The administrative agency personnel will have more knowledge of a particular grant-in-aid, administrative, licensing, or regulatory subject involved in proposed legislation than the legislative clearance officials, whose expertness will lie in the fields of legislation and constitutional law. The actual drafting, or drafting revision, required to meet a serious question of delegation of legislative power, cannot be met by the establishment of a relatively disinterested reviewing office alone; or by staffing it with personnel possessing the necessary expertness in the legislative drafting and interpretation and in constitutional law. It will also require the assistance of the administrative agency personnel in suggesting and writing out the appropriate standards.

The Committee contemplates that:

Congress or the Office of Management and Budget should require that an administrative agency (including any Government department, instrumentality of the Executive Branch, independent administrative agency, or independent regulatory board or commission), in connection with any [memorandum] proposal for, or comment recommending, legislation delegating discretionary powers, duties or functions to such agency, which proposal or comment under Committee Recommendation No. 1 at the beginning of this report is filed with the Congress, attach thereto a memorandum as described in the paragraph next following.

A memorandum of the General Counsel of the administrative agency should be required to be filed, as part of the explanation and recommendation that the administrative agency makes to the Congress supporting the need and purposes of the legislation proposed. (A) The memorandum should set forth the General Counsel's opinion that after examining the proposal, he or she has concluded that it contains a sufficient statement of legislative policy and of legislative standards to (1) comply with the intent and purpose of the separation of powers and due process provisions of the Constitution, (2) inform the public of how it affects the public, (3) direct the agency in executing its provisions, and (4) furnish the courts with the criteria necessary to decide whether agency action is unconstitutional as violating the doctrine of separation of powers or improper delegation of legislative power, exceeds its statutory power or constitutes an abuse of its statutory discretion. (B) The memorandum should identify the language providing such standards.

The administrative agency legislative proposal and explanation (including general counsel's memorandum) should be reviewed by an office of legislative review that should be established in the Department of Justice for this purpose exclusively, equipped with skills comparable to those of the staff of the Office of Legislative Counsel, *supra*.

The Office of Management and Budget should withhold its concurrence in the submission of a legislative proposal by an administrative agency to Congress until the Office has received a report in writing from the Office of Legislative Review of the Department of Justice that the four requirements set forth in the above paragraph have been satisfied by the language of such proposal as reviewed or as amended following review. A copy of the report from the Department of Justice shall be transmitted to the administrative agency and shall be attached to the legislative proposal, which it concerns, for transmission to Congress.

Congress should take appropriate steps to require that all bills (including amendments thereto), and particularly those proposed by an administrative agency as herein defined, and independent agencies, boards and commissions, must be reviewed and reported by a legal office of the Congress or of each house thereof, for the compliance with the requirement that the bills (including amendments thereto) contain adequate and intelligible standards. This review should be required following reference of the bill to the appropriate committee, and prior to the holding of committee hearings on the bill, assuring that a report by such administrative office would be available with respect to such legislation under active consideration by Congress.

The review should be assigned by law to a professional office possessing the kinds of skills represented by the Office of Legislative Counsel of the Senate or House of Representatives.[9]

The review should be accomplished in consultation with the Counsel (and his staff) of the Committee or Subcommittee planning to hold hearings upon the legislation. A review memorandum, with suggested staff changes in language of the bill of a *basic nature, due to issues of delegation of legislative power or separation of powers,* should be completed prior to the closing of the hearing record, and preferably prior to the opening of the hearing. Notice should be given the Chairman and other members of the Committee or Subcommittee upon the opening of the hearing, if practicable, of any questions raised, or such substantial changes in the bill suggested, by the Office, and such questions and suggested changes should be made a part of the hearing record unless satisfactorily resolved earlier. If establishment of such an Office is not feasible, it is suggested that Committee Counsel be given this responsibility, together with the necessary authority. Upon the authorization of the Chairman of the Committee, the services of a consultant should be obtained if necessary or desirable in order that Congress (or the administrative agency) may have the benefit of all such legal advice as it may require relating to aforesaid constitutional aspects of the legislative proposal.

Congress should be encouraged to call the General Counsel of the administrative agency or his representative, and the head of the legislative review office of the Department of Justice or his representative, to any hearing held upon the legislative proposal of the administrative agency, for questioning with respect to their expert and professional opinions. It should be understood that such questioning contemplates their appearance as advisers expressing their best opinions to the Congress upon a question of delegation of legislative power and not as advocates of an objective of the administrative agency; and the statement of their opinions should subject them in no manner to administrative reprisal.

Exhibit B, attached, briefly summarizes the German method of dealing with essentially the same problem as is dealt with in this Committee's report.

Exhibit C is a suggested form of resolution for Council adoption if the Council concurs in the Committee's recommendation.

Respectfully submitted.

SEPARATION OF POWERS COMMITTEE,
JOHN L. FITZGERALD, *Chairman.*
RICHARD A. BUDDEKE, *Vice-Chairman.*

Footnotes at end of article.

EXHIBIT A*

In the Demonstration Cities and Metropolitan Development Act of 1966 [10] the Government has established a grant program to pay 80% of the cost of Demonstration Cities where: (1) the physical and social problems in the area of the city are such that a program is necessary to carry out the policies of Section 101 (improving the quality of urban life, increasing the supply of adequate housing for low- and moderate-income people, expanding housing, job and income opportunities and combating disease and ill health); (2) the program will contribute to the sound development of the entire city; (3) it will make marked progress in reducing social and educational disadvantages, ill health, and under-employment; (4) it will contribute to a well-balanced city with a substantial increase in the supply of standard housing of low and moderate cost; and (5) such other requirements as the Secretary may establish (Section 103).

Under the Federal Food Stamp Act of 1964,[11] the states are directed to determine the households to be eligible under a plan submitted to the Secretary of Agriculture. The standards are (1) that income be a substantially limiting factor in the attainment of a nutritionally adequate diet; and (2) the setting of maximum income limits which are consistent with those income standards used by the state in administering its federally-aided assistance program.

In the Child Nutrition Act of 1966[12] one program directs the Secretary to encourage the consumption of fluid milk "to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Laws 85–478. . . ." Under the school lunch program,[13] the Secretary is to aid needy programs, and the schools participating are to be selected by the State Education Agency with first consideration given to (1) "those schools drawing attendance from the areas in which *poor economic conditions exist,*" and (2) "those schools in which a substantial portion of the children enrolled must travel long distances daily." (Emphasis supplied.)

Section 15a (3) of the Interstate Commerce Act provides:[14]

"In a proceeding involving competition between carriers of different modes of transportation subject to this Act, the Commission in determining whether a rate is lower than a reasonable minimum rate, shall consider the facts and circumstances attending the movement of the traffic by the carrier or carriers to which the rate is applicable. Rates of a carrier shall not be held up to a particular level to protect the traffic of any other mode of transportation, *giving due consideration to the objectives of the national transportation policy declared in this Act.*" (Emphasis supplied.)

Professor Joe Scott Morris has recently written: [15]

"So long as judicial review remains a valuable part of the overall administrative process, the question of reviewable standards will be important. Statutes such as the National Environmental Policy Act, with their emphasis on sharing information,[16] coordinating planning efforts,[17] and with instructions that environmental values be considered,[18] can and must play a valuable role, over the long run, in re-orienting the policies of federal agencies. At the same time, they fall short in that they do not lay down clearly reviewable standards, thus encouraging agencies to go ahead with the pursuit of their own self-created policies relatively free of any fear of reversal in the courts.[19] In contrast, the Wilderness Act of 1964 [20] and the Wild and Scenic Rivers Act of 1968 [21] put a check on the agencies concerned by giving the ultimate decision-making power to Congress and the President."

EXHIBIT B*

Greater attention is paid in Europe to the drafting of laws in a manner calculated to retain the political (policy) decision power and function in the legislature. This may be due in part to the fact that European countries are governed by the code system; perhaps in part due to the fact that they have been in existence much longer and have not grown so rapidly. However, in Europe also there is a sharp awareness of the problem discussed in this report. Just as in this country, there is disagreement as to how important the problem is and how much can be done about it; but more has been done in Europe.

In the Congress most laws originate at the request of administrative agencies, Zinn, How Our Laws Are Made (1967) (Document No. 125, 90th Cong., 1st Sess.), 3–4, who clear their request with the Bureau of the Budget to assure conformity with the overall program of the President, but there is no central administration-wide legal office required to review proposed bills for legality and constitutionality and staffed with experts specializing in the legislative areas under discussion. Bills after they have been introduced are referred to committees of the Senate and House of Representatives having jurisdiction over the subject, which committees have staffs, 2 U.S.C. 72a, of various sizes often very skilled in the subject areas, but not required to possess or exercise the skills under discussion. An act of Congress, 2 U. 271 et seq., provides for special staffs to be headed by Senate and House Legislative Counsel to give aid in drafting public bills and resolutions or amendments on the request of any committee of either House, respectively. There is no requirement that Senate or House Legislative Counsel, each skilled in the area under discussion, review proposed legislation, and there is no uniformity of practice in this regard. The Librarian of Congress is also authorized by 2 U.S.C. § 66(e) to give research help to Congressional committees, but this appears to extend to research and analysis of broad policy areas rather than drafting assistance.

Article 80 of the German Constitution, which is an outgrowth of the experience from preceding decades, in particular from the years of the Hitler regime, requires that the purpose, content and scope of the power and authority delegated must be specified in the law delegating the authority. The German Constitution also provides for separation of powers. While the German Federal Constitutional Court has not required the maximum of possible definiteness to be provided in statutes, and has been liberal in its application of the constitutional provision, it has overturned more statutes for this reason than would appear to be the case in this country. Article 80 is but one application of the broader principle of the Rule of Law contained in Article 20 of the German Constitution: the Executive shall not infringe on citizens' rights without specific authority.

Pre-enactment review

In connection with the first reading of a Bill of the Federal Government (Article 76, paragraph 2, first sentence of Basic Law for the Republic of Germany, 31 May 1971), the Bundesrat will, as a rule, thoroughly examine such Bill as to its legal admissibility, expediency and form. Since the Bundesrat (Council of Constituent States) is composed of representatives of the executive of the Federal States, the administrative experience gained by the Federal States will in this way be made use of for the purposes of the Federal Legislature. Moreover, the Bundesrat, being a permanent organ of the Federal legislature (in other respects being but little comparable to the Senate of the United States), will see to it that a certain continuity is guaranteed.

In Germany there is a Research Service of Parliament manned by an extensive staff, whose activity could include the area under discussion, but it is not called upon frequently in this manner by Parliamentary Committees or Members of Parliament; it stands ready however to examine the constitutionality of a bill upon demand by the chairman of the committee and the members of the committee appointed to report on it. This section gives expert opinions on the policy effect of proposed legislation. There is also a Law Committee which is always brought in by the other committees, when questions of constitutionality or legal principles are raised, upon the request of one representative. While the Law Committee of the Bundestag plays its part in this area, it does not always exercise its function owing to the traditionally heavy work load on the Committee.

The Ministry of Justice and the Ministry of Interior maintain separate staffs which are required to examine all government bills for compliance with Constitutional provisions and other lawful Procedure. This procedure was prescribed by Administrative rule—that every proposed bill be so cleared—in 1950. As late as two years ago, a project group for reform of administration questioned whether greater economy could be realized by having only one of the above departments examine into constitutionality of recommended legislation, but concluded the constitutional questions were so important that two departments should examine them.

The Department of Interior has been involved for historical reasons beginning at the time of Bismarck. Although there may be a rivalry between the departments, one of which in a sense acts as a check upon the other, both departments are the focal point of review in this respect of legislation sponsored by all other departments.

The Ministry of Justice reviews all bills (1) mainly for conformity to constitutional requirements, but also (2) for conformity to general rules regarding the form of statutes and (3) for conformity with existing laws, questions raised by the courts, and questions of basic human rights which engage its attention. The general examination as to other legislation (not constitutional law) is solely a matter for the Minister of Justice. This does not, of course, exclude the possibility that the Federal Minister of Interior may examine an Act or Ordinance as to "simple" law so far as the subjects concerned are such for which the Federal Minister of Interior is specifically competent, e.g., public security and order, establishment of new government offices, etc. But in this respect the position of the Minister of Interior is in no way different from that of other Ministers.

To be complete, a third department giving review to constitutional questions is the Ministry of Finance, when matters such as taxation are involved.

In practice, the Minister of a Department elaborates a bill which he gives to the Minister of Justice for his required review. The bill is also sent to all other Ministers concerned, and particularly the Minister of Interior. If the Minister of Justice, after review under the three tests above, finds the bill satisfactory, he approves it. If either the special division of the Ministry of Justice or of the Ministry of Interior raises a constitutional question, the division official competent to deal with the bill calls his counterpart and advises him (only in cases of conflict would the heads of the Divisions of the two Ministries get into contact with each other); for example, the vagueness of language would occasion such a call. Conferences are then held with the Ministry that drafted the bill. Each bill is accompanied by an explanation which, if clear enough, may be drawn upon to supply guidelines for the bill. Further conferences, at which the representative of the originating Minister presides, and probing by questions the minds of the originating officials for facts, conditions, problems and intentions, should help to furnish common sense solutions. By asking questions it may develop that the department that drafted the bill has concrete ideas of what it wants, but has not written them into the bill, and the Justice representatives will write them in.

There are few cases in which the term "public interest" would not be criticized by the Ministry of Justice as too indefinite, though after an examination of the entire bill it might obtain clarity from other context.

If the Justice and Interior departments are unable to obtain a satisfactory resolution of the questions they raise—they present a common front in 95 percent of the conflicts—according to the Rules of the Cabinet they have a special right to object to introduction of legislation on which they raise a constitutional question. If the cabinet by majority vote supports them, the originating Minister is prohibited from introducing the bill in question. However, in partial testimony to the efficiency of the procedure, it is extremely seldom that the right of objection is resorted to.

If a Minister attempts to coerce staff opinion, staff members are protected in good part by life tenure, only the officials at the top of the staff pyramid being political appointees and removable without reason (but with pensions). It is expected that the staff member will give his opinion and stand by that opinion, at the sole possible disadvantage of loss of opportunity for promotion to a higher position. Such moments of decision also are made more happenstance by the fact that in the usual case the vagueness of language questioned tends to raise constitutional questions of legal doubt, rather than fixed and settled opinions based on actual court decisions; hence amenable to conference give-and-take legislative clarification. It may be added that experts of these two staffs command respect and deference because of their specialized knowledge and administrative stature.

FOOTNOTES

[1] This Committee was originally established in February, 1965, as a subcommittee of the Administrative Process Committee "with the objective of studying vague delegations of authority to administrative agencies and pointing the way towards true standards for the guidance of the agencies, greater intelligence to the general public, and a definite frame of reference for the courts." The Committee's proposed functions included the "study of statutory standards and case law to show, upon an individual agency and comparative basis, the extent of the need for improvement and to make recommendations." It was clear that one objective of the Committee was to delve into substantive standards as applied by agencies and as further amplified by the Courts upon judicial review. 3 A.B.A. Section of Administrative Law, Am. Rep. Com. 23–24, 30 (1966) (Report of the Subcommittee on Delegation of Powers to Administrative Agencies). The Committee's formation was in partial response to a call by Dean E. Blythe Stason in an address to the Section on August 12, 1963, the substance of which appears in his article, *Research in Administrative Law*, 16 Ad. L. Rev. 99 (1964). He recommended focusing attention upon the substantive aspects of administrative law, with particular reference to vague definitions in statutes which form the bases of administrative policy, quasi-legislative, quasi-judicial and administrative. He recommended the improvement in precision of existing statutory deficiencies. He specified (at 105) "the special need for standards governing rule making powers, the need for standards

prescribing jurisdictional limits, the factual bases of quasi-judicial decisions, and the need for greater specificity in delegations of authority to attach 'terms and conditions' to official actions." *Id.*, 30.

The views expressed in this report are those of the Committee, and do not reflect the views of the American Bar Association.

[2] Kenneth Culp Davis, *A New Approach to* Delegation, 36 U. CHI. L. REV. 713 (1969).

[3] Merrill, *Standards—A Safeguard for the Exercise of Delegated Power*, 47 NEBR. L. REV. 469 (1968). *See also* Long, *Arbitrary Administrative Decisions: the Need for Clearer Congressional and Administrative Policies*, *Id.*, 459. Examples of Professor Merrill's seven classifications are his first, second and fourth: (1) "specific prescriptions" where "(i)n all these instances, discretion as to policy is completely non-existent. There is no room for administrative adventuring. . . ." Merrill, 480. (2) "Reasonably detailed portraiture of legislative purpose," *Id.*, 480; for example, ". . . whether kerosene oil is safe, pure, luminous and free from objectional substance. . . ." *Id.*, 481. This category includes "public interest" with reference to particular listed factors. (4) "Imprecise words acquiring legal significance" involves "reasonable" as in "reasonable rates," "reasonable profits" or "public health," "public safety," etc. *Id.*, 487.

[4] For example, referring to "public interest" without much reservation, if any, as to the acceptability of the words as a standard, is the recent case of Red Lion Broadcasting Co., Inc. v. FCC, 395 U.S. 367, 377 (1969). See also U.S. *ex rel.* Knauff v. Shaughnessy, 338 U.S. 537 (1950) ("in the interests of the United States" upheld as a statutory standard to bar aliens in a time of national emergency; however, the power of Congress to exclude aliens has always been interpreted as peculiarly broad).

This report deals with Congressional delegations of legislative power only; thus only with Federal cases. In the State courts there is a greater tendency to question broad delegations of legislative power by state legislatures. For example the Texas Supreme Court recently, on a petition for rehearing, granted a writ of mandamus requiring a State Board to certify a doctor as a psychologist. The two statutory qualifications had been met by the doctor, but the statute said that the doctor then "may" be certified without examination. The Board argued that "may" gave it a discretion to further consider the "best interest of the public." This argument was rejected:

"The correct meaning of the word, 'may,' is that the Board has discretion in its administration of the statute's stated standards, but the word does not empower the Board to make standards which are different from or inconsistent with the statute, even though they may be reasonable and may be administered reasonably. . . .

"It is a well-established principle of constitutional law that any statute or ordinance regulating the conduct of a lawful business or industry and authorizing the granting or withholding of licenses or permits as the designated officials arbitrarily choose, without setting forth any guide or standard to govern such officials in distinguishing between individuals entitled to such permits or licenses and those not entitled, is unconstitutional and void. . . . (Bloom v. Texas State Board of Examiners of Psychologists *et al.*, 16 Tex. Sup. Ct. Jour. 236 (Tex., 1973).)"

[5] Merrill, note 3, *supra*, at 470.

[6] The Subcommittee on Separation of Powers, Senate Committee on the Judiciary.

[7] As a recognized authority has indicated, in modern times the "executive communication" (or the administratively-drafted bill) is the chief type of bill considered by Congressional Committees. Charles J. Zinn, How Our Laws Are Made, 3-4 (1967) (Document No. 125, 90th Cong., 1st Sess.)

[8] *See* Executive Office of the President, Office of Management and Budget, Circular No. A-19, revised, July 31, 1972.

[9] Frequently the office is now called upon to review drafts of bills prepared in executive agencies and elsewhere [but no requirement exists that such review be given regarding all such bills, and in most instances the office is not called upon]. (CONGRESSIONAL RECORD, December 10, 1969, at pp. 38224-25; Statement of Senator Jordan, D. North Carolina, Chairman of the Senate Committee on Rules and Administration, in recognition of the 50th Anniversary of the Office of Legislative Counsel.)

The Committee on Rules and Administration of the Senate is authorized to determine the preference to be given by the office to requests for service. The order of preference in effect for many years is the following: (1) measures in conference; (2) measures pending on the floor of the Senate; (3) measures pending before a standing committee; and (4) preparation of original measures for individual Members of the Senate.

The office has no part of the formulation of legislative policy. Its only concern with policy is to ascertain the desired policy in adequate detail *and with sufficient precision* to enable it to formulate a measure which is technically effective to carry out legislative intent.

During the 90th Congress approximately 4500 measures were drafted. Of greater significance is the number of new subjects of Federal legislation which has occupied the attention of the Congress during that period, and the increasing technical complexity of many of those subjects.

In 1919 the office had a staff of three attorneys and one clerk. By 1945 the number of attorneys in the office had increased to six. Under the authority given by the Legislative Reorganization Act of 1946, the office reached its present normal strength of eleven attorneys in 1949.

*The Committee acknowledges with appreciation the two extensive surveys of this problem by George E. Atkinson, Jr., which analyzed several of the illustrative statutes quoted herein, as reflected in reports of the Housing & Urban Development Committee, *supra*.

[10] Public Law 89-754.

[11] 7 U.S.C. Sec. 2014.

[12] 42 U.S.C. Sec. 1771 et seq.

[13] 7 U.S.C. Sec. 1773.

[14] 72 Stat. 572 (1958), 49 U.S.C. 15a(3).

[15] Morris, *Environmental Statutes: The Need for Reviewable Standards*, 2 ENVIRONMENTAL LAW, 75, 81 (Winter 1971).

[16] 42 U.S.C.A. Sec. 4332(2) (Supp. 1971).

[17] *Id.* at Sec. 4331.

[18] *Ibid.*

[19] 16 U.S.C.A. 1131-1136 (Supp. 1971).

[20] 16 U.S.C.A. Secs. 1271-1287 (Supp. 1971).

[21] The Wilderness Act, 16 U.S.C. Secs. 1131, 1132 (Supp. 1971); The Wild and Scenic Rivers Act, 16 U.S.C. Sec. 1275 (Supp. 1971).

*Exhibit B appears at a Note at pages II: 79-81 of FitzGerald and O'Reilly, Materials on the Administrative Process (for use by students at Southern Methodist University and Boston College Law Schools) (1972, unpublished); its source is a study, not yet published, of the problem in the United States and six foreign countries, made by the Chairman with fellowship grant aid by the Relm Foundation and Southern Methodist University.

RESOLUTION OF THE SECTION OF ADMINISTRATIVE LAW AS ADOPTED BY THE HOUSE OF DELEGATES

AUGUST, 1973.

Whereas, The Section of Administrative Law has conducted committee studies since 1965 of the trend on the part of Congress during the past 40 years to delegate broad discretionary powers to administrative agencies which frequently are to be exercised under vague and indefinite statutory provisions, and of the trend on the part of the courts to uphold such statutory provisions that approach, if they do not constitute, delegations of legislative power to the affected agencies; and

Whereas, The majority of such statutory provisions have their beginning in legislative proposals sent to Congress by the administering agencies; and

Whereas, The risk of arbitrary exercise of such powers is increased, the difficulty of securing appropriate judicial review thereof is diminished, and the accomplishment of the legislative intent and purpose is rendered uncertain, when the Congress delegates powers to administrative agencies in such general terms, for example, as "the public interest," "the objectives of the national transportation policy," "housing for moderate income families," "the Secretary of the Interior may make and publish such rules . . . as he may deem necessary or proper. . . ." [regarding the Park Service] "[Federal Reserve Board rulemaking authorization] as may be necessary to enable it to carry out the purposes of this chapter and prevent evasions thereof."

Whereas, The Section of Administrative Law began its studies eight years ago with the expressed intention of making concrete and constructive proposals to improve Federal administrative procedure in this regard, and the Section recommends such proposals for Association action herewith;

Now, Therefore, Be It Resolved, That the American Bar Association recommends that the President designate the Department of Justice to review and report to the Office of Management and Budget and to the originating agency within a reasonable period of time with respect to each legislative proposal initiated or reported on by the Executive Branch, an instrumentality thereof, or an independent administrative tribunal or independent regulatory board or commission (hereinafter "administrative agency") whether such proposal sufficiently sets forth legislative policies and standards for exercise of the powers, functions and duties proposed to be delegated by the Congress to the administrative agency. As used herein, the term "administrative agency" shall not include the Administrative Conference of the United States or the Department of the Treasury with respect to the federal system of internal revenue taxes. Such report should be in writing and transmitted to the Congress with the legislative proposal of the administrative agency and the opinion of the counsel for the administrative agency on the same matter. No legislative proposal or report on a bill should be submitted to the Congress by an administrative agency until such a Department of Justice report has been issued. Circular No. A-19 of the Office of Management and Budget should be amended appropriately to effectuate this recommendation.

Resolved Further, That the Association recommends that the Congress or each House thereof designate a legislative committee, office, staff or consultant to review, draft and report with respect to whether a legislative proposal delegating discretionary powers to an administrative agency, sufficiently sets forth legislative policies and standards for the exercise of the powers, functions and duties proposed to be delegated by the Congress. The legal report should be in writing and, together with the opinions transmitted from the Department of Justice and administrative agency counsel, should be incorporated by each Committee report recommending a bill for consideration and vote by the members of the Senate or House, and omission to include such reports and opinions may subject the consideration of the bill to a point of order upon request of a member.

Be It Further Resolved, That the President or his designee is authorized to present the Association's views to appropriate committees of Congress, and administrative agencies.

HELP IN CHICAGO FOR CANCER PATIENTS

Mr. PERCY. Mr. President, on January 21 I announced to my colleagues that I had received assurances from the Social Security Administration that serious consideration would be given to providing, by means of an administrative change, medicare coverage for breast prosthesis for mastectomies. Since that time a number of bills have been introduced in Congress to provide such coverage through legislative action. I am confident that one way or the other, medicare will eventually provide such assistance.

But more than financial assistance is needed by mastectomies and by all other cancer patients as well. People who have cancer or who have been cured of cancer have tremendous emotional needs that often can be filled only by contact with others who have had similar experiences.

I was, therefore, very pleased to learn that in Chicago, a group known as Cancer Call-PAC, or People Against Cancer, has been formed to meet just such needs of cancer patients. With the help of the American Cancer Society, the Columbus-Cuneo-Cabrini Medical Center, and an amazing woman named Georgia Photopulos, this group is currently providing much-needed emotional support for thousands of cancer patients.

I ask unanimous consent that an article from the Columbus-Cuneo-Cabrini Quarterly, describing the courage of Mrs. Photopulos and the dedication of the Medical Center staff to the success of Cancer Call-PAC, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GEORGIA PHOTOPULOS

If you live in the Chicago area you may have been fortunate enough to have "met" her, though not in the usual sense. Last spring she was featured in a week-long special series on the ABC–TV evening news, and an article written by her appeared in the *Chicago Tribune Sunday Magazine*. If you saw the series or read the article, you know that she is far from a woman without problems. Georgia is one of several million people in this country who live daily with cancer. "My cancer is not cured, nor is it arrested," she explains, "I am living today, each day, one day at a time, free from symptoms." She has chosen to meet the enemy headlong, however, and she has refused to let it disturb her remarkably positive attitude.

Georgia has been through surgery nineteen times. She has undergone a total of 120 cobalt and deep x-ray treatments in Columbus Hospital's radiation therapy department—far more than the average number of treatments usually required. She has lost both her breasts, most of her hair, most of the sensation in her right hand and arm, and much of her formerly endless reserve of physical strength and energy. But in her estimation she has gained something far more valuable—a new awareness and appreciation of life. Her already very close family has been brought even closer together because of her illness.

Georgia's battle with cancer began five years ago when, in a routine breast self-examination, she discovered two small lumps in her right breast. One of these proved to be malignant. This came on the heels of other health problems which in themselves would have been enough to stop a less determined person. She has always been bothered with allergies and asthma, and at the age of 11 she contracted polio, which left her with a curvature of the spine and a crooked pelvis. She had also suffered two miscarriages (Georgia and her husband Bud have two adopted children) and several bouts with fibrocystic disease (a non-cancerous condition) in both breasts.

Following a radical mastectomy on the right breast and the beginning of a prolonged series of radiation treatments at Columbus, Georgia underwent a simple mastectomy on the other side which showed a microscopic new malignancy beginning in that breast.

When she first found out that she had cancer, she said that she felt a desperate need to talk with someone about it. But she quickly came to realize that there was such a widespread fear and lack of understanding about cancer—what it is and what it does—among lay people that most of her friends were reluctant to even talk about it. She found the fortitude that she needed to cope with her fear through her family and her faith in God.

She found that it was important to her to keep her appearance up no matter how bad she might feel at any given time. "I found that if I looked good, I felt better. So I always made it a point to fix my make-up and my hair whenever I was going out. And I refused to go to doctors or to the hospital wearing my bathrobe." Then when friends saw her looking so good they assumed she was well and ceased offering her the helping hand that she often could have used but was reluctant to ask for. She said that whenever she met her husband's friends who knew that "Bud's wife has cancer," they always thought, because they saw her looking so cheerful, that: "One, Bud knew but I didn't know what was wrong with me; or two, I knew but I didn't comprehend the seriousness of it; or three, that the Mrs. Photopulos with cancer had died and I was Bud's second wife."

As the course and treatment of her disease progressed, Georgia met many more cancer patients and found that there was a very strong feeling of identity and fellowship among them. She told of one time when she entered the dressing room in the radiation therapy department at Columbus and saw a woman struggling with an artificial limb. "When I first tried to help her she was very hostile, but then when I began to undress and she saw the scars of my radical mastectomy her attitude immediately changed. I was then 'one of us,' I too had lost something."

She found that among cancer patients the need to talk with someone about their disease, about their hopes and fears, was a commonly felt need and one which was not being satisfied in many cases. Friends and family were often unwilling or unable to offer any emotional support other than the most common cliches. Doctors were often too busy or sometimes feared that the patient would not be able to "take it," and so were reluctant to discuss the details of the case. Many times patients never really even met the surgeon who operated on them because of heavy sedation and anesthesia. So in her mind, Georgia began to formulate a plan in which cancer patients themselves could help one another through their times of crisis and fear.

Georgia had been actively working as a volunteer with the Chicago Chapter of the American Cancer Society for some time when one day a little more than a year ago she was asked to address a meeting of the chapter. "I was asked at the last minute to fill in for someone else who couldn't make it. I guess they were used to hearing celebrities and doctors and nurses speak, but I just got up an told my own story of my fight with cancer. By the time I finished there wasn't a dry eye in the audience. I think people were able to identify with me more because I wasn't a celebrity or anyone rich or famous. I'll always believe that people are able to identify more with me and my family not so much because of what we are or what we have, but because of what we don't have. We don't have domestic help, mothers who can drive, teenage children who can pretty much take care of themselves. We've had to fend for ourselves and do for ourselves, to learn to live with and around the problems and inconveniences that having cancer causes. Of course, our friends and neighbors have been a tremendous help, and without them we just couldn't have gotten along."

Following her speech to the Chicago Chapter of the American Cancer Society, Georgia was barraged with requests to speak to other chapters and other organizations. In the early part of this year she was invited to speak at the National Convention of the American Cancer Society in New Orleans. About that same time she was asked to write the article for the *Chicago Tribune* and to appear in the series on ABC–TV.

Each time that Georgia gave a speech or appeared in the media, she took the opportunity to urge the American Cancer Society to organize the project of emotional support for and by cancer patients which she had conceived. It was to be a "hot line" type telephone service in which volunteers, all cancer patients themselves, would be available 24 hours a day to talk with other cancer patients and their families to offer them encouragement and hope. In October, 1972, the American Cancer Society asked Georgia to become project coordinator and gave her a small grant to cover the expenses of researching and starting the program in the Chicago area. The project became known as Cancer Call-PAC. It stands for "People Against Cancer." It was launched in late June, and it will be the pilot for a similar project which will hopefully be offered on a nationwide basis.

The service does not provide medical advice, nor does it attempt to interfere in any way with the doctor-patient relationship. The volunteers are simply called upon to offer emotional support to cancer patients and their families. This is the support which can often be the turning point in their decision not to give up but to determinedly fight the disease with all the resources they can muster.

There are a total of 120 volunteers who staff Cancer Call-PAC. Fifty-two of these are cancer patients who speak with callers. They represent people from all walks of life, and are patients with most of the major types of cancer. Among them they speak a total of eleven languages. The rest of the volunteers serve as advisors in various specialized areas of cancer care or in the delicate positions of intermediaries who help connect the callers with the most appropriate listeners.

Many doctors, nurses and others in various areas of the medical profession serve in advisory capacities with the Cancer Call-PAC staff. There is also a large group of clergymen of all faiths and psychologists who advise the staff on matters relating to pastoral care. Dr. David Lochman and Mr. John Porter from Columbus-Cuneo-Cabrini Medical Center's department of therapeutic radiology are among those in the first group, and Sister Marie Louise De Antonio, M.S.C., from

Columbus Hospital, serves with the pastoral care representatives.

During the first two months of its operation, Cancer Call-PAC, whose telephone number in Chicago is 372–6262, received 327 calls. The response to the project has thrilled Georgia beyond measure. "We created this service to fill a need," she explains. "This response shows that the need is really there, and I think that we are really filling it."

It is in this way and with this feeling that she has chosen to meet her enemy headlong—but on her own grounds and under her terms. She has chosen to cope with her own fear, pain and physical limitation by literally sharing herself with thousands of others who also walk in her shoes.

Georgia Photopulos may not live the life of the proverbial woman "without a care in the world," but something tells us that her life has been infinitely richer for the course it has taken.

REMOVAL OF WAGE AND PRICE CONTROLS FROM TEXTILE INDUSTRY

Mr. HOLLINGS. Mr. President, on behalf of Senator THURMOND and myself, I bring to the attention of the Senate a resolution passed by the Senate and the House of Representatives of the State of South Carolina.

This resolution urges the President of the United States to terminate the phase IV, price and wage control economic program, as it relates to textile industries and other industries related thereto prior to the scheduled termination date in April.

In an effort to see the removal of phase IV controls from the textile mills product industry, the manmade fiber industry and the apparel industry, I addressed a telegram to Dr. John Dunlop, Chairman of the Cost of Living Council. I pointed out that domestic mills are now facing serious shortfalls of manmade fibers. These fibers constitute over half of the industry's basic raw materials.

Market pressures resulting from phase IV have caused the exportation of already scarce fibers and the petrochemical feedstocks which are used in almost two-thirds of all the manmade fibers. Domestic mills already burdened with record high cotton prices and facing shortfalls of quality cotton are now being told by the manmade fibers industry that they are being cut back 10 percent or more. Industry in South Carolina and throughout the Nation is finding that everything they must buy from building supplies to raw materials is being cut back because of shortages brought about by phase IV restrictions.

I feel the removal of phase IV controls from the textile mills product industry, the manmade fibers industry and the apparel industry would permit the resumption of historical, competitive operations benefiting all Americans.

On behalf of Senator THURMOND and myself, I ask unanimous consent that the resolution as passed by the Senate and the House of Representatives of the State of South Carolina be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

To Urge the President of the United States to Terminate the Phase IV, Price and Wage Control Economic Program, as it Relates to the Textile Industries and Other Industries Related Thereto Prior to the Scheduled Termination Date in April.

Whereas, the Phase IV, Price and Wage Control Economic Program, as it relates to textile industries and other industries related thereto is causing serious economic interruptions in these industries. Now, therefore,

Be it resolved by the Senate of the State of South Carolina:

That the Senate, by this resolution, urgently requests that the President of the United States take necessary executive action to immediately terminate the Phase IV, Price and Wage Control Economic Program, immediately rather than delaying such termination until the month of April of this year.

Be it further resolved that copies of this resolution be forwarded to the President of the United States and to each member of the South Carolina Congressional Delegation in Washington.

ESTONIAN INDEPENDENCE DAY

Mr. ROTH. Mr. President, February 24 is the 56th anniversary of the independence of Estonia. This anniversary will be observed and cherished by Estonians in the State of Delaware and around the United States, but it must be observed in silence in Estonia. Estonia is one of the three Baltic republics whose independence was snuffed out by Soviet imperialism at the beginning of the Second World War.

I do not believe that one can read about the history of Estonia without being inspired by the remarkable resiliency in the face of adversity which has always characterized the people of that country. Estonia was independent until the 13th century. In subsequent centuries it was dominated by Germans, Poles, Swedes, and finally the Russians. At the end of the First World War, as the result of the disintegration of the Russian and German empires, Estonia was able to reassert its independence. Although invaded by the Red army after independence was proclaimed, Estonia put up a heroic resistance and cleared its land of the invaders.

In 1920 Estonia signed a treaty with the Russian Soviet Federated Socialist Republic under which the Russians "voluntarily and forever" renounced all sovereign rights over Estonia. In 1939, however, the Soviet Union forced Estonia to sign another treaty permitting Russian troops and bases in the Baltic nation. Although the Soviet Union promised that there would be no further interference in Estonia's internal affairs, this promise was never observed. On June 17, 1940, Estonia was invaded and occupied.

Under Soviet domination, thousands of Estonians were deported during the 1940's to Siberia and other parts of the Soviet Union, and the country was opened to Russian colonialization. These moves were part of a deliberate policy to destroy the unique Estonian culture and russify Estonia.

Although Estonia's people have been deprived of freedom, they remain hardworking and industrious. Today Estonia is the most industrialized of the Baltic countries. It has textile and shipbuilding factories; it manufactures mining and road equipment and large electric transformers, and it mines more than half the oil shale used in the Soviet Union.

Estonians in the United States are justifiably proud of their country, its culture and fine traditions. I hope that all Americans will join me in wishing them the very best on February 24, the 56th anniversary of the independence of Estonia.

THE MIGRANTS

Mr. WILLIAMS. Mr. President, on Sunday, February 3, 1974, there appeared under the auspices of the Columbia Broadcasting System a film produced and directed by Tom Gries entitled "The Migrants." It is a film which should be seen by all Americans.

"The Migrants" provides a dramatic and searing insight into the lives of 300,000 of our citizens, the migratory farmworkers. By bringing the problem of these people to our attention. "The Migrants" will help us to mobilize action to alleviate their plight. The producer, actors, and CBS are to be commended for the skill and force of the presentation.

JACK BRICKHOUSE—VOICE OF THE CUBS

Mr. PERCY. Mr. President, one of the best known and highly respected men in Chicagoland is my good friend and well liked neighbor, Jack Brickhouse. Since 1948, when WGN–TV in Chicago first began broadcasting Chicago Cubs games, Jack Brickhouse has been the voice of the Cubs.

Jack Brickhouse is truly a Chicago institution. Along with his role as sportscaster, Jack is a conscientious civic leader. He is always willing to lend his support to a worthy cause, displaying admirable traits of a responsible as well as successful citizen.

Mr. President, the January 31, 1974, issue of the Evanston Review featured a fine profile of Jack Brickhouse. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JACK IN STORE FOR 1974: BRICKHOUSE SPEAKS OUT, "HEY-HEY!"

(By Brian Hewitt)

More so than Spiro Agnew, Gerald Ford, or even Mickey Mouse—Jack Brickhouse is a household word along the North Shore and throughout the Chicago area.

A Wilmette resident since 1951, Brickhouse and his wife Nelda reside in a comfortable two-story house nestled neatly away from the hue and cry.

As elder statesman of Chicago sportscasting and resident raconteur, expert, and mouthpiece for the area sports scene, Brickhouse daily departs from the quiet suburbs and enters the frenetic communicatory cabals that comprise WGN–TV.

Most local residents know the balding blonde-grey Brickhouse as the voice of the Chicago Cubs. For better or worse he's chronicled the fortunes of the Wrigleys on the air (Channel 9) since time immemorial.

He's also the radio voice of the Chicago

Bears and former TV play-by-play man for the Chicago Bulls. Occasionally "Brick" even goes national, as he did in the All-American Bowl football game from Tampa seen recently on Channel 9.

Jack's trademark and patented style is embodied in the shouts of "hey-hey" blasting over the airwaves and flashed on the screen everytime a Cub belts a roundtripper.

Indeed, it's hard to pass by a local ballpark in summer where youngsters aren't mimicking his "Hey-Hey" when a junior Ernie Banks or Billy Williams parks one.

Brickhouse connoisseurs, however, are equally familiar with the flip side of the Brickhouse announcing coin. His favorite lament following a Cub blunder is a disconsolate, "Oh Brother!"

If the faux-pas isn't fatal, he'll overtone, "it could've been a lot worse, Whoo boy!"

Finally, there's his bottom of the ninth inning plaint to the Northsiders in a tie ballgame, "Get ready now boys. Any old kind of run'll do it."

Brickhouse is many things to many people, but dull to very few. This is no accident. In his 40 years as a broadcaster Jack has compiled a storehouse of knowledge, trivia, and instant anecdotes that make even the longest rain delay pass like a short visit to the Cooperstown Hall of Fame.

At 57, Brickhouse rates candidacy to the sportscasters Hall of Fame. Unfortunately, such a hall doesn't exist.

Another candidate, Howard Cosell, gets more exposure, but doesn't rate as an announcer in Jack's book.

"I've got to talk about Howard on two levels," says Brickhouse, hands folded relaxing in his wooden-paneled den. "Howard the fellow is fun to be around, and I like his company. Cosell the broadcaster is not for me."

"Professionally, Howard Cosell is a gimmick," adds Jack with a trace of animosity. "If he said only complimentary things on the air, he'd be about eighth in line in his profession behind guys like Schenkel, Ray Scott, Gowdy, Lindsay Nelson, and even Brickhouse."

"His alleged 'tell-it-like-it-is' philosophy is a gimmick. If Cosell could be twice as big as he is now by being a nice guy, he'd start tomorrow."

Far from Cosell's droning voice of doom critiques is the rah-rah, plug the local team, advocate (bordering on cheerleader) approach that is Brickhouse.

Some of Brickhouse's critics maintain that impartiality is imperative in broadcasting. Jack doesn't buy that line and he has ammunition to back up his ratiocination.

"There are two distinct approaches to sports broadcasting," he notes, "In a national broadcast we try to play it right down the middle."

"But a WGN survey shows that a vast majority of the local fans want us to pull for the home team. We're just giving the public what they want."

The trick to the partisan method according to the "Brick" is, "always give the opponents all the credit they deserve. Don't take anything away from their performance. Detracting is unfair. Besides, if you beat the visitors, the victory is all the sweeter when you haven't belittled their showing."

It's difficult to belittle the showing that Brickhouse has made over the years. He's come a long way from the jobless, flatbroke, naive, 18-year old kid with wild dreams roaming the streets of Peoria, Ill.

Today, Jack is an executive vice-president at WGN, a stockholder in the Chicago Cubs, and a board member for Cub owner, P. K. Wrigley. He's on numerous other boards and committees including the Chicago Boy's Clubs, the Sickle-cell Anemia Outing Committee, and the Brian Piccolo Cancer Research Foundation.

Brickhouse fondly recalls those early days in broadcasting while relating the circumstances leading up to his first job in radio.

It seems there was a railroad strike on the west coast in the recession-ridden year of 1934. Young Jack planned to work for the railroad if he could only round up the cash to get a ride out there.

With this in mind, he hauled his larynx and diaphragm down to the local radio station for a "So you want to be an announcer" contest. First prize was a wristwatch. Jack figured he'd pawn the watch for fare to Frisco when he won.

"I made it to the final six contestants," Brickhouse recounts, "but they only gave out four watches. I must've been fifth. The problem was the judges. They were all lawyers and doctors. They didn't know anything about announcing."

The station manager at WMBD liked what he heard from Brickhouse, however, and offered him a job. The pay wasn't the greatest. In fact, they wanted him to work for free. Brickhouse couldn't refuse.

"It was the ham in me that did it," relates Jack. "As soon as a couple of my friends told me they'd heard my voice on the radio I couldn't keep my hands off the microphone. So I worked for nothing."

Fortunately, WMBD began paying Jack ($17 a week), and never regretted it.

Asked if he makes more than $17 a week, 40 years and uncounted hey-heys later Brickhouse responds, "Sometimes I'm not sure after I've seen my net tax statements."

Rest assured though fans. Jack Brickhouse can afford better than frostie malts and smokie links when he gets to Wrigley Field.

But prosperity hasn't made him any less of a Cub devoutist than Joe Fan. "The nice thing about my job," smiles "Brick," "is paying for if I was in another line of work."

On the current winter upheaval that saw Cub heroes Ron Santo, Randy Hundley, Fergie Jenkins, and Glenn Beckert shipped out, Brickhouse comments in one word, "Understandable."

"The Cubs had to do something," he adds. "Their position was, 'we lost with these fellows (Santo, Beckert, etc.), so the worst we can do is lose without 'em.' Baseball is a young man's game, and the popular but aging veteran must often step aside."

"I submit to you that Babe Ruth didn't finish his career with the Yankees, Willie Mays didn't finish with the Giants, and Ty Cobb didn't end his playing days in Detroit."

The question naturally arises, "When will Jack Brickhouse finish his announcing days?" In 1962 Brickhouse was feted for his 2000th baseball broadcast.

Twelve years later he shows no telltale signs of slowing down. In broadcasting, unlike baseball, the wind stays even after the legs go.

"Right now I'm starting the second year of a three-year contract," he explains. "When that contract expires I'll take 'em one year at a time. I'm not the kind of guy who can retire and vegetate. I intend to be involved in sports and broadcasting for the rest of my life."

"At one time," continues Jack, "I was the youngest sportscaster in the country. I don't intend to be the oldest, but I will stay on in some capacity."

It's hard to imagine a Cubs broadcast without the mellifluous pear-shapes of Jack Brickhouse echoing the "happy totals" through dens, rec rooms, and backyards across Chicagoland.

But one thing's sure. Long after the hey-heys have turned to hay-hay and Jack Brickhouse is out to proverbial pasture, his spirit and indomitable enthusiasm will live on. Household words have a way of doing that.

AN APPRAISAL OF THE REGIME OF THE LATE PRESIDENT SALVADOR ALLENDE GOSSENS, OF CHILE

Mr. MONTOYA. Mr. President, the Reverend Father Joseph F. Thorning, Ph. D., D.D., who has served at various times as dean of the graduate school, Georgetown University; European correspondent of the national magazine, America; and is now honorary chaplain of the Inter-American Defense College and associate editor of World Affairs, has written two articles appraising the regime of the late President Salvador Allende Gossens, of Chile.

One article in an international publication the Rising Tide, was published under the title "Whither Allende?" on May 21, 1973.

The other piece, "The Chilean Revolution—Conversations With Allende, With the Postscript by Salvador Allende," consisted of an analysis of a book-length interview with President Allende by one of the latter's admirers, Regis Debray, a French journalist. Dr. Thorning's review of the Debray-Allende volume was featured in America, a national magazine published by the Jesuits of the U.S.A. and Canada.

Dr. Thorning views the recent events in Chile from a special perspective which may be of interest to other Members of the Senate. I ask unanimous consent that Dr. Thorning's articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WHITHER ALLENDE?

(Dr. Joseph F. Thorning)

How many observers in the USA remember that when President Salvador Allende took office in 1970, he did so thanks to the votes of the majority of Senators and Deputies, many of whom are now disenchanted with his recent policies?

Allende's adherents in Chile, mainly Marxists and Marxist-Leninsts, maintain their enthusiasm, despite a sadly deteriorating economy. They point with pride to an increase from 36.3 to 43.4 percent in the popular vote on March 4, 1973 for the members of Allende's Congressional coalition. They note, quite correctly, that they added two Senators and six Deputies to their ranks in the Chilean Parliament. Consequently, Allende and his cohorts continue their loud proclamations of popular "victory."

REJECTION

The Allendistas, however, overlook an undeniable fact. On March 4, 1973, a majority of the voters of Chile—56 percent—although subjected to subtle and not-so-subtle forms of political blackmail, called for new directions in public administration. The people, by their majority vote, rejected totalitarian tactics, demanding a return to democratic procedures. They made clear their preference for a system of social justice respectful of their homes, their modest-sized farms and other family-owned centers of production. In a profoundly true sense, the majority voted in the light of religious convictions and with a determination to safeguard the rights of their children. Women were outstanding in their emphasis on such principles.

REACTION

Nevertheless, Dr. Allende talked and acted as if he had won a new mandate. Fresh measures toward the nationalization of Chilean properties were enacted. In reorganizing his Cabinet, the chief executive dropped the three military men who, in the eyes of the people, represented good order and fair play. This move strengthened the hands of partisans who made more strident their demands for a speedier route to total domination of the body politic and the seizure of the private property of Chile's citizens.

Equally significant was Allende's next step. He proposed a "unified school system" on a national scale. This would mean the suppression of a *noble* Chilean tradition: a flourishing system of public and private schools, colleges and universities administered in an atmosphere of mutual respect for the benefit of all concerned. Religious education, of course, was the principal target.

Allende's drive may have been premature. In 1970 religious people were prepared to give the Marxists the benefits of every doubt. They realized the need for radical change. They were aware of conditions of work in mines, factories, offices and on farms. They were ready to cooperate.

But they were sickened by a bid for power over the minds of their children. The result might have been foreseen. In response to the petitions of parents, the Chilean Bishops, after deliberation and prayer during the 1973 Holy Week, issued a reasonable, well-balanced statement. Although maintaining their principle of warm approval for genuine efforts toward social reconstruction, they reiterated their devotion to the right of all citizens for freedom of choice, not only in the field of education, but also throughout the broad domain of human rights.

ANOTHER MODEL OF INJUSTICE

A key passage of the Easter Sunday declaration is worthy of study. It reads as follows:

"Why should not our Fatherland become more human, more just, more open to structures that may provide equality of opportunity to all her sons and daughters? And why cannot this desire in the hearts of the majority of Chileans be realized without grave personal and collective sins; and without giving birth to another model of injustice and tyranny, which offers no solutions and merely hands power over to one or another minority group?"

Most Christian Democrats, Liberals and Nationalists in the Republic of Chile and elsewhere interpreted this strong message as a reference to the voice and determination of the 56 per cent of citizens who voted for liberty on March 4, 1973.

Popular sovereignty is sound religious doctrine. When people go to the polls, they show that they want their elected officials to respect their homes, their land, their schools and their right to earn a living, irrespective of the political administration of their country, provided their activities conform to the Constitution and laws.

In other words, a majority of Chileans recall that another Marxist-Leninist regime, that of Fidel and Raul Castro in Cuba, constantly promised "free elections," respect for religious education and democratic procedures—until securely ensconced in total power.

The Chileans will do their part not to be tossed "from the frying pan into the fire." They have not the slightest inclination to see their beloved country become another colony of the Soviet Empire. For many reasons, the majority in Chile deserve the admiration and support of free peoples and independent nations.

THE CHILEAN REVOLUTION—CONVERSATIONS WITH ALLENDE, WITH A POSTSCRIPT BY SALVADOR ALLENDE

(By Régis Debray)

Will the Chilean Revolution be a "revolution without rifles"? That is the key question posed by French journalist Regis Debray in his dialogue with President Salvador Allende.

Debray, whose original idol was Fidel Castro, supplies an answer of his own. In his Introduction the author assures his readers that, in order to gain absolute power, the use of force is sanctioned by "universal principles of Marxism-Leninism."

In responding to the inquiries of his youthful admirer, Allende provides data about his boyhood, medical education and political thinking. As a lad of fourteen, he was greatly influenced by a cobbler-anarchist who taught him "how to play chess," to enjoy "the good things of life" and to read books on social issues. Three generations of his family were freemasons, who often engaged in controversy with conservatives, especially "on a religious front." Almost from the start, Allende reveals, he was "aware of his anti-imperialist vocation." As a youthful politician, he became one of the founders of the Socialist Party in Valparaiso. He insists, however, that his Marxism had "nothing to do with European Social Democrats."

When in 1938 President Pedro Aguirre Cerda organized the first, short-lived "Popular Front" government, he named Dr. Allende Minister of Public Health. The job showed the young man's capacity for leadership and brought his gifts of oratory and organization to national attention. Despite three subsequent defeats in hard-fought presidential campaigns, he won enough votes from a Socialist-Communist coalition in the Chilean Senate to become President of that body during the Christian Democratic administration of Eduardo Frei Montalva (1964–70). In his fourth try for the *Casa Moneda*, Allende emerged as victor. His plurality in the popular vote was 36.3 per cent.

As President of Chile, Dr. Allende, although alluding to some differences with Castro as "fundamental and violent," explains that their goals are almost identical: "complete economic and political domination." As often as Debray expresses impatience with "the pace of socialization," his mentor emphasizes his determination to "expropriate the means of production that are still in private hands." For this to happen, he adds, control must be established over the legislative and judicial branches of government. His models are "the Socialist countries."

Recent events in Chile raise doubts about Allende's prospects of success for such a comprehensive program. The 1972 congressional by-elections brought victories to a reunited front of Christian Democrats, liberals and nationalists. As a result. Allende does not dare to consult the public about his decision to dominate congress and the courts. Food shortages, housing problems, runaway inflation, lowered productivity in mines, factories and on farms, defaults on indebtedness and near-bankruptcy haunt the Popular Unity regime.

This Debray-Allende colloquy is a valuable reference work. It can be studied, now and in the future, either as a blue-print for another collectivized society or as a plan for peaceful construction of a Socialist, but non-Soviet, Republic, respectful of basic rights and dedicated to the correction of social evils, while providing fairly for human needs.—Joseph F. Thorning.

THIS WEEK'S REVIEWERS

Rev. Dr. Joseph F. Thorning is United States Honorary Fellow of the Historical and Geographic Institute of Brazil.

THE IMPEACHMENT PROCESS

Mr. DOLE. Mr. President, due to the widespread interest in the impeachment process, the current activities of the House Judiciary Committee and the potential involvement of the Senate in these matters, I wish to place on record my views of the impeachment process and my responsibilities as a Senator in these constitutional proceedings. Therefore, I ask unanimous consent that the text of my November 1973, remarks to the Kansas Chapter of the American College of Surgeons be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR BOB DOLE

It is a distinct pleasure to be here at this meeting of the Kansas Chapter of the American College of Surgeons and to be invited to share with you some of my thoughts on health care in America—A topic of mutual interest to us and of profound and growing interest to the Nation.

Before I touch on several matters which concern you professionally, let me take a few moments to discuss the current controversy swarming around the White House in Washington.

At the outset, I would offer the observation that the year's developments in our Nation's Capitol have been astounding. Never before have we seen such a mind-boggling chain of events or such a violent turnabout in public attitudes toward a President.

From an unequaled peak of popularity and confidence at the end of the Vietnam War in January, Richard Nixon has plummeted to a point in early November which marks the second lowest standing for any modern President. Though we can debate the lasting significance which might flow from this turnabout, there is no denial that it is real and must be recognized as a fact of our political life today.

STRANGE AND TROUBLING CLIMATE

The compounding revelations and confusions of Watergate, the resignation of Spiro Agnew and a rising wave of anguish and concern over deception, corruption and mistrust in Government have created a strange and troubling climate in America.

It is strange, because never before in recent times—certainly not in this century—has there been such an impassioned mood against a President. And it is troubling, because never before has there been such a barrage of charges, attacks and accusations openly and freely leveled against a man who sits in the Oval Office.

Out of all this confusion, some are attempting to arrive at a perspective and a basis for determining the proper course for themselves and the country. It is not an easy task, and events take on new and unexpected turns almost daily. But let me set forth what I believe is the best approach to today's situation.

First, President Nixon should not—should not—resign from office.

Second, the House of Representatives should proceed without delay to investigate the grounds for impeachment.

Now, let me expand upon these two points.

RESOLUTION REQUIRED

Looking at the current situation—just in my capacity as an American citizen—I certainly feel that some resolution of all the questions, doubts and charges must be reached. This state of suspended animation is not healthy for the country. Did the President know this, did he say that, did he approve, condone or conceal something else? These hanging questions are harmful to our government and to our country. They require action to deal with them, settle them and put them behind us. But how to do it?

RESIGNATION WORSE THAN PRESENT SITUATION

As we approach this question, I feel there is one overriding consideration. In attempting to improve matters, we must not bring on something worse than we have now. Some might say that is not possible, that we have gone as low as we can go. But I feel that a presidential resignation would be incalculably worse.

NO ANSWERS

In the first place, a resignation would settle nothing, answer nothing. It would furnish the country with a sacrificial offering, but it would not cast any light in the dark corners and shadows of our national dilemma.

I do not feel a resignation would satisfy the American people. For they are not bloodthirsty. They respect and want to respect the Presidency. They do not want to see this President or any other President brought down in humiliation, shame, and defeat. Yes, they are concerned and curious, but they want answers, not a scapegoat. And a scapegoat is all they would get through resignation.

BITTERNESS AND SUSPICION

In the second place, a resignation would be worse than the present predicament, because it would foster a legacy of bitterness and suspicion unprecedented in our history.

After all, nearly 30% of the American people are still telling pollsters that they believe Richard Nixon is doing a good job. And it would be extremely serious if even that 30% harbored the notion that the President was done in through unfair persecution and hounded out of office by a gang of personal antagonists. Rumors of plots, conspiracies, and even foreign intrigues are not uncommon in this country—as the stories following President Kennedy's assassination remind us. And I greatly fear that the country could find itself in the grip of a black wave of rumor, mistrust and vengeful ill-will in the wake of a resignation.

UNFAIR

In the third place, a forced resignation would be unfair. Even the President of the United States has a right to have his case considered on the merits. He has a right to due process. He has a right to be presented with specific charges, mount his defense and have his case judged by a jury of his peers. Forcing him to resign would deprive him on those rights.

And even if he were guilty of every last single charge made against him, he would still be entitled to those rights.

So this brings us to my second point.

CLEAR CONSTITUTIONAL DIRECTION

In contrast to such areas as executive privilege, war powers or impoundment of funds, the Constitution of the United States clearly and specifically makes the House and Senate responsible for removing a President from office.

The House of Representatives, not the Washington Post, is empowered to frame charges against the President. The Senate, not *Time* magazine, is given the power to render a verdict on those charges. And this is the course which must be taken.

I do not know what the outcome would be. I do not know what it should be.

NO LEGAL CASE

Speaking, now, as a lawyer, I will say that I have not seen the case against the President made on a legal basis. And speaking as one of the potential jurors in the Senate, I have not seen a case presented—with evidence—that the President has committed specific acts which constitute "treason, bribery or other high crimes and misdemeanors." And until I do see such evidence, my verdict will be withheld.

Let me emphasize this point. There are some today who are saying to their Congressmen and Senators, "I demand that you impeach Nixon." Now this is their right to say, but it would be highly irresponsible for me, as one who could sit in judgment on this case in the Senate, to come to any premature conclusion.

As I said, I view myself as a potential juror, and as such duty binds me to refrain from passing judgment until the evidence is presented.

I think a pretty clear case can be made that there have been some amazing blunders, bad decisions, poor exercises of judgment and regrettable assessments of character involved with Watergate and other matters. But to give these observations the status of a legally presentable case, is to stretch the bounds of fairness and common sense beyond their limits.

And this is why I feel the impeachment investigation must be passed.

A legal case against the President has not been made. But if one exists, it should be framed and acted upon with the greatest dispatch. For only by this process can the necessary resolution to our present situation be reached—and reached in a manner which will improve, not worsen, what we have today.

RESULTS COMPARED

Consider the contrast between the routes of impeachment and forced resignation.

Where resignation would leave only lingering, unanswered questions and uncertainties, impeachment would provide solid answers. In the first place, the investigation might show that there are no grounds for even seeking a bill of impeachment in the House. That's one answer.

Next, perhaps a case worth considering could be made. The House could vote impeachment and say to the Senate, "You decide whether the evidence is sufficient to establish guilt."

Then a deliberate, open and fair proceeding would be conducted in the Senate with the Chief Justice of the United States presiding.

There would be no battle of headlines, "source" stories, editorials and commentators' pearls of wisdom. The evidence would be put forward. The President would be offered the opportunity to disprove or rebut it. And the Senate would vote.

If two-thirds thought him guilty of the charges, the President would be removed. The verdict would be entered. That is another answer.

If two-thirds of the Senators did not think the evidence established guilt, the President would be retained in office. The verdict would have been entered. And this is still another answer.

ANSWERS PROVIDED

Whatever the outcome, the questions would be answered by impeachment. Resignation would give us none. Some might not like the answers. But they would be answers, nonetheless, and would be infinitely preferable to the nothing provided by resignation. The fairness of the proceedings would be on the public record. The doubts and uncertainties would have been put to rest as firmly and certainly as our system makes possible.

Some might say, "But what if he was acquitted by a narrow margin—even one vote?" And to this, I say, "So be it."

Every day in this country, juries acquit defendants by narrow margins—even one vote. That is the way our rights are protected under the Constitution. And that includes Presidents, too. These verdicts are accepted, and I believe such a verdict—even in the case of a presidential impeachment—would be accepted and respected by the people.

In any event, the entire impeachment process strikes me—as a citizen, as a lawyer and as a Member of the Senate—as the only acceptable way of proceedings.

Impeachment is characterized by all the hallmarks of our Constitution's regard for individual rights and liberties. It would strengthen, stabilize and calm the Nation. Forced resignation has the aroma of a lynching. It would only divide, dismay and further alarm a weary people.

So that is my prescription for the country. I hope it can be followed—regardless of the outcome. For I believe the American people need the answers it would provide.

CONGRESSIONAL AGENDA

In addition I would set the following agenda for the Congress.

First and foremost, Gerald Ford should be confirmed as Vice President. The country must have a Vice President who can step forward to fill the Presidency if necessary, and provide the continuity in the administration which the electoral process has chosen.

Next, the impeachment investigation should take precedence over all other related inquiries. And an end should be put to the activities of the near dozen committees and subcommittees at work on such matters in the House and Senate.

And finally Congress must move on the host of legislative matters before it.

These include, of course, bills relating to the energy crisis, the trade bill, the tax bill and a number of proposals dealing with the health care needs of America.

BUDGET REFORM

Mr. MUSKIE. Mr. President, within a very few weeks the Senate will have before it legislation to reform the procedures by which the Congress handles the Federal budget.

The budget reform bill will be one of the most important measures the Senate will consider this year. It is important not only because our own procedures for considering the budget badly need reform, but also because it provides an opportunity for the Congress to reassert its constitutional power to control the Federal purse strings. It is an opportunity that we must not allow to slip away.

When budget reform legislation is considered by the Senate, it will reflect the work of three committees of the Congress. In the fall of 1972, the Congress created the Joint Study Committee on Budget Control to recommend ways the Congress could improve its control over the Federal budget.

The recommendations of the Joint Study Committee were examined at great length last year by the Committee on Government Operations, which labored for more than 8 months before approving budget reform legislation. Now, the Committee on Rules and Administration is working to further refine the bill.

Mr. President, this legislation will command bipartisan support. The bill reported by the Committee on Government Operations reflects the work of Senators of both parties. Under the leadership of the distinguished Senator from North

Carolina (Mr. ERVIN), Senators METCALF, PERCY, BROCK, myself, and others, worked together to develop what I believe is a comprehensive and workable legislation.

That bipartisan spirit has continued in the Rules Committee during its consideration of the bill. At the direction of the distinguished Senator from Nevada (Mr. CANNON), and the distinguished assistant majority leader (Mr. BYRD), the staff of the Rules Committee is meeting with staff members from the Committee on Government Operations and nearly every major committee of the Senate in an effort to improve this bill. I am confident that this extraordinary effort will result in an even better bill being reported to the Senate by the Committee on Rules and Administration before the end of this month.

Mr. President, we cannot overestimate the importance of budget reform legislation. It is critical to the reassertion by the Congress of its constitutional control over the Federal purse strings.

During the 1st session of the 93d Congress, the Senate took important steps toward redressing the balance of powers between the Congress and the President. It passed landmark legislation to block Presidential impoundment of funds and to assure Congress information it needs in the face of Presidential claims of executive privilege. But despite these important measures, the procedures by which Congress exercises its fundamental power to appropriate funds and raise revenues have remained unreformed.

During the past half century, we have witnessed a steady erosion of congressional control over the budget. In contrast, we have seen a consistent escalation of executive influence over budget and fiscal policies.

As a result, in 1974, Congress finds itself severely crippled in its efforts to carry out its dual responsibility to establish national priorities and control Federal expenditures. It lacks both the necessary resources to give the budget proper consideration and an adequate procedure for making rational decisions on national priorities.

There is little dispute that the present congressional system of considering the budget is in need of reform.

First, under the present appropriations process, Congress lacks both the staff and the information it needs to consider the budget comprehensively. Congress, to be sure, is at a disadvantage compared to the President in making budgetary decisions. It does not have its own budget staff, and it must rely on the executive branch for much of the information, the judgments and the evaluations it needs to make fiscal decisions.

Just this month, the President sent the Congress a 346 page Budget, accompanied by an appendix of more than 1,000 pages. Over the next few months, these documents will be supplemented by thousands of pages of justifications and explanations. This budget proposes a substantial redirection of the fiscal policies this same President recommended in his budget a year ago. Congress, unfortunately, lacks the information and the staff it needs to thoroughly evaluate the President's fiscal recommendations.

To act as a resourceful and responsible budgetmaker, Congress needs its own staff and its sources of information. That is why it is imperative that budget reform legislation must increase the amount of information Congress, as a whole, has in making budgetary decisions. We must provide ourselves with the staff resources we need not only to allow more careful consideration of the President's budget but also to allow us to develop alternative budget proposals of our own.

The bill reported by the Government Operations Committee does take important steps to increase budgetary information available to Congress and to bolster the congressional staff for handling the budget. I am hopeful that the thrust of both of these reforms will be retained by the Rules Committee.

Second, under the present appropriations process, the Congress does not have the time it needs to consider the budget adequately. This time problem is twofold: Congress gets a late start on its budget consideration, and it cannot complete action on the budget in time to avoid forcing the executive branch to run on continuing resolutions for many months.

Budget reform legislation, too, must provide Congress with more time to consider budget and priority decisions. The Government Operations Committee bill changed the start of the fiscal year to October 1 in an effort to create a realistic timetable for budget consideration that is consistent with the operations of the Congress. Whatever timetable, the Congress finally adopts, we must avoid putting ourselves, year after year, in the embarrassing position of not being able to complete our work on the budget before the beginning of the next fiscal year.

Third, under the current appropriations process, major spending decisions are fragmented. In fiscal 1974, for example, only 44 percent of the budget went through the Appropriations Committees. This fragmented process of considering spending measures makes it virtually impossible for the Congress to make rational decisions on spending priorities.

As Drs. Alice M. Rivlin and Charles L. Schultze of the Brookings Institution recently wrote:

> Current Congressional budget procedures are not adequate for dealing with any questions of priorities. When the President's budget proposal reaches Congress today, it is pulled apart and considered in fragments. Hearings are held by authorizing committees dealing with particular programs or agencies, and separate bills are reported to the Floor and voted on in each House. More hearings are held in Appropriations Subcommittees, and appropriations bills for particular agencies are reported and voted on at different times during the year. Revenue measures to finance these outlays are handled separately by different committees. . . .
>
> At no point does Congress put these separate actions and non-actions together to see whether they make sense as a whole.

Mr. President, it is imperative that congressional budget reform legislation contain a flexible workable procedure that will allow Congress to make rational priorities decisions. The bill reported by the Government Operations Committee contains such a procedure. That procedure is now being examined closely by the Committee on Rules, and I have little doubt that the Rules Committee will improve it to better insure its workability.

Mr. President, the challenge before the Congress is to develop a procedure to reform these readily acknowledged problems in the process by which the Congress now considers the budget. I am encouraged by the extraordinary effort we are making to meet that challenge.

I am aware that reforming congressional budget procedures will not be easy to accomplish. It will require us to make changes in the way we operate. It may be necessary to phase in some of these changes gradually. But I am confident that we do have the resolve in this body to reform our procedures and that we will enact workable budget reform legislation this year.

MINDSZENTY: CROWN OF THORNS, CROWN OF GLORY

Mr. BUCKLEY. Mr. President, there are men and women throughout history who, because of their character and nobility of spirit, attain a kind of glory that makes them symbols of courage, patriotism, and perseverance. Such a man is Josef Cardinal Mindszenty of Hungary. As you know, he has been living in Vienna, in exile from his beloved Hungary, since 1971. The Washington Post, February 6, 1974, reported that this great man has been dismissed by Pope Paul VI as primate of Hungary. The decision is, of course, one made strictly within the Roman Catholic Church and I shall not comment the decision as such. But I would like to say a few words about what this action will be seen to mean in terms of Cardinal Mindszenty's long, heroic fight against tyranny.

It would seem that we have come to the end of an era, for the name of Mindszenty has, for many years, symbolized to the world the unyielding, uncompromising, splendid defiance of Nazi and Communist tyranny. We do not know the reaction of the Communist rulers of Hungary to Cardinal Mindszenty's dismissal. But it is not unreasonable to suspect that in the corridors of power in Budapest those who came to power wading through the blood of their countrymen in the late 1940's and in 1956 are breathing sighs of relief. It is not simply Mindszenty the man who caused them so much trouble, but what he represented: the refusal based on principle to cooperate in the enslavement of one's countrymen.

There are those who say that the kind of anticommunism represented by Cardinal Mindszenty is no longer fashionable, that it is a "relic" of the "cold war." I do not share this view. When the history of this cruel century is finally written, when men and women can look back with some perspective on the modern totalitarian age in Europe, I am confident that Mindszenty's majestic fortitude will be seen as one of the few truly honorable acts of our time. The Post article described Cardinal Mindszenty's anticommunism as "fiery." That is, I believe, a well-chosen word, for what Cardinal Mindszenty has done, since 1948, when the Communists tortured and beat and drugged him in order to make him "confess" to a nonexistent crime, until today, is to enflame the hearts of all those who love freedom and to light a torch of liberty that not even the sophisticated barbarism of communism could extinguish. I wish the political leaders of the West had such a fire inside their hearts and minds.

The Pope, in writing to Cardinal Mindszenty, said that his years of resistance were a "crown of thorns." This is no doubt true, but what a magnificent crown it is, what a crown of honor, what a crown of glory.

Josef Cardinal Mindszenty may have been dismissed; he will never be forgotten.

Mr. President, I ask unanimous consent that the entire text of the Post article entitled "Pope Paul Relieves Mindszenty of Job" be printed into the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POPE PAUL RELIEVES MINDSZENTY OF JOB

VATICAN CITY, February 5.—Josef Cardinal Mindszenty, who spent 30 of his 81 years in Nazi and Communist jails, was dismissed today by Pope Paul VI as primate of Hungary.

The decision to remove the uncompromising prelate, long a symbol of resistance to communism, underscored the Pope's efforts to improve Vatican relations with Eastern Europe.

Bishop Lazslo Lekai, 63, was named temporary apostolic administrator of Esztergom, the archdiocese that was formerly Mindszenty's. He has not actually served it since 1948.

The cardinal had turned down repeated Vatican requests in recent years that he resign. The Pope nevertheless expressed sympathy for him and said in a letter that his years of resistance were a "crown of thorns."

The cardinal is known to have insisted on retaining his position as Hungary's No. 1 Roman Catholic prelate in order to dramatize his fiery anti-Communist role.

A spokesman for Mindszenty, who now lives in Vienna, said the cardinal would have no immediate comment on the Pope's decision.

A Vatican source said Mindszenty refused to resign voluntarily but bowed to the Pope's decision.

"But the responsibility before history and God is his "(the Pope's)," the source quoted Mindszenty as saying.

The cardinal has expressed wariness at Pope Paul's policy of relaxing church-state tensions in the Communist countries of Eastern Europe.

"In various letters to the cardinal, Pope Paul had explained to him his opinion and concern about the peculiar situation of the archdiocese, which has been left without a guide for many years," said a Vatican spokesman, Federico Alessandrini.

"Since the cardinal had no intention to resign, Pope Paul decided to declare the archdiocese vacant, thus respecting the cardinal's point of view."

A papal envoy is now in Poland for talks that could lead to a visit by the Pope, the first by a pontiff to a Communist nation. The Vatican also is negotiating the nomination of a permanent papal envoy to Warsaw.

A 1974 Vatican-Hungary accord, the first between the Holy See and a Communist government, calls for Hungary's approval for the nomination of new bishops.

In 1948 Cardinal Mindszenty was arrested and charged by Communist authorities with subversion, treason, spying and currency manipulation.

In a showcase trial, the prelate pleaded guilty. He said later he had been drugged. Authorities sentenced him to death, but commuted the sentence to life in prison.

Mindszenty was freed in 1956 during the Hungarian uprising. When the Soviet Union crushed the revolt, he took refuge in the U.S. legation in Budapest. He remained there until 1971, when Hungarian authorities permitted him to go to exile in Rome.

The cardinal is left without any active church position. He retains honorary titles, being over 80, he will not be eligible to vote for the next Pope.

The Vatican statement said the Pope acted after "an ample exchange of correspondence" with the cardinal. In a Jan. 30 letter, Pope Paul mentioned the cardinal's trial in a Communist court and said he "bowed in great respect" before the Hungarian prelate.

THE CONCORDE

Mr. FULBRIGHT. Mr. President, in recent days there have been press reports of further troubles for the French-British supersonic transports—SST—plane, the Concorde.

According to a dispatch in the Washington Post of February 17, the French have decided to cut back construction on the Concorde for which there are "virtually zero sales prospects."

This development certainly comes as no surprise to those of us who have followed this matter closely. The British have been voicing strong doubts about the viability of the Concorde for several years, but until recently the French Government has been less realistic about the plane's prospects.

On several occasions in the past I pointed out the serious difficulties which the British-French project had encountered, including huge cost overruns. However, many of the proponents of Federal funding of an American SST have continually argued that the Concorde was going to be a great and immediate success and that U.S. prestige would suffer greatly if we did not proceed with rapid development of the SST.

Along with the Senator from Wisconsin (Mr. PROXMIRE), I opposed Government funding from the time it was first proposed in 1961 through its defeats in 1970 and 1971. I believe the wisdom of those votes by the Congress in 1970 and 1971 have been borne out by subsequent developments, including the experience of the Concorde as well as our own economic difficulties and the fuel shortage, which makes the SST, with its poor fuel efficiency, even less viable now.

Mr. President, I ask unanimous consent to have printed in the RECORD the article from the Washington Post of February 17.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRODUCTION OF CONCORDE CUT BACK

(By Jonathan C. Randal)

PARIS, February 16.—Faced with virtually zero sales prospects, France has reluctantly decided to put back construction of the Franco-British Concorde supersonic airliner and to scrap production of the Mercure, a short-range twin-jet airliner.

The agonizing decisions—an admission of failure for the most controversial of Gaullist prestige projects—were taken at a special meeting last Thursday with Prime Minister Pierre Messmer and five of his ministers in attendance.

The government said nothing would be announced until next week.

Out of deference for British involvement in an election campaign, the planned cutback in Concorde production—and a suggested $90 million modification to boost range by adding extra fuel tanks—is not likely to be announced until after the Feb. 28 British voting date.

The government of Prime Minister Edward Heath has favored cutting back Concorde production to four a year since only nine solid sales have been made—five for British Airways, four for Air-France. These state-owned airlines had little choice in the matter.

France had been demanding production of eight planes annually, but is expected to accept as few as six in the knowledge that a Labor Party victory might signal British willingness to scrap the whole project despite the punitive damages provided for under the contract.

The sudden official French realism about Concorde's shaky commercial future followed years of self-congratulatory pronouncements without much doubting from press and politicians, contrary to the frequent expressions of doubt in Britain.

First concrete signs of the French government's change of heart came earlier in the month when a supposedly secret report of Gen. Rene Bloch, head of France's rocket testing center, was leaked to the press.

It suggested that a fuel tank modification could be incorporated on the Concorde, starting with the tenth plane, and could add a vital 173 miles to its range—enough to answer sales objections by major companies, but apparently reducing transatlantic passenger loads from 100 to 80. Lufthansa, the West German flag carrier, Japan Air Lines and Braniff had refused to buy the Concorde on grounds of insufficient payload and/or range.

A more ambitious Bloch suggestion, amounting to building a brand new airplane costing as much as $400 million, called for a 10 per cent increase in engine thrust, but requiring 8 per cent more wing area.

Nothing apparently could be done to improve the 16 aircraft now under construction except for the added fuel tank.

That more ambitious option was believed rejected at the high-level meeting.

Left unsolved were such major problems as the Concorde's inability to meet U.S. noise standards, its fuel consumtpion per passenger running at four times that of jumbo jets, and fares recently estimated at 15 to 20 per cent more than the original quotations.

Another embarrassment was a decision to scrap production of the 120-seat, 750-mile range Mercure after the initial production run of only 10 planes.

Built by Dassault-Breguet, the builders of military aircraft such as the Mirage, the writeoff costs were reported to be in the $120 million range.

Air Inter, the internal French airlines, was the only—and reluctant—customer of the Mercure, which found the competition too tough from established DC-9s and Boeing 727s and 737s. Air Inter is demanding a state subsidy to fly the Mercure.

Over the past two years, French officials have blamed their aerospace industry's problems on unfair American competition taking the successive forms of dumping Vietnam war surplus aircraft, devalued dollar prices and cheap financing.

Consequences of the government decisions were expected to result in the laying off of at least 1,000 of the 9,000 Concorde work force in Toulouse. The writeoff of the Mercure was not likely to have much adverse employment effect since Dassault-Breguet has plenty of orders for helicopters and military aircraft at its Istres plant in southern France.

Armed Forces Minister Robert Galley has warned that the present total French aerospace work force of 108,000 should be cut back to 100,000 by the year's end, preferably through normal attrition and early retirement, rather than layoffs. He warned that hours worked on civilian aircraft production could drop by a third.

BLACKMARKETING IN HOME HEATING OIL AND DIESEL FUEL

Mr. PERCY. Mr. President, it has come to my attention that illegal practices involving the sale and use of diesel fuel may be diverting as much as $1 billion a year from State and Federal taxes. In the State of Illinois alone, about $100 million a year might be involved. The reason? Home heating oil and diesel fuel look and function the same, but there is one fundamental difference; the diesel fuel is subject to a 12-cent-a-gallon tax, while home heating oil is not. The result has been a blackmarket to avoid paying the taxes. Not only is this practice costly in terms of tax dollars but it also disrupts the allocation of fuels leaving consumers of home heating oil with a less share than is rightfully theirs.

What can be done about this? According to Mr. James Vlazny, representing the Morton Chemical Co. in Chicago, a simple change in color of the diesel fuel would be enough. The dyed fuel could easily be checked at truck weighing stations. This method has already been very successfully carried out in Canada and in a letter to Mr. Vlazny, Mr. Paul Moreau, Assistant Deputy Minister in the Quebec government, points out that the color program increased tax revenues by 42.1 percent between July 1972 and July 1973. In addition, the audit staff could be reduced by 50 percent.

Mr. President, I ask unanimous consent to insert in the Record an article, "Lost—$100 million in diesel fuel taxes" by Bernie Swart, regarding blackmarketing practices in home heating oil and diesel fuel as well as a letter, dated December 20, 1973, to Mr. James Vlazny, the Morton Chemical Co., Chicago, Ill., from Mr. Paul E. Moreau, Assistant Deputy Minister, Government du Quebec, regarding the results of dyed diesel fuel in Canada.

There being no objection, the material was ordered to be printed in the Record, as follows:

Lost $100 Million in Diesel Fuel Taxes

(By Bernie Swart)

Illegal practices involving the sale and use of diesel fuel are diverting at least $100 million in taxes from state and federal tax coffers.

This figure may go as high as $1 billion a year, according to Albert T. Stoessel, an Iowa oil dealer and past president of the Iowa Petroleum Association. Stoessel estimates his state alone is losing more than $50 million a year in fuel taxes.

The taxes are lost, according to Stoessel, when Number two heating oil is substituted for diesel fuel. The two fuels are almost identical in chemical composition. Stoessel said, although diesel fuel is heavily taxed while home heating fuel is not.

The tax dodge works several ways, according to Stoessel. Some fleets knowingly buy untaxed heating oil at a bargain price in order to beat the fuel tax. In some cases, drivers buy untaxed heating oil rather than diesel fuel, turn in falsified fuel receipts, and pocket the difference. In other cases, independent service station operators will substitute heating oil for diesel fuel, collect, and pocket the taxes.

According to Stoessel, lack of supervision of stations by refinery companies is a factor that makes for easy chiseling by some gas station operators who sell to fleets. However, because most stations are lessee-operated, effective policing often proves extremely difficult.

In still other cases, Stoessel pointed out, what started out as a tax dodge ends up in out-and-out theft. He cited as an example the fuel oil delivery truck driver who shorts homeowners on deliveries and sells the surplus fuel oil to independent station operators, who, in turn, sell it to truckers as taxed diesel fuel. Or, bargain-priced diesel fuel may be heating oil that was stolen from an oil distributor's tank with the collusion of employees. Finally, the bargain-priced diesel fuel may be hijacked heating oil, or it may actually be diesel fuel obtained by a driver who makes a habit of shorting trucking companies on diesel fuel deliveries.

Several midwestern tanker truck drivers confirmed these theft techniques as authentic and added their own experiences.

All fuel delivery trucks aren't metered and comparatively few oil distributors use meters with split loads. But even if they do, the procedure can still be beaten and provide extra gallons to be sold by the drivers through shorting large heating oil users.

One way this is done: Air can be pumped through the meters via the power takeoff unit by connecting the pumps to an empty compartment on the tanker. The meters register as if fuel is being pumped through them. Therefore, the customer gets a metered receipt for gallonage he did not receive and the driver has extra gallons to sell for himself.

If the customer double-checked the delivery with his own "stick" reading he'd spot the inaccuracy. But drivers are wise to who checks and who doesn't. Some large heating oil customers who should know better are regularly gypped this way. One police barracks in the midwest is regularly shorted because no one checks deliveries, fuel oil drivers said.

Here's another way drivers cheat both customers and fleet management: A driver delivers diesel fuel to a service station, and charges the correct price. Then he makes deliveries to private homes for heating use. At the end of the day he destroys the legimate gas station tickets, makes out fake tickets for home deliveries and pockets the difference. Drivers say that it's easy for them to obtain stacks of blank receipts from their companies.

After shorting large users of heating fuel, drivers may sell a couple of hundred gallons to a friend at a gas station for as low as 10¢ per gallon.

Then again, some of the racket happens because many service stations neither check diesel deliveries nor order correctly. Often they may order too much for their tanks, so the driver fills them to the brim and keeps the extra gallonage. The service station pays for the amount it ordered.

Both federal and state taxes are beaten this way, many times with apparent knowledge of trucking company management, the drivers say.

According to drivers, instructions at several tanker outfits are that if they have fuel left over—meaning some users may have been shorted—they are to bring it back and place it in the company's storage tanks. The drivers claim that trucking management seldom asks the reason for the overage.

Although the fuel tax problem takes on national proportions, enforcement is apt to be lax. Little interest is shown by most county, state, and federal officials, and most state legislators aren't excited by the situation. The federal government prefers to leave fuel tax collection to the states, and performs little auditing.

In Chicago, John A. Ainlay, executive secretary of the American Petroleum Institute, commented, "Experienced tax men are almost unanimous in their opinion that nothing will improve diesel fuel tax collections more than a rigid enforcement program backed by an adequate force of fieldmen and auditors."

Stoessel, owner of the Albert Stoessel Co., in Ottumwa, and the oldest fuel oil dealer in the state, has been the sparkplug of much action against diesel fuel fraud, even though he is 77 years old. He recently charged the Iowa Petroleum Council's Tax Evasion Committee with making "no effort over the past 12 years to assist the revenue department to collect the diesel fuel tax."

"Many major interstate truck operators take advantage of the fuel tax situation on a large scale," Stoessel told Fleet Owner. "This would include drivers as well as moonlight operators. However, I don't think trucking companies or private fleets have anything to do with setting up illegalities."

Stoessel told the Iowa Petroleum Council that one major refinery "sent a letter to all of its dealers in the U.S., telling them to stop selling fuel oil to truckers for use as diesel fuel. The letter received prominence in some of the oil trade publications in 1971, and shows to what extent this evasion has gone."

Supporting Stoessel in his claim that the situation is serious, is a 1970 Iowa State survey of the number of miles trucks travel in the state. According to that survey an estimated $13.5 million in diesel fuel taxes is being lost annually.

According to Stoessel, the largest petroleum market price listing indicates diesel fuel in 32 cities costs 12c to 14c more per gallon at the pump than in Iowa, where prices run from 25c per gallon for less than 50 gal., to 23c per gallon for larger quantities. The price difference, he said, could indicate that the Iowa tax is not being collected equally.

Checking with Stoessel at press-time, Fleet Owner learned that diesel fuel was still selling for 23.9c per gallon in the Ottumwa area. This is below the price at which he says he can buy diesel fuel in transport quantities. The inference is that some dealers are not paying taxes and forcing others who are to lower their prices to stay in business. If diesel fuel taxes were collected with the same efficiency as gasoline taxes, Stoessel added, diesel fuel taxes in Iowa could be reduced 2c a gallon.

Stoessel has long advocated that truckers be permitted to buy fuel at the pump without paying taxes, in exchange for a single report and a single tax payment at the end of each month. He feels this type of system would eliminate much of the diesel fuel fraud now existing in Iowa and other states.

Labeling estimates of $100 million in state and federal tax losses as "very conservative," Carl F. Schach of the Iowa Highway Commission claims Iowa's 1970 diesel fuel tax collections amounted to $10.8 million, when it should have totaled $24.3 million. Iowa's diesel fuel tax collections jumped to $12.5 million in 1971, but still short of what Schach says they should be.

"Iowa has little or no requirements to differentiate between diesel fuel used for non-highway purposes," Schach said. "The bulk station operator, the tank wagon operator, or even the retail dealer makes this determination. All they need to do is to make a fake set of receipts or records, and no tax is paid."

Schach kicked over a hornet's nest in 1970, when he suggested that trucking associations stop "defending every moonlighter who gets involved in fuel tax violations." The associations don't defend them in any other instances, he said.

Answering protests from the American Trucking Associations and the Iowa Trucking Association, Schach said, "Trucking companies that choose to belong to state and national associations are generally straight-forward business firms. However, the organized trucking industry does not represent a majority of operators on the American highway today." Schach added that he intended no inference that non-membership indicated questionable conduct.

"Each time someone avoids the payment of his fair share for road tax use," he continued, "all users are deprived of the use of an improved facility. In defense of the trucker when he pulls into a station, what assurance does have that the 8¢ per gallon of diesel fuel tax he pays ever gets turned over to the department of revenue?"

Don Briggs, Iowa director of revenue, says his department is conducting a three-year auditing program of trucking operations in the state. By the end of last spring, he said, 140 carriers had been audited, and each one ended up paying an average of $1,200 in additional taxes. If this percentage holds true throughout the program, Briggs said, the state should reap an annual $3.6 million in additional taxes. These efforts may be starting to pay off. Iowa diesel fuel collections for the first half of 1972 show a tax gain of $1,096,626 over 1971.

Briggs appears to be taking a careful, conservative look at the problem, challenging unsubstantiated figures and loss estimates. He is interested in determining whether certain changes in the law would improve collections without hurting the trucking industry. Efforts are also being made by the IRD to simplify reciprocity, increase cooperation with other states, reduce the trucker's information burden, and create uniform reports and filing dates.

"The trucking industry is not fighting us," Briggs said. "They don't like the violations either."

Because of weak enforcement and truck traffic three times greater than Iowa's, Illinois may be losing up to $100 million a year in diesel fuel taxes.

Even though there has been some progress in the Illinois battle, Revenue Director George E. Mahin said many of the tax dodges used in Iowa are also present in Illinois. Very prevalent in Illinois, Mahin claims, is the practice of shorting large motor carriers on fuel deliveries in order to obtain diesel fuel for untaxed sales.

To thwart this practice, Mahin said the department of revenue has cracked-down on oil distributors pumping diesel fuel directly from tankers into the tanks of groups of trucks on the streets and in terminal yards. One such "mobile" operation operated in the old Chicago Stockyard area. This practice, Mahin pointed out, avoids payment of 7.5¢ per gallon in state tax, 4¢ per gallon in Federal tax and 1.5¢ per gallon in sales tax.

In Georgia, the Motor Fuel Tax Division of the Department of Revenue actively enforces the payment of fuel taxes. The department is currently investigating a misbranding case in which the suspect oil dealer has been under surveillance for several weeks.

"From time to time we run into these situations," Georgia Revenue Director Curtis Modling said, "and most of them occur around the borders of the state."

In a recent action, Modling's division rendered an assessment of approximately $104,000 against an agent of a national service station chain. Filed in the Carroll County (Ga.) Supreme Court, following an audit, the suit charged the station operator with failing to pay state taxes.

New Jersey is also becoming more active in clamping down on fuel tax violators. One recently investigated case involved a sand and gravel fleet making suspiciously large purchases of heating fuel during summer months.

Large-scale fuel tax evasion exists in Maryland, despite an energetic campaign by John K. Coleman, gasoline tax division chief, who has increased diesel tax collection more than $300,000 in each of the past three years. Coleman's crack-down—one of the most effective in the nation—is aimed primarily at mislabeling and fuel adulteration, and involves heating fuel oil distributors, service stations, and truckers who buy heating oil or untaxed diesel fuel.

Working very closely with the Internal Revenue Service and FBI, the Maryland Revenue Department is now involved in investigations in Maryland, the District of Columbia, Norfolk, Va., and New Jersey. Coleman insists that fuel tax evasion exists in every state, even though state officials don't know it. In Maryland, Coleman has noted an increase in violations in all fuel tax categories including violations by truckers.

Maryland truck consumers of diesel fuel are licensed and must post surety bonds. Under this procedure, Coleman explained, diesel fuel ordered from a supplier is placed in the fleet operator's underground storage tanks, and the fleet operator pays for it minus taxes. Each month the trucker files a report with the state tax commission, indicating his inventory, additional purchases, and the tax he owes. These reports are computerized and show a 24% gain in collections of diesel taxes as of July 1972, compared with the 1971 period.

Although some licensed fuel distributors in Maryland are permitted to blend and compound petroleum products, Coleman said, service station operators cannot, and there are severe penalties for violations of this law. And under Maryland law all additives must be added at the refinery to prevent customers from being defrauded. Nevertheless, he added, many investigations of diesel fuel tax evasion turn up incidents of fuel adulteration by water or other foreign substances.

Coleman told Fleet Owner that the problem of fuel tax evasion is not so much with regulated motor carriers as it is with owner-operators and small truckers. "Legitimate truckers," he said, "favor our activities and will often loan us trucks to use in an investigation." Many times, he added, fleet drivers and owner-operators will notify officials if they discover an "obviously suspicious deal." Coleman's staff includes 32 auditors plus 16 inspectors.

Much of Coleman's investigation has been undercover, using trucker informants, hidden cameras, tape recorders, and state troopers planted as gas station attendents. Coleman said hijacking accounts for a substantial diversion of fuel in his state. He cited a few recent investigations by his department:

Truck drivers reported a Baltimore heating oil firm which they believed were shorting certain government and industrial users. Subsequent investigation by Coleman's office disclosed that the firm sold more fuel than it had a record of purchasing. Further investigation revealed the distribution operation, over a two year period, resulted in certain military bases being charged for some 500,000 gal. more than they received.

Military Intelligence aided Coleman's department in an investigation that cost the distributor $21,000 in fines and a trucking company $29,000 in fines. One of the military installations recently shorted on deliveries was the U.S. Naval Academy at Annapolis.

A 1971 investigation revealed a Baltimore service station operator was selling fuel oil to steel-haulers and owner-operators. Because he was passing the fuel oil off as diesel fuel and selling it without paying diesel fuel tax, the service station operator was arrested on charges of filing false tax reports, rebranding, and tax evasion, and was hit with a lien of $127,000.

In another of Coleman's cases, eight state troopers uncovered a re-branding operation involving a long-haul trucking company operating between Boston and Florida, and a truck stop. Arrests were made and assessments of $70,000 each were levied against the trucking company and truck stop operator.

Another case broke when FBI agents, working on a hijacking case, noticed a heating oil delivery truck making "midnight" deliveries to a truck stop. Further investigation revealed the truck stop had sold between 500,000 gal. and 1.5 million gal. of heating oil to unsuspecting truckers. Although the station operator claimed his records were destroyed by fire, he was convicted and fined $70,000.

Coleman also described a case in which an abandoned, weed-covered truck terminal in the Curtis Bay area of Baltimore was used as a "drop" for home heating oil by delivery drivers who shorted their customers. The heating oil was sold to "gypsy" truckers at bargain prices.

This system was able to operate, Coleman said, because so few residential and industrial users of heating oil bother to check their fuel indicator gage after a delivery.

In this connection, Coleman suggests that fleet operators buying bulk fuel check delivery tankers when they arrive to make sure they are filled. Tanker compartments should be checked again after delivery, to make certain they are empty.

To encourage more uniformity in state specifications and enforcement programs, the State of Maryland invited eastern corridor states to a fuel tax evasion seminar in 1970, to discuss the whole spectrum of plugging holes in fuel tax laws. During the meeting, about 18 states said they had enforcement programs, but only four states were able to prove they had effective programs. Some states didn't even own a pair of binoculars for surveillance work!

Tax officials were shown copies of a "crime manual" prepared by Coleman's department complete with photographs made by hidden cameras, outlining the various ways of preventing fuel tax evasion. For more than a year now, Coleman has been involved in writing a new manuel, one dealing with future state specifications for diesel fuel and heating oil.

Fleet Owner's research shows that two enforcement problems continue to exist:

The federal tax authorities are riding on the coat tails of state enforcement and doing comparatively little on their own.

Secondly, oil companies generally cannot effectively police the stations that carry their names because the dealers or operators are technically independent business men, operating under a lease arrangement. Coleman says, however, this may change in the future because oil companies appear interested in buying back their stations.

In addition, the oil companies are marketing "secondary" brands in new stations under direct company control, competing against regular brands in some areas.

Several recent developments will affect Maryland's diesel tax collection efforts.

As of 1973, Maryland tax authorities will not accept major oil company credit card receipts as evidence that taxes have been or will be paid. The state prefers meter imprinted tickets or statements which must be signed by company presidents under penalty of perjury.

In this connection, several Maryland gas stations were accepting competitive company gas credit cards when offered by truckers. Later these cards were taken to another state and cashed in at other service stations at a discount.

Coleman points out that there have been instances at so-called truck stops in Louisiana where prostitutes were available and their services charged through the truck driver's company credit cards. The "special services" were billed to the trucking company as gallonage placed in the truck's fuel tank.

A signed and witnessed statement obtained from a Florida owner-operator by the Maryland Gasoline Tax Division also indicates that prostitutes were available at a Georgia truck stop where fake Maryland and Delaware fuel tax receipts were readily available to truck drivers.

Maryland is also starting to generate a microfilm file to be placed at all of the state's truck weigh stations. The file will contain the names of truck fleets who haven't paid their fuel taxes.

The situation can only be truly corrected by a combination of state and federal teamwork, together with new efforts and understanding by the major refineries. The trucking industry must also recognize its responsibility in remaining above reproach to eliminate the possibilities of restrictive tax legislation.

GOUVERNEMENT DU QUEBEC,
MINISTERE DU REVENU,
Quebec, December 20, 1973.

Mr. JAMES C. VLAZNY,
Morton Chemical Co.,
Chicago, Ill.

DEAR MR. VLAZNY: In answer to your letter of December 13, 1973, in connection with our marking program of heating oils, I take pleasure to give you some information on the progress of this program.

Firstly, I am glad to say that we are very enthusiastic about our coloring program which has already brought a substantial increase in our monthly revenues as revealed by the following statistics:

	Revenue diesel tax, 0.25¢/gal	Increase (percent)	Revenue diesel tax, 0.03¢/gal
July:			
1972	$3,576,475		$150,366
1973	5,083,110	+42.1	188,388
August:			
1972	4,525,441		143,542
1973	6,079,910	+34.3	107,738
September:			
1972	4,712,599		148,924
1973	5,907,999	+25.4	165,807
October:			
1972	4,306,273		149,282
1973	6,144,371	+42.7	222,423

It has been estimated that we were losing about $25 million a year on diesel tax. We are confident that additional revenue from $15 to $18 million will be recuperated in the first year of operation and the $25 million target should be reached in the second year when the control and enforcement of the Act are fully put into force.

In order to appreciate fully the benefits derived from our dyeing program it must be taken into account that our Quebec Department of Revenue has for years made constant efforts to crack down on motor fuel tax dodgers. The following statistics in our revenues over the last five fiscal years are self revealing:

Year	Revenue diesel tax, 0.25¢/gal	Increase (percent)	Revenue diesel tax, 0.03¢/gal
1968/69	$24,094,533	−3.75	$2,228,467
1969/70	28,583,879	+18.6	2,272,121
1970/71	35,336,208	+23.6	2,122,792
1971/72	39,399,847	+11.5	2,172,941
1972/73	43,679,612	+10.7	2,053,005

It is our contention that the major increases in 1969/70 and 1970/71 were the direct result of aggressive investigation programs, court actions and prosecutions against tax evaders.

In order to achieve these already encouraging results we use to have an audit staff of 95 employees; i.e., 25 professional auditors and 70 audit agents. After July 1st, 1973, we have engaged 25 inspectors to check in the field the illegal use of colored fuel in self propelled vehicles. Besides our audit staff of 95 auditors and agents, from 10 to 12 special agents of our Special Investigation Branch were continuously engaged in investigation fraud cases, rackets in the illegal use of fuel oil and in building up cases for prosecution.

We honestly believe that after we have completed our audit programs related to the application of our former Fuel Tax Act we will be in a position to gradually reduce our audit staff by fifty percent.

Should we be able to attain this objective our cost for the dye and compensation paid to the oil companies will be compensated by a reduction in our operating cost. According to our estimate our cost for the dye would be around $270,000 for 12 months, this for the marking of 1.6 billion gallons of fuel oil.

In addition we are paying the oil companies a compensation of 0.01¢ per 100 gallons for the coloration, i.e. an additional $160,000 per year. This compensation is being paid to cover any extra storage tanks and facilities paid by the oil companies as well as operating cost related to the marking program.

The overall cost of extra storage facilities and equipment for the coloration (mechanical injectors and equipment) has been estimated at $3.5 million for the whole petroleum industry. This estimate was determined after a detailed study and discussions of the additional facilities needed with officials of the refiners, importers and wholesalers. The original cost claimed by the petroleum people was $21 million.

Although, at first, we have faced a strong opposition on the part of people of the petroleum industry we have since received a very good cooperation after our regulations were published late in March 1973. The marking of fuel oil was in full operation on July 1st, 1973. As a temporary measure we have accepted that the dyeing of fuel oil be done by hand at the refineries and terminals. The oil companies are now completing the installation of mechanical injectors and by the end of December or early in January the coloring will be done and controlled entirely by mechanical equipment.

We are fully satisfied with the use of your Blue #10 dye and the tests to the laboratory are quite conclusive so far even on illegal blending of 5% colored fuel with clear diesel fuel.

We have now 25 cases pending before the Courts for illegal use of colored fuel, besides we won our first case in Court on a charge of illegal use of colored fuel; the trucker was sentenced to a fine of $200.

For your information, you will find attached clippings of the publicity we had on our court cases against people with heavy criminal records engaged in fuel oil rackets. We have evidence that these operators were closely linked with ranking members of the underworld in Montreal, same being well known to be related with crime families of the Casa Nostra of New York and Buffalo.

We are glad that our marking program has already closed the door to a number of existing rackets. We are also confident that we now have the necessary tools on hand to exercise a good control over the illegal use on non taxable fuels especially in the present fuel crisis period where diesel oil sells at high price.

Should you need additional information do not hesitate to call on us at any time.

Best regards,

PAUL-E. MOREAU,
Assistant Deputy Minister.

SENATE FAILURE TO ACT ON THE GENOCIDE CONVENTION: SHAMEFUL DISREGARD OF RIGHTS

Mr. PROXMIRE. Mr. President, the Senate lost an important opportunity to place itself in the vanguard of human rights when it was unable to invoke cloture on the filibuster against the Genocide Convention. I was, of course, gratified that over half of the Senate voted in favor of cloture, although we lacked the necessary two-thirds.

This lack of leadership was excoriated by the Milwaukee Journal in a recent editorial. I ask unanimous consent that this excellent editorial be reprinted in the RECORD.

Mr. President, this important human rights document has been endorsed by every President since Truman. It has been ratified by all of our major allies. It remains imperative that, although we were not first in ratifying this Convention, that at least, the United States not be the last.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal, Feb. 9, 1974]

SHAMEFUL DISREGARD OF RIGHTS

If the US is as committed to human rights as its citizens would like to believe, then the Senate's refusal to vote ratification of the United Nations treaty against genocide is a national disgrace. Conservative Southerners and Republicans are again responsible for the Senate's failure to act on the treaty which President Nixon and his last two predecessors endorsed.

The internal credibility crisis that so troubles this nation thus is deepened on the foreign front. This country should leave no doubt about where it stands on the criminality of any attempt to wipe out whole groups of people on ethnic, religious or racial basis. The genocide convention aims to set up international machinery to prevent and prosecute such violations of human rights.

Opponents say that the treaty would subject US citizens to trial without benefit of constitutional safeguards, and could mean the surrender of national sovereignty over internal crimes. Hitler might well have used the same arguments to protect Nazism from having to answer for extermination of the Jews. So could other nations since then, which have persecuted or taken revenge on whole groups of people.

By shamefully dragging its feet on ratification for 26 years, the US has placed itself in the camp of those who flout the very concepts on which the US Constitution was based. Those who believe in human rights for all should try again.

ALEKSANDR I. SOLZHENITSYN

Mr. BROOKE. Mr. President, many attempts will be made in the next few months to assess the contribution of Aleksandr I. Solzhenitsyn to mankind's unending quest for freedom. Although I expect that words uttered or written will prove inadequate to this task, I am compelled by my respect for the courage and intellectual honesty of this man to join in the chorus of praise.

Today in the New York Times the following poem appeared:

Destroyed by humiliation,
and not simply by destruction,
a man still rises up sometimes
and threatens all of them,
all of them
who humiliated him in the
belief
that they were destroying
him completely.

But he who has been humiliated,
trampled upon,
slandered,
whispered against,
still retains
like a gift bestowed by God,
the answering blow.

There remains the bitter-salty
sour-sweet
taste in his mouth
and—the green leaf of hope
aspiring to the heights.

While not mentioning Solzhenitsyn by name, these verses speak clearly of the challenge he throws at the nameless bureaucrats that have sought to still his dissent—at the system he rightly calls into judgment before the bar of humanity. That system cannot rationally respond to his challenge—it strikes back by exiling this man who loves his land so deeply as to risk everything to alter intolerable conditions imposed by an elite authoritarian minority.

The exiling of Solzhenitsyn indicates that the Soviet system, while no longer relying on mass terror and assassination to quell dissent, has yet to find a means to deal humanely with its internal critics. As the Economist points out:

> What is revealed by the Soviet regime's handling of him is its inability to answer an argument with an argument, to tolerate a political debate, or to deal with a critic otherwise than by trying to silence or remove him.

If such "tolerance" ever becomes a working reality then and only then will we be able to say that a true "détente" exists. If that happens Aleksandr I. Solzhenitsyn will rank as one of its prime creators.

Presently, there is a danger that Solzhenitsyn may be "buried" by the weight of well-meant but ofttimes insensitive adoration given him by people in the West. In Russia he exhibited an independence of mind for which we all honor him. Would it not be appropriate to control our enthusiasm and allow him time to come to grips with his new situation relatively free from pressures of excess publicity or overzealousness on the part of well-wishers? Would this not be the best way to express our respect for his right to make his own independent decisions?

There is also the danger that the justified focus on Solzhenitsyn may cause some to ignore the fate of other dissidents in the Soviet Union. Andrei Sakharov, Andrei Amalrik, Valery Panov and his wife Galina Rogozina are only a few of the many Russian dissenters who are still subject to direct intimidation by the Soviet authorities. There also remain in Russia the many thousands of Soviet Jews who desire to emigrate but who have so far been unable to do so. The greatest honor we can offer Solzhenitsyn is to press the Soviet Government to abandon its repressive activities regarding these individuals.

Recently Solzhenitsyn said that he has as much right to live in Russia as those who had "the audacity to physically throw me out." With his demonstrated love for his homeland I wonder if he is not more entitled to that right than his persecutors. We must all hope that one day in the not too distant future he will be able to return to Russia and be accorded the basic respect for his individual dignity that must ultimately be accorded all men if we are to dwell in peace on this earth.

Mr. President, I ask unanimous consent that several articles regarding Solzhenitsyn and one on Valery Panov be printed in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Economist, Feb. 16, 1974]

The Man They Couldn't Live With

The Soviet government evidently decided that it simply could not afford to throw the author of "The Gulag Archipelago" into prison, or into one of the notorious "special hospitals" in which it locks up some of its critics against whom it is difficult to bring criminal charges even under Soviet law. On Tuesday a heavy squad of seven political policemen took Mr. Solzhenitsyn from his home to a secret destination—taking the usual care to prevent his wife from following them, or spreading the news immediately by telephone—but on Wednesday he was put on an Aeroflot plane bound for Frankfurt, and the West German authorities were notified of his imminent arrival. Russia has many thousands of inhabitants who would welcome a chance to leave it, but he was not one of them; he had made it very clear that, however much he despaired of his country's government, he would not choose to go abroad into exile. His expulsion was an abrupt, arbitrary and wholly illegal act.

Technically, the authorities could have easily made out a case for bringing him to trial. He had published abroad works that are banned in Russia and in which he vigorously criticises the Brezhnev regime as well as its predecessors. He had stayed in Moscow without a residence permit, and he could be accused of having committed a further offence merely because he had contrived to exist after being deprived of all officially authorised means of making a living by his writing. None of those things would be an offence in a more advanced country, but they are in the Soviet Union. He had twice ignored summonses from the state prosecutor's office and, when doing so, he had made public statements challenging the competence and legitimacy of the present judicial system.

But a trial was not on. Instead of formulating charges along any of these lines, the authorities chose to resort to the enforced physical deportation not of a foreigner but of a Soviet citizen, an action for which Soviet law provides no basis. There had been indications that they were likely to take this course, for his defiance, and their campaign of vilification of him, had reached a point at which they could hardly refrain from taking action at all; but a Solzhenitsyn brought to trial and then incarcerated was liable to prove an even greater embarrassment to them than a Solzhenitsyn living in what passes for freedom in Russia.

Not that their decision to deport him will save them from all such embarrassment. Mr. Solzhenitsyn has already spoken his mind too freely for them to count on his now falling silent out of concern for his family and friends in Russia. And even if he never added another word to what he had said and written while he was in his own country, his mere existence in exile would remain a standing reproach to its rulers. Mr. Solzhenitsyn has defended himself and his ideas with quite extraordinary persuasiveness. He may not be quite another Tolstoy, but he is very nearly in that rank, and his Christian liberalism commands a far wider audience than the writings of other brave men the Soviet government has managed to silence. The symbol is no longer obliged to shine in darkness.

But the main issue is not the accuracy of the account of Stalin's "concentrationary universe" given in his new book, or the validity of his religious views and political philosophy. What is revealed by the Soviet regime's handling of him is its utter inability to answer an argument with an argument, to tolerate a political debate, or to deal with a critic otherwise than by trying to silence or remove him. This revelation cannot make it easier for communists in the western world to maintain their solidarity with the Soviet Union. And the message will not be missed by the negotiators at Geneva who have already told Russia's representatives there that the increasing of security and co-operation in Europe requires a lowering of the barriers that isolate Russia's peoples from their fellow-Europeans.

THE RETREAT FROM KHRUSHCHEV

Stalin, who put Bernard Shaws' remark that assassination was the extreme form of censorship into hideous practice, would not have allowed a Solzhenitsyn problem to get so far. But Stalin's successors, while preferring not to have so much blood on their hands, have failed to find an alternative approach to the problem of dissent. This failure did not always appear to be inevitable. In 1962, when "One Day in the Life of Ivan Denisovich" was published in Russia with Khruschev's approval, its author did not seem to despair of his country's future. At that time he, like many others, still thought the Soviet system could be reformed from within, indeed to a large extent from above. But since then he has seen the leaders repeatedly pulling back in fear whenever any projected reforms seemed to pose a threat to their own authority. Clearly Mr. Solzhenitsyn no longer believes in the possibility of democratic evolution within the existing system. That is why he has so boldly and desperately defied the Soviet state and its laws, and has invoked the support of opinion abroad.

That opinion has shown itself to be effective in two ways. But for its influence, he would probably have been sent not to Germany but to join Mr. Andrei Amalrik and other dissenters in a Siberian exile; and the Soviet authorities would not have been obliged to organise, in their monopolistic media, a public campaign against a book which Russia's inhabitants had learned of only from foreign sources. The confrontation between Alexander Solzhenitsyn and the Soviet state system has already revealed, both to the world and to the Russians, the limitations of the liberalisation of the post-Stalin regime; and it is by no means finished.

[From the New York Times, Feb. 19, 1974]

Exile Is Feared as Next Step for the Soviet Dancer Panov

Moscow, Feb. 18.—Soviet officials threatened today to take tough measures against the ballet dancer Valery Panov unless he left the country immediately without his wife, Galina, she said tonight.

In a telephone call from Leningrad to Western newsmen, Mrs. Panov, who was weeping, said officials in the visa office had refused to let her attend her husband's interview with them. "They told me it was nothing to do with me," she added.

Yesterday the 33-year-old Mr. Panov, former star of Leningrad's Kirov Ballet, said in a statement that he feared the authorities were trying to force him to leave without his wife so that they could then accuse him of deserting her.

Some dissidents here saw the reported maneuver as a possible prelude to deportation of the dancer in an action similar to that taken last week against Aleksandr I. Solzhenitsyn.

ARREST WAS FEARED

When Mr. Panov was first threatened with "administrative measures" unless he left—at another meeting with emigration officials earlier this month—it was generally assumed this implied that he might be arrested for failure to work or be forced into a laboring job.

The couple first applied for exit visas some two years ago and lost their jobs at the Kirov. Last December Mr. Panov, a Jew, was told by officials that he could go to Israel without his wife, who is not Jewish, but he refused.

Two weeks ago they were told that Mrs. Panov, a Russian, would never be given an exit permit and Mr. Panov was warned that his own visa would be withdrawn unless he went without her. He again said he would not leave alone.

Today, according to Mrs. Panov, the officials said her husband's visa was still in force. "They told him that if he does not go immediately certain tough administrative measures would be taken against him."

"I need the help of all the women's organizations in the world to preserve my family," she said. "They are trying to split us up, but we love each other. I do not know what to do."

Mrs. Panov has been described as a potential star. But the dancers have not been allowed on a stage since their ouster from the Kirov and last year they charged they were being "professionally murdered."

[From the Washington Post, Feb. 19, 1974]

Sands in the Gears of the Machine

(By George F. Will)

Comparisons between famous faces often reveal more than words can about the history of nations.

Compare a portrait of Jefferson—untroubled, rational, confidently in possession of "self-evident truths"—and a photograph of Lincoln, etched with ambiguity. You see the difference between the innocent Republic and the torn Union.

The face of Thomas Mann—wise and ironic—was a vivid contrast to the obsessed mask of Adolph Hitler from whom Mann had to flee.

The face of Lenin was the strangely featureless, hard-eyed face of the ideologue, the archetype for our century's men of action. Compare it to the face of the man who has confounded Lenin's heirs, the magnificent, sad, wise but unweary face of Alexander Solzhenitsyn.

When Thomas Mann, the greatest novelist of his time, stepped off the ship into exile, he was a vivid symbol of the German national culture that the Nazi had to destroy. When Alexander Solzhenitsyn, the greatest novelist since Mann, arrived in Germany a few days ago, he was a perfect symbol of the rich Russian culture that is the enduring threat of the Soviet government.

The Soviet regime, today as always, like Hermann Goering reaches for a revolver when it hears the word culture. It is the nature of totalitarian regimes to wage unremitting war against the cultural heritage of the nations they capture.

All such regimes assume that human beings are infinitely malleable. The regimes seek to impose total control over the citizens in order to mold the "new Aryan race" or the "new Soviet man." And a nation's culture—the values and visions of the enduring society—as an obstacle.

Thus it is wildly exhilarating to see a solitary representative of Russian culture—a man of words surrounded by men of vicious actions—serving as sand in the gears of the totalitarian machine.

Solzhenitsyn is guilty of what the Soviet regime accused him of, but not in the sense that Leonid Brezhenv and his associates meant the accusation. They accused him of "actions incompatible with being a Soviet citizen." As a carrier of Russian culture, Solzhenitsyn is a carrier of an anti-Soviet disease, and the crude men in the Kremlin are not too dim to understand that.

Simply by embodying the tradition of European humanism, Solzhenitsyn is subversive of a regime that depends for its long-term survival on the achievement of its long-term goal—the eradication of all ideas not licensed by the state.

The most appalling aspect of the Solzhenitsyn drama is not the behavior of the Soviet leadership, which has been about what you would expect from dumb and frightened bullies. But what excuse is there for the behavior of the United States government?

It is pathetically obvious that Secretary of State Henry Kissinger is not very interested in Solzhenitsyn's plight. Like Brezhnev, Kissinger's strongest feeling is a morose longing for Solzhenitsyn to just go away. After all Solzhenitsyn is a living reproach to the Soviet regime.

Kissinger believes that a revived anti-Communist impulse in America would be fatal to detente, as he envisions it. And he is right. Detente, as he envisions it, assumes that the Soviet regime is mellowing and that detente will make it mellow further.

The keynote of this detente is trade, with the U.S. using cheap, long-term loans to subsidize the Soviet economy. Kissinger's only hope had been to sneak this subsidy program past the American people when they were asleep. But now they are gloriously awake, aroused by the Solzhenitsyn drama. Anti-communism is becoming respectable again. For the time-being, Kissinger's plan for detente is dead.

Unfortunately, time may be on Kissingers' side. There are not enough Solzhenitsyns to keep the western public galvanized. Were he not a vivid symbol to the outside world, he would have perished quietly like the millions of faceless victims still being fed into the maw of the Soviet terror system.

Because Solzhenitsyn is famous, Mr. Brezhnev deemed it prudent to deport him rather than shoot him. But the gnawing question remains: What can free nations do for the anonymous millions in the Soviet Union who have no hold on the sympathy of the Western public?

That question is not of much interest to the current administration's architects of detente. But if the continuing drama of the Soviet dissidents can hold the attention of the American people, perhaps the next administration will be different.

The Human Spirit Has Persisted

(By Marquis Childs)

Under the Soviet system of repression, which is a perfection of the czarist system, freedom of the individual is non-existent. When Alexander Solzhenitsyn was forced into exile, something like a sigh of relief went up that he was not subjected to another prison term in the icy hell of a Siberian prison camp.

That was the theme of his "One Day in the Life of Ivan Denisovich." That short novel of the Siberian hell was published in Moscow during the Khrushchev thaw. But as his writings, "The First Circle," "The Cancer Ward," "August 1914" and, finally "Gulag Archipelago," zeroed in on the cruelties of the system, reprisal was certain to come. These works were published abroad but not in the Soviet Union.

Solzhenitsyn's courage and intellectual integrity are beyond compare. Where freedom without responsibility often seems to degenerate into anarchy, we can have no conception of what it means to stand up to total repression that has at least the passive sanction of all but a few dissidents.

The Solzhenitsyn case cannot help but influence the course of U.S. Soviet relations. It is already being seized on by those who would end the detente and go back if not to the cold war to something very like it with an unabated arms race. Honest convictions to one side, there is political mileage in the old familiar anti-communism that today can ride piggyback on a growing isolationism.

The cry of the dissident intellectuals who love freedom. But the political issue that strikes deep is the plight of the Soviet Jews who want to emigrate to Israel.

Here, it seems to me, President Nixon and Secretary of State Kissinger can claim some progress in working out the detente with Party Secretary Leonid Brezhnev. From nearly zero four years ago, the number of Jewish emigrees in 1973 was 32,000. Injustices, cruelties, hardships among those who want to leave are still numerous.

The choice may well be between slow progress and a return to the past under a hardening of the Soviet position. From experience it is at least logical that hard-liners in the Kremlin will take over with the argument that Brezhnev's detente policy has failed to produce anything like the benefits claimed for it. The easy rationalization is that the Soviets need American technology so badly that they will yield to American pressure on fundamentals of the Soviet system.

Those who take this position and sound at times as though the United States can dictate a complete transformation of a way of life centuries old. Not only the Jews but the Catholics in Lithuania, the Uzbeks, the Turkmens, would be allowed to depart. Freedom of press and religion would be part of the new order. That Soviet communism will write its death warrant in this way, desirable as it would be, is sheer wishful thinking.

What is amazing and marvelous is the way the human spirit has persisted in Russia's in spite of the centuries of repression. The poet Oasip Mandelstam, who suffered continuous persecution, wrote poetry hailed as great as any in this century. Mikhail Bulgakov, in his novel "The Master and Margarite," portrayed a confrontation between Christ and Pontius Pilate profoundly moving. A small edition of the Bulgakov novel was published in the Soviet Union before he was put on the proscribed list.

Boris Pasternak's "Dr. Zhivago" had worldwide acclaim although it was never published in Moscow. It is a description in terrifying detail of the disintegration of a society. At one point a minor character about to be executed with other leftist dissidents makes this proud declaration:

"Don't humble yourself: Your protest will not reach them. These new oprichniki (security troops of Ivan the Terrible), these master executioners of the new torture chambers, will never understand you! But don't lose heart. History will tell the truth. . . . We die as martyrs for our ideals at the dawn of the world revolution. Long live the revolution of the spirit! Long live world anarchy!"

That revolution has been betrayed again and again and again, yet men of courage continue to defy their jailers.

[From the Christian Science Monitor, Feb. 14, 1974]

Solzhenitsyn in Exile

News that Russian dissident author Alexander Solzhenitsyn was to surface in West Germany, following his arrest a day earlier in Moscow, brought a wave of relief to his followers in the West. Imprisonment, torture, internal exile within the Soivet Union, had been feared for him. Solzhenitsyn himself had so drawn up his resolution into a rock ("I leave them the simple possibility of being caught out in the open: to kill me quickly because I have written the truth about Russian history") that extreme action was the only possible response.

That extreme action also, however, had to take account of the serious foreign reaction that would have followed any attempt to subdue Solzhenitsyn by the Soviet court and prison system. Not only would progress in detente have been jeopardized at such settings as the European conferences on security and troop cuts and the U.S. Congress, where vital military and trade negotiations are at stake. But the standing of the Soviet regime among Communist parties elsewhere would have been devastated.

On two counts, then—Solzhenitsyn's personal safety and Soviet external relations—his expulsion via West Germany was a merciful and well calculated decision.

Nonetheless other issues remain. High among them is the safety of Solzhenitsyn's wife and young sons. One hopes they may forthwith join him. It would be spiteful and mean beyond countenancing for the Soviets to treat the Solzhenitsyns as they have the Panovs, the married dancers only one of whom has been granted permission to emigrate.

Expulsion must also count as a loss in Solzhenitsyn's fight against the Soviet system. His reputation can be more easily slandered. Like all dissidents, Solzhenitsyn may have been more effective against his opponents had he stayed in their midst.

True, Solzhenitsyn played his hand here well. He forced the authorities to expel him. It cannot be said he sought safety in the West. He has repeatedly refused such escape since he locked horns with the regime when he won the Nobel Prize three years ago. He refused then to leave the Soviet Union to go to Stockholm for fear he would not be readmitted.

His cause is not ended. Rights of the individual in the Soviet Union are still abused, if less so than in Stalin's time. Solzhenitsyn says of the Soviet system: "There is simply a wall. And its bricks are laid in a mortar of lies. . . . A powerful state towers over its second half century, bound with hoops of steel. The hoops are there indeed, but not the law."

Solzhenitsyn in exile would know that he was safe not because of the system but for external reasons. His countrymen remain within the bounds of steel.

It is this profound compassion for his people, matched by his courage and literary powers, which puts Solzhenitsyn in the great tradition of Russian writers.

It is not a light jest one hears: That a hundred years hence a Russian boy will ask his father, Who was Leonid Brezhnev? And his father will answer, he was a politician who lived in the time of Solzhenitsyn.

Even in exile, Solzhenitsyn's work will remain a tower of reproach to the Soviet system and of truth for the Soviet people.

POPULATION GROWTH IN HAWAII

Mr. INOUYE. Mr. President, two recent articles have been published by the Christian Science Monitor analyzing the impact of population growth in Hawaii. The questions of whether and how Hawaii might control the influx of new residents are, indeed, complex. Constitutional, legal, economic, ecological, and ethical considerations are involved. The points of view expressed in these articles must be included in any debate on this matter. Because Hawaii is not the only State which must face the issues of population growth, economic development, and environmental preservation. I request unanimous consent that the Monitor articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor]

Trade Boom "East-West Bridge"

(By Gerald V. Lopez)

What can a state do when vast numbers of newcomers threaten to change the lifestyle of the old-timers? Oregon can announce that it wants no more residents and isn't welcoming visitors but, according to Fred Smith, associate of Laurance Rockefeller and consultant to President Nixon's Citizens Advisory Committee on Environmental Quality, "Hawaii isn't so fortunate.

"Hawaii, America's front door, is the one strategic stop on the only Pacific sea and air highway to Western society, to the Western economy and Western institutions.

"The Japanese, and someday the Chinese and all the others coming on business from that rapidly emerging quarter of the world, will depend upon it because it is there; and because it has so inviting an environment, they will send for their friends.

"Hawaii cannot escape becoming the primary staging area for a growing army of pilgrims moving in both directions to build an unprecedented and crowded bridge between East and West."

Mr. Smith spent four months organizing the North American-European trade conference last year. In noting the growth of trade alliances between Western Europe and the Soviet bloc, he said, "Nobody wants to build relations with the United States.

"They all want to go it alone. They all want to become self-sufficient. That leaves the United States with Japan and China. We are going to have a vast network of trade, thinking, and social development between East and West. And Hawaii is sitting right in the middle of it. There are going to be more and more offices of companies from the mainland and Far Eastern countries opening up here. More people from the Far East will be coming here to learn Western ways."

Instead of trying to limit population, Hawaii should be planning for an increase in growth that is sure to come from the increased trans-Pacific trade, according to Mr. Smith.

The conservationist feels that Hawaii can and will be able to handle a much larger population, but it will have to do so by putting new residents—and the industry that will attract them—on Hawaii's less-populous neighbor islands. To do this their isolation must first be overcome.

"Hawaii is our only state that consists of essentially isolated segments," according to Mr. Smith. "Airline service is satisfactory; and at present freighters move—too slowly, however—over the water. But the outer islands will never develop or become socially and economically a working part of the state until there is far freer and more efficient access for people and raw materials and finished products.

"Nor will young people remain on the outer islands—and this is always a blight on the future. What is necessary is a practical substitute for the highway network that makes other states workable. The capability of surface transportation is essential," he said.

And until mobility and migration are possible, there will be no labor pool, no available variety of skills, around which to create an industrial complex.

Mr. Smith voiced the hope that the on-again-off-again ferry system between the islands would finally become a reality. Also there is a promise of jetfoils and three new fleets of international cargo ships that could conceivably open up ports in the outer islands for productive international trade.

One way Hawaii could go about taking some of the pressure off Oahu, according to Mr. Smith, is the public-benefit corporation. This nonprofit entity would be created by the state but have the fiscal and management responsibilities of a private corporation.

"This sort of device may be an answer to Oahu," he said. "Perhaps some variation of it could be used for outer-island improvement, to spur growth and encourage development.

"It could conceivably work with private industry to develop uses for thermal energy, such as food processing (which is now troubled by the energy crisis) or to capitalize on the fact that the surrounding sea is rich with food and minerals which the world needs."

As part of the corporation concept, he suggested creation of new towns—some of them satellite towns, some possibly in-town towns, but all of them designed to function as a whole.

In some or all of these new towns, the following steps could be taken.

The strategic placement of industrial sections could minimize the cost to the environment.

Systematizing local transportation and the careful placement of facilities could all but eliminate automobile traffic within the town.

A single centralized service facility could utilize advanced technology in power generation, water and heat distribution, waste disposal (solid and liquid), and recycling of sewage and other wastes.

A new type of "corporate government," along with neighborhood and village organizations, could result in democratic participation without sacrificing central leadership.

The combination of land-use controls, a new kind of financial structure, and a function-oriented governmental system would clear the way for innovations in health services, cultural, educational, and recreational resources and other activities.

A construction and development program designed and carried out in close cooperation with Honolulu would serve to relieve overcrowded areas.

The potential sources of funds for new-town development would include the established federal and state subsidies, and federal long-term loans might be obtainable. But the principal financing would come from low-interest, tax-free bonds issued by the public-benefit corporations; possible investments by private business corporations; and the cash flow generated by development and sale of leaseholds.

The public-benefit corporation's capacity to issue tax-free bonds—to the extent the Internal Revenue Service approves, of course—without increasing the state debt might promise a solution to the problem of making Hawaii a well-integrated state.

Where does all this leave Hawaii?

According to Mr. Smith, "It should be emphasized over and again that any long-term program involving Honolulu, Oahu, and the outer islands must be undertaken as a single, coordinated effort: The problems and pressures that beset the state cannot be taken apart, viewed individually, and solved as independent fragments of a composite problem.

"We are dealing with a statewide problem with closely interrelated, interdependent parts, and it can be solved only by long-range planning which considers the outside, largely uncontrollable influences that can be accommodated only in the total land mass of the state.

"It means planning and implementation simultaneously on several fronts."

How To Preserve Quality of Life?

(By Jesse Bowman)

These days, Hawaiians say "Aloha" with reservations. The combination of Hawaii's advantages in climate and its heavy promotion by the tourist industry has resulted in a very serious population problem. In fact, the 50th state is rapidly reaching the point where further growth means a decrease in the quality of life.

Many private and federal organizations are attempting to come to grips with the situation. Last year, the Temporary Commission on Environmental Planning introduced the concept of "overload" to describe Hawaii's housing situation—scarcity plus skyrocketing prices.

The commission's December report focuses on several issues that the state body must resolve.

The first issue was: "In order to influence population growth, should the state attempt to change federal policies on immigration to the United States and the free movement of citizens within the nation?"

The right to pass freely from state to state has always been affirmed by the Supreme Court, according to a Legislative Reference Bureau report, "In-migration as a Component of Hawaiian Population Growth."

RESOLUTION PASSED

The seriousness of Hawaii's problem is shown by the fact that, despite its present national unconstitutionality, State Sen. Nadao Yoshinga's resolution urging a limit to interstate migration was passed unanimously in the Hawaiian Senate.

The other issue spotlighted by the Environmental Planning Commission is: "Should a specific population of one million residents be established as the state's optimum resident population?"

The limit of one million was proposed in the "Maximillion Report" issued by Citizens for Hawaii. Auther Earl R. Babble wrote that although a million may be too many for the "quality of life" admired by Hawaiians, that level is a concession to reality and the state might attain a stable "maximillion" in 20 years if it starts now.

Efforts to lessen in-migration may dishearten prospective tourists—who account for a third of Hawaii's income. Mr. Thompson asks, "Is anyone aware of what our public-relations effort in the tourist industry is doing to our population growth?"

Hawaii Visitors Bureau president John G. Simpson answers that the HVB is aware of the danger. The December meeting of its board of directors was told by the Governor's Visitor Industry Council, "Unlimited expansion of the number of tourists in Hawaii is something which the fragility of our social and physical environment cannot tolerate."

The council's chairman, former HVB and University of Hawaii president Thomas H. Hamilton, added that "as long as there is population growth there will be the need for additional jobs and tax revenues. We must find a way of stabilizing population."

The directors approved a drastic shift in advertising strategy. Instead of wooing travel-industry support, a new campaign will seek to attract fewer—but more affluent—visitors.

The Legislative Reference Bureau estimates that in-migration accounted for about 40 percent of Hawaii's population increase in the '60's. So government agencies are working especially hard to discourage prospective residents from the mainland.

LEAFLET GIVES FACTS

A Chamber of Commerce leaflet, "Living and Working in Honolulu," tells facts about Honolulu's cost of living, wage rates, and job opportunities, letting the readers form their own discouraging conclusions. About housing, it says, "The average family moving to Hawaii lives in a smaller house or apartment than they are accustomed to on the mainland. The average purchase price for an unfurnished three-bedroom home varies from $50,000 to $75,000.

The State Department of Social Services and Housing has a leaflet, too. A typical quote: "Honolulu has one of the most critical housing shortages in the country. Unless you've lived in Anchorage, you've never lived in a city with a higher cost of living than Honolulu."

As Myron B. Thompson, director of the state's Department of Social Services and Housing, puts it, "How can we accept the common argument for the right to travel when it clearly infringes on the right of some of our current population to health, housing, and jobs, and all of our rights to space, clean air, and a balanced ecosystem?"

"The 'moat syndrome' is spreading," says state legislator Jean Sadako King, chairman of the House Committee on Environmental Protection, "the feeling of 'Now that I've made it, pull up the drawbridge!'"

NEBRASKA—THE GOOD LIFE

Mr. HRUSKA. Mr. President, Dr. Gilbert M. Grosvenor, the distinguished editor and vice president of the National Geographic Society, has been kind enough to send me an advance copy of the March issue of his splendid publication which contains an engrossing article entitled, "Nebraska—the Good Life."

It is written by a native Nebraskan, Robert Paul Jordan, an assistant editor of the National Geographic, and is strikingly illustrated with Lowell Georgia's beautiful photographs.

Author Jordan tells his story sympathetically, even lovingly, weaving history and modern-day events together. He writes of Nebraska's cities and its plains, its villages and its scenery, its people and its industry, its football team and its weather. He finds that:

> Nebraskans dwell easily with their past. It has formed them, abetted by place and vagaries of weather, into a hardy, independent breed. These are the bedrock Americans, believers in work, thrifty, conservative, and religious folk with the pioneer spirit still strong. It serves them well.

Mr. President, Editor Grosvenor tells me that some 9 million families are members of the National Geographic Society so the article will be read widely. In order that the readers of the Record may share in this story of Nebraska and its people, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Nebraska—The Good Life

(By Robert Paul Jordan)

Across the wide Missouri at Omaha the sign announces, "Nebraska . . . the Good Life." Continuing west on Interstate 80, travelers pass the good life by.

The prairie comes right up to peaceful hamlets and friendly cities and embraces them. Windmills spin beside picture-book red barns and silvery farmhouses. Cattle graze on rich pastures. An upstart breeze ruffles tawny wheat fields; corn stands knee high in dark-green ranks, though it isn't yet the Fourth of July.

How pleasant, and how soon monotonous. The concrete ribbon stretches away, shimmering. Travelers press on: Cheyenne or bust by 6 p.m. After more than 450 miles of deep sky, cloud kingdoms, and endless horizon, the land changes its name to Wyoming.

Now, I go a more fortunate way. I turn off the superhighway again and again, a long-absent native son rediscovering Nebraska's plains and people. "We are what we are," they tell me, and I like what I see.

On the southern fringe of the Sand Hills a flotilla of pleasure craft courses a great man-made lake. At the immaculate south-central town of Minden, gay costumes whirl in Danish Day festivities. Southeast, Brownville, a cameo of steamboat days, lolls with its lavender memories. Northwest, forty-million-year-old fossils lie strewn like seashells on moonscape badlands.

Even Interstate 80 proves special. Many times I watch the cars heading west along it. And I wonder: Do those people conjure up prairie schooners rolling to empire along this broad Platte River Valley? Can they glimpse a ghostly pony express rider galloping beside them into eternity?

I remember a morning when I cut south from the prosperous city of North Platte, swinging through Frontier and Red Willow Counties, past nodding steel muleheads pumping oil beside fields of waving grain. I rounded bright and busy McCook and promptly at one o'clock—punctuality is a Nebraska virtue—knocked on a farmhouse door near the Kansas border.

Arthur Carmody was expecting me. Level of gaze, ruddy, booted and cowboy hatted, he seemed a proper Westerner even to a last touch: He was strapping a revolver on his hip.

"Might stir up a rattlesnake or two where we're going," he explained.

"You lead the way," I said, politely.

Mr. Carmody, 74, a former state senator, is an authority on Nebraska history. On a little-known battleground a few miles from his home, the hapless American Indian warred on his own kind in major battle one final time, a century ago last August 5.

We drove north in strong sun and clear air scented with new-mown hay, through the fading town of Trenton, whose board sidewalks, gone now, I had trod as a boy. Up a long hill we rode, and onto the wide divide between the Republican River and Frenchman Creek.

In the late 1800's settlers with their plows and barbed wire remade this lonely land into a checkerboard of billowing wheat and corn but rugged canyons and gullies still scribe it. Bison beyond number once roamed here. Not far from us, in 1872, "Buffalo Bill" Cody showed Grande Duke Alexis of Russia how to kill the shaggy beasts. His Imperial Highness dispatched eight, one with a revolver at thirty yards. Champagne was served.

It was buffalo that more than 300 Pawnee men, women, and children were after in this big-sky country on that cruel day in 1873. Packhorses laden with equipment, meat, and robes, the party ambled up a narrowing valley during the annual summer hunt. As they were thus pocketed, their traditional enemy, the Sioux, fell upon them, bringing death.

My historian friend led me into that grassy, yucca-spiked defile. Listening to him, the serenity about me exploded:

> . . . Squaws huddle in this open pocket, cradling papooses, chanting a Pawnee war song. They do not wait long. A thousand whooping Sioux horsemen dash along the low banks, firing down into the terrified mass. The rout begins; down valley flee the victims

in horrid disarray. No attackers fall, but about seventy Pawnees are slain, two-thirds of them women and children, some roasting on pyres of flaming robes. . . .

Cattle browse today in Massacre Canyon, bawling at intruders. A small creek trickles through the lower part, shaded by ash and cottonwood. I halted there, remembering.

A decade after the battle, my grandparents settled in a sod house a rifle shot east of here. My mother and her brothers and sisters walked here. Once, as a spindly city slicker from Omaha visiting country cousins, I too splashed in this creek and captured frogs for a frog-leg feast.

I was too young then to understand, and now all is gone. All but Massacre Canyon, timeless, undistinguished from a dozen other nearby arroyos. Watching for rattlesnakes, Art Carmody and I hiked back to the car.

As we returned to Trenton, he squinted toward the west. "Just there," he said, pointing, "ran the cattle trail from Texas to Ogallala, Nebraska. Cowboys pushed longhorns over it from 1875 to 1885, stocking the new ranches on the plains, and shipping beef to the populous East, The last leg covered about 250 hot, dusty, and mostly dry miles from Dodge City, Kansas, to Ogallala. Generally it took 18 days."

Back in town, I paused in yesteryear's white-frame general store, which serves as the Hitchcock County Museum. Mrs. Grace Riley, the charming and vivacious grandmother who directs the museum, lingered in the rear of the old store, smiling.

"My stars," she said, "I can still smell the tubs of butter that stood here. People knew every lady's butter by the print she stamped on it. They always wanted to buy my grandmother's—that and her bread was her art. Now, mama never could make nice butter."

Nebraskans dwell easily with their past, I was to find. It has formed them, abetted by place and the vagaries of weather, into a hardy, independent breed. These are bedrock Americans, believers in work, thrifty, conservative, and religious folk with the pioneer spirit still strong. It serves them well.

Life remains a gamble. Hail may ruin a crop in minutes. Inflating feed costs can make livestock raising risky. Uncertain market prices pose a constant worry. Machinery can be prohibitively expensive and almost impossible to purchase. Hired help is hard to find. On balance, people remember the lean years more than the good.

Work is hard, and hours long—but some things have changed, One June day I waved down a farmer as he cultivated corn beneath a fiery sun. He jumped off his tractor, glad for the respite, a dusty man wearing bib overalls and a sweat-streaked visor cap. "I've been cultivating twenty hours day and night for a week," he said, scuffing the earth. "The corn'll suffer if I don't break up this hard crust."

On the tractor a large transistor radio squawked. "I like to listen to the ball games," he volunteered, cocking his head. "Course, you got to turn it on pretty loud. It's hard on the ears. My hired man over there"—a finger at the adjoining field—"he's got it better. You have to take care of the help."

I investigated. The hired man, a long-haired youth at the wheel of a new, enclosed-cab, $15,000 tractor, gave me a hand aboard into another world. In air-conditioned comfort we rode along the rows of corn at a steady six miles an hour. Strains of Mozart from a built-in stereo radio filled the cab.

I recalled a wheat harvest in the drought-cursed thirties. How I admired my 14-year-old cousin, Bob Walters, a six-dollar-a-day full hand driving a two-cylinder tractor. I was 12, a lowly dollar-a-day chore boy. That wheat crop failed, burned out. To help keep meat on the table, Bob and I would take the old .22 rifle down from the wall and forge for pigeons and rabbits.

A few days later I headed my car into the long green swells of the northeast. Five miles north of Beemer I pulled up at the 465-acre general farm of Mr. and Mrs. Quentin A. Bleyhl. Standing at the door, we looked out beyond the barn to fields of corn, oats, and alfalfa, pastures dotted with beef cattle, and pens where hogs took their ease.

"What you see is fairly typical of this area," said Mr. Bleyhl, "and that includes size, too. Today's laws of economics work against 80- and 160-acre operations."

Tall, smiling Ardis Bleyhl served a meat-and-potatoes dinner of harvest-table proportions that Sunday. While I devoted myself to it, she and her husband spoke of farm life.

"We've had electricity for decades," she said. 'The plumbing came indoors long ago. Rural water associations lay pipelines to many farms. We telephone for market reports; our neighbors use electronic communication between field and house; our television set works fine. Milk is delivered to the door."

Many young farm wives, said Mrs. Bleyhl, no longer supplement income with their chickens and eggs. They teach school, or are registered nurses, or take jobs in town. Farm people, she continued, hunt, fish, bowl, play golf, go to movies. She herself is active in church and woman's club work.

I turned to her husband, a tanned, muscular man in his fifties. If farming is an arduous worrisome way to make a living, what is so compelling, so satisfying, about it?

"It seems to me," he answered quietly, "that if you work in industry or business, you take your living from your fellow man. But when you farm, you help your fellow man all the time."

He sat forward. "Sure, you have to wrestle with nature most of your waking hours—but you're helping nature. Sure, you may create a surplus—but not really, because somebody somewhere needs that food. I like to think that if I plant a walnut tree, somebody a hundred years from now is going to have a walnut chair to sit in."

Mrs. Blehyl writes a sprightly, no-punches-pulled column for the *Nebraska Farmer*. "Nebraska farmers," she once wrote, "have a little different attitude toward life than . . . many other persons. Perhaps it is because, in a highly mobile society, we tend to 'stay put,' with close ties to our homes, our families, and our communities."

Departing, I surveyed the comfortable white farmhouse where such contentment abides. It was built by her grandfather in 1879. Her father, 89, was born in it. So was she.

Building on stay-put pioneers, Nebraska attained statehood in 1867. In the ensuing century she has grown into a colossal breadbasket, ranking sixth among all states in farm income, earning some three billion dollars annually.

After Texas and Iowa, the Cornhusker State raises the most cattle. She stands third in winter wheat and corn, fourth in rye and hay production, sixth in hogs. As Governor J. James Exon told me, "Agriculture—agribusiness—is our bread and butter."

I met Governor Exon in his office at the towering State Capitol in Lincoln, an architectural wonder whose gold-glazed tile dome glints at one across thirty flat, clear miles. He waved me to a chair in front of his desk, helped me set up my tape recorder, and looked into a startling future.

"Of course we hear complaints about food prices," he said. "Transportation, processing, and marketing costs are all a part of it. Why should Nebraska grow all this grain, only to ship it immediately out and let someone far away fatten the livestock?"

The state's chief executive, a ruggedly handsome man, thumped the desk. "Our goal is to feed all our grain to hogs and cattle, process the animals into meat, and supply the United States and foreign markets with the finished product."

I asked when this might take place. Governor Exon leaned back and lighted a cigar. "You can see it coming," he replied. "More and more small packing plants are being built where cattle are fattened. In 15 years we may not be shipping out a single bushel of grain. And people will enjoy the best of beef and pork at a price with less fat in it."

When I mentioned Nebraska's quiet conservatism, the state's number-one booster countered firmly: "We're very progressive as well. We pioneered in 1934 with our unicameral legislature, a one-house, nonpartisan body that now has 49 members. It is a good, neat form of government, and the people like it. Too, Nebraska is the only state with complete public power." He stood, and we walked to the door. "Our rural cast is deceptive," he said. "You'll find great diversity. . . ."

The fact is, Nebraska has a split personality. More than half her 1,525,000 citizens live in towns and cities, and seven of ten dwell in the state's moister eastern third. These are Midwesterners in outlook as well as geography, urban-suburban, many of them, and sometimes urbane. Better than half a million reside in the sprawling metropolis of Omaha. Tidy, roll-up-the-sidewalks Lincoln, the capital, is home to 160,000 more.

The West begins, some say, somewhere beyond the 98th meridian, a quarter of the way across Nebraska; the people bear its mark. The semiarid wide-open spaces teach self-containment, self-reliance, economy of speech, dislike—if not distrust—of cities. In the sparsely populated northwest, a panhandle region nearly as large as Connecticut, New Jersey, and Delaware combined, I heard occasional mutterings of secession. Out there, where Scottsbluff, population 14,500, is the largest city, Colorado and Wyoming can seem more compatible. "What," some people grumbled, "has Lincoln done for us lately?"

Where then, I asked, does Nebraska come together? Two newspaper friends supplied a surprising answer. "Football is our single most unifying force," said Hollis Limprecht, editor of the *Omaha World-Herald's* "Magazine of the Midlands." Photographer-writer James Denney added: "Everybody is very proud of the University of Nebraska Cornhuskers. NU's team serves the ego of the entire state."

I am not the man to take issue. On a November Saturday I joined the crush in Memorial Stadium at Lincoln. Surrounding me, sporting red hats, sweaters, coats, pants, shoes, yelling "Go Big Red!" and "We're Number One!" more than 70,000 Nebraskans proclaimed their loyalty.

Something like one of every twenty residents of the state came together in that chaotic scarlet sea. When they shouted the old fight song's triumphant refrain—"There is . . . no place like . . . Ne . . . bras . . . ka"—I shouted with them in full agreement. *That* was communication.

For many, NU football is a way of life. Season tickets descend through the family. Courts have decided who shall retain the tickets when husband and wife separate. People have mortgaged their homes to follow the team on the road. Around 8,000 flew to Honolulu in December 1971 for a game with the University of Hawaii.

I called one morning on Tom Osborne, NU's tall, sandy-haired young head coach. Could he explain. . . ?

"There are several reasons," he answered. "The state has been football oriented for forty or fifty years. People like winners, and we have a strong tradition of success. And there isn't much competition here for the entertainment dollar."

Coach Osborne holds a doctorate of philosophy in educational psychology. As I left, he offered a personal observation: "I meet transplanted Nebraskans everywhere. They're very loyal; they're Cornhuskers at heart. They still say, 'Back home. . . .' "

I do too, I must confess. And I believe that

Nebraska's roots go deepest along the fertile Platte River Valley. The braided river—"a mile wide and an inch deep"—bisects the state and inspired its name, from the Indian word for "flat water." Many of the cities and towns along the river began as rip-roaring railheads, end-of-line camps. Today, one sees, they move boldly toward the 21st century and carry their heritage with them.

Thriving Grand Island, for instance, the state's third largest city with more than 31,000 residents, lives by agriculture, marketing, and food processing. While there, I visited the Farrall Instrument Company. Inventor William R. Farrall's medical electronic devices—a touch-system teaching machine, and aversion-therapy apparatus—are used throughout the world to help severely retarded children and people with mental and emotional problems. Not far away, in a strikingly modern and handsome building, I found the Stuhr Museum of the Prairie Pioneer notably recording how Grand Island and Nebraska came about.

When I stopped at Kearney, 40 miles farther west, this old sentinel of the trail was preparing to celebrate its hundredth birthday. That would be fun, I thought. But Kearney State College proved more compelling to me. At its annual Midwest Conference on World Affairs, diplomats of many countries and students from throughout the state mingled freely and sought mutual understanding.

Upriver at North Platte, I discovered that this energetic city remains more than ever "end-of-line." At the Union Pacific Railroad's vast Bailey Yard, more than 4,000 freight cars are received daily, sorted, assembled into new trainings, and dispatched all over the country.

Beside this six-mile-long phalanx of shuttling monsters, I talked with Stephen F. McWilliams, a study 80-year-old retired engineer: "I started in 1911 at 15 cents an hour," he said. "I used to get the engine crews out of bed. There were few telephones in those days, so I rode a bicycle or walked to where they lived and rousted 'em out."

Times change, but Nebraskans remember. At Bridgeport, white-haired Paul Henderson seated me in his living room and casually remarked, "You're sitting on top of some of the ruts of the pioneer wagon trains. You can still see them in many parts of the state."

Mr. Henderson, 78, has seen them all. In a lifelong love affair with the historic way west, he has collected and indexed 18,000 color slides of the mighty wagon road. I spent a morning listening as he retold the epic tale.

How, before and after the Civil War as a territory and in 1867 as a state, this gently rising, virtually obstacle-free land provided a natural funnel for a United States pushing to the Pacific.

First came trappers, fur traders, and explorers, wandering through the "Great American Desert." Humanity flooded after—emigrants in white-topped wagons, soldiers to conquer and dispossess the Indians, freighters, goldrushers, railroaders, cowboys, sodbusters.

In the late 1860's, after sledges spiked steel ribbons to the treeless plains, settlers arrived in growing numbers. Many were Civil War veterans. Many were poor, ambitious people from far-off countries—Germans, Scandinavians, Czechs, Irish. Land was free for most simply by filing a homestead claim, and cheaply bought otherwise. Crops and cattle could ride the rails to market. The lack of trees for firewood and lumber didn't matter. You burned "prairie coal"—buffalo and cow chips; you cut sod into rectangular strips four to six inches thick and painstakingly stacked them atop one another until you had a house. A good house, if built right.

I thought of settlers and sod houses that afternoon, farther west in Gering. There my uncle, Fred H. Walters, and his wife, Jessie, proved up a 120-acre homestead during the 1920's, later acquiring another 80 acres. They started out in a tar-paper shack, planting trees and crops and running a few cows. That shack remains etched in my mind. I slept many summer nights beside it in a tent.

Now Aunt Jessie and I drove past the old homestead, where a substantial house nestled in a tall grove, and fertile, irrigated fields were sown to potatoes, sugar beets, beans, and alfalfa. "Oh, my," said Aunt Jessie. "I miss the old days. Pshaw. I was born in a sod house in 1900."

She tossed hair as black as when she was a belle. "Father always said that the man who couldn't build a good soddy wasn't worth sic 'em. I remember that he plastered the outside of ours, and mother tacked muslin sheeting against the inside walls and ceiling to keep out the dirt and field mice. It was cool in summer and cozy even in blizzards. When it rained, we caught the drips in pans."

My aunt sighed. "Sometimes I sat in the window beside mother's geraniums and watched twisters twirling far away."

Quite a number of soddies still exist; people live in some, while others serve as storehouses. They are part of the Nebraska pattern; they belong. And as I traveled the state in summer, fall, and winter after an absence of more than thirty years, I came upon much else that seemed familiar.

I recognized my old hometown of Omaha readily, though expressways now soared through it and housing developments had devoured cornfields on the perimeter. At the southern tip, Bellevue—a tiny fur-trading post in the beginning—had burst into a city of some 25,000, bedroom for the Strategic Air Command at Offutt Air Force Base.

Downtown, sleek glass-and-steel towers loomed incongruously above dowdy, weather-stained structures that were weary years before my day. Atop one gleaming skyscraper I dined sumptuously on perfect sirloin in the Omaha Press Club's well-appointed restaurant. From my table I gazed out on the moonlit Missouri, admiring how the river slithered between Omaha and Council Bluffs, Iowa, on the far side.

A small tow of barges slipped upstream, bound perhaps for Sioux City, Iowa. Lewis and Clark, I thought, rowed past here in 1804 toward the unknown Northwest and immortality. Half a century later, steamboats tied up at the levee by the hundreds. From the waterfront in 1865 the Union Pacific set steel ever west. Four years later the country was banded together.

Freights still roar over that roadbed. Omaha remains home to the U.P., and the Burlington Northern maintains regional headquarters here and serves Nebraska as it has for more than a century. Many new industries have come in; the city prospers. Western Electric employs the most people—nearly 7,000. Thirty-four insurance companies center here. International corporations radiate; great food processors like ConAgra, the giant construction firm of Peter Kiewit Sons' Co., globe-hopping architect-engineers such as Henningson, Durham & Richardson, Inc., and the Leo A. Daly Company.

I spent days prowling Omaha. At the stockyards, a grizzled buyer scowled. "We used to handle a lot more cattle and hogs than now," he declared, toothpick bobbing. "But we're still one of the biggest meat-packers anywhere in the country."

Yes, and some of the people who pack that meat—Poles, Czechs, Ukrainians, Germans—still hold gay neighborhood festivals on closed-off streets. The Joslyn Art Museum's fine collection honors the city. Creighton University and the University of Nebraska's Omaha campuses train tomorrow's lawyers, dentists, physicians, teachers. Ak-Sar-Ben, a nonprofit civic organization, entertains the entire region with horse racing and a fall costume festival highlighted by the coronation of a king and queen; proceeds pay for educational and cultural programs.

One goes home again, it is true, at some cost. Memory carries a sting. Back in the twenties, I recalled, Omaha's official quartet, the Keno Four—with my father singing bass—always rendered its jaunty theme song to warm applause: "Omaha, Omaha, finest place you ever saw. . . ."

Poetic license, certainly, but less so then than now. Today, disadvantaged people live in a ghetto on the near-north side, and dismal turn-of-the-century brick warehouses step back from the waterfront. "Downtown Omaha," Mayor Edward Zorinsky told me, "has been deteriorating for years."

A face-lift is needed. The operation begins as you read this. For openers, headache balls are to level seven square blocks near the river. Something of a miracle promises to galvanize my tough old hub city and the wide area she serves.

Eugene A. Leahy, the dynamic former mayor who heads the Riverfront Development Foundation, related the details one afternoon as we strolled the Missouri's banks. "A whole new life-style," he declared, "is coming to the downtown area—tall office buildings, smart hotels, apartments, townhouses, a university campus, all tied in by a mall of walkways, trees, and pools. And a 'marina city' will bring pleasure-boating to the front door."

Gene Leahy was merely warming up. He swept an arm along the river. Omaha, he went on, will serve as the focal point for an even larger development: a linear park and 54 miles of scenic highway on the Nebraska side and 90 on the Iowa side. Industrial parks, new housing, motels, and restaurants will be built. The project involves six counties and six cities and towns in the two states.

Next morning I cruised the waterfront in a trim houseboat, trying to envision the sparkling skyline that would rise here. Alden Aust, the city's quiet-spoken planning director, accompanied me. Spray kicked up in our faces as we chopped through a towboat's wake, and a small excursion boat loaded with waving children churned past. Otherwise, the river was empty.

"Long ago," Mr. Aust observed, "people turned their backs on this beautiful river. Now they are returning. Private investment and public funds both will pay for this recycling of a city and a region. A billion dollars may not be enough. We've drawn the basic plans. Our target date is 1985, but the program could go on for decades."

Omaha goes its own way. It looks east to Iowa, north to Minnesota and the Dakotas, south to Missouri and Kansas, and—of course—west to Nebraska.

Lincoln bespeaks for the Cornhusker State far better. As the state capital and university seat, it provides an excellent cross section.

I stayed in the capital several times, and found it making few pretensions. At base, it seemed little changed from the city I lived in during my years at Lincoln High School. A well-kept, small-town kind of place, it acts as market, rail center, grain storer, banker, maker of golf carts, home of insurance companies. More than 160 churches rise above its quiet streets—one for every 1,000 persons. Families play and picnic in 48 parks, covering 4,555 acres.

With each of my visits, the city's face seemed more youthful. New industry has found Lincoln in recent years—IBM, Addressograph Multigraph Corporation, Square D Company, Control Data. Now construction was catching up. I watched bulldozers shifting earth for a two-block federal office building; work was under way on a 250-room Hilton Hotel; plans for a bus terminal-parking garage were completed; new entertainment centers and restaurants opened.

Properity, I learned, was becoming a pleasant problem. "We don't want to grow for growth's sake," asserted John R. Fraker, the Chamber of Commerce's forthright head. "We're concerned with quality. This is a quality city."

And something more, I decided as I walked about. People had time to nod, and many to smile. When I called on Mayor Sam Schwartzkopf, he told me about an experiment he and Mrs. Schwartzkopf conducted: "One day Dorothy and I walked down O Street—the main street—and sat on the benches. We just looked people in the eye and said, 'Hi, how are you?' Seventy-five percent came right back with a friendly response."

This ready communication, the visitor sees, also flows between town and gown. Nebraska University's 21,000 students, together with 2,000 more at Nebraska Wesleyan and Union College, keep the city young at heart.

Helping keep Nebraska in the forefront of agricultural progress, I found, were two immensely painstaking scientists at NU's Agricultural Experiment Station. Through genetic manipulation, Dr. John W. Schmidt and Dr. Virgil A. Johnson work to improve wheat—staple of a third of the world.

"The object," Dr. Johnson told me, "is to increase yield and strengthen disease resistance." He held up a head of wheat in one hand, a small forceps in the other.

"Wheat, being self-pollinating, is a closed genetic system," he said. "We crossbreed—by hand—thousands of genetic entities. When a promising variety results, it is a rare recombination of the parents' best traits. If you start with 500 crosses, after selecting one seven or eight years you may have only one or two lines left."

Agronomists Schmidt and Johnson now keep tab on more than 100,000 lines in the field. Since 1954 they have named and released 17 new varieties. One—Scout—has become the most widely grown wheat in the U.S.

It was time to get back in the field myself. I put Lincoln behind and drove northwest. At Verdigre, near the Missouri River boundary with South Dakota, an unforgettable character named Alfred H. Marshall took me in charge.

Oh, he seemed like anybody else—late fifties, graying, glasses, small moustache, slightly rumpled clothes, talkative. But he turned out to be a farmer, home builder, electrician, musician, chairman of the Verdigre District School Board, husband and father, and a wide-ranging friend of man.

Six days a week, rural carrier Marshall delivers the mail to 185 farm families, many, like himself, of Czech background. In a small battered car, light flashing on its roof, he wheels over his 121-mile route—ten miles of it paved, twelve dirt, the rest gravel. He has been doing this in all weather for 37 years.

With special permission I rode beside Al Marshall a couple of days, pulse skittering with the tires as we charged over snow-slick hills—how could he be *so sure* nothing awaited us on the blind side?

"Gets to be like breathin'," he remarked amiably, swooping down on a flag-up mailbox. He reached through the car window into it. "Now *that* annoys me. Loose pennies, for stamps. They always fall out in the snow. Should be in an envelope."

If this mailman lags behind a little, picking pennies out of the snow, people along his route will be waiting by the roadside. He chats with a farmer, a grandmother in a babushka, a pretty young teacher at a one-room schoolhouse.

Should it be St. Valentine's Day, he tosses candy in the boxes for the youngsters. He knows who is ill, and who is expecting; he is a godfather many times over. He watches for the dogs that will give him a run, pulls over to hear the telephone lines humming, points to a woodland where eagles sometimes soar.

Al Marshall, in short, is a happy man. He claims he has the best job in the world. He cares, and he is by no means alone.

So, I am convinced, do the rest of his friends and neighbors in Verdigre. In 1971–72 they pitched in and raised a million dollars to make their pleasant village an even better place to live in—new elementary school, 55-bed nursing home, 30-acre recreational area, clinics for the dentist and optometrist who have been attracted here.

Last year Verdigre, population 625, was named an All-America City. You won't find a prouder community anywhere.

On the other hand, it would be difficult to discover a more moribund town than Niobrara, just 12 miles north. I came upon it moldering on the Missouri River floodplain, waterlogged beyond redemption, waiting to die and be reborn.

A spokesman for the U.S. Army Corps of Engineers gave me the reason. Gavins Point Dam on the Missouri River has backed up silt, creating a rising groundwater table. Swamps have emerged, basements are perpetually flooded, homes and business buildings suffer structural damage. Niobrara's 600 residents must move, and many are sad.

Plans to relocate were well along when I stopped in Niobrara. Townspeople had voted to settle on elevated ground just south of the present site. The Federal Government is buying all property within the town's limits, and paying all planning and relocation costs. By the end of 1975, Niobrarans may be perched high and dry in a model community. If I know Nebraskans, many will never feel the same. But they will make do.

A few days after I left the northeast, I poked into the dry, lonely high plains of Sioux County in the far northwest. Humanity gave few signs—a windmill, occasional ranch buildings. The nearest town lay miles away. Once I spied a small herd of pronghorn antelope; spying me, they fled beyond view as swift as the wind that buffeted my car.

Then I saw what I sought, a weathered old house trailer resting besides State Highway 71. I knocked; Public School District No. 77 indeed was in session. Mrs. David Hughson, the attractive brown-haired teacher, introduced me to her only pupils—brothers Kelly and Jerry Murphy, ages 12 and 13.

Two more bashful lads I do not expect to meet, or more fortunate ones in their education. Monday through Friday from 8:45 a.m. to 3:15 p.m., these ranch boys receive 35-year-old Mrs. Hughson's full but relaxed attention. They study the same things as their counterparts in city schools, turning to educational TV for science lessons.

"I've had more pupils than just two," said Mrs. Hughson, smiling. "Three, last year." A rancher's wife, she has a bachelor's degree in education. "We range here from kindergarten through the eighth gade," she said. "The first girl I ever taught just got married. My own two children never attended rural school with more than three companions. Now they're on the high-school honor roll."

Sioux County's 2,063 square miles average about one person for each square mile, which is misleading, because Harrison, the county seat and only town, has some 380 residents. Nonetheless, this struck me as massed humanity compared to what I found farther north in the sere and agonized badlands around isolated Toadstool Park. There one walks in the eerie gray-green solitude of the ages.

Over vast periods of geologic time torrents of water cut through this land. It left behind sterile buttes of sandstone and clay, deep canyons riven and twisted, serrated conical mounds, weirdly balanced rocks. "What you see," said Dr. Larry D. Agenbroad, "is untouched from forty million years ago."

An earth scientist at Nebraska's excellent Chadron State College, the young educator had kindly offered to show me this remote vestige of prehistory. He halted near the top of a large mound and pointed to a small rounded pile of white chips. "That's the carapace of an ancient land turtle," he said. "This is a bone hunter's paradise."

Countless fossil fragments wash out of the soft banks each year, Dr. Agenbroad explained, as weather erodes away an inch or two. Saber-toothed cats, camels, deer, crocodiles, others—all yield their remains here. Though it is a common discovery, I myself prize a rhinoceros tooth I picked out among fossils strewn on canyon floors. It reposes in my study now and tells me of life and struggle beyond calculable time.

The ghosts of history take many shapes. A score of miles southwest of antiquity's boneyard, we drove up to a tree-shaded camp above a small creek. Cattle drank from a pond nearby, ignoring the activity about them. I saw 20 students under Dr. Agenbroad's direction carefully excavating a site where Indians had killed perhaps as many as 400 bison—about 9,000 years ago.

"This is the third year we've excavated," he said. "We believe that a small hunting party came upon the animals, drove them over a steep bank here, and butchered them."

His voice took on a quiet note of excitement. "We're not positive yet, but we have indications that these bison are transitional between their extinct ancestors and the buffalo of today."

It seemed almost anticlimactic, later that day near the town of Crawford, to prowl through the officers' quarters and post headquarters building—now a museum—of Fort Robinson. This defunct outpost on the plains lived by the bugle from the Indian wars of the 1870's through World War II. Nebraska now owns 13,000 of its acres.

The Nebraska State Historical Society, a dedicated and professional organization, is carefully restoring some key structures and re-creating others. A reconstruction of the old guardhouse gave me pause; Crazy Horse, the great Oglala Sioux war chief who helped crush Custer at the Little Big Horn in 1876, had met death by bayonet here a year later, attempting to avoid confinement.

At the headquarters museum, curator Vance E. Nelson and I halted before a showcase. A small sign quoted Red Cloud, another Sioux war chief: "I will go now and I will fight you. As long as I live I will fight you for the last hunting grounds of my people."

These words seemed more powerful and poignant than ever. Militant Indians had occupied this old building briefly not long before my visit. Nebraska Indian Commission Director Robert Mackey, a Santee Sioux, later gave me a simple explanation: Indians contend that the land should have reverted to them when the U.S. declared it surplus.

I made it a point to talk with a number of Indians in various parts of the state. To be blunt, all felt that the white man considers them—like Fort Robinson—surplus, offering only token encouragement.

"Look at our participation in something as basic as education," said Mr. Mackey, a thoughtful, articulate man. "Most of our children drop out before completing elementary school. Last year, 25,000 young people graduated from Nebraska high schools. Only 45 were Indians. At the university you'll find only 22 Indian students."

Opportunities are few for most of Nebraska's 15,000 Indians. Torn from the land they love, unable to live by the white man's schedules, uneducated, without job skills, they drift between the reservation's limbo and heedless towns and cities. They are fringe people, almost unseen.

Few red men roam Indian country anymore, but cattle beyond count do. The grassy Sand Hills of north-central Nebraska, which cover about a fourth of the state, are one of the world's most concentrated beef-raising kingdoms. Oddly enough, you don't see many cows as you drive through this spacious land—they're behind the undulating dunes.

Sand Hills ranch houses are far between, towns few, roads occasional, and cars rare. One morning in Gordon—"The Little Town With a Big Smile"—I asked a service-station operator the distance to the next community south, Ellsworth. He grinned, I was his. "You'll think it's a hundred miles," he said, "but it's only fifty-six."

I drove those miles and many more with pleasure, past endless yellow-green hillocks wearing azure lakes in their clefts. Ducks rafted on the water, plovers stalked the shores, meadowlarks and redwing blackbirds flashed through the air. Here and there stood a lonely tree.

Still, I saw man making his mark everywhere on the meadows; it was haying time, and haystacks popped up like mushrooms. *Beside* one field a rancher gestured at his 12-year-old son, who was baling hay. "That young feller made 11,000 bales last year," he told me.

The late Mari Sandoz wrote of this land and its sturdy people with power and grace in *Old Jules*, the biography of her pioneering father, and other books and articles. Old Jules, I believe, would find kinship with today's Sand Hills people, even though some use airplanes and helicopters to patrol their 50,000- and 100,000-acre spreads. They did without the fancies to get where they are.

I suspect that many Nebraskans remain willing at heart to do without the fancies. Those who have moved to the cities remember well the farm, the ranch, the little town where they sprang. They remember the old white house with its elm-shaded yard, and the neat white picket fence setting it off. The Nebraska that Willa Cather immortalized in her novels lives on as surely as the house I have just described, which happens to be Miss Cather's late-19th-century girlhood home in the south-central town of Red Cloud.

There, and in Brownville, on the Missouri River in the southeast, I found the quintessence of my home state. In Red Cloud, in the turreted old building that memorializes Willa Cather, I quickened to her words. They rang true to all I had seen: ". . . furrows a mile long . . . brown earth . . . strong clean smell . . . soft deep sky of happiness. . . ."

And what of Brownville? Some residents call it the "Cradle of Nebraska." There I ended my journey. The town rests beside the broad Big Muddy, living with its memories of steamboats and covered wagons and freighters rolling west, and fewer than 200 reside where 2,000 once went about their business. Steamboating and freighting were doomed by the arrival of railroads in Nebraska.

For all that, there was no need to mourn the glory that was Brownville. Enough people care, I discovered, to have restored many of its fine old buildings, and visitors flock to them. Artists and artisans have made their way here, and summer folk-life festivals and old-time fiddlers' contests set the town humming. At the Brownville Village Theatre, Nebraska Wesleyan University's players perform to packed houses.

I looked in on a rehearsal of Oscar Wilde's *The Importance of Being Earnest*. I walked into the old Lone Tree Saloon, where some say outlaw Jesse James once played poker, and found a jaunty miller stone-grinding corn, wheat, and other grains. And two and a half miles downstream on the riverbank, I stared at a bulky nuclear power plant that cost nearly a third of a billion dollars. It would soon go into operation .

That's Nebraska for you. Nebraskans will handle whatever comes, and make the good life out of it.

WASHINGTON POST URGES TAX CUT TO HEAD OFF RECESSION

Mr. MONDALE. Mr. President, the February 2 Washington Post carried an excellent editorial on the administration's economic policy.

Although it is difficult to tell which administration pronouncements on the likelihood of a recession are the operative ones, most economists agree that we face a serious threat of recession this year.

Because of this, the Post editorial says:

> The case for cutting taxes gets steadily stronger . . . Congress has good reason to consider a tax cut without waiting for the administration to make up its mind.

Inflation is increasing effective tax rates by pushing taxpayers into higher brackets, social security taxes are increasing, and soaring prices for food and fuel are eating into real family incomes.

A tax cut would help make up for this erosion of family incomes and give the economy a badly needed boost.

That is why I believe it is important for Congress to act quickly on legislation I introduced last week (S. 2906) that would allow taxpayers to take a $200 credit for themselves and each of their dependents instead of the existing $750 exemption. See January 28 CONGRESSIONL RECORD, page 885.

This new optional credit would reduce taxes for the average family by nearly $200, and give a $6.5 billion stimulus to the economy.

In addition, it would be a significant step toward greater tax equity. Unlike the $750 exemption—which is worth as much as $525 in reduced taxes to the most well-to-do, but only $105 to those in the lowest brackets—the new optional credit would be worth the same in tax savings—$200—to each family that chose to use it.

I ask unanimous consent that the full text of the Washington Post editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PRESIDENT AND THE ECONOMY

"There will be no recession in the United States of America," President Nixon declared firmly in his State of the Union message last Wednesday evening. That turns out to be the most optimistic of the several forecasts that Mr. Nixon and his administration have offered in the past few days. In the printed version of the same address, the air of confidence is a bit more qualified There he went on to say that, in the early part of this year, "output will rise little if at all, unemployment will rise somewhat and inflation will be high" That line did not appear in the speech as he read it on television.

Two days later, his Council of Economic Advisers in its annual report discussed the possibility that for a time output might actually fall. Inflation for the year will be in the same range as last year, the report adds, and unemployment will average a little above 5½ per cent," in the recession year of 1971, it was 5.9 percent. Whether we are in for a recession depends, it appears, on how you choose to define a recession. The President's economists, caught between the State of the Union message and their own figures, were last seen backing into a mist of explanations that recessions are really very difficult to define, these things are not so simple as you laymen think, and so forth. But, as if to punctuate the most somber of their warnings, the Labor Department announced that the unemployment rate jolted upward from 4.8 per cent in December to 5.2 per cent last month.

Two of the country's largest industries are already in a state of recession. Housing starts and automobile production are both running about 40 per cent below the level of a year ago. The housing industry's troubles have been aggravated by the very high interest rates invoked to restrain inflation, illustrating the familiar dilemma. The automobile manufacturers are caught, of course, in the public reaction to gasoline shortages.

The administration is proceeding on the theory that the present inflaton is confined mainly in food and oil. Once this wave has passed, that theory goes, prices will be relatively stable. The White House assumes that we shall have a bad spring but, in the second half of the year, things will settle down, prices will stay on a fairly flat plateau, and growth will pick up briskly again. This forecast includes a number of highly risky assumptions. It is questionable whether the economy can absorb these very large price jumps, particularly in a basic commodity like oil, as quickly and easily as the administration appears to be hoping. If the administration is right, it will sit tight for a bad half-year and wait for better things next summer. But if it is wrong in any respect its economic policies could get out of hand very quickly. The Economic Adviser's report speaks to this point, saying that it is "extremely important" to be ready with fiscal measures if the statistics begin to move off the predicted track. But it is dangerous to let more time pass without reaching for remedies.

The case for cutting taxes gets steadily stronger. The effective federal tax rates are now substantially higher than they were two years ago. Inflation raises taxes because, even when a family's income rises as fast as the cost of liivng, that family gets pushed into higher tax brackets. In addition, there have been very large increases in the Social Security taxes.

Still another heavy brake is now about to be applied to the national economy. The huge increase in payments for oil imports will have generally the same effect as a substantial tax increase. The Economic Report does not deal with this point, but it is likely to have a severe influence on our prosperity over the months to come. This new force might be termed the oil drag on economic growth, with the present slowdown reinforced over the spring by a drain of increasing amounts of money to pay for reduced amounts of foreign oil. Particularly in view of this new brake, Congress has good reason to consider a tax cut without waiting for the administration to make up its mind. Any recession is damaging. But a recession in a time of high inflation is doubly damaging because the rising prices erode the value of unemployment benefits, savings, and all the other protections that carry us through the bad times.

Americans still live well, but not quite so well as a year ago. Mr. Nixon, in his address, claimed: "People are earning more. What they earn buys more. More than ever before in history." Few Americans will recognize their present circumstances in that description. Real spendable earnings—which mean the average worker's paycheck, adjusted for inflation and federal taxes—are actually lower now than they were a year ago. They are likely to go lower still, under the wave of inflation that the Council of Economic Advisers foresees for the next half-year. To assume that the wave will pass swiftly and smoothly is a highly perilous strategy. Unfortunately neither the President nor his economists give much indication of their next move if the economy, in the words of the Economic Report, begins to go off the track.

WARNINGS BY GENERAL ABRAMS AGAINST PLACING TOO MUCH HOPE IN DÉTENTE

Mr. THURMOND. Mr. President, Army Chief of Staff Creighton W. Abrams recently addressed a Veterans Day luncheon in Birmingham, Ala.

On this occasion he warned that it would be a grave mistake to allow the current environment of "détente" to turn us away from providing the necessary resources to meet our national defense requirements.

General Abrams noted that by having a strong Defense Establishment President Nixon was able to negotiate a period of détente. However, he warned that by the same token if peace is to be preserved it can best be assured by maintaining such a defense posture.

Mr. President, I endorse this warning to the American people and ask unanimous consent that General Abrams' speech, which was published in the February 6, 1974, issue of Long Island Newsday, be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Détente Must Not Cancel Defense

(By Creighton W. Abrams)

The environment today is a difficult one for the country's security. The word "detente" has gained some currency.

"Detente" is expressed by some as a fact.

It is applauded by others as a policy.

It is saluted by still others as a new era.

And it provides the basis—at least the semantic basis—for some who would reduce military capabilities to what I believe would be a dangerous level, some who desire that we withdraw out of hand large numbers of troops deployed in Europe against very real and very capable opposing forces, and some whose philosophies discourage young men and women from serving their country in its armed forces.

I think it's fair to say that we may be enjoying the beginnings of detente—but we do not have world peace. For some people, the fact that we, ourselves, are not at war may be peace enough. But unless we can lessen the threat of war everywhere in the world, we cannot have a stable, durable peace on which we can depend.

Detente is an idea, a perception of intentions among countries. As such, it is not an objective fact. It can change as quickly as perceptions change. But we must deal in facts—in the reality of power, of capability, of strength—when we are addressing the nation's security. We should not cast off the dream of peace—God help us if we lose that vision. We should not ignore the hope that possible detente offers, and all the benefits it could bring to mankind. But neither should we lose sight of the real threats and the real dangers where they exist, and of our need to be prepared for them.

We do not have world peace. We do not have peace in any Utopian sense. Nor do we have peace in the down-to-earth sense of a greatly lessened need for our military forces. Yet, today, less than a year after the last U.S. ground combat forces were brought home from Southeast Asia, our Army is less than half the size it was at the peak of our effort there. We are many divisions smaller, and we have fewer weapons. These are the facts and realities of our capability.

It is also interesting to observe that we are the only major power to have reduced our forces in Europe in the past decade. The Warsaw Pact nations, and the Soviet Union itself, have not reduced their forces. The fact is, in past years, the Warsaw Pact forces have grown steadily and at a rather impressive rate. Again, possible detente—but not assured peace. And again, the delicate balance between hope—human hope—and reality.

In my period of service, which includes the span of three wars, I can tell you that I don't need or want any more war—but then I could have made the same statement a month after I arrived in Europe in 1944. Nobody in his right mind welcomes war, especially those who have seen it. The carnage, the destruction, the pain are beyond telling. But the less prepared we are, the more wishful our thinking, the greater the costs of war when it comes.

I came into the Army in 1936. Where I was, we were a horseback and rifle Army in a country that was still largely convinced that we couldn't have another World War. The idea that we had ended the possibility of war at Versailles blinded many of us to reality. We had heard that there was a German army, but we ignored the facts in our desire for peace—until we were forced into action. And you know what happened. We did not prepare. When we could no longer avoid it, we got thrown into a huge war in Europe—unready, ill-trained in many respects, saved only by distance and the time bought by our Allies' efforts. In the Pacific, we have Pearl Harbor and Bataan to remember for our complacent outlook. The cost was dreadful. In Europe, in Africa, in the Pacific we paid and paid and paid again—in lives and in blood—for our unpreparedness; we paid for our insistence that because our shores were not under direct attack, we were at peace.

When the war ended, we erased history again.

When the Korean war broke out, our situation was not much different than it had been in the opening days of World War II. We were not prepared. We were not adequately trained. We were not adequately equipped. But we entered the war rapidly, throwing half-ready units in to buy time for the Army to get ready. And again, during those early days in Korea, we paid dearly for our unpreparedness with our most precious asset: the lives of men.

The monuments we raised to the heroism and sacrifice in each of these wars are really surrogates for the monuments we owe ourselves; monuments for our blindness to reality, for our indifference to real threats to our security, for our determination to deal in intentions and perceptions, and for our wishful thinking about how war could not come.

In this period of possible détente—not real peace, but possible détente—we are opposed by formidable strength. We face, at various places around the world, strong and capable adversaries, becoming stronger all the time. These are facts. As our relations throughout the world improve, we should consider that we have more and more to gain by preventing another war, and there is only one way I know of to do that. The only way that really ever has worked is for us to maintain our own strength, our capability and our own resolve to defend our security, or freedom, and those of our Allies.

And so for the Army today, this means we must be ready, prepared to stand for our country. Insuring that the Army is prepared is my most fundamental duty, and it is the Army's mission today, as always.

For the Army to be prepared, we must look beyond the countable, measurable indicators of preparedness. We must look to a spirit of preparedness. A "ready" spirit is a precious commodity for our Army: It gives credibility to our strength. And by our credible strength we assure our friends and deter our enemies in the interests of peace.

We hold and nurture and support this precious spirit everywhere in the Army—and we anxiously look for it elsewhere in the country. For this spirit of readiness cannot be substained by the Army alone. It must have its roots in the rest of the country, or it cannot survive. There must be clear evidence throughout the country that we, as a nation, are prepared, that we have the spirit and will to do what is necessary to defend the country, and to insure its well-being. We must hear the people express their determination—to support the efforts of their Army—to meet the needs of the country—and to avoid the terrible costs of being prepared too late or not at all. The spirit of preparedness must resound so that any potential enemy can discern it, and can see that he cannot set out on a cheap adventure at our expense.

Our country can avoid war only by showing clearly that, while we are anxious to avoid war, we are willing and able to fight, if necessary; that within this nation abides the will to fight for its security and its interests. We must be able to demonstrate that we are prepared to defend ourselves and what we stand for, that we will fully honor our commitments, and that we will stand up to any foe.

We cannot do this from the reclining position. We cannot say, "If you start something with us, we will spring to arms," for there will be too little time to begin to get ready. We must be far more committed, far more dedicated, far more prepared than that.

Each time we have faced major war unprepared, we have barely gotten ready in time, and the costs have been atrocious and a disgrace to this nation. The Army is doing everything in its power to see to it that we do not have to pay that exorbitant price in lives and treasure again. With the support of the people of this nation, we should not have to pay that price again.

I have faith in this country, and in its people. And of course, I have faith in our Army. We have met challenge upon challenge, at home and overseas, in ways that only a nation of great spirit could have met them. If we set ourselves to the task of preparing for war if it comes, of being ready to meet the challenge of war before it is upon us, we shall be achieving the real peace that men everywhere can understand, and that nations everywhere can respect. Other men have given greatly of themselves for this peace. We cannot let them down.

A SALUTE TO THE PROUD PEOPLE OF LITHUANIA

Mr. STEVENSON. Mr. President, I am happy to join my colleagues in the Senate as we salute the proud people of Lithuania, who this month are observing the 56th anniversary of their declaration of independence.

Though the Soviet Union continues to control their nation, the people of Lithuania know that they and the people of neighboring Baltic States will one day enjoy freedom.

The Lithuanian people have earned the admiration of free people everywhere for the forbearance and dignity with which they have endured long years of oppression, and for their undiminished spirit. Sustained by their great spirit, Lithuanians have resisted outside pressures with dignity and, to this day, remain faithful to their language, tradition, and religion.

It is most fitting that during our celebration of Lithuania's 56th anniversary of their independence, the Senate has before it Senate Concurrent Resolution 66. This resolution, of which I am a cosponsor, asks the President to direct the Secretary of State to request of the Soviet Union the release of Simas Kudirka, the Lithuanian seaman who jumped from his ship to seek freedom, but who was later surrendered to Soviet authorities.

Mr. President, I am proud to join with the Lithuanian community in the United States in expressing renewed support for the aspirations of all who yearn for freedom and basic human rights.

THE B-1 BOMBER PROGRAM

Mr. TUNNEY. Mr. President, I ask unanimous consent to print in the RECORD an article which recently appeared in the Air Force magazine. I would call particular attention to the section on the B-1 bomber.

I will support the B-1 bomber program again this year, because I believe it is essential to a well-rounded national defense program. The B-1, with its capability of flying high at supersonic speeds and "on the deck" at high subsonic speeds; its payload-range characteristics; its utilization of already tested, high-technology components, is the best product the military can buy to replace the aging B-52's.

As we prepare to consider the fiscal year 1975 budget for the Department of Defense, we should keep in mind the need for a strong national defense while we trim the fat from this massive funding request. Savings are desperately needed by the citizens of this country as they are buffeted by inflation, and brace themselves for a year of shortages of vital goods and services. But in our quest for savings, we must not threaten programs vital to our national security, such as the B-1 bomber program.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SECRETARY MCLUCAS LOOKS AT PRESSING AIR FORCE NEEDS

(By Edgar Ulsamer)

The United States "sees" almost instantly any intercontinental ballistic missile regardless of where and when it is launched and also knows where it is going. What's more, this worldwide monitoring capabilty has been tested over a number of years and has proved "very reliable and highly credible." This high degree of credibility, in turn, enables the National Command Authority to react rapidly and decisively on such warning information, according to Air Force Secretary John L. McLucas.

"The basic objective of our early warning satellites," which provide that information, Dr. McLucas told this reporter, "is to keep track of missile activities going on around the world; these satellites are deployed in such a way that they can see missile launches anywhere and at any time. The system reports in essentially real time any missile launches and gives an indication where the missile is going. This worldwide capability provides precise, unambiguous information about test launches or an actual attack."

Early warning satellites consist of so-called integrated satellites, meaning spacecraft using a number of different sensors that augment one another. These sensors detect and track missiles and also monitor nuclear explosions in the atmosphere and space. While it might be possible to attack these warning satellites, it would seem impossible, at least on the basis of presently available technologies, to do so with any real chance of surprise; the system would presumably detect interceptor missiles fired against it hours before the aggressor could reach the satellites' high orbital altitudes.

Almost ten years ago, Secretary McLucas told AIR FORCE Magazine, the Air Force started the development of a nuclear-armed antisatellite system at the request of former Defense Secretary Robert S. McNamara. Known as Program 437, this system was premised on Secretary McNamara's belief that the United States "needed assurance that if the Soviets or anybody else started playing around with our satellites, we should have the ability to do likewise. Of course, the subsequent prohibition against the use of nuclear weapons in space caused us to change our positions on this matter."

U.S. AIR FORCE SPACE BUDGETS MORE THAN $1 BILLION ANNUALLY

The Air Force, Secretary McLucas revealed, spends more than $1 billion annually on military space programs. Control over most USAF space activities is exercised by its Satellite Control Center at Sunnyvale, Calif., an agency of AFSC's SAMSO. The Center operates ground stations scattered around the globe, which relay information to and from the individual satellites "so that we can, in effect, control a worldwide satellite network," according to Dr. McLucas. "We do have in the works a new approach, a satellite relay ssytem that would give us the same kind of controls, but, instead of ground stations, would use space stations or satellites." The advantage of the space-based control system the Secretary explained, is "that it gives us more communication channels to a given satellite," and, by eliminating the need for ground stations on foreign territory, the political and military vulnerabilities of the control system will be reduced significantly.

Now under development by Hughes Aircraft Co. is such a system, the Satellite Data System (SDS), part of the Air Force Communications System (AFSATCOM). SDS will eliminate some of the ground stations.

THE AIR FORCE IN SPACE

Although formerly the government's executive agency for all military space programs, the Air Force, under a 1971 Department of Defense directive, is no longer the sole service with space responsibilities. But while service responsibility for new programs is now considered on individual merit, the Air Force remains the principal designer, manager, and operator of space systems. "The only decision to date—as a result of the change of 1971—that involved a service other than Air Force is the [Navy's] Fleet Satellite Communications System (FLTSATCOM). But even in this instance, DoD agreed that the Air Force should act as the Navy's subcontractor to actually contract to build and manage the system and put it into orbit. The Navy is in charge, of course, in the sense of procedural operations, but we provide the routine management function such as station keeping."

Because the Air Force has the people, knowhow, and facilities, Secretary McLucas said, "it would not make sense for the Navy to duplicate all this at high cost." While any service that can convince the Department of Defense that it has a good case can be granted a given space mission, it is likely that the Air Force will continue "to perform the actual work," he suggested. This is likely to include space launches, since there are no plans to build new launch facilities.

Cooperation with the Navy in FLTSATCOM extends beyond routine management matters, Dr. McLucas pointed out. Although primarily designed to serve a large number of Navy ships and aircraft, the system will also carry Air Force transponders, which are part of the Air Force Satellite Communications System (AFSATCOM). The Navy satellites, Dr. McLucas revealed, are to become operational in about two or three years. Four satellites will form the system and be spaced around the equator at ninety-degree intervals to provide broad coverage.

Concurrent with the Navy's initial interest in FLTSATCOM as a means of providing reliable communications with the fleet, the Air Force was probing the design of AFSATCOM to assure "worldwide control of our strategic forces," Secretary McLucas explained, adding that "by joining up with the Navy, we will be able to use these four platforms in space for our own transponders and, thereby, be able to control our strategic forces in all areas of the globe except the polar regions. These gaps, which result from the equatorial placement of FLTSATCOM, will be closed by AFSATCOM, which is to incorporate components of the Satellite Data Relay System, some of whose spacecraft are in polar orbits.

"By combining the capabilities of the two systems, the Air Force will be able to communicate with its strategic forces, be they bombers, other aircraft equipped with satellite terminals, or an airborne command post, anywhere in the world." This combined system will have the additional virtue of intrinsic redundancy. If one satellite fails, others can take its place. In the case of FLTSAT COM, for instance, only three out of the four in orbit are actually needed.

The redundancy that assures reliable operations automatically makes the two systems fairly survivable, Dr. McLucas pointed out. "The two systems can be categorized as medium-survivable. We have not gone all out and tried to do everything we can think of because that would cost too much; besides, it is more important to develop the needed communications capabilities expeditiously rather than come up with a design that will last forever," he said.

Present trends point clearly toward multiple uses of spacecraft. "I think the kind of redundancy that is gained from using piggyback arrangements [putting different transponders and other components aboard individual satellites], and thereby making each satellite a space bus of sorts, makes good sense," Dr. McLucas said.

Secretary McLucas expressed strong support for efforts to assure the survivability of spacebased military ssytems. "If we are going to rely on space communications, then we must insist that these systems be as reliable and survivable as possible. One side of that effort is redundancy; the other involves hardening of the satellites [against EMP—electromagnetic pulse—and other destructive radiation of nuclear explosions. Overpressure, the most lethal effect of nuclear weapons in the atmosphere, is not a factor in space]. It would seem certain that over a period of time more and more hardening will be incorporated into our space systems."

The Air Force, Dr. McLucas said, is working on SURVSATCOM, the Survivable Satellite Communications Development Project—a highly survivable communications satellite that can perform vital general-war command and control functions. The project involves two satellites, LES 8 and 9, which are being developed by Lincoln Laboratory and are scheduled for launch in Fiscal Year 1975.

Military experts and the scientific community remain divided over whether the survivability of space systems is better attained through hardening or through redundancy, according to Dr. McLucas. Because hardening runs up both costs and weight, he said, "I personally tend toward redundancy, but it will take more time and research to answer this question." Dr. McLucas agreed with the majority of USAF leaders that an attack on the US military satellites is not likely, such an act, of itself, would signal, categorically, the attacker's intent and could trigger a U.S. response.

He nevertheless advocated "a fallback position through hardening and redundancy, especially in case of a relatively inaccurate attack. In the case of a head-on hit, of course, hardening would not help anyway."

Hardening or shielding involves a variety of techniques to contain the energies of EMP in the outer shell of a spacecraft, design of the electronics to minimize damage from what EMP reaches them, and shutdown of on-board circuitry during the split second of EMP effectiveness.

Finally, the survivability is also being enhanced through the development of advanced optical space communications systems, including lasers and other techniques that are impervious to the communications blackout that accompanies the explosion of large nuclear weapons in space.

POSITION-FIXING AND NAVIGATION SATELLITES

It is axiomatic that the efficacy of military operations depends on the accuracy with which the forces involved know where they are, where they are going, and at what rate of speed. The more mobile these forces and the greater the accuracy and range of their weapons, the more urgent becomes the need for precise position-fixing and navigation. This has been recognized by a multiservice program that probes navigation-satellite systems and associated technologies. It will culminate—between the years 1977 and 1979—in a major navigation-satellite experiment to test and demonstrate satellite-navigation technology and its potential. In mid-1974, the Air Force will launch an experimental satellite to explore the complex phenomena of signal propagation and modulation in space, in concert with a special simulation facility that was placed into operation at the White Sands missile range last year.

The potential inherent in navigation and position-fixing satellites, Dr. McLucas pointed out, "is virtually unlimited and largely untapped. We have had some important lessons from the Navy's Transit Navigation Satellite system, of course, and we have run some hardware experiments that show what could be done with a multiple satellite system in terms of distance measuring techniques—TOA [Time of Arrival] and Time Difference of Arrival.

"What's involved here is precise measurement of how long it takes signals from different satellites, whose locations are known with high precision, to reach a point whose position is to be fixed, thereby establishing its location. We have demonstrated the feasibility of these techniques with aircraft for some time now and know that it can be done with extremely high accuracy. It seems entirely reasonable to predict that it should be possible to fix the location of any point on the globe or in the air with a three-dimensional accuracy of at least 100 feet. This, by itself, offers a revolutionary potential for blind weapon delivery, standoff systems, and—to a degree—the elimination of weather and visibility as major factors in military operations."

While the feasibility of systems with these kinds of capabilities has been demonstrated convincingly, the "major remaining question is what constitutes the optimum hardware configuration," Secretary McLucas said. This boils down largely to a decision on where to put the computer, into the spacecraft or the user systems, such as aircraft.

"You could either keep the satellites very simple and have big, complicated computers in each aircraft or other users, or you could build a very sophisticated system into the satellites and put only a small electronics package into the aircraft. We in the Air Force tend in the latter direction—that is, put the complexity into the satellites. We have had a somewhat competitive atmosphere with the Navy in this regard, with the Navy advocating one approach and the Air Force supporting another. But recently, all of us agreed on a compromise that resolved this problem, and we now have an approach that all services think is feasible. One could say that we have adopted a policy of compromise where we acknowledge that the Navy's disposition of satellites makes sense, provided they radiate Air Force-like signals. The present proposal is to place enough of this type of satellite into space to find out how the system can work best; subsequently, the idea would be to put up enough of them so that we can get worldwide coverage." This is likely to take between eight and ten years, according to Dr. McLucas.

THE AIR FORCE AND THE SPACE SHUTTLE

The Air Force is aware of the potential of manned military space missions, but knows that it costs a great deal more to operate a manned system than an unmanned one. The cancellation of the MOL program is a case in point. The Air Force considers it fortunate that "we don't have to foreclose the option of future manner space missions because of the national Space Shuttle program," a two-stage reusable space transportation system scheduled to reach operational status by the end of this decade. The system will be capable of delivering military and civilian payloads of up to 65,000 pounds into low earth orbit.

The Shuttle is, however, limited to orbital altitudes of about 200 miles. Another vehicle, usually referred to as the Space Tug, is needed to deliver payloads from the Shuttle's orbit to geosynchronous or other high-energy orbits. Present Pentagon estimates indicate that about fifty percent of all military payloads will require the higher orbits in the foreseeable future.

Secretary McLucas told Air Force Magazine that NASA—the developer of the Space Shuttle—and the Air Force have agreed in principle that the latter should pay for and develop an interim Space Tug. The initial upper stage would be a minimum cost modification of an existing expendable stage that would meet most requirements during the period when payloads are transitioning from current launch vehicles to the Shuttle. The stage will deliver payloads to high orbits, but will not be capable of retrieving payloads. The stage itself may be reusable.

This tentative agreement "has not been fully staffed throughout government, and, as a result, I don't know how far we will get with it," he said. The main reason why the Air Force supports this arrangement is that "we want to get on with a program of this type. It doesn't make sense to have the Shuttle and not be able to go the rest of the way," according to Dr. McLucas.

From the Air Force's point of view, the principal appeal of the Shuttle is that this system will make it possible to fix, refurbish, retrieve, and reuse expensive space systems operating within the Shuttle's orbital range. Obviously, extending this capability into high-altitude orbits would be equally desirable. But the high R&D investment associated with a recoverable, reusable, and possibly man-rated "upper stage" militates against such a program at this time, the Air Force Secretary said. "On a long-term basis, it can be shown that it would make economic sense to recover space systems from synchronous orbit, but I seriously doubt that this will happen any time soon."

The argument in favor of recovery of space systems, so far as the Air Force is concerned, must be tempered with a number of realistic considerations. One is that the longevity of space systems usually exceeds the original specifications with the result that, by the time many of these systems fail, their components, or even their basic concept, may be obsolete. Recovery of such older systems that have outlived their usefulness would not be economical or even desirable, Dr. McLucas pointed out.

"Simply put, the longer the life of a payload, the less productive it is to recover. Obviously, the most profitable recovery involves systems that fail as you put them up and where, by replacing a $10 component that doesn't work, you salvage a multimillion-dollar spacecraft."

THE B–1 PROGRAM REVIEW

On July 12, 1973, Secretary McLucas reported to the Congress a slippage in the schedule of the B–1 program and, concomitantly, an increase in the R&D costs as well as a postponement of the program's key milestone—the production decision—to May 1976. Shortly thereafter, Dr. McLucas appointed, under the aegis of the Air Force's Scientific Advisory Board, a thirty-odd member review committee. Headed by Dr. Raymond L. Bisplinghoff, Deputy Director of the National Science Foundation, the Committee is currently completing its final report on the program, covering both management and technical qualities.

The Committee's basic findings, conveyed orally, contained, according to Dr. McLucas, "some good news and some bad news." In the first category, he said, was the fact that the Committee's intensive, one-month study confirmed that the B–1 "looks like a good design, in the sense of being able to execute the mission assigned to the aircraft, and that it is within the state of the art." At the same time, Dr. Bisplinghoff and his panel of experts found the program "too success-oriented," meaning that, in the Committee's view, the B–1 effort is funded and phased in an "optimistic way." It is Dr. Bisplinghoff's opinion that it would take "a great deal of luck" for things to go the way we planned. "Given the perverse nature of inanimate objects, [Dr. Bisplinghoff] felt," Secretary McLucas said, "we are bound to run into some problems."

A third feature of the B–1 program that is being questioned by Dr. Bisplinghoff's committee is "the fact that it is not easy to see how we get from the first three test aircraft to the production aircraft. In the committee's opinion, there should be an intermediate step, a preproduction stage, in order to accommodate the changes that the flight-test program demonstrates ought to be made. This would enable us to test out these changes on the preproduction aircraft, *before* we commit ourselves to full production," Secretary McLucas said.

The Air Force views the findings and recommendations of the Committee as "quite realistic, especially so far as the recommendation for a preproduction stage is concerned," according to Secretary McLucas. The variance between the actual structure of the program and what's being sought now is anchored in differences in objectives. "Our original approach was geared to give us, at minimum cost, the answer to one question: 'Do we, in fact, have a B–1 design that we can go into production with?' This meant that we had to flight-test an aircraft that wasn't just a bare airframe, but included the kind of equipment, such as avionics, radar, and so on, that showed we could actually execute the assigned mission. If our objective had been to go into production quickly, we would not have taken the course we did.

"Our initial reaction to the Committee's recommendation is positive, because more than three years have gone by since we formulated the program, the B–52s have gotten older, people are getting more concerned about the obsolescence of these aircraft, and the likelihood of a decision in favor of a production go-ahead on the B–1 has increased. Three years ago, the time was not yet right for such a program structure, but now we have a coalescence of opinions regarding full program go-ahead, and, therefore, Dr. Bisplinghoff's recommendation for a preproduction stage makes more sense. As a result, we are not pricing out such a change, and the B–1 Program Office is analyzing the specific recommendations to establish what should be adopted," Dr. McLucas told Air Force Magazine. A decision should have been reached by the end of 1973, he added.

U.S. AIR FORCE R. & D. SHRINKS WHILE SOVIET EFFORTS INCREASE

U.S. Air Force's R. & D. budget has dropped expressed in FY '74 dollars, from $4.4 billion in 1968 to $3.2 billion in the current fiscal year. "I am not sure that we can continue to function with a R. & D. budget of this type. Much depends, of course, on the outcome of SALT [whose phase II is to be concluded by the end of 1974]. If we don't reach any agreements with the Soviets about their pulling back from further development and deployment of strategic systems, then we will have to modernize and improve our defense and offensive missile systems, as well as update other weapons. In such an eventuality, we would have to show greater progress and increase our R. & D. effort because we can't afford to be left behind. At present, the technical quality of our systems is still quite good, but if the Soviets continue with their high-level efforts [manifested by recent missile and MIRV tests], we might have to step up our own efforts," Dr. McLucas explained.

The Air Force Secretary was sanguine about the present level of military R&D providing "reasonable assurance against major technological surprise five or ten years from now." He emphasized the need for a "balanced approach to our R&D effort, unless there is good reason to panic, and I don't see that. I do see a definite need to maintain a very aggressive effort in the ICBM field, and we must somehow cope with the ECM challenge." While the Soviet weapons introduced during the recent Middle East war proved very effective, he said, they contained no technological surprise, and, after an initial period of adjustment, the US-supplied systems "proved quite effective."

In the tactical weapons field, the Air Force has made great strides in terms of smart weapons, "but they have to be deployed on a much larger scale than is the case at present. We don't have Europe stocked with these weapons to anywhere near the degree that we achieved in Southeast Asia. This must be remedied. Also, we have not applied these new technologies to nearly the extent that we could and should. Finally, we must recognize that any system embodying sophisticated components is susceptible to countermeasures. We have to assume that there will be countermeasures, and we will have to concentrate our efforts on defeating them," according to Dr. McLucas.

In the related area of RPVs (Remotely Piloted Vehicles), Dr. McLucas cautioned that, in spite of the enormous potential of this technology, it might take years before the rank and file of the Air Force will fully accept the robot airplane. "We started out with RPVs flying photographic missions, and this, in time, has become a widely accepted mission. There are many other applications of equal promise, including high-altitude radio relay and a strike role. There are many missions where we can use RPVs to form something like a LORAN grid to guide missiles and other weapons to a target. We have already demonstrated that RPVs can be used to launch Maverick missiles against moving tanks; we have shown that they can be used for both high- and low-altitude photo reconnaissance; and we have proved their capability in the radio-relay area. The real issue is to get people to accept the RPVs. It is only natural for the Air Force to be biased toward the manned system, but it is also clear that there are missions that can be performed better with RPVs. I have no doubt that gradual acceptance of this fact will set in."

NEEDED: A NEW APPROACH TO AERONAUTICAL TEST FACILITIES

A currently pressing Air Force concern is the inadequacy of certain of our national aeronautical test facilities, to meet modern needs. For example, the Arnold Engineering Development Center has some equipment dating back to World War II. This is costing the Air Force and others a good deal of money, because it requires more flight testing than would be otherwise necessary. Dr. McLucas disclosed that the Air Force and the Department of Defense are currently "working with NASA in order to come up with precise requirements for high Reynolds numbers [high-performance] wind tunnels as well as V/STOL wind tunnels and other facilities," to assess the performance of new aircraft and engine designs.

"We have more or less agreed on what's needed and what these new test facilities should be. It now becomes a question of putting enough emphasis on this matter. I believe that we can get the support we need on Capitol Hill once we can come up with a fully coordinated program."

The Air Force, traditionally, has advocated a government-wide, centralized approach to aeronautical test facilities in the belief that this would cut costs and permit more effective utilization and ease the funding of what, in effect, becomes a general national resource.

THE CHALLENGE OF THE ALL-VOLUNTEER FORCE

Secretary McLucas concluded his Air Force Magazine interview by stressing that the Air Force leadership's principal and overriding concern, "far more important than the R&D issue, is people. Because of our people-oriented program we are getting all the people we need, and the quality [of the newcomers] is rising. By continued emphasis in this area, I feel confident that the Air Force will be able to make the all-volunteer force work and assure high-quality manning in the years ahead, at least so far as the active-duty force is concerned.

"So far as the Air Force Reserve is concerned, we will have to do a better recruiting job than has been the case so far. We have had a shortfall of about ten percent [since the all-volunteer force policy went into effect]. Possibly, we might not have paid all the attention to this problem we should have because we were so elated about achieving 100 percent on the regular force.

"Our personnel people are giving full attention to the problem, especially so far as improvements of the recruiting effort and different incentive approaches are concerned. We are confident that we will be able to improve the situation."

LITHUANIAN INDEPENDENCE DAY PASSED ALMOST UNNOTICED, BUT IT DESERVES TO BE REMEMBERED

Mr. HELMS. Mr. President, last week, while the Senate was in recess, freedom-loving people all over the world remembered a little-publicized but highly significant date: February 16, 1918, the independence day of Lithuania.

This year, more than ever, thanks to Aleksandr Solzhenitsyn, we are becoming increasingly aware of the continuing abuses of human rights behind the Iron Curtain. We, who enjoy the highest standard of living in the world and freedoms beyond compare, are naive enough to be incredulous when confronted with the cold facts of communism in practice.

In one country at least, you may be sure that people are no longer shocked. Lithuania has had a long and troubled history—a millenium of conflict with her leviathan neighbors: Germany, Poland, and Russia—with far too few years of independence and peace. Fate has been cruel indeed to this tiny Baltic nation, tantalizing her with just two decades of independence in this century. And yet, somewhere in her rich and varied culture, the seeds of freedom have been nursed by and for a people who possess courage indifferent to adversity and domination.

I remember, as I am sure my colleagues do, the Lithuanian seaman, Simas Kidirka, who 3 years ago attempted to jump from his ship to freedom, throwing himself at the mercy of the free world. This one man, empowered by a combination of courage, confidence, and desperation risked everything in the hope of attaining only one thing—freedom. For a few days, we wondered what the fate of this average workingman from some small country in Eastern Europe would be—would his bold plea for freedom be heard by the United States? The official response—or lack of it—is now history. But our own personal reactions as Americans are more difficult to measure and explain. Were we so complacent and so callous that we could ignore a fellow human being's simple yet desperate request?

Simas Kidirka gambled and lost. He is not the first victim of the superpowers East and West in their narrow pursuit of a "lessening of tensions"—and you may be sure he will not be the last. Our acquiescence to the Soviet dictum in this case is consistent with the ongoing policy of détente which is the primary guiding force behind U.S. foreign policy. And as we cozy up to the Russians, they are enforcing a program of ethnic eradication in Lithuania, complete with a total russification of their native culture and systematic deportation and dispersion of Lithuanian nationals. Were it possible, the same Soviets with whom we wish to expand trade and cultural exchanges, would extirpate every remnant of this ancient and proud land's heritage.

We cannot justify or give our tacit approval of this perverse and illegal relationship between two sovereign states. We must demand respect for nationhood, whether it be in Southeast Asia or on the coast of the Baltic Sea. The Soviets mouth the words "self-determination"—but even the most superficial overview reveals that these are words only—with no substance or impact on the Russian political stratagem.

We have only to look at the history of Lithuania since 1939 for proof positive of the aggressively bibulous nature of Russia's foreign policy. They laid the groundwork for the absorption of Lithuania in August of 1939 when they agreed with the Germans that the three Baltic Republics be assigned to the Soviet sphere of influence. Later in the same year, through political coercion and threats of military force, the Russians squeezed agreements from Lithuania and her sister states permitting the establishment of Soviet military bases on Baltic territory. In less than a year, all three republics were illegally and forcibly incorporated into the Soviet Union, an arrangement which has never been recognized by the major democracies of the world. This forcible incorporation of Lithuania into the U.S.S.R. is an assault on the legal and moral principles of the international treaties of this century.

In short, here we stand 56 years later, suffering through a budding awareness of what the other superpower really is like—how it deals with the "anti-Soviet elements," how it attempts to obliterate the cultural differences of those peoples it has locked into its geopolitical structure—and how these indefatigable and proud individuals continue to work and live for the day they once again enjoy liberty. We must not be deaf to their communication. In fact, we must be acutely sensitive. They are a constant reminder of the horrors of life without liberty. And if only we listen, we may find the antidote for the lulling potion of complacency with which we have dulled our mentality.

WORLD FOOD CONFERENCE PLANNING OFF TO A GOOD START

Mr. HUMPHREY. Mr. President, I have been closely following the important first preparatory meeting for the World Food Conference. I am pleased that the U.S. delegation, under the able direction of Ambassador Edwin Martin, has taken a strong leadership role in the New York meetings this past week.

It is crucial that the United States, as initiator of the World Food Conference, to be held in Rome this coming November, take the lead in establishng the direction for this Conference. These initiatives for cooperative action among nations to help solve world food problems, could not be more timely. Chaotic commodity markets, unchecked escalation of food prices, severe shortages of desperately needed food in many countries, and the growing insufficiency of essential inputs—such as fuel and fertilizer—for expanded food production is warning enough that our world food system is under great strain.

While our attention may be turned, for the moment, to the oil shortage, the problem would fade greatly in attention, if the world were to be faced with a serious shortfall of food. The allocation of scarce fuel supplies is difficult to do fairly and brings with it serious hardships. But what government wants to be forced into a position of having to determine which of its citizens must starve?

This administration and other governments around the world may at last be coming to realize that the time to act is now, before the crisis is upon us. Only by preventive action now will we avert the addition of a "worldwide food crisis" to the long list of economic crises resulting from inadequate planning.

I applaud Secretary of State Kissinger for his foresight in calling for a World Food Conference. It is time that food and food policy be recognized as basic elements in our relations with other nations. I believe it is significant that a man of such stature as Ambassador Martin has been appointed to lead our participation in this effort.

These are issues for which I feel deep personal concern. For most of my public career I have been involved with food and agricultural policymaking. As chairman of the Senate Foreign Agricultural Policy Subcommittee, I have struggled with the issue of food security both for our own citizens and for those people in other countries dependent on food imports. The conference in Rome next autumn could be the world's most important food policy initiative, and I feel that there are certain steps which must be taken to insure the successful outcome that must be achieved.

First, the emphasis of any World Food Conference must be on action. We have spent too many hours gathering and analyzing statistics. We could assess the situation "ad infinitum" but this alone will not assure anyone of enough to eat. Rather, we must come to the World Food Conference prepared to work out specific proposals for constructive action.

Each country must come ready to lay on the table exactly what it is and is not prepared to do. Before November each government should realistically assess what it can do to improve the quality and quantity of food available throughout the world. This should include a careful consideration of the effect of domestic policies on world agricultural production. It should also include, at a minimum, a review of each country's ability and willingness to participate in multilateral food and development assistance, and in the proposed system of coordinated food reserves. Only when this "homework" is done can we get down to the business of specific action.

Finally, the Preparatory Committee for the World Food Conference must establish a realistic agenda with a clear emphasis on cooperative action. Specifically, such an agenda should lead to:

Medium and long-term objectives and priorities for agricultural adjustments to encourage food production in the less-developed world;

An agreement on international food stockpiling;

Improvement of emergency food relief and food aid capabilities;

A strategic world food planning system, to spot inefficiencies and bottlenecks before they cause major food shortfalls; and

Commitments by all nations to adjust domestic agricultural policies which act as a disincentive to increasing food production and which force adjustments on other countries.

The preparatory meeting for the World Food Conference has given promise of a productive effort in Rome this fall. However, I urge the administration to make every effort to follow through on this good beginning. We in the Congress will be closely watching the preparations for the Conference as they unfold. Food policy is finally beginning to be recognized as one of the world's most important public policy questions. Future generations will not judge us kindly, if we fail in this opportunity to plan for the future food security for the world.

EXPORT CONTROLS ON WHEAT?

Mr. PACKWOOD. Mr. President, much is being said and written today about the wheat supply shortages that may face this Nation come spring. I am convinced that an awful lot of what is being charged by certain groups is little short of scare talk to panic the consumer.

There is no question but what we will face an extremely tight situation in our wheat stocks toward the end of spring. Steps are being taken, however, to insure that this Nation does not run out of wheat; to insure that there is an adequate supply of bread on the grocery store shelves for the American consumer.

Nevertheless, certain interest groups are continuing to pressure the Congress and the administration to institute an embargo on further export shipments of wheat. Paramount among the groups pleading for export controls are the various bakers' organizations around the country. In light of this fact, it is particularly interesting to note in the following article from the Philadelphia Inquirer just who it is would benefit from controls on the export of wheat. As the analysis points out, in any case involving Government intervention in trade, some interests gain, others lose, and still others feel little effect at all. One of the interesting conclusions reached by the authors of the Inquirer article is that the American consumer would probably not be helped one bit by export controls on wheat.

Also, I would direct the attention of my colleagues to the analysis published recently by the First National City Bank. The article in their "Monthly Economic Letter" for February is an excellent description of the supply-demand situation we face as regards wheat.

I ask unanimous consent that the article from the Philadelphia Inquirer and the analysis from First National City Bank be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Philadelphia Inquirer,
Feb. 17, 1974]

And Now, a Bread Crisis—75 Cents a Loaf Is Likely

(By Mike Leary and Bill Collins)

The United States could export a great deal of wheat this crop year, as much as 1.38 billion bushels. That's a lot of bread.

On the other hand, it could export as little as 1.2 billion bushels. That, too, is a lot of bread, although not quite as much.

In either case, American housewives are almost certain to be paying 75 cents a loaf for bread sometime this spring.

But even worse, if exports in this crop year, which ends June 30, really do reach 1.38 billion bushels, there may not be any bread to buy for a while in the United States.

However, most officials doubt that the situation will become that desperate.

All this is happening, even though America is awash in amber waves of grain—the 1973–74 wheat crop of 1.7 billion bushels was a record, and the crop coming up is expected to be even bigger, about 2.1 billion bushels.

There were also 430 million bushels left over from 1972–73.

The most important figure to remember is 800 million. This is roughly how many bushels of wheat the United States consumes each year. If you add 1.38 billion bushels in exports to 800 million, the total is 2.18 billion—which is more bushels of wheat than were harvested last year, even when the wheat left over from the year before that is added in.

This means that if the United States uses as much wheat as usual, and also exports all the wheat the grain dealers have contracted to export, there will be a deficit. And this year's expected 2.1-billion-bushel crop won't provide any relief before July.

Even if the dealers do not ship off all the wheat contracted for, there is almost sure to be a few months when wheat will be a scarce commodity—scarce enough to bring even higher prices than it is bringing now, and current prices are about three and a half times more than wheat was bringing at this time in 1972.

In fact, experts almost unanimously agree the prices will be high enough to force the cost of bread up to 75 cents or more for a pound-and-a-half loaf.

Ironically, a lot of the wheat that may be available to ease the pinch will be the variety used in cake mixes. "May 15 may be 'Let Them Eat Cake Week,' " says Conrad Leslie, a Chicago grain broker and perhaps the most respected private agricultural analyst in the country. May 15 is when Leslie thinks the wheat crunch may come.

The original reason for this mess is a disastrous string of crop failures that blighted much of the world during 1972, but not the United States. This led to unprecedented foreign buying on the American market at a time when the dollar was devalued against other currencies.

"The 400 million-bushel Russian wheat deal of 1972 was only the most publicized of these sales. China also bought huge amounts, as did Japan, India and the European Common Market.

But the world grain market isn't the only factor in the mess.

There are problems in moving the grain from farm to mill, and moving the flour from the mill to the baker. There is the wheeling and dealing in the marketplace, where the farmer, the grain dealer, the miller and the bread maker are fighting it out for profits—and waiting each other out for the best price.

It all adds up to what will probably be the worst wheat year for the American consumer since 1947, when bread-hungry citizens mobbed bakery trucks in the city streets.

Just what the impact of a wheat shortage will be on the American economy in general is difficult to assess. But bread and related foods constitute the tenth largest U.S. industry, larger than such giants as drugs, rubber, machinery and appliances.

While radical government intervention—like the export embargo that bakers have been pressing for—could alleviate the situation by loosening up supplies and lowering prices, it is considered unlikely.

The bakers and the government have been waging war with each other of late. The U.S. Department of Agriculture (USDA) says there is no shortage of wheat and that bakers' cries of $1 bread represent "scare tactics."

"Crisis—every time somebody walks through that door, it's a new crisis," snaps Dr. Don Paarlberg, the USDA's top economist, in his Washington office.

Agriculture Secretary Earl Butz notes that American grain exports are paying for higher costs of imported oil, and point proudly to a $1.7 billion surplus in the U.S. balance of trade last year, almost exclusively the result of soaring agricultural exports.

All along the bread chain, however, the inevitability of higher bread prices and spot shortages of wheat and flour in some sections of the country—continuing at least into the early days of July—is a shared conviction.

From wheat farmers in Hutchinson, Kan., to the swank corporate boardrooms of giant grain companies in Minneapolis; from flour mills in Omaha to the frenetic grain futures trading floor of the Chicago Board of Trade, and at bakeries in Philadelphia, this is not much in dispute.

"If anybody says we're going to have enough wheat to last us until the new crop comes in, they're crazy," snorts Jake DiGiacomo, president of Philadelphia's Bond Baking Co.

On the other end of the wheat spectrum, Walter B. Saunders, a vice president of Cargill, the giant Minneapolis-based grain export company, says he expects some wheat to be left over.

But, he too, expects "spot shortages of wheat and flour in some areas," simply because of problems like a lack of railroad cars to shift wheat from the field to market.

The USDA has, in fact, already taken some steps to ease the pinch: It has asked some foreign buyers to defer taking deliveries, and it has dropped import quotas theoretically to allow foreign wheat to flow in.

So far, it appears these moves have had little impact on the tight domestic supply even though Russia has agreed to delay taking delivery on 30 million bushels of wheat until the new crop year begins on July 1.

"The USDA has already wrung everything they could out of the Russian deferral . . . they can't use it to adjust their figures anymore," says Leslie, the Chicago grain broker.

The only likely source for imported wheat is Canada. But, at the moment, nobody is making the trek to Winnipeg to dicker with the Canadian Wheat Board. The reason: American wheat, as expensive as it is, is still cheaper than Canadian wheat.

The USDA is keeping two sets of figures on wheat exports. One represents the amounts of wheat U.S. dealers have contracted to sell abroad. According to this set of figures, the nation will run about five million bushels short.

The other set represents what the USDA hopes will happen—that as much as 13 percent of the wheat contracted for export will not be wanted and will be dumped back on the domestic market. If that happens, there should be about 178 million bushels on hand to see the country through the two or three months that span the end of the current crop year and the start of the 1974–75 wheat crop's arrival on the maket.

What will happen is probably somewhere in between. It is a fairly safe bet that enough grain will stay in the country to avert an outright shortage. But it is equally safe to wager that it will be scarce enough for there to be spot shortages and fierce bidding in the market. The end result will be a continuing rise in the prices of grain, flour and bread products.

One reason to hope that the worst won't happen is that 155 million bushels contracted for export are listed by the USDA as having "unidentified destinations." This is because the government hasn't been told who is buying it.

Federal officials speculate privately that as much as 80 percent of this wheat has actually been sold to foreign subsidiaries of major American grain companies.

If American grain prices continue to rise, the USDA believes the tug of the free market will make it profitable for some of this grain to be sold at home.

The USDA also is betting that foreign buyers will renege on some of the remainder of the export wheat for which destinations are known.

A standard feature of international grain contracts is a 5 percent leeway that allows an exporter to deliver as much as 105 percent or as little as 95 percent of the contracted amount. The dealer usually books to export the 105 percent.

If domestic prices remain high, the exporter may send off only 95 percent of the contracted amount and put the rest back on the American market.

But this year's exports are not the only thing Federal officials are betting on. They are also wagering that the new wheat crop will be as bountiful as predicted.

Unless the USDA wins both ends of its wheat parlay, the country will probably wind up like any other losing gambler—short.

"Sure there's reason to be concerned," one USDA expert confided. "Remember, we're dealing with a two-billion-bushel crop. If we misjudge it by even one percentage point, we're off by 20 million bushels."

That coming crop is now a thin green carpet stretching across the vast flatlands of Kansas, Oklahoma, and Nebraska, and wide sections of the Dakotas and the state of Washington.

The bulk of it is hard, red winter wheat, used for bread. A smaller part is durum, which is milled into flour for spaghetti and other pasta products.

The USDA expects it to be what one Hutchinson, Kan., farmer calls "the king hell crop of all time." And it is hoping that some of this will be on hand as early as June.

These are big assumptions in a business where farmers make crankly independent marketing decisions, and where the product itself is fully dependent on the vagaries of weather.

Already there are threats of flooding along the Arkansas River, which cuts through prime wheat country. There is a danger of some wheat freezing because no insulating snow is covering the sprouting crop in Kansas. There are dry areas in Texas and Oklahoma that could "burn up" the wheat crop there, as it does two years out of three.

There could also be a shortage of nitrogen fertilizer, particularly anhydrous ammonia, which could severely cut crop yield.

And as Warren Conrad, who farms 1,000 acres of wheat near Hutchinson, says: "A hail storm could blow up anytime and destroy a lot of wheat."

"Wheat is a hardy weed—it dies 50 times before it's harvested," Morton I. Sosland, editor of the flour and bread industry bible, Milling and Baking News, says soothingly in Kansas City, Mo.

Even so, notes Dr. Reynold Dahl, a University of Minnesota agriculture economist, "never before have we been so dependent on the success of a single crop . . . If it fails badly, there could be chaos."

The size of the new crop remains a distant consideration to the millers and bakers, who are worried about possible shortages by May.

Even if the new crop exceeds all expectations, the bakers won't be able to get their hands on it in time to ease the pinch if last year's wheat starts running short.

It takes an average of six weeks for flour to move from the miller to the baker.

It also takes time to move the grain from the farm to the mill—and a shortage of an estimated 10,000 railroad cars adds to the problem. Many elevators stand full of grain because there are no cars to deliver it. Domestic grain dealers say this is because so many cars are being used to carry export wheat to the docks.

The granddaddy of all grain elevators—a half-mile wall of concrete that holds 18 million bushels in Hutchinson—is owned by Far-Mar-Co, a giant cooperative of 300,000 farmers in the breadbasket states of Kansas, Nebraska and Oklahoma. Last year, it handled 11 percent of the American wheat crop.

Far-Mar-Co's monstrous storage structure is still 40 percent full, mostly with wheat. There are no railroad cars to move it.

There are also a lot of farmers who together have been hanging on to millions of bushels of wheat—about 350 million, as of Jan. 1—waiting for higher prices.

In western Kansas and Nebraska, Far-Mar-Co marketing specialist Jan Moyer estimated that 10 to 15 percent of last year's crop is still in storage for one reason or another.

Just outside Hutchinson, Conrad tells a reporter in his handsomely renovated farm house that he's "waiting for the price to go up some more" before unloading 10,000 bushels he's held off the market.

Down the road, neighbor Bill Showalter is holding back 7,000 bushels in a metal storage bin. "A good investment," says Showalter. The price, now close to $6 a bushel, is expected by many farmers to keep rising.

With a sizeable chunk of the old crop tied up in the pipeline and the crop coming too late to be of much help, bakers see their only recourse is an export embargo. And they are reportedly readying a massive public relations campaign to influence public opinion in their favor.

A major target in such a campaign would be the USDA, which seriously underestimated foreign demand for American wheat last year, and kept millions of wheat acres fallow with subsidies.

Last year, the subsidies totaled $476 million. The subsidies were stopped this year.

Wheat acreage was up across the country—to 50 million acres, a 14 percent increase over the year before—but the total was still far under 1949's record of 84 million acres, an estimated 13 million acres remained fallow.

The sheer size of import demand in 1972—when the Russians first entered the market—should have been a tipoff to heavy future foreign demand, bakers feel.

If an export embargo were to be imposed now, it would mean some grain interests would lose money, although it is unlikely that any would lose their shirt. Some interests would also gain.

Bakers would be the big beneficiary. The price of wheat almost certainly would plunge if large amounts of wheat suddenly dumped back on the American market. That would mean cheaper ingredient costs and broader profit margins at a time when baking is becoming an increasingly risky business.

The interest in the middle—the millers—would neither gain nor lose a great deal. As the price of wheat has risen, they've refused to buy ahead unless they had a solid contract from a baker.

Grain companies would lose their profit margins on undelivered exports, and they would be forced to dump some wheat back on domestic markets at prices lower than they purchased it.

But most of them have already shipped two-thirds of their export orders, and that money is in the bank. And the loss they take on the domestic market would be absorbed somewhat by sales to subsidiaries in the baking or flour business. Cargill, for instance, has large interests in flour mills.

For the weakest links on the bread chain—the farmer and the consumer—there would be little cause for rejoicing.

The farmer probably would still get a price above last year's harvest level, but considerably less than he could expect if he sold his wheat today.

Rising production costs—for seed, fertilizer, machinery and fuel—would cut his income even more.

And the consumer, for his part, would probably still have to pay that 75 cents for a loaf of bread, simply because it would take some time for an embargo to take effect.

Dahl, the Minnesota professor, offers the solace that Americans "have had the lowest food costs in the world over the past 25 years—that situation couldn't last forever."

But he admits that the idea of higher bread costs—temporary as they might be—"probably won't go over very well."

[From the Monthly Economic Letter, February 1974]

Why Consumers May Get Hit in the Breadbasket

(Greater demand from abroad could pull the U.S. wheat surplus down almost to the zero level. The result, more likely than not, will be another shortage—and higher bread prices.)

The irony of a Russian official offering to sell wheat to the United States has brought fears of an impending wheat shortage forward to shore the front pages with the energy shortfall. In the process, America's image as the world's breadbasket has vanished along with its erstwhile surpluses of food grains. And the American consumer—with milling and baking interests talking $1-a-loaf in one ear and the government making soothing sounds in the other—is beginning to realize that the truth probably lies somewhere in between.

The evidence is starting to mount. At Kansas City, No. 1 hard winter ordinary protein wheat jumped to a record $5.93 per bushel on January 14 before receding to $5.55½ late last month. Even so, the latter price is still more than twice the year-ago level.

Similarly, the New York wholesale price of hard winter wheat flour recently spurted to a record $15 per hundredweight before softening to $14.35, a level 60% higher than the $8.95 of a year ago. Going further down the distribution line, in New York City retail prices of bread rose 4–5c for a one-pound loaf in recent weeks to 42–45c. And bread prices there might rise by an additional 2–4c a pound if, as is anticipated, flour prices rise further.

The prospect of wheat and flour shortages is the direct result of U.S. wheat exports which have been running at unprecedented levels. And domestic millers and bakers are greatly concerned about the availability of sufficient wheat and flour supplies before the new-crop harvest of the No. 1 bread grain begins.

The U.S. Department of Agriculture has several times in recent months urged mill interests to fend for themselves in maintaining adequate wheat inventories. Under old farm programs, the government always had a supply of unredeemed, surplus wheat, which it could inject into the market to stabilize prices. But since recent shortages abroad caused world prices to soar, that carryover has gone, and U.S. farmers are virtually growing for the market.

An exporter of wheat can complete a sale and then buy in the futures market for later delivery. A miller must have bookings of flour from makers in order to know what price he can afford. But with wheat prices record high, bakers have been extremely cautious in covering future flour requirements, in the hope that prices would become more favorable for them.

As one flour mill broker recently stated: "Without flour sales protection, no flour mill can afford the cost and risk of maintaining a large inventory." Meanwhile, the USDA contends that the bakers are holding up the inventory process and that it is the bakers who must commit themselves for flour for the balance of the crop year so millers will know how much wheat to book.

THE BATTLE JOINED

Although smoldering for several months, the difference of opinion between the millers and bakers and the USDA on the possibility of a wheat shortage hit the headlines on January 9. That day, Bill O. Mead, chairman of the American Bakers Association, declared that wheat supplies this spring could become scarce enough to boost the price of a family-size loaf of bread of 1½ pounds as high as $1. Alluding to the sharp rise in prices of wheat and flour, Mr. Mead declared:

"At any price, the quantities of wheat available for future delivery are very limited and a wheat shortage appears inevitable this spring unless export controls are instituted on wheat. The demand from abroad has increased to unanticipated levels The absence of export controls, and the fear that such controls may soon be imposed have caused foreign customers to buy in unprecedented quantities and at whatever price is necessary to obtain such quantities.

"To state it simply, foreign buyers are hoarding U.S. wheat . . . There is no way of escaping some kind of export control on wheat and other cereal grains, if the American consumer is to receive reasonable equity. The longer the delay, the greater the disruption, and the more painful the solution."

Shortly after Mr. Mead's statement, USDA officials issued denials that export controls were needed. Perhaps the most scathing retort came from Secretary of Agriculture Earl L. Butz. Taking direct aim at Mr. Mead's $1-a-loaf prediction, Secretary Butz accused the bakers of "intentionally or unintentionally" launching "an irresponsible scare tactic . . . to catch the headlines and perpetrate a hoax on consumers . . . Why don't you tell consumers the truth about bread? Tell them that the average price of a 1½ lb. loaf of bread is about 47¢ and that the farm value of the wheat in that size loaf of bread is just over 7¢. Other costs and profits account for 40¢ of the 47¢ cost of a 1½ lb. loaf of bread."

In order for the wheat in a 1½ lb. loaf of bread to be responsible for $1 bread, Secretary Butz said, the farm value of that wheat would have to jump from the present 7¢ to 60¢—the 60¢ being the difference between $1 per loaf and the other 40¢ of nonwheat costs and profits in a loaf. For the farm value of the wheat in a 1½ lb. loaf to rise to that 60¢ wheat at the farm would have to rise to about $33 per bushel, six times the present price.

Mr. Butz went on to say that the USDA was working closely with the grain industry in monitoring the export situation to make sure that no serious problems develop. In this connection, he indicated that wheat exporting firms have been asked to defer overseas delivery of wheat until the new crop year. Also, he pointed out that by late May and June we will have wheat coming off Southern and Southeastern farms, and that this wheat will be cheaper than present wheat.

After assuring consumers that there will be adequate wheat, Secretary Butz recalled that costly farm programs of the past virtually guaranteed grain surpluses to the milling and baking industries at rock-bottom prices for nearly 40 years. "Now," the Secretary declared, "the milling and baking industries must assume the responsibility for assuring their own supplies of raw materials, as other industries do. Uncle Sam isn't paying for it any more."

VANISHING SURPLUSES

The U.S. carryover of old wheat last July 1 amounted to 438 million bushels, about half of stocks on hand a year earlier and the smallest in six years. Added to the record 1973 crop of slightly over 1.71 billion bushels, U.S. total wheat supplies in the current 1973–74 marketing year are indicated at around 2.15 billion bushels, down from about 2.41 billion last season.

Against these supplies, the USDA is currently estimating 1973–74 distribution of wheat at 1.97 billion bushels, including 772 million for domestic use and exports of 1.2 billion. On this basis, the July 1, 1974 carryover of old wheat is projected at 178 million bushels, the smallest since the 1947 carryover of 83.8 million bushels. However, many in the wheat trade—pointing to actual exports since July 1 and sales commitments for the balance of the season—believe that 1973–74 full-season exports could exceed 1.3 billion bushels. In that event, the July 1 carryover would be close to zero.

Actually, a zero wheat carryover—a complete exhaustion of old supplies—is virtually impossible, since a minimum of about 150 million bushels is needed in the pipelines. At that level, however, since mills are spread out over the country, spot shortages of supplies undoubtedly would occur in some areas.

Although the price of bread, as Secretary Butz claims, is not likely to go as high as

$1 per loaf, wheat probably is in shorter supply than admitted by the USDA—even when its own statistics are used.

In fact, the USDA has been doing its utmost to get exporters to postpone shipments and to encourage importing nations to defer arrivals until new-crop supplies are available. Moreover, the Administration has been urging Canada and other foreign wheat producers to speed up their exports to big importers abroad. Obviously, these actions have been taken to ease the pressure on U.S. supplies from wheat-hungry countries—particularly since the current Argentine crop is on the short side and the harvest in Australia, while well above a year ago, is not up to previous expectations.

Another attempt to maximize available wheat supplies was the Administration's recent suspension—following a recommendation of the Tariff Commission—of import quotas on wheat and milled wheat products through June 30. These import quotas—which amounted to 800,000 bushels of wheat and 4 million pounds of milled wheat products per year—were largely assigned to Canada, which has used only a very small fraction of its quotas for wheat.

Despite this suspension, with Canadian wheat generally selling for higher prices than comparable U.S. grades, little wheat from that source is expected in the months ahead. Shipping facilities are scarce and transportation costs from Canada to most U.S. destinations are high. If the suspension of quotas is continued past June 30 and world wheat supplies become more plentiful, wheat imports from Canada probably would increase markedly. But even while the quotas are suspended, the USDA believes that large-scale imports might be discouraged by import duties of 21¢ per bushel of wheat and 51¢ per hundredweight of milled wheat products.

Assuming that domestic millers and bakers can somehow manage to get enough wheat to meet their needs in the months ahead, a wheat supply crisis would be averted. And once new crops are available, the supply situation should improve materially. The prospective record winter wheat crop of over 1.5 billion bushels plus a sizable spring wheat harvest indicated by planting intentions suggest that—if weather and other growing conditions are favorable—the 1974 U.S. total wheat crop will reach a new all-time high of 2 billion or more bushels.

A harvest of that size—unless crops in other countries dip below expectations and keep pressure on U.S. exports—probably would rebuild the U.S. carryover of old wheat by July 1, 1975 to around 450 million bushels. However, a 2 billion bushel crop, or a crop of any size, cannot be counted on until it is actually harvested. It may be recalled that the USDA had hoped for a 1973 corn crop of 6 billion bushels but the final count, while a record harvest, was 5.64 billion bushels. The same thing could occur in wheat. For today, as always, nothing is certain except death and taxes—and perhaps shortages of such key commodities as wheat and petroleum.

MORALITY OF THE NATION

Mr. FULBRIGHT. Mr. President, the Reverend William P. Shows, pastor of the First Presbyterian Church in Osceola, Ark., recently spoke to the Osceola Rotary Culb on the public morality of this Nation.

Reverend Shows pointed out that all Americans have a stake in assuring that Government at all levels is administered in a fair and honest manner. He said:

The cure for the terrible mess of our day lies in taking it seriously. We must begin by caring about honesty, or integrity in all walks of life. We must demand integrity of ourselves and our leaders.

He urged his listeners to get off the sidelines and quit being spectators.

Get into the game, but play by the rules and demand that others also play by the rules and that those who coach us and serve as referees play by and enforce the rules also.

Mr. President, there is much of merit in Reverend Shows' comments and I ask unanimous consent that the text of his remarks, as printed in the Osceola Times of February 14, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

"DOES CORRUPTION MATTER?" YOU SAY, "EVERYBODY'S DOING IT!"

(By the Rev. William P. Shows)

I am about to fall prey to that old saying, "Everybody's got to get in their two cents worth." So I want to ask you, Does corruption matter, the outright corruption that is going on in all of American life?

What's the fuss all about anyway? That's what a lot of Americans are saying about the situation we find ourselves emeshed in today. In a Gallup pole that was taken, some months ago now, over half of the Americans questioned said that Watergate and, all the related things we hear about, was just "politics-the kind of thing that both parties engage in." From observation I think we would agree that many people in our community, our circle of friends and even in our churches are saying, Why so much fuss, what's the big deal. Everybody's doing it.

Now, it is not my purpose to defend or to judge the Watergate participants or any other person for that matter. But I do want to point out that it is a big deal, that it is something to make a fuss about when a nations people become lethargic and indifferent to the great moral principals upon which this nation and all life is founded. You know a verse in Proverbs from the lips of a very wise man says "Righteousness exalts a nation, but sin is a reproach to any people."

Now, I would not deny that almost everybody is doing it. But what we have to face up to is the end result. If corruption and immorality goes unchecked, its effects upon people are disastrous. We believe that in America. That's exactly why we make laws, to catch or at least deter some of the everybodies that do so many things that threaten the rights, the happiness and survival of the rest of us.

Well, who are the everybodies? I will not name a single name, and so you say he is as vague as everyone else. But before you dismiss what I am saying as a lot of "Hash" use some common sense and look around you. That list of everybodies is getting long enough to threaten the good life that we have so long enjoyed. And the list includes many more than those people in Washington that you might want to name. You read your papers, you listen to the news, you even listen to local gossip. You know what's going on. You know about power groups and vested structures, all the way from Wall Street, through Washington to Little Rock and into Osceola. You know what is happening that ought not to happen and what is not happening that ought to happen because of personal and group interest, of inflated ego, and greed, because someone or some group or political party wants to be on top of the heap, because people will go to all ends to impose their plan, or their dream or their idealogy upon others. And the rest of us! Do we share the blame and guilt for the falling apart, deterioration of our nation, our community, our schools, churches. Yes! Because we are sitting in our hospitals, our homes and even our the grand stands as spectators only as the game of life degenerates into a brawl while the rules are being ignored and broken.

Let me assure you that it matters. Even if you go so far as to believe that everybody is dishonest and every politician corrupt, it matters. It matters to citizens who count on the national administration to deal with crime in the streets, to restore integrity and responsiveness to government. It matters to those who are caught in between; whose lives are squeezed into a mold they did not choose, or do not like. It matters to that person who is raped, or beaten or robbed or shot to death. It matters to that person who becomes addicted to hard drugs while we argue about the merits of marijuana. It matters to people who cannot afford adequate medical care or those who buy inferior products at today's inflated prices. It matters to our children and young people who are being educated in schools that are not as good as we can make them. Yes, it matters and we the people must resist the self-destruction of social, political, and moral corruption. Greed, bribery, dishonesty, perjury and sin will always matter.

To a people who will shrug their shoulders and say what's the big deal anyway, that wise old Solomon will say, "The house of the wicked will be destroyed, but the ten of the upright will flourish. A wise man is cautious and turns away from evil, but a fool throws off a restraint. The wicked is overthrown through his evil-doing, but the righteous finds refuge in his integrity.

Now, granted that some of you perhaps and a lot of Americans do not take the words and message of the Bible as seriously as I do and as many other Ministers and Christians do. Well, all right. I don't think you are fools. I think you are very intelligent and that you are men of integrity. The cure for the terrible mess of our day lies in taking it seriously. We must begin by caring about honesty or integrity in all walks of life. We must demand integrity of ourselves and our leaders.

Someone has said the faulty rationale of the Watergate caper will go down in history as Watergate logic. It goes like this: Whatever I may have done, I did it in the belief that it was for the good of my country. Now add to that the rationale that everybody's doing it; it affects no one but myself; situations are changing, a new day requires a new morality, etc. and its not so hard to explain how we have arrived at this place where we find ourselves today. But let me ask, do you like it? Do you want it to be better? Do you want Americans, Arkansas, Osceola to overcome their problems and move forward? Do you want better schools, better homes, better hospitals, better communities, a better way of life. Then you had *better* beleve it matters. You must get off the side line-quit being a spectator at the game of life. Get into the game but play by the rules and demand that others also play by the rules and that those who coach us and serve as referees play by and enforce the rules also.

LITHUANIAN INDEPENDENCE DAY

Mr. GRIFFIN. Mr. President, in this month we observe two anniversaries which are symbolic of our freedom and independence—the birthdays of George Washington and Abraham Lincoln.

This month also marks another anniversary—the 56th anniversary of Lithuanian independence.

After 20 years of existence the free Lithuanian state, caught up in the tides of World War II, was subjugated by alien forces in 1938. But the spirit of freedom lives on in the hearts and minds of the Lithuanian people.

Over this past weekend, more than a million Americans of Lithuanian descent, including many fine citizens of my State, took note of the anniversary and expressed once again their determination to be free.

In 1859, before he became President, Lincoln wrote:

> Those who deny freedom to others deserve it not for themselves. . . .

It is most appropriate to salute those who observe this anniversary and who strive to maintain, in words and deeds, the universal principles of independence, personal liberty, and human dignity.

STEWART McCLURE

Mr. MONDALE. Mr. President, I take great pleasure in offering this expression of appreciation and commendation to Stewart McClure, and join my distinguished colleagues in their tribute to him on the occasion of his recent retirement from the Committee on Labor and Public Welfare. During the years that Stewart McClure served the committee as chief clerk and staff director, all those associated with him were well aware of his thoughtful consideration for the committee's needs and his thorough understanding of legislative process.

During the 5 years that I have been a member of the Committee on Labor and Public Welfare, I have welcomed and appreciated the guidance that Stewart McClure has given through his knowledge and advice. His reasoned opinons and support are the source of the gratitude we have all felt in our association with Stewart McClure. He deserves now our fond wishes as he leaves the task he has so capably served.

LITHUANIAN INDEPENDENCE—A LINK WITH MANKIND'S STRUGGLE FOR FREEDOM

Mr. BAYH. Mr. President, on this occasion which marks the 56th anniversary of Lithuania's independence. I take pride in joining with my colleagues to salute these gallant people. The contributions which they have made in the areas of education, literature, the arts, as well as the example of their heroic struggle for independence, have added immensely to the richnesess of our country and its promise of a haven for those who have been deprived of a democratic homeland. But before Lithuania was forceably incorporated into the Soviet Union, the world was also made a little richer for the cultural and artistic contributions which the Lithuanians as a people were able to offer.

We know the tragic story of how Lithuania fell victim to the aggressive designs of Hitler's Germany and Stalin's Russia. As an "Autonomous Republic" on the Soviet periphery, the citizens of Lithuania have been threatened since the Red army takeover of August 3, 1940, with a form of social organization which goes beyond mere political control. The socalled "nationalities policies" which are being pursued by the Soviet Union are directed at destroying the basic cultural identities of the 180 ethnic and racial groups which populate the vast expanse of Soviet real estate. And it could well be this aspect of the Lithuanian people's plight that is the greatest tragedy for its implications extend beyond the borders of her own territory to the frontiers of men's minds.

During the past several years on this occasion, it has been customary to reaffirm our pledge of support for Lithuania's struggle to again realize her self-determination. It is vital that we who have built a free society use our freedom to make clear to those who have destroyed the hopes of millions that we find their policies of political dehumanization completely inconsistent with what the American people believe in or will accept. And I believe that the stirrings of dissent in the Soviet Union at the present time signal that we are not alone in this conviction. Expressions of deep concern about the dehumanizing impact which these and other policies are having on Lithuanians, Ukrainians, Armenians, Byelorussians, Georgians and other nations in the U.S.S.R. have been published in the West. In this connection, I believe that the exiled Alexander Solzhenitsyn has summed up the relationship between our freedom and the freedom of these nationalities best in his letter accepting his Nobel Prize for Literature. On this occasion I request that this letter be read into the Record as a demonstration of our support for his struggle as I think he may well have expressed his support for Lithuania and other nationalities by observing that:

> In recent times it has been fashionable to talk of the levelling out of nations, of the disappearance of different races in the melting-pot of contemporary civilization. I do not agree with this opinion. . . Here it is merely fitting to say that the disappearance of nations would have impoverished us no less than if all men had become alike, with one personality and one face. Nations are the wealth of mankind, its collective personalities; the very least of them wears its own special colours and bears within itself a special facet of divine intention.

These great words by a great author remind us of our obligations as free men—the duty to condemn political repression from the left as well as the right. That Lithuanian Independence day has called these duties to mind bestows perhaps the greatest tribute to the courage and commitment to liberty of the Lithuanian people and our link with their struggle to be free.

I ask unanimous consent that the letter of acceptance referred to above be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

A. Solzhenitsyn Acceptance in Form of Letter to the Academy—Nobel Lecture in Literature 1970

Just as that puzzled savage who has picked up—a strange cast-up from the ocean?—something unearthed from the sands?—or an obscure object fallen down from the sky?—intricate in curves, it gleams first dully and then with a bright thrust of light. Just as he turns it this way and that, turns it over, trying to discover what to do with it, trying to discover some mundane function within his own grasp, never dreaming of its higher function.

So also we, holding Art in our hands, confidently consider ourselves to be its masters; boldly we direct it, we renew, reform and manifest it; we sell it for money, use it to please those in power; turn to it at one moment for amusement—right down to popular songs and night-clubs, and at another—grabbing the nearest weapon, cork or cudgel—for the passing needs of politics and for narrow-minded social ends. But art is not defiled by our efforts, neither does it thereby depart from its true nature, but on each occasion and in each application it gives to us a part of its secret inner light.

But shall we ever grasp the whole of that light? Who will dare to say that he has defined Art, enumerated all its facets? Perhaps once upon a time someone understood and told us, but we could not remain satisfied with that for long; we listened, and neglected, and threw it out there and then, hurrying as always to exchange even the very best—if only for something new! And when we are told again the old truth, we shall not even remember that we once possessed it.

One artist sees himself as the creator of an independent spiritual world; he hoists onto his shoulders the task of creating this world, of peopling it and of bearing the all-embracing responsibility for it; but he crumples beneath it, for a mortal genius is not capable of bearing such a burden. Just as man in general, having declared himself the centre of existence, has not succeeded in creating a balanced spiritual system. And if misfortune overtakes him, he casts the blame upon the age-long disharmony of the world, upon the complexity of to-day's ruptured soul, or upon the stupidity of the public.

Another artist, recognizing a higher power above, gladly works as a humble apprentice beneath God's heaven; then however, his responsibility for everything that is written or drawn, for the souls which perceive his work, is more exacting than ever. But, in return, it is not he who has created this world, not he who directs it, there is no doubt as to its foundations; the artist has merely to be more keenly aware than others of the harmony of the world, of the beauty and ugliness of the human contribution to it, and to communicate this acutely to his fellow-men. And in misfortune, and even at the depths of existence—in destitution, in prison, in sickness—his sense of stable harmony never deserts him.

But all the irrationality of art, its dazzling turns, its impredictable discoveries, its shattering influence on human beings—they are too full of magic to be exhausted by this artist's vision of the world, by his artistic conception or by the work of his unworthy fingers.

Archeologists have not discovered stages of human existence so early that they were without art. Right back in the early morning twilights of mankind we received it from Hands which we were too slow to discern. And we were too slow to ask: For what purpose have we been given this gift? What are we to do with it?

And they were mistaken, and will always be mistaken, who prophesy that art will disintegrate, that it will outlive its forms and die. It is we who shall die—art will remain. And shall we comprehend, even on the day of our destruction, all its facets and all its possibilities?

Not everything assumes a name. Some things lead beyond words. Art inflames even a frozen, darkened soul to a high spiritual experience. Through art we are sometimes visited—dimly, briefly—by revelations such as cannot be produced by rational thinking.

Like that little looking-glass from the fairy-tales: look into it and you will see—not yourself—but for one second, the Inaccessible, whither no man can ride, no man fly. And only the soul gives a groan . . .

One day Dostoevsky threw out the enigmatic remark: "Beauty will save the world". What sort of statement is that? For a long time I considered it mere words. How could that be posible? When in bloodthirsty history did beauty ever save anyone from anything? Ennobled, uplifted, yes—but whom has it saved?

There *is*, however, a certain peculiarity in the essence of beauty, a peculiarity in the status of art: namely, the convincingness of a true work of art is completely irrefutable and it forces even an opposing heart to surrender. It is possible to compose an outwardly smooth and elegant political speech, a headstrong article, a social program, or a philosophical system on the basis of both a mistake and a lie. What is hidden, what distorted, will not immediately become obvious.

Then a contradictory speech, article, program, a differently constructed philosophy rallies in opposition—and all just as elegant and smooth, and once again it works. Which is why such things are both trusted and mistrusted.

In vain to reiterate what does not reach the heart.

But a work of art bears within itself its own verification: conceptions which are devised or stretched do not stand being portrayed in images, they all come crashing down, appear sickly and pale, convince no one. But those works of art which have scooped up the truth and presented it to us as a living force—they take hold of us, compel us, and nobody ever, not even in ages to come, will appear to refute them.

So perhaps that ancient trinity of Truth, Goodness and Beauty is not simply an empty, faded formula as we thought in the days of our self-confident, materialistic youth? If the tops of these three trees converge, as the scholars maintained, but the too blatant, too direct stems of Truth and Goodness are crushed, cut down, not allowed through—then perhaps the fantastic, impredictable, unexpected stems of Beauty will push through and soar to that very same place, and in so doing will fulfill the work of all three?

In that case Dostoevsky's remark, "Beauty will save the world", was not a careless phrase but a prophecy? After all HE was granted to see much, a man of fantastic illumination?

And in that case art, literature might really be able to help the world today?

It is the small insight which, over the years, I have succeeded in gaining into this matter that I shall attempt to lay before you here to-day.

In order to mount this platform from which the Nobel lecture is read, a platform offered so far from every writer and only once in a life-time, I have climbed not three or four makeshift steps, but hundreds and even thousands of them; unyielding, precipitous, frozen steps, leading out of the darkness and cold where it was my fate to survive, while others—perhaps with a greater gift and stronger than I—have perished. Of them, I myself met but a few on the Archipelago of GULag,* shattered into its fractionary multitude of islands; and beneath the millstone of shadowing and mistrust I did not talk to them all, of some I only heard, of others still I only guessed. Those who fell into that abyss already bearing a literary name are at least known, but how many were never recognized, never once mentioned in public? And virtually no one managed to return. A whole national literature remained there, cast into oblivion not only without a grave, but without even underclothes, naked, with a number tagged on to its toe. Russian literature did not cease for a moment, but from the outside it appeared a waste-land! Where a peaceful forest could have grown, there remained, after all the felling, two or three trees overlooked by chance.

And as I stand here to-day, accompanied by the shadows of the fallen, with bowed head allowing others who were worthy before to pass ahead of me to this place, as I stand here, how am I to divine and to express what they would have wished to say?

This obligation has long weighed upon us, and we have understood it. In the words of Vladimir Solov'ev:

"Even in chains we ourselves must complete

"That circle which the gods have mapped out for us."

Frequently, in painful camp seethings, in a column of prisoners, when chains of lanterns pierced the gloom of the evening frosts, there would well up inside us the words that we shoud like to cry out to the whole world, if the whole world could hear one of us. Then it seemed so clear: what our successful ambassador would say, and how the world would immediately respond with its comment. Our horizon embraced quite distinctly both physical things and spiritual movements, and it saw no lop-sidedness in the indivisible world. These ideas did not come from books, neither were they imported for the sake of coherence. They were formed in conversations with people now dead, in prison cells and by forest fires, they were tested against that life, they grew out of that existence.

When at last the outer pressure grew a little weaker, my and our horizon broadened and gradually, albeit through a minute chink, we saw and knew "the whole world". And to our amazement the whole world was not at all as we had expected, as we had hoped; that is to say a world living "not by that", a world leading "not there", a world which could exclaim at the sight of a muddy swamp, "what a delightful little puddle!", at concrete neck stocks, "what an exquisite necklace!"; but instead a world where some weep inconsolate tears and others dance to a light-hearted musical.

How could this happen? Why the yawning gap? Were we insensitive? Was the world insensitive? Or is it due to language differences? Why is it that people are not able to hear each other's every distinct utterance? Words cease to sound and run away like water—without taste, colour, smell. Without trace.

As I have come to understand this, so through the years has changed and changed again the structure, content and tone of my potential speech. The speech I give to-day.

And it has little in common with its original plan, conceived on frosty camp evenings.

From time immemorial man has been made in such a way that his vision of the world, so long as it has not been instilled under hypnosis, his motivations and scale of values, his actions and intentions are determined by his personal and group experience of life. As the Russian saying goes, "Do not believe your brother, believe your own crooked eye." And that is the most sound basis for an understanding of the world around us and of human conduct in it. And during the long epochs when our world lay spread out in mystery and wilderness, before it became encroached by common lines of communication, before it was transformed into a single, convulsively pulsating lump—men, relying on experience, ruled without mishap within their limited areas, within their communities, within their societies, and finally on their national territories. At that time it was possible for individual human beings to perceive and accept a general scale of values, to distinguish between what is considered normal, what incredible; what is cruel and what lies beyond the boundaries of wickedness; what is honesty, what deceit. And although the scattered peoples led extremely different lives and their social values were often strikingly at odds, just as their systems of weights and measures did not agree, still these discrepancies surprised only occasional travellers, were reported in journals under the name of wonders, and bore no danger to mankind which was not yet one.

But now during the past few decades, imperceptibly, suddenly, mankind has become one—hopefully one and dangerously one—so that the concussions and inflammations of one of its parts are almost instantaneously passed on to others, sometimes lacking in any kind of necessary immunity. Mankind has become one, but not steadfastly one as communities or even nations used to be; not united through years of mutual experience, neither through possession of a single eye, affectionately called crooked, nor yet through a common native language, but, surpassing all barriers, through international broadcasting and print. An avalanche of events descends upon us—in one minute half the world hears of their splash. But the yardstick by which to measure those events and to evaluate them in accordance with the laws of unfamiliar parts of the world—this is not and cannot be conveyed via soundwaves and in newspaper columns. For these yardsticks were matured and assimilated over too many years of too specific conditions in individual countries and societies; they cannot be exchanged in mid-air. In the various parts of the world men apply their own hard-earned values to events, and they judge stubbornly, confidently, only according to their own scales of values and never according to any others.

And if there are not many such different scales of values in the world, there are at least several; one for evaluating events near at hand, another for events far away; aging societies possess one, young societies another; unsuccessful people one, successful people another. The divergent scales of values scream in discordance, they dazzle and daze us, and so that it might not be painful we steer clear of all other values, as though from insanity, as though from illusion, and we confidently judge the whole world according to our own home values. Which is why we take for the greater, more painful and less bearable disaster not that which is in fact greater, more painful and less bearable, but that which lies closest to us. Everything which is further away, which does not threaten this very day to invade our threshold—with all its groans, its stifled cries, its destroyed lives, even if it involves millions of victims—this we consider on the whole to be perfectly bearable and of tolerable proportions.

In one part of the world, not so long ago, under persecutions not inferior to those of the ancient Romans', hundreds of thousands of silent Christians gave up their lives for their belief in God. In the other hemisphere a certain madman (and no doubt he is not alone), speeds across the ocean to deliver us from religion—with a thrust of steel into the high priest! He has calculated for each and every one of us according to his personal scale of values!

That which from a distance, according to one scale of values, appears as enviable and flourishing freedom, at close quarters, and according to other values, is felt to be infuriating constraint calling for buses to be overthrown. That which in one part of the world might represent a dream of incredible prosperity, in another has the exasperating effect of wild exploitation demanding immediate strike. There are different scales of values for natural catastrophies; a flood craving two hundred thousand lives seems less significant than our local accident. There are different scales of values for personal insults: sometimes even an ironic smile or a dismissive gesture is humiliating, while at others cruel beatings are forgiven as an unfortunate joke. There are different scales of values for punishment and wickedness: according to one, a month's arrest, banishment to the country, or an isolation-cell where one is fed on white rolls and milk, shatters the imagination and fills the newspaper columns with rage. While according to another, prison sentences of twenty-five years, isolation-cells where the walls are covered in ice and the prisoners stripped to their underclothes, lunatic asylums for the sane, and countless unreasonable people who for some reason will keep running away, shot on the frontiers—all this is common and accepted. While the mind is especially at peace concerning that exotic part of the world about which we know virtually nothing, from which we do not even receive news of events, but only the trivial, out-of-date guesses of a few correspondents.

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* The Central Administration of Corrective Labour Camps.

Yet we cannot reproach human vision for this duality, for the dumfounded incomprehension of another man's distant grief, man is just made that way. But for the whole of mankind, compressed into a single lump, such mutual incomprehension presents the threat of imminent and violent destruction. One world, one mankind cannot exist in the face of six, four or even two scales of values: we shall be torn apart by this disparity of rhythm, this disparity of vibrations.

A man with two hearts is not for this world, neither shall we be able to live side by side on one Earth.

But who will co-ordinate these value scales, and how? Who will create for mankind one system of interpretation, valid for good and evil deeds, for the unbearable and the bearable, as they are differentiated today? Who will make clear to mankind what is really heavy and intolerable and what only grazes the skin locally? Who will direct the anger to that which is most terrible and not to that which is nearer? Who might succeed in transferring such as understanding beyond the limits of his own human experience? Who might succeed in impressing upon a bigoted, stubborn human creature the distant joy and brief of others, an understanding of dimensions and deceptions, which he himself has never experienced? Propaganda, constraint, scientific proof—all are useless. But unfortunately there does exist a means in our world! That means is art. That means is literature.

They can perform a miracle: they can overcome man's detrimental peculiarity of learning only from personal experience so that the experience of other people passes him by in vain. From man to man, as he completes this brief spell on earth, art transfers the whole weight of an unfamiliar, lifelong experience with all its burdens, in colours, its sap of life; it recreates in the flesh an unknown experience and allows us to possess it as our own.

And even more, much more than that; both countries and whole continents repeat each other's mistakes with time lapses which can amount to centuries. Then, one would think, it would all be so obvious! But no; that which some nations have already experienced, considered and rejected, is suddenly discovered by others to be the latest word. And here again, the only substitute for an experience we ourselves have never lived through is art, literature. They possess a wonderful ability: beyond distinctions of language, custom, social structure they can convey the life experience of one whole nation to another. To an experienced nation they can convey a harsh national trial lasting many decades, at best sparing an entire nation from a superfluous, or mistaken, or even disastrous course, thereby curtailing the meanderings of human history.

It is this great and noble property of art that I urgently recall to you today from the Nobel tribune.

And literature conveys irrefutable condensed experience in yet another invaluable direction; namely, from generation to generation. Thus it becomes the living memory of the nation. Thus it preserves and kindles within itself the flame of her spent history, in a form which is safe from deformaton and slander. In this way literature, together with language, protects the soul of the nation.

(In recent times it has been fashionable to talk of the levelling out of nations, of the disappearance of different races in the melting-pot of contemporary civilization. I do not agree with this opinion, but its discussion remains another question. Here it is merely fitting to say that the disappearance of nations would have improverished us no less than if all men had become alike, with one personality and one face. Nations are the wealth of mankind, its collective personalities; the very least of them wears its own special colours and bears within itself a special facet of divine intention.)

But woe to that nation whose literature is disturbed by the intervention of power. Because that is not just a violation against "freedom of print", it is the closing down of the heart of the nation, a slashing to pieces of its memory. The nation ceases to be mindful of itself, it is deprived of its spiritual unity, and despite a supposedly common language, compatriots suddenly cease to understand one another. Silent generations grow old and die without ever having talked about themselves, either to each other or to their descendants. When such as Achmatova and Zamjatin—interred alive throughout their lives—are condemned to create in silence until they die, never hearing the echo of their written words, then that is not only their personal tragedy, but a sorrow to the whole nation, a danger to the whole nation.

In some cases moreover—when as a result of such a silence the whole of history ceases to be understood in its entirety—it is a danger to the whole of mankind.

At various times and in various countries there have arisen heated, angry and exquisite debates as to whether art and the artist should be free to live for themselves, or whether they should be for ever mindful of their duty towards society and serve it albeit in an unprejudiced way. For me there is no dilemma, but I shall refrain from raising once again the train of arguments. One of the most brilliant addresses on this subject was actually Albert Camus' Nobel speech, and I would happily subscribe to his conclusions. Indeed Russia literature has for several decades manifested an inclination not to become too lost in contemplation of itself, not to flutter about too frivolously. I am not ashamed to continue this tradition to the best of my ability. Russian lierature has long been familiar with the notions that a writer can do much within his society, and that it is his duty to do so.

Let us not violate the right of the artist to express exclusively his own experiences and introspections, disregarding everything that happens in the world beyond. Let us not demand of the artist, but—reproach, beg, urge and entice him—that we may be allowed to do. After all, only in part does he himself develop his talent; the greater part of it is blown into him at birth as a finish product, and the gift of talent imposes responsibility on his free will. Let us assume that the artist does not owe anybody anything: nevertheless, it is painful to see how, by retiring into his self-made worlds or the spaces of his subjective whims, he can surrender the real world into the hands of men who are mercenary, if not worthless, if not insane.

Our twentieth century has proved to be more cruel than preceding centuries, and the first fifty years have not erased all its horrors. Our world is rent asunder by those same old cave-age emotions of greed, envy, lack of control, mutual hostility which have picked up in passing respectable pseudonyms like class struggle, racial conflict, struggle of the masses, trade-union disputes. The primeval refusal to accept a compromise has been turned into a theoretical principle and is considered the virtue of orthodoxy. It demands millions of sacrifices in ceaseless civil wars, it drums into our souls that there is no such thing as unchanging, universal concepts of goodness and justice, that they are all fluctuating and inconstant. Therefore the rule—always do what's most profitable to your party. Any professional group no sooner sees a convenient opportunity to break off a piece, even if it be unearned, even if it be superfluous, than it breaks it off there and then and no matter if the whole of society comes tumbling down. As seen from the outside, the amplitude of the tossings of western society is approaching that point beyond which the system becomes metastable and must fall. Violence, less and less embarrassed by the limits imposed by centuries of lawfulness, is brazenly and victoriously striding across the whole world, unconcerned that its infertility has been demonstrated and proved many times in history. What is more, it is not simply crude power that triumphs abroad, but its exultant justification. The world is being inundated by the brazen conviction that power can do anything, justice nothing. Dostoevsky's Devils—apparently a provincial nightmare fantasy of the last century—are crawling across the whole world in front of our very eyes, infesting countries where they could not have been dreamed of; and by means of the hijackings, kidnappings, explosions and fires of recent years they are announcing their determination to shake and destroy civilization! And they may well succeed. The young, at an age when they have not yet any experience other than sexual, when they do not yet have years of personal suffering and personal understanding behind them, are jubilantly repeating our depraved Russian blunders of the nineteenth century, under the impression that they are discovering something new. They acclaim the latest wretched degradation on the part of the Chinese Red Guards as a joyous example. In shallow lack of understanding of the age-old essence of mankind, in the naive confidence of inexperienced hearts they cry: let us drive away those cruel, greedy oppressors, governments, and the new ones (we!), having laid aside grenades and rifles, will be just and understanding. Far from it! . . . But of those who have lived more and understand, those who could oppose these young—many do not dare oppose, they even suck up, anything not to appear "conservative". Another Russian phenomenon of the nineteenth century which Dostoevsky called Slavery to Progressive Quirks.

The spirit of Munich has by no means retreated into the past; it was not merely a brief episode. I even venture to say that the spirit of Munich prevails in the twentieth century. The timid civilized world has found nothing with which to oppose the onslaught of a sudden revival of barefaced barbarity, other than concessions and smiles. The spirit of Munich is a sickness of the will of successful people, it is the daily condition of those who have given themselves up to the thirst after prosperity at any price, to material well-being as the chief goal of earthly existence. Such people—and there are many in to-day's world—elect passivity and retreat, just so as their accustomed life might drag on a bit longer, just so as not to step over the threshold of hardship to-day—and to-morrow, you'll see, it will all be all right. (But it will never be all right! The price of cowardice will only be evil; we shall reap courage and victory only when we dare to make sacrifices.)

And on top of this we are threatened by destruction in the fact that the physically compressed, strained world is not allowed to blend spiritually; the molecules of knowledge and sympathy are not allowed to jump over from one half to the other. This presents a rampant danger: The suppression of information between the parts of the planet. Contemporary science knows that suppression of information leads to entropy and total destruction. Suppression of information renders international signatures and agreements illusory; within a muffled zone it costs nothing to reinterpret any agreement, even simpler—to forget it, as though it had never really existed. (Orwell understood this supremely.) A muffled zone is, as it were, populated not by inhabitants of the Earth, but by an expeditionary corps from Mars; the people know nothing intelligent about the rest of the Earth and are prepared to go and trample it down in the holy conviction that they come as "liberators".

A quarter of a century ago, in the great hopes of mankind, the United Nations Organization was born. Alas, in an immoral world, this too grew up to be immoral. It is not a United Nations Organization but a United Governments Organization where all governments stand equal; those which are freely elected, those imposed forcibly, and those which have seized power with weapons. Relying on the mercenary partiality of the majority UNO jealously guards the freedom of some nations and neglects the freedom of others. As a result of an obedient vote it declined to undertake the investigation of private appeals—the groans, screams and beseechings of humble individual plain people—not large enough a catch for such a great organization. UNO made no effort to make the Declaration of Human Rights, its best document in twenty-five years, into an obligatory condition of membership confronting the governments. Thus it betrayed those humble people into the will of the governments which they had not chosen.

It would seem that the appearance of the contemporary world rests solely in the hands of the scientists; all mankind's technical steps are determined by them. It would seem that it is precisely on the international goodwill of scientists, and not of politicians, that the direction of the world should depend. All the more so since the example of the few shows how much could be achieved were they all to pull together. But no; scientists have not manifested any clear attempt to become an important, independently active force of mankind. They spend entire congresses in renouncing the sufferings of others; better to stay safely within the precincts of science. That same spirit of Munich has spread above them its enfeebling wings.

What then is the place and role of the writer in this cruel, dynamic, split world on the brink of its ten destructions? After all we have nothing to do with letting off rockets, we do not even push the lowliest of handcarts, we are quite scorned by those who respect only material power. Is it not natural for us too to step back, to lose faith in the steadfastness of goodness, in the indivisibility of truth, and to just impart to the world our bitter, detached observations: how mankind has become hopelessly corrupt, how men have degenerated, and how difficult it is for the few beautiful and refined souls to live amongst them?

But we have not even recourse to this flight. Anyone who has once taken up the word can never again evade it; a writer is not the detached judge of his compatriots and contemporaries, he is an accomplice to all the evil committed in his native land or by his countrymen. And if the tanks of his fatherland have flooded the asphalt of a foreign capital with blood, then the brown spots have slapped against the face of the writer forever. And if one fatal night they suffocated his sleeping, trusting Friend, then the palms of the writer bear the bruises from that rope. And if his young fellow-citizens breezily declare the superiority of depravity over honest work, if they give themselves over to drugs or seize hostages, then their stink mingles with the breath of the writer.

Shall we have the temerity to declare that we are not responsible for the sores of the present day world?

However, I am cheered by a vital awareness of world literature as of a single huge heart, beating out the cares and troubles of our world, albeit presented and perceived differently in each of its corners.

Apart from age-old national literatures there existed, even in past ages, the conception of world literature as an anthology skirting the heights of the national literatures, and as the sum total of mutual literary influences. But there occured a lapse in time: readers and writers became acquainted with writers of other tongues only after a time lapse, sometimes lasting centuries, so that mutual influences were also delayed and the anthology of national literary heights was revealed only in the eyes of descendants, not of contemporaries.

But to-day, between the writers of one country and the writers and readers of another, there is a reciprocity if not instantaneous then almost so. I experience this with myself. Those of my books which, alas, have not been printed in my own country have soon found a responsive, world-wide audience, despite hurried and often bad translations. Such distinguished western writers as Heinrich Böll have undertaken critical analysis of them. All these last years, when my work and freedom have not come crashing down, when contrary to the law of gravity they have hung suspended as though on air, as though on nothing—on the invisible dumb tension of a sympathetic public membrane; then it was with grateful warmth, and quite unexpectedly for myself, that I learnt of the further support of the international brotherhood of writers. On my fiftieth birthday I was astonished to receive congratulations from wellknown western writers. No pressure on me came to pass by unnoticed. During my dangerous weeks of exclusion from the Writers' Union the Wall of Defence advanced by the world's prominent writers protected me from worse persecutions; and Norwegian writers and artists hospitably prepared a roof for me, in the event of my threatened exile being put into effect. Finally even the advancement of my name for the Nobel Prize was raised not in the country where I live and write, but by Francois Mauriac and his colleagues. And later still entire national writers' unions have expressed their support for me.

Thus I have understood and left that would literature is no longer an abstract anthology, nor a generalization invented by literary historians; it is rather a certain common body and a common spirit, a living heartfelt unity reflecting the growing unity of mankind. State frontiers still turn crimson, heated by electric wire and bursts of machine fire; and various ministries of internal affairs still think that literature too is an "internal affair" falling under their jurisdiction; newspaper headlines still display: "No right to interfere in our internal affairs!" Whereas there are no internal affairs left on our crowded Earth! And mankind's sole salvation lies in everyone making everything his business; in the people of the East being vitally concerned with what is thought in the West, the people of the West vitally concerned with what goes on in the East. And literature, as one of the most sensitive, responsive instruments possessed by the human creature, has been one of the first to adopt, assimilate, to catch hold of this feeling of a growing unity of mankind. And so I turn with confidence to the world literature of to-day—to hundreds of friends whom I have never met in the flesh and whom I may never see.

Friends! Let us try to help if we are worth anything at all! Who from time immemorial has constituted the uniting not the dividing strength in your countries, lacerated by discordant parties, movements, casts and groups? There in its essence is the position of writers: expressers of their native language—the chief binding force of the nation, of the very earth its people occupy, and at best of its national spirit.

I believe that world literature has it in its power to help mankind, in these its troubled hours, to see itself as it really is, notwithstanding the indoctrinations of prejudiced people and parties. World literature has it in its power to convey condensed experience from one land to another so that we might cease to be split and dazzled, that the different scales of values might be made to agree, and one nation learn correctly and concisely the true history of another with such strength of recognition and painful awareness as it had itself experienced the same, and thus might it be spared from repeating the same cruel mistakes. And perhaps under such conditions we artists will be able to cultivate within ourselves a field of vision to embrace the whole world: in the centre observing like any other human being that which lies nearby, at the edges we shall begin to draw in that which is happening in the rest of the world. And we shall correlate, and we shall observe world proportions.

And who, if not writers, are to pass judgment—not only on their unsuccessful governments, (in some states this is the easiest way to earn one's bread, the occupation of any man who is not lazy),—but also on the people themselves, in their cowardly humiliation or self-satisfied weakness? Who is to pass judgment on the light-weight sprints of youth, and on the young pirate brandishing their knives?

We shall be told: what can literature possibly do against the ruthless onslaught of open violence? But let us not forget that violence does not live alone and is not capable of living alone: it is necessarily interwoven with falsehood. Between them lies the most intimate, the deepest of natural bonds. Violence finds its only refuge in falsehood, falsehood its only support in violence. Any man who has once acclaimed violence as his method must inexorably chose falsehood as his principle. At its birth violence acts openly and even with pride. But no sooner does it become strong, firmly established, than it senses the rarefaction of the air around it and it cannot continue to exist without descending into a fog of lies, clothing them in sweet talk. It does not always, not necessarily, openly throttle the throat, more often it demands from its subjects only an oath of allegiance to falsehood, only complicity in falsehood.

And the simple step of a simple courageous man is not to partake in falsehood, not to support false actions! Let that enter the world, let it even reign in the world—but not with my help. But writers and artists can achieve more: they can conquer falsehood! In the struggle with falsehood art always did win and it always does win! Openly, irrefutably for everyone! Falsehood can hold out against much in this world, but not against art.

And no sooner will falsehood be dispersed than the nakedness of violence will be revealed in all its ugliness—and violence, decrepit, will fall.

That is why, my friends, I believe that we are able to help the world in its white-hot hour. Not by making the excuse of possessing no weapons, and not by giving ourselves over to a frivolous life—but by going to war!

Proverbs about truth are well-loved in Russian. They give steady and sometimes striking expression to the not inconsiderable harsh national experience:

One word of truth shall outweigh the whole world.

And it is here, on an imaginary fantasy, a breach of the principle of the conservation of mass and energy, that I base both my own activity and my appeal to the writers of the whole world.

TOBACCO ROAD: A DEAD END

Mr. MOSS. Mr. President, during the week of January 28, 1974, WMAL in Washington broadcast a series of editorials concerning the smoking hazard and public policy. I believe that these editorials are excellent expressions of the concern of thousands of other Americans. I ask unanimous consent that the text of the WMAL editorials be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

TOBACCO ROAD: A DEAD END

Are you still dying for a smoke? If you're a heavy smoker, the answer is probably yes.

We sympathize. For many, smoking is a habit too hard to break. For others, it's a pleasant experience.

Still others have kicked the habit only to find themselves lighting up again in a period of stress.

There are 58 million in America and the figure goes up every day.

That's why researchers are taking a different approach. At the National Cancer Institute, they're trying to make a less hazardous cigarette. The idea is to take out the harmful substances and leave in those that give the smoker pleasure.

Department of Agriculture researchers are trying to breed the dangerous products out of the tobacco plant.

Tobacco road may be a dead end but we're kidding ourselves if we think Americans are going to give it up.

Congress should spend more money for research of the kind going on at the Cancer Institute.

If you agree, let your Congressman know.

SMOKING—A NATIONAL ABSURDITY

It's time the Federal government ended its hypocrisy over smoking.

The record is a lesson in absurdity: Ten years ago, the Surgeon General linked smoking to cancer.

Later, the government forced manufacturers to print health warnings on cigarette packages.

Then, cigarette advertising on radio and television was banned.

Now, ten years later, the U.S. Agriculture Department is spending 66 million dollars on various tobacco support programs.

Meanwhile, the Department of Health, Education and Welfare is given only 10 million dollars for research on cigarette-related ailments and anti-smoking educational campaigns.

With one hand, Uncle Sam spends to grow and sell the stuff; with the other, he spends to issue warnings against buying it.

This is wasteful. That 66 million dollars should be spent to help those who are sick because of smoking, to discourage youngsters from starting, and to encourage smokers to stop.

SMOKING AND TEENAGERS

WMAL believes that American teenagers are better educated and more independent than their counterparts of a generation ago.

That's why we're surprised to see that cigarette smoking is increasing in this pace-setting group.

Dr. Luther Terry, the former Surgeon General, who issued the report that linked smoking and cancer, is discouraged by this trend. Young people are smoking at earlier ages and there's been a dramatic increase in the number of girls who smoke.

It's not difficult to understand why. Among other things, young people are bombarded by ads that make smoking look like the thing to do. Many have swallowed the pitch.

Young people have expressed their independence in many ways . . . dress, attitude and life-style. Now they have a chance to say no to the tobacco industry.

And the federal government could help by spending more money on anti-smoking campaigns.

Call, write or visit your Congressman. Let him know how absurd it is for Uncle Sam to spend millions of dollars on tobacco support programs while spending so little to discourage youngsters from lighting up.

MAKING CIGARETTES HARD TO GET

It's an old trick—giving up smoking by making it more difficult to get a cigarette.

We should try it on a nationwide basis.

Let's make it a real hassle to buy cigarettes.

We could ban cigarette vending machines.

Then, we can confine cigarette sales to drug stores—or even liquor stores.

If people really did have to walk a mile for a Camel—maybe they wouldn't.

Let's outlaw the sale of cigarettes to teenagers under 18.

That's the way our liquor laws are written—and we see no reason to make cigarettes more available than alcohol.

After all—we are talking about a poisonous, cancer-causing substance.

This could be a good legislative program for cancer societies.

Let's get on the backs of our law makers. The least we can do is make it more difficult to buy our favorite poison, and easier to give it up.

SOME PLAIN TALK

Cigarettes should be packaged in plain wrappers. If we had our way, the wrapper would bear a skull and crossbones and the words: Cancer-causing substance inside.

To do less is a waste of time. Look at the record: In 1967, the government forced manufacturers to label cigarette packages with these bland words: Caution: Cigarette Smoking May Be Hazardous To Your Health.

Three years later, the government changed caution to warning and added these words: The Surgeon General has determined that cigarette smoking is dangerous to your health.

But look what good it did—ten years after the Surgeon General linked smoking and cancer, cigarette consumption was at an all-time high.

Still, the Federal Trade Commission has again asked Congress to beef up the warning by adding that smoking may cause death from cancer and other disease.

We're convinced that even this wouldn't be tough enough. A plain wrapper with a skull and crossbones might help.

Let's stop fooling around with fine print when a headline is needed.

And if you smoke, take a look at that pretty package and think about what's really inside.

FUTURES TRADING IN COMMODITIES

Mr. HART. Mr. President, the trading of futures contracts on commodities is a matter of great importance and concern because of its impact on the lives of every American. Last spring, Clark Mollenhoff, George Anthan, and James Risser of the Des Moines Register wrote an excellent series of articles on futures trading. Recently, George Anthan wrote two more articles relating to futures trading which are worth our consideration. I request unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TRADE BOARD IS SHAKEN BY PROBES

(By George Anthan)

CHICAGO, ILL.—The financial fortress that is the Chicago Board of Trade is being shaken by shock waves from a once-obscure 14-year-old case in which the nation's biggest commodities exchange removed a veteran trader.

At that time, results of the action probably were applauded by a significant number of board members because the outcome was the removal from their midst of a troublesome, cantankerous Austrian immigrant who for 15 years had been complaining to officials in Washington of illegal and unethical price manipulations and rigged futures markets.

But Bernhard Rosee, now 76, continued to fight, living off $65-a-month welfare checks and going more than $100.000 into debt while relentlessly pursuing legal vindication and the return by the Board of Trade of the seat he lost in 1960.

The Rosee (pronounced "Roh-zay") case has created deep divisions within the Chicago commodities trading industry, and some members of both the Board of Trade and of the rival Chicago Mercantile Exchange agree it has focused unwanted publicity on the exchanges and on their practices.

They are concerned the Rosee case can highlight problems of the industry at a time when a growing number of influential members of Congress are backing legislation to tighten federal control over commodities futures trading.

MEMBER WORRIED

One Board of Trade member who long has agreed that Rosee was unfairly removed from his seat and deprived of his livelihood now is worried that increasing public scrutiny could jeopardize his own career and perhaps even the existence of the Board of Trade itself.

A former member of the Board of Trade who now is a trader at the Mercantile Exchange said:

"The brokers are afraid now. They're talking about losing their investment in their seats. But what Rosee has done in the past 10 to 15 years he has done against the toughest establishment in Chicago. The word 'clout' originated here, and the Chicago Board of Trade has a lot of 'clout.'"

How Rosee challenged that clout, and the details of his overpowering defeat in 1960 at the hands of his colleagues provide an insight into the operations of the commodities trading industry which, in the words of one high exchange official, "is still being run like a private club."

Rosee arrived in the U.S. from Austria in the late 1920's and moved from New York City to Chicago in 1934. He became a naturalized citizen in 1941 and bought a seat on the Board of Trade in 1944. He had been an experienced international trader, having speculated in exchanges in London, Liverpool, Bucharest, Paris and Rotterdam.

A BON VIVANT

A bachelor and impeccably dressed, he was considered something of a bon vivant, and it was agreed by many of his colleagues that he was among the most successful traders in Chicago.

But one lawyer close to the commodities industry here recalls that Rosee "right away became like a hornet, always pricking, always stinging. He did what no other Jew had done on the Board of Trade. He began to rock the boat."

A onetime official of the Board of Trade said, "Jews over there at the time didn't get out of line. An Irishman, yes, but Rosee, he could not stay quiet."

One of the city's leading lawyers, who also is Jewish, said, "Back in the 1940's, Chicago Jews were not as aggressive as New York Jews. You have to remember that atmosphere in Chicago. The decks were stacked against Rosee."

The former Board of Trade official said, "Rosee was a pain in the neck to them. They were probably psychologically laying for him. Not overtly. No big scheme. But, like in a ball game, when you get the chance, you stick your fingers in a guy's eyes. Did Rosee get a shafting in 1960? Of course he did. But in these gentlemen's clubs, it's not overt."

One Board of Trade official conceded privately that although some members on occasion had "made more noise" than Rosee, "well, they were men of more influence."

PRICE MANIPULATION

Rosee began his career at the Board of Trade by informing a congressman and the War Food Administration that there had been a price manipulation in the rye futures market in Chicago and that the Agriculture Department had aided in the scheme.

The war agency concluded there had been a successful plan to corner the market and drive up prices, and the Board of Trade moved belatedly to halt futures trading in rye. But, Rosee says, "the Board of Trade began to watch me at the same time."

In 1948, Rosee told the chairman of the House Appropriations Committee that the cotton market had been cornered, and in the mid-1950's he battled with the Agriculture Department over what he charged was a deal to force up the price of soybeans by more than $1 a bushel, enabling a group of speculators to reap huge profits.

In a statement to the Board of Trade directors, Rosee charged that top Agriculture Department officials were in collusion with certain speculators in Chicago.

He told the directors that within an hour of informing the then Assistant Agriculture Secretary Earl Butz that he would request a congressional investigation, speculators began dumping soybean oil futures, and the price quickly dropped.

BOARD COMMITTEE

Rosee was requested to appear before the Board of Trade's business conduct committee and informed that his activities were detrimental to the institution and to its members.

"I said it was detrimental to these manipulators, but not to the country," Rosee says, and he recalls that he lost his temper and shouted, "the only way you will stop me is to frame me."

What Rosee refers to as his "nightmare" began shortly after that.

On Nov. 9, 1959 the brokerage firm of Baggot and Morrison, through which Rosee had been conducting his trading business, notified him that his accounts there had been closed, and that he owed the company $27,000.

"I was stunned," Rosee said. "They had been refusing to give me accurate records all along, putting me off every time I asked for them, but I thought I had more than $100,000. I trusted them, and I just thought they would give me a true accounting sooner or later. Suddenly, they tell me I have no money and I owe them $27,000."

There is little question but that Rosee was not a careful personal bookkeeper. He worked mainly out of his coat pockets, keeping there the small cards on which commodity traders record buys and sales involving trades that could total hundreds of thousands of dollars.

TRUSTED EVERYBODY

"Rosee trusted everybody," one of his former colleagues here said. "He would help anybody who wanted help. He was always trying to make money for other people."

James Baggot, Jr., and Donald Morrison, partners in the Baggot and Morrison firm, later were to testify that Rosee had offered to help them financially if they needed assistance and Rosee says he had told them they "could have everything I have. I trusted them," Rosee said of Baggot and Morrison.

After each trading day, Rosee turned over to a Baggot and Morrison clerk the cards on which his trades were recorded. This information was to be transferred to a ledger, then to so-called purchase and sales (P&S) sheets, of which Rosee was to get a copy.

The cards, the original records of his transactions, remained in the possession of Baggot and Morrison. But Rosee said he did make a copy of each card, placing it in a desk he was using in the Baggot and Morrison office.

In the fall of 1959, Rosee said he noticed agents of the U.S. Commodity Exchange Authority (CEA) auditing the Baggot and Morrison books. "I knew I had a lot of money in there and I became worried," he said. Rosee asked a company clerk named Edward Sprandel for a complete breakdown of his accounts.

The clerk reported to Rosee that Harris Haywood, chief bookkeeper at Baggot and Morrison, had denied the request.

"A few days later," said Rosee, "my duplicate trading cards were gone from the desk. Without those cards, I had no idea of how much money I had. I would have to take their word for everything."

Early in 1960, Baggot and Morrison issued to Rosee a letter indicating that he had lost $46,000 in trading during 1959. Rosee used this in filing his federal income tax return, informing the Internal Revenue Service, he says, that he did not accept the figure as accurate and stating that he was attempting to obtain a detailed accounting.

On June 3, 1960, Rosee was notified that Morrison had filed a complaint with the Board of Trade, demanding payment of one-half the $27,000 he claimed Rosee owed the firm. There were indications that Baggot, the other partner, was willing to "forget about the money."

Under Board of Trade rules, Rosee had little choice except to pay the claim or submit the matter to arbitration by the board. He chose arbitration.

The resulting hearing by the board's arbitration committee lasted from July through November, 1960, and later was described by Cook County Circuit Judge Nathan Cohen as a "travesty."

What occurred in that hearing, and how Rosee's case was handled by the Board of Trade has, one board member admitted privately, "come back to haunt us. We're being persecuted now for the way this was done 14 years ago."

Rosee, Board-of-Trade Battle Still Unsettled

(By George Anthan)

Chicago, Ill.—Bernhard Rosee, an Austrian immigrant who had become a successful commodities trader, arrived confidently at the Chicago Board of Trade on July 26, 1960, to face a committee of his colleagues, eager to tell them a straightforward story and fully expecting speedy justice.

He wasn't overly concerned, he recalls, about the claim of onetime friend James Morrison that Rosee owed the brokerage firm of Baggot and Morrison $27,000. He was sure the Board of Trade would provide him with the records he had been seeking unsuccessfully from the firm, and that they would show clearly that instead of owing money, Rosee did, in fact, have more than $100,000 in his accounts.

"I never worried about justice here," he said. A decade later, an Illinois state judge was to declare that this hearing before a committee of influential Board of Trade members "understandably" helped give Rosee a "virtual paranoid complex."

The hearing has provided a rare insight into operations of a large commodity exchange, which have been allowed by the federal government to largely police themselves.

Rosee, who still speaks in broken English and often finds it difficult to express himself clearly, discovered that Morrison was to be represented at the hearing by James V. Coughlin, a leading Chicago commodites trader, member of the board of governors of the exchange, and a lawyer.

Under Board of Trade rules then in effect, a member involved in an arbitration proceeding could not be represented by counsel, unless the lawyer also was a member of the Board of Trade. Rosee contacted some 20 lawyer-members of the exchange, asking them to represent him. They refused.

He pleaded with the six-man arbitration committee to allow him to bring his own lawyer to the hearing.

NO ENGLISH CLASSES

"You might as well know," he stated, "that I never in my life had one hour of English. I picked up the English language only by reading newspapers; and I think it is a grave injustice to allow a professional counsel to sit here. It is a most improper proceeding. I appeal to you again to reconsider and have him excluded."

Warren Lebeck, then secretary of the board and now its president, told Rosee that Coughlin was not a "professional counsel" and the committee repeatedly denied his request for a lawyer. Some legal authorities here contend now that the 1960 Rosee hearing was illegal because of this, that the Board of Trade should have been bound by an Illinois law that provided for legal counsel in such cases.

But Board of Trade officials say the exchange at that time was not compelled to allow Rosee to be represented by counsel. The Board later changed its rules, and if the arbitration hearing were held today, Rosee would be entitled to have his lawyer present.

The 600-page transcript of the committee's hearing makes it clear even to a casual reader that Rosee was at a disadvantage.

He was unable to follow accepted legal procedures and his methods of questioning, which would be acceptable to a layman, repeatedly were grounds for objections from Morrison's lawyer.

Rosee stumbled often in his questioning of witnesses, and he was easily diverted from a line of questioning by legalistic interruptions.

Fumbling with records, unable to quickly locate key information he needed in order to continue questioning, Rosee often gave up. Soon it was obvious that he was hopelessly behind in his effort to prove that instead of owing Baggot and Morrison $27,000, they owed him more than $100,000.

BIG SETBACK

His biggest setback in the hearing, however, came after he had won a major victory.

Rosee told the committee that if the members would direct Morrison to provide Rosee with some 10,000 trading cards, all his transactions could be reconstructed by accountants that Rosee had hired, and the matter quickly resolved.

Committee chairman Sidney Hamper, following a vote of the unit, ruled "It is the decision of this committee, in the light of this, and in consideration of the case in general, that in order for Mr. Rosee to present his case, he must have access to the original trading cards and the original entries."

When Morrison asked Hamper, "You want every card that Mr. Rosee ever wrote on?" Hamper replied, "Yes."

Morrison, however, objected. "I don't think it is fair to ask me to go down and sit in the basement and sort out all those cards," he said. "I just don't want to go down in the basement," he added.

Rosee asked, "What do they have to hide? Why is it such a hard job? This is the most ridiculous thing I have ever heard. Why is it so hard?"

He offered to have his accountants, at his expense, assist Morrison in the task, to "work until midnight, every day, every night."

But Morrison continued, "I have to sit down in the basement and fish all the cards out. Who is going to go back and refile them." But he finally conceded, "I will fish out the cards and produce them."

DIDN'T PRODUCE

Morrison did not produce the cards, however, and the Board of Trade backed him. Lawyers representing the board ruled that the Baggot and Morrison leaders provided an adequate account as to the status of Rosee's accounts, even though Rosee had contended the ledgers were false.

The board's lawyers did concede in their ruling, "It is true that there was a time when ledger accounts such as these would not have been admissible into evidence—only the trading cards would have been regarded as 'books of original entry' and thus admissible. However, the complexities of modern business procedures have compelled substantial modification of this concept . . ."

Under court orders later, Rosee eventually received some 2,000 trading cards, but input cards still are missing and both he and his lawyers now say his accounts could not be accurately reconstructed without them.

The Baggot and Morrison claim against Rosee was based largely on the firm's contention that he owned a so-called Account No. 35, which showed a $19,000 deficit.

Rosee said Account 35 was not his, and that trades listed in that account had actually been made by members of the firm. Since they were losing trades, he said, they had been charged to him.

At one point, Morrison acknowledged that Baggot himself had traded in Account No. 35, but insisted that Baggot's dealings later were transferred to an Account 45.

During the hearing, Rosee showed Morrison a card bearing the heading Account 35. The card indicated the trader involved had sold 95,000 bushels of soybeans.

"Mr. Morrison," Rosee asked, "is this card in Mr. Baggot's handwriting?" Morrison replied, "Yes."

AS FLOOR TRADER

Rosee said some of the trades charged to Account 35 actually had been made by him, but only as a floor trader for Baggot and Morrison. The two partners denied this, saying they had never given Rosee orders to buy and sell commodity futures, that they traded for themselves.

However, the Board of Trade arbitration committee ruled on Dec. 16, 1960, that Rosee did own Account 35, and that he owed the firm of Baggot and Morrison a total of $22,647. He was ordered to pay Morrison one-half this amount, or $11,323.

When Rosee refused to pay, the Board of Trade sold his seat on the exchange and turned the money over to Morrison.

But earlier in 1960, Rosee had appealed for help to the U.S. Commodity Exchange Authority (CEA), the federal agency charged with policing the commodity markets. The CEA assigned to the case two of its top officials in Chicago—a former Iowan named Albert Kibby, and Sam Gordon, who later was to become chief of the agency's Kansas City regional office.

During their investigation, Kibby and Gordon found that Baggot and Morrison had illegally been co-mingling customers' funds with company accounts. The CEA also found that Baggot and Morrison were in a precarious financial position.

In a statement filed by the CEA in May, 1960, before the Rosee arbitration hearing began, the government charged Baggot and Morrison with violations of the U.S. Commodity Exchange Act and stated that "the total amount of customers' funds which it (the company) held in segregation was insufficient to pay all credit and equities due such customers."

The CEA said the firm's deficits ranged up to $37,000 and added that both Baggot and Morrison were "aware of such deficits."

The CEA suspended the company's registration for three months, and Baggot was suspended for 30 days as a floor trader.

OUT OF BUSINESS

Within a month of the CEA ruling, the firm of Baggot and Morrison went out of business, although both partners continue today to enjoy trading privileges at the Chicago Board of Trade.

CEA agents Kibby and Gordon would not uphold Rosee's claim that his accounts had been manipulated in order to pay the firm's debts. And officials in Chicago and Washington subsequently refused to allow Rosee access to the records of all Baggot and Morrison customers, so that he could trade the firm's financial transactions and draw up accurate records of his own accounts.

In 1961, Rosee began a series of court battles that is continuing today. He filed suit in U.S. District Court here against the Chicago Board of Trade, James Baggot, Donald Morrison, Harris Haywood, the firm's bookkeeper, and top officials of the Board of Trade. He included as defendants the CEA's Kibby and Gordon.

The Board of Trade and its officials were removed from the suit by a court order, and Judge Hubert Will ruled in 1966 that there was no evidence Kibby and Gordon had participated in a conspiracy to defraud Rosee. He reaffirmed his decision following a hearing last fall.

Rosee filed suit for civil damages in Cook County Circuit Court in 1963, and after a series of court actions involving the U.S. Court of Appeals and the U.S. Supreme Court, the case went to trial in the spring of 1971.

On Aug. 17, 1972, Circuit Court Judge Nathan Cohen rocked the Chicago commodities industry by ruling that Rosee had been the victim of a massive fraud, and he stated that the case for Baggot and Morrison had been "replete with falsity, duplicity and obvious misstatement."

Cohen entered a $700,000 judgment for Rosee, noting that he had been deprived of his livelihood for more than a decade.

ROSEE'S ACCOUNTS

During the trial, Haywood testified that Rosee's accounts actually had contained $29,500 in margin money for a soybean futures sale, that Rosee had an additional $19,500 as margin for another transaction, that he had loaned $20,000 to Baggot, that some $20,400 had been placed in his account by associates as a guarantee for his trades, that $4,400 had been improperly debited to his accounts and that his accounts showed a profit from trading of an additional $5,200.

One of Rosee's associates, a lawyer named Melvin Brandt of Chicago, testified that on Nov. 11, 1963, he had gone to room 1738 of the Chicago Board of Trade building to inspect some records, and was told by a clerk that Haywood had removed the records to his office on the fifteenth floor.

Brandt said, "I walked into Haywood's office. There was no trading that day, It was a miracle that I should walk in at that moment. Normally a girl would have been there, and she would have asked what I wanted, then would have gone in and gotten Mr. Haywood. But the girl wasn't there, and I walked on into Haywood's office and opened the door.

"He was sitting at the desk, ripping pages out of ledger books. I looked at the pages. they were on the period in 1959 that was in dispute, when Rosee's accounts went from a big credit to a deficit of $27,000."

Haywood was asked by Judge Cohen during the trial why he was ripping the onionskin pages out of the ledger book. He replied that he was doing it to save space.

Cohen later said, "This man sat for hours cutting pages out of a book to save three inches of space in a room that has some, oh, 350 cubic feet of space or more. Utterly absurd."

Judge Cohen noted of Rosee; "Throughout this litigation there prevailed an attitude on the part of the plaintiff that was symptomatic of a virtual paranoid complex. Upon reading of the transcript of the hearing before this arbitration committee of the Chicago Board of Trade, and upon reviewing all of the evidence, this complex is understandable to the court."

MORRISON MUST PAY

Up to now, Rosee has collected little of the money. Baggot and Morrison have been ordered by the Illinois Supreme Court to file appeal bonds totaling $1,150,000, and Cohen has ruled that Morrison now must pay to Rosee 10 per cent of his earnings up to $1,400 a month, and all his income over that figure. Cohen also has moved to prevent the defendants from shifting ownership of their assets.

"But," says Rosee, "they're waiting for me to die, and he complains bitterly that Morrison has won seven delays in his appeal of Judge Cohen's ruling.

Dom Rizzi, a lawyer for Morrison, notes, however, "if all the assets of Baggot and Morrison are sold and if the defendants win their appeals, how can they get their assets back from Rosee? He is old and destitute. How could they get their seats on the Board of Trade back?"

Rosee contends, "That's what they did to me. They sold my seat out from under me, without a court order or anything."

Now, Board of Trade President Lebeck confirms that the exchange has taken no steps to restore Rosee's seat, and he said that under the exchange rules Rosee, as a nonmember, cannot move to file a claim against Baggot and Morrison.

But commodities speculators in Chicago say the Rosee case, coupled with congressional demands for tighter policing of the markets, is shaking the industry.

"I'm thinking about selling out while my seat is still worth something," said one trader, "and moving on down to Florida."

THE CHILDREN OF SILENCE

Mr. TUNNEY. Mr. President, in the Sunday, February 10, issue of the Washington Post an outstanding article appeared which was excerpted from the magazine "Human Behavior." The article entitled "The Children of Silence" is an historical portrayal of autism from the time the term "autism" was coined to the present.

It shows what progress has been made in the treatment of this disorder and to me only exemplifies the fact that with time, research, and assistance there is some hope that this unfortunate disorder might some day become nonexistent.

On February 21, the House of Representatives will be holding hearings on the extension of the Developmental Disabilities Act. One aspect of that hearing will deal with the inclusion of "autism" in the act. I am hopeful that the committee will respond favorably to the request and that the Senate will follow suit later this year.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CHILDREN OF SILENCE

(By Wayne Sage)

(NOTE.—Sage is a Los Angeles freelancer and a contributing editor of Human Behavior magazine, from which this article is excerpted.)

Jimmy, now 9 years old, has spent most of his life strapped to his bed, his arms and legs bound to the bedposts by leather belts, because if released, he might destroy himself.

Billy, age 6, has not been restrained quite so constantly. He has gnawed off a large portion of his right shoulder. Several ounces of flesh are gone. There are teeth marks etched on the bone.

Tina, since she was 3, has pounded her head against the sharp edges of furniture. She is now 11. She never uses the rounded edges. They are too slow to draw blood.

Karen, 5, has been concentrating on biting off her little finger and pulling out her fingernails with her teeth.

There are thousands of children like these who slam their heads against walls until they knock themselves out. Others slap their skulls with their fists until they detach their retinas and go blind. Still others crush their middle ears and go deaf.

At most mental institutions, "treatment" consists of binding such children into straitjackets and harnesses. They spend their days rocking, nodding and humming the same few notes to themselves, as though some inner, never-changing rhythm were an all-important compulsion. A cymbal banged near their ears brings no reaction. They seem to see no one who comes and goes around them and apparently are unaware of whether the lights in the room are on or off. Yet they are neither blind nor deaf. They may spot a cornflake on the floor 20 feet away and go after it, or cringe from the crinkle of a candy wrapper or the whine of a distant, barely audible siren.

What such children don't do is almost as pathetic. Most never speak. Those who do parrot mindlessly. "What's your name?" a stranger asks. "What your name?" the child echoes back with mock tone and inflection. He may echo it back to himself again and again for days afterward.

The list of parodoxes these youngsters present goes on and on. In cases where they are testable, they sometime score extremely high on IQ tests. Others seem to be of average intelligence for their ages. Yet they cannot learn even to feed and dress themselves. At 5 or 10, they may be unable to control their own bowel movements, living within the social and intellectual repertoire of a 6-month-old baby.

Those who would cuddle or hug them out of pity encounter essential disinterest. Even their own parents find that they do not seem to care whether they are around or not. These children are also indifferent to their brothers and sisters, who are almost invariably "normal."

They do not love. No one knows why.

Some have tried to find out. They may have done more harm than good.

BLAMING THE PARENTS

A child may have any of the above behaviors in any combination and still get off with the label "retarded," "psychotic," "child schizophrenic," "aphasic" or "brain-damaged." But a child who has them all is called "autistic." The word itself is crippling.

Usually not even special schools for the retarded or emotionally ill will accept a child so diagnosed. Physicians and even many child psychiatrists will recoil, pass him on to other experts. Those who make the effort usually give up eventually, rather than lose faith in their treatments. Most decide beforehand that the child is simply too complicated, or hopeless, to deal with.

The term itself was coined by Johns Hopkins psychiatrist Leo Kanner. From the Greek he borrowed the word *autos*, meaning "self." The child was apparently locked totally within himself, in a state of extreme "autistic aloneness," Kanner observed. It was on this inability, or perhaps refusal, to communicate with the outside world that the experts began to hinge their claims. Out of their speculations grew a theory that may have truly isolated the "autistic" child, by cutting him off from the very people who it now seems are the only ones who are ever able to help him—his parents.

"The autistic condition in a child is directly consequent to the wish of the mother that his child did not exist," said Bruno Bettelheim, a University of Chicago psychiatrist and patriarch of the psychogenic theory of autism. The child very early in life senses this rejection, the idea continues, and turns totally inward He cannot learn or love because his entire energies are devoted to blotting out every effort to reach him. Thus, "In protecting himself from the destructive designs of his mother, he ends up defending the deprived and 'empty fortress' of his life," wrote Bettelheim, and, with those words, set up the analogy that walled the parents of autistic children into their own syndrome of guilt and passive acceptance.

Since no drug or other attempt on the physiological level had ever been shown effective in the treatment of autism, Bettelheim proceeded by way of the psyche.

SYMBOLIC REVENGE

The first few autistic children to be treated came to live at the Sonta Shankman Orthogenic School in the early 1950s. Shut away from their parents, they were lavished with love and the most tender care. No demands were placed on them. Through almost constant observation, everything from their family backgrounds to their role actions and babblings were carefully sifted for clues. The hope was that once rescued from their theoretically hostile home environments, they would "work through" their psychic disturbances. Over the years, some seemed to improve. The stories of three of these children—Laurie, Marcia and Joey—as told by Bettelheim in "The Empty Fortress," have become modern classics in the annals of child psychology.

"For example: When Laurie began to play with her own feces, dropping them among her blocks and smearing them over her body and clothes, she was thought to be exploring the limits of her abandoned self and the consequences of her own actions.

When Marcia took up squeezing water from a baby bottle onto the floor, this was seen as symbolic retaliation. "As she had been flooded by the enemas, by water coming out of an 'enema bottle,' so she now flooded us," wrote Bettelheim, referring to the enema her parents had supposedly forced upon her.

Joey's obsession with machines and propellers was seen as an expression of some vicious emotional cycle in which he himself was trapped. His self-destructive behavior was thought an attempt to puncture his body so as to drain the waste material that his long anxious hours at his toilet could not completely remove. He feared defecation because he feared losing a part of himself, Bettelheim explained.

"I was afraid I was letting go of something," Joey himself said many years later.

That is to say, Joey recovered. On his return visit many years later, he brought with him his new high school diploma, and also brought a most telling gadget: A device "he had constructed himself changed the eternal back-and-forth of the alternating current into a direct continuous flow," Bettelheim describes. "Joey had truly freed himself of the vicious cycle in which he rotated forever between longing and fear. All by himself, he had altered the course of events till he was now meeting life in a straightforward direct encounter."

MEAGER RESULTS

The story of Joey notwithstanding, there has never been any objective proof that psychoanalysis has any curative properties whatsoever. There is considerable proof that it doesn't, especially for autistic children. There have been no less than 57 studies, covering far more than 8,000 children, in which autistic kids who have undergone such treatment were matched with those who didn't. The results consistently show their recovery rates to be identical. Those who are going to get better, get better. Those who won't, don't, regardless of whether their psyches are probed or not.

Therapists who advocate such treatment relate case histories of those who improve, never of those who don't. Even in these instances, there is no way of knowing why the child got better. The symptoms of autism are painfully similar in all its victims until around age 5½, after which each child follows a path very much his own. In some children, there are symptoms from birth, while others don't show signs of autism until 2½, (Bettelheim does not accept children until after age 5½ or 6.) Most parents of untreated children report glacial, but general, improvement in their children as they grow older.

Bettelheim would hardly be the first psychiatrist to be fooled by such spontaneous recovery. Most psychologists who have worked extensively with autistic children say they can spot those who are going to get better on sight. These are probably the children whom psychoanalysts are most apt to choose as patients, since they show the most "hope."

LOOKING FOR THE CAUSE

According to psychologist Bernard Rimland of the Stanford Center for Advanced Study in Behavioral Sciences, kids across the country fingerprint with their feces until they grow into adult vegetables mainly because Bettelheim's followers hereinfore have gone unchallenged.

Since Rimland is himself the father of an autistic child, his reluctance to accept the psychogenic theory is perhaps understandable.

One way to prove that parents are not the cause is to find out what *is*. Rimland is convinced that autism is the result of some biological malfunction, perhaps genetic in origin, which cripples a baby mentally and emotionally.

One of the big frustrations of this countertheory is the autistic child's apparent physical perfection. He is invariably exceptionally beautiful, as though his lack of contact with the world protects him from tarnishes. Most medical tests, including electroencephalograms, turn out "normal."

Unfortunately, there is so little known about how the brain works that there is still plenty of room for such a defect that present techniques could not begin to measure.

As for the genetic aspect, Rimland points to several studies that purport to demonstrate that autistic children tend to be the offspring of highly intelligent parents. One investigation by psychologists Ivar Lovaas, Laura Schreibman, Robert Koegel and Richard Rhem at UCLA found that autistic children overselect when presented with stimuli. That is, if an autistic child does manage to pay attention to something being said to him, he cannot follow visual, tactile or other signals at the same time. Rimland believes this may be the result of an excessive dose of the ability to concentrate that the child receives through the genes of his parents. Since both parents had such tremendous powers of concentration, the child's ability to concentrate may become so concentrated that he cannot deconcentrate from a single cue at a time, Rimland speculates. Since learning is largely a matter of pairing, say, a smile and a hug with forcing out the word "mommy," the autistic child may perceive only the smile, fail to make any associations and regress.

Actually, as Lovaas points out, there is no way of knowing if overselectivity of stimuli is the cause of a symptom of autism.

Even more intense have been Rimland's efforts to find a biological cure. In one such venture, he mailed out mammoth doses of certain vitamins to the parents of over 300 autistic children across the country. Some reported phenomenal improvements, and 2 out of 3 of the elaborate computerized methods of analyzing the data based on such reports found the results "significant."

But parental reports under such circumstances can hardly be accepted as objective proof, no matter how one analyzes the data. Parents who want to see improvement badly enough can be expected to see it, especially when left to their own devices to discern it. Other work that has attempted to use blood tests to discern abnormalities related to the inability to use certain vitamins is also methodologically weak. Overall, Rimland has presented data no stronger than that of Bettelheim to prove his point of view.

Nevertheless, although practically no one is willing to come right out and stake his professional reputation on the matter, most experts are inclining toward the organic theory. Studies continue to pile up that show, for example, that autistic children have different arousal patterns that may prevent them from responding to the world effectively. Certain low voltage "bursts" in electrical potential across the brain may characterize autistic children, other researchers believe. Autistic boys, as well as some of their fathers, have an unusually long arm to their Y chromosomes; yet another neurologist insists the significance of this, if any, is anybody's guess, especially when one considers that females, who have no Y chromosome, are also autistic.

Those who have delved into the physiology of the autistic child are as much at a loss to explain him as are those who have delved into his psyche. Perhaps the good that has come overall is that the theories are now canceling one another out. Neither can any longer do much harm. While the biochemists search for a neuron that can be rewired to make everything all right, parents are free at last to try to help their children without fear that they may hurt them even more in the effort.

IS IT A DISEASE?

Both the psychogenic and organic theories of autism are framed in the disease concept of mental illness. An autistic child is one who has a list of six behaviors that parents report and experts observe. According to the disease theory, these behaviors are common symptoms of an illness with a fundamental cause that, once discovered and corrected, would eliminate them all in one fell swoop.

That this approach has yet to uncover a cause of the type it seeks may be due to the nebulous nature of autism. There is a positive correlation between the number of experts a child has seen and the number of different diagnoses he has received. Autism, it seems, is largely in the eye of the expert beholder.

"We have data that show without question that if you call a kid autistic and sick, then it's hands off," says psychologist Lovaas of UCLA. "And the minute you stop making demands on them, they regress. At all cost one should avoid labeling any child autistic. Either people don't want to deal with him or they believe he is so complicated that they can't deal with him. It frightens me, all the kids who have been hurt by diagnoses. We do more damage that way than nature does."

Even those children who have the classic autistic behaviors are extremely different from one another, according to Lovaas. There is no evidence that they are all linked to a common cause. Each child reacts very differently to efforts to reach him.

Lovaas also began his work in the psychoanalytic tradition. But as he sat observing and analyzing his patients, he found it difficult to shake the feeling that there was simply nothing a mother could do to hurt a child so profoundly.

As Rimland is fond of noting, social workers regularly encounter case after case of the most horrendous mental and physical child abuse, and yet in no instance does this result in autism. Also, a child with Down's syndrome is extreme in his affections, almost as warm as the autistic child is cold. Rimland says, "If the mother of an autistic child is to be blamed for her child's coldness, does this mean that the warmth of a child with Down's syndrome is because the parents were so thrilled to have a Mongoloid baby?"

STOPPING THE POUNDING

Lovaas has given up trying to decipher profound psychic meanings from the rocking and babbling of children traditionally labeled autistic. He no longer asks why they behave the way they do, or what might have happened in the past to start them behaving a certain way. These are questions he believes it is impossible to answer today. All his efforts are geared toward what can be done right now to help each individual child. The resulting approach he describes as "very physical." His therapists are constantly working with children in decidedly unpsychoanalytic fashion. There is lots of touching, hugging and kissing—and spanking.

Perhaps the best illustration of the difference between the Bettelheim and Lovaas approaches is their treatment of self-destructive behavior, which Bettelheim never really treated in the first place. "Such behavior is only a symptom, and you can't treat a symptom," insists Bettelheim. "You have to correct the disease and then it will go away." Children tearing the flesh from their own bodies with their teeth and pounding their heads against walls appeared so hopelessly ill that no one had dared question this position. When they began such behavior, they were stopped, held and comforted.

When Lovaas first removed such a child from restraints, the theory seemed confirmed. Allowed to pound himself without interruption as psychologists watched and kept count of the blows, the child first beat himself even more fiercely than ever before. But the researchers did not restrain him, even as the blood began to flow. Then gradually, very gradually, the pounding began to slack, and finally stopped completely.

Certainly the "disease" was still there. If self-destruction were a symptom, why did it stop? The process was repeated with another child with the same results. It soon became well established that self-destructive behavior would "extinguish" by itself, provided one could stand to ignore it several thousand times—and provided the child did not kill himself in the process. The treatment seemed inhumane, and yet children who had battered themselves for practically their entire lives no longer did so.

But although the child would not hurt himself in the "extinction" room where such behavior had proved useless in getting attention, he would pound, at full strength only feet and seconds away if taken to a place where he had been comforted for such assaults. As Lovaas observed, "The child did not waste any blows unless there was a payoff for it, and they were very discriminating as to which situations paid off."

Then one day a different treatment was discovered. Lovaas had become so close to one small girl under his care that he had come to feel she was one of his own children. For once, the process became simply too much even for him to watch. Quite without recourse to the theories of psychopathology, he slapped her on the rear end and shouted, "Stop that!" She whirled around and looked straight into his eyes, as if to say, as he remembers, "What kind of psychiatric clinic is this?" But she did not hit herself again. Thus began one of the most controversial experiments in modern psychology—the exploration of pain in the treatment of autistic children.

A more sophisticated form of punishment, electric shocks, was tried. They worked. Not slowly, over thousands of bloody tries. Immediately. Self-destructive behavior in such children can now be essentially eliminated within one minute—although usually the method of punishment is a slapping rather than a shock.

Self-destruction, far from being a symptom, seems to be a way of communicating for children who cannot express their needs in any other way. Therefore, it falls under the same laws as any other social behavior. If it is rewarded with attention and consolation, it continues. If it is punished, it ceases. It tends to occur most frequently (whether the child has previously been diagnosed "autistic" or not) in large state mental hospitals where there are a great many children competing for the attention of only a few overworked staff members.

"GARBAGE BEHAVIOR"

Next, Lovaas turned to self-stimulation, the endless rocking, nodding and twirling that blocks out all attempts to teach such children. An electrified grid was spread under the floor of the room of autistic twins. The minute they began to self-stimulate, the current was shot into their feet. They stopped.

Lovaas has never seen autistic children who did not self-stimulate. But again, it has been found not to be an immutable symptom of an incurable disease. Rather, it seems to be what Lovaas calls "garbage behavior." If one does manage to teach an autistic child some other, useful behavior, the new behavior will gradually replace the self-stimulation completely. Normal children have been found to self-stimulate in the same way if they are left alone with absolutely nothing to do. Children who are blind and deaf look "autistic" until they receive special education. Every organism must have stimulation to live, the theory goes. If it does not get it from the outside, it stimulates itself. However, self-stimulation itself in turn tends to block out cues from the outside, leaving the child caught in a vicious cycle that he cannot break. If self-stimulation is removed, teaching becomes much easier, although still very slow.

With the power to overcome self-destructive and self-stimulatory behavior, teaching has become the byword for the children so many thought could not be taught. But their educations are excruciatingly slow. Just establishing eye contact and teaching the child to attend can take months. Simple tasks such as dressing and feeding himself can take many more months. One parent watched week after week as a therapist struggled to teach his son to come when called. "A dog after two nights in obedience school is still light years ahead of my boy," he admitted morosely.

LEARNING TO LOVE

But perhaps the greatest hurt with which the parent of an autistic child must learn to deal is the emotional coldness of his child. Even the most severely retarded child is usually affectionate. The autistic child, even from birth, usually does not respond to being picked up and does not mold its body when cuddled. During behavior modification, the parents watch as therapists yell at their child and spank him until he learns that only by running to his parents will the anxiety let up. The child thus learns at least to go to their vicinity when frightened or in danger.

But once there, he must be taught what to do next. Lovaas and his staff then work to "build a hug." The child is deprived of his breakfast and rewarded with bits of nourishment as he comes closer and closer to his mother, then only after raising his arms to her, and finally after putting them around her neck "as though he were hugging her."

Hugs and affectionate behavior are always learned, not innate, Lovaas believes. This does not mean that the autistic child is truly incapable of learning affection, only that he cannot learn it the way a normal child does. The autistic child can be prompted only by what can reach him: pain, hunger, and then relief and nourishment and then finally the warmth of his mother's body.

There are disconcerting aspects, however. When one 6-year-old boy who had finished such treatment followed a stranger in a park and hugged his leg, his father made the disheartening discovery that although his son did indeed now show affection, he seemed to do so at random.

Speech can also be taught in many cases as the child is gradually nudged from passive withdrawal to active communication. He learns to use a vocabulary to at least express his basic needs. Along with the fundamental self-help skills such as dressing and feeding himself, the child then can be taught the rudiments of how to take care of himself.

The results can be staggering. For psychiatrists trained in the old theories, just to step into a school to see "autistic" children sitting at desks in a classroom, paying attention, slowly beginning to pronounce and associate the meanings of words, is little short of miraculous.

PARENTS ARE VITAL

And yet the question still nags: Why are some children who are both intelligent and apparently physically perfect so unable to deal with the world?

Bettelheim's theories still haunt. In the words of a parent who had known all the reassurances, including Lovaas' treatments: "I've never forgotten that [my child] was unwanted. It's as though he sensed that on the day he was born, and has never forgiven us. It sometimes seemed he couldn't even look at me because it would hurt too much."

Every now and then Lovaas encounters an exceptional case of an autistic child (perhaps one much akin to Bettelheim's Joey) who manages to recover almost completely. He enters public school and becomes practically indistinguishable from the "normal" children.

But where the program really means the most is for the non-Joeys. Followup studies on Lovaas' children show those who are returned to state mental hospitals, where no demands are made on them and no one insists on trying to teach them, regress, forgetting all they ever knew about how to take care of themselves. Those who return to their parents continue to progress, sometimes even growing into adults who can hold menial jobs and become at least economically self-supporting.

The parents, not his therapists, remain the child's only source of hope. For this reason, Lovaas trains parents to continue treatment on their own. In ways reminiscent of the education of Helen Keller, they are taught to set up each goal in agonizingly small steps, but then to insist that their child take that step.

One of the most distinguishing characteristics of the child who makes it to normal status is having parents who tend to deny that he is sick, giving no excuses for his behavior and putting lots of demands on him while devoting fantastic amounts of time to him.

Thus the real harm done by the psychogenic theory may not have been the blame it laid, but the wedge it drove between the autistic child and his best allies in his fight to come to grips with the world.

CHILDREN'S CHARITIES

Mr. MONDALE. Mr. President, on February 4, 5, and 6 my Subcommittee on Children and Youth held the first of a series of hearings on the subject of children's charities. I was particularly interested in the testimony we received from representatives of national organizations which are trying to develop ethical standards for charitable organizations.

I request unanimous consent that the following items be printed in the RECORD: My opening statement, explaining the purpose of the hearings; the statement of Peter Falk, the television star who is the national chairman of the National Easter Seal Society; and the statements of Arthur J. Grimes of the National Health Council and Helen O'Rourke of the Council of Better Business Bureaus.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WALTER F. MONDALE, CHAIRMAN, SUBCOMMITTEE ON CHILDREN AND YOUTH

During our lifetime, American charity has accepted the challenge of some of our most terrible problems. It has helped to virtually eliminate tuberculosis and polio . . . to feed millions of hungry children . . . to aid the crippled and disenfranchised . . . and to offer new hope and new life to countless victims of our society.

This morning the Subcommittee will hold its first hearing on a group of charities of particular interest and concern—charities which serve children and youth. I believe that American charity makes a vital contribution to the improvement of life for children and youth both here and abroad, and that our national policies should encourage these efforts. Over the next few months the Subcommittee will be exploring whether existing legislation is adequate to protect the interests of the beneficiaries of and contributors to these charities . . . and trying to determine if new legislation is needed.

During my ten years in the Senate, I have devoted a large part of my time to the problems of children and youth. I know only too well the horror of child abuse . . . the tragedy of an infant who dies of crib death . . . and the frustrations of a poor Indian child who does not get enough to eat . . . and of a black child who can't seem to get a decent education.

These problems have been with us for years. In the public, government sector, we have tried again and again to develop effective programs. Sometimes these programs have succeeded. Sometimes they have failed. But whatever we have done . . . it has not been enough. Illness, poverty, malnutrition are all still very much with us.

Private, charitable efforts for children and youth provide an essential complement to government activity. They provide much needed help to countless children. They offer millions of volunteers the opportunity to know the satisfaction of helping others. They offer contributors a clear choice to select a cause they wish to support.

In these hearings, the Subcommittee's primary concern will be for the children being served by charities and for the contributors who want to help them. After all, that is what charity is about: generous people on one side, needy people on the other side . . . and, between them, organizations that are supposed to be dedicated to serving the contributors and recipients.

If these two groups . . . the contributors and the recipients . . . are in any way being victimized or abused or exploited, the cause of charity in America is suffering.

I am very aware of the problems that confront charities trying to raise money for an admirable purpose. We know that they must spend money to raise money . . . that they must devote part of their resources to overhead and public relations.

On the other hand, I believe that contributors have a right to expect certain things of a charity . . . that the money they donate will be handled with reasonable care and for a charitable purpose . . . and that the children in whose name the money is raised will actually benefit.

Our witnesses today will help clarify what kind of services children receive through charity . . . how charities obtain funds from the public . . . and how much they spend on fund raising, general management and program services.

I am especially pleased to welcome and to introduce our first witness . . . Peter Falk . . . better known to some of you as "Columbo" . . . and known to the Subcommittee as the National Chairman of the National Easter Seal Society.

STATEMENT OF PETER FALK, 1974 NATIONAL CHAIRMAN, THE NATIONAL EASTER SEAL SOCIETY FOR CRIPPLED CHILDREN AND ADULTS

Senator Mondale, I am pleased to appear before you and your distinguished colleagues and give my views on the value and importance of children's charities as I see them. I am serving this year as National Campaign Chairman for the Easter Seal Society, which is the oldest and largest voluntary organization serving crippled children and adults.

My interest in children with problems goes back for many years. When I was asked to participate in an Easter Seal telethon in New York City, I was supposed to appear for a short time, perhaps a half hour. After arriving on the scene and learning about the services the organization renders to children, I stayed there for the full 20 hours that this program was on the air.

I guess you could say I was hooked.

Since that time, as National Chairman, I've had opportunities to become more fully acquainted with the programs of this organization through talking to many children and young adults who have benefited from its services.

I realize that my personal involvement with the Easter Seal Society does not make me an expert in the area of child care or services. But it has enriched my experience and broadened my knowledge of what a volunteer organization serving children is trying to accomplish.

The case for children's charities is a very simple and straightforward one. There are many, many children who need help. The needs are so vast, that government cannot possibly meet the massive challenges alone.

This view was re-emphasized in a recent speech by the Secretary of HEW in which he stated that the government doesn't have all the answers to the myriad problems that exist in the health and welfare areas. He said—"we not only need the private sector to deliver the services, we need all the ingenuity and creativity that the private sector can muster to help us achieve our goals."

It is for these reasons that charities serving children have come into being. These organizations provide many types of services in the areas of health, education, welfare, adoption, foster home placement, prevention of child abuse, counseling, youth guidance, recreation and others.

This country has a deeply-imbedded tradition of volunteerism . . . a tradition we can be proud of. It has been said that a nation can be judged by the way it cares for its people. Certainly, children with problems are high on the list.

Throughout our history, the voluntary organizations have played a significant role in the building of this great nation. It was volunteers whose organized efforts built the churches, the hospitals, the libraries—who nursed the ill and who were the source of help in time of trouble.

Great advances have been made in the care of children which might not have been possible without the extensive network of charitable organizations. An added dimension is the channel such organizations offer to the millions of Americans who are eager to help and can do so through volunteer service.

In 1968 a survey was conducted by Roper Associates to substantiate whether there was any real concern or interest among Americans in volunteering to help solve some of the great social crises of their country. The results of the poll showed that 60 million Americans were deeply concerned and wanted to help.

More recently, in 1972, a New York market research firm conducted a nationwide survey in an effort to determine why people give to charities and how they choose the charities they wish to support. The results showed that more than 60 per cent of the people who give to charity do so out of a feeling of moral obligation. These people tend to be steady givers. Of all the specific types of charities, those serving needy children, medical research and aid to the handicapped were most favored, according to the survey.

And so, it seems clear that there is an innate desire in the hearts of most people to improve the human condition by helping others—sometimes on a one-to-one personal relationship, sometimes by giving money and services to an organized charity.

There are many ways volunteers give of themselves to children's charities. What's important is that there *are* opportunities for people to become personally involved in needed community service programs.

As concerned and motivated citizens, they want and demand "a piece of the action" in utilizing their talents to help.

Important as the direct services to children are, there is another dimension to the value of children's charities and the individuals who make them work. Through public education and information problems, children's charities help focus public attention on the needs of children.

The dramatic success scored in conquering polio is one example of what a children's charity can accomplish through research when there is public support. There are many other examples of forward strides achieved through arousing the American public and providing the facts about serious problems.

In conclusion, may I say that there is ample documentation that charities serving children occupy a solid niche in this country's approach to meeting urgent needs. If we want to keep our country strong, I firmly believe one of the ways is to help those children who need a helping hand through all available means. The vitality, devotion and spirit of these children's charities are the powerful ingredients that make possible a creative partnership between the private sector and government. It all adds up to a winning combination of resources that can—and must—find the answers to the problems children face.

Senator Mondale, I want to thank you for this opportunity to say a few words on behalf of organizations for children whose goals and objectives are something I believe in with all my heart.

Statement to the Subcommittee on Children and Youth of the Subcommittee on Labor and Public Welfare

(By Arthur Jack Grimes)

CHARITABLE ORGANIZATIONS THAT BENEFIT CHILDREN

Mr. Chairman and Members of the Committee: My name is Arthur Jack Grimes. I am Director for Membership for the National Health Council. I have had responsibility for the Council's Membership Standards Program over the past twelve years.

THE NATIONAL HEALTH COUNCIL—WHAT IT IS AND DOES

The National Health Council is a private non-profit membership organization that brings together over 75 national voluntary health agencies, professional membership associations, government, business and industrial firms to improve the nation's health through cooperative action. A list of the NHC member organizations is included as an attachment to the advance copy of my statement provided to the committee. The National Health Council was founded in 1920 by a group of leaders—representing such organizations as the American Medical Association, the Rockefeller Foundation, and the American National Red Cross—who anticipated a vast expansion in health activities and foresaw the need for a meeting ground and coordinating mechanism for the growing number of national health agencies in the United States.

The National Health Council's goal is to improve the health of the public throughout the nation. Its principal functions are:

To help member agencies work together more effectively in the public interest.

To identify and promote the solution of national health problems of concern to the public, and

To further improve governmental and voluntary health services for the public at the state and local levels.

The Council's activities are chartered and guided by a 43-member Board of Directors. The governing board is representative of its member organizations with participation from members of the public-at-large. The Council is incorporated under the laws of the State of New York and is classified as a 501(c) (3) Federally tax-exempt organization. Dues from member agencies constitute the major continuing source of income. Funds are provided for special projects by Federal grants, foundations and the business community.

Millions of volunteers are associated with the Council's member organizations. They contribute time and talent in hospitals, rehabilitation centers, in recruitment of other volunteers, recruitment of young people for health careers, public and professional health education, fund-raising, trustee service and a host of other tasks for the benefit of the health of their fellow citizens. They are also the organizations that set and maintain standards for the health care this country receives. They are the professional base for the highly trained core of people who provide health care to Americans. The Council's member organizations are in short, our health establishment.

NHC STANDARDS MET BY VOLUNTARY HEALTH AGENCY MEMBERS

The 19 national voluntary health agencies which are members of the National Health Council can be viewed as truly representative of and responsive to voluntary effort because they are so organized and operated. The Council's membership requirements for these agencies are designed to assure this and also to assure that they are reliable, ethical and efficient organizations by reason of having met the eligibility requirements before they became NHC members. These requirements include the provision that these organizations document annually to the National Health Council that they meet substantially the Council's criteria of reputable operations including ethical fund-raising and promotion publicity, democratic structure and governing processes with full disclosure to the public of amounts and types of assets, liabilities, income and expenses for program and supporting services (fund-raising and administrative costs) according to the *Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations* (NHC–National Assembly, 1964). The Council's criteria for membership eligibility have been developed and administered as standards for organizational excellence. The objective is not to mold the members into a rigid, inflexible organizational pattern but to provide sound basic rules for the benefit of the members and to protect and promote the public interest and confidence in the membership. The considered opinion of the Council's leadership is that this is necessary so that voluntarism and professional and public trust may continue to grow.

IMPORTANCE OF VOLUNTARY HEALTH MOVEMENT

My purpose today is to describe the importance of a viable voluntary health movement to improve the health and quality of life for people of the U.S. including children and youth. The 19 national voluntary health agencies represented in the Council membership include the American Cancer Society, the American Health Association, the National Easter Seal Society, to mention a few of the largest, each of which raised over 50 million dollars in 1972. Also included are some of the newer and smaller voluntary health organizations such as the National Cystic Fibrosis Research Foundation, the National Multiple Sclerosis Society and the National Society for Autistic Children.

One of the best examples of the value of the voluntary private sector concerned with health is illustrated by the accomplishments of the National Foundation—March of Dimes. Through the work of this organization we have today a vaccine against polio which formerly took a heavy toll in the lives and health of children and youth. Conquering this disease was made possible with private funds contributed directly by the people of this nation, including yourselves, through the March of Dimes. Each one of the Council's voluntary health agencies is concerned with the health of children and youth; some of them very specifically within that age category, others with the health of people of all ages. A similar success for tuberculosis is due to significant professional and public education and services of the National Tuberculosis and Respiratory Disease Association—now know as the American Lung Association. There are many other successes due to our investments of time and money in the voluntary health movement. Most are not as dramatic as that of conquering TB or polio but for a successful rehabilitation of a crippled child, it is just as important. Significant breakthroughs are promised from the work of the voluntary agencies concerned with kidney disease, hemophilia, and diabetes.

The importance of the voluntary health movement is characterized by their programs and accomplishments in:

1. Creation of awareness of specific health problems among large numbers of people through free-ranging, uninhibited public education campaigns that enhance the use of preventives, precautions and medical services.

2. Support for community health services engendered and augmented by practical person-*to*-person services which constitute a morale-building factor speeding recovery for the afflicted.

3. Pioneering research in specific disease categories which make it possible to take advantage swiftly of breakthroughs in discovery of causes, remedies and prevention of many diseases.

4. Recruitment and utilization of volunteers who as a result of their agency experience develop satisfaction and skills that make them the new community leaders, urgently needed in our rapidly changing culture.

MANAGEMENT IN THE NHC VOLUNTARY HEALTH MEMBER ORGANIZATIONS

Management techniques evolved by the business world are employed by the major health agencies. They make formal study of their goals and structure, prepare annual budgets for approval by their boards of directors, use electronic data-processing to record their fiscal affairs, keep track of administrative actions and spot trends and changes in public attitudes. This in no way detracts from their humanitarian purposes. The objectives remain altruistic, while such procedures as job classification, performance review, cost analyses and evaluation studies of the particular activities protect the contributors' dollars.

One of the most significant joint actions taken by these agencies to date was the adoption in 1963 of *Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations.* These reporting standards were developed by the National Health Council and the National Assembly for Social Policy and Development to meet the need for better financial data upon which contributors could base decisions. Lack of common terminology and procedures in public financial reporting had made it difficult to appraise and compare the activities of individual agencies. Now, a format has been developed by which each agency can summarize its figures. By using the same ground rules for items of similar nature, there is comparability of financial reporting. The *Standards* were adopted in 1973 as the generally "accepted accounting principles" by the AICPA. Beginning with fiscal years ending in 1975, in order to obtain an unqualified CPA audit opinion, voluntary health and welfare organizations at all levels of operation must be using the principles of the uniform accounting *Standards.*

In the *Standards* sources of income are identified within common categories and expenditures are in two major divisions: "Program Services" such as research, patient services, public education, professional education, community services and, "Supporting Services," which includes the general operating services such as administration and fund raising.

At this time most of the national voluntary health and welfare agencies have endorsed and are implementing the *Standards of Accounting and Financial Reporting.* The Council in 1974 is engaged in a joint campaign with the United Way of America, the National Assembly and the American Institute of Certified Public Accountants, as well as with the National Association of Attorneys General, to achieve their universal use.

The Council's criteria for eligibility for membership, including full disclosure according to the *Standards,* have gained wide acceptance in the field as the recommended *Standards* for organization and operation for voluntary agencies and professional membership associations in the health field in the U.S.A. As indicated, they provide sound basic rules for the benefit of the non-profit health and welfare organizations and help to promote the public's interest, trust and confidence in voluntaryism.

THE USE AND LIMITATIONS OF FINANCIAL RATIOS AND JUDGING THE EFFICIENCY OF EFFECTIVENESS OF CHARITABLE ORGANIZATIONS

Since some of the activities undertaken by many voluntary health and welfare organizations ultimately, necessarily and properly simultaneously serve the program objectives of an agency as well as its management activities and the raising of funds to carry on these other functions, it may not be possible, even with the most meticulous accounting, to completely isolate and precisely report all of an agency's expenditures for any single function, whether it be fund-raising, management and general, or a particular program service.

It is fully recognized that the most serious single concern of many contributors, and of many governmental bodies that require public reporting of the finances of certain charitable organizations, is to ascertain agencies' fund-raising costs, and the relationship of these to total funds raised. This concern and preoccupation has also led to a natural and understandable interest in establishing comparative criteria, or even arbitrary limits, for what might be considered a proper percentage of fund-raising costs.

If it were possible to prescribe a *single basis* for comparison, or method of calculating a fund-raising cost ratio that would be applicable uniformly, such efforts would be most useful. Facts do not appear, however, to justify expectation that this can be done. The most serious obstacles to formulation of a universally applicable method of calculating fund-raising cost ratios (and, therefore, to prescribing a proper fund-raising cost percentage) are these:

1. It may not be possible to identify and separately report all of any agency's fund-raising costs.

2. Many agencies, in addition to support from the public that they obtain directly, receive public support indirectly through federated and other fund-raising organizations whose fund-raising cost they may not be able to ascertain.

3. Bequests or governmental grants, that may be received years after they were solicited or be entirely gratuitous, may preclude any meaningful matching of support and revenue with fund-raising costs.

4. Only relatively large agencies can be expected to have accounting staffs and systems that will permit full separate accounting for costs of multiple fund-raising activities during a given year—e.g., operating fund campaigns, a building fund campaign, special fund-raising events.

The foregoing considerations suggest that a great deal of caution be exercised by individuals or groups who attempt comparative evaluations of voluntary agencies' fund-raising costs, or who attempt to devise standard methods of calculating fund-raising costs percentages or to set ceilings for them. Other financial ratios that are sometimes used in efforts to appraise voluntary agencies, such as of total "administrative" or "overhead" costs to total expenditures, are subject to the same cautions and limitations.

For the committee's information a 1973 study of 15 of the NHC voluntary health agencies for all levels of operation, reporting according to the uniform accounting *Standards,* expenditures for fund-raising did not exceed one-third of income for 1972. Most have fund-raising costs less than 25% income.

ETHICAL FUND-RAISING AND PROMOTION PUBLICITY

The NHC requires that its voluntary health agency members' fund-raising and promotion programs be conducted according to the following standards:

a. Methods of Promotion—Only ethical methods of fund-raising are employed by the organization or on its behalf. The publicity and promotional activities in connection with fund-raising encourages respect for clientele and presents factually accurate material describing the needs served, volume and character of services offered and accomplishments. Protection is afforded against unauthorized use of the organization's contributor lists.

b. Fund-Raising Methods—The organization does not mail unordered tickets or commercial merchandise with request for money in return. The telephone is not used for soliciting funds from the "general" public. No arrangements are entered into to raise funds on a commission basis.

c. Fund-Raising Costs—The organization is pledged to honest reporting of fund-raising costs, and to the development of improved standards of recording such costs. Fund-raising costs are disclosed to contributors and to general public in the annual report.

These requirements are based on the *Standards of Fund-Raising Practice for Social Welfare Organizations* promulgated by the National Assembly for Social Policy and Development (formerly the National Social Welfare Assembly) and over 35 other national health and welfare organizations.

FEDERAL LEGISLATION AFFECTING CHARITIES THAT SERVE CHILDREN—WHAT MORE IS NEEDED?

In addressing ourselves to the question of what Federal legislation may be needed to protect the public interest in voluntary solicitations, we need to assess the value to our nation of the private philanthropic initiative in defining and contributing to the public good. An example might be useful to make the point of the value of private philanthropic efforts in increasing the quality of life, and particularly the improvement of health.

If you were to examine the record to see when Federal funds became available in significant amounts for the support of health related research, you would observe that this began after the victory over polio was declared in 1955. You will recall that this battle was initiated by the National Foundation against Infantile Poliomyelitis (March of Dimes). The winning of their victory was due primarily to the investments by this organization in research and quick application of the results from research towards that end. While the scientific community, including the voluntary health agencies, welcomed the addition of a large measure of support for research in recent years and the foresighted wisdom of the Congress and the President in making this possible many of us would question the wisdom of reducing incentives for encouraging contributions of money and time from the private sector to the point where we become solely dependent upon only the government for support of this service.

By appreciation of the importance of *diversity* in private initiative in attacking problems and provision for protecting this system by Federal laws, we have become the most advanced and enlightened country in the world. Private philanthropy in the U.S. began with the concept of neighbor helping neighbor, then pooled voluntary help in improving the conditions of the poor. This was followed by voluntary organization initiative and support of the fight against disease, and now the focus is on improving the quality of life for all of us in a way that is envied the world over.

In 1973 I made a study of voluntary citizen action in seven European countries. Included were some of the more socially advanced nations, such as England and Sweden, which moved to the point of almost complete dependence upon government for provision of social services. In each of the countries visited there is a desire by government and private leadership to build a stronger organized private voluntary system to assist the government in carrying out the mandate from the people for social services improvement. Voluntary organizations do exist in most European nations but there is a difference in the amount of participation and initiative when most of the money for voluntary action comes directly from government appropriations.

I do not think anyone wishes to destroy or weaken a system that has produced so well for us through the availability of funds and voluntary action from individuals and private sources such as foundations, business firms, etc. for the innovations and initiative that has contributed to our success to date in meeting health problems. There is much needed to provide improved health services but we must be careful not to destroy a good system in the process of trying to *improve* it.

PROPOSALS FOR LEGISLATION TO IMPROVE VOLUNTARY CITIZEN ACTION

To build upon our accomplishments to date through voluntary citizen action for health I would urge consideration by this committee of legislation that would accomplish the following objectives:

1. *Provide increased incentives through our tax system for voluntary citizen support of reputable voluntary organizations.*

During the 1973 legislative session proposals were advanced for reform of the existing Federal tax laws. These proposals would reduce or eliminate the current tax deduction for charitable giving. In effect, such proposals would have all funds for public services channeled through government appropriations.

As I indicated, the European experience has found this quite damaging to individual, private initiative for social improvement. The attitude is that if government collects the money, let government do it for us. The unique success of the U.S. experience, in my opinion, is attributable to the philanthropic experience and its encouragement through the laws providing tax incentives for support of public service activities by individuals and private organizations together with government. We need the provisions in our tax laws that encourage, not discourage, increased support for reputably operated charitable activities.

2. *Correct the existing severe restrictions on the right of public charities to participate in legislative dialogue.*

Currently, such groups are not permitted to engage in activities affecting legislation "to any substantial extent." "Substantial" is not currently defined. As a result few organizations risk their tax-exempt status by engaging in effective efforts to improve inadequacies or inequities in our health system controlled by government legislation. This is in contrast to tax-exempt trade associations that have no restrictions on their legislative activities. Such inequity is at the expense of organizations that are primarily concerned with the larger "public or community interest." I urge your support in development of legislation that would increase the amount of dialogue by the private sector in the legislative process for ways of improving services for people of *all* ages including children and youth.

3. *Strengthen provisions of the current requirements for organizations that are granted a tax-exempt status under Section 501(c)(3) of the IRS Code.*

Federal legislation is needed to help the public determine the organizations that are reputable and those that are not efficient or effective in use of the public trust granted to them by tax-exempt status. This can be done without the government deciding what constitutes "efficiency" and "effectiveness" among the organizations that are so classified. I believe that a provision requiring organizations that are classified as tax-exempt to issue an annual trusteeship report to their constituency (which in most instances is the general public). Such an annual report should provide for full disclosure by a tax-exempt, 501(c)(3) organization of:

1. financial transactions according to generally accepted accounting principles for its field including an opinion statement by an independent public accountant;

2. program services and accomplishments by the organization during the reporting period;

3. names and geographic locations of persons with the responsibility for organization's policy and its execution. Provision could be made for such disclosure in an annual statement to their constituency via the public media and/or a separate publication made available to the public at the time of solicitation for support.

In respect to the third proposal the general concept was proposed during the last legislative session in the pension reform bill. Provision was made for establishment of an "Assistant Commissioner (of the IRS) for Charitable Organizations." The idea behind this position is to provide expert guidance to tax-exempt organizations in meeting the requirements of the tax law. As I understand the proposal, it would *not* be primarily directed towards the collection of revenue.

My purpose in coming before this committee is to stress, not only the importance of the private sector but the need for enlarging the opportunities for citizens to act voluntarily, generously, to support good work in their communities in the nation. We all like to have the feeling that each of us can have a positive influence in improving our own life, that of our children and of our neighbors through contributing to causes that benefit others as well as ourselves. The possibility of being able to do so and the encouragement of this concept will have benefits in the form of healthier and happier children and more involved citizenry than if primary dependence of social service, including health, institutions are supported through tax funds.

NATIONAL HEALTH COUNCIL MEMBER ORGANIZATIONS

ACTIVE MEMBER AGENCIES

American Association of Blood Banks
American Association for Respiratory Therapy
*American Cancer Society
American College of Preventive Medicine
American College Health Association
American Dental Association
*American Diabetes Association
*American Heart Association
American Hospital Association
*American Lung Association
American Medical Association
American Medical Technologists
American Medical Women's Association
American Nurses' Association
American Occupational Therapy Association
American Optometric Association
American Osteopathic Association
American Pharmaceutical Association
American Physical Therapy Association
American Podiatry Association
American Public Health Association
*Amercan Social Health Association
American Society for Medical Technology
American Speech and Hearing Association
*Arthritis Foundation
Association of Medical Rehabilitation Directors and Coordinators
Association of Schools of Allied Health Professions
Association of Schools of Public Health
Blue Cross Association
*Epilepsy Foundation of America
Eye-Bank Association of America, Inc.
*Muscular Dystrophy Associations of America
National Association of Blue Shield Plans
National Association of Home Health Agencies
National Association for Music Therapy, Inc.
*National Council on Alcoholism
*National Cystic Fibrosis Research Foundation
*National Easter Seal Society for Crippled Children and Adults
National Environmental Health Association
*National Foundation
*National Hemophilia Foundation
*National Kidney Foundation
National League for Nursing
National Medical Association
*National Multiple Sclerosis Society
*National Safety Council
*National Society for Autistic Children
*National Society for the Prevention of Blindness
Society for Public Health Education
Student American Medical Association
Student National Medical Association
*United Cerebral Palsy Associations
* Voluntary Health Organizations

ASSOCIATE MEMBERS

American Foundation for the Blind.
American Home Economics Association.
American National Red Cross.
Association of Junior Leagues of America, Inc.
Equitable Life Assurance Society of the United States.
Goodwill Industries of America.
Health Insurance Council.
Lions International.
Metropolitan Life Insurance Company.
National Association of Social Workers.
National Council on the Aging.
National Council for Homemaker-Home Health Aide Services.
National Dairy Council.
National Federation of Business and Professional Women's Clubs.
National Rehabilitation Association.
National Urban League.
Smith Kline & French Laboratories.

FEDERAL AGENCY MEMBERS

United States Department of Agriculture Federal Extension Service.
United States Department of Health, Education and Welfare.
  Office of Education.
  Public Health Service.
  Social Security Administration.
  Social and Rehabilitation Service.
Veterans Administration
Department of Medicine and Surgery.

FOOTNOTE

* These organizations document annually to the National Health Council that they meet substantially the Council's eligibility criteria of reputable operations including ethical fund-raising and promotional publicity, democratic structure and governing processes, with full disclosure to the public of amounts and types of assets, liabilities, income and expenses for program and supporting services (fund-raising and administrative cost) according to the Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations (NHC-National Assembly).

A copy of the NHC Eligibility Criteria for National Voluntary Health Organizations is available on request to: National Health Council, 1740 Broadway, New York, N.Y. 10019, Tel: (212) 582-6040.

CHARITABLE ORGANIZATIONS AFFECTING YOUTH AND CHILDREN

(Testimony by Helen L. O'Rourke)

Thank you, Mr. Chairman.

I am Helen O'Rourke, Director of Philanthropic Advisory Department, Council of Better Business Bureaus, Inc.

On behalf of the CBBB, permit me to say I appreciate the opportunity to participate in this hearing and assist you in your study of *charitable* organizations that benefit children.

I'd like to commence with a brief description of our organization. The Council is very much involved in the monitoring of soliciting organizations. The Council of Better Business Bureaus, Inc., came into being on August 1, 1970, as a result of the consolidation of the National Better Business Bureaus, Inc., and the Association of Better Business Bureaus International, Inc. The Council combines the functions of its predecessors by:

1. fostering fair advertising and selling practices in national advertising;
2. coordinating policies, standards and practices for Better Business Bureaus; and
3. providing a national voice for the Better Business Bureau system.

The Council is a non-profit corporation supported by annual dues from its members. Its membership consists of 140 Bureaus in the United States, and more than 1,000 national companies.

The Council is guided by a Board of Directors consisting of 36 members and up to 12 at-large members. Representing the Better Business Bureaus is the Management Committee, consisting of 14 Bureau executives, whose functions are, in general, to provide expert advice on policies and operations.

Recognizing the need for factual and readily available information, the Philanthropic Advisory Department of the Council of Better Business Bureaus has developed a program to provide the public, Better Business Bureaus, Chambers of Commerce, corporations, media and the government—at all levels—with factual reports on national and international soliciting organizations. Included in these reports is information about the organization structure, activities, fund-raising methods, financial statement and tax status.

Also the Philanthropic Advisory Department of the Council of Better Business Bureaus provides advisory and consulting services to soliciting organizations regarding fund-raising ethics, operations and compliance with established standards.

All of the services of the Philanthropic Advisory Department of the Council of Better Business Bureaus are provided at no cost to the individual or organization requesting information, reports or assistance.

During 1973, the Philanthropic Advisory Department of the Council of Better Business Bureaus responded to over 10,000 requests for informative reports on national and international soliciting organizations. January, 1973, the Philanthropic Advisory Department of the Council of Better Business Bureaus received 600 telephone and mail inquiries. By December, 1973, the number of inquiries jumped to over 2500. Last week we received approximately 1300 public inquiries. For your information, individuals, through direct gifts or charitable bequests, contributed 86.6% of the over 22 billion dollars given in 1972 for philanthropic programs.

The 140 Better Business Bureaus are provided with the written reports developed by the Philanthropic Advisory Department of the Council of Better Business Bureaus and they also maintain information and reports on local soliciting organizations.

The Philanthropic Advisory Department not only provides local Better Business Bureaus with reports and other information on national and international soliciting organizations, but also provides them with assistance, training and guidance in their investigation and report procedure. In turn, the local Better Business Bureaus provide the Philanthropic Advisory Department with information about the local activities of national and international soliciting organizations that are active in their service area.

One of the areas of greatest public concern is the organizations which offer child welfare services through "sponsorship" plans, or "adoptions". Under this plan, a sponsor usually will "adopt" a child and remit an average of $12 a month to the organization for support of the child. In return, the sponsor will receive a picture of the child, a case history, personal letters, and follow-up information. The *public* usually expresses its concern about these types of organizations by asking:

(a) Is this organization worthwhile and deserving of support?

(b) Does my money really go to the child?

(c) Is there a child who receives my money?

(d) How much of my money really goes to the child?

(e) Is there really such a child?

The Council believes there are an infinite variety of factors that must be considered before an organization's effectiveness and competency may be assessed.

The causes and programs espoused by soliciting organizations go from one end to the spectrum to the other. What is a worthwhile cause for one person will be meaningless to another. The Council believes that potential donors should have sufficient facts at hand so that they may individually evaluate the appeals for funds. Our reports are written to provide a broad overview of an organization's basic structure, background, fund-rasing methods, programs, activities and management.

The first step in a CBBB investigation is to send a questionnaire to the organization. CBBB believes in promoting self-regulation. We always request the subject organization's cooperation in our efforts to provide inquirers with full and accurate information. I would estimate that approximately 90% of the organizations contacted by CBBB respond in some fashion to our request for information.

At the time an organization is sent a questionnaire, the Council contacts the local Better Business Bureau serving the area where the organization is located and requests their assistance in developing information. If we know that an organization maintains its administrative offices in one city, and operates a program in another city, we contact both areas for information.

The IRS and other government agencies having jurisdiction at the Federal and state level are also contacted. Not all soliciting organizations provide us with the requested financial information in the detail needed to evaluate dollars and programs. By evaluating the information received from these various sources the Council of Better Business Bureaus is better able to determine the scope of the actual programs and services. Also, it is possible to determine the amount of funds actually spent on programs compared to funds received from appeals.

Program verification is a particular problem area. For example: Appeals for American Indian Reservation and Appalachia Communities. In these instances, we have worked through existing government agencies. In this connection, the Bureau of Indian Affairs has been particularly helpful in cooperating with us and in assisting us in developing information on several Indian, or alleged Indian, organizations.

The problem overseas is almost impossible to resolve at this time. One particular problem frequently occurs when people see in solicitation material that an organization is "Registered with the U.S. Government's Advisory Committee on Voluntary Foreign AID". People frequently assume that an organization has passed some sort of "test" of its reliability and that such an organization is "approved" by the government. One of our jobs has been to explain to people that registration with AID does mean that an organization has met certain criteria, but not necessarily that it has been approved as a government-accepted/approved organization.

Any organization operating overseas, or with extensive overseas programs, as most of the child adoption agencies are, is almost impossible to check. There are only a few Better Business Bureaus outside the United States, and they are not where the heaviest concentration of children's groups operate; Viet Nam, Hong Kong, Korea, South America. The Council has been able to contact the Hong Kong Social Services Department on one solicitation which originated from a leper colony there, but our avenues of information on other types of programs are virtually non-existent. The Council finds itself in the position of being one of the foremost authorities on soliciting organizations, with no place to go for the information it needs to verify or countermand the claims made by soliciting organizations.

An additional problem is created when the soliciting organization is a religious, or religious-affiliated one. Most existing state and local regulatory agencies have traditionally exempted religious groups from their registration and reporting requirements. It is only since 1969 that religious organizations have been required to file Information Returns (990) with the IRS.

The Council of Better Business Bureaus does not comment on the validity of any particular religion. However, when any church or religious group enters the marketplace or solicits charitable contributions from the public at large, both activities fall within our traditional reporting responsibilities. In either situation, the Council never comments on the religion itself.

Another major educational problem faced by the Council of Better Business Bureaus concerns the public belief that, once an organization has been awarded a tax-exempt ruling by the Internal Revenue Service, its legitimacy can be relied upon. The IRS, of course, is not equipped to audit all tax-exempt organizations soliciting funds from the public, on even a once every ten year schedule. The public, however, persists in believing that the Internal Revenue has certified the reliability of an organization by awarding it a tax-exempt status.

The IRS is responsible for making the Form 990 by a tax-exempt organization available to the public. However, these returns are usually so out of date by the time they become available to the public as to be useless. Frequently, new organizations will lose money, or have extremely small incomes during their first years, and have second and third years that are remarkably successful. CBBB has, in its files, information on an organization that took in approximately $20,000 its first year of operation, and took in well over $1 million its second. So that when the first year Form 990 becomes available to the public, usually one or two years behind the time they were filed, it is virtually useless to an inquirer.

As another example, CBBB recently requested the returns of three tax-exempt organizations. The latest available information was, for one, a return filed in 1968, for another, filed in 1969, and for another, in 1957.

In connection with child adoption organizations, people are obviously concerned as to whether the child exists in the first place, and I have attempted to detail some of the problems encountered by CBBB in our attempts to verify that fact.

People also want to know that their money is going to the child. Very often, an inquirer will become irate when told that only $8 or even $10 of their contribution goes to the child, with the rest usually allocated to contingency funds or to administrative or fund-raising costs of the organization. The public has not accepted the fact that a soliciting organization is not really any different from a profit-making business firm that has certain fixed costs of doing business and running its program.

One of the problems is that some of the soliciting organizations seeking funds to aid children use a picture of an unusually dirty, plaintive looking child, who "needs love" or is reaching out for help. Often the advertising attempts to depict the immediacy of the child's need created through compelling illustration or "gimmicks," such as asking Mrs. Martin for help for Elizabeth Martin, whose picture is attached to the appeal.

The Council of Better Business Bureaus, together with almost 50 representatives of fund-raising organizations, media and donor groups, has worked for the past 9 months to develop equitable and effective "Standards for Charitable Solicitations."

CBBB believes any organization which solicits funds from the public should provide a full accounting of their activities and financial standing to potential or actual donors. Our first part of the standards will delineate those areas which we believe to be the most important for consideration in determining the relative effectiveness and efficiency of an organization. These standards relate to the structure, finances, fund-raising methods.

The second part of CBBB's Standards is concerned with the accuracy and completeness of a soliciting organization's advertising and informational material. Increased public skepticism directed toward advertising has not skipped the promotion/publicity, educational campaigns conducted by soliciting organizations.

In conclusion, let me say that I believe there are several areas where attention could be directed with an eye toward resolving some of the more outstanding problems in this investigation/reporting area.

First, it is obvious that the IRS is ill-equipped to do the job they are being asked to do. A non-profit organization should be treated separately from a profit-making firm and accordingly, a separate review/monitoring section should be developed to handle this problem. A greater staff could allow for periodic review of an organization, its reporting to IRS, and its general operations. Attention should be directed particularly hard at an organization during the first years of its operations, and on a regular basis thereafter.

Secondly, it might be possible for different agencies, notably AID, to make greater use of American personnel already overseas. It should be possible for each organization requesting acceptance from AID to be fairly thoroughly investigated, including its overseas operations. Again, reviews should be conducted on a regular basis.

Finally, I would like to bring to the attention of the Committee a Bill, H.R. 11991, which was introduced December 17, 1973 by Congressman Lionel Van Deerlin, of California. This Bill would require the soliciting organization, upon request, to furnish complete and accurate financial and program disclosure about it and the person making the solicitation. This Bill was drafted with the help of a number of interested organizations; including, the National Health Council, American Association of Fund-Raising Counsel, National Foundation, Direct Mail Marketing Association, National Catholic Development Conference, United Way, National Assembly for Social Policy and Development and I was asked to participate as a consultant.

SUBSIDIZING THIEU'S FORTRESS

Mr. CRANSTON. Mr. President, there seems to be no end to our involvement in the grindingly brutal system of oppression perpetuated by President Thieu. We are subsidizing systematic killing, torture, and imprisonment with money that rightfully belongs to our cities, our poor, and our elderly.

We thought, we hoped, that when Congress ended the bombing last summer, we were free of the war. But there is no peace.

We rejoiced at the withdrawal of American troops and at the signing of the cease-fire a year ago. But there is no peace.

In the year 1973, more than 50,000 Vietnamese soldiers were killed—more than the total of American war deaths in 8 years, 43,166 civilians were hospitalized, and 818,700 people became refugees.

These figures, compiled by the Senate Subcommittee on Refugees and by the Agency for International Development, seem remote to us because Americans are not on the firing line any more. But to the Vietnamese they are everyday reality.

Mr. President, Mr. Robert C. Ransom, a corporate lawyer from New York, recently visited South Vietnam as a pilgrimage to the memory of his dead son. He hoped that he might find some consolation if there was evidence that his son's death had somehow helped the Vietnamese.

His findings were depressingly familiar.

Repression. Graft. Starvation. Torture. He wrote—

> We saw little evidence that American money was being used for anything but support of the Thieu military regime.

Mr. President, it is widely and reliably estimated that the American taxpayers pay 80 percent of the costs of that regime.

The first thing for Congress to do, it seems to me, is to get ahold of a breakdown of that aid. Not bureaucratic euphemisms—"public safety"—not hidden transfers, but hard facts.

For a long time now I have tried to collect bits and pieces of information in an effort to put together a total picture.

For example, Stanley Karnow, a veteran reporter now with the New Republic, reported last month that the Air Force recently requested $35.5 million for 38,359 cluster bombs for use in Southeast Asia, 9,400 more than it purchased in 1973.

According to the U.S. Embassy in Saigon, the United States gave the South Vietnamese 142,000 bombs, rockets, and flares, 13.8 million rounds of small-arms ammunition, and 8,200 rounds of ammunition for large naval guns—all in the first 6 months following the cease-fire. The total cost was $2.7 million. Yet this information was released only after repeated questioning by the New York Times.

To take another example, my distinguished colleague, Senator HAROLD HUGHES, reports that 44 percent of the food-for-peace program funds are destined for military use in South Vietnam and Cambodia. Food for peace is really food for war.

These are only pieces of a horrifying puzzle—a puzzle whose size is larger than most people realize.

First of all, we need to put together a list of all funds headed for Indochina.

Then we need to act, officially and decisively, to insure that funds intended for humanitarian use end up where they belong, and not in the pockets of Thieu's generals.

Most important, we have to stop fueling Thieu's war machine, and cut off the military gravy train that keeps Thieu in power. For what we are doing is to encourage a power-hungry and corrupt dictator to fight on and on and on, backed by promises of endless American support.

What did we learn from the war, anyway? I honestly think that if Congress knew the full story, it would no longer vote to subsidize Thieu year after year after year.

I hereby serve notice that I will act through this year's authorization and appropriations process to do what I can to stop these wasteful and immoral payments, and to see that they are rechanneled toward badly needed domestic programs.

Mr. President, I ask unanimous consent that articles on Vietnam since the cease-fire, published in the Los Angeles Times, the New York Times, the Washington Post, the Baltimore Sun, the Philadelphia Inquirer, and the New Republic be published in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 19, 1974]

BEREAVEMENT AND A PILGRIMAGE

(By Robert C. Ransom)

BRONXVILLE, N.Y.—When my oldest son, Mike, was killed in Vietnam nearly six years ago I never thought I would visit the now-bleak coastal plains between Quang Ngai and My Lai where he died. Last month I did.

This was a difficult pilgrimage for me because I had long since concluded that his life was wasted by his own Government in a war that his fellow countrymen want only to forget. I had reluctantly come to believe he died for a cause that had brought only discredit and shame to the United States. It was my hope that in going to Vietnam I might find some consolation for his loss if there was evidence that his sacrifice had somehow served the Vietnamese people.

I wanted to find the honor promised by our Government when we signed the Paris agreement in January, 1973. Sadly, it must be said that none is to be found. The very use of the word when applied to the conduct of the Government of Nguyen Van Thieu is a mockery.

Nor is there any peace in Vietnam. At night we lay awake listening to the sound of the guns and rockets. Responsible sources said at the time that there had been at least 119,849 casualties since the "cease-fire."

As a lawyer I welcomed the opportunity to join four other Americans in a trip to assess the prospects for peace in Vietnam. I had heard much about abuses of the legal and judicial system there, but I would not have believed it had I not seen for myself what can only be called a total police state.

President Thieu's palace is a fortress surrounded by army tents, pillboxes with antiaircraft guns, and helicopter pads. On every block in Saigon we encountered policemen and paramilitary forces equipped with United States M-16 rifles and sidearms.

We were overwhelmed with the personal impact of talking with people who had actually suffered torture and the brutality of prison life. The palpable presence of terror was everywhere—in the sure knowledge of these people that any apparent opposition to the Government, or the indication of a desire for peace, would be met with reprisals against members of their families, even young children, in the form of seizure and subjection to the inhuman incarceration so prevalent.

One of our group attended a Saigon *military court* where defendants were tried without benefit of counsel, given five-minute hearings, and in every case convicted of "political" crimes.

Particularly disturbing was the realization that many of the people who spoke with us, at considerable risk to their own freedom and safety, believed that once we were made aware of the facts of daily existence in South Vietnam we would be able to do something about them.

In separating fact from myth, we knew that 80 per cent of the costs of the Thieu Government were borne by American taxpayers. Just how much of the money was used for humanitarian aid to the people was one of the myths. Unfortunately, we saw little evidence that American money was being used for anything but support of the Thieu military regime.

When I was in the northern part of the country, where my son had been, I visited an encampment in which 750 families lived who were supposed to have been resettled as part of the "return-to-village" program. They lived under appalling conditions behind barbed wire. They had not received their allotments of money and tin roofing to build new homes; they did not have their promised allowances of rice; and they were not permitted out into the fields to grow the rice, on which their lives depended. With horror, I observed a family of six, near starvation, eating a meal of chopped banana stalks just to fill their stomachs.

I visited a small primitive hospital that serviced many of the more than 100,000 civilian amputees. Nowhere did I see a sign of sophisticated American medical assistance. Instead, a small group of dedicated, privately supported workers were making valiant efforts under impossible conditions.

We heard and noted that even the food supplies paid for by the United States did not reach the intended beneficiaries because of the ever-present graft and corruption at all levels of the civilian and military bureaucracy.

The fact is that the American Presence now, as before, remains a disaster, not only as a result of the wartime devastation, defoliation and displacement of people, but as a continuing financial presence that maintains a Government of military officers that clings to power no matter what the cost to peace, freedom and democratic principles.

I wish every member of Congress, before they vote more funds for President Thieu, could share my experience. The Paris peace agreement was supposed to guarantee the right of self-determination to the Vietnamese people through democratic liberties and elections. It was supposed to provide the honor in my son's death.

It is doing neither.

[From the New York Times, Aug. 19, 1973]

SOUTH VIETNAM'S ECONOMY STILL CLINGS TO U.S. LIFELINE

(By David K. Shipler)

SAIGON, SOUTH VIETNAM, Aug. 18.—More than four months after the departure of the last American troops, the United States remains the most vital lifeline to the military and economic stability of the South Vietnamese Government.

More than half the revenue for the Government's annual budget are provided in cash by the United States. Most of the huge volume of imports are paid for by it.

American economists here have no doubt that if the United States withdrew or if it further curtailed its aid, South Vietnam's already faltering economy would simply collapse.

Nor could the military survive without American help. Eighty per cent of the South Vietnamese Air Force pilots are trained in the United States. All the country's military equipment, weapons and ammunition are provided by the United States (on a one-for-one replacement basis, as permitted by the Paris cease-fire agreement.)

$2.5 BILLION REQUESTED

The overwhelming bulk of American aid continues to be military support, despite the cease-fire and official declarations that South Vietnam is entering an era of postwar reconstruction. The country now has one of the best-equipped air forces and 1.1 million men under arms, the fourth largest military force.

No reversal of American priorities has been proposed. Programs of health care, emergency relief for refugees, education, food for orphans and similar efforts still receive only tiny fragments of the American resources that pour in.

Medical services for civilians—many of whom still suffer from war-related injuries—have been funded with no more than 0.5 per cent of the American aid budget; education has been getting just over 0.1 per cent. In a number of orphanages the United States gives 60 cents a month and surplus food worth $3 for each child.

Of the approximately $2.5-billion requested by the Nixon Administration for South Vietnam during the current fiscal year, about $1.9-billion, or 76 per cent, would be in the form of direct help to the military.

Every bag of rice given by the United States, for example, is paid for by Washington in dollars, then bought by Vietnamese importers in piasters. Eighty per cent of the piasters are then deposited in accounts to be used solely by the South Vietnamese Army, Navy and Air Force. This is known as the Food for Peace program.

The petroleum products, chemicals, machine parts and other goods imported by private companies through the mechanism known as the United States Commercial Import Program go through the same process, with the difference that about a third of the piasters is used for military purposes, American officials say.

Though American aid is decreasing, it is still so pervasive and so heavily oriented toward the military that some of the most outspoken opposition politicians believe that it is keeping President Nguyen Van Thieu in power.

Some of those concerned about the refugees who have too little rice and the hospitals that have too little medicine and the rising tide of joblessness that engulfs the country believe that no reversal of American aid priorities could be accomplished through the Thieu Government.

"It is corrupt regime," said Senator Vu Van Mau, Foreign Minister under President Ngo Dinh Diem and now opposition leader in the Senate. "Everyone steals. U.S. aid cannot be improved without changing the regime."

The priorities of the American and South Vietnamese Governments are roughly parallel. About 53 per cent, or $462-million, of this year's budget is earmarked for the military—most of it being for salaries since weapons from the United States are not reflected in the budget.

The Ministry of Health is receiving 0.9 per cent of the budget this year, according to official figures, and education is getting 6 per cent. The Social Welfare Ministry, which is responsible for caring for civilian war victims, including refugees and orphans, has been granted $2.8-million, or 0.33 per cent.

VAST AREAS OF NEED

Americans who work for humanitarian organizations cite vast areas of need that remain unmet by both the South Vietnamese Government and the United States.

Joyce Horn, an American nurse who runs the Barsky Unit, a Saigon clinic where plastic surgery is performed on burned and mangled children, said in an interview, "You can go into any Vietnamese hospital and see that burns don't receive adequate care."

Like the antipoverty program in the United States, the American aid effort is often frustrated by more than shortages of funds. Government corruption and inefficiency appear so formidable that the private agency CARE, for example, tries to avoid South Vietnamese officials and to distribute its assistance directly.

By contrast, the United States sends food for refugees through the province chiefs, who are military men appointed by President Thieu.

ENDS UP IN THE WAREHOUSE

"I don't like to send it to the province chief," said Robert Trott, director of CARE in Saigon, said in an interview, "because it goes to the province warehouse and it doesn't seem to move any further than the province warehouse."

In the last year or so Washington's aid to Vietnam has begun to follow the path of Washington's aid to the slums in American cities. The original pattern—outsiders coming in to plan the programs and do the work—has given way to an increasing effort to let the people who are being helped do it themselves. This has been accompanied by rhetoric similar to that heard in the ghettos of American cities in the nineteen-sixties.

"Only a tiny part of the American aid reaches the common people," a member of the National Assembly said. Most of the aid through the years has been swallowed up by the generals, the President, by the top officials, and only maybe 1 per cent of the aid reaches the hands of the common people.

Despite the continuing financial support for the Thieu Government, sharp cutbacks in American aid have raised havoc with South Vietnam's economy.

At the height of the war the American military employed thousands of people as drivers, interpreters, servants, secretaries, janitors and laundresses, creating such aberrations in the economy that cabbies made more than college professors and service trades were responsible for 57 per cent of the gross national product in 1972.

At its peak, it is estimated, the military brought $350-million to $400-million into South Vietnam in much the same way that tourists would bring it.

ACUTELY FELT ABSENCE

Now the American absence is felt almost as acutely as the American presence was. That sort of dollar flow has dropped to about $125-million this year and is expected to dwindle to $60-million or $70-million in 1974.

The United States Army, Navy and Air Force still have a number of contracts with private concerns—some employing former military men—to maintain aircraft, electronics equipment and other weaponry. The defense attachés office in Saigon says that Vietnamese technicians are being trained and that foreign contractors are shutting down every day.

Nevertheless, heavy expenditures for such activities are expected to continue for some time. The United States Air Force alone will spend about $40-million in this fiscal year for contractors to help with aircraft maintenance.

One area where support has not declined appreciably, is that aimed at bolstering the economy, the second largest category after military assistance. The main vehicle is the commercial import program, a device to provide South Vietnam with foreign exchange—in this case dollars—with which to buy foreign goods, mostly for industrial purposes.

The program requires that the goods be purchased in the United States where possible. Washington buys in dollars and local importers pay in piasters, which go not to the United States Government but to the South Vietnamese Government.

The effect is to allow the South Vietnamese to buy foreign goods with their own currency, but the program has by no means eliminated the country's foreign exchange crisis, even though it financed $320-million worth of imports last year.

Foreign currency on hand has plummeted in recent months, prompting economists to warn that severe drops in the living standards were imminent.

One difficulty is that in an economic sense the United States is a weak reed on which to lean since the dollar has lost a good deal of its value on the world market. The United States has been unable to provide enough steel and other commodities through the program, requiring South Vietnam to dip into its dwindling foreign exchange to buy in Japan and elsewhere.

Furthermore, the red tape and slow delivery in the program require Vietnamese manufacturers to keep about a year's inventory on hand. This ties up their money, and since loans carry interest rates of 26 to 30 per cent, the program has the effect of inflating the cost of doing business.

Finally, the program just cannot keep up with need. South Vietnam imported $700-million worth of goods last year and exported only $24-million worth.

An American official remarked: "If they need $700-million and you only give them $350-million the country's going to collapse, just the same as if you didn't give them anything."

[From the New York Times, Nov. 11, 1973]

U.S. FOOD AID HELPS SAIGON'S MILITARY

WASHINGTON, Nov. 10.—The Agriculture Department has announced the second in a new series of food aid grants that will become, in effect, 100 per cent contributions to South Vietnam's military budget.

In the past, South Vietnam and a few other governments receiving aid under the United States food for peace program had been allowed to keep 80 per cent of the sale price of the farm products for use in their military budgets.

On Oct. 19, however, officials announced a new policy for South Vietnam under which 100 per cent of the proceeds of a food aid shipment was given to the Saigon Government for military purposes.

[From the Philadelphia Inquirer, Nov. 6, 1973]

U.S. SHIFT GIVES SAIGON $30 MILLION

(By George McArthur)

SAIGON.—The U.S. government has made an unpublicized change in its aid policy which will give South Vietnam an extra $30 million annually. The money will come from the agricultural program administered under Public Law 480.

In response to a query, an embassy spokesman confirmed Monday that the change was made in early October after a recommendation of American economic officials in Saigon was accepted by Washington.

No explanation was offered as to why the change was not announced publicly at the time it was made.

The spokesman said the extra aid was approved to assist the South Vietnamese government through the severe economic difficulties it is now experiencing. The new aid was designed in part to offset the abrupt dollar loss suffered by South Vietnam with the withdrawal of American troops.

The extra $30 million will result from the release by the United States of South Vietnamese currency it previously received under the P. L. 480 program.

Through the years the U. S. government has received 20 percent of the South Vietnamese piasters generated by the local sale of American agricultural products sold under the P. L. 480 program.

These piasters were used to partly offset American costs in South Vietnam. The remaining 80 percent was used to support the South Vietnamese national budget in varying ways.

By releasing its 20 percent, the U. S. is not simply turning over piasters to the South Vietnamese government. It will now have to use dollars to purchase the same amount of piasters since American piaster expenses have always far exceeded the relatively small amount generated by P.L. 480.

Before the most recent change the United States was purchasing more than $100 million in piasters annually to meet such expenses as rent and payrolls for more than 10,000 South Vietnamese on what is known as "direct hire." Now that figure will jump by the $30 million worth of piasters being surrendered under P.L. 480.

The exact amount of assistance under P.L. 480 is unknown since that annual request is now pending in Congress—along with the regular aid budget request of $450 million.

The final congressional figure is expected to be far below that, and U. S. officials have long been searching for ways to soften the blow.

Among other things, the U.S. embassy is pushing the procurement of military items in South Vietnam—these come under Pentagon dollar expenses rather than civilian aid.

[From the Washington Post, Sept. 2, 1973]

SAIGON MUST NOT CONTINUE TO RELY ON HEAVY U.S. AID

(By D. Gareth Porter)

(NOTE.—Porter is a research associate in Cornell University's International Relations of East Asia project. His monograph, "The Myth of the Bloodbath," published last year, challenged the administration's assumptions about the consequences of a Communist victory in Vietnam.)

Congress is now considering an economic aid program for South Vietnam which would continue to maintain for an indefinite time what one high U.S. official has called the "client relationship" with the Saigon government of Nguyen Van Thieu.

The main purpose of the proposed aid program, which the administration has called a "reconstruction and development" program, is neither reconstruction nor development but the subsidization of Thieu's military-police apparatus. By not only arming and equipping that apparatus but also by paying for most of South Vietnam's budget and artificially maintaining levels of consumption, the United States still refuses to allow the Saigon government to stand or fall on the strength of its support among the Vietnamese people themselves.

The Thieu government remains today essentially a creation of American military intervention in Vietnam. For it is kept in power by a military and a paramilitary control apparatus which the South Vietnamese people never desired and would have been unwilling to finance themselves.

It was in fact the U.S. mission which imposed this political and economic monstrosity on South Vietnam. As the economic counselor to the U.S. embassy, Charles Cooper—the man credited with masterminding economic policy in Vietnam during the war—told me in a 1971 interview, "We've always been in the position here of pushing their expenditures up. We pushed them on pacification, on increasing the army, etc. . . . We were actually satisfying our own ideas. . . ."

As a result the South Vietnamese ground and air forces increased from 216,000 men in 1964 to 1.1 million in 1972; the police force increased from 20,000 men in 1964 to 120,000 in 1972. The official government budget increased from $219 million in 1964 to $856 million in 1972.

INFLATION OR TAXES

In order to finance such a swollen apparatus of control, any independent state would have had to resort to runaway inflation or heavy taxes on the entire population, rich and poor. The taxes required to support this level of military spending only could be raised successfully if the government in question had had reasonably solid support for its anti-Communist war effort—something which the Saigon government has manifestly lacked.

But the Saigon government had an alternative to uncontrolled inflation or burdensome taxation—which was to rely on the U.S. to pay for most of its budget and to prevent any significant drop in living standards by providing massive quantities of imported goods.

The main instrument for preserving the Thieu government's military and paramilitary apparatus while minimizing economic hardship is still the Commodity Import Program, under which the government receives letters of credit which it then sells to the Vietnamese importers for piasters. It uses these aid-generated piasters to pay its budgetary expenditures, and when the goods arrive in Vietnam, the customs taxes collected on them add additional resources for the budget. Meanwhile, Vietnamese are able to purchase imported goods which South Vietnam could not possibly afford with its own minimal foreign exchange reserves: gasoline and parts for motor bikes, fertilizer, cement, sugar and other foodstuffs.

In fiscal year 1974, the Nixon administration has requested $275 million dollars for the Commodity Import Program and is adding a $50 million "development loan" for imports which Thieu can also use to help pay for his military budget. This assistance is estimated by the Agency for International Development to represent roughly one-fourth the living standard of the average Vietnamese.

If the artificially maintained standard of living has neither made the Thieu regime popular nor silenced opposition to the war in the cities, it has nevertheless helped to keep urban discontent at a level which can be controlled through the massive use of police surveillance and terror. Millions of Vietnamese thus have been dissuaded from taking to the streets or to the jungles to overthrow the Saigon regime. There is no doubt in the minds of U.S. officials that Thieu's regime could not have survived the political turmoil which would have occurred without the U.S. subsidization of Saigon's state apparatus and economy.

GRADUAL REDUCTION

Despite administration statements paying lip service to the objective of Saigon's economic independence, the official rationale accompanying the 1974 aid program for Indochina makes clear its intention to continue the client relationship with Saigon indefinitely. Instead of offering a plan for the rapid elimination of American subsidization of the Thieu government the rationale suggests that the import subsidy can only be reduced "gradually" and that Saigon will "continue to require foreign assistance for the next few years to maintain the flow of goods needed for production, investment and consumption." It does not mention that this flow of goods is also necessary for Thieu to pay for his army and police force.

The army lives off foreign aid rather than relying on the support of its own people, and any attempt to reorient it economically, socially and politically away from the present American style of organization and operation would almost certainly end in disaster. Moreover, for Thieu to demobilize most of his 1.1 million-man army would mean relinquishing a convenient means of political control over them and, indirectly, over their families.

Equally important, the Saigon regime has shown little interest in making domestic taxation its main fiancial basis. For nearly 2 years, American largesse has encouraged Saigon to avoid the taxation of domestic wealth in order to gain more fully the support of those comprising the taxable population. As a result, taxation in Vietnam has been feeble on the one hand and regressive on the other.

The Saigon government has shown an aversion to direct taxation, which must constitute the backbone of any healthy fiscal system, and has focused its efforts instead on the taxation of soft drinks, beer and tobacco products, which fall more heavily on the poor than on the rich and which do not draw on the primary sources of wealth in the country. For many years, well over half the domestic taxes collected by the government came from only nine foreign-owned companies in Saigon which produced beer, soft drinks and tobacco. In 1972, direct taxes brought in only $37 million—4 per cent of total income, including U.S. aid.

There are two simple reasons for Saigon's persistent refusal to tax the real wealth available to it. On the one hand, officials have always feared that such taxation would increase its unpopularity or lose the cooperation of those whose acceptance or support was crucial for pacification and political stability. On the other hand, the readiness of the United States to provide whatever revenues were not obtained through taxation provides a lack of incentive for maximizing tax collections and an incentive for officials to exploit the most lucrative sources of wealth for their own benefit.

TAXING ISN'T POPULAR

The government, unable to appeal either to patriotic sentiment or a commonly shared vision of society, has implicitly admitted its own doubts about the legitimacy of the war effort in the eyes of the Vietnamese people in avoiding direct domestic taxation. When he was prime minister in 1969, Tran Van Huong declared, "If we levy more taxes, the government will be unpopular and the political situation here more unstable."

Willard Sharpe, chief of the economic analysis branch of AID in Saigon, explained fears of reduction in American Commodity Import funds in 1971 by saying, "I don't think the government feels it is strong enough to ask the people to pull in their belts. It's just not popular enough."

Between one-third and one-half of the private wealth of South Vietnam still lies in its agricultural production, primarily in the country's rice bowl, the Mekong Delta. American officials have been pointing to the new prosperity of commercialized farmers in the Delta, thanks to large inputs of fertilizer, new rice strains, and favorable rice prices. But Thieu's pacification strategy in the Delta has been based more or less implicitly on the idea that the government can give the farmers something for nothing, with the help of American generosity.

One of Saigon's bright young American-trained economists, who was then vice minister of agriculture, proudly asserted to me in 1971 that his government collected only a "very nominal tax" on land—less than 200 piasters, or 50 cents, on a hectare of land which brought an average of $180 a year in income, or about one-third of 1 per cent of gross income.

"With our system," he pointed out, "the farmers themselves benefit from land reform. With the Vietcong program, the result is more revenue for the Vietcong." This was precisely the difference between a regime dependent on popular support for its military operations and one dependent on foreign support. As the American tax adviser in Saigon, Paul Maginnis, explained two years ago, "The national government is subsidizing villages and hamlets in order to purchase their loyalty instead of demanding money from them to finance the war effort."

SUBSIDIES INCREASE

While the government collected a token 54 million piasters ($242,000) in agricultural taxes in 1969, it was subsidizing the village budgets in the amount of 2.2 billion piasters ($9.8 million), for both local government operations and village development projects. And while agricultural taxes rose to 3 billion piasters in 1972 ($6.9 million), the subsidy increased even more, to 10.4 billion piasters ($24 million). Whether or not the rural sector of the society will ever contribute more to the budget than it receives in subsidies is thus still open to question.

Political considerations also have kept Saigon from taxing fairly the unsalaried urban middle class which constitutes the most active segment of the U.S.-sponsored political system. The traditional policy toward this stratum has been summed up by one Vietnamese expert on taxation as, "Leave it alone as long as the circumstances permitted." The American budetary subsidies thus far have provided just such circumstances: In February, 1971, President Thieu abruptly called off the work of special tax teams, which were trying to assess fairly the income of the professional and business class in Saigon, after it complained loudly through the press and its representatives in the national assembly. Later in 1971 the building containing Saigon's tax records was blown up. The teams were never revived.

The most important untapped source of wealth in Vietnam, however, are the profits which were generated by the war itself, which long has been the biggest industry by far in the country. Again, the U.S. subsidization of the budget not only encouraged Saigon to avoid taxing the war profiteers but gave officials an incentive to enter into collusion with them at the expense of the government's fiscal health. And more important than the bars, nightclubs, brothels, laundries and other enterprises, which were officially untaxed but generated large incomes for district and province chiefs, was the import business.

From 1965 to 1971, Vietnamese importers were making enormous profits because of the officially overvalued piaster in exchange for the dollar and the rationing of import licenses. In 1970 a secret government report which was obtained by the House Subcommittee on Foreign Operations estimated that these "windfall profits" were running as high as $150 million per year. (An even more detailed study of windfall profits done in 1970 by Dr. Douglas Dacey of the Institute for Defense Analyses on a contract with AID, which carefully estimated the amount of windfall profits each year on the basis of official economic data, was suppressed by the agency before it could be published. Congressional efforts to obtain a copy have been systematically refused.)

REVENUES AFFECTED

These unearned profits were all at the expense of revenues, since they would have remained in Saigon's treasury had the exchange rate kept up with the rate of inflation. Yet according to the Ministry of Finance, the government collected only 100 million piasters ($250,000) in taxes on the 1969 incomes of those importers—an infinitesimal fraction of their illegitimate profits.

The failure of the government to get more tax revenues from war profiteers was caused by the same situation which produced the windfall profits in the first place. Relieved of the necessity to squeeze every bit of revenue possible from the South Vietnamese economy, powerful officials turned the rigged import licensing and foreign exchange system to their own advantage instead of reforming it.

The officials who had power over the distribution of import licenses used it to extract from the recipients a private "tax" in return for the favor. According to business and financial sources in Saigon, including a former high Economics Ministry official who now is in the import business and a Japanese businessman with 7 years' experience in Vietnam as of 1971, importers had to pay 3 per cent of the total value of the license, or 10 piasters on every dollar of goods imported, to the minister of economics, Pham Kim Ngoc, who became known in Saigon circles as "Mister 3 Per Cent." Ngoc was assumed to have divided "taxes" with other top officials of the Thieu regime. The 3 per cent rakeoff, if applied to the total volume of imports, would have netted $23 million in 1970, or 92 times the amount collected from them in the form of income taxes.

Although the threat of drastic reductions in U.S. subsidies to Vietnam finally moved the U.S. mission to insist on an end to the system of overvalued currency and tight controls over licenses, the system had already allowed importers to accumulate hundreds of millions of dollars, virtually none of which ever was used for the budget. The increased but still modest amounts in income tax collection in 1972 from nonsalaried individuals ($7.5 million) and corporations ($19 million) do not begin to scratch the surface of this wealth.

Ending the Commodity Import Program would have the effect of making the government dependent on the support of the South Vietnamese people for the first time in its history. It would then be up to the Vietnamese people themselves (as it should have been all along) to decide whether or how much they are willing to sacrifice in order to maintain the present military and paramilitary apparatus.

To the extent that the population, wealthy or poor, wishes to see the Saigon government survive, they can contribute their share through direct taxes, which Saigon unquestionably has the physical capability to collect. If the government cannot obtain the resources to support the present level of military spending through this means, it will have to reduce its expenditures to the level that it can support.

In any case, the United States no longer should be in the position of artificially maintaining a political and military structure through its assumption of the bulk of its budgetary expenditures and the subsidization of consumption levels.

[From the Los Angeles Times, Dec. 4, 1973]

SAIGON TO KEEP 1.1 MILLION MEN UNDER ARMS—AT U.S. EXPENSE

(By George McArthur)

SAIGON.—The partial demobilization of the South Vietnamese armed forces, which was scheduled to follow the cease-fire, has now been shelved for at least one year. The United States has agreed—reluctantly, some say—to foot the bill.

This will keep 1.1 million men under arms in South Vietnam for at least another year. In principle, the Pentagon has reportedly agreed to an even longer period of 18 months, but some American officials hope that the South Vietnamese may be won over to some troop cuts before then.

The decision to maintain the war time manpower level was reached in top secret talks conducted within the framework of what is called the Joint Strategic Objectives Program, a subject which American officials will discuss only guardedly.

The Pentagon's agreement to go along—a change in its earlier position—clearly indicates that American officers think the situation in South Vietnam could get worse before it gets better.

Precisely when the Pentagon changed its mind on manpower levels in South Vietnam is unknown. Some sources report it came last September when the continuing North Vietnamese buildup became more glaringly ominous than ever. The South Vietnamese here clearly having second thoughts about that time.

At any rate, the decision was taken several weeks ago and has remained unpublicized. It became evident, however, in discussions of the budget which are now taking place more or less publicly in South Vietnam's legislature. Privately, the decision was confirmed by several ranking military officers.

At the time of the Paris cease-fire agreements in January, both the South Vietnamese and the Americans were in general agreement that the Saigon military structure could and should be trimmed sharply. Studies for the reorganization of the military structure had been made by the Pentagon and the South Vietnamese Joint General Staff.

The South Vietnamese tacitly admitted that the 1.1 million figure was inflated and, in part, artificial. The actual ready-for-duty strength is well below that figure. Among the corrupt practices within the military is the habit of granting some men indefinite furloughs without pay—the pay in question going to the pocket of the commander, or others.

Such practices have grown in the period since the January cease-fire agreements which saw action decline sharply in some areas.

South Vietnam's President Nguyen Van Thieu long ago gave his blessing to some kind of reorganization and attendant troop cuts. Although his view was reported to be considerably less ambitious than the Pentagon's American officials were hopeful of sizable cuts.

Both Washington and Saigon recognized, however, that the South Vietnamese military structure was cumbersome and costly. The 1.1 million manpower level included soldiers, sailors, marines, airmen, police, militiamen, many special units and other oddments—not counting the People's Self-Defense Forces, numbering more than a million youths, old men and draft-deferred fortunates who make up a ragtag guard force. The economic burden of all this was and is a major problem for South Vietnam—and consequently, the United States.

While President Thieu had given his blessing, the onetime general remained his cautious self. He showed no inclination to rush things despite continued American urging.

As late as June, however, he remained amenable to some cuts and the Defense Ministry announced that 47,000 men would be demobilized by the first of the year. These men were mainly over-age and administrative types and the Defense Ministry pointedly said at the time that the 1.1 million level was not affected.

As the fighting began to rise to pre-cease-fire leivels, Thieu and his generals became increasingly reluctant to proceed with more demobilization. Gen. Frederick C. Weyand, the former U.S. commander in Vietnam who is now deputy chief of staff of the Army, visited Vietnam in the fall and reportedly was still pushing troop cuts at that time.

A South Vietnamese source claimed that Weyand was speaking of a whopping cut of some 200,000 men.

That view—whether or not the 200,000 figure is precisely accurate—now has evidently been shelved.

The Pentagon is committed—barring congressional financial restraints—to support the present manpower level through July of 1975. That date coincides with the end of the American government's fiscal year.

In effect, the Pentagon is also committed to finding the money to pay these men since the U.S. government directly and indirectly underwrites all South Vietnamese military expenditures. The South Vietnamese budget is hopelessly out of balance without such help.

The latest budget—now under consideration for the next calendar year—lists about $100 million for salaries of the regular forces. These comprise only about half the overall military structure.

[From the Washington Post, Feb. 4, 1974]

FOOD FOR PEACE, OR FOOD FOR WAR?

(By Jack Anderson)

The Food for Peace program, established to feed the hungry of the world, has been perverted into a Food for War program in Southeast Asia.

This sinister change has been manipulated quietly by the National Security Council. Of the $1 billion worth of food that is shipped abroad for the needy, the council has insisted that almost half should go to bolster the military strength of Cambodia and South Vietnam, according to classified documents.

Elsewhere, the food is sold through regular commercial channels to alleviate shortages and prevent hunger. The United States foots the bill, treating it as a low-interest loan to be repaid over a long period.

But in Cambodia, President Nixon gave the Lon Nol regime special permission to use up to 80 per cent of the proceeds from the sale of American food for "common defense" and "internal security." In South Vietnam, the Thieu regime is permitted to spend a full 100 per cent of the food proceeds on military buildups.

Classified documents show that the President started off this fiscal year with a reasonable request for $30 million to finance Food for Peace shipments to Cambodia. But bit by bit, the White House requests ballooned to $173 million and are likely to go higher.

Even more food aid has been earmarked for South Vietnam, although the jump in the request has been less drastic.

While most food aid to the two embattled countries has been in rice, the documents show that 175,000 metric tons of wheat will be supplied by next July. Yet the wheat shortage at home has pushed up the price of bread to 50 cents a loaf and has forced the United States to import wheat at exorbitant prices.

For years, the Food for Peace program, along with the Peace Corps, has won friends for the United States among the world's poor. We have seen burlap bags of grain and boxes of cereal, with big "USA" markings, going into impoverished villages.

But in the besieged Cambodian capital of Phnom Penh, one of our informants witnessed a different scene, not far from a camp where hundreds of refugees complained of food shortages. He counted 50 trucks filled with bags of U.S. rice lined up outside a military warehouse. Instead of feeding the starving refugees, it was going for army rations.

[From the New York Times, Dec. 7, 1973]

VIETNAM BUDGET: BETWEEN THE LINES

(By Gabriel Kolko)

TORONTO.—The Senate Armed Services Committee and House Appropriations Committee hearings on the Pentagon budget until July 1974 are now out, and the traditionally diligent censors released alarming new information on the Nixon Administration's plans for Indochina.

The facts shatter its claims to have ended the Vietnam war, much less to bear no responsibility for the Thieu Government's violations of the Paris Agreements. And if the Administration implements all the contingencies for which the Pentagon has budgeted, as it often did in the past, at the very least it has assured that the existing bloody conflict will drag on—and the worst we can expect is an escalation to direct U.S. participation in the air war.

Last Aug. 1 a Pentagon spokesman disclosed to the House that it had put aside $275 million for the direct use of U.S. airpower, including B–52's, through June 1974. Bombing in Cambodia until the Aug. 15 cutoff consumed $50 million, but the rest was "to keep the area established," and the censor "sanitized" out the number of possible sorties.

The Senate hearings, however, contain the air war cost data that allow anyone to estimate the missing information quite accurately: $225 million will buy about 120,000 bombs delivered by 3,800 B–52 and 16,700 fighter-bomber sorties—an amount far in excess of 1965 air munitions. Meanwhile, the Pentagon budgeted the Seventh Fleet to keep 77 ships and 331 aircraft in Southeast Asia as part of the "less than 250,000 men" now remaining in the East Asia-Pacific area.

The hearings also contain much new data on "civilian advisers." Contrary to far lower Pentagon claims at the time, as of last March 31 there were 8,003 American civilians in Vietnam, and 8,100 are projected to be there at the end of this year. In addition, an undisclosed number of non-Vietnamese foreigners on the Pentagon payroll until mid-1973, a group that has declined only slightly since, provide 11,337 "man-years." "I could not put any termination date on it," then Secretary of Defense Richardson confessed when queried about all these advisers, but estimates of three to five years were later mentioned despite the fact the exact date remains classified. But contracts for such services increased $63 million in two months to $18 million last May 31.

Meanwhile, President Thieu's army is now scheduled to spend an annual $277 million on munitions, "a continuation of the level of recent consumption" that the Pentagon's officials on Aug. 3 assured the House they fully controlled. That sum will buy nearly 140,000 tons of explosives.

The cost of Saigon and Laotian forces to the U.S. this year will come to $1.8 billion in *outlays,* one-third more than the Nixon Administration asked Congress to appropriate. The balance will be taken from earlier unexpended budgets, and the total will include 71 F–5E aircraft for Thieu's aviators. This plane, which the Administration insists is legal under the replacement proviso in the Paris Agreement, nevertheless costs over twice as much as the earlier model and is far more advanced.

Full Southeast Asia outlays for the U.S. this fiscal year, including *only* military costs for itself and its three dependents, will amount to $4.6 billion should the Congress approve the Pentagon's requests. And what Congress will not appropriate for Indochina, provisos such as Section 735 of the 1973 Defense Appropriation Act allow the Pentagon itself to determine when the "national interest" requires shifting additional funds to the war. In 1973 it obtained $492 million in this manner.

Last September, when Western journalists confirmed that Saigon was using its vast supply of arms to initiate the current upsurge of fighting in Vietnam, the danger of renewed U.S. air war increased as well. If American men are also called upon to utilize the contingency plans and equipment the Nixon Administration has in place, then our worst fears will come to pass.

[From the Washington Post, Apr. 1, 1973]

6,000 Americans in Sport Shirts Support Saigon's Army

Saigon, March 31.—Thousands of U.S. civilians remain in Vietnam exercising military-related skills, their operations masked by official secrecy and confusion.

The green, blue and khaki U.S. military uniforms have gone, making the men in grey coveralls and sportshirts all the more noticeable around South Vietnam's military bases and civilian bars.

Official U.S. advisers are prohibited by the Paris accords. As far as can be determined, however, 6,000 to 7,000 American civilians—many recently in military service—are directly or indirectly supporting South Vietnam's million-man military machine. That is about 2,000 more than the figure at the end of last year, although no precise official statistics are available.

Exactly how many are here? What are they doing that they weren't doing before the Jan. 28 cease-fire?

Civilian contractors refer queries like that to the U.S. Defense Attache Office, successor to the U.S. Military Command—and the Defense Attache Office says it doesn't know the answer.

Most of the civilians are employed by a dozen major and more than 100 minor contractors. Ostensibly, their main job is teaching, mainly mechanical and electronic skills. But some are reported to be actually maintaining aircraft and communications gear.

About 800 are assigned to the Defense Attache Office, which has an allotment for 400 more civilians, along with its 50 military personnel. It has taken over the former U.S. Command headquarters at Tansonnhut air base Saigon.

The command's old "far room" has become the "readiness room," and is no more accessible than it was before the military pullout. No details are divulged of what goes on inside.

The spokeswoman for the Defense Attache Office, Ann Bottorff, said the office's business includes overseeing the performance of contractors, eventually turning over contractor equipment—most of it formerly owned by the U,S. military—to the South Vietnamese, disposing of U.S. property, running the one-for-one replacement of war material allowed under the Paris peace accord and developing Vietnamese self-sufficiency.

An undisclosed number of the office's civilian personnel have military backgrounds. But Mrs. Bottorff said the Pentagon is hiring nobody who is less than three years out of uniform, except under waivers granted only in extraordinary circumstances.

She acknowledged that some will, in effect, be giving advice to the South Vietnamese on military matters, but "in the technical assistance sense, not in the adviser sense."

Defense Attache Office civilians "will not accompany combat forces into the field," Mrs. Bottorff said, and they will operate either at headquarters "or comparable places."

Such guidelines do not restrict civilians much more than most U.S. military advisers were restricted during the last six months or so of their presence here. They were under orders to avoid getting caught in combat situations.

"We're really making our rules as we go along," she said.

About 5,300 U.S. civilians are working on $243 million in U.S. Defense Department contracts in Vietnam, she said. A ceiling of 5,500 such employees was established during the Paris negotiations. The U.S. embassy says U.S. employees of civilian contractors number fewer than 6,000.

An official of Lear Siegler, Inc., which has aircraft maintenance functions among other things, referred a question to the Defense Attache Office, saying he did not want to give a figure "because they might come out with another one."

The Vietcong alleged Saturday that 17,000 U.S. military personnel remain in South Vietnam disguised as civilians. No evidence is available to support that assertion.

The U.S. embassy estimates the total U.S. civilian population in South Vietnam at 9,000 to 9,500, including children and tourists. Officials have noted that the peak number of U.S. civilian contract workers in the country was 14,000 four years ago.

The contractors require skills that by nature almost have to be acquired during recent military service. Lear Siegler has advertised in Vietnam and the United States for aircraft crew chiefs, mechanics and technicians for sophisticated electronic gear. One widespread complaint in the last half-year has been of too little military experience among contract employees, not of too much.

[From the Los Angeles Times, Feb. 16, 1974]

Food for Peace Fosters War, Senator Says

Marshalltown, Iowa.—Sen. Harold E. Hughes (D-Iowa) said Friday that "the Food for Peace program is being twisted into a food-for-war program."

He said that 44% of the program's funds "will be channeled into just two countries—Cambodia and South Vietnam."

Speaking at a dinner in his honor, the senator cited news reports that much of the U.S. rice sent in the program is destined for soldiers' rations rather than refugees' meals.

"If past practice continues," Hughes said, "the money gained from any sales of these commodities will be turned right over into pay for troops. This means that we will be padding our military aid to South Vietnam by 27% and to Cambodia by 45%."

He said the Nixon Administration decided secretly in the last few months to double the share of Food for Peace aid to those two countries.

"While these military-related programs have been soaring, the amounts available for humanitarian efforts by voluntary agencies such as CORE and church-sponsored relief programs have been cut back. More people are starving, but 20 million fewer people are being helped than two years ago," Hughes said.

He said Congress has delayed until fiscal 1975 a change in the Food for Peace law to end its use for military purposes.

"We must not let this program be twisted into just another way to promote wars," he added.

[From the New York Times, Jan. 28, 1974]

Data on U.S. Arms for Saigon Given—Supply Since Truce Put at 75 Percent of Previous Year's

(By David K. Shipler)

Saigon, South Vietnam, Jan. 27.—Official American figures show that since the cease-fire agreements were signed a year ago, the United States has provided South Vietnam with approximately $284.7-million worth of weapons and ammunition.

This figure is roughly 75 per cent of the level at which armaments were supplied to the South Vietnamese in 1972, a year that saw extremely heavy fighting during the spring Communist offensive.

According to a spokesman for the United States Embassy in Saigon, by far the greatest part of the total last year—about $276-million — went for ammunition, including bombs, rockets, artillery shells, grenades, small-arms ammunition and the like.

The remaining $8.7-million was spent on weapons and equipment such as aircraft, tanks and artillery pieces.

NO ACCORD ON INSPECTION

American officials insist that the United States is faithfully observing the Paris cease-fire agreement, which permits only "periodic replacements of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties."

However, no independent verification of this has been possible because of the inability of the two-party Joint Military Commission and the International Commission of Control and Supervision to agree on a method of inspection.

There are no indications that the United States has placed strict ceilings on expenditures for ammunition or has rationed the resupply of weapons as a way of restraining the South Vietnamese from making attacks and violating the cease-fire.

On the contrary, according to reports from Washington, the American Ambassador to Saigon, Graham A. Martin, has asked for additional new equipment for South Vietnam.

One item that is expected in the near future is the F-5E, a jet fighter plane that is faster, more maneuverable and capable of carrying more bombs than the F-5 now used by the South Vietnamese Air Force.

American officials contend that the new plane does not violate the Paris agreements' requirement that replacements be "of the same characteristics and properties."

SAIGON ACCUSED OF ATTACKS

The South Vietnamese Air Force has been accused by the Vietcong of conducting intensive air strikes against military positions and towns and villages controlled by the Communists. The Government has termed the attacks defensive.

In any case, American officials say they make no effort to differentiate between weapons lost and ammunition used in offensive actions as against defensive actions, since it is impossible to determine without being on the scene.

The result is that the South Vietnamese generally get what they ask for, with a few exceptions. Some high South Vietnamese military officials have been grumbling about restrictions on jet fuel. And a few tanks, reported destroyed last spring, were found to have been repaired, and therefore were not replaced, the Americans say.

The total figures on armament resupply since the ceasefire had not been made public before, and were provided this time only after American officials were repeatedly questioned by The New York Times over a period of two weeks.

At first, officials said the figures had been given a restrictive classification by the South Vietnamese military because, it was feared, "they would be useful to the enemy."

DATA ON AMMUNITION RESTRICTED

When pressed, officials decided that an over-all dollar amount could be made public, but they would not say how many rounds of any specific kind of ammunition had been resupplied in the year following the Paris agreement.

In early October, American officials released some information on resupply, but excluded the South Vietnamese Army, which uses the overwhelming bulk of the ammunition from the United States. Officials said the South Vietnamese Army had put the figures in a restricted category.

Figures for the navy and air force showed that during the first six months after the cease-fire the United States gave the South Vietnamese 142,000 bombs, rockets and flares, 13.8 million rounds of small-arms ammunition and 8,200 rounds of ammuniton for large naval guns. The total cost was put at $2.7 million.

The money spent on ammunition and weapons accounts for only a part of the total military aid to South Vietnam, which this fiscal year is budgeted at $813 million. Most of the rest, officials say, goes for fuel, clothing for uniforms, C-rations, spare parts and the salaries of American civilians employed in maintenance jobs here.

Another statistic was issued today. According to the South Vietnamese military command, in the year since the signing of the Paris agreements, 60,984 Vietnamese have died in combat. Of these, 13,778 were listed as Government soldiers, 45,057 were listed as Communist troops and 2,159 were civilians.

[From the Washington Post, Feb. 4, 1974]

WHAT ARE WE UNDERWRITING IN VIETNAM?

In the first year after the signing of the celebrated Vietnam cease-fire agreement of January 1973, there was good reason for Congress and most of the rest of us to hail America's disengagement from combat, to cheer the return of the POWs, to accept routinley the high cost of continuing military and economic aid to the Thieu government, and more or less to turn a blind eye to the fact that there was in fact no cease-fire and no perceptible progress toward a permanent peace. Soothingly, we were told that you couldn't expect the shooting to stop overnight, but that the foundations of a "structure for peace" were in place, and that the business of building upon this structure to produce elections and a division of territory and a sharing of political power was only a matter of time. With a year's experience, however, it is now clear that it hasn't worked out that way. (Well over 50,000 Vietnamese have reportedly been killed in combat during this "cease-fire" so far.) Worse, there is precious little prospect that it will. So it is not only appropriate but urgent for the Congress and the public to force their attention back to Vietnam. And the new budget, with its provision for continuing heavy military and economic aid for the Saigon government, offers a powerful argument as well as an opportunity for doing so.

In his State of the Union address, the President spoke witheringly of those who would abandon the South Vietnamese by abruptly shutting off all our aid—as if the issue was as simple as that. Of course, it is not. Most people, we suspect, are fully aware of this country's obligation to continue helping Saigon defend itself against flagrant violations of the cease-fire by the North Vietnamese; larger American policy interests over at least a decade and a half, after all, had a lot to do with creating Saigon's heavy dependence on our continuing patronage. But the real issue is much more complex, for it has to do with who is really responsible for the breakdown of the cease-fire. It has also to do with whether our aid, in conjunction with our diplomacy, is working to improve the chances of real peace in Indochina, or whether it is in fact working toward perpetuation of a vicious, costly war by discouraging the kinds of concessions on both sides that might bring about a genuine settlement.

We do not profess to have the answers—and that is just the point. Nobody in Washington seems to have the answers—or even particularly to care. For the past year, the general tendency has been to blame both sides for the myriad violations if not to ignore them; to cancel off these violations against each other; and to conclude somewhat cynically that this is the natural or inevitable or *Vietnamese* way of resolving conflicts. There is, moreover, the formidable difficulty of finding the facts. With their supreme interests at stake, both Vietnamese sides have had powerful incentives to highlight their own observances of the agreement and to hide their own violations. Field conditions limit the capacity of objective observers, such as journalists, to judge for themselves.

All this gives no reason, however, to avoid trying to get at the facts. For it should be understood that avoiding the question of which side is chiefly responsible for the collapse of the agreement is answering the question to the benefit of President Thieu. Time and again, administration figures have drawn public attention to the alleged violations of Hanoi and the Provisional Revolutionary Government (Vietcong). The imminence of a big Communist offensive has been built up as a special bugaboo, while the open threats of some sort of pre-emptive strike by the South, as well as the plain evidence of provocations by the Saigon government, have been presented to us as no more than legitimate acts of self-defense. To this have been added regular and wholly unrealistic suggestions of American re-entry into the war, including the possibility of renewed bombing of the North.

We have been down this road before and we should know by now where it leads—to blind and unquestioning support of a Saigon government lulled into a false sense of security by our aid, with no real capability to defend itself, by itself, and with no incentive to yield up anything for the sake of a compromise settlement. From this, one can safely project an open-ended conflict between the two Vietnams. True, it is largely *their* war now, which is a lot better than it being largerly our war, as it was for seven agonizing years. But we are nonetheless subsidizing a substantial part of it. Thus, it seems only reasonable for the two sets of armed forces and foreign relations committees in both houses of Congress to conduct a searching inquiry into the administration's current Vietnam policy. For this country has a moral as well as a political commitment to the objective of a cease-fire and an ultimate Vietnamese settlement which the administration so proudly proclaimed to be very nearly accomplished facts a year ago. And the American public has a right to know whether, and how, this objective is being served by our continuing aid to South Vietnam. We would not argue that the answer turns entirely on what this country does or doesn't do for President Thieu. Part of the answer obviously must come from Hanoi. Part of it also depends on the efficacy and validity of that larger "structure for peace," reaching from Moscow and Peking to Washington, of which the President had made so much. But a big part of the answer, nonetheless depends upon Saigon. So we think that before Congress approves more billions for President Thieu, it ought to try to find out whether the easy availability of this subsidy may not be prolonging an intensified Vietnam war by consolidating a militant, recalcitrant and repressive regime in Saigon. For there is at least some reason to believe that a more selective and judicious application—or denial—of this money could make it work to far better effect as an integral part of a wider diplomatic effort to bring about something more nearly resembling a Vietnam peace.

[From the Baltimore Sun, Nov. 28, 1973]

VIETNAM HALF WAR, HALF PEACE FOR AMERICANS WHO REMAIN

(By Matthew J. Seiden)

SAIGON.—Eight months after the last GI's went home, the United States government continues to maintain a massive American civilian operation here.

The American presence ranges from the United States postal office, bus line, movies and supermarket in Saigon to the pine-paneled "compound" that houses at least one American official in virtually each of 46 provinces.

American mission guards patrol with South Vietnamese police in American station wagons in Saigon, officially "for the protection of American civilians."

A steady stream of American "contract" workers can be seen filing in to work every morning through the gates of any of South Vietnam's big military installations.

Although the North Vietnamese have claimed that this extensive civilian presence is used for military and police objectives, the U.S. Embassy here insists that the entire operation is conducted for purely peaceful purposes, within the limits of the Paris agreement.

ACTUAL SITUATION

The actual situation appears to lie somewhere between the claims of the two governments.

There is no question that the basic nature of the American presence has changed dramatically since the days when more than a half-million U.S. troops were fighting here.

Nevertheless, many of the thousands of civilians who replaced the troops are now apparently engaged in war-related jobs—often doing work that was previously done by soldiers.

The U.S. Embassy says this is why the number of Defense Department civilian employees nearly doubled as the GI's left in 1972 and 1973.

Maintaining and repairing military equipment, training South Vietnamese technicians, and gathering military intelligence are some of the jobs now done by civilians, according to a U.S. Embassy spokesman.

The embassy spokesman says government employees do not act as military advisers since this is forbidden by the Paris agreement.

However, some U.S. officials have privately admitted to offering military advice "when they [South Vietnamese officers] ask for it."

According to American figures, there were nearly 6,000 American civilians working directly or indirectly for the U.S. government at last count, in June 1973.

The U.S. government also employs thousands of Vietnamese, Philippine, South Korean and other foreign civilians not included in this figure.

Nearly 2,000 of the Americans work directly for the U.S. government in Vietnam. More than half of these employees work for the Department of Defense. The others are divided among the United States Agency for International Development (USAID), the State Department and a half-dozen other U.S. government agencies, including the Central Intelligence Agency (CIA).

U.S. EMBASSY

The nerve center for the government civilian network is the U.S. Embassy in Saigon—A dazzling, white structure rivaled in size and splendor only by the Presidential Palace, which is on the same street.

There are many other American government buildings in Saigon, including an embassy "annex," and two USAID buildings, known as "USAID I" and "USAID II."

In each of the country's four main military regions, the U.S. government also maintains a 50-man consulate—bigger, busier, and better-staffed than any South Vietnamese government building in the town.

Beyond that, there is an "American compound" in even the most remote and sparsely populated of South Vietnam's 46 provincial capitals.

Once the headquarters of the U.S. military advisers, these prefabricated, pine-paneled, suburban-like structures now house at least one USAID or State Department official.

It is difficult to determine exactly what all these government employees do.

Officially, they are here to "monitor" the distribution of U.S. funds and other kinds of aid, as well as to "advise" the South Vietnamese government on nonmilitary matters.

"After all the time and money we've sunk in this place, it would be pretty stupid to just walk off without at least keeping an eye on what's going on here," one American official explained.

"Keeping an eye on what's going on" in many cases means reporting on the political and military situation. This is done in a series of monthly, classified reports from each province. These reports are prepared by USAID as well as embassy employees.

Aside from the 2,000 direct government employees, there are 4,000 more American civilians working for companies under contract to the U.S. government. These civilians are known here as "the contractors."

Often retired military men with military-related skills, the contractors can be seen during the day, usually dressed in overalls or paramilitary safari suits, flying planes, driving trucks and entering and leaving South Vietnamese military bases.

GO TO THE MOVIES

At night they go to the American movies shown by the American government, or frequent the bars where the GI's once hung out.

The U.S. Embassy says most of the contracts are for "maintaining and repairing" complicated equipment—ranging from helicopters to radar stations.

Some of the contracts are obvious. Air America provides transportation for U.S. Embassy, USAID and other American government employees.

Pacific Architects and Engineers runs the Defense Department commissary—a government-subsidized supermarket that sells American food at less than American prices, despite the cost of air shipping.

However, there are a dozen major and more than a hundred minor firms working here. Many send American civilian "technicians" to work every day in closely guarded military installations around the country.

[From the New York Times, Jan. 28, 1974]

ONE YEAR AFTER THE PARIS ACCORD

(By Frances FitzGerald)

(NOTE.—Frances FitzGerald is author of "Fire in the Lake: The Vietnamese and the Americans in Vietnam.")

CAMBRIDGE, MASS.—A year ago yesterday the United States signed the Paris Agreement on Ending the War and Restoring Peace in Vietnam. Since then the number of combat deaths in Vietnam has reached far above 50,000, or to about the level it reached in 1966, an "average" year in the war. Only the circumstances of these deaths has changed.

Whereas a year ago Vietnamese were dying in military operations, they are dying today in cease-fire violations. According to Richard M. Nixon they are dying not to win the war but to win the peace in South Vietnam. From these facts many might draw the conclusion that the peace agreement accomplished nothing, that it changed nothing in the history of the Vietnam war. They would be wrong.

Last Christmas was the first in twelve years that the United States was not bombing Indochina or maintaining American ground troops in Vietnam. Furthermore, the other events in Vietnam this last year did not duplicate those of the year before. They were repetitions of events much further back in history.

Take any recent news reports—President Nguyen Van Thieu declares he will not hold a national election as the peace accord specifies, tracts given to South Vietnamese peasants revert to former landlords, military-intelligence analysts fear foe will cut country in half. You will not find a similar report since 1956 or 1964. It is just that there is a certain symmetry to the war, a symmetry that extends beyond the period of American troop engagement to the beginning of the American intervention in Vietnam.

The United States has been actively engaged in a war against Communism in Indochina since 1950. As the history books for American children unborn at the time now show, the policy has been perfectly consistent; only the means have changed. In 1950–54 the Eisenhower Administration paid up to 80 per cent of the French colonial war. After the French defeat, the Administration created and financed a regime in South Vietnam that would contravene the Geneva Accords by refusing to hold national elections and by building an army to compete with that in the North.

When the southern guerrillas came near to defeating this regime on their own, the United States introduced counterinsurgency teams and helicopter squadrons; in 1964, just after Congressional passage of the Tonkin Gulf resolution, the United States began to bomb North Vietnam and a few months later to send regular American forces in to the South. Four years later, in the wake of the Tet offensive, Lyndon B. Johnson ended the troop build-up; he did not, however, change the policy of pursuing the war in Vietnam.

For Mr. Johnson, and later Mr. Nixon, the means became known as Vietnamization—the slow withdrawal of American troops combined with a further build-up of the Saigon Government's Army and the increased use of American firepower. The period of American withdrawal ended with the peace agreement; it took four and a half years to accomplish, or slightly longer than the build-up, and in the first three years of the Nixon Administration it cost the lives of 20,000 Americans and some half a million Vietnamese.

Since then the Nixon Administration has been carrying on the war in the traditional way, by proxy. Last year it spent $3 billion in support of a military regime that resists any form of political settlement as specified in the peace accords.

The history books for children recount most of this story, but they do not answer the question of why the United States pursued this policy for so long. As the intelligence documents in the Pentagon Papers show, neither Dwight D. Eisenhower, John F. Kennedy nor Mr. Johnson could have had any confidence of winning the war with the measures they were using.

In 1961, for example, Robert S. McNamara, then Secretary of Defense, questioned the value of sending a token American force to Vietnam, warning, "We would be almost certain to get increasingly mired down in an inconclusive struggle." A few months later the Kennedy Administration sent just such a token force and publicly predicted success for it, suggesting that no further measures would be necessary.

In his analysis of the Pentagon Papers, in an essay called "The Quagmire Myth and the Stalemate Machine," Daniel Ellsberg addresses the question of why three Administrations concealed their most realistic estimates and continued to step up the war on that basis. His answer, to put it briefly, is that even though all three Presidents strongly suspected that the war could not be won, they also strongly suspected they could not politically survive the "loss" of Saigon or a land war in Asia during their Administrations. Their solution, therefore, was to maintain the stalemate as cheaply as possible while hoping for a miracle. And if the miracle did not occur, they could pass the problem on to their successors. Mr. Johnson's misfortune was that he occupied the White House at a time when the guerrilla war had reached such a peak that he could not maintain the Government in Saigon without committing American troops. Mr. Nixon, by contrast, came to the Presidency after the crisis had passed.

The Ellsberg theory is, I think, sound. But today we have no need of theory in order to predict the future course of the war under a Nixon Presidency. Mr. Nixon has already made that course perfectly clear by his actions in Indochina over the last six years. Elected at the height of the peace movement and over Vice President Hubert H. Humphrey whose Administration had been discredited by the war, Mr. Nixon had the option of disavowing the Johnson war policy and making peace in Vietnam. He did not do so. Instead, he chose to maintain the stalemate at a price far higher than any other President had paid.

Militarily the cost included the invasion of Cambodia and the beginning of a destructive, long-term war in that country, the invasion of Laos, the secret bombing of North Vietnam and Cambodia, the mining of North Vietnamese harbors and inland waterways and the terror bombing of Hanoi in Christmas, 1972. But these actions were only the most spectacular of his military measures. Equally important was the sustained bombing of three countries, the destruction of two or three national economies, the uprooting of several million Indochinese and the building of an army that, statistically speaking, drafts all able-bodied South Vietnamese men for the duration of the war.

These measures, taken before the ceasefire, have had an important impact on the military situation in Vietnam, but they have not meant victory for the United States. In the Paris agreement the United States had to accept what it refused to acknowledge in the Geneva Accords of 1954: the principle of unity and territorial integrity of all of Vietnam and the presence of North Vietnamese troops in the South.

Mr. Nixon's measures have not insured a stable situation—a permanent stalemate, as it were—because the Saigon Government, while larger than before, remains what it always was: a parasite that lives on what one Frenchman called *la densité de la pourriture* (the density of corruption). President Thieu's control over South Vietnamese (even in the absence of the Northern troops) rests on his ability to maintain American aid at a level at which he can keep the majority of the population in the army, the jails, the cities and the refugee camps. While American military and Central Intelligence Agency analysts predict a North Vietnamese offensive and propose more military aid for Saigon, President Thieu is actively trying to realize that prediction and that aid by calling for an invasion of North Vietnamese and Provisional Revolutionary Government base areas in the South.

What Mr. Nixon has done is to create a stalemate that may last until the end of his term and whose preservation may well require the renewal of American bombing in the South. What he has done is to bring the United States full circle to the same moment of decision in which the Tonkin Gulf resolution was passed in 1964.

One difference is that now the war is a decade older, and three countries have been partly destroyed. The other difference is that because the American public will not permit the reintroduction of American ground troops, Mr. Nixon and his advisers know precisely what the final outcome will be. They support the war in perfect cyncism. After the visit to Peking they have no ideological pretext, much less a justification for that support. Over the last six years about a million Indochinese have died for the prestige of two men. A lot more will die if the American public continues to pay the war no more attention than it did in 1964.

[From the New Republic, Jan. 5 and 12, 1974]

VIETNAM BUILD-UP

(By Stanley Karnow)

In Saigon one day back in the early 1960s I was drinking with a US army information officer at a dockside cafe when I noticed, coming into sight down the river, a huge US aircraft carrier laden with helicopters. The Kennedy administration was pretending at the time to be observing the Geneva agreement's ban on shipping military equipment to Vietnam, and, although everyone knew that the pledge was being violated, I pointed to the aircraft carrier as a rather blatant transgression of the accord. The officer stared at the vessel, now growing larger as it approached, and replied placidly: "I don't see any aircraft carrier."

Under the terms of the cease-fire agreement signed in Paris last January, the Nixon administration pledged to provide the South Vietnamese regime only with "periodic replacements of armaments, munitions and war material . . . on the basis of piece-for-piece," these shipments to be theoretically monitored by the Saigon government and Vietcong representatives on the Joint Military Commission and the Indonesian, Iranian, Polish and Hungarian members of the International Commission of Control and Supervision. But US officials, like my dockside drinking companion of more than a decade ago, currently refuse to disclose what military hardware the administration is actually sending to Vietnam.

Recent attempts by journalists including myself to obtain official information on the extent of the US supply effort to Vietnam have been rebuffed by both the State and Defense Departments, and members of Congress have met with the same obstacle, even though such details are supposed to be public. A few weeks ago, for example, the Pentagon rejected a request for information from Rep. Les Aspin of Wisconsin on the grounds that it is "classified and unauthorized disclosure would be injurious" to South Vietnamese President Nguyen Van Thieu's government. The letter of rejection, signed by Assistant Secretary of Defense John O. Marsh Jr., said that the information had been given to the Armed Services Committee. A check with the committee revealed, however, that it had received no such information.

Bits of evidence from assorted sources suggest that an enormous flow of military equipment is still pouring into Vietnam despite the President's assertion "peace with honor" has been reached there. One reason that the administration has fought to continue subsidizing its Vietnam operations through the special Military Assistance Service Fund rather than through regular channels is, as former Pentagon Counsel J. Fred Buzhardt admitted in a letter to Budget Director Roy Ash last spring, to make the expenditures "less visible" by spreading them "through the various Defense Department accounts." Starting in May 1972, as the possibility of a cease-fire was anticipated, the administration launched Project Enhance, under which the South Vietnamese were delivered large quantities of airplanes and helicopters, tanks, armored cars, naval craft and, besides personnel weapons, such sophisticated hardware as the TOW antitank missile. Six months later, after Henry Kissinger announced that "peace is at hand," the administration initiated Project Enhance Plus, an accelerated quarter-billion dollar program under which Thieu was given additional equipment, including more aircraft than he could use. The purpose of these intensive programs was to lay down the foundation for "piece-for-piece" replacements, but, it appears, supplies are being sent to Vietnam without regard for the levels set by the Paris agreement. For instance, the administration is currently planning to replace Saigon's F–5As with F–5Es, a superior model that might have been designated differently had not the Pentagon considered it expedient to camouflage the airplane with a similar number. The Air Force has also been asking for increased supplies of bombs for Southeast Asia. It recently requested $35.5 million for 38,359 CBU–52 cluster bombs, 9400 more than it purchased this year, and $24.6 million for 36,000 CBU–52 2000-pound bombs, 16,750 more than it required in 1973. When Rep. John McFall of California noted during House appropriations hearings in September that "we are replenishing war reserves at a faster rate of procurement" than during the Vietnam conflict. Air Force General Jonas Blank answered in Pentagon jargon that the objective is "to protect a Southeast Asia contingency capability that we had not previously planned."

Meanwhile, some administration military spokesmen have been issuing tough statements amid reports that the North Vietnamese may be preparing to step up the fighting in Vietnam. On August 17, two days after the US bombing of Cambodia stopped as the result of a congressional amendment ordering an end to American air activites throughout Indochina, Defense Secretary James Schlesinger warned Hanoi that the administration would support South Vietnamese forces from the air "in the event of overt North Vietnamese aggression." Echoing that threat on November 1, the commander of the US forces in Thailand, General John Vogt, said that "now that we're not actually dropping bombs, we must maintain our capability to resume such action if we have to."

Kissinger has promised to advise Congress before any new military moves are undertaken in Vietnam. It is difficult to forecast how Congress might react. Some senators say that they would bar the use of US forces; others argue that their decision would depend on the situation. Most significantly, though, neither Congress nor the public knows how close we are to returning to Vietnam, and, in that respect, we recall the days when we were sending aircraft carriers up the Saigon river and claiming them to be invisible.

CONGRESSMAN BLATNIK WILL BE MISSED IN HIS RETIREMENT

Mr. HUMPHREY. Mr. President, history has a way of shrinking to proper size the episodes which capture the public's attention for a fleeting moment. And it has a way of raising to proper size the acts of wisdom, of vision, and of courage.

On February 11, 1974, after 34 years of public service—28 of which were served in the U.S. House of Representatives—Congressman JOHN A. BLATNIK of Minnesota announced his decision not to seek reelection. As a Minnesotan, a fellow Democrat, and a colleague of JOHN's, I know that we need not—and must not—wait for history to put JOHN BLATNIK's career in perspective and determine its worth. His career has not been one of sensational headlines and rhetoric. It has been one of steady, conscientious, dependable service to his district, his State and his country—service which is reflected in the political, economic, social and personal well-being of his constituents and our country.

JOHN BLATNIK was elected to the Minnesota State Senate in 1941, where he was the author of the Taconite Act which laid the base for solid, sustained economic growth for Minnesota's Iron Range. In 1946, State Senator BLATNIK was elected to serve his Iron Range constituents and the entire Eighth Congressional District in the U.S. House of Representatives. As geographical boundaries of the Eighth District have changed over the years—the district now covers the eastern half of the State and runs from the Canadian border to the suburbs of the Twin Cities, of Minneapolis and St. Paul—BLATNIK's attention to his constituents' problems, regional economic concerns, and environmental causes also changed and grew.

Perhaps the most significant measure of an individual's service are the projects and causes with which he identifies himself publicly. Among those achievements of which Congressman BLATNIK feels most proud are his efforts for the St. Lawrence Seaway, an extended navigation season for the Great Lakes, the Voyageurs National Park, the Grand Portage National Monument, protection of the Boundary Waters Canoe Area, the Federal water pollution control program, the National Water Quality Laboratory in Duluth, the Federal-aid highway program, and the area redevelopment and community facilities program.

But while JOHN BLATNIK's service is a matter of record in public law—and this is by no means a complete account of his career in Congress—I would be remiss in not mentioning his effective service as chairman of the House Public Works Committee. To recite the areas of jurisdiction of this committee—all federally-aided highway programs; Water Resource Management; Disaster Relief; Economic Development programs; and Public Buildings and Grounds—is to recite great responsibility and service. And JOHN assumed that responsibility and responded with exceptional service.

JOHN's career of public service has earned him widespread recognition and praise. Several awards and honors in the field of conservation and environmental protection, to which he has devoted so much attention, deserve mention. In 1967, he received the Bernard Baruch Prize for Outstanding Contributions to the Field of Conservation; in 1969, the Great Lakes Commission Water Commission and Management Award; in 1970, the Minnesota Izaak Walton League State Conservation Award; and in 1971, the National Limestone Institute Distinguished Service Award.

However, the greatest tribute to JOHN BLATNIK—personally and politically—has been given by his eighth district constituents in electing him to 14 consecutive terms in the House. He will be missed, but he will have a lasting impact on the eighth district, the State, and the country.

In closing his February 11 statement, Congressman BLATNIK said:

> It has been an extraordinary, unique privilege to have served in the United States Congress, the most representative body in the world.
>
> "I want to express my heartfelt gratitude to the wonderful people of the Eighth District for this privilege and honor and for their strong support and encouragement which have been a great source of inspiration to me over the years. The Eighth District and particularly the Iron Range, will always be my home. Here is where my best friends are; *this is* the land I love.

Mr. President, it is clear that this land also loves JOHN BLATNIK. On behalf of the Eighth District, the Democratic Farmer-Labor Party of Minnesota, and all who have benefited from JOHN's attention to their causes and interests, I extend hearty thanks and appreciation. I know that history will deal kindly with JOHN BLATNIK and that the perspective of time will be to his credit. JOHN will be remembered by the historians of Minnesota and Congress, and in the minds and hearts of his colleagues and friends. Although we will miss JOHN BLATNIK in Congress, we look forward to his continued presence in Washington, and wish him good health, happiness, and success in his new endeavors.

JOHN BLATNIK will now have some time for relaxation and physical and spiritual refreshment. He will have time for his wonderful family and his host of friends.

Mr. President, I ask unanimous consent that an editorial from the Minneapolis Tribune of February 12, and an article from the St. Paul Pioneer Press of February 17, which are personal and political tributes to JOHN A. BLATNIK, be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOHN BLATNIK'S RETIREMENT

Without John Blatnik, the political scene in Minnesota's 8th Congressional District will seem like a worked-out open-pit mine. For 28 years Blatnik has represented that district, and has assumed a commanding role in the *district's* DFL politics unmatched by any congressman in the state. In a district that now stretches from the wilderness of the north country to the mining operations on the Iron Range to the shipping and industry of Duluth to the farming of the eastern border counties to the Twin Cities suburbs, Blatnik has been able to represent all these diverse interests and please his constituents so that they have reelected him in every election since 1946.

His accomplishments have been many and great—he has been called "Mr. Water Quality" for his efforts to clean up water pollution; he fought to bring jobs to the area in taconite plants built when the area had slid into a depressed economic state; he has worked for a Voyageurs National Park. So popular has he been with the voters that he seldom faced more than token opposition in elections—Republicans figured it wasn't worth spending money on a campaign, and top GOP figures in the district didn't want to take him on.

In recent years, Blatnik has been criticized by environmentalists for not speaking out against Reserve Mining Co. for dumping tailings into Lake Superior. But Blatnik prefers the role of mediator and is concerned about the possible impact to the area of any curtailment of Reserve's activities. It has always been his style—amid such clashes as those of the warring factions of the district's DFL—to be a conciliator and seek solutions acceptable to all. It has not always been easy, but most of his constituents seem to agree that Blatnik works with the best interests of his district in mind. In the process, he has earned the respect of all and, as he approaches the retirement that he announced Monday, has become an institution in Minnesota's politics.

BLATNIK'S DEPARTURE ENDS ERA IN HOUSE

(By Al Elsele)

WASHINGTON.—John Blatnik was indignant. He has just sat through a meeting in the U.S. Capitol at which a group of Minnesota and Wisconsin officials had been haggling for more than an hour with federal bureaucrats over government efforts to protect the Lower St. Croix River from development.

There were at least 40 people at the meeting, including Gov. Wendell Anderson, Sens. Walter Mondale and Hubert Humphrey, and all eight Minnesota congressmen, the head of the Minnesota Department of Natural Resources and a bevy of Nixon administration officials.

But no real progress had been made. Assistant Interior Secretary John Kyl and National Park Service officials made a vague promise to pursue the matter, but they also made it clear that there's little if any chance of finding the additional $11 million to carry out a plan to protect the relatively unpolluted river.

The meeting broke up and a reporter intercepted Blatnik in the hallway.

"What the hell did we have to waste an hour arguing with these people over a piddling $11 million?" he exclaimed.

"All we had to do was to get George Mahon (chairman of the House Appropriations Committee) and John McClellan (chairman of the Senate Appropriations Committee) together and bring Roy Ash (Director of the Office of Management and Budget) up here and tell them what he wanted."

Blatnik couldn't understand why so much fuss was being made over a mere $11 million spending authorization. As chairman of the House Public Works Committee, he is used to dealing with projects costing not millions but billions.

His committee authorizes projects costing a total of $20 billion or more every year, and he had just come from the luncheon meeting at which executives of the steel industry informed him of plans to spend nearly a quarter of a billion dollars on expansion of their taconite facilities in his northeastern Minnesota district.

Blatnik's reaction to the St. Croix meeting illustrates his view of how Congress should exercise its power. It also explains the dramatic impact of his announcement last week that he intends to retire at the end of the current session of Congress.

The departure of the 62-year-old 8th District Democrat after 28 years in Congress will mark the end of an era for Blatnik himself, for the state of Minnesota and, to a certain extent, for Congress and the nation.

He came to the House of Representatives in January 19— in a freshman class that included Richard Nixon, the late John Kennedy, and House Speaker Carl Albert. At the time, Hubert Humphrey was still mayor of Minneapolis, former Sen. Eugene McCarthy a struggling young economics instructor at the College of St. Thomas, and Walter Mondale a 20-year-old student at Macalester College.

Humphrey, McCarthy and Mondale, of course, all have run or are still running for the presidency, but none has exercised more power or had a more lasting influence on Minnesota or the nation than Blatnik.

The son of an immigrant iron miner from Yugoslavia, where he later served as a U.S. military adviser to partisans fighting the Nazis in World War II, the tall, intense Blatnik is without question the most powerful Minnesotan in the legislative branch of government.

He used that power in various ways, some of which have been controversial and all of which have changed, for better or worse, the economy and environment of Minnesota and much of the United States.

As a State senator and as an influential member of Congress and finally, since 1971, as chairman of the House Public Works Committee, Blatnik can be legitimately credited with having been a prime mover of the economic renaissance of the Iron Range through the development of the multi-billion-dollar taconite industry; of the $40 billion-plus interstate highway program; of the ongoing effort to clean up the nation's polluted water supply, estimated to cost upwards of $100 billion; of the multi-billion-dollar economic development program to bolster depressed areas; and of the creation of the nation's first water-oriented national park on the Minnesota-Canadian border.

Much has been said and written about Blatnik's role in shaping these and other pieces of legislation. Some of it was accurate and some of it was political hyperbole. Consumer crusader Ralph Nader and others, for example, have criticized him for not pushing hard enough to protect the environment against industrial polluters, the prime example of which is the current court case involving the Reserve Mining Co. discharge of taconite tailings into Lake Superior from its Silver Bay, Minn., plant. But even his critics agree, he was a pioneer in the field of water pollution control legislation.

Other persons have criticized Blatnik for being too sympathetic to the highway lobby and other interests that benefit from the huge public works programs rather than trying to turn the nation toward better mass transit systems and highway safety.

Undoubtedly, some of that criticism was at least partly justified. As a practical politician, Blatnik was no stranger to compromise. He quickly learned the value of the late Speaker Sam Rayburn's dictum that to "get along in the House, go along." Once a leader of the Democratic party's liberal wing in the House, Blatnik is now identified with the House establishment.

But it would be both inaccurate and unfair to assert that he ever compromised his basic principles or wavered from his belief that he was in Congress to represent the people of his district.

"I think I've fulfilled my obligations to the people back home, particularly on the Iron Range." Blatnik said Sunday as he confirmed his intention to retire. "We've helped upgrade that whole region from a severely depressed area into one that will be economically strong for the next hundred years."

Ironically, Blatnik's greatest legislative accomplishments came before he was named chairman of the Public Works Committee. Less than a year after taking over in November 1971, he suffered a heart attack.

It came in the midst of intensive deliberations over the landmark water pollution control bill that was enacted in 1972, and some people felt the strain of putting together the complex legislation triggered it.

Blatnik's lengthy convalesence, which included hospitalization in 1972 and 1973 for related heart ailments, prevented him from ever taking full control of the powerful committee.

As a result, subcommittee chairmen such as Robert Jones of Alabama and James Wright of Texas and key committee aides such as chief counsel Richard Sullivan operated with an unusual degree of independence.

Even though he climbed steadily in seniority (he is one of only seven members of the 1947 class still in the House) Blatnik's latter years in Congress were marked by political conflict that merely added to the burden of his health problem.

His political difficulties were best summed up by former state Sen. Ray Higgins of Duluth in 1970 when, in the midst of a bitter controversy over the proposed Voyageurs National Park, the Reserve case and partisan sniping by the Perpich brothers, he was asked what he and Blatnik had talked about during a meeting in Washington.

"The three P's," replied Higgins. "Parks, Pollution and the Perpiches."

But it was a fourth "P"—personal reasons—that finally caused Blatnik to step down, though he was virtually assured of reelection.

He had hoped to stay in Congress until he was 65, when he would have completed 30 years service, but a recent physical examination indicated he might be headed for another heart attack.

As he pointed out in his retirement statement, Blatnik wanted to be able to spend more time with his wife and three children and, for the first time in his life, to be free to do "some of the things I've always wanted to do but haven't had time to."

Blatnik, who is one of the best-liked members of the House, will be missed by his colleagues when he retires, and certainly by the people of northeastern Minnesota, who benefited most.

THE LESSONS OF THE WHEAT SUPPLY PINCH

Mr. McGOVERN. Mr. President, on February 4, the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices of the Committee on Agriculture and Forestry, chaired by the Senator from Kentucky (Mr. Huddleston), held an important hearing on our wheat and feed grain supply.

Coincidentally, on that date, the Aberdeen American-News, a daily newspaper in my State, reprinted an editorial from the Des Moines Register in Des Moines, Iowa, entitled, "The Skimpy Wheat Reserve."

The conclusion of the Register's editor is the conclusion which was expressed in my statement to the subcommittee and that which was said in a similar fashion by the Senator from Minnesota (Mr. Humphrey) and the Senator from Iowa (Mr. Clark).

Mr. President, the idea of a strategic reserve of storable grain commodities has been with us for decades. For most of my public career this Nation has had a "reserve" of sorts—in the form of a price-depressing surplus. It is time that we had a genuine reserve for contingencies such as the one in which we find ourselves today. I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Skimpy Wheat Reserve

Residents of the wheat-producing state of South Dakota are concerned about factors influencing the production and prices of the 1974 crop. They will find interesting the following comments of the Des Moines Register, published in Iowa, another great agricultural state:

President Nixon has lifted the import quotas on wheat, a sensible action in view of the high price of wheat. There ought to be no restriction at any time on imports of wheat, a commodity which the U.S. produces so efficiently that it is the world's leading exporter.

The lifting of import quotas is unlikely to result in a big increase in imports. Millers may ship in a little wheat from Canada. It is even possible, as a representative of the Millers National Federation said, that the United States could import some flour from Europe. But that won't amount to much, either.

The United States produces more than twice as much wheat as it consumes, and the 1973 crop was a record. Moreover, the 1974 harvest promises to be even larger, since acreage is being increased.

The general shortage of wheat during the last two years, largely because of short crops in Russia and South Asia, has resulted in extremely high prices. The rush of many countries to rebuild stocks is keeping prices high. United States millers have to pay up to get wheat under the circumstances. Otherwise, exporters would drain the country of wheat.

The U.S. Department of Agriculture estimates that wheat reserves may be drawn down to 182 million bushels by next July 1. This seems a tiny reserve, indeed, considering the fact that 500 million to 700 million bushels of carryover have been normal in recent years. However, it is far from a disaster.

The Department of Agriculture should have taken steps much earlier to assure a larger reserve supply. It could have done so under present legislation.

But even in the absence of government action, the United States is not likely to be in a desperate shape for wheat. There is no reason to expect the price of bread to rise to $1 a loaf, as one representative of the baking industry suggested.

You would think that Agriculture Secretary Earl Butz and his advisers had learned their lesson from the depletion of wheat stocks as a result of the sale to Russia in 1972. But they have gone blissfully along their way, trusting in the "free market" and the public spiritedness of the big grain companies. The result is a huge export sale and skimpy reserves at home. That is the reason for all the excitement about the wheat shortage and the talk about $1 bread.

Unless a weather disaster overtakes the country this spring, however, it seems that the nation will skin through. Congress, we trust, will not need another lesson before passing a grain reserve bill that will require the administration to manage a reasonable reserve program.

WHOLESALE PRICE JUMP UNDERSCORES NEED FOR INCOMES POLICY

Mr. HUMPHREY. Mr. President, a few days ago the Bureau of Labor Statistics released the Wholesale Price Index for January. On a seasonally adjusted basis the WPI went up a whopping 3.1 percent or at an annual rate of more than 35 percent. This tremendous increase in a 1-month period has been topped only once in the post-World War II period, in August 1973. What alarms me most, Mr. President, is that 3 or 4 years ago increases of this magnitude were inconceivable. At that time, if the WPI rose as much as four-tenths of 1 percent in 1 month, the public, the press, and the Congress expressed great concern. Yet in the last year, price increases have become so enormous that we are inured to the rates of inflation of 1.8, 2.2, and 3.1 percent which we have experienced in the last 3 months, as measured by the Wholesale Price Index.

Unfortunately, there is no special, one time factor which explains the price jump in January. The increase was broadly based, with every major category in the WPI rising at least 2 percent during the month of January. The following table illustrates how severe the price increases have become in recent months:

PERCENT CHANGE IN WHOLESALE PRICE INDEX AND COMPONENTS,[1] JANUARY 1964

Component	Percent change from previous month	Percent change from 3 mos ago at compound annual rates
All items	3.1	32.3
Industrial commodities	2.3	37.3
Farm products, processed foods, and feeds	5.1	21.4
Consumer foods	3.9	15.7
Consumer finished goods	2.8	44.1
Consumer goods, excluding food	1.9	67.4

[1] Seasonally adjusted.

It will be only 1 to 3 months before these wholesale price increases will be passed on to the consumer in the form of higher prices at retail. Consumer food prices rose 3.9 percent in January and 15.7 percent in the last 3 months at annual rates. These will probably be reflected in higher grocery store prices in February. The prices of consumer goods, excluding food, rose 1.9 percent in January, but more than 67 percent at an annual rate in the last 3 months. This means sharply higher prices for clothing, fuel, appliances, furniture, paper products and many other consumer items in the next 2 or 3 months.

The snowball effect of higher prices will not end there. In January, industrial commodities prices rose 2.3 percent. These are materials at the first stage of the manufacturing process.

It will take several months for these price increases to work their way up to the consumer level. I regret to say that forecasts of 8 or 9 percent inflation at the consumer level for 1974 which appeared high a month ago now seems quite likely.

It is with these data before us that Congress must evaluate the administration's proposal to junk wage and price controls. The United States finds itself in a highly inflationary economic environment during the first half of 1974, and to completely abandon controls at this point may touch off another more severe inflationary spiral.

At the very least, even if Congress decides to lift controls, we must make a long-term commitment to incomes policy. This policy, if effectively administered, can assure that a reasonable level of economic stability is maintained by keeping wage and price increases, in general, at levels justified by rising productivity and real production cost increases. Unfortunately, it has fallen on this current administration, which abhors the use of wage and price policy and which would rely almost blindly on the market adjustment process, to deal with the most severe inflation the United States has experienced in the last 25 years. It is not inconceivable that the current controls program would have been more successful if public officials who believed in incomes policy had been administering it.

I caution my colleagues that inflationary pressures will continue to be with us for an extended period. The United States is now competing with a number of other mature economies for relatively scarce resources. At home, the worker has justifiable demands as his wage contracts come up for negotiation in the next 2 years. He has seen his real income eroded by 1.5 percent in the last year alone by sharply rising prices. If we are to face these problems and break the inflationary spiral, then we must all be committed to some form of incomes policy, whether it is adminstered by a revised Cost of Living Council, or a wage-price board or whatever. I urge the Congress to carefully assess the administration's economic stabilization proposals in view of the inflation outlook for the immediate future and for the next several years.

THE DICKEY-LINCOLN DAM—ITS TIME HAS COME AT LAST

Mr. MUSKIE. Mr. President, in recent days, I and my colleagues in the New England congressional delegation have been contacted by the New England electric utilities pointing out the serious economic impact on our region caused by the skyrocketing cost of imported residual fuel oil. The utilities have urgently requested our assistance in obtaining price relief from the Federal Energy Office.

The Energy Emergency Act which we are debating this afternoon includes provisions which, I am hopeful, will alleviate this situation.

At the same time, however, I cannot help but note the irony of the private utilities request when, in virtually the same breath, they continue to oppose the construction of hydroelectric power projects in New England which would lessen our region's dependence upon fossil fuels.

I refer in particular to the Dickey-Lincoln School hydroelectric project, authorized by the Congress, but never fully funded—in large part due to the persistent efforts of the private utilities.

I would call the attention of my colleagues to section 301(2)(C) of the legislation before us which would require the Administrator of the Federal Energy Office "to conduct a study of the further development of the hydroelectric power resources of the Nation, including an assessment of present and proposed projects already authorized by Congress."

Dickey-Lincoln is needed more today than ever before. This provision, I sincerely hope, will enable the administration and the Congress in 1974 to move the project off dead-center where it has been since 1965.

I want to place the private utilities on notice that if they expect to receive continued congressional support of their requests for "equitable" treatment from Federal energy officials, they also ought to consider carefully their position on Dickey-Lincoln.

In this regard, I would like to call the attention of the Senate to a series of articles which have appeared in the Boston Globe in recent days pointing out not only the significance of Dickey-Lincoln in the context of the current energy shortage, but also the extreme lengths to which the private utilities in New England went to oppose the project in the halls of the Congress.

Mr. President, I ask unanimous consent that these articles be printed in the Record, along with a February 5 letter from the New England power pool.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Boston Globe, Feb. 10, 1974]

Dickey-Lincoln Dam, Lobbied to Death, Looks Great in 1974

(By Stan Wallerstein)

Over the years, New Englanders have paid more for their electricity than residents of any other region of the country. In the last two years, numerous rate increases forced our bills still higher, and now, because of the fuel adjustment clause, they are increasing every single month.

Some of the reasons for the high rates are both obvious and valid—rising fuel costs, labor costs, and the cost of money. But one important reason why our bills are so high hasn't received the attention it deserves—that over the past ten years, New England's privately-owned utility companies, acting together, have worked to prevent low cost power projects from being built in the region.

They have fought on many fronts: against the municipal utilities in Massachusetts, against the importation of low-cost power from Canada and from New York, against the Maine Public Power Authority. But perhaps the clearest case of the utility company effort to keep power costs up in New England involves the Dickey-Lincoln hydroelectric project in Maine.

MUCH CHEAPER POWER

If the dam had been built, it would today be supplying New England with 1 billion kilowatt-hours of electricity annually—electricity not dependent on Arab oil, high-sulphur coal, or nuclear reactors.

Because its fuel supply would have been both unlimited and free, Dickey-Lincoln's power would have cost about .4 cents per kilowatt hour instead of the 1.7 cents per kilowatt hour for the private plants built to take Dickey's place. How the private utilities managed to kill this money-saving, job-creating project through a lobbying effort of over $500,000, of which you and I picked up the entire tab, is the subject of this article.

Since 1919, engineers have been interested in the possibility of harnessing the tides of Passamaquoddy Bay in Maine for power production. Numerous studies were undertaken, but each time the Passamaquoddy project was written off as economically unfeasible. However, in 1963, the Interior Department reported to President Kennedy that the project might be feasible on the St. John's River (Dickey-Lincoln). President Kennedy ordered further study.

Shortly after the Interior report to Kennedy was made public, the presidents of the 16 largest private utilities in New England held a meeting and formed the New England Electric Utilities President's Conference. The stated objectives of the organization included "finding and implementing the most effective means to defeat the Passamaquoddy-St. John's project," and "developing a regional climate of public opinion which would prevent any expansion of government-owned or tax subsidized electricity within New England," and instead, "permit the gradual elimination of government power operations presently existing in the area."

On July 9, 1965, the Interior Department recommended construction of the Dickey-Lincoln dam. Three days later, the Senate Public Works Committee approved the project's inclusion in the Omnibus Rivers and Harbors bill, which passed the Senate on a voice vote on July 27.

LOBBYING CAMPAIGN

Having failed to stop Dickey in the Senate the utilities began an intensive lobbying campaign to kill the bill on the floor of the House, enlisting the support of utility companies throughout the country. An amendment to kill the project failed on a 100–100 vote, but an amendment to require a restudy of the project passed by 134–132.

It is a testament to the political power of the utilities that, although the project would have meant over $200 million in Federal funds for New England, would have lowered the cost of electricity throughout the region, and would have created thousands of construction jobs in economically depressed Maine, only four of the region's Congressmen—Macdonald, Stafford, Tupper, and Hathaway—supported the project.

Congressman Tupper remarked after the vote: "There was Boston Edison up in the galleries ready to put on the pressure. There were more lobbyists on the Hill against Dickey than there were Congressmen."

Although the House had rejected the project, the Conference Committee, appointed to resolve the differences between the House and Senate versions of the bill, decided to keep the project in the bill. Because the conference report, which contained pork barrel projects throughout the country, could only be voted up or down without further amendment, Dickey-Lincoln was finally approved by the Congress on Oct. 20.

The private utilities had failed in their effort to prevent the dam from being authorized, but the Corps of Engineers would still need yearly appropriations of funds to actually construct the project.

The Electric Coordinating Counsel of New England (the lobbying arm of the private utilities) set up a special unit to draft a battleplan for the appropriations fight. The plan was entitled, "A Report for Action on the Dickey-Lincoln Project" and outlined the utilities strategy for killing the dam. Included for the following actions:

Continuing and personal contact with each member of the New England Congressional delegation, the Army Corps of Engineers, and the Bureau of the Budget. Receptions and dinners would be given on a regular basis and a "tote board" would be maintained to record assignments and progress.

Development of a media program backed by personal visits to newspapers, radio, and television stations by local utility officials. The program would "contain persistent reference to the publicly stated goal of a 40 percent reduction in electric rates by 1980."

Development of contacts with unions, suppliers, industrial allies. Among the companies mentioned were Westinghouse, GE, Allis Chalmers, US Steel, and Bethlehem Steel.

In addition, an advertising program, speakers bureau, and the solicitation and writing of "nonpartisan" articles were also proposed in the report.

COUNTER-PLANT DRIVE

As a political lobbying strategy, the Call for Action is hardly unique, except for the fact that the cost of the program ($567,057.97) was entirely paid for by the utilities' customers. (The Federal Power Commission does not permit lobbying and public relations expenses to be included in the rate base, but the utilities classified their Dickey-Lincoln expenditures as "miscellaneous general expenses" which could be passed on to customers).

But, like the major oil companies who have deliberately shut-in their wells to drive the price of petroleum up, the utilities did not restrict their campaign against public power only to public efforts.

On Dec. 22, 1965, a meeting of utility executives was held in Boston. It was chaired by William Dunham, president of the Central Maine Power Company. He proposed to the group that they publicly announce plans to construct a large, jointly owned nuclear power plant somewhere in Maine.

The announcement of the plant would have to be made before January 7, 1966, because the "incorporation schedule objective is to announce the new company and its plan of operation as much in advance as possible before the special session of the Maine legislature is convinced on Jan. 17." (The special session had been called to consider the creation of a Maine Power Authority, similar to the one recently voted down in Maine after a massive advertising campaign by the state's private utilities).

According to a memorandum prepared by one of the participants at the meeting: "Dunham believes—and several of those present agreed—that a large low-cost power plan by the private companies must be announced at once, or else the Maine Power Authority will be approved."

Dunham suggested that the publicly announced price for electricity from Maine Yankee would be .45¢ per kilowatt-hour. (The actual cost of Maine Yankee power is 1.7c per kwh, almost 400 percent higher). At the close of the meeting, Dunham asked for commitments from the other utilities to participate in the project, though even the site for the plant hadn't yet been determined.

However, all the utilities except Boston Edison agreed to participate. Among the reasons why Boston Edison didn't participate were the following: "Its investment in Maine Yankee couldn't be included in the rate base"; "There wasn't any important public relations value to Boston Edison with its own customers"; and "Maine Yankee would not lower the cost of power to its customers."

On Dec. 31, representatives of Eastern Utilities Associates and the New England Gas and Electric Association visited Boston Edison to persuade the company to change its position. According to a Boston Edison interoffice memo, both representatives "stated that their basic motivation for participation in Maine Yankee is, in effect, 'self-serving publicity' for investor owned utility industry. They both feel that the public power thrust is in Maine and must be met in Maine, and in particular, they consider Dickey-Lincoln the chief threat."

To its credit, Boston Edison did not reverse its position.

Not content with the announcement of just one power plant to combat Dickey-Lincoln, the Electric Coordinating Council three weeks later announced plans for the "Big 11 Power Loop, a $1.5 billion regionally planned construction program the utilities claimed would lower the cost of power in New England by 40 percent by 1980."

The council lost no time in informing every member of Congress about the project and in approving a six-month, $360,000 advertising budget to publicize the program. Only in 1968 did the House Appropriations Committee discover that:

"Although representatives of the Council advised that they have planned to meet the problems of supplying the power needs of New England on a central coordinated basis, they have not produced any document supporting this central planning with the exception of an advertisement that appeared in the public press in January 1966."

Meanwhile on Capitol Hill, the Senate passed a $1.2 million appropriation for the Corps of Engineers work on the project, while the House approved only $800,000. A compromise appropriation of $800,000 was finally approved, with a proviso to the funds added by Cong. Boland calling for an independent investigation of Dickey-Lincoln by the House Appropriations Committee staff.

That study was completed on June 5, 1967. The Appropriations Committee staff concluded that Dickey-Lincoln was needed to help meet New England's need for electricity, and that Dickey-Lincoln could provide that power at less cost than any other alternative, including those submitted by the private utilities. It also found that the project would return about $1.80 in power revenues and other benefits to the Federal government for each $1 invested in construction costs.

The staff study was a setback to the utility interests. Congressman Boland, who had previously opposed Dickey, was now advocating construction of the dam. But the utilities found a way to undercut the Appropriations Committee study with the other members of the House.

On July 7, 1967, Connecticut Congressman Robert Giaimo, a member of the Appropriations Committee, sent a "Dear Colleague" letter to every member of the House.

Attached to the letter was a document entitled: House Appropriations Committee Reveals Dickey-Lincoln Project Economically Inefficient, Economically Unfeasible. What followed was a collection of what we now call "misstatements"—distorted and incorrect facts about the project. To the casual reader, it appeared that the report was actually written by the Appropriation Committee staff. Only if one persevered to the end of the long and complex document, did one find that the report was actually prepared by the Northeast Utilities Company of Connecticut.

The document, together with still another intensive lobbying effort, had its effect. On July 25, 1967, Congressman Giaimo introduced an amendment to the apppropriations bill deleting Dickey-Lincoln. It passed the House. And once again, the Senate and the Conference Committee restored funds for the dam.

However, this time, the House refused to compromise and voted down the conference report by a 236–162 margin. In Nov. 7, the Senate voted to restore the funds again, but two days later, the House rejected the project by a vote of 263–118.

Dickey-Lincoln was dead.

It is now 1974. The cost of power in New England has not fallen 40 percent, it has risen out of sight. Our nuclear power plants have not lived up to expectations. Vermont Yankee has been shut down because of safety problems, and, when operating, sells its power at a cost 800 percent higher than Dickey-Lincoln would have.

The output of the Pilgrim Station nuclear power plant has been severely limited by the Atomic Energy Commission. New England's oil burning plants are now being converted to coal and our environmental laws are being changed to permit this dirty fuel to be burned.

Clearly, Dickey-Lincoln with its free, unlimited fuel is a project whose time has come. If it had been built on schedule it would be operating today. If Congress appropriates funds for it this year, it can be ready in the 1980's when New England's electricity consumption will be close to double what it is today.

Right now, the chances for getting the necessary money to start the project look good. The Energy Emergency act, now before the Congress, contains a provision requiring the President to develop all existing hydroelectric sites in the country.

The latest Corps of Engineers study shows that, with the cost of fossil fuel skyrocketing, Dickey-Lincoln is a better project today (returning $2 for every $1 invested) than it was 10 years ago. And as strong a private power advocate as John Nassikas, chairman of the Federal Power Commission, recently gave his support to the project.

But in no sense is it certain that Dickey-Lincoln will get funded this year. For a variety of reasons and the sincere belief of many Congressmen that the utilities did have the best interest of the region at heart, the utilities were able to convince the majority of New England's Congressional delegation to unite solidly to prevent a $200 million public works project from being built in their own region.

Whether in 1974 that situation can be reversed—whether New England's Congressmen will unite to fight for a project vital to the region's economic health—will depend on whether members of Congress realize that by having accepted without serious question over the past 10 years the statements and positions of the nation's utility oil and gas corporations, we have contributed to the energy crisis we now find ourselves in.

[From the Boston Globe, Feb. 11, 1974]

DICKEY-LINCOLN DAM NEED NOW CLEAR

(By Torbert Macdonald)

The suddenness with which the energy crisis has enveloped the country tempts us to look at many of the "roads not taken" and to ask whether they might have made "all the difference". And it is not a paradox to say that a look back could really be a look ahead.

In the early 1960's, I introduced legislation to authorize the construction of a flood control and hydroelectric project at Dickey and Lincoln School on the upper Saint John River in Maine. The introduction of this bill touched off a long and bitter controversy which has left the fate of the Dickey-Lincoln project still undecided.

The value of the project, especially in light of the current energy crisis, is painfully apparent. Had the efforts to construct Dickey-Lincoln not been frustrated by the opposition of the private utilities and by the indifference of the public, the consumer in New England could be paying up to $40 million less this year for electric power. With energy in short supply, it is estimated that the annual output of hydroelectric power from the Dickey-Lincoln project could be the equivalent of 300 oil wells.

But instead of benefiting from the Dickey-Lincoln project, New England remains the only region of the country without a Federal power project. Coupled with the lack of indigenous supplies of coal, oil and natural gas, the failure to utilize government resources leaves New England to the whim of the producer states who may be inclined to allow us to "freeze in the dark," as they have publicly threatened.

The turning point on Dickey-Lincoln came in 1967. At that time, a preliminary study by the Corps of Engineers had been completed under funds appropriated in 1965. Supporters of the project sought further funding so that planning could be concluded and construction could begin. Despite a favorable report by the staff of the House Appropriations Committee, the funds for Dickey-Lincoln were deleted from the Public Works appropriations bill during debate on the House floor.

Some New England congressmen opposed the funding while others stood by silently as critics from outside of the region attacked the project. Rep. John Rhodes (R-Ariz.), who recently became the House Republican leader, was among those who spoke against Dickey-Lincoln, and he criticized the committee staff's report for not having given "more weight" to the position of "the private power companies".

Outside of the Maine delegation, only three New England members—Ed Boland of

Massachusetts, Bob Stafford of Vermont, and myself—spoke in favor of the project. A year earlier I had been the only other member to support it during the debate.

Despite repeated efforts in subsequent years to revive the project and despite the active support of several more New England members, Dickey-Lincoln remains unbuilt.

The primary opposition to Dickey-Lincoln has come from the private utilities who have argued that they were capable of meeting New England's energy needs without government involvement. Just how close they came to being proven wrong in 1972 is frightening to consider, and the latest round of rate increases indicates the price which consumers are being forced to pay for the continued autonomy of the private power companies. Their opposition to Dickey-Lincoln and to other sources of low-cost power, such as Churchill Falls, has virtually guaranteed the steady escalation of the price of electric power in New England.

In recent years, the private power companies have not been as vocal in their opposition to Dickey-Lincoln as they were during the early years of the project, although there is no doubt in my mind that their basic stance remains unchanged. Their voices have been replaced by those of the environmentalists who, after six years of silence on the matter, became concerned about the impact of Dickey-Lincoln on the natural beauty and wildlife of the Maine woods. There is more than a little irony in that position since the project was conceived as one of the largest Federal flood control efforts in New England.

It is worth considering from the perspective of today's energy crisis the major misconceptions on which the opponents of Dickey-Lincoln have based their arguments. First, there was the promise by the private power companies that they were capable of producing cheaper power for New England, largely through the use of nuclear and pumped storage plants. The realities of 1974 show this to have been an empty promise. Even by the most conservative estimates, the cost of nuclear-generated electricity in New England is 200 percent higher than predicted by the private utilities eight years ago. Power generated by pumped storage plants, such as the one at Northfield Mountain, which are relied on for peak power needs, have similarly proven to be far more expensive than originally estimated. As a result, the cost of power in New England continues to mount, notwithstanding the impact of the oil shortage.

The second misconception was that Dickey-Lincoln would amount to another TVA with the Federal government assuming the role of marketing agent for New England. Dickey-Lincoln cannot be compared to TVA in terms of size or impact. Its total contribution to the power needs of New England would be small in terms of the composite picture, but it would provide an invaluable source of peaking power (power needed during high demand periods) which could be relied upon to alleviate blackouts and brownouts. As I said during the debate in 1965, "The project will supplement, rather than supplant, private developments in this field."

A related misconception was that there would be no economical method for utilizing Dickey-Lincoln's power even if the project were completed, unless the government was to spend millions more for transmission facilities. This is no longer a fact. The New England Power Pool now interconnects 95 percent of New England's power plants. A relatively short tie-in is all that would be required to connect Dickey-Lincoln to the NEPOOL line running from New Brunswick. This tie-in would make Dickey-Lincoln's power available throughout New England at a time when it is most needed.

The advantages of Dickey-Lincoln remain as before. It would provide peaking power which is relatively low in cost and which is nonpolluting. It would be safer than nuclear plants and more reliable than those which use oil or coal.

The need for Dickey-Lincoln has grown greater every year. Power rates in New England continue to rise twice as fast as rates throughout the country, and the burden on the consumer has become excessive. By 1978, the capacity of present facilities will be inadequate to meet the needs of New England.

Dickey-Lincoln may not make "all the difference", but it would be a big step in the right direction. Dickey-Lincoln is not an idea buried in the past but rather an idea whose time has finally arrived.

[From the Boston Globe, Feb. 12, 1974]

The Dickey-Lincoln Dam—Its Time Has Come at Last

It has to be said, and said with some degree of burning indignation, that if ever the time has come to start construction of the Dickey-Lincoln Dam project on the St. John's River in Maine, that time is now. Not tomorrow, or the day after, but now.

It should have been started 10 years ago. The Globe repeatedly campaigned for it editorially as far back as 1966, and through the years since. But ours was then a lonely voice. Just as lonely were the five out of our 25 New England congressmen who supported the project—Torbert Macdonald (D-Mass.), who introduced the bill; Stafford (R-Vt), Tupper (R) and Hathaway (D) of Maine, and, later, Edward Boland (D-Mass.).

Dickey-Lincoln was a project that could have been in operation by now, supplying New England with a billion kilowatt-hours annually at a cost of about .4 cents per kilowatt-hour instead of the 1.7 cents for private plants built instead of it, and saving New England consumers, according to Macdonald, up to $40 million a year for electric power.

It could be supplying badly needed peaking power, the equivalent of what 300 oil wells could produce, in the country's only region that does not have a Federal power project and whose power rates continue to rise twice as fast as they do in the rest of the nation.

Then why was the project killed? The details of the answer can be found in Stan Wallerstein's article in last Sunday's Globe and Cong. Macdonald's in yesterday's Globe. But the details can be summed up fairly in one short sentence. The private utilities lobby killed it.

They killed it in spite of studies by congressional committee staffs and the Corps of Army Engineers showing that it was not only feasible, but would provide power at less cost than any other alternative; and that for every Federal dollar invested in its construction, the government would get back about $1.80 as of 1967 and as of today, according to the latest study, it would double its money.

They killed it with lobbying on such a massive scale that, as Cong. Tupper described it after a crucial vote, "There were more lobbyists on the Hill against Dickey than there were congressmen." And they killed it with a lobbying program that cost $567,000 but was paid for by the consumers, since it was classified as "miscellaneous general expenses" to get around a Federal Power Commission regulation that is supposed to prevent lobbying expenses from being included in the rate base.

With today's energy shortage, and the certainty that it will continue unabated until long after the years it will take the $200 million Dickey-Lincoln project to be built, Congress must lose no time at all in voting the necessary money. The Energy Emergency Act, now before that body, contains a provision requiring the President to develop all of the existing hydro-electric sites in the country.

Dickey-Lincoln is, as Cong. Macdonald has written, "an idea whose time has finally arrived," and an indignant people all over New England should acquaint their representatives with their feelings about it.

February 5, 1974.

Petition on Behalf of the New England Power Pool With Respect to the Price of Imported Oil

To: New England Congressional Delegation.

The diligent and effective efforts of the New England Congressional Delegation in seeking to insure fair treatment of New England, in view of the region's heavy reliance on imported oil, in the distribution of available supplies of residual fuel have been commendable. While it is yet too soon to judge whether the goal of equitable distribution among regions, a stated objective of the Emergency Petroleum Allocation Act of 1973, will in fact result from the operation of the allocation program being administered by the Federal Energy Office, the program for residual oil was designed to achieve that objective. The voluntary efforts of the people of New England in conserving energy, going far beyond the national average, are assisting greatly in this effort.

The 1973 Act also states the objective that oil be made available to all regions of the nation at "equitable prices" [Section 4(b)(1)(F)]. Like the quantity provision this price criterion resulted from recognition that the current energy crisis is a national problem resulting from national policies. No steps have been taken to implement this objective with respect to residual oil and New England utilities and industry have been faced with staggering increases in the price of residual oil since the Arab embargo. As an example, one member of NEPOOL now is being charged $11.05 per barrel for residual oil by one supplier (whose preembargo source was Libya and price in September 1973 was $4.64) and $12.37 per barrel by another major supplier with Venezuela as a source (and an early September 1973 price of $5.13 per barrel). These outrageous increases by exporting countries have resulted in industry and utilities of New England, and their customers, being required to carry a grossly disproportionate and unfair share of the economic burden of the energy crisis.

It is imperative to the economy of New England that this region not be required to continue to pay the extortionate prices being charged for imported oil. Until a reduction in such prices can be accomplished by efforts on the international scene, the excess of such cost over the cost of domestic fuels available to utilities and industry in other regions of the country should be assumed as a national burden.

Failure promptly to relieve the excess economic impact on New England resulting from the skyrocketing imported oil prices will place this region at a competitive disadvantage which will result in a deterioration of its economy with loss of jobs and income.

We urge prompt and effective action dealing with this urgent problem.

"PLEASE LISTEN"

Mr. McGOVERN. Mr. President, it has often been thought or said that a crisis brings out the best in the American character. If it is true, it is certainly unfortunate that we must drive ourselves to the wall of desperation before our better nature begins to surface.

Shortly before the Lincoln Day recess, in the midst of the controversy over the Emergency Energy Act and the trucker's strike, I opened a piece of mail signed by a trucker from Rapid City, S. Dak., known as "Pooh Bear." I want to share his letter with the rest of the Senate, for there is wisdom enough in this one short letter to revitalize all those who have spent months and years beating their heads against the lethargy of our national institutions with the simple, two-word plea: "Please listen."

The letter needs neither further introduction nor lofty embellishment. It needs only to be read. I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

To Whom it may concern:

I am a truckdriver and I'd like to know what's happening? I mean just what the heck is really going on. And don't ask me where. If you can't think of any instance where your life has been profoundly affected by something that you really can't figure out, then you haven't been paying attention. There are things going on—to me, some *very* disturbing things—that portend of a future of bureaucratic holocaust. A government of committees and "due-process" conceived in the 18th century trying to deal with economic and social problems that evolve from our super-rapid, technological 20th century world. There are good men lost in the jungle of red-tape and politicing in the various capitals of this Nation. The "magnifying glass" atmosphere of Washington makes things a lot easier to see—but it is happening at all levels. A lot of good legislation takes an inordinate amount of time to clear the legislative process and the ill that it was drafted to eliminate continues for just that much longer—usually catching the "little man" right where he lives.

The reason I'm writing this is the so-called "Energy Crisis." In the energy crisis it is very easy to see the "legislative time lag." Truck drivers live in its vacuum—when did the fuel prices go up? When did you get the rate hike? Answer? Just before the fuel prices went up again. Or just after depending on exactly how slow the D.O.T. was in your case. But you can't blame them, I mean there are certain channels and procedures that one must follow. But the whole effect of this inability to deal with problems fast and effectively is borne by the man out on the road. We're always trying to catch up to where we were six months ago. But some guys just can't make it.

Every month that goes by, a few more trucks that can't pull the financial weight loaded on them in better days have to be pulled off the road. This is the area that directly affects my life. This is why I'm confused and angry. I personally feel that the entire situation has been manipulated and mis-handled from the outset—but this doesn't help me now. I don't need a committee to investigate the oil companies or tax their excess profits. I need an *immediate* (if not retroactive) price rollback, higher speed limit, uniform licensing, and the whole list that has been in print many times, but nobody seems to be doing anything about very quickly.

This is my gripe, but I want to address my remarks to everyone who happens to read this—not just truckers. Senator Mike Mansfield, in his reply to the State of the Union address brought up a very serious point—it remains to be seen whether they do anything about it. He made the observation that the energy shortage will be the first of many "shortages"—the small end of the wedge. There are almost 3 billion people in the world today. There will be many more tomorrow. All these people are devouring vast amounts of resources. We don't need solutions for yesterday's problems, we need them for tomorrow's. The people of this country need help. We need relief from some of the pressures we have to deal with living in today's world. The "working class heroes" of this nation need $87 billion more than the Pentagon does. Spend the money for discovering and living rather than protecting and killing.

The professional truck drivers are stopping their rigs to make someone listen. To make someone listen and hopefully realize that things are getting tough for people and they haven't been making headway in relieving the pressure.

I'm trying very hard not to make this sound pessimistic—but I really think things are becoming very serious. I also know, however, that we do not lack for know-how or energy to mold a much better tomorrow. People, it's time to get serious. School's out and its time to do something. Write a letter to your congressperson, or go out and picket—anything, just make yourself heard. Get involved—don't wait for things to happen, 'cause by the time they get to you, they may not be what you were expecting. Everyone has to get out and try to inject a little self government into their lives. We have to find out exactly how things are run because to deal with the future they are going to have to run much more efficiently. And that future is just around the corner.

There has to be a major change in the priorities this country seems to have—I mean it is *our* country, isn't it? But a lot of people have to get together on it. I'm a trucker and I'm proud of what the truck drivers of this country are doing. It's a tragedy that people are being hurt and killed but it is also somewhat of a tragedy that people can't see that this profoundly affects them, also. The truckers are catching the flak right now, but if we can't cope with it today, by tomorrow it will be getting into everybody's life in greater and greater degrees. The time to stop and take a look is right now. America needs help to change. Government needs to be made more responsive, more accessible to the people. The government is not going to be able to keep everything under control indefinitely—they are going to need help. And if I've been down and out of a job for six months, I don't think I'd be of as much help as I can be now.

The longer we wait, the harder it is to get back to where we are even now. I hope that the people with power can realize this. But, more meaningfully, I hope that a lot of other truck drivers participating in the shutdown can see beyond the fuel and regulation aspects of this situation to a more serious undercurrent. Right now is the time to get with it and try to figure out exactly who and what are running things. I'm asking—telling—everyone who reads this—please, go complain to someone. That sounds pretty negative but there happens to be a very concrete political reality to deal with—this is an election year and a lot of complaints will get a lot of fast action. If you don't like something, write a letter. The government is supposed to work "one voice, one vote" so make that voice heard. I suppose if your completely satisfied with the life your living you can write and tell them that—but if your not—the government is supposed to be there to help people cope with the problem of existing and have to make sure it remembers where the real priorities are. All we need is an even break.

Yours truely,

J. P. VanHartesveldt.

NATIONALIZING THE CRUDE OIL AND PETROLEUM INDUSTRIES

Mr. KENNEDY. Mr. President, I cannot conceive of a more urgent sign of the need for immediate congressional action to restrain the oil companies from taking further advantage of the current crisis than a resolution adopted by the Massachusetts State Senate last month that resolution calls on Congress to nationalize the oil industry.

The degree of anger and frustration of the citizens of my State is amply expressed in this action by their representatives.

The resolution questions whether this industry—an industry which has shown itself to be uniquely vital to the economic well-being of the Nation, an industry in which virtually all decisions are keyed to maximizing profits, whether this industry should remain in private hands.

I present this resolution for the information of my colleagues. I personally feel that other steps, including the establishment of a Federal Bureau of Information on the Oil Industry, the creation of a competing Federal Oil and Gas Corporation, and the Federal chartering and regulation of the oil companies, may prove more desirable. But it is clear that the failure to act rapidly and firmly to prevent a repetition of this winter's distortions in supply and price will find more and more individuals around the country calling for total Federal takeover of this industry.

Mr. President, I ask unanimous consent that the resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolutions Memorializing Congress To Enact Legislation Nationalizing the Crude Oil and Petroleum Industries

Whereas, The natural resources of the United States are fast becoming exhausted, resulting in reliance upon foreign supplies of such critical imports as fuel, gas and oil; and

Whereas, Corrective measures which have been attempted to date to curb the rapidly increasing shortage of all resources have been short-range and ineffective; and

Whereas, Courageous action on the part of the Congress of the United States is necessary to preserve our natural resources for the coming decades and essential to avoid skyrocketing prices and monopolistic control of such resources by a very few companies; and

Whereas, The energy and fuel problems of the United States has demonstrated to its citizens the need for better government controls and regulation on the crude oil and petroleum industries, whether the present crisis is real or fabricated and whether short-term or long lasting; now, therefore, be it

Resolved, That the Massachusetts Senate hereby respectfully urges the Congress of the United States to enact legislation immediately which would nationalize the crude oil and petroleum industries of the United States; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

STONE'S BAKERY

Mr. MATHIAS. Mr. President, Lombard Street is the heart of Baltimore in more than one sense. It is not merely near the geographical center of the city, but it is a warm, hospitable, and human place where friendship is keenly felt and long remembered.

It is a pleasure for me to go there as often as I can, and the welcome I always receive is heartwarming. One of my favorite places to visit is a family bakery whose products are famous throughout the metropolitan area. It is the kind of landmark that is fast fading from the urban scene, but it survives with a special quality to remind us what we are losing.

Stone's Bakery on Lombard Street is that kind of a landmark. It was recently described in an article in Baking Industry magazine, which I ask unanimous consent to be printed in the Record, as a worthy tribute to the value of experience, long hours, and the personal touch in creating a superior product.

There being no objection, the article was ordered to be printed in the Record, as follows:

Governors and Mayors Come to Baltimore's Ethnic Bakery in the Ghetto

(The Baltimore ghetto is a summer resort compared to Czarist Russia, from whence the Stones came. So they stay and prosper.)

In Baltimore, Lombard Street is a long, narrow busy one-way thoroughfare which carries traffic through the heart of the city's downtown and ghetto district alike.

A drive over Lombard Street is a drive through the history of a city. Lombard Street buildings, many of them 125 years old and near the historic waterfront, now lie in the path of urban renewal.

One of Lombard Street's landmarks is Stone's Bakery. Although one of the nation's dying breed of ethnic retail bakeries, it still is one of the most successful and active—despite its location.

With 50 borrowed dollars, the elder Stone who fled Russia for his life during the Bolshevik Revolution, began the bakery which has flourished for 55 years on Lombard Street, the last 49 in the same location in a building more than 100 years old.

"It was on Christmas Eve 49 years ago that we moved into our present location from down the street", recalls Marty Stone, at 60 the eldest of the children, all of whom still participate in the operation of the bakery.

The Stone store fronts a crowded ghetto street where the cop on the beat is accompanied by a German Shepherd. But at first, the Stones operated the bakery on the first floor of a single store and the entire family of six lived upstairs in one room and a kitchen. As business grew, the operation expanded until four stores were purchased side by side.

Stone's Bakery now does about $500,000 in business annually, with its specialty dinner rolls, rye sticks, platted bread, and such old country delights as bopka, a slavic coffee roll, poppyseed cake, strudel, bagels, holly, twist rolls, hand made Kosher hot dog rolls, rye, pumpernickel, New York rye, a combination loaf of rye and pumpernickel and many, many others.

In the business with Marty are his brothers Julius, 57, Ludgee, 55, a sister, Fannye, 51, and her husband, Max Engle, who acts as controller.

Ludgee oversees most of the baking. "We make about 100 different items daily," he says. "We have four outside routes with two trucks and two station wagons and we sell about 1,000 dozen dinner rolls daily."

About half of the total business is wholesale, with the other half retail. Marty oversees the sales. The bakery's retail business is busy constantly during the day, but particularly during lunch when the uptown business men come down to Lombard Street, many driving expensive cars, to eat and buy ethnic baked goods.

"It's a Baltimore custom to come to Stone's for dessert,' 'says Ludgee.

The Stones use no chemicals or preservatives in any of their baked goods.

"People come here because they want old time, selected freshly made baked goods. They don't want packaged items," says Ludgee. "We make the old time stuff. People from the suburbs, and from as far away as Washington and Philadelphia come to our store."

"People come to our bakery because they know they can get a wide variety of fresh baked goods seven days a week. Through the years our trade has gone from predominantly Jewish to blacks and gentiles," observes Marty. "We have governors and mayors who come here."

Although the Stones sell wholesale, everything they bake they consider retail. "We don't skimp with oil, sugar or eggs," says Ludgee. "We make individual dough."

For their dinner rolls, the Stones wash, or baste them, with fresh eggs which Marty notes gives them color and extra taste.

The Stones charge 84 cents a dozen for their dinner rolls retail, and 55 cents a dozen wholesale.

The bakery long has been unionized, but rising prices have cut into profits and caused the Stones to increase some of their retail prices. Caraway seeds, for instance, have jumped from 60 cents per 100 pounds to $2.95 and fresh onions for rolls are now $25 per 50-pound bag.

The bakery opens at 6 a.m. with the first shift of its 35 employees. During the weekend, this total often goes to 45 when extra sales help is added. During the weekend as many as 12 school girls are employed to "man" the retail counters.

Store hours are 6 a.m. to 7 p.m. daily and the bakery is closed only three days of the year, for Jewish holidays.

In addition to the dinner rolls, bopka and poppyseed cakes made from honey are the most popular items. All of the formulas are committed to memory, but they are kept in writing, often jotted down on old paper.

Here is the Stones' formula for bopka, enough for 30 loaves:

½ lb yeast; 1 gal of water; 10 lb high gluten flour. This is made into a sponge, to which these ingredients are added:

1 gal water; 1 lb yeast; 4 lbs sugar; 4 lbs high ratio shortening; 3 oz salt; 2 qts eggs; 2 lbs cake flour; 12 lbs high gluten flour; 10 lbs white raisins; 3 lbs walnuts. Flavor with butter and almonds.

TOPPING

Cinnamon sugar plus streusel mix—dip coffee mix into mix.

Streusel mix: 5 lbs high ratio shortening quick blend; 3 lbs sugar; 1 qt honey; 8 lbs cake flour; ½ lb cinnamon; butter flavor. Add crumbs.

Allow to proof, then bake at 325 degrees for three quarters of an hour.

Another speciality item made by the Stones is a small combination loaf of pumpernickel and rye bread. The Marriot Flights to Puerto Rico purchase 500 of these loaves monthly.

In the Baltimore area, the Stones serve 40 restaurants, including Holiday Inns and other leading eateries.

In Russia, the Stones were Stoenki and lived in Kiev. Their father, Nathan, was a miller. When the Revolution began, he was identified with the Czarists. "He was put before a firing squad four times," recalls Marty, who then was 11 years old. "Each time he was able to buy his freedom. He had given flour away to many people who prayed for him and helped. The new government took everything we had."

The Stoenkis escaped Russia and walked to France, where they lived a year, and then to Bucharest, Romania, where they remained two years. In Bucharest, the Stoenkis lived over a bakery where their father learned the trade. From Bucharest, they moved to the port of Hamburg, Germany, where there were ships leaving for the United States. It took a year there to save enough money for the family to travel steerage to the U.S.

"It was the greatest sight of my life," recalls Marty, "when I saw the Statue of Liberty and we debarked at Ellis Island on Christmas Eve."

The family survived the 15-day journey by ship without any funds. The elder Stone went to work in a laundry in Hoboken, N.J., for an uncle, and another relative then came forward with the $50 loan so that the family could move to Baltimore.

The Stones moved to Lombard Street upon their arrival and have been an institution there ever since.

Still in use, but now only to heat coffee, is an old open gas stove, one of the original appliances that the elder Stone turned up with the original $50 loan.

After their father died in 1945, the family continued to prosper with the bakery. Marty, who worked with his father from the start, continued. Ludgee, who began in the bakery when he was 10, was serving in the Army in Italy during World War II when the elder Stone died, but after he was discharged he returned to the bakery.

Through the years, the Stones have done well. While the family has made a profitable living from the bakery, none of their children is interested in taking it over.

What will happen when the Stones die or retire? Says Marty: "We'll probably turn it over to our employees or close up. The master baker is a dying breed."

THE WAR IN CAMBODIA

Mr. KENNEDY. Mr. President, Cambodia was the last nation of Indochina to fall victim to the Vietnam war and, today, it is destined to be the last to see it end. The bloody and senseless rocket attacks on Phnom Penh this past weekend underscore again the high level of violence which continues unabated in Cambodia. Each day the war drags on, tragedy is piled upon tragedy.

Some say that the conflict in South Vietnam has become a "cease-fire war." At least in Cambodia, where a cease-fire has never been declared, the conflict is labeled for what it is—war. But, as in the past, the true measure of the violence is the toll in civilian war casualties and refugees.

Over the past year the number of new refugees created by the conflict has climbed by at least 500,000. These homeless men, women, and children have joined the ranks of over 2 million other refugees who have been displaced since 1970, after the escalation of the war into Cambodia following the American and South Vietnamese army invasion.

The Cambodian Government now controls less than 20 percent of the land, and the few provincial towns that remain under its control are bulging with new refugees. Agricultural life has been so disrupted that Cambodia's once plentiful supply of rice has turned into a scarcity that threatens famine if American shipments of food were to stop.

But nothing symbolizes more the cruelty and mindless character of the war in Cambodia, than the rocket and artillery attacks on the marketplace and civilian areas of Phnom Penh last week. These attacks are an outrage against humanity and the laws of war. Their horror is hardly lessened because they are only the latest in a long series of outrages from all sides against the lives of innocent women and children.

Although America is no longer directly involved in Cambodia—and American airmen have, by an act of Congress, stopped their bombing—we are still involved in Cambodia, even if indirectly. For America continues to provide the weapons of war—to the tune of several hundred million dollars this year.

Mr. President, the lingering and bloody war in Cambodia deserves better of our diplomacy. It is time for the administration to take the continuing tragedy of Cambodia off the back burners of the State Department and actively pursue renewed efforts to negotiate a cease-fire. And, if this administration truly cares about the people of Cambodia, it will support humanitarian relief and assistance programs with the same determination it now supports military aid.

In light of the escalating violence today, our Government should immediately offer additional support to those international and voluntary agencies now working to help the refugees and war victims of Phnom Penh. To date, and only after long congressional pressure, some $4 million out of a total economic aid package of $105 million, have been earmarked for humanitarian assistance programs in Cambodia.

Following the recent rocket attacks on Phnom Penh our Embassy reportedly offered less than $10,000 in local currency to help an estimated 10,000 homeless victims of those attacks—or just $1 to help each war victim.

Mr. President, America can do better than that—and the war victims of Cambodia deserve better than that.

There are available channels and organizations to use whatever humanitarian assistance our Government provides—from the Indochina Operational Group of the International Red Cross, to a host of American voluntary agencies. They can and want to do more to help Cambodia's war victims, if only they are given the resources to carry out their programs.

The outrage last week in Phnom Penh—where hundreds were killed and thousands made homeless by an act of senseless violence—must not now be matched by a nearly equal outrage of neglect and a failure of our Government and others to help those in Cambodia who so desperately need help.

That would be an outrage against America's longstanding tradition of humanitarian concern and leadership.

JANET WURTZBURGER

Mr. MATHIAS. Mr. President, it is unusual to the point of paradox to be known for strong and vigorous community leadership in many fields and at the same time to be known for gentleness and generosity. And yet that was how Janet Wurtzburger was known.

Her life was a lesson in gentleness and beauty. I never heard her raise her voice to try to overwhelm by sheer volume; she convinced through the depth of her own conviction. She surrounded herself with beauty which she shared abundantly with her friends and with the public.

The force of her leadership was nonetheless very powerful and very real. She could command the attention and cooperation of influential figures in the governmental, social, cultural, and business worlds. Projects that she endorsed were destined for success, because of her approval and support.

But to her friends, it was not her influence, but her character that appealed. She was always willing to help and always reluctant to question. In the universal sense, she loved her neighbors and they, understandably, loved her.

It was a twist of fate that such a spirit could have been extinguished by a violent, anonymous, lightning act of negligence. The careless driver who struck her on a rural Jamaican road and then ran away rather than stopping to help is still not identified. Little though he may realize it, she would be the first to forgive. I hope the Government of Jamaica may some day find him, so that he may learn the measure of the unique life he destroyed, and that by that measure his appreciation of human life would be so enhanced that never again would be threaten, by any act of commission or omission, the safety and health of another fellow creature on this planet Earth.

I ask unanimous consent that the accompanying articles about Mrs. Wurtzburger from the Baltimore Sun be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

REMEMBERING JANET WURTZBURGER

People are remembered as variously as their acquaintanceship is large, and Janet Wurtzburger, who was killed last week in Jamaica, had a very large acquaintanceship. A friend of ours, who knew her, wrote us a letter when he heard of her death.

"I cannot claim any long-standing or intimate acquaintance with Mrs. Wurtzburger," he wrote, "but on a number of occasions she was kind to me for no other reason—there was nothing I could do for her—than that she wanted to be. I first met her some years ago, but didn't see her again until a party something over a year ago. Recently she had become almost as well known for her love of cooking as for the sculpture collection which her husband (the late Alan Wurtzburger) and she assembled and which is so magnificently displayed in the garden of their home in Baltimore county. At the party we talked a little about cooking, and I expressed an interest in learning more about it.

"A few weeks later I received an invitation to her house for dinner. She was one of three cooks—she often liked to have people over to prepare a meal with her—and she made a delicious chicken creation which everyone admired. Some time after that she called to suggest that we go to a new French restaurant together. We went, and had a fine time talking about the menu, the food, the surroundings, the service. She gave me the benefit of her knowledge about each course, and when we got home she ran upstairs and plopped down on the floor of her sitting room to pull out old copies of *Gourmet* and look up a recipe for one of the dishes we had both enjoyed, a sort of Italian rice fritter. After I left she sat down and wrote me a long letter into which she put some more thoughts about the meal.

"Not long after that her sculpture garden was open, as it was every so often, and I took my mother, who had never seen it, out for a tour. As we were walking around, Mrs. Wurtzburger caught sight of us, insisted that we see the inside of the house, too, though it wasn't open, and pointed out to my mother the charming little Henry Moore pieces that echo the giant sculpture outside.

"On another occasion she asked me to a dinner at which the only other guest was Dr. Milton Eisenhower. Dr. Eisenhower didn't like big parties, she explained when she called up to issue the invitation, and so it would be just the three of us. I picked him up at his house, and on the way out he remarked that he was particularly fond of a certain kind of nut—I forget now which kind—and that every time he went to Mrs. Wurtzberger's he found a bag of the nuts in his coat pocket when he left.

"We had a simple but elegant dinner of sweetbreads that evening, and at one point the conversation turned to sculpture. Mrs. Wurtzburger mentioned that some time before she had loaned her beautiful Giacometti to a show in Pennsylvania, and that the people had called her up mortified that the back of it—a figure of a standing man—had received a large scratch, they didn't know how.

"They told me they would have it 'repaired,' Mrs. Wurtzburger said, 'and asked me if I wanted to see it first. I said no, I couldn't stand to see it, to fix it and send it back. So they did, and I had it put back in place, and I've never looked at the back of it since then.'

"We didn't stay late; when we left Mrs. Wurtzburger pressed a dozen eggs on each of us—she had her own hens, and got good brown country eggs from them. As we got to the car I reached into the pocket of my overcoat for my keys and pulled out a bag of nuts, put there by mistake. I handed them to Dr. Eisenhower. 'I told you so,' he said."

It was only last month that Janet Wurtzburger assembled her special friends for one of Timberlane's best parties yet. James Beard was there, to issue verdicts on the loaves of home bread that everyone was enjoined to bring. It was only the month before that her book was published: the elegantly illustrated collection of various persons' favorite recipes published by the Walters Art Gallery, with Mrs. Wurtzburger as editor. And it was just a short while earlier still that—so the memories hover round, in silent swarm, when the news is that a Baltimorean of prominence and respect has met sudden, premature death abroad.

It was somewhat the same in 1963, when Alan Wurtzburger died. As collector and donor, specializing in primitive art and modern sculpture, he and she together had in scarcely ten years opened Baltimoreans' eyes and minds to unfamiliar domains. Husband and wife were mutually animated by this passion for art, and brought to it unprecedented rapports—with living artists, with museum directors. One story of the 1950's was that Adelyn D. Breeskin, asked what the Baltimore Museum of Art needed next, said "Pre-Columbian." Duly, a couple of years later, it received an outstanding accumulation in that field. Now, the expectation is, the sculpture garden from the Wurtzburgers' Stevenson estate will form "an outdoor wing" at the museum.

Cohn, May, Jacobs, Epstein, Wurtzburger—a museum, a whole city's art appreciation, depend on not only the generosity but also the discriminating judgment of a few memorable individuals, Janet E. C. Wurtzburger did wonders to make this an even more livable city.

JANET WURTZBURGER

One of the world's finest private sculpture gardens graces the lawns and hills and slopes and woods at Timberlane, in Stevenson in Baltimore county; and now its mistress is dead, suddenly and tragically in an accident in Jamaica. Those who knew Janet Wurtzburger's love for those modern masterworks will find it hard to imagine them without her. But it is as a public benefactor rather than a private collector that Baltimore is permanently indebted to Mrs. Wurtzburger and her late husband, Alan, who died a decade ago. Prominent among the elements that make the Baltimore Museum of Art the excellent and vital place it is are two magnificent collections donated by the Wurtzburgers. The first was a notable, indeed a brilliant, gathering together of African, pre-Columbian and Oceanic art. The second, given after Mr. Wurtzburger's death, was a major portion of the modern sculpture the couple had collected with such care, discernment and affection. As we join Mrs. Wurtzburger's family in grief at her death, we also as citizens express a deep sense of gratitude for her benefactions to the community.

UNEMPLOYMENT AND THE ENERGY CRISIS—A MANDATE FOR 500,000 PUBLIC SERVICE JOBS

Mr. CRANSTON. Mr. President, on Thursday, February 14, 1973, I was privileged to chair a most enlightening hearing in Los Angeles, Calif. This hearing was a joint effort of the Senate Labor and Public Welfare Committee's Special Subcommittee on Human Resources, which I chair, and the Subcommittee on Employment, Poverty, and Migratory Labor. It was the beginning of a series of hearings that the Employment Subcommittee, under the able chairmanship of Senator Gaylord Nelson, of Wisconsin, will hold in the coming months on the job impact of the energy crisis.

In addition to the most valuable contribution made by the participation at the hearing of Senator Mondale, the subcommittee was privileged to receive testimony from a number of distinguished and knowledgeable witnesses. The insights and expertise shared with us by important public officials—including the mayor of Los Angeles, Tom Bradley, the chairman of the Los Angeles County Board of Supervisors, Ken Kahn, and former Secretary of Labor, James Hodgson—as well as representatives of labor, industry, and community-based groups, were most helpful in enabling us to explore numerous aspects of the current unemployment situation in California as it is affected by the energy crisis. We also received excellent testimony from economists Robert K. Arnold and Michael Peevy. All of this testimony was extraordinarily useful and I look forward to learning more about the problem, and receiving further recommendations for possible solutions, in the months ahead.

Mr. President, a combination of the testimony presented at the hearing, and information made available to me prior to the hearing, has convinced me that the job impact of the energy problem confronting California and the Nation can be absolutely devastating to the lives of millions of Americans and their families. I believe that one step we can and must take immediately to deal with this threat is to create many more jobs in public service and industry.

Last March, I introduced legislation, the Public Service Employment Act of 1973 (S. 793), which would provide for a continuing program of public service employment producing 1.15 million public service jobs, and would operate in much the same way as the highly successful Emergency Employment Act of 1971.

In the interim, however, we can take advantage of legislation enacted into law this past December, the Comprehensive Employment and Training Act of 1973. Under this act, I fought for and we established, in law, an "open-ended" authorization of appropriations for public service employment jobs.

At last week's hearing, I announced my intention to propose, with Senator Mondale and Senator Javits, an amendment to the second supplemental appropriations bill when it is considered this spring, to add $1 billion for public service jobs under title I of the new act. These funds would be distributed throughout the Nation for public service employment, and not just in areas of high unemployment—6½ percent—which is the case under title II of this act.

This $1 billion would be in addition to the $250 million already earmarked and in the budget for distribution under title II. The total of $1.25 billion would equal the amount spent in fiscal year 1973 under the Emergency Employment Act.

For fiscal year 1975, we will then propose an appropriation of $2 billion for this same purpose—in addition to the $350 million specifically earmarked under title II for 6½ percent unemployment areas.

These two appropriations would provide sufficient funding for about 500,000 new public service jobs across the Nation over the next year.

Mr. President, our plan would bring about a six-fold increase in the 83,500 public service jobs which the administration will make available under the new program enacted last December 28. There are signs already that the administration will soon itself abandon its limit on public service funding of $600 million through fiscal 1975.

This would mean many more jobs for Vietnam era veterans, as a result of an amendment I wrote into law. For them, unemployment shot up one full point—a 20-percent increase—last month, and the rate for the under-25-year-old veteran exploded 3 full points—from 7.5 to 10.6 percent.

We need not raise taxes to find the funds for these public service jobs. First, the $3.6 billion spent over the next year or so would result in savings in welfare payments and unemployment insurance and increased tax revenues of about $1.44 billion. In addition, it has been estimated by the Joint Congressional Economic Committee that for every 10 public service jobs created, 4 private sector jobs will be created immediately and that eventually, over the next 18 to 24 months, another 6 will be generated from the GNP increase resulting from those 14 jobs.

California, alone, received $217 million of the first $1.2 billion allocated under the Emergency Employment Act, and a year ago—at the height of EEA funding—some 20,000 Californians held jobs under the EEA.

But creating jobs for Government services, for police and fire departments, for schools and health services, for park and road maintenance, for nursing home assistance and all the other services necessary for insuring a high quality of life for all Americans, is not the whole answer to our current problem.

Mr. President, I dealt with other aspects and other possible answers to the current problem in my opening remarks at the Los Angeles hearing on unemployment and the energy crisis. I ask unanimous consent that the full text of these remarks be printed in the Record, followed by a February 15 article by Harry Bernstein from the Los Angeles Times, entitled "500,000 New Public Service Jobs Foreseen."

There being no objection, the material was ordered to be printed in the Record, as follows:

OPENING STATEMENT OF SENATOR ALAN CRANSTON

It is fitting that we open the first hearing on unemployment and the energy crisis here in California where there are 700,000 unemployed persons—far more than any state in the nation. Only one other state—Michigan, according to the Bureau of Labor Statistics—has experienced so drastic an increase in unemployment due to shortages of basic resources in the course of the last two months.

Today's hearing is a joint effort of the Senate Labor and Public Welfare Committee's Special Subcommittee on Human Resources, which I chair, and the Subcommittee on Employment, Poverty and Migratory Labor. It is the beginning of a series of hearings that the Employment Subcommittee, under the able chairmanship of Senator Gaylord Nelson of Wisconsin, will hold in the coming months on the job impact of the energy crisis.

Today, we will be concerned specifically with the current unemployment situation in California as it is affected by the energy crisis. Together, we will try to answer a number of questions of importance to all Americans, and of particular importance to Californians.

Is California going to experience even more intolerable levels of unemployment in the foreseeable future, and, if so, from what causes?

Which industries and occupations will be hardest hit, and for how long?

Are current public and private sector responses sufficient to deal with the present 7.3 percent statewide unemployment rate, let alone projected increases in that rate?

Should we be taking steps now to alter or strengthen existing responses, such as manpower training and retraining, public service employment, extended unemployment insurance, special short term aid to failing businesses, and Federal, State, and local fiscal, employment, construction, and procurement policies?

Do we need to develop wholly new mechanisms in order to better predict, and to respond to, the problems raised by such unemployment, and if so, what kinds of mechanisms?

These are difficult questions, and the answers will not come easily. But these are questions which I believe must be answered if we are to solve some of the difficult problems facing our Nation today.

I want to stress, however, we should not limit the remedies we develop to just energy crisis-caused unemployment—even if that term could be defined accurately. Programs initiated to cope with unemployment and develop jobs should not discriminate between the former employee of the plastics firm closed down for want of new petroleum materials and the former defense or aerospace worker out of work, off and on, for the last two years.

Clearly, one of the first responsibilities of a democratic society is the maintenance of a stable economy—an economy which will provide all citizens with a fair opportunity to find work and earn a decent living.

The present Administration has not begun to fulfill that responsibility, and, in fact, has for the most part, ignored it. When this Administration took office in January 1969, the rate of national unemployment stood at only 3.4 percent. By December 1970, however—after a futile two-year attempt to control inflation by deliberately sacrificing jobs—unemployment stood at 6.2 percent, with 5.1 million Americans out of work.

Now the energy crisis is upon us and it is my feeling that, amidst talk of projected shortages, the credibility of industry data, voluntary conservation and now voluntary rationing, the fundamental problem of jobs is not receiving sufficient attention. National unemployment took its biggest one month jump in four years last month to 5.2 percent of the work force.

Right now some 4.7 million Americans are unemployed, and we are fast approaching the 5 million mark of 1970.

And now, in addition to the numbers game, which this Administraiton has played so adroitly in the past, we have a language game, better known as "if the definition doesn't suit you, change it." I'm sure most economists, who are accustomed to using the term "recession" to mean two subsequent quarters of no economic growth, were somewhat surprised when Herbert Stein, chairman of the President's Council of Economic Advisers, said recently that this definition was simplistic, and that two straight quarters of shrinkage would not necessarily be a recession.

After all, the President did say, in his State of the Union address, that "there will not be a recession" this year. He should have said "another recession" since his policies brought on the 1970 recession. Now, he seems to have found the perfect anti-recession measure—a firm voice, a fixed stare, and executive fiat.

I guess that, despite all the economists' predictions to the contrary, there won't be *another* one—not as long as the Administration redefines the word recession to mean something other than the standard historic usage.

The fact remains, however, that there is a consensus of opinion among most economists that we are heading for a recession, and the fact remains that there are 4.7 million people out of work. 4.7 million people approximates the entire civilian labor force of Iowa, Kansas, Missouri, and Nebraska being out of work at the same time. Or, if one could imagine the approximate total civilian labor force of Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming, Alaska, Idaho, and Washington being unemployed at the same time, then one could begin to appreciate the dimension of the problem in terms of numbers of ruined lives and livelihoods, when we speak of a national unemployment rate of 5.2 percent.

These numbers represent hundred of thousands of individual personal tragedies—something this Administration has never seemed to understand. The hard facts are that these numbers represent human beings, and that words, such as "recession", define a situation which bears directly upon the human condition of all Americans.

Here in California—700,000 people are out of work, and more than 20,000 applicants for unemployment compensation have in recent weeks attributed their layoff to the energy crisis.

A survey by the Los Angeles Times developed the following examples of present and projected hardship resulting from the energy crisis:

The Los Angeles Department of Water and Power has implemented a mandatory 10 percent cutback of electricity usage.

The State Public Utilities Commission is asking for a 15 percent cutback in industrial electrical usage.

Unemployment in heavily industrialized Compton is up from 9 percent in December to 12 percent in January.

Attendance at some of southern California's top tourist attractions, such as Marineland and the Queen Mary, are off 40 to 50 percent.

Hotel/motel and related tourist businesses have already begun to suffer around the state. In the Morro Bay-Pismo Beach area, business is off as much as 25 percent. In San Luis Obispo, room-occupancy figures are down 10 to 20 percent. In San Diego, attendance is off 10 percent or more at the San Diego Zoo and Sea World. And two major conventions to be held there totaling 5,000 to 6,000 delegates have been cancelled because of the energy crisis.

Pacific Southwest Airlines (PSA), the state's major commuter airline, has already laid off 500 workers in one of the state's largest energy-related cutbacks. Air traffic at Orange County Airport, the nation's busiest in the number of takeoffs and landings, has dropped off by 10 to 15 percent.

What is to be done to mitigate the long-range impacts of these cuts on the men and women of California and the nation, who must have jobs to support their families and themselves?

The President's Council of Economic Advisors—those paladins of computer-assisted optimism—projects only a one percent real growth in the national economy for the entire year, along with a 5.5-percent unemployment rate. Yet we know that we can expect our labor force to grow by 2.4 percent or some 1.6 million workers, in 1974.

What should be done?

A major difficulty in attempting to answer this question is our ignorance.

The oil industry supplies most of our information concerning domestic fuel resources and production. Currently, there is great skepticism regarding the available data, and many feel that industry figures cannot be relied upon.

So we don't really know—and we must know—what the fuel situation is today, let alone what it is likely to be in the months ahead.

Moreover, the functioning of our economy, itself, is not understood in sufficient detail for us to know precisely what impact a shortfall in petroleum resources for a specific industry will have upon jobs and production.

The Arthur D. Little consulting firm did do a careful analysis of the potential consequences such a shortfall might have for an industry that manufactures plastic parts from a substance called "feeder stock", a petroleum by-product. The A.D. Little study shows that a 15 percent cutback in feederstock to this one industry—about $7 billion in annual sales nationally—would result in shortages and ripple-effect unemployment for the nation ultimately of between 1.6 and 1.8 million workers, with a loss of productivity of more than $65 billion.

I am not suggesting that the A.D. Little study is the last word. What does seem clear to me, however, is that the job impact of the energy problem is potentially devastating to the lives of millions of Americans and their families.

The hearings we are beginning today in Los Angeles will attempt to deal with this threat by gathering all available information, and developing proposals for coping with the situation, as it exists now, and as it may exist in the not too distant future.

Let me begin by suggesting *one* major step we can take immediately to create a potential of one million jobs in public service and industry to forestall the recession economists are warning us is on the way. In 1971—when unemployment stood at 6 percent—we funded a $1 billion Public Service Employment program. The job opportunities created by that program were not just for the disadvantaged. Right here in California, the Emergency Employment Act provided many aerospace workers and engineers with the opportunity to earn and contribute to the public good, despite the fact that their industry was suffering catastrophic cutbacks. A year ago, at the height of the E.E.A., there were 20,000 employed in California under that Act.

Last March, I introduced legislation, The Public Service Employment Act of 1973 (S. 793), which would provide for a continuing program of public service employment, and would operate in much the same way as the Emergency Employment Act. Under my Act, 1.15 million public service jobs would be created.

In the interim, however, we must take advantage of legislation enacted into law this past December, the Comprehensive Employment and Training Act of 1973, legislation written by this committee. Under this Act, I fought for and we established, in law, an "open-ended" authorization of appropriations for public service employment jobs.

I plan to take full advantage of that "open-ended" authorization to help deal effectively with the present job shortage. I intend to propose, along with Senator Mondale, an amendment to the Second Supplemental Appropriations bill this spring, to add $1 billion for Public Service Employment jobs under title I of the new Act. These funds would be distributed throughout the nation for public service employment, and not just in areas of high unemployment—6½ percent—which is the case under title II of this Act.

This $1 billion would be in addition to the $250 million already earmarked and in the budget for distribution under title II. The total of $1.25 billion would equal the amount spent in FY 1973 under the Emergency Employment Act.

For fiscal year 1975, we will then propose an appropriation of $2 billion for this same purpose—in addition to the $350 million specifically earmarked under title II for 6½ percent unemployment areas.

These two appropriations would provide sufficient funding for about 500,000 new public service jobs across the nation over the next year.

Our plan would bring about a 6-fold increase in the 83,500 public service jobs which the Administration will make available under the new program enacted last December 28. There are signs already that the Administration will soon itself abandon its limit on public service funding of $600 million through fiscal 1975.

This would mean many more jobs for Vietnam era veterans, as a result of an amendment I wrote into law. For them, unemployment shot up one full point—a 20% increase—last month, and the rate for the under-25 year old veteran exploded 3 full points—from 7.5 to 10.6%

Our effort to obtain these funds will be a bipartisan one. Senator Jacob Javits of New York, the ranking Republican on the Labor Committee and a leader in the public service employment field who last week introduced his own $4 billion two year P.S.E. bill, has indicated his agreement with the immediate appropriations approach I am proposing.

We need not raise taxes to find the funds for these public service jobs. First, the $3.6

billion spent over the next year or so would result in savings in welfare payments and unemployment insurance and increased tax revenues of about $1.44 billion. In addition, it has been estimated by the Joint Congressional Economic Committee that for every 10 public service jobs created, 4 private sector jobs will be created immediately and that eventually, over the next 18 to 24 months, another 6 will be generated from the GNP increase resulting from those 14 jobs.

Thus, we can create 1 million new jobs in the public and private sectors with an investment of $2.2 billion.

The remaining $2.2 billion could come out of the "fat" in the $30 billion authorized for maintaining some 2,000 U.S. military bases and installations in about 30 foreign countries. Many of these bases are oversized and obsolete. The United States has more than 600,000 troops abroad, more than half of them in Europe.

These kinds of military spending cuts would improve our balance of payments—a significant factor in causing the international instability of the dollar. They also would create more civilian jobs here at domestic military bases to support standby troops here instead of abroad. Right now, we pay 150,000 foreign civilians to work at our overseas bases. As we reduce our overseas troops and bring them home, we can bring a lot of those civilian jobs home too.

California, alone, received $217 million of the first $1.2 billion allocated under the Emergency Employment Act, and a year ago—at the height of the E.E.A. funding—some 20,000 Californians held jobs under the E.E.A.

But creating jobs for government services, for police and fire departments, for schools and health services, for park and road maintenance, for nursing home assistance and all the other services necessary for ensuring a high quality of life for all Americans, is not the whole answer to our current problem.

We must also explore ways in which we can make the private economy work more effectively for the nation as a whole.

California—a state where the economy has contributed much to the space and defense efforts of this nation—knows well how effectively private enterprise can be put to work for the good of the whole community.

Another way to deal with energy crisis unemployment could be through the bill, S. 2809, which Senator Mondale and Senator Hart introduced in December, designed to prevent economically unjustified plant closings. The bill offers many novel approaches which deserve the most serious consideration. I feel we must take appropriate steps to eliminate the enormous disruption in the lives of workers, and their families, victimized by unexpected shutdowns of business enterprises.

In addition to putting private sector jobs to work for the nation, we must rapidly expand our investment in areas that provide jobs while conserving fuel resources and preserving the environment. Such areas include mass transit equipment and facilities, the construction of anti-pollution facilities, and programs to ensure orderly growth in our countryside and physical regrowth in our cities.

It seems to me that it is quite possible, as well as absolutely necessary, to put the entire American work force to work on the numerous tasks which must be carried out if we are to preserve the environment and our standard of living—through the cooperation of industry, labor, local and national government, citizen groups, and economic experts.

There are other steps we should be taking now to deal with other aspects of the energy crisis and to contain the rampaging inflation which by the end of last year cost the average American wage-earner a dollar and a quarter to buy the same food he bought a year before for a dollar.

First, steps should be taken to freeze fuel prices, and those fuel prices that are found to be excessive and not directly related to oil price increases imposed by Middle East oil producers should be rolled back. My distinguished colleague, Senator Mondale, has been a leader in the fight for legislation to bring this about.

Second, steps must be taken to curb the potentially inflationary profits being accrued by the oil industry. An excess or windfall profits tax on the oil industry is one possible solution to this problem.

Third, and related to the problem of excess profits taxes, is the problem of how we can insure that industry reinvests a fair proportion of those profits in expanding capacity and new technology, so that the national goal of energy self-sufficiency becomes a reality for the not too distant future, rather than a far off dream.

Fourth, this country must re-evaluate its priorities. If we are ever going to reduce the enormous national debt, we must get a grip on defense spending, once and for all. Defense spending—especially the $30 billion spent overseas—is the biggest drain on our economy in the federal budget, and it is by far the most inflationary. It also adversely affects our balance of payments.

Fifth, is the need for tax reform. Our loophole-ridden tax system clearly has an effect on our economy and employment, which I do not believe has ever been thoroughly understood or accepted. More importantly, it is simply inequitable. Our society is based on the idea that a worker is going to get a fair share, but far too many workers are just not getting it under the present tax system.

In recent weeks, I joined with Senator Kennedy in taking two simple steps toward tax reform. First, the Senate voted to increase the income tax personal deduction from $750 to $850. Second, we adjusted the minimum tax to plug loopholes to raise $860 million in revenues from the very, very wealthy. The measures failed, but we are going to press for substantial reforms this year, and I think there's a good chance for some action on the Senate side.

Sixth, we must remedy the inexcusably low pay that literally millions of workers are receiving with the present minimum wage of $1.60 per hour. Aside from being substantially below the federal defined poverty level, this wage is simply creating "slave labor." The Labor and Public Welfare Committee last week reported out another minimum wage bill—to raise the minimum to $2.20. We must enact this bill over another veto, if necessary.

These hearings, then, will explore what is known about the unemployment problem, and what we can do to learn more and to develop workable solutions to meet it.

We are privileged today to have at this hearing, representatives of many of these sectors of our society involved with these complex determinations and decisions.

I am especially honored to welcome, as our first witness, the distinguished Mayor of Los Angeles, the Honorable Thomas Bradley.

[From the Los Angeles Times, Feb. 15, 1974]

About 500,000 New Public Service Jobs Foreseen—Cranston Predicts Creation Within 2 Years as Means of Combating Growing Joblessness

(By Harry Bernstein)

The creation of 500,000 new public service jobs within two years was predicted here Thursday by Sen. Alan Cranston (D–Calif.) as a means of averting a growing unemployment problem.

In California alone, layoffs have reached 3,000 a week because of the energy crisis, a top state official has estimated.

Cranston made his prediction while conducting a hearing here of a Senate Labor Committee subcommittee looking into the energy crisis impact on unemployment.

Most of those testifying supported the proposal for public service jobs along with others aimed at curbing the growing unemployment rate.

The estimate of 3,000 job losses a week in California was made in Sacramento by Dwight Geduldig, director of the California Employment Development Department.

By July 1, he said, fuel-related job losses could hit 100,000. When asked how long the layoffs will continue, he replied, "When are we going to get some oil?"

Similar reports of growing joblessness have come from most other states, and proposals to deal with the problem were heard here before the subcommittee chaired by Cranston, with Sen. Walter F. Mondale (D–Minn.) assisting.

Most of the witnesses agreed with Los Angeles County Labor Federation Secretary Sigmund Arywitz that the nation "is on a collision course with economic disaster."

Cranston said present law permits creation of public service jobs, and he will introduce legislation to appropriate the $3 billion it will take to finance a giant job program under which the federal government finances jobs set up by local-level governments.

The first $1 billion should come up as an emergency fund appropriation in April or May, he said, with another $2 billion to be made part of the regular federal budget for fiscal 1975, due on the Senate floor by July.

The Administration, he said, is so far limiting its support to a plan which would create about 83,500 jobs at a cost of $600 million, but he said there are indications from the White House that Mr. Nixon may soon support a substantial increase in that plan.

Cranston said he believes his proposal will be approved by Congress.

Cranston contended the $3 billion needed to finance the creation of 500,000 jobs could be done without a tax hike because cuts in welfare and unemployment compensation payments and increased tax revenues from the newly employed would be worth $1.4 billion to the government. The rest, he maintained, would come from what he called the "fat" in the $30 billion authorized for maintaining 2,000 U.S. military bases and installations in about 30 foreign countries.

Both he and Mondale said it is "disgraceful" for the Administration to continue closing military bases in this country, including Ft. MacArthur here, while making no significant cutbacks in U.S. military bases abroad.

Cranston said the $2.2 billion needed to provide the funds for new public service jobs could come by cutbacks in U.S. military operations abroad, "many of which are oversized and obsolete."

Supervisor Kenneth Hahn warned of "massive unemployment" in this area, and "dramatic increases" in the welfare rolls unless action is taken to offset the impact of the energy crisis.

Arywitz said Nixon Administration policies ranging from encouragement of high interest rates to the "mindless refusal to spend money allocated by Congress" helped bring about the present threat to the nation's economy.

John F. Henning, head of the California State AFL–CIO, said there are already 700,000 Californians actively seeking work, and called that level of unemployment "intolerable."

He called for an end to wage controls and high interest rate policies, imposition of an excess profits tax on all industries, regulation of the oil industry as a public utility, liberalization of jobless benefits and new financing for public service jobs.

Major Tom Bradley outlined the problems facing Los Angeles, and urged increases in small business loans and jobless benefits; new funding for jobs in high unemployment areas; increased job-training programs, and creation of a "Joint Economic Revitalization Board for Southern California" to help the area deal with the impact of the energy crisis.

RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 1:30 p.m. today.

The motion was agreed to; and at 12:52 p.m., the Senate took a recess until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Hathaway).

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The PRESIDING OFFICER. The Senate will now resume the consideration of the conference report on the bill, S. 2589, which the clerk will state.

The legislative clerk read as follows:

> A report of the committee of conference on the disagreeing votes of the two Houses to the bill (S. 2589) to authorize and direct the President and State and local government to develop contingency plans for reducing petroleum consumption, and assuring the continuation of vital public services in the event of emergency fuel shortages or severe dislocations in the Nation's fuel distribution system, and for other purposes.

The PRESIDING OFFICER. The time for debate on this conference report, until 4 p.m., shall be equally divided and controlled by the Senator from Arizona (Mr. Fannin) and the Senator from Washington (Mr. Jackson).

Mr. NUNN. Mr. President, I ask unanimous consent that a communication from the Department of Health, Education, and Welfare relative to the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act be jointly referred to the Committee on Commerce and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERSONAL STATEMENT OF SENATOR ALLEN

Mr. ALLEN. Mr. President, I yield myself 3 minutes from the time controlled by the distinguished Senator from Washington (Mr. Jackson).

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, yesterday I was designated by the Vice President, upon the suggestion of the distinguished majority leader, to deliver Washington's Farewell Address in the Senate. This has been the custom in the Senate since a resolution was adopted by the Senate on January 24, 1901.

I had looked forward to discharging that assignment. However, during the Senate recess for the Lincoln and Washington birthday holidays, the President of the United States accepted an invitation to come to Huntsville, Ala., to deliver an address there at ceremonies sponsored by the Sertoma Club, honoring America, the day being designated as Honor America Day.

So I felt it was my responsibility, along with my distinguished senior colleague (Mr. Sparkman) and Members of the House delegation, to be on hand to extend a cordial welcome to the President of the United States, who was visiting Alabama for the second time during his tenure as President.

For that reason, Mr. President, I asked the majority leader to get someone else to fill this assignment, and he did call on the distinguished Senator from Iowa (Mr. Hughes) to deliver Washington's Farewell Address, which he did in his inimitable style.

Mr. President, I am happy to report that the President was extended a warm, southern welcome as he came to Huntsville and as he came to Alabama. A tremendous crowd assembled along the route from the airport to the park where the President spoke. There were no discordant voices heard in the tremendous throng.

The President made an outstanding speech on the subject of "What Is Right With America," and his remarks were received most enthusiastically by all those present. He was welcomed to Alabama by our distinguished Governor, the Honorable George C. Wallace, who appeared on the platform and who introduced the President of the United States.

There is a great reservoir of good will in Alabama toward the President of the United States, and certainly this good will was manifested on that occasion as the crowd, which was variously estimated at anywhere from 25,000 to 50,000, assembled for the purpose of greeting the President of the United States.

So, certainly speaking for the people of Alabama, we were delighted to have President Nixon come to Alabama. He is always welcome there. We invite him to come back any time that he is able to do so with the schedule that he has.

Mr. President, I make this explanation because I see no reference to it in the Congressional Record of yesterday, the statement being made merely that Mr. Hughes delivered the address in lieu of the Senator from Alabama.

The Senator from Alabama wished to make an explanation of his absence from the Senate on that occasion and to explain why he was not here to carry out the assignment that had been entrusted to him.

Mr. President, I yield the floor.

Mr. FANNIN. Mr. President, I certainly want to commend the distinguished Senator from Alabama. As usual, he rose to the occasion and did what he thought was proper for his State and the Nation. I know he would like to have had the privilege of delivering the address, but he forewent that privilege so he could supply a proper reception for the President of the United States, and I respect him for that.

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses to the bill (S. 2589) to authorize and direct the President and State and local governments to develop contingency plans for reducing petroleum consumption, and asserting the continuation of vital public services in the event of emergency fuel shortages or severe dislocations in the Nation's fuel distribution system, and for other purposes.

Mr. FANNIN. Mr. President, we will soon be voting once again on still another version of the conference report on S. 2589, the Energy Emergency Act. This most recent version of S. 2589 contains nearly all of the infirmities of the older conference report plus additional infirmities.

If you desire to help perpetuate the energy crisis and with it unemployment, a decline in the gross national product, and predictably related outcomes, I would urge you to vote against recommittal and for passage.

On the other hand, if you want to help overcome the fuels shortage, increase domestic supplies, decrease U.S. dependence on costly and insecure foreign oil imports, keep American businesses operating and the labor force employed, you could help make it happen by voting for recommittal and against passage.

The time has come to end congressional demagoguery regarding the energy crisis and to start voting for measures to increase energy supplies.

Arizona has no oil production. Arizonans need to look to out-of-State sources for their oil and gas needs. In order to help them, rather than hurt them, meet their energy needs, I am voting for recommittal.

The Washington Post agreed with this position in an editorial of February 11. I ask unanimous consent that this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Oil Prices and Controls

For one narrow category of American oil production, a price roll-back makes sense. A limit needs to be set on the oil that is not currently controlled at all. But it is disingenuous for Sen. Henry Jackson (D-Wash.) to suggest that this kind of roll-back would result in large reductions in gasoline prices for consumers. The dispute revolves around a provision in the Energy Emergency Bill, which has been reported by the conference committee but still faces a sharp challenge from the oil state delegations in both houses of Congress. The first question is whether Congress ought to legislate oil price ceilings at all, and the second is where to fix them.

Legislating fixed ceilings, and trying to write prices into law, is always a bad idea. It is particularly dangerous when applied to a commodity like oil, the future prices of which are very difficult to predict precisely. Congress is, of course, thrashing about in frustration as it tries to find some way to express its constituents' wrath over gasoline costs. So far none of the various proposals to attack excess profits or to set prices has given any hope of working effectively. But there is one thing that Congress could do immediately. It could extend the price controls to cover all of our domestic oil production, not just part of it. That would compel the administration to set a top price for the oil that, under the present exemptions, is now selling for about $10 a barrel. The Energy Emergency Bill woud let the President put the ceiling as high as $7.09, which is just about the right range under present circumstances. But circumstances change quickly, as we have all seen, and Congress would be wiser to leave the figure flexible.

About one-fourth of our domestic production is now exempt from controls. The administration took the controls off oil from new wells to stimulate drilling, and Congress exempted small wells. The rest of our domestic production is controlled at $5.25 a barrel. Domestic production is two-thirds of the oil that we are now consuming. The country imports the other third, and the world price for crude oil is now around $10 a barrel.

The trouble with the present very high, uncontrolled prices is that they are inducing more expensive production than we are likely to need. It is perhaps a strange thought in midst of the present shortage. But it is important not to let the shortage chase us into extremely costly petroleum ventures that require $10 a barrel to be viable. Most evidence suggests that the Treasury Department is probably in the right range when it says that, over the next several years, the price of crude oil in the United States will come to rest at about $7. Since the administration itself assumes that the country does not need more expensive oil, it is hard to see any reason to induce production based on higher prices. It is not only the producers who have a stake in the question. If very high prices become established in practice, and a substantial part of the industry adapts to them, it can be expected to use its very considerable political influence to protect them.

The chief reason for expecting a price of $7 a barrel is that large new sources of oil become profitable at that figure. Shale extraction is one example, and coal liquification is possibly another. A number of economists also believe that, at that same price, conventional drilling and the present methods of recovery may give us enough oil to meet our national requirements.

Both the petroleum industry and the government often speak as though, except for offshore drilling, our domestic production has a rigid physical limit and is now irrevocably declining. In fact, the amount of oil drawn from a well depends on the price for which that oil can be sold. If the oil is forced up the well by the pressure of gas or water trapped underground, producing it is comparatively cheap. But in time the pressure will fall, and then recovery begins to get expensive. At that point it becomes necessary to pump the oil up. In time, again, the pump no longer reaches the oil. Then recovery becomes still more expensive, and perhaps the producer has to pump water or gas down to force the oil up. Or perhaps he just closes the well as exhausted. In this country wells have typically been shut down with two-thirds of the oil still in the reserve that it has tapped. But at present prices it will become profitable to get many of these wells back into production. It will also be worth sinking wells deeper in the old fields.

The administration is letting crude oil prices rise in order to induce more production. It is letting retail prices rise to discourage consumption. But both of these processes take time. Bringing in new wells and reviving old ones will take months and years. For the consumer, it will be a slow process of switching to more efficient cars and appliances, insulating houses and reorganizing patterns of commuting. To keep the shortages in hand during this time of adjustment, the country will require gasoline rationing. While some parts of the Energy Emergency Bill can better be deferred, the section providing the authority for rationing needs to be enacted immediately.

Mr. FANNIN. Mr. President, there are many reasons why I feel that it would be a great mistake to vote for this conference report.

Let me refer to some of the testimony given during the hearings held recently, on February 13 and 14, before the Committee on Finance.

Mr. C. John Miller, president of the Independent Producers Association of America, made the following statement with reference to the impact on gasoline prices:

> The answer is so near nothing that it would be less than a cent a gallon. We have made calculations on the basis of rolling it back to the $5.25 Senator Jackson's bill proposed and then the President had to come to the Congress, I believe, and try to go back to the $7.09. Now that rollback would equate to about $4.26 a barrel on roughly 2½ million barrels, and mixing that across the entire stream of use of about 18 million barrels a day I think we will come out to something in the general range of a cent a gallon.

In further testimony, on the question of the impact on operations and future supply, Mr. Miller had this to say:

> Less domestic crude oil would be the inevitable result of a price rollback because the independents would not be able to finance the greatly increased exploration activity which is required if we are to attain an acceptable level of energy self-sufficiency.
>
> In fact, a price rollback hurts the independent producer to a far greater degree than the major oil company. This is so because independents drill 80 percent of the stripper wells.

With respect to the question of the impact on operations and future supply, Mr. A. V. Jones, Jr., president of the National Stripper Well Association, had this comment:

> We have experienced since the prices have gone up recently a dramatic increase in every service that we use. Our service and supply people were discounting that $10 oil, they said it is going to be here. If we get a rollback in that oil it is going to shut the thing down just as quick as it turned it on.

Mr. C. John Miller, president of the Independent Producers Association of America, had this to say on the same subject:

> We had a rig count up to 1440 during the month of December and it is now softened to 1350, and this indecision, this continual sniping that is coming into the industry is making many of the people reconsider the plans that they had made; and we can cite instances, specifics across the country in every oil-producing area operators have come back into business, where they have leased lands, started to rework old wells and putting together new drilling rigs, and these things will come to a screeching halt if we have this roll-back, not out of spite, but out of the fact there will not be the dollars to do the job.

Again, on the question of the incentives under the present price structure, Mr. A. V. Jones, Jr., president of the National Stripper Well Association, stated:

> There is a lot of oil, as I say in my statement, I am saying tens of thousands and possibly as high as 50 to 100 thousands of these wells that have just been abandoned in the country because they weren't economical. We can bring this type of oil on immediately, and this oil would be available to us at a price lower than the world price is at this time. That is one thing we would like to see possibly in this bill that exempted the stripper well. We think these service wells that are involved in the water flood exploration and everything should be included as part of the well. They are costly to maintain, and should serve as much as the producing well in establishing a stripper well.

Those are just a few illustrations of what is involved as far as a price rollback is concerned.

Mr. President, I reserve the remainder of my time.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be taken out of both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask the Republican leader if I might have a few minutes at this time.

Mr. FANNIN. Mr. President, I would be very pleased to yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, like most of us I spent the past 8 or 9 days in my home State, traveling around the State and trying to sense what is on the minds of the people of Arizona.

Mr. President, we have unique State. It is the second fastest growing State in the Nation in population, and because of that and because of what I consider to be bad judgment on the part of the energy people back here, the southern part of my State is in very bad condition relative to fuel, while the northern part of the State, which is a heavily tourist occupied section in the summer, is not having any particular trouble at all.

Mr. President, we have grown about 14 percent since 1971, and yet the energy people have based our allocations on 1971, and have allowed us 83 percent of that period. This is not sufficient, and in spite of the excellent work done by my colleague from Arizona (Mr. FANNIN) in Congress, and by the Governor, we do not seem to be getting anywhere.

So the issue that is predominantly on the minds of my fellow citizens in Arizona is fuel. They could not care less about the energy bill that we have been debating about for the last 3 months; in fact, I think we have passed nine different pieces of legislation, and if we forget the Alaskan pipeline, which has been on our minds for many years, or the opening of the Elk Hills Reserve in northern California, I cannot recall one single piece of legislation passed by this body or the other that has made it possible for one American motorist to buy 1 more gallon of gasoline.

Mr. President, we have before us this afternoon an energy bill which, in my opinion, does not do anything for the American people, unless you want to count placing more regulations on the business of selling petroleum from wholesale to retail, or placing more emphasis on making it impossible for oil companies to operate and service stations to operate. Unless we want to continue to make it impossible to attract money to drill wells for oil and gas, or to do private research in the fields of new energy, this bill, in my opinion, not only should be recommitted but it should never see the light of day again.

The people of this country are not interested in what we are voting on this afternoon, because it does not do one single thing for the man who is out of gas. I happen to be in that category right now. My gas station that I do business with will not have gasoline until March 1. This is only a 5-mile walk, so I do not mind that, but I enjoy riding once in a while, just as every American does.

These are some of the problems that face us, in my opinion. We are told by the knowledgeable president of the Chase Manhattan Bank in New York that if we depend on petroleum to solve our energy needs, if we do not develop any new sources of petroleum in the near future, it is going to cost $1.350 trillion to get this country in a self-sufficient position once again. I am told by men for whom I have respect and upon whose judgment I rely that we need eight refineries this afternoon—not 10 or 15 or 20 years from now, but right now. It seems that we have a lot of crude oil in this country, but we do not have the ability to change it into the other forms of fuel that we need.

I think what this body should be doing, instead of trying to find out what is wrong with large oil corporations and small oil companies, is to start enticing people in this country who have money—which means individuals, companies, and corporations—into drilling wells for oil and for gas. We have practically done away with the depletion allowance that we used to use to get people to find fuel for us, and instead, for over 40 years a man who has been interested in producing petroleum for this country has been looked on as some kind of a crook.

I think it is time we say to American businessmen, "Look, if you have got the money to go out and risk drilling a well, we are willing as a Government to see to it that you have some return in the form of tax reduction in the event that you come up with an empty hole."

Mr. President, there are other things that we are short of in this country, that we have not been addressing ourselves to. When I visited Iran last December, I went out to visit an island in the Persian Gulf where they were loading tankers.

The smallest tanker in that 30-ship service station, if you want to call it that, was about a 100,000-ton tanker, and the biggest one ran around 250,000 tons.

Mr. President, I may be mistaken, but it seems to me that we have only one place on the Pacific coast that can handle a tanker of that size. There were 13 of those ships being loaded, with 52 waiting in line, as we waited a day to get filled up ourselves. On the other side of the island, there is one loading dock that will handle two 500,000-ton tankers. We have no place in the United States that will handle tankers of that size, and no longer do we build or even handle small tankers.

I can remember back in the 1950's, I think it was 1955, when I commissioned the U.S.S. *Hassayampa*, a tanker for the U.S. Navy of 55,000 tons. I will never forget it; I stood on the bridge of that ship and I thought, nothing will ever be built that is any bigger than this. But that today, Mr. President, by the present standards of oil producers, is a very, very small ship. But that is about the maximum size of tanker that we can handle easily in this country.

So when we get to the question of getting oil off the ships that are sailing to this country, we have to spend money. I do not believe in spending Federal money to solve problems that can be solved by the spending of private money, but we have to make it interesting, and there is nothing in this Energy Emergency Act that is going to make it attractive to produce more fuel, gasoline, JP–1 and PJ–4 for the jet aircraft and for private aviation, and for all the other uses we put fuel to in this country. Not one thing.

So, Mr. President, when the time comes to vote to send this bill back to the conference committee, I certainly shall vote for that, and I shall offer my hope at that time that it be forgotten and that we never see it on this floor again, but instead that the committee get to work and write some legislation that will enable Americans, in very short order, to purchase fuel for the engines that they need to run the wheels of this country. If that hope fails, then I think it is the duty of every Member of this body to vote against final passage, because this piece of legislation is not—I repeat, Mr. President, is not—in the best interests of the American people. It is completely phony, and I think the American people should be made aware of just what it contains. If it unfortunately passes, it would be my hope that the President would not sign it into law; it is that bad.

Mr. FANNIN. Mr. President, I commend my distinguished colleague for his very logical statement. We talk about lower costs without even preparing ourselves for self-sufficiency. In fact, what this bill would accomplish is very much against the best interests of this country. Some countries can transport oil across the waters for half of what it is now costing us, because—as my distinguished colleague has illustrated—we do not have the facilities to handle the supertankers now in use around the world.

This situation has existed for some time, and still many object to construction of modern facilities, and to other steps so essential to lowering the cost of fuel in this country. I congratulate my distinguished colleague very highly for his commendable statement.

Mr. BARTLETT. Mr. President, will the Senator from Arizona yield me 10 minutes?

Mr. FANNIN. I am pleased to yield 10 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator from Oklahoma is recognized for 10 minutes.

Mr. BARTLETT. Mr. President, yesterday in the debate on this bill, the distinguished Senator from Washington made a number of statements on which I should like to comment.

For example, he stated that this measure—

> Will save consumers $20 million a day in cheaper fuel costs and will still allow the oil companies financial returns sufficient to finance new investment and enjoy reasonable profits.

I think that this figure is misleading. There is no justification for it. The figure given by the FEO is that, if the consumers of this country receive all the benefits from the rollback in that 20 percent, or actually 18 percent of the total consumption of oil in this country, when they purchase a gallon of gasoline they will receive 1.4 cents in savings, or 14 cents on a 10-gallon purchase.

That 14 cents is a very small investment with the assurance that we will have an ongoing program to find additional supplies of oil and gas and energy in this country.

We had a distinguished Harvard professor testify before the committee. Later, he sent a letter to the distinguished chairman and pointed out that in his estimation, about $2 billion in savings could be realized, instead of the $7.3 billion as stated by the Senator from Washington. Then he pointed out that the $2 billion in higher costs that exists with the free market operating today, compared to the problems of the shortages we now have of 2 million barrels per day, with the multiplier effect would cause a reduction in the Gross National

Product of $50 billion if that $2 billion had not been invested.

I think that the small investment each individual would make in the 14 cents saving on 10 gallons of gasoline, with the assurance that there will be sufficient energy eventually in this country, is certainly worth the small investment.

But this particular proposal locks in the shortages and will assure this Nation that we will have shortages in the future rather than self-sufficiency.

This measure also will preclude many companies from entering into efforts to bring on alternative fuels. I had information from Amoco to the effect that they would not themselves be engaging in the effort to extract oil from shale, and also that they would reduce their investment in drilling projects for 1974 by one-third, or $200 million.

Then I have some notes from Mr. Clyde Wheeler, of Sunoco, because I asked him what does it cost to extract oil from tar sands—and they are the only company I believe doing this in Canada with the Athabaska tar sands. The cost of 50,000 barrels of anticipated production per day from the tar sands in Utah, California, and Texas, would be $8 a barrel. With production of 250,000 barrels a day, it would cost $12 per barrel and to up that to 500,000 barrels per day, the estimated cost per barrel would be $20.

So we can see that the opportunity to bring on alternative fuels, which are greatly needed, would not exist if this rollback takes place.

Also the distinguished chairman said that this—

> Gives Mr. Nixon the authority in special cases to increase the price to $7.09 a barrel.

I believe that this is the only legislation providing price controls that would restrict the amount of the increase, and this restricts it to 35 percent.

Then there is the Administrative Procedure Act that must be followed, and the burden of proof rests upon the President. So it would be virtually impossible or very difficult at best for the President to provide this increase.

If this were such good legislation, and this is the way to handle the problems of increased prices, and also to deal with the need for additional reserves of energy in this country, why did we not use the same procedure when we had a 300-percent increase in the price of wheat?

I happen to come from a wheat-producing State. I do not believe the wheat producers anticipated the price would go up as high as it did but, nonetheless, it reflected the total demand placed on wheat in this country.

If this were such a good idea, then why, when we were plagued with rising prices in plywood, did not the distinguished Senator see fit to have this kind of control written into the law, in legal cement, on timber, and also placed on the products from timber such as plywood. I do not think this would work in the case of wheat. I know that it would not. I also know it would not bring on additional supplies of timber to increase the output of plywood and decrease the price of plywood, which has been reduced in the past several months.

The distinguished Senator also mentioned that—

> Prices beyond $7 a barrel actually lead to less production and are counterproductive.

In the first place, there is no assurance that the price will be $7 or that it will be pegged and fixed at $5.25. It is clear that the producing companies are going to decrease their drilling operations by one-third to one-half in 1974 if this proposal should become the law.

Senator JACKSON also said on the floor that—

> Instead of encouraging the development of new wildcat acreage, the present price structure does the opposite. It encourages drilling of new wells on old reservoirs that are already in production.

Well, it is very obvious from what has happened in the drilling business, when the price of oil was stagnant and flat for some 15 years, that the number of wells drilled dropped off in 1971 to one-half the rate from 1956 and this drop was more or less on a continual basis.

Then in 1973, the price increases have increased rather drastically, or significantly at least, the number of wells that were drilled.

But it is not just the drilling of wildcat wells that is important, because when one wildcat well is successful it is then important to develop that field so that it brings on all the potential production in the field. Under the present laws that exist—the present regulations—and the law on stripper wells, it permits an incentive in the free market for new oil and also for stripper oil. This has a tendency to stimulate drilling for developmental wells as well as for wildcat wells.

I should like to remind the distinguished Senator from Washington that in order to have a sufficient increase in production, it is equally important to bring on developmental wells as well as to bring on the wildcat wells.

I hold in my hand a letter from Mr. Robert O. Frederick, the editor of Drilling magazine, and he has a study which shows that the anticipated drilling in 1974 shows exploratory locations are up 33 percent from a year ago. This refers to the wildcat wells. The developmental wells are, fortunately, up 25 percent.

The PRESIDING OFFICER. The 10 minutes of the Senator from Oklahoma has expired.

Mr. BARTLETT. Mr. President, will the Senator yield me another 5 minutes?

Mr. FANNIN. I am pleased to yield to the distinguished Senator from Oklahoma.

Mr. BARTLETT. Mr. President, in his letter, Mr. Frederick, editor of Drilling magazine, says:

> Our study demonstrates conclusively that improved prices for crude, products, and natural gas are generating the oil and gas exploration they were designed to generate.
>
> We have already seen retardation of oil and gas exploration by artificially depressed prices. A price rollback threatens to return us to those unhappy days.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Mr. Frederick and letters and a report from Dr. Thomas Stauffer, of Harvard University, to which I referred earlier.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WELLSITE PUBLICATION,
Dallas, Tex., February 15, 1974.

Senator DEWEY F. BARTLETT,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BARTLETT: In view of the impending vote on the Energy Emergency Act and the price rollback it incorporates, you will be interested in this preliminary proof of an article on which we are currently working.

Our study demonstrates conclusively that improved prices for crude, products, and natural gas are generating the oil and gas exploration they were designed to generate.

We have already seen retardation of oil and gas exploration by artificially depressed prices. A price rollback threatens to return us to those unhappy days.

Please use this material however you see fit.

Sincerely,

ROBERT O. FREDERICK,
Editor.

SOME NOTES

Exploratory locations now holding or awaiting rigs in the U.S. are up 33 percent from a year ago.

Development locations on "active" and "pending" lists are up 25 percent.

Total locations at which work is in progress or scheduled are running 2 percent higher than at the like period of 1973.

New locations staked during the first five weeks of 1974 in the reasonably typical State of California were up 95 percent from the opening weeks of 1973.

Rotary rigs running are up 12.6 percent.

And suppliers are scrambling to fill backlogs of orders that would put more rigs to work on more wildcat and field wellsites.

State or area	Locations holding or awaiting rigs			
	Mid-January	Exploratory	Development	Total
1973 completions:				
Alabama	1974	36	32	68
	1973	38	21	59
		−2	+11	+9
Arizona	1974	0	2	2
	1973	3	2	5
		−3		−3
Arkansas	1974	41	57	98
	1973	28	86	114
		+13	−29	−16
Colorado	1974	148	269	417
	1973	148	141	289
			+128	+128
Florida	1974	23	27	50
	1973	15	19	34
		+8	+8	+16
Georgia	1974	3	0	3
	1973	0	2	2
		+3	−2	+1

State or area	Locations holding or awaiting rigs			
	Mid-January	Exploratory	Development	Total
1973 completion—Continued				
Idaho	1974	1	0	1
	1973	2	0	2
		−1		−1
Kansas	1974	198	367	565
	1973	183	291	474
		+15	+76	+91
North Louisiana	1974	67	169	236
	1973	69	172	241
		−2	−3	−5
South Louisiana	1974	311	619	930
	1973	285	476	761
		+26	+143	+169
Offshore Louisiana	1974	142	262	404
	1973	146	217	363
		−4	+45	+41
Total Louisiana	1974	520	1,050	1,570
	1973	500	865	1,365
		+20	+185	+205
Mississippi	1974	104	58	162
	1973	73	54	127
		+31	+4	+35
Missouri	1974	4	0	4
	1973	0	0	0
		+4		+4
Montana	1974	107	60	167
	1973	57	33	90
		+50	+27	+77
Nebraska	1974	28	10	38
	1973	19	11	30
		+9	−1	+8
Nevada	1974	2	0	2
	1973	0	0	0
		+2		+2
North New Mexico	1974	32	185	217
	1973	17	211	228
		+15	−26	−11
Southeast New Mexico	1974	85	131	216
	1973	29	125	154
		+56	+6	+62
Total New Mexico	1974	117	316	433
	1973	46	336	382
		+71	−20	+51
North Dakota	1974	11	28	39
	1973	17	13	30
		−6	−15	+9
Oklahoma	1974	182	970	1,152
	1973	145	612	757
		+37	+358	+395
Oregon	1974	0	0	0
	1973	1	0	1
		−1		−1
South Dakota	1974	3	0	3
	1973	6	0	6
		−3		−3
South Texas District No. 1	1974	201	129	330
	1973	124	91	215
		+77	+38	+115
South Texas District No. 2	1974	144	226	370
	1973	126	88	214
		+18	+138	+156
Gulf Coast District No. 3	1974	310	341	651
	1973	193	274	467
		+117	+67	+184
South Texas District No. 4	1974	243	319	592
	1973	167	234	402
		+76	+85	+161
South and Gulf Coast Texas, and offshore, districts 1, 2, 3, and 4	1974	898	1,015	1,913
	1973	610	687	1,297
		+288	+328	+626
East Texas Districts 5 and 6	1974	119	124	243
	1973	71	120	191
		+48	+4	+52
West Central Texas most of District 7B	1974	147	101	248
	1973	72	404	176
		+75	−3	+72
Border counties—Parts of 7B, 7C, 8A	1974	39	44	83
	1973	35	37	72
		+4	+7	+11
West Texas—most of 7C, 8, 8A	1974	184	628	812
	1973	168	680	848
		+16	−52	−36
West and West Central Texas Districts 7B, 7C, 8, 8A	1974	370	773	1,143
	1973	275	821	1,096
		+95	−48	+47
North Texas District No. 9	1974	81	59	140
	1973	74	79	153
		+7	−20	−13
Texas Panhandle District No. 10	1974	68	113	181
	1973	51	91	142
		+17	+22	+39
Total Texas	1974	1,536	2,084	3,620
	1973	1,081	1,798	2,879
		+455	+286	+741
Utah	1974	51	110	161
	1973	32	63	95
		+19	+47	+66
Washington	1974	1	0	1
	1973	0	0	0
		+1		+1
Wyoming	1974	202	252	454
	1973	95	198	293
		+107	+54	+161
Subtotal	1974	3,318	5,692	9,010
	1973	2,489	4,545	7,034
		+829	+1,147	+1,976
Alaska	1974	(1)	(1)	(1)
	1973	(1)	(1)	(1)
California	1974	(1)	(1)	(1)
	1973	(1)	(1)	(1)
Tri-State Area (Illinois, Indiana, Kentucky)	1974	(1)	(1)	(1)
	1973	(1)	(1)	(1)
East coast/Appalachians (Maryland, Michigan, New York, North and South Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia)	1974	(1)	(1)	(1)
	1973	(1)	(1)	(1)

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[1] Not available.

HARVARD UNIVERSITY,
CENTER FOR MIDDLE EASTERN STUDIES,
Cambridge, Mass., February 4, 1974.

Hon. HENRY JACKSON,
Committee on Interior and Insular Affairs, New Senate Office Building, Washington, D.C.

DEAR SENATOR JACKSON: I hope that I may submit this following additional material, which amplifies some of the discussion from the hearings on February 2nd dealing with the economic impact of higher oil prices.

It had been observed that the economic costs of not getting oil probably far exceed any extra price burdens involved in stimulating higher levels of domestic oil production. The impact of higher prices was estimated to be between one and three cents per gallon, or between $1.4 and $4.3 billion dollars per year.

The cost of "no oil" is more difficult to estimate. However, the economic cost of the current oil embargo can be used as a measure of the cost of not getting oil. A loss of two million barrels per day translates into $50 billion or more per year, excluding the some $4 billion which we are donating to Israel in this fiscal year. Thus the total costs and losses associated with the embargo ("no" oil) are vastly greater than those involved resulting from higher oil prices.

These calculations are necessarily highly approximate. Yet they do suffice to illustrate the fact that the two effects can differ by a factor of ten-to-one, which suggests two policy thrusts. First, our efforts should be focused upon expediting or compelling a settlement in the Middle East and restoring the flow of oil to the United States. Second, we must know more about the interaction between oil supply and prices before curbing domestic prices when domestic supply is so necessary.

Indeed, it is to be noted that resumption of normal flows of oil itself should greatly dampen oil prices both here and abroad, since panic bidding for tight supplies of non-Arab oil would cease. The current "spot" prices of crude oil often are double the equilibrium "OPEC-cartel" price and thus are entirely artificial. More than any other measure, a settlement in the Middle East alone would both reduce prices and restore jobs.

The estimated economic cost of the present oil embargo is based upon calculations from the National Petroleum Council and is consistent with others developed by Chase Econometrics. Both involve an energy multiplier which increases as the shortage deepens. Both calculations err on the optimistic side because both implicitly presume an omniscient and hyper-efficient allocation system for oil in which no bottlenecks occur.

That is obviously quite unrealistic, and when shortages accumulate in any one industry or company, a further multiplier—the "supermultiplier"—is invoked, which further compounds the economic losses. If any one plant or industry is affected more than proportionately, its suppliers and its customers are also affected disproportionately. Thus, the estimates of the NPC really reflect the best case, rather than the more dismal "probable" or "worst" cases. Hence, allowing for the "bottleneck effect" and shortages of substitute fuels, we might suggest that a more plausible figure is perhaps $100 billion.

On the other hand, higher prices as such do not involve a direct economic burden upon the economy but instead involve primarily the transfer of money from one pocket to another within our economy. Whereas the lack of oil creates genuine unemployment, higher prices redistribute money. Thus the "multiplier" effect for increases in domestic prices (as distinct from increases in real costs) is in fact less than one.

First of all, between one-eighth and one-sixth of the increased priced accrues to the royalty owners, not to the oil companies, and thus is collected in part by State governments or the Federal Government. Then, between 24 and about 38%—say, on balance, one-third—of the remaining amount is collected by the Federal Government in the form of incremental income taxes. Thus about half is left at the disposition of the producing companies, to be reinvested and/or disbursed as additional dividends.

One can object to this form of redistribution, including higher taxes, on grounds of equity. But one must also know how much more output of oil might ensue, and then draw a balance. The short-run appeal of controlled, lower prices might be meretricious and must be weighed judiciously against the medium and longer-run burden of sustained shortages of domestic energy.

At the present time, it is disingenuous, if not deceptively misleading to focus on prices rather than supply. Presently, Americans are being forced to pay an extraordinary price in terms of lost jobs, reduced income, and growing inconvenience for lack of oil—a cost far greater than any burden of higher prices charged for domestic supplies. Such higher prices, if successful in creating new supplies to offset imported oil, provide cheap insurance indeed against a perpetuation of our present Middle Eastern policy.

Americans collectively would be much better off if Middle Eastern oil were to flow to us once more, bringing the collateral benefit of lower prices. However, as a second-best solution, we are still somewhat better off—in the sense of losing less—if we pay the hopefully modest extra prices necessary to produce more domestic oil in order to compensate for the Arab supplies denied to us through our own foreign policies.

Yours sincerely,

THOMAS R. STAUFFER.

HARVARD UNIVERSITY,
CENTER FOR MIDDLE EASTERN STUDIES,
Cambridge, Mass., February 4, 1974.
Senator FLOYD HASKELL,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR HASKELL: During the hearings on the 20th of December, you inquired whether a lack of world-wide refining capacity was a factor in the shortage of oil in the United States.

The attached table, based upon 1972 data, reveals that there was indeed sufficient surplus refining capacity in Canada, the Caribbean, and Western Europe to more than cover the total needs of the U.S. for refined products. Although it might well be desirable to have more capacity located within our own territories, we nonetheless could have obtained adequate supplies this year—except for possible, occasional localized distributional difficulties—if it had not been for our involvement in the Middle East war last October.

Lack of domestic refineries is not the root of today's shortages of gasoline or residual oil. Updated figures might indicate that the sufficiency margin may have narrowed in the Western Hemisphere, leaving us now proportionately more dependent upon refined products out of Europe. If so, that fact only highlights the risks and costs of our diplomatic isolation since October of last year, since the Europeans, too, had embargoed exports to the United States.

Yours respectfully,

THOMAS STAUFFER.

REFINING SELF-SUFFICIENCY (1972)

	Refining capacity	Consumption	Refining balance
United States	13,450	15,980	0.842
Canada	1,750	1,665	1.051
Caribbean	4,120	*1,195	3.448
Subtotal	19,320	18,840	1.025
Western Europe	17,140	14,205	1.207
Middle East	2,415	1,145	2.109
Japan	4,410	4,800	.919
World (excluding bloc states)	49,875	44,705	1.116

Source: British Petroleum Co., Ltd. "Statistical Review of the World Oil Industry" (1972).

ECONOMC COST OF U. S. CRUDE OIL PRODUCTION

(By Thomas R. Stauffer, SPE-AIME, Harvard U.)

INTRODUCTION

The cost of domestic crude oil has figured importantly in discussions of U. S. energy policy since the mid-1950's. The paper will focus upon measuring the economic costs of domestic oil vs imported oil and relating the size of that domestic supply to alternative income tax systems.

In Part One we shall estimate the economic costs of finding and producing U.S. crude oil for the base year 1965, excluding any transfer payments such as royalties or lease bonuses and omitting all income tax effects, whether liabilities or offsets. This calculation evaluates the economic resources that were consumed in producing that oil supply, which then becomes the point of reference for examining the effects of tax preferences, import restrictions, or other policy instruments.

In Part Two the economic cost of imports is derived by correcting the price of imported oil for two significant externalities—the balance-of-payments impact and the economic risk borne implicitly by the consumer of oil imported from insecure sources. The "dollar drain" generated by incremental oil imports is measured, and a scarcity premium, or implicit devaluation, is assigned to the U. S. dollar, reflecting the fact that a dollar paid abroad is more costly to the U. S. economy than one paid domestically. This is a device long used in project evaluation in underdeveloped countries whose currencies were officially overvalued.

The security premium or risk premium is approximated as the cost of maintaining crude oil inventories or security stockpiles large enough to bridge "probable" interruptions in imported supply. Such a measure, if deemed adequate, would render imported oil equivalent to domestic oil, and the inventory cost thus reflects the hidden differences in "value". Comparison of the economic costs of imports and domestic supply, as appropriated derived, leads to the conclusion that imports were probably more costly than domestic oil, even though prices of imports were less.

The role of income tax policy in fostering domestic production is treated in Part Three. For a given price level, the effect of different tax regimes upon supply is determined, considering (1) elimination of the percentage depletion allowance; (2) capitalizing of intangible drilling costs; (3) capitalizing of dry holes; and (4) combinations of these. The U.S. domestic crude oil supply is shown to be extremely sensitive to tax incentives, whence it is finally concluded in Part Four that the mandatory restrictions on imports, even though far from optimally designed, implied no significant net cost to U. S. economy and that the tax environment was indispensable in facilitating this balance.

PART ONE—ECONOMIC COSTS OF CRUDE OIL PRODUCTION

The price of domestically produced crude oil can be broken down into the following separate components: resource costs, tax effects, and transfer payments. In this section we shall focus upon resource or economic costs exclusively. Tax effects will be reserved for Part Three; and transfer payments—royalties, lease bonuses, and severance taxes—are omitted completely. Even though royalties and lease bonuses are to individual oil producers very real expenditures, they do not represent the utilization or consumption of economic resources from the standpoint of the national economy. Instead, they are pure transfer payments, involving the exchange only of financial claims, as distinct from economic resources such as labor or equipment.

FINDING COSTS

The "costs" of finding oil are customarily expressed in terms of the expenditure incurred per barrel of recoverable reserves discovered. Because a barrel of reserves is recovered only over a protracted period of time, to determine the economic discovery cost per barrel produced, the finding outlay must be distributed over that future period.

To illustrate the difference between the expenditure per barrel discovered and the discovery cost per barrel as produced, let us assume that 10 million bbl is discovered in a given year and produced at a constant rate of 1 million bbl/year for the next 10 years. If the exploration outlay was $1 million, the expenditure per barrel of reserves is only 10¢. However, if we take a 15-percent cost of capital and spread the exploration outlay over the future stream of production, each barrel must bear an exploration "cost" of 19.9¢*, almost twice the figure derived from the conventional engineering definition of discovery expenditures per barrel of reserves.

More generally, the relationship between the expenditure per barrel of reserves and the economic discovery cost depends upon the following physical and economic parameters:

1. Discount rate (opportunity cost of capital).
2. Reservoir production time pattern (decline rate).
3. Well lifetime.
4. Time lag between discovery and exploitation. For a detailed analysis of these factors, see Appendices A and B.

For the values of the parameters used in this study (see Appendices A and B), the economic cost is 3.82 times the expenditure per barrel of reserves discovered. Thus, an outlay of 32¢ per barrel of reserves is equivalent to an economic cost of $1.22/bbl as produced.

To estimate the average economic finding cost for U. S. crude oil in the early 1960's we have used data developed by Foster Associates.[3] (Although there is some imprecision inherent in their allocation of dryhole expenditures, it does not materially affect these results.)

Expenditures per barrel of recoverable reserves discovered are given in the first column below:

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*From annuity tables, 19.93¢ must be recovered each year for 10 years to yield a 15-percent rate of return on an initial investment of $1.

Footnotes at end of article.

	Outlays for reserves	Economic cost
Exploration dry holes	$0.16	$0.61
Geological and geophysical	.16	.61
Total	.32	1.22

Whereas the engineering "finding cost" is 32 /bbl, the economic finding cost—allowing for the delay between exploration and commercial exploitation of the reserves and considering the time required to produce the reservoir—is $1.22/bbl (=3.82×$0.32). Lease rentals and acquisition expenditures are transfer payments and are excluded here. Later, when we consider after-tax corporate costs we shall use a discount rate of 12 percent and also include lease costs. If we use a lower opportunity cost of capital—8 percent instead of 12 percent—the economic finding cost drops to 84¢/bbl, a reduction of one-third. Since the lower figure of 8 percent is more compatible with the discount rates ordinarily used to evaluate public sector expenditure programs, such as those of the TVA, we suggest that the average economic finding cost might be about 80¢/blb.

We must interpret this $1.22 as a nationwide "average" value. Since we are interested in an estimate of the national economic cost, and since all oil that is discovered must bear the costs of all exploratory effort within the continental area and adjacent waters, whether successful or not, such an average figure for the U.S. is appropriate in this special case. Dry holes are a necessary and inevitable adjunct to the process of finding oil, and it would be incorrect to include only that exploration expenditure that is explicitly identified with successful oil plays.

DEVELOPMENT COSTS

Under this heading we include the costs of drilling and completing producing wells and equipping the lease, consistent with the definitions used in the Joint Association Surveys.[5] The expenditure for drilling and completing a given well depends upon both the depth to which it is drilled and the area—offshore, onshore, in a mangrove swamp, etc. The development cost borne by the oil produced from a well depends also upon the flow of the well and the decline rate of the reservoir.

For the types of input data used to calculate development costs, and for a description of the mathematical model used to estimate the development cost per barrel of production, see Appendix C.

WELL COSTS

The average expenditures for drilling and completing producing oil wells as a function of depth are surveyed each year and published in the Joint Association Surveys. These costs remained remarkably constant until about 1968, since technological progress essentially offset inflation. This source provided the data on the average total expenditures for producing well drilled to the median depth in each of the five well-depth classes into which U.S. production was divided: 0 to 2,000 ft, 2,000 to 4,000 ft, 4,000 to 6,000 ft, 6,000 to 8,000 ft, and 8,000 ft and deeper.

LEASE EQUIPMENT COSTS

Lease equipment expenditures can vary widely, depending upon location, the type of reservoir drive, crude treating requirements, or salt-water production. We have approximated the outlays for lease equipment at 30 percent of the total well cost, based upon the average relationship between expenditures for producing wells and costs of "equipping leases" as reported by the Joint Association Survey.[5, 13] The resulting capital outlays per annual barrel of production are given in Table 1 for the range of depths and well flow rates.

RESERVOIR DECLINE RATE AND WELL LIFETIME

Since the flow rate from a well decreases with time, reflecting the gradual exhaustion of the reservoir's drive energy, it is necessary to include an estimate of an aggregate reservoir decline rate and the well lifetime. To determine internally consistent measures of the aggregate reservoir decline rate and the "average" well lifetime, two sets of evidence were analyzed:

1. Data on the rate at which wells are abandoned, as compared with the total stock of producing wells.[7]

2. The nationwide, average reserve-to-production ratio (R/P), which is a function of the well lifetime, the reservoir decline rate, and the past history of drilling activity. Both the R/P ratio and the well abandonment rates are empirically observable, and Appendix A describes how that information was used to derive estimates for the decline rate and well lifetime—neither of which is directly observable. Using the methodology developed in Appendix A, we have estimated the reservoir decline rate "δ" as 5 percent/year and the effective, average well lifetime, T, at 30 years.

(It is important to note that the decline rate is significantly less than the reciprocal of the R/P ratio, use of which to estimate "δ" proves to be quite incorrect. It has been argued that the decline rate equals 8 percent, for example, if the R/P ratio is 12:1. Appendix A shows that this simple computation overstates the equivalent average decline rate. More generally, the economic lifetime of a well is determined by the time at which the net wellhead revenue, after deducting royalties and severance taxes, just equals the variable operation costs. An effort was made to use this more accurate measure of T, allowing it to vary with the depth and flow rate of each well, but trial runs suggested that this scarcely affected the final results, so that the much greater mathematical complexity was not justified.)

TABLE 1.—OUTLAYS FOR DRILLING AND COMPLETING PRODUCING WELLS

[Dollars per barrel per year]

Well flow rate (barrels per day)	Depth class (feet)				
	0 to 2,000	2,000 to 4,000	4,000 to 6,000	6,000 to 8,000	8,000-plus
Outlay per well	$8,000	$28,000	$55,000	$95,000	$204,000
0 to 4	10.96	38.36	75.34	130.14	279.25
4 to 8	3.59	12.57	24.70	42.66	91.60
8 to 12	2.24	7.83	15.38	26.56	57.03
12 to 16	1.62	5.68	11.16	19.28	41.40
16 to 20	1.22	4.26	8.37	14.46	31.05
20 to 24	1.03	3.60	7.07	12.22	26.24
24 to 28	0.85	2.97	5.84	10.09	21.66
28 to 32	0.75	2.64	5.18	9.94	19.21
32 to 36	0.66	2.34	4.59	7.94	17.04
36 plus	0.28	1.01	1.97	3.41	7.32

OPPORTUNITY COST OF CAPITAL

A figure of 12 percent was built into the financial and economic calculations as detailed in Appendix C. This figure is consistent with the average rate of return for integrated oil companies or with the corrected rate of return for domestically based crude oil producing companies. (For a critique of measurements of oil industry rates of return, see Ref. 8.) A figure of 12 percent, however, is rather high for a social opportunity cost of capital, and it is much higher than the discount rate ordinarily used in evaluating projects in the public sector. An alternative value for the economic finding cost, based upon a discount rate of 8 percent, was given above, but the economic cost of domestic crude oil cannot be compared directly with public-sector projects, such as hydropower from the TVA, or nuclear power, without careful verification that the appropriate discount rates have been used.

Using the above data on the outlays for wells of different depths, plus derived estimates of reservoir decline rates and related parameters, it is possible to compute the capital cost per barrel of production. (For the methodology, see Appendix C; and for the resulting capital charge—including a 12 percent return on capital, but excluding any taxes—see Table 3.) A distinct capital cost per barrel is determined for each combination of well depth and average flow rate, since both variables affect the unit cost of each barrel produced.

LIFTING COSTS

The variable operating costs or lifting costs (VOC's) also depend upon a number of physical and locational factors, and are markedly affected by secondary-recovery or pressure-maintenance operations. In this study, we have assumed more simply that the annual operating costs of a well depend upon only depth and flow rate.

The estimated operating costs were taken from Steele's figures in Ref. 1. Those figures, broken down by well depth and well flow rate are meretriciously precise, since they appear to hear been derived using unenunciated functional dependences upon depth and flow rate. We have used those data here; however, Steele's figures on VOC's are of very much lower quality than the data on capital expenditures for wells and lease facilities. Since the capital charges account for 50 percent more of total costs, errors in the VOC estimates are somewhat less significant. Steele's estimates are broadly consistent with U.S. Bureau of Mines figures for selected leases which were based upon technical economic calculations.[18]

As shown in Table 2, the lifting cost varies from $1.82/bbl for the deepest well with a low flow rate (0 to 4 B/D) to as low as 13¢ for a shallow well whose average flow rate exceeds 70 B/D. Table 3 gives the capital and lifting costs, equal to the development and production costs, for the full range of well depths and flow rates.

TABLE 2.—VARIABLE OPERATING COSTS [1]

[Cents per barrel]

Well flow rate (barrels per day)	Well depth class (feet)				
	0 to 2,000	2,000 to 4,000	4,000 to 6,000	6,000 to 8,000	8,000 plus
0 to 4	$58	$1.00	$1.29	$1.53	$1.82
4 to 8	33	58	75	88	1.03
8 to 12	29	51	66	78	96
12 to 16	27	47	61	72	85
16 to 20	25	43	55	66	78
20 to 24	23	39	50	60	71
24 to 28	20	35	45	54	64
28 to 32	19	33	43	50	60
32 to 36	18	31	40	47	56
36 plus	13	22	28	34	40

JOINT PRODUCT CREDITS

Concurrent with the production of crude oil at the lease is the production of wet natural gas, and we must accordingly include an allowance for the value, netted back at the producing lease, of the two coproducts—the associated natural gas and the natural gas liquids (NGL). The costs of producing the coproducts are already embedded in the estimated costs of the lease facilities and well, so the only additional costs for commercializing the gas and liquids would be the gathering, extracting, and compression costs.

The natural-gas credit depends upon the volume of associated gas that is marketed and its selling price. From 1961 through 1965, approximately 900 cu ft of associated gas was marketed per barrel of crude oil produced, the wellhead price of the gas being 15¢ to 16¢/

Footnotes at end of article.

Mcf, so that the gross natural-gas credit averaged 14¢/bbl.

Associated dissolved gas has a higher liquids content than nonassociated gas—estimated at 0.045 bbl of NGL per Mcf vs 0.024—and approximately 1,600 ft of gas (gross) is produced per barrel of crude. If the average value of NGL from the plant is $2.10, and if an average of 35 percent of that value, after deducting recovery costs and charges, is netted back to the lease, the NGL credit per barrel of crude oil is estimated at 5¢. The approximate co-product credit is the sum of the natural gas and NGL credits, or 14¢ plus 5¢, which for our purposes has been rounded to 20¢/bbl.

The use of market prices for the by-product natural gas seriously understates the value of that gas, since the regulated price has been much less than the opportunity cost of gas. A rigorous analysis of the value of natural gas transcends the scope of this study. It is adequate to approximate it as the sum of two components: (1) equivalent cost per Btu of imported crude oil, as cheapest alternative; and (2) form value premium, reflecting preferred combustion characteristics of natural gas.

The heating value equivalence of imported crude, using a result from Part Two, is $2.60 divided by 6.3 MMBtu/bbl, or 41¢ per Mcf of natural gas (1 cu ft=1,000 Btu). The form value premium for natural gas varies about 5¢/Mcf in large electric utility boilers to more than $2/Mcf in metallurgical applications, and differs between new installations and conversions.[10] We shall use a figure here of 10¢/Mcf, so that the econmic value of the co-product credit equals 5¢+(0.9×51¢), which we round downwards to 50¢/bbl*.

TABLE 3.—ECONOMIC DEVELOPMENT AND PRODUCTION COSTS

[Dollars per barrel]

Well flow rate (B/D)	Well depth class				
	0 to 2,000	2,000 to 4,000	4,000 to 6,000	6,000 to 8,000	8,000 plus
0 to 4	1.84	5.70	10.72	18.01	37.63
4 to 8	.70	2.05	3.75	6.17	12.67
8 to 12	.50	1.38	2.47	4.01	8.08
12 to 16	.40	1.07	1.89	3.02	5.99
16 to 20	.34	.86	1.48	2.35	4.59
20 to 24	.30	.75	1.28	2.02	3.92
24 to 28	.26	.64	1.08	1.70	3.27
28 to 32	.23	.58	.98	1.52	2.93
32 to 36	.22	.53	.88	1.37	2.62
36 plus	.14	.29	.46	.69	1.24

DISTRIBUTION OF ECONOMIC COSTS OF PRODUCTION

The preceding sets of calculations permit us to determine two sets of costs:

1. Those allocable to the "average" barrel of production—i.e., finding costs and co-product credits.

2. Those that can be specifically assigned to production from wells of a particular depth or given flow rate—i.e., the development costs and lifting costs.

For the base year 1965 there exists a cross-sectional analysis of U.S. domestic crude oil production that reports how much crude oil was obtained from wells of different depths and for a range of well flow rates.[6] We can combine these data on total production by depth and flow rate class with cost calculations for the same sets of well depths and flow rates to obtain an estimate for the cost distribution. We can thereby determine what fraction of U.S. crude production oil was produced for different levels of development and production cost (see Fig. 1). The cost distribution can then be further combined with estimated finding costs and co-product credits to determine the full economic cost of U.S. domestic crude supply.

Below is a sample calculation for one of 50 entries in the well-depth/well-flow-rate matrix. Consider a well producing from a formation between 6,000 and 8,000 ft deep and having an observed average flow rate between 20 and 24 B/D (the average flow rate in this class is measured at 21.3 B/D). The components of the economic cost calculation are as follows: *

1. Well drilling $95,000
   Well completion 28,500
   Total 123,500
2. Average annual production:
   365×21.3 B/D=7,780 B/Y
3. Capital charge
   0.100×$123,500÷7,780=$1.59/bbl
4. Variable operating costs
   a. Class average=*c*=$0.60
   b. Present value=0.714×*c*=$0.43
5. Economic cost for development and production (excluding findings)=$0.43+$1.59=$2.02
6. Co-product credits=$0.50/bbl
7. Net economic cost
   =$2.02—0.50=$1.52/bbl
8. U.S. production in class=32,600,000 bbl

Thus, referring to Lines 5 and 8, we have determined that 32.6 million bbl of oil was produced in 1965 in the U.S. at an economic cost of $2.02/bbl, excluding finding costs or co-product credits. If we include the latter the cost drops to $1.52/bbl (Line 7).

The process can be repeated for each of the remaining 49 classes, where the production volumes, average flow rates, operating costs, and capital expenditures per well will all vary. If the resulting volumes are ranked in increasing order of economic cost, there results a distribution curve for the full production costs of 96 percent of U.S. crude oil production for that base year.

The weighted average economic cost of production, including development costs but excluding finding costs or co-product credits was $1.47. Much of our total production, however, despite the inherent inefficiencies imposed by the prorationing systems in Texas and Louisiana, cost less than $1/bbl, as the following cost distribution shows:

*Cost Range**	*Percentage of Crude Production*
less than 50¢	15
less than $1.00	33
less than $1.25	61
less than $1.75	72
less than $2.00	76
less than $2.25	83

*Excludes finding costs and co-product credits.

The median cost, approximately $1.15/bbl, is considerably below the average, and the distribution is skewed towards the lower costs (see Fig. 3).

We observe from both the above table and Fig. 2 that about one-sixth of U.S. crude oil is produced at an economic cost that exceeds the wellhead realizations. This is because "high-cost" oil in this sense is itself a joint product of the lower-cost oil. An operator cannot know in advance the productivity of a well, so that wells will be classified as "producers" as long as net revenue covers VOC's, even though the revenues after deduction of operating costs, royalties, and severance taxes contribute little or nothing to the recovery of the capital sunk in what later proves to be a marginally economic well.

It is a feature of cost distributions in the oil industry or other mineral industries, where there is an important stochastic element in the exploration for and development of the resources, that some fraction of the actual output will be produced at a full cost above the market price. Thus, in such industries, in equilibrium there must be enough surplus revenue elsewhere from the lower-cost production to finance this "tail" of the actual cost distribution. Viewed alternatively, the upper "tail" of the cost distribution represents an additional component of the finding costs, where extra-marginal wells do yield some cash revenue as "credit".

From the point of view of national energy planning, the crucial question is the shape of the additions to this curve over time—how does it shift as a function of new discoveries? Is new-production cost high or low? What is the trend in costs and exploration outlays? Unfortunately, the requisite data on the distribution of production (whether incremental or total)—in terms of the well depth, flow rates, or water depth (if offshore)—does not appear to be routinely collected in a form accessible to the policy planner. The limited survey exploited in this study was carried through for a single year only.

This is one area, therefore, where cooperation between industry and government could greatly improve our ability to assess the potential of the domestic oil industry and to adapt rational policies accordingly to ensure that its potential is fully exploited. Nonetheless, this calculation does provide an adequately accurate measure of past costs, since the aggregate production patterns will change slowly. We summarize the estimates of the resource or economic costs of finding, developing, and producing the U.S. domestic supply of crude oil below:

	Discount rate (percent)	
	8	12
Finding	$0.84	$1.22
Development and lifting	1.20	1.47
Co-product credits	(.50)	(.50)
Total	1.54	2.19

If we value the capital resources at 8 percent, we note that the economic cost of the average barrel of U.S. domestic crude oil, measured at the wellhead, is only $1.54, as compared with a price of $3 or more. An upper bound for the economic cost is $2.19 if we use an opportunity cost for capital of 12 percent. The range is thus $1.54 to $2.19/bbl, depending upon the applicable discount rate. In any event, the economic cost is about one-half the domestic price.

PART TWO—ECONOMIC COSTS OF IMPORTS VERSUS DOMESTIC OIL

In the preceding sections we have estimated that the economic cost of domestically produced crude oil lies between $1.54 and $2.19, depending upon the choice of discount rate. It remains to calculate the economic cost of imported crude oil on a comparable basis so that we finally can measure the relative desirability of restricting oil imports, of providing tax incentives for domestic oil production, or of combining these policies.

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*The value of natural gas depends upon the type of use, as well as the geographical region; the preceding correction is therefore representative, but for fram definitive. The author acknowledges the contribution of Arlon Tussig and of a reviewer in pointing out the omission of such a correction in an earlier revision of this paper.

Footnotes at end of article.

* The data sources are as follows: Line 1—JAS Surveys[5]; Line 2—flow rates from Ref. 6; Line 3—capital charge, equivalent to a rate of return of 12 percent, from Table 8 and Appendix C; Line 4—from Steele[1], Appendix C. and Table 2; Line 6—preceding section, using opportunity value of gas, rather than the regulated market price; Line 8—production volumes in each class from USBM IC 8362.[6]

Domestic and foreign imported crude oils are economically different in two important respects, even after appropriate allowance has been made for chemical quality, sulfur content, or transportation costs. First, imported oil necessarily implies a balance-of-payments outflow—i.e., some element of "dollar drain"—whereas domestic crude oil obviously does not. Second, foreign-source oil is less secure than domestic supplies, and there exists a non-zero probability that imported supplies might be cut off, entirely or part, for a period of time that would impose a real economic hardship upon the U.S. if the nation were in some sense too dependent upon uncertain imports of so strategically vital a natural resource.

Determination of the true economic cost of imports thus involves corrections to the price that will reflect a scarcity premium for the dollar component of imports (balance-of-payments effect). Also involved is the fact that the strategic risks associated with a domestic barrel and a barrel imported from overseas are not equivalent. In particular, the price of imported oil does not in any way internalize the insurance premium that less secure sources of supply should bear. Under the present system, the beneficiary of the "cheaper" imported oil effectively transfers the risk cost to the national economy or to other oil consumers, or foregoes any "insurance" at all. Similarly, it is presumed implicitly that other sectors of the economy must bear higher costs in order to make available foreign exchange for the importation of foreign oil.

Specifically, two sets of corrections to the landed price of an imported barrel are needed:

1. Determine the net dollar outflow per incremental barrel imported from overseas, and value that net dollar component at a shadow price for the U.S. dollar that reflects its scarcity value to the U.S. economy.
2. Determine the risk premium that is implicit in each barrel of "insecure" oil.

The balance-of-payments effect can be analyzed with reference to our base period, 1965 through 1969; it was calculated that the net dollar outflow per barrel imported from a U.S.-owned company overseas was approximately $1.50 (pages 265–298 of Ref. 2.) The difference between that amount and the estimated c.i.f. price on the East Coast ($2.15) represents directly induced return flows of dollars to the U.S., comprising repatriated profits by the U.S. company producing that oil overseas, purchases by that company from the U.S., imports by the host country from the U.S. out of its petroleum tax revenues, etc.* The return flows offset the gross outflow, which is equal to the f.o.b. price plus the tanker rate, and thereby reduce the net effective dollar outflow per imported barrel below the figure for the nominal landed price.

The problem of determining a scarcity value for the U.S. dollar is more elusive than measuring the dollar outflow itself, although there is an extensive literature on the question of determining the appropriate shadow price for foreign exchange in the case of underdeveloped counties.[15] Certain indicators of the scarcity premium for the U.S. dollar do exist, however. Some legislation has required the Dept. of Defense, for example, to purchase from domestic sources as long as the domestic price does not exceed the foreign price by more than one-half, which is equivalent to an implicit devaluation, at least for such transactions, of one-third, or a shadow price for the U.S. dollar of $1.33. In other words, on military purchases the government was ostensibly willing to spend $1.50 in the U.S. (domestic resources) to save spending $1 overseas (dollar outflow).

Alternatively, the restraints on foreign direct investment, where effective, were equivalent to a shadow price of 1.5 or more, when the social opportunity cost of capital is 10 percent or less.** For purposes of illustration here, we shall assume an effective shadow price for the dollar of $1.20 worth of domestic resources. Thus, where the net dollar outflow per barrel of imported oil is $1.50, the effective cost to the economy of that component is not $1.50 but 1.2×$1.50, or $1.80—a premium of 30¢, reflecting the dollar scarcity and thereby incorporating numerical recognition of our balance-of-payments problem. Rephrased, the $1.50 of net dollar outflow per barrel of imports implies the expenditure of $1.80 worth of domestic resources, and we therefore add that hidden cost to determine the full cost of imports.

It is still more difficult to put a price tag on the risk premium. Qualitatively, it is clear that oil imported from Venezuela or the Middle East is less secure than oil from Texas, Louisiana, or even Alberta. Quantitatively, in order to determine the proper insurance premium, a set of elusive factors must be weighted:

1. Types of supply interruption.
2. Probabilities of incidence and likely duration of cutoffs, differentiated by source country.
3. Supply elasticities (short-run) for alternative energy sources, including any reserve capacity for domestic production.
4. Transportation bottlenecks.
5. Economic damage from oil supply interruptions of different depths and durations (loss function).

The proximate impact of supply cutoffs would be focused upon the East Coast (District One), which is particularly vulnerable because most of its oil supply would be imported in the absence of restrictions. A partial loss of oil supply clearly could be accommodated through rationing, and the economic loss can be approximated as the value of the fuel consumption forgone. A larger or longer interruption in supply, however, would exercise a leveraged impact once production in energy-using sectors is curtailed, and the loss function becomes both steeper and nonlinear for oil supply interruptions above some certain threshold level. The appropriate quantification of the national security effects far transcends the scope of this study (see Refs. 2 and 12), but the economic risk is nonetheless real, even if difficult to measure.

Again, for purposes of illustration, let us grossly simplify the security risk analysis and postulate that it would suffice to maintain a special security reserve equal to 3 months' supply against the prevailing level of overseas imports—i.e., a static inventory of 1 bbl for each 4 bbl/year of oil imported from such sources. The annualized costs of that static inventory maintained as a security reserve, if spread over the import stream that it is designed to insure, equal $\frac{3}{12}$ × $0.68, or a surcharge of 17¢ per barrel of imports.[2] If the desired security reserve were larger or smaller, then the risk premium would be adjusted proportionately. (An analysis by Mead and Sorensen argues that developed reserves are less costly than static storage as a form of insurance.[9])

The economic cost of a barrel of imports, allowing for both the foreign exchange premium and the risk premium, becomes

Landed price	$2.15
Scarcity premium for dollar: 0.2 × $1.50	0.30
Security premium	0.17
Total	$2.62

This figure of $2.62 is based upon delivery at the U.S. East Coast, and we must correct our estimate of the economic cost of domestic oil at the wellhead to account for gathering and delivery costs; if we take the latter costs to be 50¢, we can conclude that the economic cost of domestic supply delivered to the East Coast is about $2.04 to $2.69 as compared with an estimated economic cost of imports of about $2.60/bbl.

Thus, within the accuracy of this sort of computation, we conclude that the economic cost of the oil import quotas has been essentially nil, even if one treats the security risk as insignificant. If the security premium is omitted, the economic cost of imports is $2.69, as compared with an estimated economic cost of imports of about $2.60/bbl. delivered to the East Coast, assuming a discount rate of 12 percent. If one accepts the proposition that overseas imports are less secure and that 90 days' worth of storage does suffice, then the oil import program actually yields a net economic benefit, in spite of the *pro forma* difference of some $1.60/bbl in the prices of domestic vs imported oil. *

PART THREE—IMPACT OF TAXATION UPON COSTS AND SUPPLY AVAILABILITY

In the foregoing sections we have concentrated upon the economic cost of U.S. crude supply—the measure of the commitment of economic resources—but we now shall measure the *corporate cost;* i.e., the costs as perceived by a corporate operator, allowing for the permissible tax shields and incorporating the incremental income tax liabilities. The earlier analysis will be extended with two objectives:

1. To determine the cost distribution of U.S. crude-oil supply on a tax-paid basis, including the income tax liabilities and tax offsets allowed under the rules prevailing in 1965 through 1969.
2. To estimate the retrospective effect upon the U.S. crude-oil supply of different changes in the tax regulations, such as capitalization of intangible drilling costs (IDC's), elimination of percentage depletion, capitalizing of dry holes, and combinations of those.

Analysis of the corporate costs is indispensable if one wishes to measure the profitability signals perceived by a corporation and relate these to different price levels or tax regimes. It is particularly important to know how different changes in tax provisions or possible subsidy measures might affect the viability of domestic sources of hydrocarbons, and this requires the ability to estimate tax-paid, corporate cost, including a "normal" rate of return on invested capital, and to relate that to the economic cost.

Accordingly, we have repeated the calculations from Part One, modifying the equations as described in Appendix C to include the major features of the income-tax regime applicable to the oil industry in 1965: (1) expensing of IDC's, taken as 70 percent of total costs for the completed well; (2) expensing of exploration and development of dry holes; and (3) computing percentage depletion as 27.5 percent of gross income or 50 percent of net income, whichever is less. (Since this last limitation is likely to apply later in the life of an initially low-cost operation or earlier for a higher-cost case, we have defined the tax-paid cost for those instances where percentage depletion was included as the average of the two alternatives. It has further been assumed that 80 percent of lease bonuses can be written off against taxable income after 2 years, and that the remainder is capitalized and unavailable as a tax deduction since the operator claims percentage depletion.)

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*The net dollar component is higher by 15c to 25c/bbl if the oil is imported from a non-U.S. company. The cited analysis of the balance of payments was based upon real market, "arm's-length" prices. Official data would indicate higher prices for imports and also higher net dollar outflows.

Footnotes at end of article.

**Unpublished analyses; see Ref. 11 for a parallel set of calculations.

* If the state regulatory programs in Texas and Louisiana had been less inefficient, the real cost of domestic production might have been still lower.[14]

The tax-paid corporate cost distribution curve is shown as Curve (a) in Fig. 4. (Not printed in RECORD.) "Cost" here requires careful interpretation—it has been defined through the equations in Appendix C as the lowest price at which a corporate operator can sell the crude oil and still realize a 12 percent return, net of all taxes. Where the price exceeds that "corporate cost", the operator will of course pay higher taxes but also will realize a higher net rate of return. Conversely, if the price is less than corporate cost, the rate of return will be less or even negative. Here, the tax shield due to the expensing of intangibles more than compensates for the incremental income-tax liability, so that the weighted average corporate cost was $1.40, which is 7¢/bbl less than the economic cost.

We can use the same set of basic data to estimate how much of the crude supply actually available in 1965 might not have been produced if the tax provisions had been different, just as a related analysis permits one to determine the impact of lower prices upon supply. This requires a three-step procedure to calculate how much oil production would have been "lost" under different tax regimes:

1. Derive the tax-paid corporate costs under the several revised tax regimes; and,

2. Estimate how much of the increase in corporate cost could have been absorbed in the form of reduced lease payments.

3. Determine the volume of higher-cost oil, the production of which would not have been financially feasible under the revised tax regime after correcting for reduced lease bonus payments.

The correction for lease bonuses and rentals is important in this context, since these rather substantial payments by the industry to the owners of mineral rights reflect the industry's *ex ante* projections of the difference between the future price level and the stochastically determined costs of production, net of tax shields. Thus, if the tax regime had been different and had resulted in higher tax liabilities, the first consequence would have been an immediate reduction in bonuses or rentals. Only if any increase in tax-paid costs were to exceed the equivalent of the lease payments would development and production activity have been reduced at the margin.

When we consider different tax regimes, it is not only the corporate, tax-paid costs for development and production that are affected, but also corporate finding costs. The latter would be increased by a reduction in or loss of the tax shield associated with the expensing dry holes or exploration costs connected with unsuccessful properties. The finding costs are also increased by any increase in the effective tax rate, which requires commensurately greater levels of pre-tax revenue to yield the same after-tax return on capital. The corporate finding cost, therefore, is influenced by percentage depletion as well.

Using the Foster estimates of the components of the average finding expenditure, together with the financial models from Appendices B and C, we have computed the tax-paid corporate finding costs under various alternative tax packages, and these are summarized in Table 4, along with the average tax-paid corporate production and development costs that would have resulted if the 1965 production pattern had been maintained in spite of the postulated changes in taxation.

TABLE 4.—IMPACT OF TAX REGIMES UPON CORPORATE FINDING, DEVELOPMENT, AND PRODUCTION COSTS

	Tax-paid corporate costs				
			Depletion allowed;	Depletion disallowed	
Finding costs	Outlay for reserves	Present taxes	IDC's capitalized	IDC's capitalized	IDC's expensed
Dry holes	$0.16	$0.44	$0.77	$0.96	$0.52
G & G	.16	.59	.77	.96	.96
Leases	.13	.48	NA	NA	NA
Total	.45	1.51	1.57	1.91	1.54
Average corporate development cost		1.40	1.73	2.20	1.76

We have considered the possibility of three changes in the present tax provisions that affect the oil and gas industry: (1) capitalizing intangible drilling costs; (2) capitalizing exploration outlays, including exploration dry holes; and (3) eliminating percentage depletion. Since each of the three principal tax provisions could be eliminated independently, there are nine possible combinations. The resulting estimates of the volume of production that would have been forgone, assuming no countervailing increase in the domestic price level, are tabulated below for five of the possible combinations of tax measures. All details of the computations have been omitted.

Percentage depletion retained but intangibles capitalized	*Volume Lost, 1965 (B/D)*
Impact of Tax Changes:	
Dry holes still expensed	0
Dry holes and geological and geophysical costs capitalized	−550,000
Percentage depletion disallowed	
Intangibles expensed	−850,000
Intangibles capitalized:	
Dry holes expensed	−1,600,000
Dry holes capitalized	−3,800,000

If the only change in the tax laws had been the capitalization of intangibles, the impact upon supply in this case would have been negligible, since the increase in the weighted-average, tax-paid cost of production would have been less than the component of lease bonuses and lease rentals. In that case, a reduction in lease bonuses and rentals would have compensated for the increased tax-paid costs resulting from the increased tax burden. None of the production, on the average, would have been rendered uneconomic. However, if the capitalization of intangibles had been combined with the capitalization of exploration outlays as well, including exploration dry holes, about 8 percent of production, or some 550,000 B/D, would have become uneconomic.

The probable impact upon domestic supply would have been far more serious if percentage depletion had been disallowed, again presuming that price levels remained unaffected. The elimination of the depletion allowance taken alone would have reduced supply by about 850,000 B/D. Coupled with the capitalization of intangibles, the loss of the depletion allowance would have reduced supply by about 20 percent and increased the need for imported oil by 1.6 million B/D. Finally, the simultaneous elimination of the depletion allowance and the capitalization of both intangible drilling outlays and exploration expenses would have cut domestic supply almost in half, necessitating an increase in imports by almost 4 million B/D (1965).

This analysis contains two important assumptions. On one hand, it is presumed that the highest-cost sources of oil could be eliminated selectively in order to reduce the average corporate cost of supply in response to higher tax liabilities. This is unrealistic since much of the higher-cost oil is produced as an adjunct of the exploration process and hence is a co-product of the lower-cost oil that is also found. To that extent, our calculation understates the loss in supply that might have resulted from the different tax regimes.

On the other hand, it is clearly possible for operators to differentiate between exploration prospects of different potential; and one response to higher taxes and reduced tax shields would have been greater selectivity in exploration activity. This would have reduced the average finding cost by an amount that, unfortunately, cannot readily be ascertained. This second effect biases our result in the direction of overstating the loss in production.

It is not possible to assess which of these two compensatory effects dominates, but it appears probable that the calculations still err in the direction of underestimating the effect upon domestic supply.

PART FOUR—SUMMARY AND CONCLUSIONS

The analysis outlined above has demonstrated that a significant fraction of total U.S. domestic oil production in 1965 was produced at an economic cost of less than $1. The weighted-average development and production cost was about $1.20/bbl, and the economic finding cost was almost the same, $1.22. After crediting 50¢/bbl for co-products, we estimated an effective economic cost of about $2/bbl at the wellhead.

To compare the economic cost of domestic oil with imports it was necessary to introduce three corrections: (1) the costs of an above-ground storage reserve equal to 90 days' supply of imported oil; (2) a shadow price for the net foreign exchange outflow (balance of payments effect) per barrel of imports; and (3) average costs of gathering and delivering domestic oil to District One, taken as the common point of comparison for imports vs domestic supply. On this basis it was concluded that the economic or resource cost of imports was as much as 40¢/bbl *higher* than the cost of domestic oil computed on a comparable basis.

Thus, even though imports were ostensibly cheaper than domestic oil by about $1.25 to $1.50/bbl, the relative prices significantly distort the relative economic costs; and the resource cost of imports, allowing for a very modest level of "insurance", is actually greater for imports, the price disparity notwithstanding. On that basis, the oil import control program, despite its inherent inefficiencies and the parallel economic waste imposed by the several state prorationing programs, imposed, on balance, no significant economic burden upon our national economy. Indeed, the oil import control program may quite inadvertently have resulted in a small but positive net economic benefit.

The same analytic model was modified to permit estimation of the effect of alternative income tax packages upon the corporate economics of producing different volumes of crude oil, using 1965 as the base year. Under the assumption that price levels otherwise would have remained unchanged, the elimination of any of the special write-off provisions known to the oil industry would have increased the corporate cost of finding, developing, and producing crude oil. The effect of such increased corporate costs—if percentage depletion, expensing of intangibles, or expensing of dry holes were eliminated singly or collectively—would first have been to reduce the lease rentals and bonuses. Any excess increase in tax-paid costs over the equivalent amount of the bonuses and rentals would, however, have necessitated a reduction in drilling at the margin. Simultaneous elimination of all three tax features would have forestalled discovery and development of about one-half of U. S. crude supply or a volume of almost 4 million B/D in 1965.

EPILOGUE

These calculations, imperfect as they are, were possible only because the Bureau of Mines quite fortuitously carried out a study that classified oil production in the U.S. in 1965 by well depth and well flow rate. This is the crucial body of data needed to permit determining cost distributions and hence to measure the impact of tax changes or price levels upon supply. Further, if national policy in this strategically vital subsector of our energy economy is not to be made in a vacuum, more refined analyses of this nature should be carried out, emphasizing the effect of cost and discovery trends and embodying realistic models of the probabilistic process of exploring for hydrocarbons.

Such studies, buttressed by a systematic and more inspired program for collecting the statistical data needed for policy analyses, are indispensable if the legislative environment for the oil and gas industry is to be guided by reasoned judgments and careful deliberation, as contrasted with being dictated by the vagaries of the national media or political sloganeering.

Although the volume of writings or hearings on the industry is almost overwhelming, all too little is known about the interactions of the key economic and policy factors, and these gaps are now much more serious than ever before.

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APPENDIX A

ESTIMATION OF AGGREGATE RESERVOIR DECLINE RATES AND WELL LIFETIMES

Our analysis requires both an estimate of the average decline rate for oil reservoirs in the U.S. and a measure of the approximate average lifetime for a producing well. Neither of these parameters can be estimated or calculated directly, but two related variables—the aggregate reserves to production ratio (R/P) and the well abandonment rate—can be observed empirically. We shall use these two sets of data to estimate internally consistent values for the aggregate decline rate applicable to U.S. oil reserves and the economic well lifetime.

Let us first assume that reserve additions have been made at an exceptionally increasing rate over a period of *T* years, where *T* is the average economic lifetime. This case can then be specialized to include steady-state equilibrium where reserve additions and production levels are approximately constant. If V_t^i is the initial level of production realized from the reservoirs added in the current year, then the total current-year production, V_t, from all reservoirs added during the *T* prior years is.

$$V_t = V_t^i \int_0^T e^{-\delta t} e^{-gt}\,dt = V_t^i S(\delta+g)$$

$$S(x) = \frac{1}{x}\left(1 - e^{-xT}\right) \qquad \text{(A-1)}$$

$$g = \text{growth rate}$$

under the assumption of a uniform exponential reservoir decline rate, δ.

Similarly, the reserves remaining after a given reservoir has been exploited for *T* years are

$$\rho_t = V_t^i \frac{e^{-gt}}{\delta}\left(e^{-\delta T} = e^{-\delta T}\right) \ldots \qquad \text{(A-2)}$$

The total reserves remaining in all the reservoirs of ages zero through *T* are equal to the integral of Eq. A–2 over time:

$$R_t = \frac{V_t^i}{\delta}\left[S(\delta+g) - e^{-\delta T} S(g)\right] \ldots \qquad \text{(A-3)}$$

The R/P ratio equals Eq. A–3 divided by Eq. A–1:

$$\mathrm{R/P} = \frac{1}{\delta}\left[1 - e^{-\delta T}\frac{S(g)}{S(\delta+g)}\right] \qquad \text{(A-4)}$$

This relationship defines δ and *T* jointly in terms of the direct observables, *g*, and the R/P ratio. If *g* vanishes, we obtain the limiting case.

$$(\mathrm{R/P})^0 = \lim_{g \to 0} \mathrm{R/P} = \frac{1}{\delta}\left[1 - \frac{Te^{-\delta T}}{S(\delta)}\right]. \qquad \text{(A-5)}$$

The most immediately discernible feature of Eq. A–4 or A–5 is the fact that the equivalent decline rate is not equal to the reciprocal of the R/P ratio, nor is that reciprocal even a reasonably good proxy for the reservoir decline rate. Since the second term within the brackets in Eq. A–4 is less than unity, the decline rate will be appreciably less than the reciprocal of the R/P ratio; or conversely, the true *R/P* ratio will be significantly less than the reciprocal of the aggregate reservoir decline rate. The discrepancy is illustrated in Table 5.

TABLE 5.—DEPENDENCE OF R/P RATIO UPON RESERVOIR DECLINE RATES

Decline rate	Well lifetimes		
	T=15	T=25	T=35
0.01	6.9	12.0	16.8
	(7.5)	(13.9)	(19.7)
0.05	6.6	10.0	12.6
	(7.0)	(10.9)	(13.8)
0.08	6.0	8.6	10.2
	(6.4)	(9.4)	(10.6.

Source: Eqs. A-4 and A-5.

Note: R/P ratios given in parentheses correspond to case where total reserves grow at the rate g=0.04.

Thus, if $T=25$ years and the growth rate is zero, an R/P ratio of 10 to 1 is equivalent to a decline rate of 0.05. This is one-half the value given by the reciporcal of the R/P ratio; i.e., 1/10 equals 0.10. We note also from Table 5 that the values for the R/P ratio where the growth rate is 4 percent/year (given in parentheses) do not differ greatly from those for the zero-growth case, unless the decline rate is unrealistically low. Thus, the subsequent calculations will be based upon the zero growth assumption, since the average growth rate in new reserve additions has certainly not been greater than 4 percent, if indeed it is much different from zero. There has been little growth in the level of annual additions to U.S. domestic reserves since World War II, and we are justified in using the zero-growth assumption, recognizing that in any event the results are not particularly sensitive to the underlying growth rate.

The observed R/P ratio for the U.S. fluctuated between about 11.5 and 13.5 from 1947 to 1964 and declined thereafter, approaching 10:1. If we take 12 as a representative average figure for the postwar period, then that ratio is equivalent to a range of pairs of values for δ and *T*—if $\delta=0.01$, then *T* must equal 25; if $\delta=0.05$, then the associated value of *T* is about 31; and if δ is as high as 0.08, the associated value of *T* must be appreciably greater than 40 years.

The choice may be narrowed if we introduce additional information from an analysis of the pattern of well abandonments, which delimits the admissible values of the average well lifetime, *T*. Using the same production model as before, one may show that the fraction of all wells abandoned in any year in the steady state becomes

$$\text{Abandonment rate} = \frac{g}{(1+g)[(1+g)^T - 1]}. \qquad \text{(A-6)}$$

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If the growth rate is zero, then the abandonment rate simply equals the reciprocal of the average lifetime, $(1/T)$. If *g* is not zero, the abandonment rate is a more complicated function of *T*. For example, where $T = 30$ years and $g = 0.04$, the abandonment rate would be 0.017. The empirical value for the abandonment rate has oscillated between 0.017 and 0.022 from 1958 through 1965, and a parametric study of values for *T* and δ which we shall not reproduce here, has led to the assessment that the values $\delta=0.05$ and $T = 30$ years were most consistent with the observed data on the R/P ratio, the growth rate in reserve additions, and the well abandonment rate.

APPENDIX B

CALCULATION OF ECONOMIC DISCOVERY COSTS

The costs of finding hydrocarbon reserves are conventionally stated in terms of the expenditure per barrel of recoverable oil reserves discovered or per Mcf of producible gas. The figures are obtained by relating historical data on annual expenditures for exploration to the annual data on increases in reserves. We must use these figures, since they are all that presently exist, despite the following serious deficiencies:

1. Even if otherwise correct, the figure of *x* dollars per barrel, for example, seriously understates the economic cost. A barrel of reserves is produced over a period of years, not instantaneously, so one must allow for the time lag between discovery and the ultimate production. It is this effect that we shall compute in this appendix.

2. The "finding-cost" figures are retrospective, reflecting prior technology and prior availability of geological prospects. The estimates, if confined to a narrowly defined geological province, even when corrected as suggested above, are likely to be low, reflecting the steady exhaustion of the better prospects. More generally, the future finding cost can decrease if technology is improved or it can increase if no new areas with better prospects are opened up.

3. A large part of the increased reserves is related to extensions and revisions of reserve estimates for fields long since discovered.

4. The allocation of exploration activity between oil and gas discoveries necessarily involves rather arbitrary assumptions, since the "directionality" of exploration is difficult to specify.

Here, we must perforce accept the available estimates for the expenditure per barrel of reserves, and we shall derive a relationship that permits us to compute either the economic or the corporate costs of finding a barrel. To estimate the full cost of discovering a barrel of oil, we need to convert a "finding cost," which is stated in terms of an expenditure per barrel of reserves, into the equivalent figure per barrel of oil produced. In other words, the static figure must be converted into a dynamic value, since the development and lifting costs are related to production levels, whereas the finding cost is measured in terms of reserve inventories.

The economic finding cost, therefore, is a function of (1) the time lag between the exploration for and the commercial development of the reserves; (2) the decline rate of the reservoir, which in turn depends upon the development pattern and the reservoir drive mechanism; and (3) the opportunity cost of capital or the discount rate. Let us idealize the discovery/development production sequence as shown in Fig. 5. Let the midpoint of the exploration program (shown cross-hatched in the figure) be taken as time zero; then there is a lapse of *t* years until development begins and a further lag of 1 year between the commencing of development and the production of those reserves discovered $\tau + 1$ years before. The reservoir is assumed to be produced at an initial rate of V_i bbl/year, and production beginning of the year in which production declines exponentially at a rate δ until it terminates in year. *T*.*

The present discounted value of the physical stream of production, referenced to the commences, is

$$PV = V_i\int_0 e^{-\delta t}e^{-Rt}dt$$

$$= \frac{V_i}{\delta+R}[1-e^{-(\delta+R)T}] = V_iS(\delta+R)\ \ldots \qquad (B\text{-}1)$$

If the exploration expenditure, K^f, is compounded forward to the same point in time, allowing the lag of τ years until development and the additional year between development and commercial production, we find for the present value of the exploration expenditure,

$$PV(Expl) = (1-\tau)K^f e^{(\tau+1)R}\ .\ .\ .\ (B\text{-}2)$$

where τ is the effective tax rate applicable to exploration.**

The effective exploration charge, net of any applicable tax offsets, which must be borne by each barrel of ensuing production, equals the after-tax expenditure, Eq. B–2, divided by the discounted volume of future production, Eq. B–1:

$$\text{Finding cost} = \frac{(1-\bar{\tau})K^f e^{(\tau+1)R}}{V_iS(\delta+R)}\ .\ .\ .\ (B\text{-}3)$$

Exploration expenditures are most readily measured in relation to reserves discovered; the relationship between reserves V_o, the initial flow rate, V_i and δ is

$$V_o = V_i\int_0^T e^{-\delta t}dt = \frac{V_i}{\delta}(1-e^{-\delta T}) = V_iS(\delta).$$

. . . . (B–4)

If Eq. B–4 is substituted into Eq. B–2 we obtain an expression for the finding cost per barrel, or production in terms of the exploration outlay per barrel of reserves discovered (K^f/V_o), which is an observable quantity:

$$\text{Finding cost} = (1-\bar{\tau})e^{(\ +1)R}\frac{S(\delta)}{S(\delta+R)}\left(\frac{K^f}{V_o}\right)$$

. . . . (B–5)

In particular, the economic or resource cost is obtained by letting τ vanish above:

$$\text{Economic finding cost} = e^{(t+1)R}\frac{S(\delta)}{S(\delta+R)}\left(\frac{K^f}{V_o}\right)$$

-------------------------------- (B–6)

Thus, if the average reservoir decline rate, δ, is 0.05, *T* is 30 years, *R* is 12 percent, and the gestation lag, *t*, equals 2 years, the economic finding cost per barrel of production is 3.82 times the expenditure per barrel of reserves found. For example, if the average expenditure per barrel of reserves is 30¢, the economic cost per barrel of production equals $1.15, which is significantly greater.

The corporate, after-tax cost can be derived using an analysis parallel to that illustrated in detail in Appendix C. On the one hand, when taxes are considered the cost compared with the economic cost is reduced, since a large part of the exploration outlay is deductible from taxable income elsewhere and thus reduces the firm's taxes. On the other hand, "cost" is increased in the sense that a tax liability is incurred on future production, so that increased receipts are needed per barrel in order to yield a net cash flow equivalent to an after-tax rate of return of 12 percent.

The resulting calculations are summarized in Table 6. The factor by which the cost per barrel of reserves must be multiplied lies between 3.41 and 3.93, depending upon the extent to which the net income limitation upon the depletion allowance applies. Thus, a finding expenditure of 30¢ per barrel of *reserves* adds $1.02 to $1.18 to the corporate cost per barrel of *production*.

APPENDIX C

ECONOMIC ANALYSIS OF DEVELOPMENT AND PRODUCTION COSTS AT THE WELLHEAD

The principal determinants of the economic cost of production at the wellhead from a given reservoir are (1) the depth of the formation; (2) the location of the field (on-shore, offshore, the middle of a mangrove swamp); (3) the initial flow rate of the wells; and (4) the reservoir decline rate.*

TABLE 6.—ECONOMIC FINDING COST FACTORS

	Tax-paid costs				
	Depletion allowed		Depletion disallowed		
	IDC's expensed	IDC's capitalized	IDC's expensed	IDC's capitalized	Resource cost
Dry holes	2.75	[1] 4.83	3.24	5.96	3.82
G&G	3.67	[1] 4.83	5.96	5.96	3.82
Lease costs	3.67				

[1] Assume unsuccessful exploration outlays are amortized rather than expensed.

Note: To obtain corporate or economic costs per barrel produced, use factors in table to multiply the outlay per barrel of reserves discovered.

The gross capital investment for drilling and completing a well, plus the requisite lease facilities, is primarily a function of the first two physical factors and secondarily dependent upon the third. The unit lifting cost, although primarily dependent upon the third factor, flow rate, is influenced by the first two.

It is generally possible to specify a value for the well outlay, including lease equipment, and also for the lifting costs (VOC's) as a function of depth and production rate. The analysis below presumed that the capital outlays, *K*, and lifting costs, C_0, depend upon both depth and flow rate—i.e., $K = K(d, V_i)$—so that a different set of cost figures will in practice be obtained for different well depths and flow rates. The equations are invariant, however.

Let the physical parameters be subsumed into the following economic variables:

c=average lifting cost per barrel of production

C_0=annual lifting costs per well

K^e=lease equipment outlay

K_d=allocated outlay for drilling development dry holes

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*Although this model is starkly idealized, further refinements add little to the precision of the ensuing calculations.

**The applicable effective tax rate can be only estimated, since the tax status of the several principal components of exploration expenditures are different. The intangible costs of dry holes can be written off directly, whereas the other expenditures are generally capitalized if the search is successful, or written off later against taxable income, once an area is abandoned. Thus, even though a sizable fraction of the total outlays, besides exploratory dry holes, will ultimately be deducted from income, that deduction is generally deferred and the present value of the deduction is correspondingly reduced.

*We do not explicitly include secondary recovery projects here. The associated costs are submerged in the aggregate costs and investment data, and it was thus not possible to refine our analytical model.

K^w=outlay for drilling and completion of well

t=time

T=average well lifetime

V_i=initial flow rate

V_0=average recoverable reserves per well

δ=well decline rate (presumes exponential decline)

τ=lead time

The well investment is assumed to be made 1 year before the beginning of production, which is at the annual rate V_i. Production declines exponentially at a rate of δ, until it ceases completely after T years (see Fig. 5). The empirical determination of these variables will be discussed later.

The operator's after-tax cost of drilling the well and equipping the lease equals the initial gross outlay less the tax shield generated by the deduction for intangible drilling costs (estimated at 70 percent of the well outlay) and the expenditure for development dry holes:

After-tax initial outlay=

$$(1-0.7r)K^w+(1-r)K^d+K^e \qquad \text{(C-1)}$$

where r is the income-tax rate.

The net wellhead value of the crude is P_N, after deducting the royalty and any severance or production taxes; and the annual wellhead receipts are

Revenue $(t)=P_N V_i e^{-t\delta}$ . . . . (C–2)

The deductible costs for determining taxable income are the lifting cost, C_0, plus the depreciation or amortization of the lease equipment investment and the tangible drilling outlays:

$$\text{Deductible expenses } (t)=C_0+(0.3K^w+K^e)\bullet\frac{V_i}{V_0}e^{-\delta t}, \qquad \text{(C-3)}$$

where we have assumed that both classes of expenditures are depleted on a unit-of-production basis.

To determine the income tax liability we must incorporate the depletion allowance, which involves two cases: 27.5 percent (of wellhead receipts before revision), or 50 percent of net income. The latter is equivalent to an effective tax rate of 0.5r. Any real example is a mixture of these two subcases, since the latter option is invoked if the former case implies a depletion allowance deduction that would otherwise exceed one-half of net income. The tax liabilities become, respectively,

$$r\left[0.725P_N V_i e^{-\delta t}-C_0-(0.3K^w+K^e)\frac{V_i}{V_0}e^{-\delta t}\right] \qquad \text{(C-4)}$$

$$\frac{r}{2}\left[P_N V_i e^{-\delta t}-C_0-(0.3K^w+K^e)\frac{V_i}{V_0}e^{-\delta t}\right] \qquad \text{(C-5)}$$

These two cases are the upper and lower bounds for the tax liability.

The net after-tax cash flow accruing to the operator equals the wellhead revenue (Eq. C–2) minus the operating costs, C_0, and minus the tax liability (Eq. C–4 *or* C–5):

$$P_N V_i e^{-\delta t}(1-0.725r)-(1-r)C_0+ r(0.3K^w+K^e)\frac{V_i}{V_0}e^{-\delta t} \cdots \text{(C-6a)}$$

$$P_N V_i e^{-\delta t}(1-0.5r)-\left(1-\frac{r}{2}\right)C_0+ \frac{r}{2}(0.3K^w+K^e)\frac{V_i}{V_0}e^{-\delta t} \cdots \text{(C-6b)}$$

If we take the present value of the two after-tax cash flow streams defined above and equate the results to the after-tax value of the initial capital outlays (Eq. C–1), we obtain equations for the minimum net wellhead revenue per barrel, P_N, which will provide the operator with a given rate of return, R, on his investment after covering all costs and taxes:

$$P_N=\frac{1}{A}\left[B\left(\frac{C_0}{V_i}\right)+D\left(\frac{K^d}{V_i}\right)+E\left(\frac{K^e}{V_i}\right)+F\left(\frac{K^w}{V_i}\right)\right], \qquad \text{(C-7)}$$

TABLE 7.—COMPONENTS OF CORPORATE WELLHEAD COST[1]

Coefficient	27½ percent of gross case	50 percent net case
A	$S(\delta+R)(1-0.725r)$	$S(\delta+R)(1-0.5r)$
B	$(1-r)S(R)$	$(1-0.5r)S(R)$
D	$e^R(1-r)$	$e^R(.-r)$
E	$e^R-\frac{rS(\delta+R)}{S(\delta)}$	$e^R-\frac{0.5rS(\delta+R)}{S(\delta)}$
F	$e^R(1-0.7r)-\frac{0.3rS(\delta+R)}{S(\delta)}$	$e^R(1-0.7r)-\frac{0.15rS(\delta+R)}{S(\delta)}$

[1] The factor e^R in coefficients D, E, and F incorporates the assumption of a 5-year lag between the investment and the first cash flow.

where the coefficients A, B, D, E, and F are given in Table 7 for the two assumptions concerning the depletion allowance.

The economic cost is obtained from Eq. C–7 by letting r vanish, or

$$P^{econ}=\frac{1}{S(\delta+R)}\left[S(R)\frac{C_0}{V_i}+\frac{e^R}{V_i}(K^d+K^w+K^e)\right] \qquad \text{(C-8)}$$

EMPIRICAL CONSIDERATIONS

In practice, C_0 and V_i are not directly observable; instead one measures C, the average lifting cost for a given category of well, weighted over all ages, whereas the investment figures are obtained in one of two forms: (1) *investment per barrel of reserves;* or (2) *investment per daily average barrel of production.* Under our basic assumption of an exponential decline rate, δ, the average per-barrel lifting cost, as measured over a sample of all wells of ages zero to T, can be expressed in terms of the well lifetime, T, the decline rate, δ, the annual VOC's, C_0, and the initial flow rate, V_i:

$$\overline{C}=\frac{TC_0}{V_iS(\delta)}=\frac{T}{S(\delta)}\left(\frac{C_0}{V_i}\right), \qquad \text{(C-9)}$$

provided that the drilling rate has been approximately constant, so that the age distribution is stable. Thus, the expression $S(\delta)C/T$ should be substituted for C_0/V_i in Eq. C–7 or C–8.*

In the case of the first alternative, above, the reserves, V_0, associated with an initial flow rate of V_i equal $S(\delta)$, so that it suffices to replace V_i in terms D, E, and F by $V_0/S(\delta)$, and the expressions (K^w/V_0) etc., are then empirically observable. In the case of the Bureau of Mines survey data, on the other hand, average flow rates, V, are recorded for a group of wells in a given class, and the equivalent value for V_i, assuming a steady-state development history.

$$V_i=\frac{T\overline{V}}{S(\delta)} \qquad \text{(C-10)}$$

*The economic lifting cost per barrel is less than the average lifting cost. Since the lifting costs vary inversely with the flow rate, they are lowest in the earlier years, and thus the lower figures are weighted more heavily when the present value is taken.

When the above is substituted into Eq. C–7, the terms (K_w/V), etc., again are measurable.

The value of the parameters used here are as follows: $\delta=0.05$, $T=30$, $R=0.12$, and $r=0.50$, and the coefficients in Eq. C–7 and C–8 for both cases are given in Table 8.

TABLES.—COST COMPONENT COEFFICIENTS (AFTER TAX)

	Term	Cases: 50 percent net income depletion	Cases: 27½ percent gross income depletion	Cases: Resource cost (no tax offsets)
Average lifting cost	$\overline{C}$	0.562	0.716	0.714
Development	$(K^d V_0)$	2.35	1.97	6.99
Dry holes	$(K^d/\overline{V})$	.078	.0665	.100
Lease	(K^e/V_0)	3.91	3.67	2.99
Equipment outlays	$(K^e/\overline{V})$	.130	.122	.100
Well drilling and	(K^w/V_0)	2.81	2.49	2.99
completions	$(K^w/\overline{V})$	.004	.083	.100

Thus, if the observed average lifting cost for wells in a given class is, say, 35¢/bbl, the economic cost is 0.714 r × 35¢, or 25¢, and the contribution to after-tax costs would be somewhere between 19.7¢ and 25.1¢, depending upon which alternative form of the depletion allowance prevails.

Similarly, if the well-drilling expenditure per barrel of reserves is estimated to be 40¢, the economic cost equals 2.99 × 40¢, or $1.20, and the after-tax cost component is $1.00 to $1.12. Finally, if the drilling investment per well is expressed in terms of dollars per *average* flow rate—for example, if the figure is $7.07 per annual average barrel for a 5,000-ft well with an average flow rate of 21.3 B/D—this is equivalent to a drilling cost of $7.07 × 0.10, or 71¢/bbl, spread over the whole production history from year zero through year $T=30$.

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DISCUSSION

(By Arlon R. Tussing, Committee on Interior and Insular Affairs, U.S. Senate)

This comment on Thomas R. Stauffer's paper "Economic Cost of U.S. Crude Oil Production" is probably impolitic. It is a venture into essentially destructive criticism, because the principal policy issue that generated Stauffer's essay has become moot. The import quota system was moribund when the paper was written, and it has now vanished with hardly a whimper. Moreover, I do not propose to follow up my negative comments with any calculations of my own.

Imported oil has been cheaper to American consumers than domestic oil; but, as Stauffer argues, price differences exaggerated the advantages of imports to the economy as a whole. He concludes that in his base year (1965) oil import quotas ". . . imposed on balance insignificant economic burdens on our national economy . . . [and may] have resulted in a small but positive net economic benefit."

Stauffer measures the economic cost of the quota system, per barrel of oil consumed, by the difference between average production and transportation costs for domestic oil (deflated by a credit for the production of associated natural gas and natural gas liquids) and the landed price of foreign oil (increased by the cost of storage as insurance against an interruption of imports and by a premium for the "scarcity value" of the U.S. dollar). This comparison implicity assumes (1) that each additional barrel of imported crude oil displaces exactly one barrel of domestic crude; (2) that the cost of imported crude oil to the U.S. economy is its *price* (plus adjustments); and at the same time (3) that the relevant cost of domestic crude oil is the *average* *economic cost* of producing it (less co-product adjustments).

Each of these assumptions is in principle unacceptable and imparts a substantial bias to the total cost estimate.

1. An increase in import volumes would have reduced U.S. crude-oil prices and thereby induced an increase in crude-oil consumption (for example, by encouraging substitution of oil for coal as boiler fuel). The reduction in domestic production would therefore be less than the increase in imports.

2. Stauffer's main thesis hinges on the difference between price and economic cost, but apparently only with respect to *domestic* output. The assumption that import costs are equal to their price assumes away the existence of any "transfers" from buyers of imported crude oil to the international (U.S.) oil companies. There are sufficient theoretical grounds and a considerable quantitative literature (including Stauffer's own writings) arguing that these rents are substantial.

3. An increase in oil import volumes would have backed out not average-cost domestic production but the *highest-cost* domestic production. The argument thereby understates the economic cost of the domestic production displaced by imports, because it confuses average and incremental cost. This last and most damaging error is remarkable because Stauffer derived his average cost figure from an array of cost estimates for different well depths, which together with flow rates would have permitted some approximation of an incremental cost calculation.

Further comments I make advisedly. Despite mathematical appendices, Stauffer's definitions, assumptions, sources, and procedures are not always clear. Nevertheless, there are evident flaws in several of the individual cost and adjustment items.

Stauffer defines "finding costs" as outlays for exploration dry holes and for geological and geophysical work; "development costs" are outlays for drilling and completing producing wells and equipping the leases. A standard technique was used to allow for the delay between these outlays and commercial exploitation of the reserves and to take into account the period over which the reservoir is produced. This procedure, however, leads to a substantial doublecounting. The bulk of reserve additions in a particular reservoir, or a particular year, takes the form of extensions and revisions, rather than new field discoveries. Therefore, reserve additions are mainly attributable economically (that is, at the margin) to outlays for development rather than for exploration as defined by Stauffer, in practice it is impossible to segregate the proportion of total production owing to the two categories of outlay, but Stauffer's method distributes the payoff for exploration costs over the entire life of a reservoir proportionally to production, and thereby seriously exaggerates the average waiting time for recovery of this investment. The bias injected by this procedure works against the author's thesis because it exaggerates domestic finding costs. (It is worth noting that the Foster Associates report from which he derived his cost estimates does not rely upon the addition of such exploration and development costs, but rather upon a discounted cash flow analysis relating the stream of revenues to the single stream of exploration and development expenditures.)

Despite the fact that field price regulation for natural gas has existed since 1954 it is doubtful that "the regulated price [was] less than the opportunity cost of gas" before about 1969. In Stauffer's base year, 1965, there were no signs of an undersupply disequilibrium. His figure of 51¢/Mcf is certainly much too high for the opportunity cost of gas at the wellhead because that price had to cover transportation of gas to the most distant market in which it would have been competitive with oil. It could be reasonably argued that actual wellhead prices in 1965 were *higher* than the opportunity cost of gas, because the prices at which gas equilibriated with oil were those of domestic rather than imported oil. In any event there is no one meaningful figure for the opportunity value of the natural gas that would have been displaced by oil imports; a valid estimate would have to take into account the movement in space of the gas-oil price watershed as well as the direct impacts of price and volume change.

Calculation of the appropriate premium on domestic oil to reflect the "scarcity value" of the U.S. dollar is in Stauffer's word "elusive". He has committed another anachronism here, because it is doubtful whether a significant balance of payments disequilibrium actually existed in 1965. "Buy-American" legislation affecting military purchases existed even when we had an embarrassingly chronic payments surplus, and it is hardly evidence either for the existence or for the size of a premium on domestic oil purchases. We do, however, have a clue concerning the overevaluation of the U.S. dollar that existed in early 1972, in the revaluations that took place along the way to the present floating exchange rates. The dollar fell about 20 percent against the world's strongest currencies, and its average drop, weighted by the volume of U.S. trade, was considerably less. Accordingly, Stauffer's estimate of the balance of payments premium would have been an exaggeration even in 1972, and is wholly irrelevant to 1965.

Finally, experience over the life of the mandatory import quotas suggests that Stauffer's estimate of the risk premium is too high, at least for 1965. The incidents that have actually threatened partial interruption of imports—the two Suez wars—could have been offset even under conditions of unrestricted imports with considerably less than 90 days' storage capacity calculated against all imports, regardless of how secure or insecure. I do not mean by this comment to underrate the *present* risk of supply interruptions nor the cost of insuring against this risk.

In summary, Stauffer has raised some points that economic historians ought to bear in mind when reviewing the work of the Cabinet Task Force on Oil Import Control, and particularly the Task Force estimates of the historic cost of the quota system. Moreover, in any future benefit-cost exercise concerning tariff or quota protection for the domestic petroleum, adjustments need to be made for transfer payments, or coproducts, for the risk of supply interruption, and for the overevaluation or underevaluation of the national currency. In our present circumstances, however, the magnitude or importance of most of these adjustments should not be exaggerated.

The economic costs of new domestic energy supplies—domestic oil and gas, clean fuels for coal or oil shale, or nuclear power—will not generally be less than the delivered cost of imported crude oil. If the domestic fuels that currently do, or could in the future, substitute for imported oil did indeed cost less than imports they would be competitive with foreign supplies. For example, experience suggests that substantial new petroleum supplies on the Outer Continental Shelf and in Alaska could be developed and delivered to U.S. markets at cost less than the landed price of foreign crude oil. But such low-cost reserves would therefore likely be developed even if foreign oil were imported without limitation. Production from the OCS and Alaska is not, however, expected to meet the whole of the United States' replacement and incremental fuels demand. The bulk of this growth must be served either from costlier domestic sources, or from oil imports (whose future costs are now highly uncertain).

The conclusions of Stauffer's Part Three, "Impact of Taxation Upon Costs and Supply Availability," are extremely important if they are valid. I have not commented upon them in detail because the methodology of that section is particularly obscure. There is language suggesting that an incremental cost approach was used or at least understood ("it is presumed that the highest-cost sources of oil could be eliminated selectively. . . .") but the repeated references to the use of "average tax-paid" costs indicate otherwise. If Stauffer is indeed projecting the average impact of each tax provision, his conclusions exaggerate the sensitivity of oil production to these provisions, and are of little theoretical or policy interest.

Mr. BARTLETT. One other comment is, that unregulated prices are encouraging drilling for loopholes rather than oil. If I recall correctly the statement of the distinguished Senator, he referred to a big loophole in the stripper well provision which would permit—he said he checked this out—the twinning of a well, drilling one well next to another in a stripper field, and that, somehow or other, this was going to defeat the spirit of the law and violate it and would enable that producer to illegally or improperly make more money himself but not really to bring in more oil. Senator HANSEN very ably pointed out that there was no incentive to drill a new well where stripper production existed, because strippers are already exempt from price controls.

Second, I point out to the distinguished Senator that the State regulatory agencies do not allow wells to be drilled right next to another well, as he implied. In almost every State, they have spacing requirements that limit one well to 10 acres, 20 acres, 40 acres, 160 acres, or 360 acres, and another well would not be legal.

In addition, the tremendous cost for drilling a well precludes an operator from putting down a well adjacent to another well, because his only hope would then be to have the two wells produce what the one well already is producing, and he would be suffering from a doubling of his lifting costs and his investment. So this would not be pursued.

Mr. President, I should like to yield the floor and to have the time available to me, which I have not used, allotted to the Senator from Arizona. I thank the Senator from Arizona for this time.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. I wonder if the floor manager, Mr. JACKSON, could clarify one point about the rollback provision of this conference report which has been of paramount concern to me. And that has to do with the staggering increases in the price of propane gas that have taken place over the past year—in some cases increases of 300 percent. You might recall that you and I discussed this problem prior to the hearing on the rollback provision. As it stands in this report, is it clear that the rollback provision includes propane?

Mr. JACKSON. I am glad the Senator raised that point, because it is a problem of concern to many Senators here. The answer to his question is yes, rollback provision does include propane. I am well aware of the Senator's interest in this question and it was at his suggestion that I had the words "including propane" added to the provision so as to remove any question about it being covered. Specifically, we estimate a rollback of about 50 percent in the price of propane if this conference report is adopted. Where the average national price is now about 42 cents, it would go back to about 22 cents.

Mr. EAGLETON. I thank the distinguished floor manager for his consideration of this problem which is of serious concern in Missouri which is the No. 2 user of propane in the Nation. I wholeheartedly support the rollback and I will support the conference report.

OVERCHARGE IN OIL PRICES WILL COST CONSUMERS $7.7 BILLION A YEAR

Mr. JACKSON. I yield myself such time as I may require.

Mr. President, the administration's failure to impose ceilings on crude oil prices is incomprehensible for a wide variety of reasons.

First, it is costing consumers $20 million a day, $7.7 billion a year, in overcharges.

Second, it is bad economic policy. Uncontrolled oil prices at artificially high, cartel-set levels feed inflation.

Third, the administration's decision to deregulate one-third of all domestic crude oil is illegal. Section 4 of the Emergency Petroleum Allocation Act requires that all crude oil be under price controls.

Today the Senate will have a chance to reverse this policy that overcharges consumers, that benefits only the oil industry, and which violates a law Congress adopted only 4 months ago.

Mr. President, if firm and decisive action is not taken to roll prices back to reasonable levels, this unconscionable overcharge will cost American consumers $7.7 billion over the next year. This is $35 for every man, woman, and child in the country. For the average family, this will mean an additional $140 to $200 a year increase in their fuel bill for gasoline, heating oil, and propane. This increase is over and above, and in addition to, the major increases in fuel prices which were experienced late last year.

Current domestic price levels for unregulated crude oil of $10 per barrel and up are totally artificial prices. These prices are not determined by the forces of competition. These prices are rigged. They are being dictated by an international cartel of Arab nations. These are the same nations that imposed the oil embargo against the United States in retaliation for our aid to Israel.

Respected oil analysts on Wall Street and elsewhere say that these price levels will not buy increased supply. The real constraint on supply today is not price. At $5.25 a barrel, there is plenty of incentive to bring in new supply. This is 32 percent higher than the price of crude oil last May, less than a year ago. The constraints today are shortages: shortages of trained manpower, tubular goods, drilling rigs, and practically every other material a high technology industry needs.

The unregulated and artificially high price of domestic crude oil is counterproductive. It is retarding exploration for and development of new oil discoveries. Instead of encouraging the development of new wildcat acreage, the present price structure does the opposite. It encourages the drilling of new wells on old reservoirs that are already in production.

These new wells divert scarce drilling rigs, pipe, other equipment, and manpower away from new exploration for the sole purpose of taking advantage of major loopholes in the price system. These loopholes enable the unscrupulous to take advantage, to double the value of their "old" oil—their presently producing fields—by simply drilling and pumping the oil through new wells.

Pursuit of this loophole enriches owners of producing fields. It does not produce more oil. There is no requirement under the administration's program that 1 cent of this windfall be put back into the ground to develop new supplies. And the facts are that precious little is being put back into the ground.

Mr. President, over the past year, average crude oil prices have doubled. They have gone from $3.40 per barrel in January 1973, to $6.75 in January 1974. And while domestic crude oil prices have doubled, domestic production has remained constant. A doubling of prices has failed to elicit any new supply. In January 1973, total domestic production was 10,859,000 barrels per day. In January 1974, total production stood at 10,893,000 barrels—an increase of only 34,000 barrels.

This is what the American consumer is getting in the way of new supply at a cost of $20 million a day.

Mr. President, the present system is the worst possible of all price systems, from the standpoint of developing new energy sources.

It is common knowledge in the oil industry and elsewhere that today's unregulated prices are artificial and unstable, and that they do not provide benchmarks for long-term investment decisions. Instead, they provide only a short-term opportunity for taking windfall profits and investing these profits elsewhere, where there is more stability—in land development, in circuses, in the stock market, and in Government bonds.

Why is there wide recognition on Wall Street and in the industry that these prices will not hold up for long?

First, the administration's exemption of three of the major categories of crude oil from price controls is illegal. It is in direct contravention of the provisions of the Emergency Petroleum Allocation Act, which became law on November 27, 1973. It is only a matter of time until litigation is initiated to require the administration to comply with the law.

Second, as noted above, these artificial cartel price levels serve no economic purpose. They are, in fact, counterproductive. They reduce longer term supply. They compel cynical and foolish distortions in the allocation of capital, material, and labor.

Third, the Congress at some point will act to protect the public by rolling these prices back by legislative action.

Mr. Simon, the FEO Administrator, recognizes that present price levels are unreasonable. Reports in the national press and in trade journals contend that within the administration he has advocated a price rollback but has been turned down by Roy Ash, Herbert Stein, and the White House palace guard.

The trade associations for the oil companies' own studies and data recognize that current deregulated prices are $3 to $5 per barrel above long-term price levels required to achieve domestic self-sufficiency and to bring in alternate sources of energy such as oil shale, coal liquefaction and gasification, and geothermal resources.

The Federal Government's studies also conclude that there is no justification for average oil prices of $10 per barrel.

The FEO says:

> The long-term supply price . . . is $7 per barrel. . . . (January 1974.)

The Department of the Treasury says:

> Our best estimate is that it would be in the neighborhood of $7 per barrel *within the next few years.* (December 1973.)

The Independent Petroleum Association of America says that—

> . . . an average price of about $6.65 per barrel for crude oil would be required in the long run to achieve 85% self-sufficiency . . . by 1980. (1973 projections.)

The National Petroleum Council says that—

> For maximum attainable self-sufficiency by 1980 a price of $4.05 would give a 10 percent rate of return, while a price of $5.74 per barrel would give a 20 percent rate of return. (December 1973.)

Mr. President, it is ludicrous for the administration to be asking Canada, Venezuela, Iran, the Arab nations, and other producing countries to lower the prices of their oil—something we have no control over—when the administration refuses to limit domestic oil prices—something we do have control over.

The producing nations' best argument for maintaining artificially high prices for their oil is that their prices are about equal to the price of uncontrolled U.S. crude oil. Why, they ask, should they sell to us for less than we allow domestic producers to charge? That is exactly what the Canadians told us to our faces a few days ago when we asked them to cut back their prices.

This administration is still committed to the 19th century notion that the way to deal with the energy shortage is to limit demand by raising consumer prices.

The White House either does not know or does not care that this foolish and intellectually indefensible policy has cruel and disastrous consequences for the poor and the middle class. It is a stupid policy because it is counterproductive to the national interest. It is an unfair policy because it enables the affluent to buy their way out and, at the same time, it gives the oil companies billions of dollars in unearned profits.

The only relief in sight for the consuming public is congressional action on the conference report on the Energy Emergency Act.

The price rollback provisions of the report will bring uncontrolled oil—new oil, released oil, State royalty oil, and stripper well oil—under a reasonable system of price ceilings. At present, these four categories of oil constitute 29 percent of our domestic supply and are selling at an average price of about $10 per barrel—2½ times the level of less than a year ago. By the end of the year if Congress fails to act, at least 44 percent of all domestic oil will be selling at world cartel prices.

Mr. President, the way to deal with the unreasonable windfall profits the major oil companies are receiving is for the Congress to roll back unreasonable prices.

Today the Senate has that opportunity.

The debate over the price rollback provisions of the bill should not be allowed to obscure the fact that other provisions are of critical importance in dealing with the shortage, spiraling prices, growing inflation, and the confusion and near panic facing the country.

These provisions include:

UNEMPLOYMENT ASSISTANCE BENEFITS

The bill provides authority for $500 million in grants-in-aid to the States to provide minimum of 6 months' additional unemployment compensation benefits to individuals left jobless as a result of the energy shortage. This assistance will enable the 249,000 working men and women who are unemployed as a direct result of the shortage to meet essential food and housing needs. It will also provide assistance for many of the additional 2 million working people that economist Walter Heller predicts will be added to the unemployment rolls this year.

NEW LEGAL PROTECTION FOR SERVICE STATION DEALERS

The bill provides valuable new legal rights and judicial remedies designed to prevent arbitrary and unreasonable actions by large oil companies against service station dealers. This provision assures fair dealing, due process and, where necessary, guarantees that dealers will have a day in court to protect their interests. This provision will slow and halt the arbitrary lease and franchise cancellations which have shut down thousands of stations across the country.

MANDATORY DISCLOSURE OF OIL INDUSTRY DATA

The bill requires, for the first time, the mandatory disclosure by the oil industry of reliable data and information on reserves, production levels, refinery runs, stock levels, imports, prices, and other information essential to understanding and dealing with the energy shortage. Information furnished under the bill is to be made available to the Administrator, the Congress, the States, and the public. This new authority will bring to an end the comedy of errors and the confusion of the present voluntary reporting systems. Present systems find the oil industry and the Federal Government hundreds of thousands, and sometimes millions of barrels, apart on the volume of oil imports and other vital categories of information.

STRINGENT ANTITRUST SAFEGUARDS

The bill contains mandatory standards and procedures designed to insure that agreements among and common courses of action by the oil companies to deal with the shortages do not result in permanent violations of the letter and spirit of the antitrust laws. In recent years, the oil industry has experienced a whole series of major adjustments and market realinements which pose serious threats to competition. Under shortage conditions these threats can become reality as the big companies grow stronger and more profitable and the small companies grow weaker, more dependent and more vulnerable. This provision of the Energy Emergency Act will insure that this does not happen.

AUTHORITY FOR REGULAR GAS STATION OPERATING HOURS, ENERGY CONSERVATION, PLANS, AND GASOLINE RATIONING

The bill provides the basic legal authority for a wide range of actions designed to conserve scarce energy resources in a manner that is fair to all classes of consumers and all regions of the country. These actions must be proposed in specific terms and are subject to Congressional review and veto. One of the most important actions contemplated is a program to provide the American people with certainty and regularity as to service station hours.

The bill also provides authority for the establishment of a national, stand-by gasoline rationing program. Implementation of rationing may prove inevitable in the months ahead if shortages persist and if other State and Federal programs do not serve to bring some sense of order to the chaotic situation which exists in many regions of the country.

ADDITIONAL AUTHORITY

Other major provisions of the bill which are vital to effectively dealing with shortages include statutory authority for:

Allocation of fuels and essential materials to those engaged in developing new energy supplies;

Convention of stationary powerplants from oil and natural gas to coal in a manner consistent with the goals of the Clean Air Act;

Accelerated domestic oil production;

Insuring that all emergency actions are taken in an equitable manner which prevents arbitrary and unreasonable action;

Restricting exports of needed fuels;

Increasing the use of carpools;

Grants-in-aid to assist State and local governments;

Low-interest loans to home owners and small businesses to assist in improvement projects which are designed to conserve energy.

Mr. President, the Nation is looking to Congress for leadership and action. We are in a national emergency, make no mistake about it. The Gallup poll shows Congress at its lowest level in history so far as its standing with the American people is concerned. We are now confronted with a grave emergency.

If this Congress sends this conference report back to conference so that it is there for a third time, I know what the American people are going to say. They are going to say that Congress cannot deal with a national emergency, and they will be right in saying so. Every provision in this bill relates to things happening to people each and every day. To say, "Leave things alone and evcrything will be fine," provides no answer; that is what is going on now. Prices are going up and the supplies available to meet the needs are going down. We are having fist fights in gas stations and we will soon have riots in the streets unless we pass this emergency legislation.

Mr. President, I ask unanimous consent that a telegram from Mr. Leonard Woodcock, the president of the United Auto Workers, be printed in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

FEBRUARY 18, 1974.

Hon. HENRY M. JACKSON,
Chairman, Senate Interior Committee,
Washington, D.C.:

UAW strongly supports unemployment compensation provisions of the emergency energy conference report and urges Congress to enact S. 2589. With unemployment rising at frightening rates, especially in the automobile industry, the type of assistance for workingmen and women proposed in S. 2589 is desperately needed. We urge most strongly an affirmative vote on the conference report when it comes to a vote on Tuesday of this week.

LEONARD WOODCOCK,
UAW International Union.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. Mr. President, I am pleased to yield to the Senator from Illinois for 10 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. PERCY. Mr. President, I have a high regard for my distinguished colleague, the Senator from Washington. We work together on many issues but we simply have an honest difference of opinion in this particular case.

I would like to first comment on a question I had, sitting as a back seater some 7 years ago when I saw one of our distinguished colleagues, who has now left the Senate, hurry into the Chamber toward the end of a vote. He said to the clerk standing alongside the door, "What are we voting on?"

The clerk said, "Clean water."

"My heavens," the Senator said, "how can I be against that?" And he voted "aye."

I do not know how many Senators have read in detail the provisions of this bill and studied all of the legislation in this particular field. As Senators we are greatly dependent upon the work of our committees. But I presume that if someone came in who had not studied it and saw the title of this bill, the Energy Emergency Act, he would wonder how he could possibly be against that in light of the emergency with which we are faced today.

But in my judgment it would be a great mistake, simply because we have an emergency today, to rush in and adopt legislation that is as controversial in its impact as the provisions of this bill would be. I would like to summarize very briefly some of the principal reasons I intend to vote for recommittal of the conference report and, then, if the legislation is voted on up or down, I intend to vote against the bill. Time permitting, I wish to go into greater detail.

The first reason I intend to vote against the legislation is because I essentially do not come from an oil-producing State. Some oil is produced in Illinois but essentially Illinois is a State of consumers, with 11½ million of them. My job is more to represent the consumer than the producer. In my judgment the consumer is not going to benefit from this legislation. The consumer, at the very best, will have a short-term rollback in the price of gasoline of a maximum of 2 cents per gallon. If in the end, the bill does reduce available supply, as I believe it will, pressure on prices will be upward rather than downward, and I defy Congress to legislate against the laws of supply and demand. That is another reason I feel this price rollback provision is not good legislation.

I feel that it is not wise for Congress to move into the free economy and to put into law the price of a particular product which is sensitive to the laws of supply and demand and sensitive to all prevailing pressures. The President already has adequate authority to roll back prices of all except stripper oil. If after a thorough study and knowing the consequences the President decides to use that authority he can do so without fixing the prices in statute.

So I feel the price effect will be negative on the consumer in the long run. Certainly it will have an adverse impact on developing alternate sources of fuel, such as shale. That is a highly costly and risky project right now. Anything that is done to place in jeopardy the return on that investment will not help to attract the kind of capital we want.

The second reason I am against the conference report is, as the distinguished Senator from Washington knows, that the Senate has already passed a bill reported by the Committee on Government Operations, which would give statutory authority to the Federal Energy Administrator.

The bill that we are now voting on has a very sparse FEEA section, compared with the well researched bill, S. 2776, which has passed the Senate and is awaiting action by the House.

The third reason why I shall vote against the conference report is that I do not believe it is possible to set up special unemployment benefits for those who are unemployed simply because of the energy crisis, for the reason that it is often difficult to know what the reasons for the unemployment would be. I would rather have legislation involving the unemployed which would go through the Labor and Public Welfare Committee and have everybody treated on the same basis. If one is unemployed, for whatever reason, he is unemployed. If we are going to have one set of benefits for those who are unemployed as a result of the energy crisis, and another set of benefits for those who are unemployed for another reason, we are going to have a hodgepodge that would be grossly unfair for people who are unemployed for other reasons.

The fourth reason why I shall vote against the conference report is that I believe it violates the clean air requirements in the provisions on auto emission standards and on the conversion of powerplant to coal.

I am certainly not ready to say the nature of the energy emergency is such that we should proceed in a wholesale sweeping aside of legislation that it has taken years to enact into law.

The fifth reason——

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. PERCY. I shall be very happy to yield, on the Senator's time. Our time is very limited on this side.

Mr. MUSKIE. I think I can take about 30 seconds to make a statement, which I will expand upon later.

Mr. JACKSON. Mr. President, I yield the Senator from Maine such time as he may require.

Mr. MUSKIE. I will expand on this later, but as I understood the Senator's statement, he describes the environmental provisions in this conference report as sweeping aside the safeguards that we have developed over 10 years. I will challenge that characterization. I shall get into it later when I have my own time. I do not think that is a fair characterization of what is in the bill.

I have seen such sweeping descriptions of the bill in the press, and I intend to answer them later. I simply rise at this time to establish a convenient point of reference for what I shall say.

Mr. PERCY. I would like to have any clarification by the Senator from Maine. It is my understanding that there is a delay in the automobile emission standards in the bill before us today, and provision for conversion to the use of coal, and that certain clean air requirements could be suspended for an additional 5-year period; but I would be happy to hear the Senator document or clarify that.

Mr. MUSKIE. The characterization I objected to is not the one the Senator has stated, but the language "sweeping away environmental safeguards." I will say to the Senator I shall never be a party to any such result. I have clearly been a party to these provisions of the legislation. I intend to describe them as objectively as I can. I simply object to that description, and I will speak on it later.

Mr. PERCY. The Senator from Illinois has said there is a sweeping aside, in his judgment, of the time frame in which those regulations were established.

Mr. MUSKIE. I say there is no sweeping aside.

Mr. PERCY. And I said I am not prepared to say at this stage that the emergency is such that we should sweep them aside when the Senator has been fighting for years for the kinds of standards we should have. If there is to be a setting aside of those standards, the appropriate committee, the Public Works Committee, should report back, after appropriate study and hearings, that the standards should be set aside.

Mr. MUSKIE. Mr. President, I would like to yield myself 1 more minute. I doubt that there is anything in the record to suggest that the Senator from Maine is inclined to be reckless about tampering with the environmental laws which the Senator from Maine has been so closely associated with for the past 10 years, and I doubt if there is anything in the record of deliberations on those provisions in the conference report to justify that kind of characterization.

Whether or not a particular change can fully be described as sweeping away environmental safeguards is something that Senators can judge for themselves when they read the RECORD. I object, and object strongly, to any such characterization, and I shall not undertake to trespass further on the Senator's time on this point. I will later, on my own time, make that point. I think I am perfectly able to do that, but I object to that kind of sweeping characterization.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUSKIE. Mr. President, I yield myself 1 minute. I will say to the Senator that such a characterization is a disservice to the environmental objectives and safeguards to which he and I subscribe. It is the kind of exaggerated language which I find sometimes in the press and from others who have not read carefully what we have done in this conference report, and a disservice to the energy crisis legislation. However, I will cover it later.

Mr. PERCY. It is the privilege of the Senator from Maine to clarify what he believes this bill accomplishes, of course, but it was the recollection of the Senator from Illinois that the Senator from Maine stated that it was necessary to make compromises in connection with the efforts made in the interest of speedy enactment of the energy legislation. I understood that the bill has been delayed, the Senator expressed doubts as to whether those compromises should have been made. But I will remain on the floor to hear the Senator clarify his position, because the Senator from Illinois does not wish to misstate the position of the Senator from Maine.

Mr. MUSKIE. Mr. President, I reluctantly take another minute. So long as the Senator continues to refer to what he understands my position to be, I am under pressure to respond at the moment.

The reservations during, I think, the week before the Lincoln Day recess, had to do with the credibility of the administration's commitments to the need for urgent legislation to deal with the energy crisis. My own understanding of what we have done with respect to the environmental problems is no different than it was when the conference report was reported to the Senate. I made the point I made the week before last because it seemed to the administration was fudging on the need for urgent action. What we have endeavored to do with respect to the environmental problems has been carefully structured on long established safeguards and environmental laws.

I repeat again, I object, and object vigorously, to the characterization of those efforts as a sweeping away of the environmental safeguards, with which I think I have had as much to do in erecting as anyone in the Senate.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Illinois has 7 minutes left.

Mr. PERCY. In light of the comments of the Senator from Maine, it does appear that my initial statement was too broad and sweeping, and I withdraw it.

To clarify the record, I should like to read from the Congressional Record exactly what the Senator from Maine said in his statement of February 7. He said, as appears at page 2695 of the Congressional Record for February 7, 1974:

> Now, there are changes in environmental policy in this bill that merit long and deliberate consideration; matters that were not even considered on the floor of the Senate but were included in the House version of the bill. I was willing to consider these matters, because Mr. Simon told us he needed this authority and asked, would I not please resolve my doubts—in the interest of urgency.

I would hope that whatever the Senator from Illinois has said would be consistent with his interpretation of this particular statement by the Senator from Maine.

The fifth reason why I have been concerned about this legislation is that it places the ball for rationing right in the President's court and puts us in the position of a $1 billion decision on whether we ration or not. In doing this, the Congress really abdicates its responsibility on the crux of a question that is vital to most Americans today who are motorists. We simply walk away from that responsibility and delegate it to the President.

Finally, Mr. President, I feel that whenever we get into the questions of taxes we should leave that matter to the Committee on Finance and the House Committee on Ways and Means who are now holding hearings.

I do not feel that we have resolved this matter satisfactorily. I would prefer to leave it to the Finance Committee.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PERCY. Mr. President, would the Senator in charge of the bill on the minority side be willing to yield me an additional 5 minutes?

Mr. FANNIN. Mr. President, I yield to the Senator.

Mr. PERCY. Mr. President, the latest Harris survey confirms the lack of confidence American people have in the energy crisis. Only 10 percent of those responding to the survey approve of Congress' handling of the energy shortages, while fully 82 percent disapprove of our actions in the face of this crisis.

Another nationally recognized survey, by the National Opinion Research Center at the University of Chicago, hardly offers more solace. Over 38 percent of the people interviewed during the week of February 7 placed primary responsibility for the current energy shortage on the Federal Government and 48 percent of the respondents rated the Federal response to this crisis as poor.

The low esteem demonstrated by these surveys is richly deserved by the Congress, when one considers the way we have handled S. 2589, the Energy Emergency Act. Three full months have now passed since this urgently needed legislation was rushed through the Senate, to give the President those sweeping powers we were told he needed to cope with the impending energy emergency.

I realize that many here in the Congress, in the executive branch, and in the State governments all across the Nation have worked diligently to come to grips with our serious shortage of petroleum products. But it is becoming increasingly apparent that the American people perceive the Congress and the executive branch as being totally inadequate to deal effectively with the problem. Now, why is this so?

During the past 3 months, S. 2589 has twice been rushed through midnight conferences with the House, only to see the Congress go into recess, in order to contemplate the bill I suppose, before voting on it.

Now, with most of winter behind us, we are once again asked to vote on the emergency bill, while public skepticism grows daily as to the real nature of the energy emergency. Whether or not there is a true emergency, we must not act in haste. Let us not make the same mistake that we made on year-round daylight savings time. If we had gotten more facts before acting on that proposal, we would have discovered that March 1 would probably have been a better date to begin daylight savings time than January 6.

Meanwhile, the administration, which originally asked for the emergency authorities in S. 2589 on an urgent basis, now appears to be itself divided as to the extent and duration of the present fuel crisis. OMB Director Ash calls the situation "manageable, one time, and short term" while energy chief Simon warns of shortages for years to come.

The administration's previous ambivalence about the need for this bill, now clarified by its outright opposition and threatened veto, is matched by that of the bill's prime sponsors in this body. If the emergency authorities were so important in November that the bill needed to be passed after only 2 days of Senate hearings, 2 days of markup, and 3 days of debate, then why was the conference bill allowed to be saddled with so many extraneous House amendments? And faced with such tremendous opposition to the unworkable windfall profits provision in the first conference report, why was it necessary to include an equally controversial price rollback provision in the second conference report, the effect of which will certainly be to reduce available supplies needed to meet current and future demand and bring prices down?

All of these extraneous provisions, drafted hastily in conference without the benefit of full hearings, only have the effect of delaying the bill further, and thus further diminishing public confidence in the ability of Congress to act. Congress has rarely looked so foolish in the eyes of the public than it has on this bill. Congress has appeared unable or unwilling to complete the relatively simple task of providing basic energy conservation authorities to the executive branch without burdening the legislation with irrelevant and ill-conceived provisions that many consider the jurisdiction of the committee primarily responsible for this bill. These irrelevant provisions should be dropped from the bill. We should quickly enact only those emergency authorities that are truly needed, and safeguard them with adequate congressional oversight.

Let us look again at these superfluous provisions which I pointed out in my statement on the Senate floor on January 29, when I voted to recommit this bill the first time.

First is section 103, which establishes in only the most skeletal form a statutory Federal Energy Emergency Administration. The agency is given no clearly defined functions or staff. No new authorities are transferred to it. This section of the bill seems far more intent on insuring that the agency's budget and legislative proposals bypass the Office of Management and Budget, than in providing it with any kind of meaningful authority to manage an energy emergency.

As the sponsors of S. 2589 know very well, the Senate has already passed a much more carefully designed bill to give statutory status to the Federal Energy Emergency Administration. That bill, which passed the Senate before Christmas by an overwhelming majority, is S. 2776. It was reported by the Government Operations Committee, the committee of jurisdiction over executive reorganization. The House companion bill was poised for passage by the House, only to be delayed because of the reemergence of S. 2589 from conference. The House is ready to pass a good FEEA bill this very week, so there is no need whatever for section 103 in S. 2589.

I urge that we strike section 103 from this conference report, and let the FEEA bill pass the House and be enacted into law.

Another extraneous provision is section 116, which grants unemployment assistance to those unemployed due to energy shortages, without regard for their eligibility under the well-established State unemployment compensation programs. This section is inequitable because it discriminates against those who cannot prove they lost their jobs as as a result of the energy crisis. It is unwise, because it disregards the carefully established criteria for unemployment insurance eligibility under present programs. And it is illogical, because it does nothing to help the unemployed get what they need most—a new job.

Some of my colleagues and I have proposed as an alternative an immediate increase in the appropriation for the public employment program. This program would provide jobs, not handouts, for the unemployed.

Section 116 should be deleted from this conference report, and the problem of unemployment assistance should be placed in the hands of the Labor and Public Welfare Committee, which has jurisdiction over unemployment compensation programs.

A third extraneous provision is section 201, which permits suspension of certain clean air requirements for up to 5 years in powerplants that convert to coal. As I said in my January 29 statement, I believe the coal conversion and auto emission provisions of the conference report go too far in turning back the environmental clock for the sake of an energy emergency whose true extent is yet to be determined.

Senator MUSKIE, chairman of the Subcommittee on Air and Water Pollution, has stated that he was asked to make compromises with the environmental provisions of S. 2589, in the interests of speedy enactment of the emergency authorities. Now that the bill has been delayed, he has expressed doubts as to whether those compromises should have been made. I believe the inclusion in the conference report of the House provisions affecting air quality standards has upset the delicate balance between the need for energy and the need to preserve and protect the environment. The balance has been tipped too heavily against the environment in this bill.

We know now that the initial predictions as to the extent of this winter's shortage of crude oil were exaggerated due in part to a relatively mild winter. Now that we have a better understanding of the nature and extent of the shortage, it would be good to review the compromises that this bill makes with the environment. Let us eliminate from the bill any long term suspensions of clean air standards, and let the committee with proper jurisdiction, the Public Works Committee, make a more careful evaluation of the need for any such derogation of environmental quality.

A fourth extraneous provision is of course section 110, which establishes ceiling prices on domestic crude oil, residual oil and refined petroleum products. This section was drafted in conference as a substitute for an almost totally unrelated House provision on pricing to prevent so-called windfall profits.

The old section 110 would have been unworkable in practice and would have had no effect on the profits of oil companies this year. It was politically attractive for some because it was incorrectly described in the media as a "windfall profits tax" on the major oil companies. In reality, it was not a tax on any profits, "windfall" or otherwise.

The new section 110 is undesirable for both economic and energy policy reasons, because it will reduce the incentive for domestic exploration by independent oil producers. Like the old section 110, it will have almost no effect on the profits of major oil companies this year. However, this new section is considered politically attractive by some who mistakenly believe that it will significantly reduce consumer prices of gasoline and heating oil.

If the political intent of section 110 is somehow to punish the major oil companies, it is both improper and faulty. Under this provision neither the price of foreign oil, which is totally out of control, nor the price of "old" domestic oil, which is already under Federal controls, would be affected in the slightest. The only effect would be to roll back the uncontrolled price of "new" domestic oil, about 90 percent of which is produced by small and independent oil producers, not the major oil companies.

In Illinois for instance, where 90 percent of all oil production is carried on by independents, the effect of a price rollback would be immediate and severe, some say even disastrous. The new higher prices have made high-risk drilling and exploration profitable again and it is expected that increased supply can be brought to market. But a rollback of $3 or $4 a barrel would reduce or totally remove the incentive for this exploration. It would decrease total oil production in Illinois by 15 or 20 percent immediately and perhaps by as much as 50 percent in the long run according to geologists and economists advising the Independent Oil Producers Association of Illinois, Indiana, and Kentucky.

The result of any action we take must be to increase the incentive for exploration and production, not decrease it. For example, we should be looking for ways to encourage development of offshore oil resources, if the environmental safeguards can be met, rather than discouraging the risky exploration ventures that have just recently begun.

If the political purpose of section 110 is to reduce dramatically the price to the consumer of gasoline and heating oil, it fails on that count too. Secretary of the Treasury George Shultz indicated in testimony before the House Ways and Means Committee that a rollback of about $3 or $4 per barrel of new oil would reduce the retail gasoline price by less than 2 cents a gallon.

Finally, some have said that one of the purposes of this section is to politically embarrass the administration. If this is so, it is likely to backfire on the sponsors of the bill. The administration already has authority under the Economic Stabilization Act to roll back prices of all except stripper oil, and the Federal Energy Office is already giving careful and detailed consideration to rollbacks in the price of new oil and propane, but I trust will only so after it determines the full effect of this action.

I believe that it would be dangerous for the Congress to legislate, and thus build into law, specific prices on specific products that are subject to the volatility of the marketplace. When we, by such action, attempt to repeal the law of supply and demand we are taking unto ourselves a responsibility that requires more wisdom, flexibility, and swiftness of movement than we have heretofore demonstrated.

If we, in the Congress, are to effect any meaningful reform of the oil pricing system, we should be looking at the special tax structure that has been built up for the major oil companies, rather than playing games with price ceilings. For example, are the oil companies really paying an income tax to the Arab countries or is it actually a larger royalty or an excise tax? If it is really an excise tax, both the tax and any royalties should logically be treated as expenses and deducted from total revenues, rather than being credited against U.S. tax liability. Other areas which certainly need further examination and correction are the depletion allowances on foreign drilling and the practice of transferring income between countries in order to avoid U.S. taxes. These are only a few examples of areas which need to be looked into more carefully. Both the Senate Finance Committee and the House Ways and Means Committee have been considering these and other ideas in their recent hearings on oil company taxes. The expertise these committees possess should not be bypassed or disregarded.

We should end the political gimmickry which has plagued this energy emergency bill from the start. Let us eliminate section 110 from the conference report and let those committees with jurisdiction over revenue matters report a bill that will deal responsibly with the problem of excessive oil company profits—through the tax mechanism.

There is one other section of this conference report which troubles me greatly. This is section 104, which explicitly reserves to the President the sole power to institute nationwide mandatory coupon gasoline rationing.

In this respect, the bill is totally inconsistent: It flaunts congressional veto power over some relatively minor energy conservation proposals, while handing over to the President carte blanche to make the dynamite political decision of the year—gas rationing—without so much as a "by your leave" from the Congress. This is irresponsible gamesmanship in my judgment.

I am personally opposed to gasoline

rationing. We should avoid it at all costs and exhaust every alternative first. It will cost a billion dollars a year and will be unequitable and unfair—a bureaucratic nightmare. But if all else fails and it does become necessary, we in the Congress should participate in making that decision and fully share in the responsibility.

In November, the Senate voted 40 to 48 against imposing mandatory gasoline rationing by January 15. The issue has not since been brought to a vote. Yet this conference report would let the President decide if and when to impose mandatory rationing. It would tell the President to make that tough decision for us, thus enabling us to avoid the political risks.

The Congress should face up to the rationing question. Section 104 should be stricken from the bill, and any proposal for gasoline rationing should be submitted to the Congress for approval or disapproval under section 105, just like any other energy conservation plan.

Mr. President, I regret to say that the Energy Emergency Act is a sorry product of the congressional process. It was hastily molded before Thanksgiving, hastily remolded before Christmas, hastily re-remolded before Lincoln's birthday—and between holidays it has just moldered.

S. 2589 is the kind of energy legislation that has helped earn Congress the disapproval of 82 percent of the American public. I am against S. 2589 for the reasons which I have stated here today.

I will vote to recommit the bill to conference, where it should be stripped to its essential conservation authority. I predict that a simple, straightforward bill containing only the necessary energy emergency authorities for the President, tempered by adequate congressional oversight, and unencumbered by irrelevant extra baggage, would pass both Houses of Congress expeditiously.

If the bill is not recommitted to conference, I shall vote against adoption of the conference report.

THE CLEAN AIR PROVISIONS

Mr. **BAKER**. Mr. President, the clean air provisions incorporated in this conference report are substantially similar to those originally reported to the Senate last December. The mechanism then, as now, reflected a careful concern for meeting the energy crisis and for protecting the effectiveness of our environmental programs. The conferees have incorporated a few modifications in the language of the clean air provisions to correct some minor technical problems and to tighten the coal conversion and stationary source plan revision procedures.

The mechanism for coal conversion incorporated in the report remains a two-phased program. The first phase provides a temporary variance until November 1, 1974, to permit conversions from oil or gas to coal in the face of the immediate crisis. The second phase provides for a modification of air quality implementation plans so that conversions to coal may continue for a longer time.

Senator MUSKIE has outlined the modifications made with regard to the stationary source provision in his statement, and I will not prolong the debate by restating the details of these changes. I would like to discuss, however, some basic policies which founded the strategy adopted by the conferees last December, which are clarified in modifications made during conference meetings earlier this week.

There are some lessons to be learned from our present predicament—primary among these as regards the clean air program is that fuel-switching strategies which make us dependent upon foreign oil sources are neither environmentally safe nor politically prudent.

During the past several years, several air quality regions have depended heavily upon foreign low-sulfur oil to avoid serious air quality problems. It is ironic and tragic that these communities which had most rapidly moved to meet air standards in response to urgent health problems are now confronted by the ineffectiveness of their strategy.

The strategy modification which is dictated by title II of S. 2589 will not avert totally the environmental problem which the failure of existing strategies is causing—but I am convinced that by developing a mechanism that directs us toward increased utilization of domestic coal reserves, the provision will lead the Nation toward a clean air strategy which will be more dependable than previous strategies and one which will start us toward our goal of energy self-sufficiency.

Under the clean air provision in the conference report now before the Senate, stationary sources which elect, because of the unavailability of sufficient supplies of complying fuels, to continue burning coal beyond November 1, 1974, may be granted a revision of State implementation plans to permit them to do so.

The revised program of controls would provide that the source should burn low-sulfur coal as a substitute for unavailable low-sulfur oil or gas as soon as such coal is available. In the event that low sulfur coal is not available, the source must choose an alternative strategy to achieve emission reductions consistent with standards applicable at the date of conversion as soon as practicable, but in no event later than 1979. Alternative strategies based upon the use of high-sulfur coals could consist of stack gas scrubbing systems, coal gasification or liquefaction systems, or any of a number of other developing strategies which might come on line by 1979.

No matter which strategy a source chooses to meet the applicable emission limitation, there are two safeguards which apply to prevent the source from substantially contributing to a health hazard until that strategy becomes effective. First, the Administrator of the Environmental Protection Agency may prevent coal conversions or may place conditions upon converting sources in order to protect health. These conditions could include the specification of the maximum sulfur content of coal which might be burned by the converting plant. Secondly, the Administrator may require interim strategies to reduce the impact of emissions. The interim strategies could include maintenance of emergency reserves of complying fuels and utilization of intermittent control strategies.

But the hallmark of the new strategy is that it places emphasis upon the utilization of low-sulfur coal. The United States possesses almost half of the world's known reserves of coal. We possess in excess of 200 billion tons of low-sulfur bituminous coal. But we have not made a commitment to the development of these reserves; and we have not, insofar as we have made that commitment, placed proper emphasis upon development of low-sulfur reserves.

Eventually, an effective technology may be found to remove sulfur emissions after the burning of high-sulfur coals. Presently, however, available technologies are tremendously expensive and are frought with environmental ramifications which could become equally as serious as those they control. In view of this situation, it is amazing and indefensible that low-sulfur coals do not enjoy a competitive advantage over higher sulfur coals. If coal is to play a significant role in meeting our immediate energy needs, this situation must be corrected.

A matter of direct consequence to the strategy outlined in the clean air provision is the Surface Mine Reclamation Act which the Senate passed last fall and which is presently awaiting action in the House of Representatives. I am aware of a sentiment which is being cultivated in some areas that stiff reclamation controls are inconsistent with plans for expanded coal use. Such an attitude can only be characterized as callous and cynical. It is only logical that if we are to have expanded coal production, we must have strong and effective safeguards to prevent the further proliferation of the devastation which has been permitted to occur in Appalachia and other coal-bearing regions.

Our heritage is replete with bromides to the effect that preparedness and prevention are virtues, procrastination and shortsightedness vices. But aphorisms are not a substitute for a determination to follow wise policies.

I hope that the Congress is beginning to develop a little farsightedness in view of the environmental and energy crisis which are becoming a chronic condition in our society. We are making a commitment to increased utilization of coal by the programs incorporated in this conference report. It is clear and incontrovertible that if we do not make provision to produce that coal in an environmentally sound manner, in a short time we will be confronted by yet another environmental crisis. And there is no environmental problem more devastating and frustrating and difficult to repair than the land pollution associated with improperly reclaimed strip mining. Anyone who does not fully appreciate what I mean need only survey the Cumberland Mountains of eastern Tennessee and Kentucky to be made painfully aware of the fact.

On a separate issue, I am pleased that section 118 of the conference report, providing for administrative and judicial procedures for review of actions taken under the Energy Emergency Act, has remained intact. I sponsored an amendment in the initial conference on this bill to increase procedural safeguards in connection with the many precedent setting decisions which will be made under the authorities of this act. Under this measure, these actions will be subject to full public disclosure with ample opportunity for presentation of views by the public. In my opinion, the provision fully comports with due process requirements and provides adequate safeguards against administrative abuse of the powers granted by the act.

While I still retain reservations with regard to some provisions of this act, the measure contains safeguards and programs which will provide badly needed relief from our energy problems. I support the measure and urge its adoption.

UNEMPLOYMENT COMPENSATION—AN IMPORTANT PART OF THE CONFERENCE REPORT

Mr. RANDOLPH. Mr. President, the conference report on S. 2589 has been before the Senate for 2 months. It has been examined in minute detail during that time both before and after its recommital to the conference committee.

This is a very complex—though carefully developed—measure intended to alleviate the impact the energy shortage our country is now enduring. This legislation was designated from the outset as an emergency bill which should be expedited. I deeply regret that it was not enacted nearly 2 weeks ago. Much has already been lost by delay and much more will be lost if we equivocate today.

My feelings on the urgency of action are well-known. I likewise discussed many other aspects of the bill during Senate debate. I have explored such topics as air pollution, coal conversion, transportation controls, gasoline rationing and other energy-saving features of the bill. Therefore, I will not review these subjects again as we approach the decisive votes on this conference report.

I will take this opportunity, however, to call attention to one feature of the legislation which can do much to alleviate personal hardship that is already being inflicted on our citizens by the energy crisis.

Almost daily there are newspaper stories of layoffs of workers from our industries. Thousands have already lost their jobs in the automobile industry and more are likely to be unemployed as stocks of unsold cars continue to mount. Throughout our economy unemployment may ultimately mount into the millions.

Section 116 of the conference report provides Federal assistance to ease the human side of the energy crisis. It authorizes Federal grants to the States to provide compensation payments to individuals who have become unemployed as a result of the energy crisis. These unemployment funds will be available to persons who might not otherwise be eligible for such payments or who may have exhausted their eligibility. The section also directs the President to report to the Congress within 60 days on the existing and prospective impact of energy shortages on employment. He must also assess the adequacy of existing compensation programs to meet the needs of the unemployed and include such legislative recommendations as he feels are necessary.

Mr. President, I sponsored the provisions of section 116 and urged their inclusion in this conference report. These provisions are similar to those that I have sponsored in other legislation which has been adopted by the Senate, including the surface mine control bill.

In addressing the problems of the energy crisis we must not become so engrossed in the physical shortages of fuel supplies that we lose sight of the individual needs of our people. This section of the conference report will enable many Americans to survive through personal trials imposed on them during this difficult time.

Mr. JACKSON. I will yield to the able and distinguished Senator from Maine (Mr. MUSKIE), who did such a yeoman's job in handling provisions of the bill, such time as he may require, starting with 15 minutes.

Mr. MUSKIE. Mr. President, I thank the distinguished manager of the bill.

Mr. JACKSON. Mr. President, first I would like to say that the bill in conference involved three committees—the Commerce Committee, in which the distinguished Presiding Officer, the Senator from Alaska (Mr. STEVENS), was an active participant, the Public Works Committee, in which Senators RANDOLPH BAKER, and MUSKIE played such an important role, as well as the members of the Committee on Interior and Insular Affairs, on both sides of the aisle.

I think the Senators should know that there is a multiplicity of coordination of respective committees involved here.

The Senator from Maine (Mr. MUSKIE) had the toughest assignment in the meetings of his subcommittee. We had two of those meetings. I have nothing but praise for the courageous, sensible way in which the Senator dealt with the economic problems on the one hand, the real problem affecting the life of every man and woman in America, and the environmental question on the other hand.

I am proud to have worked with him in the economic decisions that are being made here day after day.

Mr. PERCY. Mr. President, I ask unanimous consent that John Pearson of the Government Operations Committee, be permitted the privilege of the floor during the debate and rollcall votes on the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I express my appreciation to the distinguished manager of the bill who has given such leadership in the consideration of the pending measure.

It is not an easy challenge to meet legislatively. It runs across several committee lines of jurisdiction as well as a wide range of interests in our society which are understandably controversial and difficult.

I will confine my comments this afternoon to the environmental issues which have been raised by the bill. I think that I might be most helpful to my colleagues if I were to refer first to an article which appeared in the Washington Post of February 16, 1974, under the byline of Morton Mintz, on page A1 of that issue. It appears under the headline "Shift to Coal Seen Shortening Lives."

I will read the first three paragraphs of that article and will comment on each of them in order to put them strongly into perspective with this bill.

The first paragraph reads as follows:

> Thousands of persons with heart and respiratory diseases will die prematurely if plans go through for a massive conversion of power plants to coal, American Public Health Association scientists warn.

Mr. President, let me say flatly and I think beyond any successful possibility of contradiction that if that kind of risk were involved in any proposal to convert to coal under the provisions of this bill, it would not be permissible.

The second paragraph of the article reads as follows:

> Tens of thousands more persons with such diseases will suffer acute attacks, according to the scientists, who have made an unpublished study for the association.

Again, I repeat that if there were any risk that tens of thousands more persons with such diseases might suffer acute attacks, that would be prohibited by the provisions of the pending legislation.

The third paragraph reads as follows:

> The Nixon administration has asked Congress to give Federal Energy Office Director William E. Simon authority to order all power plants that can convert to coal to do so.

The implication of that paragraph is that the administration is requested and that this bill provides the kind of massive conversion of powerplants to coal which is described in the article. No such request has been made and this legislation does not permit any such massive conversion.

So, the story which was published at a time that may have given some persons fear that it related to this bill does not relate to the bill at all.

That was my own evaluation of the story. In order to reassure myself on this matter, I wrote on February 18, 1974, to Mr. S. David Freeman, director of the Energy Policy Project, which is the sponsor of this unpublished study as described in the Post article.

My letter among other things states:

> Recent news accounts of this study suggest that the report is directed to the matter of conversion of electric power plants from petroleum-based fuels to coal. Because the Senate will consider legislation tomorrow which would direct or permit certain limited conversions of this type, I would appreciate a copy of the referred-to study.
>
> I am particularly interested in the basic assumptions of the study; how it relates to the pending legislation; and the extent to which its findings could or should be applied to the legislation before the Senate.

Mr. President, I sent that letter to Mr. Freeman and on February 18, 1974, I received his reply which says in part:

> Members of my staff have had access to some working papers associated with the study but a completed draft has not been submitted to us. When it is the study will be reviewed by outside experts and will then be published. I therefore cannot supply you with a copy of the study because as far as I know it has not yet been completed even in a preliminary draft.

So the so-called unpublished study referred to in the Post article of February

16 does not exist in any authorized, finished, completed or evaluated form.

Does it relate to the pending legislation? Well, let me read from the last paragraph of Mr. Freeman's letter which reads:

> It was certainly not designed to answer the questions inherent in the emergency legislation before the Congress which I gather turns on judgments as to how long the emergency may last.

Mr. President, I ask unanimous consent that both of these letters be printed in the Record at this point in my remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Committee on Public Works,
Washington, D.C., February 18, 1974.
Mr. S. David Freeman,
Director, Energy Policy Project,
Washington, D.C.

Dear Mr. Freeman: I understand that the Ford Foundation has funded, through your Energy Policy Project, a study by the American Public Health Association regarding health effects of energy by-products.

Recent news accounts of this study suggest that the report is directed to the matter of conversion of electric power plants from petroleum-based fuels to coal. Because the Senate will consider legislation tomorrow which would direct or permit certain limited conversions of this type, I would appreciate a copy of the referred-to study.

I am particularly interested in the basic assumptions of the study; how it relates to the pending legislation; and the extent to which its findings could or should be applied to the legislation before the Senate.

Thank you for your cooperation.

Sincerely,

Edmund S. Muskie,
U.S. Senator, Chairman, Subcommittee on Environmental Pollution.

The Energy Policy Project,
Washington, D.C., February 18, 1974.
Senator Edmund S. Muskie,
Chairman, Subcommittee on Environmental Pollution, Senate Public Works Committee, New Senate Office Building, Washington, D.C.

Dear Senate Muskie: This is in response to your letter received this morning for a copy of a study of "Health Effects of the Various Forms of Energy" undertaken as part of the research for this Project by a Task Force of health experts assembled by the American Public Health Association. I am responding to your letter since the APHA officials are not available because of the holiday.

Members of my staff have had access to some working papers associated with the study but a completed draft has not been submitted to us. When it is the study will be reviewed by outside experts and will then be published. I therefore cannot supply you with a copy of the study because as far as I know it has not yet been completed even in a preliminary draft.

The grant to the APHA was made in December of 1972 to undertake a comparative evaluation of the health effects of alternative sources of energy on the basis of available information. Our purpose was to provide such an evaluation as part of our Project's analysis of national energy policy options in order to give relevant weight to the important objective to protecting human health. The study was designed as part of the Energy Policy Project's objective of providing public information in the energy field. It, of course, had no relationship to any legislation and in fact was designed and well underway before the present emergency situation began in October of 1973. It was certainly not designed to answer the questions inherent in the emergency legislation before the Congress which I gather turns on judgments as to how long the emergency may last.

Sincerely,

S. David Freeman, *Director*.

Mr. MUSKIE. Mr. President, I would like to address myself now to what the Energy Emergency Act does with respect to the environmental issues which it raises.

As result of discussions with the House conferees, it became apparent that it would be useful to clarify two provisions of the legislation relative to coal conversion and clean air. This attempt at clarification is, in part, a response to Senator Nelson's questions as to the length of time available to a converted powerplant to achieve compliance with applicable emission limitations.

I pointed out during debate that the maximum extension of time—the maximum—under the conference bill would be 18 months beyond current Clean Air Act deadlines—January 1, 1979 rather than July 1, 1977. The new conference report clarifies this question in two respects: First, it recognizes that coal converters which choose to comply with the Clean Air Act emission limits by use of low sulfur coal are required to achieve compliance with applicable limitations as soon as an adequate supply of coal of the proper sulfur content can be delivered. And may I say that the amount of low-sulfur coal in this country appears to be virtually unlimited. In other words, a utility choosing to use low-sulfur coal in a converted plant subject to the provisions of this section could not determine to wait until January 1, 1979, before that plant actually begins to burn low-sulfur coal. The Administrator would be required to cause that plant to begin to utilize complying coal as soon as a supply could be made available.

Priority consideration to use of low sulfur coal will reduce the likelihood of extended violation of applicable emission standards.

As to sources for which continuous emission reduction systems or scrubbers, as they are called, are required, the revised language requires that the facility achieve required levels "not later than January 1, 1979" but "by a date established by the Administrator." In addition use of the provision requires a showing that conforming coal is not available.

This change makes it clear that the Administrator has broad administrative flexibility to review a plan for compliance for each source subject to the provisions of this section. After a showing of unavailability of conforming coal—that is coal that would meet environmental standards—the Administrator must determine the availability of stack gas control technology to that source and establish a date by which that source must achieve compliance with the applicable emission limitations. The date for compliance could be any time between enactment and January 1, 1979, depending only on the time required to install necessary continuous emission reduction systems, but in no event could compliance be later than January 1, 1979.

This authority, combined with the authority to set priorities for the distribution of available continuous emission reduction systems and the Administrator's authority to fund advanced developments of stack gas control technology, combined with the Administrator's general responsibility to review the health impact of air pollutants and minimize disruption to the public health and welfare, should allay many of the fears of environmentalists in and out of the Senate concerned by the provison as initially drafted.

Finally, this provision has been clarified technically to assure that the emission limitation to be achieved is, in fact, that emission limitation which the particular source in question would have been required to achieve had the implementation plan in effect or coming into effect not been delayed by this provision.

So the delay that is contemplated is a maximum of 18 months, and it could be substantially less.

The second clarification of the conference report relates to those facilities which take advantage of the extension of deadline as result of a voluntary conversion in an attempt to comply with the national effort to conserve petroleum fuels.

There were three questions related to voluntary conversion which the conferees wanted to clarify:

First, what constituted the beginning of voluntary conversion;

Second, whether voluntary conversions would be evaluated on a plant-by-plant basis; and

Third, whether a voluntary conversion would be automatically eligible for extension of deadline on whether such conversion was subject to the same case-by-case environmental balancing judgment as a mandated conversion.

On the first point, the conferees have attempted to establish that eligibility for extension of deadline as result of voluntary conversion must be the result of a considerably greater effort than a single solicitation of bids for coal. Not only must the effort have been directed toward conversion of individual plants, but other steps such as applying for an air pollution variance, obtaining a contract for coal, or making a substantial investment for conversion of the particular source must have been made for such source.

The Administrator would not be able to approve an extension of deadline for utility generally, but only for specific plants owned by that utility would qualify—the second point.

On the third point, the Federal Energy Administrator would be expected, in consultation and cooperation with the Environmental Protection Agency Administrator, to make a careful, case-by-case, balancing analysis of the eligibility of individual powerplants for an extension as a result of voluntary conversion. And the Federal Energy Administrator could not, according to my interpretation of section 106, require conversion unless the purposes of the act so necessitated. This would mean that conversion under section 106 can only be required as a result of fuel shortages.

The Administrator of the Environmental Protection Agency is expected to prohibit conversion under this section where there is a potential for endangerment to health. In these ways public health protection would be maximized while permitting use of coal, where appropriate, in lieu of petroleum fuels.

Additionally, the Environmental Protection Agency Administrator retains the authority for sources which convert either on a voluntary or mandatory basis to require the use of coal of certain grades, types and pollution characteristics. The Environmental Protection Agency Administrator should use this mechanism to limit high sulfur coal in highly polluted areas. Where necessary to assure distribution of such low sulfur coal, the Environmental Protection Agency Administrator must use his authority to require the issuance of exchange orders.

Mr. President, both the House and the Senate conferees were anxious to clarify these questions to remove any doubt as to the purpose of this provision—to assure that the public health would be minimally disrupted by the requirements of this act and to assure our colleagues of a continued commitment to environmental enhancement.

Mr. President, I shall be glad to cover further the points I have raised, if appropriate questions are raised.

I should like to concentrate now on the issues raised by the Post story, and by the concerns that that story may have generated in some of my colleagues.

Ever since we wrote the Clean Air Act of 1970, our preoccupation with the problem has been that our standard of performance must be that standard dictated by public health requirements. That is the foundation of the Clean Air Act of 1970. Notwithstanding the questions that have been raised about the pending legislation, in my judgment that standard is still held high by this legislation.

Let me make four or five points with respect to the pending legislation, to clarify that question.

First of all, no conversion is permitted by this bill, by its express terms, which presents "imminent and substantial endangerment" to health.

Second, no conversion is permitted by the pending bill which "materially contributes to a significant health risk" deals with risks to health which are less severe than these specified by the Agency's "endangerment" regulation. What is intended is that "some violation of the national primary ambient air quality standards can be permitted so long as any of the public would not be exposed to significant health risks."

I submit, Mr. President, that that standard does not permit the kind of risk which is described in the first paragraph of the Washington Post story of last week.

The third point I make is that the owner of a conversion facility must first show that low sulfur coal which conforms to preconversion limits is not available before nonconforming coal can be burned.

The fourth point: The Administrator of the Environmental Protection Agency can require use of coal of particular pollution characteristics to reduce environmental risk.

Incidentally, I understand that 1 percent sulfur coal is in virtually unlimited supply in this country.

The fifth point I would make is that the Administrator of EPA can require redistribution of available low-sulfur coal to minimize environmental risk.

Finally, Mr. President, the Clean Air Act of 1970 as it is now written does not prohibit the use of coal. The Clean Air Act of 1970 as it is now written does not prohibit the use of scrubbers to clean up the emissions from the use of coal.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUSKIE. Could I have 1 more minute? The Clean Air Act of 1970 establishes emission limits which are honored and protected by the pending legislation. The only slippage involved is a possible maximum of 18 months delay because of the time requirement to install the necessary hardware. I do not consider this a sweeping away of the safeguards of the Clean Air Act of 1970.

Mr. JACKSON. Mr. President, I again want to commend the distinguished Senator from Maine (Mr. MUSKIE) for his leadership in handling this most difficult part of the Emergency Energy Act. The cooperation of the distinguished Senator from Tennessee (Mr. BAKER) and the Senator from Maine, with the chairman of the full committee to whom I am about to yield, Senator RANDOLPH, has been one of the highlights of our working together.

The author of the energy study we are involved in, approved back in July of 1971, is the able and distinguished Senator from West Virginia (Mr. RANDOLPH). I now yield to him and extend to him my deep appreciation for his outstanding leadership in the conference. It was a difficult one, especially after going through two rounds.

I yield to the Senator such time as he may require.

Mr. RANDOLPH. Mr. President, I rise to question the able chairman of the Senate Interior Committee as to section 110 of the conference report as it relates to prices for oil from stripper wells. Under this provision, the President is authorized to establish ceiling prices for crude oil and refined petroleum products in order to prevent inequitable prices for these commodities. While in principle I support this temporary authority for the prevention of windfall profits through the establishment of ceiling prices, I am concerned for the possibility that a single uniform price may be established nationally for all domestic sources of crude oil.

I recognize that the conference report does provide the necessary flexibility to insure that this does not happen through the establishment of ceiling prices on the basis of individual production areas or fields.

Using this authority the President can establish maximum permissible prices for domestic crude oil which are actually variable in character. Within this framework, it is my understanding that the flexibility also exists to differentiate between oil from stripper wells and secondary and tertiary recovery and oil from other sources.

I read from the conference report:

> Categories which the conferees envision could be granted a ceiling price above the average ceiling price of $5.25, would be crude oil produced from stripper wells, oil produced by secondary tertiary recovery, and other sources of crude which require higher prices to permit recovery of costs and to provide additional incentives to maintain production and stimulate new development.

There is general recognition that the 13 percent of the U.S. production which comes from stripper wells, which produce less than 10 barrels per day, is more costly to produce than oil from other sources. This was recognized by the Congress when the Emergency Petroleum Allocation Act was enacted on November 27, 1973. That Act exempted stripper well production from price controls. Reading from the conference report on S. 1570:

> Section 4 (e) (2) states that the regulation promulgated . . . shall not apply to the first sale of crude oil produced in the United States from any lease whose average daily production of crude oil for the preceeding calendar year does not exceed ten barrels per well. To qualify for the exemption . . ., a lease must be operating at the maximum feasible rate of production and in accord with recognized conservation practices.

Now, Mr. President, the Senate in approving the conference report may repeal this earlier distinction between stripper well production and other sources of oil. Three months after providing recognition of the cost of stripper production through an incentive in the Emergency Petroleum Allocation Act, the Congress now intends to remove that incentive.

Stripper wells in the United States are operated by approximately 4,000 independent oil and gas producers and explorers. These small businessmen—the independent producers—are responsible for some 75 to 80 percent of the exploratory drilling in the United States to find new reserves of oil and natural gas.

In recognition of the increased cost of stripper well operations and secondary recovery, I would hope that the Congress would encourage the President to establish the ceiling price for oil from these sources at the maximum provided for in the conference report to accompany S. 2589. It would seem to me, and I am sure other Members of the Senate, that this distinction would be consistent with section 110.

Mr. President, I ask Senator JACKSON, the manager of this conference report, to comment on the validity of the distinction I have set forth for stripper well production and secondary recovery sources when maximum ceiling prices are established by the President pursuant to section 110 of the conference agreement.

Mr. JACKSON. Mr. President, I would be happy to comment on this question. On page 63 of the conference report, the conferees addressed themselves to the special cost problem of stripper wells. The Senator from West Virgina has read from page 63 of the report. I concur in his interpretation and the language of the report on stripper wells.

I would therefore reassure my distinguished colleague that the conferees fully expect that the petroleum price scheme established pursuant to this section will reflect the differential cost structures of different producers. It was clearly the intent of the conference that the price of stripper well oil be set sufficiently high to cover their higher production costs and to provide a reasonable profit. The conference report would do that.

Finally, Mr. President, may I merely add that when we discussed the stripper well issue in connection with the Alaska pipeline bill, I worked out a compromise amendment which was adopted. This amendment provided for the exemption from price controls of crude oil coming from stripper wells producing 10 barrels a day or less.

I agree with the basic philosophy here. Obviously there is a world of difference in what the price should be for a well that produces only 10 barrels a day and a well that produces 100 or 1,000 or 10,000 barrels a day. It is a question of cost. The distinguished Senator from West Virginia has addressed himself properly to that issue. That is why we have the certification requirement in here to make it possible for the administrator of the energy program to make necessary adjustments related to the cost. So there will be at least two tiers, and maybe more than two tiers of prices, in connection with the equity of taking care of those operators who have higher costs. Costs will vary, obviously, by the number of barrels being produced daily by a given well.

Mr. FULBRIGHT. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. FULBRIGHT. I find this colloquy very interesting because my State has a large number of stripper wells and many of them, I may say, produce below 10 barrels. We have a lot of them closed down which are capable of producing 2, 3, or 4 barrels and which the operators already anticipate they might reopen at this $10 price.

I have had them come to see me and write to me. They want to know about the price. It is marginal as to whether they can afford to reopen them, clean them out, and get new pipes and new pumps. These wells have been closed down.

As I understand it, the $7.09 maximum has been testified to as being adequate. Frankly, I am not sure that it is. Some of the very small ones say it is not. It would be my purpose, if this conference report is enacted and they still say they cannot afford to produce at that price, to follow up on it. As the Senator from Washington has said, a third-tier price may be necessary for the very small ones, simply in the public interest. We need the oil. It is not a matter of trying to subsidize or enrich the owners. There are so many of these small stripper wells that they do produce a sizable amount of oil, and it is in the public interest to have it produced.

I have said before that I am dubious about Congress setting prices in this or any other area, because it creates a certain rigidity that just does not work in our economic system. But, with the nature of the emergency, particularly with respect to propane prices, it is my intention to support the conference report. I reserve my right to disagree with the stripper well price provision. I plan to introduce a bill on the stripper matter separately.

Mr. JACKSON. I agree with the Senator.

I offered the exemption on the stripper well, and we were assured that the price would go up at the most a dollar, and it went from $3.90 to $10.35. I did not contemplate such a rise.

I am totally sympathetic with the stripper well problem. It is a problem that involves all elements of equity. I share the view of the distinguished junior Senator from Arkansas as well as the distinguished senior Senator from Arkansas, who has previously expressed his concern about this problem.

I believe that we have an equitable solution here, and we can review it and follow it and see what happens.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. McCLELLAN. I want to make the observation that, as my distinguished colleague has said, we do have wells in Arkansas that are capable of producing some oil. Some of them, as has been pointed out here, probably will not produce any oil even at this level. But this is a beginning, and this does insure production from a great many of them.

As my colleague has stated, if this does not reach far enough to get the other oil that is available, that is needed, we will simply have to reach down further later, to make possible the production of that oil. This oil is needed. As long as it is in the ground and as long as the opportunity is there to get it during this emergency, we should get that oil out of the ground.

Mr. JACKSON. I agree with the distinguished senior Senator from Arkansas as well as the distinguished junior Senator from Arkansas.

Mr. BARTLETT. Mr. President, will the Senator from West Virginia yield?

Mr. JACKSON. I yield to the Senator from West Virginia.

Mr. BARTLETT. Will the Senator from West Virginia yield for a question?

Mr. RANDOLPH. I should like to respond further, and then I shall be delighted to yield.

Mr. President, I think that the Senators from Arkansas are realistic about this matter. They are concerned, as many of us in this Chamber are concerned, with production from the so-called stripper wells as well as secondary and tertiary recovery. I repeat what I said in my earlier statement: There are 4,000 persons in this category—frankly, not all are companies.

Mr. FULBRIGHT. Just individuals.

Mr. RANDOLPH. No. These individuals are small business people. And they account for approximately 75 to 80 percent of the exploratory drilling in this country to find new reserves for oil and natural gas. Incentives are needed if these individuals are going to continue their exploration and development activities.

My esteemed colleague from West Virginia, Senator BYRD, and I, recognize the need for such incentives for stripper well production as well as secondary and tertiary recovery.

Under the conference report, in the State of West Virginia, when we talk about the maximum for stripper production it would come to approximately $8 a barrel, rather than just the $7.09 that is frequently referred to. It will vary in certain areas. The base price of May 15, 1973, plus the $1.35 incentive would bring it to $5.96. With the additional 35 percent, as many who I have spoken to have indicated, this would bring the maximum price to about $8 a barrel for stripper well production in West Virginia.

I have talked with literally dozens of concerned stripper well production people. They feel that they would like to and would have to have a higher price. The Senators from Arkansas, Senator McCLELLAN and Senator FULBRIGHT, also have addressed themselves to the matter of incentives. But there has been little realism on this matter until the present time.

Mr. President, I think the Senator from Washington (Mr. JACKSON) is realistic and I think this is very important that we be realistic at this time. There is a flexibility in this provision, section 110, to deal with the special situation represented by stripper wells and secondary and tertiary recovery. In fact, this is reflected in the conference report.

Mr. JACKSON. The Senator is correct.

Mr. RANDOLPH. I ask the able manager of the bill how many provisions are in the conference report that we are attempting to cope with. One provides unemployment compensation for those persons who are dispossessed of jobs because of an energy crisis. How many provisions are there all together?

Mr. JACKSON. We have a long list.

I point out to the Senator that in addition to the pricing provision and the unemployment insurance, we provide legal protection for service station dealers. This bill prohibits the termination of franchises for both branded and unbranded dealers. This has been a serious complaint all over the country.

Then we require reporting of data that ought to be disclosed. Even now, the Government is in the position of not being able to tell us how much oil is coming into the country. And industry disagrees with the Government figures. Under this bill, we will have mandatory data disclosure.

Then there are provisions for adequate safeguards in connection with antitrust matters. Also, regular authority to mandate operating hours for gas stations—something that the whole country is up in arms about. No one knows what hours a given station is going to be open.

Then we have a long list of things, such as allocation of fuels and essential materials to fuel producers. We brought out yesterday that the major international oil companies have more than half of the available drilling equipment brought up, so the little independent cannot get it. Under this bill, there can be mandatory allocations of such essential goods. It would stop this hoarding.

Let me go on down the list. It covers some 10 additional items.

Mr. RANDOLPH. Including the conversion of oil and gas burning plants to the use of coal.

Mr. JACKSON. That is right.

Mr. RANDOLPH. Keeping in mind their environmental impact.

Mr. JACKSON. That is right.

Mr. RANDOLPH. Of the 46 generating plants on the east coast, some one-half of them can be converted with minimum environmental impact, without any health impairment. As of today, there have been 10 voluntary conversions. If this conference report is approved by the House, we will have the opportunity to look carefully into the environmental and public health impacts of these and any future conversions of other generating plants.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. JACKSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Thirteen minutes.

Mr. JACKSON. How much time remains to the other side?

The PRESIDING OFFICER. Twenty-eight minutes.

Mr. BARTLETT. Mr. President, will the Senator from Arizona yield to me?

Mr. JACKSON. May I just say to the distinguished Senator from West Virginia (Mr. Randolph) that he has summed it up very well. This is an emergency bill. It will only last for a little more than a year. It will expire on May 15 of next year. We are dealing with an emergency.

If the country comes to the conclusion that all Congress can do is to bring in a conference report and refer it back—this has been going on since early in December—I think they are going to lose faith in our governmental institutions.

I feel very, very deeply that we have made a last-ditch effort to get the best bill we can get. This is a good bill. I do not agree with everything in it. Anyone who has ever been in conference never agrees with everything in a bill. I hope the Senate makes clear its position.

The Senator from Arkansas wishes to ask a question.

Mr. FULBRIGHT. I would like a clarification on the Senator's statement that the price could go above $7.09. In reading the description in the report, it would seem that $7.09 is the upper limit, but the Senator from West Virginia is saying under certain circumstances it is possible to go above $7.09.

Mr. JACKSON. The Senator is correct. May I respond that the $7.09 is an average figure. In the case of oil it depends on the grade of oil. There is sweet crude which is low sulfur and there is sour crude which is low sulfur; so that the price can go above, depending on the quality of the oil coming out of the stripper well and the location.

Mr. FANNIN. Would the Senator agree——

Mr. JACKSON. Just a minute. The Senator from Arkansas has the floor.

Mr. FULBRIGHT. I particularly appreciate what the Senator said, that these price controls are temporary. Fundamentally, I do not approve of Congress or any other legislative body setting prices in a free economy. Usually they are inflexible and I do not approve of them. I shall vote for this bill only because it is temporary. I am sure that events we cannot foresee may alter the situation. I shall vote for this bill only because there is an emergency, particularly with respect to the price of propane.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. Brock). The Senator will state it.

Mr. JACKSON. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. JACKSON. I yield 4 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HASKELL. Mr. President, I would like to ask the distinguished manager of the bill a question. The distinguished Senator from West Virginia referred to the stripper well situation and the flexibility provided for there. It would be my understanding that on new oil, that is, a new discovery of oil, the higher price of $7.09 per barrel could be granted by administrative action. I would like to get the reaction of the Senator from Washington to this situation. Assume that the President just decides to advance the price of old oil as well as new. As I read the conference report, this would be an unintended action as a matter of law. This type of action is not intended by the conferees. Would the Senator from Washington comment?

Mr. JACKSON. The Senator is correct. Section 110 places on the President the specific burden, to justify in detail any crude oil price increases above the base. As discussed here, in the case of stripper wells a justification for such an increase could be made; this is a special situation but, that does not mean he could arbitrarily and capriciously raise it up to $7.09. He has to make detailed findings in accordance with section 110, and that is submitted to Congress.

Mr. HASKELL. I assume the Senator would concur it is probably desirable for newly discovered oil to have a different price than old oil.

Mr. JACKSON. That is correct.

Mr. HASKELL. The idea is to increase production.

Mr. JACKSON. The senior Senator from Arkansas has clarified the question.

Mr. McCLELLAN. I understood the junior Senator from Arkansas to say that it is not anticipated that the price will be increased to $7.09 for stripper wells.

Mr. JACKSON. Prices for stripper wells could be raised to $7.09 where justified; but the Senator from Colorado is asking the question as it relates to oil generally.

Mr. HASKELL. It would be clearly improper. However, an advance in new stripper oil would be quite proper.

Mr. JACKSON. The Senator is correct. The Senator from Colorado agrees with both Senators from Arkansas on this point.

Mr. HASKELL. I do. I think the Senator from Washington.

Mr. President, I ask unanimous consent that a brief statement I have prepared to be printed at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Haskell

The Interior and Insular Affairs Committee conducted three days of hearings on proposed legislation introduced by the Chairman of the Committee (Mr. Jackson) which provided for a roll back of crude oil prices.

The Chairman and his colleagues in the **conference deliberations on S. 2589,** the Energy Emergency Act, used the expertise gained in those hearings on drafting the price roll back provisions contained in the conference report.

As a member of the Interior Committee I was privileged to sit through those hearings and to gain a new insight into the current pricing situation.

In short, it is a mess. Even the so-called experts cannot agree as to what course should be followed. It is clear there is a need for action and that the Administration has not been willing to exercise the authority already given them to control crude oil prices.

Let me cite two particularly blatant examples of statements by knowledgeable witnesses who appeared before us which I believe show the need for the Congress to take action immediately if the situation is to be controlled.

Two representatives from the Federal Energy Office appeared before us. The Assistant Secretary of Treasury for Economic Policy, Mr. Fiedler, appeared, along with Mr. Gerald Parsky, Executive Assistant to the Administrator of the Federal Energy Office.

I asked Mr. Fielder: "How far would you roll back the present price that I gather today is $10.25 on new oil?" He replied:

"My concern is primarily with the price of all oil because this is a function of conservation that depends on the price consumers are paying and they are paying a price of imported and domestic, not only new, but the old as well and stripper.

"I don't have a specific number in mind, but I think that the $5.25 price that Senator Jackson mentioned earlier, rolling all oil prices back to that level, would be disastrous."

Sen. Haskell. "To what level?"

Mr. Fielder. "To the $5.25 Senator Jackson mentioned earlier."

Sen. Haskell. "Do you have any opinion at all as to where it should be rolled back to?"

Mr. Fielder. "Not any specific number."

I interpret that as an indication that Mr. Fielder—one of those responsible for determining the Administration's policy with respect to oil prices—has no opinion whatsoever as to what those oil prices should be.

Let me contrast his statement of no opinion with the statement made by Mr. Parsky:

Mr. Parsky. "We would agree that the average price of $9.50 or so is too much too fast, no question about that. We are now in the process of studying the pricing situation and trying to carefully assess the economics of secondary and tertiary recovery as well as the economics of operating stripper wells in order to come up with an accurate level that can continue to increase supply."

Later on he stated:

"The intention at this point would be, or at least all indication that we have are the $5.25 on old oil is sufficient."

I cannot stress too strongly that the Administration's designated spokesmen, in an appearance before the Interior and Insular Affairs Committee, testified that a price of $5.25 on old oil—the price contained in the Conference Report—is sufficient. Now they are lobbying actively to have the bill defeated by sending it back to the Conference Committee.

Let me set forth another example of contradictory testimony before the Committee.

Mr. C. John Miller, President of the Independent Petroleum Association of America appeared and stressed the importance of the small businessmen in the oil industry. He stated:

"Much of the public attention on oil prices, oil profits and oil taxes during recent weeks and months has centered on a handful of large international oil companies. This has obscured and overlooked the fact that some 10,000 small businessmen—the independent producers—are responsible for 75 to 80 percent of the exploratory, or wildcat drilling directed at finding new reserves of oil and natural gas in the United States.

"The increases in domestic crude oil price, however, have increased U.S. exploration and development and we are convinced will result in increased supplies for consumers."

Mr. Miller then does on to attempt to explain the Independent Petroleum Association analysis of oil prices which are necessary to keep U.S. exploration and development healthy and expanding. He explained:

"Using the 1973 price of crude oil, the IPAA analysis, in terms of constant 1973 dollars, shows that an average price of about $6.65 per barrel for crude oil for all domestic crude oil would be required over the long run to achieve 85 percent self sufficiency in oil and gas by 1980, and $8.40 for 100 percent self sufficiency."

Keeping that $6.65 per barrel price in mind it is appropriate to look at the current price situation to determine the effect of a price roll back.

The IPAA analysis of the current supply situation is that we are currently getting 24.6 percent of our available crude from imported sources which are priced at $10; new production represents 18.8 percent, also at $10; old production represents 56.6 percent at a $5.02 average. The current supply—as of the date of Mr. Miller's statement—ends up with an average price of $7.18 per barrel. That price of $7.18 per barrel is far above the $6.65 per barrel price IPAA believes is necessary to achieve 85 percent self sufficiency.

Their assessment of what would happen if new oil is controlled at or near a $7 level—a contingency which is clearly provided for and intended in the Energy Emergency Act Conference Report—indicates that the $7 price is both possible and desirable. Mr. Miller stated, "If we were to consider the roll back of new oil to the $7 level and go through this same mathematical sequence (described above) we would end up with the average price of supply at $6.617."

That price is within four cents per barrel of the price desired by the original IPAA analysis to obtain a high degree of domestic self sufficiency. It is certainly much more in line than the $7.18 per barrel average. And with new and stripper oil prices skyrocketing that $7.18 per barrel average is likely to increase dramatically in the coming weeks and months if we don't force reasonable price controls to be implemented.

It is amazing to me that the IPAA can ignore the implications of their own statistics and lobby against this legislation.

As a final note I would like to quote a statement made by Federal Energy Office Administrator Simon in a press conference which he held January 23, 1974. He stated:

"Now, as far as $5.25 is concerned, that has presently generated enough exploration in this country and is giving the incentive to go out and bring on all this additional exploration and production that we need to get the job done."

Mr. JACKSON. Mr. President, I reserve the remainder of my time.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. JACKSON. I have only 6 minutes remaining.

Mr. FANNIN. Very well; on my time. Why does the Senator set the price of $7.09 when the chance of its going to $7.09 is minute? This is an emergency bill. It will create a real emergency, I think we ought to have the facts. When he says oil could go, under this legislation, to $8, he knows that that is not so.

Mr. McCLURE. Mr. President, I ask unanimous consent that Michael Hathaway, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I should like to point out to the distinguished Senator from West Virginia (Mr. RANDOLPH) that this provision would tear the heart out of the stripper amendment. With litigation and with hearings that will take place, there is no opportunity that $7.09 will even be realized prior to the termination of the act. In addition, we have money now being spent on stripper wells with the $10.25 being reduced to $5.25. This will result in a reduction in the takeover of many stripper wells.

Mr. FANNIN. Mr. President, I yield 3 minutes to the distinguished Senator from Alaska.

Mr. GRAVEL. Mr. President, I simply want to underscore the statement made by the distinguished Senator from Arizona; that is, in the effort to handle the emergency, we are going to be creating a worse emergency. I would hope that the distinguished junior Senator from Arkansas (Mr. FULBRIGHT), for whom I have great respect, would really harken back to his experience in economics. What the bill will do is to create an emergency unparalleled in our history. There is no way to extricate the emergency problem over short run from the longrun problem. The longrun problem is that we cannot solve the situation without having more oil.

When we talk about rationing and allocation, we are really apportioning the burden, as everybody must know. If we are to lift the burden, we have to do it by increasing the flow in the marketplace, so that we can increase production.

The Senator from Arkansas is very knowledgeable in foreign affairs. Maybe he can explain to me why, if he and I had a million dollars, and were going to invest that money—and we are oil people—why should we invest the money in Arkansas, Alaska, Texas, or Oklahoma if we can take the same million dollars and go to Indonesia, or the Northeast, or the Middle East, and produce oil and sell it at $10 a barrel, rather than being restricted to a price of $5 in this country? We can pass all the laws we want to about gravity or economics, but it will be to no avail.

So we are going to pass this bill today, but I promise you we will be debating this matter 6 months from now, and the lines at the gas stations will be twice as long as they are now.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAVEL. Mr. President, will the Senator yield me 3 minutes?

Mr. FANNIN. I yield 3 minutes to the Senator.

Mr. GRAVEL. And whom are the people going to blame? If Senators think we are low in the polls now, hang on, because we cannot solve the problem by shrinking the supply. That is exactly what this legislation does. It chases capital out of this country to their places. In point of fact, it causes inflation, because as we shrink the supply in the United States, we push up supplies abroad. So we will not be buying oil at $10 a barrel; we will be buying it at $15 a barrel and we will have an outflow of dollars that will place our economy in jeopardy, if not in bankruptcy.

Mr. FULBRIGHT. There is only one possible way in the short term to get relief, and that is to settle the war in the Middle East.

Mr. GRAVEL. If I could disagree with my colleague, that is absolutely the worst thing that could happen, because if the Arabs lifted their embargo, the crisis would subside and we would continue to send the dollars abroad.

We will be sending abroad in 1980 $20 billion a year, and nobody has an answer for this overflow of capital. Our monetary system will be controlled in Zurich by the Arabs or anybody who has the American dollars. Is that what my colleague is seeking?

Mr. FULBRIGHT. I said short term.

Mr. GRAVEL. The short term problem is the same as the long term problem. The only reasons we have a shortage of energy is that we do not have enough oil. We are asked to pass legislation that will add to the shortage. It is simple economics. A shortage increases prices. If we want to bring the price down, we do not do it by legislation; we increase the supply. What we have to do in this country is increase the supply of oil, and the price will come down.

Let us look at the record. From 1952 until 1971 the price of oil, in constant dollars, had gone down. In 1958 the price was $2.80 a barrel, in constant dollars. The price of oil had gone down. Does the Senator know what followed that? The money was not spent for exploration. The American public said: "We do not want to invest our money in gas and oil, because it is not profitable."

This conference report has many good features. One is unemployment compensation. The only problem is, it is not large enough, because, if this measure passes, we will have to treble and to quadruple it. This bill will put people out of work.

Mr. BARTLETT. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial, letter, and fact sheet.

There being no objection, the material was ordered to be printed in the RECORD as follows:

POLITICIANS LACK THE COURAGE TO LET A FREE OIL MARKET WORK

The present political climate in Washington makes tight price controls and a rollback for domestic crude seems tragically inevitable.

Congressmen are vociferous in denouncing "$10 oil." Federal energy officials, pressured to act, are entangled in jerry-built statutes and are asking for clear-cut sweeping authority over oil prices.

The situation is a classic example of the headaches involved in political attempts to tinker with prices of a basic commodity. It is the best argument possible for permitting a free market to determine prices for oil.

The contradiction of "old" oil selling for a $5.25/bbl while "new" and "stripper" oil commands a $10-plus top was predictable under a two-tier price structure. Unequal price pressures were bound to rise with old oil under controls but with new production freed by administration edict and stripper output freed by act of Congress. The unrealistic rules invited some unrealistic prices.

These prices still aren't as unreal as critics say "$10 oil" is actually an overstatement. Average price for free oil is only $9.50 by government calculations; and since it represents only about a fourth of domestic oil, average price for all oil is $5.95.

The two-tier structure, despite its faults, has proved a point The higher prices of free-market oil have forced a more realistic evaluation of controlled prices for old oil and also excited industry interest in new supply. throughout the oil country, plans are being made for reconditioning wells and for drilling wells and for drilling and developing new production. Capital budgets have been increased enormously. New supply from these sources—given time—inevitably will soften high prices. Two politicians obviously aren't willing to wait for this correction.

The danger of a price rollback now is that it may destroy new incentives for increasing domestic supply which ultimately is the route to greater energy independence.

Federal energy officials want to restore a single structure by ending the free market for new and stripper oil. Whether this will prove a disaster by killing off the budding oil-country activity depends in part on how tight the politicians screw the price clamp. The uncertainty it poses for future prices could have just as deadly an impact.

The guiding principle still must be a price high enough to attract new effort and investment in expanding the supply of petroleum. The workings of a free market could eventually adjust to such a price. It's doubtful that price controllers, no matter how well intentioned will be allowed to set such a price.

Only a single price structure free of artificial controls makes sound economic sense The consumer will be better served in the long run by toughing out a period of high prices in order to get more supply. His choice really is: high prices with more oil or lower prices with less oil. The politicians apparently haven't the courage to accept this fact.

Independent Petroleum
Association of America,
Washington, D.C., February 14, 1973.
The Honorable Dewey F. Bartlett,
U.S. Senate,
Washington, D.C.

Dear Dewey: This is to express our deep concern about the rollback of *domestic* crude oil prices as proposed by Senator Jackson in the Emergency Energy Act (S. 2589).

In our opinion, the proposal would cause a drastic curtailment in exploration and development of domestic reserves forcing U.S. consumers to become more dependent on imports which cost from $10 to $20 per barrel about twice as much as the average for domestic crude oil. Because of the improved prices for crude oil that occurred in 1973 there has been a very substantial and widespread reactivation of independent explorers and producers, as has not been witnessed in more than 15 years. The Jackson proposal would apply to "new" oil and stripper well production. The Cost of Living Council exempted "new" oil from price controls and the Congress exempted stripper well production for the sole purpose of permitting the market place to stimulate domestic exploration and production. This is now working most effectively and the average price of this exempted oil is only $9.50 per barrel, well below the price being paid for imports which would continue to be passed on to U.S. consumers.

We also submit that Senator Jackson is completely wrong in holding out to the U.S. consuming public that his proposal will bring about a meaningful reduction in consumer prices. His rollback applies to only 15 percent of total oil supply from both domestic production and imports. At most this could mean about 1 cent per gallon reduction on all oil products. This savings would be temporary because domestic exploration and production will be reduced, aggravating existing shortages and necessitating an increased use of far higher priced imports.

Furthermore, the domestic production that is rolled back is primarily owned by independents who do most of the exploratory drilling. They would thus be denied funds vitally needed to expand domestic exploration and development.

For your further information there is enclosed a fact sheet on this matter.

Very best regards.

Sincerely,

L. Dan Jones.

Fact Sheet on Crude Oil Prices

A rollback of domestic crude oil prices, as proposed by Senator Jackson, would result in less U.S. oil and gas supplies, increased dependency on higher cost foreign oil and higher prices for oil products to consumers.

During 1973, the government permitted the price of U.S. crude oil to rise. According to the Federal Energy Office, the average price of controlled domestic crude oil is $5.25 per barrel; the average price of uncontrolled crude oil which includes new and stripper production is $9.51 per barrel; and the average price of all domestic crude oil is $5.95 per barrel.

The increased prices have brought forth an increase in the activities related to domestic petroleum exploration. The number of active rotary rigs at the end of January 1974, for example, had risen by 12 percent over the same period in 1973. Although there is a time lag between increased exploration and production there is some evidence already that domestic supplies are being increased. U.S. crude oil production declined steadily from 9,637,000 barrels daily in 1970 to 9,077,000 in September 1973, a decrease of 560,000 barrels per day. This trend has been reversed and preliminary figures indicate that production in January 1974 was approximately 9,200,000.

A price rollback hurts the independent producer to a far greater degree than the major oil company. This is so because independents drill 80 percent of exploratory wells and it is estimated that they operate 80 percent of the stripper wells. Most of the oil which the major oil company sells is "old" or controlled oil. But the price rollback would only apply to new and stripper well oil.

To approximate the financial loss to the independent due to this rollback, new and stripper oil produced by independents constitutes approximately 1.9 million barrels of the 9.2 million barrels of oil produced each day. The price of this oil would be rolled back from $9.51 to $5.25 per barrel, a reduction of $4.26 per barrel which would deprive the independent segment of over $3 billion per year, a large portion of which would be spent on domestic exploration and development.

The professed reason for the rollback is to save money for the consumer through lower product prices. The rollback would apply to only 15 percent of total supply (domestic and foreign) and could only result in temporary savings to consumers of about 1 cent per gallon on all oil products.

There has been understandable concern as to increases in price of oil products to the consumer and speculation that we may be facing gasoline prices of 75 cents or even $1.00. In this regard, it is pertinent to keep in mind that the current average price of domestic crude oil is only some 6 cents a gallon over the 1972 price. Obviously, since the average price of gasoline in 1972 was 36 cents, domestic crude oil prices have not been, and will not be, the cause for 50 cent, 75 cent, or $1.00 prices for gasoline. Sharply higher gasoline prices can be attributed to high prices of imported foreign crude oil ranging in price from $10.00 to $20.00, and higher charges for refining and marketing, not domestic crude oil prices.

A rollback of domestic crude oil prices would not solve the problem of increased prices for gasoline, home-heating oil, jet fuel and industrial fuels. By reducing domestic supplies of crude oil, the rollback would result in increased dependency on foreign oil and higher prices for oil products to consumers.

Mr. PEARSON. Mr. President, in these days of debate over price gouging and price rollbacks, excess profits and excess profits taxes, the Senate must not lose sight of the objective of the energy legislation we consider today. Our goal is to insure that the people of this Nation have adequate supplies of energy and reasonable prices. We are not here to punish oil companies nor are we here to promise the American people plentiful supplies of cheap gasoline.

To achieve our objective, we must write legislation which strikes an equitable balance between the returns on investment which are needed to encourage energy production and the prices consumers can afford to pay for gasoline, home heating oil, and other energy resources. Our task is not easy. The economics of energy production and distribution are incredibly complex, but I believe that we can identify basic standards which the legislation we consider today must meet.

First, the provisions of this bill should reflect the limited choices available to us in the short run. We can marginally increase imports from some foreign sources and we are doing so. We can utilize energy more efficiently, and we are doing that. But a most important part of our short-term efforts to fill the gap between our energy needs and energy supplies must come from domestic petroleum resources which are already developed or which can be developed quickly.

In this domestic production, independent oil producers play a vital role. We must carefully consider the impact of any legislation on their ability to fully utilize existing reserves and to develop new oil fields.

Also in the short term, the major oil companies should bear most, but not all, of the burden of price increases which are directly attributable to the Arab oil embargo and OPEC price increases. The majors must accept responsibility for short-term dislocations caused in large part by overdependence on foreign oil and inadequate investments in domestic resources. These major oil companies made the decision to invest in foreign oil and should bear responsibility for the results of the investments. Therefore, on the short term, the major oil producers should not be permitted to reap excess profits, and they should not be allowed to pass through all cost increases of foreign oil to American consumers.

In the long run, the Congress and the American people must face the fact that we cannot amend or repeal the laws of supply and demand. If American consumers are to have an adequate supply of petroleum products, producers must have a reasonable return on their capital investments—reasonable, not exorbitant. Legislation which discourages investment in energy resources will ultimately lead to insufficient production and higher prices.

The legislation we consider today, the

Energy Emergency Act, has numerous provisions which will help us to manage our energy problems and to meet our long-term energy needs. But one provision, section 110, must be carefully examined to determine whether it meet the basic tests I have outlined.

Section 110 would roll back prices of domestic crude to a maximum of $7.09. Section 110 would not regulate the price or supply of imported petroleum products.

On the short term, a price rollback of this magnitude would, in all likelihood, have an adverse impact on supplies of domestic oil. Some stripper wells now producing may not be profitable at lower prices. Many marginal wells which could be uncapped and brought on stream at higher prices will remain capped. Exploration for oil in high risk areas will not be profitable. We would do the American consumer no favor if we would enact legislation which leads to reduced production at a time of acute energy shortage.

The long-term impact of section 110 is much more difficult to judge. If the eventual equilibrium price for crude is above the price established under authority granted by section 110, it would have an adverse effect on domestic production of oil. If the equilibrium price is less than the price established by the Administration, then the American consumers would be paying more for oil than they should. The point is that nobody can presently calculate the long-run equilibrium price of oil nor can they determine the long-run impact of section 110.

Mr. President, I shall reluctantly vote to recommit the Energy Emergency Act. I say reluctantly because this bill contains provisions which should be enacted if we are to meet our energy problems. However, in my judgment, section 110 has failed to meet either the short- or long-run objectives of insuring that the people of this Nation have adequate supplies of energy at reasonable prices.

Mr. **WILLIAMS.** Mr. President, I rise to express my wholehearted support for approval, without any further delay whatsoever, of the conference report on S. 2589, the Energy Emergency Act.

If ever a piece of legislation deserved to have the overused word "emergency" in its title, this bill does. The shortage of petroleum products has become a nationwide fact of life and, in many areas of the country, a true emergency. Nevertheless, this "emergency" bill, drafted to deal with an "emergency" need, has been languishing in a legislative pigeonhole for more than 8 weeks! This is a reprehensible record which must be set right immediately.

Mr. President, before the Senate began the recent Washington's Birthday recess, I rose to make clear my dismay that we had not first acted on this conference report. I must reiterate today what I said then—the tactics employed by opponents of this legislation to delay action on it are simply inexcusable.

In the short time we were in recess the ripple effect of the fuel shortage has spread rapidly across the Nation. I believe that some States which were previously virtually untouched are now having to come to grips with the full impact of this situation. Others which are today still exempt from the most serious ramifications, will certainly begin to feel them very soon.

My own State of New Jersey is still in the grip of what I have previously described—and must continue to describe—as a gasoline crisis. I am somewhat encouraged by the apparent success of Governor Byrne's forthright action to allocate gasoline sales on an odd-even day basis. Furthermore, I am most heartened by reports that New Jerseyans have responded in an outstanding manner to comply with this program; they have overwhelmingly shown they are willing to sacrifice some individual inconvenience for the common good. And finally, I believe the combined efforts of New Jersey's congressional delegation and the Governor have finally succeeded in prying loose additional fuel to make New Jersey's allocation more equitable.

Nevertheless, New Jersey—and a rapidly increasing number of other States—is still in very serious trouble.

The true, and as yet largely unexplored dimensions of the emergency facing us were brought home to me just 1 week ago. Last Tuesday, I charged a hearing by the Subcommittee on Labor in Trenton, N.J., to explore employment dislocation effects of the energy crisis. The testimony we heard was most disturbing.

For example, Joseph A. Hoffman, New Jersey commissioner of labor and industry, told us at least 11,000 New Jerseyans were out of work during the first week of this month as a direct result of energy shortages. And he stressed the fact that this was only a partial report, and the actual total could easily be 50 percent higher.

Another witness, Mr. Jack W. Owen, president of the New Jersey Hospital Association, told us of surgeons who have run out of gas on the way to operations; of patients unable to reach hospitals for treatment; and of truckloads of medical supplies prevented from reaching their destinations.

As I have already mentioned, our Governor and other State officials are doing everything they can to respond to this emergency. I am sure that other Members of the Senate have directed their staffs, as I have, to provide all the help they can on an emergency, case-by-case basis.

But what we really need is the kind of coordinated, comprehensive response that can only be mounted on a nationwide basis. At our hearing last week, virtually all of the more than 20 witnesses made impassioned appeals for effective leadership by Congress. And I think Commissioner Hoffman underscored the urgency of these appeals when he declared:

> It goes without saying that unless constructive action is taken, a serious situation can very quickly become a desperate one.

Mr. President, the legislation before us today represents the kind of constructive action that is needed. It is the kind of a bill that makes me proud of the leadership of this Senate. And I would point out that until we became bogged down on final approval of this conference report, this Congress had literally been years ahead of the administration in recognizing the developing threat of energy shortages.

The legislation before us today is a solid bill shaped by the tireless efforts of some of the most able Members of Congress. It would establish the necessary administrative framework to deal with the energy crisis; it provides the specific legislative authority to effect maximum conservation of fuel supplies; it authorizes whatever steps may prove necessary to equitably and effectively distribute those resources we do have; and it provides additional assistance for the victims of the shortage.

Mr. President, the contents of this bill are well known to every member of this body and I will not take the time to go over them again. Also well known to all of us is the single issue that has delayed final approval of this measure—the ceiling and resulting rollback in petroleum prices.

In my judgment, there can be no doubt that legislation is needed to slow down the skyrocketing cost of oil and oil products. Certainly, we all agree on the need for incentives for additional oil exploration and development. But that does not mean we should simply abandon the American consumer and allow him to be bled dry by unconscionable prices.

The staggering profits being reported by virtually every oil producer make it crystal clear that the oil companies are prepared to charge whatever the market will bear. And in the light of the crisis that now confronts us, the market will bear a high price indeed. But the burden of paying that price will fall most inequitably on the American people. And those least equipped to bear it, will be crushed by it unless this Congress offers them protection.

The petroleum price ceiling contained in the conference report on S. 2589 would provide the necessary protection, while allowing producers a reasonable return on their investment. It has been carefully drafted after a great deal of hard work by very able Members of this Congress. It is both equitable and workable, and merits the approval of this body.

Mr. President, we can afford no further delay in approving this conference report. The demand for action from the American people is clearly demonstrated by the thousands of letters which I, and I am sure most other Senators, have received.

We must not vote to recommit this bill to Conference Committee. We must vote to make it law.

I can only join with one of my constituents, a man from Stockton, N.J., who asked me in a letter—

> Isn't it about time for the Senate to act on the energy crisis?

Mr. **WEICKER.** Mr. President, I am compelled by two serious reservations to vote today to recommit the emergency energy conference report.

First, I am deeply concerned by certain provisions in the conference report authorizing the relaxation of clean air standards, as established by the Congress in 1970.

Time and again I have stated my opposition to using the energy crisis as an excuse for relaxing auto emission standards. Progress on the energy front must not be made at the expense of vital progress in protecting our Nation's health.

Auto emissions are responsible for 70 percent of air pollution in our urbanized areas. By authorizing a further delay in the implementation of statutory auto emission standards, the conference report would take a step backward in the concerted program to remove harmful pollutants from the air.

In addition, the conference substitute language would allow the Environmental Protection Agency to exempt certain electric powerplants and other industries from air pollution regulations for the next 5 years. This provision would clearly compromise a hard-fought national effort to improve the quality of our air. Especially in the densely populated regions of the Northeast, a severe health problem would be created. In fact, one study by the American Public Health Association has estimated that such a conversion would cause a 20-percent increase in both morbidity and mortality due to respiratory and cardiovascular diseases.

To weaken the Federal commitment to clean our air without more thorough analysis would represent an irresponsible and untimely action by the Congress.

Second, and most importantly, I am not satisfied with the broad and permissive grant of authority to the President relative to rationing. Earlier today I introduced legislation mandating the President, upon consideration of various alternatives, to implement some form of gasoline rationing within 30 days of enactment of the bill. It is time for Congress to face the severity of the gasoline shortage and tackle the tough policymaking issues, rather than abdicate more and more authority to the President.

During the debate on the emergency energy bill late last year, I, along with 39 other Senators, voted in favor of mandatory rationing. Since that time, we have witnessed severe spot shortages and panic buying in various regions of the country as a result of a fragmented State-by-State approach to a national problem. Effective national leadership is essential to insure an equitable sharing of the burden. The time has come to understand that this is a national crisis and it requires a national solution.

An effective rationing program would allay the fears of motorists reacting to uncertain conditions. I am confident the American people can comply to a uniform rationing scheme, just as they adjusted their lifestyles in response to governmental appeals to conserve fuel supplies. But so long as we sacrifice pollution standards and fail to take positive action for gas rationing, I cannot support the Emergency Energy Act conference report.

Mr. BELLMON. Mr. President, today's vote in the Senate on the conference report on the proposed National Energy Emergency Act could be one of the most important votes of this session, or of any session. It could very well determine whether this country achieves energy self-sufficiency, or whether our citizens face an endless period of shortages and probable rationing of fuel.

If this bill should pass in its present form, with the rollback on the prices of domestic crude oil, residuals and products, it virtually guarantees that this country is going to be short of fuel from now on. It further guarantees that we are going to be increasingly dependent upon the Middle East for whatever crude we can get from those countries.

According to a knowledgeable source in Oklahoma, a rollback of domestic crude oil prices at this time would produce these results:

A substantial number of wells would be plugged and abandoned as unprofitable at the rolled back prices, causing loss of vitally needed barrels of crude that will never be produced.

Drilling operations and additional recovery programs which are now being expanded because of an improved price incentive would be severely curtailed.

The already critical energy shortage would be greatly intensified with further and serious economic detriment to the Nation as a whole. In addition, the dependence of the consumers of this Nation on imported crude oil would increase considerably, and the unreliability of such dependence has been amply demonstrated in the last few months.

In effect, imposing a rollback on our domestic oil producers would be more disastrous than any Arab oil embargo, because it would choke off the capital which is needed to expand exploration efforts and develop the potential new sources of energy which we have in this country. I refer to the production of synthetic crude oil from coal and oil shale at the prices set in this bill no invertor will seriously consider building the multimillion-dollar plant needed to produce the synethetic oil this Nation must have.

In all probability, what this bill ultimately would mean is the nationalization of the energy industry in the United States, because under this kind of legislation the private sector probably could never meet our country's energy requirements. If the private sector fails because of congressionally applied hobbles here would likely be a move to get the Government to take over.

Mr. President, it is difficult for me to believe that even the most frustrated motorist waiting in line at the station to pay 50 cents a gallon for gas wants that to happen. It is better to have 50-cent gasoline today than no gasoline tomorrow.

If there ever has been a bill before the Congress that it was important to have defeated, it is this bill, and I strongly urge that the conference report be recommitted.

Mr. President, let me emphasize that Oklahomans—and that certainly includes the Senator from Oklahoma—are concerned about solving the energy crisis. Within the past few days, I have been provided with a report from the Oklahoma Energy Advisory Council, which was composed of 180 citizens of my State, of which only 26 were associated in any way with the oil and gas production business. This citizen-member council studied the various problems of energy production, transportation, distribution, importation, exportation, refining, and consumption. They concluded that the present energy shortage is not contrived, but real, and that today's crisis was brought about by a supply and demand imbalance that has been "severely irritated and disrupted by governmental policies and action here and abroad," to quote the council chairman, Robert A. Hefner III.

Mr. President, within recent weeks two other bodies of public opinion in Oklahoma have come forth with recommendations relating to the energy crisis, stressing the need for incentives for our energy producers. I ask unanimous consent that a resolution adopted by the Oklahoma State Senate and a list of recommendations from an energy policy statement adopted by the board of directors of the Oklahoma State Chamber of Commerce be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A CRISIS THAT DICTATES ACTION

The gravity of the energy crisis is such that the people of Oklahoma and the Oklahoma legislature should memorialize Congress to take the following action immediately:

1. *Extension of offshore leasing to Atlantic and Pacific areas.* Since the outer continental shelves of the United States have reserves estimated at 190 billion barrels of oil and 1,100 trillion cubic feet of natural gas, more frequent and larger lease sales should be scheduled for exploratory and development drilling—including tracts off the Atlantic and Pacific Coasts.

2. *Incentives for construction of needed refining capacity.* The equivalent of sixty 150,000 barrels per day refineries are needed between now and 1985 to help heat America's homes, fuel our vehicles and operate our factories. Support should be given in making this increased refining capacity available to help alleviate the energy shortage.

3. *Deregulate the price of natural gas at the wellhead.* Natural gas supplies one-third of our nation's energy—heating half our nation's homes, fueling 49 percent of industrial production and producing 25 percent of the nation's electricity. Gas requirements by 1990 are expected to be nearly double what they are today. Yet, there has been only limited economic incentive to explore for and develop new reserves of this energy component.

It is a historic fact that federal regulation has, since 1954, kept the price of natural gas at unrealistically low levels compared with equivalent energy units derived from other energy types. Demand for cheap and clean natural gas has spiraled—creating a wide breach between supply and demand. As a result of regulated prices, return on capital invested in the exploration for the development of new gas reserves as has been below that of average industry profitability and interest on long-term corporate bonds.

Oklahoma's 12,000 square mile portion of the multi-state Anadarko Basin, the Arkoma and other deep basins should be developed as the state's more prospective and known gas reserves. The Anadarko Basin reserves are estimated at 30 trillion cubic feet of gas. High cost of drilling to these deep reservoirs is staggering. Necessary exploration and development efforts have been perverted by federal control of gas prices at the wellhead. The incentive of a free market for natural gas is necessary if these reserves are to be brought into production. Economic benefits from multimillion dollar exploratory and development programs will sustain the Oklahoma economy and provide additional supplies for the needs of our citizens.

Increased prices to the consumer would result, but studies indicate that the economic impact on the consumer would be neither sudden nor large. We agree that increased earnings resulting from price deregulation of gas should be utilized to provide additional supplies from domestic resources.

4. *Continue the depletion allowed on oil and gas.* Maintenance of this and other incentives for high cost exploration and development are necessary for an expedited program of drilling for oil and gas.

5. *Inaugurate an investment credit on basic capital* invested in such energy producing activities as secondary and tertiary projects and production increasing remedial work on stripper well leases. This incentive is vitally needed in Oklahoma, where known reserves subject to secondary and tertiary recovery are estimated at 10 billion barrels. (This is exclusive of heavy oil and tar sand reserves.) Seventy percent of Oklahoma's oil wells are stripper wells, producing an average of less than four barrels daily. Production from these wells represents 40 percent of the state's total oil output. The potential for more production from these wells through remedial, rework and in-field drilling lies in increased oil prices and other incentives.

6. *Rescind Phase IV controls.* These and predecessor controls have created unexpected shortage of all kinds. Typical is the shortage of drilling pipe, casing tubing and some other rig components used in drilling wells. This shortage has materially affected the drilling of wells in the past few months. Some of the available supplies are being exported because prices are better outside the U.S.—due to Phase IV controls. Industry, labor and the consumer, alike, are asking Congress to take this action, the U.S. Chamber reports.

7. *Air pollution and health/safety regulations should be carefully administered.* This care should be taken to avoid imposition of unnecessary economic costs and restrictions on industrial maintenance and development. They should be directed toward minimizing real hazards to environment and to the worker—with impairment of industrial operating efficiencies only where required for environmental maintenance and worker safety.

8. *Expand operations in the Naval Petroleum Reserves of California and Alaska.*

9. *Suspend all lead-in-gasoline restrictions.* This will significantly increase mileage per gallon, without seriously altering any air pollution controls. Restoration of previous lead levels alone will mean less gasoline burned per mile. The EPA now admits it does not have any real case against leaded gasoline on health grounds.

10. *Support the states in effective reclamation of surface-mined lands.* It is essential that coal be a major source of basic fuel for electrical utilities through the rest of this century. It is essential that suitable means be developed to assure that this vital fuel resource be available for electric generation and other energy uses. The federal government should support the efforts of the states and the mining industry in effective reclamation of surface-mined lands, while continuing to permit use of this mining technique.

11. *Common energy goals should be supported by massive private and governmental research and development.* Energy experts recognize that, for the remainder of this century, petroleum and natural gas will be expected to carry much of our nation's energy supply load, with imports making up the difference between domestic supply and demand. Our dependence upon energy supply sources not directly within our national control will be reduced in direct ratio to a) the discovery-development of new energy reserves and b) advanced recovery techniques for know petroleum reserves unproducible by methods now in use.

Enrolled Senate Resolution No. 86

A RESOLUTION MEMORIALIZING CONGRESS TO ACT TO MEET THE ENERGY CRISIS; AND DIRECTING DISTRIBUTION

Whereas, Oklahoma holds a unique position in the nationwide energy crisis, being a principal supplier of natural gas and petroleum for the rest of the nation, in that approximately two-thirds of the oil and natural gas produced in Oklahoma is exported to other states and essentially 100 percent of total energy consumption in Oklahoma is from natural gas and petroleum products and is therefore vitally affected by national energy policies, some of which have served actually to exacerbate the energy crisis, accelerate the depletion of our reserves, and provide economic barriers to exploration and development of our resources; and

Whereas, the history of federal government intervention in the marketplace is not such to inspire confidence in its ability to correct imbalances in supply and demand; and

Whereas, most of this nation's greatest economic problems, such as the current energy shortage, are largely the result not of government inaction but of government interference in the working of what is still basically a free market economy; and

Whereas, this is bad government and bad government is usually the result of too much government; and

Whereas, when Washington substitutes the wisdom of the bureaucracy from the exactitude of the marketplace, Washington itself deserves the blame when the bureaucracy guesses wrong, but the solution is not to create a bigger and better bureaucracy to ration resources and manage prices; and

Whereas, this wrong-guessing is exemplified in:

Speculative and often contradictory statements by Washington officials about fuel supplies causing, among other things, declining automobile sales in an industry employing directly or indirectly one out of six people in this country;

Shortages of propane this winter and gasoline last summer as a direct result of distorting refinery price incentives through an artificial control mechanism;

Current shortages of diesel fuel for farmers, truckers and energy producers resulting from allocation priorities for middle distillates;

Natural gas shortages directly resulting from artificially low prices controlled by the Federal Power Commission which, on the one hand, encourage substitution of this fuel for others such as coal and, on the other hand, provide no economic incentive for exploration and production;

Current shortages of tubular steel goods as a result of lifting price controls on other steel products; and

Whereas, State of Oklahoma officials have attempted to call officials' and the public's attention to the problem of exhaustible petroleum and natural gas resources; and

Whereas, while conservation measures for all users of all forms of energy are necessary and desirable in present circumstances, overreaction and short-term solutions which impose additional rigidities on our economy and resources will do irreparable harm; and

Whereas to date in the current crisis, action taken by the federal government, other than expansion of allocation systems and price controls, has been limited to imposing Daylight Saving Time and legislation which would reduce highway speed limits and prohibit gasoline sales on Sunday.

Now, therefore, be it resolved by the Senate of the 2nd Session of the 34th Oklahoma Legislature:

That the Senate of the State of Oklahoma hereby memorialize the Congress of the United States that constructive action by the federal government is needed to deal with both short- and long-range energy problems, including steps to:

Lift controls on oil and natural gas prices to provide more incentive for exploration and production, including production from presently marginal wells and fields;

Restore the domestic depletion allowance to its previous level of 27.5 percent, and further, eliminate the depletion allowance in its entirety on foreign production of oil and gas;

Eliminate price controls on production of tubular steel goods and other products necessary for the production of more oil and gas (supplies at any price being better than no supplies at all);

Give highest priority to developing nonpetroleum fuel sources, including nuclear energy, for generation of electricity, development of vast areas of oil-bearing shale, and extraction of oil and gas from coal;

Call on those states whose legislatures, regulatory agencies and environmentalists have effectively prevented offshore drilling for oil and gas, construction of petro-chemical plants, refineries and offshore terminals, to redirect their attention toward positive approaches to solution of the energy problem, such as exploration off the east and west coasts, including the Santa Barbara Channel which contains oil reserves of hundreds of millions of barrels.

That copies of this Resolution be forwarded to each Senator and Representative in the Congress from Oklahoma, with the request that this Resolution be officially entered in the Congressional Record as a Memorial to the Congress.

That copies of this Resolution also be sent to the presiding officers of the legislatures or assemblies of every State, territory and protectorate of the United States of America.

Adopted by the Senate the 5th day of February, 1974.

Mr. BELLMON. Mr. President, as I said in the beginning the vote on this bill is one of the most crucial ever cast in the U.S. Senate. The outcome will likely determine the course of our Nation's history. Passage of this bill means a weakened America, dependent upon insecure, costly foreign sources for vitally important energy supplies. A vote to pass this bill is a vote to cut America's jugular and reduce our great Nation to economic and political as well as military impotency. This bill is no favor to consumers. It is rather a deadly threat to our Nation, to every American citizen. I urge its recommital.

PROPANE

Mr. ALLEN. Mr. President, I want to commend the distinguished Senator from Washington (Mr. JACKSON) for his dedication in seeking solutions of the oil crisis which we have in this country and throughout the world.

In the field of obtaining a reduction in the confiscatory price of propane, the Senator has distinguished himself through his dedicated efforts. I would like to ask for his construction of certain provisions of the report dealing with propane.

Between the summer of 1973 and January 1974, the average price of crude oil, both domestic and imported, increased about 10 cents per gallon. Because two-thirds of our propane supplies come from domestic lease condensate and natural gas liquids, the average price increase for propane raw materials increased only 7.2 cents per gallon. Yet propane itself has increased at retail by 350 to 400 percent.

If the raw materials price increase were allocated on a dollar-for-dollar basis to the retail price of propane, that price would now average around 24 cents per gallon in contrast to actual prices of over 40 cents per gallon.

The legislation before the Senate would, first, roll the price of propane back about 2 cents per gallon, on the basis of the general rollback of raw material prices, and second, by requiring a proportional allocation of raw material price increases on an historical basis, the conference report would reduce retail propane prices by another 11 to 15 cents.

If the legislation were in effect now, the retail price would average 22 or 23 cents, instead of over 40 cents.

Does the Senator from Washington feel that this is the intent and moving of the language of the conference report?

Mr. JACKSON. The Senator from Alabama has indeed stated the intention of the conferees and the effect of the legislation exactly. The increases over prices of 1 year ago for propane would, under this legislation, be reduced to an increase in line with the increases in raw material prices, and it is my understanding that the result would be an average retail price of about 23 to 24 cents per gallon.

Mr. FULBRIGHT. Mr. President, I know that many Senators share my concern over the high price of propane. However, these high prices have a particular significance to me since Arkansas is the largest per capita user of propane in the Nation. As I have stated before, for many Arkansans the price of propane is not stretching their budgets, it is busting them. Many rural Arkansans living on fixed incomes are, in spite of conservation efforts, facing monthly propane bills of $80, $90, and even $100. A citizen living on social security or on a veteran's pension just cannot afford to pay that much.

Furthermore, the propane price situation is having an adverse impact on agricultural production. For example, a conservative estimate of the effect of these price increases indicates an added cost to Arkansas broiler producers of from $7.5 to $11 million.

As the distinguished floor manager is well aware, propane prices have increased much faster than other refined products. While the average refined product has increased 30 to 50 percent in price, propane prices have increased, in many cases, 300 percent in the last 9 months. Does not this act require that the historical relationship between the prices of petroleum products be considered in the allocation of any price reductions that may occur under the rollback established by the act?

Mr. JACKSON. That is correct. Section 110 requires that any reduction in the price of crude oil that would result from this act would be passed through to the consumer on a dollar-for-dollar basis. It is specified that this passthrough be allocated on a proportional basis, "taking into consideration historical price relations among such products." The manager's statement specifies that 1972 should be the base period for determining this historical relationship. It is the intent of the conferees that the relationship between the prices of petroleum products, gasoline, diesel oil, propane, and so forth, be on the basis of that which existed in the comparable period of 1972. The purpose of this provision is to restore the relative price relationships of petroleum products to their historic levels.

Mr. FULBRIGHT. Therefore the result should be that propane prices will be rolled back to the point where they are on a par with the prices of other petroleum products with respect to the percentage increase since May 15, 1973?

Mr. JACKSON. That is precisely the intent of the conferees in the matter.

Mr. FULBRIGHT. So we are, with respect to propane, not talking about a 1-cent or 2-cent reduction in price; we are talking about a large reduction, a reduction of over 50 percent from some current propane prices?

Mr. JACKSON. My colleague is correct. Because, as he knows, the price increases for propane have been so wholly disproportionate, a restoration of historical price relationship, together with a rollback in the price of crude oil, will particularly benefit the propane user. We estimate that a per-gallon price reduction for propane of about 20 cents will result from passage of this act.

This is contrast with actions taken to date by the executive branch. Specifically, on January 30, prompted by congressional action, the FEO for the first time acknowledged the catastrophic propane price situation. At that time, they promised action to reduce propane prices "sharply and promptly." As this morning's Oil Daily describes that action:

> The Federal Energy Office refuses to assign a price floor or ceiling to propane, leaving some question about what it means by stated intentions to reduce propane prices "sharply and promptly."
>
> FEO called in 25 top propane producers last week to explain mandatory propane allocation regulations and a January 30 amendment to the regulations designed to cut prices. The amendment ties the price of propane proportionately to the actual cost of crude oil.
>
> To date, the regulation has caused more confusion than price reductions. But FEO says the regulations should reduce propane prices "promptly and sharply" and advises companies that FEO is prepared to take any further steps that might be necessary to reduce prices promptly.

The only prompt action we can anticipate is that which we in the Congress take today.

Mr. FULBRIGHT. Roughly speaking, what would be the price of propane under section 110 of this act?

Mr. JACKSON. Our estimate for an average national price for propane after the proposed rollback is 23 cents per gallon.

Mr. FULBRIGHT. As the Senator knows, the Federal Energy Office has published in the Federal Register for February 19, 1974, a new ruling on propane prices. I am happy to see this new ruling, although it is too little, too late. However, I certainly believe that we should take this further action on the Senate floor today to insure, by force of law, a lower propane price.

Mr. JACKSON. I, too, am gratified to see indications of some positive action by the FEO. However, I wholeheartedly agree that in the light of past experience, we cannot rely on administrative action to solve this problem. I share the view of my distinguished colleague that we must act here today by agreeing to the conference report to insure that these prices are lowered.

Mr. FULBRIGHT. It is very important that the price of propane be reduced, and that is the major reason why I intend to support the conference report. I must say, however, that I find several provisions in this report troublesome. I am concerned that the Congress is not fulfilling its obligation as a coequal branch of government when we grant such broad powers to the President. Congress should develop more specific programs to deal with the shortage.

In addition, I believe that the rollback provision will have an adverse impact on crude oil production from stripper wells. Furthermore, it will hit the small independents, who are vital to a competitive oil industry, particularly hard.

We must not take the short-run view of our energy shortage. In the long run, the problem can only be solved by providing the adequate incentive needed to encourage greater production of all types of fuels. We cannot afford to discourage stripper production at this time; and, therefore, it is my intention, should the Congress adopt this conference report, to introduce legilsation to exempt stripper wells from price controls.

We have seen the effect of price controls on natural gas. It is my opinion that these controls have, by discouraging natural gas exploration and production, been a major factor in causing the present energy crisis. Let us not make a similar mistake by implementing unrealistic, rigid controls on other fuels.

COMMENDATION OF SENATOR JACKSON'S LEADERSHIP IN THE ENERGY FIELD AND RECOGNITION OF SMALL BUSINESS IN THE EMERGENCY ENERGY ACT

Mr. NUNN. Mr. President, in connection with the final Senate consideration of the Emergency Energy Act (S. 2589), I want to commend the Senator from Washington (Mr. JACKSON) for his outstanding achievement in originating this bill and guiding it into law.

I am pleased also to associate myself with the remarks of the distinguished chairman of the Senate Select Committee on Small Business (Mr. BIBLE) in praising the Senator for his personal efforts in assuring recognition in the bill of our country's 8½ million smaller businesses and 40 million homeowners.

ESSENTIAL ROLE OF SMALL BUSINESS

For the past several months, I have attempted to gain an understanding of the energy problem facing the Nation and particularly new and smaller businessmen. We have learned, as the rest of the Nation has discovered, that energy, and particularly oil, is the foundation of our industry and commerce. A few basic statistics illustrate this:

With 6 percent of the world's population, we consume about one-third of the world's energy;

About 70 percent of U.S. energy is utilized for industry and business-related purposes; and

Small businesses furnish more than one-half of the jobs in our economy and nearly 40 percent of the U.S. gross national product.

Events of the past few months, particularly the strike of independent truckers over fuel matters, has shown dramatically that small businesses operate at vital junctures of the economy. In our interdependent society there are many such ways in which we are dependent on small and independent business firms.

FATE OF SMALL FIRMS DURING SHORTAGES

Historical experience has shown that whenever there are shortages of fuels or materials, the impact of Government regulation falls hardest on smaller business firms. Some reasons for this are the great number of such businesses, the lack of high-powered advocates associated with their smaller size, and their almost infinite diversity. Because of these factors, it is many times more difficult for small business interests to be identified and properly represented before Government agencies in any crisis situation.

AN ATTEMPT TO HELP

In order to cope with problems in the energy area, I began an intensive inquiry last autumn. As part of this investigation, I met with the representatives of 18 small business organizations on November 1. Later, 3 days of public hearings were held on November 27–29, 1973. As a result of these studies, I proposed an amendment No. 659 to S. 2589—Emergency Energy Act—asking that the varied interests of small business be given recognition and that these firms be given fair treatment in the drafting and implementation of the regulations which would form the heart of the country's energy program for actual and impending fuel shortages. This amendment was modeled after section 214 of the Economic Stabilization Act and expressed the policy of Congress that small business be given a voice in the making of the rules that would affect their financial destiny.

AMENDMENT ACCEPTED ON BASIS OF COOPERATION BY SENATOR JACKSON

All of us in this body are aware of the pressures resulting from the Arab oil embargo of mid-December 1973. Profound economic and social issue crowded each other for the attention of Senate and House Members attempting to develop comprehensive legislation to deal with our national energy difficulties.

Nevertheless, through the splendid cooperation of the chairman of the Interior Committee (Mr. Jackson), amendment No. 659 was approved by the Senate and became section 308(b) of the comprehensive emergency energy bill in December. Appreciated also was the support given this measure by its cosponsors: Senator Bible and Senator Javits, chairman and ranking minority member of the Select Committee on Small Business; Senators Nelson, McIntyre and Taft.

However, it was very disappointing that the House-Senate conference initially did not approve the Nunn amendment. The problems facing the conferees in their deliberations were, of course, tremendous. In fact, Senator Jackson's own amendment authorizing loan assistance to homeowners and small businesses wishing to make energy-conserving alterations to their insulation, storm windows and heating equipment—sec. 308 (a)—at one time fell by the wayside.

RECONSIDERATION BY THE CONFERENCE

This conference action was of great concern to me. I strongly urged the conference to reconsider the inclusion of both of these provisions of section 308 in the final bill.

In letters to the Senate and House conference chairmen, I pointed out that the importance of both small business and homeowners to our country. It is well known that almost two-thirds of our people own their own homes. If the long-term objectives of energy conservation legislation are to be successful, there must be some positive incentives as well as penalties to "think conservation" for the great majority of our population.

It was my feeling that even a relatively small loan—at the cost of money to the Federal Government so there would be no loss to the Treasury—could exert widespread influence on our population to make the changes necessary and thereby save scarce fuel and energy.

I can report to this body that it was only because of a determined battle by the Senator from Washington that section 308 was restored to the conference report.

SIGNIFICANCE OF SECTION 308

This action demonstrates, I believe, that Congress is concerned with small businessmen and small homeowners who are struggling to remain solvent in an uphill battle against inflation.

I hope the loans thus authorized will keep some small business firms in business and allow others to grow and give better services to consumers. I hope these loans help homeowners save money and give some timely assistance to the faltering home building and restoration industries. Beyond this, I sincerely hope that this declaration of policy will have direct and immediate consequences upon administrative regulations on fuels.

RELATIONSHIP TO REGULATIONS

Several small business organizations, including the National Federation of Independent Business, have pointed out to my subcommittee that the regulations of January 11 on motor gasoline, middle distillates, and residual fuel oil do not treat smaller business equitably.

Many thousands of small entrepreneurs depend on their vehicles for their livelihoods. Yet, under the January 11 regulations it appears that they are forced to line up at the gas pumps with Sunday pleasure drivers with no assurance that they will receive fuel for their vehicles.

The regulations make no provision for service station owners to reserve fuels—even for their long-term customers whose customers, employees and owners may experience severe discomfort or deprivation because of the lack of fuel.

Essentially, these regulations provide that large bulk purchasers of fuels—that is, 84,000 gallons a year or 233 gallons per day—receive 100 percent of 1972 supplies before smaller businesses can receive 90 percent. This to me is unfair and should be remedied without delay. This was part of my presentation to the conference committee, and I hope that it will be taken into account as legislative history in the course of implementation of allocation, conservation and, if necessary, rationing programs.

It is my feeling that section 308 of this legislation has pointed the way and that the regulations should follow suit. My subcommittee will be watching this situation closely to see whether the Federal Energy Office is responsive to the will of Congress in this regard.

HISTORY OF CONGRESSIONAL CONCERN FOR ENERGY MATTERS—LEADERSHIP OF THE SENATOR FROM WASHINGTON

I would like to say a further word about the pioneering work of Senator Jackson in the energy area. As chairman of the Senate Interior Committee, in February of 1971 Senator Jackson joined with the chairman of the Public Works Committee (Mr. Randolph) as principal proponents of Senate Resolution 45 to authorize a national fuels and energy policy study by three committees of the Senate. This resolution was cosponsored by 50 Senators and also approved on May 3, 1971.

Thereafter, study under the personal leadership of the Senator from Washington has produced 29 sets of hearings and 40 committee reports or prints on various aspects of our energy problems. This is undoubtedly the most comprehensive compilation of information and comment on U.S. energy problems ever assembled. (See publications list of the National Fuels and Energy Policy Study, December 1973.)

Along the way, in June 1972, the Senator from Washington set forth in the letter to the President his conclusion that there should be an "indepth study and assessment of national security, foreign policy, and domestic energy policy implications of our growing dependence on imported crude oil and petroleum products from the Middle East and elsewhere."

Thus, Senator Jackson was, in 1971 and 1972, calling for help from the branch of the U.S. Government having the responsibilities in the energy field and the manpower and budget which would have enabled them to carry out these responsibilities.

If, in response to these Senate requests, such a comprehensive study had been launched by the executive branch in mid-1971 or mid-1972 or in mid-1973, the Nation and the small business community would be in a much better position to deal with energy shortages in 1974.

Accordingly, I wish to express again my sincere appreciation for the outstanding leadership and legislative craftsmanship of the Senator from Washington as to energy in general, and as to the Emergency Energy Act—S. 2589—and its small business and homeowner sections in particular.

Mr. ABOUREZK. Mr. President, on February 6, 1974, a House and Senate conference committee referred their second report on the Emergency Energy Act to both the House and Senate. Today the Senate must consider whether or not to accept the provisions contained in the conference report.

Section 110 entitled "Prohibition on Inequitable Prices" is being touted as a crude oil price rollback provision. Yet, if one carefully examines the wording of the section and the recent history of the administration's price increases, one quickly notices that this section not only does not roll back the price of crude oil, but makes legitimate the totally unjustified and excessive price increases of the last 9 months. Thus, if the Senate votes its approval of the conference report, it will go on record approving the major oil companies' price gouging of the American people.

To clearly understand what, in fact, section 110 of the conference report will do, the following facts must be noted. The section sets a ceiling price on all domestic crude oil of $5.25 a barrel. In addition, according to paragraph (5) (A):

> The President may . . . amend the regulation . . . to specify a different price for domestic crude oil, residual fuel oil, or refined petroleum products, or a different manner for determining the price . . . if he finds that such different manner for determining such price is necessary . . .

Paragraph (5) (C) states that—

> No price for domestic crude oil or any classification thereof . . . shall exceed the ceiling price by more than 35 percent.

Therefore, paragraph (5) (C) would give the President discretion to raise the ceiling on all domestically produced crude oil to $7.09 per barrel.

What does all this mean? First of all we must realize that the United States produced 3.2 billion barrels of crude oil in 1973. Of this amount currently one-third is considered so-called new oil and two-thirds comes under the heading of "old oil." Currently, "old oil" prices are frozen at $5.25 a barrel. "New oil" is uncontrolled and is fetching prices between $10 and $11 a barrel. Therefore, if we use the figure of 1 billion barrels of "new oil" selling at an average of $10.50 a barrel we arrive at a cost of $10.5 billion. Then, if we take "old oil" oil of roughly 2 billion barrels at $5.25 a barrel, we get a cost of $10.5 billion for a total of $21 billion for 1 year's production of domestic oil at current price levels.

Now, how would the Energy Emergency Act conference report roll back these prices? The report would eliminate the two-tiered pricing system and set a ceiling price for all domestic oil at $5.25 a barrel. Furthermore, it would allow the President at his discretion to raise the price to $7.09 a barrel. Assuming that President Nixon will continue to look upon the oil industry in the same way a doting father looks upon his one and only son, the public can expect that President Nixon will quickly take advantage of the 35-percent increase provision and allow the oil companies their $7.09 per barrel price. At the production level of 3 billion barrels this $7.09 per barrel price will amount to a cost of $21 billion—the same amount we are currently paying.

In short, the Senate would make legitimate a $10 billion transfer of earnings from the pockets of consumers into the bank accounts of the major oil companies. This is the $10 billion that the Nixon administration has allowed the major oil companies since it began increasing prices on May 15. On May 15, 1973, the average price of a barrel of domestically produced crude oil stood at roughly $3.62. Multiplied times production of 3 billion barrels the price tag equaled roughly $11 billion.

According to the Federal Trade Commission July 1973, investigation of the petroleum industry the top 20 major oil companies in 1970 controlled over 93 percent of domestic proven oil reserves. Also in 1970, 20 companies—16 of which are the same—controlled over 87 percent of domestic crude oil and gasoline refining capacity. Many of these same companies, according to the November 1973, report of the Senate Permanent Investigations Subcommittee, were the ones primarily responsible for restricting output in 1972 and 1973 and directly causing both fuel oil and gasoline shortages. That the current fuel shortages have been caused by a shortage of crude oil in the world and the Arab embargo. The oil companies and the Nixon administration would have this Congress and the public believe not so. The fuel shortages have been caused by the deliberate and joint actions of the major oil companies and the Nixon administration. By voting in favor of the conference report the Senate would capitulate to the power of the oil oligopoly and force the American people to give in to the biggest holdup in history.

The conference report assumes that the fuel shortages and so-called "energy crisis" is real. As far as I am concerned and as far as many of my constituents are concerned the fuel shortages have been skillfully contrived and the so-called energy crisis is nothing but a hoax. It is a hoax designed to fleece the American people—to increase oil company profits; to achieve their legislative objectives; to eliminate competition at every level; to raise prices; to forestall environmental safeguards; and to grant to the executive branch of Government unlimited dictatorial power.

The conference committee report stated clearly that the executive branch will be given "a full spectrum of extraordinary powers to cope with the—emergency—situation—as defined by President Nixon on November 8, 1973, when he 'addressed the Nation on the dimensions of the energy crisis.'" The conferees expect that once these "extraordinary powers" have been granted to the President, that he "will use them forthwith, and take strong action to reduce demand for energy during this period of national energy shortages * * *"—43–45. The Congress was also told that the President would fully cooperate with the Special Watergate Prosecutor. As far as I am concerned investing President Nixon with "extraordinary powers" at a time when only 28 percent of the American people have any confidence in his administration would not only be unwise, but disastrous for the economic and political health of the country.

The report urges the granting of "extraordinary powers" to the executive branch on the basis of the as yet unproven premise that the shortages, the crisis, faced by the people of this country are real, rather than the result of carefully designed and coordinated actions taken by the Nation's major petroleum companies with the approval and assistance of the Nixon administration.

The Senate will, by voting its approval of the conference report on the Energy Emergency Act, grant legitimacy to the as yet unproven assumption that the fuel shortages are real. At the present time this action is both precipitous and uncalled for. The President already has broad powers to allocate and set the price for petroleum and petroleum products. And as for the other provisions of the Energy Emergency Act, such as unemployment assistance, these should be passed on their own.

I would like, with the Senate's indulgence, to briefly suggest why I believe the current shortages and the so-called energy crisis are part of a hoax, a scheme to blackmail the American people by making them believe there is a shortage when there is none. I spent the past week in South Dakota. Some gas stations there were open 24 hours a day. There were no lines. The average price for a gallon of regular gasoline was approximately 46 cents. Yet, in the major cities, in Washington, in New York, in Chicago, in Boston, in Los Angeles, in Miami, in Philadelphia—people are forced to wait in long lines. It is in these cities, the major U.S. markets where there is a large amount of press and media coverage, that people are being conditioned to shortages. In addition, the President has called for reduced speed limits, lowering of temperatures, and a switch to daylight saving time. All of these things are nothing but psychological methods to convince a confused and disbelieving population of the so-called reality of the shortages.

The major oil companies have been spending millions of dollars in advertising to psychologically persuade us that the shortages are real. I am convinced that the heads of the major oil companies and key administration officials arrived at similar conclusions regarding the effect fuel shortages would have on the country. These men reasoned that most Americans, given the fact that they are used to a certain lifestyle extremely dependent on energy consumption, would be more willing to pay higher prices if they were forced to suffer the consequences of shortages, lines, rationing, and so forth. In short, the way to get higher prices was to first condition people to the so-called reality of the shortages. Once the people were forced into a choice of the lesser of two evils, these oil company executives and their administration friends reasoned that people would be forced to accept higher prices for their fuels, rather than put up with continued shortages of gasoline, heating oil, propane, and so forth.

A recent example of how a major oil company helped contrive a heating oil shortage in New York City may underline the reasons I believe the Senate must not give its approval to the conference report.

On January 13, 1974, the Washington Post reported that a subsidiary of the Shell Oil Co. had been selling heating oil in Metropolitan New York "at prices 3 times what it had paid to import it." The Shell subsidiary paid an estimated 16.5 cents a gallon for the oil which it bought last summer and sold the oil beginning in November at prices ranging from 47.5 cents a gallon to 55 cents a gallon.

On February 4, 1974, the New York Times reported that a Shell spokesman explained that the reason why there was a gasoline shortage in the Northeast was due to "the fact that we have stored a large amount of fuel oil in the Northeast, so that people will not suffer from the cold, and the fact that the demand for gas has risen too fast."

On February 7, 1974, the New York Times reported that the New York attorney general filed a complaint against the Shell Oil Co. for "diverting and holding secretly in storage home heating oil meant for New York homeowners. At the same time according to the complaint, Shell "was telling its New York customers that it could not meet their requirements, because it did not have enough oil." The complaint further charged that under an arrangement involving four Shell subsidiaries, 1 million barrels of No. 2 heating oil were kept under customs bond in New Jersey, not "officially" imported, and were not sold until last November—"after the imposition of the Arab oil embargo at exorbitant prices."

Attorney General Louis Lefkowitz called the complaint "the first in the United States where we have uncovered what we charge to be a contrived fuel shortage." Shell Oil Co. does not deny the charge; it merely says nothing illegal was done.

Another interesting feature of this action is the fact that the fuel oil was never reported to the American Petroleum Institute. It is the API upon which William Simon's Federal Energy Office depends for much of its statistical data. It is this data used by both the FEO and the major oil companies which has tended to support the oil industry's and the administration's contentions that there are major shortages of all kinds of fuel.

While there is no shortage of oil company advertising and administration rhetoric defending excess profits and high prices, there is an enormous shortage of truth. For example, in January, the Bureau of Mines revealed that the oil industry had near-record stockpiles of all petroleum products. From January to October 1973—the last complete recording period—supplies of oil products totaled 4.8 million barrels while demand reached 4.7 billion barrels. Moreover, the American Petroleum Institute showed that oil imports from October to December increased by 30 percent over last year. In fact, according to the API's figures home heating oil stocks were 203.5 million barrels at the yearend—up 28 percent over 1972. Gasoline stocks were also holding at over 200 million barrels.

While the above figures are surely conservative, they are also unaudited. The Federal Energy Office has the power of subpena which it could use to demand information on oil company reserves, production, and inventories. But the FEO has refused to use this power, and so the Government and the public are without reliable information. Energy information has been and continues to be a well-kept secret of the oil companies. Executives of supposedly competing companies are well-acquainted with information about each other's operations due to their numerous joint ventures and mutual interests. The Senate today is being asked to grant price increases to the major oil companies and extraordinary power to the President without the benefit of reliable and accurate information on energy reserves, costs, production, supplies, et cetera. To make these decisions without reliable data would demonstrate to the American people how easily the Senate is influenced by the economic and political power of the major oil companies and the Nixon administration.

In discussing this bill on the floor Monday, I commented that many people of my State are now at the point where they have to choose between spending money on food or on fuel. They cannot afford both. Food costs rose by more than 20 percent in 1973. Unless there is a real rollback in petroleum products, the American family, I am convinced, will face in 1974 another increase in their weekly food bill of at least that amount, and possibly even more.

A bushel of wheat is not grown in a week. A steer is not brought to the market in a month. The basic food products that we are now consuming on the market were produced, processed, and transported when energy costs for all food production and marketing processes were something like half of what they are now.

The increase in prices for petroleum products that the administration has already allowed has yet to be reflected in the cost of groceries at the supermarkets.

Those new increases, that we have allowed to occur since December 1 of last year, will not be a part of the food bill until next fall or until 1975.

And I predict further that there are going to be some awfully angry families when this spiral deals its new blows this year and next.

One does not have to have a doctorate in economics to make these predictions.

The USDA has estimated that the value of all farm products sold to U.S. consumers in 1973 at $51 billion and the costs to transport, process, and sell these products is estimated at $83 billion.

The USDA also reported, in its Economic Research Service report, Farm Income Situation, July 1973, that fertilizer costs $2.5 billion; fuel and oil costs $1.78 billion; and electricity $182 million—for a total cost of fuel and fuel related products of $4,489 million.

Any farmer can tell you that these costs, with the exception of electricity, have doubled and in some cases trebled since this report was published.

Thus, there is at the very least an additional $5 billion in increased costs that will be a part of the food we produce in 1974 and the cattle that came to market in 1975.

But there is more to it than that. Let us take cattle, as an example. The Agriculture Department reports that, as of July 1973 the cost of feed for producing livestock was $8.9 billion.

The effect of higher feed costs, from crops produced in 1974, will thus not be felt in the meat prices until 1975—but those increases are certain to occur without a real rollback.

Similarly, the added costs of processing, transporting, and marketing food because of the increases in all petroleum products are yet to be felt on the market.

What will all of this mean? It means a continued spiral, at least 20 percent in the cost of food in 1974 and more in 1975.

EFFECT OF SO-CALLED ROLLBACK PROVISION

Section 110 of the Energy Emergency Act conference report is called a price rollback provision. However, the extremely likely result of the language contained in section 110 will be either a freeze of prices at the existing high levels or a slight increase.

Section 110 of the conference report presently calls for all crude oil prices, old and new, to have a top limit of $5.25 per barrel with a 35-percent increase to $7.09 per barrel at the option of the President.

Under present prices old crude oil under price controls is limited to an average of $5.25 per barrel, and new crude oil and small stripper wells are uncontrolled and presently average $10.25 per barrel. Presently one-third of our domestic production is selling at an average of $10.35 per barrel and two-thirds is domestically produced "old" crude oil at an average of $5.25 per barrel.

Using our present daily domestic production, the fact that this is not a price rollback can be demonstrated as follows:

Under present prices:
New and stripper well oil—domestic:
3.5 million bbls/day × $10.35, $36.2 million.
7,7 million bbls/day × $5.25, $40.4 million.
Total Daily Cost to Consumer, $76.6 million.

Under so-called "rollback" section 110 of conference report:
All crude oil—domestic:
11.2 million bbls/day × $5.25, $58.8 million.
11.2 million bbls/day × $7.09, $78.1 million.

If the President decides to leave crude oil prices at $5.25 per barrel, there would be a saving of $17.8 million per day; however, given the present momentum of administration-allowed price increases, the top price of $7.09 per barrel will most likely be in effect before the end of a 3-month period. If we are to effect a real rollback, section 110 should be deleted from the conference report and a separate provision acted upon immediately to give American consumers fuel price relief as soon as possible.

Mr. McGEE. Mr. President, it is with great reluctance that I announce today my intention to vote in favor of the motion to recommit S. 2589, the Emergency Energy Act.

On January 29, I also with the same reservation voted to recommit this bill for the reason that the conferees had included in the bill a windfall profits tax section, which, most experts agreed, was disastrous and virtually unadministrable.

Today my negative vote is based solely upon my opposition to the so-called crude oil price rollback provision.

Were it not for the rollback provision, S. 2589 would have my complete support with little reservation. Many of the provisions contained in this bill are vitally necessary if we are going to overcome the problems of the energy crisis. I support, without any reservation whatsoever, the effort to broaden the unemployment compensation coverage for persons put out of work, because of the shortage of energy, the low-interest loans to homeowners and small businesses for the installation of energy saving devices, the improved Clean Air Protection Standards, the energy conservation plans, grants to States, and the many other constructive provisions in this legislation.

I consider, however, the crude oil price rollback provision to be counterproductive. I am convinced that it will serve as a deterrent to increased exploration and discovery of new crude oil and other new sources of energy.

Energy is important to us as a nation. With only 6 percent of the world's population, we are consuming one-third of its total energy. About one-third of the oil which we are now consuming comes from imports. The price of the foreign crude oil has increased dramatically and now averages about $10 a barrel. The remaining two-thirds of our oil consumption comes from domestic production. Currently 75 percent of our domestic production is controlled at $5.25 per barrel. The remaining 25 percent is uncontrolled, as a result of both congressional action and Executive order. The average price of uncontrolled, domestic crude oil, which includes new and stripper production, is $9.51 per barrel. This new crude and stripper well crude accounts for only 15 percent of our total supply, including both domestic and foreign oil.

The rollback provision in S. 2589 applies only to this new domestic crude and the stripper or marginal well crude. It is estimated that such a rollback only could result in temporary savings to consumers of about 1 cent per gallon on all oil products. On the other hand, it would result in diminished incentives for domestic exploration and production, both from new reserves and from stripper wells which have heretofore been economically unfeasible to produce.

The increased prices allowed by the Government for "new oil" have brought forth an increase in the activities related to domestic petroleum exploration. Since January of 1973, this activity has increased by 12 percent. There is also some evidence that as a result of this exploration the domestic supplies available are being increased, although there is naturally a time lag between exploration and actual production.

Of particular concern to me is that the proposed price rollback will hurt the independent producer to a far greater degree than it will affect the major oil companies. This is true because the independents drill 80 percent of exploratory wells in this country, and it is estimated that they operate about 80 percent of the stripper wells. This is a fact in my State of Wyoming, which, as you know, is a major oil-producing State. A rollback would, I am certain, not only result in reduced production in Wyoming but would also have a negative impact on employment in our No. 1 industry. Furthermore, unless we encourage new production domestically, we will find an increasing dependency on higher priced foreign oil followed by higher prices for oil products to the consumers.

Mr. President, it is for these reasons that I am opposed to the rollback provisions contained in this bill and also why I am compelled to vote for the motion to recommit S. 2589 to the conference committee. I remain hopeful that the conferees will agree to eliminate the rollback provision and report the bill back to the Senate so that we will have an opportunity to vote upon final passage of the bill and the important emergency energy measures which it contains.

Mr. President, I want to make it clear that I stand vigorously opposed to exorbitant energy prices to the consumer, such as those we have experienced in the past year with regard to propane. I also stand opposed to excessive windfall profits for those companies in the energy business. It is my understanding that the Senate Finance Committee is considering legislation which will prevent such windfall profits, but will, at the same time, contain built-in incentives for increased investments for exploration and production of new energy reserves. In my opinion, this is the approach which we should be taking rather than the one we are considering here today.

Mr. HANSEN. Mr. President, I note that this measure like so many others that affect mining is subject to provisions of the Administrative Procedure Act. Recently we had the surface mining bill with provision for determinations to be made by following the provisions of the Administrative Procedure Act. Other mining laws now administered by the Department of the Interior have similar requirements. Too many owners or operators who are affected by this provision are not just sure what it means. They wonder if in having their rights determined in this manner they are being denied their day in court.

I see my friend the distinguished Senator from Nebraska, the ranking member on the Senate Judiciary Committee and former chairman of the Subcommittee on Administrative Practice and Procedure, here and I direct my question to him. What do these provisions regarding determinations under the Administrative Procedure Act mean for an owner or operator who may find himself in disagreement with the officials of the agency in charge of carrying out an act or determining his rights?

Mr. HRUSKA. I thank my colleague. Basically, the reference to the Administrative Procedure Act in a bill was put in there as a protection to the property owners or operators against the possibility of overzealous administrative action. Any conflict arising out of the administration of an act would have to be handled through proceedings of administrative tribunals under the Department of the Interior if that is the agency charged with enforcement. Before any citizen could be deprived of any substantial right, he would be given due notice of the charge brought by the enforcing agency and given a hearing in an administrative court.

Mr. HANSEN. Administrative trial is meaningless to an owner or operator. He thinks he is being denied his day in court. The judge is an employee of the agency. If he is bold enough to make a decision favorable to an owner or operator, he can be, and usually is, reversed by higher administrative authority. The lawyer who handles the case for the complaining agency is often an assistant to the lawyer for the appellate administrative agency to whom the Secretary delegates the final decision. The administrative court system has aroused a great deal of resentment among persons affected by displaying more interest in carrying out administrative policy dictated by department heads than they show for the rights of citizens.

What protection does a citizen have if the administrative court hands him an unfair decision, How does he really get his day in court, as we know it, if he ever does?

Mr. HRUSKA. If an owner or operator is dissatisfied with the way the administrative tribunals have handled the case brought against him, and if he is not economically exhausted by the fight on the administrative levels, he can obtain judicial review of the final administrative decision in the Federal courts. The U.S. District Courts are given jurisdiction to review and to set aside agency action, findings, and conclusions found to be arbitrary, capricious, an abuse of discretion, otherwise not in accordance with law, contrary to constitutional right, or not supported by substantial evidence, or unwarranted by the facts. That is the substance of title 5, United States Code, section 706, in the Administrative Procedure Act.

Mr. HANSEN. I realize that Congress intended to protect the rights of citizens by the Administrative Procedure Act, but as a practical matter do the courts make a meaningful judicial review of administrative actions and decisions? What about the complaints we get that the Federal judges are unduly influenced by the decisions of the administrative courts and hesitate to reverse bureaucratic action? Particularly, the courts' track record in mining cases to date has shaken the citizen's faith in the courts. They feel that the judges never fully review the record, never attempt to determine if there is proof to substantiate the administrative findings and decisions, rather that they take the easy way out by saying that there was evidence, without giving it weight, to uphold the agency finding. Judicial review is a farce if the courts are going to put a rubber stamp of approval on whatever decision Interior has made. We hear as I have said all too often that the Federal judges are so impressed by Interior's claim of having expertise in matters connected with the public lands and with mining that the judges adopt the administrative conclusions and affirm the administrative decisions without really reviewing the record in the case, so long as Interior's attorneys can point to some evidence to support the decision brought in for review.

Mr. HRUSKA. The courts remain the only protection for a citizen's constitutional rights which our governmental framework offers. It may help somewhat if we go on record here as to what Congress intended to accomplish by writing into the Administrative Procedure Act the provision for judicial review of administrative action. The courts should not be rubberstamps; it is their duty to protect the citizens against bureaucratic injustice. Congress intended that the courts should review administrative decisions critically. If the decision below was wrong, if it was contrary to the evidence in the record, the court should reverse. Reverence for Interior's expertise and policy should not cause the court to wield any rubberstamp of approval for such a decision. And the same principle applies to review of administrative decisions from other departments.

The way the Administrative Procedure Act is meant to be carried out, the administrative law judges are expected to make specific findings as to the evidentiary facts in each case they hear and to frame their ultimate conclusions accordingly. If the case is brought up for judicial review, the reviewing court is not intended to dispose of the case merely by looking for some evidence in the record to support the decision below. The reviewing court should consider whether or not each of the rulings on evidentiary fact is supported by substantial evidence. The courts should not adopt uncritically findings of ultimate fact made below simply because they are labeled "findings," when they are really conclusions.

The reason why it is essential for the judge who hears the evidence to make specific findings of evidentiary fact was pointed out in Saginaw Broadcasting Co. against the Federal Communications Commission. Judge Stephens came right out with the statement that—

> The requirement of findings is far from a technicality. On the contrary, it is to insure against Star Chamber methods, to make certain that justice shall be administered to facts and law. This is fully as important in respect of commissions as it is in respect of courts.

When the trial judge bases his conclusions upon specific evidentiary findings, these furnish to a reviewing court the foundation upon which to base an intelligent review of the decision. And the reviewing court should not shrink from the sometimes laborious task of examining the record to evaluate the findings made below. The Administrative Procedure Act, section 706 of title 5 of the United States Code, makes it the duty of the reviewing court to review the whole record, or such portions thereof as may be cited by any party, and to take due account of the rule of prejudicial error.

If the reviewing court will take the trouble to make the critical examination of the administrative record which Congress intended when writing the Administrative Procedure Act, the court should be able to detect instances where bureaucratic policy has been allowed to override the facts which support the citizen's rights. Citizens must look to the courts to protect their constitutional rights and give them meaning. Unless the courts will stand out against instances of bureaucratic injustice, the Constitution becomes only a scrap of paper.

Mr. HANSEN. I thank my colleague. This will be most reassuring to those who have expressed concern over administrative tribunals and the courts.

Mr. HRUSKA. Our form of government must necessarily make use of administrative agencies, and the course of history has shown many times and in many countries that the inevitable tendency of agencies is to reach out for increasing power, to expand the scope of their authority and the number of their personnel until what President Franklin Roosevelt called the fourth branch of government becomes truly a bureaucracy. And, more recently the Senator from Arizona, Senator GOLDWATER, expressed similar concern about the bureaucracies. Power alters the perspective of the persons who wield it, and particularly where agencies administer large areas of public resources, there is a tendency to create and enlarge a Federal empire which is inside the 50 States, but really independent of them.

The temptation to consolidate that empire by dispossessing citizens of property rights lawfully acquired under acts of Congress is a strong one. To a zealous bureaucrat the project may look a righteous crusade, while the citizen screams "Confiscation." The task of preserving our kind of country, one where a citizen's constitutional rights are a reality, so that it will not turn into a bureaucracy where those rights have no meaning, calls for the courts to check and correct administrative abuse of power.

Mr. HANSEN. I thank my distinguished colleague for making this record. It will help greatly to alleviate the fears that have been expressed to me by owners and operators.

Mr. NELSON. Mr. President, when the Senate voted 3 weeks ago today to send the conference report on S. 2589, the Energy Emergency Act, back to conference it recognized that the report contained many good provisions that should be retained while several other sections merited further consideration. The conferees have made several modifications while retaining the best sections of the original language. The unconstitutional and surely workable so-called windfall profits tax, which in fact was not a tax at all, has been replaced with a consumer aiding price rollback provision affecting all petroleum products and propane. The unemployment compensation and employment impact section has been considerably and properly expanded. And finally, the language dealing with the conversion of facilities from natural gas and fuel oil to coal has been clarified and tightened.

By retaining the best provisions of the original language and amending and refining these three sections, the conferees have come back with a substantially improved piece of legislation. Consequently, I will vote for the conference report.

Each of thse three revisions deserves additional attention. First, the windfall profits section insured individual Americans only years of fruitless litigation, while the price rollback will save American consumers $20 million a day or $7,300 million a year by reducing fuel prices. This provision would make all crude oil produced in the United States subject to price controls, and put it all under an initial ceiling of $5.25 a barrel. The President could then allow the price of some kinds of crude to rise as high as $7.09 a barrel, but no higher. This rollback which is a far better consumer protection concept will reduce the average price of gasoline about 4 cents a gallon. In addition, an Interior Committee energy expert estimates that the price rollback will cut the consumer's propane fuel bill in half.

Recent price increases for propane, gasoline, home heating oil, and diesel fuel have added unconscionable profits to the oil industry while delivering a crippling blow to the average American. The Federal Energy Office estimates that every dollar cost increase for a barrel of crude translates into a 2.5-cent increase in a gallon of gasoline or heating oil. From January to October 1973, percent changes in the wholesale price index included increases of 79.6 percent for fuel oil, 53.8 percent for gasoline, 22.7 percent for crude products, and 55.8 percent for all refined petroleum products. By December, fuel price increases accounted for 40 percent of the increase in the Wholesale Price Index.

The rollback provision does not go as far as I would like but it is the most we could get and not force a Presidential veto. The price rollback provision provides essential interim protection against unprecedented price gouging of the public until longer term pricing policies can be developed.

Second, the conferees have examined the questions I raised in a colloquy with the distinguished and able chairman of the Public Works Subcommittee on Air and Water Pollution (Mr. MUSKIE) concerning the length of time available to a converted facility to achieve compliance with ambient air quality standards.

We are in a shortage situation and we will continue to remain in one for the foreseeable future. We must be concerned with drafting a system that will allow variances from air pollution standards when it is conclusively demonstrated that the low sulfur fuels and/or natural gas does not exist in sufficient supplies. We must insure that there is a national allocation program for our limited low-sulfur supplies in order to minimize to the greatest practicable extent the adverse environmental and health effects associated from high sulfur emissions. And at the very least we must insure that the plants that are permitted or that will be ordered to convert to coal will install as quickly as possible continuous emission control systems and revise their compliance timetable in order to fully meet the standards established by the Clean Air Act.

The sections of the conference report dealing with industrial plant conversion from fuel oil and natural gas to coal and the necessity to suspend air pollution standards have been tightened. The new language clearly recognizes that coal converters who choose to comply with the provisions of the Clean Air Act by using low sulfur coal must comply with emission limitations as soon as an adequate supply of coal with the proper sulfur content is secured. The Administrator is required to mandate the use of complying coal as soon as sufficient supplies become available.

The revised language mandates plants that have converted to coal be required to use continuous emission reduction systems to achieve required air pollution levels as soon as possible. The conference report now contains language establishing January 1, 1979, as the latest possible date to achieve compliance. The Administrator of the Environmental Protection Agency—EPA—would be able to move that date up, and the use of this provision now places the burden of proof on the industry to demonstrate that low sulfur coal is not available before a suspension may be granted.

The second significant improvement concerns those plants that voluntarily wish to convert to coal in order to conserve petroleum. A suspension from compliance will only be granted after the plants conclusively demonstrate intent to convert for at least 3 years. A single alternative bid for coal is not sufficient criteria to warrant a suspension from compliance. Other steps will be necessary, such as applying through proper channels for an air pollution variance, obtaining a firm contract for supplies of low sulfur coal, or of making a substantial investment in conversion equipment in order to receive any delay.

The Administrator of the EPA would be prohibited from approving an extension if these efforts could not be demonstrated to his satisfaction. I believe Mr. Russell Train, Administrator of the EPA, recognizes the complexities of the situation we are attempting to rectify and will sternly but fairly make those determinations.

The Administrator of the Federal Energy Office along with the Administrator of the EPA would make a plant-by-plant analysis of the environmental and health implications before allowing conversion and preventing a suspension. The EPA would be expected to deny such extensions where there is a potential for endangerment to the public's health.

I believe this compromise will allow the granting of the short-term variances to meet the needs of the energy crisis while moving us, a little more slowly than perhaps I would like but moving nevertheless, toward the goals established in the Clean Air Act.

Finally, the conferees have taken a positive first step in providing and expanding coverage for the tens of thousands of people who have either been laid off or have lost their jobs, because of the energy crisis.

Unemployment related to shortages of energy and other natural resources must also be one of our major concerns in the months ahead. The national unemployment rate for the months of January rose four/tenths of 1 percent to 5.2 percent, for the largest single month gain in 4 years. Some 600,000 workers have lost their jobs in this country since October, and no one believes the end is yet in sight.

Section 116 of the conference report now represents a valid attempt to solve part of this massive unemployment problem. It has been much improved since the Senate voted to recommit the bill to conference, and it now allows a wider flexibility on the part of Federal and State officials to define energy-related unemployment.

There is no expectation on our part, of course, that this provision will solve all the unemployment problems that will arise in the next few months—or even that it will solve all the problems that can be solved by unemployment compensation alone. As a member of the Finance Committee and chairman of the Subcommittee on Employment, Poverty, and Migratory Labor of the Labor and Public Welfare Committee, I will be taking a long, hard look at additional proposals to strengthen our arsenal of weapons in the war against unemployment. In that regard, and as a necessary complement to section 116 of this bill, I eagerly anticipate rapid consideration of the proposals being made to strengthen our entire unemployment compensation program—including the administration's proposal to augment all existing benefits in areas of high unemployment by $1 billion between now and June 1975, and to bring under the unemployment compensation program for the first time some of the many millions of unemployed workers who have thus far been ineligible for such benefits. In addition, I expect quick action on meaningful appropriations for public service employment under the recently enacted Comprehensive Employment and Training Act; on adequate funding for job training and retraining programs for those who need them; and on careful consideration of new proposals for solutions to both short- and long-term unemployment problems related to present and future shortages of natural resources. I might note here that my Employment Subcommittee is holding hearings on these and related topics in the very near future.

Mr. MONDALE. Mr. President, I rise in support of the conference report to S. 2589, the National Energy Emergency Act of 1973.

Recently, when the Senate first considered this conference report, I supported the motion of the distinguished Senator from Wisconsin (Mr. NELSON) to recommit the bill to conference.

During the debate on the conference report I stated:

> The gut issue which affects every American working family is the incredible increases in the price of crude oil and petroleum products to which we have been subjected in recent months . . . Americans are being slowly bled to death by rising prices, and rising oil prices are the most dramatic and most important source of this cruel inflation. The real issue is price. I therefore believe that we should focus attention as quickly as we possibly can to legislation which attacks the real problem of price.

I believed then and I believe now that there is no question as to the need for an immediate freeze and rollback in domestic crude oil and refined petroleum product prices. Since the beginning of 1973, the price of "old"—price controlled—crude petroleum has risen from about $3.50 per barrel to $5.25 per barrel. Included in this increase was an increase of $1 per barrel, allowed by the Cost of Living Council on December 19, 1973, which resulted in an increase of revenue to the oil companies of $3 billion per year without any promise of increased domestic production.

In the same time period, the price of "new"—decontrolled—domestic crude oil has more than tripled, to a current level of about $10 per barrel.

I am gratified that the conferees have now grappled with the central issue of price. And I am particularly gratified that the conference report which we now have before us recognizes the need for a price rollback to a definite price level as the most efficient and most equitable means to relieve pressure on American consumers, while still affording the oil industry the incentive it needs to develop new domestic oil resources.

The effects of higher oil prices are already being felt in the sharply higher unemployment figures recently reported by the Bureau of Labor Statistics, with January recording the largest jump for a single month in 4 years.

This should not be surprising. In the past 3 months alone—since the beginning of the Arab oil embargo—higher oil prices have taken up to $20 billion annually out of the American economy and much of that increase has gone into oil company coffers.

Part of this increase, of course, has been the result of foreign oil price rises, over which we have little control.

But we should not forget that the administration has allowed prices on domestically produced crude oil and refined products to rise by an estimated $7 to $10 billion annually. And these increases have played an important and devastating role in forcing an economic downturn in this country, by taking purchasing power out of the hands of the American consuming public.

On January 24, I presented a resolution to the Democratic conference and introduced legislation calling for a price rollback on domestically produced crude oil and petroleum products to the levels prevailing on November 1, 1973. At these levels, the average price of domestic crude oil was approximately $4,75 per barrel, above the estimates which many in the industry have given on the price levels needed to stimulate domestic exploration and production.

It is clear that many within the industry as recently as last summer felt that movements in the price of "new" domestic crude oil to the area of $5.50 per barrel would be strong incentives to increase the level of domestic exploration and production. By early November, these price levels have been reached, and the trade press within the oil industry was reflecting a good deal of satisfaction with the prices then in existence.

For example, on October 24, 1973—when the price of old crude was $4.25 per barrel and the price of new crude was about $5.50—John Swearingen, chairman of the Standard Oil Co. of Indiana, stated:

> Recent increases in the prices of domestic

> crude oil and natural gas have provided additional incentives and additional funds for intensified exploration for new supplies of oil and gas. Our company has embarked upon the most extensive exploration and development program in its history with particular emphasis on the U.S.

The Petroleum Independent, the magazine published by the Independent Petroleum Association of America, in its November 1973 issue quoted a Houston producer-geologist as saying:

> There's no doubt that prospects are for increased drilling. Everybody I know is planning on it. With new oil prices from $5.30 to $6.00 per barrel, there's incentive now to go looking for oil.

And the same issue of that magazine quotes another producer-geologist:

> The oil price rise is definitely a healthy sign. I've never seen so much outside investor money available for drilling. It wouldn't be difficult for one geologist to raise more money than he can intelligently spend.

Clearly, with so-called old oil selling at $4.25 per barrel, and new oil at about $5.75, the prices in existence on November 1 posed no real barrier to increasing our domestic petroleum reserves.

With the beginning of the Arab oil embargo, however, the price of domestic crude oil began skyrocketing upward in response to rises in the world price of oil. In spite of the fact that for 15 years the domestic oil industry had operated on a two-price system, in which lower priced foreign oil was kept out at a yearly cost to American consumers of over $5 billion, we suddenly began to hear that a two-price system simply could not work, and that domestic prices had to rise to what were termed the "free market" prices of foreign oil.

Clearly, however, there is at the present time no free market in the pricing of foreign oil. A classic cartel controls supply, and feels free to charge whatever prices it chooses. This cartel—OPEC—is attempting to bring economic havoc on the industrialized nations of the Western world, and to pretend for an instant that it partakes of a free market is sheer delusion.

In spite of these undeniable facts, the domestic oil industry continues to tell us that prices must rise to world levels.

Now it has become clear that the most effective way to curb excess profits is to control price, and that the only way to bring fuel costs back to reasonable levels is to roll back these prices to a definite level.

I commend the distinguished floor manager (Mr. JACKSON) for the speed with which he has moved in bringing back to the Senate a conference report which contains provisions dealing with this central issue of price.

Quite frankly, I would have liked the rollback to have gone further. While I believe that the provisions contained in the conference report are a start in bringing prices back to reasonable levels, we should not be satisfied with the prices which this bill would set.

Over the past few months, we have heard the continued pronouncements from the administration that a $7 per barrel price is what is needed as a long-term supply price to draw forth additional domestic production. Yet the documentation for this assertion has been rather skimpy; indeed, the principal price estimates based on substantial evaluation are those of the National Petroleum Council, which estimated an adjusted price of about $4.55 per barrel as needed to encourage expanded production.

And the trade press over the months leading up to the Arab embargo makes clear the industry's belief that even the prices contemplated in the rollback section of this bill were above their expectations.

I recognize that within the framework and time constraints of this legislation, the present rollback is probably all that could be obtained. I hope, however, that we will continue to focus attention on this crucial issue of price, and that the justification of the administration will be subjected to the most searching scrutiny if attempts are made to raise prices on new oil above the basic $5.25 level contained in the bill.

And I believe that we should once again give careful consideration to rolling back the price of so-called old oil to the more reasonable price level—$4.25 per barrel—which prevailed before the Cost of Living Council gave the oil industry a $3 billion per year profit increase on December 19 by raising the price of such oil by $1 per barrel.

I also note with some concern that the language contained in the conference report does not limit the categories on which prices could be increased to $7.09 per barrel to so-called new, released, and stripper oil. The conference report indicates that it is the intention of the conferees that increases beyond the basic level of $5.25 per barrel be confined to those categories, and that the required Presidential justification be given in any event. I trust that the administration will not disregard the intent of the conferees in this regard, and that they will not attempt to raise the price of so-called old or flowing crude oil. Any such attempt would be directly contrary to the spirit of this legislation and would, I believe, fail to meet any conceivable standards of justification, including those required under this legislation.

In short, the price rollback provision contained in section 110 of this conference report is beginning in bringing some sanity back to the pricing of domestic crude oil. It is unfortunate that a rollback of so-called old oil prices was not included, since the major oil companies produce a greater proportionate share of old oil than do independents, but the essential thrust of the conference report provision is moving in the proper direction, and deserves support.

In addition to this provision, there have also been substantial improvements in two other vitally important provisions of this legislation.

In particular, I am most pleased to note the improved provisions relating to unemployment compensation for workers affected by the energy crisis. This revised section, which makes clear our intent to allow provision of benefits for workers whose unemployment began before the enactment date of this legislation, and for workers whose unemployment is the result of shifts in consumer buying preferences and other similar causes, is a much-needed improvement over the similar provision in the previous conference report. I trust that these provisions will be liberally construed by the administration, and that workers will not be penalized for energy-related actions or decisions beyond their control.

Finally, I am pleased that there have been some improvements in the Clean Air Act provisions of this bill. While still not containing all the safeguards which may be necessary, these revised provisions do improve upon the provision in the original bill, and should offer greater protection to insure that the sometimes competing interests of energy and environment are more successfully harmonized during this period of energy shortage.

Mr. President, I hope that this conference report is approved and this legislation is swiftly signed by President Nixon. There are indications that he will veto this measure because of the price rollback provisions of the conference report.

I hope that the President recalls his words of urgency back in November of last year in attempting to get emergency legislation through the Congress. And I hope that the American people are made fully aware of the fact that it has been this administration, time and again, which has sought to delay progress on this legislation.

This is legislation which the President has asked for. Now, it is legislation which the President threatens to veto. Yet on balance it is legislation which the Nation needs, and which the President can ill afford to reject.

Mr. BAYH. Mr. President, in several respects this conference report is a major improvement over the initial report presented to us 3 weeks ago. I intend to vote for adoption of this revised report and urge my colleagues to join in passing this Energy Emergency Act and sending it to the House for final congressional action.

When the initial report of the conferees was presented to us on January 29, I expressed serious concern regarding section 116, which provided expanded and extended unemployment compensation for workers displaced by the energy crisis. The old section 116 would not have covered thousands of workers in my own State of Indiana, and elsewhere, already unemployed due to the energy crisis. Moreover, the old section 116 was worded in such a way that there were questions raised regarding which workers who lost their jobs subsequent to enactment would be covered.

Because the energy crisis has already had a severe impact on the economy, throwing people out of work in a variety of industries, it was my feeling that the unemployment compensation section of the bill should be retroactive. In addition, I felt it was necessary to make clear that the Congress intended to cover all workers affected by the energy crisis, not just the direct victims of specific governmental action.

Thus when the conferees resumed their work following the recommittal vote on January 29, I wrote to the distinguished chairman of the Interior Committee (Mr. JACKSON) suggesting specific ways in which section 116 might be improved. The able Senator from Washington, who has done such an outstanding job on this bill and several others necessitated by the energy crisis, took my suggestions to conference. I am pleased to note that the conferees responded affirmatively to my suggestions and the revised report contains a vastly improved provision for unemployment compensation.

The unemployment benefits of up to 1 year will be available to all workers now unemployed due to the energy crisis, as well as to workers who lose their jobs in the future because of the energy problem. Workers are covered regardless of whether or not they normally are covered by unemployment compensation.

Also, to remove any possible confusion on eligibility for the benefits of section 116, the revised section specifically says:

> Unemployment resulting from the energy crisis means unemployment which the State determines to be attributable to fuel allocations, fuel pricing, consumer buying decisions clearly influenced by the energy crisis, and governmental action associated with the energy crisis.

In the case of Indiana, which already has severe unemployment due to major shutdowns in the recreational vehicle industry, reduced automobile buying, and other energy-related joblessness, the revised section 116 covers thousands of workers who would not have been covered under the original conference report.

I would like to express my sincere appreciation to the Senator from Washington, who offered my suggested revision of section 116 when the conference met, and the other conferees who adopted the clarifying language of the section. This is a far more equitable provision, treating all workers displaced by the energy crisis equally and giving hope to thousands of American families where the wage earner, through no fault of his own, is out of work.

The revised conference report improves on the original report in another important area. I refer to section 110, which substitutes a rollback in crude oil and refined product prices for the old section prohibiting windfall profits in the oil industry.

This revision provides desperately needed relief for consumers who have found gasoline, heating oil, propane, and other fuel costs rising beyond all reason. Prices have risen beyond the point necessary to stimulate new exploration and drilling. It is time to stop the unnecessary fuel price spiral. So instead of devising techniques for dealing with windfall profits after the fact, the revised section 110 forestalls windfall profits by lowering prices directly. This is the best way to help consumers so hard hit by rising prices.

Prices would be brought back to a point which guarantees the oil companies reasonable profits in order to encourage the development of new oil reserves. But the projected price drop of 3 cents a gallon is quite important to consumers for whom soaring fuel costs have compounded months of inflation in virtually every sector of the economy. I do not regard this section as punitive, but I think it does say to the oil companies that we will not tolerate exorbitant prices and profiteering in the midst of the energy crisis.

In still another important area, the suspension of air quality standards, the revised conference report must be viewed as an improvement over the initial agreement of the conferees.

I recognize, as do most Americans, the need to suspend air quality standards in certain cases—where the public health will not be endangered—to permit the use of coal while petroleum and natural gas are in short supply. As I said during our first debate on the conference report on January 29:

> I support the separate section of the bill which directs that coal be used in lieu of oil and gas when possible during the energy emergency. Such action may well be necessary for more than one year, but there simply is no evidence to justify a decision now to push the air quality rules back to 1979.

The revised conference report deals constructively with this very problem, making it quite clear that any delay in implementing air quality rules beyond the current emergency must be subject to review by the Environmental Protection Agency and then only after oral arguments on the proposed exception from existing air quality regulations.

Thus the revised title II deals thoughtfully with the legitimate competing interests of meeting our energy requirements and protecting our environment.

It is to the credit of the conferees that they utilized the second meeting of the conference to improve these three sections of the Energy Emergency Act. In all three instances significant progress was made, and any reservations which may have existed regarding the initial conference report have been resolved favorably.

Besides these three main sections, the conference report gives us an opportnuity to take several other important steps to deal with our national energy problem:

Authority to limit the export of coal, petroleum products and petrochemical feedstocks is given to the Administrator of the new Federal Energy Emergency Administration. Also, the Secretary of Commerce would be required to use his authority to limit exports of these vital products if the Administrator deems it necessary to meet the energy emergency. For more than 2 months I have been trying to get the Secretary of Commerce to use his existing authority to limit petrochemical exports. Domestic industry, especially small businesses, has been hurt severely by the shortage of petrochemical feedstocks and the inaction of the Secretary is deplorable. At last, this bill provides a solution to that inaction.

Recognizing that there are limits to which we can balance energy supply and demand by increasing supplies in the short term, the bill gives the administration needed authority to limit energy demand through mandatory conservation methods. Such conservation may be our best hope for avoiding economic disaster due to the energy crisis.

In a further effort to avoid energy waste, the bill instructs the regulatory agencies to revise their regulations to permit fuel savings in interstate commerce.

Since end-use gasoline rationing may be necessary if the Arab oil embargo is effective and sustained, the bill creates the necessary authority for rationing.

As part of the overall program of energy conservation the bill provides Federal assistance to States and localities in developing carpool programs.

Since the major, integrated oil companies have used the fuel shortage as a tool against gasoline service station operators who do not follow the company line, the bill contains needed protections for the franchise rights of these small businessmen.

The bill has tough, effective antitrust rules to make certain the oil companies do not act improperly in concert in responding to the energy crisis.

Mr. President, in many respects this is an excellent bill, and a decided improvement over the original conference report. I am pleased to give it my support and hope it will become law in the very near future.

DOMESTIC OIL PRICE ROLLBACK

Mr. HANSEN. The price rollback proposed in the Emergency Energy Act is counterproductive and fails to meet its stated ends. A price rollback would have relatively little effect on its main target, the oil majors, who have only recently experienced a profitability improvement over a historically depressed period. Yet, the current profits yield a rate of return which is still low for an industry which must expand production through internally generated funds.

The price rollback can naturally affect only domestic prices and profits. Yet with foreign prices doubling or tripling domestic prices, any further control will drive exploratory incentive abroad. For example, in a year when Gulf Oil reported record sales and profits, its rate of return on domestic assets was only 7.1 percent, against a return of 24.7 percent on foreign assets; Standard Oil of Ohio experienced a rate of return on domestic petroleum equity of 4.6 percent against a return of 79.7 percent on foreign.

But the real tragedy of a price rollback is that it puts a brake on expansion of domestic oil production. Independent producers, who supply about 20 percent of the domestic production but drill 80 percent of the exploratory wells and operate 80 percent of the stripper wells, would be the real target of a rollback. The effect of this price control would be to deprive the independent segment of the industry of approximately $3 billion annually, money sorely needed for new exploration.

Finally, a rollback is really a throwback to less efficient means of extracting our domestic resource. A 5-to-7 dollar-per-barrel maximum discourages secondary and tertiary recovery methods, wasting oil that would otherwise be brought into our domestic supply. Only about one-third of the oil discovered is recovered without the use of water flooding—secondary recovery—or even more expensive tertiary recovery methods. Thus it is possible that rigid price controls over a 3-year period will result in an intensified energy crunch with devastating effects on the economy. In the longer run it will lead to higher prices, because not even the U.S. Congress can repeal the law of supply and demand.

Our national goals of energy self-sufficiency and elimination of waste are frustrated by the price rollback provision. Governmental interference with the free market price mechanism during this time of rapid changes in the industry and the world situation threatens the development of a sound energy base.

ROLE OF SENATOR JACKSON IN GAINING ENACTMENT OF S. 2589

Mr. BIBLE. Mr. President, before the conference report is approved as final Senate action on the Emergency Energy Act (S. 2589), I wish to pay a well-deserved tribute to the chairman of the Senate Interior Committee, the Senator from Washington (Mr. JACKSON). I would also like to note the outstanding efforts of the Senator from Georgia (Mr. NUNN) in behalf of small business in connection with this measure. To say that Senator JACKSON is the author of this legislation is to understate the credit due to him.

On February 4, 1971, Senator JACKSON joined with the Senator from West Virginia (Mr. RANDOLPH) to introduce Senate Resolution 45 to authorize a study of national fuels and energy policy. Pursuant to approval of this resolution on May 3, 1971, Senator JACKSON's personal leadership has resulted in literally a bookshelf full of studies on the various aspects of our complex energy problem. The Publications List of the National Fuels and Energy Policy study, dated December 1973, itemizes more than 29 sets of public hearings and 40 prints and reports which were produced during this inquiry over the last 3 years. This probably represents the most comprehensive compilation of information and comment on energy issues ever assembled.

Out of this serious scholarship emerged the conclusion that the Nation must deal with our energy problems in a comprehensive manner. Senator JACKSON saw this and acted to propose such solutions.

On October 18, 1973, he proposed S. 2589 as comprehensive energy conservation legislation as a part of this effort. Later, because of his mastery of the subject and experience in the legislative process, the Senator from Washington was able to steer this bill to passage in the Senate on November 19, 1973.

In the crisis atmosphere following the imposition of the Arab oil embargo, the Senator from Washington has been steadfast in working for the eventual enactment of this measure.

The adequacy of energy now looms as America's No. 1 problem. Energy and particularly petroleum is the muscle of American business, industry, and the foundation of our standard of living—both at work and in recreation which is vital to my own State of Nevada.

The Emergency Energy Act will be a milestone in the Nation's efforts to deal with this problem sensibly over the long term.

RECOGNITION OF SMALL BUSINESS PROBLEMS

Another matter close to my heart is the provision for smaller businesses which was adopted by the conference committee as section 130 of the bill. Especially as chairman of the Senate Small Business Committee, I want to express my appreciation to Senator JACKSON for his battle to have this provision for equitable treatment of America's 8½ million small businessmen restored to this bill. The story of this achievement will, I understand, be recounted more fully in a statement by the junior Senator from Georgia (Mr. NUNN) on this subject. Senator NUNN is certainly entitled to commendation for the speed and diligence with which he has been able to grasp small business energy problems and his effectiveness is gaining acceptance of the language now written into this bill.

Small businessmen throughout the Nation should be grateful to Senator JACKSON and Senator NUNN. The people of my State of Nevada, and all of the country, owe a large debt of gratitude to the Senator from Washington for initiating, shaping, and guiding into law this vital legislation.

Mr. KENNEDY. Mr. President, I intend to support the energy conference report because I believe many of its provisions are vital to permitting us to cope with the current crisis. However, I believe that the price ceiling set under this bill is still too high for the American consumer.

The decision to rollback prices to $5.25 for all crude oil but permit the President the discretion to increase that price by 35 percent still provides a potential for windfall profits to the oil companies.

However, the bill does provide an immediate rollback from the level of prices now being charged for new crude oil production. Oil producers are naturally taking advantage of the current unregulated price situation affecting new oil to obtain prices of more than $10 a barrel. Therefore, there should be an immediate benefit to consumers as a result of the conference report provisions restricting crude prices. Also, any increase proposed by the administration will require public hearings and submission of the justification to the Congress before they take effect.

I would prefer to see the level of old oil prices rolled back to the $4.25 per barrel level of November. The administration decision last December, to add a dollar to the old oil price merely boosted the oil companies' profits and did not provide any incentive to secure a single additional barrel of oil.

I regard the price provisions as a first step in breaking the fuel inflation cycle and I intend to work for a further rollback in crude oil and refined product prices. The price of fuel has led the worst explosion of inflation that this country has witnessed since the Korean war. Last month's soaring wholesale fuel prices bears all too clear a portent of what is yet to come if more stringent price restrictions are not put into effect.

I believe that this second conference report also strengthens the protections for the health and safety of communities in the event the waiver of the Clean Air Act provisions is utilized. I am appreciative to the conferees for having recognized the great and legitimate concerns of States such as my own where air pollution is a continuing danger. Although I still question the 1979 waiver and would have preferred a year-by-year determination the new language, both in the bill and in the statement of managers is encouraging.

Finally, I believe the strengthening of the section regarding employment benefits is essential. It directs the State to make the determination whether workers unemployed have been unemployed as a result of the energy crisis. And it then provides for extended benefits for those who have exhausted State benefits and full benefits for those who are not eligible for State benefits. These benefits would continue for up to 1 year.

This provision is vital given the indication of substantial increases in unemployment as a result of the energy crisis. We already have seen a rise from 4.8 to 5.2 percent in the last month and every indication is that additional numbers will be affected in the future. Traveling around Massachusetts, it is clear that the energy crisis already is responsible for many jobless in my State. Our December unemployment rate of 7.3 percent was the worst December on record since 1960.

For these reasons, and because I believe the bill does meet a national need by providing specific rationing authority, by providing the authority to dampen demand through stringent conservation measures, and by establishing by statute the Federal Energy Administration, I will support its passage.

Mr. HELMS. Mr. President, in my judgment the conference report on S. 2589, the Emergency Energy Act, should not be approved by this body. Everyone knows the controversial history of this conference report, the unusual parliamentary proceedings which attended its birth, and the discrepancies which remain even after reconsideration. The distinguished Senior Senator from Arizona (Mr. FANNIN) detailed these on the floor the other day, expressing his frustration at the unconventional tactics which surrounded the shaping of this legislation.

It is clear that this is legislation which was conceived in haste, marked up with slipshod recklessness, and which brought us into direct conflict with the wishes of the House of Representatives. Even now it is filled with duplication of effort, ambiguity of authority, and administrative nightmares. I have no doubt whatsoever that it will never accomplish what it sets out to do.

Moreover, I am convinced that the bill is wrong in its substance as well. If we were really serious about energy conservation we would seek every substantial means of cutting down on wasted energy. It was brought out on this floor that forced busing of schoolchildren was a luxury that we could no longer afford in a time of shortage. A substantial portion of this body agreed that it is simply too great a waste of gasoline to continue forced busing at a time when it is proposed to shorten school hours, cut down on heat in schools, and even to close schools for extended periods. The House agreed completely and passed an amendment similar to the one I proposed in the Senate to cut out forced busing.

Yet despite the fact that a substantial portion of his body agreed three times to the proposition, and the other House agreed overwhelmingly, the House amendment was eliminated in conference. I recall a newspaper story at the time which reported—and, of course, I realize that not all newspaper reports are correct—that the distinguished chairman of the Interior Committee had argued in conference that to include the antibusing amendment would delay the bill in the Senate and perhaps prevent it from passing. At any rate, the amendment was deleted. It is also a matter of history that the bill was delayed anyway, indicating that the fears of many Members of both Houses were directed to other parts of the bill.

All of this goes to show that we are perhaps not really serious about the energy shortage. Yet the bill itself moves to involve the Federal Government more heavily in the decisionmaking about energy sources and use. It moves us toward rationing, it moves us toward Government control of personal mobility, and it moves us toward Government control of the essential business decisions of private enterprise.

Everybody is properly concerned about the energy crisis, with its shortages of gasoline, fuel oil, and gas. But, the last thing we need, and the worst thing that could happen, would be for the United States to move toward a nationalized oil industry. Yet, in this moment of frustration, that suggestion is being heard more and more often. It will be a sad day for America if it ever comes to pass.

It is not popular to dispute the loud political condemnations of the oil industry that are being heard with increasing fury. It is a natural desire on the part of the public to want to hear us politicians propose easy answers to difficult problems. The trouble is, there is no easy answer to difficult problems. The trouble is, there is no easy answer to this problem. We are not going to solve it by Federal controls, or by finding a political scapegoat. We have got to face up to the hard facts of life.

For many years now, our Federal Government, by one device after another, has been limiting the exploration for new domestic sources of petroleum. Therefore, production has been limited. Instead of developing new sources at home, we have been turning to foreign countries, and importing larger and larger amounts of oil. Our shortsightedness is now catching up with us. The crunch is on.

I hold no brief for the oil companies. I do not own even one share of stock in any oil company. And I do not like to pay high prices for gasoline any more than any other citizen does. Still, in fairness, I think the American people ought to bear in mind that they still have more fuel available to them, at less cost, than any other country in the world.

My own view is that we ought to get busy with exploration for more sources of domestic petroleum, build some new refineries, and stop all of the name calling. Otherwise, no matter what laws Congress passes, or what regulations the Federal Government imposes, the situation is going to get worse.

We ought to compare our situation, unpleasant as it is, with that of any other country in the world. Then we would be made aware of a fact that many people are forgetting—that the free enterprise system of competition is our best hope. Indeed, it is our only hope.

I realize that it is popular to vote to roll back prices. But I say we must look to the future. Such a move can have no other result than a further reduction of exploration and production of petroleum, thus further delaying the hope of an adequate supply in the months and years ahead.

I am sure I will be criticized for these thoughts, but I am convinced that there is no adequate substitute for the free enterprise system. Only through production and competition in the marketplace can we hope to enjoy lower prices for the goods we buy, whether they be gasoline, food, or whatever. We cannot improve upon the free enterprise system.

Mr. DOMENICI. Mr. President, I rise today to give my reasons for voting to recommit this conference report and if necessary, against final passage of S. 2589. I reach these decisions only after a great deal of serious deliberation because, as I have publicly stated on several occasions, this bill has several features that are essential in combating our current energy dilemma.

Illustrative of these essential provisions are those which allow limited modification of the Clean Air Act for both stationary and mobile sources, prohibit discrimination against any class of user of petroleum products, protect franchised gasoline dealers/distributors in their business relations with their suppliers, and give the executive branch the authority to deal effectively with specific kinds of energy shortages.

As essential, as vital as these and other provisions are, Mr. President, the conference version of this bill contains a fatal flaw. That fatal flaw is a provision to put a ceiling on domestic crude oil prices which is irrational and self-defeating when examined from the viewpoint of trying to make petroleum products meet the demand for those products.

Mr. President, this bill would drastically decrease exploration, development, and production of domestic crude oil, reducing the supply, while at the same time it would lower consumer prices, increasing demand. That combination of effects is absolutely wrong, it defies understanding and it will work to the detriment to the consumer in the long run.

Another point, Mr. President, is that it does not fit into our efforts to gain long-range energy independence. This Nation, represented so brilliantly by Dr. Kissinger, is attempting far beyond the normal call of duty to lessen tensions in the Middle East and to achieve a durable and lasting peace in that volatile part of the world. There should be no doubt that a legitimate expected benefit from those tortuous negotiations is to encourage the lifting of the Arab oil embargo and increase the availability of foreign oil for our use here in the United States.

In the face of this diplomatic venture, Mr. President, it is almost criminal to put a ceiling on American crude at one-half or less the price of foreign crude. The price ceiling would clearly discriminate against the small domestic producer who has discovered about 80 percent of new domestic oil in recent years and it will put those domestic producers at an even greater disadvantage in relation to international oil giants who produce or own foreign crude and bring it into this country at prices which are totally uncontrolled. The comparative result is that even new domestic crude would have a base price of $5.25 a barrel, subject to increase for certain unspecified categories, while foreign crude is right now bringing up to $13 a barrel. This situation is, in a word, ludicrous, Mr. President.

I feel so strong on the discriminatory aspect of this bill that I am today introducing a separate measure to exempt from price controls all crude oil produced by independent domestic producers.

Additional reasons for that separate legislative initiative are contained in my introductory remarks in today's Record.

All too often, Mr. President, we in Congress are faced with issues which appear so uncomplicated, so easy and so beneficial on the surface. But when the surface is drawn away and the underlying complexities revealed, other courses of action are required. By then, unfortunately, it is difficult to pass a rational judgment without being pasted with some ridiculous label. The proponents of this bill are quick to point out its prospective immediate benefit to consumers. So good, so far, but what will consumers do when domestic production falls and higher priced foreign crude, as a great percentage of total consumption, forces the price back up—a movement no one in this country can control or resist? What will consumers do, Mr. President, when foreign countries on the least whim or caprice decide to withhold their crude at any price? Where will the proponents of this bill be then? Who will they be pointing to as the culprit and how will they appease the indignant anger of the consumers whose cause they now so righteously promote?

A look beneath the surface has caused me to take this strong stand and make this strong statement. I am convinced the path I have chosen is correct. I urge all my colleagues to seriously and earnestly consider the points I have raised.

Mr. RANDOLPH. In discussing section 106 on February 7 with the floor manager for this conference report, the use of new technologies and coal derivatives, such as synthetic gas and oil from coal and solvent refined coal, were determined to be within the term "by-products" of coal, as that term is used with respect to existing facilities. By way of further clarification, however, it would seem clear that it was the intent of the conferees that all such products or derivatives from coal are included within the broader term "coal" as used in section 106, since that section seeks to make such fuels available for not only existing facilities, but as well for plants now in the planning process. Would the Senator from Washington care to comment?

Mr. JACKSON. I would be happy to comment. Since the purpose of this section is to stretch available fuel supplies, it was obviously not the intent of the Congress to limit the term "coal" to its most narrow definition. This was made explicitly clear with regard to fuel use in existing plants. Yet the omission of explicit reference to coal by-products in the discussion of plants in the planning process was not intended to imply that they should be excluded. The conferees intended that both coal and coal by-products be considered for consumption by powerplants in all phases of development.

Mr. ROTH. Mr. President, I am very concerned about the petrochemical feedstock shortage and its serious impact on our domestic economy should this shortage continue. I endorse the language the conference committee has included in section 107(c) requiring the Administrator to exercise whatever authority he has to alleviate shortages of petrochemical feedstocks and report back to Congress on this problem. I would, however, appreciate the clarification of two points.

Although petrochemical feedstocks are not defined in section 107 or in the associated report language, a good definition of petrochemical feedstocks does appear in the report language in section 115—Exports. I presume that the committee intends this definition to also apply to section 107(c)—is that correct?

Mr. JACKSON. The Senator is correct. The conference committee's definition of the term "petrochemical feedstocks" is set forth as follows on page 70 of the conference report:

> In using the term "petrochemical feedstocks" the Committee intends to identify the basic hydrocarbon derivatives of crude oil such as propane, butane, naphtha, olefins such as ethylene and propylene, aromatics such as benzene, toluene and the xylenes, extender oil used in the manufacture of rubber, and aromatic oils used in the manufacture of carbon black.

Although this definition was specifically addressed to the conference substitute for section 115, it does reflect the intent of the conferees throughout the report, including section 107(c).

Mr. ROTH. The language of section 107(c) instructs the Administrator to exercise any authority he may have to take steps to alleviate shortages of feedstocks. Could you describe what some of these steps might be and do they include allocation?

Mr. JACKSON. Allocation is one of the possible actions that could and should be considered. The Administrator can take feedstock production into consideration in the assigning crude oil allocations and adjusting gasoline production. He can also allocate certain feedstocks themselves. In discussing the allocation of "distillates," the conference report on S. 1570, the Emergency Petroleum Allocation Act of 1973, that allocation authority was discussed as follows:

> It is the committee's intent, however, that this term also reach to include naphtha and benzene so as to require the allocation of these products as may be necessary to accomplish the objective of restoring and fostering competition in the petrochemical sector of industry. In this respect the conference committee wishes to emphasize that, in expressing congressional concern with fostering competition in the petrochemical industry, the committee intends to also identify petrochemical feedstock needs as important end-uses for which allocation should be made.

Another alternative is the use of price incentive, although in the short term for the hard-pressed end user the use of this tool is uncertain. I share the view that the Administrator may well need further authority in this area and that is why we have included the requirement that legislative recommendations be submitted to the Congress within 3 days.

Mr. MAGNUSON. Mr. President, although I will vote for this energy emergency legislation, I must express reservations with section 118 dealing with the importation of natural gas. This provision was included in the House but not the Senate version of the legislation, and I think it is most unfortunate that it is included in the conference report.

The proposed section would empower the President to authorize shipments of liquefied natural gas—LNG—to the United States from a foreign country. Under present law, only the Federal Power Commission is authorized to issue a permit for such imports. The Federal Power Commission holds hearings on the application to determine that the importation is in the public interest. It carefully considers supply and demand, pricing, technical feasibility, and national security impact. But it must also examine an environmental impact statement and pay particular attention to important safety considerations. Inasmuch as the Federal Power Commission has such expertise to evaluate applications, it seems foolish and contrary to the public interest to invest this authority in the President.

As drafted, the proposed provision would permit short-term LNG imports without adherence to the environmental impact statement requirements of the National Environmental Policy Act. Natural gas is clean burning and an environmentally desirable fuel, but in liquid form it is an extremely hazardous substance. To allow it to be shipped, even in small quantities, into congested ports near densely populated areas, such as Staten Island or Boston without the closest scrutiny of accident prevention measures, alternate import sites, and adequate, safe storage facilities poses a threat to property and citizens in that region. The hazards are present, and the Senate Commerce Committee is studying their nature and control. The committee plans to soon hold hearings on the crucial safety issues involved with the importation of liquefied natural gas, but now, in light of the dangers involved, such importation applications should not be exempted from a thorough safety assessment.

Liquefied natural gas is natural gas which has been cooled to −260° F. and condensed to one six-hundredths of its original volume. In this liquid state, it is highly flammable, and under certain conditions, explosive. When LNG is spilled on water, experimenters have found that there is a flameless explosion or "little pops." They cannot be explained. When the substance is spilled on polluted waters, such as in a typical port, there is likely to be an explosion. LNG expands geometrically to several times its original volume when it is spilled on water, and a vapor cloud is formed. This cloud can travel several miles downwind and it is highly flammable. Nearby ships and communities are threatened. It would only take one "emergency" shipload of LNG to cause havoc, and yet this proposed provision would authorize such a shipment without any safety considerations.

Shipment by shipment is a particularly poor choice of words in this proposed section, because it is unclear whether this term could apply to a series of shiploads. In fact, an entire gasfield could possibly be contracted for with such vague terminology. The Federal Power Commission interprets this proposal to apply only to short-term imports, but even this is uncertain. There are a number of long-term controversial LNG importation applications pending before the Commission which should not suddenly be approved by Presidential order.

I would like to insert in the RECORD a copy of a letter addressed to me by Chairman Nassikas expressing the Federal Power Commission's dissatisfaction with the provision. I hope my colleagues will join me in my concern for the safety and lives of affected citizens should this provision be enacted.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., January 10, 1974.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of December 14, 1973, for comments on Section 118 of the Energy Emergency Act. S. 2589 as adopted by the House contained that provision; the Senate version of the bill did not.

The proposed provision would add a new Section 9 to the Emergency Petroleum Allocation Act of 1973 which would empower the President, notwithstanding Section 3 of the Natural Gas Act (15 U.S.C. § 717b) or any other provisions of law, to authorize shipments of liquefied natural gas (LNG) to the United States from any foreign country. This authority would not apply to shipments in transit on the date of expiration of the Act and which had not been previously authorized.

We interpret the proposal as a grant of LNG import jurisdiction to the President concurrently with that held by the Federal Power Commission under Section 3 of the Natural Gas Act. Section 3 requires the Commission to issue an order authorizing importation (or exportation) unless, after opportunity for hearing, it finds that the proposal will not be consistent with the public interest. In passing upon import applications the Commission considers data regarding the economic and technical reasonableness of the proposal as well as data on environmental impact, including safety considerations. Inasmuch as the Commission has expertise in exercising such import jurisdiction, we suggest that it would be expedient to have the authority to grant temporary emergency orders contemplated by the proposal vested in the Commission rather than in the President.

LNG import applications filed with the Commission involve either long-term or short-term contractual commitments. Long-term imports are characterized by 20- to 25-year contracts for substantial quantities of LNG (see annexed Table I); short-term imports are usually for one or two shipments over a limited period of time (see Table II). While it is not clear, we assume that the proposal is intended to cover short-term imports only. The Commission would favor the procedure proposed regarding single cargoes of short-term shipments but would oppose such expedited procedure for long-term imports. To clarify the evident purpose of the proposed change to authorize spot shipments of LNG urgently needed to maintain adequate local supplies, we recommend that the term "shipment-by-shipment" be changed to "shipload-by-shipload". This would insure that a separate public interest determination will be made for each shipload of LNG for consistency with the energy emergency upon which the legislation is predicated.

In addition, the bill should be amended to provide that if the President (or the Commission) exercises the authority to authorize an import that Commission review will not be necessary under Section 7 of the Natural Gas Act where the sale or transportation of the gas for resale in interstate commerce is contemplated or facilities for such service will be required. Expedited action approving short-term imports of the type authorized by the proposed legislation could be effectively frustrated if the public convenience and necessity certification procedures and standards are applicable to the gas once imported.

Presumably, as drafted the proposed legislation is intended to permit the authorization of short-term LNG imports without adherence to any applicable environmental impact statement requirements of the National Environmental Policy Act (NEPA). In order to avoid time consuming litigation, we believe that any waiver of NEPA requirements should be specified in the legislation.

In view of the administrative steps now required to be taken by the Commission in connection with import applications, it is evident that the proposed amendment may have an expeditious effect. The minimum time required for the processing of an LNG import application which does not involve a formal hearing is about six to eight weeks. The necessity for a public hearing can add months to the processing required. A procedure which expedites approval of spot imports should improve the ability of American gas companies to take advantage of available shipments as they arise.

In the event the emergency power is given to the President, we suggest it would be desirable that in making a finding of public interest that this agency should be consulted prior to the exercise of the power granted in the section. Accordingly, we recommend the provision be revised by inserting after the word "President" the words "in consultation with the Federal Power Commission".

Thank you for the opportunity to comment on this proposed legislation.

Sincerely,

John N. Nassikas, *Chairman*.

THE OIL PRICE ROLLBACK: LET'S DO IT RIGHT

Mr. McGOVERN. Mr. President, this afternoon the Senate will vote on whether to send the Emergency Energy bill back to conference for a second time. At issue will be the price rollback formula the conferees have inserted in place of of the "windfall profits" provision contained in the original bill.

There may be strong reasons for adopting the conference report, as, for example, the unemployment compensation provisions for those who have lost their jobs due to the energy crisis. But the so-called rollback provision is not as great as it should be.

Today the United States produces approximately 9.2 million barrels of crude oil a day. About 71 percent of that oil is flowing from fields developed prior to 1973 and is controlled at a price of $5.25 per barrel. The remaining 29 percent is exempt from price controls on various grounds and sells for about $9.50 a barrel. Only about one-third of this exempt oil is "new"—from fields not flowing in 1972 or before.

Under the conferees formula, the price for all domestic crude would be nominally set at $5.25 per barrel. But the President is expressly given the power to raise the price as much as 35 percent—for a maximum ceiling of $7.09 per barrel.

The practical effect of this proposal therefore is to impose roughly a $2.41 reduction on the 30 percent which is not presently controlled. No change in the price of the other 70 percent is mandated. Indeed, further price increases on this "old" oil totaling nearly $2, or 5 cents a gallon at the consumer level, are permitted.

I have reservations about the conference approach for three reasons. First, the plan would leave intact the President's recent decision to raise the price of controlled or "old" oil by $1 per barrel—from $4.25 to $5.25. Second, the administration would retain the right to further increase the price of old oil by nearly $2 more. And third, the conference formula would result in only small savings to the consumer.

The Consumer Energy Act of 1974 which the Commerce Committee is considering this week and will shortly report out on behalf of a bipartisan group of Senators including myself offers the consumer a sounder and better thought out policy. It would roll back prices to the December 1 level and permit a rise in prices only to reflect rising costs or to give incentives to independent producers and wildcatters. It would not permit the majors to reap the windfalls possible under this bill.

During the last 15 weeks, consumer fuel prices have increased on the average approximately 10 cents a gallon. In some cases, particularly propane and home heating fuel, consumers have paid as much as 200 to 300 percent more this year than last year.

At the same time, the profits of the major oil companies have gone up even more rapidly than fuel costs. During the first 9 months of last year, the 31 largest oil companies posted a 47-percent increase over the comparable 1972 period and a 63-percent increase in the third quarter alone. For the largest companies, the results were even more dramatic: Exxon's third-quarter profits were up 81 percent; Gulf's, 91 percent. Although the final 1972 figures for all companies are not yet in, one company, Gulf, reported a 153-percent increase in its fourth-quarter profits and a full year profit rise of 79 percent. Exxon posted a 60-percent overall profit increase last year.

Although the majors stress that a substantial portion of their new riches come from foreign operations, the rising price for domestic crude has been a significant factor. In 1958, domestic crude sold for an average price of $3.09 a barrel. The price of crude which averaged less than $3 a barrel during the 1960's increased gradually to about $3.40 in late 1972. On May 15, 1973, the administration permitted a 35-cent increase in the then controlled price of $3.90 per barrel. This new $4.25 price was further increased by executive fiat to $5.25 last December.

Thus, under the Nixon price controls, crude oil went up 36 percent in less than a year. That $1.35 increase was greater than the 81-cent rise during the prior 15 years.

According to Ervin Wolf, chairman of one of the largest exploration companies, and other industry experts:

> Approximately 80 to 90 percent of all the old oil which was recently increased $1 per barrel is owned by the major oil companies.

He estimates that the dollar increase was worth approximately $30 billion to the majors on their existing inventory of crude oil. It must be stressed that this oil was found and developed years ago. It would have continued to be produced without any increase in price.

As Senator Johnston of Louisiana pointed out in debate on February 7, this dollar increase amounts to a pure windfall profit to the major oil companies. It was granted for wells which were developed and flowing prior to 1973. For these wells there is no exploration or development risk. Those costs were incurred 10 and 20 years ago. The only present costs are in pumping it up from the ground which Business Week sets at $1.10 a barrel and many other experts even lower. The rest is pure unadulterated profit—at present prices more than $4 a barrel.

As Senator Johnston pointed out, an increase in the price of old oil is by no stretch of the imagination an incentive to produce new oil. And in a colloquy with him, Senator Jackson admitted that the dollar increase was, and I quote, "clear windfall."

And so I ask with Senator Johnston:

> Why not roll back the price of old oil—which represents approximately 70 percent of domestic crude—to its December price of $4.25 and eliminate the $1 per barrel windfall that was allowed despite the fact that it is not really a viable incentive to produce more oil?

My second objection follows logically from the first. If, as Senator Jackson has said, the dollar increase on old oil was "clear windfall" why should the President be given specific authority to grant nearly $2 of future increases?

The conference report says that it expects this new authority to be used only with respect to newly produced crude and oil extracted through expensive technology such as secondary and tertiary recovery. But the same could have been said before the December price increase.

Moreover, the administration has announced plans to gradually increase the price of crude to $7 per barrel over the next 3 years in connection with its so-called windfall profits excise tax. As Treasury Secretary Shultz testified before the Ways and Means Committee on February 4:

> A tax which bites hard on immediate price increases (but would) not interfere with the production of needed oil supplies if it gradually phases out so that *after three years there would be no tax on oil prices at around $7 or less per barrel.* (emphasis supplied).

Under the mechanics of the plan the Secretary described, the base not subject to the proposed tax would be increased by 80 cents a year for a nontaxed price of $7.15 in 3 years. His precise calculations furnish a good benchmark against which to judge the administration's intentions regarding oil price control policies.

In the face of those statements, I do not see how the conference can be so sanguine about future increases in old oil prices.

The third question is how much the proposed limited price rollback would save the consumer. Senator JACKSON has estimated that it would reduce consumer prices by 4 cents a gallon or more and save the consumer upwards of $4 billion. Yet the unanimous testimony of expert witnesses before the Interior Committee just 2 weeks ago was that a 25-percent decrease in the price of uncontrolled oil—roughly equivalent to proposed formula—would save the consumer perhaps 1 cent a gallon.

The administration estimated that the December dollar increase on 71 percent of domestic production would increase fuel prices by 2.5 cents per gallon and cost the consumer approximately $2.5 billion a year. On that basis a $2.41 reduction on 29 percent would save the consumer about $2.3 billion which works out to about 2.3 cents per gallon.

But under the price control regulations, the fuel presently being consumed is priced based on the average cost of crude oil in the refiner's inventory at the time the fuel was refined. In general, fuel consumed today is based on crude refined 30 days ago or more. In many cases that crude was purchased weeks or months before at substantially lower prices. Expensive Arabian crude, for example, takes 45 days just to be shipped in tankers to the United States.

Since uncontrolled crude sold for less than $7 60 days ago and about $8.25 30 days ago, the effect of the conference proposal would be at best to stabilize fuel costs at their present levels. In some cases, costs will continue to increase because of the higher cost of foreign crude. In others, it will decrease because of greater stability in foreign prices. This would depend on the source of oil for individual companies contracted for weeks and months ago and explains why Exxon recently raised its price on the same day that Amoco announced a reduction.

I point this out, Mr. President, because of the danger that the public may again be disappointed with the Congress when the promised price reduction fails to materialize, or is less than expected, in the event the conference report is adopted.

The better alternative—is:

First, to roll back the $1 windfall on old oil the President granted last December;

Second, to set a price for bona fide new oil and stripper well production at a level which will insure expanded production and protect the consumer from price gouging;

Third, to remove from the administration the authority to increase the price for old oil;

Fourth, to carefully prescribe the conditions under which the price for new and stripper oil can be increased, subject to congressional concurrence;

Fifth, to abolish the administration's so-called release program under which old oil is exempted from price controls;

Sixth, to repeal the congressionally imposed exemption for stripper wells from price controls which is generally admitted to have been a mistake by the administration as well as the conference committee; and

Seventh, to require these cost savings to be passed on to the consumer.

Most of these proposals are clear from what I have said regarding the conference report.

The price for new oil adopted in the Magnuson bill is about $7 per barrel. That is the price the administration and the industry originally said was adequate to provide a sufficient incentive for the development of new sources such as oil shale and finance new expensive recovery techniques and deep wells. Predictably enough their estimates have drifted upward with the price.

I am not suggesting an absolute limit of $7 for new oil. What I am suggesting is a present $7 price which could be adjusted upward if the President showed proper reasons for doing so and the Congress concurred.

So far as released oil is concerned, I can see no justification for it. Under current price control program, the administration in effect permits one barrel of old oil to be decontrolled for each new barrel of oil produced from an existing field. It seems to me that today's present high prices for new oil, even if they were rolled back to the $7 level, furnish a sufficient incentive for producing the new oil. There is no justification now for adding a "bonus barrel."

These seven steps would permit us to return to the consumer price levels which prevailed last December plus the increased costs of foreign crude since then. Today we import nearly 40 percent of our crude and will continue to do so in the months ahead.

I am hopeful that Secretary Kissinger will succeed in his efforts to reduce the world price for oil. Recent statements by Mr. Yamani of Saudi Arabia and other spokesmen of oil exporting nations to the effect that the present price risks a worldwide depression offer some hope that this will be done. If this is done, consumers will benefit not only from lower foreign crude prices but less pressure on domestic prices as well.

But while we wish the Secretary well in his travels, let us at least hold down oil profiteering at home in a rational way. We may not yet have the ability to affect foreign prices, but we have the obligation to restrain domestic prices.

In conclusion, Mr. President, let me stress that I believe that the conference has found the right idea for dealing with the oil price—profits problem. We should roll back oil prices—the question is which oil and how far.

Further, we should be particularly careful that the Congress does not put itself in the position of promising the consumer a greater rollback than the bill delivers.

Although I regret that the price rollback in the conference report is not greater than it is, I have decided to vote for this measure and against recommitting it on the grounds that it is probably the best bill we have any chance of getting signed into law this time. Perhaps we can do better at a later date.

Mr. MONTOYA. Mr. President, in a few moments, I shall vote to recommit the conference report on S. 2589. There has been a great deal of concern about this bill for several months now. It has come to be viewed by many people as an essential ingredient in the solution to our energy crisis, and the President has called for its enactment. Why, then shall I vote to send it back to conference and why do I urge my colleagues to do likewise?

It occurs to me, Mr. President, that this bill should pass if it could meet several tests. It should pass if it represented a real solution to our energy problem. It should pass if it provided the President with authority which he needed instantly, which was not available to him now, and which could not be provided in any other way. And, if those conditions are met it should pass even if it meant that certain States—even if it meant that New Mexico—might be harmed. Under those circumstances it should pass because the interest of the entire Nation, of all the 50 States, demanded it. But, Mr. President, I think this bill cannot pass those tests. I think the debate of the past 4 or 5 legislative days has shown that. I think the information we have received in our offices and the information we have seen for ourselves as we have survived this crisis thus far have shown that. Moreover, the bill would, in fact, hurt many States, my own included. That being so, I conclude that this bill should go back to conference for revision.

The first test I spoke of concerned the Nation. Was there in this report a solution to the energy crisis? I think not. This bill does provide a price rollback, and it is estimated that if we pass this bill we might expect to spend 1.6 cents to 4 cents per gallon less than we would otherwise. Now that is a worthy objective, but what are its costs? Its costs, I fear, are a higher price for gasoline in another year or so. Why would that be? It would be because no one is going to go out and risk his capital to drill an oil well which, even if it is successful, is going to provide him with a return of only 1 or 2 percent on his investment. It would make more sense for someone to put his money in the bank than it would to drill an oil well under such circumstances, and money in the bank is not going to provide us with the petroleum which we will need.

Mr. President, the small independent oil producers in my State are ready to begin drilling again. There has been a long decline—a decline at a time of a shortage—in the amount of oil which has been produced in our State. Between 1970 and 1973 alone, oil production in New Mexico declined 18 percent from 118,412,374 barrels to 100,785,080 barrels. The independent oil people are anxious to reverse that trend, but they tell me that their efforts will fail if they are forced to accept a price of $5.25, or $4.81 as would be the case in the northwestern part of New Mexico. They say they will not risk their money if there is no chance at all of possibly earning more than 1.5 percent. If we produce less oil instead of more, the price is surely going to go up.

One of our great national goals today is independence in our fuel supply, and part of that independence in fuel supply is independence in oil. We can produce more oil here, but if there is a price rollback in the name of saving 1.6 to 4 cents a gallon, we are not going to produce more, we are going to produce less. The demand for the oil will not change. It will still be there, and it will be met. It will be met, however, with foreign oil at a price which we will have no way under heaven of controlling. The foreign price now ranges around $12.15 a barrel. Some oil has sold for $20 a barrel. I think it is better to pay $10.35 a barrel for American producers to produce American oil than it is to pay higher prices to Arab countries. In one case we are buying our economic freedom; in the other case, we are paying someone to take us and hold us for ransom.

The second test was whether this conference report provided to the President any authority which he needed instantly and which could not be provided to him any other way. The answer to that question is also no. The President has a battery of laws which he can employ if he wishes to do so. He has the Defense Production Act, the Economic Stabilization Act, and the Petroleum Allocation Act. He and Mr. William Simon have already used the authorities contained in these acts to good purpose. They have not demonstrated that there is a pressing need for additional authority, and, unless there is, I do not think the Congress should give it to them. We have spent a whole year trying to regain some congressional authority that previous Congress let slip away down Pennsylvania Avenue. We had to fight very hard to pass the War Powers Act and we are still fighting to give the Senate the right to pass on the confirmation of the Director of the Office of Management and Budget. Does it make sense to say that we will take back the war making power and the power to control the budget and yet give away the power to deal with the energy crisis? I do not believe that it does.

Some Senator may say to me, "But what if an emergency arises? What if the President decides that he needs the authority to ration gasoline?" My answer to that Senator is, if the President has a special request for special authority, let him submit it to the Congress. I believe that the Congress will honor the request. I believe that on a piece by piece basis the Congress will act very quickly to give him the authority which he honestly needs. Just think back to the months of October, November, and December. During that period the President asked for six pieces of energy legislation and we gave it to him. Some of that legislation we passed in record time, and I am confident that in the face of emergency we would pass it again or pass similar legislation with just as much haste.

Mr. President, earlier I said that if the bill could pass the two tests I have mentioned then the Senate should pass it even if it meant that certain States were going to be harmed. The bill does not pass the tests, but it does hurt my State of New Mexico and it hurts many other States as well. That being so, I think it is mandatory that we return this conference report for further revision.

Let me tell my colleagues a little about what this bill means to the State of New Mexico. We are an oil producing State. We are also a very poor State. For us, the oil which comes out of the ground is a special blessing because we tax it rather heavily and we use the revenues from those taxes to run our school system. In 1973, we collected $45.5 million worth of State royalty, school, severance, conservation, and ad valorem taxes from the oil companies. In 1974, we are going to collect at least $72.3 million from them if the price of oil on the average settles down at about $7 per barrel. If we roll the price back to $5.25 per barrel, however, we are going to collect only $52.1 million. If we roll these prices back, we are going to have $20 million less to run the schools in New Mexico and we are going to have to raise our property taxes. A home owner in Albuquerque who now pays $250 per year on a three bedroom house is going to have to pay $600 or $700. I do not think he is going to find it much of a bargain to be able to pay 2 or 3 or 4 cents less per gallon of gasoline while at the same time he has to pay $200 or $300 or $400 more in real estate taxes. That, in a nutshell, is why I think this bill should be returned to conference.

I might add that there are a few other reasons as well which I want to touch on only briefly. Just this past weekend, we received a report from the American Public Health Association which states that if we proceed with plans to convert power plants from oil to coal, we are going to have an increase in heart attacks in this country. We are going to see 500 people die each year who would otherwise have survived. We are also going to see almost 17,000 children suffer serious respiratory attacks which will require medication. I think that the conference should take this report into consideration.

Mr. President, the situation today, on February 19, is somewhat different from what it was in November when the energy crisis was new and when this legislation first came before the Senate. At that time no one knew how serious the crisis would be. No one knew whether we would have a severe or a light winter. No one knew how long the embargo might last. To some extent, we have learned since that time to live with this crisis. We have learned, at least, that the passage or the failure of this bill today is not going to worsen or lessen the crisis. That being so, I think the Senate would be doing a disservice to the country if it pushed forward and failed to return this bill to conference. I think we have an obligation to the country to proceed expeditiously but also thoughtfully.

I urge a recommittal of the conference report.

Mr. BUCKLEY. Mr. President, I rise again, for the third time, in opposition to the emergency energy legislation conference report. We should keep in mind that we are talking here, not of the "outrageous" profits of the international oil companies, which have made those profits largely overseas; we are talking about the economics of domestic energy and about seeing that we solve our energy problems.

Once again, Mr. President, we are asked to approve emergency energy legislation that has been reported out by the Joint Conference Committee. Once again, we are confronted with legislation that not only vests an improvident degree of authority in the Executive but will have the clinical effect of compounding our energy shortages rather than moving in the direction of emancipating us from an excessive dependence on foreign oil. This legislation will provide the Executive with authority for spreading the current misery in an equitable manner. It will do no one thing to relieve us of that misery by encouraging the discovery or production of a single additional barrel of oil. On the contrary, the provisions euphemistically described as "prohibition on inequitable prices" will force the shutdown of marginal production while postponing indefinitely plans for extending the productivity of depleting fields. It will also disqualify from exploration the harder, higher bulk prospects whose energy cannot be justified at the price levels mandated in the bill under consideration. We should have learned from our experience with price controls that we cannot legislate people into producing goods at a loss.

It was once the proud boast of the U.S. Senate that it was the world's greatest deliberative body. The steamroller atmosphere that attended the adoption of the price rollback provisions demonstrates how far the Senate has wandered from the days when it could claim to have based its legislation on a rational rather from an emotional examination of our national needs. We make a mockery of the hearing process when we summon expert witnesses from across the Nation apparently more for purposes of appearance than for any serious desire of informing ourselves about the issues before casting legislation in concrete. What is absolutely clear from the record is that the principal sponsors of the price rollback had reached their conclusions before hearing the witnesses; and that there was no intention to allow time for their testimony to be examined and weighed.

That I do not exaggerate is clear from the statements made by the chairman of the Interior Committee at the beginning of the first and second days of hearings. At the opening of the first, and before hearing any of the evidence from any of these witnesses, the distinguished chairman stated:

> By all evidence we have seen Americans are paying unconscionable and unnecessarily high prices for essential petroleum products. Price increases which result in enormous profit gains amount to nothing more than the exploitation of the American people. This exploitation must be stopped. A rollback of petroleum prices to more reasonable and realistic levels is absolutely essential. That is the subject of these hearings today.

Parenthetically, Mr. President, I wonder why the distinguished chairman did not show this same compassion for American consumers who have seen the price of wheat rise by more than 100 percent and corn by more than 60 percent, keeping in mind that food constitutes more than 20 percent of the cost of the average family's budget as opposed to 6 or 7 percent for energy.

The following day, on Friday, February 1, the chairman announced:

> Before hearing from our witnesses this morning, I would like to announce that on Monday, at ten a.m. [i.e., in three days time], Chairman Staggers and I will reconvene the Conference on S. 2589, the Energy Emergency Bill. At that time, we will urge our fellow conferees to consider including in the bill a price roll-back and price ceiling provision for crude oil and petroleum products.

During the third day of hearings, on Saturday, February 2—just 2 days before the conferees reconvened—a panel of petroleum economists drawn both from the academic and petroleum communities took the stand. It was their unanimous verdict that the problem of pricing was so complex, the dangers to the consumer in making wrong decisions so large, that it would be irresponsible—I repeat, Mr. President, irresponsible—to proceed with any provision for the roll back of prices without the most careful marshaling of the facts and a most serious analysis of the potential consequences. Unfortunately, no more than 2 of the 21 conferees were on hand to hear this testimony.

It was pointed out that even if the price of all uncontrolled crude oil—that is, stripper and "new" oil—were to be rolled back to a price of zero, the net effect to the motorist would be a saving of no more than 5 cents per gallon of gasoline. On the other hand, to hold prices below optimum levels would have the effect of discouraging that massive investment in exploration and development, in gas liquefaction and gasification, and in the recovery of oil from shales that alone will enable us to achieve our stated goal of a reasonable degree of self-sufficiency by the mid-1980's; an investment that would average more than $60 million during each of the next 11 years.

Mr. President, I cannot see the logic that on the one hand insists that we must lift price restraints from agricultural products so that farmers will have the incentive to increase supplies to meet demand, while on the other hand insisting that the way to meet our domestic energy needs is to clamp a price lid that will discourage the search for new oil and the production of marginal fields on which we currently depend for so large a percentage of our domestic production. The fact that 13 percent of our current oil comes from wells averaging four barrels per day should be warning enough to anyone familiar with the economics of producing oil of the effect on the consumer of this attempt to save him 2 or 3 cents per gallon on the cost of gasoline. The effect will be either to require our motorists to cut back still further on their consumption of gasoline or to require them to pay the far higher prices commanded by imported petroleum.

Mr. President, I shall not vote to adopt legislation that can only intensify the energy crisis, legislation that can only be described as constituting a fraud on the consumer who would rather pay 2 or 3 cents more per gallon for assured supplies of gasoline than spend endless hours in line for a gallon or two at present prices. I urge the American public to hold accountable for future shortages those Members of Congress who are responsible for so shortsighted an approach to meeting our greatest domestic needs, namely the need for substantial self-sufficiency in energy.

Mr. President, it is bad enough that the current legislation will compound the energy crisis by virtue of the price controls that have been introduced in conference. The bill, however, was already unacceptable as originally adopted by the Senate.

As the ACLU has pointed out, the act delegated to the Executive plenary powers to intrude into every sector of the economy, every facet of public and private affairs in a manner far beyond the needs of the emergency. Elementary safeguards were scrapped, and in area after area the Congress abdicated elementary responsibilities while passing the buck to the Executive.

Mr. President, I do not deny either the existence of an emergency or the need to assign necessary powers to cope with it. These powers, however, should be defined as narrowly as possible; and where it is possible to insist on appropriate hearings and review without needlessly handicapping the ability of the Executive to act, those safeguards should be insisted upon.

In my judgment, Mr. President, both the short and the long term needs of the American consumer will best be served if we admit that we have allowed the current bill to grow out of all control, and return to the drawing board. We could then reconstruct a taut, prudent assignment of responsibility that will not only delegate only those powers essential to the job of seeing that our shortages are equitably shared, but we can report out legislation that will allow our energy industry the freedom to go to work and develop the new resources that alone will liberate us from the current emergency.

I urge the American public to hold accountable for future shortages those Members of the Congress who are responsible for so shortsighted an approach to meeting our greatest domestic need, namely, the need for substantial self-sufficiency of energy.

Mr. GRAVEL. Mr. President, I yield myself 3 minutes.

Mr. President, I think it is obvious that if this body today could roll back prices, that is, roll back inflation, it would have done it a long time ago. We would have done away with inflation a number of years ago if we had the magic to do that.

Let me reiterate that we have four policy options to pursue.

One is incentives, which is what we have been doing. That has not been adequate.

The second is taxation. That is what, I think, the Senator from Washington was confusing with the free market. Taxation depresses the money available and gives the Government money. However, it does not add to the supply available.

The third is rationing. Rationing distributes a product but does nothing to solve the problem.

The last is to reduce prices. The money then does not go into Government, but goes to increase the supplies and affords money with which to dig wells, and lay pipe and do other things.

There is no magic involved.

We can take our choice. The capital can come from the consumers. They will pay for the cost of the products. If that does not happen, and we want to solve the problem, we can do what the Senator from Washington has suggested doing in Alaska. That is, we can have the Government drill for oil. Then we will have the people of this country pay for the cost of the refining and the pipe and the drilling. The person who pays is the taxpayer. The taxpayer and the consumer are the same person.

We can take our choice as to what system we want to employ to solve the problem.

Mr. GRAVEL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 30 seconds remaining.

Mr. GRAVEL. Mr. President, I yield to the Senator from Kansas.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. DOLE. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. Mr. President, I yield to the Senator from Kansas.

Mr. DOLE. Mr. President, the Energy Emergency Act contains some of the basic authorities needed by the Government to deal with the problems of energy scarcity and fuel shortages in America. It would establish the Federal Energy Administration as a separate government agency. It provides the basis for putting rationing into effect if necessary. It deals with allocations, unemployment assistance, environmental regulations and a number of other important features of our framework for dealing with energy-related questions.

The Energy Emergency Act passed the Senate on November 19, 1973. On December 17 it was approved by the House.

Since then, a House-Senate conference report has come before the Senate in two different forms, and the bill has still not been sent to the President for signature.

SECTION 110

But the story of this bill is not only that it has failed to become law. The full story involves the attitudes and tactics of some Senators and Congressmen who—given the choice between the public interest and political opportunism—have repeatedly set their own narrow ambitions above the country's interest of having a sound national energy policy. And to understand this point we need look no further than section 110 of the bill.

Section 110 did not exist when the Energy Emergency Act passed the Senate in November. At that time the atmosphere in the Senate supported enactment of a basic, straightforward bill to provide needed statutory tools for handling the energy crisis. The vote of 78 to 6 is a good indication of the serious bipartisan attitude that prevailed then.

But when the bill went to the House, a successful effort was made to turn it into an emotional and empty play on the concerns held by many Americans over possible windfall profits to the energy industry as a result of the fuel crisis.

LEGITIMATE PUBLIC CONCERN

Let me say at the outset that I believe the concern over windfall profits is proper and legitimate. There is no reason, excuse or justification for any industry, business or corporation to get rich on the sacrifices and hardship the energy situation imposes on millions of Americans.

The public has a perfect right to expect that they will be protected from profiteering, price gouging, or any other unfairness. If sacrifices are called for, then equality and basic justice must be guaranteed. This is the American way, and in this sense the energy crisis is no different from World War II or any other great challenge to our abilities and resources.

SUPPORT FOR EXCESS PROFITS TAX

As a member of the Senate Finance Committee, I have already spoken out in support of a technically sound and administratively effective means of taxing excess profits, with a plowback provision to encourage greater efforts toward increasing energy supplies. Hearings have already begun, and I am confident that we will be able to write a bill which is effective in providing this necessary protection while contributing to the overall energy effort at the same time. Any such measure must be written so it assures more energy for America, not less.

But there is a difference between identifying a broad public concern and doing something responsible and effective to deal with it. And the case of congressional action on the windfall profits issue, so far, shows how great that gap can be.

EASY POSTURE

With much publicity and pious rhetoric section 110 was unveiled in the House as the great cure-all for this problem. Its supporters went on television to proclaim how it would protect the average citizen, hold the corporate giants in check and provide the answer to profiteering in the energy crisis.

Of course, this sounded good. How can anyone lose by being for the little guy and against the forces of corporate greed? But a look beneath the surface revealed an astounding example of pure political hokum. Instead of holding the promise of public protection, this provision actually hid a grave threat of wholesale economic disruption. Section 110 was not a tax. It was not a means of providing more energy. It did not even go into effect until 1975. In fact, a panel of tax experts who appeared before the Senate Finance Committee could not tell us exactly what section 11 was—other than a sure-fire prescription for disaster.

It was a prescription written by someone who either had no real idea of the problems we are facing—or did not really care about solving them.

MEANINGLESS MECHANISM

The heart of section 110 was the Renegotiation Board, an obscure Federal bureaucracy which has not done much of anything since being created in 1951. The Board was to hear complaints from citizens who felt they had been charged too much for "petroleum products." And if the Board agreed with the complaint and found that the price was too high, it could order a refund of the "windfall profit."

But what petroleum products were covered? What sales were included? What was a windfall profit? Who could bring a complaint?

DANGEROUSLY VAGUE

Section 110 did not answer these questions. But the experts who appeared before the Finance Committee agreed that it would give anyone the right to file a complaint against any dealer, merchant or company that sold petroleum products. And this right extended all the way down from the major international oil company to the corner service station.

There have been some logjams in administration of many laws. The National Labor Relations Board fights a continuing backlog of labor-management cases. The Cost of Living Council and the Federal Trade Commission all are faced with weeks and months of docketed cases. But can you imagine the tidal wave of complaints that would have swept over the Renegotiation Board if it was told to decide whether every tankful of gasoline sold in America resulted in windfall profits to the seller or his company?

No one knows the answer to that question, and fortunately we will never find out. But a rough estimate can be gained from the fact that it now takes some 3½ years for the Renegotiation Board to decide one of its cases.

After looking at this provision it is not hard to understand that its impact on America would have been totally devastating. It would have brought every element of the petroleum industry to a grinding halt in a web of redtape. And the American people would have been left high and dry with no fuel and no real protection against unfair profits. This is not hard to see.

The point that is hard to understand is that any serious Member of Congress could have proposed such a scheme—or that it would have been sold to a majority of the House.

Fortunately, the Senate was able to recognize this hoax and the threat it represented, and by a 57-to-37 vote refused its approval.

Those of us in the majority on that vote were hopeful that any alternative to section 110 would have to be an improvement. But we were mistaken.

CRUDE OIL ROLLBACK

When the bill reemerged from the conference committee, the windfall profits provision was gone. But it had been replaced by a so-called rollback on crude oil prices.

Of course, it sounds good to say "Let's roll back the price of the crude oil which makes all of our fuels, fertilizers, and other petroleum products so expensive." But before jumping on this bandwagon, it would be wise to look at the details and effects of such a plan.

LIMITED EFFECT

In the first place more than five-sixths of the oil consumed in this country would not be affected by this rollback. A third of our oil comes from imports, and no act of Congress is going to change the prices charged by Canada, Venezuela, and the other exporting countries. Furthermore, two-thirds of the oil produced domestically in America is now under price controls at levels equal to or below the rollback level, so there would be no effect on this oil. Together, imports and old oil add up to more than 82 percent of our consumption from both foreign and domestic sources.

This leaves only one-sixth of all the oil in the United States to be covered by a rollback. And what oil is this? It is the so-called new oil which represents the new discoveries and increased dependence on costly imports. And it is the production of the small, marginal stripper wells. There are hundreds of thousands of these wells. And although they each produce less than 10 barrels per day, they supply some 12 percent of our total domestic production—an extremely critical margin in these days of embargoes and other uncertainties. In addition these stripper wells constitute more than 90 percent of all the oil wells in Kansas.

In consumer terms it is estimated that this rollback would mean less than a penny per gallon on all oil products—hardly a significant measure of relief and hardly worth the price of undermining our efforts to expand our domestic petroleum supplies.

ANOTHER HOAX

So the congressional opportunists have struck again by promising a simplistic cure-all for the energy crisis. This rollback would affect very little of the oil produced by the major oil companies whose profits are such a great concern to many of the more prominent energy experts. It would make no difference at all on the prices of the growing volume of imports. But it would have a massive impact on the system of incentives that have been set up to expand the search for new oil within our boarders. And it would probably mean a substantial reduction in the numbers and production of the thousands of small stripper wells in Kansas and elsewhere.

PRICE SHOULD BE REASONABLE

I do not believe $10 per barrel prices for oil in this country is some sort of a magic figure so far as adequacy of our domestic supplies is concerned. There is such a thing as a reasonable incentive, and beyond that there is unnecessary gravy. But a sizable difference exists between the incentives in a $5 barrel of oil and in oil priced in the neighborhood of the long-term equilibrium level for oil which is estimated to be somewhere in the $7 to $8 range.

Today's prices for new and stripper oil average $9.51. The rollback proposed in the energy bill would mean a 45-percent reduction in the price of this oil—and make it no different to the so-called old oil that involves no expense or risk to produce. This sort of approach simply does not make sense.

It would mean that all the incentive differential for new and stripper oil would be removed, and prices would be held below the expected long-term equilibrium level. Of course, the provision contains a discretionary feature allowing the President to raise oil prices by 35 percent.

But this is only an attempt to let Congress off the hook and put the monkey for high fuel costs on the President's back. Practical pressures would probably make it impossible for him to do this. So we would wind up being locked into a situation which would provide no real price relief to the public and would seriously undermine the effort to expand domestic energy supplies.

This rollback is not good sense on any count. It would mean nothing to the giants of the oil industry whose sales in this country are mostly of foreign oil—at from $10 to $20 per barrel—and old oil which is not affected at all by the rollback.

EFFECTS ON INDEPENDENT PETROLEUM INDUSTRY

But it would have an immediate and crushing impact on the independent petroleum industry. These small operators account for 80 percent of the exploratory wells drilled in this country and they operate some 80 percent of the Nation's 350,000 stripper wells. The annual cost of the rollback to these independents would be an estimated $3 billion—much of which would go to further expand their domestic exploration and drilling operations.

Aside from these direct costs, the rollback would further cripple the independents by reducing their ability to attract outside financing for their operations. A 45-percent reduction in the price they could expect to receive for their product would seriously alter their attractiveness to any investor with money to place in possible profitmaking activities.

This two-pronged attack on the independent petroleum industry would only harm our Nation's energy posture—and deal a crippling blow to an industry that is vital to the economy of Kansas and which is crucial to the energy outlook for every American.

As just one indication of the impact this proposal is already having in Kansas, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a letter I received last week from a businessman in Wichita who performs contract drilling operations for independent oil companies.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

EXHIBIT 1

STICKLE DRILLING CO.,
Wichita, Kans., February 14, 1974.

Senator BOB DOLE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR DOLE: I would appreciate it if you would read this very brief letter to your colleagues on the Senate floor, and, if you think it is appropriate, have it inserted into the Congressional Record. I request this so that there can be no doubt that all United States Senators are advised of the consequences of rolling back the prices of domestic crude oil.

Stickle Drilling Company makes its income drilling oil and gas wells in the Mid-Continent area of the United States only. In the last ten days we have had two firm commitments to drill for oil and gas revoked because small independent operators said that if the price of crude oil was rolled back as is now being discussed in Congress, they did not think that they would be justified in drilling their wells.

This is a phenomenon that will only last a few weeks and merely points at the tip of the iceberg. During these few weeks we have a firm indication of what is happening when the operators withdraw commitments that they have already given. Later on, of course, they simply do not give out the contracts in the first place.

There is no way to measure the tremendous number of wells that will never be drilled if the price is rolled back, but these decisions to withdraw firm commitments are a positive and clear sign of what a roll back in crude oil prices will do. Of course, we will get a rough measure of the effects of a price roll back in a few years as the shortages of crude oil increase in the United States.

Very sincerely,

R. B. PARRIOTT.

CONCERN IN KANSAS

Mr. DOLE. Mr. President, I do not wish to appear overly concerned with the impact of this proposal only in Kansas. But it is difficult to observe these proposals and the statements of some Senators without becoming concerned for the welfare of my State—as well as the future of our entire Nation.

It is easy for someone from a State which produces no oil or gas to stand up in the Senate and say "roll back the price of oil." They can say this and then go home and tell their constituents of heroic efforts to reduce the prices of gasoline and heating oil and other petroleum products. It is very easy to do this. And it is popular with the folks back home—that is, unless a major segment of your State's economy happens to be the business of finding and producing oil or the people in your State know the difference between irresponsible appeals for publicity and serious efforts to gain more energy for this country. And I assure my colleagues in the Senate that this difference is clearly understood in Kansas.

UNFAIR DEMANDS

What is not so well understood by myself and by other Kansans is how much punishment is going to be inflicted on our State.

First, there is a major call for expanded reserves and production of domestic petroleum.

Second, the Kansas independent oil industry is whipsawed on the prices for its oil.

Next, there is talk that the oil produced in Kansas will be forced out of the State by allocation regulations, so the cars and homes in nonproducing States can be kept supplied.

WANTING IT BOTH WAYS ON ENERGY

Needless to say, the people of Kansas—and quite understandably—are beginning to wonder what is going on. They are beginning to wonder if some in the Senate are not embarked on a campaign to have it both ways on this energy issue. And I wonder myself sometimes.

If one State or region does not want to make a contribution to expanding energy supplies within its borders, that is its business. But I do not believe they should be heard to complain about the incentives offered for those elsewhere to explore for and develop new energy supplies.

The people of Kansas are aware of these attitudes, and I suspect that they are becoming rather tired of hearing people say, "We want you to produce more oil, but we want it all for ourselves and we want it at prices that we like."

The people of Kansas are generous. They do not want their fellow citizens to suffer unnecessary hardships. But the people of Kansas are not stupid, either. And they see little reason for their precious crude oil and natural gas being subjected to punitive pricing regulations and then being forced out of the State to supply people who support policies which work against finding real solutions to our energy problems.

CRUDE OIL PRICE IMPACT ON KANSAS INDEPENDENT PETROLEUM INDUSTRY

As an indication of the effect that higher crude oil prices have had on the Kansas independent oil and gas industry, I would cite the fact that the number of new wells drilled during January 1974 was up some 30 percent over January 1973.

This year, in spite of poor weather and extremely severe shortages of tubular steel goods, 206 new wells were drilled in January, compared to 151 in the same month of 1973.

In addition, the Hughes Tool Co.'s report on the monthly average number of rotary drilling rigs in Kansas shows an increase from 38.8 in January and 19.5 in March 1973 to 41 in January 1974.

Looked at another way, the Kansas impact of the rollback proposed in section 110 of the pending bill is estimated to be in the neighborhood of $85 million. And when divided by a rough average $40,000 cost of drilling a well, this translates into approximately 2,000 wells—wildcat and development—that would not be drilled in Kansas this year.

Many other less concrete examples of

the new price structure's impact in Kansas are to be seen.

One Kansas independent reports that an out-of-State company is entering into partnership with him for the first time to undertake operations in Kansas. Others report new drilling rig purchases, new orders and new plans.

All agree that they would be able and willing to do much more if the steel shortages could be solved.

But overall, I do not believe there is any question that a new spirit and a greatly increased level of activity has resulted in the Kansas independent petroleum industry. Nor is there any doubt that section 110's rollback would be disastrous to this industry and to its efforts at expanding America's oil and gas supplies.

RESPONSIBLE RESTRAINTS NEEDED

I certainly understand the concern of many Americans over the vastly increased prices they have been forced to pay for gasoline, propane, heating oil, and other petroleum products. To most people, these items are not luxuries but absolute essentials in their daily lives. For the elderly, the poor, and all those living on fixed or limited incomes, these price increases have been especially severe and burdensome. So I believe every effort must be made—in a responsible way—to restrain the increases in fuel costs.

As I have said, a wholesale rollback on new and stripper oil is not a responsible approach, because the measures of relief it would provide consumers would not be commensurate with the toll it would take on the independent petroleum industry and on the long-term need of America to expand its energy supplies. One of the fundamental tests that must be applied to any measure in this field—whether an excess profits tax, a price rollback, or any other approach—is whether it is compatible with our additional efforts to provide more energy for America. And in the case of the broad rollback proposed by section 110, the answer clearly is that it would work against these energy-expansion efforts.

LIMITED ROLLBACK

But as I said earlier $10 per barrel is not a magic figure, And I do not believe that all the oil produced in America—or even a major portion of this oil—needs to sell at this price to assure success in our energy campaign. Therefore, I have voiced my support for a limited rollback on new crude oil prices as a means of showing the American consumer that the controllable price structure will not be allowed to run wild. But such a rollback, to reasonable levels which would maintain an adequate incentive for continued exploration and development, would also be an indication—particularly to the independent petroleum industry—that its economic future is not going to be jeopardized by unrealistic and shortsighted congressional action.

My detailed views on this matter were contained in a letter I sent to Mr. William Simon last week, and I ask unanimous consent that the text of the letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

SUPPORT FOR RECOMMITTAL

Mr. DOLE. Mr. President, I do not believe the Energy Emergency Act with the present provisions of section 110 is a constructive or responsible approach to America's energy problems.

I regret that the conference committee has twice failed to come to grips with these problems in a manner which would provide real solutions rather than publicity or partisan advantage.

I will vote to recommit the conference report in the hope and expectation that the conferees will at last arrive at a workable, fair and constructive means for dealing with America's energy needs.

This is an important piece of legislation, and there are strong pressures for its enactment at the earliest possible date. But the stakes in this energy area are too high for us to allow an unwise and harmful measure to become law.

We must have the best possible legislation and the most sound policies to support our efforts to establish America's energy independence. With continued work and sense of serious purpose by the House and Senate, the Energy Emergency Act can come much closer to meeting these necessarily high standards.

EXHIBIT 2

WASHINGTON, D.C.,
February 14, 1974.

HON. WILLIAM E. SIMON,
Administrator, Federal Energy Administration, Washington, D.C.

DEAR MR. SIMON: I have noted reports that the Federal Energy Office is considering the implementation of a rollback on crude oil prices.

Since the intent of any such action is to provide relief to consumers from the burdensome rise of fuel prices, I would prefer to see a rollback on the end product itself included in your considerations. If this proves unworkable, however, I would support a crude oil rollback, provided it meets two conditions; (1) the rollback be limited to so-called "new and released" oil and not apply to the oil produced by the more than 350,000 stripper wells in America; and (2) such a rollback be reasonable so as to maintain an adequate incentive for increased discovery and production of new domestic petroleum supplies.

While protection for consumer interests may require the imposition of some limitations on new and released oil, it should be kept in mind that greatly expanded supplies of new oil will be necessary to meet America's energy needs from secure domestic sources. Therefore, the return on this oil should be greater than on the "old" oil which requires no risk or significant new expenditures to produce. Some current prices for new oil may exceed the requirements of an adequate incentive, and I should think that a price level in the range of long-term equilibrium price estimates would be appropriate.

In my opinion an uncontrolled free market price should be allowed for stripper oil. The wells currently producing this oil—some 12 percent of domestic output—can only be kept in operation through a price structure which fully justifies the costs of their upkeep and maintenance. But more important, the Senate Finance Committee was told yesterday that a strong price for stripper oil can lead to the reactivation of many abandoned wells and increased production from them of some 250,000 barrels per day. I believe the need to maintain existing stripper production and the hopeful prospect for expanding our domestic production from abandoned wells fully justifies a free market price for stripper oil. And I would urge that this oil, therefore, be exempted from any rollback.

I would appreciate having your comments on the points I have raised and urge that they be taken into consideration as you study petroleum price matters.

BOB DOLE,
U.S. Senate.

Mr. FANNIN. Mr. President, I reserve the remainder of my time.

Mr. JACKSON. Mr. President, I yield 3 minutes to the Senator from Alaska.

Mr. STEVENS. Mr. President, as a member of the conference committee I intend to vote in support of the conference report. It is very important to note that all members of the Public Works Committee and all members of the Commerce Committee who have served on this conference committee have endorsed the report.

I think that many here have overlooked the main problem facing the country, public enemy No. 1 in this Nation. That is the problem of inflation. If there is anything that anyone can do about it, I think we are the ones who ought to try to do something.

I have just returned from a trip around my State. I have traveled around Alaska for 4 weeks since the first of this year. I can tell the Senator that the price of oil in Alaska is $4.09, not $5.25.

Anyone who says it is necessary to have a further increase to bring in more production ought to explain to me why an industry that is investing more money in my State to recover oil is receiving, at the wellhead, a price of $4.09.

We heard from Mr. Fred Hartley before the committee. In his testimony he said that he now is producing 85 percent of his refining capacity. He has had to buy 15 percent of his refinery capacity in the open market. The State of California, asserting its royalty in kind provision, has offered oil at competitive sale with the posted price as the minimum bid allowable. Thus, Mr. Hartley is now paying more money for that oil than the posted price for that area. So, the sale of royalty oil in California results in inflation in the price to consumers.

If we let pricing of oil go up and up and up without justification, and we really need a higher market price to bring in more oil, I do not know why we are building the Alaskan pipeline. We are doing it to bring vast quantities of oil to this country. We will bring in the equivalent of almost 50 million gallons of gasoline a day when we start this pipeline—2 million barrels per day at peak capacity.

I do not think that this is a temporary solution. It is a permanent one. If we had not been delayed in building that pipeline, we would not have this oil crisis in our country today. And there would not be any necessity for legislation of this type—we would have no shortages.

In Alaska, we have a price of $4.09. The price of stripper well oil is now $10.40 a barrel. But Alaskans are not getting any more for our oil today than we were a year ago. Something is wrong when this happens.

I am from an oil State. However, I believe in the national interest, we have to think about inflation. And if someone does not think about it, the people of this country will suffer. We are losing their support in the Congress because we vacillate back and forth.

I hope that the Senate will support the conference report.

Mr. JACKSON. Mr. President, I yield 1 minute to the able and distinguished Senator from New York.

Mr. JAVITS. Mr. President, I had not intended to speak in this debate today. However, I feel in fairness to my colleague from the State of New York that I should point out the reason why I will vote in support of the conference report.

I will do so for two reasons. One reason is that we need finality. We will never know what will happen here unless this measure goes to the President. Even if he vetoes it and it comes back, something worse will happen, because I consider this worse than the last one.

Mr. President, this is a bill I believe cannot be put off any longer. Certainly the conference report contains some troubling provisions but the need for mandatory conservation and rationing authority is so critical that the country cannot be asked to await new legislation and the hazards in its way dealing with these measures.

The conference report has one grave deficiency. The Congress has neither the capability nor the expertise to set prices for crude oil and the conference report does just that—and without the benefit of detailed industry and administration testimony on what price is necessary and what will produce most oil exploration.

Legislation can prevent a runaway price on crude oil from gouging hard pressed consumers and businesses. But that price cannot be rolled back so far that the incentives for increased domestic exploration and production of crude oil are eliminated. And, the rollback in section 110, may even put a damper on the increased exploratory activities already being conducted—mostly by independents and wildcatters.

But there must be a limit to how far we are willing to let the price of oil rise to encourage new production. For, at some point in that price progression the benefits are outweighed by the disadvantages. I am convinced that $7.09, although criticized by industry and administration representatives, is momentarily high enough to provide considerable incentive for new exploration and production.

The administration has suggested that a more attractive price level would be $7.88. Surely, some marginal oil producers will make a greater investment for $7.88 per barrel than for $7.09. But those figures are not really that far apart. If, in fact $7.09 is found to have a limiting effect on new exploration I feel that the Congress will act, via tax legislation to provide special incentives for new domestic production, or through new price control legislation, to insure that producers are given enough incentives to continue their active search for new oil within our borders. American self-sufficiency in oil is a goal we all share and we in the Congress will not forget that our efforts toward that goal are paramount.

I have witnessed the problems that New York residents are experiencing in obtaining the limited supplies of gasoline available. I am convinced that unless some breakthrough is achieved with the oil-producing nations rationing is the only fair alternative to these intolerable burdens. Hence, we need the authority contained in this conference report to provide that necessary alternative. The American people already have waited too long for the Congress to deliver on its promises for that authority and the other mandatory conservation measures included in this report. They are entitled to some measure of finality by the Government. This report contains that finality—which is already long overdue and cannot be shelved for another round of political compromise.

It is for these reasons that I feel justified in supporting the conference report.

Finally, Mr. President, our present problem is inflation. The problem these gentlemen speak of, of discovering more oil, is a very real one, but it is much longer range than the immediate grave danger of inflation and equality of supply. Because I think this bill seeks to strike a blow affirmatively in those two respects, I shall vote for the conference report.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. JAVITS. I have only 1 minute.

Mr. GRAVEL. Will the Senator tell me where in this bill there is a provision for the ability to increase supply?

Mr. JAVITS. I did not say that. The Senator did not listen to me. I said this deals with inflation and the fairness of distribution.

The VICE PRESIDENT. The time of the Senator from New York has expired.

Mr. GRAVEL. Can the Senator from Arizona yield me 1 minute?

Mr. FANNIN. I yield the Senator a half-minute.

Mr. GRAVEL. I just wish to make one point. We are not dealing with finality, or with a short-term emergency crisis. We have an immediate prospect of at least a 5-year crisis of the proportions we have today. The only way to solve it, today or next year or in 5 years, is by increasing the supply. You can only increase the supply by increasing the cost. It will cost money to bring that supply to the market.

The VICE PRESIDENT. The Senator's time has expired.

Mr. GRAVEL. It is just that simple.

The VICE PRESIDENT. Who yields time?

Mr. FANNIN. I yield 2 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I think it is important that the people of the United States understand a few facts.

This Nation is very dependent upon oil and gas, because nearly 80 percent of our energy comes from those two sources. This bill will not do one thing to make more oil and gas available in the United States. On the contrary, it will make less available, because in my office we have received over 300 letters and wires, to say nothing about 50 phone calls, from people actually in the business, people who are operating stripper wells, people who know that more oil can be gotten out of the ground if we are willing to pay the price for it, but it is not going to be gotten out of the ground if we roll the price back to a point that is only half of what it is now.

Let us remember this, if we are concerned about jobs. Obviously the Senator from Washington (Mr. JACKSON) is, because he has a provision in this bill for the Federal Government to pick up the unemployment checks in States around the country where unemployment results from the energy crisis, and he certainly should have it because if we pass this bill, we will have that kind of an energy crisis.

The reason we are having unemployment right now is that we did not have enough oil and gas. Let us do more about that problem, and not cut back on these efforts that we have made to augment our production, in order that oil and gas can be available.

The VICE PRESIDENT. The time of the Senator from Wyoming has expired.

Mr. FANNIN. Another minute.

The VICE PRESIDENT. The Senator from Wyoming is recognized for 1 additional minute.

Mr. HANSEN. Mr. President, if we are concerned about unemployment, let us remember there is no better way to bring it about in this country than to put people out of work. You can talk about inflation, but there is one thing worse than inflation, and that is to have people out of jobs.

I say to my friends on both sides of the aisle that it is important that we do not pass this bill. Secretary Simon has said that with the provisions that are in it, the President will be forced to veto it, and he is going to be forced to do that if we do not change it for very good reasons. He is concerned about Americans. He is concerned about our self-sufficiency. He is concerned about the fact that right now we are tools in the hands of the Arabs.

If we want to get back our independence, let us do something about our reserves here, so as not to become further dependent upon the Arab States.

The VICE PRESIDENT. The time of the Senator from Wyoming has expired.

Mr. JACKSON. Mr. President, how much time do I have remaining?

The VICE PRESIDENT. The Senator from Washington has 3 minutes. The Senator from Arizona has 3½ minutes.

Mr. JACKSON. Mr. President, I shall be very brief. I have 3 minutes.

The Senator from Wyoming has clearly and concisely stated the situation when he said that there is something worse than inflation, and that is people out of work.

Mr. President, I think it is very clear throughout the Nation that we have both. We have the most damnable inflation this country has experienced in 27 years. Here is the Wall Street Journal, quoting the administration. I read from today's Wall Street Journal, on page 2.

Not only do we have already a quarter of a million people out of work directly due to the energy crisis, but let me read the administration's own position. Here is the quotation:

> The January rise in the wholesale price index—this is with free oil, with no lid on it.
>
> The January rise in the wholesale price index was at an explosive 37.2% seasonally adjusted annual clip, the second biggest jump in 27 years. There were sharp increases in almost every sector of the economy, especially for fuels and foods.

Then they go on:

> The administration placed much of the blame for both figures on the energy squeeze. Herbert Stein, chairman of the Council of Economic Advisers, said the price rise, especially for industrial products, was due largely to the higher cost of fuel used to produce goods in recent months.

Then they go on to say:

> Fuel-price increases accounted for almost 40% of the rise in industrial commodities in January. Refined petroleum products, for example, soared 7.7%, and crude oil skyrocketed 22%, while coal prices climed 3.6%.

Mr. President, it is obvious that without restraint we can destroy the economic fabric in this Nation. It is happening in Europe, but it does not need to happen in the United States of America. There is no reason why we should adopt the cartel price of the Middle East.

That is the issue before the Senate.

The VICE PRESIDENT. All time of the Senator from Washington has expired.

Mr. FANNIN. Mr. President, I yield 1 minute to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, the only thing I want to say is that I shall vote against this conference report with the so-called price rollback, because it is not a price rollback, it is a price increase provision being sold as a price rollback. What it will do is allow the President, at his discretion, to raise crude oil prices to $7.09 a barrel, and if anyone would like to make book on when he will do that, I think he will find a lot of takers that he will.

So I shall vote against it, and I urge other Senators to do so, because if we do not get a real rollback instead of this so-called rollback, a lot of people are going to be knocking down the pillars of this Capitol demanding to know why.

Mr. FANNIN. Mr. President, how much time remains?

The VICE PRESIDENT. Approximately 2 minutes.

Mr. FANNIN Mr. President, let us look to the remarks of the man who would have jurisdiction to administer the proposed legislation, Mr. William Simon:

> . . . the provision which would "roll back" the price of all crude oil to an artificially established price creates economic uncertainty . . . would have the effect of discouraging production of domestic crude oil at a time when the Administration's policy and the Nation's need is to increase supply.

Here is his comment about the unemployment compensation provision:

> An unworkable employment assistance provision is also included in the conference report.

Then he says:

> The legislation before the Senate contains authority for HUD and SBA to make low interest loans to homeowners and small businesses to finance insulation, storm windows and heating units. If every eligible homeowner and small businessman took advantage of this section, the government could spend as much as $75 billion on this provision alone. The actual energy savings produced by these vast expenditures would be disproportionately small.
>
> These are just a few of many objectionable features of S. 2589.

I ask unanimous consent that the entire letter of February 19, 1974, from Mr. Simon to the minority leader, Hon. HUGH SCOTT, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY
OF THE TREASURY,
Washington, D.C., February 19, 1974.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR HUGH: The Energy Emergency Conference Report (S. 2589) before the Senate today contains so many objectionable provisions that the President will have no choice but to veto the bill should it reach his desk in its current form.

We do believe that additional statutory authority is needed in the energy area, and the Energy Act does address several of these areas. We do need the authority to mandate conservation measures. We do want direct authority to institute end use rationing. We do want authority to require conversion of power plants, so that greater use may be made of coal. Finally, we do support changes in the environmental area which the Act also addresses. Nevertheless, in total, the legislation goes far beyond these areas and has so many unworkable provisions and unwarranted controls that it would exacerbate the fuel shortage rather than relieve it.

For example, the provision which would "roll back" the price of all crude oil to an artificially established price creates economic uncertainty and would have the effect of discouraging production of domestic crude oil at a time when the Administration's policy and the Nation's need is to increase supply. We need flexibility in setting prices so that we may be sure that prices will be reasonable to the consumer and yet will stimulate needed investment and increase domestic production. Our experience in administering the crude allocation program has shown how difficult it can be if enough flexibility is not provided by statute. We asked Congress not to require the allocation of crude oil at all levels, but the current law does so and makes administering such a program most difficult.

We must work together to build a strong domestic energy industry so that our country will not be so dependent on foreign sources of crude oil. At the same time, we are concerned that the industry does not profit excessively at the expense of the consumer. I feel the President's "windfall profits" proposal will assure that no one will take advantage of the shortage by unreasonable profits.

Another unworkable portion of the Act is the creation of the Federal Energy Emergency Administration. It contains virtually no administrative authorities, no viable executive structure and no provision for continuity with existing activities under the Federal Energy Office. We prefer enactment of a measure more along the lines of the Energy organization already passed by the Senate and now on the House calendar. We must have the right kind of agency to do the proper job.

An unworkable employment assistance provision is also included in the Conference Report. The states would determine eligibility using vague open-ended guidelines that would make it very difficult to define unemployment due to "the energy crisis." We support the President's unemployment compensation proposals pending before Congress which are workable and reasonable.

The legislation before the Senate contains authority for HUD and SBA to make low interest loans to homeowners and small businesses to finance insulation, storm windows and heating units. If every eligible homeowner and small businessman took advantage of this section, the government could spend as much as $75 billion on this provision alone. The actual energy savings produced by these vast expenditures would be disproportionately small.

These are just a few of many objectionable features of S. 2589. It unfortunately contains very few needed authorities and imposes costly requirements that hinder rather than help deal effectively with the energy shortage. There are some provisions in this bill, such as the requirement for increased reporting of energy data, which are important. However, every one of these provisions is addressed in separate and more reasonable legislation already in the Congressional process.

I know most Senators are eager to be helpful in solving fuel problems, but the Conference Report now before the Senate will have the opposite effect. The President, after careful consideration, has decided that the only reasonable course is for him to veto S. 2589.

With warm personal regards,
Sincerely,
WILLIAM E. SIMON.

Mr. FANNIN. Mr. President, I have also another letter from Mr. Simon which provides the answer as to the effects of section 110 on the price of propane. I ask unanimous consent that the entire letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL ENERGY OFFICE,
Washington, D.C.

Hon. PAUL FANNIN,
U.S. Senate,
Washington, D.C.

DEAR PAUL: Thank you for your inquiry regarding recent FEO actions pertaining to propane prices. I understand many of your colleagues from States which are heavy propane users have been justifiably concerned about the price increases of propane that have taken place over the last several months.

On January 30, 1974, the FEO issued a special propane price rule which limited the amount of costs which refiners can pass through on a dollar-for-dollar basis to propane. Refiners are allowed to increase the price of propane after February 1, 1974, only in direct proportion to the percentage that propane sales represent to total sales over the coming year. The amount this will reduce propane prices will depend on the sales volume of the product and the amount of costs the refiner incurs. Based on current costs and sales volume of a typical company the company's price for propane should be reduced to approximately 15 cents per gallon at the refiner gate and its retail price drop to approximately 30 cents per gallon. This would be a savings of 25% or more for propane consumers.

> Because of the urgency of the matter to consumers, on February 14 the FEO conducted a meeting attended by major propane producers at which FEO staff stressed the need for the immediate reduction in propane prices. It was made clear to those attending that FEO was ready to take additional steps if the industry did not voluntarily reduce prices.
>
> Additionally, the attendees were advised that we are conducting an intensive investigation into speculator type transactions and that we would be reviewing purchase records to identify the participants and the source of purchased propane.
>
> The results of our special pricing rule and the meeting with the 26 top refineries are already appearing. Cities Service cut prices 4½¢ a gallon, Shell, oil 4¢ a gallon, Phillips cut propane prices 8½¢ a gallon and is considering an additional decrease this week, Gulf has made a 4.75¢ a gallon decrease and Getty Oil cut prices 2.2¢ a gallon above that which is called for by the regulations. Sun Oil is announcing a decrease tomorrow. Exxon will announce a decrease on March 1st. Skelly Oil has remained at the 10¢ or 11¢ level throughout the program because of the lack of increased costs. Ashland Oil, Atlantic Richfield and Standard of California have informed us they will decrease prices. Other companies have indicated their willingness to make price cuts but have not yet made the calculations on which to base decreases.
>
> Section 110 of the Conference Report on the Emergency Energy Act (S. 2589) which calls for a rollback of crude prices to $5.25 per barrel with a ceiling of $7.09 per barrel would have little impact if any in further reducing the price of propane. We feel that the action we have already taken should be sufficient to protect American consumers who are dependent upon propane. Accordingly, I would hope that you and your colleagues would vote to recommit the Conference Report on the Energy Emergency Act in as much as there is little in it that could further rectify the matter of propane prices.
>
> Sincerely,
>
> WILLIAM SIMON.

Mr. FANNIN. He said that this legislation would be far less effective than many here this afternoon would have us believe. He added:

> Accordingly, I would hope that you and your colleagues would vote to recommit the Conference Report on the Energy Emergency Act in as much as there is little in it that could further rectify the matter of propane prices.

So, Mr. President, I move to recommit the conference report on S. 2589 to the conference.

The VICE PRESIDENT. The Senator from Arizona (Mr. FANNIN) has made a motion to recommit the conference report to the conference committee.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on the motion to recommit.

The yeas and nays were ordered.

Mr. ABOUREZK. Mr. President, I have an amendment by way of a substitute for that motion. I move to recommit the conference report S. 2589 with instructions to eliminate section 110 of the conference report, and I ask for the yeas and nays.

Mr. BUCKLEY. Mr. President, I offer an amendment to the amendment just offered by the Senator from South Dakota (Mr. ABOUREZK).

The VICE PRESIDENT. The amendment to the amendment offered by the Senator from South Dakota will be stated.

The assistant legislative clerk read as follows:

> Strike the instructions in Abourezk motion and insert instead: "with instructions to strengthen section 110, regarding the prohibition of inequitable prices; by revising section 110 to protect the American consumer of petroleum products by providing for an administrative procedure for the adjustment of domestic crude oil prices to maximize incentives for the exploration and production of increased U.S. petroleum supplies and to avoid the likelihood of increasing U.S. dependence upon high cost and unstable Arab oil; and to make other necessary revisions consistent with the above stated objectives."

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state it.

Mr. ABOUREZK. The motion offered was made by way of a substitute. Is it in order to offer an amendment to that substitute?

The VICE PRESIDENT. The Senator's amendment is in order.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GRAVEL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Alaska will state it.

Mr. GRAVEL. What are we voting on?

Mr. McCLELLAN. Mr. President, let the question be stated.

The VICE PRESIDENT. The Chair will state that the Senate is voting on the amendment of the Senator from New York (Mr. BUCKLEY) to the substitute of the Senator from South Dakota (Mr. ABOUREZK).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may propound a unanimous-consent request.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senate will please be in order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent, as long as there are going to be a number of rollcall votes back to back, that the first one take up the usual 15 minutes and that the following rollcall votes take up 10 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Several Senators addressed the Chair.

Mr. GRAVEL. Mr. President, there is still confusion as to what we are voting on. Would the Chair state the issue—the Senator from New York's, the Senator from South Dakota's, and then the prime issue, so that we will know in what sequence the votes will occur?

The VICE PRESIDENT. In response to the request of the Senator from Alaska, the Chair would ask the clerk to read the substitute and then to read thereafter the amendment to the substitute as offered by the Senator from New York (Mr. BUCKLEY).

Mr. GRAVEL. Mr. President, the first vote will occur on what?

The VICE PRESIDENT. The vote on the amendment to the substitute will come first.

The clerk will state the substitute to the motion to recommit and subsequently report the amendment to the substitute as offered by the Senator from New York.

The assistant legislative clerk read as follows:

> Strike the instructions in Abourezk motion and insert instead: "with instructions to strengthen section 110, regarding the prohibition of inequitable prices; by revising section 110 to protect the American consumer of petroleum products by providing for an administrative procedure for the adjustment of domestic crude oil prices to maximize incentives for the exploration and production of increased U.S. petroleum supplies and to avoid the likelihood of increasing U.S. dependence upon high cost and unstable Arab oil; and to make other necessary revisions consistent with the above stated objectives."

The VICE PRESIDENT. Will the Senate please be in order? The occupants of the galleries are reminded that they are guests of the Senate and must remain quiet.

Mr. JACKSON. Mr. President, a parliamentary inquiry?

The VICE PRESIDENT. The Senator from Washington will state it.

Mr. JACKSON. If the amendment of the Senator from New York is approved or disapproved, will not the vote then occur on the substitute motion of the Senator from South Dakota?

The VICE PRESIDENT. The Senator from Washington is correct. Whether the substitute is amended or not amended, the next vote will come on the substitute to the motion to recommit.

Mr. JACKSON. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator from Washington will state it.

Mr. JACKSON. Do I correctly understand that the yeas and nays have been ordered on all three—that is, the amendment to the substitute, the substitute, and then with regard to the motion to recommit?

The VICE PRESIDENT. The Senator from Washington is correct.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state it.

Mr. ABOUREZK. Is it a violation of Senate rules to provide instructions or to require instructions to a conference report on any point not in any original—any of the original bills in either the House or the Senate?

The VICE PRESIDENT. The matter must be related to what is in the conference report, or in either the House or Senate versions as passed by either body.

Mr. ABOUREZK. Then, Mr. President, I make the point of order against the amendment of the Senator from New York (Mr. BUCKLEY), on the ground that the subject of his amendment is not contained in either House or Senate bill and therefore is beyond the scope——

Mr. BUCKLEY. Mr. President—Mr. President——

The VICE PRESIDENT. The Senator from New York is recognized.

Mr. BUCKLEY. I would point out that my substitute is as relevant to section 110 as section 110 is to anything which appears in the legislation as passed by the House or Senate.

The VICE PRESIDENT. The Chair, after reviewing the substitute and the amendment to the substitute, rules that the substitute is in order.

The question is on agreeing to the amendment of the Senator from New York (Mr. BUCKLEY) to the substitute of the Senator from South Dakota (Mr. ABOUREZK).

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Texas (Mr. TOWER) is absent on official business.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 37, nays 62, as follows:

[No. 35 Leg.]

YEAS—37

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Helms
Hruska
Johnston
Long
McClure
Montoya
Pearson
Percy
Roth
Scott Hugh
Scott, William L.
Stennis
Taft
Thurmond

NAYS—62

Abourezk
Allen
Bayh
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—1

Tower

So Mr. BUCKLEY's amendment to Mr. ABOUREZK's substitute was rejected.

The VICE PRESIDENT. The question recurs on the substitute offered by the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Texas (Mr. TOWER) is absent on official business.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 37, nays 62, as follows:

[No. 36 Leg.]

YEAS—37

Abourezk
Aiken
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Gravel
Gurney
Hansen
Helms
Hruska
Johnston
Long
McClure
McGee
Montoya
Pearson
Percy
Roth
Scott, Hugh
Scott, William L.
Stennis
Taft
Thurmond

NAYS—62

Allen
Baker
Bayh
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Fulbright
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—1

Tower

So the substitute motion offered by the Senator from South Dakota (Mr. ABOUREZK) was rejected.

The VICE PRESIDENT. The question recurs on the motion to recommit offered by the Senator from Arizona (Mr. FANNIN). The yeas and nays have been ordered. The clerk will call the roll.

Mr. FANNIN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Arizona will state it.

Mr. FANNIN. That is a motion to recommit the conference report without instructions. Is that correct?

The VICE PRESIDENT. The Senator from Arizona is correct. It is a motion to recommit the conference report without instructions.

Mr. FANNIN. I thank the Chair.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SPARKMAN. Mr. President, on this vote I have a live pair with the Senator from Texas (Mr. TOWER). If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. GRIFFIN. I announce that the Senator from Texas (Mr. TOWER) is absent on official business.

The pair of the Senator from Texas (Mr. TOWER) was previously announced.

The result was announced—yeas 38, nays 60, as follows:

[No. 37 Leg.]

YEAS—38

Abourezk
Aiken
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Byrd, Harry F., Jr.
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Gravel
Gurney
Hansen
Helms
Hruska
Johnston
Long
McClure
McGee
Montoya
Pearson
Percy
Roth
Scott, Hugh
Scott, William L.
Stennis
Taft
Thurmond
Weicker

NAYS—60

Allen
Baker
Bayh
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Ervin
Fulbright
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Williams
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Sparkman, against

NOT VOTING—1

Tower

So the motion to recommit was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the motion to recommit was rejected.

Mr. RANDOLPH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on final passage.

The VICE PRESIDENT. Is there a sufficient second [putting the question]? There is a sufficient second. The yeas and nays are ordered.

The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Texas (Mr. TOWER) is absent on official business.

I further announce that, if present and voting, the Senator from Texas (Mr. TOWER) would vote "nay."

The result was announced—yeas 67, nays 32, as follows:

[No. 38 Leg.]

YEAS—67

Aiken
Allen
Baker
Bayh
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Ervin
Fulbright
Griffin
Hart
Hartke
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—32

Abourezk
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Gravel
Gurney
Hansen
Hatfield
Helms
Hruska
McClure
McGee
Montoya
Percy
Roth
Scott, William L.
Stennis
Taft
Thurmond

NOT VOTING—1

Tower

So the conference report was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THIRD UNITED NATION'S LAW OF THE SEA CONFERENCE—APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair appoints the Senator from Louisiana (Mr. JOHNSTON) to attend the Third United Nation's Law of the Sea Conference, to be held in Caracas, Venezuela, on June 20 through August 29, 1974.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT ON LOCATION OF NEW FEDERAL OFFICES AND OTHER FACILITIES—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER. (Mr. STEVENS) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry. The message is as follows:

To the Congress of the United States:

I am transmitting today the third annual report on the location of new Federal offices and other facilities in rural areas of America.

The enactment of the Rural Development Act of 1972 has further strengthened the Federal Government's commitment toward raising the economic level of rural America. This Administration strongly supports this objective of making rural America a better place to work and enjoy life by providing financial and technical assistance to rural communities.

This report reflects the efforts of all executive departments and agencies in giving first priority to locating their new offices and other facilities in rural areas as required by the Agricultural Act of 1970.

Our efforts this past fiscal year have resulted in the placing of 51.8 percent of the newly located offices and other facilities in rural areas. This accomplishment substantiates the support of this Administration in attaining this Nation's objective of balanced and beneficial growth.

RICHARD NIXON.

THE WHITE HOUSE, *February 19, 1974.*

PROPOSED ECONOMIC ADJUSTMENT ACT OF 1974—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. STEVENS) laid before the Senate a message from the President of the United States, which, with the accompanying paper, was referred to the Committee on Public Works. The message is as follows:

To the Congress of the United States:

The industrialization of America is essentially a story of change and progress. For most communities, that change is usually beneficial, enhancing general prosperity. But for some, adjustment to change can be difficult. As new developments unfold in energy, defense needs, technology, and international trade, some areas of the country will inevitably suffer transitional pains even as the Nation as a whole is benefiting.

There are now over 400 areas in the country which have experienced chronic unemployment and low income levels, despite a general increase in national prosperity. In these depressed areas it is also not unusual to find inadequate educational and health arrangements as well as substandard housing.

For nearly a decade, the programs of the Economic Development Administration and the Regional Action Planning Commissions have been attempting to alleviate economic distress and restore economic viability to these chronically distressed areas. Last year I proposed to terminate the programs of EDA, and remove the Federal role in the decision-making process of the Title V Regional Commissions, because those programs had not been effective. Subsequently I agreed with the Congress to continue those programs for one more year while we reexamined the problems and the ability of current and proposed Federal programs to deal with the problems.

The study, conducted over the last several months by the Department of Commerce and the Office of Management and Budget, was completed and transmitted to the Congress on February 1, 1974. It concludes that:

- —Current economic development programs fail to provide adequate assistance for eocnomic change *before* the changes have done serious damage to the viability of recipient communities;
- —The project-by-project allocation of Federal assistance results in dispersion of available resources in amounts too small to do much lasting good, and it also fails to encourage a comprehensive and planned multi-level government and private response to the problems of economic adjustment;
- —There is a need for a more effective form of Federal assistance to permit States and communities to develop comprehensive and targetted adjustment efforts.

If new economic opportunities can be developed in an area before labor, capital, and hope are dispersed, the normal rhythm of economic life can be maintained. We can then avoid the enormous outlays for economic assistance that are required to help distressed areas, and we can prevent the irretrievable loss of resources that occurs in spite of this assistance.

THE ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM

Based upon our experiences with current programs and the conclusions of the recent Government study, I believe it is time to revamp our approach to adjustment assistance.

I am, therefore, sending to Congress today my proposal for an Economic Adjustment Act. This measure is designed to help States and communities provide smoother and more orderly adjustment to economic changes and limit the number of new distressed areas. It will also permit more effective long-range areas to overcome the problems of areas now suffering from economic distress.

By granting State and local officials greater flexibility in the way they spend Federal funds within distressed areas, it is our hope that they will have greater success in reducing unemployment and raising general income levels in those areas.

Although this act is not intended as an emergency measure just to deal with dislocations caused by the energy crisis, it could serve as an extremely important tool for States and communities in responding to energy problems. This proposal, along with my recent proposal for extending unemployment insurance benefits for individuals in areas heavily impacted by energy problems would help reduce hardships while adjustment efforts are pursued.

RETURNING DECISIONMAKING TO THE STATES AND COMMUNITIES

A primary goal of the proposed act is to return to States and communities the principal responsibility for deciding how to use the proposed Federal assistance to achieve program objectives. If this assistance is to be used to maximum advantage, the decisions must rest with State and local officials who are in the best position to understand their needs.

In order to return this responsibility to the States and communities, a minimum of 80 percent of the funds available under the act would be automatically allocated to States on the basis of a formula that would recognize the needs of the States and communities for assistance. The formula would take into account unemployment levels, population dispersal, income levels, and other factors. The remaining funds would be allocated to States on a discretionary basis to meet special needs arising from State, regional or local problems, or from Federal actions such as closing of large Federal installations. The funds allocated to a State would automatically be made available to the State upon preparation and approval of a general State plan which specifies the target areas selected for economic adjustment and the general objectives planned for each area.

Because the money would be given to the States as a block grant, the States could apply it to only one or a few problem areas, with each project getting enough money to make a difference. By contrast, much of the EDA funding has been dispersed in smaller amounts for many different projects, thereby making it difficult to develop a comprehensive effort to overcome the problems of any area. Furthermore, under the new program, States should be able to apply funds to areas before economic distress becomes acute.

This approach would also maximize State and local responsibility for planning and carrying out economic adjustment efforts, while providing assurance that the funds are being used to pursue national objectives. It would permit

States, and adjustment areas within States, to develop and put into effect their economic adjustment plans in conjunction with related programs such as those under the recently enacted Comprehensive Employment and Training Act, the Rural Development Act, and the proposed Better Communities Act. States and communities could also conduct more rational planning for economic adjustment because they would have a better understanding of the amount of Federal resources which would be available to them for that purpose. And they would no longer design programs on the basis of what States and local governments think Washington wants, rather than what they themselves need.

STRENGTHENING REGIONAL PLANNING AND COORDINATION

The Economic Adjustment Act would authorize interstate compacts to permit States to work together on common adjustment efforts. States which participate in multi-State economic adjustment organizations could use funds allocated under the act for joint adjustment efforts, including administrative costs and planning activities of the regional organization. Regional organizations could participate in the development of the plans of the member States to assure that the State plans reflect any regional adjustment needs.

The principal Federal authority and responsibility under the act would be given to ten Federal Regional Administrators, one in each Standard Federal Region. The Federal Regional Administrators would have responsibility for reviewing State plans, obligating funds to the States, and evaluating performance by the States in using the funds.

The Federal Regional Administrators have the responsibility of working closely with the Federal Regional Councils in each Federal region to help assure improved coordination among the many Federal programs which affect economic activities in an area or region. I plan to request the Secretary of Commerce to carry out the central Federal administrative and policy responsibilities under the act.

TRANSITION PERIOD PROPOSED

The Economic Adjustment Assistance Program would replace the programs now conducted by the Economic Development Administration and the Regional Action Planning Commissions. Although current authority for those programs is now due to expire at the end of this fiscal year, I am prepared to accept legislation to extend that authority for the purpose of providing for an orderly transition to the new Economic Adjustment Assistance Program.

With the expectation that the Congress will provide the required legislation for the new program and will extend the programs of EDA and the Regional Commissions, my budget for fiscal year 1975 includes funding for EDA and the Title V Commissions at a level of $205 million. The budget also includes an additional $100 million as initial funding for the new act. This will provide a total of $305 million for these programs in fiscal year 1975, an increase of nearly $50 million over the 1974 levels.

The concerns and suggestions of Members of Congress have played a major role in shaping this legislative proposal. I hope that the dialogue between the Congress and the executive branch will continue as the Congress considers this proposal.

The Economic Adjustment Act can provide the basis for an important improvement in the ability of our States and communities to adjust to economic changes and prevent unnecessary distress and hardship. By helping to raise employment and income levels for some Americans, it can improve the quality of life for all Americans.

RICHARD NIXON.

THE WHITE HOUSE, *February 19, 1974.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10203) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The message also announced that the House insisted upon its amendment to the amendment of the Senate numbered 3 to the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DIGGS, Mr. FRASER, Mr. DELLUMS, Mr. REES, Mr. ADAMS, Mr. NELSEN, Mr. HARSHA, and Mr. BROYHILL of Virginia were appointed managers on the part of the House at the conference.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the Senator from Massachusetts (Mr. KENNEDY) to attend the Diplomatic Conference on the Reaffirmation and Development of International Humanitarian Law Applicable in Armed Conflicts of the International Committee of the Red Cross, to be held in Geneva, Switzerland, February 20 through March 29, 1974.

LEAVE OF ABSENCE FOR SENATORS HUGH SCOTT AND MANSFIELD

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that I may be extended leave of absence for the remainder of the week on official business.

The PRESIDING OFFICER (Mr. CURTIS). Without objection, it is so ordered.

Mr. MANSFIELD. I make the same request.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO-FAULT INSURANCE

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "A Chance for Auto Insurance Reform", published in the Washington Post of Saturday, February 9, 1974.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A CHANCE FOR AUTO INSURANCE REFORM

When people buy automobile insurance, they like to believe that their hefty premiums are purchasing them financial protection in the event of an accident—that the money they spend is for something called "coverage." Yet more and more Americans are finding out that a disproportionate amount of their car insurance dollars is wasted on a system that doesn't really protect them the way it should. Instead of getting swift, direct compensation at a justifiable cost, they are running into needless, time-consuming litigation, red tape and unfair payoffs.

In 1972, for example, the nation's motorists paid premiums of $8 billion merely for auto personal injury liability insurance. They got back only $3.36 billion, however, according to the Senate Antitrust Subcommittee staff. Of the $4.6 billion that they did not get back, lawyers' fees accounted for $1.4 billion. Moreover, the system of lawsuits and negotiation often results in overcompensation for small losses and undercompensation for large losses.

In fact, the auto insurance system in most states isn't really designed to deal with accidents in the real sense of the word: its is concerned instead with the expensive, cumbersome business of identifying—or arguing over—fault in vehicular mishaps. That is why the no-fault approach—whereby insurance companies pay for losses without regard to who caused the damages—has become an increasingly popular issue with consumers as well as insurance companies.

Last week, the reform movement for a federal no-fault insurance law gained new momentum in the Senate, where foes of a pending bill had based much of their opposition on constitutional arguments. In a 154-page opinion, former Solicitor General of the United States Erwin N. Griswold termed the Senate legislation "constitutional, both overall and with respect to each of its provisions." He concluded that "Congress has the power to enact a national no-fault automobile insurance statute."

Mr. Griswold said the authority lies in clauses of the Constitution that empower Congress to regulate interstate commerce, to build public roads and to make all "necessary and proper" laws to execute its powers. The former solicitor general also responded to arguments that a no-fault system deprives people of their common-law right to sue in court for injury caused by the negligence of others. He noted that the Supreme Court had found that the Constitution did not forbid the creation of new rights or the abolition of old ones recognized by common law to attain a permissible legislative objective.

In addition, according to the opinion, there is precedent: Many workmen's compensation acts totally abolished the common law rights of employees to recover for pain and suffering. The Senate's bill merely eliminates this claim in relatively minor cases. Mr. Griswold argued that the legislation actually provides a broader remedy, since it calls for "basic protection without fault, while at the same time allowing additional recovery for the more serious losses resulting from negligence."

In effect, then, the Senate bill would give people the right to recover directly for damages instead of merely the right to *sue* to recover. It would not eliminate lawsuits in serious cases; they would still be permitted when loss exceeded basic benefit limits. Suits for "non-economic detriment"—which is to say, intangible losses—would be permitted only if an accident victim died, suffered serious and permanent disfigurement or injury or suffered more than six continuous months of total disability. These suits would be subjected to a $2,500 deductible, however.

Not only is this a more sensible, efficient and fair system for compensating losses, there is considerable evidence that it would result in lower premiums. One cost study received by the Senate Commerce Committee shows that any plan complying with the standards of S. 354, the Senate bill, would result in significant savings in the average personal injury premium (20 per cent for the District and West Virginia, 10 per cent for Maryland and 5 per cent for Virginia). The study has been analyzed by a joint group of actuaries from three insurance groups—including two major groups that oppose the bill.

The approach to no-fault embodied in S. 354 is important, too, for it is not an attempt to "federalize" insurance systems in the states. Instead, the legislation provides a framework in which each state could proceed to enact no-fault programs—a job that state legislatures controlled by trial lawyers have been slow to take on. The bill would allow states to regulate insurance, set rates and oversee procedures for claims and litigation.

Indeed, S. 354 grows out of years of exhaustive studies and hearings, and it has won important support from the nation's largest auto insurer, State Farm Mutual, which retained Mr. Griswold, as well as the American Insurance Association. Last year, the Senate Commerce Committee approved the bill by a 15-to-3 vote. Now the legislation, under the main sponsorship of Sen. Warren G. Magnuson (D-Wash.) and Philip A. Hart (D-Mich.), is before the Judiciary, with assurances that this committee will permit it to come to a vote.

We believe that S. 354 offers a sound formula for reforming America's auto insurance mess, and that reasonable members of the Senate and House recognize the need to do something about it this year—to end the frustration and discontent of auto insurance buyers as well as accident victims.

SENATE RESOLUTION 286—SUBMISSION OF A RESOLUTION TO INCREASE THE SUMS ALLOTTED TO THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

Mr. ERVIN. Mr. President, on behalf of the Senator from Tennessee (Mr. Baker) and myself, and at the request of all of the members of the Senate Select Committee on Presidential Campaign Activities, I wish to present two resolutions to the Senate, and I might add these matters have been cleared by the leadership on both sides of the aisle.

Mr. President, I ask unanimous consent that I may submit on behalf of myself and the distinguished Senator from Tennessee (Mr. Baker), and have referred directly to the Committee on Rules and Administration, a resolution to increase the sums allotted to the Senate Select Committee by $300,000.

For the information of the Senate, I ask unanimous consent to have a copy of the resolution printed in the Record at this point.

The PRESIDING OFFICER (Mr. Curtis). The resolution will be received and referred to the Committee on Rules and Administration; and, without objection, the text of the resolution will be printed in the Record.

The text of the resolution, Senate Resolution 286, is as follows:

S. Res. 286

Resolution to increase the sums allotted to the Senate Select Committee on Presidential Campaign Activities

Resolved, That the first sentence of section 6 of Senate Resolution 60, which was adopted on February 7, 1973, is hereby changed to read as follows: "The expenses of the select committee through May 28, 1974, under this resolution shall not exceed $1,800,000, of which amount not to exceed $70,000 shall be available for the procurement of the services of individual consultants or organizations thereof."

SENATE RESOLUTION 287, TO EXTEND UNTIL MAY 28, 1974, THE TIME OF THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES, WHICH WAS CREATED BY SENATE RESOLUTION 60, FOR MAKING ITS FINAL REPORT AND RECOMMENDATIONS TO THE SENATE

Mr. ERVIN. Mr. President, I send forward to the desk on behalf of the distinguished Senator from Tennessee (Mr. Baker) and myself, and other members of the select committee, a resolution, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Hart). The resolution will be stated.

The assistant legislative clerk read as follows:

S. Res. 287

Resolution to extend until May 28, 1974, the time of the Senate Select Committee on Presidential Campaign Activities, which was created by Senate Resolution 60, for making its final report and recommendations to the Senate

Resolved, That the first sentence of section 5 of Senate Resolution 60 be amended to read as follows:

"The Select Committee shall make a final report of the results of the investigation and study conducted by it pursuant to this resolution, together with its findings and recommendations as to new congressional legislation it deems necessary or desirable, to the Senate at the earliest practicable date, but no later than May 28, 1974."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. ERVIN. Mr. President, I should like to state the purpose of the resolution. The select committee has been requested by the Special Prosecutor not to file a committee report at this time, which would be made public, because he anticipates that the grand jury, which has been investigating the Watergate affair, will return as true bills a number of indictments during this month.

The Special Prosecutor has pointed out that any public report from the committee making any reference to these matters, might tend to prevent the immediate consideration of the indictments and the trial of cases based on them.

In addition to that, we have postponed hearings set in January, at the request of the U.S. district attorney for the Southern District of New York. He asked the committee to postpone the hearings because he felt it might prejudice the trial of the case against Mitchell and Stans now pending in the U.S. District Court for the Southern District of New York, a trial which was begun today.

I would like to state further that there has been quite a change in circumstances between the time we scheduled the last hearings, which were postponed in January, and the present moment.

At that time it appeared that the House Judiciary Committee which is investigating impeachment resolutions, was not organized to go forward with that matter. The converse is true now. It appears that the committee now has assembled a staff, that the House has adopted a resolution, giving it broad powers of subpena, and that it is prepared to go forward immediately with this investigation.

Furthermore, it appears from the statement made by the Special Prosecutor that the courts are ready to move in this matter at this time, a condition of which we had no knowledge in January.

The committee had a meeting today in which it recognized the change in circumstances and reached the conclusion that the committee should not conduct public hearings which might impede the investigation by the House Judiciary Committee or the trial of the cases in the courts.

So the committee voted not to conduct further public hearings. The committee voted further to complete the hearings now in progress in executive sessions and to delay making public the evidence it has obtained until a date when it will not interfere with the actions of either the House Judiciary Committee or the actions of the courts.

We reserve the right to open public hearings if some unprecedented and novel evidence would be developed, which we have no reason to anticipate at this time.

The committee wants to complete the hearings now in progress in executive sessions, as authorized by the resolution adopted by the Senate. It wishes to have no further public hearings and to proceed with the writing of its report and a consideration of its recommendations to the Senate.

It also agreed to appeal the ruling by Judge Gesell in the District Court to the U.S. Court of Appeals for the District of Columbia simply because we do need a file of tapes we are seeking, in order to pass upon the credibility of some of the witnesses. We feel that there is a great constitutional question involved, in that Judge Gesell held in effect that the committee was entitled to the tapes but that the court had the discretionary power to withhold them at this time in order to prevent prejudice in trials in the courts.

The committee feels that a congressional committee would be subordinated by this opinion to the judicial branch of the Government and, the Senate would thereby be deprived of some of its powers.

The Select Committee appreciates the fine cooperation it has received from the Senate, and particularly from the majority leader, and the fine cooperation we have had from the majority and minority members of the committee and the majority and minority staff.

I have every reason to believe that if we adopt the resolution, we can proceed by the 28th of May to make our final report with findings and recommendations for legislation by the Senate. For that reason, I hope the Senate will adopt the resolution.

Mr. MANSFIELD. Mr. President, the Senator has really answered all the questions I am about to propound, but I think that what the chairman of the Select Committee on Watergate and related matters has said should be emphasized.

It was the intent of the committee that had it been allowed to do so, it would have completed its work and gone out of existence on the 28th of February?

Mr. ERVIN. The Senator is correct.

Mr. MANSFIELD. The reason the 3 months' extension has been asked for is that Mr. Leon Jaworski, the Special Prosecutor, requested the committee to do so, because he believed that not to have done so would have interfered with the indictments he is preparing.

Mr. ERVIN. That is exactly correct.

Mr. MANSFIELD. It is not the intention of the committee to hold televised or public hearings unless extraordinary circumstances develop?

Mr. ERVIN. That was the decision reached by the committee today.

Mr. MANSFIELD. It is the intent of the committee, as of now, barring something unforesen, to go out of existence definitely on May 28?

Mr. ERVIN. That is correct.

Mr. MANSFIELD. The reason is that the Special Prosecutor, Mr. Leon Jaworski, is working with expeditious movements in many of his responsibilities to some sort of conclusion, and it has been indicated that indictments will be submitted this month or next, and that this matter will be in the courts, where the President said it should be. With that statement, I agree, because all that the Senate Watergate Committee can do is to make recommendations to the Senate and turn over its evidence and make recommendations. Is that not correct?

Mr. ERVIN. That is correct.

Mr. MANSFIELD. Furthermore, the House Judiciary Committee is conducting an inquiry into the possibility of impeachment; and that takes the burden, at least in part, off the Watergate Committee, and makes it possible, with good grace, to make an exit?

Mr. ERVIN. Yes; that is the difference today which has arisen since the first of the year. At that time we had scheduled hearings for January. We had no assurance that the Special Prosecutor would take the action he has.

Also, at that time the House Judiciary Committee had not organized itself to conduct impeachment hearings. Since that time, those conditions have changed, and it seems to me that we should not have further public hearings which could interfere with either the courts or the House Judiciary Committee or delay beyond May 28, 1974, the Select Committee's report and recommendations.

Mr. MANSFIELD. I wish to thank the Senator from North Carolina, because I think the record should be made clear.

If the Senator will allow me just a minute more, speaking of the resolution which is now before the Senate, does it contain anything in the way of subpena powers?

Mr. ERVIN. It only extends the resolution to May 28. It leaves us with subpena powers.

Mr. MANSFIELD. It leaves the committee with subpena powers?

Mr. ERVIN. Yes.

Mr. MANSFIELD. Does the chairman of the committee anticipate that those powers will be used?

Mr. ERVIN. Only to complete the investigation we have started, and that would be done in executive session.

Mr. MANSFIELD. Does a serving of a subpena require a majority of the committee, or can it be done by any one member of the committee?

Mr. ERVIN. Under the working agreement with the committee, subpenas are issued either on the order of the committee or by consent of the chairman and the vice chairman.

Mr. MANSFIELD. So it would not be allowable for an individual member to so act in the serving of a subpena, solely in his own person?

Mr. ERVIN. Only the chairman or vice chairman, acting with the consent of the other, can issue a supena.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. Under the original resolution, the committee had 3 months following the date of February 28 to wind up the affairs of the committee, the business of the committee.

Mr. ERVIN. Yes.

Mr. ROBERT C. BYRD. Under the resolution that is being submitted today, does this mean that the committee will have an additional 3 months beyond the date of May 28?

Mr. ERVIN. Yes; as I construe it, this would only change the date of the report. Otherwise, the resolution would stay in effect. But I assure the Senator that it is the desire of every member of the select committee to complete this matter entirely, if it is humanly possible, by the 28th of May and to put an end to its activities at that time.

Mr. ROBERT C. BYRD. So the enactment of this resolution will not automatically extend beyond May 28 an additional 3 months for the winding up of the business of the committee?

Mr. ERVIN. It would do that, because it changes the original resolution, as I construe it, in only one respect, and that is in changing the date of the report.

Mr. ROBERT C. BYRD. So the date for the final report will be May 28?

Mr. ERVIN. That is what we hope.

Mr. ROBERT C. BYRD. And then there will be 90 days in addition for a final windup of the business of the committee?

Mr. ERVIN. That is right; but not to hold hearings or anything like that in those 90 days.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. GRIFFIN. I just want the RECORD to indicate that, as the distinguished chairman has indicated, the resolution now before the Senate does have the approval of the minority members of the committee and is cosponsored by the ranking minority member, the Senator from Tennessee (Mr. BAKER).

Mr. ERVIN. I might state that this is pursuant to a policy statement of the committee adopted today, with only one dissenting vote. It was adopted by a vote of 6 to 1. The dissenting vote was by the distinguished Senator from Florida. He dissented on the grounds that he thought the hearings should end immediately, and that the committee should proceed with the writing of its report and making its recommendations immediately.

Mr. GRIFFIN. Mr. President, since the so-called Watergate Committee has complied with the request of Mr. Jaworski not to file its report on February 28 as originally scheduled, it does seem to be in order that the date for filing of the report will have to be postponed by some action of the Senate. The resolution before the Senate would postpone that date for 3 months.

I also wish to take note of the fact that the distinguished chairman has asked that another resolution, calling for an additional $300,000 for the committee, be referred to the Committee on Rules and Administration, where the amount of money could be scrutinized by the appropriate committee under its jurisdiction. I think that is most appropriate. The approval of this resolution, recognizing the need to extend the life of the committee, would not necessarily carry with it, I am sure it could be noted, the automatic approval that an additional $300,000 would be needed. At least, that might be the view of some Members. I think the opportunity for the Rules Committee to take a look at that request is most appropriate.

With those observations, I indicate that, so far as the leadership on this side of the aisle is concerned, there is no objection.

Mr. HELMS. Mr. President, I should like to direct a question to the distinguished Senator.

How much money has the Watergate Committee cost thus far?

Mr. ERVIN. It has had appropriated to it $1.5 million.

Mr. HELMS. And this additional sum sum would make it $1.8 million?

Mr. ERVIN. Yes.

Mr. HELMS. I thank the distinguished Senator.

The PRESIDING OFFICER (Mr. METZENBAUM). The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I wish the RECORD to show that I voted "No" on the adoption of the resolution.

The PRESIDING OFFICER. The RECORD will so indicate.

NATIONAL OCEAN POLICY STUDY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 660.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 222) to authorize a national ocean policy study.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Commerce with amendments on page 3, line 6, after the word "national", strike out "oceans" and insert "oceans"; in line 23, after the word "competitive", strike out "oceans" and insert "ocean"; on page 4, line 15, after the word "assessing", insert "national growth policy needs"; on page 5, line 6, after the word "Senate", strike out "having jurisdiction" and insert "with a jurisdictional interest over specific elements of this study"; in line 8, after the word "amended", strike out "over specific elements of the study authorized in section 1"; in line 15, after the word "chairman", strike out "and" and insert "or"; at the beginning of line 18, insert "for the purposes of this study"; in line 23, after the word "this", strike out "resolution" and insert "study"; and, on page 6, after line 2, strike out:

SEC. 4. For the purpose of this resolution the Committee on Commerce is authorized to expend, through February 28, 1975, from the contingent fund of the Senate, a sum not to exceed $200,000.

Mr. HOLLINGS. Mr. President, it is with distinct pleasure that I call up for approval by the Senate today Senate Resolution 222 authorizing a national ocean policy study by the Committee on Commerce. A study of our Nation's needs and how they can be met, in whole or in part, from the vast resources of the oceans is long overdue.

Sixty Members of the U.S. Senate have joined together in supporting this resolution. Personally, I am unaware of any similar undertaking which has received such a broad, bipartisan outpouring of assistance from the leadership of both parties and from all of the chairmen of the standing committees of the Senate. Senator WARREN G. MAGNUSON, chairman of the Committee on Commerce, and principal author of the resolution, is to be personally commended for his continuing tireless leadership on matters of ocean policy.

It is a matter of history that recent administration budget policies and priorities have had a serious impact on our Nation's effort to achieve a sound oceans policy and program. During the past 5 years, and to a certain extent during the previous administration as well, it has been congressional initiative which has maintained the identification of ocean policy as an important national goal. Of course, economic and political necessity would seem to demand that the United States be a major world ocean power. Congressional policy has always supported such thinking. But in the past few years, we have developed a "no-policy policy" toward the oceans and coastal areas. Such a lack of policy has had disastrous results, not only in the all-important field of coastal zone management, but in reduction of valuable stocks of fish, deterioration of water quality in the ocean, and inaccessibility to raw materials.

Our present energy crisis can be blamed partly on our refusal to develop an adequate national policy toward the oceans. The sea can, indeed, be an important source, not only of petroleum, but of new types of energy. But frankly, too few of our Nation's leaders have been aware of the promise of the oceans. That must be changed. Senate Resolution 222 can help bring about meaningful change in our approach to ocean programs by elevating "ocean thinking" to a higher plateau here in the Senate and in the Congress. Congressional leadership has brought our national ocean program to where it is today. Congressional leadership can give our national ocean program the stimulus necessary to make the United States the world leader. We in the Senate can prove to the Nation that the oceans are critical to solving our national problems.

As I said on December 19, when Senator MAGNUSON introduced this resolution, the United States must make a commitment. Part of that commitment must be to open the resources of the sea to American capabilities. But equally as important is the protection and preservation of the ocean and its coastal lands and waters.

Today, the Senate of the United States takes the all-important first step toward this new commitment.

Mr. President, I ask unanimous consent that the names of all cosponsors be printed at this point in the RECORD.

There being no objection, the names of the cosponsors were ordered to be printed in the RECORD, as follows:

LIST OF COSPONSORS OF S. RES. 222

Mr. Magnuson, Mr. Hollings, Mr. Eastland, Mr. McClellan, Mr. Fulbright, Mr. Sparkman, Mr. Stennis, Mr. Long, Mr. Pastore, Mr. Jackson.

Mr. Mansfield, Mr. Ervin, Mr. Cotton, Mr. Hugh Scott, Mr. Bible, Mr. Talmadge, Mr. Randolph, Mr. Cannon, Mr. Hartke, Mr. McGee.

Mr. Moss, Mr. Williams, Mr. Bentsen, Mr. Eagleton, Mr. Ribicoff, Mr. Robert C. Byrd, Mr. Humphrey, Mr. Stevens, Mr. Kennedy, Mr. Metcalf.

Mr. Stevenson, Mr. McGovern, Mr. McIntyre, Mr. Nunn, Mr. Allen, Mr. Gurney, Mr. Hart, Mr. Buckley, Mr. Fong, Mr. Gravel.

Mr. Abourezk, Mr. Domenici, Mr. Dominick, Mr. Pell, Mr. Chiles, Mr. Burdick, Mr. Weicker, Mr. Biden, Mr. Tunney, Mr. Dole.

Mr. Hatfield, Mr. Johnston, Mr. Cranston, Mr. Mathias, Mr. Muskie, Mr. Beall, Mr. Inouye, Mr. Hruska and Mr. Mondale.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The resolution, as amended, was agreed to.

The preamble was amended as follows:

On page 1, in the third line of the first paragraph, after the world "mankind", strike out "at least in part", and in the same line, after the word "may", strike out "well".

The resolution, as amended, with its amended preamble, reads as follows:

Whereas the oceans offer the potential for major contribution to world peace and to the equality of life, and the future of mankind may be dependent upon his knowledge and wise use of the sea; and

Whereas the oceans are of enormous present and potential benefit to all citizens of the United States owing to their extensive supply of living and nonliving resources and because of their utilization as a pathway for maritime commerce and as a continuing source of impact upon the national security, balanced growth, technology, scientific understanding, and the quality of the world environment; and

Whereas the depletable living and nonliving resources of the oceans will necessarily be utilized increasingly in future years as a principal source of protein, raw materials, and energy; and

Whereas the coastal markin of the United States, as one of the Nation's prime resources, is under ever-expanding pressure due to its desirability for siting of commerce, industry, and habitation, and due to increasing needs for recreation, transportation, urbanization, and biological reproduction; and

Whereas serious national and global problems exist and are growing in ocean contamination as a result of land- and vessel-source pollution; and

Whereas the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 2 et seq.) was enacted to develop a comprehensive, long-range national ocean policy, but such Act has been neither fully implemented nor completely successful in achieving that goal; and

Whereas the utilization of ocean resources and solving ocean-related problems depend directly upon developing oceanic knowledge and technology, resolving conflicts of national and international jurisdiction over the ocean, protecting the quality of the marine environment, and, foremost, upon establishing a clear and comprehensive national ocean policy: Now, therefore, be it

Resolved, That the Committee on Commerce is authorized under sections 134(a) and 136(a) of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, as amended, to make a full and complete investigation and study of national ocean policy for the purpose of—

(1) determining current and prospective national capabilities in the oceans, including marine sciences and their application, oceanic research, advancement of oceanic enterprise and marine technology, interdisciplinary education, policy planning, professional career and employment needs, and overall requirements of the United States consistent with attainment of long-range national goals;

(2) determining the adequacy of current Federal programs relating to the oceans and recommending improvements in agency structure and effectiveness to meet national needs and achieve oceans capabilities, and assessing existing policies and laws affecting the oceans for the purpose of determining what changes might be necessary to assure a strong and internationally competitive ocean policy and program for the United States;

(3) establishing policies to achieve the goal of full utilization and conservation of living resources of the oceans and recommending solutions to problems in marine fisheries and their management, rehabilitation of United States fisheries, current and future international negotiations on fisheries, as well as aquaculture and the extraction of drugs from the sea;

(4) assessing the needs for new policies for the development and utilization of the nonliving resources of the oceans, including the mineral resources of the Outer Continental Shelf and the deep seabed so that the national mineral needs can be met in an economically and environmentally sound manner;

(5) encouraging implementation of coastal zone management through the Coastal Zone Management Act of 1972 by assessing national growth policy needs regional and interstate problems, State functions and powers in coastal zone management, information sources, recreation needs, pollution problems, population trends, and future pressures in the coastal zone;

(6) establishing comprehensive national policy for the purpose of understanding and protecting the global ocean environment through education, exploration, research, and international cooperation; and

(7) making an assessment of proposals for, and current negotiations with respect to, achieving adequate national and international jurisdiction over the oceans, developing an understanding of the relationship of the oceans to world order, and examining United States policy with respect thereto.

Sec. 2. In order that other standing committees of the Senate with a jurisdictional interest over specific elements of this study under Rule XXV of the Standing Rules of the Senate, as amended, may participate in that study, the chairman and ranking minority member of each of the Committees on Appropriations, Interior and Insular Affairs, Public Works, Foreign Relations, Government Operations, and Labor and Public Welfare, Armed Services, or a member of such committees designated by each such chairman or ranking minority member to serve in his place, shall participate in the study authorized by this resolution as an ex officio member of the Committee on Commerce for the purposes of this study. In addition, the President pro tempore of the Senate shall name three majority and three minority Members of the Senate who represent coastal States, without regard to committee membership, to serve as additional ex officio members of the Committee on Commerce for purposes of this study.

Sec. 3. The committee shall report its findings, together with its recommendations for such legislation as it deems advisable, to the Senate.

FOREST AND RANGELAND ENVIRONMENTAL MANAGEMENT ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 661 S. 2296, with the understanding that there will be no action on this measure today.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2296) to provide for the protection, development, and enhancement of the national forest system, its lands and resources; and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

"That this Act may be cited as the 'Forest and Rangeland Environmental Management Act of 1974".

"Sec. 2. Findings.—The Congress hereby finds and declares that—

"(a) the air, soil, water, plants, and animals are resources that are finite and renewable,

"(b) the minerals are not a renewable resource,

"(c) the conservation of the environment and esthetic values is essential to achieving an ecologically healthy and economically functioning resource base,

"(d) the United States is richly endowed with land bearing, or capable of bearing, forest trees as its principal vegetal cover, land bearing, or capable of bearing forage as its principal vegetal cover and other associated lands, some of which contain both types of cover, which lands by their very nature produce, or are capable of producing multiple renewable resources, products, and benefits,

"(e) the maintenance and wise management of these lands and their renewable resources are vital to the Nation's vigor,

"(f) the Forest Service, in the Department of Agriculture (hereinafter called the 'Forest Service'), is responsible for essential programs and services which must be maintained on an integrated basis, including programs to aid private and State forest land managers through cooperative efforts to achieve resource management goals, programs of research which produce knowledge that can be disseminated to improve achievements, and through the management of the National Forest System.

"(g) comprehensive inventories and planning are needed to secure the greatest net public benefit from Forest Service cooperative programs, research, and National Forest System management,

"(h) proper levels of funding for investment in managing the various activities and programs of the Forest Service are essential to achieving and sustaining the optimum potential flow of benefits from renewable resources on a balanced and timely basis,

"(i) the National Forest System is made up of diverse lands, in different geographic regions, with many ecological associations which vary in their relation to the lands and people in each region,

"(j) the National Forest System was established and maintained for the purpose of insuring a continuing yield of net benefits and resources for the enjoyment and well-being of the citizens of the United States; that the citizens of the United States expect, and are entitled to receive, the full yield of benefits and resources as set forth in the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528–531); and that there will be a continuing demand for the benefits and resources available from the National Forest System,

"(k) it is essential that the organization of service to be provided to the people of the United States by the Forest Service shall be designed and maintained to meet local, regional, and national needs commensurate with the relative environmental and economic benefits and costs.

"Sec. 3. Renewable Resource Assessment.—(a) In recognition of the vital importance of America's renewable resources of the forest, range, and other associated lands to the Nation's social and economic well-being, and of the necessity for a long-term perspective in planning and undertaking related national renewable resource programs, the Secretary of Agriculture, through the Forest Service, shall prepare a National Renewable Resource Assessment (hereinafter called the 'Assessment'). The Assessment shall be prepared not later than December 31, 1974, and shall be updated during 1979 and each tenth year thereafter, and shall include but not be limited to—

"(1) an analysis of present and anticipated uses, demand for, and supply of these renewable resources, with consideration of the international resource situation, and an emphasis of pertinent supply and demand and price relationship trends;

"(2) a general inventory of these present and potential renewable resources and opportunities for improving their yield of tangible and intangible goods and services together with estimates of investment costs and direct and indirect returns to the Federal Government;

"(3) a description of Forest Service programs and responsibilities in research, cooperative programs, and management of the National Forest System, their interrelationships, and the relationship of these programs and responsibilities to public and private activities; and

"(4) a discussion of important policy considerations, laws, regulations, and other factors expected to significantly influence and affect the use, ownership, and management of these lands.

"(b) To assure the availability of adequate data and scientific information needed for development of the Assessment, section 9 of the McSweeney-McNary Act of May 22, 1928 (45 Stat. 702, as amended, 16 U.S.C. 581h), is hereby amended to read as follows:

" 'The Secretary of Agriculture is hereby authorized and directed to make and keep current a comprehensive survey and analysis of the present and prospective conditions of and requirements for the renewable resources of the forest and range lands of the United States, its territories and possessions, and of the supplies of such renewable resources, including a determination of the present and potential productivity of the land, and of such other facts as may be necessary and useful in the determination of ways and means needed to balance the demand for and supply of these renewable resources, benefits and uses in meeting the needs of the people of the United States. The Secretary shall carry out the survey and analysis under such plans as he may determine to be fair and equitable, and cooperate with appropriate officials of each State, territory, or possession of the United States, and either through them or directly with private or other agencies. There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.'

"Sec. 4. Renewable Resource Program.—In order to provide for consideration and periodic review of programs for management and administration of the National Forest System, for research, for cooperative State and private programs, and for conduct of other Forest Service activities in relation to the findings of the Assessment, the Secretary of Agriculture shall prepare and transmit to the President a Renewable Resource Program (hereinafter called the 'Program') which shall provide in appropriate detail for protection, management, and development of the National Forest System, including forest development roads and trails, for cooperative programs on non-Federal lands, and for research. The Program shall be developed in accordance with principles set forth in the Multiple-Use Sustained-Yield Act of June 12, 1960 (74 Stat. 215; 16 U.S.C. 528–31), the National Environmental Policy Act of 1969 (86 Stat. 852; 42 U.S.C. 4321–47), and other applicable legislation. The Program shall be prepared not later than December 31, 1974, to cover the five-year period beginning July 1, 1975, and at least each of the four fiscal decades next following such period, and shall be updated no later than during the first half of the fiscal year ending June 30, 1980, and the first half of each fifth fiscal year thereafter to cover at least each of the four fiscal decades beginning next after such updating. The Program shall include, but not be limited to—

"(1) An inventory of a full range of specific needs and opportunities for both public and private program investments. The inventory shall differentiate between activities which are of a capital nature and those which are of an operational nature.

"(2) Specific identification of Program outputs, results anticipated, and benefits associated with investments in such a manner that the anticipated costs can be directly compared with the total related benefits and direct and indirect returns to the Federal Government.

"(3) A discussion of priorities for accomplishment of inventoried program needs.

"Sec. 5. National Forest System Resource Inventories.—As a part of the Assessment the Secretary of Agriculture shall develop and maintain on a continuing basis a comprehensive and appropriately detailed inventory of all National Forest System lands and renewable resources. This inventory shall be kept current so as to reflect changes in conditions and identify new and emerging resources and values.

"Sec. 6. National Forest System Resource Planning.—(a) As a part of the Program provided for by section 4 of this Act, the Secretary shall develop, maintain, and, as appropriate, revise land and resource use plans for units of the National Forest System, coordinated with the land use planning processes of State and local governments and other Federal agencies.

"(b) In the development and maintenance of land use plans, the Secretary shall use a systematic interdisciplinary approach to achieve integrated consideration of physical, biological, economic, and other sciences.

"Sec. 7. Cooperation in Resource Planning.—The Secretary shall make available the Assessment, resource surveys, and Programs prepared pursuant to this Act to States and other organizations in planning the protection, use, and management of renewable resources on non-Federal land.

"Sec. 8 National Participation.—(a) In order that the optimum benefits will be better assured to each generation of citizens the Secretary of Agriculture shall utilize such participation, including public hearings, meetings, and advisory groups, as he deems appropriate and has provided for by regulation for the development of the Assessment, Program, resource inventories, and planning provided for in this Act.

"(b) On the date Congress first convenes in 1975 and following each updating of the Assessment and the Program, the President shall transmit to the Congress, when it convenes, the Assessment as set forth in section 3 of this Act and the Program as set forth in section 4 of this Act.

"(c) The Congress shall hold public hearings on said Assessment and Program, and within one year after submission to the Congress, the Congress shall by resolution establish a statement of policy which shall be a guide to the President in framing fiscal budget for Forest Service and related agencies' activities for the five or ten year Program period beginning during the term of such Congress.

"(d) Within ninety days after convening, each Congress shall publicly review the statement of policy developed pursuant to subsection (c) and make such modifications as may be necessary to provide a guide to the President in framing the budgets to be transmitted to Congress during the two fiscal years beginning thereafter.

"(e) Commencing with the fiscal budget for the year ending June 30, 1976, requests presented by the President to the Congress covering Forest Service and related agencies' activities shall express in qualitative and quantitative terms the extent to which the Programs and policies projected under that budget meet the policies established by the Congress in accordance with subsections (c) and (d) of this section. I any case in which such budget so presented recommends a course which fails to meet the policies so established, the President shall specifically set forth the reason or reasons for so recommending and shall state his reason or reasons for requesting the Congress to approve the lesser programs or policies presented: *Provided*, That amounts appropriated for purposes covered by the resolution described in subsection (c), as modified, shall be expended for the purposes for which appropriated, except to the extent that (1) the appropriation Act provides specifically for discretion as to such expenditures, or (2) the President finds that because of events occurring subsequent to the enactment of such appropriation Act, such expenditure would fail to accomplish its purpose.

"(f) For the purpose of providing information that will aid Congress in its oversight responsibilities and improve the accountability of agency expenditures and activities, the Secretary shall prepare an annual report which evaluates the component elements of the Program required to be prepared by section 4 of this Act which shall be furnished to the Congress at the time of submission of the annual fiscal budget commencing with the third fiscal year after the enactment of this Act.

"(g) These annual evaluation reports shall set forth progress in implementing the Program required to be prepared by section 4 of this Act together with accomplishments of this Program as they relate to the objectives of the Assessment. Objectives should be set forth in qualitative and quantitative terms and accomplishments should be reported accordingly. The report shall contain appropriate measurements of pertinent costs and benefits. The evaluation shall assess the balance between economic factors and environmental quality. Program benefits shall be considered in a broad context and shall include, but not be limited to, environmental quality factors such as esthetics, public access, wildlife habitat, recreational and wilderness use, and economic factors such as the excess of cost savings over the value of foregone benefits and the rate of return on renewable resources.

"(h) The reports shall indicate plans for implementing corrective action and recommendations for new legislation where warranted.

"(i) The reports shall be structured for Congress in concise summary form with necessary detailed data in appendices.

"Sec. 9. National Forest System Program Elements.—(a) The Secretary shall take such action as will assure that the development and administration of renewable resources of the National Forest System is in full accord with the concepts for multiple use and sustained yield of products and services as set forth in the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528–531). To further these concepts, the Congress hereby sets the year 2000 as the target year when the renewable resources of the National Forest System shall be in an operating posture whereby all backlogs of needed treatment for their restoration shall be reduced to a current basis and the major portion of planned intensive multiple-use sustained-yield management procedures shall be installed and operating on an environmentally sound basis. The annual budget shall contain requests for funds for an orderly program to eliminate such backlogs: *Provided*, That when the Secretary finds that (1) the backlog of areas that will benefit by such treatment has been eliminated, (2) the cost of treating the remainder of such area exceeds the economic and environmental benefits to be secured from their treatment, or (3) the total supplies of the renewable resource of the United States are adequate to meet the future needs of the American people, the budget request for these elements of restoration may be adjusted accordingly.

"(b) The Congress declares that the installation of a proper system of transportation to service the National Forest System, as is provided for in Public Law 88–657, the Act of October 13, 1964 (16 U.S.C. 532–538), shall be carried forward in time to meet anticipated needs on an economical and environmentally sound basis, and the method chosen for financing the construction and maintenance of the transportation system should be such as to enhance local, regional, and national benefits. If for any fiscal year the budget request for appropriations for forest development roads and trails (including the amount available under the fourteenth paragraph under the heading 'Forest Service' of the Act of March 4, 1913 (16 U.S.C. 501)), is less than the amounts authorized therefor, or a portion of such appropriation is subsequently impounded, the amount of construction under clause (2) of the Act of October 13, 1964 (16 U.S.C. 535), for such fiscal year shall be reduced below such amount of financing during the preceding fiscal year by an equivalent sum. For the purposes of this section, impounding includes—

"(1) withholding or delaying the expenditure or obligation of budget authority (whether by establishing reserves or otherwise) appropriated for forest development roads and trails, and the termination of authorized projects for which appropriations have been made, and

"(2) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of authorized budget authority or the creation of obligations by contract in advance of appropriations as specifically authorized by law for forest development roads and trails.

In applying the authority granted by the Act of October 13, 1964 (16 U.S.C. 532–538), the Secretary shall give due consideration to avoiding actions which may unduly impair revenues received and thus affect adversely payments to particular counties within the National Forest System made under the sixth paragraph under the heading 'Forest Service' of the Act of March 4, 1913 (16 U.S.C. 500), or under section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012), but nothing in this sentence shall be construed to reduce timber sale offerings with provisions for purchaser road construction, the net effect of which will be to increase revenues from which such payments are made to counties.

"Sec. 10. (a) National Forest System Defined.—Congress declares that the National Forest System consists of units of forest, range, and related lands throughout the United States and its territories, united into a nationally significant system dedicated to the long-term benefit for present and future generations, and that it is the purpose of this section to include all such areas into one integral system. The 'National Forest System' shall include all national forest lands reserved or withdrawn from the public domain of the United States, all national forest lands acquired through purchase, exchange, donation, or other means, the national grasslands and land utilization projects administered under title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525, 7 U.S.C. 1010–1012) and other lands, waters, or interests therein which are administered by the Forest Service or are designated for administration through the Forest Service as a part of said system.

"(b) Organization.—The on-the-ground field offices, field supervisory offices, and regional offices of the Forest Service shall be so situated as to provide the optimum level of convenient, useful services to the public, giving priority to the maintenance and location of facilities in rural areas and towns near the national forest and Forest Service program locations in accordance with the standards in section 901(b) of the Act of November 30, 1970 (84 Stat. 1383), as amended.".

ORDER FOR RECESS UNTIL THURSDAY, FEBRUARY 21, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 o'clock noon on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARGARET G. COBLE

Mr. ROBERT C. BYRD. Mr. President, on January 30, 1974, the Senate agreed to Senate Resolution 251, which authorized the payment of a gratuity to the widow of a deceased former employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of his death. Unfortunately, due to a clerical error, the name of the recipient of the gratuity and the deceased employee was misspelled in the resolution as agreed to.

I ask unanimous consent that the Secretary of the Senate be authorized to correct the spelling of the names in the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR COMMITTEE TO FILE REPORT ON S. 2394, ROCKY MOUNTAIN NATIONAL PARK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs have until 7 p.m. today to file the report on S. 2394, a bill relating to the Rocky Mountain National Park, providing the Committee on Interior and Insular Affairs orders the bill reported later this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS CHILES, GRIFFIN, AND ROBERT C. BYRD ON THURSDAY, FEBRUARY 21, 1974, AND FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS AND CONSIDERATION OF S. 2296

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Florida (Mr. CHILES) be recognized for not to exceed 15 minutes, that he be followed by the distinguished assistant Republican leader (Mr. GRIFFIN), for not to exceed 15 minutes, and that he be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business for not to exceed 30 minutes with statements limited therein to 5 minutes, at the conclusion of which the Senate proceed to the consideration of the bill which already has been laid before the Senate, Calendar No. 661, S. 2296.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will stand in recess until the hour of 12 o'clock noon on Thursday next. After the two leaders or their designees have been recognized under the standing order, the Senator from Florida (Mr. CHILES) will be recognized for not to exceed 15 minutes, after which the Senator from Michigan (Mr. GRIFFIN) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes with statements limited therein to 5 minutes, at the conclusion of which period the Senate will resume consideration of Calendar Order No. 661, S. 2296, a bill to provide for the protection, development, and enhancement of the national forest system, its lands and resources, and for other purposes. Yea-and-nay votes could occur.

RECESS TO THURSDAY, FEBRUARY 21, 1974

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and at 5:24 p.m. the Senate recessed until Thursday, February 21, 1974, at 12 o'clock noon.

EXTENSIONS OF REMARKS

DR. BARRY SIMMONS, ATHENS, GA.

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 19, 1974

Mr. TALMADGE. Mr. President, I wish to comment today on the very fine humanitarian work being done by Dr. Barry Simmons, a dentist from Athens, Ga., to help people throughout the world less fortunate than ourselves and to build goodwill for the United States.

Each summer for the past 11 years, Dr. Simmons has traveled at his own expense to emerging nations throughout the world to provide free dental care to needy people, many of whom have never seen a dentist in their lives. In 1972, Dr. Simmons was named one of the 10 outstanding young men of America by the U.S. Jaycees, and he has won praise from many nations throughout the world.

All Georgians are very proud of Dr. Simmons, and I join in wishing him well in all of his future endeavors to help the world's needy people.

Mr. President, there appeared in the Sunday Oregonian, of Portland, Oreg., of November 4, 1973, an excellent article on the work of Dr. Simmons. I bring this article to the attention of the Senate and ask that it be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GEORGIA DENTIST WORKS TO AID NEEDY IN FOREIGN COUNTRIES

(By Ann Sullivan)

Dr. Barry Simmons, 36, dentist, unmarried, amateur ornithologist, expects to spend three months out of every year of the rest of his life doing something for other people.

The something is what he knows best, dentistry, and the people are the underprivileged in a long succession of countries he has been visiting the past 10 years.

He has a list of 120 and hopes he can go to most of them, maybe two at a time, in the rest of his life.

It isn't exactly easy, for this one-man dental Tom Dooley Foundation has been doing it all himself, lugging along some 17 to 18 cases of 1,500 pounds of tools and supplies.

When wars and floods, bureaucracy, heat and disease throw up roadblocks, it just challenges him a little more. Simmons, who practices three-quarters of the year in the lower floor of his Georgian house in Athens, Ga., came upon his life's passion by accident through his love of birds and animals.

He went to the Colombia jungle on the Amazon river with a collector.

"It was pretty primitive, and the local priest found out I was a dentist and asked me to treat some patients. I was hooked."

That was 1963, the first of 11 successive summers, June to September, in South America, Tahiti, Thailand, the Sinai desert, the Gaza strip, Bali, Indonesia, Cameroon, Nigeria and last summer in Bangladesh.

Always concentrates on teaching dental hygiene to a couple of volunteers who go to the schools to teach the teachers to teach the children.

He winds up the portable gas generator that was a gift of the Adec Co. of Newberg and goes to work on the never-ending painful mouth troubles presented to him. The generator is boxed in a case from another Oregon firm, Grants Pass Environmental Containers.

Dr. Simmons, visiting in Portland through Monday, spoke to a group of dental and medical students at a dance Saturday night. He will speak to a public meeting at Portland Elks Club, 1515 SW Morrison St., Monday at 7:30 p.m.

His pitch is securing help for his newly founded Dental Health International, which helps him now to recruit, outfit and send other dental and dental hygiene volunteers to still more countries. So far about 50 have gone.

Mailing address is 847 S. Mille dge Ave., Athens, Ga., 30501. Various church mission groups are beginning to help set up visitations. Transportation is the biggest bugaboo.

Dr. Simmons once found himself and 1,500 pounds of dental equipment stranded on the Bay of Bengal unable to get into the cyclone-tormented area of Bhola Island.

He recruited a Soviet helicopter, and officials simply said OK. But when he wanted to come back, the Russians were no where to be found. Nor any other air vehicle. He and the boxes came back by a small, slow boat.

Dr. Simmons was named by the Jaycees as one of the nation's 10 outstanding young men in 1971. He has a busy practice with five chairs and five staff people.

He thinks he might like to get married and notes that many Scandinavian dentists are female, blond and beautiful. He also collects parrots.

In the meantime, he's trying to figure how to hire enough Sherpas to get his boxes to Nepal next summer. He's very serious:

"The pleasure is that you can give. You can give relief for a physical problem such as an abcessed tooth. You give better health with the education you have. It's not just an 8 to 5 life. It means you have done somethings with your life. It's a fantastic feeling when you leave and you see the faces. They know you were there to help.

"The best feeling you can have is to give something and not expect a return."

Dr. Simmons is staying in Portland at the home of Dr. Don and Dr. Chris Wilson, 1205 SW Myrtle Drive.

JOHN FOLTZ SELECTED FOR EAGLE SCOUT TASK FORCE

HON. WILLIAM L. SCOTT

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 19, 1974

Mr. WILLIAM L. SCOTT. Mr. President, during this month of February the Boy Scouts of America are celebrating their 64th anniversary. I wish to add my tribute to this "ageless" youth movement and join with my colleagues in the Senate in wishing Scouts of all ages—Cubs, Scouts, Explorers, and adult Scouters, as well—a "happy birthday." All of us can take pride in their accomplishments—achieved through their many "good deeds" every day.

One young man from Virginia has been singled out for special recognition and I ask unanimous consent to have a statement regarding this Scout in the Record as an example of how some of our young people spend their time in a constructive manner.

There being no objection, the statement was ordered to be printed in the Record, as follows:

John Foltz Selected For Eagle Scout Task Force

John Foltz, 16, has been named a member of the recently formed Task Force of the National Eagle Scout Association (NESA). The primary purpose of NESA is to conserve and develop the manpower potential represented by those who hold the Eagle Scout rank, as well as to promote and support the ideals of the Boy Scouts of America (BSA).

John is one of six youths in the nation selected to formulate the initial policies of this new organization. He travels to Kansas City, Missouri for the first meeting on February 16 and 17. Currently active Eagle Scouts were picked to assure that programs are developed which will meet the needs of youth.

John earned his Eagle rank at the age of 13, while a member of Mt. Vernon Troop 1680, where he was also a Patrol Leader. He had previously served as Cub Scout Den Chief and received the coveted God and Country Award. Soon after becoming an Eagle Scout, John joined Knights of Dunamis, the national Eagle Scout honor society. This organization served as a forerunner of NESA. John is now Recording Secretary of the President's Chapter 82 of NESA, in the National Capital Area Council (NCAC).

Though busy with school and other activities, in addition to NESA leadership, John has added a Bronze Palm to his Eagle award. He is chairman of the Family Banquet for Eagle Scouts in the metropolitan area, to be sponsored by NESA this spring. At the BSA Southeastern regional meeting last fall in Washington, D.C., John assisted—as a NESA representative—with the presentation of the first "Outstanding Scoutmaster" award.

John has attended four summer sessions at Goshen Scout Camps, including NCAC Conservation Camp. He was elected by his fellow Scouts to the Order of the Arrow, the national brotherhood of Scout honor campers. In 1972 he was a Crew Leader at Philmont Scout Ranch in New Mexico. Last summer he held a staff position at the VIIIth National Scout Jamboree in Idaho. Holder of the Scout Lifeguard rating, he was the youngest member on the waterfront staff.

As he climbed the Scouting ladder, John has gone into Exploring. He is presently a member of two Explorer Posts. Post 1334—one of the most unique in the country—is made up exclusively of Eagle Scouts from the Washington area. Post 891 conducts a Medical Explorer program at DeWitt Hospital on Ft. Belvoir, near his home in Fairfax County. John has his sights set on a career in medicine.

This past summer, Post 1334 took part in the Explorer Olympics held at Quantico Marine Base. Competing in both track and swimming events, John won one gold, two silver, and two bronze medals. As one of the top three winning posts, this "Eagle Post" is eligible to compete in the National Exploring Olympics. John is already making plans to go to Fort Collins, Colorado where the national finals will be run off on the campus of Colorado State University in August. At the conclusion of this olympiad, he will participate in the first National NESA Conference, also being held at CSU.

John is the son of Mr. and Mrs. John C. Foltz, 5301 Remington Drive, Mount Vernon Terrace.

A TRIBUTE TO MR. ALBERT McKEE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HUNGATE. Mr. Speaker, the occasion of his 100th birthday is an appropriate time to pay tribute to Mr. Albert McKee, of Kahoka, Mo. His life has spanned a time of great progress in this country. Mr. McKee has contributed much to his community.

The article follows:

Tribute to Mr. Albert McKee

(By Jeanne E. Brewer)

Being active, happy and healthy is what we all look forward to in our lives.

For Albert McKee it has been all three. Mr. McKee will be 100 years young Sunday, January 27, and counting all the activities during those years, the milestones will measure 100 or more.

Born the son of J. T. and Julia Ann Ferguson McKee, he lived his early years on a farm north of town in the Anson community. At the age of 17, he and his family moved to Kahoka.

Attaining the title of centenarian is not unusual in the McKee family. Mr. McKee's only sister, Mrs. Nellie McKee Wilson, reached her 103rd birthday.

They always jokingly attributed their longevity to not drinking coffee.

At the age of 20, Albert and his father formed the firm of J. T. McKee and Son. It all began in 1894 in a store building situated where the present Western Auto now stands. The building was purchased from Clarence Sherwood and the inventory price was listed at $380.61. From the original inventory sheets appear such retail prices as a lap robe for $1.00, a buggy whip for 45 cents, and a horse blanket at $1.15.

After operating the store together for three years, Mr. McKee bought his father's share in 1897 continuing the business under its original name.

In the early days of business, handmade harness was its main product. Hides were bought by the roll, each roll containing ten hides, weighing approximately 300 lbs. About 1,000 lbs. were purchased at a time. Ready made good were also sold along with items made at the shop.

In 1913, a saloon owned by Dick Brothers Brewery, located on the east side of the square became available and the store relocated into its present home.

As the tractor became more popular in the 30's and horses did less work, the harness business began to decline. In 1933 a shoe department was added along with a line of fine luggage. These items are still a part of the business.

Towards the 1940's sulky racing became very popular and Mr. McKee would make as many as twelve sets of racing harness a year. He was especially proud of these sets. He recalled that out of six horses starting at the Clark County Fair one year, four of the rigs were wearing McKee made racing harness.

Serving J. T. McKee and Son as a faithful full time employee was Mr. John Seyb, who was with the firm over 50 years until his death in the late 1950's.

During these years his personal life away from business was varied and exciting.

Sometime in the 1890s a young lady from Glenwood, Missouri traveled by train into Kahoka to work in the millinery shop of Mrs. George F. Kroh.

Late in 1900, the following news item appeared in the Clark County Courier. "Albert

J. McKee and Miss Dora E. Penny, both of Kahoka, were married by Rev. A. J. Carrick, at his residence, Tuesday evening, October 30, 1900 at 7:30 o'clock in the presence of immediate relatives and friends. They left on the west bound evening train on a brief wedding tour. They will reside in Kahoka."

They were blessed with three children: Mrs. Julia May Connolly who resides in Colorado Springs, Mrs. Dorothy Dixon living in Phoenix and Dale of Kahoka. He also proudly claims a granddaughter, D. A. (Dora Alice) the daughter of Julia May, and two great grandchildren.

After 22 years of marriage, Dora passed away. For 22 more years, he remained a widower until his marriage to Lillian Wray in 1943 with whom he shared 22 years until her death.

One of his most loved hobbies, of course, was harness racing. He very seldom missed attending the Springfield Grand Circuit races.

Running away with the circus was every child's dream. This dream became a reality for McKee. In the first years of the century, a circus ran a circuit in the area of Knox City, Edina, Memphis, Kahoka and other Northeast Missouri communities. Being one of the best baritone players around, Mr. McKee followed the circuit playing in the circus band and acting as an advance man.

It was during this time with the circus that he became friends with Miss Ella Ewing. Miss Ewing, touring as the tallest woman (a towering 8'4'') would come to Kahoka to have Miss Maude Wilson custom make her clothes. On these visits she and Mr. McKee would engage in several serious games of Pitch and Rook.

His expertise at playing the baritone led Mr. McKee to a seat in the Kahoka band under the leadership of Mr. Bill Bowers. This band was in much demand at local functions.

Mr. McKee served as a member of the school board in the 1920's and remained as treasurer of the board for several years thereafter. He is also a charter member of the Kahoka Kiwanis and Knights of Pythias. In the 1950's he served as secretary of the Kahoka Industrial Development Organization.

In 1965 Mr. Albert McKee retired from active business after successfully and faithfully serving the Kahoka and Clark County area for 71 years. His son, Dale, who returned in 1957 to open an electrical shop in the rear of the store, remains in the store, continuing the same loyal service as has been the tradition of J. T. McKee and Son.

Dale recalls the day of his dad's retirement. "Usually when a man retires, he cleans out his desk and takes home a lot of personal items, Not Dad. He just put on his hat and walked out." It is from these items left behind that we are able to relate some of the interesting parts of his life.

Mr. McKee now resides at the Clark County Nursing Home. Although his eyesight is poor, he is still a cardplaying fan. Until his recent bout with the flu, you could find him any afternoon in the all purpose room of the Home, playing a game of solitaire.

In this year of 1974, Mr. McKee celebrates his century birthday and the firm of J. T. McKee and Son observes its 80th year.

Mr. McKee has indeed enjoyed activity, happiness and good health. This week members of his family and his many friends extend to him their most sincere good wishes.

CAMPAIGN FINANCING REFORM

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. CONABLE. Mr. Speaker, I commend to my colleagues the thoughtful article by David Broder entitled, "A New Look at Election Financing," which appeared in last Sunday's Washington Post. There are few people in this body who are not concerned with election reform, and fewer still who do not believe that concern about the last election should be translated into legislative action to insure more satisfactory and less easily abused means of election financing. Let us not forget, however, that the Congress of the United States is supposed to be a deliberative body, capable of studying and responding to the complexities of an issue, rather than a pell-mell foot race across the closest finish line. I am sure we will eventually embody in our election laws some form of public finance, but I am also sure that the major public financing provision pending in the other body requires the kind of caution on our part that Mr. Broder suggests. I am not asking for delay, but for the kind of analysis which looks at the fine print as well as the demonstrated need and the splendid purpose. The article follows:

A NEW LOOK AT ELECTION FINANCING

The December filibuster conducted by Sen. James Allen (D-Ala.) and his allies against quick passage of the bill for public financing of federal election campaigns has served the classic purpose of the filibuster—to slow down action and permit a second look at an issue.

The measure had whipped through the Senate the first time with barely a day's debate, as an amendment to the debt ceiling bill. The House had balked at accepting such a major piece of legislation as a rider to another bill. And Allen's filibuster caused the Senate sponsors to accept a compromise under which public financing would be given separate consideration, in both houses, early in 1974.

The time for that consideration is now at hand, and if ever there were legislation that needs careful examination, the public financing bill is it.

The public and political reaction to Watergate has created what Rep. John B. Anderson (R.-Ill.) rightly calls "an unprecedented opportunity to fashion a campaign financing system that can service this nation well for decades to come."

But, as Anderson went on to say in the next sentence of a recent speech, "if we proceed with too much haste or without rigorous conceptual and empirical analysis of the problems to be corrected, that tremendous opportunity may be tragically frittered away."

"I think we would be well served to proceed with utmost caution and restraint," Anderson said, "yet already we can detect the warning signs that public finance is being treated as an all-embracing panacea rather than a solution for an important but limited set of problems . . . ."

Lest Anderson be thought an opponent of reform, trying to place roadblocks in the path of legislation, let it be noted that he and Rep. Morris K. Udall (D-Ariz.) are co-sponsors of a major public financing proposal which has been backed by more than 160 other members of the House.

What he understands is that adoption of a system of taxpayer-financed campaigns will alter the whole structure of American politics—the terms of competition within and between the parties, the relationships between candidates and the parties and between candidates and the public. Unless attention is paid to what Anderson calls the "total system impact" of campaign spending reform, the results are likely to be opposite what the reformers intend.

Regrettably, the Senate has little of that kind of analysis available to it as it prepares for the debate. The four days of subcommittee hearings on the bill last September and the brief floor debate included a great deal of rhetoric about the "evils" of private financing, but not much that is thoughtful on the effects of a switchover to partial or complete tax-financed campaigns.

The task the Senate faces is made difficult, not only by the skimpiness of the hearings but by the fact that the Rules Committee has chosen to package, in a single bill, proposals to limit private contributions, to control campaign spending, and to finance—in varying ways—the primary and general election campaigns for President, senator and representative.

Unless the result is to be disastrous, floor debate and amendments will have to clarify the quite different problems in each of the areas the bill tackles—and the remedies appropriate to each.

For example, in House races the main problem to be solved is achieving adequate financing and rough parity of funds for challengers. But the problem of adequacy and parity is not a serious problem at all where major party presidential candidates are concerned.

Thus, a scheme that provides—as the Senate bill does—for full Treasury funding of all federal office general election campaigns may well have the effect of discouraging one of the most widely used and valuable forms of citizen participation in politics—the small gift to a favorite president candidate.

At the same time, full federal financing of House races, if passed at all, is likely to be at so low a dollar level as to leave undisturbed—or even to increase—the present incumbents' advantage, which is the main problem to be solved.

That is why it is terribly important for the Senate to take time to analyze, not just the imperfections of the present system, but the effects of any new system of campaign finance.

Depending on how the bill is finally structured, it can serve to centralize or disperse power within the federalized political system we now have; to strengthen or weaken the two-party system; to improve or diminish Congress's leverage with future Presidents to reduce or increase the present public cynicism about politics.

What it cannot do is simply "prevent future Watergates" and leave everything else unchanged. This is a fundamental alteration in our politics that is being proposed—as fundamental as the introduction of the direct primary or the promulgation of one man-one vote decisions. It needs to be debated in those terms.

CAPTIVE NATION'S INDEPENDENCE DAY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. WHALEN. Mr. Speaker, Lithuanians throughout the United States and around the world observed during the past weekend the commemoration of their captive nation's Independence Day.

Although the Soviet Union's occupation of that little Baltic state prevents its citizens from holding any public ceremonies to mark the event, I have no doubt that the Lithuanian people there indeed did observe it in their hearts and in the safety of private get-togethers. A public gathering of exactly that kind was held in Holy Cross Parish in Dayton, Ohio, within my congressional district. The event also received a good deal of publicity from Dayton news media as surely was the case in many other communities across the United States.

These observances, and the many others conducted by natives of the Iron Curtain countries, serve to remind us of the unfortunate circumstances besetting those lands. Additionally, we, as American citizens, also are reminded of the preciousness of our own society. Although it is not perfect, our way of life appropriately reflects concern for the rights of the individual, to do and say as he *pleases* under a government of law freely elected by the people.

The Lithuanian people in bondage, I believe, are as strong in their devotion to the cause of their country one day returning to free and independent status as Americans are in preserving that same tradition in this country. I am pleased and honored, Mr. Speaker, to be able to add my remarks to those of my colleagues in reflecting on this observance of Lithuania's Independence Day.

APPEALS FROM OSHA

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. SPENCE. Mr. Speaker, probably every Member of this body has received complaints from constituents who have been hounded by Federal inspectors operating under the purported authority of the Occupational Health and Safety Act. South Carolina happens to be more fortunate than some other States in that our inspectors operate under the authority of the State government, and have generally interpreted the law in a reasonable and proper manner. But it seems that under OSHA some of the worst aspects of the capricious and arbitrary type of government bureaucracy have surfaced in many States throughout the country.

Recently, however, a fine editorial in the Orangeburg Times and Democrat described the mechanism through which some hope for reason is being held out to businesses. The Occupational Health and Safety Review Commission has shown uncommon good sense on a number of occasions in acting as a damper on some of the more outrageous examples of overzealous enforcement by Federal OSHA inspectors.

Without endorsing in any way the administrative organization of the Review Commission, or its relationship with OSHA itself, I did feel that my colleagues might be interested to review several of their recent cases, as compiled by the editor of the Orangeburg Times and Democrat. For this reason, I include the editorial entitled "Appeals From OSHA," which appeared in the November 24 issue of the Orangeburg Times and Democrat, in the CONGRESSIONAL RECORD at this point:

APPEALS FROM OSHA

> It appears that there can be some relief from arbitrary rulings by the Labor Department's inspectors charged with enforcing the Occupational Health and Safety Act (OSHA). There have been few complaints of ridiculous charges made by those inspectors in South Carolina because the law is administered by the state and the state's inspectors have used common sense in their interpretation of how it should be interpreted. There have been many complaints from employers in other states where federal control has been established, however.
>
> Now, complaints against capricious rulings by Labor Department inspectors may be carried to the Occupational Health and Safety Review Commission (OSAHRC) whose members appear to be more knowledgeable of the intent of the law.
>
> In a recent case brought before OSAHRC, it was ruled that the Staten Island, N.Y., Advance would have to pay only a $10 fine, instead of the $145 demanded by the Labor Department, for 12 "nonserious" 1972 job safety violations. The charges included failure to "use a feasible method of reducing noise, failure to provide machine guards and guards on five saws, a housekeeping violation and failure to require safety shoes."
>
> In other recent cases, OSAHRC:
>
> Dismissed charges against an airport operator in Hawaii because OSHA admitted that an inspector had failed to show his credentials before beginning his inspection;
>
> Reduced from $700 to $1 the fine for a small builder in Tennessee who admitted his failure to meet an open-sided platform railing requirement; it was ruled that the large fine would place a burden on the builder's poor financial condition;
>
> Refused to permit a new charge to be made against an employer while an earlier charge was still in effect; OSHA had modified the first charge, of which the employer was apparently not guilty, so as to bring the action into violation of another standard;
>
> Relied on the minor gravity of a firm's offenses and its safety record to dismiss $90 in penalties against a California remodeling firm;
>
> Ruled that an order against one employer did not become binding on second employer who later purchased a plant; and,
>
> Agreed that toilet facilities for employers need not be located on the immediate premises of the employer; in this Pennsylvania case, OSHARC found that it was sufficient for female employes to use toilet facilities located in an adjacent retail establishment which was less than 200 feet away.
>
> It is gratifying to see that some controls have been established over the overbearing, power-hungry and arbitrary actions of some petty bureaucratic agents of the federal government. OSHA, well administered, is a protection to both the employer and his employes—but only if common sense is used.

SIGNIFICANT PRIVATE FORESTRY DEVELOPMENT

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HAMMERSCHMIDT. Mr. Speaker, during my tenure in Congress I have strongly supported legislative proposals to encourage a higher level of forest resource protection and incentives toward development and management of forest lands by small nonindustrial owners.

In view of our Nation's growing demands for timber and the need for proper management of forest resources, I would like to share with my colleagues a development in Arkansas that is of great significance to private forestry. The remarks which follows are from the February 11, 1974 newsletter of the Southern Forest Products Association:

> Direct annual payments to small landowners in return for growing and managing young timberlands has been initiated by the Edward Hines Lumber Company of Hope, Arkansas. This first-of-its-kind program guarantees annual payments for 10 to 15 year terms and is patterned after the popular "Soil-bank" program of the federal government. Tracts 40 acres and larger are eligible under the program. Hines plans to lease 2,500 acres annually, with lease payments amounting to more than $2 million by the time the first leases mature. Graduate foresters will evaluate the timberlands and negotiate income and length of lease with the individual landowners. Hines assumes all risk of loss from natural hazards, such as fire, windstorm and bark beetles, insuring security of the landowners income.

The innovative action by the Hines Lumber Co. is a direct response to the commendations of the President's Panel on Timber and the Environment and to those of the National Commission on Materials Policy. Both of these official bodies pointed out that national needs for wood products would double by the end of this century. In order to meet projected wood requirements, it will be necessary to improve the productivity of some 4,000,000 small, privately owned, nonindustrial forests. Hines Lumber has found a way to do it.

MEDAL WINNER A REAL PATRIOT

HON. ROBERT W. DANIEL, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, recently the Fort Nelson chapter of the Daughters of the American Revolution in Portsmouth, Va., presented its National Society's Medal of Honor to Mrs. Jane Sparks. The DAR award is presented only to those Americans who have displayed exceptional leadership qualities and have performed outstanding patriotic service.

Although Mrs. Sparks has a severe physical handicap, she plays an active part in civic affairs. The following is a newspaper article written by Shirley Winters and published in the January 6 Virginian Pilot newspaper which serves the Tidewater, Va., area. The article describes her many activities which make a significant contribution to the Tidewater community:

MEDAL WINNER A REAL PATRIOT

(By Shirley Winters)

> PORTSMOUTH.—Hemophilia and a series of strokes may have confined Jane Sparks, but an indomitable perseverance enables her to range far horizons via letter and telephone.
>
> "She's a one-woman communications center," said Mrs. Marian Whitehurst Rawles, veteran Daughters of American Revolution member, describing the recipient of the organization's National Society's Medal of Honor.
>
> Presented in absentia last Thursday because of Mrs. Sparks' inability to attend

public gatherings, the coveted DAR award recognized the Cradock native who lives in Norfolk for her active role in patriotic research, her telephone outreach in national-defense projects, and work on "Support Your Local Police" committee activities.

"Historians, journalists, law-enforcement officers, have sought her counsel because of her known devotion to duty and dedication to cause," Mrs. Rawles said. "She's a born teacher."

Readers of The Virginian-Pilot and Ledger-Star newspapers have become acquainted with the stand on national and local issues often taken by Mrs. Sparks. "I felt I simply have to share with others my convictions. I'm simply trying to live up to being a good American, which is something everyone should do to deserve the privilege of living in this wonderful country," she said in appreciation of the DAR citation.

She said she recently was surprised to learn that her letterwriting constancy had caught the attention of administrative officials of the newspapers, one of whom traced her correspondence "to at least a once-a-month published letter since 1958."

Mrs. Sparks has gained the respect of area police chiefs, who have expressed appreciation for her encouragement of public support for their efforts, Mrs. Rawles said.

This included active engagement in the distribution of "Support Your Local Police" bumper stickers and an effort to underwrite the purchase of American Flag uniform patches for the police.

Mrs. Sparks maintains a busy phone obtaining speakers for public meetings sponsored by the SYLP Committee, meetings that she is unable to attend.

Her mind is a veritable mental filing cabinet of congressional legislation action that Mrs. Sparks keeps abreast of through research, and, which she makes available to the sincerely interested.

Describing herself as "no joiner," the former Jane Barnes treasures, she said, her independent status in politics. "I vote and work for the promotion of constitutional government. If a candidate is a Republican and he supports this cause, he gets my vote. If he's an independent, he gets it. I haven't been able to vote democratic," she said, her voice trailing into a small laugh.

It was her conservative, zealous stand on matters of national significance that first claimed the attention of the DAR nearly 10 years ago. "To visit this woman in her home, to learn of her incapacitating condition, is to admire a spirit which overcomes adversity," Mrs. Rawles explained in the presentation ceremony sponsored by Fort Nelson Chapter, DAR in Portsmouth.

Among the correspondence received by the award winner are letters from internationally and locally known personalities including Gen. Douglas McArthur and the late J. Edgar Hoover.

Locally, she communicates regularly with Norfolk Chief of Police Claude Staylor. "He's going to run for Norfolk City Council after he retires, and I'm already working on his behalf," Mrs. Sparks announced.

Letters written in lieu of testimonial speeches by Staylor (an admirer and longtime associate) and Harold B. Anderson, retired police chief, attest to their appreciation of Mrs. Sparks' endeavors.

Staylor wrote: "I know of no person more interested in preserving the ideals and traditions of this country and who has worked so diligently to combat those influences bent on destroying the American way of life. She is a true American in every respect. We need more of her calibre."

Anderson, who retired after 43 years of military and police activity including service as chief of police of Norfolk and Petersburg, said: "Of the hundreds of persons I have come to know, the one, most unforgettable personality is Mrs. Jane Sparks. As a private citizen she is a most steadfast and loyal friend of the police. All of the Tidewater police officialdom know and appreciate her efforts, which have been accomplished in spite of stark incapacity and physical suffering."

Although he wasn't present for the award ceremony, Mrs. Sparks' husband Jerry was commended by his wife and the award's chairman. "People credit me with working on projects, for my ideas, but Jerry is the shoulder I have to lean on," the wife said.

Mrs. Rawles noted that the couple shared a patriotic bond of interest. "Jerry is a veteran of the Battle of Iwo Jima, and he is in complete accord with what Jane tries to do for her country."

She emphasized that the DAR's Medal of Honor is not lightly or regularly given but is presented on occasion to an adult, native-born American who has displayed exceptional leadership qualities and performed outstanding patriotic service.

The award, initiated at the local level by Ft. Nelson Chapter, DAR, was screened by the state organization before recommendation to the national awards committee and the president-general of DAR.

"The nominee is never aware that he or she is being considered. The Medal of Honor is to the civilian patriot what the Congressional Medal is to the military patriot," the chairman explained.

NON-COMMISSIONED OFFICERS ASSOCIATION REGISTER PROTESTS

HON. OTIS G. PIKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. PIKE. Mr. Speaker, while the vast majority of Americans are looking the other way, a few Americans are looking at a flight pay bill which is scheduled to come before the House this week. The bill treats the officers magnificently—it does absolutely nothing for the enlisted men. Here is how the Non-Commissioned Officers Association of the United States of America expressed their opposition to this legislation in a letter received in my office today:

NON-COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA

Washington, D.C., February 15, 1974.

Hon. OTIS G. PIKE,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PIKE: The Non-Commissioned Officers Association of the United States of America (NCOA) noted with interest your opposition to H.R. 12670, to provide incentive pay for flight crew members. Although your opposition may be of a different nature, we join you in taking issue to the legislation as adopted by the House Armed Services Committee.

Early in the calendar, the NCOA appealed by letter to the Honorable Samuel S. Stratton, M.C., Chairman, Subcommittee No. 4, to consider revising the pay ratings for certain enlisted personnel. For example: enlisted pilots, flight engineers, crew captains, and others having responsibility for the aircraft's maintenance in flight. The justification offered was simply this: "equitable pay for responsible duties."

The Association invited the subcommittee's attention to pay rates for flight surgeons and nurses. Under the present and proposed legislation they have been and will be receiving incentive pay based on their grade rather than responsibility to the aircraft or crew members. The question was, of course, "Why should they be entitled to higher pay than certain enlisted crew members?"

It is yet unknown as to why the subcommittee chose to ignore amending certain enlisted incentive pay, but should H.R. 12670 pass the Congress, there is little if any hope that it will be amended in the near future.

We seek your assistance in having this legislation at least returned to the subcommittee for further evaluation of enlisted pay rates. There is no rationale that we are able to conceive that justifies paying navigators, bombardiers, surgeons, nurses, and other officer flight crew members as much incentive pay as authorized for pilots, or more than certain enlisted personnel charged with the responsibility of keeping the plane flying.

We also question the subcommittee's opposition to provide equitable incentive pay for enlisted pilots. Their only answer appeared to be that there will soon be none. However, we offer that the Navy and Marine Corps, in particular, have had enlisted pilots in the last three large-scale conflicts. We see no reason whatsoever to believe they will not appear again in future hostilities.

Secondly, it may be noted that H.R. 8537, now Public Law 93-64, continued entitlement of basic allowance for quarters for aviation cadets. Like the "Flying Sergeants," there are no more, but the same legislators, members of Subcommittee No. 4, provided this benefit just in case there would be others in the future. So why not provide for future enlisted pilots—just in case?

There are many existing provisions in Titles 10 and 37, United States Code, that are inequitable to enlisted members of the U.S. Armed Forces. We ask your help in correcting these injustices now—and with this bill, H.R. 12670.

With grateful appreciation from the non-commissioned and petty officers of this Association, we are,

Respectfully yours,
MACK MCKINNEY,
Director of Legislative Affairs.

OUR GROWING HEALTH CARE CRISIS

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mrs. GRIFFITHS. Mr. Speaker, health care in the United States is our second largest expenditure, consuming more than $75 billion annually. Yet, despite this tremendous investment, America lags far behind many other developed nations in such health care indicators as life expectancy, and infant mortality. Spiraling health care costs, inefficient utilization of resources and a shortage of trained physicians all contribute to America's current health care crisis—a crisis that calls for action.

Attention now is focusing on the various proposals for national health insurance in the Congress. I am pleased to direct your attention to the statement Congressman BOB ECKHARDT submitted to the Subcommittee on Public Health and Environment of the House Interstate and Foreign Commerce Committee last December. Congressman ECKHARDT, a co-sponsor of my Health Security Act, H.R. 22, documents the magnitude of our current health care crisis, and argues persuasively that only the Health Security Act provides the comprehensive program necessary for effective reform. His statement follows:

STATEMENT BY U.S. REPRESENTATIVE BOB ECKHARDT, EIGHTH DISTRICT, OF TEXAS, BEFORE THE HOUSE INTERSTATE AND FOREIGN COMMERCE SUBCOMMITTEE

Chairman Rogers, Members of Congress, and guests, I am grateful for this opportunity to participate in these hearings on health care reform legislation. There are so many varying and important viewpoints in this area, I look forward to future hearings on health care reform legislation when others interested in this problem can be heard. In the meantime, I would like to discuss the concerns of many people, primarily, those who receive health care and those who need to, but for whom it is unavailable.

President Nixon told a news conference in July, 1969, that unless action was taken by both the Administration and Congress to meet a growing health care crisis, within the next 2 or 3 years, we would be faced with a breakdown of our medical system. Few would disagree with that statement; the very fact that these hearings are being held indicates that we are at least in agreement that we are faced with a problem in our system of health care. The disagreement arises out of our approaches to deal with the problem.

Today, more and more families live in fear of a major illness or disability, in fear that they will be unable to get the medical care they need, and in fear that even if the medical care is available that they will be unable to afford it.

Let us examine some aspects of the over-all health care problem and some alternatives which are offered in the Health Security Act, the national system of health insurance I have co-sponsored in the U.S. House of Representatives and which I strongly support against the weak and inadequate alternatives urged upon us on grounds of false frugality.

I shall speak of human needs upon which is based a gigantic business. Health care is now the nation's second largest business with expenditures of more than $75 billion annually. Only in the area of killing people, or in preparing the means of doing so, do we spend more of our national income. The defense budget is higher, but it will not continue at its present rate.

In 1972, we were spending 8.5% of our personal incomes on personal health services such as hospitals, insurance payments, doctors, dentists, and other vital health services. This compares with 6.5% in 1962, and only 5.1% in 1951. Thus, health costs have increased more than fivefold over the last 29 years and continue to rise. It would seem that Americans would be getting more and better care for the amount of money we spend. But now, Americans are spending more for health care and enjoying less as compared to others in the family of developed nations. (See Figures 1, 2 and 3).

Another very disturbing fact is reflected in the data available on the racial and geographical breakdowns. The infant mortality rate for non-whites is considerably higher than for whites. This is due in large measure to lower non-white incomes and hence less medical care. Infant mortality rate is significantly higher in the South, again reflecting a lower income. For example, in my own state of Texas, San Antonio, the 9th most populous city in the United States with a large Mexican-American community, is rich in poverty with an average per capita income of $1,633 as compared with a national average of $3,139 and an average of $2,810 for Texas. Most San Antonians have no access to health care, which accounted for the shocking diptheria epidemic in 1970. The cost of a single immunization against diptheria is 17 cents. Yet four children died and 269 were hospitalized leaving many with permanent damage because they were not immunized.

I find these statistics alarming. But, what is even more disturbing is the fact that these conditions can exist in a nation rich in material wealth and medical know-how. America has won more Nobel prizes in medicine and science than any other country. We have some of the best doctors, the best facilities, and the most advanced technology and yet the masses are not deriving their due from these resources. The problem is clearly one of delivery; how can we best get the services to the people? It is evident that the system we now have cannot do the job. It cannot do the job because it is weighted with inefficiences, shortages, and waste. The Health Security Act recognizes, identifies, and attacks these problems.

Americans have learned to depend on health insurance, but the private health insurance system does not alleviate their problems; rather, it exacerbates them. Despite the deluge of dollars flowing into the enormous health insurance business, in 1972, 16.5% or 30.5 million Americans under 65 had no hospital insurance; 24.9% or 45.9 million had no in-the-hospital medical expense insurance; 19.2% or 35.5 million had no surgical insurance; and 26.2% or 48.3 million had no insurance to cover X-ray and laboratory examinations when not in the hospital. (See Figure 4)

In this same year, 1972, private health insurance covered only 26.4 per cent of the total personal health services. The other 74 percent was an out-of-pocket expense to the consumer or was paid by government. Private health insurance pays only 4.7 percentage points more of the total health bill than it did 12 years ago. A good example of the inefficient coverage by private health insurance can be seen in the case of 8 year old Kenny S. who was paralyzed in a car crash in which his mother was killed. Kenny's hospital bill for the first six months was $45,000 of which the insurance paid $17,000. Because Kenny's father earns $24,000 a year, the hospital claims the family is not medically indigent and Kenny's father must pay the remaining $50,000 in bills, which was accumulated over the following ten months.

In addition to often not providing adequate coverage, insurance policies contain internal incentives and pressures to use our physical, technical and mental resources wastefully. People are hospitalized when they could better be treated on an out-patient basis and much more cheaply. This comes about because most health insurance plans cover hospital bills, but not bills for treatment on an out-patient basis. Unnecessary surgery is encouraged. Figures show that more than twice as much surgery takes place in the case of Federal employees enrolled in the indemnity reimbursement plan than occurs in the case of enrollees in prepaid group practice plans in the Federal program. Too often patients are put into hospitals for testing when the testing could be done outside the hospital at a much lower cost.

Leonard Woodcock, President, International Union, UAW, stated in a press release on July 13, 1973, that because this Administration refused to control outrageous increases in health insurance premiums under Phase II and III, the six largest insurance companies alone increased their gain from group health operations to $140.1 million last year from $31.9 million in 1971, representing a 350 per cent increase in profits.

I can only conclude that the private health insurance industry has failed us. It provides only partial benefits—not comprehensive benefits; it provides acute care—not preventive care; the insurance companies have no incentives to hold down health care costs; and it ignores the poor and the medically indigent.

In addition to the inefficiencies and waste perpetuated by the health insurance industry, we find our system severely handicapped by a tremendous shortage of physicians, dentists, nurses, and other trained technicians in the medical field. In 1970, there were more than 100 counties in the U.S. without a single physician. More than one fifth, or twenty-two, of these were in Texas, and some of those countries are almost two hundred miles from border to border. Texas is well below the national average when we consider the number of physicians per 1000 population with 58 percent of the doctors in the state concentrated in seven counties. As a nation, we are very dependent on physicians trained outside of this country, many in poorer countries offering inferior medical training.

Our health situation has been allowed to develop over the years into the very complex malady it is today. Because this is so, the remedy cannot be a simple one. We cannot place a bandage on one of the sore spots in the form of a makeshift health program and expect a complete cure. We must attack the whole and set out to develop a totally comprehensive health program.

The idea of a national health insurance scheme is neither new nor radical. We happen to be one of the few industrialized nations of the world without such a system, and many authorities believe that the lack of such a system is a major contributing factor to our poor relative health position.

President Truman first proposed national health legislation in 1945. Although the Congress failed to act on this proposal during the Truman Administration—partly due to the effective campaign launched by the AMA and the insurance industry—a compromise measure was passed eleven years later. In 1956, under the leadership of President Lyndon B. Johnson, Congress enacted medicare as a limited program of national health insurance for persons 65 and over, and shortly after, medicaid, as a Federal-State medical care program on a means test basis for indigent and medically indigent persons.

Our experience with medicare and medicaid demonstrates very clearly that money alone is not enough to deal with the problem. So long as the delivery system remains basically unchanged, no amount of money, new hospitals, or the extension of old programs, can hope to resolve the health care problem. Anything short of a major overhaul of our health delivery system, like the Health Security Act, can only serve as a temporary expedient at best and, at worst, exacerbate the problem under the pressure of increasing public demands for adequate health care.

Congresswoman Martha W. Griffiths, first introduced a national health insurance bill in the House in 1970. By similar legislation also was introduced in the Senate that year by Senators Yarborough and Kennedy. The Health Security Act, H.R. 22 and S. 3, was introduced concurrently by Representative Griffiths and Senator Kennedy in the 92nd Congress and again on the opening day of this 93rd Congress.

The purpose of the Health Security Act is twofold. It seeks to establish a comprehensive system of national health insurance for the U.S. which is capable of providing the same high quality health care to every resident.

It also seeks to "effect modifications in the organization and methods of delivery of health services which will increase the availability and continuity of care, enhance its quality, emphasize the maintenance of health as well as the treatment of illness and, by improving the efficiency and the utilization of services and by strengthening professional and financial controls, restrain the mounting cost of care while providing fair and reasonable compensation to those who furnish it."

Under the Health Security Act all residents of the United States would be eligible for health benefits. These benefits would include all necessary physician services and all necessary hospital services. This includes skilled nursing home care, other approved non-custodial institutional health services, and home health services. The program will include pathology and radiology services and all other necessary services. Psychiatric services and ultimately all dental services will be included. With only a few exceptions, there would be no restrictions on needed services, no cut-off points, no co-insurance, no deductibles, no waiting periods, and no bills—all would be taken care of by the program.

Medicines will be provided to in-patients or administered to out-patients while in a hospital and to persons enrolled in comprehensive group practice plans and professional foundations as long as the drugs were from a broad list approved by the Health Security Board. For others, drugs would be covered if they were necessary for specified chronic diseases and conditions requiring long or costly drug therapy. Health Security would also provide coverage of therapeutic devices, appliances—including eyeglasses, hearing aids and prosthetic devices—and equipment. Many other miscellaneous and supporting services too lengthy to mention are included. In sum, the legislation would assure protection for every American family against the health service costs of serious, prolonged or expensive illness or disability.

The bill places great emphasis on encouragement of group practice. The program not only will provide seed and development funds for more group practice, it will also favor group practice and teamwork along personnel in the way services will be paid for.

Another very important aspect of this program, is that it will offer additional financial incentives for health personnel to serve in disadvantaged areas.

In order to control cost, the total expense of the Health Security program will be established annually, in advance of the program benefit year. Advance budgeting will restrain the steeply rising costs and provide a method of allocating available funds among categories of covered services.

The financing of Health Security would be through a Health Security Trust Fund, similar to the Social Security Trust Fund. Employees would pay a 1 percent tax on the first $15,000 a year in wages and non-earned income. Employers would pay a 3.5 percent tax for their employees, and unions can negotiate to have employers pay the workers' tax as well. (In September, 1973, an agreement was made between the United Automobile Workers and the Chrysler Corporation which provides that Chrysler will pay the full cost to an auto worker of any taxes levied to meet the cost of a national health insurance program). Another 2.5 percent tax will come from the first $15,000 a year on self-employment income with the remaining 50 percent coming from Federal general revenues. The money the Federal government will be paying, which originally flows from the people in taxes, is not an additional burden beyond what is now being paid for health care. It is a rechanneling of money actually being spent now under other governmental programs, private health insurance and consumer expenditures.

The future of our nation and the health of its citizens is not a partisan issue. Let us unite to establish and protect once and for all the right of every individual to good health care; the Health Security Act is the only bill that will do this.

FIGURE 1

INFANT MORTALITY

Rank and country	Rate per 1,000 live births
1. Iceland	11.7
2. Finland	12.5
3. Netherlands	12.7
4. Japan	13.1
5. Sweden (1968)	13.1
6. Norway (1968)	13.7
7. Denmark (1969)	14.8
8. France	15.1
9. Switzerland	15.4
10. New Zealand	16.7
11. Australia	17.9
12. United Kingdom (1969)	18.6
13. Ireland	19.2
14. Canada	19.3
15. United States	19.8

Source: 1970 Demographic Yearbook of the United Nations.

FIGURE 2

MALE LIFE EXPECTANCY AT BIRTH

Rank and country	Life expectancy at birth	Data year
1. Sweden	71.85	1970
2. Norway	71.03	1961–65
3. Netherlands	71.00	1968
4. Iceland	70.8	1961–65
5. Denmark	70.7	1968–69
6. U.S.S.R	70.0	1967–68
7. Israel	69.55	1970
8. Japan	69.05	1968
9. Bulgaria	68.81	1965–67
10. Canada	68.75	1965–67
11. East Germany	68.72	1965–66
12. Switzerland	68.72	1958–63
13. United Kingdom	68.5	1967–69
14. New Zealand	68.44	1960–62
15. Ireland	68.13	1960–62
16. Australia	67.92	1960–62
17. Yugoslavia	67.74	1966–67
18. Belgium	67.73	1959–63
19. France	67.6	1969
20. West Germany	67.55	1966–68
21. Greece	67.46	1960–62
22. Czechoslovakia	67.33	1966
23. Spain	67.32	1960
24. Italy	67.24	1960–62
25. Hungary	67.00	1964
26. Poland	66.85	1965–66
27. United States	66.6	1968
28. Romania	66.45	1964–67
29. Austria	66.34	1970
30. Uruguay	65.51	1963–64
31. Finland	65.4	1961–65

Source: 1971 U.S. Department of Health, Education, and Welfare.

FIGURE 3

FEMALE LIFE EXPECTANCY AT BIRTH

Rank and country	Life expectancy at birth	Data year
1. Sweden	76.54	1970
2. Netherlands	76.4	1968
3. Iceland	76.2	1961-65
4. Norway	75.97	1961–65
5. Denmark	75.6	1968–69
6. France	75.3	1969
7. Canada	75.18	1965–67
8. United Kingdom	74.7	1967–69
9. Japan	74.30	1968
10. Australia	74.18	1960–62
11. Switzerland	74.13	1958–63
12. United States	74.0	1968
13. New Zealand	73.75	1960–62
14. East Germany	73.66	1965–66
15. West Germany	73.58	1966–68
16. Czechoslovakia	73.57	1966
17. Austria	73.52	1970
18. Belgium	73.51	1959–63
19. Israel	72.96	1970
20. Poland	72.83	1965–66
21. Bulgaria	72.67	1965–67
22. Finland	72.6	1961–65
23. Italy	72.27	1960–62
24. Spain	71.90	1960
25. Ireland	71.86	1960–62

Source: 1971 Statistical Yearbook of the United Nations.

FIGURE 4

THE GAPS IN PRIVATE HEALTH INSURANCE COVERAGE

Percent	Millions	Of the 183,000,000 noninstitutional civilians in the United States in 1971 under 65—
16.5	30.5	Had no hospital insurance.
19.2	35.5	Had no surgical insurance.
24.9	45.9	Had no in-the-hospital medical expense insurance.
26.2	48.3	Had no insurance to cover X-ray and laboratory examinations when not in the hospital.
43.6	80.0	Had no visiting nurse services.
46.5	85.4	Had no insurance against the cost of prescribed drugs.
46.9	86.1	Had no insurance to cover private duty nurses.
52.0	95.5	Had no insurance for visits to doctors' offices or doctor visits to their homes.
85.0	155.7	Had no insurance for nursing home care.
89.7	164.2	Had no insurance against dental expenses.

Source: Social Security Administration.

THE MANAGEMENT OF CHANGE

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. LEGGETT. Mr. Speaker, when I first came to the Congress, the Honorable Eugene M. Zuckert was Secretary of the Air Force. Gene Zuckert has had an outstanding public career as a Harvard business professor, an Atomic Energy Commissioner, and as Secretary of the Air Force. In private life, he is one of the most outstanding attorneys in Washington, D.C. I have just had an opportunity to read a speech which Mr. Zuckert delivered to the Massachusetts Hospital Association on November 30, 1973. This speech titled, "The Management of Change: A Call for National Planning," is a result of the Gene Zuckert's long years of public service and outstanding analytical mind. I feel that every Member of Congress, administrators in the executive branch of our Government, and Americans at large can learn and profit from this outstanding speech. Therefore, I would like to include it as an extension of my remarks.

THE MANAGEMENT OF CHANGE: A CALL FOR NATIONAL PLANNING

(Remarks of Eugene M. Zuckert)

The founders of the Cambridge Research Institute made very clear their intention that the organization would seek assignments with an unusual intellectual challenge. This policy had long drawn my interest and when I signed up with the Institute a few years back, a key factor for me was the opportunity to join in efforts directed to problems of clear relevance to modern society, including those of importance to industry. Although an onlooker rather than a participant, I have been impressed by the degree to which the study of Deaconess Hospital and CRI's subsequent activities in the health field serve the goal of taking on the unusual and the important.

Working with the responsible and concerned people in the health area, CRI has sought to assist in assessing the environment in which hospital administrators must operate in order to achieve the best possible care for the people of Massachusetts at the lowest possible cost. I don't have to tell you that your environment is one of increasing complexity, with a new element of public interest represented in state regulation of the business of providing hospital services.

Crucial to the success of such an effort—identification and analysis of the external factors which bear upon your operations—is the ability to foresee the implications of change, change in standards of hospital care, changes in population distribution and accessibility to hospital centers, changes in people's habits and tastes, continuing and rapid change in the technology of hospital care, and, in your case, change in the relationship with government.

It is strange that so often we are so casual about change. Perhaps it's because change is so much a part of us. Man is the product, the victim and the instrument of change. Yet, he has traditionally given little attention to coping with change as such. He sometimes seems to pretend it doesn't exist; then when he recognizes it, he usually opposes it.

Some people may say that the title I have put on these remarks, "The Management of Change," is pretentious. How can you manage change? Well, there are several ways, or, at least, several things you can do to make it easier to live with. You can even make it work for you, particularly if you can spot changes as they are taking place, if you can identify the components—if not the causes—of change, and if you have clearly in mind your own priorities so that you can evaluate the impact of change. This process is an essential of any planning effort.

It is not only difficult, it is sometimes downright painful to spot change. We oppose change, or even fear it, for several reasons. One is that we hate to acknowledge that our previous investment of time, brains, energy or means, or failure to so invest, was a mistake. We hate to admit we were wrong, either by commission or omission. Second, we shrink from having to do the things necessary to adjust to the change, whether we are trying to dam it, change its direction, or repair its damage. This is true for individuals, for families, for communities, and for nations.

THE NATIONAL SPIRIT

Today, I want to talk about changes taking place in the broader environment in which we in this country are living. In particular, I want to discuss two aspects of our scene where our failure to assess the impact of change threatens our national, political and economic health. Often, some dramatic event is required to spark the realization of the magnitude of any problem facing society. In the context of my remarks, Watergate is one such event and illustrates gross imperfections in our political process and serious shortcomings in our educational efforts. Another event, the so-called "energy crisis", makes the change in our economic posture vivid. Both of these headline items are of great importance in themselves. But they also call for change in the conduct of our affairs if the maladies they have exposed are to be arrested.

These dramatic events—Watergate and the energy crisis—may be looked upon as marking the end of an era, a quarter-century over which the curve of our national spirit has plummeted from its peak in the brief period after World War II to a low perhaps even deeper than the Depression at the start of the thirties. The pre-Korean period seems to have been a high point in several ways. We emerged from World War II having paid a heavy price but unscathed relative to the other great nations. In the military sphere, we had atomic superiority and seeming long-term invulnerability because of it. Because of the magnitude of our resources and because we thought we had learned some very special lessons about war, we were able to launch the Marshall Plan and provide crucial assistance in rebuilding both allies and enemies in Europe and the Far East. We were, unquestionably, the world leader.

Then what happened? We became so preoccupied with the cold war and fear of communism at home that we forgot the lessons we had learned. We fought a war in Korea that was so indecisive that a general won the presidency by promising to get us out of it. We went through the fifties apparently unaware of the signifiance of the changes taking place in the rest of the world. The Cuban missile crisis shook our faith in our invulnerability to attack. Since then, we've taken even heavier blows to the body politic, to our pride and to our standing in the world, and, more important, our standing in our own eyes.

We have fought the longest war in our history and failed to deter a people less than one-tenth our size. It was a war that we didn't intend to get into and many of our people couldn't understand why we were in it. It cost us dearly in lives and resources. In waging it, we caused cleavages among our people, we undermined faith in the fairness and equity of our military conscription system, and we sowed among our people cancerous seeds of doubt that their government levels with them.

It will take some time to measure the corrosive effect of all this on our defense posture. Not only has the stature of our military suffered, but this trauma has bred a dangerous skepticism toward the need to maintain forces we need to deter attack and counter pressure threats against us.

We are faced with a problem of infinite importance and complexity. The change in the nature of war brought about by the development of ultimate weapons and the inevitable proliferation of nuclear capability are obvious facts of life and thus war will become a less and less rational solution. But the inability to develop more effective and better ways to resolve issues between nations and the manifest existence of danger require us to maintain armed forces of credible degree.

But there are other factors, other changes, which have gotten "out of control." Look at what has happened in our cities. Despite the time and energies of well-meaning people and an outpouring of public and private resources, we have been unable to control violence and rot in our great cities. We can provide healthful life support for astronauts in outer space while slum children live in rat-infested housing, suffer from lead poisoning, and are retarded in learning because of basic shortcomings in diet. And outside of the slums, our cities are being choked by too many vehicles grossly unsuited to the urban environment.

Our education structure too has been shaken by a generation of young people who grew tired of academic bureaucracy and questioned the relevance of what had long seemed most basic in education. In monumental facilities which should foster inspiration, we have trained people in administration and management in a way that makes manipulation of the system more important than the mission, neglecting basic social values and the essential standards for living together and governing ourselves. The failure in our institutions of high education to provide some kind of value system along with the techniques of management and control is reflected in the behaviour of the privileged elite in the Watergate parade.

Now, we are beginning to doubt the validity of our conservative economic beliefs, our commitment to growth, our quest for abundance without restraint, and our trust in technological progress. We have begun to realize that such an approach failed to take into account the incredible magnitude and growth of our demand and the fact that our resources are not unlimited. We now know that we can no longer afford the waste that in some ways we've treated as economic incentive. We know now that some problems are of such magnitude they cannot be solved on a "crash" basis. We are learning the necessity of difficult choices and maintaining balance in pursuing objectives however desirable. As the rest of the world changes, and as other nations become formidable economic competitors, we are forced to recognize our limitations.

What I have said to this point is undoubtedly gloomy. But let's not despair. This country has accomplishments to cite. For example, I believe that historians will agree that progress in civil rights has been remarkable considering the roots and inherent difficulties of the problem. We could cite accomplishments in space, medicine, the development of cultural activities and a host of others. But, to my mind, it is much more useful to examine the causes of the drop in our national spirit and our relative position in the world.

Watergate

As I mentioned before, I believe that two dramatic and topical events—Watergate and the energy crisis—provide significant insights into fundamental changes we have failed to comprehend and deal with in time. Watergate is shorthand designation for a serious national illness, rooted in some very fundamental changes to our political environment and recovery may be slow and costly.

At a time when we most need strong leadership and respected government, the nation has been weakened by a dreadful virus within the White House itself that threatens our most respected institution, the presidency. The disease entered the system through the channels of twisted loyalties of men close to the president, men who had never learned that our system of self-government depends upon the will to make it work. The system necessarily calls for men of good will, of moral standards, and of devotion to the principles clearly stated in the Bill of Rights attached to our Constitution. The men exposed by the opening of Watergate were expert in the manipulation of the machinery of government, but they lacked respect for it.

The ruthlessness with which they sought power for its own sake, their crass conspiring to invade the privacy of citizens, and the cynicism with which they preyed upon the weaknesses and exploited the vulnerability of people outside their own protective walls are more than an affront to freedom-loving people. Such attitudes on the part of those bearing public trust are a threat to freedom itself. The responses of these men to public exposure of their betrayal of that trust have not revealed courage and conviction. Instead, exposure has been met with dissembling rhetoric and defensive legalisms.

Government and the press

Watergate is threatening national institutions other than the presidency. Threatened with exposure, government officials have attacked the press. The power of our government and the economic vulnerability of the press are such that an attack on the press by the chief of state can only be a threat to the freedom of the press. The press—and I mean the electronic as well as the print media—is due continuing criticism by all elements of society—except the government. A press subject to pressure from government or subservient to the demands of officers of government is not a free press. Whatever the faults of a free press—there are not many free press areas in the world—whatever its shortcomings and however it discharges its responsibilities under a Constitutional guarantee of freedom, the only thing to be feared more than a free press is an unfree press.

Both history and common sense tell us to beware when any government attempts to discredit the press of its own country. We are now witnessing an ill-concealed effort on the part of our government to undermine the credibility of the press. There is an office in the White House which gathers ammunition against the press.

In addition, one of the best-known, government supported "think tanks" has received federal funds to gather data on the ownership and control of the media of mass communication. Such data are publicly available, of course, but a special study of this type financed by government funds is worrisome in a free society.

But the examination of the functioning of a free press cannot be one-sided. Watergate has called into question whether the press is living up to its responsibility to safeguard our rights and liberties. Among the most sacred of those rights is the right to a fair trial by a jury of one's peers on the presumption of innocence until and unless guilt is proved. This is an area quite different from the reporting of activities of government. Intensive reporting of various aspects of a crime, or of the police efforts to solve a crime, can impair the rights of the accused, and it can interfere with the investigation. It can also essentially convict the accused as far as the public is concerned without benefit of trial. I believe we have seen examples of both in the Watergate case. The fault will not lie wholly with the press, however, because those in official positions involved either in investigating Watergate or trying to avoid exposure have exploited the press through news "leaks" to serve their respective ends. The press is at fault for permitting itself to be used by those unwilling to be held accountable for what they tell reporters. Where the judicial process is involved, there is need for much more discipline and restraint than is being shown. The problem is how to avoid interference with that process without interfering in other processes equally important to freedom.

Election reform

The impact on the judicial process of unrestrained public reporting is not, however, the central issue in Watergate. Of far greater import and concern is the undermining of our faith in the elective process, which is such an essential component of the machinery of democracy.

The solutions to the Watergate type of problem are not wholly clear, but the direction of our efforts to prevent recurrence are starkly clear. We must revise the elective process to reduce the influence of money. Money is not new in politics, but the recent months have shocked us into the realization of the colossal growth in its role and the consequences of that growth. We can certainly find ways to prevent the use of funds contributed to a political campaign from being used for purposes not covered by statutory reporting requirements or, purposes not intended by the contributor.

Controlling political expenditures is a must if we want to assure the validity of our elective process. If limits are imposed, we must have the watchdog organization for effective enforcement of those limits. And of allied importance, we must have full disclosure of financial status and business connections of both elected and appointed officials, complete enough to permit identification of possible conflicts of interest.

One suggested method for controlling political campaign expenditures is through provision of public funds. The possibility is intriguing in theory, but any system would be difficult and complicated to administer, considering requirements for equitable distribution among incumbents and challengers, especially independents. Political parties would have to take major responsibilities, but they would have to make some changes inside—such as establishing clearly defined and publicly visible methods of selecting their own managers. The important point is that elements crucial to our concept of a democracy are functioning imperfectly, and we have to do something about it.

The energy crisis

Now, let us look at the other situation we have selected which dramatizes our failure to assess the course and indicated impact of change. If anyone needs evidence of the need for definition and alignment of national priorities—planning in the economic field—let him examine the roots of the fuel debacle.

The President, in his discussion with the Associated Press managing editors, acknowledged that the energy crisis was not brought on entirely by the machinations of the oil export countries of Africa and the Middle East through their embargoing of oil as a new kind of economic warfare. He seemed to be trying to place the blame on Congress, citing his energy message of two years ago. His hindsight is a bit shortsighted, to say the least.

Solution to the energy crisis lies not in determining whose fault it is, but in starting now in earnest to do something about it. As far as the fault is concerned, there is blame enough for everybody. The crisis has been coming on for a long time, and almost everybody has seen it coming. The point is, we didn't do enough about it.

In a book published in 1956, which I coauthored with Dr. Arnold Kramish, titled, "Atomic Energy For Your Business," we urged intensive development of nuclear power by 1970, and I quote, "the nation would begin to feel the pinch in fluid fuel resources." When I served as a member of AEC, that one government agency used about 5% of the nation's electric power, then something like 10 billion kilowatt-hours a week. The subsequent rise in demand was clearly visible. Last week it had reached nearly 35 billion.

Back in the late forties, Dr. Lawrence Hafstad, when he was head of reactor development for AEC, said that nuclear fuels would be an interim source of fuel energy to tide us over the period between exhaustion of the sun's stored energy—stored in the fossil fuels, such as coal, oil, and natural gas—and full use of the sun's energy direct. In the meantime, we have speeded up our consumption of energy, both in terms of per capita usage by an expanding population and in terms of changing patterns through a belated effort to quickly achieve environmental controls, thereby reducing efficiency of utilization and causing a switch from more plentiful to more precious fuels. Throughout the period of approach of this energy crisis, and it is at least a decade, neither the government nor the energy suppliers have shown the foresight they should have. One reason is that "planning," thanks in part to the allergies of business interests fearing government's role, has been a bad word since the days of the New Deal. We've been charging ahead for the past quarter-century with practically no energy planning. Now we are paying the price.

The search for devils to blame for the fuel shortage can be very divisive. It is more than a partisan matter. Surely it results in part from lack of leadership at the top, both in industry and in government, but it won't do any good to make big business the whipping boy for what has happened. Nor will it help to blame Israel, the Arabs or both. The Arab embargo didn't cause the crisis; it only shortened the fuse.

There is no question but we are in for some personal discomfort and costly inconvenience. Our hope has to be that our government will adopt policies designed to assure as equitable as possible distribution of both, and to alleviate any suffering. As a result of such events as Watergate, confidence in those policies may be slow in building.

There is also no question that the difficulty will be with us for more than one winter. In the long run, however, the problem is solvable. It will take some courageous government policy guidance, a huge investment in research and development, and establishment of specific national priorities and, above all, time—but the job can be done.

The fuel energy shortage highlights the fact that our conventional fuels, as contrasted with nuclear fuels, containing the compacted organic residues of ages past, are critically valuable for other than their energy content. As hydrocarbons, they are one of our most important raw materials. Oil is an increasingly important feedstock for the chemical industry. Petro-chemicals are the source of plastics and synthetic fibers.

The coming materials crisis

In the energy crisis, we will thus get a taste, and doubtless a bitter one, of a far worse crisis to come. This is the crisis of basic raw materials. The same economic and political realities will emerge, but with far greater impact. Nor is the solution so readily foreseeable—only the approach of the crisis, and it is coming fast. The population of the world continues to increase and the per capita consumption of materials continues to increase. The result is an exponential demand curve. But the amount of the earth's resources is fixed, and new technologies are not yet visible which will change that fact. Here is an ultimate crisis but we are going to feel it long before we approach the end of the recoverable supply of such materials as bauxite, cobalt, copper, fluorspar, lead, manganese, molybdenum, nickel, tin and zinc.

We and all of the industrially advanced countries will feel the pinch long before the supplies run out. This is because of the places in which the earth's mineral wealth is found, much of it in the smaller underdeveloped countries. The Arab experience in withholding oil will not be lost on those nations which have the raw materials needed by the industrialized world.

The nations possessing raw materials which their own economies cannot utilize will want more than just money for their natural wealth. They may want political accommodation as the oil exporters do, and they will want a piece of the action. They may want to do the processing and sell partly finished products to the purchasers of their raw materials. Whatever they want, they are learning how to trade and they will insist upon trading as equals.

Everybody's independence thus becomes interdependence. Whoever has something to trade takes his place at the table. This is a change we can manage. The condition of detente between two great nuclear powers is a reflection of it. Detente is not a panacea, a guarantee of security and relief from competitive national pressure. Detente, if anything, is a recognition of conflicting interests with a mutual acknowledgement that the issues cannot be solved by military violence Detente necessarily takes into account the resources problem and the on-coming materials crisis. The most highly industrialized nations are, of course, the most vulnerable. We are near the top of that list.

NATIONAL PLANNING

If we are to cope with this threat to our security and well-being—and it is far more than a threat, it is a certainty—there are a number of things that must be done. Changes are on the way, and we must make ourselves aware of them. We must identify the components of these changes, try to assess their potential impact. How can we have a coherent strategy, how can we define and align our priorities, that is, put them in order of importance to our national life, unless we have the basic information for decision making and a system for influencing those decisions?

All of which adds up to the development of a national planning system more comprehensive and authoritative than our scattered and primitive efforts up to now.

This means we must upgrade and broaden the planning function in government. It means we establish a better system of clarifying and coordinating the interests of producers and consumers, management and labor, business and government. It also means we devise a better means of federal program development than the techniques of competition between mission-oriented agencies of government. The competition is sometimes as much bureaucratic as functional. The ordering of priorities demands a readiness to reduce or restructure government agencies, change their missions, and deal straightforwardly in public view with the constituencies supporting those agencies or benefiting from their programs.

The impact on the business community will be much greater. Government will have to exercise a far greater participation in those decisions which affect the availability and utilization of resources and the capacity for processing them. Steel, cement, oil, and chemicals are prime examples. Cement production capacity, for instance, has actually declined in the face of increasing demand. Higher returns elsewhere draw capital away from cement plants. Refinery capacity and operations have followed too closely the dictates of immediate profit. Higher interest rates represent increasing demand for money, especially capital to invest in new facilities. Ways must be found to guide capital into areas of national need. The cost of the various aspects of solution to the energy crisis—partial relief for the short term and real solution for the long term—is going to make necessary some quite untraditional, for this country, actions on the part of public agencies. And we're not prepared for the change.

We must have the organization, people and techniques to plan in order to gain greater coherence in national effort. We have seen what the Japanese have done in the area of national planning. I'm not suggesting that the Japanese economic system is either a panacea or importable to the U.S., any more than the British parliamentary system is—even though some people might have wished it were in recent months. But there is much we can learn from the Japanese. Japan has developed the technique of economic planning because she had to. Now we have to. Here is change that is forced upon us. Having made economic planning a bad word way back in Franklin Roosevelt's days, we now have to change attitudes as well as practice.

The Japanese practice depends upon close cooperation between government and industry, but for the national benefit, not just industry's. One of the essential characteristics of the Japanese system is that the very best people go into the planning offices of the Foreign Ministry, the Finance Office, the Bank of Japan and the Ministry of International Trade and Industry, which are highly respected by business and provide the most prestigious employment for professionals at all levels.

One firm step forward in the planning field by our government was the Full Employment Act of 1946. It contains a policy base for a rudimentary economic planning. The Act calls for a yearly report by the President on where we're going, established a Council of Economic Advisors to oversee the federal effort, and created the Joint Economic Committee of Congress to handle the legislative responsibilities. This machinery must be greatly expanded and strengthened. Our national planning requirements are far broader than the relatively rudimentary effort to create and maintain maximum employment, production and purchasing power.

As one of my wise friends has said, the United States must get used to being a "have not" nation. This is not a cause for despair. Realization of the change in our situation must lead to more precise systems for planning to determine what we can and should afford. A determined innovative spirit beyond planning—in the area of finance, for example—can lead us to develop new ways to maximize the strengths we undoubtedly possess. We will have to develop more sophisticated skills in the multi-dimensional field of international trade relationships. There will be dislocations and rude awakenings, but I am confident of the viability of our economic system.

Obviously, in the time we have had, I could not treat these problem areas or their solution comprehensively. But I hope we have covered enough ground to see that the future of our country is critically dependent upon the degree to which we can manage changes of the depth and breadth we have seen in recent years. Success depends upon more than national determination. It will require continuing and realistic assessment of the political and economic environment in which we live, of the very many complicated dynamics of our total environment. It will depend upon our readiness and skill in planning, on the ingenuity we can bring to bear on solving problems, and in the discipline with which we face and meet the changes. These are the elements of the management of change, and they are the key to the quality of our future.

RESOLUTION FROM THE LITHUANIAN AMERICAN COUNCIL, LAKE COUNTY, IND.

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. MADDEN. Mr. Speaker, on Sunday afternoon, February 17, I attended the banquet and meeting of the Lithuanian American Council of Lake County, which was held in East Chicago. This gathering was in commemoration of the 56th Anniversary of the Declaration of Independence of Lithuania. A resolution was unanimously adopted by the Lithuanians of the Indiana Calumet region which I ask to include with my remarks:

RESOLUTION

Whereas, Lithuania's Declaration of Independence on February 16, 1918, in Vilnuis, whereby a sovereign Lithuanian State, having more than 700 years of history, was restored:

Whereas, the forcible occupation and illegal annexation of the independent Republic of Lithuania by the Soviet Union on June 15, 1940 as a result of an agreement between Stalin and Hitler;

Whereas, the Lithuanian American citizens extend their sincere gratitute to the Administration and Congress of the United States of America for the continued non-recognition of the seizure of Lithuania by the Soviet Union;

Whereas, the Communists of the Soviet Union persisted on practicing genecide thru out these years of occupation, but failed to eliminate all religious worship, have renewed efforts, during the past several months, and those who dare to speak up for their rights, are now put under arrest and sentenced to free trips to Siberia; Now, therefore, be it

Resolved, That we demand that the Soviet Union withdraw its military forces and administrative apparatus from Lithuania, thus permitting the Lithuanian people to exercise their sovereignty and self-government, of which they were deprived as the result of a conspiracy between the dictator of the Soviet Union, Stalin, and the war criminal, Hitler;

That we request the President of the United States to make the issue of liberation of Lithuania an integral part of the foreign policy of the United States in seeking European security;

That we respectfully request President Nixon to direct the attention of world opinion at the United Nations and at other appropriate international forums on behalf of the restoration of sovereign rights to the Lithuanian people and to protest the present violation of human rights and the Soviet colonial rule in the occupied Lithuania;

That Simas Kudirka, who unsuccessfully sought freedom in the United States be released with his family from the Soviet Union into the free world;

That copies of this Resolution be forwarded to the President of the United States, to the Secretary of State, to both Senators and all the Members of Congress from our State and to the news media.

FARMWORKERS SUBJECT TO EXTREME HAZARDS IN WORKING CONDITIONS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. WALDIE. Mr. Speaker, there is perhaps no greater struggle for human dignity underway today in this Nation than the efforts by farmworkers to secure improvement of employment and living standards.

The United Farm Workers of America has made definite gains, under the most adverse of obstacles, in recent years. Still much remains to be done.

The continuing plight of the workers in the fields has been singled out in many instances by Cesar Chavez, the union's dedicated and inspirational leader. Recently, Chavez, in an article published in the Los Angeles Times, outlined the dimensions of one other problem of the worker—farm safety. The story is not a happy one but a real one and I recommend that all Members read it. At this time Mr. Speaker, I include the Chavez account in the RECORD.

In Florida, Gulf & Western Products Co., a major sugar-cane grower, hauls Jamaican cane workers in 8-by-35-foot aluminum vans with no windows, no seats and no inside lighting. The company says it has a policy of carrying only 80 men per vehicle but, in the pre-dawn darkness of Monday, Jan. 7, upwards of 130 farm workers were jammed into a van headed for Gulf & Western's Oakeelanta mill near South Bay. The truck's steering failed, and the vehicle overturned in a ditch. One cane cutter died and 86 were injured.

Like most Florida cane growers, Gulf & Western imports Jamaican labor through an arrangement between the United States and Jamaican governments. If a cutter does not fulfill his quota—200 feet of cane per hour or eight tons per day—or if he complains about his working conditions or food, he is likely to be summarily deported to Jamaica—and charged for his passage. The Miami News quoted one Florida grower who summed up the process this way: "We used to own our slaves; now we rent them."

Florida is not alone in allowing such inhuman treatment of farm workers. Many California and Arizona growers have their own system for "renting" them.

They go to "The Pit" in Mexicali, a crude dump where hungry people from Mexico offer themselves to employers from the rich American croplands. From 2 a.m. on, hundreds of men, women and children show up to hear the prices that growers are willing to pay for that day. Then they climb aboard buses provided by labor contractors, who take them to work at distant points in the Imperial, Coachella, Yuma and Palo Verde valleys.

On Monday, Jan. 14, Pablo Arellanes, 51, started picking up farm workers at 2 a.m. for Jesus Ayala, a labor contractor. By 3 or 3:30 a.m. Pablo had a busload of people and began his 135-mile trip to High and Mighty Farms lettuce fields near Blythe. Then, after a full day working in the fields himself, Pablo drove the workers back to Mexico at night and cleaned the bus before trying to get some sleep for the next day.

Early Tuesday, he again picked up a crew of farm workers and headed north. On approaching Blythe shortly before sunrise, the bus missed a turn and careened off the road into a drainage ditch. On impact, seats and farm workers were thrown to the front of the bus, crushing Pablo to death and trapping many others who soon drowned in the ditch.

On the day of the accident, I was in Atlanta—along with other farm workers—taking part in services marking the death of Dr. Martin Luther King. When we heard of the tragedy in Blythe, we canceled the day's meetings with Coretta King and other black leaders, and took the first flight to Los Angeles. That night we drove to Calexico.

For the next three days we visited the families of the dead workers and sought more information about the causes of the accident.

Among the dead, we discovered, were men, women and children. In one family, a father and his three teen-age children were killed.

Amid the grief there was great bitterness. The workers were—and still are—bitter because they've been through this kind of tragedy too many times before. The workers learned long ago that growers and labor contractors have too little regard for the value of any individual worker's life.

The trucks and buses are old and unsafe. The fields are carelessly sprayed with poisons. The laws that do exist are not enforced. How long will it be before we take seriously the importance of the workers who harvest the food we eat?

On Saturday, Jan. 19, 2,000 farm workers crowded into the Calexico National Guard Armory for a funeral mass celebrated in Spanish. Afterward, at the request of the farm workers' families, on behalf of their union, I made the following remarks in Spanish, printed here in English for the first time:

"Brothers and Sisters: We are united here in the name of God to pay final tribute to our brothers and sisters who lost their lives in a tragic bus accident. We are here also to show our love and solidarity for the families who have lost so much in the deaths of their loved ones.

"We are united in our sorrow but also in our anger. This tragedy happened because of the greed of the big growers who do not care about the safety of the workers and who expose them to grave dangers when they transport them in wheeled coffins to the fields . . .

"There have been so many accidents—in the fields, on trucks, under machines, in buses—so many accidents involving farm workers.

"People ask if they are deliberate. They are deliberate in the sense that they are the direct result of a farm labor system that treats workers like agricultural implements and not as human beings. These accidents happen because employers and labor contractors treat us as if we were not important human beings.

"But brothers and sisters, the men and women we honor here today are important human beings. They are important because they are from us. We cherish them. We love them. We will miss them.

"They are important because of the love they gave to their husbands, their children, their wives, their parents—all those who were close to them and who needed them.

"They are important because of the work they do. They are not implements to be used and discarded. They are human beings who sweat and sacrifice to bring food to the tables of millions and millions of people throughout the world.

"They are important because God made them, gave them life, and cares for them in life and in death.

"Now that they are gone, how can we keep showing how important they are to us? How can we give meaning to their lives and their sacrifice?

"These terrible accidents must be stopped! It is our obligation—our duty to the memory of those who have died—to see to it that workers are not continually transported in these wheeled coffins, these carriages of death and sorrow. The burden of protecting the lives of farm workers is squarely on our shoulders.

"The farm workers' union is . . . demanding a full investigation by the grand jury in Riverside County. We are also asking for hearings by the California Legislature as a first step toward stronger legislation.

"Let the whole world know that the pain that today fills our hearts with mourning also unifies our spirits and strengthens our determination to defend the rights of every worker.

"Let the labor contractors and the growers know that our union intends to press the boycott of grapes, lettuce and Gallo wines until our contracts are restored, and let them know that we will never stop working and struggling until there is an end to the inhuman treatment of all farm workers."

One dead in a Florida cane workers' truck accident . . . 19 in a California drainage ditch . . . when will it all end?

MY RESPONSIBILITY AS A CITIZEN: JEFF WILLIAMS, VFW VOICE OF DEMOCRACY WINNER

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, I am proud to enter into the CONGRESSIONAL RECORD the text of the speech written by Mr. Jeff Williams, which won the Veterans of Foreign Wars of the United States, Department of Wyoming's annual Voice of Democracy Contest.

Jeff is the son of Mr. and Mrs. Glenn A. Williams, of Cheyenne, Wyo. He is a junior at Central High School, and excells in both scholastic and extracurricular pursuits.

I congratulate Jeff for his achievement, and am heartened by his belief that the events of the last year have served to strengthen citizen loyalty to our Nation.

The text of the speech follows:

MY RESPONSIBILITY AS A CITIZEN

"I pledge allegiance to the flag of the United States of America", to this country I pledge allegiance, this being my responsibility as a citizen. In those few words from the American Pledge of Allegiance, I discover that I as a citizen have a responsibility to fulfill.

In as much as this country has granted me numerous civic rights since the day I was born, I, as a true citizen owe allegiance through responsibility for these wonderful gifts.

I am living in a time of scandal and criticisms, there are those who have degraded the image of America as never before in the history of this nation. It is my responsibility as a citizen to speak out against this negative pessimism toward our country. True, I must be concerned with finding out what's wrong with America, but more important, I should find out what is right about America. For it is not my duty to overly react to the calamities of the nation, on the contrary, it is my responsibility as a citizen to provide optimistic support and provide a solution. As part of the solution I must keep the integrity of this country by not downgrading it because of its political trials and tribulations. America will stand, and its affairs will be carried out, regardless of these misfortunes. Individuals may fall, but not the nation.

It is therefore my responsibility as a citizen to support my government and obey its laws which have been so specifically outlined in the Constitution and the Declaration of Independence. James A. Garfield once said, "A Law is not a law without coercion behind it." I too, feel it necessary to provide our laws with that needed enforcement by respecting the statutes of this nation. Obviously then, being a citizen does not mean I can act as I please however, but rather I should decide how I will act by understanding and completing my civic duties with a sense of responsibility.

This responsibility lies in individualism. I, being that individual, am a citizen of this nation. I have a share here, and a part to bear, a character to form, frame and present to the United States. I will present my character, carrying out my responsibility as a citizen, by accepting a challenge. America has always had the challenge of building something entirely new, with each individual having a task, a responsibility. So I will thrust forward, testing, trying the new, failing and trying again and again by using my own individualism.

Carrying out my individual responsibility as a citizen I must not assume an apathetic attitude. I cannot, as the cliche goes, "stick my head in the sand and ignore what's going on around me". I will not be like Phillip Nolan, Edward Hales main character in *The Man Without A Country*, who because of general lack of concern did not wish to hear about his country any more, only to have that wish become reality. I maintain to properly fulfill my responsibility. I must train myself to act responsible by gaining the true facts on any given matter. This entails a total commitment on my part to study, inquire of the present proceedings, and get a good education.

Since I have a place in the pattern and perfection of the United States the final success, or failure lies in my hands. Ever since this nation was founded, each generation of Americans has been given the responsibility to become loyal citizens. I, a 20th century American, must take my place in history by carrying out my responsibility as a citizen, through the acceptance of duties.

It is my duty and responsibility to have a place in my heart for all those Americans who have carried out their citizenship to the utmost by giving their lives to preserve my freedom. I commit myself to follow in their footsteps by pledging my allegiance as a citizen to the maintaining of the civic rights of this country. I accept this responsibility as a citizen to set an example, for if I don't who will?

MY RESPONSIBILITY AS A CITIZEN

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. DAVIS of Wisconsin. Mr. Speaker, this year, the Wisconsin winner of the Voice of Democracy Contest, sponsored by the Veterans of Foreign Wars, Department of Wisconsin, and its auxiliary, was a young man from the Ninth Congressional District, Michael Rindo, son of Mr. and Mrs. John Rindo, of Muskego, Waukesha County.

Michael will be in Washington next month for the final judging, competing against similar winners from the other States of the Union. Michael's speech is entitled "My Responsibility as a Citizen." It contains some very mature thoughts, in a concise manner. I commend the contents of his presentation to the reading of my colleagues:

MY RESPONSIBILITY AS A CITIZEN

(By Michael Rindo)

The world is an armored camp these days, and the fate of freedom hangs in the balance. Yes, today America is threatened from all sides, tyranny outside and anarchy within, and we the people, the citizens must do what we can to keep this greatest living example of freedom alive. That, ladies and gentlemen, is our responsibility as citizens.

Today the United States is being threatened by factors which are both internal and external. Tyranny is spreading throughout the world and may even soon be knocking on our door. The ideas of Marx are becoming much more appealing to many more people. Communism, Democracy's greatest foe, already rules one third of the globe and is winning more victories each day. It also has a foothold only ninety miles off of our shore in Cuba.

These factors are surely a threat to our nation, but are not nearly as damaging as the internal problems we now face.

We are in the midst of the ugliest political scandal in this nation's history, Watergate, the Vice President's resignation, and talk of impeachment are contributing to the erosion of the very base of our Government. Inflation of the dollar and higher prices have caused an economic depression, and crime has reached an all time high.

I am not an alarmist, however, the result of all this, if we don't take care, could cause utter chaos and an end result in which anarchy would be the supreme ruler.

Now what does all of this have to do with you and me? How can you and I possibly do anything that would change the course of human events?

The answer as I see it starts with this dedication. I am only one, but I am one and one is one hundred percent more than none. I cannot do everything, but I can do something, and what I can do I will do, so help me God.

I believe that the key to keeping the freedom of this nation alive and thus upholding our responsibility as citizens is *involvement*.

Involvement, starting at the local government level, such as attending Common Council meetings and voicing your opinion in City government. Involvement in Federal Government by going to the polls and voicing your opinion through the vote. Supporting the candidate of your choice, or voting for the memorandum you want passed. Involvement by taking a few minutes out of your day to write your congressmen about something you want done, something you do or don't like, whichever the case may be, or just writing to let him know he's doing a good job. And finally, involvement by supporting our Law Enforcement Agencies. Uphold the law, you and I must support our law agencies in order to keep law and order in, and crime, chaos, and anarchy out.

If all citizens were to exchange their "I don't want to get involved" attitude, for an attitude of involvement, we would all become better citizens, and our responsibilities as citizens of this great nation would be upheld. Strengthening the nation and defeating the anarchy and tyranny I talked about earlier.

The role of a citizen's involvement in government was best stated by Daniel Webster nearly two hundred years ago. "Nothing will ruin this nation if the people themselves undertake its safety. Nothing can save it if they leave that safety in any hands but their own". This statement is true more so today than at any other time in history.

All of us, in our homes, in our schools, in our work and churches should begin today to get involved and take the safety of this country, as Daniel Webster stated, "into our own hands". This, ladies and gentlemen, is the most vital obligation to our nation at this time.

For in this time of National strife, the citizen will decide upon how we come out of the conflict. We, as citizens, should follow this plan of involvement, for after all, Democracy is not a spectator sport. I believe that through involvement we will not only become better citizens, but we will also uphold our responsibility as citizens.

Can you, can we meet this challenge?

EARTH WEEK FOR EAGLES

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, a most worthwhile campaign to preserve and protect our vanishing bald eagles, our national symbol, has now been underway for several years. Sponsored by Eagle Valley Environmentalists—EVE—and its president, Terrence N. Ingram, this project of raising funds for the establishment of a 1,000-acre wilderness eagle reserve in southwestern Wisconsin along the eagles' migratory route has won wide public acceptance.

Last year I was pleased to assist EVE in their sponsorship of "Walk for an Eagle" which raised many thousands of dollars for the purchase of land for this reserve. This year I am again urging support for EVE's program: "Earth Week for Eagles." I hope that schools and environmental groups can give this program the support it deserves and take this concrete step forward toward protection of the bald eagle. I include the following information:

EARTH WEEK FOR EAGLES

Since the first observance of "Earth Week" in 1969, seven days in the spring of each year have been set aside for public study and appreciation of the American environment. The surge of concern for environmental quality that characterized the late 1960's was a rebirth of ideas and concerns that had lain dormant during a quarter-century or more of unprecedented national economic growth.

Today, it is time for a rebirth of interest in the welfare of wildlife species that have become endangered, wholly or in part as a result of our prosperity. The majestic bald eagle, our national symbol, is one of the endangered species. It would indeed be fitting to dedicate Earth Week 1974 to the bald eagle, as part of a national attempt to preserve it from extinction.

With its gleaming white head and seven-foot wingspread, the bald eagle is a magnificent bird. Once common in many states, it is now threatened with extinction in much of the country that has adopted it as a symbol. Tragically, few Americans have ever seen bald eagles living free, and unless our treatment of the great birds and their environment changes soon, the eagles of the future may soar only in the silence of dusty museum exhibits.

The bald eagle was selected as our national symbol in 1782, because it embodied ". . . a free spirit, high-soaring and courageous." In the hearts of many Americans the eagle is synonomous with grace, dignity and strength. To thousands of young people, it represents the true spirit of their country, a rallying point for energy and commitment to the idea that the United States of America is a great land.

But the bald eagle population, particularly in the lower 48 states, is dangerously low. Along the Atlantic seaboard, about 600 eagles remain of the thousands that once lived there. In the Middle-West, only 1,100 eagles have survived. Many eagles still live in the Alaskan wilderness, but even there eagle numbers have declined.

Bullets, chemicals and bulldozers are responsible.

During 36 dark years of our country's history, more than 100,000 bald eagles were killed in Alaska—for bounties ranging from 50¢ to $2.00. And although the bird no longer carries a price on its head, illegal shooting by ignorant and fearful men is still the greatest single cause of unnatural eagle deaths.

In recent years, significant numbers of bald eagles have fallen prey to pesticides and to chemical wastes such as poly-chlorinated biphenyls, which can kill adult eagles or render them sterile.

And human encroachment on eagle nesting and roosting areas continues to reduce the quantity and quality of the special habitat types the birds require to survive and maintain their numbers.

The plight of the bald eagle deserves the attention of every American—not only because the bird is our national symbol, but because it is also a symbol of the quality of our land. Eagles are environmental barometers, perched—and vulnerable—as we are, on the end of a long food chain. Can an environment that is lethal to eagles support healthy human beings? In the long run, the kinds of things that are happening to eagles today could also happen to us.

Fortunately, increasing numbers of Americans are becoming concerned about the bald eagle, and a small but growing "movement" of professional scientists, amateur ornithologists and students of all ages has taken on the formidable task of saving the eagles that remain in the lower 48 states.

A citizens group called "Eagle Valley Environmentalists, Inc." is part of that movement. Today, the 250-member organization is buying a 1,000-acre eagle roost and nature preserve located along the Mississippi River in southwestern Wisconsin. More than a hundred eagles commonly winter in that area, and many of them seek the protection of a two-mile-long wooded valley in the heart of the preserve.

Because eagles cannot tolerate people and their machines near the areas that are used as roosts, EVE's first goal is to purchase the valley and protect it from real estate development, off-road vehicles, and other disturbance. When more of EVE's $190,000 land debt has been paid, the organization will establish a private nature education center for students of all ages who can use the land as an outdoor laboratory.

EVE also recognizes the value of simply letting most of its land alone, to grow and develop as natural forces dictate. If EVE can buy the land and hold it, Eagle Valley and the surrounding woods and prairies will remain as an example of the wild land that once lined the Mississippi.

At present, EVE owns 70 acres of the valley outright, and holds land contracts and options on the remaining acreage. Much of the money that has been paid on the contracts has been raised by school children throughout the Middle-West, and the energy and imagination they have devoted to fund-raising projects has served as a constant inspiration to EVE's adult members.

In 1972, for example, 63 young people from Weston, Missouri hiked a total of 870 miles as part of a "Walk For an Eagle" program that raised $1,700 for Eagle Valley.

In 1973, a fourth-grade class in Lodi, Wisconsin sold EVE buttons, shoulder patches and stationery and raised more than $650 from a community of only 1,800 people. School children in dozens of other cities and towns have held similar campaigns, demonstrating their willingness to work without compensation for the welfare of birds that few of them have seen.

This year, Eagle Valley Environmentalists, Inc., is sponsoring an earth week campaign for eagles, and invites every school and conservation organization in the country to join the effort. Donations are badly needed, and because EVE is a non-profit organization of volunteers, all funds raised during the campaign will be used for land purchase, which is of direct benefit to the eagles. Concerned persons should contact EVE President Terrence N. Ingram, Box 155, Apple River, Illinois 61001 for more information.

PERFECTLY CLEAR ON TRANSIT?

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. WALDIE. Mr. Speaker, the administration, through the President's state of the Union message and the proposed fiscal 1975 budget, has painted a somewhat rosy picture of the outlook for American communities in the field of rapid transit.

It is not clear to me, however, and apparently to many in the media that this lofty goal of providing significant support to fast and pollution-free mass transit has been translated into a meaningful policy.

The budget we now have before us contains recommendations for additional funding to local and regional transportation offices for the acquisition of equipment and planning assistance for new systems. However, the administration still places its fullest emphasis on the development of a highway system as the ultimate solution to local and interstate transportation needs. I would like to offer one example of the administration's apparent in-house confusion on just how it envisions development of rapid transit as a high national priority.

Last month, while in Los Angeles, Transportation Secretary Claude Brinegar made it quite clear to local officials that the Federal Government could not substantially assist in financing a $6.6 billion, 116-mile fixed rail and bus network in the area.

At the time, Mr. Brinegar opted in support of a highly sophisticated car pooling program in the Greater Los Angeles area as a solution not only to the current energy emergency, but as a form of ultimate solution since the area has an extensive highway and freeway system.

The Brinegar statement prompted the Los Angeles Times to comment:

> We think Brinegar is wrong in opposing the rail system. Obviously Southern California needs more car pools and more buses. But there is no way to make it all hang together as a rapid transit system—emphasis on the words "rapid" and "mass"—without a backbone of rail service.

I concur entirely with the editorial viewpoint. The development of modern, efficient, low-cost, and nonpolluting rapid transit in the United States has not been an easy task and certainly will not be made easier by policy outlooks such as the one espoused by Brinegar.

I believe that the efforts, such as those in Los Angeles, should be encouraged rather than given short shrift by an administration not willing to show even the slightest inkling of future conceptual planning and development in local transportation.

It would seem to me that the Department of Transportation is taking more than a cavalier attitude to a metropolitan area with a population of 7,032,075 citizens which ranked second among the Nation's 263 metropolitan areas measured in the 1970 census. The statements of Brinegar, in my view, certainly run in direct contrast to the somewhat optimistic statements made by Mr. Nixon. Essentially, the Congress should now ask Mr. Nixon if he is running the store, does he ever take time to confer with its manager?

Recently, too, other publications, such as the Christian Science Monitor, have questioned the policy logic of the administration in planning for future transportation needs. In a February 1 editorial, the Monitor noted:

> The case for mass transit legislation really does not lie in the short-term crisis. The administration's bill—with its expected emphasis on bus systems rather than rails—is more geared to the short term. So is, for that matter, the appeal of many existing transit system managements who find increased rider demands also increasing the deficit at which they operate.

The lack of straightforward transit goals also was noted in a January 22 editorial of the Sacramento Bee which stated, in part:

> In dealing with the energy crisis, there is oratory and there is commitment. President Nixon in his November address on energy needs, solemnly called for greater use of mass rapid transit. However, two months before his eloquent plea for people to shift from private automobiles to public transportation, the Office of Management and Budget had blocked federal funds for cities to start new rail transit systems for the 1974 fiscal year.

In a recent nationally broadcast message on transit goals, President Nixon stated that he would ask the Congress to spend $16 billion for metropolitan and rural transportation over the next 6 years. However, at no point in that message did the President spell out a national goal to provide such urbanized centers as Los Angeles with the long-term commitment necessary to plan for decades or longer needed to develop a full rail system for local transportation.

The President stated that local officials, who understand their community better than anybody in Washington, would determine transportation priorities, choosing between construction of highways or public transit systems, or the purchase of buses or rail cars. This, he said, would provide for flexibility between capital investments and other expenses.

To me, Mr. Speaker, this assessment still falls far short of a policy which local communities can grasp for long-range planning purposes. I would suggest, rather, that the Congress adopt a policy of transit insurance which would offer guarantees to our largest and most diverse metropolitan areas and the latitude to plan systems which the Government will contribute to in the fullest possible manner. Rapid transit, Mr. Speaker, is one area where Mr. Nixon has the chance to put some teeth in the so-called New Federalism. From his most current comments, I would venture to say those teeth are becoming impacted.

REPUBLICAN NEWSPAPER WAKEFIELD ITEM WANTS TO KNOW "WHAT THE HELL IS GOING ON"

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. MACDONALD. Mr. Speaker, I would like to call the attention of my colleagues to two fine editorials which appeared recently in the Wakefield Item which is one of the daily newspapers that serve my district. These editorials are significant for two reasons.

First, I can assure you that they capture accurately the sentiment of the people of my district. While I was at home during the recent brief recess of the Congress, I had the opportunity to hear many of these same complaints and concerns on a firsthand basis from my constituents.

Second, the Wakefield Item is known within the area of its circulation as a newspaper with decided Republican leanings. This factor makes its criticisms that much more significant and deserving of attention.

I commend the Item for publishing these deeply felt expressions of concern, and I hope that all of my colleagues will take the time to read these two editorials.

[From the Wakefield (Mass.) Item, Jan. 17, 1974]

WHAT THE HELL IS GOING ON!

Prices go up. Jobs go down the drain. An affluent nation is caught in an "energy crisis" which many doubt is real. While a federal government proposes a wide range of voluntary conservation methods for its individual citizens, the oil industry is "lured" by profits to research, explore, and seek to make the country independent as far as fuel is concerned.

The Watergate scandal, pushed in the background for a while by the ever-growing energy shortage and a sorely injured economy, surfaces again with the disclosure that the infamous Haldeman-Nixon tape had been erased and re-recorded at least five times and perhaps as many as nine times. The White House, of course, denies that the President either deliberately or accidentally erased the tape—but it has no explanation to offer as to what might have happened. And, following the established line, the White House feels it would be inappropriate to comment on the latest, shoe-dropping incident, while the tape controversy is under court review.

The public is weary of the involved mess. It has looked with increasing dismay on an Administration that has been decimated of personnel, that has lost those once in high places who have either been indicted or have been found guilty of illegal actions. It winced as it saw a Vice President disgraced and driven from office by his own admitted misdeed, and it recoiled as it read of the decision of three Maryland judges that he is "unfit" to be a lawyer and that he should be disbarred.

And while John Q. Public is struggling with spiralling prices, incredible shortages, and rising taxes, he reads of a President weaseling out of paying his full tax share—legally, perhaps, but certainly unethically. He reads of a President maintaining two palatial estates with taxpayers digging deep to finance them. He reads of the ITT's and the milk industry's beclouded contributions. He reads of major industries admitting they had contributed illegally to the 1972 campaign.

John Q. Public has always had a healthy respect for, even a reverence for, the office of the Presidency. When talk of impeachment was first whispered, he experienced horror. It's strong medicine and difficult to swallow. With the beginning of 1974, and the continuing bad news out of Washington, he's beginning to change his attitude.

There is too much to be done, too much that needs doing immediately. The country needs solutions to the giant-sized problems confronting it. There must be direction, leadership, innovative measures introduced, and John Q. Public, wondering "what the hell is happening" to his country, grows impatient. He also has increasing doubts that a federal government, shorn of credibility, weakened and distracted by scandal in high places, can meet this challenge. Let's get on with it and let's have a return to something resembling normalcy—this is the message being heard on Wakefield streets and on Main streets throughout the country.

[From the Wakefield (Mass.) Item, Feb. 5, 1974]

WHAT THE HELL IS GOING ON?

PART II

Well, we've heard from our leader. We listened to the State of the Union broadcast, and we've drawn our own conclusions. The State of the Union in 1974 is a state of disunion, discontent, chaos and frustration.

Platitudinous mutterings, pathetic pledges that "there will be no recession in the United States," and a proud parade of "five years of success" add up to a placebo unacceptable to growing numbers of Americans who are suffering from the ills besetting their country.

Disunion? It ranges throughout our society. Take the oil and gasoline shortage. There are many who doubt a shortage exists, and among them are owners and operators of gasoline stations and owners of fuel companies. The soaring costs are straining tempers as well as pocketbooks, and full page advertisements from the major oil companies, even after a thorough and information-seeking study, fail to satisfy the consumer that those huge profits are not so huge, after all, and are earmarked for research and exploration for increased American oil sources. "Big is indeed not necessarily bad", but when one group can control all fuel—oil, coal, gas, from their sources to the consumer's home or place of business—that control better be in the interests of the public. And it isn't. Aided and abetted by a benevolent government, the oil beat goes on. In generous paternalism it grants oil depletion tax allowances. It allows the writing off of "taxes" (or shouldn't they more accurately be called "royalties"?) paid oil-producing companies from the taxable income in the United States. When this type of thing exists, the "biggies" can become the "baddies", and there are many who would award the oil barons the black hat of the villain. Private capital is necessary for a venture as gigantic as oil exploration, and profit is the carrot dangled as the lure—But there has to be some intelligent restraint and some control. And if it isn't done voluntarily by the oil "biggies," it's time for the government of, by, and for, the people to step in.

Like a giant octopus, its tentacles reaching into a myriad of other businesses and industries, the energy crisis is affecting jobs, production, and prices. Tell the Wakefield housewife there will be no recession—she'll show you the family income and the family outgo, from checks and bills dated February, 1974. Bread prices continue to go up, and she is warned of a wheat shortage looming and higher prices to come. Of course, there is the comforting news that the USSR will be able to sell us wheat—wheat that we exported to the Russians—at a "price."

And while grocery bills mount and families cut down and eliminate some items from their menus, irate trucksters, protesting the pinch they are feeling because of petroleum prices, called the strike that will block delivery of fresh food products.

Chaos? Try to buy gas. Mark the differing prices. See the long lines of waiting motorists. Look at their faces. Look at the faces of the pump attendants. Look at the faces of police officers trying to keep traffic moving, unclog tie-ups, and prevent accidents.

Some commentators, discussing the State of the Union message, focused on the appearance of the President. He look vigorous, hale and hearty, and healthy. Maybe so, but the health of the union is anything but good.

Watergate? One year of Watergate is enough? The majority of Americans, whether or not they support the President, would agree that one day—one minute—of "Watergate" was more than enough. It should never have happened. There is disunion among the people on the resignation proposal and on the question of impeachment. There is unanimity, however, that out of Watergate must come reform. Never again must there be a Watergate.

Frustration? Yes. But the American people are not helpless. They do not have to become meek sheep standing by for their slaughter while their government deteriorates. Now is the time for petitions, for strong letters and wires to Washington. There is strength in numbers, and the voice of the people, if lifted in tumultuous unison, will be heard. If the Presidential hearing is not too acute, there is nothing wrong with the auditory sense of the Congress.

BAN THE HANDGUN—XXII

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. BINGHAM. Mr. Speaker, indiscriminate possession of handguns often leads to unintended injury or death. The following article appearing in the February 11, 1974, edition of the Washington Post tells the story of a 17-year-old youth who shot off the tip of his finger and critically injured a woman acquaintance while cleaning his pistol, a pistol for which he had no need:

GUN DISCHARGES, INJURING TWO

A 17-year-old youth was cleaning a pistol in his apartment at 1116 6th St. NW, yesterday when the gun accidentally discharged, shooting off the tip of his left index finger and wounding a 20-year-old woman visitor in the chest, metropolitan police reported.

The woman, Barbara A. Anthony, 1213 4th St. NW, was taken to Freedmen's Hospital, where she was in critical condition last night. Hospital officials said the bullet hit her in the right chest and lodged in the abdomen.

The juvenile was taken to D.C. General Hospital for treatment after the 6:30 p.m. incident and then arrested and charged with assault with a deadly weapon.

WHY CAMPAIGN FINANCING SHOULD REMAIN PRIVATE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. FRENZEL. Mr. Speaker, the Minneapolis Tribune of February 18 carried a syndicated article by Richard Wilson headlined "Why Campaign Financing Should Remain Private."

The same article appeared in the Washington Star-News yesterday evening.

The Wilson article is part of a growing body of commentary which points up not only the desirability, but the need, to maintain a private system of financing for Federal elections.

The Wilson article is especially interesting, because it makes two points which have largely escaped editorial notice so far. The first is that rich patrons can always find ways to support causes. The so-called single-purpose lobby groups whose issues are tailored to the candidates they favor are a good example.

The second point is that public financing will tilt the election pendulum toward groups which can muster manpower or publicity in favor of their candidates.

This article, like every thoughtful article on campaign financing, develops new and powerful reasons why public financing of elections is a poor idea:

WHY CAMPAIGN FINANCING SHOULD REMAIN PRIVATE

(By Richard Wilson)

WASHINGTON.—The big money is already assembling—$23 million of it so far—and the prospective presidential backers are rallying (meeting with Sen. Kennedy, among others) for another go at multimillion-dollar politics.

The time has come to head off the big blowout through the federal financing of election campaigns, right?

No, absolutely wrong, notwithstanding the proposed reforms of Common Cause, the League of Women Voters and AFL–CIO. This is one instance where liberal wisdom collides with fairly impressive scholarship to the contrary.

It seems so simple. Ambassadorships are "sold." "Milk money" in large sums goes to politicians who will fight for higher prices. Campaign money shows up in a hush fund to keep the Watergate burglars quiet. High officials are caught in sleazy deals to win favors for generous contributors. A big corporation seeking favor at the highest level finances a national political convention.

This is enough to show, it is argued, that political money and public policy have become so adhesive that they must be ripped apart once and for all if decency and honesty are to be restored to politics.

A complex scheme for public financing supported by Kennedy and others died in the closing days of Congress last December. It would have established a new system of federal campaign subsidies for candidates in congressional elections and presidential primaries and broadened existing law to make public funding mandatory for presidential nominees.

Now a new attempt is underway in the House and Senate to revive the legislation making the public generally foot the bills for presidential and other federal campaigns. President Nixon, doubting if Congress will finally act on such a broad proposal, is understood to be preparing a new campaign-reform program which will further complicate the issue.

In this murky atmosphere, Kennedy has not placed all his faith in the prospect for a federally financed presidential election in 1976. He has met with a California real estate developer who is a kind of informal spokesman for well-to-do liberals who provided funds for both Sen. Eugene McCarthy in 1968 and Sen. George McGovern in 1972.

According to one report, the liberal California grapevine is now carrying the word that Teddy will "go" for the presidency in 1976, and the big-money West Coast liberals are described as eager for the fray.

These are the people who financed the anti-war politics of the '60s and the '70s, and the fact they are becoming active again is a good illustration of why public financing of presidential campaigns won't work. A number of scholars of politics in the academic world have pointed out that rich patrons find ways to support causes, and there are many ways to advance the cause of Kennedy without organizing a formal campaign for him.

The same is true of organized labor. It is in a position to contribute highly valuable "volunteer" services without violating any campaign-spending laws, existing or planned. Already its unpaid services for Democratic candidates can be costed out in the millions (according to one challenged estimate, as much as $50 million).

If federal financing is made the law, the advantage will go to him who can command the most "volunteer" support, which organized labor is better able to provide than any existing campaign organization. Second to that powerful force come the cause-oriented organizations capable of mobilizing manpower and creating publicity supporting candidates with whom they agree, and with or without direct political participation.

Fundamentally, there is a fallacy in the argument of those who argue that good causes and campaigns collapse for lack of money. More often it is the other way around: Strong causes and candidacies attract money. Contrary to the liberal wisdom, there is no showing that money has been decisive in presidential elections. Certainly McGovern did not lose for lack of it. Democrats elected presidents from 1932 to 1952 at less expenditure than Republicans, according to a study by Prof. Ralph K. Winter of the Yale Law School.

Existing scholarship, according to Winter, is completely at odds with the impressionistic conclusions that money has so corrupted politics that the public will is thwarted.

FEDERAL ADMINISTRATION ACT

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. GUNTER. Mr. Speaker, tomorrow when the House is scheduled to begin consideration of H.R. 11793, the Federal Administration Act of 1973, I plan to offer three amendments, at the appropriate time. I bring them to my colleagues' attention and ask that they be printed in the Record in order to afford timely notice.

The first amendment requires the Administrator to prepare preliminary summer guidelines for citizen fuel use so that the people of this Nation will have the opportunity to plan for their summer vacations and the businesses dependent on such tourists can make the necessary plans.

The amendment requires a response from the Administrator which, unfortunately, I and many of my colleagues in the House have apparently been unsuccessful in attempting to elicit from Mr. Simon through verbal and written requests. It has been some time since I joined with others in attempting to call Mr. Simon's attention to the serious problems already faced by the tourist industry and asking that he issue such guidelines so that those planning summer vacations can do so on some realistic basis.

The only response to these repeated requests has been a remark by Mr. Simon carried in a magazine interview the other day in which he responded to the same questions we have been posing by asserting that, "Summer is a long way off. . ."

I submit it is only a short time off for the tourist industry of my State, as well as of the northeast and other areas, Mr. Speaker, and for the many thousands of citizens now planning their summer vacations. The time to act is now. Since the Congress has been unable to obtain the same courtesy from Mr. Simon in responding to our questions that he has given to the editors of national magazines, I intend to offer an amendment imposing a statutory responsibility on the Administrator to respond within 30 days.

The second amendment I will offer requires the Administrator to develop a plan to use the waste oil that is now indiscriminately disposed of by the U.S. Government itself in this time of energy shortage.

Facts and data developed through the diligence of my colleague Mr. Vanik, of Ohio, a member of the Committee on Ways and Means of the House, has established a shocking volume of oil that is now simply wasted which could be recycled and reused if the effort were made. Because the Government ought to take the lead itself in setting an example for the rest of the country in the conservation of energy, Mr. Speaker, I will offer an amendment to mandate development of a plan for sharply reducing this wastage and increase use of recycled oil.

The third amendment would reverse the mistake this Congress made in creating year-round daylight saving time.

A new report just the other day of the death of a youngster in Maryland in the predawn hours again calls this problem to our attention in a tragic way, Mr. Speaker. The incidents of such tragedies in my own State of Florida have been well publicized. Those tragedies, and the lack of any significant saving of energy which have resulted, have generated a clear feeling by the people in my judgment that Congress should waste no time in ending this unfortunate provision promptly and without further delay.

For that reason, the amendment I offer affords, I believe, an immediate opportunity for such action.

Mr. Speaker, there has been some question raised about the germaneness of this third amendment. However, I would call the attention of the House to the language of the declaration of purpose in section 2(a) on page 14 of the committee bill, which declares that among the purposes of the act is to require "positive and effective action" in order to promote "the general welfare and the common defense security . . ."

I submit, Mr. Speaker, that under this broad language and for the stated purposes of the act that the general welfare declaration permits an interpretation and a finding by the Congress that the enumerated and authorized activities established for the Federal Energy Administration, if executed within the framework of the year-round daylight saving time provision, would not serve the general welfare.

What is germane, Mr. Speaker, is the deaths of at least eight schoolchildren in Florida, many more injuries, many more deaths of youngsters in other parts of the country, and now of a Maryland youngster, and the prospect of more such tragedies until Congress acts in order to preserve the general welfare in this instance.

Therefore, I shall also offer this amendment at the appropriate time and urge an interpretation of germaneness based on the general welfare declaration and the clear fact that, in terms of these needless deaths of schoolchildren, that the general welfare is not being served by establishing a Federal Energy Administration that would be charged with carrying out the declared purposes of this act if required to do so in the framework of continued daylight saving, and in fact could not carry out the act's purposes in that framework.

The full text of the amendments follow:

Amendments Offered by Mr. Gunter to H.R. 11793 as Reported

Page 19, line 23, add the following new subsection:

(11) Issue preliminary summer guidelines for citizen fuel use within 30 days of the enactment of this Act.

Page 19, line 23, strike out "(11)" and insert in lieu thereof "(12)".

Page 20, line 1, strike out "(12)" and insert in lieu thereof "(13)".

Page 23, line 21, add the following new subsection:

(k) The Administrator shall develop a program for the use of waste oil from all motor vehicle fleets of any government agency one calendar year from the date of enactment of this Act.

Page 23, line 21, strike out "(k)" and insert in lieu thereof "(l)".

Page 38, line 21, add the following new section:

Sec. 22.

a. The Emergency Daylight Saving Time Energy Conservation Act of 1973, P.L. 93–182; (87 Stat. 707) is hereby repealed.

b. This section shall take effect at 2 o'clock antemeridian on the first Sunday which occurs after the enactment of this act.

NTEU WINS COURT CASE

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. WALDIE. Mr. Speaker, on January 25, 1974, the U.S. Court of Appeals for the District of Columbia Circuit issued its decision in a suit brought by the National Treasury Employees Union seeking to overturn the President's 3-month postponement of the October 1, 1972, pay raise for Federal employees.

The court found that the President acted illegally in withholding the pay raise and that he acted with no regard for the mechanisms of the Federal Pay Comparability Act of 1970 mandated by Congress.

The unanimous decision in favor of NTEU is of extreme importance not only to the more than 2 million general schedule and military employees of the Federal Government who stand to recover the back pay, but also to the Nation as a whole. By holding the President subject to suit for failure to enforce an act of Congress and to a judicial decree that he should implement the law, the decision has a broad-range effect on the constitutional power of the Chief Executive.

Through this decision, the court has reaffirmed the congressional intent in enacting the Federal Pay Comparability Act of 1970 which was to guarantee that Federal employees receive annual wage increase comparable to those received by private sector workers. The language of the act specifies a procedure by which the President can, in extreme economic conditions, delay or decrease Federal employees' compensation. However, the statute specifically requires that, to do so, the President must submit an "alternate" plan to Congress. President Nixon attempted to circumvent the Comparability Act by saying that he was not submitting an "alternate" plan, but rather was acting as required by the Economic Stabilization Act.

The court of appeals rejected the President's action in language which provides a vital delineation of the Chief Executive's power. The court, in essence, ruled that the President does not have the authority to be selective as to which acts of Congress he chooses to enforce. The court also ruled that the President, like any other citizen, is subject to suit and judicial decree.

NTEU is to be commended for pursuing this suit. The union's effort will inure to the benefit of all citizens.

I insert into the Record an editorial concerning the unprecedented ruling which appeared in the Washington Post on January 31, 1974:

> Execution of the Laws
>
> In legal as well as political terms, President Nixon's efforts to enlarge the power of the presidency are having just the opposite effect. Time after time, Mr. Nixon has claimed sweeping authority and autonomy—to withhold information from Congress and the courts, to wiretap without a warrant in domestic security cases, to dismember the Office of Economic Opportunity, to kill programs, to impound appropriated funds. And time after time, federal courts have rejected these vast and novel claims as inconsistent with the first principles of constitutional government. The thrust of such cases so far has been to sharpen and reduce the bounds of executive discretion and extend the reach of judicial review.
>
> These issues arose in yet another context last week, when the U.S. Court of Appeals here ruled that the President, as well as lesser federal officials, may be sued for failure to perform duties mandated by law. This landmark decision came in a suit brought by the National Treasury Employees Union, which had charged that Mr. Nixon had violated a federal pay law by refusing either to grant a scheduled federal pay raise in October, 1972, or to submit an alternative plan on time. The union had asked the court for a *writ of mandamus* directing the President to pay the increases, and had argued that this was the only way to get relief because the chief executive was the only official authorized to carry out that particular law.
>
> The Justice Department's arguments resembled those advanced in other controversies over the scope of executive power. The department asserted, first, that Congress had meant to give the President the flexibility to set the pay law aside; second, that the whole matter was "political" and outside the jurisdiction of the courts; and third, that the President could not be sued because that would violate his constitutional immunity and could cause "intolerable interference with the effective functioning of government."
>
> The appellate court properly rejected that entire chain of argument. "To begin with," Judge Frank A. Kaufman wrote, "there is a serious question whether presidential actions inconsistent with congressional mandates constitute effective government." If issues of statutory interpretation are "political," the judge continued, "a President could render every legal issue 'political' by publicly expressing his opinion . . . before that issue reached the courts." To suggest, as the Justice Department did, that the only remedy in such cases is impeachment "resembles making available a nuclear bomb as the sole weapon to bring down a pheasant." After a careful review of laws and precedents, the court concluded that the pay statute had indeed been in effect in autumn 1972, and that Mr. Nixon, like any other federal officer assigned certain ministerial duties, could be ordered to carry out the law.
>
> Thus another federal panel has ruled that the President may be held answerable through judicial processes for his stewardship of the laws. While advancing this basic principle of limited, accountable government, the court did temper its firmness with some deference. "In order to show the utmost respect to the office of the presidency," the court stopped short of ordering *mandamus* relief and instead suggested that the President "be given every opportunity to implement the law" or appeal the decision to the Supreme Court. This is a prudent course. It illustrates again that disputes over constitutional issues need not become full-blown constitutional tests. And it underscores the extent to which Mr. Nixon could minimize such confrontations by adhering to less extravagant doctrines of presidential power, and by accepting the traditional role of the judiciary as the arbiter of disputes between branches of government and between citizens and their elected governors.

THE NEED TO KEEP THE INTERNAL SECURITY COMMITTEE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. CRANE. Mr. Speaker, at the present time there are a number of individuals, both within the Congress and outside of it, who are advocating the abolition of the House Committee on Internal Security.

Those who advocate this position advance the thesis that there are no real threats to our internal security and, since this is the case, there is no need for a congressional committee to concern itself with this matter.

There are others who state that, while there may be minor threats to the internal security, there is no danger of a "takeover" of our Government and, therefore, it is futile for the Congress to concern itself with subversive and potentially subversive groups.

In my view, this is a short-sighted analysis of the problem. In a letter to Representative Richard Bolling, Prof. William A. Stanmeyer points out that:

> The "no-takeover therefore no-problem" argument is a false disjunction; it is like saying, "not dead, therefore, perfectly healthy." Actually, every serious student of a free society's political health recognizes, if not blinded by ideological preconceptions, that there are degrees of danger to the polity, and that "takeover," like death, is only the most extreme. In America there have been para-military groups attacking the rights of minorities, like the Ku Klux Klan; estranged radicals who have used bombs and terror to harass the "system"—and crime syndicates spreading heroin addiction.

Professor Stanmeyer writes that:

> Reasonable men may differ on how to deal with each of these problems. But what is unreasonable is to close one's eyes to them, to pretend that they do not exist. Yet this ostrich-like posture is just what the critics of the House Committee on Internal Security usually display . . . the Congress . . . should dismiss out of hand their petition to strip the nation's legislature of any systematic institutional method of discovering this reality.

At a time when radicals have engaged in murder and kidnap in California, when airplane hijackings and other acts of sabotage have become of concern to nations around the world, and when there are numerous serious threats to the national security and tranquillity from groups which advocate violence, it is essential that the Committee on Internal Security be preserved and enabled to continue its important work.

I wish to share with my colleagues the thoughtful letter of Prof. William A. Stanmeyer of the Georgetown University

Law Center, and insert it into the Record at this time:

Northbrook, Ill.,
January 30, 1974.

Hon. Richard Bolling,
Chairman, Select Committee on Committees, U.S. House of Representatives, Washington, D.C.

Dear Congressman Bollings: Under the rubric of "transfer of jurisdiction" your Select Committee presently entertains a proposal to abolish the House Committee on Internal Security.

As a law professor broadly conversant with the Committee's work and a serious student of both the variety of threats to domestic tranquillity and the problems of dealing therewith, I wish to protest this plan and to present a case for another course of action far more in keeping with the manifest desires of the American people.

I am aware that a number of law professors have submitted to the House a petition urging abolition of the Committee. While respecting their right to state their opinion, from personal acquaintance with some of them, I must state that in most cases this topic lies far outside the petitioners' teaching assignments and scholarly research. Indeed, just because their expertise lies elsewhere it is likely that few of the signers are any more qualified to be considered an expert on internal security problems than any other literate citizen. Yet the impression is given, perhaps because the opponents of the Committee are organized and the proponents are not, that only one argument can be made. The "phenomenon of transferred expertise"—a person expert in one thing is therefore expert in everything—became widespread a few years ago when movie stars and baby doctors began lecturing college audiences on foreign policy; but I am sure that the reflective members of your Select Committee realize that the merit of any case lies not in the prestige of the speaker but the power of the argument.

In the comments that follow, I wish to point out some fallacies in the case for abolition and to suggest some reasons why a better course would be the suggestion of Congressman Ichord for a new Committee with a well defined mandate and oversight functions.

ROMANTIC IGNORANCE OF HISTORY

Reading the statements of Mr. Drinan, some law professors, and other opponents of *any* measures to protect internal security, one has the uneasy feeling that if the issue were budget for a city fire department they would recommend its abolition because, walking through their home neighborhoods that morning, they could see no houses on fire.

It is a little frightening to hear otherwise respectable intellectuals airily dismiss the possibility of subversion when the twentieth century is replete with cases where democratic societies were harmed, rendered lawless, and even destroyed because of insufficient attention to internal security. The salient cases are Kerensky's Russia and the Weimar Republic in Germany.

One may agree with the statement of the leading Congressional foe of internal security legislation that "there is no cognizable threat of a communist takeover in this country," and yet remain distressed at his apparent historical amnesia not only of world history in his lifetime but even of events as recent as the last 10 years.

Part of his epistemological problem may be that threats are not recognizable to those who will not recognize them. But a greater failure is lack of logic; a selective choice of data and false generalization, namely, the willingness to lump all threats into one and decide that the one does not exist. A doctor could display this same style of thought if he said, "We have eradicated malaria in the United States; therefore disease is no longer a problem in our country."

The "no-takeover-therefore-no-problem" argument is a false disjunction; it is like saying, "not dead, therefore perfectly healthy." Actually, every serious student of a free society's political health recognizes, if not blinded by ideological preconceptions, that there are degrees of danger to the polity, and that "takeover", like death, is only the most extreme. In America there have been para-military groups attacking the rights of minorities, like the Ku Klux Klan; estranged radicals who have used bombs and terror to harass "the system," like those who in 1970 destroyed the University of Wisconsin Math building, killing an innocent student, and those who bombed the New York offices of ITT on September 28, 1973; crime syndicates spreading heroin addiction, like the Mafia; extremist right-wing groups readying their illegal weapons, like the Minutemen; and possibly, despite the feeling of security by intellectuals walking through their home neighborhoods in the morning, a few persons in the sprawling federal bureaucracy who would use their sensitive positions in Defense, or State, or the Atomic Energy Commission, or wherever, to harm their own country.

The health of a free society is not measured solely by surface tranquillity. The illegal acts described in the prior paragraph require advance planning, organizational support, collective agreement. As the *Dennis* case held, society has a right to prevent *the preliminaries* to the "takeover," which harm society through its ultimate dissolution may be averted. Individual citizens and society's free institutions should enjoy the maximum of *real* tranquillity, secure because they have investigated, informed the public of, and legislated against threats in advance, while they are small. It is foolish to inflict, by ignorance and inaction, the suffering of having to repair the damage after the fact, when the victim cannot be restored to life or the victimized society readily protected against serious harms already set in motion.

Reasonable men may differ on *how* to deal with each of these problems. But what is unreasonable is to close one's eyes to them, to pretend that they do not exist. Yet this ostrich-like posture is just what the critics of the House Committee on Internal Security usually display. Until the critics begin to deal with historical and contemporary reality *as it is*, not as they wish it were by harking back wistfully to the pre-revolutionary Victorian era, your Committee and the Congress as a whole should dismiss out of hand their petition to strip the nation's legislature of any systematic institutional method of discovering this reality.

DISGUISED ABOLITION

In this period of public distrust of government, when on all sides people demand full disclosure and utter honesty in reaction to governmental secrecy, it is shocking that the Congress should seriously entertain a proposal to abolish the Committee on Internal Security through such a devious and secret stratagem as pretending to transfer its jurisdiction to the already-overworked Judiciary, without giving any clear mandate and insuring adequate budget, staff, permanent subcommittee status, a chairman committed to its function, etc.

The public will think that the opponents of Internal Security are afraid of a straight up-and-down vote on the continuation of the Committee. They are afraid to tell the people that *the practical effect of this move will be to put the Committee out of existence*. Where is the honesty in this tactic? Though some of your Select Committee will applaud the end result, their conduct will be just one more instance of the amoral maxim that the end justifies the means. Let them no longer go before their constituents to complain that oil companies display too much secrecy or that Presidential aides are devious or that we need "full disclosure" in public affairs.

The hypocrisy manifested in the movement for disguised abolition shows itself yet another way. Many of the critics of the Committee make an economic argument: look at all the tax money we can save, they declare, by merging (or, a few are candid enough to say, abolishing) the Committee. This sudden discovery of the virtue of frugality is commendable, but its evenhanded application to other governmental spending issues would be more inspiring. By and large the opposite is the case: they tend to vote for every spending measure that has a wishful connection to the general welfare, to expand programs that have been utter failures, to create commissions and bureaus and agencies with no specific mandate beyond the direction to "do something" and no effective means of cost-accounting or productivity evaluation.

Again, reasonable men may differ on the merits of a given spending program. But it seems dishonest to build a consistent voting record supporting the expenditure of the taxpayers' money on every possible issue and then turn around and attack the House Internal Security Committee because it spends taxpayers' money. The real objection, though disguised under rhetoric about cost-effectiveness, is philosophical.

THE PHILOSOPHICAL AVERSION TO SELF-PROTECTION

A careful reading of the statements by those who would abolish the Committee on Internal Security (whether overtly by voting it out of existence or covertly by transferring its jurisdiction to an overworked Judiciary Committee unprepared, unfunded, unmanned, and possibly unwilling to do anything in this field) reveals one continuing prejudgment: they declare that a free society is best preserved by doing little or nothing in its defense.

A few, like the outright revolutionaries of our epoch, simply want to make their own task easier. The fox is never happy when the farmer sets a large watchdog outside the hencoup.

Most, like many academics who criticize the Committee, truly would be distressed if the hens were eaten by a fox; but never having ventured, in their work or their reading, outside the farmhouse, they think that foxes are extinct. Or perhaps they have mellowed. Obviously if there is such thing as a fox or if he is now tame, well-fed, and friendly, there is no reason to buy a watchdog.

And there are a few that believe the system of farming will be more idyllic under a policy of social laissez-faire, abolishing fences and watchdogs, letting hens, domestic animals, foxes, and the farmer's children all wander the woods in pursuit of self-fulfillment. Probably nothing will happen to them; if something does, well, that is the price one pays for a free society.

Attractive as may be such a theory, it utterly fails to deal with the real challenges to internal security, many of which because nominally "political" it deems beyond the reach of society's inhibitory laws or investigatory agencies. Thus we are told that "political opinions" and "free associations" are inhibited by HCIS's mere existence; that this one body has such impact. This is amazing, since the existence of the FBI and the State police did not prevent the bombings or inhibit the bombers alluded to above. But in any event, in a free society not everything "political" is permissible. There are "rules of the game," as Watergate so sharply reminds us; certain tactics in the pursuit of "political change" are legitimate and others illegitimate. It is simply captious to claim that any group or cause is legitimate and cannot be exposed just because its actions are called "political" rather than, say subversive. KKK bombings of Black churches and SDS bombings of corporate offices are crimes, pure and simple, whatever their "political" veneer.

Though most libertarians are troubled by such crudities as bombing and assassination—and should be troubled by the "leaking" of State security secrets to foreign governments—they nonetheless attack any preventive actions by the authorities. Not only do they denounce infiltration of violence-prone groups or intelligence files on potential assassins, they decry even the most innocuous information-gathering function of the Committee, such as its occasional Reports on the causes of disruptive attacks on various institutions [see, e.g., Reports by HCIS, 93rd Congress, 1st Session, "Revolutionary Target: The American Penal System" (December 18, 1973)], designed to inform the American people and provide a basis for Congressional action. They don't *think* there are any hostile animals in the forest, and want to abolish any way of finding out.

Being absolutists, they cannot balance rights. Many of the people who object to studies on internal security object to electronic screening of passengers at airports. They forget that innocent passengers have rights not only to privacy but also to security. Indeed, the parallel is close: in every society, especially in an emotion-charged revolutionary era, there are those who would "hijack" or at least disable that society. Preventive measures are indeed burdensome, annoying, and at times interruptive of absolute privacy. But they are the small price one must pay to maintain essential freedoms.

In the limited space of a letter of this type, I cannot elaborate on all the fallacies the philosophical absolutists commit. I have attempted a more systematic exposition of these points in my testimony on the Constitutional Oath Support Act, H.R. 6241, which will be found in the Hearings before HCIS of April 11, 1973, Part 1–A, p. 391–408. While there is no "last word" on complex matters of practical policy, I believe the arguments stated there are comprehensive and original; one may hope that fair-minded persons who sincerely want to hear both sides will consider them.

IMPROVING THE COMMITTEE

Many of the critics of the House Internal Security Committee insist on exorcising yesterday's demon. Whatever the merits or demerits of the defunct House Un-American Activities Committee, the sins of the ancestors should not be visited upon the descendants. The Internal Security Committee has taken a narrow mandate in a very controversial area and exercised its authority with decorum and responsibility. The main line of attack these days seems to be that the Committee has not done much, that its files are secret, etc. It should be obvious that if it had striven for quantity in its work instead of quality, the attackers would say it has done too much, that it harms reputations by *not* keeping its records secret, etc.

The fact is, even these charges are unfounded, as Congressman Ichord and others have pointed out (see *Congressional Record*, vol. 119, pt. 7, p. 9018 and following). And an equally telling fact is the high regard in which the Chairman, Mr. Ichord, is universally held. The period 1969–1974 was, at least in its earlier part, one of the most turbulent domestically in our history. In accepting direction of the Committee, Congressman Ichord took a thankless task that promised him no personal return except a headache. There is no reason why in future years the House leadership cannot appoint successors with the same qualities of hard-headed realism about domestic security problems coupled with personal discretion, detachment, and honor.

Considering Mr. Ichord's experience and record of moderation in this sensitive field, it is gravely troubling that your Select Committee appears utterly to disregard his eminently sensible recommendation that the Internal Security Committee's mandate be expanded to such areas as all statutory crimes affecting national security, the general loyalty-suitability programs for federal employees, industrial and defense facilities security programs, and other directly cognate matters such as Congressional oversight of Federal investigative agencies dealing with internal security.

These are the tasks which the average citizen presumes his government performs for him. People I talk with are shocked when told that in a time of political assassination, prison riots, organized drug trade, world-wide intelligence-gathering by the Soviet Union on a scale that dwarfs the espionage efforts of all other nations combined, the United States cannot even exclude her sworn enemies from defense plants, insist on a simple oath of loyalty to the Constitution among federal employees, or—if the abolitionists have their way through this jurisdiction-transfer sleight of hand—even maintain a single Committee of its national parliament to investiagte these matters full-time!

Such a move will be one more abdication of responsibility by the government. For the prime responsibility of government, as any political theorist knows, is to provide for the safety of the country's citizens from all enemies, foreign and domestic. Without this precondition, all the other welfare and education programs are meaningless. It is impossible to write a law dealing with the problem of domestic security when one knows nothing about that problem; yet, here we have a Select Committee of the Congress apparently ready to abolish, under the guise of reorganization, the one Committee that can give the problem the attention it deserves and thereby provide a sound factual basis for legislation. In the name of "efficiency" we are to act in ignorance.

Mr. Bolling, I write both as a law professor and as a private citizen. As a lawyer I am troubled that your Select Committee seems ready to adopt the fallacious romanticism of libertarian absolutists who think we can get something for nothing, viz., domestic tranquillity without working for it, liberty without the price of eternal vigilance. Lawyers know that in the real world the man who promises you something for nothing almost always plans a fraud. And the history of our real world in this century shows that free societies are not self-perpetuating through sheer momentum, but rather that they must develop continuing institutions to deal with the varieties of security threats as they develop.

As a private citizen I am outraged that the Congress may be on the brink of abolishing a standing Committee by subterfuge, a Committee that enjoys the strong support of a vast majority of the American people, despite sometimes ragged performance of its lineal ancestor and the intense controversiality of its mandated field. I challenge those inclined to kill the Internal Security Committee under the guise of transferring its jurisdiction to put the matter to the public first by announcing their intention through such forums as press conferences, floor speeches, and so on; to allow a few months for public opinion to develop; and then to have a straight up-or-down vote on the matter. Of course, such a stand-up-and-be-counted approach would be less traumatic if your Committee would endorse the sensible Ichord compromise, which would clarify the mandate and collect the disparate security functions where they belong under one Committee's investigative and oversight control.

But whatever you do, for God's sake do it above-board, openly, and honestly. When my little child began to put her hand in the cookie jar when she thought no one was looking, I insisted that she pretend Mommy and Daddy were right there, watching, and then ask herself whether she'd do something like this, which she claimed she didn't know was wrong. Similarly, I think some people in Congress have their hands in the cookie jar on this matter and I wonder why they're afraid to do it with the American people watching.

Sincerely,

WILLIAM A. STANMEYER,
Associate Professor of Law, Georgetown University Law Center.

LITHUANIAN INDEPENDENCE DAY

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HUDNUT. Mr. Speaker, on February 16, Lithuanian-Americans and Lithuanians throughout the world commemorated the 56th anniversary of the establishment of the Republic of Lithuania. I am pleased to join in paying recognition to this event. Ironically, the only country in which Lithuanians were unable to celebrate this historical occasion was in Lithuania itself, because of the continuing subjugation and oppression by the Soviet Union.

For 22 years, from February 16, 1918, until June 15, 1940, the nation grew and prospered before it was overrun and engulfed by Communist forces during World War II. It is to the everlasting credit of the U.S. Government that we have steadfastly maintained a policy of nonrecognition of the forceful incorporation of Lithuania and the other Baltic States of Latvia and Estonia into the Soviet empire. The courageous people of the Baltic States are still risking their lives in their quest for freedom.

We applaud the great efforts of people of Lithuanian descent in the United States who have kept alive the cause of liberty since 1940 for their countrymen at home. Tyrants in world history have not permanently enslaved nations and I predict the day is not too far distant when Lithuania, as well as Latvia and Estonia, will again take their position in the world with freedom, independence, and self-government.

STATEMENT: U.S. ASSISTANCE TO THE ARABS, 1968–73

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. LONG of Maryland. Mr. Speaker, I have gathered certain information on U.S. assistance to Arab Nations from 1968–73—especially prior to the Yom Kippur war—which I would like to share with my colleagues. I am therefore inserting several tables detailing my findings together with a statement explaining those tables:

STATEMENT: U.S. ASSISTANCE TO THE ARABS, 1968–73

I. SUMMARY OF THE DATA

A. Introduction: United States foreign policy in the Middle East has not been what it appeared to be. As the figures that I am presenting to you today will show, the U.S. provided more assistance to the Arab arms buildup that preceded the October, 1973, Yom Kippur war than did the Russians, generally thought to be the principal Arab supporter.

Taking the 11 Arab countries that participated in some way in the Yom Kippur war (Jordan, Saudi Arabia, Libya, Morocco, Tunisia, Syria, Iraq, Kuwait, Egypt, Algeria, and the Sudan), one finds that from 1968–73 (prior to the Yom Kippur war) total U.S. assistance to the Arabs was 2.4 times total Russian assistance to the Arabs over the same period.

B. Direct U.S. contributions to the Arab arms buildup—1968–73. Total direct contributions—$1927 million (Table I).

1. U.S. arms supplies (see Table I).

From FY 1968–FY 1973, U.S. arms supplies to Arab countries totaled $803 million. Included are figures for the Military Assistance and Security Supporting Assistance programs and figures for deliveries of arms sales.

2. U.S. bilateral economic aid to the Arabs (Table I).

From FY 1968–FY 1973, U.S. bilateral economic aid to the Arabs amount to $868 million. This economic assistance came from AID programs, the Food for Peace program, Export-Import Bank loans, and other official loans.

3. U.S. share of multilateral aid to the Arabs (Table I).

Total multilateral aid to the Arabs from FY 1968–FY 1973 was $914 million. Most of this aid came from the World Bank and the International Development Association (IDA) in which the U.S. share is 28%. Therefore, the U.S. share of multilateral aid to the Arabs was estimated to be $256 million, or 28% of the total.

C. "Invisible U.S. foreign aid to Arab countries—Tax credits claimed by American oil companies on Arab oil royalties, 1968–1973 (see Table II)

1. Total tax credits claimed by U.S. oil companies on royalties to Arab oil producers from 1968–73 are estimated to have been $7.025 billion.

This $7 billion estimate is probably low. First, Arab oil production has jumped sharply since 1968. Thus, 56%, as the estimated part of total foreign tax credits claimed by American oil companies that go to Arab oil producers, may well be low. Second, both oil prices and the take per barrel by Arab governments have jumped considerably since 1971. Therefore, foreign tax credits claimed by American oil companies for Arab royalties in 1972 and 1973 should be substantially higher than the 1971 level. However, the 1971 level of tax credits was used to estimate "invisible foreign aid" to the Arabs for 1972 and 1973.

I.C. 2. Question: Are U.S. tax credits for Arab oil royalties "invisible foreign aid" or simply part of a higher price per barrel which the U.S. is willing to pay for Arab oil?

Response: The U.S. system of dollar-for-dollar tax credits for royalties paid to Arab governments has enabled American oil companies to continue high levels of investment in the Arab oil states. This investment has led to higher levels of production and, with greater reliance by the West on Middle East oil, has greatly increased Arab oil revenues.

A different U.S. tax policy would have encouraged more development of domestic resources and would have averted increased dependence on imported oil.

In fact, it is probable that the United States encouraged these massive investments in Arab oil countries by helping the Arabs write appropriate tax laws. (See quotation at end of statement entitled, "United States Government Role in Establishing Invisible Foreign Aid.")

These U.S. tax credits for royalties paid to Arab governments divert dollars from the U.S. Treasury to Arab treasuries through the American oil companies. There is no incentive for American firms to resist Arab royalty increases. In fact, an increase in royalties may help shield from U.S. taxes other foreign operations of the companies, such as refining and shipping—for years to come.

D. Russian assistance to Arab Nations from 1968–73 (see Tables III and V)

1. *Russian arms supplies to Arabs (see Table III).*

From 1968–73, Russian arms supplies to the Arabs were estimated to have been $2.6 billion, not including the Soviet re-supply of Arab armies during and after the Yom Kippur war.

This $2.6 billion estimate is probably low, for it uses the annual average of arms imports from 1968–71 as a base for estimating total Russian arms imports from 1968–73. However, Russian arms supplies increased substantially in 1972 and 1973 as the Arabs prepared for the October, 1973, war.

2. *Russian economic aid to the Arabs (see Table V).*

Russian economic aid to the Arabs from 1968–73 came to $1.1 billion. Among the four largest recipients (1968–72) were Egypt, Syria, and Iraq, the three major Arab belligerents in the October, 1973, war.

3. *Total U.S. assistance to the Arabs compared to total Russian assistance to the Arabs (see Summary Table).*

Total U.S. assistance to the Arabs, 1968–73, was $8.95 billion. Total Russian assistance over the same period was $3.7 billion. Thus, total U.S. assistance to the Arabs was 2.4 times total Russian assistance.

E. U.S. Economic aid to the Soviet Union, 1972–73.

1. The figure of total U.S. assistance to the Arabs of $8.95 billion does not even include $1.1 billion in various forms of economic aid which the U.S. has provided to the Soviet Union over the last two years:

(a) $316 million in Export-Import Bank loans with associated private financing and

(b) $750 million in Commodity Credit Corporation loans over 3 years (July, 1972–July, 1975).

I. E. 2. The Soviet economy has been starved for decades in order to build up a vast military machine. Therefore, this $1.1 billion in U.S. economic aid enabled the Soviets to avoid shifting resources from military expenditures to agriculture and industrial development and thus enabled the Soviets to give more aid to the Arabs than would otherwise have been possible.

II. Proposed actions

In general, we must rethink American foreign policy, especially in the Middle East. We must weigh the effects of our actions toward other countries such as the Soviet Union, on our Middle East policies.

We must revise our tax policies, as they affect oil.

A. First, I am calling for an International Conference to Limit Military Assistance and Arms Sales, especially to the Middle East. I have introduced a resolution in the House under the terms of which the United States would call such a Conference and would use all its influence to secure agreement by arms exporters to a substantial reduction of arms shipments, arms aid, and military training to the Middle East.

Why is such action needed?

Because the oil revenues pouring into Arab countries are creating an explosive situation. European nations, such as Britain and France, are begging the Arabs to barter arms for oil. Russia is always willing to sell arms. Thus, the Middle East arms race will accelerate.

The higher the price of oil, the more valuable are the untapped oil supplies, and the more insecure these Arab countries will become. Conflict may erupt among the Arab countries themselves.

Finally, another Middle East conflict may ignite World War III.

What pressure can we bring to bear? We can withhold further economic concessions to the Soviet Union—grain sales, loans for truck factories, supply of computer technology, etc.—until the Soviets are willing to help us calm tensions in the world, especially in the Middle East.

B. The second thing we must do is to change our tax policies in regard to oil to stop encouraging U.S. investment capital to go abroad.

I have just introduced a bill to eliminate U.S. tax credits for oil royalties paid by American firms to foreign governments, thus ending the major source of our assistance to the Arabs and providing an incentive for oil companies to develop domestic energy resources.

In October, 1973 I introduced a resolution calling for long-term solutions to our energy problem by increased domestic exploration and development of alternative energy sources.

U.S. GOVERNMENT ROLE IN ESTABLISHING "INVISIBLE FOREIGN AID"

"In fact when Saudi Arabia initiated an income tax they received considerable help in drafting of the tax legislation from the American government so that the tax could be used by American firms as tax credits, thus initially transferring tax revenue from the U.S. Treasury to the Saudi Arabian government rather than increasing the total tax burden of the oil companies."

From *United States Taxation and the Incentive to Develop Foreign Primary Energy Resources*, Glenn P. Watkins, Harvard University, prepared for Ford Foundation Energy Project, July, 1973; pp. 35–36 (citing J. E. Hartshorn, *Politics and World Oil Economics*, Praeger, 1967, pp. 198–200).

SUMMARY TABLE—COMPARISON OF U.S. ASSISTANCE AND RUSSIAN ASSISTANCE TO ARAB NATIONS, 1968–73

A. U.S. ASSISTANCE TO ARAB NATIONS

1. U.S. arms supplies, economic aid, and U.S. share of multilateral aid (28%), FY 1968–FY 1973: (Table I), $1927 million.

2. U.S. "invisible foreign aid" to Arabs—tax credits for Arab royalties (Table II), $7025 million.

Total U.S. assistance to Arabs, $8952 million.

B. SOVIET ASSISTANCE TO ARAB NATIONS

1. Soviet arms supplies—not including Soviet arms resupply during and after Yom Kippur war (Table III), $2603 million.

2. Soviet economic aid—with estimated figure for 1973 (Table V), $1104 million.

Total Soviet assistance to Arabs, $3707 million.

C. COMPARISON OF U.S. AND SOVIET ASSISTANCE TO ARABS—1968–73

U.S. assistance to Arabs equals $8952 million equals 2.4

Soviet aid to Arabs equals $3707 million.

Thus, total U.S. assistance to Arabs (1968–73) was 2.4 times total Russian assistance to the Arabs over the same period.

TABLE I.—U.S. ARMS SUPPLIES, U.S. ECONOMIC AID, AND MULTILATERAL AID TO 11 ARAB NATIONS, FISCAL YEARS 1968-73[1]

[Figures in millions of dollars]

Country	U.S. arms	U.S. economic aid	U.S. share of multilateral aid	Total U.S. direct assistance
Jordan	$370.5	$73.8	$12.3	$456.6
Saudi Arabia	302.7	25.4	1.3	329.4
Libya	65.2	4.3	1.2	70.7
Morocco	39.4	315.3	70.4	425.1
Tunisia	17.7	272.5	51.5	341.7
Syria	3.7	1.0	11.8	16.5
Iraq	1.8	1.5	38.6	41.9
Kuwait	$1.2	0	$0.5	$1.7
Egypt	.7	$104.6	36.3	141.6
Algeria	.1	42.4	14.7	57.2
Sudan	.1	26.8	17.4	44.3
Total	803.1	867.6	256.0	1,926.7

[1] Multilateral aid figures are from fiscal years 1968-72 with figures for the World Bank/IDA through fiscal year 1973. Iran is not included in these figures because although it is a Moslem State it is a non-Arab State and did not participate in the recent Mideast conflict. It should be noted, however, that Iran has maintained a hard-line policy on oil prices and supply. Lebanon is not included as it has not been a participant in the most recent conflicts.

Sources: 1. U.S. arms supplies: (a) "U.S. Overseas Loans and Grants," July 1, 1945-June 30, 1972; AID publication (May, 1973); for security supporting assistance and military assistance (MAP) funds, fiscal years 1968-72. (b) "Military Assistance and Foreign Military Sales Facts," May 1973, Department of Defense; for fiscal years 1968-72 deliveries of government-to-government cash and credit arms sales: pp. 21-22. (c) Congressional Liaison, Department of Defense; for commercial arms sales deliveries, fiscal years 1968-73 and fiscal year 1973 foreign military sales (FMS) deliveries. (d) "Senate Hearings on Foreign Assistance and Related Programs Appropriations, fiscal year 1974," pt. II, pp. 1333-1386; for military assistance program (MAP) funds and security supporting assistance funds for fiscal year 1973. 2. U.S. economic aid: (a) "U.S. Overseas Loans and Grants, July 1, 1945-June 30, 1972," cited in 1(a) above; for all figures through fiscal year 1972. (b) "Senate Hearings . . . fiscal year 1974," cited in 1(b) above; for economic aid for fiscal year 1973. 3. Multilateral aid (U.S. share): (a) "U.S. Overseas Loans and grants, . . ." cited in 1(a) above; pp. 177-196, for fiscal year 1968-72. (b) "World Bank/IDA annual report, 1973" for World Bank/IDA fiscal year 1973 figures. (c) "Senate Hearings . . . . fiscal year 1974," cited in 1(d) above, pt. 2 p. 1436 for U.S. share in World Bank/IDA.

TABLE II—ESTIMATE OF FOREIGN TAX CREDITS CLAIMED BY U.S. OIL COMPANIES FOR ARAB OIL ROYALTIES TO LIBYA, IRAQ, KUWAIT, AND TO SAUDI ARABIA (1968–1973)

SOURCE: "Taxation of Income of Multinational Corporations: The Case of the U.S. Petroleum Industry," Glenn P. Jenkins and Brian D. Wright, Harvard University, January, 1974, an unpublished manuscript.

1. Foreign tax credits claimed by U.S. oil companies for oil royalties to four Arab countries in 1968

Libya, $262.37 million.

Iraq, $14.97 million.

Kuwait, $182.01 million.

Saudi Arabia, $443.54 million.

Total, $902.89 million.

$903 million is 56% of total foreign tax credits claimed in 1968 by U.S. oil companies ($1609.36 million).

2. Estimate of foreign tax credits claimed by U.S. oil companies for royalties to four Arab countries above—1968–1973

a. take 1968 figure of $0.903 billion.

b. take 56% of total foreign tax credits claimed by U.S. oil companies, 1969–1971 (total figures from IRS).

c. use 1971 figure for 1972–1973.

d. thus total . . .

1968, $0.903 billion, 56% of $1.609).

1969, $0.996 billion, (56% of $1.779).

1970, $1.019 billion, (56% of $1.820).

1971, $1.369 billion, (56% of $2.444).

1972, $1.369 billion.

1973, $1.369 billion.

Total, $7.025 billion.

TAX CREDITS AS FOREIGN AID

1. U.S. tax credits for royalties paid to Arab governments have enabled American oil companies to continue high levels of investment in the Arab oil states. This investment has led to higher levels of production and, with greater reliance by the West on Middle East oil, has greatly increased Arab oil revenues.

A different U.S. tax policy would have encouraged more development of domestic resources and would have averted increased dependence on imported oil.

2. In fact, it is probable that the United States encouraged these massive investments in Arab oil countries by helping the Arabs write appropriate tax laws.

3. These U.S. tax credits for royalties paid to Arab governments divert dollars from the U.S. Treasury to Arab treasuries through American oil companies. There is no incentive for American firms to resist Arab royalty increases, as an increase in royalties may help shield from U.S. taxes the companies' other foreign operations.

TABLE III—RUSSIAN ARMS SUPPLIES TO ARAB NATIONS 1968–73

Source: U.S. Arms Control and Disarmament Agency report, "The International Transfer of Conventional Arms," (A Report to the Congress Pursuant to Section 302 of the Foreign Relations Authorization Act of 1972 (P.L. 92–352)), September, 1973.

A. How figure of total Russian arms supplies to Arab nations, 1968–73, was arrived at.

1. From Table III of ACDA report, obtained proportion of total arms imports (1961–71) by each country that were supplied by Russia:

Note: Figures in millions of dollars.

Egypt, $2,080 Russian arms out of $2,197 total arms equals 90 percent.

Syria, $388 Russian arms out of $443 total arms equals 88 percent.

Iraq, $632 Russian arms out of $760 total arms equals 83 percent.

Libya, $60 Russian arms out of $210 total arms equals 29 percent.

Morocco, $10 Russian arms out of total arms of $125 equals 8 percent.

Algeria, $286 Russian arms out of $311 total arms equals 92 percent.

Sudan, $63 Russian arms out of $136 total arms equals 46 precent.

Jordan, $0 Russian arms out of $289 total arms.

Saudi Arabia, $0 Russian arms out of $322 total arms.

Tunisia, $0 Russian arms out of $46 total arms.

Kuwait, $0 Russian arms out of $46 total arms.

2. From Table II in ACDA report, took total arms imports from 1968–71 and divided by 4 to obtain annual average of arms imports by country.

Then multiplied country annual averages by 6 to estimate total arms imports to each country for 1968–73 from all suppliers.

Finally, multiplied estimated total arms imports (1968–73) for each country by proportion of total arms flows to each country from 1961–71 that were Russian to obtain estimated total Russian arms flows (1968–73) to Arab countries.

Egypt, $1,679 million in Russian arms, 1968–73.

Iraq, $375 million in Russian arms, 1968–73.

Syria, $324 million in Russian arms, 1968–73.

Libya, $77 million in Russian arms, 1968–73.

Algeria, $94 million in Russian arms, 1968–73.

Morocco, $4 million in Russian arms, 1968–73.

Sudan, $50 million in Russian arms, 1968–73.

Total, $2,603 million in Russian arms, 1968–73.

TABLE IV—U.S. ARMS SUPPLIES, U.S. ECONOMIC AID, AND MULTILATERAL AID TO ISRAEL, FY 1968–FY 1973

U.S. arms supplies, $1352.6 million.

U.S. economic aid, $420.5 million.

U.S.share of multilateral aid, $34.4 million.

Total, $1807.5 million.

P.S. total multilateral aid to Israel, ($122.7 million).

Sources: same as those cited on Table I.

TABLE V—SOVIET ECONOMIC AID TO ARAB COUNTRIES, 1968–1973

Algeria, $189 million.

Morocco, $44 million.

Sudan, $42 million.

Egypt, $196 million.

Iraq, $365 million.

Syria, $84 million.

Kuwait, $0.

Libya, $0.

Saudi Arabia, $0.

Jordan, $0.

Tunisia, $0.

Total ('68–'72), $920 million.

Estimated 1973 Soviet economic aid, $184 million.*

Total Soviet economic aid to Arabs, 1968–73, $1104 million.

Source: "Communist States and Developing Countries: Aid and Trade in 1972," State Department, Bureau of Intelligence and Research, Table 2.

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*1973 Soviet economic aid to Arabs was estimated by dividing total Soviet economic aid to Arabs, 1968–72 by five to obtain annual average. This annual average ($184 million) was added to the 1968–72 total to obtain total Russian economic aid to Arabs, 1968–73.

THE CLAMOR TO DRIVE NIXON OUT

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HANRAHAN. Mr. Speaker, we are all experiencing trying political times these days. We are hearing the term impeachment from both local and national press sources, and from the folks back home. The Chicago Tribune ran, on February 7, an article by Nick Thimmesch which I think my colleagues may find of interest. I submit that article for inclusion in the RECORD.

THE CLAMOR TO DRIVE NIXON OUT

(By Nick Thimmesch)

WASHINGTON.—The air crackles here with demands for impeachment, and sometimes I hear other cries underneath and behind that urging—cries like finish him off, run him out, hang him.

Richard Nixon's enemies, and they are legion, sniff blood. The other day, Father

Robert Drinan, Society of Jesus, and Democratic congressman from Massachusetts, announced that he got a telegram reading, "If you can't impeach him, exorcise him"—thus a constituent suggests that the President is possessed of Satan.

The clamor for the End of Richard Nixon is on bathroom walls and bumper stickers. The cruelest cartoons and marked-up photographs imaginable splash the walls of congressional offices. In a very real sense, we are in a time comparable to the worst hours of the Joe McCarthy era, for reason is diminished and passion flows freely. Then [when I was a college boy] and now, the hope must be that the reasonable will win out.

The difference between that hysterical period and now is that one man, then, a pirate on horseback, Joe McCarthy, flailed against the world, and now a world of opponents flails against one man, Richard Nixon. Where have all civil libertarians gone?

Well, the American Civil Liberties Union [which we all need] mounted and now conducts a huge campaign to oust Nixon, cluttering the mails with repetitive urgings and items like "Impeachment Speakers' Kit." The mighty AFL–CIO pours money into the impeachment effort. Other liberal groups mount campaigns like World War II generals.

Indeed, the press, which has pursued the Watergate story relentlessly [as it should have] now finds itself a victim of its own momentum; and for many in the press there is a vested interest in getting Nixon's head, to say nothing of his entrails.

Interestingly enough, the body which must first consider impeachment, the House of Representatives, isn't so noisy about all this. On the Senate side, some members refuse to discuss it on the logical grounds that they might have to vote on it one day.

Others have spoken out, and thus foreclosed impartiality. Sen. Edward Kennedy [D., Mass.] declared if Nixon denied access to Presidential tapes and Congress didn't impeach him, "It would be Chile, really, without the bloodshed." Sen. George McGovern [D., S.D.] declared: "Nixon should be impeached in order to save the country." Sen. Edmund Muskie [D., Me.] urged the House to impeach because "What the President has done threatens to destroy our system." Sen. Birch Bayh [D., Ind.], supposedly judicial, vowed that if Congress can't legislate itself a new Watergate prosecutor then Congress would have no alternative but impeachment.

Tho the aforementioned Father Drinan is often flamboyant, his resolution of impeachment [July 31, 1973] amounted to a plausible case for impeachment on a *political* basis without any evidence of crimes being necessary. Thus far, there is no evidence of Nixon committing any crimes. [Father Drinan, by the way, says he is available for weddings, baptisms, impeachments, but not for exorcisms.]

Anyway, when the yelling and rhetoric get too one-sided, reliable, classic liberals often stand up to defend the accused.

Murray Kempton, a long-time, respected sheriff over liberal behavior, recently observed on a CBS Spectrum commentary that "we seem to have entered one of those periods when virtuous men feel driven toward quite vicious devices." Kempton, while sharing the impulse to impeach Nixon, deplored the character of the ACLU campaign and its stampede-the-Congress tactic. He wondered whom Congress was moving too slowly for—"some mob of the moral betters of the accused"—and noted that "polluting is a very dubious remedy for pollution."

Columnist Milton Viorst, likewise no Nixon fan, wrote that the Nixon impeachment crisis is "also exposing some of the worst characteristics of some of his persistent enemies." Viorst went on "I wish the ACLU would go back to worrying about civil liberties. I wish the National Committee for an Effective Congress would refocus its attention to the effectiveness of Congress. I'd be happy if the Americans for Democratic Action thought a little more about democracy.

"As for Common Cause, I have the feeling that its cause—the impeachment of Richard M. Nixon—has become so common that it's humdrum. I admired the organization more when it was more selective in its goals." Impeachment is "an act of religious devotion," for these liberal organizations, Viorst concluded.

That is quite an army lined up against Nixon. Three Watergate grand juries, the composition of each unfriendly to Nixon. A House Judiciary Committee chairman, Peter Rodino [D., N.J.], who accepted a whopping $31,000 campaign contribution from AFL–CIO unions, which are fierce to impeach Nixon, and who must answer to a largely anti-Nixon constituency back in Newark.

The Senate Watergate committee, which is hardly leakproof, and is loaded with money and lawyers. And the special prosecutor's office, far better on confidentiality, but also loaded with money and legal talent.

If it all gets too lopsided against the President, people living in the more rational sections of the U.S.A. might react against this overkill clamor we have here, and Nixon might wind up in a briar patch.

DISASTER BRINGS HAPPY ENDING FOR VETERAN

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HAMMERSCHMIDT. Mr. Speaker, on January 13, 1974, the Arkansas Democrat carried a story about a disabled Vietnam veteran that I would like to share with my colleagues. While the circumstances which prompted the article by Mr. Jerry Dean, staff writer for the Democrat, brought havoc to the community of Conway, Ark., the article singles out that some good may sometimes come from tragedy. Following a tornado that struck his mobile home on November 22, 1973, the future looked bleak for veteran Gary Speer even though his wife and 3-month-old baby were spared. Through the cooperative efforts of the Little Rock office of the Veterans' Administration and the Arkansas National Alliance for Business, Gary Speer and his family are, I am happy to say, on the road back—building for the future. I think it is noteworthy that some 3 years ago, President Nixon recognized the need to enlist the support of the private sector of our economy through the Jobs for Veterans National Committee to assist the returning Vietnam veteran. This effort has resulted in thousands upon thousands of Vietnam veterans throughout the country realizing the American dream of getting good jobs and building for the future. I want to take this opportunity to thank the President of the United States for his foresight, Mr. James Oates, Chairman of the President's Jobs for Veterans Committee, and Donald E. Johnson, Administrator of Veterans' Affairs, and the thousands of dedicated employees that comprise these organizations for the splendid job they are doing as partners to assist America's veterans. The article is as follows:

Ill Wind Blows Some Good for Vet—Destruction of Mobile Home Leads to Job

(By Jerry Dean)

An extremely ill wind blew some good fortune in the direction of 26-year-old Gary Speer of Conway recently, shortly after a tornado destroyed his mobile home on Route 4 near that city.

Speer, a disabled veteran, occupied the mobile home with his wife and three-month old child. When the twister struck Nov. 22, Speer said, he was just completing the paperwork that would have allowed him to begin a workstudy program at a Little Rock electronics school.

"I heard the wind rising outside, but I didn't think much about it at first," Speer said. "Then it began coming in gusts, and I went to the window to look out. Couldn't see a thing."

SUMMONED WIFE

Speer said he called his wife to bring the Speers' child and told them to lie down with him in the middle of the floor.

"The next thing we knew, we were tossed in the air," Speer said. He said the 55-foot mobile home landed on its top about 30 feet from where its foundation blocks were still intact.

The only injuries sustained by the Speers were a few bruises. The child was uninjured.

ALTERS PLANS

Speer, a Nebraska native, said he counted his family fortunate that they had relatives and friends in Conway to assist them in recovering after their trailer was demolished. An insurance policy quickly replaced the mobile home, but the disruption drastically altered Speer's plans.

He said he felt he had to have a full-time job to help recover financially from the near-disaster, and so he wrote the Veterans Administration office in Little Rock to tell them his situation had changed and that he wanted to postpone his VA-funded 25-month training program until he had regained his footing.

A VA counselor talked with Speer Dec. 13, and learning that Speer was looking for a good job, referred Speer's situation to Charles Parsley, acting state director for the National Alliance of Businessmen.

Parsley is a Southwestern Bell Telephone Co. official "on loan" to the alliance for one year to help administer the state's part of a nationwide program which helps veterans and disadvantaged persons obtain jobs.

Parsley contacted about 16 of the 130 member businesses in Arkansas before learning that his own firm had a vacancy in Little Rock for an employe with Speer's experience.

Speer said he was anxious to have the job, and the battery of tests he took showed him to have a high clerical aptitude.

He started work for Southwestern Bell as a service results clerk shortly before Christmas. After only one week of on-the-job training, Speer's supervisor, Cedric Williams, said that Speer had "shown an excellent degree of accuracy" in his work.

Speer now handles tabulations of telephone service operations for the Pine Bluff area.

At the time Speer wrote to the VA, that agency was participating in a random 20 per cent sampling of Vietnam War veterans who were questioned regarding any problems they might be having in employment, education and other areas.

GIVEN PRECEDENCE

A VA spokesman said that Speer was not one of those responding to the questionnaire, but that his situation had a sense of immediacy that gave it some precedence.

Speer's future now seems far brighter than it did a month ago. He and his family are re-established in a new mobile home near Conway; he has a good job and a car pool in which to commute; and he plans soon to reapply for VA benefits that will allow him to begin taking night courses in psychology at State College of Arkansas.

Parsley said that after Speer had been a Bell employe about six months, he would become eligible to participate in a program in which that firm pays a portion of its employes' tuition for study in job-related fields. Speer also is eligible for VA benefits.

JOBS LOCATED

Parsley said that the VA, NAB and state and federal employment agencies had helped locate jobs for 970 disadvantaged persons and 567 Vietnam War veterans at Arkansas NAB-member companies since July 1973.

Parsley said that the goal was now to help 1,600 disadvantaged job seekers, 400 veterans and 40 disabled veterans to find jobs by June 30.

The NAB works with the federal Labor Department and the state Employment Security Division in locating jobs. Jim Lloyd of Little Rock is the state ESD-NAB coordinator. He is assisted by ESD Russellville employe Harold Thomas and state JOBS program coordinator Pete Riegler of the ESD Manpower Training Office at Little Rock.

Veterans seeking job-locating assistance in Arkansas may contact the VA at 378-5971 in Little Rock or the state Veterans Service Office at 378-5680. Others seeking employment assistance should call their local state Employment Security Division office.

Employers wishing to hire veterans or disadvantaged persons may contact the NAB office at 374-3755.

EXPORT-IMPORT BANK QUESTIONED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ASHBROOK. Mr. Speaker, with the recent financial support by the U.S. Eximbank of the Soviet Union, many who have not questioned this institution previously are beginning to. I am one who has raised questions about this institution which is subsidized by the American taxpayer. A recent column by Thomas A. Lane entitled "Eximbank Bleeds U.S. Taxpayer" raises many interesting points and should be given consideration by all concerned with the present policies of the U.S. Eximbank.

At this point I include in the RECORD this thought-provoking column:

[From Public Affairs, Jan. 2, 1974]

EXIMBANK BLEEDS U.S. TAXPAYER

(By Thomas A. Lane)

Recent reports indicate that the U.S. Export-Import Bank, which was established in the depression year of 1934 to promote exports to the recently-recognized Soviet Union and which now is doing a world-wide business, made direct loans of $2.4 billion in fiscal year 1973. The bank financed U.S. exports for such projects as an Algerian gas facility and a Russian truck factory, charging 6% interest even when the prime rate was up to 10%. The U.S. exporter simply goes to his own bank which then arranges the Eximbank loan to the foreign buyer. Eximbank grants a credit to the commercial bank which pays the U.S. exporter. Thus the U.S. exporter is promptly paid in dollars, the U.S. bank is cut in on the deal, the foreign importer gets a subsidized interest rate; so all these patricipants in the transaction are happy with the arrangement.

Who pays the interest subsidy? The U.S. taxpayer does through Treasury grants to the Eximbank. If the buyer defaults, who takes the loss? Again, it is the taxpayer who takes the loss.

How would you like to be in a business in which the government paid you in full for all sales and accepted the responsibility for collecting all accounts due? Would you be happy if in addition the government offered your customers a rate of interest 4% below the going rate? Wouldn't you think that a government which did this was pretty stupid?

Why is the prime rate at 10%? When Congress is depreciating the dollar at 5% per year, you have to charge 10% to make five. If a buyer borrows dollars at 6% for five years, and in that period the dollar has depreciated 25%, the buyer has only paid 1% per year for his loan.

In this system, the U.S. exporter has nothing to lose by sales to bad credit risks. The U.S. commercial bank has nothing to lose. The inclination therefore under our profit system is to sell products to anyone who will sign a loan agreement which you can run by the Eximbank. Irresponsibility is rewarded. A recent counsel for the bank has charged bank directors with approving bad loans under pressures from President Nixon and Dr. Kissinger.

It is an old story. Public money is nobody's money. As a sense of civic responsibility declines, the public money is used to private advantage. But more than that, the reckless profligacy of the Congress in providing funds for such purposes undermines the sense of civic virtue in our government.

The whole concept of the Eximbank is destructive of our political order. It places in government an authority which government cannot administer prudently and should not have. It is against the public interest to charge public officials with evaluating the risks of international trade. It is the proper responsibility of the corporations engaged in this trade to make the judgment, to charge suitable rates of interest according to the risk involved, and to negotiate the terms of payment.

In this operation, the inside operators of international trade have arranged a bonanza for themselves at the expense of the defenseless taxpayer. Whatever the depression purpose may have been in the thirties, the bank has long outlived its usefulness. Let our private bankers set up their own Export-Import Bank and charge an adequate interest rate to cover the risks involved. Let them depend on their own judgment of who is entitled to credit.

Congress should close the bank forthwith, putting industry on notice that there will be no loans nor guarantees after fiscal year year 1974.

WHERE, BUT IN AMERICA!

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. BRAY. Mr. Speaker, on Sunday, February 17, I had the privilege of speaking at the dedication of the Frank E. McKinney Southside Boys' Club in Indianapolis.

Few persons have accomplished more in a life span of 69 years—a life accomplishment that could only occur in America.

Frank M. McHale, another great Hoosier and a lifetime friend of Frank McKinney wrote the following tribute to him and I want to take this opportunity to share it:

FRANK E. MCKINNEY—1904–74

Frank E. McKinney—a great Hoosier. His achievements were many. He was:

A bank messenger who became Chairman of the Board, Chief Executive Officer and principal stockholder of Indiana's largest bank;

A high school drop-out who became Chairman of the Board of Trustees of Indiana University;

A precinct Committeeman who rose to be National Chairman of the Democratic Party;

A Hoosier who was appointed Ambassador to Spain;

A Catholic layman who was made a Knight of Malta;

A buck private who became a Colonel;

A sandlot baseball player who became the owner of the Pittsburgh Pirates;

A Southside lad who was named the Outstanding Citizen of Indianapolis in 1968;

A recipient of the Boys' Club Horatio Alger Award;

An advisor and consultant to Governors and Presidents;

A devoted husband to a wonderful wife and a concerned parent;

All these he accomplished without losing the common touch. Indianapolis, all of Indiana and the Nation will miss him.

STUDENT BACKS NIXON

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. DERWINSKI. Mr. Speaker, the Prairie Statement, a student publication of the Prairie State College in Chicago Heights, Illinois, printed a very effective commentary by Miss Mary Cummings, a reporter of this publication, in its January 17 issue.

Her article is an interesting summary of the effects of the controversy revolving around the President.

I am pleased to insert her article at this time:

STUDENT BACKS NIXON

(By Mary Cummings)

"Impeach Nixon." "How did he ever get into office, anyway?" "He has got to be the worst president we've ever had."

I have been hearing comments like this for a long time now and I'm not going to "grin and bear it" any more. I think the time has come for someone to speak for Nixon, instead of against him. I have chosen to do that. I imagine by now a lot of people have quit reading this just for the fact that I am not speaking against Nixon and they don't want to hear anything that doesn't coincide with their own opinion. I hope the rest of you hear me out.

First off, I want to make one thing perfectly clear (sorry, but I couldn't resist). I am not a Republican. Nor am I a Democrat. I vote for the man, not the party.

Why are we against President Nixon? Is it because you are a Democrat, do or die and are against any and all Republican presidents? If this is the case, you are the type of person that would no doubt vote for Hitler if he were running on the Democrat ticket. Are you against him because everybody else seems to be and, God forbid, if you are going to be considered "different"? I personally believe that this is true for the majority of the people. I have noticed some people being passive while listening to a "cut-down Nixon" discussion. How strange it is that that person will then speak up and throw in a single remark that they know will get a laugh or two. But, then, some people will do anything for attention.

Or are you against Nixon because of the whole Watergate mess? Because you believe he is "lying" and does "know all"? Do you know if he is lying for a fact? Can you be sure that he knew about the taping going on? This taping business has been going on ever since tape recorders were invented. That was in the newspapers many years ago. Why is it just now being played up? Could it be from hard feelings because a Republican is in office?

Now, about the question of him possibly not knowing that taping was going on. You think "how could the president not know about something like this" and "how could it be kept a secret without him finding out?" There is an analogy to this, though unrelated, still it proves the point somewhat. Have you ever had a surprise party? You did, you say? And was it a surprise? It was? Well, how could you possibly have not known, when under your own roof it was being planned? Or have you ever gotten presents and had no idea what they were til you opened them? Ah ha, but even though they were in the same house, and plans and secrets were going on? What I'm trying to get across to you is that just because this was going on right under his nose, he still might not have known because it was kept so secret; same as your surprise party was.

Because I happen to stand up for Nixon (while most of you have sat down) does not mean I condone this kind of behavior. Not at all. I believe if he is guilty he should be punished for it. However, I don't believe he should be constantly ridiculed for it. I don't think that is fair for any human being, no matter what the crime is, because by then the guilty would already know he had done wrong, and harping on it wouldn't help any.

Those of you who make me the angriest are those who voted for Nixon; were 100 per cent for him, but as soon as he gets in trouble you desert him when he needs your support the most. With this sort of attitude, I'd really hate having you for a friend and I'm sure most everyone else would, too. If you were a true friend, you wouldn't desert me if I were in deep trouble. That would be the time in my life I'd need you more than any other time in my life. I would need your sympathy, kind words, support and help. You would be the kind of "friend" I could easily do without.

One more thing and then I've spoken my piece. Everybody makes mistakes. Every person you see has made mistakes in his lifetime. I admit I have, and I'll be the first to admit this, too. We're only human. President Nixon is only human. He isn't a god or super-human like most of you seem to think. He is a human being, a person, just like you and me who has made mistakes, but can't do anything about them because they are all in the past. We don't dwell on past mistakes, we couldn't do anything about it, anyway. Whatever happens to Nixon, let him be able to forget too. Let him have peace of mind like we do. He isn't the first President who has made terrible mistakes, if he has made them at all, nor will he, unfortunately, be the last.

Until people start to care for their country again, and look up to and support the President no matter what party he is from, will a change ever be made. I hope a change is coming in politics and government, and I only hope I'm still around to see them made.

COMMODORE JOHN BARRY BRIDGE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. EILBERG. Mr. Speaker, the Commodore John Barry Bridge over the Delaware River, which was completed in January of this year, honors the memory of one of America's great naval heroes.

Nearly 4 miles in length, it is the largest cantilever bridge in the United States and the third largest in the world.

The bridge was dedicated on February 1, 1974. At this time I enter into the Record a summary of the speech made on that occasion by John M. Elliott, a member of the Delaware River Port Authority.

REMARKS OF COMMISSIONER JOHN M. ELLIOTT

This Bridge appropriately dedicates the Gateway of the Delaware Valley to Commodore John Barry, the father of the American Navy. John Barry, who shared his home county of Wexford Ireland with President John F. Kennedy, was a large and deserving spirit whose achievements are appropriately memorialized today. John Barry was a contemporary man—a Renaissance man of broad ideas and ideals. Two hundred years ago, Barry's ships of war sailed beneath today's bridge to defeat the enemies of our young nation. John Barry's diplomatic skills sailed to France with Franklin to protect the Alliance which sealed the seas against Cornwallis at Yorktown and won the American Revolution. John Barry's egalitarian spirit encouraged Thomas Jefferson's first draft of the Constitution which courageously sought to abolish slavery 80 years before a bloody civil war seared our national spirit. None less than the great American naval historian, Samuel Eliot Morison reminds us that John Barry's vision led the Pennslyvania Legislature to ratify the United States Constitution on its last day of session.

Today the dedication of this great bridge commemorates John Barry's transcendent spirit. He was a man of war who sought peace. A son of both great states touched by this bridge, John Barry fought on land at Trenton; stored his naval provisions at Chester; and protected the Continental Congress by clearing the British from the mouth of the Delaware River.

Today if Commodore Barry stood at the apex of this bridge, he would easily see Philadelphia, Chester, Camden and the state of Delaware. In doing so, he would view the refineries, the ships, the great industrial complex that was developed and worked by millions of Americans. No doubt, John Barry would especially appreciate the strong dreams and dignified labors of thousands of his fellow Irish-Americans who brought their courage, stability, and vigor to all aspects of our American way of life. John Barry was a man of vision, a man of strength, a man of peace—and as one of our own—we take a special pride in this considerable tribute to his humanity.

SHIFTING THE BLAME

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. GAYDOS. Mr. Speaker, I, for one, am becoming increasingly tired of the advertising compaigns by which the giant oil firms are seeking to blame the current gasoline crisis on the failure of the Government to act in time to avert it.

This is a hollow claim at best. Under our free enterprise system, the companies supplying the needs of the Nation in any one field are presumed to be capable and responsible enough to keep their service functioning.

This has not been the case with the oil firms. They have not provided for the contingencies which their businesses faced. They have allowed this country, which has been so beneficent to them in the way of tax advantages, to fall into a very critical situation.

No amount of advertised alibies can get around this fact. The effort to blame the Government by claiming that warnings were sounded and that Washington failed to act upon them is unjust. I believe, the public will be unpersuaded by such shenanigans.

The so-called warnings may have been issued but, they were discreetly soft-pedaled amidst all kinds of merchandising devices to increase gasoline sales at the service stations and to publicly convince that all was well.

In addition, the petroleum companies, as we now have learned, have been among the largest contributors to the Nixon political campaigns and to others over the last many years. If they were dissatisfied with what the Government was doing, or not doing, about a matter of such importance to them and to all of us, then why were they so anxious to retain in office those they now charge with responsibility for the energy crisis?

The answer, of course, is obvious. It is an attempt to pass the buck. And, I am sure, nobody is going to be fooled by an industry which has failed so badly on its obligation to a nation which has depended upon it and given it every opportuity and advantage to meet what should have been its primary responsibility—that of keeping the fuel flowing.

A 1953 WARNING ON THE ENERGY CRISIS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ARCHER. Mr. Speaker, we are facing an energy crisis. Contrary to what we may read and hear, this energy crisis did not come as a surprise to some people. If we had listened to warnings given years ago, we could have avoided our present situation. One of those individuals who warned us against overdependence on overseas sources of petroleum was a Houston constituent of mine, Mr. J. R. Butler, in his testimony before the House Ways and Means Committee in 1953, a warning given over 20 years ago. I include a copy of this prophetic testimony in the Congressional Record.

EXCERPTS FROM STATEMENT OF J. R. BUTLER

Although most of the time prior to World War II my activity was chiefly concerned with routine production operations, my work during the time just before World War II was directly connected with the planning and engineering behind the new mechanisms just coming into use in this country for the recovery of oil and gas, so that during World War II I was in a position to experience the tremendous responsibilities placed upon the oil producing companies and accepted by them, which resulted in there being made available for our war effort the products used in normal business activities and for normal uses in our war machine. I also witnessed our oil technology meet the necessity to develop rapidly processes to make available to our armed services the ingredients for explosives and rubber and other products which we simply did not have and which we could nowhere else obtain during the early stages of that war.

If this tremendous effort made by the oil industry during the last war and its vital importance to the national welfare are understood, it should be obvious why this national resource can never be allowed to stagnate to the point where it cannot meet any similar demand which might be placed upon it in the future during a similar fight for our life.

I have seen the statistics concerning the volume of crude petroleum available to the world from the Near East Fields. They have over twice the amount of our domestic proven reserves immediately available in the ground. These reserves can be produced much under the cost of what they can be produced for in the United States. Knowing that the natural inclination of many would be to put these products on the market for our use, I see how dependent we might be on Near East and other foreign reserves for our economic existence plus the dependence we have on it in time of war. The Kremlin in plotting the destruction of this country would no doubt encourage greater use of this alien oil in the United States. If this should become a common practice and we become dependent upon it, it would then be a simple matter to deprive us of these reserves. It would then be too late, and the creation of any number of agencies, having any conceivable arrangement of the alphabet for a name, and having any number of billion dollars to spend, and being run by the highest quality of brains in the country, derived from the oil industry or otherwise, will not replace that oil until many years have passed.

I think it is the responsibility of the elected representatives of the people to find an answer to this problem. There can be no merit to saving our reserves for use in case of an emergency because reserves saved are never available. Only oil in commerce is of any value for our defense, for only through the sale of oil can we continue the necessary development."

MR. LARRY BROUSSARD SPEAKS OUT ON: "MY RESPONSIBILITY AS A CITIZEN"

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. TREEN. Mr. Speaker, each year the Veterans of Foreign Wars conduct a "Voice of Democracy Contest." The contest theme for this year was: "My Responsibility as a Citizen." Over 500,000 students from over 7,000 secondary schools participated in this year's 27th annual "Voice of Democracy" program. The competition for the five national scholarships is consequently very fierce.

This year Mr. Larry Broussard, one of my young constituents, who attends Catholic High School in New Iberia, La. had the distinction of giving the winning speech for the State of Louisiana. And he will come to Washington in March, with the other State winners, to compete for one of the national scholarships.

At a time when the viability of our political process is under a barrage of critique, I think we could all do well to reflect on the ideas presented by Mr. Broussard in his speech: "My Responsibility as a Citizen." Mr. Speaker, I therefore, insert this speech in the RECORD at this time:

MY RESPONSIBILITY AS A CITIZEN

"When we speak of patriotism, we generally think of soldiers carrying our flag through gunfire to destroy our enemies. But there are other kinds of patriotism. I think a man or woman who is willing to give time and energy for the betterment of our democratic system is a patriot!"

By these words, attorney Ralph Richards expands the concept of allegiance to country. To him, true citizenship is returning something to a country which gives so much. Steadfast service is patriotism.

All good citizens know that when they have rights granted by our Constitution, they also have equal responsibilities. Rights always carry parallel responsibilities.

Perhaps the greatest responsibility of any good citizen is to inform himself concerning the rights, liberties, and duties given him by the Constitution. He should understand the meaning of "individual liberty" as defined by our Founding Fathers. He should understand that these truly great men established a constitutionally limited power.

A basic principle of our Constitution is that our government is to be limited in its power and duties—limited in its control over the liberties of the people. It was the intent of the Declaration of Independence and the Constitution that the rights of citizens should be secure, and the Federal Government was given "just powers" by consent of the governed. "Just powers" are the powers that the Government should "justly" have because they are given to the Government by the people—by its citizens.

All of us need to understand what the Constitution says about the preservation of rights. It is one's responsibility to understand the intent of the framing Constitutional Convention—to understand this great document as it was explained by Alexander Hamilton, James Madison, and John Jay in a series of essays known as the *Federalist Papers*.

The Government created by the Constitution was a Republic. In this form of government, power rests with the Nation's voters and is exercised by representatives elected by the voters and responsible to them. Nearly all adults are eligible to vote in the United States. Having a "voice" in one's government is what we call a democracy.

Individual liberties and rights are cherished in our country, but these are balanced by our responsibilities. In return for rights and privileges of citizenship, we, as young citizens, have certain duties to perform; moreover, we have a responsibility to prepare ourselves for duties which will be expected of us when we reach maturity.

One of our duties is education: we have to take our studies seriously and apply ourselves to the best of our abilities. Another duty is finance: when we become adults, we will have to pay taxes for the support of our National, State, and local governments. We, therefore, have a duty to study accounts of how public money is spent. This is a phase of economics one should understand so that he will be prepared to support sound programs and vice versa.

This "two-way partnership" idea fits into citizenship in our home, our school, church, local community, State, and Nation. It is our responsibility to live up to the duties, as well as the rights, of a citizen.

ALEXANDER SOLZHENITSYN

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. EILBERG. Mr. Speaker, Alexander Solzhenitsyn is an inspiration to all of us who believe people should be free to speak their minds and express their opinions.

Mr. Solzhenitsyn has been expelled from the Soviet Union because the Government of that country does not dare to let people say what they believe. The leaders of the Russian people are afraid of freedom and they do not know how to deal with a person who refuses not to be free.

Alexander Solzhenitsyn deserves our admiration and applause and we, as a people should do everything we can to make sure he does not suffer any more harassment.

Mr. Solzhenitsyn must now decide where he will live. If he chooses to reside in the United States or to visit this country, I believe we should permit him to enter without delay.

As the chairman of the House Subcommittee on Immigration, Citizenship and International Law, I have asked Attorney General William Saxbe to process any application for entry into this country as quickly as possible. At this time I enter into the RECORD my letter to the Attorney General:

FEBRUARY 13, 1974.

Hon. WILLIAM B. SAXBE,
Attorney General, Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: The press has reported today that Aleksandr I. Solzhenitsyn has been forcibly exiled from the Soviet Union and is presently in West Germany.

Mr. Solzhenitsyn, a Nobel prize winner, has been the object of severe persecution and harassment by the Soviet Government for expressing his beliefs about the actions of that Government.

In the event Mr. Solzhenitsyn applies for conditional entry to the United States under the provisions of section 203(a)(7) of the Immigration and Nationality Act, I request that your office consider this request as expeditiously as possible.

I believe that the circumstances surrounding Mr. Solzhenitsyn's situation bring him within the purview and intent of this section of the Immigration and Nationality Act, to offer entry into the United States to persons who have been forced to depart from a Communist country "because of persecution or fear of persecution on account of race, religion, or political opinion."

With best wishes,

Sincerely yours,

JOSHUA EILBERG, *Chairman.*

PUBLIC'S OPINION OF CONGRESS DECLINES TO 69-21 PERCENT NEGATIVE

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HANRAHAN. Mr. Speaker, on February 12, 1974, the Washington Post ran Harris study poll results on the effectiveness of the President and the Congress in handling various issues facing the country. The results indicate the public opinion; and I think my colleagues, and the leadership in this body, in particular, will find the results of this poll interesting. I would like to submit the text for public in the RECORD:

THE HARRIS SURVEY: PUBLIC'S OPINION OF CONGRESS DECLINES TO 69-21 PERCENT NEGATIVE

(By Louis Harris)

The public's rating of Congress fell to 69 to 21 per cent negative in January, the lowest recorded by the Harris Survey. This is lower than the over-all job rating for President Nixon, also at its lowest point, 68 to 30 per cent negative.

Between Jan. 18 and 22, a cross section of 1,594 households across the country was asked:

"How do you rate the job Congress is doing—excellent, pretty good, only fair, or poor?"

[In percent]

	January 1974	February 1973
Positive (good-excellent)	21	38
Negative (only fair-poor)	69	45
Not sure	10	17

People were also asked:

"Now let me ask you some specific questions about Congress. How would you rate the job Congress has done on (read list)—excellent, pretty good, only fair, or poor?"

[In percent]

	Positive	Negative	Not sure
Handling the Watergate case	19	72	9
Keeping the economy healthy	13	80	7
Handling impeachment proceedings against President Nixon	11	71	18
Handling relations with President Nixon	11	79	10
Inspiring confidence in government	10	82	8
Handling the energy shortage	10	82	8
Keeping spending under control	10	83	7
Controlling inflation	6	88	6

Earlier in January, the Harris Survey had tested public opinion on the President's handling of the same issues. Here is how Congress and the President compare:

[In percent]

	Positive	Negative	Not sure
Over-all job rating:			
Nixon	30	68	2
Congress	21	69	10
Handling Watergate case:			
Nixon	13	82	5
Congress	19	72	9
Keeping economy healthy:			
Nixon	19	78	3
Congress	13	80	7
Inspiring confidence in Government:			
Nixon	17	78	5
Congress	10	82	8
Handling energy shortage:			
Nixon	22	74	4
Congress	10	82	8
Keeping spending under control:			
Nixon	21	74	5
Congress	10	83	7
Controlling inflation:			
Nixon	12	86	2
Congress	6	88	6
Handling relations with (Congress/Nixon):			
Nixon	18	77	5
Congress	11	79	10

The man in charge of the energy situation, William E. Simon, was also rated by the public:

"How would you rate the job done by William E. Simon, the new energy chief excellent, pretty good, only fair, or poor?"

	Total Public
Positive (good-excellent)	26%
Negative (only fair-poor)	35
Not sure	39

NATIONAL DAY FOR HUMILIATION, FASTING, AND PRAYER

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, I am today introducing a joint resolution to proclaim April 30, 1974, as a "National Day for Humiliation, Fasting, and Prayer." An identical resolution, initiated by the senior Senator from Oregon, the Honorable MARK HATFIELD, was unanimously passed by a voice vote in the Senate last December.

The proposal is modeled after similar action taken by Abraham Lincoln in 1863—a year in which the Nation was badly torn apart by civil war. Even though today we are not at war, the mood of the country is not unlike that of 1863. Faith in the leadership of the country continues to deteriorate and the Nation lacks the spiritual foundation that would restore its vision and purpose.

President Lincoln had a profound sense of the sovereignty of God. He knew how the Nation stood accountable to God's judgment. In the midst of the Civil War, the Senate requested and Lincoln responded to resolutions setting aside a day for national humiliation, fasting, and prayer.

One such occasion was on April 30, 1863, 3 months after the Emancipation Proclamation, and 3 months before the Battle of Gettysburg. Seeing the effects of a Nation torn apart, President Lincoln did not appeal to any pretentious image of national self-righteousness; rather he called the Nation to repentance. He believed that only through the acknowledgement of our corporate guilt and confession of national sins could the country regain its national purpose and unity. Lincoln recognized that though the Nation had proposed, "we have forgotten God." Because the Nation had begun to believe that it had flourished through its own superior wisdom and virtue, Lincoln stated:

> It behooves us . . . to humble ourselves before the offended Power, to confess our national sins, and to pray for clemency and forgiveness.

Today, many say we have lost a sense of national purpose, that the country is "sick." There is a growing loss of faith in the leadership of the Nation. We tend to put our country beyond the reach of God's judgment and would rather believe that we merit God's blessing than admit that we stand under His judgment and in need of His forgiveness. But however difficult it is to admit our sin, the evidence of it is all around us, in the personal dilemmas of our lives and in the crises that afflict our Nation. Our refusal to acknowledge our dependence and need for a power beyond ourselves has severely damaged our national soul. I believe that only a national confession of corporate guilt can save us from the worship of our own finite power and the tragedies that this worship creates—we are in need of repentance.

That is why I am introducing a congressional resolution calling for a "National Day of Humiliation, Fasting, and Prayer," incorporating much of the original wording of President Lincoln's resolution. On that day, our government and the other institutions of our society would all cease business as usual so that we all would be free to consider actions appropriate to a time that would symbolize national repentance.

There is hope for a land and a people who have the capacity to recognize their sins and their faults, and turn from them. In so doing, we recognize that past events and present conditions cannot be rationalized or justified; rather they must be repented of, so a whole new way can be sought. This is how individuals and how our land can seek authentic renewal and transformation.

Despite national troubles, like Merrill Lynch, I am bullish on America. I believe 1974 can be a great year of accomplishment on a host of issues—if we can heal our spirits. So it is with hope that I commend to my colleagues in the House this resolution calling for a "Day of Humiliation, Fasting, and Prayer."

HAROLD DUNBAR COOLEY

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ANDREWS of North Carolina. Mr. Speaker, I rise to join the distinguished dean of the North Carolina delegation, the Honorable L. H. FOUNTAIN, and other colleagues in mourning the death in January of former Congressman Harold Dunbar Cooley.

My earliest recollection of political activity was at the age of 9 when Mr. Cooley was 1 of 6 candidates in the Democratic primary for the seat from North Carolina's Fourth Congressional District, the seat I am now privileged to hold.

That was in 1934, and I recall Mr. Cooley's campaign visits to my home county of Chatham and the support he had from my father and my father's friends. In that campaign, the saying went, "Don't you worry, don't you fret, Harold D. Cooley will get there yet."

And get to Congress he did—for 32 years, half of which he served as chairman of the House Committee on Agriculture. His was a distinguished career, and his service to agriculture is especially well remembered and appreciated by his many friends in North Carolina and elsewhere.

In paying tribute to this man whose service in this body spanned the middle third of the 20th century, I realize my personal debts to him.

He more than any other person inspired in me an early and abiding interest in politics and public service. It was my privilege to vote for him more times than I have voted for any other candidate.

Mr. Cooley was especially helpful to me this time last year, when I arrived in Washington, in answering my many questions and, most of all, in letting me stay with him until I found an apartment.

His death at the age of 76 caused in me and many others a deep sense of loss, yet also one of gratitude for him many years of dedicated service. At his funeral in Nashville, the sanctuary of the church was filled. Many others stood outside.

Those there remembered Harold Cooley's service to agriculture, to the Fourth District, to North Carolina, to the United States, and the world.

After the funeral, my office contacted a number of Mr. Cooley's friends, and they have graciously provided some eloquent tributes which I would like to share with my colleagues.

Bailey Williamson, tobacco farmer of Route 1, Knightdale, said:

> As a young boy, I remember the hard fight Harold D. Cooley put up to become a public servant. As a Member of Congress for 32 years, he never quit fighting for the Democratic Party, the farmer, and all causes that were best for his congressional district, his state and this nation.

James A. Shepard, Raleigh realtor, said:

> What I remember most about him was his loyalty to the Democratic Party, regardless of his circumstances, regardless of his opposition, regardless of what it meant to him personally. If a person was a Democratic candidate, that was all Harold Cooley needed to know. He worked for that candidate, and unfortunately we don't have many Harold Cooley types around today.

Jonathan Daniels, editor emeritus of the Raleigh News and Observer, said:

> It is difficult to believe that Harold Cooley is dead. Despite his long service in the Congress, he kept the air and appearance of youthfulness all his days. But those whom he served need to remember now the long years in which he steadily tended the best interests of agriculture in America.
>
> He was active and useful in other fields, but he saw the welfare of the farmer as the foundation of the welfare of the nation. So he contributed much to the happiness and prosperity of us all.

North Carolina Commissioner of Agriculture James A. Graham termed Mr. Cooley "the father and protector of the tobacco farmers in North Carolina," pointing out that he served in Congress in "the formative years of the tobacco program which has meant so much to the tobacco industry and is still felt today. This has been proven to be the best and most long-lasting farm program developed by the Congress."

B. C. Mangum, North Carolina Farm Bureau Federation president, Raleigh, termed Mr. Cooley:

> A great agricultural leader and champion of the family-sized farm. Over the years he was responsible for keeping a sound tobacco program which meant so much not only to farmers in North Carolina but also to the total tobacco industry. He was one of my dearest friends.

Fred Bond, general manager of the Flue-Cured Tobacco Cooperative Stabilization Corp., Raleigh, said:

> Everyone who knew Congressman Cooley respected him for his ability, leadership and basic knowledge of the whole spectrum of government operations. He possessed a unique capacity to quickly analyze issues confronting governmental committees under his chairmanship.
>
> We owe him a great debt, as under his leadership and guidance there have come agricultural policy and legislation which have provided the people of this nation with food and fiber—the basic necessities of life. He spent his entire adult life creating, building and maintaining agricultural programs which have made living in this great country the envy of people the world over.

Raleigh Mayor Clarence Lightner said:

> I am convinced that Harold Cooley contributed more to the farmers and agricultural interests in general than any congressman I have known. We shall all be grateful for the fine service he rendered his country and for his friendship. We all suffer a great loss.

Dr. John Caldwell, chancellor of North Carolina State University, Raleigh, praised Mr. Cooley for being "not only a sincere and intelligent champion of the agricultural enterprise and of the land-grant colleges and universities, but a most effective champion. My visits with him always found a good listener and an action-oriented congressman. He got the job done promptly and intelligently."

William S. "Bill" Humphries, former farm editor of the News and Observer and now food and agriculture news editor at North Carolina State University, wrote that Mr. Cooley "was dedicated to the cause of agriculture" and served this cause with distinction in his many years in Congress.

Mr. Humphries added:

> He was one of the first members of the so-called "farm bloc" to realize that farmers, with their own political clout dwindling, needed to seek broad-based support from other groups. For this reason, he voted for many worthwhile non-farm programs in which he had no direct interest, and in return received widespread backing for agricultural legislation that he considered vital.
>
> He believed that farm prosperity was essential to national prosperity and that the chief beneficiaries of government farm programs were not farmers but consumers, because they were assured of abundant supplies of food, feed and fiber at reasonable prices.
>
> Now, at the time of his death, agriculture appears to be on the verge of its Golden Age. If that proves to be the case, a great deal of the credit rightfully belongs to a man who undeniably was one of the greatest farm lawmakers of this or any age—Harold D. Cooley.

Jack Riley, now of Raleigh, was editor of Graphic in Nashville, while Mr. Cooley was a young attorney there, and campaigned with him in his bid for Congress. He said:

> Subsequently, I enjoyed the privilege of a close, personal friendship which I shall forever cherish.
>
> Today we scarcely appreciate the despair of tobacco farmers of the early Thirties. Harold Cooley did and he set about to help. In Congress he established for himself a position from which to bolster the tobacco economy. The resultant price stabilization meant millions and millions to the agricultural South and the entire nation. Even when stabilization did not show a net profit, its benefits outweighed many-fold its minimal cost to government.
>
> Had Harold Cooley accomplished nothing more, the tobacco program would stand as a monument to his service. However, he did accomplish much more; his support assured myriad programs such as soil conservation, crop insurance, cotton and peanut support, farm and forest research, farm credit, etc.
>
> In private life, Harold Cooley was generous to a fault with family and friends. Those privileged to know him intimately will treasure his memory as an outgoing extrovert and an irrepressible optimist.

Weldon Denny of Raleigh, former State ASCS executive director, said:

> North Carolina and the nation have lost a great statesman in the death of Harold Cooley. No individual that I have known contributed any more to the welfare of American agriculture than did Harold Cooley. I deeply admired his brilliance, his open mind, and the concern he had for people in all walks of life.

John Winters, Raleigh businessman and current candidate for the North Carolina State Senate, called Mr. Cooley "a dedicated and fine public servant who took his responsibilities very seriously. He was always concerned about the forgotten man, and this was the farmer in our primarily agricultural state. He will be sorely missed, but appreciation will continue to be felt for his influence and his service in Washington."

Wiley J. Latham, retired, of Raleigh, noted Mr. Cooley's chairmanship of the House Agriculture Committee and praised him as "a very loyal Democratic Party man. He made many contributions to the progress of the Democratic Party, and he believed in the principles of his party and lived up to its standards."

Melvin H. Hearn, former North Carolina Farmers Home Administration director now with the North Carolina Department of Agriculture, recalled Mr. Cooley's "compassion and boundless energy which he spent without hesitation to help other people."

Mr. Hearn added:

> During the 32 years he served in Congress, he was the prime architect of the most successful farm programs which this country ever developed. Farmers and non-farmers benefited from these programs Congressman Cooley helped develop, even though many, unfortunately, were not aware that they were beneficiaries of his talents and service. His distinguished record of leadership will serve as a beacon to those that follow who would labor to improve our world.

John C. Williamson of Raleigh, former president of the Flue-Cured Tobacco Growers Association, said:

> With the death of Harold Cooley, the people involved in agriculture lost a most true friend and advocate of a strong, healthy agricultural economy.
>
> He often spoke of agriculture as the "mother of the arts," and for 32 years in Congress he worked to keep those who produce the food and fiber of this country represented and with a strong voice in Congress.
>
> Closer home, the tobacco farmers of the South had a champion in Harold Cooley for he was always ready to do battle with the many people who attacked the excellent tobacco programs that were, in many cases, authored by him and have worked successfully over the years.

Clifton Daniel, native of Zebulon and now Washington correspondent and associate editor of the New York Times, said:

> I always thought of Harold Cooley as my congressman, although I never had an opportunity to vote for him, and I moved out of his district 37 years ago.
>
> There were several reasons for my attachment to him. He was the first congressman I ever met. He was young enough for us to be friends.
>
> He came from a small town down the road from mine. I thought of my town as home

long after I left it, and Harold Cooley was the congressman from my home district.

Later I lived for 17 years in the 17th Congressional District in New York, and it had some good congressmen, but I still thought of Harold Cooley as my congressman. If I had ever wanted a favor in Washington, I suppose I would have gone to him. He would have obliged me.

Lawson B. Knott, Jr., a native of Wendell, has lived in the Washington area since Mr. Cooley's first term "when agricultural America was in deep trouble." Mr. Knott, former administrator of the General Services Administration, commented that Mr. Cooley "concentrated his great talent and energy in the improvement of this vital part of the American economy."

Mr. Knott added:

His dedication and grasp of the needs of agricultural America gained for him the respect and support of his colleagues in the Congress, and his legislative contributions in this field of endeavor stand as a memorial to him.

James B. Hunt, Jr., North Carolina's Lieutenant Governor, said:

Harold Cooley was one of North Carolina's greatest congressmen and one of our country's greatest agricultural leaders. He did more than anyone in Congress since the Depression to build a strong rural economy in America.

For years, he was the protector and defender of our tobacco farmers and the way of life that has meant so much to all North Carolinians. We will miss him greatly.

Horace Godfrey, of Washington, former head of the Agricultural Stabilization and Conservation Service both in North Carolina and nationally called Mr. Cooley:

The best friend that the farmers in North Carolina and throughout the United States have ever had. Through the passage of successful farm programs, which provided abundant supplies of food and fiber at reasonable prices, he was also a friend of all the citizens of the United States and even the world.

He served unselfishly and we have all lived better, particularly farmers, as a result of his dedication and untiring efforts. He often said, "Agriculture is the backbone of this Nation, and I intend to keep it strong.

ELIMINATE CONSTITUTIONAL DISCRIMINATION FROM THE OFFICE OF PRESIDENT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. BINGHAM. Mr. Speaker, a proposed constitutional amendment which I have introduced to make all U.S. citizens eligible to hold the Office of President has generated considerable debate because of the successes of our distinguished Secretary of State, but there are obviously many thousands of Americans to whom it would also apply. As the following article by the distinguished columnist Clayton Fritchey aptly points out, the amendment would also eliminate any question as to whether a child born abroad to U.S. citizen parents might be disqualified from becoming President.

The article which appeared in the February 16 edition of the New York Post follows:

PRESIDENT KISSINGER?

(By Clayton Fritchey)

WASHINGTON.—Why should the "most admired" man in America be barred from becoming President of the United States?

The question concerns Secretary of State Henry Kissinger, who in a recent Gallup Poll surpassed everybody else in the regard of his fellow Americans. It is the first time any Cabinet officer, or few others for that matter, has ever topped the President in the history of the particular poll.

The question also concerns the U.S. Constitution, specifically Article II, Section 1. It requires the President to be a "natural-born" American citizen, which Kissinger isn't. He is a naturalized U.S. citizen, but he was born in Germany of foreign parentage.

Finally, it is a question that has long troubled Rep. Bingham (D-N.Y.), who has stirred up interest in the matter by introducing a constitutional amendment that would repeal the prohibitory article. Bingham was animated by general considerations rather than the particular case of Kissinger, but it is the latter which has provoked attention on Capitol Hill.

In this connection, Bingham remarked that while his amendment "does not amount to an endorsement of Henry Kissinger as President," he would have to say "in all candor that Kissinger's achievements as Secretary of State have highlighted the constitutional problem."

Naturalized citizens may serve in every other position in the government. In fact, as Bingham points out, "there would be great resentment if it were proposed that a naturalized citizen be barred from serving in the Cabinet or on the Supreme Court or in Congress." It makes no sense, he argues, that the Presidency should be any different.

Why, he asks, "should a citizen of Dr. Kissinger's talents be barred from the Presidency? More importantly, why should the American people be denied the right to elect a Kissinger to any office?" The same, he adds, could equally well be said of "many other distinguished naturalized Americans."

Bingham, regarded as one of the most thoughtful members of the House, is the son of a former Senator, the late Hiram Bingham of Connecticut. Back in 1928, the elder Bingham was mentioned for the Republican vice-presidential nomination, and this raised the question of his eligibility, for he had been born in Hawaii before the annexation.

Actually, the full meaning of Article II, Section 1 has long been debated inconclusively. There is no doubt that it bars naturalized citizens from the White House, but does it also rule out those who, by some quirk, happen to be born abroad of American citizens?

This troublesome question is still unsettled. It was last raised prominently when George Romney, the former Governor of Michigan, was momentarily the front-runner for the 1968 GOP presidential nomination. Romney was born in Mexico of American parents, but didn't live in the U.S. until he was 7 years old.

The question seemed so significant at the time that the New York Law Journal commissioned a special study by Prof. Isidor Blum, an authority on constitutional law. Citing legal precedents back to the 14th century, Blum concluded that the framers of the Constitution meant "natural-born" to mean "native-born." Hence, all those born outside the U.S. were ineligible to be President.

The prevailing opinion in Washington, however, was voiced by the late Edward S. Corwin, Princeton's famous authority on the Presidency, who said:

"Should the American people ever choose for President a person born abroad of American parents, it is highly improbable that any other constitutional agency would venture to challenge their decision."

Perhaps so, but why not eliminate the uncertainty by adopting Bingham's amendment? His legislation, incidentally, was prompted by a Bronx constituent who has seven children, all of whom qualified as "natural-born" except one. The parents, both U.S. citizens, were unhappy that even one of their offspring was not eligible to be President.

It happened that the child was born in Ireland while the father was serving overseas in the U.S. armed forces. Rep. Bingham came to the rescue with a special bill making the youngster a full native-born citizen. It was passed by both the House and Senate and signed by the President.

"It is the hallmark of a great nation," Bingham said, "that it can take the time and trouble to vindicate the rights and feelings of one small child."

EDWARD SIMONE WINNER OF NEW YORK STATE VOICE OF DEMOCRACY CONTEST

HON. CARLETON J. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. KING. Mr. Speaker, the voice of Democracy Scholarship program sponsored by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary is conducted annually in our Nation's secondary schools during the fall term. It is a national broadcast scriptwriting program which provides an opportunity for 10th, 11th, and 12th grade students in our public, private, and parochial schools to think, write, and speak up for freedom and democracy.

This year, a young man from my hometown of Saratoga Spring, N.Y., Mr. Edward Simone, won the State title in this annual contest. Edward, the son of Mr. and Mrs. John A. Simone, is a senior at St. Peter's High School, Saratoga Springs, N.Y. In winning the State title, Edward is now eligible to compete in the national competition with winners from 51 other States and territories.

Under leave to extend my remarks, I would like to include Edward Simone's outstanding speech in the CONGRESSIONAL RECORD and I am pleased to call his appropriate remarks to the attention of my colleagues:

SPEECH BY EDWARD SIMONE

If we wish to know what it means to be a citizen, we must first explore what citizenship is, and how it applies to our society.

From the earliest of times man has sought bonds with his fellow man. The cooperative groups initiated by prehistoric peoples were the first examples of organized societies with requirements for membership. With the later advent of language and religion men and women of similar tongues and beliefs pacted to form tribes. With the advancement of civilization these loose unions grew in size and number, varying according to speech, religious practices, and political philosophies. It is this form of unification that first used the concept known to us as citizenship.

A citizen, by definition, is a member. Just as a club member promises to uphold and strengthen his organization's code, a citizen pledges his support for the ideals of his nation.

The pledge of support is the oath one takes to become a citizen. In swearing to abide by the principles of his country of allegiance, he is given all the privileges entitled a citizen by that country's laws. He also takes up the responsibility of keeping his word in the eyes of his fellow citizens.

In the United States, citizenship has always had a special meaning; this is because America was founded on a unique precedent of freedom and equal justice for everyone. There are those whose dream is to become an American citizen, many make unbelievable sacrifices to fulfill that dream, others were born into America's bounty; but all citizens, whether natural or naturalized, have a responsibility to the nation that gives them so much.

Because we live in a Democracy, each man has his own life to lead. He works for himself, and for the betterment of his family and dependents. He does not work solely for the state, yet he benefits the state when he works for himself. Thus he has a responsibility to make the most of his abilities, not only for his good, but for the good of others.

Though it could be said that, in the United States, each citizen in his own nation, whenever a man advances himself by some discovery or achievement, he also moves our nation onward. Likewise, when a number of citizens in our nation suffer, the entire Union suffers, and those that are able must work to pull those in trouble out of that suffering. These are only a few of the responsibilities we have toward each other as citizens of the United States.

Citizens must have leaders; those outstanding members of our nation, chosen by their fellows to guide the destiny of the United States, on both the national and local levels. Here there lies a twofold responsibility: The first is for the citizens to elect wise and dependable leaders, for they are, in electing these men and women, voting on their own future, and the future of all they believe in. Second, for those elected to serve well the citizens who chose them, and to remember that their offices exist to benefit the body of citizens, not just themselves.

There are many other responsibilities that we citizens must maintain, and they are as numerous as our liberties: to serve in the honor of our nation's defense, if what she stands for is challenged, to keep the soil on which our ideals were founded and are maintained clean and prosperous, and to speak out as our just conscience dictates in order to revise or support the position of our nation.

We, the young people of America, have the great responsibility of seeing that our unique system of freedom and trust is preserved and continued when the present generation passes its workings on to us, for we will be the leading citizens of the future, and the spirit of this country will be ours to uphold and renew.

From this it is evident that being an American is more than saluting the flag, or singing a patriotic song, it is much more! And if we examine the troubled times we are now experiencing, and look ahead to the situations we will face in years to come, we will see that the key to keeping the United States a free and secure nation, prosperous, unpolluted, and respected by the world, is to fulfil these obligations for ourselves and our fellow countrymen. It is then that we will have realized our responsibility as American Citizens.

THERE IS ONE THING WORSE THAN AN ARMS RACE: LOSING ONE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. KEMP. Mr. Speaker, during the past months I have read into the pages of the Record several important articles showing a growing recognition that the arms capabilities of the United States are becoming steadily inferior to those of the Soviet Union.

I think almost everyone is concerned that we, as a government, must spend more to meet military needs, wishing instead that we could spend those funds on other priorities. The reality of the situation, however, is that—the spirit of détente notwithstanding—we continue to be in the midst of a crucial arms race.

Why?

Because the Soviet Union continues to build and build its military strength. Specifically, the Soviets have just unveiled four extremely powerful, new missiles, new strategic missiles, whereas all the U.S. missiles are a generation old. And, the Soviets rather clearly have the staggering total of around 12 additional missile designs in various stages of research and development. The fact is, too, that they have 10 army divisions for every 1 of ours, and much more and newer ships at sea as well.

There is only one thing worse than an arms race: that is losing one. Arms inferiority can be no substitute for a military strength sufficient to preserve the peace.

I insert into the Record this afternoon an article by the distinguished foreign and military affairs commentator, Joseph Alsop. Mr. Speaker, I commend his observations to all who are committed to a policy of preserving the peace through maintaining our strength. The article reads as follows:

NUCLEAR ARMS RACE

(By Joseph Alsop)

Secretary of Defense James Schlesinger's grave, disturbing explanation of the increased defense budget makes one thing abundantly plain. We are in for another round of talk about "arms races" and "destabilization" and "restraint." So it may be well to try to give some of the background of the present defense problem.

The best way to begin is simple indeed. We should not be in trouble with our defenses today, if gobbledygook-peddlers had not gained the upper hand in the area of defense theory for way too long a period. Rather early in the '60s, in fact, it became a popular doctrine that the Soviets would never bother to build large numbers of strategic nuclear weapons because it would cost too much, and would not help the Soviets anyway.

It is hard to credit, but this nonsense had extremely powerful adherents high in the U.S. government, especially in some segments of the intelligence community and among the "defense intellectuals." Furthermore, these people fought a powerful rearguard action against the facts, which some continue to this day, long after their arguments were all too visibly disproved.

Perhaps the most ludicrous episode was a row in the intelligence community some years ago, when the Soviets had already deployed something like 1,100 intercontinental nuclear missiles. In the prior period, 1,000 Soviet missiles deployed had become one of those sacred numbers the U.S. government sometimes goes in for. Probably because we had 1,000 Minuteman missiles, the doctrine was that the Soviets would never want more than 1,000—for such are the strange ways of bureaucratic rearguard actions against facts.

With 1,100 Soviet missiles deployed, of course, the sacred number was beginning to be substantially surpassed. Whereupon analysts with the most onerous responsibilities literally argued that we could still count on the Soviets to dismantle their extra missiles, in order to get back down to the sacred number. A row then occurred because this curious view was not universally persuasive.

Such are fragments of the intellectual history of the present defense problem within the U.S. government. You must then add the powerful and active anti-defense lobby in Washington. And you must finally stir into the mixture the follies of the left-wing intellectuals in the interwar years in Europe in general, and in Britain in particular—the follies which really gave Adolf Hitler the chance that nearly won the world for him.

Hitler's strongest aid, in fact, came from the left-wing theory that "arms races" are the main causes of wars. This was deduced from a remarkably false reading of the history of the First World War. In the British Labor Party, it was almost holy writ as late as Munich.

Because of the hold it gained in the House of Commons, this theory further reduced Prime Minister Stanley Baldwin to paltering and faking with British rearmament, when the menace of Hitler's arms program was only too plain.

Yet the plain truth is that in all of history, no single war has ever been caused by an arms race. No one who troubles to read the record can doubt, for instance, that the Germans started both the 1914 war and the Second World War with an overwhelming, quite intoxicating sense of their own military superiority.

Instead, history bristles with the stories of wars that began because arms races were recklessly lost, or were thought to have been lost, as in the two cases above-cited. Arms races are costly, wasteful and undesirable. But the worst thing of all is to lose an arms race.

None of this is exactly current news, to be sure. But as we go into the struggle over the increased defense budget that Secretary Schlesinger painstakingly explained the other day, it is essential to remember that in the crucial area of national defense, this town is still piled high with left-over intellectual garbage, and still full, too, of doughty fighters of rearguard actions against the facts.

The first fact is, meanwhile, that the Soviets have just unveiled four extremely powerful, brand new strategic missiles, whereas all the American missiles are a generation old. The second fact is that the Soviets rather clearly have the fairly staggering total of around 12 additional missiles in the stage of research and development. It is fact, too, that they have 10 divisions for every one of ours, and more and much newer ships at sea as well.

Yet we hear the cry that this country is starting an "arms race," and will be guilty of "de-stabilization" if we seek to defend ourselves. It was more accurate when someone said to Secretary Schlesinger that his new budget was still far from enough, like Stanley Baldwin's. "Oh, it's not as bad as that," he is reported to have replied, mildly.

THE GOVERNMENT INVADES INDIVIDUAL'S PRIVACY

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ALEXANDER. Mr. Speaker, during the President's state of the Union message to the Congress on January 30, he said of one of his priorities for 1974:

> We will make an historic beginning on the task of defining and protecting the right of personal privacy for every American.

As a Member of Congress who has been especially concerned with fully protecting this precious constitutional right, I was pleased that the President was recognizing this urgent need. Article IV of the Bill of Rights, which became a part of Nation's Constitution on December 15, 1791, states that:

> The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation and particularly describing the place to be searched, and the persons or things to be seized.

I look forward to the initiatives by the President and his administration to support those actions which are in progress at the present time in the Congress to accomplish the goal of reaffirming the individual's right of privacy which has been guaranteed by the Constitution for nearly two centuries.

FARMERS' TAX RETURNS OPENED TO USDA

In addition, I would hope that as a first step the President will rescind Executive Order 11697, issued by him on January 17, 1973, and Executive Order 11709, issued by him on March 27, 1973, which authorize the Internal Revenue Service to turn over to the Department of Agriculture the tax returns of 3 million American farmers. Should the Department of Agriculture have a clearly, legally justified need for information which may be available via the IRS any Executive order issued by the President should carry authority absolutely limiting the information to be provided to the names, addresses, and taxpayer identification numbers of farmers as was recommended by the Committee on Government Operations, Subcommittee on Foreign Operations on October 18, 1973.

That recommendation came at the conclusion of an investigation of the meaning, intent, and implications of Executive Orders 11697 and 11709 which I requested, as a member of the subcommittee, that it conduct.

In addition to the recommendation which I have just discussed, the subcommittee made two others:

> That the Department of Agriculture, utilizing lists of persons having farm operations provided by the Internal Revenue Service, seek the voluntary informed consent of farmers in obtaining private financial information needed to design statistical mail surveys.

And—

> That the appropriate Congressional Committees consider legislation amending Section 6103 of the Internal Revenue Code to make tax returns explicitly confidential except as otherwise limited for tax administration enforcement and other purposes approved by Congress.

Since delivery of the state of the Union message, I have been informed by the Internal Revenue Service that it is attempting to work out agreements with the Department of Agriculture in compliance with the first two recommendations. The IRS also reconfirmed its support of the recommendation.

It is important here to make two points. First, the actions being taken by IRS do not meet the need for withdrawing the Executive orders issued by the President.

DANGEROUS PRECEDENT SET

Second, the implications for the future of all Americans contained in these orders are particularly chilling in the light of testimony before the Senate Select Committee on Presidential Campaign Activities that certain White House aides had sought to use the Internal Revenue Service as a political weapon against the administration's "enemies."

These Executive orders present the frightening prospect that the administration is attempting to begin the process of making personal income information of whole classes of people available to various departments and agencies without regard to the private nature of the information, or protecting individuals from possible abuses.

These are strange orders. They are so broad that any Agriculture Department employee could be authorized to go down to the Internal Revenue Service and inspect the tax returns of any farmer.

The name, address, social security number, size of farm, gross income, and expenses are in these returns.

They would allow Federal bureaucrats to examine such personal financial information with no other reason than for statistical purposes.

The opportunity for abuse of these Executive orders is obvious. The USDA said this data was vital to its operations. If this is true, then why did the same administration which issued this order totally eliminate funds from its budget for a farm census in 1974?

Such blanket authority to inspect inindividual tax returns of any group, as these Executive orders provide, clearly constitutes an invasion of the right of privacy of that group.

There is only one reason why a citizen submits a tax return to the Government and that is to compute taxes—it has no other purpose.

For the first time in American history, an entire class of our people could—as a result of these orders—have their privacy invaded.

INCREASING GOVERNMENT ENCROACHMENT ON CITIZENS' PRIVACY ALARMING

I am alarmed by the technical capacity of and the increasing tendency of the Government to engage in invasions of the right of privacy of our people. Aided by computer technology, with its enormous storage and rapid retrieval capabilities, Government has at its fingertips the power to compile a "profile" or dossier on any individual from bits and pieces of data gleaned from many sources.

With only a social security number, the most personal information can be compromised, can be manipulated, and misused for political or other purposes.

The classic atmosphere of personal privacy is a political climate where each person decides for himself what personal information he will share with whom.

In this instance, no one asked a single farmer in the United States whether he was willing to share this personal financial information with the Department of Agriculture.

There was no consultation with any farm organization, nor was there even a public announcement from the White House, or the USDA when the order was issued. It just popped up like Pandora in the Federal Register one day.

The House Subcommittee on Foreign Operations and Government Information undertook, at my request, an investigation of the invasion of privacy implications of the order.

FIRST FARMERS' RETURNS, THEN WHOSE?

There were a number of questions in our minds. Is this first Executive order a model for the Department of Commerce to inspect tax returns of homeowners receiving insured loans through FHA? Is this a plan for the Department of Labor to pry into the tax returns of wage earners? Does it mean that HEW now inspects tax returns of doctors and teachers?

Is this evidence of a master plan of the Federal Government to oversee the private affairs of every group of citizens?

We were shocked at what we eventually uncovered. In response to an inquiry from the subcommittee a Department of Justice official admitted that the Executive orders favoring the USDA were specifically designed as prototypes, or models, for future snooping into tax returns by other Federal agencies.

Well, I for one, am not going to stand idly by while the first waves from 1984 wash over me and the fine people of Arkansas whom I represent.

During the subcommittee hearings, I could not help but remember the observation once made by the British statesman Edmund Burke:

> All that is necessary for the forces of evil to win in the world is for enough good men to do nothing.

Let us, in Congress and throughout the Nation, not be among the "good men" who do nothing whom Burke warned against.

PRIVACY: THE ESSENCE OF DEMOCRACY

Mr. Justice Brandeis said that:

> Every unjustifiable intrusion by the government upon the privacy of the individual whatever the means employed, must be deemed a violation of the fourth amendment.

Now, I do not question the good intentions of the USDA and other Federal agencies in seeking statistics and other information. But, the road to tyranny is too often paved with good intentions. And, I do not think there is a Member of Congress who has not been impressed in the last year with how far allegedly good intentions can go astray.

Let us talk a moment about the right of privacy. Or, rather the concept of privacy. Privacy is the ability to be confident of security in our homes, persons, and papers. It is not only the bedrock of freedom. Privacy is the essence of democracy. If we cannot speak or transact business without being snooped on by hordes of bureaucrats—we soon will not be able to speak, or transact business without government permission. Every American must insist that government is the servant of the people—not our master.

THE OIL MASTERS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HELSTOSKI. Mr. Speaker, as a result of the current energy situation, Congress and the people of this Nation have begun to focus their attention on the disproportionate power wielded by the big oil companies. Today, I would like to share some additional information which has recently come to my attention concerning this concentration of power.

The following article, entitled "The Oil Masters: Captains of Our Fate," was written by Melville J. Ulmer and appeared recently in the New Republic magazine. The article was forwarded to me by a constituent of mine, Raymond Kaplan of Englewood, N.J., and offers additional insight into the influence a few corporate executives can exert over our economy and our lives.

In his article, Mr. Ulmer offers some recommendations concerning ways in which Congress and society at large can cope with this imbalance of power. For example, he argues that Congress must make certain that public lands, containing oil, oil shale and coal, are not leased or sold "in excessive amounts at giveaway prices to the captains of the industry who are lusting after them."

Today, I would like to share the entire article with my colleagues. Mr. Ulmer presents some perceptive insights and interesting arguments which I believe in view of our current situation are worth considering.

The article follows:

CAPTAINS OF OUR FATE—THE OIL MASTERS

(By Melville J. Ulmer)

We resent the Arabian producers because of the inconveniences and high fuel prices we are suffering, but hardly a word is heard about the international cartel that has so carefully regulated the world's supply of petroleum, dividing markets and fixing prices, ever since the first and infamous Achnacarry Agreement of 1928. On the contrary, the administration, Congress and the public look for succor to our corporate petroleum giants, the leaders of that cartel. They are invited—ardently implored—to exploit the nation's public lands (containing more than half the United States' oil reserves) just as swiftly as they can, and never mind the environment. They are promised generously higher prices as incentives, not only for oil but for natural gas and coal, in which years ago the same companies had prudently secured a dominating interest.

Though prices of petroleum are already 90 percent above a year ago, the Cost of Living Council last week saw fit to raise the selling price of crude oil by another 24 percent. Nor has either Congress or the administration yet contributed more than lip service to the noble objective of "taking the profit out of a national disaster." President Nixon's proposed "emergency windfall profits tax" is simply an excise tax on crude oil, nowhere near as large as that on cigarettes, that can be passed conveniently on to consumers. Even so, the President suggested that the tax might well be refunded to those patriots who "plowed back" some of their gains in "energy producing" investments.

Wrath against the Arabs for international blackmail is not unjustified, nor is the new US "war of independence" to loosen us from reliance on foreign sources unreasonable or quixotic. But both mask the fact that the United States can never be secure in its supply of energy until it controls the controllers. Those controllers—Exxon, Standard Oil of California, Texaco, Mobil, Gulf and a few other "major" producers—rank high among the 100 largest industrial corporations in the United States. They have acquired such enormous wealth and wield such awesome power, enough to strike fear in the most courageous of statesmen, that when necessary they can mobilize the machinery of government in the service of their balance sheets. Franklin D. Roosevelt once said, "The trouble with this country is that you can't win an election without the oil bloc and you can't govern with it."

The central fact of the petroleum industry is that the demand for its product is "inelastic." Its inelasticity means that the demand is built in our cars, roads, the configuration of our cities and suburbs, and our heating plants. Hence, even when the price of petroleum is raised out of line with other prices and incomes, the quantity purchased barely declines, if at all. So long as the oil barons can maintain discipline in their industry, as they regularly manage to do, it *always* pays to keep prices on an upward track. The opulence of the return is further enhanced by the skyrocketing energy requirements that can be counted on to boost demand from year to year. Promoted by commercially calculated waste as much as our wealth, the United States consumes about a third of the world's annual petroleum supply. In a single generation our total energy consumption has tripled, while that of the rest of the industrially developed world is catching up. It is no bolt out of the blue, then, to learn that profits in oil are the lushest of all, that several great American fortunes built up in this century mostly derive from oil, and that the influence this industry wields in government is second to none. The profits in 1973 of Exxon, which (in assets) is the largest industrial corporation in the world, were 50 percent above the year before and have doubled in eight years.

Because of the inelastic demand just described, it is financially advantageous for petroleum producers to keep their customers a little hungry. Here, government has cooperated magnanimously. The Hot Oil Act of 1935 enables the major producers to exercise collective control over the nation's output with the obsequious assistance of state agencies. A waiver of the antitrust laws permits them to integrate fully from oil wells through pipelines, tankers, refineries and retail outlets. The same governmental benevolence encourages them to buy up the sellers of potentially competing fuels, especially coal, and to join with British, French, Dutch and Italian companies in international "consortiums." Import quotas, administered by complaisant government officials, serve to crown the perfection of their control over the nation's energy supply, and hence of the prices at which it sells. No wonder, as Middle East expert Christopher Rand relates, the oil companies are able to "sell gasoline wholesale at 21 cents a gallon when it costs them only four cents a gollon to provide it." To cap the financial bliss of this sector of our free enterprise system, the 22 percent depletion allowance virtually absolves the oil companies from the corporation income tax.

The oil industry has been carefully planned, but in the interest of monopoly profits not the public. For example, the 22 percent depletion allowance is calculated on gross income from *oil production*, not refining. This arrangement stimulates the integrated producers to maximize their tax saving by keeping prices of crude oil at the wellhead abnormally high. Since they "sell" much of the crude oil to themselves, this tactic is no inconvenience. However, aside from the tremendous saving in taxes, it also yields another significant contribution to their financial welfare. For the majors sell part of their crude oil to independent, nonintegrated refiners. By hiking its price they can squeeze these potential competitors at will, narrowing their profit margins until they cry "help!" Help means sellout or merger. Between 1950 and 1967, according to the Federal Trade Commission, the majors in this way absorbed 73 large independents with aggregate assets of more than six billion dollars.

The various tax benefits oil companies have received, like the higher prices they are now getting, have been justified as incentives for domestic oil exploration. They have indeed encouraged exploration in the past, but in foreign countries more than in the United States. That outcome is expedited by a convenient provision of the law that permits our producers to treat as "taxes" the royalties on oil output exacted by Middle Eastern countries. So interpreted, the royalties are creditable, dollar for dollar, against taxes the producers might otherwise owe the US Treasury. Meanwhile, even before the embargo, the normally low cost crude oil pumped out of the Middle East was sold at fat prices largely *outside* the United States.

Such observations take the zing out of the noble aspiration that by 1980 we may be free of reliance on foreign oil reserves. If all goes as planned, we may remain as we are now, in bondage to the oil barons. Maybe more so. For they are being offered access to the precious resources—offshore and onshore oil, oil shale and carefully developed techniques for coal gasification—still owned by the federal government. They are being enticed almost at any price, with almost no restrictions, to exploit them to the full.

In illustration of this point, over the last two weeks alone substantial tracts of oil shale in Utah and of geothermal land in California were turned over for private company bids by Interior Secretary Morton. The leasing of rich oil tracts off the coast of Mississippi, Alabama and Florida was accelerated over the objections of environmentalists. The Interior Department also revealed, reluctantly, that for 20 years it has been allowing Southern Oil of California and other majors to drain the Naval Petroleum Reserves by drilling near their boundaries in an apparent violation of federal law. Getting in on the act, the coal industry (with close financial links to oil) pledged last week to increase output by 10 percent in 1974, provided work safety as well as pollution standards were waived and the unions promised not to rock the boat.

In toto the oil shale on public lands is calculated to contain 350 billion barrels of oil, approximately equivalent to all Middle East resources, and enough by itself to satisfy our requirements for more than 40 years at the 1980 expected rate of consumption. But of course so huge a mining operation, in its entirety, will not be necessary in the foreseeable future. For there are other enormous unexploited and accessible resources in the

United States, Canada, the North Sea, the Barents Sea and elsewhere. Moreover, once readily available reserves are there, we will have no valid reason for not buying inexpensive Middle Eastern oil, which in the longer run the Arab countries will be forced to sell at prices in line with those of the rest of the world. Through the foreseeable future, the Middle East will remain dependent on others for the refining, transportation and marketing of their product. Finally, it is almost inconceivable that we, and to a lesser extent other developed countries, will go on in our profligate way, wasting energy, polluting our cities and ourselves, at the same astronomical rate as we have in the past. More mass transportation, smaller cars, more functional architecture, use of nuclear or solar energy where feasible, and similar economies are virtually inescapable.

The most stubborn and serious problem in oil promises to be institutional rather than technical. With the oil barons in command, and given their expertise at public deception and contrived scarcity, how can the American people be assured of an adequate fuel supply at reasonable prices? Regulation by government seems no more effective than hiring Boy Scouts to rout out the Mafia. The oil moguls have demonstrated their talent for cowing or confusing public officials, whether in the Interior Department, the state oil prorating agencies or the White House's Office of Emergency Preparedness. Nor has any government official, concerned with "truth in advertising," ever dared to suggest that the oil companies reveal the homogeneity of gasoline—the treasured trade secret that all gasoline of the same octane rating, like all aspirin, is the same regardless of the label under which it is sold. The consuming public isn't even permitted to learn the octane rating. In research for this article I found that basic statistical information on the oil business, available from federal officials is limited to the sketchy bits that the major producers from time to time have been willing to disclose.

Stronger measures are necessary. The most promising measure known to me is not without precedent or present supporters. It relates to the use of government enterprise as a yardstick for the performance of private enterprise—one of the seminal ideas introduced in the New Deal, though its initial formulation appeared in an article by Walter Durand in *The New Republic* of May 26, 1926. Among the very first elements in President Roosevelt's plan for recovery and redevelopment, the Tennessee Valley Authority had as one of its major objectives the production of public power as a competitive check, and also a cost standard, for assessing and influencing the service of private, monopolistic electric utilities. However, the TVA was a multipurpose project, eminently successful, and in ensuing years the yardstick function was largely overshadowed by its other activities. And of course, as a result of the Insull scandals, other legislation and regulatory agencies were strengthened or newly adopted to safeguard the public against abuse by electric utilities.

There are no such safeguards against abuse by the oil barons, a situation that most of our legislators have chosen to ignore, but not all. Most notably, Senator Adlai Stevenson III (D, Ill.) has addressed himself imaginatively to the problem and has suggested organization of a public corporation to exploit publicly owned oil and gas resources on public lands in free and open competitition with the private companies. The chances for passage of his bill, or of overriding an expected veto if it is passed, are probably slight under present circumstances, with nearly everyone clamoring for the petroleum barons to save us. But to expose the proposal at the present juncture is an invaluable service. From an economic standpoint, the time for the idea has already arrived. From a political standpoint, its time will come in the not so distant future, for the yardstick principle may be the only effective tool available, barring total nationalization, to insure that the petroleum and other big business industries operate more in the public service. Meanwhile, it is essential in the present crisis that Congress muster the courage to see to it that public lands, containing an immeasurable treasure of oil, oil shale and coal resources, not be leased or sold in excessive amounts at giveaway prices to the captains of industry who are lusting after them.

POWER MAKES TODAY'S MARE GO

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. JOHNSON of California. Mr. Speaker, today we are hearing a great deal about our energy crisis and its impact upon society. In the mandatory fuel allocations which were imposed January 15 by the Federal Energy Office, based on legislation enacted by this Congress, agriculture received a top priority for all categories of petroleum products. There may be some who wonder at the significance of this people living in urban areas and those engaged in other important segments of our economy.

An old friend, Mr. Ross Wurm, of Modesto, Calif., who has been associated with the agricultural industry for many, many years, wrote a piece entitled "Power Makes Today's Mare Go" which was published in the most recent edition of Dow Chemicals' magazine, Elements.

It is pointed out in this article which certainly is an easy reading piece, that properly directed energy is a great deal of what modern-day farm management is all about. There have been many names used to describe the great technological breakthroughs that enabled the American farmer to become the most efficient food producer in the world over the past half decade. Of these, "The Green Revolution" is probably the most familiar.

Mr. Speaker, so that I may share this well-stated article with my colleagues, I include Mr. Wurm's fine remarks in the RECORD at this point:

POWER MAKES TODAY'S MARE GO

(By Ross Wurm)

A farmer's yard is like a businessman's desk. An appraisal of either will give the visitor some clues about the man who parks his tractor in the yard, as it will about the man behind the desk.

Looks can be deceiving in the barnyard as well as the business office, and a quick first glance is not the only way to measure function. But that first glance can tell a great deal about what considerations are uppermost.

Most U.S. farm yards contain a gas pump. They also have a strong outdoor light and power-driven implements either in immediate view or closeted neatly in a shed. There is probably an electric transformer on a pole down at the end of the lane. A butane tank may sit beside the hired man's house. The ubiquitous pickup is parked nearby, decorated with a broom or a pitchfork, an external toolkit, and a trailer hitch. There may be a landing strip near the road.

Power—energy—in whatever form: gas, butane, diesel, electricity—is what makes today's mare go.

If you are a farmer and want to get your corn kneehigh by the Fourth of July, you'll have invested a large amount of energy before that hallowed date. And you will have employed energy indirectly, in the forms of nitrogen fertilizer, pumped water, needed chemicals, tires, the effort it took you or your supplier to haul it to the ranch, and in a myriad other ways.

Properly-directed energy is a great deal of what modern day farm-management is all about. There have been many names used to describe the great technological breakthroughs that enabled the American farmer to become the most efficient food producer in the world over the past half decade. Of these, "The Green Revolution" is probably the most familiar.

The figures are well known, but nevertheless remain astonishing. To put it simply, one farmworker supplied farm products (mainly food, some fibre such as cotton and flax, and a few flowers) to seven people in 1910. Today it is estimated that he supplies himself and 49 others. The farmer's ability to feed us all has increased seven-fold.

There is about a quarter as much farm labor now as there was in 1910. Total cropland has actually declined significantly since 1930, with about 50 million fewer acres in production.

Of the breakthroughs, the coming of the hybrid grains has been the most dramatized. The geneticists have made contributions in both plant and animal life. But we note that genetic advances have all been accompanied by an increased demand for energy.

To cite a simple example, the use of superior germ plasm through artificial insemination calls for the use of liquid nitrogen storage and a small truck for the technician to make his daily rounds as a surrogate "Mr. Bull." A few mouthfuls of hay are all that is required to replace the energy burned up by more direct methods of gene implantation.

An acre of highly-productive hybrid corn or milo is going to take up more water, more fertilizer, and require more chemical protection than its less productive counterpart. Of course, in all fairness, no one has adequately measured the energy output of a row of hillside open-pollinated dent corn when converted to white lightning and stored in a clear mason jar, a traditional market for this most ancient of American home-manufactured energy foods.

Improved genetics have had their impact. So has fertilizer, the manufacture of which requires prodigious amounts of energy. So have herbicides that remove the unwanted vegetation from competing for water and soil nutrients with wanted varieties of foods. So have chemicals that protect crops from insects, nematodes, and rodents. So has farm credit. So has the American supply and service system that is often labeled by the coined word "agribusiness."

But, when you stand back and look at it, the real breakthrough came about when the horse and the hired man left the farm.

The horse and the mule were mainstays until the end of World War I. In fact, countless fortunes were made in the horse business on the western ranges during the years 1913–17, when green-broke range horses were purchased at high prices by our Allies and U.S. Remount to perish in the shellholes of Picardy.

The horse and the mule were mainstals unworkers, working alongside of the steam engine and the combustion engine, well into the 1930s. In a typical midwestern scene of the early '30s you might have seen bundles of grain brought by team and wagon to a gas engine, belt-driven, stationary threshing rig, while the threshed grain was hauled to the elevator by truck to be loaded on a Soo line railroad boxcar pulled by a steam engine that took it all the way to Minneapolis to the mills.

The replacement of the horse with the combustion engine—a process finally completed by the '40s—did something more than create larger power sources, and make it possible to farm larger acreages better. It took millions of acres out of production for oats, alsike, timothy, ladino clover, swamp hay, and other roughages needed to fuel the horse. It gave the farmer more time to be a better manager, and more good land from which to choose in planting crops for human, not horse, consumption.

Northern Wisconsin and northern Michigan have many abandoned farm sites. They differ only from the other homeless homesteads scattered across the midwest and west in that some face on the Great Lakes. The homes were well constructed. So were the barns. Why are they no longer occupied? Why did the people leave?

There are many answers, both social and economic. One basic cause is that many of these farms produced hay for a profit. It was barged and lightered to cities like Chicago, Milwaukee, and Cleveland to feed the dray horses that were the transportation lifeblood of the cities.

There are still a lot of horses around. But not many are Clydesdales, Belgians, or Percherons. The draft horse was a worker. Except for a few cutting horses used in cattle range work or horses that pull hay sleds to feed beef cattle in winter, today's horse is usually a pleasure animal. When a Wyoming rancher acquaintance was asked why he used teams of horses with a driver apiece to feed cattle on a ranch that supports a good many tractors, hay balers, feed grinders, and other combustion-engine and electrically-driven devices, he had the following to say. "One, it is sometimes easier to get a horse started on a 40° below morning than it is a tractor. Two, you can't get a tractor to stop by yelling WHOA! at it, and finally, I guess I just like horses."

But whether it's boarded at a stable and ridden English style in a gymkhana or hauled in a horse trailer to the weekend barrel race or team roping, the horse is now a prime status symbol in an affluent society. It is not a primary source of energy on the farm.

As to the hired man, some had more energy than others. Those who worked hard and long without complaint and disappeared only on occasional weekends were rewarded by getting to stay over the winter. The others departed quietly after some late harvest payday to ride out as lonely companions of The Emperor of the North Pole.

Not only are the horse, the mule, and the hired man gone, but so is the sharecropper. He was the last to leave. The gas-powered cotton harvester made him "redundant" in an industrial society.

Before there were many tractors and before the REA had lighted up the countryside, cows were milked by hand; hay was pitched on a wagon with real pitchforks and not moved by machine in elegantly-framed cubes; barbed wire was stretched with arm power; and a man had to feed and water the horses as well as harness and hitch them. The traditional complaint of the hired man concerned "those few hours in the middle of the night when nothing seems to be going on."

Cream was separated on the farm by a device known in bucolic humor as "The Armstrong Motor." One of the women or a small boy usually provided the motive power. Getting in the wood, coal, and kindling, carrying water, preparing food, and attending to other household comforts and necessities were human-powered tasks.

Now, the small boy has been replaced by a smaller electric motor. The milk is hauled off to the creamery in a giant tanker truck and there separated from its cream 10,000 gallons at a time. The farm wife buys canned and baked goods, gets her water from a tap, turns on the heat in winter without need to check the coal or wood pile, often has air conditioning in summer (sometimes even on the tractor), uses a gas or electric clothes dryer (one of the great underrated comforts of the age), and fights loneliness with television.

All of the evidence points to the fact that the farmer and his wife get much more done, certainly in fewer hours, and they do it with fewer people on the farm. What they get done is thanks to the availability of energy, shipped in from off the farm.

Even that last bastion of pioneer life, the western stock ranch, is far more dependent on energy generated off the ranch than the cowboy likes to admit. Yes, horns are cut off of dogies with electrically-powered saws, and, yes, alas, there are electric sheep clippers.

There are othr more subtle and measurable advantages that power have brought to the western open range cattle and sheep ranch. Heated stock waterers have helped to open up winter ranges. Giant pivot irrigators increase the carrying capacity and total digestible nutrient output of summer pastures. And the pickup truck, not the horse, is what keeps it all hung together and manageable.

The farm and ranch uses of energy are innumerable. But we must look beyond the farm and ranch today to perceive that it is increasingly difficult to tell where the land leaves off and food processing begins.

A farmer or rancher who grows specified crops or animals on contract, or to the known desires of a buyer, is an integral part of the food-manufacturing process. Seller and buyer are moving towards each other and becoming inextricably intermixed. Whether the economist's version of integration is forward, backward, vertical, or horizontal, it all spells more handling, packaging, modernity in drying, processing, and refrigeration, and more applications of energy.

In these days of fast transportation, efficiency is going to dictate whether rice is dried on the ranch or at a commercial facility, whether peaches are graded in the orchard or at the cannery, whether green beans are harvested and hauled to the freezer by the new owner or the old one, or whether the packer takes over the animals on the ranch or in the feedlot.

The farm and ranch have become manufacturing plants. They no longer stand alone as a way of life. Agriculture and food production are part of a vast, indivisible business process that brings more high-quality food daily to Americans than is available to the residents of any other nation.

This great manufacturing plant, by whatever name we may call it, gulps in energy and returns it in massive quantities of food.

If in the months ahead it becomes apparent that the energy to power our nation's food plant is not going to be available, a bit of good advice is to start buying alsike and timothy seed. They are both good horse feed, and we'll be needing lots more horses, soon.

JOHN C. GARAND: 1888–1974

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. BOLAND. Mr. Speaker, John C. Garand, the famed inventor of the M–1 rifle, died last Saturday in Springfield, Mass.

Mr. Garand was born on January 1, 1888, in St. Remi, Province of Quebec, Canada. His family moved to the United States when he was 12 years old. All his life, he was a prolific inventor in the field of firearms. The records of the U.S. Patent Office indicate 54 patents in which he is named as inventor. He was first employed by the War Department at the Springfield Armory in 1919 and there he devoted his superb inventive talents to the design and development of small arms. His engineering genius, disciplined mind, and dedication to his tasks led to the development and invention of the world famous M–1 Garand semiautomatic rifle. It is the consensus of those who worked with Mr. Garand that the birth of the M–1 rifle was "due to the inventive genius, energy, drive, and concern of Mr. Garand and that the M–1 results were unique in that for the first time, a semiautomatic rifle was being developed by a single individual while most thinking was still geared to the single-shot 1903 era."

Mr. Speaker, some 4 million M–1's were produced during the World War II years. Praise for the performance and battlefield efficiency of the weapon came from officer and infantryman alike. I cite President Eisenhower's message:

> Thanks to your technical skill and diligence, the American infantryman has had your invention, the Garand Rifle, as a reliable and competent friend on the battlefield.

Gen. Douglas MacArthur proclaimed the weapon as, "one of the greatest contributions to our Armed Forces."

And Gen. George S. Patton said, "the greatest battle implement ever devised."

I am sure that John Garand was pleased with these tributes, but I know, too, that the most pleasing and satisfying accolades came from the very many battle-fatigued infantrymen who wrote to thank him for putting into their hands and saving their lives the superlative weapon that he invented.

Mr. Speaker, this remarkable man served his adopted country magnificently, devotedly, and patriotically.

I regret to say, Mr. Speaker, that his adopted country, the U.S. Government, has not given him the recognition he deserved. A grateful government should have given him more than perfunctory promations, small salary increases, and upon retirement, the small pension he earned for the many years of his Government service.

Mr. Speaker, as long ago as 1941, one of my predecessors in the Congress, the Hon. Charles R. Clason filed a bill to reward Mr. Garand with a $100,000 grant. I have sponsored similar proposals in four difference sessions of the Congress. None of these efforts have been successful, because of the consistent opposition and adverse reports of the Department of the Army and War Department over the past 32 years. Like former Congressman Clason, I have constantly asserted that this is a moral obligation that the Government, in equity and good conscience should honor. For I am sure that Mr. Garand could have reaped a fortune from other governments and private manufacturers if his inventive genius had been available to them.

Mr. Speaker, the world, our country, Massachusetts, and my community mourns the passing of this truly great and good man.

I include with my remarks editorials from the Springfield, Mass., Daily News and Springfield, Mass., Union commenting on the death of John C. Garand:

[From the Springfield Daily News, Feb. 18, 1974]

JOHN C. GARAND

John C. Garand, inventor of the M-1 rifle, was praised by generals and GIs alike for the gun he designed at the Armory here in Springfield and that became standard equipment for American servicemen for more than 20 years.

The Garand Rifle was the rifle of World War II—the weapon that Gen. George S. Patton described as the "greatest battle implement ever made." Allied commanders Dwight D. Eisenhower and Douglas MacArthur also lauded Mr. Garand's world-famous rifle which, because of its increased fire power, was one of the most important weapons used by U.S. combat troops.

Yet, the irony for Mr. Garand was that despite world wide acclaim for the M-1, he was "a prophet without honor" here at home.

The government never paid him for his invention.

This failure by the American government to compensate Mr. Garand was an inexcusable omission, since it is certain that—had he sold his invention to private industry instead of giving it to the government—he would have been paid handsomely for the M-1 rifle design.

Recent attempts by Massachusetts legislators to obtain a $100,000 grant from Congress for Mr. Garand also met with failure—with a sad commentary on the government's continuing indifference toward a man whose many inventions here at the Armory contributed so much to the country.

Fortunately, however, while Mr. Garand's scientific genius did not earn him the compensation he was entitled to, his work was recognized in many honors and awards that were bestowed.

In 1944, he received the Medal of Merit—the highest award given by the U.S. government to civilians for outstanding war service. And, when the Army decided to replace the M-1 with an improved weapon, the M-14, the new rifle was based on Mr. Garand's original design.

Springfield, where Mr. Garand worked and where he died Saturday, can take particular pride in the accomplishments of this man who served his country long and well.

[From the Springfield Union, Feb. 19, 1974]

JOHN C. GARAND

A man whose dedication matched his talent, John C. Garand probably gave as much as any individual to this nation's military superiority in three wars. The Garand M-1 rifle added spectacularly to the firepower of U.S. ground forces.

Garand, whose funeral is being held this afternoon, received numerous honors from professional groups, praise from top U.S. military leaders, and recognition from the government—which, however never saw fit to pay him for his M-1 invention.

He had reason to believe such payment would be made, and he discontinued negotiations with a civilian firm. In the absence of compensation, a bill seeking $100,000 to pay Garand for the rights to the M-1 was filed by U.S. Rep. Edward P. Boland, but it failed to pass.

The inventor's own reluctance to press the matter was probably a factor. Certainly it reflected his quality of selflessness—and a brand of patriotism that has become all too rare in the years since World War II.

LITHUANIAN INDEPENDENCE DAY

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. DULSKI. Mr. Speaker, February 16 marked the 56th anniversary of the establishment of the Republic of Lithuania. The date was commemorated by free men around the world, but the captive people of Lithuania had no cause for rejoicing.

Every administration in the United States since issuance of the statement of the Freedom Charter of the Baltic States in 1940 has opposed the subjugation of Lithuania, Latvia, and Estonia. Unanimous passage of House Concurrent Resolution 416 in 1966 reaffirmed our Nation's opposition to oppression of these liberty-loving people.

East-West détente moves closer day by day, but we must not let ourselves lose sight of basic human principles. Dr. Denis G. Mazeika, president of the Lithuanian Club, of Buffalo, N.Y., has again urged that we continue to fight forceful territorial incorporation, and as part of my remarks, I am inserting a statement from Dr. Mazeika:

DÉTENTE: ALTAR OF APPEASEMENT OR STEP TO FREEDOM

February 16 this year has an even more important meaning to Lithuanian Americans and Lithuanians throughout the world. This date marks the 723rd anniversary of the founding of the Lithuanian State and the 56th anniversary of the establishment of the modern Republic of Lithuania in 1918.

It has been 34 years . . . since 1940 . . . Lithuania's independence was terminated when the Soviet Union invaded and occupied the Baltic States and forcibly annexed Lithuania, Latvia and Estonia into the Soviet Union. The United States, true to its own basic principles, as well as the other Western powers, has steadfastly maintained a policy of non-recognition of the forceful incorporation of the Baltic States into the Soviet Empire.

Today the text of the recently published new book "The Gulag Archipelago" by the Russian author Alexander Solzhenitsyn is being broadcast over Radio Liberty for the first time exposing communist inhumanities. Lithuanians, unfortunately, can not hear these broadcasts in their own language. However, Congress can rectify this situation by adequately funding native language broadcasts for Radio Liberty. To those who have always lived in a free society such revelations of the violations of basic human rights are reprehensible. But to those of us who were personally exposed to these inhuman conditions, such memories are still painfully vivid.

Détente—The new concept in East-West relations is the force which must now be realistically considered, with all its implications, and cautiously approached. Détente could mean a relaxation of the iron fist of communist regimes providing for the beginning of real religious and personal freedom within the Baltic States, and the start of a free flow of ideas with the Western world. This would provide the Lithuanians, Latvians and Estonians a reprieve from the present environment of severe oppression.

Détente in its worst sense could mean the recognition of the territorial "status quo" in Europe—a complete violation of the right to self-determination of the peoples and the Captive Nations of Eastern Europe—tantamount to U.S. recognition of the infamous "Molotov-Ribbontrop Pact of 1939". In essence, offering the peoples of Eastern Europe upon the altar of appeasement.

Détente is not and cannot be considered the final answer for the oppressed people of Eastern Europe. Time and time again they cry out for independence. The courageous people of Lithuania have provided numerous examples of this thirst for independence. Recent manifestations include the self-immolation of Romas Kalanta, mass street demonstrations by thousands of young Lithuanians, a petition signed by 17,000 Roman Catholics calling the attention of United Nations Secretary—General Kurt Waldheim to Soviet persecution of their church and the unsuccessful escape attempt of the Lithuanian sailor, Simas Kudirka. Now, even the fate of Alexander Solzhenitsyn is perilous merely for documenting the inhuman conditions under which all people of the Soviet Union are forced to endure.

Congress in visible support of Lithuania should again urge the President to direct the question of the status of the Baltic countries in the United Nations and other international forums as it did during the 89th Congress, second session, when House Concurring Resolution 416 was adopted.

The lessons Lithuania and here people have heroically given to the world should not be forgotten and ignored today, under the guise of détente.

OUTRAGE AND FRUSTRATION OVER GASOLINE SHORTAGE

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, during recent trips to my district, I have discovered an increasing sense of outrage and frustration over the gasoline shortage and skyrocketing prices. The American people have always been willing to make the necessary sacrifices during times of crises; however, they are asking legitimate, hard-hitting questions, questions which demand answers: Is the oil crisis real? Is the allocation program fair and equitable across the Nation? What is the Congress doing to alleviate the problem? Are the oil giants benefiting from the sacrifices of the Nation?

Despite warnings from many of us, particularly those of us from New England, leaders in Washington have ignored the danger for years, and it took the Arab oil embargo to wake them up.

Now we are paying the price—with long waits at gasoline pumps, by paying double the price for oil to heat our homes, by sending our children off to school in the dark and praying they make it safely, by seeing our friends, neighbors and relatives lose their jobs because the factories where they work cannot get enough fuel.

The shortage is vividly real, but many ask me if it has been contrived by the oil giants who admittedly are reaping fantastic profits from the crisis. I wish it were that simple, but it was not contrived that the demand for energy in the United States has been growing at a rate of 4 to 5 percent a year for the past 20 years. It was not contrived that if the present trend continues, our energy needs by 1990 will be twice as great as last year. It was not contrived that domestic exploration peaked in 1956, and domestic production peaked in 1970.

The shortage is real, and even with an end to the oil embargo, we will still come up short. And no one really knows how short.

I find it appalling that despite the critical importance of petroleum to our economy and our national defense, our Government really has no hard, verifiable, data on the energy crisis. Instead, we are forced to rely on the information the oil industry sees fit to supply us. For this reason, I have introduced the Energy Reporting and Information Act setting up machinery in the Federal Energy Office to gather objective information so that the public can accurately gage the extent of the crisis and so that we can develop realistic programs to cope with the situation.

In addition, I have just launched my own survey of gasoline stations and suppliers in the 10th Congressional District of Massachusetts to gather hard data on how severe the shortage is in the communities I represent.

I have met with William Simon, director of the Federal Energy Office, pleading for more gasoline shipments to my District and to the Commonwealth. He said he needed "hard data" before he could act on my request. I have gathered this hard data and presented it to Mr. Simon for his immediate attention. It is imperative that he respond without delay. We in New England need more gasoline and heating oil now, and I intend to do everything in my power to make officials in Washington understand how bad the situation really is.

I also told Mr. Simon that the present strategy of discouraging consumption by simply letting the prices of fuel skyrocket places a grossly unfair burden on the average worker, the senior citizen and those already having difficulty paying for the basic necessities of life as the cost of food and housing goes out of sight. The sacrifices demanded by the energy crisis should be borne equally by every segment of society. And that includes the oil giants.

I am deeply distressed at the unconscionable profits the industry is making, and I voted against taking up the Emergency Energy Act the oil supporters tried to rush through Congress on the eve of the Christmas recess after gutting it of its excess profits tax provisions.

Passage of emergency legislation is vital, but it must be effective. I intend to see that two major provisions are included: a windfall profits tax to prevent private profiteering at the expense of public sacrifice and a meaningful, well-funded program of unemployment insurance to assist workers laid off because of the energy crisis. I shall firmly support a strong energy bill which addresses the public need, strikes the proper balance between the needs of the economy and the needs of the environment, and guarantees an equitable distribution throughout the country.

Additionally, the Congress must push forward with creation of a Cabinet-level Department of Energy and Natural Resources to bring together all energy related responsibilities into a coordinated attack on the energy problem. Our immediate thrust must be to alleviate the present petroleum shortage. Our future thrust must be to develop national sufficiency in energy so that the United States will not be dependent upon the Arab States, or any foreign powers, to meet our energy needs.

We already have begun establishing a permanent "conservation ethic" in America, and I am proud of the way my constituents, as patriotic and responsible citizens, have responded. They are turning down their thermostats. They are driving at 50 miles per hour. They are waiting in long lines at the service stations with a lot more patience than their negligent leaders in Washington have a right to expect.

The age of unlimited supplies of cheap energy is ended. We have been extravagant in the past: With but 6 percent of world's population, we consume 35 percent of the world's energy. Over 30 percent of our energy is wasted in one way or another—wasted in conversion from one form to another, wasted in transmission, wasted in unnecessary usage.

We must mount a major attack on waste; conservation of energy must become a permanent part of our lives.

America must push forward with the development of new sources of energy. Long, long before the Arab oil embargo made energy crisis a household word, I sponsored specific legislation to: develop commercially feasible processes for conversion of coal to crude oil and other liquid and gaseous hydrocarbons; harness solar energy, a particularly promising effort in that technology already exists to heat, and even cool, the average home with energy from the sun; provide further research in geothermal energy.

We must find ways to exploit our coal reserves more effectively. America has 1,500 billion tons of identifiable coal reserves, half of the reserves in the entire non-Communist world. We must develop ways to utilize this abundant resource, to develop ways to deep-mine coal and still protect the health and safety of miners, and to develop ways to mine surface coal without destroying our landscape.

America has an estimated 1,800 billion barrels of oil locked in shale. Further research and development can yield techniques for extracting this oil in environmentally sound ways.

Solving the energy crisis will require the commitment of every segment of our society. There is no reason why America cannot achieve self-sufficiency in energy. We are blessed with great natural resources. Our technological genius is the envy of the world.

What we need is strong leadership at the top. America has always risen to the great challenges that beset the Nation. I am confident we shall again. I have faith in the American people. And the American people, who are making the often severe sacrifices during the crisis, must have answers.

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 18, 1974

Mr. HOSMER. Mr. Speaker, on February 13 in San Francisco I addressed the 32d annual meeting of the National Rural Electric Cooperative Association on the subject of the energy crisis and the role of nuclear power in its solution. That address follows:

REMARKS BY REPRESENTATIVE CRAIG HOSMER

You have asked that I begin the morning's program by appraising the factors influencing our Nation's energy problem and discussing the role of nuclear power in solving it. My task is unique because for over 30 years no American ever had to worry about or explain any energy problem.

Since colonial times, and extending all the way into the 1960's, the United States was self-sufficient in energy. How, then, did we get from that surplus position so quickly to the point where we do not have enough gas for our cars or enough oil to heat our homes or enough clean coal to generate our electricity? The answer is found in a series of complex and interrelated miscalculations.

GROWTH DEMAND

Miscalculations for instance as to consequences inevitable from the last 10 years' of sharply rising growth in total energy consumption. . . . An average 4.3% per year. . . . Which doubles total consumption in only 17 years.

Moreover, amongst different types of energy this growth rate has varied sharply. Consumption of refined petroleum went up rapidly. Likewise electricity, doubling in only 10 years. But the use of coal lost ground.

PETROLEUM PRODUCTS

Let's take a close look at petroleum, in relation to the discovery of vast amounts of very low-cost oil in the Middle East. Much of this oil can be recovered at production costs of ten to twenty cents per barrel and delivered to the United States less than half the cost of U.S. crude. This has acted as a deterrent to our domestic oil industry. So has our yo-yo, stop & go, green light-red light vacillation in Washington over the oil import quotas.

Meanwhile domestic development of the Alaskan North Slope and our Continental Shelf, have been delayed by environmental objections. Construction of additional refineries and of deep water oil and liquid natural gas ports for super tankers has also been stalled.

While these factors adversely affected the supply side of the oil equation, the demand side ballooned from the use of ever heavier cars, additional accessories, and the unexpected imposition of efficiency reducing pollution controls.

COAL

And, what about coal? It is by far our most abundant domestic energy resource. But its share of the energy supply has been declining.

The Mine Safety Act of 1969 closed many small underground mines and the cloud of uncertainty over possibly punitive strip mining legislation acts as another deterrent. In addition, the Clean Act restricted the use of high sulphur fuel, causing 400 east coast electric power plants to switch suddenly from coal fired boilers to oil—and now oil shortages force them into another 180° turn, all because nobody bothered to anticipate the interrelationship between these two energy sources. The aggregate effect of such exercises in do-good-mans-ship is a classic example of the kind of roto-rooter analysis that sometimes characterizes Washington.

NATURAL GAS

Here is another example. In the 1950's a Supreme Court decision allowed the Federal Power Commission to regulate the price of natural gas at the wellhead. To please consumers—voters—the FPC imposed an artificially low price on natural gas. Coal, especially, with higher priced b.t.u.'s couldn't compete. But eventually the goose that laid the golden gas egg started to roll over with its feet in the air. The price incentive for gas exploration to maintain reserves was weakened, drilling declined, creating a new gas energy shortfall that only increased the demand for oil.

HYDRO POWER

In this dreary diagnosis of our energy ills there's at least one bright spot, but it's a small one—hydro power. It supplies only 4% of the Nation's energy—but it does so steadily, cleanly, reliably, and cost-effectively. I have no doubt that this happy state of affairs is due in no small part to the wise and persuasive influence in Washington for over three decades of the Nat'l Rural Electric Cooperative Association. Congratulations!

NUCLEAR POWER

Oil, gas, coal and hydro—those are the conventional energy sources. To that now add nuclear power, currently supplying little more than 1% of our total demand—but with a potential for more than half—and for restoring the traditional American independence from foreign energy sources.

Currently, licensing and technical delays—together with shortages of skilled and dedicated craftsmen—have kept nuclear power from carrying the load it should be shouldering by this time. Remedial steps are in motion—but meanwhile averting large scale power blackouts has been accomplished only by diverting refinery capacity from gasoline to kerosine to power turbo-electric generators which represent more than 22% of the total electric generating capacity installed in the three years 1970 thru 1972.

ENERGY CRISIS CAUSES

These interacting factors I have just described produced what was called the energy "crunch," in which we faced a progressively tightening energy situation, particularly with respect to petroleum products. The dramatic Arab oil embargo involves only about 10% of U.S. petroleum requirements, but that was enough to turn the crunch into a crisis.

As I see it in retrospect—it took a whole string of short-sighted policies and miscalculations to transform the favorable energy picture of the mid 1960's quickly into today's crisis:

We failed to anticipate the impact of price controls on the gas industry and to assess the ability of the Arab nations to work together.

We failed to anticipate the impact of environmental regulations on energy supply.

We failed to develop offshore oil resources on a timely basis and to build the Alaskan pipeline, and new refineries and supertanker ports in time.

We failed to increase the efficiency of our automobiles or to develop any energy conservation ethic.

We failed to anticipate the need to develop coal gasification and sulphur removal technology and realistic timetables for coal mine safety and environmental impact reforms.

We failed to get into order our nuclear licensing and regulation mechanisms and we failed on the energy front in countless other ways.

Why? Well one sure conclusion from this only partial catalogue of failures is that the popular game of finding the energy villain is for ding-bats. There are enough tempting targets to fit everyone's biases. But the reality is that the energy crisis was not caused by Arab sheiks, by environmental activists, by the international oil companies, by Federal energy planners, or even by profligate advocates of unrestrained growth.

GOVERNMENT ENERGY REORGANIZATION

To my mind, the principal cause of the energy crisis is the lack of United States institutional mechanisms capable of foreseeing and dealing with all of the complex interrelated elements of (a) the world energy situation and (b) as the world's largest energy user, the American sensitivity to the continuing kaleidoscope of geopolitical change which keeps that world energy situation both dynamic and dangerous.

Look—the environmentalists were right who pointed out that, as a nation, we pursued technological and economic progress without adequate regard for environmental consequences. At the same time the Santa Barbara Channel drillers were right who pointed out that it is provident to assume a reasonable environmental risk to get the fuel we need to propel our energy dependent society of over 202 million souls. It is a constant matter of balancing risk vs. rewards—costs vs. benefits.

And the economists were right who told us that dire consequences flow from pricing different sources of energy artificially low (as with natural gas) or artificially high (as currently with Arab oil). Lots of other wise voices warned us against every error we have ever committed in the mismanagement of our energy affairs.

The trouble is that for the most part, this government of ours simply is not cranked up to hear those warnings—or even if it could—to do anything timely or effective about them.

We clearly need new governmental arrangements in congress and the White House to provide the breadth of analysis necessary to develop sound policies—to balance risks vs benefits promptly—and to decisively carry forward decisions once they are made.

In this energy area we've got to have arrangements which take into account the infinitely complicated interplay of multitudes of causes and myriads of effects—arrangements which collect data swifty and totally—which analyze in real time—add the value judgments of experts—all to the end that future energy crises are averted and *not* invited.

It would be slow suicide to maintain the present fragmentation in which administration is scattered and in which nuclear policy, oil import quotas, natural gas regulation, air quality standards, petroleum exploration incentives and a thousand other factors are all developed in isolation.

Many proposals for governmental reorganization have been made—you've heard of the acronyms 'ERDA' 'NEC' 'F.E.A.' 'F.E.O.' 'D.E.N.R.' 'D.O.E.' and even more but this is neither the forum for defining them nor examining them. I just wanted to stress the basic importance of establishing a truly effective framework for energy administration in our country. In addition to what I have already suggested, that framework should, of course, include—

An efficient technology assessment function which tells us which energy R & D horses to bet on, and

A realistic time frame which distinguishes between short, medium and long term possibilities for payoffs in energy R & D and focuses first priority on those quickest to realize.

NUCLEAR ENERGY—HOPE FOR THE FUTURE

I would like to turn now to the one thing other than wise government organization that holds the greatest potential we know about for assuring, that for all time, America will have abundant power from domestic sources at reasonable cost.

And, that is the power of the peaceful atom—nuclear energy. We have the natural resources, the technology, the manufacturing base and the personnel beginnings to move ahead with nuclear power on an accelerated basis.

Already, today, this fledgling industry has 42 nuclear electric power stations licensed and in operation. Another 56 plants are being built and 101 more are on order. That totals 199 nuclear power stations with combined electrical generating capacity of 188,000,000 kilowatts or 188,000 megawatts of power.

Let's get those statistics in perspective—today's new nuclear power plants are at least a million kilowatts big. That's 1000 megawatts. So every time you think about 1000 megawatts of nuclear power, think of it in terms of one giant nuclear power station.

Recently the AEC forecast that by 1985 the United States "most likely" would have 300 such stations on the line, and by 1990 a total of 500. An atomic industrial forum study released just a few weeks ago indicates that these figures can be bettered. An accelerated program is possible. By 1985 we could have 365 stations instead of 300, and by 1990 we could have 700 giant nuclear power plants instead of the predicted 500—an added 200 nuclear plants, and additional new 200,000 megawatts or an enormous 200,000,000 more kilowatts of electrical generating capacity.

And, let's get those statistics in perspective. Today oil supplies 46% of our energy needs and gas supplies 32%, together that's 78%. An additional 200 nuclear power plants would displace the need for 6¼ million barrels of oil per day or its natural gas equivalent—almost the total of our import deficit now. Over the lifetime of those 200 extra nuclear plants they would replace the need for almost 50 billion barrels of oil. That is more oil than the proven reserves in all the United States, including Alaska and its North Slope. In the process, these 200 stations extra would wipe out our potential multi-billion dollar energy balance of payments deficit. And that's just the extra 200 plants—not the 500 that's predicted we'll get anyway.

FOUR IMPROVEMENT RECOMMENDATIONS

Unfortunately, our nuclear energy trajectory isn't, in reality, leading us toward this increase in nuclear power. Momentarily, it's leading us toward a shortfall of 10%—approximately 50 plants below the 500 estimated by AEC for 1990. So, let me mention only four quick steps which might be taken to reverse this downtrend and put us back on the accelerated track.

First, the regulatory process must be streamlined. It now requires 8 to 10 years to build a nuclear power station. If we work at it, we should be able to reduce that to about 6 years.

Second, the nuclear industry must persist in efforts to standardize designs and boost plant reliability and quality.

Third, new capacity must be installed for enriching uranium. This is the fuel burned by nuclear reactors. Uranium is enriched in plants owned by AEC originally built to supply no longer existing needs to make atomic bombs. The enriching capacity of those plants will soon be exceeded by new civilian nuclear power demands.

Uncertainty must be resolved as to whether Government or private industry or neither or both will add new enrichment capacity because utilities will hesitate to order new nuclear power plants unless they are certain fuel will be available for them years later when they are completed. And my fourth recommendation: plutonium is also a nuclear fuel, like enriched uranium. In the kind of reactors we build today some plutonium is made as a by-product. In reactors of the future more of it will be bred during the electricity generating process than consumed (thus the breeder reactor). Today there is uncertainty as to how to burn plutonium as a nuclear fuel. That uncertainty needs to be removed by research and development—and a parallel R. & D. effort carried on for safe and permanent disposal of high level nuclear wastes.

These foregoing steps are needed to enable us to realize the full potential of today's American light water reactors which have achieved worldwide acceptance.

BREEDER REACTORS

But, simply because uranium is a rare and limited resource, someday we will use it all up. Light water burner reactors will have to be replaced by breeder reactors which promise us an endless supply of nuclear fuel. I am proud to say that your organization is one of the patriotic American groups sensitive to this need to provide a means by which Americans of the future will be assured their requirement for nuclear fuel. N.R.E.C.A. is participating in the funding of the liquid metal fast breeder reactor demonstration project in cooperation with Uncle Sam and a large number of other U.S. public and private utility interests. Thereby, in these somewhat brief remarks, I have a second opportunity to offer you my congratulations for good works. However, I must be candid and state that I do not believe that the LMFBR program at the moment is moving as fast as it should. It is going through the birth pains of a new organization. But I am confident that its objectives will be met and that the time schedule for their accomplishment will be approached.

In closing let me say—

That when one speaks to an organization such as yours he realizes the richness and vitality of the American people. He cannot escape the conviction that whatever are our problems, the genius of that people will surmount them.

And thus, when one assumes this platform he cannot but be both humble and grateful for the opportunity to speak to so distinguished a gathering.

I thank you sincerely.

THE EFFECT OF AN OIL PRICE ROLLBACK ON SUPPLIES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ANDERSON of California. Mr. Speaker, our national policy regarding energy must be twofold: first, encourage increases in the production of sources so that supplies will be adequate and, second, keep prices for consumers at reasonable levels. While these are our two goals, each is dependent upon the other and cannot exist alone. They are linked by the basic economic principle of supply and demand.

As a result, it is our duty, in developing policy, to attempt to establish a price that would, first, encourage oil companies, to produce more oil and, second, that would not further fuel the fires of inflation.

Mr. Jackson's proposal would set the price of oil at $5.25 per barrel except for oil from stripper wells and oil produced by secondary and tertiary recovery which could by Presidential action go to $7.09 a barrel.

At this point, I place in the Congressional Record letters from several oil producers regarding the effect of a rollback on supplies of oil:

Independent Oil and Gas
Producers of California,
Los Angeles, Calif., February 15, 1974.
Hon. Glenn Anderson,
House Office Building,
Washington, D.C.

Dear Congressman Anderson: Enclosed please find a copy of my letter to Congressman John E. Moss pertaining to California oil prices and the effect on California producers and consumers if the price of crude oil is rolled back.

This copy has been mailed to you for your information and consideration.

Yours sincerely,
Glenn C. Ferguson,
President.

Independent Oil and Gas
Producers of California,
Los Angeles, Calif., February 12, 1974.
Hon. John E. Moss,
Rayburn House Office Building,
Washington, D.C.

Dear Mr. Moss: In accordance with your request, the following information is in support of my statement, "Senator Jackson's price rollback proposal for domestic petroleum prices will adversely affect California independent producers and consumers more than any other state:"

1. The price of crude oil in California has been lower historically than in any other part of the country. In the past, there has been a valid reason for this marked differential in pricing. Except for the last few years, California refineries were tooled to produce a high percentage of fuel oil. The supply and demand for fuel oil at that time pretty well governed the price that could be paid for crude oil. This is not true at the present time. Major oil refineries by necessity were retooled and modernized to permit cracking of low gravity oils into higher percentages of gasoline and other products more profitable than fuel oil. This change over of refining procedures was accelerated by the banning of the burning of fuel oil by industry and the substitution of natural gas in many of the larger cities of California. The pricing policies nevertheless persisted because the additional profit was used to pay for the modernization of the refineries. Government, in freezing prices, froze them as they stood without permitting the proper readjustment after the cost of construction of the refineries had been recovered.

2. If the price of new and released oil (including stripper well oil) is rolled back to coincide with the price of old oil, the impact will be devastating on efforts being made to recover additional oil through secondary recovery methods. At long last, purchasers have started posting prices on the basis of a 2¢ differential per degree of gravity per barrel for new oil below 24°. To give you some examples, **the price for old oil for 12 gravity** ranges between $3.85 and $3.90 per barrel, while the posted price for new oil for 12 gravity ranges between $8.54 and $9.22 per barrel depending on the quality. You can well appreciate what effect this will have on costly secondary recovery projects. The average gravity of oil produced in California is 18.9, which of course commands the price for 18 gravity oil. The price for new oil for 18 gravity oil ranges between $8.72 and $9.34 depending on quality. The price for old oil for 18 gravity ranges from $3.99 to a high of $4.23. The price for higher gravity oils is more nearly comparable to that in other states. Rather obviously, a domestic price reduction of this magnitude will discourage not only secondary recovery projects, but will discourage exploration and development drilling.

3. In the case of my own company, all our plans for drilling some 14 development wells will be cancelled simply because the projected returns on the price of old oil will not pay for the greatly increased well costs that have resulted since the price of oil has been increased. This is to say nothing of the fact that well costs had nearly doubled between 1957 and 1973. Furthermore we will be forced to look very carefully at new exploratory projects now being considered. We have already (if rollback is finalized) been "stuck" with the drilling and completion costs of one well approaching an expenditure of $100,000 which would have been commercial at the higher price, but non-commercial at the lower price. Frankly, we are losing faith in our Government. When hundreds of thousands of dollars are involved, why should any operator take a chance on bankruptcy resulting from Governmental action. There are enough risks involved without having to risk an abrupt break in price by edict.

4. Reduced exploration and drilling of domestic development wells will obviously prolong the length of time it will take this country to become self-sufficient. Higher prices for crude oil merely provide the capital flow to obtain the objective more quickly. Lower prices will prolong the period of shortages.

5. The posted price is the amount of money being paid for the purchase of independently produced crude oil (by independent producers). Independent producers have historically drilled 75 to 80% of all exploratory wells, and the rollback of prices will have its greatest impact upon this segment of the industry and virtually not at all on the major purchasing companies. While the majors may lose on the production of their own oil, they will gain on the purchase of independently produced oil. The ill effect of the Jackson proposal will far outweigh the effects of its avowed purpose.

Respectfully submitted.
Glenn C. Ferguson,
President.

P.S.—It has been estimated that a minimum of an additional 3,000,000,000 barrels of oil in California alone can be recovered through secondary recovery projects under the new prices that cannot be economically recovered under the old prices.

Argo Petroleum Corp.,
Los Angeles, Calif., February 14, 1974.
Hon. Glenn Anderson,
House of Representatives,
Washington, D.C.

Dear Mr. Anderson: We are currently drilling evaluation wells to gain the necessary reservoir information to make an economic study of a substantial lease block in the Wilmington Field. A great investment in time and money has been made over a period of two years to assemble this land, secure permits etc. This investment was predicated on the expectation of reasonable prices for crude oil.

As you are aware, expensive waterflood operations are necessary to recover much of the oil at Wilmington. Previously, the price of Wilmington oil would not justify the investment and operation of Argo's current project. A rollback in the price of new oil to old oil prices or near that figure may reduce this project to a marginal level and when compared to investment return in other areas, could preclude the project being developed to full potential.

The exact recoverable oil within the project is unknown, however it is of a magnitude in excess of 20 million barrels. We can ill afford to ignore this quantity of oil.

Costs of material, casing, fuel, drilling equipment and labor are increasing rapidly and the independent producer must be allowed a fair profit commensurate with the risk of oil finding and producing. Current prices for new oil are not out of line and only indicate the value of the product in the market place. Reasonable expectation of a fair return on investment on the part of the independent will permit continuation of the active search for new oil.

Very truly yours,

Cecil O. Basenberg,
Vice President.

California Independent
Producers Association,
Los Angeles, Calif., February 13, 1974.
Hon. William E. Simon,
Administrator, Federal Energy Office, Treasury Building, Washington, D.C.

Dear Mr. Simon: We have read with interest the article in the Wall Street Journal of February 13, that you are seriously considering rolling back and setting a new ceiling price of $7.87 per barrel for new oil. We have constantly opposed the roll-back of crude oil prices, however, we feel that your proposal is far superior to the proposal put forth by Senator Jackson. Any roll-back in the price of new oil should definitely be accompanied by the increase in the price of old oil to the same price level.

Your proposed ceiling of $7.87 per barrel would generate capital from old oil production to make it possible for Independent Operators to explore for and develop new reserves. A great majority of the oil produced in California is old oil produced at costs which are skyrocketing. Much of the old oil in the United States is produced from high cost secondary and tertiary projects, the production from which is declining.

We feel that the two-tier system of crude oil pricing has outlived its usefulness and is discriminatory to the producers of old crude. All crude oil of like quality should be sold at the same price.

Yours truly.

C. C. Albright, *President.*

[From the Wall Street Journal, Feb. 13, 1974]

Energy Office Is Studying Price Rollback for Some Oil, But Less Than in Pending Bill

Washington.—The Federal Energy Office said it is seriously considering rolling back the price of some domestic crude oil, but it wouldn't go as far as Congress would in the pending emergency energy legislation.

The rollback is being considered only for "new" oil, that which is produced above 1972 levels and which isn't currently controlled by the energy office with the aim of stimulating added output. It has been selling for more than $10 a barrel. Oil pumped at pre-1972 output levels is currently sold under a federal price ceiling of $5.25 a barrel.

The emergency energy legislation would roll back the price of the uncontrolled crude oil to $7.09 a barrel, but opposition to that has delayed a final vote on the bill.

An energy office spokesman said the agency is considering setting a new ceiling price of $7.87 a barrel for the "new" oil, the level energy chief William Simon had been advocating all along. A final decision hasn't been made, the spokesman emphasized. Such a roll back would cut retail gasoline prices by one cent or two cents a gallon, energy officials said.

The effect that a price rollback by the Nixon administration would have on the pending energy bill isn't clear. One energy office official said that if a rollback to $7.87 is decided upon, it's hoped that Congress would decide a further price drop isn't necessary and would strike it from the energy bill. Officials also said that options other than a set price of $7.87 also are being considered, such as allowing the price of new oil to vary.

A price rollback by the administration could perhaps jeopardize the energy legislation, which also would give the government authority to ration gasoline and to make mandatory certain energy conservation measures the public is currently being urged to follow voluntarily. A Senate vote on the bill is scheduled for Tuesday.

The price rollback being considered by the energy office doesn't include oil from low-out-put stripper wells or oil from fields that needs costly efforts for continued extraction. Any change there would require legislation because Congress exempted such wells from controls last year. The energy bill would repeal that exemption.

Stripper wells account for 13% of domestic crude production and the "new" oil for another 12%, according to the energy office.

In another move, the energy office barred service station owners from selling gasoline only to regular customers or from selling large amounts by requiring prepayment. Such practices have been growing nationwide and are discriminatory, the office said.

California Independent
Producers Association,
Los Angeles, Calif., February 8, 1974.
Hon. Glenn M. Anderson,
House of Representatives,
Washington, D.C.

Dear Mr. Anderson: The proposed rollback of all crude oil prices to the existing level of old crude controlled prices would be disastrous for the Independent Operators in California. Such action as proposed by the Jackson Bill would dull the incentives for further exploration and would immediately halt the movement that is now underway to rehabilitate and recomplete some of the State's 22,000 stripper wells that now only produce 102,000 barrels per day. A great percentage of those wells are owned by Independent Operators. The result of such action would be to stagnate the domestic producer and make us become more dependent on foreign crude.

We ask that you give this careful consideration and vote in opposition to the Jackson proposal.

Yours truly,

Jerome J. O'Brien,
Vice President.

LITHUANIAN INDEPENDENCE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. McKINNEY. Mr. Speaker, it is a rather sad commentary to note that most of the February 16 independence day celebrations that Lithuania has held have been under the suppression of either the Nazis or the Russian Communists. This, however, has not been the whole story of Lithuania's past.

For a period in its illustrious history, Lithuania's boundaries extended from the Baltic in the north to as far south as the Black Sea. Since then however, she has suffered from the expansion of both Russia and Germany. The present Communist domination is not the first time Lithuania has suffered under the Russian yoke. From 1795 to 1918, Tsarist Russia controlled all of Lithuania and followed many of the policies the Communists do today. They replaced Lithuanians in high posts of the government with their own people and banned higher education, which had existed in Lithuania since the 1500's. As during the WW II occupation, many Lithuanians during the 1800's emigrated from their homeland. Most of them came to the United States. Some returned to their mother country to preach of the freedom they had found in this country and others sent books which had been banned in Lithuania back to relatives.

Lithuanian resistance to foreign rule has never disappeared. Last March, over 17,000 Catholic Lithuanians sent petitions to the United Nations protesting religious persecution. In May of 1973, there were 2 days of rioting in Lithuania's capital, Kaunas, partly over religious freedom. The petitions which were sent to the U.N. stated that the systematic suppression of the church and other social institutions by the Soviet Union has brought with it, "a growing collapse of morals, and law and order." Alcoholism, suicides, and other social problems have increased drastically under Soviet rule.

Education as well has become a tool of the Communist regime's attempt to absorb the Lithuanian people into the Soviet Union. Article 78 of the Lithuanian Constitution said that the, "education of children is the highest right of parents." The Communists have not only denied this right, but perverted it to use the school system as an instrument of communist indoctrination. Subsequently education has seriously declined. Only 25 percent of the students who begin the 7-year program eventually finish. Through all this, even today the Soviet Union has shown little willingness to change its policy of suppression. In fact it is now asking for a vote of the European Security Conference to legalize the forced occupation of Lithuania, it has been carrying on for 34 years.

The United States has always supported the self-determination of a people and should not forsake the people of Lithuania during this time of détente. Many Americans of Lithuanian descent, such as Mr. and Mrs. Joseph Valiusaitis of Stamford, Conn. are deeply concerned that the United States should not forget the plight of their determined kin. I therefore give my support for the resolution to direct our delegation at the European Security Conference to oppose any attempt by the Soviet Union to legalize their takeover of Lithuania.

No country which has given so many of its people to the development of the United States and has admired our democratic system so, should be left unaided at a time of need.

THE THREAT OF CORPORATION FARMING

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. OBEY. Mr. Speaker, long before I came to the Congress, I was concerned about the issue of "corporation farming." In fact, while still serving in the Wisconsin Assembly in Madison, I introduced some of the earliest legislation to curb corporation farming. Since I came to

Congress, I was pleased to join with Senators Nelson and Abourezk and with Congressman Bob Kastenmeier and others in introducing the Family Farm Act.

I often wonder now whether those of us who have studied and spoken out on "corporation farming" were remiss in labeling it that. What we are talking about when we say "corporation farming" is not a narrowly defined corporate entity. We are referring to the takeover of *farming* by large, nonfamily operations—regardless of whether these operations are legally incorporated or not.

Unfortunately, for some time the USDA has neglected to recognize that, and has continued to minimize the threat of corporate farming, because they say only 1 or 2 percent of all farms are "incorporated."

But, as any farmer would tell you, it is not the legal status of the farm operation that is important. What is important is the share of the market which a farm operation controls. Our troubles with a few oil giants should make us realize that if a relatively few farm operations take over, they can manipulate the supply and the price of food to meet their convenience—not the consumers.

The USDA's seemingly unconcerned attitude does not make me any less wary of the potential disaster that could befall farmers and consumers alike if corporations take over food production and if decisions over food production are made in board rooms rather than in farmers' living rooms or ASC offices.

What we must remember, as a story in today's Wall Street Journal points out, is that bigness is not the be-all and the end-all in farming. It is clear, in fact, in more and more cases that a modern family farm is still the most efficient farm there is. I know that is true of dairy farms and there are thousands of them in my district. And the USDA studies show this is true of many other kinds of farming.

Mr. Speaker, I think it is time that the USDA stop looking at the problem of corporation farming as a narrowly defined legal entity and start looking at the problems which a takeover of the production of food would create in terms of the price and supply of food in this country. If they do not, I can see some very troubled times ahead.

For those who are not aware of what corporate agriculture involves, I am including a very descriptive article from the Wall Street Journal in the Record, as follows:

Commodities: If Proposed Corporate Hog Farm Succeeds, Future of Small Producer May Be in Doubt

(By Gene Meyer)

Chicago—Charles McQuoid, a businessman here who has never fed a hog, hopes to be raising 2.5 million of them in six years.

If that happens, Mr. McQuoid's planned 6,000-acre hog farm in Kahoka, in northeast Missouri, would be producing and slaughtering 33% of that state's total, and in a given week, he would sell more pork than any other U.S. producer—enough pork, said one livestock analyst, to lower prices received by all other U.S. hog farmers as much as 8%. The proposed complex would employ 2,000 persons—or almost as many as Kahoka's population of 2,200.

Not surprisingly, Mr. McQuoid's plans are controversial. A Senate Antitrust and Monopoly subcommittee is looking into them informally, and other observers are predicting that success ultimately will mean the end of the small independent hog producer. The project also is stimulating renewed attempts to assess corporate farming's impact on all of U.S. agriculture.

Mr. McQuoid's plans, however, appear to be a logical extension of trends that have decreased farm numbers 32% and increased national average farm size 34% since 1959. Farming has grown into a more complex business operation, which requires farmers to sharpen their managerial and technical skills and acquire more capital, as they try for a bigger share of the market dollar to make a living.

In doing so, some farming operations have grown dramatically. For example, the Agriculture Department said that just over half of the U.S.'s nearly 27 million feed cattle come from 711 feedlots; the other half come from more than 154,000 much smaller lots. Farmers have been joined by businessmen and corporations seeing a chance to make money by expanding on an even grander scale.

Agriculture Secretary Earl L. Butz and other department spokesmen steadfastly maintain that small, independent farmers will prevail, but other observers are less sanguine. They contend the same economics that have helped family farms grow are even more beneficial to large operations.

Mr. McQuoid, for instance, said he has gone to institutional lenders and to industry and colleges for technical aid, just as the family farmers does. The difference, of course, is one of scale—Mr. McQuoid's visits to the bank have produced more than $115 million for his operation.

"All the components (breeding, feeding and killing) work by themselves," Mr. McQuoid said. "We're just putting them together," he added.

Mr. McQuoid has incorporated as Missouri Foods International Inc., with himself as major owner. Thus, though privately held, the Kahoka operation joins the ranks of the "corporate farmer," a sinister term to some farmers.

"But the corporate farmer is really something of a straw man," claimed William Scofield, an Agriculture Department economist. He added: "Most small farms which have vanished have been taken over by other farmers just down the road. Less than 22,000 farms (out of 2.75 million) are incorporated and 90% of these involve families who've done it for a tax break or some other advantage. There are less than 1,800 farms with 10 or more owners."

Richard D. Rodefield, a Michigan State University rural sociologist, said those numbers may be misleading. "If farming interests are redefined according to their control over growing and marketing decisions," he argued, "the figures would show nonfamily farms sell more than half the country's farm products." He said family farms—meaning those owned by families that raise the money, supply the labor and make the management and marketing decisions themselves—have been getting less than half the national farm receipts since 1959.

Nonfamily farms get differing sales-receipt shares in different parts of the country, Mr. Rodefeld said. These range from over 70% in the Pacific states to 13% in the Corn Belt and to generally 45% or more elsewhere.

About 14% of the nation's crops and 36% of its livestock are sold under some sort of integrated or contractual arrangement, though percentages vary widely among commodities, some sources said. Nearly all feed grains, which dominate Corn-Belt farming, are sold on the open market, but 95% of the country's processed vegetables, more prevalent in the Pacific states, aren't. Similarly, about 95% of the U.S. broiler crop is sold under contract but only 2% of all hogs are sold that way.

Some critics fear the hog picture could change radically because of Mr. McQuoid's project. "If that deal comes off," said Mr. Rodefeld, "it will be especially indicative of the nonfamily-farm take-over. Hogs traditionally have been the bastion of the family farmer."

About 1,000 of these family farmers rallied in Kahoka earlier this month to protest the proposed complex. They cheered gustily when Oren L. Staley, president of the National Farmers Organization, pledged, "We aren't going to allow a handful of corporate executives to control food production in this country."

The take-over feared by small farmers is far from assured, however, other critics said. Other integrated pork complexes, planned on more modest scales than Mr. McQuoid's, have folded within five years. And concerns such as Tenneco Inc., Purex Inc., Gates Rubber Co. and CBK Industries Inc. have steadily retrenched to cut losses or have gotten out of farm programs, which like hog raising, require lots of hard work and skilled management.

In addition, the Agriculture Department said studies increasingly show that a small farmer's size mightn't be such a drawback after all. In fact, the most efficient farm size, the department suggested, is that which can be handled by one farmer equipped with the best machinery and technological expertise available.

Figuring that is true, other farmers are more bemused than alarmed by the complex of hog houses, feed mills and packing plants expected near Kahoka. "If the man wants to bet his money that way, why that's his right," observes an American Farm Bureau spokesman.

STRONGER ENERGY DATA REPORTING AMENDMENT NEEDED TO FEDERAL ENERGY ADMINISTRATION ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. DINGELL. Mr. Speaker, I propose to offer an amendment to the bill, H.R. 11793, the legislation establishing the Federal Energy Administration, in order to make the reporting provisions of that bill conform exactly to the reporting provisions adopted on the floor of the House in December 1973, in connection with the Energy Emergency Act, provisions which were accepted by the House and Senate conferees.

The present reporting provisions in the bill, H.R. 11793, are an abomination, as noted by my colleagues on page 48 and 49 of House Report 93-748.

I will point out that hearings I held January 16, 17, and 18, 1974, in my subcommittee on the Activities of Regulatory Agencies of the Select Small Business Committee, the chairman of the Federal Power Commission endorsed by reporting amendment and Mr. Sawhill, Deputy Administrator of the Federal Energy Office, testified that he could find nothing substantively wrong with it. He certainly did not endorse the blanket confidentiality provisions contained within H.R. 11793, the effect of which is to deprive the Congress, the public, and most Federal agencies of needed energy data.

The confidentiality and reporting provision of H.R. 11793 can only be described as "the oil companies' dream."

This amendment I will propose follows:

Amendment to H.R. 11793 as reported on December 28, 1973:

1.(a) On page 34, line 22, strike "(c)" and insert therein "SEC. 16." (b) On page 35, strike all beginning on line 11 through the period on line 21.

2. Strike all beginning on line 7 of page 33 through the period on line 21 of page 34, and insert therein the following:

REPORTS ON NATIONAL ENERGY RESOURCES

"SEC. 15.(a) For the purpose of providing to the Administrator, Congress, the States, and the public, to the maximum extent possible, reliable data on reserves production, distribution, and use of petroleum products, natural gas, and coal, the Administrator shall promptly publish for public comment a regulation requiring that persons doing business in the United States who, on the effective date of this Act, are engaged in exploring, developing, processing, refining, or transporting by pipeline any petroleum product natural gas, or coal, shall provide detailed reports to the Administrator every sixty calendar days. Such reports shall show for the preceding sixty calendar days such person's (1) reserves of crude oil, natural gas, and coal; (2) production and destination of any petroleum product, natural gas, and coal; (3) refinery runs by product; and (4) other data required by the Administrator for such purpose. Such regulation shall also require that such persons provide to the Administrator such reports for the period from January 1, 1970, to the date of such person's first sixty-day report. Such regulation shall be promulgated thirty days after such publication. The Administrator shall publish quarterly in the Federal Register a meaningful summary analysis of the data provided by such reports.

"(b) The reporting requirements of this section shall not apply to the retail operations of persons required to file such reports. Where a person shows that all or part of the data required by this section is being reported by such person to another Federal agency, the Administrator may exempt such person from reporting all or part of such data directly to him, and upon such exemption, such agency shall, notwithstanding any other provision of law, provide such data to the Administrator. The district courts of the United States are authorized, upon application of the Administrator, to require enforcement of the reporting requirements of this section.

(c) Upon a showing satisfactory to the Administrator by any person that any report or part thereof obtained under this section from such person or from a Federal agency would, if made public, divulge methods or processes entitled to protection as trade secrets or other proprietary information of such person, such report, or portion thereof, shall be confidential in accordance with the purposes of section 1905 of Title 18 of the United States Code, except that such report or part thereof shall not be deemed confidential for purposes of disclosure to (1) any delegate of the Federal Energy Administration for the purpose of carrying out this Act, (2) the Attorney General, the Secretary of the Interior, the Federal Power Commission, or the General Accounting Office when necessary to carry out those agencies' duties and responsibilities under this and other statutes, and (3) the Congress or any Committee of Congress upon request of the Chairman. The provisions of this section shall expire, as provided in section 19 of this Act."

Mr. Speaker, I also plan to offer the following two amendments regarding energy advisory boards and the positions held by Mr. William Simon, Administrator, Federal Energy Office and Deputy Secretary, Department of the Treasury.

On page 22, line 10, insert immediately after the period the following:

The membership of each such advisory board shall be fairly balanced in terms of points of view represented and the functions to be performed by such board and shall include consumer, small business, and environmental representatives. The advice and recommendations of each such board shall be the result of that board's independent judgment and shall not be influenced by the Administrator or any other Federal official or special interests. All such advice and recommendations shall, when made, be promptly made available to the public.

And, the following amendment:

On page 25, strike all beginning on line 5 through the period on line 13, and on line 14 change "(f)" to "(e)".

THE RESPONSIBILITIES OF THE AMERICAN CITIZEN

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. KYROS. Mr. Speaker, I commend to my colleagues' attention Maine's winning essay in the annual VFW Voice of Democracy Contest. I am especially pleased to do so this year because Chris Stephens' essay, "The Responsibilities of the American Citizen," deals in very specific terms with some of the underlying problems facing our society and with what can, and must, be done to solve them. Mr. Stephens turns to the ideals of integrity, unselfishness, and dedication, and the lesson he draws is one from which we can all learn. Maine and the VFW can be very proud of Chris Stephens' essay.

The essay follows:

THE RESPONSIBILITIES OF THE AMERICAN CITIZEN

In the aftermath of recent political upheaval in the United States, it becomes obvious that there have been some vitally important qualities lacking in our social and political lives. There is an air of disillusionment with leadership and government in general. What are the basic qualities we look for in our leaders? What are the important characteristics we want our representatives to express?

There are three essential qualities that should be present in every good leader: integrity, unselfishness, and dedication. Most people expect these characteristics to be expressed by our political representatives, and are appalled when these high principles are compromised. However, many of us never expect these qualities of ourselves. If the people of this country were to make it their responsibility to consistently express these principles themselves, we could bring this nation much closer to the ideals upon which it was founded. It is the duty of every American citizen to try at all times to live the three qualities of integrity, unselfishness, and dedication. There are many ways that we can do this.

Integrity has always been one of the most important of the American ideals. By definition, integrity refers not only to honesty, but to moral soundness as well.

Both of these ideals seem to have been pushed into obscurity by the emergence of the "with-it" generation, and the "new morality. Integrity needs to be a constant responsibility of all citizens. Americans need to be more honest in everything they do, and especially so with themselves. We can easily bring this close to home. We can obey our traffic laws, not because there is a policeman at the corner, but because we want to be honest, and we recognize the safety these laws represent. We can refuse to cheat on tests, to shoplift, or to falsify information on tax forms. Since integrity also involves moral soundness, we should be honest in our relationships with other people, and honor our commitments to those in responsibility, to our employers, and to business and personal contracts. No one is too young to begin to practice the basic principles of honesty in thought and deed.

Unselfishness, or the willingness to make a sacrifice for the good of something greater than one-self, is vitally important. We need to make it our responsibility not to be selfish with our energy resources, either in times of crises, or prosperity. We should not be self-indulgent with our other natural resources. Pollution is essentially caused by such self-indulgence; the placing of one's own desires and convenience above other considerations. Self-indulgence is seen every day in such petty things as hoarding or overuse of gasoline or oil, littering, and discourtesy or recklessness in driving. A good example of a more selfless attitude is the person who is always ready to help perform a service for a community, with no thought of recompense for himself. This attitude illustrates that unselfishness is essential in our lives, because it helps to promote harmony between people, and progress in society.

As good citizens, we all need to express dedication. Dedication is a total commitment to a particular course of thought or action; it is the quality which carries an idea to completion. The commitment to express integrity and unselfishness takes a great deal of dedication. As citizens of the United States, we also need to feel a dedication to our country. This does not mean that we have to agree with everything that occurs in the country, but we need to be dedicated to the principles for which it stands. Because the founders of this nation were dedicated to the cause of freedom, we have the liberty and well-being we enjoy today.

The ideas of integrity, unselfishness, and dedication are the basis on which the many privileges of the American citizen are built, and they form a strong foundation of responsibility that needs to be reaffirmed in the United States today. The original signers of the Declaration of Independence went so far as to pledge their "Lives", "Fortunes", and "sacred Honor" to these principles. Can we do less?

CONSPIRACY

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. LANDGREBE. Mr. Speaker, four recent issues of the Warsaw, Ind., Times-Union, published by Mr. Reub Williams and edited by Mr. Norman Hagg, contained editorials which deserve the consideration of my colleagues. The first of the editorials, which was written by Mr. William K. Mollenhour, is entitled "Conspiracy," and it briefly but competently says some things that desperately need to be said. I include Mr.

Mollenhour's editorial, "Conspiracy," to be printed in the RECORD at this point:

CONSPIRACY

(By William K. Mollenhour)

MAIN STREET, U.S.A.—Conspiracy is the byword in Washington these days. More attention should be paid the word on Main Street, U.S.A. Our dictionary defines conspiracy as "a combination of persons for an evil purpose, a plot". Is there a real conspiracy in The United States? We believe there is, but its name is not Watergate!

Its evil face reflects the plot of Karl Marx. Take advantage of youth corrupted by drugs, adults befuddled with alcohol. Spend until the taxpayer can no longer bear the burden. Add socialistic scheme upon socialistic scheme. Discredit the government and the men in it. If they help the cause by stupid politics, so much the better for the Communist purpose. Fan the fires of dissension until neighbor distrusts neighbor, officials spy upon each other.

Attack all portions of our system. Make it look bad. Get government to control everything. Then take over the government. With this plan you have won a nation without firing a shot. Is it happening? We think it is.

A few months ago, the dollar was under attack abroad. Fortunately it stood. More about that in later days. Take an 18 minute segment of tape no one ever heard about until a few months ago, and blow it into something out of all proportion to its true value and distrust multiplies.

We have an energy shortage. Ralph Nader goes before a Congressional committee and with a knowing look declares it is a device to raise profits of oil companies, but offers not one word of proof. He does create distrust.

One branch of government orders part of the economy to cease advertising its products and adds insult to injury by forcing the same companies to spend an equivalent amount to unsell their product!

After all this comes the most preposterous suggestion of all. While with one hand, liberals accuse the oil companies and utilities of profiting on a shortage, they rise in righteous anger in Congress and criticize the same companies for running ads urging consumers to conserve. You can't have it both ways so confusion reigns. Communism feeds on confusion. We are playing the Karl Marx game unwittingly.

There is hardly a segment of our economy, our businesses, our government, our politicians, that has escaped the insidious erosion of confidence. This will result in apathy. The average voter is apt to say, "to hell with it" so only a few will go to the polls and rule the many.

If the Communist Party of the world had written the scenario of The United States for the past several years, the game plan of Karl Marx could not have been followed more closely.

The media cannot escape its share of responsibility either. National news gatherers have been so anxious for a headline, we hear on one day that loaded oil tankers are standing off our shores with plenty, and the next day that giant Con Edison of New York is running out of fuel.

Stop it Americans, you are committing democratic suicide. Every cloud has a silver lining. Tomorrow we want to write about ours, for which we Americans can take no credit.

HOUSE OF REPRESENTATIVES—*Wednesday, February 20, 1974*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCFALL). The Clerk will read the following communication.

The Clerk read as follows:

THE SPEAKER'S ROOMS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., February 20, 1974.

I hereby designate the Honorable JOHN J. MCFALL to act as Speaker pro tempore today.

CARL ALBERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let integrity and uprightness preserve me; for I wait on Thee.—Psalms 25: 21.

Almighty God, our Father, unfailing source of wisdom, power, and love, we come to Thee conscious of our needs, aware of our shortcomings, and yet confident that Thou art with us leading us in the ways of justice, peace, and good will. Strengthen us to be diligent in doing our duties, give us wisdom to make wise decisions, and make us ready for the heavy responsibilities of these distressing days.

Bless Thou our country and the institutions of this free land. Sustain with Thy power and enlighten with Thy grace our President, our Speaker, our Members of Congress, and all who are entrusted with our safety and our security.

Increase the faith of our people in our Government. Help them to realize how truly sound it is and though it may be slow in some actions, it is nevertheless seeking the good of our people and the best interests of our country.

In this hour of our national life, give to us all courage, faith, and good will that we fail not man nor Thee. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) entitled "An act to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes."

ELECTION OF THE HONORABLE THOMAS P. O'NEILL, JR., AS SPEAKER PRO TEMPORE DURING THE ABSENCE OF THE SPEAKER

Mr. TEAGUE. Mr. Speaker, I offer a privileged resolution (H. Res. 884) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 884

Resolved, That the Honorable THOMAS P. O'NEILL, Jr., of the Commonwealth of Massachusetts, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of the Honorable THOMAS P. O'NEILL, Jr., as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The Honorable THOMAS P. O'NEILL, JR. was thereupon sworn in as Speaker pro tempore.

THE HONORABLE TENO RONCALIO, VOICE OF REASON ON AEC MATTERS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, our distinguished colleague, TENO RONCALIO, a member of the Joint Committee on Atomic Energy, has long been the voice of reason on AEC matters. He has recently prepared a brilliant detailed report on the AEC's Plowshare program which proposes natural resource recovery through underground nuclear explosions in the West. The report, "Plowshare: A Technology in Search of a Use," recounts past Plowshare failures and warns that the program wastes money and natural resources. It further warns that Plowshare may jeopardize public health and other alternative energy recovery programs.

In his column in the Denver Post, Leonard Larsen says this about Congressman RONCALIO's effort to incorporate sanity in the Plowshare program:

> Almost alone in the Congress, Rep. Teno Roncalio, D-Wyo., has been taking a long look at the AEC Plowshare program and its appalling plans for underground A-bomb blasts—scores of them, hundreds of them, thousands of them—in an effort to produce natural gas in his state, Colorado and who knows where else in the West.

It goes on:

> Roncalio, lawyer, banker and legislator who has never shed the instincts of a childhood battler in Rock Springs, believes it's time we ask the AEC and ourselves just what the hell's going on here.

Mr. RONCALIO's report, which he presented at the recent tri-State energy conference in Denver, will appear soon in the RECORD in installments. I urge all to read it.

CONSTITUTIONAL AMENDMENT TO PROHIBIT FORCED BUSING FOR RACIAL BALANCE

(Mrs. GREEN of Oregon asked and was given permission to address the House for 1 minute and to revise and extend her remarks).

Mrs. GREEN of Oregon. Mr. Speaker, immediately after this 1-minute speech it is my intention to file a discharge petition on House Joint Resolution 771, introduced by the gentleman from Arizona (Mr. RHODES) providing a constitutional amendment to prevent the forced busing of students throughout this country. In my 20 years, this is the only time I have ever filed a discharge petition—and seldom have I signed them. But this problem is bringing greater polarization, is dividing the country and is counter productive in achieving educational objectives.

Mr. Speaker, this House on several occasions has spoken very decisively on this matter. By overwhelming votes the Members have indicated their disapproval of the use of Federal funds to require the forced busing of students on the basis of purely racial balance.

Mr. Speaker, in addition, for the first time in my 20 years in Congress, I sent a questionnaire to my constituents in Portland, Oreg., and when I make these comments it should be borne in mind that my mailing list is probably 75 to 80 percent Democratic in an industrialized urban area. The question was phrased by a person who is an expert in phrasing questions in an objective nonpartisan way so they will not be "loaded." The question said:

> Would you favor a constitutional amendment which would prohibit the Federal Government, the Executive or Legislative or Judicial branches, from forcing the busing of students from neighborhood schools for the sole purpose of achieving racial balance?

We have tabulated over 10,000 of those questionnaires, and more than 70 percent from a predominantly Democratic mailing list expressed their support of a constitutional amendment to prohibit this forced busing.

It is my hope that as many as are interested in this problem will examine House Journal Resolution 771 and sign the discharge petition.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, FEBRUARY 21, TO FILE REPORT ON H.R. 12855, AMENDING INTERNAL REVENUE CODE TO PROVIDE PENSION REFORM

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Thursday, February 21, 1974 to file a report on the bill, H.R. 12855, to amend the Internal Revenue Code of 1954 to provide pension reform, along with any separate and/or supplemental views.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

LET US TAKE OUR TIME

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, many of us in the House have been subjected to the persuasions and pressures of those who oppose daylight saving time on a year-round basis. Many who would repeal that measure advance the argument that there has been a drastic increase in the deaths of schoolchildren en route to school, because of early morning darkness.

Figures just released by the Department of Transportation tell an opposite story.

January, the first month of daylight saving time this year, showed a dramatic decrease in pedestrian and bicycle deaths. Here are the statistics:

In January 1973, there were 396 pedestrians and bicyclists who died in traffic accidents. In January of this year, the total of such deaths was down to 271.

Of those deaths last month, 57 were schoolchildren between the ages of 5 and 19. In January of 1973, however—without daylight saving time—93 children died in pedestrian or bicycle traffic accidents.

In offering these DOT findings, I realize it is impossible to weigh the possibly beneficial effect of reduced auto speeds and the smaller number of cars on the road in 1974 as compared with last year. Suffice it to point out that it is still too early either to brand year-round DST a tragic mistake, or to hail it a proven success.

For the grieving family of a child who has been killed, there will be no comfort in statistics. I would caution colleagues, however, to study carefully the premature effort now underway to repeal last year's act calling for a 2-year test of fulltime DST.

THE WATERGATE MATTER

(Mr. MILFORD asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, I have today, introduced a bill that will allow our House Judiciary Committee to have immediate access to all information and work products that have been accumulated by the Special Prosecutor—appointed to investigate the Watergate matter—and any other officers of the U.S. Government.

This bill is very similar to the excellent work done by the distinguished gentleman from Illinois (Mr. RAILSBACK). As a matter of fact, my bill is identical to his with one exception: I have added a section that is designed to provide protection for the confidentiality of a prosecutor's work product.

Mr. Speaker, the American people are tired of this Watergate mess. They want the issue resolved—one way or another. They want to know—one way or another—whether or not the President of the United States has been involved in illegal activities.

The Watergate affair is not a partisan issue. Republicans and Democrats alike want this mess resolved. However, responsible Members from both sides of the aisle want the issue resolved properly and in accordance with our system of justice.

I do not mean to imply that our system of justice has been dragging its feet. The work of the Justice Department, the Special Prosecutor, the grand jury system, the Senate Committee, and our own House Judiciary Committee has been going along as rapidly as possible.

The Watergate investigation is a complex matter. If properly conducted, as it has been, it takes a long time to gather legitimate evidence that will reveal the real truth.

The role of our House Judiciary Committee is different from the other investigative bodies in that our committee is interested only in possible Presidential involvement. The Special Prosecutor and the grand juries are looking at the possible involvement of many persons.

In my bill, I have tried to protect the Prosecutor's work product by requiring the committee to keep matters confidential when these matters would jeopardize the prosecution of a third party. In other words, the American people want to know the truth about Presidential involvement in the Watergate matter. At the same time, our people want the guilty punished and the innocent absolved. They do not want someone let off scott-free because confidential prosecution information was leaked to the press for the benefit of a personal headline.

Mr. Speaker, if this bill is promptly considered and passed, our House Judiciary Committee will be able to promptly and efficiently look into all aspects of possible Presidential involvement in the Watergate matter. Individual Members of this House will be able to responsibly make a judgement on the grave matter of impeachment.

ADMINISTRATOR OF FEDERAL ENERGY OFFICE HAS NOT REPLIED TO INQUIRY REGARDING RATIONING

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, on January 4, 1974, I addressed a letter to Mr. William E. Simon, Administrator of the Federal Energy Office, pointing out that section 4(a) of the Emergency Petroleum Allocation Act gives authority, as well as other provisions of that act, to the President to put into effect rationing.

I asked Mr. Simon to either confirm that, as I think he must do under the law, or say that the proposition is not true, because I think the people are entitled to know.

The letter has been kicking around in that office, and my office has received word that the letter is in the mail and in the lawyers' offices and ultimately word was received that it has been lost, so I sent a letter by messenger to that office trying to get an answer. Again, the FEO reported that it had lost the messenger-delivered letter, and we sent a third letter. I have not yet received an answer.

However, on February 6, Mr. Simon, speaking before the Joint Committee on Atomic Energy, said in response to Senator PASTORE's question that the General Counsel of FEO thinks it has the authority to ration. Of course, there is no question that it does and the General Counsel should say so; however, Mr. Simon added that some lawyers disagree.

I think that Mr. Simon owes it to the American people to make a clear declaration with respect to the law on the point.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DISCHARGE PETITION ON H.R. 2154

(Mr. DENNIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENNIS. Mr. Speaker, I take this occasion to remind the Members of the House that I have at the Clerk's desk the discharge petition on H.R. 2154, now containing something over 60 names, which, if enacted into law, would, at least in the future and as to future occasions, give Members of this body the chance—which they ought to have and the duty which they ought to have—to vote on proposed salary increases.

I urge Members to place their signatures on the petition.

SPACE CRYSTALS

(Mr. FREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, in this morning's Science and Astronautics Committee we had a testimony by Prof. Harry C. Gatos of the Massachusetts Institute of Technology. He made a statement which really amazed me regarding the growing of crystals in space. He said that the results from the Skylab are far more exciting than expected and that in his opinion manufacturing in space is one of the greatest opportunities ever afforded to benefit mankind. That is quite a statement from this noted scientist. As we questioned him about this, the full worth of this Skylab experiment became clear. Through the program of growing crystals in space we have developed new means of creating and storing power. If fully developed, within the next 5 years we would have a practical economic basis of using solar power. It is a tremendous discovery and one which will be worth many times over the amount invested in Skylab.

AUTHORIZING THE SPEAKER TO ADMINISTER THE OATH OF OFFICE TO JOHN P. MURTHA

Mr. HAYS, from the Committee on House Administration, reported the following privileged resolution (H. Res. 871), Report No. 93-801, which was referred to the House Calendar and ordered to be printed.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 37]

Arends
Aspin
Badillo
Biaggi
Blatnik
Brasco
Breaux
Broomfield
Burke, Calif.
Carey, N.Y.
Cederberg
Chisholm
Clark
Conyers
Crane
Dellums
Diggs
Dorn
Edwards, Ala.
Fascell
Frelinghuysen
Gubser
Huber
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Kluczynski
Leggett
Long, Md.
McCloskey
McEwen
Mailliard
Mills
Moorhead, Pa.
Moss
Murphy, N.Y.
Patman
Peyser
Powell, Ohio
Rangel
Rarick
Reid
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Snyder
Stokes
Talcott
Vanik
Ware
Wiggins
Wilson, Bob
Wright
Zablocki

The SPEAKER pro tempore. On this roll call 375 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING THE SPEAKER TO ADMINISTER THE OATH OF OFFICE TO JOHN P. MURTHA

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 871

Resolved, That the Speaker is hereby authorized and directed to administer the oath of office to the gentleman from Pennsylvania, John P. Murtha; and be it further

Resolved, That the question of the final right of John P. Murtha to a seat in the Ninety-third Congress be referred to the Committee on House Administration, and said committee shall have the power to send for persons and papers and examine witnesses on oath in relation to the subject matter of this resolution.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. HAYS) is recognized for 1 hour.

Mr. HAYS. Mr. Speaker, the resolution before us is brief and self-explanatory. It came out of the Committee on House Administration by a vote of 17 to 0. I would just say, very briefly, that rights of no one are in any way precluded. This is something that has happened before. On the last occasion we did this we seated a Republican from Pennsylvania, while the election was being recounted and contested.

The gentleman from Pennsylvania (Mr. DENT), who is the chairman of the Subcommittee on Elections, as I say, being from Pennsylvania, is familiar with the Pennsylvania law.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. DENT) for the purpose of debate.

Mr. DENT. Mr. Speaker, on the 5th day of February 1974, a special election was held in the 12th Congressional District, Commonwealth of Pennsylvania, to fill the seat vacated by the death of our late friend and colleague, the Honorable John P. Saylor.

On February 13, 1974, Armstrong, Cambria, Clarion, Somerset, Jefferson, and Indiana County Board of Elections certified that the returns in the special election to fill said congressional seat were as follows:

John P. Murtha, 60,523; Harry M. Fox, 60,281; and Duane H. McCormick, 467.

Harry M. Fox filed timely objections and asked for a recount of the vote in five counties involving 74 precincts.

It appears to the committee that legal proceedings emanating from the objections and the request for a recount will probably result in protracted litigation and would thereby deprive the 12th Congressional District of Pennsylvania of representation in the House of Representatives for an indefinite period.

It is clear from precedents that it is within the power of the House of Representatives to seat a Member without having before it certified returns from the executive authority of the State. The present situation is one wherein it is proper for the House of Representatives to follow this precedent and seat Mr. John P. Murtha.

Such action on the part of the House would not be in the least irregular or in any way effect, compromise, or prejudice the rights of Harry M. Fox to contest the election under the Contested Election Act of December 5, 1969, Public Law 91-138.

Article I, section 5 of the Constitution provides that:

> Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members, and majority of each shall constitute a Quorum to do Business; . . .

Accompanying this I have before me the following letter addressed to the Honorable CARL ALBERT, Speaker of the House of Representatives, U.S. Congress, 2205 Rayburn House Office Building, Washington, D.C. 20515:

COMMONWEALTH OF PENNSYLVANIA,
Harrisburg, Pa., February 13, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives, U.S. Congress, Rayburn House Office Building, Washington, D.C.

DEAR MR. SPEAKER: Please be advised that the official count of the votes cast for the Special Election in the 12th Congressional District of Pennsylvania on February 5, 1974, and officially tabulated by the respective County Boards of Elections comprising the District are as follows:

	John P. Murtha, Democrat	Harry M. Fox, Republican	Duane H. McCormick, Constitutional
Armstrong County	6,451	11,521	88
Cambria County	29,921	21,857	206
Clarion County	823	722	3
Somerset County	8,883	9,887	73
Jefferson County	4,843	5,654	61
Indiana County	9,602	10,640	36
Total	60,523	60,281	467

This official tabulation gives John P. Murtha a 242 vote margin over his nearest opponent.

The Pennsylvania Election Code provides for a period of five days from this official count by the County Boards of Elections for a candidate to file objections and ask for a recount. You will receive from this office the proper Certification upon expiration of the time of appeal or after any recount, should that occur.

Sincerely yours,

C. DELORES TUCKER,
Secretary of the Commonwealth.

Mr. GOODLING. Mr. Speaker, will the gentleman yield for a question?

Mr. DENT. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

The gentleman may have been asked this question, but I could not hear because of the noise. Has the gentleman in question been certified by the secretary of the Commonwealth of Pennsylvania?

Mr. DENT. No. The only information we have is the official count, which has been used in the past.

Mr. GOODLING. Has the official count been read?

Mr. DENT. Yes. I just read it.

Mr. GOODLING. I understand a lot of ballots were disqualified.

Mr. DENT. On both sides. In any contest they are, on both sides. There are 49 additional boxes to be opened.

Mr. GOODLING. I thank the gentleman.

Mr. DENT. Mr. Speaker, I yield such time as he may consume to the ranking minority member, the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. I thank my distinguished colleague from Pennsylvania, chairman of the subcommittee, for yielding.

Mr. Speaker, the members of the minority on the committee and subcommittee are in somewhat reluctant agreement on the passage of House Resolution 871. As everyone in this House knows, the election contest is under a recount procedure now, and there are other legal contests possible in this particular election. The Republican candidate, Mr. Fox, has written a letter to the gentleman from Ohio (Mr. HAYS), chairman of the committee, indicating some of the recount problems and procedures in contact.

Mr. Speaker, I ask unanimous consent that the content of this letter from Mr. Fox to the Honorable WAYNE HAYS be made a part of the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The letter is as follows:

FOX FOR CONGRESS COMMITTEE,
Johnstown, Pa., February 19, 1974.

Hon. WAYNE L. HAYS,
Chairman, House Administration Committee, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN HAYS: It has come to my attention that your Committee is considering a resolution to seat, as a Member of the House of Representatives for the 12th Congressional District of Pennsylvania, the Democratic nominee, John P. Murtha, for that office in the Special Election held on Tuesday, February 5, 1974.

Following that election, the official vote count showed that the Democratic nominee received 242 votes more than myself, the Republican nominee. In accordance with the laws of the State of Pennsylvania, I filed petitions in State courts, for a recount of the vote in certain precincts in the District.

That official recount is now in process. On Saturday, February 16th, under court supervision, certain ballot boxes in Cambria County were opened. You will be interested to know that of the 27 boxes opened, errors were discovered in the count of 20 boxes. The final result of that recounting was a net gain of 47 votes for myself.

The courts in Armstrong and Somerset Counties have set Friday, February 22nd, as the date for the recounting of the petitioned ballot boxes in those two counties. The courts in Indiana and Jefferson Counties have set Thursday, February 28th, as the date for the recounting of the petitioned ballot boxes in those two counties.

Considering the closeness of the vote, and inasmuch as I have complied with Pennsylvania law in petitioning for a recount of certain ballot boxes, I respectfully ask that your Committee defer action on any resolution pertaining to the seating of either nominee, until the recount is completed and the results of the Special Election are official and incontestable.

I am advised by legal counsel that the Pennsylvania Secretary of State cannot certify the election as complete until the recount is finished.

I asked for the recount of certain boxes—not to delay the seating of a new Congressman—but because of irregularities discovered in the voting and counting on February 5th. Many citizens were baffled by the straight party box on the left side of the ballot and the names of the candidates on the right—for one elective office. This resulted in an excessive number of voided ballots (approximately 900 districtwide). We have already discovered that many of those ballots should have been counted.

Mr. Chairman, I believe I have won this election and the recount, when completed, will bear out my contention. In the interest of fairness to myself and the voters of the 12th Congressional District, I again, respectfully, ask that any seating resolution be deferred.

Sincerely,

HARRY M. FOX.

Mr. FRENZEL. Mr. Speaker, in addition, our colleague, the gentleman from Illinois (Mr. MICHEL), chairman of the Republican Congressional Committee, has written a letter to the gentleman from Pennsylvania (Mr. DENT), chairman of the subcommittee, indicating the nature of the recount, the number of boxes to be opened, and the score of the recount as of the date of February 19.

I ask unanimous consent that the gentleman from Illinois' (Mr. MICHEL) letter be entered in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The letter referred to is as follows:

NATIONAL REPUBLICAN
CONGRESSIONAL COMMITTEE,
Washington, D.C., February 19, 1974.

Hon. JOHN DENT,
Chairman, Elections Subcommittee, House Administration Committee, Washington, D.C.

DEAR MR. CHAIRMAN: The official canvass for the Special Election for Representative in Congress from the 12th District of Pennsylvania resulted in a showing that the Democrat candidate received 242 more votes than the Republican candidate.

An official recount was requested and thus far in that recount, 27 boxes have been recounted in Cambria County with errors discovered in 20 boxes, resulting in a net gain of 47 votes for the Republican candidates. There are 49 additional boxes to be opened in other counties, as follows:

Armstrong County, 12 boxes; Indiana County, 21 boxes; Jefferson County, 6 boxes; and Somerset County, 10 boxes.

In Somerset County, precinct Somerset No. 4, there was an error of 71 votes on the tally sheet on election night. The County Solicitor ruled against opening this box on election night and again during the official canvass he ruled against opening the box so that this error might be corrected. Republican Party officials in Somerset County are positive the 71 votes were cast for the Republican candidate and this is one of the boxes yet to be opened for recount.

There are 41 void ballots in question in the four counties mentioned above which Minority Election Officials in the precincts involved have stated should not have been voided and are, in fact, votes for the Republican candidate.

Opening of the boxes involved is required to substantiate the fact that these are in fact votes for the Republican candidate.

In view of the fact that 20 boxes out of 22 in Cambria County had errors in the count, and that there are 49 additional boxes to be recounted, there is a definite possibility that the results of this election will be changed.

Based on the information provided in this letter plus the fact that the Secretary of State of the Commonwealth of Pennsylvania cannot certify the election results as complete until the recount is finished, I therefore formally request that your Subcommittee withhold any action on the resolution seating John Murtha as Congressman from the 12th District of Pennsylvania until this recount is completed and the results certified officially and legally by the Secretary of State of the Commonwealth of Pennsylvania.

Sincerely,

ROBERT H. MICHEL,
Chairman.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HAYS. I yield 5 additional minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, our reluctance stems from the fact that there is still a possibility for Candidate Fox to be adjudged winner in the recount. However, we are familiar with the precedent under which this committee seated our former colleague, Mr. Conover from Pennsylvania, who was also not certificated. Because of the nature of the resolution itself, which does state that the final right of Mr. MURTHA for his seat in Congress is submitted to the Committee on House Administration, we believe that this resolution gives us a chance to change the seating of Mr. MURTHA in case the recount, or the litigation, would indicate the need to do so. We believe the resolution preserves Mr. Fox's right to be seated, should the recount prove him the victor.

Mr. Speaker, I also invite the attention of the House to the committee report which was read by the gentleman from Pennsylvania (Mr. DENT), which indicates that the action that we take today on this resolution does not compromise, prejudice, or in any way affect the rights of Candidate Fox.

Mr. Speaker, will the gentleman from Pennsylvania answer a question?

Mr. DENT. I would be happy to, if I can.

Mr. FRENZEL. It was my understanding, and I think the understanding of the minority group in the committee and subcommittee, that the action we take today plows no new ground and is in accordance with the precedents of the House, and is similar in all respects to the Conover case, in preserving the right of Mr. Fox, should he be adjudged the winner, to a seat in the House. Is that correct?

Mr. DENT. That is correct.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. Speaker, our side of the committee will support the resolution.

We do so with the good faith assurances of the majority that should Mr. Fox win the recount he will get his rightful seat.

Mr. Speaker, I urge adoption of the resolution and I thank the gentleman for his kindness.

Mr. HAYS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HONORABLE JOHN P. MURTHA

Mr. JOHN P. MURTHA appeared at the bar of the House and took the oath of office.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.
February 19, 1974.

Hon. CARL ALBERT,
The Speaker, House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith sealed envelopes from the White House, received in the Clerk's office at 2:40 p.m. on Tuesday, February 19, 1974, and said to contain messages from the President—the Economic Adjustment Act of 1974 and the Third Annual Report on the Location of New Federal Offices and Other Facilities.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

THIRD ANNUAL REPORT ON LOCATION OF NEW FEDERAL OFFICES AND OTHER FACILITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Agriculture:

To the Congress of the United States:

I am transmitting today the third annual report on the location of new Federal offices and other facilities in rural areas of America.

The enactment of the Rural Development Act of 1972 has further strengthened the Federal Government's commitment toward raising the economic level of rural America. This Administration strongly supports this objective of making rural America a better place to work and enjoy life by providing financial and technical assistance to rural communities.

This report reflects the efforts of all executive departments and agencies in giving first priority to locating their new offices and other facilities in rural areas as required by the Agricultural Act of 1970.

Our efforts this past fiscal year have resulted in the placing of 51.8 percent of the newly located offices and other facilities in rural areas. This accomplishment substantiates the support of this Administration in attaining this Nation's objective of balanced and beneficial growth.

RICHARD NIXON.

THE WHITE HOUSE, *February 19, 1974.*

ECONOMIC ADJUSTMENT ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-216)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed:

To the Congress of the United States:

The industrialization of America is essentially a story of change and progress. For most communities, that change is usually beneficial, enhancing general prosperity. But for some, adjustment to change can be difficult. As new developments unfold in energy, defense needs, technology, and international trade, some areas of the country will inevitably suffer transitional pains even as the Nation as a whole is benefiting.

There are now over 400 areas in the country which have experienced chronic unemployment and low income levels, despite a general increase in national prosperity. In these depressed areas it is also not unusual to find inadequate educational and health arrangements as well as substandard housing.

For nearly a decade, the programs of the Economic Development Administration and the Regional Action Planning Commissions have been attempting to alleviate economic distress and restore economic viability to these chronically distressed areas. Last year I proposed to terminate the programs of EDA, and remove the Federal role in the decision-making process of the Title V Regional Commissions, because those programs had not been effective. Subsequently I agreed with the Congress to continue those programs for one more year while we reexamine the problems and the ability of current and proposed Federal programs to deal with the problems.

The study, conducted over the last several months by the Department of Commerce and the Office of Management and Budget, was completed and transmitted to the Congress on February 1, 1974. It concludes that:

—Current economic development programs fail to provide adequate assistance for economic change *before* the changes have done serious damage to the viability of recipient communities;

—The project-by-project allocation of Federal assistance results in dispersion of available resources in amounts too small to do much lasting good, and it also fails to encourage a comprehensive and planned multi-level government and private response to the problems of economic adjustment;

—There is a need for a more effective form of Federal assistance to permit States and communities to develop comprehensive and targetted adjustment efforts.

If new economic opportunities can be developed in an area before labor, capital, and hope are dispersed, the normal rhythm of economic life can be maintained. We can then avoid the enormous outlays for economic assistance that are required to help distressed areas, and we can prevent the irretrievable loss of resources that occurs in spite of this assistance.

THE ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM

Based upon our experiences with current programs and the conclusions of the recent Government study, I believe it is time to revamp our approach to adjustment assistance.

I am, therefore, sending to Congress today my proposal for an Economic Adjustment Act. This measure is designed to help States and communities provide smoother and more orderly adjustment to economic changes and limit the number of new distressed areas. It will also permit more effective long-range areas to overcome the problems of areas now suffering from economic distress.

By granting State and local officials greater flexibility in the way they spend Federal funds within distresesd areas, it is our hope that they will have greater success in reducing unemployment and raising general income levels in those areas.

Although this act is not intended as an emergency measure just to deal with dislocations caused by the energy crisis, it could serve as an extremely important tool for States and communities in responding to energy problems. This proposal, along with my recent proposal for extending unemployment insurance benefits for individuals in areas heavily impacted by energy problems would help reduce hardships while adjustment efforts are pursued.

RETURNING DECISIONMAKING TO THE STATES AND COMMUNITIES

A primary goal of the proposed act is to return to States and communities the principal responsibility for deciding how to use the proposed Federal assistance to achieve program objectives. If this assistance is to be used to maximum advantage, the decisions must rest with State and local officials who are in the best position to understand their needs.

In order to return this responsibility to the States and communities, a minimum of 80 percent of the funds available under the act would be automatically allocated to States on the basis of a formula that would recognize the needs of the States and communities for assistance. The formula would take into account unemployment levels, population dispersal, income levels, and other factors. The remaining funds would be allocated to States on a discretionary basis to meet special needs arising from State, regional or local problems, or from Federal actions such as closing of large Federal installations. The funds allocated to a State would automatically be made available to the State upon preparation and approval of a general State plan which specifies the target areas selected for economic adjustment and the general objectives planned for each area.

Because the money would be given to the States as a block grant, the States could apply it to only one or a few problem areas, with each project getting enough money to make a difference. By contrast, much of the EDA funding has been dispersed in smaller amounts for many different projects, thereby making it difficult to develop a comprehensive effort to overcome the problems of any area. Furthermore, under the new program, States should be able to apply funds to areas before economic distress becomes acute.

This approach would also maximize State and local responsibility for planning and carrying out economic adjustment efforts, while providing assurance that the funds are being used to pursue national objectives. It would permit States, and adjustment areas within States, to develop and put into effect their economic adjustment plans in conjunction with related programs such as those under the recently enacted Comprehensive Employment and Training Act, the Rural Development Act, and the proposed Better Communities Act. States and communities could also conduct more rational planning for economic adjustment because they would have a better understanding of the amount of Federal resources which would be available to them for that purpose. And they would no longer design programs on the basis of what States and local governments think Washington wants, rather than what they themselves need.

STRENGTHENING REGIONAL PLANNING AND COORDINATION

The Economic Adjustment Act would authorize interstate compacts to permit States to work together on common adjustment efforts. States which participate in multi-State economic adjustment organizations could use funds allocated under the act for joint adjustment efforts, including administrative costs and planning activities of the regional organization. Regional organizations could participate in the development of the plans of the member States to assure that the State plans reflect any regional adjustment needs.

The principal Federal authority and responsibility under the act would be given to 10 Federal Regional Administrators, one in each Standard Federal Region. The Federal Regional Administrators would have responsibility for reviewing State plans, obligating funds to the States, and evaluating performance by States in using the funds.

The Federal Regional Administrators have the responsibility of working closely with the Federal Regional Councils in each Federal region to help assure improved coordination among the many Federal programs which affect economic activities in an area or region. I plan to request the Secretary of Commerce to carry out the central Federal administrative and policy responsibilities under the act.

TRANSITION PERIOD PROPOSED

The Economic Adjustment Assistance Program would replace the programs now conducted by the Economic Development Administration and the Regional Action Planning Commissions. Although current authority for those programs is now due to expire at the end of this fiscal year, I am prepared to accept legislation to extend that authority for the purpose of providing for an orderly transition to the new Economic Adjustment Assistance Program.

With the expectation that the Congress will provide the required legislation for the new program and will extend the programs of EDA and the Regional Commissions, my budget for fiscal year 1975 includes funding for EDA and the Title V Commissions at a level of $205 million. The budget also includes an additional $100 million as initial funding for the new act. This will provide a total of $305 million for these programs in fiscal year 1975, an increase of nearly $50 million over the 1974 levels.

The concerns and suggestions of Members of Congress have played a major role in shaping this legislative proposal. I hope that the dialogue between the Congress and the executive branch will continue as the Congress considers this proposal.

The Economic Adjustment Act can provide the basis for an important improvement in the ability of our States and communities to adjust to economic changes and prevent unnecessary distress and hardship. By helping to raise employment and income levels for some Americans, it can improve the quality of life for all Americans.

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FURTHER LEGISLATIVE PROGRAM

(Mr. McFALL asked and was given permission to address the House for 1 minute.)

Mr. McFALL. Mr. Speaker, I take this time to announce that tomorrow we will call up H.R. 12670, Aviation Career Incentive Act under an open rule with 1 hour of debate and S. 1752, the National Commission on Productivity under an open rule, 1 hour of debate.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McFALL. I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. What is the status of the energy conference report?

Mr. McFALL. I can advise the gentleman that the energy conference report will not be coming up this week. It is hoped that it will be available to come up sometime next week.

Mr. GROSS. I thank the gentleman.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Ohio.

Mr. DEVINE. Does the gentleman care to inform the House why the energy bill has been stricken from the calendar? I understand it was originally scheduled for tomorrow. It was first considered in December and we are still 2 months now without an energy bill. What is the reason we are delaying?

Mr. McFALL. I am advised because of the nature of the rule granted by the Committee on Rules this morning, which is a different kind of rule, that the bill will not come up before next week.

Mr. DEVINE. Would the gentleman yield further?

Mr. McFALL. Yes.

Mr. DEVINE. I might say to the gentleman that my constituents, like those across the country, are vitally concerned with the energy matter and this kind of inaction and this kind of lack of leadership suggests why the Congress has a lower rating than the President of the United States.

Mr. McFALL. The gentleman will not mind if I smile at his suggestion, since we have not voted on this bill before because we did not have Republican votes in the Rules Committee.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. McFALL. I will be happy to yield to the minority leader.

Mr. RHODES. I would like to ask if the gentleman from California can assure us that the conference report will come up on Monday? There seems to be some concern whether it might come on Monday, Tuesday, or Wednesday.

Mr. McFALL. I am advised that it could come up on Monday or at sometime later in the week; however, I am sure that the minority leader could discuss this matter with the Speaker. If there would be some reason the minority leader would not want to bring this up on Monday, we ought to discuss this and see if that is the time to bring it up.

Mr. RHODES. If the gentleman will yield further, I have no desire to hold up consideration of this very important conference report. My only concern was that we should let the membership know if it is coming up on Monday, so Members could change any plans they have to the contrary.

Mr. McFALL. With respect to that, I can assure the minority leader that Members will be advised and the program for next week will be announced by the majority leader on tomorrow.

We would be glad to discuss this matter with the minority leader in order to make certain that it is scheduled at the proper time.

DONALD JACKSON, OF GEORGIA, WINNER OF VOICE OF DEMOCRACY CONTEST

(Mr. LANDRUM asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. LANDRUM. Mr. Speaker, the Voice of Democracy contest was originated 27 years ago by the broadcast industry and the U.S. Office of Education to give senior high school students the opportunity to speak up for democracy and freedom. Since that time, under the sponsorship of the VFW, thousands of young people have participated in the annual scriptwriting contest.

This year's theme is "My Responsibility as a Citizen" and I am pleased that the winner from the State of Georgia is a young man from the Ninth District named Donald Jackson, of Toccoa. I have read this young man's speech, Mr. Speaker, and I know, if Donald Jackson is an example of the young generation in this country, then the future of our country is assured. We will leave it in good hands. I want the rest of the Members of the House to have the opportunity to look at this, too, and I include a copy of Donald's speech along with my remarks:

MY RESPONSIBILITY AS A CITIZEN

Being a citizen is a privilege and privileges carry responsibilities.

What is a citizen? There are several definitions, but the one I feel that is most relative to my topic is as follows: a citizen is a member of a sovereign state to which he owes his allegiance and shares in individual political rights. I am a citizen.

What does being a citizen mean to me? Here is where I come to recognize my responsibilities. What can be accomplished through my function as a citizen? What can I do for my community and my country as an American citizen?

In answer to the question of citizenship's meaning to me, I must confess I will ever be grateful to the Almighty God to be in a nation of strength, opportunity and beauty beyond that of any other nation, and to be the position to help many less fortunate than I.

What can be accomplished through my function as a citizen? Within itself, the very history of our nation gives reply to that question. All of our country's great leaders were citizens with ideas and beliefs. After the United States was declared sovereign, the writers of the Constitution saw that basic unalienable freedoms were absolutely essential for Life, Liberty, and the Pursuit of Happiness. One of the freedoms that they recognized most readily was the freedom of speech, which is the most essential freedom Americans have today. It is through the freedom of speech that I am able to voice my opinion to aid the local, state, and national governments in determining the needs and necessities that are lacking throughout our nation.

Fact: the suppresion of a constructive idea can be harmful.

Feeling: To me the privilege of the freedom of speech can be compared to a coin in that they both have two sides and unless used properly they are of no benefit to anyone. As an American citizen, if I do not use this most essential of unalienable rights for a beneficial purpose what good can possibly be accomplished? And what of my other basic freedoms, the freedom of assembly, the freedom of petition, the freedom of religion, and the freedom of press? I must utilize all of these freedoms constructively to help make this nation a better one. I must because it is my responsibility.

As a young American citizen I realize that I have the future within my grasp. One of the most profound responsibilities and privileges I will have in the future will be the right to vote. Soon I will face the responsibility of voting for public officials. Many people neglect their responsibility to vote. How can I help my country if I neglect my responsibility to vote? Our government is the only major social institution that can make any attempt to solve the problems confronting us today. Thus, I feel I am obligated to go to the poll booths to vote for those persons I feel most competent to handle the offices concerned with the public needs. Voting helps to make our government work at its peak of efficiency. Therefore, I feel I must vote in order to try to help keep my government functioning at its peak of efficiency serving the individual for the good of all.

What can I do for my community and country as an American citizen? As a citizen of this great country, I realize certain problems may arise in my community. As a citizen I feel it is my responsibility to help in finding solutions to these problems. Community organizations and youth programs need support. Because these organizations serve an important function in structuring our communities, I feel it is my responsibility to give them my support.

Properly structured communities help to make a better nation.

The following five items display in essence my feelings toward my responsibilities:

I feel that I must nurture and increase my personal motivations in my daily activities by willingly concerning myself with my community and nation and trying to understand them.

I feel that I must render my service in any way that will promote the prosperity and security of my nation.

I feel that I must try to understand and safeguard the principles by which my country was founded.

I feel I should remain open-minded, respecting the values of tradition and seeing need for experimentation. I feel I should try to understand change, face the problems it may bring, and try to devise methods by which to deal with them.

As Daniel Webster once said, "We have been taught to regard a representative of the people as a sentinel on the watchtower of Liberty." What is my responsibility as a citizen? I feel that, as a citizen who is a representative of the people, I must maintain my heritage and fulfill my obligations to my fellow man and my government to remain forever at liberty to seek and find my goal in life.

JUDGE JOHN O. HENDERSON

(Mr. DULSKI asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. DULSKI. Mr. Speaker, it is my sad duty to inform the House of the passing of one of the finest members of the Federal judiciary, Chief Judge John O. Henderson of the western district of New York.

Judge Henderson was stricken Monday while riding in an automobile and died in Buffalo General Hospital late yesterday following emergency surgery.

The judge was one of the Buffalo area's best known and respected citizens. He had served in the Federal judiciary since 1953 when he was named by the late President Dwight D. Eisenhower as U.S. attorney for the western New York district.

In 1959, President Eisenhower nominated Mr. Henderson for judge of the Federal District Court for western New York. As a freshman Congressman, it was with great pride that I appeared before the Senate Judiciary Committee in support of Mr. Henderson's confirmation.

We in Buffalo already knew well of Judge Henderson's fine qualities as a man, as a lawyer and as a dedicated public citizen. It did not take long for the Federal judiciary to learn of the outstanding colleague it had acquired.

Judge Henderson ran a stern court, yet there was evident a compassion and understanding of his fellow man which was heartwarming. The judge was a towering individual, physically as well as intellectually. He stood 6-foot-4 and no one believed in and displayed more pride and respect for the public office he held.

Born in Buffalo in 1909, he graduated from the University of Buffalo Law School in 1933. He enlisted in the Army in World War II and had an outstanding combat record, rising to the rank of lieutenant colonel.

Mr. Speaker, not only Buffalo and western New York, but our Nation is the poorer with the loss of Judge Henderson. I am confident that my colleagues will want to join me in extending our heartfelt sympathy to his wonderful family, his widow, Clara, his daughter, Mrs. Jane Egli, and his granddaughter.

LET'S STOP DRUG "GAMES" NOW

(Mr. CHAPPELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CHAPPELL. Mr. Speaker, most of us here in the Congress continue to wrestle with the problem of drug addiction in the United States. Last week, I encountered a shocking situation which threatens to burst into a shattering experience for countless families and it will render our work meaningless unless we can quickly stamp it out.

The situation of which I speak is that

of selling bubble gum so similar to drugs in packaging that it is encouraging children to play like drug users.

One mother, Mrs. Connie Ward, told me she had found her 11- and 12-year-old daughters and a neighborhood child playing "drugs." One child told the others:

> I'm going to pop a rainbow and you have to guess whether I'm going up or coming down on a trip.

Mystified, the mother asked what they were doing, and the answer came back:

> We're playing drugs.

The product they were using was bubble gum in the shape of pills.

Upon investigation, she found that the "game" was "rampant" over the neighborhood and she has since spent countless hours, attempting to get the product removed from the shelves at all the markets carrying them. When she carried the drugs to the drug rehabilitation center in Daytona Beach, she was told that the rainbow capsules were identical to nine different illegal narcotics in weight, size, and color. The health department, drug rehabilitation center, a guidance counselor, and the Red Cross all told her the situation was "harmful."

I know all my colleagues here in the Congress join with me in commending Mrs. Ward for her perseverance in trying to protect children from this type of dangerous game that could lead to an introduction of actual drug experimentation.

We must not permit this type of product lest our children interpret such marketing as our condonation of the illegal use of drugs. I have contacted the Food and Drug Administration concerning this matter and they assure me that the company will remove the product from the shelf. If they do not do so promptly, then the FDA will issue a recall of the product from the shelves as being a hazard to health. If these efforts fail, legislation may be needed.

Mr. Speaker, I hope that all my colleagues will join me in urging all parents everywhere in America to be watchful for this type of product in the future so we can take action to get it promptly off the market. Our children must be protected.

AMERICAN TECHNOLOGY AND THE SOVIET UNION

(Mr. BLACKBURN asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, I have received disturbing reports of late regarding the negotiations for the sale of sophisticated American technology to the Soviet Union and to some of the Communist governments. The technology and capital equipment in question have definite critical military application. Of course, we recognize that advanced technology obtained by any Warsaw Pact government will, in turn, be made available to the U.S.S.R.

For instance, in 1959 the Bryant-Chucking Grinding Co. sold 46 Centalign-B machines to the U.S.S.R. for manufacture of miniature ball bearings—a product extensively used in missiles.

The Soviet aircraft industry is based on Rolls Royce, Junkers, and BMW technology.

The Soviet tanks used in the Korean conflict, later in Indochina and more recently in the Middle East conflict have a Christie-type suspension system.

Christie was an American inventor. The Soviets bought it from the United States Wheel Track Layer Corp.

About 100 Soviet ships were used, or are used, on the Haiphong run to carry Soviet weapons and supplies to Hanoi. Today, some of them are being used to haul supplies to the Middle East. None of the main engines was designed and manufactured inside the U.S.S.R. In addition, all the larger and faster vessels on the Haiphong run and Middle East run were built outside the U.S.S.R.

In 1972, the Soviet Union was finally able to purchase 146 highly sophisticated machines from Bryant Chucking Grinding Co. for the manufacture of precision miniature ball bearings precision to .000064 part of an inch; all imperative to the guidance mechanism used for the MIRV's. I would like to stress that today in the United States, we have only 70 such machines operational.

The transfer of American and British computer technology, according to reliable Government sources, advanced Soviet MIRV operational readiness by 2 to 4 years. It goes without saying that this has grave implications on the security of the United States. In 1982, the Soviets will have 5,000 operational MIRV's aimed at the United States. Without American computer and precision miniature ball-bearings, this would not have been possible.

Every Soviet strategic or military technology textbook emphasized the need and the role of computers in solving command and control problems.

According to Dr. Malcolm R. Currie, Director of Research and Development for the Department of Defense in his testimony before the Appropriations Committee of the House—

> As nearly as our people can tell, the Soviets are making a determined effort in the high-energy laser field.

Another Pentagon official noted that, of the three Nobel prizes awarded for research on lasers, two have gone to the Soviets. Whether or not there has been a Soviet major breakthrough in laser beam technology—the weapon of the future—there can be no doubt that, in order to accomplish a technological edge over the United States the Kremlin will need improved computer technology which can be obtained only from the United States.

There is no doubt that the Soviet military has benefited directly from the transfer of Western technology and capital goods to the Soviet Union.

Transfer, however, of American capital goods and technology is recognized as having an immediate military utility to the Soviet Union. This is, to us, an even more direct contribution to the Soviet's ability to ultimately destroy our country. Recent reports about agreements signed by the General Dynamics Corp.—which I would like to stress is one of the Nation's largest defense contractors—and the Soviet Union's State Committee for Science and Technology is extremely disturbing. Control Data Corp. has also recently signed and entered into a broad agreement with the State Committee of the Soviet Union's Council of Ministers for Finance and Technology to transfer sophisticated computer technology and manufacturing know-how to the Soviet Union.

Recently, I received disturbing news about a deal between the Fairchild Corp. and the Communist Government of Poland for the sale of U.S. integrated circuit technology—third generation computer technology—which is extensively used in modern weapons systems as well as in advanced scientific computers.

For a long time, I have been concerned about export of highly sophisticated technology to the U.S.S.R. One of the critical technology areas is the one involved in the manufacture of aircraft. In that area, we have the absolute lead which manifests itself in an ability to manufacture aircraft with a rate of productivity at this moment unsurpassed any place in the world. However, there are ongoing negotiations which might deprive us of our productivity and technology edge. As an example of the generous attitude toward the Soviet Union on the part of some American companies, I would like to insert a study by Benjamin F. Schemmer, publisher and editor of the Armed Forces Journal which appeared in that publication in February 1974 and include it in the Record at this point:

Russia Asks U.S. Help on New Plane Factory Three Times the Size of Boeing's Commercial Jet Facility

"U.S. COMPANIES DIFFER ON WHAT TECHNOLOGY TO EXPORT"

(By Benjamin F. Schemmer)

The Soviet Union wants U.S. help to build a commercial jet aircraft complex in Russia that would employ over 80,000 people—three times the commercial airplane labor force at Boeing or McDonnell Douglas. Export of American know-how to build the multiplant Russian complex is one of several conditions laid down by Soviet negotiators as a prerequisite for buying up to 30 wide-bodied U.S. jet transports, a sale U.S. firms are generally anxious to make. Russia has been discussing the potential $500 million deal with McDonnell Douglas, Boeing, and Lockheed since October, 1973.

Russian negotiators have pegged annual output of the proposed new Soviet plant at over 100 planes. This would equal almost half of all commercial transports built by the United States in 1972 and more than a third of all large U.S. jet transports delivered last year.

U.S. manufacturers are taking widely different stands on how far to go in exporting U.S. know-how. To make the deal McDonnell Douglas, for instance, delivered 47 DC–10s in 1973, but deliveries have slowed down as a result of airline belt-tightening and the energy crisis; Boeing delivered 30 747's and Lockheed delivered 39 L–1011's. Thus, a sale of 30 planes to Russia or any other customer is important new sales prospect for each of the companies.

Soviet negotiators have also approached Lockheed, Boeing and McDonnell Douglas about undertaking joint design efforts on "derivative" models of the DC–10, L–1011, or 747, and in some cases, on completely new aircraft using advanced technologies. Concurrently, Russia is pressing for a bilateral airworthiness agreement with the U.S. government that would permit Soviet planes to operate and be sold in the United States as if they had already been certificated to the Federal Aviation Administration's stringent airworthiness standards. Some government officials believe such an agreement would be highly publicized by the Russians to enhance sales prospects of Soviet aircraft in nations where Russia has been unable to penetrate commercial aviation markets heretofore dominated by American manufacturers. Developing countries in the past have often rejected offers of Russian aircraft even when offered at extremely liberal terms, because they lacked U.S. certification.

One concern of U.S. firms and some government officials is the impact such an airworthiness agreement, coupled with a modern Soviet commercial aircraft manufacturing complex built to U.S. standards, might have on future foreign sales of U.S. planes, a market where U.S. technology has been dominant.

Aerospace products account for 8% of all U.S. exports and are the biggest single contributor to the Nation's positive trade balance. In 1973, Commerce Department figures show, over 27% of U.S. aerospace production was exported, accounting for $5.3 billion in foreign sales, the highest in history. Over 160 civil jet transports valued at more than $2 billion were exported in 1973; these represent 60% of all large transports delivered and over 55% of their dollar value. Worldwide, 72% of all carrier jets are now U.S. manufactured.

The Soviets have also asked for licensing rights and U.S. production know-how to build in Russia a substantial part of however many wide-bodied jets it might buy. U.S.S.R. negotiators have been vague about the prospect of any outright sale, indicating that a substantial part of the payment would be by credit or offset sales.

Until now, there has been no hint in the public press of the extensive pre-conditions with which Soviet negotiators have qualified their prospective wide-bodied jet sales buy. The deal, however, is picking up momentum. A Soviet team visited all three firms last October; Boeing and Lockheed teams visited Russia recently to further the negotiations and a McDonnell Douglas team will visit Russia this month. Lockheed announced on 30 January that it had just signed a commercial protocol agreement with the Soviet Union which, according to chairman Daniel J. Haughton, anticipates cooperation in the areas of civilian aircraft and helicopter construction and related systems, as well as other commercial products. The Lockheed protocol was signed for Russia by the deputy chairman of the State Committee of the Council of Ministers of the U.S.S.R. on Science and Technology.

All three U.S. firms are reluctant to discuss specifics of their proposals, although senior company officials and spokesmen have given the *Armed Forces Journal* enough details to outline the conditions spelled out above. Soviet negotiators have suggested some conditions to one company not spelled out to the others; thus, each U.S. firm has a slightly different interpretation of what *quid pro quo's* the deal really involves.

The prospect of a major sale to Russia is real enough, however, and Russia's intent to buy U.S. aerospace know-how (as well as planes) has been made clear enough, that U.S. government officials called the three companies together on 13 December and asked them to spell out in writing what technologies each believed could and could not be safely exported to the Soviet Union.

The answers vary widely. The companies' replies were sent on January 10 and 11 to Steven Laberus, Commerce's Deputy Assistant Secretary for East-West Trade and to Jack F. Bennett, Treasury's Deputy Under Secretary for Monetary Affairs. Company officials decline to provide any specifics of their proposals, calling the letters "proprietary" or "confidential" (although none were so marked) and private information. Without revealing any one firm's proposal (and thus, perhaps, its proposed negotiating stance with the Soviet Union), AFJ can report that the three firms collectively have recommended exporting currently certificated U.S. transports as well as the technology needed to operate, support and maintain the aircraft.

Where Boeing, Lockheed, and McDonnell Douglas differ is on the kind of technology and manufacturing know-how which should *not* be exported to Russia:

One firm says that licensing of current wide-bodied jets for co-production in Russia should be limited to 50% of the weight of the aircraft, with a further limitation that the license apply only to planes ordered by the U.S.S.R. or U.S.S.R. bloc countries. It has proposed, informally, a minimum sale of 30 wide-bodied jets before any such licensing agreement is undertaken for joint production.

Another firm is flatly opposed to providing Russia any "technical assistance in the design and construction of a new aviation complex." At the opposite extreme, however, a third U.S. manufacturer says that the U.S. could safely undertake a "prime systems management role in the design and construction of a complete manufacturing facility for commercial-type subsonic aircraft in the Soviet Union."

None of the firms endorse exporting the technology implicit in the "joint design of a new aircraft with the use of advanced technology." One company says that although it has discussed "derivative models of its wide-bodied jet with the Soviets, we have not contemplated licensing a brand new transport." The firm said it would agree "to exclude such a technology transfer."

Noting that a "modern transport aircraft is one of the most complex products in our economy," another company chairman says that, "If the U.S.S.R. were to acquire . . . in the form of broad technical assistance for licensed production of our latest commercial jet transports and the technology transfer inherent in providing (Russia) with a turnkey aviation complex . . . our primary remaining element of dominance in the field of aviation would vanish." In the competitive atmosphere stimulated by U.S. government policies, he cautioned, "it is likely that a rationale for giving away (this) valuable and deep-rooted technology can be developed, justified, and approved."

All of the companies, understandably, have cautioned against exporting technology or manufacturing know-how unique to the military sector (although two of them differ somewhat on how specifically to define that know-how).

The prospective Soviet buy of L–1011's, DC–10's or 747's is especially appealing to U.S. firms because Russia represents a huge but unpenetrated market for commercial jet transports and because the free-world market, as one company official told *Armed Forces Journal*, "is pretty well sold out" at the moment. Aeroflot, the Soviet state-owned airline, is the world's largest and operates over 1,720 planes. (The largest U.S. carrier, by comparison, is United Airlines with 364 planes; 36 of these are wide-bodied jets, 18 747's and 18 DC–10's.) By one estimate, Aeroflot may have in service as many airplanes as *all* U.S. scheduled carriers put together, 2,246 as of the last count compiled by the Air Transport Association. One informed Commerce Department official says the U.S.-Soviet sale could entail as many as 100 planes, although he takes "30 as a serious number."

Government officials are somewhat divided on how far to go in exporting American technology in order to sell the Soviets a wide-bodied jet order that U.S. firms need. Senior officials in Commerce, the State Department, and the Pentagon all tell *Armed Forces Journal* they have "grave doubts" that a bilateral airworthiness agreement would be accepted by the United States. Japan currently has the broadest form of such an agreement, which in lay terms means that the U.S. accepts Japan's word that any plane it certificates also meets equivalent FAA standards. The "narrowest" airworthiness bilateral is with Poland and it covers only gliders. One senior government official told the *Armed Forces Journal*, "Rather than sign the agreement Russia wants, we should pay American companies to keep the business here."

Almost all of the government officials the *Armed Forces Journal* talked to in recent weeks agree that there is "no way" the U.S. would agree to build in Russia a "turnkey" modern aviation complex. One U.S. firm acknowledges that the Soviet Union is talking of a 7-plant complex that would not only design and build modern wide-bodied jets, but their engines and avionics as well, in addition to providing for their maintenance and overhaul. No such integrated facility exists in this country, in part because of antitrust laws. One official summed up the chance of such a deal being approved as "less than zero, if you can find such a number."

Government officials share three major concerns as the Soviet-U.S. negotiations progress. One is "how to keep U.S. firms from being 'whip-sawed'," lest Russian negotiators play one against the other. (The problem wouldn't exist were the Soviets negotiating with France or England, since those countries negotiate major export sales on a government-to-government basis; the U.S. generally exercises a "hands-off" policy on such negotiations and exercises only a veto power over proposed exports.)

A second concern is defining in specific terms what aerospace technologies could safely be exported to the Soviet Union, without risking "leakage" of technology with military applications.

A final concern is the extent to which Soviet licensing of U.S. know-how could eventually cut into U.S. commercial airplane sales in free-world markets. This field has played a dominant role in America's balance of payments and aerospace employment (161,000 fulltime jobs in 1973 were directly attributed to U.S. aerospace exports, according to the Department of Commerce.) It is also an area in which U.S. production management, marketing expertise and after-sales service clearly lead the Soviet Union, know-how which Russia obviously would like to import. Government agencies responding to an interagency questionnaire on the proposed Soviet airworthiness bilaterals, for instance, voice concern that Russia is really more interested in buying this know-how than in any out-right purchase of American aerospace products on a continuing basis. Moreover, it is feared, the Soviet Union might offer its aircraft products in normal U.S. markets at prices and financing terms with which the U.S. could not compete. This has happened in the past, especially in the case of the Soviet Yak–40, a 27-passenger jet powered DC–3 replacement which Russia hopes to sell in the Americas and is offering at $1.3 million. The Yak–40's closest competitors are Europe's VFW–614, which sells for close to $3 million and the 65-passenger Fokker F–28, which sells for $3.5 million. Because of its non-market economy, Russia can price its planes without regard to true costs. Soviet ads in western aviation trade journals frankly proclaim: "The Yak–40 has opened the horizon of the export age to the entire range of commercial aerospace products manufactured in the Soviet Union." Some observers believe the plane is being sold at a deliberate loss as a relatively cheap way for Russia to penetrate the huge western commercial aviation market. Knut Hagrup, President of Scandinavian Airlines System, wrote in an Armed Forces Journal article in November, 1972: "The plane is formidable. It can compete with any other airplane. And the price is half!" Rockwell International has been negotiating with the Soviet Union to modify the Yak-40 in the U.S. to meet FAA standards and the U.S. market for the plane is estimated at between 50 and 150 planes.

A senior officer of one of the three U.S. manufacturers, whose firm is particularly anxious to close the Soviet sale, discounts the risk of Soviet competition. He told *Armed Forces Journal* that it is "ridiculous to think the Russians could compete effectively in 1978 or 1980 (when their first U.S. designed wide-bodied jet could be built) with a plane based on 1967 technology." By that time, he notes, U.S. industry will be offering second generation models of today's L-1011's, DC-10's, and 747's.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

THE IMPRISONMENT OF SIMAS KUDIRKA

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Illinois (Mr. HANRAHAN), is recognized for 30 minutes.

Mr. HANRAHAN. Mr. Speaker, in commemoration of Lithuanian Independence Day, which falls on February 16, I would like to speak of an issue of great concern to thousands of Americans everywhere, and, in particular, of growing concern among Americans of Lithuanian descent. I am speaking of the unjust imprisonment of one of Lithuania's countrymen, Simas Kudirka.

In spite of her current unenviable position, the Lithuanian World Congress, meeting in August 1958, adopted a unanimous resolution declaring that "Lithuanians continue fiercely resisting the alien rule" of the Soviet Union and asserting that Lithuanians "have not and never will accept Soviet slavery." A determination and spirit such as this deserves recognition by all who hold their freedom dear. And I personally salute the great state of Lithuania.

During the past year, I have worked through every available channel for the release from Soviet prison of Kudirka—whose only crime was to seek the God-given gift of freedom—a precious gift that many of us can barely appreciate, since we have never had to earn for it as Kudirka does. During my endeavors, I have met with the State Department. I have retraced every step in the events that took place on that fateful day of November 23, 1970. I am told there are rules and regulations now, preventing an incident such as what happened to Kudirka from ever occurring again. If a man like Kudirka came seeking political asylum in our country, he could not now be returned to Communist authorities. But that does not help Kudirka.

I am told that things should have been handled differently on that November day. But that does not help Kudirka.

I am told by Russian authorities in their Embassy here to mind my own business and forget Kudirka. I maintain that Kudirka is my business, and he is your business, too.

Since Soviet Ambassador to the United States, Anatoliy Dobrynin, would not meet with me to talk about the Kudirka problem, I have recently forwarded a petition to Soviet Premier Leonid Brezhnev, signed by the entire Illinois congressional delegation, urging the release of Simas Kudirka. We have asked that if they will not, at this time, release him, at least assure us that he is well, and his family safe and secure. I have received no response to my efforts.

My request for a visa to visit Kudirka was denied.

I have written Secretary of State Henry Kissinger, again on behalf of the entire Illinois delegation, asking that he convey to the Russian authorities the deep and growing concern of the American people over the seaman.

On January 31, 1974, over 50 of my colleagues in the House joined me in introducing a concurrent resolution directing the President to inform the Human Rights Commission of the United Nations of our concern for Kudirka, and ask the United Nations to request his release from prison, or at least an assurance of his health and well-being. We have been joined by many of our esteemed colleagues on the Senate side; and I am deeply grateful for all the support my colleagues have offered.

Through many hundreds of years, Lithuania has fought aggression in its land. It has withstood Russian domination, followed by German occupation during the First World War. After two decades of independence, Lithuania again fell under Russian domination when it was occupied by the Red army in the Second World War. Still, as late as 1958, the brave people of Lithuania declared they would never accept Soviet slavery. I think this type of courage and spirit is personified in Simas Kudirka. In his "trial" after his attempted defection, Kudirka defended himself. In his remarks in the courtroom, he explained that the death of Stalin was all that saved the Lithuanian people from physical extermination—thousands had already filled the concentration camps and hundreds had died there. "Now," he continued, "we are destined to die a much slower death—assimilation. However, we do not want to die." Before sentencing, Kudirka declared—

> I have nothing to add to what I have already said, only one wish, more specifically, a request both to the Supreme Court and the government of the Soviet Union: I ask that you grant my homeland, Lithuania, independence.

When asked how he pictured an independent Lithuania, Kudirka explained:

> An independent Lithuania, in my opinion, has a sovereign government and is not occupied by any army. The government has a national administration, its own legal system, and a free democratic system of elections. The laws of other countries are not binding on this government, as the laws of Russia are here today. An independent Lithuania would not be dominated by the Russian language as it is today. I would like, he concluded his description, there to be no more trials such as mine in Lithuania.

Ironically, the tragedy of Simas Kudirka occurred just a few miles from the site where the first refugees on the *Mayflower*, the Pilgrim Fathers, landed. Also ironically, the incident took place on the eve before Thanksgiving.

We have our freedom here—and a few times a year we celebrate that freedom and rejoice in our good tidings. But let us not forget that there are many who do not have our freedom—and who have very little over which to rejoice. Let us not forget Simas Kudirka.

Mr. MARAZITI. Will the gentleman yield?

Mr. HANRAHAN. I yield to the gentleman from New Jersey.

Mr. MARAZITI. I compliment the gentleman in the well. I am in complete accord with his views and wish to associate myself with his remarks.

Mr. HANRAHAN. I thank the gentleman.

Mr. ANNUNZIO. Mr. Speaker, on December 10, 1973, I was proud to join with the entire Illinois delegation in the House of Representatives in sending a letter to General Secretary Leonid I. Brezhnev to request the immediate release of the Lithuanian seaman Simas Kudrika.

On November 23, 1970, this brave man, a crew member of a Soviet trawler, sought political asylum on a U.S. Coast Guard ship at sea. However, crew members of the Soviet ship were later allowed to board the American vessel where they seized Kudirka and forcibly removed him to the Soviet ship. It was later learned that Kudirka was sentenced to a prison term for his attempt to live in freedom and exercise his human rights.

In that letter to Brezhnev, we asked that he and the Soviet Government demonstrate "basic human compassion for Simas Kudirka and his family."

We also said:

> If the immediate release of Simas Kudirka is not possible, we wish to earnestly request that your government treat this prisoner with all the dignity and rights due a Soviet citizen. Many of our Lithuanian-American constituents are deeply concerned that Simas Kudirka is being ill-treated by your government. We ask you, Mr. General Secretary, to help us reassure them that this is not now, nor ever has been, the case. If the immediate release of Simas Kudirka is not possible, is it possible to find out from your government if his family is safe and secure?

Of course, Mr. Speaker, we have not received an answer from Leonid Brezhnev regarding the fate of this heroic seaman and his family. Not now or ever, have Brezhnev or the Soviet Government answered the pleas of free peoples all over the world for recognition of fundamental human liberties. Even more important, the leaders of the U.S.S.R. have never answered to their own people for their brutal misrule and their subversion of human dignity, and have never recognized the just aspirations for self-determination among the many nationalities which find themselves under illegal and forcible Soviet control.

It is for these reasons that I joined some 60 of my fellow Members of Congress in the introduction of a concurrent resolution which reads as follows:

H. CON. RES. 420

Whereas Simas Kudirka, a Lithuanian seaman, attempted to seek asylum in the United States while his ship was moored beside a United States Coast Guard vessel in United States territorial waters; and

Whereas Simas Kudirka was forcible seized from the United States Coast Guard vessel and returned by Soviet authorities to a Soviet vessel, and subsequently imprisoned in the Soviet Union; and

Whereas American citizens are increasingly concerned about this flagrant violation of human rights; and

Whereas his continued imprisonment and the inability to learn of his welfare raise among American citizens an impediment to the improvement of relations between the Soviet Union and the United States; Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the President of the United States direct the Secretary of State to bring to the immediate attention of the Soviet Government the deep and growing concern among citizens of the United States over the plight of Simas Kudirka and to urge his release from imprisonment and his return to his family.

SEC. 2. It is the sense of the Congress that the President of the United States forward a copy of this concurrent resolution to the United States Representative to the United Nations for transmission to the Commission on Human Rights or the Division of Human Rights of the United Nations.

Mr. Speaker, I strongly urge all of my colleagues in the House to join in this expression of concern, because the actions of those who remain free are an inspiration to the oppressed peoples of the world, aiding and encouraging them in their continuing struggle to realize their aspirations for freedom, dignity, and justice.

Mr. BROWN of California. Mr. Speaker, last Saturday, February 16, was Lithuanian Independence Day—a time for all people of democratic principles to recognize the plight of their fellows in Lithuania. The Republic of Lithuania has been in existence for 56 years, having declared independence from the Russian Empire on this day in 1918.

During the past 34 years the Lithuanian people have suffered the domination of Nazi Germany and annexation by the Soviet Union. In 1939 the Lithuanian Government permitted the Soviet Union to station troops in the country in an attempt to dissuade the Nazis from invading Lithuania as they had her neighbors. In 1940 Russia forcefully incorporated Lithuania into the Soviet state. This situation has continued to exist with the exception of the period from 1941 to 1944 when the Nazis tyrannized the Lithuanian people.

The Soviet Government has launched an extensive campaign to Russianize the Lithuanian people by deporting Lithuanians to Russia, promoting the migration of Russians to Lithuania, and denying fundamental civil rights to the Luthuanian people. These people have resisted oppression, despite the dangers and hardships that such behavior entails, with the persistent determination of regaining national sovereignty.

The actions of Simas Kudirka exemplify the Lithuanian spirit of resistance to tyranny. In 1970 Kudirka, a crewmember on a Russian trawler, attempted to defect to the United States. In recognition of his courageous actions and those of his subjugated fellow citizens, I have joined in cosponsoring the Hanrahan resolution protesting the denial of self-determination to the Lithuanian people, and I look forward to the day when all Lithuanians will once again be truly free and independent.

Mr. COTTER. Mr. Speaker, February 16 marked the 56th anniversary of the establishment of the Republic of Lithuania. This is indeed a sad occasion for all freedom-loving individuals, for it documents the struggle that this Baltic nation has waged for over 30 years to free itself from both political and religious suppression.

Although these brave people tasted freedom for 22 short years, in 1940 they were involuntarily taken over by the Soviet Union. To this day, the tiny nation of Lithuania exists behind the Iron Curtain.

Free men will probably never know the battle that the Lithuanians have fought time and time again in an effort to establish a free and independent homeland. However, their struggles have instilled a spirit of courage and vigor in them that cannot be hidden behind an Iron Curtain.

Back in 1970, the Lithuanian sailor Simas Kudirka, with this desire for freedom, sought sanctuary on an American Coast Guard vessel. In 1972, the Lithuanians staged a brief but unsuccessful insurrection against the Soviet occupation of their countryland. These are not isolated examples, but rather a testimony to the essence of courage and bravery which exists in this Baltic nation.

I know that this fearless nation will be free again some day. And, I join with all Americans of Lithuanian descent in praying that this liberation will come to pass in the not-too-distant future.

Mr. HORTON. Mr. Speaker, with February 16 marking the 56th anniversary of the independence of Lithuania, I am proud to join with my colleagues in paying tribute to that brave nation and to one of her countrymen, Simas Kudirka.

For nearly a quarter of a century, the tiny Baltic State of Lithuania prospered, only to see its young democracy shattered during World War II. In 1940, with Soviet troops already on Lithuanian soil, the Supreme Soviet of the U.S.S.R. formally incorporated Lithuania into the Soviet Union. The following year, the forces of Germany invaded Lithuania and subjected it to Nazi rule until 1944 when the Soviets expelled the German armies. Lithuania has never again been free of foreign domination.

Since World War II, the history of Lithuania has been one of continuous struggle against Soviet oppression. An armed patriotic resistance movement waged war against the Soviets until 1953. Nearly 50,000 lost their lives. In the years since then, countless Lithuanians have been deported against their will and sent to other areas of the Soviet world. They have been replaced by Russians in an effort to quell resistance. But these tactics have not repressed the peoples' vision of a free Lithuania and their desire for self-rule. Courageous protests to the Soviet Government continue and individual efforts to escape cruel and insensitive rule are many.

Some 4 years ago, Americans witnessed the efforts of a young Lithuanian sailor, Simas Kudirka, to seek asylum aboard a U.S. Coast Guard vessel moored near his ship in our territorial waters. In a tragic mistake, Soviet officials were permitted to board the American ship, the *Vigilant*, and take Simas Kudirka back to face trial. Simas Kudirka is now in a Soviet prison and information about his welfare has been banned.

Several of my colleagues and I have joined with Congressman HANRAHAN in sponsoring a concurrent resolution expressing the sense of Congress that the President inform the United Nations and that the Secretary of State inform the Soviet Union of our concern with the imprisonment of Simas Kudirka. I urge my colleagues who have not yet done so to join with us in this congressional expression of concern. The indestructible spirit of Simas Kudirka must not be forgotten.

Mr. Speaker, we should also remind ourselves that the United States must make every effort to help the courageous nation of Lithuania find the freedom we have enjoyed for nearly 200 years. In 1966, Congress first passed House Concurrent Resolution 416 which urges the President to bring the denial of freedom to Lithuania and the other Baltic States of Estonia and Latvia to the attention of the United Nations. I urge President Nixon to do all in his power to realize this goal. As leaders of the free world, we must be vigilant in the pursuit of individual rights and freedom.

Mr. COLLIER. Mr. Speaker, it is a privilege for me to to join my able colleague from Illinois in sponsorship of House Concurrent Resolution 420. If adopted by this and the other body, this measure would express the sense of the Congress with respect to the imprisonment in the Soviet Union of a Lithuanian seaman who unsuccessfully sought asylum aboard a U.S. Coast Guard ship.

When I consider the persecution of Russian Jews, the exile of Alexander Solzhenitsyn, and the imprisonment of Simas Kudirka, I wonder how sincere the leaders of the Soviet Union are in their expressed concern about world opinion.

If this be so, let them bring forth fruits meet for repentence by permitting Simas Kudirka to begin life anew outside the Soviet Union.

Mr. Speaker, it is true that Simas Kudirka is but one man, but he represents the longings of more than 200,000,000 residents of the Soviet Union for the freedom that is enjoyed by more than 200,000,000 citizens of the United States of America. Let us speak with a united congressional voice by adopting House Concurrent Resolution 420 unanimously.

Mr. O'BRIEN. Mr. Speaker, as citizens of a nation founded on freedom it is easy for us to forget that there are men like Seaman Simas Kudirka who are willing to risk everything just to taste the freedom we too often take for granted.

As you may recall, this courageous Lithuanian seaman jumped to a U.S. Coast Guard cutter from his Soviet fishing trawler moored nearby. Kudirka sought political asylum in the United States but due to a series of misunderstandings, he was subsequently seized by Soviet authorities, returned to his trawler and later imprisoned in the Soviet Union.

It has been more than 3 years since Seaman Kudirka made his desperate leap for freedom, yet no official word has come out of Russia on his well-being or that of his family.

Therefore, I wholeheartedly support this resolution to seek relief for Seaman Kudirka and show that while America may have mistakenly turned her back on him in 1970, she has neither forgotten him nor his countrymen whose only crime is their desire for freedom.

GENERAL LEAVE

Mr. HANRAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

FORCED BUSING TO ACHIEVE RACIAL BALANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Mrs. GREEN) is recognized for 60 minutes.

Mrs. GREEN of Oregon. Mr. Speaker, a few moments ago, under a 1-minute unanimous consent request, I announced that I have today filed a discharge petition on House Joint Resolution 771, a constitutional amendment designed to prevent the forced busing of students to achieve racial balance, which was introduced by my colleague from Arizona, Congressman JOHN RHODES, the very distinguished minority leader of this House.

Most of the Members in this body know my position on forced busing to achieve racial balance. We are not talking about busing out of choice to achieve an educational purpose. We are not talking about a family with children who buy a farm and know when they purchase the farm that there is no school nearby and that they will necessarily have to bus their children. That was their decision, not a Government decision. It was a decision based entirely on their choice.

We are talking about a family who establishes residence in a particular area and where a major factor that entered into buying their home or establishing their residence there was the school in that area which they had every right to expect their children to attend. Let me repeat, what we are talking about is not voluntary busing but forced busing. I have for some time opposed forced busing. It is not within the realm of possibility for us to go back 100 years to correct the errors of our ancestors. The only thing we can do is look at the present state of education in this country and decide what is happening to it.

I oppose forced busing because I believe we have seen it is absolutely unworkable. I have seen no evidence that it has accomplished its objective. It has no educational value and dubious social value.

Some time back Stewart Alsop interviewed 20 different people on this subject. Let me quote from one of those interviews:

Julius Hobson, Washington's leading black militant:

> Of course—integration is a complete failure . . . what we've got is no longer an issue of race but of class, the middle class against the poor, with the Federal government standing idly by . . . the schools in Washington have deteriorated to a point almost beyond repair—if I could afford it, I'd send my own children to a private school . . . I have an opinion I hesitate to voice, because it's too close to George Wallace, but I think it's time we tried to make the schools good where they are . . . the integration kick is a dead issue.

In that same article, John Gardner, former Secretary of Health, Education, and Welfare and now head of Common Cause, is quoted as saying:

> We should proceed to upgrade the schools where they are now and not sit around waiting for integration that may never happen.

In November 1973, I sent a questionnaire to constituents in my congressional district. It must be borne in mind that this is a predominantly urban, industrialized area located in a State which, I am proud to say, had adopted progressive anti-discrimination laws long before the Federal 1964 Civil Rights Act.

Furthermore, this is an area which has never experienced any bitter experience over forced busing. The mailing list for my questionnaire is probably 75 to 80 percent Democratic. One of the questions asked was on forced busing—the question was phrased carefully by an individual with expertise in drawing up such questionnaires so as to word the question in as objective and nonpartisan a way as possible. The question asked: "Would you favor a constitutional amendment which would prohibit the Federal Government—the executive, legislative or judicial branches—from forcing the busing of students from neighborhood schools for the sole purpose of achieving racial balance?" We have tabulated over 10,000 responses and more than 70 percent from that predominantly Democratic, enlightened, urban community have expressed their support of a constitutional amendment to prohibit forced busing.

Mr. Speaker, there is obviously good reason for such support. No one would deny that our schools are plunged in a crisis of unprecedented severity. Funds are no longer available for adequate professional staffing, for proper learning facilities, for satisfactory compliance with court orders, or sufficiently long school sessions. Our public schools are rapidly decaying. School leaders have had to hack away at the fibre of school budgets, dismembering limb by limb the tree of learning.

More and more rank and file black Americans are speaking out for quality education rather than the mere mathematical matching of numbers of children of a certain skin pigmentation, in a given group. At the largest black caucus which has ever been held in this country in Gary, Ind., a couple of years back, it is my understanding a resolution was adopted in opposition to forced busing.

Many white and black parents are annoyed by the disruption of their neighborhood schools and incensed by the dreams of those who think that children are merely numbers.

While we squander funds in these mathematical games, the very strong need for general aid for all of our schools is overlooked. We can be witness to the travesty of seeing a child hauled at the crack of dawn in a shiny new bus from his neighborhood to a school from which the heart and viscera have been plundered by the budgetary ax.

In Charlotte, N.C., the subject of the Charlotte-Mecklenburg decision, it is now costing the local and State governments about $1.6 million a year to operate the fleet of buses compared with $784,000 3 years ago. This despite the fact that the school population has dropped by 7,000. Some children ride up to 40 miles a day and spend 2 hours and 45 minutes daily on the buses.

In Jacksonville, Fla., we find more than 52,000 on the system's 109,700 students are transported on 428 buses. For this, Jacksonville is paying in excess of $3 million a year—more than three times the expenditure 3 years ago.

The cost of busing for integration in Pontiac, Mich., last year was $507,000.

An example I have cited before is the Los Angeles school district which I visited some 3 or 4 years back. The superintendent of schools and the school board members with whom I met were very much concerned and very conscious of the fact that the citizens of that area had voted down all of the tax levies and bond issues for the support of the schools. As a result, they had to cut out $50 million worth of services for children, programs that would make the difference between domiciliary care and real quality education.

Then the State supreme court ordered that school district to desegregate and the superintendent told me that for the first year it would require approximately $42 million just to buy the buses and to hire the busdrivers and that for each year thereafter, they would have to spend between $20 and $25 million for the buses and drivers. That means that that $42 million, and $20 million or $25 million each year thereafter will not go into the classrooms to improve the quality of education.

Forced busing to achieve racial balance does not create good schools. Indeed, busing, with its attendant costs, with its destruction of the neighborhood school concept, its destruction of the cohesiveness encouraged through neighborhood meetings, only exacerbates existing problems.

I have read as much material as I can, and I do not find one scintilla of evidence that forced busing has achieved its stated goals or its stated objectives. I welcome efforts to deemphasize busing and bring some rational order to our priorities. Otherwise a lost generation of American chidren will later understand that their elders smugly practiced "easy virtue" because it was fashionable—at what expense to the children remains to be seen.

I do not happen to believe that America is in the mood for tricks, political or otherwise. I believe that what white and black parents desperately want is quality *education* for their children and I further believe that the promotional claims that busing will achieve this are dangerously deceptive. Too many promises have already proven hollow; too many hopes have long since faltered. In a country beset by a grave crisis in confidence, we can ill afford the further disillusionment that comes from forcing policies for whose expected results there is no evidence.

We must use our national resources to strengthen, not to weaken our local communities and our schools. It seems to me that the responsibility of this House is to come up with a program that will really provide the highest quality education that we can for all youngsters, regardless of the pigmentation of their skin, regardless of their economic class, regardless of the geographic area of the country, and to quit resorting to these superficial answers that have only served to aggravate our educational problems.

Mr. Speaker, I hope that many of my colleagues will join me in signing the discharge petition on the bill introduced by the minority leader.

Mr. SATTERFIELD. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Virginia.

Mr. SATTERFIELD. I thank the gentlewoman for yielding.

Mr. Speaker, I know no issue of deeper concern to our citizens than court ordered busing of school pupils to alter the racial mixture in public schools. I wish to take this opportunity to congratulate my distinguished and courageous colelague from Oregon, EDITH GREEN, for filing her petition to discharge House Joint Resolution 771, a proposed constitutional amendment introduced by the distinguished minority leader, JOHN RHODES.

I rise in support of the discharge petition and of House Joint Resolution 771.

I wish to make it clear that my remarks are not intended to deal with the question of integration of public schools vis-a-vis segregated public schools for that is not at issue. I speak instead out of concern that public school pupils are involuntarily assigned and transported beyond their neighborhood schools for the sole purpose of achieving a specific mix in a particular school.

I speak of this because of my deep concern over the impact of such action on the present and future quality of public education and the diminution of excellence in education which is its result.

Our federal system of government is a good one, capable of perfection in its operation. It is my view that the failure to realize its full potential has been due to the frailties of man and not imperfections in the system itself. However, we will never achieve that potential if we abandon the basic premise inherent in the freedoms secured to us all in our Constitution, that to the fullest extent possible, man should control his own destiny and that of his minor children.

In a sense, it is regrettable that the offending judicial edicts have become obscured by the use of the term "busing" and that as a result the real points at issue have been obfuscated. The busing of which I speak, and about which I complain, is the busing of pupils by force, pursuant to judicial order, for the purpose of effecting an artificial racial balance of students in public schools.

I have heard it said, primarily in an effort to mitigate the gravity of the forced busing issue, that busing is historic in America and that through the years thousands of students have ridden school buses to and from school. But there is a serious difference between that kind of busing and the forced busing of which I speak. That difference can be described in one word—compulsion.

The historic busing to which these individuals refer emerged with the development of the motor vehicle and was employed to replace the long walk or horseback ride to the nearest school. It developed as a matter of convenience to assist pupils in their efforts to attend the nearest school. It was voluntary.

Court ordered busing plans, on the other hand, transfer students by bus, not as a matter of convenience, but merely to achieve some arbitrarily established level of racial mix among pupils. The court thus replaces the parent in determining what school his child shall attend and how. It thus seizes all control over a child's education and denies to the parent the right and opportunity to influence an important aspect of his child's education.

I realize that there have been instances in the past where a black child was bused past his nearest school to attend a black school or a white child bused past his neighborhood school to attend a white school. That was wrong.

It is just as wrong today to bus a black or a white child past his neighborhood school in order that he will become a part of an artificial racial balance in a school miles away.

I am not unmindful of the fact that some sociologists and psychiatrists have suggested that proper public education demands a certain degree of racial mix and that parents lack the ability, experience, and knowledge to determine what is best for their own children and that these suggestions have been used to defend forced busing. I would observe, however, that neither suggestion has escaped serious challenge and that arguments supporting the principle of free choice must of necessity transcend both in importance.

I am acutely aware of the fact that some individuals who express the view that forced busing is necessary, do so with the mistaken idea that areas now under busing orders have made no effort to integrate their schools or that they have deliberately resorted to subterfuge to prevent integration.

Speaking of the area I know best, I can clearly state that this is not the case in my district. Even if it were, it seems to me there are other solutions, not nearly so harsh, which can at the same time contribute to quality education. We may have been slow to react to the Brown decision but we did take steps to conform to what it said.

In 1966 the school system in the independent city of Richmond inaugurated a freedom of choice system for enrolling pupils in our public schools.

This plan was devoid of any possibility of gerrymandering a school area since it employed no geographic zones at all. It permitted parents to send their children to any school of their choice within the corporate boundaries of the city of Richmond. It conformed to the 1969 court definition of a unitary system as being one within which no person is effectively excluded from any school because of race. That it was achieving integration in the public schools of Richmond is evident. Consider, if you will, the fact that in 1961, prior to implementation of this freedom of choice plan, only 1.8 percent of 34,956 pupils attended integrated schools. In the 1967–68 school year, the second under this freedom of choice plan, that figure had risen to 44.6 percent and in the 1969–70 school year to 50.2 percent. In 1969–70 every white student in the city of Richmond attended an integrated school.

The subsequent decision of the Federal Court at Richmond ordering forced busing of pupils to achieve an arbitrary racial mixture of students in the Richmond public schools and its further order requiring the reassignment of teachers to achieve a racial mixture in each school's faculty as well, produced a profound and undesirable effect upon the Richmond school system and the quality of education provided by that system.

All of us have heard, at one time or another, the statement that in order for a black child to receive a quality education he must attend a school in which white children are enrolled. That is a racist statement which makes no more sense than another racist statement which we have also heard, that a white child cannot receive a quality education in a school also attended by black students. Both statements are erroneous, but they do serve to focus upon a critical question relative to the effects of forced busing.

No doubt there are instances where one might conclude that a bused pupil will achieve a better education in the school to which he is bused than he received previously. But what about that child who will receive an inferior education as a result of being bused? A classic example, which can be documented but which is by no means exclusive, has occurred in Richmond.

The Richmond School Board was a pioneer in the concept of providing accelerated courses in math, chemistry, and physics through which exceptionally talented students would be afforded an opportunity to expand their knowledge at a more rapid rate than was possible in the standard curriculum. Pilot courses were commenced in one high school and gradually extended to others when and where a need became evident. As a result of the forced busing order, some who were already pursuing the course of study provided in these advanced classes were plucked out of their neighborhood school and bused to schools which do not provide any accelerated courses of study. These unfortunate students were forced to waste the balance of their high school careers repeating classwork they had already completed in their accelerated studies.

Can one really justify forced busing when this is a direct result? Of course, we must exert every effort to provide equal quality education to all pupils, regardless of their race or economic situation in life. But I fail to see how anyone can condone a plan which may improve the quality of education of one student at the expense of another or which threatens a decrease in overall quality education.

Do the rights of a student who may improve his educational lot through forced busing outweigh the rights of a student who thereby suffers a diminution in the quality of his education? If this then be a result of forced busing, and it is, on what conceivable constitutional theory can it be supported? I submit there is none.

The time has come for Congress to act to prohibit forced busing by amendment to the Constitution, which I believe to be the only practical course now open to us.

There was a time when I believed that Congress could enact legislation which the Supreme Court would sustain to prohibit forced busing to achieve an artificial racial balance or to eliminate a racial imbalance in public schools. I confess, however, that my optimism in this regard was destroyed by the Supreme Court's opinion in Swann, et al. against Charlotte-Mecklenburg Board of Education, et al.

That opinion left no doubt that the Supreme Court has concluded there shall be a reordering of the ratio between the races among pupils in the public schools in areas where de jure segregation is said to exist. Moreover, it makes quite clear that busing is an acceptable tool, and, therefore, a constitutional tool, which may be utilized to effect the necessary involuntary transfers.

When I consider that determination, when I consider the facility with which the Supreme Court swept aside pertinent language in the 1964 Civil Rights Act, as well as congressional expressions in subsequent enactments, and when I consider the distances pupils must be moved from one school to another to implement that decision, I find it impossible to conceive that the Supreme Court, of its own volition, will embrace and approve any legislative act having the effect of prohibiting such forced busing or eliminating forced busing already in progress as a result of its decision.

I know that some Members of Congress sincerely believe we can prohibit forced busing simply by enacting legislation. I respect their right to this view, of course, but I disagree with their conclusion. We are dealing with a decision predicated upon the Supreme Court's interpretation of the Constitution. I fail to see how we can alter such a decision by mere legislation. The groundwork is already laid upon which the Supreme Court can render a decision which would declare such legislation unconstitutional and I believe that is precisely what it would do.

It is important at this point for each of us to contemplate a perplexing aspect of the Charlotte-Mecklenburg decision. I refer to the Court's failure to make that decision applicable to public schools located in areas where de facto segregation is said to exist. What may be of greater significance, however, is the Court's refusal in that decision to hold that these areas are exempt from its application at some future date.

I find it difficult to justify the apparent conclusion of the Supreme Court, on the one hand, that the civil rights of a black child in North Carolina are so violated by a condition of segregation as to demand redress, whereas, on the other hand the civil rights of a black child in another area who experiences the same condition of segregation are not violated simply because the former condition is determined to be de jure segregation and the latter de facto segregation. I deem it self-evident that the rights of both children are the same and that if the rights of one are violated, then the rights of both are violated regardless of the circumstances which contributed to establishing the offending condition. There can be no serious doubt, absent effective action by Congress, that the time must come when the Supreme Court will conclude that the Charlotte-Mecklenburg decision applies to de facto and de jure segregation with equal force. Indeed, considering a minority decision in the Denver case, there is evidence of this possibility already.

It is high time for all of us to recognize, for what it is, the distinction which has been created between de facto and de jure segregation; that it is a deliberate effort to divide into two camps the potential objectors to forced busing and to keep the two camps divided by holding out to one the hope that it will not suffer the same indignity of forced busing visited upon the other. I suggest that the long range result, if we fail to act, is that both camps will suffer the same fate, separately.

Those who feel secure today because they reside in areas identified as having de facto segregation will be well advised to heed the arguments of those of us who are currently under the gun. Where some of us stand today, they will surely stand tomorrow.

Some who advocate the legislative approach to the problem as opposed to the constitutional amendment approach seem to be saying that a certain amount of involuntary transportation for racial purposes is acceptable. I hold otherwise, for if busing is wrong in one place then it is wrong every place. I cannot, therefore, understand or accept such an approach as a method for dealing with this issue.

Forced busing under court order solely to achieve an artificial racial mix of pupils in public schools is a fact. In the city of Richmond, Va., for example, it has existed for more than 3½ school years. To date every determination to impose forced busing upon separate school systems have been made by the judicial branch of the Federal Government. None have been made by the legislative branch through which the people of this Nation speak.

We should not make the mistake of failing to recognize that citizens across this land, especially those in jurisdictions already subject to court ordered busing are growing restive, not simply because of their objection to forced busing but because this practice, so vital to them and their children, has become a reality without any opportunity to express themselves on the issue either by direct vote or through their duly elected representatives.

This fact alone offers a compelling argument against reliance now upon so questionable a remedy as a legislative act, for the validity of such an act will remain undetermined for a long period of time, perhaps several years. Meanwhile, existing court ordered busing would continue unabated and consolidation orders, even if stayed throughout appeal, will have been decided long before such legislation can be tested in the Supreme Court.

I wish, therefore, to express my strong support for House Joint Resolution 771 and the discharge petition filed by my able colleague, Mrs. GREEN, to bring that resolution to the House floor for action. For passage of House Joint Resolution 771 will establish the constitutional foundation for valid legislative action to properly and effectively deal with this issue.

Its language is appealing because it is brief and explicit and because it properly extends to ultimate conclusion the existing principle that the Constitution is color-blind.

Proponents of forced busing have charged that such an amendment would roll back progress in school integration which began with the Brown decision in 1954. This is an invalid argument.

First of all, the charge appears to be predicated upon a conviction, which no amount of fact seems to dispel, that every opponent of forced busing is an unrelenting segregationist whose sole objection to it is his unswerving aversion to mixing black and white children in public schools. That simply is not a fact. Opposition to forced busing is not related to race, for the principle that public schools shall be racially integrated is now well established and accepted. This has been evident in letters I have received from constituents in my district just as it is evident now in other jurisdictions including some where de jure segregation has never existed.

Second, it is apparent that opponents of this constitutional amendment are inconsistent. On one hand, they embrace the proposition that our Constitution holds that a public school pupil shall not be prevented from attending a particular public school on account of his race, creed or color, yet reject on the other, this proposed amendment which compliments that proposition by stating that henceforth the Constitution will also forbid the assignment of that pupil to a particular school because of his race, creed or color.

Such a position supports the patently unequal proposition, that for some purposes the Constitution is color-blind but for others, it is not.

An important facet of the constitutional amendment approach I recommend, which should allay some of the fears expressed by its detractors is that even though this constitutional amendment is passed and ratified, subsequent legislation will be required to implement it. The question as to what school plans will result and whether the neighborhood school concept, freedom of choice, or some other plan will be permissible will, no doubt, be determined by subsequent congressional legislation.

I am aware of the argument that this amendment might produce a result contrary to the one I seek. I would observe, however, that its adoption and ratification will provide Congress with an opportunity to make the decisions involved rather than to continue to leave them to the Federal courts. I, for one, feel far better about relying upon the will of Congress than I do about having to rely upon the discretion of Federal judges who are not accountable to the people for their actions. I have an abiding faith in the citizens of this Nation, when important issues are involved, to be fair and objective and to reach a correct decision. Those of us who have joined together in our antibusing effort are perfectly willing to place our case before the body politic who will speak through their elected representatives. I think it is fair, then, to ask those who oppose us why they are unwilling to do the same.

In conclusion, let me reiterate; our effort here is not one to perpetuate segregation as some will charge, it is simply an effort to prohibit the utilization of compulsory busing of pupils to achieve an arbitrary racial mixture in public schools.

It is an effort to redirect national focus upon the proposition that public schools exist for the purpose of providing quality education, not for experimentation in sociological projects.

It is an effort to provide the framework upon which permissible legislation can be formulated.

It is an effort to afford to the people an opportunity to act.

Mrs. GREEN of Oregon. I thank my friend and colleague, the gentleman from Virginia.

Mr. HOGAN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Maryland.

Mr. HOGAN. I thank the gentlewoman for yielding.

Mr. Speaker, I should like to commend the gentlewoman for taking this action in filing the discharge petition. I am pleased to support the discharge petition filed by the gentlewoman in the well on House Joint Resolution 771 I support her efforts.

On the first day of the 93d Congress I introduced House Joint Resolution 85 which is an identical resolution. This proposal calls for a constitutional amendment which provides that "no public school student shall, because of his race, creed or color, be assigned to or required to attend a particular school."

In the first 14 months of this Congress there has been no willingness to bring this issue out of committee upon the floor of the House. This is certainly contrary to the wishes of the majority of the House. As evidence of this fact was the vote, 221 to 192, of the House on December 13, 1973, on an amendment to prohibit excessive busing in connection with energy legislation. A discharge petition with bipartisan support is called for. This we now have. I encourage my colleagues to join with me in signing.

Let me review what has happened since court-ordered racial balanced busing has come to Maryland. I represent the school system which has been faced with the largest court-ordered racial balanced busing in the country to date. This is the Prince Georges County schools, the 10th largest in the Nation, which were ordered on January 29, 1973, to establish maximum and minimum black-white figures of school attendance in each of the 235 schools which it operated. This court-ordered busing was appealed up to the Supreme Court, but the Court decisions have all been unfavorable. The only answer to a reversal lies in action by the Congress.

Schoolbusing is a big business. The State of Maryland which has a school budget of approximately $1 billion uses over 4 percent of that amount for transportation. The Prince Georges County schools which undoubtedly have one of the largest, if not the largest, busing fleet in the world—813 buses—spend $7 million annually for busing—Metro has 105. It was estimated that the racial balanced busing which was ordered in January 1973 resulted in increased gasoline consumption of 30 to 40 percent. Presently the schools open earlier and close later than the other systems in Maryland which means that the buses are used the greater part of the school day. Since Prince Georges County is eight times the size of the District of Columbia and 45 miles from one end to the other, the buses travel greater distances and make a greater number of stops for racial balanced busing.

I have always strongly opposed busing because it is illogical and because the neighborhood school provided better education. The parents, black and white, overwhelmingly, support them. My most recent poll showed 88 percent opposed to busing. In the year that has transpired since our busing order went into effect virtually all of the defects of such busing have come to pass without any of the real achievements which we sought. School population has decreased substantially because of the flight of youngsters to private schools and out of the county. And this is in spite of the fact that Prince Georges County is one of the fastest growing counties in the country. Vastly increased security has been necessary. Special classes for disruptive students have been organized. There was the tragic death of a black youngster in a busing accident.

Now, with the energy crisis, the question is being asked: Why are we busing so much and wasting so much fuel. Our busing fleet in Prince Georges County is eight times the size of public mass transit which provides service throughout the county and in and out of the District. If the fleet were expanded to the required size for "normal" school hours, it would be nearly 1,200 vehicles which begins to approach the size of our present Metro fleet for the entire Washington metropolitan area. In these critical times it certainly appears that there should be a reevaluation of our school busing requirements.

Although I have applauded the orderly manner in which the Prince Georges County citizens obeyed the busing order and sought to overturn it through the legal process, I have from the outset recognized that legislative action in this area is needed.

It is now 13 months since Judge Kaufman's order was implemented on virtually 30 days' notice. One could ask what has been accomplished in that period.

There have been some obvious and concrete results of the busing order of Judge Kaufman.

First. School hours now start as early as 7:30 a.m. and conclude as late as 4:30 p.m. This means that with busing mothers can have their children at the bus stops shortly after 6:30 a.m., or as late as 5:30 p.m. Mothers with children at several levels need much patience in meeting the new and varied bus times. Daylight saving time has caused several changes in even this drastic scheduling.

Second. At least 12,000 additional students were bused for the first time. The order added aproximately 60 buses so that the Prince Georges County schoolbus fleet now totals over 800, one of the largest, if not the largest, in the world.

Third. Gasoline consumption for the additional buses certainly does not help the energy crisis. Gasoline consumption has increased probably 30 to 40 percent. Schoolbuses because of start-stop operations get only 5 to 5½ miles per gallon of gas.

Fourth. School attendance for the fall session is down 2,300 under the estimate. The estimate is well under the 161,000 peak school attendance of a couple years ago. In one of the fastest growing counties in the Nation, private and church schools are gaining and public schools are losing students.

Fifth. Disciplinary problems are manifold as evidenced by the request of the Prince Georges County schools for "alternative educational programs for disruptive students." The increased cost is indicated as $296,000 annually. The security staff of the schools has required an addition of 13 positions.

Sixth. One 4-year-old youngster being bused for racial balance from Palmer Park to New Carrollton has been killed in a bus accident. It was a tragic commentary on Judge Kaufman's order that the individual was a member of a minority group, so young, and the accident so unnecessary.

Seventh. Results of spring educational tests have been made public. The lead sentence in publicity concerning the tests was:

> Prince George's County public school students continued to decline in learning ability, but showed moderate improvement over previous years in achievement . . . only two grades scored above the national average.

This is hardly quality education.

Eighth. The outlook is for substantial readjustments of school busing for racial balance. As predicted, minority growth has resulted in the need to reschedule under Judge Kaufman's formula twice a year.

Ninth. The legal fight was costly. Under a provision of the Civil Rights Act the attorneys for the plaintiffs received $68,000 in fees. They had asked for $117,000. The principal attorney was a professor at the University of Maryland Law School which is under the Maryland State superintendent of schools as is the Prince Georges County school system. The attorneys acted in behalf of the American Civil Liberties Union and the National Association for the Advancement of Colored People. The provision of attorney fees, at least to a paid employee of the school system, would appear to be an unfair burden on the taxpayer.

If the experience of the Prince Georges County schools is to be perpetuated and expanded over this Nation I know that its citizens will realize that the benefits are negligible and the costs substantial. Today when people are fighting at the gas pumps for gasoline to take them to work, they are not happy to see hundreds of schoolbuses with plenty of gasoline carrying their children miles across the county.

Mrs. GREEN of Oregon. Mr. Speaker, I thank the gentleman from Maryland very much for his comments.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mr. HANRAHAN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Illinois.

Mr. HANRAHAN. I thank the gentlewoman for yielding.

I take this opportunity to associate myself with her remarks and to state that I concur in all of the remarks she has made on the floor. I should like to commend her for this attempt that she is making. I hope that it is very successful, because, being a former educator for 14 years, I know what she is talking about.

Mrs. GREEN of Oregon. I thank my colleague.

Mr. MILFORD. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Speaker, I congratulate the gentlewoman from Oregon for introducing the petition which I proudly sign and I will join with the gentlewoman in her effort.

Mr. Speaker, I wholeheartedly support the lovely lady from Oregon's petition to discharge the constitutional amendment to prohibit forced busing of our Nation's schoolchildren.

Those of you who resist such a cease-and-desist order brand those of us who propose it as "racists" and "rednecks."

That is absurd.

Surely there is not one Member who would advocate an inferior education for any child—black, brown, red, or white.

I say surely, but then I wonder.

Is this not what we have accomplished by compulsory busing as a tool for integration?

At a time when school districts are knocked to their knees by rising costs, we kick them again with a demand for busing.

That is the dollar element—schools in my district have spent millions. And we have the odd quirk that our school systems in Texas operate the largest mass transit systems in my area—far larger than the city bus systems.

And school districts have spent over another million more for gasoline—needless to say this is poor timing when fuel is a commodity we are recognizably short on.

But as important as economics is—sincethat is what pays for teacher salaries, books, supplies and buildings—there is another factor even more important.

And that, my friends in the Congress, is the children.

Have you looked at what we have asked them to do?

On a recent trip home to my district, I stopped at a school and talked with some students.

And you know what they said?

"I've got to go now to catch my bus."

That is the answer these children give when I ask them, "how goes baseball practice?"

Some high school students, who were good band students at their old school, now cannot play in the band because they cannot stay after school to practice. These kids "have got to catch a bus."

This reason applies to sports, music, clubs and yes, even to parents.

Forced busing discriminates against the child whose parents both work and are not able to drive across town to pick up their student.

Educators have known forever the value in parents being involved in their son or daughter's school life—their education, which is what we are really talking about.

Yet, the parent or parents who come home from work, who used to go the few blocks to their child's school to PTA meetings or to discuss their child's performance with a teacher, now have to travel as much as 15 or 20 miles to do that.

Instead of encouraging parents to be involved, we are discouraging them. We are particularly discouraging the family where both mom and dad work, and we are totally prohibiting the poor child's parents from participating.

We are saying to them, in fact, you do not count. It is better that we load your kid on a bus and ship him across town, than to have a community school—the old fashioned neighborhood school.

How ironic it is that in the era of today, when people complain about the isolation and loneliness of the cities and how we need neighborhood and community involvement, and people are flocking to small groups, the Federal Government comes along and says, "you don't need that, you need forced busing instead."

And I submit to my colleagues, that when you take a child out of his neighborhood to send him to school so that he no longer can walk to and from school with "Johnny" or "Sue." He can no longer go to school with his next door neighbor. Also, I submit that when you tell this child it is better for him to "catch the bus on time" than to participate in sports, clubs, music and that when you make it harder and farther for his parents to try to stay in touch with daily school life, you are destroying the community school, and producing an inferior education for all—black, brown, and white.

Destroying a community school diminishes the contact between neighbors, it destroys the community.

And if we continue to erode community spirit by attacking it through forced busing—scattering a community—we will have destroyed the spirit and cohesiveness which has made America great since its pre-Revolutionary War days.

Mrs. GREEN of Oregon. I thank the gentleman for his comments.

Mr. COLLINS of Texas. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Texas (Mr. COLLINS), a former member of the Education and Labor Committee.

Mr. COLLINS of Texas. Mr. Speaker, I thank the gentlewoman from Oregon for yielding.

In regard to the discharge petition and the legislation, I think it will probably be the most important single item that we will work on in this session.

I remember well my service with the

gentlewoman on the Education and Labor Committee. I always admired her commonsense point of view and her keen insight. This discharge petition offered by the gentlewoman, I believe, will lay the foundation for the progress of education for the younger generation of America.

In the 10 years during which we have had schoolbusing for racial balance, not one single school system in America has gained or achieved any progress as a result of busing. Not a single district.

I was interested in seeing the results of a survey made by Harvard University which showed the way to achieve progress for students was to have parents who encouraged the education of their children. When mom and dad take a personal interest at home, the youngsters do better. When we have the opportunity to bring this entire matter of educational standards out for full discussion I think we should spend more time talking about parents' responsibility. Parents who are interested in developing their youngsters will have the greatest positive effect. The second thing that was brought out by the survey was the importance of having books at home and having the parents read the books at home. Riding a bus does not cause children to read and to write better. More parents' interest will improve education in this country more than anything we have ever done.

The gentlewoman from Oregon has announced that this will be her last session in the Congress, and I believe that the fulfillment of this discharge petition will represent the greatest contribution toward progress in education. In the Halls of Congress where so much is said, we will always remember EDITH GREEN, of Oregon, who can say more in fewer words and makes more logic than any Member in Congress.

Mrs. GREEN of Oregon. Mr. Speaker, I thank the gentleman very much for his comments.

Mr. BURGENER. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from California.

Mr. BURGENER. Mr. Speaker, I thank the gentlewoman for yielding. I express my appreciation to her for her reasonable, reasoned, and unemotional approach to a very difficult and important problem. I most enthusiastically associate myself with her remarks.

Mrs. GREEN of Oregon. I thank my colleague very much.

Mr. BAKER. Mr. Speaker, I rise in support of the move to discharge the Committee on the Judiciary from consideration of legislation which would halt the court-ordered busing and forced crosstown busing of our children for other than reasons which contribute to a better education.

As a cosponsor and author of much legislation from the day I joined this body I have reluctantly concluded that there is little chance to secure hearings on these proposals with the present membership of the committee. My latest bill, House Joint Resolution 58, was introduced on January 3 of 1973, and referred to the Committee on the Judiciary, Subcommittee on Constitutional Amendments. There has been no action.

On April 26 of 1973, I wrote Chairman PETER RODINO as follows:

> May I point out that the situation in our schools could hardly be worse. It is impossible to prevent violence, much less teach our children. Many school officials attribute much of this violence to students forced to attend schools not of their own choice. Mr. Joe Grealy, head of the International Association of School Security Directors, has said, "It used to be most children went to school in their own areas. Now they are moving outside those areas into new surroundings—back and forth. This has to contribute to some of the unsettling of the students."
>
> Mr. Chairman, on the first day of the session I introduced H.J. Res. 58. H.J. Res. 58 is one of many bills in the House which would stop the forced assignment of our children. I believe we should now hold hearings on these bills and bring the question to the floor for a vote. By an overwhelming majority, parents have so demanded. My constituents cannot understand why the Congress is unwilling to fully consider this question. I would very much appreciate your consideration of hearings on forced assignment of our children, at an early date.

Despite all such requests no such hearings have been held, nor are they scheduled. I believe we have no other choice left but to ask that this committee be discharged from consideration of the legislation and allow the House to consider it as a whole.

It is important to note that House Joint Resolution 771, which is identical to my resolution, House Joint Resolution 58, has been in the jurisdiction of the Judiciary Committee several months and should have been considered long ago.

I strongly support the discharge requested in petition No. 4.

Mr. TEAGUE. Mr. Speaker, it is timely that I reiterate my stand on the busing of our schoolchildren to achieve racial balance in our schools and express the sentiment of my constituents in Texas.

I am a passionate believer in the integrity of the home—the importance of the home in shaping the character of the child and the adult that is to be. I am also a passionate believer in the importance of roots. Humans need roots just as much as trees need them. Roots involve not only one's family but one's neighborhood and one's local school. Most Americans grow up in the certain and sure knowledge that their closest friends are those with whom they grew up, those with whom they went to school—those with whom they shared a common experience. These are the people they can call upon in an emergency. The people they turn to instinctively in times of sorrow, in times of joy.

The problem we face, I believe, with the educational-racial balance issue, is one of quality education. One betters himself because of pride—what he thinks of himself, what his peers think of him, and what he thinks of others. Pride is something which comes from within. The busing of pupils from one socio-racial-economic sector to another, the creation by the Government of an environment in which a child is to grow, does not provide for "natural" growth. Such busing does not provide any foundation or basis for a neighborhood of schoolchildren to succeed those who preceded them—on any individualized level.

I believe that if half the money that is being spent today for compulsory busing were spent for improving the quality and the standards of education in inferior schools, the problem could be solved efficiently and happily, without pain and without resistance and resentment.

The youngsters are hurting. In my district, Mr. Speaker, many youngsters who used to go to school in their neighborhoods, are now being transported for an hour or two daily, with incident, solely to get an acceptable racial mix in the schools.

Honestly, I do not know what this accomplishes. We are dealing with children's minds. I believe we are generating no progress in education. We are generating no relaxation of the racial issue in those areas where it is a problem. We have antagonized it. We are confusing our priorities and making our children who have such impressionable minds, the victims of our mistakes. The philosophical theories are utopian. This government of the people, through some influence, has mandated that Americans follow a course of racial integration that solves no problems. Human beings grow into integration rather than follow legislative and vague judicial mandates over their beliefs.

God only knows why all men do not receive equal opportunity and chance. God only knows why all men are not the same color. I believe our Nation, under God, should preserve in every detail the freedoms which have permitted individuals as individuals to succeed and better themselves. God has entrusted man to the Earth and to following his faith and beliefs in governing one another.

I have signed the discharge petition which would provide for the discharge of an amendment to the U.S. Constitution prohibiting the assignment or transportation of pupils to public schools on the basis of race, color, religion, or national origin.

How we, the Congress, and the people of this country, ever let ourselves get into a position of constitutional amendment on such an issue is beyond me.

Mrs. HOLT. Mr. Speaker, I would like to commend my distinguished colleague from Oregon (Mrs. GREEN) for taking this special order today to discuss the busing problem. Despite the widespread public opposition to court-ordered busing to achieve racial balance, it continues unabated. Despite the severity of the energy crisis we continue to consume 750,000 gallons of gasoline in Prince Georges County, Md., to meet racial quotas. The American people are legitimately asking when this unnecessary and illogical practice will stop.

Many of us have considered numerous legislative and administrative alternatives to end this situation and have concluded that the only effective means of terminating court-ordered busing is through the enactment of a constitutional amendment. This is a serious undertaking. During the Constitution's

183-year life, it has only been amended 25 times. It is a document that has survived, relatively intact, the tremendous social and political changes that have occurred in our Nation.

It is my conviction that a constitutional amendment should deal only with problems of the severest gravity, and that it should always be a last resort—to be used only when all other solutions have been exhausted. The issue of court-ordered busing fulfills this criteria. The American people have consistently expressed their opposition to busing in numerous public opinion polls. The House of Representatives has registered its opposition as recently as last December through the enactment of an antibusing amendment to the emergency energy bill. A constitutional amendment is the only means to translate this opposition into tangible results.

I am pleased to have the opportunity to support the petition sponsored by my colleague from Oregon (Mrs. GREEN).

Mr. HUDNUT. Mr. Speaker, the American political process does not serve "government of the people, by the people, and for the people" very well when it shelters certain matters of tremendous public interest and controversy from public discussion in the appropriate forum. A case in point is legislation that has been introduced into the Congress—of which I am cosponsor—to prohibit court-ordered forced busing of schoolchildren to achieve artificial racial balance in the public school system. It is bottled up in committee. House hearings have not been held. Neither the Judiciary Committee as a whole nor its appropriate subcommittee has signified any intention whatsoever to move this legislation to the floor of the Congress where it can be debated and voted up or down.

The American people are very concerned about this reluctance of the Congress to address itself to the busing issue. They cannot understand it, and in areas of the country where children are actually being bused, such as the district I represent, people are highly resentful and outraged by the lack of responsiveness of our political system to their strong feelings.

The polls tell us that 85 percent or more of the American people are opposed to "busing." They do not like it. They do not want it. They believe every American youngster is entitled to quality education, but they want that precious experience to occur in his neighborhood school. If that school is inadequate, it should be improved. The facilities should be upgraded. The quality of teaching and textbooks should be enhanced, adequate transportation to the schools should be provided at public expense, and the school board should be required to run the school system in compliance with the American beliefs in equality and opportunity. In these ways, the neighborhood school system should be preserved and improved.

But what the American people emphatically do not want—in overwhelming majority—is "busing." It will mean that parents who choose a certain neighborhood in which to live, at least in part, because they like the school near their house, will have no guarantee that their children will attend that school in that neighborhood. It will destroy the neighborhood school system. It will undercut local control of local schools and pave the ways for federalization of the Nation's schools, first by the judiciary and next by HEW. In the city of Indianapolis, a school board that was elected on an antibusing platform has been all but emasculated by a Federal judge who has overridden its desires, countered its plans, and promulgated his own required busing procedures. It will create vacuums in many urban areas and possibly eradicate the public school system in many of America's center-city areas. Again, to cite the example of the city of Indianapolis, the local school board has recently unveiled a comprehensive metropolitan desegregation plan in response to guidelines issued by the Federal judge in his December 6 "Memorandum of Decision." According to this proposal, 25 elementary schools and 3 high schools in the center-city, along with some 300 teacher jobs, would be phased out in the near future, and almost 11,000 black pupils would be reassigned to suburban school districts next fall, while another 9,000 would be reassigned within the city school system. All this would be for the sake of a more racially integrated educational experience which is evidently considered the prerequisite for quality schooling for our youngsters.

The end results, however, will balloon pupil-teacher ratios beyond acceptable proportions in the outlying schools, and perhaps add a tremendous financial burden to the taxpayers who will have to pay for accommodating the influx. It will take children a long, long way from their homes, and make after-school participation in extracurricular activities of youngsters who are bused, and of parents who might be interested in PTA meetings and the like, difficult, if not impossible. It will not discernibly improve the academic performance of children who are bused, if experience to date means anything. It will cause many psychological and social problems, and unquestionably increase the amount of polarization and restlessness in our society, and it will needlessly aggravate an energy shortage that is already critical.

Both blacks and whites feel this way. Not all, to be sure, but a majority—and I have talked to many, many people about it. It is not a question of white racists trying to keep the blacks out. It is a fundamental question of wanting to preserve the neighborhood school system and the freedom such a system presupposes, and of wanting to provide all of America's children with good educational opportunities. Busing for purposes of segregation was wrong; busing for purposes of integration is no more right. In an open society like ours, children should be permitted to go to schools near their homes, and parents should be encouraged to establish constructive relationships with those schools. Busing makes that impossible. Busing should be halted in order that quality education may be advanced.

The American people are looking to the Congress for redress of their grievance against court-ordered busing. It is a national problem requiring a national solution. Twelve States—including my own of Indiana—are so displeased with Congress lassitude about facing the busing issue, that they have called for a constitutional convention to force attention to this subject. Surely we can act before that becomes necessary. Surely we can muster the moral courage to face this issue. Surely we can give the American people a chance to express themselves clearly and unequivocally to the social planners, bureaucrats, and judges—none of whom serve at the pleasure of the people—who want busing. Surely we can take action one way or another on an issue that is vexing the hearts and minds of 85 to 95 percent of our citizenry.

That is why I am signing the discharge petition sponsored by my prestigious colleague, the Honorable EDITH GREEN, of Oregon, and the Honorable JOHN RHODES, of Arizona, to discharge the Judiciary Committee from further consideration of House Joint Resolution 771 that proposes a constitutional amendment which would say:

> No public school student shall, because of his race, creed, or color, be assigned to or required to attend a particular school.

I do this somewhat reluctantly, because discharge petitions are a last resort and not to be entered into lightly or ill-advisedly. But if those who control the Judiciary Committee power structure will not act on their own, we must force them to act even if it means circumventing regular procedures.

I say it is time to act. It is our obligation to debate the issue of busing, and decide whether or not forced busing of schoolchildren to achieve racial balance in our public school systems is in the best interest of the American people and the education of their children. Therefore, I appeal to my colleagues to help get this legislation to the floor. And I appeal to the American people to support this effort and to demand a response from a hitherto unresponsive Congress.

PERSONAL EXPLANATION

Mr. KAZEN. Mr. Speaker, on Wednesday, February 13, I was absent and missed two recorded votes, because of a long-standing engagement in my district. For the RECORD, I would have voted "yea" on rollcall No. 32, a motion that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of H.R. 11864, to establish a program to demonstrate solar heating and cooling technology. I would also have voted "yea" on rollcall No. 33, final passage of H.R. 11864, solar heating and cooling technology.

SURFACE COAL MINING RECLAMATION ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOSMER), is recognized for 30 minutes.

Mr. HOSMER. Mr. Speaker, during the

past few years there has been a growing concern in Congress over the need to regulate and control the surface mining of coal in the United States. The genesis of this concern to regulate and control strip mining is the legitimate need and desire to protect and enhance our environment. This is a need which strip miners in the past largely have ignored. They will continue their depredations unless they are stopped. To this end the Subcommittees on Environment and Mines and Mining of the Committee on Interior and Insular Affairs worked long and diligently to produce H.R. 11500, a bill to provide for the regulation of surface coal mining in the United States. And, similar legislation has passed the other body.

Throughout the committee deliberations on H.R. 11500 I have been concerned, and I believe my concern is shared by many other Members of Congress, that this bill and the bill, S. 425, which passed the other body, go too far in unnecessarily restricting and curtailing the Nation's supply of coal. My concern in this regard has markedly increased with the impinging energy crisis and the factual recognition, by most energy experts, that there must be increased reliance on our coal reserves as the essential short-term solution to our energy crisis.

H.R. 11500 and S. 425 have the common fault of drastically overweighting environmental considerations in relation to other public interests which fairly should be in mind in making the costs versus benefits evaluation of programs to regulate the strip mining of coal. H.R. 12898, on the other hand, while strictly regulating mining practices, nevertheless retains the necessary incentives for the coal mining industry to supply an increasing share of the Nation's energy requirements.

ENERGY LOAD GROWTH

By 1990, the United States will probably double its present energy consumption. Domestic oil and natural gas which today accounts for two-thirds of the Nation's energy supply will be able to meet only 40 percent of the 1990 demand. Nuclear, hydropower, solar, geothermal, and other nonfossil fuels will be able to supply only another 20 percent of the demand. The remaining 40 percent must be supplied by coal, which today provides only about 20 percent of the U.S. energy demand. Unless we make this growth in coal use possible we will be in the impossible situation of a continuously increasing reliance on foreign sources of oil and gas. In view of the present Arab embargo which is severely impacting our energy requirements across the country, the logic is on turning to our vast coal reserves to meet our near-term energy shortfall. Economic reasons, based on the balance of payments and foreign exchange deficits also are compelling in this regard.

There are approximately 3 trillion tons of coal scattered from Pennsylvania and West Virginia to Washington State and from Alaska to Alabama. If only a quarter of these known reserves can be tapped to meet our energy demands they would satisfy the Nation's domestic energy for 200 to 300 years. It is estimated that the anticipated demand for coal in 1974 will increase to 660 millions tons while domestic production forecasts the production of only 590 to 650 million tons of coal.

SHIFT FROM ENERGY SURPLUS TO SHORTAGE

H.R. 11500 and S. 425 were born in a climate of abundant energy supply. Alternatives to coal as an energy source were cheap and plentiful. The situation has now changed drastically. The facts are that there no longer is an abundance of energy resources to meet our requirements and there is a severe energy shortage in our country today. The need for access to our coal resources available by surface mining is now critical.

The present energy crisis dictates that we not legislate, at this time, on a bill which seeks to severely curtail the production of coal by imposing rigid and unreasonable regulation and environmental standards on surface coal mining. H.R. 11500 is designed to do just that—to reduce surface mine coal production by stringent regulations, to make surface coal mining so difficult and so costly that coal mining in the United States is driven underground.

The widescale adverse reaction to H.R. 11500 since it was reported by the subcommittees together with the descent of the energy crisis have convinced me of the need to seek a legislative vehicle which provides a more balanced and reasonable approach to the regulation of surface or strip coal mining. Whether you like them or not, and whatever are their motives, the National Coal Association, the American Mining Congress, and the National Association of Electric Companies have pointed out that H.R. 11500 will stifle coal production at the very moment that as a nation our national interest requires that it be increased. Millions of people have never seen a strip mine, but over a hundred million people in the last week have seen a gasoline line at their neighborhood filling station. The need for coal, petroleum, and all forms of energy is great and growing. In the face of that, something has to give. Considerations other than the strictly environmental ones must be fairly brought into play.

ADMINISTRATION OPPOSES H.R. 11500

The administration objections to H.R. 11500 are documented in a letter to the committee from the Department of the Interior dated February 6, 1974. It states that the enactment of H.R. 11500 will result in serious losses of substantial amounts in our coal supplies, approximating a 20- to 30-percent shortfall. The administration in its letter of February 6 goes on to list 14 specific objections to H.R. 11500 as reported from the subcommittees and urgently requests that the legislation be "reappraised in light of current fuel shortages."

H.R. 12898 INTRODUCED

Accordingly, Mr. Speaker, I have today introduced H.R. 12898 which is just that kind of bill. It is a bill which is firmly committed to the strict regulation of surface coal mining in order to prevent the desecration of our natural inheritance by reckless mining practices and the shameful neglect of sound reclamation programs. It is a bill which is environmentally sound in protecting society from the adverse effects of surface mining. It calls for the expenditures and the efforts necessary to dig coal and obtain its value without, at the same time, sacrificing other values. It will cost money to preserve these environmental values. But preserving them is worth that money and the cost will be paid by the users of energy. However, there will be users of energy, because there will be energy to use. That is what H.R. 12898 will accomplish. That is what H.R. 11500 would not accomplish.

The bill calls for the strict Federal regulation of surface coal mining operations, and authorizes the Secretary of the Interior to make grants to the States to encourage them to likewise regulate surface coal mining.

RATCHETING

H.R. 12898 must be a good bill because it seems to make everybody a little unhappy: The administration does not like parts of it, the environmentalists do not like the idea of EPA being denied an arbitrary veto in the coal mining area, and industry is screaming that it is being put in a straitjacket and threatened with jail. That is OK with me. Let them all scream. Let them all come in with their amendments and let the full Interior Committee resolve the issues. I do not contend that it is a perfect bill, but it is written clearly and in a manner which is amenable. In contrast, H.R. 11500 has turned into such a bucket of snakes that amending it is an almost impossible task.

In putting this bill together, I sought the views of all parties concerned and requested their input. This is what I call a ratcheting process. I sought to let them work out their frustrations and discover for themselves how hard it is to write a bill and how much compromise is required in the legislative process. In seeking consensus on the various proposals and counterproposals I hoped to produce a resignation to the need to fairly balance environmental values and energy values and other values recognized by society.

I believe the White House will come up with some kind of a statement indicating that it favors H.R. 12898 over H.R. 11500 as a vehicle for markup, but it will still want to recommend certain amendments. I believe coal industry people and utility representatives will huff and puff, but eventually acknowledge H.R. 12898 as a superior vehicle for markup purposes and probably have some amendments they want. I do not expect the environmentalists who had it all their way in designing the one-sided H.R. 11500 will embrace H.R. 12898, but maybe if they really believe there should be legislation on this subject this year, they could grudgingly admit that it could be done with H.R. 12898 and a bill with reasonable respect for the environment enacted, rather than no bill at all if H.R. 11500 continues as the vehicle.

CONCLUSION

To reiterate, the objective of my bill as a substitute to H.R. 11500 is to continue the production of coal by surface coal mining techniques, with due respect for the environment, and a conscious consideration of the energy requirements of this Nation. The ratcheting approach to writing this legislation has produced a reasonable bill that can, I hope, become the alternative approach to that of H.R. 11500. As a substitute for H.R. 11500, the bill H.R. 12898 can be marked up, amended, and be subjected to the full legislative process. If the Committee on Interior and Insular Affairs will provide this opportunity for deliberative consideration of the substitute, then thereafter the House of Representatives will then have a fair opportunity to pass judgment on a bill which permits the continued production of coal by surface coal mining methods with due respect for commensurate environmental values.

But, there should be no illusion that my bill will accomplish this at no increase in the cost of coal to the consumer. Nobody gets something for nothing. It was cheap to rape the landscape. We will have to, and we should, pay to stop that sort of foolish waste. The increased cost of coal to the consumer which will result from the legislation I propose is the necessary tradeoff for the provisions protecting the environment from any recurrence of the past excesses of irresponsible surface mine operators.

The text of the bill follows:

H.R. 12898

A bill to provide for the regulation of surface coal mining operations, to authorize the Secretary of the Interior to make grants to States to encourage the State regulation of surface coal mining and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Surface Coal Mining Reclamation Act of 1974".

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TITLE I—FINDINGS AND PURPOSES

FINDINGS

SEC. 101. The Congress finds that—

(a) the extraction of coal by underground and surface mining from the earth is a significant and essential activity which contributes to the economic, social, and material well-being of the Nation;

(b) there are surface and underground coal mining operations on public and private lands in the Nation which adversely affect the environment by destroying or diminishing the availability of land for commercial, industrial, recreational, agricultural, historic and forestry purposes, by causing erosion and landslides; by contributing to floods and the pollution of water, land, and air; by destroying public and private property; by creating hazards to life and property; and by precluding postmining land uses common to the area of mining;

(c) surface and underground coal mining operations presently contribute significantly to the Nation's energy requirements, and substantial quantities of the Nation's coal reserves lie close to the surface, and can only be recovered by surface mining methods, and therefore, it is essential to the national interest to insure the existence of an expanding and economically healthly coal mining industry;

(d) surface and underground coal mining operations affect interstate commerce, contribute to the economic well-being, security, and general welfare of the Nation and should be conducted in an environmentally sound manner;

(e) the initial and principal continuing responsibility for developing and enforcing environmental regulations for surface and underground coal mining operations should rest with the States; and

(f) the cooperative effort established by this Act is necessary to prevent or mitigate adverse environmental effects of present and future surface coal mining operations.

PURPOSES

SEC. 102. It is the purpose of this Act to—

(a) encourage a nationwide effort to regulate surface coal mining operations to prevent or substantially reduce their adverse environmental effects, to stimulate and encourage the development of new, environmentally sound surface coal mining and reclamation techniques, and to assist the States in carrying out programs for those purposes;

(b) assure that the rights of surface landowners and other persons with a legal interest in the land or appurtenances thereto are protected from the adverse impacts of surface coal mining operations pursuant to the provisions of this Act;

(c) assure that surface coal mining operations are not conducted where reclamation as required by this Act is not feasible;

(d) assure that the coal supply essential to the Nation's energy requirements, and to its economic and social well-being, is provided in accordance with the policy of Mining and Minerals Policy Act of 1970; and

(e) assure that appropriate procedures are provided for public participation in the development, revision, and enforcement of regulations, standards, mining and reclamation plans, or programs established by the Secretary or any State pursuant to the provisions of this Act.

TITLE II—CONTROL OF ENVIRONMENTAL IMPACTS OF SURFACE COAL MINING OPERATIONS

INTERIM REGULATORY PROCEDURE

SEC. 201. (a) On and after ninety days from the date of enactment of this Act, no person shall open or develop any new or previously mined or abandoned site for surface coal mining operations on lands on which such operations are regulated by a State regulatory authority unless such person has obtained a permit from such regulatory authority. All such permits shall contain terms requiring compliance with the interim surface coal mining and reclamation performance standards specified in subsection (c) of this section. The regulatory authority shall act upon all applications for such permit within thirty days from the receipt thereof.

(b) Within sixty days from the date of enactment of this Act the State regulatory authority shall review and amend all existing permits in order to incorporate in them the interim surface coal mining and reclamation performance standards of subsection (c) of this section. On or before one hundred and twenty days from the date of issuance of such amended permit, all surface coal mining operations existing at the date of enactment of this Act on lands on which such operations are regulated by a State regulatory authority shall comply with the interim surface coal mining and reclamation performance standards in subsection (c) of this section with respect to lands from which the overburden has not been removed.

(c) Pending approval and implementation of a State program in accordance with section 203 of this Act, or preparation and implementation of a Federal program in accordance with section 204 of this Act, the following interim surface coal mining and reclamation performance standards shall be applicable to surface coal mining operations on lands on which such operations are regulated by a State regulatory authority, as specified in subsections (a) and (b) of this section:

(1) with respect to surface coal mining operations on steep slopes, no spoil, debris, or abandoned or discarded mine equipment may be placed on the natural or other downslope below the bench or cut created to expose the coal seam except that spoil from the cut necessary to obtain access to the coal seam may be placed on a limited or specified area of the downslope: *Provided,* That the spoil is shaped and graded in such a way so as to prevent slides, and minimize erosion, and water pollution, and is revegetated in accordance with paragraph (3) below: *Provided further, however,* That the regulatory authority may permit limited or temporary placement of spoil on a specified area of the downslope on steep slopes in conjunction with surface coal mining operations which will create a plateau with all highwalls eliminated, if such placement is consistent with the approved postmining land use of the mine site;

(2) with respect to all surface coal mining operations backfill, compact (where advisable to insure stability or to prevent leaching of toxic materials), and grade in order to restore the approximate original contour of the land with all high walls, spoil piles, and depressions eliminated, unless depressions are consistent with the approved postmining land use of the mine site;

(3) the provisions of paragraphs (1) and (2) of this subsection shall not apply to surface coal mining operations where the permittee demonstrates that the overburden, giving due consideration to volumetric expansion, is insufficient to restore the approximate original contour, in which case the per-

mittee, at a minimum, shall backfill, grade, and compact (where advisable) in order to cover all acid-forming and other toxic materials, to achieve an angle of repose based upon soil and climate characteristics for the area of land to be affected, and to facilitate a land use consistent with that approved for the postmining land use of the mine site;

(4) the regulatory authority may grant exceptions to paragraphs (1) and (2) if the regulatory authority finds that one or more variations from the requirements set forth in paragraphs (1) and (2) will result in the land having an equal or better economic or public use and that such use is likely to be achieved within a reasonable time and is consistent with surrounding land uses and with local, State, and Federal law;

(5) with respect to all surface coal mining operations, permanently establish, on regraded and all other lands affected, a stable and self-regenerative vegetative cover, where cover existed prior to mining and which, where advisable, shall consist of native vegetation;

(6) with respect to all surface coal mining operations, remove the topsoil in a separate layer, replace it simultaneously on a backfill area or segregate it in a separate pile from the subsoil, and if the topsoil is not replaced in a time short enough to avoid deterioration of topsoil, maintain a successful cover by quick growing vegetation or by other means so that the topsoil is protected from wind and water erosion, contamination from any acid or toxic material, and is in a usable condition for sustaining vegetation when replaced during reclamation, except if the topsoil is not capable of sustaining vegetation, or if another material from the mining cycle can be shown to be more suitable for vegetation requirements, then the operator shall so remove, segregate, and protect that material which is best able to support vegetation, unless the permittee demonstrates that another method of soil conservation would be at least equally effective for revegetation purposes;

(7) with respect to surface disposal of coal mine wastes, coal processing wastes, or other wastes in areas other than the mine workings or excavations, stabilize all waste piles in designated areas, through compaction, layering with incombustible and impervious materials, and grading followed by vegetation of the finished surface to prevent, to the extent practicable, air and surface or ground water pollution, and to assure compatibility with natural surroundings in order that the site can and will be stabilized and revegetated according to the provisions of this Act;

(8) with respect to the use of impoundments for the disposal of coal processing wastes or other liquid or solid wastes, incorporate sound engineering practices for the design and construction of water retention facilities which will not endanger the health or safety of the public in the event of failure, that construction will be so designed to achieve necessary stability with an adequate margin of safety to protect against failure, that leachate will not pollute surface or ground water, and that no fines, slimes and other unsuitable coal processing wastes are used as the principal material in the construction of water impoundments, water retention facilities, dams, or settling ponds;

(9) prevent to the extent practicable adverse effects to the quantity and quality of water in surface and ground water systems both during and after surface coal mining and reclamation; and

(10) minimize offsite damages that may result from surface coal mining operations and institute immediate efforts to correct such conditions.

(d) (1) Upon petition by the permittee or the applicant for a permit, and after public notice and opportunity for comment by interested parties, the regulatory authority may modify the application of the interim surface coal mining and reclamation performance standards set forth in paragraphs (1), (2), (3), and (4) of subsection (c) of this section, if the permittee demonstrates to the satisfaction of the regulatory authority that—

(A) he has not been able to obtain the equipment necessary to comply with such standards;

(B) the surface coal mining operations will be conducted so as to meet all other standards specified in subsection (c) of this section and will result in a stable surface configuration in accordance with a surface coal mining and reclamation plan approved by the regulatory authority; and

(C) such modification will not cause hazards to the health and safety of the public or significant imminent environmental harm to land, air, or water resources which cannot reasonably be considered reclaimable.

(2) Any such modification will be reviewed periodically by the regulatory authority and shall cease to be effective upon implementation of a State program pursuant to section 203 of this Act or a Federal program pursuant to section 204 of this Act.

(e) The Secretary shall issue regulations to be effective one hundred and eighty days from the date of enactment of this Act in accordance with the procedures of section 202, establishing an interim Federal surface coal mining evaluation and enforcement program. Such program shall remain in effect in each State in which there are surface coal mining operations regulated by a State regulatory authority until the State program has been approved and implemented pursuant to section 203 of this Act or until a Federal program has been prepared and implemented pursuant to section 204 of this Act. The interim Federal surface coal mining evaluation and enforcement program shall—

(1) include inspections of surface coal mining operations on a random basis (but at least one inspection for every site every three months), without advance notice to the mine operator, for the purpose of evaluating State administration of, and ascertaining compliance with, the interim surface coal mining and reclamation performance standards of subsection (c) above. The Secretary shall cause any necessary enforcement action to be implemented in accordance with section 217 with respect to violations identified at the inspections;

(2) provide that the State regulatory agency file with the Secretary copies of inspection reports made;

(3) provide that upon receipt of State inspection reports indicating that any surface coal mining operation has been found in violation of the standards of subsection (c) of this section, during not less than two consecutive State inspections or upon receipt by the Secretary of information which would give rise to reasonable belief that such standards are being violated by any surface coal mining operation, the Secretary shall order the immediate inspection of such operation by Federal inspectors and necessary enforcement actions, if any, to be implemented in accordance with the provisions of section 217. The inspector shall contact the informant prior to the inspection and shall allow the informant to accompany him on the inspection; and

(4) provide that moneys authorized pursuant to this Act shall be available to the Secretary prior to the approval of a State program pursuant to section 203 of this Act to reimburse the States for conducting those inspections in which the standards in subsection (c) above, are enforced and for the administration of this section.

PERMANENT REGULATORY PROCEDURE

SEC. 202. Not later than the end of the one-hundred-and-eighty-day period immediately following the date of enactment of this Act, the Secretary shall promulgate and publish in the Federal Register regulations covering a permanent regulatory procedure for surface coal mining and reclamation operations setting permanent surface coal mining and reclamation performance standards based on the provisions of sections 213 and 214, and establishing procedures and requirements for preparation, submission and approval of State programs, and the development and implementation of Federal programs under this title. Such regulations shall not be promulgated and published by the Secretary until he has—

(a) published proposed regulations in the Federal Register and afforded interested persons and State and local governments a period of not less than forty-five days after such publication to submit written comments thereon;

(b) consulted with and considered the recommendations of the Administrator of the Environmental Protection Agency with respect to those regulations promulgated under this section which relate to air or water quality standards promulgated under the authority of the Federal Water Pollution Control Act (33 U.S.C. 1151–1175) and the Clean Air Act, as amended (42 U.S.C. 1857); and

(c) held at least one public hearing on the proposed regulations.

The date, time, and place of any hearing held on the proposed regulations shall be set out in the publication of the proposed regulations. The Secretary shall consider all comments and relevant data presented at such hearing before final promulgation and publication of the regulations.

STATE PROGRAMS

SEC. 203. (a) Each State in which surface coal mining operations are or may be conducted, and which proposes to assume State regulatory authority under this Act, shall submit to the Secretary, by the end of the twenty-four month period beginning on the date of enactment of this Act, a State program which demonstrates that such State has the capability of carrying out the provisions of this Act and meeting its purposes through—

(1) a State law which provides for the regulation of surface coal mining and reclamation operations in accordance with the requirements of this Act and the regulations issued by the Secretary pursuant to this Act;

(2) a State law which provides sanctions for violations of State laws, regulations, or conditions of permits concerning surface coal mining and reclamation operations, which sanctions shall meet the minimum requirements of this Act, including civil and criminal penalties, forfeiture of bonds, suspension, revocation, and withholding of permits, and the issuance of notices and orders by the State regulatory authority or its inspectors;

(3) a State regulatory authority with sufficient administrative and technical personnel, and sufficient funding to enable the State to regulate surface coal mining and reclamation operations in accordance with the requirements of this Act;

(4) a State law which provides for the effective implementation, maintenance, and enforcement of a permit system, meeting the requirements of this title for the regulation of surface coal mining and reclamation operations on lands within the State;

(5) establishment of a process for the designation of lands unsuitable for surface coal mining operations in accordance with section 205; and

(6) establishment, for the purpose of avoiding duplication, of a process for coordinating the review and issuance of permits for surface coal mining and reclamation operations with any other Federal or State permit process applicable to the proposed operations.

(b) The Secretary shall not approve any State program submitted under this section until he has—

(1) solicited and publicly disclosed the views of the Administrator of the Environmental Protection Agency, the Secretary of Agriculture, and the heads of other Federal agencies concerned with or having special expertise pertinent to the proposed State program;

(2) consulted with and considered the recommendations of the Administrator of the Environmental Protection Agency with respect to those aspects of a State program which relate to air or water quality standards promulgated under the authority of the Federal Water Pollution Control Act (33 U.S.C. 1151–1175) and the Clean Air Act, as amended (42 U.S.C. 1857);

(3) held at least one public hearing on the State program within the State; and

(4) found that the State has the legal authority and qualified personnel necessary for the enforcement of the surface coal mining and reclamation performance standards. The Secretary shall approve or disapprove a State program, in whole or in part, within six full calendar months after the date such State program is submitted to him.

(c) If the Secretary disapproves any proposed State program, in whole or in part, he shall notify the State in writing of his decision and set forth in detail the reasons therefor. The State shall have sixty days in which to resubmit a revised State program, or portion thereof.

(d) For the purposes of this section and section 204, the inability of a State to take any action to prepare, submit, or enforce a State program, or any portion thereof, because the action is enjoined by the issuance of an injunction by any court of competent jurisdiction shall not result in a loss of eligibility for financial assistance under title III of this Act or in the imposition of a Federal program. Regulation of the surface coal mining operations covered or to be covered by the State program subject to the injunction shall be conducted by the State until such time as the injunction terminates or for one year, whichever is shorter at which time the requirements of this section and section 204 shall again be fully applicable.

(e) If State compliance with this section requires an act of the State legislature, the Secretary may extend the period for submission of a State program up to an additional twelve months.

FEDERAL PROGRAMS

SEC. 204. (a) The Secretary shall prepare, promulgate, and implement a Federal program for the regulation of surface coal mining operations in any State which fails to—

(1) submit a State program covering surface coal mining and reclamation operations by the end of the twenty-four month period beginning on the date of enactment of this Act;

(2) resubmit an acceptable State program, or portion thereof, within sixty days of disapproval of a proposed State program, in whole or in part: *Provided*, That the Secretary shall not implement a Federal program prior to the expiration of the initial period allowed for submission of a State program as provided for in clause (1) of this subsection; or

(3) adequately implement, enforce, or maintain a State program approved pursuant to section 203.

(b) Prior to implementation of a Federal program pursuant to section 204(a), the Secretary shall consult with and publicly disclose the views of the Administrator of the Environmental Protection Agency, the Secretary of Agriculture, and the heads of other Federal agencies concerned with or having expertise pertinent thereto and shall hold at least one public hearing within the State for which the Federal program is to be implemented.

(c) Whenever a Federal program is promulgated for a State pursuant to this Act, any statutes or regulations of such State which are in effect to regulate surface coal mining operations subject to this Act shall, insofar as they are inconsistent or interfere with the purposes and the requirements of this Act and the Federal program, be preempted and superseded by the Federal program.

DESIGNATING AREAS UNSUITABLE FOR SURFACE COAL MINING OPERATIONS

SEC. 205 (a) To be eligible to assume primary regulatory authority pursuant to section 203, each State shall establish a planning process enabling objective decisions to be made based upon public hearings and competent and scientifically sound data and information as to which, if any, areas or types of areas of a State (except Federal lands) cannot be reclaimed with existing techniques to satisfy applicable standards and requirements of law. The State agency will not issue permits for surface coal mining of such areas unless it determines, with respect to any such permit, that the technology is available to satisfy applicable performance standards.

(b) The Secretary, and, in the case of national forest lands, the Secretary of Agriculture, shall conduct a review of the Federal lands and determine, pursuant to the standards set forth in subsection (a) of this section, areas or types of areas on Federal lands which cannot be reclaimed with existing techniques to satisfy applicable standards and requirements of law. Permits for surface coal mining will not be issued to mine such areas unless it is determined, with respect to any such permit, that the technology is available to satisfy applicable performance standards.

(c) In no event is an area to be designated unsuitable for surface coal mining operations on which surface coal mining operations are being conducted on the date of enactment of this Act, or under a permit issued pursuant to this Act, or where substantial legal and financial commitments in such operations are in existence prior to the date of enactment of this Act. Designation of an area as unsuitable for mining shall not prevent mineral exploration of the area so designated.

EFFECT ON STATE LAW

SEC. 206. Any provision of State law or regulation in effect upon the date of enactment of this Act, or which may become effective thereafter, and provides more stringent regulations of surface coal mining and reclamation operations than the provisions of this Act, or any regulation issued pursuant thereto, shall not be construed to be inconsistent with this Act.

PERMITS

SEC. 207. (a) Except as provided in subsection (c) of this section, on and after six months from the date on which a State program is approved by the Secretary, pursuant to section 203 of this Act, or the Secretary has promulgated a Federal program for a State not having a State program, pursuant to section 204, no person shall engage in surface coal mining operations unless such person has obtained a permit in full compliance with this Act from the appropriate regulatory authority.

(b) All permits issued pursuant to the requirements of this Act shall be issued for a term not to exceed five years and shall be nontransferable: *Provided*, That a successor in interest to a permit holder who applies for a new permit within thirty days of succeeding to such interest and who is able to obtain the bond coverage of the original permit holder may continue surface coal mining and reclamation operations until such successor's application is granted or denied.

(c) Any person engaged in surface coal mining operations pursuant to a permit issued under section 201 and awaiting administrative action on his application for a permit from the appropriate regulatory authority in accordance with this section may continue to operate for a four-month period beyond the time specified in subsection (a) of this section if the appropriate regulatory authority has not acted on his application.

SEC. 208. (a) Each application for a permit pursuant to a State or Federal program under this Act shall be submitted in a manner satisfactory to the regulatory authority and shall contain:

(1) the names and addresses of the permit applicants (if the applicant is a subsidiary corporation, the name and address of the parent corporation shall be included); every legal owner of the property (surface and mineral) to be mined; the holders of any leasehold or other equitable interest in the property; any purchaser of the property under a real estate contract; the operator if he is a person different from the applicant; and, if any of these are business entities other than a single proprietor, the names and addresses of principals, officers, and resident agent;

(2) the names and addresses of every officer, partner, director, or person performing a function similar to a director, of the applicant, together with the name and address of any person or group owning, of record or beneficially 10 per centum or more of any class of stock of the applicant and a list of all names under which the applicant, partner, or principal shareholder previously operated a surface coal mining operation within the United States or its territories and possessions;

(3) a description of the type and method of surface coal mining operation that exists or is proposed;

(4) evidence of the applicant's legal right to enter and commence surface coal mining operations on the area affected;

(5) the names and addresses of the owners of record of all surface and subsurface areas abutting on the permit area;

(6) a statement of any current or previous surface coal mining permits in the United States held by the applicant and the permit identification;

(7) a statement of whether the applicant, any subsidiary, affiliate, or persons controlled by or under common control with the applicant, has held a Federal or State surface coal mining permit which subsequent to 1960 has been suspended or revoked or has had a surface coal mining performance bond or similar security deposited in lieu of bond forfeited and a brief explanation of the facts involved in each case;

(8) such maps and topographical information, including the location of all underground mines in the area, as the regulatory authority may require, which shall be in sufficient detail to clearly indicate the nature and extent of the overburden to be disturbed, the coal to be mined, and the drainage of the area to be affected;

(9) a copy of the applicant's advertisement of the ownership, location, and boundaries of the proposed site of the surface coal mining and reclamation operation (such advertisement shall be placed in a newspaper of general circulation in the locality of the proposed site at least once a week for four successive weeks and may be submitted to the regulatory authority after the application is filed);

(10) a schedule listing any and all violations of this Act and any law, rule, or reg-

ulation of the United States or of any department or agency in the United States pertaining to air, or water environmental protection incurred by the applicant in connection with any surface coal mining operation during the one-year period prior to the date of application. The schedule shall also indicate the final resolution of any such notice of violation.

(b) Each application for a permit shall be required to submit to the regulatory authority, as part of the permit application, a surface coal mining and reclamation plan which shall contain:

(1) the engineering techniques proposed to be used in the surface coal mining and reclamation operation and a description of the major equipment; a plan for the control of surface water drainage and of water accumulation; a plan where appropriate for backfilling, soil stabilization, and compacting, grading, and appropriate revegetation (where vegetation existed prior to mining); an estimate of the cost per acre of the reclamation, including statements as to how the permittee plans to comply with each of the applicable surface coal mining and reclamation performance standards established under this Act;

(2) the consideration which has been given to developing the surface coal mining and reclamation plan in a manner consistent with local physical, environmental, and climatological conditions and current surface coal mining and reclamation technologies;

(3) the consideration which has been given to insuring the maximum practicable recovery of the coal;

(4) a detailed estimated timetable for the accomplishment of each major step in the surface coal mining and reclamation plan;

(5) the consideration which has been given to making the surface coal mining and reclamation operation consistent with applicable State and local land use programs;

(6) a description, if any, of the hydrologic consequences of the surface coal mining and reclamation operation, both on and off the mine site, with respect to the hydrologic regime, quantity and quality of water in surface and ground water systems, including the dissolved and suspended solids under seasonal flow conditions, and the collection of sufficient data for the mine site and surrounding area so that an assessment can be made of the probable cumulative impacts of all anticipated surface coal mining in the area upon the hydrology of the area and particularly upon water availability;

(7) a statement of the results of test borings or core samplings from the land to be affected, including where appropriate, the surface elevation and logs of the drill holes so that the strike and dip of the coal seams may be determined; the nature and depth of the various strata of overburden; the location of subsurface water, if encountered, and its quality; the thickness of the coal seam found; an analysis of the chemical properties of such coal to determine the sulfur content and the content of other potential acid or toxic forming substances of the overburden and the stratum lying immediately underneath the coal to be mined; and

(8) proprietary information, which if made available to the public would result in competitive injury to the applicant, may be designated confidential and, if accepted by the regulatory authority shall be subject to the provisions of section 1905 of title 18, United States Code. Appropriate protective orders against unauthorized disclosure or use by third parties may be issued with respect to such information, and violations of such orders shall be subject to penalties set forth in section 219 of this Act.

(c) Each applicant for a surface coal mining and reclamation permit shall file a copy of his application for public inspection with an appropriate official, approved by the regulatory authority, in the locality where the mining is proposed to occur, except for that information pertaining to the coal seam itself.

(d) A valid permit issued pursuant to this Act shall carry with it a right of successive renewals provided that the permittee has complied with such permit. Prior to approving the renewal of any permit, the regulatory authority shall review the permit and the surface coal mining and reclamation operation and may require such new conditions and requirements as are necessary or prescribed by changing circumstances. A permittee wishing to obtain renewal of a permit shall make application for such renewal within one year prior to the expiration of the permit. The application for renewal shall contain:

(1) a listing of any claim settlements or judgments against the applicant arising out of, or in connection with, surface coal mining operations under said permit;

(2) written assurance by the person issuing the performance bond in effect for said operation that the bond continues and will continue in full force and effect for any extension requested in such application for renewal as well as any additional bond the regulatory authority may require pursuant to section 210 of this Act;

(3) revised, additional, or updated information required under this section.

Prior to the approval of any extension of the permit, the regulatory authority shall notify all parties who participated in the public review and hearings on the original or previous permit, as well as providing notice to the appropriate public authorities, and taking such other steps as required in section 209 of this Act.

PERMIT APPROVAL OR DENTAL PROCEDURES

SEC. 209. (a) The regulatory authority shall notify the applicant for a surface coal mining and reclamation permit within a period of time established by law or regulation, not to exceed ninety days, that the application has been approved or disapproved. If approved, the permit shall be issued after the performance bond or deposit and public liability insurance policy required by section 210 of this Act has been filed. If the application is disapproved, specific reasons therefor must be set forth in the notification. Within thirty days after the applicant is notified that the permit or any portion thereof has been denied, the applicant may request a hearing on the reasons for said disapproval unless a hearing has already been held under section 209(f). Such hearing shall be held in the locality of the proposed surface coal mining operation as soon as practicable after receipt of the request for a hearing and after appropriate notice and publication of the date, time, and location of such hearing. Within sixty days after the hearing the regulatory authority shall issue and furnish the applicant and any other parties to the hearing the written decision of the regulatory authority granting or denying the permit in whole or in part and stating the reasons therefor.

(b) Within ten days after the granting of a permit, the regulatory authority shall notify the State and the local official who has the duty of collecting real estate taxes in the local political subdivision in which the area of land to be affected is located that a permit has been issued and shall describe the location of the land.

(c) Prior to the issuance of a permit, the regulatory authority may require the applicant to alter his proposed surface coal mining and reclamation plan with respect to the methods, sequence, timing of specific operations in the plan, or the deletion of specific operations or areas from all or part of the plan in order to assure that the surface coal mining and reclamation objectives of this Act are met.

(d) No permit will be issued unless the regulatory authority finds that:

(1) all applicable requirements of this Act and the State or Federal program have been satisfied:

(2) the applicant can demonstrate that reclamation as required by this Act and the appropriate State or Federal program under this Act can be accomplished under the surface coal mining and reclamation plan contained in the permit application;

(3) the land to be affected does not lie within three hundred feet from any occupied dwelling, unless the owner thereof waives this requirement, nor within three hundred feet of any public building, school, church, community, or institutional building, or cemetery; or the land to be affected does not lie within one hundred feet of the outside right-of-way line of any public road, except that the regulatory authority may permit such roads to be relocated, if the interests of the public and the landowners affected thereby will be protected;

(4) no lake, river, stream, creek, or watercourse may be moved, interrupted, or destroyed during the surface coal mining or reclamation process except that lakes, rivers, streams, creeks, or watercourses may be relocated where consistent with the approved mining and reclamation plan: and no surface coal mining or reclamation activities will be conducted within one hundred feet of any lake, river, stream, or creek, except where permitted by the approved mining and reclamation plan;

(5) surface coal mining operations will not take place on any area of land within one thousand feet of parks or places listed in the National Register of Historic Sites, unless screening or other measures approved by the regulatory authority are used or if the mining of the area will not adversely affect or reduce the usage of the park or place; and

(6) the application on its face is complete, accurate, and contains no false information.

(e) The regulatory authority shall not issue any new surface coal mining permit or renew or revise any existing surface coal mining permit if it finds that the applicant has failed and continues to fail to comply with any of the provisions of this Act applicable to any State, Federal, or Federal lands program, or if the applicant fails to submit proof that violations described in subsection (a) (10) of section 208 have been corrected or are in the process of being corrected to the satisfaction of the regulatory authority, department, or agency which has jurisdiction over such violation.

(f) Any person having an interest which is or may be adversely affected by the proposed surface coal mining and reclamation operation or any Federal, State, or local governmental agency having responsibilities affected by the proposed operation shall have the right to file written objections to any permit application and request a public hearing thereon within thirty days after the last publication of the advertisement pursuant to section 208(a)(9). If written objections are filed and a hearing requested, the regulatory authority shall hold a public hearing in the locality of the proposed surface coal mining and reclamation operation as soon as practicable from the date of receipt of such objections and after appropriate notice and publication of the date, time, and location of such hearing. Within sixty days after the hearing the regulatory authority shall issue and furnish the parties to the hearing the written decision of the regulatory authority granting or denying the permit in whole or in part and stating the reasons therefor.

POSTING OF BOND OR DEPOSIT: INSURANCE

SEC. 210. (a) After a surface coal mining and reclamation permit application has been approved but before such a permit is issued, the applicant shall file with the regulatory authority, on a form prescribed and furnished by the regulatory authority, a bond for performance payable, as appropriate, to the United States or the State, under an approved State program, and conditioned that the applicant shall faithfully perform all the applicable requirements under this Act. The bond shall cover that area of land within the permit area upon which the applicant will initiate and conduct surface coal mining and reclamation operations within the initial year of the permit term. As succeeding increments of surface coal mining and reclamation operations are to be initiated and conducted within the permit area, the permittee shall file annually with the regulatory authority an additional bond or bonds to cover such increments in accordance with this section. The amount of the bond required for each bonded area shall depend upon the reclamation requirements of the approved permit and shall be determined by the regulatory authority. The amount of the bond shall be sufficient to assure the completion of the reclamation plan if the work had to be performed by a third party in the event of forfeiture; in no case shall the bond be less than $10,000.

(b) The bond shall be executed by the applicant and a corporate surety approved by the regulatory authority, except that the applicant may elect to deposit cash, negotiable bonds of the United States Government or such State, or negotiable certificates of deposit of any bank organized under the laws of any State or the United States. The cash deposit or market value of such securities shall be equal to or greater than the amount of the bond required for the bonded area.

(c) The amount of the bond or deposit required shall be increased or decreased by the regulatory authority from time to time as affected land acreages are changed or where the cost of future reclamation increases or decreases.

(d) After a surface coal mining and reclamation permit application has been approved but before such permit is issued, the applicant for a permit shall be required to submit to the regulatory authority a certificate issued by an insurance company authorized to do business in the United States certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operation for which such permit is sought, or evidence that the applicant has satisfied State or Federal self-insurance requirements. Such policy shall provide for both on- and off-site personal injury and property damage protection in an amount adequate to compensate any persons injured or damaged as a result of surface coal mining and reclamation operations and entitled to compensation under the applicable provisions of Federal or State law, but in any event shall not be less than $100,000, or for such higher amounts as the regulatory authority deems necessary in light of potential risk and magnitude of possible off-site damages. Such policy shall be for the term of the permit and any renewal, including the length of any and all reclamation operations required by this Act.

RELEASE OF PERFORMANCE BONDS OR DEPOSITS

Sec. 211. (a) The permittee may file a request with the regulatory authority for the release of all or part of the performance bond or deposit. Within thirty days after any application for bond or deposit release has been filed with the regulatory authority, the permittee shall submit a copy of an advertisement placed at least once a week for three consecutive weeks in a newspaper of general circulation in the locality of the surface coal mining operation. Such advertisement shall be considered part of any bond release application and shall contain a notification of the location of the land affected, the number of acres, the permit number and the date approved, the amount of the bond filed and the portion sought to be released, and the type of reclamation work performed. In addition, as part of any bond release application, the permittee shall submit copies of letters which have been sent to adjoining property owners, and local governmental bodies, planning agencies, sewage and water treatment authorities, water companies, and all other public utility companies whose facilities cross or may be sufficiently close to the concerned area to be affected thereby in the locality in which the surface coal mining and reclamation activities took place, notifying them of intent to seek release of the bond.

(b) The regulatory authority may release in whole or in part said bond or deposit if the deposit or portion thereof has been accomplished as required by this Act: *Provided, however*, That—

(1) no bond shall be fully released until all reclamation requirements of this Act are fully met, and

(2) an inspection and evaluation of the affected surface coal mining and reclamation operation is made by the regulatory authority or its authorized representative prior to the release of all or any portion of the bond.

(c) If the regulatory authority disapproves the application for release of the bond or portion thereof, the authority shall notify the permittee, in writing, stating the reasons for disapproval and recommending actions necessary to secure said release. The permittee shall be afforded an opportunity for a public hearing in accordance with the procedures specified in section 209(a), unless a hearing has already been held under subsection (d) of this section.

(d) Any person having an interest which is or may be adversely affected by the proposed release of the bond or any Federal, State, or local government agency having responsibilities affected by the proposed release shall have the right to file written objections to the proposed release of the bond and request a public hearing thereon to the regulatory authority within thirty days after the last notice has been given in accordance with subsection (a) of this section. If written objections are filed and a hearing requested, the regulatory authority shall inform all the interested parties, of the time and place of the hearing, which shall be held in the locality of the affected surface coal mining operation as soon as practicable after receipt of the request for such hearing. The date, time, and location of such public hearing shall be advertised by the regulatory authority in a newspaper of general circulation in the locality once a week for three consecutive weeks.

REVISION AND REVIEW OF PERMITS

Sec. 212. (a) During the term of the permit the permittee may submit an application, together with a revised surface coal mining and reclamation plan, to the regulatory authority for a revision of the permit.

(b) An application for a revision of a permit shall not be approved unless the regulatory authority finds that reclamation as required by this Act, and the State or Federal program can be accomplished under the revised surface coal mining and reclamation plan. The revision shall be approved or disapproved within a period of time established by the State or Federal program, but such period shall not exceed ninety days. The regulatory authority shall establish guidelines for a determination of the scale or extent of a revision request for which all permit application information requirements and procedures, including notice and hearings shall apply: *Provided*, That any revision which proposes a substantial change in the intended future use of the land or significant alterations in the mining and reclamation plan shall, at a minimum, be subject to the notice and hearing requirements of section 209 of this Act.

(c) Any extensions of the area covered by the permit except incidental boundary revisions shall be made by application for another permit.

(d) The regulatory authority may require reasonable revision or modification of the permit provisions during the term of such permit: *Provided*, That such revision or modification shall be subject to notice and hearing requirements established by the State or Federal program.

(e) Permits issued pursuant to an approved State program shall be valid but reviewable under a Federal program. Following promulgation of a Federal program, the Secretary shall review such permits to determine if the requirements of this Act are being carried out. If the Secretary determines that any permit has been granted contrary to the requirements of this Act, he shall so advise the permittee and provide him a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface coal mining and reclamation operations to the requirements of the Federal program.

(f) If a State submits a proposed State program to the Secretary after a Federal program has been promulgated and implemented, and if the Secretary approves the State program, the Federal program shall cease to be effective thirty days after such approval. Permits issued pursuant to the Federal program shall be valid but reviewable under the approved State program. The State regulatory authority many review such permits to determine if the requirements of the approved State program are being carried out. If the State regulatory authority determines that any permit has been granted contrary to the requirements of the approved State program, it shall so advise the permittee and provide a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface coal mining and reclamation operations to the requirements of the approved State program.

SURFACE COAL MINING AND RECLAMATION PERFORMANCE STANDARDS

Sec. 213. (a) Any permit issued under any approved State or Federal program pursuant to this Act to conduct surface coal mining operations shall require that such surface coal mining operations will meet all applicable surface coal mining and reclamation performance standards of this Act.

(b) The following general surface coal mining and reclamation performance standards shall be applicable to all surface coal mining and reclamation operations and shall require the permittee to—

(1) conduct surface coal mining operations so as to maximize the utilization and conservation of the coal being mined so that reaffecting the land in the future through surface coal mining operations can be minimized;

(2) restore the land affected to a condition capable of supporting the uses which it was capable of supporting prior to any mining, or an equal or better economic or public use suitable to the locality;

(3) minimize to the extent practicable, any temporary environmental damage so that it will affect only the permit area;

(4) limit the excavation area from which coal has been removed at any one time during mining by combining the process of reclamation with the process of mining to keep reclamation operations current, and completing such reclamation in any separate distinguishable portion of the mined area as soon as feasible, but not later than the time specified in a reclamation schedule which shall be attached to the permit;

(5) remove the topsoil from the land in a separate layer, replace it simultaneously on

a backfill area or segregate it, and if the topsoil is not replaced on a backfill area within a time short enough to avoid deterioration of the topsoil, maintain a successful cover by quick growing plant or other means thereafter so that the topsoil is protected from wind and water erosion, and contamination from any acid or toxic material, and is in a usable condition for sustaining vegetation, except if the topsoil is not capable of sustaining vegetation or if another material from the mining cycle can be shown to be more suitable for vegetation requirements, then the permittee shall so remove, segregate, and protect that material which is best able to support vegetation, unless the permittee demonstrates in the reclamation plan that another method of soil conservation would be at least equally effective for revegetation purposes;

(6) stabilize and protect all surface areas affected by the surface coal mining and reclamation operation to control as effectively as possible erosion and attendant air and water pollution;

(7) provide that all debris, acid, highly mineralized toxic materials, or materials constituting a fire hazard are treated or disposed of in a manner designed to prevent contamination of ground or surface waters and sustained combustion;

(8) backfill compact (where advisable to provide stability or to prevent leaching of toxic materials), and grade in order to restore the approximate original contour of the land with all highwalls, spoil piles and depressions eliminated (unless small depressions are needed in order to retain moisture to assist revegetation or as otherwise authorized pursuant to paragraph (9) of this subsection): *Provided, however,* That in surface coal mining operations where the permittee demonstrates that the overburden, giving due consideration to volumetric expansion, is insufficient to restore the approximate original contour, the permittee, at a minimum, shall backfill, grade, and compact (where advisable) in order to cover all acid-forming and other toxic materials, to achieve an angle of repose based upon soil and climate characteristics of the area of land to be affected and to facilitate a land use consistent with that approved for the post mining land use of the mine site;

(9) construct, if authorized in the approved surface coal mining and reclamation plan and permit, permanent impoundments of water on mining sites as part of reclamation activities *only* when it is adequately demonstrated that—

(A) the size of the impoundment is adequate for its intended purposes;

(B) the impoundment dam construction will be so designed to achieve necessary stability with an adequate margin of safety;

(C) the quality of impounded water will be suitable on a permanent basis for its intended use and that degradation of water quality in the receiving stream as a result of discharges from the impoundment will be minimized;

(D) the level of water will be reasonably stable;

(E) final grading will provide adequate safety and access for proposed water users; and

(F) diminution of the quality or quantity of water utilized by adjacent or surrounding landowners for agricultural, industrial, recreational, or domestic uses will be minimized;

(10) refrain from the construction of roads or other access ways up a stream bed or drainage channel or in such proximity to such bed or channel so as to result in serious adverse effects on the normal flow of water;

(11) replace the topsoil or the other more suitable material from the mining cycle which has been segregated and protected;

(12) establish on the regraded areas and all other lands affected a stable and self-regenerating vegetative cover (including agricultural crops if approved by the regulatory authority), where cover existed prior to mining, which, where advisable, shall be comprised of native vegetation;

(13) assume the responsibility for successful revegetation for a period of five years after the completion of reclamation (as determined by the regulatory authority) in order to provide a stable and self-regenerating vegetative cover suitable to the area, except in those areas or regions of the country where the annual average precipitation is twenty-six inches or less, then the permittee's assumption of responsibility and liability will extend for a period of ten full years after the completion of reclamation: *Provided,* That unless prior thereto, the operator can demonstrate to the satisfaction of the regulatory authority that such a vegetative cover has been established for at least three full growing seasons;

(14) minimize the disturbances to the hydrologic balance at the mine site and in associated offsite areas and to the quality and quantity of water in surface and ground water systems both during and after surface coal mining and reclamation operations by—

(A) avoiding acid or other toxic mine drainage to the extent practicable by preventing, retaining, or treating drainage to reduce mineral content which adversely affects downstream water uses when it released to water courses;

(B) casing, sealing, or otherwise managing boreholes, shafts, and wells in a manner designed to prevent acid or other toxic drainage to ground and surface waters;

(C) conducting surface coal mining operations so as to minimize to the extent practicable the adverse effects of water runoff from the permit area;

(D) if required, removing and disposing of siltation structures and retained silt from drainways in an environmentally safe manner;

(E) restoring to the maximum extent practicable recharge capacity of the aquifer at the minesite to premining condition; and

(F) relocating surface and ground water in a manner consistent with the permittee's approved surface coal mining and reclamation plan.

(15) minimize offsite damages that may result from surface coal mining operations and institute immediate efforts to correct such conditions;

(16) with respect to the use of impoundments for disposal of mine wastes or other liquid or solid wastes, incorporate sound engineering practices for the design and construction of water retention facilities which will not endanger the health and safety of the public in the event of failure, construct such facilities to achieve necessary stability with an adequate margin of safety to protect against failure, prevent leachate from polluting surface or ground water and prohibit fines, slimes, and other unsuitable coal processing wastes from being used as the principal material in the construction of water impoundments, water retention facilities, dams, or settling ponds;

(17) with respect to surface disposal of mine wastes, coal processing wastes, and other wastes in areas other than the mine workings on excavations, stabilize all waste piles in designated areas through construction in compacted layers with incombustible and impervious materials, and provide that the final contour of the waste pile will be compatible with natural surroundings and that the site can and will be stabilized and revegetated according to the provisions of this Act;

(18) with respect to the use of explosives—

(A) provide advance written notice to local governments and advance notice to residents who would be affected by the use of such explosives by publication in a newspaper of general circulation in the locality of the proposed site at least once a week for four successive weeks of the planned blasting schedules and the posting of such schedules at the entrances to the permit area, and maintain for a period of at least three years a log of the magnitudes and times of blasts;

(B) limit the type of explosives and detonating equipment, the size, the timing and frequency of blasts based upon the physical conditions of the site so as to prevent (i) injury to persons, (ii) damage to public and private property outside the permit area, and (iii) adverse impacts on any underground mine, and

(C) refrain from blasting in specific areas where the safety of the public or private property or natural formations of more than local interest are endangered;

(19) refrain from surface coal mining within five hundred feet of active underground mine workings in order to prevent breakthroughs;

(20) construct access roads, haulroads, or haulageways with appropriate limits applied to grade, width, surface materials, spacing, and size of culverts in order to control drainage and prevent erosion outside the permit area, and upon the completion of mining either reclaim such roads by regrading and revegetation or provide for their maintenance so as to control erosion and siltation of streams and adjacent lands; and

(21) fill auger holes to a depth of not less than three times the diameter with an impervious and noncombustible material.

(c) The following mining and reclamation performance standards shall be applicable to steep-slope surface coal mining and shall be in addition to those general performance standards required by this section: *Provided, however,* That the provisions of this subsection (c) shall not apply to those situations in which an operator is mining on flat or gently rolling terrain, on which an occasional steep-slope is encountered through which the mining operation is to proceed, leaving a plain or predominantly flat area:

(1) No spoil, debris, soil, waste materials, or abandoned or disabled mine equipment may be placed on the natural or other downslope below the bench or cut created to expose the coal seam except that, where necessary, spoil from the cut necessary to obtain access to the coal seam may be placed on a limited or specified area of the downslope, provided that the spoil is shaped and graded in such a way so as to prevent slides and minimize erosion and water pollution and that the other requirements of subsection (b) can still be met.

(2) For the purposes of this subsection, the term "steepslope" is any slope above twenty degrees or such other slope as the regulatory authority may determine to be necessary based upon soil, climate, *and other* characteristics of a region or State.

(d)(1) In cases where an industrial, commercial, agricultural, residential, recreational or public facility development is proposed for postmining use of the affected land, the regulatory authority may grant appropriate exceptions to the requirements for regrading, backfilling, and spoil placement as set forth in subsection 213(b)(8) and in subsection 213(c)(1) of this Act, if the regulatory authority determines:

(A) after consultation with the appropriate land use planning agencies, if any, the proposed development is deemed to constitute an equal or better economic or public use of the affected land, as compared with the premining use;

(B) the equal or better economic or public use can be most effectively obtained only if one or more exceptions to the requirements for regrading, backfilling, and spoil placement as set forth in subsection 213(b)

(8) and subsection 213(c)(1) of this Act are granted.

(2) With respect to subsection 213(b)(12) and subsection 213(b)(13) of this Act, where postmining land use development is in compliance with all the requirements of this subsection and where the regulatory authority has found that an exception to the revegetation standards is necessary to achieve the postmining land use development, the regulatory authority may grant an appropriation exception.

(3) All exceptions granted under the provisions of this subsection will be reviewed periodically by the regulatory authority to assure compliance with the terms of the approved schedule and reclamation plan.

(e) The Secretary may develop, promulgate, and devise as may be appropriate improved surface coal mining and reclamation performance standards for the protection of the environment and public health and safety. Such development and revision of improved surface coal mining and reclamation performance standards shall be based upon the latest available scientific data, the technical feasibility of the standards, and experience gained under this and other environmental protection statutes. The performance standards of subsections (b) and (c) of this section shall be applicable until superseded in whole or in part by improved surface coal mining and reclamation performance standards promulgated by the Secretary. No improved surface coal mining and reclamation performance standards promulgated under this subsection shall reduce the protection afforded the environment and the health and safety of the public below that provided by the performance standards contained in subsections (b) and (c) of this section. Improved surface coal mining and reclamation performance standards shall not be promulgated by the Secretary until he has followed the procedures specified in subsections (b), and (c) of section 202 of this Act.

MINING AND RECLAMATION PERFORMANCE STANDARDS FOR SURFACE OPERATIONS INCIDENT TO UNDERGROUND COAL MINING

SEC. 214. (a). In order to regulate the adverse effects of surface operations incident to underground coal mining, the Secretary shall, in accordance with the procedures established under section 202 of this Act, promulgate rules and regulations embodying the requirements specified in subsection (c) of this section which shall be applicable to surface operations incident to underground coal mining.

(b) The performance standards specified in subsection (c) of this section shall be applicable to all such operations until superseded in whole or in part by improved performance standards promulgated by the Secretary in accordance with subsection (e) of section 213 of this Act.

(c) Any approved State or Federal program pursuant to this Act and relating to surface operations incident to underground coal mining shall require the underground coal mine operator to—

(1) seal all portals, entryways, drifts, shafts, or other openings between the surface and underground mineworkings when no longer needed for the conduct of the underground coal mining operation;

(2) with respect to surface disposal of mine wastes, coal processing wastes, and other wastes in areas other than mineworkings or excavations, stabilize all waste piles created by the current operations in designated areas through construction in compacted layers with incombustible and impervious materials, and provide that the final contour of the waste pile will be compatible with natural surroundings and that the site is stabilized and revegetated according to the provisions of this section;

(3) with respect to the use of impoundments for disposal of mine wastes or other liquid and solid wastes incorporate sound engineering practices for the design and construction of water retention facilities which will not endanger the health and safety of the public in the event of failure, construct such facilities to achieve necessary stability with an adequate margin of safety to protect against failure, prevent leachate from polluting surface or ground water, and prohibit fines, slimes and other unsuitable coal processing wastes from being used as the principal material in the construction of water impoundments, water retention facilities, dams, or settling ponds;

(4) establish on regraded areas and all other lands affected, a stable and self-regenerating vegetative cover, where cover existed prior to mining, which, where advisable, shall be comprised of native vegetation;

(5) minimize off-site damages resulting from surface operations incident to underground coal mining; and

(6) prevent to the extent practicable the discharge of waterborne pollutants both during and after mining.

(d) All operators of underground coal mines, both during and after mining, shall have abatement and remedial programs to prevent the discharge of waterborne pollutants to the extent practical and to eliminate fire hazards and other conditions which constitute a hazard to public health and safety.

JUDICIAL REVIEW

SEC. 215. (a)(1) Any action of the Secretary to approve or disapprove a State program pursuant to section 203 of this Act or to prepare and promulgate a Federal program pursuant to section 204 of this Act shall be subject to judicial review only by the appropriate United States Court of Appeals upon the filing in such court within thirty days from the date of such action of a petition by any person who participated in the administrative proceedings related thereto and who is aggrieved by the action praying that the action be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to the other parties, the Secretary, and the Attorney General and thereupon the Secretary shall certify and the Attorney General shall file in such court the record upon which the action complained of was issued, as provided in section 2112 of title 28, United States Code.

(2) Any promulgation of regulations by the Secretary pursuant to sections 213, 214, and 221 of this Act shall be subject to judicial review only by the appropriate United States Court of Appeals in accordance with the procedures set forth in subsection (1) of this section.

(3) All other orders or decisions issued by the Secretary pursuant to this Act shall be subject to judicial review only in the United States District Court for the locality in which the surface coal mining operation is located. Such review shall be in accordance with the Federal Rules of Civil Procedure, In the case of a proceeding to review an order or decision issued by the Secretary under section 219(b) of this Act, the court shall have jurisdiction to enter an order requiring payment of any civil penalty assessment enforced by its judgment.

(b) The court shall hear such petition or complaint on the evidence presented and on the record made before the Secretary. The court may affirm, vacate, or modify any order or decision or may remand the proceedings to the Secretary for such further action as it may direct.

(c) In the case of a proceeding to review any order or decision issued by the Secretary under this Act, the court may, under such conditions as it may prescribe, grant such temporary relief as it deems appropriate pending final determination of the proceeding if—

(1) all parties to the proceeding have been notified and given an opportunity to be heard on a request for temporary relief;

(2) there is a substantial likelihood that the person requesting such relief will prevail on the merits of the final determination of the proceeding; and

(3) such relief will not present imminent danger to the public health and safety or cause significant imminent environmental harm to the land, air, or water resources which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan.

(d) The commencement of a proceeding under this section shall not, unless specifically ordered by the court, operate as a stay of the order or decision of the Secretary.

INSPECTIONS AND MONITORING

SEC. 216. (a) The Secretary shall cause to be made such inspections of any surface coal mining and reclamation operations as are necessary to evaluate the administration of approved State programs, or to develop or enforce any Federal program, and for such purposes authorized representatives of the Secretary shall have a right of entry to, upon, or through any surface coal mining and reclamation operations.

(b) For the purpose of developing or assisting in the development, administration, and enforcement of any approved State or Federal program under this Act or in the administration and enforcement of any permit under his Act, or determining whether any person is in violation of any requirement of any such State or Federal program or any other requirement of this Act, the regulatory authority shall—

(1) require any permittee to (A) establish and maintain appropriate records, (B) make monthly reports to the regulatory authority, (C) install, use, and maintain any necessary monitoring equipment or methods, (D) evaluate results in accordance with such methods, at such locations, intervals, and in such manner as the regulatory authority shall prescribe, and (E) provide such other information relative to surface coal mining and reclamation operations as the regulatory authority deems reasonable and necessary;

(2) for those surface coal mining and reclamation operations which remove or disturb strata that serve as aquifers which significantly insure the hydrologic balance or water use either on or off the mining site, specify those—

(A) monitoring sites to record the quantity and quality of surface drainage above and below the minesite as well as in the potential zone of influence;

(B) monitoring sites to record level, amount, and samples of ground water and aquifers potentially affected by the mining and also directly below the lowermost (deepest) coal seam to be mined;

(C) records of well logs and borehole data to be maintained; and

(D) monitoring sites to record precipitation. The monitoring, data collection, and analysis required by this section shall be conducted according to standards and procedures set forth by the regulatory authority in order to assure their reliability and validity; and

(3) the authorized representatives of the regulatory authority, without advance notice and upon presentation of appropriate credentials (A) shall have the right of entry to, upon, or through any surface coal mining and reclamation operations or any premises in which any records required to be maintained under paragraph (1) of this subsection are located; and (B) may at reasonable times, and without delay, have access to and copy any records, inspect any monitoring

equipment or method of operation required under this Act.

(c) The inspections by the regulatory authority shall (1) occur on an irregular basis averaging not less than one inspection per month for the surface coal mining and reclamation operations for coal covered by such permit; (2) occur without prior notice to the permittee or his agents or employees; and (3) include the filing of inspection reports adequate to enforce the requirements of and to carry out the terms and purposes of this Act. The regulatory authority shall make copies of such inspection reports freely available to the public at a central location in the pertinent geographic area of mining. The Secretary or the regulatory authority shall establish a system of continual rotation of inspectors so that the same inspector does not consistently visit the same operations.

(d) Each permittee shall conspicuously maintain at the entrances to the surface coal mining and reclamation operation a clearly visible sign which sets forth the name, business address, and phone number of the permittee and the permit number of the surface coaling mining and reclamation operation.

(e) Each authorized representative of the regulatory authority, upon detection of each violation of any requirement of a State or Federal program pursuant to this Act, shall forthwith inform the permittee in writing, and shall report in writing any such violation to the regulatory authority.

FEDERAL ENFORCEMENT

SEC. 217. (a) (1) Whenever, on the basis of any information available, including receipt of information from any person, the Secretary has reason to believe that any person is in violation of any requirement of this Act or any permit condition required by this Act, the Secretary shall notify the State regulatory authority, if one exists, in the State in which such violation exists. If no such State authority exists or the State regulatory authority fails within ten days after notification to take appropritae action to cause said violation to be corrected or to show good cause for such failure and transmit notification of its action to the Secretary, the Secretary shall immediately order Federal inspection of the surface coal mining operation to take appropriate action to cause said occurring unless the information available to the Secretary is a result of a previous Federal inspection of such surface coal mining operation. When the Federal inspection results from information provided to the Secretary by any person, the Secretary shall notify such person when the Federal inspection is proposed to be carried out and such person shall be allowed to accompany the inspector during the inspection.

(2) When, on the basis of any Federal inspection, the Secretary or his authorized representative determines that any permittee is in violation of any requirement of this Act or any permit *condition* required by this Act, which violation also creates an imminent danger to the health or safety of the public, or is causing, or can reasonably be expected to cause significant imminent environmental harm to land, air, or water resources, which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan, the Secretary or his authorized representative shall immediately order a cessation of surface coal mining and reclamation operations or the portion thereof relevant to the violation. Such cessation order shall remain in effect until the Secretary or his authorized representative determines that the violation has been abated.

(3) When, on the basis of a Federal inspection which is carried out during the enforcement of a Federal program or a Federal lands program, or during Federal enforcement of a State program in accordance with subsection (b) of this section, the Secretary or his authorized representative determines that any permittee is in violation of any requirement of this Act or any permit condition required by this Act, but such violation does not create an imminent danger to the health or safety of the public, or cause or can be reasonably expected to cause significant imminent environmental harm to land, air, or water resources which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan, the Secretary or his authorized representative shall issue a notice to the permittee or his agent fixing a reasonable time for the abatement of the violation. If, upon the expiration of the period of time as originally fixed or subsequently extended, the Secretary of his authorized representative finds that the violation has not been abated, he shall immediately order a cessation of surface coal mining and reclamation operations or the portion thereof relevant to the violation. Such cessation order shall remain in effect until the Secretary or his authorized representative determines that the violation has been abated.

(4) When, on the basis of a Federal inspection which is carried out during the enforcement of a Federal program, or a Federal lands program, or during Federal enforcement of a State program in accordance with subsection (b) of this section, the Secretary or his authorized representative determines that a pattern of violations of any requirements of this Act or any permit conditions required by this Act exists or has existed, and if the Secretary or his authorized representative also finds that such violations are caused by the unwarranted failure of the permittee to comply with any requirements of this Act or any permit conditions, or that such violations are willfully caused by the permittee, the Secretary or his authorized representative shall forthwith issue an order to the permittee to show cause why the permit should not be suspended or revoked.

(5) Notices and orders issued pursuant to this section shall set forth with reasonable specificity the nature of the violation and the remedial action required, the period of time establish for abatement, and where appropriate, a reasonable description of the portion of the surface coal mining and reclamation operation to which a cessation order applies. Each notice or other order issued under this section shall be given promptly to the permittee or his agent by the Secretary or his authorized representative who issues such notice or order, and all such notices and orders shall be in writing and shall be signed by such authorized representative. Any notice or order issued pursuant to this section may be modified, vacated, or terminated by the Secretary or his authorized representative. A copy of any such order or notice shall be sent to the State regulatory authority in the State in which the violation occurs.

(b) Whenever the Secretary finds that violations of an approved State program appear to result from a failure of the State to enforce such program effectively, he shall so notify the State. If the Secretary finds that such failure extends beyond thirty days after such notice, he shall give public notice of such finding. During the period beginning with such public notice and ending when such State satisfies the Secretary that it will enforce this Act, the Secretary shall enforce any permit condition required under this Act, shall issue new or revised permits in accordance with the requirements of this Act, and may issue such notices and orders as are necessary for compliance therewith.

(c) The Secretary may request the Attorney General to institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the surface coal mining and reclamation operation is located or in which the permittee thereof has his principal office, whenever such permittee or his agent (A) violates or fails or refuses to comply with any order or decision issued by the Secretary under this Act, or (B) interferes with, hinders, or delays the Secretary or his authorized representative in carrying out the provisions of this Act, or (C) refuses to admit such authorized representative to the mine, or (D) refuses to permit inspection of the mine by such authorized representative, or (E) refuses to furnish any information or report requested by the Secretary in furtherance of the provisions of this Act, or (F) refuses to permit access to, and copying of, such records as the Secretary determines necessary in carrying out the provisions of this Act. Such court shall have jurisdiction to provide such relief as may be appropriate. Temporary restraining orders shall be issued in accordance with Rule 65 of the Federal Rules of Civil Procedure, as amended. Except as otherwise provided herein, any relief granted by the court to enforce an order under clause (A) of this subsection shall continue in effect until the completion or final termination of all proceedings for review of such order under this title, unless, prior thereto, the district court granting such relief sets it aside or modifies it.

REVIEW BY THE SECRETARY

SEC. 218. (a) (1) A notice or order issued to a permittee pursuant to the provisions of subparagraphs (a) (2) and (3) of section 217 of this title, or to any person having an interest which is or may be adversely affected by such notice or order or by any modification, vacation, or termination of such notice or order, may apply to the Secretary for review of the notice or order within thirty days of receipt thereof or within thirty days of its modification, vacation, or termination. Upon receipt of such application, the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing, at the request of the applicant or person having an interest which is or may be adversely affected, to enable the applicant and such person to present information relating to the issuance and continuance of such notice or order or the modification, vacation, or termination thereof. The filing of an application for review under this subsection shall not operate as a stay of any order or notice.

(2) The permittee and other interested persons shall be given written notice of the time and place of the hearing at least five days prior thereto. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code.

(b) Upon receiving the report of such investigation, the Secretary shall make findings of fact, and shall issue a written decision, incorporating therein an order vacating, affirming, modifying, or terminating the notice or order, or the modification, vacation, or termination of such notice or order complained of and incorporate his findings therein.

(c) Pending completion of the investigation required by this section, the applicant may file with the Secretary a written request that the Secretary grant temporary relief from any notice or order issued under section 217(a) (3) of this title together with a detailed statement giving reasons for granting such relief. The Secretary may grant such relief, with or without a hearing, under such conditions as he may prescribe, if—

(1) the applicant shows that there is substantial likelihood that the findings of the Secretary will be favorable to him; and

(2) such relief will not present imminent danger to the health or safety of the public or cause significant imminent environmental

harm to the land, air, or water resources which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan.

(d) Following the issuance of an order to show cause as to why a permit should not be suspended or revoked pursuant to section 217 (a)(4), the Secretary shall hold a public hearing after giving written notice of the time, place, and date thereof. Any such hearing shall be of record and shall be subject to section 554 of title V of the United States Code. Within sixty days following the public hearing, the Secretary shall issue and furnish to the permittee and all other parties to the hearing a written decision, and the reasons therefor, concerning suspension or revocation of the permit. If the Secretary revokes the permit, the permittee shall immediately cease surface coal mining operations on the permit area and shall complete reclamation within a period specified by the Secretary or the Secretary shall declare as forfeited the performance bonds for the operation.

(e) In view of the urgent need for prompt decision of matters submitted to the Secretary under this section, action shall be taken as promptly as practicable, consistent with adequate consideration of the issues involved.

PENALTIES

SEC. 219. (a) In the enforcement of a Federal program or Federal lands program, or during Federal enforcement of a State program pursuant to section 217(b) of this Act, any permittee who violates any permit condition or who violates any other provision of this title, may be assessed a civil penalty by the Secretary, except that if such violation leads to the issuance of a cessation order under section 217 (a)(3), the civil penalty shall be assessed. Such penalty shall not exceed $10,000. Each day of a continuing violation may be deemed a separate offense. In determining the amount of the penalty, consideration shall be given to the permittee's history of previous violations at the particular surface coal mining operation; the appropriateness of such penalty to the size of the business of the permittee charged; the seriousness of the violation, including any irreparable harm to the environment and any hazard to the health or safety of the public; whether the permittee was negligent; and the demonstrated good faith of the permittee charged in attempting to achieve rapid compliance after notification of the violation.

(b) A civil penalty shall be assessed by the Secretary only after the person charged with a violation described under subsection (a) of this section has been given an opportunity for a public hearing. Where such a public hearing has been held, the Secretary shall make findings of fact, and shall issue a written decision as to the occurrence of the violation and the amount of the penalty which is warranted, incorporating, when appropriate, an order therein requiring that the penalty be paid. When appropriate, the Secretary shall consolidate such hearings with other proceedings under section 218 of this Act. Any hearing under this section shall be of record and shall be subject to section 554 of title 5 of the United States Code. Where the person charged with such a violation fails to avail himself of the opportunity for a public hearing, a civil penalty shall be assessed by the Secretary after the Secretary has determined that a violation did occur, and the amount of the penalty which is warranted, and has issued an order requiring that the penalty be paid.

(c) If no complaint, as provided in section 215 of this Act, is filed within thirty days from the date of the final order or decision issued by the Secretary under subsection (b) of this section, such order and decision shall be conclusive.

(d) Interest at the rate of 6 per centum per annum shall be charged against a person on any unpaid civil penalty assessed against him pursuant to the final order of the Secretary, said interest to be computed from the thirty-first day after issuance of such final assessment order.

(e) Civil penalties owed under this Act, either pursuant to subsection (c) of this section or pursuant to an enforcement order entered under section 215 of this Act, may be recovered in a civil action brought by the Attorney General at the request of the Secretary in any appropriate district court of the United States.

(f) Any person who willfully and knowingly violates a condition of a permit issued pursuant to a Federal program or a Federal lands program or fails or refuses to comply with any order issued under section 217(a) of this Act, or any order incorporated in a final decision issued by the Secretary under this Act, except an order incorporated in a decision issued under subsection (b) of this section or section 305 of this Act, shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than one year, or both.

(g) Whenever a corporate permittee violates a condition of a permit issued pursuant to a Federal program or a Federal lands program or fails or refuses to comply with any order issued under section 217(a) of this Act, or any order incorporated in a final decision issued by the Secretary under this Act except an order incorporated in a decision issued under subsection (b) of this section or section 305 of this Act, any director, officer, or agent of such corporation who willfully and knowingly authorized, ordered, or carried out such violation, failure, or refusal shall be subject to the same civil penalties, fines, and imprisonment that may be imposed upon a person under subsections (a) and (f) of this section.

(h) Whoever knowingly makes any false statement, representation, or certification, or knowingly fails to make any statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained pursuant to a Federal program or a Federal lands program or any order or decision issued by the Secretary under this Act shall, upon conviction be punished by a fine of not more than $10,000, or by imprisonment for not more than one year, or both.

(i) As a condition of approval of any State program submitted pursuant to section 203 of this Act, the civil and criminal penalty provisions thereof shall, at a minimum, incorporate penalties no less stringent than those set forth in this section, and shall contain the same or similar procedural requirements relating thereto.

ESTABLISHMENT OF RIGHT TO BRING CITIZENS SUITS

SEC. 220. (a) Except as provided in subsection (c) of this section any person having an interest which is or may be adversely affected by actions of the Secretary or the regulatory authority may commence a civil action on his own behalf in an appropriate United States district court—

(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any regulation, order, or permit issued under this Act;

(2) against the Secretary where there is alleged a failure of the Secretary or State regulatory authority to perform any act or duty under this Act which is not discretionary.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to remedy such violation or failure and to apply any appropriate civil penalties or injunctive relief under this Act.

(b) No action may be commenced—

(1) under subsection (a)(1) of this section—

(A) prior to sixty days after the plaintiff has given notice of the alleged violation (i) to the Secretary, (ii) to the State in which any alleged violator occurs, and (iii) to any alleged violator of the regulation, order, or permit, or provision of this Act;

(B) if the Secretary or State has commenced and is diligently prosecuting administrative or judicial action to require compliance with the regulation, permit, order, or provision of this Act, but in any such action in a court of the United States any person described in subsection (a) may intervene as a matter of right;

(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the regulatory authority. Notice under this subsection shall be given in such manner as the Secretary shall prescribe by regulation.

(c) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, except against the United States or any Federal officer or agency, whenever the court determines such award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

(d) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of this Act or to seek any other relief (including relief against the Secretary or a State agency).

(e) The Secretary, if not a party in any action under this section, may intervene as a matter of right.

FEDERAL LANDS

SEC. 221. (a)(1) After the date of enactment of this Act all new surface coal mining permits, leases, or contracts issued with respect to surface coal mining operations on Federal lands shall incorporate therein the interim surface coal mining and reclamation performance standards of subsection (c) of section 201 of this Act.

(a)(2) Within sixty days from the date of enactment of this Act, the Secretary shall review and amend all existing surface coal mining permits, leases, or contracts in order to incorporate therein the interim surface coal mining and reclamation performance standards of subsection (c) of section 201 of this Act. On or before one hundred and twenty days from the date of issuance of such amended permit, lease, or contract, all surface coal mining operations existing at the date of enactment of this Act on Federal lands shall comply with the interim surface coal mining and reclamation performance standards with respect to lands which the overburden has not been removed.

(b) The Secretary, in consultation with the heads of other Federal land managing departments and agencies, shall promulgate and implement a Federal lands program which shall be applicable to all surface coal mining and reclamation operations taking place on any Federal land. The Federal lands program shall incorporate all surface coal mining reclamation requirements of this Act and shall take into consideration the diverse physical, climatological, and other unique characteristics of the Federal lands in question.

(c) Within eighteen months after the date of enactment of this Act, all surface coal mining reclamation requirements of this Act through the Federal lands program shall be incorporated by reference or otherwise in any Federal mineral lease, permit, or contract issued by the Secretary which may involve surface coal mining and reclamation operations or surface operations incident to underground coal mines. Incorporation of such requirements shall not, however, limit in any way the authority of the Secretary to subsequently issue new regulations, revise the Federal lands program to deal with changing conditions or changed technology, and to require the lease, permit, or contract holder to conform any surface coal mining and reclamation operations to the requirements of this Act and the regulations issued pursuant to this Act. With respect to national forest lands, the Secretary shall include in permits, leases, and contracts those conditions and requirements deemed necessary by the Secretary of Agriculture. The Secretary of Agriculture shall administer the provisions of such surface coal mining leases, permits, or contracts relating to reclamation and surface use, and is authorized to enforce such provisions.

The Secretary, or in the case of lands within national forests the Secretary of Agriculture, may enter into agreements with a State or with a number of States to provide for a joint Federal-State program covering a permit or permits for surface coal mining and reclamation operations on land areas which contain lands within any State and Federal lands which are interspersed or checkerboarded and which should, for conservation and administrative purposes, be regulated as a single-management unit. To implement a joint Federal-State program the Secretary, or in the case of lands within national forests the Secretary of Agriculture, may enter into agreements with the States, may delegate authority to the States, or may accept a delegation of authority from the States for the purpose of avoiding duality of administration of a single permit for surface coal mining and reclamation operations. Such agreements shall incorporate all of the requirements of this Act, and shall not preclude Federal inspection or enforcement of the provisions of this Act as provided in sections 216 and 217.

(d) Except as specifically provided in subsection (c), this section shall not be construed as authorizing the Secretary of Agriculture to delegate to the States any authority or jurisdiction to regulate or administer surface coal mining and reclamation operations or other activities taking place on the Federal lands.

(e) This section shall not be construed as authorizing the Secretary to delegate to the States any authority or jurisdiction to regulate or administer surface coal mining and reclamation operations or other activities taking place on Indian lands or to delegate to the States trustee responsibilities toward Indians and Indian lands.

TITLE III—GENERAL PROVISIONS AND ADMINISTRATION

AUTHORITY OF THE SECRETARY

SEC. 301. (a) In carrying out his responsibilities under this Act the Secretary shall:

(1) administer the State grant-in-aid program for the development of State programs for surface coal mining and reclamation operations provided for in this title;

(2) maintain a continuing study of surface coal mining and reclamation operations in the United States;

(3) assist the States in the development of State programs for surface coal mining and reclamation operations which meet the requirements of this Act;

(4) publish and promulgate such rules and regulations as may be necessary to carry out the purposes and provisions of this Act; and

(5) conduct hearings, administer oaths, issue subpenas, and compel the attendance of witnesses and production of written or printed materials as necessary to carry out his duties under this Act.

(b) For the purpose of carrying out his responsibilities under this Act, including the enforcement thereof, the Secretary may by agreement utilize with or without reimbursement the services, personnel, and facilities of any Federal agency.

STUDY OF SUBSIDENCE AND UNDERGROUND WASTE DISPOSAL IN COAL MINES

SEC. 302. The Secretary shall conduct a full and complete study and investigation of the practices of backfilling all coal mine wastes and coal processing plant wastes in mine voids or other equally effective disposal methods and the control of subsidence to maximize the stability, value, and use of lands overlying underground coal mines. The Secretary shall report to the Congress the results of such study and investigation no later than the end of the two-year period beginning on the date of enactment of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 303. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

RELATION TO OTHER LAWS

SEC. 304. Nothing in this Act or in any State regulations approved pursuant to it shall be construed to conflict with any of the following Acts or with any rule or regulation promulgated thereunder:

(1) The Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 721–740).

(2) The Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 801).

(3) The Federal Water Pollution Control Act (33 U.S.C. 1151–1175), the State laws enacted pursuant thereto, or other Federal laws relating to preservation of water quality.

(4) The Clean Air Act, as amended (42 U.S.C. 1857).

(5) The Solid Waste Disposal Act (42 U.S.C. 3251).

(6) The Refuse Act of 1899 (33 U.S.C. 407).

(7) The Fish and Wildlife Coordination Act (10 U.S.C. 661–666c).

EMPLOYEE PROTECTION

SEC. 305. (a) No person shall discharge, or in any other way discriminate against, or cause to be discharged or discriminated against, any employee or any authorized representative of employees by reason of the fact that such employee or representative has filed, instituted, or caused to be filed or instituted any proceeding under this Act, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Act.

(b) Any employee or a representative of employees who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary for a review of such discharge or alleged discrimination. A copy of the application shall be sent to the person or operator who will be the respondent. Upon receipt of such application, the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to such review to enable the parties to present information relating to the alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation the Secretary shall make findings of fact. If he finds that a violation did occur, he shall issue a decision incorporating therein his findings and an order requiring the party committing the violation to take such affirmative action to abate the violation as the Secretary deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no violation, he shall issue such a finding. Orders issued by the Secretary under this subparagraph shall be subject to judicial review in the same manner as other orders and decisions of the Secretary are subject to judicial review under this Act.

(c) Whenever an order is issued under this section, at the request of applicant, a sum equal to the aggregate amount of all costs and expenses (including attorney's fees), to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the persons committing the violation.

GRANTS TO THE STATES

SEC. 306. (a) The Secretary is authorized to make annual grants to any State for the purpose of assisting such State in developing, administering, and enforcing State programs under this Act. Such grants shall not exceed 80 per centum of the program development costs incurred during the year prior to approval by the Secretary, shall not exceed 60 per centum of the total costs incurred during the first year following approval, 45 per centum during the second year following approval, 30 per centum during the third year following approval, and 15 per centum during the fourth year following approval. Not later than the end of the fourth year following approval, the State program shall be fully funded from State sources, and each application for a permit pursuant to an approved State program or a Federal program under the provision of this Act shall provide for payment of fees as determined by the regulatory authority. Such fees shall be based as nearly as possible upon the actual or anticipated costs of reviewing, administering, and enforcing such permit, and shall be payable on a phased basis over the period of the permit.

(b) The Secretary is authorized to cooperate with and provide assistance to any State for the purpose of assisting it in the development, administration, and enforcement of its State programs. Such cooperation and assistance shall include—

(1) technical assistance and training, including provision of necessary curricular and instruction materials, in the development, administration, and enforcement of the State programs; and

(2) assistance in preparing and maintaining a continuing inventory of information on surface coal mining and reclamation operations for each State for the purposes of evaluating the effectiveness of the State programs. Such assistance shall include all Federal departments and agencies making available data relevant to surface coal mining and reclamation operations and to the development, administration, and enforcement of State programs concerning such operations.

PROTECTION OF THE SURFACE OWNER

SEC. 307. (a) In those instances in which the surface owner is not the owner of the mineral estate proposed to be mined by surface coal mining operations, the application for a permit shall include the following:

(1) the written consent of, or a waiver by, the owner or owners of the surface lands involved to enter and commence surface coal mining operations on such land, or, in lieu thereof,

(2) the execution of a bond or undertaking to the United States or the State, whichever is applicable, for the use and benefit of the surface owner or owners of the land, to secure the immediate payment equal to any damages to the surface estate which the surface coal mining operation will cause to

the crops or to the tangible improvements of the surface owner as may be determined by the parties involved or as determined and fixed in an action brought against the permittee or upon the bond in a court of competent jurisdiction. This bond is in addition to the performance bond required for reclamation by this Act.

(b) For the purposes of this section, the term "surface coal mining operation" does not include underground mining for coal.

PROTECTION OF GOVERNMENT EMPLOYEES

SEC. 308. Section 1114, title 18, United States Code, is hereby amended by adding the words "or of the Department of the Interior" after the words "Department of Labor" contained in that section.

SEVERABILITY

SEC. 309. If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

DEFINITIONS

SEC. 310. For the purposes of this Act—

(1) the term "Secretary" means the Secretary of the Interior, except where otherwise described;

(2) the term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam;

(3) the term "commerce" means trade, traffic, commerce, transportation, transmission, or communication among the several States, or between a State and any other place outside thereof, or between points in the same State which directly or indirectly affect interstate commerce;

(4) the term "surface coal mining operations" means—

(A) activities conducted on the surface of lands in connection with a surface coal mine the products of which enter commerce or the operations of which directly or indirectly affect commerce. Such activities include excavation for the purpose of obtaining coal including such common methods as contour, strip, auger, mountaintop removal, box cut, and area mining (but not open pit mining), and in situ distillation or retorting, leaching, or other chemical or physical processing, and the cleaning, concentrating, or other processing or preparation, or loading of coal for interstate commerce at or near the mine site: *Provided, however*, That such activities do not include the extraction of coal incidental to the extraction of other minerals where coal does not exceed 16⅔ per centum of the tonnage of minerals removed for purposes of commercial use or sale; and

(B) the areas upon which such activities occur or where such activities disturb the natural land surface. Such areas shall also include land affected by mineral exploration operations which substantially disturb the natural land surface, and any adjacent land the use of which is incidental to any such activities, all lands affected by the construction of new roads or the improvement or use of existing roads to gain access to the site of such activities and for haulage, and excavations, workings, impoundments, dams, refuse banks, dumps, stockpiles, overburden piles, spoil banks, culm banks, holes or depressions, repair areas, storage areas, processing areas, shipping areas, and other areas upon which are sited structures, facilities, or other property or materials on the surface, resulting from or incident to such activities;

(5) the term "surface coal mining and reclamation operations" means surface coal mining operations and all activities necessary and incident to the reclamation of such operations;

(6) The term "lands within any State" or "lands within such State" means all lands within a State other than Federal lands and Indian lands;

(7) The term "Federal lands" means any land or interest in land owned by the United States without regard to how the United States acquired ownership of the land and without regard to the agency having responsibility for management thereof;

(8) The term "State program" means a program established by a State pursuant to title II to regulate surface coal mining and reclamation operations on lands within a State in accordance with the requirements of this Act and regulations issued by the Secretary pursuant to this Act;

(9) The term "Federal program" means a program established by the Secretary to regulate surface coal mining and reclamation operations on lands within any State in accordance with the requirements of this Act;

(10) The term "Federal lands program" means a program established pursuant to title II to regulate surface coal mining and reclamation operations on Federal lands;

(11) The term "mining and reclamation plan" means a plan submitted by an applicant for a permit under a State program, Federal program, or Federal lands program which sets forth a plan for mining and reclamation of the proposed surface coal mining operations purusant to section 208;

(12) The term "State regulatory authority" means the department or agency in each State which has primary responsibility in that State for administering the State program pursuant to this Act;

(13) The term "regulatory authority" means the State regulatory authority where the State is administering this Act under an approved State program or the Secretary where the Secretary is administering any or all provisions of this Act;

(14) The term "person" means an individual partnership, association, society, joint stock company, firm, company, corporation, or other business organization;

(15) The term "permit" means a document issued by the regulatory authority for a surface coal mining site pursuant to a State program, or a Federal lands program, authorizing the permittee to conduct surface coal mining and reclamation operations.

(16) The term "permit applicant" or "applicant" means a person applying for a permit;

(17) The term "permittee" means a person holding a permit;

(18) The term "backfilling to approximate original contour" means that part of the surface coal mining and reclamation process achieved by backfilling and grading of the mined area so that it closely resembles the surface configuration of the land prior to surface coal mining and blends into and complements the drainage pattern of the surrounding terrain, with all highwalls, spoil piles, and depressions eliminated except that water impoundments may be permitted where the regulatory authority determines that they are necessary or desirable for reclamation or public recreation purposes;

(19) The term "operator" means any person engaged in surface coal mining operations;

(20) The term "reclamation" or "reclaim" means the process of land, air, and water treatment that restricts and controls water degradation, air pollution, damage to aquatic or wildlife habitat, flooding, erosion, and other harmful effects resulting from surface coal mining operations, so that the affected areas, including, where appropriate, areas adjacent to the mining site are restored to a stable condition capable of supporting the uses which they were capable of supporting prior to mining or an equal or better economic or public use suitable to the locality;

(21) The term "unwarranted failure to comply" means the failure of a permittee to prevent the occurrence of any violation of his permit or any requirement of this Act due to indifference, lack of diligence, or lack of reasonable care, or the failure to abate any violation of such permit or the Act due to indifference, lack of diligence, or lack of reasonable care;

(22) "Open pit mining" means surface mining in which (1) the amount of material removed is large in proportion to the surface area disturbed; (2) mining continues in the same area proceeding downward with lateral expansion of the pit necessary to maintain slope stability or as necessary to accommodate the orderly expansion of the total mining operation; (3) the operations take place on the same relatively limited site for an extended period of time; (4) there is no practicable method to reclaim the land in the manner required by this Act; and (5) there is no practicable alternative method of mining the mineral or ore involved;

(23) The term "imminent danger to the health or safety of the public" means the existence of any condition or practice, or any violation of a permit or other requirement of this Act in a surface coal mining and reclamation operation, which condition, practice, or violation could reasonably be expected to cause death or serious physical harm to persons outside the permit area before such condition, practice, or violation can be abated.

HOUSE ACTS RESPONSIBLY IN SUPPORT OF AMERICA'S VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL), is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, I want to take this opportunity to commend my colleagues in the House for the unanimous adoption of H.R. 12628, the Veterans' Education and Rehabilitation Act. I cannot overemphasize the importance of the action we took yesterday in updating a program which has brought incalculable educational benefits to millions of veterans.

The legislative merits of the bill speak for themselves. First, the 13.6 percent increase in the rate of allowance for educational assistance to all veterans is necessary to make these benefits commensurate with the increase in the cost of living. The benefit levels that the Congress passed previously in 1972 have long been outstripped by spiraling costs of living which have risen more than 13 percent. The increase in monthly allowances for the veteran will enable thousands more veterans to take advantage of the educational opportunities which they have rightly earned.

Another significant aspect of the bill is the provision extending to 10 years the time during which a veteran must use his educational benefits. This provision will be particularly helpful to the Vietnam veterans who would be ineligible for further financial assistance in the middle of their education unless such an extension were enacted.

Liberalization of eligible participation in the vocational rehabilitation program for disabled veterans, by reducing the requirement from 30 to 10 percent disability, will open up this training program for thousands more veterans.

Perhaps the most dramatic impact of the bill will be the provision—extending to Vietnam-era veterans the same criteria for vocational rehabilitation and educational assistance—as those veterans of World War II and the Korean conflict have enjoyed. I firmly believe that it would be grossly unfair to deny Vietnam veterans comparable benefits simply because they fought in an unpopular war.

Mr. Speaker, H.R. 12628 is a very timely measure to help relieve the financial burdens facing veterans who want to pursue their educational and vocational training. I have wholeheartedly endorsed this legislation and congratulate all my colleagues on both sides of the aisle for their farsightedness in taking this liberal, yet responsible and sound legislative action.

THE SOLZHENITSYN CASE: HUMAN RIGHTS AND SOVIET-AMERICAN RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, the conduct of the Soviet Government in exiling Nobel laureate Alexander Solzhenitsyn and stripping him of his citizenship poses a dilemma for Americans: how can we continue to strive for improved relations with the Soviet Union while the heavy hand of the Soviet Government continues to crush the dissenting views of its own people?

This dilemma raises a number of fundamental questions in international relations: Should American foreign policy be influenced at all by the way another government treats in its own citizens? Does "power politics" mean that for the sake of our national security we must look the other way when other powerful governments tread upon basic human rights? At what point do our contributions to detente become contributions to repression?

The Soviet leadership would answer by reciting the doctrine of peaceful coexistence, insiting that the way it runs its own society is not the concern of other governments and that any other attitude on the part of foreign countries is an unwarranted intrusion in the internal affairs of the Soviet Union. The United States Government answers these questions in a way not very different from the Soviets. To be sure, the Secretary of State said that Mr. Solzhenitsyn would be welcome to come live in this country, but on that and other occasions he made it clear that the Nixon administration's efforts for detente will not be affected by Soviet violations of human rights. Rather, he emphasizes only that "our foreign policy should not be directed toward affecting the foreign policy of those societies.". If I were a Soviet leader, I would regard that as a green light for proceeding at full speed down the road of neo-Stalinist repression.

In fact, the Soviet Government is proceeding in just that way. Already the poet Yevgeny Yevtushenko—a man with good establishment credentials—has been punished for lodging a gentle protest about the handling of the Solzhenitsyn case, in which he even stated strong disagreement with many of Solzhenitsyn's views. He said:

> Nevertheless, in response to my sincere, confidential appeal, there followed immediate, crude and humiliating punishment.

Without a word of explanation, Yevtushenko's forthcoming nationally televised poetry recital was cancelled. Taking note of the obvious danger of defending Solzhenitsyn, Yevtushenko declared:

> Then we shall gradually lose all our writers.

The record of the past decade is swollen with evidence to support Yevtushenko's frustrated prediction. The names of Pasternak, Daniel, Sinyavskiy, Panov, Sakharov, Medvedyev, and Rostropovich are only the most prominent among the many gifted Soviet writers and artists whose intellectual freedom has been squelched. Official insensitivity to accepted standards of human rights was demonstrated clearly to me in conversations with Soviet diplomats and politicians who told me that Western concern over Solzhenitsyn was unjustified because "Solzhenitsyn is really not a very good writer" and that anyone who reads Russian can see that he deserves very little literary stature.

Many Americans take consolation in the fact that Solzhenitsyn was allowed to leave the Soviet Union instead of being sentenced to prison, and believe this indicates some Soviet sensitivity to world opinion. But what satisfaction can we feel over the forced exile of a man who had no desire to leave his own country, whose works could not be published in his own country, and whose only offense was to state his own personal views?

Fundamental to the Soviet attitude toward peaceful coexistence is the conviction that the capitalistic desire for profit is such that the Soviet Union should be able to reap the material benefits of exchange with the West on its own terms without fear of insidious "fallout" from Western values within Soviet society. Regrettably, the Nixon-Kissinger policy of détente tends to accommodate this Soviet attitude. That policy accepts a closed Soviet society as a basic premise and proceeds to reach agreements within the limits imposed by the nature of the Soviet system.

Certainly it is in the interest of our national security to find areas of cooperation with the Soviet Union to replace the mutual hostility of the cold war. In Soviet-American relations nuclear war is, after all, the overriding issue at stake for the entire world. But cooperation with the Soviet Union must not be allowed to reach the point of collaboration in maintaining a police state.

From the Western viewpoint, détente can be seen as presenting the greatest opportunity to bring the Soviet Union at long last into the mutually beneficial exchange among nations which has been enjoyed for so long by most of the rest of the world. But the Soviet viewpoint is just the reverse; efforts to perpetuate the closed society are intensified as exchanges with the West are widened.

In this context, "exchange" takes on a new meaning. It becomes a one-way street along which the Soviet people cannot travel. Through controlled media, threats, and reprisals, policy surveillance and careful monitoring of all walks of life by party officials, the Soviet Government is determined to keep its people isolated from the mainstream of life in the international community.

The alternative to the present U.S. policy of tacitly accommodating Soviet repression is not a return to the cold war. The American people, I am convinced, will stand firmly behind a policy which reflects their respect for human rights while striving to ease tensions with the Soviet Union. Particularly, in the areas outside security agreements, such as commercial relations, people-to-people exchanges, and technology sharing, the human rights factor should figure much more prominently in dealings with the Soviets. And when gross violations of human rights do occur, as in the Solzhenitsyn case, surely the United States can do better than to merely say, as did Secretary Kissinger last week, that—

> The necessity for detente . . . does not reflect approbation of the Soviet domestic structure.

Soviet leaders, for all their seeming intransigence, are not immune to international pressure, as can be plainly seen by the commutation of the death sentences for the Leningrad hijackers and the increased emigration of Soviet Jews.

What is lacking now is a commitment by U.S. decisionmakers to show greater concern for human rights in foreign policy. Without that concern, foreign policy serves only the narrow interests of those in power. Too often, we forget that people should be the primary concern of foreign policy.

TAX CHECKLIST FOR THE ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 5 minutes.

Mr. CULVER. Mr. Speaker, by April 15, millions of Americans will have declared their 1973 income taxes. In a time of shortages, and increasing living costs, it is unfortunate that many of those filing will overpay their taxes.

Of the 78 million who will be filing, those with lower and middle incomes, and the elderly, will overpay the greatest amount. It is ironic that those who overpay their taxes often earn and are taxed proportionately higher than those in upper income brackets.

I am sure that my colleagues are aware of the difficulties faced by the elderly. These senior citizens are trying to live their golden years in dignity and security in the midst of a strongly and persistently inflationary economy. It is deplorable that the elderly who have contributed so much to our society, are depriving themselves of critically needed dollars because they cannot easily penetrate the complexities of the Internal Revenue Code.

An inspection of our tax laws will reveal the existence of a number of special provisions designed to ease the tax burden on those over 65. Deductions and credits for retirement income, medical expenses, interest, charitable contributions, and taxes are some of these items. The sad fact is that these deductions are not widely recognized by our elderly. This is even more alarming when we realize the large numbers of senior citizens who overpay their income taxes. One-fifth of the population of this country is over 65, and as many as half these people may be overpaying their income taxes.

I am therefore pleased to see the development of a checklist which has been prepared to help alleviate these problems. This list simply states those expenses for which legitimate deductions may be made. It is a short, simple guide which I feel will be beneficial to anyone using it, and especially to the elderly.

Therefore, Mr. Speaker, I insert this checklist of allowable deductions and tax relief provisions as part of the Record:

Checklist of Itemized Deductions for Schedule A (Form 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subjected to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expense (subject to 3% limitation):

Abdominal supports
Ambulance hire
Anesthetist
Arch supports
Artificial limbs and teeth
Back Supports
Braces
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs
Chiropodist
Chiropractor
Christian science practitioner, authorized
Convalescent home (for medical treatment only)
Crutches
Dental services (e.g., cleaning teeth, X-rays, filling teeth)
Dentures
Dermatologist
Eyeglasses
Gynecologist
Hearing aids and batteries
Hospital expenses
Insulin treatment
Invalid chair
Lab tests
Lip reading lessons (designed to overcome a handicap)
Neurologist
Nursing services (for medical care)
Ophthalmologist
Optician
Optometrist
Oral surgery
Osteopath, licensed
Pediatrician
Physical examinations
Physician
Physiotherapist
Podiatrist
Psychiatrist
Psychoanalyst
Psychologist
Psychotherapy
Radium Therapy
Sacroiliac belt
Seeing-eye dog and maintenance
Splints
Supplementary Medical Insurance (Part B) under Medicare
Surgeon
Transportation expenses for medical purposes (6c per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health)
Wheelchairs
Whirlpool baths for medical purposes
X-rays

TAXES

Real estate
State and local gasoline
General sales
State and local income
Personal property

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of 5 classes of items: automobiles, airplanes, boats, mobile homes and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Socal Security or Railroad Retirement Annuities).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20 percent of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, state or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g. clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 6c per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Home mortgage
Auto loan
Installment purchases (television, washer, dryer, etc.)

Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6 percent of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.

Points—deductible as interest by buyer where financing agreement provides that that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g. VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

CASUALTY OR THEFT LOSSES

Casualty (e.g. tornado, flood, storm, fire, or auto accident provided not caused by a willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the proprety as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CHILD AND DISABLED DEPENDENT CARE EXPENSES

The deduction for child dependent care expenses for employment related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for 2 children, and $400 per month for 3 or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Campaign contributions (up to $100 for joint returns and $50 for single persons).

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees for securing employment.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions: Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) state committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

Presidential Election Campaign Fund: Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 presidential election campaign. If you failed to earmark $1 of your 1972 taxes ($2 on joint returns) to help defray the cost of the 1976 presidential election campaign, you may do so in the space provided above the signature line on your 1973 tax return.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

Filing status—Required to file a tax return if gross income is at least

Single (under age 65)	$2,050
Single (age 65 or older)	2,800
Married couple (both spouses under 65) filing jointly	2,800
Married couple (1 spouse 65 or older) filing jointly	$3,550
Married couple (both spouses 65 or older) filing jointly	4,300
Married filing separately	750

Additional Personal Exemption for Age: In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1974, you will be entitled to the additional $750 personal exemption because of age for your 1973 Federal income tax return.

Multiple Support Agreement: In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) Gross Income, (3) Member of Household or Relationship, (4) Citizenship, and (5) Separate Return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support.

However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10 percent of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers: A taxpayer may elect to exclude from gross income part, or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least five years within the eight-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within one year before or one year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may be helpful.

Retirement Income Credit: To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1973, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interest, and dividends included on line 15, Form 1040, and gross rents from Schedule E, part II, column (b)—qualify for the retirement income credit.

The credit is 15 percent of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for Columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

SAVE ENERGY IN FLORIDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, the current energy crisis has cut deeply into one of our foremost industries in Florida—the tourist trade. Many thousands of hotels, motels, attractions and service stations are being especially hard hit. The following editorial from the Florida Times-Union in Jacksonville, Fla., describes the situation in more detail:

SAVE ENERGY: COME TO FLORIDA?

It's perhaps primarily a matter of conscience. It's also, assuredly, a matter of dollars and cents, jobs, bread and butter. Any way you look at it, it's a severe problem for the Sunshine State.

The "it" in this case, is simply, tourism.

On the one hand, we face an energy shortage. We are asked, as a patriotic duty, to conserve gasoline. We are asked to avoid unnecessary driving. Gasless Sundays are thrust upon us. We are told to quiz ourselves—"Is this trip necessary?"—every time we get into the car.

On the other hand, Florida's tourist industry—a $5 billion annual affair which provides countless jobs and enriches the state's tax coffers—is suffering, in some areas harshly.

The decline has hit Miami Beach (where 83 cents of every dollar of income comes from tourists). It has hit areas off the main routes (interstate and turnpike) even more: Northeast Florida is indeed the most severely hit, with hotels and motels and attractions in the St. Augustine and Daytona Beach areas reporting "business off" as much as "60 per cent."

The number one tourist attraction of them all, Disney World, has laid off seven per cent of its regular work force. Highway 301 through Ocala is lined with motels offering cutrate rooms for $6 to $8 (in contrast to usual winter season rates) and many rooms are still empty.

Tourist travel is so light in some central Florida areas (again off the beaten path) that service stations are actually having to stay open on Sunday in order to sell all their gasoline allotments. The first full week this month less than 10,000 cars stopped at the tourist welcome stations, nearly a third less than the count for the same week a year ago.

In part a "scare psychology" seems responsible. Gasoline shortages (and illegally jacked-up prices) in the New York metropolitan area, for example, give people there the impression it's that way all over. It isn't.

Even near Disney World, certainly a focal point for tourism, "plentiful" supplies of gasoline are reported.

In larger part, however, the reluctance to travel runs deeper. Many a citizen asks himself: In a gas shortage, should I use gas for what is essentially a pleasure trip? Vacationing, in fact, has virtually turned into a seemingly unpatriotic act.

To combat this blow to its tourist industry, to the many thousands whose jobs depend on tourists, and the loss to its own tax revenue, the state has launched a $300,000 advertising campaign. This may, as it is designed to do, assure motorists that they will have "no trouble" getting gas for their trip down.

We can't help wondering, however, if something more couldn't perhaps be said: something to cut closer to the core of the dilemma.

We'd like to see some authoritative studies, for example, on what happens when Ma and Pa (retired) come to Florida for the cold part of the winter. Assuming they travel with two friends, a thousand-mile trip (one way) in a car giving 20 miles per gallon would consume only 25 gallons of gas per person—round trip.

How much fuel oil will be saved, in the cold northern winters, over a two or three month stay? Or even a month? It seems possible that the net result might turn out in many cases to be a net savings, not loss, of energy.

If we could honestly proclaim "Save energy—come to Florida"—then we'd have an unbeatable campaign.

Mr. Speaker, especially impressive is their statement that spending time in Florida could possibly even save fuel. At any rate, the fact that many businesses are off as much as 60 percent is important to the Nation's economy and I hope all Members of the Congress will recognize this situation as we again consider the energy bill.

Mr. Speaker, one of the prime industries in my State of Florida needs the same consideration as all the other industries. We ask only for fair treatment.

THE PRESIDENT'S PROPOSED BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 15 minutes.

Mr. ADDABBO. Mr. Speaker, the Appropriations Committee has just concluded 2 days of hearings in which we heard Director Roy Ash of the Office of Management and Budget defend the President's proposed budget.

My own view is that the proposed budget contains many items of dubious value to the American taxpayer, particularly in these days of gasoline shortages, job losses, and unbelievable price increases.

I fail to understand how, with all these things happening to our people, the White House can defend its proposal to dramatically increase defense spending, how it can defend continuing food subsidy programs to Arab nations already glutted with American dollars, and how the administration can defend cutting back on basic social programs.

I asked Mr. Ash on Tuesday whether he had ever been made aware of that old American homily that "charity begins at home." I did not, as expected, receive a satisfactory answer.

But nothing I could have said to Mr. Ash could have expressed the problems of my constituents quite as simply and straightforward as a letter I received yesterday from a 13-year-old schoolgirl in my district.

The letter was from Sylvia Walker of Ozone Park and I will insert it into the RECORD because I believe that 13-year-old Sylvia understands and states the problem far better than Mr. Ash and his bureaucratic experts and their computer will ever put it.

The letter reads as follows:

> DEAR SIR: My name is Sylvia Walker and I am 13 years old. I am in Junior High School 210. I would like to tell you about the food prices in the stores. The prices are so high that it is impossible to believe that the prices are high. One day I went to the store to buy some food and I went to go for some meat. And when I look at the meat the price of the meat was so high. Why you put the meat so high?
>
> That is why some of the stores are getting enough of money from customers because of the prices on food. Some people who is kinded of poor don't have money to buy food because of the prices. Like when I went to get milk it was 62 cents or 63 cents and it went up 13 cents or 12 cents and now it is 75 cents now.
>
> Some people cannot afford money for milk because of the prices on milk. They may have a lot of children that drink milk and they don't have money to buy milk everyday for children who drink milk. Please try not to higher the food prices. Some people buy food at the stores and it looks like if the people didn't buy anything but empty bags.
>
> Yours truly,
>
> SYLVIA WALKER.

Well, Mr. Speaker, as is said, "out of the mouths of babes." My friend Sylvia nails down the problem quite nicely:

> Try not to higher the food prices . . . it looks like if the people didn't buy anything but empty bags.

That is the real world out there for Sylvia's family and millions of other American families as well, and if the Nixon administration doesn't wake up soon to reality, impeachment is going to be the least of its problems.

I am all for helping starving people around the world, but when it is a matter of priorities, when we do not have enough food available at reasonable prices here in this Nation, I do not believe we should send food elsewhere. I do not believe in times like this we need to spend vast billions for exotic weapons. I do not believe the American taxpayer should pay a penny to spread U.S. influence around the globe when the Government fails to do an adequate job for its own people.

The Office of Management and Budget just this week published a 4-year study that seeks to demonstrate to us just how well off we all are, thanks, I assume, to the Presidency of Richard Nixon.

Well, I do not need graphs and charts and 4-year studies to prove how wrong they are in the white tower isolation of the Office of Management and Budget and the Oval Office. I have Sylvia and thousands of others from my district, including my own wife, to tell me just how expensive life in this country is today. And the story they tell me is not what I have heard from Mr. Ash.

Somebody, somewhere, Mr. Speaker, is telling stories. And I am convinced it is not Sylvia who is wrong.

CIVIL SERVICE COMMISSION ANNUAL REPORT FOR FISCAL YEAR 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–218)

The SPEAKER pro tempore (Mr. DANIELSON). The Clerk will read the message from the President of the United States.

The following message from the President of the United States was read and, together with the accompanying papers, without objection, referred by the Speaker pro tempore to the Committee on Post Office and Civil Service and ordered to be printed with illustrations:

To the Congress of the United States:

I am transmitting herewith a copy of the United States Civil Service Commission's Annual Report for fiscal year 1973.

RICHARD NIXON.

THE WHITE HOUSE, *February 20, 1974.*

AWARDS FOR CONTRIBUTIONS BY MILITARY PERSONNEL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. DANIELSON). The Clerk will read the message from the President of the United States.

The following message from the President of the United States was read and, together with the accompanying papers, without objection referred by the Speaker pro tempore (Mr. DANIELSON) to the Committee on Armed Services:

To the Congress of the United States:

In 1965, the Congress authorized participation by military personnel in a program of cash awards for suggestions, inventions and scientific achievements. Nearly 1.5 million suggestions have been submitted since that time, and the program has successfully motivated military personnel to seek ways of reducing costs and improving efficiency. Of those suggestions submitted, 235,378 have been adopted, resulting in tangible first-year benefits in excess of $728 million.

During fiscal year 1973, 131,944 suggestions were submitted and 20,854 were adopted. The adopted suggestions represent tangible first-year benefits of $66,-

525,250.87, as well as many additional benefits and improvements of an intangible nature. Cash awards in fiscal year 1973 totalled $1,467,531.98, of which 82 percent went to enlisted men.

In accordance with the provisions of 10 U.S.C. 1124, I am forwarding reports of the Secretary of Defense and the Secretary of Transportation containing statistical information on this program and brief descriptions of some of the more noteworthy contributions made by military personnel during fiscal year 1973.

RICHARD NIXON.

THE WHITE HOUSE, *February 20, 1974.*

REPORT OF 1972 UPLAND COTTON PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. DANIELSON). The Clerk will read the message from the President of the United States.

The following message from the President of the United States was read and, together with the accompanying papers, without objection referred by the Speaker pro tempore (Mr. DANIELSON) to the Committee on Agriculture:

To the Congress of the United States:

In accordance with the provisions of section 609 of the Agricultural Act of 1970, I transmit herewith the report of the 1972 upland cotton program.

RICHARD NIXON.

THE WHITE HOUSE, *February 20, 1974.*

REPORT ON PROGRESS MADE IN IMPLEMENTING PROVISIONS OF SECTION 812 OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The Clerk will read the message from the President of the United States.

The following message from the President of the United States was read and, together with the accompanying papers, without objection referred by the Speaker pro tempore (Mr. DANIELSON) to the Committee on Armed Services:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit the following report to the Congress on the progress made in implementing the provisions of Section 812 of the Act cited above.

Several months prior to the enactment of Section 812, this Administration took the initiative to seek Allied cooperation in developing a solution to the financial problems arising from the stationing of U.S. forces in NATO Europe. We initiated discussions with the Federal Republic of Germany in May 1973 with a view toward negotiating another bilateral offset agreement covering fiscal years 1974 and 1975. Then at the June 1973 meeting of NATO Defense Ministers, Defense Secretary Schlesinger proposed to the Allies that they develop a program to relieve the U.S. of balance of payments burden we bear as a result of stationing forces in NATO Europe. He also asked that the U.S. be relieved of the additional budgetary costs involved in stationing forces in NATO Europe rather than in the U.S. A NATO study group was established to examine the problem. This group submitted a report on October 20 to the North Atlantic Council, giving an analysis of the financial problems arising from the stationing of U.S. forces in the territory of other NATO countries and developed options for Allied action to deal with these problems.

On November 29, 1973, following the enactment of the Department of Defense Appropriation Authorization Act, 1974, Ambassador Rumsfeld, the U.S. Permanent Representative to the North Atlantic Council, tabled an illustrative program of military procurement and budgetary support which would satisfy the requirements of Section 812 of the Act and thereby avoid unilateral U.S. force reductions in NATO Europe. Subsequently, during the December 1973 meeting of NATO defense ministers, our Allies declared their intention "to participate in multilateral or bilateral arrangements towards providing a common solution to the United States problem", agreed "to examine how the share of the United States in the civil and military budgets of NATO and in the infrastructure program might be substantially reduced", and noted that "consideration was being given to widening the eligibility of projects for funding under the common infrastructure program." We are continuing to point out in the North Atlantic Council and elsewhere the importance we attach to meeting the requirements of Section 812 if we are to avoid unilateral U.S. force reductions. We continue to stress, therefore, the urgent need for Allied action to fulfill the intentions declared at the December 1973 meeting of NATO Defense Ministers, regardless of the evolving balance of payments position of the U.S. and its Allies.

Pursuant to Section 812(a) of the Act cited above, a working group composed of representatives of the Secretary of Commerce, the Comptroller General of the United States, and the Secretary of Defense, has developed concepts for use in calculating the pertinent deficit once the receipt and expenditure information becomes available for all of fiscal year 1974. An inter-agency committee within the Executive Branch has prepared recommendations concerning what acceptable actions our Allies could take to offset the expected deficit. Applying the concepts developed by the working group chaired by the Department of Commerce, the Department of Defense estimates that U.S. expenditures entering the balance of payments as a result of the deployment of forces in NATO Europe in fulfillment of treaty commitments and obligations of the United States in fiscal year 1974 will be approximately $2.1 billion. In response to a U.S. request, a study is now underway in NATO to collect more complete data than in the past on Allied military procurement from the U.S. in fiscal year 1974. A high level of military procurement will be essential if the requirements of Section 812 are to be met.

Bilateral offset negotiations with the FRG constitute the major element in our effort to obtain Allied payments to offset these expenditures. The current discussions are based on a German offer which represents an increase over the amount of military procurement and budgetary support included in the FY 1972–73 agreement. However, major cost increases of deploying our forces in Germany, international economic and financial developments, and the multilateral burdensharing discussions have combined to make negotiations unusually complex and time consuming. Once a satisfactory bilateral offset agreement has been concluded, we will look to our other Allies for the remaining amount needed to offset our estimated expenditures of approximately $2.1 billion. Although the energy crisis and the changing overall balance of payments positions of the U.S. and the European NATO countries have made it more difficult for the other Allies to respond promptly to our request for burdensharing assistance, we are continuing to stress to them the urgent need to develop a specific program to ensure that our military expenditures are fully offset.

Action to reduce the U.S. balance of payments costs and budgetary burdens associated with the stationing of U.S. forces in NATO Europe, while important, are not the only measure of equity in sharing the common defense burden. Our European Allies are continuing to improve their forces for NATO. These improvements, reflected in increasing European defense budgets, are an important aspect in sharing the defense burden. We are encouraging our Allies to continue these improvements and, when possible, to direct their increased spending into areas which serve also to reduce the U.S. share of the common burden.

RICHARD NIXON.

THE WHITE HOUSE, *February 20, 1974.*

BALANCED HEALTH CARE SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–217)

The SPEAKER pro tempore. The Clerk will read the message from the President of the United States.

The following message from the President of the United States was read and, together with the accompanying papers, without objection referred by the Speaker pro tempore (Mr. DANIELSON) to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

Good health is basic to the well-being of any society, as basic as education, jobs and individual liberties. Improving the level of health in America and assuring that all Americans have financial access to quality health care remains a top priority of this Administration.

By world standards, the health of Americans is good, and our health care system is capable of delivering the finest and most modern care the world has ever known.

But there are still inequities and deficiencies. Improvements can and must be made.

The objectives we seek for health care in this country can be simply stated:

—We want all Americans to have the necessary financial resources to purchase the health care they need at reasonable prices.

—We want an adequate supply of health professionals — doctors, nurses, and others—to serve our communities.

—We want a full range of health services to be used efficiently by those who need them; over-use is poor health care and bad economics.

—And we want a strong research program to find ways to prevent and cure diseases.

These are common objectives all reasonable people can agree on. But we must also reach a consensus on how best to achieve them.

Neither the private sector nor the Federal Government acting alone can assure financial access to care for all, improve the quality of services, and guarantee that biomedical research is both supported and utilized. We must rely instead upon a partnership among private physicians and institutions, State and local authorities, and the Federal Government—a partnership that builds upon the strengths of the present system and gives it new vitality.

We have already made great progress. By strengthening and expanding our partnership, we can achieve even more. I have already proposed an integrated strategy that includes a Comprehensive Health Insurance Plan as well as rapid development of Professional Standard Review Organizations, continuation of price controls in the health sector, and increased biomedical research funding. I am recommending other health proposals on planning and health manpower. Taken together, these measures represent a realistic and effective health strategy for the 1970's—a strategy to improve the quality of health care for all of our citizens. In this message, I want to review the components of that strategy and outline the additional proposals that the Administration will soon be sending to the Congress.

COMPREHENSIVE HEALTH INSURANCE

Today the health insurance possessed by many Americans is often inadequate or encourages misuse of the health care system. Usually it pays for a stay in the hospital, but not for visits to the doctor's office. It will pay for only a limited number of days in the hospital. Often it fails to cover prescription and life-saving drugs, or preventive services for the young, or mental health care. Finally, while it often encourages unnecessary use of expensive services in the short run, it fails to protect our citizens against the massive financial loss from catastrophic illness in the long run.

The Comprehensive Health Insurance Plan that I recommended to the Congress two weeks ago would correct these and other deficiencies. Our plan would provide a very comprehensive package of health services. It includes preventive health services for children and pregnant mothers, dental care for children, and mental health care for all. It would provide for free choice of care, whether from traditional fee-for-service physicians or from pre-paid health maintenance organizations, and it would provide incentives to control costs. It would also eliminate duplicate billing and accounting procedures for both patients and providers. Most importantly, it would remove the threat of family bankruptcy due to the costs of catastrophic illness.

Placing health benefits within the financial reach of all Americans is the central element of our health strategy for the 1970's. But such benefits alone are not enough.

PROFESSIONAL STANDARDS REVIEW

Under my Comprehensive Health Insurance proposal, the Professional Standards Review Organizations now being established by law would be expanded to improve the quality of health care for all.

As presently contemplated, there will be a nationwide system of locally run physician organizations which will review the quality and effectiveness of medical care delivered to Medicare, Medicaid, and Maternal and Child Health beneficiaries. These new organizations, called PSRO's, provide great potential for bringing about improvements in health care practices by the best possible utilization of health care facilities and services.

This program is a unique Federal effort. It recognizes that physicians at the local and State level are best suited to judge quality and appropriateness of care. Individual PSRO's will be established and operated by local physicians, although the Federal Government will pay the operating costs. A number of PSRO's are expected to be designated and set into operation by the end of this fiscal year.

CONTROLLING HEALTH COSTS

Assurance of quality is not enough. We must also avoid the cost inflation which followed the introduction of Medicare and Medicaid. Our health insurance proposal would call for States to oversee the operation of insurance carriers and establish sound procedures for cost control. Until these or other controls are in place, I recommend that our present authorities to control health care costs be continued. I am asking the Congress for such authority.

Between 1969 and 1971, when consumer prices rose at an annual rate of 5.3 percent, medical care services measured by the Consumer Price Index rose 7.7 percent a year, with hospital costs rising by over 13 percent each year. In these years leading up to the beginning of the Economic Stabilization Program, the health industry was the most inflationary sector in the American economy. As such, it was a special economic problem requiring special regulations.

Two and one-half years of controls brought the annual rate of increase in medical prices down from 7.3 percent to 3.7 percent in 1972 and 4.4 percent in 1973. The 1973 rate was below the general rate of inflation. But inflationary pressures are still strong in the medical field, so that we must maintain Federal controls until other measures are adopted under Comprehensive Health Insurance.

IMPROVING HEALTH SERVICE DISTRIBUTION

Improved professional standards and sensible cost controls should be complemented by improvements in health services.

Presently, much of our health care is delivered in a hit-or-miss fashion. Too few American communities know how to balance their health services properly. There are too many hospital beds in many communities and not enough outpatient services; few communities are capable of delivering high-quality emergency medical care; and we do not have enough physicians and other health professionals delivering primary health care. These problems could grow more serious. Removal of financial barriers can be expected to create new demands on our health care delivery system.

We must develop a better capacity to forecast and anticipate health needs rather than having to react hurriedly after the fact. The delivery of health care must be planned and guided in the States and communities by those persons who best understand the health problems of the people and localities concerned.

There are many concrete steps to be taken. For example, we must maintain our efforts to demonstrate for local communities the benefits of comprehensive emergency medical care systems. We must also maintain our newly enlarged capacity to produce well trained health professionals, we should continue to provide incentives to train primary care physicians and we should demonstrate ways of bringing services of physicians into rural and inner city areas where doctor shortages exist. Further, we must improve our methods of quickly converting research findings into physicians' practice. The Nation should perfect a system where scarce lifesaving technology is available to serve all those who need its benefits.

To accomplish these goals, we must encourage State, local and private authorities to modify some of the existing organizations and laws relating to health regulation, licensing, planning, production and manpower allocation.

Existing planning agencies have faced these issues to the best of their abilities. Some have performed well, helping States and communities plan for new and improved health resources in a rational, orderly and economical way. Others, however, have failed to bring about material improvements in the health care system and are not well suited to the demands of the future.

HEALTH PLANNING

We will shortly be submitting legislation to the Congress that would authorize the Department of Health, Education, and Welfare to support local health planning boards composed of representatives of the public, health care providers, insurers, health educators and elected officials. These boards would prepare comprehensive health plans for health care delivery systems designed to meet the needs of the people in their areas. States would continue to have the primary role of approving new facilities and would receive assistance in monitoring rate increases in the health industry.

The boards would assume the present planning activities of the Comprehensive Health Planning Program, the Regional Medical Programs Service, and the Hill-Burton program, all of which now overlap at the local level. They would coordinate the planning and activities of health care providers, third-party financing organizations, health educational institutions, and government within each area in order to promote high quality care for the public good. They would also advise on Federal health grants in the areas served to ensure consistency of such activities with regional plans.

DISTRIBUTION OF HEALTH MANPOWER

Our most important health care resource is health manpower. It is this resource upon which all else depends. Assuring that there are enough health professionals of the right kind available in the right place to provide the needed care is one of our most challenging health delivery problems.

The number of U.S. medical and osteopathic schools has grown from 92 in 1963 to 121 in 1974. Total enrollment increased 60 percent from 33,072 to 53,100 and graduates increased over 40 percent, from 7,631 to 10,900. These increases in health manpower encourage us to believe that the Nation's total supply of health professionals is becoming sufficient to meet our needs during the next decade. In fact, over-supply in the aggregate could possibly become a problem.

Without major alterations in either present enrollments in domestic schools or immigration patterns of foreign-trained doctors, we estimate that the number of physicians by 1985 will approximate 500,000. This is an increase of at least 50 percent over 1970, and would be more than three times the expected growth rate of the U.S. population during the same period. Accordingly, the number of physicians per 100,000 population should increase from 159 in 1970 to as high as 217 in 1985.

Ironically, the increase in overall physician supply has not solved the problem of maldistribution. Some rural and inner city areas still lack a sufficient supply of general practitioners, and many areas lack certain medical specialists. We must now shift our attention away from a concern with aggregate numbers toward an emphasis on solving specific health manpower problems.

HEALTH MANPOWER INCENTIVES

We will soon submit legislation to the Congress designed to maintain present enrollments but also to gradually shift the method of support for medical education from general institutional operating subsidies to direct assistance to medical students through individual loans and scholarships. Funds provided directly to institutions will be targeted on special projects such as the production of more primary care physicians.

We shall also continue our ongoing efforts to expand the training and the effective use of physician assistants. Some 3,300 of these new health professionals are now being trained as a result of Federal initiatives. They are demonstrating that they can enable physicians to practice more efficiently and thereby extend their skills to more patients. Their services would be reimbursable under our Comprehensive Health Insurance Plan.

Other measures that I have proposed would assure that qualified students would be able to receive training in health education institutions regardless of financial barriers. Under my proposed scholarship legislation, scholarships would be offered to any student who agrees to serve in programs or shortage areas of national need after graduation. I am also proposing to increase the upper limits on guaranteed loans. The loan guarantee program would provide larger annual loans to students with repayment deferred until after graduation. These would be particularly helpful to those seeking education in the health professions, but would be available in all fields. Loans for education costs are a particularly appropriate financing mechanism for health professionals who can look forward to exceptionally favorable lifetime earnings.

ENCOURAGING HEALTH MAINTENANCE ORGANIZATIONS

One of our major initiatives to improve the access to care is the encouragement of Health Maintenance Organizations. In certain instances, HMO's have proved their ability to deliver quality health care to people when and where they need it at prepaid premium rates. It may be possible to use this mechanism to extend health care services into underserved areas where individual health practitioners are unavailable.

Since 1970 we have been seeking direct authority to demonstrate the HMO concept more broadly. This past December 29, I signed legislation into law which will stimulate the development of HMO's in many different settings.

I am requesting a total of $125 million for 1974 and 1975 to begin this important new program. We expect to fund 170 HMO's during the life of this legislation. Our Comprehensive Health Insurance Plan would require employers to also offer HMO care where available, a provision that we believe will further promote HMO development.

We will use Federal funds to support feasibility and planning studies, to pay initial development costs, and to subsidize initial operating deficits of HMO's for the first three years. In addition, loan guarantees will be offered to profit-making HMO's in medically underserved areas for planning, initial development and initial operating deficits.

The HMO law I signed represents an important response to the challenge of finding better ways to improve health care for the American people. It will build on the partnership that already exists between the Federal and the private sector by allowing both the provider and the consumer of health services to exercise the widest possible freedom of choice.

HEALTH EDUCATION FOR ALL

Access to health care is also affected by the degree to which our citizens exercise their individual responsibility to maintain health, prevent serious illness, and properly use the health services which are available to them. By accepting this responsibility and acting wisely, they can prolong their lives and prevent much needless disease and disability. They can also make full and efficient use of the health services available to them.

Yet despite major efforts and investment of resources by governmental and private agencies, it is evident that the necessary knowledge is not reaching enough of our people and that many people who have access to that knowledge do not act upon it.

During the past year I received the report of a distinguished group of professional and civic leaders whom I had asked to recommend an action program to improve health education in the United States

On the basis of the recommendations of this group we will establish an office of health education within the Department of Health, Education, and Welfare. This new organization will bring together and coordinate the existing fragmented health education efforts now underway in many health programs and agencies. It will also evaluate the approaches we now use in attempting to encourage people to lead healthier lives and will develop more effective educational techniques.

At the same time we will work with the private sector to develop a National Center for Health Education. While the Federal Government will assist in launching the center, we intend that it eventually be supported by private funds.

Potentially, these actions could sharply improve the effectiveness of health education through many channels, including our schools, mass media, neighborhood and community organizations and the health care system itself.

ASSURING QUALITY AND SAFETY

We are moving to improve the quality of our health care and consumer services on a number of fronts. Professional Standards Review Organizations will allow physicians to monitor and improve the quality of their own services. Health Maintenance Organizations hold promise for delivering quality care efficiently to great numbers of people, even those in rural areas. Demonstrating improved emergency medical systems can significantly improve the quality of care rendered in situations where minutes mean life or death.

But there are some elements of personal health care and management which are beyond the control of the individual and often beyond the influence of the health care system. One such area is protection against unsafe food, drugs, cosmetics and medical devices.

This year I have asked the Congress

to appropriate $200 million for the Food and Drug Administration, an increase of $35 million. These added funds would allow the FDA to intensify its inspection activities and increase its research.

Furthermore, I again urge the Congress to take swift action on the legislation I proposed last year to regulate the sale of medical devices. This new authority is essential if we are to assure that new technology for the diagnosis and treatment of disease is both safe and effective.

Legislation recently submitted to the Congress would upgrade the quality of foods and drugs available to the American public. These amendments would:

—Broaden inspection authority.

—Broaden FDA's authority to inspect quality control records in food, drug, device and cosmetic factories.

—Authorize FDA to require needed record-keeping and reporting for foods, certain drugs, medical devices, and cosmetics.

—Require the labels of nonprescription drugs to show the quantity of all active ingredients.

—Authorize FDA to detain products suspected of being unsafe or contaminated.

FDA has also initiated a broad program for licensing, registering and inspecting blood banks. This extensive program should significantly reduce the chances of blood recipients contracting hepatitis.

IMPROVED CARE FOR THE AGED

In 1971 I launched a major new initiative to improve the quality of care in our nursing homes. Since then we have worked with State governments to improve their nursing home inspection efforts, and we have barred substandard facilities from participating in our Medicare and Medicaid programs. Yet many long-term care facilities in this country still do not meet accepted fire and safety standards. This situation must be corrected, and we are taking steps to improve it.

Last month the Department of Health, Education, and Welfare issued new standards to improve the quality of medical services in nursing homes caring for Medicare and Medicaid patients. Very soon, the Department will issue additional regulations to improve the medical services in these homes. As a Nation we can no longer tolerate the warehousing of our older citizens in unsanitary and unsafe facilities. They have given us much. In return they deserve quality care in their declining years that is second to none. Our efforts to expand our biomedical knowledge about diseases will, of course, improve the care that can be rendered in nursing homes.

MEDICAL RESEARCH

In addition to attacking problems of the delivery system as a means of improving our health care, we must also continue to support our basic scientific research. It is this work that will tomorrow yield the remedies to diseases that affect our people.

We will continue to give high priority to research in cancer and heart disease because these two diseases together account for more than half of all deaths each year. At the same time, however, we will not neglect research on aging, arthritis, neurological diseases, dental diseases, and other major health problems.

SEEKING A CURE FOR CANCER

Cancer, in its more than 100 forms, still constitutes one of the most devastating health problems confronting mankind. This year, the National Cancer Institute estimates that 655,000 Americans will develop cancer, and 335,000 will lose their lives from it. Three years ago in my State of the Union message I announced that the conquest of cancer was to be a new national goal. In December of 1971 I signed the National Cancer Act. Since that time, the National Cancer Institute and other institutes in the National Institutes of Health have accelerated the drive against cancer.

The intensified effort has two goals: First, the main effort is to stimulate the development of new knowledge by an intensive and coordinated research effort throughout all medical, biological, chemical and physical sciences. Secondly, we are seeking the most effective methods of disseminating across the Nation vital information on the prevention and treatment of cancer.

In 1971, appropriations for the National Cancer Institute were approximately $233 million. For fiscal year 1975, I have asked the Congress to appropriate $600 million.

We have made substantial progress in bringing the results of research as rapidly as possible to a maximum number of people. The latest advances in cancer therapy are being made widely available throughout the country for patients with leukemia, Hodgkin's disease and other lymphomas. We will assure that the newest and best cancer therapies will be available to the medical community. Major studies are underway at several institutions to detect lung cancer—the major cancer killer—at its earliest stages. In addition, the National Cancer Institute has pooled its resources with the American Cancer Society to open 20 demonstration centers for the early detection of breast cancer, the leading cause of death for American women in their reproducitve years.

These are only a few of the important advances in our cancer program dedicated to informing and helping the people of America today, while continuing the search for causes, cures and means of preventing all cancers.

HEART DISEASE RESEARCH

The greatest single risk to health and life in the United States is heart disease. Collectively, heart, blood vessel, lung and blood disease affect more than 30 million Americans. High blood pressure is one of the most commonly encountered forms of heart and blood vessel disease, affecting an estimated 23 million adult Americans, or between 10 and 15 percent of the population of the United States.

In my State of the Union message in 1972, I promised to give these diseases increased attention. Later that year I signed into law the National Heart, Blood Vessel, Lung and Blood Act of 1972. To implement that act, I have requested apppropriations of $309 million for fiscal year 1975, an increase of $23 million over this year. Special emphasis will be placed on research to prevent heart attacks and high blood pressure. The programs in sickle cell disease will also be continued.

INTERNATIONAL HEALTH PROGRESS

We have long recognized that health problems are universal and that their solution requires international collaboration. We have been heavily involved with activities of the World Health Organization, and we have worked directly with many different countries. Among the most significant of these bilateral activities is our recent agreement with the Soviet Union.

The United States and the Soviet Union have enjoyed 16 years of fruitful relationships in the field of health. From 1958 until 1972, under a general exchange treaty between our State Department and the USSR Foreign Ministry, we have exchanged many of our best medical scientists.

Recently, HEW Secretary Caspar Weinberger visited the Soviet Union as a guest of Soviet Health Minister Petrovsky. During his visit, he inaugurated a new Telex link between the Ministry of Health in Moscow and the Department of Health, Education, and Welfare here in Washington. This new "health line" provides the kind of direct communications necessary for successful fulfillment of the program's goals and has been in daily use since its inauguration.

ELIMINATION OF SMALLPOX

Finally, I am pleased to report that one of the most successful efforts ever undertaken to improve world health will soon realize its goal—the global eradication of smallpox. This is an activity originally endorsed and consistently supported by the United States.

The Eighteenth World Health Assembly in 1965, at the initiative of the U.S. Delegation, adopted a resolution declaring worldwide eradication of smallpox a major World Health Organization objective. When the program began in 1966, 45 countries reported smallpox. At the end of 1973, this number had been reduced to 11. In 1966, smallpox was endemic in 25 countries. Today it is endemic in only four. In the Americas, where smallpox was a devastating disease for centuries, not a case has been reported since April 1971.

As a result of this global effort, the probability of contracting smallpox in the United States today is virtually nonexistent. There has not been a documented case of this disease in the United States since 1949.

Because of these dramatic results, our Public Health Service has decided that routine immunization of children should no longer be required.

CONCLUSION

The policies outlined in this message can make 1974 a pivotal year in the history of health care in the United States. By preserving all that is best in our traditional medical system, and by devising the fairest, most efficient means to deal with health challenges that lie ahead, we can strike a uniquely American balance that will preserve the independence and integrity of patient and health professional alike.

"Health," wrote Thomas Jefferson, nearly two centuries ago, "is the first requisite after morality." Today, as we approach our Bicentennial as a nation, we can lay the foundations for a balanced health care system that will convert the age-old ideal of high quality health care for all into a new American reality. I urge the Congress to act rapidly on the measures I am proposing to achieve the objective we all share.

Richard Nixon.

The White House, *February 20, 1974.*

WITHHOLDING TAX AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. Hogan) is recognized for 5 minutes.

Mr. HOGAN. Mr. Speaker, today I am introducing legislation which would authorize the Speaker of the House to enter into agreements with the States of Maryland and Virginia to withhold State income taxes from the pay of congressional employees.

Every year I receive letters and phone calls from congressional employees who express their difficulties and hardships in meeting their State tax demands. With our escalating cost of living, it is becoming increasingly difficult to balance the household budget. Enactment of this legislation would enable individuals to plan their expenses in a more orderly way. Additionally, it is the best way to assure that the States receive the money due them from this tax.

Under this bill, the following employees would have the opportunity to have their State income tax withheld voluntarily:

First. An employee of either House of Congress, of a committee of either House, or of a joint committee of the two Houses;

Second. An elected officer of either House who is not a Member of Congress;

Third. The Legislative Counsel of either House and an employee of his office;

Fourth. A member of the Capitol Police;

Fifth. A Member of Congress;

Sixth. An employee of a Member of Congress if the pay of the employee is paid by the Secretary of the Senate or the Clerk of the House of Representatives;

Seventh. The Architect of the Capitol and an employee of the Architect of the Capitol;

Eighth. An employee of the Botanic Gardens, and

Ninth. An employee of the Capitol Guide Service.

Mr. Speaker, the necessity of this legislation is clear and its implementation would be relatively simple. All that needs to be done is for Congress to take the time to consider this proposal.

Mr. Speaker, I include the bill in the Record at this point:

H.R. 12933

A bill to authorize voluntary withholding of Maryland and Virginia income taxes in the case of Members of Congress and Congressional employees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter II of chapter 55 of title 5 of the United States Code is amended by inserting after section 5516 the following new section:

"§ 5516A. Voluntary withholding of Maryland and Virginia income taxes; Members of Congress and Congressional employees

"The Speaker of the House shall enter into an agreement with the State of Maryland and an agreement with the State of Virginia at the request for such an agreement from the proper official of each such State. Each such agreement shall provide that the appropriate disbursing officer shall withhold State income taxes for each Member of Congress and Congressional employee who is subject to such income tax and who voluntarily agrees to such withholding."

(b) The table of sections for such subchapter is amended by inserting after the item relating to section 5516 the following:

"5516A. Voluntary withholding of Maryland and Virginia income taxes; Members of Congress and Congressional employees."

INCREASES FOR VETERANS EDUCATIONAL ASSISTANCE IS SORELY NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. Randall) is recognized for 5 minutes.

Mr. RANDALL. Mr. Speaker, I take this time to commend our Veterans' Affairs Committee for bringing to the floor yesterday H.R. 12628, which will liberalize provisions of current educational benefits programs.

This bill increases the rates for vocational rehabilitation, educational assistance, and special training allowances to veterans and their dependents. Overall the increase amounts to 13.6 percent, and while it should be noted that the President recommended only 8 percent, the committee in its wisdom finds as of this past December the Consumer Price Index showed an increase of 10.2 percent since the last increase and expects that it will reach 13 percent by May of 1974.

There are many worthwhile provisions in this bill. It should be noted it increases from 8 to 10 years, the period during which a veteran is required to complete his training. Most properly, it reduces from 30 to 10 percent the disability requirements. There are so many other good provisions that it would take considerable time to mention them. For example, this bill increases from 100 to 200 hours per semester the time a veteran may work and the maximum he may earn from $250 to $500.

This bill would allow a veteran who is already qualified under a refresher training course to update himself on technological advances made while on active duty. Training must begin within 12 months of the veteran's discharge.

The bill also extends eligibility to wives, widows, and children to pursue farm cooperative training and will include those who are already covered under the war orphans educational program.

Those courses in an educational institution which do not lead to a major degree may still be measured on a semester or quarterly basis. Moreover, this bill would permit the Administrator of Veterans' Affairs to share a forwarding fee to a "Joint Apprenticeship Committee."

One of the more important provisions of the bill is to establish a Vietnam-era veterans communications center within the VA staffed by Vietnam veterans to periodically evaluate the effectiveness of the Veternas Outreach Services program and to make reports to the Administrator. Mr. Speaker, we hear so much rhetoric about our failure to do as much for the Vietnam veteran as we have done for the veterans of other wars. Such provision included in this bill is most refreshing and I for one am most happy to see the provision for such a communications center established.

Of course, I am in enthusiastic support of this increase in the veterans' educational allowances. About all I can add is that I am at a complete loss to understand why the President can recommend only 8 percent rather than the 13.6 percent increase in rates of veterans' allowances passed out by our House Committee on Veterans' Affairs. The reason that I suggest that I cannot understand the attitude of this administration is that the President has said again and again that the Vietnam veteran may very well become the forgotten veteran. If the administration means what it says, then there should be no opposition to this bill, and when it passes both bodies of Congress it should promptly be signed into law.

Mr. Speaker, on page H894 on the rollcall vote on H.R. 12628 I was pleased to note that there were 382 yeas and no nays. This legislation is important to the future well-being of thousands of our veterans because it will allow them the same educational and employment opportunities as others have enjoyed. When our brave Vietnam veterans returned, they discovered that during the years when they were in Southeast Asia the cost of a good education had become almost prohibitive. Educational benefits had not been increased. This measure today will eliminate some of the inequity.

Up until now we have had too much rhetoric, but no action. This legislation today represents a positive response by the Congress. By a vote with no opposition, this should say to our veterans that the House of Representatives does care and that we have not forgotten our veterans in their time of need.

A PLEA FOR LEONID PLYUSCH

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, we are living in an era when one of the most repressive countries in the world, the Soviet Union, has within it some of the bravest dissenters. The names of Solzhenitsyn and Sakharov to cite just two, will be recalled as giants of this era long after we have died. There is nothing more important than personal liberty and few have the courage to stand against the oppressive forces that exist everywhere including our own country.

The difference however between the United States and the U.S.S.R. is that our system of government, with all of its faults, contains protections which ultimately permit the public to stop the attacks upon their liberties. Unfortunately that is not true in the Soviet Union where the government is dictatorial and its oppression cannot be fought in the electoral process or the courts. It is remarkable that even without those protections, men, and women of courage will still stand and resist oppression with the knowledge that this may mean exile, imprisonment in a penal institution or mental institution, or death.

What is particularly striking today is that Dr. Andreia Sakharov, himself in great danger because of his dissent, has asked the world for help to save the life of Leonid Plyusch who is now incarcerated in Dnepropetrovsk Psychiatric Hospital in the southeastern Ukraine.

The appeal of Dr. Sakharov was sent to the International League for the Rights of Man for transmittal to Secretary General Waldheim.

Leonid Plyusch, a mathematician, had been a research officer at the Institute of Cybernetics of the Ukrainian Academy of Sciences in Kiev until he was dismissed in 1968 for dissident activities. One of fifteen who joined in 1969 to form the Initiative Group for the Defense of Human Rights, he was arrested in January 1972.

While the Soviet Union cannot be moved by internal legal safeguards for the protection of the individual, it has been established that it will move in response to world public opinion. Everyone who believes in personal liberty and wishes to honor Andreia Sakharov and to save Leonid Plyusch should write to Secretary Brezhnev in Moscow urging the release of Leonid Plyusch.

RECRUITING RESULTS FOR ALL-VOLUNTEER FORCES

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, today I am again inserting for the RECORD the results of the Department of Defense recruiting efforts—this time, for the month of January 1974. This report contains more information than in my previous monthly reports, so that each Member may judge for himself whether the All-Volunteer Force is working. It now contains not only the recruiting results by source, but it also contains data on the participation of high school graduates in the various mental groupings. In addition, I include Reserve strengths and how they are being met:

DEPARTMENT OF DEFENSE RECRUITING RESULTS

Recruiting results for January. The four Armed Services obtained 39,710 enlistments during January, including prior-service and non-prior-service personnel. This was 93% of their January program objective of 42,820. It was the largest monthly total since January 1973, exceeding even the results obtained last June, which is normally the best recruiting month of the year. Results by Service were as follows:

RECRUITING RESULTS—ALL SOURCES

	January			December percent objective
	Program objective	Actual	Percent objective	
Army	21,200	19,040	90	102
Navy	9,200	8,290	90	91
Marine Corps	4,950	4,860	98	92
Air Force	7,470	7,520	101	101
Total DOD	42,820	39,710	93	99

Year-to-Date Recruiting Results by Service. During the first seven months of the fiscal year the four Military Services had achieved 93% of their cumulative recruiting objectives. The following table shows year-to-date performance by Service:

RECRUITING RESULTS—ALL SOURCES, YEAR-TO-DATE, FISCAL YEAR 1974

[Thousands]

	Program objective, July–January	Actual	Percent of objective
Army	125	112	89
Navy	53	52	97
Marine Corps	34	30	88
Air Force	45	45	101
Total, DOD	257	238	93

Enlistments by Source. The number of non-prior-service men enlisted was 33,530 or 91% of the Services' January objective; the number of non-prior-service women was 3,290 or about 97% of the objective; and the number of prior-service personnel was 2,810 or about 119% of the objective. The following table shows the distribution of January enlistments by source:

RECRUITING RESULTS BY SOURCE

	January			December percent objective
	Program objective	Actual	Percent objective	
Nonprior service:				
Men	37,060	33,580	919	96
Women	3,390	3,290	97	129
Prior service	2,370	2,840	120	119
Total, DOD	42,820	39,710	93	99

Total Military Strength by Service. The total DOD military strength was 2% below the strength level planned at the end of December, as shown in the following table:

STATUS OF MILITARY STRENGTH, BY SERVICE

	End of December (thousands)				June 1974 (thousands)
	Objective	Actual	Shortfall	Percent	Current objective [1]
Army	802	782	20	2	782
Navy	566	556	9	2	551
Marine Corps	194	189	4	2	196
Air Force	674	674	0	0	645
Total, DOD	2,235	2,202	33	2	2,174

[1] Reflects reductions recently imposed by Congress for the end of this fiscal year, plus other miscellaneous program reductions.

Non-Prior-Service Enlistments, Men and Women, by Service. During January the Services achieved the following results against their non-prior-service objectives for men and women:

NON-PRIOR-SERVICE RECRUITING RESULTS

	January			December percent objective [1]
	Program objective	Actual	Percent objective	
MEN				
Army	18,000	15,670	87	97
Navy	8,000	6,910	86	89
Marine Corps	4,600	4,490	98	94
Air Force	6,460	6,620	101	101
Total, DOD	37,060	33,580	91	96
WOMEN				
Army	1,800	1,700	94	138
Navy	600	600	100	153
Marine Corps	100	110	100	(1)
Air Force	880	880	100	100
Total, DOD	3,390	3,290	97	129

[1] No objective in December.

Mental Groupings; High School Graduates. In January about 91% of all non-prior-service enlistees were in Mental Categories I–III, which are the average and above average mental groups; only 9% were in Mental Category IV, the below-average group. High school graduates amounted to 63% of enlistments; this is below the 65% figure achieved during the first seven months of the fiscal year, but is in line with seasonal trends. The average for July–January is shown in the following table along with the January results:

HIGH SCHOOL GRADUATES AND MENTAL GROUPINGS

[Non-prior-service men and women]

	High school graduates			Mental groups, I, II, III[1]		
	January		Year to date[2] (Percent)	January		Year to date[2] (Percent)
	Number	Percent		Number	Percent	
Army	9,400	54	54	14,720	85	81
Navy	5,020	68	72	7,350	98	97
Marine Corps	2,000	43	51	4,210	92	92
Air Force	6,830	92	95	7,370	99	99
Total, DOD	23,250	63	65	33,650	91	90

[1] Above average and average categories.

[2] Recent legislation has established minimum levels of 55 percent for high school graduates and 82 percent for mental groups I, II, and III. The minimums are to be applied to fiscal year 1974 totals on a by-service basis.

February Objectives. The Services' manpower programs for February called for the following enlistment objectives from all sources:

February program objectives:

Army	17,600
Navy	6,400
Marine Corps	4,450
Air Force	6,130
Total DOD	34,580

In addition to its program objective the Marine Corps is seeking 1,610 additional enlistments to help make up for shortfalls sustained in prior months.

Reserve Components. The total selected reserve strength increased in December, with the two National Guard Components, the Naval Reserve and the Air Force Reserve showing net gains. Although non-prior-service enlistments in all reserve components are lower than the objectives for the year to date, the shortfalls have been partially offset by successes in recruiting prior-service enlisted personnel:

FISCAL YEAR 1974 SELECTED RESERVE STRENGTHS[1]

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Authorized end strength	411,979	260,554	116,857	39,488	92,473	51,503	972,054
Actual:							
June 30, 1973	385,600	235,499	126,206	37,509	90,371	43,785	918,970
Sept. 30, 1973	384,918	231,459	119,113	35,339	90,469	43,257	904,555
Oct. 31, 1973	386,590	229,830	119,232	34,840	91,192	45,319	907,003
Nov. 30, 1973	388,626	228,556	118,647	34,024	91,969	46,155	907,977
Dec. 31, 1973	392,461	227,238	119,113	33,124	92,471	46,211	910,618
Change from previous month	+3,835	−1,318	+466	−900	+502	+56	+2,641
Net short/over authorized end strength	−19,518	−33,316	−2,256	−6,364	−2	−5,292	−64,492
Percent short/over	−4.7	−12.8	+1.9	−16.1	--------------	−10.3	−6.4

[1] Unaudited preliminary reports from services.

SOVIET JEWRY: DEBATE ON A RECOMMENDATION BY THE CONSULTATIVE ASSEMBLY OF THE COUNCIL OF EUROPE

(Mr. FRASER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRASER. Mr. Speaker, a few days ago I placed in the RECORD a report "On the situation of the Jewish Community in the Soviet Union."

This report reprinted in the February 13 RECORD at pages 2958–2959, on Soviet Jewry was the basis for a Council of Europe Consultative Assembly debate held January 21, 1974.

The words of our fellow parliamentarians from various European democracies on the question of Soviet Jewry are worth reprinting in our RECORD. During the debate many of the speakers emphasized the importance of speaking out on this human rights issue. I share the view of Mr. Ahlmark, a member of the Assembly's Committee on European Non-Member Countries and Rapporteur for the report that:

> Public opinion in the West is of decisive importance for future developments in the Soviet Union in regard to Jewish communities there.

We must continue to speak out. The report of the debate follows:

SITUATION OF THE JEWISH COMMUNITY IN THE SOVIET UNION

Presentation by Mr. Ahlmark of the report of the Committee on European Non-Member Countries, debate and vote on the draft recommendation, Doc. 3374

The PRESIDENT. Mr. Ahlmark, you have the floor, Sir.

Mr. AHLMARK (*Sweden*) (Rapporteur). Mr. President, the issue that is now to be discussed has been before the Council of Europe for years. Several recommendations have been adopted. The last two reports by Mr. Bruno Pitterman on Jewish communities in the Soviet Union dealt with the situation before emigration started in March 1971. Now, again, 3 years later, we have to face the achievements, the tragedies and the prospects involved. That is why the Committee on European Non-Member Countries has unanimously decided to present this report and a draft recomendation to the Assembly. There has been considerable development for better and for worse since January 1971 the Assembly adopted the last recommendation.

My task as Rapporteur has in some ways been easier to fulfil because of emigration. It is now possible to meet with many Jews with different backgrounds who have recently left the Soviet Union. Therefore, on behalf of my committee I last summer had some hearings in Israel with Jews in order to collect as much information as possible about their earlier lives. I am grateful to those who gave me that opportunity to discuss the daily life of Soviet Jews with those who know more about it than anyone else with whom you can meet and freely talk to. Also in the last few years more and more material about the Jewish communities in that country has been available, mainly because thousands of Jews in several parts of the Soviet Union want to let the outside world know about their situation. I have also had the opportunity to meet experts here in Europe and discuss their judgement on the latest events.

In our hearings in Israel, at some of which the Chairman of our committee, Mr. Hofer, was present, a theme never vanished: do not believe that the awakening of Soviet Jews to national consciousness can be crushed or will disappear. What has happened is the re-emergence of a pride over their Jewishness among hundreds of thousands, a strengthened link with the state of Israel and an increased determination not quietly to accept persecution in the name of anti-Zionism. However fierce the attacks against Israel may be—they cannot discourage Soviet Jews from expressing their solidarity with the Jewish state. Show trials against Jews who have applied for visas might become still more disgusting—but they will not prevent other Jews from applying for exit visas. Even if the harassment against Jewish families who want to leave the Soviet Union grow in intensity—this will not silence them or their friends. The so-called "Jews of Silence" are no more. They will continue to demand the right to confess their creed and to express their conviction.

That is the background when we in the Council of Europe once again study this issue, and I think it will still follow us for a long time to come. Since March 1971 almost 80,000 Jews have been able to leave the Soviet Union. Many more have applied for visas without receiving them. According to the European and United Nations Conventions on Human Rights every man has a right to leave his own country. These conventions have been the basic documents when previous Assemblies have demanded the right for Jews in different countries to leave if they wish to.

However, we all know that this right is not respected in some countries around the world, not least the Soviet Union. Therefore it is particularly heartening that, in spite of this, thousands of Jews during the last three years have got the opportunity to emigrate and to reunite with their families and friends. That achievement is stressed in the draft recommendation, where we ask the Assembly to note "with satisfaction that a considerable number of Soviet Jews have been granted permits to leave the Soviet Union since the beginning of 1971".

Unfortunately, that does not mean that the pressures upon the Jews who stay, or are forced to stay, in the Soviet Union have been lessened in the last years. Still the authorities close down synagogues and forbid books and pamphlets in the Hebrew and Yiddish languages. Still Jews are barred from many professions and careers. Many of those who apply for visas are fired from their jobs. Young people of Jewish origin are often kept out of universities or hindered from beginning to study subjects they are qualified to.

Nor has the so-called anti-Zionist campaign been weakened. On the contrary, you find more and more cases of expressions, which have been given a clear anti-Semitic form and content. The way the Israelis are sometimes officially described is basically the same type of clichés of hatred and prejudices which anti-Semites have always used about Jews—that they are disloyal, deceitful, mendacious, cruel to others, and that they conspire across national boundaries in order to deceive and enslave other peoples, and so on and so forth. Libels of that kind are to be found in books and papers, in cartoons and statements, even in Press releases intended for other countries.

One of the purposes of this campaign is to deter Jews in the Soviet Union from expressing their sympathies with Israel. The result, however, is often a still firmer determination to leave the country in which they are not fully accepted. The same process, which we have so often seen in Europe during the last 70–80 years, is repeated over again. Oppression of Jews does not diminish but, instead, strengthen the Jewish consciousness and becomes a stimulus to it. Official campaigns against Zionism thus for the Jews become an added confirmation that Zionism "is right", and increase their wish to leave. Attempts to prevent Jews from leaving finally spread the will to leave among still more Jews and make their will more uncompromising. The anti-Zionist campaign thus paradoxically strengthens Zionism and is counter-productive to one of its own aims.

This is part of the historical and ideological background to the present situation. Without mentioning it you cannot understand the mechanisms of oppression and resistance among Jews in the Soviet Union. However, it has not been the aim of the report to analyse for instance the connection between harassments against Jews and the spread of Jewish consciousness. The report does not take a stand on the Soviet attitude towards Israel. We do not at all, of course, deal with the conflict of the Middle East. The draft recommendation has limited itself to the basic problems of certain human rights for the Jews in the Soviet Union, as have previous recommendations. The explanatory memorandum partly concentrates on a factual description: what happens to Jews in the Soviet Union who want to leave their country?

The report has tried to answer that very question somewhat in detail. Every Jew who wants to leave has to get a so-called *visov*, a "family invitation", from abroad in order to prove that he has relatives in some other country. Every applicant needs a *kharakteristika*, a document delivered by the place of work which gives an opportunity for fellow workers to condemn the applicant and isolate him from others. A "family approval" is required—his parents or grandparents have to approve his emigration. This gives the authorities an opportunity to press his parents not to give this permit.

A potential applicant needs about a dozen documents before he can formally ask for an exit visa. After having applied, he is often fired from his work or degraded to less important jobs. His children are often expelled from universities or badly treated in schools. If he is fired and does not get a new job, which is often impossible when the name of "Israel" is mentioned in his work book, he might be punished under the "law on parasitism", which makes working compulsory. He or his children sometimes are conscripted. No one has a right to leave the Soviet Union within less than 5 years after having demobilised from the army. Pensions are often taken from applicants or reduced. Those who very actively and openly strive for getting their visas have their telephones cut and their apartments periodically searched by police officials.

Most of the applications are rejected always without any written motivation. The most common explanations for refusals, given orally, are "knowledge of state secrets", or "need for the person's talents", etc. These explanations are often used in a way that proves that they are not seriously meant but serve as a cover for other reasons. Sometimes families are split—the authorities give the right to emigrate to one or a few members of a family but not to all of them. Often show trials are used against active applicants in order to deter others from applying for visas. The pattern during the last years has been that trials now take place in smaller and more remote towns than in the big urban centers. Jews are sent to labour camps without having committed any crime. Thus the authorities tell other Jews what is to be expected if they also apply for an exit permit. The living conditions for these prisoners are often especially hard.

These details of harassment, oppression and terror all fall within the frames of basic human rights. The Council of Europe therefore should, according to our committee, concentrate on that very problem. But, of course, all Jews in the Soviet Unoin are not openly oppressed or oppressed in the same way. In my hearings I met with men and women who had not been living in a feeling of insecurity but still wanted to raise their children in a Jewish state. Some had received exit permits fairly quickly. On the other hand I listened to others who had been taken to prisons or labour camps for years because of so-called "Zionist activities" but who refused to give up and finally had got the long-desired visa. I met people where the whole family had been able to leave. I met others where the wife desperately fought for the release of her husband or where children tried to persuade the Soviet authorities to let out their old and sick parents. Many of these fates are full of unending suffering and unbelievable courage.

Another pattern has now become more clear than before, but not yet very much observed. The chances for a Jew to leave the Soviet Union are radically and surprisingly different in different parts of the country. A large majority of the Jews authorised to leave come from areas containing only a small minority of the Soviet Jewish population. The more "liberal" areas are the Baltic States, the areas formerly belonging to Hungary, Romania, Czechoslovakia and Poland and incorporated into the Ukranian part of the Soviet Union after World War II, and Georgia and Uzbekistan. Of the total Jewish population of Georgia, for instance, more than 40 per cent have now gone to Israel. In Lithuania the corresponding figure is more than 30 per cent, but in the inner parts of the Union and in the Republics which belonged to "Old Russia" it is often totally impossible to get a permit. In the Republic of Russia less than ½ per cent of the Jews have been able to leave, in East Ukraine less than one per cent, but in West Ukraine more than 15 per cent of the Jewish population have left. These figures have not been discussed before in the international debates on Soviet Jewry, but are immensely important also from the point of view of human rights.

One might speculate about the reasons for these vast regional differences which seem to be maintained from month to month. But the conclusion which can be drawn from the statistics is that the emigration during the last 3 years has changed only very little the life and prospects for the future for the large majority of the Jewish community who do not live in the geographical periphery of the Soviet Union.

At the same time—something which I want to stress again—the authorities try by vigorous efforts to limit the "desire to emigrate" to these specific areas and to prevent it from spreading to the rest of the country.

In my hearings they repeatedly voiced the same appeal to the Council of Europe: the international care about Soviet Jews will probably be of utmost importance in the future as it has already been in the past. The Soviet leaders find themselves under considerable pressure from public opinion in the West and at the same time they are probably pressed by hard-liners within the country to stop or curb the emigration. Therefore, international organizations like the Council of Europe must never refrain from distributing facts or cease criticising cruelties. If the pressure from the democracies in Europe were to diminish, the pressure upon the Soviet Jews would increase still more.

That is why the Committee on European Non-Member Countries asks the Assembly today to express its opinion about certain fundamental human rights including the right to leave one's own country and to recommend the Committee of Ministers to invite member governments to urge the Soviet authorities to improve East-West relations by respecting these rights.

I think that almost all members of the Assembly regard it as a democratic and humanitarian duty to draw attention to the tragedies which are always the consequence of persecution of Jews. Anti-Semitism belongs to the most evil and dangerous epidemics of our world. Three years ago the then Rapporteur on the subject, Mr. Bruno Pitterman, concluded his report with the words "the vigilance of public opinion and above all of governments ought to be maintained." This holds as true today.

The Council of Europe might not have the influence alone to make decisive contributions on the struggle against oppression of Jews in other countries. But, Mr. President, it would be a shame if we did not do this to the best of our ability.

The President thanked the Rapporteur and stated that the time allowed for each speaker would be 5 minutes and for representatives of political groups 10 minutes.

Mr. GESSNER (*Federal Republic of Germany*) expressed his approval and admiration for the report, which stressed the basic right of every person to settle where he wishes. Jewry had been scattered throughout history, but the community of nations had laid the foundations for a national home for Jews. The Soviet Union had lent its approval to this and should now cooperate in its implementation.

Large numbers of Jews had emigrated in the last few years, but this change of attitude on the part of the Soviet authorities was not a matter of course. However, it was important to stress that the number of Jews who wished to emigrate was far greater than the number of those who had received permission to do so.

He appealed to the USSR to show generosity in line with their world position. It was ridiculous to assume that this could harm their interests: on the contrary, in most countries this would be taken as proof of their readiness to help the process of détente. It was a moral obligation. Only 120 out of the 82,000 Jews emigrating in the last 2 years wished to go back to the USSR. This proved that Israel was able to offer a new home to the emigrants and it should encourage the Council of Europe's support of their right to return.

The President called on Mr. Archer.

Mr. Archer (*United Kingdom*). The facts as set out in this report will make it easier to keep this debate brief. I seek the floor for only 2 reasons: the first, to speak simply of what I saw 18 months ago when I was privileged to meet at a railway terminus in Vienna a trainload of emigrants from the Soviet Union and accompany them to the castle at Schönaü. They were families who had gathered together such of their belongings as they could carry and had left their former homes seeking a new life. They were not vigorous new recruits to the Israeli Army. Most of them were middle-aged. Many of them were elderly and sick; and many of them carried with them as the last recollections of the land which they had left, recollections of petty spite which they would find it difficult to forget.

I met a watchmaker whose life savings were represented by the watches which he carried in a suitcase. They had been smashed beyond repair by a frontier official. All those people without exception were intensely grateful to the Austrian Government for the facilities which that government had afforded them. Last year some of those facilities were withdrawn and some of us expressed our disappointment. But we all of us recognised the pressures to which that government was subjected, and everyone appreciated that it was not due to any lack of compassion on the part of the Austrian Government.

Secondly, I wanted to congratulate the distinguished Rapporteur on the simple, factual presentation in this report. We often have to be careful lest it is thought that we are implying something more than we are saying, or that we are assenting to some wider, more dangerous principle, almost as though when we want simply to produce a human reaction to a human tragedy we have to apologise for saying what is obvious. If we mention the situation of the Jewish people in the Soviet Union there is the danger that we may be thought to be overlooking the problems of Christian communities—and as an English Methodist I hope that I will not be accused of that—or making light of the problems of the Ukrainians who are finding that their own language is being progressively replaced by Russian in their own universities.

We are not making light of these problems. To recognise the difficulties of one group of people is not to ignore the difficulties of other groups. We simply cannot discuss all the world's wrongs in the course of one debate. Sometimes we fear that in pointing to injustices in the Soviet Union we may be thought to be emphasising the shortcomings of the Left tyrannies as against the Right tyrannies.

Some ventured to say in the last session, when we were discussing human rights in Chile, that when we see a wrong we do not ask whether it is perpetrated by the political Right or the political Left, or whether the little guys who are the victims belong politically to the Right or to the Left. When we emphasise the position in the Soviet Union we are simply referring to the situation of human beings who ask only to be allowed to make their home where their heart is.

Sometimes we are concerned lest we should be thought to be overlooking the virtues of the Soviet Union. We do not overlook or forget the occasions when they did recognise the right freely to move; and this is recognised in the case of Soviet Jewry in the course of the report. Many of us welcomed the Russo-Polish Repatriation Agreement of 1957. We are simply saying the father of the child Maria Tiomkin was entitled to apply to take his child to Israel to join other members of the family without it being declared that he thereby forfeits his right to call her his daughter.

We are saying that the middle-aged scientist in Moscow with whom I spoke on the telephone was entitled to ask to go to Israel without forfeiting his career and being forced to work as a labourer. We are saying that Isaac Dymchits, who has been seeking a permit to emigrate for over 2 years, is entitled to see his mother in Israel before she dies.

The Russian people are not without compassion. It is when human compassion becomes enmeshed with politics that it becomes distorted. Of course, the attitude of the Soviet Government in this human situation will influence certain political processes which are now happening; but the families who are discussed in this report ask only that politics may be able to restore to them the happiness of which politics has so far deprived them; which, as I understand it, is what this report is about.

Mr. Kahn-Ackerman (*Federal Republic of Germany*) referred to Germany's historical burden in relation to the Jews. He was glad that the committee's report was presented with such conviction. The Soviet minority in Russia had a right to be dealt with like other minorities. He was worried about treatment of Israeli participants at the international student competitions in Moscow last year where there were open demonstrations of anti-Semitism not in keeping with a great power. He implored the Soviet Government to give the Jewish minority the same rights as other minorities, and hoped that in the future they would not hear of discrimination in the USSR.

The President regretted to point out that some speakers were not keeping to their time limits. He called on Mr. Charitons to explain the meaning of the white light showing speakers' time limits.

Mr. Charitons (Head of Office, Committee on Rules and Procedures) explained the meaning of the white and red lights behind the President's chair.

Mr. Hofer (*Switzerland*) (Chairman of the Committee on European Non-Member Countries) asked whether the limits of 5 minutes on speakers and 10 minutes on representatives of political groups also applied to rapporteurs.

The President pointed out that there were 11 or 12 speakers on the list and that if they did not abide by time limits it would be difficult to keep to the time-table. He said that there was no time limit for rapporteurs and chairmen of committees but that they usually limited their speeches to 15 minutes. He made an appeal that they should keep to the time limit, and said it had been suggested that only 10 minutes should be set aside for rapporteurs' and chairmen's answers.

Mr. Voogd (*Netherlands*).—I read with deep concern the well-documented and moving report of Mr. Ahlmark on the situation of the Jewish community in the Soviet Union, and although we are grateful that at least some improvement has been made as a result of world-wide indignation and as a result of détente, the situation of the Jews in the Soviet Union is very far from being in accordance with fundamental human rights. We in this Assembly who all have our families must be horror-stricken by the fact that as a result of the policies in the Soviet Union families are separated, perhaps for the rest of their lives. The scars of such separation will never disappear for many families.

I therefore strongly support the appeal in paragraph 10 of the draft recommendation to the Soviet authorities to improve the situation of the Jewish community by the 4 measures mentioned in paragraph 10.

I have slight criticism to make of paragraph 10, however. It is proposed that we should ask our governments— ". . . to urge the Soviet authorities to contribute further to the improvement of East-West relations . . ."

This could be read as a one-sided appeal only to the Soviet Union when our own governments have their own contributions to make towards improvement of East-West relations. I would therefore prefer paragraph 10 to read:

"Recommends that the Committee of Ministers invite member governments to make their own contribution toward détente, and to urge the Soviet authorities also to contribute to this improvement," and so on. I am not proposing an amendment on this point, but I would like to hear from the Rapporteur that the opening of this paragraph may be made to read as I have suggested, because the less one-sided are our appeals towards détente, the better the chances for détente and for the position of the Jews in the Soviet Union.

I will resist the temptation to speak at this point on our agenda of other minorities, or even, as in South Africa, majorities, which, alas, in this world are oppressed, tortured, deprived of human rights. But, sticking to our subject of today, I am glad to mention the initiative of the Chairman of the Dutch Labour Party who this month wrote a letter to the Ambassador of the Soviet Union in The Hague, from which I quote:

"To my deep regret I must note that the Government of Syria does not wish to cooperate in the exchange of prisoners of war in the Middle East conflict. Moreover, I am very worried by information about the treatment of Israeli prisoners of war, which even goes so far that a number of them have been killed. I would appreciate if your government would intervene in this matter with the Syrian Government."

In other words, we should not keep our eyes shut to the fact that the position of Jews in other parts of the world is very awkward, too, that other groups in the world are living in deplorable conditions, too, and we should not keep our eyes shut to the fact that even in countries in the western world signs of anti-Semitism can be detected.

I make these remarks not to weaken the impact of the report of Mr. Ahlmark, but, on the contrary, to strengthen its impact, because the more honest we are the stronger our appeal to the Soviet authorities will be. I may conclude by once again stressing grave concern about what are in many respects the inhuman situations described in the report, and by hoping sincerely that the Soviet authorities may show receptivity for this appeal to them for humanity.

Miss Bergegren (*Sweden*). I should like to congratulate Mr. Ahlmark on a report which gives a very vivid and moving picture of the present situation of the Jews in the Soviet Union, both of the conditions of Jewish life in Russia generally and more particularly of the difficulties those Jews run into who wish to leave the country. Many of the details are really shocking and discouraging, but on the other hand one should keep in mind that things have been much worse and more hopeless in a not very distant past. The very fact that some 75,000 Jews have, after all, been permitted to emigrate from this closed society during the last 2 years alone should of course be seen as a considerable step forward and also give us some hope for a further alleviation in the years to come.

I think it is essential for this Council to watch the developments in this area and to take a clear stand on the vital principles involved, although we certainly should not harbour any great illusions about the impact in Moscow of our declarations or resolutions; and vice versa we should not keep silent either out of disbelief or despair. We may at least be rather certain that our voices, or the voice of this Council, are being heard or registered by certain agencies in the Soviet Union, even if they do not reach the public or party members generally.

This resolution has, moreover, a direct bearing on one of the main objectives of the current Conference on European Security and Co-operation in Geneva, namely, the freedom of movement of all people, and it is very much in the interests of the Soviet Government to bring the conference as a whole to a successful conclusion.

But as I said before, let us not harbour any too great illusions about the outcome; even if the détente works more and more between the states of East and West—and let me say here that this is a very positive development—we do not see much of a corresponding growing détente within the Soviet Union, between the rulers and the ruled, and particularly between the state apparatus on the one hand and dissidents or critics on the other. A sad and indeed frightening reminder of this has been the virulent attacks during the past week against the writer Alexander Solzhenitsyn, attacks clad in words strongly reminiscent of the religious conflict and heresy processes of the Middle Ages. We should also not forget the pressures brought upon internal critics like the scientists Sakharov, Medvedev and Levitch and many others, or the police sacking the other day of the home of the poet Victor Nekrassov.

We should always welcome détente, but a true détente is impossible to achieve as long as freedom of expression or freedom of movement of people and ideas are being suppressed, irrespective of whether these things occur in the East or in certain countries in the West.

Mr. STRAY (*Norway*). I have asked for the floor in order to support the draft recommendation presented by Mr. Ahlmark, the Rapporteur. I believe we were all impressed by what he told us in his speech and by the warm feeling for fellow human beings, which was the underlying theme of what he said.

When dealing with the situation of the Jews in the Soviet Union, the question of humanity and the rights of man is, of course, the most important part of the topic. But it would be wrong to close one's eyes to the fact that the question also has a broader significance. The Conference on Security and Co-operation in Europe is mentioned in the draft recommendation and was also just now mentioned by Miss Bergergren. I assume we all remember that for many years it was the Soviet Union which asked for such a conference to be held. The nations of the West on their side were rather hesitant. The reason was not that the people, the politicians and the governments in the West were less interested in peace and détente than their counterparts in the East. To put it frankly, the reason was that we did not trust the Soviet Union. In the end the conference was convened, but still it is so that the result of all the discussions and negotiations in Helsinki, Geneva and Vienna will depend not so much on what is put into documents or treaties and that the decisive thing will be if the parties are able to trust each other.

This is one reason why I think each government and we the Council of Europe should ask the Soviet Union how they can expect that we shall believe that they will respect the rights of our people when they show such little respect for some of their own citizens. We should say, how can we believe in the peaceful co-existence at home with a group of people who in no way threaten your society or your political system, but who only ask you to exercise the principles of the Human Rights Declaration? I think we should make it quite clear to the Soviet Union that we will judge their intentions not least by what in the months to come will be their policy concerning the question we are discussing today.

I very warmly support the draft recommendation.

Mr. AANO. (*Norway*) I want to add a few words of congratulation and also to say that I am deeply moved by the report before us. Its evidence is both convincing and frightening. The Council of Europe has a special obligation to protest against violations of conventions of human rights and to champion the ideas of these basic rights wherever they are endangered. In this context we cannot accept the argument concerning "interference with internal affairs" as valid. One can use here the argument of that great man of letters, Alexander Solzhenitsyn, when he said, in his famous Nobel Prize speech, concerning this argument about internal affairs:

"Newspaper headlines still cry out: Nobody has the right to mix in our internal affairs. But in fact there are no internal affairs left on our suffering earth! Man's only salvation lies in the acceptance of the demand that every human being makes everything on the earth his affair, that people in the East eagerly take part in thoughts of the West, and that people in the West eagerly take part in the affairs of the East."

This is also the only hope for a realistic and lasting détente also, as Mr. Stray has just mentioned, in the political and military field.

Sometimes the argument comes from quarters in our own countries: Do we help these suffering people by always crying out from our safe positions? To this I find the obvious answer in the report itself in paragraph 3:

"Most of the persons interviewed knew about previous activities of the Council of Europe on their behalf. All asked that such activities should be pursued. For they are convinced that it is thanks to the pressure of world opinion that emigration is possible, that the gates have opened a slight crack, that hardships for those who wish to leave, and for those who will remain, could be diminished."

Similar convincing expressions of help in this way have reached us from the suffering Christian community that has also been mentioned here, and from the groups of individuals fighting for greater freedom of expression, led by outstanding personalities such as Professor Sakharov and Solzhenitsyn.

If we do not address ourselves with such urgent appeals toward the East, how can we prove political honesty when we criticise violations against human rights in other parts of the world such as Greece and Chile? Maybe our actions here in the Council of Europe carry no weight of direct power. However, we must not give away our hope and faith in the power and importance of world opinion.

Mr. DESMOND (*Ireland*). This report, briefly, has the full support of the Irish delegation. It is appropriate that I as an Irish delegate on the Socialist Group of this Council, should also endorse these emphatic recommendations to the USSR contained in this report. It is also appropriate that, coming from a small European country, which intends in the very near future to establish full diplomatic relations with the USSR, we should at this stage endorse this recommendation. I welcome the détente and the contact between the Soviet Union and my own country, but this in no way inhibits me from strongly recommending the report to a very much larger nation.

We in Ireland may not necessarily be in a very strong position to address many strictures to the Soviet Union on the matter of ethnic and sectarian prejudices. We in Ireland internally in some respects have experienced at first hand the catastrophic effect, the disastrous effect, on human rights and human relations as between one country and another; the effect of sectarian prejudice, of political prejudice, and discrimination built into this prejudice, on the issue of human rights. Therefore, it is necessary that on occasions such as this we should, as a matter of political hygiene, address ourselves to the USSR and point out the appalling effect of the perverse and abnormal interpretations which have been put on the role of the Jewish community by the government in the Soviet Union.

This support this afternoon is confined to the report. It in no way suggests, nor should it be construed as suggesting, support for the foreign policy of Israel. Those are other issues to be discussed on other occasions and in another context. But certainly our endorsement of this report is concerned with the issues of human rights, and with eliminating from civilisations these aspects of gross and abnormal ethnic and racial prejudice which this Council has an historic obligation to highlight. We on the Irish delegation support the report strongly and put it emphatically to the USSR on this occasion. Whether our voice is listened to or not is not the issue, though I have no doubt that it is being listened to and will be listened to, and that we will as such strongly affect the foreign policy and the internal domestic policy of the USSR.

Mr. JUNG (*France*) congratulated the Rapporteur on the report. He believed that its refusal to adhere to human rights did no honour to the Soviet Union. The Assembly could only accept the draft recommendation. He had heard with pride Mrs. Golda Meir attributing the improvement in Jewish immigration in part to the work of the Assembly. He felt despondent when he saw men persecuted for their religion but he was also optimistic. It was to be hoped that 1974 would give Soviet Jews who wished to go to another country the chance to do so.

Mr. KARASEK (*Austria*) was glad that item 9 in the draft recommendation referred to the Geneva Conference on Security and Co-operation in Europe. There had been considerable debate in the Assembly on the freedom of individuals and of thought. He believed that the Geneva conference could be considered a success if it achieved real progress towards liberty of movement from Eastern Europe.

A short time ago the Soviet Union had been reported as ratifying the Convention on Human Rights. He was not interested, however, in mere lip service; what mattered was action. The Council of Europe was the voice of their consciences. Last October the Council of Europe had welcomed the Prime Minister of Israel who had made an extraordinary speech. At that time the Austrian Government had been under pressure from Arab terrorists. Mr. Karasek claimed that the number of emigrants to Austria had not deminished despite the closure of the Schönau transit camp, one of the main subjects touched upon by Mrs. Meir in her speech. Some people might question the point of adopting mere recommendations. Mr. Karasek believed that the answer to this question lay in the fact that the pressure of world opinion had helped to mitigate the effects of the education tax imposed by the Soviet authorities.

Mr. ELIAV (Israel Observer). My credentials for saying a few words to you about this problem which deeply touches our very being as Jews are these. I was born in Moscow, USSR. My parents ran away illegally about 50 years ago and brought me as a child to the land of Israel. About 40 years later I went back to Moscow as an emissary working in the embassy of the Jewish faith of Israel in the Soviet Union for a couple of years, crisscrossing this country and meeting thousands and thousands of Jews. A couple of years ago I had the privilege to have a ministerial post in charge of absorbing the first immigrants into Israel from the Soviet Union.

What can a man like myself tell this noble Assembly in five minutes? I would express myself just in the expression, "thank you." May I be the mouthpiece of many people like myself and of newcomers by the tens of thousands and maybe the hundreds of thousands of fathers who, if they could come and speak in their own language, Russian, would similarly express themselves in the word "spasibo." Those who speak Yiddish would say "adank" and those who learned their own language illegally in Russia, or learned it in Israeli would say "tooda."

I do not have to elaborate on the excellent report of Mr. Ahlmark and on the very good speeches which I have heard this afternoon. Please do not diminish your participation in this problem. Please do not minimise it. In your own way you are doing a great work in helping the renaissance of a segment of our old-new people to come-back of their own national spiritual and religious well-being. I assure you that in doing this you are helping those tens and perhaps hundreds of thousands of little babies in the Soviet Union to have their national spiritual fight but not against Goliath. We have this in our history. We are not cold warriors. We are not fighting the Soviet Union. We are not cold warriors in our part of the world. We do want détente but we want that détente to include us Jews in the Middle East and Jews in the Soviet Union. Jews have always been a litmus paper in history to show how society goes, and in this case we hope that the litmus called the Jews in the Soviet Union will be a good sign for détente in Europe.

I see the red light going on. I finish by saying "Bless you" for the green light you are giving to my people.

The PRESIDENT called the final speaker Mr. Schmitt.

Mr. SCHMITT (*Switzerland*) paid tribute to the Rapporteur and to the qualities which he had brought to his work. It was not their task to be judges or teachers. The history of anti-Semitism showed that they all had cause for self-reproach. But they had a duty to denounce violations of the United Nations Charter, especially by signatories. The protest must be the same whether discrimination is practised against an individual or a whole group.

There might be doubts about the effectiveness of such debates. Yet there was now a faint glimmer behind the Iron Curtain, the beginnings of a public opinion. Such pronouncements were also useful vis-a-vis their own governments, since it let them know the feelings of parliamentarians in their own countries. As a representative of a neutral country, it was essential to emphasise that neutrality was not possible where persecution was concerned. The road to peace required frankness and sincerity. It was vital to speak the truth, especially on behalf of those who suffer. They were free and must accordingly speak both for the persecuted and to the persecutors. Their peoples would not accept cowardice in this matter, united as they were by respect for human dignity.

The PRESIDENT said that the list of speakers had been completed. He called upon the Rapporteur to exercise the right of reply, if he wished.

Mr. AHLMARK (*Sweden*) (Rapporteur).—Mr. President, having listened to interventions made during the last 60 minutes, I cannot possibly avoid the conclusion that no debate on Soviet Union Jewry I have heard or read in an international forum or in a national parliament has been as informative or dedicated as this one. I am extremely grateful for the points made, the facts given and the moral values expressed by several members of the Assembly. I can only agree to most of these observations.

It was right, I think, when Mr. Gessner said that the number of Jews who want to emigrate from the Soviet Union is much greater than the number of Jews who are permitted to leave. Also I think it is very important to stress, as Mr. Kahn-Ackermann and Mr. Schmitt did, that one of the main problems in this regard is that a Jewish minority in the Soviet Union is not granted the same rights as other minorities have in that country.

I also believe it is very important to observe, as Miss Bergegren, Mr. Desmond and Mr. Stray did, that respecting human rights has, indeed, improved East-West relations. On the contrary, when a big power is violating human rights, that creates obstacles to a general détente.

Mr. Voogd asked me if it would be possible to add some words to paragraph 10 to ask member governments to make contributions to détente. Of course, I agree with Mr. Voogd as to the purpose and contents of his suggested amendments. However, I am not sure that it is wise to make the amendment in this text because the recommendation deals only with the human rights of the Jewish communities in the Soviet Union. It does not deal primarily with East-West relations in general. I understand that this Assembly has adopted two or three recommendations for the future on détente as such. In my view, Mr. Voogd's proposed amendment on détente should be put in its proper context which is hardly this draft recommendation.

The first time some years ago I came to know of the alarming situation in the Soviet Union was when I read a book entitled "Between the Hammer and the Sickle". The author at the time had the pen-name Bon Ami. I know that thousands of people interested in international politics and in human rights got their first knowledge of the problem from the experiences described in this book. Now it is reprinted and translated into several languages with the author's real name on it, Aryeh Eliav.

Today we have had the opportunity and privilege once again to listen to Mr. Eliav as an Observer to the Council of Europe. Mr. Eliav has now given us a few personal impressions of Soviet Jewish life. These judgements, made by an expert on the subject, by an outstanding member of the Israeli Knesset, have been of great moral value to this debate. I have the right, I think, on behalf of thousands of Europeans, to express my gratitude to Mr. Eliav for the very fact that he has awakened us to consciousness about the fates, the tragedies and the dangers for hundreds of thousands of Jews in our days and very close to our part of the world.

Several speakers stressed that the draft recommendation is based on international conventions, and that is true. First, under Article 13.2 of the Universal Declaration of Human Rights adopted by the United Nations in December 1948, everyone has a right to leave any country, including his own, and to return to his country. Also, under the International Convention on the elimination of all forms of racial discrimination, Part 1, Article 5, everyone has the right to leave any country, including one's own, and to return to one's country. As Mr. Karasek mentioned, this convention was ratified by the Praesidium of the Supreme Soviet on 22 January 1969.

Thus, in our draft recommendation we are asking only for rights which are already guaranteed in Soviet legislation and international treaties ratified by the Soviet Union. We only want Prime Minister Kosygin to live up to the promise which he gave in Paris in December 1966:

"If there are families which wish to reunite or even to leave the USSR the road is open to them. There is absolutely no problem here."

Those were the words of Mr. Kosygin.

May I conclude by referring to our responsibility as an international democratic organisation and as parliamentarians in free countries? Whenever one meets Jews from the Soviet Union they express one conviction—that public opinion in the West is of decisive importance for future developments in the Soviet Union in regard to Jewish communities there. The Soviet authorities are immensely sensitive to publicity and protest in our countries. Probably thousands of Jews have been saved because of political pressure built up in Europe and North America; but if our attention to this problem should diminish there is tremendous risk of further oppression of Soviet Jews. The hard-liners in the Soviet leadership would get an opportunity to say, "See, these countries which have troubled us for so long and so much with their interest in our Jews seem now to be less interested, so now we can carry out our policy without fear of international reaction".

For this reason I fully agree with Mr. Aano that we shall never cease criticising the cruelties or distributing the facts on this subject. We shall never cease demanding that basic human rights be granted to Soviet Jewry. We shall never refrain from condemning the anti-Semitic expressions in official Soviet policy and propaganda. The Council of Europe has always lived up to this responsibility. Several recommendations have been adopted and observed; and millions of people have made an impact on public opinion.

I hope we can now unanimously adopt the recommendation in the same tradition and with the same values as previous Assemblies. This is not, however, the limit of our responsibility. When we go gack to our respective parliaments the same facts, the same international conventions and the same judgements and values should be presented to our national political assemblies. As Mr. Archer stressed in his statement, the purpose is to inform the citizens of Europe on Soviet Jewry and thus to continue to build up pressure in order to help in the future the men and women who are now suffering. That is our responsibility as members of this Assembly. That is our duty as parliamentarians in free countries.

The PRESIDENT called on Mr. Hofer, Chairman of the Committee on European Non-Member Countries.

Mr. HOFER (*Switzerland*) (Chairman) praised the Rapporteur and said that this report was more significant than normal, thanks to the work of Mr. Ahlmark. He thanked the speakers for their contributions to the discussion which had been conducted on a high political and moral level. He said that when he was in Israel last summer he had spoken to Soviet Jews who had recently immigrated. He said that there was undoubtedly discrimination against Soviet Jews in Russia and that this increased if a Soviet citizen identified himself with Israel or expressed a desire to emigrate. He quoted the example of the curator of a Leningrad museum who had lost his job when he expressed a desire to emigrate and who was eventually only able to do so through the intervention of American senators.

He said that the views expressed in the report were nothing to do with anti-communism or a new cold war. We should not refrain from criticising the Soviet Union because it was so powerful. He pointed out that "Pogrom" was a Russian word and that even in the time of the Tsars Russia had the reputation of being anti-Semitic. The Arabs continued to blame the suffering of Jews under anti-Semitism on Europeans but he (Mr. Hofer) would place particular responsibility with the friend of the Arabs, Russia.

He admitted that a considerable number of Jewish citizens had been given permission to emigrate, but the decisions of Soviet officials on emigration were arbitrary. He pointed out that families should not be separated and quoted from a letter that he had received from a woman allowed to emigrate to Israel but separated from her children who were not given such permission. He appealed for respect of the basic human right for families to remain united, and said he was forwarding this letter to the Soviet Union on behalf of the Council of Europe.

The PRESIDENT closed the debate, and said that the Assembly would proceed to vote by a show of hands on the draft recommendation contained in the report on the situation of the Jewish community in the Soviet Union (Doc. 3374).

The draft recommendation was agreed to.

The PRESIDENT called on Mr. Cermolacce to explain his vote against the recommendation.

Mr. Cermolacce (*France*) asked why the Assembly had considered only the Soviet Union, only the *Soviet* Jewish minority, and why there had been no discussion of the mistreatment of groups of the population in other parts of the world, for example South Africa, Chile, Greece; and on the treatment of migrant workers in the so-called developed countries. He stated that as a member of the Communist Party he was obliged to vote against the recommendation.

Mr. Hofer (*Switzerland*) (Chairman) said that Mr. Cermolacce had not been a member long enough to be entitled to make such a criticism and pointed out that the Assembly had recently held a debate on Chile and was shortly to debate the situation in Greece.

GREECE; WRITTEN DECLARATION BY MEMBERS OF THE CONSULTATIVE ASSEMBLY OF THE COUNCIL OF EUROPE

(Mr. FRASER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FRASER. Mr. Speaker, I recently noted that during a visit to Strasbourg, France, and the Consultative Assembly of the Council of Europe, I was deeply impressed by two reports prepared for the Assembly's Committee on European Non-Member Countries.

One of these reports, "On the Situation of the Jewish Communuity in the Soviet Union," I placed in the Record of February 13, 1974, at page H779.

The report "On the Situation in Greece" which follows these remarks was the basis for a Consultative Assembly debate held January 21, 1974. The written declaration adopted by some members of the Assembly that day is also reprinted below, followed by the names of the members who signed it.

Mr. Speaker, this report on the economic and political situation in Greece is perceptive and informative. Anyone lacking clear insights into the Greek situation will gain them by reading the following report:

Consultative Assembly: Written Declaration No. 20 of the Situation in Greece

The undersigned, members of the Assembly,

1. Recall that the Assembly adopted Recommedations 511 (1968) and 547 (1969) and Resolution 519 (1972) on the situation in Greece;

2. Note that in a statement made on 23 April 1973, Mr. Karamanlis, former Greek Prime Minister, spoke of "the moral revolt of the students which the government endeavour to throttle by repressive measures of unprecedented brutality after provoking it in an irresponsible way";

3. Note that on 14 May 1973, Mr. Kanellopoulos, former Greek Prime Minister protested "against the measures taken against the students, and especially the fact that the reasons for their arrest are being kept secret in violation of elementary principles of justice";

4. Deplore the fact that in taking these measures the Greek Government have once again put off the possibility of an early return of Greece to the community of free European countries;

5. Appeal to the Greek Government to treat the prisoners in accordance with humanitarian standards and in particular to safeguard their health and permit them free contacts with their families and their legal representatives.

Signed:

Abens, Hulpiau, Deleforge, Voogd, Czernetz, Schieder, Lillas, Schlaga, Tanghe De Clercq, Wiklund, Walston, and Dankert.

Reinhart, Letschert, Leynen, Radinger, Cravatte, Spautz, Dequae, Ahrens, Mart, Van Lent, Adriaensens, Bergegren, and Boulloche.

Consultative Assembly: Report on the Situation in Greece[1]

(Rapporteur Mr. Abens)

I. DRAFT RESOLUTION

(Presented by the Committee on European Non-Member Countries)[2]

The Assembly,

1. Recalling its Recommendations 511 (1968) and 547 (1969) and its Resolution 519 (1972) about the situation in Greece;

2. Deeply concerned by the confused political developments in that country;

3. Regretting that hopes for a progressive return to democracy have not yet been fulfilled;

4. Condemning the continued violation of human rights by the regime in Athens, especially the treatment of prisoners, the arbitrary arrest and detention without trial of Greek citizens;

5. Urges the new Greek Government to give effect to its promise reiterated by President Ghizikis in his New Year's Day message, "to create the necessary foundations for a genuinely democratic and unhindered political life";

6. Expresses its conviction that essential preconditions for the latter include:

(a) the lifting of the state of emergency and release of all political detainees;

(b) the restoration of human rights and fundamental freedoms, including the right to organise political parties freely;

(c) local and municipal elections, with secret ballot, held under conditions of unrestricted freedom of expression;

(d) election under the same conditions of a parliament, which might also be a constituent assembly;

(e) the drafting, adoption and promulgation of a genuinely democratic constitution guaranteeing effective powers to parliament;

7. Appeals to governments to exert all their influence to this end, both individually and collectively within organisations such as NATO and EEC;

8. Invites the members of the Assembly to do all in their power to urge their governments to take such action;

9. Expresses its support for the repeatedly reaffirmed position of the EEC that unfreezing of the Association Agreement of 1961 depends on a return to parliamentary democracy in Greece;

10. Looks forward to welcoming Greece back into the Council of Europe when the above conditions have been fulfilled;

11. Instructs its Committee on European Non-Member Countries and its Political Affairs Committee to continue to follow the situation in Greece.

II. EXPLANATORY MEMORANDUM

(By Mr. Abens)

1. The last report (Doc. 3114) presented by this committee to the Assembly sharply criticised the Greek régime, which was increasingly personified by one man, for its continued failure either to progress towards the restoration of democracy or to respect human rights. The report's conclusions contain a passage which would seem to provide a useful point of departure for the present report:

"There are, however, indications that the Greek dictator is prepared, because it would increase his international respectability, particularly in the West, and might improve the prospects for unfreezing the EEC Association Agreement and for military aid by the NATO allies, to offer instead of the substance some shadow of a system as practised in the West . . . this development in the long run might open the perspective of a system which is far more difficult to control by one man."

2. Events would seem to give substantial justification to this analysis, since the "political phase" set in train by the strong man of Greece did rapidly escape his control, which he attempted to maintain even at the cost of international respectability, all claims to which were abandoned when tanks went into the Athens Polytechnic on the night of 16 November.

3. Whether Mr. Papadopoulos' overthrow by the army, which followed 9 days after this tragic blunder will benefit Greece or the cause of democracy remains to be seen. The present report must consider the events which led up to this dramatic dénouement, and first of all, answer the question of why Mr. Papadopoulos should have embarked, after more than 6 years of immobility, upon the series of major political moves whose declared aim was to transform the dictatorial régime into a "presidential parliamentary democracy", less than 6 months after he had assured the country, in his 1972 Christmas message, that no political changes should be expected during 1973.

I. BACKGROUND

4. 2 new factors radically altered the apparently stable situation described in our last report, namely inflation and student unrest. Political opposition in Greece was reactivated as a result. A short section on Greece's external relations is also included in this chapter.

1. *Inflation*

5. Up to mid-1972, the Greek military régime had, largely by imposing strict price controls a year earlier, been able to benefit more than most countries from the economic boom in the West. OECD's Economic Survey (Paris, November 1972) states on page 47 that "The Greek economy is in a phase of rapid economic growth . . . Economic expansion is taking place under rather more stable price/cost conditions than . . . in most other member countries". However, the inflationary pressures, which have subsequently made themselves felt in all western countries, were greatly accentuated in Greece as a result of the parity of the drachma with the dollar which depreciated sharply against most European currencies. A series of measures, including the announcement on 30 March 1973 by Mr Makarezos, the Deputy Prime Minister with special responsibilities for the economy, of a drastic 10 billion drachma cut-back in government spending (largely on prestige public works projects) was powerless to prevent the purchasing power of the currency falling by up to 50%. The result was a dramatic decline of the régime's popularity with the population at large, as well as a fall in its credibility with the international business community which had repeatedly been given to understand that Greece was a haven of stability in a sea of economic disorder. The dictatorship's margin for manoeuvre was thus greatly reduced.

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[1] See Doc. 3114, Resolution 519 (1972) of 15 May 1972.

[2] Unanimously adopted by the committee on 10 January 1974.

Members of the committee: Mr. *Hofer* (Chairman), MM. *Jung, Gessner* (Vice-Chairman); *Abens, Ahlmark,* Arnason, Mrs. Cattaneo-Petrini, MM. Collins G., Cornelissen (Alternate: *van Ooijen*), *Ertug,* La Combe (Alternate: *Laurent-Thouverey*). Mason, Mende (Alternate: *Richter*), Mrs. Munkebye (Alternate: Mrs. *Aason*), MM. Nothomb (Alternate: *Adriaennsens*), Oestergaard, *Radinger,* Reale, Wall.

N.B. The names of those who took part in the vote are in italic.

Secretaries of the committee: MM. Massie and Ringheim.

2. *Student unrest*

6. The Papadopoulos régime's carrot-and-stick methods[1] of seeking the loyalty, or at least the quiescence, of the students failed utterly, and can be seen to have contributed more than any other single factor to the régime's demise.

7. It was inevitable that the "crisis of higher education" affecting western countries since the mid-sixties should reach Greece sooner or later, and it is only surprising that the régime should have been able to avoid serious confrontation for 5 years, during which the student population which had not only greatly expanded following abolition of student fees after April 1967, but also had ample opportunity for contacts with their contemporaries from the democracies, and even with the writings of Marcuse and others, which circulated freely in Greek translation. The continued presence of ex-military Political Commissioners in institutions of higher learning constituted a major provocation.

8. It is probable that the régime became aware of the political threat in the autumn of 1972. "Greek youth! It is no exaggeration when I can declare with pride before the whole nation that you are the best in the world!"[2] said Prime Minister Papadopoulos when opening the Salonika Trade Fair in September. When flattery failed Deputy Prime Minister Makarezos hoped to forestall a worsening of the situation by offering a wide range of economic advantages, including free text books and special rates for theatre and cinema tickets. But the greatest concession was the authorisation, granted in October 1972 to hold elections for the representatives of the student unions in order to participate in the elaboration of the higher education charter proposed by the Minister. However, the blatant discrepancy between the official and student conception of free elections was responsible for mobilising the broad mass of students against the régime for the first time. The results of the elections, at which only pro-régime candidates had been permitted to present themselves, were rejected by the vast majority of higher education establishments throughout Greece, provoking spontaneous assemblies called to elected "authentic representatives". The harshness with which such dissident manifestations were repressed[3] only served to stiffen and politicise opposition, and win the sympathy of other sectors of the population, and in particular of formerly "reliable" teaching staff.

9. More serious disturbances were sparked off by the announcement by the Defence Ministry on 16 February that the total of dissident students deprived of their national service deferment and conscripted at once was raised to 88. Over 2,000 students occupied the Athens Law School for 30 hours, and only accepted to leave after agreeing to a 10-day truce, during which period the Athens University Senate undertook to intercede with the government for the revocation of the decision on conscription.

10. The authorities' reaction took the form of pressing "advice" to Athens newspapers to play down the disturbances, which provoked the widely publicised protests of Mr. Athanassiades, and Mr. Claras, the publisher and editor of the conservative opposition paper *Vradyni*. The English language *Athens News* published a letter condemning interference with academic liberty signed by 194 senior members of Oxford University, an institution not generally known for support of revolutionary causes.

11. On 3 March the Minister for Education, Mr. Gadonas, announced a draft law authorising free theatre and cinema tickets for students, and Mr. Papadopoulos appealed to university officials and student union leaders in the following terms: "If there is any disturbance to public order and tranquillity during the critical 1973–74 period, it will be a catastrophe. We shall founder—not just I and the revolution—but the entire country".[1] Yet the students, whose demands for academic freedom were not satisfied, continued to protest.

3. *Internal and external Greek opposition*

i. The Moderate (Conservative and Liberal) Opposition

12. The representatives of the partly discredited "bourgeois" parties of the "old political world", the conservative National Radical Union (ERE) represented by former Prime Minister Mr. Panayotis Canellopoulos and the Center Union (EK), represented by MM Georges Mavros and Ioannis Zigdis, maintained the alliance which they had cemented in May 1971, on the occasion of the celebrations of the 150th anniversary of Greek independence. They seized the opportunity offered by the trials of students and other active opponents of the régime, to give expression to their own opposition while supporting the defendants. Thus the 70-year-old Mr. Canellopoulos was among the 79 volunteer witnesses called by defence lawyer Mangakis at the trial of arrested Athens Polytechnic students, and proclaimed on 18 February: "God protect us if our society were to consist of men who as young students, instead of standing up for human dignity and freedom, were somnolent conformists".[4] Similarly Mr. Mavros, at the trial of Wing Commander Minis and Dr. Stefanos Pandelakis, who were to be given long sentences for planting bombs under parked American cars, said "Resistance against a régime which people regard as a product of violence is the duty of everyone. How this resistance should be expressed is up to each patriot to decide".[5]

ii. The "Karamanlis Declaration"

13. Of greater significance, however, was the challenge issued by Mr. Constantine Karamanlis, the former ERE leader (replaced by Mr. Canellopoulos in 1965), at present resident in Paris, and generally regarded as Greece's ablest post-war Prime Minister. Immediately after the 6th anniversary of the régime, on 23 April, he broke a 3-year political silence to call upon the régime "before it reaches the point of no return" to recall the King, the symbol of legality, from his exile and surrender power "to a strong and experienced government" (he himself had held power continuously from 1957–63) which "would assume extraordinary powers for a specific time, so that, in an atmosphere free from passion and the desire for revenge, conditions should be created, permitting democracy to function and the sovereign people to determine its future freely and in good time".

14. The declaration, the full text of which is appended to this report, identified the threat of isolation from Europe, the most serious danger for Greece. "Integration", on the other hand, "would have consolidated her security and freed her from the hazards of a local war which were and still are the nightmare of contemporary Greece and which force her to seek strong protectors at the expense of national independence".

15. This appeal, which provided a basis for unity between a wide spectrum of democratic, royalist and anti-American opinion in Greece, alarmed the regime sufficiently to order the seizure of the newspapers *Vradyni* and *Thessaloniki*, which published it. This move was only partially successful, as support for the "Karamanlis solution" was to grow.

iii. Other Opposition Groups

16. Other political forces, whose influence seems marginal, are the Panhellenic Liberation Movement (PAK), which is led from exile by Andreas Papandreou. The extreme left is split between the EDA, under the leadership of Ilias Iliou, which won 12% of the votes in the last free elections held in Greece, and the Moscow-Independent Communists "of the interior", led by Charalambos Drakopoulos.

17. The regime has traditionally reserved the harshest treatment for the small groups dedicated to the overthrow of the regime by any means. These include the Rigas Feraios Group, the Patriotic Front, Greek Youth against the Dictatorship (EAN), and the Anti-imperialistic Anti-fascist Student Resistance Front of Greece (AASPE). It must be stressed, however, that the student revolt considered above was largely, and certainly in its origins, concerned with academic and intellectual freedom and that students, although no "political eunuchs", are more likely to look to such courageous non-political figures as Professor John Pezmazoglu whose cultural movement, the Society for the Study of Greek Problems, was dissolved by the regime in May 1972.

iv. Opposition Within the Armed Forces[6]

18. Prime Minister Papadopoulos' increasing tendency, already noted in the committee's last report, to concentrate power in his own hands at the expense of his fellow putschists meant that the possibility of the regime's overthrow by the armed forces could not be excluded. Indeed, as long as the regime was sure of the loyalty of the armed forces, the possibility of its overthrow by the forces of the bourgeois conservative/Liberal coalition, even with the support of students and some workers, was slight indeed, as events were to prove.

4. *Greece and the outside world*

19. The most important external diplomatic pressure on Greece in the period preceding Mr. Papadopoulos' "second coup" of 1 June was the continued refusal of the European Communities to unfreeze the Association Agreement before progress towards democracy was made. This position was to be reaffirmed in strong terms by Sir Christopher Soames, Vice-President of the Commission with responsibility for external relations, before the European Parliament in Strasbourg on 6 June and 12 December and to Greece's Ambassador to the Communities on 28 November. The Greek threat to take this matter before the International Court at The Hague did not impress Europeans.

20. The United States' role as Greece's most important, indeed essential, ally continued, although the growing anti-Americanism in Greece was matched by increasing doubts in Congress, which had already voted to cut off military aid to Greece in February 1972, but was overruled by the President in view of "the overriding requirements of national security". The agreement concerning home port facilities for units of VIth Fleet in the Piraeus-Phaleron Bay area was severely criticised in a report, published on 31 December 1972, by a House of Representatives Foreign Affairs Sub-Committee. The Greek Government's decision of 15 January 1973 to forgo the free arms supplied by the US since 1947 under the "Truman doctrine" is seen as a gesture to placate Congress. Even before the Watergate affair and the corruption scandal which led to his resignation, Vice-President Agnew had lacked conviction as the Administration's leading supporter of the regime, and relations between the latter and Ambassador Henry J Tasca cooled following his involvement in Professor Mangakis' departure in April 1972 for the Federal Republic of Germany.[7] The former Professor of Penal Law had received an 18-year prison sentence for anti-regime activities.

21. Greece received visits in the course of 1972 from the British Defence Minister, Lord Carrington, and from Under-Secretaries of Foreign Affairs from France and the Federal Republic. Despite rumours of disaffection especially among "Nasserite" or "Khaddafist" young officers, the Greek armed forces seem to have given an excellent account of themselves in the NATO exercise "Alexander Express".[8]

22. Greek diplomatic initiatives to improve relations with her Communist neighbours

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Footnotes at end of article.

and, more spectacularly the recognition of Peking, are interpreted less as a deliberately independent "eastern policy" threatening Greece's position in the Alliance, but rather as the pursuance of a traditional Balkan policy and also as an attempt to disguise the scarcity of western contacts.

II. POLITICAL DEVELOPMENTS

1. The abortive navy coup

23. The static situation which had existed for 6 years, although ever more precariously since the autumn of 1972 (see above), was finally undermined by the naval plot. There had already been signs of discontent in the navy, traditionally an élite, strongly royalist force, resentful of army rule. On 23 May 1973 a planned mutiny at the Salamis base was discovered. According to an official communiqué a group of naval officers had conspired to take 3 warships to sea and then broadcast an ultimatum to the government to resign.

24. Some 60 officers of the navy, including 2 retired admirals, were arrested. Later 3 former Cabinet Ministers, among them former Foreign Minister Evangelos Averoff, alleged to have been involved in the plot, were also placed under arrest. Mr. Averoff had previously been mentioned, with Mr. Markezinis (see below), in connection with possible "bridge building" between the military régime and "the old political world". The régime also tried to implicate Mr. Karamanlis in the conspiracy. Revelations[9] made by one of the conspirators since the fall of Papadopoulos do not confirm this, although the source mentions the involvement of most of the navy, part of the air force, Mr. Averoff, "a high ranking diplomat in service abroad" and "a businessman". The plot was betrayed 36 hours before it was due to go into operation. The King had been "kept informed".

25. A spectacular event in this connection was the departure of the Greek destroyer "Velos" from a NATO exercise for Italy where its commander, Captain Pappas, and some of the crew successfully sought political asylum.

2. The proclamation of the Republic

26. Ever since Mr. Papadopoulos had, in March 1972, appointed himself regent in place of General Zoitakis, the military regime had clearly been contemplating the possibility of eliminating the monarchy which, although to some extent compromised, constituted a potential danger, especially since the "Karamanlis declaration" of 23 April.

27. The naval conspiracy served as a pretext for the abolition of the monarchy. Accusing King Constantine of complicity, Mr. Papadopoulos announced on 1 June 1973 that the King had been deposed. At the same time he proclaimed the institution of the Republic of Greece and declared himself provisional president. He added that the population would have the possibility within 2 months of expressing its opinion on the government's decision through a referendum.

28. The procedure by which a new form of government embodied in a "constitutional act" was introduced—in violation of the 1968 Constitution—can justifiably be described as a second coup d'état.

3. The constitutional referendum

1. The Constitutional Amendments

29. The object of the referendum held on 29 July was, in the regime's formulation, "to submit to the people for ratification in a referendum a draft resolution elaborated by the Council of Ministers and modifying the Constitution of 15 November 1968". The "resolution" consisted of 34 articles containing amendments to the Constitution approved by a previous referendum, but never more than partially applied.

30. The 1968 Constitution was pronounced undemocratic by the Council of Europe's Parliamentary Assembly, basing its judgement on the opinion[10] rendered by 3 eminent constitutional lawyers. The 1973 amendments introducing the "presidential parliamentary republic", although allegedly based on "western models" did nothing to dispel fears for democracy. On the contrary, the powers to be vested in the president far exceeded those previously held by the King, to the extent that he would not only nominate the Prime Minister, but the Ministers for Defence, Foreign Affairs, and the Interior as well. The president would thus have been able to exercise virtually unlimited executive and legislative powers. The attributions of the parliament, on the other hand were left extremely vague. The latter was however specifically barred from subsequently revising a number of the most important articles of the Constitution and of the resolution itself; other articles could only be amended by a nine-tenths majority, thereby giving the president, who directly nominates 20 out of the 200 deputies, a blocking vote. Thus, Greeks were bidden (the vote was compulsory) to accept or reject a profoundly undemocratic constitution, with minimal possibilities of future evolution, and at the same time to confirm Mr. Papadopoulos as President and General Anghelis, the Commander-in-Chief of the armed forces, as Vice-President until 1 June 1981.

31. As for the alternative, the semi-official newspaper *Acropolis* stated on 10 July that a vote of "No" would have the result that "power would be returned to the armed forces, military law decreed in the whole country, the tanks would reappear in the streets of the capital, the presence of the army would be felt in the whole of Greece".

32. From Paris, Mr. Karamanlis denounced the regime for placing the nation before the dilemma of slavery or civil war.

ii. The Referendum Campaign and Vote

33. In a statement adopted in Florence on 5 July 1973, the Political Affairs Committee emphasized that "if the referendum is to have any value or significance, it must at least be preceded and accompanied by the following safeguards:

Prior ending of martial law;

Restoration of freedom of expression, and freedom for the parties to reconstitute themselves;

Guaranteeing of secrecy of voting and supervision of voting operations by impartially appointed supervisors;

Release of all political prisoners".

In the event, none of these conditions was met, except, and only partially, that concerning freedom of expression.

34. Mr. Per Ahlmark, a member of this Committee and of the Swedish parliamentary delegation of observers, declared that it was "a falsified referendum". Numerous irregularities were observed both before and during the voting, including acts of intimidation.

35. The politicians who nevertheless canvassed the "No" vote were in many cases prevented by the police from talking to the voters and detained in their hotels, especially in country districts.

36. During the campaign radio and TV were totally monopolised by the regime. The only poster to be seen urged a vote of "Yes'. The opposition was given some restricted possibilities to express an opinion in the press, mainly in 3 major independent Athens daily newspapers—*Vradyni* (conservative), *To Vima* and *Ta Nea* (liberal). 2 weeks before the referendum, a mysterious strike (illegal in Greece) of printers silenced these papers, but not the regime's unofficial mouthpiece *Eleftheros Cosmos*. 2 days before the referendum an improvised press conference, not foreseen by the regime, was held in an Athens hotel by Mr. Canellopoulos and 5 other opposition leaders. All former politicians in Greece and living abroad were united in urging a "No" vote, except Mr. Spyros Markezinis, former leader of the small right-wing Progressive Party who pronounced himself ambiguously in favour of "Yes, but . . .".

37. According to the published results, 78.4% of the population voted "Yes" and 21.6% "No". The protest votes came mainly from Athens and the other larger towns. There are strong indications that this result was manipulated, and had indeed been decided in advance.

38. There were many protests about the results of the referendum and the conditions in which it was held: the Supreme Court rejected 11 appeals, one of them lodged by 3 former Ministers for Justice (MM Marvos, Papaconstantinou and Stefanakis).

4. Move towards liberalisation and democracy?

39. With surprise but also with scepticism the Greeks received the announcement by the government of a return to normality and democracy.

40. These promises were embodied in a nation-wide broadcast held by Mr. Papadopoulos following his inauguration as President on 19 August 1973. Urging the Greek people to "forget the past and to look to the future which is opening up before us, broad and hopeful", the President undertook to respect the timetable leading to a general election and even to expedite it. He continued: "Parliament, elected by your vote, will be established in 1974, instead of early 1975, because elections will be proclaimed long before the end of next year and will be held 35 days later".

41. Mr. Papadopoulos also announced the appointment of a civilian government with instructions to resolve the most pressing economic and social problems and speed up the process of political renewal (see below).

42. In his speech, the President further promulgated a series of liberalisation measures: the ending of martial law in Athens and Piraeus, abolition of the emergency courts, an amnesty for all political crimes and offences committed since 1967 (except those committed outside Greek territory), an amnesty for press offences, and the entry into force of some 10 suspended articles of the 1968 Constitution concerning individual liberties and political rights.

43. On 21–22 August 1973 almost all political prisoners (about 350), including the 60 officers involved in the naval plot of May, were released. In the view of the opposition, however, the amnesty though welcome, was only an isolated action giving no guarantee for the future.

44. On 14 September 1973 a Constitutional Court, whose members were appointed by the President of the Republic, was inaugurated. Its task would be to approve the statutes of political parties, to decide on the eligibility of the candidates for parliament and to supervise their activity. The court could thus forbid the creation of a party and dissolve an existing one.

45. Developments up to this point, although not entirely without positive aspects, ominously recalled the judgment expressed in the conclusions of the committee's last report (Doc. 3114) on the situation in Greece: "The so-called measures of liberalisation only indicate that Mr. Papadopoulos notwithstanding all his public declarations, still seems sensitive to what the West is thinking about his regime and feels himself sufficiently in control to grant the West and some Greeks a favour. It would be dangerous to mistake these measures for the reintroduction of democracy". But, as I have tried to show, there was one important difference: concessions were no longer made from a position of strength, but rather forced upon him by the regime's increasing weakness.

5. The "Markezinis experiment"

46. In accordance with his promise to install a civilian government, Mr. Papadopoulos forced the military members of his own government to resign. This was strongly resented by many of them in spite of extremely generous pensions. MM Makarezos, former Deputy Prime Minister, and the Secretaries of

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Footnotes at end of article.

State Aslanidis and Balopoulos gave public expression to their displeasure, speaking of "betrayal of the revolution". The "unfulfilled mission" of the latter, so vaguely and so variously defined over the previous 6 years, was described by Mr. Aslanidis as "the application of a genuine, honest, unadulterated democracy."[11]

47. The appointment of Mr. Markezinis to head the government was not completely unexpected in view of his attitude towards the referendum coupled with his reputation as an ambitious "Realpolitiker" and financial expert who, as Finance Minister in the 50s, had successfully devalued the drachma, restoring stability to the currency after the upheaval of the civil war.

48. In a flood of statements the new Prime Minister sought to stimulate the desired "political euphoria" among those so recently represented and scorned by the military regime as the corrupt old political world. In a revealing interview, in the Times (11 October) he declared "As long as impeccable elections are held and Greece has a parliament, I think it will be no problem to restore relations with the European organizations". All who were ready to "forget the past" were welcome to participate in these elections. After 6 years of heavy-handed rule, his task was virtually impossible. The former leader of the right-wing "Progressive Party" even confessed an admiration for Lenin (in an interview with Le Monde on 13 October) in the hope of persuading Mr. Iliou, leader of the extreme left-wing EDA party, not to boycott the planned elections. The same interview praised President Papadopoulos as a potential "Tito of Greece". At first some party leaders hesitated between exploiting this offer to participate in political life and the fear of seeming to give the regime their moral sanction. But finally they withdrew. Mr. Markezinis was left in a political vacuum. Without a party or any popular support his attempted bridge-building lacked all credibility and the "masquerade" was to be finally and cruelly exposed by the events of 4 November (see below).

49. It seems unnecessary to give details on the programme of a government that lasted only for 48 days. The more realistic part of the programme was the proposed economic policy which in its substance was a disavowal of that pursued by the preceding government. But lacking any power base, Mr. Markezinis was plainly unable, in a pre-election atmosphere, to take the drastic measures to combat inflation, especially with the added complication of the oil crisis. His practical measures, which included revaluing the drachma by 10% only to allow it to float back to near its former parity, had an air of hopeful improvisation.

6. Changing of the guard

i. The November Riots

50. Widespread social discontent and the accumulated political frustration of 6 years' dictatorship had created a state of ferment. Furthermore, as a consequence of the amnesty many militant opposition leaders were able to resume their activity. Conscripted students returned to the universities in a mood to continue the struggle. Police provocation and over-reaction from the authorities precipitated disaster in this already explosive situation.

51. On 4 November, more than 10,000 inhabitants of Athens participated in a march in order to commemorate the 5th anniversary of the death of George Papandreou, the popular leader of the Centre Union party. To all appearances the police moved to break up a peaceful demonstration. A number of demonstrators were arrested, and there were many cases of brutality.

52. The trial of 17 of the demonstrators, which ended in the acquittal of 12 of the defendants and suspended sentences for the rest, hardened opinion against the authorities who showed so little regard for the "3 F's" (forgive, forget, free elections) proclaimed by Mr. Markezinis. The student protest movement had survived the summer vacation intact since the regime had still not satisfied their demands of the previous spring (see Chapter I, above). On 14 November about 2,000 students of all faculties occupied the Polytechnic in Athens setting up their own radio station which broadcast calls for "an immediate end of the tyrannical Junta regime, for the sovereignty of the people and national independence".[12] The red and black flags of 1968 Paris were notably absent and the "communist and anarchist agitators", blamed by the authorities, clearly carried very little weight within the Co-ordinating Committee which established its headquarters in the building. The former conservative Prime Minister, Canellopoulos, hailed the students as the "avant-garde of the nation" on the path to democracy. The public response to a broadcast appeal for food and medical supplies was massive and crowds whose numbers were variously estimated at 50–100,000 demonstrated their support in front of the building.

53. During the night of 16–17 November police and troops intervened brutally. Tanks were used to break down the gates of the Polytechnic and armoured units cleared the building of the unarmed students, killing some and wounding many more. A weekend of bloody rioting followed, in which more people died. A state of emergency was proclaimed throughout the country with a curfew in Athens, mass arrests, emergency courts, the dissolution of all students' associations, the introduction of army censorship for newspapers. Opposition leaders were placed under house arrest.

54. The Papadopoulos regime finally did not flinch from playing its last card, abandoning the pretence of rule by consent which it had maintained, though with blatant disregard for human rights, since the bloodless "revolution" of 21 April 1967.

ii. The Generals' Coup

55. The army, deeply humiliated by the role it had been obliged to play to rescue a regime so recently "demilitarised", overthrew Mr. Papadopoulos and his civilian government in a meticulously planned bloodless coup and 25 November, thus ending at one stroke personal dictatorship and the dubious, and obviously failing, move towards the restoration of a limited form of political life. The "continuity of the revolution" was stressed in an Order of the Day to all service units issued by General Bonanos, the new Commander-in-Chief of the armed forces: "You are all conscious of your sacred calling and you have helped the country back to the path opened up by the revolution of 21 April 1967." It is as hard as ever to know what is meant by this.

56. A new, or rather renewed, military junta has taken power and appointed the virtually unknown General Ghizikis, President of the Republic. General Ioannidis, the reputedly incorruptible and uncompromising chief of the Papadopoulos regime's military police, who had recently declined transfer with promotion, is seen as the prime mover of the coup. Mr. Androutsopoulos, who was for 6 years the previous regime's Finance Minister, heads the new government, which includes 2 former members of Mr. Karamanlis' government. Early speculation that Mr. Karamanlis himself, and possibly the deposed King, might be recalled has so far proved unfounded.

57. The new regime has carried out purges of the close collaborators of Mr. Papadopoulos. A number of the highest commanding officers of all branches of the armed forces and of the police have been removed from their posts. Some political prisoners and detainees have been discreetly released but new arrests have been made, including students charged in connection with the disorders of the night of 16 November, which affected many universities outside Athens, notably Salonika and Patras. Censorship of newspapers has officially ceased, but *Vradyni* was closed down on 3 December and editors of Athens newspapers have twice been summoned to the office of the chief of police and given clearly to understand that certain topics, including the constitution and the date of elections, are taboo. The long but imprecise policy statement delivered by the new Prime Minister on 28 November excluded the possibility of early return to democracy, while promising elections "when the country is ready". Predictably the first priority was a return to law and order but the intimidatory tone came as a surprise, dashing hopes of liberalisation raised by the conciliatory first statements of the new junta. He warned that opponents "will be swept aside without hesitation" and continued "our students can express their views and disagreements as strongly as they wish as long as they do not disturb public order. But they have no right to resort to demonstrations." Students were the victims of exploitation "by certain individuals". He emphasized the need for drastic reforms but praised the achievements of the previous regime, particularly in the economic field. The 1968 Constitution and the amendments of 29 July were denounced as "violating the most elementary constitutional principles" and suspended. Constitutional acts would be promulgated whenever the regime considered it necessary.

58. The first such Act, of 17 December 1973, limited the powers of the President, whose mandate was reduced from 7 years to 5, while at the same time removing all reference in existing constitutional texts to municipal and parliamentary elections in 1974; the second, of 1 January 1974, abolished the Constitutional Court set up on 14 September 1973 (see para. 44 above). A new Constitution "which should be the work of all Greeks" was promised by General Ghizikis in his New Year's Day message.

59. From the first the new regime has shown itself acutely sensitive to criticism from abroad, which it rejects as "interference". Foreign broadcasts in Greek, including Deutsche Welle of Cologne, have been denounced for distorting the facts, and it seems as if the authorities may be attempting to jam them. Moreover 3 members of a parliamentary delegation entrusted by the Socialist International with a fact-finding mission were turned back at Athens airport on 28 December 1973.

III. CONCLUSIONS

60. Some clear lessons have emerged from the events described above. The dictator, who almost until the last inspired confidence at least in some quarters in the West, had in 6 years so completely alienated the Greek people that whatever doubts they may now have for their future it is certain that the fall of Papadopoulos was unregretted except by a few close collaborators. His hasty attempt to rescue a situation which had become desperate by introducing a spurious form of "politicisation" did not deceive his compatriots and precipitated his downfall. It is doubtful whether opinion in the West will allow itself to be duped again.

61. The Assembly will have profound misgivings concerning the army's tightened grip on the life of the Greek nation, but will continue to watch the situation very closely, drawing some encouragement from the declaration[1] of the new Minister for Information, Mr. Constantine Rallis (a civilian who held the same post under Mr. Canellopoulos), describing the regime as transitional and "unlikely to last as long as 30 months." President Ghizikis in his New Year's Day message spoke of creating "the necessary foundations for a genuinely democratic and unhindered political life".

62. For this reason it can perhaps tem-

Footnotes at end of article.

porarily suspend judgment on the new leadership, whose uncompromising attitude, which may have been necessary to avoid further civil strife and bloodshed, suggests that it will not raise false hopes by promising elections under conditions which would plainly have led to a mere pseudo-democratic charade. The latest news of fresh arrests of politicians, students and journalists opposing the regime and of the reopening of the notorious camp on the island of Yaros is extremely disturbing, however.

63. If the regime does indeed see the duration of its mission in terms of months rather than years, it will need to move very soon to create the essential preconditions for a return to democratic life. This will involve the abandonment by the army of the concept of its own role as a "school for the nation". The end of the "corrupt personal rule" of Papadopoulos does indeed offer an opportunity to "clean up public life" but this is precisely the task of the people, whose judgment should rapidly be sought, as a first step, in local and municipal elections organised under conditions of complete impartiality and unrestricted freedom of expression which only the army can guarantee. This admittedly assumes that the army will have succeeded in purging and "depoliticising" itself. The drafting and adoption of a new Constitution might be an appropriate task for a constitutent assembly.

64. When the army so clearly holds the key to the situation, Europe's best hope of exercising positive influence would seem to be through the military Alliance to which the new leadership seems as strongly attached as ever. Is it conceivable that the forthcoming Europe-U.S. defense negotiations could lead to an arrangement whereby European countries could relieve America of some of the material and political burden of her overwhelming presence in Greece, incompatible with a small but proud nation's desire for independence and sense of European identity?

65. The Council of Europe has no doubt gained stature by standing firmly by the principles of respect for democracy, human rights and the rule of law when dealing with the Greek case. It must be stressed, however, that it is not "boycotting" Greece, which participates in some of the Organisation's intergovernmental activities, in the field of culture and education for example.

66. The Assembly will no doubt wish to reaffirm that Greece's eventual return to the Council of Europe, an event to which it eagerly looks forward, must depend on her regime's willingness to subscribe to these principles and also to implement them. The Council of Europe should therefore continue to follow the situation as it evolves, particularly in the field of human rights, with close attention.

APPENDIX

(Text of the declaration communicated to the press by Mr. Constantine Karamanlis on 23 April 1973) [14]

For the past 6 years, the Greek military government has been misleading the country and world public opinion with its many false promises of a return to democratic legality. But by remaining in power, with the accumulation of problems this entails, the present government is dangerous and harmful to the nation.

It has drawn up and arranged the adoption of a Constitution, the main provisions of which are ignored or violated, and it makes use of this Constitution in order to exercise a dictatorship which is heading for general confusion.

Freedom of association, to which official lip service is paid, is withheld from the Greek people by every possible means, including the most arbitrary. Freedom of the press, limited to its simplest expression by a draconian law, is wiped out altogether by blackmail, repression, and economic sanctions. The recent case of *Vradyni*, a daily paper with long-standing national traditions, is a clinching example.

The democratic rights of universities have been abolished. Elections falsified by force and violence were enacted last November to trap the students. This has led to a moral revolt by the students, which the government has sought to stifle by repressive measures of unprecedented brutality.

There are a thousand and one other deeds to show that the present government is following a policy based on lies. Foreigners of good faith, and Americans in particular, may have been taken in, but not the government of the United States, which, if it is not playing a direct part in the campaign to take in the Greek people, seems all too willing to be taken in itself in order to justify its contradictory policies.

Army unity shattered

The Greek leaders seem content to keep in power by cunning and deception, forgetting that these devices, even more than oppression, may give rise to the anger of a nation wounded in its pride. The acquiescence of the early days has already given way to almost general hostility, openly expressed by an avant-garde, the university students. The real issue is not the government's capacity to keep itself in power at any price, but whether the interests of the country are compatible with keeping this government in power. 6 years' experience has shown that this is bad for the nation and lays it open to grave dangers.

The unity of the army has been shattered by opposing forces that have grown up inside it, and the political identification of the government with the armed forces has fatally damaged the army's prestige and created a psychological gulf between it and the people, of incalculable consequence for the nation.

The first cracks are now appearing in our national economy as a result of a policy of excessive consumption and running into debt. The civil service, the Church and the school system have been disrupted by piecemeal improvisation and are now in a state of breakdown. As a result of its arbitrary actions, favouritism and its departments' fear of any responsibility, the state has become the enemy of the people and a brake on any progress.

The government is not beyond reproach in the civil war now threatening Cyprus. It could stave off this war by giving unfaltering support to the legal government of the island. It has failed to do this, and in failing to do so is bound to encourage subversion.

But the greatest danger is the threat of a break between Greece and Europe. There is a danger—if it is still a danger and not already a fact—that as a result of the dictatorial regime in Athens our country may fail to join the Europe that is now being united. To join Europe would radically alter the future of our people by bringing our economic and social progress into line with that of Europe, and by ending any danger of local war, a threat which has long led us to seek foreign protection to the detriment of our national independence. The European project—but is this recognised?—could become the new "great idea" of the Greek nation, which would, at the same time, preserve and develop its own special characteristics.

Cultural underdevelopment

Last but not least, there is the major moral problem of the suppression of our freedom, dragging us back to cultural underdevelopment at the very time when it is our legitimate aim to become an integrated part of democratic Europe. To make up for this, the government promises "bread and circuses", material welfare. But even if everything was getting better in Greece, which it is certainly not, the price would be so high that only volunteers for slavery could agree to pay it. When we call on the Greek workers and peasants to withstand communism, we do not do so on the basis of a hypothetical loss of property they do not possess, but of the danger of losing their freedom. If we applied purely material criteria, some of them might indeed choose red tyranny rather than white, for the former would offer order and calm but also some kind of social justice.

The highest national interests require the restoration of democratic legality, the transformation of public life in terms of men and parties, and the modernisation of public life in terms of institutions and ideas. Greece must and can create a modern, progressive, worthy democracy, combining freedom and social justice; and freedom without order cannot exist. I am convinced that the younger generation, which is better grounded than our own and has learned from our misfortunes, will be able to find the right approach to our country's problems and strive for our people's happiness. Its entry into the political arena will make pointless any return to the men and habits of the past, as well as the survival of the present régime.

It is true that the government is constantly holding out promises both to restore legality and to transform Greek public life. But it is incapable of bringing these promises about. It lacks the popular support needed for transformation, and it is too afraid of losing power to restore democracy. This drives it to tricks and subterfuges. It has set up a "consultative committee" to foster the illusion that it is growing less authoritarian; while banning all political activities, it conjures up loyal organisations, systematically denigrates the political world, and engages in frantic demagogy in the vain hope of winning the people over. Ultimately, however, it can find only a handful of acquiescent partners, the personally ambitious and representatives of the economic oligarchy.

Total deadlock

The government has thus reached total deadlock. As a way out, one hears, it could embark upon a cooked-up election. The government may rest assured that no one in Greece or abroad would be fooled. And the government would be able to control the new factors such an election would unleash; no freedom, however limited—and the government would be obliged to hand out a few morsels in the event of an election—is compatible with keeping the government in power. This is borne out by the repression under which so many of the Greek people are now suffering.

In the face of this, I hold that the government must reappraise its policy. Even at this late hour, it must do what should have been done long ago, and what I have already twice proposed; it must call back the King who is the symbol of legality and make way for an experienced and strong government. This government would have exceptional powers for a specified period, during which, dispassionately and free from any spirit of vengeance, it would foster the conditions under which democracy could operate in Greece and the sovereign people freely decide its own future.

In an earlier statement, I warned the government that if it persists in its present course, it will one day reach the point of no return. Most people think this point has already been reached. For my part, I think the government still has some leeway, but very little. It is the duty of the government, and it is in its interest to use this leeway while there is still time and before it is too late, both for itself and for the country.

FOOTNOTES

[1] See also Written Declaration No. 20 (Doc. 3303) of 17 May 1973.

[2] *Die Zeit*, 16 March 1973.

Footnotes at end of article.

[3] *The Times*, 3 March 1973.

[4] *The Times*, 19 February 1973.

[5] *The Times*, 20 February 1973.

[6] The abortive navy coup is dealt with in chapter II below.

[7] *Le Monde*, 17 January 1973.

[8] According to information supplied to the committee at its meeting in Strasbourg on 13 November by Mr. Klaus Richter (SPD) who had attended the exercise as an observer.

[9] *Agence France Presse*, 27 November 1973.

[10] See Doc. 2467 and appendix dated 25 September 1968.

[11] *The Times*, 23 October 1973.

[12] *Neue Zürcher Zeitung*, 19 November 1973.

[13] *Agence France Presse*, 29 November 1973.

[14] Translated from the French by the Council of Europe Secretariat.

POLITICAL KIDNAPING

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, the detestable abduction of Patricia Hearst on the night of February 4, 1974, has produced the first American instance of a crime that has been increasing in other parts of the world during recent years—a political kidnaping.

As we are now fully aware, members of an organization called the Symbionese Liberation Army forcibly entered the apartment of Miss Hearst, beat up her fiance and escaped to a hideout with the 19-year-old granddaughter of the late publishing czar, William Randolph Hearst, as a hostage. After a lengthy silence, the abductors notified Patricia's parents, Mr. and Mrs. Randolph A. Hearst, that before any negotiations on the release of their daughter could be conducted, the Hearst family would have to finance the distribution of $70 worth of food to every needy family in the State of California, a sum estimated to be in the neighborhood of $300 million.

The only previous indication of the existence of the Symbionese group had taken place in November 1973, with the slaying of the highly regarded superintendent of the Oakland, Calif., public schools—Marcus Foster, a black educator—and the serious wounding of Foster's deputy Robert Blackburn in a parking lot.

As a result of the Foster assassination, two members of the Symbionese Liberation Army—SLA—are presently in San Quentin Prison awaiting trial for murder. They are Russell J. Little, 24—also known as Robert J. Scalise and George Devoto—and Joseph M. Remiro, 27. Still another SLA member, Nancy Ling Perry, 26—also known as Nancy Devoto and Lynn Ledworth—is a fugitive, wanted on an arson charge following a fire that was set to destroy evidence in a house used by the SLA terrorists as headquarters, arsenal, and bomb factory.

In the hope that we could be helpful in the intensive but very sensitive investigation of the Hearst kidnaping, I immediately directed the staff of the House Committee on Internal Security to gather all information available from our files without delay and turn it over to the Federal Bureau of Investigation. This was done on the morning of February 8, 1974, and FBI Director Clarence M. Kelley has gratefully acknowledged the committee's help and cooperation in the following letter of appreciation:

U.S. DEPARTMENT OF JUSTICE, FEDERAL BUREAU OF INVESTIGATION,
Washington, D.C., February 19, 1974.

Hon. RICHARD H. ICHORD,
Chairman, House Committee on Internal Security, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I want to thank you very much for making available the material your staff had compiled on the Symbionese Liberation Army, the group which claims responsibility for the kidnaping of Patricia Hearst. It was indeed thoughtful of you to do this. This is the type of cooperation which is certainly meaningful to law enforcement.

With best wishes,

Sincerely yours,
CLARENCE M. KELLEY,
Director.

Before going into further detail about this group, I would like to call the attention of the House to the fact that on August 1, 1973, the House Committee on Internal Security published a staff study on political kidnapings which had occurred in various parts of the world together with a warning that we could expect such incidents in the United States if we failed to exercise extreme vigilance.

I would also point out that it appears those involved in the Symbionese Liberation Army were, in some degree, originally identified with the Venceremos Organization about which the House Internal Security Committee reported in great detail in June, 1972, and that many of those in the Symbionese movement were active in efforts to radicalize inmates of California's penal institutions. Some of my colleagues may recall that a subcommittee of the House Internal Security Committee last year conducted a searching inquiry into efforts by revolutionary groups and organizations to exploit prison unrest in such States as New York, Ohio, and California. I hope that all of my colleagues will avail themselves of the extensive background work, research, investigations, and hearings done by the House Internal Security Committee in these fields.

I now would like to share with my colleagues the information our committee was pleased to be able to provide the FBI.

As I said at the outset, the SLA surfaced on November 6, 1973, with the murder of Foster and the wounding of Blackburn. The victims had been attacked by an unknown number of assailants—possibly three all told—who fired .380 caliber bullets packed with cyanide and also carried a shotgun.

A letter of that same date, purporting to come from the "Western Regional Youth Unit" of SLA, stated that a "Court of the People" had found the victims "guilty of supporting and taking part in crimes committed against the children and the life of the people."

The letter—identical copies of which were mailed to the Oakland Tribune, the San Francisco Chronicle, and radio station KPFA—an affiliate of the Pacifica network—and received November 10, 1973—specified that Foster and Blackburn were pushing for the tightening of security in the public schools by advancing use of an identity card among pupils, by seeking the cooperation of the police, probation officers, and school officials in setting up a police unit just to protect the school system. This issue had earlier been the target of an Oakland group called the Coalition To Save Our Schools which included one-time members of the extreme Maoist-Communist Venceremos Organization—VO. The VO had been organized in 1971 by a splinter faction of the Revolutionary Union—RU. RU was formed in California early in 1969 by a group of American Marxist-Leninist admirers of the teachings of Mao Tse-tung who believed in the necessity of preparing for a violent revolution they insisted was inevitable in the United States. However, when a majority of RU members concluded the time to begin such a revolution lay some years in the future those in the minority who believed violence should commence immediately split off to form VO. VO gradually disintegrated in the spring of 1973.

There is evidence now that in August of 1973, VO ceased its overt operations and some of the members split off into the SLA and another San Francisco-Oakland Bay area terrorist organization, the August 7 guerrilla movement.

The SLA letter of November 6, 1973, was conveyed in an envelope bearing an 8-cent Revolutionary War Bicentennial commemorative stamp with the slogan "Rise the Spirit of Independence." As a cover to its three pages of text on the shooting of Foster and Blackburn, was a photocopied drawing of a coiled seven-headed cobra, similar to the part-serpent, part-human "naga" of Hindu and Buddhist mythology. This drawing was similar to a design that appeared on a 1967 record album by rock singer Jimi Hendrix. The letter concluded with a slogan:

> Death to the Fascist Insect that preys upon the life of the people.

The base for the Foster murder team is believed to have been a two-room, third-floor apartment at 1621 Seventh Avenue in Oakland, just five blocks from his school district office. The apartment was rented by a woman resembling Nancy Ling Perry in the name of Lynn Ledworth and the rent was paid by money order. Joe Remiro has also been tentatively identified as having been seen in the Seventh Avenue address. It is also speculated by law enforcement investigators that the SLA assassins had maintained some form of surveillance on their victims prior to the actual killing and very possibly returned to their apartment to hide out for perhaps 3 weeks after the shooting.

On November 12, 1973, the Oakland Tribune carried an analysis of the SLA letter and the Foster murder prepared by Dr. S. I. Hayakawa, the well-known semanticist and retired president of San Francisco State University. He described the letter as the product of a "high grade intellect, devoted to revolutionary ideology."

Noting that the letter made frequent reference to the "Black, Chicano, Asian and conscious White youth," Dr. Hayakawa concluded that the word Symbionese on the letterhead apparently was derived from symbiosis as the root word. Symbiosis means the partnership of dissimilar groups for their mutual benefit.

On November 15, 1973, the Oakland school authorities suspended plans for the identity cards "until the feelings of students and parents can be reassessed" and on that same day SLA sent out another letter praising the school board's decision and announcing that a "shoot-on-sight order" by SLA was being withdrawn. This second letter warned, however, that any attempt to reimpose "programs of political police forces in our schools" would lead to a death warrant order being reactivated without warning.

No break in the Foster murder case occurred until January 10, 1974, when at 1:20 a.m., a police patrolman cruising in a suburb 20 miles northeast of Oakland spotted a red 1965 Chevrolet van roaming through the community without any clear purpose. The officer pulled the van over to the curb and approached it on foot. As he did so he was fired on by one or both of the van's occupants. The shots missed him but shattered the windshield of his patrol car. He returned the fire as the van sped away but he was able to apprehend the vehicle a few blocks away and arrested one of the men, subsequently identified as Russell J. Little, who had been slightly wounded in the shoulder. Four hours later, the other man—Joseph M. Remiro—was arrested in a yard near the scene. Remiro was armed with a .380 Walther semiautomatic pistol which has since been identified as the weapon used in the slaying of Foster.

A search of the van—registered to Nancy Devoto of 3856 Whittle Avenue, Oakland—turned up 2,000 SLA leaflets printed in English, Spanish, Chinese, and Swahili, a .38 Colt revolver, a 9-mm pistol and a carton of tools. Little and Remiro were charged with assault with intent to murder suburban police Sergeant David Duge and bail was set at $250,000 each. As a security measure, both men were transferred to San Quentin State prison.

Little used the alias of Robert James Scalise, 27, of 1621 Seventh Street, Oakland when he was booked but it was later discovered that this false name actually had belonged to an Oakland child who had died at the age of 6 from leukemia in 1953, and the address should have been Seventh Avenue since the Seventh Street location was a parking lot. Little had been born in Oakland and, under his real name, had been living most recently at 5939 Chabot Road, Oakland.

Under another alias, George Devoto, Little had lived at a house in the suburb of Concord where he was apprehended by police, and this house was found to have been used by the SLA as a headquarters and armory. This house had been rented by Nancy Ling Perry using the name Nancy Devoto.

For an undetermined period of time, Little was associated with the radical and revolutionary United Prisoners Union—UPU—in San Francisco—an organization seeking to radicalize inmates of penal institutions to bring about the abolition of prisons. UPU has been heavily infiltrated, if not controlled, by former members of VO.

During 1973, Little visited Folsom State prison on several occasions to meet with a Clifford Jefferson, known as "Death Row Jeff," who has spent nearly 28 years of his life in prison for such crimes as burglary and first- and second-degree murder. Jefferson is reported to be a leader of the inmate-organized black guerrilla family, a Marxist-Leninist group characterized as the prison branch of the black liberation army.

Remiro, a former paratrooper claiming 18 months' active duty in Vietnam and released by the Army in 1968, was born in San Francisco where his family lives at 1476 Seventh Avenue. It was the San Francisco address which he gave in purchasing a .380 Walther pistol in July 1973, from the Traders Gun Shop in the San Leandro Bay area.

In 1970 Remiro had been arrested in San Francisco for desecrating the American flag by wearing it sewed to the seat of his pants. The charge was later reduced to disorderly conduct and he was given a 30-day suspended sentence. In 1967, while still in the Army, he was charged with smuggling marijuana but the disposition of that case is not known.

In 1972, Remiro helped found the East Bay chapter of the Vietnam Veterans Against the War/Winter Soldier Organization and remained active in that group until March 1973. He was also active in working with the militant United Farm Workers, with the Oakland municipal election campaign of Black Panther leader Bobby Seale, and with other community efforts.

Nancy Ling Perry was born in Santa Rosa, Calif., where her father is a furniture dealer. She attended Whittier College in 1956, transferred to the University of California at Berkeley and earned an A.B. degree in English literature. She then began graduate studies in chemistry, presumably as part of a pre-med course. In 1967, Nancy Ling married Gilbert Scott Perry, a black musician but they were separated in February of 1973. She was employed until August of 1973 as a topless blackjack dealer in a San Francisco night club and as a counter hand in a fruit juice stand in Berkeley. Her juice stand employer said that of the $140 per week she earned, $130 of it went to Vacaville State Prison inmates. She also visited that prison every week, has also visited Folsom Prison and has been associated with the UPU and with the Black Cultural Association at Vacaville.

The Concord area suburban home which Little and Nancy Ling Perry lived in under the name of George and Nancy Devoto was located at 1560 Sutherland Court, Clayton, and was not only SLA headquarters and armory, but also a bomb factory. It is a $31,000 house with three bedrooms and two baths and the rent, since August 1973, $500 per month plus an initial $100 security deposit, has been paid by money orders from "an eastern United States—probably a New York City—bank," according to the property owner, Ken Horner of Rath Realty, Concord. References given by Nancy when she first rented the property were George Ling, her brother, of 3856 Whittle Avenue, Oakland, and an Andrew Botsford of Quogue, N.Y., listed only as a "friend of a friend."

On the same day that Little and Remiro were apprehended the Concord Fire Department responded to a fire at the 1560 Sutherland Court address. Before firemen arrived and just moments after neighbors spotted smoke coming from the house, Nancy Devoto with one and perhaps three other people, left the house and drove off in a Buick Riviera. The car was heavily loaded and was driven at a high speed. The registration of the car was later traced to William "Willie" Wolfe, 4616 Bond Street, Oakland—an address also used by Remiro. Wolfe has been associated with the UPU and accompanied Little on the visits to Folsom prison to see Clifford Jefferson.

Firemen were able to determine the cause of the fire as being gasoline from a 5-gallon container poured over floors and walls plus black powder spread over the floor. The prompt arrival of the firefighters, however, prevented the explosion and kept damage to approximately $10,000. Much evidence of the SLA was thus preserved including several pounds of potassium cyanide, bullets packed with cyanide, pipe bombs, explosives, ammunition cartons for 12-gauge shotguns and .30–06 rifles, two boxes of 9 mm ammunition, parts of dismantled weapons and stock for carbines. Also found was evidence the SLA had new Lafayette walkie-talkies, wilderness maps for adjoining counties and the Grand Teton mountain range, maps of the Oakland area marked up to indicate possible escape routes to and from the city, a list of California prison officials and their wives marked for assassination, a record of surveillance conducted on those marked for execution, the original copy of the SLA communique on Foster's murder and numerous press clippings and revolutionary books and pamphlets.

After search warrants were obtained, a search of Little's home address at 5939 Chabot Road, Oakland, produced hundreds of rounds of pistol and rifle ammunition, an M–1 rifle, 2 typewriters, an electric hand drill and 28 separate drill bits, pairs of boots, jackets, and a box of papers and 4 posters.

Remiro's home address at 4616 Bond Street, Oakland, provided searchers with several typewriters, a printing press, other printing equipment and SLA literature.

Evidence was also found that indicated the SLA intended to finance itself by well-organized burglaries.

Public source material links a number of people from the bay area with the Foster assassination investigation.

These include:

David Gunnell, 36, a freelance artist who is landlord of 5939 Chabot. His wife, Jean Wah Chan Gunnell has in the past visited Folsom prison with Nancy Ling Perry.

Robin Sue Steiner, of 2014 Channing Way, Berkeley, who had received mail at 5939 Chabot and has been identified as a former girl friend of Little.

Jean Tarshis Dolly, nee Bonner, who resides at 4614 Bond Street with a 2-year-old daughter, was formerly a member of the VO and is now associated with the West Oakland VVAW/WSO discharge upgrading project and was in December nominated for the post of a national coordinator of VVAW/WSO.

Bob Hood, 28, 4614 Bond Street, is the VVAW/WSO regional coordinator who operates from a Telegraph Avenue office formerly used by Remiro.

Reese Erlich, who with his wife lived at 4616 Bond last year, and who has been associated since 1967 with revolutionary groups in the bay area ranging from student activists through the International Liberation School to the VO. In 1969 he took a major part in organizing antiwar riots in Washington, D.C.

Dan Siegel, a former student activist, treasurer of the San Francisco chapter of the National Lawyers Guild, and a vocal Maoist who was admitted to the State bar last October after a protracted fight regarding his suitability because of his student arrest record. Siegel, who now writes for the Guardian was present at both the Chabot and Bond Street addresses acting as a legal adviser to the occupants during the period of the police searches. The Guardian is self-described as an "independent radical newsweekly" pledged to "assist in bringing to birth a new revolutionary political party, based in the working class, armed with the science of Marxism-Leninism, committed to Socialist revolution."

Robin M. Yeamans, a member of the NLG who graduated from Stanford University Law School in 1969 and has traveled to Cuba as a member of the Venceremos Brigade. Robin Yeamans is a member of the Menlo Park, Calif. Law Commune. Robin Yeamans is the attorney of record for Joseph Remiro. Little is represented by John Bain, a deputy public defender in Oakland.

Ray Hofstetter, 31, has been identified as the titular head of VO in San Francisco and the operational leader of UPU. On January 15, 1974, he, with a Robert McBriarty, 25, claiming to be investigators from Robin Yeamans office, was allowed by police to sift rubble and remove materials from 1560 Sutherland Court.

Mr. Speaker, worthy of note with respect to the kidnapping of Patricia Hearst was a letter received by the San Francisco Examiner January 19, 1974, from fugitive Nancy Ling Perry who gave her Symbionese membership name as "Fahizah" and said the pseudonym means "one who is victorious." The letter stated that she, Little, and Remiro are "an information/intelligence unit of the United Federal Forces of the Symbionese Liberation Army" whose duty it is to support such acts as the assassination of Foster but not to carry out the acts. Others, she said, must take credit for the killing.

In what she entitled her "Letter to the People," she said Little and Remiro would be defended and described the two men as "my closest companions."

She added:

> You have not been forgotten and you will be defended because there has been no set back and all combat forces are intact. . . .
>
> As a member of the SLA information/intelligence I fight against our common oppressor and this I do with my gun as well as my mind. . . .

The writer criticized other radical organizations which support armed revolution abroad but—

> When it comes to the struggle here in Amerikka (sic) they consistently denounce militancy and revolutionary violence. . . .
>
> I believe that whenever people are confronted with oppression, starvation and the death of their freedom that they wart to fight . . . there has never been a precedent for a nonviolent revolution—

She concluded:

> All members of the SLA recognize that we, right here in Amerikka are in a state of war and that in a state of war all must be armed and understand the true meaning of self-defense.

This is the letter published in the San Francisco Examiner a month ago. The Examiner, as you know, is published by Randolph A. Hearst, Patricia's father.

Mr. Speaker, I would conclude these remarks by quoting from an editorial in the February 14, 1974, Wall Street Journal:

> At the same time, the SLA certainly shows how easy it is for groups spewing out violent rhetoric to turn their fantasies into reality. Yet we have heard it suggested, have we not, that concern over such "dissenters" is somehow not quite a legitimate concern of the FBI and other law enforcement agencies, that such concern is evidence of official "paranoia," if not indeed a plot to change the U.S. into a police state. How many of those who have made these suggestions, we wonder, would be willing to make them in front of the Hearst family?

CONGRESSMAN CHET HOLIFIELD: MR. ENERGY

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the Congress and the Nation will suffer a very serious loss as a consequence of the planned retirement of Congressman CHET HOLIFIELD, at the end of the 93d Congress. CHET's recent announcement of his plans finds many of us with mixed emotions. We will miss his presence in this body, his cordiality, and his leadership. At the same time, we respect his desire to spend more time with his wonderful family and pursue activities which he has postponed again and again because of the press of his legislative duties.

CHET is a Congressman's Congressman. In his 32 years of service, he has established a record of accomplishments qualifying him as a legislator and statesman without peer. Although his accomplishments in government were legion in all areas—security, health, welfare, and good government in general—I want to focus special attention at this time on his accomplishments in the energy field.

In my 30 years as a Member of this body, I know of no person who has devoted himself more completely to the development of adequate energy supplies for this Nation. In the energy field many know him only as a leader in the development of nuclear energy, but I can assure you his interests go beyond that and indeed encompass the entire spectrum of energy resources.

I have had the privilege of serving with CHET on the Joint Committee on Atomic Energy since its inception in 1946. I have seen him, in the consideration of a planned civilian nuclear power program, ask the fundamental questions—What justification is there for such a program? Do we really need nuclear energy as a source of electric power? What about coal, gas, and oil? What about alternate sources? He insisted that the potential of nuclear power be considered in context with all other practicable energy sources. The reviews he initiated with his fundamental questions in the 1950's were consummated in 1963. From then on we have followed the goals laid out as a result of the reviews he initiated.

I recall how Congressman HOLIFIELD, while in furthering our development of nuclear energy, continually emphasized how important it was to plan for major increases in the utilization of coal, our greatest developed energy resource.

One cannot overemphasize his significant accomplishments in furthering the development of nuclear energy. He more than anyone I know, is deserving of full credit for providing the initiative to this new and vital source of energy into being. How fortunate this Nation is to have a new source of energy to turn to at this time.

In further description of his accomplishments in the nuclear field, I include in the RECORD at this point an article from the February 18, 1974, issue of Weekly Energy Report.

HOLIFIELD, FATHER OF AMERICA'S ATOMIC ESTABLISHMENT, IS BOWING OUT

Rep. Chet Holifield will call a press conference this week to announce that he is not planning to run for Congress again. Holifield's decision, based on a variety of factors including his age (70), family considerations and redistricting of the 19th District in California which he represents, are understood to have contributed to his decision not to seek re-election. Holifield has been the chief legislative architect of the nuclear industry and the Atomic Energy Commission, and has done more to bring the atom along in the United States than any other man. "Mr. Holifield," as most people refer to him, also has been the undisputed mastermind of the Joint Committee on Atomic Energy. He has nursed and bullied every major piece of legislation affecting atomic energy through Congress.

On learning of his imminent retirement, Rep. Mike McCormack of Washington State said: "The lion is going. Mr. Holifield has been without peer in Congress and the nuclear establishment is a tremendous monument to his dedication and singlemindedness." Holifield's departure represents the end of a dynasty that brought the atom from the Manhattan Project to the Liquid Metal Fast Breeder. Among a group of remarkable men who devoted themselves to atomic energy, including Hyman Rickover, Craig Hosmer, James T. Ramey and Clinton Anderson, Holifield stood head and shoulders higher. He has been their leader, their driver and the most completely devoted friends of atom.

He entered Congress in 1942 and was for years considered to be on the liberal wing of the Democratic Party, but with the passing of time and with his closeness to the defense establishment, Holifield gained a public image as being crusty and conservative. His capacity for work is a legend in Congress and his personal stature among his colleagues is as high as that of any man on Capitol Hill. Holifield has always conceived of himself as a simple public servant and has allowed himself to incur the wrath of presidents, colleagues, scientists and environmentalists to carry out the work that he believed was in the public interest. Holifield sees issues in black and white terms: what needs to be done and those who are obstructing what needs to be done. Likewise, he has appeared to divide men into two groups—those who are with him and those who are against him. This simplicity of approach contributed to Holifield's strength and the respect he commands. In an environment in which compromise is a mainstay of survival, Holifield has had little time for dealing and conniving. He has approached the countless battles that he has fought in the House with an attitude that a man was better armed with a battering ram than with the silver tongue, although when all else had failed, he would drive a bargain to save those programs and objectives that he believed to be in the public interest.

Probably Holifield's most persistent critic of recent years has been Ralph Nader. They have fought a series of running battles extending over a variety of issues including government reorganization and the safety of nuclear power plants.

In personal terms Holifield in recent years has given the air of a country squire—tweedy, courtly and distant. Holifield's personal and political dealings have always been beyond reproach. A haberdasher by trade, he had a reputation for being careful with his own money and miserly with te public money, although he foresaw the energy crisis and insisted on heavy government spending on nuclear power. He set a tone of wholesomeness in the Joint Committee and in the Atomic Energy Commission that has never been impugned. Both the committee and the agency have been above any of the venality that from time to time clouds the Washington scene. This success is but one small gem in a tiara of achievements for Chet Holifield.

FEDERAL PAPERWORK DROWNS SMALL BUSINESSMAN

(Mr. de la GARZA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. de la GARZA. Mr. Speaker, the small businessman is drowning in a sea of paperwork demanded by a vast array of Federal regulations.

The majority of the business establishments in my south Texas district fall in the category of small. Their proprietors are in most cases sole owners. Typically, they have one, three, half a dozen employees. The boss works along with them—and when he shuts up shop in the evening he often has to stay behind to wrestle with a multitude of forms, questionnaires, and reports required by Federal agencies.

Some of this paperwork is no doubt necessary. Much of it, I venture to think, is not. The small businessman, struggling to keep afloat in this inflationary period, sorely needs to be relieved of any part of the proliferating paperwork burden that serves no essential purpose.

Comprehensive information in this area is hard to come by. In an effort to find out more, I have—with some of my colleagues—introduced legislation directing the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments.

The purpose of this proposed study is to determine the extent to which these requirements may be revised in order to lighten the load on small business establishments. The bill provides that the Comptroller General shall complete his study within a year's time and report to Congress his recommendations for remedial administrative actions and legislative enactments. I believe such a report would prove enlightening and helpful.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Jones of Tennessee (at the request of Mr. O'Neill), for today, on account of illness in the family.

To Mr. Roncallo of New York (at the request of Mr. Rhodes) for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. Green of Oregon, for 60 minutes, today; and to revise and extend her remarks and include extraneous matter.

Mr. Hosmer, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. Randall, for 5 minutes, today.

(The following Members (at the request of Mr. Burgener) to revise and extend their remarks and include extraneous material:)

Mr. Lott, for 1 hour, today.

Mr. Blackburn, for 5 minutes, today.

(The following Members (at the request of Mr. Burgener) to revise and extend their remarks and include extraneous matter:)

Mr. Hogan, for 5 minutes, today.

(The following Members (at the request of Miss Jordan) to revise and extend their remarks and include extraneous material:)

Mr. O'Neill, for 5 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Culver, for 5 minutes, today.

Mr. Chappell, for 5 minutes, today.

Mr. Addabbo, for 15 minutes, today.

(The following Member (at the request of Mr. Satterfield) to revise and extend his remarks and include extraneous matter:)

Mr. Adams, for 60 minutes, on February 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Fraser and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $992.75.

Mr. Fraser and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $940.50.

Mr. Hosmer, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $2,403.50.

(The following Members (at the request of Mr. Burgener) and to include extraneous material:)

Mr. Winn in three instances.

Mr. Kemp in five instances.

Mr. Hanrahan in two instances.

Mr. Treen in two instances.

Mr. Hosmer in three instances.

Mr. Whalen.

Mr. Nelsen.

Mr. Mayne.

Mr. Ketchum.

Mr. Bell.

Mr. Hunt in five instances.

Mr. Anderson of Illinois in three instances.

Mr. Wyman in two instances.

Mr. Conlan in two instances.

Mr. Don H. Clausen.

Mr. Andrews of North Dakota.

Mr. Hogan.

Mr. Collier in five instances.

Mr. Sandman.

(The following Members (at the request of Miss Jordan) and to include extraneous material:)

Mr. Conyers.

Mr. Murphy of Illinois.

Mrs. Mink.

Mr. Lehman in 10 instances.

Mrs. Chisholm.

Mr. Yatron.

Mr. Obey in three instances.

Mr. Brown of California in 10 instances.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Rodino.

Mr. Hamilton.

Mr. Dingell in two instances.

Mr. Harrington in two instances.

Mr. Morgan.

Mr. Jones of Oklahoma.

Mr. Minish in two instances.

Mr. Rees.

Mr. Dent.

Mr. Preyer.

Mr. Chappell.

Mr. Burke of Massachusetts.

Mrs. Boggs.

Mr. Anderson of California in two instances.

(The following Members (at the request of Mr. Satterfield) and to include extraneous matter:)

Mr. Burton.

Mr. Pickle in two instances.

ADJOURNMENT

Mr. SATTERFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 28 minutes p.m.) the House adjourned until tomorrow, Thursday, February 21, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1913. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Air Force Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1914. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations for the Department of State, and for other purposes; to the Committee on Foreign Affairs.

1915. A letter from the Secretary of Commerce transmitting a draft of proposed legislation to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 1-year period, to establish an economic adjustment assistance program, and for other purposes; to the Committee on Public Works.

1916. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notice of the proposed transfer of certain NASA land at Wallops Station, Va., to the Department of the Interior, pursuant to section 207 of the National Aeronautics and Space Act of 1958, as amended by section 7 of Public Law 93–74; to the Committee on Science and Astronautics.

1917. A letter from the Chairman, U.S. Tariff Commission, transmitting the 57th Annual Report of the Commission for the fiscal year ended June 30, 1973; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENT: Committee on House Administration. House Resolution 871. Resolution authorizing the Speaker to administer the oath of office to John P. Murtha (Rept. No. 93–801). Ordered to be printed.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 894. Resolution providing for the consideration of H.R. 12670. A bill to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes. (Rept. No. 93–802). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 895. Resolution providing for the consideration of S. 1752. An act prescribing the objectives and functions of the National Commission on Productivity and Work Quality. (Rept. No. 93–803). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 896. Resolution providing for the consideration of H.R. 2. A bill to revise the Welfare and Pension Plans Disclosure Act. (Rept. No. 93–804). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. COLLINS of Illinois (for herself and Mr. Podell):

H.R. 12897. A bill to amend title XVIII of the Social Security Act to include breast prosthesis among the items and services for which payment may be made under the supplementary medical insurance program; to the Committee on Ways and Means.

By Mr. HOSMER:

H.R. 12898. A bill to provide for the regulation of surface coal mining operations, to authorize the Secretary of the Interior to make grants to States to encourage the State regulation of surface coal mining, and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. ABZUG:

H.R. 12899. A bill to direct the President to halt all exports of gasoline, No. 2 fuel oil, and propane gas until he determines that no shortage of such fuels exists in the United States; to the Committee on Banking and Currency.

H.R. 12900. A bill to establish a corporation for the development of new energy sources, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 12901. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 12902. A bill to amend the Clayton Act to preserve and promote competition among corporations in the production of oil, natural gas, coal, oil shale, tar sands, uranium, geothermal steam, and solar energy; to the Committee on the Judiciary.

H.R. 12903. A bill to amend title XVI of the Social Security Act to provide for emergency Federal assistance grants to aged, blind, or disabled individuals whose supplemental security income checks (or the proceeds thereof) are lost, stolen, or undelivered; to the Committee on Ways and Means.

H.R. 12904. A bill to amend the Internal Revenue Code of 1954 to provide for an energy conservation tax, to establish the Energy Development and Supply Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. de la GARZA:

H.R. 12905. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. DENT:

H.R. 12906. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. FOLEY:

H.R. 12907. A bill to amend the National Trails System Act to authorize a feasibility study for the establishment of certain bicycle trails; to the Committee on Interior and Insular Affairs.

H.R. 12908. A bill for the relief of the city of Asotin, Wash.; to the Committee on the Judiciary.

By Mr. FRASER (for himself, Ms. Abzug, Mr. Aspin, Mr. Badillo, Mr. Bergland, Mr. Boland, Mrs. Chisholm, Mr. Conyers, Mr. Dellums, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Fascell, Mr. Fauntroy, and Mr. Ford):

H.R. 12909. A bill to amend the Emergency Petroleum Allocation Act of 1973 to eliminate the exemption of the first sale of crude oil of certain leases from price controls, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER (for himself, Mr. Gude, Mr. Gunter, Mr. Hechler of West Virginia, Mr. Helstoski, Miss Holtzman, Mr. Kastenmeier, Mr. Kyros, Mr. Moakley, Mr. Nedzi, Mr. Nix, Mr. Podell, Mr. Roe, Mr. Roybal, Mr. Seiberling, Mr. Stark, and Mr. Won Pat):

H.R. 12910. A bill to amend the Emergency Petroleum Allocation Act of 1973 to eliminate the exemption of the first sale of crude oil of certain leases from price controls, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HUNT:

H.R. 12911. A bill to require the execution of an oath or affirmation or declaration of allegiance before a passport is granted or issued; to the Committee on Foreign Affairs.

H.R. 12912. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to deduct certain expenses paid by him for special education furnished to a child or other minor dependent who is physically or mentally handicapped; to the Committee on Ways and Means.

By Mr. MELCHER (for himself, Ms. Burke of California, Mr. Chappell, Mr. Cohen, Mr. Ryan, and Mr. Sisk):

H.R. 12913. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. MILFORD:

H.R. 12914. A bill to provide for appropriate access by the Congress to information required in connection with proceedings relating to the impeachment of the President or the Vice President and to protect a prosecutor's confidential work product; to the Committee on the Judiciary.

By Mr. MOAKLEY:

H.R. 12915. A bill to amend the Federal Reserve Act and the Federal Deposit Insurance Act to provide a minimum rate of interest which banks must pay on Christmas club accounts; to the Committee on Banking and Currency.

H.R. 12916. A bill to amend the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically handicapped because of such handicap; to the Committee on Education and Labor.

H.R. 12917. A bill to prohibit certain sterilizations which are financed by Federal funds; to the Committee on Interstate and Foreign Commerce.

H.R. 12918. A bill to authorize the Administrator of the Federal Energy Office to take certain action so as to assure the maintenance of operations involving the transporting, by truck or trucks, of perishable food, including fruit, vegetables, meats, and all seafood items; to the Committee on Interstate and Foreign Commerce.

H.R. 12919. A bill to amend the Internal Revenue Code of 1954 to allow any individual employed on a part-time basis to deduct under section 214 expenses for household and dependent care services necessary for gainful employment, and for other purposes; to the Committee on Ways and Means.

By Mr. MORGAN (by request):

H.R. 12920. A bill to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RODINO (for himself, Ms. Jordan, Mr. Mezvinsky, and Mr. Seiberling):

H.R. 12921. A bill to permit the attorneys general of the several States to secure redress to the citizens and political subdivisions of their States for damages and injuries sustained by reason of unlawful restraints and monopolies; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 12922. A bill to provide for the disposition of abandoned money orders and traveler's checks; to the Committee on Banking and Currency.

By Mrs. SCHROEDER:

H.R. 12923. A bill to prohibit the dumping of spent oil shale on any Federal land other than Federal land leased for the operation of shale oil recovery facilities and to provide for the recovery of damages for injury to the United States caused by the unlawful dumping of spent oil shale; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H.R. 12924. A bill to amend the Public Works and Economic Development Act of

1965 to extend the authorizations for a 5-year period, and for other purposes; to the Committee on Public Works.

By Mrs. SULLIVAN (for herself and Mr. Clark):

H.R. 12925. A bill to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITE (for himself, Mr. Hanley, Mr. Udall, Mr. Lehman, Mr. Hinshaw, Mr. Bafalis, Mr. Erlenborn, Mr. Fuqua, Mr. Green of Pennsylvania, and Mr. McKay):

H.R. 12926. A bill to amend title 13, United States Code, to provide for a mid-decade sample survey of population, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ASHBROOK:

H.R. 12927. A bill to authorize the establishment of the Ohio and Erie Canal National Historical Park in the State of Ohio, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 12928. A bill to provide for a study of the most feasible and suitable means of preserving the resources of the Ohio and Erie Canal in the State of Ohio, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FINDLEY:

H.R. 12929. A bill to provide a penalty for the robbery or attempted robbery of any narcotic drug from any pharmacy; to the Committee on the Judiciary.

By Mr. FULTON (for himself, Mr. Bergland, Mrs. Burke of California, Mr. Davis of South Carolina, Mr. Fisher, Mr. Gunter, Mr. Helstoski, Mr. Mayne, Mr. Obey, Mr. Robinson of Virginia, Mr. Sebelius, Mr. Spence, Mr. Charles Wilson of Texas, Mr. Won Pat, Mr. Wright, and Mr. Zwach):

H.R. 12930. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. HARSHA:

H.R. 12931. A bill to prohibit the sale of grain produced in the United States to any country participating in any oil embargo of the United States; to the Committee on Banking and Currency.

H.R. 12932. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 for States adopting safety belt use laws, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOGAN:

H.R. 12933. A bill to authorize voluntary withholding of Maryland and Virginia income taxes in the case of Members of Congress and congressional employees; to the Committee on Ways and Means.

By Mr. LONG of Maryland (for himself, Ms. Abzug, Mr. Addabbo, Mr. Alexander, Mr. Anderson of California, Mr. Carter, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Corman, Mr. Gunter, Mr. Moss, Mr. Nix, Mr. Ryan, Mr. Stokes, Mr. Thornton, Mr. Waldie, and Mr. Charles H. Wilson of California):

H.R. 12934. A bill to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, educational assistance allowances, and the special training allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish a veterans education loan program for veterans eligible for benefits under chapter 34 of such title; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service and by providing for an action plan for the employment of disabled and Vietnam-era veterans; to make improvements in the educational assistance program; to recodify and expand veterans' reemployment rights; to make improvements in the administration of educational benefits; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MAYNE:

H.R. 12935. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of certain increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. QUIE:

H.R. 12936. A bill to direct the Secretary of the Treasury to determine if bounties, grants, or export subsidies are paid by foreign countries with respect to dairy products imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. TIERNAN (for himself, Mr. Badillo, Mr. Bergland, Mr. Corman, Mr. Edwards of California, Mr. Pepper, Mr. Riegle, Mr. St Germain, and Mr. Vigorito):

H.R. 12937. A bill to protect the environment and conserve natural resources by stimulating the recovery, reuse, and recycling of waste materials and by decreasing the quantity of materials moved in commerce which must be disposed of ultimately as waste; to promote and regulate commerce by identifying and establishing standards and guidelines for the proper management of waste which poses a substantial hazard to human health or the environment, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN (for himself, Mr. Badillo, Mr. Corman, Mr. Edwards of California, Mr. Pepper, Mr. Riegle, Mr. St Germain, Mr. Symington, and Mr. Vigorito):

H.R. 12938. A bill to protect the environment and conserve natural resources by stimulating the use of recycled or recyclable materials by effecting rate changes in the movement of these materials by common carrier, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RAILSBACK (for himself, Mr. Anderson of California, Mr. Badillo, Mr. Boland, Mr. Bray, Mr. Buchanan, Mr. Hanrahan, Mr. Leggett, Mr. McCloskey, Mr. Moakley, Mr. Murphy of Illinois, Mr. Podell, Mr. Pritchard, Mr. Rees, Mr. Won Pat, and Mr. Yatron):

H. Con. Res. 433. Concurrent resolution to establish a Joint Committee on Energy; to the Committee on Rules.

By Mr. FINDLEY:

H. Res. 885. Resolution providing for the revision, update, and distribution of "Cannon's Procedure in the House of Representatives"; to the Committee on House Administration.

By Mr. HALEY:

H. Res. 886. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 163; to the Committee on House Administration.

By Mr. LANDRUM:

H. Res. 887. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. MATHIAS of California:

H. Res. 888. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. MOAKLEY:

H. Res. 889. Resolution to create a select subcommittee on the House of Representatives to conduct a full and complete investigation and study of the health effects of the current energy crisis on the poor; to the Committee on Rules.

By Mr. ROGERS:

H. Res. 890. Resolution disapproving the recommendations of the President with respect to the rates of pay of Members of Congress transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. SCHERLE (for himself, Mr. Mayne, Mr. Bennett, Mr. Schneebeli, Mr. Mosher, Mr. Crane, Mr. Jarman, Mr. Collins of Texas, Mr. Symington, Mr. Montgomery, Mr. Zion, Mr. O'Brien, Mr. Owens, Mr. Froehlich, Mr. Shoup, Mr. Devine, Mr. Sikes, Mr. Sarasin, Mr. Lott, Mr. Rinaldo, Mr. Young of Florida, Mr. Fisher, Mr. Heinz, Mr. Rose, and Mr. Taylor of Missouri):

H. Res. 891. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. SCHERLE (for himself, Mr. Miller, Mr. Symms, Mr. Parris, Mr. Archer, Mr. Del Clawson, Mr. Nichols, and Mr. Cohen):

H. Res. 892. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. STEELMAN:

H. Res. 893. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. STEPHENS introduced a bill (H.R. 12939) for the relief of Raymond Kwan-Sang Shum, which was referred to the Committee on the Judiciary.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

> (b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the Congressional Record.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the fourth calendar quarter 1973:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◄

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◄

A. Aberg, Bell, Blake & Metzner, 222 West Washington Avenue, Madison, Wis. 53703.

B. Credit Union National Association, Inc., ICU Services Corp., 1617 Sherman Avenue, Madison, Wis. 53704.

A. Robert K. Aberg, 222 West Washington Avenue, Madison, Wis. 53703.

B. Aberg, Bell, Blake & Metzner, 222 West Washington Avenue, Madison, Wis. 53703.

A. Herbert E. Adelman, 1730 K Street NW., Washington, D.C. 20006.

A. American Society of Pension Actuaries, 1122 Sinclair Building, Fort Worth, Tex. 76102.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. Hoffmann-La Roche, Inc., Nutley, N.J. 07110.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

A. Kenneth L. Bachman, Jr., 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Kenneth L. Bachman, Jr., 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.

B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C.

B. Showell Poultry Co., Showell, Md. 21862.

A. Donald Baldwin, 906—1625 I Street NW., Washington, D.C. 20006.

B. Pepco, 1900 Pennsylvania Avenue NW., Washington, D.C.

A. Barrett Smith Schapiro & Simon, 26 Broadway, New York, N.Y. 10004.

B. New York Cocoa Exchange, Inc., 127 John Street, New York, N.Y.; New York Coffee and Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.

A. William M. Bates, Bell & Stanton, Inc., 2016 Peachtree Center Building, Atlanta, Ga. 30303.

B. Georgia Farm Bureau.

A. Berl Bernhard, Suite 1100, 1660 L Street NW., Washington, D.C.

B. Engelhard Industries, 430 Mountain Avenue, Murray Hill, N.J.

A. Eleanor Bissinger, 275 Central Park West, New York, N.Y. 10024.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Nancy Blum, 215 10th Street SE., Washington, D.C. 20003.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Calling Concerned Christian Citizens, P.O. Box 2866, Washington, D.C. 20013.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.

B. Connecticut General Life Insurance Co., Hartford, Conn. 06115; Fidelity Mutual Life Insurance Co., P.O. Box 7318, Philadelphia, Pa. 19101; John Hancock Mutual Life Insurance Co., 200 Berkeley Street, Boston, Mass. 02117.

A. Carnegie Endowment for International Peace, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Henry A. Carrington, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

B. National League of Insured Savings Associations, 1200 17th Street, Suite 500, Washington, D.C. 20036.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Alabama Refining Co., Inc., 310 One Office Park, Mobile, Ala. 36609.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Charter Oil Co., P.O. Box 4726, Jacksonville, Fla. 32202.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Peugeot, Inc., 300 Kuller Road, Clifton, N.J. 07015.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Bessemer and Lake Erie Railroad Co., 600 Grant Street, P.O. Box 536, Pittsburgh, Pa. 15230.

A. Eleanor M. Cole, 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

A. Robert B. Collyer, 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. John R. Cooper, Suite 801, 1629 K Street NW., Washington, D.C. 20006.

B. National Motorsports Committee, Suite 801, 1629 K Street NW., Washington, D.C. 20006.

A. Council For A Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Association of Bituminous Contractors, 1000 Connecticut Avenue NW., Washington, D.C.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Elizabeth M. Cox, 1107 National Press Building, Washington, D.C. 20004.

B. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.

A. William J. Cudlip, 320 New Center Building, Detroit, Mich. 48202.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Gerber Cheese Co., Inc., P.O. Box 3115, Ridgway Center Building, Stamford, Conn. 06905.

A. Fred E. Darling, 110 Maryland Avenue NE., Washington, D.C. 20002.

B. Noncommissioned Officers Association of the USA, P.O. Box 2268, San Antonio, Tex. 78298.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. John L. Delano, Box 1172, Helena, Mont. 59601.

B. Montana Railroad Association.

A. Andrew Drance, Room 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.

B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

A. John R. Englehorn, P.O. Box 948, Stamford, Conn. 06904.

B. Texasgulf, Inc., 200 Park Avenue, New York, N.Y. 10017; Noranda Mines, Ltd., Commerce Court West, Toronto, Ontario, Canada.

A. Environmental Lobby, Inc., 2233 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Mrs. Joseph S. Fair, 1900 Lamont Street NW., Washington, D.C., 20010.

B. Calling Concerned Christian Countrymen, P.O. Box 2866, Washington, D.C. 20013.

A. James F. Fleming, 991 National Press Building, Washington, D.C. 20004.

B. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.

A. Foley & Lardner, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.

A. Jean Fox, 88 Central Park West, New York, N.Y. 10023.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Gilbert M. Frimet, 26600 Telegraph Road, Suite 310, Southfield, Mich. 48076.

A. Gausewitz, Carr & Rothenberg, Suite 711, South Tower, Union Bank Square, Orange, Calif. 92668.

B. The Patent Law Association of Los Angeles, Suite 711, South Tower, Union Bank Square, Orange, Calif. 92668.

A. Llewellyn Henley Gerson, 921 Washington Building, Washington, D.C. 20005.

B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C. 20006.

B. National Music Publishers' Association, Inc., 110 East 59th Street, New York, N.Y. 10022.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.

B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Ilene Goldman, 740 Park Avenue, New York, N.Y. 10021.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.

B. Texas Power & Light Co., P.O. Box 6331, Dallas, Tex.

A. Isabel Halliburton, 320 East 57th Street, New York, N.Y.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Heavy Duty Truck Manufacturers' Association, Suite 1300, 1700 K Street NW., Washington, D.C. 20006.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.

B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. C. Alexander Hewes, Jr., Suite 606, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. J. Thomas Higginbotham, Pittsburgh, Pa. 15230.

B. Mellon Bank, N.A. & Mellon Natl. Corp., Mellon Square, Pittsburgh, Pa. 15230.

A. Thomas W. Holland, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. W. Dean Hopkins, 1105 East Ohio Building, Cleveland, Ohio 44114.

B. McDonald, Hopkins & Hardy Co., 1105 East Ohio Building, Cleveland, Ohio 44114.

A. Vivian Horner, 30 West 90th Street, New York, N.Y. 10024.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Avenue NW., Washington, D.C.

A. Irmgard Hunt, 336 Central Park West, New York, N.Y. 10025.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. David R. Ignatius, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. John H. Johnson, Jr., 1133 15th Street NW., Washington, D.C. 20005.

B. National Association of Manufacturers, 277 Park Avenue, New York, N.Y. 10017.

A. Robert D. Krause, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Susannah Lawrence, 215 East 72d Street, New York, N.Y. 10021.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Lawyers To Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.

A. George Lefont, 1819 Peachtree Road NE., Atlanta, Ga., 30309.

B. Computech Systems, Inc., 1819 Peachtree Road NE., Atlanta, Ga. 30309.

A. Albert Lehrer.

B. American Consumer Action Foundation, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Life Lobby, Inc., Box 224, Wantagh, N.Y., 11793.

A. Gay Lord, 150 East 73d Street, New York, N.Y. 10021.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. W. Terry Maguire, 491 National Press Building, Washington, D.C. 20004.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.

A. Barbara Maltby, 600 West End Avenue, New York, N.Y. 10024.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Carlin Masterson, 801 West End Avenue, New York, N.Y. 10025.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.

B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Carlos R. McCalla Jr., Route 2 Box 72F, New Windsor, MD. 21776.

B. U.S. Tobacco Co., 100 West Putman Avenue, Greenwich, Conn. 06830.

A. Ellen M. McCartney, 2401 Virginia Avenue NW., Washington, D.C. 20037.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Harry C. McPherson, Jr., Suite 1100, 1660 L Street NW., Washington, D.C.

B. Engelhard Industries, 430 Mountain Avenue, Murray Hill, N.J.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Society of Pension Actuaries, 1122 Sinclair Building, Forth Worth, Tex. 76102.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. John V. Moller, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

A. Maryann Napoli, 800 West End Avenue, New York, N.Y. 10025.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Nash, Ahern & Abell, 4400 Jenifer Street NW., Washington, D.C. 20015.

B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. The National Committee on the Presidency, Inc., 23d Floor, 1221 Avenue of the Americas, New York, N.Y. 10020.

A. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.

A. Barbara Niles, 170 East 79th Street, New York, N.Y. 10021.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Alleghany Corp., New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Northwestern Steel & Wire Co., Sterling, Ill. 61081.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pasco, Inc., 530 Fifth Avenue, New York, N.Y. 10036.

A. David A. Oxford, 314 C Street SE., Washington, D.C. 20003.

B. Washington Affairs for Mobile Homes Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.

A. The Patent Law Association of Los Angeles, Suite 711, South Tower, Union Bank Square, Orange, Calif. 92668.

A. Peabody, Rivlin & Lambert, 1730 M Street NW., Washington, D.C. 20036.

B. Independent Oil & Gas Association of West Virginia P.O. Box 1740, Clarksburg, W. Va. 26301.

A. Peabody, Rivlin & Lambert, 1730 M Street NW., Washington, D.C. 20036.

B. International Center of New England, Inc., 470 Atlantic Avenue, Boston, Mass. 02210.

A. Peabody, Rivlin & Lambert, 1730 M Street NW., Washington, D.C. 20036.

B. Mass Retailing Institute, 570 Seventh Avenue, New York, N.Y. 10018.

A. Pepper, Hamilton & Scheetz, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Sun Oil Co., 1800 K Street NW., Washington, D.C. 20006.

A. Pepper, Hamilton & Scheetz, 1701 Pennsylvania Avenue NW., Washington, D.C.

B. United States Golf Association, Golf House, Far Hills, N.J. 07931.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Amarillo Convention and Visitor's Board, Amarillo, Tex.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. L. T. Barringer Co., Memphis, Tenn.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. The Board of Trade of Kansas City, Missouri, Inc., Kansas City, Mo.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Campbell-Taggart, Inc., Dallas, Tex.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Cheese Importers Association of America, Inc., New York, N.Y.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Independent Milk Producer-Distributor Association, Seattle, Wash.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. National Air Tankers Association, Washington, D.C.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. National Association of Wheat Growers, Washington, D.C.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Rolling Plains Cotton Growers, Inc., Stamford, Tex.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.

B. Texas Cattle Feeders Association, Amarillo, Tex.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co., 200 East Randolph Drive, Chicago, Ill. 60601.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.

B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.

A. Gail Rakow, 77 Seventh Avenue, New York, N.Y. 10011.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. David A. Rapoport, 2626 South 12th Street, Arlington, Va. 22204.

B. Zero Population Growth, 901 East Capitol Street SE., Washington, D.C. 20003.

A. Lola Redford, 1125 Fifth Avenue, New York, N.Y. 10028.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Paul M. Riley, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, 820 First National Bank Building, Peoria, Ill. 61602.

A. Clyde F. Roberts, Jr.

B. National Association of Manufacturers, 277 Park Avenue, New York, N.Y.

A. Byron G. Rogers, 918 16th Street NW., Washington, D.C. 20006.

B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Teachers Insurance and Annuity Association of America/College Retirement Equities Fund, 730 Third Avenue, New York, N.Y. 10017.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.

B. American Optometric Association, 1730 M Street NW., Suite 206, Washington, D.C. 20036.

A. Carroll J. Savage, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Blue Bell, Inc., 335 Church Street, Greensboro, N.C. 27402.

A. Carroll J. Savage, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Rochester Tax Council, 1100 Midtown Tower, Rochester, N.Y. 14604.

A. Ann Scott, 1107 National Press Building, Washington, D.C. 20004.

B. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.

A. Sharman Associates, Inc., Suite 1000, 1100 17th Street NW., Washington, D.C. 20036.

B. Movers' Committee for Emergency Fuel Resources, c/o Robert K. Lee, P.O. Box 272, Wichita, Kans.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. The Lehigh Coal and Navigation Co., 528 North New Street, Bethlehem, Pa. 18018.

A. Charles W. Shipley, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C.

A. Frederick Simpich, 910 16th Street NW., Washington, D.C. 20006.

B. Peugeot, Inc., 300 Kuller Road, Clifton, N.J. 07015.

A. Donald K. Simpson, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Cynthia Stein, 50 West 96th Street, New York, N.Y. 10025.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Stockholders of America, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20006.

A. Stroock, Stroock and Lavan, 1100 Connecticut Avenue, Washington, D.C. 20036.

B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.

A. Margaret Cox Sullivan, 1825 Connecticut Avenue NW., Washington, D.C. 20036.

B. Stockholders of America, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20036.

A. Sun Oil Co., 1800 K Street NW., Washington, D.C. 20006.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.

B. Embassy of the Socialist Republic of Romania, 1607 23d Street NW., Washington, D.C. 20008.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.

B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.

A. United States Golf Association, Golf House, Far Hills, N.J. 07931.

A. Robert V. Vaughn, 25 Broadway, Room 1012, New York, N.Y. 10004.

B. Federation of American Controlled Shipping, 25 Broadway, New York, N.Y. 10004.

A. Mary E. Vogel, 1107 National Press Building, Washington, D.C. 20004.

B. National Organization for Women, Inc., 1107 National Press Building, Washington, D.C. 20004.

A. Anne Walker.

B. American Consumer Action Foundation, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Anne Walker, Potomac Plaza, No. 501, 2475 Virginia Avenue NW, Washington, D.C. 20037.

B. Committee for Ethical Medical Standards in Psychiatric Practice and Research.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Laredo National Bank, Laredo, Tex.; National Bank of Commerce, San Antonio, Tex.; Alamo National Bank, San Antonio, Tex.

A. Pamela R. Warner, 121 Second Street NW., Washington, D.C. 20002.

B. National Health Federation, P.O. Box 688, Monrovia, Calif. 91016.

A. Weisman, Celler, Spett, Modlin, & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. Beneficial Management Corp., 200 South Street, Morristown, N.J.

A. Arlene Weltman, 239 Central Park West, New York, N.Y. 10024.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. William E. Wickens, 1520 33d Street NW., Washington, D.C.

B. Howrey, Simon, Baker & Murchison, 1730 Pennsylvania Avenue NW., Washington, D.C.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Globe Feather & Down Co., 1030 West North Avenue, Chicago, Ill. 60622.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

A. J. S. Yonk, P.O. Box 5108, Greenwood Plaza, Denver, Colo. 80217.

A. Thomas K. Zaucha, 1725 I Street NW., Washington, D.C.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

A. Nicholas H. Zumas, 1990 M Street NW., Washington, D.C. 20036.

B. AMEX Champlain Co., 177 Ocean Lane Drive, Key Biscayne, Fla.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the fourth calendar quarter 1973:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PAGE 2

A. Aberg, Bell, Blake & Metzner, 222 West Washington Avenue, Madison, Wis. 53703.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis. 53704.
D. (6) $4,815. E. (9) $5,750.51.

A. Robert K. Aberg, 222 West Washington Avenue, Madison, Wis. 53703.
B. Aberg, Bell, Blake & Metzner, 222 West Washington Avenue, Madison, Wis. 53703.
D. (6) $2,675. E. (9) $186.37.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.
D. (6) $800.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $950.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300.

A. Ad Hoc Committee of Shipbuilders, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $300. E. (9) $14,382.93.

A. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $9,228.49. E. (9) $9,228.49.

A. Aircraft Owners & Pilots Association, Post Office Box 5800, Washington, D.C. 20014.

A. Randolph H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C., 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $200. E. (9) $45.

A. Air Traffic Control Association, Inc., Suite 409, ARBA Building, 525 School Street SW., Washington, D.C. 20024.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500.

A. Donna Allen, 3306 Ross Place NW., Washington, D.C. 20008.
B. National Committee Against Repressive Legislation, 555 North Western Avenue, Room 2, Los Angeles, Calif. 90004.
D. (6) $1,040. E. (9) $1,656.16.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.
B. Music Operators of America, Inc., 228 North LaSalle Street, Chicago, Ill.
D. (6) $750. E. (9) $184.91.

A. Altman, Kurlander & Weiss, 125 South Clark Street, Chicago, Ill., 60603.
D. (6) $550.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo., 64114.
D. (6) $6,863.39. E. (9) $6,863.93.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Cancer Society, 219 East 42d Street, New York, N.Y.
E. (9) $6,056.98.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,402.70. E. (9) $1,402.70.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $45,804. E. (9) $45,804.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $63,815.42.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va.
D. (6) $300. (E) (9) $300.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $56,039.95. E. (9) $1,737.30.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $2,851. E. (9) $3,018.15.

A. The American Humane Association, 5351 South Roslyn Street, P.O. Box 1266, Englewood, Colo.
E. (9) $1,800.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
B. Admiral Insurance Co., Hartford, Conn.; Aetna Casualty & Surety Co., Hartford, Conn.; Aetna Casualty & Surety Co. of Illinois, Chicago, Ill.
D. (6) $34,848.88. E. (9) $34,848.88.

A. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $26,547.02. E. (9) $26,580.86.

A American Land Title Association, Suite 303, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $2,304.67.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $2,019.33.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $26,750.75.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill., 60606.
E. (9) $3,275.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo., 80202.
E. (9) $2,900.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $1,130.11.

A. American Parents Committee, Inc., 1145 19th Street NW., Washnigton, D.C. 20036.
D. (6) $7,050.96. E. (9) $6,860.52.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $3,307. E. (9) $59,077.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $7,510.56. E. (9) $7,510.56.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $10,816.73.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,218,223.64. E. (9) $126,874.65.

A. American Rivers Conservation Council, 324 C Street SE., Washington, D.C. 20003.
D. (6) $533.76. E. (9) $631.69.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $705.73. E. (9) $4,292.45.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $350. E. (9) $74.29.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $3.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $19,837.93. E. (9) $19,837.93.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $54,896.80.

A. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.
D. (6) $93,002. E. (9) $2,846.30.

A. Ted E. Amick, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Donald E. Anderson.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $8,750. E. (9) $324.

A. J. Lem Anderson, 400 First Street NW., Room 809, Washington, D.C. 20001.
B. Eastex Inc., 229 North Bowie Street, Jasper, Tex. 75951.
D. (6) $900. E. (9) $406.15.

A. Leonard Appel, Wilson, Woods & Villalon, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., Hewitt Avenue Marine Terminal, P.O. Box 1478, Everett, Wash. 98206.
D. (6) $5,100. E. (9) $241.09.

A. George W. Apperson, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, Local Div. 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $15,000.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $550. E. (9) $300.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street, NW., Washington, D.C. 20006.

B. National Soft Drink Association, 1101 16th Street, NW., Washington, D.C. 20036.

D. (6) $280. E. (9) $4.

A. Carl F. Arnold, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.

B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.

D. (6) $7,500.

A. Carl F. Arnold, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.

B. National Realty Committee, 230 Park Avenue, New York, N.Y. 10017.

D. (6) $1,250. E. (9) $37.98.

A. Carl F. Arnold, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.

D. (6) $500. E. (9) $49.18.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.

B. American Bottled Water Association, 1411 W. Olympic Boulevard, Los Angeles, Calif. 90015.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.

B. Hoffmann-LaRoche Inc., Nutley, N.J. 07110.

D. (6) $260. E. (9) $2.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.

B. Fairchild Camera and Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

D. (6) $825.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.

B. International Brotherhood of Electrical Workers, 1125 15th Street, NW., Washington, D.C.

A. Judith A. Assmus, 1763 R Street NW., Washington, D.C. 20036.

B. Montgomery County, Maryland, Lawyers Association, c/o George Ballman, 3720 Farragut Street, Kensington, Md. 20795.

D. (6) $250. E. (9) $48.13.

A. Arnold & Porter, 1229 19th Street, NW., Washington, D.C. 20036.

B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

D. (6) $392.01. E. (9) $10.

A. Judith A. Assmus, 1763 R Street NW., Washington, D.C. 20009.

B. Washington Research Project Action Council, 1763 R Street, NW., Washington, D.C. 20009.

D. (6) $1,375.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.

D. (6) $95. E. (9) $199.45.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street, NW., Washington, D.C. 20006.

D. (6) $300. E. (9) $300.

A. Association for the Advancement of Invention & Innovation, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $160. E. (9) $2,941.14.

A. Association of American Railroads, American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $7,053.89. E. (9) $7,053.89.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

E. (9) $410.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.

E. (9) $1,000.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $1,050. E. (9) $975.

A. Robert L. Augenblick, 1775 K Street, NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Richard W. Averill, 1730 M Street, NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $800. E. (9) $301.

A. Nicholas R. Bach, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.

B. National Paint and Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.

A. Kenneth L. Bachman, Jr., 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Kenneth L. Bachman, Jr., 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald L. Badders, 2030 M Street NW., Suite 800, Washington, D.C. 20036.

B. TRW Credit Data, 1230 M Street NW., Suite 800, Washington, D.C. 20036.

D. (6) $443. E. (9) $156.30.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.

B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

D. (6) $2,000. E. (9) $200.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.

B. National Coal Association, Coal Building, Washington, D.C. 20036.

E. (9) $1,353.86.

A. John C. Bagwell, 723 Investment Building, Washington, D.C. 20005.

B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $6,175. E. (9) $431.73.

A. Grace C. Baisinger, 2870 Arizona Terrace NW., Washington, D.C. 20016.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $497.48.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association.

D. (6) $113.58. E. (9) $6.

A. Donald F. Bale, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

B. The Boeing Co., Post Office Box 3707, Seattle, Wash. 98124.

D. (6) $575. E. (9) $174.

A. Markham Ball, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer, 660 First Avenue, New York, N.Y.

A. Ernest L. Barcella, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp, 3044 W. Grand Boulevard, Detroit, Mich. 48202.

A. Thomas H. Barksdale, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $7,837. E. (9) $584.

A. Robert C. Barnard, 1250 Connecticut Ave. NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Ave. NW., Washington, D.C. 20036.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Vincent Gerrard Barnett, 919 18th Street NW., Suite 400, Washington, D.C. 20006.

B. Committee of European Shipowners, 30-32 St. Mary Axe, London EC3A 8ET, England.

D. (6) $2,500. E. (9) $9,381.95.

A. James C. Barr, 1156 15th Street NW., Washington, D.C. 20005.

B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.

D. (6) $300. E. (9) $117.50.

A. Barrett, Smith, Schapiro & Simon, 26 Broadway, New York, N.Y. 10004.

B. New York Cocoa Exchange, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.

E. (9) $8.50.

A. Robert W. Barrie, 777 14th Street, NW., Washington, D.C. 20005.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $180.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.

B. Association of Oregon & California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.

D. (6) $1,200. E. (9) $596.98.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $82.36.

A. Weldon Barton.

B. The Farmers' Educational & Co-Operative Union of America, Post Office Box 2251, Denver, Colo.

D. (6) $3,969.41. E. (9) $99.84.

A. William M. Bates, Bell & Stanton, Inc., 2016 Peachtree Center Building, Atlanta, Ga. 30303.

B. Georgia Farm Bureau Federation.

D. (6) $9,000. E. (9) $2,367.42.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.

B. Independent Gasoline Marketers Council, 1523 L Street NW., Washington, D.C. 20005.

D. (6) $2,500. E. (9) $377.52.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C. 20001.
B. Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.
D. (6) $579.57.

A. Daniel S. Bedell, 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,229.24. E. (9) $450.75.

A. John H. Beidler, 1125 15th Street NW. No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,637.03. E. (9) $515.68.

A. Page Belcher, Suite 870, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $212.

A. Thomas S. Belford, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $199.98.

A. Winston Everett Bell, P.O. Box 1718, Las Vegas, Nev.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. Atalanta Corp., 17 Varick Street, New York, N.Y. 10013.
E. (9) $94.28.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Max N. Berry, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $98.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, Federation of Trades and Labor Unions, 815 16th Street NW., Washington, D.C.
D. (6) $9,100. E. (9) $169.35.

A. Walter J. Bierwagen, 5025 Wisconsin Ave. NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, 5025 Wisconsin Ave. NW., Washington, D.C. 20016.

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $450. E. (9) $450.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,250. E. (9) $125.10.

A. John W. Black, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.
D. (6) $600. E. (9) $505.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $6,875.01.

A. Becky Bogard, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $300.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y.
D. (6) $300. E. (9) $75.

A. G. Stewart Boswell, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,225. E. (9) $77.05.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. Albert D. Bourland, 1660 L Street NW., Suite 814, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $1,063.77.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
D. (6) $7,865.35. E. (9) $1,242.09.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,333.

A. George E. Bradley, 1341 G Street NW., Washington, D.C. 20005.
B. Organization of Professional Employees of USDA, 1341 G Street NW., Washington, D.C.
D. (6) $900. E. (9) $25.

A. Wayne W. Bradley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610
D. (6) $2,500. E. (9) $800.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Joseph E. Brady, Room 122, Sheraton Gibson Hotel, Cincinnati, Ohio 45202.
B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,325.76. E. (9) $80.06.

A. Edward J. Brenner, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention and Innovation, Suite 301, Crystal Mall 1, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Parke C. Brinkley, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Wally Briscoe.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $135. E. (9) $16.50.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $435. E. (9) $111.91.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. J. R. Timmins & Co., 37 Wall Street, New York, N.Y. 10005.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $375.

A Michael D. Bromberg, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500.

A. George Bronz, 888 17th Street NW., Washington, D.C. 20006.
E. (9) $28.78.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $47.

A. J. Colvin Brown, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $100.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $300.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. Brown, Vlassis & Bain, 222 North Central Avenue, Phoenix, Ariz. 85004.
B. Navajo Tribe, Window Rock, Ariz. 86515.
D. (6) $2,375. E. (9) $790.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Housing Producers, Suite 308, 10920 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Massachusetts Bankers Association, Inc., 125 High Street, Boston, Mass. 02110.

E. (9) $65.72.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Mobile Home Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $2,438. E. (9) $3,052.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. Marine Engineers' Beneficial Association, AFL–CIO, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.

D. (6) $900. E. (9) $280.57.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $1,000. E. (9) $482.42.

A. Robert D. Buehler, 1800 K Street NW, Suite 929, Washington, D.C 20006.

B. The B. F. Goodrich Co., Akron, Ohio 44318.

D. (6) $220.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont., 59701.

A. Burley & Dark Leaf Tobacco Export Association, P.O. Box 860, Lexington, Ky. 40501.

D. (6) $11,001.96. E. (9) $991.18.

A. Phil Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $538.13. E. (9) $117.99.

A. George Burnham IV, 1625 K Street NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $302. E. (9) $384.

A. Charles S. Burns, 1620 I Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

D. (6) $1,200. E. (9) $179.90.

A. Business Executives Move for Vietnam, Peace and New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.

D. (6) $1,810. E. (9) $2,133.

A. Harry W. Buzzerd, Jr., 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $312.50. (9) $6.96.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.

D. (6) $9,150. (9) $402.31.

A. Charles S. Caldwell, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $5,542.05. E. (9) $416.10.

A. Calling Concerned Christian Countrymen, P.O. Box 2866, Washington, D.C. 20013.

D. (6) $280.10. E. (9) $278.50.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $52.84.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

E. (9) $256.80.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Sharyn G. Campbell, 1620 I Street NW., Suite 603, Washington, D.C. 20006.

B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.

D. (6) $2,500. E. (9) $2,716.55.

A. W. Dean Cannon, Jr., 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.

B. California Savings & Loan League, 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.

D. (6) $1,500.

A. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.

E. (9) $1,000.

A. Marvin Caplan.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.

D. (6) $3,458. E. (9) $101.70.

A. Ronald A. Capone, Kirlin, Campbell & Keating, Room 505, The Farragut Building, Washington, D.C.

B. Committee of European Shipowners, 30–32 St. Mary Ave., London EC3A 8ET, England.

D. (6) $5,008.12. E. (9) $279.17.

A. Norval E. Carey, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Gulf Oil Corp., Pittsburgh, Pa.

D. (6) $1,000. E. (9) $375.

A. Philip Carlip, 675 Fourth Avenue, Brooklyn, N.Y. 11232.

B. Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.

D. (6) $2,500. E. (9) $1,827.32.

A. Charles R. Carlisle, Suite 903, 1701 K Street NW., Washington, D.C. 20006.

B. Lead-Zinc Producers Committee.

D. (6) $1,057.50. E. (9) $1,084.56.

A. Carnegie Endowment for International Peace, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

E. (9) $148.43.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York. N.Y. 10017.

D. (6) $100. E. (9) $12.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo.

B. Midcontinent Farmers Association.

D. (6) $5,299.32. E. (9) $248.49.

A. John R. Carson, 20 Chevy Chase Circle, Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C.

D. (6) $2,500.

A. David C. Carter, 1156 15th Street NW., Washington, D.C. 20005.

B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. John L. Casey, 127 East 59th Street, New York, N.Y. 10022.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.

B. South African Sugar Association, P.O. Box 507, Durban, South Africa.

D. (6) $20,000. E. (9) $7,017.97.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $53.95.

A. James Cassese, Sr., 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Maintenance of Way Employes.

D. (6) $3,600.

A. Frank R. Cawley, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.

B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.

D. (6) $46. E. (9) $26.

A. Frank R. Cawley, Room 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.

B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

D. (6) $67.20. E. (9) $26.24.

A. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $24,941.43. E. (9) $25,632.28.

A. Central America Cooperative Federation, Inc., 400 World Center Building, 918 16th Street NW., Washington, D.C. 20006.

E. (9) $726.91.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.

B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.

D. (6) $937.50.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.

B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.

D. (6) $1,500.

A. Justice M. Chambers, 2300 Calvert Street NW., Washington, D.C. 20008.

B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.

D. (6) $7,500. E. (9) $3,503.38.

A. Chapman, Duff & Lenzini, 1709 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Game, Fish and Conservation Commissioners, 5727 Blake Road, Minneapolis, Minn. 55346.

A. James W. Chapman, 1625 I Street NW., Washington, D.C. 20006.

B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $1,411.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,000. E. (9) $4,047.83.

A. Nancy H. Chasen, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE, Washington, D.C. 20003.

D. (6) $200.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.

B. American Dental Association, 1101 17th Street NW, Washington, D.C. 20036.

D. (6) $3,000.

A. Albert T. Church, Jr., 1625 K Street NW., Washington, D.C. 20006.

B American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.

D. (6) $57.50. E. (9) $4.95.

A. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

D. (6) $53,449.73.

A. Citizens for Control of Federal Spending, 1629 K Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $1,500. E. (9) $57,163.75.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee.

D. (6) $1,650. E. (9) $123.79.

A. Kimball Clark, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $166.88. E. (9) $79.25.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,749.99. E. (9) $282.90.

A. Robert M. Clark, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

A. Joan Claybrook, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $300.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $942.30.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Alabama Refining Co., Inc., 310 One Office Park, Mobile, Ala. 36609.

E. (9) $2.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Charter Oil Co., P.O. Box 4726, Jacksonville, Fla. 32202.

E. (9) $10.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.

D. (6) $100.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Oil Shale Corp., 680 Fifth Avenue, New York, N.Y. 10019.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Peugeot, Inc., 300 Kuller Road, Clifton, N.J. 07015.

E. (9) $16.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Suite 224, Scarsdale, N.Y. 10533.

D. (6) $2,000.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. American Brands, Inc., 245 Park Avenue, New York, N.Y., 10017.

E. (9) $50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.

E. (9) $50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Liggett & Myers, Inc., 630 Fifth Avenue, New York, N.Y. 10020.

E. (9) $50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.

E. (9) $50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Philip Morris, Inc., 100 Park Avenue, New York, N.Y. 10017.

E. (9) $50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.

E. (9) $50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

E. (9) $80.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.

D. (6) $600. E. (9) $122.20.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Bessemer & Lake Erie Railroad Co., 600 Grant Street, P.O. Box 536, Pittsburgh, Pa. 15230.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Basketball Players Association, 15 Columbus Circle, New York, N.Y. 10023.

D. (6) $2,800. E. (9) $560.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Railroad Passenger Corp. (AMTRAK), 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

D. (6) $650. E. (9) $136.60.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. New York Cocoa Exchange, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.

D. (6) $5,625. E. (9) $1,216.80.

A. Coalition for a National Population Policy, Suite 1010, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Coalition to End Grand Jury Abuse, 412 Fifth Street NW., Room 708, Washington, D.C.

D. (6) $1,000. E. (9) $545.34.

A. Grover B. Cobb, 1200 Travis, Houston, Tex.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

D. (6) $2,000. E. (9) $3,072.22.

A. Grover C. Cobb, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $400.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

E. (9) $600.80.

A. John M. Coffey, Suite 870, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Page Belcher, Suite 870, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.

D. (6) $999.99.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $6,562.44. E. (9) $311.85.

A. Timothy A. Colcord, 1620 I Street NW., Suite 603, Washington, D.C. 20006.

B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.

D. (6) $7,291.66. E. (9) $7,496.11.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,500. E. (9) $220.46.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.

B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $4,715.83. E. (9) $104.18.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.

B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.

A. Lynn R. Coleman, Vinson, Elkins, Searls, Connally & Smith, 1701 Pennsylvania Avenue NW., Suite 1120, Washington, D.C. 20006.

D. (6) $2,250.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Committee of American Tanker Owners, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., No. 410, Washington, D.C. 20036.

B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

D. (6) $3,167.50.

A. William J. Colley, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,400. E. (9) $900.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.

D. (6) $25.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Bicycle Manufacturers Association of America, Inc., 122 East 42d Street, New York, N.Y. 10017.

D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

E. (9) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

D. (6) $1,250. E. (9) $525.

A. Paul G. Collins, 111 Westminster Street, Providence, R.I. 02903.

B. Industrial National Bank of Rhode Island, 111 Westminster Street, Providence, R.I. 02903.

D. (6) $68.75.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo. 80202.

D. (6) $850. E. (9) $2,200.

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.

D. (6) $10,000. E. (9) $5,873.82.

A. Committee of Copyright Owners, c/o Phillips, Nizer, Benjamin, Krim & Ballon, 477 Madison Avenue, New York, N.Y. 10022.

D. (6) $54,473.66. E. (9) $46,308.39.

A. Committee on Strikes in Transportation, 1101 17th Street NW., Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,560,540.01. E. (9) $253,976.57.

A. Computer Industry Association, Inc., 16255 Ventura Boulevard, Encino, Calif.

D. (6) $121,270. E. (9) $6,269.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,767.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.

B. American Academy of Actuaries, 208 South LaSalle Street, Chicago, Ill., 60604.

D. (6) $900. E. (9) $157.60.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.

B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $1,500. E. (9) $200.

A. Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.

D. (6) $7,296.78.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $2,215. E. (9) $2,215.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $200. E. (9) $83.40.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.

D. (6) $3,983.86. E. (9) $3,983.86.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $500. E. (9) $275.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Jack T. Conway, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,812.50.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.

B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Howard Lee Cook, Jr., 1775 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,000. E. (9) $800.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Washington, D.C. 20002.

B. American Library Association, 50 E. Huron Street, Chicago, Ill. 60611.

D. (6) $608.40.

A. John R. Cooper, Suite 801, 1629 K Street NW., Washington, D.C. 20006.

B. National Motorsports Committee of ACCUS, Suite 801, 1629 K Street NW., Washington, D.C. 20006.

D. (6) $750. E. (9) $565.67.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.

B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.

D. (6) $1,830. E. (9) $1,245.38.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.

B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.

D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.

B. Footwear Division, Rubber Manufacturers Association, 444 Madison Avenue, New York, N.Y. 10022.

D. (6) $5,000. E. (9) $3.72.

A. Darrell Coover, 1625 I Street NW., No. 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $2,000. E. (9) $212.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Suite 308, Washington, D.C. 20036.

D. (6) $975. E. (9) $87.50.

A. Allan D. Cors, 1629 K Street NW., Washington, D.C. 20006.

B. Corning Glass Works, Corning, N.Y. 14830.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.

B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.

D. (6) $7,500. E. (9) $4,789.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Robert M. Coultas, 1612 K Street NW., Suite 508, Washington, D.C. 20006.

B. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue, Washington, D.C.

D. (6) $294.48. E. (9) $294.48.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. American Corn Millers Federation, 1030 15th Street NW., Washington, D.C. 20005.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Industrial Diamond Association of America, 2017 Walnut Street, Philadelphia, Pa. 19103.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Kohler Co., Kohler, Wis., 53004.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Linen Supply Association of America, 975 Arthur Godfrey Boulevard, Miami Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Glass Dealers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Optical Manufacturers Association, 30 East 42d Street, New York, N.Y. 10017.

A. Roger C. Courtney, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $105.80. E. (9) $120.15.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.

E. (9) $174.30.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.

B. American Broadcasting Co., 1150 17th St. NW., Washington, D.C. 20036.

D. (6) $45. E. (9) $45.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

E. (9) $2.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.

D. (6) $1,500. E. (9) $28.50.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Standard Oil Company (Ohio), Midland Building, Cleveland, Ohio.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

D. (6) $9,999.99. E. (9) $1,218.24.

A. W. J. Crawford, P.O. Box 2180, Houston, Tex. 77001.

B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Hubert M. Crean, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.

B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.

D. (6) $1,500. E. (9) $11.45.

A. Frank Cummings, Gall, Lane & Powell, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute of Electrical & Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.

D. (6) $2,750.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.

B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.

D. (6) $8,250. E. (9) $3,388.54.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

D. (6) $2,100. E. (9) $246.

A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

D. (6) $3,000. E. (9) $1,545.09.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Japan Lumber Importers Association, Tokyo, Japan.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.

D. (6) $2,000. E. (9) $592.07.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Orgalime, Brussels, Belgium.

D. (6) $3,000. E. (9) $263.64.

A. Philip J. Daugherty.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $3,374. E. (9) $135.14.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $130.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill. 60605.

B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill. 60605.

D. (6) $100. E. (9) $115.47.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

E. (9) $236.11.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. The Myron Stratton Home, Post Office Box 1178, Colorado Springs, Colo. 80901.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Northwest Industries, Inc., 400 West Madison Street, Chicago, Ill. 60606.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

E. (9) $1,779.39.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Trans Union Corp., 111 West Jackson Blvd., Chicago, Ill. 60604.

D. (6) $1,050.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60670.

B. United Insurance Co. of America, 1 East Wacker Drive, Chicago, Ill. 60601.

A. Claire Davis, 2000 Florida Avenue NW, Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW, Washington, D. C. 20009.

D. (6) $150.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $750.

A. Daniel P. Dawson, 200 East Randolph Drive, M.C. 3101, Chicago, Ill. 60601.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, M.C. No. 3101, Chicago, Ill. 60601.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.

D. (6) $3,750. E. (9) $287.87.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $4,500. E. (9) $745.37.

A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $325. E. (9) $325.

A. J. Edward Day, 21 Dupont Circle NW, Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Ronald B. Dear, 1225 Martha Custis Drive, No. 1216, Alexandria, Va. 22302.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $1,250.

A. Tony T. Dechant.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $4,000. E. (9) $236.44.

A. John L. Delano, P.O. Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, P.O. Box 1172, Helena, Mont. 59601.
E. (9) $499.85.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. George W. Della III, 1115 Maryland National Bank Building, 10 Light Street, Baltimore, Md. 21202.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $250.

A. Delta Group, Ltd., 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $3,000.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,399. E. (9) $446.85.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Alyeska Pipeline Service Co., P.O. Box 576, Bellevue, Wash. 98009.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. R. Daniel Devlin, 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
E. (9) $160.

A. Ralph B. Dewey, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $2,860. E. (9) $1,578.39.

A. John M. Dickerman, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,029.28. E. (9) $375.68.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $41,178. E. (9) $41,178.

A. William H. Dodds, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,763.24. E. (9) $877.16.

A. James F. Doherty, 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.
D. (6) $4,374.99. E (9) $1,161.16.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $100. E. (9) $25.75.

A. Patrice M. Doherty, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $300. E. (9) $60.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $348.75. E. (9) $123.14.

A. Edward V. Donahue, 1900 L Street NW., Washington, D.C. 20036.
B. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $2,669. E. (9) $2,757.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $305.25. E. (9) $56.55.

A. C. L. Dorson, Suite 529, Munsey Building, Washington, D.C. 20004.
B. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $3,701.95. E. (9) $245.

A. Richard Morgan Downey, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street, Washington, D.C. 20003.
D. (6) $200.

A. F. Raymond Downs, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Harry J. Doyle, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) 735.30. E. (9) $608.10.

A. Robert H. Doyle, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $4,031.25.

A. Andrew Drance, Room 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $23. E. (9) $18.55.

A. Wilbur B. Dronen, 100 Northeast Adams Street, Peoria, Ill. 61602.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61602.
D. (6) $1,600. E. (9) $871.63.

A. Dean W. Drulias, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $205.80. E. (9) $258.06.

A. Franklin B. Dryden.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $120. E. (9) $120.

A. Evelyn Dubrow, 1710 Broadway, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, N.Y. 10019.
D. (6) $4,329. E. (9) $3,481.83.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,475. E. (9) $100.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $600. E. (9) $300.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $60.

A. Norman Duncan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y., 10019.
D. (6) $125. E. (9) $87.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Pauline B. Dunckel, 1901 North Fort Myer Drive, Suite 900, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Suite 900, Arlington, Va. 22209.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 1003.
D. (6) $1,975. E. (9) $100.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $410.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $875.10.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $250. E. (9) $8.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Washington, D.C. 20006.

B. United States Savings & Loan League, 111 East Wacker Drive, Chicago, Ill.

D. (6) $500.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.

B. *National* Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $1,125.

A. E. Neel Edwards, 921 Washington Building, Washington D.C. 20005.

B. National Federation of Independent Business.

D. (6) $2,500. E. (9) $620.89.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

E. (9) $92.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $350.25. E. (9) $23.96.

A. J. C. B. Ehringhaus, 1600 South Eads Street, Arlington, Va. 22201.

B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

A. Harmon L. Elder, 2000 L Street NW., Suite 520, Washington, D.C. 20036.

B. Wilson E. Hamilton and Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

D. (6) $250. E. (9) $136.57.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

D. (6) $3,204.51. E. (9) $3,675.59.

A. Frank Ellis Associates, Inc., Suite 400, 1730 North Lynn St., Arlington, Va. 22209.

E. (9) $195.10.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $4,200. E. (9) $723.75.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $44,128.05. E. (9) $40,264.84.

A. Emergency Committee for the American Offshore Service Industry, 2000 Southwest Tower, Houston, Tex. 77002.

E. (9) $3,291.71.

A. Richard W. Emory, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $35.59.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.

E. (9) $1,105.81.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $225.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.

B. Bob Hoffman, York Barbell Co., York Pa. 17405.

D. (6) $1,625. E. (9) $330.32.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $414.

A. Glenn R. Erickson, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,200. E. (9) $150.

A. Russell G. Ernest, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y 10020 .

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States.

D. (6) $3,000. E. (9) $20.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.

B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.

D. (6) $2,500. E. (9) $44.

A. Clinton M. Fair, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $7,161.

A. Mrs. Joseph S. Fair, 1900 Lamont Street NW., Washington, D.C. 20010.

B. The Four C's, P.O. Box 2866, Washington, D.C., 20013

D. (6) $55. E. (9) $26.55.

A. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.

D. (6) $62,670.28. E. (9) $33,073.64.

A. Edward J. Farrell, 888 17th Street NW., Washington, D.C. 20006.

B. George Bronz, 888 17th Street NW., Washington, D.C.

E. (9) $3.

A. Federation of American Controlled Shipping, 25 Broadway, New York, N.Y 10004.

D. (6) $678.76. E. (9) $678.76.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.

E. (9) $4,500.

A. Fruzsina H. Fediam, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $550.

A. Fensterwald & Ohlhausen, 910 16th Street NW., Washington, D.C. 20006.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $3,750. E. (9) $610.20.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.

B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver 1, British Columbia, Canada.

D. (6) $8,499. E. (9) $210.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.

B. Joint Committee of Printing and Publishing Industries of Canada, 321 Bloor Street, East, Toronto 5, Ontario, Canada.

D. (6) $999.99. E. (9) $130.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $5,504.41.

A. Lloyd Fillion, 3306 Ross Place NW., Washington, D.C. 20008.

B. National Committee Against Repressive Legislation, 555 North Western Avenue, Room 2, Los Angeles, Calif. 90004.

D. (6) $1,040. E. (9) $1,150.79.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $7.50. E. (9) $2.95.

A. Thomas W. Fink, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $975. E. (9) $25.50.

A. James W. Finley, 1015 18th Street, Suite 303, Washington, D.C. 20036.

B. Crown Zellerbach Corp., 1 Bush Street, San Francisco, Calif. 94119.

A. Firearms Lobby of America, 319 Fifth Street SE., Washington, D.C. 20003.

D. (6) $6,808. E. (9) $5,852.76.

A. William J. Flaherty, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.

D. (6) $7,250. E. (9) $52.68.

A. James F. Fleming, 991 National Press Building, Washington, D.C. 20004.

B. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.

D. (6) $1,000.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,000 E. (9) $800.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.

B. Minnesota Railroads Association.

D. (6) $500. E. (9) $647.82.

A. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. James W. Foristel, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,300. E. (9) $800.

A. John S. Forsythe, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $175. E. (9) $350.33.

A. David Foster.

B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $2,500. E. (9) $237.50.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, 1200 Travis, Houston, Tex. 77001.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

D. (6) $2,500. E. (9) $4,376.89.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $5,200.

A. James O. Freeman, 1709 New York Avenue, NW., Washington, D.C. 20006.

B. U.S. Savings & Loan League, 111 East Wacker Drive, Chicago, Ill.

D. (6) $2,187.50. E. (9) $10.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Rifle Association of America, 1600 Rhode Island Avenue, NW., Washington, D.C. 20036.

D. (6) $3,750. E. (9) $1,489.37.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street, NW., Washington, D.C. 20001.

D. (6) $500. E. (9) $10.10.

A. Philip P. Friedlander, Jr., 1343 L Street, NW., Washington, D.C.

B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street, NW., Washington, D.C. 20005.

D. (6) $500. E. (9) $10.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Lone Star Gas Co., 301 Dallas, Tex. 75001.

D. (6) $2,500. E. (9) $180.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $81,083. E. (9) $12,592.

A. Friends of the Regional Medical Programs, 2128 Wyoming Avenue, Washington, D.C. 20008.

E. (9) $3,750.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $510. E. (9) $2,842.18.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $400.

A. James E. Gaffigan, 777 14th Street NW., Washington, D.C. 20005.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y., 10019.

D. (6) $207.70. E. (9) $40.05.

A. Robert E. Gallamore, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,656.24.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $2,206.91.

A. William B. Gardiner, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.

D. (6) $6,375.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,875. E. (9) $1,296.08.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

E. (9) $870.

A. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.

D. (6) $19,353.80. E. (9) $119,270.42.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

E. (9) $1,820.

A. George W. Gephart, 1412 Gas & Electric Building, Baltimore, Md. 21203.

B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.

D. (6) $61.52. E. (9) $19.52.

A. Lesley Chapman Gerould, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $1,000. E. (9) $4,933.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $10.

A. Wayne Gibbens, 1800 K Street NW., Washington. D.C., 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $450. E. (9) $333.92.

A. Joseph L. Gibson, 1660 L Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

D. (6) $60. E. (9) $210.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Class I Railroads In Tennessee.

A. Glidden-Durkee, Division of SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

E. (9) $50.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.

B. Texas Power & Light Co., P.O. Box 6331, Dallas, Tex.

E. (9) $1,257.45.

A. Don A. Goodall, 1625 I Street NW., Suite 614, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J., 07470.

D. (6) $418. E. (9) $171.68.

A. Vance V. Goodfellow, 828 Midland Bank Building, Minneapolis, Minn. 55401.

B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn. 55401.

D. (6) $6,000.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

B. Florists' Transworld Delivery Association, 900 W. Lafayette Boulevard, Detroit, Mich. 48226.

A. Government Employes Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $12,809.09. E. (9) $6,214.02.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $110.

A. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.

D. (6) $2,669. E. (9) $2,757.

A. Cornelius R. Gray, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

D. (6) $23,156.92. E. (9) $181.14.

A. Robert K. Gray, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $2,474. E. (9) $468.07.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $750. E. (9) $199.25.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho. 83702.

B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68102.

E. (9) $1,839.42.

A. Richard Greenspan, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $120.

A. Chellis O'Neal Gregory, Jr., 151 North Carolina Avenue, Washington, D.C.

B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $6,461.49.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $500.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.

D. (6) $9,995.19. E. (9) $9,995.19.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Kenneth J. Guido, Jr., 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $662.49.

A. Jerome R. Gulan, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $1,200.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. J. G. Hall, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $4,500. E. (9) $2,779.55.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga. 39102.
D. (6) $100. E. (9) $25.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 845 Third Avenue, New York, N.Y. 10022.

A. James E. Hanson, Ron Ahern & Associates, 121 Second Street NE., Washington, D.C. 20002.
B. Puget Sound Tug & Barge Co., 1102 Southwest Massachusetts Street, Seattle, Wash. 98134.

A. Robert B. Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $350. E. (9) $72.58.

A. Eugene J. Hardy.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $758.55.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $76.50.

A. John H. Harper, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $205.25. E. (9) $35.09.

A. A. J. Harris II, 425 13th Street NW., Washington D.C. 20004.
B. Securities Industry Association, 425 13th Street NW., Washington, D.C. 20004.
D. (6) $402.90. E. (9) $42.92.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $7,069.60. E. (9) $614.90.

A. Walter A. Hasty, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $722.03.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Patrick J. Head, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., Post Office Box 8339, Chicago, Ill. 60680.
D. (6) $400. E. (9) $550.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $13,918.29. E. (9) $13,918.29.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $508.81. E. (9) $508.81.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $300. E. (9) $39.50.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 1145 19th Street NW., Washington, D.C. 20036.

A. John F. Heilman, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $4,375.

A. Spencer H. Heine, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $56. E. (9) $206.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $450. E (9) $675.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.
D. (6) $1,500. E. (9) $174.65.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $8,946.16. E. (9) $359.93.

A. M. F. Hicklin, 720 Bankers Trust Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 720 Bankers Trust Building, Des Moines, Iowa 50309.

A. J. Thomas Higginbotham, 1725 K Street NW., Washington, D.C. 20006.
B. The Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $666.66. E. (9) $68.83.

A. J. Thomas Higginbotham, Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A. & Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $369.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.
B. Unemployment Benefit Advisors, Inc.
D. (6) $2,000. E. (9) $2,000.

A. James J. Hill, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,500. E. (9) $800.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $480.

A. Claude E. Hobbs, 1801 K Street NW., Ninth Floor, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Philip R. Hochberg, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Hockey League, Two Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
E. (9) $150.

A. Leo D. Hochstetter.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Dale Curtis Hogue, 1100 17th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
E. (9) $300.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61602.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61602.
D. (6) $640. E. (9) $1,157.

A. Lee B. Holmes, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,825. E. (9) $15,823.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $26.

A. Miles B. Hopkins, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. W. Dean Hopkins, 1105 East Ohio Building, Cleveland, Ohio 44114.
B. McDonald, Hopkins & Hardy Co., 1105 East Ohio Building, Cleveland, Ohio 44114.

D. (6) $1,250. E. (9) $2,587.80.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Douglass C. Horstman, 1612 K Street NW., Washington, D.C. 20006.
B. Northern Textile Association, Maytag Co.
D. (6) $1,250. E. (9) $125.

A. Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77001.
E. (9) $21,807.92.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $224.

A. Thomas Howarth, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $3,352.88. E. (9) $3,352.88.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Charles L. Huber, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $5,769.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.

A. Richard M. Hunt, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
D. (6) $562.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,545.73. E. (9) $773.48.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
B. Elmer P. Hutter, Lobbyist, P.O. Box 2255, Washington, D.C. 20013.
D. (6) $5.

A. Elmer P. Hutter, Lobbyist, P.O. Box 2255, Washington, D.C. 20013.
B. Harry E. Chapman, Washington, D.C.
E. (9) $272.

A. David Ignatius, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen, Inc., Dupont Circle Building, Washington, D.C.

A. Frank N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.
E. (9) $3,280.49.

A. Industrial Union Department, AFL–CIO, 815 Sixteenth Street NW., Washington, D.C. 20006.
D. (6) $8,666.14. E. (9) $8,666.14.

A. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $36.96.

A. Insurance Economics Society of America, 11 East Adams Street, Chicago, Ill. 60603.
D. (6) $6,820.34. E. (9) $540.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $7,839.10.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $4,520.30.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $16,533.88.

A. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $147,764. E. (9) $147,764.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $3,788.45.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
E. (9) $1,093.75.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $3,113.58. E. (9) $9,505.48.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $115.

A. Ronald A. Jacks, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $100.

A. Robert C. Jackson, 1150 Seventeenth Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $170.75.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.
D. (6) $315. E. (9) $277.50.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20004.
B. SmithKline Corp., 1600 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $735.

A. David M. Jenkins II, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

A. Anita Johnson, 2000 P Street NW, Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $224.

A. Charles E. Johnson.
B. Recording Industry Association of America, Inc.

A. Jess Johnson, Jr., Suite 300, 1700 K Street NW., Washington, D.C. 20006.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John H. Johnson, Jr.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,250. E. (9) $55.75.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,820.62. E. (9) $12.33.

A. Reuben L. Johnson.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $4,674.43. E. (9) $445.30.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $6,769.03.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $332.38.

A. Charlie W Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $350. E. (9) $95.

A. H. Daniel Jones III, Suite 1001, 1150 Seventeenth Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $40. E. (9) $20.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $18.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $813. E. (9) $8,569.

A. Robert S. Jones, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee, Division of SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $50.

A. Ronald K. Jones, 8209 Carrleigh Parkway, Springfield, Va. 22152.

B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,530. E. (9) $230.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.
D. (6) $350. E. (9) $60.

A. Francis M. Judge, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

A. Roger P. Kaplan, 1341 G Street NW., Suite 512, Washington, D.C. 20005.
B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.
D. (6) $2,500. E. (9) $50.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $35.59.

A. Carleton R. Kear, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $170.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif., 90067.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,500, E. (9) $289.30.

A. Eugene A. Keeney, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) 2,000. E. (9) $1,000.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. George Kelm, One First National Plaza, Suite 5200, Chicago, Illinois 60670.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

A. I. L. Kenen, 1341 G Street NW., Washington, D.C. 20000.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $1,875.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C. 20006.
B. Marathon Oil Company, Findlay, Ohio 45840.
E. (9) $426.35.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corporation, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $40.85.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $660. E. (9) $150.

A. Kenyon & Kenyon, Reilly, Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz. 85364; Emma Giambald, 1461 West 16th Place, Yuma, Ariz. 85364; George Hallingby, 4104 Chestnut Drive East, Forest Hills, Holiday, Fla. 33589.
E. (9) $25.

A. Thomas P. Kerester, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corporation, Pittsburgh, Pa. 15230.
D. (6) $925. E. (9) $200.

A. Kenneth L. Kimble, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $325. E. (9) $60.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20002.
D. (6) $45.

A. Susan B. King, 421 Fourth Street SE., Washington, D.C.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20006.
D. (6) $6,734.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $694.12.

A. Walter A. Kischefsky, 5408 Rickenbacker Avenue, No. 302, Alexandria, Va. 22304.
B. National Association for Uniformed Services, 956 N. Monroe Street, Arlington, Va. 22201.
D. (6) $2,000.

A. Ernest A. Kistler, Two North Ninth Street, Allentown, Pa. 18101.
B. Pennsylvania Power & Light Company, Two North Ninth Street, Allentown, Pa. 18101.
D. (6) $1,159.40. E. (9) $926.20.

A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $7,033.42. E. (9) $20.45.

A. Ralph W. Kittle.
B. International Paper Co., Room 700, 1620 Eye Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $1,500.

A. Douglas E. Kliever, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Paul R. Knapp, 1511 K Street NW., Washington, D.C. 20005.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $875.

A. John S. Knox, Jr., 1666 16th Street NW., Atlanta, Ga. 30318.
B. The Coca Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $175.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $500. E. (9) $100.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washingtion, D.C. 20009.
D. (6) $160.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $175.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $500.

A. June Kysilko Kraeft, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.50.

A. Robert D. Krause, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Lawrence E. Keider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. William J. Kuhfuss, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $891.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $7,092. E. (9) $2,142.94.

A. Norman G. Kurland, 2027 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $3,715. E. (9) $3,281.40.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $9,273. E. (9) $8,524.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $14,055.93.

A. Nick L. Laird, Suite 300, 1700 K Street, NW., Washington, D.C. 20006.

B. Shell Oil Co., One Shell Plaza, Post Office Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David R. Lambert, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $750.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $200.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va., 22203.
B. Sportsman's Paradise Homeowners Association, 10612 Dalerose Avenue, Inglewood, Calif. 90304.
D. (6) $2,500. E. (9) $286.05.

A. Asger F. Langlykke, 1913 I Street NW., Washington, D.C. 20006.
B. American Society for Microbiology, 1913 I Street NW., Washington, D.C. 20006.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $542.39.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,200. E. (9) $372.78.

A. Glenn T. Lashley, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. District of Columbia Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,700.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $125.

A. Lawyers Committee To End the War, One Wall Street, 25th Floor, New York, N.Y. 10005.
E. (9) $1,356.46.

A. Lawyers To Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.
D. (6) $7,468.55. E. (9) $7,216.09.

A. Monte Lazarus, 1825 K Street NW., Washington, D.C. 20006.
B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500. E. (9) $92.

A. William Lazarus, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $150.

A. Robert W. Lee, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.
B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

A. George Lefont, 1819 Peachtree Road NE., Atlanta, Ga. 30309.
B. Computech Systems, Inc., 1819 Peachtree Road NE., Atlanta, Ga. 30309.
D. (6) $123.07. E. (9) $200.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,527. E. (9) $2,035.03.

A. Gilbert LeKander, 910 17th Street NW., Suite 501, Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., Post Office Box 3727, Spokane, Wash. 99220.
D. (6) $450.

A. Nils A. Lennartson, 801 N. Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 N. Fairfax Street, Alexandria, Va. 22314.
D. (6) $673.71.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. General Cable Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.
E. (9) $12.50.

A. S. R. Levering, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE, Washington, D.C.

A. Harry LeVine, Jr., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $127.

A. J. Stanly Lewis, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW, Washington, D.C. 20001.
D. (6) $3,223.05.

A. Robert G. Lewis.
B. The Farmers' Education and Co-Operative Union of America, Post Office Box 2251, Denver, Colo.
D. (6) $1,384.61. E. (9) $110.83.

A. Herbert Liebenson, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $1,200.

A. Russell B. Light, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., Post Office Box 3707, Seattle, Wash. 98124.
D. (6) $400. E. (9) $226.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Joseph Lippman, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $150.

A. Charles B. Lipsen.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $11,442.34. E. (9) $426.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $316.50. E. (9) 282.71.

A. Laurence London, 25 Broadway, Room 1012, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 25 Broadway, New York, N.Y. 10004.
D. (6) $100.

A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $400. E. (9) $455.50.

A. Philip J. Loree, 25 Broadway, Room 1012, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 25 Broadway, New York, N.Y. 10004.
D. (6) $400. E. (9) $50.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $700. E. (9) $200.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Otto Lowe, 888 17th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $1,050.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 432 Park Avenue South, New York, N.Y. 10016.
D. (6) $500. (E. (9) $10.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $1,550.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Ebasint International Inc., One Penn Plaza, New York, N.Y. 10001.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.

A. Clarence T. Lundquist, 4822 Tilden Street NW., Washington D.C. 20016.

B. Menswear Retailers of America, Room 390, National Press Building, Washington, D.C. 20004.

D. (6) $600.

A. Lusk-Evans Ltd., 1120 Connecticut Avenue NW., Suite 940, Washington, D.C. 20036.

E. (9) $5.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $5,208.70. E. (9) $534.36.

A. Mark H. Lynch, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $200.

A. Shane MacCarthy, 1730 North Lynn Street, Arlington, Va. 22209.

B. Printing Industries of America, 1730 North Lynn Street, Arlington, Va. 22209.

D. (6) $950. E. (9) 1,359.40.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,875. E. (9) $52.50.

A. Ronald E. Madsen, 962 Wayne Avenue, Silver Spring, Md. 20910

B. Park Mobile, Inc., 61 Broadway, New York, N.Y. 10006.

D. (6) $6,000. E. (9) $20.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries, Corp., 900 17th Street NW., Washington, D.C.

D. (6) $73. E. (9) $4.

A. Andre Maisonpierre, 66 11th Street NW., Washington, D.C. 20001.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $495.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., U.S.A., Post Office Box 2180, Houston Tex.

E. (9) $71.54.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. Marine Engineers' Beneficial Association, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.

D. (6) $1,638. E. (9) $379.51.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.

B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.

D. (6) $7,374.99. E. (9) $100.15.

A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $110.15. E. (9) $511.75.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

E. (9) $445.

A. H. Warren Mann, 1200 Travis, Houston, Tex. 77001.

B. Houston Natural Gas Corp., Post Office Box 1188, Houston, Tex. 77001.

D. (6) $190. E. (9) $577.81.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable.

B. National Association of Manufacturers, 277 Park Avenue, New York, N.Y. 10017.

D. (6) $485. E. (9) $430.

A. Marine Engineers' Beneficial Association, AFL–CIO, District No. 1—Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.

E. (9) $5,716.85.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

A. Ralph J. Marlatt, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.

B. National Association of Mutual Insurance Agents, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.

E. (9) $1,175.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. William J. Marschalk, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $1,600. E. (9) $175.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

A. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. J. Paull Marshall, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $265.83. E. (9) $333.25.

A. Guy R. Martin, 655 C Street SE., Washington, D.C. 20003.

B. State of Alaska.

D. (6) $7,875 E. (9) $6,897.26.

A. Thomas A. Martin, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Steven A. Martindale, 1425 K Street NW., Washington, D.C.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y.

D. (6) $800. E. (9) $180.

A. Richard E. Martinez, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $551.30. E. (9) $541.85.

A. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $35.59.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. American Japanese Trade Committee, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.

D. (6) $1,000.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. Nisei Lobby, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.

B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.

D. (6) $500.

A. Guy B. Maseritz, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Walter J. Mason, 815 16th Street NW., Suite 603, Washington, D.C. 20006.

B. Building & Construction Trades Department, AFL–CIO, 815 16th Street NW., Suite 603, Washington, D.C. 20006.

D. (6) $5,500.27. E. (9) $510.

A. Craig Mathews, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. P. H. Mathews, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $1,094.27. E. (9) $1,030.13.

A. Barry D. Matsumoto, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.

B. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.

D. (6) $200.

A. Charles D. Matthews, 1100 17th Street NW., Washington, D.C. 20036.

B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.

D. (6) $225. E. (9) $69.26.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.

B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

D. (6) $331.82.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.

B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.

B. Joint Government Liaison Committee, 1 North La Salle Street, Chicago, Ill.

D. (6) $200. E. (9) $177.70.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $95. E. (9) $17.56.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America, AFL-CIO, 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $6,260. E. (9) $760.

A. Mayer, Brown & Platt, Suite 400, 888 17th Street NW., Washington, D.C. 20006.
B. Brunswick Corp., 1 Brunswick Plaza, Skokie, Ill. 60076.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
E. (9) $470.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. L. M. Williams & Clayton Burch families, % Continental Illinois National Bank & Trust Co., 231 South La Salle Street, Chicago, Ill. 60693.
D. (6) $3,625.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $966. E. (9) $10.90.

A. Michael J. McCabe, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Michael J. McCabe, 1700 Pennsylnavia Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. John A. McCart, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Government Employes Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,522.61.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga., 30301.
D. (6) $3,878.13. E (9) $57.63.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf and Western Industries, Inc., One Gulf and Western Plaza, New York, N.Y. 10023.
D. (6) $9,612. E (9) $127.55.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Magnavox Co., 1700 Magnavox Way, Fort Wayne, Ind. 46804.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y., 10017.
D. (6) $8,685.56. E. ((9) $93.23.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry and Jefferson Streets, Montgomery, Ala. 36103.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600 Washington, D.C. 20036.
B. Quaker State Oil Refining Corp., Oil City, Pa. 16302.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y., 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. Harry G. McComas, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing, Heating, Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $637.50. E. (9) $159.12.

A. E. L. McCulloch, Room 819, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $434.40. E. (9) $151.15.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.
E. (9) $236.11.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $1,779.39.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) 179.53.

A. Robert M. McElwaine, American Imported Automobile Dealers Association, 1129 20th Street, Washington, D.C. 20036.
E. (9) $829.95.

A. Robert E. McGarrah, Jr., 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $22.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $7,080.

A. Marshall C. McGrath.
B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $700. E. (9) $111.85.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,927.50. E. (9) $319.17.

A. Clarence M. McIntosh, Jr., 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $681.67.

A. William F. McKenna, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $320.02.

A. C. A. Mack McKinney, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, Suite 321, 933 North Kenmore Street, Arlington, Va. 22201.
E. (9) $24.78.

A. C. A. Mack McKinney, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Non Commissioned Officers Association of the USA, P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $2,700. E. (9) $3,494.52.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.
D. (6) $150.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.
D. (6) $250. E. (9) $115.50.

A. C. W. McMillan, Suite 1015, National Press Building, 14th and F Streets NW., Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $190.

A. Charles R. McNeill, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $2,162.86.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., 12 South 12th Street, Philadelphia, Pa. 19107; Great Lakes Dredge & Dock Co., 228 North LaSalle Street, Chicago, Ill. 60601; Dunbar & Sullivan Dredging Co., 22720 Michigan Avenue, Dearborn, Mich. 48124.
D. (6) $7,000. E. (9) $2,257.10.

A. Carlos R. McCalla, Jr., Route 2, Box 72 F, New Windsor, Md. 21776.
B. U.S. Tobacco Co., 100 West Putnam Avenue, Greenwich, Conn. 06830.

A. Harry C. McPherson, Jr., Suite 1100, 1660 L Street NW., Washington, D.C.
B. Montgomery Ward, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.
D. (6) $1,507.50.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $226.78.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.

B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $430. E. (9) $480.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,399. E. (9) $212.76.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $350. E. (9) $80.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $212.74.

A. Lawrence C. Merthan, 1425 K Street NW., Washington, D.C.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y.
D. (6) $1,701.25. E. (9) $408.35.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW, Washington, D.C. 20006.
D. (6) $392.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald Michieli, Suite 1015, National Press Building, 14th and F. Streets NW., Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $33.53. E. (9) $799.65.

A. A. Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 25 Broadway, New York, N.Y. 10004.
D. (6) $100.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.
E. (9) $500.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Dallas, Texas, Chamber of Commerce.
D. (6) $195. E. (9) $435.68.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $83.01.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $225. E. (9) $286.24.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
D. (6) $6,550.02. E. (9) $1,553.20.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Maytag Co.; Northern Textile Association; Hormel Co.
D. (6) $2,500. E. (9) $250.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
E. (9) $1,214.24.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Thomas F. Mitchell, 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $250.

A. Mobile Homes Manufacturers Association, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,730. E. (9) $1,730.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $3,750. E. (9) $233.86.

A. Montgomery Ward & Co., Inc., 1660 L Street NW., Suite 1001, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
E. (9) $3,313.50.

A. G. Merrill Moody, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $100.30. E. (9) $103.75.

A. Joseph E. Moody, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006; Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $13,333. E. (9) $8,706.

A. O. William Moody, Jr., 815 16th Street NW., Room 501, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 501, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $791.61.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C., 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D.C. 20005.
B. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
D. (6) $1,800.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Gene P. Morrell, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,500. E. (9) $907.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $246.21.

A. Lynn E. Mote, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20004.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.
E. (9) $291.91.

A. Robert M. Mulligan, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. John J. Murphy, 806 15th Street NW., Washington, D.C. 20005.
B. National Customs Service Association.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. Tom O. Murphy, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Bouvelard, Chicago, Ill. 60606.
D. (6) $95. E. (9) $140.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $75. E. (9) $119.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va. 22209.
D. (6) $100. E. (9) $158.40.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.

B. National Council of Coal Lessors, Inc., 1425 H Street NW., Washington, D.C. 20005.

D. (6) $75. E. (9) $120.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $185.

A. Thomas H. Mutchler.

B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $200. E. (9) $15.

A. J. Walter Myers, Jr., 4 Executive Park East NE., Atlanta, Ga. 30329.

B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. John J. Nangle, 1625 I Street NW., Suite 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $2,000. E. (9) $400.

A. Nash, Ahern & Abell, 4400 Jenifer Street NW., Washington, D.C. 20015.

B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.

B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.

D. (6) $82.50. E. (9) $116.95.

A. National Agricultural Chemicals Association, 1155 Fifteenth Street NW., Washington, D.C. 20005.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.

D. (6) $812.50. E. (9) $604.56.

A. National Association for Uniformed Services, 956 N. Monroe Street, Arlington, Va. 22201.

D. (6) $29,769. E. (9) $13,574.03.

A. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

D. (6) $1,287.68. E. (9) $11,070.44.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

D. (6) $300. E. (9) $300.

A. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $1,750. E. (9) $1,230.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

E. (9) $24,467.36.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,967,191.72. E. (9) $48,189.52.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Cos., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $3,166.77. E. (9) $3,166.77.

A. National Association of Plumbing, Heating, Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

D. (6) $9,615.36. (9) $9,615.36.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C.

D. (6) $300. E. (9) $300.

A. National Building Granite Quarries Association, Inc., 202 South Second Street, Cold Spring, Minn.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $471,714.22. E. (9) $3,577.95.

A. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.

D. (6) $2,806.95. E. (9) $2,806.95.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $3,802. E. (9) $3,000.

A. The National Committee on the Presidency, Inc., 23d Floor, 1221 Avenue of the Americas, New York, N.Y. 10020.

D. (6) $4,076. E. (9) $624.04.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $11,021.12. E. (9) $11,021.12.

A. National Convocation of Lawyers To End the War, 32d Floor, 225 Franklin Street, Boston, Mass. 02110.

E. (9) $526.16.

A. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,828.25. E. (9) $55.

A. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.

E. (9) $9,765.87.

A. National Electrical Contractors Association, Inc., 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $291,754.58. E. (9) $22,705.53.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

E. (9) $55.93.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $118,097.38. E. (9) $12,420.

A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.

D. (6) $400. E. (9) $455.

A. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

D. $372,112.42. E. (9) $612.02.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebraska 68107.

D. (6) $2,353.97. E. (9) $2,353.97.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $3,265.89. E. (9) $3,265.89.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C.

D. (6) $5,000. E. (9) $2,562.52.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $12,500. E. $19,941.78.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

D. (6) $503. E. (9) $2,896.98.

A. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

D. (6) $510. E. (9) $510.

A. Navajo Tribe, c/o Controller, Window Rock, Ariz. 86515.

E. (9) $3,165.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW, Washington, D.C. 20036.

D. (6) $1,395.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $150. E. (9) $50.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.

D. (6) $300.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE, Washington, D.C.

D. (6) $2,120.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. American Footwear Industries Association, Inc, 1611 N. Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $500.

A. George R. Nelson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $4,000. E. (9) $190.05.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $160.

A. Ivan A. Nestingen, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.

B. American Nursing Home Association, 1200 15th Street NW., Washington, D.C. 20005.

D. (6) $1,200. E. (9) $174.95.

A. E. John Neumann, 1515 Wilson Blvd., Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $400. E. (9) $300.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.

B. National Restaurant Association, 1530 North Lake Shore Drive, Chicago, Ill.

D. (6) $2,000. E. (9) $361.78.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $2,000. E. (9) $609.29.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.

B. National Clay Pipe Institute, 350 W. Terra Cotta Avenue, Crystal Lake, Ill. 60014.

D. (6) $150. E. (9) $15.50.

A. Richard Ney, Watergate South, 700 New Hampshire Avenue NW., Washington, D.C. 20037.

B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.

D. (6) $6,000. E. (9) $3,128.55.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $650. E. (9) $357.25.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.

B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $1,630. E. (9) $575.67.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C.

B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.

D. (6) $8,496.31. E. (9) $903.39.

A. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.

E. (9) $562.

A. Charles M. Noone, 1225 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500. E. (9) $135.86.

A. Robert F. North, 1105 Barr Building, Washington, D.C.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.

E. (9) $514.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C.

D. (6) $650.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Alleghany Corp., New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. American Transit Association, 465 L'Enfant Plaza, West SW., Suite 2900, Washington, D.C. 20024.

D. (6) $2,250. E. (9) $233.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Investors Diversified Services, Inc., 2900 IDS Tower, Minneapolis, Minn. 55402.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Northwestern Steel & Wire Co., Sterling, Ill. 61081.

D. (6) $2,820. E. (9) $229.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Pasco, Inc., 530 Fifth Avenue, New York, N.Y. 10036.

E. (9) $420.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Upper Mississippi Towing Corp., 7703 Normandale Road, Room 110, Minneapolis, Minn. 55435.

D. (6) $2,500. E. (9) $192.84.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.

B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Lawrence J. O'Connor, Jr., 1801 K Street NW., Suite 1021, Washington, D.C. 20006.

B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.

E. (9) $895.08.

A. John B. O'Day, 11 East Adams Street, Chicago, Ill., 60603.

B. Insurance Economics Society of America, 11 East Adams Street, Chicago, Ill. 60603.

D. (6) $300.

A. James L. O'Dea, 1341 G Street NW., Washington, D.C. 20005.

B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.

D. (6) $2,000. E. (9) $95.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.

B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $1,500.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.

B. Philippine Sugar Institute, P.O. Box 978, Manila, Philippines.

D. (6) $500. E. (9) $250.

A. Jane O'Grady, 815 16th Street NW., Washington, D.C. 20006.

B. Amalgamated Clothing Workers of America, AFL–CIO, 15 Union Square, New York, N.Y. 10003.

D. (6) $4,529.98. E. (9) $2,897.36.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $5,000.04.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C. 20005.

B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C. 20005.

B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Michael S. Olson, P.O. Box 2776, Raleigh, N.C. 27602.

B. Carolinas Association of Mutual Insurance Agents, P.O. Box 2776, Raleigh, N.C. 27602.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue, Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,000. E. (9) $103.06.

A. Franz M. Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. Franz M. Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer.

E. (9) $12.50.

A. Organization of Professional Employees of the U.S. Department of Agriculture, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $2,730.26. E. (9) $1,944.99.

A. David E. Osterhout, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $2,206.91.

A. David A. Oxford, 314 C Street SE., Washington, D.C. 20003.

B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.

D. (6) $3,000.

A. Juris Padegs, 127 East 59th Street, New York, N.Y. 10022.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.

B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Norman Paige, 538 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the United States, Inc., 538 Pennsylvania Building, Washington, D.C. 20004.

A. William G. Painter, 324 C Street SE., Washington, D.C. 20009.

B. American Rivers Conservation Council, 324 C Street SE., Washington, D.C. 20003.

D. (6) $480.

A. Edward J. Panarello, 1775 K Street NW., Washington, D.C., 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $6,545.73. E. (9) $1,014.64.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $250.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $217.13.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash.

D. (6) $7,760. E. (9) $127.67.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $450. E. (9) $250.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.

D. (6) $650.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Boating Industry Associations, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine and Boat Manufacturers, 537 Steamboat Road, Greenwich, Conn 06830.

D. (6) $7,000. E. (9) $1,200.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

D. (6) $1,300.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Chippewa-Cree Tribe, Rocky Boy Route, Box Elder, Mont. 59521.

D. (6) $130. E. (9) $114.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005

D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.

D. (6) $3,433. E. (9) $400.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. International Snowmobile Industry Association, 5100 Edina Industrial Boulevard, Minneapolis, Minn. 55435.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

D. (6) $840.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Moody's Investors Service, Inc., 99 Church Street, New York, N.Y. 10008.

D. (6) $75.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. The Nestlé Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. New Process Co., 220 Hickory Street, Warren, Pa. 16365.

D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

D. (6) $225.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.

D. (6) $2,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.

B. Warner Bros. Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.

D. (6) $5,100.

A. John J. Pecoraro, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,556.28.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

E. (9) $6,330.98.

A. D. V. Pensabene, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $50. E. (9) $25.

A. J. C. Perkins, 1700 K Street NW, Washington, D.C. 20006.

B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.

D. (6) $1,000.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $7,161. E. (9) $349.49

A. Richard W. Peterson, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $500.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.

D. (6) $300. E. (9) $200.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,500. E. (9) $16.

A. Howard Phillips, 5 Lobao Drive, Danvers, Mass.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $4,500. E. (9) $251.45.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.

B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.

D. (6) $2,222.22. E. (9) $158.72.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. 60605.

D. (6) $1,000.

A. James H. Pipkin, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $350. E. (9) $1,200.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.

D. (6) $8,570.51. E. (9) $1,350.

A. Nathaniel Polster, 2128 Wyoming Avenue, Washington, D.C. 20008.

B. American Cancer Society, 219 East 42d Street, New York, N.Y. 10017; Research to Prevent Blindness, 598 Madison Avenue, New York, N.Y. 10022; Neuro-Research Foundation, 35 Chestnut Place, Brookline, Mass.

D. (6) $10,750. E. (9) $2,671.49.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.

B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $3,750. E. (9) $28.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

D. (6) $1,074.50. E. (9) $19.25.

A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $660. E. (9) $107.31.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $600. E. (9) $41.

A. William C. Prather, 111 East Wacker Drive, Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $500.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

D. (6) $312.60.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,200. E. (9) $2,920.60.

A. PROD, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.

E. (9) $38.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $40. E. (9) $40.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Joseph E. Quin, 1616 H Street NW., Washington, D.C. 20006.

B. National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $720.

A. Thomas H. Quinn, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Committee for Study of Revenue Bond Financing, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $1,666.50. E. (9) $378.68.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,209.20.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $393.12.

A. Raymond Raedy, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $10,692. E. (9) $10,692.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $1,500. E. (9) $1,500.

A. D. Michael Rappoport, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $177.75. E. (9) $63.43.

A. G. J. Rauschenbach.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $1,500. E. (9) $1,294.38.

A. *Carl L. Rechin*, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee, Division of SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.

A. Timothy J. Redmon, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $15.12. E. (9) $35.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $75.72. E. (9) $6.

A. David J. Reedy, 6S430 Huntington Circle East, Naperville, Ill. 60540.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $1,500.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.

A. Research To Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y.
E. (9) $2,614.51.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,973.

A. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $6,044.80. E. (9) $8,454.56.

A. James J. Reynolds, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,875. E. (9) $381.29.

A. William L. Reynolds, 1200 17th Street, Suite 500, Washington, D.C. 20036.
B. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $190. E. (9) $102.

A. Austin T. Rhoads.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Theron J. Rice, 1130 17th Street NW., Apt. 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Mark Richardson, 1611 North Kent Street, Arlington, Va.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $270. E. (9) $250.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Siert F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. Stark Ritchie, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $2,500. E. (9) $1,661.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $224.95.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $75.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $285.

A. John P. Roche, 150 East 42d Street, New York, N.Y.
B. American Iron and Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $210.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. William L. Rodich, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Byron G. Rogers, 918 16th Street NW., Washington, D.C. 20006.
B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.
D. (6) $922.50.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $750.

A. Frank W. Rogers, Suite *793, 1801* K Street NW., Washington, D.C. 20006.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.
D. (6) $750.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Independent Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. American Iron & Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $4,150. E. (9) $20.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Deltona Corp., 3250 Southwest Third Avenue, Miami, Fla. 33129.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Rouss & O'Rourke, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V., Balderas 36, Mexico, D. F. Mexico.
D. (6) $2,820. E. (9) $2,599.56.

A. John Forney Rudy, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $150.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C.

B. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.

D. (6) $500. E. (9) $902.70.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $750. E. (9) $589.45.

A. Millard H. Ruud, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $1,431.82. E. (9) $308.72.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $150. E. (9) $113.25.

A. William Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,500. E. (9) $149.05.

A. Sachs, Greenebaum & Tayler, 1620 I Street NW., Washington, D.C. 20006.

B. Ontario Corp., 1200 West Jackson Street, Muncie, Ind.

D. (6) $520. E. (9) $7.53.

A. Carl K. Sadler, 1325 Massachusetts Avenue, Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue, Washington, D.C. 20005.

D. (6) $6,291.60. E. (9) $6,873.53.

A. Irene Saunders, 2827 28th Street NW., Washington, D.C.

B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $2,995.

A. Thomas H. Saunders, 1825 K Street NW., Suite 501, Washington, D.C. 20006.

B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $300.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $1,249.98. E. (9) $266.45.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $35.59.

A. Stephen I. Schlossberg, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile Aerospace and Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $8,823.53. E. (9) $664.74.

A. Hilliard Schulberg, 5010 Wisconsin Avenue NW., Suite B-3, Washington, D.C. 20016.

B. National Liquor Stores Association, Inc., 5010 Wisconsin Avenue NW., Suite B-3, Washington, D.C. 20016.

D. (6) $225. E. (9) $55.

A. Hilliard Schulberg, 5010 Wisconsin Avenue NW., Suite B-3, Washington, D.C. 20016.

B. Washington, D.C. Retail Liquor Dealers Association, Inc., 5010 Wisconsin Avenue NW., Suite B-3, Washington, D.C. 20016.

D. (6) $555. E. (9) $120.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States.

D. (6) $2,014.05. E. (9) $7.50.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $879.75. E. (9) $44.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $5,000.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.

B. Jefferson Pilot Corp., P.O. Box 21008, Greensboro, N.C. 27402.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.

B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $153. E. (9) $13.08.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.

B. Estate of Bert N. Adams, Emma (Adams) Giambald, George Hallingby.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. 60607.

D. (6) $125. E. (9) $25.

A. W. O. Senter, 1725 DeSales Street NW., Washington, D.C. 20036.

B. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.

D. (6) $340. E. (9) $236.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20004.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.

E. (9) $195.04.

A. J. Richard Sewell, 1725 I Street NW., Washington, D.C.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

E. (9) $500.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pfizer Inc., 235 East 42d Street, New York, N.Y., 10017.

D. (6) $510. E. (9) $155.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Albright Title & Trust Co., 100 North Main Street, Newkirk, Okla. 74647; American Title Insurance Co., 150 Southeast Third Avenue, Miami, Fla. 33131; Chelsea Title & Guaranty Co., 1300 Bacharach Boulevard, Atlantic City, N.J. 08401.

D. (6) $7,459.07. E. (9) $1,526.39.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y., 10022.

D. (6) $700. E. (9) $54.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C.

B. Howard Allington, Estate of Robert P. Anninger, Henry Arnhold.

E. (9) $165.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C.

B. Independent Grocers' Alliance, 300 West Adams Street, Chicago, Ill. 60606; Topco Associates, Inc., 7711 Gross Point Road, Skokie, Ill. 60076; Alpena Wholesale Grocer Co., P.O. Box 475, Alpena, Mich. 49707.

D. (6) $17,027.28. E. (9) $344.61.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. The Lehigh Coal & Navigation Co., 528 North New Street, Bethlehem, Pa. 18018.

E. (9) $103.77.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.

B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y., Fur Conservation Council of America, Inc.

D. (6) $1,000. E. (9) $114.50.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.

B. Ametalco, Inc., 530 Fifth Avenue, New York, N.Y.

A. Shaw, Pittman, Potts & Trowbridge, Barr Building, 910 17th Street NW., Washington, D.C. 20006.

B Doubleday & Co., Inc., 277 Park Avenue, New York, N.Y. 10017.

A. W. Lee Shield, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Edward L. Shields, 666 11th Street NW., Washington, D.C. 20001.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Illinois.

E. (9) $1,140.

A. Harvey A. Shipman, 1725 K Street NW., Suite 1103, Washington, D.C. 20006.

B. Penn Central Transportation Co., Six Penn Center Plaza, Philadelphia, Pa. 19104.

D. (6) $250. E. (9) $1,393.15.

A. L. J. Sichel, 1730 M Street NW., Washington, D.C. 20036.

B. Abbott Laboratories, North Chicago, Ill. 60064.

E. (9) $18.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Frederick Simpich, 910 16th Street NW., Washington, D.C. 20006.

B. Peugeot, Inc. 300 Kuller Road, Clifton, N.J. 07015.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee.

D. (6) $1,650. E. (9) $207.05.

A. Lana H. Sims, 1003 Security Federal Building, Columbia, S.C. 29201.

B. South Carolina Railroad Association, 1003 Security Federal Building, Columbia, S.C. 29201.

D. (6) $30.42. E. (9) $19.59.

A. Julian H. Singman, 724 14th Street NW., Washington, D.C. 20005.

B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.

D. (6) $5,000.

A Carstens Slack, 1825 K Street NW., Washington, D.C. 20006.

B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue, NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $2,206.91.

A. Stephen Slipher, 1709 New York Avenue NW., Washington, D.C. 20006.

B. United States Savings and Loan League, 111 East Wacker Drive, Chicago, Ill.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. American Horse Council, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $6,250. E. (9) $1,843.19.

Smathers, Merrigan & Herlong, 888 17th Street NW , Washington, D.C. 20006.

B. Association of Amercan Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $6,250. E. (9) $32.05.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.

D. (6) $8,500. E. (9) $62.29.

A. Donald E. Smiley, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

E. (9) $322.15.

A. Arthur J. Smith, 1700 K Street NW., Suite 300, Washington, D.C. 20006.

B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.

D. (6) $500.

A. Everard H. Smith, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

D. (6) $320. E. (9) $322.45.

A. Gordon L. Smith, 1145 19th Street NW., Washington, D.C. 20036.

B. Edward Gottlieb & Associates, Ltd., 485 Madison Avenue, New York, N.Y. 10022.

A. J. Kenneth Smith, 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Oil Co., 240 Radnor Chester Road, Saint Davids, Pa. 19087.

D. (6) $4,000. E. (9) $235.

A. James R. Smith, 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.

B. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.

D. (6) $2,250.

A. Robert William Smith, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich., 48121.

D. (6) $424. E. (9) $466.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C. 20004.

B. National Association of Mutual Insurance Cos., 3611 East 46th Street, Suite H, Indianapolis, Ind. 46205.

D. (6) $650. E. (9) $80.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $1,848.75. E. (9) $1,025.10.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

D. (6) $500. E. (9) $100.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.

B. Burley and Dark Leaf Tobacco Export Association, P.O. Box 860, Lexington, Ky. 40501.

D. (6) $640.75. E. (9) $351.43.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.

B. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $2,296.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.

B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

E. (9) $350.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.

D. (6) $913.42. E. (9) $2,470.17.

A. Carl A. Soderblom, One East First Street, Room 803, Reno, Nev. 89501.

B. Nevada Railroad Association, One East First Street, Room 803, Reno, Nev.; Southern Pacific Transportation Co., Western Pacific Railroad Co.

A. Fred Solowey, 412 Fifth Street NW., Room 708, Washington, D.C. 20001.

B. Coalition to End Grand Jury Abuse, 412 Fifth Street NW., Room 708, Washington, D.C. 20001.

D. (6) $155.34. E. (9) $240.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $1,466. E. (9) $5.05.

A. Frank J. Specht, 1725 DeSales Street NW., Washington, D.C. 20036.

B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. William C. Spence, Box 683, Houston, Tex. 77001.

B. Columbia Gulf Transmission Co., Box 683, Houston, Tex. 77001.

D. (6) $580. E. (9) $462.82.

A. Joseph L. Spilman, Jr., 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Sportsman's Paradise Homeowners Association, 10612 Dalerose Avenue, Inglewood, Calif. 90304.

E. (9) $616.05.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.

E. (9) $167.

A. John M. Stackhouse, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

A. Lynn Stalbaum, 400 World Center Bulding, 918 16th Street NW., Washington, D.C. 20006.

B. Central America Cooperative Federation, Inc., Room 400, 918 16th Street NW., Washington, D.C. 20006.

D. (6) $575. E. (9) $65.75.

A. The Standard Oil Co. (Ohio), 1801 K Street NW., Suite 1021, Washington, D.C. 20006.

E. (9) $895.08.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 211, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.

D. (6) $3,000. E. (9) $350.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

D. (6) $1,200. E. (9) $104.45.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

D. (6) $220. E. (9) $8.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Robert College of Istanbul, Turkey, 305 East 45th Street, New York, N.Y. 10017.

D. (6) $40. E. (9) $2.

A. B. H. Steuerwald, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railroad Signalmen, 2247 West Lawrence Avenue, Chicago, Ill.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.

B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $870.

A. Edward T. Stevenson, 2021 K Street NW., Washington, D.C. 20006.

B. Southern Furniture Manufacturers Association, P.O. Box 951, High Point, N.C. 27261.

D. (6) $562.50. E. (9) $555.36.

A. Travis B. Stewart, 1775 K Street NW., Washington, D.C. 20006.

B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

D. (6) $500. E. (9) $200.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

D. (6) $1,820.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $6,039.35. E. (9) $400.60.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $1,000. E. (9) $100.

A. John D. Stringer, 666 11th Street NW., Washington, D.C. 20001.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $1,640.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $2,250. E. (9) $319.47.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $600.

A. Sullivan, Beauregard, Meyers & Clarkson, 1200 18th Street NW., Washington, D.C. 20036.

D. (6) $15,000. E. (9) $684.47.

A. Frank L. Sundstrom, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

D. (6) $475. E. (9) $360.

A. Glenn A. Swanson, 1725 DeSales Street NW., Suite 905, Washington, D.C. 20036.

B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

D. (6) $17,901.15. E. (9) $3,145.15.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association.

A. Noble J. Swearingen, Suite 61, 128 C Street NE., Washington, D.C. 20002.

B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.

D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $7,500.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.

B. Bethlehem Steel Corp., 701 East Third Street, Bethlehem, Pa. 18016.

D. (6) $450. E. (9) $296.25.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.

B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.

D. (6) $153.84. E. (9) $198.35.

A. Charles P. Taft, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. Legislative Committee, Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Charles C. Talley, 100 Angus Court, Charlottesville, Va. 22901.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. David Tarr, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $225.

A. Tax Reform Research Group, 733 15th Street NW., Suite 426, Washington, D.C. 20005.

D. (6) $718.15. E. (9) $718.15.

A. Richard M. Tempero, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $343.74.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Independent Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $300.

A. Joseph F. Thomas, 1735 New New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $2,920.80.

A. William D. Thompson, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,000. E. (9) $2,255.16.

A. Cyrus C. Tichenor, III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.

B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.

D. (6) $5,250. E. (9) $3,165.67.

A. Paul J. Tierney, 1101 17th Street NW., Washington, D.C. 20036.

B. Transportation Association of America.

D. (6) $213. E. (9) $100.

A. J. R. Timmins & Co., 37 Wall Street, New York, N.Y. 10005.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C. 20036.

E. (9) $1,651.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $1,000. E. (9) $41.19.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $685.25. E. (9) $658.67.

A. Christine Topping, Suite 614, 1800 K Street NW., Washington, D.C. 20006.

B. Bipartisan Committee on Absentee Voting, Inc., Suite 614, 1800 K Street NW., Washington, D.C. 20006.

D. (6) $3,000. E. (9) $114.97.

A. John P. Tracey.

B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $50.

A. Transportation Association of America, 1101 17th Street NW., Washington, D.C. 20036.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.

B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Washington, D.C. 20006.

B. United States Savings and Loan League, 111 East Wacker Drive, Chicago, Ill.

D. (6) $5,625. E. (9) $27.90.

A. St. Clair J. Tweedie, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.

B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C., 28281.

D. (6) $1,074.30. E. (9) $115.94.

A. J. Drake Turrentine, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. John D. Tyson.

B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.

D. (6) $185.75. E. (9) $147.50.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

E. (9) $8,880.98.

A. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.

E. (9) $1,475.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

E. (9) $7,019.40.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

E. (9) $255.47.

A. United States Savings and Loan League, 111 East Wacker Drive, Chicago, Ill.

E. (9) $67,178.79.

A. Universal Development Consultants, Inc., 425 13th Street NW., Washington, D.C. 20004.

B. Mortgage Bankers Association of America.

D. (6) $625. E. (9) $48.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. John A. Vance, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.

B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $591.25. E. (9) $447.95.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite 912, Washington, D.C. 20005.

B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.

A. Lois Van Valkenburgh, 1673 Preston Road, Alexandria, Va. 22302.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $77.50. E. (9) $5.40.

A. Robert V. Vaughn, 25 Broadway, Room 1012, New York, N.Y. 10004.

B. Federation of American Controlled Shipping, 25 Broadway, New York, N.Y. 10004.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $136. E. (9) $21.50.

A. L. T. Vice, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

E. (9) $155.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $650. E. (9) $4,933.

A. Robert E. Vinson, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $15.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Donn L. Waage, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

D. (6) $157.25. E. (9) $24.05.

A. Paul A. Wagner, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $5,198.78. E. (9) $168.02.

A. E. F. Waldrop, Jr., 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $70.44.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Allied Chemical Corp., P.O. Box 1057R, Morristown, N.J. 07960.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aluminum Co. of America, Washington, D.C. 20036.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Electric Co., Washington, D.C. 20005.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Gulf Oil Corp., Washington, D.C. 20036.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Procter & Gamble, Cincinnati, Ohio 45201.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Time, Inc., Time and Life Building, Rockefeller Center, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Camp Corp., 1600 Valley Road, Wayne, N.J. 07040.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. George R. Walker, 3901 Hawkins Point Road, Baltimore, Md. 21226.

B. Glidden-Durkee Division SCM Corp., 3901 Hawkins Point Road, Baltimore, Md. 21226.

A. John S. Walker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Glidden-Durkee Division of SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $5,869.

A. Franklin Wallick, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $5,725.68. E. (9) $1,273.

A. Charles S. Walsh.

B. National Cable TV Association, Inc., 918 16th Street NW., Washington D.C.

D. (6) $127.50. E. (9) $15.

A. William A. Walton, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.

B. Kansas Railroad Committee, 800 Merchants National Bank Building, Eighth and Jackson Street, Topeka, Kans. 66612.

D. (6) $450. E. (9) $450.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $5,894.94. E (9) $518.73.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $8,100. E. (9) $422.

A. James A. Warren, 5500 Friendship Boulevard,Chevy Chase, Md. 20015.

B. REA Express Inc., 219 East 42d Street, New York, N.Y 10017.

D. (6) $450. E. (9) $75.

A. Washington Research Project Action Council, 1763 R Street NW., Washington D.C. 20009.

D. (6) $3,065.52. E. (9) $3,651.37.

A. George B. Watts, 1155 15th Street NW., Washington, D.C.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $11,583.60. E. (9) $1,534.99.

A. Clarence M. Weiner, 575 Madison Avenue, New York, N.Y. 10022.

B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

D. (6) $10,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D C. 20036.

B. Lawrence N. Brandt & Co., 4201 Connecticut Avenue NW., Washington, D.C. 20008.

D. (6) $400.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington. D.C. 20036.

B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,500.

A. Bernard J. Welch, 1800 K Street NW., Washington, D.C. 20006.

B. Pan American World Airways, Inc., 1800 K Street NW., Washington, D.C. 20006.

E. (9) $114.86.

A. Frank J. Welch, 3724 Manor Road, Chevy Chase, Md. 20015.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $174.73.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.

E. (9) $500.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.

B. Sun Oil Co., 240 Radnor Chester Road, St. Davids, Pa. 19087.

D. (6) $7,000. E. (9) $1,810.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.

B. The Fertilizer Institute 1015 18th Street NW., Washington, D.C. 20036.

E. (9) $25.

A. Wheeler, Van Sickle, Day & Anderson, 25 West Main Street, Madison, Wis. 53703.

B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,600. E. (9) $115.

A. John S. White, 420 Cafritz Building, Washington, D.C 20006.

B. Marathon Oil Co., Findlay, Ohio 45840.

E. (9) $747.80.

A. John C. White, 1101 17th Street NW., Washington, D.C. 20036.

B. Private Truck Council of America, Inc., Room 1008, 1101 17th Street NW., Washington, D.C.

A. Robert L. White, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. National Electrical Contractors Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Douglas Whitlock II, 1660 L Street NW., Suite 1005, Washington, D.C. 20036.

B. Zale Corp., 1660 L Street NW., Washington, D.C. 20036.

D. (6) $500. E. (9) $150.

A. Alan J. Whitney, 1341 G Street NW., Suite 512, Washington, D.C. 20005.

B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.

D. (6) $5,000. E. (9) $400.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Claude C. Wild, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Gulf Oil Corp., Pittsburgh, Pa. 15230.

D. (6) $1,000. E. (9) $503.96.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

E. (9) $120.

A. Francis G. Williams.

B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

A. Harding de C. Williams, 1825 K Street NW., Washington, D.C. 20006.

B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.

D. (6) $500. E. (9) $50.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O Box 391, Ashland, Ky. 41101.

D. (6) $250.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Bankers Association of Puerto Rico, % Wender, Murase & White, 350 Park Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Globe Feather & Down Co., 1030 West North Avenue, Chicago, Ill. 60622.

D. (6) $33. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.

D. (6) $900. E. (9) $200.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. National Council for Health Care Services, 407 N Street SW., Washington, D.C. 20024.

D. (6) $1,000.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

E. (9) $200.

A. Robert E. Williams, 1825 K Street NW., Washington, D.C. 20006.

B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.

D. (6) $1,250. E. (9) $511.91.

A. Samuel M. Williams, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $400. E. (9) $300.

A. Kenneth Williamson, 2130 LeRoy Place, NW., Washington, D.C. 20008.

B. Seventh-Day Adventists Hospital Association, 6840 Eastern Avenue NW., Washington, D.C. 20021.

D. (6) $1,500. E. (9) $165.47.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. American Basketball Association, 1700 Broadway, New York, N.Y. 10019.

D. (6) $364.74. E. (9) $47.17.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Council for Responsible Nutrition, 1776 K Street NW., Washington, D.C. 20006.

D. (6) $500. E. (9) $10.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.

B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

D. (6) $1,200. E. (9) $229.98.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.

B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

D. (6) $3,000. E. (9) $1,901.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $50. E. (9) $13.69.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.

B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.

D. (6) $850. E. (9) $2,200.

A. Barry Wolf, 631 North Carolina Avenue SE., Washington, D.C. 20003.

B. National Organization for the Reform of Marijuana Laws, 1237 22d Street NW., Washington, D.C. 20037.

D. (6) $300. E. (9) $1.75.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

D. (6) $200. E. (9) $20.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C.

B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $9,693.60. E. (9) $1,632.90.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.

B. The Flying Tiger Line Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Albert Young Woodward, 815 Connecticut Avenue, NW., Washington, D.C.

B. The Signal Co., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Perry W. Woofter, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $8,550. E. (9) $341.

A. George M. Worden, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Wyatt, Saltzstein, Minton & Howard, 1300 Wyatt Building, Washington, D.C. 20005.

B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.

D. (6) $2,250. E. (9) $59.75.

A. Gerald L. Wykoff, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. National Electrical Contractors Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Airbus Industrie, 160 Avenue de Versailles, Paris 16^{e}, France.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Alaska Federation of Natives, Inc., 1675 C Street, Anchorage, Alaska 99501.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. City of Palm Springs, 3200 Tahquitz-McCallum Way, Palm Springs, Calif. 92262.

D. (6) $651. E. (9) $1.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.

D. (6) $100.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Copyright Owners Negotiating Committee, % Phillips, Nizer, Benjamin, Krim Ballon, 477 Madison Avenue, New York, N.Y. 10022.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Embassy of the Government of the Republic of Korea, 2320 Massachusetts Avenue NW., Washington, D.C. 20008.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.

D. (6) $550.

A. Dennis M. Yamamoto, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, % Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $187.46. E. (9) $184.30.

A. Charles S. Yerrid, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $540. E. (9) $633.87.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.

B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.

D. (6) $200. E. (9) $142.96.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $7,322. E. (9) $407.30.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $72.88.

A. Nicholas H. Zumas, 1990 M Street NW., Washington, D.C. 20036.

B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.

D. (6) $450.

*All alphanumeric characters and monetary amounts refer to rece73 were received too late to be included in the published reports
Report Form.
The following reports for the third calendar quarter of 19ipts and expenditures on page 2, paragraphs D and E of the Quarterly
for that quarter.

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

A. Albert E. Abrahams, 925 Fifteenth Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill.
D. (6) $2,850. E. (9) $68.15.

A. Action for Legal Rights, 1346 Connecticut Avenue NW., Room 533, Washington, D.C. 20036.
D. (6) $11,509. E. (9) $12,425.89.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $27,195.77. E. (9) $27,195.77.

A. American Cancer Society, 219 East 42 Street, New York, N.Y.
E. (9) $7,516.24.

A. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $37,061.60. E.(9) $37,061.60.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $5,315.28. E. (9) $5,315.28.

A. American Institute of Housing Consultants, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100. E. (9) $100.

A. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
E. (9) $2,161.75.

A. American Nurses' Association, Inc., 2420 Pershing Road., Kansas City, Mo. 64108.
D. (6) $46,951.78. E. (9) $46,951.78.

A. Robert E. Ansheles, Suite 718, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. CITC Industries, Inc., 1 Park Avenue, New York, N.Y. 10016.
D. (6) $200. (9) $77.20.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Associtlon, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $300.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $220. E. (9) $93.55.

A. Association of Petroleum Re-Refiners, 1500 North Quincy Street, Box 7116, Arlington, Va. 22207.

A. Atlantic Richfield Company, 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $1,050. E. (9) $1,000.

A. James Arthur Austin, 1701 North Fort Myer Drive, Arlington, Va. 22209.
B. American Feed Manufacturers Assn., Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $1,873.93.

A. Charles W. Bailey, 1990 M Street NW., Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Markham Ball, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. Ross Bass Associates, 4000 Massachusetts Avenue NW., Washington, D.C. 20016.
B. Record Industry Association of America, 1 East 57th Street, New York, N.Y.
D. (6) $6,250.

A. Davis M. Batson, 1155 15th Street NW., No. 611, Washington, D.C. 20005.
B. Ethyl Corporation, 1155 15th Street NW., No. 611, Washington, D.C. 20005.
D. (6) $600.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C.
B. Congress of Railway Unions.
D. (6) $579.57.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $2,500. E. (9) $1,300.

A. H. Michael Bennett, 1346 Connecticut Avenue NW., Room 533, Washington, D.C. 20036.
B. Action for Legal Rights, 1346 Connecticut Avenue NW., Room 533, Washington, D.C. 20036.
D. (6) $5,250.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,450. E. (9) $169.95.

A. Billig, Sher & Jones, 126 16th Street NW., Washington, D.C. 20036.
B. Steamship Conferences.
E. (9) $94.48.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 S. Stanford Way, Whittier, Calif. 90601.
E. (9) $11.51.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif., 90054.
E. (9) $11.27.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.
E. (9) $3.50.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, DC. 20036.
D. (6) $475.

A. Boston Lawyers Vietnam Committee, 32d Floor, 225 Franklin Street, Boston, Mass. 02110.
E. (9) $3.52.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,333.

A. Joseph E. Brady, Room 122, Sheraton Gibson Hotel, Cincinnati, Ohio 45202.
B. National Coordinating Committee of the Beverage Industry.

A. Cyril F. Brickfield, 1909 K Street NW., Washington, D.C. 20006.
B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.
E. (9) $44.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $600. E. (9) $42.

A. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $19,457.35. E. (9) $19,457.35.

A. W. F. Broxterman, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,744.58. E. (9) $87.30.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019.
D. (6) $900. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Magazine Publishers Association, Inc., 575 Lexington Ave., New York, N.Y. 10022.
D. (6) $3,000. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $700.

A. George J. Burger, 250 W. 57th Street, New York City, N.Y.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N.Y.

A. George J. Burger, 30 Clinton Place, New Rochelle, N.Y. 10801.
B. National Federation of Independent Business, 30 Clinton Place, New Rochelle, N.Y. 10801.
D. (6) $4,249.98. E. (9) $365.52.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $42.65.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.
E. (9) $500.

A. Charles R. Carlisle, Suite 903, 1701 K Street NW., Washington, D.C. 20006.
B. Lead-Zinc Producers Committee.
D. (6) $1,057.50. E. (9) $753.26.

A. Blue Carstenson, 1730 Rhode Island Avenue NW., Room 509, Washington, D.C. 20036.

A James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $49.75.

A. Albert T. Church, Jr., 1625 K Street NW., Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.

D. (6) $57.50. E. (9) $4.95.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.

D. (6) $14,735. E. (9) $8,162.59.

A. Citizens for Control of Federal Spending, 1629 K Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $10,000. E. (9) $26,160.94.

A. Coalition for a National Population Policy, 1120 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

A. Carl A. S. Coan, Jr., 1625 L Street NW., Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $7,124.99. E. (9) $527.95.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

D. (6) $1,100. E. (9) $415.34.

A. Cohen and Uretz, 1730 M Street NW., Washington, D.C. 20036.

B. Commonwealth of Puerto Rico, c/o Jose A. Cabranes, 2210 R Street NW., Washington, D.C. 20008.

A. Cohen and Uretz, 1730 M Street NW., Washington, D.C. 20036.

B. McDonnell Douglas Finance Corp., 3855 Lakewood Boulevard, Long Beach, Calif. 90801.

D. (6) $6,819.49. E. (9) $49.85.

A. Paul G. Collins, 111 Westminster Street, Providence, R.I. 02903.

B. Industrial National Bank of Rhode Island, 111 Westminster Street, Providence, R.I. 02903.

D. (6) $68.75.

A. Colson & Shapiro, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Committee for the Martin Report, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $3,600. E. (9) $486.15.

A. Colson & Shapiro, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Vance Sanders & Co., Boston, Mass.; Federated Investors, Inc., Pittsburgh, Pa.; Fidelity Management & Research Co., Boston, Mass.

A. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $8,167.86. E. (9) $16,261.55.

A. The Committee of Publicly Owned Co's., 22 Thames Street, New York, N.Y. 10006.

D. (6) $69,100. E. (9) $100,272.

A. Communities in Action Together, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $19,915.78. E. (9) $17,075.40.

A. Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.

D. (6) $7,296.78.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

D. (6) $2,407.35. E. (9) $8,157.27.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $1,075.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $2,000. E. (9) $965.50.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. American Corn Millers Federation, 1030 15th Street NW., Washington, D.C. 20005.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue, Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Industrial Diamond Association of America, 2017 Walnut Street, Philadelphia, Pa. 19103.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Kohler Co., Kohler, Wis. 53004.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. Linen Supply Association of America, 975 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C. 20036.

B. National Glass Dealers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Optical Manufacturers Association, 30 East 42d Street, New York, N.Y. 10017.

A. John A. Couture, 1625 L Street NW., Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $4,687.52. E. (9) $262.71.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $5,200.68. E. (9) $673.15.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

E. (9) $498.04.

A. Daniels & Houlihan, 1819 H. Street NW., Washington, D.C. 20006.

B. Gerber Cheese Co., Inc., P.O. Box 3115, Ridgeway Center Building, Stamford, Conn., 06905.

D. (6) $600. E. (9) $8.45.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Japan Lumber Importers Association, Tokyo, Japan.

D. (6) $1,850. E. (9) $43.25.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.

D. (6) $1,500. E. (9) $81.90.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Orgalime, Brussels, Belgium.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $640. E. (9) $170.88.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.

B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Inc., 910 17th Street NW., Washington, D.C. 20005.

D. (6) $1,000.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Electronic Industries Association, 2001 I Street NW., Washington, D.C. 20006.

A. John L. Delano, P.O. Box 1172, Helena, Mont. 59601.

B. Montana Railroad Association, P.O. Box 1172, Helena, Mont. 59601.

E. (9) $430.58.

A. Ray Denison, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $6,604. E. (9) $324.45.

A. Leslie E. Dennis, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Railway, Airline and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $875. E. (9) $128.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.

D. (6) $2,257.05. E. (9) $228.36.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Marysville Dam Committee, P.O. Drawer B, Marysville, Calif. 95902.
D. (6) $744.10. E. (9) $34.10.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Sacramento Yolo Port District, P.O. Box 815, West Sacramento, Calif.
D. (6) $1,665.25. E. (9) $45.25.

A. Steven P. Doehler, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $1,770.89. E. (9) $209.59.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,475. E. (9) $100.

A. William E. Duke, 1025 Connecticut Avenue N.W., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $600. E. (9) $325.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,975. E. (9) $100.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Eastern Meat Packers Association, Inc., 734 15th Street NW., Washington, D.C. 20005.
D. (6) $32.27. E. (9) $34.52.

A. Hope B. Eastman, 410 First Street SE., Washington, D.C. 20003.
B. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $37,061.60. E. (9) $37,061.60.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,125.

A. E. Neel Edwards, 921 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business.
D. (6) $2,500. E. (9) $183.73.

A. Charles E. Ehrhart, 1800 K Street NW., Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $124.

A. Harmon L. Elder, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates Inc., 2000 L Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $44.37.

A. D. A. Ellsworth, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline, and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,943.34. E. (9) $907.57.

A. Ethyl Corp., 1155 Fifteenth Street NW., No. 611, Washington, D.C. 20005.
E. (9) $600.

A. Clinton M. Fair, 815 Sixteenth Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 Sixteenth Street NW., Washington, D.C.
D. (6) $6,396.

A. Federation of American Scientists, 203 C Street NE., Washington, D.C. 20002.
D. (6) $3,404.75. E. (9) $10,875.53.

A. Frank C. Fini, 2020 Brooks Drive, Apt. 506, Suitland, Md. 20028.
B. Air Force Sergeants Association, 6101 Twenty-eighth Avenue SE., Suite 713, Marlow Heights, Md., 20031.

A. Thomas W. Fink, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $585. E. (9) $99.07.

A. Forest Farmers Assoc., 4 Executive Park East NE., Atlanta, Ga. 30329.

A. Foss Launch & Tug Co., 660 West Ewing Street, Seattle, Wash. 98119.
E. (9) $975.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,279.32. E. (9) $31.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.
D. (6) $117. E. (9) $18.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Metlakatla Indian Community, Box 142, Metlakatla, Alaska.
D. (6) $1,687.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Navajo Tribe, Window Rock, Ariz.
D. (6) $8,500. E. (9) $576.17.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Nez Perce Tribe, Lapwai, Idaho.
D. (6) $600.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Oglala Sioux Tribe, Pine Ridge, S.D. 57770.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Laguna, N. Mex.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Salt River Pima-Maricopa Indian Community, Box 120, Route 1, Scottsdale, Ariz.
D. (6) $125. E. (9) $4.00.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, Box 268-A, Irving, N.Y. 14081.
D. (6) $1,430. E. (9) $8.10.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Tuscarora Indian Nation, Lewiston, N.Y.

A. Friends of the Regional Medical Programs, 2128 Wyoming Avenue, Washington, D.C. 20008.
E. (9) $3,750.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Institute of Housing Consultants, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $900.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,200.

A. Frosh, Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450.

A. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $37,475. E. (9) $76,151.38.

A. Leo J. Gehrig, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,838.95. E. (9) $143.93.

A. Lou Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,055.18.

A. Llewellyn Henley Gerson, 921 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.
D. (6) $3,400.

A. Caesar A. Giolito, 1700 18th Street NW., Washington, D.C. 20009.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
E. (9) $2,150.

A. Godfrey Associates, Inc., 918 Sixteenth Street NW., Washington, D.C. 20006.
E. (9) $138.67.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C.
B. Florida and Louisiana sugar cane producers and processors.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 Sixteenth Street NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $138.67.

A. Gore, Cladouhos & Brashares, 1730 M Street NW., Washington, D.C. 20036.
B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. George W. Gowen, 27th Floor, 161 East 42d Street, New York, N.Y. 10017.
B. United States Lawn Tennis Association, Inc., 51 East 42d Street, New York, N.Y. 10017.
E. (9) $20.

A. Harold E. Griffin, 925 15th Street NW., Washington, D.C.

B. National Association of Realtors, 155 East Superior Street, Chicago, Ill.

D. (6) $1,875. E. (9) $86.86.

A. Ben H. Guill, 2000 K Street NW., Washington, D.C. 20006.

B. National Automobile Dealers Association, 2000 K Street NW., Washington, D.C. 20006; Texasgulf, Inc., 200 Park Avenue, New York, N.Y. 10017. Norando Mines Co., Ltd., Commerce Courts West, Toronto, Ontario, Canada.

D. (6) $2,850. E. (9) $950.

A. James M. Hacking, 1909 K Street NW., Washington, D.C. 20006.

B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.

E. (9) $116.60.

A. Hubert D. Hagen, Suite 1800, 500 North Broadway, St. Louis, Mo. 6310

B. Arch Mineral Corp., Suite 1800, 500 North Broadway, St. Louis, Mo. 63102.

D. (6) $352. E. (9) $414.22.

A. Robert B. Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $450. E. (9) $119.16.

A. Andrew E. Hare, 1990 M Street NW., Washington, D.C. 20036.

B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $440. E. (9) $98.

A. Donald L. Harlow, 310 Riley Street, Falls Church, Va. 22046.

B. Air Force Sergeants Association, Inc., 6101 28th Avenue SE., Marlow Heights, Md. 20031.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $450. E. (9) $675.

A. Henkel & Lamon, 2500 Peachtree Center-Cain Tower, Atlanta, Ga., 30303.

B. American Society of Pension Actuaries, 1112 Sinclair Building, Fort Worth, Tex. 76102.

D. (6) $5,656.21. E. (9) $1,493.79.

A. Philip R. Hochberg, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. National Hockey League, Two Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.

D. (6) $2,000. E. (9) $150.

A. Leo D. Hochstetter.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Ralph D. Hodges, Jr., 1619 Massachusetts Avenue NW., Washington, D.C.

B. National Forest Products Association.

E. (9) $20.

A. Frank J. Holczman, Suite 405, 1828 L Street NW., Washington, D.C. 20036.

B. GAC Corp., 7880 Biscayne Boulevard, Miami, Fla. 33152.

D. (6) $14,525. E. (9) $16,258.

A. W. Dean Hopkins, 1105 East Ohio Building, Cleveland, Ohio 44114.

B. McDonald, Hopkins & Hardy Co., 1105 East Ohio Building, Cleveland, Ohio 44114.

D. (6) $10,150. E. (9) $1,825.

A. Douglass C. Horstman, 1612 K Street NW., Washington, D.C. 20006.

B. Northern Textile Association; Maytag Co.

D. (6) $1,250. E. (9) $125.

A. Peter W. Hughes, 1909 K Street NW., Washington, D.C. 20006.

B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.

E. (9) $66.48.

A. William J. Hull, 1025 Connecticut Avenue NW. No. 505, Washington, D.C. 20036.

B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.

B. Ohio Valley Improvement Association, Inc.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.

B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.

E. (9) $199.50.

A. Irmgard Hunt, 336 Central Park West, New York, N.Y. 10025.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Elmer P. Hutter, P.O., Box 2255, Washington, D.C. 20013.

D. (6) $5.

A. Elmer P. Hutter, P.O. Box 225, Washington, D.C. 20013.

B. Harry E. Chapman, Washington, D.C.

E. (9) $223.

A. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C., 20036.

D. (6) $900. E. (9) $900.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $8,008.60.

A. Charles E. Johnson.

B. Recording Industry Association of America, Inc.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $975.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C., 20036.

B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

A. James J. Judge, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $300.

A. John G. Keller; Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co. U.S.A., P.O. Box 2180, Houston, Tex.

A. James J. Kennedy, Jr., 400 First Street NW., Washington, D. C. 20001.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $5,396.27. E. (9) $647.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $220. E. (9) $125.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Foundation Health Plan, Inc.

D. (6) $1,125. E. (9) $1,403.75.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association.

D. (6) $750. E. (9) $691.49.

A. Walter A. Kischefsky, 5408 Rickenbacker Avenue, No. 302, Alexandria, Va. 22304.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $2,000.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $725.

A. John D. Knodell, Jr., 200 112th Avenue NE., Bellevue, Wash. 98004.

B. Alyeska Pipeline Service Co.

E. (9) $3,144.05.

A. John S. Knox, Jr., 1666 16th Street NW., Atlanta, Ga. 30318.

B. The Coca-Cola Bottlers' Association, 1666 16th Street NW., Atlanta, Ga. 30318.

D. (6) $225.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. Koob, Robert L., 1155 15th Street NW., Suite 311, Washington, D.C. 20005.

B. IMCO Services Division, Halliburton Co., 2400 West Loop South, Houston, Tex. 77027.

D. (6) $750. E. (9) $93.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.

B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.

E. (9) $211.50.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Laurence F. Lane, 1909 K Street NW., Washington, D.C. 20006.

B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW, Washington, D.C. 20006.

E. (9) $118.47.

A. Reed E. Larson, 1990 M Street NW., Washington, D.C. 20036.

B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $80.

A. Dillard B. Lasseter, P.O. Box 270, Washington, D.C. 20044.

B. American Trucking Association, 1616 P Street NW., Washington, D.C.

D. (6) $3,525.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $2,700.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $550. E. (9) $125.

A. Susannah Lawrence, 215 East 72d Street, New York, N.Y. 10021.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.
E. (9) $150.

A. Richard J. Leighton, 1701 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. General Cable Corp., 730 Third Avenue, New York, N.Y. 10017.
D. (6) $360.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33-35, 6 Frankfurt am Main 16, Federal Republic of Germany.

A. J. M. B. Lewis, Jr., 308 Shenandoah Building, P.O. Box 2887, Roanoke, Va. 24001.
B. National Council of Coal Lessors, 317 Southern Building, Washington, D.C. 20005.
D. (6) $6,250.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.
D. (6) $18,943.66. E. (9) $19,211.02.

A. J. Patrick Logue, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,865.81.

A. Gay Lord, 150 East 73rd Street, New York, N.Y. 10021.
B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Ronald E. Madsen, 962 Wayne Avenue, Room 802, Silver Spring, Md. 20010.
B. Park Mobile, Inc., 61 Broadway, New York, N.Y. 10006.
D. (6) $15,000. E. (9) $85.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

A. William J. Marschalk, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,600. E. (9) $160.

A. Craig Mathews, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,368. E. (9) $354.99.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $95. E. (9) $19.58.

A. John L. McConnell, 1800 K Street NW., Suite 1100, Washington, D.C. 20006.
B. New York Stock Exchange, Inc., 11 Wall Street, New York, N.Y.
D. (6) $1,200. E. (9) $245.

A. Robert M. McElwaine, American Imported Automobile Dealers Association, 1129 20th Street, Washington, D.C. 20036.
E. (9) $1,664.62.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,604. E. (9) $311.40.

A. Charles R. McNeill, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $3,853.

A. Medical-Surgical Manufacturers Association, 1666 K Street NW., Suite 703, Washington, D.C. 20036.
D. (6) $3,447.75. E. (9) $3,741.44.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,604. E. (9) $361.95.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 515, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.
E. (9) $500.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Dallas, Tex., Chamber of Commerce.
D. (6) $195. E. (9) $61.74.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $66.21.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $225. E. (9) 268.51.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Maytag Co., Northern Textile Association, Hormel Co.
D. (6) $2,500. E. (9) $250.

A. Lester F. Miller, 1750 Pennsylvania Avenue, NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $278. E. (9) $6.

A. John G. Mohay, 734 15th Street NW., Washington, D.C. 20005.
B. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.
D. (6) $399.99.

A. Charles Morgan, Jr., 410 First Street SE., Washington, D.C. 20003.
B. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $37,061.60. E. (9) $37,061.60.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $637.10.

A. George E. Myers, 1730 Rhode Island Avenue, NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $971.57. E. (9) $126.05.

A. J. Walter Myers, Jr., 4 Executive Park East NE., Atlanta, Ga. 30329.
B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $82.50. E. (9) $11.05.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $2,623.03. E. (9) $2,623.03.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $646.63. E. (9) $1,019.33.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $15,851.37. E. (9) $16,133.51.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $32,617. E. (9) $8,788.02.

A. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $1,500.

A. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $74,565.89. E. (9) $38,213.60.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Citizens Committee for Revenue Sharing, 707 National Press Building, Washington, D.C. 20004.

A. National Convocation of Lawyers To End The War, 32d Floor, 225 Franklin Street, Boston, Mass. 02110.
E. (9) $1.57.

A. National Council of Agricultural Employers, 337 Southern Building, 15th and H Streets NW., Washington, D.C.
D. (6) $5,000. E. (9) $1,650.

A. National Federation of Independent Business, 920-922 Washington Building, Washington, D.C.

D. (6) $9,860.66. E. (9) $9,860.66.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $21,241.63. E. (9) $32,045.75.

A. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.
D. (6) $539.50. E. (9) $2,392.59.

A. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
D. (6) $1,499.56. E. (9) $1,499.56.

A. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $1,950. E. (9) $1,950.

A. National Rural Housing Coalition, 1346 Connecticut Avenue NW., No. 529, Washington, D.C. 20036.
D. (6) $1,079. E. (9) $2,517.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $5,945. E. (9) $3,173.

A. National Sharecroppers Fund, 1145 19th Street NW., Room 501, Washington, D.C. 20036.
D. (6) $5,592.68. E. (9) $8,476.45.

A. National Tax Equality Association, 1000 Connecticut Avenue NW, Washington, D.C. 20036.
D. (6) $3,271.16. E. (9) $3,860.07.

A. Navajo Tribe, c/o Controller, Window Rock, Ariz. 86515.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $550. E. (9) $163.50.

A. George R. Nelson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $441.88.

A. Ivan A. Nestingen, 1000 Connecticut Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $300. E. (9) $393.65.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $320. E. (9) $150.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Robert D. Nordstrom, 1133 20th Street NW., Washington, D.C. 20036.
B. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $100.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $825.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., 2900 IDS Tower, Minneapolis, Minn. 55402.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Claude E. Olmstead, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $257. E. (9) $7.

A. James J. O'Neill, 22 Thames Street, New York, N.Y. 10006.
B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $10,000. E. (9) $686.

A. Franz M. Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. Franz M. Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer.
D. (6) $360.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,475.

A. Lawrence Parachini, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $4,500.

A. Lew M. Paramore, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash.
D. (6) $19,663. E. (9) $897.46.

A. E. L. Patton, 200 112th Avenue NE., Bellevue, Wash. 98004.
B. Alyeska Pipeline Service Co.
E. (9) $139.75.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1775 K Street NW., Washington, D.C. 20006.
B. Alaska Federation of Natives, 1689 C Street, Anchorage, Alaska 99501.
D. (6) $1,325.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn.
D. (6) $2,500. E. (9) $1,833.23.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,279. E. (9) $665.79.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $375.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $17,423.67. E. (9) $1,350.

A. Nathaniel Polster, 2128 Wyoming Avenue, Washington, D.C. 20008.
B. American Cancer Society, 219 East 42d Street, New York, N.Y. 10017; Research to Prevent Blindness, 598 Madison Avenue, New York, N.Y. 10022; Neuro-Research Foundation, 35 Chestnut Place, Brookline, Mass.
D. (6) $13,250. E. (9) $2,016.24.

A. Carl Pope, 5729 Vicente, Oakland, Calif.
B. Zero Population Growth, 901 East Capitol Street, Washington, D.C. 20003.
D. (6) $1,200. E. (9) $200.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $975. E. (9) $41.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Amarillo Convention and Visitor's Board, Amarillo, Texas.
D. (6) $500.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. L. T. Barringer Co., Memphis, Tenn.
D. (6) $600.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Campbell-Taggart, Inc., Dallas, Tex.
D. (6) $600.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Cheese Importers Association of America, Inc., New York, NY.
D. (6) $1,500.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Independent Milk Producer-Distributor Association, Seattle, Wash.
D. (6) $300.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. National Association of Wheat Growers, Washington, D.C.
D. (6) $1,500.

A. Graham Purcell, 1819 H Street NW., Suite 230, Washington, D.C. 20006.
B. Rolling Plains Cotton Growers, Inc., Stamford, Tex.
D. (6) $400.

A. Ragan & Mason, 900 17th Street NW., the Farragut Building, Washington, D.C.
B. The Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., the Farragut Building, Washington, D.C.
B. National Ski Areas Association, Inc., 99 Park Avenue, New York, N.Y.
D. (6) $1,500. E. (9) $4.

A. Ragan & Mason, 900 17th Street NW, the Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 1050, Elizabeth, N.J
D (6) $900.

A. Ragan & Mason, 900 17th Street NW., the Farragut Building, Washington, D.C.
B. Stimson Lumber Co. and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $287. E. (9) $6.

A. David A. Rapoport, 2626 South 12th Street, Arlington, Va. 22204.
B. Zero Population Growth, 901 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $1,200. E. (9) $129.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Recreational Vehicle Institute, Inc., 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
E. (9) $15,143.13.

A. John T. Reggitts, Jr., R.D. No. 2 Boonton Avenue, Boonton, N.J. 07005.

A. Research To Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y.
E. (9) $2,500.

A. Reserve Officers Association of U.S., 1 Constitution Avenue NE., Washington, D.C.
D. (6) $1,213.18.

A. James J. Reynolds, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,875. E. (9) $109.72.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.
B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $1,145.84. E. (9) $1,281.47.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. Siert F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. John Riley, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $51.03.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $2,500. E. (9) $1,125.

A. Kenneth Roberson, 2 Dubonnet Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., 708 Third Avenue, New York, N.Y. 10017.
D. (6) $20. E. (9) $5.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $80.

A. Nathaniel H. Rogg, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $2,437.50. E. (9) $121.98.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. Louis T. Rosenberg, 118 Broadway, San Antonio, Tex. 78205.
B. The Sierra Club, P.O. Box 6466, South Texas Group, San Antonio, Tex. 78205.
D. (6) $375. E. (9) $375.

A. William Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue N.W., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $66.72.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Suite 1100, Washington, D.C. 20006.
B. Minnesota Mining and Manufacturing Co., 3M Center Street, St. Paul, Minn. 55101.
E. (9) $257.85.

A. Arlie W. Schardt, 410 First Street SE., Washington, D.C. 20003.
B. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $37,061.60. E. (9) $37,061.60.

A. Phyllis Schultz, 12224 Valerie Lane, Laurel, Md. 20810.
B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.
E. (9) $15.65.

A. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $450. E. (9) $450.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz. 85364; Emma (Adams) Giambald, 1461 West 16th Place, Yuma, Ariz. 85364; George Hallingby, 4104 Chestnut Drive East, Forest Hills, Holiday, Fla. 33589.

A. W. O. Senter, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $165. E. (9) $151.44.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $2,079. E. (9) $317.37.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Norman R. Sherlock, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $865. E. (9) $514.16.

A. A. Z. Shows, Suite 904, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.
D. (6) $5,912. E. (9) $5,872.46.

A. Barry M. Siegel, 22 Thames Street, New York, N.Y. 10006.
B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $8,021. E. (9) $724.

A. Lana H. Sims, 1003 Security Federal Building, Columbia, S.C. 29201.
B. South Carolina Railroad Association, 1003 Security Federal Building, Columbia, S.C. 29201.
D. (6) $20.28. E. (9) $11.09.

A. Hall Sisson, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,288.28.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va. 22207.
B. Citizens Committee on Natural Resources, 1346 Connecticut Ave NW., Suite 712, Washington, D.C. 20036.
D. (6) $3,953.38. E. (9) $1,146.23.

A. John M. Snow, 8401 Connecticut Avenue NW., Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $500. E. (9) $30.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $825.50.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mallinckrodt Chemical Works, P.O. Box 5439, St. Louis, Mo. 63160; Merck & Co., Inc., 126 East Lincoln Avenue, Rahway, N.J. 07065; S. B. Penick & Co., 100 Church Street, New York, N.Y. 10007.

A. Edward T. Stevenson, 2021 K Street NW., Suite 307, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, P.O. Box 951, High Point, N.C. 27261.
D. (6) $562.50. E. (9) $555.36.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.
D. (6) $6,150. E. (9) $770.10.

A. Stroock & Stroock & Lavan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States Banknote Corp., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,265.

A. G. Don Sullivan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $575.

A. Frank L. Sundstrom, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

A. J. P. Trainor, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $3,666.68. E. (9) $1,549.97.

A. W. M. Trevarrow, 601 National Press Building, Washington, D.C. 20004.

B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

D. (6) $4.375. E. (9) $168.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.

B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio.

A. J. Drake Turrentine, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. United States Banknote Corp., 200 Park Avenue, New York, N.Y. 10017.

E. (9) $2,318.78.

A. United States Lawn Tennis Association, Inc., 51 East 42d Street, New York, N.Y. 10017.

E. (9) $60.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America Inc., 1600 I Street NW., Washington, D.C. 20006; Committee of Copy Right Owners, 477 Madison Avenue, New York, N.Y. 10022.

D. (6) $570.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $905.21. E. (9) $34.65.

A. James A. Warren, 5500 Friendship Boulevard, Chevy Chase, Md. 20015.

B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.

D. (6) $450. E. (9) $75.

A. Judy Waxman, 19036 Canadian Court, Gaithersburg, Md.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

E. (9) $15.

A. Henry B. Weaver, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeels, Calif. 90071.

A. Janet H. Wegner, 1909 K Street NW., Washington, D.C. 20006.

B. American Association of Retired Persons/National Retired Teachers Association, 1909 K Street NW., Washington, D.C. 20006.

A. Arlene Weltman, 239 Central Park West, New York, N.Y. 10024.

B. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y. 10021.

A. Terrell M. Wertz, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $3,900. E. (9) $210.55.

A. Western Cotton Growers Association, P.O. Box 512, Fresno, Calif. 93709.

D. (6) $2,704.32. E. (9) $2,767.67.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y. 10017.

E. (9) $59.30.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.

E. (9) $8.75.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Bonneville International Corp., 136 East South Temple Street, Salt Lake City, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Brigham Young University, Provo, Utah.

E. (9) $24.70.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

E. (9) $8.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Estate of Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.

E. (9) $6.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Quinaielt Tribe of Indians, Taholah, Wash.

E. (9) $5.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.

E. (9) $8.50.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.

B. Ashland Oil Co., Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) $250.

A. Samuel M. Williams, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $320. E. (9) $150.

A. John A. Wilson, 1145 19th Street NW., room 501, Washington, D.C. 20036.

B. National Sharecroppers Fund, 1145 19th Street NW., room 501, Washington, D.C. 20036.

D. (6) $5,592.68. E. (9) $8,476.45.

A. Burton C. Wood, 1625 L Street NW., Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $5,343.75. E. (9) $520.46.

A. V. T. Worthington, 1500 North Quincy Street, Arlington, Va. 22207.

B. Association of Petroleum Re-Refiners, Box 7116, Arlington, Va. 22207.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $6,799. E. (9) $353.49.

A. Zero Population Growth, 901 East Capitol Street, Washington, D.C.

D. (6) $2,000. E. (9) $2,000.

A. Albert H. Zinkand.

B. Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.

E. (9) $1,498.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Lummi Tribe of Indians, P.O. Box 309, Marietta, Wash. 98268.

E. (9) $23.96.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.

E. (9) $20.40.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Northern Cheyenne Tribe, P.O. Box 128, Lame Deer, Mont. 59043.

D. (6) $576. E. (9) $7.98.

A. Ziontz, Pirtle, Morisset & Ernstoff, 3101 Seattle-First National Bank Building, Seattle, Wash. 98154.

B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.

A. John L. Zorack, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association.

D. (6) $1,815. E. (9) $242.75.

A. Nicholas H. Zumas, 1990 M Street NW., Washington, D.C. 20036.

B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.

D. (6) $450.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $109.59.

EXTENSIONS OF REMARKS

SENATOR JACKSON BLAMES BIG OIL COMPANIES FOR ENERGY CRISIS AT PROTEST RALLY IN FAYETTEVILLE, TENN.

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. EVINS of Tennessee. Mr. Speaker, Senator HENRY JACKSON, Democrat of Washington, was the principal speaker at a rally attended by some 2,000 persons in Fayetteville, Tenn., held last Friday to protest the energy crisis.

As Representative for the Fourth Congressional District of Tennessee in the Congress, I was pleased to introduce Senator JACKSON who made an excellent speech and was sharply critical of the big oil companies for their role in the energy crisis.

I was pleased in my introduction to point out that Senator JACKSON is the recognized authority on energy matters in the Congress and is in addition "1 of the 10 most respected men in America today," according to a recent poll.

Senator JACKSON discussed a $20 billion energy research bill which he is sponsoring and which is designed to score scientific breakthroughs in the development of alternative sources of energy as a direct means of assuring American independence in fuel supply and remove dependence on foreign imports.

Senator JACKSON also called for a rollback of the price of crude oil and for a more stringent regulation of the oil industry.

In my brief remarks, I pointed out:

> There are a lot of facts about big oil company operations that need to be made known.
>
> Indeed there appears to be more than one cover-up in Washington.

Because of the interest of my colleagues and the American people in this most important matter, I place in the RECORD articles from the Nashville Banner and Tennessean concerning this rally.

The articles follow:

JACKSON BLAMES MAJOR OIL FIRMS FOR SHORTAGE

(By Grady Gallant)

FAYETTEVILLE.—At a rip-roaring rally here over the nation's growing energy crisis, Sen. Henry (Scoop) Jackson, D-Wash., predicted "a very serious second quarter" of fuel shortages and blamed major oil producers for the situation in which the nation finds itself.

More than 1,500 persons packed Lincoln County Central High School auditorium to hear Jackson, a possible presidential candidate in 1976.

Congressman Joe Evins, D-Tenn., called him "one of the 10 most respected men in America today," and the stage was filled with political figures from Alabama, Tennessee, Kentucky and Mississippi.

"The facts are—and there is no dispute about this—the oil industry has brought about a situation in which the United States has become dependent for one-third of its petroleum from abroad. That's where all the trouble starts," Jackson said.

The mass meeting was sponsored by the citizens' Energy Committee. Joe Sir, Fayetteville businessman and chairman of the committee, was master of ceremonies.

Distinguished guests included Sen. John Sparkman D-Ala.; Congressman Bob Jones, D-Ala.; Congressman Frank Stubblefield, D-Ky.; Aubrey J. Wagner, TVA board chairman and John McBride, TVA board member; Lt. Gov. John Wilder of Tennessee and Tennessee House Speaker Ned McWherter.

Had the oil companies developed resources in the United States instead of the Middle East and some of the other places, "we wouldn't be in the fix we are today," Jackson said.

"I don't see the Arab countries even if the dispute is settled tomorrow increasing their production. They have learned something. They've learned to operate a cartel. They've reduced production in Saudi Arabia from eight million barrels a day to six million barrels a day—and they are making four times as much money," he said.

Jackson said he had sponsored a $20 billion research bill "like the Manhattan Project of World War II" which passed the Senate 82 to 0 and "will be passed by the House shortly." This bill directs intensive research into development of new fuel sources.

"We must go down that route as readily as we can, including the development of our great coal resources. And in Alaska alone we've got 100 billion barrels of oil," Jackson said.

"I will be introducing in a few days a bill that will require a federal charter for the international oil companies," the Senator said. "They've been running their own foreign policy, even cutting off supplies to our Sixth Fleet during an alert.

"I can't think of anything more disloyal than that kind of conduct. That's why we need a federal representative on these boards to see to it that American policy is carried out. I do think we need some regulation. We need to put some of them on a leash.

"I believe in the private enterprise system, but I believe we have to break up some of this kind of operation in which the prices have got out of control," he said.

ROLLBACK

Next Tuesday, Jackson said that among other things the Senate will be voting on rolling back the price from $10.35 a barrel to $5.25 a barrel.

"Just a few weeks ago, oil was selling at $3.90 a barrel," he said.

Investigators have been in the Tennessee Valley from the Permanent Subcommittee on Investigation, Jackson said, and they found price gouging on propane.

"We found a family on social security of $160 a month.

"Their propane bill during the winter of $30 a month has gone to $100 a month. Think of it. And we are on the trail of speculators that have made over $1 million in 24 hours speculating in propane."

Jackson said he wants to help the consumer by rolling prices back. When this is done, he said, "you roll profits back."

"And you also help to save our free enterprise system. I prefer regulation (to nationalization of the oil industry) because I believe that this is the best course to follow to step up production and to step up competition."

ON PLATFORM

A number of members of the Tennessee General Assembly were on the platform with Jackson. Sen. Ed Blank, D-Columbia, and Sen. Jim Roberson, D-Nashville, were there along with Sen. Reagor Motlow, D-Lynchburg.

Also introduced were Rep. Ed Murray, Jr., D-Jackson; Rep. W. R. (Spot) Lowe, D-Lewisburg; Sen. Bill Peeler, D-Waverly; Rep. Stanley Rogers, D-Manchester; Sen. Ernest Crouch, D-McMinnville; Sen. Douglas Henry, D-Nashville; Rep. C. E. DePriest, D-Pulaski; Rep. Mike Murphy, D-Nashville; former Congressman Ray Blanton, D-Tenn.; Bob Clement, Tennessee Public Service Commissioner; and others.

Congressman Richard Fulton, D-Tenn., wired regrets that he could not be present due to earlier commitments.

JACKSON SAYS HE'D WELCOME WALLACE AID

(By Jim O'Hara)

HUNTSVILLE.—Gov. George Wallace "is eminently qualified to be vice president or president of the U.S. . . . and I would welcome him on a ticket," Sen. Henry Jackson said here yesterday.

Jackson was asked if he would accept the Alabama governor as a presidential running mate during a press conference at the airport here while en route to Fayetteville, Tenn., for an address last night on the energy crisis.

"I think he is qualified and I would welcome him on a ticket," said the Washington state senator, thought to be a candidate for the Democratic presidential nomination in 1976. "I've said that all along."

At Fayetteville, Jackson called for a rollback of propane gas price hikes, charging that some dealers and major oil companies have gouged Southern rural families during the energy crisis.

The senator told a mass meeting of Tennessee Valley citizens at Lincoln County Central High School that recent federal regulations to control the price of propane are inadequate and have come too late.

In an earlier interview, Jackson said the only way to "beat the excess price and profit problem is by a rollback." He said emergency legislation to be considered by Congress this week includes provision for rollback of petroleum product prices.

"The facts of the energy crisis are that we do not have the facts," Jackson said at a Fayetteville press conference yesterday afternoon. "The emergency energy legislation which rolls back prices also arms the federal government with subpoena power to go out and get information from the oil companies."

He said the government has previously had to depend on Senate committees to put witnesses under oath.

Speaking to an overflow crowd of 1,600 at the Lincoln County school, Jackson said, "The major oil enterprises have been unable to register large price hikes in more visible petroleum products such as gasoline and fuel oil. The government and the public have been watching too closely.

"But with propane gas, the profits could go up, and nobody did anything to stop them. The very people who are least able to fight back became the victims of the fast-talking brokers and the big oil companies as the price of propane was allowed to go up by as much as 400%," the senator said.

"Because they were to a large extent poor and rural and Southern, the families who rely on propane to heat their homes were left at the mercy of the marketplace."

Jackson was introduced last night by Rep. Joe L. Evins of Smithville.

"There are a lot of facts that need to be known and indeed it appears to me that there is more than one coverup in Washington," Evins said.

The 4th District congressman charged that the major oil companies are becoming "energy conglomerates" and said they need "to be looked at in the light of antitrust laws."

He also called for the elimination of windfall profits and said "exorbitant" overseas tax credits for oil companies should be eliminated.

Other area congressmen present were Reps. Bob Jones of Alabama and Frank Stubblefield of Kentucky and Sen. John Sparkman of Alabama. Telegrams of support were received from Rep. Richard Fulton of Tennessee and Ala. Gov. George Wallace.

The meeting at which Jackson spoke was sponsored by the Citizens Energy Committee, an ad hoc group which represents residents of Kentucky, Tennessee and Alabama concerned with the energy crisis.

Joe Sir of Fayetteville, chairman of the Tennessee branch of the committee, said the group invited Jackson because the Senator's subcommittee on investigation has disclosed many "facts" about the energy crisis.

Jackson said investigators for his subcommittee who have been in the Tennessee Valley in recent weeks have discovered that propane gas price hikes have resulted from "manipulations and wheeling and dealing."

The investigators discovered one instance in which three brokers traded 14 million gallons of propane in a 24-hour period for a profit of $1.3 million, he said.

Jackson also cited propane price increases by major oil companies over the past year ranging from 354% to 406%. He said these figures are "shocking when you consider the incomes and the lives of families which use propane."

He said one Tennessee man and his wife live on a fixed income of $165 a month and that their normal heating bill of $30 to $40 per month has increased to $100 a month this winter.

"We thought the people simply wanted to know what is really happening with the energy crisis," Sir said. "Government agencies which are responsible for energy policies don't have the facts and the oil industry has been recalcitrant in leveling with the people and with the government."

After Jackson's speech, the ad hoc committee offered a resolution to the crowd, packed into the school's auditorium, asking for a "vote of affirmation."

The resolution urged the committee to meet with members of Congress and representatives of government agencies to:

Investigate TVA rate hikes allegedly caused by the monopolistic control of coal supplies by "a few giant energy conglomerates."

Create "a yardstick for gas and oil production, giving consideration to a TVA type agency which would establish costs by exploration and production on public lands."

Stop "giveaways" of nuclear production processes, developed at public cost and now being sought by private syndicates.

File antitrust suits "where evidence appears of monopolistic practices."

The Citizens Energy Committee was formed in December by members of the Elk River and Upper Duck River development associations. The original committee then asked representatives of government and power distributor associations throughout the Tennessee Valley to join.

THE DICKEY-LINCOLN DAM: LOBBIED TO DEATH

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HARRINGTON. Mr. Speaker, New England consumers have absorbed staggering rises in their electricity bills in the past several years. Yet since 1963, the New England States have had a means, sanctioned by the U.S. Department of the Interior, of substantially lowering the cost of their electricity—construction of the Dickey-Lincoln hydro-electric power project in Maine.

Why have we been prevented from going ahead with construction? A story by Mr. Stan Wallerstein, published recently in the Boston Globe, documents the effort mounted by the area's privately owned utilities to lobby the project to death. The energy crisis compound's New England's critical need for Dickey-Lincoln, and in the interest of providing information on the forces threatening renewal of the project, I include Mr. Wallerstein's article below:

DICKEY-LINCOLN DAM, LOBBIED TO DEATH, LOOKS GREAT IN 1974

(By Stan Wallerstein)

Over the years, New Englanders have paid more for their electricity than residents of any other region of the country. In the last two years, numerous rate increases forced our bills still higher, and now, because of the fuel adjustment clause, they are increasing every single month.

Some of the reasons for the high rates are both obvious and valid—rising fuel costs, labor costs, and the cost of money. But one important reason why our bills are so high hasn't received the attention it deserves—that over the past ten years, New England's privately-owned utility companies, acting together, have worked to prevent low cost power projects from being built in the region.

They have fought on many fronts: against the municipal utilities in Massachusetts, against the importation of low-cost power from Canada and from New York, against the Maine Public Power Authority. But perhaps the clearest case of the utility company effort to keep power costs up in New England involves the Dickey-Lincoln hydroelectric project in Maine.

MUCH CHEAPER POWER

If the dam had been built, it would today be supplying New England with 1 billion kilowatt-hours of electricity annually—electricity not dependent on Arab oil, high-sulphur coal, or nuclear reactors.

Because its fuel supply would have been both unlimited and free, Dickey-Lincoln's power would have cost about .4 cent per kilowatt hour instead of the 1.7 cents per kilowatt hour for the private plants built to take Dickey's place. How the private utilities managed to kill this money-saving, job-creating project through a lobbying effort of over $500,000, of which you and I picked up the entire tab, is the subject of this article.

Since 1919, engineers have been interested in the possibility of harnessing the tides of Passamaquoddy Bay in Maine for power production. Numerous studies were undertaken, but each time the Passamaquoddy project was written off as economically unfeasible. However, in 1963, the Interior Department reported to President Kennedy that the project might be feasible on the St. John's River (Dickey-Lincoln). President Kennedy ordered further study.

Shortly after the Interior report to Kennedy was made public, the presidents of the 16 largest private utilities in New England held a meeting and formed the New England Electric Utilities President's Conference. The stated objectives of the organization included "finding and implementing the most effective means to defeat the Passamaquoddy-St. John's project," and "developing a regional climate of public opinion which would prevent any expansion of government-owned or tax subsidized electricity within New England," and instead, "permit the gradual elimination of government power operations presently existing in the area."

On July 9, 1965, the Interior Department recommended construction of the Dickey-Lincoln dam. Three days later, the Senate Public Works Committee approved the project's inclusion in the Omnibus Rivers and Harbors bill, which passed the Senate on a voice vote on July 27.

LOBBYING CAMPAIGN

Having failed to stop Dickey in the Senate, the utilities began an intensive lobbying campaign to kill the bill on the floor of the House, enlisting the support of utility companies throughout the country. An amendment to kill the project failed on a 100–100 vote, but an amendment to require a restudy of the project passed by 134–132.

It is a testament to the political power of the utilities that, although the project would have meant over $200 million in Federal funds for New England, would have lowered the cost of electricity throughout the region, and would have created thousands of construction jobs in economically depressed Maine, only four of the region's Congressmen—Macdonald, Stafford, Tupper, and Hathaway—supported the project.

Congressman Tupper remarked after the vote: "There was Boston Edison up in the galleries, ready to put on the pressure. There were more lobbyists on the Hill against Dickey than there were Congressmen."

Although the House had rejected the project, the Conference Committee, appointed to resolve the differences between the House and Senate versions of the bill, decided to keep the project in the bill. Because the conference report, which contained pork barrel projects throughout the country, could only be voted up or down without further amendment, Dickey-Lincoln was finally approved by the Congress on Oct. 20.

The private utilities had failed in their effort to prevent the dam from being authorized, but the Corps of Engineers would still need yearly appropriations of funds to actually construct the project.

The Electric Coordinating Counsel of New England (the lobbying arm of the private utilities) set up a special unit to draft a battleplan for the appropriations fight. The plan was entitled, "A Report for Action on the Dickey-Lincoln Project" and outlined the utilities strategy for killing the dam. Included for the following actions:

Continuing and personal contact with each member of the New England Congressional delegation, the Army Corps of Engineers, and the Bureau of the Budget. Receptions and dinners would be given on a regular basis and a "tote board" would be maintained to record assignments and progress.

Development of a media program backed by personal visits to newspapers, radio, and television stations by local utility officials. The program would "contain persistent reference to the publicly stated goal of a 40 percent reduction in electric rates by 1980."

Development of contacts with unions, suppliers, industrial allies. Among the companies mentioned were Westinghouse, GE. Allis Chalmers, US Steel, and Bethlehem Steel.

In addition, an advertising program, speakers bureau, and the solicitation and writing of "nonpartisan" articles were also proposed in the report.

COUNTER-PLANT DRIVE

As a political lobbying strategy, the Call for Action is hardly unique, except for the fact that the cost of the program ($567,057.97) was entirely paid for the utilities' customers. (The Federal Power Commission does not permit lobbying and public relations expenses to be included in the rate base, but the utilities classified their Dickey-Lincoln expenditures as "miscellaneous general expenses" which could be passed on to customers).

But, like the major oil companies who have deliberately shut-in their wells to drive the price of petroleum up, the utilities did not restrict their campaign against public power only to public efforts.

On Dec. 22, 1965, a meeting of utility executives was held in Boston. It was chaired by William Dunham, president of the Central Maine Power Company. He proposed to the group that they publicly announce plans to construct a large, jointly owned nuclear power plant somewhere in Maine.

The announcement of the plant would have to be made before January 7, 1966, because the "incorporation schedule objective is to announce the new company and its plan of operation as much in advance as possible before the special session of the Maine legislature is convened on Jan. 17. (The special session had been called to consider the creation of a Maine Power Authority, similar to the one recently voted down in Maine after a massive advertising campaign by the state's private utilities).

According to a memorandum prepared by one of the participants at the meeting: "Dunham believes—and several of those present agreed—that a large low-cost power plant by the private companies must be announced at once, or else the Maine Power Authority will be approved.

Dunham suggested that the publicly announced price for electricity from Maine Yankee would be .45c per kilowatt-hour. (The actual actual cost of Maine Yankee power is 1.7c per kwh, almost 400 percent higher). At the close of the meeting, Dunham asked for commitments from the other utilities to participate in the project, though even the site for the plant hadn't yet been determined.

However, all the utilities except Boston Edison agreed to participate. Among the reasons why Boston Edison didn't participate were the following: "Its investment in Maine Yankee couldn't be included in the rate base"; "There wasn't any important public relations value to Boston Edison with its own customers"; and Maine Yankee would not lower the cost of power to its customers."

On Dec. 31, representatives of Eastern Utilities Associates and the New England Gas and Electric Association visited Boston Edison to persuade the company to change its position. According to a Boston Edison interoffice memo, both representatives "stated that their basic motivation for participation in Maine Yankee is, in effect, 'self-serving publicity' for investor owned utility industry. They both feel that the public power thrust is in Maine and must be met in Maine, and in particular, they consider Dickey-Lincoln the chief threat."

To its credit, Boston Edison did not reverse its position.

Not content with the announcement of just one power plant to combat Dickey-Lincoln, the Electric Coordinating Council three weeks later announced plans for the "Big 11 Power Loop, a $1.5 billion regionally planned construction program the utilities claimed would "lower the cost of power in New England by 40 percent by 1980.

The council lost no time in informing every member of Congress about the project and in approving a six-month, $360,000 advertising budget to publicize the program. Only in 1968 did the House Appropriations Committee discover that:

"Although representatives of the Council advised that they have planned to meet the problems of supplying the power needs of New England on a central coordinated basis, they have not produced any document supporting this central planning with the exception of an advertisement that appeared in the public press in January 1966."

Meanwhile on Capitol Hill, the Senate passed a $1.2 million appropriation for the Corps of Engineers work on the project, while the House approved only $800,000. A compromise appropriation of $800,000 was finally approved, with a proviso to the funds added by Cong. Boland calling for an independent investigation of Dickey-Lincoln by the House Appropriations Committee staff.

That study was completed on June 5, 1967. The Appropriations Committee staff concluded that Dickey-Lincoln was needed to help meet New England's need for electricity, and that Dickey-Lincoln could provide that power at less cost than any other alternative, including those submitted by the private utilities. It also found that the project would return about $1.80 in power revenues and other benefits to the Federal government for each $1 invested in construction costs.

The staff study was a setback to the utility interests. Congressman Boland, who had previously opposed Dickey, was now advocating construction of the dam. But the utilities found a way to undercut the Appropriations Committee study with the other members of the House.

On July 7, 1967, Connecticut Congressman Robert Giaimo, a member of the Appropriations Committee, sent a "Dear Colleague" letter to every member of the House.

Attached to the letter was a document entitled: House Appropriations Committee Reveals Dickey-Lincoln Project Economically Inefficient, Economically Unfeasible. What followed was a collection of what we now call "misstatements"—distorted and incorrect facts about the project. To the casual reader, it appeared that the report was actually written by the Appropriation Committee staff. Only if one persevered to the end of the long and complex document, did one find that the report was actually prepared by the Northeast Utilities Company of Connecticut.

The document, together with still another intensive lobbying effort, had its effect. On July 25, 1967, Congressman Giaimo introduced an amendment to the appropriations bill deleting Dickey-Lincoln. It passed the House. And once again, the Senate and the Conference Committee restored funds for the dam.

However, this time, the House refused to compromise and voted down the conference report by a 236–162 margin. On Nov. 7, the Senate voted to restore the funds again, but two days later, the House rejected the project by a vote of 263–118.

Dickey-Lincoln was dead.

It is now 1974. The cost of power in New England has not fallen 40 percent, it has risen out of sight. Our nuclear power plants have not lived up to expectations. Vermont Yankee has been shut down because of safety problems, and, when operating, sells its power at a cost 800 percent higher than Dickey-Lincoln would have.

The output of the Pilgrim Station nuclear power plant has been severely limited by the Atomic Energy Commission. New England's oil burning plants are now being converted to coal and our environmental laws are being changed to permit this dirty fuel to be burned.

Clearly, Dickey-Lincoln with its free, unlimited fuel is a project whose time has come. If it had been built on schedule it would be operating today. If Congress appropriates funds for it this year, it can be ready in the 1980's when New England's electricity consumption will be close to double what it is today.

Right now, the chances for getting the necessary money to start the project look good. The Energy Emergency act, now before the Congress, contains a provision requiring the President to develop all existing hydroelectric sites in the country.

The latest Corps of Engineers study shows that, with the cost of fossil fuel skyrocketing, Dickey-Lincoln is a better project today (returning $2 for every $1 invested) than it was 10 years ago. And as strong a private power advocate as John Nassikas, chairman of the Federal Power Commission, recently gave his support to the project.

But in no sense is it certain that Dickey-Lincoln will get funded this year. For a variety of reasons and the sincere belief of many Congressmen that the utilities did have the best interest of the region at heart, the utilities were able to convince the majority of New England's Congressional delegation to unite solidly to prevent a $200 million public works project from being built in their own region.

Whether in 1974 that situation can be reversed—whether New England's Congressmen will unite to fight for a project vital to the region's economic health—will depend on whether members of Congress realize that by having accepted without serious question over the past 10 years the statements and positions of the nation's utility oil and gas corporations, we have contributed to the energy crisis we now find ourselves in.

Last Vote Taken on Dickey Dam

The Dickey-Lincoln dam was on the verge of victory seven years ago—until it was shot down in the House. The measure would have provided funds for the go-ahead and had already been passed by the Senate.

Every year since that time, Dickey-Lincoln has been on the books for some stage of action, except for last year when it was totally submerged.

The crucial House vote, on Nov. 9, 1967, that marked the high point was: 236 no, 162 yes. Here is how the New England members of the House at that time voted:

FOR

Maine—Kyros (D), Hathaway (D).

Massachusetts—Boland (D), Macdonald (D).

Rhode Island—St. Germain (D), Tiernan (D).

Vermont—Stafford (R).

AGAINST

Massachusetts—Conte (R), Philbin (D), Donohue (D), Morse (R), Bates (R), Heckler (R), Burke (D), Keith (R).

Connecticut—Daddario (D), Giaimo (D), Irwin (D), Monagan (D), Meskill (R).

New Hampshire—Wyman (R), Cleveland (R).

ABSENT

O'Neill (D-Mass.) and St. Onge (D-Conn.).

VETERANS EDUCATION AND JOB OPPORTUNITIES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. RANGEL. Mr. Speaker, I am taking the liberty of placing in the RECORD an analysis of the President's message on Veterans benefits which was prepared by the National League of Cities. In light of today's vote on veterans legislation which, although inadequate for today's needs, far exceeds the recommendations of the White House, I feel that the following study might be of interest to my colleagues:

Veterans Education and Job Opportunities

Out of a $13.6 billion overall Veterans' Administration Budget for FY 75, $2.8 billion is budgeted for the GI Bill program and will be spent primarily in the nation's cities, much of it at community colleges. The almost $3.3 billion in FY 74 spending for the GI Bill, including a $750 million supplemental, would drop to $2.6 billion in FY 75, because fewer veterans are expected to use the program. However, with the President's proposed 8 percent increase, costing $200 or more million, in across-the-board GI Bill benefits, this figure will be almost $2.9 billion. An 8 percent increase in benefits would give each single veteran $237 per month for education and living expenses for a maximum of 36 months.

The Veterans' Cost of Instruction Program under HEW's Higher Education Act, which has greatly increased the participation rate in the GI Bill program in many cities and provided enrollment, counseling, and remedial course assistance to thousands of veterans, was included by Congress in the Labor-HEW appropriation a $23.7 million for FY 74, its second year. No funds were requested for this program by the President in FY 75, nor were any requested in FY 74. No special energy crisis work program funding was requested for FY 75 which might benefit veterans laid off during the energy crisis due to a lack of seniority.

COMMENT

The President's budget provides only an 8 percent increase or $17 per month more to GI Bill users, making the basic benefit $237 a month, which is less than the cost-of-living increase (the cost-of-living is up 12.8 percentage points since the last GI Bill increase), and recommends no restructuring to remove geographical disparities.

Much controversy has surrounded the adequacy of GI Bill benefits. The Congress ordered the Veterans' Administration in 1972 to do an independent study comparing benefits available under all three GI Bills. The Educational Testing Service, which did the study for the V.A., concluded in its September 1973 report that today's benefits, when adjusted for the cost of living, provide less assistance toward the purchase of a post-secondary education than did the World War II GI Bill. The Veterans' Administration disagreed with the study, claiming that the average veteran attending the average public school has parity. Hearings held by the League and Conference Special Veterans' Opportunity Committee resulted in a final report supporting the ETS conclusions. The hearings were chaired by Congressman Silvio Conte and Mayors Gibson, Perk, and Uhlman.

The House Veterans' Affairs Subcommittee on Education and Training on February 5 passed a 13.6 percent increase in across-the-board GI Bill benefits. This bill would cost $300 million more than the administration proposal, suggesting that the education budget may be understated. In the Senate, 34 members have co-sponsored a bill which also increases the GI Bill across-the-board benefits by 13.6 percent and provides a tuition equalizer provision with payments covering tuition costs between $419 and $1,000. Such legislation appears necessary and would correct the fact that geographical disparities often prevent equal education opportunity for equal military service. It would add $200 million for the FY 75 Budget.

The failure to request funds for the Veterans' Cost of Instruction provision is another example of the income strategy, funding the consumer, not the institution. Tuition fails to cover actual costs of education at colleges and junior colleges. Few colleges set up special veterans' offices to cope with their problems before these funds were available; it is unlikely that they will continue them without federal funding.

Unemployment figures for veterans aged 20–24 rose in January 1974 to 10.6 percent, compared with a 7.2 percent rate for nonveterans of the same age. Veterans may be hard hit by the energy crisis if unemployment rises due to their lack of seniority.

In calendar years 1970–73, the number of Vietnam-era veterans in the labor market rose from 3 million to 6.5 million men. These men have relied heavily on Emergency Employment Act jobs. The lower levels of EEA spending for FY 75 than in earlier years will also hit the veteran, particularly if the previous trend of energy crisis layoffs continues.

REFORM OF CAMPAIGN FINANCING

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. OBEY. Mr. Speaker, I am for campaign spending reform and I have introduced legislation myself to reform the way we finance campaigns. But those who think we should adopt the simplistic and downright dangerous Senate proposal now resting in the Senate Rules Committee ought to read David Broder's column from Sunday's paper which I am inserting below:

[From the Washington Post, Feb. 17, 1974]

A NEW LOOK AT ELECTION FINANCING

(By David S. Broder)

The December filibuster conducted by Sen. James Allen (D-Ala.) and his allies against quick passage of the bill for public financing of federal election campaigns has served the classic purpose of the filibuster—to slow down action and permit a second look at an issue.

The measure had whipped through the Senate the first time with barely a day's debate, as an amendment to the debt ceiling bill. The House had balked at accepting such a major piece of legislation as a rider to another bill. And Allen's filibuster caused the Senate sponsors to accept a compromise under which public financing would be given separate consideration, in both houses, early in 1974.

The time for that consideration is now at hand, and if ever there were legislation that needs careful examination, the public financing bill is it.

The public and political reaction to Watergate has created what Rep. John B. Anderson (R-Ill.) rightly calls "an unprecedented opportunity to fashion a campaign financing system that can serve this nation well for decades to come."

But, as Anderson went on to say in the next sentence of a recent speech, "if we proceed with too much haste or without rigorous conceptual and empirical analysis of the problems to be corrected, that tremendous opportunity may be tragically frittered away."

"I think we would be well served to proceed with utmost caution and restraint" Anderson said, "yet already we can detect the warning signs that public finance is being treated as an all-embracing panacea rather than a solution for an important but limited set of problems . . . ."

Lest Anderson be thought an opponent of reform, trying to place roadblocks in the path of legislation, let it be noted that he and Rep. Morris K. Udall (D-Ariz.) are cosponsors of a major public financing proposal which has been backed by more than 160 other members of the House.

What he understands is that adoption of a system of taxpayer-financed campaigns will alter the whole structure of American politics—the terms of competition within and between the parties, the relationships between candidates and the parties and between candidates and the public. Unless attention is paid to what Anderson calls the "total system impact" of campaign spending reform, the results are likely to be opposite what the reformers intend.

Regrettably, the Senate has little of that kind of analysis available to it as it prepares for the debate. The four days of subcommittee hearings on the bill last September and the brief floor debate included a great deal of rhetoric about the "evils" of private financing, but not much that is thoughtful on the effects of a switchover to partial or complete tax-financed campaigns.

The task the Senate faces is made difficult not only by the skimpiness of the hearings but by the fact that the Rules Committee has chosen to package, in a single bill, proposals to limit private contributions, to control campaign spending, and to finance—in varying ways—the primary and general election campaigns for President, senator and representative.

Unless the result is to be disastrous, floor debate and amendments will have to clarify the quite different problems in each of the areas the bill tackles—and the remedies appropriate to each.

For example, in House races the main problem to be solved is achieving adequate financing and rough parity of funds for challengers. But the problem of adequacy and parity is not a serious problem at all where major party presidential candidates are concerned.

Thus, a scheme that provides—as the Senate bill does—for full Treasury funding of all federal office general election campaigns may well have the effect of discouraging one of the most widely used and valuable forms of citizen participation in politics—the small gift to a favorite presidential candidate.

At the same time, full federal financing of House races, if passed at all, is likely to be at so low a dollar level as to leave undisturbed—or even to increase—the present incumbents' advantage, which is the main problem to be solved.

That is why it is terribly important for the Senate to take time to analyze, not just the imperfections of the present system, but the effects of any new system of campaign finance.

Depending on how the bill is finally structured, it can serve to centralize or disperse power within the federalized political system we now have; to strengthen or weaken the two-party system; to improve or diminish Congress's leverage with future Presidents to reduce or increase the present public cynicism about politics.

What it cannot do is simply "prevent future Watergates" and leave everything else unchanged. This is a fundamental alteration in our politics that is being proposed—as fundamental as the introduction of the direct primary or the promulgation of one man-one vote decisions. It needs to be debated in those terms.

THE 1973 VOTING RECORD OF CONGRESSMAN ROY

HON. WILLIAM R. ROY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ROY. Mr. Speaker, I think it is important that constituents be aware of the actions taken by their elected officials. It is for this reason that I send periodic newsletters to my constituents. Space limitations of a newsletter, however, prevent me from informing my constituents of my vote on every matter which is considered by the Congress. It is for this reason that I have compiled the list of the votes taken during the 1st session of the 93d Congress and have indicated how I voted on each of these. My voting record appears below:

VOTING RECORD—WILLIAM R. ROY, 93D CONG., 1ST SESS.

Rollcall No.	1973	Measure, question, and result	Vote
1	Jan. 3	Call of the House	Present.
2	do	Election of Speaker (Albert 236—Ford 188)	Absent.
3	do	H. Res. 6: On ordering the previous question on the resolution adopting the rules of the House of Representatives for the 93d Congress (passed 208–206).	Yes.
4	Jan. 15	Quorum call	Present.
5	Jan. 23	do	Present.
6	Jan. 29	do	Present
7	Jan. 31	do	Present
8	do	H. Res. 176: On ordering the previous question on the "rule" under which to consider the resolution creating a select committee to study the operation and implementation of the rules of the House of Representatives (passed 205–167).	Yes.
9	do	H. Res. 176: On adoption of the "rule" under which to consider the resolution creating a select committee to study the operation and implementation of the rules of the House of Representatives (passed 238–135).	Yes
10	do	H. Res. 132: On adoption of the resolution creating a select committee to study the operation and implementation of the rules of the House of Representatives (passed 282–91).	Yes.
11	Feb. 5	H.J. Res. 123 (S.J. Res. 42): On a motion to suspend the rules and pass the joint resolution establishing the Commission on Highway Beautification (passed 283–40).	Absent.
12	Feb. 6	Quorum call	Absent.
13	Feb. 7	do	Present
14	do	H. Res. 188: On ordering the previous question on the "rule" under which to consider H.R. 2107, the Rural Environmental Assistance Program (passed 237–150).	Yes.
15	do	H.R. 2107: On an amendment to the Rural Environmental Assistance Program which sought to reduce funds in the bill by $85,000,000 (defeated 176–217).	No.
16	do	H.R. 2107: On an amendment to the Rural Environmental Assistance Program which sought to restrict REAP payments to farmers with an average annual net income during the preceding 3 years of $10,000 or less (defeated 132–260).	No.
17	do	H.R. 2107: On final passage of the Rural Environmental Assistance Program (passed 251–142).	Yes.
18	Feb. 20	Quorum call	Absent.
19	do	H.R. 3694: On a motion to suspend the rules and pass the bill amending the joint resolution establishing the American Revolution Bicentennial Commission (passed 286–72).	Absent.
20	Feb. 21	H.J. Res. 345: On passage of the resolution making further continuing appropriations for fiscal year 1973 (passed 311–73)	Yes.
21	Feb. 22	H.R. 1975: On an amendment to the Emergency Loan Program which allows eligible applicants in natural disaster areas designated by the Secretary of Agriculture to apply for one percent disaster loan: 18 days after the effective date of this act (passed 196–160).	Yes.
22	do	H.R. 1975: On passage of the Emergency Loan Program under the Consolidated Farm and Rural Development Act (passed 269–95).	Yes.
23	Feb. 27	Quorum call	Present.
24	do	H.R. 3577: On passage of the Interest Equalization Tax Extention Act of 1973 (passed 358–23).	Yes.
25	Feb. 28	Quorum call	Present
26	do	H. Res. 256: On passage of the resolution creating a select committee to investigate all aspects of crime affecting the United States (passed 317–75).	Yes.
27	do	H. Res. 18: On ordering the previous question on the resolution authorizing the Committee on Banking and Currency to conduct investigations and studies of all matters within its jurisdiction (passed 204–191).	Yes.
28	do	H. Res. 257: On passage of the resolution authorizing the Committee on the District of Columbia to conduct studies and investigations (defeated 153–234).	No.
29	Mar. 1	Quorum call	Present.
30	do	H.R. 3298: On passage of the bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act (passed 297–54).	Yes.
31	Mar. 5	Quorum call	Present
32	do	H.R. 4278: On a motion to suspend the rules and pass the bill assuring that Federal financial assistance to the child nutrition programs be maintained at the level budgeted for fiscal year 1973 (passed 352–7).	Yes
33	do	H.J. Res. 393: On a motion to suspend the rules and pass the joint resolution extending the authorization of the National Commission on the Financing of Postsecondary Education (passed 332–29).	Yes.
34	Mar. 6	Quorum call	Present.
35	Mar. 7	do	Present.
36	do	H. Res. 272: On ordering the previous question on the resolution under which to consider H. Res. 259 to amend the rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session (passed 197–196).	Yes.
7	do	H. Res. 259: On an amendment to the resolution to amend the Rules of the House of Representatives which authorizes departmental representatives to attend closed committee meetings if authorized by that committee (passed 201–198).	No.
8	do	H. Res. 259: On passage of the resolution amending the Rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session (passed 371–27).	Yes.
39	Mar. 8	Quorum call	Present
40	do	do	Present.
41	do	H.R 17: On an amendment to the Vocational Rehabilitation Act which sought to authorize $600 million for fiscal year 1973, $630,000,000 for fiscal year 1974, and $650,000,000 for fiscal year 1975 for the continuation of programs authorized under the Vocational Rehabilitation Act (defeated 165–213).	No.
42	do	H.R. 17: On passage of the Vocational Rehabilitation Act of 1973 (passed 318–57).	Yes
43	Mar. 13	Quorum call	Absent.
44	Mar. 13	H.R. 71: On an amendment to the Older Americans Act which sought to substitute the text of H.R. 4318 (defeated 168–229).	Absent.
45	do	H.R. 71 (S. 50): On passage of the Older Americans Act (passed 329–69).	Absent.
46	Mar. 14	Quorum call	Absent.
47	do	Quorum call	Present.
48	do	S. 583: On passage of the bill promoting the separation of constitutional powers by securing to the Congress additional time in which to consider the rules of evidence for U.S. courts and magistrates, the amendments to the Federal Rules of Civil Procedure and the amendments to the Federal Rules of Criminal Procedure which the Supreme Court on Nov. 20, 1972, ordered the Chief Justice to transmit to the Congress (passed 399–1).	Yes.
49	Mar. 15	Quorum call	Present.
50	do	H.R. 2246: On passage of the bill amending the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-yr period (passed 278–108).	Yes.
51	Mar. 20	Quorum call	Present.
52	do	H. Res. 285: On passage of the resolution authorizing funds for the Committee on Public Works (passed 372–9).	Yes.
53	Mar. 21	Quorum call	Present.
54	do	H.R. 5446: On passage of the bill to extend the Solid Waste Disposal Act for 1 yr (passed 392–2).	Yes.
55	Mar. 22	Quorum call	Present.
56	do	H. Res. 308 On passage of the resolution providing funds for House Committee on Internal Security (passed 289–101).	Yes.
57	do	H.R. 5445: On passage of the bill to extend the Clean Air Act for 1 yr (passed 387–1).	Yes.
58	Mar. 27	Quorum call	Present.
59	Mar. 28	do	Present.
60	Mar. 29	do	Present.
61	do	H.R. 5293: On a motion to recommit the Peace Corps Authorization bill to the Committee on Foreign Affairs with instructions to report it back forthwith containing an amendment that would limit authorization to 1 yr and reduce funds by $17,000,000 (defeated 132–238).	No.
62	do	H.R. 5293: On passage of the bill authorizing continuing appropriations for the Peace Corps (passed 299–72).	Yes.
63	Apr. 2	H.R. 3153: On a motion to suspend the rules and pass the bill to amend the Social Security Act to make certain technical and conforming changes (passed 340–1).	Absent.
64	do	H. Res. 330: On a motion to suspend the rules and pass the resolution regarding U.S. ocean policy at the Law of the Sea Conference (passed 303–52).	Absent.
65	Apr. 3	Quorum call	Present.
66	do	do	Present.
67	do	do	Present.
68	do	do	Present.
69	Apr. 4	do	Present.
70	do	H.R. 3577: To approve the conference report on the bill to provide an extension of the interest equalization tax (passed 396–18).	Yes.
71	do	H. Res. 337: On ordering the previous question on the "rule" under which to consider H.R. 5683 the bill amending the Rural Electrification Act of 1936 (passed 244–170).	Yes.
72	do	Quorum call	Present.
73	do	do	Present,
74	do	H.R. 5683: On an amendment to the bill to amend the Rural Electrification Act of 1936 which sought to insert the text of H.R. 5536 (defeated 162–244).	No.
75	do	H.R. 5683: On passage of the bill to amend the Rural Electrification Act of 1936 to establish a Rural Electrification and Telephone Revolving Fund (passed 317–92).	Yes.
76	Apr. 5	Quorum call	Present.
77	do	H. Res. 340: On passage of the resolution authorizing additional investigative authority to the Committee on Interior and Insular Affairs (passed 281–70).	Yes.
78	Apr. 9	Quorum call	Absent.
79	do	H.R. 4586: On passage of the bill incorporating in the District of Columbia the National Inconvenienced Sportsmen's Association (passed 328–0).	Absent.
80	do	H.R. 342: On passage of the bill authorizing the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel (passed 331–1).	Absent.
81	Apr. 10	Quorum call	Present.
82	do	H.R. 3298: To override the President's veto of the bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act (defeated 225–179; a ⅔ vote being necessary).	Yes.
83	do	H. Res. 348: On passage of the resolution providing a rule for the consideration of H.J. Res. 205 to create an Atlantic Union delegation (defeated 197–210).	No.
84	Apr. 11	H. Res. 349: On adoption of the "rule" under which to consider H.R. 3180, the bill clarifying the proper use of the franking privilege by Members of Congress (passed 371–14).	Yes.
85	do	H.R. 3180: On passage of the bill clarifying the proper use of the franking privilege by Members of Congress (passed 354–49).	Yes.
86	Apr. 12	H.J. Res. 496: On passage of the joint resolution making supplemental appropriations for fiscal year 1973 for the Civil Aeronautics Board and the Veterans' Administration (passed 367–0).	Yes.
87	Apr. 16	Quorum call	Present.
88	do	H. Res. 357: On ordering the previous question on the "rule" under which to consider H.R. 6168, the bill to amend and extend the Economic Stabilization Act of 1970 (defeated 147–258).	No.
89	do	Quorum call	Present.
90	do	H.R. 6168: On an amendment to a substitute amendment to the bill to amend and extend the Economic Stabilization Act of 1970 which sought to impose a ceiling on prices at levels no higher than those on Apr. 16, 1973, except agricultural prices at the farm level (defeated 139–263).	No.

Rollcall No.	1973	Measure, question, and result	Vote
91	Apr. 16	H.R. 6168: On an amendment to a substitute amendment to the bill to amend and extend the Economic Stabilization Act of 1970 which requires that hearings be held before an agency reduces wages or salaries and that a statement of explanation shall be written to the parties involved within 30 days (passed 271–132).	Yes.
92	do	H.R. 6168: On a substitute amendment to a substitute amendment to the bill to amend and extend the Economic Stabilization Act of 1970 which sought to extend the act for 60 days and direct the President to develop a program to stabilize interest rates, rents, prices, and wages and transmit the program to Congress by May 15, 1973 (defeated 151–253).	No.
93	do	H.R. 6168: On an amendment to a substitute amendment to the bill to amend and extend the Economic Stabilization Act of 1970 which sought to authorize and direct the President to stabilize rents at levels prevailing on Jan. 10, 1973 (defeated 173–225).	Yes.
94	do	H.R. 6168· On an amendment to a substitute amendment to the bill to amend and extend the Economic Stabilization Act of 1970 which sought to authorize the President to stabilize rents at levels prevailing on Jan. 10, 1973, and allow for a 2.5-percent increase annually (defeated 147–250).	No.
95	do	H.R. 6168: On an amendment to a substitute amendment to the bill to amend and extend the Economic Stabilization Act of 1970 which sought to impose a ceiling on all food prices at levels no higher than those prevailing on Mar. 16, 1973, and to stabilize rents at levels prevailing on Jan. 10, 1973 (defeated 101–303).	No.
96	do	H.R. 6168: On a motion to recommit the bill to amend and extend the Economic Stabilization Act of 1970 to the Committee on Banking and Currency (defeated 164–243).	No.
97	do	H.R. 6168: On passage of the bill to amend and extend the Economic Stabilization Act of 1970 (passed 293–114).	Yes.
98	Apr. 17	Quorum call	Absent.
99	do	do	Present.
100	do	H.R. 6691: On an amendment to the 1974 Legislative Appropriation Bill which sought to strike out $58,000,000 for the extension of the west front of the Capitol (defeated 189–195).	No.
101	Apr. 18	Quorum call	Present.
102	do	H.R. 6691: On a motion to recommit the 1974 Legislative Appropriation Bill to the Committee on Appropriations with instructions to report it back to the House deleting $58,000,000 for the extension of the west front of the Capitol (defeated 185–215).	No.
103	do	Quorum call	Present.
104	do	H. Res. 360: On ordering the previous question on the "rule" under which to consider H.R. 4204, Emergency Employment Act Amendments of 1973 (defeated 193–209).	Yes.
105	do	H. Res. 360: On ordering the previous question on the amendment to the resolution under which to consider H.R. 4204, Emergency Employment Act Amendments of 1973, which sought to substitute the text of H.R. 6710 for the committee bill, H.R. 4204 (defeated 157–245).	No.
106	do	Quorum call	Present.
107	do	H. Res. 360: On a motion to table the motion to reconsider the "rule" providing for the consideration of H.R. 4204, Emergency Employment Act Amendments of 1973 (passed 183–173).	No.
108	do	S. 50: On concurring to the Senate amendment to the amendment of the House to the bill to strengthen and improve the Older Americans Act of 1965 (passed 348–0).	Yes.
109	Apr. 19	Quorum call	Present.
110	do	S. 502: On an amendment to the Federal Aid Highway Act which sought to permit local officials in urban areas to use $700,000,000 from the Highway Trust Fund for nonhighway transit needs (defeated 190–215).	Yes.
111	do	S. 502: On an amendment to the Federal Aid Highway Act which deletes language which earmarks funds for cities with a population of more than 400,000 from the urban system funds (passed 292–93).	Yes.
112	Apr 30	Quorum call	Absent.
113	do	do	Present.
114	do	S. 398: To approve the conference report on the bill to extend and amend the Economic Stabilization Act of 1970 (passed 267–115).	No.
115	May 1	H. Res. 351: On adoption of the "rule" under which to consider H.R. 3932, the bill requiring confirmation of the Director and Deputy Director of the Office of Management and Budget (passed 318–56).	Absent.
116	do	H.R. 3932: On an amendment in the nature of a substitute to the bill requiring confirmation of the Director and Deputy Director of the Office of Mangaement and Budget which sought to exempt the current Director and Deputy Director of OMB but require confirmation of all future nominees for those posts (defeated 130–263).	No.
117	do	H.R. 3932: On passage of the bill requiring confirmation of the Director and Deputy Director of the Office of Management and Budget (passed 229–171).	Yes.
118	May 2	H. Res. 370: On adoption of the "rule under which to consider H.R. 6388, the bill to amend the Airport and Airway Development Act of 1970 to increase the U.S. share of allowable project costs under such act and to amend the Federal Aviation Act of 1958 to prohibit certain State taxation of persons in air commerce (passed 385–2).	Absent.
119	do	H.R. 6388: On passage of the bill amending the Airport and Airway Development Act of 1970 to increase the U.S. share of allowable project costs under such act and to amend the Federal Aviation Act of 1958 to prohibit certain State taxation of persons in air commerce (passed 386–16).	Absent.
120	May 3	Quorum call	Present.
121	do	H.R. 982: On an amendment to the bill to amend the Immigration and Nationality Act which sought to strike out the 3-step civil and criminal penalty procedure for imposing sanctions on employers who knowingly employ aliens in the United States (defeated 96–266).	No.
122	do	H.R. 982: On passage of the bill to amend the Immigration and Nationality Act (passed 297–63).	Absent.
123	May 7	Quorum call	Absent.
124	do	H.R. 4967: On a motion to suspend the rules and pass the bill authorizing appropriations for the Indian Claims Commission for fiscal year 1974 (passed 336–8).	Absent.
125	do	H.R. 6574: On a motion to suspend the rules and pass the bill encouraging persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve (passed 342–1).	Absent.
126	do	H.R. 2828: On a motion to suspend the rules and pass the bill establishing a National Cemetery System within the Veterans' Administration (passed 340–1).	Absent.
127	do	H.R. 29: On a motion to suspend the rules and pass the bill providing for payments by the Postal Service to the Civil Service Retirement Fund for increases in the unfunded liability of the fund due to increases in benefits for Postal Service employees (passed 344–0).	Absent.
128	May 8	H.R. 5452: On a motion to suspend the rules and pass the bill extending and making technical corrections to the National Sea Grant College and Program Act of 1966 (passed 368–9).	Yes.
129	do	H R. 5451: On a motion to suspend the rules and pass the Oil Pollution Act Amendments of 1973 (passed 370–1).	Yes.
130	May 9	Quorum call	Present.
131	do	H.R. 7445: On passage of the bill to amend the Renegotiation Act of 1951 to extend the act for 2 years (passed 388–0).	Yes.
132	do	H.R. 6370: On an amendment to the bill to extend certain laws relating to the payment of interest on time and savings deposits which sought to delete language that prohibits Negotiable Order of Withdrawal savings accounts (defeated 98–264).	No.
133	do	H.R. 6370: On passage of the bill to extend certain laws relating to the payment of interest on time and savings deposits (passed 376–4).	Yes.
134	May 10	S. 394: To approve the conference report on the bill to amend the Rural Electrification Act of 1936 (passed 363–25).	Yes.
135	do	H. Res. 389: On ordering the previous question on the "rule" under which to consider H.R. 7447, the bill making supplemental appropriations for fiscal year 1973 (defeated 184–222).	No.
136	do	H.R. 7447: On an amendment to the bill making supplemental appropriations for fiscal year 1973 while in the Committee of the Whole that deletes language which would authorize the transfer of $430,000,000 by the Department of Defense (passed 219–188).	Yes.
137	do	H.R. 7447: On an amendment to the bill making supplemental appropriations for fiscal year 1973 that sought to postpone the provisions of the amendment which prohibits the use of funds to finance combat activities in Cambodia (defeated 180–219).	No.
138	do	H.R. 7447: On an amendment to the bill making supplemental appropriations for fiscal year 1973 that prohibits the use of funds by the Department of Defense to finance combat activities in Cambodia by U.S. forces (passed 224–172).	Yes.
139	do	H.R. 7447: On an amendment to the bill making supplemental appropriations for fiscal year 1973 that increases the funding for category B impacted aid school assistance from 54 percent to 68 percent (passed 211–178).	Yes.
140	do	H.R. 7447: On an amendment to the bill making supplemental appropriations for fiscal year 1973 that deletes language which would authorize the transfer of $430,000,000 by the Department of Defense similar to rollcall 136 in Committee (passed 194–187)	Yes.
141	do	H.R. 7447: On passage of the bill making supplemental appropriations for fiscal year 1973 (passed 284–96).	Yes.
142	May 15	Quorum call	Present.
143	do	H.R. 6768: On an amendment to the bill to provide for participation by the United States in the United Nations environmental program which sought to reduce funds from $40,000,000, available until expended, to $2,500,000, available for fiscal year 1974 only (defeated 164–216).	No.
144	do	H.R. 6768: On an amendment to the bill to provide for participation by the United States in the United Nations environmental program while in the Committee of the Whole to reduce funds from $40,000,000, available until expended, to $5,000,000, available for fiscal year 1974 only (passed 200–184).	No.
145	do	H.R. 6768: On an amendment to the bill to provide for participation by the United States in the United Nations environmental program which sought to reduce funds from $40,000,000 available until expended, to $5,000,000, available for fiscal year 1974 only, similar to roll call 144 in committee (defeated 192–198).	No.
146	do	H.R. 6768: On passage of the bill to provide for participation by the United States in the United Nations environmental program (passed 266–123).	Yes.
147	May 16	Quorum call	Absent.
148	do	H.R. 5777: On passage of the bill to protect hobbyists against the reproduction or manufacture of certain imitation hobby items and to provide additional protection for American hobbyists (passed 382–7).	Absent.
149	May 21	H.J. Res. 512: On a motion to suspend the rules and pass the joint resolution extending the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages and extending authorization under laws relating to housing and urban development (passed 357–1).	Yes.
150	do	H.R. 6330: On a motion to suspend the rules and pass the bill amending section 8 of the Public Buildings Act of 1959 relating to the District of Columbia (passed 270–98).	No.
151	May 22	Quorum call	Present.
152	do	H.R. 6717: On a motion to suspend the rules and pass the bill to amend section 210 of the Flood Control Act of 1968 (passed 307–90).	Yes.
153	do	H.R. 7200: On a motion to recommit the bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act and the Interstate Commerce Act to the	No.

Footnotes at end of table.

VOTING RECORD—WILLIAM R. ROY, 93D CONG., 1ST SESS.—Continued

Rollcall No.	1973	Measure, question, and result	Vote
		Committee on Interstate and Foreign Commerce (defeated 10–393).	
154	May 22	H.R. 7200: On passage of the bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act and the Interstate Commerce Act (passed 387–5).	Yes.
155	May 23	Quorum call	Present.
156	do	S. 518: To override the President's veto of the bill providing that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate (defeated 236–178; a ⅔ vote being necessary).	Yes.
157	do	Quorum call	Present.
158	do	H.R. 7528: On an amendment to the bill to authorize appropriations to the National Aeronautics and Space Administration which sought to prohibit the use of funds for tracking and data acquisition in South Africa (defeated 104–294).	No.
159	do	H.R. 7528: On passage of the bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management (passed 322–73).	No.
160	May 29	H. Res. 408: On adoption of the "rule" under which to consider H.R. 6912, the bill to amend the Par Value Modification Act (passed 299–9).	Absent.
161	do	H.R. 6912: On an amendment to the bill to amend the Par Value Modification Act which sought to permit private purchase, sale, and ownership of gold after Dec. 31, 1973 (defeated 162–162).	Absent.
162	do	H.R. 6912: On an amendment to the bill to amend the Par Value Modification Act which sought to strike out language that provides for Presidential determination and approval of private gold ownership (defeated 100–218).	Absent.
163	do	H.R. 6912: On passage of the bill to amend the Par Value Modification Act (passed 281–63).	Absent.
164	May 30	Quorum call	Absent.
165	do	do	Absent.
166	do	H.R. 5857: On passage of the bill to amend the National Visitors Center Facilities Act of 1968 (passed 288–75).	Absent.
167	do	H.R. 5858: On passage of the bill authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts (passed 260–100).	Absent.
168	May 31	Quorum call	Present.
169	do	H.R. 7806: On passage of the bill extending through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act (passed 372–1).	Yes.
170	do	H.R. 7724: On an amendment to the National Biomedical Research Fellowship. Traineeship, and Training Act of 1973 which prohibits live fetus research (passed 354–9).	Absent.
171	do	H.R. 7724: On passage of the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973 (passed 361–5).	Absent.
172	do	H.R. 6458: On passage of the bill authorizing assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions (passed 261–96).	Yes.
173	June 4	Quorum call	Absent.
174	do	H. Res. 398: On a motion to suspend the rules and pass the resolution providing for the promotions to positions of a supervisory capacity on the U.S. Capitol Police force authorized for duty under the House of Representatives and to reduce by 15 positions the total number of positions on such force under the House (passed 299–0).	Absent.
175	June 5	Quorum call	Absent.
176	do	H.R. 8070: On a motion to suspend the rules and pass the bill authorizing grants for vocational rehabilitation services (passed 384–13).	Absent.
177	do	Quorum call	Absent.
178	June 6	do	Present.
179	do	H.R. 7935: On an amendment to a substitute amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which sought to increase the minimum wage rate for agricultural employees equal to that of industrial employees (defeated 186–232).	No.
180	do	H.R. 7935: On an amendment in the nature of a substitute to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under the act and to expand the coverage of that act which sought to substitute the provisions of H.R. 8304 (defeated 199–218).	No.
181	do	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under the act and to expand the coverage of that act which sought to set the minimum wage rate for employees covered before 1966 at $1.90 per hour for the 1st year, $2.10 for the 2d year, and $2.20 per hour thereafter (defeated 193–225).	No.
182	do	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act which sought to set the minimum wage rate for employees covered before 1966 at $2.10 per hour for the year beginning July 1, 1974, and to $2.20 per hour after June 30, 1975 (defeated 189–224).	No.
183	do	H.R. 7935: On the amendment in the nature of a substitute to an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which sought to set the minimum wage rate for agricultural workers at $1.50 per hour for fiscal year 1974, $1.70 per hour for fiscal year 1975, and $1.85 per hour thereafter (defeated 195–224).	No.
184	do	H.R 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which sought to increase the minimum wage rate for agricultural employees equal to that of industrial employees (defeated 102–313).	No.
185	June 6	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which sought to strike out extended coverage for Federal employees defeated 167–249).	No.
186	do	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which sought to strike out extended coverage for local and state governmental employees (defeated 182–233).	No.
187	do	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which deletes the section on seasonal industry employees (passed 251–163).	No.
188	do	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act which sought to establish a subminimum wage rate for workers under the age of 18 or full-time students at 80 percent of the applicable minimum wage of $1.60 per hour ($1.30 per hour for agricultural employees) whichever is higher (defeated 199–215).	No.
189	do	H.R. 7935: On an amendment to the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act which freezes the minimum wage rate in the Canal Zone at its present level (passed 213–203).	No.
190	do	H.R. 7935: On passage of the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act (passed 287–130).	Yes.
191	do	Quorum call	Absent.
192	do	On a motion to adjourn (defeated 9–143)	Absent.
193	June 7	Quorum call	Present.
194	do	H. Res. 382: On passage of the resolution disapproving Reorganization Plan No. 2 (defeated 130–281)	No.
195	do	H.R. 7645: On passage of the bill authorizing appropriations for the Department of State (passed 331–57).	Yes.
196	do	H.R. 7446: On passage of the bill to establish the American Revolution Bicentennial Administration (passed 344–14).	Yes.
197	June 8	H.R. 2246: To approve the conference report on the bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-yr. period (passed 276–2).	Absent.
198	do	H. Res. 426: On adoption of the "rule" under which to consider H.R. 7670, to authorize appropriations for fiscal year 1974 for certain maritime programs of the Department of Commerce (passed 274–0).	Absent.
199	do	H.R. 7670: On passage of the bill to authorize appropriations for fiscal year 1974 for certain maritime programs of the Department of Commerce (passed 266–10).	Absent.
200	June 11	Quorum call	Absent.
201	do	do	Absent.
202	do	On a motion to dispense with calendar Wednesday business of June 13 (defeated 221–119; a ⅔ vote being necessary).	Absent.
203	do	H.R. 4083: On passage of the bill to improve the laws relating to the regulation of insurance in the District of Columbia (passed 330–0).	Absent.
204	do	H.R. 6713: On passage of the bill amending the District of Columbia Election Act regarding the times for filing certain petitions, regulating the primary elections for delegate from the District of Columbia (passed 330–12).	Absent.
205	do	H.R. 8250: On passage of the bill to authorize certain programs and activities of the Government of the District of Columbia (passed 268–84).	Absent.
206	do	H.R. 4771: On passage of the bill to regulate the maximum rents to be charged by landlords in the District of Columbia (passed 210–144).	Absent.
207	June 12	H.R. 5293: To approve the conference report on the bill authorizing additional appropriations for the Peace Corps (passed 329–64).	Yes.
208	do	H. Res. 423: On adoption of the "rule" under which to consider H.R. 77, to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services (passed 307–91).	Yes.
209	do	H.R. 77: On an amendment to a committee amendment to the bill to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services which allows employees to select any attorney of their choice rather than the choice of their union (passed 279–126).	Yes.
210	do	H.R. 77: On an amendment to an amendment to the bill to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services which sought to strike out language that specifies as an unfair labor practice the unilateral modification or termination of the legal services trust fund agreement, or failure or refusal to bargain in good faith in the next subsequent contract negotiation between the same parties (defeated 111–293).	No.
211	do	H.R. 77: On an amendment to the bill to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services which sought to specify legal service trust funds as a "permissive" subject of collective bargaining and refusal to bargain in good faith would not constitute an unfair labor practice (defeated 177–223).	No.
212	do	H.R. 77: On passage of the bill to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services (passed 257–149).	Yes.
213	June 13	Quorum call	Present.
214	do	H. Res. 437: On ordering the previous question on the "rule" under which to consider H.R. 8410, the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973 (defeated 21–395).	No.

Footnote at end of table.

Rollcall No.	1973	Measure, question, and result	Vote
215	June 13	H. Res. 437: On ordering the previous question on the amendment to the "rule" under which to consider H.R. 8410, the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973 (passed 254–160).	No.
216	do	H. Res. 437: On an amendment in the nature of a substitute to the "rule" under which to consider H.R. 8410, the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973, which struck out language in the rule that made it in order to consider the text of H.R. 3932, to provide that appointments to the Office of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate (passed 248–163).	Yes.
217	do	H. Res. 437: On adoption of the "rule" under which to consider the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973 (passed 271–141).	Yes.
218	do	Quorum call	Present.
219	do	H.R. 8410: On passage of the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973 (passed 261–152).	No.
220	June 14	Quorum call	Present.
221	do	do	Present.
222	do	H.R. 3926: On an amendment to the bill to extend the National Foundation on the Arts and the Humanities Act which sought to cut funding to $81,000,000, a reduction of $64,000,000 (defeated 141–248).	No.
223	do	H.R. 3926: On an amendment to the bill to extend the National Foundation on the Arts and the Humanities Act which sought to delete the authorization for funding in fiscal years 1975 and 1976 (defeated 146–235).	No.
224	do	H.R. 3926: On passage of the bill to extend the National Foundation on the Arts and the Humanities Act (passed 309–63).	Yes.
225	do	Quorum call	Present.
226	June 15	do	Present.
227	do	do	Present.
228	do	H.R. 8619: On an amendment to the bill making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, which forbids funds for payment of salaries for "Cotton, Inc." (passed 234–125).	No.
229	do	H.R. 8619: On a substitute amendment to an amendment to the bill making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, which forbids funds for salaries of personnel who formulate or carry out programs of which the price support limit exceeds $20,000 per crop (other than sugar and wool) or a program which sanctions the sale or lease of cotton acreage allotments (passed 195–157).	No.
230	do	H.R. 8619: On passage of the bill making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974 (passed 304–3).	Yes.
231	June 18	Quorum call	Present.
232	do	do	Present.
233	do	H.R. 8658: On passage of the bill making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1974 (passed 321–64).	Yes.
234	do	Quorum call	Present.
235	do	H.R. 8152: On an amendment to the bill to improve law enforcement and criminal justice which would make optional rather than mandatory the stipulation that State planning agencies and regional planning units shall include representatives of citizen, professional, and community organizations (passed 227–162).	No.
236	do	H.R. 8152: On an amendment to the bill to improve law enforcement and criminal justice which adds language stating that nothing in the bill shall be construed to require the adoption by a grantee of a quota system or other program to achieve racial balance or to deny or discontinue a grant because of the refusal of a grantee to adopt such a quota system (passed 231–161).	Yes.
237	do	H.R. 8152: On passage of the bill to improve law enforcement and criminal justice (passed 391–0).	Yes.
238	June 19	H.R. 689: On a motion to suspend the rules and pass the bill to prohibit persons attempting to collect their own debts from misusing names to convey the false impression that any agency of the Federal Government is involved in such collection (passed 399–0).	Yes.
239	do	H.R. 6129: On a motion to suspend the rules and pass the bill providing for the continuance of civil government for the Trust Territories of the Pacific Islands (passed 387–14).	Yes.
240	do	H.R. 7127: On a motion to suspend the rules and pass the bill establishing a program for the preservation of additional historical properties throughout the Nation (passed 385–16).	Yes.
241	do	H. Res. 434: On adoption of the "rule" under which to consider H.R. 5464, the bill to authorize appropriations for the saline water program for fiscal year 1974 (passed 389–4).	Yes.
242	do	H.R. 5464: On an amendment to the bill to authorize appropriations for the saline water program for fiscal year 1974 which raises the funds authorized from $2,500,000 to $9,100,000 (passed 281–125).	Yes.
243	do	H.R. 5464: On passage of the bill to authorize appropriations for the saline water program for fiscal year 1974 (passed 399–4).	Yes.
244	do	H.R. 5094: On passage of the bill to provide for the reclassification of positions of deputy U.S. marshal (passed 319–84).	Yes.
245	June 20	Quorum call	Present.
246	do	H.R. 8760: On an amendment to the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, which sought to cut $1,600,000 for moorings for the Coast Guard cutter Mackinaw at Cheboygan, Mich. (defeated 107–309).	No.
247	do	H.R. 8760: On an amendment to the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, which sought to add $3,000,000 for research and development under the urban mass transportation program for alleviating the transportation problems of handicapped persons (defeated 204–213).	Yes.
248	do	H.R. 8760: On an amendment to the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, which sought to add $9,700,000 for research and demonstration for a personal rapid transit system (defeated 137–277).	No.
249	do	H.R. 8760: On a substitute amendment to the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, which sought to eliminate all funding for research, development, and demonstrations for the urban mass transportation program (defeated 17–392)	No.
250	do	H.R. 8760: On passage of the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974 (passed 414–2).	Yes.
251	do	H. Res. 435: On adoption of the resolution providing for the consideration of and 2 hours of general debate on H.R. 7824, to establish a Legal Services Corporation (passed 358–34).	Yes.
252	June 21	Quorum call	Present.
253	do	do	Present.
254	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which prohibits the corporation from undertaking, by grant or contract. activities in backup research centers (passed 245–166).	Yes.
255	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which sought to insert language allowing persons to bring suit against the corporation and reimbursing costs and fees to plaintiffs who win such court actions (defeated 159–237).	No.
256	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which includes administrative advocacy in the bill's prohibition against legislative advocacy (passed 200–181).	No.
257	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which prohibits full-time attorneys of the corporation from engaging in political activities (passed 207–171).	No.
258	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which prohibits legal services with respect to any proceeding or litigation relating to the desegregation of schools (passed 221–150).	Yes.
259	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which strikes language authorizing activities of backup research centers (passed 233–139).	Yes.
260	do	H.R. 7824: On a motion that the Committee of the Whole "do now rise" and report the bill back to the House with recommendation that the enacting clause be stricken out (defeated 91–283).	No.
261	do	H.R. 7824: On a substitute amendment to the bill to establish a Legal Services Corporation which prohibits legal assistance in litigation to compel nontherapeutic abortions contrary to religious beliefs (passed 316–53).	Yes.
262	do	H.R. 7824: On an amendment to the bill to establish a Legal Services Corporation which prohibits legal assistance in litigation regarding abortion (as amended by the previous substitute amendment) (passed 301–68).	Yes.
263	do	H.R. 7824: On passage of the bill to establish a Legal Services Corporation (passed 276–95).	Yes.
264	June 22	Quorum call	Present.
265	do	H.R. 8510: On an amendment to the bill authorizing appropriations for activities of the National Science Foundation which sought to strike the proportional obligation requirement and insert language re-establishing the budget transfer authority under which the NSF has operated in prior years (defeated 109–238).	No.
266	do	H.R. 8510: On an amendment to the bill authorizing appropriations for activities of the National Science Foundation which prohibits funds for research on human living fetuses (passed 288–73).	Yes.
267	do	H.R. 8510: On passage of the bill authorizing appropriations for activities of the National Science Foundation (passed 364–6).	Yes.
268	do	Quorum call	Present.
269	do	H.R. 8825: On an amendment to the bill making appropriations for the Department of Housing and Urban Development; for space, science, and veterans for the fiscal year ending June 30, 1974, which sought to raise by $75,000,000 the appropriation for community comprehensive planning grants (defeated 168–184).	Yes.
270	do	H.R. 8825: On an amendment to the bill making appropriations for the Department of Housing and Urban Development; for space, science, and veterans for the fiscal year ending June 30, 1974, which sought to raise by $400,000,000 the appropriation for urban renewal programs (defeated 106–241).	No.
271	do	H.R. 8825: On passage of the bill making appropriations for the Department of Housing and Urban Development: for space, science, and veterans for the fiscal year ending June 30, 1974 (passed 316–21).	Yes.
272	June 25	Quorum call	Present.
273	do	H.R 7447: On a motion to recede from its disagreement to Senate amendment No. 83 to the bill making supplemental appropriations for the fiscal year ending June 30, 1973, which prohibits use of funds to support directly or indirectly combat activities in Cambodia or Laos (passed 235–172).	Yes.

VOTING RECORD—WILLIAM R. ROY, 93D CONG., 1ST SESS.—Continued

Rollcall No.	1973	Measure, question, and result	Vote
274	June 25	H.R. 7447: On a preferential motion that the House concur in Senate amendment No. 83 with an amendment to the bill making supplemental appropriations for the fiscal year ending June 30, 1973, which sought to prohibit use of funds to support directly or indirectly combat activities in Cambodia or Laos after Sept. 1, 1973 (defeated 204–204).	No.
275	do	H. Res 454: On adoption of the resolution authorizing the Speaker to entertain motions to suspend the rules during the week of June 25, 1973 (passed 276–129).	Yes.
276	do	Quorum call	Present.
277	do	H.R. 8662: On an amendment to the bill to authorize appropriations to the Atomic Energy Commission which sought to permit States to set standards for radiation emissions stricter than those established by the AEC (defeated 136—256)	Yes.
278	do	H.R. 8662: On passage of the bill authorizing appropriations to the Atomic Energy Commission (passed 398–4).	Yes.
279	do	Quorum call	Present.
280	do	do	Present.
281	June 26	do	Present.
282	do	H. J. Res. 636: On passage of the motion limiting debate to 20 min. on the amendment and all amendments thereto to the bill making continuing appropriations for the fiscal year 1974 (passed 275–136).	Yes.
283	do	H. J. Res. 636: On an amendment to the substitute amendment to the bill making continuing appropriations for the fiscal year 1974 which eliminates the 60-day grace period and prohibits all funds appropriated by the resolution and all funds previously appropriated from being used for combat activities in Cambodia or Laos (passed 218–194).	Yes.
284	do	H. J. Res. 636: On a substitute amendment as amended by the previous roll call No 283 to the bill making continuing appropriations for the fiscal year 1974 which allowed a 60-day grace period after which no funds appropriated under the resolution could be used for combat activities in Cambodia or Laos (passed 232–181).	Yes.
285	do	H. J. Res. 636: On an amendment as amended by the previous rollcall No. 284 to the bill making continuing appropriations for the fiscal year 1974 which prohibited the use of funds to support military activities by U.S. forces in, over, or off the shores of North and South Vietnam, Cambodia, and Laos without the consent of Congress (passed 240–172).	Yes.
286	do	H. J. Res. 636: On passage of the joint resolution making continuing appropriations for the fiscal year 1974 (passed 325–86).	Yes.
287	do	H. Res. 455: On adoption of the "rule" under which to consider H.R. 8877, the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974 (passed 395–3).	Yes.
288	do	Quorum call	Present.
289	do	do	Present.
290	do	H.R. 8877: On an amendment to an amendment to the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974, which sought to reduce the funds for the Office of Economic Opportunity by $100,000,000 (defeated 110–288).	No.
291	do	H.R. 8877: On an amendment to the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974, which sought to reduce by $632,000,000 the appropriation for HEW and for the Office of Economic Opportunity (defeated 186–213).	No.
292	do	H.R. 8877: On an amendment to the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974, which sought to add $15,000,000 for bilingual education programs (defeated 161–244).	Yes.
293	do	H.R. 8877: On an amendment to the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974, which sought to restrict grants to local education agencies for each State to a minimum of 90 percent of the amounts made available in fiscal year 1972 (defeated 190–218).	No.
294	do	H.R. 8877: On a motion to recommit the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974, to the Committee on Appropriations with instructions to report it back forthwith with an amendment that sought to delete $632,000,000 from the bill (defeated 186–219).	No.
295	do	H.R 8877: On passage of the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1974 (passed 347–58).	Yes.
296	June 27	Quorum call	Present.
297	do	H.R 8215: On the committee amendments to the bill to provide for the suspension of duty on certain copying shoe lathes until the close of June 30 1976 (passed 403–0).	Yes.
298	do	H.R. 4200: On passage of the bill to amend section 122 of the Internal Revenue Code of 1954 (passed 402–0).	Yes.
299	do	H. Res. 470: On adoption of the "rule" under which to consider H.R. 8917, the bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974 (passed 401–12).	Yes.
300	do	H.R 7447: To override the President's veto of the bill making supplemental appropriations for the fiscal year ending June 30, 1973 (defeated 241–173; a 2/3 vote being necessary	Yes.
301	do	Quorum call	Present.
302	do	do	Present.
303	do	do	Present.
304	do	H.R. 8917: On passage of the bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974 (passed 405–4).	Yes.
305	June 28	Quorum call	Present.
306	do	H.R. 8537: On a motion to instruct the conferees to insist on the House disagreement to title III of the Senate amendment to the bill making permanent certain provisions of the Dependents Assistance Act of 1950 (passed 238–175).	Yes.
307	June 28	Quorum call	Present.
308	do	H.R. 8947: On an amendment to the bill making appropriations for public works-AEC for fiscal year 1974 which sought to reduce the operating expenses for the AEC by $3,800,000 (defeated 108–303).	No.
309	do	H.R. 8947: On an amendment to the bill making appropriations for public works-AEC for fiscal year 1974 which adds $4,700,000 for geothermal research by the AEC (passed 206–205).	Yes.
310	do	H.R. 8947: On passage of the bill making appropriations for Public Works-AEC for fiscal year 1974 (passed 384–26).	Yes.
311	do	H.R. 8548: On passage of the bill to amend the International Economic Policy Act of 1972 to change the membership of the Council on International Economic Policy (passed 322–62).	Yes.
312	June 29	Quorum call	Present.
313	do	H.R. 9055: On an amendment to an amendment to the bill making supplemental appropriations for the fiscal year ending June 30, 1973, which sought to extend the ban on combat activities to cover hostilities in any sovereign state (defeated 57–346).	No.
314	do	H.R. 9055: On an amendment to the bill making supplemental appropriations for the fiscal year ending June 30, 1973, which sought to provide for an immediate and complete cutoff of funds for combat activities in Cambodia and Laos (defeated 169–236).	Yes.
315	do	H.R. 9055: On passage of the bill making supplemental appropriations for the fiscal year ending June 30, 1973 (passed 278–124).	Yes.
316	do	Quorum call	Present.
317	do	H.R. 8916: On an amendment to the bill making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, and related agencies for the 1974 fiscal year which adds $2,100,000 for salaries for additional probation officers and increases by $709,000 funds for travel by the Judiciary (passed 220–164).	Yes.
318	do	H.R. 8916: On passage of the bill making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, and related agencies for the 1974 fiscal year (passed 370–11).	Yes.
319	do	H.R. 8410: On a motion to recede from its disagreement to the amendment of the Senate to the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973 (defeated 185–190).	Yes.
320	June 30	Quorum call	Present.
321	do	H.R. 8410: On a motion to recede and concur to the Senate amendment to the bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973 (passed 294–54).	Yes.
322	do	H. J Res. 636: On adoption of the conference report on the bill making continuing appropriations for the fiscal year 1974 (passed 266–75).	Absent.
323	do	H.R. 7445: On a motion to recede and concur with the amendment in Senate amendment No. 2 to the bill to amend the Renegotiation Act of 1951 to extend the act for 1 yr (passed 327–9).	Absent.
324	July 10	Quorum call	Present.
325	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which reduced the subsidy per crop for farmers from a $37,500 limit to $20,000 (passed 313–89).	Yes.
326	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which reduced the subsidy limitation to $20,000 per farmer and prohibits farmers from leasing or selling part of their cotton allotments (passed 246–163).	No.
327	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which sought to prohibit the use of any Commodity Credit Corporation funds to finance any future wheat sales to Russia or China (defeated 139–264).	No.
328	July 11	Quorum call	Present.
329	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which ends the $10,000,000 annual authorization for cotton promotion and research by Cotton, Inc. (passed 241–162).	No.
330	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which sought to remove the escalator clause providing for annual adjustment of target prices (defeated 174–239).	No.
331	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which sought to add language allowing the Secretary of Agriculture to extend loan provisions to noncooperators under the wheat, feed grains, and cotton programs (defeated 160–247).	Yes.
332	do	H.R 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which sought to restore the farm program to a market-oriented system by providing a 3-year phaseout of income payments and by shifting the set-aside program to a cropland basis (defeated 186–220).	No.
333	July 12	Quorum call	Present.
334	do	H.R. 8860: On a motion that the Committee of the Whole "do now rise" while considering the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices (passed 325–67).	No.
335	do	H.R. 8606: On an amendment to the bill to amend the Small Business Act which sought to strike the disaster loans provisions from the bill (defeated 167–245)	No.

Footnotes at end of table.

Rollcall No.	1973	Measure, question, and result	Vote
336	July 12	H.R. 2990: On passage of the bill to provide for annual authorization of appropriations to the U.S. Postal Service (passed 328–65).	Yes.
337	July 16	Quorum call	Absent.
338	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purposes of assuring consumers of plentiful supplies of food and fiber at reasonable prices which strikes the cotton program provisions from the bill (passed 207–190).	Yes.
339	do	Quorum call	Present.
340	do	H.R. 8860: On an amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which strikes from the bill the section transferring from the Labor Department to the Department of Agriculture the authority to establish regulations to protect field workers from exposure to dangerous pesticides (passed 221–177).	No.
341	July 17	Quorum call	Present.
342	do	S. 504: On adoption of the conference report on the bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems (passed 306–111).	Yes.
343	do	H.R. 6078: On a motion to suspend the rules and pass the bill to include inspectors of the Immigration and Naturalization Service or the Bureau of Customs within the provisions of section 8336(c) of title 5, United States Code, relating to retirement of certain employees engaged in hazardous occupations (passed 296–123).	Yes.
344	do	H.R. 8949: On a motion to suspend the rules and pass the bill to amend title 38 of the United States Code relating to basic provisions of the loan guaranty program for veterans (passed 412–3).	Yes.
345	do	H.R. 9048: On a motion to suspend the rules and pass the bill to provide improved medical care to veterans (passed 421–0).	Yes.
346	do	S. 2120: On a motion to suspend the rules and pass the bill to amend the Federal Railroad Safety Act of 1970 and other related acts to authorize additional appropriations (passed 409–7).	Yes.
347	do	S. 1752: On a motion to suspend the rules and pass the bill prescribing the objectives and functions of the National Commission on Productivity and Work Quality (defeated 174–237).	No.
348	July 18	Quorum call	Present.
349	do	H. J. Res. 542: On an amendment in the nature of a substitute to the joint resolution concerning the war powers of the Congress and the President which sought to require Congress to specifically approve or disapprove by bill or resolution the commitment of forces by the President in the absence of a declaration of war within 90 days of such Executive action (defeated 166–250).	No.
350	do	H. J. Res. 542: On an amendment in the nature of a substitute to the joint resolution concerning the war powers of the Congress and the President which sought to prohibit the President from committing troops unless Congress declared war or authorized such commitment, or if the President found such action within his constitutional authority (defeated 153–262).	No.
351	do	H. J. Res. 542: On an amendment to the joint resolution concerning the war powers of the Congress and the President which sought to require Congress to specifically approve or disapprove the commitment of troops within 120 days by a declaration of war or by passage of a resolution (defeated 200–211).	Yes.
352	do	H. J. Res. 542: On passage of the joint resolution concerning the war powers of the Congress and the President (passed 244–170).	Yes.
353	July 19	Quorum call	Present.
354	do	H.R 8860: On an amendment to an amendment to the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which deletes language making recipients of supplemental security income eligible for food stamps and the food distribution program (passed 238–173).	Yes.
355	do	H.R 8860: On an amendment to an amendment to the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which prohibits strikers from receiving food stamps unless they were previously eligible (passed 213–203).	No.
356	do	H.R. 8860: On an amendment to the food stamp provisions of the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which removes the requirement of a prior certification of eligibility, restores the eligibility of students for stamps, and permits the use of food stamps to purchase imported foods (passed 210–207).	No.
357	do	H.R. 8860: On an amendment to the bill extending and amend- the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which sought to add language prohibiting Government subsidies to a producer of agricultural commodities for any crop planted or harvested during a labor dispute involving the producer or his employees (defeated 85–326).	No
358	do	H.R. 8860; On an amendment to the amendment in the nature of a substitute to the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which adds language prohibiting strikers from receiving food stamps unless they were previously eligible (passed 208–207).	No.
359	July 19	H.R. 8860: On an amendment to the amendment in the nature of a substitute to the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which reinserts a cotton program in the bill but eliminates funds for Cotton, Inc. (passed 250–165).	Yes.
360	do	H.R. 8860: On a motion that the Committee of the Whole "do now rise" and report the bill back to the House with the recommendation that the enacting clause be stricken (defeated 73–338).	No.
361	do	H.R. 8860: On an amendment to the motion to recommit the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices which strikes the "escalator clause" for cotton (passed 248–165).	Yes.
362	do	H.R. 8860: On a motion (as amended by roll call No. 361) to recommit the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices to the Committee on Agriculture with instructions to report it back to the House with the "escalator clause" provisions stricken (defeated 182–225).	No.
363	do	H.R. 8860: On passage of the bill extending and amending the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices (passed 226–182).	Yes.
364	July 20	Quorum call	Present.
365	do	H.R. 8538: On an amendment to the bill to amend the Communications Act of 1934 to extend certain authorizations for the Corporation for Public Broadcasting which sought to withhold grants for construction unless the recipient was found to be in compliance with all laws prohibiting discrimination in employment practices (defeated 189–190).	Yes.
366	do	H.R. 8538: On passage of the bill to amend the Communications Act of 1934 to extend certain authorizations for the Corporation for Public Broadcasting (passed 363–14).	Yes.
367	July 23	H. Res. 493: On adoption of the "rule" under which to consider H.R 5356, the bill to regulate interstate commerce to protect health and the environment from hazardous chemical substances (passed 351–4).	Yes.
368	do	H.R. 5356: On an amendment to the bill regulating interstate commerce to protect health and the environment from hazardous chemical substances while in the Committee of the Whole which directs the Administrator to use the Water Pollution Control Act, Clean Air Act, or another act under his jurisdiction, where appropriate, to regulate chemical substances (passed 193–192).	Yes.
369	do	H.R. 5356: On an amendment to the bill regulating interstate commerce to protect health and the environment from hazardous chemical substances which sought to specify that no rule shall be promulgated until a hearing is conducted, with full opportunity for cross-examination (defeated 159–236).	No.
370	do	H.R. 5356: On an amendment to the bill regulating interstate commerce to protect health and the environment from hazardous chemical substances which sought to direct the Administrator to use the Water Pollution Control Act, Clean Air Act, or another act under his jurisdiction, where appropriate, to regulate chemical substances similar to rollcall 368 in committee (defeated 189–202).	Yes.
371	do	H.R. 5356: On passage of the bill regulating interstate commerce to protect health and the environment from hazardous chemical substances (passed 324–73).	Yes.
372	do	Quorum call	Present.
373	do	H. Res. 495: On adoption of the "rule" under which to consider H.R. 8929, the Educational and Cultural Postal Amendments of 1973 (defeated 180–202).	Yes.
374	July 24	S. 1888: On ordering the previous question on the motion instructing House conferees to insist on language in the House amendment which prohibits the sale of agricultural commodities to North Vietnam to the Agriculture and Consumer Protection Act of 1973 (passed 244–155).	Absent.
375	do	S. 1888: On a motion to instruct House conferees to insist on language in the House amendment which prohibits the sale of agricultural commodities to North Vietnam to the Agriculture and Consumer Protection Act of 1973 (passed 371–35).	Absent.
376	do	Quorum call	Present.
377	do	H.R. 8480: On an amendment to the Impoundment Control and 1974 Expenditure Ceiling bill which sought to empower the Comptroller General to exempt those impoundments he determines to be in accordance with the Anti-Deficiency Act (defeated 180–229).	No.
378	do	H.R. 8480: On an amendment to the Impoundment Control and 1974 Expenditure Ceiling bill which sought to require both Houses of Congress to disapprove impoundments by concurrent resolution (defeated 205–206).	No.
379	July 25	Quorum call	Present.
380	do	S. 1423: On adoption of the conference report on the bill to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services (passed 256–155).	Yes.
381	do	Quorum call	Present.
382	do	H.R. 8480: On an amendment to the Impoundment Control and 1974 Expenditure Ceiling bill which sought to provide for a halt of impoundment after 60 days unless the impoundment is ratified by Congress by passage of a concurrent resolution (defeated 96–318).	No.
383	do	H.R. 8480: On an amendment to an amendment to the Impoundment Control and 1974 Expenditure Ceiling bill which sought to reduce the spending ceiling by $7,100,000,000 (defeated 156–252).	Yes.
384	do	H.R. 8480: On an amendment to the Impoundment Control and 1974 Expenditure Ceiling bill which sought to reduce the spending ceiling by $3,800,000,000 (defeated 205–206).	No.

VOTING RECORD—WILLIAM R. ROY, 93D CONG., 1ST SESS.—Continued

Rollcall No.	1973	Measure, question, and result	Vote
385	July 25	H.R. 8480: On a motion to recommit the Impoundment Control and 1974 Expenditure Ceiling bill to the Committee on Rules with instructions that it be reported back forthwith containing an amendment that would require both Houses of Congress to disapprove impoundments by concurrent resolution (defeated 208–212).	No.
386	do	H.R. 8480: On passage of the Impoundment Control and 1974 Expenditure Ceiling bill (passed 254–164).	Yes.
387	July 26	Quorum call	Present.
388	do	do	Present.
389	do	do	Present.
390	do	do	Present.
391	do	H.R. 9360: On an amendment to the bill to amend the Foreign Assistance Act of 1961 which sought to reduce funds authorized for population planning and health by $75,000,000 (defeated 131–271).	No.
392	do	H.R. 9360: On an amendment to the bill to amend the Foreign Assistance Act of 1961 which sought to strike the section of the bill authorizing $93,000,000 for selected development problems (defeated 203–204).	Yes.
393	do	H.R. 9360: On an amendment to the bill to amend the Foreign Assistance Act of 1961 which sought to strike language authorizing $60,000,000 for assistance to selected countries and organizations (defeated 173–232).	No.
394	do	Quorum call	Present.
395	do	H.R. 9360: On an amendment to the bill to amend the Foreign Assistance Act of 1961 which adds language prohibiting foreign assistance to any nation which seizes U.S. property unless the President determines that effective compensation will be made (passed 278–102).	Yes.
396	do	H.R. 9360: On an amendment to the bill to amend the Foreign Assistance Act of 1961 which strikes out the section which sought to establish the U.S. export development credit fund (passed 240–137).	Yes.
397	do	H.R. 9360: On a motion to recommit the bill to amend the Foreign Assistance Act of 1961 to the Committee on Foreign Affairs with instructions to report the bill back to the House with amendments reducing the total authorization by $68,000,000 (passed 232–139).	Yes.
398	do	H.R. 9360: On passage of the bill to amend the Foreign Assistance Act of 1961 (passed 188–183).	No.
399	July 30	H.R. 8947: On adoption of the conference report on the bill making appropriations for public works for fiscal year 1974 (passed 373–9).	Yes.
400	do	H. Res. 512: On adoption of the "rule" under which to consider S. 1989, the bill to amend section 225 of the Federal Salary Act of 1967 with respect to certain executive, legislative and judicial salaries (defeated 156–237).	No.
401	do	S. Con. Res. 42: On adoption of the resolution providing for a conditional adjournment of the two Houses from Aug. 3 until Sept. 5, 1973 (passed 370–22).	Yes.
402	do	H.R. 9474: On a motion to suspend the rules and pass the bill to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation (passed 385–0).	Yes.
403	do	Quorum call	Present.
404	do	do	Present.
405	do	H.R. 9286: On an amendment to the military procurement authorization bill for fiscal year 1974 which sought to strike $657,000,000 for the CVN–70 nuclear aircraft carrier (defeated 88–323).	No.
406	do	H.R. 9286: On an amendment to the military procurement authorization bill for fiscal year 1974 which sought to delete $473,500,000 for research and development of the B–1 bomber (defeated 96–313).	No.
407	do	H.R. 9286: On an amendment to the military procurement authorization bill for fiscal year 1974 which sought to add language setting a deadline of June 30, 1974, for maintaining U.S. forces in any nation for defense if that nation pays a smaller portion of its gross national product for its defense than does the United States (defeated 130–282).	Yes.
408	do	H.R. 9286: On an amendment to the military procurement authorization bill for fiscal year 1974 which sought to reduce the total of U.S. troops overseas by 322,000 and to place a ceiling of 300,000 on the number of troops to be assigned overseas after fiscal year 1974 (defeated 67–339).	No.
409	do	H.R. 9286: On an amendment in the nature of a substitute to an amendment to the military procurement authorization bill for fiscal year 1974 which requires a report to the House by Apr. 1, 1974, from the Committee on Armed Services on the advisability of maintaining the present U.S. military commitment in Europe in view of the current European economic and military situation (passed 242–163).	No.
410	do	H.R. 9286: On an amendment to the military procurement authorization bill for fiscal year 1974 which reduces the funds authorized by $950,000,000 by setting a ceiling equal to the fiscal year 1973 level plus a 4.5 inflation increase (passed 242–163).	Yes.
411	do	H.R. 9286: On passage of the military procurement authorization bill for fiscal 1974 (passed 367–37).	Yes.
412	Aug. 1	H.R. 8825: On adoption of the conference report on the bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for fiscal year 1974 (passed 401–9).	Yes.
413	do	H.R. 8825: On a motion that the House insist on its disagreement to the amendment of the Senate numbered 44 to the bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for fiscal year 1974 (passed 222–189).	No.
414	do	Quorum call	Present.
415	do	H.R. 9590: On an amendment to the bill making appropriations for the Treasury Department the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for fiscal year 1974 which sought to reduce funds for salaries and expenses of the Office of Management and Budget by $800,000, a 5-percent reduction (defeated 199–209).	Yes.
416	Aug. 1	H.R. 9590: On an amendment to the bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for fiscal year 1974 which sought to reduce the appropriation for salaries and expenses of the Office of Telecommunications Policy by $518,000, a 25-percent reduction (defeated 190–217).	Yes.
417	Aug. 2	Quorum call	Present.
418	do	H. Res. 515: On adoption of the "rule" under which to conconsider H.R. 9130, the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline (passed 401–11).	Yes.
419	do	H.R. 9130: On an amendment to the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline which sought to make the Mineral Leasing Act on rights-of-way inapplicable to national parks and refuges unless it is in the public interest and the proposed right-of-way meets environmental protection tests (defeated 160–261).	Yes.
420	do	H.R. 9130: On an amendment to the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline which sought to delete language which removes from judicial review under NEPA the grant of authorizations necessary for the construction of the pipeline and expedite the proceedings in any U.S. Federal court with respect to the provision of NEPA and the proposed pipeline (defeated 198–221).	Yes.
421	do	H.R. 9130: On an amendment to the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline which sought to assure all regions of the United States equitable allocations of crude oil (defeated 179–233).	Yes.
422	do	H.R. 9130: On an amendment to the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline which requires all articles, materials, and supplies for the pipeline to be manufactured in the United States after Aug. 2, 1973 (passed 334–65).	Yes.
423	do	H.R. 9130: On an amendment to the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline which sought to direct the Secretary of the Interior to grant rights-of-way and permits as are necessary for the construction of the pipeline (defeated 177–228).	Yes.
424	do	H.R. 9130: On passage of the bill to amend section 28 of the Mineral Leasing Act of 1920 and to authorize a trans-Alaska oil and gas pipeline (passed 356–60).	Yes.
425	Aug. 3	S. 1636: On adoption of the conference report on the bill to amend the International Economic Policy Act of 1972 (passed 335–71).	Yes.
426	do	H. Res. 518: On adoption of the "rule" under which to consider S. 1264, the bill to authorize and direct the Secretary of the Treasury to make grants to Eisenhower College in Seneca Falls, N Y., out of proceeds from the sale of silver dollar coins bearing the likeness of the late President of the United States Dwight David Eisenhower (defeated 183–230).	Yes.
427	do	S. 502: On adoption of the conference report on the bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code (passed 382–34)	Yes.
428	do	H.R. 7935: On adoption of the conference report on the bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act to expand the coverage of that act (passed 253–152).	Yes.
429	do	S. 1888: On ordering the previous question on the motion to concur with amendment to the amendment of the Senate to the House amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices (passed 349–54).	Yes.
430	do	S. 1888: On a motion to concur with amendment to the amendment of the Senate to the House amendment to the bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices (passed 252–151).	Yes.
431	do	H.R. 8658: On adoption of the conference report on the bill making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974 (passed 342–47).	Yes.
432	do	H.R. 8760: On adoption of the conference report on the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974 (passed 359–5).	Yes.
433	Sept. 5	Quorum call	Present.
434	do	H.J. Res. 512: On a motion to recommit the conference report on the resolution to extend through June 30, 1974, the various insuring authorities of the Federal Housing Administration to the committee of conference (passed 202–172).	No.
435	do	H.R. 8920: On passage of the bill to amend the Lead Based Paint Poisoning Prevention Act (passed 368–11).	Yes.
436	do	H.R. 8449: On passage of the bill to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program (passed 359–21).	Yes.
437	Sept. 6	H.R. 6912: On adoption of the conference report on the bill to amend the Par Value Modification Act (passed 322–59).	Yes.
438	do	H.R. 8351: On passage of the bill to provide financial assistance to the National Railroad Corporation (passed 357–37).	Yes.
439	do	H. Res. 484: On adoption of the "rule" under which to consider H.R. 8547, the bill to amend the Export Administration Act of 1969 (passed 304–84).	Yes.
440	do	H.R. 8547: On an amendment to the bill to amend the Export Administration Act of 1969 which sought to require the Secretary of Commerce to report to the Speaker of the House and the President pro tempore of the Senate any decision he makes on prohibition or curtailment of commodities exported and permit either House of Congress to disapprove such decision by simple resolution (defeated 154–211).	Yes.

Rollcall No.	1973	Measure, question, and result	Vote
441	Sept. 6	H.R. 8547: On passage of the bill to amend the Export Administration Act of 1969 to protect the domestic economy from the excessive drain of scarce materials and commodities and to reduce the serious inflationary impact of abnormal foreign demand (passed 220–133).	No.
442	Sept. 10	H. Res. 536: On passage of the resolution directing the Speaker of the House of Representatives to certify a certain report on G. Gordon Liddy by the Committee on Armed Services of the House of Representatives to the U.S. Attorney for the District of Columbia (passed 334–11).	Yes.
443	do	H.R. 7482: On passage of the bill amending the Federal Cigarette Labeling and Advertising Act of 1965 amended by the Public Health Cigarette Smoking Act of 1969 to define the term "little cigar" (passed 287–63).	Yes.
444	Sept. 11	Quorum call	Present.
445	do	H.R. 7645: On a motion to reject sec. 13 of the conference report on the bill to authorize appropriation for the Department of State which sought to halt funds for foreign affairs agencies which do not comply within 35 days with any request for information by the House Foreign Affairs Committee or the Senate Foreign Relations Committee (passed 213–185).	No.
446	do	H.R. 2096: On passage of the bill to prohibit the imposition by the States of discriminatory burdens upon interstate commerce in wine (passed 248–152).	Yes.
447	do	H. Res. 511: On adoption of the "rule" under which to consider S. 1697, the bill to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa, Calif. (defeated 163–233).	Yes.
448	Sept. 12	Quorum call	Present
449	do	S. 504: To override the President's veto of the bill amending the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provisions of health care services under emergency conditions (defeated 273–144; a ⅔ vote being necessary).	Yes
450	do	H.R. 7974: On passage of the bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations (passed 369–40).	Yes.
451	do	H.R. 8789: On passage of the bill to provide a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars, half-dollars, and quarters (passed 396–4).	Yes.
452	Sept. 13	H.R. 8619: On a motion to instruct the conferees to insist on House language to the bill making appropriations for agriculture, environmental and consumer protection programs for the fiscal year ending June 30, 1974, which limits the Federal farm subsidy to $20,000 per farm and bars payment for cotton acreage allotments after Dec. 31, 1973 (passed 231–160).	Yes.
453	do	H.R. 6576: On passage of the bill authorizing the Secretary of the Interior to engage in feasibility investigation of certain potential water resource development (passed 321–74).	Yes
454	do	Quorum call	Present.
455	do	H.R. 9639: On an amendment to the bill to amend the National School Lunch and Child Nutrition Act for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs which sought to delete a section of the bill which raises the reimbursements by the Federal Government for school lunches from 8 cents per lunch to 10 cents per lunch (defeated 127–272).	No
456	do	H.R. 9639: On passage of the bill to amend the National School Lunch and Child Nutrition Act for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs (passed 389–4)	Yes.
457	do	H.R. 9553: On passage of the bill to amend the Communications Act of 1934 with regard to the broadcasting of certain professional sports clubs' games (passed 336–37).	Yes.
458	Sept. 17	H.R. 7265: On a motion to suspend the rules and pass the bill to provide for the operation of programs by the ACTION Agency, to establish certain new such programs (passed 339–14).	Yes.
459	Sept. 18	H.R. 8070: On adoption of the conference reports on the bill to authorize grants for vocational rehabilitation services (passed 400–0).	Yes.
460	do	H.R. 7730: On a motion to suspend the relus and pass the bill to authorize the Secretary of the Interior to purchase property located within the San Carlos mineral strip (defeated 236–164).	Yes.
461	do	H.R. 37: On a motion to suspend the rules and pass the bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are threatened with extinction or likely within the foreseeable future to become threatened with extinction (passed 390–12).	Yes.
462	do	Quorum call	Present.
463	do	H. Res. 420: On a motion to suspend the rules and pass the resolution to establish as part of the congressional internship program an internship program for secondary school teachers of government or social studies in honor of President Lyndon Baines Johnson (passed 345–64).	Yes.
464	Sept. 19	Quorum call	Absent.
465	do	H.R. 7935: To overide the President's veto of the bill amending the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and to expand the coverage of that act (defeated 259–164, a ⅔ vote being necessary).	Absent.
466	do	H.R. 9715: On an amendment to the bill authorizing appropriations for the United States Information Agency which is designed to withold funds from the Agency should the Agency not furnish any information that congressional committees may request (passed 240–178).	Absent.
467	do	H.R. 9715: On passage of the bill authorizing appropriations for the U. S. Information Agency (passed 305–108).	Absent.
468	Sept. 19	H. Res. 546: On adoption of the "rule" under which to consider H.R. 9256, the bill to increase the contribution of the Government to the costs of health benefits for Federal employees (passed 311–81).	Absent.
469	Sept. 20	Quorum call	Absent.
470	do	H.R. 8917: On adoption of the conference report on the bill making appropriations for the Department of Interior and related agencies for fiscal year 1974 (passed 386–14).	
471	do	H.R. 8917: On a motion that the House recede and concur with amendment to Senate amendment No. 40 on the bill making appropriations for the Department of Interior and related agencies for fiscal year 1974 (passed 326–73).	Absent.
472	do	H.R. 9281: On a motion to recommit the bill regarding the retirement of certain law enforcement and fire fighter personnel to the Committee on Post Office and Civil Service with instructions to report it back forthwith containing several amendments (defeated 116–282).	Absent.
473	do	H.R. 9281: On passage of the bill regarding the retirement of certain law enforcement and firefighter personnel (passed 299–93).	Absent.
474	do	H.R. 9256: On the passage of the bill to increase the contributions of the Government to the costs of health benefits for Federal employees (passed 217–155).	Absent.
475	Sept. 25	H.R. 8619: On adoption of the conference report on the bill making appropriations for agriculture, environmental, and consumer protection programs for fiscal year 1974. (passed 348–24).	Yes
476	do	H.J. Res. 727: On a substitute amendment for an amendment to the bill making further continuing appropriations for fiscal year 1974 which provided for full 1973 funding levels for local school districts on a per pupil basis (defeated 184–198).	No.
477	do	H.J. Res. 727: On an amendment to the bill making further continuing appropriations for fiscal year 1974 which is designed to insure 85 percent of the funds authorized for local school districts (passed 286–94).	No.
478	do	H.J. Res. 727: On an amendment to the bill making further continuing appropriations for fiscal year 1974 which prohibits funds for the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products (passed 371–7).	Yes
479	do	H.J. Res. 727: On passage of the joint resolution making further continuing appropriations for fiscal year 1974 (passed 368–7).	Yes.
480	Sept. 26	Quorum call	Prsent.
481	do	H.R. 981: On an amendment to the bill to amend the Immigration and Nationality Act which sought to provide a maximum allocation of 35,000 visas each for Canada and Mexico and 20,000 for other foreign states (defeated 174–203).	Yes.
482	do	H.R. 981: On an amendment to the bill to amend the Immigration and Nationality Act which sought to add language providing for a 5-year aggregate limit on the extension of 1-year visas for H–2 migrant workers and specifying employment contract requirements and working conditions (defeated 70–310).	No
483	do	H.R. 981: On passage of the bill to amend the Immigration and Nationality Act (passed 336–30).	Yes.
484	Oct. 1	Quorum call	Present.
485	do	H.R. 8029: On a motion to suspend the rules and pass the bill to provide for the distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims (passed 331–33).	Yes.
486	do	S. 2419: On a motion to suspend the rules and pass the bill to correct typographical and clerical errors in Public Law 93–86 (passed 330–28).	Yes.
487	do	H.R. 10397: On a motion to suspend the rules and pass the bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People (defeated 241–130; a ⅔ vote being necessary)	Yes.
488	Oct. 2	S. 795: On adoption of the conference report on the bill to amend the National Foundation on the Arts and Humanities Act of 1965 (passed 294–106).	Yes.
489	do	S. 1914: On passage of the bill to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty (passed 313–90).	No.
490	Oct. 3	Quorum call	Present.
491	do	H. Res. 372: On adoption of the "rule" under which to consider H.R. 6452, a bill to amend the Urban Mass Transportation Act of 1964 (passed 282–131).	Absent.
492	do	Quorum call	Present.
493	do	H.R. 6452: On an amendment to the bill to amend the Urban Mass Transportation Act of 1964 while in the Committee of the Whole, to strike a section which provides for Federal grants for operation expenses of mass transportation systems (passed 206–203).	Yes.
494	do	H.R. 6452: On a preferential motion to the bill to amend the Urban Mass Transportation Act of 1964 which sought to strike the enacting clause (defeated 143–268).	No.
495	do	H.R. 6452: On an amendment to the bill to amend the Urban Mass Transportation Act of 1964 which sought to strike a section which provides for Federal grants for operating expenses of urban mass transportation, similar to rollcall No. 493 in committee (defeated 205–210).	Yes.
496	do	H.R. 6452: On passage of the bill to amend the Urban Mass Transportation Act of 1964 (passed 219–195).	Yes.
497	do	H.R. 10088: On passage of the bill to establish the Big Cypress National Preserve in the State of Florida (passed 376–2).	Yes.
498	Oct. 4	Quorum call	Present.
499	do	H.J. Res. 748: On an amendment to the committee amendment to the joint resolution making an appropriation for special payments to international financial institutions for the fiscal year 1974 which sought to reduce the appropriation from $2,200,000,000 to $477,000,000 (defeated 129–237).	Yes.

VOTING RECORD—WILLIAM R. ROY, 93D CONG., 1ST SESS.—Continued

Rollcall No.	1973	Measure, question, and result	Vote
500	Oct. 4	H.J. Res. 748: On passage of the joint resolution making an appropriation for special payments to international financial institutions for the fiscal year 1974 (passed 274–90).	Yes.
501	Oct. 9	Quorum call	Present.
502	do	H. Res. 581: On adoption of the "rule" under which to consider H.R. 9682, the District of Columbia Self-Government and Governmental Reorganization Act (passed 346–50).	Yes.
503	do	Quorum call	Present.
504	Oct. 10	do	Present.
505	do	H.R. 9682: On an amendment to the amendment in the nature of a substitute to the District of Columbia Self-Government and Governmental Reorganization Act which retains the Presidential appointment of judges to the District of Columbia Court of Appeals and the District of Columbia Superior Court (passed 228–186).	Yes.
506	do	H.R. 9682: On an amendment to the amendment in the nature of a substitute to the District of Columbia Self-Government and Governmental Reorganization Act which sought to authorize a right for the Congress or the President to veto any legislation by the City Council (defeated 138–273).	No.
507	do	H.R. 9682: On an amendment to the amendment in the nature of a substitute to the District of Columbia Self-Government and Governmental Reorganization Act which establishes a Federal enclave (passed 209–202).	No.
508	do	H.R. 9682: On an amendment to the amendment in the nature of a substitute to the District of Columbia Self-Government and Government Reorgnaization Act which sought to create a 3-man police commission to submit 3 nominees from which the President would appoint one as thc chief of police (defeated 132–272).	No.
509	do	Quorum call	Present.
510	do	H.R. 9682: On an amendment to the amendment in the nature of a substitute to the District of Columbia Self-Government and Governmental Reorganization Act which sought to exclude Maryland and Virginia from the planning for Federal establishment by the National Capitol Planning Commission (defeated 130–278).	No.
511	do	H.R. 9682: On a substitute amendment for the amendment in the nature of a substitute to the District of Columbia Self-Government and Governmental Reorganization Act which contains the provisions of H.R. 10692 (defeated 144–273).	No.
512	do	H.R. 9682: On passage of the District of Columbia Self-Government and Governmental Reorganization Act (passed 343–74).	Yes.
513	Oct. 11	Quorum call	Present.
514	do	do	Present.
515	do	H.J. Res. 727: On a motion to recommit the conference report on the resolution making further continuing appropriations for the fiscal year 1974 to the committee of conference (defeated 182–225).	No.
516	do	H.J. Res. 727: On adoption of the conference report on the resolution making further continuing appropriations for the fiscal year 1974 (passed 309–99).	Yes.
517	do	Quorum call	Present.
518	do	H.R. 10614: On passage of the bill to authorize certain construction at military installations (passed 359–28).	Yes.
519	Oct. 12	Quorum call	Present.
520	do	H.J. Res. 542: On adoption of the conference report on the resolution concerning the war powers of Congress and the President (passed 238–123).	Yes.
521	do	H.R. 10203: On passage of the bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control (passed 337–14).	Yes.
522	do	Quorum call	Present.
523	Oct. 15	do	Present.
524	do	do	Present.
525	do	S. 907: On a motion to suspend the rules and pass the bill to authorize the appropriation of $150,000 to assist in financing the artic winter games to be held in the State of Alaska in 1974 (passed 306–54).	Yes.
526	do	H.R. 8346: On a motion to suspend the rules and pass the bill to amend the Housing and Urban Development Act of 1970 to provide a more effective approach to the problem of developing and maintaining a rational relationship between building codes and related regulatory requirements and building technology in the United States (defeated 108–258).	No.
527	Oct. 16	Quorum call	Present.
528	do	H.R. 9590: On adoption of the conference report on the bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for fiscal 1974 (passed 403–10).	Yes.
529	do	H.R. 9590: On a motion to recede and concur in Senate amendment No. 14 to the bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for fiscal 1974 (passed 253–153).	No.
530	do	H.R. 9590: On a motion to recede and concur in Senate amendment No. 15 to the bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for fiscal 1974 (passed 302–107).	No.
531	do	H.R. 6691: On adoption of the conference report on the bill making appropriations for the legislative branch for the fiscal year ending June 30, 1974 (passed 400–11).	Yes.
532	do	H.R. 10717: On a motion to suspend the rules and pass the bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized sovereign Indian tribe (passed 404–3).	Yes.
533	do	H.R. 9681: On an amendment to the bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages which sought to add language providing that an allocation of crude oil should not apply to producers unless the President finds that it is necessary to carry out the purposes of the bill (defeated 136–245).	No.
534	do	H.R. 9681: On a motion to the bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages which sought to limit time for debate on pending amendments to 15 minutes (defeated 161–124).	Yes.
535	Oct. 17	Quorum call	Present.
536	do	H. Res. 601: On adoption of the "rule" under which to consider the conference report on H.R. 9286, the Military Procurement Authorization for fiscal year 1974 (defeated 193–216).	No.
537	do	H.R. 9681: On an amendment to the bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages, which sought to transfer the monitoring of allocation programs from the Federal Trade Commission to the General Accounting Office (defeated 152–256).	No.
538	do	H.R. 9681: On passage of the bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages (passed 337–72).	Yes.
539	do	S. 2016: On adoption of the conference report on the bill to provide financial assistance to the National Railroad Passenger Corporation (passed 346–51).	Yes.
540	Oct. 18	Quorum call	Present.
541	do	H.R. 10397: On passage of the bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People (passed 273–97).	Yes.
542	do	H.R. 9639: On a motion to concur to the Senate amendment to the House amendment to the Senate amendment No. 5 to the bill to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs (defeated 145–218).	No.
543	Oct. 23	Quorum call	Absent.
544	do	H.R. 10586: On passage of the bill to authorize the use of health maintenance organizations in providing health care, as an alternative to CHAMPUS (passed 345–41).	Yes.
545	do	Quorum call	Present.
546	Oct. 24	do	Present.
547	do	H. Res. 600: On adoption of the "rule" under which to consider H.R. 3927, the bill to extend the Environmental Education Act for 3 years (passed 369–15).	Yes.
548	do	Quorum call	Present.
549	do	H.R. 3927: On an amendment to the bill to extend the Environmental Education Act for 3 years which sought to limit the bill to a 1-year authorization (defeated 140–252).	No.
550	do	H.R. 3927: On passage of the bill to extend the Environmental Education Act for 3 years (passed 335–60).	Yes.
551	Oct. 25	H. Res. 655: On adoption of the "rule" under which to consider H.R. 10956, the Emergency Medical Services Systems Act of 1973 (passed 380–2).	Yes.
552	do	H.R. 10956: On passage of the Emergency Medical Services Systems Act of 1973 (passed 364–18).	Yes.
553	Oct. 30	H. Res. 656: On adoption of the "rule" under which to consider H.R. 9456, the bill to extend the Drug Abuse Education Act of 1970 for 3 years (passed 376–4).	Absent.
554	do	H.R. 9456: On passage of the bill to extend the Drug Abuse Educational Act of 1970 for 3 years (passed 372–13).	Yes.
555	Oct. 31	Quorum call	Present.
556	do	H.R. 9286: On a motion to the conference report on the military procurement authorization bill for fiscal year 1974 which sought to delete sec. 817 (defeated 103–290).	No.
557	Nov. 6	Quorum call	Present.
558	do	H.J. Res. 735: On a motion to suspend the rules and pass the joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy two citizens and subjects of the Empire of Iran (Passed 343–38).	Yes.
559	do	H.R. 5874: On a motion to suspend the rules and pass the bill to establish a Federal Financing Bank (passed 349–25).	Yes.
560	do	H.R. 8219: On a motion to suspend the rules and pass the bill to authorize the President to extend certain privileges and immunities to the Organization of African Unity (passed 340–39).	Yes.
561	do	H.R. 10937: On a motion to suspend the rules and pass the bill to extend the life of the June 5, 1972 grand jury of the U.S. District Court for the District of Columbia (passed 378–1).	Yes.
562	Nov. 7	Quorum call	Present.
563	do	H.J. Res. 542: To override the President's veto of the bill concerning the war powers of Congress and the President (passed 284–135).	Yes.
564	do	H. Res. 687: On ordering the previous question on the "rule" under which to consider H.R. 11104, the bill to provide for a temporary increase of $13,000,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974 (passed 274–135).	Yes.
565	do	Quorum call	Present.
566	do	H.R. 11104: On an amendment to the bill to provide for a temporary increase of $13,000,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974, which reduces the increase in the debt limit by $2,300,000,000 (passed 263–147).	Yes.
567	do	H.R. 11104: On passage of the bill to provide for a temporary increase of $13,000,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974 (passed 253–153).	No.
568	do	H. Res. 688: On adoption of the "rule" under which to consider H.R. 9142, the Regional Rail Reorganization Act of, 1973 (passed 393–2).	Yes.
569	do	Quorum call	Present.
570	do	H.R. 9142: On an amendment to the Regional Rail Reorganization Act of 1973 which sought to add language providing that no payments be made to any protected employee for longer than 6 years beyond the acquisition of the railroad by the Corporation (defeated 148–245).	No.

Rollcall No.	1973	Measure, question, and result	Vote
571	Nov. 7	H.R. 9142: On an amendment to the Regional Rail Reorganization Act of 1973 which sought to limit the payment of the monthly displacement allowance for employees who are transferred to another railroad to 6 years (defeated 187–198).	No.
572	do.	H.R. 9142: On passage of the Regional Rail Reorganization Act of 1973 (passed 306–82).	Yes.
573	Nov. 12	Quorum call	Present
574	do.	S. 1081: On a motion to recommit the conference report on the bill to authorize a trans-Alaska oil pipeline to the committee on conference with instruction to the managers on the part of the House to insist on disagreement to title III (subpena and injuncture relief) and to sections 601 (confirmation of the Director of the Energy Policy Office) and 602 (confirmation of the head of the Mining Enforcement and Safety Administration) of the Senate bill (defeated 162–213).	No.
575	do.	S. 1081: On adoption of the conference report on the bill to authorize a trans-Alaska oil pipeline (passed 361–14).	Yes.
576	Nov. 13	Quorum call	Present.
577	do.	H.R. 8916: On adoption of the conference report on the bill making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and related agencies for fiscal year 1974 (passed 394–11).	Yes.
578	do.	H. Con. Res. 378: On adoption of the resolution providing for an adjournment of the House from Thursday, Nov. 15 to Monday, Nov. 26 (passed 215–190).	No.
579	do.	H.R. 8877: On a motion to recommit the conference report on the bill making appropriations for the Departments of Labor, Health, Education, and Welfare, and related agencies for fiscal year 1974 to the committee of conference (passed 272–139).	No.
580	do.	Quorum call	Present.
581	do.	S. 1570: On adoption of the conference report on the Emergency Petroleum Allocation Act of 1973 (passed 348–46).	Yes.
582	Nov. 14	H. Res. 128: On adoption of the resolution expressing the sense of the House of Representatives with respect to actions which should be taken by Members of the House upon being convicted of certain crimes (passed 388–18).	Yes.
583	do.	Quorum call	Present.
584	do.	Quorum call	Present.
585	do.	H.R. 11459: On passage of the bill making appropriations for military construction for the Department of Defense for fiscal year 1974 (passed 366–29).	Yes.
586	Nov. 15	Quorum call	Present.
587	do.	H. Res. 702: On ordering the previous question on the committee amendment to the resolution providing funds for the Committee on the Judiciary (passed 230–182).	Yes.
588	do.	H. Res. 702: On ordering the previous question on the resolution providing funds for the Committee on the Judiciary (passed 233–186).	Yes.
589	do.	H. Res. 702: On a motion to recommit the resolution providing funds for the Committee on the Judiciary to the Committee on House Administration with instructions to report the resolution back forthwith with an amendment which sought to earmark ⅓ of the funds to the minority and prohibit the use of any funds until the Committee on the Judiciary defines the nature and scope of the studies and investigations (defeated 190–227).	No.
590	do.	H. Res. 702: On adoption of the resolution providing funds for the Committee on the Judiciary (passed 367–51).	Yes.
591	do.	H.R. 11333: On an amendment to the bill to provide a 7-percent increase in social security benefits beginning with March 1974, and an additional 4-percent increase beginning with June 1974, and to provide increases in supplemental security income benefits which deletes language which sought to allow States to raise supplemental security income benefits by amounts provided in the bill to qualify for their "hold harmless" protection (passed 246–163).	Yes.
592	do.	H.R. 11333: On passage of the bill to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, and to provide increases in supplemental security income benefits (passed 391–20).	Yes.
593	Nov. 26	Quorum call	Present.
594	do.	H.R. 11238: On passage of the bill to provide for an improved system of adoption of children in the District of Columbia (passed 350–0).	Yes.
595	Nov. 27	H.R. 7446: On adoption of the conference report on the bill to establish the American Revolution Bicentenial Administration (passed 357–34).	Yes.
596	do.	H. Res. 718: On adoption of the "rules" under which to consider H.R. 11324, a bill to provide for daylight saving time on a year-round basis for a 2-year trial period (passed 349–40).	Yes.
597	do.	H.R. 11324: On passage of the bill to provide for daylight saving time on a year-round basis for a 2-year trial period (passed 311–88).	No.
598	Nov. 28	H. Res. 719: On adoption of the "rule" under which to consider H.R. 11010, the bill to assure opportunities and training to unemployed and underemployed persons (passed 396–7).	Yes.
599	do.	H.R. 11010: On an amendment to the bill to assure opportunities and training to unemployed and underemployed persons which reduces the population requirement for receiving assistance from manpower programs from 100,000 to 50,000 (passed 249–149).	Yes.
600	do.	H.R 11010: On an amendment as amended by the substitute amendment to the bill to assure opportunities for employment and training to unemployed and underemployed persons which adds language which permits areas where the units of local government have an aggregate population of 50,000 or more to qualify for financial assistance (passed 200–140).	Yes.
601	do.	H.R. 11010: On an amendment to the bill to assure opportunities and training to unemployed and underemployed persons which sought to raise from $500,000,000 to $1,000,000,000 the funds appropriated for 1975 to be reserved for public employment programs under title II (defeated 107–292).	No.
602	do.	H.R. 11010: On passage of the bill to assure opportunities and training to unemployed and underemployed persons (passed 369–31).	Yes.
603	Nov. 29	H. Res. 721: On adoption of the resolution disagreeing to the Senate amendments to H.R. 11104, the bill to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974 (passed 347–54).	No.
604	do.	Quorum call	Present.
605	do.	H.R. 11575: On an amendment to the bill making appropriations for the Department of Defense for fiscal 1974 which sought to restore $1,250,000 for race relations training in the Army, Navy, and Air Force (defeated 178–226).	Yes.
606	Nov. 30	Quorum call	Present.
607	do.	H.R. 11575: On an amendment to the bill making appropriations for the Department of Defense for fiscal 1974 which sought to strike language providing that not more than $851,672,000 be available for repair, alteration, and overhaul of vessels in Navy shipyards (defeated 170–203).	Yes.
608	do.	H.R. 11575: On an amendment to the bill making appropriations for the Department of Defense for fiscal 1974 which sought to require funding of the $3,500,000,000 of the total appropriation from backlog "pipeline" funds left over from prior years (defeated 118–250).	Yes.
609	do.	H.R. 11575: On an amendment to the bill making appropriations for the Department of Defense for fiscal 1974 which sought to reduce the end strength troop level by 22,000 (defeated 160–210).	Yes.
610	do.	H.R. 11575: On passage of the bill making appropriations for the Department of Defense for fiscal 1974 (passed 336–23).	Yes.
611	do.	Quorum call	Present.
612	do.	H.R. 11576: On an amendment to the bill making supplemental appropriations for the fiscal year ending June 30, 1974, which sought to raise by $35,000,000 the funds appropriated for grant programs for State social rehabilitation services, thereby restoring the appropriation to the level of $650,000,000 provided in the authorization (defeated 160–164).	Yes.
613	do.	H.R. 11576: On passage of the bill making supplemental appropriations for the fiscal year ending June 30, 1974 (passed 295–8).	Yes.
614	Dec. 3	Quorum call	Present.
615	do.	S. 1191: On a motion to suspend the rules and pass the bill to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, and to establish a National Center on Child Abuse and Neglect (passed 354–36).	Yes.
616	do.	H.R. 11710: On a motion to suspend the rules and pass the bill to insure that the compensation and other emoluments attached to the Office of Attorney General are those which were in effect on Jan. 1, 1969, to amend title 39, United States Code, and to clarify the proper use of the franking privilege by Members of Congress (passed 261–129).	No.
617	do.	H.R. 9437: On a motion to suspend the rules and pass the bill to amend the International Travel Act of 1961 to authorize appropriations for the fiscal year 1974–76 (passed 272–120).	No.
618	Dec. 4	Quorum call	Present.
619	do.	H. Res. 725: On adoption of the rule waiving all points of order against the conference report on S. 1443, the bill to authorize the furnishing of defense articles and services to foreign countries and international organizations (passed 265–137).	No.
620	do.	S. 1443: On adoption of the conference report on the bill to authorize the furnishing of defense articles and services to foreign countries and international organizations (passed 210–193).	No.
621	do.	H. Con. Res. 173: On a motion to suspend the rules and pass the concurrent resolution relating to the U.S. fishing industry (passed 405–0).	Yes.
622	Dec. 5	H.R 8877: On adoption of the conference report on the bill making appropriations for the Departments of Labor, and Health, Education and Welfare and related agencies for fiscal year 1974 (passed 371–33).	Yes.
623	do.	H.R. 8877: On a motion to recede and concur with amendments in Senate amendment No. 1 on the conference report on the bill making appropriations for the Departments of Labor, and Health, Education and Welfare and related agencies for fiscal year 1974 (passed 263–140).	Yes.
624	do.	H.R. 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve Congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff which sought to prohibit consideration of authorizing legislation after July in lieu of Mar. 31 of each year (defeated 106–300).	No.
625	do.	H.R. 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve Congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff which sought to require the pilot-testing of all Federal programs prior to the implementation unless the committee report on such legislation indicates why this is unnecessary (defeated 185–218).	No.
626	do.	H.R. 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve Congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff which sought to provide for a maximum limitation on authorizations for appropriations to 3 yr except those funded through user taxes (defeated 192–217).	Yes.
627	do.	H.R. 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff which sought to require all appropriations bills be sent to the President at the same time with no exceptions (defeated 117–389).	No.
628	do.	H.R 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff which sought to delete the title on impoundment control (defeated 108–295).	No.

VOTING RECORD—WILLIAM R. ROY, 93D CONG., 1ST SESS.—Continued

Rollcall No. 1973	Measure, question, and result	Vote
629 Dec. 5	H.R. 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve Congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff which sought to require both Houses of Congress to take action before a Presidential impoundment is disapproved and to allow selective disapproval of impoundments by Congress (defeated 186–221).	No.
630 do	H.R. 7130: On an amendment to the bill to amend the Rules of the House of Representatives and the Senate to improve Congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and Staff which sought to make title II (impoundment control) effective on Oct. 1, 1975 (defeated 185–221).	No.
631 do	H.R. 7130: On passage of the bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals and to provide for a Legislative Budget Director and staff (passed 386–23).	Yes.
632 Dec. 6	Quorum call	Present.
633 do	H. Res. 738: On adoption of the "rule" under which to consider H. Res. 735, the resolution confirming the nomination of Gerald R. Ford of the State of Michigan to be Vice President of the United States (passed 389–15).	Yes.
634 do	H. Res. 735: On adoption of the resolution confirming the nomination of Gerald R. Ford of the State of Michigan to be Vice President of the United States (passed 387–35).	Yes.
635 Dec. 7	H.R. 11459: On adoption of the conference report on the bill to make appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974 (passed 329–40).	Yes.
636 do	H. Res. 673: On adoption of the "rule" under which to consider H.R. 9107, a bill to provide increases in certain annuities payable under chapter 83 of title 5, U.S.C. (passed 295–70).	Yes.
637 do	H.R. 9107: On passage of a bill to provide increases in certain annuities payable under chapter 83 of title 5, U.S.C. (passed 270–95).	Yes. Yes.
638 Dec. 10	Quorum call	Present.
639 do	H. Res. 657: On adoption of the "rule" under which to consider H.R. 10710, a bill to promote the development of an open, nondiscriminatory, and fair world economic system and to stimulate the economic growth of the United States (passed 230–147).	No.
640 do	Quorum call	Present.
641 do	do	Present.
642 Dec. 11	do	Present.
643 do	H.R. 10710: On an amendment to the bill to promote the development of an open, nondiscriminatory, and fair world economic system and to stimulate the economic growth of the United States which denies loans, credits, and guarantees to nonmarket countries denying freedom of emigration (passed 319–80).	Yes.
644 do	H.R. 10710: On an amendment to the bill to promote the development of an open, nondiscriminatory, and fair world economic system and to stimulate the economic growth of the United States which sought to strike title IV (failed 106–298).	No.
645 do	H.R. 10710: On passage of a bill to promote the development of an open, nondiscriminatory, and fair world economic system, and to stimulate the economic growth of the United States (passed 272–140).	Yes.
646 do	H.R. 11088: On an amendment to the bill to provide emergency security assistance authorizations for Israel and Cambodia which sought to support the implementation of United Nations Security Council Resolutions 242 and 338 (failed 82–334).	No.
647 do	H.R. 11088: On passage of a bill to provide emergency security assistance authorizations for Israel and Cambodia (passed 364–52).	No.
648 do	Quorum call	Present.
649 do	do	Present.
650 do	H.R. 11771: On an amendment to the bill making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974 which sought to delete funds for and prohibit aid to Chile (failed 102–304).	Yes.
651 do	H.R. 11771: On an amendment to the bill making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974 which sought a $100 million reduction in emergency military assistance funds for Cambodia (failed 147–256).	Yes.
652 do	H.R. 11771: On an amendment to the bill making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974 which sought to deny Export-Import Bank credits to nonmarket economy countries (failed 134–266).	Yes.
653 do	H.R. 11771: On passage of a bill making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974 (passed 219–180).	No.
654 Dec. 12	Quorum call	Present.
655 do	do	Present.
656 do	H. Res. 744: On adoption of the "rule" under which to consider H.R. 11450, a bill to direct the President to take action to assure, through energy conservation, rationing and other means, that the essential energy needs of the United States are met (passed 272–129).	No.
657 do	Quorum call	Present.
658 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met which sought to strike the provision requiring that the President submit all energy consertion plans to Congress for appropriate action, and instead permit either House of Congress to veto any plan, provided that the disapproval come within 15 days (failed 152–256).	No.
659 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met which strengthens and clarifies antitrust provisions of the bill (passed 286–112).	Yes.
660 Dec. 13	Quorum call	Present.
661 Dec. 13	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which removes coal from the "windfall profits" section of the bill (passed 256–155).	Yes.
662 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which bans the allocation of petroleum for busing of public school students to schools further than the school nearest their home (passed 221–192).	Yes.
663 do	H.R. 11450: On a motion to limit debate (failed 58–351)	No.
664 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to redefine "windfall profits" (failed 188–213).	No.
665 Dec. 13	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which relaxes emission control standards under the bill (passed 199–180).	Yes.
666 Dec. 14	Quorum call	Present.
667 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to strike sec. 114, the antitrust exemptions on retail business voluntary agreements (failed 170–223).	No.
668 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to delay by three years the effective date for emission controls (failed 180–210).	Yes.
669 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to remove from energy controls school busing that was voluntarily entered into by a school board or appropriate school authority (failed 185–202).	No.
670 do	H.R. 11450: On a motion to limit debate (passed 197–196)	No.
671 do	H.R. 11450: On a motion to strike the enacting clause (failed 56–335).	No.
672 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which limits the number of fuel inefficient vehicles used by the Federal Government (passed 299–89).	Yes.
673 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to exempt producers of less than 25,000 barrels of oil per day from the restrictions on "windfall profits" (failed 189–194).	No.
674 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which requires that the energy conservation plans submitted under the bill include proposals for Federal aid to stimulate mass transit use and subsidize low fares (passed 197–184).	No.
675 do	H.R. 11450: On a motion that the Committee rise (failed 104–280).	No.
676 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which directs the President to make grants to States to provide unemployment benefits to workers displaced as a result of the act (passed 311–73).	Yes.
677 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which prevents discrimination against businesses which operate at hours other than 9 to 5, Monday through Friday (passed 301–60).	Yes.
678 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which includes marine activities within the category of agriculture (passed 332–19).	Yes.
679 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing,and other means, that the essential energy needs of the United States are met, which authorizes the Energy Administrator to restrict exports of coal, petroleum products, or petrochemical feedstocks if these exports would contribute to unemployment in the United States (passed 327–27).	Yes.
680 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to protect the naval petroleum reserves and other reserves under the jurisdiction of the Defense Department from the crude oil production requirements imposed on oilfields on Federal lands (failed 174–202).	No.
681 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to exempt certain oil producers from the "windfall profits" provisions (failed 140–226).	Yes.
682 do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which directs the Interstate Commerce Commission to eliminate discrimination against the shipment of recycled materials (passed 349–8).	Yes.

Rollcall No. 1973		Measure, question, and result	Vote
683	Dec. 14	H.R. 11450: On a motion that the Committee rise (failed 86–290).	No.
684	do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to prohibit the export of crude oil, residual fuel oil, and refined petroleum products unless approved by the President (defeated 152–205).	No.
685	do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to delay by 2 years the effective date for emission controls (failed 170–205).	No.
686	do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which prohibits the exportation of petroleum products for use in military operations in South Vietnam, Cambodia, and Laos (passed 201–172).	Yes.
687	do	H.R. 11450: On an amendment to the bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met, which sought to prohibit the exportation of petroleum products for use in military operations in South Israel (failed 50–320).	Yes.
688	do	H.R. 11450: On a motion to recommit the bill (failed 173–205).	Yes.
689	do	H.R. 11450: On passage of a bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met (passed 265–112).	No.
690	Dec. 17	Quorum call	Present.
691	do	do	Present.
692	do	S. 1435: On a motion to recommit the Conference Report on an Act to provide an elected Mayor and City Council for the District of Columbia (failed 80–259).	No.
693	do	S. 1435: On adoption of the Conference Report on an Act to provide an elected Mayor and City Council for the District of Columbia (passed 272–74).	Yes.
694	Dec. 17	S.J. Res. 180: On a motion to suspend the rules and pass a joint resolution relative to the convening of the 2d sess. of the 93d Cong. (passed 263–91).	Yes.
695	do	S. 2482: On a motion to suspend the rules and pass an act to amend the Small Business Act, as amended (passed 339–21).	Yes.
696	Dec. 18	Quorum call	Present.
697	do	H.R. 9256: On adoption of the conference report on the bill to increase the contribution of the Federal Government to the cost of health benefits for Federal employees (passed 307–82).	Yes.
698	do	H. Res. 746: On agreeing to the resolution to authorize the Speaker to entertain motions to suspend the rules on Wednesday, Dec. 19, 1973, and for the balance of the week (passed 284–101).	Yes.
699	do	S. 2166: On a motion to suspend the rules and pass an act to authorize the disposal of opium from the national stockpile, as amended (passed 270–122).	No.
700	do	S. 2316. On a motion to suspend the rules and pass an act to authorize the disposal of copper from the national stockpile and the supplemental stockpile, as amended (passed 315–73).	No.
701	do	H.R. 11714: On a motion to suspend the rules and pass a bill to provide for the development of improved design, lighting, insulation, and architectural standards to promote efficient use in residential, commercial, and industrial buildings, as amended (passed 230–160).	Yes.
702	do	H.R. 11763: On a motion to suspend the rules and pass a bill to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal (passed 356–18).	Yes.
703	Dec. 19	Quorum call	Present.
704	do	H.R. 11576: On a motion to recommit with instructions the conference report on the bill making supplemental appropriations for the fiscal year ending June 30, 1974 (passed 216–180).	No.
705	do	Quorum call	Present.
706	do	H.R. 11510: On an amendment to the bill to reorganize and consolidate certain functions of the Federal Government in the new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions, which sought to add one additional administrator designated for energy conservation (failed 112–271).	Yes.
707	Dec. 19	H.R. 11510: On passage of the bill to reorganize and consolidate certain functions of the Federal Government in the new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions (passed 355–25).	Yes.
708	Dec. 20	Quorum call	Present.
709	do	S. 1559: On a motion to recommit the conference report on the act to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services (failed 93–264).	Yes.
710	do	S. 1559: On adoption of the conference report on an act to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services (passed 330–33).	Yes.
711	do	H.R. 11575: On a motion to recommit the conference report on bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1974 (failed 88–280).	Yes.
712	do	H.R. 11575: On adoption of the conference report on a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1974 (passed 336–32).	Yes.
713	Dec. 20	H.R. 11171: On adoption of the Conference Report on the bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974 (passed 216–149).	No.
714	do	S. 1983: On adoption of the Conference Report on an act to provide for the conservation, protection, and propagation of species or subsepcies of fish and wildlife that are threatened with extinction or likely within the foreseeable future to become threatened with extinction (passed 355–4).	Yes.
715	do	H. Res. 754: On a motion to suspend the rules and agree to a resolution to take from the Speaker's table the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, with Senate amendments thereto, and agree to the Senate amendments numbered 1 and 2 and agree to Senate amendment number 3 with an amendment (passed 319–26).	Yes.
16	do	H.R. 9142: On adoption of the Conference Report on a bill to restore, support, and maintain modern, efficient rail service in the northeast region of the United States, to designate a system of essential rail lines in the northeast region, to provide financial assistance to rail carriers in the northeast region, to improve competitive equity among surface transportation modes, to improve the process of Government regulation (passed 284–59).	Yes.
717	do	H.R. 11576: On adoption of the Conference Report on a bill making supplemental appropriations for the fiscal year ending June 30, 1974 (passed 329–10).	Yes.
718	do	Quorum call	Present.
719	do	H.R. 11333: On concurring in the Senate amendment to the bill to provide a 7 percent increase in social security benefits beginning with March 1974, and an additional 4 percent increase beginning with June 1974, and to provide increases in supplemental security income benefits (passed 301–13).	Yes.
720	Dec. 21	H. Res. 759: On a motion for a second to the resolution to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment (S. 2589) to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment (H.R. 12128—energy bill with windfall profits provision) (passed 148–113).	Yes.
721	do	H. Res. 759: On a motion to suspend the rules and agree to the resolution to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment (S. 2589) to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment (H.R. 12128—energy bill with windfall profits provision) (failed 169–95).	Yes.
722	do	H. Res. 760: On a motion to suspend the rules and agree to the resolution to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment (S. 2589) to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment (H.R. 12129—energy bill with windfall profits provision deleted) (failed 22–240).	No.
723	do	H. Res. 761: On a motion to suspend the rules and agree to the resolution to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment (S. 2589) to the House amendment thereto, and agree to the Senate amendment (failed 36–228).	No.
724	do	H. Con. Res. 411: On agreeing to the concurrent resolution providing for the adjournment sine die of the 1st Session of the 93d Congress (failed 74–171).	No.
725	Dec. 22	On a motion to adjourn (failed 39–160).	No.
726	do	Quorum call	Present.

HCIS ANNUAL REPORT FOR 1973

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ASHBROOK. Mr. Speaker, the distinguished chairman of the House Committee on Internal Security, the gentleman from Missouri (Mr. ICHORD) has filed the committee's 1973 annual report with the House of Representatives. A copy of this report will be available to each Member in the next few days. As the ranking minority member of that committee, I would like to take this opportunity to pay tribute to the gentleman from Missouri for the fairness that he has shown to the minority of the committee. Our committee is one of the few in the House that has an augmented minority staff in addition to the three required by law. As the result, the minority members and staff have been afforded the opportunity to significantly participate in the work of the committee. The 1973 annual report indicates in detail the extent of minority participation in committee activities.

During the committee's extensive hearings into subversive activities aimed at prison disturbances minority members participated in the questioning of witnesses, one of whom was secured by the minority staff. A valuable report on the Workers World Party, a violence-oriented Communist group active in prison disturbances, was also prepared by the minority staff. A minority investigator testified about the Communist Party's new front National Alliance Against Racist and Political Repression and its plans for future prison disturbances.

The committee held hearings on theory and practice of communism. Minority participation included the development of evidence concerning the Communist Party, U.S.A., as a defender of Soviet antisemitism; Communist attempts to repenetrate the trade union movement; Red China's role in the narcotics traffic; and the defeat of the Communists in Chile. The minority has made a particular contribution in studying the role of the Trotskyite Communists in the international terrorist movement.

The committee accomplished a wide spectrum of substantial projects during the past year despite a reduced appropriation which forced a cut in personnel. We are already well into a more ambitious program for this year. Our work is proof of the Bolling committee's error in recommending the abolition of the committee and the transfer of its functions to a Judiciary Subcommittee. No subcommittee, however well-intentioned, could carry on the extensive and important work that has been done by this committee. The Judiciary Committee particularly is so overworked that it has been unable to fully accomplish the work assigned to it by this Congress when the Select Committee on Crime's jurisdiction was transferred to Judiciary. The Subcommittee on Crime has had one 3-day legislative hearing and no investigative hearings according to their staff.

The suggestion of the gentleman from Missouri (Mr. Ichord) that the Crime Committee functions be turned over to the Internal Security Committee is a welcome one. As the distinguished gentleman from Florida (Mr. Pepper) is a member of the Internal Security Committee he could continue the important work that he started as chairman of the Select Committee on Crime by chairing a permanent subcommittee of the Committee on Internal Security.

I urge my colleagues of this legislative body to support the full appropriation request of the chairman of the Committee on Internal Security and to defeat the Bolling committee's proposal to destroy the Committee on Internal Security.

POW WIVES NEED VIETNAM VETERANS AND DEPENDENTS PSYCHOLOGICAL READJUSTMENT ASSISTANCE ACT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Ms. ABZUG. Mr. Speaker, the Washington Post has just reported the results of a study conducted by Drs. Richard C. Hall and William C. Simmons on the psychological disturbances suffered by Vietnam POW wives. The doctors discovered guilt feelings among the wives about their own ambivalent feelings concerning their husbands' return.

Hall and Simmons said:

> Any expression of negative feeling toward their husbands was treated by families, neighbors and the military community as signs of unfaithfulness or cruelty.

They said the suppressed anger and resultant guilt were channeled into various medical complaints that increased their sense of inadequacy and hopelessness.

In view of the results of this study, I urge those of my colleagues who have not yet joined in cosponsoring the Vietnam Veterans and Dependents Psychological Readjustment Assistance Act to do so now. The act directs the Administrator of Veterans' Affairs to initiate and carry out a special psychiatric, psychological, and counseling program for veterans of the Vietnam era, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the military service performed by such veterans. We, as a Nation, cannot afford to delay aid to those who so selflessly sacrificed years of their lives to the service of their country.

For the benefit of my colleagues, I am inserting the Washington Post article, "POW Wives Shown in Severe Stress," and my bill, H.R. 10882 in the Record:

[From the Washington Post, Feb. 17, 1974]

POW Wives Shown in Severe Stress

(By Al Rossiter, Jr.)

A study of 11 prisoner of war wives who sought psychiatric help showed they felt ostracized by both the military and civilian communities.

Drs. Richard C. W. Hall and William C. Simmons said their research indicated that the POW family was often in need of psychiatric help but that it was only reluctantly offered by their physician and seemed to have a significant stigma attached to it.

The two psychiatrists, then attached to a naval hospital and writing in a recent issue of the Archives of General Psychiatry, said the 11 women studied experienced increasing psychic disturbances as the Vietnam war began to wind down.

Their major concern, the report said, was their ambivalence concerning their husband's return and the subsequent guilt that this feeling caused. Their conflicts were highlighted by their inability to express, even to one another. the anger they felt.

"Any expression of negative feeling toward their husbands was treated by families, neighbors and the military community as signs of unfaithfulness or cruelty," Hall and Simmons said. They said the suppressed anger and resultant guilt were channeled into various medical complaints that increased their sense of inadequacy and hopelessness.

The report said a wife's opposing feelings about her husband were compounded by the uncertainty of what he would be like when he returned home. She wondered if he would still find her desirable and she him, would he support the major decisions she had made in his absence, and should she have gotten a divorce?

All of the POW wives studied faced severe problems of sexual role adjustment, Hall and Simmons said. They said the women were not viewed as individuals but as stereotypes.

"The military community was most likely to regard them as vamps," the report said. "Fellow military wives viewed them with suspicion and in many cases overt distrust. All of the wives in this study reported that after an initial period of 'social mourning,' which lasted about six months, they were politely dropped from the military's informal social rolls.

"They differed from the war widow since male companions could not be invited to parties as their dates. Men who chatted with them in more than a cursory manner were considered by the rest of the group to be out of line. Other wives considered them 'on the prowl.'

"The civilian community tended to regard the POW wife as an asexual superwoman, virtuous to a fault, honest, trustworthy, frigid, and unaffected by loneliness in the case of honor. This image persisted, however, only so long as the POW wife refused all male acquaintanceship."

Hall and Simmons said the wives sought treatment as a group and set strong taboos against members seeking individual treatment. One group sought help when one wife attempted suicide and the other sought treatment when one woman was hospitalized when she no longer was able to cope with her problems.

H.R. 10882

A bill to amend chapter 17 of title 38, United State Code, to direct the Administrator of Veterans' Affairs to initiate and carry out a special psychiatric, psychological, and counseling program for veterans of the Vietnam era, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the military service performed by such veterans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vietnam Era Veterans and Dependents Psychological Readjustment Assistance Act of 1973".

Sec. 2. Chapter 17 of title 38, United States Code, is amended by adding after section 620 a new section as follows:

"§ 620A. Special psychological readjustment assistance program.

"(a) As used in this section—

"(1) The term 'veteran' means any person who served in the active military, naval, or air service during the Vietnam era, regardless of the nature of his discharge, and who is in need of the services provided for under this section because of the performance of such service or because of a service-connected disability.

"(2) The term 'dependent' means—

"(A) the spouse or child of a veteran;

"(B) the spouse or child of a veteran who died while in service or who died as the result of a service-connected disability;

"(C) the spouse or child of a member of the armed forces in a missing status (as defined in section 551(2) of title 37); or

"(D) any member of the immediate family of a veteran or dependent (including a legal guardian), or, in the case of a veteran or dependent who has no immediate family (or legal guardian), the person in whose household the veteran or dependent certifies his intention to live, if the Administrator determines that providing services under this section to such member is necessary or appropriate to the successful treatment and rehabilitation of the veteran or dependent.

"(b) The Administrator shall initiate and carry out a special program for the treatment and rehabilitation of veterans, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the active military, naval, or air service performed by the veteran. Such program shall include, but shall not be limited to, such psychiatric, psychological, and counseling services (in addition to those services otherwise authorized by this chapter) as may be necessary or appropriate for the successful treatment and rehabilitation of the veteran or dependent.

"(c) In carrying out the special program provided for in subsection (b) of this section, the Administrator shall, under such rules and regulations as he may prescribe, contract for psychiatric, psychological, and counseling services from public or private sources whenever the Administrator determines that—

"(1) such services are necessary or appropriate to the successful treatment and rehabilitation of the veteran or dependent and such services are unavailable or inadequate in Veterans' Administration facilities;

"(2) an undue hardship would be placed upon the veteran or dependent because of the distance the veteran or dependent would have to travel in order to obtain such services at a Veterans' Administration facility;

"(3) the hours at which such services are available at a Veterans' Administration facility are incompatible with the time available to the veteran or the dependent and would result in a financial or other hardship on the veteran or dependent to receive such services at the Veterans' Administration facility; or

"(4) such services provided outside Veterans' Administration facilities would, for any reason, be more beneficial to the treatment and rehabilitation of the veteran or dependent.

"(d) The participation of any veteran or dependent in the program provided for under this section shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or participation in, any other program under this title.".

SEC. 3. The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by adding immediately below

"620. Transfers for nursing home care."

the following:

"620A. Special psychological readjustment assistance program.".

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the amendments made by section 2 of this Act.

PROSPECTS BRIGHT FOR SOLAR ENERGY

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. McCLORY. Mr. Speaker, the need for this country to develop new sources of energy is becoming more apparent every day. The United States must be energy self-sufficient if we are to maintain our society and culture as we know it today. If we become energy dependent on other nations, we will be susceptible to energy blackmail and economic warfare. Actions of this sort are not impossible, witness the tremendous rise in the price of oil by the Arab Nations and Iran which will cause many energy dependent nations to have a serious trade imbalance.

Mr. Speaker, after some research, it is obvious that we need a form of energy that is clean, healthful, and reasonably inexpensive. Of the various sources that we are now exploring for possible development, the one that offers the most promise to this Nation and the world is that derived from the Sun—solar energy.

Mr. Speaker, in the recent edition of the Illinois Institute of Technology's journal, Technology and Human Affairs, volume 5, No. 3, there is an interesting article by Alexander Goldsmith, who is a senior engineer at IIT Research Institute, entitled, "Prospects for Using Solar Energy," which is very informative and worthwhile reading about the utilization of solar energy.

The article follows:

PROSPECTS FOR USING SOLAR ENERGY

(By Alexander Goldsmith)

THE NATURE OF SOLAR ENERGY

Solar energy, or energy from the sun, reaches the earth in the form of radiation whose intensity is nonuniformly distributed over a range of wavelengths. About 40 per cent of the radiation is in the wavelength band between 0.4 and 0.7 microns, which is the spectrum of visible light, and nearly all the radiation is at wavelengths below 4 microns. The radiant energy can be absorbed, reflected, or transmitted through certain transparent materials, and otherwise behaves like visible light and follows the laws of optics.

It is the nature of radiant energy that its spectral distribution depends on the temperature of the radiating source. The sun radiates essentially as a source at 6000° K, having a maximum spectral intensity at a wavelength of about 0.5 microns (in the visible range). A thermal collector, on the other hand, operating at a temperature of boiling water, for example, would have a maximum spectral intensity at a wavelength of about 10 microns. This difference makes possible the so-called "greenhouse effect" which depends on the selective transmissivity of certain glasses and permits heat entrapment. That is, the glass is transparent to the short-wave radiation from the sun, allowing its entry into an enclosure. However, the same glass is opaque to the longer-wave radiation originating within the enclosure and does not allow its exit. Additional entrapment can be gained by using special coatings on absorbing surfaces within a solar collector. These coatings have a high absorptance for solar radiation and a low emittance for radiation from a relatively low-temperature source. They therefore serve to increase heat absorption.

Outside the earth's atmosphere, a surface perpendicular to the sun's rays would receive about 430 Btus per hour per square foot of area.[1] In passing through the atmosphere, part of this energy is lost by scattering and is absorbed by gases such as water vapor, carbon dioxide, and ozone. At the earth's surface, the maximum energy received is about 290 Btus per hour per square foot in a clear atmosphere, and about 200 in an industrial atmosphere such as New York city (2). Considerably lesser amounts are received at other orientations and under less ideal weather conditions.

Some observers think that if the effort and funds devoted to solar energy development had been comparable to the amounts directed to the development and utilization of fossil fuels, our economy in the 1970s would be based to a great extent on the use of solar energy. Were that so, current environmental protection problems would be considerably less, and the vast reserves of fossil fuels could be utilized for purposes other than combustion.

However, the course of history has run differently and the planned, controlled utilization of solar energy today is minimal and of practically no worldwide significance. Only the recent recognition of an impending shortage of petroleum fuels has stirred interest in other possible energy sources, including solar energy.

In an era of increasing energy consumption, rising petroleum prices, and air pollution problems, the use of solar energy as a partial replacement for burning fossil fuels offers some imposing advantages: Solar energy is abundant and inexhaustible; it is free; it produces no form of environmental pollution. The problem at present is to make the use of solar energy economically competitive with other energy sources.

Although the advantages have caused a few people in the technical community to give considerable thought to the economic and other problems of solar energy utilization, the actual effort and funds expended until now toward solving them have been rather insignificant. Various schemes for solar energy utilization have been suggested; some were never carried beyond the description of a concept, and others were carried to the point of constructing a working model. None, however, reached the stage of large-scale commercial utilization, with the possible exception of flat solar collectors for hot water heating in certain parts of the world.

The schemes that have been suggested range from the growing of algae or the increased photosynthetic production of plant material for fuel, to the generation of power by thermal engines operating in tropical seas on temperature differences between water at the surface and at great depths. Other approaches showing greater promise of more immediate success include the direct conversion of sunlight to electricity by photovoltaic devices, and means for utilizing the sun's thermal energy directly for heating and cooling of buildings, or for generating electricity by conventional thermal engines.

SOLAR ENERGY'S LIMITATIONS

Solar radiation is the most abundant form of energy available to mankind. It has been estimated that the energy arriving on one-half per cent of the land area of the United States is more than the total energy needs of the country projected to the year 2000.[3] In spite of this abundance, the difficulties involved in utilizing solar energy are formidable and include both inherent and technical limitations. Among the inherent limitations are:

1) The availability of solar energy depends greatly on geography, and it is most abundant in regions far removed from the major centers of energy consumption. On a worldwide basis, sunshine is most prevalent in the tropical regions, which are the least developed technically. Furthermore, between the Tropics of Cancer and Capricorn, 90 per cent of the earth's surface is water. Within the United States, much sunshine and otherwise unproductive land is most available in the Southwest, while the greatest energy needs are in the Northeast. 2) The supply of solar energy varies not only with the diurnal cycle, but is also subject to local weather conditions and to major variations with the seasons. 3) The radiant energy reaching the earth is variable, diffuse, and of relatively low intensity. During certain times of the year, depending on location, up to 40 per cent of the total energy is in the form of diffuse sky radiation which cannot be focused. The angle of the incident radiation varies continuously during the day.

The technical problems involved in utilizing solar energy for power generation pertain primarily to the low conversion efficiency and the lack of large-scale economical energy storage devices, be they thermal, electric, or other types.

PHOTOVOLTAIC CONVERSION

The bulk of the research and development effort on solar energy to date has been devoted to photovoltaic conversion devices as part of the national space program. The success of this program is at least partially attributable to the effective use of solar-cell

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Footnotes at end of article.

power generators, used on 90 per cent of unmanned space vehicles.[4]

Silicon solar cells have conversion efficiencies of 10 to 12 per cent, but are relatively expensive, costing approximately $4 for a 1x1½ inch cell (5). Cadmium sulfide cells have efficiencies of only 4 to 5 per cent, but their cost is 1/30th that of silicon cells per unit area. The emphasis in the space program has been on the silicon cells primarily because of their lower weight. Oriented space solar arrays cost as much as $2 million per kilowatt, but this cost is not indicative of practical applications. It has been estimated that terrestrial applications can be made for about $15,000 per kilowatt or less, but even this cost is high in comparison with conventional power generating plants, as shown by the following table indicating 20-year costs of installation, maintenance, and fuel for large power stations.[5]

Type:	Cost per kilowatt
Hydroelectric	$170–590
Gas-fired	463
Oil-fired	516
Coal-fired	534
Nuclear-fired	653

It is apparent that the estimated cost of a solar power plant, even without considering problems of energy storage for lengthy periods of time, is more than an order of magnitude greater than that of plants using fossil fuels or nuclear fission. In fact, however, there is no good basis for estimating costs because everything to date was space-directed, and there are vast differences between various economic forecasts.

Eventually, as more efficient and low-cost photovoltaic cells are developed, their utilization will be possible in one of three ways: Rooftop array, solar farm, satellite station.[6]

A rooftop array would consist of a number of photovoltaic panels located atop residential or commercial buildings. Such panels would require backup either in the form of a conventional energy source, or as an electric energy storage system in the form of batteries. A solar farm, on the other hand, would involve a large area of solar-cell arrays whose total generating capacity would be comparable to a central power station. In this case, the location could be selected for better performance, and energy storage could be a pumped-water system. Such a system involves using surplus electrical energy during periods of ample sunshine to pump water to a large elevated reservoir. The potential energy of the water can then be used as needed by running the water through a turbine located at the lower elevation.

A more exotic proposed system involves orbiting a large-scale array of solar cells outside the earth's atmosphere in order to avoid problems with diurnal and seasonal changes and the attenuation caused by the atmosphere and weather. A typical scheme[5] visualizes a 10,000 megawatt station (enough for New York City and vicinity) that would consist of the following components: The solar collector would be a 5-x-5-mile satellite, together with the means for converting solar energy to microwave energy, and for transmitting the latter to earth. A 6-x-6-mile receiving antenna would be required on earth to absorb the microwave energy and reconvert it into a usable form. Clearly, a scheme like this is far from implementation in the near future.

HEAT ENGINES AND DIRECT APPLICATIONS

Solar energy reaching the earth may also be collected as thermal energy and utilized either for power generation by conventional heat engines, or for direct utilization as heat. The use of solar collectors to generate power by heat engines has not found widespread application. Flat-plate solar collectors that can be made at reasonable cost are not suitable for use with heat engines because to date it has been impossible to produce a collector that can heat a working fluid to high temperatures. Consequently, conversion efficiencies are low because of fundamental thermodynamic limitations.

TABLE 1.—SOLAR HEATING COST COMPARISON (REFERENCE 7)

Climate classification	Cost of heat (dollar per 10^6 Btu)		
	Solar heat	Electricity	Gas-oil (average)
Santa Maria: Mediterranean or dry summer, subtropical	1.10–1.59	4.36	1.52
Albuquerque: Tropical and subtropical steepe	1.60–2.62	4.62	1.48
Phoenix: Tropical and subtropical desert	2.05–3.09	4.25	1.20
Omaha: Humid continental, warm summer	2.45–2.98	3.24	1.18
Boston: Humid continental, cool summer[2]	2.50–3.02	5.25	1.75
Charleston: Humid subtropical	2.55–3.56	4.22	1.26
Seattle/Tacoma: Marine west coast	2.60–3.32	2.31	1.92
Miami: Tropical savannah	4.05–4.64	4.90	2.27

[1] Assumes auxiliary heat from other sources used as necessary to optimize solar design. Range is based on $2 to $4 per square foot collector cost.

[2] Tybout and Löf actually used Blue Hill Observatory solar data rather than Boston. Located at an altitude of 1,500 feet, the Blue Hill Observatory receives 23.5 percent more solar energy than Boston, enough to make a solar collector there perform about 35 percent better.

A heat engine is a device for converting thermal energy (heat) into mechanical energy as represented by a turning shaft that can drive an electric generator or do other useful work. A working fluid in an engine—usually steam or gas—is heated in one part of the cycle against a piston in a cylinder or against blades in a turbine to turn a shaft. The overall efficiency of such an engine is the mechanical energy output divided by the thermal energy input. This efficiency has a theoretical maximum, known as Carnot cycle efficiency, which depends on the extreme temperatures of the working fluid in the cycle. Since the lower temperature is usually that of our environment (the air around us or a body of water) and is therefore essentially fixed, the efficiency is largely governed by the high temperature in the cycle.

In order to achieve higher temperatures and more reasonable thermodynamic efficiencies, it is necessary to concentrate solar energy by focusing devices. A focusing device may take the form of a parabolic cylinder which would focus the incident energy upon a straight line that could be a pipe, or it could be a paraboloid of revolution, in which case the focus would be a point. These devices are expensive and are only partially effective since they cannot focus diffuse sky radiation. They are further complicated mechanically by the need to keep them oriented towards the sun.

A more attainable application of solar energy in the near future consists of its use directly as heat in instances where a heat source at moderate temperatures can be utilized. This includes applications such as water heating, heating and cooling of buildings (space conditioning), and refrigeration by the absorption process, in terms of total energy consumption in these categories, residential and commercial space heating represents by far the greatest single item. For this application, fixed flat-plate solar collectors are adequate.

There has been considerable interest in using solar energy for space heating for many years, and a number of demonstration buildings have been built at MIT, in Denver, in the Washington, D.C. area, and in Australia. The reason that the use of solar energy for space heating has not found wide application is economic; it is governed by the relatively low cost of fossil fuels, and the lack of good and low-cost energy storage devices.

ENERGY STORAGE

Because of the variable and unpredictable nature of solar radiation, energy storage is an essential part of any system used for space conditioning. Since a number of days may elapse without sunshine, a system dependent solely on solar energy would require a heat storage capacity, and a collector of sufficient size to carry a current load plus the additional capacity to fill the heat storage unit. This would require a large capital investment that would go unused much of the time and yield no benefit. The alternative is to provide a conventional fuel-burning back-up system. "When the sun doesn't come out, fuel is burned."[7] The conclusion has been reached that the size of a heat storage unit for residential heating should be enough to carry the system overnight. This conclusion would change only if solar collectors and heat storage devices were so cheap that infrequent use would justify the capital investment, or if the investment could be justified by the conservation of natural resources (a large increase in the cost of fuel), or by pollution reduction.

An economic study of solar heating over the world was carried out by R. A. Tybout and G.O.G. Lof.[7] They compared the estimated cost of solar heat with gas and oil heat, and with electricity, for a house located in each of eight types of climate. Their comparison was based on the following assumptions:

(1) Heating load: 25,000 Btu per degree day.

(2) Cost of roof collector: $2 to $4 per square foot.

(3) Other capital costs: $375 + $1 per square feet of collector.

(4) Amortization: 20 years at 6 per cent interest.

The results of their study are summarized in Table 1. The table shows that partial solar heating compares favorably with electric heat, and that the gap between the cost of solar heating and gas or oil is not so great that the economic advantage could not shift to solar heating in the near future.

WHAT IS REQUIRED

Although the solar energy reaching the earth is more than sufficient to supply all human needs in the foreseeable future, the cost of collection, storage, transmission, and conversion prevent its widespread use at the present time. To make solar energy more competitive with other sources of energy, the following major research and development efforts will be required:

(1) Increase efficiency of photovoltaic solar arrays.

(2) Reduce cost of producing solar arrays by three to four orders of mangitude.

(3) Develop more effective means for transmitting electric energy over long distances.

(4) Develop improved long-lasting materials and coatings with selective absorptance and emittance characteristics.

(5) Develop economical materials for latent heat storage.

(6) Develop economical batteries or other methods for storage of electric energy.

(7) Develop large satellite solar energy collection devices.

(8) Develop energy converters for transforming solar energy to a type that can be transmitted from space (microwave, laser beam, or other).

(9) Develop low cost automatic heliotropes (devices for tracing the sun).

(10) Develop photochemical reactions to produce usable chemical compounds as a possible solution to problems of energy storage.

(11) Develop low-cost and reliable solar concentrators.

With the exception of solar energy conversion devices pertaining to the space program,

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Footnotes at end of article.

research and development efforts on solar energy utilization have not received much support from governmental agencies. What is needed, according to one advocate of solar energy[8] is ". . . an Office of Solar Energy Research like the Office of Coal Research, or better yet, a Solar Energy Commission like the Atomic Energy Commission."

A Solar Energy Panel was organized jointly last year by the National Science Foundation and NASA to assess the potential of solar energy as a national energy resource, and the state of the technology in the various solar energy application areas. In its report,[9] the Panel expresses confidence that solar energy can be developed to meet sizable portions of the nation's future energy needs. It predicts that with a substantial development program, solar energy could economically provide the following fractions of our energy needs by the year 2020:

Building heating and cooling, 35 percent.

Gaseous fuel supply, 30 percent.

Liquid fuel supply, 10 percent.

Electric energy requirements, 20 percent.

There are no inherent technical barriers to the utilization of solar energy. Whether or not the above predictions will be realized will depend on the availability of support for the required development programs, and on the future economic merits and environmental benefits of using solar energy in favor of other candidate energy sources.

FOOTNOTES

[1] Yellott, John I., "Solar Energy Progress," *Mechanical Engineering,* July 1970, pp. 28–34.

[2] *ASHRAE Guide and Data Book,* American Society of Heating, Refrigerating, and Air-conditioning Engineers, 1965, p. 497.

[3] Hammond, Allen L., "Solar Energy: The Largest Resource," *Science,* Vol. 177, September 22, 1972, p. 1088.

[4] Cherry, W. R., "The Generation of Pollution-Free Electrical Power from Solar Energy," ASME Publ. 71–WA/Sol. 2.

[5] Walters, Samuel, "Power in the Year 2001." *Mechanical Engineering,* November 1971, p. 33.

[6] Berman, P. A., "Photovoltaic Solar Array Technology Required for Three Wide-Scale Generating Systems for Terrestial Applications: Rooftop, Solar Farm, and Satellite," *NASA Technical Report 32–1573,* Jet Propulsion Lab., California Institute of Technology, October 15, 1972.

[7] *Energy Research Needs,* A Report to the National Science Foundation by Resources for the Future, Inc., in cooperation with MIT Environmental Laboratory Chap. VIII, Residential Utilization Technology Contract NSF–C644, October 1971.

[8] Gaucher, Leon P., "The Solar Era-A Preview," ASME Publ. 71–WA/Sol-7.

[9] NSF/NASA Solar Energy Panel, *An Assessment of Solar Energy as a National Energy Resources,* Department of Mechanical Engineering, University of Maryland, December 1972.

VETERANS' RIGHTS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. RANGEL. Mr. Speaker, as a Congressman with a large number of veterans in my constituency, and as chairman of the Congressional Black Caucus, with a constituency of nearly three-fourths of a million black Vietnam era veterans, I am deeply concerned about the nature of H.R. 12628, veterans education and rehabilitation amendments, which is unsatisfactory in many respects. I am equally concerned about its relationship to administration policies.

The administration's budgetary plans for the veterans of our Nation, for the disabled and Vietnam era veterans in particular, highlight the moral crisis which exists within the Veterans' Administration and within the executive branch of our Government. It is a sad state of affairs when the recently delivered Presidential message on veterans proposes a series of actions which are in diametric conflict with the stated policies of every national veterans organization, including the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Jewish War Veterans, and many others.

The administration's veterans policies are not only out of tune with the policies of these old, established groups, they are also out of tune with the policies of the Vietnam veterans who have testified before Congress, and such Vietnam veterans groups as the National Association of Concerned Veterans and the National Association for Puerto Rican Civil Rights.

The President's policies are out of touch with the realities, with the needs, with the carefully formulated positions of organizations concerned with veterans, and with such independent organizations as the National League of Cities and the American Association of Junior and Community Colleges, and with the Princeton Educational Testing Service's study on benefit levels and services.

The recently called for 8-percent increase by the President in the GI bill was actually a statement in opposition to virtually all groups that have articulated a public policy on the Vietnam era veteran. It was also a statement in opposition to the veterans educational amendments which we have before us today. Above all, however, it was in opposition to commonsense.

It is evident that the House Veterans' Affairs Committee members have been told—in so many words—to press for the minimum increase in benefits and services, from the meager legislation which has been reported out of committee. I have tens of thousands of veterans in my district and am, therefore, unable to oppose this legislation, although I do not believe it has gone far enough in meeting the needs of today's veterans. I feel sure that are many other Members who are in the same position as I am. Therefore, I feel obliged to inquire as to whether the Subcommittee on Education and Readjustment of the House Veterans' Affairs Committee plans to hold additional hearings on the question of educational costs this year as we have been led to believe. The legislation passed by the House of Representatives today is obviously inadequate in this area.

Further, I would like to suggest that the House instruct the Veterans' Affairs Committee to work closely with the committee from the other body, and in those instances where the Senate Veterans' Affairs Committee's bill exceeds the recommendations of our own bill, to acceed to the Senate committees recommendations. I am making this suggestion in view of the possible outcome and developments on the Senate side, the possible change in attitude by this administration toward veterans, and the outcome of additional hearings on the House side, which hardly will encompass recommendations that provide less benefits and services than those which were approved today.

As the legislation stands today, it is inadequate and does not address itself to the economic issues and problems facing the majority of Vietnam era veterans who seek to enter an institution of higher education.

AN ALTERNATIVE TO WAREHOUSING THE DISABLED

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. DON H. CLAUSEN. Mr. Speaker, I recently had an opportunity to visit and inspect personally, the Redwoods United Workshop in Eureka, Calif., under the able direction of Mr. Leon Berliner.

Through a matching Federal-local financing arrangement, the Redwoods United Workshop was founded in 1971 to provide the facilities and an opportunity for disabled adults to develop basic skills, benefit from the dignity of earning an income, and enjoy a more productive and rewarding life—rather than just letting life pass them by in idleness, boredom, and something less than the dignity due them.

I was so impressed with what I saw at the workshop, Mr. Speaker, that I asked the executive director to furnish me a copy of the history and accomplishments of the Redwoods United Workshop in order that I might share this success story with all interested Members of Congress.

Therefore, I am submitting a copy of Mr. Berliner's report for inclusion in the CONGRESSIONAL RECORD at this time:

THE HISTORY AND ACCOMPLISHMENTS OF REDWOODS UNITED WORKSHOP

(A brief history of Redwoods United Workshop; how it came into being and its accomplishments to date.)

1968 TO SEPTEMBER 1971

A group of Humboldt County citizens, aware and frustrated at the lack of vocational alternatives for disabled adults, joined forces and formed an organization called "The Open Door Training Center". They met frequently, they drew attention to community needs through small fund raising campaigns and ultimately set up a Steering Committee chaired by Mr. Raymond Schneider, our County Counsel, to bring about a multi-disability facility.

Paralleling these developments, a small group of individuals had established a tiny workshop for mentally retarded adults called "Sequoia Crafts". This facility was sparsely funded and very primitive, it served 28 individuals.

The Steering Committee recommended to the community that all efforts on behalf of the disabled be merged into one purposeful organization. A Board of Directors of 15 individuals was established on a provisional basis and in June of 1971, a separate name was created for this joint community venture: Redwoods United Workshop, Inc.

The California Department of Rehabilitation was approached for an initiation grant. Four lay individuals, Mr. Walter Noah, Mr. Ray McDonnell, Mr. Fred Stockbridge and Mr. Jon Japport spent a considerable portion of their summer drawing up a grant proposal for $108,000 in federal funds which would necessitate $27,000 in community matching. The Board proceeded with a series of fund raisers.

In September of 1971, they had raised $10,000, hired an Executive Director, Mr. Leon Berliner, who had had 15 years of experience in this field and a Masters Degree in Rehabilitation; and he hired a secretary. Redwoods United Workshop would be on its way two months hence.

SEPTEMBER 1971 TO NOVEMBER 1971

Three major goals faced the Director during this period:

1. Secure a site for the Workshop.
2. Secure the grant.
3. Find $27,000 to match the grant.

The Manila School had been idled, unoccupied, vandalized and weather worn for three and a half years. It was built on a school bond in the 50's, a balance of $388,000 remained to be paid. Redwoods United Workshop obtained the building for $1,032.00 per month in rent.

The Greater Eureka Development Corporation put up collateral based on 43 Humboldt citizens' personal guarantees to secure a loan for $27,000 to match the grant. The grant was approved as of September 1, 1971.

On October 1, 1971, we moved into the Manila School. The Director had been operating out of a room at the Eureka Inn, rent donated.

The first weekend in October, 50 National Guardsmen spent two days painting the entire building, donating their labor and time. The paint was donated by the school district.

On November 1, 1971, 12 disabled adults started and thus, opened Redwoods United Workshop.

NOVEMBER 1, 1971 TO JANUARY 1972

We started manufacturing Redwood products. We purchased a van to transport people, a truck to pick up materials and deliver finished good, 17 radial arm saws, a planer, a band saw and drill press.

We built a motel which would house individuals who could not commute to and from the Workshop and thus, giving us an opportunity to train motel maids.

A warehouse was built under the grant.

We started a kitchen program to prepare generous hot lunches at 80¢ per meal and thus, could train bus boys, bus girls, kitchen helpers, dishwashers, and salad makers.

We started a janitorial training program for our office.

We used the office as an opportunity to train clerical workers and payroll clerks.

Our grant was renewed for the second year. This time, however, we were to receive only $42,000.

Basically we operated three programs:

1. A transitional workshop for mildly disabled individuals who had the potential, after evaluation and a period of work adjustment, to engage in competitive employment.

2. A long-term Work Activity Center for disabled individuals who would need sheltered employment as their only vocational alternative.

3. A regular work program was designed for individuals unable to obtain employment, yet capable of performing at competitive levels. These people were guaranteed at least a minimum wage.

JANUARY 1972 TO PRESENT

January of 1972, Redwoods United Workshop took another step. We started our Homemaker Program under contract with the Humboldt County Department of Welfare. We trained 19 women, 18 of whom were Welfare recipients. They participated in a 120 hour curriculum to prepare them for Homemaker activities. They were then employed by Redwoods United Workshop to go into the homes of elderly people, blind people, or totally disabled people and help them with basic household duties, such as: House cleaning, meal preparation, shopping, budgeting, personal care, etc. By providing these services, these people could remain in the community without need of institutionalization. This program is unique in the nation for a workshop.

Our grant was renewed for $32,000.

The following are some of our accomplishments to date:

1. The budget for Redwoods United Workshop's fiscal year (July 1, 1973 through June 30, 1974) is $505,000.

2. Client and Homemaker payroll is approximately $12,000 a month. Staff payroll is $9,000 a month.

3. In calendar year 1973, more than 160 disabled people were served.

4. We have a staff of 15 people, six of these started as clients and are, therefore, disabled themselves.

5. Redwoods United Workshop employees will pay close to $50,000 in income taxes this year.

6. Ninety-four people, who have come to Redwoods United Worshop as clients, most of whom were on Welfare, left Redwoods United Workshop for industrial placements. If 80 of these were on Welfare and if the average Welfare grant were $2,600 per year, this would constitute a savings of $234,000 each year. These people are now tax payers. If they pay an average of $800 a year each, this will add $64,000 more per year to our taxrolls. Adding the Welfare savings to the taxes, paid, this would constitute a yearly return to the tax payer of over $328,000. Shall we estimate savings for 10 years? This alone documents why rehabilitation is still the best investment in our society.

7. Over $100,000 each year is spent in the purchase of materials, supplies, and tools in the local community to permit us to operate. Our local vendors benefit from the wages earned as well. We are a new business in Humboldt County, selling our goods mostly outside of Humboldt County (over $170,000 last year) and spending our dollars in Humboldt County. The economy of Humboldt County is depressed. Our contribution to this economy cannot, therefore, be minimized.

We must provide an opportunity to disabled adults to benefit from the dignity of earning an income and to pursue productive activities during their days rather than aimlessly letting life pass them in idleness and boredom.

Facilities for the disabled present a two edged sword for society, monetary savings and humane consideration, each edge is honey coated.

Sincerely yours,

Leon Berliner,
Executive Director.

GOVERNMENT REGULATORY POLICIES HAVE PRODUCED SHORTAGES AND DRIVEN UP PRICES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. KEMP. Mr. Speaker, the most effective way of improving quickly our Nation's economic health is to return to the use of the law of supply and demand.

Government control and regulation can never be an efficient substitute for the interplay between producers and consumers. The past 2 years have proved this. Shortages have been produced and prices driven upward by Government control and regulation.

Shortages are best solved by programs which foster production, not by those which discourage it—freezes, rollbacks, controls, and regulations. And, when goods are in available and sufficient supply, the prices drop automatically. That is one of the most admirable characteristics of a market economy.

An outstanding article appeared in the newspapers over the past weekend, an analyses of "scarcity economics" and how the Federal Governments' interventionist policies have "substituted deliberately contrived scarcities for the planned abundance which is well within our resources."

The article by Dr. Leon H. Keyserling, former Chairman of the Council of Economic Advisers, details, example-by-example, the severe shortages which have been caused as a direct result of Government policy: Energy, transportation, foodstuffs, housing, even national defense.

How have these policies hurt our Nation?

Since 1953, Dr. Keyserling concludes—

We have had four recessions and are now entering our fifth;

We have had a national production level almost $1,800,000,000,000—that is $1.8 trillion—short of reasonably full production;

We have forfeited, at all levels of government, enough tax revenues to have financed about $451 billion in additional public outlays for priority needs; and

We have suffered more than 48 million man-years of unemployment or job scarcity.

If we do not change our policies and reorient this Nation toward the economic prosperity which arises naturally from the market system, Dr. Keyserling predicts that we are likely, between 1973 and 1980 to forfeit an additional almost $1.7 trillion of gross national product, about $239 billion of public revenues and services, and about 16.5 million man-years of employment.

I do not agree 100 percent with Dr. Keyserling in all the remedial measures he proposes in this article; I think the gravity of the proposals warrant more thorough study than I have yet been able to give them since their publication. But his premises are certainly accurate and his conclusions worthy of the utmost consideration. Listen to what he has to say, as I read this important article into the Record:

An Analysis of Scarcity Economics and Its Results

(By Leon H. Keyserling)

The current "energy crisis" should not distract us from immediate attention to many fundamental troubles of very long duration. For 20 years or longer, shortage situations have arisen and grown throughout our economic and related social performance because we have substituted deliberately contrived scarcities for the planned abundance which is well within our resources. We now need a veritable revolution in economic thought and action.

Shortages in many types of energy have gained momentum over the years, as regulatory policies have held expansion far below long-range needs. And national policies, e.g., scarce (tight) money and exorbitant interest rates, have stopped the utilities from enough expansion of product, plant and service.

Regulatory policy has encouraged railroads to elect to carry mainly what they deemed the more profitable traffic, and to neglect the mass passenger transportation which could ameliorate so many of our other problems. And if we today had adequate rail service, the shift of traffic to the rails could immensely reduce the "energy crisis."

Under the contrived scarcity farm policy, farm acreage and farmers have been reduced excessively. For two decades, our total farm output has been consistently inadequate to provide a nutritious diet for all American families, and to export the food required for a war against starvation and underdevelopment in various countries. Farm families by the millions have been driven into urban areas where they have constituted one-third to one-half of total excessive unemployment, with consequent impact upon unmanageable welfare costs.

Despite the promise of the Housing Act of 1949 of "a decent home for every American family" within a decade, today from one-fifth to one-fourth of our people—depending upon the criteria applied—live in unsatisfactory housing. Inadequate home construction long has been the largest single factor in the scarcity of total output and employment. The two most important housing impediments have been scarce money and fantastic interest rates, and the scarcity approach to federal public investment in the great domestic priorities.

We also may be threatened by a scarcity of investment in national defense, promoted by focus upon what a scarcity overall economy "can afford," instead of upon what a fully used economy could allocate to various purposes.

The policies conducive to these sector scarcities have been nurtured in the environment of a scarcity approach to overall economic performance. And by interaction, the overall and the sector scarcities have aggravated one another.

In the overall, we have since early 1953 experienced four successive and rather consistent cycles of inadequate upturn failing to reach reasonably full resource use, stagnation and then recession; we are now in the second stage of a fifth cycle. The resultant scarcities: From the start of 1953 through third-quarter 1973, total national production (measured in 1970 dollars) was almost $1.8 trillion short of reasonably full or "maximum" production.

Consequently, we have forfeited, at all levels of government, enough tax revenues to have financed about $451 billion of additional public outlays to overcome the dangerously scarce servicing of our great domestic priorities. And we have suffered more than 48 million man-years of true-level unemployment or job scarcity, in excess of the level consistent with "maximum" employment. This true level includes officially reported full-time unemployment in the form of those not "participating" in the civilian labor force (and therefore not officially counted as unemployed) because of scarcity of job opportunity.

Projecting the national policies now in being, we are likely during 1973–1980 to forfeit an additional almost $1.7 trillion of gross national product, about $239 billion of public revenues and services, and about 16.5 million man-years of excessive true level unemployment.

These scarcity ravages have sprung mainly from one core error: repeatedly, national policy has sought to check each upturn before restoration of reasonably full economic activity, thus turning the economy toward stagnation and then recession—all in the name of restraining inflation. But the empirical evidence, 1953 to date, is overwhelming to the effect that more idleness of plant and manpower generates more rather than less inflation.

Even during periods when national policy is seeking to avert downturn and accelerate real growth—as today—prevalent policies are colored by a pronounced scarcity bias. Despite some undulations downward the monetary policy remains far too tight and interest rates far too high.

The orgy of tax reductions, for a decade or longer, have helped the monetary policy to distribute income regressively, which is inimical to optimum growth, priorities and social justice; we have leaned toward bonanzas for the select few, and scarcity for the many. Progressive tax changes are urgently needed. The President's 1975 budget is close to neutral in its economic effects; it should be highly stimulative. The administration is protesting that we may not have an absolute recession in 1974, but it is resigned to its own stagnation forecast instead of trying to prevent its actualization by proper policies. Such policies could do much, despite the energy outlook.

Apart from the changes implied just above, what else is required? Instead of excessive emphasis upon mere forecasts and supine resignation to the evils they foretell, the policy makers should focus upon affirmative goals and the means to their attainment, consistent with the promptest feasible restoration of "maximum" economic activity and appropriate attention to priority needs. Instead of improvising disconnected programs to "defend" us against undersirable developments after they occur, we need to take the offensive with long-range and consistent undertakings. We need long-range pro-prosperity, not short-range antirecession, programs. We need proabundance, not antishortage, programs.

We need to re-examine the true causes and consequences of inflation, lest we continue in the long run to get more instead of less inflation, and endure so many other evils besides. And instead of conjuring up an antithesis between full employment and price stability, and between optimum economic growth on the one hand and priority servicing and social justice on the other, we need to learn from much experience that fulfillment of these five objectives is one inseparable task.

We need, in short, more long-range planning under freedom, steering between the Scylla of aimlessness in a "free market" and the Charybdis of excessively centralized fiat. The work of the Council of Economic Advisers and the economic reports of the President in recent years—due to narrowness of coverage and not just errors in analysis—have almost reduced the Employment Act of 1946 to a state of desuetude.

Under a national purposes budget, long-range quantitative goals should be set for "maximum" employment, production and purchasing power, and for the broad relationships among components of outlays and incomes comparable with these goals. This budget should include also perspective goals in such vital areas as energy, transport, housing, food supply, education, health and some others. Then, and only then, could all relevant policies and programs—public and private—be united harmoniously toward achievement of these goals, and corrected from year to year under a balanced model of our needs and capabilities.

This new approach does not, per se, predetermine the respective responsibilities of various levels of government and of the private sector. But it would bring one increasing purpose into our nationwide efforts, promote compatible public and private actions by enlarging public understanding and substitute the inspirational force of what we can achieve for the dead hand of what we should not even try to do.

Mr. Speaker, I will continue my efforts to repeal phase IV, the regulatory scheme which has had a near disastrous effect on our economy. My vote last spring against the continuation of these controls has turned out to be one of my most important votes, as I believe the American people will hold strictly accountable those in the administration and the Congress who gave us these controls and the resultant beef freeze, food and fuel shortages, and who gave us only political answers to our economic problems.

Only a consistent, sound fiscal and monetary policy can return our economy to a position in which stable growth and stable prices are the rule rather than the exception.

To this direction, I am committed.

PERSPECTIVE ON THE ENERGY SHORTAGE: THE LAST LEGACY OF VIETNAM

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. DELLUMS. Mr. Speaker, in this brief overview of this important conference, I would like to divide my remarks into three areas:

First. Parameters of the energy shortage;

Second. Conflicts raised by the shortages; and

Third. The last legacy of Vietnam.

I would like to begin by sketching what I see are some of the key parameters within which this conference will operate over the next 3 days:

First. In absolute terms, there is no real current shortage of energy. Instead, I see that there is a definite shortage of available energy at prices which consumers are accustomed to paying. If prices were high enough—and discounting all other related factors—there would be no current shortage;

Second. Current energy delivery systems are the catalyst of our current economic system;

Third. Bad as things may seem to be here in the United States, this Nation is probably much better off in every possible way than most other industrialized countries, and certainly we are not hit as severely and drastically as virtually every lesser developed economy;

Fourth. Overreaction to the current shortage could have extreme and long-term disastrous effects;

Fifth. Government policies have probably contributed more to the current shortages than any other set of factors. Yet it is consumers who are being asked—and required—to assume most of the adjustments;

Sixth. If we indeed are moving into an economic downturn, that situation is only aggravated by the energy shortage—and was not caused by it;

Seventh. Existing environmental control legislation did not cause the energy shortage; and

Eighth. Finally, the point I will develop more fully later, the current energy shortage is the last major economic legacy of the overall distortions brought about by 10 years of direct U.S. adventurism in Southeast Asia, and that current American support of repressive regimes in Saigon, Cambodia, Laos, and Thailand is diverting and paying for as much as 65,000 barrels a day.

Given those parameters, many of which will be discussed and analyzed in upcoming panels and presentations, I see that the energy shortage has created a series of critical conflicts which must be resolved in both short- and long-range terms. Here is what I see as topmost of those conflicts:

First. How are we to balance inconveniences brought about by the shortages against realities of absolute survival for both families and nations? How do we measure the discomfort caused by longer waiting lines, marginally lower temperatures and speed limits and curtailment of some activities against the real dangers that families may starve or die if they are cut off from energy?

Second. Can we afford to sacrifice the environmental control advances we have just started? In my view, important environmental legislation such as the Clean Air Act, is not cosmetic; these laws were passed to save lives and to insure future health and safety. Easing them now would only mean that whatever we have gained might be completely lost, and that future costs of just getting back to where we are today would be huge and the problems difficult;

Third. How do we deal with the economic trade offs between jobs and inflation. Must we abandon existing concepts and goals of a full employment economy?

Fourth. How do we measure growth as compared to real development? Is more for more's sake a true objective, or should we be talking about redistribution of wealth, income, and power within current limits and levels;

Fifth. How should the share of adjustment be allocated? If past Government policies have led to overconsumption of certain energy forms by all sectors—consumers, industry, and Government—why should the readjustment process aim to burden consumers more than either industry or Government?

Sixth. Are we to allow the greatest thrust for monopolistic control of our economy—and society—to go unchallenged, and, if not, what must be done to stimulate real competition? The petroleum industry conceivably could—and probably would like to dominate all enery sources and delivery systems. For example, we have found that the oil industry already controls the rate of energy research and keeps for itself most of the critical information needed by Government and consumers about energy supplies, technology, and costs. It is fairly apparent that current Government policies favor maintaining the current system, and that there has been a large lack of effective application of existing laws to control monopoly and monopolistic behavior; and

Seventh. Finally, we have the conflicts raised by Government policies and programs themselves. What should concern us very much is the fact that the Nixon administration is now asking for major new powers giving the executive branch vast discretionary controls—and generally taking power away from the legislative branch—a move which would reverse many recent trends.

For example, the administration's energy bill called for a complete turnaround in constitutional roles, with Congress giving broad powers to the executive with the legislature retaining only a veto power over presidential actions. In addition, the Nixon approach would:

Create a Federal "energy police" with the power to delve into many personal activities;

Establish a Federal bureaucracy with the authority to determine priorities in the allocation of scarce fuels and to decide whether individual use of energy is essential or nonessential in their terms;

Limit or ban Sunday travel, thereby interfering with the free exercise of religion and the individual right to choose whether to use limited fuels for travel to church or work or for recreational purposes;

Issue orders and regulations, directly or indirectly through an administrative agency, which become effective immediately without any requirement for public hearings until afterwards. Enforcement of such orders against uninformed, or inadequately informed, individuals or businesses constitutes a dire violation of due process;

Restrict the energy use of the communications media, thereby endangering first amendment rights; and

Delegate authority to States which in turn could set up their own enforcing authorities and bureaucracies within these same Federal guidelines.

Those are some of the policies proposed to solve the energy shortage. Let's look now at what past government policies and programs have given us.

First. Start with price policies.

Government price controls held prices at artificial levels which then led to:

Subsidized consumption of the price controlled fuel versus other energy sources;

Subsidized investment of resources into developing the cheaper fuel rather than alternative sources; and

Overconsumption within an economy where the price is artificially maintained at the expense of other nations where there are no such controls.

Two examples are important testimony to the pitfalls of Government price controls. The first is that of cheap gasoline which meant more cars, more pollution, more suburban land development and sprawl and less mass transit. The second is that of wellhead controls on natural gas prices, controls which affected only interstate sales and shipment, but did not apply to intrastate conditions. The result was a massive shift by industries to States where they could get all they wanted at nonregulated prices, thus lowering the supply of natural gas for interstate customers—most of whom turned out to be consumers. Another result was that cheap natural gas was used in activities made economical only by the artificial price, instead of more logical alternative fuels.

Second. A second area was that of the Government imposed import quotas on petroleum, quotas which did not benefit consumers, but instead maintained markets and prices for the oil industry. And there is ample indication that the import quota levels were decided by political factors and favortism, not by any rational economic decisionmaking.

Third. Next is the big area of the Governments tax preferences granted the oil and energy industry.

Because it is one thing to compain about high windfall profits and another thing to realize that current tax favortism allows the oil industry to get away without paying any fair tax share:

Five oil companies with net income in 1970 o f$8.4 billion paid an average income tax rate that year of 2.5 percent.

Nineteen oil companies with total net 1970 income of $11.4 billion paid an average rate of 6 percent.

The highest rate paid that year for those companies was 32 percent; the lowest rate was 1.2 percent

Fourth. Consider next the Government trust funds—the most obvious being the highway trust fund—which are used to build specified projects—such as more and more highways—without any rational land-use energy transportation planning or priorities.

Fifth. Finally, in this abbreviated list of Government policies which have directly contributed to the energy shortage is the area of distorted regulatory actions. Like so many other areas, the agencies established to regulate the energy industry have become the clients of the industry, to the absolute detriment of consumers.

So far, I have discussed some of the parameters upon which this conference is based and some of the conflicts raised by the shortage. Now, I would like to concentrate on an area that I believe has not received much attention to date, but is of critical importance.

That topic is the relation between Indochina and the energy shortage.

According to a new study by the Indochina Resource Center, at the height of American involvement in Vietnam, the Defense Department's share of total national consumption of oil fuels doubled to the point where the military was consuming 8 percent of all oil in the United States.

Last year when the United States was bombing Cambodia, experts estimated that 3 million gallons a day were being used by the bombing operations.

As it is, the United States is today sending 65,000 barrels a day to support current military operations in Southeast Asia. Air Force bases in Thailand consume approximately 26,000 barrels a day; the 140 aircraft stationed on two of the 7th Fleet's aircraft carriers off the coasts of Indochina use approximately 13,000 barrels a day; the 7th Fleet's own naval operations consume another 26,000 barrels a day. And these figures do not include the amount of fuel used just to transport the other fuel to Indochina.

That figure of 65,000 barrels a day for Indochina is interesting, since the new Federal allocation of fuel to truckers in settlement of their slowdown equals 76,-

000 barrels a day. Or, as the Indochina Resource Center study notes:

> If the Defense Department were to curtail its fuel shipments to Southeast Asia and instead allocate that fuel to this country's over the road truckers, no fuel would have to be diverted from other sectors of the economy to satisfy the truckers demands for 100% fuel allocation.

Here is another perspective on that 65,000-barrel-a-day amount. According to best estimates, civilian fuel consumption in Southeast Asia ranges at around 35,000 barrels a day, while military operations utilize around 84,000 barrels a day. And that military level will jump drastically if South Vietnam undertakes any major new offensive; according to the South Vietnamese Embassay's Vietnam bulletin, during the spring 1972 offensive South Vietnam's Armed Forces used three times the amount they are now consuming.

And perhaps, because of the energy shortage, there just may be a marginally better chance for real peace in Southeast Asia. Given the already tight constraints on domestic fuel use and the realization that most of the fuel needed by the existing regimes in Saigon, Cambodia, and Laos would be diverted from U.S. supplies, I question whether the American public would allow Nixon and Kissinger to make such a move—because if you think there is a shortage now, just imagine what would happen if the flow of fuel to Indochina were increased by a factor of 10.

I do think that as long as the prevailing philosophy in the Defense Department and State Department remains that the United States should both police the world and make it over in America's image that we always will be faced with critical resource shortages here at home.

For—like it or not—the energy shortage is not unique, nor is it isolated from other related shortages of these critical resources. The period of this Nation's unlimited affluence is over—there is no such thing as a free lunch. And we must be prepared to question many of our traditional—and sacrosanct—habits and philosophies.

We are slowing moving away from two decades of foreign policy which have bankrupted this Nation—and the world—in both humanitarian and economic terms. Our imperial adventurism has cost not only millions of lives, but also the widening of the gap between haves and have-nots.

Our own economy which has been beset by an unprecedented trend of both soaring inflation and unemployment now is slowing down altogether. The myth of the wartime boom should be exposed as nonsense by these trends.

But, finally, behind all these trends and statistics, there still lurks the grim reality that today our Government still funds repressive and authoritarian petty dictators like Thieu, that our tax dollars are still being used to prop up a regime which imprisons and tortures hundreds of thousands of political prisoners, that our Government still clings to conventional wisdoms about the future of Southeast Asia and the third world, that we still are responsible for continuing this tragic, illegal, immoral, and insane adventurism throughout Indochina.

So, to paraphrase a recent saying, "two decades of Vietnam are enough," and as we sit here dealing with the energy shortage, we must not forget how much that shortage is a legacy of Vietnam and that we cannot solve the one problem without dealing with the other.

U.S. EXECUTIVES HOST SOVIET OFFICIALS TO PROMOTE TRADE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. ASHBROOK. Mr. Speaker, according to a February 16 article in the New York Times, a number of American business executives, including the chairman of General Motors, intend to bring Soviet trade officials to their local communities this month to seek grassroots support for increased trade with the Soviet Union. This plan, devised by the U.S.-U.S.S.R. Trade and Economic Council, is purportedly designed "to combat a growing anti-Soviet mood in the country that threatens to block further expansion of Soviet-American trade."

Is it any wonder that there is a growing anti-Soviet mood in the United States? The Soviet Union's treatment and exile of novelist Alexander Solzhenitsyn is just the latest of the outrages perpetrated by the Kremlin on its own people. Americans abhor the repressive tactics of the Soviet regime and increasingly are questioning whether the United States should trade with a nation which cannot tolerate the intellectual independence of one man.

Following is the complete text of the article from the New York Times:

[From the New York Times, Feb. 16, 1974]

U.S. COMMUNITIES TO MEET RUSSIANS

(By Bernard Gwertzman)

WASHINGTON, February 15.—About a dozen business executives, including the chairman of General Motors, intend to bring Soviet trade officials to their local communities this month to seek grassroots support for broadened commerce with the Soviet Union.

The "person to person" plan, devised by the U.S.-U.S.S.R. Trade and Economic Council, represents another effort by American business leaders—backed by the Nixon Administration—to combat a growing anti-Soviet mood in the country that threatens to block further expansion of Soviet-American trade.

PLANNED SOME TIME AGO

"We want local communities to meet the Russians and to realize that trade is not an esoteric issue—that jobs are at stake and the resources we need to fuel our plants," said Harold B. Scott, president of the American side of the council, in a telephone interview today.

The trip to this country by the Soviet officials, led by Nikolai S. Patolichev, the Foreign Trade Minister, was planned well before the Soviet Union's arrest and expulsion of Aleksandr I. Solzhenitsyn this week, trade council and Administration officials said.

But they acknowledged privately that the Solzhenitsyn case would probably cast a shadow over the visits of the Russians to American cities. Questions are sure to be raised about the propriety of doing business with a state that treats its most notable living novelist in such fashion, they said.

A hint of this view was provided today by Senator Henry M. Jackson, Democrat of Washington, who strongly attacked the Administration for not decisively criticizing the Russians about the Solzhenitsyn case.

JACKSON LEADS FIGHT

Mr. Jackson has led the fight on Capitol Hill to block liberalized trade with the Russians until Moscow allows unrestricted emigration of its citizens. The so-called Jackson Amendment has the support of majorities in both houses of Congress. It would bar the granting of normal tariff status to the Soviet Union and deprive the Russians of United States Government-backed credits.

Secretary of State Kissinger, in a news conference on Wednesday, said the United States always supported freedom of thought and that efforts to improve relations with Moscow did not reflect approval of the Soviet system.

But he said, explaining the reluctance of Washington to debate with Moscow on the Solzhenitsyn case and similar ones:

"The necessity of détente is produced by the unacceptability of general nuclear war under present conditions. The accumulation of nuclear arms has to be constrained, if mankind is not to destroy itself."

Accusing Mr. Kissinger of "waffling" on the Solzhenitsyn affair, Mr. Jackson said:

"The Administration has posed a false choice between avoiding nuclear war and keeping faith with traditional values of human decency and individual liberty.

"It is false and misleading to suggest that the pursuit of peace requires official indifference to the fate of those brave men and women who are struggling to resist tyranny.

"It is high time for the Administration to indicate that the pace of the developing détente, and the inevitable accommodation on our part that this will require, must be conditioned on reciprocal accommodation by the Soviet Union."

DAMAGE SEEN CURTAILED

Several State Department officials, asked their view of the Solzhenitsyn case, seemed to agree that by expelling rather than imprisoning the novelist, the Soviet authorities limited the extent of the damage to the policy of improving relations.

"You could probably argue that because of Détente, the Kremlin has to treat Solzhenitsyn more carefully than if this was the old cold-war days," one Soviet specialist said.

Mr. Kissinger still plans to visit Moscow late next month to discuss arrangements for Mr. Nixon's planned trip to the Soviet Union in June, State Department officials said.

The 20-man delegation headed by Mr. Patolichev will arrive in New York on Feb. 24 and go directly to Washington for a meeting of the Soviet-American trade council on Feb. 26 . . . the first formal meeting of the group that was set up after last June's visit to the United States by Leonid I. Brezhnev, the Soviet Communist party leader.

Mr. Patolichev shares the honorary chairmanship of the council with Treasury Secretary George P. Shultz. The working chairmen are David M. Kendall, chairman of Pepsico, and Vladimir S. Alkhimov, Deputy Foreign Trade Minister.

President Nixon is expected to meet with Mr. Patolichev Feb. 26 and reaffirm the Administration's determination to fulfill its commitment to secure liberalized trade treatment from Congress.

After the meeting, each of the American members of the Council—there will be about 20 on each side—plans to bring a Soviet official back to his local community.

Most of the Russians will stay in local hotels, a council official said.

U.S. EXPORTS MORE

While in the community, the Soviet official will not only visit the host's company, but is also expected to meet civic and business leaders and acquaint Americans with the possible advantages that increased Soviet-American trade might have on the community's economy, Mr. Scott said.

"We expect the Soviets will talk about the problems of getting Soviet-American trade in balance," Mr. Scott said. At present, excluding the heavy grain sales of 1972–73, Soviet-American trade is running about $600 million a year, with the United States exporting about three times as much as it is importing.

Moreover, the Russians have proposed joint ventures to exploit natural gas and other materials in Siberia. But that project has been held up over uncertainty with long-range American energy policy and the problem of guaranteeing sufficient American credits to pay for the sale of American equipment.

Under the council's tentative plans, Mr. Patolichev will accompany Richard C. Gerstenberg, the General Motors chairman, to Detroit. Other pairs are these:

A. W. Clausen, president, Bank of America, San Francisco, with Yuri A. Ivanov, chairman, Foreign Trade Bank.

Edgar F. Kaiser, chairman, Kaiser Industries, Oakland, Calif., with Nikolai N. Inozemtsev, deputy chairman, State Planning Committee.

C. Peter McColough, chairman, Xerox, Rochester, N.Y., with Vladimir A. Salimovsky, head of the Soviet Patent Trading Organization.

C. William Verity Jr., chairman, Armco Steel Corporation, Middleton, Ohio, with Nikolai P. Maksimov, president, Soviet Metallurgic Import Agency.

Dr. Armand Hammer, chairman, Occidental Corp., Los Angeles, with Nikolai G. Isipov, Deputy Foreign Trade Minister.

David Rockefeller, chairman of Chase Manhattan, Benjamin F. Crane, a New York attorney, and Howard L. Clark, chairman of American Express Co., will give a lunch in New York in honor of Mr. Alkhimov and some others to introduce them to many New York businessmen.

WOMEN CAN NOW BE CHECKED FOR GENETIC DISEASE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Ms. AZBUG. Mr. Speaker, I would like to call to the attention of my colleagues an unusually interesting and informative article on a most unpleasant subject, that of genetic diseases. But the article is not one of despair, Mr. Speaker, for it describes a procedure that can detect such diseases before birth.

The article, by Dr. Amitai Etzioni in the November 1973 edition of Psychology Today, describes a new procedure called amniocentesis in which fluid samples from the womb can be withdrawn and analyzed to determine if the fetus has one of many genetic diseases.

Amniocentesis does have its mental and physical risks, however, and they are described explicitly.

Dr. Etzioni also conducts a discussion on the reasons many obstetricians will not inform their patients amniocentesis exists.

Perhaps most importantly, however, the article examines basic questions involving the fundamental right to control one's own body. Dr. Etzioni postulates that this right is so elusive in America because it is no longer a personal question but inextricably bound to our total "legal, economic, political, institutional continuum."

Mr. Speaker, I hope my colleagues and all Americans of both sexes find these topics of use, topics which the author whose writing follows calls "public aspects of our personal lives."

The article follows:

DOCTORS KNOW MORE THAN THEY'RE TELLING YOU ABOUT GENETIC DEFECTS

(By Amitai Etzioni)

If a raving maniac struck your child on the head with an iron bar, causing mental retardation, reduction of life expectancy to seven years, and institutionalization, the act would be considered a horrendous crime. The perpetrator would be instantly incarcerated.

When a physician refrains from telling a woman that her next child may be a mongoloid and that the tragic birth can be avoided, and then she bears a retarded child who dies young, nobody makes a fuss. As a matter of fact, many hundreds of thousands of women are not told. Three out of every hundred children born has a genetic defect, two more have a hidden genetic malformation that will affect them later in life (causing such illnesses as spinal cerebellar degeneration, which is a hereditary disorder of the central nervous system, appearing in the mid-20s, of Huntington's chorea, which causes a deterioration of the brain, usually between ages 30 and 60). However, a rapidly increasing number of these illnesses can now be avoided.

Until the early '60s, each child conceived represented a gamble. Researchers and doctors could tell pregnant women that the older they were, the likelier they were to have children afflicted by any one of a large set of crippling or even fatal, genetically caused diseases. Doctors could even give prospective parents fairly precise probability estimates. Yet, every woman who wanted a child had to take her chances, because statistical projections, of course, tell you nothing about the outcome of individual events. Thus, if you are told there is a 25 percent probability that your next child will be a mongoloid, you still don't know what your next child would be. Nor do you know whether out of three or five children all or none would be mongoloids, or whether your present pregnancy is any different from what future ones will be. Such a formulation provides a rather poor guide to action: it leaves parents only two drastic choices: the gamble that the next child will be all right, or the decision to have none.

A SIMPLE TEST

While many prospective mothers are still left with only these two choices, the situation need no longer be so drastic. A relatively simple test called amniocentesis can tell, with a very high degree of accuracy, whether or not the specific fetus a woman is carrying is deformed. Now even a woman with a high predisposition to mongolism can have healthy children.

The test is done by inserting a hollow needle into the sac in which the fetus floats. The doctor withdraws some of the fluid and sends it to a laboratory. Here, fetal cells found in the fluid are grown in a culture and subsequently studied to determine whether they carry any one of 40 or more (the number is rapidly rising) genetic abnormalities. If the test is negative, the parents can be quite sure the child to be born will not suffer from these diseases. If it is positive, prospective parents usually choose abortion, soon to be followed, in most cases, by another pregnancy. Other, later embryos can also be tested. In this way, a couple can be, in effect, secure of a child free from mongolism and other diseases like Turner's syndrome (which entails severe sexual abnormalities). Tay-Sachs disease, or galactosemia. Tay-Sachs occurs almost exclusively in Jewish families of Eastern European descent; infants become blind, deaf and mentally retarded, with death usually following in the second or third year, Galactosemia, a metabolic disorder, can mean cataracts, cirrhosis of the liver, or mental retardation.

THE DOCTORS DECIDE

Many doctors I have interviewed are not familiar with amniocentesis; many more reply that they would not inform a pregnant woman about the availability of amniocentesis, or would do so only if the woman was over 40 years old, an age at which the risk of having a genetically deformed child sharply rises. (The risk of mongolism is one in 3,000 for women under 30; one in 600 for those aged 30 to 34; one in 280 for those 35 to 39; one in 80 for ages 40 to 44; and one in 40 for ages 44 and up, according to Virginia Apgar, clinical professor of Pediatrics at Cornell University Medical College.)

* * * * *

DOCTORS' CATCH NUMBER ONE: "THE RISK IS TOO HIGH FOR YOU"

Unlike new drugs, new medical procedures are not reviewed by any public authority or agency to determine their safety. Hence, each doctor must personally decide about amniocentesis, and there is strong disagreement about how dangerous it is. One doctor flatly stated: "It [amniocentesis] is safe"; he uses it freely. Another said it should be *required* of all pregnant women. But most doctors oppose the test because they think it entails risks that are "too high." What are those risks? How high is high? And, how does one determine which risks are "too high"?

* * * * *

The test presents a variety of risks, which differ in severity and frequency and are harder to total up than, say, the risk of being mugged or being involved in a traffic accident.

The list of risks runs as follows:

Between one and two percent of the women tested will have a spontaneous abortion after the test is made. (Some of these abortions might have occurred anyway, since most tests have been done for older women who have a higher rate of spontaneous abortion.)

Three percent of the women tested suffer an infection as the result of the procedure, but most infections respond to antibiotics.

In eight to 10 percent of the women, the test will cause some bleeding because the needle has punctured the placenta; in some cases there will be a puncture of the bladder; in some, of the intestines. All but the last, which seems very rare, usually have no serious consequences. Also, in those few cases, where both the mother's blood vessels and those of the fetus are punctured, and the mother is Rh negative, and the fetus Rh positive a reaction will tend to result that may adversely affect future pregnancies.

There is no record of fatality of an expectant mother.

In very rare cases—there are only two or so on record—the needle punctures the fetus and harms it; in one case, an eye was lost.

* * * * *

(Had we studied amniocentesis instead of, say, defoliants for the war in Vietnam, we would know much more about the exact degree of risk; after all, the procedure has been used to collect genetic information for over 10 years.)

* * * * *

WE MUST JUDGE NOW

We must judge the acceptability of these risks now, and decide whose values will be used in such judgments.

* * * * *

For example, a one-percent to two-percent danger that the fetus will be lost because of a test aimed at securing a normal child will seem, and in this sense will be, extremely high to a 40-year old woman who is desperate to have a child and who is quite willing to accept a deformed one rather than risk not being able to conceive again.

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I cannot see what moral or other basis doctors use to disallow the prospective parents to render their own judgment. * * * I quarrel with those who do not give their patients the information that they do have a choice, and, if a woman wants the test, provide the necessary referrals if they themselves cannot or will not administer the procedure.

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DOCTORS' CATCH NUMBER TWO: "THE DECISION IS TOO MUCH FOR YOU TO HANDLE."

Several of the doctors interviewed, and several who have written about the test, state that if a woman came to them to ask about amniocentesis, or was seriously worried about the abnormality of her fetus, perhaps because of a family history of genetic illness, then, oh yes, they would tell. But they would not suggest to a woman who did not fear genetic malformation the possibility that her child might be severely deformed. "Not on your life," my own doctor told me. They say, this would cause her anxiety, even if the test was negative. * * * This anxiety, they say, would harm both the woman and her fetus.

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Of course, the test is worse than useless if it cannot be followed up by an abortion, but the country has already allowed abortion for other-purposes, despite the possibility of these psychological problems; it can hardly reject it for this purpose.

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Could a few therapeutic discussions or group sessions for women who face the same problem reduce the anxiety to quite tolerable levels? "That is not our business," a conservative doctor exclaimed. *We* had better make it ours.

DOCTORS' CATCH NUMBER THREE: "GENETIC INTERVENTIONS WILL DEBASE THE RACE"

Some of the many doctors opposed to the test echoed an objection that several distinguished scientists have stated: What about the welfare of the race? They fear that new medical developments, interfering with natural-selection processes, will lead to an ever weaker, less fit, race.

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On the face of it, these arguments would lead one to favor massive use of amniocentesis to try to correct for all of these faults by "weeding out" weak genes. However, other scientists have pointed out that biological traits that are highly undesirable in the present condition might be essential for survival if our environment were to change. Thus, sickle cell anemia, a terrible illness which plagues many black Americans, might be eliminated one day, only for us to find out that it is a useful combatant to malaria. It would serve us all well following a breakdown in civilization, say after a nuclear war, or—if we are sent to serve in Vietnam. Similarly, diabetes has been characterized as a "thrifty" genotype, useful when food supplies are very limited and "deleterious only in the context of the grossly excessive and unbalanced diets which characterize our civilization."

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If you tell a woman not to use amniocentesis because the race might suffer, you are either grossly misjudging the scope of the damage or implying a superiority of the society's needs over those of individuals.

DOCTORS' CATCH NUMBER FOUR: "DOWN THE SLIPPERY SLOPE"

"One thing leads to another; you're better off not touching the stuff, because while some of it may seem quite OK, soon you slip into even further out and more dangerous usages," some doctors say. The argument is familiar: it has been advanced to tell marijuana smokers they will end up shooting heroin, to tell girls that premarital sex will lead to promiscuity, and, now, to tell prospective parents that while amniocentesis might be quite fine for detection of mongolism, it opens a whole Pandora's box of genetic tricks.

Indeed, the answer is far from obvious. Mongolism is usually such a severe affliction that the decision of what to do about it is relatively straightforward. But the rapidly rising number of other genetic abnormalities, which can be detected by amniocentesis and by other means, offers no such clear indications.

Thus some genentic abnormalities generate only relatively mild disorders such as PKU and diabetes, which can be treated by strick diets or drugs. If the fetus is diagnosed as having these disorders, should the couple abort it, betting on a normal fetus next time, or should they allow it to be born and lead a less than normal life?

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Moreover, amniocentesis can be used to discover not only disorders but also to discover undesirable biological attributes, for example, so called "criminal genes." There is accumulating evidence that people born with XYY genes, one out of every 1,000 male births, may have a predisposition toward criminal insanity.

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Should the parents be spared the information? And *who* shall decide whether they should be spared or not? Does each doctor decide? The *state* health authorities? An AMA—or APA—Committee?

CHOOSING A CHILD'S SEX

The test also reveals quite easily whether the fetus is male or female. Most doctors, including those who are quite willing to recommend amniocentesis for health reasons, adamantly oppose people taking the risk for such a "whimsical, arbitrary" reason as learning the sex of their child. "If they are that desperate to have a boy (or a girl), let them adopt one!" exclaimed one doctor. But a survey commissioned by WNBC-TV in May 1972, revealed that * * * one out of four Americans seems to feel rather strongly that they would rather have a child of his "own."

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And many have strong feelings about the desired sex of their child. Can we tell them: "No, you're not allowed"? Is it OK for medical societies, in effect, to pressure their members to refuse intervention for these nontherapeutic, eugenic purposes, by defining such utilization as "*unsound* practice"? * * * And, if use of the procedure for this purpose is prohibited, will other interventions, to get a taller child (relatively easy) or one with a higher IQ (maybe impossible) also be outlawed? If so, *by whom?* If not, who shall decide?

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There are alternatives, amniocentesis is not the only was of intervening to affect the genetic composition of the future person. People can affect the heredity of their offspring by having their genes tested in high school, and then avoiding what might be a genetically unsound marriage. For example, a match between a man and woman who each carry the sickle cell trait produces a one in four chance that their children will have sickle cell anemia.

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Again, people may wish to complete their families while they are young, because the incident of genetic illness rises with the age of the mother. Should people to whom less risky procedures like these are available be steered away from amniocentesis?

A QUESTION OF AUTHORITY

All of these "catches" raise—directly or indirectly—a question of authority. Who speaks for society? Who decides what people are told or not told? What steps are recommended? What interventions are to be discouraged?

Most doctors argue that all these decisions are best left in their hands. * * * At least the doctors say, if they go as far as to bring the patient into their decision, doctors should retain the right to render the "ultimate decision."

I say that the roles should be reversed: the doctor should advise the patient; the patient should make the ultimate decision. If people are allowed to have abortions that do entail a risk without accounting to anybody, I fail to see why amniocentesis is any different—unless of course future studies show a much higher ratio of serious consequences than now is known.

WHO IS THE AUTHORIZING PARENT?

So far it is quite simple. It's not the doctor's values but those of the people whose lives are affected that should prevail. But there are some additional complexities. First, who should be the authorizing "parent"? The prospective mother? She and her spouse? Should not a woman have the final say over her body? Should one risk the well-being of a fetus without consulting the husband-father? It is too easy to say that both man and woman should decide, because a couple may not agree between themselves. Should a doctor refrain from action unless both parents agree? * * *

If one endorses a basically libertarian view, as I do, that an informed adult should make up her or his own mind as long as there is no clear and present aggregate danger to society (and ultimately to the individual) from these decisions, there still remains the question of whether the test should be promoted (or even required) because of potential societal good. Take mongolism, which costs us 1.7 billion a year. Many people who have mongoloid children don't raise them; they abandon them to public institutions where they decay and die. One can quickly reject the idea of requiring the test, because of the horror of forcing women to be tested and perhaps undergoing abortion. But why not at least promote the test? Why shouldn't public-health departments advertise: If you check your fetus, you'll get a normal child, and we will all share the billion saved?

* * * * *

The answer to all the varied and complex questions raised by the introduction of amniocentesis, which is just one tool of genetic engineering and forerunner of many to come, is to be found, in part, in a new institution, and, in part, in new politics.

A COUNCIL OF SAGES

If we are not to repeat the mistakes of industrialization, when new technologies forced their way into society and made it adapt to their needs, we must review, examine, screen and guide the new biological techniques. To scrutinize these new techniques, we require, first of all, the modern equivalent of a tribal council of wise people to reflect on these matters and pronounce their recommendations. They may, for instance, urge the public-health departments actively to promote the use of amniocentesis to combat mongolism; suggest that doctors consult both spouses, not just the wife, when amniocentesis is indicated; ask for greater tolerance for its use for sex choice, and so on. The council's advice should not replace or consider individual choices but further seek to inform the individual. Thus, the ultimate decision would continue to rest with each person. But she (and her husband, if any) will be made aware of the opportunities, risks, catches and considerations pointed up in the careful deliberations of a wise body.

This modern equivalent of the tribal council will have to include not just scientists but also humanists, the theologians, and social scientists. Such a wide representation will help to assure that the whole person, not just specific individual needs, will be taken into account.

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INFORMING THE PUBLIC

The deliberations should be public, so that—like Congresssional hearings on other topics—they will generate a wide-spread public debate on the issues involved. Without it, the recommendations to emerge from the deliberations will probably not be supported by the public, and the development of new mores will not take place. . . . New definitions must be evolved to deal with such questions as when life actually begins (e.g., to allow for amniocentesis and abortion after four and a half months of pregnancy, which many people still emotionally oppose) and when it ends.

Senator Walter Mondale has suggested that such an authoritative body be set up as a Congressional Commission. The Senate, at one point, unanimously endorsed the idea, but the House did not act, and the Commission is now in limbo, it should not be.

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All suggestions are important, but they leave one with the feeling that the problem would not be adequately handled. What is missing?

PERSONAL LIBERTIES AND CIVIC INTERSECTIONS

On the face of it, the libertarian answer may seem to provide a sufficient response. "Let each person make up her or his mind; let society—through a council of wise persons—inform the public and alert it to the issues involved, so decisions will be educated. There is no place for Government control in these matters."

On second thought, the issue becomes more of a political concern, because our personal decisions are not made in a social-political vacuum. Thus, we may be all in favor of amniocentesis, but in many parts of the country, it is still difficult even to get an abortion, especially in a public hospital. We might favor waiting longer to "pull the plug" on a terminally ill patient, but the soaring cost of hospitalization may make such delays a luxury only the affluent can afford. We may favor sex choice, but if the AMA labels this (or any other such practice) "unsound," doctors may then very well lack protection in case of malpractice suits and therefore refuse to render the service. And so on.

In short, what we can do as citizens in regard to our bodies, is, unfortunately, not just a personal question between us and our families, us and our physicians. The whole legal, economic, political, institutional continuum has to be dealt with. And whether we like it or not, the road to personal liberties passes through many civic intersections; we must participate in shaping the conditions of our lives so that we will be able to be masters of our own bodies. Only when we devote more attention, time and energy to study and to act on these public aspects of our personal lives, will the political force necessary to countervail the technocrats, bureaucrats, and the research-*über-Alles* cult, be formed.

As war is too important to be left to the generals, our bodies are too vital to be left to genetic engineers and doctors.

A CRISIS OF FOLLOWERSHIP

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. HANRAHAN. Mr. Speaker, on Tuesday, February 12, 1974, the Washington Post carried an interesting and thought-provoking article by Joseph Kraft. I would like to submit that column for publication in the RECORD for the benefit of my colleagues who may have missed it:

A CRISIS OF FOLLOWERSHIP

(By Joseph Kraft)

("President Nixon has been crippled by Watergate. But the country has not, as all presidential polls show, gone over to the Democrats.")

The leading countries of the advanced world, gathered here for the Washington energy conference, present a sad and puzzling spectacle. Their governments are growing weaker without their oppositions gaining strength.

In the absence of leadership, historic national diseases, born of the uncured afflictions of the violent past, are approaching fever pitch again. There is a crisis of followership.

Great Britain presents the classic example. Galloping inflation precipitated a clash between the Conservative government of Prime Minister Edward Heath and the coal miners. Mr. Heath, having zigged and zagged on inflation over the past year, was too weak to compromise gracefully. When the miners stuck fast, Mr. Heath, sensing a chance to score points off the divided Labor party, called a snap election.

Given Labor's weakness, the Tories are expected to win. But a pyrrhic victory at best. For as the electoral campaign starts, there is a surge of the British disease—class struggle, which has returned after a remission of some 40 years.

In France, the illness of President Georges Pompidou has precipitated a struggle for the succession. But the governing parties are split between the claims of a faithful Gaullist, former Premier Jacques Chaban-Delmas, and a more orthodox conservative, Finance Minister Valerie Guiscard d'Estaing. The opposition is divided between the Communists and the Socialists led by Francois Mitterand.

The upshot has been a spread of the French rash—the conceit (embodied in Louis XIV, the two Napoleons and General de Gaulle) that the world can only be at peace when France is running things. Messrs. Pompidou and Mitterand have dates with the Russians coming up. Foreign Minister Michel Jobert, after cutting a number of bilateral deals with Arab oil producers, arrives in Washington asserting that France is only "restoring, as often as we can, conditions which foster world equilibrium with progress of peoples and for peace."

In West Germany, Chancellor Willy Brandt has only just turned back a push against his leadership from within his own Social Democratic party. The Socialist insurgents could afford the challenge because the opposition Christian Democrats are in total disarray.

But the in-fighting has been accompanied by a marked German reluctance to cooperate with France in money matters, with Britain in support of its depressed regions, and with the U.S. in paying troops costs. The German affliction—the no-foreigners-are-going-to-take-advantage-of-us feeling—is having a reutrn engagement.

In Japan, Prime Minister Kakuei Tanaka has been buffeted by both inflation and the energy crisis. Though without serious challenge from the Socialist opposition, he has had to appoint his chief rival within the ruling Liberal Democratic party, Takeo Fukuda, to the key post of finance minister.

While sorting out internal disputes, the Japanese have found themselves increasingly pulled apart by contacts with rival outsiders—the U.S. and Russia and China and Formosa and Southeast Asia and the Near East and Europe. The Japanese disease—mordant introspection about Japan's role in the world—has made a comeback. When a leading European asked a Japanese professor about what role Tokoyo would play in the future, he was told: "No role."

In the United States, President Nixon has been crippled by Watergate. But the country has not, as all presidential polls show, gone over to the Democrats.

Instead, the country—truck drivers and all—is blaming its troubles on a conspiracy among people in authority, whether in government, business or abroad. The American rash—the know-nothing, levelling instinct known by its carrier as populism—is back in vogue.

Just why the atmosphere of politics throughout the advanced industrial world has soured is not clear to me. Perhaps the fault lies in the corrosive effects of inflation which is universal. Since the U.S. plays such a central role, it may be that troubles in Washington have had a ripple effect. Perhaps the ending of the cold war confrontation is responsible. Or perhaps all the conditions are at work.

In any event, it is not surprising that the international energy conference is only yielding modest results. The conditions are not ripe for large achievements by cooperation between this country and its friends and allies in any field. Great expectations are bound to be disappointed, and the best we can hope for is a long, slow uphill battle to achieve understanding in the face of what has now become a system of family squabbles.

ARTHUR BOSWORTH McGINLEY

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mrs. GRASSO. Mr. Speaker, I was saddened to learn of the death today of my very dear friend, the eminently distinguished dean of Connecticut's sports writers: Arthur Bosworth McGinley.

A newspaper journalist for 68 years and sports editor of the Hartford Times for over half a century, Art McGinley has made a deep and enduring contribution to the profession he loved and the people he served.

His long career began in 1905 when, at the age of 15, he started working as a part-time reporter for his father's newspaper the New London Day. His friendship with the distinguished playwright Eugene O'Neill has been a source of insight and information for theater scholars, and a delight to every theater buff.

Art joined the Hartford Times in 1920. In his years on the Times sports staff he developed friendships with professional athletes including Babe Ruth, Ty Cobb, and Mickey Mantle. He began in the 1940's to write two columns: One for the sports page and another called Good Afternoon on the people he knew and met. For 25 years he contributed each column six times a week. People in the greater Hartford area came to look to both columns as continuing sources of entertainment, insight, and cogent comment.

Over the years, Art attended literally thousands of banquets and sports dinners where he was in demand as a toastmaster and headtable wit. His attendance at dinners in Windsor Locks my hometown, was always a special pleasure. Art would delight his audiences with humorous and moving accounts of his many and varied adventures: He was always kind, warm, and friendly.

Art retired from the Times as sport editor emeritus last January 8. In characteristic fashion his comment on his retirement was "It's about time." Truly, he was a man of irrepressible wit and deep personal warmth and friendship.

One of Art McGinley's favorite expressions—a lyric he used often—went something like this:

> For, when the one great Scorer comes
> To write against your name.
> He writes not that you won or lost
> But how you played the game.

Art McGinley played the game of life like a champion. He will be sorely missed by all of us who knew him and cherished his friendship.

IF A JUDGE CAN, SHOULD NOT A POLICEMAN BE ENTITLED?

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. WOLFF. Mr. Speaker, we are all aware of the rampant inflation which besets the Nation. One of the primary reasons for this study increase in the rate of our inflation has been the inconsistency of the Cost of Living Council in implementing its 5.5 percent wage guideline. Because the Council has failed to adhere to its guideline, several unions across the country have not received the benefits afforded to their fellow workers, who have had their contracts sanctioned by the Cost of Living Council with an increase greater than 5.5 percent. The uneven hand of the Council has failed to consider the regional effects of our high cost of living, making this 5.5 percent guideline even more inadequate.

The Nassau Conty Patrolman's Benevolent Association recently reached a contractual agreement with the County of Nassau, providing a 7.5 percent increase in salary for the members of the association. The high cost of food, in rents, and in fuels within the New York metropolitan area requires that wage settlements within the region take into account this higher than average rate of inflation. To meet the financial needs of our police is just as important as fulfilling the needs of the rest of the working population. Just today, I received a letter from Federal district judges in New York also requesting support for a slated increase of 7.5 percent in pay. Are we to deny many of the Nation's finest jurists a well deserved increase in compensation? If judges are entitled to receive a 7.5-percent increase in pay, do not the police officers of Nassau County who serve on the front lines in the prevention of crime and the enforcement of laws subject to the same benefits? Certainly in light of the ravages of inflation in New York, the Cost of Living Council should strongly review its ill-considered decision.

THE SOLAR HEATING AND COOLING DEMONSTRATION ACT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1974

Mr. EDWARDS of California. Mr. Speaker, I regret that I was away from Washington and missed the vote on the Solar Heating and Cooling Demonstration Act, H.R. 11864, last week. As a cosponsor of this legislation and one vitally interested in the development and use of alternative energy sources to solve both our energy and environmental needs, I want to make clear that, had I been able to be on the floor, I certainly would have supported this important bill. I hope that it will be only the beginning of a great deal of constructive and creative use of the abundant clean power of the Sun.

I would also at this time like to have entered into the RECORD a copy of an article that appeared in the Sunday home section of the Los Angeles Times on December 30, 1973. Although, the article is short, it provides a very clear and specific description of one kind of solar house particularly suited to climates like that in southern California. The article follows:

THE SIMPLEST KIND OF SOLAR HOUSE

(By Dan MacMasters)

Before we talk about this most prophetic solar house, let us keep these four points in mind.

1. Our Southern California climate is the most nearly ideal in the United States, free of most extremes.

2. If we have a crisis, it is one resulting from lack of fuel, or power, but not of basic energy, sunshine.

3. We don't have to keep our houses at exactly 75 degrees the year around to be comfortable.

4. Simplest solutions are sometimes hardest to accept.

The house described here is the concept of a spare, intense chemist named Harold R. Hay, who says it could reduce the need for electricity by 60 percent in an all-electric home. He expects it to meet all its cooling needs in the Atascadero area and about 90 percent of the heating needs. Such a house in Los Angeles might meet all heating needs during moderate winters.

Hay has been knocking on academic and industrial doors for years with his ideas, but it took the fuel crisis to make people listen. The tangible result is this three-bedroom house constructed of concrete block. It looks conventional, if not inspired, and it will be lived in for a year by Mr. and Mrs. Roger Neudeck and their three small children.

The basic idea of a solar house is to collect heat when the sun shines and store it for use when needed. In Hay's Atascadero house, large water bags 10-inches thick cover the roof and absorb heat on sunny days. (These bags, of plastic, are a spin-off of the waterbed. The latter proved that you could bag up a lot of water and keep it in the house for several years with no risk of flooding.) The heat from the bags is gradually released over a period of as much as two days. Normally it would be absorbed during the day, released that night, absorbed again the next day, and so on. To control the release and direct it downward, there are panels on the rooftop that can be slid over the water bags. These panels are insulated, of course, as are the walls and floors of the house. Doors and windows are double-glazed for insulation, too. The house is thus an insulated box, except for the portion under the water bags.

But there's more. Hay also cools the house during the hot months by reversing his device, using the night sky as a heat sink. As the drawings show, in the summer the panels would cover the water bags by day, so that the bags would absorb heat from within the house while the sun's heat would be reflected. Then at night, the panels would be slid back and the heat in them released to the cool night sky. The insulating panels thus act as a thermal valve. (Hay calls his Los Angeles-based firm. Sky-Therm.) This dual capacity of heating and cooling is rarely encountered in solar heating systems. Such a house in the Los Angeles area could probably maintain a temperature in the low 80s during the hottest spell, eliminating the need for air conditioning.

The fewer the moving parts in any device the better. Here only the panels move, and this can be done by hand if the power fails. Normally they will be moved by electric motors, and ideally they would be activated by a combination of three thermometers—in the house, the water bag and the outside air—for maximum efficiency.

Another plus for Hay's concept is that this looks like any other flat-topped house. It can't have walls of glass, obviously, but the interior can be quite conventional. It thus should be easy for builder and buyer to accept. Many solar houses have their heat collectors—great areas of black—on a south wall, and they look unusual, if not unsightly. But then, that's what we said about TV antennas at first.

The house was personally financed by Hay and is being studied under a grant from HUD to the California State Polytechnic University at San Luis Obispo. The design was by Environmental Planning Consultants and the study is being directed by Prof. Philip Niles of the department of environmental engineering at Cal Poly. Atascadero was chosen as the site because the temperature there ranges between 10 and 110 degrees in the course of a year, and there can be a 30-degree differential in one day. The south wall is of block construction, and its heat-storing capacity is also being studied. East and west walls are external plywood over studs. On the north side are the carport, utility room and patio, and over them the insulating panels on the roof are slid and stacked to expose the water bags.

How has it worked so far? It's too soon to tell. Two omissions have affected performance. A plastic film was supposed to have been installed a few inches above the water bags to create a greenhouse effect, trapping heat that otherwise would be lost from the bags by convection. Also an area around the edge of the panels was not weather-stripped and insulated. The film and weather-stripping have since been installed, but not before the indoor temperature steadily declined to the mid-50s at the time of writing. It is also expected that installing of automatic controls, coupled to a sensing device, will increase efficiency perceptibly. But a full-scale test of the heating ability will probably have to wait until another winter. One thing is clear—there are no abrupt changes, no wild swings in temperature within the house, no matter what happens outside. The greatest daily inside change was three degrees. What happened was that each day the temperature dropped another fraction of a degree, and there was no recovery.

The occupants have a personal concern for environmental matters that enable them to take most deficiencies in stride. "When the thermometer dropped below 65 we put on a sweater," says Roger Neudeck. "But we also found that you can be comfortable at a lower temperature in this house because it's an even temperature. There are no cold walls or drafts." As with all radiant heating there is no air movement, but he says they have not missed that.

People listen now when Harold Hay talks about "solarchitecture," as he calls it. He's been traveling constantly about the country with his here-and-now proposals. There's nothing of the visionary or mystic about him. He cites facts. Our houses in this area receive each day on their rooftops twice the energy each family needs. If we can use that sunshine for heating water—as in Japan, Australia and Israel—we'll save 15 percent of our gas or electric bill. If we also use the rooftop for heating and cooling, we could save up to 60 percent more.

This is not only a cost saving, not only a relief from the uncertainty of power blackouts. It also frees gas and electricity for essential uses in industry and public services. At the present time, about 25 percent of all electricity in the United States is consumed in the home. Reducing that figure to 10 percent or less would be a substantial savings in the power-hungry days ahead.

But what about solar cells and the generation of electricity on the housetop? At present, such cells are extremely expensive in terms of what you get from them. It will be some years, if ever, before they are widely used. What about the highrise apartment building? If it is properly oriented, heat collectors can be put in a south wall. And if properly insulated, it should stay cool in summer in our climate.

So you see why we call this house in Atascadero prophetic. And you can also see that we are now on the threshold of one of the great changes in architecture, and a good change. Away from the anonymous, international box and back to a responsive, responsible local architecture. By the end of this century when we look back at the house of the 1950s in which we grew up, it will seem as naive as the log cabin.

STREAKING WOLFPACK VOTED NO. 1 IN AP POLL

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ANDREWS of North Carolina. Mr. Speaker, basketball fans in North Carolina and along the eastern seaboard have been well aware of the prowess of the North Carolina State Wolfpack for some time.

Many of us have long considered them No. 1, and, with the publication of the latest Associated Press poll, this fine team coached by Norman Sloan is No. 1 in the Nation.

For far too long, the top spot has been held by a certain team on the west coast. Now this top ranking is held by North Carolina State University in Raleigh and in the Fourth Congressional District I am privileged to represent.

Members of the Nation's top-ranked include: Tommy Burleson, Michael Buurma, Bruce Dayhuff, Kenneth Gehring, Greg Hawkins, Craig Kuszmaul, William Lake, Mark Moeller, Steve Nuce, Timothy Stoddard, Jerry Hunt, Dwight Johnson, Morris Rivers, Philip Spence, Steve Smith, David Thompson, and Monty Towe.

Coach Norm Sloan is assisted by Edward Biedenbach, Arthur Musselman, and Sam Esposito.

It is with a great deal of pleasure to salute the North Carolina State Wolfpack on this achievement and to insert in the RECORD at this point yesterday's news story, "Streaking Wolfpack Voted No. 1 in AP Poll," from the News & Observer, and the editorial, "We're No. 1," from the Raleigh Times:

STREAKING WOLFPACK VOTED NO. 1 IN AP POLL

(By Bob Cullen)

"Where we really want to be Number One is in the ACC tournament and the NCAA tournament in March."

But for now, N.C. State basketball coach Norm Sloan is "pleased and proud" that his team is at the top in this week's Associated Press poll.

The Wolfpack, with 20–1 record on the season, edged Notre Dame for the top spot by 16 points after UCLA, the perennial poll leader, dropped two games over the weekend.

N.C. State had been rated second in most of the weekly polls since last season. The team was ineligible for tournament play last year because of a recruiting violation.

Sloan thinks the sportswriters who picked his club made the right decision.

"We're a vastly improved ball club over December (when State lost by 18 to UCLA in St. Louis)," he said.

"The two new starters on the team have come a long way. Morris Rivers (a junior college transfer at guard) is playing beautifully now, and Tim Stoddard at the big forward position is getting over a slow start.

"Defensively, we're coming together much better, particularly on our press. We've beaten two of the top five teams (Maryland and North Carolina) on their home court. We beat Purdue, which was leading the Big Ten, on their court."

Sloan stopped practice briefly to tell his players about the poll. They smiled a bit and posed for a picture. "We had it all the way," grinned Steve Nuce, a reserve center who was back to practice drills.

"It's not that we're not enthused," said 7-foot-4 center Tommy Burleson. "It's just that we have a lot of other things on our minds."

Those other things include four more Atlantic Coast Conference games, including one with sixth-ranked North Carolina next week.

Then it's the Atlantic Coast Conference tournament, in Greensboro, where the Wolfpack will have to prove all over again that it deserves the league's berth in the NCAA tournament.

North Carolina State, runnerup to UCLA in last week's balloting, received 30 first-place ballots and 1,034 points in Monday's voting by a nationwide panel of sportswriters and broadcasters. Notre Dame, No. 3 last week, tallied 22 first-place votes and 1,018 points for second place.

UCLA, 18–3, garnered only three of the top votes and 842 points after losing 61–57 to Oregon State and then dropping a 56–51 decision to Oregon.

Vanderbilt, which raised its record to 20–1 by beating Louisiana State 91–88 and Georgia 83–78, collected the only other first-place vote and 698 points, good for fourth place. Maryland, 17–4, helped by a 91–80 victory over No. 6 North Carolina, climbed into fifth place with 635 points while the Tar Heels slipped from fourth last week to sixth with 602 points.

AP CAGE POLL

1. North Carolina State 30	20–1	1,034
2. Notre Dame 22	20–1	1,018
3. UCLA 3	18–3	842
4. Vanderbilt 1	20–1	698
5. Maryland	17–4	635
6. N. Carolina	18–3	602
7. Pittsburgh	21–1	493
8. Alabama	18–3	383
9. Marquette	19–3	379
10. Indiana	16–3	296

WE'RE NO. 1

We're number one!

N.C. State's basketball team has scrambled to the top of Mt. Everest. The Pack has reached the pinnacle in the polls.

It is a rewarding moment, not just for the State fans, but for the entire University. It calls public attention to N.C. State University in a manner and with more effectiveness than has State's fine school of architecture and its excellent schools of the sciences.

State has been number one on many previous unheralded occasions. For example, it was N.C. State that came up with the cure for black shank, the tobacco disease that several decades ago laid waste the state's foremost crop and left thousands of penniless farmers in its wake. But it's not a thing remembered by rank and file.

Being number one in basketball is new and exciting to the University. Congratulations are in order.

But the players, coaches and fans should keep in mind that fame is fleeting.

One stumble and the crown is dashed to pieces. A Notre Dame, a Carolina or a Maryland is waiting to be crowned.

And there's always the ACC tournament, after that the regionals and then the NCAA finals. And there's always UCLA—despite three losses.

But today State fans, and these of other North Carolina schools, too, can savor the sweetness of the moment: "We're number one!"

LOYALTY TO PURPOSE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUNT. Mr. Speaker, it has been a year since the first of more than 500 prisoners of war were released by the North Vietnamese. For some, it has been a difficult year, but overall most adjusted surprisingly well to the cultural shock.

One who has done so is Col. John Dramesi, a constituent of mine from Blackwood, N.J. A man who became a nationally known figure overnight when his "prisonmade" flag flew over the podium at the White House dinner. A man who served 6 years in a Vietnamese prison. A man who escaped twice. A man who fought personal battles with his captors. But above all else, John Dramesi is a military man, a career soldier who has returned to the military because he has "loyalty to purpose," and "loyalty to country."

John Dramesi, one would suppose, would have ample reason to be bitter, ample reason to "chuck" the military uniform he so proudly wore. After all, he served his country with honor for 18 years and who could slight him for saying "I have had it."

Dramesi is not that kind of a guy, however. He values the military and its standards. If it had not been for that unwavering allegiance, that deep belief that what he was doing was right, he may never have survived his ordeal.

He is committed to freedom. But he is worried. Worried about complacency which seems to be running through the jugular vein of this country. A distinct feeling that we might not be willing to pick up the gauntlet again. Of particular concern to him is that the United States is becoming a second-rate military power and some are willing to accept this.

John Dramesi has fought and suffered for his country and he is willing to do it again. For 6 long years he was without his freedom. How many of us could cope with that?

Mr. Speaker, and my colleagues, I am proud to know Col. John Dramesi, an American soldier dedicated to country before self so that each one of us might live in freedom.

A RETREAT FOR RARE ANIMALS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. WHITEHURST. Mr. Speaker, the Washington Post had an excellent editorial in its February 20, 1974, edition regarding the need for additional "survival centers."

As what we like to call civilization continues to encroach upon the habitats of many endangered species, many of these species will become extinct, and their few survivors will be found only in zoos. We have the responsibility to see that zoos become more than "a few feet of concrete and steel," and that animals are given the space they need in order to live and breed.

My bill, H.R. 12047, would provide funds for the proper development of zoos and aquariums into appropriate homes for these creatures, many of whom will no longer be able to exist elsewhere. In addition, section 4(d) contains a provision for the financial assistance to zoos planning "survival centers" such as the one the National Zoological Park plans to establish.

Let me take this opportunity to congratulate Dr. Reed on this major step forward, as well as to urge my colleagues to assist me in effecting the passage of H.R. 12047.

The Post editorial follows:

A RETREAT FOR RARE ANIMALS

"It's breed or go out of business," said Dr. Theodore Reed, the director of the National Zoological Park, the other day, announcing the establishment of a breeding farm at the old Army Remount Station at Front Royal, Va. Many animals, Dr. Reed explained, insist on privacy to raise a family. Others need the choice and social interaction found only in the herd before they will mate. Neither condition exists in our crowded city zoos. Animal collections are, therefore, largely maintained by catching more animals in the wild. "We can't continue this," said Dr. Reed. "Most rare species are now protected by law. Unless we breed them in captivity, zoos won't have them. And captive breeding can be important to the survival of some species."

As Bernard Fensterwald, counsel to the Committee for Humane Legislation wrote on this page Feb. 7, a growing number of people want zoos phased out by attrition. "As animals in existing zoos die off, they should not be replaced," wrote Fensterwald. "Has man become so avaricious that he cannot spare endangered species more than a few feet of concrete and steel in which to 'survive'?" he asks.

It is our view that zoos should not be restocked at the risk of further endangering already endangered species. But we do not welcome the day when zoos are replaced by nature films on the life of animals in their natural habitats. So we applaud the initiative of the Smithsonian and its zoo in establishing the breeding farm. Among the first species to roam the farm's 4,000 acres will be Pere David's deer, a species that has long been extinct in the wild and survives only in captivity. Other zoos, incidentally, are invited to join in cooperative programs to send their rare animals to the Front Royal retreat.

CAPTIVE NATIONS

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mrs. BURKE of California. Mr. Speaker, Estonia, Latvia, and Lithuania have existed as distinct communities for hundreds of years. During the First World War, patriots in the three Baltic States seized the opportunity presented by the conflict between Germany and Russia, the distintegration of the czarist Russian Empire, and the general chaos to reassert national independence. Lithuania officially declared its independence on February 16, 1918. Although the Russian Army attempted to destroy Lithuania, occupying approximately four-fifths of it in 1919, the small armies of the three states succeeded in clearing the Baltic lands by the end of 1919. The next year, in 1920, the three Baltic States entered into peace treaties with Soviet Russia. In these treaties the independence and Estonia was recognized by the Russian sovereignty of Lithuania, Latvia, and Soviet Federated Socialist Republic. The latter "voluntarily and forever" renounced all sovereign rights over the people and territory of the Baltic States.

However, during the Second World War, the Republic of Lithuania became a victim of aggressions by Russia and Germany. As a result of secret agreements between those two powers, Lithuania was invaded and occupied by the Soviet Union Armed Forces on June 15, 1940.

The United States has never recognized the incorporation of the Baltic States into the Soviet Union. We have watched the admirable progress of the Lithuanians in self-government with deep and sympathetic interest. The people of the United States are opposed to any form of intervention on the part of one state in the domestic concerns of any other sovereign state. We are also opposed to any system which seeks to abolish the distinctive characteristics of nation, creed, and individuality.

The captive peoples should know that they are not forgotten, and that the people of the United States are not reconciled to their fate. We share a strong conviction that the people of Lithuania, Latvia, and Estonia are entitled to governments of their own choosing, and are looking forward to a day in the near future when the Baltic countries will again experience national independence.

ENERGY CRISIS

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. SANDMAN. Mr. Speaker, I am pleased to insert in the RECORD at this time a copy of my February 1974 newsletter to my constituents:

CONGRESSMAN SANDMAN'S FEBRUARY 1974 NEWSLETTER

DEAR CONSTITUENTS: For the past month, your Congressman has been occupied almost around-the-clock on problems and possible solutions to the very serious energy crisis, particularly the severe gasoline shortages in our area.

In my effort to get straight answers and prompt action to end this problem, I have met with Secretary of State Henry Kissinger on the complex global energy picture, with Energy Chief William Simon and many of his subordinates on the details of the fuel allocation, with Governor Byrne on the State's responsibility in this crisis, and with hundreds of my fuel supplying and consuming constituents in the Second District.

My mail is almost exclusively related to the energy crisis with communications about impeachment and other Congressional activities taking a back seat to this overriding public concern on energy matters.

First, though, I am just as suspicious as everybody else that greed and political motives by a handful of powerful people is involved somehow in our present sad energy situation, there is no doubt that energy shortages exist and that it will be some time before things get back to normal, whatever that is.

ARAB OIL EMBARGO

There is also no question that the Arab oil embargo has aggravated our energy shortage problems. I am fortunate to have had the opportunity to confer once again with Secretary of State Henry Kissinger on Thursday, February 14th, which was the morning after he completed the historic meeting of the fourteen leading oil consuming nations of the world here in Washington, D.C.

Mr. Kissinger was very much to the point. He restated our national position that we cannot, should not and will not submit to international blackmail, which is precisely what the Arabs are now attempting with the oil embargo.

I strongly support this foreign policy. We must never alter our foreign policy just because some nation threatens to or actually does cut off the supply of a raw material or product that we need. To do so would open the door to a logrolling contest around the world that would destroy America's peacekeeping influence and our economic integrity.

In the present oil shortage, it would be so easy for us to get all the oil we need: all

America would have to do is abandon Israel and submit to this blackmail. I give President Nixon and Secretary Kissinger high marks for resisting that temptation for short range gains such as full gas tanks at the expense of peace and America's influence in the world.

THE LONG RANGE PICTURE

First, the United States has embarked on a program to make ourselves self-sufficient in terms of our energy needs by 1980. I think we can do it and I am supporting all reasonable steps in that direction consistent with environmental protection and safety.

Secondly, I believe that the Arab oil embargo will soon come to an end for two very compelling reasons: (1) the Middle East conflict, which was the political reason for the embargo, is coming to a peaceful settlement through negotiations conducted by Secretary Kissinger; and (2) the economic reasons for the embargo are vanishing as the United States reduces our dependence on foreign oil, as we develop our own sources of energy and as we substitute and sacrifice to meet this crisis.

The impact of the Arab oil embargo has been minor here in the United States compared to the catastrophic effects it is having on the economies and lifestyles of the people of Japan and Western Europe. For example, Secretary Kissinger noted that whereas Japan enjoyed an $8 billion favorable balance of trade last year, Japan faces a $25 billion or worse deficit this year, which is a terrible blow to their economy. Our European friends are in no better position.

SECOND CONGRESSIONAL DISTRICT

Finally, with respect to the gasoline shortages we have been experiencing in the Second Congressional District, we can look forward to increased allocations to our gas stations, both through appeals I and others have made to Simon's Energy Office and to the Governor, who controls the allocation of three percent of the available gasoline for use in areas that experience emergencies.

The American public has been cooperative. I am especially pleased with my own constituents, who have cut their gasoline use by at least 15 percent and their use of other fuels by nearly that amount. Speed limits are being adhered to, conservations methods are being accepted and people have put up with the ever-rising prices of gasoline and other petroleum products.

As your Congressman, I have taken action on many fronts. To report all the details would take dozens of these WASHINGTON REVIEW newsletters. To mention but a few, I have repeated my call for an investigation of the major oil companies, their sources, pricing procedures and profits. I have introduced legislation to create a Congressional agency designed to constantly monitor our natural resources so that we will never again be caught by a surprise shortage or resource crisis. I am supporting the development of domestic sources of energy so we can reach the goal of self-sufficiency in 1980. And I am continuing my long-standing pressure on Detroit to produce more efficient automobile engines that guzzle less fuel. I am drafting legislation in that direction if they fail to comply voluntarily. Also, I oppose Sunday closings of gas stations in our resort area and am appealing for a change in that policy.

CRITICISM AT CONGRESS

The area that is open to the most criticism in my judgment is the Congress itself. Inept leadership on the part of the Democrat majority in both houses has provided no leadership and very little help in finding solutions to the tremendous problems caused by the energy crisis.

The House passed the important energy bill before Christmas of last year, but the U.S. Senate was unable to act at all until it finally passed its version on February 19th, a full two months later. The Senators are paralyzed in their own self-serving dialogue that leaves very little room for accomplishment.

You have a right to know that the House of Representatives has also accomplished next to nothing so far this year. We have had one long recess after another because nothing has been voted out of Committee of enough substance to require floor action.

It is time that the media devoted more attention to the failings of the Majority (Democrat) leadership of both Houses of Congress. The people are entitled to better representation in the legislative branch of government.

Sincerely,

Charles W. Sandman, Jr.,
Your Congressman.

MEMBERS INTRODUCE THE CONSUMER ENERGY ACT

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MOSS. Mr. Speaker, yesterday I introduced the Consumer Energy Act on behalf of myself and 13 other Members of Congress. The following Members are cosponsoring the Consumer Energy Act: Mr. Dingell, Mr. Rooney of Pennsylvania, Mr. Adams, Mr. Eckhardt, Mr. Podell, Mr. Helstoski, Mr. Carney of Ohio, Mrs. Sullivan, Mr. Reuss, Mr. Ashley, Mr. Corman, Mr. Harrington, and Ms. Abzug.

We will be seeking the support of additional Members who are concerned with the impact of the energy shortage on the consumer in the days ahead.

The Consumer Energy Act is an affirmative congressional program. It is an alternative to the existing administration policy of inaction, contradictory statements, and policies primarily reflecting the interests of the major oil producers and not the American people.

Once again the administration has asked almost nothing from the giant oil companies and almost everything from the consumer.

The purpose of the Consumer Energy Act is to provide a consumer energy program that is comprehensive, practical, and fair to both the public and the oil industry. It is designed to distribute more fairly the burdens of the energy shortage, provide essential information on energy costs and supplies to the public, infuse new vitality and competition into the oil industry, and increase energy supplies to the consumer at reasonable prices.

The following is a summary of the background and major provisions of the Consumer Energy Act:

Background

Serious questions have been raised concerning the nature and extent of the energy shortages facing the Nation. Statistics are not reliable, and the Government is solely dependent upon data which the oil industry releases. Consumers are faced with shortages or unavailability of energy supplies and soaring energy prices. Consumers have been asked to restrict their driving, to slow down when they do drive, to turn down their thermostats, and increasing numbers are losing their jobs. At the same time, rising prices have increased petroleum company revenues by almost $25 billion on an annual basis. Such large amounts cannot be spent on new exploration and development, and it has been estimated that about $13 billion of the major oil companies' $25 billion in additional revenues will generate windfall profits.

Such a policy of excessive price increases can have a dramatic impact on the economy in 1974. It is likely that the rate of inflation will be accelerated. The level of unemployment will be higher. There will be shortages resulting in dislocation to many industries. Press reports indicate that the median forecast of some 20 different economic forecasting groups, including the Council of Economic Advisers, predicts an inflation rate next year of 5.9 percent. The estimates of next year's unemployment level range from about 6 to 9 percent. The Consumer Price Index advanced about 9 percent in 1973, the highest rise in more than 22 years. Many of these economic forecasts do not reflect the increases in petroleum prices which have already occurred which are likely to accentuate the Nation's economic ills. Rising energy prices are causing consumer discontent, as most vividly illustrated by the shootings, beatings, and other violence which has flared along the Nation's major highways as independent truck owners protested the rising price of diesel fuel. These independent owners have caused a nationwide strike that may temporarily disrupt shipments of steel and other vital materials as well as threatening some cities with food shortages.

As spring approaches and the demand for gasoline and other fuels increases, the lines at gasoline stations are likely to get longer while tempers become shorter.

Increasingly, critics are suggesting drastic solutions to the Nation's energy shortages: nationalization, complete break-up of the major oil companies, or total regulation and domination of the industry by the Government.

The Consumer Energy Act rejects this approach. Its focus is on revitalization of the free enterprise system and encouragement of competition while providing the minimum amount of regulation that is needed to protect the consumer from those sectors of the industry that are not workably competitive, or in which market forces are inoperative. The goal of the Consumer Energy Act of 1974 is to make the free enterprise system work.

THE CONSUMER ENERGY ACT IN BRIEF

The principal thrust of the Consumer Energy Act is to create incentives toward a gradual and orderly restructuring of the natural gas and oil industry by enlarging the market share and influence of the independent producer. Currently, there are more than 10,000 oil and gas producers in the United States. Approximately 90 percent of the Nation's production, however, is controlled by a dozen natural gas and oil companies. Because of increasing concentration, the ranks of the independent oilman have, until recently, been dwindling rapidly. In 1954, there were about 40,000 oil producers in the United States. Today, there are less than one-quarter that number. These independent producers are often small entrepreneurs who are willing to risk their fortunes on the discovery of oil. Although they do 80 to 90 percent of the wildcatting in the Nation, many of them cannot afford to engage in expensive production drilling, and as a result, most of the oil and gas production in the United States today is *not* done by the independents, the risk-takers, but by the major oil companies. As the cost of drilling increases, as seismic and geological techniques become more sophisticated, as new discoveries are made in more remote areas or far-offshore, as lease bonuses increase and as construction costs soar, the independent oilman is becoming an endangered species.

The proposed bill is intended to reverse this trend.

It provides special incentives to independents—price deregulation, access to Federal lands, access to oil pipelines, protection for both independent and franchised dealers. It is hoped that with these incentives the market share of the independent sector of the oil industry will increase from the current 10 to 40 percent in a decade. Independents will then be a viable competitive force in the marketplace; at that time it may be appropriate to review the need for price controls on major producers.

The Consumer Energy Act of 1974 also proposes new incentives for the major oil companies. The premise of the bill is that the free market is the best allocator of scarce resources, but for the free market system to work properly, multinational oil companies must be structured competitively. Mounting evidence suggests that the discipline of the marketplace is not operating to establish reasonable oil prices for products sold by major petroleum companies. Instead of market forces, the world oil price is determined by an oil-producing cartel. Oil that is selling on the world market for $11.60 costs but $0.15 to produce in the Middle East. World oil prices and, consequently, domestic oil prices have soared not because of the operation of the free market but because of the monopoly power of a few Middle Eastern nations.

Since the discipline of the free market is not functioning effectively with respect to the major oil companies, the consumer is faced with two choices: (1) tolerate the distortions and misallocations resulting from oligopolistic or monopolistic supply and pricing patterns, or (2) endure the difficulties associated with regulation and effective control. The Consumer Energy Act proposes, for the major companies, a firm, fair, streamlined, and workable system of price controls and incentives to encourage maximum efficient levels of production of oil and gas at reasonable prices. This goal would be achieved by a reformed system of Federal Power Commission oversight and the establishment of a Federal Oil and Gas Corporation as a supplier of last resort.

SYNOPSIS OF THE CONSUMER ENERGY ACT OF 1974

Title I—Natural gas and oil regulatory reform

Because natural gas and oil are generally produced by the same companies, often from the same wells, and because both fuels are generally end-use substitutes for each other, the bill proposes to treat both fuels uniformly for purposes of well-head price regulation. For the largest multinational companies, the ones that remain subject to FPC controls, these controls would apply to the well-head prices of both natural gas and oil.

The bill proposes to deregulate small producers. Small producers would be any producer of natural gas or oil solely engaged in the business of exploration, development, and production of natural gas or oil in the United States, as well as any one of the following sectors of the oil industry: transportation, refining, or marketing. Such producers are relatively competitively structured. They do not administer prices. Any increase in price to them can be reasonably expected to result in larger supplies of needed energy sources for the United States.

In order for price controls to operate fairly and effectively, all producers in the same class should be subject to a fair system of regulation. The Consumer Energy Act proposes that the largest companies subject to regulation should be subject to controls both in the interstate and intrastate markets. This approach, however, does not interfere with traditional State jurisdiction over intrastate producers. The bill proposes that the Federal Power Commission would not exercise such jurisdiction if the producing State regulatory commission meets certain minimum standards to insure adequate attention to the interests of the Nation as a whole.

One of the valid objections raised by the industry to current Federal Power Commission practices is the enormous regulatory lag associated with the establishment of well-head prices. The bill proposes to simplify this process by providing an annual review of rates on a national basis with regional adjustments, effective Congressional oversight, and restriction on judicial review. The national area rate would be established at a rate justified by the costs of exploration, development, operation, or maintenance, including a fair rate of return. It further provides the FPC with authority during shortages to equitably allocate petroleum supplies among all customers and regions of the Nation.

In order to assure the independence of the Federal Power Commission, this section would require the Commission to concurrently submit its budget estimates and legislative recommendations to Congress and the Executive Branch. It would permit the Commission to undertake civil actions in its own name and through its own attorneys. To provide continued Congressional oversight, no authorization shall be for more than 3 years.

It is proposed here that the Commission undertake an evaluation of proved and potential reserves of natural gas and oil in the United States and to undertake an updating of such an evaluation each year. The Federal Trade Commission in consultation with the Federal Power Commission is also authorized to collect the information needed to carry out the purposes of this Act.

Title II—Emergency interim relief for consumers of oil

This title would impose a temporary interim price rollback for all domestically produced crude oil prices to December 1, 1973, price levels. Price increases since that time would also be rolled back, except for actual nonpetroleum cost increases, such as gasoline station overhead that have occurred since then. It is designed to supplement the rollback under the Energy Emergency Act of 1973 (now in conference), to reduce the windfall profits earned by petroleum companies last year, and to slow the runaway inflation fueled primarily by skyrocketing energy prices.

Title III—Federal Oil and Gas Corporation

Title III would establish a Federal Oil and Gas Corporation to explore, develop, and produce natural gas and oil from publicly owned lands. The Corporation is intended to satisfy national energy needs, stimulate competition in the petroleum business, and provide the public with knowledge of the actual cost of producing oil and gas so that public policy can be geared to the Nation's interests. It would give the Nation a yardstick against which to judge the performance and pricing of the private oil companies. It could provide a means for effective exploration of Federal lands, the establishment of strategic reserves, and provide the Nation with a supplier of last resort. It is not the purpose of this title to provide a forerunner for nationalizing the American petroleum industry. Its purpose is to develop public resources while preserving the free enterprise system in the oil and gas industry. It would provide a spur, a yardstick, an incentive for competition. The Federal Oil and Gas Corporation proposal is modeled after the highly successful record and structure of the Tennessee Valley Authority.

Title IV—Equal treatment for small producers of oil and gas

Title IV requires that petroleum pipelines, which are the highways of the oil industry, be open to all who wish to ship their products. Currently, these pipelines are owned by a few of the largest major oil companies. Yet, they are the lifeline upon which independent producers, refiners, and marketers depend. The title would perfect the Interstate Commerce Commission's authority to assure that oil pipelines are common carriers in fact as well as in name. It provides that petroleum pipeline owners establish service and storage facilities for independent producers and refiners who meet reasonable minimum requirements. If the Interstate Commerce Commission does not substantially respond to complaints of unfair treatment, then the Federal Power Commission is given authority over oil pipelines to assure that appropriate action is taken.

The title also proposes the establishment of a new system of bidding for drilling rights on Federal land under which at least 50 percent of the lease sales would be made on the basis of royalty rather than bonus bidding. The present bonus bidding system for rights to develop off-shore lands requires an enormous initial capital outlay on the part of the successful bidder. The effect of this system is to exclude small and independent oil companies from the opportunity to develop natural gas and oil on public lands, except in joint ventures with major corporations. By moving toward a royalty system of bidding on an experimental basis, such entry barriers could be reduced and the small independent bidder would have a better chance of gaining access to the offshore properties which contain a large percentage of the Nation's future oil and gas supplies. The royalty bidding experiment would be combined with a system of performance requirements and royalty adjustments to assure the maximum efficient level of production over the life of the reservoir and the maximum return to the U.S. Treasury.

Title V—Fair treatment for retailers of petroleum products

Shortages of fuel have fallen unevenly among the Nation's gasoline retailers, striking particularly hard at independent retail outlets which provide significant price competition in petroleum marketing. More than 3,000 independent dealers were forced to close their doors last year. In addition, branded dealers are often faced with a severe bargaining disadvantage when dealing with major oil companies. Therefore, this title would protect all gasoline dealers from arbitrary termination of their leases or franchises, and assure that, in the event of shortages, supplies would be allocated fairly to all classes of retailers.

Title VI—Termination of wasteful rate structures

When it appeared that the Nation's supplies of oil and gas were abundant, the Federal Power Commission provided leadership for the establishment of natural gas rate structures that now encourage waste. As consumption increases, the unit price typically declines. This title proposes to revise priorities by shifting in a gradual and orderly fashion toward rate structures that encourage conservation rather than waste.

SUMMARY

The intent of the Consumer Energy Act of 1974 is to promote competition and revitalize the free enterprise system by providing special incentives to independent producers, and by regulating those sectors of the industry where market forces in the past have proven to be inadequate. In this way, the proposed bill would increase supplies of natural gas and oil while assuring that such supplies will be provided at reasonable prices to the consumer and without an excessive inflationary impact on the Nation's fragile economy.

TRIBUTE TO COUNCILMAN RAY GUILLEN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ANDERSON of California. Mr. Speaker, on February 24, the friends and associates of Councilman Ray Guillen, of Paramount, Calif., will honor him for his outstanding service in behalf of his community.

The 10th child of Guadalupe and Cruz Guillen, Ray was born in Paramount in 1938. He attended the local schools—Los Cerritos School, Lincoln Elementary, Clearwater Junior High, and then Paramount High School. After graduation in 1953, Ray attended Compton Junior College and received his bachelor of science degree in business administration from Woodbury College in Los Angeles.

After college, Councilman Guillen was employed by North American Rockwell for 8 years, where he was recognized with the "outstanding contributor" award for the role he played during the Apollo Space program.

An active participant and leader in the area, he was a moving force in the creation of the Mexican-American Scholarship Association, which has helped 80 youths attend college over its 18-year history. In addition, Ray Guillen, as a member of the Paramount Parks and Recreation Commission, successfully guided proposals to create three new parks in the Paramount area.

In 1968, Mr. Guillen was appointed to the Board of Directors of the Southeast Neighborhood Legal Services—the first lay person to serve in such a capacity. He is also a charter member of the Paramount Boys Club and serves as a director of that organization.

A businessman with his own accounting and tax service firm located in Paramount, Ray was first elected to the city council in 1970—the first Mexican-American elected to such a position in Paramount—and was selected vice mayor for the 1971–72 term. As a member of the city council, he has continued his innovative programs designed to improve the quality of life for the residents of Paramount. Specifically, Councilman Guillen is responsible for the inauguration of the highly successful "16th of September" committee that conducts the annual parade and fiesta which has been the highlight of the social year in Paramount. He has worked for the creation of a permanent home for the Boys Club of Paramount and he was successful in bringing the Paramount health clinic to the area in order to serve the underprivileged children.

In addition, Councilman Guillen has worked to create a minipark on San Vincente Street, an area of high residential density, but moderate income.

Mr. Speaker, Councilman Ray Guillen is a dedicated servant of the people of Paramount and is the kind of person to whom all of us are indebted. Councilman Guillen's faithful service and his devoted compassion for his fellow man have earned him the respect and admiration of all who have come to know him.

I am pleased and honored to call him my friend and I am happy to join with the people of Paramount in saluting Councilman Ray Guillen for his many contributions to our community, to our society, and to our Nation.

H. W. "PAT" KELLY

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. KETCHUM. Mr. Speaker, I rise today to pay tribute to a great American, H. W. "Pat" Kelly. Rarely has a man been so deserving of praise as Pat Kelly.

As a teacher, businessman, legislator, and civic leader, Pat Kelly has brought to his community a tireless energy and unflagging desire to help his fellow man. In the span of his 72 years, Pat has crammed several lifetimes' worth of activity. One recent newspaper account estimated that if all his overlapping years of service in civic, church, and professional organizations were added together, they would total over 200 years.

Born in Jackson, Amador County in 1902, Pat attended Santa Clara High School, and received both a bachelor's and master's degree from Stanford University. To this day, he remains one of Stanford's most loyal sons, and active brothers. Upon completion of his A.B. degree in 1924, Pat began a teaching career marked by his lifelong devotion to young people. He taught at Pacific Grove High School, Menlo Junior College, and Visalia High School before taking on administrative tasks in the Kern County Union High School District, including a term as principal of Shafter High School.

In 1945, Pat began a new and successful career in real estate and insurance, from which he recently retired. But a list of the civic activities in which he participated comprises a career in itself. His record of community service includes the presidency of the Shafter Rotary Club, a term as district governor, and now a position on the legislative council of Rotary International; a director of the Bakersfield Savings and Loan for 12 years; Eastern Star patron; president of Kern County Shrine Club; president for 1 year and 8 years as secretary of the Shafter Chamber of Commerce. He is a past exalted ruler of the Visalia Elks Lodge.

Perhaps the activity closest to his heart has been his 60 years in Boy Scouts. Pat became a Scout in 1914, and has served the organization ever since. Scouting appreciation of him was shown when he received the Silver Beaver Award.

Always active in the affairs of the Republican party, Pat was elected to the California Assembly in 1950. During his 8 years of service in the legislature, he was an active leader among his colleagues, serving as vice chairman of the Agriculture Committee; chairman of the Committee on Manufacturing, Oil, and Mining; and a member of the Social Welfare, Finance, and Insurance, and Fish and Game Committees among others. Pat Kelly continues to be an active leader of the Kern County Republican Party.

Mr. Speaker, I could continue on with a list of this remarkable man's accomplishments. He and his wife, Eleanor, have contributed far more than their share to the well-being of the world in which they have lived. I am proud to count Pat Kelly among my friends, and I know my colleagues here would join me in congratulating Pat on this day of tribute for his lifetime of unselfish public service. Of Pat Kelly it can surely be said, "Such men are rare; make much of one."

TRIBUTE TO WILLIAM VAN DUSEN

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. REES. Mr. Speaker, on February 23 the Sherman Oaks Chamber of Commerce will honor its retiring president, William Van Dusen, with a dinner dance. It is fitting that we, too, should pay tribute to this dynamic civic leader.

A well-known figure in the San Fernando Valley, Mr. Van Dusen has been active in the Sherman Oaks Chamber of Commerce for over 20 years. From 1953 to 1970 he served on its board of directors and has served as its president since 1971.

Mr. Van Dusen has participated in Rotary Club activities for over 25 years. In 1958 he was district governor of Rotary International District 526 and as district governor compiled an outstanding record. Over the past 10 years Mr. Van Dusen has been active in Rotary work with foreign students, assisting in the important work of building people-to-people friendships and spreading good will throughout the world.

A Boy Scout leader for over 35 years, Mr. Van Dusen has twice served as district chairman of the Scouts and was a member of the National Advisory Board from 1958 to 1968.

He has been active in fund raising for the Red Cross and the United Crusade for over three decades. From 1964 to 1970 he was a member of the Los Angeles Red Cross Chapter's executive board and was a member of the United Crusade planning council from 1972 to 1974.

In 1965 the Van Nuys-Sherman Oaks-Encino Coordinating Council named him citizen of the year. From 1968 to 1973 he was chairman of the board of the University of Seven Seas Foundation. He served 1 year as an adviser to the mayor of Los Angeles and 3 years as an adviser to the attorney general of California. Mr. Van Dusen has also been active in the San Fernando Valley Business and Professional Association since 1968.

His long record of commitment to the civic progress of the San Fernando Valley makes William Van Dusen well deserving of this tribute.

THE NIXON ADMINISTRATION REVENUE-SHARING PROGRAM

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mrs. CHISHOLM. Mr. Speaker, the hoped-for financial boom that many Americans anticipated with the advent of the Nixon administration's revenue-sharing program has proven to be anything but that, especially to the Nation's minorities. Instead, money is scarcer than ever, especially in urban areas where many minority people reside, and the revenue-sharing funds that do exist have a smaller chance of finding their way to the disadvantaged and minorities than funds from the categorical grants system which the administration is seeking to replace with special revenue sharing.

When initially proposed, I advocated and actively tried to recruit support for the concept of revenue sharing. I believed that our local governing units had more pressing needs than they had money for them. I, along with many local elected officials, envisioned this to be money which would be in addition to existing categorical grant program funds. Unfortunately, the experience with revenue sharing has led me to believe that it is not the answer.

The cutbacks in Federal programs such as those in the Office of Economic Opportunity and manpower programs such as the Job Corps have forced many cities to use revenue-sharing funds just to keep these programs going. In view of the fact that these programs enjoyed economic stability under the categorical grants system and the obvious fact that this measure plugs a hole which did not exist previously this can hardly be called progress. Add to this the findings that most cities are not using their revenue-sharing funds for social service programs, and that these programs are being slashed by the Federal Government and the conclusion is that under revenue sharing, minorities actually find themselves with less than they started with under the categorical grants system. The reality of revenue sharing is, unfortunately, different from the administration's promise of what it would be.

The administration claims that these social service programs are not being slashed, but merely consolidated to cut down on the bureaucracy involved. This high sounding, economy-minded umbrella is actually an excuse for the Government to bypass the political uproar of cutting these programs outright, while killing them silently with the slow strangulation of steadily decreasing funds. Perhaps Joint Center for Political Studies President Eddie Williams described the situation best when he accused the Government of gutting programs like those in OEO because they—

> Stirred up too much citizen participation and brought too much political sophistication to those who were once only on the fringes of power.

Among the promises of the revenue-sharing program from its inception was that certain strings would be attached to the funds to prevent their being used in violation of the 1964 civil rights laws. Yet, cases of suspected discrimination are beginning to surface, such as the complaint which went to U.S. District Court just 2 weeks ago alleging that the Chicago Police Department, supported in part by revenue-sharing moneys, is guilty of racially discriminatory employment practices. Similar complaints are being aired around the Nation regularly.

Specific minority groups suffer from problems which are peculiar to them, along with the ones they share with all minorities under revenue sharing. Gary, Ind. Mayor Richard Hatcher testified before the Muskie subcommittee which investigated the impact of the "new federalism" on the jeopardy of a program which taught what he termed "survival English" to Spanish-speaking people in his city. He also testified that a program which in a 9-month span had provided adequate meals for 3,153 low-income senior citizens was in danger of being terminated.

We must also consider the implications of spending new revenue-sharing funds on such things as a lowering of property taxes. Not only are manpower programs and the like going down the drain because this new money exists, but the disadvantaged and minorities stand to benefit very little from such a move, since they characteristically are not homeowners. And cases such as this will occur, since the most powerful local interest groups are usually the landowning interests. It is these interests, we need not be reminded, which control the new revenue-sharing dollars.

It should also be noted that revenue-sharing funds are being distributed on the basis of the 1970 census. This is another case where minority groups stand to lose what little money does come down, since it has been shown that census figures for minority communities are often grossly inaccurate and incomplete.

It is apparent that the system of categorical grants which revenue sharing replaced provided better assurances of funds for the underprivileged than the present revenue-sharing programs. Under the present categorical grants system funds are targeted for specific areas and have the Federal Government behind them to make sure they arrive. Under the local control that comes with revenue sharing, groups that are better able to compete politically for the funds are more likely to get them. Minorities, who for so long have been excluded from the political process, lack the political sophistication and political clout vital to this competition. It is the old case of "Them that has, gits." This reality, whether unconscious or not, is a case of discrimination. Former HEW Secretary Wilbur Cohen perhaps described the situation best when he stated:

> We have to have federal programs with strings attached because it is the only way that the disadvantaged, the poor whites and the poor blacks will get their fair share. If there are not federally regulated programs to disburse money and instead it is handled by local city governments, then they won't get their fair share.
>
> Unlike the federal government, city councils are controlled by the real estate and industrial development interests and they will divert the money to their ends. We have to have federal strings because there is no other political means to reconcile the interests of local real estate people with the broader national interests.

Not only are the poor faced with the problems of competing with better equipped interests when the money is distributed locally—not to mention the increased possibility of poor civil rights enforcement—but in States such as New York, California, and Illinois, which contain large urban centers with large minority populations, the State legislatures are dominated by rural interests, which will further divert the money when it comes under their control.

Last year's investigations by the Muskie committee came to just that conclusion. The National Journal reported that the committee had found that "few cities were using the—revenue sharing—money for new social services to the poor." It is plain that instances of gains in the social services area for the poor are few and far between if they exist at all, and that they are far outweighed by instances of increased hardship under revenue sharing. How can there be gain when, while discussing revenue sharing, Boston Mayor Kevin White stated:

> I have less money in the short run and probably the prospect of less money in the long run.

The facts are in, and the conclusion is clear. Revenue sharing programs have worked against the people they should be helping most. The old system of categorical grants needs reform, but revenue sharing is regression. We must reinstate the funds to social service programs which have dried up, and reverse the trend started by revenue sharing, before the Nixon administration succeeds in setting back the cause of minority peoples, the economically disadvantaged, and the elderly farther than it already has.

ANTITRUST LAWS NEEDED

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. RODINO. Mr. Speaker, I am today introducing for myself, Ms. JORDAN, Mr. MEZVINSKY, and Mr. SEIBERLING new and major antitrust legislation designed primarily to make it easier for States to use Federal antitrust laws when seeking to combat anticompetitive and monopolistic practices.

Quite recently, the Supreme Court declared in an antitrust case involving the food industry, that the—

> Antitrust laws are the Magna Carta of free enterprise. They are as important to the preservation of economic freedom and our free enterprise system as the Bill of Rights is to the protection of our fundamental personal freedoms.

Nearly 50 years prior to this restatement, the Supreme Court had similarly addressed itself to the basic antitrust law, the Sherman act, and observed—

> The Sherman act was intended to secure equality of opportunity and to protect the public against evils commonly incident to monopolies and those abnormal contracts and combinations which tend directly to suppress the conflict for advantage called competition—the play of contending forces ordinarily engendered by an honest desire for gain.

Skyrocketing food prices, energy crises, shortages of metal, the formation of gigantic energy conglomerates with the already too powerful large oil companies at their nucleus, all convince me that we must take action to meet the threats to the fundamental national policies that have been expressed in our antitrust laws since 1890. The competition and the public interest that these laws are designed to protect and to promote mandate that we in the Congress act swiftly and effectively to muster all forces available to hold these menacing threats in check. The wide variety and direction of anticompetitive and monopolistic threats confronting our citizens establish the need for us to tap every resource that can be used.

My legislation would draw upon the human and legal resources of the several States under Federal law to protect our jeopardized economic freedoms; to breathe new life into the equality of opportunity that the antitrust laws foster; and, to restore an honest desire for gain to the marketplaces of the Nation.

I share the same shock and dismay being experienced by all citizens over current economic events. The current congressional hearings on the oil industry establish the widespread lack of knowledge in the Government about the size and exercise of incredibly awesome private economic power. As chairman of the House Monopolies and Commercial Law Subcommittee, I am convinced that there is a continuing need for the Antitrust Division and the entire executive branch to keep themselves informed in executing the laws and national policies already statutorily expressed.

During food price investigative hearings last June, the Assistant Attorney General for Antitrust testified that since the President's institution of wage and price controls in August 1971, little had been done beyond the Division's counseling of the Price Commission and urging them not to handle matters jointly with members in the industry. It is historically demonstrable that the most serious antitrust prosecutions in the 20th century have followed in the wake of Government controls because of private economic activity instituted during the period of Government controls. Despite this history, little had been done by the Antitrust Division.

Last June, when the Monopolies Subcommittee attempted to obtain facts about the oil industry developments from the Antitrust Division, the Division's response consisted mainly in explanations of why these facts could not be provided. In essence, the Antitrust Division asserted that it was busying itself in obtaining these facts with an overburdened staff. I have renewed my original request of 7 months ago but express no optimism. In future hearings, I intend fully to explore these shortcomings.

The national policies expressed in the antitrust laws are not new. They were formulated by the Congress 84 years ago. Public enforcers of the antitrust laws are the strategic forces designed by the Congress to enable these policies to be carried out. Posture planning for these strategic forces is both an executive and legislative responsibility that includes an examination of the constraints created by budget level, by technology, by opposing forces, and by the present posture of the strategic forces themselves.

In one sense, my legislation may prod the executive branch to beef up Federal antitrust enforcement resources in addition to providing supplementary strategic forces drawn from the several States.

The Nation has a new Attorney General. Every opportunity will be provided to obtain his support for this proposal and his assistance in achieving the best finished legislative product as soon as possible. Criminal enforcement of the antitrust laws will remain with the Federal Government but how Federal resources are deployed presently and historically against "white collar crime" and "crime in the suites" will receive meticulous scrutiny. There is yet a wider background lending urgency to and establishing a convincing need for swift action on this legislation that I am introducing.

In 1972 the Supreme Court of the United States ruled that a State could not seek damages under the antitrust laws for injury to a State's general economy without congressional action amending one of the antitrust laws, the Clayton Act. It should be noted that this Supreme Court ruling occurred in a case where a State sought to sue large oil companies for fixing prices on wholesale and retail petroleum products. Later, in 1973, another State tried to avoid this bar to recovery in an alleged food price-fixing case by trying to sue on behalf of its citizen-consumers for injuries suffered by them. The result, however, was the same as in the earlier oil case: Congressional action is the only way that States can obtain the ability to protect their own economy or citizen-consumers.

But the story does not end here. Although the foundations for my legislation are made clear, only recently, on December 5, the Ohio attorney general proposed that all 50 States pool their legal resources in support of the Federal Trade Commission's legal action against the 8 largest oil companies filed last July through a so-called "interstate network of cooperation" intended to overcome the problem that limited legal resources of each State presents. Moreover, earlier in 1973, New York, Connecticut, and Florida, among others, started legal action against sectors of the oil industry alleging antitrust violations.

It is axiomatic that the antitrust laws protect competition and not competitors. The Supreme Court has said, however—

> The test of a competitive market is not only whether small competitors flourish but also whether consumers are well served.

Small competitors are not flourishing nor are consumers being well served. This is common knowledge as a result of critical issues confronting the Nation as a whole, issues that properly demand considerable Federal resource expenditure. Conditions are worse in State and regional markets. Federal courts, Federal antitrust law, and guidance of Federal antitrust enforcers must be made more readily and more effectively available to States to protect their own economies, their small competitors; and, their consumers. This, we seek also to accomplish.

These facts evidence the desperate situations affecting States and express the States own needs eloquently. They also serve to add an urgency to my legislation that cannot be denied. Moreover, other factors that inhere and lend support to my legislation can be found in observing that although 1974 marks the 60th anniversary of the Clayton Act, only one major amendment has been enacted—and that was in 1950.

The legislation follows:

Section-by-Section Analysis

It has long been the policy of the antimonopoly and antitrust laws of the United States to afford redress to the citizens of this country who have ben injured by the illegal practices those laws forbid. Too frequently, however, this antitrust remedy is illusory, and the injured consumers of the nation must suffer monopolistic wrongs for which they lack any practicable remedy. We are all familiar with the serious burdens our federal courts face today, and the consequent delays that may postpone recovery of damages for many years. We are all also familiar with the great cost of antitrust litigation against corporate defendants of great wealth, who have the resources to employ skilled counsel who place every possible obstacle in the way of recovery and thus discourage any but the most resolute claimant. Consequently, unless the amount of a claim under the anti trust laws is very substantial, the cost of recovering it is so great that the wrong will be one without any remedy.

To some extent, the class action provisions of the Federal Rules of Civil Procedure permit the aggregation of claims so that the expense of litigation may be spread out over many claims, thus reducing the cost of litigating each one. But the class action remedy, as the Federal Rules of Civil Procedures now provide it, is far from adequate in the case of antitrust consumer class actions—particularly those brought by State Attorneys General. Moreover, recent court decisions on class actions developed in non-antitrust cases have seriously limited the utility of this method of securing redress to injured consumers in antitrust suits. At the same time, these decisions have drastically limited the powers of the States to act on behalf of their citizens.

The bill I am introducing today will restore to the States the common law powers of the State Attorney General which these decisions have eroded, so that the States may assume their proper role in protecting their own citizens. The bill also provides that the federal Attorney General will assume the responsibility of protecting injured consumers, when State Attorneys General are unable to do so, themselves.

This bill adds three new sections to the treble damages provisions of the Clayton Act, now contained in sections 4, 4A, and 4B of that Act.

New section 4C of the Clayton Act authorizes the attorneys general of the various states to bring antitrust treble damage actions in each of the following circumstances:

First, the Attorney General may sue as *parens patriae*, to recover for antitrust damages sustained by the citizens of his state. Although the Attorney General had this power at common law, a recent decision of the United States Court of Appeals for the Ninth Circuit holds that this common law power no longer exists. While acknowledging that the rejected efforts of the Attorney General of California may be a worthy State aim, the court pointedly observed, "It would indeed appear that the state is on the track of a suitable answer (perhaps the most suitable yet proposed) to problems bearing on antitrust deterrents and the class action as a means of consumer protection. We disclaim any intent to discourage the state in its search for a solution." Nevertheless, the court held that the present statutory mechanism under the antitrust laws and class action laws does not permit the state to bring this type of action on behalf of its citizens. In effect, if a State is to be empowered to act in the fashion here sought, that authority must come not through judicial improvisation but by legislation and rulemaking. This bill therefore legitimates the type of action brought by the Attorney General of California, but not allowed by the federal courts.

Subsection (b) of new section 4C would streamline and expedite the proof of damages in actions brought by State Attorneys General. One problem in cases of this type has been the insistence of some courts that each individual consumer claim be proved separately, on a purchase-by-purchase basis, instead of allowing total purchases by all the consumers within a state and total overcharges for all such purchases to be proved together. The result has been vastly and needlessly to multiply the expense of litigation. The proposed law would do away with this expensive and dilatory procedure. Instead, it would permit the courts to use reasonable statistical sampling methods and other equitable and expeditious methods of proving the amount of damages that are attributable to proved violations of law.

Subsection (b) would also permit the Attorney General of each State to distribute the fund of damages recovered from violators on the basis of state law. In the case of individual claims that add up to a total large amount but each one of which is extremely small, the cost of paying out the fund may be excessive. In such a case, instead, it may be more appropriate that the funds recovered from the wrongdoer be applied by the State to a legitimate public purpose related to the wrong that gave rise to antitrust recovery in the first place. In some states, for example, such antitrust recovery from unlawful overcharges on drugs is to be utilized for state hospitals or other state medical programs. This procedure was explored, recently, in settlements of cases involving price fixing of certain drugs. This bill would permit each State to distribute or allocate recovery on a reasonable basis, subject to the requirements of procedural due process. That is, the State would be obliged to afford its citizens a reasonable opportunity to make individual claims for their share of the recovery, less litigation and administrative costs, before the state escheated the recovery or used it for some general public purpose. At least one court has already approved such a plan.

Second, the bill would also permit the Attorney General to sue on behalf of the State, to recover injuries to the general economy of the State. Although the State of Hawaii sought to recover for such damages in *Hawaii* v. *Standard Oil Co. of California*, 405 U.S. 251 (1972), the Ninth Circuit and then the Supreme Court refused to permit such recovery. They held that the present treble damage laws do not permit the Attorney General of the State to sue and recover for such damages. This bill would reverse that decision and permit state attorneys general to bring such suits as that attempted by the Attorney General of Hawaii.

Third, the bill would confirm the right of the State Attorneys General to bring class actions on behalf of the citizens of their states. Some courts have allowed such actions on the ground that "it is difficult to imagine a better representative of the retail consumers within a state than the state's attorney general." Coordinated *Pretrial Proceedings in Antibiotic Antitrust Actions*, 333 F.2d 278 (S.D.N.Y. 1971). Other courts, however, have refused to permit such consumer class actions to be maintained. This bill would resolve this conflict in the courts and confirm the power of the State Attorney General to bring consumer class actions on behalf of the citizens of his state.

New section 4D would make the Attorney General of the United States responsible for supplementing and assisting the activities of the State Attorneys General. First, the Attorney General is obliged to advise the States of the pendency of government antitrust damage actions which might also furnish a vehicle for recovery by States. If the State Attorney General is unable to bring a treble damage action on behalf of the citizens of his State, then the federal Attorney General is obliged to do so, if he believes that bringing the action would lead to a substantial recovery of damages for the State. In this event, the Attorney General of the United States will assume the role of *parens patriae* of those citizens who would not otherwise be represented by their state government. The Attorney General would use the same procedures as are prescribed for State Attorneys General, and he would pay the recovery obtained to the respective States, for their distribution to their citizens or for appropriate public purposes determined by such States.

In bringing actions on behalf of the citizens of various states, the Attorney General would be permitted to offset the administrative costs of litigation against any recovery. This would be done pursuant to regulations approved by the Comptroller General of the United States, in order to assure equitable and sound accounting procedures. Any amounts so deducted are to be deposited by the Attorney General in a special fund and, subject to an appropriation, for use only for activities authorized in this new legislation. The legislation in this regard seeks to prevent unfair financial burdens from being imposed on the Attorney General; to initiate a program of expanded antitrust enforcement that would pay its own way; and to provide incentives to the antitrust enforcers, both the federal and State.

Section 4E would deal with treble damage recoveries in respect to federally-funded state programs. The various State Attorneys General would be permitted to bring treble damage actions for the entire amount of overcharges or other damages that were sustained in connection with the state-operated program. However, the United States would be entitled to secure equitable reimbursement, by administrative means, so that it too would be made whole for the antitrust violation. Moreover, the Attorney General of the United States would be authorized to intervene in any such action to protect the interests of the United States from being compromised, and, in appropriate circumstances, he would be permitted to sue on behalf of any State unable or otherwise failing to bring a suit in regard to a federally-funded program adversely affected by antitrust violations.

CAN YOU BELIEVE WHEAT TO MIDEAST?

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. LEHMAN. Mr. Speaker, as south Florida motorists wait hours for a few dollars worth of gasoline, made scarce in part by the Arab oil boycott, the United States is increasing its shipments of grain to the Arabs.

According to a recent Associated Press report, the Agriculture Department says shipments of wheat and other grain to Arab countries may total $800 million in the year ending June 30. This is double the sales of $413 million in 1972–73.

Our policy of rewarding those who wage economic war against our Nation and our people seems absolutely senseless.

Last December 3, I joined in sponsoring H.R. 11752, the Trade Sanctions Act, which would prohibit the shipment of goods and materials including agricultural products to those Arab nations which have restricted or stopped shipments of petroleum to the United States.

Our adversaries abroad will respect only strength. The continuation of grain sales to the Arab States participating in the oil boycott will serve only to encourage these lawless nations to act against us. That we should be increasing our grain sales to the Arabs at this time will surely result in a continuation of outrageous and irresponsible actions by the Arab oil States against the United States.

At this point in the RECORD I would like to insert an editorial from the Miami Herald which I feel clearly represents the attitude of the citizens of south Florida regarding the continuation of wheat sales to the Arab oil nations.

The editorial follows:

CAN YOU BELIEVE WHEAT TO MIDEAST?

Now, let's see:

According to the Agriculture Department, sales of U.S. wheat to the Middle East may more than double this fiscal year. And . . .

Chief importers are Egypt, Iran, Iraq and Saudi Arabia. All of them are members of OPEC, the international oil trust which has tripled and then some the cost of oil, when you can get it. All but Iran are Moslem countries which have an oil boycott against the United States. But . . .

U.S. wheat supplies are being depleted steadily and the Agriculture Department has taken down the import quotas in face of the rumors, which are inaccurate, that the price of bread per pound, like the price of gas, may zoom to one dollar. So . . .

The wheat-short, importer-type United States is selling scarce wheat to the Arab countries which are blockading its motorists and industries, and the quantities will increase.

Is Washington, D.C., for real?

POLLUTION

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HANRAHAN. Mr. Speaker, in the past few years, pollution has been one of the most widely discussed topics existing. I think my colleagues might be surprised and interested to note the following article indicating this was a problem on at least one man's mind as far back as 1926, and his solution to that problem:

For 50 Years, Detroit Has Ignored a Simple Device Engineer Proved Can Halt All Fumes

(By Tom Valentine)

Profit-hungry U.S. automakers still refuse to equip cars with a simple anti-pollution device offered them almost half a century ago by an inventive genius who discovered the secret of eliminating deadly exhaust emissions.

And while Detroit ignores the existence of this device, America rushes toward the day when suffocating clouds of pollution, most given off by automobiles, will choke the citizens.

The widow of inventor George Arlington Moore revealed for Tattler how her husband developed in 1926 a carburetion system and pollution control device that was inexpensive to produce, controlled exhaust emissions 100 percent and allowed better performance and improved gasoline mileage.

He offered his invention to the powerful moguls of the auto industry, but in their shortsightedness they did not listen.

"Today's pollution problems were one of the biggest sources of frustration to George," his widow, Mrs. Leota Moore of Chicago, told Tattler.

"Many times, he would watch a large jet airliner spew pollution into the air and he would shake his head in disgust and say how simple it would be to eliminate exhaust pollution if they would have only listened."

The real reasons automakers chose to ignore Moore and his ideas remain obscure. For he was certainly no crackpot gadgeteer with no credentials.

George Arlington Moore was known as the most prolific inventor of his time. He took out some 1,500 patents more than the 1,200 held by Thomas Edison.

He was considered a genius in the packaging field. Reynolds wrap, tin cans, foldover cartons and other packaging innovations all were spanned in his fertile brain.

But in the early 1920s, Moore sold his first packaging patents to Continental Can Co. and turned his inventive genius to automotive problems.

He poured more than $400,000 of his personal fortune into the development of his carburetion ideas. And the result was the first fuel injection system as well as a carburetor system that provided total combustion.

In Moore's system, there was no pollution simply because in total combustion there are no pollutants.

The Moore Carburetion System was tested at the Mason Laboratory of Mechanical Engineering at the Sheffield Scientific School, Yale University, between June and December of 1925.

Prof. E. H. Lockwood supervised the tests, which concluded that the Moore system eliminated exhaust emissions by totally burning the fuel and improved both performance and mileage.

Lockwood's report on the system read in part:

"The tests indicated two features of the Moore system of highest importance . . . The features referred to are the absence of carbon monoxide from the engine exhaust, and improved fuel economy under part throttle operation.

"The first feature is important from health considerations, since carbon monoxide in the exhaust is a recognized menace to public health.

"The second feature is important for fuel conservation in automobile engines, which operate under part throttle most of the time."

There was the proof. Moore's system solved the pollution problem by assuring total combustion.

He took his patents first to General Motors, but officials laughed at him for thinking exhaust emissions could be a health hazard.

The far-sighted inventor then tried Chrysler and was again turned away with a laugh.

He was so disgusted he did not even bother going to Ford.

Thus a carburetion system that might well have significantly reduced air pollution was effectively suppressed.

Moore invested almost $500,000 in his patented automotive inventions only to have the short-sighted auto kingpins frustrate his efforts, and was then wiped out financially in the Depression.

Ultimately he returned to the packaging field and became a vice president with Reynolds Aluminum.

Until his death in 1968 at age 78, Moore regretted that automakers shunted aside the inventions he felt certain were the answer to controlling auto exhaust emissions.

"George always maintained that the solution to polluting emissions was simple and that most research today was going at it backwards," Mrs. Moore told Tattler. "He said working with the fuel system before it burned in the engine would work better than trying to treat emissions coming out of the engine."

Mrs. Moore insists her husband's genius was far broader than just in the packaging field.

"He could solve problems in every field of engineering," she said.

Moore always wrote his own patent applications and his drawings and prototype models were beautifully done.

"His drawings would rival Da Vinci's," Mrs. Moore said proudly, "and he was such a perfectionist he refused to apply for a patent until every idea was fully tested and proven personally."

Mrs. Moore said her husband's patents have all expired and are now public property.

"I will give the drawings and diagrams to persons or groups who will make use of them for mankind," she said.

Mrs. Moore said she mailed copies of the drawings and patent explanations to Arthur Godfrey when the famed entertainment personality was urging America to fight pollution. She also sent all the material to the U.S. Department of Transportation.

"I've heard nothing from either of them and they have not returned the materials," Mrs. Moore said.

While Moore's work is forgotten, millions of tax dollars are being poured into such unpromising projects as one at the Jet Propulsion Laboratory in Pasadena, Calif.

The National Aeronautics and Space Administration has already sunk $600,000 into a project that will eventually cost some $4 million.

All they have to show for it is a cumbersome monster that needs hydrogen as well as gasoline and emits water as exhaust.

Even if the expensive system works, it will require a water tank in addition to a gasoline tank, plenty of expensive parts and more money for research.

And, all the while, the simple system George Arlington Moore put together 47 years ago is gathering dust, untried.

EXIT VISAS FOR JEWS IN RUSSIA

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. BELL. Mr. Speaker, I would like to share with you a letter a constituent of mine received and forwarded to me. The letter is from a Jew, presently in Russia, and it beautifully expresses the feelings that are so prominent there today. It reads as follows:

Dear Mrs. Bloom: We have received your letter of Nov. 14, 1973, and we are very grateful to you for warmth and support. It is very pleasant for us to feel your care and solidarity which are not afraid of the tremendous distance that divides us. We assure you that your energy and our courage will not be broken by any difficulties.

We are not heros. We are just everyday Jews. But because of the fact that we are Jews, we want to live among our people, in our country, in our dear Israel. Nothing can break us or change our wishes. We believe that our desire will soon be fulfilled. We follow all the events that are happening in the world. In spite of the fact that our sources of information are very scarce, it is still quite clear what the situation is.

We are happy that the United States does not refuse the support for Israel and does not leave it (Israel) alone. We also hope that your government will be able to create a state of Peace in the Middle East.

Our hope that Israel should live peacefully and quietly, is just as great as our desire to leave for Israel. It's very painful for us to hear about the losses that were suffered by Israel during the war, but it is even more painful because we are helpless in helping from here. All our thoughts are about Peace and about the possibility for leaving for Israel.

Our family consists of 5 people, the father Moishe, engineer (electrical engineer). Mother Nina, a teacher of physics who at the present time works as an engineer in a construction bureau of fire preventative automatic machinery; daughter Anna 15½ years old, engineer in the field of energy, or energy-producing machinery.

How do we live?

Try and picture people at the Railroad station waiting for the arrival of a train which must arrive but no one knows when

. . . today, tomorrow, maybe in a year. But this is the only train and one cannot be late for it. Such is our life. We're waiting our train and we believe that soon it will take us to our own Israel.

We wish your family and yourself personally good health; the fulfillment of all your wishes. Please write us, we await your letters with impatience.

Shalom.

We congratulate you and your family with the nearing Holiday of Chanukah. We hope that you will greet it well and happy.

IOSIF "JOSEPH."

I ask that we take the time to recognize the hope shared by the thousands of Russian Jews who dared to apply for exit visas to Israel and put themselves into a state of continual harassment, job loss, and possible imprisonment in concentration camps for the cause that they believe in. I cannot help but admire the courage and strength expressed by Iosif on behalf of himself and his family.

SOCIAL SECURITY REFORM

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MOAKLEY. Mr. Speaker, today, together with my colleague from Massachusetts, Congressman JAMES A. BURKE, I introduced a bill to reduce social security payroll tax withholdings. Our bill provides for the Federal Government to participate in financing the social security program and thus make it part of the Government's general revenues.

This three-way division of the responsibility for financing the social security program between employers, employees, and Federal revenues, will help to distribute the costs of the social security program more equitably among Americans of all incomes. As it is presently organized the social security program causes undue hardship for lower- and middle-income people.

Our bill also provides for reducing the rate of payroll tax withholdings and raising the wage base subject to the payroll tax. The rate would be lowered from its present level of 5.85 to 3.5 percent and the wage base would be raised to $25,000.

These changes should provide relief for the moderate- and low-income wage earners who feel the penalty of the payroll tax every month, but wait for many years to receive their social security benefits if they ever receive social security benefits at all.

I sincerely hope that this legislation will be considered promptly so that it can come to the floor for a vote in the very near future. This reform is imperative if the social security payroll tax is to become less of a burden for the poor and middle-income Americans whom the social security program is supposed to help.

STRONG STATE AND LOCAL GOVERNMENT

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. DORN. Mr. Speaker, strong State and local government is the answer. This Nation is faced with recurrent crises. There is a growing inability on the part of the Federal Government to meet the complex problems of our people.

We are a vast nation of 50 States, with different geographic areas and different problems. These problems cannot all be solved in Washington.

We can turn this country around. The future of this Nation, the future of democracy and freedom as we know it, will rest largely on strong State and local government.

Mr. Speaker, I commend to the attention of the Congress and those serving in all levels of government—local, State, and National, and to the American people—the following article by the noted columnist David Broder:

STATES FILL LEADERSHIP VACUUM

Good news is scarce these days, and nowhere more so than in the area of government responding to the citizens' demand for straight talk and straight dealing. But two recent reports contain heartening evidence that the national picture is not as bleak as most of the news from Washington would indicate.

The contrast is most sharply drawn in the annual report of the Advisory Commission on Intergovernmental Relations (ACIR), issued last week. ACIR is one of the less costly and more useful operations in government—a commission of federal, state, county and local officials, with a small staff in Washington. Its job is to monitor the health of the federal system and provide prescriptions for improving it.

Over the years, ACIR has led the battle against both the centralization of power in Washington and the avoidance of responsibility by state and local governments. It has not hesitated to toss around the word "crisis" when referring to development in American government.

But its report on the events of 1973—"a year of shocking revelations . . . that left the American public reeling"—makes a point that is considerably more cheering than most of the post-Watergate commentary.

"At the federal level," ACIR concedes "direct reaction to the startling events of the year was cautious and limited—consisting more of rhetoric than action."

But, it notes, "Direct response to the crisis of confidence came first from state and local governments, demonstrating that governments closest to the people are more sensitive to the feelings at the grass roots. In the course of the year, nearly half the states passed legislation dealing with campaign funding, ethics or secrecy in government."

That this is more than the self-congratulatory rhetoric of a body dominated by state and local officials is indicated by the virtually identical findings of an earlier appraisal by Common Cause, the citizens' lobby that has worked for reform both on Capitol Hill and in the state legislatures.

Terming the efforts by "at least 25 states to reduce the influence of money and secrecy in their political processes" no less than "a grass roots political revival," Common Cause said the response contradicts the "conventional wisdom which assumes that state legislatures are unresponsive, recalcitrant or reactionary, particularly when contrasted to the Congress."

What these reports suggest is that the leadership in the needed rehabilitation of public trust in government may come from the bottom up, not from the top down.

The states which ACIR and Common Cause both credit with the most dramatic reforms are not the familiar pioneers. Quite the contrary. New York is listed as one of the most retrograde in its legislative secrecy. The California legislature failed to pass a reform package forcing Common Cause to take it to referendum on the June primary ballot.

No, the signal successes came in such unexpected places as Texas and Alabama. In Texas, where estate scandals led to the defeat of the incumbent governor, lieutenant governor and House speaker in 1972, and a 50 per cent turnover in the legislature, the 1973 session passed a comprehensive set of bills opening governmental meetings and records and tightening disclosure requirements on lobby spending, campaign spending and conflict of interest.

Alabama, not normally thought of as a pioneer in such matters, passed ethics and financial disclosure statutes covering all state, county and municipal officials, all state employees earning over $12,000 a year, and all persons doing business with or lobbying the state government.

In field after field of domestic concern, ACIR reports, individual states have moved out ahead of the national government, justifying again the claim to the title of being "laboratories of democracy." Iowa and Maine have legislalated public financing of state campaigns, and several other states are considering such a step.

While Congress is still struggling, after five months, to pass an "emergency" energy act, governors and mayors are devising schemes to move scarce fuel to critical projects. It was Gov. Tom McCall of Oregon, who came up with the even-odd license number gasoline sales plan that is the best alternative to the rationing system the federal government lacks the courage to implement. It was Gov. Milton Shapp of Pennsylvania who stepped in where federal bureaucrats feared to tread in the trucker strike negotiations.

The picture is similar, the ACIR reports, in land use planning, environmental action, property tax relief and a variety of other areas, where the national government response has been timid or nonexistent but the states have acted.

The contrast between the stumbling of the national government, both legislative and executive, and the improving performance of state and local governments is a largely unreported story. If it were better known, perhaps the voters would be less prone to turn automatically to the Senate for the 1976 presidential candidates.

THE 56TH ANNIVERSARY OF THE LITHUANIAN REPUBLIC

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. LANDGREBE. Mr. Speaker, last Saturday, February 16, was the 56th anniversary of the establishment of the Lithuanian Republic in 1918. Soon after the Republic was founded, the Bolsheviks, fresh from capturing a portion of

Russia, invaded Lithuania in order to lead it by the nose to a "Workers' Paradise." At that time they failed in their aims of imposing utopian repression on the people of Lithuania, and the Republic remained independent for another 20 years.

In 1940, the Bolsheviks, having gained strength from aid and trade with Western Europe and the United States for two decades, succeeded in overcoming the Lithuanians, and their success has remained uncorrected to this day.

In commemorating the 56th anniversary of the founding of the Lithuanian Republic, it would be inexcusable to ignore the fact that 34 years of that 56 have not been spent in freedom, but in subservience and subjugation of the most brutal sort. The only proper celebration of the event which occurred 56 years ago is a personal and public rededication to those principles upon which human freedom rests. Rhetoric will not suffice if Lithuania is ever to celebrate its independence as an independent nation.

THE PRESIDENT'S PROGRAM—PART II

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include the following issue of my Washington Report for February 20, 1974.

The President's Program—Part II

"The federal budget is both a statement of national objectives and a plan for achieving them." So begins the most important document President Nixon will send to the Congress this year, his budget for Fiscal Year 1975.

The budget for Fiscal Year 1975 stands in marked contrast to the budget for the current year. Last year the President defiantly talked about cutting government spending, eliminating whole programs, impounding money, and he challenged the Congress to try to stop him. This year the President was much more conciliatory, adopting a flexible stance, emphasizing contingency plans, and saying that he is prepared to spend much more if the economy sags. He suggested no expenditure ceiling for the new budget, which was a significant feature of last year's budget. This switch in tone from fiscal discipline which marked last year's budget, to fiscal flexibility, which marks this year's budget, is most striking. The reasons for it are apparent.

Last year the threat to the economy was inflation and restraint was required; this year the President must be prepared to deal with a recession as well as inflation. Last year the President had been reelected by the largest popular majority in American history and he was clearly in control; this year he presents a budget to a Congress which has the question of impeachment under consideration. The budget, which is as much a political as an economic document, represents much less of a confrontation with the Congress than last year's budget.

This year's budget is Mr. Nixon's sixth, and by putting all his budgets together, significant trends are discernible. There have been enormous increases in income security through direct aid in cash and medical care to the elderly, the invalid, and the poor. Although the federal government's spending has jumped dramatically, the percentage of the gross national product going to the federal government has leveled off. There has been a shift in emphasis from military to domestic spending, and increased federal expenditures allocated to state and local budgets, with one federal dollar in eight now reaching state and local governments without strings through general revenue sharing.

Although the general trend in this years budget is upward, there are a few important declines. The biggest decline is for farm subsidies, which have been cut drastically because of the increase in farm prices, and there is also a drop for subsidies to the Postal Service, as postal rates have risen. There are sharp increases for pollution control (mainly for construction of sewage treatment plants), transportation, energy research, and the White House staff, most of which, reportedly, is for the legal staff handling the complex Watergate litigation.

The President's request for military spending is the largest in history ($85.8 billion). This $6.3 billion increase over defense spending in the current year covers steadily climbing military pay scales and rising costs of equipment, supplies and fuel. In two areas, strategic nuclear arms and weapons research and development, the new budget calls for sizeable increases for the largest array of new weapons developed in 15 years. Eventual deployment of these weapons, which would run into billions of dollars, depends upon the progress of the arms limitation talks. No major changes are proposed in the present military force of about 2.1 million persons. Despite the huge amounts, defense spending has been a shrinking percentage of the total federal budget, from 42.5 percent in fiscal 1968, to 27.2 percent in fiscal 1975.

The President has clearly set the nation on the road to providing income security for its poorer citizens, advocating cash payments to the poor, and shifting away from providing services to the poor through government agencies. His budget is the first to propose spending over $100 billion for income security, more than double the amount that was spent when he first took office. These programs—social security, food stamps, and veterans benefits—have expanded dramatically in recent years. The keystone to his income security approach will be his minimum income plan, one effect of which would be to replace several existing programs for the poor with direct cash assistance.

The President's budget, with only a tiny increase in spending for education, represents a retreat on education. The Atomic Energy Commission, one of the big gainers in the budget with a 36% increase in its budget, gets substantial additional funds for the development of new energy sources.

The budget appears to have fewer "gimmicks" in it than many previous budgets, although the President has probably sharply underestimated the size of the deficit, which he projects at $9.4 billion, but more likely will be much larger.

THE EMPLOYEE BENEFIT SECURITY ACT OF 1974

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. DENT. Mr. Speaker, I am introducing today, a bill entitled "The Employee Benefit Security Act of 1974" embodying substantially the same language as contained in H.R. 12781, introduced by myself last week. This bill introduced today bears the endorsement of my committee. At their instructions and pursuant to the rule granted yesterday, we intend to combine this bill with H.R. 12855, introduced yesterday by Mr. Ullman and Mr. Schneebeli, into a single substitute for H.R. 2, as previously reported by the Committee on Education and Labor.

OUR LEADERS' DIFFICULTY IN LEADING

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HARRINGTON. Mr. Speaker, a recent article in Government Executive by C. W. Borklund outlines a basic flaw in our Government: our leaders' difficulty in leading. It seems to me that Mr. Borklund's portrayal is a fair and accurate one. He cites numerous examples where Government has failed to take the initiative on the fundamental problems facing us as a nation.

I would like to insert Mr. Borklund's editorial in the Record at this time for the consideration of my colleagues. The text follows:

Government by Crisis

Shivering in a fuel-less mid-winter, we are suffering once more the penalties of a basic flaw in this democratic government. Its leadership has great difficulty leading. Its machinery does not permit its leadership to conceptualize, at least not with any particular effectiveness. For the record, as a matter of policy, program, practice and legislation, it can not anticipate a problem and work around it until it belts us on the nose.

Government has a talent—of debatable sorts—for reacting to a crisis. It has first-rate ability for arguing a subject endlessly without reaching any special conclusion. It can respond with a payoff—most through further increase in taxes—to the pleas and vociferous demands for "help" from just about any minority sliver of our ethnic culture.

It can even lead us out of the wilderness, though not often with any great degree of efficiency. But its most glaring shortfall, we think, is that it can't seem to keep the Nation from stumbling into the jungle in the first place.

We don't think it's crying over spilt milk to complain now that this energy crisis should never have happened in the first place. The Great Teacher in the Sky is trying to tell us there is a lesson to be learned here if we care enough about our own future to listen. Otherwise, this country's democratic institutions will survive only so long as we continue to be the most affluent nation on earth. The greater the wealth, the higher the level of incompetence that a country or a business or even a person can afford.

Twenty-eight years ago, then-Navy Secretary James Forrestal warned us of the threats to world fuel supplies if a Middle East war forced people to choose up sides between Arabs and Jews. For his trouble, all he got was an indictment of being anti-semitic by columnist Drew Pearson.

Proposals from the White House on preventing the energy crisis have been fermenting on Capitol Hill for more than two years while most Congressmen concentrated on reacting to some variation of a thing called the Watergate mess. Washington Senator Henry Jackson drum-thumped for alertness and action. But not until the fuel flow dropped did his urging earn him anything more than the accusations of self-styled (and mostly uninformed) environmentalists that he harbored a callous disregard for Mother Nature's cleanliness.

Energy is not the only field where Government has fumbled.

Item: experts on international trade and the economic aspects of foreign policy say the basic merits of the Trade Reform Bill (know what that is?) are inarguable. Yet, largely through procrastination and thumb-twiddling its passage is now threatened. And the irony is a lot of the people who will vote on it have precious little notion of how non-politically important it is to this country.

Item: about five years ago a panel of experts produced a study which said, basically, the Nation's economic and environmental well-being, as well as military security, would be enhanced immensely if we poured as much effort now into developing our oceanic resources as we had a decade earlier into the Space race.

But the Space race was a reactive program. A National Oceanographic and Atmospheric activity is a conceptual idea. Thus, what has been done about the proposal since is, essentially, nothing.

Item: In April, 1970, the President's Task Force on Science Policy issued a six-section plan for using "Science and Technology (as) Tools for Progress." Said the report: "The management, strength, and proper allocation of these vital (scientific and technological) resources are political responsibilities of the highest significance."

If they are, then it follows logically that Government is politically irresponsible, because it hasn't done anything appreciably significant about science policy since 1970—except to whack down research and development expenditures.

Item: as, in part, a tool for keeping the peace, the President is trying to launch a program of trade expansion and economic interdependence with Russia, China and the other Socialist countries. But, summarized one leading industrialist recently, "The U.S. Government bureaucracy is thwarting the thrust of the President's program with the USSR and is failing to properly support his trade expansion objectives with the other Socialist countries."

Item: a joint Defense-NASA-Department of Transportation study, completed in August 1972, on "R&D Contributions to Aviation Progress" pointed out that Government R&D support is what had made the U.S. the world's leader in military and commercial aerospace technology.

But, as a result of the dramatic reduction in that support in recent years, it noted, "Design teams have been broken apart, technical expertise scattered, and the art of design has—in some cases—stagnated." And do you know there are people in high places who can't see the cause-effect relationship between that and the shortage of good schools, adequate medical care and a higher U.S. standard of living?

We could "item" you into numbness with examples of how the Federal Government (let alone state and local governments) can't seem to think and plan ahead. Maybe, if it manages it, Congress reshaping its machinery so it can budget within our income will help. Maybe, if they manage it, the Office of Management and Budget's creating a method for measuring Executive Department performance will help.

Wise and perceptive people are struggling mightily to modernize the machinery of Government. We have got to see that they succeed. The price we're paying for what we have now is too horrendous to be borne much longer.

SECRETARY McLUCAS LOOKS AT PRESSING AIR FORCE NEEDS

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. JONES of Oklahoma. Mr. Speaker, the January 1974 issue of Air Force Magazine featured an article by Senior Editor Edgar Ulsamer based upon an interview with Air Force Secretary, John L. McLucas. The article, entitled "Secretary McLucas Looks at Pressing Air Force Needs," covers a wide range of topics from personnel to R. & D., all of which matters are of vital importance to the people of this country, and of ongoing interest and responsibility for this Congress.

I was particularly encouraged by the Secretary's remarks concerning the B–1 bomber program. According to Dr. McLucas, there is now a coalescence of opinions regarding full program go-ahead. Since this assertion is made with specific reference to a recent Air Force Scientific Advisory Board review, the Secretary's views are of particular significance and weight.

With the heightened prospect of an alarmingly old and obsolecent B–52 force, there is every reason to applaud this positive development. I, therefore, commend to my colleagues the attached article, with a special call to support for the sound position taken by Secretary McLucas for a full B–1 program go-ahead:

[From Air Force magazine, January 1974]

Secretary McLucas Looks at Pressing Air Force Needs

(By Edgar Ulsamer)

The United States "sees" almost instantly any intercontinental ballistic missile regardless of where and when it is launched and also knows where it is going. What's more, this worldwide monitoring capability has been tested over a number of years and has proved "very reliable and highly credible." This high degree of credibility, in turn, enables the National Command Authority to react rapidly and decisively on such warning information, according to Air Force Secretary John L. McLucas.

"The basic objective of our early warning satellites," which provide that information, Dr. McLucas told this reporter, "is to keep track of missile activities going on around the world; these satellites are deployed in such a way that they can see missile launches anywhere and at any time. The system reports in essentially real time any missile launches and gives an indication where the missile is going. This worldwide capability provides precise, unambiguous information about test launches or an actual attack."

Early warning satellites consist of so-called integrated satellites, meaning spacecraft using a number of different sensors that augment one another. These sensors detect and track missiles and also monitor nuclear explosions in the atmosphere and space. While it might be possible to attack these warning satellites, it would seem impossible, at least on the basis of presently available technologies, to do so with any real chance of surprise; the system would presumably detect interceptor missiles fired against it hours before the aggressor could reach the satellites' high orbital altitudes.

Almost ten years ago, Secretary McLucas told Air Force Magazine, the Air Force started the development of a nuclear-armed antisatellite system at the request of former Defense Secretary Robert S. McNamara. Known as Program 437, this system was premised on Secretary McNamara's belief that the United States "needed assurance that if the Soviets or anybody else started playing around with our satellites, we should have the ability to do likewise. Of course, the subsequent prohibition against the use of nuclear weapons in space caused us to change our position on this matter."

USAF'S SPACE BUDGET: MORE THAN $1 BILLION ANNUALLY

The Air Force, Secretary McLucas revealed, spends more than $1 billion annually on military space programs. Control over most USAF space activities is exercised by its Satellite Control Center at Sunnyvale, Calif., an agency of AFSC's SAMSO. The Center operates ground stations scattered around the globe, which relay information to and from the individual satellites "so that we can, in effect, control a worldwide satellite network," according to Dr. McLucas. "We do have in the works a new approach, a satellite relay system that would give us the same kind of controls, but, instead of ground stations, would use space stations or satellites." The advantage of the space-based control system, the Secretary explained, is "that it gives us more communication channels to a given satellite," and, by eliminating the need for ground stations on foreign territory, the political and military vulnerabilities of the control system will be reduced significantly.

Now under development by Hughes Aircraft Co. is such a system, the Satellite Data System (SDS), part of the Air Force Communications System (AFSATCOM). SDS will eliminate some of the ground stations.

THE AIR FORCE IN SPACE

Although formerly the government's executive agency for all military space programs, the Air Force, under a 1971 Department of Defense directive, is no longer the sole service with space responsibilities. But while service responsibility for new programs is now considered on individual merit, the Air Force remains the principal designer, manager and operator of space systems. "The only decision to date—as a result of the change of 1971—that involved a service other than Air Force is the [Navy's] Fleet Satellite Communications System (FLTSAT COM). But even in this instance, DoD agreed that the Air Force should act as the Navy's subcontractor to actually contract to build and manage the system and put it into orbit. The Navy is in charge, of course, in the sense of procedural operations, but we provide the routine management function such as station keeping."

Because the Air Force has the people, know-how, and facilities, Secretary McLucas said, "it would not make sense for the Navy to duplicate all this at high cost." While any service that can convince the Department of Defense that it has a good case can be granted a given space mission, it is likely that the Air Force will continue "to perform the actual work," he suggested. This is likely to include space launches, since there are no plans to build new launch facilities.

Cooperation with the Navy on FLTSAT-COM extends beyond routine management matters, Dr. McLucas pointed out. Although primarily designed to serve a large number of Navy ships and aircraft, the system will also carry Air Force transponders, which are part of the Air Force Satellite Communications System (AFSATCOM). The Navy satellites, Dr. McLucas revealed, are to become operational in about two or three years. Four satellites will form the system and be spaced around the equator at ninety-degree intervals to provide broad coverage.

Concurrent with the Navy's initial interest in FLTSATCOM as a means of providing reliable communications with the fleet, the Air Force was probing the design of AFSATCOM to assure "worldwide control of our strategic forces," Secretary McLucas explained, adding that "by joining up with the Navy, we will be able to use these four platforms in space for our own transponders and, thereby, be able to control our strategic forces in all areas of of the globe except the polar regions. These gaps, which result from the equatorial placement of FLTSATCOM, will be closed by AFSATCON, which is to incorporate components of the Satellite Data Relay System, some of whose spacecraft are in polar orbits.

"By combining the capabilities of the two systems, the Air Force will be able to communicate with its strategic forces, be they bombers, other aircraft equipped with satellite terminals, or an airborne command post, anywhere in the world." This combined system will have the additional virtue of intrinsic redundancy. If one satellite fails, others can take its place. In the case of FLTSATCOM, for instance, only three out of the four in orbit are actually needed.

The redundancy that assures reliable operations automatically makes the two systems fairly survivable, Dr. McLucas pointed out. "The two systems can be categorized as medium-survivable. We have not gone all out and tried to do everything we can think of because that would cost too much; besides, it is more important to develop the needed communications capabilities expeditiously rather than come up with a design that will last forever," he said.

Present trends point clearly toward multiple uses of spacecraft. "I think the kind of redundancy that is gained from using piggyback arrangements [putting different transponders and other components aboard individual satellites], and thereby making each satellite a space bus of sorts, makes good sense," Dr. McLucas said.

Secretary McLucas expressed strong support for efforts to assure the survivability of space-based military systems. "If we are going to rely on space communications, then we must insist that these systems be as reliable and survivable as possible. One side of that effort is redundancy; the other involves hardening of the satellites [against EMP—electromagnetic pulse—and other destructive radiation of nuclear explosions. Overpressure, the most lethal effect of nuclear weapons in the atmosphere, is not a factor in space]. It would seem certain that over a period of time more and more hardening will be incorporated into our space systems."

The Air Force, Dr. McLucas said, is working on SURVSATCOM, the Survivable Satellite Communications Development Project—a highly survivable communications satellite that can perform vital general-war command and control functions. The project involves two satellites, LES 8 and 9, which are being developed by Lincoln Laboratory and are scheduled for launch in Fiscal Year 1975.

Military experts and the scientific community remain divided over whether the survivability of space systems is better attained through hardening or through redundancy, according to Dr. McLucas. Because hardening runs up both costs and weight, he said, "I personally tend toward redundancy, but it will take more time and research to answer this question." Dr. McLucas agreed with the majority of USAF leaders that an attack on the US military satellites is not likely; such an act, of itself, would signal, categorically, the attacker's intent and could trigger a US response.

He nevertheless advocated "a fallback position through hardening and redundancy, especially in case of a relatively inaccurate attack. In the case of a head-on hit, of course, hardening would not help anyway."

Hardening or shielding involves a variety of techniques to contain the energies of EMP in the outer shell of a spacecraft, design of the electronics to minimize damage from what EMP reaches them, and shutdown of on-board circuitry during the split second of EMP effectiveness.

Finally, the survivability is also being enhanced through the development of advanced optical space communications systems, including lasers and other techniques that are impervious to the communications blackout that accompanies the explosion of large nuclear weapons in space.

POSITION-FIXING AND NAVIGATION SATELLITES

It is axiomatic that the efficacy of military operations depends on the accuracy with which the forces involved know where they are, where they are going, and at what rate of speed. The more mobile these forces and the greater the accuracy and range of their weapons, the more urgent becomes the need for precise position-fixing and navigation. This has been recognized by a multiservice program that probes navigation-satellite systems and associated technologies. It will culminate—between the years 1977 and 1979—in a major navigation-satellite experiment to test and demonstrate satellite-navigation technology and its potential. In mid-1974, the Air Force will launch an experimental satellite to explore the complex phenomena of signal propagation and modulation in space, in concert with a special simulation facility that was placed into operation at the White Sands missile range last year.

The potential inherent in navigation and position-fixing satellites. Dr. McLucas pointed out, "is virtually unlimited and largely untapped. We have had some important lessons from the Navy's Transit Navigation Satellite system, of course, and we have run some hardware experiments that show what could be done with a multiple satellite system in terms of distance measuring techniques—TOA [Time of Arrival] and Time Difference of Arrival.

"What's involved here is precise measurement of how long it takes signals from different satellites, whose locations are known with high precision, to reach a point whose position is to be fixed, thereby establishing its location. We have demonstrated the feasibility of these techniques with aircraft for some time now and know that it can be done with extremely high accuracy. It seems entirely reasonable to predict that it should be possible to fix the location of any point on the globe or in the air with a three-dimensional accuracy of at least 100 feet. This, by itself, offers a revolutionary potential for blind weapon delivery, standoff systems, and—to a degree—the elimination of weather and visibility as major factors in military operations."

While the feasibility of systems with these kinds of capabilities has been demonstrated convincingly, the "major remaining question is what constitutes the optimum hardware configuration," Secretary McLucas said. This boils down largely to a decision on where to put the computer, into the spacecraft or the user systems, such as aircraft.

"You could either keep the satellites very simple and have big, complicated computers in each aircraft or other users, or you could build a very sophisticated system into the satellites and put only a small electronics package into the aircraft. We in the Air Force tend in the latter direction—that is, put the complexity into the satellites. We have had a somewhat competitive atmosphere with the Navy in this regard, with the Navy advocating one approach and the Air Force supporting another. But recently, all of us agreed on a compromise that resolved this problem, and we now have an approach that all services think is feasible. One could say that we have adopted a policy of compromise where we acknowledge that the Navy's disposition of satellites makes sense, provided they radiate Air Force-like signals. The present proposal is to place enough of this type of satellite into space to find out how the system can work best; subsequently, the idea would be to put up enough of them so that we can get worldwide coverage." This is likely to take between eight and ten years, according to Dr. McLucas.

THE AIR FORCE AND THE SPACE SHUTTLE

The Air Force is aware of the potential of manned military space missions, but knows that it costs a great deal more to operate a manned system than an unmanned one. The cancellation of the MOL program is a case in point. The Air Force considers it fortunate that "we don't have to foreclose the option of future manned space missions because of the national Space Shuttle program," a two-stage reusable space transportation system scheduled to reach operational status by the end of this decade. The system will be capable of delivering military and civilian payloads of up to 65,000 pounds into low earth orbit.

The Shuttle is, however, limited to orbital altitudes of about 200 miles. Another vehicle, usually referred to as the Space Tug, is needed to deliver payloads from the Shuttle's orbit to geosynchronous or other high-energy orbits. Present Pentagon estimates indicate that about fifty percent of all military payloads will require the higher orbits in the foreseeable future.

Secretary McLucas told Air Force Magazine that NASA—the developer of the Space Shuttle—and the Air Force have agreed in principle that the latter should pay for and develop an interim Space Tug. The initial upper stage would be a minimum cost modification of an existing expendable stage that would meet most requirements during the period when payloads are transitioning from current launch vehicles to the Shuttle. The stage will deliver payloads to high orbits, but will not be capable of retrieving payloads. The stage itself may be reusable.

This tentative agreement "has not been fully staffed throughout government, and, as a result, I don't know how far we will get with it," he said. The main reason why the Air Force supports this arrangement is that "we want to get on with a program of this type. It doesn't make sense to have the Shuttle and not be able to go the rest of the way," according to Dr. McLucas.

From the Air Force's point of view, the principal appeal of the Shuttle is that this system will make it possible to fix, refurbish, retrieve, and reuse expensive space systems operating within the Shuttle's orbital range. Obviously, extending this capability into high-altitude orbits would be equally desirable. But the high R&D investment associated with a recovable, reusable, and possibly man-rated "upper stage" militates against such a program at this time, the Air Force Secretary said. "On a long-term basis, it can be shown that it would make economic sense to recover space systems from synchronous orbit, but I seriously doubt that this will happen any time soon."

The argument in favor of recovery of space systems, so far as the Air Force is concerned, must be tempered with a number of realistic considerations. One is that the longevity of space systems usually exceeds the original specifications with the result that, by the time many of these systems fail, their components, or even their basic concept, may be obsolete. Recovery of such older systems that have outlived their usefulness would not be economical or even desirable, Dr. McLucas pointed out.

"Simply put, the longer the life of a payload, the less productive it is to recover. Obviously, the most profitable recovery involves systems that fail as you put them up and where, by replacing a $10 component that doesn't work, you salvage a multimillion-dollar spacecraft."

THE B–1 PROGRAM REVIEW

On July 12, 1973, Secretary McLucas reported to the Congress a slippage in the schedule of the B–1 program and, concomitantly, an increase in the R&D costs as well as a postponement of the program's key milestone—the production decision—to May 1976. Shortly thereafter, Dr. McLucas appointed, under the aegis of the Air Force's Scientific Advisory Board, a thirty-odd member review committee. Headed by Dr. Raymond L. Bisplinghoff, Deputy Director of the National Science Foundation, the Committee is currently completing its final report on the program, covering both management and technical qualities.

The Committee's basic findings, conveyed orally, contained, according to Dr. McLucas, "some good news and some bad news." In the first category, he said, was the fact that the Committee's intensive, one-month study confirmed that the B–1 "looks like a good design, in the sense of being able to execute the mission assigned to the aircraft, and that it is within the state of the art." At the same time, Dr. Bisplinghoff and his panel of experts found the program "too success-oriented," meaning that, in the Committee's view, the B–1 effort is funded and phased in an "optimistic way." It is Dr. Bisplinghoff's opinion that it would take "a great deal of luck" for things to go the way we planned. "Given the perverse nature of inanimate objects, [Dr. Bisplinghoff] felt," Secretary McLucas said, "we are bound to run into some problems."

A third feature of the B–1 program that is being questioned by Dr. Bisplinghoff's committee is "the fact that it is not easy to see how we get from the first three test aircraft to the production aircraft. In the committee's opinion, there should be an intermediate step, a preproduction stage, in order to accommodate the changes that the flight-test program demonstrates ought to be made. This would enable us to test out these changes on the preproduction aircraft, *before* we commit ourselves to full production," Secretary McLucas said.

The Air Force views the findings and recommendations of the Committee as "quite realistic, especially so far as the recommendation for a preproduction stage is concerned," according to Secretary McLucas. The variance between the actual structure of the program and what's being sought now is anchored in differences in objectives. "Our original approach was geared to give us, at minimum cost, the answer to one question: 'Do we, in fact, have a B–1 design that we can go into production with?' This meant that we had to flight-test an aircraft that wasn't just a bare airframe, but included the kind of equipment, such as avionics, radar, and so on, that showed we could actually execute the assigned mission. If our objective had been to go into production quickly, we would not have taken the course we did.

"Our initial reaction to the Committee's recommendation is positive, because more than three years have gone by since we formulated the program, the B–52s have gotten older, people are getting more concerned about the obsolescence of these aircraft, and the likelihood of a decision in favor of a production go-ahead on the B–1 has increased. Three years ago, the time was not yet right for such a program structure, but now we have a coalescence of opinions regarding full program go-ahead, and, therefore, Dr. Bisplinghoff's recommendation for a preproduction stage make more sense. As a result, we are now pricing out such a change, and the B–1 Program Office is analyzing the specific recommendations to establish what should be adopted," Dr. McLucas told AIR FORCE Magazine. A decision should have been reached by the end of 1973, he added.

USAF R&D SHRINKS WHILE SOVIETS EFFORTS INCREASE

USAF's R&D budget has dropped, expressed in FY '74 dollars, from $4.4 billion in 1968 to $3.2 billion in the current fiscal year. "I am not sure that we can continue to function with an R&D budget of this type. Much depends, of course, on the outcome of SALT [whose phase II is to be concluded by the end of 1974]. If we don't reach any agreements with the Soviets about their pulling back from further developments and deployment of strategic systems, then we will have to modernize and improve our defensive and offensive missile systems, as well as update other weapons. In such an eventuality, we would have to show greater progress and increase our R&D effort because we can't afford to be left behind. At present, the technical quality of our systems is still quite good, but if the Soviets continue with their high-level efforts [manifested by recent missile and MIRV tests], we might have to step up our own efforts," Dr. McLucas explained.

The Air Force Secretary was sanguine about the present level of military R&D providing "reasonable assurance against major technological surprise five or ten years from now." He emphasized the need for a "balanced approach to our R&D effort, unless there is good reason to panic, and I don't see that. I do see a definite need to maintain a very aggressive effort in the ICBM field, and we must somehow cope with the ECM challenge." While the Soviet weapons introduced during the recent Middle East war proved very effective, he said, they contained no technological surprise, and, after an initial period of adjustment, the US-supplied systems "proved quite effective."

In the tactical weapons field, the Air Force has made great strides in terms of smart weapons, "but they have to be deployed on a much larger scale than is the case at present. We don't have Europe stocked with these weapons to anywhere near the degree that we achieved in Southeast Asia. This must be remedied. Also, we have not applied these new technologies to nearly the extent that we could and should. Finally, we must recognize that any system embodying sophisticated components is susceptible to countermeasures. We have to assume that there will be countermeasures, and we will have to concentrate our efforts on defeating them," according to Dr. McLucas.

In the related area of RPVs (Remotely Piloted Vehicles) Dr. McLucas cautioned that, in spite of the enormous potential of this technology, it might take years before the rank and file of the Air Force will fully accept the robot airplane. "We started out with RPVs flying photographic missions, and this, in time, has become a widely accepted mission. There are many other applications of equal promise, including high-altitude radio relay and a strike role. There are many missions where we can use RVPs to form samething like a LORAN grid to guide missiles and other weapons to a target. We have already demonstrated that RPVs can be used to launch Maverick missiles against moving tanks; we have shown that they can be used for both high- and low-altitude photo reconnaissance; and we have proved their capability in the radio-relay area. The real issue is to get people to accept the RPVs. It is only natural for the Air Force to be biased toward the manned system, but it is also clear that there are missions that can be performed better with RPVs. I have no doubt that gradual acceptance of this fact will set in."

NEEDED: A NEW APPROACH TO AERONAUTICAL TEST FACILITIES

A currently pressing Air Force concern is the inadequacy of certain of our national aeronautical test facilities, to meet modern needs. For example, the Arnold Engineering Development Center has some equipment dating back to World War II. This is costing the Air Force and others a good deal of money, because it requires more flight testing than would be otherwise necessary. Dr. McLucas disclosed that the Air Force and the Department of Defense are currently "working with NASA in order to come up with precise requirements for high Reynolds numbers [high-performance] wind tunnels as well as V/STOL wind tunnels and other facilities," to assess the performance of new aircraft and engine designs.

"We have more or less agreed on what's needed and what these new test facilities should be. It now becomes a question of putting enough emphasis on this matter. I believe that we can get the support we need on Capitol Hill once we can come up with a fully coordinated program."

The Air Force, traditionally, has advocated a government-wide, centralized approach to aeronautical test facilities in the belief that this would cut costs and permit more effective utilization and ease the funding of what, in effect, becomes a general national resource.

ARCHIE COX AND THE MEDIA

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUNT. Mr. Speaker, former Watergate Prosecutor Archibald Cox has taken a couple of swings at the news media for their Watergate coverage. While I certainly have not been in agreement with this "darling of the liberals" on other matters we see eye-to-eye on this issue.

I call the attention of my colleagues to the following story run in the February 19 edition of the Washington Post. It adds a new perspective to the Watergate reporting and the "power" wielded by the three television networks.

The article follows:

Cox Critical of Role of Press in Watergate

CONCORD, N.H., Feb. 18.—Former Watergate Special Prosecutor Archibald Cox said today part of the press regards itself as "the fourth branch of government," and that he had "quite a few misgivings" about the way the media covered Watergate.

"The media certainly is turning gradually to a more active role in shaping the course of events through their news columns and commentaries as well as on their editorial pages," Cox said. He addressed students and faculty at St. Paul's School, from which he graduated in 1930.

"It isn't true of smaller papers around the country, but I think it's true of The Washington Post, The New York Times, Newsweek, and a number of big papers, and I rather think it seems to be true of some of the network presentations," he said.

"It does seem to me that the selection of items emphasized often reflects the sort of a notion that the press is the fourth branch of government, and it should play a major role in government. I'm not sure that I want it that way when there are only three networks—to me that's an awful lot of power to give to whoever runs the three networks," Cox said.

But Cox concluded his remarks on the press saying, "I have no grounds to complain about the way the media has treated me. Indeed, they've treated me better than I deserved."

TAPEWORM

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. LANDGREBE. Mr. Speaker, the second editorial by Mr. Mollenhour which recently appeared in the Warsaw, Ind., Times-Union is entitled "Tapeworm," and it draws an analogy between a magnetic tape and a tapeworm, an analogy that could only be drawn subsequent to the events of the last few months. I include the editorial in the RECORD at this point:

> Every boy who ever went barefoot, then ate and ate while he got thinner and thinner, knows what a tapeworm is. Webster says a tapeworm is a parasite that feeds from the energy meant for man. The United States has an 18 minute tapeworm. It is a parasite in the gut of the nation, eating away at the energy of confidence of our people.
>
> It is difficult to understand the unhealthy fascination we have with the missing 18 minutes on one White House tape. Less than one year ago we didn't even know such a tape existed. Out of literally hundreds of tapes, public attention has zeroed in on one—especially the 18-minute segment of one tape.
>
> Watergate was quieting down, people were becoming bored with the entire affair. Then the nation caught its tapeworm again. Further indictments of former White House staffers became a certainty and talk of impeachment of the President revived. This is an interesting bit of psychology. The tape existed before. The hum was there before. But six experts say the record key was punched five and maybe nine times and all at once the whole deal is big again. No doubt the entire affair has been bungled politically—and by the President. But there has not been one shred of solid evidence that would tie Richard Nixon to either Watergate, the cover up nor the 18 missing minutes on the tape. Should the fate of The United States hang on 18 minutes of tape? We said editorially one year ago, that Mr. Nixon was wrong in the way he was trying to ignore Watergate. But being wrong politically is not a crime.
>
> Scholars are arguing whether or not the President can be indicted. This is a symptom of how sick our tapeworm has made us, for up to now there is no evidence that he has committed an indictable offense. Even if such were proven, he could not be indicted. Under the Constitution, the President is above ordinary law in his conduct of the Presidency. The Constitution provides a special avenue of impeachment by the House of Representatives and then a trial by the Senate for Presidents.
>
> But such has been our deadly preoccupation with possible wrong-doing that we have the cart before the horse. Even a common criminal is protected by law prior to and during grand jury proceedings. We have not extended that courtesy to the President. Night after night, the American people are bombarded with new suggestions that he resign, be indicted or impeached. If he cannot be solidly connected to a crime, if he does not resign, if he is not impeached, the national press corps, especially TV commentators will be sick at heart. They have tried to make it so—heaven knows, they have tried.
>
> Mr. Nixon has mismanaged his relations with the press. He has mismanaged the aftermath of the Watergate affair. Perhaps he mismanaged his campaign. But mismanagement is not an impeachable offense. Mismanagement is a crime against Mr. Nixon himself in which the penalty will be a blot upon his page in history.
>
> In the meantime, the nation should get rid of its tapeworm, lest it sap the energy we so desperately need to solve our real problems.

EMERGENCY MEDICAL SERVICES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HAMILTON. Mr. Speaker, a medical emergency may strike an American of any age at any time in any place. It may be a heart attack or an accident. It may strike at home, at work, or play. It is the third most common cause of death at all ages, and the leading cause of death among Americans aged 1 through 38. Tragically, adequate care for these victims is all too often simply not available.

It has been estimated that:

The number of American traffic fatalities, now exceeding 50,000 annually, could be cut by 20 percent by improved emergency care facilities.

A similar reduction is possible in the 60,000 annual nontraffic deaths from drowning, fires, poisoning, and other accidental causes.

Fatal heart attacks could be reduced by perhaps 10 percent. Our present rank of 20th in the world in the number of heart attack patients rescued, is unacceptably high.

The death rate in a community is directly proportional to the community's ability to respond to the individual in an emergency. Despite the fact that we Americans spend more per capita on health care than any other country, nationwide studies suggest our emergency care system needs much improvement:

Less than 10 percent of hospitals have special arrangements with other hospitals for communications in emergency situations. This frequently keeps a patient from access to the institution with the best facilities for treating his particular condition.

Few hospital emergency rooms are equipped to handle any surgical situation.

Only half of all ambulances have two-way radios, which are essential to effective coordination of emergency services.

Expensive specialized equipment is needlessly duplicated in some communities, totally lacking in others.

Few doctors are trained to handle emergencies, a fact which leads to the mistakes in the emergency room. Only seven institutions in the entire country have residency programs in emergency medicine. Fortunately for southern Indiana, among these are Louisville General Hospital and the University of Cincinnati Medical School

No more than 10 percent of ambulance personnel have completed a basic 80-hour training course considered by the Department of Transportation to be essential for ambulance workers. One worker in 20 has not even received training in basic first aid.

In some States, doctors and other passersby are reluctant to offer assistance to the injured because, if unsuccessful, they are liable to suit.

In short, the nationwide picture of emergency medical services emerges as woefully inadequate. These examples could be multiplied, and they demonstrate the challenges confronting our system of emergency medical care:

More planning and coordination of EMS systems between local communities, States and the Federal Government, and between health agencies within the community, to avoid fragmentation and duplication.

More resources, human and financial, to improve facilities and personnel.

Better communications equipment which can spell the difference between life and death in emergencies.

Removal of certain legal barriers to the effective delivery of emergency medical care.

Expanded research and training in the nature, techniques, and delivery of emergency medical services.

These problems—of planning, coordination, facilities, personnel—act everywhere as critical limitations on the effectiveness of our national system of health care.

Serious as these problems are in our urban centers, they are compounded in rural areas:

One-fiftieth of all Americans, many of them rural residents, have no access at all to a doctor.

In general, rural residents have only about one-half the access to physicians, hospital beds, and other resources, compared to the rest of the Nation.

Rural emergency rooms are often crowded with nonemergency patients unable to find regular medical care.

Health problems in rural areas are aggravated by an older population, a higher degree of poverty, and a more limited access to many forms of transportation than in the cities or suburbs.

Thus, the need for efficient emergency medical services takes on added significance as it applies to rural America.

In passing emergency medical services legislation last year, the Congress showed a concern for these problems and an appreciation of their complexity. This legislation represents a genuine congressional initiative. It faced constant opposition from the administration. The President vetoed the original bill because he considered it too expensive and because it prohibited the closing of eight Public Health Service hospitals. By a very small margin, the Congress failed to override the veto.

Congress reasserted its determination to improve our EMS systems by passing a new bill without mention of the PHS hospitals. This bill the President signed into law last November 16.

The legislative intent of the bill is stated in the committee report:

> To encourage and provide incentives to ap-

propriate units of local government to inventory their resources for providing comprehensive emergency medical services, identify the gaps in such services, seek to remedy these deficiencies through better coordination or utilization of existing resources—their own and those available under other Federal programs—and develop the new components essential to the achievement of an integrated comprehensive emergency medical services system.

The bill provides several means of achieving these goals.

First. It creates a new program of Federal assistance in the development of emergency medical services. It authorizes $185 million over the next 3 years, to be used for aid to public or private nonprofit community-based systems. Congress has already appropriated $27 million for the remainder of fiscal 1974. Grants will require approval of the Secretary of Health, Education, and Welfare.

Since EMS systems all over the country are in various stages of development, the bill provides three different funding mechanisms for EMS grants.

Planning and feasibility grants for communities wishing to initiate an EMS system, with amounts to be determined by the Secretary of Health, Education, and Welfare.

Two-year grants for establishment and initial operation, with 50 percent Federal matching in the first year and 25 percent in the second year.

Grants for expansion and improvement of existing but inadequate EMS systems, not to exceed 50 percent of the costs of the project.

It gives areawide health planning agencies the opportunity to review and comment on proposals for these grants.

The Congress showed its concern for the needs of rural areas by providing that HEW shall give special consideration to applications for grants for research on, or implementation of, rural EMS systems.

Second. It provides for grants to medical schools and other educational institutions for research and training in emergency medical care. Special emphasis here is on training programs affording clinical experience in emergency medical services systems receiving assistance under the new law. The amount of money authorized for these grants is substantial—$10,000,000 for the fiscal year ending June 30, 1974.

Third. It requires the Department of Health, Education, and Welfare to establish a unit for collecting, disseminating, and analyzing information on the development of EMS systems.

Fourth. It requires HEW to establish an Interagency Committee on Emergency Medical Services to evaluate the effectiveness of all Federal programs related to emergency medical service systems, and make recommendations for improvements.

Fifth. Finally, it directs HEW to conduct a study to determine what legal barriers remain to implementation of effective emergency care, and to recommend suggestions for new legislation to overcome them.

The Congress passed this legislation not in the mere hope that something better can be done for Americans who find themselves in medical emergencies. We know that an intensive and well-planned program can work. This has been shown most dramatically in the case of the State of Illinois.

In 1971, Illinois established a "trauma care" program, with five large regional centers at key points around the State and smaller areawide centers in sparsely populated areas. Using the human and material resources already present in the communities, it has placed top priority on the treatment of the critically injured. Since then, the mortality rate from auto accidents in Illinois has steadily declined, and is now only one-sixth of the national rate.

The taxpaying public, who demanded the best emergency care facilities for wounded soldiers during the Vietnam war, should not put up with any lesser effort to cut down the number of needless highway casualties. The same humanitarian concern must apply equally to all, whether victims of enemy fire or of a heart attack. Too many people have suffered easily preventable death and disability because of ineffectual EMS systems.

The amount of money in lost wages, medical expenses, benefits paid to the injured, and property damage from accidents alone amounts to nearly $28 billion annually.

It is clearly in our interest to spend a few million more to reduce that figure, and with it much human suffering, as envisioned by the Congress when it passed this important piece of legislation.

LITHUANIAN INDEPENDENCE

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MINISH. Mr. Speaker, February 16 marked the 56th anniversary of the independence of Lithuania. It is fitting, therefore, that we pause for a moment to remind our own citizens, and the people of the entire world, that Lithuanian people still hold fast to the principles of independence and self-government.

On February 16, 1918, as a culmination of years of planning and hoping, Lithuanian patriots declared the independence of the Lithuanian State. The triumph of this rebirth was shortlived, however, for the freedom of the Lithuanians was stolen from them in 1940 by the Soviet Union.

Since the occupation by the Russians, Lithuanians have been systematically denied their precious heritage of freedom. One small, but dramatic, example of this oppression occurred in 1970 when a Lithuanian seaman, Simas Kudirka, jumped from his Soviet fishing trawler onto a U.S. Coast Guard cutter, seeking political asylum in the United States. Tragically, Kudirka was seized by Soviet authorities, beaten, and sentenced to imprisonment.

Mr. Speaker, by looking at the misery that Lithuania has endured, we may gain a higher appreciation of our own freedom. In this spirit and in the hope that a new light of freedom will one day shine down upon this valiant people, we pay tribute to Lithuania on her independence day.

WITH MALICE TOWARD NONE

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. COTTER. Mr. Speaker, my family has lost a friend and Connecticut has lost a legend. Art McGinley was one of a kind, a gentleman, a wit, a friend to the great and the little guy as well, a sportsman's sportsman.

I am saddened by his death; yet the memory of him brings a smile because he lived life with such zest and humor and warmth. I am honored to have known this truly great man who brought so much happiness into the lives of so many people.

Sports editor and sports editor emeritus of the Hartford Times until his retirement 6 months ago shortly after his 84th birthday, Art McGinley lived a truly remarkable life.

He was crippled by arthritis, yet somehow forced his gnarled and painful fingers to peck away at a typewriter, producing the kind of folksy prose which daily informed and delighted readers of the Times.

I want my colleagues to share the thoughts of Art's "competition" for many years, the Hartford Courant's former sports editor who wrote the following column today:

WITH MALICE TOWARD NONE

(By Bill Lee)

When Art McGinley died Tuesday, his passing took a man of warm friendship and compassion to generations of Connecticut persons.

Many, many thousands who never saw Mac face to face will feel the deepest sense of loss because he put so much of his great heart into every column he wrote. Perhaps there has never been a man in our part of the country who had a warmer communication with people than Arthur Bosworth McGinley.

MAC LEFT SOMETHING INVALUABLE

Nor has he ever been limited to reaching people only through the two columns he wrote daily for many years, and almost that often even after he had passed four score in years.

If a man or woman ever attended a public dinner of any kind, the chances are that Arthur McGinley was either toastmaster or principal speaker.

Mac probably never stopped to think much about it, but if he did he might have known that when he died he would leave a legacy of a million laughs.

MOSTLY IT WAS WITHOUT A FEE

If anyone, anywhere, had a greater fund of rib-tickling stories than Arthur, that person does not come to mind.

Nobody ever heard or saw him laugh at his own jokes. In his prime at what he liked to call working the post-prandial circuit, Mac could have become a professional, but more often than not he spoke without fee to groups that could not afford to pay him the large stipends he deserved.

Church groups of every denomination have felt the warmth and humor of Mac's presence. He missed few sports dinners at the state prison, covering many wardens and generations of inmates. Perhaps few, if any, have been loved by the latter more than Art McGinley.

Arthur was on a first name basis with governors, United States senators, Supreme Court justices and high churchmen of every faith, but never in his long rich life did he ever neglect the less fortunate.

NEWSPAPERMAN MORE THAN 54 YEARS

One can think of more than a few fields in which this man could have enjoyed success, but he never left the newspaper trade once he had planted his feet beneath a Hartford Times desk 54 years ago.

Mac was sports editor of the Times for half a century, the eminent dean of Connecticut sportswriters during all of that time, but a biographer might come to think that longevity was the least of his attributes.

Life for Art was not always easy or uncomplicated. Only a man of exceptional character could have overcome the obstacles he had to fight, but he beat them all with fortitude that was inspiring to all who knew him.

NEVER A CROSS WORD BETWEEN US

Since I came to Hartford five years after Mac did, there is a flood of personal memories, not a single one of them unpleasant. We traveled the same road side by side for almost five decades, each striving for much the same things, but in all that time, rivals though we were in a sense, a cross word never passed between us.

When first he was pointed out to me on a trolley car enroute to Clarkin Field, the old ball park off Franklin Avenue, I had no remote thought that the natty young fellow wearing a modish blazer and straw skimmer would in the years ahead become my dearest friend in the business. Even then he was a big man in our trade. I sat in awe several seats behind where he was riding.

AFTER 49 YEARS, A SENSE OF AWE

After 49 years, I found myself still in awe of a man who, at 84, was banging out two completely different columns on hands so crippled by arthritis that one wondered how he ever pounded out a line, much less six or seven hundred words every time he sat in front of his typewriter.

We walked together to hundreds of ringsides and press boxes all over the country. We once rode a train together to Minneapolis and a plane coming home, the first commercial flight for both of us.

It is difficult to say a fond farewell to Art McGinley. It is impossible to put into words all I would like to convey about this wonderful friend. He was rarely critical and never unkind. He will be sorely missed for as long as a lot of us are left.

LABOR PAINS

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUNT. Mr. Speaker, enough has been said of late about campaign contributions so I will not belabor the point. The following letter which was printed in the February 12 edition of the Washington Star-News, although brief, says it all. I recommend it to my colleagues. The letter follows:

ALEXANDRIA, VA.

LABOR'S ROLE IN POLITICS

SIR: I was pleased to read your recent editorial "Labor's Role in Politics." I couldn't agree with you more.

I have been most disturbed about the inordinate power of labor unions in our political process. Why isn't it just as wrong and illegal for a number of Democratic congressmen and senators who *always* vote pro-labor to receive thousands of dollars in campaign contributions as it is for Spiro Agnew to receive money from construction companies, or the Nixon administration to receive campaign contributions from IT&T or the milk producers?

If Congress is really interested in reform of our election laws, this is one of the best places to start.

MARY E. GOODWIN.

AUSTRIA'S CHAIN

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. BRASCO. Mr. Speaker, a footnote or two can and should be added to the sorry spectacle presented by Austria's slamming her doors shut in the face of Jewish refugees from Russia. Chancellor Kreisky of Austria, himself born a Jew, once fled Nazi persecution by going to Sweden. It is my understanding he was allowed to take refuge in that then neutral nation. How fortunate for him. How unfortunate for his coreligionists in Russia who hoped for some refuge in the country he purports to lead politically.

One cannot help but wonder what would have transpired had Sweden not opened her doors to Bruno Kreisky and offered him haven from oppression. How grotesque an irony and stupefying a spectacle to note this man today, successfully slamming shut the door in the faces of another generation of oppressed Jews—his own people. Perhaps some of them are of an age with Kreisky's own family, which lived and perished in Hitler's Europe.

It was because so few doors in so few foreign nations swung open to admit Jews fleeing in desperation from Hitler and his cohorts, among them many Austrians, that the holocaust was so complete. And as a result of so little compassion, Europe became a vast cage for her tormented Jewish population. Trapped therein, they were hunted down by the Nazi hordes and dispatched in their millions to their doom. And Kreisky watched from his haven in Sweden, as he watches now, and shall continue to watch in the future, without lifting a finger.

Austria carries a chain about her. An invisible chain. Compare it if you will to the ghost of Jacob Marley in Dickens' "Christmas Carol." We all remember when he came to visit Scrooge, carrying the chain he forged in life about him for eternity. Who knows? Perhaps all of us wear one such.

So a nation forges its chain, composed of its evil deeds in its national lifetime. Austria's chain is grievously long, forged willingly in the Hitler era by her own people. By mass murderers who still dwell peacefully and righteously within her borders.

In the past year, the world has professed shock to see so many convicted butchers walk smilingly out of Austrian courtrooms into welcoming throngs of their fellow citizens. Austria simply won't prosecute Nazi war criminals. There, Mr. Speaker, is the making of a very long chain indeed.

Kreisky had the power to strike a number of links from that chain. Perhaps for every Jew from Russia who breathed the air of liberty for a day or two in Schoenau Castle, the Almighty lopped off Austrian guilt for another Jew slaughtered by an Austrian commandant in an extermination camp; or perhaps he forgave Austria for a single death transport arranged by Adolph Eichmann; another Austrian. Perhaps.

No one heard the cries of agony and pleas for help of the Jews of yesterday. No one hears them today in Austria. Least of all Bruno Kreisky. So today, Schoenau is closed, a monument to cowardice and heartlessness.

Nevertheless, we should recognize him for what he is. Many national political leaders have their reasons for such actions. In Hitler's Europe they closed doors on Jews for a number of different reasons. In some cases, Jews were an inconvenience. In others there was simple fear of Germany. In still others it was basic anti-Semitism, and a secret glee that the Jews were at last "getting theirs."

In many cases, Jews were betrayed and done harm by a few of their own, who, desperate for survival or advancement, sold out their own people. This was the case with Jewish police in the Warsaw ghetto. Who can fathom such motives?

Austria stands as shamed before the world today as a result of what her head of state has done as she did when death camps were first opened to the stupefied, horrified view of the world in 1945. She is branded with an international mark of Cain now just as she has been since the first war criminal waltzed out of her courtrooms a free man, even though every person involved knew he had blood on his hands of thousands of totally innocent human beings.

Chancellor Kriesky is to be doubly pitied. Not just for what he has done to his country, but for what he has inflicted upon his own people by birth. For no matter what he says or does to excuse it, in the eyes of the world and history, he stands amidst the accused ranks of those who have betrayed and turned their backs upon their own people. Decent men turn away from the sight of such a one as this.

His chain is the longest one of all.

APPROPRIATION OF FUNDS FOR PEACE CORPS FOR 1975

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MORGAN. Mr. Speaker, I am today introducing by request a bill to authorize the appropriation of funds for the Peace Corps in fiscal year 1975.

The bill also provides for a contingency authorization to take care of any increases in salaries and benefits and contains a provision for the transfer of funds to offset errors made in the payment of readjustment allowances to former Peace Corps Volunteers.

The Committee on Foreign Affairs will hold hearings on the proposed legislation at an early date.

ENCOURAGE HIRING OF DISABLED VETERANS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MICHEL. Mr. Speaker, as the 93d Congress convened last year I reintroduced legislation to help remove obstacles to the employment of disabled war veterans.

Every service-disabled war veteran is entitled to a reasonable opportunity to maintain his independence and self-respect through self-support. In all too many instances, though, employers are reluctant to hire a disabled vet because of the fear that he may be more prone to additional injury, and that increased workmen's compensation insurance premiums will be required.

While studies have shown that physically handicapped employees account for a lesser percentage of additional job-incurred disabilities than do able-bodied employees, statistics alone do not provide the assurance necessary to overcome this employment obstacle.

My bill, H.R. 794, would approach this problem by authorizing the Federal Government to pay the cost of increased claims for workmen's compensation benefits in the case of disabled war veterans. This would take the form of Federal payments to the States' special or subsequent injury funds.

Mr. Speaker, the Committee on Disabled Veterans of the President's Committee on Employment of the Handicapped adopted a resolution on this issue last November 30, and I want to commend it to the attention of all my colleagues who have an interest in resolving some of the problems of our disabled war veterans.

COMMITTEE ON DISABLED VETERANS OF THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED—RESOLUTION

Legislation to authorize the United States Department of Labor to reimburse states for workmen's compensation expenditures for veterans with service-connected disabilities who acquire disability by reason of employment

Whereas, during the last twenty years, the President's Committee on Employment of the Handicapped has conducted at least six nationwide surveys by sending out pointed questionnaires to the Governor's Committee on Employment of the Handicapped for each of the respective states to ascertain their reactions as to the most obstructive deterrent in their efforts to effect the employment of physically handicapped employables; and

Whereas, most of the responses thereto very definitely concluded that the most obstructive deterrent was the fear, on the part of too many potential employers, that employers might thereby run the risk of being required to increase their Workmen's Compensation Insurance premium payments because of the possibility that any such prospective employee might incur some incremental disability in the course of his employment; and

Whereas, several other similar surveys among many local eleemosynary organizations specializing in the employment of physically handicapped workers, as well as among the managers of many local offices of the Goodwill Industries, as to their efforts to arrange for the placement of their employee-trainees, positively pointed to the same conclusion; and

Whereas, the responses to special questionnaires sent out by the Bureau of Labor Standards in 1960–61 to some 6,000 employers located in several typical States definitely indicated that employers would be much more likely to employ physically handicapped workers if any such increased Workmen's Compensation Insurance costs, incurred by reason of any job incurred disability that they might incur, would thereupon definitely be paid out of each such State's Second Injury Fund, thus preventing any increase in their Workmen's Compensation Insurance premium payments in the future; and

Whereas, several other surveys among employers have very positively indicated that their physically handicapped employees have generally accounted for a lesser percentage of additional job-incurred disabilities than has been their experience as to their able bodied employees; and

Whereas, all of such surveys have had to be based on opinion reactions, but not on verified statistical analyses, and have therefore failed to remove such fears on the part of too many employers; now, therefore, be it

Resolved, by the Committee on Disabled Veterans of The President's Committee on Employment of the Handicapped, assembled in regular meeting in Washington, D.C., on November 30, 1973, that the Committee on Disabled Veterans does hereby urge the U.S. Congress and the President of the United States to enact such legislation as will require the Bureau of Labor Statistics to establish a fully funded Section empowered to acquire all pertinent statistics pertaining to all expenditures made through each State's Workmen's Compensation Board as to all job-incurred disabilities and injuries, thereby to enable it to prepare specific detailed comparative compilations and analyses annually to be furnished to all members of the U.S. Congress, to all State Workmen's Compensation Boards, and to all others who request same; and, be it further

Resolved that we do hereby urge the U.S. Congress and the President of the United States to enact such legislation as to require the Department of Labor to reimburse each State as to all of its Workmen's Compensation expenditures as to each employee with a service-connected disability who shall have acquired some incremental disability by reason of his employment; and, be it finally

Resolved that the Chairman of the Committee on Disabled Veterans is requested to take action on this resolution to bring it to the attention of appropriate officials.

IN APPRECIATION

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. WINN. Mr. Speaker, I recently received a letter from one of my constituents, Mrs. Lee Surs of Prairie Village, Kans., who wrote an ode of praise for my distinguished colleague from the State of Iowa, H. R. GROSS.

I, in turn, would like to insert her poem in the RECORD at this time:

IN APPRECIATION

(To Representative H. R. Gross, "The Abominable No Man")

Charisma, you ain't got
  Still, we have loved you long
Charisma's so much rot
  We have always loved you strong.
We are glad you made a fuss
  When the House went on a spree
You are not too-Gross for us
  Money—"comes *not* from a tree."
Farewell from a grateful taxpayer.

ESTHER SURS.

HOMETOWN ELEMENTARY SCHOOL, TAMAQUA, PA., RECEIVES JOHNNY HORIZON '76 ENVIRONMENTAL AWARD

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. YATRON. Mr. Speaker, it is always a source of pride when young students are cited for making valuable contributions to their community and their country.

The students of Hometown Elementary School in Tamaqua, Pa., is just such a group. These young people have been awarded the "Johnny Horizon '76 Environmental Award" from the U.S. Government. This is a nationwide, action-oriented environmental awareness program, to clean up America for our 200th anniversary celebration.

These students, whom I am proud to represent in the Congress, have taken the lead and followed the direction of the national symbol for environmental action, Johnny Horizon. Because they wanted to do something to make America a better place in which to live and because they wanted to improve the quality of life, they acted.

The program has two major phases: the first is educational, to make all Americans aware, from schoolchildren to senior citizens, that environmental improvement and protection is everyone's responsibility. Each and every individual can do something about it.

The second phase is action "on the ground," designed to inspire people to work together to prevent pollution and to clean up.

The students of Hometown Elementary School have certainly taken advantage of this program, which was initiated in 1968 by the Department of the Interior. Many organizations from across the country have joined in supporting and fostering the program. In fact, the Junior Women's Club of Birdsboro, Pa., holds an annual cleanup, with the cooperation of the Odd Fellows, the Rotarians, Lions, Jaycees, Blue Birds, Cub Scouts and the Conestoga Telephone Co.

The Hometown students and facility have made the Johnny Horizon pledge "I'll help, too." They have availed themselves of a number of helpful program aids, most of which are free. Interested organizations may purchase these aids in volume at nominal cost. Any group large or small, can become a Johnny Horizon '76 sponsor and I hope that many schools and organizations in Pennsylvania's Sixth District, and throughout the Commonwealth, will following the outstanding direction given by the Hometown Elementary School students and their teacher, Mrs. Ruth Purnell.

I congratulate them on receiving this honor, of which they can be justly proud—the "Johnny Horizon '76 Environmental Award."

ALL CITIZENS URGED TO SUPPORT CLOTHING WORKERS EFFORTS TO SECURE BARGAINING RIGHTS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. EILBERG. Mr. Speaker, more than 2,000 employees, mostly Mexican Americans, are on strike from the Farah Manufacturing Co. because they demand to be represented by a union, the Amalgamated Clothing Workers of America.

Farah has repeatedly been responsible for unfair labor practices as it has prohibited union soliciting on its premises and has fired employees for union activities. These injustices as well as others have led to a massive strike and boycott of Farah's men's pants until collective-bargaining rights are secured by Farah employees.

My own city of Philadelphia is a leader in the clothing industry and has continually employed members of the ACWA so as to insure workers of fair wages, fringe benefits, and satisfactory working conditions. For this reason, the city council has adopted a resolution calling for the support of the Farah employees on strike so that they may be represented by the ACWA.

At this time I enter into the RECORD the resolution adopted by the City Council of Philadelphia:

COUNCIL OF THE CITY OF PHILADELPHIA—
RESOLUTION NO. 249

Resolution urging all citizens to support the Amalgamated Clothing Workers of America in their efforts to secure collective bargaining rights for the Farah employees, who seek to achieve economic justice, human dignity and decency on the job

Whereas, Philadelphia has been a national leader in the manufacturing of men's and boys' clothing; and

Whereas, Philadelphia's clothing industry has long employed workers who are members of the Amalgamated Clothing Workers of America, AFL–CIO in an industry which has traditionally been one of the largest employers of minority group people; and

Whereas, The A.C.W.A. has lost 8,000 members and jobs since 1968 due to unfair non-union competition in the Southwest which has exploited working people in that area; and

Whereas, Workers of the Farah Pants Company of El Paso, Texas have been engaged in a bitter struggle for nearly three years to establish unions; and

Whereas, The Farah employees have a basic human right to organize for collective bargaining as a means to achieve a better way of life with dignity and security; and

Whereas, The Amalgamated Clothing Workers of America, the AFL–CIO, the Texas Conference of Churches, the National Council of Churches, His Excellency Sidney M. Metzger, Bishop of El Paso, many Philadelphia religious leaders and City Councils across the United States have all officially supported and endorsed the Farah employees' endeavors to secure collective bargaining rights; therefore

Resolved, By the Council of the City of Philadelphia, That we hereby support the Amalgamated Clothing Workers of America in their efforts to secure collective bargaining rights for the Farah employees, who seek to achieve economic justice, human dignity and decency on the job.

Resolved, That certified copies of this Resolution be forwarded to representative members of the Philadelphia Joint Board, Amalgamated Clothing Workers of America, and the "Philadelphia Committee For Justice for Farah Workers," as evidence of the sentiments of this legislative body.

CONTROL FEDERAL SPENDING

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. CONLAN. Mr. Speaker, a brief but poignant editorial in the current issue of Nation's Business has a message that every Member of Congress should remember whenever a spending vote is taken:

OUCH!

In all the years between the founding of our republic and the middle of World War II, federal government spending totalled about $300 billion.

The budget for the next fiscal year proposes $300 billion for that single year.

Does that make sense to you?

If it doesn't, let your Senators and Congressmen know you want spending brought under control.

Mr. Speaker, thanks to the reckless spending habits of this body over the years, about three-fourths of the proposed 1975 Federal budget is virtually uncontrollable. Congress has obligated that spending through prior legislation, and those expenditures will continue until the legislation expires or is repealed.

In addition, past Congresses have amassed a national debt of almost $500 billion. Annual interest on this deficit alone amounts to more than $26 billion, or $125 in additional taxes for every citizen. That is $600 in extra taxes for a family of four, and continued deficit spending threatens to boost it even higher.

Unfortunately, big spenders in the Congress, who somehow seem to constitute a majority whenever large spending increases are proposed, add on to this already fat-laden budget monster and the national debt every time a chance comes along, making it even harder to control.

This fiscal irresponsibility has to stop. Federal spending must be brought under control. People in Arizona and throughout the Nation are fed up with inflation, high taxes, high prices, and other economic dislocations that threaten their ability to maintain family solvency.

Federal spending that claims an average of more than $1,300 in taxes from every man, woman, and child in the country is the major cause of that threat.

Like our good friend and able colleague H. R. GROSS, the esteemed gentleman from Iowa, I shall continue to vote against reckless spending measures that are not essential to the national interest. The buck has to stop somewhere. And unless we want to bankrupt this Nation and its people, it had better stop now.

STATE OF UNION MESSAGE

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HANRAHAN. Mr. Speaker, I think my colleagues might find interesting the following article which ran in one of the newspapers in my home district.

The article follows:

[From the Oak Lawn-Evening Park News, Feb. 7, 1974]

"STATE OF THE UNION" MESSAGE TO CONGRESS, JANUARY 30, 1974

Richard M. Nixon—smiling—seemingly assured—seemingly confident—begins his address. No good readers—it was not the "Fireside Chats" of the F.D.R. era, nor was it "Give em Hell" approach of good ole Harry Truman, but rather it was the thoughts, reflections, and goals of not the "Tricky Dick Nixon" some have accused him of being, but of a very human person caught up in the harrowing, dangerous, and realistic game of politics! For those of you having any knowledge of History you, will find that from the Roman Days of the Caesar's, right up to the present time, Politics with few exceptions, on any level, has not been a desired profession. The scheming, the plotting, and yes, the cheating and stealing have all become such a "Matter-of-fact way of life" for politicians, that we the people, who place them in office, have learned to accept their "Scallywaggery and Shennanigans" with merely a shrug of our shoulders commenting "That's the way the System works attitude" and go merrily on our way. So really good readers who is to blame? I think you realistically will have to say that we the people of the United States are fully responsible for our political system, that we have today, and that we have been fully aware of this system and their shortcomings since the inception of our country. By this premise, I am not exonerating President Nixon for any wrong doings he has been purported to have done or may have been aware of. However, I must agree with Mr. Nixon at this point of time, (1) year of Watergate is enough! The lesson has been learned and I think and I hope it has been learned well. I think politicians in both parties will now think twice before acting in a situation that may have illegal proportions of any kind that may arouse their constituency. Yes, the purge of our political system has been good. For it has made our citizenry, as well as our politicians aware that all wrong doings can be brought to justice and apparently will be in the future. But in this reporter's opinion, let's not overdo a good thing. Contrary to the opinions of the "Prophets of Doom", America today is a pretty good place to live in and we as Americans are indeed fortunate to be living in this country-today-rather than the "Good old days" of yesteryear. I'd, of course, be completely naive to state that at this time things are perfect. But then—what really is? It is my belief that the time has come for all America to band together and forget the back-biting, and petty jealousies and join our President in solving the ever prevalent problems that are confronting our Nation as well as the World. For those who are crying "Impeach", I have only this to say and with such application pertaining to the General Public as well as our politicians at all levels of Government—"Those who are without sin amongst you—cast the first stone".

REPEAL OF DAYLIGHT SAVING TIME

HON. CARLETON J. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. KING. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include two resolutions recently adopted by the Board of Education, Shenendehowa Central School District, Elnora, N.Y., urging the Congress to return to the use of standard time during winter months.

The action taken by the Shenendehowa Board of Education emphasizes the concern many of our school officials have expressed in regard to how the use of daylight time is endangering schoolchildren who must walk or ride buses or bicycles to schools in early-morning darkness.

I am pleased to call my colleagues attention to these resolutions and I urge that action be taken on the legislation which has been introduced to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973.

The resolutions follow:

RESOLUTION NO. 1

Whereas, the Federal Government has passed legislation requiring that Daylight Saving Time be utilized throughout the country effective January 6, 1974, in an attempt to conserve energy, and

Whereas, Shenendehowa's 9,064 students are transported to school by bus and must wait in darkness during the winter months, and

Whereas, this situation is dangerous to the children of our school district and of the nation, and

Whereas, schools are utilizing more fuel because of the time change, be it

Resolved, that the Shenandehowa School Board urge the Federal Government to return to the use of Standard Time in the winter months.

RESOLUTION NO. 2

Whereas, school districts are planning their time schedules for the school year which will begin in September, 1974,

Whereas, school districts must know immediately what is going to occur during next winter, be it

Resolved, that the Shenendehowa Central School Board urge the Federal Government to take action now to determine whether or not the country will return to the use of Standard Time, and be it further

Resolved, that whatever action is taken be made decisive and not subject to change.

FRUSTRATED TAXPAYER'S LETTER

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ASPIN. Mr. Speaker, Mr. R. Johnson, of Racine, Wis., has asked me to share his letter with you.

I feel his letter is an accurate assessment of the frustration and uncertainty experienced by the American taxpayer. The letter follows:

RACINE, WIS.,
January 24, 1974.

Representative LES ASPIN,
House of Representatives,
Washington, D.C.

DEAR MR. ASPIN: You may read this letter to the House, in fact I ask you to read it to the House. Perhaps if the Congressmen heard more often the words and thoughts of the people, they might just do the will of the people more often.

The mass of taxpayers (the people in the middle) are getting higher prices and more taxes wholesale. Jobs too are disappearing because of ineptness, stupidity and failure to consider the people's welfare in making such things as oil depletion allowances, price supports, etc. When will the day come when taxes go down instead of up.

Exxon, the nation's largest oil corporation, estimated as of yesterday that its profit for the final quarter of 1973 was up to 60% higher than for the same period in 1972; and this money came from the little taxpayer who drives the most. If there really was or is an oil shortage, then every dram of oil and gasoline is sold, so why the gigantic price spread in profiteering. Since the American people must—must—use gasoline to drive and oil to heat, these companies have the people locked into paying anything they care to charge—there is no competition—and we now see what will happen—the oil companies are gouging the locked in buyers until they threaten to consume the buyer and in another swoop cut down on automobile production—one of our key industries in our economy—all so they can reap monstrous profits. The American people may well in the majority detest governmental controls in our economy, but oil seems to come under the heading of a public utility now, and may just have to be controlled as such. Congress should lay down the proposition to the oil people, and let them know that they cannot gouge and ruin just for profit, and that unless prices are rolled back to the first quarter of 1972, that controls will be instituted in order to save our economy. It would be no different then if the water company began charging ten dollars a pail for fresh drinking water—truly pure nonsense. The American people are waiting for Congress to act and cut the prices back to a sensible figure; and it should be done right now!!!

As for rationing; we don't need it, and we don't want it. I might say this (and this I insist if I may that you read to the House) if rationing is proposed, the only kind of rationing that would be acceptable so as to keep our economy stable (keep men working) is that the President (and if necessary by charge of the Congress) tell the people—tell the people—immediately and in all truth, that if rationing is necessary, then gasoline will be allotted on the basis of the rated miles per gallon of that particular car—for example, a VW may be rated at twenty miles per gallon whereas a Cadillac may be rated at ten miles per gallon, this means that a VW owner would get one gallon to every two gallons the Cadillac owner received; if this had been done eight months ago, new big car production would not be down forty percent and men would be working.

Very sincerely,

R. JOHNSON,

THE 228TH ANNIVERSARY OF THE BIRTH OF THADDEUS KOSCIUSZKO

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mrs. GRASSO. Mr. Speaker, on February 12 we celebrated the 228th anniversary of the birth of Thaddeus Kosciuszko, an outstanding Polish soldier and patriot who played a key role in the struggle for American independence.

Kosciuszko arrived in this country in 1776, the year the Declaration of Independence was drafted and signed. He served as a military engineer under General George Washington, whose birth we also celebrate this month, and designed the defenses for the American forces on the Delaware River. After successfully completing this assignment he was granted a colonel's commission and assigned to Fort Ticonderoga where he served as a major adviser in the construction of fortifications there. It was a failure to follow this military expert's advice that eventually led to the fall of Ticonderoga to the British.

Assigned to the American Army in the north, Kosciuszko directed the tactical choice of battle fields and the design of fortifications in the victorious battle of Saratoga, which historians have come to call "the turning point of the American Revolution." It was this battle, my colleagues will remember, that convinced the French to become allies in our War of Independence.

In 1778, Kosciuszko took charge of the construction of American fortifications at West Point. Later he was sent to North Carolina where he held the positions of transportation officer and chief of engineers. Kosciuszko's participation in the Battle of Yorktown, the last battle in the Revolutionary War, concluded his 6 years of service to American independence.

Soon after the war, Kosciuszko returned to his native Poland where he took up the struggle to make his birthplace and his land a free and soverign nation. He succeeded in temporarily liberating Warsaw—freeing the city from foreign domination—but his efforts were defeated ultimately by overwhelming odds. Nonetheless, Kosciuszko has earned a cherished place in Polish history as one who gave unselfishly of himself for the cause of Polish freedom.

Congress recognized Kosciuszko's valiant contribution to American independence when in 1783 it granted him American citizenship and a commission as a brigadier general in the U.S. Army. His memory was again honored in 1972 when those of us in the 92d Congress acknowledged his great service by establishing the Kosciuszko home in Philadelphia as a national historic site. This Philadelphia residence, the only known structure associated with Kosciuszko's life in this country, stands as a living tribute to this great and noble hero of our fight for freedom.

Kosciuszko's great and unselfish contributions are reflected daily in the many meaningful accomplishments of Polish-Americans and their descendants in Connecticut and throughout the country. These hard-working men and women demonstrate the same love for freedom and the same zeal for independence and justice that motivated Thaddeus Kosciuszko to cross the sea and aid our cause so many years ago.

Let all of us, then, take time this month to remember this great Polish hero and patriot, and to honor those who have so ably carried on his tradition.

RESOLUTION OF WYOMING LEGISLATURE

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, the 1974 session of the 42d Wyoming State Legislature assembled in Cheyenne, Wyo., adopted the following resolution requesting that the Lyman project in southwestern Wyoming be completed as authorized. I fully concur with the wishes of the Wyoming Legislature as set forth in the resolution and offer it for the consideration of my colleagues.

ENROLLED JOINT RESOLUTION NO. 2

A joint resolution requesting the United States Government to immediately complete its contractual obligation for the Lyman Project, now five years behind schedule.

Whereas, the Bridger Valley Water Conservancy District, a legal entity under the laws of the State of Wyoming, was organized specifically for the purpose of contracting with the United States Government for construction of the Lyman Project, an original participating project and Wyoming's entitlement under the Colorado River Storage Project Act of April 11, 1956 (70 Stat. 105); and

Whereas, said contract was executed in good faith on April 8, 1964; and

Whereas, the United States Government acting through the Bureau of Reclamation has completed approximately seventy percent (70%) of its obligation with the construction of the Meeks Cabin Dam and Reservoir on the Blacks Fork; and

Whereas, said contract called for completion of the total project in 1969, but construction of the second dam on the Smiths Fork has not commenced five years after it was to have been completed; and

Whereas, a tax disparity exists because the Smiths Fork subscribers are unable to benefit from stored water as are their neighbors on the Blacks Fork, making it impossible for the conservancy district to fulfill its obligation to the people of this State and the purpose for which it was organized; and

Whereas, now more than ever, water storage is vital if shortages in food commodities are to be overcome;

Now, therefore, be it resolved that the legislature of the State of Wyoming, both Houses concurring therein, respectfully insist that the United States Government complete its obligation under said contract and requests immediate construction of the second dam on Smiths Fork, the unfulfilled thirty percent (30%) of said contract.

Be it further resolved that certified copies hereof be promptly transmitted to United States Senator Gale W. McGee, United States Senator Clifford P. Hansen, Congressman Teno Roncalio and Secretary of the Interior Rogers C. B. Morton.

PROTECTING THE CONSULATES

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. KOCH. Mr. Speaker, I would like to share with my colleagues an editorial by R. Peter Straus, president of WMCA radio in New York City. The editorial eloquently states the case for having the Federal Executive Protection Service assume permanent responsibility for the guarding of foreign missions throughout the country.

H.R. 690, a bill I first introduced in the 91st Congress, provides for the alleviation of a considerable burden from local police forces in major metropolitan areas such as Boston, Chicago, Baltimore, Philadelphia, Detroit, Los Angeles, San Francisco, Richmond, New Orleans, Denver, Kansas City, as well as New York City. Each of these cities has a number of consulates located within its borders, and it is a gross inequity that the citizens of these localities must not only bear the brunt of the cost of protecting the foreign missions, but sacrifice much of their own police service as well.

The United Nations and foreign consulates do not just serve the particular city in which they are located, but the entire country, and the Federal Government should rightly provide the guard service they require.

The editorial follows:

U.N. POLICE

Although the United Nations makes its home in New York, the entire country is acting as host for the world organization. And that's why, when it comes to *protecting* the U.N. building and the foreign consulates in Manhattan, we think the *federal* government should be responsible—rather than the New York City police force.

Currently, New York's men and women in blue guard over two hundred foreign missions and consulates, in addition to the 42nd Street complex. This means that instead of protecting New Yorkers, 10 to 20 per cent of some precincts have U.N.-related duty; and it means that the city is shelling out over two million dollars a year for United Nations security.

New York must also bear an enormous financial burden, as a result of the real estate and sales tax losses it incurs because of the United Nations' being here; and we just don't think the city should be asked to shoulder the task of protecting the U.N. and its diplomats, as well.

WMCA, therefore, supports a bill introduced in the House of Representatives by Congressman Ed Koch, which would provide a permanent staff of *federal* officers to do the necessary police work.

THE LESSONS OF THE MIDDLE EAST WAR FOR EUROPEAN SECURITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ASHBROOK. Mr. Speaker, most Americans have become all too aware of the impact of the last war in the Middle East upon our petroleum supplies. But far fewer people have taken sufficient cognizance of the dangerous strategic and political implications of the actions by the Soviet Union in conjunction with the fighting. In an excellent article recently in the German publication Die Welt, one of Europe's outstanding commentators, Axel Springer, succinctly summarizes the situation. He cogently warns us that the same offensive capability demonstrated by Soviet armaments in the thrust across the Suez canal in October could just as easily be repeated by the Warsaw Pact nations across the Elbe in Germany. But instead of uniting Europe against the potential threat, the Soviets have ironically been able to divide NATO as a consequence of their aggressive actions in the Middle East. Just as Springer alerts Europeans to the dangers posed by the complacent policy of Ostpolitik by Brandt, Americans should also be even more skeptical about our own policy of détente. The actions rather then the words of the Soviets must govern our decisions. With the wise counsel of people like Springer, we may yet recognize the dangers. As he concludes:

> It is very late—but not too late!

The article follows:

YESTERDAY THE SUEZ CANAL AND TOMORROW THE ELBE—IT IS HIGH TIME FOR EUROPE TO LEARN THE LESSONS OF THE WAR IN THE MIDDLE EAST

(By Axel Springer)

Those in the know were aware even before Christmas that the war of nerves against the free part of Berlin was soon to be stoked up again. Of course, as had happened so often before, such information could not be published. To do so would have brought the reproach of not letting sleeping dogs lie, i.e., of provoking hostility by publication.

So now there were protests from beyond the Wall against establishing in West Berlin a Federal office for the environment. And a week ago there came a relevant threat: sudden vexatious controls—once again—on the access routes to the old German capital. Who could believe the story of a search for Russian or East German deserters, especially as Allied vehicles were not interfered with at all? It was and is in reality all part of a carefully planned campaign.

Any remaining doubts must have disappeared last weekend when both the President of the State Council in East Germany, Willi Stoph, and the Prime Minister, Horst Sindermann, fell back into the vocabulary and the arguments of the Cold War.

These events, which will be repeated in all possible variations, show that one of the main aims of the entire West German "Ostpolitik", and especially of the Four-Power agreement and the bilateral agreements between Bonn and East Berlin, is fading even further into the distance: the defusing of the critical situation of Berlin.

The Soviets' and their vassals' stranglehold on the vital arteries of free West Berlin is unbroken. It can be tightened and lossened at will—a game that has been demonstrated for a long time, and despite all treaties goes gaily on.

The campaign to disengage West Berlin entirely from the Federal Republic has never ceased, despite many promises, great hopes and fine speeches. Vexatious controls on the access routes and protests with an undertone of threats are not so much a temporary relapse into old habits as a sign that at bottom nothing has changed. Lenin's words still apply: "Whoever has Berlin, has Germany; whoever has Germany, has Europe."

If Lenin is not proof enough, just because he died 50 years ago, then a statement by the Soviet Ambassador in Bonn, Valentin Falin, may be recalled: "The compulsion of history—or natural gravity—will see to it that one day West Berlin will be part of 'German Democratic Republic'."

Translated into practical politics this means that Berlin remains an important stage in Soviet aims in their much further-reaching intention of becoming the dominant power in Europe. There is no sign at all that Russia has given up this plan, or ever would. On the contrary.

In the past month the Soviets have come several steps nearer to this goal. The best guarantee against the spread of Soviet power beyond its present sphere of influence is still the Atlantic Defence Alliance, accompanied by an optimally close community of economically strong and socially sound European countries.

On the way to this community of Europe, however, the recent past has seen not progress but a relapse into petty, selfish national thinking, which exactly meets the Kremlin's aims. In the military field the Communist states have increased their armaments to an extent hardly realised by the public, as against the weakening, if not actual decay, of and lack of confidence in NATO in the West.

In a great part it was economic problems which laid bare the cracks in the structure of the European Community. What years of effort by the Soviets and their auxiliaries in the West failed to achieve, the Arab oil boycott, or even the mere fear of a possible shortage, brought about. In many cases narrow national self-interest takes pride of place before considerations of the common weal. The community of European nations, from which a united Europe was to grow, has failed its first major trial. Oil provided the breaking strain.

"Have Machiavelli's works been translated into Arabic?", the French publicist Jean-Jacques Servan-Schreiber asks in an anxious analysis in the weekly L'EXPRESS. But translation was unnecessary. For at a decisive, secret, conference held in Bagdad late in 1972, when plans for an "oil war" against the industrial nations of the West were forged, Machiavelli was present in person—however under the name of A. S. Dasokow. His profession: Soviet oil expert; his superiors: the Soviet security police, the KGB. A message of greetings from the Soviet Government which Dasokow read out to his Arab hosts stated that the Kremlin would support the "important struggle by Arab oil against imperialism."

The strategy then worked out under Soviet guidance in Bagdad aims for one thing at driving the Western oil-producing concerns out of the Middle East; further at throwing sand in the works of the industrial countries' economies by arbitrary and rigorous price rises; and finally at impelling the Arab properietors of gigantic oil-fortunes to coordinate their stock-exchange transactions so as to cause economic and currency difficulties for the West on a maximum scale.

This conference was ten months before the outbreak of the last Middle East war, which itself showed that the Soviets were supporting the Arabs not only with Machiavellian economic advice but with supplies of supermodern war materials and active assistance in world politics.

It was these highly developed weapons, especially the latest antiaircraft and anti-tank weapons, together with an offensive tactic designed by the Soviets and precisely executed by the Arabs, which brought success to the Egyptians and Syrians in the first days of the October war.

What happened at the Suez Canal and on the Golan Heights must be a lesson to Europe. For in a certain sense the Middle East war last autumn was for the Soviets an important dress rehearsal just as the Spanish civil war was for Hitler's armies. For this reason the experiences of the Yom Kippur war are discussed in some detail.

From standing positions the Arabs launched a grand attack, on the holiest feast of the Jewish year. There was no logistic march beyond the scope of routine maneuvre, which would have resulted in a warning period; the Israelis existing defence strategy was thrown out of joint. They were taken by surprise by the new operative art in which the Warsaw Pact powers have been trained since the experiences gained in the invasion of Czechoslovakia.

At the Suez Canal Europe was given a first-hand demonstration of this art: supermodern pioneer units with telescopic bridges, submarine tracks and collapsible bridges effected a quick leap over the waterway obstacle. Amphibious tanks passed soundlessly and invisibly under water from bank to bank. Battle helicopters flying below the radar screen secured the first lines of communication. And the SAM 6 and easily handled SAM 7 rockets protected the bridges and bridgeheads successfully from the Israeli fighter aircraft.

Two Egyptian armies were thrown across the 150–200 yards wide Suez Canal in a few days. A thousand Soviet-type tanks with night-sights and large-calibre cannon stood, twelve hours after the attack began, ready for battle on the eastern bank.

The trick only failed to succeed by a hair's breadth. Had the Arabs, with their ten-times superior tank forces and their effective anti-aircraft and anti-tank weapons, struck a less experienced, less determined opponent, one, less imbued with the archaic fighting spirit, they would have overrun the Sinai Peninsula, the Golan Heights and the Land of Israel.

The superbly equipped aggressors were only stopped by better soldiers. Contempt for death, nurtured by the certainty in every Israeli that his only choice, is to hold out or to fall, saved the situation and with the aid of good weapons from American stocks averted catastrophe. Only that. That is the lesson to be learned.

The hot war for the stake of Israel was followed, in accordance with Soviet intentions, by economic war waged by most of the oil-exporting countries against the industrial nations of the West. Even though some oil potentates try to turn back, because heavy setbacks to the West would also harm them, and some of the statesmen among them took no part from the very beginning, this oil war is by no means over. And what is often forgotten: besides its economic repercussions felt by every citizen, it has grievous military significance.

Modern armed forces and their air cover cannot operate without fuel. NATO petrol reserves are enough for 56 days; by the 57th day, therefore, victory must be won. If not, what happens on Day 58? The question is legitimate.

The Warsaw Pact armies are at full war strength and without major preparation can mount a limited offensive across the Elbe within 24 hours. Only a few days are needed to start a grand offensive against western Europe.

This is food for thought when in the "GDR" the number of large-scale military manoeuvres doubled last year: 16 in 1972, 32 in 1973. Supplies and communications capability of the Soviet forces in the "GDR" has also been doubled by the introduction of new seven-ton trucks.

East Germany's air force, hitherto aligned to defence, has been converted to offensive strategy by the formation of new hunter-bomber division. Within an hour these aircraft can be converted to operate with tactical nuclear bombs.

Stocks of tactical nuclear weapons in the security area of each air force base where hunter-bomber formations are stationed have recently been increased. And transport battalions of the East German Army are continuously rehearsing—with dummies—the movement of tactical nuclear rockets from dumps to operational positions.

And the constantly increasing number of divisions between Elbe and Oder?

Besides six East German divisions, five Soviet armies, making 21 divisions, are stationed in the "GDR"; they include such elite formations as the 2nd Guards Army in the Fürstenberg area and the 3rd Thrust Army in the Magdeburg-Stendal area.

Further, in European Russia, in Czechoslovakia, Poland and Hungary, besides the national armed forces a further eight Soviet armies with at least 36 divisions are stationed, all of them being reequipped with improved offensive weapon systems; again, the USSR has prolonged conscription service for all the armed forces by a year. This makes it clear why leading NATO generals are now saying openly that for them the much praised programme word "detente" has acquired a different meaning from its original emotional connotation: for them it means a burden of concern and precariousness. Within a year a German election slogan has lost its glamour.

This means in figures: 70 divisions under Soviet command in forward positions face some 25 NATO divisions between Rhine and Elbe. Roughly 16.000 tanks against 5.500. The proportion is similar in the air forces, rocket units, parachute regiments and air-landing formations.

At the Suez Canal it was proved that Egyptian ground troops could overcome a wide waterway obstacle at speed and secure the air space above their attacking forces and bridgeheads. The tank divisions beyond the Elbe are equipped with the same amphibian vehicles which crossed the Suez Canal under water; at the Elbe the same supermodern bridging equipment is based; and some 10.000 T–62 tanks with large calibre cannon and infrared night sights stand ready for operations.

SAM rockets and FROG anti-tank rockets, which made military history at the Suez Canal, are waiting behind the Elbe; parachute brigades, helicopter fighter squadrons, single combat commandoes, are at war strength; hunter-bomber squadrons for supporting infantry operations wait in well concealed hangars ready to take off and can be in the air 30 minutes after an alarm.

On top of this the Soviets have of late greatly reinforced their pioneer troops in the "GDR" for crossing waterways. New pioneer regiments have been transferred to Wittenberg, Magdeburg, Rathenow and Frankfurt/Oder. Their slab-bridges for putting tanks and artillery across waterways were last year increased to a total length of 600 metres—and at Hamburg the Elbe is 500 metres wide.

In the climate of head-in-the-sand politics so revered in these times it is considered in bad taste to write or speak openly about plans and preparations for conquest by the USSR. To belittle is good form, to warn is shocking.

The interferences on the access routes to Berlin were internal security measures; the threats of "GDR" politicians are routine statements for domestic consumption, not to be taken seriously; the Middle East war broke out against the will and intentions of the USSR; and the increases in armaments are only made so that generous offers can be made at disarmament talks.

That is one way of looking at it. That or something like it was the way the nations for years looked at events in Germany after 1933—until it was too late.

Today we must see things properly before it is too late again. What does this mean?

It means watching that not one single further piece of West Berlin's viability is sliced off; we have already gone much too far. Over and above this the ties with West Germany must be built up as provided in the Four-Power agreement. The Federal Office for the Environment must not remain the only project.

To see things properly also means both to increase Europe's own defensive potential and to strengthen the bonds with America again. It must be said openly that everyone who advocates reducing or dismantling the American presence in Europe becomes an advocate for Russia's hegemony in Europe.

To see things properly means, finally, not to take neutral attitudes where, apparently remotely, one's own position is threatened and on the other hand one's heart is engaged, especially the hearts of the Germans—in Israel.

To see things properly and to act accordingly is the way, the only way, to avert catastrope.

Only if Berlin despite all objections by the ill-qualified is built up in close cooperation with Bonn, can it remain viable. Only if Europe turns away from the path of discord and self-seeking, can the continent resist the pressure from the East. Only if NATO is strong and operable will it prevent the Soviets from achieving its aims by threats or by the use of arms. And only if the entire free world is conscious of its great responsibility towards Israel, and acts accordingly, will a way to peace in the Middle East be found which leads all concerned into a better future.

It is very late—but not too late!

LITHUANIA—PROUD LAND

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUNT. Mr. Speaker, on February 16 Lithuania observed the 56th anniversary of independence. It is indeed a privilege for me today to pay tribute to these proud people and their land.

Through years of oppression, at the hands of the Germans and then the Russians, these people have remained strong in faith and spirit under the most adverse of conditions. Today, still under Russian domination, the Lithuanian people have resisted pressures to change their language, traditions, and religion.

Their experience with freedom has been brief, but in the 25 years she did experience it, progress was made toward the betterment of her people. Her industrial capabilities were increased, agriculture flourished, and new social programs were introduced to provide a better way of life for these freedom-loving people.

It is important, Mr. Speaker, not to lose sight of Lithuania and her Baltic neighbors. Turning our backs on her would be turning our backs on oppression throughout the world.

As the leader of the free world, it is imperative the United States take the lead in efforts to insure freedom-loving people everywhere the right to live as they desire in the world community.

TRIBUTES TO FORMER CONGRESSMAN HAROLD COOLEY

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. PREYER. Mr. Speaker, the distinguished former chairman of the House Committee on Agriculture, the Honorable Harold Dunbar Cooley, died in January, and I rise to join in paying tribute to the memory of this great North Carolinian.

Mr. Cooley is perhaps remembered best for his service to agriculture, yet many will recall his role in strengthening our economy and in promoting the cause of peace throughout the world.

Still others associate Democratic Party loyalty with Harold Cooley, while many credit him, as Time magazine did, for his stance in 1956 as the only Southern Democratic Congressman who was reelected after refusing to sign the "Southern Manifesto" against racial integration.

Mr. Cooley stepped down from this body prior to my first term, and I regret I did not know him as a colleague.

After his death, some said that he had outlived his friends and those who knew him best. Such is not the case.

Many who do remember and appreciate Harold Cooley have put their memories of him in writing, and I am pleased at this time to join Congressman Ike Andrews in inserting their tributes in the Record:

Mrs. Harry B. Caldwell, N.C. State Grange master in Greensboro, said that:

> Mr. Cooley when he left the Congress in 1966 was recognized as a statesman who had left an indelible impression on the entire economy.
>
> Congressman Cooley was a champion of the cause of agriculture. He understood farmers, was sensitive to their needs, and worked for them during his many years in the Congress.
>
> We have lost an effective leader and friend. His devotion to duty, his penetrating mind and loyalty to agriculture shall continue to be an inspiration to those who knew him.

Harry B. Caldwell of Greensboro, executive vice president of the North Carolina Farmers Cooperative Council and former North Carolina State Grange master, praised Mr. Cooley saying:

> As a loyal American and devoted public servant who gave freely of his talents in developing programs to strengthen the economies of the entire world.
>
> The citizens of his beloved state and the nation will always be indebted for his role in developing farm programs, rural electrification and telephone services, the expansion of world trade, P.L. 480, Food for Peace, A.I.D., the farm credit system, aid for low-income farmers, Food Stamp, School Lunch and many other measures that have contributed so much to the well-being of the United States and the world.
>
> I am reminded of the words of the poet when he said:
>
> Lives of great men all remind us
>   We can make our lives sublime
> And in parting leave behind us
>   Footprints in the sands of time.

Joseph R. Williams, a native North Carolinian who is president of Tobacco Associates in Washington, said:

> Mr. Cooley's death represents a great loss to every farm family in the United States. The record shows that he was closely identified with every piece of major farm legislation from 1934 through 1966.
>
> He entered Congress in 1934 in the midst of a bankrupt agriculture. He was not afraid of new and novel ideas. He assisted in developing the philosophy of strict crop controls accompanied by mandatory price support for the basic agricultural commodities produced in this country.
>
> For 16 years he served as chairman of the powerful House Committee on Agriculture, during which period he was the Chief architect of basic farm legislation designed to improve the welfare of the American farmer.

Another North Carolina native, Charles S. Murphy, came to Washington in 1934, the same year Mr. Cooley was first elected to Congress. Mr. Murphy, now a member of the Washington law firm of Morison, Murphy, Abrams & Haddock, was Under Secretary of Agriculture in the Kennedy and Johnson administrations. He recalls Harold Cooley as:

> One who contributed greatly to the welfare of his state and his nation. A wise counselor and dedicated public servant, as well as a personal friend, he was ever ready to help with measures to benefit the farm people of America. He did much to improve the use of our marvelous agricultural resources to feed and clothe all the people of our nation and our friends in other lands. Millions of people have had a better life because of what he did and said when he served among us.

The Honorable Walter J. Bone of Nashville remembers that he first saw Mr. Cooley "when, as a handsome lad, he delivered the senior class oration at commencement exercises in Nashville High School. His appearance and manifestation of outstanding ability at that time made a lasting impression upon me."

After Mr. Cooley was educated at the University of North Carolina and Yale University and completed his service in the Navy Flying Corps in World War I, he returned to Nashville. On January 1, 1925, he and Mr. Bone established a law partnership, which continued until Mr. Bone became resident superior court judge of North Carolina's second judicial district. Mr. Cooley characterized their partnership as having been an "ideal" one, and Judge Bone wrote him that "the relationship which is about to end is happier than any other I can hope to enjoy."

Judge Bone recalls Harold Cooley as:

> A loyal friend, an eloquent speaker, a brilliant trial lawyer and the most distinguished citizen our town has ever produced.
>
> Although he rose to great heights of fame, both national and international, he never forgot his hometown and his home folks, and they have not forgotten him. Not long ago a beautiful public library was erected

> in Nashville and named "The Harold D. Cooley Library."
>
> There was great affinity between him and the common people whose interest he served, and a myriad of them mourn his death. The last time I talked with him he manifested a keen interest in the problems and welfare of our great country and expressed optimism for its future. I never had a better friend than Harold Cooley and in his passing I feel a keen sense of personal loss.

Another resident of Nashville, Miss Alda Ellen Jones, served as secretary to Mr. Cooley for more than 20 years. She recalls seeing him "in moments of joy, in moments of happiness, in moments of loss, and in moments of triumph." She said:

> Through all that prevailed, he retained his love for the people. This love was best demonstrated by the fact that, after he left Congress, he continued to work, without fee or remuneration, for hundreds of small people in his district. He actively solicited help for them. Harold Cooley was great in that he unselfishly dedicated himself to helping other people.
>
> His loss is hard for those who shared in his active life to bear. We are sustained in the belief that Harold Cooley would have not desired us to mourn, but to celebrate and be thankful for what he was able to accomplish while he was active among us.

Arthur L. Quinn, member of the Washington law firm of Dawson, Quinn, Riddell, Taylor & Davis, wrote the widow of his former law partner describing Mr. Cooley as:

> A most extraordinary man. He was gentle. He was always a gentleman, even though he disagreed with his adversary. He left his mark on the national legislative process, of that there is no question.
>
> There is not, nor will there ever be, a perfect man. Harold Cooley was not—neither am I. But, Harold Cooley was a charitable, capable and forgiving man. For that he commands my respect and prayers now and in the future.
>
> Harold has gone to his rest. He earned that rest by hard work, loyalty to his friends and brethren and service to his country. He was vilified in the public press, but history will record his victories.
>
> I prefer to think of him as a friend, a good citizen and a soul who is now at rest with his Maker.

FORT MIFFLIN

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. EILBERG. Mr. Speaker, as a sponsor of H.R. 9867 which seeks to establish old Fort Mifflin outside of Philadelphia, Pa., as a national historic site, I am pleased to call to the attention of our colleagues the following resolution adopted by the Philadelphia Historical Commission.

The resolution follows:

> FORT MIFFLIN
>
> Whereas, Fort Mifflin, built to protect Philadelphia and the headquarters of the Continental Congress from the British, is a tangible reminder of our struggle for freedom in 1776; and
>
> Whereas, in the early days of the freedom fight, shortly after the defeat of Washington's troops at Brandywine, the fort on the Delaware River was one of the defenses that stopped the British from putting an end to the American Revolution; and
>
> Whereas, the fort that saved the American Revolution is worthy of preservation for its historic value; and
>
> Whereas, the efforts of the Shackamaxon Society, a non-profit group of young Philadelphians, has only partially restored the old but venerable military site; and
>
> Whereas, the Philadelphia Historical Commission recognizes the blood, sweat and tears that fell on Fort Mifflin and the need to tell its story to all Americans; therefore
>
> Resolved, by the Philadelphia Historical Commission, That we hereby memorialize the President of the United States and the Secretary of the Interior to take affirmative action now to preserve, protect and enhance the historically significant fort that Washington's troops occupied almost 200 years ago; and, be it further
>
> Resolved, That the Senate and House Interior Committees hold public hearings on the merits of H.R. 9867 and similar bills to authorize the establishment of the Fort Mifflin National Historic Site; and, be it further
>
> Resolved, That the Philadelphia Historical Commission transmit copies of this resolution to the President of the United States, to the Speaker of the House of Representatives, to the Secretary of the Interior, to the House Committee on Interior and Insular Affairs, to the Senate Committee on Interior and Insular Affairs, to the Chairman of the American Revolution Bicentennial Commission, to the two U.S. Senators from Pennsylvania and to each Representative from Pennsylvania in the Congress of the United States.

THE ENERGY CRISIS AND THE INDEPENDENT OIL PRODUCER

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. WINN. Mr. Speaker, in these times of crisis we are all concerned with gaining energy self-sufficiency, and, in particular, gaining adequate, secure sources of petroleum. Our attention has understandably been focused on the activities and immense profits of the huge multinational corporations which dominate the oil industry and which are accumulating large interests in the development of other energy sources. As we examine the role of these companies in our economy and as we seek a workable and equitable system for regulating their activities in the long-term public interest, let us not adopt solutions which will unintentionally and irrationally punish, with regulations originally directed at the powerful majors, the small businessmen of the oil industry, the independent producers who compete with the titans of the industry.

These small independent producers are engaged almost exclusively in domestic drilling and exploration. Though almost unnoticed by the general public, independents account for over 75 percent of all wildcat oil and gas wells drilled in the United States, provide over one-third of all crude petroleum produced in the United States, and contribute over 40 percent of all capital investment spent on domestic drilling and exploration.

These small businessmen producers are not reporting exorbitant profit figures. In fact, over one-third of the independent producers who were operating in 1954 are no longer in business today. One reason for this is that independents, unlike the majors, have no means for offsetting their production losses by laying claim to alternative sources of income such as might stem from refining and/or foreign operation and production. Neither are they in a position to benefit from the foreign tax credit enjoyed by the majors. The highest rate of return on investment that was reported by any of these small businessmen oil producers with whom I have talked was 1 percent.

Certainly it is necessary for Congress to take steps to cope with the energy crisis. It appears that some regulation of the powerful major corporations which dominate the oil industry is necessary. However, it seems unreasonable to do so in a fashion which may seriously harm the small independent producers who are such a significant source of investment in drilling and exploration for domestic supplies of petroleum secure from foreign disruption.

BUYING BACK OUR GRAIN

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. GAYDOS. Mr. Speaker, Vladimir S. Alkimov, Soviet Vice Minister of Foreign Trade, told New York City newsmen during a visit there the other day that his country, perhaps in the spirit of the new détente, might be willing to sell back to us some of the large quantities of grain it bought from us over the last 2 years.

Should we be grateful? Maybe so. But what puzzled me is the brief mention which this ironic development received in the Nation's news media. We sold the Soviet Union, our former cold war foe, our grain surplus. Now, grain short ourselves, we may have to buy some of it back. Has there ever been a more mismanaged arrangement in the jumbled history of our foreign trade policies?

If we do attempt to get back our grain, then what price will the crafty Russian negotiators demand? It goes without saying, obviously, that they will want far more than they paid us—the bargain-basement rates into which we locked ourselves when the 1972 deal was made. Senate Majority Leader MIKE MANSFIELD said in his recent Democratic state of the Union speech that the Russians will want three times as much. This about reflects the increases in world grain prices in the last 2 years.

But my interest in this is more than the price involved. I feel that the matter needs to be stressed to the point where no American will overlook it or miss the point of how those who managed the grain sale, with their reckless disregard of their responsibility to our people, now have us considering buying back what they so blissfully and cheaply tossed away. It is a classic example of the utter absurdity of our "America last" approach in dealing with other nations—the approach which gave us the "Great Giveaways," the trade disadvantages and all the other elements that brought on the devalued dollar and built up the Federal deficits.

A MODEL ELECTION SYSTEM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. FRENZEL. Mr. Speaker, the elections systems project of the National Municipal League has recently completed a 2-year study of election administration in the States. The league has published its conclusions in a pamphlet entitled "A Model Election System." Especially relevant, considering the public demand for reform of the Federal electoral process, is the chapter on the Federal Government's role in the conduct of elections.

The National Municipal League is opposed to a uniform, monolithic system of national registration. The league believes a national system would be excessively rigid and inflexible. Instead, Congress can facilitate the development of innovative practices at the local level by providing grants-in-aid to the States for specified activities.

This recommendation is especially important, because the House will soon consider H.R. 8053, postcard registration. Richard Carlson, director of the elections systems project voiced his opposition to the bill in hearings before the Subcommittee on Elections. He testified that postcard registration is probably the least effective means of registering new voters, especially when attempted on a national level. Door-to-door canvassing and face-to-face encounters are far more effective.

I would like to emphasize that these recommendations are based on 2 years of intensive study of all facets of the present registration system and 45 years of experience in the field of election administration.

In accordance with the league's recommendations, I will offer a substitute bill, H.R. 11713, when the postcard bill comes to the floor. My bill will give revenue sharing moneys to the States for the purposes of improving voter registration, education, and participation. The General Accounting Office will conduct audits of the programs adopted by the States to insure that the funds are being spent for the intended purposes. I urge all Members to give careful consideration to this alternative, because in the opinion of most registration experts, it is a far better means of increasing the number of registered voters:

6. The Federal Role in the Conduct of Elections

INTRODUCTION

The purpose of this chapter is to describe the expansion of federal involvement in the conduct of elections, to consider the proper division of government responsibility for the conduct of elections, and to suggest how federal and state governments can cooperate to improve election administration. The federal government should continue to provide strong leadership in setting national standards for the expansion of voting opportunities and incentives to the states for the improvement of election administration and voter registration procedures. At the same time the states should be free to meet national standards by developing procedures compatible with their institutions and traditions, and with the characteristics of the population they serve.

AN EXPANDING FEDERAL ROLE

State authority over elections has developed in the absence of a clear federal constitutional guarantee of the right to vote. In the years before the Civil War states took the initiative in extending the suffrage, making this country the first major democracy to enfranchise all white male adults. Since the Civil War, the federal constitution has become increasingly specific about protecting voting rights. Eight of the 14 amendments enacted since that time have expanded the suffrage, from the fourteenth amendment through others prohibiting state restrictions on the right to vote because of race, sex, failure to pay a poll tax and age.

The impact of these constitutional guarantees has been significantly advanced by the federal courts. Using the fourteenth and fifteenth amendments, the U.S. Supreme Court has invalidated such racially discriminatory practices as the grandfather clause (1915), the white primary (1944) and the poll tax in state elections (1966). In the early 1960s the Supreme Court began to apply the equal protection clause of the fourteenth amendment to state laws governing legislative apportionment and voter qualifications. Its historic series of legislative districting decisions gave significant new emphasis to the franchise with the doctrine that equal value must be given to each vote. Then, in a less noted but just as "revolutionary" series of decisions, the court began to apply a strict standard of equal protection review to state laws governing eligibility to vote. When a state acts to deny the franchise to a group of citizens, the court ruled it must do more than demonstrate that its laws are reasonably related to state policy goals, the traditional judicial test. In voter qualification cases, states must demonstrate a "compelling interest" in limiting the franchise and must use the least restrictive device available. Applying this standard the court has invalidated state laws excluding military personnel from voting, whether or not they could qualify as residents (1965); the poll tax in state elections (1966); requirements that voters in school board elections be parents or property owners (1969) and requirements that voters on bond issues be property owners (1969). In one of its latest rulings the court invalidated state laws requiring that citizens be residents for a specified period of time before becoming eligible to vote (1972).

Through these decisions the Supreme Court has severely limited the license of the states to restrict the franchise. Moreover, the court, by giving each vote equal value, has placed an individual's political rights under much the same constitutional protection as his civil rights. In effect the court has established a set of national standards for certain portions of the electoral process. Congress also influences the conduct of elections in two major ways; it can protect voting rights in all elections from inequitable infringement and it can regulate the conduct of federal elections. In 1957 Congress enacted the first of a series of civil rights laws to eliminate discrimination against black voters. Congressional efforts to protect voting rights reached a peak with the Voting Rights Act of 1965 which suspended literacy tests and authorized the United States Attorney General to send federal examiners to register voters in areas covered by the act. Then in the Voting Rights Act Amendments of 1970 Congress mandated national standards for participation in presidential elections by eliminating durational residence requirements and establishing national standards for absentee voting and registration. The 1970 amendments also included a provision lowering the voting age to 18 in all elections. Although the Supreme Court subsequently ruled that Congress had no authority to lower age qualifications for state and local elections, it upheld the 18-year-old standard in federal elections and set the stage for adoption of the twenty-sixth amendment which enfranchised young voters in all elections. The amendment was ratified in record time as states rushed to avoid the administrative hardships of implementing different voter qualifications for federal and state elections.

THE PROPER DISTRIBUTION OF AUTHORITY

Now that eligibility barriers to voting have been substantially overcome, reform initiatives at the federal level are beginning to focus on administrative and procedural obstacles such as registration. In 1972 and 1973 legislation was introduced in the Congress that would create a national postcard registration system for federal elections but with financial incentives to states that accepted it for state elections. Other plans have been introduced to involve the federal government directly in assuming responsibility for the conduct of voter registration, as well as proposals to provide states with grants-in-aid to expand registration opportunities.

These proposals reflect an important shift in congressional concepts of federal responsibility for elections, first evident in the 1970 Voting Rights Act Amendments. Until the passage of that act the federal role had been directed at setting standards and policing state actions that might restrict individual rights. Thus when Congress amended the Voting Rights Act in 1970, establishing rules for voting for President, there was great confusion among the states. To give but one example, federally-fixed deadlines for receiving absentee ballots for President came into conflict with state laws. The new federal law departed from the traditional approach in which procedures for voting are left to the states, or more precisely to local officials acting under state laws. For in spite of its undisputed power to regulate its own elections the federal government does not conduct elections anywhere.

To a large degree the increasing federal interest in administrative procedures is a consequence of state inaction. The administration of elections has long been relegated to a back seat among state priorities and a strong impetus is needed to encourage serious reform. There is a continuing need for federal involvement in regulating federal elections and in setting standards for all elections. Federal intervention, moreover, could provide the uniformity that is often the key to equal voting opportunity. However, there are some difficulties to consider.

Centralization of rule-making power could mean rigidity as well as uniformity if a single national system were substituted for the diversity of current state election practices. For example, North Dakota and small communities in two states have no registration requirements at all, an approach that may be appropriate in places with a stable population. A uniform national registration system should not impose registration in areas where it is not really needed nor exclude other possibilities for reform.

A national system might tend to concentrate on the election of the President, at the expense of other contests for congressional as well as state and local offices. It could also have a significant impact on state primary elections which go to the heart of the states' widely varying party systems. For example, present state distinctions between open and closed primaries might be hard to maintain under a federal registration system that did not keep concurrent party enrollment records. Different state calendars for holding primaries would have to be changed to meet the schedule of the national nominating conventions. Thus there is some danger that a federally administered system geared to federal contests might neglect state and local interests. In view of the growing clamor for public action and community control there is a real need to encourage citizen activity in politics at the state and local level. States might well be encouraged to overhaul their own systems to stimulate voter participation in the far more numerous state and local elections. The prospect of dual bureaucracies at the state and federal levels could cause great duplication of effort and expenditure as well as voter confusion.

The national and state governments should not be regarded as competitors for authority but at two levels of government that can complement each other in efforts to meet the growing demands on both. The resources of state and local governments should supplement national action where necessary and relieve the national government of having to divert its resources and energies to activities that could be handled as well or better at other levels.

In spite of the drawbacks to national administration there is a growing need for reform pressures from the federal government. The strength of the federal system may lie in the freedom that states have to develop new approaches to solving problems, but electoral reform among the states has been rare. Several avenues are open to the federal government to improve election administration without jeopardizing the state administrative role. The federal government should continue to pursue its traditional role as the protector of an individual's right to vote. The Voting Rights Act of 1965, extended for an additional five years in 1970, has been a dramatically effective vehicle for increasing black voter registration in the South. Congress should continue to extend the act and pass other legislation necessary to protect voting rights from unconstitutional infringement by individuals or governments. The United States Department of Justice should be encouraged to enforce vigorously the provisions of the Voting Rights Act and to prosecute violations of other federal voting rights statutes. Congress can encourage innovative practices by providing grants-in-aid to states for specified activities:

1. Implementation of statewide systems of door-to-door or mail registration under the supervision of a state agency;

2. Expansion of personal registration opportunities through increased registration hours and locations, widespread use of deputy registrars and absentee registration:

3. The creation of statewide training programs for local election administrators and precinct personnel;

4. The establishment of a state association of election administrators with regularly scheduled conferences;

5. The design and implementation of electronic data processing programs or other management techniques to modernize voter registration and election administration procedures.

The federal government should also promote better communication among state and local election officials and encourage continuing studies of the problems of election administration through the Office of Federal Elections of the United States General Accounting Office. The Office of Federal Elections was created to monitor the campaign expenditures reports required under the Federal Election Campaign Act of 1971, but the act also directed the Comptroller General to serve "as a national clearinghouse for information in respect to the administration of elections" and to "enter into contracts for the purpose of conducting studies of the administration of elections." This responsibility might prove to be one of the most helpful functions of the office. There is a critical need for greater exchanges of information among state and local election administrators and the development of comparative studies of the problems of conducting elections.

CARSON CITY COUNCIL OPPOSES CLOSING OF FORT MacARTHUR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ANDERSON of California. Mr. Speaker, the Department of Defense's proposed closing of Fort MacArthur, located in southern California, has been opposed by many public officials and communities, as the fort provides necessary services for both the retired service personnel and the military dependents who reside in the area, and it provides an important source of employment for those living in the southern section of Los Angeles County.

The City Council of Carson, Calif.—one of the largest cities in the county—which has a deep understanding of the economic problems confronted by those residents of the area and has actively worked to increase employment opportunities, has adopted a resolution opposing the closing of this important military installation.

At this point, Mr. Speaker, I place the resolution adopted unanimously by the Carson City Council on February 11 in the Record:

[Resolution No. 74-037]

A Resolution of the City Council of the City of Carson Opposing the Closing of the Fort MacArthur Military Base

Whereas, the Pentagon has announced its intention to close the Fort MacArthur military base; and

Whereas, the Fort MacArthur base is an important source of employment in the Harbor area; and

Whereas, the closing of the base at this time would further add to the critical unemployment problem that presently exists in this area, and would cause additional economic problems at a time when Harbor area is facing major economic dislocation.

Now, therefore, be it resolved:

Section 1. That the City Council of the City of Carson does hereby oppose the closing of the Fort MacArthur military base.

Section 2. That copies of this resolution be mailed to the California Senators and all Congressmen.

A TRIBUTE TO VIC LERNER

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. WINN. Mr. Speaker, last month, my congressional district lost one of its brightest beacons, Vic Lerner. Well-known throughout the bowling industry, he was one of the integral factors in the growth and subsequent popularity of the game.

Vic Lerner exemplified the American dream. He was a self-made man who rose from a humble beginning to the top of a multimillion dollar business. During his lifetime, he received many honors and awards, including being named to the Kansas City Men's Bowling Association Hall of Fame.

At this time, I would like to insert in the Record an article from the Kansas City Star which chronicles Vic Lerner's many accomplishments:

Vic Lerner, One of Bowling's Beacons

(By Sid Bordman)

When Vic Lerner died last month the bowling industry lost one of its guiding lights.

Nationally and locally the President of King Louie Bowling Corp. was an integral factor in the growth of the game.

"A tremendous loss to all of bowling," said Milt Rudo, President of Brunswick Division and Vice-President of Brunswick Corp., one of the world's leading manufacturers.

"Vic was a great leader with great ideas," praised Rudo. "Along with two or three others in the nation he helped hold the bowling industry up. Vic was a driving force that bowling had to have. He had a broad perspective of the game on the national scene and in his hometown of Kansas City, Vic was not provincial."

Eddie Elias, founder of the Professional Bowlers Association, credits Lerner with closing the intercise between his organization and the nation's bowling proprietors.

"There aren't enough words to describe the love we had for Vic Lerner or the impact he had on the growth of the P.B.A.," Elias remarked. "When our small group was forming the P.B.A. we ran into opposition from the Bowling Proprietors Association of America. Vic came to our defense, explained our cause and today the bowling proprietors are the No. 1 ally of the P.B.A.

"Vic, who sponsored some of our tournaments, was the one person in the industry who was able to bridge the gap in any misunderstanding the P.B.A. may have had with any other element of the bowling world, whether it be the association or corporate. Vic possessed a certain cool, a certain awareness and sense of fair play that few people are ever able to attain. Friendship transcended business with Vic. Principle meant more than profit and, above all, he was completely honest."

In addition to heading King Louie Corp., with its world-wide bowling shirt business and six bowling establishments (five in Kansas City and one in Omaha), Lerner for years served in top echelon positions with the B.P.A.A. From 1966 through 1968 he was president of the national association of bowling proprietors.

Not only was he instrumental in the growth of junior bowling and the national tournament with college scholarships as prizes, but Lerner helped put the N.A.I.A. nationals on the road.

Without Lerner the annual National Association of Intercollegiate Athletics tournament here would not be a reality.

"Vic did the prime moving," pointed out A. O. Duer, Executive Director of the N.A.I.A. "Vic went to Brunswick and A.M.F. and got them to help subsidize our tournament. Vic furnished the shirts for all 32 teams and the lanes for the tournament."

Lerner, who passed away Jan. 21 at the age of 54, knew both sides of the bowling counter. For years he shot in the city's leading scratch league, averaging from 195–200. One of his King Louie Shirt teams claimed second place in the national team tournament.

"Something special for me," he smiled after returning home with his team. "It's something when you can sponsor a team that finishes high. But when you can bowl on it, too, that's a genuine thrill."

Lerner *did not* limit his team sponsorships to Kansas City. He backed teams from coast-to-coast.

"About 200 teams a year," pointed out Alex George, public relations director for King Louie.

Ted Sieler, a Tulsa proprietor who succeeded Lerner as President of the B.P.A.A., perhaps had one of the best insights of Vic's impact on bowling.

"When Vic was elected president of the B.P.A.A. in '66," recalled Sieler, "he inherited an organization that was enshrouded with many, many troubles. At the time the B.P.A.A. was involved in two different lawsuits with the Justice Department pertaining to restraining of trade, had several individual suits filed against it, had its lowest membership in many years and represented an industry that still was basically in the heighth of depression. This situation arose from the overbuilding that existed in the late '50's and early '60s.

"Vic's first act was to clean up the entire internal operation of the B.P.A.A. Many changes were made to create a more spartan organization. The B.P.A.A. began to move forward again. During his administration Vic discussed many thoughts with me on how we could promote bowling and bring it to the fore in the public eye. About three or four months before his term of office ended he called me to tell me of his million-dollar promotion idea.

"This idea was the beginning of what now is the $2 million promotion of the National Bowling Council. He suggested that Brunswick, A.M.F., the American Bowling Congress and Woman's International Bowling Congress each put up $200,000 a year to create the fund for bowling promotion. At first I thought there was no way he could sell the A. B. C. and W.I.B.C.

"My second thought was that we wouldn't be able to sell our proprietors the idea. Vic decided to go ahead. At our next National Bowling Council meeting he was very persuasive and sold the idea.

"At first there was much dissent and mistrust among the various proprietors. In time they realized it was to their benefit to work together and pull in the same direction. They followed Vic's lead.

"The results of this combined effort are apparent to all of those who are familiar with the bowling industry. Bowling has climbed to a point of popularity with the American public that it had not enjoyed in many, many years. Membership in the W.I.B.C. and A.B.C. has grown. So has membership in the B.P.A.A.

"Vic Lerner was a person of great pride, not only in his business and family, but in his country, his achievements and his friends. He long will be remembered by the bowling fraternity, which for many years will enjoy the fruits of his many labors.

"I met Vic in '58 at the first B.P.A.A. convention I ever attended. I believe it was his first convention. Even in his early years in the bowling business he approached it in a different manner than had been the custom in the past. He attempted to bring modern business methods and business-like thought to an industry that in some degree had remained more or less a 'mom and pop' operation.

"For many years there had been a great deal more misunderstanding between the proprietors and bowlers. There had been many years of almost hatred between the two segments, accompanied by much backbiting and mistrust. When Vic took over the Youth Bowling Program he did not meet with a lot of friendly hands. Soon afterward the A.B.C. and W.I.B.C. realized that he was fair, honest and only trying to do a good job. The situation changed.

"As a longtime member of the B.P.A.A. Executive Committee he was chairman of many, many committees. In everything he did he attacked the job with zeal and a fervent desire to do it better than it ever was done before."

Sieler described Lerner as a "kind man."

"He was a harsh taskmaster and expected the job to be done well," added Sieler. "But he always seemed to be aware of the feelings of others, and I don't believe at any time tried to insult, talk-down or belittle a person, no matter how lowly their position was. I traveled thousands of miles with Vic, I feel I knew him."

Lerner rose to the top from a humble beginning.

Vic and his brother Morris, starting with a $500 bank loan for the purchase of six used sewing machines, opened the Lerner Brothers Manufacturing Co. in 1937. The brothers built a multimillion-dollar business.

Vic's honors have been many. He was named Man of the Year by the Kansas City Men's Bowling Association. Also, he was ushered into that association's Hall of Fame.

Five years ago the Kansas City Men's Association and WyJon Association co-sponsored a testimonial dinner-dance for Lerner, and officials from far and near attended. Frank Baker, then Executive Secretary of the A.B.C., Fred Botkin, Executive Secretary of the W.I.B.C. and Dick Weber, one of pro bowling's greats, were there. So were Jack Thomas, a Vice-President for Brunswick, Joe Schoenberg of A.M.F. More than 300 paid tribute to the Kansas Citian.

To me Vic was both kind and co-operative, always willing to explain aspects of bowling. Although his time was valuable, he didn't treat it as such when asked for help. He gave me invaluable help during my first years on the bowling scene.

Vic will be missed by many.

ACLU AGAINST DISCLOSURE

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUNT. Mr. Speaker, many of us in the Congress have long questioned the intentions of the American Civil Liberties Union. Now, while a majority of the country and the Congress is pushing for disclosure laws, the American Civil Liberties Union has gone against the grain, thus proving that the saying "different strokes for different folks" does hold an element of truth.

I offer the following comments from the State Headlines newsletter of February 11, 1974:

NEW JERSEY LOBBYISTS REQUIRED TO REVEAL FUNDS

Money spent on legislative lobbying and the source of such funds must be fully revealed under a ruling by the New Jersey Election Law Enforcement Commission. A date of March 1 was set for reporting 1973 lobbying funds. A challenge to the rule was announced by the American Civil Liberties Union to prevent revealing the names of its contributors. In other action, the New Jersey Assembly voted to change its rules to provide for open and public voting by all committees among other reforms.

TRANSPORTATION INITIATIVES

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MINISH. Mr. Speaker, as chairman of the House Urban Mass Transit Subcommittee, I was pleased last weekend to hear the eloquent and informative reply to the President's transportation proposals by our distinguished majority whip, JOHN MCFALL.

Mr. MCFALL sets out clearly and precisely the major shortcomings of the administration's plans. I commend his remarks to all my colleagues:

ADDRESS OF CONGRESSMAN JOHN J. MCFALL

I am speaking to you today on behalf of your Congress about the serious challenges facing our nation's transportation system and what we must do to meet them.

In his radio message last week, the President rightly recognized that our transportation system—the nation's lifestream—is no longer working at maximum efficiency and must be improved.

In cooperation with this and previous Administrations, the Congress has enacted a long and productive list of measures to improve that system—from the creation of the Department of Transportation in 1966 to the Airport Development Act in 1970 to the Northeast Rail Reorganization Act of 1973. We recognize the continuing need for improvement in our transportation system, and we pledge our determined efforts to reach this objective.

Last week, the President submitted two transportation bills to the Congress: one dealt largely with urban highways and mass transit, the other with railroads. The Congress welcomes in these bills what appear to be some helpful changes in policy on the part of the Administration.

However, we must regretfully say that neither of these two proposals represents anything that could be described as a massive, broad based assault on our nation's basic transportation problems.

In the Unified Transportation Assistance Act, the President for the first time acknowledges the necessity for mass transit operating assistance. This will be welcome news to our hard-pressed cities and states. In the past, the Administration has flatly opposed such legislation, including the operating assistance bill now pending in House-Senate conference.

However, we should also understand what the Unified Transportation Assistance Act does not do. It has been billed as a big-money recommendation. However, it does not provide the big infusion of funds that it seems to imply. The act would simply rearrange funds, and in some cases cities and states would come up with less than they thought they had.

For example, mass transit operating assistance, under the President's proposal, would not be available unless a city gave up construction money to get it. Thus, while one hand giveth, the other taketh away.

After 1977, all money would be thrown into a common pot, subject to far more demands than it could fulfill. The Administration would make the fund available for mass transit construction and operating assistance as well as highway construction. As the range of choices widens, the money available to cities for each purpose diminishes.

The bill also fails to provide cities and states with the guidance which they desperately need to make increasingly sophisticated transportation decisions. In fact, the bill would intensify pressure on the cities and states: we would be requiring them to make more difficult choices without giving them the necessary direction or information. No state can make the best use of its transportation money if it doesn't know how its system will affect—or be affected by—adjoining states' systems or the nation at large. And we cannot know this until we develop the national transportation policy that Congress has demanded for so long.

The other thing the bill does not do is to tell us what will happen to the highway trust fund. After 1977, the bill would shift the burden for urban highways as well as mass transit to the general taxpayer. There is no mention of the highway trust fund—as if the Administration expected to let it die.

The President's other bill—the Transportation Improvement Act—would set up a loan guarantee program for the railroads. This follows an initiative marked out by the Congress in 1971 when it drafted and considered the Surface Transportation Act. At that time the Administration strongly opposed the legislation. Today, the President has recommended a rail assistance plan which incorporates a broad loan guarantee program. In the present Congress, similar legislation has already passed the Senate and is now pending in the House.

The Transportation Improvement Act also revives an Administration attempt to make major changes in the government regulation of railroads, including rate-making and the abandonment of rail service. A few years ago, the Administration urged radical deregulation as the way to help railroads out of their financial difficulties. The Congress rejected that concept, and rightly so. Deregulation would have unleashed ruinous competition among the carriers and severely damaged the industry. Although the deregulation proposals in this bill are more moderate, the Congress will want to examine them carefully.

It has been the stubborn insistence of the White House on three inadequate precepts—deregulation, special revenue sharing and reorganization of the Department of Transportation—that has held up the formulation of a national transportation policy. None of these, nor all of them together, can substitute for transportation policy, and the Congress will continue to push for the development of one.

This Congress is seeking to build with President Nixon a better record of cooperation and achievement on transportation matters. Furthermore, we will need everyone's help, from the Administration to every American. Only if we all strive together can our nation achieve the vital, flourishing, preeminent transportation system that our wellbeing today and our children's future demand.

LITHUANIA'S INDEPENDENCE

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. COLLIER. Mr. Speaker, last Saturday, February 16, was the 723d anniversary of the founding of Lithuania and the 56th anniversary of the independence which that nation achieved after World War I.

Because Congress was in recess, the Members of this great body were unable to properly observe the day. We ought, nonetheless, to call attention to the plight of the people of Lithuania and its sister republics, Estonia and Latvia. The lights of freedom for the Baltic nations were extinguished in 1940, when the Communists seized their lands.

In theory these countries are still free members of the family of nations, because the United States has never recognized their forcible annexation by the Soviet Union. In cold reality, they are colonies of international communism.

Mr. Speaker, let us hope and pray that independence will some day soon become, not a fiction, but a reality. Lithuania and its people have suffered greatly through the centuries. May God speed the day when their anguished cries for deliverance from oppression will be answered.

VICE PRESIDENT? HIS FANS GO FOR IT, BUT NOT H. B. G.

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. TEAGUE. Mr. Speaker, I submit to you the second in a series of five articles about Congressman Henry B. Gonzalez. My friend and colleague was featured in the San Antonio Express and News between January 7 and January 10 by Mr. Jim McCrory.

The second of five parts follows:

Vice President? His Fans Go for It, But Not H. B. G.

(By James McCrory)

Henry B. for V.P.!

When San Antonio businessman Bill Sinkin lofted a trial balloon this year in that direction, it drew a quick rejoinder from the congressman.

"What have you got against me?" "I didn't even know you were mad at me."

Bumper stickers urging Gonzalez for Vice President had surfaced in both 1968 and 1972 in Texas and Arizona, and Gonzalez killed the boomlets in both years.

NOT HIS CALLING

While the congressman may not hold the Vice Presidency in the exact same light as former Vice President John Nance Garner, who more than once compared it to "a pitcher of warm ——," he doesn't feel the Vice Presidency would be his bag.

"I wouldn't have it on a bet," Gonzalez reports.

In the wake of former Vice President Spiro Agnew's disability, Gonzalez feels the Vice Presidency is even less appealing than at its unappealing best.

"Legislative advocacy is my field," Gonzalez assesses. "I'm trained for it, and happy in it. It is the height of honor."

The height of his ambition. Gonzalez asserts, was the Texas Senate, but he couldn't live with the pay, $4,800 a year. But even at that, it beat the $1,040 a year he was drawing as a city councilman prior to moving on to the Senate in 1956.

THE PAY IS BETTER

"The pay in the Senate is piece work pay," Gonzalez says, "while the pay in the U.S. House is union scale."

The Senate, with 31 members, is small enough to allow individual members with flair, personality, and even ability, to shine, certainly a more difficult feat in a national House body with 435 members.

When Gonzalez went to the House in 1961, the pay was $22,500 a year. It was since raised to $42,500 a year, and Gonzalez this year voted for a bill, which failed, which would have hiked the pay by some $10,000.

It is not generally known, but Gonzalez had decided that he wasn't going to stay in the State Senate past 1962. With a wife and eight children, he just couldn't afford the luxury, much as he liked the work.

ALMOST QUIT POLITICS

It was the third time he came close to quitting politics and moving into business.

The other two times came while he was serving on the City Council in the mid-50s, trying to sustain himself, a wife, and six children on $1,040 a year.

If Gonzalez had been less successful in his first venture into politics in 1950 for the Texas House, he probably wouldn't have been bitten by the political bug and continued in politics at all. But in that race, running countywide, he managed to get into a runoff with Stanley Banks Jr., losing by about 2,000 votes.

He ran that race largely on a $200 bank loan on the family jalopy, $100 of which went to pay his filing fee. He ran for Place 3 for the good and simple reason that his birthday fell on May 3, just as he was to announce for the State Senate later on his fortieth birthday.

His largest single contribution in 1950 came from an American of Japanese descent, Tony Kawazoe, a restaurant owner who donated $50.

NO VOTES IN BARS

It was in that campaign that Gonzalez decided it was neither healthy, nor productive, to campaign in bars.

Dropping in to see a tavern operator who had voiced some interest in putting up some Gonzalez campaign signs, Gonzalez introduced himself. A patron sitting nearby, brooding over a succession of beers about a brother recently dispatched to the penitentiary by Dist. Atty. Prosecutor M. C. Gonzales, mistook Gonzalez for Gonzales.

He whipped out a switchblade knife and started after Gonzalez, and the candidate departed the premises through the screen door—without opening the door.

While Gonzalez was campaigning in another bar, an impromptu survey showed that only a small percentage of the people in the bar even had a poll tax.

BAN ON POLL TAX

(When Gonzalez raised his right hand to take the oath of office as Congressman of the 20th district in 1961, he had in his left hand a bill to abolish the poll tax. That proposal subsequently was incorporated into the Voting Rights Act of 1965, and the poll tax has been abolished as a prerequisite for voting, not only on the national level but the state as well.)

Three San Antonio millionaires—Al Jergins, Strauder Nelson, and Morris Kallison—sought him out to run on a ticket for the City Council in 1953. It was the first, and the last time he was to run on a ticket.

Gonzalez was the only Mexican-American on the San Antonians ticket, and he was running against George de la Garza, a member of the Citizens Committee ticket. The Citizens also had a second Mexican-American on its 9-member slate, Ruben Lozano.

WITHOUT RUNOFF

When the dust had settled after the first election, Gonzalez and Mayor Jack White had been elected without a runoff. The other seven won the runoff, with Gonzalez helping Mrs. E. M. Stevens defeat Lozano.

The new council named Gonzalez Mayor Pro Tem, and he told his fellow council members that "you have stamped out the big lie that this country is the downtrodder of minorities."

In his first elective post, Gonzalez early demonstrated his independence and his ability to be a constructive irritant. He opposed a move by the mayor and city manager to burn "communist-tinged" books, told of a bribe attempt to keep him from reporting a mounting vice problem, and questioned proposed increases in water and telephone rates.

ONLY SURVIVOR

Gonzalez was to be the only survivor of the ill-fated San Antonians, five of whom resigned under recall pressure. He was elected as an independent in the 1955 elections, defeating four opponents without a runoff and carrying a number of northside Anglo boxes for the first time.

As the campaign reached its climax, shots were fired at Gonzalez as he entered his home after a night of campaigning, but the shots went wide.

On May 3, 1956, Gonzalez decided to move either up or out. He announced for the Texas Senate against conservative Democratic State Sen. Ozzie Lattimer. His fellow council members dug into their pockets to come up with his $100 filing fee, some because they were genuinely fond of him and others because they figured it was worth the price to get him off the council.

This was the first term of the Good Government League council, which usually spoke with one voice but couldn't silence independent Gonzalez.

OPPOSED BY GOP

Gonzalez beat Lattimer by 282 votes, and the Republicans threw Atty. Jesse Oppenheimer into the fray in the general election. Gonzalez was the only Bexar County Democrat the GOP opposed.

Oppenheimer accused Gonzalez of being "a left-winger" and "a creeping socialist," and Gonzalez retorted he was a right-handed baseball pitcher, making him a "right-winger." And he defused the creeping socialist charge by quipping that the only thing creeping about him was his shorts.

Gonzalez defeated Oppenheimer by about 13,000 votes, and he reversed the usual coattail political operation by carrying Bexar County over the national Democratic ticket headed by Adlai Stevenson by 2,000 votes.

HE MADE HISTORY

Gonzalez's election to the State Senate marked the first time a Mexican-American had been elected to that body. It was one in a number of paths blazed by Gonzalez during his political career, including being the first Mexican-American independent elected under Council-Manager governor, the first Mexican-American Mayor Pro Tem under Council-Manager, and the first Mexican-American ever elected to the U.S. Congress from Texas.

Not bad for a man who couldn't speak a word of English when he entered the first grade, whose mother and father fled Mexico just a step ahead of the revolutionaries in 1910 and settled in San Antonio with plans to remain only until things settled down in the mother country.

SUBCOMMITTEE ON CRIME TO HOLD HEARING ON H.R. 4191 AND H.R. 8722 TO AMEND THE FEDERAL KIDNAPING STATUTE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the House Judiciary Committee will hold a hearing on legislation to amend section 1201 of title 18 of the United States Code. The hearing will be held on Thursday, February 28, 1974, at 10 a.m., in 2141 Rayburn House Office Building.

The subcommittee will consider H.R. 4191 which would remove the parental exception to kidnaping and H.R. 8722 which would permit the FBI to investigate certain missing persons cases.

Witnesses testifying before the subcommittee will include Representative Charles E. Bennett, author of H.R. 4191; Reresentative Edwin B. Forsythe, author of H.R. 8722; and John C. Keeney, Deputy Assistant U.S. Attorney General, Department of Justice.

Those wishing to testify or submit a statement for the record should address their requests to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

JOSEPH BELARDI

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. BURTON. Mr. Speaker, on Sunday, February 24 an old and dear friend, Joe Belardi, will be honored at a dinner by the San Francisco Trade Union Council for Histadrut. The proceeds from this testimonial will establish a Joe Belardi-Histadrut Scholarship for the children of Israeli trade unionists.

Joe Belardi has dedicated more than 35 years to the labor movement and to the service of his community and his fellow man.

He came to California from his native Mississippi in 1931. Eight years later, he ran for business agent for Cooks Union, Local 44 and won. He held and worked at that position until 1955 when he was elected president of that union.

In 1963 Mr. Belardi was elected to the office of executive secretary of the San Francisco Local Joint Board of Culinary Workers, Bartenders, Hotel, Motel, and Club Service Workers.

In 1965 he was elected president of the San Francisco Labor Council.

This accounting of the positions which Joe Belardi has held is but a partial picture of the man. Joe Belardi is not only an outstanding labor leader; he is also a humanitarian.

He has worked with the DeLancey Street Foundation to help former drug dependent persons and prison inmates to seek a new start and a new way of life.

Joe Belardi has worked in close association with the San Francisco Human Rights Commission in their efforts to meet the needs of the racial and ethnic groups which make up our city. He has fought for social and economic justice.

Joe Belardi was ahead of his time in espousing the rights of consumers. He is an active participant in the Consumer Federation of California and is a leader in the fight to protect the rights of the consuming public.

It is difficult to reduce to a few words all that Joe Belardi has done for working men and women or to capture the concern for his fellow man which motivates this decent human being.

He has earned the honor which will be bestowed upon him on Sunday. It is truly fitting that from this testimonial will develop another expression of concern for his fellow man, the Belardi-Histadrut Scholarship.

I am pleased to note in the Record this brief picture of a giant of a man and to take this occasion to call to the attention of my colleagues the well desired tribute which is being paid to Joe Belardi, a champion of the labor movement and a gentleman in the fullest meaning of that term.

ARTHUR A. BAER

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MURPHY of Illinois. Mr. Speaker, today I join thousands of Chicagoans in applauding the accomplishments of a dedicated business and civic leader who has made an outstanding contribution to our community. Arthur A. Baer began as a local businessman and has through his own efforts and unique talents become recognized as one of Chicago's most prominent bankers, pioneering drive-up banking and multiple-service tellers. He has been affiliated with the banking business for almost 50 years, serving first as President and now as chairman of the board of Beverly Bank for 30 of those years. Arthur Baer is presently chairman of the board of four banks in Chicago metropolitan area.

Truly, Arthur Baer is an exceptional individual gifted with the ability to personalize banking with a business philosophy fostering warm and individual service, a refreshing approach in our ever-growing impersonal society. Moreover, as a community leader and founding father of the Beverly Art Center and the Ridge Historical Society, he has added another dimension to the cultural life style of an urban area enriching the lives of young and old alike.

I take pleasure in inserting at this *time* in the Record two articles that describe the achievements of this man in revolutionizing the banking industry as well as citing his professional and community contributions:

Arthur A. Baer: Senior Citizen of the Year Is Honored by the Chicago Park District

(By Jane Schnedeker)

The most radical idea that Arthur Baer initiated was to apply retailing principles to banking thus making him the first people-oriented, rather than money-oriented, banker. He confounded the traditional bank attitude that the bank is always right with the retail principle that the customer is always right. Retail banking proved to be spectacularly successful: Beverely Bank is more than thirty times as large as when Arthur Baer first took a hand in its destiny. And suddenly, a quarter of a century later, big urban banks across the country are discovering the value of putting people before money.

Among the many other services that Beverly Bank extends to its customers is one that, these days, you don't expect to find in a bank: a travel bureau. And it's completely free; the bank's own travel experts can give complete advice on tours, package trips, personal lodging, timetables, foreign exchange rates, obtain tickets and make reservations.

Part of Arthur Baer's people-philosophy is that a bank's obligations extend beyond the people it employs and the people it serves as customers. He feels a bank owes much to the community in which it lives, too. Accordingly, at Beverly Bank, under his direction, there is a full-time Community Development Department which serves the many schools, churches and organizations in a wide area. Arthur Baer believes he owes a personal contribution to the community.

It is part of the paradox of Septuagenarian Baer that he can both look into the future with enthusiasm and cherish the best of the past; that he can roam the world in search of new sights and ideas and pioneer in such futuristic concepts as computerized banking. (Arthur Baer is Chairman of the Beverly Bancorporation, a company providing ten community banks with support services such as, data processing and market research.)

At the bank, he is surrounded by energetic young people yet he sees farther into the future than any of them and has already mastered the art which most younger people have yet to learn; how to preserve individuality and warm human concern in an increasingly impersonal electronic age.

A RESOLUTION

(By the Beverly Bank Board of Directors)

Resolved, That we highly commend Mr. Arthur A. Baer, Senior Officer of the Beverly Bank for Thirty Years, and Member of the Board of Directors for Forty-Five Years, for his many contributions not only to the bank itself, but to the community of Beverly Hills/Morgan Park, the City of Chicago and the State of Illinois.

Mr. Baer has devoted much of his time to the community and other civic affairs. He has served as Treasurer of the Beverly Hills Community Concert Association for twenty-eight years. He is a Trustee and past Treasurer of Morgan Park Academy and of La Rabida Children's Hospital and Research Center. He was one of the organizers of Beverly Art Center and currently serves as Chairman of its Executive Committee. He is a past President of the Chicago District of Illinois Bankers Association and of the South Side Bankers Association. The State of Illinois has cited him as "Employer of the Year." He has served as District Chairman on the United States Savings Bond Division of the American Bankers Association. He has also served as the District Representative of the National Association of Supervisors of State Banks.

Mr. Baer was a Phi Bata Kappa student at the University of Chicago, where he obtained his Ph.B. degree in 1918. He is past Chairman of the Alumni Association of the University, and a past President of its Alumni Fund.

Mr. Baer is a past President of The Chicago Literary Club and is currently serving as Chairman of its Centennial Committee.

THE ENERGY CRISIS AND THE POOR

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MOAKLEY. Mr. Speaker, poor people in the United States are being hit hardest of all by the energy crisis. They are also in the weakest position to do anything about the situation which they now find themselves in. There is no strong lobby fighting for poor people. The poor are left to the mercy of government agencies which are often unsympathetic to their problems and often do nothing to help them.

I have introduced a resolution to create a select committee to study the problems faced by the poor because of the energy crisis. I believe that such a committee would serve as an advocate for the poor who now seem to be unrepresented. The issues which effect the poor will be dealt with in a comprehensive and responsible manner if this committee is established.

On February 16, the National Journal Reports featured an article by Karen DeWitt which examined the problems faced by the poor because of the energy crisis. I commend this article to the attention of my colleagues in the hope that you will better understand this issue and support this resolution:

Resolved, That there is hereby created a select committee to be composed of fifteen Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized and directed to conduct a full and complete investigation and study of the health effects of the current energy crisis on the poor.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

WELFARE REPORT/AGENCIES ACT ON FUEL CRISIS TO SOFTEN SHORTAGE IMPACT ON POOR

(By Karen E. DeWitt)

In the recent syndicated strip, *Luther*, a ghetto child tells a classmate that she is fighting the energy crisis by turning up her thermostat. Incredulous, the friend admonishes her for not dialing down to a fuel-saving 68 degrees. She replies that at her house "a temperature of 68 degrees is UP."

The comic's humor might be lost on many of the nation's 24.5 million poor, for whom the energy crisis signals a new—if not unfamiliar—obstacle to obtaining life's necessities.

Already reports are trickling into the HEW Department about the impact of the energy crisis on the poor. Some examples:

In Huntsville, Ala., low-income domestics cannot get to their jobs in the suburbs because of inadequate public transport and their employers no longer can pick them up because of the gasoline shortage.

In the Missouri Ozarks, a Headstart program that serves 11 rural counties within a 700-mile radius has cut its operation from five to four days a week because of fuel shortages, leaving working parents with no place to leave their children.

Federal officials acknowledge that the poor and near poor will be hardest hit by the energy crisis, but they say they do not know how intense the impact will be or whom it will affect the most.

"Our difficulty is simply a lack of knowledge," said an HEW paper, *The Poor and the Energy Crisis*. "We know that energy shortages can affect the cost of living and the levels of unemployment. But we do not know how much. We know that the energy crisis will affect some more than others. But we do not know who and how much more."

Organized efforts: Unlike specific interest groups—such as truckers or more affluent consumer organizations—the poor are not set up to let the federal government know what their specific problems are. Indeed, spokesmen for organizations such as the National Welfare Rights Organization (NWRO) and the Committee on Urban Ethnic Affairs (CUEA) maintain that their constituents' poverty already constituted a crisis that the energy shortage merely aggravated.

"Gas rationing doesn't affect most of the poor because they don't earn enough to own cars," said Eileen Gregson of the NWRO. "But they'll feel the pinch of rising transportation costs as a result of the energy crisis more heavily than a middle-class family will when they go to fill up their car tank."

She explained that a low-income family would spend proportionately more of its income on rising public transportation costs than a middle-income family would on increased gasoline prices.

Volunteers—Ironically, some of the organizations that represent low-income constituencies are limited in how much they can do because many of their workers are volunteers whose car usage will be curtailed as a result of gasoline shortages.

"We just don't have the resources or the personnel to respond to the crisis of the poor," said Rt. Rev. Msgr. Geno Baroni, director of CUEA. "We've done some work with getting fuel to elderly people living on fixed incomes in the Middle West and we've provided the OEO (Office of Economic Opportunity) with some information on the crisis' impact.

"But the real issue is not just the poor's needs, but how you shape and share the burden of the energy crisis."

Citizens' Energy Conference—In an effort to distribute the burden of the energy crisis equitably, groups concerned with the needs of the poor met with consumer groups, unions, environment organizations and civil rights groups in Washington Feb. 15–18 to determine the impact of federal energy policy on their constituents.

"Everyone is hurt by this (the energy crisis)," said conference organizer James Goodell of the Center for Community Change. "We are looking for points where we're commonly affected by the same situation, areas where you can find allies."

Among conference participants are the National Organization of Women and Common Cause.

IMPACT

The energy shortage affects the poor, like the rest of the population, through inflation and unemployment.

But the energy-related problems of the

poor are likely to be "emergency and income problems" rather than limits on "personal luxury and comfort," said John C. Sawhill in Jan. 22 testimony before the Senate Select Committee on Nutrition and Human Needs. Sawhill is deputy administrator of the Federal Energy Office (FEO).

For example, he said, the poor could have more problems obtaining heating oil because they tend to be cash-on-delivery customers who deal with "small one- to three-truck heating oil firms" on an irregular basis.

He said emergency rationing regulations call for a "degree-day, usage-factor system" that depends on a constant, long-term relationship between the supplier and the customer.

Sawhill said the Administration is urging that "normal deliveries" (to the poor) continue to be made."

Sawhill said the Administration established a "state set-aside" of fuel oil of 4 per cent to handle emergency and hardship situations.

Among the questions about the poor and the effects of the energy crisis that must be answered for sound policy making, Sawhill said, are: "Do the poor use relatively less or more energy than others? Are the poor and near poor more or less likely to be subject to energy-related unemployment?"

Commenting on Sawhill's testimony, NROW's Ms. Gregson said that the Administration is wasting "valuable time" studying the effects of the energy crisis on the poor. "They know the problems," she said. "It is overwhelming how little concerned they are."

Herrington J. Bryce, director of the Washington Joint Center for Political Studies, testified before the select committee that studies would show blacks and low-income people initially would not feel the effects of the energy crisis because they generally do not work in industries such as plastics and the airline industry, which would be affected directly.

"But as the energy shortage works its way through the economy, the black unemployment rate will take off and rapidly," Bryce said. "Inflation always affects blacks and the lower working class much more than it affects the middle-class and the rich."

"We might find that many who just had a foot in the middle class last year may now fall out as they lose jobs or as their income becomes inadequate to maintain a middle-class style of life. And many who had been at the brink of poverty will now go under."

Bryce said that this would stem from already high unemployment levels among the poor, the increase in the cost of basic commodities and the fact that many low-income workers are not covered by unemployment insurance or social security.

HEW: An HEW report on the poor and the energy crisis reached similar conclusions.

"While a prediction of unemployment among low-income workers caused by energy shortages cannot be made with any precision, it is obvious that unemployment among low-income workers takes a heavy toll on their ability to sustain themselves and their families," the report said.

It said that an added burden on the poor would result from difficulties encountered by social service agencies in reaching needy families because of gasoline shortages. Finally, it warned that the use of rationing and other allocation regulations would give rise to inequities from which "low-income households, will be the least equipped to seek redress and the least equipped to adjust to the burdens imposed by them."

FEO: To help the poor with problems resulting from the energy shortage, the FEO is setting up a Special Impact Office.

According to its acting head, Robert A. Knisely, the office will have a two-fold function:

Informing the poor about things they can do to minimize the impact of the crisis;

Offering them a bureau from which to seek redress when they think they are being unduly penalized by a situation related to energy.

"We're just beginning to get started," Knisely said. "No one has taken a nationwide survey of the kinds of problems that face the poor and those that live on fixed incomes. Their problems run across the board and we have a whole body of social services that could be activated to help them. But the problem is matching the service with the people."

Knisely said he had a "tentative okay from a departing assistant administrator" about the way the office would work. (John A. Hill, assistant administrator for policy, planning and regulations at the FEO, is going to the Office of Management and Budget as deputy assistant director for science, energy and natural resources. Hill held the FEO position for two months.)

Knisely said one of the things being considered is the printing of small pamphlets to educate community leaders on the effects of the energy crisis.

"We could provide energy training courses on a regional basis or through community action agencies or model cities programs," he said. "I think we should have both an advocate and advisory role, showing the poor how to wend their way through the bureaucratic maze."

ACTION

Groups guarding the interest of the poor and low-income workers are concentrating on preventing or mitigating the effects of the energy crisis on their constituents.

"We've already started telling our clients to work for increases in their welfare grants," said Ms. Gregson of NWRO. "We're working on strategy for survival because no one is paying attention to the effects on the poor."

Josephine Hulett, director of the National Committee on Household Employment, which represents 15,000 domestic workers, said her organization is using similar tactics.

"We've tried to get our members to use the newspapers to publicize their situations with the hope that they'll get some kind of immediate relief locally," she said. "That is about all you can do when your employer tells you she can't afford you for as many days because of the fuel crisis."

Response: The HEW Department has begun to accelerate its regional offices' activities to deal with this kind of pressure.

HEW energy task forces headed by Deputy Assistant Secretary Don I. Wortman have been set up in the Office of the Secretary. They are composed of representatives from each of HEW's major divisions.

Wortman said the task forces have established liaison with the FEO to "ensure that the needs and problems of the poor are considered in the development of policies and regulations."

He said that HEW's health agencies are using their relationship with state and local health agencies to monitor emergency health problems and advise HEW when general problems indicated a need for a policy change.

As an example of a policy change that was approved, he said that New York, Illinois, Pennsylvania and Virginia asked to amend the federal regulations for the Aid to Families with Dependent Children (AFDC) program to provide a payment system ensuring that grantees could get fuel even if they could not get credit.

He said the procedure would permit states and the grantees, on a voluntary basis, to request a portion of the public assistance grant to be paid as a separate check for energy usage.

He said that the AFDC program grantees and emergency and special assistance recipients could be helped directly through a number of HEW programs. Wortman said that because AFDC payments levels are at the discretion of the states, they could be modified to meet any emergency.

He said that the Social Security Act (86 Stat 1329) allows states to provide up to $500 for home repairs, which could be used to improve insulation and reduce heating fuel consumption for welfare recipients.

Wortman said the inflationary aspects of the energy crisis on the poor could be alleviated to some extent by the recent social security increase, the new supplemental security income program and food stamps.

James Goodell of the Center for Community Change said he hopes consumer pressure will bring lower prices.

OUTLOOK

The problems of the poor are exacerbated by the energy crisis, but no one knows to what extent.

"My own view is that we have not yet started to fathom the immense impact that the shortage of fuel oil will have on the poor and on blacks," said Bryce of the Washington Joint Center for Political Studies. "Worse yet, we have not had a forum through which their views might be heard."

He said the issue of whether the energy shortages are contrived does not concern the poor because "they're too busy feeling the fallout" from the shortages.

He said the nation's lack of provision for the poor and needy during the best of times had left them "cynical and under hardship. I think the situation will just get worse if the crisis is as bad as we are told."

Dying Agencies Aid the Poor

While the Nixon Administration tries to develop new mechanisms to provide help for poor families affected by the energy crisis, an old program—the Community Action Program (CAP)—already has had some success in assisting them.

"We're hearing that local community action agencies have been very effective in providing winterizing services and getting fuel to people," said Richard E. Johnson, a staff member of the Senate Labor and Public Welfare Subcommittee on Manpower.

Nevertheless, the Nixon Administration is going forward with plans to halt direct federal funding of the CAP, which is operated by the Office of Economic Opportunity (OEO). The Administration's fiscal 1975 budget proposes no CAP or OEO funding, except that $33 million would be appropriated to the HEW Department for phasing out OEO and CAP. About 1,000 OEO employees would be transferred to HEW to perform the phase-out activities.

The budget proposes that states and local governments decide whether they want to continue funding of their community action agencies (CAAs).

Dispute: Congress and the Administration have been arguing for a year over the continuation of the Community Action Program. The White House sought no funding for CAAs in the current fiscal year, contending that they failed to fulfill their mandate of moving people out of poverty.

"Community action programs have had an adequate opportunity to demonstrate their value to local communities," said the fiscal 1974 budget. "If the constituencies of individual communities desire to continue providing financial support to local community action agencies, general and special revenue sharing funds could be used."

Congress nonetheless voted to finance the program. CAP fiscal 1974 outlays are estimated at $175 million, including grants that have provided a bridge over the energy crisis for many poor families, especially in the Northeast.

Northern New England: In November, 13 CAAs in Maine received $478,000 from OEO to set up Project Fuel for poor families.

Part of the money was put into an emergency fund from which welfare recipients and other needy persons could borrow to pay for heating oil. Borrowers pay back the no-interest loans to keep the fund revolving.

"People are eager to pay the money back to keep the fund going," said Joy L. Bennett, a staff member of Communities in Action Together, which serves as the national organization for the nation's 940 CAAs.

She said the rest of the money is being used to winterize low-income homes in an effort to save on fuel costs.

"In a matter of three weeks, using manpower trainees and volunteer workers, more than 700 houses have been winterized," she said. The projection for the six month period is 3,000 homes.

Community action agencies in New Hampshire and Vermont later received grants of $200,000 for each state for similar programs.

Connecticut: Without federal funds, Ms. Bennett said, CAAs in Connecticut set up a "hotline" for emergency fuel calls and intervened on behalf of welfare clients when heating companies refused to deliver fuel without cash payment.

"They arranged for the grantees to pay for their fuel in small amounts on a regular basis," she said.

Because the Northeast has experienced some severe cold weather this winter, CAAs there have been much quicker to organize energy programs than CAAs in other areas, she said.

Other actions: "People are just beginning to form coalitions, particularly in the western states where they will have the problem of natural gas and gasoline shortages," she said.

One OEO official, who asked not to be identified, said, "It's funny, but the community action agencies are proving to be a good example of New Federalism and yet they are slated for death."

THE ENERGY CRISIS AND THE POOR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. RANGEL. Mr. Speaker, while White House officials, and assorted bureaucrats attempt to deal with the energy crisis, it is imperative that organizations and associations across the country not relinquish their responsibilities in representing their constituencies in this matter.

In this light, I was heartened to receive a statement from the National Association of Social Workers concerning the energy crisis and its ramifications for the poor. I now submit the material for the attention of my colleagues. I believe that it states important considerations for the future development of Federal, State and local government policies to meet the energy crisis.

The statement follows:

NATIONAL ASSOCIATION OF SOCIAL WORKERS STATE POSITION ON ENERGY CRISIS

"We believe the first priority in the energy crisis is the preservation of life," Lorenzo H. Traylor, President of the National Association of Social Workers (NASW) said today.

Representing 60,000 professional Social Workers, Traylor stated that NASW is concerned that the Federal and State governments guarantee that the poor, the disabled, the working poor, the elderly and all people living on fixed incomes, such as retirement and social security benefits be protected by receiving immediate assistance or short-term aid during the critical months of January through March.

Citing the case of the two elderly people, aged 91 and 93 who froze to death in late December in New York, because their electricity was turned off, Traylor said, "There can be no place in the human spectrum for such merciless neglect, resulting in the loss of two lives."

Referring to the Proposed Mandatory Fuel Allocation Regulations published in the December 13, 1973, issue of the Federal Register, Section 200.44, Subsection F, Number 4, which states, ". . . to insure that no American suffers life threatening cold, permanent disability or death because he or she could not obtain sufficient fuel on a priority allocation or emergency basis," Traylor said he is requesting formal NASW and low income consumer participation on national, regional, state and local fuel allocation boards and commissions and asking the Association's 172 Chapters to become directly involved.

We must not let the energy crisis obscure the fact that prices and the cost of living are at an all time high. The poor and low wage earners are already suffering from malnutrition and other health problems.

Because NASW's major constituency—people with personal or social problems—is the most affected by the energy crisis, the Social Workers' concern in developing and implementing long term energy programs, regulations, guidelines, allocations, possible rationing or taxes and other related actions. "Because administrative regulations are equally as important to the welfare of low income Americans as the development of broad policy, we believe it essential that the NASW be formally represented in Washington on any Federal Energy Office bodies responsible for drafting administrative guidelines implementing the proposed regulations," Traylor said.

One subject which causes us further concern, Traylor added, is the forecast unemployment rate of 6 to 8%, or 8 million unemployed. Socio-economic and demographic data show that an estimated 9 million people in the U.S. on fixed incomes live in poverty. This represents ⅓ of the American people on fixed incomes. Of the 27 million people in poverty, over 7 million are in areas of the country facing severe winters. Many of the 8 million soon to be unemployed will be middle class Americans who will be doubly affected and must be included in the assessment of potential human impact in this energy crisis. Special impact of the unemployed forecast of 8 million will also double rates in the nation's ghettoes.

Traylor pointed out that professional Social Workers are working in a variety of fields other than public welfare, including: correction, health care, rehabilitation, hospitals, graduate and undergraduate Schools of Social Work, Psychiatry, child care, mental health, long term care facilities and adult and juvenile justice systems, to name a few.

In view of the occupational versatility of professional Social Workers, NASW has established the following priorities in this energy crisis:

1. Prevention of sickness and death.
2. Maintenance of essential community operations (employers, schools, hospitals, etc.)
3. Representation of those people most affected on policy making bodies at all levels.
4. Designation of the responsible person, agency, etc. at the Federal Regional, State and local levels.
5. Utilization of the 37,000 voluntary Health and Welfare Agencies at all levels to locate possible distress cases.
6. Assess supply of fuel resources.
7. Enforcement of equitable distribution of fuel allocations by distributors.
8. Insure that all flexibility, etc. in Federal grant-in-aid programs is utilized to deal with the energy crisis (i.e., Health and Welfare Title IV–A funds; Farmers Home Administration—Section 504; Housing and Urban Development—Section 115 and 312).
9. Collection of data on impact of energy crisis, especially on low income people.

"NASW wants to help," Traylor said, "and we are in full support of the Office of Economic Opportunity's proposal to establish a national program, 'Energy Alert' and to assist in any way we can at the National level, through the Regional Offices, the SEOOs, the Community Action Agencies and public and private organizations at the state and local level. We have these communication lines and outreach potential through our 60,000 members in 172 Chapters throughout the United States.

"We also want to have something to say about gasoline rationing, relaxation of standards, mandatory conservation, energy taxes, economic impact, heating fuel, energy allocation, energy data and mass transit, as all of these subject areas are primary concerns of our constituency. We support public service employment for the people dislocated by the energy crisis, and believe they should be working on the problem itself."

Who will ask the Administration these questions:

1. Will heating fuel be cut off first for those who have the least credit?
2. Will the independent gas dealers in rural areas where the poor buy gas be the first to close?
3. Isn't low income housing the poorest insulated?
4. Aren't the poor least able to form car pools?
5. Will the lack of gas make it difficult for the poor to travel long distances for food stamps?
6. If you turn down heat in a poorly insulated home, you will need two sweaters—what if you don't have one?

HOUSE REJECTION OF IDA BILL

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. WHALEN. Mr. Speaker, in view of the House's rejection of the bill to authorize the U.S. share for the International Development Association—IDA's fourth replenishment—I would like to bring to the attention of my colleagues an article which appeared in the February 9, 1974 issue of the New Republic.

The author analyzes the various factors contributing to the Congress decision to deny U.S. participation in this multilateral "soft loan" window of the World Bank. He argues persuasively that this action makes suspect the Congress willingness to insure that the United States will continue to carry out its international responsibilities.

I feel that these remarks merit the consideration of my colleagues, and I submit this article for their information.

The article follows:

DO NOT COUNT ON CONGRESS—FLIGHT FROM AID

(By Stanley Karnow)

It is sometimes said these days that with the authority of the Persident on the wane, Congress ought to exercise a more decisive role in the management of national affairs. Is not Capitol Hill a more sensitive gauge than the White House of how the winds are blowing in the country? And in the light of Mr. Nixon's egregious abuse of power, isn't the pluralism of Congress a democratic safeguard? Some advocates of a stronger legislature look longingly at Britain and suggest that a parliamentary system might be more responsible than our constitutional system. The speculation is interesting, but empty when put to the test.

One such test came a couple of weeks ago, when the House of Representatives overwhelmingly voted to reject a bill to provide the International Development Association, the easy money department of the World Bank, with fresh funds to help the poorest of the world's poor regions. The vote partly *mirrored* congressional disgust, particularly among Republicans, at the administration's miserly support of domestic programs to improve health, housing, education and welfare. It also reflected the fact that Americans, troubled by fuel shortages, spiraling prices and high interest rates, feel that charity begins at home. But the House action was nevertheless, as World Bank president Robert S. McNamara said in an unusually emotional statement, an "unmitigated disaster." It means that the US is prepared, at its own future risk, to neglect areas that are going to become more and more important for vital natural resources. And it signifies that Americans, who consume nearly half of the raw materials on earth, are giving vent to their own frustrations by condemning more than a billion impoverished Asians and Africans to malnutrition and perhaps starvation.

The general disillusionment toward foreign aid in recent years is understandable. Many are disappointed that several European states, which would have crumbled after World War II had it not been for the Marshall Plan, now coldly rebuff appeals by the U.S. for cooperation. There is also a spreading suspicion, justified, that U.S. assistance frequently fills the coffers of dictatorial regimes that have little regard for the well-being of their own people. With the abatement of the Cold War, Americans can no longer be rallied to aid as a weapon against communism. And these attitudes have been heightened by the sentiment that America's monetary and other economic difficulties are largely the result of past generosity. The extent to which foreign aid had fallen into disfavor was underlined by Congress' failure to authorize assistance money in 1971 and again in 1972, and finally voting by a narrow margin last year to give the *administration* about 85 percent of its request for $2.4 billion.

Among their other complaints, many congressmen grumbled that other industrial nations, whose prosperity has soared within the last decade, ought to share more of the aid burden. It was precisely that complaint that prompted the creation in the early 1960s of the World Bank's International Development Association as a multilateral instrument comprising 25 major donor states. Funds for the association would be replenished periodically, and, under the initial agreement, the U.S. committed itself to provide 40 percent of the financing. Though this matter the U.S. the biggest single contributor, its share in proportion to its gross national product was smaller than every other donor except Austria and Italy. Even so, sensing the rising hostility of Congress to aid programs, Secretary of the Treasury George Shultz went to the annual meeting of the World Bank in Nairobi last September determined to reduce further the U.S. contribution. He succeeded in cutting it to 33.3 percent by persuading the Germans and Japanese to boost their subsidies significantly, and he returned to Washington to ask Congress for $1.5 billion to cover the U.S. share of the association's funds for the next four years.

The International Development Association was conceived as a channel through which to funnel long-term interest-free loans to the most marginal countries. One criterion for recipients is a per capita income of $375 per year or less, and in order to minimize corruption the association requires that loans be linked to concrete operations. The majority of these are designed to increase agricultural production, develop communications and improve transportation. Most are concentrated in destitute regions of Asia, Africa, Latin America and the Middle East. Individual projects have ranged from the construction of roads in Afghanistan, Malawi and the Yemen to promoting livestock breeding in Paraguay, spurring tea cultivation in Indonesia and encouraging education in Ethiopia, where 87 percent of primary age children are permanent truants. Within recent months the association has been confronted by three crises. What McNamara calls "one of the worst droughts in human history" is plaguing Niger, Upper Volta, Mali, Mauritania, Senegal and Chad, the lands that make up the Sahel Zone of West Africa. Drought combined with a threefold rise in the price of imported grain are threatening India and Pakistan as well as newly independent Bangladesh, where 75 million people struggle for subsistence on an area the size of Florida. Aggravating these conditions, the cost of Arab oil has jumped fourfold, which means that the developing countries as a whole will be forced to spend $10 billion more for fuel this year than they did last year—or, as is more likely, cut back the energy they use for development.

The urgency of these crises inspired the Nixon administration to make a special effort to sway the House subcommittee on international finance, which held three sessions in November and December to consider the U.S. contribution to the International Development Association. For the first time the President sent the House a message stressing that the U.S. share in the association's funds had been apportioned "more equitably." The hearings featured Shultz, former World Bank president Eugene Black, Chase Manhattan Bank board chairman David Rockefeller and C. Fred Bergsten of the Brookings Institution. Bergsten, a leading expert on the economics of the so-called Third World, emphasized as he has on other occasions that the U.S. is going to be increasingly reliant on the developing countries for raw materials and as a market for American exports, and therefore, he argued, cooperation with these lands is essential. The testimony was so convincing that both the subcommittee and its parent Committee on Banking and Currency voted unanimously in favor of the U.S. subsidy. The administration breathed a sigh of relief in the expectation that the House would go along. But the vote, when it was taken on January 23, went 248 to 155 against the U.S. contribution. Republicans opposed it by a margin of three to one, and 11 of the 39 congressmen who had backed the bill in committee turned against it. Shocked administration officials afterward tried to assess what went wrong.

In the first place, they conceded, they had failed to lobby effectively, partly out of complacency but largely because they had scant leverage. The President had impounded billions of dollars in appropriations passed by Congress for medical research, education, highway construction, pollution control and other programs; now, as one congressman put it, "he was trying to get us to give Asians and Africans what he has denied to Americans." The timing was also a blunder. It was the first piece of legislation presented to the House after the Christmas recess, and the congressmen, their ears still ringing with the gripes of their constituents, were in no temper to finance foreigners. This isolationist bias was further exacerbated, according to a senior House staffer, by a pervasive hostility to Mr. Nixon himself. "I doubt that he could have swung the vote even if he had come up here in person," he said. "This administration just has no credibility."

Legislative maneuvering usually goes on in the corridors of Congress, but in this instance the fate of the bill was decided during a debate described as "more chemical than rational." Republican Rep. Tim Lee Carter of Kentucky blasted the request on the grounds that most of the African recipients opposed Israel, and besides, he added, "Shouldn't we take care of our poor people first?" John Dent of Pennsylvania, a Democrat who had backed the US contribution in years past, proclaimed a change of heart. Factories are closing down all over his district because of high interest rates, he complained: "Giving this aid to these countries without some kind of string attached puts us in the position of being suckers." John Flynt, a Georgia Democrat, objected to the bill as one of "those things which would be nice to have if we had the money to pay for them." One of the strongest arguments against the act came from Ohio Democrat Wayne Hays. Basing his statement on a World Bank study, he asserted that the increased subsidy would really go to the Arabs in the form of inflated oil prices, and he appealed to the average congressman's instinctive concern for reelection:

> Now some of the members can go home if they want to . . . and tell their constituents they voted for this $1.5 billion and at the same time tell them this money goes to these same countries that caused the price of gasoline to go up to 50 cents a gallon, the price of fuel oil to go up 100 percent. The Republicans can just keep voting like that and talking like that . . . and we Democrats probably will take more seats in the House than any party since this Republic was founded.

A key element in the debate, however, was the intervention of the influential Texas Democrat George Mahon, chairman of the House Appropriations Committee. He had never supported past US contributions to the International Development Association, but at least he had never raised his voice against them on the floor. Now he spoke out in opposition:

> I am not going to vote to increase our commitments at a time when we cannot take care of folks at home, when the dollar has been under heavy pressure, when the national debt has increased by about one-fifth in the last four years, and when we are going into debt this year another $15 billion.

Dismayed by the stunning defeat that followed, Shultz and Secretary Kissinger promptly put out a joint declaration assailing the House action as "a major setback to our efforts of cooperation and to the ability of the US to provide leadership in a world where there is an increasingly serious tendency for nations to believe that their best interest lies in going it alone." That admonition did nothing to alter the attitude of senior congressmen. Meeting with Wayne Hays and House Foreign Affairs Committee chairman Thomas Morgan not long after the vote, Kissinger voiced his unhappiness and warned that rejection of the multilateral aid contribution would complicate the conference of European oil-consuming countries to be held in Washington next week. The two congressmen firmly replied to the effect that they favored toughness toward the Europeans, who, they said, "make oil deals behind our back." Meanwhile Washington has been seething with recrimination. World Bank officials, McNamara among them, privately blame the administration for not lobbying effectively. Congressmen are snarling at McNamara for abandoning the apolitical posture he is supposed to take as an international civil servant. And members of the administration are expressing displeasure with what they call congressional caprice.

Failure by the White House to get the bill passed would spell the end of the International Development Association. At this stage the 24 other donors to the World Bank group are refraining from any comment which, they fear, might prejudice a renewed administration effort. But it is not entirely clear what steps the administration intends to take—or whether the steps it does take will reverse the result. One strategy being considered is to persuade Senator Fulbright, who is receptive to Kissinger's entreaties, to guide the proposal through his Foreign Relations Committee so that it can be returned to the House. This approach faces two principal uncertainties. First, it is not at all sure that Fulbright, who has been fighting foreign aid as a "Cold War relic," will accommodate the administration. And if he does, there is no guarantee that a compromise bill will offer the World Bank the full $1.5 billion pledged by the US at Nairobi. Specialists familiar with congressional thinking submit that the most that the White House can hope to obtain is $960 million, the sum authorized by the legislature in 1972. Such a sum would mean a complete renegotiation of the International Development Association's subscription schedule.

The episode is viewed by administration operatives on Capitol Hill as an indication that the executive arm is going to have hard days ahead as it seeks to convince congressmen that the US still has responsibilities abroad. Perhaps a more significant lesson to be drawn from the House's indiscriminate behavior is that Congress has a long way to go before it can presume to wear the mantle of responsible leadership.

EMERGENCY SSI PAYMENTS A NECESSITY, HEW MUST RESPOND, NEW LEGISLATION OFFERED

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Ms. ABZUG. Mr. Speaker, I am today introducing a bill to require the Secretary of Health, Education, and Welfare to issue emergency payments to those on the Federal supplemental security income program who do not receive their SSI checks because the check is lost, stolen, or undeliverable. The bill further requires the Secretary to provide emergency assistance where it is verified that a recipient's SSI cash benefits have been stolen.

We are all aware of the many cases of hardship which have been visited on those least able to bear it by the recent takeover of the disabled, aged, and blind welfare cases by the Social Security Administration under the Federal supplemental security income program. On January 9, 1974, a New York Times photographer captured the chaos in the program with a photograph of hundreds of blind, elderly, disabled men and women huddled outside the local social security offices on a dark, bitterly cold January day.

At that time, as a result of pressure from Members of the New York City delegation, the Social Security Administration and the Treasury arranged to replace these missing SSI checks on a 24-hour interim payment program. However, though there was no reason to believe that similar scenes would not take place this month, this 24-hour emergency payment program was canceled on the 31st of January.

This month, many handicapped and aged persons again had to spend long periods of time at social security offices without receiving the money they desperately need. Many are without money for food; others are unable to pay their rent; all are suffering. My colleagues in the New York delegation and my own office have been besieged with complaints and cries for help.

The Social Security Administration has advised me that they will not reinstitute their 24-hour emergency assistance payment program. As a result, local public assistance agencies are beleaguered with SSI recipients who are in desperate need of help. The legislation which I am introducing today will require the Social Security Administration to give an emergency payment to an SSI recipient who has not received his or her check for an amount not exceeding the amount of his or her missing check.

The text of the legislation follows:

H.R. 12903

A bill to amend title XVI of the Social Security Act to provide for emergency Federal assistance grants to aged, blind, or disabled individuals whose supplemental security income checks (or the proceeds thereof) are lost, stolen, or undelivered

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1631 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"EMERGENCY BENEFITS FOR RECIPIENTS

"(g) The Secretary shall grant financial assistance in accordance with this subsection to individuals who are recipients of benefits under this title and who are faced with financial emergency and make application therefor. Such assistance shall be granted to any such individual within twenty-four hours of his or her application, in accordance with regulations prescribed by the Secretary and in such amounts as are proper and equitable for (1) replacement of lost, stolen, or undelivered checks issued to or for such individual in payment of such benefits, or (2) replacement of lost or stolen cash which is determined by the Secretary under such regulations to constitute the proceeds of one or more such checks, where the loss or theft has been promptly reported to and verified by the appropriate local law enforcement officials."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to checks issued in payment of supplemental security income benefits for months after the month in which this Act is enacted.

ILLEGAL CAMPAIGN CONTRIBUTIONS

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. TREEN. Mr. Speaker, a recent editorial in the New Orleans Times Picayune and an article in the Wall Street Journal discuss aspects of illegal campaign contributions, which I believe deserve the attention of my colleagues. The articles follow:

[From the New Orleans (La.) Times-Picayune, Jan. 31, 1974]

UNION GIFTS TO DEMOS SHOWN

In the drumfire about illegal political contributions, one might guess that about the only miscreants were corporations or trade groups and that the recipients almost solely were Republican candidates.

Federal law says corporate and union treasuries can't give anything of value to candidates for federal elective office.

But the relatively narrow spotlight on corporations and the GOP has been broadened into a floodlight by court revelations embracing a large AFL–CIO union, the International Association of Machinists, and many Democratic races for Congress.

As recounted in the Wall Street Journal, a court case led to the opening of piles of union documents showing direct cash campaign gifts via the Machinists Non-Partisan Political League, but of greater volume were contributions in league staff time valued in the tens of thousands of dollars, contributions of campaign literature and contributions of union airline credit cards for use by candidates.

If this court case shows such in the instance of one union, what could be shown by lifting the lid for a look at other unions' political machinations? Or does the double fact of unions and Democrats guarantee immunity from a searching public appraisal?

[From the Wall Street Journal, Jan. 29, 1974]

UNIONS AND POLITICS—MONEY'S JUST ONE TOOL MACHINISTS USE TO HELP FAVORED OFFICE SEEKERS

(By Byron E. Calame)

LOS ANGELES.—Like the President himself, some of Richard Nixon's foes in organized labor have been surrendering sensitive political records.

The International Association of Machinists, in a case initiated by a group of dissident members of the union, was forced by a federal court here to release thousands of documents. They reveal in unusual detail how the IAM goes about electing its friends to federal office.

This rare glimpse into the inner workings of one of the AFL–CIO's largest (800,000 members) and most politically active unions shows that there is a lot more to a union's political clout than the direct financial contributions reported to government watchdogs—and labor's political experts say the machinists probably adhere to the campaign spending laws as closely as any union.

The documents indicate that direct gifts are often overshadowed by various services provided free of charge to favored candidates under the guise of "political education" for union members. The indirect aid includes some of labor's most potent political weapons; assignment of paid staff members to candidates' campaigns, use of union computers, mobilization of get-out-the-vote drives.

TRIPS AND DINNERS

Dues have also been used, the documents indicate, to supply IAM-backed candidates with polls and printing services and to finance "non-partisan" registration drives, trips by congressional incumbents back home during campaigns, and dinners benefiting office seekers endorsed by the machinists. Machinist-backed candidates are almost invariably Democrats.

An important question is whether these dues-financed activities violate federal laws that for decades have barred unions and corporations from using their treasury funds to contribute "anything of value" to candidates for federal office. Money for such direct contributions by unions must come from voluntary donations coaxed out of the members. The federal statutes do permit unions to spend dues for partisan politicking directed at the union's members and their families, on the theory that this sort of thing is internal union business, and the money used for this activity is called "education money," or "soft money."

The political activities of the machinists' union are, indeed, aimed at the union's members and are therefore proper, says William Holayter, director of the union's political arm, the Machinists Non-Partisan Political League.

DRAWING THE LINE

Even labor's critics concede that it is sometimes hard to draw the line between activities designed to sell a candidate to union's members and those intended to sway voters in general. A member of the machinists assigned to promote a candidate among other machinists may inevitably find himself wooing other voters as well.

Still, the machinists' documents suggest that the union has often sought to provide maximum assistance to a candidate by use of soft money. "The problem," says one labor political strategist, "is that the machinists put too much in writing." The late Don Ellinger, the widely respected head of the Machinists Non-Partisan Political League who died in 1972, evidently had a penchant for memos.

Spending reports filed with the Senate for the 1970 campaign show that the Machinists Non-Partisan Political League openly gave Sen. Gale McGee $5,000; the internal records now disclose that the Wyoming Democrat also received at least $9,300 in noncash assistance. Direct donations to Texas Democrat Ralph Yarborough's unsuccessful Senate reelection bid in 1970 were listed at $8,950; one document indicates he got other help worth at least $10,680. While the league poured $15,200 directly into Democrat John Gilligan's unsuccessful 1968 bid for an Ohio Senate seat, the documents show it indirectly provided more, $15,500.

RECEIPT UNREPORTED

Available records indicate that few, if any, campaign committees for machinist-backed candidates listed indirect aid from dues money as contributions. Prior to a 1972 toughening of disclosure requirements, candidates evidently found it easy to spot loopholes that were used to avoid reporting such indirect assistance.

The dissident machinists who forced disclosure of their union's files had brought their suit with the backing of the National Right to Work Legal Defense Foundation. The dissidents wanted the court to bar the union from using dues money for any political activity—including such clearly legal endeavors as politicking directed at its own members and traditional union lobbying efforts. The real goal of the right-to-work foundation is to eliminate the forced payment of dues. A federal judge dismissed the suit Dec. 19, largely because the union offered to start rebating the dues of any member who disagrees with the union's stand on political or legislative issues. The dissident group appealed the decision Jan. 10.

One questionable arrangement of the machinists helped reelect Sen. McGee in 1970. Alexander Barkan, director of the AFL-CIO Committee on Political Education, asked the machinists early that year to put the names of 65,000 "Democrats in Wyoming" on the machinists' computer for the Senator's use in 'mailings, registration, etc." The minutes of the Machinists Non-Partisan Political League executive committee show that Mr. Ellinger recommended handling the chore but warned that it would have to be financed with "general-fund money" (the league's separate kitty composed of voluntary donations and would be considered "a contribution toward the Gale McGee campaign."

Despite the warning, internal records show that bills totaling $9,302.74 for the operation were paid out of the league's political-education fund, built from dues money. Computing & Software Inc. was paid $4,606.84, Minnesota Mining & Manufacturing Co. received $414, and $4,191.90 went to reimburse the IAM treasury for cards it provided.

Doubts about such arrangements may be raised in the coming report by the Senate Watergate committee. Though Republican hopes for public hearings on union campaign contributions will probably be disappointed, the committee staff has asked unions broad and potentially explosive questions about the services provided to candidates.

Watergate revelations, some union politicians believe, have demonstrated that labor can never collect enough rank-and-file donations to rival campaign contributions by business bigwigs. "There is no way we can match them," says Mr. Holayter of the machinists. "It's silly to try." Hence the importance of the indirect contributions.

This is one reason why the AFL-CIO is pressing for public financing of federal campaigns; its strategists obviously figure that a ban on direct contributions would leave labor in a better position relative to business than it is in now.

If past performance is any guide, the machinists' union would still be a valuable supporter for its political favorities if public financing were adopted. Its indirect assistance in staffers' time alone has totaled in the tens of thousands of dollars, the court documents show.

Printing is another campaign expense that the IAM often helps its friends meet. With the 1970 elections coming up, an aide to Rep. Lloyd Meeds passed to the machinists a bill for the printing of the Washington Democrat's quarterly newsletter. "The newsletter went to every home in the Second District," the aide rejoiced in one of the released documents. "We had a tremendous, positive response to it." Although the newsletter had been distributed far beyond the IAM's ranks in an election year, a soft-money check for $656.17 to the printer was quickly dispatched to a local union official.

Early in the 1972 reelection drive of Sen. Thomas McIntyre, the Machinists Non-Partisan Political League agreed to spend $1,000 "for assistance in newsletters" put out by the New Hampshire Democrat. And earlier, during Rep. John Tunney's successful 1970 bid for a California Senate seat, the league picked up a $1,740 tab for printing of a brochure that compared the Democrat's voting record with that of the GOP incumbent, George Murphy. Some of the brochures were passed out at a county fair.

The amount of union staff time devoted to candidates' campaigns is difficult to pin down. Irving Ross, a certified public accountant retained by the suing dissident machinists to analyze the IAM documents, filed an affidavit giving "incomplete" tabulations. Mr. Ross says the time that IAM "grand lodge representatives" and "special representatives" spent on campaigns in 1972 was worth $39,175. The amounts were $58,241 in 1970 and $42,921 in 1968, he says. The IAM says the figures are too high, but it didn't challenge them in court.

A status report prepared by the machinists political unit in late August 1970 shows that at least one field representative was working full time on each of over 20 congressional campaigns. IAM agents often become almost part of the candidate's campaign staff. When Robert Brown was assigned full time to Indiana Sen. Vance Hartke's reelection campaign in May 1970, he set up an office right in the Democrat's headquarters and had the title of chairman of the Indiana Labor Committee for Hartke. Another IAM representative, William Wolfe, was assigned to Yarborough campaigns in Texas in 1970 and 1972—and was being paid out of the union treasury in May 1972 even though a new law effective in April 1972 specifically barred a union from using dues money to pay for services rendered to a candidate, thus spelling out more clearly an old prohibition.

The union also takes machinists out of the shop for campaign duty, giving them "lost time" compensation out of dues money to make up for the loss of regular pay. Thus, the files show, two Baltimore machinists got $282.40 a week while working for the Humphrey presidential campaign for five weeks in 1968. A Maryland IAM official said later that the two "did a first-rate job, especially in smoking out the local Democratic politicians who were inclined to cut the top of the ticket" and persuading them not to do so.

Rep. Richard Hanna of California got $500 from the machinists to help finance a $6,000 "nonpartisan" registration effort to help get him reelected in 1970. In a letter requesting the union's aid, the Democrat predicted that the drive would "raise the district to at least 53.5% Democratic . . . because most of the unregistered voters are Democrats." He said the registrars would be preceded by "bird dogs," meaning that Democratic workers would roam out ahead of the registrar to identify residence of unregistered Hanna supporters.

The machinists' union's airline credit cards come in handy when incumbents are eager to get home in election years. Early in 1969, the executive committee of the machinist political unit authorized the expenditure of $3,600 to buy plane tickets home for unnamed "western Senators" during the following year's campaign. The league's "education fund" provided Sen. Yarborough and his aides with $705.60 worth of tickets during his 1970 reelection campaign. The files show that $500 went to Sen. Albert Gore, Democrat of Tennessee, during his losing reelection effort in 1970.

Machinist officials contend the organization pays for such travel because the candidate speaks to a union group or "consults with union leadership" in his district. But correspondence in the files indicates that this is more a rationalization than a reason. Take a 1969 Ellinger memo to Sen. Yarborough outlining procedures "for all transportation matters." It states:

"We would like our files to contain a letter . . . indicating that you intend to be in Texas on a particular date to consult with the leadership of our union. If a trip includes a member of your staff, the letter should also name the staff member as being included in the consultation."

"Appreciation dinners" for Senators and Representatives often serve as a conduit for "soft money." Consider the ten $100 tickets the IAM bought to a 1969 testimonal gathering for Sen. Frank Moss, Democrat of Utah, who faced an election in 1970. "Since Moss is not yet an announced candidate, we can use educational money for this event and later consider this as part of our overall contribution," the minutes of the league's executive committee explain.

WINNER IN ESSAY CONTEST IN NORTH DAKOTA

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ANDREWS of North Dakota. Mr. Speaker, I am proud to announce that Mr. Mark Allan Munson of Bismarck, N. Dak., has won the Voice of Democracy essay contest in North Dakota.

Mark is a student at Bismarck Senior High and plans to enter the University of

Notre Dame this fall where he plans to study law.

He is the son of Mrs. Ardys J. Munson. Mr. Munson likens America to a ship, with the Constitution as the wheel and the American people as the crew. He depicts Watergate as part of the rigging that was left unattended and expresses the hope that the ship does not have to sink.

His essay deserves public attention, and I insert it in the RECORD as follows:

ESSAY—"VOICE OF DEMOCRACY"

Two-hundred years ago a group of honorable men started building a ship, which over the years, has grown to immense proportions. What has this to do with me, you ask? It has everything to do with you for this very country is that self-same ship and those men are the Founding Fathers of the United States of America.

One could liken the Constitution to the wheel of the ship—both tend to steer their ships along an orderly and efficient path. The Captain and his officers represent the leaders of the country and the overall decision making process. Similar to our Bill of Rights would be the rigging, which sustains the masts and sails, and with the assistance of the wind, pulls the nation through the rough as well as the calm waters.

Granted, all of these aspects are important, but there is one that rises above the aforementioned things—and that is the crew. We, the American people, are the crew. By going about our everyday actions in this, a democratic society, we reaffirm our belief in a system that can be truly unsinkable. It must be noted, that the failure of one member of society to carry out his responsibilities does not contribute to the immediate destruction of that society, but it does start a process of deterioration, if the situation goes unchecked. For example, if a crewman neglects his duty to keep a certain portion of the rigging tight, then he is hindering the overall operation of the ship. It is comforting to know that our democracy has a reliable system of checks and balances and that even if a substantial minority veer off in the wrong direction, the country is still highly capable of healing its own wounds.

You see, there are things holding up the mast other than just that part of the rigging that was left unattended. One can readily see this in our own government today, for as recently as June of 1972, a group of unorthodox individuals unlawfully placed listening devices in a certain party's campaign headquarters. They were caught and the system is now healing itself. It has become apparent that we are all on the same crew, each, directly or indirectly, striving for the betterment of all. This is true for any kind of government or society, but ours is unique among many, for one may pick the way in which he chooses to spend his life and abilities.

This is what is meant by "inalienable rights" guaranteed to us by our Constitution and it is the most important responsibility that we have—to select the best way in which to serve our country as well as ourselves. For example, if a man who would make an excellent first mate resigns himself to another position on board ship, then he is robbing that ship of his ability to lead, just as today's American would be wasting his God-given abilities.

This brings to light a second major duty that we must learn to execute efficiently. It is the ability to compromise and without it our democracy could not exist. This may be seen more easily in our Congressional system, for there bargaining on a huge scale takes place. One Senator may have to bend his beliefs a little if he wishes a colleague to vote for something he believes in. Or, a man on the street may have to relinquish his right to walk across an intersection when the light is red so that cars may come and go. Of course, his turn will come when the light turns green. Both of these examples show that with everyone compromising and cooperating, everything from the most complex problem to the simplest can be solved.

As America sails through the oceans of time, I envision many more great things happening to the United States and the world; to think that it all hinges on the individuals who established this country, who are developing this country, and you and I, who will continue to make this country a nation of nations. Good luck, America, and smooth sailing.

EFFECT OF ROLLBACK ON STATE AND LOCAL REVENUES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ANDERSON of California. Mr. Speaker, under current Federal regulations controlling prices of crude oil, the share of oil which is owned by State and local governments produced from Government lands, is exempt from price controls.

As a result, the oil companies which purchase the oil from State and local governments are being forced to pay market prices for this resource. In California, this revenue, totaling millions of dollars, is used by the State for capital improvements of the universities and colleges, and it is used by local governments to keep property taxes at a reasonably low level.

Under the Energy Emergency Act, S. 2589, however, the exemption for State and local governments is reversed and, thus, the major oil companies will be permitted to purchase oil from State and local governments at controlled prices. As a result, the State of California will lose millions of dollars.

At this point, Mr. Speaker, I place in the RECORD a letter from Houston Flournoy, the controller of the State, and a copy of a telegram from Ronald Reagan, the Governor of California:

CONTROLLER OF THE STATE OF CALIFORNIA,
Sacramento, Calif., February 7, 1974.

Hon. GLENN M. ANDERSON,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ANDERSON: In recent months, your active support has been contributory to the Federal Energy Office's January 15, 1974, decision that State and local governments were exempt from crude oil price ceilings.

It has come to my attention that this decision might be reversed and the exemption removed due to pressure from major oil companies now actively working with the FEO staff for such reversal or removal. The effect of such action would be to deny the people of California potential additional revenue and would be of benefit only to the major oil companies involved. As you know, the major portion of tidelands oil revenues in California is presently allocated to capital outlay for our universities and colleges. These additional funds could be an additional benefit to this program and would allow us to move forward in other State wide people-benefit programs which deserve our attention.

Attached is a copy of a telegram which I have sent to the Administrator of the Federal Energy Office outlining my strong objections to any reversal of the present regulations.

As Chairman of the State Lands Commission, I am again enlisting your active support in opposing any change in the FEO regulations with respect to the present exempt status of State and local governments from the crude oil price ceiling. I invite you to support us in urging the Federal Energy Office to reject pressure from the oil companies and to continue California's exempt status in regard to royalty oil sales.

Cordially,

HOUSTON I. FLOURNOY,
Chairman, State Lands Commission.

[Telegram]

FEBRUARY 7, 1974.

Mr. WILLIAM E. SIMON,
Administrator, Federal Energy Office,
Washington, D.C.

DEAR MR. SIMON: As Chairman of the California State Lands Commission, it has come to my attention that major oil companies are now actively working with the staff of the Federal Energy Office to reverse or remove the State's exemptions as defined in part 212, subpart C, section 212.52, paragraph (b) of the FEO regulations issued on January 15, 1974.

To consider making the State's exemption inoperative at this time would deprive California, like most State and local governments, of an established source of public funds to provide for the needs of its citizens. We assume that you are not ignoring previous comments from Governor Reagan, myself, and members of the California Congressional Delegation, which previously indicated the effect of such action on the State of California.

Removal of these potential additional funds from California, or from any other State or local government for that matter, would be of major benefit to the oil companies involved and of no benefit to the people these governments serve. In fact, the people of California would be disadvantaged by severe revenue loss from a State natural resource which is legally and morally the shared property of the citizens of this State.

If serious consideration is actually being given to changing the now-established Federal regulations, we most urgently request public hearings be held before any change in action or decision is made.

Sincerely,

HOUSTON I. FLOURNOY,
Chairman, State Lands Commission.

[Telegram]

GOVERNOR'S OFFICE,
February 8, 1974.

Mr. WILLIAM E. SIMON,
Administrator, Federal Energy Office,
Washington, D.C.

It has come to my attention that the Federal Energy Office is considering reversing current regulations with regard to the State's exemption from crude oil pricing as defined in part 212, subpart C, section 212.52, paragraph (b) of the FEO regulations issued on January 15, 1974. I must object strongly to any proposal to remove State and local governments from exempt status in the sale of "covered products," including California's royalty share of oil from State-owned offshore leases, California's offshore leasing contracts net million of dollars per year in revenue for capital improvements at our universities and colleges.

Removing State and local governments from exempt status is inconsistent with intent to exempt prices and fees which aid educational institutions. I urge that no action be taken without adequate notice and scheduled public hearings.

RONALD REAGAN, *Governor.*

WASHINGTON STATE FINALIST IN "VOICE OF DEMOCRACY" ESSAY CONTEST

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. FOLEY. Mr. Speaker, the following essay, "My Responsibility as a Citizen," was written by Miss Susan Marie Hageman who has been judged the Washington State finalist in the Veterans of Foreign Wars' Voice of Democracy Contest. I would like to bring this essay to the attention of the House and insert it in the RECORD at this point:

MY RESPONSIBILITY AS A CITIZEN

(By Susan Hageman)

I dream of a free life—free of governmental regulations, governmental impositions, governmental interference. But I also dream of men living side by side; helping each other, making compromises for the sake of compatability—without leaders demanding it. Yes, I dream of this eutopian kind of freedom, yet I know that it cannot be because I know the reality of human existence. Human beings have differences and human beings argue about them. We find that our wishes conflict with our neighbor's wishes. We sometimes help those who need help, and we sometimes don't.

It took me a while to realize that if we are to live peacefully under a common name, we must organize one-to-one principles so that they will work between millions. The word 'government' is simply a labelling of the men who carry out that necessity.

I think I understand why we have a government; that makes it relatively simple to know where I stand as a citizen. Those things which I hold in high esteem as a human being are the very same ones that I must strive for as a member of this nation. If it is important to me that the moral standards of my nation be high, then I must maintain those standards in my own life. If I want the poor of America to prosper, then I must be willing to give. If I want the words of all to be heard, then I must devote time to listening. In this way, I can live as a citizen by my own personal principles.

Much as I may work for it, I don't anticipate perfection. So, my obligation to society is to try to understand why it is that others live the way they do. I can always learn something more, find a better way. Still, it is important to maintain a constant vigilance to prevent an open mind from becoming a lax mind. There may be a hundred "right" answers to every question, but there are also that many—and more—wrong ones. Yes, the ability to view these sides is crucial, because only then is one capable of evaluating them. In the end, I can only adopt one way for myself. Hopefully, it will be the best way, if such a thing exists. However, knowing that I am limited because I only walk one road, I can surely realize that two people may have the same goal in mind, but reach it by very different means.

Yet, there will be methods that I cannot, and should not, accept. Times will come when it is not only right for me to refuse something in my own life, but I will also attempt to exert influence to prevent its infiltration into the lives of others.

There are lines I have to set to check myself; goals I place to push myself. That is also what a nation must do. I cannot personally fill the tables of the hungry, but I can support the local food bank. Our nation can never eliminate all the evils of society, but it can and it should remove the gravest injustices within this country. For instance, this affluent society still allows some of its poorer members to go without needed medical care, and there's just no excuse for that.

If our laws are really the epitome of national standards, then no one has more right than I, as a citizen, to work for correct laws. I'll fight the wrong answers in myself; I'll fight them in my country. Actually, it is one and the same battle. If I have weeded out something in myself, then my country is better for it, because I am a fraction of the whole.

These are beliefs that I would hold regardless of whether I lived under a government or not. They are things that I value simply because they hold truth for me concerning the inter-relations of human beings.

I am a citizen of this nation, and equally important, I am a human being. The fulfillment of both roles is complete when they become one through a common goal: that of giving my private beliefs the benefit of my public support. And this is my responsibility as a citizen.

CONGRESSIONAL CONFIDENCE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. STUDDS. Mr. Speaker, in the past 3 weeks I have spent 8 days at home in the 12th Congressional District of Massachusetts, listening to and talking with the people I represent in Congress. They are not at all happy about the state of this Nation, the energy crisis or the record of the 93d Congress in dealing with our problems. The recent Harris poll is a stark indictment of what was established to be the branch of Government most representative of the people. When we begin to lose the confidence of the people our effectiveness to govern must also begin to diminish. So it is the Congress that must reassert itself, must regain the respect and trust of the people by accomplishments—not empty rhetoric and verbose platitudes. For the further information of my colleagues I would like to enter in the RECORD at this point a cogent and well thought out argument from the editorial page of February 17, 1974 New Bedford, Mass., Standard Times.

The editorial follows:

CONGRESS IMAGE

A large number of Americans are aware that pollsters say only 26 per cent of the U.S. electorate presently supports President Nixon but probably not nearly so many know that the latest Harris poll revealed only 20 per cent of those interviewed think Congress is doing an effective job.

That is a jarring, nonpartisan, non-Watergate statistic that should provoke serious thought among both Democrats and Republicans on the Hill who may have thought it was only the Executive Branch or, at worst, only the GOP, that was in trouble with the American people. It is, of course, not new that a majority of the electorate is less than enthusiastic about congressional performance—both Harris and Gallup polls have revealed similar sentiments for years—but to stand six percentage points below the President in this particular hour of history is awful.

The Joint Committee on Congressional Operations undoubtedly will have this in mind when it opens hearings on Feb. 20 on ways to improve the ability of Congress to communicate with the American people through the media. Many lawmakers, including Senate Majority Leader Mike Mansfield, believe that what the Congress does and thinks is little known by the public, whereas a president and his cabinet get far more television time and news-column inches, which translate into greater influence.

Mansfield commented, "With the revolution of communications in this country, the whole notion of the separation of powers has been significantly diminished by the inordinate input that the Executive Branch . . ." has in the media. He believes, "It is time for Congress to determine who really should decide what is a fair input by a co-equal branch of government into the perceptions of the American electorate . . ."

The committee has its work cut out for it, for several reasons:

To a certain extent, this is a chicken-or-egg problem. Does the presidency command more ready access to the mass media because it has become more powerful than Congress? Or is intensive media coverage of the Executive Branch largely responsible for the president's expanded powers?

Many of Congress' communications problems are beyond its control. The president and vice president are the only two federal officials elected by nationwide popular vote. On the other hand, senators represent single states, and congressmen individual districts within a given state. Furthermore, Congress is divided along party lines. Who, then, can be said to speak for Congress?

It has been proposed that certain proceedings on the House and Senate floor be televised. The problem here is that congressional debates and floor votes rarely provide any drama and the committee action most likely to be interesting is most likely to be closed to the public, whether or not it should be.

Other proposals envision a congressional information service in the Library of Congress, instructional films to improve the quality of teaching about Congress, and even the establishment of a congressional broadcasting system but somehow these do not strike us as likely competition for even a poor White House press conference.

If the Congress wants to improve its image—and it needs improving—we propose a simple approach: Get to work; provide some leadership and direction, especially because the faltering Executive cannot.

Committees ad infinitum, in profusion and confusion, mull critical matters of inflation, unemployment, export-import control, budget process reform, energy policies, Social Security, welfare and a hundred other things—many of which have been studied and heard to death for years—and nothing much happens, except for the expenditure of more time and money. The statesmanship, stature and wisdom that characterized Congresses of other days are not now in evidence; instead, the weaknesses of the Executive merely reveal the weaknesses of the Legislative Branch.

Committee hearings on access to TV and newspapers won't help that.

VIETNAMESE ORPHANS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mrs. MINK. Mr. Speaker, as the sponsor of H.R. 3159, a bill to facilitate the adoption of Vietnamese orphans I believe, along with my colleagues, the time has come for a full discussion through congressional hearings of the problems facing these children and their prospective adoptive parents.

My mail from Americans throughout the Nation and from social workers in Vietnam is overwhelmingly in favor of speeding the adoption of those orphans who are without hope of finding families within Vietnam—most particularly the half-American orphan.

However, from other branches of this Government I have received comments about the general question of not only Vietnamese-American adoptions, but the entire question of Asian-American adoptions.

On February 8, I presented the first in a three-part series of refutations to these common objections to adoptions. Today I am continuing the discussion with further excerpts from The Children, a handbook on Asian-American adoptions, written in 1969 by Jan de Hartog, the father of two adopted Asian daughters. I am most grateful to Atheneum Publishers for granting permission for these copyrighted excerpts to appear:

Some Common Objections to These Adoptions

2: "THEY CAN BE LOOKED AFTER MUCH BETTER IN THEIR OWN, FAMILIAR ENVIRONMENT"

All experts agree that in the long run, a child is infinitely better off, emotionally and psychologically, in the environment of his origin than in another culture where he has no roots, even if the material circumstances there are better. The argument sounds convincing; there can be no doubt that those who use it today are sincerely trying to protect the abandoned and orphaned children of Vietnam. The only thing wrong with their reasoning is that, obviously, they do not know the environment in which these children live.

In most of the orphanages I visited in Vietnam all children under the age of two were kept in iron cots with a plastic webbing or wooden slats in the bottom. This does away with the need for diapers; the child's urine and feces fall on the floor under the cot and can be swilled away by buckets of water thrown at odd intervals. Babies are picked up as little as possible, because to pick them up means to stimulate them to clamor for attention, which would mean more work. As a result they all lie helplessly on their backs, rolling their heads from side to side, and flattening their soft small skulls until they ultimately become pointed. It was by the shape of his head that we came to estimate the time a given child had spent in the orphanage; the first thing that struck me on my return to the United States was the beautiful round heads of the babies and the alertness with which they observed the world around them.

The arrival of a visitor in an orphanage usually means a sudden burst of activity by the native women helpers, called amahs. On one of my visits, when we entered the ward, one of the women squatting against the wall at the far end of a row of cots got to her feet, picked up two babies and carried them to a high dressing chest, where she began to paint the sores on their heads with the standard copper-sulfate solution. I turned away to talk to the Mother Superior, who was accompanying us; suddenly a Vietnamese officer in our party who had been watching the amah gave a startled cry. We looked around and saw that one of the babies had dropped off the chest onto the concrete floor. The amah picked the inert little body up by an arm, carried it back to its cot, dropped it inside and returned to the dressing chest, where she continued to paint the skull of the one who was left. It was not cruelty, not even callousness; the Mother Superior explained apologetically that these women, being Buddhists, considered each individual's life to be the continuation of a previous existence—all that was meted out to a human being in his present incarnation was the outcome of his own actions during that previous existence and should not be interfered with, as it might be part of his redemption. The amah had picked up the babies in the first place only to cater to our foreign attitudes.

I saw, during the rest of that visit, two infants die of no apparent cause but emotional neglect. Every nurse who deals with babies knows that unless children receive a certain amount of sheer physical loving care they will, at a given moment, turn their faces to the wall and die, as if by choice. During the worst of the famine in Holland in the last winter of the Second World War, the Supreme Command of the German army of occupation allowed two bargeloads of babies less than a year old to leave the city of Amsterdam for hospitals in Friesland across the Zuider Zee, where food was more plentiful and where they would be looked after by a professional staff. The barges sailed in bad weather; one of them was blown off course and ran aground on the beach near a fishing village north of the city. The babies were in a pitiable state of hunger, seasickness and sheer terror; the fishermen of the village waded out to the ship and formed a human chain that passed them to the shore, where they were taken over by the women. That night every woman in the village, young, old, single, married or widowed, had a baby to look after. A few days later the barge was reloaded and entered the harbor to take on its load of babies once more. But the women refused to give them up despite the dire threats from nervous officials, not one child was delivered on the quayside. The barge returned empty to Amsterdam.

In each barge there had been two hundred children; of the ones who ended up in the hospitals across the water, where they were well nourished and looked after by shifts of professional nurses, one quarter died, yet all the babies taken in by the women of the fishing village survived, despite the fact that their rations were far inferior and that there was no professional help available.

There is no substitute for the life-giving comfort and warmth of being hugged, nuzzled and loved by one motherly woman, and there can be no doubt that Vietnamese babies in the same desperate condition would respond as well to this treatment as the kidnapped infants of Amsterdam did, if only those whose professional duty it is to safeguard their well-being would close their boks of rules and let them go.

3: "WHY NOT A CHILD FROM YOUR OWN COUNTRY?"

The social worker assigned to your case, when she first visists your home, probably will have this question uppermost in her mind. But she is unlikely to put it to you, at least not directly; the people who do are usually acquaintances, even total strangers, who for some reason react with irritation and hostility to the information that you are planning to adopt an Asian child.

Is the question a valid one? Objectively speaking, it is; the social workers will think so, but as it is not her business to berate you, only to pass judgment on your suitability as adoptive parents, she will with a sigh and a shrug start investigating you, ascribing your preference for a Korean or Vietnamese child to fashion.

Should you ask yourself this question? There is no harm in doing so, but I personally do not think there is any point to it. Even those who do not believe in Divine guidance must sooner or later come to the conclusion that there are things in life which should be accepted and not questioned; useful and sometimes necessary as self-analysis may be, in basic decisions like this the danger is that too intense a scrutiny of one's own motives will bring about doubt, and that doubt will lead to one's abandoning the whole idea. As even the most ungenerous social workers agree that it is better to adopt a needy child from Asia than no child at all, they will not bug you with the question. But what should your answer to those others be?

The relationship between you and your future child, like the relationship between any parent and his offspring, is an emotional one. Only a small part of our identity is revealed within the horizon of our consciousness; our moods are ruled and our acts steered by currents and streams beyond the range of our perception. Why did you fall in love with your wife and not with the girl next door? Why do you instinctively like one person and just as instinctively dislike another? We can analyze ourselves until all our psychological tendons and viscera lie exposed in the unflattering Kleig light of our scrutiny, and we will know no more about the source of our motivation and the course of our destiny than we knew before.

I believe that in this particular respect you should allow yourselves to be guided by whatever wind it may have been that carried the notion, like the seed of a dandelion, from that unknown field half a world away, across plains and mountain ranges and the immensity of the ocean until it alighted in the fertile soil of your inarticulate longing. In the face of that mystery, the question whether the thought of adopting a child from Asia was reasonable when it occurred to you is immaterial. You were moved to reach out to an unknown child in an unknown land; the essence of your humanity demands that you shall go on reaching out until you can shelter it and give it life, not that you shall furnish a socially acceptable motivation for your impulse.

Maybe I have had more than my fair share of this type of inquisitioner, but the longer our children are with us the more important I feel with people who, from the objectivity of their non-involvement, demand a satisfactory answer to the question as to why I did not adopt a needy child from our own community. After trying for a while to come up with a reasonable reply I at least found a retort. Now, when someone comes drifting toward me at a meeting or a party, glass in hand, to call me to task, I say, "That's a good question. If you feel so strongly about it, why don't you?"

4: "DID YOU KNOW THAT THEY ARE BOUGHT FROM THEIR MOTHERS?"

The origin of this rumor may be that some agencies in East Asia are in the habit of giving a small donation to an orphanage or reception center after they have placed one of its children for adoption abroad. The sum of money involved never amounts to much, and is certainly not to be classified as "the price for the child". It is more like a symbolic gesture of appreciation to the orphanage, expressing awareness of the circumstance that the children who remain behind are the innocent victims of a caprice of fortune, or of the mysterious ways in which God works His wonders to perform, according to one's personal interpretation. To make a donation of fifty dollars to an orphanage trying to care for seven hundred orphans, in the space for three hundred and on a budget for one hundred, can hardly be classified as a transaction in the slave trade. When I was roaming the nightmarish halls of the orphanages of Vietnam I came to the conclusion that to donate fifty dollars to any one of them would be like giving a peanut to a starving elephant.

Another cause for this rumor may be the laudable practice of one Korean social agency to make an effort at rehabilitating the mother after having placed her child abroad. It does this by giving her a training which may result in her opening a little shop, or by finding some other type of work for her that will save her from having to return to her old, familiar environment.

Although it cannot be substantiated and is clearly a figment of somebody's private demonology, the rumor persists, so it may be more effective to ask the person who brings it up whether, in his opinion, this consideration should decide whether a child should live or not. Suppose at some moment, in some dark corner of the twilight world where these children swarm, some money secretly changed hands in return for a babe in swaddling clothes. If one participant in this transaction is innocent, surely it is the child itself. To refuse him a chance to lead a normal life, or any life at all, as retribution for other people's sins is unacceptable even to those who perpetuate the rumor. Or, at least, they will agree it is.

H.R. 12898 IS A NEW APPROACH TO SURFACE COAL MINE RECLAMATION WHICH BALANCES ENVIRONMENTAL AND ENERGY VALUES

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HOSMER. Mr. Speaker, I have today introduced H.R. 12898, the Surface Mine Reclamation Act of 1974. It is a piece of legislation designed to insure harmony between two of the Nation's foremost goals—providing adequate supplies of energy and protecting nature from needless scars. A copy of H.R. 12398 is set forth in the body of today's RECORD, along with my remarks on introducing it.

I am taking this action out of the conviction that a nation that is facing a critical shortage of fuel cannot afford arbitrary restraints on energy production. We must use the resources we have in abundance—such as coal—to get us through the current fuels emergency and to achieve long-term energy self-sufficiency. And this, I submit, can be accomplished with full protection for the environment if we legislate wisely and well and do not permit emotion to cloud the facts.

The surface mining bills approved by the Senate and H.R. 11500 pending before the House Interior and Insular Affairs Committee, will not accomplish these ends. They are a product of an earlier day when protecting the environment was a singular goal and before the current energy crisis proved forcefully that an assured energy supply from domestic sources is at least an equal consideration.

Those bills cut needlessly into coal's ability to produce and expand and in many cases, their rigid constraints would actually stand in the way of environmental protection.

The reasons behind this are easy enough to understand. Arab oil embargoes, growing queues at gasoline pumps, and power cutbacks from my home in Long Beach, Calif., to New York City were not the case when the conceptual framework for the bills was constructed.

Now, the situation has changed. We are running out of the oil our economy and lifestyles depend on. And only two energy sources—nuclear fission and our abundant coal reserves—offer real alternatives to Arab oil today. Nuclear power has much to offer in the longer term, but coal now appears to be the only domestic energy resource that can get us through the shortages we face in the short to midterm.

A Cornell University report commissioned by Dr. Dixy Lee Ray, the Chairman of the Atomic Energy Commission, in preparation for her report on energy research and development, makes it clear how much of the energy burden coal must carry if we are to get through the current fuel emergency with our economy and national honor intact.

The report says that if we are to hold oil imports to their 1970 level, more than one-third of the 124.9 quadrillion Btu a year energy production we must provide by 1985 will have to come from coal, even if nuclear powerplants are added as fast as possible and domestic oil production can be increased by 25 percent.

The report points out, however, that this will only be possible if the coal industry can expand production from 1973's 590 million tons a year to a minimum of 1.8 billion tons a year by 1985. The only way this can be done is to expand surface mine production from 300 million tons a year to one billion tons a year because of constraints on underground production, the report says.

Dr. S. L. Groff, Montana's State geologist, recently summed up this whole question neatly:

> I strongly favor reclamation and environmental controls, but I hope that reason and flexibility will receive primary consideration in the wording of the final stripmining bill. It has always been my opinion that reclamation will be successful and could produce land of considerably more value and usefulness than the original (before mining) surface.
>
> I regard people as part of the environment. They should understand, cherish, and control their suroundings, but never should we regulate so as to benefit a few to the detriment of the many.

Reasonably controlled surface mining however, is not possible with the bill now before the Interior and Insular Affairs Committee. It states that as a matter of national policy coal mining should be forced underground. This, of course, is based on the mistaken premise that surface mineable reserves constitute less than 3 percent of domestic coal reserves. This simply is not true. According to Federal Energy Office Administrator William Simon, at least 18 percent of the Nation's recoverable reserves can only be extracted through surface mining What is more, surface mining is the only means to provide desperately needed coal now, when it is most urgently needed.

Another section of the bill would prohibit new mining starts on Federal land until the Secretary of the Interior implements a Federal lands program. Although the bill directs the Secretary to develop the program within 18 months, by the time impact statements are drafted and circulated, administrative hearings and court action concluded and leases issued, 2½ to 3 years could go by.

The bill also insists on returning land to its approximate original contour, even though that contour may stand in the way of slope stability and erosion control. The Council on Environmental Quality says more than 100 million tons of current coal production a year comes from steep slopes—much of which would be eliminated by this provision.

In contrast, H.R. 12898 would assure an equal—and in some cases, greater—degree of environmental protection. It would assure that land is returned to an equal or better use after it is mined. It would protect streams against siltation and acid runoff, insure the stability of slopes, and guarantee that revegetation does, in fact, occur. What is more, it would provide a case-by-case mechanism for prohibiting any surface mining operation if the site cannot be reclaimed.

In addition, H.R. 12898 would require the States and the Secretaries of Interior and Agriculture to establish a planning process to determine what areas under their jurisdiction cannot be reclaimed with existing technology. No new strip mining operations could be started in these areas until the technology is available to satisfy the bill's environmental standards.

My bill also prohibits the placement of spoil on steep slopes. Exceptions would be granted only where slides can be prevented and the other environmental requirements of the bill can be met. This would prohibit the indiscriminate dumping of spoil on hillsides—a flagrant abuse of the environment that can no longer be tolerated.

In short, the legislation I am proposing is a tough but effective surface mine reclamation bill. Unlike other measures pending before Congress, it does not address underground mining but would regulate the surface operations incident to deep mining. It has no land use provisions dealing with the exclusionary zoning of large portions of the coal producing States of the West; it would leave that determination to State and Federal agencies operating under land use legislation pending before State legislatures and the Congress. Nor does it attempt to force a shift to underground mining through a complex set of economic sanctions.

It is what it says it is—a surface mine reclamation bill that will prevent the all too evident excesses of irresponsible surface mine operators from occurring again. At the same time, it will permit responsible operators to mine the coal we need to protect jobs, industry, and our national security. Achieving harmony between energy and the environment is indeed possible. This measure will insure this occurs.

I think H.R. 12898 is a far superior vehicle for markup in the Interior Committee than H.R. 11500 and will, therefore, seek to substitute it.

The following are amongst the major provisions of H.R. 12898.

First. An interim regulatory procedure which will take effect within 90 days from the date of enactment. The interim permit will provide for the restoration of the approximate original contour, require topsoil replacement, and a stable and self-regenerative vegetative cover. It will prohibit spoil placement on steep slopes, require stabilization of waste piles and the burying of toxic material, require protection of water quality and quantity, and protection from offsite damages. The regulatory authority may alter downslope and contour restoration requirements only if it will result in the land ending up with an equal or better economic or public use. Section 201.

Second. A procedure requiring the Federal Government to establish minimum coal mining and reclamation guidelines for State regulatory and enforcement programs within 180 days following the date of enactment. Section 202.

Third. Provisions for approval of State regulatory programs which meet stiff Federal guidelines for surface coal mining and reclamation operations. Section 203.

Fourth. Provisions for a Federal program to be implemented on Federal lands and in States which fail to adopt a federally approved plan within 24 months after the date of enactment. Sections 204, 221.

Fifth. A provision compelling the States and Federal agencies to establish an objective land review program for designating areas unsuitable for surface coal mining operations under existing technology because they cannot be properly reclaimed. Decisions would be based on public hearings and scientific data. Section 205.

Sixth. A ban on surface coal mining operations except in accordance with 5-year renewable permits conditioned on adherence to a sound mining and reclamation plan setting forth the engineering techniques to be used in the surface coal mining and reclamation operation. Sections 207–209, 212.

Seventh. The posting of a reclamation bond or deposit adequate to assure satisfactory and permanent reclamation of the mined land, adequate insurance to compensate for any offsite damages from mining operations. Sections 210–211.

Eighth. Comprehensive mining and reclamation performance standards for both surface coal mining and surface operations incidental to underground coal operations. Sections 213–214.

Ninth. Provisions insuring public notice of permit applications and provisions for public hearings on promulgation of State and Federal standards, mining permit applications, bond release procedures, and a provision authorizing citizen suits. Sections 215, 220.

Tenth. Provisions requiring both State and Federal inspections of surface mining operations together with provisions for adequate monitoring and recordkeeping. Provisions for studies of subsidence and underground waste disposal in coal mines. Sections 216–218, 302.

Eleventh. Stiff penalty provisions for violations by mine operators, including revocation, suspension, permit denials, and civil and criminal fines and imprisonment of up to 1 year. Section 219.

Twelfth. Protection for owner of the surface estate by requiring written consent of the surface owner prior to issuance of a mining permit or, in lieu thereof, execution of a bond to secure payment for any damages to the surface estate as fixed by agreement or court order. Section 308.

CONGRESSWOMAN SULLIVAN'S TESTIMONY ON COMESTIC SAFETY BEFORE SENATE HEALTH SUBCOMMITTEE

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mrs. SULLIVAN. Mr. Speaker, I was privileged today to be the opening witness at a historic set of hearings before Senator EDWARD M. KENNEDY'S Subcommittee on Health of the Senate Committee on Labor and Public Welfare on legislation to close glaring loopholes in the provisions of the 36-year-old Food, Drug, and Cosmetic Act of 1938 relating to the regulation of cosmetics for safety. Senator KENNEDY confirmed my understanding that they were the first hearings on cosmetics safety and labeling legislation in the Senate committee since the 1938 act was passed.

I knew that they were the first hearings on either side of the Capitol on cosmetics legislation in the 12 years since the House Committee on Interstate and Foreign Commerce held a week of hearings in 1962 on my bill, H.R. 1235, to close all of the loopholes—not just in the cosmetics title but in other areas also—of the Food, Drug, and Cosmetic Act. The 1962 hearings resulted in passage of the Kefauver-Harris Drug Safety Act, many of the provisions of which had come out of H.R. 1235 as originally introduced but nothing was done at that time—or since then—by Congress to tighten the law on cosmetics safety or on many other areas of the basic consumer statute.

SENATOR EAGLETON TAKES LEAD ON SENATE SIDE

Thanks to the leadership exercised by the distinguished junior Senator from my State of Missouri, Senator THOMAS F. EAGLETON, who introduced a safe-cosmetics bill on the Senate side a year ago, the Senate subcommittee, of which Senator EAGLETON is a member, has set aside today and tomorrow for hearings on cosmetics legislation.

Senator EAGLETON'S bill, S. 863, is modeled on, but differs in a number of technical respects from, section 11 and parts of section 2 of my omnibus food, drug, and cosmetic bill—which has always carried the same number, H.R. 1235, in every Congress since it was first introduced in 1961.

As I pointed out in my testimony today, the Congress knew when it passed the 1938 act that its cosmetics provisions were very weak. Our colleague, Congressman JAMES J. DELANEY, documented those weaknesses in a very far-reaching investigation by a select committee which he headed in the early 1950's, which also exposed the weakness of the food additives section of the 1938 law.

When I came to Congress in 1953, I joined Congressman DELANEY in introducing legislation to tighten the food additives and the cosmetics sections of the 1938 act, and we were successful in enacting the strong Food Additives Act of 1958, including the provision we insisted upon—usually referred to as the "Delaney clause"—to prohibit the use in food of any chemical which can cause cancer in man or in animal. But cosmetics safety legislation was passed over at that time, as it was again in 1962; and since then, no legislative hearings were even conducted on cosmetics legislation until the Senate hearings started today.

I am grateful to Senator EAGLETON for persuading the Senate subcommittee to go into this issue. He has been an eloquent and effective voice for new cosmetics legislation, particularly on the series of television programs on cosmetics by the National Broadcasting Co. network this week on Barbara Walters' "Not for Women Only" program.

FDA ACKNOWLEDGES LOOPHOLES IN THE LAW

The testimony today of Dr. Alexander M. Schmidt, Commissioner of Food and Drugs and head of the Food and Drug Administration, acknowledged the statutory limitations of his Agency in assuring the safety of the billions of dollars worth of cosmetics used by the American people; and although the Nixon administration has not asked for the specific powers Senator EAGLETON'S bill and my bill would give to his Agency, Dr. Schmidt said today he would have no objection to the Congress passing at least some of them.

I was gratified to hear Dr. Schmidt generally confirm the fears I expressed in my testimony that a proposed FDA regulation to require ingredient labeling of cosmetic products under the Fair Packaging and Labeling Act of 1966 may be susceptible to successful court challenge in view of the legislative history—and particularly the House debate in 1966—on the application of that law to cosmetics labeling requirements. Hence, if we are, in fact, to accomplish the long-sought reform of having all ingredients in cosmetics placed on the label, it is essental, I believe, that we bring it about through a straightforward amendment to the Food, Drug, and Cosmetic Act, as both the Eagleton and Sullivan bills provide.

TEXT OF MY TESTIMONY BEFORE THE SENATE SUBCOMMITTEE

Under unanimous consent, Mr. Speaker, I submit for inclusion in the RECORD as part of my remarks the testimony I gave today on the subject of cosmetics safety, as follows:

STATEMENT BY CONGRESSWOMAN LENOR K. SULLIVAN (D.-MO.) BEFORE SUBCOMMITTEE ON HEALTH, SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, AT OPENING OR HEARINGS ON COSMETICS SAFETY AND LABELING OF COSMETICS PRODUCTS, WEDNESDAY, FEBRUARY 20, 1974

The first thing I want to do is to thank Chairman Kennedy and Senator Eagleton for making it possible for me to participate in what I regard as a historic occasion. I believe this is the first time in a *dozen years* that a legislative committee on either side of the Capitol which has jurisdiction over the Food, Drug, and Cosmetic Act of 1938 has scheduled hearings on legislation to amend the cosmetics sections of that Act. On behalf of 210 million Americans who use cosmetics—and who are the guinea pigs for testing the safety of cosmetic products—I sincerely hope that these hearings will lead to effective action by the Congress to close glaring loopholes which were deliberately written into the Food, Drug, and Cosmetic Act 36 long years ago, and which have remained virtually untouched in that Act ever since.

Even the best of laws need updating after 36 years. But the law providing for Federal regulation of cosmetics was defective—and known to be defective—when it was enacted in 1938. Yet in the intervening years, the only change in the law has been in connection with the coloring matter used in cosmetics. That was in 1960. That was 14 years ago. The only reason changes were made in the Act in 1960 was that the cosmetic industry itself came rushing in that year with a fervent plea for immediate passage of legislation which would rescue the industry from what it regarded as a disaster. And Congress was quick to oblige the cosmetic industry by passing the law the industry demanded, the Color Additives Act of 1960.

A brief recital of that history might be instructive to this subcommittee. The 1938 Act provided that no coal tar colors could be used in foods, drugs, or cosmetics unless they were "harmless." The Food and Drug Administration thereupon set up an elaborate system for testing and certifying coal tar color additives on a batch-by-batch basis, and developed numerous colors suitable for use in different types of products, depending upon whether they were ingested by the consumer or whether they were used in ways which would not lead to their ingestion. But as testing techniques became more sophisticated, the Food and Drug Administration discovered that some of its colors officially certified as harmless were not, in fact, completely harmless because, if ingested by test animals in sufficiently large quantities—usually very large quantities—injuries resulted to the liver or other organs. Therefore, some of the popular colors used in lipsticks and other cosmetics had to be withdrawn from certification and use. As soon as this happened, the cosmetic industry came rushing into Congress to ask for a revised color safety law which would eliminate the "harmless" test and permit the use of any coloring matter which was found to be *generally safe* for the purposes for which it was intended to be used. That was in 1960. But nothing was done at that time, and nothing has been done since that time, to require proof of safety before marketing of any ingredients in a cosmetic product other than the coloring matter.

MOST COSMETICS SAFE FOR MOST USERS

I want to acknowledge the fact that most ingredients used in most cosmetic products *are* safe for most consumers. Some of these ingredients are as old as civilization itself. But in a highly competitive, advertising-oriented industry where being first on the market with something new is a great sales promotion gimmick, new products can be marketed without adequate testing and if they turn out to be dangerous to the consumer, it is up to the Food and Drug Administration to ferret them out, conduct the testing and establish legal proof that a product is unsafe in order to move against it.

This is wrong. This was also the law as it related to new drugs up until 1938, but the 1938 Act ended that situation by requiring the manufacturer to establish the safety of a drug product before it could be placed on the market. It was also the law as regards food additives until 1958. Between 1938 and 1958, a food manufacturer could market a product containing unsafe food chemicals and it was up to the FDA to prove it was dangerous in order to remove the product from sale. The 1958 Act changed that insofar as food additives are concerned, requiring proof of safety before the product could be sold. But the pretesting of cosmetic ingredients for safety has *never* been required other than for color during the 36 years in which cosmetics have been subject to any form of Federal regulation.

This is an indefensible situation, jeopardizing the health and safety of 210 million American men, women and children who use products legally defined as cosmetics almost every day in some form or other, from mouthwashes and toothpaste to shaving cream and hair dyes, baby powder or shampoos.

CURRENT EXEMPTION FOR SOAP

I said that most cosmetic ingredients are safe for most consumers, and that is true. But increasing numbers of Americans are discovering that they are allergic to many things in our environment—food additives, color additives, plants, fruits, air born chemicals from industrial pollution, and a variety of drugs from aspirin to antibiotics. Once an individual knows what chemicals he or she is allergic to the consumer can look at the labels of foods or over-the-counter drugs and avoid those which pose in a threat to one's personal safety or well-being. But labels of cosmetic products tell the consumer nothing whatsoever about the ingredients to enable the individual to protect himself or herself from a cosmetic which can cause a painful and even dangerous reaction. This, too, is an intolerable gap in consumer protection.

The most ridiculous loophole in the Food, Drug, and Cosmetic Act of 1938 as it relates to cosmetics is the exemption for soap. Under the 1938 law, soap is not a cosmetic. What is it? It is certainly not a food; in rare instances where therapeutic values are claimed for it, it might be regarded as a drug. But under the Food, Drug, and Cosmetic Act, soap is a nothing—it doesn't exist. This loophole, also, must be closed after 36 years.

THE COAL TAR HAIR DYE EXEMPTION

Let me cite another: hair dyes—particularly the permanent coal tar dyes—are not subject to any regulation whatsoever as to their safety as long as the manufacturer places a warning on the label of possible danger and advises the user to make a patch test before applying the product. Permanent dyes are usually applied in beauty parlors, rather than at home. The patron of a beauty parlor does not usually see the container in which the product comes from the manufacturer. So every once in awhile an occasional woman loses much or all of her hair, or suffers indescribable agonies from a burned or blistered scalp because the beauty parlor failed to make a patch test before applying the dye. You seldom hear of these cases because they seldom if ever get to court—the manufacturers are quick to settle any claim resulting from the horrible injuries resulting from the use of unsafe hair dyes. How can anyone defend that loophole in the law?

Just as there are no ingredients listed on the label of most cosmetics products to warn the allergic consumer of the presence of ingredients that he or she might know to be injurious the Food, Drug, and Cosmetic Act does not require warnings on the label—other than for a coal tar hair dye preparation—of the danger inherent in the use of a particular product. Hair sprays contain flammable ingredients and also ingredients that can cause lung disease, but any warning that you find on the label is there because the manufacturer voluntarily put it there or else because state law might require it. Many cosmetic products are poisonous if swallowed by children, but there is nothing in the Food, Drug, and Cosmetic Act to require a warning to that effect or to guide the parent on what to do if the child does ingest nail polish remover or other dangerous products. The Hazardous Substances Labeling Act of 1960 required warnings on all household products except that cosmetics, being covered by the Food, Drug, and Cosmetics Act and presumably regulated by that Act, are therefore exempted from the application of the Hazardous Substances Labeling Act. This is in effect a double exemption for cosmetics and is another intolerable loophole.

FEW INJURIES REPORTED TO FDA

Only a tiny fraction of the injuries which are suffered by consumers each year in the use of cosmetics is ever reported to the Food and Drug Administration. The National Commission on Product Safety established that fact four years ago when it surveyed claims made to insurance companies for injuries resulting from cosmetic products. The Commission reported that there are about 60,000 cosmetic injuries a year. The Food and Drug Administration, on the other hand, receives no more than 300 or 400 complaints each year. Furthermore, the inspectors of the Food and Drug Administration do not have access to the complaint files of the manufacturers even though these complaints to the manufacturers could immediately alert the FDA to the existence of a problem product which should be investigated immediately for safety.

Now how have we managed to allow this situation to go on for 36 years under a law which presumably protects the consumer in the use of cosmetics? There are two explanations: the first is that the public doesn't realize how poorly it is protected by Federal law in the use of cosmetics; and, secondly, the Food and Drug Administration—with a variety of other problems it has encountered in recent years—regards the cosmetic safety issue as one of relatively low priority, and has been reluctant for the past five years to ask for the kind of legislation it needs.

The Food and Drug Administration did not always feel that way. Back in the 1950's when I introduced the first cosmetic safety bill along with Congressman James J. Delaney of New York—at the same time that we also introduced the legislation which became the Food Additives Act of 1958—the FDA strongly supported the kind of legislation which I have been introducing repeatedly in every Congress beginning in 1954. It took us four years to get the Food Additives Act passed, but nothing was done legislatively then or later about the safety of cosmetics. In 1960, as I said, the industry itself came in to ask for the Color Additives Act, and Congress quickly passed it but refused to include in that law anything dealing with ingredients of cosmetics other than the coloring matter. For an extended period after 1960, the Food and Drug Administration attempted to stretch the application of the Color Additives Act to include pretesting for safety of all ingredients in a colored cosmetic product. But the industry went to court to overturn that regulation and succeeded in doing so.

ACTION TO CLOSE LOOPHOLES LONG OVERDUE

In 1961 I introduced for the first time the bill H.R. 1235 to rewrite the entire Food, Drug, and Cosmetic Act of 1938 to close *all* of the loopholes in that Act, dealing not only with cosmetics but with the efficacy of drugs and of medical devices, the certification of all antibiotics and of other erratic life-saving drugs, the use of coloring matter in dairy products, and so on. As Secretary of Health, Education, and Welfare at the time, Senator Ribicoff endorsed practically everything in H.R. 1235 as introduced in 1961; in 1962, the first Consumer Message ever sent to Congress by a President, President John F. Kennedy also called for rewriting the 1938 Food, Drug, and Cosmetic Act along the lines of H.R. 1235. The House Committee on Interstate and Foreign Commerce held a week of hearings on this legislation in

1962—mostly for educational purposes—in contemplation of legislation in the following Congress. However, when the thalidomide tragedy broke upon the world that summer of 1962, the Committee reopened its hearings, but only on the subject of drug safety and the Kefauver-Harris Act of 1962 was the result. I am proud to say that most of the provisions of the Kefauver-Harris Act came out of the original version of H.R. 1235 as introduced in January of 1961. But cosmetics safety legislation was again put off, as it had been in 1958, until "later".

In the dozen years since 1962, the House Committee has never held any legislative hearings on H.R. 1235 as an omnibus bill, or on the cosmetic sections of that bill. These, beginning today, are the first hearings, I believe, in the Senate Committee on Labor and Public Welfare on the subject of cosmetic safety in the past dozen years, and perhaps as far back as 1938, although I have not researched that point.

ATTEMPTS TO STRETCH APPLICATION OF OTHER LAWS

I said that the Food and Drug Administration had strongly supported corrective legislation on cosmetics and on other aspects of the loophole-ridden Food, Drug, and Cosmetic Act in the 50's. It also did so in the 1960's. But from the time President Nixon took office in 1969, *until last week*, I do not believe that the Food and Drug Administration or the Department of Health, Education, and Welfare ever asked for any legislation whatsoever dealing with cosmetic safety. Instead it appealed to the industry for voluntary cooperation in disclosing to the FDA, if not to the public, the ingredients of its formulae. Although hundreds of cosmetic firms have complied with the request, the information on ingredients used is not available to the public and may never become public knowledge.

Also, just as the agency tried after 1960 to stretch the application of the Color Additives Act to cover ingredients not contemplated in the 1960 Color Additives Act, the agency now is seeking to require the ingredient labeling of cosmetic products under the Fair Packaging and Labeling Act of 1966. I think the legislative history of the Fair Packaging and Labeling Act, particularly as it was debated on the House Floor in 1966, would provide any section of the cosmetic industry—if it chooses to fight the FDA's proposed regulation—powerful ammunition to use in the courts to prove that the Fair Packaging and Labeling Act was not designed to accomplish what the Food and Drug Administration is trying to do under it insofar as cosmetic labeling is concerned. A much more forthright approach would be to amend the Food, Drug, and Cosmetic Act to require the listing on the label of all ingredients, as my bill proposes and as Senater Eagleton's bill proposes, permitting exemptions from this requirement only when the Secretary finds that no practical purpose is served. But I certainly oppose any proposal which would exempt colors or—as the FDA itself has proposed to do—the listing of specific fragrance ingredients.

I am not a chemist or an allergist and am not qualified to discuss the reactions from specific cosmetic chemicals but I do know, from the many, many women and some allergists I have heard from on this issue that coloring matter and fragrances are often the culprits in cosmetic allergies. A woman in my district has discovered that she has an allergic reaction in the form of raging headaches from all coal derivatives, from aspirin to coloring matter. Her shopping experience is, in itself, a headache in trying to find products free of the kinds of coloring matter she must avoid.

COSMETICS SAFETY IS PART OF A LARGER PROBLEM

I am deeply grateful for the work done by Senator Eagleton in pressing the cosmetics safety issue in this Committee of the Senate. His cosmetic labeling amendment to the Consumer Product Safety bill several years ago would have been a strong step forward; unfortunately, his amendment was not germane to that bill in the House. If you can get a good cosmetics bill through the Senate, I will certainly do my best to help get it through the House. Speaking personally, I would prefer to see this issue handled, as it is in H.R. 1235, as part of an omnibus bill to rewrite—and close all of the many major loopholes in—the 36-year-old Food, Drug, and Cosmetic Act. There are so many outdated provisions of the 1938 Act which pose serious threats to consumer safety that cosmetics safety, important as it is, is only one part of a much bigger problem. I introduced H.R. 1235 as an omnibus bill and have reintroduced and expanded it in every Congress since the 87th Congress because I was deeply concerned over the snail-like pace in which Congress was acting to remedy the faults in the basic Act—one aspect at a time in 1958, 1960, 1962, 1965, and so on.

Many of the major deficiencies in the 1938 Act have been known to us for 36 years. All of them have been known to us for at least 13 years. Much as I want cosmetics safety legislation passed—and I will do all I can to help pass it, either as a separate measure or as part of an omnibus bill to rewrite the 1938 Act—I would hate to see Congress take the attitude that by passing cosmetics legislation alone, it was solving enough of the consumer's immediate concerns to permit postponing further changes in the Food, Drug, and Cosmetic Act for another dozen years or so. In conclusion, I would like permission to append to my statement the title of H.R. 1235 which lists all of the areas covered by this bill. I think anyone reading just the title of that bill cannot help but be struck by the magnitude of the inadequacies of our most basic consumer safety law.

REPRESENTATIVE LITTON HELPS EXPLAIN WHY THE PRICE OF FOOD HAS GONE UP

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. KEMP. Mr. Speaker, our distinguished colleague and my friend, Representative JERRY LITTON, "an enlightened Democrat" of Missouri and a Member of great insight into the causes of problems confronting our Nation, has authored a thought-provoking article which appeared in the newspaper supplement, Family Weekly, this past weekend.

Congressman LITTON raises the question: "Did consumer advocates talk the price of food up?" On the whole, he has made a convincing case that they did do just that: They drove the price of food, particularly meats, upward. And everyone paid the price for Congress and the administration having succumbed to their pressures for the imposition of mandatory price control which backfired. That is one reason I am glad I voted against the extension of price control authority last April.

Congressman LITTON, a farmer all his life, is working diligently on ways to close what he calls the communication gap between food producers and food consumers. I think this article is a valuable contribution to that effort. I join him in advocating both an end to the political phase IV economics and a return to the free market economics which alone can produce and deliver the goods in the most efficient and stable way.

Mr. Speaker, at this point in the RECORD, I wish to insert the full text of the Congressman from Missouri's remarks:

[From Family Weekly, Feb. 17, 1974]

DID CONSUMERS ADVOCATES TALK THE PRICE OF FOOD UP?

(By Representative JERRY LITTON (D-Mo.))

(NOTE.—Jerry Litton, 36, is a freshman congressman from Chillicothe, Mo. A farmer all his life, he says he is currently working on ways to close the "communications gap" between the nation's food producers and food consumers.)

America is faced with food shortages. And strangely enough, those who have expressed the greatest concern over rising food prices have been those most responsible for the shortages and the even greater price increases that followed.

Let me try to explain what I mean.

Trying to solve food shortages with a food-price freeze is like trying to solve a teacher shortage by placing a ceiling on teachers' salaries. Instead of easing the shortage, you would create additional shortages. Problems of shortages are solved by programs that encourage production, not by those that discourage it.

Unfortunately, many politicians in both the Congress and the Administration took the easy way out. They yielded to pressure from would-be consumer advocates by supporting programs that appeared to help the consumer. But, in fact, those programs did just the opposite. Congressmen who opposed the price freeze were labeled unsympathetic to the consumer. The fact is, they were the ones who were being honest with the consumers.

Last February, food prices responded to increased food demand: they began to move upward. Farmers, anticipating better pork, poultry, beef and grain prices, were increasing their breeding herds, buying better machinery and preparing to produce a record volume of food.

Then, in April, along came the boycotts and threatened freezes or price rollbacks. While these moves were well-intended, they accomplished only one thing. Farmers who were increasing their breeding herds in February—in anticipation of better prices—started decreasing them in April.

So, the louder the cries for boycotts and freezes, the more the farmers reduced their breeding-herd numbers. They weren't reducing the herd numbers or drowning baby chicks to hurt the consumer. Like everyone else, they are in business to make a profit. Their income is substantially below that of non-farmers. They did these things only to lessen the losses they anticipated if boycotts or freezes took place.

On March 29, 1973, President Nixon announced a food-price freeze. But in fairness to my Republican friends, I must admit many Democratic members of Congress favored price *rollbacks*—which would have been even worse.

The freeze meant farmers were caught in a squeeze between the freeze and increasing costs of production. Instead of being encouraged to increase their production, they were discouraged. Tens of thousands of farmers across the country took this occasion to cull their herds of all but their very best breeding animals. Many farmers decided to quit altogether.

Pork and poultry prices were the first to go up because of all the pregnant sows that went to market and all the eggs that weren't hatched. Then came pork and poultry shortages, so that prices for these items skyrocketed when the freeze was lifted. Consumers shifted to beef, thus creating a similar situation in beef.

Imagine that you own a farm. Farm debt has increased 400 percent since 1960, so the chances are you own it with the bank. You have room on your farm to keep between 10 and 100 sows this winter. You hear that consumers plan to boycott meat, and that there may be price freezes or rollbacks. You decide to keep 10 sows—not 100.

The 90 sows you didn't keep could have produced 10 pigs each—every six months. The 900 pigs you didn't produce because of the 90 sows you didn't keep represent 180,000 pounds (200 pounds per market hog) of pork the consumer will never see. Multiply this times thousands of hog farmers—and you begin to see why pork production went down. Consumers bid against each other for a limited amount of pork—and they simply bid up the price.

So consumers in effect talked the farmers into raising less food and then bid up the price of that food. If they had a better understanding of what encourages farmers to produce there would have been no food crisis in America last year. And by now, food production would have begun responding to higher prices, and food supplies would have been more in line with demand.

The price freeze hurt everyone. It hurt the consumer by raising food costs. It hurt the producer by denying him profits from higher production—and, in many cases, by forcing him to take losses. It hurt the economy by reducing the production of goods we needed to help offset our balance-of-trade deficit.

There were other things that brought on the price increases:

Social Security and Medicare were increased by $10 billion annually in September, 1972. Much of this increase was spent by retired people on food, making food *demand* greater.

The food-stamp program was increased 17 percent last year. All of this went for food, also increasing *demand*.

Russia and China changed their food and trade policies with the U.S., and experienced a bad crop year, decreasing *supply*.

We, too, had unfavorable weather, also decreasing *supply*.

The standard of living went up around the world, increasing *demand*.

We devalued the dollar twice in 14 months, making American-produced food a much better bargain abroad; foreign buyers bought more.

We experienced a period of high inflation.

Since increases in food prices are not offset by corresponding decreases in purchases, we have food shortages and fast-rising prices. But the truth is, food prices have not increased nearly as much as the prices of other goods or wages in the past 20 years. If food prices had gone up as much as wages during that time, round steak that sold at $1.75 per pound in April would have sold at $2.67, eggs would have increased from 68c a dozen to $1.61, and a frying chicken from 89c to $1.46 a pound. The retail price of food from 1952 to 1972 went up 38 percent—wages went up 140 percent.

Americans spend less than 16 percent of their average after-tax income on food. In England, the same figure is 25 percent; in Japan it is 35 percent; in Russia it is 58 percent; and in Asia it is 80 percent. But the farmer who supplies all this food is himself not well paid. Once you give him a seven percent return on his assets (he can get this by selling out and drawing interest), he received 74 cents and 81 cents an hour for his labor in 1971 and 1972. But his costs are going up too, and he can't be expected to continue at those wages.

Now many voices are joined in asking the government to shut off exports of grain and other farm products. Is their advice sound advice? Again, imagine you are a farmer. Grain prices have gone up sharply in the past few months. Because of this you are considering making long-range investments in machinery and land improvements. Now you hear that the government is considering stopping the export of American grains. What do you do?

Chances are you won't make the big investments, and the consumer, eventually, will be hit by shortages and higher prices.

How can it be said that food is too high in American if it is the thing we produce cheaply enough to sell on the world market at a surplus? What else do we have to sell to stabilize the American dollar, balance our trade deficit and make it possible for us to import energy-producing products that keep the country running?

CIVIL RIGHTS FOR ALL INDIANS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. COHEN. Mr. Speaker, early this month the Maine State Advisory Committee of the U.S. Commission on Civil Rights held 22 hours of hearings on the severe problems now facing the nearly 3,000 Indians in Maine. These Indians, members of the Maleseet, Micmac, Passamaquoddy, and Penobscot tribes, are faced with such an urgent situation that the Advisory Committee concluded that the preliminary findings of their investigation should be promptly submitted to the Commission and made public.

I am bringing these findings to the immediate attention of my colleagues, because it is imperative that we recognize and correct the injustices that have been done by the pernicious administrative discrimination that has been made between so-called State and Federal Indians.

The same day I received the findings of the Advisory Committee, the U.S. Senate passed the Indian Self-Determination and Educational Reform Act. The purpose of this legislation is to enable more effective and meaningful participation by the Indian people in the planning, conduct, and administration of Federal programs and services. The legislation also makes provision for the kind and quality of services necessary to assure that Indians will have an opportunity to compete in the life areas of their choice. Unfortunately, though the legislation establishes vital national goals, it continues to arbitrarily exclude significant portions of our Indian population from access to these resources simply because they do not reside on or near federally recognized Indian reservations. As I hope the following findings of the Advisory Committee will make clear, our Indian policy must be changed to reflect human need, rather than geographical accident:

FINDINGS

The Maine Advisory Committee to the United States Commission on Civil Rights finds:

1. The Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS), two important Federal agencies which provide services to many American Indians, do not provide such services to Maine Indians. The denial of services by the BIA, an agency within the Department of the Interior, is based on a restrictive interpretation by the Department of the Snyder Act (42 Stat. 208, 24 U.S.C.A. § 13). This 1921 law authorizes government appropriations for a broad range of services for the "benefit, care and assistance" of Indians "throughout the United States" but is interpreted to exclude Maine and most Eastern Indians.[1] The denial of services by the IHS of the Department of Health, Education and Welfare (HEW), according to HEW representatives who appeared before the Committee, appears to be based primarily on economic consideration—program funds are too limited to provide health services to Maine and Eastern Indians. Secondarily, the IHS effectively follows the adminstrative decision of the BIA to expend funds only for Indians who meet BIA's definition of eligibility under the Snyder Act. This IHS policy appears particularly harmful in Maine where the health needs of Indians, on and off reservations, are acute. Maine's Regional Medical Program in a recent study stated:

"The general health status of the Indians is far below that of the U.S. general population. They have high infant mortality, low life expectancy, high morbidity and numerous infectious diseases due to impoverished physical and sanitary conditions."

2. The provision of services to Maine Indians by the BIA and the IHS would drastically improve services to Maine Indians, and result in a better balance in Federal-State responsibility for meeting the needs of Indians. The National Council on Indian Opportunity, a Federal coordinating body headed by the Vice President, provided the Committee with data which show that two states with Indian populations similar to Maine's are each currently receiving an annual appropriation of approximately $4.5 million from BIA and $.5 million from IHS. In lieu of this potential resource of $5 million in Federal revenues, the State of Maine now asks its taxpayers to provide approximately $1 million in yearly appropriations for Indians.

3. The announced elimination, reduction or transfer of certain Federal programs and services may seriously threaten the health and welfare of Maine Indians. Although the precise details of the announced reductions are not available at this time, statements by public officials and private citizens indicate that a severe crisis may be in the offing for Maine Indians. Programs which currently serve Maine Indians may be jeopardized by transfers from one Federal agency to another, particularly if the receiving agency is the BIA and if the funds are administered under the BIA's current restrictive interpretation of the Snyder Act. For example, programs administered by the Economic Development Administration (EDNA) of the Department of Commerce have funded water and sewer projects on Maine Indian reservations. These programs are to be transferred to the Bureau of Indian Affairs. In turn, housing projects on Indian reservations in Maine will be stymied if EDA (or BIA) funds are not available to Maine Indians for water and sewer projects. While the Committee was told that existing projects would not be impaired, no confirmation of this has been obtained from BIA, and future projects remain in doubt.

4. The inadequate budget of the Maine Department of Indian Affairs (DIA), and the restriction of the Department's services to on-reservation Indians seriously limits the Department's ability to meet the needs of all Maine Indians. Present legislation authorizes the DIA to serve the health and welfare of reservation Indians only. Yet, approxi-

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[1] The Passamaquoddy Tribe and the Penobscot Nation have litigation filed in Federal court challenging the Department of the Interior's similarly restrictive interpretation of the Trade and Intercourse Act of 1790 (4 Stat. 730, R. S. § 2116) affecting the Indian lands in Maine.

mately half of Maine's nearly 3,000 Indians live off-reservation. In many instances, off-reservation Indians live in poverty, not only below most white living standards in the State, but even below that of reservation Indians. Furthermore, with the backlog of problems confronting the DIA, and with the prospect of the possible loss of Federal funds in some program areas, the recommended increase in the DIA's budget was only $12,000—a less than 3 percent increase over the current fiscal year budget. This augmented budget is insufficient to meet the needs of reservation Indians, and does not provide any funds to meet the pressing needs of off-reservation Indians. The present restriction of DIA's ability to serve non-reservation Indians leaves a significant portion of Maine's Native Americans without the admittedly meager State resources which are available to reservation Indians.

5. In too many instances, Maine Indians have not shared in the development, management and implementation of programs ostensibly designed for Indians. Non-Indians have written proposals for programs to serve Indians, in whole or in part, without meaningful Indian participation. Programs for Indians have been funded which do not serve Indians in a substantial manner. Programs for Indians have been operated with limited or no Indian staff. Testimony at the Committee's hearings indicated that, in addition to the above, Indians rarely have been represented on citizen boards and committees which participate in policy decisions on Federal programs which relate to Indians.

6. Indians have had almost no success in obtaining jobs in State agencies. The Governor's Executive Order No. 11 and the newly enacted Federal Equal Employment Opportunity Act of 1972 have had little beneficial affect on Indians. Testimony at the Committee's hearing indicated that Indians were seldom employed in State jobs even in areas where they make up a significant percentage of the population; nor were they represented in those occupations which require only minimal qualifications. With the possible exception of the Department of Mental Health and Correction, Indians make up less than 1 percent of State employment. The Maine State Personnel Board has not developed affirmative measures to recruit and hire Indians, and thereby has contributed to the critical employment problems facing Indians.

Mr. Speaker, it is my fervent hope that the Commission and this Congress will affirmatively act on these findings and correct this tragic discrimination.

KEYNOTE ADDRESS AT CONGRESSIONAL BREAKFAST

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, this morning I was privileged to attend the breakfast given for Members of Congress by the Cast Metals Federation in conjunction with their governmental affairs conference. I include at this point a copy of the keynote address and the program of activities for the federation's Washington conference:

KEYNOTE ADDRESS AT CONGRESSIONAL BREAKFAST

(By Charles E. Drury)

Honored guests, members of the Cast Metals Federation, ladies and gentlemen. It is a privilege to be the keynote speaker at the important third annual Cast Metals Federation Governmental Affairs Conference. We are particularly grateful to our friends from Capitol Hill for taking time to be with us.

Burleigh Jacobs, president of Grede Foundries, addressed the opening conference in 1972 and John McIntyre, vice chairman of Sibley Machine and Foundry Corporation, gave last year's keynote address.

The Cast Metals Federation is composed of the Gray and Ductile Iron Society, Malleable Founders Society, Steel Founders Society, and the National Foundry Association—representing the ferrous casting industry. Also participating in this conference is the Non-Ferrous Founders Society and the Investment Casting Institute. All in all, approximately 700 companies are involved in this third governmental affairs conference.

The purposes of this conference are to promote, publicize, and create an awareness of the metal casting industry to those in Washington whose decisions affect us, and to alert management in our industry to become involved in public affairs.

The annual sales volume of the cast metals industry is approximately $14 billion. Of all manufacturing industries it ranks sixth in value added. Employment is approximately 400,000 in approximately 4,000 separate foundries. All figures include large and small, captive and/or integrated operations, along with the independent, privately-owned operations that produce about 60 percent of the output. Approximately 80 percent of all foundries employ less than 100 workers.

Our industry is capital intensive, an intensive energy consuming industry. It is difficult to control interior and exterior environment. We are also a labor intensive industry and employ predominantly minority or less privileged people. In fact, some castings operations in and around larger metropolitan areas employ over 90 percent of their employees from minority races or nationalities, which, of course, includes considerable numbers who are disadvantaged.

Growth in metals consumption is one of the best single measures of man's material progress. Since the beginning of the 19th century, per capita consumption of iron and steel has risen from approximately 30 pounds to about one-half a ton.

Edward Cole, General Motors' president, said in a recent talk before the cast metals federation, that G. M. is critically dependent on the foundry industry and is very concerned about casting shortages. He said that "perhaps even more critical than the importance of ferrous castings to car and truck assembly are the severe shortages of short run castings in some of G.M.'s nonautomotive lines."

Another speaker on that same program, William L Naumann, vice chairman, Caterpillar Tractor Company, exhibited the same anxiety over casting shortages.

A Lester B. Knight report says that "we do know from the past that when total ferrous tonnage demand exceeds approximately 18.5 million tons, the industry is oversold and backlogs become lengthy. Approximately 85 percent of this tonnage is gray iron to be produced by suppliers whose numbers have dwindled from 2,094 plants in 1959 to approximately 1,570 plants in 1969. Industries that are castings-oriented show dramatically increased requirements by 1980 as forecast by the U.S. Department of Commerce.

"Overall, there are eight major markets for castings: Plumbing fixtures, valves and fittings, agricultural, construction, metalworking, general industrial, motor vehicles, and railroads. To keep pace with the needs of these markets, the foundry industry must increase its output a minimum of 6 to 7 percent per year."

In a petition filed in December with the Cost of Living Council by the Cast Metals Federation, Jerald Jacobs, counsel for the federation, said that "the current energy crisis points up the coming demand that must be satisfied to provide for expansion of domestic enery sources. Ferrous castings will be required in large quantities as essential equipment components in the following manner:

A. At the source in underground and open pit mining equipment, as well as in drilling for oil and natural gas.

B. In fuel transportation as components in railcars, trucks, and barges, as well as in the form of valves, pumps, and compressors in pipeline transportation.

C. In the construction of refineries and conventional or nuclear power plants, as valves, fittings, pumps, compressors, coal grinding equipment, etc.

In addition, he also stressed the point that foundry products are vital military equipment and weapons components and that a healthy metal casting industry is essential for national defense.

The castings industry can and will meet its obligations, but it will not be easy, and—like the energy crisis—won't be solved overnight. Unfortunately many metalcasters have not generated the funds needed to modernize, expand, and equip. Castings plants are locked into processes and equipment for extended periods. Pollution control and OSHA also require major capital investments amounting to half or more of some plants' net worth; it's generally felt that such expenditures do not increase production or reduce costs. However, the elimination of pollution and excessive noise attracts better employees, improves morale, and enhances the plant's reputation in its community. OSHA too can be constructive in much the same way; it also contributes to less absenteeism, operating downtime and workmen's compensation expense.

Despite these problems, the metal castings industry has made significant progress. For example, Mr. Cole pointed out that 81 percent of all casting plants planned capital improvements in 1973. Few outside the industry realize that for years it has been actively conserving natural resources. As in most modern casting plants, ninety-six percent of the metal used in Hayes-Albion's operations is recycled. This is true conservation of our natural resources, whose by-product is ecology improvement. Unfortunately, though, the public in general and the Federal and State governments in particular aren't aware of these forward strides. It is the responsibility of the Cast Metals Federation to see that they are.

In pollution control and occupational safety legislation, it appears that Congress attempted to legislate technology instead of stimulating research and development and utilizing the results as they became available.

Many noncaptive U.S. foundries are long on business and short on capital. In his brief, Jerald Jacobs said, "to attract capital for investment, an industry must have an attractive return on investment. If an industry as basic to our Nation's needs as the foundry industry is unable to generate funds and to attract capital, it will atrophy causing our Nation's industrial strength to weaken." And since most of them have low profit margins, the chances of obtaining capital for many of the smaller, family-owned companies are slim.

The October 1973 issue of Foundry magazine had a graph showing return on capital employed in the foundry industry declining from 8 percent in 1965 to 4 percent in 1971. We all know these figures include depreciated book values of plant and equipment. The capital required to replace these plants at today's inflated costs and the cost of working capital at today's cost of money would show an actual return closer to 28 percent. Dr. Dunlop of the Cost of Living Council gave this same evaluation when discussing the steel industry recently.

According to Industry Week, the castings industry will need nearly $1 billion in expansion capital over the next few years, but unfortunately, most of the Nation's gray iron foundries—for example—are small and lack borrowing ability; many have closed and more will. Some see the industry total dropping to 1,000. Net result: the successful castings facilities will have to expand.

In his comments to the Cost of Living Council, Mr. Jerald Jacobs commented that, "the cast metals federation and its members have long supported the goals of the economic stabilization program. The foundry industry has done its best to cope with the problems that have accompanied controls for the past two and a half years. But at the present time the shortages of metal castings coupled with the inability of foundries to expand in order to end the shortages have compelled the industry to seek decontrol."

The profit margin approach to controls in phases II, III, and IV has also seriously affected the foundry industry and along with the environmental and safety and health requirements, has contribtued to the closing of hundreds of foundries. Many more will close if the profit margin squeeze continues. I've pointed out that capacity in the foundry is shrinking instead of expanding. Today capacity utilization is at the maximum. Mr. Jacobs said, "customer industries are having great difficulty finding sources of supply to fill their casting requirements. Controls have had a continuing inhibiting effect of necessary expansion of productive capacity. In addition, the enormous strain on manpower and plant equipment during this period, if sustained, will have an inhibiting effect on foundry production. The escalation in the unit cost of production and curtailment of production will both increase sharply as the stress continues."

It is an intensive energy consuming industry. The Cast Metals Federation governmental affairs bulletin dated January 7, 1974 said, "ferrous foundries were one of eleven three digit industry groups in which the costs of purchased fuels and electrical energy accounted for more than 10 percent of the total cost of materials."

The metal casting industry faces serious shortages of materials—steel scrap, pig iron, coke, ferro alloys, aluminum and copper. Supplies of natural gas and propane are extremely critical. Because of the shortage of steel scrap its price is skyrocketing. For example, between August 1, 1973 and October 31, 1973, the price of steel scrap rose 40 percent. By mid-December 1973, it had jumped up another 40 percent! Steel scrap is as vital to the steel industry as it is to the gray and malleable iron industries; it accounts for about 85 percent of the raw materials used in the production of ferrous castings.

A very substantial contributor to the scrap shortage, with its resultant inflationary price spiral, is exportation. Foreign countries, particularly Japan, have made it clear that they will continue to import large quantities of steel scrap from the U.S. because it is the only major industrial nation who permits the export of this essential raw material. We are back in the same type of short scrap situation that created such a chaotic condition in the 1969–70 period.

Charles Hood of the American Steel Foundries division of Amstead Industries, in his November 19, 1973 letter to Congressman Philip M. Crane of Illinois, said that "each ton of scrap exported must be replaced with 1½ tons of ore (some of it imported), 1 ton of coke, and ½ ton of limestone. This is an irreversible depletion of resources.

"Further that each ton of ore requires 12.5 million Btu of energy for conversion in excess of that required to process scrap (18 million for ore versus 5.5 million for scrap), and that generating the needed energy to replace the 12.4 million tons of scrap, which will be exported this year, will require 155 billion Btu." He stressed the point that "this much energy would require 25.5 million barrels of oil or 150 billion cu. ft. of natural gas."

I've explained what problems confront the metal casting industry. I have touched on some of the things the industry has done and is doing to make it mode viable.

In his September 1973 talk to the cast metals federation, Mr. Cole concluded his remarks with this highly pertinent admonition. "Perhaps the most important things for us to realize is the rapidity of change in manufacturing . . . in economic conditions . . . and in social concerns. You and I must either anticipate and direct those changes . . . or be their victim. We must be prepared for tomorrow or be left with yesterday's buildings . . . and yesterday's management philosophy. This is both our challenge and our opportunity.

Important as these factors are, they are not the most important. Management is. It is the guts of any business. The day of the bull-of-the-woods manager is past. Some managers are finally realizing that they share the constraints of other contemporary industries. Namely: Tough competition, increasing product demands, and smaller profit margins. We need good businessmen in all levels of management. Trained managers and good employees are increasingly hard to come by; consequently, management must provide training opportunities.

In conclusion I shall list some ways the Congress can help this vitally needed but troubled industry.

Special interest groups are dirty words in Washington, but is the interest of our national economy and our national defense special? *Sure it is special,* because that interest is so vital to our national wellbeing.

We must help Congress understand how tax incentives, such as the investment credit, will assist in modernization and in meeting the cost of OSHA and the elimination of air and water pollution.

Perhaps incentives for retraining of employees whose skills are obsoleted by modernization and facilities to meet State and Federal regulations can help to reduce plant closings.

Perhaps incentives for the initial training of new employees for additional capacity will enhance capital for such an investment, remembering that in both cases we train underprivileged or minority groups.

Perhaps incentives for the start-up modern facilities—encourage spending of dollars for additional capacity.

Understand the effect of health insurance, social security, and other legislated employee benefits on the company as well as on the employee.

Understand the effect that OSHA and EPA standards have and are having on us. That such legislation did increase foundry closings and continues to be a major factor in foundries closing.

Congress should understand the effect of energy shortages and rising costs on employment and profitability. Congressmen, not understanding the cost and technology required to reduce our current energy requirements, could unwittingly cause additional foundries to close.

Understand the effects on American business of price and wage control.

Understand the effects on American business caused by the export of basic raw materials.

Finally, the Congress may well have to decide whether the trend to fewer small independent foundries in favor of large captive integrated operations and the large conglomerate holding company, as a horizontal operation, is in the best interest of our country.

You will readily note that the listed items fit to perfection the saying . . . "It's easier said than done." However, in areas requiring foundry expertise and/or general industry data, the members of the Cast Metals Federation, will effectively respond to your inquiries. To this end, we shall increase our efforts to become better acquainted with you and to better acquaint you with our problems in areas where you can be helpful.

Thank you for joining us this morning. Your presence reflects your concern.

Third Annual Cast Metals Federation Governmental Affairs Conference Program

TUESDAY, FEBRUARY 19

9:00 a.m.: Registration, East Corridor.

Ladies Hospitality Suite Opens, LaSalle Room.

10:00 a.m.: Meeting—State Chairmen, Lafayette Room.

12:00 p.m.: State Chairman Luncheon, Monet II Room (2nd floor).

1:00 p.m.: General Session, Ballroom; Conference Overview—Daniel L. LaMarche, Jr., General Chairman, President, American Malleable Castings Co., Marion, Ohio.

1:15 p.m.: "Proposed and Current Legislation of Importance to the Foundry Industry."

Moderator—Walter Kiplinger, CMF Washington Representative.

Panelists—U.S. Chamber of Commerce:

William P. McHenry—Manager, Economic Security;

Andrew A. Melgard—Director, Private Pension Programs;

Brockwel Heylin—Attorney, Labor Relations;

Reuben D. Siverson—Group Manager, National Economic Development Group;

John J. Coffey—Director, Natural Resources Committee.

Robert R. Statham—Manager, Taxation and Finance.

3:30 p.m.: State and Regional Caucuses.

Break out sessions by state and region for final preparation of position statements for presentation and discussion with Congressmen.

Wisconsin, Degas Room (2nd floor).

Pennsylvania, Lafayette Room (Main Floor).

Indiana, Charles Room (11th Floor).

Illinois, Montcalm Room (Main Floor).

Ohio, Monet II (2nd Floor).

California, Washington, Renoir I (2nd Floor).

Michigan, Pierre (11th Floor).

Specific room assignments for the other states and regions will be announced.

6:30 p.m.: Industry Reception, Ballroom.

7:30 p.m.: Industry Dinner, Ballroom.

Speaker—The Honorable Robert P. Griffin, United States Senate.

WEDNESDAY, FEBRUARY 20

8:00 a.m.: Congressional Breakfast, Ballroom.

Chairman—Daniel L. La Marche, Jr.

Keynote Address—Charles E. Drury, President, Hayes Albion Corporation, Jackson, Michigan.

10:00 a.m.: General Session.

"The Administration's Policy on Scarce Material Exports", Ballroom.

Chairman—Robert Schumo, President, Pennsylvania Steel Foundry & Machine Co., Hamburg, Pennsylvania.

Speaker—Peter M. Flanigan, President's Council on International Economic Policy.

11:00 a.m.:

"Update on the Economic Controls Program", Ballroom.

Chairman—Walter O. Larson, President, Larson Consolidated, Inc., Grafton, Ohio.

Speaker—James McLane, Deputy Director, Cost of Living Council.

12:00 Noon to 2:30 p.m.: This period was set aside as free time for scheduling appointments or visitations with Congressmen or agency representatives. It may still be used as such.

However, for those who have been unable to secure such appointments—and have a prime interest in the subject—we have been able to secure a commitment from Dr. Floyd Van Atta, OSHA's Chief Industrial Hygienist who will discuss present and proposed standards on Noise, Heat Stress and Dust from 1:00 p.m. until 2:15 p.m. This session will be in the Charles Room on the Eleventh (11th) floor.

Industry Specialists who will discuss these areas with Dr. Van Atta are—

Robert Korevec, Chairman, Intersociety Safety & Health Committee.

John Shockley, American Foundrymen's Society.

Rudy Zillmann, Steel Founders Society of America.

William Ferguson, Gray & Ductile Iron Founders' Society.

2:30 p.m.: "The Consumer Product Safety Act—Its Implication to our Industry", Ballroom.

Chairman—Eckard Von Estorff, Secretary, Motor Castings Company, Milwaukee, Wisconsin.

Speaker—Constance Newman, Commissioner, Consumer Product Safety Commission.

3:30 p.m.: "Occupational Safety & Health Update", Ballroom.

Chairman—Robert Eck, President, Eck Foundries, Inc., Manitowoc, Wisconsin.

Speakers—The Honorable William Steiger (R., Wis.).

Howard J. Schulte, Deputy Assistant, Secretary of Labor, U.S. Department of Labor.

5:00 p.m.: Adjourn.

6:30 p.m.: Legislative Reception, Ballroom.

7:30 p.m.: Legislative Dinner, Ballroom.

"The Metal Casting Industry and Our Industrial Economy".

Chairman—Daniel L. LaMarche, Jr.

Speaker—Donald Moll, President, Minneapolis Electric Steel Castings, Minneapolis, Minnesota.

THURSDAY, FEBRUARY 21

7:30 a.m.: State Chairman Breakfast, Lafayette Room.

8:30 a.m.: General Session, Ballroom.

"Taxation—Legislative Considerations".

Chairman—Robert Schumo, President, Pennsylvania Steel Foundry & Machine Co., Hamburg, Pennsylvania.

Speaker—The Honorable Herman T. Schneebeli (R. Pa.), Ranking Republican, House Ways and Means Committee.

9:45 a.m.: "Energy and Material Shortages", Ballroom.

Chairman—Forst Robertson, President, Keokuk Steel Castings, Div. of Kast Metals Corp., Keokuk, Iowa.

Speakers—

Energy—Robert E. Shepherd, Director, Office of Energy Programs, U.S. Department of Commerce.

Robert Knisley, Special Assistant For Regulatory Review, Federal Energy Office.

Materials—Francis E. Brantley, Acting Chief, Ferrous Division, Mineral Supply, Bureau of Mines, U.S. Department of Interior.

Norman A. Matthews, Bureau of Mines, Department of Interior.

12:30 p.m.: Adjourn.

Special Note: The Marquette Room, adjacent to the Ballroom, will serve as Press Headquarters and CMF staff headquarters throughout the period of the Conference.

LADIES PROGRAM

TUESDAY, FEBRUARY 19

9:00 a.m. Registration, East Corridor.

Ladies Hospitality Suite Opens, La Salle Room.

6:30 p.m.: Industry Reception and Dinner, Ballroom.

WEDNESDAY, FEBRUARY 20

8:00 a.m.: Ladies Hospitality Suite Opens, La Salle Room.

9:00 a.m.: Tour leaves for Kennedy Center, Embassy Row, National Cathedral. Luncheon at the Carriage House in Georgetown, followed by a tour of the newly decorated Australian Embassy. Return to hotel at 4:30 p.m.

6:30 p.m.: Industry Reception and Dinner, Ballroom.

THURSDAY, FEBRUARY 21

7:00 a.m.: Ladies Hospitality Suite Opens, La Salle Room.

7:30 a.m.: Buses leaves for Special VIP Tour of White House (limited to 50 persons).

Guided bus tour of Washington's most popular sights. Visitation of Alexandria—the nation's old incorporated town—and of Mount Vernon. Return to hotel for Conference adjournment at 12:30 p.m

Reservations for the Special VIP Tour will be on a first come, first serve basis For those ladies who cannot or do not wish to go on the VIP Tour, the buses will be returning to the hotel at 9:15 a.m. They can join the group for the tour of Alexandria and Mount Vernon.

SUTTON CALLS FOR CAMPAIGN FINANCE REFORM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. RANGEL. Mr. Speaker, if we can believe that Watergate has had its positive side, it would certainly be in the interest that has developed over the needed reformation of our system of financing political campaigns. Hopefully, we are moving toward some kind of public financing system for our political endeavors.

In a speech before the Citizens Union and the City Club of New York, Manhattan Borough President Percy E. Sutton recently put forth a cogent program for the total public financing of political campaigns. I would like now to place the full text of Mr. Sutton's speech in the RECORD for the attention of my colleagues.

SUTTON CALLS FOR CAMPAIGN FINANCE REFORM

I want to thank the City Club of New York and the Citizens Union for your very dedicated effort to develop a workable program for the reform of campaign financing. And I would also like to commend our municipal radio station, WNYC, for broadcasting this hearing live today.

I support the full and *exclusive* public financing of all political campaigns. I have supported this concept ever since it first came to my attention during my two (2) terms in the New York State Assembly.

In the mid 1950's, a group of people active in the Civil Rights movement including the distinguished Vice Chairman of the Democratic National Committee, Basil Paterson, the now Congressman Charles B. Rangel, myself, and others, decided that we should move into direct political involvement. We discovered quickly that the deck was stacked against us. We learned swiftly that as insurgents, the Board of Elections *and* the Courts would automatically rule against us. We also learned that the cost of running for public office is enormous.

For 11 years in Central Harlem, either I, or someone I supported, ran for either District Leader or State Assembly. And for 11 years, the voters of Central Harlem, in their good judgment, rejected us. During this period, in order to finance my campaigns, I went deeply into personal debt. I borrowed from my family; I mortgaged my home, and I sold off personal property.

Our opposition, enjoying all of the advantages of incumbency in raising campaign funds, had no such problems. Candidates for public and party office should not have to make the kind of financial sacrifice that we were forced to make in order to break through.

In a democratic system of government, those who hold public office should be obligated only to the voters. But the system by which campaigns are financed in this country creates obligations to wealthy interests, obligations that are often in conflict with what the vast majority of people want and need.

Throughout all of American history, wealthy individuals, and groups, have been able to obtain special favors from government. But, in recent years, several trends in our society have combined to make elected officials more dependent than ever before upon those who have the financial resources to underwrite campaigns.

First, because of civil service reforms, higher levels of education, and the advent of electronic communications media, our system has moved from a politics dominated by powerful political organizations to a politics characterized by the "cult of personality."

In the past, even if a candidate lacked great wealth or wealthy backers, he could win elections with the support of a political machine which, fueled by patronage, had the manpower and the money necessary to attain victory. Today, the powerful organizations are dead or dying, and a candidate must create a campaign organization from scratch at great financial cost.

Second, for major public office, the way of reaching voters with the greatest impact, is through radio and television. The costs of election media time are enormous and have caused a vast increase in the amount of money necessary to wage an effective campaign.

And finally, a society becomes more complex and government becomes involved in more areas of the economy, it has become increasingly important to vested interests to protect themselves by controlling elements of government—a classic example of this is the publicly acknowledged role of the milk industry in the 1972 Nixon presidential campaign.

And so it is that campaign financing has become the most significant mechanism for translating and transforming wealth into political power. The problem is institutional, and the recent disclosures of campaign finance abuse by Mr. Nixon are not a bizarre aberration, not an isolated example, and not a set of practices limited to one election, to one office, or to one party—they are symptomatic of the norm in our system.

I know that all of us here today are in agreement that some form of public finance of campaigns is necessary. I will now move to discuss my own views on political campaign financing reforms.

A political campaign can be best analyzed if we think of it as a *communications process*. A candidate makes use of a variety of communications media for the purpose of transmitting to voters information about his or her *character* and *personality, positions on issues, background* and *qualifications*.

In most campaigns, the vast majority of campaign expenditures go for the purchase of communications media and for the preparation of the message to be transmitted by the media. The bulk of money is spent on radio time, television time, newspaper space, billboard space, direct mail postage, and telephone calls.

In advocating public financing of political campaigns, what we are *really* calling for is a guarantee of equal access to the various communications media without the necessity of private payment for that access.

This point is *important*, and I stress it in order to suggest that *some* of the goals of public financing of campaigns can be achieved *without direct allocation* from the public treasury. If we can minimize the direct allocation of tax dollars for campaign purposes, we can broaden the base of support for the reforms we seek.

One area where there should be no necessity of public expenditure is in the allocation of radio and television time.

TV AND RADIO

The highest expenditures in the national presidential campaigns, in state-wide and city-wide races, and in legislative races for areas of low population density is for the purchase of television and radio time, mostly in the form of 30 to 60 second spots.

I propose that Congress pass a prohibition of the *purchase* of radio and TV time on behalf of a candidate. Instead, there would be a legislatively mandated allocation of free time to all candidates for those offices for which it is reasonable to use television or radio in a campaign.

It is reasonable to require that this time be provided by radio and television stations as one of the requirements for their exercise of the privileges granted to broadcasting stations in the issuance of a license by the F.C.C.

In granting broadcast licenses, the Federal government, on behalf of the citizens of the United States, confers a monopoly privilege valued often in the hundreds of thousands, or millions of dollars. In return for that license, stations are required to devote part of their programming to "public affairs." And it is altogether sensible to expand the public affairs requirement to include political campaign time.

Of course, this time would be in addition to the exposure given to candidates during regular news programs, debates, and talk shows.

Let me elaborate on how such a mandatory time allocation might work.

First. Congress might require that for all statewide offices and for every other public office where residents of a district comprise at least 15% of a station's market area, free time must be provided to candidates. (This formula is arbitrary and represents an attempt to establish some kind of reasonable limits on the number of offices which would be entitled to free time . . . a variety of other formulas is possible.)

Then, state legislatures would be responsible for establishing a scale of the amount of equal time allotment for each eligible office, such allocation to be subject to F.C.C. approval as to "reasonableness."

Radio and TV time could be allocated in segments of specified duration ranging from one minute spots to one half hour programs; also it could be specified that a certain percentage of the media time be during prime hours.

Complaints regarding fairness of time scheduling by stations would be adjudicated by a State Fair Campaign Practices Commission. Violations of fairness would be grounds for license removal by the F.C.C.

DIRECT MAIL SUBSIDY

Direct Mail is another major area of campaign expense, and Direct Mail is the only medium of communication that, no matter what the office, can reach virtually every voter within a particular electorate.

Because of the importance of direct mail as a means of campaign communication, I propose that Congress establish a "Franking Privilege" a free mailing privilege for all candidates for public and party office.

Every candidate who is also entitled to free television campaign time would also be entitled to one franked campaign mailing. All other candidates (in other words, those who lack high access to voters through the electronic media) would be entitled to three free mailings.

Mailing costs have two major components. The greatest cost is the postage. The other component is printing. I would establish a limit of perhaps 6¢ per mailing per voter on the combined expense of printing, typesetting, mail house, and creative costs.

OTHER CAMPAIGN COSTS

Other campaign costs should be handled according to the excellent proposal advanced by the City Club.

All campaign expenses should be paid directly by the various governmental bodies according to a voucher system. A voucher system would discourage candidacies by those people who might seek to use funds allocated for campaign purposes for their own personal benefit. Each candidate should receive a total allocation which cannot be exceeded, an allocation based on population in the general election and party enrollment in primary elections.

I would guess that about 30¢ per voter might be a reasonable amount, assuming that electronic media and postage costs would not be included in the amount.

No additional contributions of any kind ought to be permitted.

ACCESS TO THE BALLOT

Finally, I would like to address myself to one of the most difficult questions in formulating a program of public financing of election campaigns—and that is how best to prevent the ballot from becoming flooded by candidates, while at the same time preventing an unfairness to independent candidates.

It would be unfair and undemocratic to provide *"minor"* party or "independent" candidates with less funds, or less media time, than *"major"* party candidates. All candidates for a given office must be able to compete on an equal basis.

On the other hand, since a major goal of public finance of campaigns is to substitute the power of public support in place of private financial power in determining the outcome of elections, it is reasonable that any candidate for office be required to demonstrate a sufficiently large base of public support as a pre-requisite to appearing on the ballot. This, to prevent use of an invalid and "unreal" or insincere candidacy as a public attention-getting device.

To guarantee that all candidates appearing on a ballot have a constituency. I would propose that the requirement for qualifying a candidate for public or party office be a sufficiently large number of signatures on a petition.

Too, it is important that the signatures on petitions *genuinely* represent a base of public support. Therefore, I would propose that the law expressly forbid the payment of workers employed in the collection of petition signatures. Significant violation of this law should be grounds for disqualification of a candidacy.

There are some who say that a system of public campaign finance will institutionalize the advantages enjoyed by incumbents . . . advantages which under the present system can be overcome by a wealthy challenger.

This is indeed a problem. It is a complex problem that must be given great study to determine all the answers. However, as a start, I would minimize the advantages of incumbency somewhat by limiting by law the number of subsidized mailings and media exposures allowed to public officials in the six month period before an election.

I have today outlined a variety of suggestions for reforming the system of campaign finance. While there are many first steps which can be taken toward public finance of campaigns by State and Local levels of government, the total overhaul of the system is dependent upon Congressional action. I am confident that these hearings and the good work of the City Club of New York and the Citizens Union represent an important first step toward the day when Congress will act so that all candidates might fairly compete for public office without regard to personal wealth and free of commitments to wealthy, personal and organizational interests.

Thank you.

DISCRIMINATION PRACTICED AGAINST VETERANS

HON. WILEY MAYNE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. MAYNE. Mr. Speaker, on February 19 the House with my support passed H.R. 12628, a bill which increased the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons, and to make improvements in the veterans' educational assistance programs.

This legislation provided very important and well-deserved benefits for the present generation of veterans, and I am hopeful that the Senate will speed it to early enactment.

However, in extending and improving benefits for these veterans who served more recently, we must not forget those who have served in other wars and periods of hostility, with no less honor and personal sacrifice.

The veterans of World War I had no GI bill awaiting their return from the trenches or the sea, there was no veterans educational assistance bill. Compensation of sorts was provided those who had service-connected disabilities, but those veterans who became disabled with nonservice-connected disabilities receive very limited pensions, pensions which are reduced or even cut-off entirely if the veterans' earned income exceeds a maximum level set forth in the statute.

Under the Veterans' Pension Act, even social security benefits are counted as part of the outside earned income of the veteran in determining whether he had exceeded the maximum level during the previous calendar year and should therefore suffer reduction or loss of pension. If a disabled veteran is fortunate enough to also receive social security benefits, an increase in his social security benefits enacted by Congress or automatically made because of increases in the cost of living may well cause his "earned income" to so exceed his maximum that his veterans pension is reduced or lost, and his aggregate income is lower than before the social security increase was put into effect.

Certainly this cannot have been the intent of Congress, to so discriminate against our senior citizens who receive social security benefits and who happen to be veterans with nonservice connected disabilities. Our veterans deserve to see their standard of living be maintained with the rest of our older Americans.

I personally do not believe social security benefits should be counted in computing veterans pensions. They are both retirement incomes which the recipient has earned for two different reasons—somewhat comparable to qualifying for two pension plans from two separate companies.

On February 28, 1973, over a year ago, I introduced H.R. 4965, to remedy this deplorable situation. This bill would amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits. My bill provided that in determining the annual income of any person for purposes of determining his continued eligibility for, and the amount of, pension payable under the Veterans' Pension Act, the Administrator of Veterans' Affairs shall disregard any part of the social security benefit increase the person received under section 201 of Public Law 92-336—which provided the 20-percent increase in benefits—or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act.

Since I introduced H.R. 4965, the Congress with my support has enacted two further increases in social security benefits, to take effect in two stages this year, Public Law 93-66 and Public Law 93-233. I have therefor today reintroduced this legislation, revised to provide further that the social security benefit increases received under section 201 of Public Law 93-66 and under sections 1 and 2 of Public Law 93-233 shall also be disregarded by the Administrator of Veterans' Affairs in determining the annual income of the veteran or other person for purposes of determining his continued eligibility for veterans' pension.

In the meantime, I cosponsored legislation which would provide some interim relief, H.R. 2687, introduced on January 23, 1973. That bill would have raised by $600 the limit on income which a veteran could earn without losing his pension, and would have increased the benefit formula for computing veterans' pensions. That interim legislation would have in effect permitted the veteran or his widow or child to retain the pension despite the 20-percent increase in social security benefits enacted in 1972.

At the time I cosponsored introduction of that legislation, it was estimated that unless this or other remedial legislation were soon enacted, more than 20,000 veterans would have lost all their veterans pension because of the 20-percent increase in social security benefits. Some 1.3 million veterans and widows would have seen their pension reduced by an average $8.71 monthly, 22,827 single veterans would lose an average of $12.14 per month, 466,948 veterans with dependents would lose an average $9.46 per month, and some 525,000 veterans' widows would lose approximately $6.35 monthly. These amounts may not seem very much to some, but when an elderly couple is living on a shoestring budget, as are many veterans, this small amount can make a big and tragic difference. In many cases, the veteran might be better off had the 20-percent social security increase not been enacted.

The House Veterans' Affairs Committee finally recognized this problem and held hearings on my bills H.R. 2687 and H.R. 4965, and on related bills introduced by other colleagues, on June 12 through June 19, 1973. As a result of those hearings, the House Veterans Affairs Committee drafted a clean bill, H.R. 9474. I was disappointed that this legislation did not go as far as I had proposed, but it was a significant step in the right direction. I had introduced identical legislation H.R. 9516 on July 24, and supported the House passage of H.R. 9474 on July 30. After some amendment by the Senate, this legislation was signed into Public Law 93-177 on December 6, 1973.

This new legislation, which took effect January 1, 1974, increased non-service-connected pensions by not less than 10 percent. A new formula was provided for payments of pensions to veterans and widows—or dependency and indemnity compensation, DIC, in the case of dependent parents of deceased service-connected veterans—which was intended to preclude loss of aggregate income when a beneficiary receives an increase in income—including social security benefits—from some source other than pension or DIC—providing such increase does not place income above the maximum annual income limitations.

This legislation helps, and is a great improvement over the preexisting law. The House Veterans' Affairs Committee was deservedly commended for reporting this legislation. However, it does not go far enough. It does not sufficiently increase the maximum limitation upon earned income before a pension is reduced or lost, and it still includes social security increases in the computation of annual income from outside sources. Although the bill should prevent a veteran from losing his pension or having it so reduced that his aggregate income would fall as a result of his receiving an increase in social security benefits, it does not allow him to receive any benefit from social security benefit increases if he was already in upper-income limits as far as his veterans' pension is concerned. In effect, such a veteran's aggregate income of veterans' pensions plus social security benefits is frozen, while other senior citizens receive social security benefit increases because of increases in the cost of living.

I urge the House Veterans' Affairs Committee to recognize this problem, and to complete the job, by taking early action on the bill I introduced today. Let us end once and for all the discrimination practiced against veterans as far as social security benefit increases are concerned. America's veterans deserve no less.

NATO, THE UNITED STATES, AND FORCE REDUCTIONS

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HOGAN. Mr. Speaker, there is concern among many people regarding the U.S. troop involvement in Western Europe.

In the December issue of The Officer, Marvin Leibstone a member of the National Security Affairs Forum and Dr. James Dornan, director, department of politics, Catholic University, wrote an article which gives a broad perspective of the situation. I recommend it for the benefit of all my colleagues.

The article follows:

NATO, THE U.S., AND FORCE REDUCTIONS

The following article was written for The Officer by Marvin Leibstone, a member of the National Security Affairs Forum sponsored by the Capitol Hill Chapter of the Reserve Officers Association, and Dr. James Dornan, Director, Department of Politics, Catholic University.—Ed.

Recent events have again proved that the United States has a world power interest in NATO. Peace must be sustained in Europe and the Middle East if the Americans are to survive. Mediterranean access routes are now as important to U.S. oil imports as they are to Europe. Freedom and strength in other nations are as significant to U.S. policy today as is domestic power.

Our contributions to NATO pay for the fulfillment of a larger national interest than is opted for the smaller NATO nations. This does not mean we should be paying what we are; it is obvious we are paying too much at a time when our economy is unstable. It does mean our contributions are not so out of proportion we should liquidate half without considering the effects liquidation would have on the rest of the alliance.

Western Europe has grown affluent because of a U.S. presence. The NATO allies realize this and know that their contributions to the alliance should increase. To eliminate dependency on the United States, several of the allies formed the European Development Improvement Program (EDIP) in 1970. Although the aggregate of funds and resources this program delivers is but one percent of the $24 billion all the NATO countries provide annually, it is a step toward increased burden-sharing. By encouraging protracted development of this program, the U.S. can insure greater European assumption of the burden.

Some critics favor larger European increases now. But such would be dangerous. European nations, more affluent than in the past, still have unique social and political problems which drain a sizeable portion of their respective GNP's. If NATO were to strain their economies, the domestic security they have gained would diminish. Contributions to NATO made by European nations must not imbalance their individual efforts in economic, industrial or agricultural development. NATO could not survive if sufficient tranquility did not exist in each member-country.

At NATO's 1971 Ministerial meeting, European allies pledged a $1 billion contribution. It cannot be said the allies are deliberately avoiding burden-sharing.

MBFR AND SALT PROVIDE FOR BILATERAL REDUCTION

Greater European burden-sharing lies within negotiations with eastern Europe for Mutual and Balanced Force Reductions (MBFR). Should Russia and the United States agree during such talks to lower troop sizes considerably so that parity between East and West minimizes threat to either side, then it will be easier for the United States to shorten the buck and for free Europe to assume a bigger NATO share.

MBFR is complex. Because the Warsaw Pact is superior to NATO in numbers, force reductions between East and West could not be on a one-for-one basis. Specific ratios would have to be established. One retrieved western unit may seem less than five eastern units, yet quantitatively the West could reduce a more valuable military force. For MBFR to work, when it is completed both sides must be equally as strong or weak. If one side is superior, MBFR will have been a hoax.

A second factor impacting on NATO viability is SALT, which should affect the minimum number of fighting divisions Russia and the United States would provide on European soil. A purpose of NATO is not only to repel or eject an enemy but also to prevent governments from having to rely on nuclear weapons to do the same job, but more devastatingly. If NATO has weaker and fewer conventional forces, and the Warsaw Pact nations attack, it would have no choice but to trigger tactical nuclear weapons. Neither Russia nor the U.S. wants this; it is better to maintain sufficient forces to meet aggression at the conventional level, to view nuclear devices as last-resort measures.

It should be obvious that immediate unilateral reduction of U.S. forces in Europe would nullify the effectiveness of SALT. The Warsaw Pact would find itself with a secure margin of strength. The U.S. would not have a large enough stick to carry while speaking softly in favor of arms limitations.

The willingness of the Soviet Union to negotiate SALT and MBFR indicates a desire to divert future confrontation. If this willingness were Russia's sole expression in the European arena, we might be justified in seeing détente as a lasting possibility. However, as the Soviet Union expresses willingness to negotiate, they also increase military power.

Russia's naval forces in the Mediterranean have grown tenfold. They have moved ahead of the United States in the field of attack submarines. They have enough surface ships to gain control of access routes that are used for shipment of oil to Europe. As to land forces, the Soviet Union moved troops west of the Ural mountains to facilitate entering a European theatre.

NATO BARELY HOLDS POWER MARGIN

General Andrew Goodpaster, Supreme Allied Commander, Europe, stated that NATO holds "a barely sufficient margin" in the balance of military power. NATO's claim to a superior edge lies in strategic nuclear force and the presence of U.S. troops, but data collected by Great Britain's Institute for Strategic Studies have shown that the Warsaw Pact has grown in size and improved in quality, especially in nuclear terms. This is sufficient reason for the U.S. to sustain its present European force levels.

Unilateral reduction of U.S. forces would serve the Warsaw Pact a significant military advantage. NATO allies, at this moment in history, are not prepared to fill the vacuum in power that the U.S. would leave. Unilateral reduction—a possible instrument for forcing the allies to pick up a greater share of NATO's economic and manpower burden, and a tool for reducing a U.S. balance-of-payments drain—would make Warsaw Pact nations stronger and capable of revisionism through military force.

By negotiating for MBFR and forgetting, for now, unilateral reduction, the U.S. would allow its European allies to prepare for increased burden-sharing along a realistic time scale. If those who are now building support for unilateral reduction succeed before MBFR gets off the ground, détente may never actualize; permanent peace in the European arena may never be.

Along with the holdout, so-called male chauvinists, they have their champions. One is Rep. Pierre S. duPont of Delaware, who has introduced H.R. 10705 which would alter sections of the U.S. Code in order to allow women to be admitted to the three service academies. The ultimate purpose of West Point, Annapolis and the Air Force Academy is, of course, to train officers for combat command.

Observing that these academies should be moved "into the 20th century," Congressman du Pont noted that women's role is expanding rapidly as the military moves toward its all-volunteer goals.

"By June of 1978," he said, "their total objective is to have some 45,000 enlisted women and officers . . . women's role in the armed forces is increasing, not only in terms of sheer numbers, but also in terms of occupational and career opportunities available to them.

"In view of the changing facts on the role of women it is ridiculous, wasteful and anachronistic to maintain that the best officer training our nation has to offer should be limited to men only."

The Delaware legislator feels that competition for service academy appointments "would only be enhanced" by allowing women to be eligible. He also does not see why a commission from any one of them necessarily presupposes combat, listing administrative and many other skills and specialties needed in the armed forces.

EXTRA EXPENSE CITED

Secretary of the Army Howard H. Callaway, however, is not in agreement. In a letter to Rep. du Pont, he said that the U.S. Military Academy would have to go to the expense of providing new courses and other "facilities," which in turn would have to be financed by Congress.

Sec. Callaway, a West Point graduate, said he still does not believe women should serve in combat, and therefore training leading to that goal is not applicable to them.

Meanwhile, as the subject is discussed pro and con, the distaff side inches near the front lines. The Army and Navy have placed women in flight training programs aimed at the ferrying of support aircraft, reminiscent of World War II.

A proposed Defense Officer Personnel Management System would involve a legislative package incorporating many of the objectives of Rep. du Pont's H.R. 10705. It would eliminate such bars as Section 8549 of the U.S. Code which prohibits Air Force women from assignment to "duty in aircraft engaged in combat missions."

In World War II, the fairer sex was generally content to "back the attack," whether in uniform or engaged in some civilian pursuit. Not so today. Like their Chinese and Israeli counterparts, women now want to be within earshot of the cannon.

Nonetheless, many wedges have been driven into the old Air Force since all but five combat associated job specialties have been opened up to women, while the same service has appointed a woman, Col. Norma Brown, as the first female commander of a major U.S. men's military unit.

NAVY COMBAT DUTY?

Another part of the contemplated legislative package would wipe out the section barring women from combat duty in the Navy, except in medical support roles.

Cited as well by those who favor an increasingly active role of women in the military is the ROTC, where girls have already made spectacular inroads—30,000 in JROTC, alone, or double last year's female enrollment.

Naval regulations are in the process of revision to permit women to assume command of naval shore stations and women line officers to compete with men for promotion, including the rank of admiral. Presently, they may serve only on hospital ships and transports.

The Coast Guard is not thus far that liberal, not allowing SPARS to serve on its limited fleet. On the other hand, with respect to the American merchant marine, over which it holds some regulatory and inspection control, the Coast Guard has sent tumbling one of the male's most timeless ramparts: the "head," or washroom. Within reasonable bounds of control, they may now be shared on merchant vessels by both sexes.

If this seems invasion of men's domain, what about the recent field training for the 385th Evac. Hosp., Spokane, Wash., in which 10 women have been added to the 170 men?

They attended via truck convoy a two-day overnight bivouac under stringent field conditions. The gals qualified with the M-16 rifle and .45 caliber revolver in addition to such operations as gas mask drill and night compass reading, all topped off by an eight-mile forced march, complete with field pack. . . . watch closely, fellows. The soldier in the next foxhole may be your sister.

HOW THE ENERGY CRISIS CAN AFFECT WILDLIFE

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. RONCALIO of Wyoming. Mr. Speaker, the national gas shortage can have a serious effect on game and fish management. In the event of gasoline rationing, the reduced fuel available for hunters and fishermen could result in wildlife overpopulation.

George Sura, the editor of Wyoming Wildlife, has written an excellent article on the subject in the January issue of the Wyoming Game and Fish Commission publication. I think the article, which follows, deserves consideration:

GAS, GAME AND FISH

(By G. Sura)

The current energy crisis may create a paradoxical turnabout in optimizing recreational opportunity. If—and a big IF is involved—gasoline is rationed across the board or if fuels for "pleasure vehicles" are curtailed by "50 percent," most game and fish departments will suffer more than "temporary inconveniences."

If resident and nonresident sportsmen are unable to reach fishing and hunting destinations this year, the subsequent carryover populations of wildlife from underharvest would be far more dangerous than any imagined danger from theoretical overkill.

Much has been said of the energy crunch and the possible effects it will have on the life-style of people in the densely settled sectors of the East. Though we share concern for our urban fellows, the people of the West will suffer equal—even more severe—penalties during the impending crisis. If the gasoline problem cannot be resolved, game and fish departments will experience a severe paralysis during the prohibition.

Fatalistic sources in Washington have predicted prematurely that parks and other recreational areas may be closed to deter "nonessential" travel and thus conserve gasoline. We are fully aware of the essential significance in protecting "essentials." And we seek no special favors in the current energy crisis. However, it should be stated that unlike products produced by many industries, our product (wildlife) cannot be stockpiled indefinitely until someone comes up with the answers to the energy shortages.

If wildlife populations are allowed to increase beyond established maximum limits, the entire resource may become a perishable commodity; moreover, rangelands can be destroyed from severe overpopulation—it could take years to regain full recovery of the plant communities. (Many Wyoming game managers still recall the problems we had when pronghorn overloaded ranges just before the recreational movement got underway.)

The mere thought of drastic underharvest will consume any educated wildlifer and knowledgeable sportsman with anxiety. Why? The only practical method of achieving the mandatory harvest is with a full cross section of resident and nonresident sportsmen.

It is impossible to predict what may evolve from the present fuel shortages. But it would be in violation of logic to take the problem lightly in view of the large wildlife populations we have in our state. Considerable achievement and years of effort could conceivably be destroyed if we do not partake in the annual take.

Recreation may have little importance in any crisis when adjustments are made to protect "essentials." Therein lies a false connotation, however. In spite of the associated pleasures that go with fishing and hunting activities, there is essential pertinence in the scheme of things; the only way we can maintain the wild resource is through the program of annual cropping. Now, when so many Americans crave the opportunity to fish and hunt, it would be ironic indeed if our wildlife should become endangered by a bizarre turn of events that would force the perishables to "freeze on the vine." Aside from any self-interest and the sportsmen's pleasure, we must consider the far-reaching effects that gas rationing would have on our wild populations in all remote areas distant from our people centers. It is in these backcountry regions where North America's largest wildlife populations have receded to establish last strongholds.

Just how Wyoming will adjust to the energy crisis is probably beyond official conjecture at this writing. We may be forced to tough it out and lick the wounds of waste—biological, financial and illogical waste. If any pertinent announcements are forthcoming, Wyoming Wildlife will publish the information as soon as feasible.

Meanwhile, let us proceed under the assumption that we will fish and hunt as usual. The best way to conserve body energy is to remain mentally cool. We have faith in the technological genius of our country; we have reason to believe that our political leaders are aware of the significance of a rich, full harvest; and we also believe that a workable solution more acceptable than gas rationing will be implemented by Washington, and that all people and all areas will be given equal consideration.

We must assure sportsmen of adequate gasoline reserves. It will take countless mobile people to manage the annual harvests. Though precarious, the energy crunch is not hopeless. It will take energetic thought processes and governmental honesty to fill our gas tanks. From this corner, it is not, in all sincerity, a matter of "recreational fun," it is a matter of extreme importance. Our large populations of game and fish must be thinned. Annually!

FERTILIZER SHORTAGE: A GROWING HEADACHE

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. NELSEN. Mr. Speaker, more of my farm constituents in Minnesota are writing to me these days about the serious shortage of fertilizers that has developed in this country, and are deeply concerned about price gouging. Yesterday's Wall Street Journal carried an informative article by David Brand about this whole situation which I wish to insert in the Congressional Record at the conclusion of my remarks.

As the article makes clear, a significant part of our present fertilizer trouble stems from the virtual halt in new fertilizer plant construction and production in the United States. This standstill in turn results from the fertilizer industry's inability to obtain long-term guarantees of supplies of natural gas, the key raw material essential to manufacture nitrogen fertilizer.

In this connection, I would like to point out that I wrote to the chairman of the Communications and Power Subcommittee of the House Interstate and Foreign Commerce Committee over 12 months ago, February 1 of last year. I requested that first priority be given to hearings on petroleum and natural gas problems with the objective of finding better legislative ways to stimulate domestic fuel production. There has been some recent indication that these hearings may be held, centering on proposals to stimulate natural gas exploration and production, and I am encouraged by this possible development.

But additionally, over the last couple of years I have repeatedly urged the Agency for International Development to suspend all tax-supported fertilizer exports until domestic needs have been met. AID-financed fertilizer shipments increased from 640,879 metric tons in 1971 to about 959,000 metric tons in fiscal 1973, an increase of 48 percent. About two-thirds of the 1973 shipments appear to have been purchased from U.S. supplies, rather than from offshore sources, and involved the expenditure of over $90 million tax dollars.

Originally, AID estimated that its fertilizer program for fiscal 1974 ending on this June 30th would run at about the 1973 level. However, an AID official advised our office yesterday that difficulties in obtaining various fertilizers since last October may well alter that estimate substantially. We were unable to obtain any information at all from AID about the projected size or cost of this program during fiscal 1975 which begins on July 1. But the point should be made again that this program is apparently being continued at a time our own farmers are desperately short of fertilizer needed to boost food and feed supplies for America and other nations throughout a hungry world.

Over recent months, it might also be noted that I have made other suggestions to the Cost of Living Council and the Commerce Department in an effort to help find further ways to alleviate the fertilizer shortage. Most recently, we have asked Mr. Gary Cook, Acting Deputy Assistant Secretary for Competitive Assessment in the Commerce Department and the head of the Government task force assembled last October to deal with the fertilizer shortage, about the feasibility of establishing an allocation program for fertilizer. We hope for a response soon.

But to sum up, a variety of Government actions and inactions seems to have contributed to the fertilizer shortages that we face over the next few years. One alarming outgrowth of this situation has been evidence of price gouging. There is no justification for charging $300 a ton for anydrous ammonia, according to Edwin Wheeler, president of the Fertilizer Institute. If this sort of profiteering is found to be widespread, it is obvious that the Cost of Living Council will have to establish machinery designed to keep retail prices within reasonable limits.

The Wall Street Journal article follows:

FERTILIZER INDUSTRY WARNS OF A SHORTAGE; FOOD PRICES MAY GO HIGHER THAN PREDICTED

(By David Brand)

The U.S. is fast running out of the ability to increase its production of nitrogen fertilizer, the stuff that helps produce bumper crops of corn, wheat and cotton. Many experts are predicting a shortage of the fertilizer this year.

As a result, even though farmers are bringing millions of acres back into production, the huge crops that some people have been counting on to bring down soaring food prices may not be quite so huge after all.

How great a shortage of nitrogen fertilizer threatens seems to be anyone's guess. Some fertilizer producers say the U.S. will be short about 5% of its total needs. The Fertilizer Institute in Washington, the producer's trade group, says the shortage will be more like 15%, or three million tons. Corn yields, alone it says, will fall 20 million to 25 million tons short of requirements as a result. On the other hand the U.S. Department of Agriculture's chief economist, Don A. Paarlberg, while agreeing that production of nitrogen fertilizer is running full out," accuses the fertilizer industry and farmers of "magnifying their estimates of need." He says, "Crop production won't be crippled this year."

An attempt to determine the truth of the matter begins today when Sen. George McGovern's Agricultural Credit and Rural Electrification Subcommittee opens hearings in Washington on the fertilizer situation.

Fertilizer industry leaders are expected to tell the panel that the prospect is for even higher food prices than have already been predicted. If less fertilizer is used, and becomes less productive. The lower the supply of a grain, the higher the price. Higher wheat prices mean higher bread prices. Higher corn prices mean higher meat prices because livestock producers buy the corn for feed.

A TWOFOLD PROBLEM

The reason for the fertilizer problem is two-fold. First, there was an oversupply of fertilizer until a year ago; as a result construction of new fertilizer plants virtually halted. Second, now that it has become apparent that new fertilizer production is needed, the industry says it can't build new plants because it isn't able to get long-term guarantees of supplies of natural gas, a raw material essential for the production of nitrogen fertilizer.

Because of the fertilizer situation, crop forecasts for 1974 may be far off, the fertilizer industry warns. The Agriculture Department predicts corn production this year of 6.7 billion bushels, up from 5.6 billion bushels, last year. It predicts wheat production of 2.1 billion bushels, up from 1.7 billion. Edwin Wheeler, president of the Fertilizer Institute, says there is simply no way to meet the corn-production estimates (corn uses 55% of U.S. nitrogen-fertilizer production). He says the wheat and cotton estimates are also doubtful.

The corn outlook is worse than the wheat outlook, Mr. Wheeler says. One reason is that when farmers planted their winter wheat last fall "they got the first lick at our nitrogen-fertilizer supplies and have almost preempted the corn farmer," Mr. Wheeler says, "Wheat has already soaked up a lot of our nitrogen-fertilizer supplies."

For the U.S. to meet the domestic demand for crops this year and also to honor its export contracts, the institute says, nitrogen-fertilizer production would have to increase by 16%—which is impossible, because there aren't the factories to do this and imported fertilizer is also in short supply.

3 PERCENT TO 4 PERCENT RISE PREDICTED

The actual increase in U.S. nitrogen-fertilizer production this year will be between 3% and 4%, says the Agricultural Department's Mr. Paarlberg. This is being achieved by "cranking up old plants"—in some cases with only limited supplies of natural gas—running other plants at full capacity "around the clock" and cutting back on fertilizer exports. This extra fertilizer will give the U.S. total stocks of 27 million tons of feed grain by October, Mr. Paarlberg estimates, "which will be enough for our needs."

Mr. Paarlberg attacks the "doleful cries" of farmers and fertilizer producers and says that the claimed shortages are only shortages "of what farmers would like to buy," rather than shortages of what they really need. Crop prices now are so high, he says, "that farmers want to maximize their yields; they want to stock the nitrogen fertilizer on." It is true that as the price of grain rises, a farmer tends to use more nitrogen fertilizer to increase his yields.

But why, asks Donald N. Collins of the Fertilizer Institute, is the Agriculture Department allowing some 20 million new acres of wheat, corn and cotton land to go into production this year "if they don't want farmers to get the maximum possible yields?" He adds, "The Agriculture Department has thrown the farm industry into a tizzy with their planning. Now they're a moving target."

Mr. Paarlberg replies that the fertilizer industry is attempting to "diminish the estimate of supply" in order to increase the price for its product. Already the price for ammonia, a common nitrogen fertilizer, is as high as $120 a ton, up from $60 a ton last October when the Cost of Living Council lifted price controls on fertilizer.

Prices are also rising for phosphate and potash fertilizer, which are used to increase the quality of crops. But it is the nitrogen fertilizer that is essential to producing grain-laden wheat and corn plants.

Nitrogen in its normal state is part of the air we breathe. Factories extract the nitrogen gas from the atmosphere and combine it with hydrogen to make ammonia. The source of the hydrogen is usually natural gas. Ammonia, which is 82% nitrogen, is the basic form of chemical nitrogen and is widely used by U.S. farmers. It can be converted into other types of nitrogen fertilizer, of which urea (about 45% nitrogen) is the most commonly used around the world.

It is so widely used because even developing nations now grow staple crops that are dependent on nitrogen fertilizer; the more nitrogen fertilizer put into the ground, the more grain the plant will yield. Over the past few years the global use of nitrogen fertilizer has been climbing by 9% a year, according to Raymond Ewell, professor of chemical engineering at the State University of New York, Buffalo. But, he says, new fertilizer-production capacity is growing by only 6% annually.

Since 1970 no new plants have been built in the U.S. and only seven have been put up in Europe. The future doesn't look much better. Only six new plants are being built in the West, including just two in the U.S.

James Calvin, a vice president of W. R. Grace & Co., a major fertilizer producer, says the U.S. will have to face fertilizer shortages for at least the next five years. Before manufacturers can decide to build new plants they require assurances of natural-gas supplies over 10 to 15 years, he says, "and right now that sort of guarantee seems unlikely."

YEARS TO CATCH UP

(Nitrogen-fertilizer factories in the U.S. are designed for natural gas so as to employ an especially efficient technology for obtaining hydrogen. Naphtha, a petroleum derivative, could be used instead of natural gas, but the fertilizer would be more expensive; besides, naphtha is also in short supply. Coal could also be used if the factories were redesigned, but the fertilizer produced that way would be still more expensive. Nevertheless, coal is being considered as a raw material by U.S. fertilizer producers on the theory that something is better than nothing.)

Even if the fertilizer industry were assured of adequate supplies of natural gas tomorrow, Mr. Calvin says, it would take several years and substantial investments to catch up with demand. A typical plant producing 1,100 tons of nitrogen fertilizer daily costs about $35 million and takes three years to complete, he says.

So, in the absence of its own new plants the U.S. will be forced in future years to become a major importer of the material, Prof. Ewell says. Last year the U.S. did import 10% of the nitrogen fertilizer it needed, mainly from Venezuela, the Netherlands and Trinidad and Tobago. But this year, the Fertilizer Institute says, imports will be down "simply because the product isn't available; the world-wide shortage is going to hurt us."

The U.S. may be helped by some of the 50 or so nitrogen fertilizer plants now being planned or built around the world. Just about all of them are going up in the developing world and in Communist nations. An enormous building program in Eastern Europe (which is doubling its nitrogen-fertilizer capacity), the Soviet Union and China apparently reflects the sharing of Western plant technology in recent years. But developing nations of Latin America and Africa are putting up plants because many have bountiful supplies of natural gas and oil. Because of this hydrocarbon horn of plenty, a World Bank spokesman in Washington says he believes that these nations will ultimately become a major supplier of fertilizer to the West.

THE CURRENT IRONY

Meanwhile, though, the developing countries are facing overwhelming construction problems, mainly due to lack of capital and skilled labor—that are causing delays of up to three years. And plants already operating are running at less than 60% of capacity because of erratic supplies of electricity.

Thus, ironically, while these nations are preparing future resources, they must rely for today's fertilizer needs on Japan and the wealthy nations of North America and Western Europe, which control the non-Communist world's fertilizer supply.

But the developed nations, which now need all the fertilizer they can produce, are cutting back on their exports (Japan, it is rumored, is cutting off all supplies to Indonesia, India and Pakistan). This has caused the international price of fertilizer to skyrocket. Urea, which 18 months ago was selling internationally for $50 to $60 a metric ton, is now selling for as high as $250.

How did this happen so quickly? A World Bank internal report details the course of events that led to a shortage of fertilizer at a time of peak demand. World fertilizer prices reached their lowest levels in the late 1960s due to an oversupply (between 1965 and 1971 the global supply doubled). This was partly the result of the plant-building boom in the West springing from a technological breakthrough that made new fertilizer plants more efficient and thus more profitable. Because of the oversupply, construction had virtually stopped by 1970.

But in 1971, the report says, a rapid growth in demand began to catch up with supply. At the same time a number of obsolete plants in the West were being closed, further reducing the supply. The inevitable result, Prof. Ewell says, has been the recent "crossover in supply and demand."

DISTURBING TRENDS IN SALT II

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ASHBROOK. Mr. Speaker, SALT I resulted in a seriously weakened U.S. strategic position. With President Nixon's scheduled trip to Moscow in June and with negotiations continuing, it is important that the direction of SALT I be reversed. Unfortunately, the evidence, at least in regard to one recent appointment and one reported possible appointment, does not point toward a firmer U.S. stance. Jerome Kahan has joined the planning and coordination staff which is gaining great influence in the Department of State and with Dr. Kissinger. Mr. Kahan seems to view with alarm any move of the United States to bolster its strategic forces as provocative to the Soviet Union. Additionally, Kahan believes in the United States unilaterally cutting back on a number of weapons systems.

At this point, I include in the RECORD two articles "Kissinger's New Disarmament Expert" and "The Pentagon's Nitze: An Uncertain Trumpet" from the February 16, 1973, and February 23, 1973, issues of Human Events which deserve the attention of those concerned with our national security:

KISSINGER'S NEW DISARMAMENT EXPERT

Supporters of a strong national defense posture were moderately pleased with the unveiling of the Nixon Administration's $85.8-billion military budget, more than $6 billion over the sums to be spent in fiscal 1974. Pressing the argument for the budget hike before the Senate Armed Services Committee last week, tough-minded Defense Secretary James R. Schlesinger stressed he offered "no apologies" for its size. In real terms, he added, it means "no more than holding our own," for the greater part of the increase is consumed by pay and price hikes.

The Nixon-Schlesinger budget, however, is welcomed by hawkish lawmakers for some of the new initiatives and increases in certain critical categories. For instance, the budget provides funds for improving missile accuracy, the acceleration of an advanced nuclear submarine (the Trident), the speed-up in construction of the B–1 bomber and the more rapid development of strategic cruise missiles that can be fired from either submarines or aircraft. Moreover, it revitalizes our Navy in two ways; by continuing to build necessary nuclear and conventional aircraft carriers and by constructing smaller and more efficient "mini-carriers."

So pleased was Sen. Jim Buckley (C.-R.-N.Y.), a defense hawk, with the Nixon budget that he was preparing to deliver a speech this week claiming that President Nixon had "presented a defense budget that is a very welcome sight to those of us in the Senate who feared that the euphoria surrounding the alleged detente between the United States and the Soviet Union might well have caused our leadership to dangerously cut back in areas of defense spending."

While the military budget reflects a certain hard realism, there is still mounting concern that the new initiatives and weaponry outlined by Schlesinger last week are nothing but "bargaining chips," all to be sacrificed in the second round of the Strategic Arms Limitation Talks at Geneva.

From a variety of reliable sources within defense and diplomatic circles, it is repeatedly heard that the United States, with Henry Kissinger as the master, behind-the-scenes negotiator, is prepared to conclude an offensive treaty with the Soviet Union that will leave this country forever inferior to the USSR in strategic nuclear weaponry. Sen. Henry Jackson (D.-Wash.), for instance, who raised a furor about the outcome of SALT I, is said to be especially concerned with the course Kissinger is taking in directing American disarmament policy.

Kissinger is not only a "soft-liner" himself, argue knowledgeable Pentagon officials, but he is bringing into the State Department a number of dovish theoreticians. What particularly alarms some department observers is the increasing influence Kissinger is bestowing upon the Planning and Coordination Staff. The staff's director, Winston Lord, a long-time Kissinger intimate, is considered a devout dove.

As *Newsweek* recently described him, Lord is Kissinger's "valued aide, intellectual comrade-in-arms and personal friend. He has been a Kissinger braintruster for nearly five years: as special assistant, he accompanied his boss six times to China, four times to the Soviet Union, and some 25 times to the Paris peace talks with the North Vietnamese. If anyone in the State Department can be called 'Kissinger's Kissinger,' it is Winston Lord."

When Kissinger appointed the 36-year-old Lord to run the department's think-tank operation, Kissinger told Lord that the planning staff would play a "principal role" in shaping policy options for the secretary of state.

In his effort to shape Kissinger's options on nuclear matters, Lord has brought on board the PCS Jerome Kahan, a former staffer with the Arms Control and Disarmament Agency who for the past five years has been writing on strategic nuclear doctrine for the liberal Brookings Institution. Kahan's own writings plus what he says to friends and acquaintances clearly mark him as an outright dove. Indeed, Kahan's move from Brookings to the PCS has brought open handwringing from Pentagon officials, who are now certain that Kissinger, bolstered by such disarmament theoreticians as Kahan, is determined to undermine the military at SALT II.

While Kahan might not subscribe to the description, his own writings project an extreme fear that the United States might take some action to protect itself that would provoke the Soviets into mounting a fresh, nuclear arms race. Kahan seems especially worried, for instance, that American policymakers might deploy too many *defensive* weapons, thus irritating top Soviet strategists. Moreover, Kahan appears to have few worries regarding Soviet provocations, including Russia's massive buildup of offensive weaponry, ever since SALT I.

The types of options on defense that Kahan might develop for Kissinger were outlined at a conference on foreign policy on Oct. 23, 1972, sponsored by Pepperdine University. Kahan submitted a discussion paper for the conference in which the central emphasis focused on the need to restrain the impulse of U.S. officials to counter the Soviet military threat.

The U.S., advised Kahan, should reject efforts to modify the SALT agreements to permit a nationwide system of anti-ballistic missiles. In addition, America should "eschew offensive weapons programs, such as warhead accuracy and yield improvements," which would provide its land or sea-based missiles with the capacity to launch counterforce strikes against Soviet ICBMs. (The fact that the Soviets have the capacity to strike *our* ICBMs doesn't appear to worry Kahan too much.)

"In fact," Kahan went on, "consistent with the proposition that all nuclear defenses are potentially destabilizing, the U.S. should also avoid initiating massive anti-submarine warfare deployment efforts . . . and should reduce rather than increase its air-defense network."

While the absence of U.S. ABMs should alleviate any Kremlin fear that the U.S. might embark on a first-strike strategy, said Kahan, the "combination of American missile counter force, ASW and air-defense efforts would create a serious threat to the USSR's deterrent within the next decade."

"On a broader level," Kahan maintained, "U.S. leaders should recognize that programs which they consider to be stabilizing, such as new submarines or bombers, might well trigger Soviet reactions based on Moscow's political attitudes or psychological outlooks. Even if certain U.S. weapons, such as Trident or the B–1, might not pose a direct threat to the USSR's retaliatory capability, premature deployment of any major strategic systems could stimulate a Soviet reaction for political 'force-matching' reasons, particularly if the Kremlin came to believe that the U.S. was moving toward some form of superiority.

Scattered through Kahan's writings are a myriad of don'ts for U.S. policy-makers in the next phase of SALT. Kahan even goes so far as to suggest that U.S. leaders shouldn't take "high confidence" measures to protect our weaponry! "Premature force decisions taken to hedge against future Soviet threats of low probability should be avoided, and in many instances reliance on high confidence measures to ensure survivability and penetrability might have to be foregone in favor of measures which are less reliable but also less provocative." "Unilateral restraints," Kahan argued, could bring great benefits.

For the future, urged Kahan, officials "should play down our nuclear strength, avoid attributing undue significance to variations in the U.S.-Soviet force balance, and refrain from overstating the dangers of the Soviet threat or the problems of nuclear parity."

In short, what Kissinger's new disarmament adviser believes is that America, in order to reach a productive outcome at SALT II, must restrain its protective impulses, engage in unilateral disarmament, refrain from provoking the Soviets with "high confidence" defensive measures and virtually ignore what ever *Time* magazine now sees as the growing and ominous nuclear threat from the Soviet Union. And what profoundly disturbs the hard-liners in Congress and the Pentagon is that they believe that these days Kissinger and Kahan think very much alike.

The Pentagon's Nitze: An Uncertain Trumpet

No sooner did it become known that Henry Kissinger had hired Jerome Kahan, a unilateral disarmament advocate, to enter the top councils of the State Department (see Human Events, February 16, page 3) than word leaked out that yet another controversial disarmament expert had been slated for a key Pentagon post. That expert: Paul Nitze, an old Democratic hand who played a major role in shaping the disarmament policies of former JFK-LBJ Defense Secretary Robert S. McNamara.

Nitze is expected to be named to the job of Assistant Secretary of Defense for International Security Affairs, the same job he held in the Kennedy years and from which he and his successors exerted a powerful impact on the Pentagon's defense and foreign policy planning.

While the New York *Times*' Leslie Gelb quoted a former Nitze colleague as saying that he's "the most knowledgeable hawk in town," others more closely acquainted with his positions take strong exception to the "hard-liner" portrait. In the phrase of one observer, Nitze, at best, is "an uncertain trumpet." Far from strengthening the hawkish viewpoint in the Defense Department, for instance, there are some knowledgeable defense experts who believe that Nitze might seriously undermine the Pentagon's position on a variety of issues, including its "semi-hard" attitude toward the Strategic Arms Limitations Talks.

Though even his critics will acknowledge his hawkish moments, Nitze's rhetoric and actions in the past are not consistent with the views of "hard-liner." Nitze's views on disarmament, in fact, have proved fairly consistent—and dovish—since 1958.

In November of that year, for instance, Nitze presided over Section 2 of the Fifth World Order Study Conference of the National Council of Churches which met in Cleveland, Ohio.

The panel claimed the "aggressive tactics of the Communist powers are caused, in part, by fear of their own security . . . and the history of Western imperialism must be taken into account if we are to understand contemporary Communist attitudes." It also claimed that "American nuclear stockpiles and widely scattered military bases, some of them near the borders of the Soviet Union arouse apprehension" among the Communist rulers. The clear implication of that argument, of course, was that America should relieve Soviet fears by abandoning our overseas missile bases.

Furthermore, the panel urged the United States to encourage Chiang Kai-shek to abandon the offshore islands of Quemoy and Matsu, to suspend nuclear tests unilaterally, and to use force only if it were "sanctioned by, and under control of, the United Nations."

Before the Senate Armed Services Committee in 1963, after he had been nominated as secretary of the Navy, Nitze said he had vigorously differed with many of the panel's points, though exactly which points were not always clear. His performance was not altogether convincing for the simple reason that his own thinking clearly bore a striking resemblance to some of the most controversial aspects of the panel report.

As Assistant Secretary of Defense for International Security Affairs under Kennedy, he had, in fact, endorsed an American defense strategy that would not "provoke" the Soviet Union: he had favored withdrawal of U.S. missiles from Turkey, Italy and England, and he had openly supported the nuclear test-ban pact which the Joint Chiefs of Staff concluded was a "net disadvantage" to the U.S. militarily. Moreover, when Sen. Richard Russell (D.-Ga.), then chairman of the Armed Services Committee, asked Nitze if he had believed in 1958 "that we should pressure the Chinese Nationalists to evacuate Quemoy and Matsu," Nitze replied: "My recollection is in 1958 I think so." Nitze also opposed the 1955 Senate-House resolution empowering the President to commit American forces to protect those offshore islands from a Red Chinese attack.

One of the most provocative resolutions emanating from the World Order Study Conference panel was the proposition that America should use force only if it were "sanctioned by, and under the control of, the United Nations." Nitze said he opposed this part of the panel recommendations but his denial was less than persuasive in view of the startling speech he delivered to military and civilian personnel in Asilomar, Calif., on April 28, 1960—nearly two years after the World Order Study Conference in Cleveland and a few months prior to Kennedy's election.

The Nitze speech consisted of a series of finely reasoned assumptions, but the key element was that America should no longer strive for nuclear superiority over the Soviet Union or what Nitze defined as a "Class A" capability. Instead, said Nitze, the United States should aim for a "secure second-strike capability" with the capacity to retaliate if the Soviets strike the first blow.

Indeed, Nitze's 4,000-word address contained the seeds of the unilateral disarmament policy pursued so diligently and disastrously by the Kennedy Administration, a policy that called for—and resulted in—the deliberate abandonment of U.S. nuclear superiority over the Soviet Union.

At Asilomar, Nitze went even further than most dovish nuclear experts by explicitly proposing a plan that would make the United Nations the ultimate arbiter of when the Western world could employ its strategic nuclear arsenal. Said Nitze:

"The actions I propose are the following: (1) That we concentrate on building a variety of secure, purely retaliatory systems .... (2) that, when we have such a mix of relatively secure systems, we scrap the fixed-based vulnerable systems that have their principal utility as components of a Class A [superior] capability; (3) that we multilateralize the command of our retaliatory systems by making SAC [the Strategic Air Command] a NATO command, and (4) that we inform the United Nations that NATO will turn over ultimate power of decision on the use of these systems to the General Assembly of the United Nations subject to the following conditions:

"(a) That we and our allies will assume continuing responsibility for manning, maintaining and improving these systems.

"(b) That U.N. inspectors would be invited to inspect and satisfy themselves that these are the only nuclear systems we are maintaining.

"(c) That a U.N. order to use them will be honored only in the event some nation has initiated the use of nuclear weapons other than on or over its own territory in self-defense against military aggression . . ."

In other words, Nitze proposed turning over America's and NATO's strategic retaliatory forces to the Afro-Asian-dominated General Assembly of the United Nations. The Nitze-imposed conditions, moreover, would have even rendered the U.N. impotent, for the world organization itself would not have been permitted to allow the use of weapons consigned to its control if the Soviets had launched a massive, conventional assault.

Facing the Senate Armed Services Committee three years later, Nitze initially tried to downplay his proposal, but under considerable prodding he acknowledged it had been seriously put forth. Furthermore, only a few weeks prior to his appearance before the committee, Nitze, according to a Human Events source, had stoutly defended his Asilomar address before the liberal Democratic Study Group in the House. When Sen. Harry Byrd (D.-Va.) asked Nitze about his remarks before the DSG, Nitze said that his "recollection" was that "I said that I very recently reread this Asilomar speech, and there were elements in it which I thought stood up after having reread it."

Sen. Robert Byrd (D.-W. Va.), now the Democratic whip in the Senate, remarked to Nitze at the time: "I don't want to impugn your sincerity . . . [but] it seems to me that in my reading of this speech I get an impression that you threw out an idea which you thought might really be practicable and feasible. You attempted to destroy the anticipated objections to it . . . I don't think a careful reading of the statement really would convince me and persuade me that it was indeed just a mere proposal which you did not believe in. . . ."

Under Byrd's continuing barrage, Nitze owned up: "I sincerely wanted this to be analyzed by these people who were there, I thought it was worthy of discussion."

In later years, Nitze has also been noted for his soft policies. From 1967 to 1969, Nitze was No. 2 man in the Defense Department. In the Nixon Administration, he has been an important member of the Strategic Arms Limitations Talks, and publicly defended SALT I, although he has been critical of the outcome in private conversations. In addition to his disarmament views, he also opposed the Vietnam War and argued against the belief that Hanoi could be bombed into submission.

So much for Nitze "the hawk." Nitze may now, in fact, believe in a "harder line" than he has voiced on the record, as many observers seem to think. And judged by the disarmament theorists who think the U.S. strategic arsenal should be reduced to a couple of H-bombs (a spare, in case one goes flat). Nitze is probably considered a Dr. Strangelove. But if past is prologue, as the saying goes, the selection of Paul Nitze is hardly likely to firm up the attitudes of Defense Secretary Schlesinger or send a single shiver down the spines of Kremlin strategists.

LEAGUE OF WOMEN VOTERS' CUYAHOGA VALLEY STUDY

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. SEIBERLING. Mr. Speaker, a hearing on the bill to create the Cuyahoga Valley National Historical Park and Recreation Area is scheduled before the House Interior Subcommittee on Parks and Recreation for March 1. This is indeed good news for the people of Ohio and the Midwest, who have long been shortchanged with regard to Federal parks and recreation areas. Ohio, the 6th most populous State in the Nation has no national parks or national recreation areas. The Cuyahoga Valley park would be, in effect a "Central Park" for over 4 million people in the Akron-Cleveland area. It would also make a national recreation area within a short driving distance of the whole Detroit to Pittsburgh urban corridor. Certainly with the energy crisis, the need is even more acute to "put our parks where the people are."

Since last April, when Congressmen VANIK, REGULA, and myself introduced the Cuyahoga Valley park bill—cosponsored by almost 50 Members of the House of Representatives—the park proposal has received tremendous support from both local and national organizations. I personally have received letters of support from over 3,000 people.

Mr. Speaker, at this time I would like to introduce in the RECORD an outstanding study of the Cuyahoga Valley park proposal prepared by the League of Women Voters in Cuyahoga County and Summit County, Ohio. These women have done an excellent job of describing the unique historic, scenic, and botanic features of the valley and the park proposal. Their study should be of interest to all Members concerned with preserving the Cuyahoga Valley for present and future generations.

The study follows:

CUYAHOGA VALLEY STUDY

(The Leagues of Women Voters in Cuyahoga County and Summit County, having studied the proposed park plans for the Cuyahoga River Valley between Akron and Cleveland, present this condensed summary of their study committee report, January, 1974.)

The Cuyahoga River has not always been held in low esteem and made a butt of jokes as "the river that burns." It is, in fact, a very important river from both historic and economic points of view. In the very early history of this nation, the river was known extensively even in Europe. The river, plus the eight mile portage south to the Ohio River system, was an important route and was for a while the northwest boundary of our colonial settlements. The Indians declared it "sacred ground" and kept it free from warfare for the use of all. Explorers, traders and settlers in successions all made use of the route. Honored by inclusion in the *Rivers of America* series, it has been dubbed "The Mighty Little River."

THE VALLEY DESCRIBED

That portion of the Cuyahoga and its Valley of interest in this study is about 18 miles long and 4 miles wide lying between two growing cities, Cleveland on the north and Akron on the south. It is outside the city limits of both and in the main is miraculously free of development. As urban sprawl approaches urban sprawl, it is the last large piece of open green area between the two cities.

Major east-west highways cutting across the valley are the Ohio Turnpike (I-80), I-271 and I-480. Lesser east-west roads are Rockside Road (proposed as the northern limit of the National Park), State Route 82, Boston Mills Road, State Route 303 and Bath Road (proposed as the southern limit of the Park). North to south are I-77, U.S. 21, and State Route 8. A line of the Baltimore & Ohio RR runs the length of the valley.

Nearby centers of population are Independence, Brecksville, Valley View, Sagamore Hills. Within the valley is the village of Peninsula, the hamlet of Boston, a trailer park, and a growing housing development called Towpath.

The Cuyahoga River in this section varies in width from 35 to 85 feet and in depth from inches to 4 or 5 feet. Its level flood plain varies in width from a few hundred yards to a mile, and is subject to swift winter and spring floods which may inundate it completely. Major tributaries are Tinkers Creek, Chippewa Creek, Brandywine Creek and Furnace Run. The Valley walls are heavily forested and rise steeply 200 to 300 feet. The river and some stretches of the major tributaries are badly polluted with municipal and industrial wastes. However, there has been some recent improvement in water quality.

For the most part, the soil of the flat valley floor is sandy and clayey—subject to flooding, poor in ability to absorb, poor in ability to bear loads such as housing and roads would impose, but fairly good for agriculture. The valley walls are predominately sand, silt and clay; meaning unstable slopes and poor ability to bear loads. Engineers and planners conclude that these characteristics along with a general lack of groundwater indicate the land should not be used for commercial or industrial purposes.

Botanically speaking, the Valley is a cross roads where plants meet from all directions. Geologically speaking, the Appalachian Plateau crosses the Valley near Independence and turns south, dividing eastern mountains from western prairie.

There are several National Historical Landmarks already established in the Valley. Stretches of the Ohio Canal, towpath, locks and diversion dams are still visible today. Across from Tale Farm is the restored Western Reserve Village.

Much of the Valley retains its charming 19th Century way of life. Yet, all around it, 2 major metropolises continue to grow. The 1970 Cuyahoga County population of approximately 1,721,300 and Summit County's 553,400, a total of 2.3 million, is expected to increase to 2.9 million by 1980. Within the Valley, however, the population remains low. Industrial and commercial development on the valley floor remains sparse: a paper mill, 2 or 3 sand and gravel operations, top soil removal, a trucking firm, a florist shop, two junkyards, an autobody shop, greenhouse, sodfarm, crops, gardens and orchards.

FACILITIES IN THE VALLEY

Historical, natural, cultural and recreational facilities are in private, public and quasi-public ownership. Of the 990 acres privately owned, the major pieces are Brandywine Golf Course and the 2 Ski Areas (Brandywine and Boston Mills). Public and quasi-public facilities make up an acreage of 6,331 and 2,040 acres respectively, and include Brecksville Reservation, Virginia Kendall Park, Sand Run, Furnace Run and Hampton Hills (public); Boy Scout Camps Manatoc and Butler, Girl Scout Camp Ledgewood, Camp Mueller, Blossom Center, Hale Farm and Western Reserve Village (quasi-public).

On land overlooking the valley and dominating it is Nick Mileti's sports coliseum.

PROPOSALS FOR USE OF THE VALLEY

As early as 1921 studies have dealt with preservation of the Cuyahoga Valley and its possible future. Two major pieces of legislation have been recently introduced in Congress to make the valley a National Park.

The Rosenstock-Holland Associates study (*The Cuyahoga Valley of Ohio: a Recreational Feasibility Study,* 1968) concludes "that this area MUST be preserved as open space land. It possesses all the requisites . . . Situated in the center of one of the Nation's most populous and industrial sections, its present status places it on the threshold of becoming completely urbanized . . . The forces pushing this must be arrested, the litter and water pollution damage already created must be repaired, and the tranquil atmosphere and esthetic beauty of the river and valley must be preserved. When this is accomplished and the recreational potential for the Valley is realized, then the industry and the people . . . surrounding the Valley will grow and prosper because of it."

A Statewide Plan for Outdoor Recreation in Ohio 1971–1977 is a sizeable project of the Ohio Dept. of Natural Resources. Recreation facilities both public and private are inventoried, undeveloped areas are analyzed for recreation potential, supply and demand are predicted, and recommendations made. The prediction is for an increase in population density and an even greater increase in recreational demand. By 1985 Akron-Cleveland will need 126,522 acres of land for land-based recreation alone. Sizeable shortages are predicted in relation to demand. The study states that the Cuyahoga Valley "should be considered as a prime area."

The U.S. Army Corps of Engineers has published its first Interim Report on *The Cuyahoga River, Ohio, Restoration Study (Sept. 1971) Appendix B—Recreational* dealing with plans for the complete river. Within the area of LWV concern, they recommend tentatively 6 canoe-launching sites on the river, 2 canoe-launching sites on the canal and a Trail Center.

The Northeast Ohio Water Development Plan (Preliminary), Nov. 1971 emphasizes that river corridors or environmental corridors tie in with other plans for the valley. The corridors preserve green open space along the rivers and allow for public access.

Cuyahoga River Valley Acquisition (Final Environmental Statement, Dept. of the Interior, Bureau of Outdoor Recreation, June 1973) report recommends acquisition of a tract of land totaling 14,500 acres in the valley to be used as a park. Action would be taken by the Ohio Dept. of Natural Resources (ODNR) and the two Metropolitan Park Districts, Akron (AMPD) and Cleveland (CMPD) with federal assistance from the Land & Water Conservation Fund (LWCF). The process would probably take twenty years and cost $35 million, during which time prices are expected to rise. The ODNR and the 2 Park Districts would receive money from LWCF to match money they invest; they would each manage the various properties they bought. Land would be obtained by outright purchase, by scenic easements, by life estates, by lease-back arrangements with many inholdings left. The small settlements of Boston, Jaite and Everett would not be included in the Park, nor would the developed portions of the larger towns and cities (e.g. Peninsula and Brecksville). The undeveloped parts of these communities that become part of the Park are usually undesirably situated (except for Peninsula).

Communities in and around the Valley have expressed great concern about the loss of land, i.e., money from their tax duplicates. They fear, too, the nearby Park will force them to have extra expenses for police and fire protection and for road repair. This BOR report has several answers to this. Visitors spend sizeable amounts of money locally for food, lodging, gasoline, bicycle rentals, etc. In addition, it has been noted that around all such parks and recreation areas, land values increase through the years.

The Proposed Cuyahoga National Recreation Area, Ohio (Draft February 1973 by the Dept. of the Interior National Park Service) endorses the idea of a federal park. "Clearly the Cuyahoga Valley with its significant natural, historical and recreational qualities is one of the most strategically located resources in reach of urban America." NPS envisions a national park of 14,843 acres as an axis for a larger total park of over 22,000 acres. It would encompass the Valley's special historic resources and its natural resources, would develop and manage a varied recreation program, emphasizing urban-related cultural events and environmental education. The main use of the Park would be intensive day use.

In summary, two divisions of the Dept. of the Interior, the BOR (Bureau of Outdoor Recreation) and the NPS (National Park Service) have now recommended a Park. Each operates differently. In acquisition, the BOR gives matching funds; the NPS purchases outright 100%. Park lands bought by BOR money (LWCF) and the locality together are managed by the locality; NPS manages the land it purchases.

Presently there are 2 National Parks near urban areas elsewhere in the U.S.A.: Gateway National Recreation Area in New York Harbor and the Golden Gate National Recreation Area in San Francisco, voted by Congress in 1972.

Two bills have been introduced in U.S. Congress to make the Cuyahoga Valley a National Park. In April 1971 Congressmen Seiberling and Vanik co-sponsored a bill to create the Ohio Canal and Cuyahoga Valley National Historical Park and Recreation Area. In April 1973 the same two Congressmen, joined by colleague Ralph Regula, introduced a bill to establish the Cuyahoga Valley National Historical Park and Recreation Area (H.R. 7077). This bill concerns itself with the Valley area between Akron and Cleveland and incorporates the following features: 1) the boundaries of the park will not be established until after public hearings. 2) The Secretary of the Interior may not acquire private lands as long as the owner is in compliance with zoning provisions that protect the character of the park. 3) A landowner who sells his holdings may, if he wishes, retain possession of his land for 25 years or the rest of his life. 4) Without selling, the owner may negotiate a "scenic easement" whereby he is reimbursed for not destroying the scenic appearance of his property. 5) The 13 person advisory commission for the Park will have 5 members who are permanent residents of the Valley. 6) Communities within the park area may be compensated for any erosion of the tax base or any extra expenses for firemen, policemen or road maintenance.

DECISION AS TO LAND USE

This is an emotion-charged issue especially for those who live in the Valley. Everybody seems to feel the need to "Save The Valley." The actual methods urged, however, range from the plea of the land-owners "Leave us alone and we'll take care of our Valley," "We do not want hordes of outsiders trampling our land," to the professional objectivity of the land-use planner whose tests and charts indicate "The Valley must be declared, legislated and acquired as open space for the good not only of the Valley but of the whole region." Congressman Seiberling, whose home is in the Valley and who has signed a scenic easement for his land, states flatly that the only way to save the Valley in time is the route he has espoused.

The official governmental processes in this region have produced "a planning proposal sponsored by the Metropolitan Park Boards of Cleveland and Akron, consistent with the State outdoor recreation plan, the Seven County open space plan and the Tri-County and Cuyahoga Regional Planning Commission's plans." NOACA (Northeast Ohio Areawide Coordinating Agency) has approved it.

At the national level, HR 7077 awaits hearings, in February, in the House Interior Subcommittee on Parks and Recreation. An identical bill, SB 1862, has been introduced in the Senate by Senators Taft and Saxbe. Citizens have had input, and HR 7077 provides for public participation every step of the way. When the final vote comes on HR 7077, the voice of the people may well be the deciding factor.

If for any reason a national park cannot be established, the State of Ohio has indicated that it will still continue the purchase of lands for park purposes.

IMPLEMENTING THE DECISION

If the Valley is to avoid haphazard development, land must be acquired. Both Metropolitan Park Boards have been making strategic purchases. The State of Ohio has opened a purchasing office in the Valley and expended several million dollars for land purchase, the largest amount coming from federal revenue-sharing money. The Bureau of Outdoor Recreation (BOR) has allotted funds from the Land & Water Conservation Fund (LWCF). Some citizens have sold their land (requirements: cost set at, or above, "fair price;" two appraisals made; value set made public). No eminent domain or condemnation proceedings are contemplated. Because local zoning usually topples under the pressure of developers, special arrangements clearly are needed.

Though the process of land acquisition is now accelerated, some important pieces of land have already been lost (Towpath development for instance). At the current rate of acquisition, it is estimated that it will take at least 20 years to acquire the desired land. "Only national park status will permit acquisition at a faster pace than the State could achieve, thus saving more of the Valley from development and at less inflated prices." (HR 7077)

Another way of acquiring park land is by scenic easement. This means the Park District has bought the right to keep the land in its natural state. The owner has not sold his land nor must he move. The community continues to have the property on the tax rolls. It is possible for a landowner to donate the scenic easement to the park and to count it a charitable deduction on his income tax.

If a park is assembled, how shall it be administered? Already both Metropolitan Park Boards are skillfully administering several thousand acres in the area. If national park status is achieved, parkland adjacent to the federal boundaries would remain in the ownership of the two local Park Districts. Federal programs, as projected, would incorporate local park programs.

POSSIBLE ACTIVITIES

The two Metropolitan Park Districts presently provide for the familiar daytime activities of picnicking, ball playing, hiking, fishing, horseback riding, nature study, etc. The Cuyahoga River—when cleansed of its pollution—would provide canoeing, rowboating, float trips. One of the proposed recreation projects for the Valley is a canal boat ride in replica canal boats pulled by mules on a restored towpath. Another proposal is the reopening of the railroad with rides furnished in vintage cars. Existing B&O tracks and stations would be utilized to provide mass transit access to the park for residents of Akron and Cleveland. Minibus shuttles would connect with train stations and planned information and recreation nodes in the park. Also proposed: a resident environmental education center, hostels for hikers and bike riders, primitive camping areas, Canal Museum, assembly area(s) for folk festivals, a restored barn for art exhibits.

SUMMARY

Four million people live within a half-hour's drive of the proposed park. The next nearest national park is 200 miles away. If a park is to be established in the Valley, careful consideration must be given to the planning and development of the land so that irreparable damage is not done through overuse, pollution and commercialization.

WHY DEPORT HAVIV SCHIEBER?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. ASHBROOK. Mr. Speaker, in October 1971, the Chicago Tribune ran a column by its veteran reporter and columnist, Willard Edwards, now retired, detailing the plight of an anti-Communist, anti-Zionist citizen of Israel, Haviv Schieber, whose deportation from the United States was at that time imminent. Since arriving in the United States in 1959, the Schieber case has been the subject of an action by the immigration authorities, the courts, and Congress, not to mention appeals to the Attorney General and the State Department. Some indication of the merit of the request for permanent status can be gleaned from the interest in the case of Senators Buckley, Helms, and Thurmond and the late Congressman James Utt who introduced three private bills on Mr. Schieber's behalf.

In addition to Mr. Edwards, my interest in the case was aroused by Mr. Stephen Koczak, a former Foreign Service officer who knew Mr. Schieber in Israel and who is now research director of the American Federation of Government Employees—AFL–CIO. My confidence in Mr. Koczak's judgment stems from his several appearances before our House Internal Security Committee and his assistance in drafting legislation relating to due process rights for Foreign Service officers.

Yesterday a court decision in New York gave Mr. Schieber until 5 p.m. on this Friday, February 22, to wind up his affairs before being subject to deportation. An appeal to the U.S. Supreme Court is now being drafted and appeals to the Attorney General and the State Department have been submitted.

Since coming to the United States, Mr. Schieber has received many commendations from people who have tried to help him. He is especially proud of his tribute paid him by Mr. Frank Meistrell, director, receivership, of the department of rent and housing maintenance of the city of New York who stated:

> I unqualifiedly recommend him for consideration as a citizen.

Bearing in mind that Mr. Schieber employed without discrimination blacks, Puerto Ricans, and returning Vietnam veterans in his contracting business, this excerpt from another commendatory letter is revealing:

> Haviv Schieber has also exhibited fantastic results in working with minority labor through his ingenuous program of forming workers in small collectives, who then take jobs on a contract base. Result, the individual who has always worked on an hourly scale, a little more than if he were on welfare, is now in business for himself, has pride and monetary reasons for self-assertion, works faster, learns quicker, and earns a hell-of-a-lot more. And the beautiful part of this is that the contractor needs 70% less supervision, and the job is completed on an average of 62% of the time.

One final argument for giving serious consideration to Mr. Schieber's desire to reside permanently in the United States is his long-held belief that only a coalition of Arabs, Christians, and Jews in a Holy Land State will bring peace to the Mideast, a position certainly not appreciated by Israel in its present time of trial. Mr. Bruce J. Terris, Mr. Schieber's Washington lawyer, spelled out the political implications of the case in a detailed letter to Mr. Louis A. Wiesner, Director of Office of Refugee and Migration Affairs of the State Department in support of political asylum for Mr. Schieber.

The aforementioned Edwards' article and the Terris letter follow:

[From the Chicago Tribune, Oct, 30, 1971]

Refugee's Desperate Plea Denied

(By Willard Edwards)

Washington, Oct. 29.—He was small in stature, low-voiced, a little apologetic of mien, and apparently fearful that the dramatic nature of his appeal would inspire incredulity.

"I am not a fanatic," he said. "I ask only for the freedom that America has given me since 1959.

"Now, they are going to deport me and I must ask you to believe that if I am sent back to the Poland, now under Soviet control, where I was born, or to Israel where I later became a citizen, it will constitute a death sentence."

These were desperate words, carrying conviction reinforced after listening to his story. At this moment, Haviv Scheiber, 58, of New York City is in danger of being shipped back to either Poland or Israel. The Board of Immigration Appeals last month denied his plea for permanent residence in the United States after 11 years of legal bickering over his status.

Examination of the record supports his fears of imprisonment or worse if he is returned to either country. As organizer of the Anti-Communist League of Israel, he is anathema to Moscow. His proposals for solving the Palestine question are offensive to Israel.

Two senators, James L. Buckley [C.-R., N. Y.] and Strom Thurmond [R. S.C.] have interested themselves in the mystery of why the U.S. seems determined to deport Scheiber.

A number of prominent citizens and government officials have testified to his services here as a good citizen in fact if not in name. A building contractor, he has been saluted for his contributions to housing for the poor and employment of the unskilled in New York City.

His long fight to remain in this country was seemingy ended when the immigration board ruled him "excludable" on grounds of "moral turpitude." He had been convicted in Israel some 20 years ago, the board said, of the crimes of theft and obtaining money under false pretenses.

Buckley notified Atty. Gen. John Mitchell that there was an apparent absence of official court records to support these charges. He forwarded affidavits from persons on the scene in Israel at the time. They confirm Scheiber's claim that the alleged crimes are fictitious.

As the elected mayor of Beersheba in 1950, Scheiber said, he organized a protest against the lack of government postal facilities. He appropriated two sidewalk tiles to erect a token mail box.

Arrested for theft of city property, he was fined 5 Israeli pounds [about $1.50] by a township judge who then complimented Scheiber for his civic zeal.

The other charge, according to Scheiber and the supporting affidavits, was equally flimsy. He irritated government officials by building housing for newly arrived immigrants on land abandoned by Arabs, charging a low rent. A judge gave him three months on parole.

Born in Poland in 1913, Scheiber played a leading role in facilitating the illegal immigration to Palestine of Jews from Europe to escape Hitler. He became an Israeli citizen in 1948 but was in constant conflict with the government which he accused of Marxist tendencies.

"I am a Jew but I am also a realist and I do not believe that Israel can exist as an independent state without the full agreement of the Arab coalition," he said. "I suppose a 'Holy Land state' in which Jews, Christians, and Moslems would live peacefully with equal standing and rights. Israel is following a dangerous course which, in the long run will result in its destruction."

Such assertions outrage many. Without getting into a dispute over their merit, it is possible to suggest that silencing them by deporting their author mars the proud image of this nation as an asylum for political refugees with unpopular views in their home land.

Washington, D.C.,
February 19, 1974.

Re: Haviv Schieber
A11 596 969

Mr. Louis A. Wiesner,
Director of Office of Refugee and Migration Affairs, Department of State, Washington, D.C.

Dear Mr. Wiesner: I am writing to you as the Washington, D.C. attorney representing Mr. Haviv Schieber who applied for political asylum on October 15, 1973 in refusing to return to Israel. My communication supplements letters which you have received from Mr. James A. Cardiello, who is representing Mr. Schieber as his attorney in New York.

I am informed by responsible persons that, if Mr. Schieber is deported to Israel, his life will be in serious danger because of his political views and the activities which he carried out in connection with the Yom Kippur war. It appears that, no matter how much forbearance or police protection he might be afforded by the government of Israel, he will still be in danger of being murdered such as happened to Rudolph Kastner. Although found innocent of charges linking him in improper dealings with Adolph Eichman, Kastner nevertheless was shot to death on the streets of Tel Aviv by inflamed Jewish groups who felt he deserved to die.

Inasmuch as your office has access, either directly or through the Department of Justice, to many of the facts in Mr. Schieber's case, I shall not repeat them here. Instead, I shall limit this letter to an urgent request that, prior to taking a final decision regarding his petition for political asylum, you consult with Acting Assistant Secretary of State for Near Eastern Affairs, Alfred L. Atherton, and with Assistant Secretary of State for Education and Cultural Affairs, John Richardson, Jr., regarding the new evidence which I will summarize in this letter. I further request that the Department of State obtain the views of the American Embassy in Tel Aviv, Israel, the American Embassy in Cairo, Egypt, and the United States Delegation to the United Nations as to the impact on American-Arab and Arab-Israeli relations if Mr. Schieber were deported and later arrested or physically harmed in Israel. I am told that there is considerable interest in the Arab world in Mr. Schieber's case as reflected in stories being published in Arab newspapers.

I am told that, during the Yom Kippur war, Mr. Schieber permitted the Egyptian authorities to record several messages by him to Israeli troops urging them not to rely on military might in defense of the present State of Israel but to pursue their goals through the establishment of a Holy Land State whose creation Mr. Schieber has been advocating for years. I am also informed that the broadcasts which Mr. Schieber made over Radio Cairo are considered by Israelis as tantamount not only to treason but also to a call for revolution in Israel. The Holy Land State which Mr. Schieber is proposing would transform Israel from a unitary Jewish state into a pluralistic Jewish-Christian-Moslem state modeled on Lebanon or on the cantonal system of Switzerland.

The Department of State may already be in receipt of an announcement by Palestinian guerrilla leader, Yasif Arafat, calling for a Jewish-Christian-Moslem state apparently identical to the one proposed by Mr. Schieber. The Reuters news service carried such a report which appeared in the Baltimore Sun on January 5, 1974.

I am informed that persons who heard Mr. Schieber's broadcasts over Radio Cairo are ready to testify that his messages so inflamed Israelis that they would insist on his being tried as a traitor. Even if that did not occur, his life would be in serious danger from action taken by individual Israelis.

Under these circumstances, it would appear to be incumbent on the Department of State not to permit Mr. Schieber's deportation to Israel until American authorities are in possession of the full texts of his broadcasts over Radio Cairo, and the comments of the American Embassies in Tel Aviv, Israel and Cairo, Egypt, as to the consequences of his deportation on American-Arab and Arab-Israeli relations.

It is not my purpose, of course, to justify Mr. Schieber's actions in permitting the Egyptian authorities to record and broadcast his messages to the Israeli army and people. However, as his attorney, I felt obligated to point out that he considers these broadcasts to be consistent with his past political activities both in Israel and in the United States.

As his position is presented to me, Mr. Schieber considers himself to be a loyal patriotic anti-Communist Jew who has always regarded the "true Zionist" movement as composed of three interrelated essential elements—Judaism-Christianity-Islam. His rationale is that the common ancestor of these religious is Abraham. For this reason, he maintains that "true Zionism" must give equal weight to Judaism, the Mosaic tradition developed by the descendants of Isaac; to Islam, developed by the descendants of Ismael; and to Christianity, which he regards as a religion dedicated to reconciling Isaac and Ismael, the sons of Abraham, through the sacrifice of Jesus.

It should be obvious that the fervent proclamation of such beliefs by Mr. Schieber while in Israel confronted by a hostile Arab world was not conducive to popularity. Further complicating Mr. Schieber's life in Israel was an equally fervent belief that Marxism, in any form, had to be repudiated because of its atheistic rejection of the God of Abraham.

These two tenets "Abrahamic Zionism" and "anti-Marxism" accounted, I am told, for the great bulk of Mr. Schieber's problems while he was in Israel, resulting in his being arrested 18 times while there. Notably, Mr. Schieber has never been arrested in the 14 years he has been in the United States, excepting his current detention pending deportation proceedings. Consequently, I believe it is not altogether implausible to infer that his conflicts with the legal authorities in Israel arose basically from his political and ideological beliefs.

As to his anti-Marxist and anti-Communist beliefs, I request that you consult Mr. John Richardson, Jr., who is currently the Assistant Secretary of State for Education and Cultural Affairs. Mr. Richardson is personally acquainted with Mr. Schieber's activities in publicizing the evils of the Soviet labor concentration camps. In this regard I understand that Mr. Richardson provided Mr. Schieber with an affidavit as far back as April 29, 1961 attesting to Mr. Schieber's anti-Communist and pro-American attitudes.

Apart from the personal fate of Mr. Schieber, it appears that his case has elicited the interest of a large number of persons. Among them are such Congressional figures as Senator James Buckley, of New York, Senator Strom Thurmond, of South Carolina, and Congressman John Ashbrook of Ohio. I believe that all of them would wish to be assured that the Department of State undertook a full inquiry into the facts involved before acquiescing in the deportation of Mr. Schieber.

In addition to these members of Congress, other prominent American citizens are deeply interested in the disposition of Mr. Schieber's case. I enclose a copy of a joint letter sent to President Nixon by Willard Edwards, Edward Hunter and Charles Lucom.

If the Department of State would wish to have particulars about Mr. Schieber's relations with the American Embassy in Tel Aviv, Israel, I suggest that it may wish to communicate with Mr. Stephen A. Koczak, a former Foreign Service Officer stationed in Israel in the years 1954–1956, and with Mr. Harold Williams, who was the CIA chief of station in the Embassy in Israel from 1956 to 1958. Mr. Koczak is currently the Director of Research of the American Federation of Government Employees, AFL–CIO, located at 1325 Massachusetts Avenue, N.W., Washington, D.C. 20005. I understand that Mr. Williams is now retired from the CIA and resides in Seattle, Washington. Both Mr. Koczak and Mr. Williams knew Mr. Schieber in Israel and are familiar with the serious danger which deportation will bring to Mr. Schieber's life.

Sincerely,

BRUCE J. TERRIS.

SENATE—*Thursday, February 21, 1974*

(Legislative day of Tuesday, February 19, 1974)

The Senate met at 12 o'clock noon, on the expiration of the recess, and was called to order by Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky.

PRAYER

Rabbi Joseph P. Weinberg of the Washington Hebrew Congregation, Washington, D.C., offered the following prayer:

We cannot merely pray to You, O God,
To abolish war and starvation;
To root out prejudice;
To end despair and disease.

For we know that You have made the
world in such a way
That man can find his own path to
peace,
That man can develop the resources
With which to feed the entire world.

That we can see the good in all men
And use our minds to bring dignity and
healing to our brothers.

Therefore we pray to You instead, O God,
For strength, determination, and will-
power,
To do instead of just to pray,
To become instead of merely to wish.

For Your sake and for ours,
Speedily and soon,
That our land may be safe,
And that our lives may be blessed.

May the words that we pray,
And the deeds that we do
Both be acceptable before You, O Lord,
Our Rock and our Redeemer.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 21, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HUDDLESTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, February 19, 1974, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REFERRAL OF S. 2974 TO COMMITTEE ON FINANCE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if and when the Committee on Commerce reports S. 2974, the Cargo Security Act of 1974, it be referred to the Committee on Finance for its consideration of title 2 of the bill relative to the Customs Port Security Act.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, informed the Senate that the Honorable Thomas P. O'Neill, Jr., of the Commonwealth of Massachusetts, had been elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 10834. An act to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes; and

H.R. 12628. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 10834. An act to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes. Referred to the Committee on Interior and Insular Affairs.

H.R. 12628. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes. Referred to the Committee on Veterans' Affairs.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire to be heard at this time?

Mr. GRIFFIN. Mr. President, is there a special order reserved for me later?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. GRIFFIN. Then I shall not speak at this time.

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Florida (Mr. Chiles) is now recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against the time allotted to Senator Chiles.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Florida is recognized for his remaining 10 minutes.

THE FUEL SHORTAGE IN FLORIDA

Mr. CHILES. Mr. President, I received a telegram yesterday from the mayor of Venice, Fla., Mr. William McCracken, and I think it explains quite well the seriousness of the problems in Florida due to the gas shortage. I ask unanimous consent to have the telegram printed in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Venice, Fla., *February 19, 1974.*

Senator Lawton Chiles,
Capitol Hill, D.C.:

At 9:20 P.M. Tuesday, February 19 I have declared Venice, Florida, a disaster area because of lack of gasoline fuel. This was motivated because employees of the hospital medical facilities, school teachers and most basic service people are unable to get to work. Within 36 hours ambulances will not have gasoline to operate. Fire and police services are already severely curtailed, no gasoline purveyors are operating in this area the local bus services are stopped. There is a very real hazard to life, safety, health and welfare of our citizens. In case of storm or natural disaster we are defenseless all services are coming to a standstill. The economy is paralyzed. A local funeral home is unable to bury its cadavers.

William L. McCracken,
Mayor.

Mr. CHILES. The mayor tells me in this telegram that he has declared his city a disaster area. It has reached the point that schools are closing or will have to close. Nurses, doctors, and help cannot get to the hospitals. The bus service has been terminated. The local mortuary cannot bury the dead because it does not have gas; so the cadavers have to stay there. This is the kind of situation we find in Florida today.

I have been devoting my time solely to the terrible impact of the gas shortage in my State of Florida. I believe that the lower southwest portion of my State can justifiably be termed a disaster area. I have received countless telegrams and calls and have had personal contacts of every kind, convincing me beyond a doubt that unless something is done quickly, Florida will soon be paralyzed because of the extreme gas shortage we are experiencing in certain parts of the State.

I have been in constant contact with the regional office in Atlanta, as well as Mr. Simon's office in Washington, and have also contacted every major oil distributor in Florida. Local gasoline stations are closed. Dealers are on strike, saying that they will stay closed indefinitely until Government "gets its hands out of their businesses." Schools will be forced to close in some counties unless changes are made quickly.

I have been getting calls from businesses which are planning to lay off employees because of their inability to operate without fuel. In fact, a number of those businesses have already been laying off. I have been getting calls from people who are losing their jobs because they cannot get to work. Ambulances cannot operate because they have no gas. And as I said before, cadavers cannot be buried because the funeral homes are out of fuel.

I have listened to everyone in Government during the past weeks saying that "everything is going to improve," "wait until next week," and "things will start to straighten out." They have not straightened out. Things have become worse.

The statement yesterday that Florida was being allocated an additional 2 percent of fuel flies in the face of the tremendous disaster in my State. Governor Carter of Georgia spoke out yesterday about his State obtaining an additional 5-percent allocation of gas. He admitted that while Georgia needs what it got, other States might need it more. Florida is one of those States.

This is only one example of the complete shambles of this allocation system. It has broken down, and Florida is paying for it dearly.

Today I am sending a communication to Mr. Simon by messenger, pointing out the inequities in the present allocation system with regard to Florida and demanding: First, that he place Florida in the 5-percent category, in order to make some attempt to alleviate the dire situation we are experiencing; second, that he order the fuel companies to file class applications in behalf of their service stations in growth areas that require additional fuel to meet the needs of those areas; third, that he realize that when the FEO made their determinations of percentages, they were looking at history, rather than basing their figures on the situation today and the effect growth has had on our State; and fourth, that there be established a Federal set-aside of at least 1 percent, so that the FEO could move in an emergency situation, in any area of the country, to prevent panic buying.

I am convinced that this is the only way to bring quick relief to Floridians—that is, by placing Florida in the 5-percent category.

It is obvious to me that both the Federal Energy Office and the oil companies are completely bogged down in their own bureaucracy. I read in yesterday's Washington Post that, under questioning by the Joint Economic Committee, Mr. Sawhill told Senator Proxmire that his office will work more closely with State officials in the future before deciding how much gasoline to transfer from States with relatively more gasoline to States with relatively less. I maintain that this cooperation is sorely needed at this time in Florida.

Mr. President, when I read about the Vice President and the President making remarks that the whole Nation is almost over the hump on fuel and that by March 15 everything is going to be leveled out; that it does not look as though rationing is going to be necessary; that everything is going along smoothly, I wish some of these distinguished gentlemen would be able to see the situation going on in my State. I wish they would be able to take some of the phone calls I am taking and that my office in Florida is taking from people who have lost their jobs or who cannot get to a hospital, or schoolteachers who cannot get to school because they stay in line from 3 o'clock in the morning until school opens, and then the filling station closes because it has run out of its allocation of fuel. I wish they could listen to some of these cases and then say that the process is working smoothly and that it looks as though it is going to level out.

We have a situation that borders on disaster all over the southern part of my State. We hear some of these remarks, and then we see some States where there have been no lines and no serious problem getting 5 percent additional gasoline. Someone sitting at a desk in Washington, using his sliderule and figures based on 1972, determines that certain States are going to need more fuel; and no one is listening to a Governor in a State or to the regional man who is telling them a crisis is going on in another State. It makes me realize that this allocation program of the Government is not working. Unless we do something quickly to overhaul it, we are going to have utter chaos, as we have in my State, going on in many other parts of the Nation.

Mr. President, I ask unanimous consent to have printed in the Record telegrams I have received in connection with this matter.

There being no objection, the material was ordered to be printed in the Record, as follows:

[Telegrams]

Bradenton, Fla.,
February 19, 1974.

Senator Lawton M. Chiles, Jr.,
Capitol Hill, D.C.:

Gasoline shortage in our community has now reached emergency proportions. Our businesses are suffering, we may soon have to close for lack of fuel. Please help us before it is too late.

Firkins American Motors, Sands Lincoln Mercury, Bill Graham Ford, Cox Chevrolet, Hilliard Pontiac Cadillac, Daniel Chrysler Plymouth, Boast Dodge, Cortez Toyota, Cortez Volkswagen, Conley Buick, Balsinger Datsun.

Tampa, Fla.,
February 19, 1974.

Hon. Lawton M. Chiles, Jr.,
Senate Office Building,
Capitol Hill, D.C.:

We know you are aware of the steadily shrinking gasoline supplies in all of Southern Florida. Unless action is taken immediately, serious and long lasting damage will be done to the economy of our state. The welfare and safety of our citizens will be jeopardized. This condition is intolerable and demands strong and prompt action on your part.

The problems of service station operators are real and must be carefully considered. We cannot expect the operators to absorb higher costs of operations while they suffer from sharply reduced incomes resulting from allocations which do not include Florida's phenomenal population increases. Steps should be taken at once to increase fuel allocations and deliveries to this area. Additionally, we recommend the following steps:

(1) Keep unrelenting pressure on Federal officials to increase the fuel allocation to Florida based on this state's singular growth factor.

(2) Allocate fuel in Florida to establish equity in distribution throughout the state.

The citizens of Florida are depending on you as their elected representatives to take action on their behalf and to take action now. Time and patience are running out. The AAA Clubs of Florida, representing 700,000 members, urge you to attack this problem today.

The AAA Clubs of Florida; Marvin Holloway Peninsula Motor Club; James Hendry, St. Petersburg Motor Club; Ellwood Smith, East Volusia Division, AAA.

Sarasota, Fla.,
February 20, 1974.

Senator Lawton Chiles,
New Senate Office Building,
Washington, D.C.:

Gasoline situation in Sarasota County now worse than critical. Stations closed, dealers striking, violence threatened. State allocations must be adjusted and the real problem faced without further delay.

Lido Beach Innkeepers and Condominium Owners Association, Harry Galloway, President; Around the World Motel, Azure Tides Hotel, Beach and Sun Hotel, Frontenac Hotel, Gulf Beach Hotel, Holiday Inn, Lido Beach Inn, Lido Biltmore, Suntide Motel, Surfview Motel, Three Crowns Hotel, Triton Inn, Saint Armands Apartments, Lido Harbor Towers, Presidential and Woodburn, Mark Twain, First Lido Condominium, Chateau Village, Pelican Lodge, Sheraton Sandcastle, Gulf Side Motel, Second Lido Condominium, Coquina on the Beach.

Lake Hamilton, Fla.,
February 20, 1974.

Senator Lawton Chiles,
Capitol Hill, D.C.:

Gasoline situation critical in Polk County. Many of our employees unable to get enough gas to come to work. We are agricultural and we need help at once.

Ed Shores,
Vice President, Orange Co. of Florida,
(Formally Lake Hamilton Citrus, Inc.)

Sarasota, Fla.,
February 20, 1974.

Senator Lawton Chiles,
Capitol Hill, D.C.:

Subject: gasoline.

Teachers, nurses, workers stranded. Gasoline lines miles long. Energy Czar forbids normal customer preference. What have you done?

Edwin A. Zundel.

DeLand, Fla.,
February 20, 1974.

Senator Lawton Chiles,
Dirksen Senate Office Building,
Washington, D.C.:

We are appealing to you on behalf of our entire work force of approximately 700 employes to please lend your assistance in obtaining additional allocations of gasoline to the DeLand area. The vast majority of the filling stations in the DeLand area are closed due to being out of fuel. By far the majority of the remaining stations are closed due to a strike. Without this additional fuel we face the very undesirable possibility of closing.

Respectfully,

Brunswick Corp.

Ocala, Fla.,
February 19, 1974.

Subject: Energy.

Good Day, Sir: Fuel for industry and gasoline for agriculture and the business community is essential if we hope to remain viable as a nation. I, for one, do not mind restricting my non-business driving to a bare minimum, but I resent and protest, finding it impossible to obtain gasoline to conduct my business.

If it takes rationing to provide reasonable assurance to business such as mine (engaged in the agricultural interests of Florida and the nation) then please explore this possibility, along with others as a means of clearing up this dreadful mess.

However: I'm basically against further government involvement. (See Editorial of Wall Street Journal of February 13, 1974, "Gulf Challenge" and editorial of Barrons of February 18, 1974, "It's simple, Simon.")

But since government has become a part of the management team try to make the system work or get government out of it. I'm sure you, as well as the harassed and bewildered taxpayer realize the seriousness of this problem.

Please do your utmost to project reasonable solutions to it.

Regards,

Howard W. Trumm,
Food Technologist.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT OF UPLAND COTTON PROGRAM—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Huddleston) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry. The message is as follows:

To the Congress of the United States:

In accordance with the provisions of section 609 of the Agricultural Act of 1970, I transmit herewith the report of the 1972 upland cotton program.

Richard Nixon.

The White House, *February 20, 1974.*

REPORTS OF SECRETARY OF DEFENSE AND SECRETARY OF TRANSPORTATION — MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Huddleston) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Armed Services. The message is as follows:

To the Congress of the United States:

In 1965, the Congress authorized participation by military personnel in a program of cash awards for suggestions, inventions and scientific achievements. Nearly 1.5 million suggestions have been submitted since that time, and the program has successfully motivated military personnel to seek ways of reducing costs and improving efficiency. Of those suggestions submitted, 235,378 have been adopted, resulting in tangible first-year benefits in excess of $728 million.

During fiscal year 1973, 131,944 suggestions were submitted and 20,854 were adopted. The adopted suggestions represent tangible first-year benefits of $66,525,250.87, as well as many additional benefits and improvements of an intangible nature. Cash awards in fiscal year 1973 totalled $1,467,531.98, of which 82 percent went to enlisted men.

In accordance with the provisions of 10 U.S.C. 1124, I am forwarding reports of the Secretary of Defense and the Secretary of Transportation containing statistical information on this program and brief descriptions of some of the more noteworthy contributions made by military personnel during fiscal year 1973.

Richard Nixon.

The White House, *February 20, 1974.*

REPORT ON PROGRESS MADE UNDER SECTION 812 OF THE DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Huddleston) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Armed Services. The message is as follows:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit the following report to the Congress on the progress made in implementing the provisions of Section 812 of the Act cited above.

Several months prior to the enactment of Section 812, this Administration took the initiative to seek Allied cooperation in developing a solution to the financial problems arising from the stationing of U.S. forces in NATO Europe. We initiated discussions with the Federal Republic of Germany in May 1973 with a view toward negotiating another bilateral offset agreement covering fiscal years 1974 and 1975. Then at the June 1973 meeting of NATO Defense Ministers, Defense Secretary Schlesinger proposed to the Allies that they develop a program to relieve the U.S. of balance of payments burden we bear as a result of stationing forces in NATO Europe. He also asked that the U.S. be relieved of the additional budgetary costs involved in stationing forces in NATO Europe rather than in the U.S. A NATO study group was established to examine the problem. This group submitted a report on October 20 to the North Atlantic Council, giving an analysis of the financial problems arising from the stationing of U.S. forces in the territory of other NATO countries and developed options for Allied action to deal with these problems.

On November 29, 1973, following the enactment of the Department of Defense Appropriation Authorization Act, 1974, Ambassador Rumsfeld, the U.S. Permanent Representative to the North Atlantic Council, tabled an illustrative program of military procurement and budgetary support which would satisfy the requirements of Section 812 of the Act and thereby avoid unilateral U.S. force reductions in NATO Europe. Subsequently, during the December 1973 meeting of NATO defense ministers, our Allies declared their intention "to participate in multilateral or bilateral arrangement towards providing a common solution to the United States problem", agreed "to examine how the share of the United States in the civil and military budgets of NATO and in the infrastructure program might be substantially reduced", and noted that "consideration was being given to widening the eligibility of projects for funding under the common infrastructure program." We are continuing to point out in the North Atlantic Council and elsewhere the importance we attach to meeting the requirements of Section 812 if we are to avoid unilateral U.S. force reductions. We continue to stress, therefore, the urgent need for Allied action to fulfill the intentions declared at the December 1973 meeting of NATO Defense Ministers, regardless of the evolving balance of payments position of the U.S. and its Allies.

Pursuant to Section 812(a) of the Act cited above, a working group composed of representatives of the Secretary of Commerce, the Comptroller General of the United States, and the Secretary of Defense, has developed concepts for use in calculating the pertinent deficit once the receipt and expenditure information becomes available for all of fiscal year 1974. An inter-agency committee within the Executive Branch has prepared recommendations concerning what acceptable actions our Allies could take to offset the expected deficit. Applying the concepts developed by the working group chaired by the Department of Commerce, the Department of Defense estimates that U.S. expenditures entering the balance of payments as a result of the deployment of forces in NATO Europe in fulfillment of treaty commitments and obligations of the United States in fiscal year 1974 will be approximately $2.1 billion. In response to a U.S. request, a study is now underway in NATO to collect more complete data than in the past on Allied military procurement from the U.S. in fiscal year 1974. A high level of military procurement will be essential if the requirements of Section 812 are to be met.

Bilateral offset negotiations with the FRG constitute the major element in our effort to obtain Allied payments to offset these expenditures. The current discussions are based on a German offer which represents an increase over the amount of military procurement and budgetary support included in the FY 1972–73 agreement. However, major cost increases of deploying our forces in Germany, international economic and financial developments, and the multilateral burdensharing discussions have combined to make the negotiations unusually complex and time consuming. Once a satisfactory bilateral offset agreement has been concluded, we will look to our other Allies for the remaining amount needed to offset our estimated expenditures of approximately $2.1 billion. Although the energy crisis and the changing overall balance of payments positions of the U.S. and the European NATO countries have made it more difficult for the other Allies to respond promptly to our request for burden-sharing assistance, we are continuing to stress to them the urgent need to develop a specific program to insure that our military expenditures are fully offset.

Action to reduce the U.S. balance of payments costs and budgetary burdens associated with the stationing of U.S. forces in NATO Europe, while important, are not the only measure of equity in sharing the common defense burden. Our European Allies are continuing to improve their forces for NATO. These improvements, reflected in increasing European defense budgets, are an important aspect in sharing the defense burden. We are encouraging our Allies to continue these improvements and, when possible, to direct their increased spending into areas which serve also to reduce the U.S. share of the common burden.

Richard Nixon.

The White House, *February 20, 1974.*

DRUG ABUSE IN AMERICA—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Huddleston) laid before the Senate a message from the President of the United States, which was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

One of the leading concerns of this Administration over the past 5 years has been the problem of drug abuse in America. In the 1960's, the number of heroin users increased substantially, reaching more than a half-million by 1971, and we saw an increase in the abuse of other narcotic and non-narcotic drugs.

With the cooperation of the Congress, and with the assistance of many foreign nations that were involved, we have undertaken a massive response to a problem which was assuming massive proportions. Our response has been balanced between rehabilitation for drug users, and strong enforcement against drug traffickers. It is compassionate, thorough and tough—and it has been highly effective.

REHABILITATION

In 1971, Federally-financed treatment programs for drug abuse were assisting 20,000 people. Today, these programs, linked with State and local drug abuse treatment programs have a capacity for helping more than 160,000 people.

In 1972, we had some 30,000 people on waiting lists for treatment of heroin addiction. Today, these waiting lists have been virtually eliminated. Those who formerly resorted to crime to support a drug habit because treatment was unavailable no longer have that excuse for their criminal activities. Those who want help can get that help.

There are those who need help but are unwilling to seek it. We are doing everything possible to encourage them to come in out of the cold. As an incentive to those who are not motivated to seek help on their own, Federal agencies are increasing their support of local programs to provide treatment for addicts and abusers who become involved in the criminal justice system.

ENFORCEMENT

Federal drug investigation and intelligence responsibilities have been consolidated in the new Drug Enforcement Administration of the Justice Department to provide the strongest possible spearhead in the attack on America's number one public enemy.

International seizures of opiates have increased sharply in the last year. The number of Federal drug-related arrests has jumped from over 15,000 in fiscal year 1972 to almost 25,000 in fiscal year 1973.

The continuing heroin shortage in the East Coast is an encouraging sign of success in the effort to stem the flow of this dangerous drug into our country. I am informed that the price of a milligram of heroin in New York City has tripled in the past 24 months. The purity of that heroin which is available was reduced by almost half in the same period. While we cannot solve the drug problem without treating those who are addicted, the most important factor in seeking a solution will be continued reduction of illicit drug supplies. If we are to eliminate the supply of illicit drugs we must remove from our society those who deal in these drugs.

I am determined to maintain and increase the pressure on those who traffic in human misery. Despite the very positive evidence that we are on the right track in removing the menace of drug abuse from our society, more remains to be done.

In my message to the Congress of June 17, 1971, requesting legislation for the present full-scale Federal offensive against drug abuse, I made it clear that there was much we did not know about this problem. I noted in that message that "it is impossible to say that the enforcement legislation I have asked for here will be conclusive—that we will not need further legislation. We cannot fully know at this time what further steps will be necessary. As those steps define themselves, we will be prepared to seek further legislation to take any action and every action necessary to wipe out the menace of drug addiction in America."

While our enforcement efforts are proving effective in finding drug traffickers, our system of criminal justice is not as effective in dealing with them after they are arrested. Justice Department studies show that more than a quarter of those who are convicted of narcotics trafficking do not serve a single day behind bars. These studies also indicate that nearly half of those arrested for drug trafficking may be continuing their criminal activities while out on bail. Further, because of the enormous sums of money involved in trafficking, a drug law violator finds it easier to post a high bail than do persons involved in other types of crime.

We have identified these loopholes in the criminal justice system, and now we must close them. I will submit shortly to the Congress legislative proposals which would increase the penalties for those who traffic in narcotics, provide mandatory minimum sentencing of narcotics traffickers for first time offenses, and enable judges to deny bail, under certain conditions, pending trial.

NEW LEGISLATION AIMED AT DRUG TRAFFICKERS

The new penalties for narcotics trafficking would provide minimum Federal sentences of not less than three nor more than fifteen years for a first offense. It would provide not less than ten nor more than thirty years for a second offense. Additionally, the proposal would increase the maximum Federal penalty for illicit trafficking in other dangerous drugs from the present five years for a first offense to ten years; and for the second offense, the minimum penalty would be three years and the maximum penalty would be increased from ten to fifteen years.

This proposal would also enable judges to deny bail in the absence of compelling circumstances if a defendant arrested for trafficking dangerous drugs is found (1) to have previously been convicted of a drug felony, (2) to be presently free on parole, probation, or bail in connection with another felony, (3) to be a non-resident alien, (4) to have been arrested in possession of a false passport, or (5) to be a fugitive or previously convicted of having been a fugitive. The defendant must be brought to trial within 60 days or the matter of bail would be reopened, without regard to the earlier findings.

CONCLUSION

Drug abuse is a problem that we are solving in America. We have already turned the corner on heroin. But the task ahead will be long and difficult, and the closer we come to success, the more difficult the task will be. We can never afford to relax our vigilance and we must be willing to adjust our method as experience tells us they should be adjusted.

We will continue to support treatment and rehabilitation of abusers with all the generosity and compassion which victims of drug abuse require.

But there can be no compassion for those who make others victims of their own greed. Drug traffickers must be dealt with harshly, and where the law is not sufficient to the task, we must provide new laws, and we must do so rapidly.

I urge the earliest possible consideration and passage of the legislation which I am proposing to strengthen our drug enforcement efforts by closing the loopholes in our criminal justice system.

RICHARD NIXON.

THE WHITE HOUSE, *February 21, 1974.*

REPORT OF CIVIL SERVICE COMMISSION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. HUDDLESTON) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Post Office and Civil Service. The message is as follows:

To the Congress of the United States:

I am transmitting herewith a copy of the United States Civil Service Commission's Annual Report for fiscal year 1973.

RICHARD NIXON.

THE WHITE HOUSE, *February 20, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore (Mr. HUDDLESTON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

THE ENERGY CRISES

Mr. GRIFFIN. Mr. President, recently, the Harris survey revealed that the public's opinion of Congress has declined to what, I suspect, is the lowest point in history. Only 21 percent of the American people have a favorable or positive opinion of Congress, according to the survey.

While the public's rating of President Nixon is at a low point, it should be of considerable concern, I suggest, that the public rates Congress even lower.

Mr. President, while lines at the gasoline pumps grow longer and longer in the early morning hours, I have no doubt that a major reason for public dissatisfaction is, and ought to be, the inexcusable, if not irresponsible, performance by Congress during the past several months with respect to the large, oversized package of legislative measures known collectively as the Emergency Energy Act.

The Washington Post this morning published an article which read as follows:

> The House yesterday postponed consideration of emergency legislation after the Rules Committee voted to allow House Members to

object to key provisions of the bill when it came to the floor—a move backers of the controversial legislation say effectively kills it.

Of course, I cannot say with certainty what will happen on the other side of the Capitol with regard to the energy conference report which passed this body on Tuesday of this week. But it does now appear that the report may not even be taken up in the House, and if it is taken up in the House it may not be adopted. In any event, the handwriting on the wall is very clear. If the House of Representatives should approve the conference report, the President will veto it, and there is no doubt—as I see it—that his veto would be sustained.

Mr. President, the responsibility for this state of affairs, which leaves us in a legislative stalemate, must be laid where it belongs, on the shoulders of the majority party which is in control of both Houses of Congress, which is in control of each and every committee, as well as the legislative program in both Houses of Congress.

I realize that what I say appears to carry the overtones and ring of one partisan spokesman throwing darts at the other political party. But, frankly, whatever may be the partisan advantage or disadvantage in the existing situation, it is not nearly so important as the deep concern which we should all have about the institution of Congress and the ineffectiveness which has been displayed by failure to deliver energy legislation in such an hour of great national need.

I speak as one who has gone the last mile in terms of personal effort to get this oversized package of energy-related measures passed and enacted in the form in which it has been presented.

On Tuesday last, even though I recognized shortcoming in the oil price rollback provision, I swallowed hard and voted against the motion to recommit and in favor of the conference report. I did so, not because I approved of the rollback gimmick, but because I know the Nation desperately needs and must have many of the other provisions in that energy package—provisions which are being, and have been, held hostage in what has become a prolonged and rather dangerous game here in Congress.

My vote on Tuesday was the second time I have voted against a motion to recommit. Earlier, it will be recalled, we went through a similar exercise when there was insistence upon a generally unworkable provision relating to renegotiation of profits.

The time has come—indeed, it is long past—when we should call a halt to the "monkey business"—the legislative strategy—that keeps these needed energy measures from being passed. In other words, I suggest that it is long past time to put aside the strategy of trying to pass the whole package of energy measures as an all or nothing legislative package. Continuing to pursue this approach means that 90 percent of the package which is noncontroversial is held hostage by those who are determined to impose their will with respect to the other 10 percent.

What we need to do now—and this has been obvious for some time—is to consider and pass separately the various legislative measures in that emergency energy package. We should go ahead and pass each one that can be passed on its own merits and put it on the books for the benefit of the Nation as this energy shortage grows more acute.

The responsibility of Congress cannot be avoided in this situation by merely pointing a finger of blame at the White House.

Our Founding Fathers deliberately arranged the legislative process so as to require that a bill must win the approving signature of the President of the United States, who is part of the legislative process, unless his veto can be overridden by a two-thirds vote in Congress. Now, it is very clear, it seems to me, that the national interest requires that Congress get about the business of enacting separately, if necessary, those parts of the emergency energy package which can be passed and can be signed into law—measures which can help the people who feel they are struggling almost helplessly in this energy crisis.

Let me be specific about some of the legislative items in the emergency energy package—items that have been held hostage. I refer, for example, to that part of the package which would provide relief with regard to auto emissions standards. Because of action taken by Congress in years past requiring installation of various antipollution devices, automobiles today are consuming 10 to 15 percent more gasoline than would otherwise be the case. In many areas of the country, those antipollution devices now on automobiles are really not necessary from the point of view of health. But I am not arguing for elimination of existing requirements.

What is desperately needed, however, is enactment now of legislation to classify what the auto emission standards will require with respect to 1976 models. The automobile industry is already faced with a massive retooling job because of the sudden shift in demand to smaller cars. The difficulty is compounded, however, by existing uncertainty as to what will be required in the way of auto emission standards.

To some it may sound as though this is the plaintiff appeal of one Senator seeking to cope with the problems of a single State. But let me just remind my colleagues of some important facts. Of course, it is true that Michigan is particularly hard-hit as a result of automobile layoffs. But it should not be overlooked or forgotten that one out of every seven jobs in the United States is dependent directly or indirectly on the automobile industry. What happens to the automobile industry and the jobs it generates is important, not just to Michigan—but to the entire Nation.

Another very important measure in this energy package which is being held hostage because of the debate on oil price rollback is one which provides for extended unemployment benefits for the laid-off workers in areas like Michigan which are being particularly hard hit by unemployment as a result of the energy shortage.

Beyond that, another measure being held hostage is the provision to give authority to the President to impose gas rationing. As we know, a contingency plan for a standby gas rationing plan has been developed. The President has indicated that he does not want to put it into effect. But the fact is that he does not have the authority to do so if circumstances should suddenly make it necessary for him to do so. He does not have that authority because the measure to provide is being held hostage as part of the emergency package.

There are other provisions in the package which would require certain powerplants to convert back to the use of coal. Such action is needed—it is absolutely essential during this energy shortage situation.

I have referred to just a few of the most important noncontroversial items which could be passed and enacted into law, each on its own merit, if the majority party in Congress should see fit to set a new course with respect to the handling of this energy legislation. We should abandon the all-or-nothing package approach with which we have been struggling since last December. We should move instead to consider and pass those measures, item by item, which can win majority approval and be signed by the President into law.

Of course, there still would be the question—and it must be confronted: How do we deal with oil pricing and windfall profits? There should be a debate on this subject so the several approaches can be considered—so the Congress can make a decision as to which of the various alternatives would be most equitable and would do the best job in terms of attaining our ultimate national goal of energy sufficiency.

But, Mr. President, that can be and should be a separate debate about a separate piece of legislation. The need for a decision on that issue should not hold up action on all of the other legislative measures. We can no longer afford to have the others held hostage—they should be enacted and put into effect. They are needed regardless of what we do—or fail to do—with respect to oil pricing or windfall profits.

Mr. President, even if we were to pass all of the other measures in the energy emergency package which has been held hostage, we would still have a long way to go to compile a good record of performance on the energy problem. There are other measures, not included in the package, which also require attention.

I refer, for example, to the need to authorize development of deepwater ports so supertankers will be able to deliver needed oil on the eastern shore of the United States. That legislation has not seen the light of day in the Congress.

There is the matter of siting of nuclear powerplants—legislation to do something about the redtape and long delays involved in constructing nuclear powerplants—an alternative source of power which is desperately needed.

Furthermore, legislation is needed to revise the pricing policies that now apply to natural gas. Congress should come to grips with this very difficult, controversial issue.

So, all these energy-related matters

are on the agenda of Congress. I think it is my responsibility, not only as a spokesman for my party, but as an individual Senator from a State severely hit by the energy shortage, to say that Congress must get going. Action is desperately needed. And to achieve it, there should be a change in the strategy, because that all or nothing package strategy has been a failure with no prospect of it going anywhere from here.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized for 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I know that my distinguished counterpart on the other side of the aisle realizes my strong friendship for him, and it is genuine. I have a tremendous respect for Senator GRIFFIN and enjoy working with him. I think the relationship is mutual. I always feel reluctant to speak in a vein that might indicate a personal animus, but I know that the Senator understands that that is not in what I will say.

The distinguished Republican whip has made reference to "monkey business." He began his eloquent address by referring to the low rating of the Congress in the Harris poll, and, of course, we all are concerned about that low rating. I wish it were not so. But after expressing concern about the low rating of Congress, the Senator then went on to talk about Congress performance during the last several months, and he spoke about the responsibilities of the Democratic leadership in both Houses.

He placed the responsibility for the so-called poor performance of Congress during the past several months on the Democratic leadership in both Houses. He said, "It must be laid on the shoulders of the majority party." Then he went on to shed crocodile tears for his concern about Congress, our "failure to respond," and all of this was referred to as "dangerous monkey business."

Mr. President, if I have ever seen "monkey business" truly epitomized, may I say, with all due respect to my friend, that this is the kind of talk that constitutes genuine monkey business. Those of us who are so concerned about the low rating of Congress ought to quit running Congress down.

We are in a divided government, Mr. President, and I hope that I never live to see another time when there is divided government in this country. One can always except half of the Congress to be constantly running against Congress in an era of divided Government.

The President is naturally going to have the people in his own party in both Houses defending his policy. And when they defend the President's policy, they, being a minority of the Congress, are going to criticize Congress.

So here we have half of the Congress making war on the very institution of which that minority party is a part. No wonder, Congress has such a low rating when half the Members of the Congress run against Congress, when they vilify and castigate and criticize the Congress of which they are a part.

Mr. President, I know my friend understands as well as I understand that the responsibility for enacting programs in this country and in Congress is a shared responsibility. It is not 100 percent the responsibility of the Democratic leadership. It also places a heavy responsibility upon the Republican leadership in Congress and in the executive.

I have said time and time again on this floor that we are fortunate that we have the kind of leadership on the other side of the aisle that has repeatedly shown the finest kind of cooperation in enacting legislation and in developing a remarkable record on the part, certainly of the Senate, last year.

Hundreds of bills were passed. Scores of thousands of nominations were confirmed. The oversight function of the Congress under the Constitution was admirably preformed. I think that the Senate can be proud of its record, and before the end of this session I believe that this Congress will have turned in as good a performance as most Congresses and better than some.

So I think that my friend has engaged in a little bit of finger pointing this day when there is really enough blame to go around.

The truth of the matter is that there has been no leadership on the part of the executive branch. I was in the White House last April, May, or June—I cannot recall precisely the date—when the energy situation was discussed. And my friend from Michigan was there at the same time. The President referred to it as an energy problem. He said:

> This is not an energy crisis. This is an energy problem.

If there are any recordings down there at the White House, I think they will substantiate what I have said.

It was said then by the President that this "is not an energy crisis, but an energy problem." The administration has had 5 years, Mr. President, to foresee an energy crisis and to foresee an Arab embargo and to foresee a time when the administration would not be prepared to deal with a gasoline shortage. However, what has the administration done? It failed to foresee and to prepare to deal with this situation. It is not organized. It is not prepared. Even if the President wanted to institute gasoline rationing today, the administration does not, by its own admission, have the machinery to implement such a decision. Not only that, but the administration speaks out of both sides of its mouth. It says there would not be gasoline rationing, and it says there may be gasoline rationing. Meanwhile, the presses are printing gasoline rationing coupons. It speaks with many voices.

The Director of the Office of Management and Budget says one thing, and the Energy Director, Mr. Simon, says precisely the opposite thing. Both men are honorable men—men of integrity. Who knows what to believe? This lack of credibility is hurting all institutions of Government. And until there is credibility restored to all institutions of Government, the people of this country are not going to know what to believe or whom to believe, and the Government is going to lack the kind of cooperation it needs from the public to deal with an energy crisis or any other crisis.

The people do not know what to believe and do not believe what they hear, for good reason. One day we are told that there is going to be a meeting in the very near future. "I have just had some conversations," we are told, "and I want to say that there will very shortly occur a very important meeting with oil producing countries in the Middle East, and I hope that out of that meeting will come some good news with respect to the Arab embargo." It then turns out that the meeting had been planned for weeks. It was nothing new.

Everyone knew already about that meeting and when it was going to occur. We are also told that there will be no recession; yet, we are in a recession right now. We are told that we will cooperate with the Special Prosecutor and with the Justice Department and will cooperate with this and with that at the very time that cooperation is lacking.

The people hear one thing. However, they see just the opposite. I suppose that we ought to have taken at face value the maxim that was laid down several years ago in the first Nixon administration, which went something like this: "Watch what we do, not what we say."

The trouble is that what is being said is less than meaningless, and what is being done is subzero.

Mr. President, there is enough blame to go around. And I would hope that the time is here when we ought to stop trying to say the kettle is blacker than the pot and vice versa.

The distinguished assistant Republican leader says that the country needs various provisions in the bill that went to the House. Yet, he also said that the handwriting is on the wall and that the President would veto the package.

What are we to believe when Congress has shown the only leadership that has been shown in this field for years? The senior Senator from West Virginia (Mr. RANDOLPH) and the Senator from Washington (Mr. JACKSON) have shown leadership in this field. I was speaking about the possibility of a fuel shortage years ago when I was a Member of the House of Representatives. For years I have added moneys to appropriation bills for coal research.

So, there have been ample voices in the Congress for a long time that have been calling attention to the unwisdom of depending upon a vulnerable foreign source of energy supply.

Congress has shown the only leadership in the field. And not only has it not had the cooperation of the executive branch; it has often had to fight the executive branch in getting anything enacted to deal with and to prevent the energy crisis.

Mr. President, I hope that all of us on both sides of the aisle will reevaluate what we do and reanalyze what we say when we attack the institution of which we are a part. We cannot bemoan the fact that its rating is low when we, by our own words, contribute to the obloquy that daily grows.

So I hope that my friend will accept what I have said in the spirit in which I have tried to say it. I do not question his conscientious purpose. I recognize there is a little something in a partisan way to be gained, perhaps, by running down Congress; we all have our partisan views, and we are not averse on this side of the aisle to taking advantage of situations to advance our partisan positions. But I think we do a great disservice to the Congress of the United States when we, as Members of the Senate on either side of the aisle, criticize our own institution. It is as good or as bad as we ourselves make it.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield the floor.

Mr. JACKSON. Mr. President, I shall be very brief. There is no point in going through the record of what has happened and what has not happened. I can only say, like the Senator from West Virginia, the distinguished assistant majority leader, that he, his colleague, the able chairman of the Committee on Public Works (Mr. RANDOLPH), and I have all been involved in this energy effort for some time.

I would only point out, just to mention one or two things, that when Senator RANDOLPH proposed a commission to look into the energy problem in 1970, which was a bipartisan effort, in which I joined the Senator from West Virginia, and I think over half the Senate joined, the administration opposed his proposal on grounds that there was no need for it.

Then the Senate, under the leadership of Senator RANDOLPH, adopted the resolution which will now be expanded, Senate Resolution 45. Out of that effort has come the basic legislation through which we have endeavored to do something about the energy problem, and to give the President of the United States the tools to do the job.

Over in the Interior Committee, on the Alaska pipeline—let us just take that one as an example—that would have been started a long time ago had the administration listened when my counsel made it very clear to them that they were in legal trouble because they needed authority beyond the 50-foot right-of-way requirement which was in the then existing law.

But what happened was that they would not agree. They said they were confident; the oil industry took the same position, and the court unanimously overruled them. But, let me point out, it was not on environmental grounds. So we put the trans-Alaska pipeline bill through.

We foresaw the problem of the need for alternative sources of energy with a $20 billion research and development program. The Senator from Michigan supported it, but the administration opposed it, and subsequently came out for their own program. But it passed the Senate 82 to 0.

As to the allocation of scarce fuels: I introduced that bill, and it passed the Senate over the opposition of the administration. Mr. Simon—who I think is a dedicated, competent, and loyal American, who is doing his best to do a good job—without the mandatory allocation authority could not do anything today. Yet the administration opposed it. I was at that meeting in April a year ago that the distinguished assistant majority leader has referred to, and, very candidly, the President of the United States did not know that they had opposed the $20 billion R. & D. program. That was one of those OMB decisions.

I must say that it was very difficult, on the legislative side, to deal with the administration on these problems, because no one was in charge of the store. I do not want to bring up embarrassing subjects, but Governor Love said he never had a chance to talk to the President of the United States while he was in charge of the energy program. That is not the Senator from Washington saying it; that is what he said in a news conference. And I must say the facts are that we had no one in charge until Governor Love was appointed, and then he could not meet with the President of the United States. I say it is no wonder that Governor Love quit in disgust.

Now Mr. Simon has taken over, and I have given him 100-percent cooperation; I have stated it publicly. I think he is trying to do a good job in a difficult situation. You do not make friends; it is not a good platform to be administrator of this program and expect to have people love you.

The facts are that the conference report we are talking about stemmed from legislation that we originated in the Committee on Interior and Insular Affairs. General Lincoln, over a year ago—and it came out in the investigative hearings; the distinguished Senator from Kentucky who is now occupying the chair (Mr. HUDDLESTON) was present when it came out—General Lincoln, who was then in charge of OEP, said that they had a contingency plan to deal with a cutoff. When we had them in closed session before the committee, Governor Love and others said there was no such contingency plan. And, to make a long story short, they did not have a legislative program.

We went ahead, and I cooperated with the man who was coordinating at that time, Melvin Laird. We worked together, we got a bill out, and we passed it overwhelmingly. I concede that in the House of Representatives they added a lot of amendments. I did not agree with many of the amendments, but we had two conferences and we worked it out.

The conference report is an important piece of legislation. I think it must be passed. I would hope we can get the Republicans as well as the Democrats on the Rules Committee to grant the waiver.

Look at what is in the bill. People are really hung up on three things in America. They are hung up on these astronomical price increases, shortages, and unemployment. We tried to address ourselves to all three.

We have the provision in there on the price rollback, a provision on unemployment insurance, and provisions on coal conversion, auto emission standards, and the authority, for example, to allocate critical materials so we can get on with the oil drilling that is essential.

Mr. GRIFFIN. Mr. President, will the Senator from Washington yield for an observation?

Mr. JACKSON. Yes.

Mr. GRIFFIN. I would like to say that the Senator is reciting the very same proposals as being included in that large package—of course, as he knows, there are also others—that I recited. As I indicated earlier, I voted against the motion to recommit and for the conference report precisely because I am aware that the Nation desperately needs many of the other measures included in that large legislative package.

But the thrust of my statement earlier was this: I did not take the floor to defend the administration; I did not seek to berate Congress; but I did call attention to the fact that Congress does have a low rating in the public mind—a fact we cannot wish away. One of the reasons that is so, in my opinion, is the way Congress has dilly-dallied with this emergency energy package—the way so many of the noncontroversial measures have been held hostage in that package.

The Senator from Washington may think that the House will adopt the conference report; but, I believe the handwriting is on the wall. It seems clear to me that the House probably will not adopt the conference report. And, in any event, if it does, the President will veto it.

I do not seek to justify or explain what is likely to happen. But those are the facts. I have no doubt, as one whose job is to count votes, that a Presidential veto would be sustained in this body, if not in the other body.

My suggestion—my plea—was that Congress—and those in charge of strategy on this subject—should put the matter of oil pricing and taxation to one side so we can have a separate debate on that issue. Let us go ahead now and pass the other noncontroversial measures in the energy package—those which we know can be enacted into law.

Mr. JACKSON. We voted almost two-to-one to roll back prices. I think it is one of the major issues facing the American people. It is not just what the consumer has to pay at the gas pump but what industry has to pay. There is a long list of industries which are heavy users of energy. I am concerned about the inflation that is taking place not just at the gas pump or the fuel oil trucks but I am concerned with the impact on the economy.

I would like to see—and I would join both Republican and Democratic leadership in the Senate in going over to talk to the leadership on both sides of the aisle in the House and see if we cannot let the House vote on this when a bill such as this conference report has passed the Senate by a two-to-one margin. I think it is tragic that the House cannot vote on something that deals with the burning issue throughout America today.

Mr. GRIFFIN. But is it fair to observe, then, that the Senator from Washington—as it is his privilege so to do—apparently is going to insist upon the whole package, or nothing? Unfortunately, that has been the strategy since last December, and nothing has been passed.

Mr. JACKSON. I would say to my good friend that if we want to dismember the bill, we will be here for a long time and find endless trouble. I would only observe that when the Senate had the opportunity to work its will and the motion was offered to break it up, the effort was routed 2 to 1. I predict that if the House is given a chance to vote, it will pass it overwhelmingly.

The American people are in an ugly mood right now. They want action. They want the things that are in that bill.

There is a reporting provision. The oil companies must disclose their inventories, what they have, how much they are importing, and how much they are exporting.

Mr. President, my only plea is that with the overwhelming mandate from the Senate, with the 2-to-1 vote, I do not think we should abondon the legislative approach. I do not know of anyone who claims that the House will not pass the bill as passed. I think it will pass it overwhelmingly. If the President wants to veto it, we have that threat on every bill.

Mr. President, may I point out that we were told over and over again—and I could not believe it and it did not happen—that the President was going to veto the Alaska pipeline bill. I was told that he was going to veto the mandatory allocation bill. He did not veto either one of those bills.

I have stated over and over again at every opportunity that I want to work with Mr. Simon. I think he is doing the best job he can under very difficult circumstances. I feel strongly that he needs the support of both Democrats and Republicans in Congress. I am going to give that support to him. I will continue to give it to him.

But would it not be a sensible approach to let the House vote on this and if the President then sees fit to veto it, we will have to consider that problem. But we have had the threat of a veto on every energy bill we have sent down there. Those are the facts. I would hope in the spirit of cooperation—and I want to extend the hand of cooperation—that we could work together and get this bill up for a vote up or down in the House—the conference report, that is, and get it to the President. If the President vetoes it, then we will have to meet that problem.

But I think for the good of the country, Mr. President, the things in this conference report are a minimum. Much more needs to be done. We have other bills coming out to expedite the leasing program, to move on the coal conversion program, and to build the refineries we need to build. There is a long list of such bills. I would like to see the administration take this opportunity to extend the olive branch in the midst of a serious crisis throughout America in the energy area so that we can get on with other urgent business of the U.S. Congress.

Mr. ROBERT C. BYRD. Mr. President, may I assure the Senator and my friend on the other side of the aisle that the Democratic leadership will continue to endeavor the best it can to show the same kind of cooperation—and I think it is an admirable cooperation—with the executive branch in the future, as has been shown in the past. The Democratic leadership will continue to work with the President on these problems. After all, the American people will not blame the President alone if we fail. The American people will not blame Congress alone if we fail. They will just blame "the Government" if we do not work together. When they start cleaning out, they will clean out everything and everybody, top to bottom—Republicans and Democrats—incumbents—President, Senators, and all if we do not provide the answers to the mounting problems. It is about time we stop pointing the finger at each other for partisan gain, and hold out our hands and work together in cooperation to reach a solution to the energy crisis.

That is all I have to say.

Mr. AIKEN. Mr. President, I voted to send this bill to the House to give the House the opportunity to give it a working over. I did not think it was a good bill. There were some good things in it. There were several things in it that were bad. Had the House approved it as it left the Senate and the President had vetoed it, I would certainly vote to sustain his veto, because on the whole, there were more bad things in it—too many bad things in it—that more than offset those that were desirable.

The PRESIDING OFFICER. Is there further morning business?

REMOVAL OF INJUNCTION OF SECRECY FROM THE CONSULAR CONVENTION OF THE CZECHOSLOVAK SOCIALIST REPUBLIC

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Consular Convention with the Czechoslovak Socialist Republic, signed at Prague on July 9, 1973—Executive A, 93d Congress, second session—transmitted to the Senate today by the President of the United States, and that the convention with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The President's message is as follows:

To the Senate of the United States:

I am transmitting for the Senate's advice and consent to ratification the Consular Convention between the United States of America and the Czechoslovak Socialist Republic, along with the Agreed Memorandum and related exchange of notes, signed at Prague on July 9, 1973. I also am transmitting, for the information of the Senate, the report of the Department of State with respect to the Convention.

The signing of this Convention is a significant step in the gradual process of improving and broadening the relationship between the United States and Czechoslovakia. Consular relations between the two countries have not previously been the subject of a formal agreement. This Convention will establish firm obligations on such important matters as free communication between a citizen and his consul, notification of consular offices of the arrest and detention of their citizens, and permission for visits by consuls to citizens who are under detention.

The people of the United States and Czechoslovakia enjoy a long tradition of friendship. I welcome the opportunity through this Consular Convention to improve the relations between our two countries. I urge the Senate to give the convention its prompt and favorable consideration.

RICHARD NIXON.

THE WHITE HOUSE, *February 21, 1974.*

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination on the Executive Calendar will be stated.

DEPARTMENT OF THE INTERIOR

The legislative clerk read the nomination of Thomas V. Falkie, of Pennsylvania, to be Director of the Bureau of Mines.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

The PRESIDING OFFICER. Is there further morning business?

AUTHORIZATION FOR COMMITTEES ON RULES AND ADMINISTRATION AND LABOR AND PUBLIC WELFARE TO FILE REPORTS BY MIDNIGHT TONIGHT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committees on Rules and Administration and Labor and Public Welfare be authorized to have until midnight tonight to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR FILING REPORT ON ELECTION FINANCING BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration have until midnight tonight to file its report on the election financing bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR FILING REPORT ON MINIMUM WAGE BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare have until the hour of midnight tomorrow to file a report on the minimum wage bill.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

NEIGHBORHOOD YOUTH CORPS, 1974

Mr. **JAVITS.** Mr. President, as Senators will recall, I have sought each year, through supplemental appropriation or otherwise, to insure the maintenance of an adequately funded summer youth job program for poor youth, 14 to 21 years of age, principally through the *Neighborhood* Youth Corps summer job program.

Last year, we faced a particularly long and frustrating conflict to provide that funding, arising from the fact that the administration refused initially to spend even the basic funds appropriated by the Congress for that purpose and did so at the last minute, and then only through intervention of the Federal courts.

To encourage early planning of an adequately funded program for this coming summer, we included in the Comprehensive Employment and Training Act of 1973, signed by the President on December 28, a special transition provision enabling the Secretary of Labor to provide directly for a program—essentially through the mechanism utilized last summer—at the earliest possible date and urged in the joint explanatory statement of the Committee of the Conference that the program be maintained, as a minimum at last year's levels.

I am very pleased to report to the Senate that in response to that strong expression of congressional intent, the administration has now committed itself to a summer job program at a level of $300 million for an aggregate of 740,200 jobs, the levels of last summer. Each job will consist, as it did last year, of 26 hours per week for 9 weeks at a cost of $423 per slot.

This commitment is expressed in a letter to me dated February 4, 1974, from Secretary of Labor, Peter J. Brennan.

As noted in Secretary's Brennan's letter, the $300 million will consist of $208.6 million as a revised fiscal year 1974 budget request and $91.4 million from manpower funds carried over from last year. Importantly, as noted in the letter, these funds will be in addition to the $250 million requested by the administration—also through a revised request for fiscal year 1974—for public employment programs under title II of the new act.

This is in welcome contrast to the situation last summer when the administration encouraged municipalities to divert to summer jobs, public employment funds under the Emergency Employment Act of 1971, rather than to make available the funds that had been appropriated specifically for the Neighborhood Youth Corps summer job program.

This very commendable and substantial commitment of the administration for this year should enable early planning for the summer youth job program to cut into the unemployment rate for poor youths—which generally runs as high as 30 to 40 percent and which may be further aggravated by the energy crisis and downside economic projections as the summer approaches.

Mr. President, of course, even this amount of $300 million may not be enough in light of those factors and in that matter, I shall be guided by a survey now being taken at my request by the U.S. Conference of Mayors-National League of Cities, which should be completed later this month.

But notwithstanding that fact, I wish publicly to express my appreciation to the administration for this early basic step and to pledge every effort to insure prompt congressional action on the amount requested by the President and any additional funds that may be necessary.

I ask unanimous consent that a copy of the letter from Secretary Brennan dated February 4, together with my response of February 14, and an article from the New York Times of February 10, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Department of Labor,
Washington, D.C., February 4, 1974.

Hon. Jacob K. Javits,
U.S. Senate, Washington, D.C.

Dear Senator Javits: I would like to express my appreciation for your efforts on behalf of the Comprehensive Employment and Training Act. I am aware of the arduous work contributed by you during hearings and floor debate, as well as in the conference, and I am certain that the Act is a better one because of your strong personal interest.

As you pointed out during debate on the Conference Report, authorization of the Neighborhood Youth Corps is preserved in its essence in the Act. I know of your concern with continued high rates of unemployment among youth and related interest in youth programs. I am sure that others with similar concerns appreciate the emphasis on youth programs provided for in Section 304(a) of the Act.

With specific reference to the transitional provision in Section 3(c), authorizing a separate youth program this year, which you authored, it is our intention to fund these programs during the summer of 1974 at a level of $300 million. Of this amount, $208.6 million will appear as an added request in the revised FY 1974 estimate which will accompany the budget request of the President for FY 1975. The remaining $91.4 million will come from manpower funds carried over from last year. This amount will provide summer programs of the same total capacity as last year. I assure you that funds for Title II, Public Employment Programs, are not involved in these funding plans for summer youth programs in FY 1974.

Please be assured your effective interest in adequate funding of summer youth jobs is appreciated by the Department.

Sincerely,

Peter Brennan,
Secretary of Labor.

February 14, 1974.

Hon. Peter J. Brennan,
Secretary of Labor,
U.S. Department of Labor,
Washington, D.C.

Dear Pete: Thank you so much for your letter of February 4 regarding the Administration's intention to provide an aggregate of $300 million for summer youth jobs for the coming summer.

It is my understanding that the amount, consisting of $208.6 million in new budget authority in fiscal year 1974 and $91.4 million in carry over funds, will provide an aggregate of 740,200 jobs, the same number provided last summer; it is my further understanding that funds for title II will not be used to make up the basic amount.

I am highly pleased with the Administration's decision in this regard, and I pledge every effort in supporting the supplemental request, as well as any other funds that may be necessary to meet the needs for this summer.

With warm personal regards,
Sincerely,

Jacob K. Javits.

[From the New York Times, Feb. 10, 1974]

Funds Promised for Summer Jobs—White House, in Reversal, To Aid 700,000 Youths

(By John Herbers)

Washington, February 9.—This is the time of year when the Nixon White House and members of Congress ordinarily square off for their annual battle over funding summer jobs for youths, with the Administration talking of holding the line and legislators pressing for more money.

This year, however, the White House has thrown in the towel even before the match began. It has promised to spend $300 million for more than 700,000 jobs for poor teenagers during a nine-week summer period.

The move is indicative of the new conciliatory approach that the Republican White House is taking toward the Democratic Congress on a wide range of issues.

"This is fresh evidence of the Administration's desire to respond to Congressional intent," said Senator Jacob K. Javits, Republican of New York, a leader in the perennial fight for more funds. "This is in welcome contrast to the situation last summer when funds already appropriated were made available by the Administration only at the last minute, and then through intervention of the Federal courts."

COMPROMISES MADE

The Administration is making compromises with Congress on legislation that it previously refused to amend or accept; it is funding programs that it had planned to kill; it has abandoned the major portion of its effort to impound funds, and it is proposing some legislation—health and welfare reform, for example—that is much more liberal than the Nixon White House considered possible last year.

Administration sources cite changed economic conditions as the reason for the policy shift. As to the youth job program, William H. Kolberg, Assistant Labor Secretary for Manpower, said last month, "I think the Congress, speaking for the country, has said a summer job program for youth is an important thing and we're going to have one."

The general feeling in Congress, however, is that the weakened state of the Nixon Presidency is a factor in the general shift of policy. President Nixon is facing an impeachment inquiry in the House of Representatives, and readers of history there are recalling that more than 100 years ago President Andrew Johnson stopped blocking legislation passed by his opponents in Congress at the time of his impeachment trial and thus escaped expulsion from office.

REFUSED IN 1973

On the matter of youth jobs, the Administration's shift in position is quite radical. Congress appropriated money specifically to finance the jobs through the Neighborhood Youth Corps. Citing its efforts to halt inflation by controlling Federal expenditures, the White House refused to spend the money.

Last March 21, the President announced that the localities could fund summer jobs largely from money appropriated for emergency public service employment. This caused Senator Javits to retort: "This is impoundment and breach of promise. Cities are left with the Hobson's choice of firing the father in order to hire the son."

A lawsuit was filed in the Federal courts, which ruled against the Administration in July.

On Feb. 4, shortly before the budget for the 1975 fiscal year was made public, Secretary of Labor Peter J. Brennan informed Senator Javits that the Administration would provide funds for the job program this year, even before Congress appropriates them.

"It is our intention," he wrote, "to fund these programs during the summer of 1974 at a level of $300 million."

ADDED REQUEST

He said that of that amount, $208.6 million would appear as an added Administration request for the funds it was seeking under the new comprehensive Employment and Training Act. The remainder will be $91.4 million left over from last summer because the court ruling came so late the Labor Department could not use all the money involved.

It is considered likely, Congressional sources said, that additional funds for youth jobs will be supplied from other programs, depending on the need established by surveys and economic conditions.

"This very commendable and substantial commitment of the Administration," Senator Javits said, "should enable early planning for a summer youth job program to cut into the unemployment rate for poor youths—which runs generally as high as 30 to 40 per cent and which may be further aggravated by the energy crisis and downside economic projections as the summer approaches."

For the last several years, the fight between Congress and the Administration over the funding level has not been settled until late spring or summer, preventing rational planning by the localities.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HUDDLESTON) laid before the Senate the following letters, which were referred as indicated:

Report on Emergency Rail Services

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on Emergency Rail Services, dated February 8, 1974 (with an accompanying report). Referred to the Committee on Commerce.

Proposed Legislation of Secretary of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation facilities and to develop a rolling stock scheduling and control system (with accompanying papers). Referred to the Committee on Commerce.

Operations Under Airport and Airway Development Act of 1970

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on operations under the Airport and Airway Development Act of 1970, dated 1973 (with an accompanying report). Referred to the Committees on Commerce and Finance.

Proposed Legislation of Department of Health, Education, and Welfare

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act to improve the protection of the public health and safety, to repeal the Filled Milk Act and the Filled Cheese Act, and for other purposes (with accompanying papers).

Mr. NUNN. Mr. President, I ask unanimous consent that a communication from the Department of Health, Education, and Welfare relative to the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act be jointly referred to the Committees on Commerce and Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

Proposed Legislation of Department of Health, Education, and Welfare

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to provide adequate financing of health care benefits for all Americans (with accompanying papers). Referred to the Committee on Finance.

Proposed Legislation of Department of Labor

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to extend and improve the Nation's unemployment compensation programs, and for other purposes (with accompanying papers). Referred to the Committee on Finance.

Report on Operation of the Trade Agreements Program

A letter from the Chairman, U.S. Tariff Commission, transmitting, pursuant to law, a report on operation of the trade agreements program, dated 1971 (with an accompanying report). Referred to the Committee on Finance.

Report of Peace Corps Annual Operations

A letter from the Director of ACTION, transmitting, pursuant to law, a report on the Peace Corps, for fiscal year 1973 (with an accompanying report). Referred to the Committee on Foreign Relations.

Proposed Legislation of ACTION

A letter from the Director, ACTION, transmitting a draft of proposed legislation authorizing appropriations for Peace Corps (with an accompanying paper). Referred to the Committee on Foreign Relations.

Report on Programs Administered by the Agency for International Development

A letter from the Administrator, Agency for International Development, Department of State, transmitting, pursuant to law, a report on programs administered by that Agency, fiscal year 1974 (with an accompanying report). Referred to the Committee on Foreign Relations.

Report on International Agreements

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, documents relating to international agreements entered into by the United States (with accompanying papers). Referred to the Committee on Foreign Relations.

Report on Certain Services Provided to State or Local Governments by the National Aeronautics and Space Administration

A letter from the Administrator, National Aeronautics and Space Administration, transcript reporting, pursuant to law, that no technical services were provided to State or local governments by that Administration, calendar year 1973. Referred to the Committee on Government Operations.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of Commodity Credit Corporation Fiscal Year 1973," Department of Agriculture, dated February 7, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Changes in Law Recommended to Enable GSA to be More Effective in Selling Excess Properties and in Acquiring Public Building Sites," General Services Administration, dated February 15, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "United States Programs in Ghana," dated February 12, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "More Intensive Reforestation and Timber Stand Improvement Programs Could Help Meet Timber Demand," Forest Service, Department of Agriculture, dated February 19, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Reports of U.S. Water Resources Council

A letter from the Director, U.S. Water Resources Council, transmitting, pursuant to law, a report on a plan for the Big Muddy River Basin, Ill. (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

A letter from the Director, U.S. Water Resources Council, transmitting, pursuant to law, a report on plan for the Genesee River Basin, N.Y. (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Reports of Water Resources Council and Ohio River Basin Commission

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the Persident, transmitting, pursuant to law, reports of the Water Resources Council and the Ohio River Basin Commission on Comprehensive Studies of the Wabash River Basin, Ill., Indiana and Ohio and the Kanawha River Basin, North Carolina, Virginia, and West Virginia (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract With University of Idaho

A letter from the Acting Assistant Secretary for Energy and Minerals, Department of the Interior, transmitting, pursuant to law, a proposed contract with the University of Idaho, Moscow, Idaho, for a research project entitled "Field Testing Tracer Gas Survey Techniques to Quantify Leakage Ventilation" (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Amendment to Concession Contract

A letter from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed amendment to a concession contract, at the Kalaloch Area of Olympic National Park, Wash. (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Report of Government Comptroller for Guam

A letter from the Director of Territorial Affairs, Department of the Interior, transmitting, pursuant to law, a report of the Government Comptroller for Guam, for fiscal year ended June 30, 1973 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation of Department of State

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, and Under Secretary, Department of the Interior, transmitting a draft of proposed legislation to authorize the measures necessary to carry out the provisions of Minute No. 242 of the International Boundary and Water Commission, concluded pursuant to the Atomic Energy Commission in accord-(TIAS 994), entitled "Permanent and Definitive Solution to the International Problem of the Salinity of the Colorado River (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation of Atomic Energy Commission

A letter from the Chairman, Atomic Energy Commission, transmitting a draft of proposed legislation to authorize appropriations to the Atomic Energy Commission in aacordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes (with an accompanying paper). Referred to the Joint Committee on Atomic Energy.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Huddleston):

A resolution of the Senate of the State of Washington. Referred to the Committee on Foreign Relations:

"Senate Resolution 182

"Whereas, There are 1,127 American servicemen still listed as missing in action in Indochina one year after the signing of the Vietnam peace accords; and

"Whereas, There are more than 50 families in Washington with fathers, husbands or sons still on the list of men missing in action; and

"Whereas, The January 27, 1973, peace accords did make a mutual promise of cooperation on the exchange of information about all servicemen missing in action; and

"Whereas, The North Vietnamese have not provided such information and have in fact hindered search teams looking for the missing men; and

"Whereas, President Nixon promised that a complete accounting of the men missing in action would be given the same priority as the return of the 566 American prisoners of war who returned home from North Vietnam in the spring of 1973;

"Now, therefore, be it resolved, by the Senate of the State of Washington, That Congress urge the President to demand that the North Vietnamese comply with the 1973 Vietnam peace accords, and that he obtain a full accounting of all American servicemen missing in action;

"Be it further resolved, That copies of this resolution be immediately transmitted by the Secretary of the Senate to Richard M. Nixon, President of the United States, to the President of the United States Senate, the Speaker of the House of Representatives, and to each member of the Congress from the State of Washington."

A resolution of the Senate of the State of Washington. Referred to the Committee on Public Works:

"Senate Resolution 184

"Whereas, The shortage of petroleum fuel has decreased the amount of such fuel sold in this state; and

"Whereas, In their efforts to help during the energy crisis. the citizens of this state have curtailed driving and are attempting to use less petroleum fuel; and

"Whereas, State highway fund income has been reduced in direct proportion to the lesser number of gallons of petroleum fuel sold in the state; and

"Whereas, The reduction in such revenue has made this state less able to meet the federal matching funds requirements for construction of highways by the department of highways;

"Now, therefore, be it resolved, By the Senate of the State of Washington, that Congress should consider methods of relieving the states of their responsibility to match federal funds and that Congress should consider reducing or eliminating the state matching funds requirements for highway construction; and

"Be it further resolved, That copies of this resolution be transmitted by the Secretary of the Senate to the Honorable Richard M. Nixon, President of the United States Senate, the Speaker of the House of Representatives, and to each member of Congress from the State of Washington."

A resolution adopted by the Missouri Department of Conservation praying for the enactment of legislation to implement certain recommendations of the National Water Commission. Referred to the Committee on Interior and Insular Affairs.

A resolution adopted by the Desk and Derrick Club of Houston, Tex., pledging their continued support to the Nation relating to conservation of energy. Referred to the Committee on Interior and Insular Affairs.

A letter, in the nature of a petition, praying for a redress of grievances, from Mrs. B. C. Deatherage, San Jose, Calif. Ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration, with additional amendments:

S. 1541. A bill to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes (Rept. No. 93-688).

Mr. CANNON. Mr. President, on October 30, 1973, S. 1541 was referred to the Committee on Rules and Administration with instructions to report back to the Senate not later than February 25, 1974. This matter was considered and, under the chairmanship of the Committee on Rules and Administration, Senator Robert C. Byrd, it has performed an outstanding job in amending S. 1541 and reporting it back now to the Senate in such form that I believe it will be a monumental step forward.

It is a long overdue reform bill, and will go a long way toward improving the fiscal processes of the Congress of the United States as well as the executive branch.

Mr. President, I ask unanimous consent that the committee have 10 days to prepare and file its report that should accompany the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, again I want to commend the distinguished Senator from West Virginia for his outstanding work on this bill. He worked while the Congress was not in session. He had a joint committee staff from numbers of various committees that were involved with these various questions covered in the bill and he has really performed an outstanding service to the Senate.

Mr. ROBERT C. BYRD. I thank my distinguished chairman for his overly generous comments concerning my part in this endeavor.

By Mr. CANNON, from the Committee on Rules and Administration:

S. 3044. An original bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns. (Rept. No. 93-689), together with additional views.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred or placed on the calendar, as indicated:

By Mr. BELLMON:

S. 3029. A bill to amend the Consolidated Farm and Rural Development Act. Referred to the Committee on Agriculture and Forestry.

By Mr. CHILES:

S. 3030. A bill to amend and extend the Export Administration Act of 1969. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. TALMADGE (by request):

S. 3031. A bill to provide for two additional Assistant Secretaries of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN (for himself, Mr. Tower, and Mr. Johnston) (by request):

S. 3032. A bill to extend and amend the Economic Stabilization Act of 1970 to provide for the orderly transition from mandatory economic controls and continued monitoring of the economy, and for other purposes. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SPARKMAN (by request):

S. 3033. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. ERVIN (for himself, Mr. Muskie, Mr. Percy, Mr. Chiles, and Mr. Javits):

S. 3034. A bill to prohibit the reservation of appropriated funds except to provide for contingencies or to effect savings. Referred to the Committee on Government Operations.

By Mr. STAFFORD (for himself, Mr. Baker, and Mr. Randolph):

S. 3035. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes. Referred to the Committees on Banking, Housing and Urban Affairs, Finance, and Public Works, by unanimous consent.

By Mr. ABOUREZK (for himself, Mr. Young, Mr. Curtis, Mr. Hansen, Mr. McGovern, and Mr. Proxmire):

S. 3036. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENSON (for himself, Mr. Abourezk, Mr. Clark, Mr. Hart, Mr. Hathaway, Mr. Huddleston, Mr. Hughes, Mr. Metcalf, Mr. Mondale, Mr. Moss, Mr. Nelson, and Mr. Proxmire):

S. 3037. A bill to provide for full financial disclosure by Federal elective officials and candidates for Federal elective office, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. GRAVEL:

S. 3038. A bill to authorize and direct the Secretary of the Department under which the U.S. Coast Guard is operating to cause the vessel *Miss Keku,* owned by Clarence Jackson of Juneau, Alaska, to be documented as a vessel of the United States so as to be entitled to engage in the American fisheries. Referred to the Committee on Commerce.

By Mr. CURTIS (for himself and Mr. Hansen):

S. 3039. A bill to amend the Internal Revenue Code of 1954 to provide for the valuation of a decedent's interest in a closely held business for estate tax purposes. Referred to the Committee on Finance.

By Mr. BUCKLEY:

S. 3040. A bill relating to amendments of the Natural Gas Act. Referred to the Committee on Commerce.

By Mr. McCLURE (for himself, Mr. Baker, Mr. Randolph, Mr. Montoya, Mr. Bentsen, Mr. Domenici, Mr. Gravel, and Mr. Stafford):

S. 3041. A bill to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 1-year period, to establish an economic adjustment assistance program, and for other purposes. Referred to the Committee on Public Works.

By Mr. PROXMIRE:

S. 3042. A bill to require the Securities and Exchange Commission and certain independent agencies which regulate banking and thrift institutions to transmit certain reports and other information to the Congress. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. NELSON:

S. 3043. A bill to amend the statutes to create a Federal Citizens Appeal Board, to provide grants to States for the establishment of citizen appeal processes, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. CANNON, from the Committee on Rules and Administration:

S. 3044. An original bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns. Placed on the calendar.

By Mr. HARRY F. BYRD, JR.:

S.J. Res. 189. Joint resolution to restore posthumously full rights of citizenship to Gen. R. E. Lee. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself and Mr. Allen):

S.J. Res. 190. Joint resolution to authorize and request the President to designate the period from May 26, 1974, through June 1, 1974, as "National Stamp Collecting Week," and for other purposes. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES:

S. 3030. A bill to amend and extend the Export Administration Act of 1969. Referred to the Committee on Banking, Housing, and Urban Affairs.

NEED TO REVAMP EXPORT ADMINISTRATION ACT TO MEET CHANGES IN WORLD ECONOMIC SITUATION

Mr. CHILES. Mr. President, I am introducing proposed legislation today which, if passed, would rewrite the basic authorities and policy context of the Export Administration Act to meet the new circumstances we face today in the world economy.

The energy crisis has turned the world economy upside down and inside out in the course of a few months. All of this sudden change should cause us to reexamine legislation governing our economic relations with the rest of the world, especially trade legislation.

Most trade legislation deals with imports because it is barriers to imports which in the past has constricted world trade.

But the trade policies which have had the most devastating effects on the world's economic outlook in the energy crisis are export controls on oil, export taxes on oil and changes in oil export prices. So, suddenly attention should shift to policies affecting exports in addition to policies affecting imports.

It happens that the Constitution of the United States in article I section 9 prohibits the levying of export taxes. Export controls are authorized under the Export Administration Act of 1969 which expires on June 30 of this year. This legislation is primarily concerned about the adequacy of domestic supply from sources of domestic production.

Export controls can be used to restrict the outflow to world markets of goods which may be in short supply in the United States and which may be experiencing price increases.

So the Export Administration Act as it now stands makes export controls an instrument of domestic economic policy rather than an instrument of foreign economic policy.

Last year there was very legitimate and serious concern in the Committee on Banking, Housing, and Urban Affairs with the adequacy of the authorities in the Export Administration Act to deal with shortages in soybeans, cotton seeds, and scrap.

As the law now stands, export controls can be used only if three conditions prevail. There must be: First, an "excessive drain of scarce materials," second, a "serious inflationary impact," and third, the latter must be caused by "abnormal foreign demand." This is very tightly drawn language. Whereas careful consideration should be given to the use of export controls in every instance and Congress should have a definite role to play, my strong feeling is that this authorizing language is totally inadequate to meet what can now be seen as pressing problems.

In my view the policy context defined in the "findings" sections of the act and the authorizing language should contain specific reference to the following areas of major concern:

First, the capacity of the United States to legally respond with export controls to actions taken by other governments which vitally affect the U.S. domestic economy.

Second, the need to address the problems of access to supplies as well as access to markets.

Third, the fact that export controls should now be a major item on the agenda of international trade negotiations in the GATT.

Fourth, the inadequacy of existing international rules and institutions to handle present problems arising from export policies.

RESPONSE TO OTHERS

As I have pointed out in legislation I have already introduced (S. 2947), export controls cannot now be used to respond in another product of importance to a country which uses export policies to affect the price or supply of a product of importance to us.

I feel that it is absolutely vital for the United States to have the specified legal authority to respond with export controls of our own to actions taken by others which are as damaging to our economy as the recent oil measures have been.

We must be able to use export controls to persuade other countries to adjust their policies. We do not have that authority now. The legislation I introduce today includes provision of that authority as in the bill (S. 2947) that is already introduced.

Changes in oil prices, export taxes, and the rate of oil exports by the oil producing nations have thrown the world into a tizzy. The effects on our economy have been tremendous. They have had and will have major effects on our balance of payments, unemployment, inflation, and growth prospects.

In August of 1971 the United States took severe steps to try to put its own house in order economically—to strengthen our currency, to eliminate a serious deficit in our balance of payments, and to put our economy on a more competitive footing. All of this had a dramatic effect on our balance of trade from a deficit of $917 million in the second quarter of 1971 to a surplus of $714 million in the third quarter of 1973.

Now the recent rises in oil prices have thrown predictions about our future trade balance way off. The highly respected OECD in Paris—the Organization of Economic Cooperation and Development, comprised of all industrial nations—had forecast before the December oil price increases that the United States would sell about $5 billion more worth of goods abroad than it imports in 1974, a very sizable trade surplus. Now, in light of the tremendous oil price rise, the OECD is forecasting a U.S. trade deficit of $1.5 billion. This is a total change of $6.5 billion in our trade relations which is a massive turnaround due to oil price rises.

The effects on our allies will be even worse, given their much smaller sizes. The OECD now predicts a trade deficit of $7.5 billion for Britain, $6 billion for Japan, $3.75 billion for France, $3.5 billion for Italy and $2.5 billion for West Germany.

Only Canada is foreseen as balancing its trade books, and that is because Canada has been behaving like an oil producer by raising its prices.

The OECD revised figures indicate that inflation and unemployment will increase sharply in the first 6 months of 1974, but will taper off considerably in the latter half of the year. They forecast an annual rate of unemployment of 5.5 percent up from 4.8 percent last year. Inflation last year was 8.8 percent overall with a more than 20 percent rise in food prices.

These were the highest rates of inflation in many years. Now the OECD is predicting still higher rates. Estimates of real growth in the United States predict a decline of one-half of 1 percent in the January to June period, followed by a recovery to a two-and-a-quarter-percent growth during the second half of 1974.

These effects on our economy and on world economic conditions are disastrous. And yet we have been caught in this crisis, as if there is nothing we can do to try to persuade the oil producing nations that their actions are not only extremely damaging to us but possibly damaging also to their own interests.

Hence, the findings and the policy language of the Export Administration Act needs to take account of this newly perceived need to have the capacity to respond with export controls on goods of importance to other countries when they take action on their exports which is damaging to us.

ACCESS TO SUPPLIES

Beyond this, the energy crisis has opened our eyes to the fact access to markets is not the only limitation on trade. Access to supplies, especially sources of fuel and food is now seen as the critical bottleneck.

It is as if the supply problem suddenly leapt upon us after so many years of people worrying about demand and access to markets. With inflation becoming a worldwide problem, sources of economical food have become more important.

Many studies have discussed problems which might arise from exhausting finite supplies of raw materials and natural resources. Those studies are getting a better hearing now that oil has become such a problem.

All this argues that assuring access to supplies at the very least should be included in trade legislation and trade negotiations. Clearly, in any bargaining situation, we will not be able to achieve access to supplies abroad without allowing access to our own sources of supplies.

This will require that authority to exist to shape U.S. policy on export controls on the basis of addressing the problem of access to supplies. This authority does not now exist. Given the fact that the world now is more a sellers' than a buyers' market, we should legislate this authority.

TRADE NEGOTIATIONS

The trade reform bill under consideration in the Senate Finance Committee is the legislation which will provide the United States with a mandate to participate in major trade negotiations with other nations in the GATT. There is a need to establish a conference between the trade reform bill and the Export Administration Act so that they reinforce rather than contradict each other.

The trade reform bill should be the vehicle for providing the authority to negotiate trade agreements and guidelines with other nations.

The operational authority for the use of export controls is contained and I think should remain in the Export Administration Act. It seems essential that this act be amended to take account of the fact that major international trade negotiations are in the works and that it is within the framework of these negotiations that international rules and arrangements regarding the use of export policies should be discussed.

The fact that the findings and policy authorities of the act define export controls largely as instruments of domestic economic policy, make it imperative to cast the authorizing language in the mold of foreign economic policy so that the implementing authorities in this act mesh with the negotiating authorities in the trade reform bill.

The legislation I am introducing provides explicit language for the Export Administration Act which would link it to the trade reform bill and would assure that export controls become a major topic for discussion and negotiation in the trade talks within the GATT.

There are some legislative proposals before the Congress which would place the implementative authority for export controls and other measures within the trade reform bill.

I would think that keeping the implementative authority for export controls within the Export Administration Act would be preferable, given its broad concern with domestic and international dimensions of supply, and make minor revisions in the language of the trade reform bill to provide explicit negotiation authority for export controls and for addressing the international problems of access to supplies.

THE INADEQUACY OF RULES AND INSTITUTIONS

There can be no doubt that the present chaos in world economic relations shows the inadequacy of international discussions and negotiations to develop agreed upon principles of conduct in export policy practices to avoid the kind of unilateralism we have recently witnessed in oil.

To be sure, this is a very difficult area to deal with. In fact, the discusion of the whole range of so-called "nontariff barriers" to trade, of which export controls is one, were largely left out of the Kennedy round of trade negotiations which dealt mostly with tariffs.

Nontariff barriers are to be a major focus of attention in the coming trade talks. These are very complex and difficult, and surely export controls will be one of the most difficult matters to find agreement on how they should be treated. But it is now abundantly clear that deal with them we must, and that considerable effort must be made to work out mutually satisfactory arrangements to guide how nations take action on export controls affecting the welfare of other nations. Part of the problem is that this whole subject has been ignored. As the just released "Economic Report of the President" points out so aptly:

> The existing patterns of thought as well as existing trade rules were not well geared to dealing with trade policy measures aimed at restricting exports and preserving domestic sources of supply.

Establishing these kinds of trade rules to guide governmental actions on exports controls is vital. The bill I am now introducing will hopefully enhance this effort.

CONCLUSION

There is a vacuum not only in the existing pattern of thought on these subjects but also in the existing pattern of legislation. The language I am proposing today to amend the Export Administration Act will, I hope, strengthen the Nation's efforts to achieve some order out of the economic chaos we are now experiencing.

If we revamp the policy context and authorities of this act to provide the capacity to respond with export controls to damaging export policies abroad and cast the use of export controls within our overall effort to achieve through international negotiations world economic practices which permit freer and more equitable access to markets and to sources of supplies, I think we will have taken significant steps to strengthen our own hand in dealing with the new international economic problems we face.

By Mr. TALMADGE (by request):

S. 3031. A bill to provide for two additional Assistant Secretaries of Agriculture; to increase the compensation of certain officials of the Department of Agriculture; to provide for an additional member of the Board of Directors, Commodity Credit Corporation; and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. TALMADGE. Mr. President, by request, I introduce, for appropriate reference, a bill to provide for two additional Assistant Secretaries of Agriculture, and so forth. I ask unanimous consent that a letter from the Assistant Secretary of Agriculture, transmitting the legislation, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 6, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a bill to provide the following adjustments in the top level policy staff of the Department of Agriculture:

Establish two new positions as Assistant Secretary of Agriculture at Executive Level IV;

Raise the position of Administrator, Animal and Plant Health Inspection Service, from GS-18 to Executive Level V; and

Increase the membership of the board of the Commodity Credit Corporation from six to seven.

The purpose of this legislation is to bring the USDA top level staff in line with other departments and to recognize the tremendous growth in the scope and complexity of USDA programs since 1953, the last time such legislation was enacted.

The scope, magnitude, and complexity of the Department's operations have increased substantially since 1953, while the only additional top level policy position approved since that time has been the position of Assistant Secretary for Rural Development which was included in the Rural Development Act of 1972.

At present the Secretary of Agriculture has available to assist him in managing and directing the complex and far-reaching programs of the Department of Agriculture a top-level staff consisting of one Under Secretary and four program Assistant Secretaries, plus an Assistant Secretary for Administration. This small group of top policy officials is responsible for developing the policies and directing and managing the operations of a Department that carries out its many complex programs at over 10,000 locations, in every one of the 50 States, in over 3,000 countries, in every major metropolitan area, and in many foreign countries.

Many new programs have been enacted by the Congress since 1953, such as watershed protection, mandatory poultry inspection, National Wool Act, Food Stamp Program, Child Nutrition Act, Agricultural Fair Trade Practices Act, water and sewer program, cooperative forestry research program, and programs for the disposition of commodities under the Agricultural Trade Development and Assistance Act (Public Law 480), and resource conservation and development program.

Existing programs have been expanded in the areas of meat inspection, marketing, food distribution, nutrition, consumer services, research, education, forest land management, timber sales, rural housing, technical assistance by the Soil Conservation Service to farmers and soil conservation districts, and rural area development activities.

The relationships between these programs and other Government programs are becoming more and more complex. This has resulted, for example, in designation of the Secretary of Agriculture as a member of the Council on International Economic Policy, the Cost of Living Council, the Water Resources Council and other groups.

Net budgetary expenditures for all activities of the Department increased from about $4.7 billion in 1953 to an estimate of about $9.6 billion in 1974. During this same period the man-years (average annual employment) increased from 62,479 to 100,992.

The need for adequate staffing of the several Departments at the Under Secretary and Assistant Secretary level has been recognized in most of the other cabinet-level agencies of the Government. We believe the magnitude and scope of the activities which the Congress has authroized and directed this Department to carry out are as great as, or greater than, those of most other civilian cabinet-level agencies.

This Department with four Executive Level IV Assistant Secretaries ranks low among the Executive Departments. Compared with four such positions in this Department, the Defense Department and its service departments has 22; the Department of Housing and Urban Development has six; the Department of State has 11; the Department of Justice has nine; the Department of Treasury has five; the Department of the Interior has six; and the Department of Labor has five. A position as Director of Agricultural Economics was established in the Office of the Secretary of Agriculture on October 13, 1961. A position as Assistant Secretary for Administration was established in the Office of the Secretary of Agriculture by the Reorganization Plan of 1953.

We are also proposing that the position of Administrator, Animal and Plant Health Inspection Service, be established at Executive Level V. This agency is one of the largest and most complex in this Department. It has overall responsibility for the meat and poultry inspection programs as well as the many programs in the areas of plant and animal disease and pest control. The agency employs over 15,000 people and administers a budget of over $300 million. With the exception of the Forest Service, no agency in the Department employs more people, and none have a greater diversity of responsibilities. However, seven agencies that are smaller than this one have Level V administrators. It should also be noted that the Food and Drug Administration, which has comparable responsibilities, has a Level V commissioner even though its employment (6,200) and budget ($160 million) are less than half of those administered by the Animal and Plant Health Inspection Service.

The main functions of the Commodity Credit Corporation have been in those areas pertaining to the production of commodities, and the stabilization of prices thereof in line with the objective of improving net farm income. Of recent years, greater public and governmental attention has been focused on the stabilization of the rural population and toward this end, major emphasis has been directed to those programs which enhance rural development. In this regard the basic economic decisions of the CCC Board need to be further correlated with the administration of Rural Development programs. We believe this proposal to provide an additional member to the CCC Board of Directors will strengthen this relationship.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

Clayton Yeutter,
Assistant Secretary.

By Mr. SPARKMAN (for himself, Mr. Tower, and Mr. Johnston) (by request):

S. 3032. A bill to extend and amend the Economic Stabilization Act of 1970 to provide for the orderly transition from mandatory economic controls and continued monitoring of the economy, and for other purposes. Referred to the Committee on Banking, Housing, and Urban Affairs.

Mr. SPARKMAN. Mr. President, I introduce for myself, the senior Senator from Texas (Mr. Tower), and the junior Senator from Louisiana (Mr. Johnston), by request, a bill to extend and amend the Economic Stabilization Act of 1970, to provide for the orderly transition from mandatory economic controls and continued monitoring of the economy and for other purposes. The proposals contained in this bill are those recommended by the administration.

The statutory authority in the Economic Stabilization Act of 1970 presently will expire on April 30, 1974. The Committee on Banking, Housing, and Urban Affairs has legislative jurisdiction over this matter, and it will be that committee's responsibility to give timely consideration to this matter.

Mr. President, I wish to make it plain that the three of us introducing this bill today are doing so that the administration's proposal will be given a forum before our committee.

Mr. President, I ask unanimous consent that a section-by-section analysis of the administration's bill be printed in the Record following my remarks.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Section-by-Section Analysis of a Bill

To extend and amend the Economic Stabilization Act of 1970 to provide for the orderly transition from mandatory controls and continued monitoring of the economy and for other purposes.

SECTION 2. FINDINGS

This section provides that the Act may be cited as the "Economic Stabilization Act Amendments of 1974."

SECTION 1. SHORT TITLE

This section restates Section 202 of the Economic Stabilization Act of 1970 so as to set forth revised findings of Congress with respect to future requirements and objectives of the Economic Stabilization Program. These findings follow from the President's proposals as presented February 6, 1974, by Secretary of the Treasury George P. Shultz and Cost of Living Council Director John T. Dunlop to the Subcommittee on Production and Stabilization of the Senate Committee on Banking, Housing and Urban Affairs.

Paragraph (b) of this section sets forth findings related specifically to the need to control inflation in the health care industry. It is found necessary to continue after April 30, 1974 the controls that have been established over the industry.

SECTION 3. PRESIDENTIAL AUTHORITY

This section amends Section 203 of the Economic Stabilization Act of 1970 (effective May 1, 1974, as provided in Section 13 of this Act) so as to provide for mandatory controls with respect to only the health care sector of the economy after the scheduled termination date (April 30, 1974) for controls in other sectors. The Administration may request that a few additional sectors of the economy be included under continued controls. The section also makes several technical and clarifying amendments to conform Section 203 to the modified requirements and objectives of the Economic Stabilization Program. These changes consist of (1) changing the authority to issue "standards" to authority to issue "criteria", (2) deleting references to "rent" controls, (3) adding "aggregate expenditures" as one of the subjects along with prices, wages, and salaries for which criteria may be prescribed, and (4) deleting all reference to "interest rates", "corporate dividends", and "finance charges".

The old paragraph (h) is deleted because it pertained to rent controls. The new paragraph (h) is added to make clear that the provisions of this title apply to payments for health care services authorized under Titles V, XVIII, or XIX of the Social Security Act and, in cases of conflict, supersede that Act.

SECTION 4. CONTINUATION OF CERTAIN ACTIONS TAKEN PRIOR TO MAY 1, 1974

Subsection (a) of this section adds a new section 203*a* to the Economic Stabilization Act of 1970, to provide for the continuation after April 30, 1974, of the effect of certain actions taken under the Act on or before that date. The provisions of new Section 203*a* are intended to continue the effect of decisions and commitments reached on or before April 30, 1974, in accordance with the limited terms specified in those decisions and commitments. By authorizing the President to limit the operation of contract reopeners and to enforce pre-May 1, 1974 orders and commitments, this section will prevent a disruptive unraveling of the present controls and provide an orderly transition.

Section 203*a*(a) directs the President to, prescribe regulations to prevent inflationary surges that could occur after April 30, 1974, as a result of contract provisions that anticipate the modification or termination of economic controls on or before that date. The subsection is directed at both price and wage agreements. On the wage side, the provision authorizes the President to limit the operation of terms in collective bargaining agreements expressly providing for wage reopeners or reversion to prescribed wage rates in the event of a modification of controls, and also to limit implementation of prescribed wage rates that would only be permitted implicitly by such a modification. However, the subsection is not intended to authorize the President to limit the operation of contract terms expressly providing for scheduled wage increases on or after May 1, 1974, whose operation is not expressly dependent on the modification of controls; thus, the operation of a contract provision cannot be limited simply because a wage increase scheduled by the provision is in excess of guidelines issued under the Economic Stabilization Program prior to May 1, 1974. The subsection also is not intended to authorize the President to extend the term of a contract beyond its intended expiration date (other than a date fixed by a provision whose operation is contingent on the modification of controls).

Section 203*a*(b) contemplates that the President will monitor decontrol commitments entered into by individual firms and may take appropriate action with respect to price behavior violative of those commitments. Further, the subsection authorizes the enforcement after April 30, 1974, of Cost of Living Council orders issued on or before that date that limit price or wage behavior for specified periods of time. The subsection also authorizes the continuation of controls over wages and salaries paid to executives for the remainder of the control period, which will generally be the balance of the firm's fiscal year beginning prior to May 1, 1974. This authority for continuing executive compensation controls permits the limitations to operate for a full year as would be necessary to ensure a lasting effect on this type of compensation.

Section 203*a*(c) authorizes the President to prescribe regulations to provide for the disposition after April 30, 1974, of any price or wage matters relating to periods prior to May 1, 1974. This authority would extend both to the orderly disposition of matters received but not acted on prior to May 1, 1974, and to the disposition of matters received after that date, relating retroactively into the pre-May 1, 1974, period.

Subsection (b) of this section adds a new section 203*b* to the Economic Stabilization Act of 1970 so as to provide the President with the authority to collect through reports, audits, recordkeeping requirements and hearings, as well as from existing government sources, such business and economic information as may be necessary to monitor inflation in the nation's economy in the future. This authority does not extend to the collection of information from another Federal agency if disclosure by that agency is prohibited by law or if the information constitutes privileged or confidential information collected by that agency for statistical or law enforcement purposes, if disclosure would frustrate development of accurate statistics or law enforcement.

SECTION 5. DELEGATION

This section amends Section 204 of the Economic Stabilization Act of 1970 (1) to expressly authorize the delegation of authority under that Act to State officials as well as to Federal officials and (2) to eliminate obsolete "grandfather" provisions exempting the members of the Pay Board and Price Commission from the requirement of Senate confirmation while retaining that exemption for the appointed members of the Construction Industry Stabilization Committee.

SECTION 6. CONFIDENTIALITY OF INFORMATION

This section amends Section 205(b) of the Economic Stabilization Act of 1970 to make it clear that *all* information pertaining to aggregate price changes by product line, prices or percentage of cost justification collected by the Government under the authority of the Economic Stabilization Act shall be available to the public. This amendment eliminates the vagueness resulting from having disclosure of such information tied to the size of the firm concerned, its obligation to file a particular report under superseded regulations, and a comparison of Economic Stabilization disclosure practices with those of the Securities and Exchange Commission. This provision is subject to the limitations set forth in new Section 203*b*(b), relating to disclosure of information provided to other Federal agencies.

SECTION 7. ADMINISTRATIVE PROCEDURES

This section amends Section 207(c) of the Economic Stabilization Act of 1970 by eliminating "rents, interest rates, corporate dividends or similar transactions" from the list of matters for which public hearings are to be held when changes are likely to have "a significantly large impact upon the national economy".

SECTION 8. SANCTIONS

This section amends Section 208 of the Economic Stabilization Act of 1970 to make it clear that an agency exercising authority under the Act has heretofore been authorized to issue remedial orders in violation cases directing refunds or price reductions of up to three times the dollar amount of the violations.

SECTION 9. PERSONNEL

This section amends Section 212 of the Economic Stabilization Act of 1970 by (1) changing the five Executive Level positions authorized under the Act from three level III's and two level V's to one level II, who is to be subject to Senate confirmation, one level III and three level V's; and (2) exempting bipartite and tripartite advisory committees appointed under the Economic Stabilization Act from the provisions of Section 10 of the Federal Advisory Committee Act.

SECTION 10. REVIEW OF FEDERAL PROGRAMS

This section removes Section 215 of the Economic Stabilization Act of 1970 concerning mass transportation systems, which becomes obsolete with the termination of mandatory controls, and replaces it with a provision providing for a review by an agency exercising authority under this Act of the economic impact of Federal agency programs and activities as measured against the purposes of this Act.

SECTION 11. TERMINATION

This section amends Section 218 of the Economic Stabilization Act of 1970 to extend that Act, as amended, for an additional twenty months until the end of 1975.

SECTION 12. NATIONAL COMMISSION ON PRODUCTIVITY

This section amends Section 4(f) of Public Law 92–210 to provide continued authorization for the National Commission on Productivity through the end of 1975, thus making its termination date the same as that for the Economic Stabilization Act as amended by Section 11 of this Act. It also reduces the the Economic Stabilization Program under Commission's authorized funding from $10,000,000 to $5,000,000.

SECTION 13. EFFECTIVE DATE

This section provides an effective date of May 1, 1974, for the amendments to Section 203 of the Economic Stabilization Act made by Section 3 of this Act. This allows the substantive regulations and orders issued with respect to Phase IV of the Economic Stabilization Program to remain in effect, subject to ongoing sector-by-sector decontrol amendments to those regulations, until the scheduled termination date of April 30, 1974. On May 1, 1974, the existing Section 203 authority will be replaced by the modified authority (i.e. authority for mandatory controls with respect to only the health care and industries).

In all other respects the amendments made by this Act would become effective upon enactment.

SECTION 14. AUTHORITY INCORPORATED IN EMERGENCY PETROLEUM ALLOCATION OF 1973

This section is added to make it clear that the provisions of the Economic Stabilization Act of 1970, previously incorporated by reference in the Emergency Petroleum Allocation Act of 1973, remain unaffected and unaltered by these Amendments for the purposes of that Act.

By Mr. SPARKMAN (by request:

S. 3033. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations and for other purposes.

The bill has been requested by the President of the United States and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the President to the President of the Senate dated February 7, 1974, and the letter from the Director of the Arms Control and Disarmament Agency.

There being no objection, the bill and letters were ordered to be printed in the Record, as follows:

S. 3033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Arms Control and Disarmament Act, as amended, is further amended as follows:

(1) Section 41(d) (22 U.S.C. 2581(d)) is amended by—

(a) deleting "as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed $100 per diem for individuals," and substituting therefor "as authorized by section 3109 of Title 5 of the United States Code," and;

(b) deleting from the first proviso thereof "one hundred days" and substituting therefor "one hundred and thirty days."

(2) Section 49(a) (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "$22,000,000," the following: ", and for the two fiscal years 1975 and 1976, the sum of $21,000,000,".

The White House,
Washington, D.C., February 7, 1974.

Hon. Gerald R. Ford,
President of the Senate,
Washington, D.C.

Dear Mr. President: I am transmitting herewith proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency, along with a letter from the Director of that Agency in support of this legislation.

Major progress has been made toward this

Administration's high priority foreign policy and national security objective of establishing effective arms control arrangements. Most importantly, the Strategic Arms Limitation Talks with the Soviet Union have resulted in definitive treaty limitations on strategic defensive systems and an agreement for interim limitations on strategic offensive systems. The continuing Strategic Arms Limitation Talks, accelerated by agreements reached at the June, 1973, Summit Conference, now are focused on achieving definitive treaty limitations on strategic offensive systems. Also of major importance was the initiation last year of negotiations to reduce the military confrontation in Central Europe.

The objective of this Administration to replace the dangers of a continuing unchecked arms race with the greater security afforded by the establishment of reliable controls over armaments has been well served by the Arms Control and Disarmament Agency. This has been demonstrated especially by the Agency's key role in the Strategic Arms Limitation Talks and the talks on mutual and balanced force reductions in Central Europe. The work of the Agency in these and other forums is vital to future progress in the difficult area of arms control and disarmament.

The draft legislation I am transmitting today would authorize appropriations for the Arms Control and Disarmament Agency for fiscal years 1975 and 1976. It also amends the Agency's authority to procure the services of experts and consultants so as to make this authority comparable to that prevailing elsewhere in the Executive Branch. This change is necessary for the Agency to continue to attract highly qualified consultants to assist it in its tasks.

I urge the Congress to give this bill prompt and favorable consideration.

Sincerely,

RICHARD NIXON.

U.S. ARMS CONTROL AND
DISARMAMENT AGENCY,
Washington, D.C., January 28, 1974.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Enclosed for your approval and transmittal to the Congress is a draft bill that would amend the Arms Control and Disarmament Act to extend the authorization for appropriations for the Agency. The current two-year authorization expires on June 30, 1974, and the proposed legislation would authorize appropriations for the two-year period of fiscal years 1975 and 1976. New legislation will be required to keep the Agency operating, and early enactment is essential to permit timely Congressional consideration of the Agency's 1975 budget. The draft bill also amends the Agency's authority to procure the services of experts and consultants (section 41 (d) of the ACDA Act) to make it comparable to the generally prevailing authority in the Executive Branch.

This authorization request is supported by plans for what I believe will be a sound, effective and well-conceived arms control and disarmament effort by the Agency over the two-year period. The Strategic Arms Limitations Talks and the negotiations on mutual and balanced force reductions in Europe will continue to require a major portion of our resources. As you know, this Agency now has the principal support responsibility for both the SALT and MBFR negotiations. Other important arms control activities, including those at the UNGA, the Conference of the Committee on Disarmament in Geneva and other multilateral forums, as well as supporting research for these negotiations, will also be funded under this authorization.

Of the total amount of the proposed authorization of $21 million for two fiscal years, the Budget for fiscal year 1975 would include $9.5 million for ACDA.

Respectfully,

FRED C. IKLE.

By Mr. ERVIN (for himself, Mr. MUSKIE, Mr. PERCY, Mr. CHILES, and Mr. JAVITS):

S. 3034. A bill to prohibit the reservation of appropriated funds except to provide for contingencies or to effect savings. Referred to the Committee on Government Operations.

IMPOUNDMENT PROHIBITION ACT OF 1974

Mr. ERVIN. Mr. President, on behalf of myself and Senators MUSKIE, PERCY, CHILES, and JAVITS, I introduce for appropriate reference the Impoundment Prohibition Act of 1974.

This bill represents a significant departure from the impoundment measures passed by the Senate and House of Representatives last year, which have been stalled in a conference for more than 6 months.

Whereas those bills undertook to grant the President a limited power to impound funds, with an opportunity for Congress to either approve or disapprove each action, the Impoundment Prohibition Act of 1974 would prohibit the practice altogether except for the very narrow managerial purposes permitted in the Antideficiency Act (31 United States Code 665).

As it now stands, the Antideficiency Act permits the reservation of appropriated funds "to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available."

This last phrase—or other developments subsequent to the date on which such appropriation was made available—has served as a loophole through which Presidents have justified the impoundment of funds. The Impoundment Prohibition Act of 1974 would eliminate this loophole. Where such subsequent developments arise, or whenever it is determined that the full scope and objectives of programs can be attained for less than the amounts appropriated for them, the Executive would be directed to recommend that all or part of the appropriation be rescinded by Congress.

The Antideficiency Act would be amended further to provide specifically that appropriated funds shall not be reserved for fiscal policy purposes or to achieve less than the full objectives and scope of programs enacted and funded by Congress.

Except as specifically provided by particular appropriations or authorization acts, no reserves would be permitted other than the very narrow and limited reservations permitted by the Impoundment Prohibition Act of 1974.

Executive officers would be directed to notify the Comptroller General at least 10 days in advance of the establishment of such reserves and to give their reasons for doing so.

The Comptroller General would be empowered as a representative of Congress through attorneys of his own choosing, rather than through the Attorney General, to bring civil actions in the U.S. District Court for the District of Columbia to enforce the provisions of the Impoundment Prohibition Act of 1974. Such actions would be given precedence over all other civil actions.

The bill also contains a disclaimer that nothing in it shall be construed by any person or court as constituting a ratification or approval of any impoundment by the President or other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment. This disclaimer is included in order not to prejudice any of the numerous lawsuits now pending against the administration over the impoundment issue.

Mr. President, I have studied the issue of impoundment in considerable detail during the past several years, and I have not hesitated to alter my approach to the problem as circumstances have changed.

In 1971 I introduced an impoundment bill which was very similar to H.R. 8480, the bill which the House passed last July. It would have permitted the President to impound funds provided both Houses of Congress did not disapprove of his action within 60 days.

After more than 2 years of hearings, study, and revisions, the Committee on Government Operations fashioned a bill, S. 373, which was stronger than my first effort. It would have permitted the President to impound funds for 60 days, at the end of which his authority would expire unless both Houses of Congress approved of his action. S. 373 was a considerable improvement over my first bill, and in contrast to the House bill, it provides a workable procedure for the regulation of impoundments.

At the time the Senate and House passed their respective impoundment bills, however, very few lawsuits challenging impoundments had been brought. Memoranda, rulings, and decisions have now been rendered in more than 30 cases at the Federal district court level, and a few cases have reached the appellate courts. While no single ruling has yet emerged, and the Supreme Court has refused original jurisdiction of one case that squarely presented the constitutional issue, an unmistakable trend has emerged at the district court level against an unbridled presidential discretion to impound. In light of this trend, I feel it would be unwise for Congress to delegate the power which the Constitution gives it rather than the President—the power of the purse.

Furthermore, Congress is on the threshold of enacting budget reform legislation which will for the first time in generations enable it to consider all of the ramifications of the appropriations and spending process at one time. Congress soon will force itself to consider rescissions of appropriations, or to increase revenues or the debt ceiling when it devises a budget each year. When it does so, the political justifications for impoundments will evaporate, and an outright prohibition of impoundments for political or fiscal purposes will be feasible.

Mr. President, the time has come for Congress to get off dead center on the impoundment issue. It must not delegate the power of the purse nor acquiesce in its abuse by the Executive. Instead, it must take positive steps to reform its budget procedures and to prohibit the wholesale and unlawful impounding of appropriated funds.

I strongly encourage all Senators to support the Impoundment Prohibition Act of 1974 so that Congress can take back its constitutional power.

Mr. President, I ask unanimous consent that the text of the Impoundment Prohibition Act of 1974 be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed, as follows:

S. 3034

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Impoundment Prohibition Act of 1974."

SEC. 2. Section 3679(c)(2) of the Revised Statutes, as amended (31 U.S.C. 665), is amended to read as follows:

(2) In apportioning any appropriation, reserves may be established solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations. Reserves shall not be established for fiscal policy purposes or to achieve less than the full objectives and scope of programs enacted and funded by Congress. Whenever it is determined by an officer designated in subsection (d) of this section that such reserves should be established, the officer shall notify the Comptroller General at least 10 days in advance of such establishment together with his reasons therefor. The Comptroller General is authorized as a representative of Congress through attorneys of his own choosing to bring a civil action in the United States District Court for the District of Columbia to enforce the provisions of this section. The courts shall give precedence over all other civil actions brought under this section. Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the full objectives and scope of the appropriation concerned, he shall recommend the rescission of such amount in the manner provided in the Budget and Accounting Act of 1921 for estimates of appropriations. Except as specifically provided by particular appropriations or authorization acts, no reserves shall be established other than as authorized by this section.

SEC. 3. Nothing contained in this Act shall be interpreted by any person or court as constituting a ratification or approval of any reservation of budget authority by the President or any other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such reservation.

By Mr. STAFFORD (for himself, Mr. BAKER, and Mr. RANDOLPH):

S. 3035. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs, Finance, and Public Works, by unanimous consent.

Mr. STAFFORD. Mr. President, the distinguished ranking Republican member of the Committee on Public Works (Mr. BAKER) had planned to introduce a major legislative proposal by the administration today. But he is necessarily absent from the Chamber this afternoon.

On his behalf, and as ranking Republican member of the Transportation Subcommittee, I am pleased to introduce the proposed Unified Transportation Assistance Act of 1974.

The bill makes a number of important changes in existing law gradually consolidating and coordinating the urban highway and mass transit programs. The bill would raise the Federal share on noninterstate highways to 80 percent from 70 percent, authorize mass-transit operating subsidies out of the general fund, and establish a formula allocation of part of the Urban Mass Transportation Act funds. Each of these proposals is important. Each will help the Congress focus its attention on the issues relating to improved urban transportation.

While I support the general outlines of the bill, I must express reservation concerning some specifics.

Section 103(b), for example, excludes urban areas of less than 50,000 population from support out of the urban system. Since Vermont has no population centers that exceed 50,000, my State, which still has many urban transportation problems, would be excluded from the program. And section 103(e) eliminates the one-half of 1 percent of the urban system funds guaranteed to Vermont and other small States.

Section 108 of the bill deletes current statutory requirements that urban system projects be designed to provide access for the handicapped, replacing it with a requirement that new buses and rolling stock for fixed rail systems be designed "with reasonable and practical features" to allow the physically handicapped and elderly to use them. Further, any State could satisfy that proposed requirement by providing an alternative service for the physically handicapped, using urban system funds to finance such an alternative service.

Such a proposal may be very sound. But I shall only support it if it can be shown that the handicapped and elderly will suffer in no way as a result.

Mr. President, I ask unanimous consent that the remarks Senator BAKER had prepared for delivery on the Senate floor, together with a copy of the bill and other material forwarded by the White House, be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement and material were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BAKER

Mr. President, a major achievement of the first session of the 93rd Congress was enactment of the Federal-Aid Highway Act of 1973 (P.L. 93–87). That Act included language that broadened considerably the scope of the highway program, in line with an amendment sponsored by the distinguished Senator from Maine (Mr. Muskie) and myself. Under that provision, urban areas may use funds allocated out of the Highway Trust Fund both for road construction and capital expenditures related to public mass transit: up to $200,000,000 for bus purchases during fiscal 1975, and up to $800,000,000 for buses and fixed rail systems in fiscal year 1976.

That flexibility was written into the Code before the "energy crisis". Now, I believe, public awareness of the energy savings made possible by better mass transit has augmented public support and made improved urban transportation a high national priority.

In response to this enhanced interest, I am pleased to sponsor a major legislative proposal developed by the Administration.

I am particularly pleased that I am joined in sponsoring this Administrative initiative by the distinguished chairman of the Committee on Public Works (Mr. Randolph) and the ranking Republican on the Transportation Subcommittee (Mr. Stafford). I recognize that Chairman Randolph and Senator Stafford may not support every facet of this bill. But they share my view that it is important for us to present this bill now for public review and comment.

In the next several months, the Subcommittee on Transportation will conduct many days of field hearings into national transportation policies and issues. This bill should be a touchstone for much of that comment. And I believe that the President and Secretary Brinegar must be commended for their leadership in developing this bill to help improve life in our cities by making intraurban transportation more convenient.

This bill, the Unified Transportation Assistance Act of 1974, proposes to gradually meld together various Federal grant programs that now support urban transportation under differing criteria. It holds the promise of Federal-aid structures offering greater flexibility and opportunity for progress.

In an explanation of this proposed legislation, the Department of Transportation says it "consolidates two separate and relatively inflexible capital programs (the Federal-Aid Highway and Urban Mass Transportation Act programs) which are distorting, in various ways, local decisions on the investment of transportation funds and on transit operating practices."

This consolidation would be achieved in a three-part program. Title I of the bill amends Title 23 of the U.S. Code, allowing a State greater latitude to transfer funds among various highway categories. It would allow primary and secondary road money to be spent to purchase buses to serve small urban areas. It expands the rural public transit demonstration. It would focus the urban highway program where it will be most effective, in cities with populations of 50,000 or more. The bill also contains an authorization for urban and rural highway funds for one additional year (fiscal year 1977).

The major thrust of this legislation is toward standardization of the tests for an urban transportation grant, whether it is to come under the Federal-Aid Highway program or the Urban Mass Transportation Act. The bill raises the Federal share on all non-Interstate highway programs to 80 per cent, from 70 per cent, beginning with fiscal year 1975. This new Federal share brings the rate into line with the percentage grant now provided under the UMTA program.

In another move toward conformity, the bill establishes an identical test in earmarking funds for major urbanized areas, whether the money is to come from the UMTA or Highway program.

This bill broadens the UMTA criteria, allowing funds to be spent on highway-related construction, such as exclusive bus lanes or fringe parking lots. The highway program now permits such spending. And UMTA projects would be subject to the co-operative planning process now required for highways under Section 134 of Title 23.

Many of these changes are contained within Title II of the bill—the title that amends the Urban Mass Transportation Act. This title establishes for the first time, a system that allocates, by formula, a portion of the UMTA funds among the States. Specifically, the sums allocated would be $700 million in fiscal 1975, $800 million in fiscal 1976, and $900 million in fiscal 1977. The remaining funds—$700 million annually—would be available to finance individual capital grant applications, similar to the Department of Transportation's present grant program.

One major initiative in this Administration bill is the broadening of the UMTA program to allow a state to use its allocated funds to subsidize the operating costs of local mass-transit systems.

Title III of the bill would not take effect until fiscal year 1978. This title would unify the Urban Highway System program with the Urban Mass Transportation program under Title 23. The new program would involve an annual allocation of $2 billion among the States, with $700 million retained by the Secretary of DOT for discretionary mass-transit capital grants. Local agencies would be allowed to use up to 50 per cent of the allocated funds for operating subsidies.

The legislation, I must note, is mute on the future of the Highway Trust Fund. The Fund expires on October 1, 1977, under present law. While this bill necessarily would draw on the general fund, beginning in fiscal year 1978, to support a new, unified urban transportation program, I do not believe the bill would prejudge any subsequent decision on the source of funding for urban transportation.

Mr. President, there are many other important initiatives contained in this bill. It offers constructive proposals that contribute significantly to our dialogue. I am hopeful that my colleagues will study this proposal with great care, so that we can determine the directions we wish to pursue.

Mr. President, I would add one final comment. Attached to this bill, when it was sent up to the Hill, was an Environmental Impact Statement explaining the bill's impact on the environment. Such statements, of course, are required, but often left off bills such as this one.

S. 3035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 101. This Act may be cited as the "Unified Transportation Assistance Act of 1974".

TITLE I—AMENDMENTS TO TITLE 23, UNITED STATES CODE: URBAN, SMALL URBAN AND RURAL HIGHWAY PROGRAMS

EFFECTIVE DATE

SEC. 102. Sections 103–105 of this title shall become effective after June 30, 1974. The other provisions of this title shall become effective upon their enactment.

APPORTIONMENT

SEC. 103. (a) The definition of the term "rural areas" in section 101(a) of title 23, United States Code, is amended by substituting "urbanized" for "urban".

(b) Section 103(d) of title 23, United States Code, is amended by placing a period in the first sentence of paragraph (1) after the words "urbanized area" and striking the remainder of that sentence and the entire third sentence; and by amending the first sentence of paragraph (2) to read as follows: "After June 30, 1976, the Federal-aid urban system shall be located in each urbanized area and shall consist of arterial and collector routes."

(c) The term "outside of urbanized areas" shall be substituted for the term "rural areas" in paragraphs (1) and (2) of section 104(b), title 23, United States Code.

(d) Paragraph (3) of section 104(b), title 23, United States Code, is amended to read as follows: "For extensions of the Federal-aid primary and secondary systems in urbanized areas:

"In the ratio which the population in urbanized areas, or parts thereof, in each State bears to the total population in such urbanized areas, or parts thereof, in all States as shown by the latest available Federal census."

(e) Paragraph (6) of section 104(b), title 23, United States Code, is amended by substituting the term "urbanized areas" for the term "urban areas" wherever that term appears in the first sentence, and by deleting the last sentence.

(f) Subsection (c) of section 104, title 23, United States Code, is amended by substituting in the first sentence "paragraphs (1), (2), (3) or (6)" for "paragraphs (1) or (2)", and inserting at the end of the first sentence the following:

"Funds apportioned in accordance with paragraph (6) of section 104(b) shall not be transferred from their allocation to any urbanized area of 400,000 population or more under section 150 of this title, without the approval of the local officials of such urbanized area."

(g) Section 104(d), title 23, United States Code, is amended to read as follows:

"Not to exceed the total amount of funds apportioned in any fiscal year to each State in accordance with paragraph (3) of section 104(b) may be transferred to the apportionment under paragraph (6) of section 104(b) if such transfer is requested by the State highway department and is approved by the Governor of such State and by the Secretary as being in the public interest."

AVAILABILITY OF PLANNING AND URBAN SYSTEM FUNDS

SEC. 104. (a) Paragraph (2) of section 104(f), title 23, United States Code, is amended by placing a period after "census" and striking the remainder of the paragraph.

(b) Section 150, title 23, United States Code, is amended by substituting "400,000" for "200,000" wherever that number appears.

FEDERAL SHARE

SEC. 105. (a) Subsection (a) of section 120, title 23, United States Code, is amended by substituting "80 percent" for "70 percentum" where it appears in that subsection.

(b) The first sentence of subsection (f) of section 120, title 23, United States Code, is amended by substituting "80 percent" for "70 percentum".

(c) The amendments contained in this section shall take effect with respect to all obligations incurred after June 30, 1974.

AUTHORIZATIONS

SEC. 106. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid urban system, out of the Highway Trust Fund, $800,000,000 for the fiscal year ending June 30, 1977. For the extensions of the Federal-aid primary and secondary system in urbanized areas, out of the Highway Trust Fund, $300,000,000 for each of the fiscal years ending June 30, 1976, and June 30, 1977.

(2) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $700,000,000 for the fiscal year ending June 30, 1977.

(3) For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $400,000,000 for the fiscal year ending June 30, 1977.

(b) The second sentence of paragraph (2) of section 104(a) of the Federal-Aid Highway Act of 1973 is amended by placing a period after "June 30, 1975" and deleting the remainder of that sentence.

(c) To the extent that (1) the sum of the authorizations to appropriate funds out of the Highway Trust Fund under subsection (a) and the total amount authorized to be appropriated out of the Highway Trust Fund through the fiscal year ending June 30, 1977, exceed (2) the sum of the amount which will be available in the Highway Trust Fund (excluding repayable advances) to defray the expenditures which will be required as a result of the authorizations to be appropriated out of the Highway Trust Fund under subsection (a) and the total amount of authorizations to be appropriated out of the Highway Trust Fund through June 30, 1977, an amount equal to the difference between (1) and (2), but not to exceed $2,200,000,000, is authorized to be appropriated out of the general funds in the Treasury to liquidate obligations resulting from authorizations under (1) for which the sums available under (2) are not sufficient. For the purposes of section 209(g) of the Federal-Aid Highway Act of 1956, funds authorized pursuant to this subsection shall constitute the amounts which will be available in the Highway Trust Fund to defray the expenditures which will be required to be made from such fund.

TECHNICAL AMENDMENT

SEC. 107. Section 142, title 23, United States Code, is amended by deleting subsection (d) and relettering the subsequent subsections accordingly, including any references thereto.

MASS TRANSPORTATION FOR ELDERLY AND HANDICAPPED

SEC. 108. (a) Title 23, United States Code, is hereby amended by adding a new section 154.

"Sec. 154. Mass transportation for the elderly and handicapped

"(a) It is hereby declared to be the national policy that elderly and physically handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation facilities and services so that the availability to elderly and physically handicapped persons of mass transportation which they can practically utilize will be assured; and that all Federal programs offering assistance in the field of mass transportation should contain provisions implementing this policy.

"(b) In order to further this policy, the Secretary shall require that any bus or other mass transportation rolling stock acquire, or any mass transportation station, terminal, or other passenger loading facility improved or constructed after June 30, 1974, with Federal financial assistance under sections 104 (e)(4) and 142 of this title, and the Urban Mass Transportation Act of 1964, as amended, and after June 30, 1977, chapter 5 of this title, be designed with practical and reasonable features which allow their utilization by physically handicapped persons and elderly persons with limited mobility.

"(c) Any Governor or local public body may satisfy the requirement of subsection (b) by providing alternative transportation service for physically handicapped persons and elderly persons with limited mobility. The alternative service provided shall be sufficient to assure that handicapped persons and elderly persons with limited mobility have available transportation service meeting standards, which shall be promulgated by the Secretary. Funds apportioned under 104(b)(6) of this title and under title II of the Urban Mass Transportation Act of 1964, as amended, shall be available for the Federal share of the cost of the alternative services authorized by this section.

"(d) Section 165(b) of the Federal-Aid Highway Act of 1973 is hereby repealed.

"(e) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"'154. Mass transportation for the elderly and handicapped.'"

RURAL AND SMALL URBAN AREA PUBLIC TRANSPORTATION

SEC. 109. (a) Section 101, title 23, United States Code, is amended by adding the following new definition:

"The term 'small urban area' means an

urban place as designated by the Bureau of the Census having a population of five thousand population or more and not within any urbanized area, within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the entire urban place designated by the Bureau of the Census."

(b) Section 142(a) of title 23, United States Code, is amended by adding a new section 142(a)(3) to read as follows:

"(3) To encourage the development, improvement and use of public mass transportation systems operating vehicles on highways for transportation of passengers in small urban and rural areas, the Secretary may, in addition to the projects under paragraph *(1)*, beginning with the fiscal year ending June 30, 1975, approve as a project on the Federal-aid primary or secondary systems, for payment from sums apportioned under section 104(b)(1) and (2) of this title, the purchase of buses."

(c) Paragraph (2) of section 142(d) of title 23, United States Code, as redesignated herein, is amended by adding the following at the end thereof:

"After June 30, 1974, notwithstanding section 209(f)(1) of the Highway Revenue Act of 1956, the Highway Trust Fund shall be available for making expenditures to meet obligations resulting from projects authorized by subsections (a)(2) and (3) of this section and such projects shall be subject to, and governed in accordance with, all provisions of this title applicable to projects on the Federal-aid urban system, primary system and secondary system, respectively, except to the extent determined inconsistent by the Secretary."

(d) Section 142(g) of title 23, United States Code, as redesignated herein, is amended by inserting after "subsection (a)(2)" the following: ", and after June 30, 1974, under subsection (a)(3),".

(e) Section 142(1) of title 23, United States Code, as redesignated herein, is amended to read as follows:

"The provisions of section 13(c) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out subsections (a)(2) and (c) of this section, and after June 30, 1974, subsection (a)(3) of this section."

RURAL HIGHWAY TRANSPORTATION DEMONSTRATION PROGRAM

SEC. 110. (a) The first sentence of section 147 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"To encourage the development, improvement, and use of public mass transportation systems operating vehicles on highways for transportation in rural areas and small urban areas, in order to enhance access of populations in rural *and small* urban areas to employment, health care, retail centers, education, and public services, there are authorized to be appropriated $75,000,000 for the three-fiscal-year period ending June 30, 1977, of which $50,000,000 shall be out of the Highway Trust Fund, to the Secretary of Transportation to carry out demonstration projects for public mass transportation on highways in such areas."

(b) The second sentence of section 147 of the Federal-Aid Highway Act of 1973 is amended by deleting the word "and" after "other public mass transportation passengers," and the period at the end of the sentence, and adding at the end thereof the following: ", and the payment of operating expenses incurred as a result of providing such service.".

TITLE II—AMENDMENTS TO THE URBAN MASS TRANSPORTATION ACT OF 1964, DESIGNATION OF TITLE I OF UMTA ACT

SEC. 201. (a) After the enacting clause of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601, et seq.), insert the following:

"TITLE I—THE URBAN MASS TRANSPORTATION PROGRAM"

(b) Sections 2–15 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601–1611), shall be included in title I of the Urban Mass Transportation Act of 1964, as amended.

(c) The introductory phrase of section 12(c) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1607c(c)), is amended to read as follows: "As used in Title I of this Act—".

(d) Section 12(c) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1607c(c)), is further amended by deleting the word "and" at end of paragraph (4), by inserting that word at the end of paragraph (5), and by adding at the end thereof the following new paragraph:

"(6) the term 'administrative reservation' means a commitment by the Secretary which, if accepted, would constitute an obligation of the United States."

AUTHORIZATIONS

SEC. 202. Section 4(c) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1603(c)), is amended to read as follows:

"To finance grants and loans under sections 3, 7(b), 9 and projects under title II, the Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise in amounts aggregating not to exceed $7,400,000,000. Of this sum, the Secretary shall apportion to the Governors of the fifty States, of Puerto Rico and to the Mayor of the District of Columbia $700,000,000 for fiscal year 1975, $800,000,000 for fiscal year 1976, and $900,000,000 for fiscal year 1977, pursuant to the formula prescribed by section 202. The amount authorized by the first sentence (which shall be in addition to any amount available to finance such activities under subsection (b) of this section) shall become available upon the effective date of this subsection and shall remain available until obligated. There are authorized to be appropriated for liquidation of the obligations incurred under this subsection not to exceed an aggregate of $1,260,000,000 prior to July 1, 1974, not to exceed an aggregate of $1,860,000,000 prior to July 1, 1975, and not to exceed an aggregate of $7,400,000,000, thereafter. Administrative reservations for grants authorized under sections 3, 7(b) and 9 of this Act shall not exceed $700,000,000 for fiscal year 1975. Sums appropriated under this subsection to finance grants under sections 3, 7(b) and 9 shall remain available until expended."

INVESTMENT STANDARDS

SEC. 203. Section 4 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601, et seq.), is amended by adding a new subsection (e) to read as follows: "The Secretary may issue regulations establishing investment standards for the grant-in-aid program under this title."

TECHNICAL AMENDMENT

SEC. 204. (a) Section 4(d) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1603d), is amended by striking all after the first sentence.

(b) Section 16 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1612), is hereby repealed.

THE URBAN TRANSPORTATION FORMULA GRANT PROGRAM

SEC. 205. The Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601, et seq.), is amended by adding at the end thereof the following new title:

"TITLE II—THE URBAN TRANSPORTATION FORMULA GRANT PROGRAM

"Section 201. Definitions

"As used in title II—

"(a) The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of facilities and equipment for use in mass transportation, including designing, engineering, locating, surveying, mapping, acquisition of rights-of-way, relocation assistance and acquisition and replacement of housing sites;

"(b) The term 'Governor' means the Governor, or his designate, of any one of the fifty States and of Puerto Rico, and the Mayor of the District of Columbia;

"(c) The term 'local public bodies' includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

"(d) The term 'mass transportation' means transportation by bus, or rail or other conveyance, either publicly or privately owned, which provides to the public general or special service on a regular and continuing basis;

"(e) The term 'Secretary' means the Secretary of Transportation;

"(f) The term 'States' means any one of the fifty States, the District of Columbia, and Puerto Rico; and

"(g) The term 'urbanized area' means an area so designated by the Bureau of the Census, within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the entire urbanized area within a State as designated by the Bureau of the Census.

"Section 202. Apportionment of funds

"(a) On the first day of fiscal years 1975, 1976, and 1977, the Secretary shall apportion the sums authorized by section 4(c) of this Act for apportionment in fiscal years 1975, 1976, and 1977, respectively, to the Governors in the following manner:

"In the ratio which the population in urbanized areas, or parts thereof, as designated by the Bureau of the Census, in each State bears to the total population in such urbanized areas, or parts thereof, in all the States as shown by the latest available Federal census.

"(b) Three percent of the funds apportioned under subsection (a) of this section shall be used for planning activities authorized by section 212 of this Act. Such funds shall be made available by the Governor to the metropolitan planning organizations in urbanized areas designated by the Governor as being responsible for carrying out the provisions of section 212 of this Act. These funds shall be matched in accordance with section 205 of this Act unless the Secretary determines that the interests of the program would be best served without such matching.

"(c) The distribution within any State of the planning funds made available to organizations under subsection (b) of this section shall be in accordance with a formula developed by the Governor and approved by the Secretary, which shall consider but not necessarily be limited to, population, status of planning, and metropolitan area transportation needs.

"(d) The funds remaining after the allocation required by subsection (b) of this section which are apportioned to any Governor under section 202(a) of this Act and which are attributable to urbanized areas of 400,000 population or more shall be made available for expenditure in such urbanized areas for projects approved under section 207 of this Act in accordance with a fair and equitable formula developed by the Governor, which formula has been approved by the Secretary. Such formula shall provide for fair and equitable treatment of incorporated municipalities of 400,000 or more population. Whenever such a formula has not been developed and approved for a State, the funds apportioned to any Governor under section 202(a) of this Act which are attributable to urbanized areas having a population of 400,000 or more, or parts thereof, shall be allocated among such urbanized areas within such State for projects approved under section 207 of this Act in the ratio that the population within each such urbanized area, or part thereof, bears to the population of all such urbanized areas, or parts thereof, within such State. In the expenditure of funds allocated under the preceding sentence, fair and equitable treatment shall be accorded incorporated municipalities of 400,000 or more population.

"Section 203. Availability of sums apportioned

"Sums apportioned to any Governor under the Act shall be available for obligation by that Governor for a period of two years after the close of the fiscal year for which such sums are apportioned, and any amounts so apportioned remaining unobligated at the end of such period shall lapse and shall be returned to the Treasury of the United States for deposits as miscellaneous receipts.

"Section 204. Projects eligible for Federal financial assistance

"(a) The Secretary may approve as a project under this title, on such terms and conditions as he may prescribe, (1) the acquisition, construction and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service, (2) the payment of operating expenses to improve such service, and (3) mass transportation related projects as described in section 142(a)(1), title 23, United States Code.

"(b) The Secretary shall issue such regulations as he deems necessary to administer this section and section 205, including regulations regarding maintenance of effort by States, local governments, and local public bodies, and the appropriate definition of operating expenses.

"Section 205. Federal share

"The Federal share payable on account of any project financed with funds made available under this title shall not exceed 80 percent of the cost of the project. The remainder of the cost of the project shall be provided from sources other than Federal funds. Funds available for expenditure for mass transportation projects described by section 204(a)(2) of this Act shall be supplementary to and not in substitution for the average amount of State and local government funds expended on the operation of mass transportation service for the two Federal fiscal years preceding the fiscal year for which the project is intended.

"Section 206. Programs

"(a) As soon as practicable after the apportionments pursuant to section 202 of this Act have been made for any fiscal year, any Governor desiring to avail himself of the benefits of this title shall submit to the Secretary for his approval a program, or programs, of proposed projects for the utilization of the funds authorized. The Secretary shall act upon programs submitted to him as soon as practicable, and he may approve a program in whole or in part.

"(b) In approving programs for projects under this ttile, the Secretary shall require that such projects be selected by the appropriate local officials with the concurrence of the Governor and, in urbanized areas, also in accordance with the planning process required pursuant to section 212 of this Act.

"Section 207. Plans, specifications and estimates

"(a) The Governor shall submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such surveys, plans, specifications, and estimates as soon as practicable after the same have been submitted, and his approval of any such project shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

"(b) In approving the plans, specifications and estimates for any proposed project under this section, the Secretary shall assure that possible adverse economic, social, and environmental effects relating to any proposed project have been fully considered in developing such project, and that the final decisions on the project are made in the best overall public interest, taking into consideration the need for fast, safe and efficient transportation, public services, and the costs of eliminating or minimizing such adverse effects, and taking into consideration the following:

"(1) air, noise, and water pollution;

"(2) destruction or disruption of man-made and natural resources, aesthetic values, community cohesion, and the availability of public facilities and services;

"(3) adverse employment effects, and tax and property value losses;

"(4) injurious displacement of people, businesses and farms; and

"(5) disruption of desirable community and regional growth.

"Section 208. Public hearings

"Upon submission for approval of a proposed project under this title, the Governor shall certify to the Secretary that he has conducted public hearings, or has afforded the opportunity for such hearings, and that these hearings included consideration of the economic and social effects of such a project, its impact on the environment, including requirements under the Clean Air Act, as amended, the Federal Water Pollution Control Act, as amended, and other applicable Federal environmental statutes, and its consistency with the goals and objectives of such urban planning as has been promulgated by the community. Such certification shall be accompanied by (1) a report which indicates the consideration given to the economic, social, environmental, and other effects of the proposed project, including, for construction projects, the effects of its location or design, and the consideration given to the various alternatives which were raised during the hearing or which were otherwise considered; and (2) upon the Secretary's request, a copy of the transcript of the hearings.

"Section 209. Certification acceptance

"(a) The Secretary may discharge any of his responsibilities under this title for projects upon the request of any Governor, by accepting a certification by the Governor, or his designee, if he finds such projects will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this title.

"(b) The Secretary shall make a final inspection or a review of each such project upon its completion and shall require an adequate report of its estimated and actual cost, as well as such other information as he determines necessary.

"(c) The procedure authorized by this section shall be an alternative to that otherwise prescribed in this title. The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this section.

"(d) Acceptance by the Secretary of a Governor's certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do so.

"(e) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.), section 4(f) of the Department of Transportation Act, (49 U.S.C. 1653(f)), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d), et seq.), title VIII of the Act of April 11, 1968 (Public Law 90–284, 42 U.S.C. 3601, et seq.), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601, et seq.), other than this title.

"Section 210. Project agreements

"(a) As soon as practicable after the plans, specifications, and estimates for a specific project have been approved, the Secretary shall enter into a formal project agreement with the Governor. Such project agreement shall make provisions for State funds required for the State's pro rata share of the cost of such project.

"(b) The Secretary may rely upon representations made by the Governor with respect to the arrangements or agreements made by the Governor and appropriate local officials where a part of the project is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

"Section 211. Payment to Governors for construction

"(a) The Secretary may, in his discretion, from time to time as the work progresses, make payments to a Governor for costs of construction incurred by him on a project. These payments shall at no time exceed the Federal share of the costs of construction incurred to the date of the voucher covering such payment plus the Federal share of the value of the materials which have been stockpiled in the vicinity of such construction in conformity to plans and specifications for the project. Such payments may also be made in the case of any such materials not in the vicinity of such construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in such vicinity.

"(b) After completion of a project in accordance with the plans and specifications, and approval of the final voucher by the Secretary, a Governor shall be entitled to payment out of the appropriate sums apportioned to him of the unpaid balance of the Federal share payable on account of such project.

"(c) No payment shall be made under this title, except for a project covered by a project agreement.

"(d) In making payments pursuant to this section, the Secretary shall be bound by the limitations with respect to the permissible amounts of such payments contained in section 205 of this Act.

"(e) Such payments shall be made to such official or officials or depository as may be designated by the Governor and authorized under the laws of the State to receive public funds of the State.

"Section 212. Transportation planning in urbanized areas

"The development of projects under this title shall be based upon a continuing, cooperative, and comprehensive planning process covering all modes of surface transportation and carried on in accordance with section 134(a), title 23, United States Code. The Secretary shall not approve any project under this title unless he finds that such projects are based on a continuing comprehensive transportation planning process carried on cooperatively by States and local communities in conformance with the objectives stated in section 134(a), title 23, United States Code. A project under this title may not be undertaken unless the responsible public officials of the urbanized area in which the project is located have been consulted and, except for projects to pay operating expenses, their views considered with respect to the corridor, the location and the design of the project.

"Section 213. Labor standards

"The provisions of section 13(c) of title I of this Act shall apply in carrying out mass transportation projects under this title.".

TITLE III—AMENDMENTS TO TITLE 23, UNITED STATES CODE: UNIFIED TRANSPORTATION ASSISTANCE PROGRAM

EFFECTIVE DATE

Sec. 301. This title shall become effective after June 30, 1977.

REDESIGNATION OF TITLE 23

Sec. 302. (a) The title of title 23, United States Code, is hereby amended to read as follows:

"TITLE 23—HIGHWAYS AND MASS TRANSPORTATION"

(b) The analysis of chapter 1, title 23, United States Code, is amended by striking out "Chapter 1—Federal-Aid Highways" and inserting the following: "Chapter 1—Federal-Aid Highways and Mass Transportation".

DEFINITIONS

Sec. 303. Section 101 of title 23, United States Code, is amended by (a) inserting after the definition of "forest development roads and trails" the following:

"The term 'Governor' means the Governor, or his designate, of any one of the fifty States, of Puerto Rico, and the Mayor of the District of Columbia.";

(b) inserting after the definition of "maintenance" the following:

"The term 'mass transportation' means transportation by bus or rail or other conveyance, either publicly or privately owned, which provides to the public general or special service on a regular and continuing basis."; and

(c) amending the definition of "construction" by inserting after the word "highway" the following: "or facilities and equipment for use in mass transportation."

GOVERNOR AND STATE AGENCY

Sec. 304. (a) The term "Governor" is substituted for the term "State" where that term appears in title 23, United States Code, unless the context requires otherwise.

(b) (1) Section 302, title 23, United States Code, is amended by substituting "State agency" for "State highway department" wherever that term appears in the section and the title of the section.

(2) The analysis of chapter 1 of title 23, United States Code, is amended by deleting "302. State highway department." and inserting the following: "302. State agency.".

(c) The term "State agency" is substituted for the term "State highway department" wherever that term appears in any other section of title 23, United States Code.

FEDERAL-AID SYSTEMS

Sec. 305. The first sentence of section 103 (d) (2) of title 23, United States Code, is amended by adding after "collector routes" the following: ", and the public mass transportation systems of each urbanized area."

APPORTIONMENT

Sec. 306. (a) Section 104(b), title 23, United States Code, is amended by striking "On or before January 1 next preceding the commencement," and substituting therefor "On the first day,".

(b) Section 104(f) (1), title 23, United States Code, is amended to read as follows:

"(f) (1) Three percent of the funds apportioned under paragraph (6) of subsection (b) of this section for the Federal-aid urban system shall be available only for the purpose of carrying out the requirements of section 134(a) of this title."

(c) Section 104(f) (2), title 23, United States Code, is hereby deleted and subsequent paragraphs, and all references thereto, are renumbered accordingly.

(d) Section 104(f) (2), title 23, United States Code, as redesignated herein, is amended to read as follows:

"(f) (2) Funds required to be used for planning pursuant to section 134(a) of this title shall be made available by the Governor to the metropolitan planning organizations designated by the Governor as being responsible for carrying out the provisions of section 134(a) of this title. These funds shall be matched in accordance with clause (A) of section 120(a) of this title unless the Secretary determines that the interests of the Federal-aid transportation program would be best served without such matching.".

CERTIFICATION ACCEPTANCE

Sec. 307. (a) Section 117, title 23, United States Code, is amended by deleting subsection (a) and inserting the following subsections (a) and (b) therefor, and relettering the subsequent subsections accordingly.

"(a) The Secretary may discharge any of his responsibilities relative to highway and mass transportation projects on Federal-aid systems, except the Interstate System, under this title, the National Environmental Policy Act of 1969 (49 U.S.C. 4321, et seq.), and section 4(f) of the Department of Transportation Act (49 U.S.C. 1653(f)), upon the request of any Governor, by accepting a certification by the Governor if the Secretary finds, after consultation with the Council on Environmental Quality, that (1) such projects will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to such acts, and (2) with respect to the National Environmental Policy Act and section 4(f) of the Department of Transportation Act, the Governor has an agency suitably equipped and organized to carry out to the satisfaction of the Secretary the duties under these acts.

"(b) Where the Secretary has accepted a certification by a Governor pursuant to subsection (a), the Governor for the purposes of the National Environmental Policy Act shall be considered the 'responsible official', and for the purposes of section 4(f) of the Department of Transportation Act, he shall be considered the 'Secretary', and shall be subject to the same judicial remedies and Federal court jurisdiction with regard to such laws as the Secretary otherwise would be subject. This subsection shall not preclude the States from providing other judicial and administrative remedies.

(b) Subsection (c) of section 117, title 23, United States Code, as redesignated herein, is amended by inserting after "final inspection" the words "or review".

(d) Section 117(f) of title 23, United States Code, as redesignated herein, is amended to read as follows:

"(f) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any other Federal law, including title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d), et seq.), title VIII of the Act of April 11, 1968 (Pub. L. No. 90–284, 42 U.S.C. 3601, et seq.), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601, et seq.), other than this title, the National Environmental Policy Act, and section 4(f) of the Department of Transportation Act."

TECHNICAL AMENDMENT

Sec. 308. Section 134, title 23, United States Code, is amended by substituting in the last sentence of subsection (a) "transportation project" for "highway project".

OPERATING EXPENSES

Sec. 309. (a) Section 142(a) (2) of title 23, United States Code, is amended by adding after "rolling stock for fixed rail" the following: "and the payment of operating expenses incurred as a result of improving mass transportation service. Not to exceed 50 percent of the sums apportioned to each Governor for each of the fiscal years 1978, 1979, and 1980 under section 104(b) (6) shall be available for the payment of the Federal share of projects for the payment of operating expenses."

(b) Section 142(a) of title 23, United States Code, is further amended by adding at the end thereof a new paragraph (4) to read as follows:

"The Secretary shall issue such regulations to administer this section as he deems necessary, including regulations regarding the maintenance of effort by State and local governments and an appropriate definition of operating expenses."

(c) Section 142 of title 23, United States Code, is further amended by adding at the end thereof a new subsection (k) to read as follows:

"Funds available for projects for the payment of operating expenses pursuant to paragraph (2) of subsection (a) shall be supplementary to and not in substitution for the average amount of State and local government funds expended on mass transportation service in the two Federal fiscal years preceding the Federal fiscal year for which the project is intended."

MASS TRANSPORTATION FARES

Sec. 310. Section 301 of title 23, United States Code, is amended by adding at the end thereof the following new sentence:

"For the purposes of this section, fares on public mass transportation systems shall not be construed as a toll of any kind."

RESEARCH AND PLANNING

Sec. 311. (a) Section 307(c) (1), title 23, United States Code, is amended to read as follows:

"(c) (1) Not to exceed one and one-half percent of the sums apportioned for each fiscal year beginning with fiscal year 1974 to any State under section 104(b) (1), (2) and (5) of this title shall be available for expenditure upon request of the Governor, with the approval of the Secretary, with or without State funds for statewide surface transportation planning, including but not limited to transportation studies, feasibility studies and social, environmental and economic studies, for the planning of rural and small urban area transportation systems and inter-urban transportation systems; for the determination of appropriate relationships between locally adopted urban and State transportation plans; for studies of the desirable regulatory and equitable tax policies regarding transportation, for studies on the operation of transportation facilities; and for research and development to assist States in responding to their transportation problems.".

(b) Section 301(c) (2), title 23, United States Code, is hereby deleted, and the subsequent paragraphs of this section, and any references thereto, are renumbered accordingly.

(c) Section 307(c) (2), title 23, United States Code, as redesignated herein, is amended to read as follows:

"(2) In addition to the percentage provided in paragraphs (1) and (2) of this subsection, not to exceed one-half of one per centum of sums apportioned for each fiscal year beginning with the fiscal year 1974 under paragraphs (1) and (2) of section 104(b) of this title shall be available for expenditure upon request of the Governor for the purposes enumerated in paragraph (1) of this subsection, including demonstration projects in connection with such purposes.".

TRANSPORTATION AUTHORIZATIONS

Sec. 312. For the purposes of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(a) For the Federal-aid urban system, $2,000,000,000 for each of the fiscal years ending June 30, 1978, June 30, 1979, and June 30, 1980.

(b) For the Urban Mass Transportation Capital Grant Program, $700,000,000 for each of the fiscal years ending June 30, 1978, June 30, 1979, and June 30, 1980.

DISTRIBUTION OF AUTHORIZED SUMS

SEC. 313. (a) The amounts authorized by section 312(a) of this Act shall be apportioned to the Governors in each of the fiscal years ending June 30, 1978, June 30, 1979, and June 30, 1980, in the manner prescribed by section 104(b) (6), title 23, United States Code.

(b) The first sentence of subsection (b) of section 118, title 23, United States Code, is amended to read as follows:

"Such sums shall continue available for expenditure by the Governor for a period of two years after the close of the fiscal year for which sums are apportioned. Any amounts so apportioned remaining unexpended at the end of such period shall lapse and be returned to the Treasury of the United States for deposits as miscellaneous receipts."

(c) The Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise for projects authorized by chapter 5, title 23, United States Code.

(d) The amounts authorized by subsection (c) shall become available for obligation after June 30, 1977, and shall remain available until obligated.

(e) There are authorized to be appropriated for liquidation of the obligations incurred under subsection (c) not to exceed $200,000,000 prior to July 1, 1978, which amount may be increased to not to exceed an aggregate of $400,000,000 prior to July 1, 1979, and not to exceed an aggregate of $2,100,000,000 thereafter.

URBAN MASS TRANSPORTATION CAPITAL GRANT PROGRAM

SEC. 314. Title 23, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 5—The Urban Mass Transportation Capital Grant Program."

"501. Federal financial assistance

"The Secretary is authorized, in accordance with the provisions of this chapter and on such terms and conditions as he may prescribe, to make grants to assist Governors and local public bodies in financing the acquisition, construction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urbanized areas and in coordinating such service with highway and other transportation in such areas. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and other real and personal property needed for an efficient and coordinated mass transportation system. No grant shall be provided under this section unless the Secretary determines that the applicant has or will have

(1) the legal, financial, and technical capacity to carry out the proposed project; and

(2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment.

Any Governor or local public body applying for assistance under this section for a project located wholly or partly in a State in which there is statewide comprehensive transportation planning shall furnish concurrently with its submission to the Secretary, a copy of its application to the Governor of each State affected. If within 30 days thereafter, the Governor of an affected State submits comments to the Secretary, the Secretary must consider the comments before taking final action on the application.

"502. Public hearings

"Any application for a grant under this chapter to finance the acquisition, construction, or improvement of facilities or equipment which will substantially affect a community or its mass transportation service shall include a certification that the applicant—

(a) has afforded an adequate opportunity for public hearings pursuant to adequate prior notice, and has held such hearings, unless no one with a significant economic, social, or environmental interest in the matter requests a hearing;

(b) has considered the economic and social effects of the project and its impact on the environment, including the requirements of the Clean Air Act, as amended, and the Federal Water Pollution Control Act; and

(c) has found that the project is consistent with official plans for the comprehensive development of the urbanized area.

Notice of any hearings under this subsection shall include a concise statement of the proposed project, and shall be published in a newspaper of general circulation in the geographic area to be served. If hearings have been held, upon the request of the Secretary, a copy of the transcript of the hearings shall be submitted with the application.

"503. Requirements of capital grant program

"Federal financial assistance shall not be provided pursuant to section 501 unless the Secretary determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urbanized area transportation system as a part of the comprehensively planned development of the urbanized area, and are necessary for the sound, economic, and desirable development of such area. Such program shall encourage to the maximum extent feasible the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urbanized area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area.

"504 Federal share

"The Secretary, on the basis of engineering studies, studies of economic feasibility, and data showing the nature and extent of expected utilization of the facilities and equipment, shall estimate what portion of the cost of a project to be assisted under section 501 cannot be reasonably financed from revenues—which portion shall hereinafter be called 'net project cost'. The Federal grant for any such project to be assisted under section 501 shall be in an amount not to exceed 80 percent of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds. Any public or private transit system funds so provided shall be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital.

"505. Investment standards

"The Secretary may issue regulations establishing investment standards for the grant-in-aid program under this chapter.

"506. General provisions

"(a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this chapter, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (c) (2) and (f), of the Housing Act of 1950. Funds obtained or held by the Secretary in connection with the performance of his functions under this chapter shall be available for the administrative expenses of the Secretary in connection with the performance of such functions.

"(b) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a grant is made under this chapter, entered into by applicants under other than competitive bidding procedures as defined by the Secretary, shall provide that the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

"507. Definitions

"(a) As used in this chapter—

(1) the term 'Governor' includes the Governor, or his designate, or any one of the several States, of Puerto Rico, and of the possessions of the United States, and the Mayor of the District of Columbia; and

(2) the term 'local public bodies' means municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States; municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State.

"508. Labor standards

"(a) The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of grants under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Secretary shall not approve any such grant under this chapter without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

"(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276 c).

"(c) It shall be a condition of any assistance under section 501 of this title that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by such assistance. Such protective arrangements, shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) assurances of employment to employees of acquired mass transportation systems and priority of reemployment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to section 5(a) of the Act of February 4, 1887 (25 Stat. 379), as amended. The contract for the granting of any such assistance shall specify the terms and conditions of the protective arrangements.".

(b) The table of contents of title 23, United States Code, is amended adding the following at the end thereof:

"Chapter 5—The Urban Mass Transportation Capital Grant Program

"501. Federal financial assistance.
"502. Public hearings.
"503. Requirements of capital grant program.
"504. Federal share.
"505. Investment standards.
"506. General provisions.
"507. Definitions.
"508. Labor standards."

EXPLANATION OF THE UNIFIED TRANSPORTATION ASSISTANCE ACT OF 1974

There follows a description of the principal provisions of the Unified Transportation Assistance Act of 1974, and a discussion of the bill's objectives.

DESCRIPTION OF THE LEGISLATION

The Unified Transportation Assistance Act of 1974 is divided into three titles. Title I becomes effective at the beginning of fiscal year 1975. It contains amendments to the urban and rural highway programs, respectively, under title 23, United States Code, and funding authorizations for these programs.

This title authorizes for fiscal year 1977, out of the Highway Trust Fund, an additional $800 million for the Federal-aid urban system, $300 million for the urban extensions of the primary and secondary systems in urbanized areas, $700,000,000 for the primary system in rural areas, and $400,000,000 for the secondary system in rural areas. To establish parity between title 23 projects and those eligible for funding under the UMTA Act, the bill increases the Federal share for non-Interstate projects from 70 per cent to 80 per cent.

This title also revises the apportionment formulas so that beginning in fiscal year 1975 funds are distributed on the basis of the population of urbanized areas (50,000 or more) for both the urban and urban extension systems. The apportionment formulas for the primary and secondary systems are adjusted correspondingly to pick up small urban areas of populations between 5,000 and 50,000, which presently are part of the basis for the urban system and urban extension system apportionments. Consistent with these steps, it also realigns programs so that projects in small urban areas are financed out of rural authorizations and urban programs finance projects only in urbanized areas (those with population in excess of 50,000). In addition, title I changes from 200,000 to 400,000 the population figure in the section of title 23 which "earmarks" urban system funds attributable to urbanized areas for use in these large urban centers.

To help meet the need for public transportation of persons living in rural and small urban areas, title I permits primary and secondary system funds to be used for the purchase of buses. It also extends for one year the "rural highway public transportation demonstration program" established by the Federal-Aid Highway Act of 1973. $45 million is added to this program—$30 million out of the Trust Fund and $15 million from the general fund—bringing the program's total funding to $75 million. Further, the operating expenses of rural and small urban public transportation systems are eligible for Federal funding under this program.

In addition, to provide increased flexibility, title 23 is amended to permit up to 40 per cent of the primary, secondary, urban extension and urban system apportionments to be transferred among any of these apportionments. Further, the entire apportionment for urban extensions can be added to the urban system apportionment. Current law permits transfers only between the separate urban programs and separate rural programs, but not from urban programs to rural programs, or vice versa.

Title II amends the Urban Mass Transportation Act of 1964. Its principal features are: (1) the addition of $1.3 billion to the funds currently available for mass transportation projects, (2) the establishment of an urban transportation formula grant program through the requirement that there be an apportionment from the total amount of funds available under the UMTA Act of $700 million, $800 million, and $900 million for fiscal years 1975, 1976, and 1977, respectively, and (3) the addition of the payment of operating expenses as a permitted use of the apportioned funds. In addition to mass transportation capital projects and mass transportation related highway projects, the apportioned funds may be used for mass transit operating expenses. Mass transportation related projects include the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas, and fringe parking facilities.

The Federal share for projects under title II is 80 per cent. The bill also requires that Federal funds for transit operating expenses assure improvements to public transportation service and be supplementary to and not in substitution for State and local funds now used to operate the system. This is referred to subsequently in this explanation as a "maintenance of effort" limitation.

Other provisions in title II provide that the Governors of the several States are the recipients of Federal funds under this program; that 3 per cent of the funds apportioned to the Governors must be passed through to metropolitan planning agencies responsible for planning in all urbanized areas (areas of 50,000 population, or more); and that projects selected for funding have to be the product of a comprehensive urban planning process involving the appropriate local officials. Further, like the urban highway program, funds apportioned under the new formula grant program which are attributable to urbanized areas over 400,000 population, must be used in those specific areas. Federal environmental, civil rights, uniform relocation and assistance, and labor statutes apply to projects under this title.

The formula grant program is modeled upon the existing urban highway program. A population-based allocation formula is used because it is a more representative indicator of both highway and public transit needs than other indices. The intention is to establish a program which parallels the urban highway program so that the program can be merged in title III into a single program with minimum disruption.

The additional authorizations provided in title II, together with those currently available, are sufficient to retain a $700 million annual discretionary mass transportation capital grant program through fiscal year 1977. This program will operate very much like the existing UMTA capital program. However, because a large share of conventional transit projects can be financed through the urban formula grant program, more rigorous project selection criteria for major projects funded under the discretionary program are to be developed.

Title III, which takes effect in fiscal year 1978, merges the UMTA formula grant program, as established in title II of the bill, and the urban highway program into the Unified Transportation Assistance Program. This is accomplished by amending title 23, United States Code, effective at the beginning of fiscal year 1978. The more significant amendments are as follows: (1) changing the description of the Federal-aid urban system to include the public mass transportation systems of urbanized areas, (2) adding the payment of operating expenses (subject to both a "maintenance of effort" limitation, and a 50 per cent ceiling on the amount of any Governor's apportionment which may be spent for operating expenses) as a permitted use of urban funds; (3) authorizing $2.7 billion per year for urban highway and public mass transportation projects for each of fiscal years 1978, 1979, and 1980; (4) requiring that of this sum, the Secretary is to apportion $2 billion each year for the combined urban highway and mass transit programs; (5) establishing a discretionary fund for the remaining $700 million per year, which will be available for major mass transportation capital projects, but not for operating expenses; and (6) placing the transit discretionary program in title 23, of the United States Code, by adding a new chapter 5 to that title which contains a number of provisions analogous to those now in the UMTA Act.

Apportionments under title III will be made to Governors, and the present requirement that a State have a highway department capable of carrying out the State's responsibilities under title 23 is revised to require the existence of a State agency suitably equipped to carry out the provisions of the expanded title.

Three per cent of each year's urban system apportionment will be reserved for urban planning. Governors are required to pass through to planning agencies in all urbanized areas that portion of the planning funds which are attributable to these urbanized areas.

The certification for acceptance procedure now in title 23 is broadened to allow the Secretary to delegate to the Governors his responsibilities for projects under the National Environmental Policy Act if the Secretary, after consultation with the Council on Environmental Quality, finds that these projects will be carried out in accordance with State laws and regulations at least equivalent to NEPA and that the Governor has an agency adequately equipped to assure compliance with these laws and regulations. Similarly, the Secretary will be authorized to delegate to any Governor his responsibility for the preservation of parklands as required by section 4(f) of the Department of Transportation Act. Federal courts will retain jurisdiction of projects approved under these amendments.

OBJECTIVES OF THE LEGISLATION

The Nation's highway and public mass transportation systems receive Federal assistance under the Federal-aid highway program, codified in title 23, United States Code, and the Urban Mass Transportation Act of 1964, as amended. As a result of the landmark Federal-Aid Highway Act of 1973, $800 million which is authorized for expenditure on the urban system is available for mass transportation capital projects in each of fiscal years 1974, 1975, and 1976. Seeking to continue the progress made in the Federal-Aid Highway Act of 1973, the Unified Transportation Assistance Act of 1974 provides urbanized areas the financial resources and flexibility to make rational decisions regarding their transportation problems. These problems have been intensified by the energy crisis and the need for urbanized areas to meet air quality standards prescribed by the Clean Air Act. Increased sums are provided in this bill for mass transportation projects, and for the first time, Federal funds will be permitted to be used for transit operating expenses.

The proposed legislation also consolidates two separate and relatively inflexible capital programs (the Federal-aid highway and the UMTA programs) which are distorting, in various ways, local decisions on the investment of transportation funds and on transit operating practices. Combining the programs and expanding the range of uses will encourage better planning and decision-making at the local level. In addition, providing urbanized areas with an assured source of Federal funds over a period of several years will encourage more responsible long-term local planning.

Further, the bill provides rural and small urban areas the flexibility to improve public transportation. It also increases the funds available for highway construction in rural areas.

Finally, the bill provides that beyond fiscal year 1977, the urbanized area highway and mass transportation projects will be funded with general funds. The future status of the

Highway Trust Fund and its relationship to scheduled Interstate completion will be considered by the Congress sometime prior to its expiration in 1977.

PAYMENT OF MASS TRANSPORTATION OPERATING EXPENSES

With the enactment of the Urban Mass Transportation Act of 1964, the Federal Government began providing capital assistance for our cities' mass transportation systems. The landmark UMTA Act of 1970 for the first time elevated Federal interest in mass transportation into a multi-billion dollar continuing commitment.

Despite this capital assistance, many of the Nation's public transportation systems lack sufficient operating resources to substantially improve transit service. The reasons for this situation vary from system to system, but essentially they are attributable to declining ridership and increasing operating expenses.

The national goal of clean air, as reflected in the Clean Air Act of 1970, and the current energy crisis have increased the need for healthy, efficient public transportation systems. Transportation controls prescribed under the Clean Air Act for many urbanized areas call on citizens to reduce their use of automobiles and use public transportation systems more.

The Unified Transportation Assistance Act of 1974 seeks to strengthen these systems by providing additional capital assistance and authorizing payments to augment the operating funds for public transit systems where such payments will result in service improvements. The funds available for this purpose will be distributed by formula to State Governors. These funds will be available for transit capital assistance and operating expenses, mass transportation related projects, such as exclusive busways, and beginning in fiscal year 1978 when the urban highway and mass transit programs are consolidated, highway construction projects. The amount of funds available for operating expenses is subject to a "maintenance of effort" limitation and a 50 percent limit on the amount of each Governor's apportionment which he can spend Statewide on these projects.

We believe that the flexible block grant approach proposed in the Unified Transportation Assistance Act of 1974 is superior to a categorical grant program in several respects. First, in terms of Federal-State relationships, the formula distribution system proposed in this legislation places the primary responsibility for determining how to invest their transportation funds in State and local governments. Because the decision regarding what portion of available Federal money should be used to pay transit operating expenses involves numerous State and local considerations, it is desirable that the Federal Government not be involved in detailed oversight of State and local decision-making. A categorial grant program would necessarily require such a degree of Federal participation. Second, a categorical grant program to pay transit operating expenses would reduce the incentives for efficient operation of transit systems. Third, a categorical grant program establishes in law the "use it or lose it" principle. This encourages local governments to spend funds for operating expenses, whether or not these expenditures are the most prudent for the State or local area. The block grant approach permits funds to be used for a wide range of activities, rather than limiting them to a narrow categorical use. Additionally, by limiting the amount of funds available for operating expenses by the "maintenance of effort" factor, the proposed program will help assure that the incentives for good management remain and that the Federal dollars are well invested.

CONSOLIDATION OF PROGRAMS

By making certain mass transportation projects eligible for funding under the highway program, the Federal-Aid Highway Act of 1973 has taken an important step toward providing urbanized areas with flexibility in their transportation investment decisions. Merger of the Highway and UMTA grant programs in title 23 of the United States Code, in 1978 would complete this process by creating a single pool of funds available for the full range of highway and transit projects.

In recognition of the concern that the competition at the State and local levels between mass transportation and highway interests would not be properly balanced, the bill vests the Governor, instead of the State highway department, with the allocated funds and requires that certain sums be earmarked for use in urbanized areas of 400,000 or more population.

RURAL TRANSPORTATION PROGRAM

In response to the need of persons living in rural areas for improved public transportation, the Federal-Aid Highway Act of 1973 authorized $30 million for a two-year demonstration rural highway public transportation demonstration program. Title I of the proposed legislation would extend this program for an additional year, authorize $45 million more for it, and expand its coverage to include small urban areas (5,000–50,000 population).

Recognizing that a number of public transportation systems in rural and small urban areas have been able to obtain necessary facilities and equipment, but are beset with high maintenance, management, bookkeeping and promotion costs, the bill adds the payment of operating expenses as an eligible demonstration program expenditure.

To further strengthen rural and small urban area public transportation systems, primary and secondary system funds are made available to Governors for the purchase of buses in these areas.

UNIFIED TRANSPORTATION ASSISTANCE ACT OF 1974: SECTION-BY-SECTION ANALYSIS

The Unified Transportation Assistance Act of 1974 is divided into three titles. Title I of the bill amends the urban and rural highway programs by making certain changes to title 23 of the United States Code. Its principal purposes are to authorize highway trust funds for expenditure on the several Federal-aid systems for fiscal year 1977, to expand the rural and small urban public transportation program, and to revise the apportionment formulas in favor of urbanized areas.

Title II amends the Urban Mass Transportation Act of 1964, as amended, by dividing that Act into two titles. Title I of the Urban Mass Transportation Act is referred to as the "Urban Mass Transportation Program" and includes sections 2 through 15 of the existing Act. These sections pertain to the capital grant program currently administered by the Urban Mass Transportation Administration. The bill also establishes a separate grant transportation formula program, designated as title II of the UMTA Act. This program establishes a procedure for the distribution of mass transportation funds to Governors by formula and authorizes operating expenses as a new permitted use of these funds.

Title III becomes effective in fiscal year 1978 and merges the UMTA program and the urban highway program by amendments to title 23, United States Code. It expands upon the Federal-Aid Highway Act of 1973 by adding operating expenses to the purposes for which urban system funds are available and establishes a new chapter 5 of title 23, referred to as the "Urban Mass Transportation Capital Grant Program". This grant program augments the formula program and is similar in structure to that currently administered by the Urban Mass Transportation Administration, which, as stated, is designated under this bill as title I of the Urban Mass Transportation Act of 1964.

A detailed analysis of the sections of this bill follows.

SECTION 101. SHORT TITLE

This bill may be referred to as the "Unified Transportation Assistance Act of 1974".

Title I—Amendments to Title 23, United States Code: Urban, Small Urban and Rural Highway Programs.

SECTION 102. EFFECTIVE DATE

Sections 103 to 105 of this title become effective after June 30, 1974. The other provisions of this title are effective upon their enactment.

SECTION 103. APPORTIONMENT

This section shifts the urban/rural break point from 5,000 population to 50,000 population. This is accomplished by amending the definition of "rural areas" to mean areas outside of urbanized areas (which are areas in excess of 50,000 population), changing the Federal-aid urban system to apply to only urbanized areas, substituting the term "outside of urbanized areas" for "rural areas" in the apportionment formulas for the primary and secondary systems, and substituting urbanized areas for "urban places 5,000 or more" in the apportionment formula for the urban extension system and the urban system.

This section also deletes the requirement that any State not receive less than ½ of 1 per cent of each year's urban system apportionment. Further, section 103 amends section 104(d) of title 23 by providing that, upon the request of the State highway department and approval by the Governor and the Secretary, not more than 40 per cent of a State's primary, secondary, urban extension, and urban system apportionments may be transferred to any of the other such system's apportionment, and up to the total amount of a State's urban extension apportionment may be transferred to its urban system apportionment. Urban system apportionments are not to be transferred from their allocation, pursuant to section 150 of title 23, to any urbanized area of 400,000 population or more without the approval of the local officials of that area.

SECTION 104. AVAILABILITY OF PLANNING AND URBAN SYSTEM FUNDS

This section amends section 104(f) of title 23 by deleting the requirement that no State receive less than ½ per cent of the planning funds apportioned. It also recommends section 150 of title 23 by changing the minimum population level for urbanized areas to which urban system funds are allocated from 200,000 population to 400,000 population.

SECTION 105. FEDERAL SHARE

The Federal share for projects on the primary, secondary, urban and urban extension systems, and for emergency repair and reconstruction projects is increased from 70 per cent to 80 per cent by an amendment to section 120(a) of title 23. The amendments in this section take effect with respect to all obligations incurred after June 30, 1974.

SECTION 106. AUTHORIZATIONS

This section authorizes the following sums to carry out the purposes of title 23: $800 million for fiscal year 1977 for the Federal aid urban system; $300 million for each of the fiscal years 1976 and 1977 for the primary and secondary systems in urbanized areas; $700 million for fiscal year 1977 for the primary system; and $400 million for fiscal year 1977 for the secondary system. In order to direct primary and secondary funds for fiscal year 1976 to urbanized areas, rather than to urban areas, the fiscal year 1976 authorization for this system in the Federal-Aid Highway Act of 1973 is repealed, and an identical sum is authorized for expenditure in urbanized areas during that year by this title.

To protect against the possibility that authorizations in this title may result in expenditures from the Highway Trust Fund exceeding the receipts in the Fund, section 106(c) amends section 209(g) of the Federal-Aid Highway Act of 1956. The latter section provides that, if such an excess occurs, the amounts authorized are to be adjusted by appropriate reductions in the Interstate System apportionment. Section 106(c) of the bill guards against this by providing that to the extent that (1) the sum of the authorizations to appropriate funds from the Trust Fund under this section and the total amount authorized to be appropriated out of the Trust Fund through June 30, 1977, exceed (2) the sum of the amounts available in the Trust Fund as a result of authorizations under this section and the total amount of Highway Trust Funds authorized to be appropriated through June 30, 1977, then an amount equal to the difference between these two figures, but not to exceed $2.2 billion, shall be authorized to be appropriated out of general funds for the liquidation of obligations resulting from authorizations under (1) for which the sums available under (2) are not sufficient. For the purposes of section 209(g) of the Federal-Aid Highway Act of 1956, the general funds so authorized shall constitute amounts available in the Highway Trust Fund to defray the expenditures which will be required to be made from the Fund. In this way the possibility of a determination by the Secretary of the Treasury that there are insufficient funds in the Highway Trust Fund and the ramifications of that determinaion are avoided.

SECTION 107. TECHNICAL AMENDMENT

Subsection (d) of section 142 is deleted. Section 134 of title 23 carries out the purpose of subsection (d).

SECTION 108. MASS TRANSPORTATION FOR THE ELDERLY AND HANDICAPPED

This section adds a new section 154 to title 23. It declares that it is the national policy that elderly and physically handicapped persons have the same rights as other persons to utilize mass transportation services and facilities, and that special efforts shall be made in the planning and design of such facilities and services so that mass transportation which the elderly and handicapped can utilize will be assured. To further this policy, the Secretary shall require that any bus or other mass transportation rolling stock acquired, or any mass transportation station, terminal or other passenger loading facility improved or constructed after June 30, 1974, with Federal financial assistance under sections 104(e)(4) and 142 of title 23, the Urban Mass Transportation Act of 1964, and, after June 30, 1977, chapter 5 of title 23, be designed with practical and reasonable features which allow their utilization by elderly and handicapped persons.

A Governor or local public body may satisfy this requirement by providing alternative transportation service for the elderly and handicapped. This service shall be sufficient to assure that such persons have available transportation service meeting standards to be promulgated by the Secretary.

Funds apportioned under section 104(b)(6) of title 23 and under title II of the UMTA Act shall be available for the Federal share of the alternative services authorized by this section.

Section 165(b) of the Federal-Aid Highway Act of 1973 is hereby repealed. In title II of the bill, section 16 of the UMTA Act is repealed.

SECTION 109. RURAL AND SMALL URBAN AREA PUBLIC TRANSPORTATION

This section adds a new paragraph to section 142 of title 23. It would allow primary and secondary system funds to be used for the purchase of buses to serve small urban and rural areas. "Small urban area" is defined to mean an urban place as designated by the Bureau of the Census having a population of 5,000 or more and not within any urbanized area. Its boundaries are to be fixed by State and local officials in cooperation with each other, and such boundaries are subject to approval by the Secretary. At a minimum they are to encompass the entire urban place designated by the Bureau of the Census.

SECTION 110. RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

This section amends section 147 of the Federal-Aid Highway Act of 1973 by increasing the authorizations for this program to $75 million, extending the period of the program to June 30, 1977, and increasing to $50 million the portion of the authorizations which come from the Highway Trust Fund. In addition, the payment of operating expenses is added as an eligible project.

TITLE II—AMENDMENTS TO THE URBAN MASS TRANSPORTATION ACT OF 1964

SECTION 201. DESIGNATION OF TITLE I OF THE URBAN MASS TRANSPORTATION ACT

This section amends the Urban Mass Transportation Act of 1964, as amended (hereinafter referred to as the "UMTA Act" or the "Act"), by designating sections 2 through 15 as title I of the Act. This title is referred to as the "Urban Mass Transportation Program." The section also amends section 12(c) of the Act by narrowing the application of the definitions herein from the entire Act to title I, and provides a definition of "administrative reservation."

SECTION 202. AUTHORIZATIONS

This section amends section 4(c) of the UMTA Act (a) by adding grants under title II of the Act to the purposes for which funds are authorized, (b) by adding $1.3 billion to the authorization level, (c) by directing the Secretary to apportion by formula to the Governors of the fifty States, of Puerto Rico, and to the Mayor of the District of Columbia the following sums: $700 million for fiscal year 1975. $800 million for fiscal year 1976, and $900 million for fiscal year 1977; and (d) by increasing the amount of funds authorized to be appropriated for the liquidation of the obligations incurred in this subsection to not more than an aggregate of $7.4 billion. This section also attempts to improve the budgetary discipline in the UMTA program by providing administrative reservations (defined by section 102(d) of the bill as a commitment by the Secretary which, if accepted, would constitute a contractual obligation of the United States), for projects under title I of the Act shall not exceed $700 million for fiscal year 1975. Further, this section states that the sums appropriated for projects under title I shall remain available until expended. The period of availability for sums apportioned to the Governors is set forth in section 203 of title II of the UMTA Act.

SECTION 203. INVESTMENT STANDARDS

Section 104 expressly authorizes the Secretary to issue regulations establishing investment standards for the grant-in-aid program under title I of the Act. This provision is needed to help assure prudent investment of Federal funds by establishing criteria for UMTA capital grants, particularly now that the funds requested by applicants are exceeding the amount of Federal funds available for such projects. Absent this provision, the establishment of such criteria will continue to be prohibited by section 4(b) of the Department of Transportation Act, 49 U.S.C. 1653(b)(2).

SECTION 204. TECHNICAL AMENDMENT

This section deletes section 16 of the UMTA Act regarding mass transportation for the elderly and handicapped. Section 108 of the bill establishes a new section 154 of title 23, United States Code, to replace section 16.

SECTION 205. THE URBAN TRANSPORTATION FORMULA GRANT PROGRAM

This section establishes title II of the UMTA Act which contains new sections 201 to 214 of the Act. Because it is the bill's intent to merge the UMTA program with the Federal-aid urban system program in title 23, United States Code, beginning in fiscal year 1978, sections 205 through 213 are modeled after existing provisions in title 23.

Section 201 of the Act provides a definition for the term "construction" which includes, *inter alia* designing and engineering for mass transportation projects. It also defines the term "Governor" as the Governor or his designate of any one of the 50 States, of Puerto Rico, and the Mayor of the District of Columbia. It is the intent of the bill that the reference to the designate of the Governor be interpreted broadly, particularly in the event that the Governor, under State constitutional law, cannot execute the functions assigned to him by the provisions of this title. This reference would authorize the Governor under these circumstances to designate a State officer or agency which under the State constitution is empowered to carry out the functions which would otherwise be vested in the Governor by this title.

The definitions of "mass transportation" and "Secretary" in title I of the UMTA Act are applied to title II. The definition of "States" in title II differs from that in title I by not including the possessions of the United States. The term "urbanized area" is defined as an area which is determined by State and local officials in cooperation with the Secretary and whose boundaries include at least the area designated by the Bureau of the Census. The Bureau of the Census defines urbanized areas as areas of at least 50,000 population.

Section 202(a) of the Act directs the Secretary to apportion the sums authorized for apportionment by section 4(c) of the Act. The Secretary is to carry out this responsibility on the first day of fiscal years 1975, 1976 and 1977 and apportion funds to the Governors in accordance with a formula based on the populations in urbanized areas in each State.

Subsection (c) requires that the distribution within a State of planning funds be done in accordance with the formula developed by the Governor and approved by the Secretary and sets forth criteria which may serve as a basis for the formula.

Subsection (d) earmarks to urbanized areas of 400,000 population or more the funds apportioned to a Governor which remain after the allocation of planning funds and which are attributable to such urbanized areas. This distribution is to be in accordance with a fair and acceptable formula developed by the Governor and approved by the Secretary. If such a formula has not been developed, the distribution to such urbanized areas of planning funds and project funds is to be in accordance with the ratio that such urbanized areas' population bears to the population of all such urbanized areas within the State. In expending funds under subsection (d), fair and acceptable treatment is to be accorded incorporated municipalities of 400,000 or more population.

Section 203 of the Act provides that funds apportioned to a Governor under title II of the UMTA Act shall be available for obligation for two years after the close of the fiscal year for which such funds are apportioned. Any amount remaining unexpended at the end of that period shall lapse and be returned to the Treasury of the United States.

Section 204 of the Act defines the projects which are eligible for Federal assistance under title II of the Act. Eligible projects are mass transportation capital projects, payment of mass transportation operating expenses to improve such service, and mass transportation related projects as described in section 142(a)(1), title 23, United States Code. This last group includes exclusive bus lanes, fringe and transportation corridor parking facilities, and highway traffic control devices. The Secretary is authorized to issue regulations, including regulations regarding maintenance of effort by States, local governments, and local public bodies, and a definition of operating expenses, as he deems necessary to administer this section.

Section 205 sets the Federal share for any project under title II of the UMTA Act at not more than 80 per cent of the cost of the project. It specifies that the remainder of the project is to come from sources other than Federal funds, and to assure that State and local governments maintain their financial support of mass transportation systems, this section states that funds under this title shall be supplementary to and not in substitution for the average amount of State and local government funds expended on the operation of mass transportation service for the two Federal fiscal years preceding the Federal fiscal year for which the project is intended.

Section 206 of the Act requires the Governor to submit to the Secretary for his approval a program of proposed projects for the utilization of the authorized funds. Section 206 parallels section 105(a) and (b) of title 23.

Section 207(a) directs the Governor to submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary is to act upon submissions as soon as practical, and his approval of any project shall be deemed a contractual obligation of the Federal government. Section 207(a) is modeled after section 106 of title 23.

Section 207(b) directs the Secretary, in approving the plans, specifications and estimates, to assure that possible adverse economic, social, and environmental effects have been fully considered, and that the final decisions on projects are made in the best overall public interest, and take into consideration a number of environmental, social and economic factors. This section is modeled after section 109(h) of title 23, United States Code.

Section 208 requires the Governor, upon the submission of each proposed project, to certify to the Secretary that he has conducted public hearings, or has afforded the opportunity for such hearings, and that the hearings have considered the economic, social, and environmental impacts of the project and its consistency with the urban planning goals promulgated by the community in which it is to be located. This section is analagous of section 128 of title 23.

Section 209 gives the Secretary the same certification acceptance authority for projects under title II of the UMTA Act as he has for non-Interstate projects under section 117 of title 23. Under this procedure he may discharge any of his responsibilities for projects under title II by accepting a certification from the Governor if he finds that such projects will be carried out in accordance with State laws, regulations and standards establishing requirements at least equivalent to those contained in or issued pursuant to this title. The Secretary is directed to make a final review of each project and is authorized to promulgate guidelines and regulations to carry out this section. He also may rescind his acceptance of the Governor's certification if in his opinion it is necessary to do so. This section does not affect or discharge the responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969, section 4(f) of the Department of Transportation Act, and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970, other than title II of the UMTA Act.

Section 210 authorizes the Secretary to enter into formal project agreements with a Governor. This section is similar to section 110 of title 23.

Section 211 authorizes the Secretary to make progress payments to a Governor for the costs of construction incurred by him on a project. This section is similar to section 121 of title 23.

Section 212 requires that projects developed under title II of the UMTA Act be based on a continuing cooperative and comprehensive planning process covering all models of surface transportation and carried out in accordance with section 134(a) of title 23. The Secretary is prohibited from approving a project under title II of the Act unless he finds that such projects are based on this planning process. Further, this section states that a project may not be undertaken unless the responsible public officials of the urbanized areas in which the project is located have been consulted and, except for projects to pay operating expenses, their views considered with respect to the corridor, the location and the design of the project.

Section 213 applies the labor standards in section 13(c) of the UMTA Act regarding the Davis-Bacon Act and the protection of employees affected by assistance under the Act to title II projects.

Title III—Amendments to Title 23, United States Code: Unified Transportation Assistance Program

SECTION 301. EFFECTIVE DATE

This title becomes effective July 1, 1978.

SECTION 302. REDESINGATION OF TITLE 23

The title of Title 23 is amended to read: "Highways and Mass Transportation".

SECTION 303. DEFINITIONS

This section adds to section 101 of title 23 definitions of "Governor" and "mass transportation". In addition, it amends the definition of "construction" to include mass transportation projects.

SECTION 304. GOVERNOR AND STATE AGENCY

This section substitutes the term "Governor" for the term "State", unless the context requires otherwise. For example, "Governor" would not be used as a substitute in the term "State funds" and "State officer", or when "States" is used as a geographic reference. This section also substitutes "State agency" for "State Highway Department" in section 302 of title 23 and whenever else that term appears in title 23.

SECTION 305. FEDERAL-AID SYSTEMS

Section 103(d)(2) of title 23 is amended by adding public mass transportation systems of urbanized areas to the description of the Federal-Aid urban system.

SECTION 306. APPORTIONMENTS

Subsection (a) changes the date on which the Secretary is to apportion funds to the first day of each fiscal year.

Subsection (b) makes a mandatory allocation of three per cent of the urban system apportionment for planning functions pursuant to section 134(a) of title 23. Governors are to make these planning funds available to the metropolitan planning organizations designated by him as being responsible for carrying out the provisions of section 134(a).

SECTION 307. CERTIFICATION ACCEPTANCE

This section amends section 117 of title 23 by adding the Secretary's duties under the National Environmental Policy Act and section 4(f) of the Department of Transportation Act regarding non-Interstate projects to those under title 23 which he may delegate to a Governor. Upon the request of a Governor, the Secretary may accept a certification if he finds, that (1) projects for which the certification applies will be carried out in accordance with State laws, regulations and guidelines establishing requirements at least equivalent to those contained in, or issued pursuant to such acts, and (2) with respect to NEPA and section 4(f), the Governor has an agency suitably equipped and organized to carry out to the satisfaction of the Secretary the duties under these acts. In making the above findings on a Governor's request, the Secretary is to consult with the Chairman of the Council of Environmental Quality. It is intended that the responsibilities for projects involving Federal lands will not be delegated.

When the Secretary has accepted a certification by a Governor, the Governor shall be the "responsible official" for the purposes of NEPA, and the "Secretary" for the purposes of section 4(f). The Governor shall be subject to the same judicial remedies and Federal court jurisdiction with regard to NEPA and section 4(f) as the Secretary otherwise would be. This section shall not preclude the States from providing other judicial and administrative remedies.

This section does not affect any of the Secretary's responsibilities under Federal law, regarding relocation assistance and civil rights.

SECTION 308. TECHNICAL AMENDMENT

This section amends section 134 of title 23 by substituting in the last sentence of subsection (a) "transportation project" for "highway project".

SECTION 309. OPERATING EXPENSES

This section adds the payment of operating expenses incurred as a result of improving mass transportation service to the category of projects eligible under section 142 of title 23 for the expenditure of urban system funds. Not more than 50 percent of the urban system funds apportioned to each Governor in each of the fiscal years 1978, 1979, and 1980 are available for transit operating expenses. However, it is not the intent of this section to place any limitations on where in the State the Governor may spend funds available for operating expenses. To assure the continuation of State and local government financial support for mass transportation operations, a new subsection (k) provides that funds available for operating expenses shall be supplementary to and not in substitution for the average amount of State and local governments funds expended on mass transportation service in the two Federal fiscal years preceding the Federal fiscal year for which the project is intended. Further, section 309 directs the Secretary to issue regulations including regulations regarding the maintenance of effort by State and local governments and an appropriate definition of operating expenses, to administer this section.

SECTION 310. MASS TRANSPORTATION FARES

This section amends section 301 of title 23 to make clear that fares collected on mass transportation projects financed pursuant to title 23 are not tolls, and therefore are not prohibited by this title.

SECTION 311. RESEARCH AND PLANNING

This section amends section 307(c)(1) of title 23 by narrowing to the primary, secondary, and Interstate system apportionments the basis for determining the amount of funds available for research and planning. It also broadens the scope of authorized planning activities to include Statewide surface transportation planning.

In addition, section 310 deletes section 307(c)(2) of title 23 which mandates that a certain amount of funds be used for research and planning purposes. Finally, subsection (c) of section 311 eliminates urban extension funds from those available for research and planning under a redesignated section 307(c)(2) of title 23.

SECTION 312. TRANSPORTATION AUTHORIZATIONS

This section authorizes $2 billion for each of the fiscal years of 1978, 1979 and 1980 for the Federal-Aid urban system. Pursuant to other provisions in the bill, projects on the urban system include highway construction in urbanized areas, mass transportation capital projects for both rail and bus, and mass transportation related projects.

This section also authorizes $700 million for each of fiscal years 1978, 1979, and 1980 for expenditure pursuant to the Urban Mass Transportation *Capital* Grant Program established by the new chapter 5 of title 23.

SECTION 313. DISTRIBUTION OF AUTHORIZED SUMS

$2 billion of each year's authorizations are to be apportioned to the Governors by the Secretary in accordance with the urban system apportionment formula. These sums will be available for expenditure by the Governor for a period of two years after the close of the fiscal year for which such sums are apportioned. Any amounts remaining unexpended at the end of each period shall lapse and be returned to the Treasury of the United States.

$700 million per year will be available to the Secretary for capital grants pursuant to chapter 5 of title 23, and shall remain available until obligated.

Subsection (e) provides a schedule for liquidation of obligations incurred under chapter 5 of title 23. It states that not more than $200 million is authorized to be appropriated for liquidations prior to July 1, 1978, not more than $400 million prior to July 1, 1979, and not to exceed $2.1 billion thereafter.

SECTION 314. URBAN MASS TRANSPORTATION CAPITAL GRANT PROGRAM

Section 314 amends title 23 of the United States Code by adding a new chapter to be designated as "Chapter 5—The Urban Mass Transportation Capital Grant Program." This chapter to be designated as "Chapter 5—The Urban Mass Transportation Capital Grant Program." This chapter contains provisions which are similar to many in the UMTA Act (which upon enactment of this bill would be referred to as title I of the UMTA Act).

Section 501 under chapter 5 authorizes the Secretary to make grants, subject to the other provisions of chapter 5 and to any terms and conditions which he might prescribe, to assist Governors and local public bodies and agencies, in financing the acquisition, construction, and improvement of facilities and equipment for use in mass transportation service in urbanized areas and in coordinating such service with highway and other forms of transportation. Under section 501 (a), land (except public highways), buses and other rolling stock, and real and personal property necessary to an efficient and coordinated mass transportation system would be eligible for grant funding. Grant funds cannot be used to pay ordinary government or nonproject operating expenses.

A grant can be made only if the Secretary has determined that an applicant has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control over the use of the facilities and equipment.

Each applicant for a project located in a State having a statewide comprehensive transportation plan is required, concurrent with submission of its grant application, to furnish a copy of its application to the Governor of the State. Comments from the Governor to the Secretary submitted during the following 30 days must be considered by the Secretary prior to final action on the application.

Section 502 concerns public hearings. It requires that an application for a grant to finance the acquisition, construction, or improvement of facilities or equipment which would substantially affect a community or its mass transportation service must include a certification that (1) an adequate opportunity for public hearings was afforded by the applicant, and that such hearings were held unless no one with a significant economic, social or environmental interest requested a hearing; (2) the hearing considered the economic, social and environmental effects of the project; and (3) the project was found by the applicant to be consistent with the official comprehensive development plan of the urban area.

Section 503 provides that capital assistance shall not be provided under this chapter unless the facilities and equipment sought are part of a unified urbanized area transportation system and meet certain other criteria.

Section 604 directs the Secretary to estimate what portion of the project is to be financed from non-transit revenue sources for the purpose of determining the Federal share of the project's costs. Further, the section establishes the Federal share at 80 per cent and specifies what sources of local funds are acceptable for a project.

Section 505 authorizes the Secretary to establish investment standards for the capital grant program under chapter 5. This section is identical to section 203 of the bill.

Section 506(a) gives the Secretary authority under certain sections of the Housing Act of 1950. It also provides that funds available to the Secretary in connection with the performance of his functions under chapter 5 shall be available for administrative expenses. This subsection is identical to section 12(a) of the Urban Mass Transportation Act of 1954, as amended.

Section 506(b) authorizes the Secretary of Transportation and the Comptroller General to have access to certain specified documents, papers, and records of contractors whose contracts for the construction, or improvement of mass transportation facilities and equipment were let through noncompetitive bidding procedures.

Section 507 defines "Governor" and "local public bodies" as used in the bill.

Section 508 applies the Davis-Bacon Act and the employee protection provisions of section 13(c) of the UMTA Act of 1964, as amended, to projects under chapter 5.

ENVIRONMENTAL STATEMENT PURSUANT TO SECTION 102(2)(C), PUBLIC LAW 91-190

The action is proposed legislation affecting programs of the Department of Transportation. Major elements of the legislation provide for the following:

a. Amendments to the Federal-aid urban and urban extension systems under title 23, United States Code: extends programs through fiscal year 1977 at funding of $800 million and $300 million respectively; changes Federal share of projects from 70 per cent to 80 per cent; changes distribution formula to "urbanized areas" (50,000 or more) and adjusts primary and secondary system formula to pick up areas between 5,000 and 50,000 population; changes from 200,000 to 400,000 the population figure of areas for which funds are "earmarked" for urbanized area use.

b. Amendments to primary and secondary rural systems in rural areas under title 23: extends programs through fiscal 1977 at funding level of $700,000 and $400,000 respectively; expands use of funds to include purchase of buses for use in rural and small urban areas; extends "rural highway public transportation demonstration program" through fiscal year 1977 and increases total program from $30 million to $75 million, and expands use of funds under the demonstration program to include transit operating expenses.

c. Amendments to Urban Mass Transportation Act of 1964: increases from $6.1 billion to $7.4 billion the amount of obligational authority; establishes formula allocation to urbanized areas for a portion of this authority; provides that the funds which are allocated by formula can be used for transit operating expenses.

d. Merges UMTA program and Federal-aid urban systems program into Unified Transportation Assistance Program beginning in fiscal year 1978; amends Federal-aid urban systems definition to include public mass transportation systems in urban areas; defines use of funds to include payment of operating expenses of transit; authorizes funding of $2.7 billion for fiscal years 1978, 1979 and 1980; requires allocation to Governors in each year of $2 billion on urbanized area basis; establishes discretionary fund of $700 million in each of fiscal years 1978, 1979, and 1980 for mass transportation capital projects only; incorporates certain current provisions under UMTA Act; establishes 3 per cent apportionment for urban planning including a pass through of money to areas of 400,000 or more population; broadens current title 23 "certification acceptance" procedure to include NEPA and DOT section 4(f) responsibilities for non-Interstate projects in fiscal year 1978.

(3) Environmental Impact and Adverse Environmental Effects:

The legislation will not have any impacts. Individual projects funded by the various programs will have varying impacts which can be addressed only on an individual project basis. The overall effect of the increased flexibility and enhanced funding provided by the legislation should be to facilitate implementation of transportation projects with improved environmental impacts.

(4) Alternatives Considered:

(a) Categorical grants for transit operating expenses.

(b) Different funding levels.

(5) Request for Comments:

At the time of preparation of this draft statement, no comments have been requested from Federal, state or local agencies.

(6) Date of Availability:

This draft statement is being made available to the Council on Environmental Quality and the public on February 13, 1974.

1. DESCRIPTION OF THE PROPOSED ACTION

This environmental statement has been prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969, guidelines established by the Council on Environmental Quality, and other implementing instructions. It analyzes the potential environmental impact of legislation proposed by the Department of Transportation to amend existing laws governing programs which provide funds to assist transportation planning and capital needs in urban and rural areas. In general, the purpose of this bill is to increase the funding of such programs, and to combine them in a way that will increase the scope and flexibility in the use of these funds. Overall, approximately $16 billion will be made available for urban transportation uses through fiscal year 1980. A substantial increase is provided over the current level of funding for both urban and rural programs. A portion of this increase is earmarked for rural areas to sustain and improve these programs. The greater portion of the new money is for use in urbanized areas.

The major new funding provisions and related important features, by title, are as follows:

Title I. Extends the highway urban systems and urban extension authorizations through FY 1977, authorizing $800 million and $300 million to these programs, respectively. The permitted use of these funds has already been expanded to include transit capital projects and highway-related transit projects. The Federal share for projects financed under title 23, United States Code, is increased from 70 per cent to 80 per cent to correspond with the provisions applicable to the UMTA program. The geographic scope of the program is reduced to urbanized areas (i.e., areas over 50,000 population). This title of the bill also extends the authorizations for the rural primary and secondary highway program through fiscal year 1977 by providing for authorizations of $700 million and $400 million, respectively, for these programs in fiscal year 1977. Also, $45 million is added to the public transportation demonstration program in rural areas, the program is extended through fiscal year 1977, and the funds are made available to cover operating expenses. These programs are expanded to cover all non-urbanized areas.

Title II. $1.3 billion is added to contract authority available under the urban mass transportation fund, bringing the total to $7.4 billion to fund the mass transit program through fiscal year 1977. A formula allocation is introduced whereby $700, $800, and $900 million would be allocated to Governors for fiscal years 1975, 1976 and 1977. A fund of $700 million for each of these years is to be administered in a discretionary manner as is the current practice of UMTA's captial assistance program. The permitted use of the allocated monies includes transit operating expenses, highway-related transit projects, and transit capital projects. The discretionary grant program funds may be used only for transit capital projects and is limited to urbanized areas.

Title III. Establishes a Unified Transportation Assistance Program and provides authorization of $2.7 billion out of general revenues for each of the fiscal years 1978, 1979 and 1980. $2 billion in each of the years is to be allocated by formula based on urbanized areas populations. The remaining $700 million in each year will be administered in the same manner as the discretionary grant program established in title I. The purposes for which the allocated funds authorized under this title may be used include transit capital and operating projects, highway construction, and mass transportation related transit projects. The purposes for which the discretionary grant program may be used are restricted, as under title II, to transit capital projects. This title also gives the Secretary authority to accept a Governor's certification regarding NEPA and section 4(f) of the DOT Act.

In essence, the program established under title III of the bill amalgamates the urban highway and UMTA programs beginning in fiscal year 1978. Thus, the transit capital and planning assistance program and the urban highway assistance programs will be formally administered as a unified transportation assistance program.

2. THE PROBABLE IMPACT OF THE PROPOSED ACTION ON THE ENVIRONMENT

It is difficult to assess the specific environmental effects of the proposed legislation because the funds made available will be used for a variety of transportation purposes as determined at the State and metropolitan level.

Nevertheless, it is possible to examine the major changes in the legislation and to discuss, in general terms, their probable environmental impacts. From an overall point of view, the increased funding for mass transportation projects, together with the flexibility to use the funds for transit operating expenses should promote improvement of the quality and quantity of transit service in metropolitan areas. These improvements are expected to result in increased transit ridership with attendant reductions in auto congestion, air pollution, and energy requirements.

A somewhat more specific discussion of the probable environmental effects of the legislation follows.

A. *Increase in funds available for mass transportation projects, establishment of an urban transportation formula grant program and flexibility to use funds for transit operating expenses.*

The legislation, by providing both increased funding and the flexibility to use a portion of the funds for transit operating expenses should be particularly helpful in assisting metropolitan areas meet the demand for increased transit service resulting from the energy crisis and the implementation of transportation control plans necessary under the Clean Air Act to achieve acceptable ambient air quality standards.

From an energy efficiency point of view, transit operates at a decided advantage over the auto for a typical urban work trip. According to a recent report[1] prepared on energy use and transportation performance in the New York region in 1970, the relative energy consumption per passenger mile traveled for bus, subway, rail, and auto was as follows:

	Btu/passenger-mile traveled	Efficiency advantage of transit as compared to auto
Bus	2,314	2.8
Rail	2,603	2.5
Subway	3,124	2.1
Auto	6,508	

It should be noted that this data represents 24 hour averages and that the transit energy advantage for the peak period trips would be even greater.

With respect to air pollution, transit also has a significant advantage over the auto for many urban trips. Assuming an average automobile occupancy of 1.3, a bus occupancy of 30 passengers and 1976 emission rates, the passenger mile emission rate for autos is about 30 times the carbon monoxide emission rate and at least 12 times the hydrocarbon rate of the diesel bus. Depending on the type of fuel used the emission reduction advantage for rapid rail can be even greater. Also, the emissions from electric generating plants for rapid rail can be located in a more remote area, thus reducing the population exposed to emissions.

The transportation control plans which have recently been promulgated by the Environmental Protection Agency to achieve the ambient air quality standards by 1977, require significant reductions in the vehicle miles of travel in 15 to 20 metropolitan areas. In all of these cases, transit improvements together with increases in carpooling are viewed as an important element in achieving these reductions.

It is reasonable to expect the increased funding and flexibility provided by the proposed legislation to ultimately result in increases in transit ridership and reductions in auto trips, over that which would have occurred in the absence of the legislation. To the extent that a diversion occurs, from auto to transit, there should be a reduction in transportation energy utilization, air pollution, traffic congestion and the need for additional highway capacity.

This discussion is not intended to infer that there are no negative environmental effects associated with transit programs. Obviously there may be significant effects associated with the construction and operation of major transit systems, but, as indicated earlier, these can only be evaluated on an individual project basis. As under current programs the regulations and guidelines established by NEPA will pertain, requiring, among other things, the preparation and review of an environmental impact statement for major Federal actions which significantly affect the environment prior to project approval. However, after June 30, 1978, the Secretary will be authorized to accept the certification of a Governor that he has the capability and laws equivalent to NEPA to conduct those responsibilities at the State level for non-Interstate projects. In determining whether to accept a Governor's certification, the Secretary is to consult with the Chairman of the Council on Environmental Quality.

B. *Authorization of funds for FY 77 Federal Aid Urban Systems, Urban Extension, and Increase in Federal share to 80 percent.*

This bill authorizes funds for the urban and rural highway programs under title 23, United States Code for FY 77, at essentially the same level as provided in previous years. Further, it increases the Federal share for non-Interstate projects from 70 percent to 80 percent effective FY 1977.

An important change in this proposal is the increase in the Federal share for non-Interstate projects funded under title 23 from 70 percent to 80 percent. This change is necessary to equalize the Federal share under title 23 with that provided by the Urban Mass Transportation Act of 1964, as amended. It is likely that the environmental effect of this change will not be significant.

With respect to the environmental effects of the FY 77 authorizations, these can be determined meaningfully only at the project stage.

C. *Rural Public Transportation Programs.*

To help meet the need for public transportation of persons living in rural and small urban areas, it is proposed that primary and secondary system highway funds be available for the purchase of buses. Also the act extends for one year the rural highway public transportation demonstration program established by the Federal-Aid Highway Act of 1973. $45 million is added to the program bringing the total funding to $75 million. In addition, the operating expenses of the rural public transportation systems are eligible for funding under the demonstration program.

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[1] Regional Energy Consumption, Regional Plan Association, Inc. and Resources for the Future, Inc., p. 15, Jan. 1974.

The primary purpose of this proposal is to provide mobility to those who do not normally have convenient access to private auto transportation. As such, the proposal has the potential to improve the quality of life in rural and small urban areas by providing transportation for a wide range of trip purposes. It probably does not have any significant environmental impact.

D. *Consolidation of the UMTA and Federal-Aid Urban System Program.*

Title III of the Act provides for a merger of the mass transportation formula grant program and the urban highway program into the Unified Transportation Assistance Program beginning in FY 1978. An authorization level of $2.7 billion per year is proposed for each of fiscal years 1978, 1979, and 1980. Under the bill, $2 billion would be apportioned by formula based on each State's urbanized area population. An additional $700 million would be authorized for funding mass transportation capital projects as currently done under the existing UMTA program.

It is anticipated that the merger of the two separate formula grant programs, together with the flexibility of fund transit operating expenses will remove the distortions which the individual categorical programs have produced. The resulting local decisions or project selections should be more efficient and environmentally compatible.

3. ANY PROBABLE ADVERSE ENVIRONMENTAL EFFECTS WHICH CANNOT BE AVOIDED IF THE LEGISLATION IS IMPLEMENTED

The construction and operation of transportation facilities from the funds authorized by this bill will have some adverse environmental impacts such as increased noise, air pollution, and energy consumption. These adverse effects will be minimized through the guidelines and procedures applied at the system and project planning phases.

4. ALTERNATIVES TO THE PROPOSED LEGISLATION

A. *Categorial Grants for Transit Operating Expenses.*

An alternative to the proposed legislation which provides funds for transit capital acquisition *or* operating expenses would be to provide a separate categorical grant program for transit operating expenses whereby the Department would review and act on State and local body applications for operating expenses.

Although it is not likely that there would be any significant difference in the environmental effects between the funding mechanisms, this alternative was rejected because the categorical grant program would tend to remove management incentives for urban transportation operators and involve the Federal government in detailed oversight of State and local decision-making.

B. *Different Funding Levels.*

The proposed legislation increases the funds available for mass transportation projects by $1.3 billion through FY 77, adds $2.2 billion in highway system fund authorizations for FY 77, and authorizes $8.1 billion for the Unified Transportation Assistance Program for the fiscal years 77, 78, and 79. In arriving at the increased mass transportation funding level, consideration was given to the requirements for increased transit service resulting from the energy crisis and implementation of the transportation control plans to achieve the ambient air quality standards. Also, there were indications that additional funds are necessary to meet planned transit investments and mounting operating expenses. Not providing the additional transit funds would result in increased private auto travel with attendant increases in congestion, air pollution, noise, and energy consumption. Even higher levels of increased transit funding were considered and rejected in light of other national funding priorities.

5. THE RELATIONSHIP BETWEEN LOCAL SHORT-TERM USES OF MAN'S ENVIRONMENT AND THE MAINTENANCE AND ENHANCEMENT OF LONG-TERM PRODUCTIVITY

Transit and highway capital projects, particularly those involving construction of large, fixed facilities, are by nature long-term effects.

Planning for urban transportation systems is often based on projections 20 to 40 years in the future. The potential of such projects for enhancing "long-term productivity" will in large part depend upon the success which urban transportation planning and comprehensive planning bodies have in translating the perception of need for quality urban development into transportation development programs that properly consider the role and impacts of highways and mass transportation in terms of social, economic, and natural resource costs. This legislation recognizes certain inherent efficiencies of mass transit which may lead localities to opt for transit over a highway in a given situation. It is possible that mass transit improvements, when combined with complementary public policies, can significantly reduce the amount of land which is directly used for transportation purposes in urban areas and as indicated earlier, result in significant energy savings and improved air quality. Because of greater capacity, buses and other transit vehicles require much less room on roadways or other rights-of-way and their increased use for certain kinds of travel patterns can minimize the need to consume valuable urban land for roads. In addition, private automobiles require considerable amounts of land for parking, particularly at high-density destination points, whereas a mass transit vehicle requires less space and can be taken to a relatively low-density facility when not in use. Decisions made in the next few years with respect to the use of more transit or continued primary reliance on more highways and automobiles can have a very significant long-term impact on the way urban areas develop.

6. IDENTIFICATION OF ANY IRREVERSIBLE AND IRRETRIEVABLE ENVIRONMENTAL IMPACTS OR COMMITMENTS OF RESOURCES

This legislation will not involve any direct irreversible or irretrievable impact on the environment or commitment of resources. However, the actual construction of facilities with the funds made available can induce the various developmental consequences which extend far beyond the direct impacts of such projects. Once set in motion, these forces are also difficult to predict, although effective preliminary planning and continuous evaluation can assist in optimizing them.

SENATOR RANDOLPH COSPONSORS TRANSPORTATION BILL, DISCUSSES ITS PROVISIONS

Mr. RANDOLPH. The President's unified transportation assistance program is a proposal to reorganize and merge the highway and mass transit programs of the Federal Government.

It would extend the relationship of the highway and mass transit programs, a relationship that has been formalized in recent years in legislation developed by the Committee on Public Works. Some portions of this legislation merit our consideration this year while some of the recommendations are long range and their adoption now would be premature.

The impact of these proposals would be substantial. I am cosponsoring this bill not because I agree with it in every detail but because this is a proper way to bring these issues before the Congress. Legislation of this magnitude deserves our extensive and thoughtful consideration for it affects the lives of all Americans.

The administration's proposal is essentially financial, involving the shifting of funds for both highway and mass transit programs. There is no new money authorized by this bill for either program. The existing authorizations are simply extended for additional years.

For years we have spoken of the desirability of a balanced transportation program and have moved in that direction with such legislation as the Federal-Aid Highway Act of 1973. The administration bill purports to continue this evolution process and the primary concern of Congress must be to assure that it does.

Flexibility was a dominant theme in the 1973 act, and the committee will give careful scrutiny to the portions of the President's proposal which would continue this development. We must be alert to anything that would impede or reverse the progress toward a unified transportation system we have made in recent years.

Title I of the administration bill is concerned solely with modifications to the Federal-aid highway program. Our Transportation Subcommittee, under the chairmanship of Senator LLOYD BENTSEN, has already scheduled extensive hearings to review contemporary transportation needs, providing us with the forum to receive reactions to the administration plan.

Title II deals with the urban mass transit program and is under jurisdiction of the Committee on Banking, Housing and Urban Affairs. Senator HARRISON A. WILLIAMS, JR., of New Jersey, is the recognized Senate leader in this field and will direct consideration of title II.

Title III would effect the ultimate merger of highway and mass transit activities in fiscal year 1978. It is in taking this significant step that I believe we must proceed with caution. The provisions of title III would not take effect for nearly three and one-half years, or well into the 95th Congress. The implications of this title are farreaching, and I am glad that we have adequate time to consider them.

The 1973 act is only a few months old, and its provisions should be more fully implemented before the Congress takes the steps proposed for full integration of highway and transit programs. We need an opportunity to evaluate the effect of the new act on our transportation programs. Furthermore, the administration is proposing a long-range realinement of Federal transportation programs. Such a basic restructuring should take place, however, only when we more fully understand what transportation needs will be in the years ahead.

Many of the recommendations relating to the highway program concern matters which have been previously considered by the Committee on Public Works. I am particularly pleased that the bill proposes an expansion of the rural highway public transportation demonstration program authorized in the 1973 act by provisions I initiated. This is a need that has been neglected in the past. The Congress and the President apparently are now in agreement that the residents of rural and small-town America must enjoy the same freedom of mobility that is being provided to city dwellers.

The President recommends that the highway trust fund be permitted to go out of existence in 1977 as now scheduled. The orderly development of the interstate highway system since 1956 has been possible because of assured financing from the trust fund' There is no likelihood that the Interstate system will be completed by 1977. If we decline to continue the trust fund, other sources of assured funding must be dedicated to completing the Interstate system so that this massive project does not extend indefinitely into the future.

The revision of the highway and mass transit programs will mean little if the administration continues to arbitrarily impound congressionally provided spending authority. The highway program has been subjected to extensive impoundment in recent years. Several administrations have employed this questionable practice to inhibit congressionally approved activities in transportation and other fields. In its consideration of the unified transportation assistance program the committee will certainly try to determine if the administration is committed to the spending levels proposed in its bill or if it will revise them by impoundment following enactment.

The acceptance of the principle of operating assistance represents a significant change of attitude by the administration. Public transportation systems need this help if they are to fulfill the role expected of them in the future. It is unwise to make large public investments in mass transit equipment without encouraging its full utilization. Mass transit must be viewed as one of the essential public services provided in a community. It has been neglected in the past, but if it is to be revitalized there must be emphasis on both equipment and operations.

While there is a substantial backlog of mass transit needs to be met, our country's highway needs also remain large. Therefore, in our desire to expand transit services we must be careful not to impair the continued orderly development of needed highways. Most mass transit operations, in fact, take place on streets and highways. Motor vehicles still are our primary transportation mode for both people and products. Any modifications in the Federal transportation program must be undertaken in this context and with the understanding that cars, buses, and trucks will continue to be essential in this country.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill introduced by the Senator from Vermont (Mr. STAFFORD) and others on the Unified Transportation Assistance Act of 1974 be jointly referred to the Committees on Banking, Housing and Urban Affairs, Finance and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. ABOUREZK (for himself, Mr. YOUNG, Mr. CURTIS, Mr. HANSEN, Mr. MCGOVERN, and Mr. PROXMIRE):

S. 3036. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation. Referred to the Committee on Agriculture and Forestry.

Mr. ABOUREZK. Mr. President, America, the land of plenty, has increasingly become America, the land of shortages. Whether talking about baling wire, plastic syringes, or gasoline, the story is the same—sorry, sold out.

This concern over the quantity of goods available to us is a proper one. I am worried, however, that in trying to deal with problems of quantity we will overlook problems of quality. Especially in foodstuffs.

The American consumer has come to expect that the food offered for his use meets the highest standards of quality control. For the most part that expectation is reasonable.

In the case of imported food items such trust is not always well placed. The administration has recently expanded vastly the import quotas on cheese and other dairy products. The effect will be to make more of these items available. But when I look at the inspection record on these imports I am not sure that I would care to buy them.

The sad fact is that foreign food products have not been manufactured with the same care as that taken by American producers. Food and Drug Administration figures suggest that at best only 15 percent of imported dairy products are examined by American inspectors. Of these, about 10 percent are rejected because they are contaminated or unfit for human consumption.

To put it another way, a high percentage of the 85 percent uninspected imported dairy products contains insect larvae, rat particles, unsafe chemical substances, and other contaminants that would not be possible under the American domestic sanitary requirements.

That is not a meal that I would care to feed my family. But unless we are willing to impose the same strict sanitation standards on imports that we now impose on American production, that is exactly what the American consumer risks every time he buys imported dairy products.

The wholesomeness of American domestic dairy production is assured through the knowledge that strict standards of sanitation are observed at every stage in the production process beginning at the farm. The farms and plants in which dairy products are produced in this country must meet strict State and local sanitation requirements and the final products are subject to inspection by the Food and Drug Administration. I see no reason why foreign dairy products should be held to any less rigorous standards.

For that reason, I am introducing legislation that would require thorough inspection of dairy products that are brought into this country.

Under this bill imported dairy products will still be subject to random inspection by the FDA just as they are now. In addition, the plants where these dairy products are manufactured and the farms where the milk is produced will be subject to the same strict sanitation requirements asked of American farmers and manufacturers. The consumer is entitled to no less.

The bill would provide that dairy items must meet all existing Federal standards and the Secretary of Health, Education, and Welfare would be given the authority to set standards for imported products for which no Federal standards have been set. This would assure that fluid milk production would meet the standards of sanitation that are now required at State and local levels of government.

The primary responsibility for enforcing these standards would be left with the health officials of the countries which produce dairy products for export into this country. Each country that wants to engage in dairy trade with us would be expected to set up a system of farm and plant inspection that would be comparable with that existing in this country.

However, the system that would be set up in each of these countries would be monitored by American officials to insure compliance with American requirements. This would be very similar to the existing program that already operates with regard to imported meats.

As long as the present administration follows a policy of expanding dairy imports, it is imperative that we provide protection for the American consumer that will assure him that these imports are as safe as domestically produced items. That is the purpose behind my bill and I hope that Congress will give it speedy approval.

By Mr. STEVENSON (for himself, Mr. ABOUREZK, Mr. CLARK, Mr. HART, Mr. HATHAWAY, Mr. HUDDLESTON, Mr. HUGHES, Mr. METCALF, Mr. MONDALE, Mr. MOSS, Mr. NELSON, and Mr. PROXMIRE):

S. 3037. A bill to provide for full financial disclosure by Federal elective officials and candidates for Federal elective office, and for other purposes. Referred to the Committee on Rules and Administration.

Mr. STEVENSON. Mr. President, on behalf of Senators ABOUREZK, CLARK, HART, HATHAWAY, HUDDLESTON, HUGHES, METCALF, MONDALE, MOSS, NELSON, PROXMIRE, and myself, I introduce the Full Disclosure Act of 1974.

Never has the case for full financial disclosure by public officials been stronger than it is today. The criminal tax evasion of former Vice President Agnew and the questionable tax deductions and nonpayment of State income taxes by President Nixon have given the public a tragic impression that there are two sets of tax laws, one for the politicians and one for everybody else. A national poll released last week showed Congress is held in the lowest esteem in a decade. Only 10 percent of those polled felt that Congress inspired confidence in Government. The Congress must dispel the doubts about its ability to insure honest government.

Financial disclosure is needed not so much because of the wrongdoing it may expose, but because of the doubts it will lay to rest. The overwhelming majority of public officials abide by the laws they make and administer. The purpose of financial disclosure is to compel a devotion to public welfare, as opposed to private gain. It is also to convince the public that it can trust its elected representatives. There is no other way. Trust must be earned with facts; it cannot be elicited with empty words.

The Full Disclosure Act of 1974 would provide the public with a full range of financial information about those who occupy and aspire to elective offices in the Federal Government. Specifically, it requires candidates and elected officials to file annual financial statements starting this year with the Comptroller General of the United States who in turn is required to make the statements public. The statements would contain the following information:

The amount and sources of all income, earned and unearned.

The amount and source of gifts received by the individual and members of his or her immediate family, other than gifts having a value of $100 or less.

The amount of income and property taxes paid.

All assets held and debts owed.

Transactions in securities, commodities, and real property.

Officeholders would be required to file such reports for each year in which they serve. Candidates—including primary candidates—would be required to file for the year preceding the election year. In each case, the reports would be due on May 1 of the year following the year covered by the report. Failure to comply would be a criminal offense punishable by a fine of up to $1,000, imprisonment for up to one year, or both.

I will press for early enactment of this Act so that its provisions can go into effect this year. In addition, I will continue to disclose all my financial interests and for 1973 commence making public disclosure of my income and taxes in accordance with the requirements of my bill.

Watergate and the other sordid events of recent months have shown us politics at its worst. In the actions of Judge Sirica, Elliot Richardson, Archibald Cox, and Leon Jaworski, it has also shown us public service at its best. Watergate could have occurred anywhere in the world, but only in a great and good nation could the subsequent effort to find the truth and do justice have been made.

The legacy of Watergate can be either lingering public cynicism and governmental drift, or more open and effective self-government. I believe we have the will and the vision to make the right choice, and that the enactment of financial disclosure legislation is an important part of that choice.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3037

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this bill may be referred to as "The Full Disclosure Act of 1974".

Sec. 2. Title III of the Federal Election Campaign Act of 1971 is amended by adding the following new section immediately after section 304 and renumbering subsequent sections accordingly:

"FINANCIAL DISCLOSURE"

"Sec. 305. (a) For purposes of this subsection—

(1) 'income' means gross income as defined in section 61 of the Internal Revenue Code of 1954;

(2) 'security' means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

(3) 'commodity' means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2);

(4) 'dealings in securities or commodities' means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity; and

(5) 'tax' means all federal, state, and local income taxes and all federal, state, and local property taxes paid by the candidate, or by the candidate and the candidate's spouse jointly.

(b) Each candidate for nomination for election or election to federal office (other than a candidate who holds the office of President, Vice-President, or Member of Congress) shall file with the Comptroller General a financial disclosure report for the calendar year immediately preceding the year of that individual's candidacy. Except for cases to which subsection (d) of this section applies, such report shall be filed not later than thirty days after the individual becomes such a candidate, or on May 1 of the election year, whichever is later.

(c) Each individual who has served at any time during any calendar year as President, Vice-President, or Member of Congress shall file with the Comptroller General a financial disclosure report for that year. Except for cases to which subsection (d) of this section applies, such report shall be filed not later than May 1 of the year immediately following such calendar year.

(d) In cases where primary elections, conventions, and caucuses to nominate candidates for Federal elective office occur on or before May 1 of the election year, candidates for nomination shall file an initial financial disclosure report not later than 10 days before the date on which such primary election, convention, or caucus is held and shall not later than May 1 of the election year file a supplementary report containing any additional information required by this Act which was not available at the time the initial report was filed.

(e) Each financial disclosure report to be filed under this section shall be made upon a form which shall be prepared by the Comptroller General and furnished by him upon request. Each such report shall contain a full and complete statement of—

(1) the amount and sources of all income, other than reimbursements for expenditures actually incurred, and each gift or aggregate of gifts from one source of a value of more than $100 (other than gifts received from any relative or his spouse) received by him or by him and his spouse jointly or by his spouse or by his children during the preceding calendar year, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication;

(2) the value of all assets held by him, or by him and his spouse jointly, and the amount of each liability owed by him, or by him and his spouse jointly, as of the close of the preceding calendar year.

(3) all dealings in securities or commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year;

(4) all purchases and sales of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year; and

(5) the amount of each tax paid by the candidate, or by the candidate and the candidate's spouse filing jointly, during the preceding calendar year.

(f) The Comptroller General may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(g) All reports filed under this subsection shall be maintained by the Comptroller General as public records. Such reports shall be available, under such regulations as the Comptroller General may prescribe, for inspection by the public.

Sec. 3. The provisions of Section 2 of this Act shall apply with respect to calendar years commencing on or after January 1, 1973.

Sec. 4. The Comptroller General is authorized to promulgate such rules and regulations as he deems necessary to the performance of the duties vested in him by this Act."

Mr. HUDDLESTON. Mr. President, I am pleased to cosponsor the Full Disclosure Act of 1974.

At a time when public servants are held in particularly low esteem and when new questions over Government officials' activities are raised almost daily, it is particularly important that we take definitive action to restore the lost confidence and integrity of American Government.

The existing disclosure requirements for Members of Congress are simply not enough. Under prevailing conditions, it is inadequate for a Senator to forward, in a sealed envelope, to the Comptroller General his tax returns and various forms, to have them opened only if an investigation is undertaken and only if a small group of his colleagues so decide.

In today's atmosphere—where there is widespread suspicion and distrust of public officials—we need to do more. We need to lay the cards on the table—to show the American people where their representatives derive their income; where their holdings in securities, commodities and real property lie; and what their taxes and tax deduction are.

There is nothing inherently wrong with honorariums, investments or tax deductions. In and of themselves, they are good and desirable and contribute to the achievement of many beneficial goals.

But, when question can be raised over connections between investments and voting records, when great wealth can apparently be attained in public office and when taxes paid can seem out-of-line with income earned, then doubts emerge—doubts which redound to the detriment of those in Government, to the institution of Government and to those Government must serve.

The ramifications can be widespread: A failure of well-qualified persons to seek public office; a disillusionment with participation in the political process; a cavalier attitude on the part of citizens toward cooperation with Government requests in a host of important areas.

To be trusted, a government must prove itself trustworthy. And, Government has not done a very good job of this in recent months and years.

The proposed legislation is, however, a move in the right direction. It will open new records and give the voters new information upon which to base their decisions at election time—information which relates directly and intimately to the honesty and integrity of those who seek and hold public office.

By Mr. McCLURE (for himself, Mr. BAKER, Mr. RANDOLPH, Mr. MONTOYA, Mr. BENTSEN, Mr. DOMENICI, Mr. GRAVEL, and Mr. STAFFORD):

S. 3041. A bill to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 1 year period, to establish an economic adjustment assistance program, and for other purposes. Referred to the Committee on Public Works.

Mr. McCLURE. Mr. President, I am pleased to join with Senator BAKER, ranking minority member of the Senate Public Works Committee; Senator RANDOLPH, chairman of the committee; and Senator MONTOYA, chairman of the Economic Development Subcommittee in presenting the administration bill to extend the Public Works and Economic Development Act for 1 year and to authorize a new economic readjustment program.

We have been joined by other members of the committee with whom we have had an opportunity to discuss the proposal—Senators BENTSEN, DOMENICI, GRAVEL, and STAFFORD.

In his economic message last Tuesday, the President outlined his proposal for a new economic adjustment program. In addition to the new program, the administration also recommended a 1-year extension of the Public Works and Economic Development Act. It is the administration's intention that the economic adjustment program be phased in during fiscal year 1975 and will operate simultaneously with the EDA program.

One of the objectives of the new program is to assist communities in adjusting to changing economic conditions. The program seeks to meet these changes as they occur, not after they become deeply entrenched creating another chronically depressed region.

It may be that this objective is one the Federal Government should pursue, and therefore deserves full consideration. But the administration's proposal, being recommended as an alternative to the existing economic development legislation, introduces a new perspective and orientation. For this reason I believe the administration's bill requires a full discussion of the objectives to be pursued in any new economic program; I hope it may serve as a focal point for these discussions.

The Public Works and Economic Development Act was created 10 years ago to assist areas of the country that have experienced chronic unemployment and low incomes. Since 1970 the act has been amended and extended three times. At no time did the Congress provide a real and thorough evaluation of the program objectives and strategies, or in my view adequately examine where these program changes were taking us.

Last year the entire work of the committee was consumed in securing a 1-year extension of the existing EDA and title V programs. The recommendation for a one year extension introduced today puts that question behind us. It allows us to concentrate on a complete reexamination and reworking of economic development legislation.

Every day we see the impact that Federal programs and decisions have on the States we represent. I recognize that EDA is not—and cannot be—the sole or principle vehicle for coordinating all these other activities. But it is highly important for us to understand how the program we develop is coordinated with these other ongoing activities.

It is important to understand how legislation we may propose coordinates with other program changes being considered by the Congress, such as the Better Communities Act and the 1972 Rural Development Act which is beginning its first full year of operation.

In my view, we should not delve into every conceivable aspect of the development questions, such as unemployment compensation and welfare proposals, but we should try to write a bill that relates to other Federal programs, and we should understand that relation.

Mr. President, Senator BAKER, the ranking minority member of the Public Works Committee could not be in the Chamber at this time. I ask unanimous consent that his statement be printed in the RECORD following my own.

Mr. President, I also ask unanimous consent that the President's message, the text of the bill, and the section-by-section analysis be included in the RECORD following Senator BAKER's statement.

Mr. BAKER. Mr. President, as ranking minority member of the Public Works Committee, I am pleased to cosponsor with Senator RANDOLPH, chairman of the committee, Senator MONTOYA and Senator McCLURE, the administration's proposal for a 1-year extension of the Public Works and Economic Development Act and a new economic readjustment program.

The administration is to be commended for the constructive and cooperative effort which this bill represents. I was very heartened by the willingness of the administration to meet with members of the Public Works Committee to discuss the national economic development study required by the Congress in the 1973 extension of the EDA program, and the legislative recommendations which were being considered. For my part, and I believe I speak for other members of the committee, I appreciated having the opportunity to discuss this very important legislation and to have the committee's views on record before the report and legislation were completed and submitted.

In its continuing effort to streamline the categorical grant-in-aid system and to return more program responsibility and initiative to the States and local governments, the administration last year proposed to terminate the EDA program, replacing it with several alternative programs—some already in existence, including the Rural Development Act and the loan programs of the Small Business Administration, or being proposed, such as the Responsive Governments Act and the Better Communities Act.

After reviewing the administration's proposal, I think we generally agreed that it failed to provide an orderly transition, and that it would end the ongoing EDA programs before there was some experience with the administration's proposed alternative programs, some of which were not in place and operating at the time.

I am convinced that many of the goals sought by the administration conform with the direction the Public Works Committee has been moving in its consideration of new economic development legislation—as in fact indicated in our report on the EDA extension last year, Senate Report 93–117.

More than 2 years ago, the Public Works Committee recognized the need to review and rework the existing economic development programs. Under the leadership of Senator RANDOLPH, chairman of the Public Works Committee, and Senator MONTOYA, chairman of the Economic Development Subcommittee, the committee began a comprehensive review of development programs with the purpose of drafting a national development program better geared to today's economic needs.

I believe the committee would like to see more responsibility for development programs returned to the States and local communities, and greater assurance of reliable funding—such as could be achieved through State apportionments and advanced funding—which could well include some blocking of development funds to these entities. We very much desire better coordination of planning and implementation of all Federal grant programs.

I was glad to note that this year the administration recommended a 1-year extension of the Public Works and Economic Development Act along with its recommendation for a new economic adjustment program.

As pointed out in the message, the extension is to permit an orderly transition to the new program. During this year's extension, the block grant program can be phased in, giving Congress and the State and local communities experience with the new program. This year will give the Congress time to see if the new proposal will work, and if the programs can be made more responsive.

Since 1969 the administration has

been working to rationalize Federal programs and regional arrangements.

The Federal Regional Councils were established to improve coordination of the categorical grant-in-aid system and serves as a single point of contact with the Federal agencies for the States. More recently the Federal Regional Councils have begun looking to the goals and objectives of the region they serve. When the committee begins work on a new program, it may be able to relate to these regional efforts.

Similarly, the A–95 review and comment procedure, established to coordinate categorical plans and programs and to encourage areawide and statewide planning and program implementation, should be encouraged.

I hope that in the committee, working with Chairman RANDOLPH, Senator MONTOYA, Senator McCLURE, and other interested members, we may be able to work out a structure helpful not only for economic development but for other programs as well.

The original intent of the Public Works and Economic Development Act was to provide public works infrastructure in lagging areas of the Nation and I think the committee still believes that a base of public facilities does help a lagging area become more competitive.

But I believe we have also come to recognize that public works projects require considerable lead-time for construction and their impact is only felt in the long run.

But for the short-term economic dislocations, due to base closings or economic slowdown in the energy crunch, more flexibility and a wider range of programs is needed. Measures, other than public facilities, such as business development, retraining and relocation, are more appropriate.

I would be inclined at this time to continue the title V Regional Commissions now in place rather than blanketing the entire country with development commissions or moving to State compacts for economic development. The title V Regional Commissions would continue to focus on the special problems of the depressed regional economics they represent but would be brought into the development activities of the larger regions proposed in the bill.

Mr. President, the bill is based on the findings and recommendations of the study of current Federal programs submitted to the Congress on the first of February. I am sure that the bill, along with the study, will be given full consideration by the committee.

SENATOR RANDOLPH BELIEVES ECONOMIC ADJUSTMENT ACT PLACES IMPORTANT ISSUES BEFORE CONGRESS

Mr. RANDOLPH. Mr. President, the Economic Adjustment Act of 1974 is the answer of the executive branch of the national need for an ongoing economic development program. While I am a cosponsor of this measure, I do not necessarily believe that this bill as introduced is the final form which this legislation should take. I am pleased to be a cosponsor, however, for I believe the subject of this bill is of great importance to our country. In this manner, the Congress will be able to carefully examine another proposal embodying one approach to the problem.

It was encouraging that representatives of the administration called on the committee recently to discuss with us its thoughts on economic development. This represents a refreshing change of attitude on the part of the executive branch and hope it is indicative of a new willingness to work with the Congress in developing legislative proposals.

The Committee on Public Works created the initial legislation in the field of economic development. In recent years we have reviewed its effect and worked toward a new, comprehensive economic development program with nationwide application. We will, therefore, carefully examine the administration's program and determine how it meshes with our own approach.

The concept of regionalism as a mechanism for orderly development programs has been effective in facilitating optimum usage of local and Federal resources. This existing organizational structure should be utilized as at least the basis for any new program, and the committee will seek to determine if there is a real role for regional commissions and local development organizations in the President's plan.

I am encouraged by the recognition implicit in the legislation that there should be a separate and continuing economic development program. This represents a change of position by the administration from its stance of a year ago when abandonment of these programs was recommended.

These proposals come at a time when our Subcommittee on Economic Development, chaired by Senator JOSEPH MONTOYA, is preparing an intensive examination of economic development needs and programs. The President's program will be carefully reviewed during this time.

ECONOMIC ADJUSTMENT ACT

Mr. MONTOYA. Mr. President, on March 21, 1972, I introduced S. 3381, the Public Works Development Act as the basis for a new and creative approach to regional and economic development. Joining me in cosponsorship of that bill were Senators John Sherman Cooper, the great former representative from the State of Kentucky, and JENNINGS RANDOLPH, the distinguished chairman of the Public Works Committee. It is in that same spirit of bipartisanship that I add my name to the cosponsorship of the economic adjustment and assistance legislation being introduced today. At the same time, I must make it abundantly clear that while I recognize the need to continue seeking improvements in all our endeavors as individuals and as a society, I cannot accept any other contention than that the programs authorized by current legislation, the Public Works and Economic Development Act, have been exceedingly successful in meeting the mandates of Congress. These programs have, in fact, been among the most successful undertakings by the Federal Government. The only fault that may be found with these programs is that they have had too few resources to combat the vast and most difficult economic problems that beset many areas of our Nation. But this lack is no fault of the underlying principles of the programs themselves nor of those who have tried to carry them out.

Clearly there is a continued need to focus the Nation's attention on economic problems at the subnational or regional levels. Last year in arguing for the extension of the Public Works and Economic Development Act, I pointed out that dispersal of this economic focus as then recommended by the administration would weaken, not strengthen, efforts to assist economically distressed areas. I pointed out that the Nation has not yet been able to solve the problem of economic stagnation or deterioration with respect to every region of the country and that economic progress itself creates constant economic disruption. I pointed out that new technology, increased competition, depleted resources, changing trade patterns, changing tastes, obsolescence all have economic impacts—impacts that fall disproportionately among the Nation's regions. Similarly, I pointed out that changing national priorities themselves, such as recent defense realinements, can cause great economic dislocation.

It was concern for the adverse economic impact of base closings that moved the Senate while extending current economic development legislation to require from the Economic Adjustment Committee within the Department of Defense its plans and programs to alleviate the ill effects on the Nation's communities of base closing. Additional action by the Senate that same day resulted in the economic adjustment proposal presented to the Senate this day.

Never has an economic focus on the Nation's individual communities and regions been more important than today, as the consequences of the energy shortage spread unevenly and inequitably throughout our national economy. Largely as the result of this shortage, unemployment in the Nation jumped from 4.8 percent to 5.2 percent last month, the largest monthly increase since the start of the 1970 recession.

Similarly, personal income registered an actual decline in January, the first such decline in 19 months. I am gratified, therefore, that the President in his February 19 message to Congress recognized that regional economic programs can serve as an extremely important tool for States and communities in responding to energy problems.

The Subcommittee on Economic Development, of which I am chairman, intends to hold hearings in Washington and throughout the country in order to give the American public and their elected representatives at the State and local levels an opportunity to express their opinions on how best the economic needs of the Nation might be met. It is my sincere hope that these hearings will result in an economic development and adjacent program that will truly meet the needs of our communities, regions, and States.

Mr. DOMENICI. Mr. President, I am pleased today to cosponsor with other distinguished Members of the Senate, the Economic Adjustment Act of 1974, the administration's proposal to extend the Public Works and Economic Development Act and to authorize a new economic adjustment program. Economic development programs have, in my opinion, been among the most successful in achieving their fine purposes. I am confident that by the bill we introduce today those programs can be sustained, improved, and augmented for even better results.

I am particularly encouraged that this bill would extend for 1 full year the Public Works and Economic Development Act. As I have consistently maintained since coming to the Senate, the programs carried forward under this act cannot be discontinued until we are certain that those functions will be effectively discharged by other means. This bill we introduce today is consistent with that position since it insures continuation of the existing programs while the Congress and the Executive work together to fashion longer range programs with whatever transitional arrangements necessary. This bill, Mr. President, will provide the legislative vehicle for obtaining the invaluable advice, guidance, and assistance of entities outside the Congress or the administration.

Of course, as we all understand, this bill may contain specific points with which those of us joining in its introduction find either questionable or objectionable. This, is undoubtedly, the case here, but the overriding point, Mr. President, is that this bill represents a significant step in the continuing dialog between the Congress and the administration to provide the best possible Federal assistance to the largest number of our citizens, our States, and communities to promote their economic well-being with all the attendant benefits which flow therefrom.

As a member of the Economic Development Subcommittee of the Committee on Public Works, I look forward to participating fully in the hearings and work of the subcommittee and I am confident that we can produce legislation responsive to the demand of the time and current conditions and capable of transition to such other approaches we determine offer the greatest future potential for the common good.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3041

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Adjustment Act of 1974."

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to extend the Public Works and Economic Development Act of 1965, as amended, for one year in order to provide an orderly transition to an economic adjustment assistance program, and to establish an economic adjustment assistance program to help States and local governments to deal more effectively with problems resulting from changes in economic conditions. Some of the problems that must be surmounted are unemployment and underemployment, ineffective use of capital and natural resources, and deterioration in the quality of life within communities. The administrative structure provided in this Act, in which Federal, State and local governments will function as partners, is itended to place the initiative at the State and local levels, and permit States and local governments to make more effective use of Federal, State, local, and private resources to adjust to economic changes. The Act is to encourage cooperative intergovernmental action to solve problems as they occur, to return resources to productive use as soon as possible, avoid or reduce unnecessary hardship for the American people, and prevent the creation of new economically distressed areas.

DEFINITIONS

SEC. 3. For the purposes of this Act:

(a) "Federal Region" means an economic adjustment assistance region created by section 303.

(b) "Federal Regional Administrator" means a regional economic adjustment administrator appointed pursuant to section 302.

(c) "Fiscal year" means the fiscal year of the Government of the United States.

(d) "Multi-jurisdictional entity" means any consortium of general purpose political subdivisions in a State.

(e) "Multi-State organizations" means a multi-State organization authorized pursuant to section 209.

(f) "State" or "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa.

(g) "State plan" means an economic adjustment assistance plan formulated pursuant to section 205.

TITLE I—TRANSITION

AUTHORIZATION OF TRANSITIONAL APPROPRIATION

SEC. 101. The following transitional appropriations are authorized by amendment to the Public Works and Economic Development Act of 1965, as amended:

(1) The first sentence of section 105 is amended by striking out the word "and" after the words "June 30, 1973," and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and such sums as may be necessary for the fiscal year ending June 30, 1975.".

(2) Subsection (c) of section 201 is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and such sums as may be necessary for the fiscal year ending June 30, 1975.".

(3) Section 302 is amended by striking out the word "and" after the words "June 30, 1973," and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and such sums as may be necessary for the fiscal year ending June 30, 1975.".

(4) Subsection (g) of section 403 is amended by inserting after "1974", the following: "and such sums as may be necessary for the fiscal year ending June 30, 1975,".

(5) The first sentence of subsection (d) of section 509 is amended by striking out the word "and" after the words "not to exceed $305,000,000" and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and for the fiscal year ending June 30, 1975, to be available until expended, such sums as may be necessary.".

CONTINUATION OF REDEVELOPMENT AREAS

SEC. 102. (a) Section 2 of the Act of July 6, 1970, as amended (Public Law 91–304), is amended by striking out "1974" and inserting in lieu thereof "1975".

(b) The amendment made by subsection (a) of this section shall take effect June 30, 1974, and any area designated as a redevelopment area for the purposes of the Public Works and Economic Development Act of 1965, as amended, on or before that date and which has had such designation terminated or modified in accordance with section 402 of such Act of 1965 on or before the date of enactment of this title shall, for the purposes of such Act of 1965, be held and considered as a designated redevelopment area during such period and shall continue to be designated as a redevelopment area until otherwise terminated or modified in accordance with the provisions of section 402 of such Act of 1965 and section 2 of the Act of July 6, 1970, (Public Law 91–304) as amended by this title.

TITLE II—ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM

OBJECTIVES OF PROGRAM

SEC. 201. The Federal financial assistance authorized by this title is to be used by States to pursue the following objectives:

(1) Provide smooth and orderly adjustment to changes in regional, State or local economic conditions, through stimulation of alternative economic activities or other actions which will minimize persistent unemployment, ineffective use of resources, and other economic hardships;

(2) Reduce unemployment and economic distress in areas suffering from persistent and substantial unemployment, through stimulation of economic activities or other adjustment actions; and

(3) Increase personal income levels in areas with low average income, through stimulation of more productive employment opportunities for the underemployed, and other adjustment actions.

ACTIVITIES ELIGIBLE FOR ASSISTANCE

SEC. 202. Funds provided to States pursuant to this title to achieve the objectives of section 201 may be used—

(1) For assistance for public facilities, public services, business development, planning, research, technical assistance and such other economic adjustment purposes as the States may deem appropriate;

(2) Through grants, loans, subsidies, loan guarantees, tax rebates, salaries and wages or such other form of assistance as the States may deem appropriate;

(3) By public entities, private profit-making and non-profit enterprises, organizations and individuals; and

(4) For administrative costs of State, local, multi-state or other multijurisdictional or single governmental organizations resulting rfom responsibilities for planning, coordinating or implementing economic adjustment activities pursuant to this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 203. (a) There are hereby authorized to be appropriated $100,000,000 for fiscal year 1975 and such sums as may be necessary for the four succeeding fiscal years. Such sums shall remain available until expended.

(b) (1) For the purpose of affording adequate notice to the States of funding available under this title, appropriations under this title are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are to be allocated for obligation.

(2) The authorization of this subsection (b) (1) may be exercised notwithstanding that its initial application may result in the enactment in the same year of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

ALLOCATION OF FUNDS AMONG STATES

SEC. 204. (a) The funds provided from appropriations pursuant to the authorization of section 203 shall be allocated for the States, as follows:

(1) A minimum of 80 percent shall be allocated for the States by the President in a manner to be established by regulations of the President, and in accordance with the following formula:

(A) 15 percent of the amount allocated under this paragraph shall be allocated on the basis of the relative number of persons residing in the State as compared to the population of all States;

(B) 25 percent of the amount allocated under this paragraph shall be allocated on the basis of relative number of persons residing outside metropolitan areas of one million or more population in the State as compared to such *population* in all States;

(C) 10 percent of the amount allocated under this paragraph shall be allocated on the basis of the geographic size of the State as compared to the geographic size of all States;

(D) 30 percent of the amount allocated under this paragraph shall be allocated on the basis of the relative number of unemployed persons residing in areas of persistent and substantial unemployment within the State as compared to such numbers in all States; and

(E) 20 percent of the amount allocated under this paragraph shall be allocated on the basis of the relative number of persons in families with an annual income below the poverty level residing in areas with a median family income of 50 percent or less of the national median within the State as compared to such numbers in all States.

(2) Amounts not allocated for States pursuant to paragraph (1) may be allocated by the President based upon special needs for the funds arising from regional, State or local problems or from actions of the Federal government. Such funds may be allocated by the President for specific States, or allocated to Federal Regional Administrators for allocation by the Federal Regional Administrators to one or more States within their regions.

(b) The amounts allocated for States pursuant to subsection (a) will be apportioned by the President to the appropriate Federal Regional Administrators for obligation to the States in accordance with sections 205 and 206.

(c) Any funds allocated for a State pursuant to subsection (a) will remain available for that State until expended, except as follows:

(1) Funds allocated for a State may be reallocated among States of a multi-state organization in accordance with section 209(e).

(2) Funds allocated for a State may be reallocated to other States by the President when the allocation has been terminated, reduced or limited pursuant to section 207.

(3) Funds allocated for a State may be reallocated to other States by the President if funds allocated to a State have not been obligated to that State within two years of the date of the allocation, for whatever reason, provided that the State shall be notified of the proposed reallocation at least 30 days prior to reallocation and may take action to obtain obligation of the funds during that period.

(4) Any funds reallocated pursuant to this subsection may be allocated in accordance with paragraph (a) (2) of this section even though this may result in a final percent of less than 80 percent allocated in accordance with paragraph (a) (1) of this section.

STATE PLANNING AS A CONDITION FOR OBLIGATION OF ALLOCATED FUNDS

SEC. 205. (a) Except as otherwise provided in sections 206 and 207, funds allocated for a State shall be obligated to the State upon submission by the Governor of the State, and approval by the Federal Regional Administrator, of a State plan or plans which shall contain the following elements:

(1) An identification of the area or areas selected within the State for economic adjustment.

(2) The criteria used in the selection of the areas described pursuant to paragraph (1).

(3) A statement of economic adjustment objectives for each of the areas described pursuant to paragraph (1), which objectives shall be consistent with the objectives of this title, and a description of the specific strategies designed to attain such objectives.

(4) A statement describing the funds required to implement the strategies described pursuant to paragraph (3) and the sources of such funds. This shall identify the financial resources available or to be sought from State, local and private sources and from other Federal programs.

(5) A description of the types of assistance for which funds obligated under this title shall be expended to carry out the strategies described pursuant to paragraph (3).

(6) A description of the process used in formulating the plan, and to be used in implementing the plan, which process shall be in accordance with the provisions of subsection (b) hereof. This shall include a description of the process to be used in coordinating activities to be funded under this title with related activities to be funded by other Federal programs or by State, local or private sources.

(7) Such other information, statements or certifications which may be required by regulations established by the President.

(b) Elected officials of general purpose units of local governments and, if multijurisdictional entities are established, representatives of multijurisdictional entities which have responsibilities for economic adjustment activities in their respective areas shall participate in the preparation and implementation of State plans. The President may establish regulations regarding procedures to be followed in developing and implementing State plans.

(c) The Federal Regional Administrator shall approve the State plan and obligate funds to the State upon determining that—

(1) The plan is consistent with this title;

(2) The plan was prepared in accordance with subsection (b); and

(3) The plan meets any specific requirements established by regulations issued by the President pursuant to this Act.

(d) Approval by the Federal Regional Administrator of a State plan or modification thereto does not constitute approval for allocation or obligation of Federal funds available under other Federal programs which a State has identified in its plan as required by subsection (a) (4) as a source of financial resources.

(e) The amount of funds obligated to a State shall not exceed the amount specified in the State plan as being required from funds under this title to carry out the planned adjustment activities.

(f) A State plan may range from a comprehensive Statewide plan covering a period of several years, to a limited plan for a short-duration effort to deal with a specific adjustment problem. State plans for use of the funds allocated pursuant to section 204 may be submitted at any time within two years of the date of the allocation and may be submitted after two years of the date of the allocation if the funds have not been reallocated by the President pursuant to section 204.

(g) Modifications of a State plan may be made by a State whenever such State deems appropriate in order to carry out the objectives of this title or whenever necessary as a result of determinations made by the Federal Regional Administrator pursuant to subsection (c) hereof; *Provided*, that any major modification, as defined by regulations to be established by the President, shall be approved by the Federal Regional Administrator prior to expenditure of a State's obligated funds for such modified plan.

(h) The Federal Regional Administrator shall not disapprove any State plan submitted under this title, or any modifications thereof, without first affording the State reasonable notice, and an opportunity for a hearing.

USE OF FUNDS FOR PLANNING

SEC. 206. Upon application by a State, the Federal Regional Administrator may obligate funds to the State as he determines necessary to enable the State and local governments and multijurisdictional entities therein to prepare the plans required by section 205.

REVIEW OF STATE PERFORMANCE

SEC. 207. (a) Within 60 days after the end of each fiscal year, States shall submit a report to the appropriate Federal Regional Administrator, which shall include—

(1) A description of the progress made during the fiscal year toward the objectives of the approved plans;

(2) A description of how the funds obligated under this title were used to pursue the objectives;

(3) A statement of reasons for substantive variations from the approved plans;

(4) A statement of corrective actions taken or planned; and

(5) Such other information, statements or certifications which may be required by regulations established by the President pursuant to this Act.

(b) Each State receiving funds under this title shall—

(1) Use such fiscal, audit, and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it, and (B) proper disbursement of such payments; and

(2) Provide to the Federal Regional Administrator and the Comptroller General of the United States access to, and the right to examine, any books, documents, papers, or records as they require.

(c) If the Federal Regional Administrator, after reasonable notice and opportunity for hearing, finds pursuant to evaluation criteria established by the President that a State is failing to attain the objectives of its approved plans due to inadequate management or other reasons within the control of the State, and that the State has failed to take corrective action, or if the State has failed to comply substantially with any provision of this Act, the Federal Regional Administrator may—

(1) Terminate obligations to such State under this title, or

(2) Reduce obligations under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or

(3) Limit the availability of payments under this title to programs, projects or activities not affected by such failures, or

(4) Notify the State to return to him all or part of the unexpended sums paid under this title.

(d) The Federal Regional Administrator shall determine whether any reductions or limitations in obligations pursuant to subsection (c) hereof shall be reserved for subsequent obligation to the State when corrective action has been taken, or result in a reduction in the allocation available for the State. If it is determined that the allocation will be reduced, the funds shall be reallocated in accordance with section 204.

(e) In lieu of, or in addition to, any action authorized by subsection (c), the Federal Regional Administrator may, if he has reason to believe that a recipient has failed to comply substantially with any provision of this Act, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

JUDICIAL REVIEW

SEC. 208. (a) Any State which receives a notice of termination, reduction or limitation in obligations or allocation pursuant to section 207 (c) or (d) may within sixty days after receiving such notice, file with the United States court of appeals for the circuit in which such State is located a petition for review of the action. A copy of the petition shall forthwith be transmitted to the Federal Regional Administrator. A copy shall also forthwith be transmitted to the Attorney General of the United States.

(b) The Federal Regional Administrator shall file in the court the record of the proceeding on which the action was based, as provided in section 2112 of title 28, United States Code. No objection to the action shall be considered by the court unless such objection has been urged before the Federal Regional Administrator.

(c) The court shall have jurisdiction to affirm or modify the action or to set it aside in whole or in part. The findings of fact by the Federal Regional Administrator if supported by substantial evidence contained in the record, shall be conclusive. However, if any finding is not supported by substantial evidence contained in the record, the court may remand the case to the Federal Regional Administrator to take further evidence, and the Federal Regional Administrator may thereupon make new or modified findings of fact and may modify the previous action. He shall certify to the court the record of any further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence contained in the record.

(d) The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

MULTI-STATE ORGANIZATIONS

SEC. 209. (a) The consent of Congress is hereby given to any two or more States to negotiate and enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts in pursuing the objectives of this Act. The States participating in such agreements or compacts may establish such agencies as they may deem desirable to make such agreements effective.

(b) In pursuing the objectives of this title, each multi-state organization may—

(1) Provide a forum for consideration of problems of the region, and proposed solutions;

(2) Conduct and sponsor research and studies of the region to foster effective economic adjustment;

(3) Develop regional economic adjustment objectives;

(4) Develop joint efforts among the States to pursue the regional objectives; and

(5) Assure that State plans are consistent with or include approved regional adjustment objectives.

(c) Multi-state organizations established or designated pursuant to this section may require that its member States submit their State plans to the multi-state organization or its agency for review or approval prior to submission of the plans to the Federal Regional Administrator.

(d) The expenses of a multi-state organization shall be paid by the State members of the organization. Funds obligated to States pursuant to sections 205 and 206 may be used by the States to pay the expenses of a multi-state organization, including administrative expenses. The share to be paid by each State shall be determined by the State members of the organization.

(e) States participating in multi-state organizations may propose in their plans to pool all or part of the allocations made for some or all of the member States of the organization pursuant to section 204(a), and such funds may be obligated to any State or States in the organization in accordance with State plans approved by the multi-state organization and the appropriate Federal Regional Administrator. In the event the multi-state organization includes States in more than one Federal region, the President may establish procedures to assure consistency of Federal actions in reviewing and approving the joint State plans and proposed reallocation of funds.

TITLE III—GENERAL PROVISIONS

FUNCTIONS AND DUTIES OF THE PRESIDENT

SEC. 301. The authorities, functions and duties assigned to the President by titles II and III may be delegated by the President to the Secretary of Commerce, or to any other person designated by the President by and with the advice and consent of the Senate.

FEDERAL REGIONAL ADMINISTRATORS

SEC. 302. The President shall appoint a Federal Regional Administrator for each Federal Region established pursuant to section 303. Each of said Federal Regional Administrators shall be compensated at a rate to be determined by the President not to exceed the rate provided for in level IV of the Federal Executive Salary Schedule. Each Federal Regional Administrator shall have full responsibility for administering the obligation of funds and reviewing the use of obligated funds, and shall perform the additional functions and duties assigned to him by titles II and III and as are otherwise assigned by the President. The Federal Regional Administrators shall cooperate and consult with other Federal departments and agencies responsible for programs which affect regional State or local economic activities, may participate in activities of Federal interagency councils and committees as necessary to promote interagency cooperation and consultation, and shall provide liaison between the Federal departments and agencies and multi-state organizations established or designated pursuant to title II.

FEDERAL REGIONS

SEC. 303. For purposes of administration of title II, Federal Regions shall be established and shall conform with the Standard Federal Regions established by the President for administration of Federal programs. The boundaries of such Federal Regions may be modified as required to conform to any changes which may be made in the boundaries of the Standard Federal Regions.

REGULATIONS

SEC. 304. The President may establish such rules and regulations as may be necessary to carry out the purposes and conditions of titles II and III.

NONDISCRIMINATION

SEC. 305. (a) No person shall, on the ground of race, color, religion, national origin, sex, or age be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under title II.

(b) Whenever the President determines that a State government or unit of local government has failed to comply with subsection (a) of this section or an applicable regulation, he shall notify the Governor of the State (or, in the case of a unit of local government, the Governor of the State in which such unit is located) of the noncompliance and shall request the Governor to secure compliance. If within a reasonable period of time the Governor fails or refuses to secure compliance, the President is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964; or (3) to take such other actions as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b) of this section, or whenever he has reason to believe that a State government or unit of local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

LABOR STANDARDS

SEC. 306. All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under title II, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Number 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

REPORT

SEC. 307. At least six months prior to the end of the fifth fiscal year for which funds are appropriated pursuant to section 203, the President shall submit to Congress a report evaluating the effectiveness of the economic adjustment assistance program established by title II and setting forth such recommendations as he deems advisable for continuation, modification, expansion or termination of such program.

AUTHORIZATION OF FEDERAL ADMINISTRATIVE APPROPRIATION

SEC. 308. There are hereby authorized to be appropriated such sums as may be necessary for the Federal expenses of administration of this Act.

THE WHITE HOUSE.

To the Congress of the United States:

The industrialization of America is essentially a story of change and progress. For most communities, that change is usually beneficial, enhancing general prosperity. But for some, adjustment to change can be difficult. As new developments unfold in energy, defense needs, technology, and international trade, some areas of the country will inevitably suffer transitional pains even as the Nation as a whole is benefiting.

There are now over 400 areas in the country which have experienced chronic unemployment and low income levels, despite a general increase in national prosperity. In *these depressed* areas it is also not unusual to find inadequate educational and health arrangements as well as a substandard housing.

For nearly a decade, the programs of the Economic Development Administration and the Regional Action Planning Commissions have been attempting to alleviate economic distress and restore economic viability to these chronically distressed areas. Last year I proposed to terminate the programs of EDA, and remove the Federal role in the decision-making process of the Title V Regional Commissions, because those programs had not been effective. Subsequently I agreed with the Congress to continue those programs for one more year while we reexamined the problems and the ability of current and proposed Federal programs to deal with the problems.

The study, conducted over the last several months by the Department of Commerce and the Office of Management and Budget, was completed and transmitted to the Congress on February 1, 1974. It concludes that:

Current economic development programs fail to provide adequate assistance for economic change *before* the changes have done serious damage to the viability of recipient communities;

The project-by-project allocation of Federal assistance results in dispersion of available resources in amounts too small to do much lasting good, and it also fails to encourage a comprehensive and planned multilevel government and private response to the problems of economic adjustment;

There is a need for a more effective form of Federal assistance to permit States and communities to develop comprehensive and targeted adjustment efforts.

If new economic opportunities can be developed in an area before labor, capital, and hope are dispersed, the normal rhythm of economic life can be maintained. We can then avoid the enormous outlays for economic assistance that are required to help distressed areas, and we can prevent the irretrievable loss of resources that occurs in spite of this assistance.

THE ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM

Based upon our experiences with current programs and the conclusions of the recent Government study, I believe it is time to revamp our approach to adjustment assistance.

I am, therefore, sending to Congress today my proposal for an Economic Adjustment Act. This measure is designed to help States and communities provide smoother and more orderly adjustment to economic changes and limit the number of new distressed areas. It will also permit more effective long-range areas to overcome the problems of areas now suffering from economic distress.

By granting State and local officials greater flexibility in the way they spend Federal funds within distressed areas, it is our hope that they will have greater success in reducing unemployment and raising general income levels in those areas.

Although this act is not intended as an emergency measure just to deal with dislocations caused by the energy crisis, it could serve as an extremely important tool for States and communities in responding to energy problems. This proposal, along with my recent proposal for extending unempoyment insurance benefits for individuals in areas heavily impacted by energy problems would help reduce hardships while adjustment efforts are pursued.

RETURNING DECISIONMAKING TO THE STATES AND COMMUNITIES

A primary goal of the proposed act is to return to States and communities the principal responsibility for deciding how to use the proposed Federal assistance to achieve program objectives. If this assistance is to be used to maximum advantage, the decisions must rest with State and local officials who are in the best position to understand their needs.

In order to return this responsibility to the States and communities, a minimum of 80 percent of the funds available under the act would be automatically allocated to States on the basis of a formula that would recognize the needs of the States and communities for assistance. The formula would take into account unemployment levels, population dispersal, income levels, and other factors. The remaining funds would be allocated to States on a discretionary basis to meet special needs arising from State, regional or local problems, or from Federal actions such as closing of large Federal installations. The funds allocated to a State would automatically be made available to the State upon preparation and approval of a general State plan which specifies the target areas selected for economic adjustment and the general objectives planned for each area.

Because the money would be given to the States as a block grant, the States could apply it to only one or a few problem areas, with each project getting enough money to make a difference. By contrast, much of the EDA funding has been dispersed in smaller amounts for many different projects, thereby making it difficult to develop a comprehensive effort to overcome the problems of any area. Furthermore, under the new program, States should be able to apply funds to areas before economic distress becomes acute.

This approach would also maximize State and local responsibility for planning and carrying out economic adjustment efforts, while providing assurance that the funds are being used to pursue national objectives. It would permit States, and adjustment areas within States, to develop and put into effect their economic adjustment plans in conjunction with related programs such as those under the recently enacted Comprehensive Employment and Training Act, the Rural Development Act, and the proposed Better Communities Act. States and communities could also conduct more rational planning for economic adjustment because they would have a better understanding of the amount of Federal resources which would be available to them for that purpose. And they would no longer design programs on the basis of what States and local governments think Washington wants, rather than what they themselves need.

STRENGTHENING REGIONAL PLANNING AND COORDINATION

The Economic Adjustment Act would authorize interstate compacts to permit States to work together on common adjustment efforts. States which participate in multi-State economic adjustment organizations could use funds allocated under the act for joint adjustment efforts, including administrative costs and planning activities of the regional organization. Regional organizations could participate in the development of the plans of the member States to assure that the State plans reflect any regional adjustment needs.

The principal Federal authority and responsibility under the act would be given to ten Federal Regional Administrators, one in each Standard Federal Region. The Federal Regional Administrators would have responsibility for reviewing State plans, obligating funds to the States, and evaluating performance by the States in using the funds.

The Federal Regional Administrators have the responsibility of working closely with the Federal Regional Councils in each Federal region to help assure improved coordination among the many Federal programs which affect economic activities in an area or region. I plan to request the Secretary of Commerce to carry out the central Federal administrative and policy responsibilities under the act.

TRANSITION PERIOD PROPOSED

The Economic Adjustment Assistance Program would replace the programs now conducted by the Economic Development Administration and the Regional Action Planning Commissions. Although current authority for those programs is now due to expire at the end of this fiscal year, I am prepared to accept legislation to extend that authority for the purpose of providing for an orderly transition to the new Economic Adjustment Assistance Program.

With the expectation that the Congress will provide the required legislation for the new program and will extend the programs of EDA and the Regional Commissions, my budget for fiscal year 1975 includes funding for EDA and the Title V Commissions at a level of $205 million. The budget also includes an additional $100 million as initial funding for the new act. This will provide a total of $305 million for these programs in fiscal year 1975, an increase of nearly $50 million over the 1974 levels.

The concerns and suggestions of Members of Congress have played a major role in shaping this legislative proposal. I hope that the dialogue between the Congress and the executive branch will continue as the Congress considers this proposal.

The Economic Adjustment Act can provide the basis for an important improvement in the ability of our States and communities to adjust to economic changes and prevent unnecessary distress and hardship. By helping to raise employment and income levels for some Americans, it can improve the quality of life for all Americans.

RICHARD NIXON.

THE WHITE HOUSE, *February 19, 1974.*

SECTION-BY-SECTION ANALYSIS

TITLE I—TRANSITION

Section 101—Authorization of Transitional Appropriation.—Authorizes appropriations for a one-year extension of the Public Works and Economic Development Act of 1965, as amended.

Section 102—Redevelopment Areas.—Continues the designation of redevelopment areas by preventing their termination or modification.

TITLE II—ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM

Section 201—Objectives of Program.—States the objectives of the economic adjustment assistance program. These objectives are: (1) orderly adjustment to changing economic conditions by stimulating alternative economic activities, (2) reducing unemployment in geographic areas of high unemployment, and (3) increasing income levels in areas with low average income.

Section 202—Activities Eligible for Assistance.—Lists the types of activities eligible for assistance, such as public facilities, public services, business development and technical assistance; and lists the nature of the assistance such as grants, loans, subsidies, loan guarantees, and tax rebates. This assistance may be provided to public entities, private profit and non-profit enterprises and individuals, and to State and other units of government for administrative costs in implementing this title.

Section 203—Authorization of Appropriations.—Authorizes appropriations for fiscal year 1975 and the four succeeding years. These appropriations are available until expended, and may be made one year in advance of planned obligation in order to give the States notice of the funding available.

Section 204—Allocation of Funds Among States.—(a) Allocates funds to the States as follows: (1) at least 80 percent are allocated based on the following formula: (A) 15 percent allocated based on population of State compared to Nation's population, (B) 25 percent allocated based on population of State outside metropolitan areas compared to Nation's population outside metropolitan areas, (C) 10 percent allocated based on geographic size of the State compared to all States, (D) 30 percent allocated based on areas of persistent and substantial unemployment in the State compared to such national unemployment, and (E) 20 percent allocated based on population of State with income below poverty level residing in areas with low median income compared to such population in the Nation. (2) The remaining funds (20 percent or less of the total appropriation) are allocated by the President to meet special needs.

(b) Funds are apportioned to the Federal Regional Administrators for obligation to the States based on section 205.

(c) Funds are available for a State until spent, unless (1) reallocated to a multi-State organization encompassing the State, (2) reallocated to other States after being reduced for the State pursuant to section 207, or (3) reallocated to other States because they have not been obligated to the State within two years of allocation. Funds reallocated may be allocated pursuant to paragraph (a)(2) above.

Section 205—State Planning As A Condition For Obligation of Allocated Funds—(a) Obligates funds allocated to a State when the Federal Regional Administrator approves the State plan. A State plan must contain an identification of economic adjustment areas, the criteria used in selecting these areas, the economic adjustment objectives of each area, the funds required to achieve these objectives, how funds provided by this title will be used, how the economic adjustment plan was formulated, and any other information required by the President.

(b) Requires local governmental officials to participate in the preparation and implementation of State plans.

(c) The Federal Regional Administrator is required to approve a State's plan when it is consistent with this title, when it was prepared according to subsection (b) above, and if the plan conforms with regulations authorized pursuant to this Act.

(d) Approval of a State's plan is not approval for allocation of Federal funds from other Federal programs identified in the plan.

(e) Funds obligated to a State may not exceed the amount required by the plan.

(f) A State plan may be long-range or short-range.

(g) States may modify their plans if approved by the Federal Regional Administrator.

(h) The Federal Regional Administrator may not disapprove a plan without reasonable notice and an opportunity for a hearing.

Section 206—Funds for Planning.—Allows Federal Regional Administrator to obligate funds for a State to enable it to prepare the required plan.

Section 207—Review of State Performance.—Requires the States to submit annual reports indicating progress made toward planned objectives, and how funds were used. States are also required to use proper fiscal, audit, and accounting procedures, and to allow Federal officials to examine their records. If the Federal Regional Administrator finds that a State is failing to meet planned objectives because of mismanagement, or has failed to comply with the Act, he may terminate or reduce obligation available to the State, or notify the State to return unexpended funds. He may also refer the matter to the U.S. Attorney General for appropriate civil action.

Section 208—Judicial Review.—Allows States receiving notice of termination or reduction in obligations to seek judicial review. The findings of fact by the Federal Regional Administrator will be affirmed if supported by substantial evidence.

Section 209—Multi-State Organizations.—Authorizes multi-state organizations to form in order to carry out the objectives of the Act. These organizations may approve State plans before submission to Federal Regional Administrators. Expenses may be paid from funds allocated to the States pursuant to this title, and participating States may pool their allocations for use in any State or States in the organization.

TITLE III—GENERAL PROVISIONS

Section 301—Functions And Duties of the President.—Permits functions of the President pursuant to titles II and III to be delegated by him to the Secretary of Commerce or any other person.

Section 302—Federal Regional Administrators.—Provides for the appointment by the President of Federal Regional Administrators for each Federal Region. These Administrators have full responsibility for administering the obligation of funds and reviewing their use.

Section 303—Federal Regions.—Establishes Federal Regions which shall conform with the Standard Federal Regions.

Section 304—Regulations.—Authorizes the President to establish rules and regulations.

Section 305—Nondiscrimination.—Prohibits discrimination under the Act based on race, color, religion, national origin, sex or age.

Section 306—Labor Standards.—Requires laborers working on projects pursuant to title II to be paid wages in accordance with the Davis-Bacon Act.

Section 307—Report.—Requires a report by the President to Congress 4½ years after enactment of the Act concerning the effectiveness of title II's programs.

Section 308—Authorization of Administrative Expenses.—Authorizes appropriations for Federal administrative expenses.

By Mr. PROXMIRE:

S. 3042. A bill to require the Securities and Exchange Commission and certain independent agencies which regulate banking and thrift institutions to transmit certain reports and other information to the Congress. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I introduce a bill designed to restore to the independent agencies which regulate banking and thrift and financial institutions some of the autonomy and integrity which Congress intended them to have and which the executive branch has attempted to take from them. The bill applies to the Securities and Exchange Commission, the Federal Reserve Board, the Federal Home Loan Bank Board, the Federal Deposit Insurance Corporation, and the National Credit Union Administration. It provides that whenever one of these agencies submits a budget estimate or request to the President of the Office of Management and Budget, a copy of the estimate or request shall also be transmitted to the Congress. The bill also provides that any testimony or comment on legislative matters which is submitted to the President or to OMB is to be simultaneously submitted to the Congress, and forbids the requirement of prior approval by the executive branch before any such material is submitted to Congress. These provisions have already been enacted with respect to the Consumer Product Safety Commission.

The evil which this bill is designed to correct has become well known to the Congress in recent years. If the Watergate scandals have taught us anything, it is the danger of the misuse of administrative agencies for purely political ends. One aspect of this misuse has been the destruction of the power of the independent regulatory agencies to render to Congress a nonpolitical, informed judgment on legislative and budgetary matters in the areas of their expertise.

Censorship by OMB of agency budget requests results in a kind of impoundment before the fact, since Congress is deprived of the opportunity to learn from the agency itself what resources are needed to enable the agency to carry out the mission which Congress has set for it. Similarly, the public interest will be better served if legislative recommendations and comments are presented directly to the Congress, without regard to whether they conform to the official administration "line" of the moment.

Because Congress delegated its own legislative power to these independent agencies, it is particularly important to prevent executive usurpation of their powers. If these agencies are to be effective in their vital role of preserving the integrity of our financial institutions, it is essential that each of their administrators must be capable of informing Congress, directly and without outside interference, exactly what he and his agency believe to be the facts about the matters before it.

I urge the passage of this legislation in order to insure the independence of these important agencies and to preserve the ability of Congress to make informed legislative and budgetary decisions.

By Mr. NELSON:

S. 3043. A bill to amend the statutes to create a Federal Citizens Appeal

Board, to provide grants to States for the establishment of citizen appeal processes, and for other purposes. Referred to the Committee on the Judiciary.

Mr. NELSON. Mr. President, I am introducing legislation today which I believe will take a significant step toward closing the confidence gap between the American people and the Government which is intended to serve them.

The bill, entitled the "Federal Citizens Appeal Act of 1974," will establish a broad program of assistance to citizens in their dealings with the Government agencies, and provide a simple procedure whereby they can register their complaints with the Government, and get a fair and speedy hearing by an impartial board of mediators.

The role of the Federal Government in the affairs of the individual has expanded so greatly in the past two decades that it is now involved in almost every aspect of our lives. We are affected daily by agency regulations designed to protect health and welfare, and to assure that our rights as citizens are maintained and strengthened. In every area of concern—social security, medicare, small business, health, and now in the regulation and distribution of gasoline and other fuels—decisions are made which affect the lives of millions of Americans. That reality dictates that we pay as much attention to the administration of the laws as we do to their creation.

The size of the Federal Government has increased threefold in only 35 years. In 1935, there were just over 900,000 people employed by the U.S. Government. By the end of 1973, that total had reached more than 2.7 million employees.

The number of Federal agencies and subagencies has also increased greatly over the years. With the programs of the Great Society, the creation of the Office of Economic Opportunity, and the Departments of Transportation and Housing and Urban Development, we have seen the growth of a class of Government officials—mostly middle-level bureaucrats—which has an inordinate amount of power over people, and yet very little control by the Congress or their parent bureaus.

This growth has made us realize that the U.S. Government has become a vast impersonal bureaucracy which is often insensitive to the needs of the people.

Any citizen of the United States attempting to persuade the Federal Government to reconsider an official action is bound up in endless redtape, legal delay, and, frequently, inconsiderate bureaucrats. There is little recourse for the average American to break through this Government morass.

In contrast, big business and powerful special interest groups have an easy time getting the ear of the Government with their complaints. They have the funds and resources to hire large teams of attorneys and lobbyists, and to file detailed objections to regulations and initiate court action, if necessary. They also have the political influence to make the agency bigwigs listen.

In the 12 years I have served in the Senate, my office has handled literally thousands of complaints from constituents who feel they were treated unfairly by Federal agencies, and yet could not get any assistance from the Government in hearing their complaints. Elderly citizens have been denied social security and medicare checks, small businessmen have been inconvenienced because of SBA regulations, and valid citizen complaints are totally ignored by Government agencies.

Two cases in particular are worth noting. Last year, the son of an Eau Claire, Wis., dentist was kidnaped, and held for $50,000 ransom. The dentist, Dr. Donald J. Alm, was a man of modest means, and in order to pay the ransom, had to take out a loan for the $50,000 from a local bank. Following payment of the ransom and the safe return of Dr. Alm's son, one of the kidnapers showed up in the local office of the FHA and used $20,000 of the ransom money to pay off an outstanding FHA loan. Of course, the kidnaper was apprehended, convicted, and sentenced to prison. However, the FHA refused to return the money used to pay off the loan—money admittedly obtained illegally from a ransom note—to Dr. Alm.

Eventually, after I introduced a resolution which directed the case to the Court of Claims and the court reached an agreement between the parties, the ransom money was returned. But it was fully 2 years between the time that Dr. Alm began his efforts to obtain the return of the money, and the date that the funds were finally restored to the doctor.

In another instance, a meat packing plant in Chippewa Falls was informed one day that a meat inspection official in Chicago had arbitrarily decided that he would inspect only 25 head of cattle per hour, while this particular plant required the processing of at least 30 head of cattle to just break even. Because of this agency decision, and because of the bureaucrat's refusal to consider the complaints that the meat packer had expressed, the Chippewa Falls plant was forced to close its doors. Again, it was only through the intercession of Congressman DAVID OBEY and myself that the Agriculture Department rescinded the decision, and the plant was reopened.

In both of these cases, as well as in countless other situations of similar nature, had the decision of a Government bureaucrat been allowed to stand, unreasonable and unfair harm would have been caused simply because of the practical inability of an American citizen to question the decision of a Government agency.

With the onset of the energy crisis, we have seen additional evidence of the extent to which the U.S. Government is inconsiderate of the everyday needs of the American people.

As the Nation proceeds into mandatory allocation, price regulation by the Cost of Living Council, and regulation of the energy-consuming activities of the people, the opportunities for callous disregard for the plight of the average citizen expand greatly.

Already, just 2 months in 1974, the evidence of such disregard for human needs has been brought to our attention.

Recent news broadcasts have told the story of a California truckstop owner who was forced by the Cost of Living Council to lower his gasoline prices by 2 cents, to correspond with the prices he was charging on May 15, 1973, which is the base date for the determination of gasoline prices. However, it just so happens that this gas station owner was running a sale on that day, to increase his patronage, and had lowered his prices below the profit line. To force this individual to lower his present prices to a level where he suffers a monetary loss is clearly unfair and arbitrary.

A recent column by Jack Anderson reported on the lack of attention being given to letters from citizens who are suffering undue hardship because of the energy crisis, and are concerned about conducting a normal life. One case which Anderson reported on was of an Indiana man who needed to travel to Chicago to receive medical and prosthetic aid because of a recently amputated leg. His letter went into the bin and will be responded to with a post card.

The average citizen, Mr. President, is virtually helpless to affect materially any administrative decision of a Federal agency. There is little or no opportunity to communicate with the agency prior to the handing down of an agency action, nor are there the resources available to most Americans to be able to have a say in Government policy. Legal costs are high, and if one is an elderly, handicapped, or generally on a fixed income, it is impossible to hire an attorney who will spend the needed time to prepare an adequate case.

There exists currently a great disparity—and injustice—in the manner in which Government decisions are affected by outside interests, while the people are unable to have their voices heard.

What is clearly needed—more than ever before—is a guarantee of the right of free access to the Government by the people. We must assume that a citizen has the right to object to a Government regulation which will materially affect his or her economic or social well-being. The Government has an obligation to restore the balance between individuals and special interests; to underwrite, as Thomas Jefferson said, the principle that "the care of human life and happiness, not their destruction is the first and only legitimate object of good government."

This legislation would go a long way toward meeting that goal, by establishing a procedure for citizen appeal of Government decisions, which will reaffirm the rights of Americans to have access to the decisionmaking process of the Federal Government. It would further dictate to the Federal agencies and the Government bureaucrats that their responsibilities include an obligation of responsiveness to the public and fair treatment of all, and not preferential treatment of the rich and powerful.

Through this legislation, 10 regional Federal citizens appeals boards would be established, in the standard Federal regions. These boards would each have the authority to investigate, conduct hearings on, and rule on the legitimacy of complaints filed against Federal agencies. The boards would be comprised of five members each, representative of labor, business, State government, and the public, who would be appointed by the President and confirmed by the Senate. Board members would serve 5-year terms.

Citizens who believed that they were the victims of unfair Government agency actions would be able to file complaints with a regional appeals board only after they had exhausted the appeal procedures within that particular agency.

Once an appeal was accepted by a regional appeals board, the staff would conduct a thorough investigation, making use of all available documents and taking statements from both the citizen and the Federal agency. Once the initial investigation was complete, the full appeals board would meet, conduct a hearing, and render a decision. The hearing conducted under this legislation would not be an adversary proceeding. Questioning and administrative procedures would be handled by the board.

In order to assure that this process does not simply add on more time to the already length of time it takes to question the Federal Government, a 25-day limitation is placed on the full appeal procedure. In addition, to provide relief in the case of emergency matters which require immediate relief action, an appeals board is authorized to render an emergency decision upon a preliminary investigation, subject to full compliance with hearing procedures.

A citizens appeal board could rule in any number of ways on an agency decision. It could: First, uphold the decision; second, render the decision invalid in total or in part, or third, direct the agency to conduct further proceedings toward making a new decision.

In all instances, the final decision of a citizens appeals board would be appealable of a Federal district court.

As noted before, one of the major causes of inequity between big business and the people is that large corporations can afford the expenses of court battle with the Government, while most citizens do not have the vast financial resources for such actions. Under the Federal Citizens Appeals Act, however, should an appeals board rule in favor of a citizen against a Government agency, and should that agency either refuse to obey the board's order or appeal the order to a district court, the board is authorized to provide legal representation to the complainant at no cost.

The basic working principle under which this proposal is predicated is that whether or not an appeals board rules in favor of a citizen complainant, that citizen should be fully confident that there has been a fair hearing, taking into account all available information, and decided upon the merits of the case, rather than the power of the Government versus the weaknesses of one individual.

The legislative history for this type of proposal is sparse. In 1968, the late Senator Edward Long of Missouri proposed the establishment of 2-year pilot program for an Office of Administrative Ombudsman, but that bill was not reported out of the Senate Judiciary Committee.

Since that time, numerous Members of Congress, notably Senator Vance Hartke of Indiana and Congressman Henry Reuss of Wisconsin, have introduced legislation which would expand the concept of the congressional caseworker, providing assistance to Members of Congress specifically.

But the basic difficulty with relying totally on the congressional casework function to meet the needs of citizens having difficulty with the Government is that caseworkers rarely have the time or the resources to conduct adequate investigations into each and every case which is referred to a congressional office. Most offices have only two or three caseworkers, and a backlog of cases which makes close attention almost impossible.

More fundamental, caseworkers operate only in advisory or "influence" capacities, and have no arbitration or decision-making authority. Thus, it is possible to resolve those disputes which suffer simply from a lack of communication, but in cases of real agency intransigence, little can be done.

The need for an independent, nonpartisan problem-solving citizens' board in the Federal Government with the power and authority to overrule or uphold an action by a Federal Government agency is of the utmost importance. The application of this legislation, with particular attention to assuring public access to the appeals process, should serve to benefit all parts of American society, without prejudice and without preference for one class.

For every citizen who is affected by administrative decisions of Federal agencies, this legislation will provide a mechanism through which they can make their rights as citizens felt strongly and decisively.

We face in the coming years the awesome task of congressional action to restore the faith of the people in the institutions of government. There exists, today, a deep questioning of the ability of our system to be sensitive to the aspirations of the American people.

That task must be met with strength, not acquiescense to the power of the executive. The Congress, intended to be a coequal branch of this National Government, must recognize that above all, its responsibility is to the people.

Mr. President, I ask unanimous consent that the January 13, 1974, article by Jack Anderson, a summary of the Federal Citizens Appeal Act of 1974, and a copy of the bill as introduced be inserted in the Record at this point.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 3043

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Citizens Appeal Act of 1974."

Sec. 101. The Congress declares it a policy of the United States of America to guarantee citizen access to the operations of the federal government, and to provide assistance to citizens who have complaints against the government for agency actions which they feel are arbitrary, capricious, contrary to law, in excess of authority, or harmful to person or livelihood. Further, the government is obligated to provide to the American citizens a method through which they can appeal decisions of Federal agencies without resorting to legal motions, and without entering into adversary proceedings, but while still guaranteeing swift hearing and decision, and maintaining the option of judicial review.

Title II. Right of Citizen Appeal

Sec. 201. (a) This chapter applies, according to the provisions thereof, except to the extent that—

(1) statutes preclude citizen appeal

(2) agency action is committed to agency discretion by law.

(b) For the purpose of this chapter—

(1) "agency" means each authority of the Government of the United States, whether or not it is within or subject to review by another agency, but does not include—

(A) the Congress;

(B) the courts of the United States;

(C) the governments of the territories or possessions of the United States;

(D) the government of the District of Columbia;

(E) agencies composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them;

(F) courts martial and military commissions;

(G) military authority exercised in the field of time of war or in occupied territory; or

(H) functions conferred by sections 1738, 1739, 1743, and 1744 of title 12; chapter 2 of title 41; or sections 1622, 1884, 1891–1902, and former section 1641(b)(2) of title 50, appendix; and

(2) "person", "rule", "Order", "license", "sanction", "relief", and "agency action" have the meanings given them by section 551 of Chapter 5, United States Code.

(3) "citizen review" means review by the Federal Citizen Appeal Board, under procedures established by that board.

(4) "board" means the Federal Citizens Appeal Board, as created under Sec. 301 of this Act.

(5) "agency action" includes any action, omission, decision, recommendation, practice, or procedure.

Sec. 202. Right of Review. A person suffering legal wrong because of agency action, or adversely affected, or aggrieved by agency action within the meaning of a relevant statute, is entitled to citizen review thereof.

Sec. 203. Requests for citizen review shall be in a form determined under this Act, and shall be heard by the Federal Citizens Appeal Board, created under Title III of this Act, according to procedures determined under this Act.

Sec. 204. Actions reviewable. Agency action made reviewable by statute and final agency action for which there is no other adequate remedy are subject for citizen review. A preliminary, procedural or intermediate agency action or ruling not directly reviewable is subject to citizen review on the review of the final agency action. Except as otherwise expressly required by statute, agency action otherwise final is final for the purposes of this section whether or not there has been presented or determined an application for a declaratory order, for any form of reconsideration, or, unless the agency otherwise requires by rule and provides that the action meanwhile is inoperative, for an appeal to a superior agency authority.

SEC. 205. Relief pending review. When an agency finds that justice so requires, it may postpone the effective date of action taken by it, pending citizen review. On such conditions as may be required and to the extent necessary to prevent irreparable injury, the reviewing board, may issue all necessary and appropriate process to postpone the effective date of an agency action or to preserve status or rights pending conclusion of the review proceedings.

SEC. 206. Scope of citizen review. To the extent necessary to decision and when presented, the reviewing board shall decide all relevant questions of fact and determine the meaning or applicability of the terms of an agency action. The reviewing board may—

(1) compel agency action otherwise withheld or unreasonably delayed; and

(2) set aside agency action, findings and conclusions found to be—

(A) contrary to law or regulation;

(B) unreasonable, unfair, or oppressive;

(C) based wholly or partly on a mistake of law or fact;

(D) based on improper or irrelevant grounds;

(E) unaccompanied by an adequate statement of reasons;

(F) performed in an inefficient manner;

(G) otherwise erroneous; or

(H) subject to unreasonable delay by an agency.

In making the foregoing determinations, the board shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule or prejudicial error.

TITLE III. ESTABLISHMENT OF FEDERAL CITIZENS APPEAL BOARD

SEC. 301. 1. There is hereby established, in each of ten federal districts as described in S. 325, as independent establishments of the executive branch of the government of the United States, a board to be known as the Federal Citizens Appeal Board, hereafter referred to as the "Board."

SEC. 302. 2. Each Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. Of the five members—

a. one shall be chosen from individuals recommended by the governors of the states within each district

b. one shall be chosen from among individuals representing a state labor council

c. one shall be chosen from among individuals representing a state organization of businessmen

d. one shall be chosen from among individuals representing public interests.

SEC. 303. Members of each Board shall serve for terms of five years, except that, of the members first appointed—

a. one of the members appointed under sec. 2 shall be appointed for a term ending one year thereafter,

b. one of the members appointed shall be appointed for a term ending two years thereafter,

c. one of the members appointed shall be appointed for a term ending three years thereafter,

d. one of the members appointed shall be appointed for a term ending four years thereafter,

e. one of the members appointed shall be appointed for a term ending five years thereafter;

SEC. 304. Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be appointed to the Board only once.

SEC. 305. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the members he succeeds. Any vacancy occurring in the office of a member of the Board shall be filled in the manner in which that office was originally filled.

SEC. 306. Each Board shall be composed of additional Associate Members, who shall be appointed by the President by and with the advice and consent of the Senate. Of the Associate Members—

a. There shall be one appointed from the recommendation of each of the Governors of the States within the District.

b. There shall be one appointed from the recommendation of each of the Secretaries of Agriculture, Commerce, Defense, HEW, HUD, The Interior, Justice, Labor, State, Transportation, and the Treasury.

SEC. 307. Associate Members of the Board shall serve for terms of three years.

SEC. 308. Associate Members of the Board shall serve in advisory positions only, and shall not have voting power or authority in any decision made by the Board.

SEC. 309. Each Board shall elect a Chairman and a Vice-Chairman from among its members for a term of two years. The Vice-Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

SEC. 310. A vacancy in a Board shall not impair the right of the remaining members to exercise all the powers of the Board, and four members thereof shall constitute a quorum, except that upon the notification to the President of a vacancy, the President shall submit to the Senate a recommendation for an appointment to fill that vacancy within thirty days of the initial notification of the vacancy.

SEC. 311. Each Board shall have an official seal which shall be judicially noticed.

SEC. 312. The Advisory Council shall, at the close of each fiscal year report to the Congress and to the President concerning the actions it and each regional board has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make further such reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

SEC. 313. Each Board shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Board. The General Counsel shall be the chief legal officer of each Board. The Executive Director shall be responsible for the administrative operations of the Board and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Board. However, the Board shall not delegate the making of rulings regarding citizen appeals to the Executive Director.

SEC. 314. The Chairman of each Board shall appoint and fix the compensation of such personnel as may be necessary to fulfill the duties of the Board in accordance with the provisions of Title 5, United States Code.

SEC. 315. Each Board may obtain the services of experts in accordance with section 3109 of Title 5, United States Code.

SEC. 316. In carrying out its responsibilities under this title, each Board shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General, the Attorney General, and the heads of each and every Federal executive or independent agency are authorized to make available to the Boards such assistance as the Board may request.

SEC. 317. The provisions of section 7324 of title 5, United States Code, shall apply to members of a Board notwithstanding the provisions of subsection (d)(3) of such section.

SEC. 318. Whenever a Board submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

SEC. 319. Powers of Appeals Boards.

Each Board shall have the power—

a. to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Board may prescribe, and such submission shall be made within such reasonable period and under oath or otherwise as the Board may determine;

b. to administer oaths;

c. to require by subpoena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

d. in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Board and has the power to administer oaths, and in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (e) of this subsection;

e. to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

f. to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (c) and other than the authority to hand down decisions under Section 206 to any office or employee of the Board.

SEC. 320. Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Board, in case of refusal to obey a subpena or order of the Board issued under subsection 19 of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

SEC. 321. No person shall be subject to civil liability to any person (other than the Board or the United States) for disclosing information at the request of the Board.

SEC. 322. Any person who violates any provision of this title may be assessed a civil penalty by the Board under paragraph (20) of this subsection of not more than $2,000 for each violation. Each occurrence of a violation of this title and each day of noncompliance with a requirements of this title or an order of the Board issued under this title shall constitute a separate offense. In determining the amount of the penalty the Board shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

SEC. 323. A civil penalty shall be assessed by the Board by order only after the person charged with a violation has been given an opportunity for a hearing and the Board has determined, by decision incorporating its findings of fact therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with section 554 of title 5, United States Code.

SEC. 324. If the person against whom a

civil penalty is assessed fails to pay the penalty, the Board shall file a petition for enforcement of its order in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as a respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and there upon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing, as so modified, or setting aside in whole or in part the order and decision of the Board or it may remand the proceedings to the Board for such further action as it may direct.

The court may consider and determine de novo all relevant issues of law but the Board's findings of fact shall become final thirty days after issuance of its decision order incorporating such findings of fact and shall not thereafter be subject to judicial review.

SEC. 325. The following states shall comprise the Federal districts in which a Federal Citizens Review Board shall be established, according to Sec. 301 of this Act.

(1) District I shall be comprised of the States of Maine, Vermont, New Hampshire, Massachusetts, Connecticut.

(2) District II shall be comprised of the States of New York, New Jersey, the Virgin Islands, and Puerto Rico.

(3) District III shall be comprised of the States of Pennsylvania, Maryland, Delaware, West Virginia, and Virginia.

(4) District IV shall be comprised of the States of Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, and Mississippi.

(5) District V shall be comprised of the States of Minnesota, Wisconsin, Michigan, Illinois, Indiana and Ohio.

(6) District VI shall be comprised of the States of New Mexico, Oklahoma, Texas, Arkansas, and Louisiana.

(7) District VII shall be comprised of the States of Nebraska, Iowa, Kansas, and Missouri.

(8) District VIII shall be comprised of the States of Montana, North Dakota, South Dakota, Wyoming, Colorado, and Utah.

(9) District IX shall be comprised of the States of California, Nevada, Arizona, Hawaii, and Guam.

(10) District X shall be comprised of the States of Washington, Oregon, Idaho, and Alaska.

TITLE IV. ADVISORY COUNCIL ON CITIZEN APPEAL

SEC. 401. There is hereby established a Council to be known as the Advisory Council on Citizen Appeal, hereafter referred to as "Council."

SEC. 402. The Council shall be composed of twenty members, two of which who shall be appointed by each of the ten Federal Citizen Appeal Boards.

SEC. 403. Members of the Council shall serve for terms of five years.

SEC. 404. Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Council only once.

SEC. 405. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed by the Board which the former member represented and only for the unexpired term of the member he succeeds. Any vacancy occuring in the office of a member of the Council shall be filled in the manner in which that office was originally filled.

SEC. 406. The Council shall elect a Chairman and a Vice-Chairman from among its members for a term of two years. The Vice-Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

SEC. 407. A vacancy in the Council shall not impair the right of the remaining members to exercise all powers of the Council, and thirteen members thereof shall constitute a quorum, except that upon the notification to the President of a vacancy, the President shall submit to the Senate a recommendation for an appointment to fill that vacancy within thirty days of the initial notification of the vacancy.

SEC. 408. The Council shall have an official seal which shall be judicially noticed.

SEC. 409. The Council shall, at the close of each fiscal year, report to the Congress and to the President concerning the actions it and each of the Regional Federal Citizens Appeal Boards have taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

SEC. 410. The Council shall appoint a General Counsel to serve at the pleasure of the Council, who shall be the chief legal officer of the Council.

SEC. 411. The Council shall be responsible for establishing regulations regarding the procedures of each Federal Citizen Review Board, including, although not limited to, procedures for:

(A) filing requests for citizen review,

(B) conducting preliminary and prehearing investigations;

(C) conducting hearings to determine facts and to mediate disputes, and

(D) all other activities of the Boards.

SEC. 412. The Council shall make its headquarters in the District of Columbia, and shall meet not less than once every 120 days.

TITLE V. PROCEDURES FOR CITIZEN REVIEW

SEC. 501. Upon receipt of a request for citizen review as determined under this Act, the Board shall conduct a preliminary investigation to determine:

(A) the prior fulfillment of agency appeal procedures as determined under the appropriate statutes;

(B) the ability of the Board to render a decision based upon available facts and upon appropriate jurisdiction;

(C) whether complainant has a sufficient personal interest in the subject matter of the complaint;

(D) whether the complaint, is trivial, frivilous, vexatious, or not made in good faith.

SEC. 502. (A) Upon preliminary investigation, should the Board determine that the complainant has not fulfilled applicable agency appeal procedures, or that the appeal may not be accepted by the Board due to a lack of jurisdiction, assistance in meeting those requirements shall be offered by the Board or its employees to the complainant.

(B) If, with respect to any complaint the Board decides not to investigate, it shall inform the complainant of that decision and the reasons therefor; except that it shall not be required to divulge matters which would invade the privacy of any individual, or interfere with legitimate governmental activities. In the event the Board decides to investigate, it shall notify the complainant and the agency concerned in writing of that fact.

SEC. 503. Preliminary investigations shall be conducted under procedures determined by the Board, except that—

(A) they shall be completed within ten days of the initial request for citizen review; and

(B) they shall not preclude judicial review of agency action.

SEC. 504. If, upon completion of a preliminary investigation, the Board determines that a request for citizen review is within the jurisdiction of the Board, and that the citizen has fulfilled all prior agency requirements, the Board shall conduct a full hearing of all facts and individuals involving the request for review.

SEC. 505. Prior to the calling of a hearing, the Board or employees thereof shall conduct an investigation to compile all available information regarding the request for citizen review. Such investigation shall include, but not be limited to, personal visits to the site of the alleged agency wrong, and interviews conducted with all individuals and agency officials involved.

SEC. 506. Investigations conducted pursuant to section 506 shall be completed no later than twenty days following their initiation.

SEC. 507. The Board may issue emergency rulings compelling or setting aside agency action, subject to subsequent investigations and hearings conducted within ten days of the emergency ruling. Emergency rulings may be made only in the case of just cause and following the presentation of evidence by an aggrieved party that any delay in Board action pursuant to established time periods in this Act will result in irreparable harm to person or livelihood. Emergency rulings must be made upon the approval of at least two members, and may be overturned upon the concurrence of three members of the Board. Emergency rulings shall be subject to regulations established by the Advisory Council on Citizen Appeal.

TITLE VI. HEARING PROCEDURES

SEC. 601. Dates for hearings shall be set by the Executive Director, except that—

(1) it shall be held within forty-five days of the initial filing of the citizen complaints, and

(2) it shall be held in a location convenient to the complainant.

SEC. 602. There shall preside at the hearing—

(1) the board

(2) one or more members of the body which comprises the board; or

(3) one or more investigators appointed under this Act.

SEC. 603. Subject to published rules of the Board and within its powers, employees presiding at hearings may—

(1) administer oaths and affirmations

(2) issue subpoenas authorized by law

(3) rule on offers of proof and receive relevant evidence

(4) take depositions or have depositions taken when the ends of justice would be served

(5) regulate the course of the hearings

(6) hold conferences for the settlement or simplification of the issues by consent of the parties

(7) dispose of procedural requests or similar matters

(8) recommend decisions in accordance with section 206.

(9) take other action authorized by Board rule consistent with this subchapter.

SEC. 604. The transcript of testimony and exhibits, together with all papers and requests filed in the proceeding, constitutes the exclusive record for decision and; shall be made available without charge to the parties. When an agency decision rests on official notice of a material fact not appearing in the evidence in the record, a party is entitled, on timely request, to an opportunity to show the contrary.

SEC. 605. Before a recommended, initial, or tentative decision is made, the parties are entitled to a reasonable opportunity to submit for the consideration of the board

(1) proposed findings and conclusions; or

(2) exceptions to the decisions or recommended decisions; or

(3) supporting reasons for the exceptions or proposed findings or conclusions.

SEC. 606. The record shall show the ruling on each finding, conclusion, or exception presented. All decisions, including initial, recommended, and tentative decisions, are a part of the record and shall include a statement of—

(1) findings and conclusions, and the reasons or basis therefor, on all the material issues of fact, law, or discretion, presented on the record, and

(2) the appropriate rule, order, sanction, relief, or denial thereof.

SEC. 607. Final rulings of the Board must be approved by a majority of members, and must be announced within fifteen days of the date of the hearing.

SEC. 608. If, in carrying out its duties under this Act, the Board determines that any employee or officer of any agency has been guilty of a breach of duty or misconduct in connection with his duties as an employee or officer of such agency, the Board shall make note of such breach of duty or misconduct in the official record, and copies of the record shall be made available to the appropriate agency, the Department of Justice, and the Civil Service Commission. The Board, however, may not initiate action for administrative or legal sanctions.

SEC. 609. The Board is empowered and instructed to file the appropriate motions in the proper federal district court and to represent a complainant in action brought against a federal agency which fails to comply with a Board ruling. The Board is further empowered and instructed to provide adequate representation, without cost, to complainants in a court proceeding initiated by a federal agency appealing a ruling of the Board.

SEC. 610. All rulings of the Board shall be subject to judicial review.

TITLE VII. GRANTS FOR CITIZENS APPEALS BOARD

SEC. 701. The Advisory Council on Citizen Appeal is authorized to make grants to any State or political subdivision thereof for the purpose of establishing citizens appeal boards, to ease conflicts between the citizens and the various agencies of government.

SEC. 702. A grant made under this title may be up to 50 per centum of the fair and reasonable cost, as determined by the Council, of establishing and carrying out such a program.

SEC. 703. Except as otherwise specifically provided, grants authorized by this section may be made to States, political subdivisions, or combinations thereof. Such grants may be made only upon application to the Council at such time or times and containing such information as the Council may prescribe. The Council shall provide an explanation of the grant programs authorized by this title to State or local election officials, and shall offer to prepare, upon request, applications for such grants. No application shall be approved unless it—

(a) sets forth the authority for the grant under this title

(b) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of an accounting for Federal funds paid to the applicant under this title, and provides for making available to the Council, books, documents, papers and records related to any funds received under this title; and

(c) provides for making such reports, in such form and containing such information, as the Council may reasonably require to carry out its functions under this title, for keeping such records, and for affording such access thereto as the Commission may find necessary to assure the correctness and verification of such reports.

SEC. 704. The Council is authorized to issue such rules and regulations as may be necessary or appropriate to carry out the provisions of this title.

SEC. 705. For the purpose of carrying out the provisions of this title, there is authorized to be appropriated, for the fiscal year ending June 30, 1975, and for the two succeeding fiscal years, the sum of $5,000,000 each year.

Title VIII. For the purpose of carrying out the provisions of Titles II, III, IV, V, and VI, there is authorized to be appropriated for the fiscal year ending June 30, 1975, and for the two succeeding fiscal years, the sum of $15,000,000 each year.

ENERGY'S HUMAN PINCH

(By Jack Anderson)

Behind the headlines about fuel prices, profits and scarcities, there is a human side of the oil pinch. It is the gnawing story of an old woman unable to buy fuel oil and too sick to cut wood, an amputee worried about his 200-mile trips to the doctor, a landlord with freezing tenants.

Tens of thousands of Americans, with special hardships, have appealed to President Nixon or energy adviser William Simon. Most would have done better to spend their eight cents on gasoline increases and to use their writing paper to kindle hearth fires.

Characteristically, the administration has set up a giant room a few blocks from the White House and has lined it with bins where the pathetic letters are dumped. There, also, are neat stacks of postcards, imprinted with impersonal form replies.

The messy makeshift office is staffed by recruits from unrelated federal agencies. We have gained access to this dreary operation, which is supposed to give the appearance of, caring, without really caring at all.

Among the letters that have come in, for example, is one from a plucky quadraplegic named Charles Bills of Walworth, N.Y. Injured years ago in a diving accident, he might easily have surrendered a thousand times to paralysis. Instead he found work as a newspaper correspondent and learned tax counseling. Now, he supports his family as a full-time remedial reading teacher. He is taken to work each day by a friend in a special wheelchair van. Bills himself has no license, so under the projected rationing plan, he would get no gasoline.

In a lawyerly letter, Bills asked what he should do. All he wanted, he told us later, was "a little specific reassurance." Instead his letter was quickly read and tossed into a bin. Likely, he will get a form postcard beginning: "Thank you for your recent letter concerning the energy situation."

Similarly, Russ Reece, a former real estate man from South Bend, Ind., had a leg amputated not long ago. He wanted to be sure there would be gasoline for his 200-mile trips to Chicago for medical and prosthetic aid. He wrote succinctly to the government for an answer. His note went to the bin. He, too, probably will get a postcard.

The workers in the sorting room prepare for their task of reassuring anxious citizens by reading a memo. This tell them how to select the appropriate reply from among the available postcards. For example, one form response should be sent, the memo instructs, "to those who write with . . . general jawing about the energy crisis." Another form, with a more inspiring message, goes to those who address their sorrows directy to President Nixon.

Equally meaningless cards are ready to mail to fishermen worried about boat gasoline; farmers concerned about fuel for their tractors; churches and schools that bus children; and taxicab operators anxious about their livelihood. Each gets a routine "thank you" and a vague promise that "every consideration will be given to the consumer."

Mayors, governors, congressmen and other bigwigs get full-dress letters instead of postcards. But these are also pre-packaged. With gush befitting a congressman, the form letter going to Capitol Hill begins: "We are grateful to have the benefit of constructive suggestions and innovative solutions . . . such as those submitted by your constituent." There are also 21 congressional replies to choose from instead of the half-dozen for ordinary Americans.

Two kinds of letters get special attention.

One is from inventors, whose proposals are shipped to the Atomic Energy Commission, no matter how bizarre they may be. One budding Edison, for instance, sent in a plan for rigging ocean floats to pumps so that the rise and fall of the waves would pump water through a turbine to generate electricity.

The most prompt attention is given to letters that threaten the President or others. These are forwarded with uncharacteristic haste to the Secret Service and FBI for investigation.

Oddly one of the fullest bins contains letters from owners of motorboats, campers, snowmobiles, vacation homes and mobile homes. They too get a yes-but-no canned reply: "Some sacrifices must be expected," but "our position will remain one of flexibility."

Some letters cry out for special attention, but they are given the same indifferent processing as the others. Here are a few, selected at random:

A New York woman, whose husband has had ulcers, a heart attack, emphysema, arthritis and five strokes, needs more fuel because her husband cannot survive at 65 degrees. She got a meaningless form letter.

A Vietnam vet and his wife run a small independent gas station. They have had no gas deliveries in two months. The touchingly scrawled letter asks simply for advice on how they can keep operating. They are getting a "thank-you-for-your-concern" card.

A 66-year-old woman in West Virginia has turned off her TV and lights to save energy, but her efforts to get heating oil have been fruitless despite three trips to the distributor. She says she is cold; it has been raining for days; and she can't chop wood. She, too, got a form postcard.

A concerned landlord in a rent control apartment sent bills showing his heating oil costs had gone up from $345 to $506 for the same amount of oil. He says he doesn't want his tenants to freeze. The landlord got a form "thank you."

When we asked Simon's office about the depersonalized responses, a deputy at first insisted that the letters were being referred to specific agencies for individual attention. Later, he admitted the system was wrong and promised: "We're going to give some concern about it from now on."

Footnote: One large batch of letters, for which no form has been composed, complain of a public statement by one of Simon's deputies that foreign dignitaries may get more gasoline because they don't speak English and can't form car pools. Another batch getting warm, precise form letters are those congratulating Simon on his appointment as energy chief.

STEPS FOR CITIZEN APPEAL

Following is an outline of the steps necessary for completion of the process contained in the Federal Citizens Appeal Act of 1974:

1. Citizen has difficulty with agency; check not sent, regulation established which will cause harm, etc.

2. Citizen files—by mail, phone or in person—complaint with regional Federal Citizens Appeal Board. Board employee takes all necessary information by phone or contacts citizen immediately upon receipt of written complaint.

3. Board conducts preliminary investigation to determine whether it has jurisdiction and whether other requirements have been fulfilled. Preliminary investigation would consist of phone calls made to citizen, to agency and other involved parties, and must be completed within ten days.

(a) If preliminary investigation determines that the citizen had not fulfilled the appeal procedures within agency, the Board would contact agency and make arrangements to have such procedures explained fully to citizen and to expedite internal agency consideration of complaint.

(b) If preliminary investigation determines that the matter involves a state or local governmental agency, the Board would contact that agency to encourage expeditious handling of the complaint, and would refer citizen to appropriate state representative.

(c) If preliminary investigation determines that a federal agency has been causing undue delay in the consideration of the citizen complaint, the Board can either initiate the pre-hearing investigation or can take efforts to get the agency to speed up the process within.

4. Upon completion of the preliminary investigation and aceptance of the citizen's complaint, the Board would initiate a prehearing investigation. Pre-hearing investigation would consist of interviews with the citizen, agency officials, taking of documents and testimony from involved individuals; visits to the site of the alleged agency wrongdoing, etc. Pre-hearing investigation must be completed within twenty-days of its initiation.

5. Upon completion of pre-hearing investigation, the Board prepares a report listing the findings of the investigation, and sets a hearing date, which must be held within fifteen days of the completion of the pre-hearing investigation. The location of the hearing must be convenient to the complainant.

(a) Between the time of the completion of the pre-hearing investigation and the date of the hearing, Board investigators may conduct negotiating sessions between the agency and the citizen, in efforts to either settle the case without a hearing; or to settle disputed facts.

6. At the hearing, Board investigators may question—in a non-trial format—all parties involved in the dispute. Hearing is not intended to be a courtroom proceeding, but of course, all parties are allowed the right to counsel. The hearing is conducted in the format of compulsory arbitration.

7. Following the holding of the hearing and the compilation of all relevant documents and information, the Board will meet within fifteen days and render a decision as to the actions, if any, to be taken. Within that fifteen days, all parties have the right to submit additional material for consideration by the Board.

8. Following the rendering of the decision, the official record of the proceeding, along with the formal copy of the decision is provided to all parties involved.

9. Should the agency refuse to obey the Board decision, or appeal the decision to a federal district court, the Board will provide the citizen with cost-free legal counsel,

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OUTLINE OF THE FEDERAL CITIZENS APPEAL ACT OF 1974

Title I. Purpose: to provide American citizens with a method through which they can appeal decisions of federal agencies which they feel may cause legal wrong or unwarranted harm to person or livelihood.

Title II: Right of Citizen Appeal.

a. This title establishes the right of "citizen appeal" against decisions of federal agencies, not including the Congress, the courts, state government, the military.

b. "A person suffering legal wrong because of agency action, or adversely affected, or aggrieved by agency action within the meaning of a relevant statute, is entitled to citizen review thereof."

c. Citizen review decisions can involve compelling agency action otherwise denied or delayed, setting aside agency action found to be arbitrary, capricious, or taken without following appropriate procedures, unsupported by evidence, or unwarranted by the facts.

Title III: Establishment of Federal Citizens Appeal Board.

a. In each of ten federal districts, a Federal Citizens Appeal Board is established.

b. Each board is comprised of five members, appointed for five year terms, initially appointed for graduated terms of one to five years. The appointments, which must be approved by the Senate, and are made by the President, must include individuals which represent the Governors, state labor councils, businesses, and public interests.

c. There shall be additional non-voting associate members of each board, which shall include individuals appointed to represent each of the state governors in the district, and individuals representing the eleven executive agencies. The purpose of these associate members is to provide assistance to each board in contacting the appropriate agencies and facilitating action within those agencies.

d. Associate members serve for three year terms.

e. Each board has an elected chairman and vice-chairman.

f. Each board, through the Advisory Council in Title IV, shall report to the Congress at the close of each fiscal year.

g. Each Board has a general counsel and executive director, and appropriate staff.

h. Whenever a board submits any budget estimate to O.M.B., it shall concurrently transmit a copy of that estimate or request to the Congress.

i. Each Board shall have the power to: require the submission of written reports or testimony, administer oaths, require by subpoena attendance or testimony, take testimony, delegate functions (other than issue subpoenas and make rulings) to appropriate employees of the board, issue final rulings on disputes filed with the Board.

j. All board rulings are enforceable and appealable through a federal district court.

k. The districts are composed of the following states:

District One: Maine, Vermont, New Hampshire, Massachusetts, Connecticut, New Jersey.

District Two: New York, New Jersey, Virgin Islands, Puerto Rico.

District Three: Pennsylvania, Maryland, Delaware, West Virginia, Virginia.

District Four: North Carolina, Kentucky, Tennessee, South Carolina, Georgia, Florida, Alabama, Mississippi.

District Five: Minnesota, Wisconsin, Michigan, Illinois, Indiana, Ohio.

District Six: New Mexico, Oklahoma, Texas, Arkansas, Louisiana.

District Seven: Nebraska, Iowa, Kansas, Missouri.

District Eight: Montana, North Dakota, South Dakota, Wyoming, Colorado, Utah.

District Nine: California, Nevada, Arizona, Hawaii, Guam.

District Ten: Washington, Oregon, Idaho, Alaska.

Title IV: Advisory Council on Citizen Appeal.

a. The Advisory Council on Citizen Appeal is established, headquartered in Washington. The council consists of 20 members, 2 each appointed by each of the ten Appeals Boards, who shall serve for terms of five years.

b. The Council shall have an elected Chairman and Vice-Chairman, who shall serve for terms of two years.

c. The Council shall report to the Congress and the President at the close of each fiscal year on the activities of the Council and each of the ten Appeals Boards.

d. The Council shall be responsible for establishing regulations regarding all of the procedures for each Appeals Board, and for filing the yearly request for appropriations for all of the Boards.

e. The Council shall also be responsible for distributing the grants to state and local units of government for establishing local citizens appeals boards.

f. The Council shall meet not less than once very 120 days.

Title V: Procedures for Citizen Review.

a. Upon request for citizen review, the Board shall conduct a preliminary investigation to determine whether it has the jurisdiction to rule, and whether the individual has fulfilled all prior agency appeal requirements.

b. If the individual has not fulfilled agency appeal procedures, or is concerned about a matter not under the jurisdiction of the Appeals Board, the Board shall render assistance in directing the individual to the appropriate agency.

c. Preliminary investigations must be completed within ten days of filing, and shall not preclude judicial review.

d. If the individuals request is accepted following preliminary investigation, a prehearing investigation shall be conducted by the Board and shall include, but not be limited to, personal visits to the site of the alleged agency wrong, interviews conducted with all involved, and anything else deemed necessary for a complete report. The prehearing investigation must be completed within twenty-days of its initiation.

Title VI: Procedures for Hearings.

a. Hearings must be called within fifteen days following the completion of the prehearing report (forty-five days from the date of the initial filing of the complaint) and must be held in a location convenient to the complainant.

b. Either the board or staff members may preside at hearings.

c. Employees presiding have authority to undertake all administrative functions necessary to conduct the hearings. They may also hold conferences to facilitate the "settlement or simplification of the issues by consent of the parties."

d. The official record for decision includes the transcript of all testimony and exhibits, along with all papers and requests filed in the proceeding. The official record must be made available to the parties free of charge.

e. Before a decision is handed down, the parties are entitled to a reasonable opportunity to submit further material bearing on any final decision.

f. The record of a decision shall show the full decision, all findings and conclusions and material issues of fact, law or discretion.

g. Final rulings must be approved by a majority of members of the board.

h. If, in carrying out its duties, the Board determines that any federal employee acted in breach of conduct or law, the Board shall make note of such violation in the final report, and provide copies thereof to the Civil

Service Commission, and the Department of Justice. A Board may not, however, initiate action for administrative or legal sanctions.

i. The Board is empowered and instructed to represent a complainant in action pursuant to an agency refusal to obey a Board order or an agency appeal of a Board order.

j. All rulings of the Board are subject to judicial review.

k. Emergency rulings may be handed down upon the agreement of two members of the Board, in cases where the delay involved in normal appeal procedures would cause undue harm or economic damage. Such emergency rulings may be overruled by three members of the Board. Under any circumstances, proper investigations and hearings must be conducted following handing down of emergency orders.

Title VII. Grants for Citizens Appeals Boards.

The Advisory Council is authorized to make grants, up to 50% of the cost, for the purpose of establishing local citizens appeals boards. There is a $5 million authorization for such grants for each of years 1975, 1976 and 1977.

Title VIII. Three is an authorization of $15 million for each of 75, 76 and 77 for the rest of the Act, not including Title VII.

By Mr. HARRY F. BYRD, JR.:

S.J. Res. 189. Joint resolution to restore posthumously full rights of citizenship to Gen. R. E. Lee. Referred to the Committee on the Judiciary.

(The remarks of Mr. Harry F. Byrd, Jr., and the joint resolution, when he introduced the same, together with the ensuing discussion, are printed later in the Record).

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1541

At the request of Mr. Robert C. Byrd, his name, the Senator from Nevada (Mr. Cannon), the Senator from Rhode Island (Mr. Pell), the Senator from New Jersey (Mr. Williams), the Senator from Kentucky (Mr. Cook), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Michigan (Mr. Griffin), and the Senator from Oregon (Mr. Hatfield) were added as cosponsors of S. 1541, to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes (Rept. No. 93-688).

S. 1708

At the request of Mr. Cranston, the Senator from Tennessee (Mr. Brock), was added as a cosponsor of S. 1708, a bill to amend title X of the Public Health Service Act to extend appropriations authorizations for three fiscal years and to revise and improve authorities in such title for family planning services programs, planning, training and public information activities, and population research.

S. 2786

At the request of Mr. Percy, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 2786, to amend chapter 34 of title 38, United States Code, to increase from 36 to 48 months the maximum period of educational assistance to which an eligible veteran may become entitled under such chapter, and to extend from 8 to 15 years the period within which an eligible veteran must complete his program of education under such chapter after his discharge from military service.

S. 2832

At the request of Mr. Taft, the Senator from Montana (Mr. Metcalf) was added as a cosponsor of S. 2832, the Earned Immunity Act of 1974.

S. 2854

At the request of Mr. Cranston, the Senator from Tennessee (Mr. Baker) and the Senator from North Dakota (Mr. Burdick) were added as cosponsors of S. 2854, to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic and Digestive Diseases in order to advance a national attack on arthritis.

S. 2893

Mr. DOMENICI. Mr. President, in the past, Members of Congress have worked hard to legislate into concrete terms the Nation's profound desire to work toward the conquest of cancer. The cancer program established by the National Cancer Act of 1971 is progressing well and has provided the United States, as well as international research agencies, with advances toward an understanding and hopefully eventual prevention of the diseases under the rubric of cancer. I believe this established program merits continuation. In fact, I believe continued support to be imperative. The opportunity is now at hand.

It is because of my strong conviction that this program should be continued that I enthusiastically become a cosponsor of S. 2893, the National Cancer Act Amendment of 1974. This bill provides for the continuation of the authorizations that expire in June of this year. It authorized appropriations of $750 million for fiscal year 1975, $830 million for 1976, and $985 million for fiscal year 1977. Also, on the basis of the program's 2 years of experience, S. 2983 provides for some expansion in the provisions of the National Cancer Act of 1971.

Cancer is the second major cause of death in the United States. About 975 persons die each day of cancer—that is 1 every 1½ minutes. If progress is not made toward preventing cancer and the incidence rate remains at its present level, one in four Americans now living will eventually have cancer.

Comparative death rates, however, provide encouragement as to the present progress that current and new cancer treatment and control programs provide. Except for cancers of certain problem organs, age-adjusted cancer death rates in general are leveling out and in many instances dropping off.

Although the fundamental knowledge of the causes and cures for cancer still elude us, through recent research and cooperative exchange of research findings, we have made progress in the fight against this dread disease.

For example, treatment for childhood leukemia has now progressed to the point where we are optimistic enough to use the word "cure." Today half of the children with acute lymphocytic leukemia—a cancer of the blood—are alive 5 years after the disease was detected. Twenty years ago this disease took the lives of these young victims within a few months. Advances have also been made in the treatment of Hodgkin's disease, cancer that particularly strikes young adults. The 5-year survival rate for patients who have had radiotherapy treatment for the early stages of Hodgkin's disease is more than 90 percent—this rate was 68 percent 5 years ago. Even in cases where Hodgkin's disease has reached advanced stages before diagnosis, a four-drug combination treatment gives a 65 percent survival rate after 5 years. Five years ago this survival rate was less than 10 percent.

In the area of diagnosis, great strides have been made with wider application of the Pap test to detect cervical cancer in women. New tests are being developed as screening devices for colon and breast cancer. Breast cancer is the cause of death to more women than any other type of cancer.

Obviously, we have made progress. Our gains are solid but we still have a long way to go toward researching all of our goals to conquer this disease. This will take new moneys and renewed commitments.

With the recent release of the President's proposals for the fiscal year 1975 budget expenditures, economics is in all of our minds. However, we must also keep in mind that care of cancer patients is costing the United States a great deal in addition to the "cost" of lives of friends and family of each of us. At a June 1972 American Cancer Society National Conference on Human Values and Cancer, an American Hospital Association director estimated that the annual cost of cancer is $3 billion. That figure is regarded as conservative by other medical personnel. In my State of New Mexico alone it is estimated over 1,200 persons will die in 1974 from cancer. New Mexico has a population of a little more than 1,000,000 persons. One thousand and two hundred is too high a human price for our State—let alone straight economic costs to individual families.

It is obvious that on this issue the legislative and executive branches of the Government both are committed to continuing this program. President Nixon's strong interest in this area was manifested on January 29, 1974, when he said:

> I remain just as committed to the attack on cancer as I was when I signed the original legislation on December 23, 1971.

I also am committed to this program and I urge my colleagues' support of S. 2893 to insure the continuation and intensification of our national commitment against cancer.

S. 2932

At the request of Mr. Montoya, the Senator from Minnesota (Mr. Humphrey), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Montana (Mr. Metcalf), the Senator from North Dakota (Mr. Young), the Senator from Wyoming (Mr. McGee), the Senator from Louisiana (Mr. Johnston), the Senator from Illinois (Mr. Stevenson), the Senator from Arkansas (Mr. Fulbright), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 2932, to amend title 38 of the United States Code to provide that veterans' pension and compensation will not be reduced as a result of certain increases in monthly social security benefits.

Mr. FULBRIGHT. Mr. President, I am pleased to become a cosponsor of legislation (S. 2932) introduced by the Senator from New Mexico (Mr. Montoya) to provide that veterans' pensions will not be reduced again as a result of social security increases this year.

A number of veterans in Arkansas have written or spoken to me about the need for this legislation.

Without this legislation many veterans and widows will face a reduction in pensions because of social security increases.

As Senator Montoya has pointed out, pensions paid to a veteran in any calendar year are based on the actual income earned by that veteran in the preceding calendar year. A veteran's 1974 pension payment is based on the actual income, including social security, he received in 1973, and the payment he receives next year will be based on this year's income. This method of calculating benefits is unfair to veterans because it effectively denies them the increase in social security benefits granted to all other social security recipients. While other incomes rise, veterans' incomes remain the same.

As an 80-year-old veteran of World War I from El Dorado, Ark., recently wrote me:

> This seems a cruel thing to do to us, as the Social Security raise is for the cost of living raise. So you see, Mr. Senator, we don't have a supplement, as we are cut back each time.
>
> I am 80 years old and my wife is older too. We both have to have medication from the pharmacy. The prices are going higher all the time—gas and electricity too, so you see Mr. Senator, I know that all the World War I veterans are just as needy as we are. We were heroes but now we are old and have become liabilities to the nation we fought for . . . I'm asking you Mr. Senator to please use your influence to undo this law . . . which so unfairly marks us old veterans as targets for cuts.
>
> I worked at odd jobs here and there to get Social Security to have a fill in for my pension that we might be able to live in more comfort and I was not physically able to work but I did. Now we are the ones to bear the burden of a constant cut each time Social Security responds with a little bit.

Another Arkansas veteran, in Plumerville, Ark., wrote to me:

> When I started to get my Social Security they started to cut down on my pension. The VA man we had in Morrilton told me that the Social Security wouldn't affect my pension, but every time we get a raise in social security they take off $5.00 . . . If it does affect my pension I don't see any use giving me a raise in my social security. Paying $60.00 a month rent you can't live with what is left.

Mr. President, these two letters from among many I have received, point out the inequity of existing law and the hardship which results for many retired veterans and widows of veterans. I, therefore, believe it is important that we approve the legislation which I have joined Senator Montoya in sponsoring.

S. 2981

At the request of Mr. Bellmon, the Senator from Texas (Mr. Tower) was added as a cosponsor of S. 2981, to postpone certain regulations relating to utilization review requirements under titles XVIII and XIX of the Social Security Act.

S. 3026

At the request of Mr. Domenici, the Senator from Mississippi (Mr. Stennis) and the Senator from Arkansas (Mr. Fulbright) were added as cosponsors of S. 3026, to exempt certain categories of crude oil from price controls.

SENATE JOINT RESOLUTION 187

At the request of Mr. Curtis, the Senator from Nebraska (Mr. Hruska) was added as a cosponsor of Senate Joint Resolution 187, to express the sense of Congress for the extension of citizenship to Alexander Solzhenitsyn and his family.

SENATE CONCURRENT RESOLUTION 68—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO AMERICANS MISSING IN ACTION IN INDOCHINA

(Referred to the Committee on Foreign Relations.)

THE MISSING IN ACTION: A YEAR LATER

Mr. JAVITS. Mr. President, I submit for appropriate reference a Senate concurrent resolution concerning the unaccounted for Americans missing in action in Indochina.

The U.S. Government is committed to seeking the fullest accounting possible of MIA's. President Nixon reiterated this commitment in his state of the Union message on January 30, and Secretary of State Kissinger has often repeated his determination to seek full implementation of the provisions of the Peace Agreement. This resolution which I am introducing today would put the Congress on record as reaffirming that commitment. It is the Communists' refusal to allow U.S. inspection teams to conduct searches in contested areas that has severely impaired an accounting of the missing in action.

The resolution recognizes that more than a year has passed since the Agreement on Ending the War and Restoring the Peace in Vietnam was signed in Paris on January 27, 1973, and still we have had not satisfactory accounting of Americans missing in action, as was provided for in article 8(b) of that agreement. In addition, a full year has passed since the signing on February 21, 1973, of an agreement between the Lao Patriotic Front and the Government of Laos, which also provides for an accounting of the missing in action from the conflict in that country. The resolution recognizes the fact that the various signatories to these agreements—the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam and the Lao Patriotic Front—have not complied with the provisions of these agreements respecting an accounting of the missing in action. My resolution calls on them to honor their agreements in this regard.

The resolution calls for the administration to demonstrate by its actions that our role in the continuation of the Thieu regime cannot be more important to us than implementation of the provisions of the Peace Agreement, and especially an accounting for the Americans missing in action. The families and loved ones of the missing in action deserve no less than our utmost efforts directed to that single purpose.

Finally, the resolution expresses the staunch support of the U.S. Congress for the families and loved ones of the missing in action. These Americans have suffered cruelly. They continue to be torn by anguish and doubt. Some have been waiting for many years to learn the fate of their loved ones.

The Pentagon's current total of those classified as "missing in action" is 1,138. Only approximately 200 missing in action have been accounted for to the extent that they have been reclassified as "killed," based on "presumptive findings of death." Approximately 320 of the missing in action were lost in Laos, but only nine American prisoners of war have returned from that country since the signing of the Vietnam Peace Agreement. To hold out false hope to the families of the missing in action would be cruel. There has been speculation that some of these men may still be alive, although I am not aware of any hard evidence.

It has been said that the administration could do more to secure North Vietnamese and Vietcong compliance with the provisions of the Vietnam Peace Agreement concerning the missing in action. A Washington Post editorial of February 1, 1974, speaks to this point, stating that the administration has given higher priority to the continued survival of the Thieu regime in South Vietnam than to exhausting every possible means to secure implementation of the Peace Agreement and an accounting for the missing in action.

Even though implementation of article 8(b) of the agreement respecting an accounting of the missing in action is not conditioned upon implementation of any other provision of the agreement, the Communist negotiators in the Four Party Joint Military Team talks in Saigon have conditioned their compliance with this provision on the Thieu regime's compliance with article 8(c) and other unrelated matters concerning detained or captured civilians in South Vietnam, which is a matter to be negotiated separately by the Vietnamese parties.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the text of the concurrent resolution that I am introducing today, the Washington Post editorial of February 1 and the provisions of the various agreements and protocols respecting an accounting for the Americans missing in action in Indochina.

There being no objection, the concurrent resolution and material were ordered to be printed in the RECORD, as follows:

S. CON. RES. 68

Resolved by the Senate (the House of Representatives concurring),

Whereas, more than a year has passed since the signing in Paris on January 27, 1973 of the Agreement on Ending the War and Restoring the Peace in Vietnam, which calls on the signatories to ". . . help each other to get information about those military personnel and *foreign* civilians of the parties missing in action, to determine the location and take care of the graves so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action," and there has been no adequate accounting of the missing in action in North Vietnam and South Vietnam, and there has been no full implementation of the Agreement, and

Whereas, an Agreement of February 21, 1973 and a Protocol of September 14, 1973, both providing for an accounting of the missing in action, have been signed by the Lao Patriotic Front and the Government of Laos, and there has been no accounting of the missing in action in Laos, and there has been no full implementation of the Agreement and the Protocol:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that it abhors and condemns the cruel and insensitive refusal of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam and the Lao Patriotic Front to comply with the provisions of those agreements to which they are signatories and which call for an accounting of the missing in action, and calls on those parties to respect and comply with those agreements, and

that the United States should use every effort to bring about such reciprocal actions by the parties to the peace agreements, including the Government of the Republic of Vietnam and the Royal Lao Government, as will be most likely to bring an end to the abhorrent conduct of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam and the Lao Patriotic Front regarding the missing in action, and

Further resolved by the Senate (the House of Representatives concurring), That the Congress declares its staunch support to the families and loved ones of the Americans missing in action, who have suffered such deep human anguish for so long due to the undisclosed fate of the missing in action.

SEC. 2. Upon agreement to this resolution by both Houses of the Congress, the Secretary of the Senate shall transmit a copy of such resolution to the President of the United States.

[From the Washington Post, Feb. 1, 1974]

VIETNAM MIA'S: A CYNICAL AFFAIR

President Nixon says there are still 1,300 Americans missing in action and unaccounted for in Southeast Asia, and 1,100 American casualties whose bodies have not been recovered—a "wrenching sacrifice" for their families, he adds. Surely all Americans wish with him and Senator Fulbright, whose Foreign Relations Committee has just held hearings on the MIAs, that Hanoi and the Provisional Revolutionary Government (Vietcong) would facilitate an accounting of the missing in action and would repatriate the remains of the dead. The Communist side pledged to do so in the Vietnam cease-fire agreement, signed a year ago. But it has done nothing. It is cruel of the Communists to deny the families the comfort owed them. As Mr. Fulbright said, "Their agreement to cooperate in this unfinished business would indeed be recognized through the world as a mark of humanity and good faith."

The further fact is, however, that the MIA situation is like the earlier POW situation. In both, Hanoi has used an issue with a sharp humanitarian edge as a political lever. Washington, rather than pay the demanded political price, has sought to characterize the issue as strictly humanitarian and to put on Hanoi the entire onus for not offering satisfaction on it. As before, it is hard to see which of the two countries is the more cynical.

For instance, North Vietnam and the PRG have linked their performance on MIAs under Article 8(b) of the cease-fire agreement to Saigon's performance on releasing civilian prisoners under Article 8(c)—the two are "unrelated," the Pentagon tells Mr. Fulbright. In the small unit set up to execute Article 8(b), the Communist side has proposed to build cemeteries for its dead in Saigon controlled areas—"contentious and extraneous," says the Pentagon. The Communist side insists that Vietnamese next-of-kin be allowed to visit graves prior to or instead of repatriation of remains—"irrelevant," in the Pentagon's view. Hanoi and the PRG have used sessions of the MIA unit to complain about alleged ceasefire violations by Saigon and the United States—"propaganda speeches, boycotts, walkouts and general stalling tactics," says the Pentagon. On the one occasion when the United States sent a search team into a PRG-claimed area, without getting the requisite PRG permission, guerrillas opened fire on the unarmed search party and killed two men, one American, one South Vietnamese.

If this is business as usual for Vietnam, it is exploitation as usual for the affected families. The administration tells them that "we are really on the same side" and that it is doing all it can to gain Hanoi's compliance with the MIA article. But the administration and the families are not on "the same side": the administration puts support of Saigon ahead of relief for the families. Nor is it doing all it can to gain Hanoi's compliance: it is doing much less than it could if its primary goal were relief for the families. The families are being encouraged to believe that the answer lies in bringing world opinion to bear on Hanoi and the PRG.

Since world opinion failed to sway Hanoi on the POWs, however, it can hardly make much impact on the much less emotional and politically volatile issue of the MIAs. The American public at large wishes to keep the MIAs out of mind, just as the American government wishes to prevent them from undercutting its basic policy of supporting President Thieu. There is scant reason to expect that Hanoi and the Vietcong will break the cease-fire agreements into separate parts, accommodating Washington in a part of special American interest but waiving Washington's cooperation in parts of its own special interest. It is cynical, not to say cruel, to conceal this underlying reality from the families of the MIAs, as Mr. Nixon did in his State of the Union address by saying, "We will press for full compliance with the peace accords . . . particularly a provision that promised the fullest possible accounting for those Americans who are missing in action."

AGREEMENT ON ENDING THE WAR AND RESTORING THE PEACE IN VIETNAM

CHAPTER III.—*The return of captured military personnel and foreign civilians, and captured and detained Vietnamese civilian personnel*

Article 8

JANUARY 27, 1973.

(a) The return of captured military personnel and foreign civilians of the parties shall be carried out simultaneously with and completed not later than the same day as the troop withdrawal mentioned in Article 5. The parties shall exchange complete lists of the above-mentioned captured military personnel and foreign civilians on the day of the signing of this Agreement.

(b) The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

(c) The question of the return of Vietnamese civilian personnel captured and detained in South Vietnam will be resolved by the two South Vietnamese parties on the basis of the principles of Article 21(b) of the Agreement on the Cessation of Hostilities in Vietnam of July 20, 1954. The two South Vietnamese parties will do so in a spirit of national reconciliation and concord, with a view to ending hatred and enmity, in order to ease suffering and to reunite families. The two South Vietnamese parties will do their utmost to resolve this question within ninety days after the cease-fire comes into effect.

JOINT COMMUNIQUE OF JUNE 13, 1973

8. In conformity with Article 8 of the Agreement:

(a) Any captured personnel covered by Article 8(a) of the Agreement who have not yet been returned shall be returned without delay, and in any event within no more than thirty days from the date of signature of this Joint Communique.

(b) All the provisions of the Agreement and the Protocol on the Return of Captured Personnel shall be scrupulously implemented. All Vietnamese civilian personnel covered by Article 8(c) of the Agreement and Article 7 of the Protocol on the Return of Captured Personnel shall be returned as soon as possible. The two South Vietnamese parties shall do their utmost to accomplish this within forty-five days from the date of signature of this Joint Communique.

(c) In conformity with Article 8 of the Protocol on the Return of Captured Personnel, all captured and detained personnel covered by that Protocol shall be treated humanely at all times. The two South Vietnamese parties shall immediately implement Article 9 of that Protocol and, within fifteen days from the date of signature of this Joint Communique, allow National Red Cross Societies they have agreed upon to visit all places where these personnel are held.

(d) The two South Vietnamese parties shall cooperate in obtaining information about missing persons and in determining the location of and in taking care of the graves of the dead.

(e) In conformity with Article 8(b) of the Agreement, the parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action. For this purpose, frequent and regular liaison flights shall be made between Saigon and Hanoi.

Article 5 of the Agreement Between the Lao Patriotic Front and the Government of Laos, February 21, 1973

Both sides will return to each other all persons regardless of nationality that were captured during the war, including those imprisoned for cooperating with the other side. Their return will be carried out according to the procedures set up by the two sides, and, at the latest, must be completed within 60 days following the establishment of the Provisional Government of National Union and the Joint National Political Council.

After all those who were captured have been returned, each side has the duty to gather information on those missing during the war and report the information to the other side.

Article 18 of the Protocol Signed by the Lao Patriotic Front and the Government of Laos, September 14, 1973

"A. The return of all persons regardless of nationality who were captured and imprisoned for cooperating with the other side during the war will be accomplished in three stages and completed at the same time as the withdrawal of foreign troops and military personnel.

"B. The return of prisoners at each stage from each side will be reported by number of persons, location, and time of the Joint Central Commission to Implement the Agreement (JCCIA) 48 hours in advance.

"C. Within 15 to 30 days, counting from the date of signing of this Protocol, each side will report the number of those captured and imprisoned to the JCCIA, indicating nationality and whether military or civilian, together with a list of names of those who died in captivity.

"D. After the return of the prisoners is completed, each side must report as quickly as possible to the JCCIA information it is able to obtain about persons missing during the war regardless of nationality.

"E. The return of those captured and imprisoned during the war and the gathering of information that each side will submit about the persons missing during the war is the responsibility of the JCCIA. When both sides in the JCCIA believe it necessary, they may request assistance from the International Control Commission.

SENATE CONCURRENT RESOLUTION 69—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO POSSIBLE USE OF FOREIGN CURRENCIES AND AGRICULTURAL COMMODITIES

(Referred to the Committee on Agriculture and Forestry.)

FOOD FOR PEACE, NOT WAR

Mr. HUMPHREY. Mr. President, on behalf of myself and Senator HUGHES, I submit a concurrent resolution expressing the sense of Congress that the Secretary of State and the Secretary of Agriculture should make an immediate investigation of the possible misuse of agricultural commodities under the food for peace program, or of foreign currencies generated from the sale of these commodities. The resolution calls for a report to Congress within 90 days, with recommendations on legislative action.

Mr. President, food for peace is a proven program. For almost 20 years, Public Law 480 shipments have provided the critical margin of nourishment which has meant the difference between life and death to hundreds of thousands of persons in the poorest countries of the world. And throughout the developed world the food for peace program has led international humanitarian assistance efforts, serving as a model for what aid programs can and should be.

However, now we see the administration turning this respected program into a travesty as administration officials search for ways to covertly support military operations in Southeast Asia. The Congress, having called a halt to U.S. involvement in military operations in Southeast Asia, now must contend with efforts by the executive branch to subvert this congressional directive.

During Senate consideration of foreign economic assistance legislation last fall, an amendment was adopted to prohibit agreements, without prior approval of Congress, that permit the use of foreign currencies generated by Public Law 480 food commodity sales, for military purposes. As finally enacted, the Foreign Assistance Act of 1973, Public Law 93–189, provides under section 40 that, effective July 1, 1974, congressional authorization shall be required for the disbursement of all foreign currencies. This general provision, replacing the earlier specific prohibition, may need to be strengthened to make the intent of Congress absolutely clear.

I am seriously concerned that the administration may intend to interpret the law as permitting it to continue agreements—presently limited to just two nations, Cambodia and South Vietnam—for the diversion of Public Law 480-generated currencies for military purposes. Congress must not permit the administration to find loopholes in the law to continue actions that undermine the humanitarian intent of the food assistance program.

If this continues, the administration will only weaken a program that has stood out as one of our most successful in the history of foreign assistance.

In the February 11, 1974, issue of the Washington Post, Jack Anderson described in his column continued abuses of the food for peace program. Mr. Anderson wrote:

> The Food for Peace program established to feed the hungry of the world, has been perverted into a food for war program in Southeast Asia . . . In Cambodia, President Nixon gave the Lon Nol regime special permission to use up to 80 percent of the proceeds from the sale of American food for common defense and internal security. In South Vietnam, the Thieu regime is permitted to spend a full 100 percent of the food proceeds on military buildup.

Mr. Anderson claimed that in Phnom Penh, bags of Public Law 480 rice for refugees were being diverted directly for army rations.

Tables provided by the Agency for International Development indicate that within fiscal year 1974 alone, the estimate of the value of title I Public Law 480 shipments to Cambodia and South Vietnam has more than doubled. Forty-four percent—almost half—of all food for peace shipments from the United States throughout the world in fiscal year 1974 will go to these two nations. That works out to a major diversion of local currencies in these countries, through U.S. food assistance, for defense purposes—an indirect but nevertheless substantial addition to American military aid.

Meanwhile, commodity assistance for humanitarian programs by CARE and church-sponsored relief agencies have been cut back. It has been estimated that 20 million fewer people are being helped to avoid starvation than 2 years ago.

It is clear that Congress must take early action to prevent profoundly serious distortions of the food for peace program. I urge the Senate to consider the concurrent resolution being introduced today at the earliest possible convenience.

Mr. President, I ask unanimous consent that the text of this concurrent resolution be printed at this point in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 69

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Secretary of State and the Secretary of Agriculture should each conduct an immediate and thorough investigation to determine whether (1) foreign currencies generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, and (2) agricultural commodities intended for use under such Act have been or are being utilized in violation of that or any other Act, particularly section 40 of the Foreign Assistance Act of 1973.

SEC. 2. It is further declared to be the sense of the Congress that the Secretary of State and the Secretary of Agriculture should report the results of their respective investigations to the Congress within 90 days after this resolution is agreed to by both Houses of Congress together with such recommendations for legislation as they may individually or jointly deem appropriate.

SEC. 3. The Secretary of the Senate shall transmit copies of this resolution to the Secretary of State and the Secretary of the Agriculture after it has been agreed to by both Houses of the Congress.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 66

Mr. CASE. Mr. President, at this time of the year we are reminded of the lack of freedom in Lithuania, Latvia and Estonia. For many years, I have supported the right of self-determination of these people, and I can only hope that the aspirations of the Baltic peoples will yet be realized.

I am cosponsoring, along with Senators PERCY, HART, HUMPHREY, JACKSON, STEVENSON, DOMINICK, GRIFFIN, TAFT, JAVITS, and BROCK, Senate Concurrent Resolution 66 to stimulate the release from prison of Simas Kudirka, the Lithuanian seaman. The United States has a special duty to act in this matter since Kudirka was returned to Soviet authority when he sought political asylum aboard the Coast Guard cutter *Vigilant* in U.S. territorial waters on November 23, 1970.

Mr. President, last year at this time the New York Times published an editorial marking the anniversary of Lithuanian independence. I believe this editorial is equally valid today and I ask unanimous consent that the editorial be printed in the RECORD.

THE BALTIC STATES

> Free Lithuanians everywhere—and an unknown number of Lithuanians in the Soviet Union as well—will mark today the 55th anniversary of the modern Republic of Lithuania. It was on Feb. 16, 1918, that the *Lietuvos taryba* or Council of Lithuania met in Vilnius and declared the existence of an independent state free of ties to all other sovereignties.
>
> Observance of this anniversary—like the marking of the corresponding dates by the peoples of Latvia and Estonia—may seem purely theoretical and even fanciful to the modern realists. The Baltic States were long ago occupied by the Red Army and involuntarily incorporated into the Soviet Union.
>
> What today's "realists", ignore, however, is that the desire for freedom and independence still burns in all three of the Baltic states and among a considerable part of their inhabitants. In Lithuania alone there have been such recent manifestations as the self-immolation of Romas Kalanta, mass street demonstrations by thousands of young Lithuanians and the petition of 17,000 Lithuanian Roman Catholics directed to the Secretary General of the United Nations.
>
> Obviously, the chances are not bright for the Baltic peoples to regain their independence. But the conquest and elimination of these once-free republics by the Soviet Union is one of those acts of injustice by a great power toward its small neighbors that the world can never forget.

Mr. WILLIAMS. Mr. President, I think it is appropriate at this time to advise my colleagues of my decision to cosponsor Senate Concurrent Resolution 66, which calls for the immediate release of Simas Kudirka, a Lithuanian seaman being held prisoner by the Soviet Union. It was Kudirka, you may recall, who had sought asylum aboard the U.S. Coast Guard cutter *Vigilant*, but was instead returned by the ship's captain to Soviet authorities. This tragic episode occurred on November 23, 1970. Kudirka has been held incommunicado ever since.

At the request of Mr. PERCY the Senator from Indiana (Mr. BAYH), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. BUCKLEY), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of Senate Concurrent Resolution 66, to urge the release from prison of Simas Kudirka, the Lithuanian seaman.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 257

At the request of Mr. PASTORE, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of Senate Resolution 257, to amend the Standing Rules of the Senate to establish a procedure for requiring amendments to bills and resolutions to be germane.

MINIMUM WAGE BILL—AMENDMENT

AMENDMENT NO. 964

(Ordered to be printed, and referred to the Committee on Labor and Public Welfare.)

Mr. BUCKLEY. Mr. President, during the many months an adjustment in the minimum wage has been under consideration, a factor which could nullify all attempts to assist the workingman has been lurking in the background unnoticed. S. 2747 seeks to bring a better standard of living to millions of American workers by raising the minimum wage. The bill fails, however, to deal with a major obstacle to job security—wage and price controls. The time is overdue for us to level with the American workingman and admit that price controls do not work, and they cannot be made to work in a free economy. The longer we postpone the lifting of controls the greater is the gamble we take with the employment of the very workers that S. 2747 proposes to help by raising the minimum wage.

For this reason, I introduce, today, an amendment to repeal the Economic Stabilization Act thereby abolishing the existing system of wage and price controls. This is essential if the economy is to be allowed to adjust to increases in wage levels mandated by S. 2747. It is also essential if we are to reverse the loss of jobs now resulting from shortages created by economic controls.

To illustrate this point, I would like to cite the case of the Stevens and Thompson Paper Co., one of four such companies in New York facing imminent shutdowns if pulp cannot be obtained to continue operations. In past years, the Stevens and Thompson Co. could count on 25 to 30 suppliers. Price controls have taken the profit out of selling pulp, and now, the company cannot find one reliable supplier. Not only does Stevens and Thompson employ 200 workers, it is the one sustaining industry for the town of Greenwich, N.Y. If the paper operation shuts down after 105 years of continued operation, it will reduce Greenwich to a ghost town and obviate the principal means of livelihood for a population of 2,262 Americans.

Mr. President, I assume the mail of our colleagues contains many similar examples of economic dislocations and jobs lost as a direct result of wage and price controls. In recent weeks I have received urgent appeals from manufacturers of exhaust fans, medical supplies, industrial packaging, seals, electrical goods, plastics, paper, hosiery, housing, clothing, hardware, prestress concrete and dairy products, as well as from railroads, hospitals, farmers, employee groups, trade associations and meat packers, to name just a sampling. Running through all this mail is a common anguished call for relief from the impact of economic controls—relief for those writing the letters or relief for their suppliers. A number of New York firms, especially smaller ones, have already had to cut back or shut down. Many others write that they will have to close down in another few weeks unless they find some way around the shortages now crippling them. Moreover, they make it clear that the longer the present situation is allowed to continue, the more far reaching will be the dislocations in their own areas of business.

I assume, Mr. President, that the experiences I have described are not unique to New York State. As a matter of fact, a study just completed by the National Association of Manufacturers confirms the dislocations I have described are anything but localized. Let me cite some of the findings of the NAM study as reported in a recent issue of Human Events:

> Nearly two out of three companies indicated that the scrapping of price controls would encourage them to increase their productive capacity. One out of every three has postponed or cancelled plant and equipment expenditures due to controls.
>
> Three out of five small firms and four out of five large companies stated that controls adversely affected corporate earnings.
>
> Some 84 percent of all firms said "no" when asked if controls had any beneficial effects on the conduct of their business.
>
> Some 97 percent of the large companies and almost 92 percent of the small firms favored a quick end of controls.
>
> Some 45 percent of the firms said controls are damaging the U.S. position in foreign trade.
>
> More than 76 percent of the small firms and nearly 87 percent of the large companies said that consumers would end up paying more for products purchased because of controls.

The record, Mr. President, seems overwhelming. Our intervention into the workings of our complex economy has created shortages in goods that only recently were in good supply, it has inhibited investment in new facilities, and threatens to unleash large-scale unemployment. These serious dislocations are the devastating consequences of our attempt to control inflation by attacking the symptoms instead of the causes. I speak, of course, of the attempt to maintain consumer price stability through wage and price controls in the face of the universal experience here and abroad demonstrating that these measures will not relieve inflationary pressures any more than sealing off the safety valve will save an overheated boiler from exploding. In fact, to the extent that we have diverted ourselves from attending to the causes of inflation—namely, an excessive expansion of the supply of money—to that extent have we allowed the pressure to continue to build until they burst out here and there with special violence, just as they have during the past year.

Since the Nixon administration took office in 1969 we have had an opportunity to test the utility of controls. Between December 1970 and August 1971, when the President invoked the powers granted him under the Economic Stabilization Act of 1970, the Consumer Price Index had grown at an annual rate of 3.8 percent. Since August 1971, the Nation has undergone the trauma of four phases of controls in various forms that have imposed extraordinary dislocations on an already strained economy, and to what end? Since August 1971, the Consumer Price Index has risen at an accelerated rate that for the 12-month period before the Arab boycott had reached a level of 7.3 percent.

The explanation is not difficult to find. In the 3-month period before controls, the Federal Reserve increased the money supply at an annual rate of only 5 percent. Since controls were imposed, the money supply has increased at an average annual rate of 9.1 percent. Economic controls simply could not hold the lid on an economy that was overheated by an attempt to cope with Federal deficits totaling more than $100 billion in a 5-year period.

It is bad enough that controls have failed so signally in achieving their objective of price stability. What is far more serious is that in the process of imposing them we have caused dislocations that will plague us far into the future. The extent of these dislocations, and the speed with which they are spreading, becomes more apparent every day. As I mentioned earlier, every bag of constituent mail I receive contains new examples of essential items in short supply.

What we must understand is that these shortages did not just "happen." They were caused. They are the predictable consequences of the imposition of controls on a free economy. When the market ceases to be free, when a willing buyer is not allowed to bargain with a willing seller, we destroy the signals that channel investment and production. If a producer is not allowed to sell a given item at a price commensurate with the cost and risk in its production, he will simply stop producing it. This simple lesson in economics was driven home to millions of Americans last summer as they watched on television the destruction of tens of thousands of day-old chicks because the price allowed farmers for the sale of their poultry was less than the cost of the feed required to bring those chicks to marketable size. And so it is with expanding production to meet increased demand. No one will invest in new plant and equipment if the goods to be produced are not permitted to be sold for a price that will allow a reasonable return on the investment.

Now I know that there are those who blame our shortages on exports; and it was, of course, to control these that the House adopted H.R. 8547, the Export Control Amendments of 1973, which the Senate was scheduled to debate last month. H.R. 8547 seeks to attack the problem of growing shortages by limiting the export of goods in short supply. The bill as reported out ignores, however, the reason why such goods are not being sold within the United States in the first place. Too often they are not being sold domestically because the prices at which the Cost of Living Council allows them to be sold do not justify the cost of their production.

While it is true that today many items in short supply are being exported from the United States for sale in free markets abroad, it does not follow that the prohibition of such exports will solve the problem of shortages facing domestic consumers. Aside from the fact that export restrictions could lead other countries to place restrictions on the export of goods we in the United States require, such laws are apt to be as futile as the attempt to fight inflation with wage and price controls. Commodities that are shipped abroad because they cannot be sold at a profit at home are apt not to be produced at all if they are denied access to free markets.

To illustrate this point, I would like to cite the case of steel rebars that are used to reinforce concrete foundations. Historically, steel rebars are produced by large steel mills when demand for more profitable steel products slackens. Small mills which have been able to reduce costs by using ferrous scrap, have in the past been able to maintain a more continuous flow of this inexpensive item. Because controls froze rebars at a low price, this item has been forced out of domestic markets by rising costs of production and spiraling demand for more profitable items. Even though the Commerce Department placed limits on the export of ferrous scrap, the domestic shortage of rebars has continued. Rebars will be produced for sale at a profit abroad. They will not be produced for sale at a loss at home. Prohibiting their export, therefore, will only mean that American mills, large and small, will stop producing them. The steel industry, incidentally, is not petitioning for the decontrol of rebars. The purchasers are.

Mr. President, there can no longer be any lingering doubts that the whole fabric of controls is harmful to our economy. The current shortages in more than 150 critical industrial commodities that have been caused by price controls will not be legislated out of existence by imposing still other controls on our economy. The time has come for us to recognize that price controls simply do not work. It is not merely a matter of devising a more effective regulatory machinery. Economic interrelationships are so subtle, so sensitive, that it is impossible for any body of regulators, however large, however wise, to anticipate how and where to mobilize the resources and set the prices so that our infinitely complex economy can work at maximum efficiency. The tragic consequences of recent governmental attempts to control prices and wages here and abroad provides persuasive evidence that there is no administrative or procedural reform that can improve them.

The time has come for us to recognize that wage and price controls not only do not work—they cannot be made to work in a free society. The legislative authority conferred by the Congress and invoked by the President has resulted in grave injury to every sector of our economy without achieving any significant offsetting benefits. In short, wage and price controls have been an unmitigated disaster for the United States, and should be abolished forthwith.

Two months ago, I introduced an amendment to the emergency energy bill that would have accomplished this objective by terminating the Economic Stabilization Act. As might be expected, I was met with objections that whereas wage and price controls were of course not desirable, the time was not opportune for restoring freedom to the economy. Arguments were made to the effect that because of the energy crises, and this or that other factor, an immediate lifting of controls would create chaos. Therefore, it was said, we would have to wait for a more appropriate moment when some degree of price stability had been achieved.

Mr. President, one thing that can be said with certainty is that the time will never be "just right" to return the direction of our economy to the decisions freely made on a daily basis between millions of buyers and sellers. What can be said with equal certainty is that the longer we wait, the longer we postpone the moment when we lift the albatross of controls from around our economic necks, the greater will be the immediate dislocations as prices are released to seek their natural level—and in the meantime, with glacial certainty, we will see the shortages continue to spread, causing more and more firms to close their doors for lack of essential supplies, adding their employees to the ranks of the unemployed.

Mr. President, I can think of no better way to summarize what it is I have tried to say in these few minutes than to quote excerpts from an editorial that appeared in the November 1973 issue of "Modern Plastics." Although it speaks of the conditions affecting just one industry, and the controls on that industry have recently been relaxed, the problems described and conclusions drawn are of very broad application today.

> The simple fact is that current price controls have created an Alice-in-Wonderland scene of unreality where it is going to become increasingly difficult to operate. Resin suppliers, forced to sell at severely limited list prices (and without control over what their customers do with the resins), aren't exactly falling all over each other to build new capacities. Converters who have price commitments to their customers, but are

> forced to pay twice the going rate, are starting to think about trading instead of manufacturing. End users, hearing a growing chorus of "shortage, shortage, shortage," are worrying whether or not to design in plastics.
>
> And the whole industry is in malignant turmoil.
>
> What to do.
>
> Remove price controls. It was a free economy that brought resin prices down, let it be a free economy that will allow resin prices to move up to where economic forces will allow them to be. Free competition in a free market place has brought the plastics industry to its present prominence. Only a return to those conditions will assure its future growth.

Mr. President, the time to face the facts is now. The time to bite the bullet of decontrol is now.

For 2 weeks, the Subcommittee on Production and Stabilization held hearings to consider whether the Economic Stabilization Act of 1970 authorizing these controls should be extended beyound its current expiration date of April 30, 1974. Witness after witness confirmed the conclusion that the imposition of price and wage controls has been an unmitigated disaster. On this, such important and disparate groups as the AFL-CIO, the National Association of Manufacturers, and the National Farm Bureau are in complete agreement. The only way to prevent still greater short and long term damage to the economy and *employment* is to terminate the Economic Stabilization Act now, immediately.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—AMENDMENT

AMENDMENT NO. 965

(Ordered to be printed, and referred to the Committee on Rules and Administration.)

Mr. RANDOLPH (for himself, Mr. Baker, Mr. Fulbright, Mr. Jackson, Mr. Mansfield, Mr. Inouye, Mr. Robert C. Byrd, Mr. Williams, Mr. Magnuson, Mr. Stevens, Mr. Javits, Mr. Long, Mr. Ervin, and Mr. Fannin) submitted an amendment, intended to be proposed by them, jointly, to Senate Resolution 245, authorizing additional expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations.

ANNOUNCEMENT OF HEARINGS ON LONE PEAK WILDERNESS AREA, UTAH

Mr. JACKSON. Mr. President, I wish to announce a hearing by the Public Lands Subcommittee of the Interior and Insular Affairs Committee on S. 29, a bill to establish the Lone Peak Wilderness Area in the State of Utah; S. 110, a bill to designate certain lands in the Cleveland National Forest, Calif., as the Agua Tibia wilderness for inclusion in the wilderness preservation system; S. 111, a bill to designate certain lands in the Stanislaus National Forest, Calif., as the Emigrant Wilderness for inclusion in the national wilderness preservation system; S. 216, a bill to designate certain lands in the Cape Romain National Wildlife Refuge, S.C., as a wilderness area under the Wilderness Act; S. 331, a bill to establish the Chassahowitzka National Wilderness Area in the State of Florida; S. 332, a bill to establish the St. Marks National Wilderness Area in the State of Florida; S. 600, a bill to designate certain lands as wilderness; and S. 777, a bill to designate certain lands in the Brigantine National Wildlife Refuge, Atlantic, Burlington, Ocean Counties, N.J., as wilderness. In addition, two areas included in S. 601, a bill to designate certain areas in the United States as wilderness areas, are to be considered in this hearing. The two areas are Agua Tibia and Emigrant Basin, both in California.

The hearing will be held on March 19, 1974, at 10 a.m. in room 3110, Dirksen Senate Office Building. Those who wish to testify or submit a statement for inclusion in the hearing record should contact Steven P. Quarles, special counsel to the committee, at 225-2656.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, February 27, 1974, at 10:30 a.m., in room 2228 Dirksen Office Building, on the following nominations:

Rober Firth, of California, to be a U.S. district judge for the central district of California, vice Charles H. Carr, retired.

Joseph L. McGlynn, Jr., of Pennsylvania, to be a U.S. district judge for the eastern district of Pennsylvania, vice Thomas A. Masterson, resigned.

Richard P. Matsch, of Colorado, to be a U.S. district judge for the district of Colorado, vice Olin H. Chilson, retired.

Thomas C. Platt, Jr., of New York, to be a U.S. district judge for the eastern district of New York, vice George Rosling, deceased.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McClellan); the Senator from Nebraska (Mr. Hruska) and myself as chairman.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

W. Vincent Rakestraw, of Ohio, to be an Assistant Attorney General, vice James D. McKevitt, resigned.

Harry Connolly, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma for the term of 4 years, (reappointment).

Robert E. Johnson, of Arkansas, to be U.S. attorney for the western district of Arkansas for the term of 4 years, vice Bethel B. Larey, resigned.

Sidney I. Lezak, of Oregon, to be U.S. attorney for the district of Oregon for the term of 4 years, (reappointment).

Robert D. Olson, Sr., of Alaska, to be U.S. marshal for the district of Alaska for the term of 4 years, (reappointment).

Stanley G. Pitkin, of Washington, to be U.S. attorney for the western district of Washington for the term of 4 years, (reappointment).

Emmet E. Shelby, of Florida, to be U.S. marshal for the northern district of Florida for the term of 4 years, (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, February 28, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

Mr. McCLELLAN. Mr. President, on February 27 and 28, the Senate Appropriations Committee opens its hearings on the President's proposed budget for fiscal year 1975. Appearing on behalf of the administration will be Roy L. Ash, Director of the Office of Management and Budget; George P. Shultz, Secretary of the Treasury; and Herbert Stein, Chairman of the President's Council of Economic Advisers.

On March 19 and 20, the committee will hear from some of our most prominent economists, including Pierre Rinfret, Charles L. Schultze, Walter Heller, and Paul McCracken.

Then, on March 26 and 27, the full committee will hear from Members of the Senate, all of whom have been invited to participate in our hearings and submit their views and comments on the President's budget.

The committee will endeavor to hear from outside witnesses on March 21 and persons interested in testifying should contact the committee, room 1235 Dirksen Office Building, Washington, D.C.; telephone number 225-7293.

THE HILL-BURTON HOSPITAL CONSTRUCTION PROGRAM

Mr. FULBRIGHT. Mr. President, in its proposed budget for fiscal year 1975, the administration again plans to terminate the Hill-Burton hopsital construction program.

The President states that there is no need for further hospital construction in the Nation. That may be the case in some parts of the Nation, but in Arkansas, despite considerable progress, there is still significant need for hospital construction, expansion, and modernization.

The Arkansas State Department of Health has a backlog of requests for Hill-Burton funds totaling more than $40 million. Arkansas has a current need for

559 new beds and 501 replacement beds in general hospitals and 713 additional and 681 replacement beds for long-term care.

This program has been an example of good cooperation between the Federal and State governments and local communities, and has resulted in construction of more than 9,000 Arkansas hospital and nursing home beds, with a Federal share in excess of $80 million. Because of the continuing need for this program, I will oppose its elimination, as I did last year when the administration made a similar proposal.

A related problem is the need for more medical personnel in Arkansas. The shortage and maldistribution of health professionals points to a need for more funding for medical education and training, yet funding for these important programs would actually decline under the administration's budget proposal.

To illustrate this problem, the 16 counties in east Arkansas which are part of the Memphis regional medical program have a physician-to-population ratio of 1 to 2,093. This compares to a national ratio of 1 physician for every 675 people. Forty of the 75 counties in Arkansas have fewer than 1 doctor for every 2,000 inhabitants.

Mr. President, these figures make clear the need for ample funds for health facilities and for the training and education of health professionals. As an example of the problems facing Arkansas hospitals, I ask unanimous consent to have printed in the Record an article from the Osceola Times of February 14. The article by Phil Mullen reports on the critical need of the Osceola Memorial Hospital, which has been operating at 105 percent of capacity for the past 2 months.

There being no objection, the article was ordered to be printed in the Record, as follows:

Dr. Reggie Cullom Tells of Local Hospital Needs

(By Phil Mullen)

The Osceola Memorial Hospital has been operating at 105 per cent of capacity for the past two months. How can that be? That can be by putting patients in beds in the hallways and in the chapel and in other places.

Dr. Reggie Cullom, chief of staff of the hospital, spoke to the Kiwanis Club on last Thursday and he apologized because his voice broke during the talk. He explained, "I cannot help but be emotional about this. I lost a patient, a very well loved 45 year old lady, this morning, possibly because there was no room for her in a cardiac care room."

Dr. Cullom, a young native son who has just returned here to practice, said, "Perhaps I am more upset about the hospital situation than most anyone because I was trained to practice general medicine in a hospital and I don't think I can paint you as bleak a picture as is the truth about he Osceola Memorial Hospial now."

He declared, "Your hospital is going to collapse if you do not renovate and expand it."

THE PLAN

Under the plan offered by the hospital consultants employed by the Quorum Court, the Osceola Hospital would receive much renovation and remodeling and would receive 10 new rooms.

Dr. Cullom said, "We hope to bring a general surgeon to Osceola. He would need more than 10 beds for his patients."

Dr. Cullom then explained that it would take more than a year to start construction on hospital expansion if the application were made now and every "red-tape" situation was met on schedule.

Dr. Cullom said, "I'm not a politician and the politicians now run our hospitals. We would have to go through an agency in Jonesboro and get approval, than an agency in Little Rock, and finally to Washington.

In explaining why the Osceola Memorial Hospital will "lose" as much as $80,000 next year, Dr. Cullom said, "HEW will not pay, for its Medi-Care patients, a fair fee for the use of our hospitals. They say they will pay our 'cost' but sometimes they won't do that so that means you people who pay cash or who pay through hospital insurance have to make up the difference."

All this is important in making up a financial statement to secure around a $2 million bond issue to expand the hospital. These would have to be the revenue bonds. Only one mill in county taxes go to the hospitals, for maintenance.

Dr. Cullom made a very appealing talk as he asked for the support of the Kiwanians, "as leading people of this community." He said, "It might be possible that the politicians and the bureaucrats could be reached to be made to understand the true small town hospital picture of the day."

He explained, "When the bureaucrats look at Osceola they see so many people in the census and they say we are entitled to so many hospital beds. They, for some reason, cannot be made to see that there are 30,000 more people in Osceola area that need this hospital also.

Without some immediate and strong action Dr. Cullom could see no optimism about the maintenance of health care in this community even at the level of recent years.

ESTONIAN INDEPENDENCE DAY

Mr. JAVITS. Mr. President, on February 24, people throughout the world—especially those of Estonian descent—observe the 56th anniversary of Estonian Independence Day; 1974 is also a year of special significance as it is the 100th anniversary of the birth of Konstantin Pats, the last President of an independent and free Estonia.

Proclaimed in 1918 but lasting only to 1940 when Josef Stalin, as a result of his infamous pact with Hitler, overran free Estonia and incorporated it into the U.S.S.R., the Republic of Estonia was shortlived as an independent political entity. However, the independence of the Estonian spirit and Estonian culture has not been extinguished.

A significant manifestation of the undying aspiration of the Estonian people for freedom and independence is the effort of the Estonian World Council to learn of the fate of the Republic of Estonia's last President, Konstantin Pats. Shortly after the Soviet invasion and occupation of Estonia in 1940, President Pats and his family were taken by the Soviet authorities and reportedly deported to the Soviet Union. Since that time there have been only rumors of the fate of this national hero, and his burial site is unknown. It is cruel and insensitive of the authorities in the Soviet Union to withhold any longer what happened to President Pats after his arrest in 1940. This is another indication that civil rights and human liberties continue to go unobserved by the Soviet regime.

Expressions of the Estonian desire for freedom and independence have not gone unnoticed in the free world. It would be tragic, indeed, if in our search for a basis of greater understanding with the Soviet Union, we abandoned our solidarity with those Estonians who still treasure independence. The sacrifices of Estonian men and women over the centuries in the search for freedom demand no less.

COSTLY INFORMATION

Mr. BROCK. Mr. President, we are asking industry to provide various Federal agencies with more and more information these days, and no doubt some of it is necessary. But we must remember that information has a cost and that the cost will be passed on to consumers in the form of higher prices. The Office of Management and Budget estimates that last year alone industry spent a total of 145 million man-hours answering Federal questionnaires.

As a recent editorial in the Wall Street Journal points out, the authority to request more information was granted last session to an even greater number of regulatory agencies. Somewhere we have got to draw the line if corporations are to be expected to do their share to keep up with rapidly shifting market conditions. For the information of my colleagues. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Something Else To Worry About

In the first months of World War II, Washington bureaucrats were dizzy with the idea that they had to run the economy and went beserk sending out questionnaires. Congress, realizing the war would never be won with businessmen filling out surveys, passed the Federal Reports Act of 1942. Thereafter, the Budget Bureau had to approve questionnaires, first checking for duplication and necessity. At the time, there were 4,629 different forms. There are now 5,567, most of the increase due to new federal programs.

While nobody was paying attention, Ralph Nader cranked up his lobby last November and got Senators Metcalf, Hart, Kennedy and all to gut the protections of the 1942 act through an innocent-looking amendment to the Alaska pipeline bill. Now law, the amendment shifts the coordinating authority out of the Executive Branch and into Congress' investigation-minded General Accounting Office. More to the point, each independent regulatory agency will be able to override the GAO and have the last word on whether it will send out a new form.

The National Association of Manufacturers and the U.S. Chamber of Commerce now are frantically trying to figure out how to recapture the terrain. For the Office of Management and Budget estimates that in 1973 industry spent a total of 145 billion man-hours answering federal questionnaires. This comes to $1.45 billion at $10 an hour. No doubt these figures will grow by leaps and bounds under the new procedure.

That's only the half of it. As in 1942, this thirst for information has developed among the bureaucrats and their cheerleaders on the sidelines who want to run the economy from Washington. The way now is clear for agencies that are already bent in this direction to engage in unimpeded harassment of business and industry, using the data they force from corporations to engage in novel rulemaking and antitrust adventures.

One only has to read the "statement of purpose" of the Federal Trade Commission's proposed "Line of Business Report Program" to see where the government is headed.

The gist of this FTC program, which surely would have been scotched under the old procedures, would require that the top 500 corporations break out cost and profit figures on every line of product each of them makes, as well as a breakdown for each product on assets, sales, advertising, promotion, research and development and intra-company transfers.

The FTC's rationale is that "free enterprise" is inefficient when corporations are permitted to keep secrets, and that under its disclosure program "it will be possible for a firm to compare the performance of each of its lines of business with the performance of lines of business of other firms which produce similar products."

It has something like this in mind: Suppose Acme Corp. makes widgets, gidgets, blivets and left-handed screwdrivers and has aggregate profits of $1 million. A potential competitor, not knowing Acme makes $1.5 million on the widgets, breaks even on blivets and gidgets, and loses $500,000 on the screwdrivers, might decide to make screwdrivers, which the FTC thinks would be a waste of national resources. Wouldn't it be better, the agency argues, if that potential competitor knew the widgets were the money-makers, so he could zero in on them? Maybe, but somehow American capitalism has flourished all these years without a chance to look at the other fellow's books.

But that's not what the FTC is really after anyway. The chief impetus for this program comes from its antitrust division, which has been breaking its pick lately trying to find trusts to bust. It figures if it can get inside industries, by forcing industries to turn themselves inside out, it will have better luck. More likely, they would only find support for imaginative rationales to try to fracture, atomize and restructure American industry. In other words, more work for lawyers.

Now, we are the last people who need to be told that corporations are often hypersensitive about releasing information. As a general rule, we think they would be better off to release more than they do, and we would certainly not take a hidebound stand against further line-of-business data. The Securities and Exchange Commission is thinking of expanding the requirements for such information in its 10-K reports and in shareholder reports. But there is such a thing as proprietary information, and somewhere a line has to be drawn.

The point is that the SEC, which has some experience with the equities involved, approaches this kind of requirement with a modicum of care. But given the power to interrogate business, the first thing the FTC wants to do is to fire off a questionnaire calling for every company to calculate a few dozen different kinds of statistics for every widget and gidget. Surely businessmen are not asking for much when they ask for some central agency to monitor such interrogations and provide some small protection against harrassment.

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

Mr. BUCKLEY. Mr. President, it is fitting that we pause a moment to mark the anniversary of Lithuanian independence. Events of recent days have once again shown the world that the Soviet regime will go to great ends to suppress dissent within what the Soviet state determines to be its sphere of influence. Just as Solzhenitsyn suffers, so do the Lithuanian people who for decades have felt the heavy hand of Soviet domination. I submit that the United States must never acquiesce in the Soviet incorporation of Lithuania and the other Baltic States, and that we must once again reaffirm our resolve to make freedom for these nations an objective of American policy. This is especially important as we participate in an ongoing series of negotiations designed to lessen world tensions.

All of us remember the tragedy of Simas Kudirka, the Lithuanian seaman who attempted to defect to the United States. Today, we know that he is in prison, another victim of the intolerant Soviet regime. I am proud to join with a number of my colleagues in the Senate in sponsoring Senate Concurrent Resolution 66 which expresses the sense of the Congress—

> That the President direct the Secretary of State to bring to the immediate attention of the Soviet government the deep and growing concern among citizens of the United States over the plight of Simas Kudirka and to urge his release from imprisonment and return to his family.

Through the Solzhenitsyns, the Kudirkas, the Panovs, and the Sakharovs, the attention of the world continues to focus on the plight of those who live under Communist rule. My prayers are with all of those people and with Americans of Lithuanian descent in the hope we all share for the eventual freedom from the realities of Communist doctrine.

RULES OF PROCEDURE OF COMMITTEE ON RULES AND ADMINISTRATION

Mr. CANNON. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, which requires the rules of each committee to be published in the Congressional Record no later than March 1 of each year, I ask unanimous consent that the rules of the Committee on Rules and Administration be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Rules of Procedure of the Senate Committee on Rules and Administration

(Adopted February 4, 1971, pursuant to Section 133B of the Legislative Reorganization Act of 1946, as amended. Readopted without amendment January 17, 1973)

TITLE I—MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the committee shall be the second and fourth Wednesdays of each month, at 10 a.m., in room 301, Russell Office Building. Additional meetings may be called by the chairman as he may deem necessary or pursuant to the provisions of sec. 133(a) of the Legislative Reorganization Act of 1946, as amended.

2. Meetings of the committee shall be open to the public except during executive sessions for marking up bills or for voting or when the committee by majority vote orders an executive session. (Sec. 133(b) of the Legislative Reorganization Act of 1946, as amended.)

3. Written notices of committee meetings will normally be sent by the committee's staff director to all members of the committee at least 3 days in advance. In addition, the committee staff will telephone reminders of committee meetings to all members of the committee or to the appropriate staff assistants in their offices.

4. A copy of the committee's intended agenda enumerating separate items of legislative business, committee business, and referrals will normally be sent to all members of the committee by the staff director at least 1 day in advance of all meetings. This does not preclude any members of the committee from raising appropriate nonagenda topics.

TITLE II—QUORUMS

1. Pursuant to sec. 133(d) 5 members of the committee shall constitute a quorum for the reporting of legislative measures.

2. Pursuant to rule XXV, sec. 5(a) of the Standing Rules of the Senate 3 members shall constitute a quorum for the transaction of routine business.

3. Pursuant to rule XXV, sec. 5(b) 3 members of the committee shall constitute a quorum for the purpose of taking testimony under oath; provided, however, that once a quorum is established, any one member can continue to take such testimony.

4. Subject to the provisions of rule XXV, sec. 5(a) and sec. 5(b), the subcommittees of this committee are authorized to fix their own quorums for the transaction of business and the taking of sworn testimony.

5. Under no circumstances, may proxies be considered for the establishment of a quorum.

TITLE III—VOTING

1. Voting in the committee on any issue will normally be by voice vote.

2. If a third of the members present so demand, a record vote will be taken on any question by rollcall.

3. The results of rollcall votes taken in any meeting upon any measure, or any amendment thereto, shall be stated in the committee report on that measure unless previously announced by the committee, and such report or announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment by each member of the committee. (Secs. 133 (b) and (d) of the Legislative Reorganization Act of 1946, as amended.)

4. Proxy voting shall be allowed on all measures and matters before the committee. However, the vote of the committee to report a measure or matter shall require the concurrence of a majority of the members of the committee who are physically present at the time of the vote. Proxies will be allowed in such cases solely for the purpose of recording a member's position on the question and then only in those instances when the absentee committee member has been informed of the question and has affirmatively requested that he be recorded. (Sec. 133(d) of the Legislative Reorganization Act of 1946, as amended.)

TITLE IV—DELEGATION OF AUTHORITY TO COMMITTEE CHAIRMAN

1. The chairman is authorized to sign himself or by delegation all necessary vouchers and routine papers for which the committee's approval is required and to decide in the committee's behalf all routine business.

2. The chairman is authorized to engage commercial reporters for the preparation of transcripts of committee meetings and hearings.

3. The chairman is authorized to issue, in behalf of the committee, regulations normally promulgated by the committee at the beginning of each session, including the

senatorial long-distance telephone regulations and the senatorial telegram regulations.

TITLE V—HEARINGS

All hearings of the committee shall be conducted in conformity with the provisions of sec. 133A of the Legislative Reorganization Act of 1946, as amended. Since the committee is normally not engaged in typical investigatory proceedings involving significant factual controversies, additional implementory rules for hearing procedures are not presently promulgated.

TITLE VI—SUBCOMMITTEES

1. There shall be seven, three-member subcommittees of the committee as follows:

Standing Rules of the Senate
Privileges and Elections
Printing
Library
Smithsonian Institution
Restaurant
Computer Services

2. After consultation with the ranking minority member of the committee, the chairman will announce selections among the members of the committee to the various subcommittees (and to the Joint Committee on Printing and the Joint Committee on the Library) subject to committee confirmation.

3. Each subcommittee of the committee is authorized to establish meeting dates, fix quorums, and adopt rules not inconsistent with these rules.

4. Referrals of legislative measures and other items to subcommittees will be made by the chairman subject to approval by the committee members.

ALFRED DRAYTON—A SPIRIT OF THE WEST

Mr. HRUSKA. Mr. President, these are days when we hear the words environment, ecology, and reclamation very often. Perhaps a concern for the preservation of our environment is one of the qualities that will mark life in the 1970's. I think it is important to point out examples of just what is being done to make this country a better place in which to live.

There is such an example in my home State, and it gives me great pleasure to call it to the attention of my colleagues. It results in large measure to the interest and devotion of one man: Alfred Drayton.

Alfred Drayton, Holt County, Nebr., rancher, is living the tradition of the West. Not only is he a real rancher—a man of the range—but he is also a farmer, conservationist, naturalist, and ecologist. He owes these attributes to two very important parts of his life's work: First, his ranch and family; second, his interest in the O'Neill irrigation project.

This combination of talents is summed up in a recent article that appeared in the Omaha World Herald magazine of the Midlands. This interesting story is written by James Denney, who himself is an enthusiast and devotee of the expanse of Nebraska in all its aspects, both human and natural. This is in addition to being a photographer of noted quality.

The story and its subjects are living proof that no single element in our universe can claim monopoly or dominance over other elements in that universe. All elements of nature are an integral part of the whole. Each complements and supplements the others.

Blended into this entire setting, we then see the picture, the life and the tradition of the West for which Alfred Drayton stands, and which James Denney portrays so expressively.

Mr. President, in the article which I now ask unanimous consent to be printed in the RECORD, we see the composite of the farmer, naturalist, ecologist, and conservationist. Add to it the spirit of a poet and the firm clear vision of a brighter future.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE LIKES BIRDS, BEES, AND BIRCH TREES

(By James Denney)

Agricultural interests in Holt County think he should be called "Mr. Niobrara River" but ecologists fear he's against the birds, bees and even birch trees.

That's the role that Alfred Drayton, big, friendly Holt County rancher, finds himself in as the O'Neill Irrigation Project moves closer to reality.

Drayton, 62, is fearful he'll never live long enough to see what he calls "the full benefits of the project, but my son and neighbors—the younger ones—should be more prosperous if this all comes about."

The $113,300,000 project was approved by Congress in 1972 and now the first expenditures ($200,000) toward detailed planning are under way.

To provide water for the O'Neill Project, a dam would be built on the Niobrara about two miles south of Norden, a village in Keya Paha County.

The earthfilled structure, rising 180 feet above the streambed, would create a lake 19 miles long on the Niobrara in Brown, Keya Paha and Cherry Counties.

Water from the reservoir would be used to irrigate 77,000 acres of land in the valley—68,000 of which would be in Holt County (fed by a 60-mile diversion canal). The other 9,000 irrigated acres would be in Keya Paha with the water pumped directly from the reservoir.

The Niobrara River Basin Development Association, of which Drayton is president, estimates that new business to the area would total $67,500,000 annually. It would come from increased crops, better recreation and new business in Valentine, Ainsworth, Atkinson and O'Neill.

The dam and lake, surprisingly, have received little opposition from landowners—the normal hangup in most irrigation work. One reason, perhaps, is the fact that only 11 landowners would be forced to sell. Drayton says most are ready to sell now.

Landowners along the 60-mile canal have not voiced any major opposition so it appears that the project has clear sailing once Congress approves the funds. But the ecologists have been heard and they are not happy.

One of the major environmental arguments is that the lake would ruin several miles of ideal canoeing, especially at one of the few "white water" spots in Nebraska, called Rocky Ford, which Drayton said was never a "ford" but a dam site for what was known as the Bruce Mill, 1891–1903. It is 25 miles east of Valentine.

"Actually," Drayton said, "most of my canoeing friends have been rather quiet after a young lady lost her life last summer in Rocky Ford. It is no place to go canoeing unless you know how to go through those rapids."

Another argument by the ecologists is that the lake will destroy some of the Niobrara's stately birch trees.

"I don't like losing trees any more than do the bird lovers," Drayton said. "I've planted trees on my ranch since the day I arrived in 1936. I love ecology as much as any man on this earth but, sometimes, man must sacrifice a few trees to gain what in my opinion will be an even greater gain for nature as well as ranchers and farmers.

"Much has been said about the birch trees but hundreds of elms have died along the river—the victims of the Dutch elm disease. This can't be blamed on a dam. Nature sometimes kills itself."

Among the benefits to nature are these, according to Drayton:

A 4,000-acre wildlife preserve. Nothing will be touched—birch, oak, elm (those still alive) or any other trees. Even abandoned farms will stay put.

Smith Falls. Probably one of Nebraska's most beautiful and natural sites. It will be made available for public inspection. It now is on private land.

A controlled river rather than one that frequently floods.

Drayton said that there still will be at least 12 miles of canoeing available on the Niobrara from the Cornell Dam (Nebraska Public Power District facility) at Valentine downstream via deep canyons past the Niobrara National Wildlife Refuge to the west edge of the new lake.

Drayton, while taking this writer on a tour of the lake site, pointed out that much of the Niobrara to be flooded is too shallow for canoes. "It is very similar to the Platte River. The only way you could move a canoe would be to push it over sand bars."

The big reason for the project, he said, is the declining water level brought on by high pump irrigation in the O'Neill-Atkinson area.

Drayton said he was forced to fight the argument that the nation was undergoing grain surpluses and more corn production was not needed.

"The picture has changed," he said. "We now are being asked to produce more. I think this project has a good chance of getting through the appropriations committees in the next two or three years."

Drayton says that irrigation along the Niobrara, probably Nebraska's most scenic river, is old hat. An irrigation canal was proposed in the O'Neill area back in 1894.

The only other water taken from the river, which starts its flow in Northeastern Wyoming, is the Mirage Flats Project in Box Butte County. The Ainsworth Irrigation Project, which takes its water from the Snake River, is part of the same basin.

Drayton lives 8½ miles north of O'Neill. He came to Holt County from Orchard in 1936. He is married and has a son, Dennis, who now lives on the ranch; and a daughter, Mrs. Joan Montgomery of Denver.

Drayton said he first became interested in the project 15 years ago. He has made 13 trips to Washington; has made speeches, given slide presentation and took a group of newsmen for a canoe ride on the Niobrara.

The canoe trip, about five years ago, was to prove that there will still be plenty of canoeing.

Drayton has personally contacted most of the ranchers who would become farmers if the project is approved. He often shows colored slides of corn fields, sunsets and even wildlife.

"Heck," he added, "I've got wildlife on my ranch. I want to keep them there. I like Nebraska birds and bees, too."

ME FIRST

Mr. BROCK. Mr. President, Journalist Alan Otten has written another remarkable article in the Wall Street Journal, one which should receive wide attention. I would like to share it with my colleagues, so I ask unanimous consent that his article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

ME FIRST

Fertilizers increase food production in one country, but the run-off from the fertilized farmland pollutes a neighboring nation's rivers. The Aswan Dam in Egypt has been destroying fish resources in the eastern Mediterranean. Cloud seeding may bring welcome rain to one country but unwelcome drought to another.

These examples underline an increasingly troublesome question: Can nations work out new approaches and new institutions to cope with a world of growing technological complexity and interdependence? The problems press in: energy shortages, food shortages, air and water pollution, solid waste disposal, weather control, drug abuse, development of ocean resources, and many other major matters. The past and current track record is hardly encouraging.

"The old belief that growing interdependence among nations would breed at least a sense of common purpose, and more hopefully a genuine community of values, has proven a weak reed at best," observes MIT political scientist Eugene Skolnikoff, a former White House technology expert who has spoken and written widely on the subject. "Unexpectedly rapid growth in the relations and dependencies across national borders hasn't reduced strife, but rather sharpened divisions and distinctions."

Agrees Harvard law professor Abram Chayes, one-time legal adviser of the State Department: "It's generally recognized that none of these problems can be solved on the national level, and yet all signs are of a continued fragmented national approach, based on short-term national self-interest. We've come a long way since the 1930s, but we're still far short of what one senses to be the need."

It usually isn't too hard to get general consensus that a particular problem exists, or that in a vague way, something ought to be done about it. Occasionally, there's elementary international cooperation on research or exchange of information, and from time to time even real operating collaboration—a program to eradicate disease or loft a global communications network.

As the stakes rise, however—as technological developments become politically and economically more important and as questions emerge on allocating resources or enforcing international standards—parochial national and private interests come into play. More countries insist on being considered, and more inteersts must be satisfied. Conflicts sharpen, positions harden, and stalemate results.

Non-Communist powers line up against the Communist bloc. Poorer nations serve demands on richer ones. Richer nations jockey with each other. All the while, the accelerating peace of technological innovation shortens the time available for solutions.

Nations have cooperated rather well, Mr. Skolnikoff says, in keeping track of weather developments. Soon, however, scientists' ability to control and modify weather will pose prickly new puzzles. The uneven effects of cloud seeding have already been mentioned. Moderating a storm in one area may deprive another area of needed rainfall. Weather control could be a vital weapon of military and economic warfare. Who's to decide what each country may or may not do in this entire area?

Earth resource satellites offer tremendous promise—to find new mineral resources, spot crop disease, predict harvest yields. But, Mr. Skolnikoff asks, who's going to say how many satellites are to be sent up, what problems they're to probe, which countries are to share in their findings?

Or consider the current effort to work out guidelines on ownership and control of the mineral resources in the ocean depths. Major industrial powers, less-developed nations with long coastlines, and landlocked nations all dig in for maximum advantage; agreement seems as remote as when the effort started four years ago.

Acute crisis may, of course, catalyze joint action, but even crisis has its limitations. Under the canny leadership of Canadian Maurice Strong, the United Nations Environment Program has capitalized on world-wide concern over pollution and taken several significant steps to improve the world environment. But even Mr. Strong and UNEP haven't yet tackled most of the truly tough problems, where vital national interests are more directly at stake.

Similarly, predictions of possible world famine produced an international agreement last November to set up a world food reserve, with each country holding in reserve an amount of food set by an international agency. Basic questions remain, however, such as just who determines when the reserve stocks are to be released for use, and at what price? Major producing countries, including the U.S., have shown little enthusiasm for surrendering their right to answer these questions themselves. The issue, says one observer, is whether political forces will ever let the agreement work.

The Nixon administration's forthcoming attempt to get oil-consuming nations to agree on some joint approaches will provide an even sharper test of the efficacy of crisis. So far, certainly, each industrial nation, including the U.S., has resolutely pursued a short-term view of self-interest. *Once again, rhetoric may far outrun performance.*

"I'm afraid we're unlikely to get any change in national attitudes without crisis," says Mr. Skolnikoff, "and the trouble with crisis is the patient sometimes dies on the operating table."

Despite all the difficulties and disappointments, however, he optimistically believes that the momentum of technological development will untimately force nations to take a longer view of self-interest, and to accept greater international control over their activities. The alternative, he argues, is chaos or authoritarian action.

"The larger self-interest of all nations today is inevitably merged in the inescapable web of interdependencies that characterizes the technological civilization," Mr. Strong said recently. "This requires a cooperative approach to managing the interacting relations between resources—their development, distribution and use; technology—its orientation and use; and the minimal needs for sustaining human life and protecting the environment on which that life depends.

"These interlocking subjects must move to the top of the world's agenda for thought and action."

ESTONIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, on February 24, friends of Estonia throughout the world will commemorate the 56th anniversary of Estonian independence. It will be a day of rededication to the legitimate aspirations of the people of Estonia for freedom and security.

It has been a long night since Estonia was forcibly occupied in 1940, but the Estonian people—to their eternal credit and honor—have bravely managed to keep faith with their heritage and national identity.

Their heritage is a brilliant one. Estonians have distinguished themselves in every category of the arts, humanities, and sciences. In technology and agriculture their accomplishments are outstanding. Of special interest today, when the world's energy shortage dominates the news, is the fact that Estonia began mining oil shale in 1918 for use as fuel for factories and railroad engines. By 1921, Estonians had put in use a unique cracking process which created the impetus for a major oil industry.

During Estonia's period of independence from 1918 to 1940, Estonia was a model democratic state with a libertarian constitution and a notable land reform.

On Estonian Independence Day, let us express our support for the people of Estonia and for the fine Estonian community in the United States.

THE ENERGY EMERGENCY BILL

Mr. HANSEN. Mr. President, when frustration and emotions are running high it is difficult to consider a serious problem objectively. Understandably, most Americans are concerned about rising prices. They are worried about inflation. They are desperately anxious about their jobs—and, well they should be.

Because I believe the Wall Street Journal has focused considerable light upon an emotionally charged issue, I ask unanimous consent that an editorial appearing in the February 21 issue be inserted in the Record.

I submit that its logic is irrefutable.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE SENATE'S SLOW LEARNERS

If nothing else, the four months the Senate has spent thrashing around on the "emergency" energy bill should have resulted in the education of a few Senators. Alas, four months is not long enough. By a 67-to-32 vote, the Senate Tuesday finally coughed forth the fruits of its deliberations, one that qualifies at least 67 members for a course in remedial economics.

We say at least 67 because a number of those who voted against the package, Mr. Abourezk of South Dakota for one, believe nothing short of a government takeover of the oil industry can solve the energy crisis, a state of mind that remedial studies would not improve.

The slowest learner of the bunch, however, is Sen. Henry Jackson of Washington, still fixed with the notion that the United States can make itself independent of foreign oil producers by holding down the price of domestic oil. A barrel of foreign crude fetches about $10. So does a barrel of crude from new domestic fields or from stripper wells, those wells that had been abandoned in years past because the going price for crude was so low that it was uneconomic to pump them. Oil from these two sources has been exempt from price controls.

Mr. Jackson's contribution to the energy bill is a "rollback" of all domestic oil to the government-set price of $5.25 the barrel for "old oil." His measure would permit the President to raise this to $7.09, but no higher. In effect, it would take away authority the President now has to decontrol crude oil prices entirely.

For some time, Mr. Jackson has been arguing that freeing new wells from price controls has produced an "oil loophole"; that is, to take advantage of the higher prices of uncontrolled oil, an oilman can cleverly dig a new well next to a new well and presto, he has some more unregulated oil. Teams of Senators from the oil states took turns trying to explain to Mr. Jackson that if this were true it would be good, not bad, because oil theretofore not being produced would be produced, and eventually find its way into the gas pumps of Spokane, Flatbush and Elizabeth, N.J. But to no avail.

Nor was Senator Jackson moved by Senator Gravel's lucid argument that if world oil is at $10 and all U.S. oil is held to $5.25, U.S. producers will not be able to compete with the rest of the world in buying "anything they need to drill for oil. . . . are we talking about an embargo on steel pipe, or the technology, or an embargo on the cybernetics?" Mr. Jackson's retort is that $5.25 a barrel is plenty.

Meanwhile, the whole Northeast corridor is suddenly outraged to find there is plenty of foreign gasoline around, and legislators in New Jersey and Connecticut are running around the Federal Energy Office to broker shipments that run to 50 cents a gallon and up. This roughly translates into $20 a barrel. In other words, at the very moment U.S. Senators are attacking the crisis by voting to halve the price of new domestic crude, state politicans are attacking the crisis by going out and finding foreign-produced black-market oil at double the world price. Of course, if the Senate's energy bill became law, X number of domestic wells would shut down and more state legislators would have to get into the business of brokering foreign gasoline at speculative prices.

Fortunately it now appears the legislation will pass into oblivion. In its wisdom, the House Rules Committee yesterday reported the bill, but refused to waive points of order. The House thus has a chance to vote separately on the rollback provision as well as the title that authorizes gas rationing. If either provision is deleted, the bill will be dead. And if the House, too, has learned nothing about the law of supply and demand in the last four months, and agrees with the Senate, surely Mr. Nixon will veto the bill.

Before the Congress returns to its deliberations on "emergency" energy legislation, a process likely to take another four months, it would be nice if it took time out to adopt a simple measure energy czar William Simon has requested. Mr. Simon would like to eliminate the crude-allocation program, which Congress forced on him at the beginning of the emergency. The program is discouraging the importation of perhaps a million barrels of crude oil every day, an amount the folks in Spokane, Flatbush and Elizabeth, N.J. would be pleased to get their hands on. When it comes to learning things, Mr. Simon is well ahead of the folks in Capitol Hill.

RIO GRANDE YOUTH CARE PROGRAM

Mr. MONTOYA. Mr. President, last year, I was pleased to bring to the Senate's attention the southwest juvenile delinquency program, a guidance program for the youth of New Mexico.

After a year when seemingly every good precedent was diminished, I am proud to commend to the Senate another successful social project, the Rio Grande youth care program.

The Rio Grande project began in Los Lunas, N. Mex., on September 1, 1972. It sprang from the Governor's report which recommended investigations about such problems in the school system as drug and alcohol abuse, veneral disease, racial tension, and an overall lack of communication between parents and children, teachers and students.

The main purpose of the program is to assist the youth and parents of Los Lunas and the surrounding communities in dealing with drug education, vocational and training programs, schools, and law enforcement agencies.

The resutls of the Rio Grande youth program have been excellent. A boxing club developed at the program's youth center has attracted thousands to its events, and provided well-staffed activities for many young people; a group of parents, the Concerned Parents for Youth Development, has been formed to assist the youth center with local program; the Valencia County Commission has aided the youth program by keeping books; and the county's department of roads has graded the land for a new youth center.

Since its inception, the Rio Grande project has served hundreds of young people. Referrals from police, parents, and community drug and health programs have been encouraging.

Mr. President, much remains to be done, and it is through vision and coordinated activities such as may be seen in the Rio Grande youth program that new, satisfying progress begins.

My thanks go to all the parents, staff workers, community workers, and others, who have worked hard on this program. I commend the clients of the program for their attempt to make the Rio Grande project an effective outreach program. Without the first few brave, troubled young people, who try to improve and enrich themselves, the Rio Grande program would have faltered.

Finally, my special thanks go to each of the members of the board of directors of the Rio Grande youth and health care program: Mrs. Eva Chavez, representing Peralta; Roy Jaramillo, Robert Iverson, Arthur Castillo, Joe L. Acolla, Debra Carasco, and two youth representatives, David Perea and Patty McDevit.

I know that Senators will join me in praising this effort to help the youth of America.

UNITED MINE WORKERS

Mr. BROCK. Mr. President, a free society is not the easiest form of Government to establish or maintain among a people. Its advantages clearly lie in the benefits that accrue to its members when participation is open to all. It is in this regard that I would like to draw the attention of my colleagues to the difficulties being experienced by the United Mine Workers in their struggle to regain an operating democratic system of representation.

In its December constitutional convention, the first since new UMW President Arnold Miller took office, the union progressed toward more open decisionmaking and more aggressive representation of its members, wrote Bob Arnold in the Wall Street Journal January 31, 1973:

> But the new rights bring with them difficult problems.

He added:

> Among them, are the problems of educating members in the complexities of the bargaining process.

That may be so, but the advantages of a strong democratic representation in the long run will far outweigh these initial reorganizing pains. Moreover, there is a moral if not legal obligation for a bargaining agent to "represent" its members in the true sense of that word. Mr. Miller should be commended for his efforts, and I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The UMW Tries a Bit of Democracy

(By Bob Arnold)

Pittsburgh.—Like an ingenue involved in her first love affair, the new reform administration of United Mine Workers President Arnold Miller went into its first constitutional convention here somewhat naive and a little reckless.

By the time the two-week long affair ended earlier this month, the Miller regime had lost much of its innocence. It had made some major mistakes and obviously has a lot of maturing to do before it challenges the coal operators in next year's negotiations.

But, with all that, the convention's achievements were considerable. After years of John L. Lewis' iron hand and Tony Boyle's machinations, the meeting undoubtedly was the most democratic in the UMW's history. Every delegate was given his say until the majority voted to close debate. Moreover, the union's constitution was completely rewritten, establishing the autonomy of district and local unions that previous UMW leaders had usurped. And controls were established to keep these bodies in line.

After long debate, the delegates also did away with the cause of much recent union corruption by sanctioning steps Mr. Miller already had taken to dilute the voting strength of the union's 81,000 pensioners, fully 40% of the UMW electorate. In past elections, under other administrations, retirees were alternately bribed and threatened with loss of their pensions unless they supported incumbent union officers.

The delegates also insured rank and file input into formulating bargaining demands. And they created a system for rank and file approval of industry-wide pacts, the first time in UMW history miners will have had that privilege.

On another front, Mr. Miller won the right to move the union's headquarters to a coalfield site somewhere between Charleston, W. Va. and Pittsburgh from Washington, where he said, "If you're heisted and don't have $40, they shoot you."

SOME MILLER FAILURES

But the Miller administration's failures also were notable and could have long-lasting effects. Mr. Miller was unable to push through a revision in the contract between the union and the coal industry which would have streamlined the procedure for settling work grievances and thus help stem the rising number of wildcat strikes. The union, in fact, had initiated talks on the revision and the industry had agreed to a compromise proposal last month. But the delegates voted it down.

And, except in District 20 which comprises

Alabama, Mr. Miller failed to dissipate blocks of opposition in many of the districts which voted for then-incumbent W. A. (Tony) Boyle in last year's court-ordered UMW election. Surprisingly, Mr. Miller found less than total support from areas that previously had backed him in the union election—western Pennsylvania and Ohio.

Moreover, in his zeal to demonstrate his administration's much publicized democracy, the UMW leader often demurred from speaking out on the floor for issues he favored. And his own followers, many attending their first convention and unschooled in open-meeting tactics, neglected to support such issues at opportune moments. Thus an administration-backed strike fund proposal failed by a handful of votes.

Complete freedom of speech reigned on the convention floor and when a delegate didn't understand a point he usually stepped to the nearest floor microphone to ask about it. The first day ended when a delegate shouted, "We fellas down here are getting awful thirsty watching you fellas up there drink water all day. We want some water." The next day there was water for the delegates as well as in pitchers on the rostrum. Disconcerted by the disorder, the convention's planners frequently held all-night sessions to rearrange the presentation of issues.

But while the internal politicking raged, three issues attracted near unanimity. The miners agreed to a one-year assessment of 10 cents a week each (or about $800,000 total) to support the UMW's recently formed coal miners political action committee, which will lobby for their interests. With barely a second thought, they approved a host of expensive bargaining goals emphasizing tougher safety guarantees and fringe benefits. And they sent to the coal industry and the government a message reflecting their recent frustrations. Unless we get sizeable gains, it went, there's going to be a strike next Nov. 12 (when the current contract expires).

The delegates, mindful of the dictatorial control of past UMW leaders, balked at first at a constitutional article empowering the international to suspend or limit the autonomy of districts and locals for specified transgressions. But after a heated debate, the measure passed by a narrow majority, and it seemed that Mr. Miller had unified the convention. But in the final four days of the convention, that facade crumbled.

The first important stumbling block came on a vote to approve an administration-backed dues increase of $4 per active member, to $9.75 monthly. The money was to be split one-third each to a man's local, his district and the international. But the delegates wanted more money for their locals and districts and on the UMW's first roll call vote since 1936 they voted down the administration's proposal. An open forum then was held at which it was determined that the delegates wanted $4 at the regional levels. So both sides compromised, keeping the percentage split and raising the total to $12, a figure that passed easily.

Each side claimed victory, but most observers felt the administration had come up shorthanded on two important counts. The increased money the locals and districts won likely will give them more freedom than the international wants them to have, at least until Mr. Miller can more firmly consolidate his support. And miners from some districts deluged their delegates with complaints on the larger-than-expected dues increase. This, in turn, helped scotch an administration-backed $1000 million strike fund proposal, which failed the next day.

THE BITTEREST ISSUE

Then came the bitterest issue of the whole convention—pensioner rights. The constitution committee proposed formally disbanding locals with fewer than 10 working members and transferring retirees in such "bogus" locals to nearby active groups. Mr. Miller's aim, he said, was to stop union corruption and the mistreatment and manipulation of elderly retirees by candidates for union office seeking their votes. But the issue became an emotional rallying point for the anti-Miller groups, whose loud protests sent the proposal back to committee.

On the next-to-last day of the convention, Mr. Miller's forces succeeded in reintroducing the "bogus locals" proposal and getting it passed unchanged.

But this victory turned into a stunning defeat the following day on what was to have been the convention's crowning touch—approval of the streamlined grievance procedures. Mr. Miller already had negotiated with the coal operators and his staff thought the measure would be approved easily. But the ingrained coal miner's distrust of big business and his own union's leadership, combined with the thirst of Mr. Miller's opponents to retaliate for his actions the day before, was enough to stymie what the delegates saw as last-minute sleight of hand.

The defeat was ironic. Mr. Miller was not bound by either the union's constitution or the contract to submit the proposal to the delegates. And it was voted down largely by Boyle supporters though Mr. Boyle himself had initiated talks towards such a revision back in 1971.

Taken as a whole, the convention moved the UMW toward more open decision-making and more aggressive representation of its members. But the new rights bring with them difficult problems.

Not only is the convention's collective bargaining report shocking in the size of the goals it lists, it's also specific. For instance, it includes a demand that royalty coal operators payments into the union's welfare and retirement fund be tripled from 80 cents a ton on UMW-mined coal to $2.40 over the course of a three-year contract dating from the expiration of the current contract next Nov. 12. The extra money would be used to raise pensions to $500 a month from $150 now, as well as create dental and optical care programs and other fringe benefits.

The demands also call for a cost-of-living wage escalator of about one cent an hour for each 0.35 percentage point rise in the Labor Department's Consumer Price Index. And it demands 30 days a year of paid sick leave compared with none now—a goal the delegates listed first in their voting on bargaining priorities—as well as four weeks' vacation a year compared to two now.

PUTTING IT ON PAPER

The trouble with publicizing such specific goals, one district president says, is that "when you put it on paper, a coal miner thinks he's going to get it." That, plus the failure of the revised grievance procedure, means that Mr. Miller's staff and the union's district officers have a formidable communication task to perform if rank and file contract ratification is to work.

Mr. Miller, in his first try, made a favorable impression on most of the delegates, much as he has with his industry counterparts. "He's honest, sincere . . . pick any good adjective and it applies to him," comments the chief executive of a large coal company.

Nevertheless, there were times during the convention when the UMW chief failed to display the assertive leadership role he'll have to assume if he is to sell a less than perfect contract to his own district leaders, who must, in turn, sell it to the rank and file. By convention's end, even some pro-Miller delegates were complaining, "We've got too much democracy in our union."

WYOMING CALLS FOR COMPLETION OF LYMAN PROJECT

Mr. HANSEN. Mr. President, the Wyoming State Legislature recently approved a joint resolution which I would like to call to the attention of the Members of the Senate. This resolution calls for the completion of the Lyman Irrigation Project in Wyoming. Not only does this project have the support of the State legislature, it has also been endorsed by the Governor and the Members of the Wyoming congressional delegation.

Because of the acute need to develop and maintain a strong and viable reclamation program, I commend the resolution to the Senate for its consideration and ask unanimous consent to have it printed in the RECORD. To further delay this project will not be in the best interests of our Nation and would impose a hardship on the people in Wyoming.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

ENROLLED JOINT RESOLUTION NO. 2

A joint resolution requesting the United States Government to immediately complete its contractual obligation for the Lyman Project, now five years behind schedule.

Whereas, the Bridger Valley Water Conservancy District, a legal entity under the laws of the State of Wyoming, was organized specifically for the purpose of contracting with the United States Government for construction of the Lyman Project, an original participating project and Wyoming's entitlement under the Colorado River Storage Project Act of April 11, 1956 (70 Stat. 105); and

Whereas, said contract was executed in good faith on April 8, 1964; and

Whereas, the United States Government acting through the Bureau of Reclamation has completed approximately seventy percent (70%) of its obligation with the construction of the Meeks Cabin Dam and Reservoir on the Blacks Fork; and

Whereas, said contract called for completion of the total project in 1969, but construction of the second dam on the Smiths Fork has not commenced five years after it was to have been completed; and

Whereas, a tax disparity exists because the Smiths Fork subscribers are unable to benefit from stored water as are their neighbors on the Blacks Fork, making it impossible for the conservancy district to fulfill its obligation to the people of this State and the purpose for which it was organized; and

Whereas, now more than ever, water storage is vital if shortages in food commodities are to be overcome;

Now, therefore, be it resolved that the Legislature of the State of Wyoming, both Houses concurring therein, respectfully insist that the United States Government complete its obligation under said contract and requests immediate construction of the second dam on Smiths Fork, the unfulfilled thirty percent (30%) of said contract.

Be it further resolved that certified copies hereof be promptly transmitted to United States Senator Gale W. McGee, United States Senator Clifford P. Hansen, Congressman Teno Roncalio and Secretary of the Interior Rogers C. B. Morton.

THE FEDERAL BUDGET AND THE CITIES

Mr. JAVITS. Mr. President, I ask unanimous consent that a review of the President's budget entitled "The Federal

Budget and the Cities" prepared by the National League of Cities and the U.S. Conference of Mayors be printed in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

THE FEDERAL BUDGET AND THE CITIES

PREFACE

The National League of Cities and the U.S. Conference of Mayors are the two organizations which jointly represent the nation's cities in Washington. With offices located in the nation's Capital for more than 40 years, the League and the Conference have developed what we believe is a highly professional staff.

The League, founded in 1924, and the Conference, founded in 1933, combined staffs in 1969, but remain separate entities, with each organization maintaining its own president, board of directors, policy committees and executive offices.

This study, "The Federal Budget And The Cities," is the third edition of an annual series. It is prepared by League and Conference staff under our direction in accordance with League and Conference policies adopted at annual meetings by locally elected officials.

The federal budget, submitted to the Congress on February 4, represents President Nixon's proposed financial plan for the Federal Government for the year beginning July 1, 1974. It not only takes into account economic and other factors, it also sets forth the priorities which he deems essential to carry out his plan.

The budget is a political document expressed in accounting terms. It is the single most important federal document published each year. It is the vehicle for the most important and comprehensive collection of priority decisions which our society makes in the course of a year.

All too often the public does not pay sufficient attention to the implications contained in the budget. The reasons for this public inattention are clear enough. The budget is not one document but four, ranging in size up to the 1,100-page budget appendix. It is highly complex and it abounds with numbers whose meaning are often elusive.

Although the budget reports the results of the hard decisions among competing priorities, the budget does not indicate which choices were the most difficult or what plausible alternatives were available.

This report, "The Federal Budget And The Cities," examines the budget from the urban perspective. The report contains 19 chapters. The first chapter offers a budget overview and explains the implications of the budget on cities. The 18 other chapters deal with specific topics.

ALLEN E. PRITCHARD,
Executive Vice President, National League of Cities.
JOHN J. GUNTHER,
Executive Director, U.S. Conference of Mayors.

OVERVIEW

The budget of every President is a statement of how his administration's priorities will be translated in terms of dollars, programs, and strategies in the coming year. Framed as a proposal for legislation and appropriations, it sets the tone of a dialogue with Congress and charts a direction for the country.

The budget is also an economic tool. It affects—and is affected by—the economic forces in play at home and abroad, and it signals how the Administration intends to deal with those forces.

City governments have a vital stake in the outcome of the federal budgetary process. Being at the end of the line of the intergovernmental system, they are greatly concerned about how many resources and responsibilities are allocated at the top, and how those allocations flow down to, through, or around the state governments to the municipalities and, ultimately, the people.

Both those who govern cities and those who live in them, in whose behalf the National League of Cities and the U.S. Conference of Mayors speak, therefore approach every Presidential budget with such questions as:

How do the President's priorities relate to our own priorities?

How do the resource allocations relate to our needs?

How do the responsibilities given to City governments match up with their powers and resources to deal with them?

How do federal social and economic policies affect us?

In the transfers of money and authority, who pays and who benefits?

What is happening in our cities and beyond them that requires revision in both national and local priorities and allocations?

THE NEW FEDERALISM

President Nixon's budget for the fiscal year ending June 30, 1975 is the largest in history. It asks Congress for $304.4 billion in outlays.

The budget projects both gains and losses for programs affecting the residents and governments of cities, which are dealt with in detail in this report. Inflation is cutting the gains and accentuating the losses.

The impact of general inflation and soaring fuel prices is best illustrated by the statistic that proposed federal grants-in-aid to state and local governments will increase by $2.5 billion next year, but they actually will need an increase of $3.1 billion just to maintain the same $44.1 billion purchasing power they have this year.

One remarkable feature of the FY 75 Budget is that despite the fact that U.S. military involvement in Vietnam has ended, the President advocates an unprecedented increase in defense spending. Thus, he asks for the highest peacetime military budget in U.S. history, higher even than during the Vietnam War. By contrast, the first peacetime budget after World War II was a fourth of the previous year's military spending, and the first post-Korean War defense budget was down 30 percent.

On the other hand, the League and the Conference are encouraged by the fact that the budget demonstrates President Nixon's firm commitment to the New Federalism. This means decentralizing the federal system, consolidating overly narrow categorical programs into block grants, and recognizing that the authority to manage local opportunities and problems is best left to those who have the responsibility to deal with them, namely municipal governments and their elected leaders.

The budget's major thrusts in the direction of New Federalism are in significant initiatives in community development, transportation, and education:

The President's Budget Message supports enactment of the Better Communities Act, which would provide $2.3 billion in block grants for community development. This legislation is nearing a critical stage in the Congress. The League and the Conference believe there is no higher priority than its enactment.

The Unified Transportation Assistance Program would give cities some choice in whether to use federal funds for highways or mass transit.

Consolidated education grants would decategorize many school funds. The budget proposes to double-up the FY 74 education appropriation so school districts thereafter would know how much to expect for the school year in which the money is to be used.

There are some other aspects of the President's strategy worth noting. As in the past, in the pursuit of his plan to put more money into the pockets of people and less into programs for people, the President's budget stresses ending such direct service programs as alcoholism treatment, and withdrawing federal support for institutions of higher learning, in favor of scholarships and loans to students. We favor direct aid to students and other individuals. We are concerned, however, that vital institutions that serve public purposes may not be able to survive on client payments alone.

The Administration also is holding the line on its intention to dismantle the Office of Economic Opportunity and end the Model Cities program as such and the Community Mental Health Centers program.

The new mood

If the budget shows the Administration's direction remains essentially unchanged, its tone is strikingly different. Last year it was "take it or leave it". This year the mood is one of conciliation and compromise.

At one of the innumerable briefings that occupied the weekend before the budget formally was transmitted to the Congress, Treasury Secretary George P. Schultz said, in keeping with the new mood, "I've given up on fighting" Public Service Employment.

Later, at a briefing on his department's budget, Health, Education and Welfare (HEW) Secretary Caspar W. Weinberger said, "For some programs that we proposed for termination last year, we have adopted a modified position . . . In a number of areas, where Congressional intent has been clearly indicated, we are prepared to continue in the indicated direction."

Gone now is the harsh budget language of a year ago that was peppered with the unsupported judgments that such urgently needed city programs as urban renewal were "not working", and the stern notice that the Congress must accept a budget ceiling.

Pluses and minuses

From the perspective of cities, the FY 75 Budget asks the Congress for less money next year than this year for education, environmental protection, public health services, mental health, drug and alcohol abuse, summer youth program, and the Economic Development Administration.

From the perspective of many people who live in cities, there are offsetting gains in the FY 75 Budget for medical payments, social insurance, food stamps, and higher education assistance. National Health Insurance is featured in the budget, but that has not been approved by Congress and it won't be available for three years at the earliest.

Among other programs that help local government operations, the budget recommends about the same level of spending for other manpower programs, social services, law enforcement assistance, and the Intergovernmental Personnel Act as in the current fiscal year. A level amount, however, represents a net loss to the cities because of inflation.

On the plus side, there is more money in the FY 75 Budget for the Department of Housing and Urban Development (HUD), but Congress has not yet authorized a key part of it—$2.3 billion for community development block grants.

Another major increase for cities is in transportation, but this is tempered by the facts that there is as yet no Congressional authorization and that some cities might lose urban highway funds.

There is also more money in the budget for public service employment and for veterans education and jobs.

General revenue sharing

For the second year in a row local officials under the General Revenue Sharing program are receiving funds from Washington on a predictable basis with a minimum of federal interference. Decisions about spending these funds are being made at the local level through the local political and governmental processes.

At the city level we have seen that General Revenue Sharing funds have been used to restore and improve basic city services, stabilize the spiraling local tax rate, create and expand innovative local programs, increase the involvement of local citizens in decision-making, and develop locally more effective and responsive planning and priority setting mechanisms.

As of last month, over $11.2 billion had been distributed to state and local governments.

We are encouraged that the Administration has again budgeted the full amount authorized by the State and Local Fiscal Assistance Act of 1972. However, we caution that two factors independent of the program and beyond the control of city hall could seriously undermine the objectives of the keystone of the New Federalism—inflation and the cutback in federal categorical programs.

We stress also that the continuity and dependability of General Revenue Sharing funds is imperative. Therefore, the National League of Cities and U.S. Conference of Mayors attach great importance to the full and continued funding of this program without being susceptible to the vicissitudes of the annual Congressional appropriations process.

Impoundments

One of the key controversies after release of last year's budget was the extensive use of executive impoundment to reduce federal expenditures as a curb to inflation and a means of reforming grant programs.

Throughout the year, the Administration pursued its impoundment policy in spite of stern Congressional opposition and more than 30 court decisions that ruled such action illegal. Although the exact extent of the impoundments is still in dispute, the figure surely will exceed $10 billion.

In this year's budget, the Administration has attempted to make the impoundment controversy inoperative. In the name of stimulating the lagging economy, the President removed the tough fiscal restraints that were his rationale for last year's impoundments. The Office of Management and Budget (OMB) introduced the terms "reserves" into the "Budget In Brief" glossary.

At last weekend's briefings, Frederic V. Malek, OMB's deputy director, announced that the Administration would limit other than "routine reservations" to $3 billion in FY 75 water pollution control construction grants and the Congressionally-sanctioned reservation of $400 million in FY 74 HEW appropriations.

In enacting the amendments to the Federal Water Pollution Control Act in 1972, the amount the Congress set aside for water pollution control construction grants through FY 75 was $18 billion. If the Administration's proposed $3 billion impoundment for FY 75 remains in effect, exactly half of the $18 billion authorized thus far will have been held back through the end of next fiscal year.

The impoundment of money intended for this purpose is an outstanding example of the Administration delegating responsibility to local governments while providing less money for them to meet it. Under the 1972 pollution control amendments, sewage treatment plants managed by municipal government are required to achieve secondary treatment of sewage by July 1, 1977, and to apply "the best practicable waste treatment technology" by July 1, 1983. Thus, municipalities are faced with both immutable federal deadlines and inadequate federal resources.

In analyzing the budget, however, the League and Conference staff identified a $375 million impoundment in urban highway funds. Mr. Malek explained that was merely a "routine" matter. Studying the budget, our staff also found confirmation of HUD decisions to increase the impoundment of community development funds to more than 60 percent of those supposed to be available for FY 74.

The Congressional appropriations committees require OMB to submit a list of impoundments by Feb. 19. Only by scrutinizing that list can we be sure that all of the other impoundments are indeed "routine."

After the Congress reacts to the Administration's calculus of "reservations", it will have to pay attention to reforming its own fragmented and undisciplined system of dealing with fiscal and budgetary issues. Only then will Congress be in a good position to establish a legal mechanism to prevent unilateral executive impoundments.

More power to the States?

The President's budget expresses a strong commitment to state and local government. Federal statistics do not separate the state from the local outlays; so it is not possible to track them separately nor to ascertain whether as much of the funds flow down to the local level as are both granted and needed.

The budget reflects both gains and losses in the state/local ledger:

A gain is the recently enacted Comprehensive Employment and Training Act (CETA), which will provide direct funding to city governments.

On the loss side are such items as the Administration's drive to increase, at the expense of local governments, the states' share of funds for drug abuse, comprehensive areawide planning (Housing Act Section 701), the Economic Development Administration, and some HEW programs.

Transition

In analyzing how this and previous Administration budgets relate to urban priorities and the New Federalism, a key issue is transition. The Administration's pattern has been to stop the flow of categoricals before compensatory block grants are even approved, let alone ready for distribution. The FY 75 Budget repeats the pattern in proposed funding for community development, housing, health and other programs.

The cities welcome the added flexibility of block grants, but they need full funding fully as much as the flexibility. Moreover, they cannot afford the loss of momentum while the system is changing gears.

We are compelled to reiterate what we said last year on this subject in our analysis of the FY 74 Budget:

The long-run support of city governments, and of their taxpayers, for the needed intergovernmental reforms will depend on how well the transition to the new grant system is managed and funded. Momentum has been building in the complex urban programs that are intended to deal with real human needs. If that momentum is lost, then money would be saved, it is true. But the viability of cities may be lost, as well. That would be too great a price to pay.

The budget and the economy

The budget is haunted by inflation, recession, and the energy shortage. Faced with a seven percent inflation rate, a mere one percent actual growth rate in the economy, and a 5.5 percent average unemployment rate, the Administration is precariously balanced between the possible inflationary push of public spending and the probable downward drag of a potential recession fueled by material shortages.

While the Administration calculated the increase in fuel costs to the Pentagon, in part to justify its highest-ever $85.8 billion defense budget the same factor was not cranked into the domestic budget. Herbert Stein, Chairman of the President's Council of Economic Advisers, admitted to state and local government representatives that inflation was not taken in account in setting funding levels for state and local government programs.

Our own conservative estimate is that inflation could wipe out at least $900 million of the $6.2 billion in General Revenue Sharing funds that were authorized in FY 73 for FY 75.

Moreover, despite rising prices, HUD's proposal for an initial funding level for community development block grants of $2.3 billion for for FY 75 is the same sum proposed for the same purpose last year, and the year before.

As for the budget's economic impact, OMB's Malek told representatives of state and local governments that "the President is going to bust this budget" if he has to stimulate the economy.

The Administration is buoying its spirits with a long look down the road to better days when all its strategies will have succeeded. Dr. Stein summed up the attitude in these words to state and local government representatives:

"A great deal of courage, discretion, and nerve will be required to manage the economy in this time. . . . We hope you will not stop with our forecasts for 1974. 1974 will pass, and it is the long run that counts."

The long run may count to some economists, but city government must deal with the short run, too. In the short run, they face a shortfall of federal funds magnified by inflation, and a much higher rate of unemployment among some part of the urban work force than the "average" rate that worries federal policy makers.

CONCLUSION

The budget requires analysis as both a governmental and an economic document. These two aspects of the budget merge in the discussion of funding levels for governmental programs.

From the point of view of city governments, then, this budget would give them less money and more responsibility.

As a governmental document, the President's budget shows a still strong commitment to greater flexibility for city governments in the use of federal funds. Of this we approve.

The difficulties lie in the budget's ordering of priorities, the sufficiency of resources, the gaps in the transition from the old to the New Federalism, in light of both inflation and urban needs, and the uncertainty of the flow of funds to the cities. These issues demand resolution.

As an economic document, the budget's impact on the economy can be characterized as moderately restrictive.

Taken as a whole, the budget embodies many of the attributes of the New Federalism. It advances the concept of flexible funding. It facilitates the shift of some responsibilities from the federal to the state and community levels of government. It contains some features that may tend to mitigate the effects of the predicted levels of unemployment.

On the other hand, the budget raises a set of questions, some of which could grow in urgency if economic conditions and trends do not conform to the Administration's predictions:

The budget plan is sparse when it comes to measures to deal with inflation.

It has limited ability to respond if unemployment rises beyond expectations.

It favors defense spending as a means of generating jobs over such alternatives as greater social and environmental protection expenditures.

It shifts responsibilities from the federal government to other levels without shifting a commensurate amount of Federal funds.

It does not adequately address the problems of transition from Federal to other levels of responsibility.

Apart from the foregoing, the plan of action embodied in the budget raises some troublesome issues of equity. Continuing inflation, shortages, and rising rates of unemployment are the results of government policies or the failure of government policies, predominantly at the federal level.

The question, then, is who should bear the costs of these policies or their failure; or how should the costs be spread so that reasonable equity is achieved?

Should the unemployed and the low income citizens bear the predominant burden; or does the plan of action in the budget permit an equitable sharing of these costs? This is what the independent truck drivers are asking today along with the others who are feeling the first impacts of the energy shortages and the increasing burdens of inflation.

This, too, is a good question for the cities on whose doorsteps collect the unemployed and the poor. At the same time, inflation adds great burdens to municipal costs.

In this and many other ways cities are victimized by the failures of public policy and the inadequacies of the federal budget.

The President has submitted his budget. Now it's up to the Congress.

BUDGET HIGHLIGHTS

Community development and housing

HUD funding would increase by $3.5 billion in FY 75, but most of that gain turns on enactment of $2.3 billion in community development block grants. More than $1 billion may well remain impounded, while old programs, such as urban renewal, try to survive on stretched out funds during the transition to the New Federalism. The Administration's emphasis on Section 23 leased housing for low income families will put some $640 million into a new approach to this successful assistance program, while the freeze continues in other housing programs.

Drug abuse and alcoholism

For the first time in six years of intensified effort to curb drug abuse, overall funding will be cut—by some $15 million. Drug prevention activities will lose $55 million, but spending for law enforcement, primarily for overseas agents, will go up $40 million. Alcohol abuse funds will be slashed from $218 million to $100 million.

Economic Development Administration

Budget authority for this agency's long-range economic development aid will be cut by almost a third, and the multi-stage regional commissions would lose $7 million.

Education

Major elementary and secondary education programs, including impact aid, will be consolidated—Congress willing—into a block grant. Major programs for school districts would lose nearly $500 million, more than half of that in emergency school aid. Assistance to students in higher education would nearly triple. The budget includes an FY 74 supplemental request for $2.8 billion in advance funding for school districts so they will hereafter know how much to expect in federal aid before a school year begins.

Energy

Emphasizing fuel supplies far more than conservation, the budget proposes $2 billion in obligations for energy research and development under a five-year program to achieve national self-sufficiency. A Federal Energy Administration (FEA) would be created to coordinate such activities.

Environment

Of the $7 billion authorized for water pollution control construction grants in FY 75, the Administration will impound $3 billion, bringing the total amount held back so far to one half of the $18 billion Congress intended to be spent. On the other hand, the budget asks for more money than last year for air pollution and noise abatement efforts. The program level for solid waste management and energy recovery will remain the same as last year.

Health

Squeezed between growing demands for individual medical assistance payments and commitments to research in heart disease and cancer, some traditional public health programs will be cut or ended. Among the casualties are Hill-Burton hospitals construction, mental health centers construction, maternal and child health programs, and aid to schools of public health. Block grants to state and local health departments will stay level at $90 million. The Administration proposes to create new health planning and regulatory agencies in place of state and local comprehensive health planning councils, regional medical programs, and Hill-Burton agencies.

Intergovernmental Personnel Act

The program level for this aid to state and local government personnel administration will remain at about last year's level, $14 million.

Law Enforcement Assistance Administration

The Justice Department's administrative portion of the LEAA budget will increase, but the state and local $733.1 million share will be at about the same level as this year.

Manpower

Of next year's Labor Department budget, $1.7 billion is slated for allocation to state and local manpower activities under the 1973 Comprehensive Employment and Training Act (CETA), a key feature of the President's block grants program. The budget also requests a supplemental appropriation of $250 million for public employment programs authorized under Title II of CETA in areas where unemployment is 6.5 percent or higher. Approximately $300 million, a decrease from this year, is sought for summer youth programs, with levels to be determined by prime sponsors. No funds are requested for public service employment for the elderly.

National defense

The President seeks a $6.9 billion increase in military budget authority next year, compared with recurring defense obligations this year. This first post-Vietnam War military budget is the highest in America's peacetime history and is unprecedented also in that defense budgets went sharply down after World War II and the Korean conflict.

Office of Economic Opportunity

OEO is being dismantled, and no funds are requested for the agency in FY 75. All the programs within OEO have been transferred to other agencies, with the exception of Community Action Operations, which are being discontinued. Other OEO programs are being assimilated into HEW, HUD and the Labor Department. Authorizations for certain R&D programs, the Native Americans Programs, and Headstart expire in June, 1974.

Rural development

USDA's Farmers Home Administration requests $1 billion in loans for water and waste disposal systems, community facilities and industrial development, an increase of $280 million over FY 74.

Transportation

The Department of Transportation's budget indicates a higher priority on mass transit than in previous years, an overall reduction in the commitment to urban highway programs and about the same level of funding for airport planning and construction as last year.

Veterans

The budget provides an 8 percent increase or $17 per month more to GI Bill users, which is less than a cost-of-living increase (cost-of-living is up 12.8 percent since the last GI Bill increase).

Welfare and income security

The budget request for income security programs is $15 billion higher than the amount spent in FY 74, largely because of a $10 billion increase in social security payments, a $2.6 billion rise in Supplemental Security Income payments, and a nearly $1 billion jump in food stamp payments.

NATIONAL ECONOMIC IMPACTS AND TRENDS

The federal expenditures and receipts presented in the FY 75 Budget are more than a composite of specific policies, programs, and taxes which the federal government plans to pursue in the fiscal year July 1, 1974 to June 30, 1975. Expenditures and receipts included in the budget, as a whole and for specific types of programs, are likely to have a significant impact on national economic activity—production, employment, and prices.

In addition, the budget incorporates many specific assumptions that the President's Council of Economic Advisers has made about how the national economy will perform during 1974 and 1975. These assumptions need to be understood to comprehend the significance of the budget itself.

This chapter is concerned with the question of national economic impact and national trends associated with the FY 75 Budget. In the first part of this section, analysis of the budget as a whole is presented. In the second part, attention is devoted to the implications of specific types of expenditures contained in the budget, insofar as they relate to the level and composition of national economic activity, employment, and prices.

Budget statistics in this chapter are based on definitions used in preparing the National Income Accounts (NIA). These definitions differ in some respects from those used in compiling the Federal Budget. Accordingly, the numbers presented here may be slightly different from those shown in other sections of this analysis. NIA statistics are used to measure the level and composition of national spending and production, or Gross National Product (GNP), presented in periodic National Income Accounts published by the U. S. Department of Commerce. They are the best statistics available for analyzing the relationships between the FY 75 Budget and employment, inflation, and production characteristics of future national economic activity for 1974 and 1975.

IMPACTS OF THE BUDGET AS A WHOLE

In National Income Accounting terms, federal expenditures for FY 75 are expected to be about $313.4 billion, a rise of $28.2 billion over FY 74. This represents a slight rise in federal spending as a percentage of national production (GNP), from 21.3 percent in FY 74 to 21.5 percent in FY 75, which is part of a trend that began shortly after World War II. More detailed information on the trend from 1964 to 1975 is shown in Table ECO-1. This trend indicates that federal spending and taxing policies have been gaining an increasing influence over national economic activity since World War II and specifically over the FY 64 to FY 75 period shown in Table ECO-1.

TABLE ECO-1.—FEDERAL BUDGET EXPENDITURES AND THE GROSS NATIONAL PRODUCT FOR SELECTED YEARS FROM FISCAL YEAR 1964 THROUGH FISCAL YEAR 1975

[In billions of dollars]

Description	Estimate		Actual			
	1975	1974	1973	1970	1967	1964
Gross national product (GNP)	1,455.0	1,340.0	1,220.0	954.6	769.8	612.2
Federal expenditures:						
In current dollars [1]	313.4	285.2	255.1	195.9	154.5	116.9
As a percent of GNP	21.5	21.3	20.9	20.5	20.1	19.1

[1] Computations based on national income accounting definitions.

Source: Fiscal year 1975 budget, "Special Analysis," pp. 19 and 36.

Economists characterize the FY 75 Budget as "moderately restrictive" because the expenditures and tax policies incorporated in the budget would be expected to show a slight surplus of federal receipts over expenditures, if the national economy were performing at full employment (4 percent unemployment) over the FY 75 period. The policy choice implicit in such a "full employment budget surplus" is a preference for a generally restrictive budget designed to curb inflationary pressures over a more expansionary one designed to create more jobs.

In fact, the economic impact of the FY 75 Budget will depend on the actual economic performance of the national economy over the fiscal year covered, from July, 1974, to June, 1975. The "automatic stabilizers" in the federal budget, particularly the payments for unemployment insurance and the progressive income tax, will result in a budget deficit (that is, an excess of expenditures over receipts) if national unemployment is relatively high and income tax receipts are relatively low, and a higher surplus of receipts over expenditures if the unemployment rate is relatively low and income tax receipts are relatively high. Because the President's Council of Economic Advisers expects the economy to perform at considerably less than full employment over calendar year 1974, the actual FY 75 Budget, contrasted with the theoretical "full employment budget," is expected to show an $8.6 billion deficit for FY 75. More detailed receipt and expenditure figures used in calculating this deficit, as well as similar figures for FY 73 and FY 74 are shown in Table ECO–2.

Specific assumptions about changes in national economic activity from calendar year 1973 to calendar year 1974, which are incorporated in FY 74 and FY 75 Budget estimates in Table ECO–2, are:

An increase in the average unemployment rate from 4.9 percent in 1973 to 5.5 percent in 1974.

A decrease in the real rate of growth in national production (GNP) from 6 percent in 1973 to 1 percent in 1974.

An increase in the rate of inflation (GNP deflator) from 5.3 percent in 1973 to 7 percent in 1974.

The President's advisers' estimates of national economic performance are much more optimistic than those of many other economic forecasters. They are based on the assumption that production cutbacks in automobiles and other industries linked to rising fuel and food costs, as well as a reduction in housing starts associated with high interest rates, will taper off after the first half of calendar 1974. If they don't, the economic situation by the beginning of FY 75 could be much worse. To prepare for that contingency, the Administration has said that it is preparing a supplemental set of federal expenditures, specifically designed to create short-term jobs quickly, apart from the regular expenditures shown in the FY 75 Budget.

TABLE ECO-2.—FEDERAL RECEIPTS AND EXPENDITURES IN THE NATIONAL INCOME ACCOUNTS

[In billions of dollars]

Description	1973 actual	1974 estimate	1975 estimate	Change 1973–75
Receipts:				
Personal tax and nontax receipts	107.2	123.7	135.3	28.1
Corporate profits tax accruals	43.8	50.3	50.2	6.4
Indirect business tax and nontax accruals	20.9	23.3	27.5	6.6
Contributions for social insurance	71.4	83.2	91.8	20.4
Total receipts	243.3	280.5	304.8	61.5
Expenditures:				
Purchases of goods and services	104.5	111.5	121.6	17.1
Defense	(73.9)	(75.3)	(82.0)	(8.1)
Nondefense	(30.6)	(36.2)	(39.6)	(9.0)
Transfer payments	89.4	107.2	123.5	34.1
Domestic (to persons)	(86.8)	(102.5)	(120.7)	(33.9)
Foreign	(2.6)	(4.7)	(2.8)	(6.2)
Grants-in-aid to State and local governments	40.4	44.1	46.6	6.2
Net interest paid	14.4	18.2	19.6	5.2
Subsidies less current surplus of Government enterprises	6.4	4.2	2.1	−4.3
Total expenditures	255.1	285.2	313.4	58.3
Surplus or deficit (−)	−11.8	−4.7	−8.6	3.2

Source: Fiscal year 1975 budget, "Special Analysis," p. 8.

Because much of the inflationary pressure our country is currently experiencing is the result of reduced supplies of such commodities as fuel and food, rather than the high spending levels with which national monetary and fiscal (budgetary) policies traditionally have been concerned, many economists believe that measures in addition to monetary and fiscal policies will be required to deal with contemporary economic problems. If economic conditions consistent with the President's Council's relatively optimistic forecast do occur in 1974, a rise in the average unemployment rate from 4.9 percent in 1973 to 5.5 percent in 1974 will mean that some 550,000 more people will be out of work.

A few programs in the FY 75 Budget are specifically addressed to unemployment problems of particular areas, such as the Economic Adjustment Assistance program in the Department of Commerce and the Rural Development program in the Department of Agriculture, but these are relatively small programs that cannot be expected to have a very great effect on the national economy if severe unemployment problems develop in 1975. Funds from the Comprehensive Employment and Training Act of 1973, Title II, should provide approximately 40,000 public service jobs in FY 74. However, this is still a small percentage of the total unemployed which at 5.5 percent would be 4.9 million unemployed.

The current program of wage and price controls expires on April 30, and it is not clear what anti-inflationary measures will be followed after then. The President's own advisers have forecast a higher rate of inflation for 1974 than occurred in 1973.

Impact of categories of expenditures

In the National Income Accounts, national economic activity (GNP) is divided into four major sectors:

Personal consumption expenditures.

Government purchases of goods and services.

Net private domestic investment.

Net export of goods and services.

National spending and production are divided into these four sectors, and analyzed separately, because they are expected to be influenced by different factors. For example, investment spending is anticipated to be influenced by profit expectations, while government purchases are expected to be affected by the public's recognition of the needs for certain types of government services and its willingness to pay taxes to support those services.

Federal expenditures included in the FY 75 Budget can be expected to influence directly two of the four sectors listed above—government purchases of goods and services and personal consumption expenditures. A more extensive analysis of budget influences than this one would also have to consider other budget influences, such as the effects of the types of taxes, including the new emergency windfall profits tax, on investment spending.

Historical trends in the types of federal expenditures expected to influence spending in the government and consumption sectors are shown in Table ECO–3. As noted in the footnote to this table, all federal expenditures except "Net Interest," "Transfer Payments to Foreigners," and "Subsidies Less Current Surplus of Government Enterprises" are included in this table, and represent approximately 92 percent of total federal expenditures for FY 75.

Given the fact that total federal spending has shown only a modest rise relative to total national spending (GNP) over the 1964 to 1975 period shown in this table (see Table ECO–1 for the exact percentage changes), the most dramatic change in federal spending over this 12-year-period has been the increase in the proportion of federal spending going to transfer payments to persons. This proportion has risen steadily from 23.3 percent of federal expenditures in FY 64 to 38.5 percent in FY 75. Since most of these payments are financed out of social insurance premium payments made by other persons, they represent a shift in consumption spending from one group of persons to another. However, to the extent that these payments represent transfers to lower income groups, they are likely to generate more spending and employment than otherwise would have occurred, since lower income persons spend a greater share of their incomes (and save less). Accompanying this increase in transfer payments over the FY 64 to FY 75 period has been a decline in the proportion of federal spending going to defense purchases, and a rise in the proportion going to grants-in-aid to state and local governments.

Contrasted with the long-term trends from 1964 to 1975 described in the preceding paragraph, the statistics for FY 73, FY 74, and FY 75 show a more stable pattern, with only a slight rise in the share going to transfer payments and a slight decline in the share for grants-in-aid occurring over the 1973 to 1975 period.

The impact on State and local governments

Table ECO–4 presents only statistics on federal expenditures for grants-in-aid to state and local governments. It should be noted that a decline in the proportion of federal spending going to state and local governments in grants-in-aid is occurring for FY 75, at the same time that the Administration is calling on state and local governments to assume increasing responsibilities for law enforcement, rural development, health, education, community and economic development, and transportation under New Federalism.

If state and local government costs in FY 75 rise at a rate approximately equal to the 7 percent inflation rate predicted for the total economy by the President's advisers (the GNP deflator), the proposed $2.5 billion increase in grants-in-aid will not be enough to pay for the $3.1 billion increase which would be required to give state and local governments the same $44 billion in purchasing power they have in FY 74.

TABLE ECO-3.—FEDERAL TRANSACTIONS IN THE NATIONAL INCOME ACCOUNTS, FOR SELECTED YEARS FROM FISCAL YEAR 1694 THROUGH FISCAL YEAR 1975

[In billions of dollars]

	Estimate				Actual							
	Fiscal year 1975		Fiscal year 1974		Fiscal year 1973		Fiscal year 1970		Fiscal year 1967		Fiscal year 1964	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Expenditures expected to influence Government purchase of goods and services:												
Federal defense purchases	82.0	26.2	75.3	26.4	73.9	29.0	77.0	39.3	67.7	43.8	50.9	43.5
Federal nondefense purchases	39.6	12.6	36.2	12.7	30.6	12.0	21.0	10.7	17.6	11.5	14.7	12.6
Grants-in-aid for education and manpower, transportation, community development, housing and other	26.0	8.3	24.6	8.6	23.2	9.1	12.8	6.5	9.5	6.1	6.0	5.1
Expenditures expected to influence personal consumption spending:												
Domestic transfer payments	120.7	38.5	102.5	[2] 35.9	86.8	[2] 34.0	54.8	28.0	37.2	24.1	27.3	23.3
Grants-in-aid for income security and health [3]	20.6	6.6	19.5	[2] 6.8	17.2	[2] 6.7	9.8	5.0	5.3	3.4	3.8	3.3
Total Federal expenditures [1]	313.4	--------	285.2	--------	255.1	--------	195.9	--------	154.5	--------	116.9	--------

[1] The specific types of expenditures shown in this table include approximately 92 percent of Federal National Income Accounts transactions for fiscal year 1975. Not included are foreign transfer payments, net interest paid, and net subsidy payments to Government enterprises.

[2] The Federal supplemental security program replaced some grant programs for assistance to some needy people (particlarly the elderly and handicapped) beginning Jan. 1, 1974.

[3] "The income security and health grants are largely, but not exclusively, devoted to providing assistance to low income persons." (Special Analaysis, p. 14.) They are therefore included in this table as influences on consumption spending.

Source: Fiscal year 1975 Budget, "Special Analysis," pp. 19 and 14.

TABLE ECO-4.—FEDERAL GRANTS-IN-AID TO STATE AND LOCAL GOVERNMENTS FOR SELECTED YEARS FROM FISCAL YEAR 1964 THROUGH FISCAL YEAR 1975

[In billions of dollars]

	Estimate		Actual			
	1975	1974	1973	1970	1967	1964
Total Federal grants-in-aid to State and local governments	$46.6	[1] $44.1	[1] $40.4	$22.6	$14.8	$9.8
Percent of total Federal transactions	(14.9)	[1] (15.5)	[1] (15.8)	(11.5)	(9.6)	(8.4)

[1] The Federal supplemental security program replaced some grant programs for assistance to some needy people (particularly the elderly and handicapped) beginning Jan. 1, 1974.

Source: Fiscal Year 75 budget, "Special Analysis," p. 14.

COMMUNITY DEVELOPMENT AND HOUSING

The Administration's FY 75 budget for the Department of Housing and Urban Development again proposes new and reformed approaches to the nation's housing and community development programs.

The President is requesting $5.1 billion in new appropriations for the department's programs, up from the current fiscal year's actual level of $3.5 billion. Most of this increase is premised upon Congressional enactment and funding of the proposed new community development block grant program.

During FY 74, impounded funds will constitute approximately 24 percent ($1.1 billion) of the department's total available budget authority. In FY 75, impoundments are projected to equal 19 percent ($1.2 billion, depending upon Congressional appropriation acts) of total HUD funds available for new commitments.

In the area of housing, the budget continues to reflect the Administration's decision announced a year ago, to terminate all except a revised leased housing program financed through public housing. Also, as proposed one year ago, the bulk of funds to be appropriated for the Section 701 Comprehensive Planning Program would be channeled through the states, rather than have portions flow directly to cities and areawide organizations as has been the case in past years. Finally, HUD's research and technology budget would continue to increase.

The following analysis of HUD's FY 75 budget is divided into three groups of programs—those being proposed for consolidation into the community development block grant; planning and research activities; and housing.

COMMUNITY DEVELOPMENT (TABLE HUD–I)

For the fourth successive year, the proposed budget sets forth the Administration's support for legislation which would consolidate HUD's major community development categoricals into a single community development block grant (this year called "The Better Communities Act" by the President). Seven existing programs are proposed for inclusion in the block grant—urban renewal, model cities, neighborhood facilities, basic water and sewer facilities, open space land, rehabilitation loans, and public facilities loans. For the third year in a row, the Administration is proposing an initial funding level of $2.3 billion for the block grant which is projected by the President to begin July 1, 1974.

The budget confirms Administration decisions made within the past few months to increase the impoundment of Congressionally-approved funds for the various existing community development programs to over 60 percent of the total CD funds available in FY 74. Since the Administration presumes the enactment of the successor block grant legislation prior to July 1, 1974, the budget reflects the ongoing efforts by HUD to terminate all of the existing community development categoricals by June 30, 1974.

Planning and research (Table HUD–II)

Section 701 Comprehensive Planning—One year ago, the President proposed an increase in the funding level for the 701 program to $110 million, a rise of $10 million. Congress not only did not agree to the increase, it cut the program to $75 million. This year, the President again proposes a $110 million level. Last October, the President sent the Congress his "Responsive Governments Act" calling for a new approach to the 701 program. The budget urges Congress to approve this legislation quickly. In the meantime, HUD has acted administratively to shift the focus of and control over the 701 program to state governments as much as possible under the existing statute. Presented by HUD with the option of taking over the 701 funding system in FY 74 or 75, nearly 40 states have chosen to take control during the current FY 74.

Research and technology—The budget recommends that HUD's research and technology funding be raised from $65 *million* to $70 million. Of this amount, over $17 million would be allocated to the department's "direct cash assistance" or housing allowance experiments, up from just over $15 million in FY 74.

Housing (Table HUD–III)

In September, 1973, the President announced the completion of a nine-month long HUD study which he characterized as supporting the Administration's contention that the existing federally-assisted housing programs had "failed." The President set forth an interim program of moderate production levels through a revised Public Housing Section 23 leasing program and through a limited lifting of the freeze on FHA's Section 236 multi-family rental program during the balance of FY 74. The long-range program for the Administration would be a direct cash assistance (sometimes referred to as a housing allowance) program which the department is now studying further.

The budget shows the complete reinstitution of the freeze on the existing programs, including Section 236, by June 30. After July 1, all production would be carried on under the revised Section 23 leasing program. No units have yet been processed or constructed under this revised program. Regulations setting up the revised procedures have only just been released by HUD for comment. The budget projects this new program to produce 118,000 units of housing before the end of FY 74 and 300,000 units in FY 75 (see Table HUD–IV).

For the existing inventory of public housing units (new over 1.1 million), the budget shows an increase in operating subsidy funds from $350 million to $400 million.

Impoundments (Table HUD–V)

For the fourth successive year, HUD's budget will be subject to substantial fund holdbacks or impoundments. Since FY 71, when the present practice of impounding urban funds began, at least 17 percent of HUD's available budget authority has been frozen each year. In FY 74, the figure is projected at 24 percent. For FY 75, the portion would depend in large measure upon whether a new community development block grant program funded at $2.3 billion is enacted as envisioned by the budget.

Comment

The President's FY 75 Budget for the Department of Housing and Urban Development contains both good news and bad news for cities. To begin with the good, this year's budget contains a minimum amount of "failure" rhetoric relative to last year's presentation regarding HUD's existing housing and community development programs. City support for reforms and consolidations in HUD's system of grants to urban areas has been based on a desire to improve on the successes of past and present efforts. Cities believe that a similar positive approach by the Administration would help appreciably in the task of selling the needed improvements to the Congress.

The President is to be commended for his continued support for the principle of a community development block grant program. Unfortunately, the Administration's approach to the funding of the existing community development categorical programs during the interim promises some rough times ahead for cities. The budget—and HUD's specific funding instructions to their field offices—presume the availability of an operational block grant program by July 1, 1974. With this goal in mind, HUD is now in the process of terminating all activities under the existing programs by June 30. However, all indications on the legislative side are that Congress will not be able to make that deadline. Thus, there is the prospect of considerable confusion and frustration, not to mention lost local capacity and momentum, during the transition to a new program when it does finally become available. It should also be noted that the Administration's proposal for an initial funding level for the block grant of $2.3 billion has not changed over the past three years, seemingly ignoring the toll which inflation has taken during that time.

On the housing side, the President's decision to support production levels for subsidized housing of about 300,000 units for both FY 74 and 75 is welcome, even though these moderate levels are about one-half of the peak level attained in FY 72. The concern, however, is that a large portion of the projected production in FY 74 and *all* of the production for FY 75 is scheduled to occur under a revised Section 23 leasing program which has yet to be tested. It can only be hoped that the widespread opposition which has greeted the department's recently released new regulations for Section 23 does not portend a substantial shortfall below even these moderate production levels.

The President's support for increased funding of Section 701 Comprehensive Planning programs is gratifying. However, the department's actions in bringing nearly all of the states into a posture of controlling the flow of 701 funds to cities and areawide agencies is already causing considerable difficulties around the country. Considering the fact that the Senate Committee with jurisdiction over the "Responsive Governments Act" rejected it almost in toto last December, it would appear to cities to be particularly irresponsible for HUD to proceed with its plans for a state-run 701 program.

TABLE HUD-I.—COMMUNITY DEVELOPMENT PROGRAMS

[In millions of dollars]

Community development programs [1]	Fiscal year 1974			Fiscal year 1975		
	Appropriation (actual)	Estimated obligations	Carryover appropriations	Appropriation (request)	Estimated obligations	Carryover appropriations
Urban renewal	600	323	281	0	0	281
Model Cities	150	75	75	0	0	75
Water and sewer	[2] 402	0	402	0	0	402
Open space	[3] 55	0	55	0	0	55
Neighborhood facilities	0	0	0	0	0	0
Rehabilitation loans	[4] 82	60	[5] 37	37	0	[6] 56
Public facility loans	40	7	33	33	0	33
Subtotal	1,329	465	883	70	0	902
Community development block grants	(7)	(7)	(7)	2,300	2,300	0

[1] All 7 existing categorical community development programs are proposed to be consolidated into single community development block grant program to begin July 1, 1974 (fiscal year 1975). The block grant is projected to begin at $2,300,000,000.

[2] $400,000,000 carryover; program administratively frozen Jan. 5, 1973.

[3] $50,000,000 carryover and $25,000,000 new appropriations; program administratively frozen Jan. 5, 1973.

[4] $60,000,000 carryover plus $22,000,000 in repayments to revolving fund.

[5] Includes additional $15,000,000 in repayments to revolving fund.

[6] Includes additional $19,000,000 in repayments to revolving fund.

[7] Not applicable.

TABLE HUD-II.—OTHER COMMUNITY DEVELOPMENT, PLANNING, AND RESEARCH PROGRAMS

[In millions of dollars]

Other community development, planning, and research programs	Fiscal year 1974		Fiscal year 1975	
	Appropriation (actual)	Estimated obligations	Appropriation requested	Estimated obligations
S. 701, comprehensive planning	75	75	110	110
Research and technology	65	65	70	70

TABLE HUD-III.—HOUSING

[In millions of dollars]

Housing	Fiscal year 1974			Fiscal year 1975		
	Contract authority available	Estimated obligations	Carryover authorizations	Contract authority available	Estimated obligations	Carryover authorizations
S. 235, homeownership	250	35	220	0	0	220
S 236, rental	04	166	52	0	0	59
Rent supplements	50	39	13	0	0	14
Public housing: Producton (S. 23, leasing)	260	235	0	640	640	0
Public Housing: Production (all other)	70	94	0	0	0	0
Public housing:						
Management:						
Operating subsidies	350	350	0	400	400	0
Modernizaton	20	20	0	20	20	0

TABLE HUD-IV.—ANNUAL NEW COMMITMENT LEVELS

[In thousands of units]

	Fiscal year—					
	1970	1971	1972	1973	1974	1975
S. 235, homeownership	143	142	152	22	18	0
S. 236, rental	132	159	158	51	107	0
Rent supplements	40	30	42	18	27	0
Public housing	102	89	101	39	[1] 173	300
Total	417	420	453	130	325	300

[1] Includes a projection of 118,000 units under revised sec. 23 leased housing program which is not yet operational.

TABLE HUD-V.—IMPOUNDMENTS

[In millions of dollars]

Impoundments (unused balances)	Fiscal year— 1971	1972	1973	1974	1975[1]
Urban renewal	215		4	281	[2] 281
Model Cities					[2] 75
Water and sewer	200	500	401	401	[2] 401
Rehabilitation loan		50	22	37	[2] 56
Open space			50	55	[2] 55
Public facility loan			20	33	[2] 33
Public housing	164	78			
25	[3] 35	83	221	220	220
236	[3] 30	88	171	52	59
Rent supplements	[3] 26	27	39	13	14
Totals	670	826	928	1,092	1,194
Total as percent of available budget authority	19	20	17	24	19

[1] Ultimate fiscal year 1974 impoundment figures subject to action by congressional appropriations committees.

[2] Budget proposes these programs to be terminated on June 30, 1974, with similar activities to be subsumed under $2.3 billion community development block grant program on July 1, 1974.

[3] Cumulative figure through June 30, 1973.

DRUG ABUSE

The requested budget authority of $745.1 million for federal drug abuse efforts for FY 75 is a cut of $14.9 million below FY 74, the first in six years of intensified effort in this area.

TABLE DA-1.—DRUG ABUSE

[In millions of dollars]

	Fiscal year—					
	1970 obligations	1971 obligations	1972 obligations	1973 budget authority	1974 budget authority	1975 budget authority
rug abuse prevention	76.4	137.7	366.3	523.9	505.3	450.5
rug law enforcement	52.6	81.6	164.1	200.0	254.7	294.5
Total	129.0	219.3	530.4	723.9	760.0	745.0

Source: Special Action Office for Drug Abuse Prevention.

The requested decrease in prevention funds totals $54.7 million, with corresponding decreases at the community level. However, increased budget authority of $40.2 million is requested for drug law enforcement, mostly for activities overseas.

Reorganization

Throughout FY 74 the Special Action Office for Drug Abuse Prevention (SAODAP) has implemented its recommendation to consolidate federal drug abuse efforts. Thus, drug law enforcement is administered primarily by the Drug Enforcement Administration within the Justice Department and prevention efforts are to be administered by the newly formed National Institute for Drug Abuse (NIDA) within the Alcohol, Drug Abuse and Mental Health Administration of the Department of Health, Education and Welfare. NIDA is in the process of absorbing prevention programs administered by both SAODAP and the National Institute of Mental Health (NIMH). The Department of Defense, Veterans Administration and Bureau of Prisons will continue to administer prevention activities within their respective jurisdictions.

Prevention

$345.5 million is requested for prevention efforts in directed programs and $99.7 million for prevention support within larger federal programs. NIDA will administer the major portion of the directed funds with a requested budget authority of $216.6 million with $157 million to be available for community programs, a total cut of $19 million below FY 74. However, since the budget seeks an increase for the states, there is an actual decrease of $39 million for grants and contracts. The breakdown is as follows:

TABLE DA-2.—BUDGET AUTHORITY

[In millions of dollars]

	Fiscal year—	
	1974	1975
Project grants and contracts	161	122
New starts		4.5
Grants to States	15	35
New starts		20
Total	176	157

Source: Special Action Office for Drug Abuse Prevention.

Requests for the categories of Education/Information, Training, Research, Evaluation and Planning/Direction Support make up the remainder of the $216 million, with the FY 74 and FY 75 levels for each approximately the same.

The $157 million budget authority requested is to provide a capacity to treat 95,000 persons at any given time. The number of persons to be treated during a 12-month period is estimated to be 161,000.

As for preventive education, the Administration's request for FY 74 and FY 75 is identical, $6.6 million. However, a bill for the extension of the Drug Abuse Education Act has passed the House of Representatives and similar legislation is under consideration in the Senate. $26 million would be authorized for FY 74, $30 million for FY 75 and $34 million for FY 76.

Law enforcement

Of the total enforcement budget authority of $294.5 million, $140.8 million is requested for the Drug Enforcement Administration (DEA), with $41.2 million for Law Enforcement Assistance Administration (LEAA), $42.5 for Agency for International Development and $40.9 to Bureau of Customs. Within DEA, criminal enforcement would receive the largest share of the proposed $40.2 million increase; $104 million is requested for FY 74 compared to $80 million for FY 75, an increase of $24 million. Much of this increase will be used for overseas personnel, particularly in Latin America.

State and local assistance will be increased slightly with a requested budget authority of $10.6 million for FY 75, a gain of $1.2 million over FY 74. However, DEA is not a funding agency, and the $41.2 million requested for LEAA would be primarily to fund training and task force operations at the local and state levels.

The Treatment Alternatives to Street crime (TASC) program is proposed to remain at approximately the same level this year, $7.2 million. LEAA will administer this program, including those TASC projects presently sponsored by SAODAP through its special fund.

Comment

The decrease of funds for project grants and contracts and the increased amount to be available to the states reflects the Administration's strategy to delegate quickly to the states, through block grants, full program decision and management responsibilities, as well as funds, to carry out federal drug abuse activities. It has been indicated that the rate at which this strategy will be implemented will depend upon the competence of the individual states.

Most states started developing their comprehensive plans for drug abuse prevention last spring. To date the great majority are still under review. A minimum requirement for awarding block grants to a state should be an approved state plan.

In addition, some government attorneys question whether such a strategy is consistent with the authorizing legislation (P.L. 92–255). Section 410, (c)(1) stipulates that in disbursing funds no precedence shall be given to any unit of government or group.

As indicated, the new NIDA will assume the drug abuse prevention functions of both SAODAP and NIMH. SAODAP will continue from the Executive Office of the White House to coordinate federal drug abuse efforts but its authorizing legislation, P.L. 92–255, expires June 30, 1975. NIDA, as an agency within the Department of Health, Education and Welfare (DHEW) and lacking legislative mandate to coordinate federal activities, will not be in a position to assume SAODAP's function of broad scale coordination of federal drug abuse efforts.

Alcohol abuse

The requested budget authority for FY 75 for the National Institute on Alcohol Abuse and Alcoholism (NIAAA) is $99.9 million. This is less than half the $218.3 million made available in FY 74 through Congressional appropriations and released FY 73 impounded funds.

Cities will feel the greatest impact of the proposed decrease, with $32 million requested for project grants, as compared to $72 million made available in FY 74.

TABLE AL–1.—ALCOHOL ABUSE

[In millions of dollars]

	Fiscal year 1973 actual outlay	Fiscal year 1974 (estimate) outlay	Fiscal year 1975 authority
Research	6.0	[1] 13.1 (4.7)	10.4
Training	4.2	12.2 (5.4)	1.9
Community programs:			
Project grants and contracts	19.0	[2] 106.3 (39.3)	32.1
Grants to States	20.3	75.6 (30.0)	45.6
Management and information	8.1	11.1 (1.2)	9.9
Total	57.6	218.3 (80.6)	99.9

[1] Figures in parentheses represent fiscal year 1973 released impounded funds included in fiscal year 1974 outlays.

[2] Although $106.3 appears in the budget under project grants and contracts, more recent HEW budget summaries cite the fiscal year 1974 figure as $113,000,000 with appropriations as $72,000,000.

Source: Fiscal year 1975 budget appendix, p. 410.

This money will be allocated for demonstration projects to test different types of treatment. While funds for community programs decrease $40 million in FY 75 to $32 million, grants to states remain at the same level as the FY 74 budget appropriation, or $45.6 million. The appropriation for research in FY 74 was $8.5 million; it is increased in the FY 75 request to $10.4 million. Training has been cut from $6.8 million in the FY 74 appropriation to $1.9 million in the FY 75 Budget. Management and information costs remain at essentially the same level as appropriations for FY 74.

Comment

By proposing a substantial decrease in the FY 75 alcohol budget from last year's operating level, it is clear that the Administration is ignoring an issue which has consistently been documented as a major problem in our society, particularly in our cities. There are approximately 5 to 9 million alcoholics in the United States. The National Commission on Marihuana and Drug Abuse concluded that alcohol dependence is the most serious drug problem. More individuals use alcohol than any other drug and many are dependent upon its uses. In many cases, the use of alcohol is intermixed with other types of drugs, especially stimulants and sedatives.

The FY 75 Budget will not assist cities to develop programs which meet the growing alcohol abuse problems in their communities. The cut in the overall budget request from last year's appropriations, particularly in community programs, means that cities which begin to undertake programs in the first half of 1974 (the appropriations were not approved until December 1973) will have to alter or terminate their efforts with the beginning of FY 75.

A recent report issued by the Committee on Government Operations, U.S. House of Representatives, states that a total drug strategy must include alcohol. Some cities have already begun to recognize the necessity for the joint administration of alcohol and drug programs, and are interested in implementing substance abuse programs. However, the administration of drug and alcohol programs is separated at the federal level, and cities must go through two completely different funding mechanisms to obtain money. The amount of funds available for alcohol programs under the National Institute on Alcohol Abuse and Alcoholism does not begin to match that available for drugs through the National Institute of Drug Abuse, nor does it sufficiently meet the needs in our communities.

ECONOMIC DEVELOPMENT ASSISTANCE

Economic Development Administration

The Economic Development Administration was established in 1965 to assist in the long-range economic development of areas with severe unemployment and low family income problems. The public works and related programs of EDA and the Regional Action Planning Commission programs will be continued at a reduced funding level in 1975 to permit a transition into a new economic adjustment assistance program to be proposed by the Administration. The new program is to facilitate flexible state and community response to problems of economic change and unemployment.

The Public Works and Economic Development Act will be extended for one year to June 30, 1975, with limited authorizations for appropriations. EDA related appropriations are budgeted for FY 75 at significantly reduced rates compared to 1974:

APPROPRIATION REQUESTS

[Dollar amounts in millions]

	1974	1975
EDA	$240.5	$170
Regional commissions	42	35

Source: The Budget for fiscal year 1975, p. 180.

The features of the new economic adjustment program are not clear at this point. Preliminary information suggests that it will focus on economic adjustments to the impact of dislocations as well as overall economic development strategies. It is said to be a "flexible" program with the available funds delivered to state governments on a formula basis to support any economic adjustment or development programs the state deems desirable.

Title V Regional Action Planning Commissions and the Appalachian Regional Commission will be eligible for funding from the economic adjustment program. The continuation of regional commissions (and the funding thereof) will be a matter of decision for state governments.

A $100 million supplemental appropriation for the economic adjustment program is contemplated during FY 75. These funds, together with the appropriations requested for the EDA and related programs, will support all these activities during FY 75 at a level comparable to 1974 (Source: FY 75 Budget, *The Budget*, p. 179).

COMMENT

The proposed changes may be significant for the following reasons:

Much of the EDA funding went for projects sponsored by cities. Under the new arrangement the state would be the beneficiary of the federal funding, although a pass-through to cities is possible. While the focus of the new program on economic disruption may be relevant to the economic problems related to energy shortages and the slowing of the economy anticipated during FY 75, it is unlikely that either EDA, under the planned phase-out, or the new economic adjustment assistance program, will be able to have much impact on these unemployment problems during 1975.

EDUCATION

The FY 75 Budget request for the Office of Education sets forth the Administration's continued support for consolidating major elementary and secondary education programs, expanding educational research and development, and increasing basic opportunity grants for post secondary education.

The President is requesting $6.1 billion for OE programs in FY 75. The HEW Labor Appropriations bill recently signed by the President appropriated $6.2 billion for FY 74. Additionally, the Administration plans to submit to the Congress a $2.8 billion supplemental appropriation for "advanced funding" of the 1974–75 programs for elementary and secondary education.

For the third successive year, consolidation of the major elementary and secondary educational programs is proposed as a priority. Numerous categorical programs will be grouped into four broad priority areas: disadvantaged, handicapped, support services, and innovation. The education grants consolidation as advocated by the Administration appears to embody many of the principles contained in last year's Better Schools Act. The FY 75 request for these programs totals $2.262 billion, or $17 million more than requested in FY 74 (including the supplemental appropriation). The major portion of this increase is reflected in the $15 million additional aid requested for the Disadvantaged Aid program ($1.8 billion FY 74 to $1.9 billion FY 75).

Forward funding

To contrast the FY 74 and FY 75 Budgets, it is necessary to examine the Administration's concept of "forward funding" and its accompanying appropriation and understand its relationship to the 1974–75 school year. The President, in his education message to the Congress, cited the frustrations resulting from the uncertainty and delay in the HEW appropriations process which have plagued school boards. He proposed to transmit to the Congress a supplemental appropriation that could be acted upon as soon as Congressional committees complete action on authorizing legislation for elementary and secondary education programs.

The FY 74 supplemental appropriation would enable school districts to know during the spring of 1974 what monies to expect for the school year beginning in September and subsequent appropriations will provide school districts in future years with sufficient lead time to maintain continuous planning and spending cycles.

Forward funding will also be requested for vocational and adult education programs. New legislation authorizing each of the respective programs is expected from the Administration with consolidation of numerous programs in each category given high priority. The proposed $2.8 billion FY 74 supplemental would include $544 million for vocational education, an increase of $11 million over the 1974 operating level, and $63 million for adult education, the FY 74 operating level. The FY 75 Budget requests $550 million for vocational education and no increase for adult education programs.

OTHER EDUCATION CHANGE

Unlike last year, the FY 75 Budget proposal contains no request for the emergency school assistance program for assisting desegregating school districts ($234 million was requested in 74). Similarly, the Impacted Aid program is being substantially reduced by the virtual elimination of the "B" program resulting in a proposed reduction from $307 million in FY 74 to a $40 million request in the FY 75 Budget.

To cushion the impact of the withdrawal of this support, a hardship provision is included in the budget. No school district would suffer a loss of more than 5 percent in its total operating budget due to the elimination of "B" payment support.

Other programs being reduced include bilingual education from $50 million in FY 74 to $35 million in FY 75 and educational broadcasting projects from $19 million to $14 million in FY 75. Follow Through, expected to be phased out over the next several years, will be reduced from $41 million in FY 74 to $35 million. Though the Teacher Corps will remain constant at $38 million in FY 75, other educational personnel development programs in the area of elementary and secondary vocational and higher education will not be funded in 1975 at the same level as FY 74. Consequently, the $46 million FY 75 Budget request is a $51 million reduction from FY 74 as the Administration cites an apparent surplus of trained teachers as its justification for reducing teacher development programs.

Few programs can boast of having substantially increased in the proposed FY 75 OE budget. Most notable of the exceptions is the basic opportunity grants for higher education. BOG are to be increased from $475 million in FY 74 to $1.3 billion in FY 75. Additionally, $10 million is requested for grants to state education agencies for career education demonstration and development assistance activities.

Comment

The consolidation of numerous categorical programs for elementary and secondary education could have serious consequences on the already troubled educational institutions of the nation's cities.

The FY 75 Budget request reflects an apparent insensitivity to the problems of the larger cities, who have been the repositories of the most glaring education deficiencies. The proposed reductions in the impacted aid and special programs, for example, will have a deleterious effect on urban education.

Similarly, those 1,200 to 1,500 localities that have relied upon federal assistance to erase the inequality of educational systems due to defacto and dejure segregation are now faced with the decision to use local funds for this purpose. This will place an additional burden on the tax revenues of most municipalities at a time when the federal commitment to capital improvements, teacher training, library services, drug abuse education, bilingual education, and other essential programs appear on the decline.

TABLE ED-1.—EDUCATION

[Budget authority in millions]

Program	1974 budget request	Fiscal year 1974 appropriations	Proposed advanced funding supplement [1]	1975 budget request
A. Consolidated education grants: [2]				
1. ESEA I (educationally deprived)	$1,585.0	$1,810.0	$1,885	$1,900
2. Vocational education programs (less vocational research)	475.0	533.0	544	550
3. Adult education	61.0	63.0	63	63
4. School assistance in federally affected areas (impact aid)	273.0	575.0	0	320
5. Support services (ESEA title II, NDEA title III, ESEA title V)	0	158.0	158	158
6. Innovation (supplemental services, dropout prevention, nutrition and health, environmental education)	0	154.0	154	154
7. Education for the handicapped (grants to States)	37.0	48.0	48	50
B. Other elementary and secondary education programs:				
1. Education development (total)	$70.0	$97.0		$46
(a) Teacher Corps	38.0	38.0		38
(b) Other education professions	32.0	59.0		8
2. Emergency school aid	234.0	258.0		0
3. Right to read	12.0	12.0		12
4. Bilingual education	44.0	50.0		35
5. Follow Through	41.0	41.0		35
6. Drug abuse education	3.0	5.7		0
C. Higher education:				
1. Student assistance (basic opportunity grants)	959.0	475.0		1,300
2. Special programs for the disadvantaged	70.0	70.0		70
D. National Institute of Education	[3] 90.0	75.0		117
E. Office of Education	5.2	[4] 6,023.0	$8,991	6,153

[1] A fiscal year 1974 supplemental appropriation totaling $2,800,000,000 is proposed by the administration to "forward fund" certain programs.

[2] New authorizing legislation to consolidate elementary and secondary education programs will be proposed.

[3] Includes a proposed supplemental of $25,000,000.

[4] Though the HEW/Labor appropriations bill signed in December of 1973 appropriates $6,200,000,000, a key amendment included in the bill allows the President to withhold up to $400,000,000 though no single program can be cut by more than 5 percent.

Sources: Labor/HEW appropriations (Public Law 93-192); National Education Journal, fiscal year 1974 budget estimates; fiscal year 1975 budget.

ENERGY

Fuel shortages, now in the forefront of national attention, have a prominent place in the 1975 Budget, which offers two major energy proposals.

The first is the establishment of a Federal Energy Administration (FEA), which consolidates energy responsibilities presently distributed across a wide range of federal agencies, including the Federal Energy Office. Figures for program expenditures are presently contained within the budget of parent agencies. Upon enactment of pending legislation, the operating programs will be transferred to the FEA. The program will include:

Data analysis and strategic planning, including conservation activities. $15 million is asked for FY 75, including projects for localities.

Policy, planning and regulation, having responsibility for allocation, cost of living, and rationing regulations or proposals.

Operations and compliance, including the Petroleum Allocation Program. $70 million is sought for FY 75 in the allocation program, directed toward "Cooperation with petroleum and natural gas industries and state and local authorities in the production, processing, and utilization of petroleum and its products, and natural gas." [1]

International policy and programs

Energy resource development

Energy research and development

The second major proposal is to meet the research and development commitments of Project Independence, a five-year program aimed at national self-sufficiency in energy resources. In all, the budget asks obligations of approximately $2 billion for energy research and developments by four agencies, coordinated by FEA. The Atomic Energy Commission would receive almost half, and the Interior Department, Environmental Protection Agency, and National Science Foundation would have most of the rest.

A report to the President, *The Nation's Energy Future*,[2] focuses on five research and development efforts for the next five years. The President asks budget authority in FY 75 for these efforts as follows:

1. Conservation—$164 million to reduce consumption and increase efficiency of energy products—up from $89 million in FY 74.
2. Oil and gas—$54 million, primarily to Interior Department for development of shale resources—up from $25 million in FY 74.
3. Coal—$566 million for surface and deep mining, liquefaction, and gasification projects, constituting the largest incremental increase, and including environmental assessment of the impact of such development.
4. Nuclear—$732 million to develop nuclear fission, along with EPA research and development in safety and $168 million to explore nuclear fusion.
5. Other energy resources—$100 million for geothermal solar solid waste recovery, etc.

In the pursuit of new energy resources, the budget reflects a commitment to environmental protection. Approximately one-tenth of the research and development funds would be earmarked for environmental control ($186 million) and environmental and health effects research ($133 million, shared by EPA with others).

Comment

A domestic priority of the FY 74 Budget was quest for "adequate, reasonably priced, clean energy." Since then, events have taken both supply and price of energy beyond the control of national policy alone. Project Independence is intended to restore that control by achieving self-sufficiency. The Federal Energy Agency is proposed to deal with current shortages, and all federal agencies involved with energy development have received budget priorities to expedite development of additional resources. Along the way to a resolution, several considerations emerge.

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[1] FY 75 Budget, Appendix, p. 573.

[2] *Nation's Energy Future*, a report to President Richard M. Nixon, submitted by Dr. Dixie Lee Ray, Chairman of Atomic Energy Commission, December 1, 1973.

First, the motion of the budget is most definitely toward an increase in the number of future options for energy provision, with coal (particularly coal strip mined on federal lands) advancing to the center of energy policy. *Shale oil also* is given great emphasis in the budget, as are pushing ahead with leases of federal lands and development of offshore resources. Clearly, the budgetary emphasis is on expanding the energy supply. Far less research money is made available to deal with demand by promoting a sound conservation ethic. City governments realize inherently that multiple use of resources, compactness, and concentration cut consumption and save energy. A policy to cut demand is not reflected in the 1975 Budget. The onus is put on the consumer individually to conserve, in the face of higher prices and uneven distribution of fuel.

Second, as the search for energy turns increasingly toward nuclear power, coal, and shale, and offshore oil, the products from which self-sufficiency will arise themselves raise a whole new set of environmental challenge. Rather than maximizing clean fuel production, efforts are devoted to reducing the pollution from dirty fuels. The budget obligates a fair portion of funds to address this challenge; the enormity of the challenge requires that environmental considerations proceed hand in hand with energy development.

Finally, in its rush to increase supply, the budget provides a great number of incentives to the suppliers of energy to explore and to cooperate with a government program of research. Yet until energy again becomes abundant, higher fuel prices will cause hardship, unemployment, and increased inflation. The impact will rebound throughout the economy as will the massive redistribution of resources aligning themselves to the new locations of energy development. Throughout this shortage, the federal government has a responsibility to assure that the producer has as much incentive to conserve as does the consumer.

ENVIRONMENT

Water pollution

The Environmental Protection Agency (EPA) has been ordered by the President to allot $4 billion of the $7 billion authorized by Congress for construction of water pollution control facilities in FY 75. Only $5 billion of the $11 billion authorized for FY 73 and 74 was made available. The problems created by the impoundment of the remaining half of the pollution control grants are discussed below under "Comments."

EPA plans to obligate $100 million of the $150 million authorized for the Areawide Waste Treatment Planning and Management Grant programs (Section 208) in FY 75, bringing to a total $175 million the unobligated funds carried since FY 73. The $100 million obligation compares to $25 million authorized, but not used in FY 73 and 74.

EPA operating programs

The EPA Operating budget shows an increase of $215 million in new FY 75 budget authority to $731 million (excluding contract authority for water pollution). But of this increase $168.5 million is for EPA's share of the new energy research and development program; $16.7 million reflects office space costs previously budgeted to GSA; $6 million is budgeted to replace a carryover from solid waste funds in FY 74, so that the program stays the same; and $7.5 million is for toxic substances and drinking water programs in legislation now before the Congress. By omitting these new programs, EPA's budget for its basic activities increases by $16 million, of which $13 million is for air pollution. The increase in budget authority between FY 73 and 74 was $44.9 million.

TABLE ENV-I.—ENVIRONMENTAL PROTECTION AGENCY BUDGET AUTHORITY

	In millions
Fiscal year 1973	$470.9
Fiscal year 1974	515.9
Fiscal year 1975	731.2

Source: EPA, "Environmental News," Feb. 4, 1974.

The Table ENV-2 compares FY 73, 74 and 75 for three programs discussed below in the text and six other selected EPA programs of general interest.

Air pollution

The $157 million proposed budget for clean air programs represents an increase of $13 million over FY 74 funds, bringing the program back up to a level slightly above that in FY 73. Most of the increase (about $10 million) will go to research and development to define more precisely the health effects of air pollution and how sulfates are formed.

In addition, a major portion of the $191 million budget to EPA for energy research will be used to accelerate development of air pollution control technologies to allow utilization of dirtier fuels and to develop advanced fuels such as methane gas.

Grants to air pollution control agencies will remain the same, $51.5 million, while technical assistance and training grants will be funded at $10.3 million, slightly below FY 74.

Waste management and energy recovery

The request for EPA's waste management and energy recovery program in FY 75 is $14.7 million. This restores some of the funds lost in FY 74 when EPA's solid waste program was redefined by the Administration and cut 75 percent. The $14.8 million level was achieved by adding to the Administration's $8.8 million FY 74 Budget for solid waste some $6 million carried forward from prior years. The narrower program focuses on research and preparation for regulation of hazardous wastes and toxic materials. Most of the $5 million earmarked for research and development will go toward studies of the problems of disposing of hazardous wastes produced by industries.

Although no new demonstration projects are planned, EPA will continue its emphasis on energy recovery for solid waste by directing $1 million toward technical assistance to cities, counties, and states beginning resource recovery programs. It is not clear how much of the remaining $8 million will go for technical assistance for conventional solid waste management. While grants were authorized by Congress for planning demonstration and construction for conventional solid waste disposal, none are planned by the Administration.

Noise abatement and control

The budget request for noise abatement and control this year is $5.2 million. This is an increase of $1.2 million over FY 74. The total authorization is $14 million. EPA will continue to concentrate on developing standards and regulations for major noise producing products and transportation sources.

Coastal zone management

The Department of Commerce National Oceanic and Atmospheric Agency is requesting $12 million in FY 75, the same level of funding as appropriated in FY 74, to continue implementation of the Coastal Zone Management Act of 1972. The actual level of program operation in FY 75 will be closer to $20 million because of the carryover of FY 74 funds. About $14 million will be available to the states for planning, and the remaining $6 million will go for state administration of coastal zone programs and for estuarine activities.

Land use

The National Land use Policy and Planning Assistance Act, budgeted for FY 74, still has not passed the Congress. The Department of Interior has requested $41.5 million for the program in FY 75. Of that, $40 million would be for grants to states to develop a land use planning process. The Office of Land Use would get $1.5 million to administer the program.

Parks and recreation

The Land and Water Conservation Fund, administered by the Bureau of Outdoor Recreation, will be fully funded in FY 75 at $300 million; $97.5 million will be obligated for federal purchase of park lands. Obligations for grants to states and local governments will be $196 million in new money. Combined with the anticipated unobligated balance of $14.8 million from FY 74, the total program level for FY 75 would be $210.8 million. This is a slight increase from the FY 74 program level, but almost $150 million less than FY 73.

Commentary

The overriding concern in the FY 75 environment budget must be the continued impoundment of half the water pollution control construction grant funds. The legal status of the impounded $9 billion is unclear. One court, ordering EPA to free the full $18 billion, has ruled that the funds will be lost if not allotted. Another held that the funds may be allotted *after* the statutory expiration date. An appeal to the Supreme Court is expected. Cities will have to choose: fund the construction costs themselves, or wait for the dollars promised by Congress, miss the Federal deadlines, and violate the law.

The Budget does not reflect the needs of cities to respond directly to the twin demands of the energy crisis and the failure of state and federal controls to reduce air pollution from industry and automobiles. The primary thrust should be to control pollution at the source, but the program for local air pollution control agencies is the same as last year, despite the increased demands on local air pollution control programs. Technical assistance and training are cut. Little is being spent for developing techniques for monitoring air quality.

The budget request for solid waste programs indicates some modification of the Administration's view of a year ago that the federal solid waste and resource recovery role should be limited to a narrow focus upon hazardous waste management. There is clear evidence that EPA will vigorously encourage cities to study and plan for the use of solid waste as a supplementary fuel and energy source. However, unless provisions are included in new legislation, cities actively exploring energy recovery options should expect to rely upon traditional means of municipal financing. The trend of the federal solid waste program suggests that cities should focus attention upon state solid waste legislation, pressing for technical and financial assistance and expanded state support for municipal solid waste management.

TABLE ENV-2.—ENVIRONMENTAL PROTECTION AGENCY OPERATING PROGRAMS—BUDGET AUTHORITY BY PROGRAM

[In thousands of dollars]

Operating program	Fiscal year— 1973	1974	1975
Energy		22,500	[1] 191,000
Air	152,490	143,614	156,934
Water quality	139,243	163,332	161,925
Water supply	4,281	4,709	[2] 7,711
Solid wastes	30,013	[3] 8,758	14,689
Pesticides	20,990	30,861	32,920
Radiation	7,135	7,177	7,382
Noise	2,416	4,011	5,233
Toxic substances		4,292	[4] 8,797

[1] Includes EPA portion ($186,000,000) reflected elsewhere in budget.

[2] Includes $3,000,000 to implement proposed Safe Water Drinking Standards Act.

[3] An additional $6,000,000 was available from prior years, for a fiscal year 1974 program of $14,800,000.

[4] Includes $4,500,000 to implement proposed toxic substances control legislation.

Source: "Environmental News," Feb. 4, 1974.

HEALTH

In the 1975 budget proposal, as in past years, elimination or phase out of several programs is proposed. Although Congress took positive steps to assure continuation and expansion of federal health programs, and the courts in general required the release of impounded funds, the Administration is still committed to a reduction of federal support in the "controllable" expenditure programs. In general, the HEW budget reflects policies to 1) eliminate, or phase out, project grants in favor of state formula grants, and 2) eliminate or phase out, training support.

Increases in "uncontrollable" programs, principally Titles XVIII (Medicare) and XIX (Medicaid) of the Social Security Act make up the major part of the budget increases for health. Medicare will require $16.7 billion, up $1.2 billion from 1974. $2.3 billion of this amount is proposed to be appropriated from the general revenues for the federal share of the supplementary medical insurance program. Medicaid is estimated at $6.5 billion in matching grants to states, up $713 million from 1974.

The remaining HEW health programs are estimated at $4.8 million, a decrease from 1974 of $550 million. (The 1974 base is the Congressional appropriation, less $400 million which was permitted under the appropriation act.) Most of the programs proposed for reduction or elimination in last year's administration budget are again to be cut.

TABLE HEALTH-I.—HEALTH PROGRAMS

[Budget authority in millions]

	1974	1975	Change
Medicare	$15,477	$16,714	+$1,237
Medicaid	5,824	6,537	713
Health services	1,176	1,177	+1
Alcoholism, drug abuse, mental health	833	735	−98
Health resources	1,137	574	−563
Biomedical research	1,781	1,835	+54
Other health	210	235	+25
Total	26,438	27,807	+1,369

Proposed legislation

Health Insurance: The Administration has submitted a Comprehensive Health Insurance Plan, which consists of an employer-employee compulsory contribution to a health insurance policy provided by a private carrier under federal standards and regulations. Details of the plan and probable financing were included in the President's Health Message of February 6, but no FY 75 budget impact is anticipated.

Health Resources Planning: Legislation would consolidate the existing Comprehensive Health Planning, Regional Medical Programs, Area Health Education, and Experimental Health Services Delivery activities. The legislation, along the lines of the Rogers bill (H.R. 12053), would create new regional health systems boards to replace the present health planning organizations.

Health Manpower: A new health manpower proposal would combine and consolidate existing programs, abolish the present capitation grant program, and reduce the effort to one of maintenance, rather than expansion. Categorical support for public health and allied health training would be abolished.

Expiring legislation

Several existing programs will expire on June 30 and are not proposed for renewal. They include:

Health Facilities Construction and Modernization (Hill-Burton)

Regional Medical Programs (replaced with new proposal)

Comprehensive Health Planning, Sec. 314 a,b,c (replaced with new proposal)

Health Manpower (to be replaced with new proposal)

Project grants for Maternal and Child Health

To be phased out by appropriations cuts:
Community Mental Health Centers
Alcoholism project grants
Public Health training

New programs

The Emergency Health Services Act, enacted in 1973, will request $27 million for FY 75, in addition to a $27 million supplemental request in FY 74.

Health Maintenance Organization (HMO) legislation will be funded in the FY 74 supplemental and the FY 75 budget for a total of $125 million. HEW's goal is to establish 170 HMO's over the five-year life of the program.

$58 million of new budget authority is requested for the support of Professional Standards Review Organizations (PSRO), a cost-containment and quality control effort.

Program increases

Increases include $73 million for cancer research, $22 million for heart research, $11 million for Indian health, and an estimated $18 million for Medicaid funds for family planning.

Other decreases

The emergency health program, which dealt with civil disasters, will be eliminated. A $7 million reduction in occupational health and $5 million in comprehensive health grants is proposed.

The Social and Rehabilitation Service is again proposing that dental services for adults under Medicare be discontinued, except for "emergency cases."

Policy changes

The Administration has modified its policy of closure of Public Health Service hospitals, which are now proposed for retention. The Medicare cost-sharing proposal has been abandoned, as have the proposals to terminate immediately the rat control and lead paint poisoning projects. (New starts, however, are not proposed under the latter two programs).

Comment

The Administration continues to press for the elimination of project grant programs in favor of state formula grants. Although the Congress has consistently provided project authority to local agencies, this Administration is committed to reverse that policy.

The continued insistence on elimination of all grant assistance for health facilities construction or modernization fails to take into account the realities of local public finance and the needs of local public agencies.

Emphasis on personal medical care services and withdrawal of support from public health services has biased the health delivery system toward the private sector and away from the local governmental need for improved public health programs. The virtual elimination of ongoing support for community mental health programs and manpower, relying instead on not-yet enacted third party programs, will create a serious funding crisis for states and localities, as well as a crisis of credibility for their citizens.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

The FY 75 budget request for grants to improve and strengthen state and local personnel systems and manpower programs, as authorized by the Intergovernmental Personnel Act of 1970, is $15 million. While this represents a one-third increase over the FY 74 funding of $10 million, no expansion is contemplated in the actual operating level of the program: actual outlays in FY 73 and estimated outlays in FY 74 were $13.6 million and $14 million respectively; actual outlays are estimated to be $14.4 million for FY 75.

As originally enacted, the IPA was without fiscal year limitation, authorizing such sums as necessary to carry out the programs in the Act. It was contemplated at the time of the Act's passage that program funding levels would be $30 million, $40 million and $50 million for its first three years. Instead, the program has been funded at $12.5 million, $15 million, and $10 million in FY 72, 73, and 74 respectively.

IPA grants have been used to improve the quality and effectiveness of municipal personnel and management resources, including development and implementation of training for municipal personnel. It is a program where relatively small governmental investments have had tremendous payoffs, and it is the only federal program providing comprehensive, flexible assistance in these areas. With the Administration's phaseout last year of HUD's Title VIII community development training program and its plans to phaseout Title I (Higher Education Act) university community services grants, there will be even greater demand for IPA resources at the local level.

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

The requested budget authority for the Law Enforcement Assistance Administration (LEAA) for FY 75 is $886.4 million; of that amount, $733.1 million is allocated for grants to the same funding level as that appropriated for LEAA for FY 74; total appropriations of $871.1 million, and allocations to state and local governments of $732.1 million.

The requested budget authority for LEAA for FY 75 is $886.4 million. This represents 89 percent of the authorized funding level of $1 billion.

The requested authority represents an increase of less than 2 percent over the FY 74 appropriation of approximately $871.14. The comparisons of the LEAA budgets for FY 73, 74 and 75 in Table LEAA-1, suggest that this is a stable budget. The total FY 75 budget is an increase of less than 4 percent over FY 73. The amount of monies allocated for grants to state and local governments is virtually unchanged over this three year period: $732.0 million in FY 73; $732.1 million in FY 74; and $733.1 million in FY 75.

There are two line item changes in the categories dedicated to grants to state and local governments (these are categories 1, 2 and 3 in Table LEAA-1). There is a 10 percent increase in Category 1, planning grants, from $50 million to $55 million. And there is a decrease in Category 2b, discretionary grants, from $88.8 million to $84.4 million. The latter is an adjustment due to a mistake in the previous year's allocations: by law, Category 2b can only be 15 percent of the total dollars in Category 2.

As in previous years, the bulk of the $15.3 million dollar increase in the FY 75 budget is for programs administered at the federal level. The major increases are in Category 4, technical assistance (from $12 million to $15 million); Category 5, analysis and evaluation (from $40.1 million to $45.2 million); and

Category 8, management and operations (from $18.0 million to $21.7 million). It should be noted that this last category, management and operations, has increased 40 percent (from $15.6 million to $21.7 million) from FY 73 to FY 75.

While representing an increase over FY 74 appropriations, the FY 75 requested budget authority is actually less than the FY 74 requested budget authority of $891.1 million.

Comment

The LEAA budget picture can be characterized either as stable or stagnant.

Despite the continued Congressional support for LEAA, symbolized in its renewal of the *Crime Control Act* this past fall, the amount budgeted for assistance grants to state and local governments has remained unchanged for the past three years.

This unresponsive budget comes at a time when localities have begun to make progress in dealing with crime problems, when they have found ways to more effectively deploy LEAA monies. Cities, in short, now are in a better position to utilize additional federal funds to make permanent impact on their crime problems.

In only one area, planning monies, has the amount of federal support increased; and, in terms of total dollars allocated to localities, this is offset by a decrease in the LEAA discretionary grant fund. Moreover, only $2 million of the $5 million increase in planning monies is earmarked for localities. This increase, the first in two years, barely will cover the increased cost of current operations. It should be contrasted with the 40 percent increase in three years (from $15.6 million to $21.7 million) in monies for the management and operations of the federal LEAA offices.

Most of the increase in the total LEAA budget for FY 75 is for federal level activities. While the League and the Conference do not question the value of these activities, they fear that these activities are being financed at the expense of the primary purpose of the Crime Control Act—providing assistance to localities to decrease crime.

This stabilized LEAA budget stands in stark contrast to the increases in the entire federal criminal justice effort. The overall budget of the Department of Justice increased 11.7 percent over last year. The request for the Drug Enforcement Administration represents an increase of 24 percent (from $111.9 million to $140.8 million). The proposed increase for the Federal Prison System is 39 percent (from $179.7 million to $250.4 million). The point again is not opposition to these increases. Rather, the proposed Department of Justice budget recognizes the rising costs and needs of the federally-oriented crime control programs. But it fails to recognize the need for the level of federal assistance to keep step with the massive increases in locally-funded crime control efforts.

TABLE LEAA-1.—LEAA BUDGET, FISCAL YEARS 1973-75

[In millions of dollars]

Categories	Fiscal year— 1973 (appropriated)	1974 (appropriated)	1975 (requested)
1. Grants for development and implementation of comprehensive plans	50.0	50.0	55.0
2. Matching grants to improve and strengthen law enforcement:			
(a) Allocations to States according to population	480.3	480.3	480.3
(b) Allocations to States or localities as determined administratively	88.7	88.7	84.8
3. Aid for correctional institutions and programs	113.0	113.0	113.0
4. Technical assistance	10.0	12.0	15.0
5. Technology analysis, development, and dissemination	31.6	40.1	45.2
6. Manpower development	45.0	45.0	45.0
7. Data systems and statistical assistance	21.2	24.0	26.5
8. Management and operations	15.6	18.0	21.7
Total	855.4	871.1	886.5

Source: Fiscal year 1975 budget, "Appendix," p. 617 Fiscal year 1974 budget, "Appendix," p. 628.

MANPOWER

Manpower training and employment programs

The President's FY 75 Budget calls for an appropriation of $2.050 billion to implement the Comprehensive Employment and Training Act of 1973. The $2.050 billion requested would provide $1.669 billion for state and local programs authorized under Title I (Comprehensive Manpower Services) and Title II (Public Employment Programs) of CETA. The remaining $381 million of the proposed budget is for national training programs and program support authorized under Titles III, IV, and V of CETA.

Public employment funding under Title II is proposed at a level of $350 million for FY 75, as required by law. This will leave $1.319 billion for Title I programs, of which 80 percent of $1.055 billion will be allocated, on a formula basis, to state and local prime sponsors.

The budget also requests a supplemental appropriation of $250 million for FY 74 for public employment programs authorized under Title II of CETA.

A second component of the supplemental appropriation requested for FY 74 involves summer youth employment programs. The budget proposes a supplemental appropriation of $208.6 million for such programs to which would be added $91.4 million of unobligated FY 73 summer employment funds authorized under the Economic Opportunity Act. The result would be a calendar year 1974 summer program of $300 million.

It should also be noted that the budget indicates that the President's appropriation request for manpower training and services for FY 74, which has not been acted upon by Congress (programs are operating under a continuing resolution), remains unchanged at a level of $1.340 billion. This FY 74 figure would be increased, of course, by the aforementioned supplemental appropriation requested for public employment and summer youth employment.

The FY 74 appropriation level is also increased by $10 million appropriated by Congress to carry out a program of public services employment program for older workers authorized under Title IX of the Older Americans Comprehensive Services Amendments of 1973. The FY 75 budget does *not* request any funds for continuation of this specific program.

Based upon both statements by Department of Labor (DOL) officials and mandatory allotments under CETA, the funding level for several national programs would be as follows: Job Corps—$175 million; Migrant Programs—$53 million; Indian Programs—$42 million.

Related manpower programs

In related manpower areas, the budget reflects a continuation of programs at their current operating levels.

A budget request of $464 million is included for the Federal-State Employment Service, which parallels FY 74 funding.

For the Work Incentive Program (WIN), a budget authority of $280 million is sought, including $190 million for training and placement activities. While this latter represents a reduction of some $60 million from FY 74 appropriations, it will be sufficient to continue the WIN program at its current level of operations due to the fact that the program operated well below its authorized level in FY 74.

On-the-job training for veterans, administered by the Veterans Administration, is projected at an operating level (federal obligations of funds) of $241 million which approximates the FY 74 operating level.

For vocational rehabilitation services and facilities, the budget requests an authority of $715.4 million or virtually the same figure as FY 74. Within the appropriation request, funds for the basic state grants would be increased by some $40 million with an offsetting reduction of $38.7 million in special rehabilitation service projects.

With regard to vocational and adult education, comparisons with FY 74 appropriations are complicated by the fact that the budget proposes consolidation of the several categorical programs into the "vocational education priority" and "adult education priority" of the consolidated education grants program." Spokesmen from HEW indicated that the projected request for adult education for FY 75 would be $63 million or the same as FY 74, while the vocational education request would total $550 million or a $17 million increase over the FY 74 appropriation.

The budget proposes an increase of $32.1 million for the Occupational Safety and Health Administration of DOL, the majority of which will provide additional funds for state grants to expand operations.

Comment

A comparison of manpower programs and funding for FY 75 with previous years involves two considerations—local authority and funds available. First, the purpose and nature of CETA gives cities far greater authority and flexibility, with concomitant responsibility, in the design and operation of manpower programs. CETA provides for a decentralized and decategorized system of manpower programs with decision making at the state and local level. Thus it represents a major accomplishment in our efforts to strengthen the authority of cities with regard to Federal programs.

Secondly, the budget requested for FY 75, compared to FY 74, as it directly affects state and local government, provides an increase only in the area of public service employment (Title II of CETA. That increase of $100 million, is required by the legislation. With regard to manpower training and services (Title I of CETA), the budget will provide funding approximately the same as in FY 74.

A direct comparison of FY 74 and FY 75 funding is made difficult by the aforementioned shift from a centralized, categorized system to a decentralized, decategorized program. However, the following facts help explain the situation:

The total appropriations for FY 74, including the requested supplementals for summer youth employment and public service employment, would be $1.809 billion. (This does not include the $91 million in unspent FY 73 funds which are to be added to the supplemental appropriation to fund a $300 million summer employment program.) The budget requested for FY 75 totals $2.050 billion. This is an increase of $241 million over FY 74.

The Administration presents this in an even more favorable light by stating that FY 75 funding to state and local governments

(Titles I and II of CETA) will show an even greater increase—$260 million—because the national training programs budget (Titles III, IV, and V of CETA) and Administration will be reduced by some $19 million compared to FY 74.

However, this $260 million increase is more illusory than real. As indicated, $100 million of it is the increase for public service employment required by statute. Another $91 million can be discounted, since that is the amount of unspent FY 73 funds which will be added to the FY 74 supplemental budget requested for summer youth employment to provide for a $300 million summer program. Similar unspent funds will not be available for the summer of 1975. Thus, a comparable program in the summer of 1975 will require use of a full $300 million of the FY 75 appropriations.

Consequently the "increase" in the area of manpower training and services under the authority of state and local governments is quickly reduced to some $69 million. However, even this increase is offset, almost completely, due to the fact that the National Alliance of Businessmen (NAB)—JOBS programs at the local level will be decentralized and decategorized in FY 75. Funding for these local NAB-JOBS activities—amounting to $65–70 million—are included under the national training programs budget for FY 74. In FY 75 such local programs, if they are to be continued at the local level, will have to be funded from the state and local budget allocations. The transfer of this on-going program demand from the national training programs budget category to the state and local category effectively eliminates any of the claimed increase of funds for states and localities.

However, the FY 75 Budget for manpower programs must be considered, also, in the perspective of the past several years' budget requests. The FY 73 and FY 74 Budgets, and their implementation, were characterized by program freezes, budgetary manipulation and withholding of funds which resulted in severe actual reductions, and even more severe proposed reductions, in the Federal fiscal commitment to manpower. The FY 75 Budget, despite its exaggeration of the amount and nature of the increases, is an improvement.

Summer youth programs

The Department of Labor (DOL) is proposing a $300 million summer youth employment program for the summer of 1974. The program will be funded from $91 million of unobligated 1973 Manpower Administration funds; the remaining $209 million will be requested in a supplementary appropriation for FY 1974. Grants for the summer youth employment program will be made to eligible prime sponsors under the Comprehensive Employment and Training Act (CETA); eligible prime sponsors are states, and cities and counties of more than 100,000 in population.

For the summer of 1975, a summer youth employment program is also proposed, with a $300 million appropriation requested for the program in FY 75. However, $300 million is only an estimate of the magnitude of the program for summer 1975, as the $300 million is included as part of the $1.669 billion requested for total state and local program appropriations under CETA in FY 75. Prime sponsors will have the discretion of determining what proportion of the funds they receive for comprehensive manpower services should be allocated to summer youth employment and the total amount actually devoted to the program will simply reflect the aggregate of those decisions by prime sponsors nationwide.

There is no request for funds for either the Recreational Support Program (RSP) or the Summer Youth Transportation Program for the summers of 1974 and 1975.

Appropriations for the Youth Conservation Corps (YCC) are up to $10 million in FY 74 (summer of calendar year 1974) and $10.2 million in FY 75, from the level of $3.5 million appropriated for the summer 1973 program. The Senate passed a bill last October which expanded and made permanent YCC: the measure will be considered in the House during this session of Congress. The Senate bill authorized appropriations for YCC of up to $100 million, but the Administration is opposed to an authorization level greater than $60 million.

Funding for youth development activities of the Office of Human Development in HEW are increased from $10 million in FY 74 to $15 million in FY 75. The youth development program provides funds to states and to local communities for the development of coordinated youth service delivery systems at the local level. The increased funding in FY 75 will be used primarily to support model delivery systems focusing on the needs of runaway youth.

COMMENTS

For the summers of 1972 and 1973, approximately $320 million was made available for youth employment. In both of these years, an additional $16 million to $17 million was allocated to recreation and transportation support programs. Thus, the $300 million proposed for employment for the summer of 1974 reflects a decrease of approximately $35 million to $40 million in the federally-supported jobs, recreation, and transportation effort for youth. Furthermore, only $209 million of the suggested $300 million reflects new appropriations; the remaining is made available from reprogrammed funds.

The Department of Labor proposed that funds be allocated to political jurisdictions for summer youth employment according to the CETA formula. Whereas under the Neighborhood Youth Corps (NYC) summer program, approximately 70 percent of the funds were allocated to serve youth residing in urban areas, it is estimated that, under the CETA formula, a substantially lesser percent of the funds will be allocated directly to cities. Thus, the impact of funding a summer job effort under the CETA formula could be to redistribute funds away from urban metropolitan areas and to diminish the impact of the program in our major cities, unless the "hold-harmless" procedures included in CETA were used in distributing the summer funds.

Title III of CETA specifically lists youth as one of the special target groups to receive additional manpower services from funds made available to the Secretary of Labor, and the heading of Section 304 of CETA is Youth Programs and Other Special Programs. However, youth are excluded from the client groups to be served by national programs which are listed in the Manpower Administration Budget, and none of the funds reserved for the Secretary of Labor for national training programs are allocated for the $300 million summer youth employment program, even though it is clearly the intention of CETA that such programs be funded from the national account. By funding such a program exclusively from the state and local program money under CETA, local officials are being forced to choose between the regular employment and training efforts for adult workers and the summertime activities tailored to serve youth needs.

NATIONAL DEFENSE

The military budget for FY 75 is significantly higher than it was in FY 74. Contrary to the Administration's budget presentation, the actual increase in basic, routine military appropriations comes to $13.7 billion (16.4 percent).

The Administration cites an increase in military appropriations of $6.9 billion (7.8 percent) to $95 billion and an increase in outlays of $7.2 billion (8.9 percent) to $87.7 billion. The actual increase in military spending was determined by adjusting the FY 74 figures for supplemental appropriations for pay and fuel increases and deleting the special expenditure for aid to Israel. The FY 75 figures have been adjusted to account for supplemental spending to increase "readiness" capability.

TABLE ND-1.—COMPARISON OF FISCAL YEAR 1974 AND FISCAL YEAR 1975—MILITARY BUDGET AUTHORITY

[Budget authority in billions of dollars]

Fiscal year 1974:	
Enacted by Congress	81.9
Add supplementals:	
Pay increases	3.4
Fuel price increase	.5
Delete (for omparison): Emergency aid to Israel	−2.2
Adusted fiscal year 1974 budget	83.6
Fiscal year 1975:	
Administration request	95.0
Add supplemental for "readiness"	2.3
Adjusted fiscal year 1975 budget	97.3
Increase from fiscal year 1974 to fiscal year 1975 13.7 (16.4 percent)	

Source: Office of the Assistant Secretary of Defense (Public Affairs), "Fiscal year 1975 Department of Defense Budget," news release No. 43–74, Feb. 4, 1974; Executive Office of the President, Office of Management and Budget, "The Budget of the United States Government Fiscal Year 1975", table 13, p. 303.

Regardless of which figures are considered, this is the largest peacetime budget in U.S. history, higher even than any budget during the Vietnam War. After previous wars, military spending traditionally has decreased.

The largest increases in budget authority for FY 75 are in the areas of personnel costs, operations and maintenance, procurement of weapons, and research and development. Though relatively small, investments in research and development this year tend to become commitments for future procurement. The cost of U.S. involvement in Southeast Asia is slated to rise by 19 percent.

SUPPLEMENTAL APPROPRIATIONS

The Administration's presentation of the military budget includes two FY supplemental budget requests not yet acted upon by Congress. These requests were first made public in the FY 75 Budget.

In effect, both the FY 74 and FY 75 budgets are increased at the same time and thus create the impression that the increase from FY 74 to FY 75 is much lower than otherwise would have obtained.

A pay supplemental totalling $3.4 billion is intended to cover military and civilian pay increases disbursed since January 1, 1973. A report issued by the House Appropriations Committee commented, "The failure to request these funds in a timely way makes comparisons with appropriations of other years misleading." Because personnel already have received pay increases, it is reasonable to assume that Congress will approve the pay supplemental as part of the FY 74 budget.

The Administration has requested another $2.8 billion "readiness" supplemental to increase U.S. military capability. According to the Pentagon, the Middle East War in October, 1973, taught us some lessons which translate into a need for additional forces. The largest items in this request include procurement of weapons ($1.8 billion), operation and maintenance ($886 million) and research and development ($109 *million*).

The supplemental also includes $480 million for fuel price increases before Feb. 1, 1974. The money for fuel is justifiable FY 74 budget item, but the remainder of the supplemental more appropriately should be considered part of the FY 75 budget.

Even under the Administration's proposal, three-fourths of the outlays for "readiness" purposes would occur in FY 75 and after. If needs should develop requiring immediate funding, the Pentagon currently has authority to draw from an estimated $10 billion fund of unobligated balances or to accelerate spending of presently obligated funds.

Another major item that has contributed to a distortion of budget comparisons is the $2.2 billion, one-time, emergency military aid appropriation to help Israel recoup losses of the Middle East War. Congress approved this special measure in December, 1973, for FY 74. Since the Pentagon is not requesting a similar measure for FY 75, the appropriation should not be included in the FY 74 budget for purposes of comparison. Otherwise, this amount would become a permanent part of basic military spending (which has been attempted by the Administration this year) although the purpose for which the funding was originally intended was no longer applicable.

A real dollar increase

The Administration asserts that the military budget has not grown in real terms after pay increases, inflation and increased fuel prices are taken into account. However, if the budget calculations are adjusted to reflect a more realistic depiction of FY figures, the result indicates a sizeable real dollar increase in the military budget from FY 74 to FY 75.

Budget authority in constant 1975 dollars has actually increased from FY 74 to FY 75 by $8.3 billion (9.3 percent). Corresponding outlays in constant 1975 dollars have increased by 3.3 billion (3.9 percent). This major increase represents real program growth and clearly contradicts a Pentagon statement that, "This increase [in budget authority] is fully required to cover pay and price increases."[1]

REAL EXPANSION OF THE MILITARY BUDGET

[In billions of dollars]

	Budget authority	Outlays
Fiscal year 1975 request (adjusted)	97.3	87.9
Fiscal year 1974 budget (adjusted) in constant 1975 dollars	89.0	84.6
Increase fiscal year 1974 to fiscal year 1975 in constant 1975 dollars	8.3	3.3
Percent increase	9.3	3.9

Source: Office of the Assistant Secretary of Defense (Public Affairs), "Fiscal Year 1975 Department of Defense Budget," news release No. 43–74, Feb. 4, 1974. Executive Office of the President, Office of Management and Budget, "The Budget of the United States Government Fiscal Year 1975," table 13, p. 303.

Highlights

Basically, the Administration is pursuing two major objectives in the new military budget:

To maintain and modernize the present force structure. There is generous funding for pay increases, inflation and fuel price increases. Modernization is to be accomplished through modification of equipment, more frequent overhauls and expanded stocks of spare parts, ammunition and small missiles.

To increase military forces. The Administration plans to increase the number of combat units and initiate a new series of weapons.

This is the first peacetime budget in many years. A sizeable reduction from the FY 74 budget would be consistent with previous postwar periods. After World War II spending dropped from $45.9 billion to $11.5 billion in FY 1947. Similarly, the post-Korea War decrease was substantial: $53.6 billion (FY 53) down to $37.8 billion (FY 54).

Some of the changes and trends in U.S. military spending and programs are—

Research and Development—Up 16 percent over FY 74. Spending for civilian research and development has increased much less. As R and D goes now, so goes procurement later. The present trend is a bad omen for the civilian sector. New initiatives in the strategic nuclear arms field account for much of the dramatic increase in Pentagon spending.

General Purpose Forces—The basic force structure is being increased. The Army will grow by one-third of a division to 13⅓. The Pentagon has announced plans to expand further to 14 divisions after FY 75. Carriers will be increased from 14 to 15 so that an additional carrier will be available for a new duty station in the Indian Ocean. More attack submarines and surface warships will also be deployed.

Strategic Forces—Additional warheads will be deployed through continuing conversions of land-based missiles and Polaris submarines. Funding for the Trident nuclear submarine will be increased by 500 million in FY 75 to accelerate the production schedule. Development of a new series of weapons will receive a sizeable boost in funding: a new small nuclear submarine to complement Trident, a cruise missile, and warheads which improve missile accuracy.

Military Personnel—Active duty personnel are to be decreased very slightly—only 1 percent—to 2,152,000. Although the Pentagon has announced a desire to reduce excessive numbers of non-combat support and headquarters personnel, these cutbacks will not translate into overall force reductions. Personnel shifted out of support slots will be transferred to new combat units comprising the expanded force structure of 13⅓ divisions.

Civilian employees—The number of civilians working for the Department of Defense will increase by 18,000 (adjusted budget basis) to a total of 1,028,000, some eight times the number of civilians at HEW. In FY 75 there will still be one civilian employee in the Department for every two people in uniformed service.

Military assistance—Although military assistance to foreign nations will decrease in FY 75, the cost of U.S. involvement in Southeast Asia is slated to rise by 19 percent to $1.9 billion.

Comment

The military budget is up by 9.3 percent in real terms. This means that military programs are being expanded at a much greater rate than is necessary to allow for inflation, pay increases and fuel price rises. This expansion of the budget means also that the U.S. will be enlarging military forces.

Clearly, then, the increases demanded for the military are unprecedented. In a time of peace, military spending in real terms should be decreasing not increasing. This is the largest peacetime military budget in U.S. history, higher even than any budget during the Vietnam War. After previous wars, military spending went down, not up. (World War II: FY 46—$45.9 billion, FY 74—$11.5 billion. Korean War: FY 53—$53.6 billion, FY 54—$37.8 billion.) A sizeable reduction from the FY 74 defense budget would be consistent with other postwar periods.

OFFICE OF ECONOMIC OPPORTUNITY

The Office of Economic Opportunity is being dismantled and Federal support for Local Community Action Operations discontinued.

No request for funds for the Office of Economic Opportunity for FY 75 is being made. Some segments of the OEO program have been transferred to other agencies during the current fiscal year and the remaining programs will be transferred with the exception of Community Action Operations. Support for Community Action Operations becomes a "local option" for which no categorical federal funds will be available.

Review of the Individual OEO program areas shows:

1. *Research Development and Evaluation*—In FY 1974 research and development activities were delegated to agencies with statutory responsibilities in fields of current OEO activity and funds were appropriated to the receiving agencies. For FY 1975 funds are being requested for appropriations to these agencies as follows:

Department of Health, Education and Welfare—$22.7 million for the Office of the Secretary. $24 million for the National Institute of Education. $3.6 million for the Office of Child Development.

Department of Housing and Urban Development—The research budget includes $2.4 million to carry out research related to efforts begun by OEO.

Department of Labor—The research budget contains $4.4 million for OEO type research. It should be noted, however, that the Labor Department research budget for FY 75 is $5.3 million, down from $10.2 million (est.) in FY 74.

2. *Community Action Operations*—There is no budget request for Community Action Operations. Funding these activities will be dependent on state and local government decisions in 1975. Funds to cover the administrative costs associated with the phase out of Community Action Operations are requested for appropriation to HEW. The estimated obligations for this program in FY 74 are $208.1 million.

In 1974 the Native Americans program was delegated to HEW. Funds were appropriated to HEW to continue the program and are included in that agency's 1975 request. $33.2 million is requested for FY 75 compared to $32.1 million for FY 74, a net increase of $1.1 million.

3. *Health and Nutrition*—OEO Health related projects were delegated to HEW in early FY 74. These activities are now incorporated into ongoing HEW Health Programs. $130 million will be appropriated to HEW.

4. *Migrants and Seasonal Farm Workers*—Migrants and Seasonal Farm Workers programs were delegated to the Department of Labor early in FY 74 and are a part of DOL's ongoing National Training Programs. $40 million will be appropriated to labor for this program in FY 75.

5. *Community Economic Development*—Legislation is being sought to authorize the operation of the Community Economic Development programs in the Office of Minority Business Enterprise. $39.3 million is to be appropriated to OMBE for this program in FY 75. FY 74 obligations amounted to $38.1 million.

6. *Legal Services*—$71.5 million is requested for appropriation to HEW for the program. Legislation is being sought to create a Legal Services Corporation.

COMMENT

The total losses from the disassembly of OEO are difficult to calculate at this time. While all programs with the exception of Community Action Operations have been or are being transferred to other agencies, it should be noted that in the case of the research and development programs, the Native American Programs and Headstart (which has been delegated to HEW for several years), authorization for funding expires in June 1974. Unless new authorizations are sought these programs may die.

The most significant loss for cities is the loss of Community Action Operations monies. This program has supported about 900 local Community Action Agencies, most of which are located in cities. They have served as the sponsors and operators of a host of service programs, ranging from childcare services to consumer services for low-income citizens. The termination of Community Action Agencies can cause the closing or disruption of numerous services which the low-income areas of cities desperately need. This in turn will place considerable pressure on cities to provide funding for these services, thus increasing the burden on the steadily diminishing financial resources of cities.

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[1] Office of the Assistant Secretary of Defense (Public Affairs), "FY 75 Department of Defense Budget," News Release No. 43–75, February 4, 1974.

Community Action Agencies have gained considerable experience during the past years in operating service programs, in conducting planning, and in dealing with the general problems of poverty at the local level. Indeed, in many smaller and rural communities Community Action Agencies have been the only available source of social planning services.

As cities assume more responsibility for comprehensive planning, development, and program operations (in all areas including social programs) the expertise of CAAs can be useful. The closing of Community Action Program at this time with no provision for transition can mean the loss of this valuable resource.

Moreover, the closing of Community Action Agencies can have an impact on employment figures since significant numbers of people, especially from the poorest communities of cities, are employed by these agencies and their related programs. Indeed, an OEO study released a year ago demonstrated that almost half of the CAA employees came from the poverty population before they gained employment with CAP. Many of those people may slide back into poverty should the program be terminated abruptly.

TABLE OEO-1

[In millions of dollars]

Program by activities	Obligations: 1973 actual	Obligations: 1974 estimate	Budget authority: 1975 estimate	Budget authority: Responsible agency (fiscal year 1975)
Research, development, and evaluation.	65.6	4.4	57.1	HEW, HUD, DOL.
Community action operations (includes Native American).	406.8	208.1	[1] 33.2	HEW.
Health and nutrition	165.5	9.4	130.8	HEW.
Migrant and seasonal farmworkers.	38.6		40.0	DOL.
Community economic development.	36.6	38.1	11.0	OMBE.
Legal services	77.2	71.5	71.5	
General support	18.1	4.8	33.0	
Total	808.4	336.3	404.9	

[1] Local option—Native Americans.

Source: Fiscal year 1975 budget, pp. 104–105.

RURAL DEVELOPMENT

The Administration has increased its request for rural development loan funds by 40 percent and has requested $20 million in grant funds for water and waste disposal systems.

Loans and grants

Specifically, the Department of Agriculture's Farmers Home Administration budget for FY 75 requests a total of $1 billion in loans for water and waste disposal systems, community facilities, and industrial development. This is an increase of $280 million over FY 74. Rural cities and towns of 10,000 population and under are eligible for water and sewer loans and community facility loans. Industrial loans are for cities 50,000 or less in a rural setting, with a preference for cities under 25,000. These programs are authorized by the Rural Development Act of 1972 and were initially implemented in FY 74.

The request for $20 million in grant funds for water and waste disposal by USDA reverses a position of a year ago when this program was among several to be terminated by the Administration as being no longer necessary. Congress disagreed strongly and appropriated $150 million for FY 74. Until December, the Administration continued to refuse to spend any of the grant funds. In December, USDA relented and released $30 million for water and sewer projects that met two conditions: 1) Applications had been made before discontinuance of the grant program in January, 1973, and 2) Cities were financially unable to proceed without undue hardship even with a 5 percent federal loan, revenue sharing and other state and local financing. Priority was given to water systems.

The only other grant funds in the rural development package are $10 million (same as last year) to assist cities and other eligible loan applicants that are near the threshold of an approvable program in business and industrial development but cannot quite make it.

TABLE RD-I.—RURAL DEVELOPMENT LOANS AND GRANTS

[In millions of dollars]

	1973	1974	1975
Water and waste disposal loans	$400	$470	$400
Community facilities loans		50	200
Business and industrial development loans		200	400
Total loans	400	720	1,000
Rural water and waste disposal grants	30	30	20
Rural business and industrial development grants		10	10
Total grants	30	40	30

Source: U.S. Department of Agriculture.

Rural housing

Housing loans and grants are projected at more than $2.1 billion in FY 75. This is $16.8 million below projected 1974 levels, but almost $280 million above 1973 levels. Greater emphasis will be placed on the use of existing housing, rental housing, home repairs, and rehabilitation in 1975, according to the proposed budget.

TRANSPORTATION

The Administration's FY 75 Budget for transportation assistance for the nations' cities reflects a higher priority for mass transit than in previous years, an overall reduction in the commitment to urban highway programs, and essentially the same level of funding for airports as last year.

Total obligations for highways in FY 75 are estimated at $4.6 billion. The Federal-Aid Highway Act of 1973 authorized approximately $5.7 billion of contract authority from the Highway Trust Fund for all highway programs. Given the previous failure to obligate highway funds that were authorized and the projected withholding in FY 75, the unexercised obligational authority in the Highway Trust Fund will be approximately $8.6 billion by the end of FY 75.

The Administration's proposed Unified Transportation Assistance Program (UTAP) would provide a total of $2.3 billion for highways and mass transit, $900 million and $1.4 billion respectively. UTAP would permit states and localities to allocate a substantial portion of these funds according to local needs and priorities. For the first time, federal aid would be available for transit operating assistance, but with no additional funding for this purpose. A portion of the highway and mass transit funds under UTAP would be earmarked for urbanized areas with a population of 400,00 or more. (Present law earmarks funds for urbanized areas with a population of 200,000 or more.) This proposed leigslation would authorize approximately $16 billion in highway and mass transit funds to urbanized areas over the next six years. By the end of February the Administration is expected to submit legislation to create UTAP. The budget reflects the Administration's interpretation of the existing legislation, and would have to be modified to reflect UTAP proposal.

The Federal-Aid Highway Act of 1973 authorized $800 million in FY 75 for the Urban System (of which $200 million could be used for bus purchases), $300 million for Urban Extensions, $200 million for the Priority Primary System (of which about $100 million would be spent in urban areas), and $50 million for the Urban High Density Traffic Program, making a total of $1.25 billion authorized from the Highway Trust Fund in FY 75 for urban highway programs. Added to the proposed mass transit budget of $1.35 billion in FY 75, the total available for urban areas for mass transit and highways would be $2.6 billion, versus the UTAP proposal that would provide only $2.3 billion for the above programs and also include operating subsidies. If the legislation for operating subsidies were passed, and signed into law, urban areas would have an additional $400 million annually, to be added to the $2.6 billion for a total of $3 billion, versus the Administration's UTAP total funding of $2.3 billion.

Urban mass transportation

Capital facilities obligations will be increased substantially from a FY 74 Budget level of $872 million to a FY 75 level of $1,225 million. This is still a relatively small increase in view of the more than $6 billion pending capital grant applications and estimated requirements for fixed rail systems.

Capital grants in FY 75 are expected to assist in the purchase of 7,000 new buses and continued construction support for new rapid transit systems and extensions. Current domestic bus production, however, is less than half this amount. The transit industry has reported approximately an 18 month lag between order and delivery of new buses. Bus orders this year will do little to alleviate increased transit demands resulting from the energy crisis and the Clean Air Act transportation control plans. An average of 5,000 buses is needed annually just for equipment replacement requirements.

Technical study grants (Section 9) will remain level at about $38 million annually. Because of the large carryover of 283 projects from previous years, only an estimated 150 new project approvals will take place in FY 75.

Research, Development and Demonstration (RD&D) grants (Section 6 grants) show a slight increase of about $9 million from a level of $66 million in FY 74 to a level of $75 million in FY 75. RD&D still remains far below the level projected in previous budgets. Last year, for example, the budget estimated a level of $80 million for FY 74, whereas only $66 million was obligated in FY 74.

RD&D grants, conducted under Section 6 of the Urban Mass Transportation Assistance Act (UMTA) involve projects for the development, testing and demonstration of new facilities, equipment, techniques and methods to assist in improving mass transportation services and in meeting transportation needs. The estimated project level, 160 projects, is the same as that for FY 74.

Highway programs

In the FY 74 budget, Urban Extensions, the Urban System and the TOPICS program were combined into an Urban Transportation Program and funded at a level of $800 million. Although the budget for FY 75 shows an increase in funding to a level of $875 million, the FY 75 urban transportation program incorporates all federally-aided highway programs in urban areas, thus adding the new Priority Primary System and the Urban High Density program. Also, up to $200 million of the $875 million could be used for bus purchases. These programs fund projects in all urban areas with a population of 5,000 to

50,000 and all urbanized areas with a population of 50,000 or more. Congress in the 1973 Highway Act authorized a total of $1.25 billion for these programs that the Administration proposes to fund at a level of $875 million.

Airports

Airport planning and construction grants will total $325 million in FY 75. This is equal to the amount provided by the Airport Development Acceleration Act of 1973 and the Airport and Airway Development Act of 1970. It is a slight increase over the FY 74 level of $313 million.

The Administration will propose to make certain Federal Aviation Administration (FAA) operations eligible for payment from user taxes that currently are restricted to planning and construction grants.

The League and the Conference have opposed any diversion of these taxes to fund FAA operations, so long as the cities continues to have planning and construction requirements.

Comment

Highway Funds

The administration is impounding $375 million out of a total of $1.25 billion for urban areas authorized by the Federal Aid Highway Act of 1973.

The budget includes only $875 million for all of the urban transportation programs, of which $200 million could be used for bus purchases. No separate program funding would be established for the Priority Primary System or the Urban High Density Traffic Program, although it was clearly the intent of Congress that these programs would be in addition to existing programs.

Based on the Federal Highway Administration's composite price index, highway construction costs rose about 9 percent per year from 1967 through 1972. To adjust for inflation and maintain the same program level would have required about $875 million; to allow for the new program categories will require still higher funding.

In addition, the Emergency Highway Energy Conservation Act of 1974 allows the expenditure of federal-aid highway funds for car and bus pool programs and provides a 90 percent federal share for such projects. While providing incentives for localities to use the funds for needed car and bus pool programs, it could reduce the total number of federally-funded projects.

The urban and urbanized areas with a population of 5,000 to 200,000, for which no funds are earmarked, are likely to receive less federal assistance for highways, especially for the Urban System projects. Hardest hit will be those areas which previously received a portion of federal-aid primary and secondary money now available only for rural areas. Cities still have extensive highway needs, as demonstrated by the expenditure in 1974 of more than $4 billion on highways in metropolitan areas.

The Department has assured the cities that funds will be available to exercise the Interstate transfer option of the Federal-Aid Highway Act. This would permit cities to substitute the Interstate funds for general revenue that can be used for any mass transit project.

The Unified Transportation Assistance Program (UTAP)

Essentially, it appears that UTAP would add the Urban System's $200 million for bus purchases funded from the Highway Trust Fund, and leave the remaining $60 million for the Urban System and $300 million for Urban Extensions, making $900 million available for urban highway programs. Of the $1.4 billion for mass transit, $700 million would be apportioned to the states on the basis of relative urbanized population for mass transit for capital and operating expenses, and $700 million would be retained for expenditure on capital grants only, at the discretion of the Secretary.

States have not controlled mass transit projects because funds have not been apportioned to them. There is a real threat that cities would have less control over the use of these funds if they are apportioned to the states.

While the Department has stated its intention to lift the ban on funding new fixed rail and commuter rail systems in FY 75, the relatively small amount of transit funds in the Secretary's discretionary fund virtually precludes support for new fixed rail systems.

No new money would be added for operating subsidies, whereas S. 386, the Urban Mass Transportation Assistance Act of 1974, now in conference, would provide $400 million annually for the next two years. The Administration still intends to veto this legislation.

State and local governments are now paying about $600 million annually in operating assistance for mass transit systems. If the state and local governments decided, under the proposed UTAP program, to use about $400 or $500 million of the $700 million apportioned to the states for operating assistance programs, the total funding available for the capital grant program, including the $700 mililon in the Secretary's discretionary fund, would be $900 million to $1.0 billion annually, which is about the same level as the FY capital grant program, and significantly less than the FY 75 level for capital grants.

Finally, the Highway Trust Fund, which would provide almost one-half the funds for UTAP for the first three years, is due to expire at the end of FY 77. The Administration's proposed UTAP would utilize $1.1 billion from the Highway Trust Fund and $1.2 billion from existing UMTA contract authority, and force the next Administration to seek the entire funding from general revenue or other sources. Hence, guaranteed funding from the Highway Trust Fund would be allowed to lapse at the end of FY 77.

Urban Mass Transportation

The capital grants program still falls far short of the estimated bus and rail requirements of the nations' cities. Pending capital grant applications now amount to about $6 billion. Furthermore, this budget does not call for any update of UMTA contract authority. In accordance with the 1970 UMTA Act, contract authority was to be updated every two years. Because of the one-year delay in the Federal-Aid Highway Act of 1973, which did provide $3 billion in new contract authority, the UMTA contract authority should be updated again in this session of Congress to cover the period from FY 75 through FY 79.

Cities are concerned particularly with providing incentives to increase bus production and bus research and development programs. It does not appear from the budget for RD&D that the Department plans to make any major thrust in this direction.

Although substantial funds will be available for mass transit purposes, the total federal funds available for highways, mass transit and airports continues to fall far short of estimated requirements. The Administration, for example, has proposed to make Federal operating assistance available through UTAP, but with no increase in funds. Increased flexibility in the use of Highway Trust Fund money will allow the cities the opportunity to determine the allocation of federal transportation funds, but when the total increases fail to reflect the addition of a number of new programs and new demands, the benefits from additional flexibility in the use of funds are marginal.

TABLE T-I.—URBAN MASS TRANSPORTATION FISCAL YEARS 1973–75

[In millions of dollars]

	Fiscal year administrative reservations (obligations)		
	1973	1974	1975
Capital facilities	$826	$872	$1,255
Technical studies	34	38	38
R. D. & D	72	66	75
University research and training	3	2	3
Other	45	8	11
Total [1]	978	986	1,351

[1] Totals may differ slightly due to rounding.

Source: Appendix to the Budget for fiscal year 1975, p.173.

TABLE T-II.—FEDERAL-AID HIGHWAY TRUST FUND FISCAL YEARS 1973–75

[Program costs in millions of dollars]

	Fiscal year—		
	1973 (actual)	1974 (estimate)	1975 (estimate)
Interstate system	$3,137	$2,925	$2,500
Urban transportation program [1]	374	800	875
Other	1,047	1,023	1,225
Total [1]	4,558	4,748	4,600

[1] The urban programs in fiscal years 1973 and 1974 include only urban extensions, the urban system and the Topics program-related activity, whereas the fiscal year 1975 program cost also includes the priority primary system and other federally aided highway programs in urban areas. Up to $200,000,000 of the fiscal year 1975 amount could be used for bus purchases.

Source: Appendix to the Budget for fiscal year 1975, p. 699.

TABLE T-III.—AIRPORT AND AIRWAY TRUST FUND, FISCAL YEARS 1973–75

[In millions of dollars]

	Fiscal year—		
	1973	1974	1975
Planning grants	10	13	15
Construction grants	207	300	310
Total [1]	216	313	325

[1] Totals may differ due to rounding.

Source: Appendix to the Budget for fiscal year 1975, p. 687.

VETERANS' EDUCATION AND JOB OPPORTUNITIES

Out of a $13.6 billion overall Veterans' Administration Budget for FY 75, $2.8 billion is budgeted for the GI Bill program and will be spent primarily in the nation's cities, much of it at community colleges. The almost $3.3 billion in FY 74 spending for the GI Bill, including a $750 million supplemental, would drop to $2.6 billion in FY 75, because fewer veterans are expected to use the program. However, with the President's proposed 8 percent increase, costing $200 or more million, in across-the-board GI Bill benefits, this figure will be almost $2.9 billion. An 8 percent increase in benefits would give each single veteran $237 per month for education and living expenses for a maximum of 36 months.

The Veterans' Cost of Instruction Program under HEW's Higher Education Act, which has greatly increased the participation rate in the GI Bill program in many cities and provided enrollment, counseling, and remedial course assistance to thousands of veterans, was included by Congress in the Labor-Hew appropriation a $23.7 million for FY 74, its second year. No funds were requested for this program by the President in

FY 75, nor were any requested in FY 74. No special energy crisis work program funding was requested for FY 75 which might benefit veterans laid off during the energy crisis due to a lack of seniority.

Comment

The President's budget provides only an 8 percent increase or $17 per month more to GI Bill users, making the basic benefit $237 a month, which is less than the cost-of-living increase (the cost-of-living is up 12.8 percentage points since the last GI Bill increase), and recommends no restructuring to remove geographical disparities.

Much controversy has surrounded the adequacy of GI Bill benefits. The Congress ordered the Veterans' Administration in 1972 to do an independent study comparing benefits available under all three GI Bills. The Educational Testing Service, which did the study for the V.A., concluded in its September 1973 report that today's benefits, when adjusted for the cost of living, provide less assistance toward the purchase of a post-secondary education than did the World War II GI Bill. The Veterans' Administration disagreed with the study, claiming that the average veteran attending the average public school has parity. Hearings held by the League and Conference Special Veterans' Opportunity Committee resulted in a final report supporting the ETS conclusions. The hearings were chaired by Congressman Silvio Conte and Mayors Gibson, Perk, and Uhlman.

The House Veterans' Affairs Subcommittee on Education and Training on February 5 passed a 13.6 percent increase in across-the-board GI Bill benefits. This bill would cost $300 million more than the administration proposal, suggesting that the education budget may be understated. In the Senate, 34 members have co-sponsored a bill which also increases the GI Bill across-the-board benefits by 13.6 percent and provides a tuition equalizer provision with payments covering tuition costs between $419 and $1,000. Such legislation appears necessary and would correct the fact that geographical disparities often prevent equal education opportunity for equal military service. It would add $200 million for the FY 75 Budget.

The failure to request funds for the Veterans' Cost of Instruction provision is another example of the income strategy, funding the consumer, not the institution. Tuition fails to cover actual costs of education at colleges and junior colleges. Few colleges set up special veterans' offices to cope with their problems before these funds were available; it is unlikely that they will continue them without federal funding.

Unemployment figures for veterans aged 20–24 rose in January 1974 to 10.6 percent, compared with a 7.2 percent rate for non-veterans of the same age. Veterans may be hard hit by the energy crisis if unemployment rises due to their lack of seniority.

In calendar years 1970–73, the number of Vietnam-era veterans in the labor market rose from 3 million to 6.5 million men. These men have relied heavily on Emergency Employment Act jobs. The lower levels of EEA spending for FY 75 than in earlier years will also hit the veteran, particularly if the previous trend of energy crisis layoffs continues.

WELFARE AND INCOME SECURITY

A comprehensive review of federal programs which maintain or supplement personal income with cash benefits, in-kind services, or commodities would have to encompass nearly 40 activities ranging from Social Security (QASDI) to housing assistance and school lunches. In addition, service programs, such as child care and manpower training for special population groups, increase earnings capacity or otherwise reduce the need for cash benefits or public services, such as health care.

However, in this analysis, "welfare" is limited to include only public assistance, including aid to families with dependent children (AFDC), Medicaid, social services, training for state and local personnel and child welfare services; the Supplemental Security Income (SSI) program, which federalizes the adult public assistance categories (aged, blind and disabled) as of January 1, 1974; and programs for specific populations now incorporated into a new Office of Human Development (OHD) in the Department of Health Education and Welfare (DHEW). (See Table W–1).

Grants to States for public assistance

The estimated $4.6 billion for maintenance assistance proposed for FY 75 is based on November 1973 state estimates. The reduction reflects transfer of the adult categories to SSI. It reflects HEW's belief that the AFDC caseload growth over the past 10 years has ended and that management initiatives imposed on states to reduce overpayments and eliminate ineligible applicants will further slow the growth of program costs. Proposed legislation placing a ceiling on work-related expenses and earnings disregarded when calculating grants is also indicative of HEW's commitment to contain program costs. HEW estimates that this change would save $203 million in federal matching payments in FY 75.

Growth in Medicaid outlays is a combination of increased medical service costs and the expanded eligibility that includes all SSI recipients. Efforts continue to contain Medicaid costs, exemplified by a legislative proposal to drop federal reimbursement for adult dental care, except for "emergency" cases.

Because of apprehension and confusion over regulations governing implementation of the social services titles of the Social Security Act, states have estimated their needs for the coming year conservatively despite the existence of a $2.5 billion authorization. The proposed regulations (Congress delayed their implementation until December 31, 1974) severely reduce eligibility and the kinds of services eligible for reimbursement.

The Administration has indicated its intention to seek extensive welfare reform legislation, but its full development will probably require two to three years. There is no indication of what directions the Administration is considering. It has been made clear, however, that any welfare reform proposal will contain provisions to make working more attractive than being on welfare.

Legislation is proposed to require that Title XIX (Medicaid) states cover outpatient clinic services delivered by a hospital or an ambulatory health care facility. The intent is to cover ambulatory care delivered in free-standing clinics. (See Table W–2).

On January 1, 1974, the federal government began implementation of a new federal income maintenance program—Supplemental Security Income—for the aged, blind and disabled. As a result, direct federal payments in FY 75 will be more than twice those in FY 74. In addition to providing direct federal assistance to the adult categories, the new program provides a minimum income of $140 per month for an eligible individual and $210 per month for a couple (when both are eligible). These benefits will rise to $146 and $219 in July 1974 (FY 75). In addition, the federal government is reimbursing the states which supplement SSI benefits up to those costs incurred by the states in 1972 for the adult categories. This contribution jumps from $159 million in FY 74 to $452 million in FY 75. HEW is now in the process of developing legislation providing for automatic cost-of-living increases to SSI recipients. (See Table W–3).

The newly-created Office of Human Development (OHD) will now be responsible for administration of those programs serving special groups. Among the programs with which OHD will deal are Head Start, Juvenile Delinquency, and the elderly. The Head Start programs will realize a gross increase in estimated FY 75 expenditures of $22 million; however, of this amount, $16 million which previously was funded out of OEO for CAPS to administer Head Start, will again go for administration of the program at the local level. Total increased expenditures for Head Start will therefore total about $6 million which will be used primarily for utilities, supplies, equipment and services. There is no anticipated increase in enrollees.

The Youth Development program is primarily concerned with juvenile delinquency and runaway youth. The budget calls for $15 million, an increase over the $10 million which has prevailed for the past several years.

Service programs for the elderly will continue to be funded at the previous year's level. There will be approximately $100 million for the nutrition program and $96 million for community services. The $10 million cut will be in programs designed to train individuals to operate elderly programs. The proposed FY 75 Budget does not take into account the $102 million remaining unexpended from FY 74. (The FY 73 appropriation was $211 million of which $109.4 million was expended in FY 73; the remainder being expended in FY 74. The FY 74 appropriation was $213 million. Therefore HEW has in reserve $111 million for elderly programs.)

TABLE W–1.—GRANTS TO STATES FOR PUBLIC ASSISTANC

[In millions of dollars]

	1973 actual	1974 estimate	1975 request
Maintenance assistance	6, 341	5, 487	[1] 4, 602
Medical assistance (medicaid)	4, 998	5, 824	6, 591
Social services	1, 607	2, 000	[2] 2, 000
State and local training	36	45	33
Child welfare services	46	47	46

[1] Reductions are due to transfer of adult categories to SSI.

[2] Total available is $2,500,000,000. $2,000,000,000 request is based on November 1973 State estimates.

Source: Fiscal year 1975 budget appendix, p. 440.

TABLE W–2.—SUPPLEMENTAL SECURITY INCOME (SSI)

[In millions of dollars]

	1973 actual	1974 estimate	1975 request
Direct Federal payments		1, 644	3, 871
Federal contribution towards State supplementation		159	452

Source: Fiscal year 1975 budget appendix, p. 451.

TABLE W–3.—GRANTS FOR CHILDREN, YOUTH, AND ELDERLY

[In millions of dollars]

	1973 actual	1974 estimate	1975 request
Child development:			
Headstart	390. 0	392	430
Administrative costs [1]	(15. 0)	(16)	
Total	405. 0	408	430
R. & D	12. 5	15	16
Youth development	9. 9	10	15
Elderly programs	109. 4	213	203

[1] Indirect administrative costs were formerly paid out of OEO. HEW summary indicates intention to use $16,000,000 of $430,000,000 for administrative costs.

Source: Fiscal year 1975 budget appendix, p. 440.

Special initiatives to continue the Head Start program at a slightly increased level are to be proposed in the next few months. No details are available at this time.

As was proposed last year, the Administration is again seeking enactment of an Allied Services bill and has requested $20 million for its implementation in FY 75. The proposed legislation would enable states to coordinate and consolidate the planning and provision of human services.

Nutrition programs

In view of the close relationship between food assistance programs and other income security programs, legislation will be proposed to transfer the food stamp and the school breakfast and lunch and other related programs from the Department of Agriculture to HEW.

Comment

With the recently enacted 11 percent increase effective June 1974, social security benefits will have risen more than 68 percent over the last five years. The average benefit *for a retired couple* will be $310 a month. The trend toward substantial increases in this and related income maintenance programs demonstrates that the federal budget is becoming increasingly a tool for income redistribution with program costs which are uncontrollable in the short run. (See Table W–4). Federal outlays for cash benefits as a share of Federal expenditures have increased from 1973 to 1975 from about 35 to 36 percent, a 3 percent rise. (See Table W–4). When in-kind benefits are included, the figures are 43 percent and 46 percent respectively, of total Federal expenditures.

The impact of this year's welfare and income security budget on the cities is likely to be negligible during the coming year. But some recommended changes, if effectively implemented, could have beneficial effects on individual residents of cities in the future.

This section of the budget reflects as well as any the administration's commitment toward an "income strategy" as opposed to a "services strategy" for assistance to the disadvantaged, a disproportionate number of whom reside in cities. An example of this strategy is the announced intention of the administration to propose legislation that would provide automatic cost of living increases for the aged, blind, and disabled beneficiaries under the newly federalized Supplemental Security Income program. That change would be desirable, but it is not now on the books. Like other proposals in this area, including new legislation to replace the current family welfare program, it may be a long time before any impact can be felt in the nation's cities.

Although the budget makes allowance for increased expenditures for the aged, blind, and disabled, it assumes no increase in the caseload of the Aid to Families with Dependent Children program.

TABLE W-4.—INCOME SECURITY PROGRAMS

[Budget authority in billions of dollars]

Programs	Fiscal year 1973	Fiscal year 1975
Cash benefits (total)	[1] 87.0	[2] 108.8
Indian programs	.27	.33
Maintenance assistance	10.3	8.1
Retirement and disability	59.7	83.3
Unemployment benefits	6.8	6.8
Veterans benefits and insurance	10.0	10.3
In-kind benefits (total)	[3] 18.8	[4] 30.0
Hospital and supplementary medical insurance	9.0	13.4
Medicaid	5.0	6.6
Food	3.2	5.6
Other	1.6	4.5
Total budget authority for income security programs	[5] 105.8	[6] 138.9
Total Federal expenditures	246.5	304.4

[1] 35 percent of total Federal expenditures.
[2] 36 percent of total Federal expenditures.
[3] 8 percent of total Federal expenditures.
[4] 10 percent of total Federal expenditures.
[5] 43 percent of total Federal expenditures.
[6] 46 percent of total Federal expenditures.

Source: The Budget of the U.S. Government appendix fiscal year 1975.

GLOSSARY

Authorization—Basic substantive legislation which sets up a Federal program or agency. Such legislation sometimes sets limits on the amount that can subsequently be appropriated, but does not usually provide budget authority.

Budget authority (BA)—Authority provided by the Congress—mainly in the form of appropriations—which allows Federal agencies to incur obligations to spend or lend money. While most authority is voted each year, some becomes available automatically under permanent laws—for example, interest on the public debt. Budget authority is composed of:

New obligational authority (NOA), which is authority to incur obligations for programs in the expenditure account; plus

Loan authority (LA), which is authority to incur obligations for loans made under programs classified in the loan account.

Budget surplus or deficit—The difference between budget receipts and outlays.

Contract authority—Some budget authority is in the form of "contract authority" which permits obligations, but requires an appropriation or receipts "to liquidate" or pay these obligations.

Federal funds—Funds collected and used by the Federal Government, as owner. The major federally owned fund is the general fund, which is derived from general taxes and borrowing and is used for the general purposes of the Government. Federal funds also include certain earmarked receipts, such as those generated by and used for the operations of Government-owned enterprises.

Fiscal year—Year running from July 1 to June 30 and designated by the calendar year in which it *ends*.

Impoundments (Budgetary Reserves)—Portions of appropriations, fund or contract authority set aside for (a) contingencies; (b) savings which are made possible by or through changes in requirements, greater efficiency of operations, or other development subsequent to the date on which the authority was made available; and (c) subsequent apportionment.

Obligations—Commitments made by Federal agencies to pay out money for products, services, loans, or other purposes—as distinct from the actual payments. Obligations incurred may not be larger than the budget authority.

Outlays—Checks issued, interest accrued on the public debt, or other payments made, net of refunds and reimbursements.

Reserves—See "Impoundments".

Trust funds—Funds collected and used by the Federal Government, as trustee, for specified purposes, such as social security and highway construction. Receipts held in trust are not available for the general purposes of the Government. Surplus trust fund receipts are invested in Government securities and earn interest.

LIMOUSINE AMENDMENT TO ENERGY BILL—MAJOR VICTORY FOR THE TAXPAYERS

Mr. PROXMIRE. Mr. President, one of the little noticed aspects of the final version of the Energy Conference Report which we passed on Monday was the excellent provision against limousines.

While the final version was not perfect, it was about 80 percent of what my original amendment proposed. The manager of the bill, the Senator from Washington (Mr. JACKSON) and his able staff certainly deserve credit for the vast improvement between the limousine provision in the first conference report and the second one.

WHAT WAS DONE

The amendment as finally passed did several things. First, it outlawed the big limousines—the class VI cars, which are Fleetwood Cadillacs—for everyone except the Cabinet and some other relatively minor exceptions.

Second, it provided that no one but those officers in the executive branch could be provided with a chauffeur. That means that the present number of chauffeur driven cars should be cut from well over 800 to 100 or less.

Third, it provided that no one, except for those few specified, could be driven to and from their homes. That was first made illegal in the Administrative Expenses Act of 1946. The provisions of the energy bill reinforce that law. If this bill is signed by the President, all those cars with the little lamps in back will be illegal if they are used by any but Cabinet officers to go to and from home. When you spot them at 8 to 9 a.m. or from 5:30 to 6:30 on the Potomac River bridges, up or down the parkways, or going through Rock Creek Park, you will know that the man in the back seat is breaking the law. Driving them to and from home is illegal. That law has been broken routinely in recent years. But the energy bill would serve notice that Congress means business again.

Now, there are some things the bill did not do. I should mention them.

WHAT IT DID NOT

First, it does not affect the legislative branch. As my original amendment excepted the leaders of the legislative branch, this is not a big omission. There are a few—a handful of legislative branch appointees—who will keep a car. But, as we know, Senators and Congressmen and their aids and staff directors do not have chauffeured limousines.

Second, the amendment does not specifically exclude classes V and IV cars. These are the big Buicks, Chryslers, and Mercurys which, in my book, are limousines.

NEED TO ENFORCE FEO ORDER

However, there is an order from the Federal Energy Office dated January 17, 1974, which states that "Use of Federal limousines, type VI, and heavy, type V, and medium, type IV, sedans shall be eliminated within 45 days of the date of this circular."

That memo tells the present holders of type VI, type V, and type IV vehicles to turn them in and use a subcompact or, in rare cases, a compact or intermediate sedan, unless they are specifically exempted by law.

If this provision is enforced by the President and the FEO, we could actually succeed in outlawing all but a handful of limousines.

SUMMARY

Therefore the bill outlaws chauffeurs, outlaws driving officials of the Government to and from home, and in conjunction with the FEO order of January 17, 1974, removes all class VI, V, and IV cars—the really monster cars—from officials except for Cabinet officers, a few leaders in Congress, the Chief Justice, and some diplomats.

Personally, I would go further, but I do take pride in the fact that we have made a very very big gain.

If the House refuses to accept this provision, or if the President vetoes the bill, I want to serve notice that I will be back again doing whatever I can on whatever bill to get rid of the huge chauffeur driven vehicles for officials of the Federal Government.

Again let me congratulate the Senator from Washington (Mr. JACKSON) for his valiant work in keeping most of the provisions of my antilimousine amendment and for saving such a very large and important proportion of the provisions. I think we have struck a blow for commonsense in the Government.

DR. CARL McINTIRE

Mr. HELMS. Mr. President, I call attention of my colleagues in the Senate to the plight of Faith Theological Seminary and its head, Dr. Carl McIntire, who recently were denied a renewal of license to operate radio station WXUR in Media, Pa.

This exercise of governmental power by the Federal Communications Commission, later affirmed by the court of appeals, was, I believe, an unwarranted transgression of first amendment rights guaranteeing freedom of speech and expression.

Citing the so-called "Fairness Doctrine" as a basis, in part, for its refusal to renew WXUR's license, the FCC effectively has used an executive regulation—a regulation without the sanction of the Congress—to abridge vital constitutionally guaranteed rights. To my knowledge, this is the first time that the FCC has invoked successfully this questionable doctrine to deny the renewal of a broadcast license. This action by the FCC was affirmed in a recent and divided opinion by the court of appeals, and the Supreme Court has decided not to look into the matter further.

Mr. President, it is my opinion that the Congress must carefully reexamine the FCC's fairness doctrine in light of the WXUR case.

The fairness doctrine has as its rationale the assumption that since broadcast outlets are so scarce, they must be regulated to insure balanced presentations of controversial issues. This assumption may have had some validity in 1949, when there were only 2,777 radio stations in this country, but it is of questionable validity today, when, as of this month, there were 7,549 stations operating. Incidentally, this compares with a total of 1,761 daily newspapers in circulation, with 1,455 of these the sole newspaper in the locale they serve. Competition among radio stations is great—competition for advertisers as well as listeners—with most listeners able to receive numerous radio signals in their locale, which means also that they can hear competing views concerning controversial issues. It is, therefore, the entire media market in any given locale, rather than any given radio station in that market area, to which we must look in order to determine whether there is an adequate presentation of competing viewpoints.

This is a crucial point of departure, Mr. President, for the fairness doctrine as it now is applied requires no such examination of the entire marketplace in which any given radio station competes and puts forth its ideas and opinions. This is the point of departure from which I urge my colleagues in the Senate to begin in their reconsideration of this doctrine.

And there must be a reconsideration of this concept, Mr. President, if freedoms that we often take for granted—freedom of speech, of expression, of the press—are to be preserved and protected from bureaucratic manipulation. As the fairness doctrine now is applied, it has a chilling effect on a radio station's inclination to present controversial listening matter to the public.

A short consideration of the WXUR case serves as a pointed example of what I am talking about. The seminary, as licensee, invested the large sum of money necessary to purchase a radio station these days and bought radio station WXUR, located in Media, Pa., a suburb of Philadelphia. Transfer of the station to the seminary which Dr. McIntire heads was approved by the FCC in 1965 and the station began operation in spite of the objections of many individuals who opposed Dr. McIntire because of his outspoken views on a number of controversial issues.

The license came up for its regular renewal a little more than a year later, and the station came under renewed criticism. Hearings on the license renewal began in October 1967, and continued through June 1968, with more than 15,000 pages of testimony taken during the course of the proceedings. At the end of the hearings, the FCC examiner ruled that the license of WXUR should be renewed. This decision was taken to the full Commission and was reversed on July 1, 1970.

Basic to the Commission's denial of the license renewal was its opinion that not only had the station not abided by the Commission's concept of the fairness doctrine—for example, WXUR had failed, in the Commission's estimation, to present both sides of controversial issues to the public; but also that it had failed to satisfy promises made to the Commission to abide by the fairness doctrine by failing to present specifically named programs designed to "balance" the station's religious and public programing. The alleged "misrepresentations" on the part of WXUR with regard to its program planning—again, basically, alleged breach of promises made pursuant to the Commission's own interpretation of the fairness doctrine—proved to be the only common ground on which the two concurring judges could base their opinion in the ensuing court appeal by WXUR of the Commission's decision to deny its license.

Mr. President, it is clear from the facts in this case that the FCC chose to apply highly technical rules to this single station, and the Courts chose to uphold the Commission's decision in what amounts to a callous disregard for the first amendment rights of this radio station and its listeners.

I call for a reexamination of this questionable doctrine. If it is to remain with us, it must be restructured to remedy its serious constitutional defects. Its chilling effect on broadcast journalism must be removed, at least in the area of radio broadcasting. We must not allow any group desiring to deny a radio station its license the ability to do so simply because that group does not agree with the station's approach to the issues or because of the controversial nature of the station's programing, as was done in the WXUR case.

If the "fairness doctrine" is to remain with us, if abridgements of first amendment rights inherent in this doctrine are to be allowed, then it is up to the Congress to decide under what circumstances this doctrine should apply. Basic to the establishment of criteria under which the doctrine should be allowed to be applied and first amendment rights be allowed to be abridged is that there exist such a scarcity of radio stations available to a particular area that it is reasonably foreseeable that competing viewpoints on controversial issues are not being aired; and further, that there is a reasonable showing, despite the availability of a number of stations in the immediate area, that competing viewpoints on controversial issues in fact are not being presented. It is my opinion, Mr. President, that the fairness doctrine should be revised—and revised by the Congress since neither the FCC nor the Courts obviously wants to protect constitutionally guaranteed rights—in accordance with these principles. And the burden of proof should be upon the FCC to establish either the requisite scarcity of radio stations in the particular broadcast area or the lack of adequate presentation of competing views in that area, beyond a reasonable doubt, before the Commission can deny the granting, transfer, or removal of a radio station's license. First amendment rights are too precious to be dealt with as they have been in the WXUR case. We in the Congress must not allow any bureaucratic decision to circumvent the Constitution.

Mr. President, because of the involved nature of the WXUR case, I have made inquiry of the Honorable Dean Burch, Chairman of the FCC. Recently, I received his reply to my inquiry, a copy of which I forwarded to a constituent interested in this matter, who, in turn, forwarded the letter to Dr. McIntire. Subsequently, the letter was published in the "Christian Beacon," a religious publication, along with a reply to Mr. Burch from Dr. McIntire. I think this exchange of views, from the principals on each side of the matter, will shed some valuable light on this particular case.

Mr. President, I ask unanimous consent that the letter from Mr. Burch and the reply from Dr. McIntire be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., January 3, 1974.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HELMS: In response to your request for my comments on the WXUR controversy, I want first to define the issues that were actually decisive in the case (and those that were not), and then provide you with some general background and a detailed record of the litigation. I believe it is fair to say that few cases to come before this Commission have ever been marked by more extensive access to the processes of both administrative and judicial review.

The WXUR case had nothing to do with the expression of religious views, and it had nothing to do with ideology. In both these regards, Dr. McIntire had and has the same rights and privileges as any other broadcasters: no less and, just as important, no more. The case was triggered by complaints that WXUR had repeatedly violated the fairness doctrine and the personal attack rules, both of which are grounded in statute, precedent, and Supreme Court rulings; before it was over, the issue of deliberate and systematic misrepresentation emerged as crucial.

A word at the outset about the requirements of fairness and personal attack. Under Section 315 of the Communications Act, every licensee of the Commission is required to address controversial issues of public importance and to do so with "reasonable balance"—not with the precise mathematical equality of campaign appearances by qualified candidates but with "reasonable opportunity" for the presentation of contrasting views. I put these phrases in quotes to highlight the fundamental standard of "reasonableness". We permit our licensees great flexibility in the fairness area. Choices of subject, format, and spokesmen are theirs. But we do insist on a good faith effort. Our rules also provide that when an attack is made on the character or integrity of an identified person or group, in the context of controversial issue coverage, the licensee must so inform the object of the attack and afford an opportunity for response. I would be the last to argue that either the fairness doctrine or the personal attack rules are beyond criticism; but they exist, they have been unanimously affirmed by the Supreme Court, and they must be implemented.

Interestingly, when the Court first ruled on the constitutionality of fairness and personal attack (in a unanimous decision), Dr. McIntire was one of the principals in the case. This was the landmark *Red Lion* decision, and I want to quote from Mr. Justice White's holding:

> Where there are substantially more individuals who want to broadcast than there are frequencies to allocate, it is idle to posit an unabridgeable First Amendment right to broadcast comparable to the right of every individual to speak, write or publish . . . There is nothing in the First Amendment which prevents the Government from requiring a licensee to share his frequency with others and to conduct himself as a proxy or fiduciary with obligations to present those views and voices which are representative of his community and which would otherwise, by necessity, be barred from the airwaves.

This past spring the Court again upheld the fairness doctrine and in the so-called *BEM* decision went so far as to suggest that the doctrine is not only constitutionally permissible but may even be constitutionally required—although by a much narrower margin than in *Red Lion*.

This is all by way of essential background. On July 7, 1970, the Commission refused to renew the licenses of WXUR and WXUR-FM on the grounds that the licensee (a) had made no reasonable effort to comply with the fairness doctrine, (b) had repeatedly violated the personal attack rules, and (c) had substantially misrepresented its programming intentions in its submissions to the Commission. On September 28, 1972, the U.S. Court of Appeals for the D.C. Circuit upheld our decision—and, again, I want to quote at some length from the majority ruling. In its strong tone and precise formulation of the issues, this ruling speaks unequivocally:

> This is a case in which the blind need for a radio outlet in the Philadelphia market has led men experienced in the broadcast industry to misrepresent the facts and to attempt to deceive a regulatory body all to a single end—propagation on the media of their philosophic dogma. These men may have possessed the highest aims for their cause but these aims were blind to the needs of the general public. Misrepresentations conceived to win a soap-box from which to shout ones views are the basest over-exaggeration of the liberties guaranteed in the first amendment. Since the airwaves are a scarce commodity and have been deemed a public trust it is easy for us to see that Dr. McIntire and his followers have every right for their views to be broadcast. Their right to operate a radio station is no different than the rights of any other group in America. Their rights are neither superior nor inferior. In seeking a broadcast station they had to meet the same requirements as anyone else seeking a license. The first of these requirements is candor and honesty in representations to the Commission. Their dismal failure in this regard is evidenced by this 8,000 page record. These men, with their hearts bent toward deliberate and premeditated deception, cannot be said to have dealt fairly with the Commission or the people in the Philadelphia area. Their statements constitute a series of heinous misrepresentations which, even without the other factors in this case, would be ample justification for the Commission to refuse to renew the broadcast license.

On May 30, 1973, the U.S. Supreme Court denied review of the Court of Appeals' decision.

In this ruling the Court of Appeals speaks of "an 8,000 page record", and that reference requires another few words of background. The WXUR case dates all the way back to January 25, 1967 (nearly three years before I joined the Commission), when the license renewals were designated for a full hearing on the basis of numerous complaints and petitions. The hearing began on March 21, 1967; the examiner issued his Initial Decision on December 10, 1968; and the record was completed (after further pleadings and replies on April 29, 1969. The Circuit Court was, if anything, too conservative in its estimate; the full transcript runs to some 15,000 pages.

Even then, Dr. McIntire received additional hearing. On March 3, 1970, oral argument was held before the Commission *en banc*. On July 7, 1970, its decision was released, denying renewal. On petition for reconsideration (with more pleadings), the Commission affirmed its decision on February 11, 1971. On March 10, 1971, an appeal was filed with the U.S. Circuit of Appeals for the D.C. Circuit; oral argument was held before the Court on April 10, 1972; and the affirming decision that I quoted above was issued on September 28, 1972. On February 3, 1973, the Court granted a further stay of 45 days to permit appropriate writs to be filed with the U.S. Supreme Court. This was done on March 5, 1973, and as I've noted the Supreme Court denied review on May 30, 1973. On July 5, 1973, the applicant (Dr. McIntire) filed notice of emergency appeal with the Circuit Court but apparently never proceeded with this appeal, and the stations ceased broadcasting shortly thereafter.

I will let the record speak for itself and simply reiterate that few cases had ever been so thoroughly considered as this one and that Dr. McIntire had access to every conceivable process of law.

Admittedly, he has not prevailed. I simply can't draw any other conclusion from this fact than that his contentions—whether he chooses to project them on religious or political grounds—have been found wanting. As I read the record of the case, there is no question about WXUR's clear and repeated violation of the Commission's rules (which are plain to every licensee) nor about the station's misrepresentations when called to task about these violations. Dr. McIntire has attempted to suggest that we are "out to get him", in contract to other licensees whose ideological bias may be at the opposite end of the spectrum. But the decisive differences are (a) that other licensees have not generally violated the Commission's rules on fairness and personal attack, and (b) they have not generally lied to us about their future intentions. If these forms of behavior were pervasive among the Commission's licensees, our trusteeship system of commercial broadcasting would quite simply fall apart. It is in my judgment that serious a matter.

I hope I've been able to throw some useful light on the issues in this highly controversial case, and I'm genuinely pleased to have had the opportunity to review the record in detail.

Sincerely,

DEAN BURCH, *Chairman.*

BIBLE PRESBYTERIAN CHURCH,
Collingswood, N.J., January 25, 1974.

Hon. DEAN BURCH,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR MR. BURCH: A copy of your letter of January 3, 1974, to the Honorable Jesse Helms, United States Senator, North Carolina, has been given to me by Mr. John J. Malcolmson, Philadelphia, Pennsylvania, sent to him by the Senator.

Seven times my name is mentioned, and you direct its impact against me. At the conclusion you write, "Dr. McIntire has attempted to suggest that we are 'out to get him,' in contrast to other licensees whose ideological bias may be at the opposite end of the spectrum. But the decisive differences are (a) that other licensees have not generally violated the Commission's rules on fairness and personal attack, and (b) they have not *generally lied* (emphasis mine) to us about their future intentions."

You also explain that "on July 7, 1970, the Commission refused to renew the licenses of WXUR and WXUR-FM on the grounds that the licensee (a) had made no reasonable effort to comply with the fairness doctrine (b) had repeatedly violated the personal attack rules, and (c) had substantially misrepresented its programming intentions in its submission to the Commission. On September 28, 1972, the U.S. Court of Appeals for the D.C. Circuit upheld our decision. . ."

Now, Mr. Burch, the Commission, the FCC, was not upheld at all on grounds (a) and (b) that the station "had made no reasonable effort to comply with the fairness doctrine" and "had repeatedly violated the personal attack rules." For you therefore to represent that it was and to use such a conviction as a part of what you call the "decisive differences" between WXUR and other licensees who "have not generally violated the Commission's rules on fairness and personal attack" constitutes a false claim, and inflicts a grave injury on me, the cause which I represent, and our whole radio ministry. For you, the chairman of the FCC, to claim that the FCC won something from the U.S. Circuit Court which it did not win, and to use this as you are doing to discredit me, my character, in your representation of the FCC and to the Senator simply means that you are misleading and misinforming representatives of the people on Capitol Hill.

This falsification of the facts in the situation is not new or recent, but it goes back to September 28, 1972, the day of the decision of the Court itself. I quote in full the FCC official notice:

"Public Notice, Federal Communications Commission, 1919 'M' Street, N.W., Washington, D.C., 20544. For information on releases and texts call 632–0002. September 28, 1972–G.

"LEGAL ACTIVITIES

"The United States Court of Appeals of the District of Columbia has affirmed Commission decision of July 1, 1970, which denied the applications of Brandywine-Main Line Radio, Inc., for renewal of licenses of Stations WXUR and WXUR-FM, Media, Pennsylvania (Docket 17141), and action of February 3, 1971, denying reconsideration. The Court upheld the Commission's denial of renewal of licenses on the ground that Brandywine failed to comply with the Fairness Doctrine and Personal Attack Rule."

This is the release that was given to the press, the radio, and the TV, defending the FCC on grounds that were not upheld. These two grounds referred to here, compliance with the Fairness Doctrine and the personal attack rules, were not sustained. This did us irreparable injury over the country, and we have never to this day been able to overcome it, to offset it, or to set the record straight with the public. And you are now, as of January 3, 1974, offering the false representation that you were sustained in these two grounds. And this is fifteen months since the Court order.

All that the FCC was sustained on in receiving its decision was what you here call "substantially misrepresented its programming intentions in its submissions to the Commission." And at the conclusion of your letter you speak of other licensees which "have not generally lied to us about their future intentions." The only basis, therefore, which you have for the decision to remove Radio Stations WXUR and WXUR–FM from the air is what you here characterize as "lies."

In support of these "lies" you quote from the ruling of Judge Tamm and Judge Wright: "In its strong tone and precise formulation of issues, this ruling speaks unequivocally." You now accept this as your own, and this is where I and those associated with me on the Board of Directors of Faith Theological Seminary are spoken of as "these men, with their hearts bent toward deliberate and premeditated deception . . . Their statements constitute a series of heinous misrepresentations . . ."

Judge David Bazelon, the Chief Justice of the Court, stands in a unique position. He first went along with the other two justices on the matter only of the misrepresentation, but indicated that he would write an opinion. When he wrote his opinion, he reversed himself, and on the "misrepresentation" issue he said, "Unlike my brothers, the FCC never characterizes Brandywine action as fraud and deception." The two judges assumed that there was "fraud and deception" and elevated your FCC charge to the level of "deliberate and premeditated deception" in our hearts. And now you accept and use that in your letter to the Senator.

However, Judge Bazelon and also Senator Sam Ervin, chairman of the Watergate Committee, in his November 14 speech to the Senate, have both taken the position that you were violating both the Communications Act of 1934 and the First Amendment when you required that WXUR stipulate in advance its program intentions. If this is true, and our rights under the First Amendment have been transgressed, no matter what your attitude or requirement may have been in relation to this particular charge, it is nullified by the First Amendment. You have no basis whatsoever for removing WXUR from the air on the basis of the Court's decision.

Shall I characterize your Public Notice released on September 28 as "premeditated, deliberate deception" on the part of the Federal Communications Commission? You announced that you won a court decision on grounds which had been the main issue in the whole case, but which the court did not sustain. Judge Bazelon in his direct and clear-cut analysis was emphatic, "In this case I am faced with a *prima facie* violation of the First Amendment. The Federal Communications Commission has subjected Brandywine to the supreme penalty: it may no longer operate as a radio broadcast station. In silencing WXUR, the Commission has dealt a death blow to the licensee's freedom of speech and press. Furthermore, it has denied the listening public access to the expression of many controversial views. Yet, the Commission would have us approve this action in the name of the Fairness Doctrine, the constitutional validity of which is premised on the argument that its enforcement will *enhance* public access to a marketplace of ideas without serious infringement of the First Amendment rights of individual broadcasters.

"This paradoxical result is sustained only by a faith in the argument that, despite some short-term casualties along the way, long-term enforcement of the Fairness Doctrine's obligations is the only means to achieve the marketplace ideal. But if we are to go after gnats with a sledgehammer like the Fairness Doctrine, we ought at least to look at what else is smashed beneath our blow."

Mr. Burch, I am in the position of having two judges of a federal court convict me and my associates on the Board of Directors of Faith Theological Seminary of something that was not originally charged by the FCC and which we did not have opportunity to face under oath before conviction. This is a travesty of justice when judges make up their own specific charges. And it was this and this alone that kept us from getting our day in court before the Supreme Court. From September 28, 1972, when the U.S. Circuit Court declined to sustain the FCC in the matter of the Fairness Doctrine or the personal attack rules until January 3, 1974, you have continued to insist in communications such as this that the facts in the case were different from what they actually are. And now that you had only one "ground" left, you, as chairman of the FCC, have joined the Court in knowing what was in our hearts!

But, the FCC gave a different story when the brief for the FCC in opposition was presented to the Supreme Court. Here it read: "Judge Wright indicated that, since his vote to affirm rested solely on the basis of misrepresentation and Judge Tamm would affirm on that ground also, 'that ground, and that ground alone, forms the basis of our judgment.'" All other grounds were eliminated. Even you yourself dropped the charge which was charge number four in your original decision: "Failure to ascertain the needs of the station's listening public."

With such a record, how is it possible that you could go on continually to mislead and misinform the members of the United States Congress relative to Dr. Carl McIntire as you have? The damage which you have done to my character and my ministry is absolutely irreparable, and, may I say, it was done to kill the station and cut it off the air.

Congressman after congressman has written his constituents, after hearing from the Federal Communications Commission, telling these untruths that it was for violations of the Fairness Doctrine and personal attack rules that Station WXUR was put off the air. You have had numerous letters from congressmen, and your replies have either been sent in whole to the constituents or the congressmen have made your statement their own in letters they sent out.

In the brief filed by the FCC with the Supreme Court of the United States, only two matters in this area of "misrepresentation" are presented.

One, the Inter-Faith Dialogue was included because our attorney, Benedict Cottone, came and advised us that the Commission would not approve the license transfer unless we had such a program. I worked out the plan with him and the manager of the station, and the FCC was informed of our intentions to initiate such a program "in which ministers or representatives of different faiths will be invited to participate in round-table discussions of religious principles and tenets related to current religious problems. Every effort will be made to obtain varied participation from week to week to assure the greatest possible balance of views on the subjects of discussion." That program was torpedoed by the Greater Philadelphia Council of Churches, which refused to participate or to go on Radio Station WXUR. Every effort was made to induce them to come, but they were a major party to the various actions taken to silence the station, and they refused to cooperate and make possible the program. The Examiner concluded his own appraisal by saying: ". . . it was by now evident that no member of the Protestant community represented by GPCC [Greater Philadelphia Council of Churches] would appear on Dialogue except for a few who came voluntarily. . . ."

Mr. John Norris, the station manager, started the Dialogue program himself with the hope that once it got on the air perhaps he could get more cooperation. He offered the entire program to the Greater Philadelphia Council of Churches, which declined to have anything to do with it. The program was then discontinued. There was no premeditated deception, and the station found itself being killed on the ground that its proposals were a "fraud" which it had no intention of fulfilling, when in reality the groups that were complaining against the station had it within their power to refuse to cooperate and make impossible such an FCC-required Inter-faith program—a de facto requirement of license transfer.

The second point had to do with misrepresentations of intentions of the station in programming. At the time of the application, the intentions as known were revealed. The 20th Century Reformation Hour was to be carried. When the Seminary Board of Directors voted to purchase the station, the only program mentioned that was intended to be carried was mine. The Examiner, in discussing the situation, wrote: ". . . it cannot be held that there was any misrepresentation about what or how much would be placed on the schedule. In one most important respect this was true. FTS never made any secret about its intention to 'propagate the gospel' in its own idiom and to afford Reverend McIntire a broadcast pulpit. That this purpose was well known is clearly shown by the various complaints which were filed against the proposed transfer of control."

There was a period of some six weeks from the time the FCC approved of the transfer until the station went on the air on April 29, 1965, and during that time Mr. Norris arranged for some of the programs carried on his father's station, WGCB in Red Lion, Pa., to be brought over to WXUR. These occupied a total of three and one-half hours a week and were the ones objected to. There was nothing deceptive.

Moreover, our counsel who prepared the application and filed it with the FCC was none other than the Chief Counsel of the FCC for over seven years, and he certainly knew the FCC's practices.

So we have only two instances which were used by the Commission before the Supreme Court of the United States to keep the Court from proceeding to review the case and consider the dissent of David Bazelon, the Chief Justice of the Circuit Court, who raised these constitutional First Amendment issues, not only about the Fairness Doctrine and the Personal Attack provisions, but also about the requirement that program intentions be revealed as a condition of being granted a license.

In this outline of the case which you have listed for the Senator, giving dates, you have not entered into the substance of what was at issue. You mention the Examiner's opinion, but in no way indicate that that opinion had favored the station. After nine months of sworn testimony, he wrote, "a creditable record of serving local needs and interests, of balancing its own viewpoint with viewpoints in contrast, *in declaring its main purposes to the Commission before the transfer of control* [emphasis added] and in giving vent to positions sharply opposed to its own" had been offered the public.

Then he said, " . . . if the licenses of WXUR and WXUR-FM were to be denied on the grounds that a number of isolated infractions really did occur, it could very conceivably result in silencing all controversial discussion on American radio and television."

Your own December 13, 1968, "Action in Docket Case" reports, "The Hearing Examiner pointed out that the Fairness Doctrine requires 'an honest and good faith effort by the licensee to air contrasting, conflicting and varying attitudes towards subjects of important controversy. In the broad perspective of this record, it is almost inconceivable that any station could have broadcast more variegated opinions upon so many issues than WXUR.' He noted that the main cause of the station's difficulties was 'not that it was narrowly partisan but that it sought and received too much controversy.' "

The man of your choice and appointing wrote this! And to do this you had to repudiate your Examiner, H. Gifford Irion, who spent nine months taking the 15,000 pages of testimony and writing a 166-page opinion.

Not only were we told point blank that some of those that refused to participate on WXUR did so on advice of counsel but the attack upon the station was fierce and unrelenting—boycotts and threats to advertisers eliminated virtually all advertising income. I had to go on the station and tell the public that we would have to subscribe the money of the monthly payments on the mortgage. I raised that amount in voluntary contributions from the radio audience so the station could be kept going economically. My life was threatened numerous times; the station was to be bombed and also my home in New Jersey. I had police guarding my residence all night. The hostility that was generated against us, the entire community is aware of, as the calls came in on the radio marathons with their public threats.

These two matters are what Judge Tamm, whom you quote, called "a series of heinous misrepresentations." You here say the Station "had substantially misrepresented its programming intentions" and compare this to other licensees of other ideological bias saying that "they have not generally lied to us . . ."

The Washington, D.C., *Star-News*, September 27, 1972, reported Judge Tamm's decision under the heading: "McIntire Gets Judicial Blast on Station Bid." Barry Kalb, staff writer, wrote:

"The U.S. Court of Appeals, in an opinion unusual in its length and the severity of its denunciations, has upheld the denial of a broadcasting license to an organization associated with the Rev. Carl McIntire.

"The organization, Brandywine-Main Line Radio, Inc., was variously accused of 'valueless verbiage,' of acting with 'more brazen bravado than brains' and of 'abusing those who dared differ with its viewpoints.'

"McIntire himself was accused by Judge Edward A. Tamm in the 92-page ruling of making 'incantations' which amount to 'childish prattle.'

'McIntire, an extreme right-winger, is best known in Washington for leading a number of demonstrations here calling for an undiluted military victory in Vietnam."

I call to your attention because of his reflections upon our speech: "Childish prattle"—what is that to him? "Incantations"—some people in the community feel that this is essential to their needs. This decision certainly lacked judicial tone and indicated the basis for his use of such words as "heinous misrepresentations," and from this he concocted his charge of "premeditated"—on my part and the other members of the Board of Faith Theological Seminary—"deception."

After the Supreme Court refused to hear our case, I wrote to Attorney General Elliot Richardson about the Justice Department's being a party before the Supreme Court to this charge of fraud and deception and supporting it in the FCC brief when it was not in the original case. Did not the Justice Department have a responsibility for strict adherence to justice and truth in making a decision to accompany the FCC to the Supreme Court on the new terms created by Judges Tamm and Wright? The answer I received evaded this issue. Where, I ask, in the maelstrom of Washington today, does justice abide?

I would say that the next largest issue on which you have misled the Senator is your statement: "The WXUR case had nothing to do with the expression of religious views, and it had nothing to do with ideology." No sooner do you say this than you write, "The case was triggered by complaints that WXUR had repeatedly violated the Fairness Doctrine and the Personal Attack Rules . . ." These complaints came from my religious opponents, the leaders of the Greater Philadelphia Council of Churches and the New Jersey Council of Churches with other co-operating church groups and social agencies, including the Anti-Defamation League of B'nai B'rith. These were the majority and dominant religious forces in the community, and they were determined that my views should not be presented. These groups objected to transfer of license even before a word was heard or a program carried!

I am the president of the International Council of Christian Churches, representing 202 denominations, and we are in the vortex of a world-wide religious struggle and realignment. The Examiner discussed all this at length. We stand against the World Council of Churches, or the ecumenical movement, and when my voice began to be heard on these great issues, the other groups refused to accept our invitations to be on the Station. I sent out scores of them. As the president of the Seminary I was the highest official in relation to the Station, and as a broadcaster myself I sent tapes and notices and requests. But would anyone ever come and accept these invitations? The answer is, "No, very, very few," and this has all been spelled out in great detail in the Examiner's opinion which he gave to the Station. These religious groups have been able to use a weapon against me provided for them by the Federal Communications Commission to get at the Station and take its life. I am the one they were after.

Mr. Burch, I did everything I knew was necessary to honor the Fairness Doctrine. The Examiner wrote in his decision:

"In an effort to present viewpoints other than his own, Dr. McIntire has invited individuals and representatives of many organizations, offering them time on the 20th Century Hour at no cost to themselves. He has also made it a practice to notify any individual whom he discussed on the air in an abundance of caution, to be sure that he complied with the personal attack portion of the Fairness Doctrine. The list of names is extremely lengthy but the following will be sufficient to indicate the variety of viewpoints and individuals invited: Dr. Eugene Carson Blake, NCC; former FCC Chairman E. William Henry; FCC Chairman Rosel H. Hyde; President Lyndon B. Johnson; Dr. Franklin C. Fry, United Lutheran Church of America; Vice-President Hubert H. Humphrey; Reverend Edward A. Dowey, Princeton Theological Seminary; Alfred Zack, AFL-CIO; Drew Pearson, Syndicated Newspaper Columnist; U.S. Senator Gale McGee; Joshua Eilberg, Majority Leader of the Pennsylvania House of Representatives and principal sponsor of Resolution No. 160 and to other sponsors of the Resolution; Reverend Frances Hines and Reverend Carpenter, Greater Philadelphia Council of Churches; Louis Cassels, United Press International; Wes Gallagher, Manager, Associated Press; Milton Shapp, Democratic candidate for Governor of Pennsylvania; Samuel R. Seeman, Christian Social Relations Department of the Diocese of Pennsylvania; U Thant, Secretary-General, United Nations; Gus Hall, head of U.S. Communist Party, Institute for American Democracy; U.S. Post Office Department; Norman J. Brugher, General Brotherhood Board, Church of the Brethren; John W. Gocnell, Church of the Brethren.

"It has also been Dr. McIntire's practice to read statements of opponents on his program. Such statements have frequently contained attacks on Dr. McIntire or organizations with which he is sympathetic. . . . Much of the McIntire correspondence concerning invitations to appear on the 20th Century Hour was placed in evidence but it would be repetitious to quote extensively from it. . . ."

This is the kind of record under oath that kept the U.S. Court from confirming your charges concerning the Fairness Doctrine and the Personal Attack rules; and this makes all the more serious your false claim that the Court sustained you on these two matters.

As to the matter of ideology, these groups brought pressures to bear upon the House of Representatives of the State of Pennsylvania and on December 14, 1965, they passed famous Resolution 160, which alleged that I had "continually exhorted the political and economic views of the radical right. Reverend McIntire had little success until 1960 when his radio program, the 20th Century Reformation Hour, was established. He now broadcasts over some 600 stations and reaches millions of people daily.

"The views which the Reverend McIntire expounds are those which we now equate with the word 'extremism.' The danger of such views to our country is self-evident. That such views are rejected by a majority of our citizens was demonstrated by the election returns in November, 1964."

The election of 1964 was the one in which Senator Goldwater was defeated for the Presidency. Our people all supported Goldwater, and I voted for him. This is included among the complaints which you here assert "triggered the case."

Resolution 160 asked you "to determine whether or not it [WXUR] is complying with the requirements of a broadcast licensee." This you proceeded to do.

This is ideological to the core, and it was religious to its heart; and for you to tell the good Senator that these matters had nothing to do with the case can be nothing short of a travesty of the truth. There would have been no case whatsoever if these elements had not determined to silence my voice.

This is an attack on my views and a part of the major drive to silence the station where such views were presented to the people. Senator Sam Ervin, in his November 14 speech to the Senate, "Carl McIntire, the Fairness Doctrine, and the First Amendment," correctly observed: "When we recall the extremely controversial nature of Reverend McIntire's opinions, and the fact that the criticism the FCC received came from those who vehemently opposed his views, the real reason for the termination is clear. Dr. McIntire lost his right to speak because of his controversial exercise of the first amendment. The FCC rationales are the formal justification, but not the true cause of the FCC rejection."

The man who introduced Resolution 160 in the Pennsylvania House, Joshua Eilberg, now sits in Congress and on the Judiciary Committee to which the Rarick Bill to restore Station WXUR has been referred.

But what is even more serious than this in my judgment, and you have not even intimated this to Senator Helms, is that the FCC through its own Broadcast Bureau became the second party to the case against the station and against me. You did not permit the case to rest just upon the complaints, but a part of the "triggering" which you never mention, came from your own FCC. Your own lawyers, financed by the taxes of the people of this community, worked all the way up through the case to win the FCC's desired elimination of the station. Yes, I had attacked the Federal Communications Commission on my broadcast, and when I did I invited Mr. William Henry, the chairman of the FCC, to appear on my program. I saw him in his office in Washington and discussed matters with him.

Your action, therefore, announced on July 7, 1970, for Fairness Doctrine reasons sent tremors all through the radio world. My programs were being dropped over the country and letters of cancellation indicated the stations enforced devastating censorship. Here are some quotes from station letters.

KBLE, Seattle, Washington, wrote:

"Under the terms of the WXUR decision, controversial issues are virtually ruled off the radio airwaves. Accordingly, in order to protect our license, we have to suspend the 20th Century Reformation Hour tomorrow morning. It is indeed to be regretted that present Federal Communications Commission rule interpretations force such a preemptory termination of a relationship which has gone on so long and so cordially with ours."

KARI, Blaine, Washington, September 21, 1970:

"It is a matter of sincere regret that the FCC rule interpretation forces such a preemptory termination of a relationship which has been as cordial and of such long duration as ours. We hope you understand our dilemma."

WMEN, Tallahassee, Florida, September 21, 1967:

"Cancel shipment of tapes to WMEN Radio here in Tallahassee. We are off the air due to a change in station ownership. The new owners have stated that your program does not fit their type of broadcasting.

"I am trying to get the program on one of the other stations, but it seems that the management is frightened about the new doctrine of the FCC, in that any party that is criticized in a broadcast must be notified two weeks in advance. These people here are afraid to do anything that might upset the FCC. The stations are aware of your popularity here and realize that the program would be an asset, but I am yet unable to get a commitment for radio time."

WRIB, Providence, Rhode Island, September 20, 1967:

"According to the Fairness Doctrine I must notify all those which are attacked on your program or any other within seven days . . . Failure to comply with the above is subject to a $10,000 fine. In order to stay away from what I consider unnecessary trouble, I must ask that you refrain from mentioning names on all future broadcasts."

WUNS, Lewisburg, Pennsylvania, September 8, 1967:

"In broadcasting the 20th Century Reformation Hour, aside from the fact that we are jeopardizing our station license, and our own and employees' livelihoods, we are also jeopardizing the sale of our station to a very responsible group of citizens, a transfer which is even now in the process of being accomplished, and which requires the approval of the FCC before it can take place. We therefore know you will realize why it is necessary for us to stop broadcasting your program as of September 15th."

For eighteen years my broadcast was heard in the Washington, D.C., area over Station WFAX, Falls Church, Virginia, owned by Lamar Newcomb, who formerly worked in the FCC. It was over this station that Congressman L. Mendel Rivers, head of the Armed Services Committee, began listening to me and supporting me. He was the one who urged me to organize and lead the March for Victory. It was there that I challenged the President's "no-win policy." A month after WXUR died, I was simply dropped from the station. My program was just not broadcast one morning. The manager did not hesitate to tell some eighty people who came to see him that they did it to protect their license out of fear of trouble with the Federal Communications Commission. He said they had word from the inside that they were in line for trouble.

The American people no longer have a "free market of ideas" in Philadelphia, the birthplace of the United States, or in Washington, our nation's capital. It is not possible for me to get my program on a single station in the Philadelphia area today. I have written every one of them since the death of WXUR.

In your letter you speak about "reasonableness" and "good faith."

In the exercise of the power which you now have you determine what is reasonable, what is good faith, what is a "controversial question of public importance," what is a personal attack. You determine whether a man's enemies can destroy his total economic investment or not. You have this broad range of power within your grasp with all manner of uncertainties and subjective factors that have led the radio stations to deny liberty. When you say, "We permit our radio licensees great flexibility in the fairness area," you reveal your own permissiveness in the variable exercise of tremendous power. But, Mr. Burch, this is the area of death, and WXUR now stands silent and mute at your hands. A viewpoint not heard in the area is silenced.

Faith Theological Seminary has lost $450,000, which it paid for the station, and the mortgage is still on the Seminary property, having to be paid by the tenth of each month—$4,500—with no station in operation.

You professed to be concerned about the minority interests. I am a part of a minority religious group being snuffed out by a majority religious group at your hands. I do not hesitate to say, and I want it to be a matter of record, that if WXUR had been a black station and the decision of the Examiner had been in favor of the station, there would never have been a reversal on your part.

Now, Mr. Burch, this leads me to the last major matter. This whole question is just as political as it can be. You are a Nixon appointee. You say you came into the case three years after it started, but you were there in time to lead in the crucial decision. Your letter erroneously reports that a hearing was held on March 3, 1970, for me. A hearing was held on March 31, 1970, exactly four days before Saturday, April 4, when I led our first great Victory March down Pennsylvania Avenue in Washington, D.C., with around 100,000 people coming into the capital from all over the nation.

On March 23, on White House stationery, Mr. Noble M. Melencamp, staff assistant to the President, announced that the March "planned by the International Council of Christian Churches was re-scheduled for April 4 but has been postponed at the initiative of a representative of Mr. McIntire's Washington office." This announcement went over the nation. It confused the people and hurt the march. The White House certainly was involved. No one in my office ever made any such indication. This came as a shock and made us wonder what else the White House was doing.

The hearing on March 31 with you sitting there in your central chair was in the middle of all this. The complainants were insisting that you reverse your Examiner's opinion, which was in our favor. You have recently said publicly that rarely does the Commission reverse the studied opinion and facts found by its Examiner.

We had our march and started the buildup for the second—October 3, 1970—in which Vice-President Ky of South Vietnam agreed to be our speaker. He left Saigon for this engagement and came as far as Paris, each step of his journey being widely reported by the press and TV. It was no less a figure than our present Secretary of State, Mr. Henry Kissinger, who flew to Paris and succeeded in stopping him from completing his journey to our capital to deliver the cry of his people for victory. He was led to delay his visit and to come as the guest of the President a few weeks later. I cried out against the White House: "Interference with free speech!"

This thing was just as "hot" and political as anything could be. I was crying over my radios for victory during all those months and sought to offset the pervasive propaganda of the antiwar groups who were displaying the flags of the Vietcong and Hanoi. It was on July 7, in the middle of all this—April 4: march one; October 3: march two—that Radio Station WXUR had the death sentence pronounced upon it by you.

You say in your letter to Senator Helms: "I believe it is fair to say that few cases to come before this Commission have ever been marked by more extensive access to the processes of both administrative and judicial review." Only one court reviewed the case. The Supreme Court declined to give us our day in court, when Judge David Bazelon had raised in such a penetrating analysis the First Amendment issues involved, calling your actions "a death blow to the licensee's freedom of speech and press." We were before the Hearing Examiner, before you, and before one court. Both the Hearing Examiner and the court refused to sustain the charges that you made concerning the Fairness Doctrine and personal attack which your own decision of July 7 said was "the central aspect" of the case.

You quote from the Red Lion case and leave the impression that somehow I was an issue in that case in a similar way to WXUR, which I was not, and what you fail to note in regard to the Supreme Court decision in the Red Lion case was that the court made it very plain that its door was open on a case-by-case basis to examine the application and the functioning of the Fairness Doctrine and personal attack provisions. And when we had a case that was replete with the consequences of the so-called Fairness Doctrine, with the most fundamental questions of the First Amendment being raised, it was blocked by two justices assuming and creating a conviction of "premeditated deception" from within our hearts that detoured the Supreme Court from the constitutional questions involved.

A grave injustice has been done to freedom itself, to me personally, and to the religious movement I support. I have just as much right to go into the free market and buy time, preach the Gospel, deal with current religious questions and with national policy, and raise money for my hundreds of orphans as has Bufferin to explain how much better it is than Aspirin, or General Motors to sell its cars. I do not sell anything and I never have on the radio. I operate in the religious realm where righteousness and freedom are essential and in which God's people and those who love liberty contribute as the way all of God's work must be carried on.

Resolution 160, which I quoted, said that "Reverend McIntire had little success until 1960 when his radio program . . . was established." The whole purpose of this attack has been to make it difficult or impossible for me to get outlets for my broacast so that our success could continue.

I have been denied by you my rights under the First Amendment to the free exercise of religion. Our people, thousands of them, are frustrated; they weep; they do not sleep at night. Some have even had to go to the hospital because they have been denied by you their First Amendment rights to hear, to know, to have access to information.

Without free speech, a free government is impossible. Radio belongs to the people. God gave it to us. It does not belong to the FCC, to the Congress, to the President, to the Government of the United States. I am grateful indeed that we have had a strong constitutional voice in the Senate come to our support as a gift of God.

Radio representatives all over this country are seeking to protect themselves and are also anxious to get out from under the restraints which censor and which imperil their total investment. Last Monday I spoke at a rally in the Civic Center of Charleston, West Virginia. It was a radio rally in preparation for our First Amendment March, to be held in Washington on April 6 to focus attention on the issues involved here. One clergyman arose and announced before all present that he had been thrown off the radio station on which he had been broadcasting for years because the manager was afraid of what he might say.

Another clergyman, the Rev. Willard Carney, who is still broadcasting on what they call a religious station, told the audience that he had been ordered by the management not to say anything about prayer and Bible reading in schools, about Madalyn Murray O'Hair, or about the National Council of Churches, and that if he did he would be put off the air.

These ministers are ready to testify before Congress.

Station WJLM-FM in Salem, Virginia, had indicated that it would be willing to carry my program. When, however, a representative talked to the manager, Rev. Lloyd Gochenour, on January 22, he announced that under no circumstances would he carry the program because he wanted to stay out of trouble and did not want to have to give equal time.

This is the situation which you have created. You tell us here at the conclusion of your letter that you have to enforce the Fairness Doctrine in order to protect the very structure of your operation. The pattern followed in Philadelphia, which has now been successful in killing a radio station and which you defend and honor will frighten stations even more than they are presently frightened, for they do not know where they stand. May God and Congress save them!

It is clear that the same strategy that was used by the Federal Communications Commission to keep us from getting a hearing before the Supreme Court of the United States on the merits of the Fairness Doctrine you are now using to seek to kill any effort that is being made to have the Congress of the United States correct the injustice and restore the First Amendment rights to the radio stations and to the American people. People know when they cannot hear, and stations are aware of when they have to censor.

This issue, of course, has been greatly broadened by the fact that efforts are now being made to impose upon the press the same Fairness Doctrine strictures which have denied us freedom of speech and the free exercise of religion on the radio and TV of the nation.

The Supreme Court has now agreed to hear the case of the *Miami Herald* versus the State of Florida. Here is an exact parallel to your Fairness Doctrine requirements.

The *New York Times*, the Chicago *Tribune*, and much of the press has gone in to defend the cherished freedom of the press. Now, however, they face the Supreme Court which has already unanimously said in the Red Lion case which you mention in your letter that it is not a violation of "the First Amendment when they [the FCC] require a radio or television station to give reply time to answer personal attacks and political editorials." If the Court shackles the press with the same demands, the freedom of the press will no longer be a reality. We intend to go in as a friend of the court in behalf of religious newspapers—my own, the *Christian Beacon*, and others related to the International Council of Christian Churches. When Government pressure can be used by local citizens to determine what an editor does and prints, that editor no longer serves a free country as a free man.

We are at the most crucial moments in all our history in the preserving of our First Amendment. May I say, Mr. Burch, if your concept of freedom which you are defending is now established over the press of the nation, you will be a party to seeing both realms of communication taken from the people. It only took one free prophet to change a nation; it only took one Moses to lead 2,000,000 people out of bondage; and it took only one Saviour, Jesus Christ, to tell the religious leaders of His day that they were bound for hell and to gather to Himself His beloved Church. He also said that Caesar had certain responsibilities before God. If we do not have freedom, we will not have leaders, and we will not have a nation where the message of the Gospel of Jesus Christ can be fully preached.

I have refrained from discussing the Red Lion landmark case, to which you refer, until the end. Here you insist that you must implement the Supreme Court decision upholding the Fairness Doctrine or the personal attack rules. However, there is another section of that decision which needs to be quoted alongside of the one you offered. The Court said:

"*We need not approve every aspect of the Fairness Doctrine to decide these cases, and we will not now pass upon the constitutionality of these regulations by envisioning the most extreme applications conceivable,* United States v. Sullivah, 332 US 689, 694 (1948), but will deal with those problems if and when they arise.

"*We need not and do not now ratify every past and future decision by the FCC with regard to programming. There is no question here of the Commission's refusal to permit the broadcaster to carry a particular program or to publish his own views* [emphasis added]; of a discriminatory refusal to require the licensee to broadcast certain views which have been denied access to the airways; of government censorship of a particular program contrary to 326; or of the official government view dominating public broadcasting. Such questions would raise more serious First Amendment issues. But we do hold that the Congress and the Commission do not violate the First Amendment when they require a radio or television station to give reply time to answer personal attacks and political editorials. (16RR 2d 2029 at 2050-1)"

The Court here indicated that there were further problems involving the constitutionality of these FCC regualtions and that it would deal with these problems if and when they arise on a case-by-case basis.

The WXUR case had some of these problems in it. Here they had arisen in an extreme application which brought the consequence of death. And the Supreme Court recognized that "such questions would raise more serious First Amendment issues." Since, therefore, you in the handling of the case did indicate that the major consideration had to do with the Fairness Doctrine, it was my hope and prayer that when we did move to go to the Supreme Court that you and the Justice Department would welcome such a move in order that the issue might be further clarified for us all. But instead, your primary interest was in the elimination of the station, and you were willing to take the charges which the FCC did not make itself, but which as I have pointed out were created by the two judges Tamm and Wright of the Court alleging that our hearts were bent toward "premeditated" and "deliberate deception," and use them in order to eliminate the station from the community itself.

It seems clear to us that had your concern been the Fairness Doctrine and personal attack provision, which relate to the operation of the Federal Communications Commission, and not just an effort to eliminate the station at all costs, you would have actually joined, as you could have done, in a request for a hearing on the constitutional questions involved and raised by Judge David Bazelon. You have therefore, in a very adroit manner, used this case to tell the world that you were sustained in Fairness Doctrine and personal attack rules, when you were not, and thus to increase the impact of FCC power over all the radio and TV stations of the country to the elimination of our kind of strong Gospel broadcasting. At the same time you successfully eliminated Radio Station WXUR from the broadcasting community and did not suffer the consequences of possible loss by the Supreme Court as it has said it would be willing to deal with specific problems in the fairness field if and when they arise and which were involved in the WXUR case itself as Judge Bazelon mentioned.

A very interesting twist it has been indeed, and the injustice of it all is atrocious. Our people raised the $350,000 which has been spent in processing the case with the belief that we would get a decision on the questions of freedom from the highest Court of our land. It is our Court. Here is a little station which never could have done such a thing without the backing of the churches who wanted to have religious and patriotic messages on the air which WXUR was able to give them daily.

This situation now has created an impasse and a horror for every small station in this nation. Who has the money to process cases of this kind? The injustice involved simply means that the poor and little man does not have a chance. He is not only at your mercy but he is at the mercy of the so-called local groups which are so often interrelated and nationally stimulated and are able to complain and bring him before the Federal Communications Commission seeking his death at renewal time.

You are aware, I am sure, that it was the United Church of Christ which was one of those that originally objected even to the transfer of the WXUR license before anything had been said. Its office of communications headed by Dr. Everett C. Parker is working in this area. Parker is quoted in *Broadcasting* magazine, December 17, 1973, as saying in a recent speech that "field investigations 'conclusively' document that 'extremist propaganda principally of a right-wing nature is widely disseminated through small and medium-powered radio stations.'" The *New York Times*, December 12, with the same quotes heads its story: "Churchman Sees Need to Curb Extremism in Radio."

These small stations are stations like WXUR carrying Gospel programs to fulfill community needs in the small areas and country sections. They deal with the Ten Commandments, and they are against Communism. Parker is now to proceed to curb them through the FCC. His weapon to get at them is the one which he and those with him have successfully used in silencing WXUR. You are the handle which they have had given them with which to attack these little stations. The stations now have the threat of death, and therefore they will eliminate their programing to conform to what Parker's groups demand. The result is that the local owner really loses control of his own programing and his First Amendment rights. Since you have now played directly into the hands of the interests Mr. Parker represents, he and his group are fighting to retain the Fairness Doctrine and every inch of territory that they have gained in the FCC. They now are active in seeking to determine who will be seated on the FCC. The FCC has become an instrument to condition and determine in varying degrees what the country will hear.

I am against the Fairness Doctrine, but in the WXUR case we did everything we could to honor it. I believe it should be repealed and that Congress should see that all the radio and TV stations of the country have the same protections under the First Amendment as the print media has. There are only 1,700 daily newspapers, but over 12,000 radio and TV stations. The country cannot be afraid of freedom.

I understand in your conclusion how you feel that if the FCC cannot maintain what you call "our trusteeship system of commercial broadcasting" that it "would quite simply fall apart. It is in my judgment that serious a matter." At this point you and I are fully agreed. To hold the "trusteeship system" together, as you understand it, can only be done by your control and determination of matters of speech. Remove that from your present operation and you would be what I think Congress originally intended for you to be—completely separated from any government speech control, as the Press still is today. Your determination to follow through as you say, simply means that stations are now to be put to death under the Fairness Doctrine.

Station WXUR remains intact: Its lights are lit every night. The pushing of a switch would put it back on the air. You have left a vacuum in the Philadelphia area and have denied to the people an instrument of communication, information, and spiritual benefit.

This letter in the language of the Fairness Doctrine is an attack upon my personal character and integrity. I do not lie; I do not "generally lie." I fear God. But what is so significant is that in your zeal as chairman of the FCC to enforce the personal attack provisions and protect the character of any individual who may be discussed during a controversial issue, you now are engaged in what you yourself describe as "this highly controversial case," and during it you do not hesitate even to enlarge upon my alleged deceptions and make them your own.

I went into this with the highest of motives before God. I had been eliminated from being heard in my own area of ministry. Station WVCH of Chester, Pennsylvania, dropped my program on advice of counsel because of possible FCC troubles. Faith Seminary then bought a station so we could be heard. We have become involved with the same groups with which we struggled earlier in the church world.

The religious conflict which Resolution 160 referred to involves questions of loyalty to the "faith once delivered to the saints." My church and people left the United Presbyterian Church which we had a right to do in the free exercise of religion and obedience to conscience. I have served this congregation now for forty years as their pastor. The struggle in the religious world has simply continued over into this FCC world and the affairs of our nation. And when we come into the closest conflict with life-and-death issues of freedom, I come out of it with two judges claiming that my heart produced "deliberate and premeditated deception."

This is one reason men do not want to get involved. They back away and remain silent; they fear getting hurt in some such way. So they sit back and let the Government expand its power and control. There comes an hour when a man who loves liberty has to oppose, as I have, my Government's denial of my right of free speech. Freedom is indivisible. It carries its own blessings and judgments. The FCC should keep its political hands out of it.

When all is said and done all you have left to sustain the death of Station WXUR is the one elevated and created charge of the court, Judges Tamm and Wright, of "premeditated and deliberate deception" in revealing program intentions. That is all. If under the first Amendment, the FCC had no right even to inquire as to such intentions in programming as a condition of granting a license to a communications media, then there is nothing presently left to continue the death of the station. Having lost your main case on the Fairness Doctrine and with this lesser charge eliminated by the constitutional protections of speech, the station ought, in all right, be returned to the air. It is as simple as that. Congress is the only power of Government that can now honor the Constitution in this matter for the people. This, I believe, they must do. At least five different communications that I know of concerning the WXUR case have gone from your office under various names to settle the congressmen down and to turn them off. This one of yours is the last.

With all your emphasis on generalized lying, it is interesting that you have not accused me of perjury. I was under oath in everything I said before the WXUR Examiner.

Mr. Burch, you think our contentions have been found wanting, but I think I have justified my statement that you were out to "get me." You certainly did. But there is a God who has the final say in His providence and by His Spirit. At least I have the honor of being the first and only one up to this point that you have been able to "get." On July 5, 1973, we made a last emergency appeal, but it was denied that day. All was lost, and WXUR died at 12:01 midnight, July 6. On this sequence of events you apparently are not clear. The people of this area will never forget that final moment of weeping and resolve.

There are God-fearing people all over this nation who see the depth and breadth of this struggle, and now I carry a stigma of having "generally lied," amplified and used by you. And this is used to turn the men of Congress away from a consideration of the private bills that Congressman John Rarick (H.R. 10076) and others have introduced to have the station put back on the air by a special act in order to repair the dreadful damage and restore the constitutional rights to the people. The impact of your letter is to kill the prospects of any congressional action just as was done by the position you took before the Supreme Court.

But Congress is a branch of our Government bound also to the Constitution. There are honest and courageous men there who love the liberty that our fathers gave us. It is our prayer and the prayer of millions that Congress will not be diverted from the people's efforts to correct the injustice and return the First Amendment rights to the people of the Philadelphia area and others across the country where my program and others have been silenced and censored because of the fear of you and the uncertainties that you control in the use of your power in licensing and renewing licenses.

You belong to what our people now call "the fourth branch of Government"—you make the rules which congressmen speak of as law, you administer the rules, and then you are the judge. All three branches of power which our fathers wanted separated you exercise. It is not right and it especially is not right when the result of your power stops the preachers in the country from enjoying the free exercise of religion on the radio and in their pulpits when they broadcast their sermons.

A nation that puts "In God We Trust" on its coins ought to be concerned about the liberty of its preachers. How does a minority become a majority when the Government destroys freedom for dissent?

Mr. Burch, I feel like I have been put in prison. I cannot talk to our people; I cannot communicate. Our whole pattern of living has been changed. You have done it. I have leprosy; no one will touch me! To think of putting my program on the air just now is unthinkable. The majority powers of the community have won the day, and they are spreading themselves like a green bay tree, as the Bible says. The fear of consequences takes precedence over the defense of liberty. The idea that men love liberty more than life seems to have vanished. The Fairness Doctrine is a hypodermic needle to paralyze. It is an anesthesia administered to make possible a Government-desired operation on the body politic.

There never was a time when the message of God's Word and the judgments it pronounces against sin and wickedness in the life of a people and nation needed to be heard more than now. This situation which you have created is removing from the life of the nation this tonic and salt. When freedom goes, it is religious freedom that is lost first, for it is the message of God's Word that defends, preserves, and creates the love of liberty of which God is the Author.

By God's help, Mr. Burch, I am in this fight to save our country and our freedom, and I have a right to use the air waves and the constitutionally protected free speech and the free exercise of religion. A man like you ought to be among the first to arise, defend my right to do so, and at least be concerned about religious minorities as well as others. There is such a thing as standing for "the right because it is right."

Senator Sam Ervin—and I had no knowledge that he was going to do so—came to our defense simply out of his loyalty and love for liberty and our Constitution. He concluded his Senate speech in words which express the desire of our people:

"I hope the Commerce Committee will take a close look at the WXUR case, and begin to consider how to move broadcasting out of the Government control that was justified in its infancy. It is high time broadcasting be afforded the benefits of the First Amendment. More important, it is high time for the public to have the benefits of the First Amendment."

Very truly yours,

CARL MCINTIRE.

THE GENOCIDE CONVENTION

Mr. PELL. Mr. President, I regret very deeply that the effort to gain Senate ratification of the Genocide Convention has, at least for the present time, failed.

I strongly support the ratification of the Genocide Convention. It is an action that is long overdue for our Nation, and a step that has already been taken by 78 other nations.

The subject of genocide is one of particular interest to me since it was my father who, as the U.S. Representative to the United Nations Crime Commission, was in great part responsible for the United States taking the position that genocide should be considered a war crime, even though the legal position of the State Department had previously been to the contrary.

I was also a great admirer of Raphael Lemkin, who was responsible for the development of the word "genocide" and who devoted his vigorous efforts for many years in an endeavor to secure the ratification of the Genocide Convention.

How happy he would be, if he were alive today, to see that it has become the pending business of the Senate and how sad he would be if he knew it was still not ratified.

What could be more abhorrent to the American people—more in violation of our respect for life in all its aspects than the crime of genocide?

Why, then, has there been such a long delay in the United States becoming a signatory to an international agreement outlawing this crime? Mainly because of a misunderstanding of the effects and obligations that the Convention entails for the United States. Many questions have been raised about the Convention, but most of them, I believe, on the basis of inaccurate information as to just what it does and to just what the safeguards are to protect the constitutional rights of Americans under the Convention.

I am told by some opponents of the Convention that—

> If you vote for the Genocide Treaty, you are a traitor to your country.

If that were true, then every American President since Harry Truman, Democrat or Republican, all of the Secretaries of State, the Attorneys General of the United States, the majorities of the Senate Foreign Relations Committee—and I could go on and on listing groups of impeccably loyal Americans—would fall into the category generally reserved for such people as Benedict Arnold.

Frankly, I suspect that the people who use such arguments are the misinformed victims of a few extremist organizations.

I do not suggest that even the most benighted opponents of the Convention by their opposition approve of genocide. The United States does not produce emulators of Nazi behavior described in the excellent book, "While Six Million Died."

Yet the implication remains that those who oppose the convention are indifferent to its basic tenet that the killing or destruction of peoples, because of race or other reasons, is a horrible crime—a crime that many of those who fought in World War II sought to expunge and to assure would never happen anywhere again. Ratification of the Genocide Convention is one way to help achieve this objective.

Their opposition is chiefly based on totally ungrounded fears. It is claimed that the treaty will supercede the Constitution, that it is unconstitutional in denigrating U.S. sovereignty, that it will expose POW's to genocide prosecution, that it will permit the long arm of foreign jurisdictions to pluck innocent Americans from the United States and haul them up before international tribunals and alien courts.

A quarter of a century has elapsed since the United States signed the Genocide Convention in 1948—a treaty that represented in large measure the efforts and leadership of the United States as a champion of the protection of human rights.

During this period, the convention has been carefully studied and scrutinized at extensive hearings, in which I have participated, and elsewhere. Safeguards for the preservation of U.S. sovereignty and the constitutional rights of citizens have been incorporated into the resolution of ratification as a condition of ratification. A reservation to the resolution has now been introduced to remove all basis for any fear, however remote, that the convention might somehow deprive American citizens of their constitutional rights.

I would never support any legislation that I consider would by one iota jeopardize those rights or our Constitution. After carefully weighing the charges against the Convention in the light of its provisions and the safeguards, I have concluded that ratification of the convention under the conditions of the resolution would not impair these precious rights in any way.

My regret is that the convention cannot be more effective in assuring that genocide will never again be used as an instrument of national or international policy. But the convention is clearly symbolic of the abhorrence that the world community attaches to genocide. When an impressive number of nations has long since ratified, failure of the United States to do so is egregious. The time is long overdue to rectify this situation.

I earnestly hope that in the coming months those who have opposed ratification of the Convention will re-examine their arguments and objections and give renewed consideration to the advantages of ratification of the Genocide Convention by the United States.

SCARY SUBJECT

Mr. BROCK. Mr. President, Alan Otten, writing in the Wall Street Journal recently, pointed to the possibility of a "man on horseback" psychology appearing. His article has touched a nerve, and I think his thoughts have merit for all of us, and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCARY SUBJECT

Nasty thought for the new year: Americans may be ripe for the man on horseback.

Disillusioned with their political leaders, overwhelmed by energy shortages and rising prices, worried about their future, they may be ready to listen to the siren song of the demagogue—possibly left-wing, more likely right-wing. Under his leadership, the government becomes more pervasive, more capricious, more dictatorial.

This is an admittedly alarmist appraisal, quite probably an emotional overreaction to current crises. Yet the fact that the thought can come to mind at all, and that a somewhat rational case can be made for it, are frightening enough.

Of the public disenchantment with current political leadership, there can be no doubt. Political reporters, politicians, pollsters, friends and neighbors all testify to it. The cynicism and distrust have long been building, but they snowballed after Watergate. The most devastating documentation of this crisis of confidence comes in an exhaustive opinion survey conducted recently by the Louis Harris Organization for a government operations subcommittee.

Taken in mid-September, the poll found depressingly high readings on a number of barometer measurements of alienation. For example, 61% of those surveyed agree with the statement that "What you think doesn't count very much anymore," and 55% believe that "The people running the country don't really care what happens to you." In 1966, the comparable percentages were 37% and 26%. Over three-fourths of the respondents think "the rich get richer and the poor get poorer," compared to 45% who thought that seven years ago. An amazing 60% say that "Most elective officials are in politics for all they personally can get out of it for themselves." And an even more staggering 74% think that "special interests get more from the government than the people do."

Interestingly, on practically all points, rank and file voters take a far more negative view than do a group of state and local officials asked the same questions.

"Any objective analysis of [these] results can only conclude that a crisis of the most serious magnitude now exists in the response and assessment of the people to their government," Mr. Harris told the subcommittee.

Many political scientists, of course, argue that political alienation is hardly new—that Americans have been disillusioned with their political leaders for years, and yet have quite sensibly resisted extreme alternatives. But the public has never before seemed this alienated, this disillusioned.

Moreover, what happens when people already so disturbed with the quality and performance of government encounter dislocations and frustrations like those sure to come in the months ahead—long waits at gas pumps, cancelled trips, cold homes and offices, layoffs from fuel shortages, other shortages and layoffs and changes in life styles as the energy crisis ripples through the economy, new price increases for fuel and food and other essentials? And all this happening to people long accustomed to having things going pretty much their own way.

If that isn't a keg of gunpowder waiting for the match, then nothing is. "The mood is ugly," social analyst Peter Drucker was quoted in a recent Time Magazine.

And the match? It just could be a shrewd and ambitious spellbinder who reads the situation rightly and has no qualms or inhibitions about exploiting it to the full. He builds his appeal around a "them" and "us" division—"they've" fouled things up pretty thoroughly, and now its "our" turn. "We may not have as much education or experience as some," he will say, "but all that education and experience didn't seem to do them much good. Hard to see how we could do much worse."

Declares MIT political scientist Walter Dean Burnham: "When people outstrip their leaders, and that essentially is what the Harris Poll showed, you have ideal conditions for the political entrepreneur, for the man who tells it like it is, who says what everyone is feeling about just how awful conditions are. The man on horseback is implicit in this situation, and could become explicit."

Once elected, however, the entrepreneur's lack of experience and lack of real program begin to get him in trouble. To protect himself, he searches harder for goodies to keep his followers happy, and when the goodies aren't there, he tries to cover up his problems. Blaming "their" continued opposition for his own inability to make things work, he stages diversionary attacks on scapegoat groups. In short, he follows the traditional diagram for dictatorship.

Conceivably the man on horseback could ride in from the left, a Huey Long populist. More likely, he'd come from the conservative flank. Most newly-troubled Americans are likely to be better-paid workers and middle-class people, susceptible to some of the traditional conservative talking points—less government, lower taxes, less welfare spending, and the like. Moreover, there quite conceivably could be marked racist undertones to the campaign, as the would-be leader seeks still other ways to rally his followers.

Another possibility: someone who skillfully blends left-wing economic planks with right-wing social theories—a George Wallace, for instance. "If discontent with government remains high," says Mr. Burnham, "then Wallace's anti-bureaucrat, anti-elitist, anti-black, anti-bigness appeal will have greater impact than ever."

Traditionally, the two major parties have been seen as bulwarks against the demagogic freebooter. Party leaders and party regulars, the theory went, would keep firm control on the nominating process, and turn aside any unprincipled entrepreneur.

But the recent profusion of presidential primaries has substantially weakened the hold the party hierarchy has on the nominating process. In addition, there's no reason any longer why the man on horseback must ride to power as a Democrat or Republican. As Mr. Wallace showed in 1968, it's quite easy for a third party candidate to qualify in practically every state, and take his appeal directly to the voters. With each election, the importance of party ties has become less and less, anyhow.

Oh well, the 1976 presidential voting is still light years away, and this sort of thinking is probably no more than a hideous hangover from too many holiday parties. But previous holiday hangovers never took this particular form. Why this year?

PLANNING FOR THE WORLD FOOD CONFERENCE

Mr. PERCY. Mr. President, hardly a day goes by without some new warning of the approach of a new and potentially devastating crisis, a crisis in the world's food supply.

We have heard of food price riots in India which have toppled the government of one of India's States.

We have heard that the drought in the Sahelian Zone of Africa, a drought which threatened hunger and starvation for 6 million people last year, is now worse than ever.

We have heard predictions from Dr. Norman Borlaug, the father of the Green Revolution, that as many as 20 million people may die because of crop shortages in the next year. Crop shortages are likely because of changes in climate and cutbacks in production of fertilizer.

In the face of these threats of famine we have heard of the existence of grain reserves sufficient to feed the world for 29 days. In 1961 a reserve equaling 95 days existed.

It is because of warnings like these that I read with pleasure an article in the Sunday edition of the New York Times indicating that the United States plans to take a very positive attitude toward the U.N.-sponsored world food conference scheduled for next November.

After a week of preparatory committee meetings in New York City, Edwin M. Martin, special adviser to Secretary Kissinger and coordinator of United States participation in the conference, outlined what this country hopes the conference will achieve.

According to Mr. Martin, the world food conference should make a start toward a system which will assure food at reasonable prices under all circumstances. It should promote increased production and distribution of fertilizer. Finding ways of eliminating unnecessary food wastage should be another conference goal. Mr. Martin also noted the need for evaluating international food aid programs and their impact on agricultural production in recipient countries.

I am certain that in the months remaining before the start of the conference the United States will be preparing detailed proposals for accomplishing these objectives.

I ask unanimous consent that the article from the New York Times to which I refer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KEY GAINS SOUGHT IN U.N. FOOD TALK

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., February 16.—The United States, after a week of meetings here, has indicated for the first time some of the results it seeks from the forthcoming World Food Conference.

The United Nations conference, proposed by Secretary of State Kissinger and called for earlier by some developing countries, is to be held in Rome beginning Nov. 5.

Edwin M. Martin, special adviser to Mr. Kissinger and coordinator of United States activities at the conference, sees the need for the Rome meeting to provide "a substantial improvement" over the way food stockpiles now are handled by Governments and private enterprises.

"We hope the World Food Conference can get started on a world-wide system which will enable us to keep food flowing at reasonable prices to everybody, regardless of what unexpected events may occur," he told the news conference.

"The world has been skating on very thin ice with respect to food supply," Mr. Martin said. "It only needs one or two of the larger countries to have bad harvests, whether because of weather, shortages of fertilizer or various other accidents, so as to face a critical situation because there are so few stocks to draw on."

WASTE ALONG FOOD CHAIN CITED

Mr. Martin said the conference should urgently promote increased production and distribution of fertilizer, particularly nitrogen fertilizer for grain crops over the coming five to 10 years.

United States spokesmen said that another major task for the world meeting would be to find ways of attacking waste incurred in getting food from the land to the consumer. The Food and Agriculture Organization has estimated that there is an average loss of 25 per cent in food stocks between the harvest and the table, much of it caused by spoilage in storage and insect or rodent damages.

Mr. Martin, who was Assistant Secretary of State for Inter-American Affairs, also advocated reviewing the way in which food aid is distributed by governments and agencies.

"The time has come to take a fresh look at how food assistance is being handled, to make sure it gets to the people who need it most but does not discourage the expansion of agricultural production in recipient countries, which some people feel it may have done."

The week-long meetings here were the first of a series of preparatory sessions for the Rome conference and drew more than 60 countries.

CONSOLIDATED FINANCIAL STATEMENT OF SENATOR AND MRS. ADLAI E. STEVENSON III

Mr. STEVENSON. Mr. President, as an officer of my State and now the Federal Government, I have always made it a practice to publicly disclose all my economic interests. Since entering the Senate I have in January of each year entered a financial statement in the RECORD and updated it quarterly with statements available to the public in my Senate offices. I will continue that practice. I ask unanimous consent that a consolidated statement of financial condition for my wife and myself be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONSOLIDATED FINANCIAL STATEMENT OF SENATOR AND MRS. ADLAI E. STEVENSON III—JANUARY 1, 1974

REAL ESTATE

Home, Chicago, Ill.	$90,000
Home, Washington, D.C. (cost)	125,000
One-third interest, residence, Beverly, Mass.	30,000
Interest in farm, JoDaviess County, Ill.	67,500
Fractional interest, Fisk Building, Amarillo, Texas	3,200
Fractional interest, 1776 Pennsylvania Ave., Washington, D.C.	20,000
Fractional interest, 633 Folsom Street, San Francisco, Calif.	12,000
Real Estate—St. Maarten Island 10% undivided interest in real estate, Tiburon, Calif.	66,195

STOCKS AND BONDS

Market value as at 12, 31, 73

12,640 shares, Evergreen Communications, Inc. (publishes Bloomington, Ill. Daily Pantagraph, operates WROK, Rockford, Ill. and WJBC, Bloomington, Ill., owns 10% of Bloomington, Ill. CATV)	160,000
3 shares, Bloomington Broadcasting Corp., Class B, non-voting	1,500
533 shares, KBA Townbuilders Group Ltd., Tel Aviv	550
34.1 shares, R.R. Leaseholds, Inc.	500
State of Israel Bond	500
10,000 bonds, Baltimore, Md., 6.25%, 10/15/84	11,387
Commercial Paper	5,000
83 shares, International Business Machines	20,480
210 shares, Xerox	25,777
142 shares, Harris Intertype	3,905
200 shares, Spectra Physics, Inc.	5,300
300 shares, General Electric	18,900
115 shares, Louisville Gas & Electric	2,731
10 shares, Honeywell	701
30 shares, Anheuser Busch	986
100 shares, C. R. Bard, Inc.	2,100
200 shares, S. S. Kresge Co.	6,550
100 shares, Pfizer, Inc.	4,300
700 shares, Rowe Price New Era Fund	8,225
2,500 shares, Rowe Price New Horizons Fund	20,000

70 shares, Avon Products	$4,462
1.20 shares, Walt Disney	56
50 shares, McDonalds Corp	2,850
100 shares, Monumental Corp	1,425
100 shares, Melville Shoe	1,087
CASH	
Less current obligations	1,000
MISCELLANEOUS	
Personal property, including securities of nominal value, furniture, cars, paintings and clothing	50,000
Total	782,167
DEBTS	
Mortgage—Perpetual Building Association, Washington, D.C	76,226
Mortgage—Continental Bank, Chicago, Ill	16,141
Note payable to Charles J. and Charlotte T. Whalen	1,550
Note payable to Brown Brothers Harriman	20,000
Total	113,917

SENATOR GOLDWATER

Mr. BROCK. Mr. President, I would like to share with my colleagues a commentary aired recently in my home State of Tennessee on the subject of the Senator from Arizona's (Mr. Goldwater) resurgence to popularity. It is most unfortunate that for a time public candor by an elected official was considered to be a political detriment, and it is a tribute to Senator Goldwater's unwaivering personal *integrity that* he is now being lauded for the very attributes which made him a target of criticism in the past.

The distinguished Senator has long been one of the most misunderstood men of our times, says Norm Brewer, the seasoned political commentator of station WMC–TV in Memphis. I concur fully with Mr. Brewer's heartfelt observations. As one of television's most able commentators, he is well known for having his finger on the pulse of the people in west Tennessee. I ask unanimous consent that a transcript of his remarks be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Transcript

It was more than a little interesting to read this week, a dispatch by James Naughton of the New York Times which concluded that Barry Goldwater is "back in style." The reason, Naughton writes, is that "the blunt candor that devastated the Arizona Senator's campaign for the White House in 1964 appears to many to have become something of a national treasure in 1974." Reporter Naughton cites a number of occurrences which indicate that Goldwater, the shattered figure of the 1964 Johnson landslide, is in the midst of a political renaissance. Among them, a concerted drive by Members of the Senate to get President Nixon to nominate Goldwater for the Vice-Presidency when Spiro Agnew left in disgrace; a comment from Senator Charles Mathias, a liberal Republican from Maryland, declaring that "there is this tremendous thirst for truth, and Barry is talking straight" about Watergate and other political horrors of the day; the conclusion of Mark Shields, campaign strategist for liberal Democrats, that Goldwater today "represents the ultimate triumph of character over ideology; the Senator's first appearance on NBC's prestigeous Meet the Press program—his first time back in over a decade" and the fact that Barry Goldwater has suddenly appeared on the Gallup poll's list of the world's most admired men. What has brought a lot of this about, of course, is Senator Goldwater's blunt candor about Watergate and his open, unrelenting pressure on Richard Nixon to make a full public disclosure on the issue. The same kind of blunt candor which made Goldwater the target of so much undeserved criticism in the 1964 campaign. I, for one, am delighted to see his sudden rise in popularity. I have long felt that Barry Goldwater has been one of the most misunderstood men of our times. His frankness was all too often dismissed as shallow hip-shooting, his almost pathological honesty all too often scorned as insensitivity to complex issues. His idealism laughed off as simplistic and no longer workable. In the light of history, Barry Goldwater was right about the Vietnam war, right about the failures of the welfare system, right about the need for integrity in Government, right about the approach America should be making to its chronic problems of racial discrimination. He said, "We should be working to change hearts and minds." It is clear now, we have changed too few of each. It is gratifying now to see many who so quickly rejected him, today quoting and applauding him. It brings to mind Goldwater's campaign slogan in '64 "In your heart you know he's right." Indeed, he was.

URBAN POLICY

Mr. STEVENSON. Mr. President, the February 10, 1974, issue of the Chicago Sun-Times contains a feature article on Doris Holleb, a prominent Chicago urbanologist. Her well-informed and tough-minded ideas about urban policy, which are set forth clearly in the article, should be of interest to all who are concerned about the future of the cities.

I therefore ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to printed in the Record, as follows:

At Last, a Few Hopeful Words About Cities

(By Glenda Daniel)

Doris Holleb uses terms like "post-industrial age" to explain why cities in the year 2000 will be different from those of today. For one thing, they will be less crowded, which means there will be an opportunity (a word she would underscore) to renew city neighborhoods and "make them more human, more liveable and beautiful."

Beautiful? When was the last time a social scientist used beautiful as a description of city life?

But why not, Doris Holleb asks. Why not read the signs of urban change as opportunities to make cities better—not merely flourishing or functional again, but better in human terms. If, for example, the density in major U.S. cities continues to decline, as it has for the last 20 years, it need not mean calamity for the cities. Not if change is taken as an opportunity.

The "if's" duly noted, the statement basically remains an optimistic assessment of what lies ahead for the American city, and coming from an urbanologist that's rare encouragement. Not many of her colleagues share this optimism; or if they do, it's somehow overshadowed in the emphasis given to the magnitude of urban problems and the seemingly uncontrollable forces pushing big cities past the bring of collapse.

Controllable is the key word. As a social scientist she recognizes the scale and complexity of urban problems. But as an advocate of city life, a person who was a Manhattan high-rise child and always has lived in cities, she steadfastly believes the cities should be saved. As an activist she says they can be.

Last fall, with her appointment as director of the University of Chicago's Metropolitan Institute, the elements of personal opportunity for Doris Holleb the urbanologist, the advocate of city life and the activist, all fell into place.

She now is in charge of a public platform for advancing the urban cause, bringing the issues before the public and exploring alternatives to calamity.

Toward that objective, the Metropolitan Institute offers short, non-credit courses on urban affairs. Lecturers and panel members are selected on the basis of their expertise on a topic. The tuition ($5 for most eight-week courses, $9 for all-day Saturday seminars) is kept as low as possible to attract a diversity of urban citizens. Civil servants, $90-a-week secretaries, college professors and bank vice presidents, often come together in the same course.

"Enlightened urban policies on a regional level will come about only when voters demand it," says Doris Holleb. "And voters won't demand it without more education on the subject."

She is a tiny woman not much more than 5 feet tall but a person of abundant energy which expresses itself in her very large, dark eyes and in the quick motion of her hands as she talks.

Much of her formal background was in theoretical economics (Hunter College and Harvard University). She was an economist for the Federal Reserve Board in Washington when she met her husband, Marshall Holleb, who then was in military service. An attorney, his practice is in real estate law, taking him into matters such as air-rights development above railroad property.

They also are involved in civic affairs apart from their professional careers. He is chairman of the Illinois Council on Aging and serves on the board of Hull House and the Museum of Contemporary Art. She is a trustee of the Adlai Stevenson Institute and was chairman of the education council for Francis Parker School when her children attended there. (Sending her own children to private school, she admits, was not the most loyal thing a committed city person could do. But, she adds, her family stayed in the city and her more serious regret is with the quality of education in the city's public schools.)

Their children—three sons—are now all in their 20s. One is making his first feature-length film in Los Angeles. Another is a clinical psychologist graduate student who is currently writing a book, "Alternatives in Mental Health." The third son plans a career in natural resources management.

"I had my children as intensely as I've done everything else in my life," she says, smiling self-consciously. "All three of them were born in the space of 2½ years."

She considers the years of her pregnancies and the time at home when the children were small as very important for her intellectually. "It was at that time that I began to realize I didn't want to spend my entire life refining abstract economic theories. I spent a great number of those hours at home reading everything I could get my hands on and deciding how I could best combine all my interests into a career with social purpose that also made sense personally."

But it was as an economist that she got her first job in Chicago, as a consultant in the city's Department of Development and Planning. The experience whetted her desire for involvement in forming urban policy. She decided to abandon theoretical economics.

She went back to school briefly, this time at the Center for Urban Studies at the University of Chicago and eventually became a research associate there. She has kept her affiliation with the urban center and in that capacity has conducted major research projects and has served as an urban policy consultant for government agencies.

From major research projects for the U.S. Department of Housing and Urban Development and the Illinois Board of Higher Education she wrote two books, "Social and Economic Information for Urban Planning" and "Colleges and the Urban Poor."

Uppermost among her present concerns is the need for a regional planning approach to urban problems. Topics on the Metropolitan Institute's winter schedule reflect this concern—sessions and seminars on such things as regional solutions for controlling pollution, a transit system for the metropolitan area, the location of industrial plants, the impact of continued rapid residential development in the suburbs.

She also was recently appointed to the board of the Northeastern Illinois Planning Commission. In the past the commission had very little power beyond persuasion to see that the metropolitan area developed in an orderly manner or for the common urban good. Developers in alliance with local governments could ignore the commission's ideas for comprehensive planning. That era hopefully is coming to a close, Mrs. Helleb believes.

For one thing, the federal government has strengthened the commission's hand by requiring local applications for federal aid be processed through the regional planning authorities. In effect, NIPC now has a voice in where federal money will go for such things as new highways and water and sewage facilities.

Another step toward regional planning has come with the establishment at the local level of suburban councils of government to coordinate such things as fire protection services and zoning matters of common interest to neighboring communities. Though few are yet politically powerful enough to control how land is used by the biggest developers, they are able to avoid some past mistakes.

Chicago is the fourth major city she has lived in and she believes it is more fortunate than most metropolitan areas. It has a sound economy, the physical pattern of its growth makes public transportation more practical than in newer cities, its downtown commercial and cultural center continues to retain a vitality and, in relative terms, its housing supply is sufficient to meet the population's needs.

The area's strongest asset is its economic diversity. "We aren't dependent on the automobile like Detroit or on jet airplanes like Seattle. The Chicago area is a center of heavy industry, yet it also continues to attract other kinds of manufacturing and business."

In the post-industrial age she speaks of, service jobs and white-collar occupations will replace factory jobs as the major area of employment in cities like Chicago. She says signs are encouraging that Chicago's job market is shifting in this direction. She is particularly impressed with gains made in recent years to establish Chicago as a "serious rival" to New York as a financial center.

What all this means for those who live and work here is that Chicago is less vulnerable to jolts in the national economy—to a recession, for instance—than are cities with narrower employment underpinnings. In a diversified job market fewer persons are out of work at the same time. In the past, Chicago's unemployment rates usually have been one or two percentage points lower than the national average, she says.

The Chicago area also is in much better position to solve its transportation problem than are most U.S. cities, she says. "Our biggest growth took place at a time when rail transportation was popular, and our highest population densities are still along the commuter rail lines. We're the only city anywhere with six commuter railroads still functioning."

However, the rail network does not adequately serve the area's mass transit needs, she says. Gaps between the rail lines radiating out from the city are passable today only by automobile.

"Bus service died out in many suburbs years ago," she says, "not just because people preferred to drive automobiles, but because the buses were not taking them where they wanted to go and there was no co-ordination in service between towns. Today 80 per cent of all work trips in Chicago suburbs are made by automobile. As gasoline prices soar and the shortage becomes critical, the people who live or work in the suburbs are going to be hardest hit."

The city also needs better access to the suburbs, she says, because jobs are increasingly moving in that direction. "The last 10 years have seen a 137 per cent gain in jobs in the suburbs—a much larger increase than the accompanying outward shift population." Here again, for city resident as well as suburbanite, for the most part those jobs are reachable only by car.

The lack of public transportation in the suburbs, plus the possibility of gasoline rationing that will limit drivers to two tankfuls a month, puts metropolitan-wide plans such as the recently authorized Regional Transit Authority high on her list of priorities. It is an issue she feels Chicago should move swiftly to deal with.

Despite whatever shortcomings the RTA legislation may have, she endorses the plan that goes before voters in the six-county metropolitan area next month. She believes urgency outweighs arguments to "wait for a better bill."

In her view, perhaps the most apparent and dramatic difference between Chicago, and many other U.S. cities is the vitality of its central community. While downtowns in cities such as Detroit, St. Louis and Cleveland have withered, Chicago's has remained vital.

She is speaking out only of a physical area but also of people—creative, professional people who contribute to making Chicago a center of culture that still attracts those who no longer live in the city.

Chicago is an exception in this regard, she says, because a vital center city is in the interest of a "pluralistic coalition" ranging from intellectuals and artists to steel and bank executives and old-time politicians, all of whom have a personal stake in seeing the heart of the city thrive.

She gives Mayor Richard Daley credit as an effective manager of these groups and for managing those aspects of city life that are in their interest. But she believes the mayor has been less effective in dealing with more important matters of crime, racism and school problems. "These are the things that undermine the quality of life in residential neighborhoods and will determine the city's future as a place for families," she says.

"The success of the city's new Central Area Plan," she says, "will hinge on providing good schools and public services. Otherwise middle-class families, both black and white and however urbane their tastes, will continue to drift away from city neighborhoods."

Rapid residential development of Chicago suburbs has meant, on paper at least, that the supply of housing is not a problem. But, she quickly adds, racism and poverty still are.

While area population was growing by 11 per cent in the 1960s, the housing supply was increasing 23 per cent. However, she points out, little of that housing was for low-income families and not nearly enough was built near the new factories springing up in the suburbs.

No, Doris Holleb does not say all is well and right with Chicago. Before things improve for cities of the future, the electorate will have to demand regional planning. "Politicians aren't going to relinquish their little bailiwicks voluntarily."

Yet she is still hopeful, still optimistic about how Chicago could use its assets. "Chicago has the ingredients that could put it in the forefront of this kind of planning."

Doris Holleb lives in a high-rise, on the 11th floor of an elegant old building near Belmont Harbor. The lush carpeting, soft pillows and dark old woods of the furnishings obviously have been selected with comfort and visual pleasure in mind. The view, however, seems to have been chosen not to take her mind from work. It would strike most as uninspiring: flat and peaked roofs, streets and alleys and shops stretching westward until they blend together where factory smokestacks break the horizon.

She sees, of course the scars, the blight and decay of the cityscape. But also she sees what could be there.

She is writing a book, her third on urban affairs. It will be about the future of cities and explain the basis of her optimism, why she believes it is premature to write them off as failures.

Usually, mornings are set aside to work on the book. This morning, however, a visitor has come and Mrs. Holleb has made coffee and now is looking intently at a glass of orange juice in front of her on the kitchen table as she talks about cities and her career.

She is not a woman who dwells on the point of her personal achievement in a profession that has been dominated by men. But she suspects that if there had been more women in position to affect the direction of urban growth, modern cities might have developed differently.

She recalls the disapproval of "bedroom communities" expressed at a recent Chicago conference of women planners. "Bedroom communities are only bedrooms for men," one of the conferees had said. "But they're 24-hour dungeons for the women and children trapped there, without transportation or places to go."

It is true, she says, women who are isolated at home are usually ignored by society. And consider what commuting in the typical urban situation involves for the woman who needs or wants to work. "An hour on the highway in a traffic jam is critical to a working woman whose family and chores are waiting at home. And black women are virtually excluded from jobs in the distant suburbs when public transporation is poor."

"One reason I have faith in what can be done in controlled planning in the 1970s," she says, "is that there are vacant areas for regional planners to work with, both in the inner-city and in the frontier suburbs, those at the farthest edge of the urban spread. A big problem with urban renewal in the '50s and '60s was that there was really no place for relocation housing. Now, as the city thins out, there is."

An apparent limit in Chicago's outward development also is an encouraging sign. "After a certain distance, it becomes too expensive to extend telephone lines, electricity, sewers, water lines and so on. We have a kind of breathing space to concentrate on current problems before some new ones pop up," she says with a rueful smile.

Such signs hold promise yet she knows a great many things will have to change if her optimism is to remain justified.

Tax structures need to be reformed, for instance, so that they are fairer to working-class people and the poor and so basic services such as health care and schools can be provided with equally high standards for all.

She believes the federal government should assume full responsibility for services that transcend municipal and state boundaries—welfare, for instance. But she still see a very vital role for state government, contrary to arguments that it is obsolete. For one thing, metropolitan government is highly unlikely to be accepted in most urban areas. "World government would probably happen first," she says whimsically. "This leaves state government as the logical source of comprehensive regional policies."

At the same time, government at all levels must move from a tradition of trying to manage crisis to a policy of long-range planning, she says.

"Forward motion on tough issues is only possible when problems come to a head, as in the case of the threatened collapse of the CTA and the energy crisis. State legislatures normally wouldn't think of giving up their power to rule on budgets and programs every year. But when a crisis develops and there is pressure on them, they're more likely to agree to long-range solutions like an RTA."

She has finished the glass of orange juice and is gazing out her kitchen window. She turns suddenly and smiles.

"The other apartment on this floor faces Lake Michigan. I wouldn't trade for anything."

TURKISH OPIUM

Mr. BUCKLEY. Mr. President, the New York Times of February 21, 1974, carried a news story that was as disturbing as it was unexpected. The headline read "Turkey Asks United States for Restudy of Ban on Cultivation of Opium" and the story confirmed that:

> Turkey has asked the United States to undertake a joint re-examination of the ban on cultivation of opium by Turkish farms, Foreign Ministry sources said today.
>
> The ban was ordered by the army-supported Government of Premier Nihat Erim in 1971 under strong pressure from the Nixon Administration. It went into effect last year, and the white-and-wine-colored flowers of the opium poppy disappeared from the Anatolian Plateau.
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> The United States gave Turkey $35.7 million in exchange for the ban.
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> American narcotics agents believed that 80 per cent of the heroin that entered the United States illegally originated in the small poppy fields in Anatolia.

Mr. President, it is inconceivable that the U.S. Government should engage in any reexamination of the ban on the cultivation of opium by Turkish farmers. Our original agreement with the Turkish Government was based on humanitarian principles which do not change according to circumstances. Heroin is evil. The cultivation of opium from which heroin is derived is a social evil of incalculable proportions. To even suggest that the ban on growing of opium is something that can be reexamined is to suggest that there are times and places and circumstances under which civilized human beings can take differing attitudes toward human slavery which, after all, is what heroin addiction leads to.

One of the first proposals I made as a U.S. Senator on April 1, 1971, was a resolution to ban all economic assistance to foreign countries that do not eliminate the "production, processing and export of narcotic drugs." At that time I said:

> The availability of narcotic drugs in the United States continues undiminished, thus debasing, destroying and, in many tragic instances, killing the youth of our Nation. Within the last 8 years, New York City has lost more lives to drug abuse than the entire State of New York has lost in Vietnam war. In New York City, 100,000 narcotic addicts spend an average of $35 a day on narcotic drugs, or approximately $1.3 billion a year. It is estimated that 98 percent of narcotic addicts support their habit by turning to crime.
>
> I believe that my legislation strikes at the heart of a critical problem that has entered hundreds of thousands of American homes, and that it will greatly strengthen the efforts of the administration to control the illegal traffic in narcotic drugs. . .

The Times article contains a quotation from the Turkish Foreign Minister, Turan Gunes:

> The sacrifices we have to bear for humanity cannot be placed on our shoulders alone. There is a limit to the sacrifices Turkey can make for other people and nations.

There is a kind of macabre quality about that quotation that chills the blood. Is it the position of the Turkish government that a prohibition of the wholesale production and export of narcotic drugs is some kind of "sacrifice"? I invite the Turkish Minister to come to some of our narcotic rehabilitation centers in New York City and talk to those whose minds and souls and very lives have been ruined by narcotics. I invite him to spend a night cruising in a patrol car of the New York City Police Department, with its overburdened policemen attempting to fight a crimewave made incredibly more vicious and more widespread because of drug addiction. If the Turkish Minister is worried about "sacrifices," he should see the human sacrifices that are made on the altar of the gods of drugs, drugs that he now wants to have grown once more in Turkey.

There is a further irony to all of this, Mr. President. As I speak, a citizen of the United States and a resident of New York State is in a Turkish jail with a minimum sentence of 30 years, for the offense of smuggling 4.4 pounds of hashish. This sentence was given after Mr. Billy Hayes had already served time in jail for possession of this same hashish. If the smuggling of 4.4 pounds of hashish is seen by the Turks to be so evil that a young man must spend 30 years of his life rotting away in a Turkish jail, how much more evil is the wholesale cultivation, production, and export of opium and its derivatives, chief among which, in terms of physical destruction, is heroin?

Mr. President, I want to say that I am today writing to Secretary of State Henry Kissinger, asking him to do all in his power to see to it that the United States of America does not engage in any reexamination concerning the ban on opium growing. I realize that the Turks, if they wish, can unilaterally decide to begin once more cultivating a harvest of evil. But if they so choose, let it be by their own decision and not with any help from us. If they do so choose, I will urge the Senate to insist that the President immedately implement the sanctions proposed in my resolution of April 1, 1971, and that have been incorporated in substance in the Foreign Assistance Act of 1971.

Mr. President, I ask unanimous consent that the New York Times article be printed in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TURKEY ASKS UNITED STATES FOR RESTUDY OF BANON CULTIVATION OF OPIUM

ANKARA, TURKEY, Feb. 20.—Turkey has asked the United States to undertake a joint re-examination of the ban on cultivation of opium by Turkish farms, Foreign Ministry sources said today.

The ban was ordered by the army-supported Government of Premier Nihat Erim in 1971 under strong pressure from the Nixon Administration. It went into effect last year, and the white-and-wine-colored flowers of the opium poppy disappeared from the Anatolian Plateau. A hundred thousand families that had made all or part of their living from the sale of opium had to turn to other less lucrative crops such as wheat, barley and sugar beets.

The United States gave Turkey $35.7-million in exchange for the ban. Part of this was paid to farmers as direct compensation. Investments were to have been made in the opium-growing region to stimulate the economy and increase farmers' incomes.

But because the ban was introduced suddenly and without preparation, no big investments were made. Farmers who had sold their opium both to the Government and to black marketeers thus became poorer.

The United States had been exerting pressure on Turkey to ban opium cultivation since the early nineteen-sixties. American narcotics agents believed that 80 per cent of the heroin that entered the United States illegally originated in the small poppy fields in Anatolia. As a result of the American pressure, the number of provinces where poppies were grown decreased from 42—out of 72—in 1960 to 7 in 1970 and 4 in 1971. Compensation for giving up poppy cultivation was paid only to farmers in these four provinces.

During the election campaign last October, all Turkish parties promised to review the ban. Bulent Ecevit, leader of the victorious Republican People's party, now the Premier, had pledged to lift the ban. However, he had said he would do this in a way that would not arouse international concern.

Premier Ecevit's Foreign Minister, Turan Gunes, told the United States Ambassador William P. Macombe Jr., last week that "Turkey and the United States must re-examine the issue without any prejudgment," according to a Foreign Ministry source.

TURKISH "SACRIFICES" CITED

Mr. Gunes later said in an interview: "Villagers in the opium-growing regions are in a very difficult position socially and economically." Turkey is concerned over the drug-addiction problem in the world, he said, but he added: "The sacrifices we have to bear for humanity cannot be placed on our shoulders alone. There is a limit to the sacrifices Turkey can make for other people and nations."

Turkey does not have an addiction problem.

There has been no official reaction from Washington so far to the Turkish request. However, American sources here say that the United States Government is against a lifting of the ban. After the Turkish ban was imposed, they say, the quantity of heroin reaching the United States decreased significantly and prices more than doubled.

RESTORING CONFIDENCE

Mr. BROCK. Mr. President, the task of restoring public confidence is one that faces all of our institutions at this troublesome point in our Nation's history. A Louis Harris survey over the past 5 years shows a massive loss of faith in business, organized religion, and our military institutions, as well as in the Federal Government.

Leaders of these institutions are aware of what is at stake. Stanley J. Goodman, chairman of the May Department Stores Co., in a recent speech to national retailers, warned:

> If the public generally feels that the aims of business are at cross purposes with those of the people of our country . . ., then the root purpose of the free-enterprise system could (also) come under serious question.

What Mr. Goodman proposed is a change in the philosophy of business management, replacing the old slogan, "What's good for General Motors is good for the country," with one that says, "What's good for the people is good for business." He added:

> With the proper attitude, we can turn some of our troubles to our benefit.

The oil embargo will speed the search for solutions to an already developing energy crisis. Watergate has illuminated the need for higher ethical standards throughout our society.

There is no one simple formula for restoring faith in ourselves and our institutions. Thus, Mr. Goodman offers his approach for the business community. Ivan Hill as president of the nonprofit American Viewpoint, Inc., has been seeking to promote ethical conduct through education and through the study of ethical conduct codes and their enforcement. The point is that an awareness of the need for higher standards is half the battle won. The Congress can and should set an example through the conduct of its Members. We must put our house in order.

Business and other institutions must recognize and solve their respective problems. Irving Kristol, writing in the Wall Street Journal, January 17, suggests that:

> The problem is one of candor and credibility, not (one) of "public relations."

I would submit that it is the Ivan Hills and the Irving Kristols who can point the way to accomplish the rebuilding of our commitment to integrity, and I ask unanimous consent that Mr. Kristol's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CREDIBILITY OF CORPORATIONS

(By Irving Kristol)

"Tis the season for scapegoating, and the large corporation is once again everyone's favorite candidate for ritual slaughter. At the moment, it is the oil companies especially that are being positioned on the altar. They are accused (and are convicted forthwith) of probably contriving the present oil shortage and of certainly perpetuating it.

Anyone who has paid attention to the subject these past couple of years will know what nonsense this is. Whatever the sins of the oil companies, inattentiveness to a possible shortage of their commodity is not one of them. On the contrary, the oil companies have long been shouting into deaf ears that an energy crisis was looming, that without a more adequate return on investment there was no possibility of increasing the energy supply, and that governmental regulatory policies together with environmentalist fanaticism were exacerbating an already serious situation.

But no one is really interested in the facts of the matter. In the debased version of democratic politics which prevails today, political demagoguery and popular paranoia—both as it happens, so congenial to the melodramatic temperament of our mass media—demand that blame always and instantly be assigned to shadowy "profiteers." After all, if things go wrong, what other possible explanation is there. It can't be public opinion, which is always right, or the politicians, who are always dedicated to the commonweal, or misfortunes of historical circumstance, from which Americans are supposed to be exempt. So it has to be someone or something that has an interest in, say, higher prices for oil, as the oil companies unquestionably do.

In a sense, none of this is new. In any democracy, large and powerful organizations which are in business to make a profit will inevitably be regarded—have always been regarded—with distaste and suspicion. The power of the large corporation appears "irresponsible" precisely because of the anonymity which cloaks it; one doesn't know who is making all those decisions that affect our lives, or why, and in such a case the nastiest interpretation seems as plausible as any other. And when these decisions become dramatically costly to the average citizen, it is the nastiest interpretation that will come most naturally to mind.

GETTING AWAY WITH MURDER

Nor is this state of affairs wholly to be deplored. Within limits, the fear and dislike of "bigness" is a healthy democratic instinct, because it is indeed true that, as large organizations come to dominate our lives, each one of us loses a measure of freedom and sovereignty. But it is also true that large organizations are here to stay. No reasonable person can envisage dismantling these structures—their existence is the precondition for too many benefits, to which we are strongly attached. So when hostility to "big business" goes beyond a certain limit, there is no alternative to some form of nationalization. A government-owned or government-operated enterprise is beyond reproach so far as concerns its motives—it is, as we blithely (and mindlessly) say, "publicly" owned and operated, and its rationale is "service," not profit. That this enterprise may then be less efficient, more bureaucratic, and not at all responsive to public needs somehow doesn't matter. The Post Office gets away with murder while AT&T is crucified for every fault, simply because in the one case management's motives are assumed to be "pure" while in the other they are by definition "impure."

There is already some talk about nationalizing the large oil companies and it can be fairly predicted that, in every successive economic crisis, other industries will seem like logical candidates for "public" ownership. It is possible to think that this trend is irreversible, that it is inherent in the dynamics of a liberal democracy whose instinct for limited government becomes progressively weaker while its instinct for bureaucratically-imposed "equality of sacrifice" (this the Post Office does accomplish) grows stronger. Still, it is also possible to think that this process can at least be slowed down, and that it may be within the power of the large corporations to do something for their own survival. So the question is: What is to be done?

Essentially, as I see it, the problem is one of candor and credibility, not—repeat: *not*—of "public relations." Indeed, one of the reasons the large corporations find it so difficult to persuade the public of anything is that the public always suspects them of engaging in clever public relations, instead of simply telling the truth. And the reason the public is so suspicious is because our large corporations so habitually do engage in clever public relations instead of simply telling the truth.

For instance, what is one to make of a corporation which proudly announces that it has just completed the most profitable year in its history—and then simultaneously declares that its return on capital is pitifully inadequate, that it is suffering from a terrible cost-squeeze, etc., etc.? In 1973, most corporations were engaged in precisely this kind of double-talk. Is it any wonder they created so enormous a credibility gap?

Now, the truth is that 1973 was not so profitable a year for our large corporations. One would see this instantly if corporations reported their profits in constant dollars—i.e., corrected for inflation. Trade unions do this when they report their members' earnings to the world at large—they don't want to look like "profiteers" when they sit down at the bargaining table. Corporations, in contrast, do seem to be under a compulsion to look like "profiteers"—even when they are not, in fact, operating at a particularly profitable level. The explanation for this bizarre behavior has to do with the prevailing standards of "successful mangement" in the corporate world.

It is not much of an exaggeration to say that these standards, over the past quarter-century, have come to be set by a relatively small number of speculators on Wall Street, who determine the price of the corporation's common stock. I say "speculators," not "shareholders," because the authentic shareholder of yesteryear is a vanishing breed. Most stock today is purchased by people and institutions whose sole intention is to hold it for a relatively brief period and then sell it at a profit. They do not "invest" in a company but are rather in the business of trading in its securities. These are the people to whom corporate managements are, in the end, responsible. In their annual reports, and in their advertising, corporations still like to sustain the legend that their legal owners are "shareholders"—people who have invested their capital in the company and, over a lifetime, share in the company's fortunes for better or worse. In reality, the fate of corporate management is ultimately decided by a motley group of speculators, and just about the sole criterion of successful management is whether or not it has managed to establish a relatively fancy price for its securities in the stock market.

The result, inevitably, is consistent deception which varies only in degree. One of the reasons that the myth of an "affluent society" became so prevalent—a myth, which, in turn, gave birth to all kinds of popular fantasies about the standard of living that Americans are "entitled" to—is that corporations have helped propagate it by grossly overstating their earnings. They accomplish this by sleazy accounting, shrewd accounting, or technically honest but still misleading accounting. What we call "the revolution of rising expectations" is really but another version of an old-fashioned speculative fever on a mass scale. The modern corporation helps to engender and sustain this fever—and when reality dawns, as it always does, the corporation is sure to be held responsible for reality's shortcomings.

At a recent conference, attended by some dozen top executives of major corporations, I inquired why they don't take inflation into account when they compose their annual reports. The only answer I got was that, if someone would start doing it, *they* would be quite content to follow, but that they were not about to take the lead in dispensing such bitter—if wholesome—medicine. These same executives, of course, are intensely and sincerely interested in "the social responsibility of corporations" and are quite willing to contemplate "bold initiatives" in training the ghetto poor, solving our urban problems, etc. In other words, they are eager to assume responsibilities for various and remote tasks they probably cannot accomplish, but loath to shoulder the responsibility for doing what can be easily done; i.e., giving the public a true picture of the condition of their enterprises. It is, on the whole, a neat prescription for corporate suicide.

THE MATTER OF STOCK OPTIONS

It is no secret that one of the reasons corporate executives are so concerned about the way Wall Street regards their securities is that so many of them are the owners of stock options, and therefore have a personal interest in the matter. But should such an interest be permitted to exist? Why should corporate executives be permitted to trade in the securities of their own firm? There may be something to be said for executives owning stock in their corporations, but to recognize the right of executives *to sell* stock in their own companies—however this stock is acquired—is to create the favorable conditions for scandals involving "insider trading." Would it not be reasonable to insist that no executive be permitted to sell any of his stock in his company so long as he holds office?

I will be told—I have been told—that any such restriction would make stock options meaningless, since corporate executives, not being wealthy men for the most part, have to sell their stock in order to get the money to exercise new stock options. But are stock options all that desirable anyhow? It seems to me that many corporate executives suffer from a confusion of identity—they think that they are entitled to entrepreneurial rewards instead of merely managerial ones, which is to say, they think they have the right to become wealthy—that is the hope behind stock options—not simply to be well paid. (The President of the United States apparently has been the victim of this same confusion.) But corporate executives are *not* entrepreneurs; they do not take the risks of entrepreneurs and are not entitled to the rewards. They are employes of the corporation, just like the switchboard operator, and should expect the same kinds of benefits other employees get—a decent salary, an adequate pension, and the rest. If they wish to become wealthy men, they ought to go into business for themselves.

It is, I would suggest, this same confusion between entrepreneurial rewards and management rewards that establishes salary levels for executives which, in the eyes of the public, are indecently high. I know it will be said that you have to pay a lot of money in order to get "the best available talent." But we are all aware it doesn't quite work that way. No corporation goes out shopping for executive talent, trying to obtain the best for the least amount of money. The levels of corporate salaries are fixed beforehand and the salary varies with the title, not with the man.

Who fixes these levels? Why, other corporate executives, of course, who are called "directors." That's a very cozy arrangement. One can be sure that if the salaries of professors, government officials and plumbers were set by committees of professors, government official and plumbers, they would be much higher than they now are. Every profession and occupation tends to have a high opinion of itself. Besides, it can always be "demonstrated" that a high salary is really quite small in comparison with all the benefits which will accrue to the institution by reason of the splendid and well-rewarded talents that populate it.

AN URGENT QUESTION

But if such benefits are not realized? This question is an urgent one, since we are clearly entering a period of considerable economic hardship for a great many Americans. How many corporate executives are going to cut their salaries because their firms are doing badly? And if they do cut them, by how much will they cut? One can foresee a corporation president proudly announcing to six million unemployed Americans that he is reducing his salary by 20%—say, from $200,000 a year to $160,000 a year—and then wondering why no one is impressed with his self-imposed "sacrifice."

There is much more that can, and should, and hopefully will be said—and, of course, debated—along these lines. But the point I wish to make is that the American corporation is in serious trouble, to which it is reacting in a largely frivolous way. Social responsibility begins at home, and if the large corporation wishes to gain the trust of the American public, it has to consider what kinds of changes will make it more worthy of this trust. It is true that the corporate image is in a worse condition than it deserves. But it is also true that this image is not going to be changed by the mirror-magic of "public relations." There is no reason why "Operation Candor" should be restricted to the White House.

NATIONAL CENTER FOR THE PREVENTION AND CONTROL OF RAPE

Mr. MATHIAS. Mr. President, 6 months ago, I introduced S. 2422, a bill to establish a National Center for the Prevention and Control of Rape. Among the compelling reasons for this legislation was the 1972 FBI Uniform Crime Reports which clearly showed a steady and alarming increase in the volume of reported forcible rapes in America. Ten days after I introduced S. 2422, I was heartened by a Justice Department announcement which indicated that serious crime in the United States declined 1 percent during the first 6 months of 1973 and that 95 of the Nation's largest cities reported actual decreases in serious crime during the first half of the year. I requested a copy of the Uniform Crime Reports for the period January–June 1973, and without question, the Justice Department's announcement told the truth; but as is the case with many leads, the announcement did not reveal the whole truth.

For while it was true that the property crimes of burglary, larceny-theft, and auto theft as a group decreased by 2 percent, it was also true that forcible rape shot up by 8 percent nationally during the first 6 months of 1973 compared to the same period in 1972. Moreover, the January–June 1973 report revealed that forcible rape increased by at least 3 percent in every region of the country and 17 percent in the Northeastern States; that forcible rape expanded by 15 percent in both rural areas and cities with populations over 1 million; and that forcible rape grew by 6 percent in suburban areas. I find these statistics particularly depressing in light of the fact that rape is one of the most underreported crimes in America. As practically every expert in the field will testify, when it comes to rape and sexual assaults we are only seeing the tip of the iceberg.

Mr. President, the objective of my bill, which is now pending in the Senate Labor and Public Welfare Committee, is to undertake a national effort to curtail the crime of rape and to set in motion a serious attempt to aid and protect the victims of this offense. During the past 6 months, I have been greatly encouraged by the public and congressional response to S. 2422. Since this bill was introduced, 19 of my colleagues have joined in cosponsorship of S. 2422. At this time, I wish to express my appreciation to Senators Stevens, Moss, Stevenson, Abourezk, Kennedy, Humphrey, Beall, Hatfield, Chiles, Gravel, Hughes, Ribicoff, McIntyre, Randolph, Tunney, Cranston, Mondale, Case, and Javits for joining with me on this important piece of legislation. I would also add that my bill was introduced in the House of Representatives by Representative H. John Heinz III, of Pennsylvania, and H.R. 10848 now enjoys the support of 51 Members of the House.

As recently as last evening, February 20, 1974, NBC television presented a frank and revealing picture of the problems encountered by a victim of rape. "A Case of Rape" vividly depicted both the mental and physical anguish the victim is forced to undergo, both during as well as after the crime, and the psychological effects of the rape upon those around her. Yet what perhaps came across most clearly was the near impossibility of obtaining a conviction under our present laws. As was rather bitterly, yet possibly all too accurately pointed out by the prosecutor in the story, it might be fruitless to try a rape case unless the victim is "a 90-year-old nun with at least four stab wounds."

S. 2422 is aimed directly at this national shame and tragedy. As I said last September when this bill was introduced—

> The time has come for our society to consider the rape laws as they are now written. Rather than protecting a woman's interest in maintaining her physical integrity, peace of mind, or her ability to move about as freely as a man might without fear of sexual attack, the laws may possibly be having the opposite effect by hindering the prosecution of attackers. Clearly the laws as they stand today do not effectively deter rapists. Indeed, given the treatment that victims are subjected to by the police, hospitals, the prosecution, and the law itself in some jurisdictions, the rapist could not wish for any more unwitting allies to aid and abet him in his defense.

As our newspapers, television, and radios tell us and we all know so well, the victims of rape and other sexual assaults are not only women. Visit a prison or reformatory and talk with the wardens, and the guards, and the inmates. They will tell you about the pervasive and oppressive fear of sexual assault which permeates our so-called correctional institutions.

Listen to mothers and fathers whose daughters and sons have been victimized by sexual offenders. In this connection, I recently read a report by the Children's Division of the American Humane Association which concluded that—

> The problem of sexual abuse of children is of unknown national dimensions but, findings strongly point to the probability of an enormous national incidence many times larger than the reported incidence of physical abuse of children.

Mr. President, at this time I ask unanimous consent that an excerpt from the American Humane Association Report on Protecting the Child Victim of Sex Crimes Committed by Adults be printed in the Record.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PROTECTING THE CHILD VICTIM OF SEX CRIMES COMMITTED BY ADULTS

Child victims of adult sex offenders are a community's least protected children. Frequent victims of parental neglect, they are, almost always, also neglected by the community which has consistently failed to recognize the existence of this as a substantial problem.

It is possible that society's refusal to face this problem in all its implications is the incongruous reality of its existence in the midst of our highly developed civilization. The fact of sexual abuse of children is unpalatable. It is a reminder and a symbol of society's failure to control destructive human behavior—of society's inability to protect its most defenseless from exposure to the depraved, primitive and emotionally sick cravings of a disoriented few.

The fact remains, however, that most communities have closed their eyes to the needs of these children. Their cry for help is unheeded—it is unheard or ignored. In the comparatively few instances where such situations are publicized community concern is projected in punitive measures against the offender. There is swift action to impose sanctions against the guilty adult but scant appraisal of the damage to the child victim.

These children are acutely in need of services to protect them against repeated offenses and to help reduce the effects of the traumatic occurrence. If the abrasive effects of sexual abuse are to be controlled on behalf of the child's long range interests then the community must be prepared to offer such highly skilled diagnostic and treatment services as may be required.

The paucity of information regarding the incidence of sex crimes against children and the absence of data assessing the impact and effect of the sexual victimization on the child victim's emotional health result in a general failure to mount a coordinated attack on this national problem.

DEFINING THE PROBLEM

Sex acts committed against children run the full range of sex experiences, particularly in its deviant forms. The more usual victims are girls. Boy victims are numerous and their involvement is chiefly in homosexual activity.

Because sex crimes are so personal and because they relate to areas which in our culture are laden with taboos and strong emotional impact, child victims are exposed to serious emotional stresses and tensions. Enormous blocks in terms of fear, guilt, shame and loss of self-esteem are often created. The amount of damage to the mental health and personality development of the child victim cannot be readily assessed. There has been too little research on this specific problem.

The situation is compounded by the very real and urgent objective of criminal law—the immediate prosecution of the adult offender. Law enforcement personnel—police and prosecutor—are under pressure, and sometimes under fire, of public concern and public opinion to make an air-tight case against "degenerates" who prey on children. The natural consequence is that what happens to children in the process seems of lesser importance, or is lost sight of, in the desire and rush to met the clamor of public demands for retribution. Little thought is given by the community to the problems of the child victim and his parents whose needs and rights are often trampled in the pursuit of sanctions against the offender.

With the needs of law enforcement a prime objective, the needs of the child victim become subordinate. While there may be recognition of a child's need for medical attention, in the physical sense, little understanding is shown for the emotional impact of the crime and the problems it may create for the child. Rarely is the child protected through the sometimes lengthy period of police investigations and court proceedings.

The initial shock of the crime is heightened and tensions are increased and compounded under questioning by police in their search for evidence. A sensitive child may be subjected to an excruciating experience during efforts to elicit the sordid facts of the crime. Emphasis on the minutest details of the offense serve to magnify the act out of proportion and add to the child's sense of guilt and shame. For the older child there is embarrassment when he reveals too little knowledge or too much knowledge of the sex act and of deviant sexual behavior. Added embarrassment arises when the child uses childish or infeasible terminology to describe what happened; or language which is too sophisticated; or vulgar street talk with its use of short Anglo-Saxon words.

If the culprit is arrested, to the ordeal of police interrogation is added the nightmare of testifying at the arraignment or preliminary hearing. If the crime is a felony the child will appear before the Grand Jury to give more testimony. After indictment comes the actual trial. In most jurisdictions this trial is in the adult criminal court, and all too frequently in open court before a jury. The experience of testifying and of being subjected to cross-examination may be considerably more traumatizing than was the crime itself. Efforts by defense counsel to discredit or confuse the child, even when held to a minimum, make this a nerve-racking and terrifying ordeal.

In all but a few communities the child faces these harrowing experiences with little help or preparation. Some children are assisted to live through this trying exposure if their parents have understanding and are aware and alert to the child's need for support. Parents who are concerned, responsible and adequate are able to meet the child's needs, either through their own efforts, or through use of community resources.

But, in too many cases the parents themselves are also victims of the emotionally damaging experience. They feel threatened by the occurrence. They may feel shame and guilt. Their self-esteem is lowered. They are anxious and fearful about what friends and neighbors may say. Their inexperience with problems of this kind frightens them. They may need help and do not know where to find it, or the weight of the problem paralyzes them. Sometimes parental frustation is turned in angry blame toward the child, adding to the child's confusion and feelings of guilt. While they may be concerned, some parents are grossly inadequate to assist the child or to seek help for the child.

THE THESIS

The thesis which, in part, is tested by this study is that child victims of sexual offenses committed by adults must be helped. Social services must be made available to them if they are to come through this total experience without serious damage to their mental health and personality development.

Mr. MATHIAS. Mr. President, S. 2422 broadly defines "rape" to include forcible, statutory and attempted rape, homosexual assaults, and other criminal sexual assaults. The clear intent of the definition is to insure that the problems encountered by children and victims of both sexes would fall within the scope of the National Center for the Prevention and Control of Rape. More specifically, I fully expect that in addition to the center's activities, which were outlined in my September introductory remarks, the National Center for the Prevention and Control of Rape would:

First. Collect statistics pertaining to child's sexual molestation.

Second. Study the reasons for not reporting children rape cases.

Third. Evaluate the emotional impact of rape on the child.

Fourth. Develop guidelines for treating physical consequences of rape on the child as well as the emotional trauma of abuse.

Fifth. Develop guidelines for counseling the parents of the victim.

Sixth. Develop material to educate the parents in the need to report the assault on their child.

Seventh. Set up information centers at children's hospitals to which the parents of the victim or the victim could address themselves for information regarding treatment, legal advice, et cetera.

Eighth. Review on the present court procedures, relating to the questioning of the child during the trial.

Mr. President, S. 2422 can represent a recognition on the part of the Congress of our obligation to extend ourselves and government at all levels to assist the potential and actual victims of these serious crimes. The obligation to prevent and protect is urgent. The vehicle for doing so is in our hands. I am hopeful that the majority of my colleagues in this body will agree with me and enact this vitally important legislation this year.

Mr. President, I ask unanimous consent that a small, but representative sample of the many letters I have received concerning S. 2422 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TENAFLY, N.J.,
December 5, 1974.

DEAR SENATOR MATHIAS: I fully support your efforts to establish a National Rape Center and to remove antiquated and unfair rape laws from our judicial systems.

LINDA VAN HASTE.

BREATHEDSVILLE JAYCEES,
Hagerstown, Md., November 29, 1973.

Senator CHARLES MATHIAS,
Committee on Appropriations,
Washington, D.C.

DEAR SENATOR MATHIAS: In response to your recent letter concerning your proposed legislation assisting victims of Rape, I have reviewed the bill in its entirety. In fact, I have read the proposed bill several times and gave it much thought. That is why it has taken several weeks to answer your letter.

Let me first go on record as supporting in full your proposed legislation. In fact, it is seemingly too late or long overdue. As you know, rape is on the increase. The number of women who are raped each year if actually reported will even surpass your figures and would astound even the most liberal of minds.

I have been doing time off and on for over nine (9) years. In Maryland, the number of men who are convicted of rape is increasing, along with the number of vicious crimes committed in the process. Let me say that this has been a long nine years and it finally has sunk in what a waste of human life, crime is. Yet, there are many men who live by crime and will ultimately die by crime.

Have you ever set in court and witnessed a rape victim testifying at the trial of her alleged raper????? It is something that would make you sick. Today, more and more American women are aware of their beauty and are taking steps to display this beauty, as they rightfully should. There is nothing more beautiful than a woman who properly displays her natural beauty proudly. Still, in this society, there are those who are "sick" enough not to understand this beauty and who resort to animalistic instinct when they cannot accept this display.

The psychological damage to a woman who has been raped will never fully be known. But, to put the woman through the ordeals that she must go through after reporting the rape, is absurd. She is often treated like a criminal herself, while the raper is coddled and given preferential treatment. She is made to look like a whore who teases men simply because she displays her beauty. Her life style is changed drastically after the rape.

When she goes for treatment and examination, the doctor and staff are so cruel to the victim, she will never want to return to the hospital again. By the time the police finish questioning her, it looks like she raped the man instead of vice versa. Lord, by the time she goes into court, both the victim and her family are totally unnerved and the situation she goes through is insane. That is one of the reasons more rapes are not reported. If there was a program devised that would insure the welfare of the victim, you will find more and more women will come forward and report rapes. It is not that they like being raped, but the ordeal they go through leaves them feeling dirty.

Being inmates in prison does not deter our mind in our concern for the people of society. In many cases, rape victims might be relatives of ours, who had we been home, would not have been raped.

The Breathedsville Jaycees want to go on record as supporting your proposed legislation and will be of record for this matter. If you would send the name of the chairman of the committee, to who the bill is assigned for review, I will be happy to write a letter in support.

Also, the President and myself, would also like to state for the record, that if you feel we are needed we would be more than happy to appear with you anywhere to speak in support of your legislation.

In fact, sir, if you will forward copies of your bill to me, we will be more than willing to solicit the entire Maryland Jaycee organization's support for the legislation.

We want to be of help to you. Again, this is another forward step for Maryland in aiding victims of crimes, especially needless crimes like this. This leaves a distaste in the mouth of all of us inside.

Thanking you very kindly for allowing us the chance to review this bill. We commend you on your foresight. Keep up the good work for all of us.

Very truly yours,

BILL SPEAKER,
State Director.
JERRY LOWE,
President.

CALIFORNIA STATE UNIVERSITY,
NORTHRIDGE,
Northridge, Calif., January 3, 1974.
Senator CHARLES MCC. MATHIAS, Jr.,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: Dr. Wilbur Morley, President of the California State Psychological Association, requested that my committee review your proposed "Rape Prevention and Control Act."

We were most impressed with your efforts and offer the enclosed report in the spirit of constructive input which may be of use and/or interest to you.

Thank you for giving the California State Psychological Association the opportunity to review your proposal.

Sincerely,

PATRICIA KEITH-SPIEGEL, Ph. D.,
Professor and Department Chair.

NATIONAL ORGANIZATION FOR WOMEN,
Rockville, Md., November 6, 1973.
Senator CHARLES MCC. MATHIAS, Jr.,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: Enclosed are more copies of the petition we have been circulating here in Montgomery County to indicate our support of your bill S. 2422. We will continue to forward copies as they are completed.

Montgomery County N.O.W. wholeheartedly supports Bill S. 2422, and feel that it is particularly timely in view of the recent news events concerning the horror that occurred at the Madeira School, and the recent brutal rape and assault on a young woman in the county last week. As a member of the joint study commission in the name of N.O.W. and the Montgomery County Commission for Women, I am personally concerned that the information we are gathering be correlated with that from other similar studies, but most importantly that nationwide focus on rape as a violent crime take place. We applaud your efforts, and offer our help if we can be of any service.

Very truly yours,

CAROLYN M. FEINGLASS,
Vice President.

UNIVERSITY WOMEN'S CRISIS HOTLINE, UNIVERSITY OF MARYLAND,
November 13, 1973.
Hon. CHARLES MCC. MATHIAS.

DEAR SENATOR MATHIAS: I am writing to support your bill proposing that a National Center for the Control and Prevention of Rape be established. Such a center is desperately needed, as are changes in the present rape laws; this has been made evident in the Prince Georges County Task Force report on rape.

Your efforts in this area are commendable and are well appreciated.

Sincerely,

ROBIN L. SCHMIDT.

December 17, 1973.

DEAR SENATE MATHIAS, Congratulations on introducing the rape bill S. 2422. This is an area which must have some changes now.

BEVERLY J. COE.

BUSINESS AND PROFESSIONAL WOMEN'S CLUB OF BALTIMORE,
Timonium, Md., November 6, 1973.
Senator CHARLES MCC. MATHIAS, Jr.,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: We, the members of the Business and Professional Women's Club of Baltimore, thank you for introducing into the Senate Bill No. S2422 establishing a National Center for the Prevention and Control of Rape and providing financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment and control of rape.

We support your efforts in focusing attention on this matter which is of serious concern for all women.

Very truly yours,

MARIE A. E. KOMMALAN,
Corresponding Secretary.

ASSOCIATION OF AMERICAN COLLEGES,
Washington, D.C., October 18, 1973.
Hon. CHARLES MCC. MATHIAS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MATHIAS: Thank you for sending me the copy of S2422, the Rape Prevention and Control Act. I am very interested in the bill, particularly since rape has become an issue of increasing concern on many campuses.

A National Center for the Prevention and Control of Rape is very much needed if we are to begin to deal effectively with the problem of rape. Your bill, if enacted, will be of enormous help.

Sincerely,

BERNICE SANDLER,
Director, Project on the
Status and Education of Women.

SYKESVILLE, MD.,
October 10, 1973.
Hon. CHARLES MCC. MATHIAS, Jr.,
Washington, D.C.

DEAR SENATOR MCC. MATHIAS: As a Member of the Business & Professional Women's Club, and Legislative Chairman for this year, and as a female citizen, I wish to thank you for your concern and efforts in our behalf.

Our group as you well are aware are attempting to better the status of women along many paths, but your bill S. 2422 will certainly meet with our whole hearted support.

To be able to gain the many advantages awaiting us in our efforts to earn our living, help support good endeavors of our communities, will all be in vain if we live in fear of venturing forth daily, because of the increase in criminal assaults upon our sex in greater numbers.

I have read your presentation set forth in the Congressional Record and am in accord with your bill. I feel that more serious punishment or treatment should be written into law for ANY SEX offenders—and our club and at meetings with large groups of Bus & Prof. Women's Members, the consensus of opinion of these women is that the Laws of our land have been written or changed so loosely that the Criminals are the one's who have rights, NOT THOSE WHO are offended. Much more must be done in the way of drug offenders, and those who commit crimes of murder and killing.

I have spoken not only for myself, but as a member of the Catonsville Business and Women's Club who will support your efforts.

Very truly yours,

LENORE L. TOWNE,
Legislative Chairman.

FEDERALLY EMPLOYED WOMEN,
December 20, 1973.
Senator MCC. MATHIAS,
Washington, D.C.

DEAR SENATOR MATHIAS: Federally Employed Women, Inc., (FEW) would like to offer its support for your Senate Bill 2422 concerning the establishment of a National Center for the Control and Prevention of Rape. As an organization concerned with the rights of women and dedicated to Equal employment opportunities in the Federal Government, we know that rape threatens the health, the employment and the life style of women of all ages, races and socio-economic classes.

In our October national newsletter we urged our members to write to their Senators and Representatives in support of this bill and work for its passage. We understand now that a similar measure has been introduced into the House of Representatives by Congressman, H. John Heinz, Pa.

When a date is set for the hearings, we would be happy to have representatives from FEW speak in support of this legislation. Please contact Sandra M. Hill, National FEW Public Relations Chairperson, National Press Building, Washington, D.C. 20004 so that she may coordinate our efforts in preparing testimony.

Sincerely,
Priscilla B. Ransohoff,
President.

SHORTAGES AND PERSPECTIVE

Mr. BROCK. Mr. President, the laws of supply and demand are perhaps the most exacting of any written or unwritten group of regulations ever seen by man. For 200 years, we have grown and prospered through adherance to this natural law. But, for some unknown reason, governments have seen fit to attempt periodic repeal of those laws, in effect, to make laws to counteract the unwritten ones.

We are in the midst of one of those uncertain instances in history, we still have economic controls, and we are considering new ones.

Dr. Otto Eckstein of Harvard published a paper which outlined our economy since the Korean war days, and Wall Street Journal writer Lindley H. Clark, Jr., took the message a step further, pointing out that controls only add to the problem, they do not solve it. These are important facts, ones which should gain serious consideration, and I would like to share them with my colleagues and I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Shortages and Perspective

(By Lindley H. Clark, Jr.)

If you can't get the zinc, diesel oil or styrene you need to keep your business running, you aren't going to feel any better when someone tells you that your troubles really began more than 15 years ago. Yet the shortages that now plague the economy can for the most part be traced back many years.

That's a point that Otto Eckstein, Harvard economist and president of Data Resources Inc., stressed in a recent paper. The troubles, in his view, go back at least to the business boom of 1955–57, when many industries overexpanded.

The future at the time looked very bright. The economy was pulling out of the post-Korea recession, and President Eisenhower and his businessmen's administration were in Washington. It looked as though the uncertainty that had marked the years after World War II was at last ending.

The capital spending boom was a little slow getting under way, but in 1956 outlays on new plants and equipment jumped 21% above the year before. Nearly all of that represented additional production capacity, since in those days very little was being spent on such things as pollution control. Inflation wasn't much of a problem either, at least by recent standards. Prices, as measured by the broad index that is used to convert the gross national product into constant dollars, edged up only a little more than 3% in 1956.

The boom didn't last; it ran into the sharp recessions of 1957–58 and 1960–61. Back-to-back slumps presumably increased businessmen's determination not to repeat the overspending of 1955–57.

Meantime Europe and Japan had replaced their war-shattered plants with brand-new ones, with a lot of help from the U.S. Foreign producers not only took over their home markets but, with the aid of an overvalued dollar, moved aggressively into the U.S. market.

The import competition was broad, but was especially severe for processors of basic materials, such as metals and chemicals. Prices were held down and thus the rate of return on capital. That made it tough to raise funds to modernize or expand capacity, and late in the 1960s the need to install anti-pollution gear added to the problems.

In 1971 price controls came in and threatened to freeze rates of return at the low levels of the 1960s. So when the economy raced into the boom of 1972–73, relatively little had been done for a decade to expand the output capacity of the nation's basic industries.

As Prof. Eckstein says, the nation began running out of primary processing capacity long before resources as a whole were fully utilized: "This bottleneck in turn creates shortages in the succeeding stages of production: While the machinery, computer and other industries have the ability to produce increasing output in their own factories, they are unable to purchase critical inputs. The shortage of finished products, felt all the way to the retail stage, produces inflationary pressures."

What is astonishing, in retrospect, is that no one saw all of this developing in the 1960s. As Prof. Eckstein says, "Neither business nor government was alert to these problems. Nor did the economists show more foresight. We are all accustomed to an economy dominated by demand forces and take the solution of the production problems for granted."

Anyone who paid any attention to the utilization of output capacity during the 1960s was likely to watch the broad index published regularly by the Federal Reserve Board. At the start of the decade this index showed that manufacturers were producing at about 75% of capacity. The ratio rose to over 90% for a time in 1966 but soon fell back into the 80s and, in the 1969–70 recession, back into the 70s. Last year it hovered in the low 80s—a situation that, until lately, had led many economists to contend that the economy had ample room to expand.

The Federal Reserve Bulletin of August 1973, however, introduced a different index. The Fed actually had been measuring capacity utilization in major materials industries since the mid-1950s, but the figures were largely for internal use. The figures covered basic steel, primary aluminum, primary copper, man-made fibers, paper, paperboard, wood pulp, softwood plywood, cement, petroleum refining, broadwoven fabrics.

The story the figures told was far different from the one presented by the broader index. By mid-1973 the major materials industries were producing at more than 94% of capacity, compared with about 83% for all manufacturing.

Prof. Eckstein is clearly right when he says that "economic analysts and economic policy will have to give weight to these problems" in the future. What's needed is in part better planning by business to keep technology flowing and productivity growing. The troubles of the past years, however, are traceable in large part to governments.

Our government and others, for one thing, showed too little concern for the worth of their currencies. Yet they clung to the fixed-exchange rate system, only occasionally devaluing or revaluing their currencies.

The fixed rates finally collapsed in 1971 and, to the horror of many bankers and even some economists, the current floating rates appear to be working tolerably well. They've eased the strains from soaring oil prices, which have just forced France to give up efforts to control the franc. No matter how confused the situation seems, it would be worse if fixed rates had prevailed everywhere.

No one wants to reverse the anti-pollution gains of recent years, but perhaps in the future there can be more careful consideration of the broad impact of such programs. We all need clean air and water, but we all need a functioning economy too.

Most important, the government must provide a stable fiscal and monetary framework for the economy. The government cannot eliminate all of the ups and downs, but it can make them somewhat less unpredictable. Since World War II the U.S. government has vacillated between excessive economic stimulation—and desperate efforts to cure the inflation that resulted. The wild swings made it difficult for businessmen to plan for the future with any assurance. And price controls obviously only make the problems worse.

A new capital spending boom is under way now, and it will at least ease the shortages. The long-range future will still be pretty bleak, though, unless we show that we can learn from the past.

ENERGY CRISIS UNEMPLOYMENT ACT OF 1974

Mr. PELL. Mr. President, this week I cosponsored the introduction of S. 3024, the Energy Crisis Unemployment Act of 1974. I believe that this is crucial legislation, and that it deserves enactment by the Congress at the earliest opportunity.

We as a nation are now almost 6 months into the energy crisis. We have lived for that long with lengthening gas station lines, with dwindling reserves of fuel oil, and with the increasingly worrisome specter of power shortages, brownouts, and blackouts, laying ahead of us. We have experienced domestic and commercial shortages of raw materials, especially those which are the products of petroleum distillates.

In my own State of Rhode Island, I can point to a vicious circle of economic collapse which could result when plastics, synthetics, and gasoline periodically disappear from the marketplace. This would occur even if the smooth supply of these materials is disrupted.

In addition, tourism directly produces at least 5 percent of the revenue of my State, and secondary businesses as well as recreation expenditures by Rhode Island residents multiply that figure significantly.

I believe that we in Congress must look ahead to the summer, when gasoline supplies will become a critical factor in the economic stability of the recreation industry. If shortages persist each State will suffer increases in seasonal and permanent unemployment; men and women alike, many who own or work in small businesses, will be unemployed; severe underemployment will be characteristic of many larger groups of workers.

I believe that it would be a tragic mistake to procrastinate in providing some support for these workers, if the eventualities we are all facing do occur.

For that reason, I have cosponsored S. 3024, which would provide Federal unemployment benefits to those workers who are unemployed during or because of the energy shortage, and which would provide those benefits for up to 2 years.

I think that we must take the responsibility to help these workers, and to prevent the established State unemployment reserves from being bankrupted, through a situation which they were never intended to meet. I believe that this bill would accomplish this, in as efficient a manner as possible.

JOHN ROBERT TOMPKINS

Mr. THURMOND. Mr. President, a tragic traffic accident took the life of John Robert Tompkins of Edgefield, S.C., on December 10, 1973. His death at 66 was a loss deeply felt by all his family and friends, as well as the entire community he loved and served.

As my brother-in-law, I had long known him as a devoted family man, a conscientious citizen, and an exemplary gentleman. His interests were broad and his activities varied in the community where he was held in such high esteem.

In 1941, he became court reporter for the 11th Judicial Circuit in South Carolina, which included his home county. It was a position he was to fill with distinction for the next 30 years. Previously he had seen education as the field for his life's work, serving for a time as principal of Edgefield High School. He also had taught school at Durham, N.C., as well as Greenville and Columbia, S.C. He was graduated cum laude from the University of South Carolina and maintained a life-long interest in educational pursuits.

He was active in the Edgefield Baptist Church through the years and had served as both deacon and Sunday school teacher. Additionally, he had been active in a number of civic organizations. For example, he was a dedicated member of the Lions Club which he had served as president. His further interests ran to literary, historical, and political organizations, among others. He was executive committeeman for the South Carolina Republican Party from Edgefield County at the time of his death. In earlier years he was an excellent tennis player and organized tennis matches for young people through the State.

Whatever activity he pursued, however, he was always recognized for the high qualities of performance and the example which he set.

Mr. President, J. Robert Tompkins was an outstanding man who attained the highest accolade of his community: The true affection of all who knew him. The generous outpouring of sympathy and tribute received since his death have provided a source of great comfort to his family.

Surviving are his wife, Mrs. Mary Thurmond Tompkins, of Edgefield, S.C.; his daughter, Mrs. Mary Thurmond Tompkins Freeman, now of Atlanta, Ga.; his three grandchildren, Ted Freeman, Robert Freeman, and Eloise Freeman; his sister, Miss Anna Tompkins, of Columbia, S.C.; and his brother, George Tompkins, of Columbia, S.C.

I know of the deep devotion which J. Robert Tompkins and his family shared for each other. His wife, Mary, represents the highest qualities of loyalty and devotion in a marriage. She stood staunchly with him throughout their life together and both imparted these qualities to those around them.

Mr. President, at the time of his death a number of articles appeared in newspapers of the area concerning Mr. Tompkins. I ask unanimous consent that two of these articles, as well as the funeral remarks by the Reverend Tom Collins and a poem by his son-in-law, Ted Freeman, be printed in the RECORD at the conclusion of my remarks, as follows: "Tompkins Rites Today at 3:30," the State, Columbia, S.C., December 12, 1973; "A Tribute," the Edgefield County News, Edgefield, S.C., January 31, 1974; "Funeral Services of Mr. J. Robert Tompkins," by the Reverend Tom Collins, December 12, 1973; and a poem, "J. Robert Tompkins," by Ted Freeman.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

TOMPKINS RITES TODAY AT 3:30

EDGEFIELD.—Services for John Robert Tompkins, 66, Edgefield County educator and court official, will be 3:30 p.m. today in Edgefield Baptist Church, with burial in East View Cemetery.

Mr. Tompkins, brother-in-law of U.S. Senator Strom Thurmond, died Monday afternoon in a Greenwood hospital from injuries received in a car-truck collision in Saluda Monday.

Born in Edgefield County, Mr. Tompkins was a son of the late John Robert and Eulalie Harris Tompkins. He was a graduate of the University of South Carolina.

He was formerly principal at Edgefield High School.

For 28 years before retirement Mr. Tompkins served as court reporter for Edgefield, Saluda, McCormick and Lexington Counties.

He was a deacon and Sunday School teacher at Edgefield Baptist Church.

Surviving are his widow, Mrs. Mary Thurmond Tompkins of Edgefield; a daughter, Mrs. Ted B. Freeman of Columbia; a sister, Miss Anna Tompkins of Columbia; a brother, George Tompkins of Columbia; and three grandchildren.

Edgefield Mercantile Funeral Home is in charge.

The family suggests that those who wish may make memorials to the charity of their choice.

A TRIBUTE

The absence of a long familiar personage in and around Edgefield becomes increasingly felt as the days and weeks pass since the untimely death of John Robert Tompkins on December 10, 1973.

Those who knew him best miss his tall figure and backswept mane of grey hair from those places most often frequented by him: on the Square, greeting friends; to the Courthouse, with which he had been closely associated for so many years; at the Edgefield First Baptist Church where he had served so many years, as deacon, adult Sunday School teacher, choir member, pastor's friend; at social and civic functions.

Robert Tompkins was an exceptional man. He was born in Edgefield, the son of John and Eulalie Harris Tompkins. Education became the absorbing interest of his life and led to his much respected erudition.

An inveterate reader, he was careful in his choice of literature, selecting subjects which added to his great store of knowledge. He kept abreast of the latest information on a wide variety of subjects, including science, education, world affairs, music and art. He delighted in visiting art galleries, and had sponsored youth choirs and other singing groups.

Following his graduation from high school he attended the University of South Carolina, where he graduated cum laude, after three and a half years of study. Later, he did post graduate work at U.S.C.

He served as principal of Edgefield High School, and taught in Durham, N.C., in Greenville, S.C., and Columbia, S.C. He once said that if his finances would have permitted it, he could have gone to school and studied all his life.

His judgment and perception were respected in municipal matters. He was forthright, clear and forceful in his thinking. Never one to wait and see how things would turn out, he believed in planning with promoting good government, in the best interests of all concerned.

A man of deep religious convictions, he believed in putting his feelings into practice. Well trained in the social graces, he was noted for his ease and dignity of manners. Elderly ladies—and some not so elderly—were flattered by his courtliness. Usually present at any important function, he was always the well-groomed, well-poised gentleman.

On the other hand he enjoyed camping out with Boy Scouts and joining in young people's activities. He was intensely interested in young people, and had great faith in their ability, when properly directed. He felt that, on the whole, they were better educated, and had a broader knowledge of world affairs, and an understanding of a wider range of subjects, than any other young people in history.

Following his teaching career, he returned to Edgefield in 1937 to become Court Reporter for the Districts of Edgefield, Saluda, McCormick and Lexington counties, serving the courts efficiently for 29 years. During those years he became a familiar figure in court circles, and formed many lasting friendships with judges, lawyers and other law officials.

At times when courts were not in session he was often called upon to substitute for various school teachers. His appearances were always welcomed by the students. His extemporaneous talks never failed to hold their attention.

He might say, "David, (or Bob or Mary) will you let me borrow your book?" Then after a comprehensive glance at the subject matter for the day and a few comments on it, he might digress to tell an interesting story or an amusing ancedote to drive home a point, or to open up new avenues of thought.

He was married to the former Miss Mary Thurmond. She is the sister of Senator Strom Thurmond, a well-known national political figure, who valued his brother-in-laws opinions on current world problems. Mrs. Tompkins intelligence and ability added much to their happy married life.

His great pride was in his family. Their daughter, Mary T. and her husband, Ted Freeman, presented her parents with the greatest gifts ever bestowed upon them—their three grandchildren, Ted, Robert and Eloise. Their grandfather was immensely proud of them.

His varied interests included membership in many organizations, such as the Lion's Club, of which he was a past president; the S.C. State Guard; Home Guard Unit, WWII; the Augusta Library; historical societies; political organizations; and others.

One facet of his character was his love and appreciation of music. It was fitting that one of his favorite songs, "How Great Thou Art," was sung during the last rites for him. It was a song he loved to sing, and one which was peculiarly impressive in his rich base voice. It was also one of the many he loved to play on the piano.

Robert Tompkins was not only a devout man, but one devoted to his family, his friends and his community. The hundreds upon hundreds of notes of sympathy and telegrams expressed the esteem in which he was held. The court in session in Lexington at the time of his death was recessed so that former friends and associates might pay personal homage to him by attending his funeral.

He will continue to be missed by people in many walks of life.

FUNERAL SERVICE OF MR. J. ROBERT TOMPKINS

(By Tom Collins, Pastor)

On this twelfth day of December 1973, we have gathered together in the presence of God, and in the midst of friends, to express our love, respect and tribute to J. Robert Tompkins: loving husband, devoted and wise father, loyal relative, genuine friend, thoughtful neighbor, true patriot, public servant, perceptive teacher, faithful deacon, and noble churchman.

Even though we are sad and heartbroken, we do not gather in a spirit of defeat, but in a mood of thankfulness and vitcory . . . a mood and attitude in keeping with the life and faith of Brother Tompkins.

We gather not to weep, but to have Christ wipe away all tears from our eyes; not to sing sad songs of death, but to stand up and sing loudly, "How Great Thou Art!"; not to grieve and doubt the faith of our departed brother, for we know what it was, but to hear the trumpets peal out their notes of victory because Robert Tompkins' life was characterized by the love of God.

He was our best example of a Real Southern Gentleman. Not only was he God's kind of man, but he was man's kind of man. He was of strong character, but never overpowering or rigid, a man who had developed the art of the listening ear with an obvious concern for the welfare of others. He made each person feel important. A great quality in his life was in the fact that he always took the time to talk with others—the rich and the poor, the young and the old, the black as well as the white. He had the kind of faith that permitted him to laugh and to cry, to joke and to pray, without losing the quality of the moment or doing either at an inappropriate time. In other words, he always had the right kind of feeling and awareness of his neighbor.

He was a godly man like Abraham. The Holy Scripture says that Abraham was God's friend. Truly, we can say, "Robert Tompkins was God's friend."

Once Eric Gill, the British sculptor, had an unforgettable dream. In his dream he was in heaven and was introducing his family to Jesus. Eric said, "Lord, this is Paul, and this is Peter, and this is Joan, and this is Gordon." Jesus greeted and welcomed each. Then Eric turned to his wife, and he said, "And Master, this is Betty." Jesus smiled and said, "Ah, Betty and I are old friends."

Well . . . I suggest that you and I hang around the throne long enough to hear the words, "Master, this is Robert." Then, I think we shall hear the Lord of Life say, "Ah, Robert and I are old friends."

J. ROBERT TOMPKINS

(By Ted Freeman)

Christ has *called* him,
Should mortals wonder why?
Our Maker knows what's best for us,
On Him we must rely.

A husband kind and gentle
A Christian man was he,
Who loved his fellowman as Christ
Has said that love should be.

A father to his daughter
As a father ought to be
Was this man we eulogize
Whose soul is now set free.

A Pa Pa to three children
Whom he loved with all his might,
And they just loved their Pa Pa
As this good man loved the right.

A finer place is Edgefield
For having had him here
As those of you who knew him
Were to his memory dear.

One measure of a patient man
Is one who listens well
This man was trained at listening
As those who talked could tell.

He was a man for Jesus,
A Christian man for men.
We close this earthly journey
With a reverent Amen.

THE OUTLOOK IN THE MIDDLE EAST: CONTINUED CRISIS DIPLOMACY OR LONG-RANGE PLANNING?

Mr. BROCK. Mr. President, last month, due to the efforts of the Secretary of State, Henry Kissinger, the first substantive breakthrough for peace in the Middle East since 1948 was initiated.

Next week, under the invitation of President Nixon, the 13 major oil-consuming nations will meet to discuss future plans regarding the Arab oil embargo. Also, next week the oil producing nations, OPEC, will meet to discuss their future plans.

In short, we are at a definite "watershed" period in regards to solving not only the oil embargo question and the resolution of war in the Middle East, but also in regards to our whole policy toward the Middle East. What we do within the next few weeks, even days, may determine events over the next decade and beyond.

No one would question the brilliance of the President and the Secretary of State in handling the immediate "crisis" diplomacy, but I wonder if we have become so embroiled in crisis diplomacy that we fail to look into the future.

I am sure that the President and the Secretary of State have given the long range problem much attention, but I am afraid that Congress has become so absorbed with immediate problems that long range implications, at least long range beyond 1974, are completely forgotten.

Certainly Congress needs some mechanism to look at the totality of our National interest for future planning. But, the immediate problem is the Middle East. May I, then, suggest that we consider some of the following proposals for a just and lasting peace.

First, any future negotiations, treaties, or other commitments must ensure the sovereignty, recognition and safety of Israel. The sovereignty and recognition problems must be worked out between the parties in the Middle East, but the United States should continue to assist by offering our "good offices" as Henry Kissinger did so brilliantly last month.

As for the "safety" question, a number of alternatives might prove worthy of study. One would be that all territory eventually given up by Israel in the Sinai, Golan Heights or the West Bank be considered "international demilitarized zones" and that nothing heavier than armored cars be allowed into these zones. Over these "international demilitarized zones" there must be an "open sky" policy, allowing reconnaissance flights by either side. Further, I would recommend a United Nations resolution that violations of the international demilitarized zones be universally recognized as an "act of war."

"International demilitarized zones," "open sky" policies and internationally recognized "acts of war" will, of course, never absolutely guarantee peace, but I think that they will make it extremely difficult, if not impossible, for one party to attack the other quickly, and might act more positively to ensure the safety of Israel.

Second, in regard to the future role of the United States in a more active role than just offering "good offices" as suggested above, it could try to foster "regional development" that will bind the parties together in economic endeavors. Unless there is regional cooperation, I am afraid that eventually there would be another war.

Too, perhaps it is time to review some of our old programs and proposals that might again prove useful. We might propose a "point four" type plan for technical aid for area projects, and more specifically, we might repropose some specific area plans like the Johnston plan of 1955 for developing the Jordan Valley or the Eisenhower-Strauss and Baker proposals for desalinization plans for the area.

When first proposed, the United States would have carried virtually the full costs of such projects. With the huge influx of recent Arab oil money, the projects could be funded jointly by the Arabs and Israel or, perhaps even jointly funded by the Arabs, Israel, and the United States. The cost is really minimal considering the potential gains. The original cost of the Johnston plan was $200 million, which has undoubtedly doubled in cost by now, but this would still be a bargain for the United States. Our share would undoubtedly be less than 10 percent of the current level of military support to Israel.

I have generally opposed foreign aid but this type of foreign aid on a shared basis with positive goals, would be supported by all.

The point is that, although the Arab nations might now be wealthy, they still need our technical expertise. Offering it only on regional projects might be the cement needed to pull these nations together.

Third, the United Nations must take a greater role in this problem. The Middle East, with its resulting oil embargo, is a "world problem," not just an American or even an industrial nation's problem. In fact, most economists point out that the countries that will be hurt the most are the developing nations. I have read recently that India is already suffering great dislocation in its economy. The Secretary-General of the United Nations, Kurt Waldheim has indicated he might convene a special session of the General Assembly to look into the problem, but I would like to see more substantive action by the United Nations.

One solution might be to establish a World Energy Organization, WEO, modeled along the lines of WHO, the World Health Organization.

Finally, I would like to emphasize a point that I made earlier and that I have made throughout 1973. Congress simply must establish some mechanisms for looking at our "national interest" over the long term, whether it be an Ad Hoc Committee on National Interest Coordination, such as I have suggested, or some by other means. As we have seen from this recent crisis, "national interest" is not simply military strength or alliances, but a whole range of problems from oil embargoes to potential other mineral boycotts to balance-of-payment problems. As we pass out of the cold war, post-Vietnam era, we dearly need to look into what now constitutes "national interest."

THE COMING PINCH IN WHEAT SUPPLY

Mr. McGOVERN. Mr. President, our colleague from Kentucky (Mr. HUDDLESTON), with whom it is my privilege to serve on the Committee on Agriculture and Forestry, has performed a valuable service by focusing public attention on the potential problems the United States is facing with regard to our wheat supply in the coming months.

As chairman of our Subcommittee on Agricultural Production, Marketing and Stabilization of Prices, he held hearings last week to examine conflicting data on the state of our wheat supply.

On one hand, we hear wheat users talk of the United States running out of wheat before the harvest begins. On the other, we hear of large amounts of last year's wheat crop clogged in country elevators and on farms, because of the inability of our transportation system to handle it.

But we have learned a more important lesson, as Senator HUDDLESTON said in a speech last week, and that is that the Department of Agriculture does not really have a firm grip on the problem.

Because of the clarity and reason with which he describes the problem, and because he shows an excellent grasp of the situation, I ask unanimous consent that the text of an address by the Senator from Kentucky, delivered February 14 to the Governors' Council on Agriculture, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR WALTER D. HUDDLESTON

Some years from now, when the historians look back and seek to assess our times, 1972 and 1973 may appear as turning points or watersheds in American agriculture.

Prior to that time, the American farmer was truly considered the country cousin. He existed, but was preferred when neither seen nor heard. When he was thought of at all, he was simply thought of as the faceless provider of a continuous supply of low-cost agricultural products to the American consumer, who, at the same time, was paid by the government not to farm, not to produce. As one of my colleagues has frequently noted, meetings of the House and Senate Agriculture Committees were sparsely attended and those journalists who covered them generally felt they had been ordered to some "occupational Siberia."

Beginning in 1972, however, things began to change. Demand, high food costs and shortages brought the American consumer—and the consumer in many other countries of the world—to a rude awakening. Something was amiss in the agricultural system, and slowly the media began to ferret out the problems.

Indeed, what were "problems" for consumers were in many cases "benefits" for farmers. Farm income took a major upswing and the farmer achieved a new—and long overdue—recognition for the all-important role he plays in our society and economy.

Thus, while the average urban listener may not today be familiar with the facts, he now at least wants to hear them. And, the facts of American agriculture are significant.

Agriculture is America's largest industry.

It employs some 20 percent of all working people either in form or related non-farm jobs.

It is responsible for one-sixth of the U.S. gross national product.

It feeds and feeds well our 200 million plus citizens.

It is a part of the world granary, providing much needed cereals not only for the industrialized nations of Western Europe and Japan, but also for many of the developing countries throughout the world.

It is, perhaps, the brightest spot in our trade picture, contributing significantly to our recent favorable trade balance.

Agricultural efforts are responsible for offsetting the expense of importing a variety of goods which our nation lacks—from crude oil to coffee to bananas.

It provides 89 percent of all soybeans entering the world market, 74 percent of all corn, 53 percent of all wheat—and of special interest to Kentucky, 25 percent of all tobacco. In fact, one-third of all the tobacco grown in our country enters international trade.

Yet, there are problems in the agricultural system—problems which call for immediate and careful attention.

Perhaps the most obvious of these at the moment concerns our wheat supplies. Last year, the U.S. harvested a record 1.7 billion bushels of wheat. In addition, the nation had a carry-over from the previous year of 301 million bushels, for a total supply of slightly over 2 billion bushels.

The estimated need for wheat during the current wheat marketing year, which ends on June 30, is 772 million bushels, which we will use for food, seed and livestock feed. In other words, U.S. domestic need for wheat in the current year is estimated at a little more than one-third of all available supplies—and for the upcoming year, we expect to harvest three times as much wheat as we need in this country.

Anticipated exports have, however, pushed the supply demand equation into a close balance, raising question as to whether or not the U.S. will run out of wheat in the next few months; weather or not there will be "regional dislocations as the Administration has referred to them; whether or not there will be $1-a-loaf bread, as the bakers have suggested is possible; and whether or not we, the major wheat exporting nation in the world, will have to go into the world market to purchase wheat from other countries.

Thus, we face two important questions:

One, how do we manage the market situation over the next few months so that domestic shortages and unreasonable prices do not develop.

And two, how do we manage the market situation over the next few months so that export contracts are not violated and question is not raised over the ability of the U.S. to serve as a stable supplier to its traditional purchaser of agricultural products.

The importance of both is obvious.

If there are those in Washington who doubt that the public will be outraged if shortages and high prices develop for as basic a product as bread, they need only reflect on consumer reaction to high meat and egg prices, or on the history of the Soviet Union.

Mr. Khrushchev learned the hard way that food scarcities and political power do not go hand in hand. And, Soviet leaders in 1972, viewing a major failure of the Russian grain crop, were quick to move to rectify the situation—and not by suggesting that their citizens tighten their belts.

It will be sheer shortsightedness—and nothing less—if U.S. supplies of wheat are allowed to fall to the point where shortages and unreasonable prices do develop.

And, if that occurs, consumer and farmer alike will pay the price. Not only will the public react, the wrath will fall, at least in part, on the farmer, whose major fault will be that he has produced more grain more efficiently and less expensively than any farmer in the world.

At the same time, it is also obvious that the U.S. must preserve its export markets. In producing three times as much wheat annually as we need—as well as surpluses in other commodities—we must have foreign buyers or our farmers will be a depressed lot and U.S. agriculture will once again flounder on shaky economic grounds. Furthermore, we must have foreign buyers to provide the currency to enable us to purchase those items which we do not have in this country.

In an effort to bring some clarity to the current supply-demand situation and to gain some perspective as to what the future might hold, the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices, of which I am chairman, conducted a recent hearing on current wheat and feed grain supplies.

During those hearings, I was both shocked and dismayed to learn that the Department of Agriculture apparently has no peril point for wheat stocks—no minimum supply figure which must be maintained in order to protect the needs of the American consumer of wheat and flour products and no contingency plan for dealing with a critical low-stock situation.

By the Department's own estimates, the situation is going to be tight this spring. It is now projecting a 178 million bushel carry-over, a projection figure which has steadily declined as one estimate has followed another. This will obviously put upward pressure on the price of wheat and its derivative products.

And, while Department spokesmen characterized my question as pessimistic, they agreed that their conclusion that the U.S. would get through the coming months was based on a number of "ifs"—if their projections on domestic use and export demand were correct; if weather and other conditions allowed a good and early harvest in the Mid-West; if all exports scheduled for shipment to so-called unidentified destinations were not in fact exported; if some scheduled U.S. exports could be delayed into the next marketing year; if other wheat exporting nations entered the world market to take pressure off the U.S. and the way were opened for imports into the U.S.

Yet, other developments raised questions about these very matters. One witness at the hearing suggested that the Department's export projections were at least 40 million bushels short, which, if true, would draw U.S. stocks down further.

Officials from Cargill, a major exporting firm, indicated that although they had only small amounts of wheat booked for export to unidentified destinations, they did indeed expect to export that wheat. Futhermore, they indicated that they had had only "some" success in delaying scheduled exports until the new harvest begins and supplies become more available. Weather reports from Texas where this year's harvest begins in May suggested that early production may not be as high as Administration figures indicate.

And, even after lifting the import quota on wheat and flour, the Department does not raise its figure on projected imports, or address problems of price, tariff duty, and transportation, all of which would discourage imports.

Further question has been raised in various news reports. Both the Wall Street Journal and papers that circulate in the trade indicate continued demand for wheat on the world market. The February 2 issue of Business Week quotes the overseer of the Canadian Wheat Board, the major holder of remaining exportable wheat, as saying the U.S. is sold "terribly tight" and Canada demonstrates no hurry to enter the world market—or to sell to the U.S.—even at higher prices. Furthermore, new question arises over the availability of grain from other sources such as the European Community. (France's surplus will evidently be sold to other community members not the U.S.)

Morton Sosland, the editor and publisher of *Milling and Baking News*, is reported as noting that significant amounts of wheat must be maintained "in the pipeline" from grower to miller to baker, since the latter are so geographically spread out.

In view of this, it would seem only reasonable for the Department to re-examine its position. We do not want wheat and flour shortages in the U.S. We do not want "regional dislocations" in the availability of wheat and flour based products. We do not want exorbitant bread and pastry prices. And, we do not want to be forced into a situation like the haphazard, ill-planned embargo we had on soybeans.

Wheat is bread on our tables and money in our foreign trade account. We must not gamble with either. But that is what we seem to be doing. The Department is taking a hands-off policy except for the suggested delaying of exports and suspension of the import quota (but not the tariff)—which could turn out to be only cosmetic in effect.

Instead, the Department should be carefully and constantly reviewing the factors—projections, exports, weather conditions, etc. It should be developing a peril point and preparing a contingency plan for use should we reach that point. It should be considering a suspension of the import duty on wheat and flour. And, it should, having learned from the dismal soybean past, be working to avoid the damaging need for an embargo. I hope that we shall never come close to an embargo, but if the Department has permitted the situation to drift to the point where "drastic" action and some controls are necessary, I hope it will at least seek to avoid the principal pitfalls of the soybean embargo. In the dire event of a need for an embargo, it should make every effort to provide for full consultation with the importing nations involved—especially those who are traditional purchasers of our products, to prevent negation of contracts, to seek compensation for damaged parties and a priority for them when the new crop is available.

I do indeed hope that we have not blundered our way to domestic shortages and foreign over-sell. The dangers of each are fully evident. But, if we have, the lesson is the need for more—and better—planning to meet the supply/demand situation than we apparently have had in the past.

In order to avoid shortages—and even the threat of them—we need to begin improving accounting procedures, policies and mechanisms in order to preclude such developments in the future. I hope that my subcommittee can examine some of the proposals in this area—particularly ones relating to food reserves and the formulation of a food policy—in the next few weeks.

A stable and well-ordered agricultural system benefits all—producing farmers, processors, exporters, consumers and foreign purchasers alike. As I noted before, the American farmer produces more commodities more efficiently and less expensively than any farmer in the world. What we need to do is to translate the inherent strengths of the U.S. agricultural system into policy that protects our domestic needs and preserves our foreign markets. As we explore a number of production, trade and supply questions in the upcoming months, I hope you will lend your time, your efforts and your much-needed expertise to the development of such a policy.

PANAMA TREATY

Mr. THURMOND. Mr. President, an editorial entitled "Hurtful Neutrality" in the February 7, 1974, issue of the Augusta Chronicle newspaper in Augusta, Ga., deserves the attention of the Congress.

This editorial raises doubts about the wisdom of negotiating away our control of the Panama Canal.

The American people need to take an interest in what the State Department has in mind reference a new treaty with Panama.

Mr. President, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HURTFUL NEUTRALITY

When Secretary of State Henry Kissinger arrives in Panama today to sign a U.S.-Panamanian agreement on the guiding principles for negotiation of a new canal treaty, he will be confronted with at least one condition harmful to the national security of this country.

A case may be made, we suppose, for paying Panama a larger lease fee, and for granting an increasing amount of control over the canal which will lead eventually to complete Panamanian ownership.

When it comes, however, to the provision for canal "neutrality," which is one of the guidelines tentatively agreed upon for the process of spelling out the specific, Washington seems to be giving up too much.

Neutrality means nothing if it does not mean that the host country may enforce a ban on the passage of warships of a nation engaged in war. That might be acceptable if the deal were neutrality for others only. One essential factor in our naval stance, though, is the ability to shift naval units and supplies from the Atlantic to the Pacific, or vice versa, in time of emergency or war.

The result of "neutrality" could be the necessity of spending many more billions of dollars to make our Atlantic and Pacific fleets self-sufficient, and the shipment across country of bulky material which would move better by water in a time when rail lines might be overextended.

This could happen, ironically, at a time when Egypt might be permitting the Russian Navy, at long last, quick access to the Indian Ocean through a reopened Suez Canal.

We hope Secretary Kissinger places conditions on this requirements for neutrality of the Canal.

CONTINUING TRAGEDY IN VIETNAM

Mr. McGOVERN. Mr. President, nearly 6 years ago I have the privilege of visiting with Mr. and Mrs. Robert C. Ranson, of New York State, whose son was killed in Vietnam. They are two of the most thoughtful and patriotic Americans I know. Indeed they love their Nations with enough concern so that they have tried all in their power to call us out of the tragic mess we are creating in Vietnam with our continuing military intervention.

Recently Mr. Ransom visited Vietnam and saw not only the devastation of the war, but the continuing abuse of the American tax dollar. He reports that 80 percent of the cost of the Thieu regime in Saigon is paid for by the American taxpayer. He saw widespread evidence that this money is used not to help the people of Vietnam, but to underwrite the brutal police state of General Thieu.

The Nixon administration told us for 4 years that they were bringing "peace with honor" in Vietnam. They have brought neither peace nor honor, Mr. Ransom says.

I ask unanimous consent that an account by Mr. Ransom of his recent trip to Vietnam as printed in the New York Times of February 19, 1974, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BEREAVEMENT AND A PILGRIMAGE

(By Robert C. Ransom)

BRONXVILLE, N.Y.—When my oldest son, Mike, was killed in Vietnam nearby six years ago I never thought I would visit the now-bleak coastal plans between Quang Ngai and My Lai where he died. Last month I did.

This was a difficult pilgrimage for me because I had long since concluded that his life was wasted by his own Government in a war that his fellow countrymen want only to forget. I had reluctantly come to believe he died for a cause that had brought only discredit and shame to the United States. It was my hope that in going to Vietnam I might find some consolation for his loss if there was evidence that his sacrifice had somehow served the Vietnamese people.

I wanted to find the honor promised by our Government when we signed the Paris agreement in January, 1973. Sadly, it must be said that none is to be found. The very use of the word when applied to the conduct of the Government of Nguyen Van Thieu is a mockery.

Nor is there any peace in Vietnam. At night we lay awake listening to the sound of the guns and rockets. Responsible sources said at the time that there had been at least 119,849 casualties since the "cease-fire."

As a lawyer I welcomed the opportunity to join other Americans in a trip to assess the prospects for peace in Vietnam. I had heard much about abuses of the legal and judicial system there, but I would not have believed it had I not seen for myself what can only be called a total police state.

President Thieu's palace is a fortress surrounded by army tents, pillboxes with anti-aircraft guns, and helicopter pads. On every block in Saigon we encountered policemen and paramilitary forces equipped with United States M–16 rifles and sidearms.

We were overwhelmed with the personal impact of talking with people who had actually suffered torture and the brutality of prison life. The palpable presence of terror was everywhere—in the sure knowledge of these people that any apparent opposition to the Government, or the indication of a desire for peace, would be met with reprisals against members of their families, even young children, in the form of seizure and subjection to the inhuman incarceration so prevalent.

One of our group attended a Saigon military court where defendants were tried without benefit of counsel, given five-minute hearings, and in every case convicted of "political" crimes.

Particularly disturbing was the realization that many of the people who spoke with us, at considerable risk to their own freedom and safety, believed that once we were made aware of the facts of daily existence in South Vietnam we would be able to do something about them.

In separating fact from myth, we knew

that 80 per cent of the costs of the Thieu Government were borne by American taxpayers. Just how much of the money was used for humanitarian aid to the people was one of the myths. Unfortunately, we saw little evidence that American money was being used for anything but support of the Thieu military regime.

When I was in the northern part of the country, where my son had been, I visited an encampment in which 750 families lived who were supposed to have been resettled as part of the "return-to-village" program. They lived under appalling conditions behind barbed wire. They had not received their allotments of money and tin roofing to build new homes; they did not have their promised allowances of rice; and they were not permitted out into the fields to grow the rice, on which their lives depended. With horror, I observed a family of six, near starvation, eating a meal of chopped banana stalks just to fill their stomachs.

I visited a small primitive hospital that serviced many of the more than 100,000 civilian amputees. Nowhere did I see a sign of sophisticated American medical assistance. Instead, a small group of dedicated, privately supported workers were making valiant efforts under impossible conditions.

We heard and noted that even the food supplies paid for by the United States did not reach the intended beneficiaries because of the ever-present graft and corruption at all levels of the civilian and military bureaucracy.

The fact is that the American presence now, as before, remains a disaster, not only as a result of the wartime devastation, defoliation and displacement of people, but as a continuing financial presence that maintains a Government of military officers that clings to power no matter what the cost to peace, freedom and democratic principles.

I wish every member of Congress, before they vote more funds for President Thieu, could share my experience. The Paris peace agreement was supposed to guarantee the right of self-determination to the Vietnamese people through democratic liberties and elections. It was supposed to provide the honor in my son's death.

It is doing neither.

ENERGY AND 1974 BUSINESS CONDITIONS

Mr. BROCK. Mr. President, there is yet another case for the lifting of economic controls. Dr. Paul W. McCracken, one of the most noted economists in the Nation, recently prepared a forecast for the year 1974 for the Wall Street Journal. Within his remarks, Dr. McCracken addressed himself to the problem of an energy shortage, and its effects on business conditions.

This distinguished economists presented an interesting forecast, but the most important point was his last: Controls must be relaxed if the economy is to remain strong. Our economic situation is at best confused at this moment, but if those controls continue, it will deteriorate, and we will have to grasp at quick, unthoughtful measures to save it.

The best and most logical step is to lift those controls immediately. The judgment at the marketplace of 220 million Americans is much, much better than the judgment of controls placed on the marketplace by the Government. I ask unanimous consent that Dr. McCracken's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENERGY AND 1974 BUSINESS CONDITIONS

(By Paul W. McCracken)

During these December days William E. Simon, the able and effective energy czar, is fashioning a national energy program. Not far away in another office Herbert Stein, the able and resourceful chairman of the Council of Economic Advisers, is presiding over the preparation of the annual Economic Report, a document which will spell out the strategy of general economic policy for next year.

Will their efforts fit together?

A great deal hinges on whether they will. And the extent to which these two efforts link up together and make a program consistent with the needs of the times will depend not only upon the ability of public officials but also upon the extent of that public understanding which sets the boundaries within which public policy decisions can be made. So 1974 is not a lost cause, but the cause could easily be lost.

There have been few times in this century when economic policy has faced such a complex set of problems. No one needs to be reminded that we have had going one of the worst peacetime inflations in our history. During 1973 consumer prices have risen at almost a 9% per year rate, and the 10% rate of inflation for industrial prices at wholesale does not suggest dramatic relief for consumers in the months ahead. (Farm prices have, of course, risen even more rapidly, but they are not so sticky on the down side as industrial prices.) The cost-push phase of the inflationary process is apt, in fact, to become more evident and troublesome as we move into 1974.

Moreover, the long expansion that got under way after the low first quarter of 1970 (disregarding the fourth quarter air pocket caused by the auto strike) was already showing some grey hairs even before the effects of the oil embargo began to dominate thinking. Of 48 so-called leading indicators, 23 were showing weakness and only 15 signalled further strength. As would be expected these 15 largely centered in the capital goods industries, or they had to do with inventories (which relative to practically anything have remained thin in this boom). Leading indicators pertaining to such broad areas of the economy as employment, financial developments, real profits, and business formation were, however, already weak.

Even a capital goods boom could start to lose its enthusiasm if the underpinnings of the boom generally begin to weaken. The confidence businessmen have in their long-range plans depends in part on how comfortable these plans feel to them in the short run.

RECALLING CHURCHILL'S PHRASE

The Middle East war has now made peering at the economic future like the problem of a man with cataracts looking into a fog. The most reasonable assumptions about energy supplies are vexatiously difficult to come by. Like Churchill's characterization in 1939 of Russia's action, "it is a riddle wrapped in a mystery inside an enigma." Pronouncements range from skepticism about whether there is actually a problem to verdicts couched in terms that sound as if the worst had already come to pass. For those of us who have been warning that a problem was shaping up, suggestions that the problem is nothing more than a cabal of oil companies sounds like an intellectual retrogression back to witch doctors, demons and evil spirits. On the other hand, superior evasive action is required to go for a week in this era without being the recipient of a jeremiad about the Armageddon-like struggle between an implacable demand trend rising more rapidly than an equally inexorable supply curve, neither of which can be diverted in the slightest degree from the appointed path.

If the 1974 oil short-fall were to be about 17%, as the President has indicated, if oil accounts for about half of our energy, and if roughly two-thirds of the short-fall could be eliminated by supply and demand responses to price changes and other voluntary measures, then a short-fall of 2% or 3% would seem to be indicated that would bite into real output. If so an economy with a normal growth capability of roughly 4% per year would seem to be limited to a 1% or 2% rise in 1974. And since we close out 1973 already at least 1% above the year's average, this would apparently mean at best not much more than a lateral movement from where we now are on through 1974.

That, of course, is not the end of the story because it does not take account of domino effects. Some of these are almost technical in character. If one company shuts down because of a fuel problem, others, even if they have fuel, may have to close up because parts and supplies are unavailable. Some markets depend on the rate of increase in other parts of the economy. If the supply of fuel for heating homes is flat or even declines somewhat, residential construction, whose activity is largely to increase the stock of homes, must expect a sharp reduction in its market. Those who specialize in building motels in recreation areas could experience a sharp drop in their market, a drop that would seem out of proportion to reduced gasoline supplies, if vacancy rates rise in existing motels.

Some of these domino effects may be more psychological, though that does not make them any less real. The typical buyer of a new car already owns a reasonably good one. (Owners of junkers that are scrapped each year are not the year's new car buyers.) Simply with uncertainty about ready availability of gasoline, a new-car purchase is apt to move down in the list of priorities. When this is aggravated by safety and pollution equipment, which is not popular at the grass roots level and imposes substantial costs on the new car buyer, the result can be a decline in new car sales that seems and probably is out of proportion to objective facts about gasoline availability.

When we take account of these potential repercussion effects as well as the basic energy shortage itself, prognoses of a recession or even a sustained economic stagnation of Gorgonian proportions become understandable.

Understandable—but not a good guide to economic policy.

We (businessmen as well as citizens generally) always tend to under-rate the inherent capacity of the economy to adjust to these problems if we give it a chance. The image of this problem is that economic activity is welded to the short-fall of energy with a Draconic inexorability that gives us no hope for modifying the consequences.

The facts of experience, fortunately, do not support such a grim view. For one thing the relationship between economic growth and the rise in energy consumption shows two striking characteristics. One is that on the average we achieve somewhat more than a 1% increase in real output for each percentage point increase in the use of energy. There is such a thing as improving the productivity of energy per unit of output per BTU as well as output per man hour. It has been happening. During the 1960s, for example, output increased about 1.25% for each 1% of additional energy used. And if energy becomes more expensive, an enlarged energy-productivity response can also be expected.

AN IMPORTANT VARIABLE

An even more striking fact about the relationship between increases in output and in energy used is the wide variation in this relationship from year to year. In 1970 there was a 5.6% increase in energy use with an actual decline of 0.4% in real GNP. In 1971 with a 0.4% increase in energy used real GNP rose 3.2%. Indeed, the striking thing about the relationship between the rate of growth in output and the rate of increase in energy consumed is not that it obviously exists but that it is so variable. This suggests that we cannot be certain what a change in energy availability will mean for economic activity.

What does all of this mean for economic policy next year? The first requirement is to be cautious about what the economy can be expected to do even with a short-fall of energy. If funeral prognoses turn out to be right, it will be less because of objective facts than because they have so scared hell out of consumers and even businessmen as to be in part self-validating. The fact that energy may be short next year does not automatically tell us what the economy can do. In 1971 we had a good gain in output with virtually no change in energy consumption. In such years as 1962, 1965, and 1968 we also got strong gains in the economy relative to the rise in energy consumption. The objective of national policy should be to add 1974 to this list.

Moreover, serious as the energy problem is, the facts about energy availability do tend to get out of focus. Petroleum still constitutes only about half of our total energy consumption. We have, of course, been doing an awesome job of managing energy policy so that jobs are now unnecessarily in jeopardy and new home builders and buyers are denied gas and forced into more expensive and less convenient forms of heating. We can also, however, reverse these perverse policies and increase domestic supplies of energy if we have the will to be sensible. And that sensibility must not only extend to but begin with the Congress.

It ought to be possible to achieve some increase in domestic energy supplies even in 1974. Coal output was increased 7% in 1972, and capacity could have been increased more this year except for an obstinate refusal earlier to examine the full consequences of overreacting to safety and pollution issues. Gas supplies can be increased if we reverse the ill-fated decision to control natural gas prices—a control whose main effect has been to reduce supplies, to put industrial jobs in jeopardy, to force many families into far more expensive fuels, and to contribute to a scarcity of new homes by limiting construction. Indeed, no single action by the Congress could contribute more to realizing housing goals for this decade, goals which the Congress itself established, than deregulating the price of natural gas.

Energy will, however, at best be short. How can we be sure that we get the most output per BTU of energy available? The first requirement will be fiscal and monetary policies that lean in a generous direction to accommodate a general expansion. They should do what they can to minimize any inadequacy of demand. These policies are probably on about the right track. As for fiscal policy, the rising trend from program commitments already on the books, according to Professor David J. Ott and his colleagues in a study published by the American Enterprise Institute for Public Policy Research, will carry outlays at or above the receipts the tax system can generate at full employment through fiscal 1975. That is all the expansiveness that we can prudently call upon fiscal policy to deliver. If monetary policy remains on a 5%–6% per year growth path, which would not be far from the average path of the last year, the monetary potential for a 7% or 8% rise in GNP would also be in place.

AN URGENT REQUIREMENT

The urgent requirement from general economic policy is to see clearly that if the economy is to make an optimum adaptation to the energy problem, with a minimum of adverse impact on employment and production, large structural adjustments must be made quickly. This will be powerfully facilitated if we loosen our control grip so that needed shifts and adjustments of prices within the economic system can occur quickly. Obviously it means large increases in energy prices primarily to set in motion the process of increasing supplies and also to encourage greater economy of use.

The Cost of Living Council's action to peel off controls are, therefore, doubly wise. They make sense in any case in order to arrest mounting distortions in the economy generally. They are urgently important as the economy faces the most severe demand for large and prompt internal adjustments since the re-conversion from World War II.

GEN. THADDEUS KOSCIUSZKO DAY

Mr. WILLIAMS. Mr. President, I am pleased to join my colleagues in the Congress in saluting Gen. Thaddeus Kosciuszko, a great patriot of Polish origin, whose ideals and devotion to freedom were far in advance of his time. In appreciation of his efforts during the Revolutionary War, Congress extended American citizenship to General Kosciuszko, a gesture none too small for a man of such courage and dedication.

The occasion for this tribute is the celebration of General Kosciuszko's birthday which fell this year on Sunday, February 10, while the Senate was in recess.

General Kosciuszko is perhaps best known as the adjutant to Gen. George Washington. Kosciuszko distinguished himself in the American war of independence as both a soldier and engineer. Because of the fortifications constructed under his direction at Saratoga, the American forces were able to win a victory cited by many as the turning point of the Revolutionary War. From 1778 to 1780, Kosciuszko was placed in charge of erecting fortifications at West Point. In the southern campaign of 1781, which crushed the remaining hopes of the British Army to achieve a victory, Kosciuszko participated magnificently as an engineer and cavalry officer.

In a letter to General Gates in 1778, Thomas Jefferson appropriately and eloquently described General Kosciuszko as "* * * a pure son of liberty as I have ever known and of that liberty which is to go to all, and not to the few or the rich alone."

Mr. President, Polish Americans have time and again exemplified their love and loyalty toward the quest of freedom for all mankind. They have served with honor in the Armed Forces of the United States since the Revolutionary War.

Mr. President, I am proud to represent over 217,000 Polish Americans who reside in my home State of New Jersey. General Kosciuszko is just one example of the many thousands of Polish Americans who have served this country with dedication in both war and peace. The anniversary of General Kosciuszko is an appropriate time to honor all of our citizens of Polish heritage.

THE FERTILIZER INDUSTRY TODAY

Mr. DOLE. Mr. President, I recently attended the Fertilizer Institute's annual meeting held in Chicago on February 4, 1974, and took note there of the current difficulties being experienced by fertilizer producers.

The condition of the fertilizer industry is of special concern to Kansas farmers, who depend heavily upon its ability to supply them with necessary nutrients for the soil. The difficulties encountered by fertilizer producers bear directly upon the adequacy of those supplies and, of course, on prices; consequently, it is important that we keep informed about those problems currently confronting the industry.

To further explain the views and outlook of the fertilizer industry. I ask unanimous consent that the text of remarks of two Kansans, Warren Dewlen, board chairman of the Fertilizer Institute and vice president for Fertilizer of Farmland Industries, and Bill Morand, executive vice president of Collingwood Grain, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF THE INDUSTRY

(By Warren Dewlen)

Not since the fertilizer industry first organized an association back in 1883 has there been such a year of action affecting the industry as we have experienced in 1974! And, never before has our industry association proved more valuable to the industry than in this past year.

Fifteen members met to form the first industry association in August of 1883 with the general conviction that such an organization was needed to collect industry statistics, consider state legislation and confer on other matters of general interest. Chemical fertilizers were still known as "artificial manures," and industry production was tagged at a whopping 800,000 tons per year, with a value of $25 million.

Last fiscal year, as you know, our industry produced 18.4 million nutrient tons with U.S. consumption at a record level of 42.5 million tons of fertilizer material—66 per cent above the 1963 figure of 28.8 million tons.

So—we've "come a long way, Baby" as a current advertising campaign goes—but we still have a unique situation: An increasingly limited domestic supply in face of an insatiable demand . . . The burgeoning pressure of exports—both fertilizer and agricultural products. The promise of improved profits in the industry—after a period of deep depression—only to be held back by restrictive economic controls. Then release of those controls on the industry when it was nearly too late—certainly too late for fall 1973 and spring 1974 as far as filling all the expected demand.

The Institute, on behalf of industry, had petitioned again and again for release from economic controls—as early as December, 1971—telling the Administration that unless the industry was released, a shortage crisis was inevitable.

Our story was simple: Phase I and II had pegged all prices to average profits of the years 1968, '69 and '70—years during which the nation's fertilizer industry recorded a return on equity of −2%, −7.5% and −1.4% of net sales; Pre-tax dollar margins for those years amounted to respective losses of 61 million, 159 million and 45 million-dollars. On these losses, the industry was to figure the per-cent profit it could make!

The Institute made the point that demand was increasing—but the industry's production capacity had not expanded because of those lean years and would not expand under present controlled conditions. We emphasized in Feb., 1972 that it was likely to be nip and tuck for industry to meet farm demand, even for that spring . . . pointing to the rapid rise in farm use of fertilizer. An extremely wet spring in the Midwest postponed the problem—and added to the difficulty in convincing government that there *was* a problem. Actual fertilizer consumption in 1971–72 showed zero growth over 1970–71—41.1 million tons. In the meantime, fertilizer producers were increasing their search for overseas markets.

In late 1972, the Dept. of Agriculture told farmers that millions of additional acres would be released for crop production as the Administration found that agricultural exports was one of the few areas that could bolster the U.S. balance of trade slump. Again, the Institute and industry warned the Administration of an inpending short supply of fertilizers—and again nature and the farmer helped postpone the inevitable. Massive floods hit the Midwest—and farmers planted a little more than half of the released acreage to crops.

The result was a modest rise in fertilizer use of about 3%, and a slight *decrease* in the per acre use on corn.

Meanwhile, fertilizer exports were rising rapidly 18 to 26% higher for first few months of '73 and nearly ⅓ above the 1971–72 fiscal year. The Institute's Fertilizer Index figures showed that although the industry's production of most fertilizer products was running 85 to 95 per cent of capacity—full throttle—inventories had been plummeting every month since Jan. 1973. By mid-year inventories were 41 per cent below a year earlier—nitrogen inventories were down 54 per cent.

Still, fertilizer prices were running barely at or below the non-inflationary levels of the 1950's while all other major inputs in farm production had risen dramatically—even under controls.

In August and September the controversy came to a head, precipitated primarily by the fact that wheat farmers in the Texas, Oklahoma areas couldn't get ammonia for fall wheat acreage.

Letters from farmers, dealers, constituents came into Congress and government at a fantastic rate. All at once everybody wanted to know about the fertilizer situation.

Then, Secretary Butz released another 19 million acres of cropland for planting in Spring 1974 and predicted that U.S. farmers would be short about one million tons of nitrogen, 700,000 tons of P_2O_5 for spring unless the industry was released from controls. Translated into fertilizer materials at farm gate, this meant 3½ to 4 million tons short—or 10 per cent of the amount used by farmers in '72–73.

With mounting pressures from farmers, Congress, U.S.D.A. and industry—the Cost of Living Council de-controlled industry Oct. 25, 1973.

Meanwhile, the arthritic pains of the nation's crippling energy crisis gradually crept into every arm of the economy—and the fertilizer industry certainly has been no exception.

NATURAL GAS

The need for natural gas in ammonia production likely has occupied most of our thoughts on energy. The ammonia industry alone uses 2% of the 22 trillion cubic ft. of natural gas used in the U.S. annually.

Of all the uses of fossil fuels, the only one to enter the food chain directly is the use of natural gas as a hydrocarbon building block for anhydrous ammonia and urea. An average of 36,000 to 40,000 cu. ft. of gas is needed to produce one ton of ammonia.

Anhydrous ammonia production *capacity* of 86 plants in the United States is about 17 million short tons annually.

Essentially all of this production depends upon reforming of natural gas to produce the hydrogen-nitrogen mix for ammonia (NH3) synthesis.

At present, there are no economic alternatives to natural gas for ammonia production in the U.S. In short, our nitrogen industry is dependent on natural gas. And, for the consumer, much of his food supply is likewise dependent on the same material.

PHOSPHATE AND POTASH

Although natural gas is not a feedstock for phosphate and potash, the other two primary fertilizers, significant quantities are used in processing the mined ore into usable fertilizers. It is estimated that domestic annual production of 4.4 million tons of potash fertilizers utilizes 9.3 billion cubic feet of natural gas, and 42 million tons of phosphate rock, 12.1 billion cubic feet.

The Federal Power Commission has assigned all industries that use gas as feedstock a Number 2 priority rating on natural gas use. But this applies *only* to gas shipped or piped interstate and for "firm" contract. Fully half of our plants must rely upon gas from *intra* state lines and 22 per cent are on interruptible contract. In 1970, gas service interruptions caused a loss of some 117,000 tons of potential ammonia production; in 1971—164,000 tons; in 1972 at least 188,000 tons and likely nearer 200,000 tons. What it will be this winter, is anyone's guess.

MIDDLE DISTILLATES

For middle distillate fuels, The Fertilizer Institute projects the industry will need 13% more this year than last year for a total of nearly 204 million gallons of No. 2 Diesel, Fuel Oil and Kerosene.

In addition, tremendous amounts of #5 Fuel Oil and gasoline are required. For instance, in phosphate rock refining for fertilizer we use more than 2 gallons fuel oil per ton rock. With rock production exceeding 40 million tons each year, nearly 90 million gallons of fuel oil are required for this product alone.

The new Federal Mandatory Petroleum Allocation Regulations, as you know, call for farming to receive 100% of current needs including ". . . services directly related to the planting, cultivation, harvesting, processing and distribution of fiber, timber, tobacco and food intended for human consumption and animal feed."

The Fertilizer Institute certainly interprets this to include fuel needs for production, transport and custom application of fertilizers which are definitely "directly related" to production of food and fiber for human and animal needs.

In addition to our industry's needs for fuel are the requirements for other energy as well. During 1972, the Florida phosphate producers reported nearly 800 hours of production lost because of electrical power outages in that state.

TRANSPORTATION

The problems of rail transport of fertilizer products are always with us. At this point they seem little improved over previous years. During the fall, the TFI weekly car survey showed that producers were getting only about 50% of the cars they asked for.

Barge transport of fertilizers is jeopardized each spring by threat of flood—and, this year, an additional factor is the fuel shortage. One industry specialist has estimated that more than 500,000 tons of fertilizers arrived too late for spring '73 because of flood delays.

WHAT ABOUT 1974?

Now the big question—what can we expect this spring and next year in the way of supply?

This past year, 1972–73, the industry delivered 42.5 million tons of fertilizer material. This current year, it's estimated that we'll be called on to deliver an additional 10% or 4.25 million tons more for a total demand of 47 million tons.

When the industry was de-controlled, producers committed themselves to serve the domestic market as fully as possible. Exports were diminished. For the current fiscal year, new production and old plants back on stream should add about 570,000 tons *capacity* for ammonia, and 526,000 tons of P_2O_5 capacity. Translated from nutrient tons to finished fertilizers, that's about two million tons . . . or 5% of last year's use—if all of the announced capacity comes on stream. Potash is in adequate supply, as you know, but transportation still tends to plague shipments of this nutrient across Canadian borders.

For 1974–75, prospects appear better. Another 625,000 tons of ammonia capacity are scheduled; and 1.7 million tons of P_2O_5, much of which likely is already contracted.

That makes a total additional capacity by June, 1973 of 1,195,000 tons ammonia capacity and 2,226,000 tons P_2O_5 capacity. Will it all see actual production? The answer is open for conjecture with the energy situation to consider, the problems facing phosphate producers regarding EPA effluent requirements, and on and on. I needn't remind you that it takes a long time to translate production *capacity* into warehouse inventory.

At any rate, the current fertilizer supply will fall short of demand for the first time in recent memory. Why? There is no one reason, nor one culprit.

The government certainly bears a large responsibility for its "head-in-the-sand" approach to the industrys' problems during Phase I and II. And for the rapid release of crop acreages for production without a warning to any of the producers of farm production input items. But neither the government or industry foresaw the world crop failures that would kick off an upward spiral in international demand for U.S. food and feed grains—and fertilizers—nor was the dollar devaluation foreseen that made U.S. exports so lucrative.

Fertilizer prices have risen dramatically since Oct. 25, of course. Indications are now that a period of more stable price levels have set in through June. But with Sept. No. 2 corn continuing to sell close to $3.00 a bushel, oats at $1.60 and July wheat at nearly $5.00 per bushel, the farmer is mainly interested in "Will I get the fertilizer that I need."

In early December, farm gate prices on fertilizer had moved up an average 40 to 50 per cent of pre-Oct. 25 prices.

Even if prices increase an average 75 per cent or more, this will add only 7 or 8 cents to the farmer's cost of producing a bushel of corn—only about 9 or 10 cents per bushel of wheat—only a penny per pound for cotton.

The farmer knows he gets his money's worth out of fertilizer. It's been a good value for a long time and will continue to be.

And the farmer has been getting fertilizer this past fall in larger and larger amounts than ever before. For the period July through December, 1973, the Institute's Fertilizer Index shows domestic market movement of fertilizers 15% above the same 6 months in 1972—and 1972 was higher than the period in 1971.

USDA monitors 15 states that report monthly consumption figures. On-the-farm sales of fertilizer were an average 28% higher for the months July through October for those 15 states. Many states in the Midwest and Southwest have recorded 46, 55—as high as 75 percent more fertilizer sold in the fall of '73.

So, farmers are getting fertilizer—they're not getting all they want, but they're getting more so far, than ever before.

For farmers, it is a situation that makes soil testing even more essential. Indiscriminate use of fertilizer has never been advisable—now it is inexcusable. It is incumbent on industry and college agronomists, extension specialists, agents and dealers to stress soil analysis and other diagnostic methods to the fullest. Perhaps there won't be enough fertilizer—but what there is must be used most efficiently.

The farmer and the fertilizer industry face similar challenges in 1974—to produce to the maximum, as efficiently as possible. The success with which those challenges are met will depend in great part on the ability of farmers and industry to work together. It's a team that's been successful in the past and it's the best bet for success this time, as well.

Collingwood Grain Inc.,
Hutchinson, Kans., February 15, 1974.

Senator Robert Dole,
New Senate Office Building,
Washington, D.C.

Dear Senator: I appreciated hearing from you today and I am enclosing a copy of the talk I gave before the Kansas State Board of Agriculture's Annual Meeting in Topeka, Kansas.

I am of the opinion that the USDA is optomistic with predictions of the fertilizer supply being some 95% of one year ago.

Kansas faces a most serious shortage of fertilizer in relation to its needs. The reasons are numerous.

1. The closing of Phillips Plant at Etter, Texas has seriously affected our supply.

2. I assume because of this closing some companies lost their trade-out and have quit doing business in certain areas of the state.

3. Some companies, because of short supply, have quit soliciting business in Kansas.

4. Some companies because of short supply are allocating fertilizer on some basis to dealers.

5. Every week I talk to dealers who have no supply—some supply but not enough and dealers who are still uncertain as to what their supply will be.

The most serious problem facing Kansas is the shortage of nitrogen. Every week that passes without major receipts of nitrogen by the dealer and the farmer lessens the likelihood that he will receive nitrogen this spring.

Major crops so necessary to our economy need nitrogen—corn, wheat, milo, to name three crops would suffer disaster without nitrogen.

We recognized that valuable nitrogen has been exported and we recognize that the shortage of natural gas limits nitrogen expansion. However, we do want you to know that any increase in export of fertilizer is not in our country's best interest and that most dealers in America are hurting for nitrogen.

The obligation of all of us as concerned citizens is to not make a play on words but to make every effort to meet the needs of United States Agriculture. We are hurting for nitrogen throughout the wheat and corn belt. We must act now to preserve this resource for our own production because when the real crisis hits it will be too late if we do not act now.

Please contact me if I can be of any additional help.

Sincerely,

William R. Morand,
Exec Vice President.

Outlook for Fertilizer 1974

The world is proud of Kansas. And I can tell you America is proud of Kansas. Kansas agriculture has just completed its biggest year and as we peek over the fence surrounding 1974 we can see that the world is still hungry—we can see that America needs, ever so much, another big Kansas harvest. Agriculture today is enjoying a good prosperity; however, agriculture today is also suffering one crisis after another. Examples are the very serious problems of fuel, fertilizer, building material, repair parts, farm equipment, labor and the big shortage of rail transportation.

All of this seemed to start when Russia made a large wheat purchase from America and the ships began loading at our ports. Throughout America but particularly in the midwest and Kansas (the grain and livestock states), the repercussions of this purchase, both good and bad, have been felt. Commodity credit disposed of their grain surpluses; the farmer for the first time in many years had a tremendous demand upon his production. The hue and cry from around the world was for more food. Part of the solution to many of the world's problems and the problems here at home is fertilizer. I want to address myself today to the critical problem facing us in the supply of fertilizer.

Recently it was quoted to me that the United States Department of Agriculture had a strong feeling that the supply of fertilizer for 1974 could be as high as 95% of last year's supply. This may sound comforting—however, to me it appears to be optomistic. The United States and Kansas face a most serious shortage of fertilizer in 1974—more than can be imagined by most of us. I feel nationally we will have 25% less fertilizer this spring than a year ago. This problem of supply comes from many sources.

1. Exports of fertilizer boomed in 1973. The world price was better than the domestic market so exports increased in 1973 between 20 and 25%.

2. Old, inefficient and uneconomical plants have been closed. One plant that could not comply with EPA has been closed. There may be others.

3. The railroads do not have enough rail cars to meet the needs of modern America. There is not enough transportation available to be timely in meeting the needs of agriculture.

4. Normally, in the summer, demand for fertilizer lessens and inventories begin to build, storage becomes a problem and product is moved to terminal storage points. This year demand continued through the summer. It never did let up—it hasn't let up—as a result inventories as of January 1, 1974 are at an all time low.

5. Farmers of America have been calling upon to produce more. More acres released for production mean more fertilizer. Fertilizer supplies will not be adequate this spring.

6. The energy crisis affects natural gas used to produce ammonia. Cold weather can further reduce our nitrogen supply. The energy crisis affects fuel, continuous delay in making mandatory allotments of fuel to agriculture is taking its toll. We need fuel for truck shipments and custom application of fertilizer.

I could go on and list other serious items affecting fertilizer supply but I want to also tell you some things we will have to do to meet our challenges during this crisis.

1. We are in a sellers market. I used to have as many as 10 salesmen selling fertilizer call on me in a single day. Today I seldom see a fertilizer salesman. Today we have to take what is available when it is available. The farmer will have to take fertilizer when it is available.

2. The dealer that was a shopper yesterday is many times without a supplier today. Farmers who were shoppers are many times without a supply today. Dealers just do not have the product. Take your supply whenever it is available.

3. I talk to dealers every week who have no supply—or 30 to 50% of what they had a year ago—some as much as a year ago and of course there are probably some with more than they had a year ago, but my point is that it is possible that many in this room will not get the fertilizer they need this spring. Don't put off purchasing your fertilizer.

4. Those who have had excellent fertilizer programs in the past may be able to rely on residual phosphate and potash in a year or so, but top production needs fertilizer particularly, nitrogen and we can not get top production without nitrogen. Apply nitrogen when available.

5. The Kansas dealer is trying hard to help the farmer meet his challenge. The Kansas dealer is anticipating federal orders for fuel and transportation. The Kansas dealer is updating equipment to apply fertilizer as economically as possible in the conservation of fuel. The Kansas dealer is taking product as orderly as possible and trying to apply the fertilizer as orderly as possible on a year round basis. The Kansas dealer is switching farm meetings from a sales approach type to a meeting that helps maximize production through good practices of soil and crop husbandry.

I close with these observations. The demands of agriculture must be met because nations rise and fall as a consequence of good or poor agriculture. Kansas is one of the greatest agriculture states in our nation.

Kansas needs attention especially in the area of fuel. Without fuel we will not be able to utilize what fertilizer we will have or harvest the crops so needed by the world. The dealers of Kansas are making every effort to help meet the needs of 1974.

William R. Morand.

THE CHALLENGE FACING THE CONGRESS

Mr. McGOVERN. Mr. President, in its February 16 issue, the New Republic published an assessment by the always observant, always readable "TRB" which describes the impeachment issue in terms of a challenge to the Congress.

The challenge before the legislative branch is whether it is willing to face up to what the Constitution prescribes. It is whether the Congress, when faced with such a challenge, will prove fearful of using its powers or whether it will use them as the Founding Fathers intended.

TRB expresses his confidence in the legislative skill and judgment of the chairman of the House Judiciary Committee—the distinguished Congressman from New Jersey, Peter Rodino—who carries a heavy burden in the Presidential crisis. I share that high regard for Congressman Rodino and I believe he is proceeding with care and fairness in the investigation that is his responsibility.

Mr. President, I ask unanimous consent that the article from the New Republic be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

TRB

EITHER/OR

The Founding Fathers made the sword and threw it in the water. Now the House of Representatives has pulled the sword out again and neither the President with all his powers nor the judiciary with all its precedents, can take it away from the coequal branch of government. The sword is, of course, the power to impeach. The right belongs solely and exclusively to one of the humblest divisions of the government, the House. What the public does not yet realize, I believe, is that the House must, and will, vote on impeachment one way or the other, up or down, yes or no.

They are all scared stiff. They are little men and excalibur frightens them. To their awed eyes it seems to leap and keen by itself. Once before it was taken out. In 1868 men with unfamiliar names, Ben Butler, Reverdy Johnson, Charles Sumner, John Sherman, Oliver P. Morton and others handled the great weapon clumsily against Andrew Johnson. The House voted impeachment, 128-47, on February 24. And the Senate failed by one vote of the necessary two-thirds to find him guilty, May 26, 35-19. A swift 91 days.

Now the sword is out again. Under the rim are the names of the men who forged it in that hot summer in Philadelphia in 1788—Washington, Franklin, Hamilton, Madison and the rest. It is a terrible instrument, a king-killer, never to be used perhaps but always to be held in reserve, to keep the executive branch of the tripartite American government under control.

The House in 1973 made an ultimate vote on impeachment inevitable when it set up the inquiry in the Judiciary Committee. If the committee brings in a bill of particulars the 435 members must vote to accept or reject it. It will be the most dangerous vote any of them ever took because whatever they do they will probably create an unforgiving minority in their constituencies. If the Judiciary Committee decides not to recommend impeachment, there will still be a vote on the basis of resolutions offered by dissident liberal members of the committee.

Impeachment, of course, does not mean finding Mr. Nixon guilty. A great many people still think it does. It amounts to voting an accusation, a probable cause. If the House acts, it means sending it on to the Senate presided over by Chief Justice Warren Burger to decide, on the basis of a fair trial and the evidence offered by managers from the House, whether or not to oust Mr. Nixon.

George Washington and James Madison and the rest of the Founding Fathers handed this awesome responsibility on to Rep. Peter Rodino, a second generation Italian-American who lives in Newark, writes poetry, plays paddle ball and would rather be seen naked than without the insignia of the Knights of Malta in his coat lapel. The Founding Fathers, I think, would have smiled grimly. They would have understood. Rodino stood on the floor of the House last week, drew himself up to his full five feet six and got approval for one of the most sweeping grants of subpoena power within the authority of the chamber to give; a grant that, significantly enough, had been asked for *unanimously* by his 38-member Judiciary Committee, composed of 21 Democrats (mostly liberals) and 17 Republicans. It means that he can subpoena just about anybody, and that his Republican opposite number, Rep. Edward Hutchinson of Michigan, can too, and that if they disagree they can go back to the full committee.

With this power, if it comes to a showdown, Peter Rodino can get about anything from the White House he wants. If Mr. Nixon is excessively obdurate he might be cited for contempt or held to have committed what is, itself, an impeachable offense. Rodino is cautious and watching every step he takes; he is an unknown quantity. Some call him timid but I think he is savvy. He has survived 25 years in a tough district, now over 50 percent black, and has remained clean in a city tainted by corruption. He knows that no bill of particulars is worth a damn that does not transcend party lines and that is not positive and specific. He is not likely to pay much attention to the secret presidential bombing of Cambodia or the rights and wrongs of Vietnam in the inquiry because many people think these are policy matters to which a Chief Executive is entitled to be mistaken. No, the issue is likely to be whether boyish-faced John Dean III last June, in the calm monotone of his testimony, was telling the truth when he declared that the President knew about Watergate, knew about the cover-up, knew about the offer of executive clemency to the burglars and the hush money, knew as Dean put it "that there was a cancer growing on the presidency and that if the cancer were not removed that the President himself would be killed by it."

Mr. Nixon, through the foil of Senate minority leader Hugh Scott, has put out the uncorroborated declaration that the White House has unspecified records that prove Dean a liar. Leon Jaworski's special Watergate prosecution force, by contrast, certifies in open court that it has no evidence that Dean perjured himself at any time in any proceeding. It looks as though Jaworski, like Archibald Cox before him, is heading for a confrontation. And again the public asks: if Mr. Nixon has the evidence to exculpate himself why doesn't he present it? And who erased the tapes?

Rep. Rodino is teamed up with special counsel John Doar, six inches taller, lean and blue-eyed—who looks as though he had stepped out of a Western movie as the quiet-voiced sheriff. From 500 recommended names Rodino winnowed him out. A Republican from the West, he served under the Kennedys and carried the burden of civil rights enforcement in the Justice Department. He is tireless, relentless and fact-oriented. Under the methodical Rodino timetable he is supposed to come up on February 20 with a report on what is an impeachable offense, and on March 1 with a survey of evidence to date and where it is leading. A possible bill of particulars by April 30? Maybe.

Meanwhile Mr. Nixon with his state of the union speech has moved into his "come and get me" stage. I may be wrong, but I sense a stiffening of congressional spine. Mr. Nixon faced them defiantly last week and practically told congressmen "you ain't got the guts."

The colorless humdrum House is deeply stirred. What is that in its hands? A great sword.

LITHUANIAN INDEPENDENCE DAY

Mr. BROOKE. Mr. President, February 16 is celebrated annually as Lithuanian Independence Day. Recognizing this I salute the indomitable spirit of the Lithuanian people. They have lived on the shores of the Baltic since time immemorial. They were unified into a single kingdom by King Mindaugas the Great 723 years ago. Since that time they have been fighting for their independence against the Teutonic knights, the Germans, and the Poles on one side and the Russians on the other. It is proof of their remarkable spiritual and ethnic strength that they have been able to preserve their historic identity against such heavy odds.

It is distressing to think how short was the period of their independence after World War I, and to realize how worthless were the words of their 1920 treaty with the Soviet Union by which the Soviet Government "voluntarily and forever" renounced "all sovereign rights possessed by Russia over the Lithuanian people and their territory." That independence lasted a bare 20 years. By 1940 Lithuania was again incorporated into Russia.

Then began the most brutal occupation of their entire history. In Lithuania some 34,000 persons were deported to the Soviet Far East from June 14 to June 21, 1941. The German attack on the Soviet Union in 1941, followed by a German occupation, brought a temporary end to the deportations, but in 1944 the Soviets reoccupied the Baltic and there were additional mass deportations. It has been estimated that about 10 percent of the population of Lithuania was deported to Siberia in 1948 and 1949. Supplementing the deportations as a means of changing the ethnic composition of the area and to replace the loss of labor, the Soviets pursued a policy of colonization with persons of Russian stock. The number of Russian settlers in Lithuania in 1959 amounted to about 8.5 percent, as compared to 2 percent before the war; in the capital of Lithuania, Vilnius, native Lithuanians became a minority.

The Soviet Government also severely persecuted the Catholic Church. In 1940 Lithuania was 85 percent Catholic and there were only two active bishops left, less than 850 priests, most of them old and infirm.

Such brutal treatment, however, has not broken the spirit of the Lithuanian people as recent events show. In 1972, 20-year-old Roman Kalanta set himself afire in protest against Soviet oppression. His death set off 2 days of street fighting in Kaunas, the second largest city in Lithuania. Several thousand youths shouting "freedom for Lithuania" fought police and paratroopers. Two policemen were reported killed and about 200 rioters were arrested. In the following 2 weeks two other Lithuanians burned themselves alive. In the previous March more than 17,000 Catholics signed a protest memorandum addressed to Secretary General Waldheim of the United Nations. In 1971 Siman Kudirka, the Lithuanian radio operator who escaped from a Soviet ship only to be handed back to his shipmates by the U.S. Coast Guard, told the court that sentenced him to 10 years in a corrective labor camp:

> I do not consider Russia to be my fatherland.

There is tragically little we can do to help these proud and brave people except preserve their legal rights to independence and to keep their sufferings before the bar of world opinion. This we must do and hope for a time when their quest for national freedom is successfully ended.

LITHUANIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, I wish to join my colleagues in the Senate in paying tribute to the brave people of Lithuania, who recently observed the 56th anniversary of the declaration of Lithuanian independence.

It was on February 16, 1918, that Lithuania first broke the yoke of oppression, and established a democratic way of life; one to which all free men and women aspire.

The ensuing years of democratic government demonstrated to all the world that Lithuania could exist as a viable and self-sustaining republic. The years saw not only a stable and mature political climate, but were also filled with extensive social and cultural accomplishments. Those years were proud and joyous ones indeed for all Lithuanians.

Tragically, during the outbreak of

World War II, Lithuania found herself again threatened. In 1940 Lithuanian democracy crumbled. And under the iron rule of the Soviet Union, the people of Lithuania continued to be denied all freedom of expression.

Mr. President, on the occasion of the anniversary of Lithuanian independence, I extend my warmest best wishes to the people of Lithuania and to those who trace their heritage to that proud country. And I am equally proud to represent nearly 30,000 Lithuanian-Americans, who reside in my own State of New Jersey. But, at the same time, I am saddened by the reality that there are still those in Lithuania today who are being held as virtual prisoners within their own country. To those people we offer our deepest hopes and prayers.

POSITION OF NATIONAL GUARD ON FISCAL YEAR 1975–76 FORCE REDUCTIONS

Mr. THURMOND. Mr. President, a great deal of comment has ensued as a result of the decision by the Department of Defense to reduce the force structure of the National Guard in fiscal year 1975 and fiscal year 1976.

During this year the Congress will inquire into the justification of these reductions. As a member of the Senate Armed Services Committee, I shall make a special effort to see that all of the facts are placed on the public record in order that a fair decision might be made.

Recently the Executive Council of the National Guard Association of the United States approved a statement of position on these force reductions. I ask unanimous consent that this position paper entitled "Total Force Policy", dated January 29, 1974, be printed in the Record at the conclusion of my remarks.

There being no objection, the paper was ordered to be printed in the Record, as follows:

Position Statement on Force Reductions

The following statement of position was approved by the Executive Council of the National Guard Association of the United States at its meeting on January 29, 1974.

TOTAL FORCE POLICY

As an outgrowth of the Nixon Doctrine, which gave a new direction to this nation's international relations, the Administration in 1970 committed our defense establishment to a concept called Total Force, and concurrently to all-volunteer armed forces.

Total force in one of its applications assigned far greater importance to the maintenance of strong, effective reserve forces, to compensate for massive reductions in the costlier Active forces.

In consequence, National Guard and Reserve units have been handed a variety of high-priority, early-response missions that previously had been allotted only to fulltime troops. The new missions require Guard and Reserve forces to be ready for mobilization and deployment overseas on greatly compressed timetables.

Thus, the National Guard and Reserves have become in reality what they formerly were only in theory—a major part of the force-in-being that would have to respond on extremely short notice to any future military emergency. In fact, the Army National Guard today represents 30 percent of the entire organized Army structure and more significantly, encompasses almost half—46 percent—of all the Army's combat elements. Equally important, the Air National Guard contains 38 percent of the Tactical Air Command's total strength and 70 percent of the Aerospace Defense Command's air defense jet interceptor fleet.

This makes it obvious that neither the Army nor the Air Force can make a major commitment of forces in a crisis unless the National Guard and Reserves can rapidly mobilize forces of substantial size possessing high readiness levels upon mobilization.

There'll be no time for the leisurely "fleshing-out" of units with large numbers of filler personnel nor for extensive training after the alert is sounded.

RELATIONSHIP BETWEEN ACTIVE AND RESERVE CAPABILITIES

A long-accepted doctrine, that significant reductions in our Active forces must be balanced off by strengthening and improving our Reserve forces, is the very bedrock of the Total Force policy. Defense leaders have always accepted that doctrine as the only acceptable method by which this nation can maintain an adequate military posture in peacetime at a price Americans will accept. We are a nation that traditionally opposes large standing armies.

The National Guard has responded to the Total Force challenge by elevating its combat-readiness to unprecedented levels and concurrently restoring its strength to full authorized levels, a dual accomplishment which no other component of our Armed forces has matched.

The Army Guard is still engaged in the massive effort it launched several years ago to boost readiness levels still higher, assisted by its Active Army mentors. The Air Guard has been engaged in a similar effort, with the support of the Active Air Force, and currently can boast that an unprecedented 90 percent of its force is rated combat-ready.

A Total Force Study Group late last year launched a comprehensive study of every facet of Reserve Component organization and operations, under Department of Defense sponsorship, to seek ways to make further improvements. It is contemplated that the group will complete its studies by August, 1974, and be in a position to make realistic innovative recommendations by bringing the Reserve Components into closer conformity with national defense needs.

Without awaiting the results of this evaluation, however, Defense leaders are preparing to direct certain reductions in National Guard/Reserve force structure and manning levels, a premature and ill-conceived step to which the members of this Council strongly object. While most of the details of the pending reductions are still obscured by the "security classification" device, it is an open secret that much of the air defense structure is to be dismantled, including Air National Guard jet interceptor forces and Army National Guard Nike-Hercules units. In addition, a number of other proposals are under active consideration which could lead to further reductions in Army Guard unit structure and/or authorized strength.

This Council regards such developments as inexplicable in view of:

The increased reliance on Reserve Forces which has been proclaimed as national policy.

The steady growth in Soviet military power and its clear attempt to achieve military supremacy.

The National Guard's demonstrated ability to attain any realistic readiness and manning levels assigned to it.

The apprehensions repeatedly voiced in recent years by U.S. military leaders over the succession of strength cuts imposed by Congress.

The wastage of a valuable, irrecoverable defense asset when long-established National Guard units are inactivated and the collective experience, teamwork, individual skills and dedication of their individual members are dissipated.

The critical secondary responsibility of the National Guard, of protecting the lives and property of citizens in every State, as a State-directed adjunct of civil forces.

MILITARY VS. ECONOMIC CONSIDERATIONS

This Council recognizes that the military needs of a nation are dynamic and ever-changing, as are the kinds of military forces required to satisfy those needs. They necessarily are a product of the international environment and the potential threat represented by nations who might become our enemies. We recognize, moreover, that the structure and size of our forces are dictated by the national strategy and by the war plans those forces are designed to implement.

In consequence, we know that revisions must be made periodically in the types of units assigned to the National Guard and in the missions assigned to them. The National Guard is continually making such alterations at the behest of its parent services to insure that the overall military force structure conforms with anticipated needs.

We sense, however, that current proposals to reduce Guard and Reserve forces hard on the heels of drastic reductions in the Active forces stem more from heavy pressures to reduce defense spending at whatever cost than from sober, realistic military considerations.

This Council is particularly concerned lest insufficient consideration be given to two of the factors cited earlier: the wastage of valuable assets when Guard units are eliminated, and the Guard's success in attracting that primary ingredient of readiness, manpower, at a time when other components are steadily losing ground.

The Army and Air National Guard currently stand at the strengths prescribed for them—the traditional 400,000 for the Army Guard and 92,000 for the Air Guard. They alone among the Reserve Components can boast of such an accomplishment in the unfavorable environment which exists. Not the least of the factors on which this accomplishment rests is the State and community character of the Guard.

Guard units have been closely identified with their communities and States over periods that extend in many cases back into the last century or earlier. They are motivated by community pride to attain the goals set for them, whether strength or readiness or response to emergencies. They are deeply involved, whether as individuals or units, in the daily affairs of their communities. Their performance in times of disaster and stress are recognized and hailed. From this has grown an esprit de corps and a determination to succeed that recognizes no obstacles as insurmountable.

Guard units represent an amalgam of experience, leadership, dedication, teamwork and individual skills that can be duplicated only by a massive investment of time, energy and money. Immense sums have been spent to develop the military capability possessed by such units. It would be tragic to capriciously dissipate such assets, for once dissipated they cannot be re-created. A far more sensible course is to convert such resources to other essential tasks, when they have outlived their usefulness in their present configuration.

OUR POSITION

Members of this Council therefore express the following convictions in respect to reductions in either force structure or strength in the Army National Guard and Air National Guard:

(1) That nothing in our current military posture vis-a-vis that of Soviet Russia war-

rants a unilateral reduction in the size and capability of U.S. military forces.

(2) That the interests of the nation will be better served if all decisions regarding force structure realignments and manning levels be delayed pending completion of the Department of Defense Total Force Study Group's evaluation.

(3) That national security considerations strongly suggest the desirability of converting out-moded units, and units of marginal utility in an early-response role, to new and essential missions rather than eliminating them outright.

All who share in the responsibility for defending this nation, from the highest levels to the lowest, also share a single over-riding objective—to produce and maintain military forces of a size and capability commensurate with national security needs, at the highest attainable level of readiness, and with the lowest possible expenditure of public funds. This Association likewise is dedicated to such a goal. It is in consonance with that objective that the above convictions are expressed. We earnestly petition the President of the United States, Congress, and leaders of the defense establishment to give consideration to these views.

ECONOMICS AND SHORTAGES

Mr. BROCK. Mr. President, the energy crisis, in addition to being a hardship on the people of this country, ought to provide us with some lessons in economics as well. It is now pretty clear that, before 1973, we underestimated the influence of foreign trade on our domestic economy. International demands increased markedly for American wheat and soybeans, as well as for Arab oil. We were caught unprepared, and shortages resulted.

Yet the problems in our country are less severe than those of most European nations, economists tell us, because the American economy is more elastic. Furthermore, the Arab countries may be pricing themselves out of the energy market in the long run, according to leading Harvard economist Hendrick S. Houthakker.

His predictions, and those by his distinguished colleague from the University of Michigan, Paul W. McCracken, give us an excellent picture of the future of international exchange and the tasks yet before us. I ask unanimous consent that both articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

THE OUTLOOK FOR PETROLEUM PRICES

(By Hendrick S. Houthakker and Michael Kennedy)

(NOTE.—Mr. Houthakker, professor of economics at Harvard University, formerly was a member of the Council of Economic Advisers under President Nixon. Mr. Kennedy is a graduate student in economics at Harvard.)

Recent increases in the price of Persian Gulf crude oil have caused serious worry in industrialized nations about their impact on the maintenance of prosperity and the balance of payments. Blind extrapolation of recent import trends does indicate an alarming situation: close to $100 billion of oil imports by 1980.

However, any extrapolation of this sort ignores the many economic factors at work in the world oil market which tend to moderate adverse consequences. Recent price changes have been so large they invalidate all projections, including those of the National Petroleum Council, that ignore the effect of prices on supply and demand.

In order to obtain a more reasonable picture of future prospects, we have constructed an economic model of the world oil market. It contains explicit representation of demand and supply relations, refinery operations and trade flows. Given key parameters, such as the responsiveness of consumption and production to price changes and the Persian Gulf export tax, the model generates internally consistent predictions of prices, quantities consumed and trade flows.

In particular, we explored the implications of the rise from $1.85 a barrel in October to $7 a barrel in December in crude oil export taxes by the Persian Gulf producers. Reasonable assumptions about demand and supply elasticities suggest that the Persian Gulf producers are pricing themselves out of export markets in the long run. That is, if they attempt to maintain a real price of $7 a barrel for their oil, their exports will be falling to low levels over the next 10 to 15 years. This conclusion does not depend on a breakdown of the current oil producers cartel, since other OPEC nations (Venezuela, Libya, Nigeria and Indonesia) are assumed to increase their production only marginally in response to price increases.

PURCHASER RESISTANCE

What are the assumptions which produce this result? One important factor in the future situation is the resistance of purchasers to price hikes. A $7 export tax in the Persian Gulf implies at least $8 a barrel landed prices in New York and Rotterdam. This is a sharp increase from price levels of only last year and will have a jarring effect on the growth of oil demand we have seen in the last few years. Switching to smaller cars, better insulation of homes and the use of coal and nuclear energy in some applications are becoming highly attractive options in the face of this price increase.

Up to now there has been little incentive to economize in the use of oil, because its price in terms of other goods has been falling. Although the magnitude of this response by users is uncertain, our statistical work suggests that oil demand will stagnate into the early 1980s, as normal increases in use due to economic growth are offset by the price jump. One must assume complete price insensitivity of oil demand to accept a simple extrapolation of recent growth trends such as those which are freqently used today in forecasting demand.

But this result only implies a freeze in current Persian Gulf export levels. At the higher price gulf producers are clearly better off than before. The key question, then, is how will supplies of non-Persian Gulf crude respond to these higher prices? We know that by the early 1980s at least four million barrels a day will be produced from the North Sea, and 2.5 million from Alaska. Since current gulf exports are 20 million barrels a day, this is a significant dent in their market, but probably not enough to break up the cartel.

The important swing factor in the supply situation is the ability of the United States and Canada to make oil production increases in response to the price hike. The most commonly accepted figure for the elasticity of supply is unity—that is, a doubling of the price implies a doubling of yearly production. Since the current Persian Gulf move doubles the world price of oil, the implication for U.S. production is 20 million barrels a day. This figure seems incredible in light of the widespread belief that there is just no additional oil in North America, apart from oil shale and tar sands.

But, as Professors Gramm and Davidson argued on this page some weeks ago, if the price is high enough, we will see more secondary recovery from existing fields, deeper drilling, and greater use of heavy oils such as those now being developed in Utah. At a domestic price of $3 per barrel these sources were not worth looking at, but now they are very profitable. Indeed, the National Petroleum Council predicted 1980 U.S. production of 13.5 million barrels a day at a 1973 price of $6.50 per barrel. Today we are up to $10.

If North American production did increase to 20 million barrels a day, Persian Gulf exports would drop to an almost insignificant four or five million barrels a day. A less elastic supply response, of course, implies less encroachment on gulf exports. It is only by assuming no increase in production from on and offshore North America in the face of higher prices could we conclude that the gulf producers' market share would not be threatened by their price policy.

A second key question, for which there is no well accepted answer, is how soon could new supplies of oil become available? Aside from the standard exploration and development lag, there are serious bottleneck problems in materials from U.S. manufacturers needed to explore the underground oil. Any sizeable increase in yearly production is going to require increased output of drilling rigs, offshore platforms and pipeline steel, for which the industrial capacity is currently inadequate. North American production cannot cut into Persian Gulf revenues until the oil is flowing. This lag may encourage OPEC to ignore the latent supply response.

Despite the existence of uncertainty about the exact magnitudes involved, the main outlines of the future are clear. The $7 export tax is a drastic revision in the world price system, and a simple minded extrapolation of past trends is suddenly irrelevant. To forecast a continued growth in gulf exports, one must assume a very slow response of both production and consumption to price changes, neither of which is supported by existing evidence. Supply and demand responses will certainly cut into shipments of oil from the Middle East. The questions are really how far and how fast. Using the currently accepted estimates of price effects, the long run answer is that gulf exports could eventually drop to very low levels. But the adjustment to such a dramatic price change will take a long time, certainly into the 1980s.

AN IMPORTANT VARIABLE

How realistic is it for the gulf producers to try to sustain a $7 export tax, in 1973 dollars, in the face of such supply and demand responses? Given the supply elasticity of unity, our model predicts that North America would be competing for the export market of the Persian Gulf by the early 1980s. And even under less optimistic assumptions, OPEC export demand will eventually weaken, and it will be able to increase revenues only by cutting prices. However, the new threat is that an erratic up and down price policy will encourage protective tariffs by consuming countries that will induce additional conservation efforts and new production of oil. The perception by gulf nations of the ability of oil consumers to react to the policy in the terms described here is also an important variable. Perhaps recent OPEC feelers about a price freeze indicate awareness that current pricing patterns are untenable.

In summary, our analysis suggests that the behavior of the oil cartel is inconsistent with reasonable projections of their ability to sell large quantities of oil in the long run. The consuming nations should not assume they are at the mercy of OPEC, even though for the moment they can do little except curtail consumption. All the talk about energy being "essential" should not blind us to the fact that it is subject to the laws of supply and demand. These laws may take some time to operate with full effect. But they have not been abrogated. When the governments of the importing countries assemble at President Nixon's invitation they should not be misled by industry projections of an inexorable rise in demand and a lack of productive capacity in North America. Consumption is already responding to higher prices, and supply will catch up too.

[From the Wall Street Journal]

THE FEBRUARY AGENDA: A SLIM HOPE

(By Paul W. McCracken)

(NOTE.—Dr. McCracken is Edmund Ezra Day University Professor of Business Administration at the University of Michigan and former chairman of the Council of Economic Advisers under President Nixon. He is also a member of the Journal's Board of Contributors, four distinguished professors who contribute periodic articles reflecting a broad range of views.)

The volcanic explosion of oil prices will have a profound effect on the world economy, but on balance the dollar is apt to be the beneficiary. This seems to be the conventional view, and there is persuasive logic to support such a conclusion. Precisely because of this beneficial effect on the dollar, however, the effect on the U.S. economy is apt to be anything but beneficent—this quite apart from the adverse effect of oil shortages themselves.

That in the immediate sense the U.S. economy is less exposed than most other major economies to the hurricane effects of gargantuan oil price increases is clear enough. Except for Canada, which has a total energy production capability in excess of domestic requirements, the U.S. is the most self-sufficient in energy of the major industrial nations. However difficult our problems look to us, a total energy self-sufficiency of almost 90% would look like the stuff of which dreams are made in Italy with a 15% figure, to Japan with 11%, or even to Germany and the U.K. with about half of their total energy from indigenous sources. Even with ambitious estimates about what can be accomplished through economizing on the use of oil, the impact of oil prices increases on the import bill of these countries is large.

Before we break an arm patting ourselves on the back for our good fortune, at least relatively, a little pause would be in order.

Self-sufficiency in energy

[In percent]

Country:	*Oil*	*Total*
United States	74	89
Canada	98	110
Japan	0	11
United Kingdom	2	53
Germany	7	51
France	5	22
Italy	6	15

Source: Economic Outlook, December 1973. (These are 1971 figures.)

For one thing if these nations are confronted with an enlarged import bill, they will obviously be under great pressure to expand their reports.

Proportion of exports to and imports from the United States, 1973

[In percent]

Country:	*Exports*	*Imports*
Canada	66.9	65.9
France	5.3	8.1
Germany	9.3	8.4
Italy	9.8	8.3
Japan	31.3	24.9
United Kingdom	12.5	10.5

Source: Basic data from Directions of Trade, IMF, November 1973.

And it happens that the United States is a particularly large export market for some of the countries that face a particularly large problem from the rise in oil prices. Japan is, of course, the most clear-cut case. Japan must import all of its oil, and about 25–30% of its trade is with the United States. Through some combination of belt-tightening on other imports and accelerated efforts to enlarge exports Japan must find room for the higher oil import bill. And a significant part of that, if the effort is successful, will have to show up as smaller purchases of imports from the U.S. than would otherwise have occurred, and correspondingly larger exports to us.

For Japan to find much of the needed additional foreign exchange through a great leap forward in exports to Western Europe, the only other major high-income area, is not probable. These countries never have any difficulty restraining their enthusiasm over any prospect of greatly enlarged imports from Japan, and in any case they have an oil import problem themselves. We can, in fact, expect our own exports to have somewhat harder going in Western Europe also, and more vigorous efforts on their part to increase their exports to us.

The underlying requirements for these shifts to occur are already evident in the readjustments of exchange rates. The "favorable" effects on the exchange rate of the dollar may give us a new sense of pride that the much-buffeted dollar is once again an honored member of the financial club. These "favorable" effects on the dollar really mean, however, an unfavorable shift in the competitive position of the U.S. in world trade.

Moreover, this change will be coming into the picture during a year in which the industrially developed countries were probably destined to be growing at a markedly slower rate in any case. The OECD had projected for its members, who account for most of the industrial world, a growth rate in real output of only 3¾% in 1974 compared with 6¾% for 1973. Such a projection could even have been optimistic. In such countries as Germany, the U.K., Japan and France there was a shift toward more restrictive economic policies last year, and the effects of these policies were already beginning to show up in domestic economic activity.

There was, in fact, a real possibility that 1975 had the makings already of a synchronized world slump even before oil embargo and price developments further clouded the picture.

The U.S. trade position down the way in 1974 is, therefore, going to be struggling against two adverse developments. One is the great pressure that some of our important trading partners will be under to earn the additional foreign exchange required to cover their oil purchases. The shift in exchange rates to accommodate these trade adjustments, as already mentioned, has begun. While the appreciation of the dollar may temporarily have a favorable effect on our trade balance, as imports in the pipeline cost fewer dollars, the ultimate effect will almost certainly be unfavorable as our international competitive position deteriorates. (This would be the reverse of what occurred when the dollar was devalued—initially an unfavorable effect on our trade balance, followed by a sharp improvement.) And domestic economic developments in the industrial world, which are our important export markets, were also shaping up unfavorably for our trade.

To Americans, long accustomed to treating our international trade as of petty cash fund significance for domestic business conditions, it is hard to believe that these things have much significance for what happens here at home. The year 1973 demonstrated how wrong this can be even for the huge, diversified, and relatively self-sufficient American economy. While exports, for example, have traditionally been roughly 4% of our GNP (in 1972, 4.2%), the rise in our merchandise exports from the third quarter of 1972 to the third quarter of 1973 was equal to 17% of the rise in GNP. Even this, however, understates the impact of this explosion of exports on our domestic economy. Hair cuts produced by Dascola's Barber Shop in Ann Arbor or the imputed rental value of owner-occupied homes, for example, are not apt to be exported. When we eliminate these services from our GNP figures we find that during the year ending with the third quarter of 1973, the rise in our merchandise exports was equal to 31% of the rise in our production of goods.

GOOD BUSINESS ABROAD

Nor was this all soybeans and wheat. Exports of manufactured products during this period rose 39%, reflecting strong economies abroad and improved competitive conditions from the adjustment of exchange rates that began in 1971.

That these trade developments had a profound effect on our domestic economic developments last year is now evident from the facts already available. During the year ending with the third quarter of 1973 the demand for goods and services in real terms here at home rose 4½%, only slightly more rapidly than the enlargement of our capacity to produce. With the net demand from abroad added to this, however, the rise in total demand for our output in real terms rose 5½%. The addition of a full percentage point to the growth in demand for our output, at a time when resources were already under pressure, was bound to have a severe effect on our rate of inflation. The single most important thing missed a year ago in the generally poor forecasts of the 1973 rate of inflation was the synergetic effect on our trade, and therefore on our domestic economy, of the domestic expansion policies in the world's industrial economies that got in phase and the coming into full effect of the devaluations of the dollar.

Are we now facing an equally strong cumulative adverse change in our trade position during 1974? Probably not—at least of the same magnitude as the highly expansive 1973 changes. But 1973 does serve as an illustration of what can happen when governments each take actions seemingly appropriate to domestic conditions but do not take cognizance of interacting effects that tend to magnify the results.

What is now urgently in order is vastly strengthened procedures for closer cooperation in the management of domestic economic policies. And that gives the conference called for next month by the President the outside chance to be one of the year's significant developments. "Outside chance" does, of course, deserve emphasis. The conference is called about oil, not about economic cooperation. And if the participants see their function as forging a cartel of oil-consuming nations that would somehow neutralize the cartel of oil-producers, it will be another meeting about which the participants are able to report that "fruitful discussions were held" (i.e., the conference failed). In any test of wills between two such cartels, some of the consuming nations would be looking at the bottom of their oil tanks before the foreign exchange reserves of Saudi Arabia or Kuwait stopped rising.

There are, however, a couple of agenda items worthy of the participant's best. One is how to manage trade among the developed economies so that we do not have economic warfare breaking out. If each one, without regard to how it is affecting others, tries to push exports and limit non-oil imports in order to balance out even with higher oil bills, the end result will be rising trade barriers rather than rising trade. This is particularly important for the United States since, because the dollar is a key currency, we could wind up being the one against whom all the others try to develop the surplus needed to pay for oil.

NEED FOR SYNCHRONIZATION

An integral part of this problem is, of course, the coordinated management of the 1974 disinflation. This means stronger machinery for keeping fiscal, monetary, and other economic policies of the major industrial nations better synchronized and managed with a closer eye on their cumulative and interacting effects. The February conference probably will not get to these matters, but they may well constitute its one chance for success.

With the trade bill bogged down and international monetary negotiations setting as their objective re-fixing exchange rates (which, if "successful," would be a disaster), international economic cooperation did not look like a growth industry for 1974. It may still not be. The President's initiative in calling the February conference does, however, open the opportunity to start cooperating within the larger context of economic policy that could yet pull us all back from the edge of economic warfare. And that would be no mean accomplishment.

PERSONAL THOUGHTS OF COMMANDANT OF THE MARINE CORPS ON MILITARY MANPOWER

Mr. McINTYRE. Mr. President, the Navy and the Marine Corps appeared before the Armed Services Committee on February 19th in support of the fiscal year 1975 military procurement authorization request. Gen. Robert E. Cushman, Jr., Commandant of the Marine Corps, followed the Secretary of the Navy and the Chief of Naval Operations in submitting his statement to the committee. In his statement General Cushman had some personal views regarding military manpower which struck a responsive chord with me because of the very human and personal tone reflected in his words which, in substance, represent an appeal to the people of the United States for understanding and support of our sons and daughters who, of their own free will, join the military services in the best interest and tradition of the United States.

I was impressed with these very sincere observations and advised General Cushman during the hearings that I would insert his remarks in the Congressional Record. I sincerely hope that his remarks will be widely distributed and read by all Americans. Let me quote from his statement:

> As to my personal thoughts regarding the future, the Marine Corps and its sister Services have set high goals of professionalism and readiness. We share the concerns of the Congress and the interests of our people and will strive to serve the Nation in the highest traditions of our heritage.
>
> As a Service Chief, I would be remiss in my duty to the Congress, however, if I failed to report my concern for the future of the military services in the all volunteer environment.
>
> If we are to sustain an effective all volunteer force there must be an awareness on the part of our citizens, our official circles and our media, that the profession of arms is an honorable one. A military career is a life of purpose whose ultimate goal is the protection of our nation and its traditional values. Such a purpose carries with it a high consciousness of responsibility in the conduct of the people's business. Accordingly, we hold ourselves accountable when valid criticism is directed toward our profession. We ask only that criticism be the subject of open, honest debate, giving the public the full balance of information it needs to make reasonable judgments.
>
> The maintenance of an effective military establishment does not rest solely on the sophistication of its weaponry or the funds available to attract recruits. It rests fundamentally on the leadership, integrity and professionalism of its personnel, and on the respect they earn from their countrymen. If the Services are to attract talented young people, we must recognize that basically today's youth seek two things: a purposeful way to serve their countrymen and the public respect that grows from such service. The All Volunteer Force will be extremely difficult to sustain if the esteem for a military career becomes the victim of apathy, ignorance or malice. Loss of esteem is a major danger threatening the vitality of the Armed Services.
>
> In a spirit of partnership with the American people I seek your help in fostering an understanding on the part of all Americans of the basic value of the profession of arms.

THE STANLEY FOUNDATION

Mr. BROOKE. Mr. President, during the past several years I have been impressed with the work of the Stanley Foundation, a nonprofit organization whose main purpose is to promote peace with freedom and justice. The headquarters of the Stanley Foundation is in Muscatine, Iowa. I am sure my colleagues from that State share my sentiments regarding the foundation.

The main focus of attention of the foundation is on the United Nations. Conferences dealing with U.N. matters are periodically convened. These include:

The Conference on the United Nations of the Next Decade which brings together international statesmen to consider problems and prospects of the United Nations. Its report recommends changes and steps considered practicable within the next 10 years.

The News Media Seminar at the United Nations attended by representatives of news media. They become familiar with news procedures at the United Nations and are briefed on United Nations activities.

The Conference on United Nations Procedures focusing on organizational and procedural reform of the United Nations. Participants come largely from the United Nations Secretariat and various Missions to the United Nations.

Other activities of the Foundation include:

The Strategy for Peace Conference which explores urgent foreign policy concerns of the United States. It attracts individuals from a wide spectrum of opinion and belief who exchange ideas and recommend action and policies.

The Center for World Order Studies, a project of the Stanley Foundation in cooperation with the University of Iowa. The center seeks to promote world peace through education and research. High priority is given to the improvement of classroom and community education to better meet the demand of the contemporary and future world community.

Occasional Papers focusing upon study toward improvement and development of international organization more adequate to manage international crises and global change and specific topical studies of U.S. foreign policy and world order.

Vantage conferences designed to anticipate and evaluate in-depth developing issues relating to U.S. foreign policy and international organization.

Early in 1974 the foundation sponsored a Conference on Ocean Survival for the purpose of acquainting Members of Congress and congressional staff with the many problems related to oceans. Experts discussed several aspects of ocean issues including resources, pollution, legal questions, and the United Nations Law of the Sea Conference. From the reports I have received this was an extremely successful endeavor.

In the coming months the Stanley Foundation will provide many Members of Congress with summaries of the conferences it sponsors. I have found such summaries to be useful in the past and believe that they will continue to be so in the future. I encourage my colleagues to avail themselves of this excellent source of information.

THE ROOTS OF THE ENERGY CRISIS

Mr. McGOVERN. Mr. President, millions of Americans are genuinely puzzled by the so-called energy crisis. They wonder, in anguish in many instances, how the strongest Nation in the history of the world could have stumbled into an energy shortage of such dimensions.

A team of reporters of the New York Times has provided a thoughtful summary of the historical background of our present dilemma, in an article by Linda Charlton, entitled "Decades of Inaction Brought Energy Gap: Lack of Coherent Policy Left Vacuum the Oil Industry Was Eager To Fill." I ask unanimous consent that this article, from the February 10 issue of the Times, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Decades of Inaction Brought Energy Gap

(By Linda Charlton)

Barely three months ago, President Nixon told the nation that its energy problems had become an "energy crisis." Since then, thermostats and speed limits have dropped obediently, but the initial shock has not faded —only soured in perplexity, disbelief and cynicism.

For the last month and a half, Americans have been lining up at gasoline stations, worrying whether next week—or next summer, or next year—will be worse.

During the last two weeks oil companies have been reporting soaring profits, and more than a half-dozen Congressional committees have been looking into the methods by which they were made.

MINISTERS TO MEET

And tomorrow the foreign ministers of 13 major oil-consuming nations and organizations meet in Washington in search of common solutions to the problem.

Many Americans do not believe that a "crisis" exists. Many others are convinced of conspiracy in the back rooms of government, Arab sheiks, and huge international oil companies. Almost everyone, skeptical or simply puzzled, wants to know how the United States got here from there.

From a recent past in which Americans were urged to drive bigger cars farther, live and work in artificial climates and gauge their national success in terms of the expenditure of apparently boundless energy, they have moved into a bleak present, a time when kilowatts and mileage must be measured with care.

An investigation by The New York Times found a complex but traceable pattern—not so much of conspiracy as of national complacency, and, above all, Government inaction going back decades. Not so much bad policy—although hindsight exposes that, too—as no policy at all. What was left was a vacuum that the oil industry was only too eager to fill, especially in the absence of significant countervailing forces.

SECRET 1950 DECISION

There were decisions made and decisions avoided. A secret, top-level Government decision in 1950 made it more profitable to drill for oil overseas. A 1956 national commitment to a concrete web of highways made more people even more dependent on the larger, less economical cars happily provided by Detroit.

A blinkered consciousness led environmentalists to ignore the possible consequences of their successes. A crucial Supreme Court ruling made natural gas too attractive to the wrong users. A system of oil import quotas instituted in the Eisenhower Administration for "national security" endured through 14 years of political bargaining, through a "little arrangement" in the Kennedy years and a "just darned complicated" decision in the Nixon Administration.

"I wish it were as simple as a conspiracy," said Walter J. Levy, a noted independent oil economist, in a recent interview.

"Just damn foolishness," is the diagnosis of John F. O'Leary, a former deputy assistant Secretary of the Interior for Mineral Resources.

Stewart Udall, Interior Secretary in the Kennedy and Johnson Administrations, admits: "We didn't have a national energy policy."

And Frank N. Ikard of the American Petroleum Institute says, "The Federal Government absolutely refused to recognize or come to grips with this problem until 90 days ago.

"Government energy policy has been formulated in Dallas and Houston and rubberstamped here in Washington," said S. David Freeman, a former White House energy adviser who now heads the Ford Foundation's energy project.

"The ad hoc, diffuse and often conflicting approaches to individual energy issues that have characterized the past will not be adequate for the future," M. A. Wright of Exxon told the Senate Interior Committee in 1971.

"We got to where we are by mistaken public policy," said Prof. M. A. Adelman of the Massachusetts Institute of Technology, a leading academic oil economist.

There have been many warnings that a shortage was coming. They have been largely ignored.

There was the 1952 report by the President's Materials Policy Commisison, better known as the Paley Report, warning of the "extraordinarily rapid rate at which we are utilizing our materials and energy resources."

There was the 1966 annual report of the Atlantic Richfield Company which, while underestimating the growth in demand for oil, warned flatly that "the nation faces the prospect of a domestic energy gap."

There was a National Intelligence Estimate sent to the White House in the spring of 1973 predicting that renewed conflict in the Middle East would surely mean an oil cutoff.

"There was just no way to get people interested in energy when prices were low," said Mr. Freeman, the former head of the Energy Policy Staff of the Office of Science and Technology at the White House. "If the lights are on and the bills are low, nobody cares."

Now, everyone cares.

FOUR DECADES OF GROWTH

Like a number of others, Mr. Freeman looks back for root causes to the New Deal days of the Nineteen-thirties, when, in his words, there were "great social reasons for priming the pump"—for encouraging the use of power by making it available cheaply.

As David Lilienthal, first chairman of the Tennessee Valley Authority, exulted, no function of T.V.A. was more vital than that of electric-rate yardstick, to demonstrate "that drastic reductions in electric rates [would] result in hitherto undreamed-of demands for more and more electricity . . ."

The New Deal premise, based on faith in unlimited growth and unlimited resources, has worked. Energy consumption in the United States has soared beyond the fondest hopes of the New Deal's visionaries. It has more than doubled in the last 20 years, so that by 1972 the United States with 6 per cent of the world's population was using one-third of the total world production of energy.

Since 1947, annual consumption of petroleum products has gone from 1.9 billion barrels to 5.6 billion; the use of electricity went from 1,774 kilowatt hours per person in 1947 to 7,800 per person in 1971, when of course, the population was larger. If the rest of the world consumed energy at the same rate, it has been estimated that the world's total energy resources would be depleted by the year 2010.

As important as the amount of energy in looking for the roots of the present situation is the type of energy consumed. Coal, the country's most abundant source of energy, comprising 88 per cent of total reserves, became more difficult to extract and was being superseded even before the new environmental awareness of the nineteen-sixties dealt a major blow to its usefulness.

Oil and gas essential

The United States now is a country that runs on petroleum and natural gas. Together they supply about three-quarters of its energy needs—partly because of a designed way of life predicated on the notion of supplies so ample as to be, in effect, limitless.

At the end of World War II, Americans took to the skies and the highways. The railroads, overworked and undermaintained during the war, were exhausted, inefficient and unattractive. They could not—and, many say, did not really try to—compete with the new glamor of airplanes for long-distance travel; worn-out rolling stock had no allure for veterans who had shining new automobiles to take them to their split-level houses in that post-war phenomenon, the suburbs.

And suburbs, where most Americans live now, were themselves designed on the premise of the individual automobile that has become a national gospel. Since the end of the war, ridership of trains has declined by 83 per cent, although trains are 12 times more efficient than cars in terms of fuel consumption.

During these same postwar years natural gas, a by-product of oil drilling that for many years was simply "flared" or burned off, emerged as a major factor.

Clean-burning and cheap, and heavily promoted by the industry with the "Gas Heats Best" slogan, it has been the fastest-growing energy source, in terms of consumption, over the last 20 years. Today it provides about one-third of the country's total energy consumption.

But by 1972, natural gas was scarce; in 21 states, it was so scarce that no new customers were accepted. Since 1968 more natural gas has been sold in the United States each year than has been found in terms of new reserves, or potential supply. Gas production, despite its accelerating popularity, has declined.

One reason for this—and in the view of many, one of the milestones on the road to the present situation—was a 1954 Supreme Court decision known as the Phillips Petroleum ruling. This, in effect, ratified and expanded the powers of the Federal Power Commission to regulate the price of natural gas at the wellhead—that is, to keep it down.

CITIES PHILLIPS DECISION

Mr. Ikard of the American Petroleum Institute, asked for his views of the factors contributing to the present situation, cited the Phillips decision immediately, saying that it set "an unrealistic price for natural gas, encouraged the [uneconomic] use of gas. It was not the kind of regulation that would do anything but have the disastrous result of discouraging the development of new supplies."

Joseph C. Swidler, the retiring chairman of the New York State Public Service Commission and chairman of the Federal Power Commission from 1961 through 1965, put the matter differently. In settlement conferences with gas companies over pricing, he said, the companies "would never commit themselves to increasing the supply. Their spirit was, 'When are you guys going to recognize we've got the trump here and we're not going to drill until we get our price?' "

Lee White, chairman of the Federal Power Commission from 1966 to 1969, agreed that natural gas had been widely misused and over-used in industry and by utilities. "It's a national scandal, when a utility uses gas as a boiler fuel," he said.

In the same year as the Phillips case there was another, little noticed government decision. According to Mr. O'Leary, who is a fuel economist and also served as director of the Bureau of Mines in the Interior Department, the oil industry—not then, as now, deeply invested in the coal industry—persuaded the Eisenhower Administration to abandon its investment in research aimed at advancing the gasoline-from-coal technology developed in Germany during the war.

Mr. O'Leary believes that this, and the failure to continue other fuel-conversion research, was "the most serious error in energy policy made during the postwar years."

It was two years later, in March, 1956, that one of the many ignored prophets spoke his piece. M. King Hubbert, then a petroleum geologist with Shell, now with the United States Geological Survey, told a meeting of petroleum engineers in Texas that, on the basis of past consumption and of his estimate of reserves, the peak of United States oil production would be reached by 1971 at the latest. It was, in fact, reached in 1970.

This prediction flouted the popular wisdom of the time, which was, he said, "in effect, that we didn't have to worry about oil in our lifetime." Such was the disbelief and consternation, he said, that Shell deleted his prediction when it published his paper.

In frantic efforts to "avoid this unfortunately ominous date," he said, new graph curves were devised projecting reserves at far higher levels that "postponed this to the end of the century." And it was this higher figure that was incorporated in a report to the President by the National Academy of Science made in January 1963.

Mr. Udall lamented: "It's a kind of commentary that I didn't know about him [Hubbert] in all my years in Interior, never spoke to him."

In the same year as Mr. Hubbert's prophecy, the United States committed itself to its biggest peacetime public works project, building the 42,000-mile interstate highway network. At the time, it had widespread support—from both political parties, from economic planners, from industry and labor. Now, many see it as a turning-point, a national commitment to the automobile that was an inducement to build them larger and more powerful, and a powerful disincentive to expansion of mass transit.

By 1970, indeed, transportation accounted for one-quarter of total United States energy consumption, and the automobile used 55 per cent of that amount.

In 1959, the Eisenhower Administration adopted one of the most controversial policies in the long history of oil company-Government relations. For reasons stated as being based largely on the desire to protect the "national security" against an overdependence on foreign oil, oil imports were to be restricted on a quota basis.

THE ENVIRONMENTAL MOVEMENT

There are some, especially in the auto industry, who lay a significant part of the blame for the energy crisis on the fledgling environmental movement. Irving J. Rubin, legislative planning manager of the Ford Motor Company, calls the Clean Air Act of 1965—the first national-level victory for the movement—a "significant" factor.

What Mr. Rubin and others in Detroit point to are the increasingly tough emission controls for new cars mandated by the act and its 1970 amendments. What they do not point out are the made-in-Detroit factors that have cut fuel efficiency even more significantly, such as air conditioning, which can cut mileage by as much as 20 per cent, and the increasing weight of automobiles. According to a study by the Environmental Protection Administration, "the most popular standard-size passenger cars have gained about 800 pounds from 1962 to 1973."

Most environmentalists concede freely that they were oblivious to the energy consequences of the conservation measures they saw as so desperately needed. Until recently, admitted Joe B. Browder, executive vice president of the Environmental Policy Center, "all of us were approaching the problem from the point of view of what was gumming-up the environment, not energy flows."

Certainly, newly aroused public awareness played a role in the increasing difficulty experienced by oil companies in finding sites for their refineries, and by utilities for their power, such as Con Edison's proposed Storm King Hydroelectric plant, and in the Government decision—after the 1969 Santa Barbara oil spill—to curtail offshore drilling for oil. It has also curbed nuclear power development.

When the first commercial nuclear power plant became operative in 1957, a major role for nuclear power was foreseen—and still is. But now, 17 years later, nuclear power provides only the smallest fraction of the country's electric power, less than 1 per cent of the total. Its development has been slowed by disputes about public and private ownership and by growing concern about safety and pollution, and—not least—by difficulties in developing the technology, which proved to be more complex than anticipated, and more costly.

The Clean Air Act also meant that, between 1965 and 1972, about 400 utilities switched their boilers from coal to oil. Now, the Government is encouraging as many as are able to re-convert, back to coal.

The most celebrated confrontation of energy development versus environmental protection was the three-year battle against construction of the trans-Alaska oil pipeline. The industry asserts that if the pipeline had started on schedule, Alaska today would be supplying as much oil as the Arabs have cut off.

The pipeline is expected to carry about two million barrels a day when it is "on stream." Total present United States daily consumption is about 18 million barrels.

The oil industry holds the environmentalists responsible for a considerable portion of the country's present problems.

"Life under the National Environmental Policy Act [a 1969 measure that required the environmental impact of any action to be taken into account in all Government decision-making and which was a legal basis for the opposition] has approached chaos," the Oil & Gas Journal editorialized in 1972. The Journal is generally regarded as a reliable reflection of the industry viewpoint.

OIL, ARABS AND TAXES

Both domestically and internationally, the mixture of oil and politics has long been a blend of public interest and venality, of patriotism and profit. It was Winston Churchill who, in 1914, first definitely identified the control of oil with national interest when he urged the British Government to buy a controlling interest in the Anglo-Persian Oil Company.

The American oil industry, with a little help from the State Department, first gained a foothold in the Middle East in 1928. It won a concession in Saudi Arabia in 1933—now known as the Arabian American Oil Company (Aramco) and the richest oil operation in the world.

World War II interrupted the pursuit of petroleum riches overseas but only heightened the importance of control over petroleum resources. Harold Ickes, Secretary of the Interior under President Roosevelt, strongly suggested that the United States should enter the oil business directly as Britain had done—a suggestion strongly discouraged by the oil industry.

For the major multinational oil companies, and the oil-consuming countries, the nineteen-fifties and most of the nineteen-sixties were years in which there were few challenges to their dominance from the oil producing countries. What few there were, such as the attempted nationalization of the Iranian oil industry in 1953, were quickly beaten back.

During the postwar era—indeed for 25 years—the price of oil held steady for the most part, at less than $2 a barrel. Oil company profits, however, did not—they rose. The tax benefits enjoyed by the industry contributed significantly to this prosperity, although they did provide a focus for what grumbling there was about the industry.

The best-known of the industry's benefits was the 27.5 per cent depletion allowance that went into effect in the nineteen-twenties and was to remain at that level until the late nineteen-sixties, when it was cut to 22 per cent.

Depletion allowances permit producers of oil and more than 100 other minerals to take a specified percentage tax deduction against the income they receive from each producing property—oilwells, copper mines, and the like—on the theory that the producers' assets are being depleted when the mineral is removed from the ground.

Far less well-known, however, and especially profitable to the industry, was the foreign tax credit decision.

This allowed the companies to describe part of the royalty they paid to the Government of the oil producing countries as a tax, and to then credit this amount against their United States income taxes on a dollar-for-dollar basis.

Until very recently, it had been generally believed that this procedure became effective with a 1952 private ruling by the Internal Revenue Service. At recent Congressional hearings, however, it was disclosed that the decision was made secretly two years earlier and at a far higher level—by the State and Treasury Departments in 1950.

The effects were dramatic. In 1950, Aramco paid Federal taxes of $50-million; in 1951, $6-million. In 1950, Aramco paid $66-million to Saudi Arabia; in 1951, this jumped—to $110-million.

Tax policies such as these, in the view of many, have constituted strong disincentives to domestic exploration, drilling and refining.

"For a long time, our domestic corporations, the multinationals, have been operating abroad not because they wanted to but because how could they resist?," commented Lee White the former F.P.C. chairman.

The per-barrel price of crude oil was, until the late nineteen-sixties, determined unilaterally by the oil companies, not by the producing countries. A producing-stage group, the Organization of Petroleum Exporting Countries, was formed in 1960, in an effort to gain some control over prices and push them up, but for most of the decade it posed no threat to the industry's autonomy. There was a brief, abortive attempt at an oil embargo just after the 1967 Arab-Israeli war, whose failure only encouraged the view that OPEC was powerless.

In September, 1969, the power began to shift. Col. Muoammar al Qaddafi, a young devout Moslem who was also devoutly anti-Communist and anti-West, seized power in Libya. A year later in January, 1971, Col. Qaddafi began demanding higher prices for his oil. Rebuffed with what he considered an insultingly low offer, he resorted to what are now known as the "Arab salami" tactics, not against the powerful major companies but aginst the smaller independents.

The first company to yield, because it was the weakest, was Occidental Petroleum, which gave the Libyan Government a 30-cent-a-barrel increase and a higher tax rate. The other independents toppled quickly, and finally the majors fell.

What the colonel had won, the King of Saudi Arabia, the sheiks of the oil emirates in the Persian Gulf and the Shah of Iran had to have. "The companies simply held no cards," according to Walter J. Levy, the oil economist. From then on, price demands by the producing countries have leapfrogged upward.

Attempts at a united front

There have been attempts by the multinationals to form a united front, attempts supported by the United States Government. In 1970, they were given—reportedly over the unavailing protests of some in the Justice Department's antitrust division—an unpublished "business letter of review" by the department. This amounted to a guarantee of immunity from civil antitrust prosecution for banding together to negotiate jointly with Libya.

Not until June, 1971, did the energy matter seem important enough in itself for any President to devote even one "message" or major, policy-making speech, to the subject. At that time, the United States was importing about 28 per cent of its oil, more than one-third of it from the politically volatile Middle East. And consumption continued to soar unchecked.

As imports rose, there was impetus to reconsider the existing import quota program, which restricted oil imports to a set percentage of domestic production but also, some said, inhibited the expansion or construction of refineries in this country because of a resulting uncertainty about the supply of crude oil.

There had been questions about the program's efficacy before. In 1962, there was a sub-Cabinet level review of the program, and resulting suggestions for change. The system was changed, but changed precisely to the oil industry's order.

"If there was anything high on the agenda [at that time] it was the Trade Expansion Act," said one man who was deeply involved at the Administration end of things. "In order to get the votes, President Kennedy had to concede a good deal—a bloc of votes hinged on this. Senator Long [Russell B. Long, a Democrat from the oil-producing state of Louisiana] and I worked out this little arrangement."

The "little arrangement" revised the formula for the quota and, in effect, cut imports, which was a major gain for the domestic producers.

Senator Long is one of a cadre of powerful men in Congress, their ranks now thinned somewhat, who represented oil-producing states and inevitably, oil interests. This platoon of power also included the late Senator Robert Kerr of Oklahoma (and the Kerr-McGee Oil Company), House Speaker Sam Rayburn of Texas, and Senate Majority Leader—later President—Lyndon B. Johnson.

The oil interests are still as Roland Homet Jr., chief counsel for the 1969 review of import quotas, describes them, "a very effective lobby, fueled by campaign financing," despite the loss of some of their Capitol Hill friends. Some 70 of the 125 members of the National Petroleum Council, an advisory committee almost all of whom are oil-company executives, contributed a total of $1.2-million to President Nixon's 1972 re-election campaign.

Pressures to go along

No single incident better illustrates the industry's clout than the fate of a Nixon's Cabinet task force report in the import quota system. The group, headed by then-Labor Secretary George Shultz, was set up in March, 1969, and released a report in February, 1970, whose majority opinion was that the quota system should be eliminated and replaced with a tariff system. President Nixon, in August, rejected the recommendation. The quota system was ultimately done away with by Mr. Nixon in April, 1973.

Mr. Ikard of the oil industry association conceded that he himself still felt it would have been "a fatal error" to have adopted the Shultz committee's recommendation.

An advance copy of the Shultz report, according to Mr. Homet, was leaked to Standard Oil of New Jersey, now Exxon, to give this largest of all oil companies time to prepare counter-arguments. A vice president of the company admitted to Mr. Homet having seen the report—whose statistical basis was figures supplied, as usual by the fuel oil companies themselves.

Philip Areeda of Harvard Law School, who was executive director of the task force, recalled: "One high official [of an oil company] told me he regretted having given us the optimistic-pessimistic data as distinct from the pessimistic-pessimistic data. In other words, he had drawersful of data. I don't mean to suggest that the oil companies are run by crooks. The nature and meaning of figures is, within any enterprise, subject to some dispute and difference of opinion. . . ."

But the report did recognize that "the Government is profoundly ignorant" in matters of reserves and other statisical material. One of its major reccommendations was that "steps be taken to gather data" independently of the oil companies.

Just why the report was rejected—first delayed "to await the outcome of discussions" with other "affected nations" and finally, in August, turned down definitely—was and still is unclear. General George Lincoln, then the director of the Office of Emergency Preparedness, said it was "just darned complicated." The opposition of many within the Administration, the explosive situation in Libya at that time and domestic politics were all thought to be factors in the decision.

Among the political reasons was George Bush, now chairman of the Republican National Committee, who was running for the Senate in Texas that fall. It was felt that his chances would be hurt if the Administration went along with the recommendation—and against the oil interests.

There is widespread agreement that, in Mr. Areeda's words, "Had the report been adopted in 1970, there would have been less question of an assured source of supply. Therefore, refineries would have been built," and some part of the present crisis eased. There is less universal caution that it might have further increased this country's dependence on Arab oil.

THE "CRISIS" BEGINS

Between the rejection of the Shultz report and last October's oil embargo, which forced the designation of "crisis" on a situation that many Americans had been only dimly aware of as even problematical, there were two Presidential energy messages, a plethora of Congresssional hearings and investigations, and legislative proposals that rarely progressed beyond the proposal stage.

The first Presidential message—in 1971—was an effort to balance accelerated growth of demand for energy with "the new emphasis on environmental protection." There were somewhat vague urgings to conserve energy, combined with new emphasis on "clean" fuel technology, in particular the development of a newer and more efficient source of nuclear power, the breeder reactor. In the second message, in April, 1973, Mr. Nixon announced the demise of the import quota program.

The first nip of what was to become the energy crisis was felt in the winter of 1972, when a severe heating-oil shortage hit parts of the nation.

"In Ehrlichman's desk"

It was, according to Martin Lobel, former energy adviser to Senator William Proxmire, a shortage "contrived" by the majors through cutbacks of inventory to force independents out of business in anticipation of what they saw as inevitable Arab nationalization. The Arab producing states could not get direct access to United States markets if there were no independents to handle their sales.

The oil industry, disputing all charges of "contrivance," says that last winter's experience was just the first widely visible sign of the difficulty the country was headed for.

Despite a widespread perception of White House inaction, John Ehrlichman, formerly President Nixon's chief domestic adviser and the man in charge of energy problems at the White House, said recently that energy was a "front-burner project" in December 1972.

But Elmer F. Bennett, a Washington lawyer with several years' experience in a high post in the Office of Emergency Preparedness, recalled a proposal that, it was believed, would provide strong incentives to expand refineries. It was "discussed and hashed out," he said, and was finally sent to the White House in the summer of 1972. It is "probably still in Erlichman's desk," he said. No action was ever taken.

Mr. Ehrlichman himself conceded, in an Associated Press interview, that the energy problem "lay pretty flat" from March 1972, when Watergate became a White House crisis, until Gov. John Love of Colorado was appointed energy czar at the end of June. And Mr. Love, he added, "Didn't have the levers [of power] available to him."

During that same hectic Watergate spring, a National Intelligence Estimate, a form of report that pulls together the thinking of all parts of the intelligence community from the State Department to the Central Intelligence Agency and the Pentagon, was sent to the White House. It warned, according to a Government official, that if there were another Arab-Israeli conflict, "there would very likely be a serious interruption in the flow of oil from the Middle East."

The chances of war in the next few months, he said, were estimated as "a little less than even," although some, particularly in the State Department, were less sanguine. And the report predicted not an embargo but "cutting off the flow of oil physically," by destroying pipelines, wells and refineries.

The apparent lack of response to this warning, he said, and to other "ample warnings" that "we were getting overcommitted to imports which were in jeopardy," was due in part to "a very simplistic view" of the Arabs that tended to discount their threats as bluff and bluster. Another factor, he added, was "the preoccupation of the Administration with other things, which just prevented them from focussing on this basic issue . . ."

PANAMA CANAL

Mr. THURMOND. Mr. President, the Veterans of Foreign Wars of the United States, under the able leadership of Commander-in-Chief Ray R. Soden, have taken an active interest in preserving U.S. rights to the Panama Canal.

Recently the VFW dispatched a letter to Secretary of State Henry Kissinger and passed a Resolution on this subject.

Both communications are sound and deserve the attention of the Congress and the Nation.

Mr. President, I ask unanimous consent that the letter and resolution be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 14, 1974.

Hon. HENRY A. KISSINGER,
The Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: Since the transit of the S. S. "Ancon" through the Panama Canal on August 25, 1914, the United States has operated this waterway to the clear advantage of the international shipping community.

This record of professional competence and international responsibility has been most impressive. Since 1914 we have witnessed more than 460,000 undisturbed transits with foreign flags and foreign tonnage accounting for more than 90% of the total in both categories.

Contrast this record of accountability with, for one example, the recent actions of many oil-producing states.

Would it be in anyone's real interest to expose the strategically vital Panama Canal to terroristic acts and irresponsible stewardship?

News reports indicate that Ambassador Ellsworth Bunker and Panamanian Foreign Minister Tack have agreed upon a formula which would turn over the Canal and its adjoining Zone to Panama.

On behalf of more than 1.8 million of your fellow Americans in the Veterans of Foreign Wars of the United States, I must register with you my total opposition to the apparent drift of our policy towards a pointless accommodation with the bitterly anti-American and irresponsible government in power in Panama.

I urge upon you the strengthening of the American negotiating position specifically to include the following three points:

(a) U.S. control and defense of the Panama Canal are nonnegotiable;

(b) tensions relating to the administration of the Canal Zone be resolved on the spot without disturbing present treaty arrangements; and

(c) U.S. citizens and employees in the Canal Zone continue to meet their responsibilities under U.S. sovereignty.

If ever there is an unbroken record of an international responsibility fully and fairly met, it is the 60-year American stewardship of the Panama Canal. We have *nothing* to apologize for and a great deal to be proud of.

Panama has real problems in the areas of health, poverty, and malnutrition. It is to these real life problems their government should be turning and not to the contrived "problem" of the Canal and the Canal Zone.

Most sincerely yours,

RAY R. SODEN,
Commander-in-Chief.

Resolution No. 408: The Panama Canal Zone

Whereas, Article II of the 1903 Convention between Panama and the United States, as modified in part by the 1936 Treaty between the two Governments, states:

ARTICLE II

The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land and land under water for construction, maintenance, operation, sanitation, and protection of said canal of the width of ten miles extending to the distance of five miles on each side of the center line of the route of the Canal to be constructed; the said zone beginning in the Caribbean Sea *three* miles from mean low water mark extending to and across the Isthmus of Panama into the Pacific Ocean to a distance of three marine miles from mean low water mark with the proviso that the cities of Panama and Colon and the harbors adjacent to said cities, which are included within the boundaries of the zone above described, shall not be included within this grant . . .

The Republic of Panama further grants in like manner to the United States in perpetuity all islands within the limits of the zone above described and in addition thereto the group of small islands in the Bay of Panama, named Perico, Naos, Culebra and Flamenco; and

Whereas, the United States of America has fully met its obligations to Panama under existing treaty arrangements and, morever, has efficiently and responsibily accommodated an ever-increasing number of transits and amount of tonnage through the canal; and

Whereas, the revolutionary government of Panama, a product of coup d'etat, has, since June, 1971, under the guise of seeking new canal treaty arrangements, undertaken a bitter and sustained campaign of anti-American propaganda fueled in large part by Cuban and Soviet Communists; and

Whereas, given the emotionally irrational situation in Panama, a political psychological "timebomb" is being consciously fabricated by the revolutionary government of Panama set to explode to the detriment of the United States and the world shipping community, as was the case in the abortive meeting of the UN Security Council in Panama and the subsequent threat to the U.S./UN Ambassador; now, therefore BE IT

Resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that:

(a) U.S. control and defense of the Panama Canal are non-negotiable;

(b) tensions relating to the administration of the Canal Zone be resolved on the spot without disturbing present treaty arrangements;

(c) U.S. citizens and employees in the Canal Zone continue to meet their responsibilities under U.S. sovereignty; and that

(d) the foregoing position be again communicated to both the President and to the Congress.

GRUENING NOMINATION ENDORSED

Mr. McGOVERN. Mr. President, on February 6, I had the pleasure of announcing the nomination of former Senator Ernest Gruening for the 1974 Nobel Peace Prize. His well-deserved nomination has since been heartily acclaimed by cheers of support from Senator Gruening's former colleagues and admirers in the Congress and throughout the Nation.

On February 13 Senator Gruening was honored by his home State of Alaska with a resolution, passed unanimously in both houses of the Alaska Legislature, wholeheartedly endorsing his nomination for the Nobel Prize. This bipartisan effort so aptly illustrates the high respect held by so many for Senator Gruening and regard for his accomplishments and efforts to establish a more peaceful world. I ask unanimous consent that a copy of this resolution, along with an editorial from the Anchorage Daily News enthusiastically seconding Senator Gruening's nomination, be printed in the Record.

There being no objection, the resolution and editorial were ordered to be printed in the Record, as follows:

Senate Joint Resolution No. 53: In the Legislature of the State of Alaska

Be it resolved by the Legislature of the State of Alaska:

Whereas several members of the United States Congress have formally nominated Alaska's former longtime Senator and Territorial Governor for the Nobel Peace Prize; and

Whereas no American would be more deserving of this great honor as evidenced by his many years of advocating peace for all mankind and the espousal of numerous other humanitarian causes; and

Whereas Senator Gruening was an indefatigable champion of peace and his courage and foresight are demonstrated on the public record, including his Senate opposition to United States intervention in Vietnam, starting in 1963, and his continuous and ceaseless efforts both in the Congress and throughout the country to win a re-evaluation and reversal of United States policy; and

Whereas, in addition to his insatiable quest for peace in the Far East and other areas of the world, he was and remains widely known as one of our nation's and the world's leading advocates of population control since the early part of the century; and

Whereas, originally a physician, he demonstrated throughout his long and distinguished public career that he maintained as a guiding principle the espousal of man's humanity to man;

Be it resolved by the Alaska State Legislature that it wholeheartedly and enthusiastically supports and endorses the nomination of Ernest Gruening for the Nobel Peace Prize and respectfully requests the members of the Nobel Peace Prize Committee to give every consideration to the nomination of this great and distinguished Alaskan, American, and world humanitarian.

Copies of this resolution shall be sent to all members of the Nobel Peace Prize Committee.

[From the Anchorage Daily News, Feb. 13, 1974]

A Hearty Second

With a combination of respect for a veteran statesman and pleasure at the good fortune of an old friend, we second—in spirit—Ernest Gruening's nomination for the Nobel Peace Prize.

All other accomplishments aside, the former senator from Alaska was a voice for peace in Vietnam when almost no one was listening. Mr. Gruening was one of the two senators to vote against the Gulf of Tonkin Resolution in 1964, earning him a lonely place as a dove among Senate hawks.

But 10 years hence, Mr. Gruening has become known as a peace prophet, whose antiwar decisions were preludes to the mushrooming peace movement. Although nearly 80 in 1964, Mr. Gruening was a spark that fired the nation's young to protest the war in Vietnam. They listened and fell in line behind a man 60 years their senior, and it was their protest that turned this country against a war nobody really wanted or needed.

Mr. Gruening was nominated by fellow leaders who eventually followed the Alaskan in the Senate effort to halt U.S. involvement in Vietnam—Sens. George McGovern, D-S.D.; Mark O. Hatfield, R-Oreg., and Frank Church, D-Idaho. In their letter to the Nobel Peace Prize Committee in Oslo, Norway, the three senators said: "Sen. Gruening's courage and foresight are demonstrated on the public record, including his Senate opposition to U.S. intervention starting in 1963 and his ceaseless efforts both in Congress and around the country to win a re-evaluation and a reversal of U.S. policy."

Ernest Gruening is now 87, and just as outspoken on matters of peace and human rights as he was in 1964. He has had a remarkable career: Physician, journalist, editor of the New York Evening Post, ambassador to Mexico, governor of Alaska and U.S. senator. He is also a scholar, historian and author. He was a champion of Alaska statehood and a champion of Alaska's Natives. He was at the head of the fight for civil rights.

Ernest Gruening as always has been a man of principle, sometimes bucking a rushing tide to stand up for his cause. His cause has always been for the dignity of man, as was the cause of Dr. Martin Luther King and Dag Hammerskjold—both recipients of the Nobel Peace Prize.

Indeed, Mr. Gruening is a man of equal stature, and his efforts for peace can stand beside theirs. It was a statement of wisdom that he was nominated. It will be a statement of wisdom if he is selected.

REFORM

Mr. BROCK. Mr. President, this new session will have many huge, complicated problems with which to deal, and we will all at some point be judged on how we face up to them. It is not an understatement to say that how we act now will contribute substantially to the preservation of our system of government in future years.

Recently, noted columnist James Reston wrote an article pointing out many of the major tasks that the Congress faces today. The point he dwelt on was that Congress has to immediately begin the task of wresting back some of the powers which it has voted away over the years. I wholeheartedly concur, and I ask unanimous consent that Mr. Reston's article be printed in the Record for the consideration of my colleagues.

There being no objection, the article was ordered to be printed in the Record, as follows:

Let's Hear From Congress

(By James Reston)

The Congress has been asking all the tough questions lately about President Nixon and the Watergate "horrors," but now the Congress itself is going to have to come up with some remedies for the outrages it deplores.

Otherwise, it will be hard to avoid the conclusion that members of Congress, and particularly the Democratic leaders and majorities of both houses, are more interested in condemning the political scandals of the last Presidential election than in reforming the financial causes of the corruption.

This is a complicated subject, but the simple fact is that the present system of financing Presidential and Congressional campaigns is a national disgrace, and most members of Congress who solicit funds from big givers, and most of the big givers, concede the point.

Also, it is generally agreed that now is the time if ever, while the evidence of Watergate corruption is still coming out, to get corrective legislation through the Congress, and to provide some consolation that the 1972 scandals will at least result in a more equal and corruption-proof system of paying for political campaigns.

Many members of Congress, including Hugh Scott, the Republican minority leader in the Senate, Edward Kennedy of Massachusetts, and Fritz Mondale of Minnesota, have been working on a bill that would provide public financing for both Presidential and Congressional campaigns, but many others are opposing it and the whole question is in danger of getting caught up in a parliamentary tangle.

One reason for the tangle is that the campaign financing bill already passed by the Senate would provide an equal amount of Federal funds for both major candidates in a Congressional race—a minimum amount of $90,000, for example, for candidates in the House.

Members now sitting in the House are not in general enthusiastic about this principle of financial equality. They got where they are today under the old system of private financing, and might be in trouble if any opponent had an equal chance to unseat them. So while they denounce Watergate, and proclaim the virtues of equality in Congressional campaigns, many of them exploit the complexity of the issue to oppose new legislation that might help their opponents.

Another point: The campaign financing question, while fundamental to Congressmen and campaign financing reform, is so complicated that it is seldom mentioned in the network news shows and usually winds up back in the newspapers among the Exxon ads urging people not to buy gas. Even papers that howl for campaign financing reform on their editorial pages bury the news of the legislative battle for reform in their news pages.

It may be, however, that the only thing we will get out of the Watergate tragedy is not the resignation or impeachment of the President, but new laws to control campaign financing, to outlaw the bugging of private citizens and even public servants, and to supervise the activities of White House types like Messrs. Ehrlichman and Haldeman, and powerful agencies like the C.I.A., the F.B.I. and the Internal Revenue Service.

Some members of Congress, like the two unusual Senators from Wisconsin, Proxmire and Nelson, keep looking beyond Watergate to the lessons of that silly exercise, but most of their colleagues keep concentrating on the past.

The public, and even most of the newspapers, do the same. But the promises of the President to disclose everything, which he doesn't disclose; and of Rose Mary Woods to explain everything, which she doesn't explain; and of J. Fred Buzhardt, the President's lawyer, to trust things that are almost beyond belief—only add to the confusion and doubts about the integrity of the Executive.

The question now lies with the future and the Congress, and whether the gentlemen on Capitol Hill will play politics with the problem or try to correct it.

The Congressmen have been complaining for almost a quarter of a century that their constitutional responsibilities have been taken away by the White House and by a press that looked to the President for leadership, but now they have the opportunity to pass laws to correct the political corruption they have been complaining about and benefiting from.

The issue is plain before them in bills to be passed or rejected, and while they are complicated bills, it will be interesting to see whether they vote for the interest of the nation or make the same mistake as the President and vote for their own selfish and parochial concerns.

FOREST MANAGEMENT APPROPRIATIONS

Mr. PACKWOOD. Mr. President, we have all now had an opportunity to review the proposed fiscal year 1975 budget that was submitted by the administration. Each of us has his own particular interests and, in the natural course of events, tends to concentrate on those interests in his review of the total budget.

I would like to take this opportunity to call your attention to the budget proposed by the administration for the management of the natural resources on National Forest Service holdings. In brief, the proposed budget is far from adequate to meet the needs of either today or the future. It is with respect to meeting future needs of our people, however, that the proposed budget is particularly deficient.

Our national forest lands are used by millions of people for countless reasons. Some enjoy the abundant recreational opportunities these lands provide. Others exalt in the indescribable beauty of virgin wilderness. Still others are dependent on the forest and other lands in the national forest system for their very livelihood. The needs of each can be met if only we will adequately plan and budget for the future. The needs of none will be met if we fail to do this.

It is the need for just such an approach to the management of our national forest system that prompted me to join with Senator Humphrey and several others to cosponsor S. 2296, the Forest and Rangeland Environmental Management Act of 1974. The Committee on Agriculture and Forestry recently reported this legislation to the Senate. The proposal deserves the support of the entire Senate, and I am hopeful that this approval will be forthcoming soon.

In the meantime, however, it is essential that we view the proposed fiscal year 1975 budget in the light of the objectives expressed in S. 2296, and, above all, to view such expenditures not simply as outlays of Federal funds, but rather as investments in the future well-being of our natural resources and the abundant good that will flow to all of our citizens.

I would direct the attention of my colleagues to an article recently published in the Portland, Oreg., Daily Journal of Commerce. This article discusses the adverse impact to be felt in the near future by just one segment of the population—that which depends on the forest for its livelihood. The story it tells, however, is just as true for any other use of the forest resource. If we do not begin today to better manage our resource, it simply will not be available for use by future generations.

I ask unanimous consent that the article be printed in the Record, along with the proposed budget for the Forest Service for fiscal year 1975.

There being no objection, the material was ordered to be printed in the Record, as follows:

Is Lumber Next on Crisis List?

(By Robert G. Swan)

Is there a lumber and plywood crisis right around the corner? For Oregon, suffering for months now the pains of inadequate gasoline supplies, thoughts of such problems in the state's No. 1 basic industry must be considered most seriously. Where does the talk of wood products shortages come from? Actually, it has been around a long, long time. To some, the discussions are merely historic. Instant recall goes back just to the 1972–73 span when lumber demands outstripped available supplies. There is reason to assume the shortage of petroleum products will leave their slowdown on logging operations and the transport end for marketing mill production. The problem has been well summed up and the issue of a lumber and plywood crisis placed squarely on the line by a top spokesman for the wood products people. Alfred Baxter is president of the National Forest Products Assn. The San Mateo, Calif. forest industry leader comes out flatly, no mincing of words, in predicting a pending crisis. It will come as soon as home building surges to expected levels this year, the association head says in straight-from-the-shoulder manner.

"Energy is already in crisis, wood is about to be." It will come when the currently depressed housing market rises again as expected late this year. There will be a wood crisis similar to the one last spring which provoked home builders to stage a protest march of sorts on Washington, D.C. "It was that way in 1946–47, 1968–69 and 1972–73," Baxter emphasizes. "It will be that way again unless steps for increasing the supply of timber are taken. The impending wood shortage has been foreseen and documented in minute detail. We cannot permit what happened with the energy situation to happen with our most abundant renewable industrial resource." He cites three recent housing studies forecasts. The surveys point to an average demand of "between 2.3 and 2.9 million units a year until 1980." In the last three months of 1973, the most recent quartely figures available, housing starts averaged 1.5 million units on a seasonally adjusted basis.

The president of the forest products organization goes on to cite other studies. "Three studies of wood supply and demand offer evidence of what is wrong and what needs to be done. The studies," the Californian reports, "all conclude the way out of the wood supply dilemma is intensive management of forests to grow more trees for more wood fiber without undue harm to the environment." To Baxter's mind, the remedies are not too complex. Again, he cites the figure three. A remedy in three steps: First, reforest lands that are not now stocked. Second, replace the slow-growing trees in old-age stands with fast-growing young trees. Third, intensify forestry programs nationwide to accelerate tree growing on all forest lands.

More Federal money will be needed than is now appropriated, Baxter explains. "More of the revenues earned by the government through National Forest timber sales should be put back into tree growing. Funds for timber management are not expenditures but investments . . . which can yield both products and environmental dividends." Baxter is not kind in his words for the preservation extremists. A group, he cites, has bent on a reckless race to withdraw undeveloped public timberland from timber production. "A preservation coalition has lambasted every program to solve the timber supply crisis, mainly by proliferating our cases to obstruct all but their own self interests."

Some extremists, the California forest products man will tell you, preach zero growth, even though it is through growth the environmental cleanup job and improved environment must be financed. Timber management is compatible with other forest uses, Baxter reminds—almost as if to tell Oregonians they should take a look around them. Take a look at the tree farms of small operators or the massive renewing of timberland resources as undertaken by Crown-Zellerbach, Georgia-Pacific, Weyerhauser, International Paper and many others. Irresponsible some segments of the timber industry might have been, but that was longer ago than memory of most. The National Forest Products Assn. president reminds, "Timber growing and production can meet air, water and solid waste pollution control standards. And, any adverse impacts for wood are substantially less than for alternative and non-renewable materials, such as metals and plastics."

DEPARTMENT OF AGRICULTURE—BUDGET ACCOUNTS LISTING

[In thousands of dollars]

Account and functional code		1973 actual	1974 estimated	1975 estimated	Increase or decrease (—)
FOREST PROTECTION AND MANAGEMENT					
Forest Service—Federal Funds					
General and special funds:					
Forest protection and utilization 402	BA	393,786	354,937 90,800 17,160	385,367	—77,530
	O	374,818	355,300 90,800	387,462	—58,638
Construction and land acquisition	BA	48,795	28,443	24,147	—2,296
402	O	28,085	49,990	33,919	—16,071
Youth Conservation Corps 402	BA	3,500	10,000	10,240	240
	O	3,255	8,015	10,214	2,199
Forest roads and trails: 402	BA		6,000		—140,000
Contract authority	BA		134,000		
Permanent	BA		140,000	140,000	
Liquidation of contract authority		(158,840)	(92,200)	(121,000)	(28,800)
	O	140,618	126,628	116,000	—10,628
Acquisition of lands for national forests, special acts (special fund) 402	BA	80	94	161	67
	O	87	80	150	70
Acquisition of lands to complete land exchanges (special fund) 402	BA		55	39	—16
	O		55	39	—16
Cooperative range improvements (special fund) 402	BA	700	700	700	
	O	700	700	700	
Assistance to States for tree planting 402	BA	1,020	1,013	1,346	333
	O	898	1,090	1,342	252
Construction and operation of recreation facilities: Indefinite 402	BA		3,278	1,260	—2,018
	O		3,128	1,150	—1,978
Other general funds 402	O	8	342		—342
Forest Service permanent appropriations (special funds): Permanent indefinite 402	BA	142,995	183,370	165,363	—18,007
	O	137,106	184,364	168,184	—16,180
Intragovernmental funds:					
Working capital fund 402	O	—5,227	—3,801	—3,158	643
Consolidated working fund 402	O	—1,461	1,334		—1,334
Total Federal funds Forest Service.	BA	590,876	967,850	728,623	—239,227
	O	678,887	818,025	716,002	—102,023
Trust Funds					
Cooperative work: Permanent, indefinite 402	BA	61,639	63,700	67,600	3,900
	O	44,321	57,293	60,096	2,803
Total Federal funds Forest Protection and Management.	BA	590,876	967,850	728,623	—239,227
	O	678,887	818,025	716,002	—102,023
Total trust funds Forest Protection and Management.	BA	61,639	63,700	67,700	3,900
	O	44,321	57,293	60,096	2,803
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	12,165,564	12,257,400	14,521,834	2,264,434
	O	10,794,324	9,754,050	9,667,274	—86,776
Deductions for offsetting receipts:					
Proprietary receipts from the public 350	BA	—152,602	—2,491	—2,718	—227
	O				
400	BA	—483,242	—433,569	—472,484	—38,915
	O				
700	BA	—39	—39	—39	
	O				
850	BA	—112,249	—245	—245	
	O				
Total Federal funds	BA	11,417,432	11,821,056	14,046,348	2,225,292
	O	10,046,192	9,317,706	9,191,788	—125,918
Trust funds:					
(As shown in detail above)	BA	95,235	110,663	117,488	6,825
	O	77,446	104,366	109,448	5,082
Deductions for offsetting receipts:					
Proprietary receipts from the public 350	BA	—32,528	45,821	—48,741	—2,920
	O				
400	BA	—62,707	—64,842	—68,747	—3,905
	O				
Total trust funds	O	—17,789	—6,297	—8,040	—1,743
Total Department of Agriculture	BA	11,417,432	11,821,056	14,046,348	2,225,292
	O	10,028,403	9,311,409	9,183,748	—127,661

THE POWER AND INFLUENCE OF THE PROFESSIONAL MILITARY ASSOCIATIONS

Mr. PROXMIRE. Mr. President, I would like to shed some light on the activities of 41 private military-oriented organizations—influential groups of military and industrial personnel which represent the unseen hand of pressure on Congress for increased defense spending.

Operating in and out of Congress, using lobbyists and educational programs, these tax-exempt organizations wield enormous influence. They have a combined membership of over 6 million, with some overlap, and total annual operating budgets of nearly $36 million.

I do not impute ulterior motives to these organizations, many of which serve their memberships well. But the sum total of their efforts—Army associations touting Army programs, Navy Reserve officers pushing new Navy programs, industry teams looking out for their business interests and veterans urging greater benefits—drives the defense budget upward.

The Pentagon complains about the budget cutting efforts of citizens groups like SANE, the Coalition on National Priorities and Project Budget Priorities, but the real power in Washington and nationwide rests in the highly organized professional military and trade associations.

Ten of the 41 organizations have annual budgets of $1 million or more including the Air Force Association, $2 million, American Legion, $8 to $9 million, Association of the United States Army, $1.5 million, Non-Commissioned Officers of the United States of America, $1.5 million, Retired Officers Association, $1.3 million, U.S. Naval Institute, $1.2 million, Veterans of Foreign Wars of the U.S.A. $5.8 million, American Security Council, $1.4 million, Aerospace Industries Association, $2.1 million, and Electronic Industries Association, $3.5 million.

Thirteen organizations have registered lobbyists or "legislative representatives" including: Air Force Sergeants Association, American Legion, Fleet Reserve Association, Marine Corps League, National Guard Association of the United States, Naval Reserve Association, Non-Commissioned Officers of the U.S.A., Reserve Officers Association of the U.S., Retired Officers Association, Veterans of Foreign Wars of the U.S.A., Motor Vehicle Manufacturers, Aerospace Industries Association, and the Electronic Industries Association.

TRADE ASSOCIATIONS MOST POWERFUL

The most sophisticated operations are conducted by the conglomerates representing hundreds of companies with specialized interests. The Electronic Industries Association has 230 affiliated companies, the Aerospace Industries Association, 48, the American Security Council, 1,500 corporate members, the National Security Industrial Association, 300 companies and the Ship Builders Council of America with 21 shipyards and 19 other allied or affiliated groups.

These conglomerates provide a go-between for ideas and information to flow from defense industry to the Pentagon. They often sponsor symposia for high ranking defense officials and industry experts on the latest military technology. Certain staff members of these associations even have been given security clearances to carry out this sensitive work.

Nearly all publish newsletters or magazines, some of them slick, expensive publications. The Air Force Association, for example, puts out Air Force magazine which strongly promotes Air Force programs and editorializes against conflicting views. The association has a 60-man staff, a membership of 10,000 with 36 State chapters and 273 local groups supported by a $2 million budget.

The Association of the United States Army publishes Army magazine. It has a membership of 90,000, a staff of 37 and a budget of about $1.5 million.

The Navy League of the U.S. publishes Sea Power and Now Hear This with a budget of $678,000, a staff of 21, and a membership of 48,000.

Nearly all of the organizations are led by active or retired military officers and high officials of defense industry. The National Defense Transportation Association, with 89 local chapters and a membership of 12,000, is headed by Robley L. Mongold of United Air Lines as chariman of the board. The National Guard Association of the U.S. is led by three generals and two colonels with a budget of $674,690 and a membership of 46,000.

The American Defense Preparedness Association publishes Common Defense and National Defense. They have a budget of $750,000 and are led by President Irving J. Minett of Chrysler Corp., Gen. Jean Engler, retired, John G. Zierdt of Beach Aircraft Corp., and Gen. William K. Ghormley.

At least 8 of the 41 are federally chartered corporations under title 36 United States Code. This does not provide them with additional financing but it does lend them national prestige and some of them have charters calling for promotion of the national defense. Among the eight federally chartered corporations are the American Legion, Association of Military Surgeons of the United States, Marine Corps League, Reserve Officers Association of the United States and certain veterans groups.

Seven groups have lobbying restrictions under their tax exempt status of section 501(c)(3) of the Internal Revenue Code which stipulates that no substantial part of their activities may be directed toward influencing legislation. The Association of Military Surgeons of the United States, Association of the U.S. Army, National Defense Transportation Association, Navy League, U.S. Naval Institute, Society of American Military Engineers and U.S. Armor Association are denied lobbying under this provision and do not have registered lobbyists. Nonetheless, their publications contain strong pro-defense spending attitudes.

SPECIAL PRIVILEGES FOR A FEW

Some organizations have taken advantage of their military contacts for special privileges. The Defense Department has confirmed that active duty Air Force personnel used Air Force facilities and official time to recruit attendance at the annual meeting of the Air Force Association and that the Air Force provided space available airlift for 10 Air Force Association officials to fly to Washington for briefings by the AFA.

Navy flag officers traveling in military aircraft to attend Navy League conventions have sometimes invited Navy League members to accompany them. Both of these practices have now been stopped, according to the Pentagon.

Mr. President, I ask unanimous consent that my correspondence with the public affairs office of the Department of Defense on this matter be printed in the Record along with the charts I have compiled.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Assistant Secretary of Defense,
Washington, D.C., January 3, 1974.

Hon. William Proxmire,
U.S. Senate,
Washington, D.C.

Dear Senator Proxmire: Your letter of October 31, 1973, addressed to Mr. Terence McClary, Assistant Secretary of Defense (Comptroller), concerning the activities of nongovernmental associations has been referred to me for reply, since my office is responsible for liaison with all such associations.

Question 1. Department of Defense Policy.

Policies regarding Department of Defense relations with associations fall into two categories: individual activities and official activities.

With respect to individual activities, all Department of Defense personnel are governed by Department of Defense Directive 5500.7, "Standards of Conduct" (copy enclosed). This Directive states in part: "All DoD personnel who are members or officers of nongovernmental associations or organizations must avoid activities on behalf of the association or organization that are incompatible with their official government positions."

Policies relative to official relations are outlined in Department of Defense Directives 5500.2 and 5410.18 and in Department of Defense Instructions 5410.19 and 5410.20 (copies enclosed).

Your questions number 2 through 5 have been answered in relation to the following four organizations in which Mr. Tamman of your staff expressed specific interest: The Association of the United States Army (AUSA), The Air Force Association (AFA), The Navy League of the United States (NLUS), and The Marine Corps League (MCL).

Question 2. Recruitment of Members.

All membership drives are conducted by the organizations themselves. There has never been any official or quasi-official Service-wide program to recruit members. AUSA, AFA, and MCL: These three organizations permit active duty military personnel to become members.

NLUS: Navy regulations specifically prohibit active duty military personnel from membership in this organization. All other U.S. citizens are eligible for membership and are recruited by individual members.

Question 3. Use of Military Facilities and Equipment.

Transportation: In some past instances military transportation has been used, on a space-available basis at no additional cost to the government, for officials of two of these organizations. The Air Force has provided some space-available airlift of approximately 10 Air Force Association officials to Andrews Air Force Base, Maryland, in conjunction with the Association's annual Aerospace Development Briefings. Navy Flag Officers traveling in military aircraft to attend Navy League conventions have sometimes invited Navy League members to accompany them on a space-available basis. Such transportation is not now authorized, particularly in view of the fuel conservation measures which have restricted the number of Air Force and Navy flights of all kinds.

Equipment and Facilities: The policies in Department of Defense Directive 5500.7 are applicable and state in part: "DoD personnel will not directly or indirectly use, or allow the use of government property of any kind . . . for other than officially approved activities. Government facilities, property, and manpower such as stenographic and typing assistance, mimeograph and chauffeur services, may be used only for official government business. . . . This section is not intended to preclude the use of government facilities for activities which would further military-community relations, provided they do not interfere with military missions."

Question 4. Pressure to Join.

In all cases where military personnel are eligible for membership in any organization, any decision to join is a private, personal matter. With one exception (explained in response to Question 5) we are not aware of any improper or undue pressure exerted on Department of Defense personnel to join any organization.

Question 5. Cases of Misuse or Abuse.

In the case of the four organizations in question, the headquarters of the associated Service investigates any questionable activities which are brought to its attention. Where appropriate, corrective action is taken.

We are aware of one instance which involved a complaint to the Army Inspector General, by an NCO stationed at an Army installation in the South. This situation was promptly corrected.

Earlier this year the Department of Defense became aware of an isolated misuse of facilities on behalf of the Air Force Association. This case involved some expenditure of official time and effort to recruit attendance at the annual association meeting. We promptly issued firm policy guidance to correct the situation and to prevent a recurrence.

Question 6. Names and Financing of Associations.

In response to another recent query, we compiled a list of those military-oriented associations (except Veterans organizations) of which we are aware. In examining this two-page list (copy enclosed), you may wish to keep three points in mind:

First, these are all private, nongovernmental organizations. None has any official or quasi-official standing with the Department of Defense. None is officially endorsed by the Department of Defense. All information concerning financing of any of these organizations would have to be requested from the organizations themselves.

Second, except for the fact that each organization on the list has a specific concern with one or more aspects of the wide range of Department of Defense activities, there is no other factor which would provide homogeneity to the wide variety of interests represented.

Third, it is impossible to assure you that the list is complete. It is based on past official contacts. There may be other organizations which never have contacted this office.

I trust this information will be helpful.

Sincerely,

Jerry W. Friedheim.

Name of organization	Budget	Membership	Publications	Registered lobbyists?
Air Force Association	$2,000,000, calendar year 1973	100,000	Air Force	No.
Airborne Association	NA	10,000	Airborne Quarterly	No.
Air Force Sergeants Association	$368,000, fiscal year 1974	26,000	Sergeants; Worldwide Directory	Yes.
American Defense Preparedness Association	$750,000, fiscal year 1974	35,000	Common Defense; National Defense	No.
American Legion	$8-9 million	2,700,000	American Legion	Yes.
American Logistics Association	$835,000, calendar year 1972	6,500—1,500 firms	The Review	No.
American Veterans of WWI, II, and Korea	$500,000	250,000	National AMVET	No.
Armed Forces Communications and Electronics Association.	$300,000, fiscal year 1974	11,000	Signal	No.
Armed Forces Management Association	$40,000, calendar year 1973	2,175	Defense Manager; Proceedings	No.
Army Aviation Association of America	$100,000	10,200	Army Aviation	No.
Association of Civilian Technicians	$200,000	8,000	The Technician	No.
Association of Military Surgeons of the United States.	$350,000 fiscal year 1974	7,000	Military Medicine	No.
Association of the U.S. Army	$1,500,000 calendar year 1972	90,000	Army	No.
Catholic War Veterans of the U.S.A	$110,000, fiscal year 1974	50,000	Catholic War Veterans	No.
Fleet Reserve Association	$467,726.49, fiscal year 1973	86,623	Naval Affairs	Yes.
Jewish War Veterans of the U.S.A	$700,000	120,000	Jewish Veteran	NA.
Marine Corps Association	$200,000, calendar year 1972	23,800	Marine Corps Gazette	No.
Marine Corps League	$95,676	20,000	Marines Magazine	Yes.
Marine Corps Reserve Officer Association	$50,000	5,000	The World	No.
National Defense Transportation Association	NA	12,000	ND Talk; National Defense Transportation Journal.	No.
National Guard Association of the U.S	$674,690, fiscal year 1974	46,000	The National Guardsman	Yes.
Military Order of World Wars	Confidential	11,800	World Wars Officers Review	No.
Naval Reserve Association	$200,000	15,000	NRA News	Yes.
Navy League of the U.S	$678,000	48,000	Now Hear This; Sea Power	No.
Noncommissioned Officers of the U.S	$1.5-$1.6 million	160,000	NCOA Journal; NCOA Newsletter	Yes.
Reserve Officers Association of the U.S	$400,000	68,000	The Officer; Officer Reporter	Yes.
Society of American Military Engineers	$250,000	27,000	Military Engineer	No.
Retired Officers Association	$1,300,000, calendar year 1973	152,000	The Retired Officers Magazine	Yes.
U.S. Armor Association	$90,000, calendar year 1972	6,000	Armor	No.
U.S. Naval Institute	$1,215,000, calendar year 1973	64,000	U.S. Naval Institute Proceedings	No.
Veterans of Foreign Wars of U.S.A	$5,781,000 fiscal year 1974	1,750,000	Post Exchange, VWF Magazine; Legislative Newsletter, American Security Reporter.	Yes.
Veterans of WWI of U.S.A	$279,000	182,347	The Torch; General Order	No.
CONGLOMERATES				
American Security Council (not tax exempt)	$1.4 million	135,000 contributors; 1,500 corporate members.	Washington Report	NA.
Aerospace Industries Association	$2.1 million, calender year 1974	48 companies	Facts and Figures, Aerospace Magazine; Aerospace Perspectives; 2 Helicopter Directories.	Yes.
Council of Defense and Space Industry Association.	Funded by member organizations on rotating basis.	7 trade associations	None	No.
Electronic Industries Association	$3.5 million fiscal year 1974	230 companies	Executive Report; Electronic Market Data Book; (Various specialized publications).	Yes.
National Aeronautics Association	Not public information	150,000 individuals, corporations and other organizations.	National Aeronautics Magazine; Journal of Aerospace Education.	No.
Motor Vehicle Manufacturers	$13.3 million[1] ($4.9 operating budget)	10 companies	Automobile Facts and Figures	Yes.
National Security Industrial Association	$547-563,000	300 companies	NSIA News	No.
National Aerospace Service Association	$60,345	21 companies	NASSAgram	NA.
Shipbuilders Council of America	$350,000	21 shipyards; 19 other allied and affiliated groups.	Shipyard Weekly; Statistical Quarterly; Merchant Marine Ship Builders Report; Naval Ship Builders Report.	No.

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[1] Not included in budget total in release ($36 million).

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FOREST AND RANGELAND ENVIRONMENTAL MANAGEMENT ACT OF 1974

The PRESIDING OFFICER (Mr. HATHAWAY). Under the previous order, the Senate will now proceed to the consideration of the unfinished business, S. 2296, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 2296) to provide for the protection, development, and enhancement of the national forest system, its lands and resources; and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, it is my privilege to rise to support this bill. I am very proud to do so and to be able to present to the Senate for consideration S. 2296, the proposed Forest and Range Land Environmental Management Act of 1974.

I wish to make note of the fact that due to an error in printing, some of the names of the cosponsors of S. 2296 were omitted in the bill as reported. Therefore, I submit for the RECORD the following complete list of the cosponsors of S. 2296: HUMPHREY, AIKEN, ALLEN, ABOUREZK, BELLMON, CLARK, DOMENICI, EASTLAND, GRAVEL, HATFIELD, HATHAWAY, HOLLINGS, HUDDLESTON, JACKSON, MAGNUSON, MANSFIELD, MCGEE, MCGOVERN, MCINTYRE, METCALF, MONDALE, MOSS, NELSON, PACKWOOD, STENNIS, STEVENSON, and TALMADGE.

Mr. President, this bill was reported unanimously by the Committee on Agriculture and Forestry. It has wide-ranging endorsements both from the conservation community and the timber industry.

I believe it is the next giant step that must be taken if we are to bring our national forest system back into shape while at the same time providing new stature and responsibility to the U.S. Forest Service in the Department of Agriculture.

It provides a solid basis for natural resource planning and action while at the same time offering full public participation and congressional scrutiny into the effectiveness of the husbandry of the Forest Service.

While the bill does not have the total endorsement of the administration, the report which the committee received on the bill indicates that there is considerably sympathy with the concepts in it. We believe that there is a willingness on the part of the administration to join the Congress in seeing to it that all of the renewable resources of our national forest system are protected and renewed for the various uses to which the American people wish for them, whether that be wilderness, timber harvesting, wildlife management, and protection or recreation.

This bill provides for the first time for a true assessment of the status of the national forest system, which will show the importance of the interrelationships of all of the resources which must be managed in accordance with the provisions of the Multiple-Use, Sustained-

Yield Act of 1960. Only in this way can goals be set for the future in a reasonable fashion.

Under our present system we tend to consider each of these resources as a separate entity, unrelated to anything else. I believe that this is one reason why we have allowed the national forest system to decline to its present poor state, in which 5 million acres need reforestation, and another 13 million acres need stand improvement. Further, since we have tended to put most of our emphasis on trees, we have no way of telling at this time what the Federal response should be toward improving other resources within the system.

The goal of this legislation is to enable public and private initiative to meet the full range of opportunities to secure for our people the benefits that can be secured from the roughly 600 million acres of rangeland and 750 million acres of forest land we possess.

The bill envisages direct Federal action on the lands administered by the Federal Government, and encouragement to the States and the private sector to meet their opportunities backed by research at Federal, university, and other levels.

The bill provides for a continuous assessment of resources and uses. The first assessment will be made in this year and presented to the Congress on December 31, 1974.

The next assessment, and each one thereafter, will be made at the end of the decade.

Each assessment will be used for a decade, but they may be updated to reflect new facts needed for decisionmaking purposes.

The assessment will provide a regular and comprehensive data base, on a multiple resource basis, that will enable the Federal Government to set a consistent course while enabling the States and the private sector to likewise consider short- and long-term factors in resource actions.

The program is developed from the assessment and will describe in detail for a 5-year period what the Federal effort should be. This will include the plans on Federal lands, the cooperative efforts needed under Federal programs, and the research that will go forward to meet unsolved problems. The program will be updated annually so that a 5-year projection of needs and goals is available.

The annual budget request will thus be presented against a background of goals that the Congress will have considered based upon an executive recommendation.

The bill provides that the public will have had an opportunity to express itself on what the goals ought to be and why.

In addition to setting up the mechanism to develop a logical plan for the future, the bill also looks toward making the necessary improvements in 5 million acres of national forest which are in need of reforestation and over 13 million additional acres in need of stand improvement. Likewise, backlogs of range land restoration, watershed treatment, fish and wildlife habitat restoration, soil conservation, recreational facility installation, and other similar tasks would be put on the same schedule. These backlogs are scheduled for elimination by the year 2000, subject to the limitations set forth in the bill.

These backlogs would be attacked on a comprehensive basis, because the thrust of the legislation is to make certain that the concepts of multiple-use are applied in a sustained-yield manner. The goal is to have intensive management applied based on the standards in the 1960 act—always bearing in mind that the outputs of resources are to be secured with a proper regard for the ability of the national forest lands to supply these outputs.

I ask unanimous consent that the letter of the Comptroller General and the digest of his report of February 14, 1974, "More Intensive Reforestation and Timber Stand Improvement Programs Could Help Meet Timber Demand," be included at this point in my remarks.

There being no objection, the letter and summary were ordered to be printed in the Record, as follows:

Comptroller General of the
United States,
Washington, D.C., February 14, 1974.

Hon. Herman E. Talmadge,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

Dear Mr. Chairman: Enclosed is a copy of our report to the Congress on how more intensive reforestation and timber stand improvement (TSI) programs by the Forest Service could help meet timber demand.

The report recommends that the Secretary of Agriculture, in subsequent reports on reforestation submitted to the Congress pursuant to a September 1972 act (Public Law 92–421), include:

Information on the total national forest TSI needs and the Forest Service plans for and progress toward fulfilling such needs.

Information on Forest Service headquarters and field offices progress in improving land inventory data and fund allocation procedures to insure that reforestation and TSI funds are applied first to those areas where such work will result in optimum timber growth and other multiple-use benefits, such as improved recreational, watershed, or wildlife areas.

The report also recommends that the Forest Service require its field offices to set target dates for completing the planned improvements in the land inventory data and fund allocation procedures.

By letter dated October 29, 1973, the Chief, Forest Service, stated that, as the result of our review, the Forest Service had already resolved or improved most of the indicated or expected problems cited. He substantially agreed with our recommendations and cited actions that would be taken to implement them. We have recognized the Chief's comments in the body of the report and have included his letter as appendix II.

The report states that, the Congress, in determining annual funding levels for reforestation and TSI work on national forest land, may wish to consider Forest Service progress in improving land inventory data and fund allocation procedures to insure that funds are used on a priority basis and to reduce the large backlog of land needing reforestation and TSI.

The report suggests that, if the Congress desires to accelerate reforestation and TSI programs, it could (1) increase regular appropriations from the general funds of the Treasury, (2) enact legislation to provide for earmarking and appropriating for reforestation and TSI part of the annual net timber sale payments remaining in the National Forest Fund after all other distribution requirements have been met, or (3) amend the Knutson-Vandenberg (KV) Act to provide for setting aside, on a sale-by-sale basis, enough KV funds to fully cover the cost of reforestation and TSI needed in timber harvest areas and, in connection with such change, provide for annual congressional review of the total amount set aside.

The report points out that, in considering legislation, the Congress should explore with the Department whether administrative limitations should continue to be imposed on the percentage of timber payments that can be set aside for reforestation and TSI.

The Associate Director, Office of Management and Budget, in a letter dated October 12, 1973, stated that our report raised important questions about the legal and administrative limitations of the amount of funds set aside for financing reforestation and TSI. Although he made no specific comments about the source of funding, he stated that the appropriate level of reforestation and TSI investments should be determined by insuring that (1) the investment returns are equal to or greater than returns possible from alternate uses of available funds and (2) the most productive investments are made first. The Associate Director's comments are recognized in the body of the report, and a copy of his letter is included in the report as appendix I.

Sincerely yours,

Elmer B. Staats,
Comptroller General of the United States.

DIGEST: COMPTROLLER GENERAL'S REPORT TO THE CONGRESS—MORE INTENSIVE REFORESTATION AND TIMBER STAND IMPROVEMENT PROGRAMS COULD HELP MEET TIMBER DEMAND

WHY THE REVIEW WAS MADE

GAO wanted to find out whether the Forest Service's reforestation and timber stand improvement programs provided for the best possible timber growth on national forest land.

Harvesting, fire, insects, disease, and other causes have deforested much of the Nation's timberlands. Effective programs for reforesting and carrying out timber stand improvements, such as thinning trees on overstocked land, are essential to achieving sustained timber yield from national forests.

FINDINGS AND CONCLUSIONS

The growing demand for timber, expected shortages, and rising prices for such products as lumber and plywood are causing much concern.

Obtaining the best timber growth on national forest land will require accelerated reforestation and timber stand improvement and better land inventory data and fund allocation procedures to insure that available funds are used on the highest priority work.

A report issued in April 1973 by the President's Advisory Panel on Timber and the Environment said the intensity of forestry practices in the 1970s will greatly affect the amount of timber harvested in the 1980s and 1990s. The Panel concluded that a more adequate and timely method of financing management programs for Federal forest land is essential.

The national forest timber yield in fiscal year 1973 was 12.4 billion board feet. The Forest Service estimates that, by intensifying its forest management practices, it can increase the yield to about 20 *billion board* feet annually by the year 2000. A major portion of this increase will result from reforestation and timber stand improvement work on the estimated 18-million-acre backlog of national forest land needing such work.

The Forest Service acknowledges its land inventory data and fund allocation procedures have not been adequate to insure that available funds are used where reforestation and timber stand improvement would result in the best possible timber growth and other multiple-use benefits, such as improved recreational, watershed, and wildlife areas.

Work needed

The Forest Service finances reforestation and timber stand improvement with appropriated funds and funds authorized by the Knutson-Vandenberg Act of 1930 to be collected for that purpose from timber purchasers. Appropriated funds may be used in both harvest areas and other deforested areas. Knutson-Vandenberg funds may be used only in areas where timber has been harvested.

The Forest Service's application of legal and administrative limitations has precluded it from setting aside enough Knutson-Vandenberg funds to finance reforestation and timber stand improvement needed in harvest areas, and it has used appropriated funds to offset such deficits. As a result, the large backlog of reforestation and timber stand improvement work has not been reduced.

For fiscal years 1968 through 1973, the President's budget requests for reforestation and timber stand improvement totaled about $51.8 million less than the Forest Service's estimated need.

Congressional appropriations for those years included about $7.4 million more than requested, part of which the Office of Management and Budget impounded.

Backlogs have persisted for many years even though:

The Congress enacted legislation in both 1949 and 1972 giving special authority for appropriating funds to reforest large acreages of denuded national forest land.

Timber sold from national forests over the years has returned substantial funds to the Treasury. For fiscal years 1968 through 1972, the return totaled about $838 million.

The Forest Service said about half of the reforestation and timber stand improvement backlog areas need to be studied to determine whether they should be used for timber production.

According to the Forest Service, the reforestation and timber stand improvement needed on the other areas would cost about $724 million and could be done in 10 years.

The final budget requests for fiscal year 1974 included $23.1 million for both reforestation and timber stand improvement. This was $16.8 million less than the Forest Service's estimated need for that year.

The 1974 appropriations act included $32.1 million for reforestation and timber stand improvement—$9 million more than the final budget request.

Forest Service records show that, as of June 30, 1971, needed reforestation and timber stand improvement in harvest areas would cost an estimated $55 million more than the amount of Knutson-Vandenberg funds available. The deficit is understated significantly because not all harvest areas were included.

Legislation passed in 1972 required that the Secretary of Agriculture report to the Congress annually on the scope of the total national forest reforestation needs, plans, and progress. The legislation does not provide for the timber stand improvement backlog.

Plans to improve land data and fund allocation procedures

In 1971 officials of the Forest Service and the Office of the Inspector General in the Department of Agriculture reported long standing inadequacies in available data on location, size, and condition of areas needing reforestation and timber stand improvement.

These officials also reported a need to establish a system for using such data to see that available funds were directed to areas where work would result in optimum timber growth or other benefits.

In June 1972, the Forest Service adopted a plan to improve its land inventory data and fund allocation procedures. The plan, however, did not include target dates for implementing improvements at the field locations. GAO's inquiry in June 1973 indicated that although some progress had been made, resolution of the problem would be gradual over several years.

Because of the legislative objective of managing the forests for sustained yield to meet the Nation's growing demand for timber and because of the problems in meeting that demand, all reasonable efforts should be made to optimize timber growth on national forest land. Carrying out the congressional intent of accelerating reforestation will require increased funding and improved management to insure that funds are used on the highest priority work.

RECOMMENDATIONS

The Secretary of Agriculture, in the subsequent reports on reforestation submitted to the Congress pursuant to a September 1972 act, should includue:

Information on the total national forest, timber stand improvement needs and Forest Service plans for the progress toward fulfilling such needs.

Information on Forest Service headquarters and field offices progress in improving land inventory data and fund allocation procedures to insure that reforestation and timber stand improvement funds are applied first to those areas where such work will result in optimum timber growth and other multiple-use benefits, such as improved recreational, watershed, or wildlife areas.

The Forest Service should require its field offices to set target dates for completing planned improvements in the land inventory data and fund allocation procedures.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Office of Management and Budget said the GAO report raised important questions about legal and administrative limitations on the amounts of funds that are set aside for financing reforestation and timber stand improvement. It agreed on the need for an operational system for identifying priority timber investment opportunities.

Agriculture said that, as the result of the GAO review, it already had taken action to resolve or improve most of the problems cited. It substantially agreed with GAO recommendations and cited actions it would take to implement them.

It also said that, of the three suggested alternatives for increasing funds for needed reforestation and timber stand improvement (see following section), increases in the regular appropriations would be the most appropriate.

MATTERS FOR CONSIDERATION BY THE CONGRESS

In determining annual funding levels for reforestation and timber stand improvement programs, the Congress may wish to consider Forest Service progress in improving land inventory data and fund allocation procedures to insure that funds are used on a priority basis and to reduce the large backlog of land needing reforestation and timber stand improvement.

If the Congress desires to accelerate reforestation and timber stand improvement programs, it could

Increase regular appropriations from general funds of the Treasury,

Enact legislation to provide for earmarking and appropriating for reforestation and timber stand improvement work part of the net timber sale payments remaining in the National Forest Fund after all other distribution requirements have been met, or

Amend the Knutson-Vandenberg Act to provide for setting aside, on a sale-by-sale basis, enough funds to fully cover the cost of reforestation and timber stand improvement needed in timber harvest areas and could also provide for annual congressional review of the amount set aside.

In considering such legislation, the Congress should explore with the Department whether administrative limitations on the percentage of timber sale payments set aside for reforestation and timber stand improvement should continue.

Mr. HUMPHREY. While various persons are debating whether or not the allowable cut of timber can and ought to be increased, there is substantial evidence that reforestation work is badly lagging on areas which are now being cut over for timber sales.

I note this bill does not get into the question of how much we are cutting or methods of forest land cutting now in litigation.

However, forests that are not replanted will not produce new trees. Not only is the Forest Service budget insufficient to increase the growth of timber on land previously cutover or burned, but the funds are also insufficient to keep planting and stand improvement apace of current levels of cutting. Intensive management, as intended under this legislation insofar as it relates to timber production, means taking the opportunity to get cutover forest immediately back into sound production and growing timber at a site's potential.

An excellent perspective on the extent to which all vital Forest Service programs of national forest system management, cooperation with States, and research are funded well below needed levels is shown in the following material from the hearings on this bill. I ask unanimous consent that the table be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the Record, as follows:

FOREST SERVICE, FISCAL YEAR 1974

[In thousands of dollars]

	Forest Service request	Department request	President's budget
Forest land management:			
National forest protection and management:			
Timber resource management:			
(a) Sales administration and management	77,545	69,269	69,469.0
(b) Reforestation and stand improvement	39,900	29,136	23,136.0
Recreation-public use	63,418	47,573	41,343.0
Wildlife habitat management	15,000	8,452	7,802.0
Rangeland management	16,700	14,787	14,287.0
Soil and water management	19,200	10,853	10,123.0
Mineral claims, leases, and special uses	10,600	8,017	6,667.0
Land classification, adjustments, and surveys	17,666	9,585	9,085.0
Forest fire protection	48,494	32,982	32,127.0
Maintenance of improvements for fire and general purposes (including communications)	11,800	9,100	8,576.0
Forest advanced logging and construction	9,600		
Payments to employees' compensation fund	2,300	2,300	2,300.0
Subtotal, national forest protection and management	332,223	242,054	224,915.0
Water resource development related activities	6,800	4,022	4,022.0
Fighting forest fires	4,275	4,275	4,275.0
Insect and disease control	13,500	10,585	10,585.0
Cooperative law enforcement program	7,500	2,710	2,527.0
Total, forest land management	364,298	263,646	246,324.0
Forest research:			
Forest and range management research:			
Timber management research	17,846	11,746	11,746.0
Watershed management research	8,497	6,266	6,266.0
Wildlife habitat and range research	6,773	3,473	3,473.0
Forest recreation research	3,203	1,103	1,103.0
Subtotal, forest and range management research	36,319	22,588	22,588.0
Forest protection research:			
Fire and atmospheric sciences research	8,978	7,378	7,378.0
Forest insect and disease research	15,930	9,830	9,830.0
Subtotal, forest protection research	24,908	17,208	17,208.0
Forest products and engineering research:			
Forest products utilization research	11,431	9,131	9,131.0
Forest engineering research	1,478	1,478	1,478.0
Subtotal, forest products and engineering research	12,909	10,609	10,609.0
Forest resources economics research:			
Forest survey	5,033	3,433	3,433.0
Forest products marketing research	2,330	2,030	2,030.0
Forest economics research	3,407	1,407	1,407.0
Subtotal, forest resource economics research	10,770	6,870	6,870.0
Total, forest research	84,906	57,275	57,275.0
State and private forestry cooperation:			
Cooperation in forest fire control	30,000	24,000	16,000.0
Cooperation in forest tree planting	550	325	325.0
Cooperation in forest management and processing	10,000	5,000	5,000.0
General forestry assistance	5,660	2,435	2,435.0
Total, State and private forestry cooperation	46,210	31,760	23,760.0
Total, forest protection and utilization	495,414	352,681	327,359.0
Cooperative range improvements	700	700	700.0
Construction and land acquisition:			
Development of recreation-public use areas:			
Budget authority	11,000	2,798	
Program level	11,000	2,798	1,452.9
Water resource development construction:			
Budget authority	15,400	2,329	47.0
Program level	15,400	2,329	1,772.0
Construction for fire, administration, and other purposes:			
Budget authority	49,300	4,001	1,103.0
Program level	49,300	4,001	2,241.0
Research construction:			
Budget authority	16,091	394	
Program level	16,091	394	134.0
Pollution abatement:			
Budget authority	31,300	31,300	23,148.0
Program level	31,300	31,300	31,300.0
Land acquisition, Weeks Act:			
Budget authority	1,380	1,300	1,200.0
Program level	1,380	1,300	1,200.0
Total, construction and land acquisition:			
Budget authority	124,471	42,122	25,498.0
Program level	124,471	42,122	38,099.9
Forest roads and trails:			
Cash:			
Federal-Aid Highway Act	200,000	150,845	87,700.0
10-percent fund	36,400	38,500	40,900.0
Budget authority:			
Federal-Aid Highway Act			
10-percent fund	36,400	38,500	40,900.0
Program level	236,600	174,370	111,800.0
Acquisition of lands for national forest, special acts	370	294	94.0
Acquisition of lands to complete land exchanges	55	55	55.0
Assistance to States for tree planting	2,500	1,020	1,020.0
Construction and operation of recreation facilities	3,546	2,925	3,546.0
Scientific activities overseas (special foreign currency program)	3,000	3,000	1,000.0
Youth Conservation Corps	30,000		10,000.0
Additional programs proposed:			
Surface environment and mining	6,800		
Rural fire protection (proposed legislation)	7,000		
Urban and community forestry	1,200		
Alaska Native Claims Settlement Act	1,047		
Forestry incentives (proposed legislation)	10,000		
Subtotal—appropriated funds:			
Budget authority	722,503		410,172.0
Program level	922,703		493,673.9
Expenses, brush disposal:			
Budget authority	15,000	18,000	18,000.0
Program level	18,538	19,157	19,157.0
Forest fire prevention:			
Budget authority	250	250	250.0
Program level	275	275	275.0
Restoration of forest lands and improvements:			
Budget authority	50	50	50.0
Program level	50	50	50.0
Payment to Minnesota	260	259	259.0
Payments to counties, national grasslands	554	549	549.0
Payments to school funds, Arizona and New Mexico	75	115	115.0
Payments to States, national forests fund	90,800	96,012	102,012.0
Cooperative work, Forest Service (trust fund):			
Budget authority	43,000	55,000	55,000.0
Program level	46,632	50,348	50,348.0
Grand total:			
Budget authority	872,492	611,532	586,407.0
Program level	1,079,887	743,932	666,438.9

Mr. HUMPHREY. Mr. President, the table shows how harshly and illogically the three vital elements of the Forest Service program, forest land management, State and private forestry and research were cut in the executive budget process. While the Forest Service has been cut back before, this year, fiscal year 1974, was especially severe. The Forest Service in fiscal year 1974 was permitted to ask for barely 60 percent of the funds needed. Only the timber sale and range programs had budget requests above 67 percent of the amount Forest Service presented as necessary. Timber sales requests were cut 11 percent and range requests were cut 15 percent as the budget was put together. Reforestation was slashed by 43 percent. Recreation was cut by 35 percent with recreation construction slashed 87 percent. Soil and water management money was reduced by 38 percent. Research was cut 33 percent, as was forest fire protection. Cooperation with States and private owners was neatly cut in half.

Appropriated fund requests for vitally needed forest roads was reduced by 53 percent. In fact, this fund was slashed so deeply that there was only $8 million available for actual forest road construction with appropriated funds. On the other hand, timber revenues were reduced by $179 million so that the burden of building timber roads was carried by the counties who had their share of forest revenue reduced by close to $50 million as a result of this upside-down policy of reverse revenue sharing.

One important thing that this legislation does is revise the priorities for funding roads. If the Executive wants to conduct a truly smaller road program by not asking for the entire current authorization, he will be required to reduce the "revenue taking" method of road construction by an equal amount. The Committee on Agriculture and Forestry carefully considered the plea of the administration that this language be modified. If the record for the past few years, including the fiscal 1975 budget, had shown that the abuse of the "backdoor authority" had ended, the committee, I am sure, would have considered the plea. However, this has not been shown.

The upcoming budget shows that again a mere $8 million will be available for appropriated road construction while backdoor revenue reduction to secure timber road construction at the expense of the counties will balloon to a record $187 million.

May I say to my colleagues that means local areas in many parts of America, that are having a hard time making it, will have their revenues cut from public funds. The counties are going to lose 25 percent of $187 million.

And, if last year's performance is reenacted, the backdoor spending overrun will cause this figure to rise well over $200 million, and the county loss to over $50 million.

It was the careful judgment of the committee that it should not place an absolute limit on securing needed road construction by reducing the price of timber sold so that the purchaser could do the work. However, the committee did decide that the Executive should have to first use the authorization in law, the "front door spending" authority in order to be able to use the backdoor method.

In other words, use the money that is appropriated and authorized before you start taking away from the counties that are hard pressed for local needs.

The fiscal year 1975 budget as proposed, does very little to protect the national forests and amplify the uses possible in a conservative manner. As one looks at the budget, it is dismally striking that it fails to define either short term needs or long term opportunities. In reading it, one gets the feeling that this budget year is the only year in our lives. Virtually every major program is at a standstill even though on paper the dollars requested seem to have risen.

When one lifts the pages of the budget and looks beneath the figures, we see that time after time the proposed increase is merely to cover Pay Act increases and increased GSA rentals for space.

In other words, no long term protection, no picking up of backlogs which have been accumulating for years with unmet needs, no additional funds for reforestation or other programs on these Federal forest and range lands.

The acres reforested will drop by 13,000 and the acres of timber stands improved will decline by 15,000. The recreation budget is at a standstill, as is wildlife and fish habitat management. The rangeland budget will not permit any advance in providing a greater opportunity for conservative and increased grazing. The vital soil and water management program is actually slashed by over half a million dollars. Better minerals management will not be sought.

The necessary forest fire protection program will be cut by over $2 million—despite the fact that the Nation literally weeps every time a forest fire destroys hundreds of millions of dollars of valuable timber. Insect and disease control efforts will likewise be cut back one-quarter of a million dollars, even though it is well known now that at least 10 major insects may provoke epidemic attacks next year.

One of the insect control areas that will suffer the biggest cuts is methods improvement. In 1973 almost $1 million was spent on this needed effort. Next year barely $150,000 will be sought. Changes in the ability to apply insecticides increase the need for methods improvement work. In at least 28 States, forest insects pose serious threats to both public and private forests.

The act of August 10, 1971 authorizes the Secretary of Agriculture to cooperate with State and local governments in the enforcement of State and local laws on national forest lands. Considering the vocal expressions of this administration on the subject of law and order one would expect to see that the program of cooperative law enforcement would have escaped the budgetary knife. It has not. It is cut about $960,000 or 40 percent.

Forest research is generally cut back with watershed, wildlife, range recreation, and fish habitat research taking the biggest cuts. Cooperations with the States in fire control and tree planting is virtually frozen, although there is a small increase for cooperation with the States in developing better sawmilling systems, and in general Forestry Assistance to expand private timber marketing.

In addition, I would note that counties which contain national forest land derive a 25 percent share of revenues from timber harvesting and other resource sales. In fiscal year 1975 the counties will begin to reap the sad results of the almost 100 percent reliance on construction roads by reducing the price of national forest timber so that the timber purchaser must build the road under the timber sale contract. At a time in the economy when rural counties will need all the help they can get, they are going to have their payments cut by $12.5 million. With 25 percent of the national forests within areas now experiencing economic disrtress—the hard core areas as defined by the Department of Commerce—this is hardly the time to cut back on the proper economic assistance that those counties are entitled to expect to support their local schools and roads.

What is needed by the people who use the national forests—and this includes the people who live in and near the national forests as well as far away—is a system of program planning and budgeting that assures that the purposes of the national forests can be realized. The present way in which needs and opportunities are focused, programs are described and budgets presented and displayed is simple not adequate. The broad perspective that is required, in the interest of progressive conservation of our natural resources is totally lacking. Adoption of this legislation will go far toward enhancing the way in which we meet our obligations in planning a forest program that makes sense and is farsighted.

Finally I would address how this bill recognizes the importance of the multiple use concept. The concept of multiple-use management is well established in the National Forest System and it includes five basic uses: forest production, forage production, fish and wildlife production, water production and outdoor recreation, including wilderness. Of the 187,000,000 acres in the National Forest System, half provide these five basic uses and another 28 percent have at least four uses. Considering the fact that the national forests are about half range and half forested land, this demonstrates the high degree to which multiple-use is applied. Another 40 million acres has three of the multiple-uses.

In fact only about 1 percent of the National Forest System is reserved exclusively for a single purpose such as a leased summer homesite, or a campground.

There are some who think of the national forests in terms of timbercutting but the other multiple uses are equally and vitally important. The national forests annually yield almost 400 million acre feet of high-quality water. There are 20 million acres in the West that depend on this high quality water for irrigated agriculture.

Virtually every major western city and many in the East depend upon the mountains of our national forests for the pure water that the residents and industries need. Much of this water does "double duty" flowing through hydroelectric plants on its way to a second use and even a third use. Over 3 million head of livestock graze on the National Forest System ranges and many of the calves that eventually reach a Midwest feedlot get their start on these rangelands.

The fish and wildlife species of the Nation also depend on the national forests. There are, in fact, almost 60 species of endangered fish and wildlife that are found on these lands.

In 1972 the national forest system provided 184 million visitor days of recreational use to Americans. Over 30 percent of this use was camping and picnicking. Almost 30 million visits were for hunting and fishing, about 7 million visits involved winter sports and over 5 million visits were for boating. Another 4½ million visits were for waterskiing and swimming. The list of uses and type of uses is virtually endless.

There should not be the slightest doubt that the American people use their national forests and they want them to be managed so that these many uses can be sustained.

Mr. President, the goal of this legislation is to reform the way short- and long-term decisions are made by providing a comprehensive factual base for all who have to participate in the process. The bill avoids making decisions before the facts are in.

It is not a panacea approach. When the assessment and program come forth these will be subject to wide and careful public scrutiny. I am sure that when we in the Congress hold the review that the bill requires as a condition precedent to enacting a set of goals for the decade ahead, there will be a wide range of views presented. We can expect a constructive and healthy debate as to how we should proceed for the future development and use of our Nation's forest land and rangeland.

If we all approach the task of charting the future with the national interest in mind, I have no doubt that we can chart a wise course. The subsequent budget process each year will benefit because we will be dealing with facts rather than fantasies and emotions. The continual review process will enable the Executive and the Congress, with public input and support, to revise our goals on a timely basis. We will be able to raise or lower our sights with the knowledge of what is likely to be the result.

While this is a major undertaking, progress has been good. I am pleased that the House Committee on Agriculture has already held hearings on the companion to this bill that was introduced by Representative RARICK, the able chairman of the Subcommittee on Forests.

It is my hope that as he reviews the bill we are enacting and compares it with the original version that he will agree that it is a good bill.

And might I add that this bill has had inputs from practically every organization in America concerned with our forests—public and private, conservation and environmentalists, people who are interested in the forests, the timber interests, people interested in water. All people who have been concerned are brought into the formulation and legislative language in the bill.

In the weeks before July 31, 1973, when S. 2296 was introduced, and after, the staff of our committee worked very diligently to assist in securing the best possible bill.

I compliment the staff who worked many hours, days, and even weeks with groups who are vitally interested in the legislation and in what we were attempting to do. Mr. Harker T. Stanton, committee counsel, who retired on December 31, 1973, after a long and able career, and Michael R. McLeod, his capable successor helped perfect the language of the bill as it moved through its several steps. Mr. Sam Thompson, who serves as staff to Mr. EASTLAND, the chairman of the subcommittee that handled the bill did an outstanding job in the arduous task of perfecting it. Mr. James Thornton and Mr. James E. Giltmier along with Mr. Thompson ably conducted a number of the working sessions with national conservation leaders, eliciting comments, reconciling differences, and presenting useful ideas as the bill moved along. Finally, Mr. Robert Wolf, assistant chief of the Environmental Policy Division of the Congressional Research Service in the Library of Congress, worked with the staff, the committee, and various groups from the beginning effectively developing essential facts, analyzing issues, helping to perfect language for the bill and reports, and briefing members of the committee.

This bill has come along quickly and has achieved wide support because many people have worked hard to help the committee devise an act that addresses the causes of the problems rather than treating the symptoms. For the National Forest System we have concluded that the Multiple-Use Sustained-Yield Act of 1960 is an effective basic vehicle. Earlier we strengthened the cooperative forestry program authority. We concluded that the existing Federal, university, and other research authorities are adequate. When the assessment and program come before the Congress, further legislative needs can be then considered as required.

Probably the best measure of how broad and complete the support is for S. 2296 is shown by this summary of the views of witnesses from our hearings on November 20, 1973. Mr. President, I ask unanimous consent that these be printed in the RECORD along with excerpts from the committee report.

There being no objection, the material ordered to be printed in the RECORD, as follows:

FOREST AND RANGELAND ENVIRONMENTAL MANAGEMENT ACT OF 1974

MAJOR PROVISIONS OF THE BILL

The bill would encourage wise and orderly development of the renewable resources of our forest, range, and associated lands. It would—

(1) require the Secretary of Agriculture to prepare a National Renewable Resource Assessment not later than December 31, 1974, and to update it during 1979 and each tenth year thereafter;

(2) expand the resource surveys under 16 U.S.C. 581h to include all renewable resources, and change the appropriation authorization therefor from $5 million annually to the amount needed;

(3) require the Secretary to prepare a Forest Service Renewable Resource Program not later than December 31, 1974, to cover the five fiscal years beginning July 1, 1975, and at least each of the next four fiscal decades, and to update such Program each five years thereafter to cover at least each of the four fiscal decades beginning after such updating;

(4) require transmission of the Assessment and Program to Congress in 1975 and after each updating, and adoption of policy resolutions by Congress within one year after such transmission (to be modified as necessary at the beginning of each new Congress);

(5) require expenditure of funds appropriated to carry out such policy, except to the extent the Appropriation Act provides for discretion, or events occurring after enactment of the appropriation prevent the accomplishment of its purpose;

(6) require an annual progress report by the Secretary;

(7) require national forest system management to be on a current basis by the year 2000;

(8) encourage the use of appropriated funds for forest road and trail construction by requiring a reduction in construction financed by purchasers of forest products whenever appropriation requests or expenditures are reduced below the amount authorized or provided;

(9) direct the Secretary to consider avoiding use of purchaser road construction authority in a manner that would unduly affect forest revenues and payments to a particular county; and

(10) require Forest Service offices to be located near Forest Service operations.

BACKGROUND

In 1876, the Congress created the Bureau of Forestry, in the Department of Agriculture. This began the era of concern for forests and rangelands and resources. In a period that culminated in 1911, when the Committee reported and the Congress enacted the Weeks Law, the Forest Service was fashioned as the core of Federal multiple-use sustained-yield renewable resource management, research and assistance to private landowners.

On January 10, 1924 in the 68th Congress, Senator Charles McNary of Oregon issued a report on reforestation of public and private lands. The conclusion of that report was that the United States was not practicing the kind of husbandry that would insure an adequate supply of timber for the Nation's growing uses in the years to come.

The Clarke-McNary Act enacted June 7, 1924 (43 Stat, 653) broadened the cooperation in fire control, assistance to landowners and other cooperative ventures. In 1928 the McSweeney-McNary Act (45 Stat. 699) authorized a broad program of investigations, experiments and research in growing, managing and utilizing trees, forest products, forage, wildlife, weather and water.

In 1933 Senator Royal S. Copeland chaired a comprehensive effort which produced Senate Document 12. This "National Plan for American Forestry" (73d Congress, 1st Session) was presented by the Secretary of Agriculture in response to the leadership of Senator Copeland. In the 74th Congress in response to S. Res. 289, a document called, "The Western Range" (Senate Document 199) was also presented to the Congress.

On March 24, 1941, during the 75th Congress, Senator John Bankhead of Alabama issued another report which called for better management of public and private lands to insure that our woodlands would be a national asset rather than a liability. Significantly, the report indicated Congress had a full appreciation that the several and varied multiple uses of the forests were important to the American people.

The report talked of sustained yield, which Congress dealt with in the Multiple-Use Sustained-Yield Act of 1960. It recommended incentives for commercial forest production on small private land holdings, which the Committee on Agriculture and Forestry dealt with as part of the Agriculture and Consumer Protection Act of 1973. The report also called for better management of the National Forest System, pointing out the compelling needs for reforestation and the protection of those forest values which the public finds essential.

The debate over conservation goals and the ways to attain them has continued for years. It is not likely to diminish soon. Over the past two decades there have been several efforts to develop a National Conservation Policy. Temporary committees were proposed. The Executive has been active in this regard.

In the 1950's there was Mission 66 for the National Parks, a program for the National Forests, and a public land management plan. All of these were directed toward Federal lands. All of them were followed through with varying levels of action.

It is against this background that the need for this legislation emerges. One of the areas of repeated concern in recent years has revolved around our forests and rangelands. The debate has encompassed both policy in its broadest terms of national direction and goals, and operating procedures and silvicultural practices.

The Committee on Agriculture and Forestry surveyed the general situation in cooperation with many of the concerned public and private groups. The Committee concluded that in terms of the Congressional function to make policy, and for the purposes of improving Executive-Congressional relations, the primary need was to improve the methods by which the Nation secures information on long-range goals and then sets into motion policies and programs which are both flexible and yet sustained over a long period.

The wise and proper management of our Nation's forest and range-land is of paramount concern to the Committee.

While nearly all of our farm land is privately owned, a sizeable portion of the Nation's forest and rangeland is held by the national goverment. This places on the Federal establishment a substantial role as a land manager, along with an important function as a catalyst to provide for sensible husbandry of private lands, insofar as this meets the national interest.

However, to reach conclusions about what ought to be done on the Federal lands, we need knowledge about the current and likely private actions. Reaching conclusions on how the public effort can help the private effort requires a comprehensive understanding of the whole picture.

In preparing this legislation, the Committee refrained from attempting to determine in advance what National Policy ought to be. That is not the goal of this legislation.

Instead, a course was charted which is designed to produce a National Assessment of the total picture and of specific needs. When the facts of the Assessment are in, a Program will be developed with full public participation, resulting in a common base for subsequent budget requests and action.

The process of fact-finding and goal setting is to be followed up by a detailed process of program evaluation which will determine if the effort being made is accomplishing the mission set forth.

COMMITTEE CONSIDERATION

Questions relating to the condition and use of our renewable resources have increased in number and intensity over the last decade. Each issue has been raised independently and has been put forward with its own body of "facts". The result has been an extended debate over what are the facts, a further extended debate over how one issue relates to others as well as whether the issue raised is a symptom rather than a cause. Time after time the quest has been for a quick and simple solution to the issue in the form it seemed to surface.

One school of thought has been that many "issues" would resolve themselves if only the Federal structure were reorganized. Combining agencies, shifting duties, and moving offices have been recommended as reforms under the theory that form and structure determine substance. The Committee had before it a number of these "issues" ranging from posposals to treat specific resource problems to broader concerns, including organizational issues.

In June, 1973, the Subcommittee on Environment, Soil Conservation and Forestry held public hearings on an Executive proposal to move certain Forest Service offices and to abolish others as well as legislation dealing with issues of National Forest management.

One bill was S. 1775, popularly known as the Timber Supply Act. Because the version before this Congress also dealt with export issues it was referred both to this Committee and to the Committee on Banking, Housing and Urban Affairs. That Committee divided the bill into two parts; one dealing with log exports, which went directly to the Senate Calendar as S. 1033. The other dealt with timber resources and supplies. It came to this Committee as S. 1775.

In addition, the Committee had before it S. 1996, which dealt more broadly with forest land and resources—both public and private.

The immediate crisis provided by the proposed Executive Branch effort to restructure the Forest Service caused not only an in-depth hearing, but also a determination by the Committee that the time had arrived to seek to treat basic causes rather than symptoms.

On July 19, 1973, S.J. Res. 134, which dealt with reorganization of the Forest Service, was reported by the Committee. In addition, on July 11 the Subcommittee on Foreign Agricultural Policy held a hearing on Export Control Policy and on July 30 it issued a report on the issues presented, including log and forest products exports.

However, earlier in the spring, as the Agriculture and Consumer Protection Act of 1973 was under consideration, questions of renewable resource policies on forests and rangelands came up. The Committee included in Title X of that Act the Rural Environmental Conservation Program. It contained a forestry incentives program for small woodland owners. This proposal had originally been introduced by Senator Stennis and had received considerable study.

It was in this period that the Chairman, in consultation with other Members of the Committee, directed that the staff begin to assemble background information and analyze the various issues that had arisen regarding forests and rangelands so that consideration could be given to an appropriate course of action that would have long-term benefits.

Out of this grew the outline for the Forest and Rangeland Environmental Management Act.

A series of concepts were put into legislative draft form. Meetings were held with interested groups which included conservation, industrial and local governmental representatives. On July 31, 1973, S. 2296 was introduced by Senator Humphrey and others. This bill received wide distribution, comment, and reaction.

A further series of informal meetings were held by the Committee staff at the direction of the Committee co-sponsors. In the meantime, the concepts in the bill were receiving generally favorable reaction from other Members of the Senate and the number of co-sponsors was growing.

The refinements that were developed showed that the central idea in the bill had overwhelming support, to wit: The Federal role could be met most effectively by having a comprehensive Assessment of the range and forest land renewable resources which would be the basis for a Program. This Program would be presented by the Executive reviewed in the Congress with public participation, and used as a guide to the formulation of budgets for a reasonable period ahead.

On November 7, 1973, a further revision was introduced with 25 co-sponsors and the Subcommittee held a public hearing on the bill on November 20, 1973. Following the hearing and further working sessions with interested and concerned groups, the Subcommittee on Environment, Soil Conservation and Forestry reported the bill with amendments to the full Committee in Committee Print form on December 7, 1973.

Over the next two months the Committee had the bill under advisement. On February 6, 1974, it was ordered reported by the full Committee.

During the period, on all the issues, the Committee heard approximately 100 witnesses. Far more statements were filed with it on the various bills and on the issue of organization. The informal working meetings, held by the staff, were composed of a cross-section of groups that have diverse views.

The following list of organizations were represented: the Citizens Committee on Natural Resources, the National Wildlife Federation, the Wildlife Management Institute, the American Forestry Association, the National Association of Counties, the National Parks and Conservation Association, the Association of State Foresters, the Industrial Forestry Association, the Northwest Timber Association, the National Forest Products Association, the American Pulpwood Association, the Western Timber Association, and the American Plywood Association.

The distinguished former Chief of the Forest Service, Dr. Richard E. McArdle (1952–1961), participated as a private individual.

The staff also met at length, on a number of occasions, with representatives of the Sierra Club, the Friends of the Earth, and the Wilderness Society. In addition, an even larger number of interested citizens appeared before the subcommittee and offered formal testimony.

SHORT SECTION-BY-SECTION ANALYSIS

Section 1. *Short Title*. The short title is the "Forest and Rangeland Environmental Management Act of 1974".

Section 2. *Findings*. In this section Congress makes a number of findings concerning the Nation's natural resources and the need for comprehensive inventories and planning Forest Service programs.

Section 3. *Renewable Resource Assessment*. Subsection (a) requires the Secretary of Agriculture "through the Forest Service" to prepare not later than December 31, 1974, a National Resource Assessment dealing with America's renewable resources of the forest, range, and other associated lands, and to update such assessment during 1979 and each tenth year thereafter. The Assessment would cover uses, demands, supplies, programs, and policy.

Subsection (b) amends section 9 of the McSweeney-McNary Act of May 22, 1928, to—

(1) provide for making and keeping current a survey of needs and supplies of renewable resources (rather than only of timber and forest products),

(2) authorize appropriation of such sums as may be necessary for that purpose (rather than $5 million annually).

Section 4. *Renewable Resource Program*. This section requires the Secretary of Agriculture to prepare a Program for protection, management, and development of the National Forest System. This Program will also include cooperative programs on non-Federal lands and for research. The Program would initially be prepared by December 31, 1974, and would cover the five fiscal year periods beginning July 1, 1975, and at least each of the next four fiscal decades. It would be updated each five years to cover at least each of the four fiscal decades following the updating.

Section 5. *National Forest System Resource Inventories*. This section requires the Secretary, as part of the Assessment, to maintain a continuing inventory of national forest lands and renewable resources.

Section 6. *National Forest System Resource Planning*. This section requires the Secretary as a part of the Program provided for by section 4 to develop and maintain land and resource use plans for National Forest System units. Such plans are to be coordinated with the land use planning processes of state and local governments and other Federal agencies.

Section 7. *Cooperation in Resource Planning*. This section provides for making the Assessment, resource surveys, and Program prepared under the Act available to states and other organizations in planning for renewable resources on non-Federal land.

Section 8. *National Participation*. Subsection (a) provides for the use of hearings, meetings, advisory groups, and other participatory mechanisms in developing the Assessment, Program, inventories, and planning.

Subsection (b) provides for transmission of the Assessment and Program on the first day of Congress in 1975 and following each updating thereafter.

Subsection (c) provides for hearings and, within one year after submission of the Assessment and Program, the adoption of a resolution by Congress setting policy to guide the President in framing Forest Service and related agencies' budgets for the five or ten year Program period beginning in such Congress.

Subsection (d) provides for review of such Congressional policy by each new Congress within ninety days after convening for the purpose of guiding the President with respect to budgets transmitted during the two fiscal years beginning thereafter.

Subsection (e) provides that each budget, beginning with that for fiscal 1976, shall state the extent to which it meets the Congressional policy and the reasons for recommending any course which fails to meet such policy. Any amount appropriated for purposes covered by the Congressional policy resolution would be required to be expended and could be impounded only if the Appropriation Act gives such discretion or if the President finds that because of events occurring after enactment of the Appropriation Act such expenditure would fail to accomplish its purpose.

Subsection (f) and (g) require the Secretary to file an annual report evaluating progress in implementing the Program and measuring costs and benefits.

Subsection (h) requires the reports to indicate plans for corrective action and legislative recommendations.

Subsection (i) requires the reports to be in concise summary form with detailed appendices.

Section 9. *National Forest System Program.* Subsection (a) requires the Secretary to develop and administer the renewable resources of the National Forest System in full accord with the Multiple Use Sustained Yield Act of 1960.

Subsection (a) further requires that by the year 2000 renewable resource restoration and intensive management in the National Forest System should be on a current basis, with backlogs eliminated.

Subsection (b) provides that if for any fiscal year the budget request for forest development roads and trails (including the ten percent of forest receipts available under 16 U.S.C. 501) is less than the amount authorized therefor, or if any portion of the appropriation for that purpose is impounded, the amount of construction financed by forest product purchasers under 16 U.S.C. 535(2) would have to be reduced below the preceding fiscal year by an equal amount. The purpose of this provision is to encourage the use of appropriated funds for this work, and to discourage the practice of asking for inadequate appropriations with the idea of relying on purchasers for road construction. The term "impounding" is defined.

This subsection further provides that in applying the authority for purchaser road construction, consideration is to be given to avoiding an undue effect on any particular county's share of forest receipts. Purchaser road construction results in lowering the gross forest receipts which are used in measuring payments to counties under 16 U.S.C. 500 and 501. Timber sales which include road construction via revenue reduction can be made without limit unless proscribed by failure to use appropriated funds. It is not the intent of the Committee to limit the option to use timber purchaser construction when the required level of appropriated funds has been allocated as provided above.

Section 10. *National Forest System Defined. Organization.* Subsection (a) defines National Forest System to include all lands, waters, or interests therein administered by the Forest Service.

Subsection (b) requires Forest Service field, field supervisory, and regional offices to be so situated as best to serve the public, giving priority to location in rural areas and towns near national forest and Forest Service program locations in accordance with section 901(b) of the Agricultural Act of 1970.

SECTION-BY-SECTION EXPLANATION AND JUSTIFICATION

Section 1.—The title of the legislation is the "Forest and Rangeland Environmental Management Act of 1974."

The United States consists of approximately 2.3 billion acres, of which 1.4 billion acres is natural forest and natural rangeland. Another 420 million acres are in improved pasture or cropland and the balance is in other types of land.

This legislation addresses the issues and opportunities on forest and rangeland. It is designed to secure an assessment of the resources on the ecosystems of these lands, but would exclude lands used for such purposes as orchard, crop, improved pasture, agriculture generally and industrial site, transportation, and urban use.

Section 2.—Eleven findings are made which set forth the need for this legislation:

The air, water, soil, plants and animals are cited as finite and renewable resources.

The air is affected and renewed by the living processes of plants and animals.

The soil is the thin mantle of modified organic and inorganic material that covers the earth of a depth of from a few inches to several feet. The interactions of plants and animals renew the life-giving organic components which make the soil a renewable resource.

The water is cycled and recycled by atmospheric and subterranean processes which determine its availability and viability in the life giving processes.

These are the great inter-related processors of our environment which combine and interact to maintain life by sustaining each other in a total environment.

In contrast, the mineral resources and subsurface parent soil are not considered to be renewable within the time frame which this legislation contemplates, although there are certain major mineral deposits and soils which are capable of renewal in the longer geological frame of time.

The conservation of the environment is, therefore, declared to be essential for the achievement of an ecologically healthy and economically functioning resource base.

The fourth and fifth findings take note of the rich national endowment of forests and rangelands which, by their very nature, produce, or are capable of producing—multiple renewable resources, products and benefits.

Manmade decisions have a most significant impact on the nature of the products and benefits that will be secured from forest and range land. For example:

Decisions made by man determine whether forested lands will be allocated to recreational parks, with roads and campgrounds; as scenic backdrop for a mountain vista to be preserved; as carefully guarded stands of trees protecting streams where water temperature is the key to promotion of a fishery; or as forested wilderness, which is a community of life untrammeled by man, where man may be a visitor who does not remain—an area that retains its primeval character and influence without permanent improvements or human habitation.

On the other hand, there may be areas of a forest where there is continual activity by man engaged in commercial ventures; where roads are built for long-term timber management; the trees are cut for such products as lumber, pulp and plywood; new crops of trees are encouraged by the silvicultural practices that are followed; where the trees are planted as seed or seedlings; and where the growing forest is thinned, pruned and protected from damage caused by the activities of man and natural forces.

In the main, however, forest or range will not provide simply one or two uses, but instead will be a multiple use resource, with a continual flow of benefits as the result of careful planning.

The sixth through eleventh findings indicate the central and pivotal national role of the Forest Service in the United States Department of Agriculture in securing these benefits from forests and rangelands.

The Forest Service serves both the public and private sectors in a wide variety of ways:

It develops facts on the condition and trends of the Nation's forests and rangelands. It performs essential research, and disseminates the knowledge produced. It conducts a wide range of cooperative programs with the States and private landowners to promote the wisest protection and management of resources. Finally it administers the National Forest system, which is the only comprehensive national system of Federal resource lands.

The Multiple-Use Sustained-Yield Act of 1960 gave the Forest Service the widest and most comprehensive charter, for management of the 187,000,000 acres it administers, that any Federal agency possesses.

The National Forest System provides:

recreational opportunities of varying types greater than those of the National Park System;

comprehensive opportunities for fish and wildlife activities which are broader than the Fish and Wildlife Refuges;

lands which contain the backbone of the major mountain water source system. These water source protection lands range from those which provide water to major metropolitan areas, such as Los Angeles, to vital watersheds in the Southern Piedmont and Appalachian Mountain chain;

lands which play a significant role in the economies of the livestock and timber industries.

It is important to note, however, that in terms of inherent potential productivity of forage and timber, the lands in the system rate only average. But they are admirably situated, and, in general, they are in a condition that enables them to demonstrate the several kinds of benefits and uses that can be obtained from all range and forest lands under prudent management.

Section 3.—The Renewable Resource Assessment:

The Assessment called for in this legislation is the essential fact-finding tool upon which future national policy will be built. It will be made ordinarily at the end of each decade. However, the *first* Assessment will be made in the middle of this decade.

The Assessment will be comprehensive.

It will cover all of the renewable resources associated with the forest and rangelands.

It is designed to give a long-term perspective for planning and for programs, since it will cover all resources, in order to obtain a total national focus.

It is not the purpose of this legislation to lodge solely in the Forest Service new authorities it does not now possess, and which are possessed by other agencies. It is expected that the lead role for assuring that the Assessment is properly and completely made in a timely fashion will rest with the Secretary of Agriculture, acting through the Forest Service, and that there will be good cooperation with other agencies—both public and private—to insure that the Assessment will be of maximum usefulness to all who would be expected to use it.

The Assessment is not a commitment to do specific things. It is an analysis of the present situation, of how things came to be as they are, and what the outlook may be as to where the present course will take the nation. Beyond that, it will display the opportunities for the future, and what measures will be required to realize these opportunities.

The Senate Committee on Agriculture and Forestry does not expect the first Assessment, due December 31, 1974, to be as fully complete and comprehensive as subsequent Assessments will be. An early date for submission for the first Assessment was established to draw attention to the sense of urgency that the Committee attaches to a new and vigorous approach to meeting challenges that have been avoided for too long. However, the Committee fully expects that the Assessment for the 1980's will benefit from the first effort so as to be more comprehensive and complete.

One of the most important elements of the Assessment will be the effectiveness with which it displays the totality of forest and rangeland, and the dispersion of resources by public and private ownerships and geographic regions. The full exposition of the interrelationships between these resources will also be essential.

The amendment of the McSweeney-McNary Act makes it clear that the authority exists for the Secretary to secure all of the renewable resource information needed—either directly or through cooperation with others—and to secure the funds needed to this end.

Again, it is not expected that the Secretary will take over existing functions of other agencies, but that a high level of inter-agency cooperation will exist in order to develop the pertinent data.

Section 4.—The Renewable Resource Program:

The directives in this legislation go to the Forest Service. The lands managed by the States and local governments, as well as by private individuals and other Federal agencies are governed by whatever authorities currently exist for them.

The design of the Program will require that for the three elements of Forest Service activity (National Forest System, Cooperative Programs and Research) there will be a detailed Program year-by-year for the next five-year period. There will be a more generalized Program for the subsequent five years, and a much less detailed set of Programs for each of the following four decades.

Projections can be taken on into additional decades if this will help to show why the planned level of activity must begin at a certain time to realize a future goal.

For example, some forest ecosystems have a planning horizon of two or three times longer than 50 years. Defining current objectives may require displaying various situations for different time frames.

The Renewable Resource Program directed under this section is to consist of the Program recommended to the Congress, with the supporting reasons. However, one or more alternatives also may be set forth separately as an addendum to the recommended Program. These alternatives may be for parts of a program or consist of an alternative Program. The Act does not require submission of an alternative Program or parts thereof, but does not foreclose this.

Forest Service programs cannot be constructed in a vacuum. The Assessment will give a comprehensive picture of the sum of public and private activities and expectations, thus encouraging a comprehensive and integrated Federal approach at the very least. Programs of research will meet gaps in theoretical and applied knowledge on a timely basis. Cooperative programs will provide the type of timely assistance that will assist voluntary efforts of others.

In all aspects, the Program will have to conform to requirements of pertinent law. It is of national importance that the National Forest System be operated in full accord with the concepts set forth in various existing laws, such as the Multiple-Use Sustained-Yield Act of 1960 and the National Environmental Policy of 1969.

This legislation does not intend to change these fundamental propositions. It does not contain an authorization to accelerate or reduce the cutting of timber. It does not place any one use over another in terms of priorities. It fully continues the requirement that due consideration shall be given to the relative values and the various resources.

The Program is to cover both funding for current operations as well as investments, and the latter are expressed for good and obvious reasons. The record has shown that this has been the greatest lag in meeting investment opportunities and obligations. This has perhaps occurred because the realization of these benefits will occur in the *future*, and the avoidance of expenditure *today* always has considerable appeal.

A key feature of this legislation is that it attempts to prevent short-sighted current actions which will short-change future generations. The use of the terms "total related benefits" and "direct and indirect returns" signifies that the broadest set of standards will be applied to Assessment and Program construction, rather than some sort of narrow profit and loss statement.

The bill provides that the Program shall include, but not be limited to "(1) An inventory of a full range of specific needs and opportunities for both public and private program investments."

As to the 750 million acres of forest and 600 million acres of range land, a total national program concept is to be recommended to Congress. Obviously, the Act does not provide that the submission of a Program authorizes new public investments in private lands or private investments in public lands. The Program can recommend what the private sector ought to do in the areas under its direct management, what the public sector ought to do to aid private efforts. The Program can display how the private sector may wish to suggest investments it may propose in public lands and resources. The Committee does not express a view on the desirability of such an approach. It would keep an open mind in assessing any new concept that may be put forward.

Also Section 4(2) calls for "Specific identification of Program outputs, results anticipated, and benefits associated with investments" so that costs can be compared to related benefits and direct and indirect returns to the Federal Government. This discussion will help focus on what the Federal level of activity ought to be and the reasons therefor."

Section 4(3) provides for "a discussion of priorities for accomplishment of inventoried program needs." In estimating the proposed public effort it would be appropriate to signify the degree of certainty that the private sector will proceed with its programs on private lands.

Section 5.—National Forest Resource Inventories:

With new systems of information retrieval it is increasingly possible, and necessary, to maintain on a continuing basis, comprehensive and detailed inventories of all of the National Forest System lands and renewable resources. This data must be kept current and identify new and emerging resources and values. This section directs that this be done. It will assist in making certain that the benefits envisioned will be recognized and that oncoming problems will be quickly sensed.

The display of inter-related data, rather that the present procedure of treating each resource or use as somehow independent, will do much to assure that professional and public understanding of goals can move the total Federal effort ahead more harmoniously.

Section 6.—National Forest System Resource Planning:

The plans referred to in this Section are the basis for the Program called for in Section 4 as it relates to the National Forest System. This section sets forth that planning in the National Forest System lands will be developed and maintained and revised as appropriate. It does not provide authority in the Forest Service to institute planning on non-Federal land.

However, National Forest System plans are to be coordinated with the land use planning processes of state, local and other Federal agencies to the extent that they have such plans. This will prevent overlap and wasteful duplication. It will give the states a greater opportunity to be aware of the land use planning process within the National Forest System, and it will insure more effective coordination with this planning. Land use planning within the National Forest System is already authorized, and is being carried out under the provisions of the Multiple-Use Sustained-Yield Act of 1960. It is desirable that plans on the lands within the System give major consideration to their impact on plans developed by state or local governments. For example: the Forest Service road network has impacts on the State and local roads systems.

The further requirement that such plans shall use a systematic interdisciplinary approach to achieve integrated consideration of physical, biological, economic and other sciences, is designed to assure that a balanced, comprehensive methodology will be employed.

Section 7.—Cooperation in Resource Planning:

This section requires that the Assessments, resource surveys and Programs prepared under this legislation will be made available to States and other organizations for their planning on the protection, use and management of renewable resources on the non-Federal lands they have as their responsibility. It does not authorize Federal planning on non-Federal lands.

The Committee expects that there will be a high order of Federal inter-agency cooperation and information sharing.

This section is designed to foster a spirit of full participation and mutual leadership on the part of the much larger, and often more significant, non-Federal landowner group in the process of planning the protection, and management of the renewable resources under their charge.

The Committee takes note that 69 percent of the 1.2 billion acres of forest-range ecosystems in the contiguous 48 states are in the hands of non-Federal owners. Federal lands, including the National Forest System lands, do not possess unusual qualities of productivity which suggest that they can be relied on to provide a share of the output of any economic resource that is disproportionate to their share of the total ecosystem. Nevertheless, more intensive multiple use management is clearly necessary on the major portion of the System lands not legally placed in the Wilderness System or where other factors mitigate against intensive management. Thus the actual productivity may be brought up to the System's proportionate productivity potential as designated in the Program with full consideration of proper constraints.

Further, it is recognized that the American people look to the National Forest System to provide major opportunities for outdoor recreation and Wilderness, as well as wildlife and watershed protection. In line with this the Congress has already directed that these expectations be considered in planning programs on Federal lands.

Section 8.—National Participation:

Subsection (a) of Section 8 provides that the Secretary is to provide through regulation for the use of hearings, meetings, advisory groups and other participatory mechanism, for the development of the Assessment, Program, resource inventories and planning provided for in the legislation.

The public is rightly seeking a greater voice and participation in the decisions which go into government policy making. Therefore, the Committee has provided that the regulation process will be used to inform the public of the systems of public participation.

However, other appropriate systems of communication may also be used for the public to express itself in a comprehensive way. The Committee desires that the public know that it is truly being consulted on policy issues, and that the public input is making a difference in the Program put forth. This process should help to limit procedural controversies and improve subsequent discussions of substantive issues.

Subsection (b) of Section 8 provides for the transmission of the Assessment and Program on the first day of Congress in 1975 and following each updating as set forth in Sections 3 and 4 of the legislation.

Subsection (c) provides for Congressional hearings and, within one year after submission of the Assessment and the Program, the adoption of a resolution by Congress which sets policy to guide the President in framing budgets of the Forest Service and related agencies for the five or ten year Program period beginning in each Congress.

The intention is that the Assessment will look far enough into the future to give a responsible presentation of the long and short term outlook.

The Congress and the Executive will use the Assessment for a 10-year period, subject to possible modification, as is provided for in Subsection (d), based on new facts or significant changes.

The Program is to be set forth in detail for a five year period, year-by-year. For the second period and ensuing periods, it will not be in such annual detail, but it will show the overall effort planned for these periods. For each of the succeeding four decades, it will be in broad, yet reasonably measurable terms, so as to set goals and directions.

The Department of Agriculture recommended a change in language so that the President would only have to "consider" the Program in framing budgets, rather than using it as a "guide." The argument is made that the term "guide" restricts the flexibility of the President.

This it certainly does not do.

What the legislation does is make it clear that this Program is a "guide"; thus it is one of several possibilities. The President takes into account fiscal issues, the national defense and general welfare as other "guides" in formulating overall budget policy. He is required under this language simply to consider the Program as the guide in setting resource conservation criteria.

Subsection (e) of Section 8 requires that in the event that the President does not submit to Congress a budget that accomplishes the policy, he is to set forth the reason or reasons he has not done so. This is a clear recognition of the flexibility provided to the President, and it insures that the President's position on the environmental resource budgets involved are clearly stated.

This will require that the "trade-offs" be clearly outlined and thus it is fully consistent with the other language included in the bill inserted at the request of the Department that requires the Program in Section 4 to show "program outputs, results anticipated, and benefits associated with investments in such a manner that the anticipated costs can be directly compared with the total related benefits and direct and indirect returns to the Federal Government." Since the Department was anxious to have these detailed requirements in the formulation of the Program that the Congress will have before it to set policy, it is the view of the Committee that this same concept should follow through in the presentation of the budget. The budget like the Program therefore will require that the Executive "show and tell", in order that in each step of the process the best and most enlightened decisions can be made with all the facts before the Congress that were used by the Executive. The result will promote sound budgeting from start to finish.

Subsections (f) through (i) tie the package together, providing the Congress with information which evaluates in a detailed manner the stewardship of the Forest Service over the Program, given current budget and manpower levels.

In other words, the legislation provides for an Assessment of the situation and needs, followed by goal-setting, through the Program which is then all tied together by detailed evaluation of how the Program is being carried out.

The language of these subsections was prepared with the cooperation of the Systems Analysis Division of the General Accounting Office. It is expected that at appropriate times the General Accounting Office will assist the Committee in the evaluation process as a means of providing true oversight.

The evaluation principle is essential. Currently the Annual Report of the Chief of the Forest Service reveals very little on performance (however, this is often true of similar reports from other agencies). Further, these reports are usually issued at a time so far after the close of the fiscal year that they are of little value for budget planning purposes.

For example, the last such report was issued on April 3, 1972, and it covered two preceding fiscal years (1970 and 1971). Therefore when the budgets for fiscal years 1973, 1974, and 1975 were presented to the Congress, the public and the Congress were without a report from the Chief of the Forest Service for even the most recent year. Also the reports are not analytical and do not indicate program effectiveness except in general terms.

Subsection (g) details types of things shall be set forth but does not act to limit the scope of useful evaluations.

Subsection (h) requires that the report set forth plans for corrective action where there are shortcomings and where recommendations for new legislation are warranted.

Subsection (i) deals with the structuring of material in the body of the report and its appendices. The Annual Report now consists of a limited writeup and tables. These are of low utility and interest because, among other things, (1) they fail to reveal facts essential to meeting management objectives; (2) they do not focus on issues; and (3) they are late in being issued.

Examples of shortcomings in the last Forest Service Report are:

1. Lands Administered. These data do not reveal private inholdings and whether they impede or aid management; they do not reveal acquisition or disposal goals in terms of adjusting the pattern of land ownership via exchange or purchase; and they do not readily show the net change in ownership and the reasons therefore despite the substantial programs and authority that exists in land management.

2. Receipts and expenditures. These data are most abbreviated and do not meet any standard of fiscal explanation.

3. Recreation. There are 3 tables displayed here which give only minimal facts on which to gauge the effectiveness of recreation programs. The Use figure lists everything from camping, and gathering forest products to travel and winter sports. However, none of these is presented in a way that gives a measure of the strain on or the need for certain types of facilities and activities.

4. Big game harvest. This table lists the legal harvest of selected big game species. It gives no clue on the condition of the game habitat and totally ignores the fish, bird, and small game harvest. Even more significant there is no absolute void of analysis and data on wildlife population trends. The table on wildlife habitat improvement is so abbreviated as to give no idea of improvements in relation to need and their geographical pattern.

5. Grazing. The Chief's report gives one column to this vital area and no discussion of national forest and grassland grazing issues. The one abbreviated table shows a few national statistics on numbers of livestock grazed, numbers of permits and an unsubstantiated figure on livestock losses.

6. Timber is treated with a very limited discussion followed by tables on number, volume and value of timber sold, volume and value cut, acres given stand improvement and planting. Considering the substantial significance of both forest resource management and timber harvesting on the national forests, the treatment is totally deficient.

7. Roads and trials. This major investment program is given only the most cursory highlight and tabular treatment.

8. State and private forestry. This topic is treated more substantially than are key elements of the management of the National Forest System. However, the text and tables are not readily relatable and do not give a perspective to this important function.

9. Research. A topical approach is used without an effective overview and there is no tabular material on either funding or programs to provide a basis for judgments.

It is expected that under this legislation the Annual Report would not only be issued on a more timely basis but also would be a more useful document.

Section 9.—National Forest System Program Elements:

The 187,000,000 acres of forest and rangeland embraced in this National estate is a vital national asset. There has been a wide ranging debate over how these lands should be managed, whether management systems and practices are properly and effectively applied, and whether necessary priorities are being observed.

In this legislation, the Committee has made every effort to include concepts that are broad in character and which are designed to bring before the public and the Congress factual data on which to base future decisions.

The reforms are in method and procedure, preserving professional management flexibility to promote proper action by those charged with carrying out programs. This section sets forth broad guides in two areas.

Subsection (a) states that in full accord with the concepts for multiple use and sustained yield of products and services as set forth in the Multiple-Use Sustained-Yield Act of 1960, the Secretary shall take such action as will assure the development and administration of the renewable resources of the National Forest System. The term "development" is used in its broadest context. In cases where no activity achieves an authorized use, the proper level of "development" would be attained. At the same time, where intensive interrelated activities are required on a regular and comprehensive basis such a course would be charted.

Wise management is based upon facts and takes into account emerging, tested knowledge. Since we are constantly learning it would hardly be productive to try to cast into legislative fiat prescriptions for management.

Subsection (a) enunciates as policy the goal that by the year 2000 the renewable resources of the National Forest System will be in an operating posture whereby all backlogs of needed treatment for their restoration shall be reduced to a current basis. The purpose of this general instruction is to provide a target for planning that will assure scheduled attention for the millions of acres in the National Forest System that will benefit from such things as forest stand improvement, reforestation, recreational facility modernization and improvement. The second requirement is that by the year 2000 the major portion of planned intensive management procedure shall be installed and operating on an environmentally sound basis.

The intensive management procedures contemplated are actions that stimulate a high yield of the various resources on a balanced basis. Examples are: forest growth stimulating techniques; range management systems that encourage the timely growth of browse species; fish and wildlife habitat conditions that promote a healthy population of various species; and recreational provisions that assure constructive public use. These are the concepts well established by the Multiple-Use Sustained-Yield Act of 1960.

This two-part instruction aims to: (1) wipe out the backlog of now lagging work so that the entire National Forest System will have the plant, animal, soil, water and air output that is ecologically sound; and (2) assure that at least half of the recognized intensive management procedures for optimum realization of future outputs will be installed and operating.

While the target year has been set, the Act does not set precise goals—quantitative and qualitative. These would be recommended in the sections of the Act which provide for the Assessment and the Program. As to action to eliminate backlogs, the Act will set three bases for reduction or termination of effort: (1) elimination of the backlog; (2) a showing that the cost to treat the balance exceeds the economic and environmental benefits; or (3) total supplies of the renewable resource of the United States are projected as adequate to meet the future needs of the American people.

These tests will act both as a spur to proper action on a timely basis and as a brake against needless actions which possess insufficiently economic and environmental benefits to justify the expenditure of funds.

It is intended that the total national situation will be used in testing and suggesting the required effort in the National Forest. It is proper, if, for example, private efforts will not raise forest restoration efforts to needed levels, for the Forest Service to seek to close the gap by growing as much timber as can be properly grown. However, it is not the intent of this Act to propose that harvest levels on the National Forest System should exceed the ability of the National Forest lands to grow timber, backed up by the action needed to grow it. Rather, the National Forest System is viewed as an entity which will make its proper national contribution if managed as an entity. Its reserves of standing timber are not a pool to be tapped because timber in other ownerships has been liquidated without regard to the sustained yield capacities of that land, or to satisfy domestic and export demands that, if met now, will exacerbate future supply problems. These are not actions consistent with the 1960 Multiple-Use Sustained-Yield Act.

Subsection (b) Forest Roads and Trails, deals with the transportation system to service the National Forest System. The Congress declares that its installation shall be carried forward in time to meet anticipated needs on an economically and environmentally sound basis and that the choice of financing methods will enhance local, regional, and national benefits.

There are two basic means for financing needed forest road construction:

(1) Direct appropriations

Under 16 U.S.C. 501, 10 percent of Forest Service receipts is allocated to road construction, currently about $40 million yearly. The biennial Highway Act sets an authorization for Forest Development Roads and Trails. In fiscal years 1972–74 it was $170 million a year. For fiscal year 1975, and fiscal year 1976 it is $140 million a year.

The combined amounts would have permitted an appropriated fund program of $193 million in fiscal year 1972, $203 million in fiscal year 1973, $211 million in fiscal year 1974 and $180 million in 1975.

In the period fiscal years 1973–75 the unfunded backlog of authorizations has risen from $327 million to $503 million due to failure to use authorizations.

(2) Backdoor spending

Authority also exists in the Act of October 13, 1974, to reduce the appraised price of timber by the "estimated" cost of the roads needed to remove that timber. This is not subject to budgetary control. The level of revenue reduction in fiscal year 1972 was $100 million, rose to $135 million in 1973, jumped to $173 million in fiscal year 1974 and is proposed at $187 million in fiscal year 1975.

For the National Forest System roads are constructed by three methods:

(1) a few roads are built by Forest Service employees using appropriated funds;

(2) some are built under contracts let by competitive bid to private road construction firms using appropriated funds; and

(3) many are built by timber purchasers (who may do it directly or sub-contract the job) being "reimbursed" by a reduction in the price paid for timber in a sale by the "estimated" cost of the road (including an allowance for profit and risk).

These three basic methods were provided for in the Act of October 13, 1964 (16 U.S.C. 532–538).

Each method has its advantages and disadvantages. Each method has a reasonable role. In each of the recent Congresses the report of the biennial Highway Act has urged the Executive to make full use of the authorization to build roads with appropriated funds and to de-emphasize dependence of securing roads under timber contracts thus, among other things, reducing timber sale revenues. The key reform in this section is to provide that in the budgetary process the entire road program will be considered as an entity.

There is no restriction in the bill on the flexibility, now in law, on the use of the authorizations, either as to allocation to road and trail construction, reconstruction, maintenance, engineering or supplementing timber purchaser construction.

However, should the Executive elect not to request the current authorization, or should it impound the amount thereof appropriated, the same reduction shall apply to the backdoor spending authority, which has adverse effects on national forest revenues, payments to counties from revenues and other elements of the road program.

The back-door spending authority is unique. It permits the Forest Service to reduce the appraised asking price for timber by the estimated cost of securing the permanent road needed to harvest the timber on that sale in order that the timber purchaser perform that task.

In fiscal year 1972 the Forest Service had a total road and trail program of $271 million of which $171 million was supported by appropriations and $100 million was supported by revenue reduction. In the process, $21 million of appropriated funds were allocated to support the engineering and supplemental financing of the revenue reduction system.

In fiscal year 1974 the Service has a $303 million total program of which $130 million was supported by appropriated funds and $173 million by revenue reduction. Further, the support cost for the revenue reduction method for engineering and supplemental construction had risen to $79 million. Even more significantly, in 1972, out of the $171 million in appropriated funds, $111 million was allocated for road and trail construction and reconstruction.

In 1974 the lesser $130 million program had been so tilted that a mere $8 million of the appropriated funds is allocated to road construction; there is no trail construction or reconstruction and the only road construction is associated with timber production.

The proposed 1975 budget further exacerbates the problems. Out of the $146 million request for appropriate funds, only $8 million will be used for construction, but $90 million will be used to supplement and engineer timber purchaser roads. The revenue reduction backdoor spending component, which is not visible in the budget, is projected for 1975 to climb to a record $187 million. It will likely be even higher since the 1974 estimate of $142 million now is projected to be a $173 million revenue loss.

One result is a "revenue taking" from counties. This taking, which was $25 million in 1972, will reach possibly $50 million in 1975. In the meantime over $30 million of current authorization will languish unused. The total unfunded contract authority for roads and trails, which was $327 million in 1973, will have risen to $503 million. Within three years, program flexibility as been eliminated.

This is the *only* Forest Service program where the agency has the authority to "appropriate" revenue without any Congressional control or any standard spelled out in law as to when and how this may be done.

For example, under the Knutsen-Vandenberg Act (16 U.S.C. 576 (b)), reforestation and stand improvement work is authorized out of revenue on lands cut over in a timber sale. There is a limitation that the fund collected may not exceed costs for the contemplated work when compared to costs on comparable national forest lands during the previous three years.

The payments, which act to reduce revenues from the sale of timber, must be deposited with the Forest Service, maintained in a special account, spent only on those lands. These payments are spent either directly by the Service or under contract to firms who bid to do reforestation or stand improvement work.

However, when timber purchasers are granted a reduced price to construct a road under a timber sale contract, the amount of reduction is based on the "estimated cost" for a road that may not have yet been designed (in fact the purchaser may subsequently design it under a design allowance in the timber contract), there is no "special account" created into which funds are placed, and thus no accountability on the part of either the Forest Service or the timber purchaser.

Since the allowance may cover both temporary roads and permanent roads, it is impossible to tell what was actually done under the "allowance." In fact, since the whole procedure is based upon the use of the "estimated cost", rather than a bid price to construct roads, the timber purchaser may incur a loss if his actual cost exceeds the Forest Service estimate or he may secure a windfall if his actual cost is less than the "estimated cost."

The Secretary has adequate rulemaking authority already to revise procedures. The reform that is proposed in this legislation goes to the broader policy issue; the unwillingness of the Executive to voluntarily follow the request by the Congress that greater use be made of appropriated funds under the Highway Act and 16 U.S.C. 501 authorizations to secure roads that will become a part of the permanent National Forest Transportation System.

There is another impact of the failure to use authorizations and reliance on revenue reductions. The allocation of appropriated funds to timber purchasers to supplement the cost of road construction and for engineering, surveys, plans and supervision *of* timber purchaser work jumped from $21 million in 1972 to $90 million in 1975.[1]

In the past three years, there have been growing demands upon the National Forests to provide more of every one of the multiple uses and resources and insistent demands that there be better forest management and that timber be better offered for sale. Despite all of these facts, the appropriated funds available to construct permanent roads has declined from $100 million to virtually nothing; the dependence on timber purchaser construction has almost doubled and constitutes the entire road program. In addition, the resultant revenue reductions, which in 1972 had an adverse impact on the counties of $25 million, will jump to about $50 million in 1975.

The Committee recognizes that where roads are intended only for that timber sale and

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Footnote at end of article.

are not to become a part of the permanent road network that timber purchaser construction may be a mutually beneficial way to proceed.

There are also instances where a permanent road can be constructed by the purchaser under a timber sale contract, especially where the road needed would be at the standard that a prudent businessman could use in that instance. The timber purchaser should neither be expected nor forced to be a major road contractor, but rather the terms and conditions of the sale should be those which enable him to promptly cut and remove the timber thereon.

The record shows that the Executive has often failed to use the authorized levels of road funds and has substituted heavy reliance on a method that has several inherent shortcomings.

Rather than incorporate an outright curb on the use of timber purchaser construction and revenue reduction, the Committee has selected a middle course which imposes a limit on revenue reduction method of securing road construction if the budget request is for the amounts authorized as described in this subsection and whatever amount is appropriated is not subsequently impounded.

Therefore, had this subsection been in effect during this period, the Service would have been able to carry out about the same total construction program at no greater cost.

The language of the Act will maintain the essential need for flexibility but changes the order—regular authorized funding will become the first priority, and revenue reduction and back-door uncontrolled spending will become the second priority—but need not be diminished.

The Forest Service estimates that it needs a total transportation network of 338,000 miles to carry out effectively multiple-use, sustained-yield management. The present network is only 198,000 miles—less than 60 percent of need. In addition, 144,000 miles or over 70 percent of the existing network is in need of reconstruction.

Even if the Assessment shows that there is a substantial error in the current estimate, it can be seen that a very substantial backlog exists, and the currently misaligned priorities in funding are counterproductive.

The Committee has also included language at the end of this subsection which is designed to further assist the counties by requiring the Secretary to give due consideration to actions which may unduly impair the revenues that counties receive in determining where to use which fund source.

The purpose of this language is to promote a reasonable allocation of methods of securing construction of roads so that a few counties do not have their already low level of payments of revenues reduced or diminished by undue reliance on timber purchaser construction contracts in their local forest while another national forest, with more substantial payments to its counties, receives substantial assistance in road construction via appropriated funds. For example, the reliance on timber purchaser, revenue reduction construction in a county that receives a payment in lieu of taxes from the national forests of $9.00 per acre is far less than it is on one whose payments are 50 cents or only 15 cents per acre.

Section 10.—National Forest System Defined:

Subsection (a) places in law the definition of the lands that are considered to be a part of the system and incorporates the term "National Forest System" into law. The lands in the national forests are of diverse origins; some are original public domain, others were purchased under laws, or secured by donation or exchange or other means. It is the purpose of this subsection to state that all lands administered by the Forest Service are, in fact, part of a National Forest System.

Subsection (b) provides that field offices, such as District Rangers and Forest Supervisors, and Regional offices shall be so situated as to provide the optimum level of convenient, useful service to the public. Priority shall be given to the maintenance and location of facilities in rural areas and towns near the National Forest and Forest Service locations. The standards of Section 901(b) of the Act of November 30, 1970 (84 Stat. 1383), as amended, are established as the guide. This will permit the Forest Service to make orderly adjustments in the assignment of lands to a particular management unit such as a Ranger District and to adjust local field offices when these improve the service. It also would set a standard that would have to be observed in possible realignments of Regional Offices.

In its action on S.J. Res. 134 of this Congress (Report No. 93–337) this Committee expressed the need for maintaining the Forest Service's excellent organizational structure and key office location.

FOOTNOTE

[1] 16 U.S.C. 535 states:

"That where roads of a higher standard than that needed in the harvesting and removal of the timber and other products covered by the particular sale are to be constructed, the purchaser of the national forest timber and other products shall not be required to bear that part of the costs necessary to meet such higher standard, and the Secretary is authorized to make such arrangements to this end as may be appropriate." Pub. L. 88–657, Sec. 4, Oct. 13, 1964, 78 Stat. 1089.

This language prevents the Forest Service from requiring that a timber purchaser construct a road on a timber sale at either the standard needed to harvest timber in the entire drainage based upon its allowable cut or to require a road at multiple use standards, even if the Service reduces the price of the timber by an amount sufficient to cover the "estimated" cost of the higher standard road. Thus, the only way the Service can get a permanent road at the standard needed for permanent management to meet future needs when a timber purchaser is constructing the road is to supplement his allowance for the timber sale road with appropriated funds if he is willing to so cooperate.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., November 21, 1973.

Hon. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: As you requested, here is our report on Amendment 641 to S. 2296, the "Forest and Rangeland Environmental Management Act of 1973."

The Department of Agriculture agrees with the general objectives of the Amendment. Many of the activities addressed by this legislation are presently being undertaken under existing authorities. While the Amendment would broaden and strengthen existing statutory authorities, it would also limit Presidential flexibility in a number of respects. The Department of Agriculture therefore recommends enactment of the Amendment only if modified along the lines suggested herein.

The Amendment to S. 2296 sets forth various findings relating to the renewable nature of forest and rangeland resources, the role of the Forest Service in administering these resources, the need for comprehensive planning for the renewable resources of America's forests and rangelands, and the need for proper levels of funding and investments in forest and related resource management.

Section 3 of the Amendment would require the Secretary to prepare a Renewable Resource Situation Assessment which would include a detailed presentation and analysis of (1) current and anticipated use, (2) supply of and demand for renewable resources, (3) an inventory of present and potential renewable resource yields, (4) opportunities for increasing yields of goods and services, and (5) a description of Forest Service programs and responsibilities, as well as a discussion of important policy considerations expected to significantly influence the use and management of the Nation's forests and rangelands. Section 4 would provide for the development of a long-term Renewable Resource Program to be submitted by the President to the Congress for each of the next five decades. Section 5 would direct the Secretary to develop and maintain inventories of all National Forest Systems lands and resources. The Amendment would also require land use and resource planning for units of the National Forest System, cooperation with the States in resource planning, and public participation in the development of the Assessment and Program. In addition, the Amendment would require the Secretary to determine optimum management levels for the renewable resources and authorized uses of each National Forest management unit. Section 9 would also set the year 2000 as the target year when all backlogs of needed conservation treatment for the National Forest System shall be completed. The Amendment would declare the importance of a "proper system" of transportation in the National Forest System by requiring that the full amounts appropriated for forest roads, trails, and highways be requested and expended each year by the Forest Service.

Amendment 641 is an expression of concern over the demands and conflicting pressures being placed on the Nation's forest resources. The legislation is timely, as it follows closely upon the recent release of the "Report of the President's Advisory Panel on Timber and the Environment" and the "Outlook for Timber in the United States," which was prepared by the Forest Service of this Department. Both of these reports conclude that significant improvements in management of the Nation's forest and related resources must occur if future demands for these resources are to be met at reasonable prices.

A better-defined, long-range perspective on national forestry programs is a prerequisite to meeting future demands for forests and related resources. We believe that joint consideration by the Congress and the Administration of the state of the Nation's forest resources, the anticipated supply, demand, and pertinent price trends for these resources, and costs of alternative approaches related to specified program accomplishment will benefit formulation and sound national forestry goals, assist in the establishment of meaningful investment priorities, and help to assure program accomplishment.

We therefore support the basic requirements of Amendment 641 that the Secretary of Agriculture periodically develop a National Assessment and a long-range Renewable Resource Program to be transmitted to the Congress by the President with his recommendations. The Amendment would strengthen present Forest Service planning efforts by providing a stronger statutory base for the development of a long-range forest resource plan, supported by adequate analysis and resource inventories.

We have also enclosed a revision of the Amendment which incorporates a number of proposed changes. Our revision reflects and remedies two major concerns.

First, we are concerned with those aspects of the bill which would restrict Presidential flexibility and discretion in preparing annual operating plans and attendant budget requests. It is essential that the President retain the flexibility to accommodate changing economic and social conditions and to exercise his judgment in the budgetary process on the appropriate balance among all worthy public programs. The regular appropriations process allows ample opportunities and an orderly process for questioning Presidential fiscal priorities and should continue to be relied upon as the appropriate forum for handling budget questions and issues.

Second, we urge that the scope of the Assessment and Resource Program be limited to "forest and related renewable resources." As now phrased, the Amendment would require the Secretary to assess and present programs for all renewable resources. This broad terminology could lead to an overlap and conflict with renewable resource assessment and program planning efforts performed by other agencies of the Federal government. We would prefer to define the scope of a "Forest and Related Renewable Resources Assessment" as including those matters currently within the purview of the National Forest System, State and Private Forestry, and Forestry Research responsibilities and authorities of the Forest Service.

Our detailed comments and suggestions for Amendments are included in the enclosed Supplemental Statement.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

Enclosures.

Note: The Supplemental Statement follows, and the proposed revised language is on file with the Committee.

USDA SUPPLEMENTAL STATEMENT ON AMENDMENT 641 TO S. 2296 "THE FOREST AND RANGELAND ENVIRONMENTAL MANAGEMENT ACT OF 1973"

Section 2—Findings

The Amendment sets forth a number of findings which declare the importance of renewable resources, their conservation, and their wise management to the Nation's ecological and economic well-being. The findings also recognize the total mission and role of the Forest Service in managing and protecting renewable resources and specifically describe the National Forest System and its mission. In addition, the findings express the need for comprehensive inventories and planning to secure the greatest net benefit from Forest Service programs and the need for proper levels of funding and investment in the various activities and programs of the agency to assure optimum benefits.

Subsections 2(a)–(c) relate directly to policy set forth in the National Environmental Policy Act and are not unique to the purposes of this legislation. We therefore suggest that these subsections be deleted.

To simplify subsection 2(d), we suggest that this subsection be amended to read as follows:

( ) the United States is richly endowed with land bearing, or capable of bearing, forest trees and associated forage as principal vegetal cover, which lands by their very nature produce, or are capable of producing, multiple renewable resources, products, and benefits.

Subsection 2(f) recognizes the total mission of the Forest Service and defines the National Forest System. Statutory recognition of the National Forests and related lands as an identifiable public lands system would help the public understand the role of the National Forests and the contribution they make collectively to the Nation's economic and social well-being. Identifying the National Forest System in this way would parallel acts which have established and recognized the National Park System and the National Wildlife Refuge System. We suggest that this identification be accomplished through affirmative language rather than as a "finding." Section 10 of our proposed revision contains such specific language as a substitute to that found in the latter part of subsection 2(f). We therefore suggest subsection 2(f) end with the phrase "and through the management of the National Forest System" and that the remainder of the subsection be deleted.

Subsection 2(h) of the findings contains an apparent printing error and is vague. To clarify the intent of this finding, we suggest that the provision be reworded as follows:

( ) proper levels of funding for investment in the various activities and programs of the Forest Service are essential to achieving and sustaining an optimum flow of benefits from forest and related resources.

Subsections 2(i) and (m) essentially duplicate each other, as well as subsection 2(f). The purpose of these subsections is to emphasize the integral nature of the three basic program objectives of the Forest Service. Subsection (f) accomplishes this by describing the Forest Service mission. We therefore suggest that subsections (i) and (m) be deleted from the findings. Our suggested revision of subsection (k) of the Amendment eliminates language which is redundant and does not parallel basic provisions of the Multiple Use-Sustained Yield Act. Our suggested revision of subsection 2 (l) emphasizes the full range of factors that bear on Forest Service organizational design.

Section 3—Renewable Resource Situation Assessment

As indicated in our cover letter, we believe it is important to clarify the scope of the Assessment and to restrict its content to be consistent with present responsibilities of the Forest Service. Accordingly we suggest that the title of the Assessment be changed to "Forest and Related Renewable Resource Assessment." Our proposed revision rewords each reference to "renewable resources" to reflect this change.

Our ability to analyze trends and to formulate effective forestry programs depends upon comprehensive data on forestry and related resources. We therefore support subsection 3(b), which would strengthen the Forest Survey authorized by the McSweeney-McNary Act of May 22, 1928 (45 Stat. 702, as amended, 16 U.S.C. 581h). Express broadening of the focus of the current Forest Survey from surveys of timber to surveys of all forest and related resources will assure the availability of data necessary to prepare the Assessment, and will greatly assist the formulation of long-range resource plans by the Forest Service, other Federal agencies, States, conservation organizations, industry groups, and others.

Our proposed revision would also require that cost, price, and other economic factors be analyzed as a part of the Asssessment. These factors must bear on any comprehensive resource evaluation.

Section 4—Renewable resource program

We support the concept of a long-range forestry and related resources program which would present a range of alternative objectives and associated programs, related costs, accomplishment targets, schedules, and a discussion of priorities related to the various alternatives. We believe such a program could provide the Administration and the Congress with a reliable and useful perspective on national forestry needs, issues, and opportunities, and would lead to improved agency decision making and program formulation. We propose that the title of this planning document be amended to read "Forest and Related Resources Program."

Section 4 would require development of a specific ten-year program, for each of the next five decades. Under section 8 of the Amendment, the program would be sent to Congress every ten years.

We believe it is unrealistic to seek to prepare detailed program schedules and recommendations spanning a 50-year period. Economic and other considerations fluctuate so often that projections and recommendations beyond a five- or ten-year period generally lose validity and relevance.

We agree that a long-range Forest and Related Resources Program should be submitted to Congress at intervals not to exceed ten years. We contemplate that such a program would cover a ten-year projection and program period, with greater detail for the first five years.

The Program should display alternative objectives and associated programs, rather than only one program recommendation. It should include specific identification of program outputs, results and benefits as well as an inventory of program opportunities. Such a display will aid both Congress and the Executive Branch in weighing the impacts of short-term decisions, not only on future yields of forests and related resources, but on other national considerations, including fiscal and economic policy.

Appropriate amendments to provide for our suggested approach are included in sections 4 and 8 in our proposed revision of the Amendment.

For the framework for long-range planning, we would rely on the Forest and Related Resources Assessment, which, as required by section 3(a) of the Amendment, would deal with trends in resource use and demand.

Section 5—National forest system resource inventories

We recognize the need for assembling resource data on individual units of the National Forest System. The effect of section 5 would be to emphasize current on-the-ground inventory efforts under existing authority and to provide an essential base of information for developing the Assessment and Resource Program as set forth in sections 3 and 4. With a technical amendment included in our proposed revision, we would have no objection to this section.

Section 6—National forest system planning

This section would require the Secretary to develop, maintain, and revise land and resource use plans for units of the National Forest System and to use a systematic interdisciplinary approach in this planning.

Land use and resource planning are, of course, integral to the management of the National Forest System and have long been a routine component of National Forest System administration. The Forest service has adequate authority to engage in all such unit planning and has for some time now utilized an interdisciplinary mix of skills and professions in developing our land use plans. The effect of section 6, therefore, would be to give emphasis to agency land use planning efforts rather than to grant new or expanded authority.

In our proposed revision, we have added economic sciences to the listing in subsection (b).

Section 7—Cooperation in resource planning

This section would assure that the data gathered and presented in the Assessment and Resource Program are made available to the States for use in their land use planning efforts. Our proposed revision includes this section with some clarifying amendments.

Section 8—National Participation

This section provides for public participation in the preparation of the Assessment and Resource Program and review by Congress. It would also require the Secretary to promulgate regulations governing public participation.

In our proposed version, we have deleted the formal requirement for regulations in subsection (a). Regulations could still be utilized, but other means for outlining procedures for public participation may be more appropriate.

Subsection (b) establishes the schedule by which the Secretary would prepare the Assessment and Program. As covered in our discussion of section 4, we suggest that the Assessment and Resource Program be transmitted to the Congress at not less than ten year intervals.

Subsection (c) would provide that the statement of policy adopted by the Congress would be a "guide" to the President in forming the fiscal budgets. To assure Presidential flexibility or revision would provide that the statement of policy would be "considered" by the President.

Subsection (e) would require the President to qualify and quantify the degree to which each annual budget request meets the forestry policy set by each Congress and to justify any request which would fail to meet such forestry goals or policy set by the Congress. Such requirements imply that the guidelines which Congress would establish pursuant to subsection (c) would, in fact, be restraints upon the President's ability to develop the annual budget in a manner to reflect his judgment of the appropriate balance among all worthy public programs. These provisions would reduce Presidential flexibility to accommodate and reflect economic, social, and trends and fluctuations in the annual budget. We, therefore, recommend that subsection (e) be deleted. The regular appropriations process allows ample opportunities. We believe the appropriations process should continue to be relied upon as the appropriate forum for handling budgetary questions and issues.

In our proposed revision we have included technical amendments to subsection (f). As now phrased, this subsection would now call for evaluation of programs authorized by the Act. Since no programs are authorized by the Amendment, this subsection should be amended to provide for evaluation of the component elements of the Resource Program.

Section 9.—National Forest System Program

Subsection (a) would require the Secretary to determine optimum management levels for renewable resources and authorized uses of the National Forest System. We believe this provision is duplicative, and unnecessary, since the Resource Program set forth in section 4 would be an expression of various levels of mangement and would contain projections and analyses of alternative levels of resource management.

Subsection (b) would set the year 2000 as the target year for completing all backlogs of needed conservation measures on National Forest lands. This target may not be realistic and could reduce Presidential flexibility over a long period of time to frame annual budgets as he judges appropriate. The goal of reducing backlogs is one which we are striving to accomplish, but a range of circumstances created by the economy and nature herself mitigate against fixed targets. We, therefore, recommend that subsection (b) be deleted from the Amendment or rephrased to give emphasis and direction without specific target dates.

Subsection (c) would declare that a "proper system of transportation to service the National Forest System" will aid "proper attainment of goals . . ." and that methods of financing forest roads and trails can benefit local communities, regions, and the Nation. Under this provision the Forest Service would be required to request each year the full amounts available under 16 U.S.C. 501 and 23 U.S.C. 205. If the Secretary were to request less than that amount, he would have to reduce, by an equivalent sum, the value of roads constructed by timber purchasers in return for reduction of the appraised price of timber. Moreover, in using timber purchaser construction the Secretary would be directed to consider avoiding actions which would unduly impair revenue to counties within the National Forest System.

We recommend that subsection (c) be deleted. Its provisions would further restrain Presidential flexibility in developing the annal budget. The requirement that road construction by timber operators be adjusted downward when budget requests are less than the full amounts available for forest roads and trails would hinder efforts of this Department to operate in the most efficient manner and to assist in reducing Federal spending and cash outlays to help fight inflation. Moreover, it would tend to restrict our ability to use combinations of funding procedures to construct roads and trails as authorized by the Act of October 13, 1964 (78 Stat. 1089).

Section 10—Organization

This section would require that Forest Service offices be located to provide optimum levels of "convenient, useful services to the public." First priority would be given to locating and maintaining offices in rural areas.

This Department has always given emphasis to the location of USDA facilities and personnel in rural areas. In fact, the very nature of the mission of most USDA agencies necessitates that agency programs be located in rural areas. For example, in the Forest Service organization some 77 percent of agency personnel are located in rural areas in towns with less than 50,000 population, 48 percent being located in towns of less than 5,000 population.

However, we would like to point out that in the process of determining the location of USDA offices, we also consider and give high priority to such additional factors as the mix of employees skills, economy of operation, and program effectiveness. Our proposed revision of Amendment 641 reflects the importance of these factors as well as the direction relating to the location of USDA offices contained in the Rural Development Act of 1970 (84 Stat. 1383).

COST ESTIMATES

In accordance with Section 252 of the Legislative Reorganization Act of 1970, the following are the estimates of the costs that would be incurred in carrying out the provisions of the bill. These estimates were received from the U.S. Department of Agriculture.

The cost for this legislation is composed of two parts:

1. The costs associated with preparation of the Assessment, Program, inventories and associated work, and public meetings necessary to produce the basis for setting policy.
2. The "cost" to operate the policy that will be later enunciated.

Estimates of the Forest Service Additional Average Annual Positions of Civilian Employment Fund Requirements for New Programs authorized by S. 2296 are as follows:

	Current year	+1	+2	+3	+4
Man-years	0	53	53	53	53
Obligations (millions)	0	$0.7	$1.7	$2.3	$2.9

The man-years and cost estimates listed above are those associated with expanding the surveys as set forth in section 3(b) of S. 2296. The current annual authorization for the surveys is $5 million. Present man-years involved in the surveys total 131.

The provisions of the bill do not create other new authority for the Forest Service; thus, its immediate impact will not be to add new program costs. However, the budgetary review process and program evaluation process, especially those set forth in subsections (f) through (i) of Section 8, will provide more effective measures of costs and benefits, direct and indirect for courses of action. The bill thus contains useful safeguards that force critical review and reporting and thus continual program improvement.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bil, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

M'SWEENEY-M'NARY ACT OF 1928, AS AMENDED

[SEC. 9. The Secretary of Argiculture is authorized and directed, under such plans as he may determine to be fair and equitable, to cooperate with appropriate officials of each State, Territory or possession of the United States, and either through them or directly with private and other agencies, in making and keeping current a comprehensive survey of the present and prospective requirements for timber and other forest products in the United States and its Territories and possessions, and of timber supplies, including a determination of the present and potential productivity of forest land therein, and of such other facts as may be necessary in the determination of ways and means to balance the timber budget of the United States. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed $1,000,000 annually to complete the initial survey authorized by this section: *Provided*, That the total appropriation of Federal funds under this section to complete the initial survey shall not exceed $11,000,000. There is additionally authorized to be appropriated not to exceed $5,000,000 annually to keep the survey current.]

"'The Secretary of Agriculture is hereby authorized and directed to make and keep current a comprehensive survey and analysis of the present and prospective conditions of and requirements for the renewable resources of the forest and rangelands of the United States, its territories and possessions, and of the supplies of such renewable resources, including a determination of the present and potential productivity of the land, and of such other facts as may be necessary and useful in the determination of ways and means needed to balance the demand for and supply of these renewable resources, benefits and uses in meeting the needs of the people of the United States. The Secretary shall carry out the survey and analysis under such plans as he may determine to be fair and equitable, and cooperate with appropriate officials of each State, territory, or possession of the United States, and either through them or directly with private or other agencies. There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.'"

SUMMARY OF VIEWS OF VARIOUS WITNESSES ON S. 2296 AT NOVEMBER 20, 1973, HEARING BY THE SUBCOMMITTEE ON ENVIRONMENT, SOIL CONSERVATION AND FORESTRY, SENATE COMMITTEE ON AGRICULTURE

1. Senator Pete V. Domenici, New Mexico: "The Forest and Rangeland Environmental Act of 1973 provides a sensible way to put this nation's long-neglected forest management house in order. It further provides that this will be done within the framework of statutory environmental safeguards and in harmony with the laws governing the adminis-

tration of the national forests. All uses of the forest are addressed with the goal of providing more of the things that people need and want and at the same time enhancing the basic resource. As this Act provides, this can be done through budget procedures that tie funds to needs in a realistic, goal-oriented manner. The nation can ill-afford to neglect its forest any longer. Future opportunities to cure this past neglect will be at the tragic expense of foregone benefits which could have added so much to the quality of our lives and our environment."

Richard E. McArdle, former chief, U.S. Forest Service under President Eisenhower:

"This is a good bill. If I were still Chief of the Forest Service this bill, if enacted, would be exceedingly helpful to me.

"In 1959 and again in 1961 the Forest Service tried to do something comparable to what is envisioned by S. 2296. To bring more order to the budgeting process we spent considerable time formulating a program for development of the national forests with long-range goals and specific plans for the decade immediately ahead. After Administration approval the plan was presented to Congress.

"This plan for orderly resource management worked well for one year. Thereafter it was ignored by those in charge of the budget-making process. There was no requirement that obliged the budget people to consider the plan. S. 2296 would overcome this reason for failure ten years ago.

"I was never in a position to know all the many considerations that must enter into making a national budget. I can, however, speak with considerable knowledge of what effect the end result of the present budget-making process has on orderly management of the nation's natural resources. The end result of the present system is helter-skelter management of natural resources.

"With respect to management of forest and range resources S. 2296 will bring order into the budget-making process. There is no requirement that programs developed as a result of S. 2296 be carried out but there is a requirement that an explanation be given for not carrying out programs that Congress has approved. At the hearings the suggestion was made that this requirement for explanation be made more flexible. If this is done you may as well toss S. 2296 out the window because you will be back to where I was in 1961. This requirement is the heart of S. 2296. I urge you to keep it and thereby recapture some of the control that Congress has lost."

3. Larry E. Naake, National Association of Counties: "The Board of Directors of NACo's Western Region District, at its recent meeting, endorsed in principle the "Forest and Rangeland Environmental Management Act of 1973" (S. 2296) that is now before your Committee.

". . . The Board of Directors asked me to convey to you their concern that your Committee retain language in the legislation which would call for the full authorizations and appropriations for roads and trails in the annual budget of the Forest Service. The language in the present bill will go a long way toward insuring such full authorization and appropriation."

4. Spencer M. Smith, Jr., Citizens Committee on Natural Resources: "We interpret this legislation to be something that would provide a long range frame of reference for establishing criteria for practices . . . a method of planning and procedure, if you will, rather than dealing with the nuts and bolts of a day-to-day operation. If this measure is enacted into law, it would appear to be most difficult, perhaps impossible, for any Administration to direct an increase in the allowable cut on the National Forests without consideration for the practices that would be required to maintain sound conservation policies nor to consider the possible adverse effects upon other users of the National Forests.

"The subject of this legislation is to provide a frame of reference and a basis for developing a long-range program. The new ingredient which makes it attractive to many of us is to put a price tag on these items and then try to provide some followup to find out whether these assessments can be carried out and what they will cost. We would not have the situation which we have been in several times where people who want certain services in the national forests cannot get them because they cannot get the money.

"All I know is we have no mechanism at the present time for evaluating a decision. And I think what we are talking about here is the need to create the kind of mechanism that will allow us to come up and analytically determine whether monetary policy, fiscal policy, international trade or our own resource base ought to prevail in such a situation. But right now we do not have a criteria by which we can make these kinds of determinations. This is what I think the bill is all about."

In regard to the problem of financing road construction, he said: "We feel that Section 9(c) properly addresses itself to this problem and affords an effective solution."

5. Daniel A. Poole, Wildlife Management Institute: "(The Institute) endorses and supports the objectives of S. 2296 as they pertain to the national forest system. We are pleased that a proposal with this thrust has emerged at a time when there is so much misunderstanding about timber supply and cutting practices on national forests and private lands. In our view, the central issue at this point in time is the urgent necessity to achieve and maintain balance in the national forest management program. Arguments over such issues as clear cutting, log exports, and all the rest are indicative of the current imbalance in the national forest program. But to attempt to react to each of these issues on an individual basis in the absence of a comprehensive game plan for the national forests is to do a disservice to the overall public interest in this immensely valuable estate."

6. Thomas L. Kimball, National Wildlife Federation: "The National Wildlife Federation is favorably inclined toward legislation which has as its objective the attainment of adequately-funded, environmentally-balanced multiple use, sustained yield management programs for national forests. Since the principles embodied in S. 2296 are conservationally sound and because the bill's general thrust is to enhance balanced multiple-use management of national forests, the Federation supports S. 2296 and urges its early passage."

7. William E. Towell, American Forestry Association:

". . . Currently, we are seeking ways to achieve better balanced use and higher funding for all forests of America. S. 2296 is one of several bills before the Congress that might help achieve these objectives. We support it in principle, if not in every detail. . . ."

Questioning by Senator Huddleston brought out these points:

Mr. Towell. ". . . I certainly share with Senator Bellmon—his real concern for getting rid of the backlog of planting that needs to be done and also with my friend Ed Moore who just testified on the importance of accelerating the planting backlog on the national forests in particular. This is almost a disgrace that our public forests that are in need of the reforestation may be 50 years in catching up, and I think that the Federal Government should demonstrate to private forests and industrial forests some real leadership here by getting these lands at least into ultimate maximum production. . . ."

Senator Huddleston. "Do you see any great difficulty in the way the bill is structured in arriving at a general consensus by all parties that have varying interests in the forests and the use of the forests as to what the national policy ought to be?"

Mr. Towell. "No. You mean the procedure by which the national policy is determined?"

Senator Huddleston. "Any chance that, the way it is structured now, it might result in an imbalance of the multiple use?"

Mr. Towell. "No, I do not think it will. As I indicated to begin with, I do not think this would have been necessary if we had been able to achieve this through the normal appropriation funding processes, but apparently we have not, so from that standpoint I support the objectives of the bill of formulating a policy in the Congress by involving the public, getting public input into that policy, and then getting the administration either to implement that policy or to justify its reason for not implementing it."

8. Hugh B. Johnson, American Institute of Architects: "We support Senator Humphrey's Amendment 641, which is in the nature of a substitute to S. 2296. However, we must qualify our endorsement by stating our belief that this legislation is only a beginning in the development of a comprehensive national forest management program. We strongly believe that a comprehensive forest management program that is truly national in its scope is essential if our country's lumber supply is to be increased without degradation of the natural environment of our forests. To achieve this type of a national comprehensive program, we must go beyond the scope of this bill and the forestry incentives program authorized by the Congress earlier this year in P.L. 93–86. We must also provide within our program for better management of the millions of acres of federally-owned forest land not in the national forests. We must encourage the efficient utilization of all privately-held forest lands, the large tracts as well as the small."

9. John F. Hall, National Forest Products Association. Mr. Hall testified in support of the bill but suggested two amendments: "We are glad to join with the administration and some of the conservation resource organizations in support of this legislation. We think it is a tremendous first step in helping to develop the undeveloped potential of the national forests, not only for timber but for wildlife, watershed, recreation, and other uses. The funding for national forests activities so far has been grossly inadequate, and as you pointed out in your opening remarks, the separate consideration of each resource activity has resulted in controversies and stress which could be avoided with a coordinated plan developed by the administration and considered by the Congress for these lands.

"As you pointed out, as was recognized, the problem here has been the deferment from year to year of large capital expenditures, and while it appared to have little impact if the capital expenditures were deferred one year, it is the culmination of those deferrals for 20 years or more which we are now having difficulties with.

". . . The first requisite towards realizing the full potential of the National Forest System is a comprehensive and coordinated plan of development. In order for such a plan to be effective it should be specified by statute. This should occur after scrutiny by Congress forms the basis for goals and policies for use in the annual budgetary-appropriation process. S. 2296 would accomplish this objective. . . ."

10. J. E. Moore, American Pulpwood Association: ". . . On behalf of the American Pulpwood Association I want to express our support of The Forest and Rangeland Environmental Management Act of 1973 (S. 2296). We feel that it is progressive legislation . . ."

". . . Federally owned forests should serve as an example and this bill, if enacted into law, will help them set that example."

11. W. D. Hagenstein, Industrial Forestry Association: ". . . We are very encouraged by the obvious strong support for S. 2296 as evidenced by its co-sponsorship by many of the leading members of the Senate. We are here today to support it in principle as a long overdue redirection and remotivation of the U.S. Forest Service which has the great responsibility for managing the National Forest System for its citizen-stockholders. . . ."

". . . Rehabilitation of idle land; better protection against insects, disease and fire; salvage of dead and dying timber before it's lost to use; better access; prompt reforestation after harvest; precommercial and commercial thinning; tree improvement through genetics; fertilization; closer utilization are all practices the Forest Service has learned from its 50-year half billion dollar research. Now is the time to apply that research to America's strongest single forest land ownership—the national forests. S. 2296 will help do it. We urge that you report it out and get your colleagues in the Senate to start the New Year with a new national forest outlook and program for the future. Our national forests can and should provide their owners—all of us—with more jobs, more timber, more grass, more wildlife, more recreation, more water, more support for local government. Give the Forest Service the green light, Gentlemen, and it will perform. Keep it red and it won't."

12. George A. Craig, Western Timber Association: "We applaud this effort to get a continuing program of investment and management for all of the resources in the National Forest System. It has much merit and is long overdue. The General Accounting Office, the President's Advisory Panel on Timber and the Environment, and the Forest Service (with its recent comprehensive report 'Outlook for Timber in The United States') have all recently reported substantial national needs for products and services from the National Forests and opportunities to meet such needs through proper investment and management."

13. John B. Veach, Jr., Appalachian Hardwood Manufacturers, Inc.: "AHMI is a trade association representing the manufacturers of hardwood lumber throughout the Appalachian Regions. AHMI believes that S. 2296 is constructive legislation which can; (1) advance the development of the National Forests and, (2) stimulate cooperative programs to increase productivity of forest lands in small private ownerships." ". . . Consideration of the needs for development of forest resources and uses other than timber production as provided in S. 2296 is sound and constructive. Hardwood timber production is entirely compatible with wildlife, recreation and watershed management. The more intensive the consideration of the management needs of these other resources, the more readily can hardwood timber cultural activities be coordinated with them."

Mr. Veach also stated: "I think Mr. Humphrey was correct, too, when he said that he thought the moment of truth had arrived and that we need to find out where we are. We need to find out where we are going. We need to make plans as to how we are going to get there. And then, and this is very important, we need to implement those plans and actually do something about them."

14. Arnold D. Ewing, Northwest Timber Association: "I do support the basic concept of the bill, . . ."

"The general concept of the bill in requiring the Forest Service to establish goals and report periodically on their accomplishments towards these goals is excellent.

"It is also gratifying that this bill under section 2(h) recognizes proper levels of funding are essential for achieving optimum potential resource benefits."

15. Joseph McCracken, Western Forest Industries Association: "Our association has concerned itself for a long time with those crucial questions of national forest policy addressed by Senator Humphrey's amendment. While there were a number of provisions in the original S. 2296 that we felt were contrary to the national goal of increased timber production on a sound environmental basis, we are pleased that the substitute language embodied in Amendment No. 641 has apparently overcome most of those problems."

Mr. McCLURE. Mr. President, I want to say at the outset that I do not oppose this measure. I support its objective. However, there are a couple of problem areas that I think need to be addressed. One of those areas having been very fully addressed by the Senator from Minnesota in his able presentation in explaining his bill, and the other, which I think needs emphasis, having been almost wholly ignored by the committee and by the report.

First let me explain my reason for interest. My State of Idaho is almost two-thirds in Federal ownership—66 percent of the State. Nearly one-third of the entire State is under the Bureau of Land Management, and over one-third of the State is administered by the U.S. Forest Service under the Department of Agriculture. So we must be concerned with the type of management applied to those public lands, and this act will have a very substantial impact on that management.

I am concerned because this bill, for the first time to my knowledge, gives a congressional recognition to the right of the administration to invade the gross receipts of timber sales that otherwise would go to the counties, where that money is expended for forest roads. There has been congressional recognition by direct enactment of certain other aspects of that problem, and there has been congressional recognition, so far as the appropriation process is concerned, of the reduction of the revenues to the counties under the 25-percent fund.

I think the committee has very properly addressed that question with a great deal of detail. But I am concerned that while we have looked at the impoundment problem and we have looked at the question of the back-door spending, we have not looked fully at the justification for the 25-percent fund going to the county, and we have not really addressed ourselves to whether or not it should be invaded, or whether it should be preserved to the counties.

What are the needs of the counties? What is the justification for diverting 25 percent of the revenues of sales to the counties? Are they entitled to that amount of money? What would have been the case if these lands had not been reserved for public ownership, and had instead gone into private ownership, and the counties and local school districts were deriving tax revenues from those lands? What would have been the result if the State were permitted to, and did indeed, levy a severance tax upon the harvesting of timber on those lands, and what would the revenues be to local and State governments if that had been the direction we had gone, instead of saying to them, "We will take and preserve Federal ownership of these lands, and, in response to the demands of local governments, we will compensate them, in effect, by giving them 25 percent of the revenues"?

Yes, indeed, the Forest Service has and the Department of Agriculture has over recent years invaded the proceeds of timber sales to a greater and greater extent, primarily because of the failure of Congress and the administration to be responsible in management of our forest reserves. A greater and greater proportion of the total management burden for the forests has fallen on the counties in which they are located, simply by subtracting from the revenues of sales the amount of the management practice which should have been paid for by the Federal Government directly. The Senator from Minnesota is exactly correct in stating that this is reverse revenue sharing. Local governments are being asked to assume a burden which is properly that of the Federal Government.

So, while I support this legislation, I am concerned that we have in the legislation now established, by congressional enactment, a sanctity, a recognition of the right of the Federal Government to invade the 25-percent fund for payment of what might better be classified as a Federal responsibility. And while I am aware that the Senator from Minnesota has carefully limited that, there is on page 21 of the committee report, following the description of the priority established, that the administration must first look to the authorized and appropriated funded programs here, we say that following that they can then exercise the back-door spending, and the report says, in the middle of page 21 of the printed report, that—

> Back-door, uncontrolled spending will become the second priority—

And I emphasize the following—

> but need not be diminished.

It seems to me, then, that we have by the authorizing and appropriating mechanism said to them that we will control, by authorizing and appropriation, how much of the 25-percent fund goes to the county, and the counties have not been told that. The school districts do not know that. They do not realize that we are, in this act, now saying that Congress will control, on a year-to-year basis, how much of the 25-percent fund will be available to them and how much will be expended by the Federal Government.

I think, as we get into the followup on this matter, that we must address that question, and we must ask some questions. We must ask them to tell us how they justify the 25-percent fund. We must also, in spite of this provision, give them some predictability of what the 25-percent fund will yield to them, rather than depending upon year-to-year enactment of authorizations and appropriations, in which their budgetary process has become a shambles, as the Senator from Minnesota well knows from other sources.

But aside from that reservation with regard to the 25-percent fund, and I am very concerned about it, there is another aspect here which I think the Nation as a whole needs to be even more vitally concerned about, and that is referred to not only in this bill but also in the Multiple-Use and Sustained-Yield Act to which the Senator has made reference. That has been the most recent chapter in the Forest Service bible. This will become the latest chapter, and will replace a lot of others as the bible for their activities.

The Multiple-Use and Sustained-Yield Act does contain five directives, five priorities or categories for the use of public lands, and the Senator has detailed them. But there is another category not mentioned in the Multiple-Use and Sustained-Yield Act, and that is the nonrenewable resources, the mineral wealth of our Nation embedded beneath these public lands. Likewise, it is not mentioned in this act.

Mr. HUMPHREY. May I say why?

Mr. McCLURE. Certainly.

Mr. HUMPHREY. That is not within the direct jurisdiction of the Committee on Agriculture and Forestry. I recognize the importance of minerals and I think it is one that we will have to deal with separately. If we had given consideration to it, we would have run smack-bang into a very sizable jurisdictional problem.

Mr. McCLURE. I understand what the Senator is saying, but it seems to me that in the Multiple-Use and Sustained-Yield Act, in our directions to the Forest Service for the management of public lands, we were completely silent on this issue for the same reason. Today again we are silent on it, for the very reason the Senator has outlined. But that distorts and perverts the responsibility of the Forest Service to management of the renewable resources, with very little emphasis on the importance of the management of the nonrenewable resources in those lands. Those who have had to live with the management of the Forest Service dealing with mineral production on the Forest Service lands live in daily contact with a problem in which the managers are unaware of the needs of the minerals industry, are insensitive to the minerals industry, and ignore the minerals industry and the importance of that industry to the Nation's economy.

We are now racked by the necessity, in this country, of limiting our use of energy. Every one of us is affected in one way or another by the need for sitting in line to get gasoline at the local service station. This is the end of our recognition that we are not self-sufficient in our basic resources in this land. We are suffering from an embargo as the Arab nations seek to affect our foreign policy dealing with their concerns by withholding supplies of resources from us.

This is not the last of such actions that will be undertaken. There are 11 minerals on the critical list upon which our industry is entirely and totally dependent, and we are not self-sufficient in those 11 minerals.

The result will be that we will be subjected to greater and greater demands in a similar vein to that of the Arab oil embargo, in which price will be hostage and policy will be hostage to future demands of producing countries, and I think we must look at that very grave problem as it confronts our foreign policy in the future.

I would say to the Senator from Minnesota that I do not understand the reason why it is not addressed here. But the record should clearly show that it is not intended, by its failure to be mentioned, that Congress is not aware of its importance.

Mr. HUMPHREY. I agree entirely. I want to assure the Senator of my desire as a member of the Committee on Agriculture and Forestry to try to help and work out some kind of cooperative relationship with the Committee on Interior and Insular Affairs so that we can address ourselves to this very problem. Minerals are important in the State of Minnesota. I am aware of it from a practical point of view. I am prepared to cooperate with the Senator from Idaho to get action. We did not do it in this bill because, honestly, it was beyond our jurisdiction, as I said, and it would have delayed the reform we thought quite necessary for the forest management.

Mr. McCLURE. Could I ask this one direct question, then, for the sake of the record, that the latest expression of Congress with respect to the management of minerals on public lands, including Forest Service lands, is in the National Minerals Policy Act which Congress has enacted?

Mr. HUMPHREY. Yes.

Mr. McCLURE. It is not the intent of this legislation in any way to change the focus of that National Minerals Policy Act?

Mr. HUMPHREY. Not one bit. The Senator has stated it properly. I do not want to confuse it at all because of the Senator's unique understanding of this subject. It in no way affects the policy as established.

Mr. McCLURE. I thank the Senator for his statement. Let me conclude with one example of the necessity for passing this kind of bill, in order to modernize the management directives of the Forest Service, as we take it from the studies and the action as contemplated by this legislation. One of the basic tools in the bill has to be the inventorying of standing timber which could be harvested, the allowable cutoff under the Multiple-Use and Sustained-Yield Act calculated for the term of the life of the jurisdiction. We can reduce it to an annual basis and keep it meaningful only if an accurate inventory on a current inventory is made.

The method used now is so tedious, and so ponderous and time consuming that by the time the inventory has been made, it is completely out of date. The result is we never have any current information on which any rational decisions can be made for this year's program. That is absolutely ridiculous. This Forest Service is aware of the problem. They seem to be incapable of dealing with it. We need to take a strong direction, by this legislation, and by the follow-on legislation which will be followed, because this is not the end, but the beginning of that process.

I commend the distinguished Senator from Minnesota (Mr. HUMPHREY) for his leadership. I very much appreciate what has been done. I know of the endless hours and days and weeks that he and his staff on the committee have devoted to bringing this bill to the floor today. I know how difficult it has been. It was a monumental task. I, for one, wish to express my appreciation for the very fine way in which he has devoted himself to this task.

Mr. HUMPHREY. I thank the Senator very much. I assure him of my cooperation on the items he has brought to our attention.

Mr. McCLURE. I thank the Senator very much.

Mr. STEVENS. Mr. President, I, too, would like to congratulate the Senator from Minnesota (Mr. HUMPHREY) and the other cosponsors of S. 2296 for the fine work they have done on this particular piece of legislation. I support the concept of the bill, and in almost all respects I think it is an excellent piece of legislation.

However, for the record, I should like to point out one provision which, if not changed in the House or in the conference, could, in my opinion, be particularly ruinous to the timber industry in my State of Alaska.

This is the provision in section 9(c) in the substitute bill which is concerned with forest road policies and the financing of roads in the national forests.

I ask unanimous consent that that provision, which is the proviso beginning on page 13, line 19 to line 4 on page 14 of the bill be printed in the RECORD, so that there will be no question as to what I am addressing myself to.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Provided, That if in any budget year the request is for less than the sum of the two laws listed above or the appropriation enacted is apportioned or scheduled for apportionment in any lesser amount than is appropriated, the Secretary shall also reduce by an equivalent sum the utilization of the authority granted to secure the construction of roads in whole or in part by timber purchasers in return for a reduction of the appraised price of timber sold by the estimated cost of roads as provided in the Act of October 13, 1964 (16 U.S.C. 535):

Mr. STEVENS. Mr. President, if this provision becomes law, a reduction in timber purchaser road construction in a proportionate amount to the road appropriation request less than the authorizations in existing law will result.

I assume that this provision was included to force the administration to budget the full amount of the authorizations. As one who serves on the Appropriations Subcommittee for Interior Appropriations, which deal with the Forest Service requests, I must oppose this provision.

There is nothing that prevents Congress from increasing the request to the amount of the authorization, should the provision become law. If the requests for appropriations are, in fact, less than the funds authorized, there will be a reduction in the purchasers of road construction, which could mean that planned timber sales in Alaska would be postponed. The result would have an inflationary effect on the balance of the sales available and the bidding for the remaining sales would escalate, and that would cause inflation in the bidding for the remainder of the sales that are available. But even worse than that, there would be a reduction in the local revenues that are derived from employment in the timber areas, with the result that it would have an adverse effect on the stability of the small communities in southeastern Alaska in particular.

I feel that the subject of jurisdiction of the development of roads is adequately covered by title 23 of the United States Code, as well as title 16 and particularly sections 532–538.

I am confident that the committees of Congress that consider forest development of roads authorizations every 3 years can work out a system whereby we can assure that the appropriations will be at an adequate level. However, while I support the bill itself, I am hopeful that the House or the conference will either delete or modify this section 9(c) so that it does not relate solely to executive action.

That is my objection. I hope the Senator understands that this means even if the request is less than the authorization, even if I am successful as a member of the Appropriations Subcommittee in increasing the amounts of actual appropriation that the request——

Mr. HUMPHREY. Which I do hope the Senator will try to do.

Mr. STEVENS. I do, every year. I assure my good friend from Minnesota that he understands, as provided in the provision in this section, that if the request itself is less, then I think we should not have the impact that this provision would have on road construction programs. We should rely on Congress to maintain the level of appropriations.

I call to the attention of my friend from Minnesota the fact that in Alaska these roads are not constructed for recreation as they might be in Oregon, Idaho, or in other forest areas, but we are logging island forests primarily there in southeastern Alaska. When we build these roads, they are built for timber access and, therefore, the timber purchasers are anxious to contribute to building the roads and we are not relying on the appropriations as you might be in other areas. This will have a major impact in my State where we do rely on timber purchasers to build the roads.

I hope that my friend from Minnesota, when he goes to conference, will attempt to work it out so that it does not have—perhaps leave out Alaska entirely——

Mr. HUMPHREY. I will try to be helpful. That is a good point the Senator has raised. It is one we can work out with the House committee as it proceeds with the bill. I will work with the Senator from Alaska and see if we cannot find a solution to the problem, which I understand. It is so difficult in this vast country to keep in mind all the variables we have. The Senator's great State of Alaska has unique features and requires, sometimes, a legislative approach that we cannot use in other parts of the country. The Senator can rest assured, I will be as helpful as I can to the best of my ability.

Mr. STEVENS. The Senator from Minnesota has been of great help to the Senator from Alaska. I am very much pleased to hear his statement and we will call it to the attention of the House Members.

Mr. HUMPHREY. Mr. President, could we have third reading of the bill now?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

Mr. STENNIS. Mr. President, as one of the cosponsors of S. 2296, I wish to commend to the favorable attention of the Senate and urge the passage of this very constructive legislation aimed at the protection and development of the national forest system.

The national forests play a very important role in our Nation, and in the State of Mississippi. Our State contains 6 national forests, containing 1,134,238 acres. This is almost 4 percent of our total land area, and about 6 percent of our commercial forest land, so it is apparent why the national forests are important to Mississippi. Almost a fifth of our sawtimber is growing on national forest land, and of the amount that grows each year, about 60 percent is harvested, and the rest left to grow to meet the needs of the future.

The Federal Government expends very sizable amounts of money each year to operate and maintain these forests, and all of this money flows into our economy in terms of payrolls, supplies and services, and payments to the State and counties. Of the money spent by the U.S. Forest Service in Mississippi in 1973 almost $6 million was spent for forest protection and utilization, which includes management; protection against fire, insects and disease; forest research; and State and private forestry cooperation. Another $1,662,000 was paid to the State, and large amounts were expended to develop and protect water resources, provide recreation areas, build forest roads and trails, and other similar endeavors, frequently in a mutual effort with other agencies. The U.S. Forest Service in our State has over 200 full-time employees and a similar number of part-time workers.

It should be recognized that the national forests also provide very extensive recreation opportunities for our citizens. There are in Mississippi some two dozen specially developed recreation areas that receive heavy usage. All of the national forest lands, except the 400 acres in the recreation areas, is open to hunting, and the Forest Service takes special care to try to develop and maintain good wildlife habitat. Special care is also taken to prevent erosion, and to restore and reforest eroded watersheds that were the result of heavy timber cutting in the earlier third of this century.

I want to commend the U.S. Forest Service for the fine job it does in managing our national forests. They believe firmly in the multiple use of these beautiful forest lands, and our citizens, therefore, are able to enjoy the benefits of this policy.

Needless to say, there is very careful coordination of all the Federal forestry efforts in Mississippi with our State forestry commission and our State forester and his staff. I believe that at the State level we have as effective a forestry program as can be found anywhere in the Nation.

Mr. President, the legislation before us today is logical in its approach. By a national assessment it determines the nature and scope of the forest problems. It establishes a program to deal with the problems, it sets a goal, and addresses the problem of providing money to meet the goal. I strongly urge the passage of this very worthy bill.

Mr. HATFIELD. Mr. President, I am pleased to support S. 2296, the Forest and Rangeland Environmental Management Act of 1974. I believe this legislation provides a beginning in the effort to upgrade the quality of forest management in this Nation and it is for this reason that I joined with the Senator from Minnesota (Mr. HUMPHREY) in cosponsoring it.

I have been deeply concerned about the direction which the administration has been taking over the past few years in the area of natural resource management. Forestry programs have suffered due to a lack of adequate funding. The Appropriations Committees of the Senate and the House have been forced to supplement the administration's meager budget requests, but we have still failed to act sufficiently to make the investments in forest management which are necessary if we are to meet the increasing demands for recreation, watershed, wildlife, lumber, and wilderness in the coming years.

Over the past few years, the response to the need for increased utilization of our forests can be summarized in two words: study it. The Senate Banking Committee, the Public Land Law Review Commission, the old Bureau of the Budget, the President's Panel on Timber and the Environment, a White House Timber Sale Task Force, the National Commission on Materials Policy and other studies have all indicated that timber yield can be increased if proper funding is available for more intensive forest management and that this can be done in a manner which enhances other noncommodity values. But still there has been no action.

Far too frequently, the Office of Management and Budget has been responsible for the real decisions about how our forests will be managed. Forest Service officials have stated bluntly to the Appropriations Committees that they just cannot do the job expected of them at present levels of funding. In the past, funds for reforestation added by the Congress have been impounded, as well as funds for important research programs.

Out of my concern for proper and balanced forest management, I have twice introduced legislation to deal with these problems. In January of 1971 I first introduced the American Forestry Act.

This bill had as its major goals the utilization of the 300 million acres of private, nonindustrial lands which are the key to meeting future needs, the establishment of a Federal Forest Land Management Fund which would utilize timber sales receipts for improved management of Federal forests with a top priority for reforestation, the expansion of research with emphasis on wood utilization, and the creation of a public advisory board to assist the Secretaries of Agriculture and Interior in determining Federal forest policies.

Following hearings by the Public Lands Subcommittee on the American Forestry Act and a forestry bill introduced by Senator Metcalf in Georgia, Oregon, New York, and here in Washington, my legislation was revised and reintroduced in June of 1973 as S. 1996. The major provisions were revised and the bill directed a renewed effort toward achieving "program balance" between commodity and noncommodity uses on Federal land. In addition, a new provision was added to direct the executive branch to submit a meaningful forest management budget.

It is primarily this last goal to which S. 2296 is addressed. The Senator from Minnesota and the members of the Senate Agriculture Committee have established a process in this legislation for providing a comprehensive assessment of our forest and range resources which will be the *basis for* a rational, long-range management program. All uses of our forests will benefit from this approach. It should greatly assist members of the Appropriations Committees, myself included, in drafting realistc budgets which make sense when considered from the perspective of a long-range program. The legislation also provides specifically that national forest system management will be on a current basis by the year 2000.

I congratulate the Senator from Minnesota for developing this farsighted legislation. It is perhaps particularly relevant today, when the Nation is experiencing a serious energy crisis.

Wood is the most energy-efficient material which can be used in the construction of homes. Compared to other building materials such as aluminum, steel, concrete and plastic, studies show that we will continue to rely on our forests to meet our homebuilding goals. Energy requirements in manufacture for lumber, *including logging*, are only one-sixth that for steel and one-fortieth for aluminum. Energy cost for the lumber in exterior walls of a typical house would be about one-fourth that for steel and one-ninth that for concrete block or aluminum.

We need to move now if we are going to provide forests for future generations. I urge my colleagues to pass this legislation and I urge my colleagues in the House of Representatives to consider it soon.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

The bill (S. 2296) was passed, as follows:

S. 2296

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Forest and Rangeland Environmental Management Act of 1974".

Sec. 2. Findings.—The Congress hereby finds and declares that—

(a) the air, soil, water, plants, and animals are resources that are finite and renewable,

(b) the minerals are not a renewable resource,

(c) the conservation of the environment and esthetic values is essential to achieving an ecologically healthy and economically functioning resource base,

(d) the United States is richly endowed with land bearing, or capable of bearing, forest trees as its principal vegetal cover, land bearing, or capable of bearing forage as its principal vegetal cover and other associated lands, some of which contain both types of cover, which lands by their very nature produce, or are capable of producing multiple renewable resources, products, and benefits,

(e) the maintenance and wise management of these lands and their renewable resources are vital to the Nation's vigor,

(f) the Forest Service, in the Department of Agriculture (hereinafter called the "Forest Service"), is responsible for essential programs and services which must be maintained on an integrated basis, including programs to aid private and State forest land managers through cooperative efforts to achieve resource management goals, programs of research which produce knowledge that can be disseminated to improve achievements, and through the management of the National Forest System,

(g) comprehensive inventories and planning are needed to secure the greatest net public benefit from Forest Service cooperative programs, research, and National Forest System management,

(h) proper levels of funding for investment in managing the various activities and programs of the Forest Service are essential to achieving and sustaining the optimum potential flow of benefits from renewable resources on a balanced and timely basis,

(i) the National Forest System is made up of diverse lands, in different geographic regions, with many ecological associations which vary in their relation to the lands and people in each region,

(j) the National Forest System was established and maintained for the purpose of insuring a continuing yield of net benefits and resources for the enjoyment and well-being of the citizens of the United States; that the citizens of the United States expect, and are entitled to receive, the full yield of benefits and resources as set forth in the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528–531); and that there will be a continuing demand for the benefits and resources available from the National Forest System,

(k) it is essential that the organization of service to be provided to the people of the United States by the Forest Service shall be designed and maintained to meet local, regional, and national needs commensurate with the relative environmental and economic benefits and costs.

Sec. 3. Renewable Resource Assessment.—(a) In recognition of the vital importance of America's renewable resources of the forest, range, and other associated lands to the Nation's social and economic well-being, and of the necessity for a long term persepective in planning and undertaking related national renewable resource programs, the Secretary of Agriculture, through the Forest Service, shall prepare a National Renewable Resource Assessment (hereinafter called the "Assessment"). The Assessment shall be prepared not later than December 31, 1974, and shall be updated during 1979 and each tenth year thereafter, and shall include but not be limited to—

(1) an analysis of present and anticipated uses, demand for, and supply of these renewable resources, with consideration of the international resource situation, and an emphasis of pertinent supply and demand and price relationship trends;

(2) a general inventory of these present and potential renewable resources and opportunities for improving their yield of tangible and intangible goods and services together with estimates of investment costs and direct and indirect returns to the Federal Government;

(3) a description of Forest Service programs and responsibilities in research, cooperative programs, and management of the National Forest System, their interrelationships, and the relationships of these programs and responsibilities to public and private activities; and

(4) a discussion of important policy considerations, laws, regulations, and other factors expected to significantly influence and affect the use, ownership, and management of these lands.

(b) To assure the availability of adequate data and scientific information needed for development of the Assesssment, section 9 of the McSweeney-McNary Act of May 22, 1928 (45 Stat. 702, as amended, 16 U.S.C. 581h), is hereby amended to read as follows:

"The Secretary of Agriculture is hereby authorized and directed to make and keep current a comprehensive survey and analysis of the present and prospective conditions of and requirements for the renewable resources of the forest and range lands of the United States, its territories and possessions, and of the supplies of such renewable resources, including a determination of the present and potential productivity of the land, and of such other facts as may be necessary and useful in the determination of ways and means needed to balance the demand for and supply of these renewable resources, benefits and uses in meeting the needs of the people of the United States. The Secretary shall carry out the survey and analysis under such plans as he may determine to be fair and equitable, and cooperate with appropriate officials of each State, territory, or possession of the United States, and either through them or directly with private or other agencies. There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section."

Sec. 4. Renewable Resource Program.—In order to provide for consideration and periodic review of programs for management and administration of the National Forest System, for research, for cooperative State and private programs, and for conduct of other Forest Service activities in relation to the findings of the Assessment, the Secretary of Agriculture shall prepare and transmit to the President a Renewable Resource Program (hereinafter called the "Program") which shall provide in appropriate detail for protection, management, and development of the National Forest System, including forest development roads and trails, for cooperative programs on non-Federal lands, and for research. The Program shall be developed in accordance with principles set forth in the Multiple-Use Sustained-Yield Act of June 12, 1960 (74 Stat. 215; 16 U.S.C. 528–31), the National Environmental Policy Act of 1969 (86 Stat. 852; 42 U.S.C. 4321–47), and other applicable legislation. The Program shall be prepared not later than December 31, 1974, to cover the five-year period beginning July 1, 1975, and at least each of the four fiscal decades next following such period and shall be updated no later than during the first half of the fiscal year ending June 30, 1980, and the first half of each fifth fiscal year thereafter to cover at least each of the four fiscal decades beginning next after such updating. The Program shall include, but not be limited to—

(1) An inventory of a full range of specific needs and opportunities for both public and private program investments. The inventory shall differentiate between activities which are of a capital nature and those which are of an operational nature.

(2) Specific identification of Program outputs results anticipated, and benefits associated with investments in such a manner that the anticipated costs can be directly compared with the total related benefits and direct and indirect returns to the Federal Government.

(3) A discussion of priorities for accomplishment of inventoried program needs.

SEC. 5. NATIONAL FOREST SYSTEM RESOURCE INVENTORIES.—As a part of the Assessment the Secretary of Agriculture shall develop and maintain on a continuing basis a comprehensive and appropriately detailed inventory of all National Forest System lands and renewable resources. This inventory shall be kept current so as to reflect changes in conditions and identify new and emerging resources and values.

SEC. 6. NATIONAL FOREST SYSTEM RESOURCE PLANNING.—(a) As a part of the Program provided for by section 4 of this Act, the Secretary shall develop, maintain, and, as appropriate, revise land and resource use plans for units of the National Forest System, coordinated with the land use planning processes of State and local governments and other Federal agencies.

(b) In the development and maintenance of land use plans, the Secretary shall use a systematic interdisciplinary approach to achieve integrated consideration of physical, biological, economic, and other sciences.

SEC. 7. COOPERATION IN RESOURCE PLANNING.—The Secretary shall make available the Assessment, resource surveys, and Programs prepared pursuant to this Act to States and other organizations in planning the protection, use, and management of renewable resources on non-Federal land.

SEC. 8. NATIONAL PARTICIPATION.—(a) In order that the optimum benefits will be better assured to each generation of citizens the Secretary of Agriculture shall utilize such participation, including public hearings, meetings, and advisory groups, as he deems appropriate and has provided for by regulation for the development of the Assessment, Program, resource inventories, and planning provided for in this Act.

(b) On the date Congress first convenes in 1975 and following each updating of the Assessment and the Program, the President shall transmit to the Congress, when it convenes, the Assessment as set forth in section 3 of this Act and the Program as set forth in section 4 of this Act.

(c) The Congress shall hold public hearings on said Assessment and Program, and within one year after submission to the Congress, the Congress shall by resolution establish a statement of policy which shall be a guide to the President in framing fiscal budgets for Forest Service and related agencies activities for the five or ten year Program period beginning during the term of such Congress.

(d) Within ninety days after convening, each Congress shall publicly review the statement of policy developed pursuant to subsection (c) and make such modifications as may be necessary to provide a guide to the President in framing the budgets to be transmitted to Congress during the two fiscal years beginning thereafter.

(e) Commencing with the fiscal budget for the year ending June 30, 1976, requests presented by the President to the Congress covering Forest Service and related agencies' activities shall express in qualitative and quantitative terms the extent to which the Programs and policies projected under that budget meet the policies established by the Congress in accordance with subsections (c) and (d) of this section. In any case in which such budget so presented recommends a course which fails to meet the policies so established, the President shall specifically set forth the reason or reasons for so recommending and shall state his reason or reasons for requesting the Congress to approve the lesser programs or policies presented: *Provided*, That amounts appropriated for purposes covered by the resolution described in subsection (c), as modified shall be expended for the purposes for which appropriated, except to the extent that (1) the appropriation Act provides specifically for discretion as to such expenditures, or (2) the President finds that because of events occurring subsequent to the enactment of such appropriation Act, such expenditure would fail to accomplish its purpose.

(f) For the purpose of providing information that will aid Congress in its oversight responsibilities and improve the accountability of agency expenditures and activities, the Secretary shall prepare an annual report which evaluates the component elements of the Program required to be prepared by section 4 of this Act which shall be furnished to the Congress at the time of submission of the annual fiscal budget commencing with the third fiscal year after the enactment of this Act.

(g) These annual evaluation reports shall set forth progress in implementing the Program required to be prepared by section 4 of this Act together with accomplishments of this Program as they relate to the objectives of the Assessment. Objectives should be set forth in qualitative and quantitative terms and accomplishments should be reported accordingly. The report shall contain appropriate measurements of pertinent costs and benefits. The evaluation shall assess the balance between economic factors and environmental quality. Program benefits shall be considered in a broad context and shall include, but not be limited to, environmental quality factors such as esthetics, public access, wildlife habitat, recreational and wilderness use, and economic factors such as the excess of cost savings over the value of foregone benefits and the rate of return on renewable resources.

(h) The reports shall indicate plans for implementing corrective action and recommendations for new legislation where warranted.

(i) The reports shall be structured for Congress in concise summary form with necessary detailed data in appendices.

SEC. 9. NATIONAL FOREST SYSTEM PROGRAM ELEMENTS.—(a) The Secretary shall take such action as will assure that the development and administration of renewable resources of the National Forest System is in full accord with the concepts for multiple use and sustained yield of products and services as set forth in the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 523–531). To further these concepts, the Congress hereby sets the year 2000 as the target year when the renewable resources of the National Forest System shall be in an operating posture whereby all backlogs of needed treatment for their restoration shall be reduced to a current basis and the major portion of planned intensive multiple-use sustained-yield management procedures shall be installed and operating on an environmentally sound basis. The annual budget shall contain requests for funds for an orderly program to eliminate such backlogs: *Provided*, That when the Secretary finds that (1) the backlog of areas that will benefit by such treatment has been eliminated, (2) the cost of treating the remainder of such area exceeds the economic and environmental benefits to be secured from their treatment, or (3) the total supplies of the renewable resource of the United States are adequate to meet the future needs of the American people, the budget request for these elements of restoration may be adjusted accordingly.

(b) The Congress declares that the installation of a proper system of transportation to service the National Forest System, as is provided for in Public Law 88–657, the Act of October 13, 1964 (16 U.S.C. 532–538), shall be carried forward in time to meet anticipated needs on an economical and environmentally sound basis, and the method chosen for financing the construction and maintenance of the transportation system should be such as to enhance local, regional, and national benefits. If for any fiscal year the budget request for appropriations for forest development roads and trails (including the amount available under the fourteenth paragraph under the heading "Forest Service" of the Act of March 4, 1913 (16 U.S.C. 501)), is less than the amounts authorized therefor, or a portion of such appropriation is subsequently impounded, the amount of construction under clause (2) of the Act of October 13, 1964 (16 U.S.C. 535), for such fiscal year shall be reduced below such amount of financing during the preceding fiscal year by an equivalent sum. For the purposes of this section, impounding includes—

(1) withholding or delaying the expenditure or obligation of budget authority (whether by establishing reserves or otherwise) appropriated for forest development roads and trails, and the termination of authorized projects for which appropriations have been made, and

(2) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of authorized budget authority or the creation of obligations by contract in advance of appropriations as specifically authorized by law for forest development roads and trails.

In applying the authority granted by the Act of October 13, 1964 (16 U.S.C. 532–538), the Secretary shall give due consideration to avoiding actions which may unduly impair revenues received and thus affect adversely payments to particular counties within the National Forest System made under the sixth paragraph under the heading "Forest Service" of the Act of March 4, 1913 (16 U.S.C. 500), or under section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012), but nothing in this sentence shall be construed to reduce timber sale offerings with provisions for purchaser road construction, the net effect of which will be to increase revenues from which such payments are made to counties.

SEC. 10. (a) NATIONAL FOREST SYSTEM DEFINED.—Congress declares that the National Forest System consists of units of forest, range, and related lands throughout the United States and its territories, united into a nationally significant system dedicated to the long-term benefit for present and future generations, and that it is the purpose of this section to include all such areas into one integral system. The "National Forest System" shall include all national forest lands reserved or withdrawn from the public domain of the United States, all national forest lands acquired through purchase, exchange, donation, or other means, the national grasslands and land utilization projects administered under title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525, 7 U.S.C. 1010–1012) and other lands, waters, or interests therein which are administered by the Forest Service or are designated for administration through the Forest Service as a part of said system.

(b) ORGANIZATION.—The on-the-ground field offices, field supervisory offices, and regional offices of the Forest Service shall be so situated as to provide the optimum level of convenient, useful services to the public, giving priority to the maintenance and location of facilities in rural areas and towns near the national forest and Forest Service program locations in accordance with the standards in section 901(b) of the Act of standards in section 901(b) of the Act of November 30, 1970 (84 Stat. 1383), as amended.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended, so as to read: "A bill to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized, in the engrossment of S. 2296 to make certain technical and clerical corrections.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF THE PRESIDENT'S MESSAGE ON HEALTH

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the President on health, now at the desk, be referred jointly to the Committee on Finance and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message is as follows:

To the Congress of the United States:

Good health is basic to the well-being of any society, as basic as education, jobs and individual liberties. Improving the level of health in America and assuring that all Americans have financial access to quality health care remains a top priority of this Administration.

By world standards, the health of Americans is good, and our health care system is capable of delivering the finest and most modern care the world has ever known.

But there are still inequities and deficiencies. Improvements can and must be made.

The objectives we seek for health care in this country can be simply stated:

—We want all Americans to have the necessary financial resources to purchase the health care they need at reasonable prices.

—We want an adequate supply of health professionals—doctors, nurses and others—to serve our communities.

—We want a full range of health services to be used efficiently by those who need them; over-use is poor health care and bad economics.

—And we want a strong research program to find ways to prevent and cure diseases.

These are common objectives all reasonable people can agree on. But we must also reach a consensus on how best to achieve them.

Neither the private sector nor the Federal Government acting alone can assure financial access to care for all, improve the quality of services, and guarantee that biomedical research is both supported and utilized. We must rely instead upon a partnership among private physicians and institutions, State and local authorities, and the Federal Government—a partnership that builds upon the strengths of the present system and gives it new vitality.

We have already made great progress. By strengthening and expanding our partnership, we can achieve even more. I have already proposed an integrated strategy that includes a Comprehensive Health Insurance Plan as well as rapid development of Professional Standard Review Organizations, continuation of price controls in the health sector, and increased biomedical research funding. I am recommending other health proposals on planning and health manpower. Taken together, these measures represent a realistic and effective health strategy for the 1970's—a strategy to improve the quality of health care for all of our citizens. In this message, I want to review the components of that strategy and outline the additional proposals that the administration will soon be sending to the Congress.

COMPREHENSIVE HEALTH INSURANCE

Today the health insurance possessed by many Americans is often inadequate or encourages misuse of the health care system. Usually it pays for a stay in the hospital, but not for visits to the doctor's office. It will pay for only a limited number of days in the hospital. Often it fails to cover prescription and life-saving drugs, or preventive services for the young, or mental health care. Finally, while it often encourages unnecessary use of expensive services in the short run, it fails to protect our citizens against the massive financial loss from catastrophic illness in the long run.

The Comprehensive Health Insurance Plan that I recommended to the Congress two weeks ago would correct these and other deficiencies. Our plan would provide a very comprehensive package of health services. It includes preventive health services for children and pregnant mothers, dental care for children, and mental health care for all. It would provide for free choice of care, whether from traditional fee-for-service physicians or from pre-paid health maintenance organizations, and it would provide incentives to control costs. It would also eliminate duplicate billing and accounting procedures for both patients and providers. Most importantly, it would remove the threat of family bankruptcy due to the costs of catastrophic illness.

Placing health benefits within the financial reach of all Americans is the central element of our health strategy for the 1970's. But such benefits alone are not enough.

PROFESSIONAL STANDARDS REVIEW

Under my Comprehensive Health Insurance proposal, the Professional Standards Review Organizations now being established by law would be expanded to improve the quality of health care for all.

As presently contemplated, there will be a nationwide system of locally run physician organizations which will review the quality and effectiveness of medical care delivered to medicare, medicaid, and maternal and child health beneficiaries. These new organizations, called PSRO's, provide great potential for bringing about improvements in health care practices by the best possible utilization of health care facilities and services.

This program is a unique Federal effort. It recognizes that physicians at the local and State level are best suited to judge quality and appropriateness of care. Individual PSRO's will be established and operated by local physicians, although the Federal Government will pay the operating costs. A number of PSRO's are expected to be designated and set into operation by the end of this fiscal year.

CONTROLLING HEALTH COSTS

Assurance of quality is not enough. We must also avoid the cost inflation which followed the introduction of Medicare and Medicaid. Our health insurance proposal would call for States to oversee the operation of insurance carriers and establish sound procedures for cost control. Until these or other controls are in place, I recommend that our present authorities to control health care costs be continued. I am asking the Congress for such authority.

Between 1969 and 1971, when consumer prices rose at an annual rate of 5.3 percent, medical care services measured by the Consumer Price Index rose 7.7 percent a year, with hospital costs rising by over 13 percent each year. In these years leading up to the beginning of the Economic Stabilization Program, the health industry was the most inflationary sector in the American economy. As such, it was a special economic problem requiring special regulations.

Two and one-half years of controls brought the annual rate of increase in medical prices down from 7.3 percent to 3.7 percent in 1972 and 4.4 percent in 1973. The 1973 rate was below the general rate of inflation. But inflationary pressures are still strong in the medical field, so that we must maintain Federal controls until other measures are adopted under Comprehensive Health Insurance.

IMPROVING HEALTH SERVICE DISTRIBUTION

Improved professional standards and sensible cost controls should be complemented by improvements in health services.

Presently, much of our health care is delivered in a hit-or-miss fashion. Too few American communities know how to balance their health services properly.

There are too many hospital beds in many communities and not enough outpatient services; few communities are capable of delivering high-quality emergency medical care; and we do not have enough physicians and other health professionals delivering primary health care. These problems could grow more serious. Removal of financial barriers can be expected to create new demands on our health care delivery system.

We must develop a better capacity to forecast and anticipate health needs rather than having to react hurriedly after the fact. The delivery of health care must be planned and guided in the States and communities by those persons who best understand the health problems of the people and localities concerned.

There are many concrete steps to be taken. For example, we must maintain our efforts to demonstrate for local communities the benefits of comprehensive emergency medical care systems. We must also maintain our newly enlarged capacity to produce well trained health professionals, we should continue to provide incentives to train primary care physicians and we should demonstrate ways of bringing services of physicians into rural and inner city areas where doctor shortages exist. Further, we must improve our methods of quickly converting research findings into physicians' practice. The Nation should perfect a system where scarce lifesaving technology is available to serve all those who need its benefits.

To accomplish these goals, we must encourage State, local, and private authorities to modify some of the existing organizations and laws relating to health regulation, licensing, planning, production, and manpower allocation.

Existing planning agencies have faced these issues to the best of their abilities. Some have performed well, helping States and communities plan for new and improved health resources in a rational, orderly, and economical way. Others, however, have failed to bring about material improvements in the health care system and are not well suited to the demands of the future.

HEALTH PLANNING

We will shortly be submitting legislation to the Congress that would authorize the Department of Health, Education, and Welfare to support local health planning boards composed of representatives of the public, health care providers, insurers, health educators and elected officials. These boards would prepare comprehensive health plans for health care delivery systems designed to meet the needs of the people in their areas. States would continue to have the primary role of approving new facilities and would receive assistance in monitoring rate increases in the health industry.

The boards would assume the present planning activities of the Comprehensive Health Planning Program, the Regional Medical Programs Service, and the Hill-Burton program, all of which now overlap at the local level. They would coordinate the planning and activities of health care providers, third-party financing organizations, health educational institutions, and government within each area in order to promote high quality care for the public good. They would also advise on Federal health grants in the areas served to ensure consistency of such activities with regional plans.

DISTRIBUTION OF HEALTH MANPOWER

Our most important health care resource is health manpower. It is this resource upon which all else depends. Assuring that there are enough health professionals of the right kind available in the right place to provide the needed care is one of our most challenging health delivery problems.

The number of U.S. medical and osteopathic schools has grown from 92 in 1963 to 121 in 1974. Total enrollment increased 60 percent from 33,072 to 53,100 and graduates increased over 40 percent, from 7,631 to 10,900. These increases in health manpower encourage us to believe that the Nation's total supply of health professionals is becoming sufficient to meet our needs during the next decade. In fact, oversupply in the aggregate could possibly become a problem.

Without major alterations in either present enrollments in domestic schools or immigration patterns of foreign-trained doctors, we estimate that the number of physicians by 1985 will approximate 500,000. This is an increase of at least 50 percent over 1970, and would be more than three times the expected growth rate of the U.S. population during the same period. Accordingly, the number of physicians per 100,000 population should increase from 159 in 1970 to as high as 217 in 1985.

Ironically, the increase in overall physician supply has not solved the problem of maldistribution. Some rural and inner city areas still lack a sufficient supply of general practitioners, and many areas lack certain medical specialists. We must now shift our attention away from a concern with aggregate numbers toward an emphasis on solving specific health manpower problems.

HEALTH MANPOWER INCENTIVES

We will soon submit legislation to the Congress designed to maintain present enrollments but also to gradually shift the method of support for medical education from general institutional operating subsidies to direct assistance to medical students through individual loans and scholarships. Funds provided directly to institutions will be targeted on special projects such as the production of more primary care physicians.

We shall also continue our ongoing efforts to expand the training and the effective use of physician assistants. Some 3,300 of these new health professionals are now being trained as a result of Federal initiatives. They are demonstrating that they can enable physicians to practice more efficiently and thereby extend their skills to more patients. Their services would be reimbursable under our Comprehensive Health Insurance Plan.

Other measures that I have proposed would assure that qualified students would be able to receive training in health education institutions regardless of financial barriers. Under my proposed scholarship legislation, scholarships would be offered to any student who agrees to serve in programs or shortage areas of national need after graduation. I am also proposing to increase the upper limits on guaranteed loans. The loan guarantee program would provide larger annual loans to students with repayment deferred until after graduation. These would be particularly helpful to those seeking education in the health professions, but would be available in all fields. Loans for education costs are a particularly appropriate financing mechanism for health professionals who can look forward to exceptionally favorable lifetime earnings.

ENCOURAGING HEALTH MAINTENANCE ORGANIZATIONS

One of our major initiatives to improve the access to care is the encouragement of Health Maintenance Organizations. In certain instances, HMO's have proved their ability to deliver quality health care to people when and where they need it at prepaid premium rates. It may be possible to use this mechanism to extend health care services into underserved areas where individual health practitioners are unavailable.

Since 1970 we have been seeking direct authority to demonstrate the HMO concept more broadly. This past December 29, I signed legislation into law which will stimulate the development of HMO's in many different settings.

I am requesting a total of $125 million for 1974 and 1975 to begin this important new program. We expect to fund 170 HMO's during the life of this legislation. Our Comprehensive Health Insurance Plan would require employers to also offer HMO care where available, a provision that we believe will further promote HMO development.

We will use Federal funds to support feasibility and planning studies, to pay initial development costs, and to subsidize initial operating deficits of HMO's for the first three years. In addition, loan guarantees will be offered to profit-making HMO's in medically underserved areas for planning, initial development and initial operating deficits.

The HMO law I signed represents an important response to the challenge of finding better ways to improve health care for the American people. It will build on the partnership that already exists between the Federal and the private sector by allowing both the provider and the consumer of health services to exercise the widest possible freedom of choice.

HEALTH EDUCATION FOR ALL

Access to health care is also affected by the degree to which our citizens exercise their individual responsibility to maintain health, prevent serious illness, and properly use the health services which are available to them. By accepting this responsibility and acting wisely, they can prolong their lives and prevent much needless disease and disability. They can also make full and efficient use of the health services available to them.

Yet despite major efforts and investment of resources by governmental and private agencies, it is evident that the necessary knowledge is not reaching enough of our people and that many people who have access to that knowledge do not act upon it.

During the past year I received the report of a distinguished group of professional and civic leaders whom I had asked to recommend an action program to improve health education in the United States.

On the basis of the recommendations of this group we will establish an office of health education within the Department of Health, Education, and Welfare. This new organization will bring together and coordinate the existing fragmented health education efforts now underway in many health programs and agencies. It will also evaluate the approaches we now use in attempting to encourage people to lead healthier lives and will develop more effective educational techniques.

At the same time we will work with the private sector to develop a National Center for Health Education. While the Federal Government will assist in launching the Center, we intend that it eventually be supported by private funds.

Potentially, these actions could sharply improve the effectiveness of health education through many channels, including our schools, mass media, neighborhood and community organizations and the health care system itself.

ASSURING QUALITY AND SAFETY

We are moving to improve the quality of our health care and consumer services on a number of fronts. Professional Standards Review Organizations will allow physicians to monitor and improve the quality of their own services. Health Maintenance Organizations hold promise for delivering quality care efficiently to great numbers of people, even those in rural areas. Demonstrating improved emergency medical systems can significantly improve the quality of care rendered in situations where minutes mean life or death.

But there are some elements of personal health care and management which are beyond the control of the individual and often beyond the influence of the health care system. One such area is protection against unsafe food, drugs, cosmetics and medical devices.

This year I have asked the Congress to appropriate $200 million for the Food and Drug Administration, an increase of $35 million. These added funds would allow the FDA to intensify its inspection activities and increase its research.

Furthermore, I again urge the Congress to take swift action on the legislation I proposed last year to regulate the sale of medical devices. This new authority is essential if we are to assure that new technology for the diagnosis and treatment of disease is both safe and effective.

Legislation recently submitted to the Congress would upgrade the quality of foods and drugs available to the American public. These amendments would:

—Broaden inspection authority.

—Broaden FDA's authority to inspect quality control records in food, drug, device and cosmetic factories.

—Authorize FDA to require needed record-keeping and reporting for foods, certain drugs, medical devices, and cosmetics.

—Require the labels of nonprescription drugs to show the quantity of all active ingredients.

—Authorize FDA to detain products suspected of being unsafe or contaminated.

FDA has also initiated a broad program for licensing, registering and inspecting blood banks. This extensive program should significantly reduce the chances of blood recipients contracting hepatitis.

IMPROVED CARE FOR THE AGED

In 1971 I launched a major new initiative to improve the quality of care in our nursing homes. Since then we have worked with State governments to improve their nursing home inspection efforts, and we have barred substandard facilities from participating in our Medicare and Medicaid programs. Yet many long-term care facilities in this country still do not meet accepted fire and safety standards. This situation must be corrected, and we are taking steps to improve it.

Last month the Department of Health, Education, and Welfare issued new standards to improve the quality of medical services in nursing homes caring for Medicare and Medicaid patients. Very soon, the Department will issue additional regulations to improve the medical services in these homes. As a Nation we can no longer tolerate the warehousing of our older citizens in unsanitary and unsafe facilities. They have given us much. In return they deserve quality care in their declining years that is second to none. Our efforts to expand our biomedical knowledge about diseases will, of course, improve the care that can be rendered in nursing homes.

MEDICAL RESEARCH

In addition to attacking problems of the delivery system as a means of improving our health care, we must also continue to support our basic scientific research. It is this work that will tomorrow yield the remedies to diseases that affect our people.

We will continue to give high priority to research in cancer and heart disease because these two diseases together account for more than half of all deaths each year. At the same time, however, we will not neglect research on aging, arthritis, neurological diseases, dental diseases, and other major health problems.

SEEKING A CURE FOR CANCER

Cancer, in its more than 100 forms, still constitutes one of the most devastating health problems confronting mankind. This year, the National Cancer Institute estimates that 655,000 Americans will develop cancer, and 335,000 will lose their lives from it. Three years ago in my State of the Union message I announced that the conquest of cancer was to be a new national goal. In December of 1971 I signed the National Cancer Act. Since that time, the National Cancer Institute and other institutes in the National Institutes of Health have accelerated the drive against cancer.

The intensified effort has two goals: First, the main effort is to stimulate the development of new knowledge by an intensive and coordinated research effort throughout all medical, biological, chemical and physical sciences. Secondly, we are seeking the most effective method of disseminating across the Nation vital information on the prevention and treatment of cancer.

In 1971, appropriations for the National Cancer Institute were approximately $233 million. For fiscal year 1975, I have asked the Congress to appropriate $600 million.

We have made substantial progress in bringing the results of research as rapidly as possible to a maximum number of people. The latest advances in cancer therapy are being made widely available throughout the country for patients with leukemia, Hodgkin's disease and other lymphomas. We will assure that the newest and best cancer therapies will be available to the medical community. Major studies are underway at several institutions to detect lung cancer—the major cancer killer—at its earliest stages. In addition, the National Cancer Institute has pooled its resources with the American Cancer Society to open 20 demonstration centers for the early detection of breast cancer, the leading cause of death for American women in their reproductive years.

These are only a few of the important advances in our cancer program dedicated to informing and helping the people of America today, while continuing the search for causes, cures and means of preventing all cancers.

HEART DISEASE RESEARCH

The greatest single risk to health and life in the United States is heart disease. Collectively, heart, blood vessel, lung and blood disease affect more than 30 million Americans. High blood pressure is one of the most commonly encountered forms of heart and blood vessel disease, affecting an estimated 23 million adult Americans, or between 10 and 15 percent of the population of the United States.

In my State of the Union message in 1972, I promised to give these diseases increased attention. Later that year I signed into law the National Heart, Blood Vessel, Lung and Blood Act of 1972. To implement that act, I have requested appropriations of $309 million for fiscal year 1975, an increase of 23 million over this year. Special emphasis will be placed on research to prevent heart attacks and high blood pressure. The programs in sickle cell disease will also be continued.

INTERNATIONAL HEALTH PROGRESS

We have long recognized that health problems are universal and that their solution requires international collaboration. We have been heavily involved with activities of the World Health Organization, and we have worked directly with many different countries. Among the most significant of these bilateral activities is our recent agreement with the Soviet Union.

The United States and the Soviet Union have enjoyed 16 years of fruitful relationships in the field of health. From 1958 until 1972, under a general exchange treaty between our State Department and the USSR Foreign Ministry, we have exchanged many of our best medical scientists.

Recently, HEW Secretary Caspar Weinberger, visited the Soviet Union as a guest of the Soviet Health Minister

Petrovsky. During his visit, he inaugurated a new Telex link between the Ministry of Health in Moscow and the Department of Health, Education, and Welfare here in Washington. This new "health line" provides the kind of direct communications necessary for successful fulfillment of the program's goals and has been in daily use since its inauguration.

ELIMINATION OF SMALLPOX

Finally, I am pleased to report that one of the most successful efforts ever undertaken to improve world health will soon realize its goal—the global eradication of smallpox. This is an activity originally endorsed and consistently supported by the United States.

The Eighteenth World Health Assembly in 1965, at the initiative of the U.S. Delegation, adopted a resolution declaring worldwide eradication of smallpox a major World Health Organization objective. When the program began in 1966, 45 countries reported smallpox. At the end of 1973, this number had been reduced to 11. In 1966, smallpox was endemic in 25 countries. Today it is endemic in only four. In the Americas, where smallpox was a devastating disease for centuries, not a case has been reported since April 1971.

As a result of this global effort, the probability of contracting smallpox in the United States today is virtually nonexistent. There has not been a documented case of this disease in the United States since 1949.

Because of these dramatic results, our Public Health Service has decided that routine immunization of children should no longer be required.

CONCLUSION

The policies outlined in this message can make 1974 a pivotal year in the history of health care in the United States. By preserving all that is best in our traditional medical system, and by devising the fairest, most efficient means to deal with health challenges that lie ahead, we can strike a uniquely American balance that will preserve the independence and integrity of patient and health professional alike.

"Health," wrote Thomas Jefferson, nearly two centuries ago, "is the first requisite after morality." Today, as we approach our Bicentennial as a nation, we can lay the foundations for a balanced health care system that will convert the age-old ideal of high quality health care for all into a new American reality. I urge the Congress to act rapidly on the measures I am proposing to achieve the objective we all share.

RICHARD NIXON.

THE WHITE HOUSE, *February 20, 1974.*

OWLS IN THE TOWER

Mr. MATHIAS. Mr. President, the Bible says, "By their works, ye shall know them." Mr. S. Dillon Ripley, the Secretary of the Smithsonian Institution, has undertaken a work by which I think he may be proud to be known. It is the work of restoring owls to the tower of the Smithsonian castle.

Owls have always been in short supply around Washington. I think it will be very healthy to have owls of all kinds, with or without feathers.

I hope that Mr. Ripley will be successful in attracting owls to return to the Smithsonian. It will improve the reputation of the neighborhood. I hope that the symbolism of the owls' presence will help to give us all a greater sense of the need for wisdom and balance and perspective, which we can use in these very difficult times.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in yesterday's Washington Post, entitled "Owls in the Tower."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OWLS IN THE TOWER

> For nearly a hundred years, the tower of the old Smithsonian castle on the Mall was inhabited by owls, as all self-respecting castle towers should be. But the wisdom of the mid-fifties decided that the world should be more efficient and sanitary, and so the owls were locked out.
>
> A decade later, S. Dillon Ripley, the new secretary of the Smithsonian and an ornithologist himself, repented on behalf of the Smithsonian. He opened the castle windows again and even printed an owl on the Institution's stationery. No takers: the owls refused to return.
>
> So now the Smithsonian is trying an active owl resettlement program and we found ourselves at the foot of the tower early the other morning to watch a pair of barn owls (tytonidae) being moved in. Actually, there wasn't much to watch. The owls, huddling close in a small wooden cage, looked at least as scared as they looked wise.
>
> The owls will be confined in the tower until they are settled and feel sufficiently at home to nest and breed. It may be June before that happens and, accordingly, until the tower windows can be opened to allow them to forage their own food—mainly rats, which, alas, are abundant on the Mall. Meanwhile, the Smithsonian has recruited a number of volunteers who take turns climbing four steep ladders to feed the birds.
>
> We hope the owls do decide to make the tower their free home. We would like these ancient symbols of wisdom to acknowledge an important change in man's conventional wisdom. All that efficiency and sanitizing, we are beginning to learn, has tended to make a polluted mess of the earth. We seem willing again to live in peace with owls and the rest of nature. Let us hope the owls are willing to live with us.

Mr. ROBERT C. BYRD. Mr. President, will the able Senator yield?

Mr. MATHIAS. I am happy to yield.

Mr. ROBERT C. BYRD. "A wise old owl sat in an oak. The more he heard, the less he spoke. The less he spoke, the more he heard. Why can't we all be like that bird?" [Laughter.]

Mr. MATHIAS. I thank the distinguished Senator from West Virginia. I presume that a motion to adjourn should be in order following that oratory. [Laughter.]

INTRODUCTION OF SENATE JOINT RESOLUTION 189—POSTHUMOUS RESTORATION OF FULL RIGHTS OF CITIZENSHIP OF GEN. ROBERT E. LEE

Mr. HARRY F. BYRD, JR. Mr. President, nearly 3 years ago, on March 10, 1971, I introduced legislation to restore posthumously the full rights of citizenship of Gen. Robert E. Lee. That legislation was prompted by the discovery in the National Archives in 1970 of the bona fide amnesty oath signed by General Lee. The resolution, unfortunately, was not acted upon before the 92d Congress adjourned.

I am reintroducing this measure today.

Again I can say, as a Virginian, I take this step with much pride, and I call to the attention of the Senate that this belated action is not sectional in nature, but rather is a step that should have been taken by the Nation as a whole long ago.

I could, of course, speak at great length on the subject of General Lee's ability as a military commander and his deeds in the service of Virginia and the South. I would rather emphasize to the Senate the sterling character of General Lee, which has stood as an unequaled example of gentlemanly demeanor, both in victory and adversity.

Historians have long recognized the beneficial effects of General Lee's conduct subsequent to the War Between the States. Instead of harboring bitterness in his heart, General Lee, both by word and deed, put his full effort into healing the wounds of that tragic conflict. His actions represented the noblest attributes of our national character and were in full accord with the fervent desire for peaceful reunion so eloquently expressed by President Lincoln.

I regard President Lincoln and General Lee as two of our greatest Americans. Their character, their leadership, their courage and their ability will stand as a monument for all time.

Only 2 months after the surrender of the Army of Northern Virginia at Appomattox Court House, General Lee on June 13, 1865, applied to President Johnson for amnesty and restoration of his rights as a citizen, pursuant to the President's Amnesty Proclamation of May 29, 1865.

In furtherance of the conciliatory spirit and fairness he displayed to General Lee and his soldiers at Appomattox Court House, Gen. Ulysses S. Grant graciously forwarded the request to the President on June 20, 1865. Always have I been impressed with the magnanimity of General Grant. The endorsement of General Lee's application for amnesty and pardon follows:

> Respectfully forwarded through the Secretary of War to the President, with the earnest recommendation that this application of General R. E. Lee for amnesty and pardon may be granted him. The oath of allegiance required by recent order of the President to accompany applications does not accompany this for this reason, as I am informed by General Ord, that the order requiring it has not reached Richmond when this was forwarded.

Unknown to General Lee on June 13, when he requested amnesty and restoration of citizenship, was the requirement that an oath of allegiance accompany such a request.

The next several months in General Lee's life were busy ones; during this period, he moved to Lexington, Va., and became president of what was then Washington College, the institution which is now Washington and Lee University.

On October 2, 1865, General Lee, as an example to the people of the South, laid aside his role as a military leader and became a leader of young men. On that day he was inaugurated president of Washington College and dedicated the remaining years of his life to preparing young men to be servants of the reunited States of the Union.

On that same day, General Lee, apparently having become aware of the requirement of an amnesty oath, appeared in Lexington before Charles A. Davidson, a notary public for the county of Rockbridge, Va., to whom he gave the following *oath*:

> I, Robert E. Lee, of Lexington, Virginia, do solemnly swear, in the presence of Almighty God, that I will henceforth faithfully support, protect and defend the Constitution of the United States, and the Union of the States thereunder, and that I will, in like manner, abide by and faithfully support all laws and proclamations which have been made during the existing rebellion with reference to the emancipation of slaves, so help me God.—Signed, R. E. Lee.

I believe we can safely assume that had this oath reached the hands of the President, that General Lee's citizenship would have been restored in full. But it was lost for quite some period of time, and was discovered only a few years ago.

In the 1970 winter issue of Prologue, the journal of the National Archives, Mr. Elmer O. Parker wrote an excellent article describing the discovery of General Lee's oath among the State Department records of the National Archives. Apparently the oath was submitted separately and was never joined to General Lee's request of June 13, 1865.

I recite these facts again to the Senate in order to show that General Lee fulfilled every requirement for the restoration of his citizenship.

As is known to many, on February 15, 1869, the outstanding treason indictments against General Lee, his sons, and 14 other general officers of the Confederacy, were dismissed by the United States. Thus, the only bar to the citizenship of General Lee is the 3d section of the 14th amendment to the Constitution, which provides that no person who has previously taken an oath as an officer of the United States and is subsequently engaged in rebellion against the same, can hold office. The amendment provides that Congress, by a two-thirds vote of each House, can remove such a disability.

Mr. President, I feel that Congress should act now to restore the full rights of citizenship to one of the greatest Americans of all time.

Mr. President, I ask unanimous consent that the text of this joint resolution which I send to the desk for appropriate reference be printed in the Record at this point.

The PRESIDING OFFICER (Mr. Griffin). The joint resolution will be received and appropriately referred; and without objection, the joint resolution will be printed in the Record.

The joint resolution, ordered to be printed in the Record, is as follows:

S.J. Res. 189

Whereas this entire Nation has long recognized the outstanding virtues of courage, patriotism, and selfless devotion to duty of General R. E. Lee, and has recognized the contribution of General Lee in healing the wounds of the War Between the States, and

Whereas, in order to further the goal of reunion of this country, General Lee, on June 13, 1865, applied to the President for amnesty and pardon and restoration of his rights as a citizen, and

Whereas this request was favorably endorsed by General Ulysses S. Grant on June 16, 1865, and

Whereas, General Lee's full citizenship was not restored to him subsequent to his request of June 13, 1865, for the reason that no accompanying oath of allegiance was submitted, and

Whereas, on October 12, 1870, General Lee died, still denied the right to hold any office and other rights of citizenship, and

Whereas a recent discovery has revealed that General Lee did in fact on October 2, 1865, swear allegiance to the Constitution of the United States and to the Union, and

Whereas it appears that General Lee thus fulfilled all of the legal as well as moral requirements incumbent upon him for restoration of his citizenship: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That, in accordance with section 3 of Amendment 14 of the United States Constitution, the legal disabilities placed upon General Lee as a result of his service as General of the Army of Northern Virginia are removed, and that General R. E. Lee is posthumously restored to the full rights of citizenship, effective June 13, 1865.

Mr. HARRY F. BYRD, JR. Mr. President, I also ask unanimous consent that a copy of General Lee's letter of June 13, 1865, to President Johnson; his letter of the same date to General Grant; General Grant's endorsement of June 16, 1865; General Grant's letter to General Lee of June 20, 1865; a copy of the oath itself, and a copy of the article by Mr. Parker be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Richmond, Va., *June 13, 1865.*

His Excellency Andrew Johnson

Dear Sir: Being excluded from the provisions of the amnesty and pardon in the proclamation of the 29th ult., I hereby apply for the benefits and full restoration of all rights and privileges extended to those enclosed in its terms. I graduated at the Military Academy at West Point in June 1829; resigned from the United States Army, April, 1861; was a general in the Confederate Army, and included in the surrender of the Army of Northern Virginia, April 9, 1865. I have the honor to be, very respectfully,

Your obedient servant,

R. E. Lee.

Richmond, *June 13, 1865.*

Lieut. Gen. U. S. Grant,
Commanding Armies of the United States:

General: Upon reading the President's proclamation of the 29th ultimo, I came to Richmond to ascertain what was proper or required of me to do, when I learned that with others I was to be indicted for treason by the grand jury at Norfolk. I had supposed that the officers and men of the Army of Northern Virginia were, by the terms of their surrender, protected by the United States Government from molestation so long as they conformed to its conditions. I am ready to meet any charges that may be preferred against me. I do not wish to avoid trial, but if I am correct as to the protection granted by my parole, and am not to be prosecuted, I desire to comply with the provisions of the President's proclamation, and therefore inclose the required application, which I request in that event may be acted on.*

I am, with great respect, your obedient servant,

R. E. Lee.

[Indorsement]

Headquarters Armies
of the United States,
June 16, 1865.

In my opinion the officers and men paroled at Appomatox Court House, and since, upon the same terms given to Lee, cannot be tried for treason so long as they observe the terms of their parole. This is my understanding. Good faith, as well as true policy, dictates that we should observe the conditions of that convention. Bad faith on the part of the Government, or a construction of that convention subjecting officers to trial for treason, would produce a feeling of insecurity in the minds of all the paroled officers and men. If so disposed they might even regard such an infraction of terms by the Government as an entire release from all obligations on their part. I will state further that the terms granted by me met with the hearty approval of the President at the time, and of the country generally. The action of Judge Underwood, in Norfolk, has already had an injurious effect, and I would ask that he be ordered to quash all indictments found against paroled prisoners of war, and to desist from further prosecution of them.

U. S. Grant,
Lieutenant-General.

Headquarters Armies
of the United States,
Washington, June 20, 1865.

General R. E. Lee,
Richmond, Va.:

Your communications of date of the 13th instant, stating the steps you had taken after reading the President's proclamation of the 29th ultimo, with a view of complying with its provisions when you learned that, with others, you were to be indicted for treason by the grand jury at Norfolk; that you had supposed the officers and men of the Army of Northern Virginia were by the terms of their surrender protected by the United States Government from molestation so long as they conformed to its conditions; that you were ready to meet any charges that might be preferred against you, and did not wish to avoid trial, but that if you were correct as to the protection granted by your parole, and were not to be prosecuted, you desired to avail yourself of the President's amnesty proclamation, and enclosing an application therefor, with the request that in that event it be acted on, has been received and forwarded to the Secretary of War, with the following opinion endorsed thereon by me:

"In my opinion that officers and men paroled at Appomattox Court-House, and since, upon the same terms given to Lee, cannot be tried for treason so long as they observe the terms of their parole. This is my understanding. Good faith, as well as true policy dictates that we should observe the conditions of that convention. Bad faith on the part of the Government, or a contraction of that convention subjecting the officers to trail for treason, would produce a feeling of insecurity in the minds of all the paroled officers and men. If so disposed they might even regard such an infraction of terms by the Government as an entire release from all obligations on their part. I will state further that the terms granted by me met with the hearty approval of the President at the time, and of the country generally. The action of Judge Underwood, in Norfolk, has already had an injuriour effect, and I would ask that he be ordered to quash all indicts found against paroled prisoners of war, and to desist from the further prosecution of them."

This opinion, I am informed, is substantially the same as that entertained by the Government. I have forwarded your application for amnesty and pardon to the President, with the following endorsement thereto:

"Respectfully forwarded through the Secretary of War to the President, with the earnest recommendation that this application of General R. E. Lee for amnesty and pardon may be granted him. The oath of allegiance required by recent order of the President to accompany applications does not accompany this for the reason, as I am informed by General Ord, the order requiring it had not reached Richmond when this was forwarded.

U. S. GRANT,
Lieutenant-General."

OFFICE OF
NOTARY PUBLIC,
Rockbridge County, Va., October 2nd, 1865.

AMNESTY OATH

I, Robert E. Lee of Lexington, Virginia do solemnly swear, in the presence of Almighty God, that I will henceforth faithfully support, protect and defend the Constitution of the United States, and the Union of the States thereunder, and that I will, in like manner, abide by and faithfully support all laws and proclamations which have been made during the existing rebellion with reference to the emancipation of slaves, so help me God.

R. E. LEE.

Sworn to and subscribed before me, this 2nd day of October 1865.

CHAS. A. DAVIDSON,
Notary Public.

WHY WAS LEE NOT PARDONED?

(By Elmer Oris Parker)

Archivists have recently discovered Robert E. Lee's oath of amnesty among State Department records in the National Archives. To those historians of the Civil War and Reconstruction who believe that Lee did not satisfy the requirements for amnesty this may come as a surprise.

Facing an indictment for treason, Lee read in Richmond newspapers President Andrew Johnson's proclamation of May 29, 1865, "to induce all persons to return to their loyalty." Lee immediately informed Gen. Ulysses S. Grant that he wanted to comply with the provisions of the proclamation and enclosed "the required application." It was not in order for it was not accompanied by an oath of allegiance to the United States. Such an oath was required by an order of the President. Lee's action was premature.

General Grant attempted to justify the absence of the oath. He explained to the President that Gen. E. O. C. Ord, commanding the Department of Virginia at Richmond, informed him that the order requiring it had not reached the city when Lee's application was forwarded. Grant, therefore, earnestly recommended that amnesty and pardon be granted the old warrior.

Meanwhile, Lee had been elected president of Washington College and had proceeded on "Traveller" by easy paces to Lexington where he was inaugurated on October 2. This was an important day in his life. Not only did he take up the life of a useful citizen, he also subscribed to the amnesty oath, thereby complying fully with the provisions of Johnson's proclamation. Thus, Lee had every reason to expect he would be pardoned and restored to full citizenship.

But this never happened. Secretary of State William H. Seward gave Lee's application to a friend as a souvenir and his oath was evidently pigeonholed. Although attempts have been made in recent years to have Congress restore Lee's citizenship posthumously, all have come to naught. As far as was known Lee, after laying down his arms at Appomattox, had not sworn "to support, protect and defend the Constitution of the United States." But the discovery of his oath of amnesty proves that he had indeed done so. Furthermore, he had also sworn to "faithfully support all laws and proclamations made during the rebellion with reference to the emancipation of slaves." Lee's oath was duly executed, signed, and notarized, and for a century it has remained buried in a file in the nation's archives.

Mr. HARRY F. BYRD, JR. Mr. President, since I originally introduced this legislation in the 92d Congress, the alternative of present-day Executive pardon has been suggested as a means for more expeditious handling of this matter. I am advised that the necessity for congressional action—by the legislative process established under the third section of the 14th amendment to the Constitution—has been indicated by both the White House, through the Office of the Counsel to the President, and by the Department of Justice, through the Office of the Deputy Attorney General.

There has been a groundswell of support for my proposal from all over the Nation, which has grown ever since its original introduction 3 years ago. That it has not waned is, I believe, amply supported by the recent articles in the Washington Star-News, dated February 10, 1974, and in Time magazine, dated February 25, 1974. I ask unanimous consent that these articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

GENERAL LEE'S LAST BATTLE: CITIZENSHIP

(By Brian Kelly)

RICHMOND.—Virginia's State Senate has joined the parade of those asking Congress to restore full U.S. citizenship to Confederate Gen. Robert E. Lee, the native son who died 103 years ago with his personal plea to rejoin the Union as a restored citizen still pending.

Members of the Senate agreed yesterday to a resolution asking the posthumous action with no audible dissent. Virginia's House of Delegates is expected to concur wholeheartedly.

Citing Lee's "contribution" in "healing the wounds" of the Civil War, the resolution also took note of the disappearance a century ago of an oath of allegiance that Lee swore out in 1865, after the Civil War, and dispatched to President Andrew Johnson, Abraham Lincoln's successor.

Why the necessary oath never reached Johnson remains a mystery. It turned up in the National Archives in 1970, discovered there by military archivist Elmer O. Parker, according to a spokesman of U.S. Sen. Harry F. Byrd Jr., who asked Congress in 1971 to restore Lee's citizenship.

The Lee bill, which has been endorsed by Alabama's legislature and a parade of editorialists, columnists and others, failed to win any action in the Senate Judiciary Committee in the last session of Congress, but Byrd apparently has not given up the cause of Lee's citizenship.

In the meantime, it appears Lee took two steps in 1865 to seek presidential amnesty and restoration of his citizenship, partly as a symbolic gesture designed to encourage a spirit of reunion in the shattered nation of that era.

First, in June, he sat down here and wrote a petition of amnesty to Johnson. Gen. Ulysses S. Grant, Lee's chief Union adversary, endorsed the petition and personally forwarded it to Johnson.

But Lee didn't know he also was required to swear out an oath of allegiance to the U.S. Constitution, as Grant noted in his endorsement.

Finally informed of the added requirement, Lee went on Oct. 2, 1865, the day he became President of Washington College in Lexington, Va. (now Washington and Lee University) to notary public Charles Davidson in Lexington and swore out the oath.

"He sent it," George Shanks, a legislative assistant to Byrd, said, "and that was the last that anybody saw of it until Parker came up with it in 1970."

Three years ago Byrd said, "I think we can safely assume that had this oath reached the hands of the President (Johnson), Gen. Lee's citizenship would have been restored in full."

Introduced by Democratic State Sen. Paul Manns, whose district includes Lee's birthplace at Stratford Hall, the Virginia Senate resolution says the Confederate leader "fulfilled all of the legal and moral requirements incumbent upon him for restoration of his citizenship."

The Virginia resolution also asks Congress to grant the citizenship effective June 13, 1865, the day Lee prepared his amnesty petition to Andrew Johnson here in the one-time capital of the Confederacy.

RESTORING LEE

For more than 100 years, Robert E. Lee has been something of a man without a country. Never mind that he was one of the most illustrious and magnanimous generals in U.S. history. After he surrendered his sword at Appomattox, he apparently failed to take an oath of loyalty to the U.S. Constitution, which many Confederates were obliged to do if they wished to regain the full U.S. citizenship that they had forfeited. Up to his death in 1870, he was denied citizenship. Ever since, Southern sympathizers have been trying to recover it for him posthumously.

Their seemingly lost cause revived in 1970 when a researcher discovered that there was a Lee loyalty oath, after all, buried among State Department records in a file at the National Archives. Initially, before he knew of the oath, Lee had written to the White House requesting amnesty. Later, he went to a notary and swore his allegiance, but somehow the oath never caught up with the amnesty petition.

General Lee's supporters are making a drive in this session of Congress to restore his lost citizenship. Last week the senate in Virginia, where Lee was born and died, passed a resolution calling upon Congress to correct the longstanding error. It seemed a modest enough request a century after the War Between the States.

Mr. HARRY F. BYRD, JR. Mr. President, I point out further that the Virginia Senate just recently unanimously adopted a resolution memorializing Congress to take such action.

Mr. HUMPHREY. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I am happy to yield.

Mr. HUMPHREY. Mr. President, I am very happy that I can be present on the floor of the Senate on the occasion when the distinguished senior Senator from Virginia brings to our attention this great chapter of history and speaks of the necessity for the Congress of the United States to take affirmative action upon his joint resolution. I want to associate myself with the intent and purpose of the resolution submitted by the distinguished Senator from Virginia.

I suppose that I am what one would

call a Yankee, but I am more than that: I am an American. One great American was Robert E. Lee. I am pleased that Congress will have a chance now, as provided for under the Constitution, to take the action which we should take to restore the full rights of citizenship to this very great and decent man, who acted out of conscience as a general for the Confederacy, and acted out of conscience, may I say, as he thought, to heal the wounds between the North and the South following the terrible War Between the States.

So I wish to assure the Senator from *Virginia of my support*. I would even be honored to join him as a cosponsor, because I think this kind of legislation should pass through Congress quickly, to help set an example to the world that we know how to bind up wounds, even if the time is very, very late in our national history.

Mr. HARRY F. BYRD, JR. Mr. President, I am most grateful to my friend the splendid Senator from Minnesota. I speak not only for myself but, I am sure, for all the people of Virginia when I express to him my warm thanks and appreciation.

Mr. President, I ask unanimous consent that the name of the able Senator from Minnesota (Mr. HUMPHREY) be added as a cosponsor of the joint resolution.

The PRESIDING OFFICER. Without objection, *it is so ordered*.

Mr. GRAVEL. Mr. President, in case the distinguished and most honorable Senator from Minnesota is not Yankee enough, or from far North enough, I should like to add my name as a cosponsor of the joint resolution to restore General Lee to his proper place in the annals of American history as a citizen of the United States.

Mr. HARRY F. BYRD, JR. I am very grateful to the distinguished Senator from Alaska.

Mr. President, I ask unanimous consent that the name of the distinguished junior Senator from Alaska, who represents the northernmost State in the country, also be added as a cosponsor of the joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I was not in the Chamber when the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) began his remarks. However, I am generally familiar with what my colleague is attempting to do. So representing Virginia, as he does, I would also want my name to be added to the joint resolution and shall give full support to the efforts of my senior colleague.

Mr. HARRY F. BYRD, JR. I thank my colleague from Virginia.

Mr. President, I ask unanimous consent that the name of the Senator from Virginia (Mr. WILLIAM L. SCOTT) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. In closing, I point out that the resolution which passed the Virginia Senate on February 7, 1974, was Senate Joint Resolution 38. Its sponsor is Senator Paul W. Manns, of Virginia's 28th Senatorial District. That resolution passed the Virginia House of Delegates on February 20, 1974.

WATER RESOURCES DEVELOPMENT ACT OF 1974—CONFERENCE REPORT

Mr. GRAVEL. Mr. President, I submit a report of the committee of conference on H.R. 10203, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10203) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of February 13, 1974, at pages 2890–2903.)

Mr. GRAVEL. Mr. President, as presented, the legislation represents a compromise between the bill as adopted by the House last October and the provisions of S. 2798 as approved by this body on January 22 before the House number was adopted as a means of sending the measure to conference.

Notwithstanding the changes made there, it remains basically a combination of the purposes and objectives customarily associated with omnibus rivers and harbors legislation and of further authorizations for river basin development.

As you know, those two objectives would normally have been served in separate bills in alternate years. The combination was necessitated in this instance, however, by the White House veto of the Flood Control Act of 1972 after adjournment of Congress, which precluded passage of any water resources legislation for that year.

That veto left the Flood Control Act of 1970 as the most recent bill addressing itself to the programs and policies customarily covered by rivers and harbors legislation.

Since the bill on which we are to act today is the only one which has progressed to the point of final congressional consideration since that time, it, out of necessity, had to take into account needs accumulating throughout the country over a period of more than 3 years.

Notwithstanding that, the total cost of the measure as agreed to in conference is only about $1.33 billion, of which $780 million is attributable to river basin authorizations under title II of the bill for a period through calendar 1975.

The total for projects and provisions covered in title I, moreover, represents an estimated 5-year cost of major programs which it entails and, at the same time, is still considerably under the $593 million proposed for similar purposes under the 1972 bill which the President disapproved.

When S. 2798 was before the Senate last month, I spoke in some detail about the amount of attention and study which had been accorded each of its provisions at various stages of preparation of the legislation and its consideration in committee.

I want to say now that I regard the quality and thoroughness of that preparation as a tribute to the dedication and ability of the members of the Public Works Committee—which is even more noteworthy because so many of the members are serving on it for the first time.

As a first-time subcommittee chairman, I owe each of them a debt of gratitude which I now acknowledge.

I am particularly appreciative of the counsel and guidance which my very able and distinguished chairman, JENNINGS RANDOLPH, provided both during the committee sessions and in conference.

His advice and assistance, and the support of our fellow conferees—Senators BENTSEN, BURDICK, SCOTT, BAKER, and STAFFORD—contributed greatly to the degree of our success in sustaining key Senate provisions.

Before addressing myself to the specifics of the conference report, I also want to commend my distinguished House counterpart, RAY ROBERTS, of Texas, for the very effective and outstanding way in which he served as conference chairman. His unfailing courtesy, understanding of the issues and tactful direction of the conference set the tone for quick agreement on virtually all issues and was primarily responsible for the speed with which its assignment was completed.

I do not propose, in presenting the conference report, to outline in detail each of the provisions, and particularly not those of a relatively routine nature which were essentially the same in both bills prior to conference.

I do feel, however, that it would be appropriate to discuss the major sections which involve significant new programs or policies, and to indicate whether they were altered during conference deliberations.

TWO-STAGE AUTHORIZATION

The first item on that list would be the new provision for two-stage authorization of projects as provided in both bills.

Embodied without change in the conference report, it would provide for authorization of a major new project only through what is known as the phase I design memorandum stage of advance engineering and design. The design plan, with any modifications would then be brought back to Congress, together with the completed environmental impact statement, for consideration of construction authorization.

DEAUTHORIZATION

That section of the bill provides that the Secretary of the Army, through the Chief of Engineers, shall submit annually to Congress a list of projects which have been authorized for at least 8 years, for which no funds have been appropriated during that period, and which he determines after consultation with officials of affected States and agencies, should no longer be authorized. Any such project will be deauthorized 180 days after submission unless either the Senate or House Public Works Committee adopts a resolution stating it should remain authorized. A further provision would be that Members of the Senate and House would be notified in advance of the intent to put a project from his State on the list. This provision was added in conference.

PRINCIPLES AND STANDARDS

This section would provide that the 1968 interest-discount rate and grandfather clause in effect prior to adoption of the new formula proposed by the Water Resources Council shall continue to apply until changed by law.

The President would be authorized under the section to make a full and complete investigation and study of the principles and standards for planning water and related resources projects, with the study to be completed no later than 1-year after funds are first appropriated for the purpose. This provision, which would have the effect of holding the rate at 5⅝ percent at present, is in line with the House proposal on the subject except that the conferees added the Presidential study provision.

STREAMBANK EROSION CONTROL

This section, embodying provisions of the Senate bill on the subject, authorizes the Corps of Engineers to establish a streambank erosion control demonstration program. To be funded at a level of $25 million over a 5-year period, it would determine the causes and extent of such erosion and seek to develop new methods and techniques for prevention and correction. Demonstration projects would be authorized at selected sites on the Ohio River, the Missouri River and in the Yazoo River Basin.

SHORELINE EROSION CONTROL

This section of the bill would authorize a program to develop and demonstrate low-cost means of preventing and controling shoreline erosion. To be undertaken by the Corps of Engineers, it will include planning, constructing, operating, and evaluating prototype devices, both engineered and vegetative. Demonstration projects are authorized at no less than two sites each on the shorelines of the Atlantic, Gulf and Pacific coasts, the Great Lakes, the State of Alaska and specified locations along the shores of the Delaware Bay. A total of $8 million is authorized for a 5-year period. This is the Senate's version of the plan.

SMALL FLOOD PROTECTION PROJECTS

Under existing law, the Corps of Engineers has authority to construct small flood protection projects not otherwise specifically authorized, with a $1 million limit on each project and an annual program limit of $25 million.

A provision in this bill would increase the annual authorization to $30 million and the individual project limit to $2 million to protect areas designated within the previous 5 years as a major disaster area.

EMERGENCY BANKS PROTECTION WORKS

This section of the bill would increase the monetary limit on emergency bank protection works undertaken by the Corps of Engineers from $50,000 to $250,000 for an individual project and would raise the annual program limits from $1 million to $10 million. It would also expand existing emergency authority to include shoreline protection works.

MUNICIPAL AND REGIONAL WATER TREATMENT PLANTS

This provision authorizes the Secretary of the Army, after consultation with the Environmental Protection Agency, to contribute to the cost of constructing municipal or regional sewage treatment plants to handle waste from Corps of Engineer recreational areas, where such contribution is more economical than constructing a separate plant.

ANNUAL INSTALLMENT OF LOCAL SPONSOR CONTRIBUTIONS

Under this provision, the Secretary of the Army may allow cash contributions now required of non-Federal public bodies prior to construction of a water resources project to be made in annual installments during construction. This feature is intended to ease the financial burden now being placed on sponsors of projects which may take several years to complete.

DISASTER RELIEF

A section accepted from the House version of the bill would amend the Disaster Relief Act to provide that the cost of replacing certain community services following a natural disaster shall include those costs incurred in obtaining substitute services during the period of repair and reconstruction, to the degree that those costs exceed what would otherwise have been incurred.

SMALL BOAT HARBORS

This section, which was restored in conference, amends existing law to provide for Federal payment of all costs of maintaining and operating the general navigation features of small boat harbors. This would immediately pertain to 416 harbors in 26 States.

Among other general provisions which were retained in the conference report are those which would:

Amend the Federal Project Recreation Act to increase the Federal share of separable costs for fish and wildlife enhancement from 50 to 75 percent.

Require the Secretary of the Army to study the need for, and means of providing, visitor protection services at water resources development projects under jurisdiction of the Corps of Engineers and to report findings by December 31 of this year.

Authorize a program of general assistance to States in planning for development, utilization and conservation of water and related resources, with $2 million authorized to fund it.

Establish a policy on Federal replacement of roads in water resources project areas which would permit upgrading of the construction standards if requested by the State, but with the provision that the State should bear the cost resulting from such upgrading.

PROJECT AUTHORIZATION

There are 18 new project starts authorized under the A.E. & D. concept in section 1 of this bill, with that procedure permitting a first-phase examination of the entire group with an initial commitment of only about $11.7 million contrasted with a total of nearly $519 million which would have been needed for full authorization.

The A.E. & D. concept will also apply to four other major projects authorized elsewhere in the bill.

They include the Lower Rio Grande flood control project and the Corpus Christi ship channel project, both in Texas; the Sixes Bridge and Verona Dam projects in the Potomac River Basin in Maryland and Virginia, and the Tug Fork Basin flood control project, West Virginia and Kentucky.

The latter provision is designed to assure other communities in the valley the same type of flood protection authorized for Matewan and Williamson, W. Va. in the 1970 Flood Control Act. In approving it, the Senate conferees intended that the provision should not only expand the scope of the original authorization but also remove the condition of Presidential approval which had initially been attached to it.

Five other projects are scheduled for initiation with full funding because of relatively low cost or other special considerations.

The latter list includes the Four-mile Run flood control project in Arlandria which was initially approved as a section 201 project but which had to be refigured and given a new authorization because of significant cost escalation.

Insofar as the Metropolitan Washington area is concerned, the Sixes Bridge-Verona and Fourmile Run proposals are the most significant in the bill—the former because of the potential for water supply development in the Potomac River Basin and the latter because of the frequent and severe floods that have plagued the Arlandria area just outside the District of Columbia.

Both proposals have been under discussion for a number of years and both have been controversial.

I believe, however, that the solutions recommended under this bill will serve the public interest to a degree not previously achieved.

Title II of the conference report relating to river basins authorizations is precisely the same as it was in S. 2798 and for that reason does not require additional explanation at this stage.

SUMMARY COMMENTS

Having discussed in detail certain of the major provisions of the conference report, I hope you will allow me some general observations regarding the legislation and future prospects for the programs to which it relates.

First of all, I feel that the measure we now have before us represents the best efforts and thoughts of many people and the most attainable consensus of the Senate and House Public Works Committee and the respective bodies they represent.

Without reservation I can say I consider it a sound, realistic, and workable bill which meets both the current civil works program needs and requirements for new and innovative approaches to problems of the future.

There is already evidence that such new approaches are going to be needed.

That is implicit in the tenor of last year's reports from the National Water Commission and the Water Resources Council. It is further underscored by reports that the administration is preparing legislation which would alter the respective roles of Federal and local government agencies in future civil works activities.

As a consequence, the Public Works Committee is already planning a series of comprehensive oversight hearings covering all elements of water resources development and management planning and of the Corps of Engineer civil works concept.

That review will include an evaluation of the potential effect of the Water Commission and Water Resources Council's long-range proposals and a judgment of what program and policy changes will be necessary to operate under those revised guidelines.

It will also afford an opportunity for reanalysis of the respective responsibilities of Congress and the corps in project development, mitigation damage prevention and reparation and adoption and implementation of program policies.

It will also help determine where private industry should fit into the public works picture in matters, for example, such as dredging work. As was noted in the committee report on S. 2798, the Comptroller General recommended in a 1972 report that Congress establish a national dredging policy for guidance of the corps to more effectively utilize the private dredging industry. To correct any misunderstanding that may have arisen as a result of Senator BAKER's remarks, at the time of passage of this bill, relative to the discussion in the committee report on "effective utilization of the dredging industry" I wish to clarify certain points.

I want to make clear that the language is not intended to idle government-owned dredges. The purpose is three fold: to require full utilization of the capability of the dredging industry to avoid the spending of many millions of dollars for the replacement or rehabilitation of existing Government dredges; to utilize the Corps of Engineers to perform work which industry may not have the capability to perform or when reasonable prices can not be obtained; to have the corps utilize its hopper dredges in dredging entrance bars for which such dredges were specially designed.

Proper utilization of the corps hopper dredges is necessary to maintain authorized depths in entrance channels or bars to avoid hazards to navigation. In addition, by the term "reasonable prices" the committee means that the corps cost estimates for dredging work will be based on a fair reasonable cost to a well-equipped and efficient dredging contractor and not on the basis of the cost of performing dredging in-house with government dredges.

Those are some of the things for which we must still find final answers.

I know the legislation we have before us today is not going to provide all of them.

Mr. President, I just want briefly to add for the benefit of Senators who are here that we labored hard over the legislation, and we had what I thought was an extremely good conference with the House. We gave a lot of ground and they gave a lot of ground. We arrived at a compromise which I think will be in the best interests of America as relates to water resources in the forthcoming fiscal year.

Many items that were brought up were left to future action. The report goes into some detail as to what those matters will be. We have some problems that the subcommittees and the full committees have been addressing, and we realize that in time we can consider those. Because of a change in past practices, we will be coming to the Senate on an annual basis, and we will be able to handle the matter in a better fashion, concentrating on immediate exigencies.

I commend the conferees, especially the leadership of Representative RAY ROBERTS, chairman of the conferees. His leadership was very fine. I also wish to commend all the members for their accommodations.

At this time I yield the floor to the Senator from Virginia (Mr. WILLIAM L. SCOTT).

Mr. WILLIAM L. SCOTT. Mr. President, I join in the remarks that have been made by my distinguished colleague from Alaska and urge that the conference report be adopted by the Senate. We spent a considerable amount of time in resolving differences between the two bodies. I feel that it is a good measure.

While there are aspects of the bill with which I am not in full agreement, the report contains many, many compromises and generally the measure will lead to the orderly development of our valuable water resources.

Section 1, for example, provides initial authority for two important projects in the Commonwealth of Virginia. One is a beach protection project at Virginia Beach, with $854,000 authorized to initiate engineering and design work; the other involves an important dam project at Buena Vista on the Maury River, with $665,000 authorized to initiate engineering and design work.

Section 12 establishes a procedure that will enable the administration and the Congress to work together to deauthorize many old corps projects that are no longer needed or wanted.

Many projects approved decades ago have never been constructed. And it is unlikely that they will be built. Yet, because they remain on the books, local landowners and residents face the threat that the Government may someday take their land, distorting both rational planning and land values. This section would enable the "dead wood" to be cleaned out.

While the conferees did not adopt the Senate language, I am confident that the compromise language establishes a procedure that is reasonable and that will assure full and fair consideration.

Section 54 of the report maintains the Senate position broadening the scope of an important new national shoreline erosion demonstration program. It is my hope that one of these demonstration projects can be undertaken in Virginia, where shoreline protection has such importance.

The compromise version of section 65 would allow the Corps of Engineers to reformulate projects administratively to reduce or eliminate water storage for water quality, with that capacity to be assigned to other project uses, when that storage represents 25 percent or less of the project's benefits. This would negate the need that such projects be reauthorized by the Congress. If the water quality storage exceeds 25 percent, of course, then any reformulation must be submitted to the full Congress for approval. This procedure, I believe, endorses the Senate position, which at my suggestion was set at 25 percent.

Section 84 of the report modifies the authorized project to protect Fourmile Run in Arlandria, Va. The modification recognizes the sharp increase in estimated project costs, raising the level of authorized Federal expenditures to $29,981,000, and establishes an equitable cost sharing plan.

The next section of the report, section 85, authorizes $1,400,000 for phase I engineering and design work on two Potomac River Basin dams: Verona Dam in Virginia, and Sixes Bridge Dam in Maryland. The conference agreement includes the full intent of the Senate bill, which incorporated a floor amendment that was offered by the distinguished Senators from Maryland (Mr. MATHIAS and Mr. BEALL).

While this section requires the corps to contract with the National Academy of Sciences-National Academy of Engineering for a review and report on the corps study related to the possible extraction of drinking water from the Potomac River estuary, the conference report imposes no procedural impediments to the approval of construction work on the Verona Dam project. The study trigger only concerns construction of the Sixes Bridge Dam.

In conclusion, Mr. President, I believe there are many provisions of merit in this bill, although I am concerned over the discount rate provision and the possibility that it may prove to be a lightening rod for a veto. I am worried about what I consider to be the excessive cost of the bill. While I intend at this time to support the bill and to vote in favor of adopting the conference report should the President veto the bill for economy reasons, I may well support his veto.

Mr. President, our distinguished colleague from Tennessee (Mr. BAKER) is unavoidably away from the Senate, due to illness in his family. I ask unanimous consent that his statement evaluating this bill be included at this point in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

STATEMENT BY SENATOR BAKER

Mr. President, I wish to express my support for adoption of the Conference Report on H.R. 10203, the Water Resources Development Act of 1974.

This Report necessarily reflects a compromise in which both bodies have had to modify their stand on some issues. In many instances, compromise involved acceptance of entire sections or projects from one bill or the other.

I am very gratified that the Conference includes two provisions, taken virtually intact from the Senate bill, that hold great significance for the people of Tennessee.

The first of these provisions appears as Section 3. This section authorizes the acquisition of 32,000 acres as fish and wildlife mitigation lands for the West Tennessee Tributaries project.

Work on this project, Mr. President, has been tied up in the courts for several years. A key issue in that litigation has been the demands by the plaintiff that suitable mitigation lands be acquired to offset project-induced losses of wildlife habitat.

The Army Corps of Engineers developed a plan to acquire and develop 14,400 acres for mitigation. Authorization for this work was included in the House-passed version of H.R. 10203. Subsequent to House consideration, it became clear that a broader mitigation plan—one that had been developed under the imaginative leadership of Governor Dunn of Tennessee—might prove more realistic. This alternative plan answers effectively many of the environmental arguments raised against the project. Thus, implementation of this mitigation plan should expedite completion of the vital flood-control features of this entire project protecting the Obion and Forked Deer River Valleys.

The plan in the reported bill involves some 32,000 acres of land, more than twice the acreage in the Corps plan. Despite the widely differing character of the two plans, it is estimated that their costs would be approximately the same: $6,600,000. This can be achieved because Governor Dunn's plan involves far less "development" of lands acquired, leaving a much greater portion of the cash to be spent on land acquisition.

This Conference language is the result of a series of meetings held among interested parties, representatives of Governor Dunn, the Corps of Engineers, local project sponsors, plaintiffs in the lawsuit, and various elected officials. The language adopted by the Senate, and included in the Conference Report, is supported unanimously by these groups and individuals.

When this language becomes law, it is my understanding that the plaintiffs intend to withdraw their suit. Such action will allow work on the flood-control aspects of the project and the mitigation work to go forward at once. This is imperative for the rational development of the area.

Mr. President, another provision of great interest among the citizens of Tennessee is Section 108, which establishes the Big South Fork National River and Recreation Area.

The concept for this project, located in the States of Kentucky and Tennessee, is the result of studies dating back more than 30 years. It provides an alternative to a proposed Corps of Engineers power dam at Devil's Jump on the Big South Fork River. The high dam proposal was approved five times by the Senate, but opposition from various sources blocked passage in the House of Representatives.

In 1968, in the continuing controversy over the desirability of constructing the hydroelectric dam, Senator John Sherman Cooper sponsored an amendment to the Flood Control Act requiring an interagency study of alternatives for development of the Big South Fork area. The report, submitted to Congress on Feb. 12, 1970, set forth six alternatives.

Proponents of the dam agreed that the plan now incorporated as Section 108 represented the best proposal, as it accomplishes a dual goal: preservation of the unique geologic and biologic features of the river gorge, and stimulation for the local economy.

And it would prove far cheaper for the taxpayers. The total cost of the project is $32,850,000. The alternative hydroelectric dam at Devil's Jump would cost approximately $205 million.

Because of the extensive involvement of the Corps of Engineers in the Big South Fork area—in planning for the Devil's Jump project and in construction and management of Wolf Creek Dam (Lake Cumberland) in Kentucky—the Corps is well equipped to develop the recreation area. The bill provides that when the work is completed, the area will be transferred to the control of the Department of Interior, operating through the National Park Service.

It should be noted that the only change in Section 108 from the Senate version is the addition of language preventing the use of the Land and Water Conservation Fund for project development. This was the intent of the Senate, so that the addition, I believe, in no way compromises the Senate position.

Sections 3 and 108 are but two of many meritorious provisions in the bill. While the bill as a whole is sound and important to the development of our national water resources, there is one section that concerns me. This is Section 80, which perpetuates the use of the 5⅝ percent rate of interest—the old, subsidized rate—in calculating the costs and benefits of water resource projects.

The position taken in the Senate bill would have allowed the use of a 6⅞ percent interest rate (the approximate cost of Federal borrowing) on projects approved subsequent to enactment of H.R. 10203.

The Conferees accepted language from the House bill.

Personally, I believe it is unfair to the American taxpayer to use an abnormal, subsidized rate of interest in calculating the costs of building a particular dam or repairing erosion along a particular beach. These projects should stand on their own, figured at reasonable rates of interest.

I recognize that this section is considered to be very controversial. As I indicated, I am not altogether happy with it. But frankly, Mr. President, I do not believe that we need emphasize this controversy.

Subsection (c) of this same Section directs the President to make a study of interest rates, cost-sharing regulations, and other aspects of water resource development, and then to report to Congress. While such a study may be somewhat redundant of studies already made, I would hope that this period would enable the Congress to examine carefully the present structure of our entire national water resources development policy.

During such a period of review, I would anticipate that the Administration may decide not to send forward to the Congress project reports that carry marginal cost-benefit ratios when calculated at the 5⅝ percent rate.

I would encourage the Corps of Engineers and other water resource development agencies to include evaluations made at a 6⅞ percent rate of interest for informational purposes on all new project reports. Should the Corps fail to do so, I certainly anticipate that I shall request that the agency provide us with supplementary cost-benefit calculations based on the 6⅞ percent rate for all project proposals. This would be in line with the position in the Senate bill, and could prove to be a sound basis for the Senate's determination on the need for any specific new project.

Mr. President despite this sense of reservation over Section 80, I believe that this bill is sound legislation. It is a bill that will benefit our nation. I support the adoption of the Report.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. I yield to the Senator from New York.

Mr. JAVITS. I thank the Senator.

Mr. President, I would like to commend the conference committee on the part of the Senate for having agreed to the inclusion in the conference report of the project for New York harbor collection and removal of drift, a critically important problem to the Port of New York, and therefore critically important to the Nation, as a tremendous amount of commerce of great advantage to the Nation moves in and out of the Port of New York. This is a very statesmanlike action, and I am gratified that the Senate committee saw fit to take it.

Also, the Senate committee worked out a 70-to-30 relationship on hurricane projects which is very helpful to coastal States, and my own State has a very material and extended coastline. It will be very helpful to us in the preservation of the shore front, as well as the lands which border upon that shore front.

Mr. President, on one matter the conferees, in my judgment, took action which I think would have been better taken if they had not concurred in that particular action, and that is to deny a certain certificate of nonnavigability on the Hudson River which would make possible the construction of a convention center in New York.

There was a very strong feeling on the other part of a certain Congresswoman who represents that particular district. I understand it was due to her opposition that the decision was made. The mayor of our city, the governing body, the board of estimate, and I think generally everyone, favors the convention center in New York. I wish to report that an effort is being made to satisfy as many as possible on the deficiencies that have been pointed out from the congressional district respecting the convention center, and I am very hopeful that this item may again be presented and this time that it will be enacted in either a particular special measure or in an omnibus measure of this kind.

I hope the Senate will be clear that we are not abandoning the project. This is a very highly indirect way of inhibiting the project, because generally we do not kill a project or move in a direction which would kill it simply by denying the necessary certificate relating to navigability of a stream over which the Federal Government has jurisdiction. I think that is certainly a frustration of local will. We in this body talk a great deal about local will, but the governing body of the city and the mayor want this project, which is very important to New York.

It will be a huge project which is necessary to make New York a modern convention city, and it will attract tourism and conventions which will help New York, which suffers from a lot of unemployment, which could be helped by this kind of development.

Rather than seek to reargue the situation, I simply wish to state so the RECORD may be clear that the city is not abandoning the project, that the project is being pursued, that every effort will be made to give some satisfaction to what is desired in that particular local area.

On this point I shall be delighted to yield, and I hope that my colleagues, because this is the nature of the Congress, will give no one Member a veto over what one great city can do to help itself. I do not think that is the desire of the Congresswoman. I think it was done in utmost good faith and out of deep concern for that particular community. But we do think it must be made clear that while the project has been frustrated momentarily, it is altogether too significant for New York to be permanently shelved by so really technical a matter as the part which the United States plays in it; namely, a granting of a certificate of nonnavigability.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. GRAVEL. Mr. President, the record is very clear that the conferees for the Senate stood firm to try to secure this for the entire community.

We are sympathetic and understand the problem which the House has when a Member of that particular district opposes it. It is very difficult for them to override the wishes of that Member.

I can assure my colleague that all of us on the Senate committee are not only sympathetic, but also realize the great benefits of this to the city of New York. I assure the Senator that he can count on my own personal support for this until we do secure it.

Mr. JAVITS. I am very grateful to the Senator from Alaska.

Mr. President, I yield now to the chairman of the committee.

The PRESIDING OFFICER (Mr. HELMS). The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, it is not important that I reaffirm what the able chairman of our Subcommittee on Water Resources has just indicated to the senior Senator from New York (Mr. JAVITS). However, I do want the RECORD to indicate that the position he holds is the position I am committed to now and in the future. Insofar as we can as we work the will of the Congress with the other body, we will continue, with the Senators from New York—the junior Senator from New York (Mr. BUCKLEY) is a member of the committee—to attempt to bring into fruition that which has been so eloquently stated as a matter for the good of the city of New York.

Mr. JAVITS. Mr. President, I thank the Senator from West Virginia for his statement. That is very important.

Mr. President, I yield now to my colleague from New York.

Mr. BUCKLEY. Mr. President, I thank my senior colleague. I will join with him in noting the importance of the convention center to the city of New York. A waiver of navigational servitude to enable the city to proceed with the extension of this facility out over the Hudson River is, in reality, a technical matter.

I want to commend my senior colleague for having made this point. And I do want to assure him that as a member of the Public Works Committee it will be my pleasure to work with him to achieve passage of this technical provision on behalf of the city of New York.

Mr. JAVITS. Mr. President, I thank my colleague very much for his cooperation. I take great pleasure in the fact that we shall work together on this matter.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

Mr. PROXMIRE. Mr. President, we have before us today a conference report on the Water Resources Development Act of 1974 which is a scandalous affront to the American taxpayer. This gives a super-high priority to the pork barrel projects that elect congressmen.

At a time when the taxpayer has to pay 9-percent interest on a home mortgage, with the Government paying almost 7 percent to borrow money to fuel our national debt, the conference report on this bill applies an outmoded discount rate, agreed upon over 5 years ago, to the evaluation of benefits arising from public works projects. This rate is a meager 5⅝ percent.

It would be bad enough if that rate were to simply apply to the projects in the bill and those authorized in past years. This would be in blatant disregard to the recommendations of the Water Resources Council, which has approved a 6⅞-percent rate. It would soak the taxpayer $5 billion in construction payments on indefensible public works work.

But the bill enacts the preposterously low 5⅝-percent rate into law and applies it to all projects to be authorized in the future. The only exception to this rule is in cases where the rate is even lower because the project was authorized many years ago.

The conferees have added insult to injury by requiring the President to "make a full and complete investigation and study of principles and standards for planning and evaluating water and related resources projects." Where were the conferees when the Water Resources Council carried out the most extensive analysis of these principles and standards in the Nation's history—culminating in a 100-day review period?

Where were the confereees when as chairman of the Joint Economic Committee I held a series of hearings on the proper discount rate to use in evaluating Federal projects?

Mr. President, this subject has been studied to death. There is only one conceivable reason for undertaking yet another study. That must be the hope on the part of the conferees that if they commission enough studies, one—just possibly one—will come up with conclusions that will make it possible to erect dams, dredge harbors, and otherwise restructure the face of the United States until all the money in the Federal Treasury has run dry. The conferees do not like the results of the studies already completed; so their answer is to authorize yet another examination of this problem.

Who pays for this reluctance to face facts on the part of the conferees? The answer is simple—their constituents, our constituents, every American family that pays 20 or 25 or 30 percent of its income to the Federal Government for the financing of uneconomic pork barrel public works projects.

In January the President asked for the biggest peacetime increase in Federal spending in the Nation's history. Today's public works bill will add untold billions to our national debt, and pump gasoline on the raging fires of inflation.

Some day the American taxpayer is going to wake up. And when that day comes I want to be able to say: "I did my level best to stop this raid on the Treasury. I talked against and voted against the big pork giveaways."

That is why I am voting against this conference report today. And that is why I urge every Senator who still has some concern about runaway Federal spending, and the tragic inflation that follows in its wake, to do likewise.

Mr. President, if there are not enough Senators present to get the yeas and nays, I would suggest the absence of a quorum. I do intend to ask for the yeas and nays since I feel so strongly about the matter.

Mr. RANDOLPH. Mr. President, we would like to have the yeas and nays also.

Mr. GRAVEL. Mr. President, realizing that my colleague feels as strongly as he does, we are trying to get enough Senators present to secure the yeas and nays.

Mr. President, when I hear my colleague describe this bill as pork barrel, I must say that strikes me as a cliche that misleads the people of the country, who do not know the facts about the matter. The Senator can call this bill pork barrel or whatever he wants to call it. It really is specific capital improvement. One may disagree with the efficacy of these capital improvements. However, that is what they are.

I do not think it adds to the public understanding to deal with the matter in cliches or loaded words which convey a bad attitude. It is like casting derision upon the legislative process itself.

I think that my colleague would be justified in saying that we should not spend money in this way. If that is his position, I respect that position. But I think to use loaded words that misdescribe what we are doing does a disservice to the legislation.

I admire and respect the Senator from Wisconsin. However, I deeply regret that he takes this approach.

Mr. PROXMIRE. Mr. President, if the Senator will yield, undoubtedly we should fund some projects. There is nothing wrong at all in the idea of our having public works.

What I am saying is that every study we have had has indicated that we ought to provide a discount factor that makes sure when we engage in these public works that we do not spend more than they are worth. And the studies that we have had in the past have recommended—and the study on which the bill was based, when it passed the Senate—provided that there be a rate of 6⅞ percent. However, now the conferees come in with a rate that is so far below that that it fully justifies my pork barrel allegation.

This has been called a pork barrel not just by the Senator from Wisconsin, but it has also been called a pork barrel for nearly 200 years, almost since the beginning of the U.S. Congress.

There is a reason for this. And the reason is that in many projects in the past there has been pork out of the barrel for everyone as the way Senators help each other get elected. Senators scratch each other's back.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate while the Senator is speaking?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. The result of that process has been, over the years, that this program has become notorious for extravagantly wasting the taxpayers' money.

There is a way to correct that, and many economists have suggested it. Liberals, conservatives, Democrats, and Republicans, all who have studied this approach objectively have agreed that we ought to have a discount factor that is realistic. No one that I know of has ever justified that we spend money on a project when the return will be less than the cost of the money we borrow. But that is exactly what this conference report would sanction.

I would like to see a discount factor of around 10 or 12 percent. But the discount factor in the conference report is simply ridiculous. I do not know of any economists who say that you can justify a discount factor of 5⅝ percent. Without that, many of these projects will not go through, because they are purely and simply pork barrel.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. WILLIAM L. SCOTT. As the Senator may know, the bill that passed this body last month did contain the discount rate that the Water Resources Council recommended for future projects. The distinguished Senator has been here for many years. As he knows, we must have some spirit of compromise between the two bodies, or we would never resolve differences and win enactment of legislation. I feel the Senator should know that it was not the Senate that did the thing to which he is speaking. The conference accepted it as a reasonable compromise, in part on the recommendation of the joint staffs of the Senate and the House committees.

Mr. PROXMIRE. I thank the Senator. Of course I realize it was a compromise. I just think the compromise will result in a tremendous burden on the taxpayers. There was no principle involved here; they did not go either to the cost to the Treasury or the recommendation of the Water Resources Council. They went below both.

It seems to me that in this conference the bargaining power was clearly on the side of the Senate. Senate conferees could have argued that without an adequate discount; then you would have no public works. The Senate was in a very strong position to get what the Senate passed; and, as the Senator from Alaska knows, I objected strongly to even the Water Resources Council's recommendation.

Mr. GRAVEL. Mr. President, will the Senator yield for me to ask for the yeas and nays?

Mr. PROXMIRE. Yes.

Mr. GRAVEL. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GRAVEL. Has the Senator finished?

Mr. PROXMIRE. Yes.

Mr. GRAVEL. Mr. President, we are ready to vote.

Mr. RANDOLPH. Mr. President, ordinarily at this point I would be ready for the rollcall, and I am in good humor and good purpose when I informally face my colleague from Wisconsin (Mr. PROXMIRE), a very able Senator for whom I have a personal affection.

I am saddened that he considers it necessary to castigate his colleagues, the conferees on this bill, as he has done here within the past few minutes. When anyone reads his remarks—and I respect his convictions though disagreeing with his conclusions—it will be seen that he was being highly critical of men who are intensely interested in the development of a water resources program for the United States, which is not a pork barrel in nature, but which contributes to the well-being of the American people as a whole, including the citizens of the State of Wisconsin.

Throughout the years, projects for flood control, for the development of our water resources in this country, including necessary navigation on the rivers in the area of the country from which the Senator comes—all of these projects have been brought into being. This did not take place through any back-scratching process in the Senate of the United States, but on the basis of testimony, including the testimony of the Corps of Engineers of the U.S. Army, as to the cost-benefit ratio which will be returned when a project comes into being.

I have placed in the RECORD over and over again the benefits of water resource development in this country. There have been savings of literally billions of dollars to the American people because of the effective flood control programs which have been brought into being. This program also has created lakes in this country, lakes which provide necessary recreation, and we have a value from that standpoint to the American people, many of whom live in teeming cities, crowded one against the other. Those people can enjoy the recreational advantages of the lakes that have been created in practically every State of the Union.

Recently 214 Corps projects located in 22 States played a significant role in reducing damages in three floods—the Columbia Basin floods in the winter and spring of 1972, Hurricane Agnes in 1972, and the Mississippi River Basin floods of 1973. In these floods alone, the 214 projects prevented damages of nearly $8.7 billion. The cost of these projects, exclusive of power features which are repaid directly from revenues, was $8.1 billion. Thus, the entire nonpower investment was recovered in the 1972–73 period alone.

Of the 214 projects, 121—located in 18 States—would not have been found feasible at the time they were authorized had the interest rate now prescribed by the Water Resources Council been in effect.

I feel that I not only have a right to say what I am now saying, but I think it is necessary that someone in this body reply frankly to what has been said. I have done so over and over again, and will continue to do it regardless from what source it comes.

I think it is unfortunate that the Senator from Wisconsin for whom I have affection and respect, said what he did this afternoon. A vote on this conference report will not be a back-scratching vote. It will be a vote, as I presume he would believe all votes which take place in this Chamber should be, expressing the convictions of his colleagues. I hope he would feel that way. I certainly would ascribe to the Senator from Wisconsin the conviction that in every vote he cast in this body he was doing what he felt was right. But his inference here is that Members are going to vote for this report as we voted on the original bill, because we want to have a project for ourselves; therefore, we must give a project to someone else. This is not true. These bills go through a very careful screening process in the Subcommittee on Water Resources, in the Committee on Public Works, and then in the Senate itself, with the debate running for the necessary time to properly cover all projects which are under consideration.

For more than a century and a half, the Federal Government has been involved in the development of our great water resources so they can be effectively utilized for the good of our people. This program today is highly complex and utilizes a variety of yardsticks to measure the worth of project proposals.

I realize that often our differences can ultimately be our strengths, but I would remind the Senator from Wisconsin that what he says today, in the strong language that he has used, is the same thing he has been saying, through the years, because he does not vote for public works projects. I would like for him to tell the Senate what projects he has supported. He just does not support them, and yet, in his remarks today, he is saying, in essence, "I think some of them are justified." Yet the record of his voting, and I respect that record, is to the contrary.

I only want him to ascribe to me, as I ascribe to every other Member of the Senate, a national decisionmaking process, not on any pork-barrel approach or back-scratching procedure. That is all I ask for my colleagues who are not here to engage in this colloquy. Since the Senator from Wisconsin sees fit to criticize the basis for evaluating the benefits and costs of public works projects, I would also remind him of his own support of Federal agricultural programs which are important to his State but which are not judged by any sort of benefit-cost formula at all.

Mr. PROXMIRE. I thank the Senator from West Virginia, the chairman of the Public Works Committee. I want to tell him, the Senator from Alaska, and the Senator from Virginia that I have respect and affection, of course, for all these three Senators.

The Senator from West Virginia knows, as I stated yesterday, that I believe his leadership on the energy bill, together with that of the Senator from Washington (Mr. JACKSON), was outstanding, and I followed his lead all the way through. I do not question his integrity or his convictions at all. I just think that he was wrong, and I think all the other members of the conference who followed this vital principle were wrong, as I have been wrong sometimes in the past.

Mr. RANDOLPH. Why castigate the members?

Mr. PROXMIRE. I think he was wrong because he——

Mr. RANDOLPH. Why castigate the members?

Mr. PROXMIRE. If the Senator construes what I have said as castigation, so be it.

Mr. RANDOLPH. Why not just say we have a difference of opinion, then?

Mr. PROXMIRE. Well, all right, we have a difference of opinion, but that difference of opinion goes to just what I was talking about. The Senator from West Virginia said these projects are screened. They are screened all right, but the screening is rigged. Before I yield to the Senator, let me point out how it is rigged. We talked about the cost-benefit ratio. In the first place, you often come out with the cost already understated or underestimated, and the benefits frequently exaggerated. But I do not make that argument today. I do not make it now. But I say your screening is a fake, a phony rigging by picking a discount rate that no independent, objective expert will agree to. The Water Resources Council says it should be higher. What happens when you have a lower discount rate? The benefits, that will not occur for 10, 20, 30, or 40 years, are exaggerated, because they do not discount the benefits with an adequate time factor. This allows you to rig the game. This means you go ahead and provide and approve projects which cost more than the ultimate benefits.

Mr. McCLURE. Will the Senator from Wisconsin yield at that point?

Mr. PROXMIRE. I yield.

Mr. McCLURE. I am concerned that the public is misled by the cost-benefit ratio argument and the discount rate argument that has been applied by the Water Resources Council on other programs of Congress on which funds, year after year after year——

Mr. PROXMIRE. The Senator asks an excellent question. I have been fighting hard to provide that all of the programs do. The Department of Defense incidentally applies a 10-percent discount factor. They apply it across the board in many of their operations. They contend that they do not go ahead unless the 10-percent factor and the cost-benefit ratio gives them the assurance that they will get back more from the Federal Government than it will cost. Some other agencies provide for a 12-percent discount factor.

Mr. McCLURE. Which one of the directly social programs is evaluated by a cost-benefit ratio or a discount rate? Name one.

Mr. PROXMIRE. There are a number and they—like the manpower training—where benefits to the economy are so great that a discount factor of 16 or 18 percent would still permit the program to go around. We would have a far better appropriation process and a far more objective discharge of our spending responsibilities to our taxpayers if we applied the cost-benefit analysis discounting future benefits across the board. I am going to fight as hard as I can to get it. But in this conference report it is applied to rig the results in such a way as to give the wrong answer. An answer that biases the determination of protests in favor of spending money.

That is what warrants my objection to this bill and the reason why I will vote against it.

Mr. McCLURE. I know the Senator's great effort to get some sense of fiscal responsibility here. The Senator from West Virginia is correct when he says there may be a difference of opinion as to what the priorities should be. It seems to me wrong to single out one or two or three or even half a dozen programs and require a cost-to-benefit ratio and a discount ratio based on past history and not making it across the board. I will join the Senator in supporting any effort to require of every appropriation, every back door spending, every authorization that comes through Congress, but I resist applying it to one program, and I know that the Senator would try to do it——

Mr. PROXMIRE. I agree with the Senator wholeheartedly, but to be realistic, it is impossible to apply this concept to everything because the benefits are so extraordinarily intangible or indefinite in many areas, and that is why it is resisted. How can we put a price on health and safety benefits for example? How do you valve a human life?

But I agree it can be applied far more widely than it has been.

I would have more respect for the process if we had a situation where we applied an 8-percent discount factor and then went ahead with projects where the cost exceeded the benefits. That would be the honest way to do it. We would know the basis for our decision that it would be frank and honest politically.

Mr. McCLURE. On many of the Water Resources Council projects, that is, the one we have involved here, the cost-benefit ratio itself is rigged. It is rigged if we look at the present purposes of the Federal budget. It is rigged against the project, because it looks only to the direct cost and the direct benefits, while the indirect costs have been ignored. As many of the environmental organizations have pointed out, they should be included and so should indirect benefits. Until we get to the point of revising the cost-benefit ratio to look at indirect costs and indirect benefits, this goes as to whether it sets national goals. It is an aid to us in determining whether the project is viable and a comparison to the project that might be proposed in the same field, but it is no aid to us in determining whether this is a good project, a good program, or a good bill as compared to totally unrelated social welfare programs in other sectors of the budget.

Mr. PROXMIRE. One of the reasons—I admit it should be applied more broadly—and it has been applied here—is that of the very words I used and which raised such ire on the part of the Senator from Alaska—"pork barrel"—there has been a tendency over the years—an endearing tendency for Senators to help each other by going ahead with projects in their States that are not justified. So with the development objective criteria we have the basis for deciding what projects to fund based on their economic merit, that is that benefits can be shown to exceed the costs.

I am objecting to the distortion of this principle in the conference report and shall vote against the conference report, although I realize there will probably be only a handful to vote against it.

Mr. McCLURE. I do not object to what the Senator is saying. There is a great deal of merit in the fact that we have not analyzed the programs as closely as we should have in the context of the total Federal budget. We do not set our priorities very well. It is wrong to single out one particular group of projects and say let us stick with an old method of priority allocations, without judging how that sets in the total context of the entire Federal budget. It is wrong. I criticize the Water Resources Council. I testified before them, before they ever came out with this, and I said that until you get around to the business of broadening the benefit-cost ratio, do not try to get into the business of destroying the programs by using the discount ratio based on an inflationary money market.

Mr. PROXMIRE. I say to the Senator that he may well be right, but he represents a minority position, just as I do. If the Senator's position is accepted, we would not have a cost benefit until we get them elsewhere and we would not have a discount factor at all. We have it, so let us recognize it, and let us apply it in accordance with principles recommended by the Water Resources Council. The conference report violates that.

Mr. GRAVEL. Mr. President, in discussing the discount interest rate formula mandated by section 80 of the conference report, it is important to remember that the Congress is merely specifying the information it requires on the economic implications of proposed water resources projects. By saying that the Congress wishes to know what the costs and benefits of a project are, based on a discount rate of 5⅝ percent, we do not prevent the executive branch from making whatever recommendations or submitting whatever economic information about proposed projects it chooses.

Mr. WILLIAM L. SCOTT. Mr. President, in view of the comments of the distinguished Senator from Wisconsin, I should like to add that I voted in many instances in the committee to eliminate costly projects. My votes did not prevail. In fact, I would be willing to compare my vote on fiscal responsibility with that of any other Member of the Senate.

Mr. President, so that the public will not be confused by the board brush indictment of our committee and the individual members, I ask unanimous consent to have printed in the RECORD the total, overall voting record of the Members of the Senate, as compiled by such organizations as the ACA, ADA, and COPE.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STANDING COMMITTEES OF THE SENATE OF THE UNITED STATES, 93D CONG.

	ACA[1]	ADA[2]	COPE[3]
AERONAUTICAL AND SPACE SCIENCES			
Democrats:			
Frank E. Moss, chairman	8	70	93
Warren G. Magnuson	13	60	97
Stuart Symington	18	70	94
John C. Stennis	71	0	22
Howard W. Cannon	34	25	73
James Abourezk[4]	9	63	90
Floyd Haskell			
Republicans:			
Barry Goldwater	97	5	2
Carl T. Curtis	95	0	3
Lowell P. Weicker, Jr	50	30	44
Dewey F. Bartlett			
Jesse A. Helms			
Pete V. Domenici			
AGRICULTURE AND FORESTRY			
Democrats:			
Herman E. Talmadge, chairman	64	10	26
James O. Eastland	73	5	19
George McGovern	8	45	94
James B. Allen	83	0	24
Hubert H. Humphrey	1	60	99
Walter D. Huddleston			
Dick Clark			
Republicans:			
Carl T. Curtis	95	0	3
George D. Aiken	41	45	53
Milton R. Young	68	5	24
Robert Dole	75	0	10
Henry Bellmon	72	10	21
Jesse A. Helms			
APPROPRIATIONS			
Democrats:			
John L. McClellan, chairman	70	10	21
Warren G. Magnuson	13	60	97
John C. Stennis	71	0	22
John O. Pastore	12	75	92
Alan Bible	39	35	64
Robert C. Byrd	34	35	64
Gale W. McGee	10	35	86
Mike Mansfield	11	80	85
William Proxmire	24	75	89
Joseph M. Montoya	14	45	91
Daniel K. Inouye	1	65	96
Ernest F. Hollings	52	25	46
Birch Bayh	11	80	93
Thomas F. Eagleton	13	70	88
Lawton Chiles	41	35	36
Republicans:			
Milton R. Young	68	5	24
Roman L. Hruska	93	5	6
Norris Cotton	85	0	13
Clifford P. Case	19	80	83
Hiram L. Fong	46	10	46
Edward W. Brooke	22	80	86
Mark O. Hatfield	32	55	65
Ted Stevens	30	35	68
Charles McC. Mathias, Jr	20	60	67
Richard S. Schweiker	28	60	66
Henry Bellmon	72	10	21
ARMED SERVICES			
Democrats:			
John C. Stennis, chairman	71	0	22
Stuart Symington	18	70	94
Henry M. Jackson	11	40	99
Sam J. Ervin, Jr	67	10	24
Howard W. Cannon	34	25	73
Thomas McIntyre	23	35	92
Harry F. Byrd, Jr	84	20	10
Harold E. Hughes	8	80	90
Sam Nunn			
Republicans:			
Strom Thurmond	95	0	9
John G. Tower	94	0	4
Peter H. Dominick	81	5	14
Barry Goldwater	97	5	2
William B. Saxbe	52	15	36
William Lloyd Scott[4]	95	0	8
BANKING, HOUSING AND URBAN AFFAIRS			
Democrats:			
John Sparkman, chairman	32	0	56
William Proxmire	24	75	89
Harrison A. Williams, Jr	5	85	99
Thomas J. McIntyre	23	35	92
Alan Cranston	1	90	97
Adlai E. Stevenson III	12	80	82
J. Bennett Johnston, Jr			
William D. Hathaway[4]	3	81	97
Joseph R. Biden, Jr			
Republicans:			
John G. Tower	94	0	4
Wallace F. Bennett	85	5	5
Edward W. Brooke	22	80	86
Robert W. Packwood	50	45	45
Bill Brock	90	0	5
Robert Taft, Jr	67	25	23
Lowell P. Weicker, Jr	50	30	44
COMMERCE			
Democrats:			
Warren G. Magnuson, chairman	13	60	97
John O. Pastore	12	75	92
Vance Hartke	16	65	90
Philip A. Hart	2	95	96
Howard W. Cannon	34	25	73
Russell B. Long	36	15	52
Frank E. Moss	8	70	93
Ernest F. Hollings	52	25	46
Daniel K. Inouye	1	65	96
John V. Tunney	5	90	94
Adlai E. Stevenson, III	12	80	82
Republicans:			
Norris Cotton	85	0	13
James B. Pearson	60	45	29
Robert P. Griffin	59	15	24
Howard H. Baker, Jr	67	0	24
Marlow W. Cook	58	10	44
Ted Stevens	30	35	68
J. Glenn Beall, Jr	60	20	36
DISTRICT OF COLUMBIA			
Democrats:			
Thomas F. Eagleton, chairman	13	70	88
Daniel K. Inouye	1	65	96
Adlai E. Stevenson III	12	80	82
John V. Tunney	5	90	94
Republicans:			67
Charles McC. Mathias, Jr	20	60	
Dewey F. Bartlett			
Pete V. Domenici			
FINANCE			
Democrats:			
Russell B. Long, chairman	36	15	52
Herman E. Talmadge	64	10	26
Vance Hartke	16	65	90
J. W. Fulbright	23	50	50
Abraham Ribicoff	11	80	93
Harry F. Byrd, Jr	84	20	10
Gaylord Nelson	8	95	95
Walter F. Mondale	3	95	95
Mike Gravel	0	75	90
Lloyd Bentsen	39	35	39
Republicans:			
Wallace F. Bennett	85	5	5
Carl T. Curtis	95	0	3
Paul J. Fannin	90	5	7
Clifford P. Hansen	90	0	7
Robert Dole	75	0	10
Robert W. Packwood	50	45	45
William V. Roth, Jr	70	25	11
FOREIGN RELATIONS			
Democrats:			
J. W. Fulbright, chairman	23	50	50
John Sparkman	32	0	56
Mike Mansfield	11	80	85
Frank Church	16	70	87
Stuart Symington	18	70	94
Claiborne Pell	8	75	95
Gale W. McGee	10	35	86
Edmund S. Muskie	6	70	94
George McGovern	8	45	94
Hubert H. Humphrey	1	60	99
Republicans:			
George D. Aiken	41	45	53
Clifford P. Case	19	80	83
Jacob K. Javits	18	80	86
Hugh Scott	43	35	60
James B. Pearson	60	45	29
Charles H. Percy	34	60	67
Robert P. Griffin	59	15	24
GOVERNMENT OPERATIONS			
Democrats:			
Sam J. Ervin, Jr., chairman	67	10	24
John L. McClellan	70	10	21
Henry M. Jackson	11	40	99
Edmund S. Muskie	6	70	94
Abraham Ribicoff	11	80	93
Lee Metcalf	6	40	96
James B. Allen	83	0	24
Lawton Chiles	41	35	36
Sam Nunn			
Walter (D.) Huddleston			
Republicans:			
Charles H. Percy	34	60	67
Jacob K. Javits	18	80	86
Edward J. Gurney	90	5	10
William B. Saxbe	52	15	36
William V. Roth, Jr	70	25	11
Bill Brock	90	0	5
INTERIOR AND INSULAR AFFAIRS			
Democrats:			
Henry M. Jackson, chairman	11	40	99
Alan Bible	39	35	64
Frank Church	16	70	87
Lee Metcalf	6	40	96
J. Bennett Johnston, Jr			
James Abourezk[4]	9	63	90
Floyd K. Haskell			
Republicans:			
Paul J. Fannin	90	5	7
Clifford P. Hansen	90	0	7
Mark O. Hatfield	32	55	65
James L. Buckley	91	10	5
James A. McClure[4]	89	0	10
Dewey F. Bartlett			
JUDICIARY			
Democrats:			
James O. Eastland, chairman	73	5	19
John L. McClellan	70	10	21
Sam J. Ervin, Jr	67	10	24
Philip A. Hart	2	95	96
Edward M. Kennedy	3	90	95
Birch Bayh	11	80	93
Quentin N. Burdick	18	75	92
Robert C. Byrd	34	35	64
John V. Tunney	5	90	94
Republicans:			
Roman L. Hruska	93	5	6
Hiram L. Fong	46	10	46
Hugh Scott	43	35	60
Strom Thurmond	95	0	9
Marlow W. Cook	58	10	44
Charles McC. Mathias, Jr	20	60	67
Edward J. Gurney	90	5	10
LABOR AND PUBLIC WELFARE			
Democrats:			
Harrison A. Williams, chairman	5	85	99
Jennings Randolph	15	40	83
Claiborne Pell	8	75	95
Edward Kennedy	3	90	95
Gaylord Nelson	8	95	95
Walter F. Mondale	3	95	95
Thomas F. Eagleton	13	70	88
Alan Cranston	1	90	97
Harold E. Hughes	8	80	90
William D. Hathaway[4]	3	81	97
Republicans:			
Jacob K. Javits	18	80	86
Peter H. Dominick	81	5	14
Richard S. Schweiker	28	60	66
Robert Taft, Jr	67	25	23
J. Glenn Beall, Jr	60	20	36
Robert T. Stafford	33	45	46
POST OFFICE AND CIVIL SERVICE			
Democrats:			
Gale W. McGee, chairman	10	35	86
Jennings Randolph	15	40	83
Quentin N. Burdick	18	75	92
Ernest F. Hollings	52	25	46
Frank E. Moss	8	70	93
Republicans:			
Hiram L. Fong	46	10	46
Ted Stevens	30	35	68
Henry Bellmon	72	10	21
William Saxbe	52	15	36
PUBLIC WORKS			
Democrats:			
Jennings Randolph, chairman	5	40	83
Edmund S. Muskie	6	70	94
Joseph M. Montoya	14	45	91
Mike Gravel	0	75	90
Lloyd Bentsen	39	35	39
Quentin N. Burdick	18	75	92
Dick Clark			
Joseph R. Biden Jr			
Republicans:			
Howard H. Baker, Jr	67	0	24
James L. Buckley	91	10	5
Robert T. Stafford	33	45	46
William Lloyd Scott[4]	95	0	8
James A. McClure[4]	89	0	10
Pete V. Domenici			
RULES AND ADMINISTRATION			
Democrats:			
Howard W. Cannon, chairman	34	25	73
Claiborne Pell	8	75	95
Robert C. Byrd	34	35	64
James B. Allen	83	0	24
Harrison A. Williams, Jr	5	85	99
Republicans:			
Marlow W. Cook	58	10	44
Hugh Scott	43	35	60
Robert P. Griffin	59	15	24
Mark O. Hatfield	32	55	65
VETERANS' AFFAIRS			
Democrats:			
Vance Hartke, chairman	16	65	90
Herman E. Talmadge	64	10	26

Footnotes at end of table.

STANDING COMMITTEES OF THE SENATE OF THE UNITED STATES, 93D CONG.—Continued

	ACA[1]	ADA[2]	COPE[3]
Jennings Randolph	15	40	83
Harold E. Hughes	8	80	90
Alan Cranston	1	90	97
Republicans:			
Clifford P. Hansen	90	0	7
Strom Thurmond	95	0	9
Robert T. Stafford	33	45	46
James A. McClure[4]	89	0	10

[1] ACA (Americans for Constitutional Action) ACA Consistency Index, 1972.

[2] ADA (Americans for Democratic Action) ADA Liberal Quotient, 1972.

[3] COPE (Committee on Political Education, AFL-CIO) ratings from "They Grade the Congress" by U.S. Chamber of Commerce, February 1973.

[4] Freshman Senators with prior service in the House of Representatives; the ratings given are from their House service.

Note: Blank spaces appear when Senator has no voting record. Previous ratings are given for those legislators who have prior service in Congress.

Mr. BUCKLEY. Mr. President, I urge rejection of the conference report on H.R. 10203. As my colleagues may recall, I voted against the Senate version of this bill because it included a vast number of special relief provisions providing special benefits to specific projects, outside the reach of established national policy. Such special relief provisions offer benefits that are above and beyond those available to other equally deserving localities under existing Federal policy, as determined by the Congress. As such they are discriminatory. And, frankly, I do not believe they can be reasonably defended, particularly now that so many demands have been placed on the Federal Treasury.

Any time a given community is provided more favorable treatment than another community, any time we waive the normal rules and procedures for no better reason than that one of our colleagues has stated that the project is important to him, any time we act from other than a national perspective in the implementation of national policy, we necessarily favor a few at the expense of the many.

I do not believe that ad hoc legislation, outside the administrative procedures available to solve a problem, is wise legislation.

The version that has emerged from conference takes a Senate bill chockablock with goodies and bloats it still further with millions of dollars in special-relief provisions

I recognize that the conference process involves compromise; it is a process of give and take. Acceptance of one Senate provision often is balanced by acceptance of one House provision. While such an approach may expedite a resolution of differences in a bill, it may not encourage an evaluation of the merits of a proposal. I believe it would be instructive to note a few of these additions.

The following is a list of some of the sections of the conference report adopted from the House bill that provide special relief to special areas, together with the estimated cost:

Section 7: $150,000 per year.
Section 17: $500,000.
Section 18: $500,000.
Section 23: Unknown.
Section 31: $3,500,000.
Section 36: $34,000,000.
Section 66: $300,000.
Section 74: $22,200,000.
Section 91: $14,000,000.
Section 95: Unknown.
Section 98: $400,000.

The conference committee also accepted a number of generic sections initiating policies that I believe are unreasonable and unfair to the taxpaying families of this Nation.

Section 6 of the conference report, for example, imposes on Federal taxpayers a perpetual responsibility for dredging small-boat harbors used by recreational boaters. Historically, the Federal Government assumed that responsibility. But in recent years an effort has been made to shift this cost onto the users with the valid argument that local users should contribute toward harbor maintenance. Greater local cost sharing, of course, was a major recommendation of the National Water Commission.

The 1970 Omnibus Act continued Federal responsibility for such maintenance through the end of that calendar year. By implication, the 1970 act provided a transition period while the costs of maintaining new recreational harbors were shifted to local users. That was the position endorsed by the Senate when it refused to place the maintenance cost of new small-boat harbors onto Federal taxpayers. I regret this shift back to a policy that benefits the few at the expense of the many.

Another provision adopted from the House bill appears as section 41 of the conference report. This section authorizes the Corps of Engineers to spend $2 million of the taxpayers' money to evaluate the benefits of existing corps projects along the Ohio River.

I am confident that many such benefits exist. But I am somewhat skeptical over the need to spend $2 million of tax revenues so that the corps staff can pat itself on the back.

Section 45 of the report is another provision adopted in its entirety from the House bill. This section broadens the Disaster Relief Act, directing the Federal Government to cover payment of costs "actually incurred in replacing the facility's services with services from other sources during the period of repair—to the extent that such costs exceed the costs which would have been incurred."

This section, of course, is totally unrelated to water resources development. It would repay the Los Angeles Department of Water and Power in full the added operating costs it incurred following a 1971 earthquake. Incidentally, we have been told in the past that this cost would total $13,918,000. But I was surprised to note in House floor debate that the figure has ballooned as high as $30 million.

This section, of course, is generic, extending to all major disasters since Hurricane Camille, and all future major disasters. We have no evidence whatsoever on what this section might cost. The House sponsors talk of $25 million a year. But I am fearful it will prove a far more costly quagmire.

Of all the decisions made in conference, the one that disturbs me the most was the total acceptance by the Senate conferees of the House version of section 80, setting the interest rate to be used in evaluating project costs and benefits.

The conferees abandoned completely the position adopted by the Senate, which directed the use of more realistic interest rates.

Although I do not believe that the Senate version went far enough, at least it was a step in the right direction. The conference version, however, takes an old subsidization policy, and perpetuates it.

Whether we like it or not, relatively high interest rates are now a fact of life. It costs the American taxpayers, through their Government, about 7 percent to borrow money. If that is what it costs taxpayers, then I believe that is the rate we should use in computing the costs and benefits of water resource projects. The use of outdated and unrealistically low rates of interest may magically balloon a project's benefit-cost ratio. But what it really does is to distort our evaluation, and siphon money out of more productive uses and into projects that drag at the economy.

The conference report tosses a bone to the White House and others that seek the use of realistic interest rates by requesting the President to study the problem. That study could then serve as a basis for future congressional action.

The specific language for the study—section 80(c)—states:

> (c) The President shall make a full and complete investigation and study of principles and standards for planning and evaluating water and related resources projects. Such investigation and study shall include, but not be limited to, consideration of enhancing regional economic development, the quality of the total environment including its protection and improvement, the well-being of the people of the United States, and the national economic development, as objectives to be included in federally-financed water and related resources projects and in the evaluation of costs and benefits attributable to such projects, as intended in section 209 of the Flood Control Act of 1970 (84 Stat. 1818, 1829), the interest rate formula to be used in evaluating and discounting future benefits for such projects, and appropriate Federal and non-Federal cost sharing for such projects. He shall report the results of such investigation and study, together with his recommendations, to Congress not later than one year after funds are first appropriated to carry out this subsection.

To someone unfamiliar with the subject, it might appear as if this represents a step forward. It might appear that this issue had never been examined at the Presidential level. That, of course, is false.

The Water Resources Council, established at the behest of Congress, studied the issue with great care for several years. It held numerous public hearings across the Nation, taking volumes of testimony. While that study essentially produced a recommendation to the President, I venture the guess that the report and its conclusions could be prepared and forwarded, with a cover letter, to the Congress within a matter of hours.

It seems to me that the demand for a new report—lacking any apparent funding but with the reporting date linked to appropriations—can only be interpreted as a cosmetic tactic for delay.

Mr. President, I have been somewhat strong in my views. Not everything from the House bill is included in this bill. Section 5 of the House bill, for example, directed the Corps of Engineers to remove a sunken steamer, the *Glen*, from the harbor at Manistee, Mich. I assume this section was cast adrift because the *Glen* was raised and removed last autumn.

Mr. President, for the reasons I have listed, together with the comments I made last month during consideration of the Senate version of the bill, I believe this conference report should be rejected as unnecessary, uneconomic, and wasteful.

Mr. DOLE. Mr. President, I wish to address several points concerning the conference report on the Water Resources Development Act, H.R. 10203.

This is the fourth water resources measure to be considered by the Senate in little more than a year. The first, S. 4018 in the 2d session of the 92d Congression, passed Congress but was vetoed by the President. The second, S. 606, was passed by the Senate in February 1973, but did not receive consideration by the House. We considered the third bill, S. 2798 which was reported by the Public Works Committee in December 1973, and passed the Senate in January.

I believe this fourth bill, as did the others, takes a constructive approach to the job. And, it contains two provisions dealing with projects in Kansas which were considered during the course of action on the first two bills and which were included in them.

ROAD IMPROVEMENTS FOR MELVERN, POMONA AND TUTTLE CREEK LAKES

Section 17 and 18 deal with road improvements in the vicinity of three Federal lakes and recreation areas, Melvern and Pomona Lakes in Osage County and Tuttle Creek Lake in Pottawatomie County. These improvements have been made necessary because of the heavy traffic generated over local roads and highways near these lakes. And I would imagine that the energy crisis will draw even greater numbers of individuals and families to these facilities as long-distance driving is limited.

By way of explanation of the need for these three projects, I attach as appendix I, my introductory remarks for S. 46, a bill sponsored by Senator Pearson and myself to deal with the Osage County situation growing out of Melvern and Pomona Lakes. The circumstances involved with Tuttle Creek Lake in Pottawatomie County are quite similiar.

These projects were approved twice by the Senate, were contained in the House version of the Water Resources Act last year, and with the cooperation and support of the Senate conferees they have been maintained in the conference report. In January I joined with Senator Pearson in sponsoring an amendment to restore these projects to the bill, and although the managers of the bill were unable to accept them on the floor, they provided their assurances for support in conference—for which I wish to express my personal appreciation at this time.

BRIDGE RELOCATION FOR ONAGA LAKE

I wish to call attention to section 103 of the conference report which provides authority for advance relocation of a bridge involved in the Onaga Lake project.

This section is identical to S. 45 which I introduced in January 1973, and I believe it is a constructive measure, meeting a real need of local citizens without any additional expense to the Federal Government.

As Appendix II, I include the text of my introductory remarks for S. 45.

INCREASED FUNDING FOR SMALL FLOOD CONTROL PROJECTS

I also wish to complement the committee for its work on section 61 which increases the ceilings on Federal funding for local flood control projects in disaster areas to $2 million. These projects are vitally important to many small communities in Kansas which face the threat of recurring floods each year. Inflation has raised the costs of these projects by more than 90 percent since the last congressional action on a ceiling in 1962. The result has been real hardship on many localities which cannot bear these increased costs through their own resources and which, therefore, have been unable to proceed with providing the necessary flood protection for their citizens, their homes, and businesses.

By increasing the annual Federal expenditure on such projects to $30 million and the limitation on the Federal share for any individual project from $1 million to $2 million, Congress will provide significant assistance to many Kansas communities which have been victimized by serious flooding and are actively seeking to increase their level of protection from disastrous floods.

Many Kansas communities suffered major flood damage with last year's unusually heavy precipitation, and a program to protect them from recurrence of similar catastrophes will be most valuable. And I believe this step will be one of the most worthwhile and important actions taken by Congress in the management of our water resource.

REVIEW OF ACCESS PROBLEMS

I am also pleased that, following my appearance before the Public Works Committee, language was included in the Senate report to express the committee's awareness of the problems of providing safe and adequate access to Federal lakes and their recreation facilities. This commitment was restated on the floor, and I wish to express my appreciation to the committee for its commitment to review these problems in its 1974 oversight hearings.

The need for a special parkway from the city of Lawrence, Kans., to Clinton, Lake, just outside its corporate limits, was the catalyst for my appearance before the committee. But as indicated earlier in my statement, these problems arise almost every time a Federal multipurpose lake is constructed.

Therefore, I believe the committee has recognized an important area of concern for the Federal Government, and I look forward to participating in these upcoming hearings.

APPENDIX I

By Mr. Dole (for himself and Mr. Pearson):

S. 46. A bill authorizing the improvement of certain roads in the vicinity of Melvern and Pomona Reservoirs, Osage County, Kans. Referred to the Committee on Public Works.

ROAD AND BRIDGE CONSERVATION ASSISTANCE FOR OSAGE COUNTY, KANS.

Mr. Dole. Mr. President, construction of a Federal multipurpose dam and reservoir is a highly valuable addition to any county or region. The construction process initially has a favorable economic impact in the area. And completion of the facility often means assurance of nearby communities' water supplies; valuable flood protection for homes, businesses and farms; and the establishment of a new leisure-and-recreation economic base for the area.

A new reservoir, however, does not bestow its benefits without cost to its locality, for it necessarily removes substantial acreage from the tax rolls. A dilemma is posed in that reduction of the tax base is accompanied by an increased need for outlays to finance construction of improvements—particularly roads and bridges—which will enable the tax base to be built up through business, recreational, and residential developments.

In most cases, the problems of financing the expenditures required to stimulate this compensating growth of the tax base are within the capabilities of the affected local and State governments. Most citizens recognize the need and respond by supporting tax levies and bond issues to underwrite these costs. Frequently, such efforts require significant sacrifices, but they are made in the realization that such investments in future growth will pay handsome dividends.

Ten years ago, the Pomona Reservoir was constructed in Osage County, Kans., and it has proven to be a highly successful project, providing substantial flood protection for a wide area of eastern Kansas and proving to be an outstanding attractive recreation area with its 246,000 acre-feet impoundment in a beautiful natural setting.

But Osage County has been doubly blessed: for, now nearing completion is the 360,000 acre-feet Melvern Reservoir. Completion of Melvern will make Osage County one of the prime tourist attractions in the eastern Kansas-western Missouri area and will give the county a unique status in having two Federal reservoirs within its borders. But while this county has benefited substantially from the development of its water resources, it must contend with an unusual set of problems raised by this double helping of attractive features.

Only 13,000 people live in this county, and some 12,000 acres of its most valuable agricultural land have been removed from the tax base. Thus diminished, the tax rolls have been squeezed, and the burdens of the taxpayers, have, for the time being, been increased. Even so, the citizens of the county have welcomed and supported these additions to their area. In recognition of the need to stimulate the lakes' business recreational and residential development by making them more accessible, a countywide $1.5 million bond issue has been passed to support a replacement program for the oldest and most unsafe bridges. But the capacity of local citizens to do more is seriously limited. The State of Kansas has also made an effort to help by improving the highway which runs near both reservoirs, but much more must be done.

I would point out that the improvement of these roads and highways is not simply a matter of local economic interest. It also reflects a broader public interest in seeing that these federally funded projects return the maximum possible benefits for the American taxpayer's dollar, and those returns can be measurably enhanced by making access to those reservoirs easier and safer for visitors. Nearly 1 million people visited the Pomona Reservoir last year, and more than 7 million have come since it opened. When Melvern also becomes operational, the volume of visitors can be expected to increase substantially and thereby overtax the local bridges and roads which were originally designed and constructed with no idea of carrying the volume of traffic which they are now facing. A first-rate crisis in terms of capacity, accessibility and safety will occur unless major steps are taken to expand and improve the local road and highway system.

Therefore, I am introducing legislation to provide authority for the Army Corps of Engineers to undertake a substantial road improvement program for Osage County in the vicinity of the Melvern and Pomona Reservoirs.

I have been in contact with the Osage County Commissioners and am aware of the major efforts the county has undertaken to *solve the problem* on its own. Yet, there is only so much that can be done locally and additional assistance should be made available.

Therefore, I would hope this proposal can receive favorable and speedy consideration so that the improvements may be completed at the earliest possible date and the visitors and residents in Osage County can be provided safe and adequate roads in the Pamona and Melvern Reservoir areas.

APPENDIX II

By Mr. DOLE:

S. 45. A bill to authorize advance relocation of FAS Route 1343 in connection with the Onaga Lake project in Kansas. Referred to the Committee on Public Works.

BRIDGE CONSTRUCTION IN POTTAWATOMIE COUNTY, KANS.

Mr. DOLE. Mr. President, a situation has arisen in Pottawatomie County, Kans., as the intersection of two Federal programs has put local citizens and local government in a difficult *position*.

The Federal Aid Highway Act of 1968 contained a provision—section 26—calling for inspections and engineering studies to be made on all bridges in the Federal aid secondary system of roads and highways in the United States. This legislation was wise and responsive to a real need to assess the safety of these bridges many of which are quite old and have come to carry traffic loads far in excess of their original design specifications. Throughout the country, these studies have been undertaken, and in many cases it has been shown that bridges are unsafe and should be repaired, replaced, or closed. Of course, the closing and repair of some bridges has imposed some hardships on the county governments responsible for maintenance on the FAS system. But it is generally recognized that safety should be a prime consideration for any transportation system.

Pottawatomie County in northeastern Kansas has complied with the bridge inspection law by contracting for a 3 year, $10,000 study of its bridges, giving first consideration to those structures lying within the general area of the Onaga project of the Corps of Engineers authorized by Congress in 1962. It was felt that these structures should be studied first, because of the expected requirements for quality bridges to serve the large numbers of tourists who will be drawn to the area and because it would not be wise to expend funds for the improvement of some bridges if they are soon to be closed and flooded when impoundment begins in the lake. As it has turned out five of these bridges are unsatisfactory and should be closed. The findings of this study are not disputed, and county officials readily accept the need for this action to be taken in the interests of public safety.

But a major problem presents itself in that if all five of these bridges—which extend along 16 miles of the Vermillion Creek—are closed, a major disruption in local traffic will occur and serious inconvenience for farmers and other local residents will result.

A tantalizing element is introduced into this matter by virtue of the fact that one bridge on FAS route 1343 approximately midway along this 16-mile distance is near a site considered by the Corps of Engineers in its preliminary planning for the Onaga Lake to be desirable for a lake crossing. Construction of such a crossing would, therefore, provide an ideal solution for the traffic problems of Pottawatomie County. The problem, however, is that, although the lake project is well into development with $250,000 appropriated in fiscal year 1973 for advanced engineering and design work, actual construction probably will not begin for 2 years.

So the county is faced with a serious need to provide a bridge to allow traffic movement across this 16-mile length of Vermillion Creek, and at the same time it sees that any money spent on improvement of one of these bridges will be wasted when the Onaga Lake is completed, both because the bridge will be inundated and because the Corps of Engineers will proceed with its road relocation plans in any event. The Corps of Engineers, as it has indicated in extensive correspondence with my office, appreciates the county's problem, but it cannot proceed with advance relocation of this FAS route on the basis of its current authority.

In view of these facts and the obvious good sense, economically and practically, of helping both the county and corps to do their jobs in the best interests of the taxpayers, I am introducing legislation to authorize the Corps of Engineers to proceed with advance relocation of FAS 1343 over the Vermillion Creek in accordance with the requirements of the Onaga Lake project.

I believe this legislation will provide the best possible solution for the problems which have been encountered. The citizens of Pottawatomie County will be able to travel through the area without unreasonable inconvenience; the county government and its taxpayers will be spared the unnecessary expense of repairing or replacing a bridge that will be of no use in 2 or 3 years; and the Corps of Engineers will be able to complete a necessary and important segment of its project in a manner which will be entirely consistent with the project's overall goals and requirements.

Mr. CLARK. Mr. President, it is with some regret that I must oppose the conference report on the Water Resources Development Act. This legislation authorizes the design and construction of many important water resources projects—projects which are economically sound, environmentally sound, and above all, sound because they will provide flood protection and other benefits to people in many States.

That explains my support for the legislation in the Public Works Committee, and on final passage in the Senate.

But unlike the Senate-passed bill, this conference report contains a provision so unjustified, and so potentially damaging, that I can no longer support it.

By lowering the discount rate for computing project cost-benefit ratios, the conference committee has turned a sound bill into an unsound bill, in my judgment.

The bill passed by the Senate on January 22 established a discount rate of 6⅞ percent, applicable to all future projects. That was not sufficient, however, and I voted for the amendments of the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from New York (Mr. BUCKLEY) to apply the new rate to previously authorized but not yet constructed projects and to projects in the present legislation. Even when those amendments failed, I did vote for final passage of the bill.

The legislation was a reflection of the hard work and capable leadership of the Senator from Alaska (Mr. GRAVEL) and the Senator from West Virginia (Mr. RANDOLPH), and, on balance, it represented a step forward.

But now the Senate is being asked to take a step backward. We are now confronted with a bill which sets the discount rate back to 5⅝ percent, using a formula originally established 6 years ago. Before it can be a useful tool in computing cost-benefit ratios, the discount rate must be comparable to the cost of money. But the cost of money to the Federal Treasury is about 7 percent. In the private sector, it is 9 to 10 percent. A 5⅝-percent discount rate amounts to a thinly veiled subsidy for economically unjustified projects.

What will that mean? Maitland S. Sharpe of the Izaak Walton League put it most succinctly when he wrote:

> Low discount rates provide an inherent bias toward understating project costs and favoring water resource projects over other socially desirable programs. Such rates favor public investments over those in the private sector and thus preclude the most efficient combination between Federal and private investment activities. Finally, the existing rates systematically distort project designs toward excessive scale, slow returns of benefits over time, and overly capital-intensive projects.

A 5⅝-percent discount rate will insure that, in the coming years this country will be spending millions of dollars on marginally necessary, economically unjustified, and environmentally damaging water resources projects.

The conference report calls for a study by the Water Resources Council on the cost factors for water and related resources projects. But for 2 years before it set the discount rate at 6⅞ percent, the Council was conducting an exhaustive study, soliciting the views of literally thousands of people. And the majority of those people favored a discount rate of at least 7 percent. If the Congress is going to tamper with the discount rate, we should raise it, not lower it.

Mr. President, the Congress of the United States has never before been held in such low esteem by the American people. A recent Harris poll put the "approval" rating at only 21 percent. That low standing derives at least in part from people's perception that we simply cannot be trusted to spend their tax dollars responsibly.

The President has presented us with a $304 billion budget for next year. The people certainly expect Congress to cut that budget at every possible opportunity, and this legislation—with its more expensive discount rate—is just such an opportunity.

WATER RESOURCE DEVELOPMENT CONFIRMS COMMITMENT FOR BENEFIT OF NATION

Mr. RANDOLPH. Mr. President, the Senate today is asked to give its final approval to legislation which, in a sense, had its beginning 2 years ago. In 1972, water resources legislation was developed and passed by the Congress only to be vetoed following adjournment in the autumn of that year. Early in the 93d Congress we began the process anew. The conference report on H.R. 10203, which is before the Senate, contains many features of the 1972 legislation but it also includes provisions that have been developed in the past 12 months.

This conference report on water resources contains matters that normally would be addressed in separate legislation—water resources projects and river basin monetary authorizations. In terms of fiscal commitments, the water resources projects authorized in this measure have a total cost less than any similar legislation in the past quarter-century.

We are indebted to the chairman of our Subcommittee on Water Resources, the distinguished Senator from the State of Alaska (Mr. GRAVEL), for his leadership in bringing this legislation to the point of final passage. For the past year he has guided it through hearings, through consideration by both the Subcommittee on Water Resources and the Public Works Committee, through Senate passage and through conference deliberations.

Members of the Senate have had opportunity to become familiar with the provisions of this measure. In addition to individual project authorizations, it makes several important policy changes in the conduct of our water resources development program. These new procedures will enable us to effectively pursue this program in a manner that is consistent with contemporary needs.

Mr. President, I will discuss briefly provisions of the conference report that relate directly to my State. The Flood Control Act of 1970 authorized flood protection activities for the towns of Williamson and Matewan, W. Va. These towns lie in the Tug Fork Valley which separates West Virginia from Kentucky. The 1970 act authorized $10,000,000 for this work. At that time this authorization was contingent upon the approval of the Appalachian Regional Commission and the President. Today the inhabitants of the Tug Fork Valley continue in their desperate need for flood protection, but the project authorized in 1970 has not yet received Presidential approval through clearance by the Office of Management and Budget.

As developed by the Committee on Public Works, section 90 of the conference report is intended to eliminate the requirement in the 1970 act for any further approval of the executive branch for flood protection work for the towns of Williamson and Matewan.

This section also modifies the comprehensive plan for the Big Sandy River Basin by authorizing flood protection work in all other communities of the Tug Fork Valley and authorizes $1,290,000 for advanced engineering and design for this purpose. The entire Tug Fork Valley, and particularly the communities of Williamson and Matewan, are subjected to frequent flooding and it is our intent that flood protection be provided without undue delay.

The conference report also authorizes a project for alleviating a serious water supply problem in the Pocatalico region of West Virginia. Authorization of $3,568,900 is provided for this project, which includes construction of two multipurpose dams.

Another authorization is $2,000,000 for clearing the channel of the lower Guyandotte River in southern West Virginia. This narrow river valley suffers from regular flooding and the river has become clogged with debris and is heavily silted. The work authorized in this measure will alleviate this serious condition pending completion of the R. D. Bailey Dam upstream.

Modifications also are authorized in the agreements of the Corps of Engineers and the State of West Virginia concerning local contributions to the Stonewall Jackson lake project which is now underway.

Of great importance to West Virginia is the provision in this conference report establishing a demonstration program for stream bank erosion control. West Virginia communities along the Ohio River and other areas throughout the United States are seriously affected by the rapid wearing away of river banks. Section 32 of the conference report authorizes a 5-year, 25,000,000 demonstration program to evaluate the extent of stream bank erosion and to develop new methods for its control. To assure that a variety of conditions are included in the study demonstration projects are specifically directed to be carried out on the Ohio River, Missouri River, and Yazoo River.

Mr. President, the United States has a long history of commitment to water resource development. This conference report reaffirms this commitment to an activity that benefits all Americans and which must be maintained in an orderly fashion. I urge the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. MOSS), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Florida (Mr. CHILES) are necessarily absent.

I further announce that the Senator from Montana (Mr. MANSFIELD) and the Senator from Wyoming (Mr. MCGEE) are absent on official business.

I further announce that, if present and voting, the Senator from Indiana (Mr. HARTKE), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Texas (Mr. TOWER) are absent on official business.

I further announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Oklahoma (Mr. BELLMON), and the Senator from Tennessee (Mr. BAKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 78, nays 7, as follows:

[No. 39 Leg.]

YEAS—78

Abourezk
Aiken
Allen
Bartlett
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Gravel
Griffin
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—7

Buckley
Clark
Fannin
Goldwater
Helms
Proxmire
Roth

NOT VOTING—15

Baker
Bayh
Bellmon
Chiles
Church
Cotton
Hartke
Inouye
Kennedy
Mansfield
McGee
Moss
Ribicoff
Scott, Hugh
Tower

So the conference report was agreed to.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. WILLIAM L. SCOTT. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

INDIAN SELF-DETERMINATION AND EDUCATIONAL REFORM ACT

Mr. ROBERT C. BYRD. Mr. President, for the purpose of laying the bill before the Senate to make it the unfinished business on some future date, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 658, S. 1017.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1017) to promote maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; to encourage the establishment of local Indian school control; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes.

AUTHORIZATION FOR DISSEMINATION OF CERTAIN INFORMATION TO THE IRS BY SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

Mr. ERVIN. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The legislative clerk read as follows:

A resolution (S. Res. 288) to authorize the dissemination of certain information to the Internal Revenue Service by the Senate Select Committee on Presidential Campaign Activities; and the inspection by the Select Committee on Presidential Campaign Activities of certain income tax returns, applications for tax exemption, and related documents held by the Internal Revenue Service.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. GRFFIN. Mr. President, reserving the right to object, and I do not intend to object, it is my understanding that the Senator from North Carolina, the distinguished chairman of the committee, has indicated that this is something of a routine resolution which is required in connection with the exchange of certain information. It is a resolution that has been approved, I understand, unanimously by all members of the Watergate Committee.

Mr. ERVIN. That is true. The purpose of the resolution is as follows: The committee has been investigating certain matters in which the Internal Revenue Service is interested, and the Internal Revenue Service has asked us to furnish information which we have assembled in respect of these matters. The Internal Revenue Service further informed us they have collected information that is relevant to the committee investigation in these particular matters. This resolution is offered so as to give consent of the Senate to the Select Committee forwarding to the Internal Revenue Service the information the Select Committee has assembled and to authorize the Internal Revenue Service to release to the committee information which it has assembled relevant to the same matters.

That is the sole purpose of the resolution. It is to comply with the requirements of the Senate rule and also with the requirements of the act of Congress before the Internal Revenue Service can be prepared to release that information.

Mr. GRIFFIN. Mr. President, in light of that explanation, I withdraw my reservation.

The PRESIDING OFFICER. There being no objection. The question now is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas the Internal Revenue Service, in furtherance of certain on-going investigations, has requested information from the Senate Select Committee on Presidential Campaign Activities; and

Whereas, it has come to the attention of the Senate Select Committee on Presidential Campaign Activities that the Internal Revenue Service has, in the course of the aforementioned ongoing investigations discovered information which relates directly to the Senate investigation being conducted by the Senate Select Committee on Presidential Campaign Activities pursuant to Senate Resolution 60 (93rd Congress, 1st Session). Now therefore be it

Resolved, That the Senate authorizes the Select Committee on Presidential Campaign Activities to make available to the Internal Revenue Service such information requested by that agency; and be it further

Resolved, That in accordance with the provisions of sections 6103(d) and 6104(a)(2) of the Internal Revenue Code of 1954, the Senate authorizes the Select Committee on Presidential Campaign Activities to investigate, receive and inspect any data, documents or other information held by the Internal Revenue Service which relates directly to that investigation presently being conducted by the Internal Revenue Service and by the Senate Select Committee on Presidential Campaign Activities as authorized by Senate Resolution 60 (93rd Congress, 1st Session).

LEAVE OF ABSENCE

Mr. ROBERT C. BYRD. Mr. President, the senior Senator from Wyoming (Mr. McGee) has asked me to announce that he will be absent today on official business accompanying Secretary of State Kissinger to Mexico City to attend the Foreign Ministers Conference. Senator McGee is attending in his capacity as chairman of the Subcommittee on Western Hemisphere Affairs of the Senate Foreign Relations Committee.

PAY RECOMMENDATIONS OF THE PRESIDENT

Mr. DOMINICK. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. I yield.

Mr. DOMINICK. I thought I would just ask a couple of questions on the pay raise bill. I have a resolution of disapproval at the desk. The Senator from Wyoming (Mr. McGee) being absent, I know we do not want to bring it up while he is away. Is it my understanding that the leadership is going to have a vote on the resolution next week?

Mr. ROBERT C. BYRD. Mr. President, the last discussion I had with the Chairman of the Committee on Post Office and Civil Service (Mr. McGee), left me with the impression that a vote would likely occur possibly on next Thursday or next Friday.

Mr. DOMINICK. That is fine. I just wanted to make sure that we would have an opportunity to vote on it, because, obviously, I cannot get it off the calendar unless the majority leader agrees or unless it comes up on a resolution of disapproval. Next Thursday or Friday is fine.

Mr. ROBERT C. BYRD. Mr. President, I have to include the reservation that what I have just stated is not to be interpreted as a commitment; that it was only my understanding, in talking with the Senator from Wyoming (Mr. McGee), and the able majority leader, that we ought to have a vote next Thursday or Friday.

There are some Senators who would like to have the vote scheduled, say, for the 4th or 5th of March. I do not know what the majority leader's feelings would be in that regard or what would be the feeling of the chairman of the Committee on Post Office and Civil Service.

I think we would all want assurance that, if a vote were delayed to that point, there would be unanimous consent, if it could be obtained, that there would definitely be a vote so that the date of March 6 would not come and go without a vote's having been taken.

Mr. DOMINICK. That was the only thing. I did not have the date firmly in mind. I had an idea it was the 28th of February. If it is the 6th of March, that is all right with me. I do not much care about that as long as we have a vote before the time when it becomes automatically approved.

Mr. ROBERT C. BYRD. I share with the Senator his concern about the pay raise. I would expect to vote against it. But I think we can be assured that there will be an opportunity to vote on a resolution, but as to the exact date, I am not in a position to say at this time when it will occur.

Mr. DOMINICK. I thank the Senator from West Virginia, as long as I have a commitment that there is going to be a vote before a date when there would be automatic approval.

Mr. ROBERT C. BYRD. I think the Senator can be assured of that commitment.

Mr. DOMINICK. I thank the Senator.

ORDER FOR RECESS TO MONDAY, FEBRUARY 25, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 12 noon on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS, TRANSACTION OF ROUTINE MORNING BUSINESS, AND CONSIDERATION OF S. 1017 ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on Monday next under the standing order, the distinguished assistant Republican leader and the junior Senator from West Virginia be recognized each for not to exceed 15 minutes, and in that order; that there then be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes; at the conclusion of which the Senate resume consideration of Calendar Order No. 658, S. 1017.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at noon on Monday, February 25—just 10 months before Christmas Day.

After the two leaders or their designees have been recognized immediately after the convening at noon, the distinguished assistant Republican leader (Mr. Griffin) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. Robert C. Byrd) will be recognized for 15 minutes.

There will then be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 5 minutes.

At the conclusion of the period for the transaction of routine morning business, the Senate will resume the consideration of Calendar Order No. 658, S. 1017, a bill to promote maximum Indian participation in the government and education of Indian people. It is anticipated that there may be some votes on amendments.

I would ask the distinguished assistant Republican leader if he will join with me in asking unanimous consent that any votes that may occur on Monday next shall not occur before the hour of 3 p.m.

Mr. GRIFFIN. That is satisfactory.

Mr. ROBERT C. BYRD. Mr. President, I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO MONDAY, FEBRUARY 25, 1974

Mr. ROBERT C. BYRD. Mr. President, unless the distinguished Senator from Michigan (Mr. GRIFFIN) or the distinguished Senator from Colorado (Mr. DOMINICK) wish to say something further, I move in accordance with the previous order that the Senate stand in recess until the hour of 12 noon on Monday next.

The motion was agreed to; and at 3:46 p.m. the Senate recessed until Monday, February 25, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 21 (legislative day of February 19), 1974:

DEPARTMENT OF STATE

A. Linwood Holton, of Virginia, to be an Assistant Secretary of State.

Leonard Unger, of Maryland, a Foreign Service Officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of China.

Robert W. Dean, of Illinois, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

DEPARTMENT OF DEFENSE

Martin R. Hoffmann, of Virginia, to be General Counsel of the Department of Defense, vice J. Fred Buzhardt, Jr.

DEPARTMENT OF JUSTICE

Hosea M. Ray, of Mississippi, to be U.S. attorney for the northern district of Mississippi for the term of 4 years. (Reappointment)

IN THE COAST GUARD

The following rear admirals of the U.S. Coast Guard to be Commander, Atlantic Area and Commander, Pacific Area, U.S. Coast Guard with the grade of vice admiral while so serving:

Rear Adm. William F. Rea III, Commander, Atlantic Area.

Rear Adm. Joseph J. McClelland, Commander, Pacific Area.

IN THE AIR FORCE

The following-named officers for promotion as a reserve of the Air Force under the appropriate provisions of chapters 35 and 837, title 10, United States Code:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Bell, Charles H., Jr., [redacted].
Benham, Douglass S., [redacted].
Berry, William M., Jr., [redacted].
Bowman, Clayton H., [redacted].
Casey, William F., [redacted].
Coward, Clarence L., Jr., [redacted].
Darst, James E., Jr., [redacted].
Hall, Luther L., [redacted].
Hoff, David B., [redacted].
Imgarten, Ralph G., [redacted].
Jewell, Delbert E., [redacted].
Johnson, Lloyd L., [redacted].
Kampschror, Leslie D., [redacted].
Leis, Anthony A., [redacted].
Leonard, John D. [redacted].
Little, John B., Jr., [redacted].
Long, James E., [redacted].
Maher, Harvey W., [redacted].
McClure, James H., [redacted].
McDonald, Robert C., [redacted].
Morkin, Killian T., [redacted].
Osgood, Glenn W., Jr., [redacted].
Roberts, William D., [redacted].
Sharp, George R., [redacted].
Singley, Clifford E., [redacted].
Sturm, Raymond L., [redacted].
Tanberg, Rex W. [redacted].
Thomas, Frederick L., Jr., [redacted].
Trippi, Carl L., [redacted].
Urquhart, Robert G., [redacted].
Witherington, Jerry C., [redacted].
Wright, Albert W., [redacted].
Zink, Homer, R., [redacted].

MEDICAL CORPS

Anderson, Courtney W., [redacted].
Collier, Douglas R., Jr., [redacted].
Ginsburg, Brian J., [redacted].
Gottschall, Marvin J., [redacted].
Howell, Talmadge R., [redacted].
Kundel, Robert R. [redacted].
Nelson, Donald W., [redacted].
Wier, George T., [redacted].

The following officer for promotion in the Air Force Reserve, under the provisions of section 593, and section 8376, title 10, United States Code.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Mathews, Richard J., [redacted].

The following persons for appointment as Reserves of the Air Force (Medical Corps), in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as medical officers under the provisions of section 8067, title 10, United States Code:

To be lieutenant colonel

Aldredge, Horatio R., III, [redacted].
Eilert, Robert E., [redacted].

The following officer for appointment as a reserve of the Air Force in the grade indicated (Line of the Air Force), under the provisions of section 593, and section 1211, title 10, United States Code:

To be lieutenant colonel

Hill, Henry E., [redacted].

The following person for appointment as a reserve of the Air Force in the grade indicated (Line of the Air Force), under the provisions of section 593, title 10, United States Code:

To be lieutenant colonel

Graham, Harold L., [redacted].

The following officer for appointment as a reserve of the Air Force in the grade indicated (Line of the Air Force), under the provisions of section 593, and section 8351, title 10, United States Code.

To be colonel

Hoover, Paul E., [redacted].

IN THE ARMY

The following-named officers for promotion in the reserve of the Army of the United States, under the provisions of title 10, sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Alfred, Shelby G., [redacted].
Arnaldo, Ernest C., [redacted].
Binkley, George W., [redacted].
Bogolub, Milton, [redacted].
Bradley, James E., [redacted].
Brant, Charles E., [redacted].
Burch, Donald H., [redacted].
Burner, David M., [redacted].
Caron, John A., [redacted].
Carroll, James L., [redacted].
Cate, George H. Jr., [redacted].
Chandler, Thomas V., [redacted].
Clapp, Edward D., [redacted].
Cowey, Felix F. Jr., [redacted].
Davidson, Jules L. Jr., [redacted].
Fleissner, Louis F., [redacted].
Forslin, Eric E., [redacted].
Hargrove, Keith L., [redacted].
Head, Jimmy H., [redacted].
Jones, Richard L. Jr., [redacted].
Jones, Ted L., [redacted].
Keene, Richard C., [redacted].
Mendez, Frank S., [redacted].
Miller, James D., [redacted].
Miyasaki, Shuichi, [redacted].
Morana, Nicholas J., [redacted].
Morgan, Keith A., [redacted].
Morris, Lawrence W., [redacted].
Moss, William W., [redacted].
Myers, Robert E., [redacted].
Neideigh, Robert G., [redacted].
Oswalt, Barney L., [redacted].
Pittman, Jerold F., [redacted].
Rodriguez, Balinas A., [redacted].
Rucker, Talmadge R., [redacted].
Teeters, Jack E., [redacted].
Todd, Carl H., [redacted].
Van Horn, Edward J., [redacted].
Walton, Walter W. Jr., [redacted].
Whisnant, Charles J., [redacted].
Wilson, Dale E., [redacted].
Wilson, Theodore D., [redacted].
Worcester, Ronald D., [redacted].

CHAPLAIN

To be colonel

Stuebben, George H., [redacted].

MEDICAL CORPS

To be colonel

Baker, Eugene M. Jr., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Joye, Milbourne L., [redacted].

The following-named officers for promotion in the reserve of the Army of the United States, under the provisions of title 10, sections 3366, 3367, and 3383:

ARMY PROMOTION LIST

To be lieutenant colonel

Adams, Don T., [redacted].
Adkins, James S., [redacted].
Adler, Manfred, [redacted].
Agee, James D., [redacted].
Aiken, William R., Jr., [redacted].
Anderson, Henry, [redacted].
Anderson, John T., [redacted].
Anderson, Robert N., [redacted].
Andrews, Joseph K., [redacted].
Annette, William H., [redacted].

Arcuri, Rosario V., [redacted].
Arledge, R. R., Jr., [redacted].
Arlook, Martin M., [redacted].
Armstrong, Richard, [redacted].
Arnold, Peter E., [redacted].
Atwell, Charles A., [redacted].
Aviles, Dionel E., [redacted].
Axe, Norman G., [redacted].
Bachus, Littleton J., [redacted].
Badger, Daniel D., [redacted].
Bailey, Paul F., [redacted].
Baird, Robert L., [redacted].
Baird, Walter B., [redacted].
Banks, Hartley G., Jr., [redacted].
Banks, Robert C., [redacted].
Banks, William F., [redacted].
Banta, George C., [redacted].
Barclift, Robert W., [redacted].
Barker, George E., [redacted].
Barlow, Anthony H., [redacted].
Barnes, Carl A. [redacted].
Barrett, Billy G., [redacted].
Barringer, John L., [redacted].
Barton, William C., [redacted].
Bauersfield, V. L., Jr., [redacted].
Baylor, James B., [redacted].
Beaver, Newton J., Jr., [redacted].
Becker, John A. [redacted].
Beers, Ray, Jr., [redacted].
Begeman, Arthur L., [redacted].
Behnke, Ervin F., [redacted].
Bender, Robert M. [redacted].
Bengtson, Donald W., [redacted].
Bernard, Richard T., [redacted].
Bernick, Herbert J., [redacted].
Berry, David A., [redacted].
Berryman, William C., [redacted].
Bess, Carl F., [redacted].
Bess, Frederick G., [redacted].
Betts, Thomas M. Jr., [redacted].
Bice, Jack G., [redacted].
Bielen, Joseph M., [redacted].
Bishop, Lawrence H., [redacted].
Bishop, Ronald E., [redacted].
Black, Robert R. Jr. [redacted].
Blanchfield, Thomas, [redacted].
Blodget, David P., [redacted].
Bluestone, Allan B., [redacted].
Bobo, William S. Jr., [redacted].
Bottomley, Ernest, [redacted].
Bourgeois, G. J., [redacted].
Bove, Charles A., [redacted].
Bowling, Rodney I., [redacted].
Bowman, Thomas M., [redacted].
Bradley, W. G. Jr., [redacted].
Braund, Richard I., [redacted].
Brick, Ralph P., [redacted].
Brinkley, Carson M., [redacted].
Bronocco, Dick, [redacted].
Brough, Charles W., [redacted].
Broughton, Herbert, [redacted].
Brower, Madison Z., [redacted].
Brown, Charles C., [redacted].
Brown, Harold, [redacted].
Brown, James R., [redacted].
Brown, Leonard S. Jr., [redacted].
Brown, Robert A., [redacted].
Brown, Stephen M., [redacted].
Brubaker, William, [redacted].
Bryant, James C., [redacted].
Bryant, Rudolph V., [redacted].
Buchan, James D., [redacted].
Buckles, Barton B., [redacted].
Buggy, Clair B., [redacted].
Burchill, Kenneth Q., [redacted].
Burgess, Robert C., [redacted].
Burke, Bernard J., [redacted].
Burkett, Charles E., [redacted].
Burkett, William E., [redacted].
Burnett, Edwin E. Jr., [redacted].
Burnette, Luther, [redacted].
Burson, John H. III, [redacted].
Busacker, Earl F., [redacted].
Butler, Thomas P. Jr. [redacted].
Buxton, Howard R., [redacted].
Byrd, Robert G., [redacted].
Cahill, Gerard M. Jr., [redacted].
Caldwell, Allen C., [redacted].
Caldwell, Darroll D., [redacted].
Caldwell, John B., [redacted].
Calhoun, Evans C., [redacted].
Campbell, Alex B., [redacted].
Campbell, Glenden D., [redacted].
Campbell, James W., [redacted].
Canby, Steven L., [redacted].
Cannon, Douglas C., III, [redacted].
Cantrall, Murray E., [redacted].
Capellen, Earle M. V. [redacted].
Carew, William L., [redacted].
Carlton, Mason G., [redacted].
Carney, Charles, [redacted].
Carpenter, Donald B., [redacted].
Carr, John W., [redacted].
Carroll, Raymond L., [redacted].
Carroll, Robert D., [redacted].
Carson, Jack R., [redacted].
Carter, John L., [redacted].
Carville, Linwood L., [redacted].
Casaleggio, Carl, [redacted].
Case, Caleb B., [redacted].
Casey, Patrick A., [redacted].
Cautero, Gerard S., [redacted].
Cauthen, M. B., Jr. [redacted].
Cawley, William O., [redacted].
Chalmers, William G., [redacted].
Chamberlain, Ray W., [redacted].
Chamberlain, Robert, [redacted].
Chandler, Carl E., [redacted].
Chase, Frank N. [redacted].
Cherberg, Clyde R., [redacted].
Chesnutt, John L., [redacted].
Chin, Thomas, [redacted].
Cieslik, Charles R., [redacted].
Clardy, William B., [redacted].
Clark, Gerald S., [redacted].
Clark, Richard L., [redacted].
Clark, Wendell P., [redacted].
Clark, William L., Jr., [redacted].
Cleghorn, Harold H., [redacted].
Clement, Daniel, Jr., [redacted].
Clement, Donald N., [redacted].
Clements, Erwin F., [redacted].
Clemmons, Joel T., [redacted].
Cline, Dexter V., [redacted].
Clorman, Irving M., [redacted].
Clysdale, Edward G., [redacted].
Codino, Albert F., [redacted].
Cofino-Perez, Thomas, [redacted].
Cohen, Victor L., [redacted].
Coker, Ralph G., [redacted].
Coldren, James R., [redacted].
Cole, John C., [redacted].
Coleman, Vance, [redacted].
Coles, Bruce O., [redacted].
Collins, Philip J., [redacted].
Collins, Thomas E., [redacted].
Coltrin, Byron R. [redacted].
Conaway, Kenneth E., [redacted].
Concannon, W. L., [redacted].
Conley, Robert H., [redacted].
Connell, Robert M., [redacted].
Cook, William A. [redacted].
Cooper, John A., [redacted].
Coristine, Thomas F., [redacted].
Coruthers, John M., [redacted].
Couture, Bertrand L., [redacted].
Cowan, Donald, [redacted].
Crair, Morton L., [redacted].
Cretecos, George A., [redacted].
Croak, Francis R., [redacted].
Crofoot, Warren R., [redacted].
Cronin, John D., [redacted].
Cross, Howard P., [redacted].
Cross, Julian F., [redacted].
Cuddy, John P., [redacted].
Culmer, James D., [redacted].
Culver, Joseph H., [redacted].
Cummings, David W., [redacted].
Cummings, Jeff R., [redacted].
Curry, Glenn H., [redacted].
Dale, Clifford H., [redacted].
Daly, Jeremiah F., [redacted].
Damon, William B., [redacted].
Daniels, Tolbert A., [redacted].
Danko, John G., Jr., [redacted].
Davis, Charles D., [redacted].
Davis, Ollie, Jr., [redacted].
Dechambeau, James H., [redacted].
Decker, David W., [redacted].
Dehlinger, Robert J., [redacted].
DelGianni, James L., [redacted].
Detjen, James E., [redacted].
Devine, Donald P., [redacted].
Dewalt, Harry A., Jr., [redacted].
DiFiore, John M., Jr., [redacted].
Dilts, Robert L., [redacted].
Dimke, Robert L., [redacted].
Dimmick, Paul, V., Jr., [redacted].
Dines, Gerald A., [redacted].
Dixon, Cloyce I., Jr. [redacted].
Dixon, Jeremiah D., [redacted].
Dollar, Jerry L., [redacted].
Dollard, Robert L., [redacted].
Donald, Robert G., [redacted].
Donner, Arvin N., Jr., [redacted].
Donohue, Donald J., Jr., [redacted].
Dooling, Francis D., [redacted].
Doty, Kie O., [redacted].
Douthit, Floyd, [redacted].
Dowling, James W., Jr., [redacted].
Doyle, John R., [redacted].
Drews, Frederick R., [redacted].
Dubois, Dean C., [redacted].
Durham, Courtney B., [redacted].
Dwyer, Eugene M., [redacted].
Dye, Melvin C., [redacted].
Dykes, Glenn M., Jr., [redacted].
Earnshaw, David G., [redacted].
Eaton, John L., [redacted].
Eickhoff, Leo E., Jr. [redacted].
Elam, John G., Jr., [redacted].
Elias-Caballe, Angel, [redacted].
Ellis, Carl T., Jr., [redacted].
Ellis, James V., Jr., [redacted].
Ellis, John H., Jr., [redacted].
Ellis, Roy H., [redacted].
Ellis, William E., [redacted].
Engelmeier, Paul C., [redacted].
Engle, Robert B., [redacted].
Enos, Warren B., [redacted].
Ent, John W., [redacted].
Epstein, Sanford J., [redacted].
Erdman, Anthony W., [redacted].
Erlandson, Dale L., [redacted].
Evans, Raymond E., [redacted].
Evans, Thomas J., [redacted].
Farmer, Robert P., [redacted].
Fase, Robert E., [redacted].
Fasolino, Rosario P., [redacted].
Fauntleroy, H. E., Jr., [redacted].
Feir, Larry E., [redacted].
Feldt, Robert J., [redacted].
Fellinger, P. J., [redacted].
Ferguson, James T., [redacted].
Ferreira, Clarence, [redacted].
Ferroli, Robert J., [redacted].
Ficken, Harry A,, Jr., [redacted].
Field, Thomas F., [redacted].
Figueroa, Jose R., [redacted].
Fink, David H., [redacted].
Finn, John J., [redacted].
Fisher, Edward S., [redacted].
Fitz, Loren E. M., [redacted].
Fleming, Bill A., [redacted].
Foley, Robert P., [redacted].
Fong, Albert C. [redacted].
Fontanilla, James E., [redacted].
Foster, Perry G., Jr., [redacted].
Franklin, Chester A., [redacted].
Freeman, Darold R., [redacted].
Frey, Julius M., [redacted].
Frink, Frank M. [redacted].
Frye, William V., [redacted].
Fuller, Frank B., Jr., [redacted].
Fullerton, Ralph O., [redacted].
Funk, Raymond R., [redacted].
Gabriel, Anthony J., [redacted].
Galbreath, Bobby N., [redacted].
Galik, Michael, [redacted].
Gansereit, Ernest J., [redacted].
Gant, Daryal T., [redacted].
Gay, Donald J., [redacted].
Gaydos, Theodore, [redacted].
Geraci, Joseph T. [redacted].
Gile, Rexford R., [redacted].
Gillard, Richard C., [redacted].
Ginn, Hal G., [redacted].
Gladin, Collier B., [redacted].
Glasscock, Loren T., [redacted].
Goebel, Werner W., [redacted].
Goedde, William R., [redacted].
Gonzalez, Carlos, [redacted].
Gonzalez, Jose, [redacted].

Gonzalez, Silvestre, [redacted].
Gooskos, Daniel, [redacted].
Governale, Russell, [redacted].
Gray, Edward R., [redacted].
Gray, Joe E., [redacted].
Greco, Gerard F., [redacted].
Greco, Leonard C., [redacted].
Green, Glenn H., [redacted].
Greene, Duane E., [redacted].
Greenwell, William C., [redacted].
Grens, Edward A., II, [redacted].
Greve, Einar, [redacted].
Grey, James W., [redacted].
Grier, Julian J., [redacted].
Griffin, Hal C., [redacted].
Griffing, John A., Jr., [redacted].
Grimmett, Robert G., [redacted].
Grunfeld, Frederic, [redacted].
Gucker, Richard A., [redacted].
Gunn, Robert L., [redacted].
Gutierrez, Benito, [redacted].
Haas, Wolfgang, [redacted].
Hadley, Robert V., [redacted].
Hall, David H., [redacted].
Hall, Roscoe M., Jr., [redacted].
Hallett, Albert F. E., [redacted].
Hamel, Francis G., [redacted].
Hansen, Joe B., [redacted].
Hanser, Harold F., [redacted].
Harden, Richard W., [redacted].
Hardy, Morris S., [redacted].
Haronian, Howard R., [redacted].
Harral, Williard R., [redacted].
Harrington, David E., [redacted].
Harris, Bobby L., [redacted].
Harris, David A., [redacted].
Harris, Jack A., [redacted].
Harris, Joe N., [redacted].
Harrison, Eddie E., [redacted].
Hart, John N., [redacted].
Hartig, Alvin E., [redacted].
Hass, John C., [redacted].
Hassler, John M. Jr., [redacted].
Hauffe, Paul O., [redacted].
Haugen, Raymond C., [redacted].
Haugh, Harold H. [redacted].
Haverly, Harry C., [redacted].
Hawk, Mervin C., [redacted].
Hawke, Wilmer M., [redacted].
Haygood, J. R., [redacted].
Hays, William L., [redacted].
Hazen, Robert D., [redacted].
Headrick, Brian S., [redacted].
Hemerling, Harry W., [redacted].
Henderson, Charles, [redacted].
Henderson, Hernon, [redacted].
Hennigan, Leonard W., [redacted].
Henry, Charles L., [redacted].
Herndon, Paul R., Jr., [redacted].
Herrick, Robert T., [redacted].
Heyward, James R., [redacted].
Hill, James D., [redacted].
Hill, Robert L., [redacted].
Hinkel, Vernon W., [redacted].
Hoar, Joseph V., [redacted].
Hockman, John R., [redacted].
Hoelscher, James E., [redacted].
Hoffman, William H., [redacted].
Hoidal, Lars R., [redacted].
Holland, Herbert, [redacted].
Hollstein, Elmer J., [redacted].
Holmes, Robert A., [redacted].
Holzgruber, Alfred, [redacted].
Hood, Charles F. Jr., [redacted].
Hopkins, James B., [redacted].
Horan, Robert P., [redacted].
Howard, George J., [redacted].
Howard, Lawrence, [redacted].
Hromas, Ernest L., [redacted].
Hubbard, William S., [redacted].
Huddleston, C. R., [redacted].
Hudson, William R., [redacted].
Huestis, Charles D., [redacted].
Huff, Hugh M. III, [redacted].
Hunter, James H., [redacted].
Hurlebaus, John F., [redacted].
Hutchinson, George, [redacted].
Hynes, James R., [redacted].
Ikeda, Moss M., [redacted].
Irvin, Robert J., [redacted].
Ivy, Billy C. [redacted].
Jackola, Arthur S., [redacted].
Jackson, Bobby J., [redacted].
Jackson, John R., [redacted].
James, Charles D., [redacted].
Janas, Edward M., [redacted].
Japp, Jack W., [redacted].
Jarvis, Joe D., [redacted].
Jenkins, Edwin K. II, [redacted].
Jenkins, Robert D., [redacted].
Jennison, Dick M., [redacted].
Jensen, Donald E., [redacted].
Jensen, Ronald S., [redacted].
Jenson, Richard M., [redacted].
Jent, William P. Jr., [redacted].
Johnson, Arthur J., [redacted].
Johnson, Leo P., [redacted].
Johnson, Mark A., [redacted].
Johnson, Richard L., [redacted].
Johnson, Samuel L., [redacted].
Johnston, Dale E., [redacted].
Johnston, Donald A., [redacted].
Jones, Charles S. Jr., [redacted].
Jones, Edsel G., [redacted].
Jones, Fred R. [redacted].
Jones, Hershel G., [redacted].
Jones, Louis C. Jr., [redacted].
Jones, Robert G., [redacted].
Jones, Ronald R., [redacted].
Jones, Stanley C., [redacted].
Jones, Thomas R. Jr., [redacted].
Jones, Vernon R., [redacted].
Jones, Walter R., [redacted].
Jones, William D., [redacted].
Jung, James G. [redacted].
Jung, Lincoln, [redacted].
Jurgens, Hilary W., [redacted].
Kaelin, Billy J., [redacted].
Kaiser, Clarence J., [redacted].
Kane, John J., [redacted].
Kano, Clarence K., [redacted].
Kaplan, Robert L., [redacted].
Kawaguchi, Masaru, [redacted].
Keckeissen, Joseph, [redacted].
Keene, Marcus L., [redacted].
Kellogg, Jimmy R., [redacted].
Kelly, Samuel P., [redacted].
Kendall, James J., [redacted].
Kessler, Joseph F., [redacted].
Kilbourne, John W., [redacted].
Killen, Donald J., [redacted].
King, Donald B., [redacted].
King, Dwight E [redacted].
King, Peter C., [redacted].
King, Richard P., [redacted].
Kirchner, Harry F., [redacted].
Kirkland, Wesley R., [redacted].
Kirkpatrick, Joseph, [redacted].
Koenigsmark, Edward, [redacted].
Koster, Leslie N., [redacted].
Kozak, Walter P., [redacted].
Kreutzer, Robert H., [redacted].
Kubala, Lowell M., [redacted].
Kuhnel, Edward E., [redacted].
Kunioka, Robert T., [redacted].
Lambertson, John P., [redacted].
Lamphere, Howard W., [redacted].
Lander, James A., [redacted].
Lane, Marion A., [redacted].
Lanier, Jack D., [redacted].
Larkin, Donald J., [redacted].
Larrabee, Robert W., [redacted].
Laskoe, Robert, [redacted].
Latterell, Gerald W., [redacted].
Lau, William K., [redacted].
Lavin, Richard P., [redacted].
Lawrence, G. T., IV, [redacted].
Layman, Jackie J., [redacted].
Lechner, Charles D., [redacted].
Lee, Robert C. [redacted].
Leek, William A. Jr., [redacted].
LeGrand, Talmadge M., [redacted].
Leong, Richard W. Y., [redacted].
Lewis, Jackie L., [redacted].
Lewis, Kenneth E., [redacted].
Lewis, Richard M., [redacted].
Libertine, Rocco W., [redacted].
Lindeman, Jack E., [redacted].
Lingenfelter, George, [redacted].
Lockhart, Jack C., [redacted].
Lohr, Atwell C., [redacted].
Lombardo, Anthony H., [redacted].
Lowell, James B. Jr., [redacted].
Lucas, Clarence A., [redacted].
Lundberg, Leonard V., [redacted].
Lundgren, John A., [redacted].
Luttinen, Sidney R., [redacted].
Luzier, William H., [redacted].
Lytton, Victor H., [redacted].
Mackay, Raymond G., [redacted].
Mackenzie, Charles, [redacted].
MacMillan, R. H. Jr., [redacted].
Macon, David R., [redacted].
MacPherson, George, [redacted].
Maddox, Milton E., [redacted].
Malcolm, John B. Jr., [redacted].
Maldonado, Edwin G., [redacted].
Maloney, Joseph T., [redacted].
Manbert, Rush M., [redacted].
Mangham, John H., [redacted].
Mann, James E., [redacted].
Mannel, William M., [redacted].
Manthey, Philip S., [redacted].
Marks, Richard E., [redacted].
Marotta, Francis X., [redacted].
Marr, Clayton E., [redacted].
Marshall, Harry P., [redacted].
Martin, Bobby J., [redacted].
Martin, Emmor G. Jr., [redacted].
Massengale, A. E. Jr., [redacted].
Mayo, Ollie K. Jr [redacted].
McAlerney, John K., [redacted].
McCafferty, Orland, [redacted].
McCann, William L., [redacted].
McCarty, John E., [redacted].
McCoy, James L. Jr., [redacted].
McCubbin, Thomas L., [redacted].
McCutcheon, James E., [redacted].
McFarlane, James A., [redacted].
McFee, Alfred F., [redacted].
McGarr, Elbert L., [redacted].
McGoffin, James L., [redacted].
McGrath, Edward P., [redacted].
McIntosh, Gordon Y., [redacted].
McIntyre, Bruce H., [redacted].
McKinney, W. H. III, [redacted].
McKinnon, Charles M., [redacted].
McMullen, Michael W., [redacted].
McNair, Edward P., [redacted].
McNeese, Maurice W., [redacted].
McRee, Griffith J. Jr., [redacted].
McSweeney, Arthur P., [redacted].
Meissner, Martin C., [redacted].
Merchant, Donald N., [redacted].
Michaud, Ted C., [redacted].
Middleton, P. G., Jr. [redacted].
Miller, Jimmie P., [redacted].
Miller, John K. [redacted].
Mills, Jerry O., Jr., [redacted].
Minchin, Gerald R., [redacted].
Mitchell, James K., [redacted].
Mitchell, Joe F. [redacted].
Mohr, George R., [redacted].
Monahan, Neil F., [redacted].
Monsen, Monrad H., [redacted].
Montgomery, John W., [redacted].
Moore, Carl G. [redacted].
Moore, James R. [redacted].
Moore, Jere N., Jr., [redacted].
Moore, Malcom E., [redacted].
Moore, William D., [redacted].
Morris, James R., [redacted].
Morton, Sanford B., [redacted].
Muchow, Ray H., [redacted].
Mueller, Gene W., [redacted].
Mulkey, Dick E. S., [redacted].
Mura, Ronald A., [redacted].
Murakami, Roy K., [redacted].
Murfee, James T., III, [redacted].
Myers, Harry G., [redacted].
Nardone, Arthur S., [redacted].
Neale, Robert K., [redacted].
Neel, Billy W., [redacted].
Negus, Sidney S., Jr., [redacted].
Nelligan, Peter [redacted].
Nelson, Earl L., Jr., [redacted].
Newell, Robert W., [redacted].
Newman, Wesley W., [redacted].
Nicholson, James R., [redacted].

Nicosia, John W., [redacted]
Nix, James E. [redacted]
Nolan, John J., [redacted]
Nolley, Edwin F., [redacted]
Norman, Bethel A., [redacted]
Norton, James W., [redacted]
Norton, Neville G., [redacted]
O'Connor, Robert D., [redacted]
Ogden, Seward J., Jr., [redacted]
Ohlman, Kenneth H., [redacted]
Oliver, Michael W., [redacted]
Oppler, Edward P., [redacted]
Orr, Joseph L. [redacted]
Overdank, Louis, [redacted]
Owen, Richard H. [redacted]
Owens, Wamul R., [redacted]
Ownby, Robert G., [redacted]
Ozawa, Gordon I., [redacted]
Padget, Heber N., [redacted]
Panchuk, Stephen L., [redacted]
Pandure, Joseph F., [redacted]
Parker, Charles D., [redacted]
Parks, John R., [redacted]
Patrick, Robert A., [redacted]
Patrick, William S., [redacted]
Patsis, Nicholas M., [redacted]
Pavlow, George, [redacted]
Payne, William G. [redacted]
Payte, Roy F., [redacted]
Pearce, Oscar J., Jr., [redacted]
Pearl, Jason E., [redacted]
Pearson, John C. [redacted]
Peery, William D., [redacted]
Pellegrino, Vincent, [redacted]
Penberthy, James F., [redacted]
Penwright, Bill M., [redacted]
Perry, Charles R., [redacted]
Peterfy, Frank A., [redacted]
Peters, Grover C., Jr., [redacted]
Peterson, Harold D., [redacted]
Peterson, Richard W., [redacted]
Petillo, Ralph J., [redacted]
Petrover, Lothar L., [redacted]
Petty, James E., [redacted]
Pfaff, David H., [redacted]
Phillips, Weldon H., [redacted]
Pickard, Thomas J., [redacted]
Pitcher, James R., [redacted]
Ploetz, Raymond C., [redacted]
Poche, John E., [redacted]
Politano, Pascal R., [redacted]
Polito, Dominic R., [redacted]
Popovich, Walter M., [redacted]
Porter, George W. [redacted]
Poshusta, Allyn D., [redacted]
Post, John L. [redacted]
Potter, Mark W., Jr., [redacted]
Powers, Robert M., [redacted]
Pratt, Marion E., [redacted]
Presswood, John K. [redacted]
Price, Gerald L., [redacted]
Prince, William R., [redacted]
Protheroe, Maurice, [redacted]
Pulda, Joseph A., [redacted]
Pulsipher, Guy R., [redacted]
Purtle, Herbert G., [redacted]
Qua, George F., II, [redacted]
Radaker, Herbert E., [redacted]
Rarig, David A. [redacted]
Rayburn, Bruce A., [redacted]
Read, James W., Jr., [redacted]
Reasoner, Robert R., [redacted]
Redditt, Robert H. S., [redacted]
Reed, John H., [redacted]
Reese, Irving L., [redacted]
Reeves, Robert L., [redacted]
Reilly, Paul G., Jr., [redacted]
Renwick, Allen B., [redacted]
Reynolds, Edward A., [redacted]
Reynolds, Ralph E., [redacted]
Rhodes, Alfred H., [redacted]
Richardson, George, [redacted]
Richey, Clinton B., [redacted]
Richiardi, Robert L., [redacted]
Richmond, Henry J., [redacted]
Rickett, William F., [redacted]
Riddle, James M., [redacted]
Rist, John C., [redacted]
Ritter, Kenneth R., [redacted]
Rivera, Jesus M. [redacted]

Roach, Charles T., [redacted]
Roark, Richard D., [redacted]
Roberts, Richard C., [redacted]
Robichaud, Paul R., [redacted]
Robilotti, L. J., [redacted]
Robinson, Fred E. [redacted]
Robinson, James B. J., [redacted]
Robinson, William C., [redacted]
Rogers, James R., Jr., [redacted]
Rohena, Santos, Jr., [redacted]
Rome, Lloyd, [redacted]
Rorie, Euell R., [redacted]
Rosenblatt, David H., [redacted]
Ross, Sanford A. [redacted]
Rost, James W., [redacted]
Rothaus, William J., [redacted]
Rothleitner, Milton, [redacted]
Roukous, Maurice L., [redacted]
Row, Lathe B., [redacted]
Rowley, Alford H., [redacted]
Rugheimer, E. W. Jr., [redacted]
Rung, John P., [redacted]
Runken, Roy G., [redacted]
Ruple, Robert E., [redacted]
Rusk, Edward E. [redacted]
Russell, Christopher, [redacted]
Russell, George R., [redacted]
Russell, Gordon C. [redacted]
Russell, Oscar G., [redacted]
Russo, Richard S., [redacted]
Ryan, Herbert F., [redacted]
Salamy, Henry G. [redacted]
Sanders, Robert J., [redacted]
Sanderson, Don N., [redacted]
Sands, Laverne C., [redacted]
Sanford, Robert A. T., [redacted]
Sappington, Frederick, [redacted]
Sato, George M., [redacted]
Saunier, Robert M. [redacted]
Savwoir, Richard A. [redacted]
Scaringi, Louis T., [redacted]
Scent, Richard K., [redacted]
Shaffer, Donald D., [redacted]
Schrowang, Augustus, [redacted]
Schulman, Ellsworth, [redacted]
Schultz, Jackson K., [redacted]
Schwab, Harold D., [redacted]
Schwartz, R. K., [redacted]
Scott, Frank W., [redacted]
Scott, George L., [redacted]
Scott, Harold T., [redacted]
Seaver, William R., [redacted]
Seidel, Walter R., [redacted]
Sessions, Jerrald M., [redacted]
Shafferman, Frederick, [redacted]
Sheehan, Howard P., [redacted]
Sheffer, William F., [redacted]
Shideler, J. H., Jr., [redacted]
Shields, Allan L., [redacted]
Shim, Casey N. E., [redacted]
Shroyer, Terry W., [redacted]
Sieg, Reno S. [redacted]
Siembor, Eugene T. [redacted]
Sigler, Bernard J., [redacted]
Silverman, Melvin, [redacted]
Simons, Charles J., [redacted]
Sims, Ernest T. Jr. [redacted]
Sisson, Phillip R., [redacted]
Slocum, Donald H., [redacted]
Slocum, William F., [redacted]
Smith, Carrol D., [redacted]
Smith, Fletcher B. J., [redacted]
Smith, Gary S. [redacted]
Smith, James L., [redacted]
Smith, Raymond D., [redacted]
Smith, Richard M., [redacted]
Snider, Howard A., [redacted]
Snow, James A., [redacted]
Snyder, Gardiner W., [redacted]
Snyder, Russell A., [redacted]
Sohn, Russell L. [redacted]
Spak, Michael I., [redacted]
Spradlin, Billie C., [redacted]
Squire, Edward C. [redacted]
Stejskal, Allen G., [redacted]
Stemmons, Perry W., [redacted]
Stephens, Carl M. Jr., [redacted]
Sterr, Ronald M., [redacted]
Stewart, Arthur L., [redacted]
Stewart, William H., [redacted]

Stickles, Milton J., [redacted]
Stickney, James H., [redacted]
Stiles, Donald J. [redacted]
Stobie, Harry D., [redacted]
Stonisch, Jerry A., [redacted]
Strain, Joseph F., [redacted]
Struss, Herbert E., [redacted]
Stucker, Robert B., [redacted]
Sullivan, James E., [redacted]
Surber, Darrell B., [redacted]
Swan, John G. Jr., [redacted]
Swedenburg, Clifford, [redacted]
Sweeney, Daniel J., [redacted]
Sweet, Robert G., [redacted]
Szaj, Arnold P., [redacted]
Talbow, William T., [redacted]
Tavarez, Luis A., [redacted]
Taylor, Doyle D., [redacted]
Taylor, John M. [redacted]
Taylor, Robert P., [redacted]
Tenori, Serafino B., [redacted]
Terry, Albert L. [redacted]
Thames, Lee D., [redacted]
Thompson, David L., [redacted]
Thompson, Earl N., [redacted]
Thompson, James D. J., [redacted]
Thrash, Melvin C., [redacted]
Todd, Clarence E., [redacted]
Tomlinson, James L., [redacted]
Toporowski, Stanley, [redacted]
Trenchard, Kendall, [redacted]
Truitt, George W., [redacted]
Turner, Murray N., [redacted]
Turney, John I., [redacted]
Turnipseed, Ned L., [redacted]
Tutchton, Joseph T., [redacted]
Tyra, Thomas O. [redacted]
Ungs, Duane C. [redacted]
Unverricht, Hellmut, [redacted]
Uram, Peter, [redacted]
Urruela, Mario L., [redacted]
Uttech, Ralph O., [redacted]
Vaccarino, Isadore, [redacted]
Vanderstraeten, Vincent, [redacted]
Vanhart, David C., [redacted]
Vanhoozer, William, [redacted]
Vankeuren, Charles, [redacted]
Vankirk, Marvin L., [redacted]
Vaught, Thomas M. III, [redacted]
Veach, Colin B., [redacted]
Vidal-Delgado, David, [redacted]
Viner, Myron P., [redacted]
Vorpahl, Donald B., [redacted]
Vroman, Hugh E., [redacted]
Wahlgren, Harold E., [redacted]
Walker, Ceasar A., [redacted]
Walker, Jack W., [redacted]
Walker, Paul D., [redacted]
Wallace, George N., [redacted]
Wallace, Marsh Jr. [redacted]
Wallace, Robert T., [redacted]
Wallis, Thomas W., [redacted]
Walsh, Paul R., [redacted]
Walters, John F. II, [redacted]
Walton, Kirk D., [redacted]
Ward, Billy J., [redacted]
Ward, Don D., [redacted]
Ward, John J. Jr., [redacted]
Ware, Archie L. Jr., [redacted]
Warfield, Melvin P., [redacted]
Wark, William J., [redacted]
Waterman, Robert M., [redacted]
Watling, Robert C., [redacted]
Weaver, Byron E., [redacted]
Webb, Kenneth R., [redacted]
Weber, Andrew E., [redacted]
Webster, John J., [redacted]
Weckstein, Donald T., [redacted]
Weinberg, William A., [redacted]
Werthan, George B., [redacted]
West, Lowry L., [redacted]
Whitaker, Howard M., [redacted]
White, Raymond F., [redacted]
Whittemore, Olin S., [redacted]
Wickizer, Charles D., [redacted]
Widener, Larry E., [redacted]
Widrig, Frank C. Jr., [redacted]
Wiebke, Eugene F., [redacted]
Wiegand, Francis P., [redacted]
Wilfong, Vernon E., [redacted]
Wilkerson, Lonnie O., [redacted]

Wilkie, Richard L., [redacted].
Willer, Donald E., [redacted].
Willey, William W., [redacted].
Williams, Lynn L., [redacted].
Williams, Quay, [redacted].
Williams, Stanley A., [redacted].
Willis, Alvie J., [redacted].
Willmann, William J., [redacted].
Wilson, James E., [redacted].
Wilson, Robert A., [redacted].
Wilson, Robert O., [redacted].
Wire, Donald C., [redacted].
Wise, Russell E., [redacted].
Witcher, Len O., [redacted].
Witten, James M., [redacted].
Wolf, David B., [redacted].
Wong, Robert L., [redacted].
Wood, Richard A., [redacted].
Wood, Richard J., [redacted].
Woodward, Leigh S., [redacted].
Woodward, Richard B., [redacted].
Woollen, James M., [redacted].
Woywod, George M., [redacted].
Wren, Nelson E. Jr., [redacted].
Wrenn, Charles P., [redacted].
Yamashiro, Isao, [redacted].
Yates, Iva C. Jr., [redacted].
Young, James M., [redacted].
Zacharakis, A. C., [redacted].
Zachos, John K., [redacted].
Zachritz, Robert N., [redacted].
Zane, Lawrence, [redacted].

CHAPLAIN

To be lieutenant colonel

Anderson, Harold E., [redacted].
Bohannon, Kenneth L., [redacted].
Byrne, William T., [redacted].
Calato, Joseph J., [redacted].
Campbell, David A., [redacted].
Dunn, Billy D., [redacted].
Eastham, Frederick, [redacted].
Epps, Bryan C., [redacted].
Fagan, Walter G., [redacted].
Fields, George D. Jr., [redacted].
Flathmann, H. K. G., [redacted].
Hallanger, F. T., [redacted].
Hansen, Paul R., [redacted].
Hyatt, James T., [redacted].
Jaeger, James C., [redacted].
Jones, John P., [redacted].
Keefe, Francis L., [redacted].
Lantz, Donald L., [redacted].
Leath, James A. Jr., [redacted].
Lowery, Frederick C., [redacted].
Malone, Robert A., [redacted].
McGuire, Charles L., [redacted].
Nesko, Milan A., [redacted].
Sharp, James C., [redacted].
Smith, Ralph L. Jr., [redacted].
Stadtmauer, Murray, [redacted].
Uhl, Edward G., [redacted].
Verseput, Theodore, [redacted].
White, Edward O., [redacted].

WOMEN'S ARMY CORPS

To be lieutenant colonel

Freystag, Elizabeth, [redacted].

DENTAL CORPS

To be lieutenant colonel

Lude, John C., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Busch, George J., [redacted].
Giulian, Karl A., 169–30–3255.

MEDICAL SERVICE CORPS

To be lieutenant colonel

Clardy, Monroe F., Jr., [redacted].
Dumont, Roland R., [redacted].
Josehart, Harold E., [redacted].
Kicklighter, John D., [redacted].
Rosenthal, Charles, [redacted].

VETERINARY CORPS

To be lieutenant colonel

Keagy, Richard H., [redacted].

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., sections 591, 593, and 594:

MEDICAL CORPS

To be lieutenant colonel

Nunn, Stewart L., [redacted].
Strain, James R., [redacted].

The following-named officers for appointment in the Army of the United States, under the provisions of title 10, U.S.C., section 3494:

MEDICAL CORPS

To be lieutenant colonel

Bergom, Ronald O., [redacted].

The following-named Army National Guard officers for appointment in the reserve of the Army of the United States, under the provisions of title 10, U.S.C., section 3385:

ARMY PROMOTION LIST

To be colonel

Barnthouse, William R., [redacted].
Damewood, Thomas C., [redacted].
Holloway, Balfour, Jr., [redacted].
Jackson, Curtis H., [redacted].
Keeling, John O., Jr., [redacted].
Kneip, James F., [redacted].
Leverett, Lewis C., Jr., [redacted].
Pearson, Homer G., [redacted].
Price, Gerald F., [redacted].
Shoob, Stuart J., [redacted].
Verbeck, Karl C., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., section 3385:

ARMY PROMOTION LIST

To be lieutenant colonel

Ashley, Alvin K., [redacted].
Bennett, John H., Jr., [redacted].
Bowden, Reuben L., [redacted].
Bryan, Curtis H., Jr., [redacted].
Bryant, William F., [redacted].
Burkett, William E., [redacted].
Carlone, Frank L., [redacted].
Cole, Marion B., [redacted].
Collins, Paul G., [redacted].
Demers, Norman R., [redacted].
Episcopo, Leonard M., [redacted].
Fisher, Glenn A., [redacted].
Ford, Howard F., [redacted].
Fuller, Louis W., Jr., [redacted].
Hallmark, Estle H., [redacted].
Hansen, Harry S., Jr., [redacted].
Hennelly, William P., Jr., [redacted].
Herbert, Curtis B. III, [redacted].
Holmsen, Raymond H., Jr., [redacted].
Hooper, Johnnie P., [redacted].
Hullum, Douglas F., [redacted].
Kale, Donald W., [redacted].
Kinon, Marion H., [redacted].
Layton, Gary E., [redacted].
Lopez, Marcelino, [redacted].
Maskell, William L., [redacted].
McCain, William D., Jr., [redacted].
McKinney, Charles R., [redacted].
Mitchell, James L., [redacted].
Paul, James R., [redacted].
Reid, Benjamin H., [redacted].
Russell, Lee V. III, [redacted].
Schultz, Joseph W., [redacted].
Smith, Jerald G., [redacted].
Tarrant, Joseph W., Jr., [redacted].
Thalhofer, Joseph J., [redacted].
Waters, William H., [redacted].

CONFIRMATION

Executive nomination confirmed by the Senate February 21 (legislative day of February 19), 1974:

DEPARTMENT OF THE INTERIOR

Thomas V. Falkie, of Pennsylvania, to be Director of the Bureau of Mines.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Thursday, February 21, 1974*

The House met at 12 o'clock noon.

Rev. Dr. Arthur C. Fulbright, United Methodist minister, Columbia, Mo., offered the following prayer:

Create in us a clean heart, O God, and put a new and right spirit within us. Our Father, for this precious brief interval, free our minds and spirits from the dominion of time and pressures, and let us feel the breath of Your serenity stabilizing us for our responsibilities. Give us now the knowledge of Your abiding spiritual presence, that we may obtain a sense of stewardship in building Your kingdom on Earth. Holy Father, impart to us the peace which the world cannot give neither take away, that through the grace of Your holy presence we may be masters of our tasks and of ourselves.

And may the blessed holy spirit of our Heavenly Father direct our ways; and may He help us increase and abound in love for one another and all men. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

CALL OF THE HOUSE

Mr. O'HARA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BRADEMAS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 38]

Alexander
Blatnik
Brasco
Broomfield
Carey, N.Y.
Clancy
Clark
Conyers
Crane
Esch
Fascell
Flood
Fraser
Frelinghuysen
Fulton
Gibbons
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Lehman
McFall
Macdonald
Mailliard
Michel
Mills
Moss
Murphy, N.Y.
Parris
Patman
Pepper
Reid
Roberts
Rooney, N.Y.
Steiger, Wis.
Stokes
Sullivan
Talcott
Teague
Towell, Nev.
Vanik
Young, Ill.
Zablocki

The SPEAKER. On this rollcall 388 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TRIBUTE TO ARTHUR C. FULBRIGHT

(Mr. ICHORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, the United States of America is officially neither a secular society, an atheistic society, nor an agnostic society.

Our Constitution guarantees us freedom of religion but not freedom from religion. All of our history and all of our great political documents make it clear that we are a nation under God.

Thus it has always been the custom to open this assembly, which is the governmental body closest to the people, with prayer, and I trust that this will endure for many, many centuries to come.

The gentleman who opened the House with prayer this morning is a man of God and a very dear friend of mine, Dr. Arthur C. Fulbright of the Wilkes Boulevard United Methodist Church of the university and college city of Columbia, Mo. He is not only a very widely known and highly respected theologian in Missouri but he is also an active free man in a free society who shoulders more than his share of citizenship and responsibility.

THE HONORABLE RICHARD VANDER VEEN

Mr. DIGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan, Mr. RICHARD VANDER VEEN, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. VANDER VEEN appeared at the bar of the House and took the oath of office.

RESIGNATION OF MEMBER OF COMMITTEE ON THE DISTRICT OF COLUMBIA

The SPEAKER laid before the House the following communication, which was read:

WASHINGTON, D.C.,
February 21, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: At a meeting of the House Republican Committee on Committees, it was recommended that I be appointed to serve on the House Committee on Post Office and Civil Service in order to fill an existing vacancy.

It is with deep regret that I must therefore tender my resignation as a Member of the House Committee on the District of Columbia. I have enjoyed my service on this Committee and would like to extend my best wishes and appreciation to Chairman DIGGS, ranking Minority Member ANCHER NELSEN, the membership of the staff and all the Members I served with my appreciation for their cooperation and friendship during my service with the Committee.

Respectfully,

GENE TAYLOR,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION AS MEMBER OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 897) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 897

Resolved, That the following-named Member be, and is hereby elected a Member of the following standing committee of the House of Representatives:

Gene Taylor of Missouri: Committee on Post Office and Civil Service.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION AS MEMBER OF COMMITTEE ON HOUSE ADMINISTRATION

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 898) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 898

Resolved, That the following-named Member be, and is hereby elected a Member of the following standing committee of the House of Representatives:

M. Caldwell Butler, of Virginia: Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION AS MEMBER OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 899) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 899

Resolved, That the following-named Member, and is hereby elected a Member of the following standing committee of the House of Representatives:

James M. Collins, of Texas: Committee on Post Office and Civil Service.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SOCIAL SECURITY PAYROLL TAX REDUCTION

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, last week, I reintroduced legislation with 24 cosponsors for the purpose of reducing the oppressive social security payroll tax from its present 5.85 percent to 3.9 percent.

The maximum social security tax is larger than the Federal income tax on more than 50 percent of approximately 80 million individual tax returns to be filed this year.

A married couple with two children with an annual income of $7,000 will pay a Federal income tax of $406 and a social security tax of $409.50.

In recognition of what has become an intolerable tax burden for the low- and middle-income wage earner of this country, over 50 Members of this body have joined me in cosponsoring my social security tax reduction bill. The list is representative of what is, indeed, a national problem and you will find Members on the list that follows from the North, South, East, West, and Midwest who have heard the pleas of the overtaxed American work force and have decided to do something about it.

SOCIAL SECURITY TAX REDUCTION—COSPONSORS

H.R. 12489

James A. Burke (Mass.).
Charles A. Vanik (Ohio).
James C. Corman (Calif.).
William J. Green (Pa.).

H.R. 12829

Joseph Addabbo (N.Y.).
Frank Annunzio (Ill.).
Edward P. Boland (Mass.).
Frank J. Brasco (N.Y.).
George E. Brown, Jr. (Calif.).
Charles J. Carney (Ohio).
Shirley Chisholm (N.Y.).
Walter E. Fauntroy (D.C.).
Michael Harrington (Mass.).
Ken Hechler (W. Va.).
Henry Helstoski (N.J.).
Floyd Hicks (Wash.).
Joe Moakley (Mass.)
Thomas E. Morgan (Pa.).
Robert N. C. Nix (Pa.).
James G. O'Hara (Mich.).
Claude Pepper (Fla.).
Bertram Podell (N.Y.).
Charles B. Rangel (N.Y.).
Donald W. Riegle (Mich.).
Benjamin S. Rosenthal (N.Y.).
John F. Seiberling (Ohio).
Gerry E. Studds (Mass.).
Robert O. Tiernan (R.I.).

NEW BILL (H.R. 12947)

Jonathan B. Bingham (N.Y.).
Yvonne B. Burke (Calif.).
William Clay (Mo.).
John Conyers, Jr. (Mich.).
Ronald V. Dellums (Calif.).
John H. Dent (Pa.).
Don Edwards (Calif.).
Joshua Eilberg (Pa.).
Donald M. Fraser (Minn.).
Bill Gunter (Fla.).
Augustus F. Hawkins (Calif.).
Peter N. Kyros (Maine).
Mike McCormack (Wash.).
Ralph H. Metcalfe (Ill.).
Parren J. Mitchell (Md.).
William S. Moorhead (Pa.).
Charles Rose (N.C.).
Fernand J. St Germain (R.I.).
Charles W. Sandman, Jr. (N.J.).
Paul S. Sarbanes (Md.).
Patricia Schroeder (Colo.).
Louis Stokes (Ohio).
Gus Yatron (Pa.).
Andrew Young (Ga.).

THE WHEAT DEAL

(Mr. DORN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, I have joined in sponsoring the bill designed to prevent further deals with the Russians along the lines of the wheat deal fiasco. In introducing the bill developed by Chairman RICHARD ICHORD of the House Committee on Internal Security we have in mind what the wheat deal did to help drive up prices to the American housewife and consumer. We want to avoid a similar fleecing in other trade commodities.

Our bill would restrain the Export-Import Bank from extending further credit to the Soviet Union until Congress has had an opportunity to review the question of credit to the Soviet Union and take such action as is necessary to protect the American consumer. Yesterday it was the wheat deal. Now we understand the Export-Import Bank is considering a low-cost loan to the Russians to finance exploration of gas in Siberia. This is bad business and bad national security. I could never support any schemes to have the American taxpayer subsidize the development of Russian energy resources. Surely we have learned something from the wheat deal and from our overdependence on foreign energy sources.

Mr. Speaker, we are for détente and for good relations with our trading partners. But with talk about bread going to $1 a loaf and with the gasoline situation threatening to bring our economy to a grinding halt, the time has come to think first of our own economic interests.

HOW TO HANG THE HOUSE HIGH

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, failure to bring a meaningful energy bill to the floor is very disturbing. Everybody who waits in line for gas will know that the House is not doing its part. The people want energy problems solved at the earliest possible moment. Refusal by the House to take action to help insure this is one certain way to hang the House higher in the eyes of the public than some Members are trying to hang the President.

In one period of national emergency after another we have had good reason to be proud of the way the House has stood forthright and strong in the discharge of its duties. Now let us live up to that record. Let us get on with the energy bill.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to my colleague from Florida.

Mr. HALEY. Mr. Speaker, I ask unanimous consent to endorse vigorously the remarks made by my distinguished colleague, Congressman Sikes.

PAUCITY OF LEGISLATIVE ACTIVITY

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, as we reach the end of the first month of the 2d session of the 93d Congress, I feel compelled to draw attention to the paucity of legislative activity that has marked the session. In a month we have considered only a handful of bills of any consequence and have failed to act on the most significant of these. During the entire month the House has met for little more than 50 hours.

Where is the leadership of the Congress which has vowed to provide direction for the course of government because of the alleged distraction of the executive branch? Certainly there has been no lack of criticism here of the shortcomings of the executive, but what has the Democratic leadership of Congress offered instead? Not only has there been an absence of any creative alternatives advanced by the majority leadership, but it has failed to produce action on so many of the administration's proposals, some of which have been before Congress for a long time.

I painfully point out that in all the discussion of the low estate in which government is held by the people, the Congress rests at the bottom of the ratings. So long as we continue at the present dawdling pace, Congress will remain there. There are problems to be dealt with and the people want assurance that Congress means to deal with them. I call upon those who control the committees and those who schedule the legislation to demonstrate that the House is going to participate in the process.

Mr. RONCALIO of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. Mr. Speaker, I yield to the gentleman from Wyoming

Mr. RONCALIO of Wyoming. Mr. Speaker, for at least a year we have been working on a strip mine bill (H.R. 11500) which should have been on the floor of this Congress before this but for the delay of my good friend, the gentleman from California (Mr. Hosmer), who again today has asked for an additional week of delay to build support for a White House sponsored substitute. Just produced in full committee this very morning.

Mr. Speaker, the delay stems from the White House, not from this House.

CONTINUED ACTION ON BEHALF OF SOLZHENITSYN INDICATED

(Mr. HUBER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBER. Mr. Speaker, the events of the past week have brought worldwide attention to Soviet dissidence and in particular Alexander Solzhenitsyn. Back on September 17 of last year, I introduced House Concurrent Resolution 298 which would grant honorary United States citizenship to Alexander Solzhenitsyn and Andrey Sakharov. Now I must say in all candor, there was not a great rush to cosponsor this legislation last September, but during the time elapsed, the House Committee on the Judiciary has asked for and received comments from both the Justice and State Departments. As might be expected, the Department of State wrings its hands over the very prospect of reaching out to help a Soviet dissident, even symbolically. The Justice Department report appears to pose no real objections, but suggests it be a House joint resolution. Thus, I do not see why we cannot proceed and get the Congress on record in approbation of these two courageous Soviet spokesmen for freedom.

It is important that we make a declaration on this issue in order to protect Sakharov who is not out of the Soviet Union as is Solzhenitsyn. Such an action would be consistent with the vote of this body on the Vanik amendment to the trade bill. It is important that we do so in order to make the Soviets hesitate at any further crackdowns against their intellectuals, and it is vastly important that we let the many more Soviet citizens who are abused, and who are not named Sakharov and Solzhenitsyn, know that we are not amused at the proclamations by the Soviet Government on peace and détente, while repression of human freedom continues within their borders, and such things as the right of free emmigration are not allowed to Soviet citizens. Therefore, I will recirculate a "dear colleague" letter asking for additional cosponsors and I hope many additional Members will be inclined to join me now.

THE EXTENSION OF THE ECONOMIC STABILIZATION ACT

(Mr. TREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TREEN. Mr. Speaker, I applaud the leadership and efforts being undertaken by my distinguished colleague from Texas, Mr. Alan Steelman—as well as the other Members of Congress who have joined him—to repeal the Economic Stabilization Act.

It was perhaps inevitable that the wage and price control legislation enacted by Congress would only serve to distort the economy, produce bureaucratic abuses, and create economic injustices.

I am sure many of my colleagues have heard the same horror stories that I have been made aware of. Last summer, for example, supermarket operators were forced to discontinue handling essential commodities because uncontrolled farm prices exceeded freeze prices. Time after time businessmen were asked to continue their operations while prices were frozen and costs increased dramatically.

Mr. Speaker, while the economic stabilization program led many to believe that inflation could be regulated out of existence through a wage and price control program, the only result has been economic inequity and gross inefficiency. It is time, therefore, for Congress to act responsibly, to treat the cause of inflation and not just the symptoms. And the quickest way to do this is to terminate the economic stabilization program, have Congress show some fiscal restraint, and return to a free-market economy.

PERSONAL EXPLANATION

Mr. CONLAN. Mr. Speaker, on Wednesday, February 13, 1974, I was absent and missed two recorded votes. For the record, I now state that, since I was a cosponsor of the following bill, had I been present I would have voted as follows:

Rollcall No. 32: Motion that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H.R. 11864, to establish a program to demonstrate solar heating and cooling technology. I would have voted "yea."

Rollcall No. 33: Final passage of H.R. 11864, solar heating and cooling technology, I would have voted "yea."

ACTION NEEDED ON ENERGY BILL

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, as the distinguished gentleman from Florida (Mr. SIKES) has said, lines of cars miles long extend outward from our gasoline stations. These waiting citizens are frantic and in too many cases become fanatical.

Now is the time for this House to bring out an energy bill. Failure to do this, failure to get a good energy bill, will bring the wrath of our constituents upon all of us.

Mr. Speaker, I urge that this bill be brought out immediately.

THE EMERGENCY ENERGY ACT

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, my colleagues, while we are talking about the Emergency Energy Act, I want to remind my colleagues again, as I did 10 days ago, that we should consider all the consequences that will result from that bill.

I have been in touch with the Administration Office and the courts who have examined this bill which provides a lot of criminal penalties, and I am informed that they estimate that we may be creating about 275,000 to 300,000 new Federal cases per year under this bill if we are going to insist upon having all these matters heard.

Mr. Speaker, I do hope that the conferees in charge of the bill will take this into consideration, because if it is passed in the present form, we are going to paralyze our courts totally.

THE HONORABLE MARTHA W. GRIFFITHS ANNOUNCES HER RETIREMENT AND WELCOMES THE HONORABLE RICHARD F. VANDER VEEN

(Mrs. GRIFFITHS asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Mrs. GRIFFITHS. Mr. Speaker, today it is a pleasure for me to welcome a new Democrat from Michigan and to announce at the same time that I will never again be a candidate for Congress.

At the end of 1974, I will retire to practice law with my husband in the city of Detroit.

At this time I would like to thank my husband for the generous support he has given me, which has made my stay here possible.

I would also like to thank my constituents for their loyalty and for their faith and their votes. I wish to thank all the members of my staff for their devoted effort, and finally I wish to thank my committees and their chairmen, as well as the leadership of the majority and the minority for their kindnesses to me through the years.

In return, I trust I pulled my fair share of the load.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AVIATION CAREER INCENTIVE ACT OF 1974

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 894 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 894

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 894 provides for an open rule with 2 hours of general debate on H.R. 12670, a bill to restructure the flight-pay system of the Armed Forces.

The present system of flight pay provides for increases over a flier's career based on rank and years of service without regard for the frequency of flight activity. The result is that the major portion of flight pay is received after the 18th year of service and after the aviator has completed the greater portion of his flying career.

H.R. 12670 provides a new schedule of incentive pay for aviation officers which allocates the highest pay rates in the so-called retention-critical years—the 6th to 18th years of aviation service.

The Committee on Armed Services estimates that flight-pay costs for fiscal year 1974 will be $216.7 million if H.R. 12670 is enacted into law.

Mr. Speaker, I urge the adoption of House Resolution 894 in order that we may discuss and debate H.R. 12670.

Mr. DEL CLAWSON. I thank the gentleman from Louisiana for yielding to me.

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 894 provides for an open rule with 2 hours of general debate for the consideration of H.R. 12670.

The purpose of H.R. 12670 is to restructure the flight pay system of the Armed Forces to make it more effective in retaining highly trained aviators.

More specifically, H.R. 12670 provides that the highest rates of aviation career incentive pay are paid when an officer is in the retention critical years, which are the same years when he does most of his flying. The pay would remain the same as at present for the first 6 years of service—the obligated service years. Then it would rise sharply to the maximum rate of $245 per month and stay at that level through the 18th year of service. After 18 years it would decrease by $20 a month every 2 years until it reduces to $165 and would stop altogether at 25 years. It would stop earlier if the officer had not met certain minimum performance standards.

This contrasts with the present system, where an officer does not get the maximum rate of pay until the 18th year, a point where his flying time actually begins to decrease markedly. He now retains that high rate through 30 years of service, instead of 25 years as proposed in this bill.

Mr. Speaker, I urge the adoption of this rule.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Iowa (Mr. GROSS).

(By unanimous consent, Mr. GROSS asked and was given permission to proceed out of order and to revise and extend his remarks.)

CONGRESSIONAL PAY RAISE

Mr. GROSS. Mr. Speaker, I regret to inform the Members of the House that this morning the House Committee on Post Office and Civil Service failed to produce a quorum for the purpose, among other things, of considering House Resolution 807 which I have introduced for the purpose of disapproving a pay increase for Members of Congress, the Federal judiciary, and the elite corps in the Federal Government.

The committee failed to produce a quorum, operating something of a revolving door procedure in that respect, and I have therefore introduced a resolution, which will be referred to the Committee on Rules, providing that the committee discharge the House Committee on Post Office and Civil Service from further consideration of House Resolution 807 and that the committee agree to the resolution.

I insist not only that the House consider the resolution of disapproval but that it vote openly and on the record so that the public may know who, in these times, is voting for pay increases that will cost an estimated $34,000,000.

Mr. Speaker, it is ironic that the President's recommended pay raises for Members of Congress, judges, and officials of the top Federal bureacracy were a part of the largest budget, containing one of the largest projected deficits in the history of the United States. The pay raises are proposed at a time of unparalleled inflation—at a time when no American finds he is immune to the severe hardships being caused by runaway prices, critical shortages, sky-high interest rates, and the very real threat of an economic recession and its attendant additional sufferings.

To even suggest a substantial pay raise for Members of Congress and other Federal officials at this time and under these conditions reaches a new height of irresponsibility. The wage inflation which swept through this Nation in 1969 and 1970 is now attributed by many leading economists as resulting from the 41-percent pay raise accepted by Members of Congress in March 1969. There is no reason to believe the result would be any different this year. What little wage and fiscal restraint that now exists, both on the part of employees and employers alike, will dissipate rapidly if the pay of the top Federal bureaucracy is raised. A spiraling inflation of both wages and prices could be triggered far beyond anything that exists today.

As never before in our Nation's history, the U.S. Congress must act reasonably, responsibly, and with an uncommon degree of leadership. It must set the pace and the example for the Nation to follow.

The people of America have every right to expect a record vote. This is simply not the time, regardless of any other considerations, for Members of Congress to permit their pay to be increased and, particularly, in amounts that exceed any so-called wage guidelines that have existed in the private sector, and certainly not by subterfuge or indirection.

Approval of House Resolution 807, the resolution of disapproval, is the only responsible course of action to be taken at this time. By taking any other course the Members of the House and the Senate of the U.S. Congress will be inviting from the public—and in that case I hope they will be the recipients—of another "Bundles for Congress" campaign.

Mr. MAYNE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am happy to yield to my colleague, the gentleman from Iowa (Mr. Mayne).

Mr. MAYNE. Mr. Speaker, I certainly want to commend the gentleman from Iowa (Mr. Gross) on the great effort the gentleman is making to head off this unjustified and unnecessary congressional pay increase. I have been supporting him in this effort throughout, just as I did in working with him to head off an even more outrageous raid on the Treasury in the guise of a pay increase 5 years ago.

Mr. Speaker, I went to the committee hearing room of the House Committee on Post Office and Civil Service this morning to assist Mr. Gross in attempting to get a record vote on the pay increase in that committee, and I saw what transpired. I must say it was not a day in the history of that committee of which its members have any reason to be proud. This is after all, a Thursday, with an important bill scheduled for action on the House floor this afternoon. It should be a working day in every sense, and one on which members of the Post Office and Civil Service Committee could well be expected by their constituents to be at the Capitol and on the job. But the sad and disgraceful fact is that although the chairman and Mr. Gross waited around for almost 45 minutes, there were never enough members showing up to constitute the necessary quorum. It is a shocking thing to have to relate that there were only 6 Democratic members out of 15 Democrats and 6 Republicans out of 9 Republicans on that committee who bothered to even show up there this morning, obviously not a sufficient number to make a quorum. In other words, nine Democrats and three Republicans were absent.

We will have a better idea of whether they are actually here in Washington but for some reason chose not to attend the committee meeting if there is a record floor vote later today. But I fear the conclusion is inescapeable that some committee members stayed away for the specific purpose of preventing the existence of a quorum and thereby avoiding a vote on Mr. Gross' attempt to block the pay increase from going into effect.

Mr. Speaker, this was legislative irresponsibility at its worst. We in the Congress should not kid ourselves that we can duck our responsibility for the proposed congressional pay increase by any such shabby absenteeism tactics as were resorted to this morning. The people of this country are intelligent enough to know that the responsibility for the pay hike being permitted to go into effect rests with the Congress and cannot be foisted off on a presidential commission or on the President of the United States. I am surprised that the Democratic leadership of this body was not sufficiently interested to take steps to insure the presence of more than 6 out of 15 Democrats at the meeting this morning. Their failure to do so gives rise to the suspicion that they are in fact greasing the way for the pay raise.

This was our last chance with the Post Office and Civil Service Committee—as its absentee Members well knew—as it will not meet for another week and time is running out. Our only chance now is to persuade the Rules Committee to take the resolutions disapproving the pay increase—such as H.R. 807 introduced by Mr. Gross and H.R. 826 introduced by me—away from the Committee on Post Office and Civil Service and send them to the House floor for a record vote. Like the gentleman from Iowa, Mr. Gross, I have therefore this afternoon filed a resolution directing such divestiture from the Committee on Post Office and Civil Service.

I urge all Members to join us in pressing the Rules Committee for a speedy hearing and favorable decision on H.R. 807 and H.R. 826. The Rules Committee now represents our last legislative hope to prevent a 7½ percent increase in congressional pay this year, and in each of the next 2 years. If the Rules Committee will just send our resolution to the floor and we can obtain a record vote, we will be acting responsibly rather than like hypocrites looking the other way while the pay increase automatically goes into effect.

As I said on this floor on the 5th of this month, I cannot think of a worse time to raise the salaries of Senators and Congressmen. We, more than anyone else, are supposed to be playing a leadership role and setting an as example for the rest of the country in the fight against inflation. We should not be permitting an increase in our own salaries.

To those Members who disagree with me and believe the proposed increase is both necessary and reasonable, I said "Then have the courage of your convictions and join me in appearing before the Rules Committee to demand a record vote". Surely Members should at least be willing to stand up and be counted on this important issue.

Again I commend the gentleman from Iowa (Mr. Gross) and I join with the gentleman in urging the Committee on Rules to report our resolutions favorably and promptly, thereby removing them from the jurisdiction of the Committee on Post Office and Civil Service.

Mr. DENNIS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Of course I will yield to the gentleman from Indiana if I have any time left.

Mr. DENNIS. Mr. Speaker, I would like to support the gentleman from Iowa on his efforts, and to say that I also am opposed to a raise at this time for the reasons that the gentleman from Iowa offers, and I also know that the people of the United States are opposed to such a raise through talking to them.

The SPEAKER. The time of the gentleman has expired.

Mr. DEL CLAWSON. Mr. Speaker, I yield 2 additional minutes to the gentleman from Iowa.

Mr. DENNIS. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Indiana.

Mr. DENNIS. But, Mr. Speaker, more than I am opposed to a raise, I am opposed to the method that is being used to secure such a raise. I consider it completely contemptible and disgraceful that, as Members of this body, we cannot even have a quorum in the committee handling the matter, or a vote on the legislation by the Members of the House. This is not right. I believe we ought to have the courage to stand up and be counted, and to do our constitutional duty.

It would not be too bad to vote for a raise, although I am against it, but to run away from such a vote is pretty small stuff, in my opinion.

Again I thank the gentleman from Iowa for yielding to me, and I hope the Committee on Rules will grant the gentleman a rule.

Mr. GROSS. Mr. Speaker, I appreciate the comments made by the gentleman from Indiana.

Mr. HUBER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I will be happy to yield to the gentleman from Michigan if I have time.

Mr. HUBER. Mr. Speaker, I want to compliment the gentleman from Iowa (Mr. Gross) on the efforts the gentleman is making in this direction, and I wish to associate myself with the gentleman's remarks.

PARLIAMENTARY INQUIRY

Mr. DULSKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. DULSKI. Mr. Speaker, my parliamentary inquiry is this: that I understood that the gentleman from Iowa had consumed his entire 5 minutes.

The SPEAKER. The Chair will state that the gentleman from California (Mr. Del Clawson) has control of the time, and that the gentleman from California yielded 2 additional minutes to the gentleman from Iowa (Mr. Gross).

Mr. DULSKI. I thank the Speaker.

The SPEAKER. Does the gentleman from Iowa wish to yield additional time to the gentleman from Michigan?

Mr. GROSS. Yes, I yield additional time to the gentleman from Michigan, Mr. Speaker.

Mr. HUBER. Mr. Speaker, I want to compliment the gentleman from Iowa (Mr. Gross) and to associate myself with the gentleman in his remarks and in his efforts, and to commend the gentleman from Iowa for bringing this matter to the attention of the House.

The SPEAKER. The time of the gentleman has again expired.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STRATTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. Stratton).

The motion was agreed to.

The SPEAKER. The Chair designates the gentleman from Alabama (Mr. Bevill) to preside as Chairman of the Committee of the Whole, and requests the gentleman from Colorado (Mr. Evans) to kindly take the chair pending the arrival of the gentleman from Alabama.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12670, with Mr. Evans of Colorado (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN pro tempore. Under the rule, the gentleman from New York (Mr. Stratton) will be recognized for 1 hour, and the gentleman from New Jersey (Mr. Hunt) will be recognized for 1 hour.

The Chair recognizes the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is the subject of flight pay, the same subject that many Members will recall concerned us with a good deal of interest and some excitement back in the month of June. I want to point out that this legislation which is before us today, H.R. 12670, is not really the same issue. What we have here is something different.

Back in June the House of Representatives, by a rather decisive vote, told the Committee on Armed Services, as the Appropriation Committee had hinted some time earlier, that they did not like the idea of high-ranking members of the services, the generals and the admirals, getting flight pay when they were not actually in flying status. They did not like a system under which more than 50 percent of the aviation incentive pay was being paid to members of the armed services during the years when they were flying the least of all. They told us unmistakably that they wanted the whole Committee on Armed Services to undertake a detailed and comprehensive study of the entire flight pay system and to come up with something that was more equitable, and to eliminate wasteful and nonproductive practices.

When the House by that decisive vote last June indicated their desire, as I have just mentioned it, nobody said that we ought to abolish aviation pay. What they wanted, as I said, was to make it more equitable, more rational, and more responsive. As a matter of fact, aviation pay has been in the system for a long time, and it was last examined in detail in 1949 after a study by the Hook Commission. The Hook Commission said that aviation pay or flight pay is designed to do two things: First of all, to provide an incentive for a young man not only to go into a flying career, but also to stay in a flying career instead of getting out and going to the airlines after he has completed his obligated service.

Second, they said that it was a reward for taking hazardous duty. Sometimes people question whether it is hazardous today or not, but a study made a few years ago indicated that over a 25-year period in a particular class of one of the service academies, the death rate among those who had gone into aviation was five times that of those who had not.

This aviation pay, as our committee found in talking to the young men who are actually doing the flying, is also considered as a reward for acquiring this professional skill.

It takes from $100,000 to $500,000 to train a modern aviator and a great deal of time as well, so Congress was not telling the Committee on Armed Services to terminate aviation pay, particularly when we are now involved in a volunteer environment and the services have, in, fact, been concerned about the fact that we were not attracting enough people today into aviation to meet the requirements and have not in particular been able to retain them after their obligated service was over and after the Government had spent so much money to train them. They were going off into other fields and making more money.

So this bill that our committee is bringing to the House floor today represents a compromise between these two objectives, first of all the objective of trying to get a more equitable and less wasteful basis of paying aviation pay, and second, of trying to make sure that we were doing a job of providing incentive so that we could not only attract but also retain young men in the flying of aircraft in the services.

So we had to balance those two things and obviously we could not come up with any system that might provide equity that at the same time would completely eliminate incentive. That is the bill before us. Let me say that it represents the most comprehensive and complete and detailed analysis of the whole matter of aviation pay that has been performed by Congress in 25 years.

Flight pay, as the members of our subcommittee who have been interested in this issue for about 7 months discovered, is not a simple, easy kind of thing. It is detailed and complex and complicated.

Our bill, as all legislative bills, represents a form of compromise. We have these two objectives to reconcile. We have undertaken to reconcile them. I am sure there is not everything in this bill that everybody might want with regard to incentives. I am sure there could be improvements in the legislation. But "this ain't heaven." We are not giving the members of service a rose garden.

But let me just say if the House of Representatives were to vote down this bill we would go back to an old system which the Members of the House and the services themselves have found unsatisfactory.

Let me also just point out to the Members that on the previous issue last June, when we were asking for an extension of 6 months to pay the colonels and generals who were not flying until we could develop a new bill, the House Armed Services Committee itself was split very sharply, 19 to 14. On this bill, on this revised system the bill was passed by our committee 33 to 4 with one member "present."

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Florida.

Mr. SIKES. This bill deals constructively with a problem with which I am quite familiar and one which has long needed a sound and permanent solution. The Congress has attempted over a period of several years to deal in stopgap fashion with this subject and most of these efforts have originated in the Appropriations Committee as money-saving steps. Obviously, this is a matter which should be dealt with in permanent legislation and I commend the distinguished Committee on Armed Services for bringing a bill to the floor and in particular, I congratulate my distinguished friend from New York (Mr. STATTON) for his leadership in this matter.

The whole system of flight pay was justifiably subject to criticism. Yet there were weaknesses in the proposals for correcting shortcomings. The present bill appears to restructure the flight pay system of the Armed Forces in a way that provides a more equitable distribution of flight pay. It is one which, hopefully, will attract aircraft crew members and retain them during their years of greatest activity in operational flying.

Flight pay for aircraft crew members began as early as 1913. It has continued without interruption for most of those in flight status. The career system was established by the Career Compensation Act of 1949 to provide flight pay for frequent and regular participation in aerial flight. There have been subsequent changes and modifications and, in the last few months, efforts toward bringing about a solution have lapsed into limbo.

The new program which is now proposed is one which Congress can well support and one which will serve the basic purpose of adding reasonable remuneration to those who undertake the risks of career flying. Cost will not be a major issue. It will be more reasonable than former programs and yet the terms appear adequate to attract needed personnel for the highly important work of piloting today's very complex aircraft.

I endorse the measure. I have long wanted to see a sound solution. I am happy the House Armed Services Committee has provided it.

Mr. STRATTON. I thank the gentleman from Florida for his comments. They are certainly welcomed by the members of the committee.

Before I outline in detail what we did in this bill, let me also discuss one other point. Basically, the issue last June was the question of why should we pay pilots at all when they are not flying? Why do not we just pay aviation pay when they are in the air, when they are flying, when they are assigned to operational duties and when they go to a staff college, or if they go to a tour in the Pentagon, let us stop paying them flight pay?

Well, our committee looked into this proposal. I first suggested, and the gentleman from Wisconsin (Mr. ASPIN) developed in sophisticated form, this kind of solution. Recognizing that part of aviation pay was incentive pay, the proposal was to pay all aviators a relatively small amount of money throughout their careers as incentive to keep their jobs and then when they were flying, to give them an adequate amount of money to compensate for the hazards of flying.

This was called a two-track system. An aviator's pay might go up or down for a couple of years. We went out to the fleet. We went out to the air bases. We went to the Army Helicopter Base at Fort Rucker, Ala. We were not sitting with the gentlemen in the Pentagon. We went to the men doing the flying, the junior officers, the middle-grade officers, without the senior officers being present and we asked whether we should have such a two-track system, or a system for paying a lesser amount over a career flying pattern. Which they would prefer? Which one would encourage them the most to stay in the service? Which one would attract them?

They said overwhelmingly that they would rather have a steady rate of pay. Their wives would rather be able to count on a certain amount of money from month to month and year to year.

Obviously, if we are going to set up a system that does not appeal to the people that we are trying to retain, we are not helping them.

The CHAIRMAN. The gentleman from New York has consumed 10 minutes.

Mr. STRATTON. Mr. Chairman, I yield myself 10 additional minutes.

One of the major objectives of this legislation would be defeated, so what we have included here is a proposal that pays this incentive pay over a set career. It is called the life stream approach, if we want to use that term.

I want to pay tribute at this point to the members of our subcommittee who spent a lot of time out in the field talking to aviators.

I want to pay particular tribute to the gentleman from Wisconsin (Mr. ASPIN) who is a member of the subcommittee, one who led the fight against the extension of time last June, but who is one who recognizes the facts when he sees them, and he, along with the other committee members, went out to talk to the people, talked to the aviators. He saw what they wanted and he accepted the soundness of the approach of the committee. I will not go into all the details of how this bill differs from the present system. Let me point out that it pays the flying pay to the younger men, not to the older men. It pays it to the men at the time when they have to make this decision as to whether they are going to stay in the service or go out somewhere else.

It also pays it to them at the time they are flying, rather than under the present system where 50 percent of the flight pay is paid to the aviators after the bulk of their flying has been completed.

Under the present system, if he is qualified as an aviator, he can collect this pay for 30 years, except as the result of the temporary action last June, he cannot collect if he happens to be in the grade of captain, colonel, or above. He can collect it for 30 years, even if he is not flying.

We cut off flight pay by law for everybody at 25 years of service, whether they fly or not. Many we cut off at 22 years, a number at 18 years and some of them we are cutting off at 12 years.

This is the first time that any legal action initiated by Congress has been taken to cut off flight pay. Another point: We were against the generals and the admirals getting flight pay back in June, such as that admiral we heard about here, Rear Adm. J. Heavy Bottomly, who occupied a swivel chair at the Pentagon and whirled out on his wings. We voted against the generals and admirals getting flight pay. The Members might be interested to know that under the action that the House took last June, 75 percent of the generals and the admirals lost their flight pay. Under this bill, 85 percent of the generals and the admirals are losing their flight pay.

Another comparison: Under this system, under the present system, as I say, the only control we have over whether an individual who is trained as an aviator is actually used as an aviator, is the regulations provided by the services themselves. There is no congressional check whatsoever on whether people are flying and how much they are flying. This is a major change which the committee introduced. We had to drag the Pentagon, I might say, screaming and kicking even to accept it.

There is no particular problem with the first 6 years of an aviator's life. He spends a couple of years learning how to fly in the Navy and the Air Force—it is a little bit less in the Army. The next 5½ to 7 years are occupied in flying, occupational flying activities. The problem comes after the 6 years, as a man starts to become senior and begins to go to staff colleges and that sort of thing. So, we laid down a system of requiring by law that there be checks on the performance of these aviators and how much time they spend.

At the 12-year period, we required that an aviator must have flown at least 50 percent of the time for 6 years, and when it got to the 18th year, we required that he should fly 60 percent of the time, or 11 years. Frankly, I originally wanted to require that they should be required to fly two-thirds of the time, but it turned out that this proposal would be too disruptive to some of the armed services; the Army, in particular, would have a special problem.

We did not feel that it would be fair to institute a new system that was going to completely disrupt the Pentagon, and so we finally settled for 50 percent at the 12th year and 60 percent at the 18th year. I would feel, myself, that perhaps as the system begins to operate, we might review these percentages.

If a man has reached the 60 percentage at the 18th year, then he can qualify for flight pay until the 25th year at a declining rate of pay, and if he has made only 50 percent of the time, it would be cut off after 22 years. If he has performed less than 50 percent of service, he gets no more flight pay after 18 years. This is a dramatic change. Maybe it should have been tougher; maybe the gate should have been tougher, but this is a new approach and it seems to me perhaps that we ought to walk before we run. We ought to try this out and see how it works.

This bill is also going to save money. When it gets into operation, it will cost $16 million less than the previous arrangement before we instituted the changes last June. In terms of the individual amount of money that an aviator can get for aviation pay, we are dropping it from $75,000 over a flying career to $61,000. But it is advantageous to the individual as he gets the money earlier in time.

We have given warrant officers a substantial break. The warrant officers in the Army do about 40 percent of the flying, and yet their flight pay has not been equal to that given to commissioned officers. Therefore, we increase their flight pay to $200 per month in contrast to $245 per month for the commissioned officers.

But this $200 a month continues throughout the entire 30-year career, because the warrant officers do nothing but fly all the time. So, by the time they have completed their 30 years, they will actually take home more aviation pay than the commissioned officers.

Mr. Chairman, we did not address ourselves to the matter of enlisted personnel flight pay, first of all, because there was no request for that from the Pentagon. However, we did listen to organizations who wished to testify. The only group solely representing enlisted people that testified was the Air Force Sergeants Association, and they indicated that they supported the bill.

The two things that they were concerned about were the application of per diem pay in the Air Force and the extensive and burdensome use of temporary additional duty tours to Southeast Asia which the Air Force had abused during the Vietnam war. We have directed in our report that the Pentagon correct both of these actions.

Finally, this bill—and this, I think, is the most important item of all—is going to require a better utilization of flying personnel by all of the military services. That is why they are unhappy with it. That is why it is going to require some substantial readjustment, especially in the Army. But this is what we wanted done, and I think we ought to get started.

As I say, Mr. Chairman, this is the first major overhaul of this controversial issue in 25 years.

Congress has taken the initiative in developing a new system. We are going to check the progress of the system. Certainly we are free to improve it as it goes along.

As I say, let us begin today to do that job. If this bill is defeated—and let me stress this—if this bill is defeated, more people will draw money in nonflying positions than will be the case if this bill is enacted.

Let me say that I think we have here a bill that has something in it for everyone. If we are for the aviators, then this is our bill, because this is what they indicated they want, and this is what is designed in order to obtain and attract the best of them to stay in the service. If we are against paying aviators who are not flying, then this is our bill, too, because it will very sharply reduce not only the number of people in desk jobs who are getting flight pay, but it will also reduce the amount of that flight pay, because the bulk of that pay is going to be given to those who are in active flying status.

Mr. Chairman, I cannot think of a better deal than that.

The purpose of this bill is to restructure the fight-pay system for officer aviators in the Armed Forces to make the system more equitable and do so in a manner which increases the ability of the services to retain pilots and navigators in an aviation career.

H.R. 12670 revises flight pay to provide the highest rates of aviation career incentive pay in earlier years of a career when an officer does most of his flying. By so doing, the bill also provides the highest rates of flight pay in the years which are critical from a retention standpoint.

Up to the sixth year of aviation service, flight-pay rates would be the same as the old rates—from $100 to $165 a month—but based on years of aviation service rather than simply years of service. After 6 years of aviation service, flight pay would be increased to $245 per month and remain level at that rate through the 18th year of service as an officer. After 18 years of service, flight pay for commissioned officers would progressively decrease by $20 per month every 2 years, except that general and flag officers' flight pay could not exceed their current rates of $160 and $165 per month; and flight pay for all commissioned officers would terminate after 25 years of active officer service—or earlier if they fail to meet newly prescribed performance minimums. This contrasts with the present system which increases flight pay based on rank and years of service without regard to flight experience, with most officers reaching the $245 rate at the 18th year and retaining that level of flight pay through 30 years of service.

Under the old system, an officer received only 45 percent of his flight pay in the first 16 years of his service and received 55 percent in the next 14 years—after he had completed most of his flying assignments. Under the committee bill an aviator would receive at least two-thirds of his flight pay in the first 18 years of his service.

It should be noted that under H.R. 12670 the stepdown in flight-pay rates begins at the 18th year of officer service. This means that an officer who starts flight training late in his career will still have his flight pay reduced when he gets to those advanced years when he is not called upon to do much flying.

Now let me review some of the fundamental changes made by other principal features of this bill.

WHAT FLIGHT PAY IS

The bill removes flight pay from section 301 of title 37, United States Code, which is the section of law providing incentive pay for all kinds of hazardous duty, and sets up a new section 301a which provides for "Incentive Pay: Aviation Career." The purpose of this new section is to recognize that flight pay is not solely a recompense for hazard to be paid only when one is undergoing a hazardous experience. The committee wished to redefine flight pay to recognize that it is an incentive for undertaking a career which, on a continuing basis, is more hazardous than other service careers and at the same time recognize a capacity to absorb professional training which represents a considerable investment of time and money on the part of the Government.

Our hearings showed that over a full career, flying activity is indeed hazardous. Aviation crewmembers face a higher death rate than nonaviation career personnel. As an example, a study of a graduating class of one of the Academies showed that over a 25-year period the peacetime loss of life of the aviators was five times that of nonaviators. An aviator cannot be replaced quickly. His training is very expensive and very time consuming. It can take more than 2 years to turn out a fully qualified jet fighter pilot. It is therefore necessary to have on hand more trained pilots than there are operational billets so that there will be an adequate number in a crisis.

Training of pilots ranges from $100,000 to over $500,000 per man, depending upon the type of training. The maximum lifetime flight pay earned under H.R. 12670 is approximately $61,000. It will be seen, therefore, that a system that improves retention during those years immediately following the initial obligated service—the years when an aviator is at the age and rank when his cockpit utilization is heavy—is a wise investment of taxpayers dollars.

H.R. 12670 aims to improve retention by increasing the flight-pay rates dramatically during these retention-critical years, while correspondingly reducing the rates at the senior years when flight activity is reduced and retention is not a problem.

It will be pointed out in this debate undoubtedly that retention has been on the increase among the aviation personnel in the Armed Forces. This is correct. From 1971 to 1973 the rate of pilot retention went up for most of the services. The main reason quite simply is the termination of involvement in Vietnam and the consequent perspective of more stable assignments.

However, the services have still not met their retention objectives. The Navy, particularly, is experiencing shortfalls in the retention of pilots in the years just after completion of the initial obligated service. When you lose personnel at that point in service, unfortunately you often lose the most competent men—those who can compete with the best in the private sector.

It costs the Government about $300,000 to train an average aviator. That is a lot of money invested in pilot training. But despite the improved figures of recent years, the Air Force and the Navy have never met their retention objectives in those years, and this despite the force drawdown and termination of combat operations.

I would like to point out that these improved retention statistics between 1971 and 1973 took place when there was a continuous flight pay system in effect, one that had prevailed for 25 years. Initially the cutoff of flight pay by section 715 caused some increase in resignations by senior pilots, but we found in our study that military pilots were taking a wait-and-see attitude as to a career decision; that is, waiting to see what the Congress would do on the permanent revision of the system before deciding whether to leave the service.

The young pilots that we talked to were overwhelmingly opposed to no-fly, no-pay, or two-track system. They said above everything else they wanted certainty in their compensation programs and they wanted a continuous flight pay system. It just does not make sense to enact as a retention incentive a system that is objectionable to those you are trying to retain.

In essence, therefore, while retention

has increased with the drawdown of forces after the war, retention is still not adequate at the critical point and is certain to be much worse if a permanent revision or the restructuring of the system is not passed.

It should be understood that this bill is the first major restructuring of the flight-pay system since the Career Compensation Act of 1949. The flight-pay rates were revised in 1955 to provide for longevity increases and the excusal policy was instituted by the Appropriations Committee in 1954 and modified in 1962 to excuse senior pilots from having to participate in proficiency flying. But this is the first major restructuring of the flight-pay system itself in 25 years.

It should not be lost on the Members that our bill is cost-effective in another way. While contributing to improved retention by putting the flight pay in the retention-critical years, it reduces the career flight pay of a commissioned officer from approximately $75,000 to $61,000. Thus the long-range cost for the Government is reduced although there is an advantage for the individual because he receives the money at an earlier point in time.

APPROPRIATIONS COMMITTEE RIDERS

For many years the Congress, through riders on Defense appropriation bills, has excused various aviation officers from meeting the requirement for frequent and regular flying in order to continue to receive their flight pay. The original purpose of these riders was to save money on the use of aircraft for proficiency flying. For many years this excusal policy applied to officers with more than 15 years of service. In recent years the Appropriation Act expanded this excusal to those in service schools and finally, in fiscal year 1972, provided excusal for all aviators except those needed to perform proficiency flying in anticipation of assignment to combat operations. This excusal was continued in the Appropriation Act for fiscal year 1973, in section 715 of Public Law 92-570, but a clause was added prohibiting payment of flight pay to officers in the grade of 0-6 and above—colonels and generals—who were not assigned to flying status after May 31, 1973.

Members will recall that on the floor last June a proposal to extend the May 31 deadline until our committee had an opportunity to consider the Defense Department proposed revision of flight pay was rejected. However, the action of the Appropriation Committee clearly contemplated a revision of the flight-pay system to correct inequities and that revision is what will be brought about by H.R. 12670.

When the House voted down the proposed delay in the cutoff of flight pay last June, there was considerable criticism of the practice of paying aviators flight pay when they were not in fact flying; that is, assigned to operational flight duties. Several Members urged that flight pay should be paid only when aviation personnel were in operational flying billets. The subcommittee, of which I am chairman, examined this issue in great depth.

We decided not to take the word of the generals but to go out and talk to the young pilots personally, the highly trained men we are trying to retain. We visited an aircraft carrier off California; visited Air Force bases; and spent a day at the Army helicopter center at Fort Rucker, Ala. We took extensive testimony from junior- and middle-grade aviator officers, without senior officers present.

It will be noticed that H.R. 12670 provides a lifestream-earnings approach to flight pay; in other words, a man who is qualified can get flight pay for an aviation career of up to 25 years provided he devotes a substantial portion of his service career to flying duties rather than the up-and-down system of being paid more when he actually flies and less when he is assigned to nonflying duties. Previous law provided, and H.R. 12670 continues, the requirement for regulations to assure frequent and regular performance of flying.

We took this approach because the pilots we interviewed were overwhelmingly opposed to a pay-only-when-flying system. We had developed a proposed two-track system which pays a modest incentive retainer at all times and much higher flight-pay rates when one is actually flying, but the young officers resoundingly rejected this approach. Over and over they told us that what they objected most about service life was the uncertainty. They wanted a system where they would know in advance what they could expect and where they could do their family planning in a rational manner.

We, therefore, adopted the lifestream-earnings approach of H.R. 12670 but made it—as I will show—more stringent than the Department of Defense had proposed.

At the same time, I believe we have fully met the imperative of the House by its vote last June to provide for far greater equity in the distribution of flight pay.

SAVED PAY

The saving provision in the bill, which is explained fully in the committee report, provides essentially a 3-year transition into the new system. While the old system had shortcomings and inequities, the current aviators lived under it for 25 years with the expectation that they would receive it on a continuing basis; and we, therefore, believe some reasonable notice is necessary before changing the system. The Department of Defense had recommended saved pay at the old rates. Our committee felt it was sufficient to provide the saved pay at the new rates which, for senior officers, are lower than what they would have been under the old system. In addition, our committee rejected a recommendation of the Department of Defense to provide saved pay retroactive to last May 31.

THE GATE SYSTEM

Our committee felt that additional safeguards were required in the more advanced phase of an aviator's career to assure that he has devoted a substantial portion of his time to flying. We, therefore, have instituted in this bill a wholly new "gate" system, developed by the committee, which requires aviator officers to be screened at the 12th and 18th year of aviation service.

They would be required to have performed operational flying for 6 of the first 12 years in order to remain eligible for continuous flight pay. At the 18-year gate they would have to have performed 11 years of operational flying in order to be eligible for continuous flight pay through the 25th year. However, if at the 18-year gate an aviator has at least 9 but less than 11 years of operational flying, he would receive continuous flight pay until his 22d year; but for officers with less than 9 years of operational flying at the 18-year point, continuous flight pay would stop altogether.

Please notice that this requires an officer to spend 50 percent or more of his time in operational flying billets. Continuous flight pay would not be awarded on the basis of proficiency flying as might be the case under the present system.

As an example of how stringent our bill is, Mr. Chairman, 80 percent of the general and flag officers who were receiving flight pay prior to May 31, 1973, would be ineligible for flight pay under the bill. By contrast, only 75 percent were removed from flight pay by section 715 of the Defense Appropriation Act for 1973, which would be the system that would continue in effect if this bill were to be rejected.

AVIATION SERVICE PRIOR TO THE FIRST GATE

Mr. Chairman, the minority views alleged that the bill allows an officer to spend the first 12 years in a nonflying status and still receive flight pay because the first gate is not until the 12th year. This is a misunderstanding which arises from an inadequate reading of the bill. The requirement in law that for one to receive continuous flight pay states that "subject to regulations prescribed by the President" an aviator is entitled to incentive pay "for the frequent and regular performance of operational or proficiency flying duty required by orders." It is necessary, therefore, by law for the services to have regulations to assure frequent and regular performance of flying.

Pursuant to this legal requirement, all services have regulations which require that on completion of flight training an officer be assigned to flying duties. In the Air Force the regulation (Air Force regulation 36-20) provides that a pilot will "be assigned to primary aircrew duty for 5 consecutive years" upon completion of pilot training. In the Navy, assignment to an operational flying billet for at least 3½ years is automatic on the completion of flight training. The applicable regulation is CNO Operational Naval Instruction 3710.7G. A similar regulation for the Army also provides for immediate assignment to flight duty following training.

We found that deviations from this policy are so rare that an individual who completes flight training and meets necessary medical requirements is assigned to an operational flying billet: 100 percent of the time in the Air Force; 100 percent of the time in the Navy; and 99 percent of the time in the Army.

In addition, each service has regulations which require the aviator to fly 100 hours a year, to pass an annual flight physical, to take both an annual flying examination and an annual written examination. These examinations are extensive, including a review of all major emergency procedures and aircraft systems. In addition, the services have what amounts to an administrative gate midway through the first 12 years of service.

In the Air Force, for example, an officer is examined at 7 years of service to see if he qualifies to be a senior pilot. He must have 1,500 hours at that point to be designated as senior pilot; and if he does not he is either assigned to additional cockpit duty or dropped from flight status. The Army reviews their pilots at 7 years of service also and each pilot must have earned 1,500 hours of flying to be rated a senior pilot as well as meeting requirements for instrument certification.

The Navy examines its pilots periodically and requires, in addition to 100 hours of flying annually, 12 hours of night flying and 12 hours of instrument flying per year. Navy pilots who fail to meet the required minimums go before a Naval Aviator Evaluation Board which can remove the man from flight status. For example, of the 3 years from June 1970 to June 1973, the Navy has removed an average of 34 pilots a year from flight status for failing to meet their minimum. This is in addition to those that are dropped from flight status for failing to pass their annual flight physical. The Navy dropped 126 far failing to meet their physical qualifications in fiscal year 1973 and 100 in fiscal year 1972.

It will, therefore, be seen that it is simply not correct to say that one can continue to draw flight pay during the early years of service without having to fly.

The problem was in the senior years where the number of operational billets for officers are reduced and where past policies resulting from appropriation riders had resulted in excusal from flight activity with flight pay being continued. It is to assure that an officer logs a substantial portion of flight time over his entire career that the committee developed the gate system.

COST

As I indicated previously, the Appropriations Committee action to restrict flight pay for senior officers last year clearly contemplated a restructuring of the flight-pay system. It is, therefore, appropriate to compare the system that would be set up by H.R. 12670 with the cost of the system in effect prior to May 31, 1973. On that basis, the bill reduces the cost of flight pay and eventually, after the saved-pay provisions are no longer applicable, our bill would cost approximately $16 million a year less than the old system.

Even compared to the old system with the restrictions of section 715 in Public Law 92-570 in effect, H.R. 12670 would eventually result in an annual saving of more than $3 million. Because of the saved-pay provisions it would temporarily cost more than the existing system.

In summary, the House vote last June was a rejection of the status quo and an imperative to the Committee on Armed Services to restructure the flight-pay system to make it more equitable. H.R. 12670 provides a complete restructuring; it provides it in a way that will cost less to the taxpayers; it provides it in a way that makes the system much more equitable; it provides it in a way that will increase the retention of pilots; and it provides it in a way that is advantageous to the young, highly trained officers who do most of the flying in the Armed Forces.

When we recommended an extension of the flight-pay deadline last June, the vote in our committee was 19 to 14. By contrast, the vote on the bill which we bring to the floor today was 34 to 4, with 1 voting present. We have done the job the House assigned to us, and I hope all Members will support the bill.

Mr. HUNT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill that we bring before the House today, H.R. 12670, was developed in the committee after the most extensive study by the subcommittee of which the gentleman from New York (Mr. STRATTON) is chairman. Our subcommittee heard testimony from the leading officers of the Department of Defense including the Chairman of the Joint Chiefs of Staff and the Deputy Secretary of Defense. But we were not satisfied with simply taking the Washington view. The subcommittee traveled to military installations to get the opinions of junior officers and middle grade officers themselves—the men who fly jets, transports, and helicopters of our fighting forces. You will find the testimony in the printed hearings, and I urge the Members to read it. Reading the subcommittee's frank exchange of views with these young men is an edifying experience.

The subcommittee took testimony from these men without any senior officers present, and the subcommittee was influenced by what they said. Initially we gave a great deal of attention to the possibility of a two-track system. That is, a system which pays a small retainer at all times and then pays a much larger amount when a man is actually flying. We revised this approach because it was overwhelmingly opposed by the pilots themselves. They wanted to know what they could plan on in the way of income during their careers. They do not want uncertain fluctuations in their monthly paychecks. They have more than enough uncertainty in their difficult careers already.

It is a fact that this bill actually costs less than the system that has been in effect for the last 25 years. But I hope the Members of the House will keep in mind that cost is not a driving factor here. In terms of the cost of our air forces, flight pay is a minimal percentage. It runs at present about $227 million a year. The cost is on a downward trend because of the reduction of forces following the Vietnam war. But under our bill, the cost of the system will eventually be, after the savings pay provisions are no longer applicable, approximately $16 million a year less than the cost of the old system.

It should be understood by the Members of the House in voting on this bill that flight pay is not paid simply for undergoing a hazard. It is paid for undertaking a career which is more hazardous on a continuing basis than other careers and which also requires an outstanding individual capable of a high order of professional training. The pay, therefore, is an incentive to recognize a professional career, a skill which costs the Government a great deal in terms of money and time, as well as an incentive to undergo a career which, on a continuing basis, is more hazardous than other service careers.

Members of the House should understand that the bill reported by the committee is much more stringent in its application than the proposal by the Department of Defense.

The committee accepted the revision in the flight-pay table recommended by the Department and accepted the Department's recommendation to base flight pay on aviation service rather than on rank and longevity. However, the committee found the Department of Defense bill inadequate in setting minimum standards of operational flying throughout a whole career and that it failed to adequately define the purpose of flight pay. The committee, therefore, established a new special section of title 37 for "Incentive Pay—Aviation Career." The bill also provides for a gate system developed in the committee which provides for a screening of pilots at the 12th and 18th year of service to assure that they have met performance minimums to be eligible for continuous flight pay. H.R. 12670 increases the monthly rate of pay for warrant officers with more than 6 years of service to $200 a month instead of $615 a month recommended by the Department of Defense. The committee heard a great deal of complaints by warrant officers because of the way their flight pay compared with commissioned officers. We have, in effect, provided a system whereby over a full career, they can earn as much flight pay as a commissioned officer and we have recognized a different pattern of a warrant officer's career which keeps him in the cockpit on a continuing basis.

The committee also found the Department of Defense too generous in its save-pay provisions and provides for senior officers that their save pay would be based on the rates of the new system without any retroactive payments.

The Defense Department had proposed retroactive save pay at the rates of the old system which were substantially higher for senior officers. The committee wants to be fair to these officers and we believe we have provided an adequate transition to the new system while at the same time having due regard for the cost involved.

As an additional safeguard, we have provided in our bill that the Secretary of Defense must report on the number of officers authorized to receive continuous pay after the screening at the 12th and 18th year of aviation service and also the number of officers performing operational and proficiency flying. I am amused by those who misread the bill so as to conclude that a trained pilot could go 12 years in flight pay status without being assigned to flying. The chairman has listed the various regulations which have been provided in the law to prevent such a happening. But just let me say also that if such a thing would happen, the officers responsible for assignment of pilots would, in my view, be eligible for court martial, and I would do everything to see that they got it.

I hope the Members of the House will understand in summary that this bill is a compromise that we had great pressure to provide a more generous system and particularly to provide a high rate of save pay. We had statements to that effect in subcommittee. I think, in essence, we have gotten a bill which meets the objectives that the Appropriations Committee and the House had in the past and which will completely restructure the flight-pay system in such a way as to increase the retention of these highly trained and very expensively trained military pilots. I urge all Members to support the bill.

To satisfy one question about flying admirals and generals—let me say this bill will gradually eliminate about 85 percent now drawing flight pay.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I rise in support of this measure.

Mr. Chairman, I rise to express my support of H.R. 12670, the Aviation Career Incentive Pay Act of 1974. The complete study that the gentleman from New York (Mr. Stratton) and his subcommittee have made of the complex area of flight pay has validated the work done by earlier congressional committees. They found out, and [Mr. Stratton] confirmed that the same is true today, that there is no amount of money that can adequately compensate a military aviator for the hazards associated with flying duty. Aviators yesterday and today have considered their aviation pay as skill pay rather than hazard pay. Accordingly, it has long been applied as an incentive pay to attract volunteers for, and to remain in, the aviation service.

With this bill we will be doing away with the annual excusal provisions of the Appropriations Act which so many of our colleagues found so objectionable last June when an attempt to extend it was defeated so decisively. No longer may an aviator get his flight pay without a requirement to fly for a substantial portion of his career. This bill has teeth in it which will ensure that only aviators who actively fly for a majority of a career receive flight pay on a continuous basis. I am strongly in favor of this bill. The committee has come up with the best compromise bill possible to satisfy the intent of this body to put flight pay in the hands of those who really deserve it and to meet the requirements of the Defense Department to establish and maintain a ready aviation force in order to defend our country.

As with all compromises there are found to be some unhappy parties on both sides. I am sure that the Defense Department would have liked us to approve their version of the bill which had no controls in it. There are some Members here that would like to further restrict who gets the pay and the conditions of entitlements.

This is practical legislation in the interest of a strong national defense. The measure deserves to be passed overwhelmingly on its merits.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from New York.

Mr. KING. Mr. Chairman, I would like to ask Members of the House, in considering H.R. 12670, to remember what flight pay is.

Flight pay is not combat pay and is not designed solely to compensate for hazard. It is pay for getting and keeping high cost people in a career where they are exposed to hazard in both peace and war. It is a simple fact that it takes an extra incentive to retain highly qualified people. Statistics show that compared to civilian males, the military aviator has a mortality rate more than four times greater than that of his peer civilian age group. It seems to me that assuring these individuals—who are on call at any time to go to war and who are exposed to hazards on a continuing basis regardless of war—of some stability in their lifetime earnings is not too much to ask.

H.R. 12670 recognizes the inherent dangers of military flying as a profession, provides reasonable controls and performance standards for receipt of the incentive pay, provides the individual with some visibility as to what he can expect over a career, and restricts severely the flight pay of senior officers who are past the heavy flying years.

It is a good bill.

I would also like to comment on how H.R. 12670 addresses the demoralizing situation created by passage of section 715 of the 1973 Defense Appropriation Act. Senior officers had their flight pay terminated as of May 31, 1973, when not in operational billets. Section 715 abruptly terminated flight incentive pay for many colonels and generals and created inequities. Officers who had excelled and were promoted to colonel had their flight incentive pay terminated upon promotion and ended up making less money than their contemporaries who were not promoted. Hardly an appropriate reward for dedicated service, especially since large numbers of these officers had only recently served in the Vietnam conflict flying in combat aircraft.

This bill does not correct all inequities to everyone's satisfaction, including mine. However, it does treat officers in the senior grades alike by defining clearly the length of time for entitlement and eliminating the gross pay inversions that are now the case.

In addition, the "save pay" provision assures a 3-year period of adjustment for senior personnel at the new lower rates of pay. This provision will let our aviation personnel know that the Congress honors its obligations.

I support H.R. 12670; it is a great improvement over the current situation and the provisions of section 715.

Mr. STRATTON. Mr. Chairman, I yield 20 minutes to the gentleman from New York (Mr. Pike).

Mr. ADDABBO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 39]

Anderson, Ill.
Blatnik
Boland
Brasco
Broomfield
Carey, N.Y.
Chamberlain
Chisholm
Clancy
Conyers
Crane
Davis, Ga.
Diggs
Dulski
Eckhardt
Esch
Fascell
Flood
Fraser
Frelinghuysen
Fulton
Gettys
Giaimo
Goldwater
Gray
Griffiths
Hanna
Hansen, Wash.
Heckler, Mass.
Horton
Johnson, Colo.
Jones, Tenn.
Kluczynski
Leggett
Long, Md.
Mailliard
Martin, Nebr.
McFall
McKinney
Mills
Moss
Murphy, N.Y.
Parris
Patman
Pepper
Reid
Roberts
Rooney, N.Y.
Rose
Ryan
Stanton, James V.
Stephens
Stokes
Talcott
Teague
Thompson, N.J.
Tiernan
Vander Jagt
Vander Veen
Vanik
Wilson, Charles H., Calif.
Zablocki

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bevill, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 12670, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 369 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER resumed the chair.

The SPEAKER. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

The SPEAKER. The Committee will resume its sitting.

AVIATION CAREER INCENTIVE ACT

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Pike).

Mr. PIKE. Mr. Chairman, before we disagree on this legislation, I wonder if there are a few things that we could agree upon. First, I think we should agree with what the distinguished gentleman from New York (Mr. Stratton), said, that there is no thought in the House of Representatives to completely end flight pay.

But, I think that we can agree on some more things. I think we can agree that what we are looking for in our Military Establishment is a military establishment that is tough, a military establishment that is trained and a military establishment that is ready.

I would also agree with the gentleman from New York when he says that this issue of flight pay has not been considered in depth since 1949. We have not considered flight pay for 25 years.

One of the reasons I am opposing this bill is because we probably will not consider it again for another 25 years. If we are going to do anything worthwhile about it, now is the time to do it.

Well, what is the present law? The present law simply says that people will get flight pay as crew members for hazardous duty, and that is described as involving "frequent and regular participation in aerial flight." That is what the law says. The regulations which have been adopted by the Department of Defense over the years have allowed this frequent and regular participation in aerial flight to come to mean 4 hours a month. That is what the regulation says.

We have let this go and we have let this develop to the point where indeed, as the gentleman from New York says, today a man can get away with going to flight school for 2 years and collecting flight pay for the rest of his life, whether he flies or not. So, some people say, "Well, this bill is a little better than that, and therefore let us support it."

Well, just how good is this bill? What does it do? First of all, why is the bill here? Let there be no question that the bill is here because the retention rates in the military were falling. They were not.

The retention rates among the pilots have improved every year from 1970 to the present time. They have improved in the Navy from 26 percent in 1970, 27 percent in 1971, 34 percent in 1972, to 43 percent in 1973. The Air Force has gone from 45 percent retention in 1970 to 57 percent in 1973.

Now, they did not come in with this legislation in 1970 when the retention rates were so bad; they came in in 1973. Why did they come in in 1973? They came in because we cut off the flight pay for the people who were not flying.

Let the Members remember that we did not cut off the flight pay for the people who were flying, we did not cut it off for the admirals and the generals and the full colonels and the Navy captains who were flying; we only cut it off for the people who were not flying.

Now, what does this legislation do? It starts off with a very simple clause which says:

> Section 301(a) (1) is amended by inserting "enlisted" before "crew member".

Well, Mr. Chairman, that does not mean much to anybody, but I will tell the Members what that one little word does. It separates the enlisted flyers from the officer flyers, and it says that the enlisted flyers shall continue to get flight pay only when they fly, and for the officers we are setting up a completely different system, and they can get flight pay on the following basis:

During the entire military aviation career of a pilot we are only going to look at him twice during his entire time of 25 years; we are only going to look at whether he is flying twice. We look at him at the end of his 12th year, and we look at him at the end of his 18th year.

Do not be confused. These are the so-called gates. Do not be confused by the difference between getting to the gate and getting through the gate.

In order to get flight pay for 12 years, all one has to do is graduate from flight school, under this bill. We are writing into law the worst practices they have developed under the regulations. All one has to do to get flight pay for 12 years is to graduate from flight school, and that is all there is to it.

Now, in order to continue to get flight pay, in order to get through that gate, when one gets to that 12-year period, he is supposed to have flown for 6 years. If he has flown for 6 years, he gets flight pay for 6 more years, whether he flies or not.

That gets him to 18 years. He must have had to fly for 6 years to get 18 years worth of flight pay. When he gets to that 18-year gate—and this is the only other time we are going to look at him in his entire career—if he has flown for 9 years, he gets through the gate for 22 years of flight pay, and if he has flown for 11 years, he gets 25 years worth of flight pay.

That is what the bill does. The worst that anybody has to do in order to get 25 years of flight pay is to fly for 11 years.

Mr. Chairman, I just happen to think that this is not what Congress intended when it talked about frequent and regular participation in aerial flight. Eleven years out of 25 years is the worst, and the best is 2 years out of 12 he will have to fly. It takes an Army pilot much less time than 2 years to graduate from flight training. He can do it in 1 year.

This bill is written for the Army pilots. The committee and the subcommittee have worked hard on this legislation; I do not deny that.

They came up with a bill and it said "You have to fly 2 out of 3 years. We are still going to look at you only twice," it said, "but in this 12-year period you must have flown for 8 years in order to get through that gate, and then we will look at you again at the end of that 18-year period, but you must have flown for 12 years in order to get through that gate."

Now, is it such a terrible thing to ask of the military in order to get flight pay that you must have to do this? The military said, "We cannot do it. We cannot live with that." So they changed the bill and they changed the bill to what it is now.

The gentleman from New York (Mr. STRATTON) alluded earlier to the problem of retaining pilots and of attracting pilots. Well, does anybody know how many pilots we have in these United States of America? As of the end of fiscal year 1973 there were 8,484 planes in the Air Force; there were 58,810 people getting flight pay. Now, they were not all pilots. There are only about 30,000 pilots for those 8,400 planes. The rest of them are navigators and bombardiers. That is what you have in the Air Force.

In the Navy and Marine Corps there were 6,574 planes and about 20,857 people in the Navy getting flight pay and 6,237 in the Marine Corps getting flight pay.

The Army was actually the worst of all. There were only about 4,250 slots in the entire Army Establishment for aviators, and they have 17,000 pilots for those slots.

Now, what is this business that we hear about here that we have to pass this bill or else we will lose all of these pilots? People talk about the money that it costs to train a pilot. Well, heck, yes, it does cost money to train one, and you can get the statistics from the hearings starting at page 385 on the Air Force. It averages out to $135,000 in order to fully train a pilot. This includes the costs both for primary and operational training. It costs more for some than for others, very obviously. However, where are we going when we say that because it costs so much to train a pilot we are going to save this money by not making them fly? If we pass this bill we are not going to have to lose all of these pilots we spend all of this money training because we will not make them fly. For crying out loud, would you not save as much money by taking those pilots that we have trained and making them fly instead of training new ones? It is just a suggestion that I throw in. It seems to me it would be conceivable to have the pilots flying instead of serving in legislative liaison and things like that.

Finally, the gentleman from New York (Mr. STRATTON) referred to a fictitious character that I invented the last time we were talking about this business. Some people got very offended at this, so I am going to give you a real character this time taking him from page 211 of the hearings.

This particular individual is a gentleman whom I will not name, but he is a general. Here was his career. He was commissioned in 1942; in 1945 he went to Europe. This is an Army general now getting no flight pay at this point. In 1945 he went to Europe; in 1947 to 1949 he was in Japan with the occupational forces; in 1941 to 1953 he was with the Reserve and Guard; 1953 and 1954 he went to the Command General Staff; 1954 and 1955 he was the commanding officer of the 28th Field Artillery Batallion at Fort Carson, Colo. This is a good Army officer, and then after 14 years in the Army he went into flight school.

In 1955 he went to flight school. And here is what would happen to that man under this bill which we have before us today:

From 1955 to 1956 under this bill he would get $100 a month extra as flight pay. From 1956 to 1959 he came to Washington for 3 years in the Career Management Division, Army Staff, in Washington, and under this bill during that period of time his flight pay would climb from $100 a month to $150 a month.

In July 1959 he went to the Army War College at Carlisle Barracks, Pa., and while he is there his flight pay is going to climb from $150 to $165 a month.

In 1960 he spent a year and 1 month in Korea with Headquarters I Corps, and there his flight pay climbed to $165 a month.

From 1961 to 1965 he is back to Washington, D.C., and his flight pay climbs to $225 a month. He is in the Office of the Deputy Chief of Staff of Operations, and also in the Assistant Chief of Staff for Force Development. And here his flight pay does start to drop, because he has been in for 18 years, and has been a pilot for more than 6 years. In 1965 he becomes Assistant Commandant of the

Army Aviation School, and his flight pay goes down to $185 a month.

In 1967 finally he goes to Vietnam, and he flies I do not know how many missions, but he did get 35 Air Medals, and the bill would cut off his flight pay because he has been in for 25 years.

This is the nature of the bill that we are dealing with.

Frankly, the bill is created to take care of the Army pilots. The Air Force could practically live with the bill that the committee wanted to report out. The Marine Corps could live with the bill that the committee wanted to report out, and that was to ask them fly 2 years out of 3. It did not really make them simply because they never looked at it.

The other thing that this bill does: We do not have much chance to supervise the existing law; we had very little chance to supervise that law. We had some chance to do that, but we did not elect to do that. The law did require that every year the Department of Defense would report back to the Congress on all the people above major in the Air Force, and above lieutenant commander in the Navy, who were receiving flight pay. This bill strikes that clause out. They do not have to report back to Congress any more excepting as to those who are at their 12th year of flight pay status, and those who are at their 18th year of flight pay status. That is all we are ever going to hear about.

What happens if a pilot gets to the 12th year, and he has not passed through the gates? Suppose he has not flown enough, suppose he has not flown the 6 years required of him in the 12-year period, does he ever have to pay that back, his flight pay back, that he has been getting? Of course, he does not have to pay that back. In fact, he can keep right on getting it. All he has to do is to start flying, that is all that he has to do.

When he gets to that 18-year gate if he has not flown for 9 years out of the 18, does he have to give back the flight pay he has been getting? Of course not. All he has to do is to start flying. He has to start flying at 4 hours a month, that is the way they have defined it, and that gets him back on flight pay.

Mr. SATTERFIELD. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from Virginia.

Mr. SATTERFIELD. Mr. Chairman, I am quite interested in the point the gentleman from New York is making that under this bill a military pilot must do no more than complete flight training to draw flight pay for 12 years. I would like to know wherein that is different from the existing law?

Mr. PIKE. It is not. I started off by saying that it is not different from existing law, but this is our chance to do something about it, and it is the last chance we will have for 25 years. I think the existing law is an outrage, and we ought to do something about it.

Mr. SATTERFIELD. Does the gentleman have a proposal to do that? I would be interested in hearing it.

Mr. PIKE. Quite frankly, I think that this bill is just so hopeless that I do not think I am going to try to amend this bill. It is my understanding that somebody is going to, or may, offer an amendment to put the bill back where the committee originally had it, which was 8 years of the first 12 and 12 of the first 18. That would be an improvement, but it would still allow the man to get flight pay for 12 years with only 2 years of flying, for the simple reason that nobody is going to look at him at all during that 12-year period.

Mr. SATTERFIELD. Will the gentleman yield further?

Mr. PIKE. I yield to the gentleman from Virginia.

Mr. SATTERFIELD. Do I correctly interpret what the gentleman says that if we do not pass this bill, we will not change that situation at all; that it would still exist?

Mr. PIKE. If we do not pass this bill. I happen to believe that something useful will happen, because if we do not pass this bill, those generals and those admirals and those colonels and those Navy captains over there whom we took off flight pay are going to stay off flight pay, and this gets the ones who are of that rank and are not flying back on flight pay.

Mr. SATTERFIELD. If the gentleman is talking about the first 12 years of service then, he is not talking about the captains, colonels, admirals, and generals.

Mr. PIKE. No, but this is where the pressure to get a bill before Congress came from at this time, and that is where the pressure to get a different bill before Congress will come from again.

Mr. Chairman, I reserve the balance of my time.

Mr. STRATTON. If the gentleman from New York desires additional time, I understand it is available now from the gentleman from New Jersey.

Mr. HUNT. If the gentleman desires additional time, it is only available now, and I will grant him 10 minutes of the time if he so desires. Other than that, I will fill in the slot. I will be very happy to grant him 10 minutes now.

Mr. PIKE. Am I to understand that I may not reserve any time?

Mr. HUNT. I have not given the gentleman any time yet. I will give it to the gentleman now.

Mr. PIKE. I may not reserve it until later?

Mr. HUNT. I have applications here for time.

Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. ASPIN).

Mr. ASPIN. I thank the Chairman.

I think that in looking at this flight pay bill we have to ask, What is it that we are trying to do and what is it that we want to accomplish? I think an ideal system, that many of us who have opposed the flight pay abuses in the past would say, would be that we ought to pay people when they are flying and not pay them when they are not flying. I think that was the original intention of the gentleman from New York (Mr. PIKE) and others who had testified about the problems of abuses with the flight pay.

When checking with the members of the service, we found that they would really prefer to be paid on a regular basis. They did not want to receive a great deal of fluctuation in their pay, where they would receive a lot of money in one month and then no additional flight pay in another. They wanted a continual average. But then the question arises, What can we do to protect the taxpayer in that kind of situation? What guarantees do we have that if we pay flight pay on a regular basis, on an average basis, that we will in fact be getting any flying for it? That is how we came to this decision about the gate proposal. The object of the gates is to make sure that when we do pay continuous flight pay to aviators and pilots, that they do some flying, and so the gate was set. The numbers are open to suggestion, to change, but basically I think the gate proposal is sound.

If we are going to pay continuous flight pay then I think it is right to demand that the taxpayers make sure that there is a certain amount of flying for that. So we have asked, them to fly 6 out of 12 years and 11 out of 18 years in order to receive 25 years of flight pay.

Now the gentleman from New York (Mr. PIKE) wants us to vote down this bill, but the problem is if we do we are back to the old situation, which is much worse. The gentleman from New York says right now someone could do 2 years of training and then receive 12 years of flight pay. But if we vote down this bill and revert to the old system, someone could do 2 years of training and receive 30 years of flight pay. There is nothing to protect us. If we vote down this bill, there are no gates in the system anywhere.

The second point, which is an important point, is that really to talk about 2 years of flight training and then 12 years of flight pay is not accurate. We originally in our proposal had three gates at 6 and 12 and 18 years. We wanted to have a look at 6 years, but it turned out that administratively that would be costly, and in fact most pilots or 93 percent of all pilots in fact are assigned immediately after training to a flying billet.

That whole question of flight pay for people who do not fly really does not arise until after about 6 years of being in the service. For the first 6 years the pilot goes into training he is flying, 2 years in training and 4 years in assignment. After that he might be assigned to a position which does not require flying. So it is really a question of what happens after 6 years. Is he really going to be assigned to places where he does not fly more often than to places where he does fly? It is there we have to protect the taxpayer.

The reason why this bill will work and the gates and incentives will succeed is simply because the services will want to make them succeed. As soon as this bill is passed everybody who is a pilot will then know what he has to do in order to receive 25 years of flight pay. He will know that. It will be in the law. He will know how much flying he has to do in order to receive 25 years of flight pay. If he does not get that flying he does not get that 25 years of flight pay and that will make him unhappy, and when the fliers get unhappy the services become nervous, as we saw when we cut off the generals and the colonels earlier this year. The services become very unhappy and they become upset when the fliers become upset, so the services will make every effort to make sure the fliers make their gates so that they can get the years of flying in.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STRATTON. I yield the gentleman from Wisconsin 5 additional minutes.

Mr. ASPIN. I thank the chairman.

Mr. Chairman, I think there is only one other point we have to make, which is also a very important point, and that is that flight pay starts to be cut off at 18 years and is completely cut off at 25 years. The old law that is on the books now is that we cut off flight pay for the colonels and the generals who do not fly. They are cut off on the basis of rank. What this bill does is cut off on the basis of time and service. It cuts everybody off after 25 years of flying, no matter what the rank.

What we are doing is taking the money away from the people who really do not need it. There is no problem with incentive after 25 years and with hazards after 25 years. It is in the earlier years where the people do the flying. The bill cuts off people who ought to be cut off and puts the money up early in the person's career.

I think the bill on the whole is a very good one.

I think it is clearly, absolutely clearly, better than the system that we have now. There is no sense to vote down this bill, to revert to the old system.

I do not say this bill could not be improved in certain particulars, but it makes no sense to vote this bill down and revert to the old system, that is clearly much worse.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman.

Mr. STRATTON. I want to commend the gentleman for the job he did on the subcommittee. He was one of the hardest working members in the subcommittee, a gentleman who clearly shared the doubts and apprehensions of many Members of this Chamber last June that the present system had a lot of inequities and a lot of inequalities, and a gentleman who had a number of constructive ideas and who was willing to listen to the facts and willing to listen to the opinions of the men that we are trying to attract to the service.

I want to reiterate again and have the gentleman repeat, is it not his view that whatever one may feel about this particular bill, that for those who want to tighten up the flight pay system, for those who want to put more money on those that are flying and less money on those that are not flying, that this bill is substantially better than the present system?

Mr. ASPIN. I think the gentleman is absolutely correct. I do not think there is any doubt but what this bill is better than what we have now.

Mr. STRATTON. And therefore, for one to oppose this bill, we would simply end up with a system that in terms of those who want to try to improve this arrangement is worse, rather than better.

Mr. ASPIN. Yes. The gentleman from New York, Mr. Pike's philosophy seems to be that we should vote down this bill, which the gentleman from New York (Mr. Pike) thinks is bad, in order to revert to the old system, which we all agree is worse, in the hopes that out of this chaos will emerge something better.

Mr. STRATTON. Would not the gentleman, having worked with me and other members of the subcommittee in the past 7 months on this legislation, would not he venture a guess that it will be some time before we get a chance to come back to this, since we have other urgent matters, including that of medical officers in the Armed Services and enlisted bonuses?

Mr. ASPIN. I agree.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I will be happy to yield to the gentleman.

Mr. PIKE. Does the gentleman say it is absolutely impossible for the Committee on Armed Services to write a bill and come up with a bill that requires a man to fly more than 6 years to get 18 years worth of flight pay?

Mr. ASPIN. No. I do not think that is impossible.

Mr. PIKE. Does the gentleman think we could pass it?

Mr. ASPIN. I think we could probably pass it.

Mr. PIKE. Who on earth would oppose it, besides the flyers that are not flying?

Mr. ASPIN. Why is not the gentleman proposing it? The gentleman has remarked time and time again that this is taking a long time. He frequently chided the members of our subcommittee for taking so much time; yet he wants us to vote this thing down and go back on the subcommittee and take more time.

The gentleman has also said time and time again how much easier it is to pass things on the floor than it is in the committee, which I agree is absolutely right; but the gentleman does not have an amendment to offer on the floor. He wants to vote the thing down and go back into the committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUNT. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would say to the gentleman from New York that if he has an amendment, he ought to offer the amendment. Let us not put it back into the committee. Let us not vote this thing down.

I would like to quote the distinguished chairman of our committee, the gentleman from Louisiana, if I might. He does not say it very much anymore, but he has said in the past, so I say to the gentleman from New York (Mr. Pike), "Put up or shut up."

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Yes; I will be happy to yield.

Mr. PIKE. Let us say I do offer an amendment to put the bill back to where the subcommittee had it in the first place. Does the gentleman think that the subcommittee would vote for it?

Mr. ASPIN. Let me ask what that would do for the gentleman's original objection, that a person could fly for 2 years and get 12 years of flight pay, what does it do for that objection?

Mr. PIKE. What does the amendment do? It does not do one thing.

But, it would put the bill back to where the subcommittee had the bill before the Pentagon re-worked it.

Mr. ASPIN. Would the gentleman from New York support the bill with that provision?

Mr. PIKE. Mr. Chairman, I would support the bill if we were looking at flight pay, say every 4 years, and made a man fly 3 out of those 4 years.

Mr. ASPIN. That is not in the amendment we are talking about. I am asking the question, if it went back to our original proposal, 8 out of 12, 12 out of 18, would the gentleman from New York (Mr. Pike) support the bill? Yes or no?

Mr. PIKE. If we look at them often enough to see that they were on track for that 8 out of 12, but if we are not going to look at them but twice in their careers, of course not.

Mr. ASPIN. Mr. Chairman, I do not see how the gentleman can suggest that we ought to go back to committee with this thing. If the gentleman has a suggestion, a specific suggestion, I think he ought to offer it. If he does not have it, then I do not see how he can recommend that we vote this down when it is clearly better than what we would revert to. I do not think the gentleman from New York is being very constructive.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, I yield to the distinguished chairman of the committee.

Mr. HÉBERT. Mr. Chairman, I want to commend the gentleman from Wisconsin in recognizing the position he has just made. I welcome him to the establishment. I am glad he has seen the light in the window, and I congratulate him on putting up. As long as he puts up and stays with the establishment, it will be very difficult to lead the gentleman from New York down the same road, but I still have hopes.

Mr. ASPIN. Mr. Chairman, I would just like to say that if the chairman of the committee at some time have gotten the impression that I have not always been shoulder to shoulder with him on these matters, I think he is not looking at the big picture. I think if we look at the big picture he will see that he and I have been the pillars of our "structure of enduring peace." I think he and I together are the personification of our "total force concept," to say nothing of our undying devotion to "essential equivalence" and "meaningful symmetry." On the long things, Mr. Chairman, we always agree.

Mr. HÉBERT. Mr. Chairman, if the gentleman will yield further, I do agree again with what the gentleman has just said, particularly when he used the word "symmetry," because I was in that racket he is in now. I made my living for many years being a press agent, and I thought I was a good one until the gentleman came along. In my palmiest days, I could never make inaccuracies appear so accurate.

Mr. ASPIN. Mr. Chairman, if there are any small areas of disagreement, I am sure he will understand. My point is, do not praise me too much, Mr. Chairman; I am trying to get us some votes for this bill and the gentleman is likely to ruin it with the people I am trying to get.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I rise in support of the bill on flight pay reported out by the Committee on Armed Services. As a former pilot in Army aviation, I have followed its course with great interest. I think it represents an excellent compromise in meeting the diverse requirements to which it is addressed.

Certainly it offers a high incentive for young men to enter an aviation career—a key feature in today's all-volunteer force. The front-end load feature of flight pay rewards the young flier immediately, and motivates him to resist the lure of a civilian airline job when his initial obligated service is up. In this way, the Government can protect its investment in him—between $100,000 and $500,000 per aviator, depending on his specialty.

Second, this bill establishes realistic controls that insure the Nation will get maximum use of the aviator's talents. The career "gates" which are set up at the 12th and 18th year of service, provide an innovative and flexible means or rewarding those officers who are actually doing the flying. Likewise, they avoid the hazards of an "on-again, off-again" system which would unfairly plague individual aviators with financial irregularity.

We have received a "read colleague letter" which has emphasized "pay whether he flies or not." I can personally testify that nonflying assignments for the Army aviator are essential. He must have tours of duty with ground units because he is intimately involved with them while flying. He must know and experience their organizations and tactics. Then he can provide proper fire support and transport when he flies them at tree top level and then actually gets into ground combat when he lifts them to their objectives and exchanges fire with the enemy on the ground. The role of the Army aviator in Vietnam is legend. He could not have earned these accolades without assignments to ground units.

I am pleased to see that this bill would reduce officer flight pay in sensible step decreases, beginning at the 18th year and terminating it completely at the 25th year. This provision answers the major congressional criticism of the existing flight pay law—that it primarily benefits the senior aviators, many of them in nonflying jobs, when they no longer need an aviation career incentive. And a 3-year saved pay provision implements these decreases in an orderly manner, without breaking faith with currently serving senior pilots.

I congratulate our distinguished colleague from Louisiana, and the members of his committee, on the bill they have presented us and I urge its adoption.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I just want to tell the gentleman from Wisconsin that he has lost me, because when he and the chairman of the committee get together on something, my innate suspicions become aroused.

Mr. DAVIS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from South Carolina.

Mr. DAVIS of South Carolina. Mr. Chairman, I rise in support of H.R. 12670. This bill provides the first real control on eligibility for flight pay since 1954 when the Congress, in an effort to save money by reducing the amount of proficiency flying, authorized payment of flight pay to older officers who were excused from the monthly performance of flying.

The bill clearly establishes flight pay in the frame of reference for which it has always been intended—as an incentive for a career in aviation. It also defines a career for pay as 25 years of active service as an officer.

In a significant departure from prior policy, the bill limits pay for a full career to fliers who spend a substantial portion of their 25-year aviation career in flying jobs. The standard established for eligibility is a lot more stringent than any previous standard. If a flier does not perform at least the minimum number of years specified, he will be screened out of the aviation force and denied incentive pay. The committee's position is tough, but fair. It exacts a reasonable return for the taxpayer's dollar and will eliminate much of the criticism inherent in the current flight pay system.

Some people argue that pilots should receive flight pay only when they fly. "No fly—no pay" has a nice ring to it. But this proposal fails to recognize the need to assure stable earnings for this high-cost resource.

The young pilots want a steady, constant incentive pay rather than higher rates just when they fly. These are the men we are trying to retain. It is the views of these young pilots themselves—not those of the generals that have influenced the committee.

The Defense Department originally opposed the gate system as "too rigid" and would have preferred a less stringent control. The committee has taken a wise middle ground. H.R. 12670 gets the pay to the people who perform. It creates a sound new system. I urge you to join me in supporting it.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from New York.

Mr. PIKE. Mr. Chairman, I just want the gentleman to know that I will respond to his challenge and I will offer an amendment.

Mr. HUNT. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I thank the gentleman for yielding. We have mocked the Air Force and the Navy about enough. I think we had our fun about 6 months ago. As a result, the morale of much of our flying corps is in moderate shambles.

I want to commend the chairman of our subcommittee, Mr. STRATTON, and the gentleman who was just in the well, the gentleman from Wisconsin (Mr. ASPIN).

The gentleman from Wisconsin developed the gate system as modified by the committee a number of times. I think that the committee has worked diligently and well. Unfortunately, as a member of the subcommittee, I could not attend all of the field trips that were held.

But they have done a good job, and they have arrived at a fair compromise. I think the net effect is that we have a bill that is going to inure to the best interests of the defense budget and also the morale of the flying corps.

Mr. Chairman, the gentleman from New York (Mr. PIKE), and his cosigners have in their minority views attacked the bill as being unnecessary and have, in my opinion, misread the legislation and failed to state the facts which are available in the committee report.

The minority summarized its views by saying, "The nonflying generals and admirals get back their flight pay—that is what it was all about."

This is not the same issue that we had back here some 6 or 8 months ago. The simple fact is that the bill would reduce the number of generals and admirals receiving flight pay, compared to the number who are today receiving flight pay in the U.S. military service.

Prior to May 31 of last year, when we had no section 715 of the Appropriation Act, there were 526 admirals and generals eligible and who were receiving flight pay.

We passed section 715, and that number was reduced to 115. And if the Members want a reason for supporting this bill, they should just remember that H.R. 12670, which has been well worked over by the Committee on Armed Services, will reduce that number to 76. That is, 76 admirals and generals only will be receiving flight pay under this new and revised legislation, some 39 fewer than under the present law.

The minority views suggest that H.R. 12670 is not needed as a retention incentive, because retention has improved, and, of course, they cite a number of statistics: In the Navy, the 26-percent retention in 1970; the 27-percent in 1971; 34 percent in 1972; and 43 percent in 1973. But this is still well short of the required 52 percent. That is 11 percent shy.

In the Air Force, it was 45 percent in 1970, 51 percent in 1971, and 57 percent in 1973, and the target is 60 percent in order to do the job.

In recent years the Navy and the Air Force have never met their retention objectives.

I think it would be very instructive to look at the highest retention figure: 57 percent for the Air Force in 1973. If we compare this to the required retention of 60 percent, we are 3 percent shy. Three percent equates to a reduction or to a cost of training of some $23 million. Each percentage point that the Air Force was short in 1973 means that we need to train some 34 additional people, and the cost of training pilots is not cheap, as the gentleman from New York (Mr. PIKE) well knows; $229,000 per pilot is the current replacement cost. So we multiply $229,000 times about 15 percent times about 34 replacements for each percentage point, and what we get is an extra cost of well over $100 million. That is a pretty neat savings that we can effect by enacting this piece of legislation if we wish to save money in national defense.

Mr. Chairman, the minority also takes a worst-case view. Of course, this is the thing that many times we Pentagon critics say and do. They allege that an officer can get 12 years of flight pay for only 2 years of flying. This relates to the colloquy which has just taken place on the floor.

This allegation simply arises from a misreading of the bill. The critics were so impressed with our new gate system that they forgot to read the rest of the language in the bill. The bill continues the requirement in the law that an officer has to demonstrate frequent and regular performance of flying, and that this is to be required by regulations issued by the President.

The simple fact is that the regulations require all newly trained pilots to be immediately assigned to flight status.

In addition, pilots are required to fly a minimum of 100 hours a year, to pass an annual flight physical, to pass an annual written examination, to pass an annual flight examination, and, in addition, the services have in effect screening devices that provide for removal from flight pay of those who do not meet the minimum requirements.

In the Air Force one does not get to be senior pilot unless he has flown for 7 years. The Army has a similar program.

The Navy reviews their pilots periodically and eliminates some every year for failure to maintain their minimums.

Mr. Chairman, I believe the committee has come up with an excellent bill which addresses itself to a very real problem of retention and curtails flight pay for admirals and generals. We need to look behind the rhetoric and look at the facts as we did in the subcommittee.

I intend to vote for this measure, and I urge all Members to join me in support of it.

Mr. STRATTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Alabama (Mr. Nichols).

Mr. NICHOLS. Mr. Chairman, I would like to address the matter raised regarding the amount of flying done in the Army. In our review of flight pay, we learned two facts regarding the Army. First of all, the Army warrant officers fly just about all of their careers, and second, the Army commissioned officers fly less than officers in other services. I believe our bill, H.R. 12670, takes both these facts into account.

With regard to the warrant officers, the bill increases their pay to $200 after the sixth year and then holds its level through the 30th year. This is a reasonable, equitable provision that actually gives the warrant officer slightly more pay over a career than a career officer.

Now with regard to the commissioned officers, we concluded that we could not approve a system that would pay flight pay over a career to anyone who did not do a substantial amount of flying. The Army believes that its officer aviators should have a primary specialty other than flying. For example, armor or infantry. While we understand this concept of managing officers and have no desire to change this system, the committee did not believe that an officer who flies for only 6 to 9 years over a career should get this incentive pay for 25 years.

The "gate" system included in the bill deals directly with this problem. The performance standards at the "gates"—operationally flying for 6 of the first 12 years and 11 of the first 18—will guarantee that no officer, whether in the Army or another service, will continue to get incentive pay over his career unless he actually performs operational flying for a significant part of his career.

The vast majority of these Army aviators are men who returned in the last few years from flying helicopters in combat in Vietnam—they performed distinguished service in very difficult and dangerous assignments.

I am particularly pleased, therefore, that in its saved-pay provision H.R. 12670 gives those who will come up against the newly established "gates" shortly a reasonable period of time to adjust to the new system. Briefly, the bill provides for a 3-year phasein. But the saved pay will be at the rate in the new system which, for senior officers, is lower than the rates applicable to them in the past.

H.R. 12670 has a lot of thought behind it—a lot of hours of study and hearings. Our charter was to find a permanent solution to the inequities of the old system—a solution that would be effective in retaining military aviators. I believe H.R. 12670 is the answer.

In summary the bill would—

Pay on the basis of aviation service rather than total military service;

Concentrate highest rates of pay in the retention-critical years rather than at the end of a career;

Terminate pay at 25 years of officer service;

Establish "gates" at 12 and 18 years to assure minimum flying standards throughout a career;

Increase warrant officer pay substantially—to $200 a month after 6 years; and

Finally, to reduce costs in comparison to the old system.

This is an equitable bill and I urge your support.

Mr. HUNT. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from New York (Mr. Mitchell).

Mr. MITCHELL of New York. Mr. Chairman, in October 1972 Congress passed section 715 of Public Law 92–204 which denied flight pay to Navy captains, Air Force, Army, and Marine colonels, generals, and admirals who were not assigned to actual flying billets. This attempt to save money by cutting off flight pay to senior aviators backfired.

This reduction in benefits, coupled with threats to change the retirement and other basic programs caused many aviators to leave the service. To replace one combat ready Navy or Air Force pilot takes 2 years and costs the U.S. taxpayer $0.5 million.

According to the Navy young aviators' resignation rate averaged 16 per month prior to the enactment of section 715. During the 8 months following the passage of section 715, the monthly resignation rate skyrocketed 400 percent. If America feels it advisable to replace these additional 368 Navy pilots who resigned—over and above the average number—it will cost $184 million. This sum applies to just the Navy. If the replacement cost were prorated across the services, the total would prove staggering.

H.R. 12670 is an attempt to present a career aviation package that will attract and retain service aviators for the lowest possible dollar. In an effort to gain the support of chronic DOD budget slashers, I feel the committee has erred on the side of economy—false economy. It is not a bill the DOD warmly embraces. Rather it is one they probably "can live with":

First. It provides for the highest rate of flight pay when the aviator does most of his flying and during those periods he is most tempted to leave the service.

Second. It answers the charge that "admirals and generals receive flight pay but don't fly," by terminating flight pay at the end of 25 years of flying duty, the average officer would be 45 years of age; hardly senile or an "arm chair" type;

Third. It provides two additional—over regular service requirements—screening periods to insure an aviator does not receive flight pay unless he has spent at least 6 years in actual flying assignments at the 12th year of service and 11 years at the 18th year of service;

Fourth. It treats the flying warrant officer more equitably by increasing his maximum monthly pay from $165, under present law, to $200 and starting this maximum reimbursement at the 6th rather than the 18th year;

Fifth. At the end of 3 years it will cost the taxpayer $16 million less each year than the old program would have; and

Sixth. It provides a career package that a young officer can count on and plan with.

However, H.R. 12670 is not a sweetheart contract for aviators. Prior to passage of section 715, which was supposedly a temporary measure, a career aviator could earn $75,000 in incentive pay over a 30 year period. Under this proposal he could earn $14,000 less or $61,000 in 25 years.

Then, too, in many instances, the senior aviator, through no fault of his own, will lose approximately $2,000 because there is no provision for retroactivity in this legislation.

RETROACTIVITY AMENDMENT

I planned to offer an amendment to provide retroactivity for the O–6 and above who will lose approximately $2,000 through no faut of their own. But I was approached by aviator friends in several of the services requesting me not to introduce this amendment on the basis it might weaken the bill. They feel the retroactive pay is deserved, but they are willing to sacrifice this amount of money to strengthen the overall package. I do not agree with their thinking but it is their bill and their money. I will accede to their wishes.

I intend to support H.R. 12670 because it is better than the present law—since the passage of section 715—it does contain several good features and it is "the only game in town." But I have serious reservations. Whoever heard of professionals in any field being paid less for their services during an inflationary period? As planes and weaponry becomes more expensive and more sophisticated, we offer aviators less monetary incentive. It does not make sense. Only time will tell whether it will attract and retain. Only time will tell whether the United States will lose millions of additional dollars through pilot disenchantment with congressional actions.

H.R. 12670 is a bottom dollar solution. I hope it works. From the many flight pay hearings I attended I am convinced that anything less would prove severely counterproductive.

I want to take just a moment to state the importance to our Nation that we have an experienced pool of aviators to provide an inexpensive insurance for our Nation's defense.

Though not actually operating aircraft at all times, an aviator is available to—throughout his career. There are many flying billets where being young isn't essential—patrol, ferry, instructing, carrying passengers. Billets which must be filled, and when filled by senior aviators, free junior aviators to fly the more physically demanding missions. Commercial pilots, for example, continue to fly to age 60—we are cutting them off at age 45.

There are also many administrative jobs where only an officer with an actual aviation experience can make an optimum decision.

How much more sensible to pay an experienced aviator $2,500 to keep him on tap than to encourage him to quit and force the taxpayers to come up with $500,000 to replace him.

I submit, Mr. Chairman, that we have cut expenses, and cut them to the bone. Anything more stringent would be penny-wise and pound foolish. The average career aviator receives roughly $50,000 in flight-incentive-hazardous duty pay. Replacing him costs the United States 10 times as much or $500,000. The plane he flies such as an F–14 or F–15 can cost more than $10 million. In fact, it only requires 20 F–14's to equate the entire annual cost of flight pay throughout the services. Should the quality, attitude, or dedication of a pilot suffer because of our failure to act affirmatively today and this resulted in the loss of just one F–14, we would lose the equivalent of flight pay for 200 career aviators. We cannot allow this to happen.

Mr. HUNT. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I came on the floor to listen to this debate with a completely open mind. After hearing the remarks that have been made by members of the committee and others, I now rise in total support of this legislation. I think that the gentleman from New York (Mr. STRATTON) and the gentleman from New Jersey (Mr. HUNT) should be commended on the obvious thoroughness in the study and the work that has gone into this legislation.

I should like to recount something that happened to me last night when I was invited to go to New York to meet with a group of 700 people who were owners of gasoline service stations. I told these people that the legislation on the floor of the House this afternoon dealt with flight pay regulations for members of the armed services. They as a group felt that this was a very worthwhile and important thing. I told them what was involved. They seemed to think, from what they understood, that this was a good way of continuing the morale of the members who fly in the armed services. But they were amazed that this was the only piece of legislation that this House was going to be acting on this afternoon.

I told them we had contemplated discussing and acting on the energy bill, but for some reason it was withdrawn. It was very difficult to explain to these men that we were acting on one piece of legislation dealing with flight pay that affects a comparatively few people in our country, even though it is very important for the safety of our country, which is why I support this bill. But they could not understand that we were not going further. Frankly, nor could I.

I tried to explain the working of this Congress to this group. Let me tell the Members that if they stood in front of 700 men who are in the process of going bankrupt, who are in the process of asking anybody in the Federal Government to give them some leadership that they can follow, and tried to explain to them what we are doing here today instead of acting on the energy bill, it would be very difficult.

I think it is important, because this is the last bill in the House today—and it is a bill I hope we are going to pass—if I could make a plea at this time, and if there were any members of the leadership I could speak to on this issue, I should like to see this Congress sit right in this Chamber, whether it is on Friday, Saturday, and Sunday, to address this energy issue that is equally important to our country as is this aviation flight pay to our armed services.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, I just want to have the record show that although I am the Member who is in charge of this flight pay bill and am interested in getting it passed today, I could not agree more with the gentleman from New York. In fact, I took the well of the House on Tuesday at the beginning of this week's session to urge that this Congress act promptly on an energy bill.

The people in the gentleman's State and in my State of New York, both along the Hudson River, in Westchester County, and up in Albany, Schenectady, and Amsterdam, are desperately short of gasoline. I think it is a disgrace that we are not acting as promptly as possible to get some energy legislation enacted, whether it be an omnibus bill or something else that will provide an equitable and fair rationing system.

Mr. PEYSER. I thank the gentleman for his comments.

There are many things that are analogous in this bill that is before us right now as to what I think we should be doing in the Congress as reflects the Federal Energy Office. That Federal Energy Office, and Mr. Simon, today I am convinced need the direction of this Congress, because I do not think the administration has provided the leadership or direction for Mr. Simon to act affirmatively enough. It is time that we do something.

Now we are telling the armed services what is going to be the flight pay basis, how it is to be carried out, and I think this is right. This is our job. But why we are not doing it on something that is affecting every member of this country, I do not know.

I did not want to get off on an aside here, but I just felt that after talking to the people that I talked to last night and hearing their reaction to this legislation, I just had to convey to the Members of Congress that these people and the public in general think we have run out of gas.

I think we had better refill our tanks right here and try to do something. It is not too late right now, this afternoon, to make some decisions about staying in session until we resolve this problem.

In closing, again I would like to say I support this legislation.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HUNT. I yield the gentleman 2 additional minutes.

Mr. McEWEN. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York (Mr. MCEWEN).

Mr. McEWEN. Mr. Chairman, I compliment my colleague, the gentleman from New York (Mr. PEYSER) for bringing up this matter. I am delighted to have my colleague take the floor, the gentleman on the other side of the aisle who is the floor manager, and endorse the gentleman in the well and what he is saying. I too support this bill and I too am shocked that this Congress, when all of America is facing this energy crisis, is not acting on the matter of energy.

I would say to the gentleman that while he has problems in the metropolitan area, in my district in the urban areas we have similar problems. We have people who are isolated and some people who are cut off. They have a few gallons for their fire engines and ambulances but in other villages they have run out and people are not going to be able to get to work. We in Congress are not dealing with this problem. I think we will hear from these people in their wrath.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I too commend the gentleman in the well and associate myself with his remarks.

I support this legislation but I have a great feeling we are making a terrible mistake by not moving on the energy legislation that is so important and so vitally needed in the country at this time.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I take this opportunity to commend the gentleman on his remarks on a matter outside the bill we are discussing. On a matter of such vital importance as energy, this is an opportune time to discuss it. It likewise is so vitally important to us.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. Mr. Chairman, I compliment the gentleman for his comments.

I cannot join in condemning the fact that Congress has not done anything legislatively to deal with this problem in our country. The fact is there is not one piece of legislation needed to deal with this problem in our country. The fact is there is not one piece of legislation needed for the Energy Office or this administration to be able to deal with this shortage throughout the country. Normally we need 18 million barrels a day. We have 2.7 million barrels short. That can be handled completely by FEO without any action by Congress on that problem, but there are other things which the administration may want to have handled legislatively which I think we ought to move on, such as environmental considerations and other problems. But as to distribution, they have the power downtown now.

Mr. PEYSER. May I interrupt to speak on that for a moment. It is an important point. The Federal Energy Office and the administration have the right if the oil companies are willing to cooperate and they do not have the right if the oil companies are not willing. They have no right of inspection or of demanding the records. Unless we give them that legislation they do not have the right. They can say they make an allocation but they have no authority to see that the allocation is made or to see where supplies are or what is the storage capacity. They do not have that authority.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRATTON. Mr. Chairman, I yield the gentleman from New York (Mr. PEYSER) 2 additional minutes.

Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I would like to address myself to the point the gentleman from New York just made. We have exactly the same problem in the Schenectady and Albany areas. The problem lies in the followup of oil allocations. There is no question that the Executive has the power now to make allocations. But without some followup energy legislation there is still no legal authority for the Government to develop statistics independently of the oil companies as to who has what gasoline stored where. We are still completely dependent on the oil companies for statistics as long as we have no energy bill. Obviously they have not given us the full picture. Obviously we need mandatory statistics legislation on oil if we do not need anything else.

It is time for Congress to get moving because only 21 percent of the people of this country approve of what Congress is doing now and that is well below even the low approval rating for the President of the United States.

Mr. PEYSER. I thank the gentleman.

I would like to take 1 minute to comment further on the flight pay bill on the issue of morale, which I think is vitally important in the armed services. I served for many years in the armed services and there is nothing more important. I have always thought the morale of the American soldier was excellent and it enabled him to carry on as he has, but we are faced with the question of the morale of the people of this country also.

I do not think there is one Member that will deny when he gets back to his district that the morale is lousy, if he is rating on any basis or any scale. It is bad for Democrats and Republicans and in particular, it is bad for the American people. I think this is no longer a partisan issue that we should be worried about. It is an issue that we as the House of Representatives should be addressing. I do not know who to make these remarks to, other than those who are here, in the hope that the leadership, the Speaker, the majority leader, will do something now to give us the opportunity to take some action.

I ask whoever can exert any influence, may be better than I can exert, to get some action in this Congress. Let us give the people the service they deserve.

Mr. HUNT. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. GUBSER).

Mr. GUBSER. Mr. Chairman, I rise for two purposes: First, to compliment the committee and the able leadership of the gentleman from New York (Mr. STRATTON) and the gentleman from New Jersey (Mr. HUNT) on successfully attacking one of the most difficult problems that the Committee on Armed Services has faced in many, many years.

This is truly a question which involves morale and it also involves the retention of highly skilled people, whom it costs hundreds of thousands of dollars to train.

The bill undoubtedly will not please everyone, but I do think under the circumstances which prevail, the committee has done an outstanding job. I certainly, for what it may be worth, wish to voice my support.

The second purpose for which I rise is really motivated out of complete provincialism. As Members know, I am a very loyal Californian. California now has the largest delegation in the Congress. It is the most populous State in the Union and certainly it is a State which because of its geographical, its economic, and political importance, deserves its proper and just recognition. I must say today that California has been slighted.

A great deal has been said today about this new leadership team on the House of Representatives Committee on Armed Services, composed of the distinguished gentleman from Louisiana (Mr. HÉBERT) and the gentleman from Wisconsin (Mr. ASPIN).

This is new, novel, and wonderful; but truly we have overlooked something. This is not just a two-horse team of new leadership. The gentleman from California (Mr. LEGGETT) should have been included. This new leadership should be called the Hébert-Aspin-Leggett troika, not a team.

Mr. STRATTON. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I rise today in support of H.R. 12670, the Aviation Career Incentive Act.

The industrial nations of the world are today engaged in fierce competition for the resources required for technological production. Presently the main thrust of this struggle is for the oil reserve of the underdeveloped nations which are vitally needed to run the machines that turn out the products upon which are needed for continuing a high standard of living.

With the international situation such as it is, it is more important than ever for this country to present a strong national defense system to preserve peace, stabilize struggles, and prevent tensions and rivalries from giving rise to armed conflict.

Peace is maintained through strength. This is not a time to allow our military competency to erode.

Therefore, the passage of this legislation is essential to encourage high efficiency in flight performance and to insure that this country will always have at its command a team of experienced topgrade pilots and flightcrews. Our future depends on this. I urge the adoption of H.R. 12670.

Mr. HUNT. Mr. Chairman, I yield 10 minutes to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Chairman, I appreciate this opportunity to speak on behalf of H.R. 12670, Aviation Career Incentive Act of 1974.

On the June 28, 1973, the House denied a request to extend flying pay from June 1, 1973, to December 31, 1973, for colonels and generals who were excused from flying. The purpose of the extension requested was to give the Congress sufficient time to examine the proposal under consideration today, H.R. 12670. The action taken by the House on the request for extension was understandable in light of the confusion over certain issues that were raised at the time. But I suggest that we must now remedy the inequities created for the many dedicated professionals by the last House action.

The reason I am speaking on behalf of this bill is that I strongly believe that a sound flying pay system must exist to not only pay a man while he actually faces the hazards of combat, but to retain rated officers for a career. H.R. 12670 meets that need for a sound system and I believe favorable action is essential for several reasons.

First, the proposal is cost effective. An Air Force pilot with only the basic requisite skills costs the American taxpayer

1 year and $124,000 in training. Add to this the additional expense of combat crew training, which is 6 months to a year long, and this individual becomes one of the most expensive resources in the military today. If this pilot resigns after 6 years, he must be replaced. If we can keep him for 24 years, we may have avoided training as many as three new pilots.

Second, you get what you pay for. There are some of us in this group today whose terms of reference are geared to World War II. What we see is a major or colonel, barely old enough to shave—leather helmet, white scarf—leading an even younger group of eager, carefree fighter pilots to their $54,000 P–51's which are maintained by young, proud, and ingenious crew chiefs whose toolkits contain a wrench and several screwdrivers. What is the real picture? Today's typical squadron commander—a major or lieutenant colonel—is a highly trained, mature professional leader. He manages 18 F–4's worth $45,000,000 and 26 crews representing an equally large training investment. This squadron commander is led by a colonel wing commander who is directly responsible for three squadrons. Are you willing to entrust multimillion-dollar weapons systems to anyone less than the best? More to the point, can we afford to have these complex weapons systems commanded and managed by mediocre or inexperienced aviators? My answer to that is a definite "No"—we can't afford it, the Nation can't afford it. So we must try to have the best. We train them and try to hold them so that one day we have men who can lead effectively, which brings me to my third reason for wanting to see this legislation approved. That relates to what I consider a fair return for the dollars we pay our aviators.

The wing commander I have been talking about has been in several flying squadrons, he has also had one or two tours in Vietnam, a tour of duty in a staff job, assignment to a war college, followed by a stint in the Pentagon. Then he was promoted to colonel. Soon he becomes the commander of a wing with aircraft assets alone totaling well over $100,000,000. This does not include all the manpower and support equipment costs. For this we compensate him with approximately $27,000 per year. Can industry find a similar bargain, who in addition to his salary is willing to lay his life on the line for his country? I think very few would be willing to take that kind of responsibility and that kind of risk. If this wing commander has been told as a company grade or junior field grade officer that flight pay might be cut off for senior officers as the House did on June 28, 1973, what motivation would he have to attend school, move to a staff job or, for that matter, accept promotion to colonel when the net result of all these actions would be loss of pay? What industry promotes a man and cuts his pay? We must consider the fact that we are in the all-volunteer era. It is essential that we find ways to not only attract but also retain the people we need.

As to cost, the figures through fiscal year 1978 are included in the departmental letter of May 17, 1973, which the chairman included in the CONGRESSIONAL RECORD of July 1973. I think it is significant that the long-range effect of this proposal, with the saved-pay transition, will be a lower cost than the present system. And, as pointed out in that letter, there could well be additional savings in training costs if retention improves, as anticipated. I support a saved-pay transition for a reasonable period of time in order to avoid a precipitous reduction in pay and the attendant hardships for people who have made typical long-term mortgage, education or other financial commitments. There certainly is precedent for a saved-pay provision of this nature, such as that provided for civilian employees who are reduced in grade. I believe that we can live with the increased interim costs of this proposal, particularly when we consider the ultimate reduction in costs.

I am making one last point which I think should be key in our thinking. It is not enough to attract young men to the romance of flying—we must provide the incentive to retain them for a career that includes combat hazards, family separations, and frequent moves which uproot the family. I would hope that we would not become so distracted by tales of desk bound generals that we ignore the needs of our country. Proposals which would cut off flight pay for all officers, regardless of grade except those actually flying—the so-called no fly, no pay—are shortsighted in the extreme. Any half-way perceptive officer knows that his flying career is almost certain to be interrupted by nonflying assignments—whether to school, a staff job or a remote assignment. In my view, it is unreasonable to expect an officer to submit to the hazards of a flying career unless he is compensated throughout his career. This proposal meets that objective in a reasonable manner and I urge the House to take prompt favorable action on H.R. 12670.

Mr. BURGENER. Will the gentleman yield?

Mr. PRICE of Texas. I yield to the gentleman from California.

Mr. BURGENER. Mr. Chairman, I wish to commend the gentleman in the well and associate myself with his remarks.

I drew my last flight pay in the days of World War II and Korea, but I do indeed remember something about morale in the military.

This legislation will probably go a long, long way toward a lasting solution of this matter. I wish to commend the subcommittee and its leadership on both sides for a very thorough job done on a difficult subject.

I thank the gentleman for yielding.

Mr. de la GARZA. Will the gentleman yield?

Mr. PRICE of Texas. I yield to the gentleman from Texas.

Mr. de la GARZA. Mr. Chairman, I want to commend my colleague from Texas for the eloquent presentation he has made on the subject matter of this bill.

I would like to associate myself with his remarks and commend him again for giving us the advantage of his wide experience in the military as a flight officer.

I urge support of this legislation.

Mr. PRICE of Texas. I thank the gentleman from Texas.

I now yield to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. I thank the gentleman for yielding.

I would like to associate myself with his remarks.

Having been an infantry soldier in both World War II and in Korea, I did not draw flight pay, but I want to guarantee you that I was surely glad that those who were drawing it were giving us the close support that they did. I strongly support this bill

Mr. STRATTON. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Chairman, I rise in support of the Aviation Career Incentive Act (H.R. 12670). I do so as an ex-military pilot with command experience. This legislation will provide the military with a better means to improve its management of the flight pay system. It will be accomplished through the tremendous savings that will accrue by the retention of our skilled aviators—as opposed to the significant training costs necessary to replace those who choose to leave active service.

Due to the nature of the military aviation system we can only replace pilots at the bottom through training. This is very expensive and time consuming. It takes almost 2 years to turn out a combat-ready pilot at a cost of a quarter of a million dollars and up. Because of the attractiveness of airlines as compared to the rigors, deprivations, and lower pay of military aviation, the services must train approximately two aviators for every aviator required at the end of obligated service. Recent trends indicate that an even higher percentage of trained pilots are now leaving after completion of their obligated service. In addition to increased costs, the failure to retain junior aviators generates a deficiency in personnel inventory and even more seriously a dilution in experience and combat readiness due to the time lag in providing qualified replacements.

This problem is now further aggravated by the problem of attracting volunteers to military aviation in a draft-free environment. The Navy, in addition to retention problems, has been unable to attract sufficient men to meet the reduced pilot training requirements. This results in a deficiency in Navy capability to respond to military contingencies. This situation cannot continue. The only and most cost effective alternative is increased retention.

Flight pay for our highly trained personnel has fallen from 50 percent of their base pay during World War II to approximately 15 percent. The total amount has never been increased during this period of heavy inflation. Compare this with the highly attractive, and financially rewarding benefits commercial airlines offer pilots. The typical airline offers a DC–8 captain $45,600 annual salary with only 13 years of service. A 747 captain receives an annual salary of $61,200. A company-paid life insurance of $45,000 is provided as well as company paid medical and dental insurance.

Mr. Chairman, this country will need a strong career force in the foreseable future, one which is ready to respond wherever and whenever called upon to defend our national interests, H.R. 12670 represents compromise legislation which I am confident will help us maintain the effective military aviation establishment that our citizens expect and deserve. It offers an attractive and reasonable alternative to our current system and satisfies my feelings that the junior pilot who does most of the flying should be paid for his fair share of flight pay sooner in his career. It also offers an orderly transition to a nonflight pay status for senior officers. If the alternative to this is a military aviation establishment pockmarked with low morale and high replacement pilot training costs we should act decisively to support this proposal.

Mr. Chairman, I urge the passage of this bill.

Mr. HUNT. Mr. Chairman, I yield whatever time I have remaining to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. SATTERFIELD).

Mr. SATTERFIELD. Mr. Chairman, I rise in support of this legislation.

I have been greatly concerned about what we did with regard to flight pay last year. I believe this legislation will cure that error. It is easy to overlook the fact that a young man who enters into an aviation career in the military service looks not only to his present remuneration but when he makes the decision to enter the service and makes the recurring decisions in future years as to whether he will remain in the service a prime consideration is what he may look forward to by way of *future* remuneration throughout his career.

I was distressed that Congress recently changed its flight pay commitment by saying to those officers of the grades 0–6 and above you cannot receive what you have been expecting to receive and what you are entitled to.

It is imperative that the Federal Government maintains its obligations and its commitments to these service men throughout their entire careers. I believe that this legislation before us will cure a defect that was created by our previous action. It proposes a reasonable method for flight pay remuneration for those activity engaged in aviation in the armed services. I strongly urge my colleagues in the House to support this legislation.

Mr. STRATTON. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from Louisiana (Mr. HÉBERT).

Mr. HÉBERT. Mr. Chairman, I rise with, I think understandable pride, not to discuss the legislation before us today, but to bring to the attention of the Members that which can be accomplished by a committee that sets about its business of doing a job.

Mr. Chairman, the House Committee on Armed Services for many, many years in this body has had the very high respect of the House of Representatives. My predecessors on that committee have all gone down in history as men of great importance, particularly, of course, Carl Vinson, who served in this Congress longer than any other one in the history of the Congress; he served for over 50 years, and he is still living at the age of 90, and is still fully knowledgeable and keenly interested in what is going on in the Congress. And all of the others, Dewey Short and Ham Anderson, Phil Philbin, and Mendel Rivers, who preceded me.

But, Mr. Chairman, let me add that I do not believe that any of these people who have served in this body have had a more cooperative or more understanding group of members than those whom I have been privileged to chair, as the chairman of this committee, with a membership of 43 individuals.

I believe that that has been demonstrated clearly on the floor of the House today, and shows exactly what it means to have individuals of different thoughts, different philosophies, different ways of going about things, and of being in disagreement and yet not being disagreeable. I submit that this has been demonstrated by the distinguished gentleman from California (Mr. GUBSER) and others, as well as the exchange, of course, between the gentleman from Wisconsin (Mr. ASPIN) and myself, and the smiled-upon discussion between the gentleman from New York (Mr. PIKE) and myself—who, I might say, wanders in and wanders out, and just when I think that he is in then he is out, and when I think that he is out, then he is in—but that is what makes life so interesting on this committee which, as I said, is a committee consisting of 43 individuals, and it could be pretty difficult to handle. And as I sat here today and heard these men get up and speak, and heard just as you heard yourselves, I am sure that the Members realize that this is not a committee of one man, that it is not a dictatorial committee, but that it is a committee run as a team. I want to express my appreciation for that teamwork to the members of that committee today.

Of course, Mr. Chairman, as I said, I grew up at Mr. Vinson's knee, just as did Mendel Rivers—in fact, we went to the Vinson College, from which place no one ever graduated—but I might just mention one piece of advice that Mr. Vinson gave us in running a committee: He said, "Get them mad, but don't get them all mad at the same time."

The subcommittee of that committee are run by chairmen who are chairmen because of their rank, helped by the minority chairmen of equal rank.

So here today the committee brings before the House a piece of legislation that is most needed, but a piece of legislation that has not been hastily brought to the House. This legislation was ready last year before we recessed. This committee, under the gentleman from New York (Mr. STRATTON), assisted by the gentleman from New Jersey (Mr. HUNT), took trips. They went to sea and talked to individual pilots aboard the ships. They went to bases and discussed the situation with those Air Force, Army and Marine Corps individuals and not just those who had been deprived of this pay last year through what I believe was a very wrong decision.

Last year the committee vote was 19 to 14. This year's vote was 34 to 4 and 1 present, indicating to the members that the committee could get together and after 7 months in hearings could come to a compromise and bring before this body a piece of legislation which I believe, while not totally acceptable to everybody—and no legislation is totally acceptable to everybody—certainly is a piece of legislation.

I thank the chairman, the gentleman from New York (Mr. STRATTON) for allowing me this opportunity to thank him and to thank the gentleman from New Jersey (Mr. HUNT) for the magnificent job they have done, for the great demonstration of team play they have shown here today, for the splendid example of what real committee work is, and the excellent demonstration to this body of how a piece of legislation can be brought to the floor by a committee which has as its one goal—that which we always have on the Committee on Armed Service—the solid defense of this Nation. Not a No. 2 defense, but a No. 1 defense, because in this league of international relations they do not pay off on a second position; they only pay off on the winner. As long as I am surrounded by the men that I am surrounded by on the House Committee on Armed Services, I will be proud to be its chairman.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from New Jersey.

Mr. HUNT. I thank the gentleman for yielding.

Mr. Chairman, on behalf of my colleagues on this side of the aisle who served on the committee, we want to say to the gentleman from Louisiana we thank him for his expert guidance and thank him for his tolerance and just for putting up with us in the many things we have to say on the floor, or the peculiar moments that we give him in the committee work. We think he has done a great job, and under his guidance I am quite sure we will progress to greater heights in assuring the protection of this Nation, one Nation under God, with liberty and justice for all.

Mr. HÉBERT. I thank the gentleman from New Jersey, who is one of my quieter members, very retiring and very solitary. Sometimes we do not quite understand what he means because he speaks a little low. I thank the gentleman from New Jersey, indeed, very much, and I thank the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I want to thank the distinguished chairman of the full committee for his very generous comments about the members of the subcommittee, and express to him personally and on behalf of the subcommittee our appreciation for the leadership he has provided to us. He sometimes tries to give the impression when speaking in this Chamber and in the committee room of being a bear in terms of the kind of rough treatment he affords to members of the committee, giving the impression that he makes all the decisions at the top and we just fall in line. But we on the committee are well aware, and particularly on this subcommittee, that the chairman actually turns over the full responsibility for legislation to the subcommittees to whom he delegates the legislation.

This bill that we have presented to the committee today is a perfect example of that. We got into a complicated thicket with it. There were a lot of new problems. The committee came up with a lot of initiative and new ideas. We hear much talk these days about the necessity for Congress coming up with ideas of its own. Well, this bill contains some new congressional ideas.

And the committee chairman, the distinguished gentleman from Louisiana never said at any time: "Do not do this or do not do that or make sure to come up with this kind of bill or that kind of bill." Instead he said: "I leave it up to the subcommittee to determine the shape of this bill, and I am sure its full committee will go along with what the subcommittee has developed."

I think that is the way the legislative process ought to work. It is the kind of guidance that the Democratic caucus provided last year to the individual committees and to the committee chairmen.

I want to commend the gentleman from Louisiana for his adherence to those guidelines.

I also would like to take this opportunity to express my appreciation to all the members of the subcommittee who have worked so hard, including the gentleman from New Jersey (Mr. HUNT), the senior Republican member, who has already been referred to and who has been a real pillar on the subcommittee. The gentleman from Wisconsin (Mr. ASPIN) did a remarkable job, as did the gentleman from Alabama (Mr. NICHOLS), and the gentleman from Calfornia (Mr. LEGGETT), and the gentleman from California (Mr. DELLUMS), and the gentleman from South Carolina (Mr. DAVIS); and on the minority side the gentleman from Ohio (Mr. POWELL) who unfortunately will not be a candidate for reelection, and the distinguished gentleman from New York (Mr. MITCHELL) who himself had a distinguished Naval aviation service career and who has probably been more directly and intimately and emotionally involved in this complex subject than any other member of the committee; and also the gentleman from Florida (Mr. YOUNG) who was on the committee during our hearings but who has since transferred to another committee, but who throughout the hearing process did a great job.

I want to say just a couple of other things before we close the debate. One is that some of the objections that have been made to this bill remind me of a fellow who complains because we have given him only an Oldsmobile and not a Cadillac.

Actually we have set up here much more stringent regulations and controls over who will be subject to aviation pay from the point of view of Congress and the basic law than we have ever had before. Some of the theoretical complaints that have been made here this afternoon about how many years of flight pay one can get for only 2 years of training apply even more to the present system. But the control of the aviation pay is primarily determined by the rules and regulations of the services. And even today, without any congressional review the services require not only 4 hours of flying a month to retain proficiency for flight, they also require an annual flight physical, an annual written examination and an annual instrument check. In the Air Force after completion of 7 years a pilot is reviewed as to whether he ought to become a senior pilot. In order to become a senior pilot one has to have had 1,500 flying hours at that 7-year point, which is twice as many hours as are required for just maintaining proficiency. If one does not pass the screening to become a senior pilot, then he well may be eliminated from flight status altogether. That procedure applies both to the Army as well as to the Air Force.

The Navy checks over its pilots for their flight proficiency every year. They eliminate about 35 a year on the basis of failure to perform efficiently, and more than 100 more a year because they cannot pass the flight physical.

So during these initial years there are already in the basic service regulations adequate guarantees of flying performance.

The congressional guidance and guidelines we propose in this bill would come after that period when an officer goes on after his career enhancement to some staff college or staff work, where he can broaden himself so that he is not just a plane driver or a stick jockey but also becomes a broader, more knowledgeable, a responsible officer of the armed services, better fitted for ultimate command.

I believe we have here today a bill that represents real congressional leadership in this complex field. I think we ought to exert this leadership and provide the opportunity to get started on the closer, stricter and more efficient guidance over aviation pay which this bill provides.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aviation Career Incentive Act of 1974".

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 301(a)(1) is amended by inserting "enlisted" before "crew member".

(2) Section 301(g) is repealed.

(3) The following new section is inserted after section 301 and a corresponding item for that section is inserted in the chapter analysis:

§ 301a. Incentive pay: aviation career

"(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section, for the frequent and regular performance of operational or proficiency flying duty required by orders. For the purposes of this section, it is the intent of Congress that aviation career incentive pay for a crew member who holds or is in training that leads to the award of an aeronautical rating or designation shall be restricted to those officers who engage, and remain, in that aviation service on a career basis. It is also intended that, under regulations precribed by the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an officer (except a flight surgeon, or other medical officer) who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. However, a flight surgeon, or other medical officer, who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty. Furthermore, to insure compliance with congressional intent, and to reflect congressional policy, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 11 of the first 18, years of his aviation service to be entitled to continuous monthly incentive pay. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 9 but less than 11 of the first 18 years of his aviation service, he will be entitled to continuous monthly incentive pay for the first 22 years of his officer service. If at those times in his aviation career he has failed to peform those prescribed duties, his entitlement to that pay ceases, but he remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties. For the purposes of this section, the terms—

"(1) 'operational flying duty' means flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary concerned, and flying performed by members in training, that leads to the award of an aeronautical rating or designation; and

"(2) 'proficiency flying duty' means flying performed under competent orders by rated or designated members while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

"(b) A member who satisfies the requirements described in subsection (a) of this section is entitled to monthly incentive pay as follows:

"(1) For an officer in pay grades O–1 through O–10 who is qualified under subsection (a) of this section:

"Phase I

"Monthly rate:	Years of aviation service (including flight training) as an officer
$100	2 or less.
$125	Over 2.
$150	Over 3.
$165	Over 4.
$245	Over 6.

"Phase II

"Monthly rate:	Years of service as an officer as computed under section 205
$225	Over 18.
$205	Over 20.
$185	Over 22.
$165	Over 24 but not over 25.

An officer is entitled to the rates in phase I of this table until he has completed 18 years of service as an officer, after which his entitlement is as prescribed by the rates in phase II, if he has completed at least 6 years of aviation service as an officer. However, if he has over 18 years of service as an officer, but not at least 6 years of aviation service as an officer, he continues to be subject to the rates set forth in phase I of the table that apply to an officer who has less than 6 years of aviation service as an officer. An officer in a pay grade above O–6 is entitled, until he completes 25 years of service as an officer, to be paid at the rates set forth in this table, except that an officer in pay grade O–7 may not be paid at a rate greater than $160 a month, and an officer in pay grade O–8, or above, may not be paid at a rate greater than $165 a month.

"(2) For a warrant officer who is qualified under subsection (a) of this section:

"Monthly rate:	Years of aviation service as an officer
$100	2 or less.
$110	Over 2.
$200	Over 6.

For the purposes of clauses (1) and (2) of this subsection, the term 'aviation service' means the service performed, under regulations prescribed by the Secretary concerned, by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service.

"(c) In time of war, the President may suspend the payment of aviation career incentive pay.

"(d) Under regulations prescribed by the President and to the extent provided for by the appropriations, when a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, performs, under orders, duty described in subsection (a) of this section for members entitled to basic pay, he is entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) (1) or (2) of this section, as the case may be, for the performance of that duty by a member of corresponding grade who is entitled to basic pay. He is enitled to the increase for as long as he is qualified for it, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty or appropriate duties, as the Secretary may prescribe under section 206(a) of this title. This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.

"(e) The Secretary of Defense shall report to Congress before July 1 each year the number of rated members by pay grade who—

"(1) have 12, or 18, years of aviation services, and of those numbers, the number who are entitled to continuous monthly incentive pay under subsection (a) of this section; and

"(2) are performing operational flying duties, proficiency flying, and those not performing flying duties.".

SEC. 3. Section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199), and section 715 of the Department of Defense Appropriation Act, 1974 (87 Stat. 1041), are each amended by striking out the last sentence.

SEC. 4. Notwithstanding the amendments made by this Act, an officer who was entitled to incentive pay under section 301(a)(1) of title 37, United States Code, on May 31, 1973, or on the day before the effective date of this Act, if otherwise qualified on the day before the effective date of this Act, is entitled to monthly incentive pay as prescribed in either clause (1) or (2) of this section, as follows:

(1) If he is credited with 6, or less, years of aviation service as an officer, and with less than 12 years of service as an officer, he is entitled to monthly incentive pay either—

(A) in the amount he was receiving under section 301(b) of that title on May 31, 1973, or on the day before the effective date of this Act, but with no entitlement after either of those dates, as applicable, to any longevity pay increases or increases resulting from promotion to a higher grade until such time as the rate to which he is entitled under section 301a(b) of that title, as added by this Act, is equal to or greater than the amount he was receiving under that section on May 31, 1973, or on the day before the effective date of this Act, and thereafter his entitlement is as prescribed by that section, as amended by this Act; or

(B) at the rate prescribed by section 301a (b) of that title, as amended by this Act;

whichever is greater. However, an officer who is promoted and assigned to pay grade O–7, or above, during the 36-month period following the effective date of this Act may not receive more than the rate which existed for that pay grade prior to June 1, 1973. Once an officer described in this clause has received any monthly incentive pay under section 301a(b) of title 37, United States Code, as added by this Act, he is no longer entitled to receive any payment under section 301(b) of that title as it existed on the day before the effective date of this Act.

(2) If he is credited with more than 6 years of aviation service as an officer, or less than 6 years of aviation service, but more than 12 years of service as an officer, he may receive monthly incentive pay at the rate prescribed in the table in section 301a(b) of title 37, United States Code, that is applicable to him, or $165, whichever is greater, for not more than 36 months after the effective date of this Act, notwithstanding the provisions of section 301a(a) of that title with respect to prescribed operational flying duties (including flight training but excluding proficiency flying).

However, the amount to which a reserve officer is entitled under this section is governed by the provisions of section 301a(d) of title 37, United States Code.

SEC. 5. This Act becomes effective on the first day of the first month after enactment.

Mr. STRATTON (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PIKE: On page 3, line 5, after the period, strike the sentence beginning "Furthermore" through line 13 and insert in lieu thereof the following:

"Furthermore, to insure compliance with congressional intent, and to reflect congressional policy, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 8 of the first 12 years and 12 of the first 18, years of his aviation service to be entitled to continuous monthly incentive pay. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 10 but less than 12 of"

Mr. PIKE. Mr. Chairman, during the debate on this bill I was asked in the classic words of the chairman of the committee, but by the gentleman from Wisconsin (Mr. ASPIN) to "Put up or shut up."

So here it is. Here is the bill that the subcommittee itself wrote until the Pentagon told them to change it. This is what this amendment is.

It says that instead of having to fly 6 out of the first 12 years to pass through the gate, he will have to fly eight out of his 12 years to pass through the gate.

Is that such a terrible thing to ask a pilot to do to get flight pay? I do not think so and the subcommittee did not think so, either.

It says that when he gets to the 18-year gate, instead of having to fly 9 years to pass through for 22 years of flight pay, he has got to fly 10 years to pass through for 22 years of flight pay, and instead of having to fly 11 years to get 25 years of flight pay, he would have to fly 12 years to get 25 years of flight pay. That is all the amendment does.

It says that in order to pass through the gate he has to fly eight out of his first 12 years and 12 out of his first 18 years. That is what the amendment says.

Now, there are things that the amendment does not say. It does not say that he has to fly at all during that first 12 years; oh, no. Now, we are not going to be that tough on them. They do not have to fly at all once they get out of flight school. They just keep on getting flight pay every single year for their 12 years, whether they fly or not. Once they pass through that 12-year gate, they do not have to fly anymore for 6 years. They get flight pay up to 18. No, no. They just keep on getting flight pay, whether they fly or not.

All the amendment does is reinstate the bill to the point where the subcommittee had it.

Now, what happened when the subcommittee presented this bill? The Pentagon got very unhappy. As I said, the Marines do it. Most of the Air Force does it. Most of the Navy does it. The warrant officers in the Army do it, but the commissioned officers in the Army do not do it.

Who flies in the Army? The warrant officers fly in the Army.

So, the question is very simple. Are we going to have a bill which does that which we ought to be doing, making the people fly a little bit to get their flight pay—less than half, always less than half?

The gentleman from New York (Mr. STRATTON) in the hearings on page 809, said this:

> The American people are simply not going to put up for long paying aviation pay to officers who are not devoting a substantial portion of their careers in actual flying, and substantial in my book certainly can not mean less than 50 percent.

OK. I have put up. Now, let us see what the other people do.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. PIKE. Mr. Chairman, I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just wanted to ask the gentleman from New York whether he would support the bill if his amendment is accepted.

Mr. PIKE. Mr. Chairman, I want to assure the gentleman that I will support the amendment which I have just offered. As to the rest of it, we will cross that bridge when we come to it.

Mr. HUNT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the hour grows late and many of our colleagues due to the gasoline fuel shortage, have reservations on the planes that are flying.

I just want to recall whether I am correct on this: As I recall, the author of this amendment, the gentleman from New York (Mr. PIKE) said at the outset when he spoke initially on the floor that the bill we are considering (H.R. 12670), was so bad he would not even attempt to amend it.

Now, he comes along, obviously in pique, and attempts to amend it back to a bill that was rejected in the committee—not because the Pentagon told anybody. I do not know whereof my colleague speaks, but the Pentagon has not tried to influence me. As the Members can understand from our conversations before, I am quite sure my colleague understands that they never attempt to influence me. Even the chairman of the committee, the chairman of the full committee on Armed Services, the gentleman from Louisiana (Mr. HÉBERT), as much as said that he had some difficulty with me in those respects.

So, I say to the Members today, this bill we have presented to them, the one that my colleague now seeks to amend at the last moment after we have gone through this, after the Committee on Armed Services voted it out of committee by a vote of 34 to 4, he now seeks to amend in pique at the last moment. This is a pretty poor demonstration, I would say, when he would not even try to amend it in committee. That was the place to do it. We do not come on this floor and write legislation.

We come on this floor this afternoon from the Committee on Armed Services to pass a bill recommended all over the country. The warrant officers my colleague spoke about are for this bill. The Members heard my colleagues speak today on the floor. They heard my colleagues speak and tell them that the warrant officers are getting what they want, getting an increase in pay that they so richly deserve. These other men who fly the combat helicopters, we seek to take care of these men. We seek to take care of our own obligations.

Nothing has been said about the bill which resulted from studies of the Hook Commission of 1928 that guaranteed these men flight incentive pay and which was passed into law by this Congress in 1929. We who have brought the bill to the floor today simply want to do one thing: Fulfill our obligation to these men who are flying, who have come into the armed services by being induced to come in to be aviators with an incentive pay.

To walk away and to welsh on a promise is to really walk away from a contractual obligation. I am certain many Members who are attorneys here understand that when one has a contract obligation, one fulfills it. If he does not, then the courts compel him to do so.

Mr. Chairman, let me urge my colleagues today to support the bill we have presented to them. Let me ask them in all sincerity to vote down this innocuous amendment. If we wanted this, of course, we would have brought it out. I assure the Members also of one thing: The Pentagon is not the catalyst.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as the gentleman from New Jersey has already pointed out, this matter was not addressed in the minority views at all, and as a matter of fact the key point to which the minority views are discussed is not touched on by this amendment at all. We have been told earlier that the bill that we offered was a terrible thing, because it would allow somebody to draw 12 years of flight pay for only 2 years of flying. The same, if true, would apply under this amendment. Under this amendment it would be possible to draw flight pay for 25 years with only 12 years of flying. So there is some question as to just what the purpose of the amendment is.

But it is a very simple matter as to why the subcommittee did not accept this position. This was the original proposal for consideration by the subcommittee and, in fact, this was my original idea. The reason that the subcommittee backed away from it was the very simple reason that we discovered that if we insisted on this amendment, we would seriously disrupt the flying operations of the Army and create real havoc in the Navy.

Since, after all, the purpose of this bill is to provide an incentive to build an effective aviation service in the Army and in the Navy and in the Air Force, we did not think that just to insist on congressional prerogatives was a justification for disrupting the services that we were trying to help.

Here is what the situation is. General Benade, the Assistant Secretary of Defense for Manpower, said as follows:

> The Department believes that the members of the Subcommittee should be aware of the severe impact that such a requirement would produce on the aviation community. The following table provides an illustration of the numbers of career aviators in the present force who would be denied continuous incentive pay at the 12 and 18 years "gates" because of failure to meet the operational flying time standards.

Mr. Chairman, the table is given in percentages. It shows that in the Army, at the 12-year gate, it is 100 percent, and at the 18-year gate, 100 percent; in the Navy, 60 percent at the 12-year gate; and at the 18-year gate, 72 percent; and in the Air Force, 20 percent at the 12-year gate, and 25 percent at the 18-year gate.

Now, this is a rather shocking situation, there is no question about it. But we felt that the wise and the sensible and the responsible thing to do was to make some adjustment so that the services could restructure their flying assignments on a gradual enough basis so they did not have complete chaos as a result of the passage of this bill. We tried, in other words, to compromise the desires of the House to put flight pay on a more equitable basis with the other objective, which was to create a system that would provide an incentive for people to get into an effective aviation force and to stay in it.

For that reason we dropped the gates a couple of years so that we could get this thing started, as I said. Let us walk before we run. Let us begin at least to do this job.

Mr. Chairman, I think it would be irresponsible for us to undertake the adoption of an amendment that clearly, as the Assistant Secretary of Defense has indicated, would create chaos and would seriously impair the effect on personnel attraction and retention. Such a law can only be counterproductive, at the same time increasing significantly the costs for replacement training.

In other words, we are by this amendment working against our own purposes, and I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PIKE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PIKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. WHITE

Mr. WHITE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. WHITE: On page 2, line 13, insert before the word "officers" the words, "regular or reserve".

Mr. WHITE. Mr. Chairman, this is a clarifying amendment which says that if and when we pass this bill reserve and regular officers would be included and treated alike.

Mr. STRATTON. Will the gentleman yield to me?

Mr. WHITE. I yield to the gentleman.

Mr. STRATTON. The gentleman from Texas has been good enough to show me his amendment. What it does, as the gentleman just said, is simply to make it clear the provisions of this bill apply not only to regular officers on extended active duty, but also to Reserve officers on extended active duty.

We have in the subcommittee a legal opinion which says the present wording of the bill makes it perfectly clear it applies to the Reserve officers who are on active duty as well as Regular officers. However, we would have no objection to the amendment and would be glad to accept it and take it to conference.

Mr. WHITE. I thank the gentleman. I yield to the gentleman from New Jersey.

Mr. HUNT. We have no objection on this side, and we will be very happy to accept the amendment.

Mr. WHITE. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WHITE).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, under the rule, the committee rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BEVILL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crewmember duties, and for other purposes, pursuant to House Resolution 894, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. STRATTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 320, nays 67, not voting 44, as follows:

[Roll No. 40]

YEAS—320

Abdnor
Alexander
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bevill
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Derwinski
Dickinson
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hébert
Heckler, Mass.
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
O'Brien
O'Neill
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rarick
Rees
Regula
Rhodes
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Scherle
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NAYS—67

Abzug
Adams
Addabbo
Anderson, Calif.
Badillo
Bergland
Biaggi
Biester
Bingham
Bolling
Burlison, Mo.
Carney, Ohio
Chisholm
Collins, Ill.
Conyers
Cotter
Coughlin
Danielson
Dellums
Dennis
Diggs
Dingell
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Evins, Tenn.
Grasso
Green, Oreg.
Green, Pa.
Gross
Hamilton
Harrington
Hawkins
Hechler, W. Va.
Heinz
Helstoski
Henderson
Holtzman
Howard
Kastenmeier
Koch
Long, Md.
McCormack
Mazzoli
Metcalfe
Mink
Mitchell, Md.
Mosher
Obey
O'Hara
Pike
Rangel
Reuss
Roe
Rosenthal
Roybal
Ryan
Sarbanes
Schneebeli
Schroeder
Seiberling
Shuster
Stark
Studds
Whitten
Yates

NOT VOTING—44

Andrews, N.C.
Ashbrook
Brasco
Broomfield
Buchanan
Carey, N.Y.
Clancy
Crane
Dent
Devine
Fascell
Frelinghuysen
Fulton
Griffiths
Hays
Johnson, Colo.
Jones, Tenn.
Kluczynski
Kuykendall
Long, La.
Mailliard
Mills
Moss
Murphy, N.Y.
Nix
Patman
Pepper
Quillen
Reid
Roberts
Rooney, N.Y.
Rousselot
Slack
Snyder
Stokes
Symington
Talcott
Taylor, Mo.
Teague
Vander Veen
Vanik
Waldie
Wydler
Zablocki

So the bill was passed.

The Clerk announced the following pairs:

Mr. Nix with Mr. Moss.
Mr. Rooney of New York with Mr. Patman.
Mr. Hays with Mr. Vander Veen.
Mr. Teague with Mr. Pepper.
Mr. Brasco with Mr. Waldie.
Mr. Zablocki with Mr. Kuykendall.
Mr. Carey of New York with Mr. Frelinghuysen.
Mr. Kluczynski with Mr. Ashbrook.
Mr. Reid with Mr. Mills.
Mr. Dent with Mr. Quillen.
Mr. Fulton with Mr. Crane.
Mr. Long of Louisiana with Mr. Talcott.
Mr. Murphy of New York with Mr. Broomfield.
Mr. Fascell with Mr. Rousselot.
Mr. Roberts with Mr. Buchanan.
Mr. Stokes with Mr. Symington.
Mr. Vanik with Mr. Snyder.
Mr. Slack with Mr. Clancy.
Mr. Andrews of North Carolina with Mr. Taylor of Missouri.
Mrs. Griffiths with Mr. Devine.
Mr. Jones of Tennessee with Mr. Wydler.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10203) entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes."

CONTROL OF DRUG ABUSE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-219)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

One of the leading concerns of this Administration over the past five years has been the problem of drug abuse in America. In the 1960's, the number of heroin users increased substantially, reaching more than a half-million by 1971, and we saw an increase in the abuse of other narcotic and non-narcotic drugs.

With the cooperation of the Congress, and with the assistance of many foreign nations that were involved, we have undertaken a massive response to a problem which was assuming massive proportions. Our response has been balanced between rehabilitation for drug users, and strong enforcement against drug traffickers. It is compassionate, thorough and tough—and it has been highly effective.

REHABILITATION

In 1971, Federally-financed treatment programs for drug abuse were assisting 20,000 people. Today, these programs, linked with State and local drug abuse treatment programs have a capacity for helping more than 160,000 people.

In 1972, we had some 30,000 people on waiting lists for treatment of heroin addiction. Today, these waiting lists have been virtually eliminated. Those who formerly resorted to crime to support a drug habit because treatment was unavailable no longer have that excuse for their criminal activities. Those who want help can get that help.

There are those who need help but are unwilling to seek it. We are doing everything possible to encourage them to come in out of the cold. As an incentive to those who are not motivated to seek help on their own, Federal agencies are increasing their support of local programs to provide treatment for addicts and abusers who become involved in the criminal justice system.

ENFORCEMENT

Federal drug investigation and intelligence responsibilities have been consolidated in the new Drug Enforcement Administration of the Justice Department to provide the strongest possible spearhead in the attack on America's number one public enemy.

International seizures of opiates have increased sharply in the last year. The number of Federal drug-related arrests has jumped from over 15,000 in fiscal year 1972 to almost 25,000 in fiscal year 1973.

The continuing heroin shortage in the East Coast is an encouraging sign of success in the effort to stem the flow of this dangerous drug into our country. I am informed that the price of a milligram of heroin in New York City has tripled in the past 24 months. The purity of that heroin which is available was reduced by almost half in the same period. While we cannot solve the drug problem without treating those who are addicted, the most important factor in seeking a solution will be continued reduction of illicit drug supplies. If we are to eliminate the supply of illicit drugs we must remove from our society those who deal in these drugs.

I am determined to maintain and increase the pressure on those who traffic in human misery. Despite the very positive evidence that we are on the right track in removing the menace of drug abuse from our society, more remains to be done.

In my message to the Congress of June 17, 1971, requesting legislation for the present full-scale Federal offensive against drug abuse, I made it clear that there was much we did not know about this problem. I noted in that message that "it is impossible to say that the enforcement legislation I have asked for here will be conclusive—that we will not need further legislation. We cannot fully know at this time what further steps will be necessary. As those steps define themselves, we will be prepared to seek further legislation to take any action and every action necessary to wipe out the menace of drug addiction in America."

While our enforcement efforts are proving effective in finding drug traffickers, our system of criminal justice is not as effective in dealing with them after they are arrested. Justice Department studies show that more than a quarter of those who are convicted of narcotics trafficking do not serve a single day behind bars. These studies also indicate that nearly half of those arrested for drug trafficking may be continuing their criminal activities while out on bail. Further, because of the enormous sums of money involved in trafficking, a drug law violator finds it easier to post a high bail than do persons involved in other types of crime.

We have identified these loopholes in the criminal justice system, and now we must close them. I will submit shortly to the Congress legislative proposals which would increase the penalties for those who traffick in narcotics, provide mandatory minimum sentencing of narcotic traffickers for first time offenses, and enable judges to deny bail, under certain conditions, pending trial.

NEW LEGISLATION AIMED AT DRUG TRAFFICKERS

The new penalties for narcotics trafficking would provide minimum Federal sentences of not less than three nor more than fifteen years for a first offense. It would provide not less than ten nor more than thirty years for a second offense. Additionally, the proposal would increase the maximum Federal penalty for illicit trafficking in other dangerous drugs from the present five years for a first offense to ten years; and for the second offense, the minimum penalty would be three years and the maximum penalty would be increased from ten to fifteen years.

This proposal would also enable judges to deny bail in the absence of compelling circumstances if a defendant arrested for trafficking dangerous drugs is found (1) to have previously been convicted of a drug felony, (2) to be presently free on parole, probation, or bail in connection with another felony, (3) to be a nonresident alien, (4) to have been arrested in possession of a false passport, or (5) to be a fugutive or previously convicted of having been a fugitive. The defendant must be brought to trial within 60 days or the matter of bail would be reopened, without regard to the earlier findings.

CONCLUSION

Drug abuse is a problem that we are solving in America. We have already turned the corner on heroin. But the task ahead will be long and difficult, and the closer we come to success, the more difficult the task will be. We can never afford to relax our vigilance and we must be willing to adjust our methods as experience tells us they should be adjusted.

We will continue to support treatment and rehabilitation of abusers with all the generosity and compassion which victims of drug abuse require.

But there can be no compassion for those who make others victims of their own greed. Drug traffickers must be dealt with harshly, and where the law is not sufficient to the task, we must provide new laws, and we must do so rapidly.

I urge the earliest possible consideration and passage of the legislation which I am proposing to strengthen our drug enforcement efforts by closing the loopholes in our criminal justice system.

RICHARD NIXON.

THE WHITE HOUSE, *February 21, 1974.*

CONGRESSIONAL PAY RAISE

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYMMS. Mr. Speaker, it is indeed ironic that at a time when the American wage-earner and pensioner is forced by inflation to buy beans and franks, that Congress is contemplating another salary increase to keep pace with the price of filet mignon. The irony rests in the indisputable fact that Congress itself is most responsible for the soaring cost of living and yet we are asking everyone else but ourselves to pay for it.

For month after month I have listened while Government officials scold private citizens for their supposed contribution to the "wage-price spiral." I have heard all the phony logic used to rationalize the imposition of wage-price controls on our once free economy. And now I am burdened with hastily conceived excuses and counter charges employed in an effort to explain away the critical shortages which inevitably resulted from the controls on wages and prices. The implication in each case has been that individual Americans—not government—were responsible for our economic hardships and that therefore the American public—not government—would have to tighten its belt.

It is a typical tactic of government that while bowing to the idol of deficit spending it is blaming its own malfeasance and inflationist policies on the private citizenry. Business and labor are told to "hold down" the cost of living even though they have no control whatever over the expansionist monetary policies of the Federal Reserve System which dictate the wage and price hikes. This is the situation at present. Yet, as if this state of affairs is not sad enough, Congress now adds insult to injury by considering a salary increase for itself while disapproving of salary increases for all other hard-working Americans. When this kind of hypocrisy prevails it is no wonder that public respect for Congress keeps plummeting ever lower.

Until Congress musters sufficient political courage to come to grips with deficit spending it should not even entertain the thought of a salary increase. Since Congress has created our mounting inflation by its utter refusal to cut spending, Members of Congress should pay the price by having to live with their present salaries. Indeed, if we are to reestablish economy in government, then there is no better place to start than with our own paychecks.

It is truly unfortunate that, as a consequence of the Federal Salary Act of 1967, no positive action by Congress is now required to approve of pay increases. It is my belief that the American taxpayer has a right to know where his representatives stand on an issue of this importance whenever it arises. Moreover, Members of Congress should be held accountable for their salary hikes to the people they represent. I am confident that were the true feelings of Americans known, their message to Congress would be to act responsibly, balance the budget and repeal the bureaucratic restraints on U.S. productivity before contemplating a pay increase for a job performed to date so poorly.

CONVERSION FUND EXTENSION FOR MEDICAL SCHOOLS

(Mr. ABDNOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABDNOR. Mr. Speaker, today I have introduced legislation providing for a 2-year extension of the Public Health Service Act's authority for grants for 2-year medical schools intending to become schools capable of granting medical degrees. This so-called conversion fund expires June 30, 1974, prohibiting further grant assistance to those 2-year medical schools converting to a 4-year degree granting school. The need for this extension can be expressly seen by the circumstances in my State of South Dakota.

The South Dakota legislature recently passed into law the needed authority for our 2-year medical school to convert into a 4-year degree granting school. Pending accreditation, the school will not be able to open its doors to the third year medical student until the fall of 1975, 1 year too late for the conversion fund assistance. The conversion fund would have provided $50,000 per third year student which amounts to $1,750,000 in our case. The legislation I have introduced would provide the needed time for the school to qualify, and its application for assitance to be considered. The assistance factor per student enrolled would remain that of $50,000.

The need for a 4-year degree granting medical school in the State of South Dakota, and thus assistance from the conversion fund, can be seen in that 50 to 67 counties in the State show a need for additional physicians when you compare population density to available doctors.

Many studies indicate a close correlation between the location where the most advanced level of training was received and the location of practice. Residency training programs would appear to be an effective approach to increasing the quantity of physicians in South Dakota, and you cannot fill residencies without the close supervision of a 4-year medical school. One relates to the other, and thus the point of concern.

Needless to say, I will not be so foolish as to imply that the answer to South Dakota's health needs rests wholly in the development of a 4-year degree granting medical school. It simply represents one part of the health systems development and feasibility. The extension of the conversion fund would provide needed Federal assistance for the school's development and eventually the development of a regionalized integrated rural health system providing continued health education, allied health support, and family practice emphasis so badly needed in this age of specialization.

MORE ON THE MICRONESIAN STATUS TALKS

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WON PAT. Mr. Speaker, several weeks ago, I rose to point out to my colleagues in the House a problem of severe proportion which is growing out of the United States' status talks with the Northern Mariana Islands.

At that time, I pointed out that it is becoming more apparent with every passing day that the State Department and the Department of the Interior, together with officials of the Pentagon, are so desirous of developing a major military facility on the island of Tinian that this country is offering to provide the estimated 15,000 residents of the Northern Marianas with a significant degree of political and economic autonomy in exchange for their cooperation.

Included in the proposed package deal will be an offer of U.S. citizenship, commonwealth status with this country, and a guaranteed program of financial assistance.

As a Guamanian-American, I certainly congratulate my fellow Chamarros for their success in the status talks to date, and I have joined with the entire membership of the 12th Guam Legislature in offering our best wishes for continued success.

I also noted, however, that the American citizens of Guam are not faring so well in their efforts to upgrade their political status with this country.

The Guam Pacific Daily News, which covers not only Guam but Micronesia—Trust Territory of the Pacific—in an editorial by Mr. Joe Murphy, agreed with my comments, I am pleased to say. The newspaper further amplified my comments with their own illuminating but provoking views and statements.

Since I believe this is an issue of growing concern to my colleagues, as well as the American citizens of Guam, I hereby request that the editorial be inserted in the RECORD at this point.

[From the Guam Pacific Daily News, Feb. 9, 1974]

AT A DISADVANTAGE

It's wholly predictable, and will be just the first shot, with many more to come.

We're talking about Rep. Antonio B. Won Pat's statement made in the Congressional Record this week, when he complained loudly that his Micronesian neighbors seem to be getting a better deal at the bargaining table than Guam is getting as a U.S. territory.

We don't think that Won Pat's statement is just petty jealousy, either, because he's not that kind of a person. We think that he is legitimately expressing the views of most of the people in Guam. We're just surprised that some of the more vocal members of the Guam legislature haven't already taken up the cry.

Won Pat, in his remarks, said that while he joins the Guam Legislature in backing the aspirations of the people of the Northern Marianas to upgrade their status with the U.S., the needs of Guam should not be overlooked in the process.

It gets back to our original premise—that Guam should have been included in the talks. The U.S. State Department, and the President of the United States, and his person l representative, Ambassador Williams should have told the people of the Northern Marianas—"Yes, we'll talk to you about future political status, even though it will make the rest of the Micronesians unhappy—but we just don't see the likelihood, or the probability that the U.S. Congress will ever agree to two separate political divisions in an island group as small as the Marianas, so if you want to talk, fine, but we'll have to include Guam in the talks."

Now we are getting into a situation in which the people of Guam, all U.S. citizens, and under the U.S. flag for nearly 75 years, an island that was occupied by the enemy, bombed and shelled by the U.S. finds itself in a position of a lesser degree of self government than our island neighbors.

The tentative agreement between the Northern Marianas and the U.S. would establish a "Commonwealth of the Northern Marianas" under U.S. sovereignty, provide for return to local control of all U.S. military land not needed for defense, guarantee $14.5 million annually for five years in federal assistance, confer U.S. citizenship on indigenous residents of the area, declare the commonwealth a duty-free port and allow for "maximum self-government" with the drafting of a local constitution.

How does that leave Guam on the outside, looking in?

Well, nobody has said anything about providing for return to local control all military land on Guam not needed for defense. Nobody has said anything about providing an annual stipend of $14.5 million annually—in fact last year, such grants were about one fourth that amount, with a population nearly ten times as large. But, even more important, nobody at the U.S. federal government level has said anything to the people of Guam about the drafting of a local constitution, which would allow for "maximum self government."

Won Pat made this point emphatically, when he said: "Guamanians have been unable to obtain the same degree of political autonomy now being offered the Northern Marianas even after Guam has been a part of the United States for 76 years." Guam does not have its own constitution, but one which Congress drafted for it in 1950, called the Organic Act. Efforts to open status negotiations through the White House have gotten nowhere, Won Pat said. He also noted: "We were ignored by the White House and given a watered-down 'status group' comprised of various Washington bureaucrats empowered to discuss matters only with the Guam governor and those selected by him."

Won Pat concluded: "The American citizens of Guam also have been denied the right to determine how much of our limited land areas shall be controlled by the federal government, the result being that one-third of Guam is controlled by the military, but not all land is actively or beneficially used for any purpose."

Another aspect of the situation, which we have pointed out before, and voiced by Won Pat in the Congressional Record, is that under the circumstances prospects for reunification of Guam with its Marianas neighbors seem poorer than ever before. Before, reunification with Guam had some appeal to the people of the Northern Marianas—such things as citizenship, duty free port status, the federal minimum wage law, inclusion in various federal programs. But the U.S. government, in their apparent generosity to the Northern Marianas, have taken such bargaining tools away from Guam.

We're certainly not blaming the leaders of the Northern Marianas for trying to gain every advantage they can in the negotiations. In fact, we applaud their persistence and determination. We do object, however, to the United States in not realizing that the Marianas are one island chain, and then sitting down collectively with all the representatives of those islands. We also find some fault with the leaders of Guam for not insisting more strenously that we be included in those talks.

Frankly, we find it difficult to see any out for the U.S. at this time. We doubt if the U.S. Congress will agree to a fragmentation of the Marianas, especially a fragmentation that obviously puts Guam at a disadvantage. We appreciate Rep. Won Pat in his attempt to set the record straight on the matter, but we think it an opportune time for all of Guam's leaders to try to gain the ear of the State Department, the Department of Interior, the U.S. Congress, and the President on the obvious unfairness of the treatment of the people of Guam, in comparison to our northern neighbors. ICM.

EMERGENCY ENERGY ACT

(Mr. PATTEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATTEN. Mr. Speaker, I take this time to express my great disappointment and outrage that near the end of the month of February, the Congress has not yet reached an agreement on legislation which would grant temporary emergency powers to the President to deal with the fuel shortages. I am, of course, speaking of the Emergency Energy Act.

It is beyond my comprehension why this distinguished body of legislators cannot legislate a bill which would enable this country to deal with a situation which in many areas has developed into crisis proportions. The original purpose of the bill was to simply grant the temporary powers to the Executive which could be used to stem a potentially grave economic threat to our Nation. That was back in the 1st session of the 93d Congress. We composed and debated an emergency bill prior to the Christmas recess and many of those sessions ran into the early morning hours. It was amended, debated and voted on again and again. I intended—and my colleagues know this—to celebrate Christmas Day on the floor of the House of Representatives, so that I could return to my people and assure them that the Congress has indeed acted. But it did not, and I could not tell them so.

Congress returned from its recess only to recess once again without having taken affirmative action on the legislation. Now, after the Senate has completed consideration of the conference report, another logjam appeared on the House horizon.

Congress is supposed to be dealing with an emergency situation. One does not deal with an emergency situation by considering it for nearly 3 months. My home State of New Jersey has been experiencing severe shortages of gasoline. My people have witnessed violent outbreaks and soaring prices. The poor are struggling now, not only to pay for food, but for the fuel to heat the homes. They have been patient and have conserved—they have been extremely patient; but there is a limit, and the people of New Jersey have long passed that limit, as have I.

The Senate version is presently acceptable. It provides for the needed emergency powers and compensates for some of the consequences of the energy crisis we are experiencing. In late December 1973, I voted to limit the "windfall" profits of the industry. The conference report contains a rollback of prices on domestic crude. I am completely in support of that.

I have the highest regard for Senator JACKSON and Chairman STAGGERS for the endless hours they have devoted to arriving at an emergency energy bill and it is about time that Congress completes action on it and delivers it to the President.

We are attempting to deal with an emergency situation. Let us act with that in mind, and adopt the Senate conference report.

THE RETIREMENT OF CONGRESSWOMAN EDITH GREEN

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, in the past 3 years, many of our colleagues have made the very difficult decision not to seek reelection to the Congress. It is a decision that affects each and every one of us in almost the same personal way as it affects each of them. While it is a loss of friendship, and a loss of camaraderie, these are merely losses of distance and frequency and are therefore not permanent in nature. There is, however, another kind of loss that often accompanies the retirement of one of the outstanding members of this body—the loss of leadership and of expertise, qualities that are never so effectively replaced.

The recent decision of the gentlelady of Oregon not to return to Washington for the 94th Congress creates one such significant loss. EDITH GREEN is a woman whom I have admired since I myself first came to Washington in 1959. She has symbolized a style of independence and integrity that we would all do well to emulate. Her capacity for work is legendary and her competency in the field of education is virtually unmatched.

Yes, the retirement of Mrs. GREEN will certainly alter the makeup of the Congress in the years to come. But, apart from this selfish concern of ours, her decision to retire will provide her with the leisure time that she, if anyone, truly deserves.

Even in making public her decision not to seek reelection, EDITH GREEN, in her usual style, was able to pin-point, better than most, some of the hopes and frustrations of all of us here in this Chamber. In her remarks, given before the Portland City Club, she seemed to be speaking the mind of so many of us, as she so often has during debate in the Chamber. In this address, she noted that:

> George Bernard Shaw once defined democracy as a "device which insures we shall be governed no better than we deserve."

By that standard, the people of Oregon must have deserved representation of a standard unsurpassed anywhere, for that is what they have received.

Since I know of the great admiration and respect that all my colleagues hold for her, I would at this point like to insert her announcement of retirement in the RECORD:

ANNOUNCEMENT OF RETIREMENT BY REPRESENTATIVE EDITH GREEN

As Wendell has pointed out in his comments, this is a bi-partisan report to our constituents. I am pleased to participate in it.

One of the joys of the last many years has been the most pleasant bi-partisan working relationship Wendell, Al Ullman and I have had in the House. This very fact has, I believe, worked to the benefit of Oregon. Congressman Wyatt is a great legislator—whose sense of "right" and fairness has commanded the respect of colleagues on both sides and obviously the respect and confidence of Oregonians by his margin of victory in every election—including 1974—if he asked for it.

Today, it is perhaps a bit more difficult than usual for me to speak to you, because of the extra-ordinary loss of confidence in government that seems to have swept the American people.

The fact I am retiring from Congress at least by the end of this year—and therefore, have no personal self-interest, whatsoever, in your acceptance of my observations—it is my hope that this will help persuade you of the sincerity and the genuine concern which I have for the democratic institutions of this country. I am retiring from Congress for a number of reasons, and one is to keep a promise to myself that I made 20 years ago when I was first elected. And that was that should I be so fortunate (and I have been) to win repeated votes of confidence from my constituents then I would retire voluntarily from Congress at a time I considered most appropriate. That time has come. Twenty years in any one job is a reasonably long time. I have never felt in better health; my energies remain unabated. My retirement from Congress, by no means, means a retirement from active life. There are a number of projects and goals which I wish to pursue.

If given a choice to serve in Washington in a time of peace and calm—or a time of stress and strain, a time of crisis, then I must choose the latter—not because it is easier—but because it is more demanding, more personally challenging, decisions more crucial. I'm grateful I've had both. In 1954, fresh from the Korean War and still deep in the Cold War, we were a country gripped by fear, McCarthyism, and uncertainty. Our youth was apathetic, our economy shaky, our schools run down.

How much has transpired in the intervening years! Sputnik, a national awakening, optimism, the resurgence of youth, new hope, assaults on prejudice and discrimination, growth of equal opportunity—followed by a devastating war, disillusionment, violence, inflation, and growing disenchantment with government. The great pendulum has swung mightily in both directions, and the Nation has been fiercely buffeted. These years have given me moments of deep sorrow and moments of great joy.

It was with sorrow I read a Harris Poll in December in the Washington Post. The caption for the two column article read: Presidency Rated Below Trashmen.

That caption could have, also, read: Washington Post Rated Below Trashmen!!

Because every institution in our society, with the exception of medicine (according to this poll), rated below the trashmen in terms of the confidence shown by the American people. The executive branch—according to Harris—winning the confidence of only 18%; labor, 20%; Congress, major companies and the press, 29% each; the U.S. Supreme Court, 33%; religion, 36%; the military, 40%; T.V. news, 41%; medicine, 57%.

When there is this lack of confidence in every one of our institutions—could it be really a lack of confidence in ourselves! Truman said: "The immediate, the greatest threat to us is the threat of disillusionment, the danger of an insidious skepticism—a loss of faith in the effectiveness of international cooperation. Such a loss of faith would be dangerous at any time. In an atomic age it would be nothing short of disastrous."

James Russell Lowell said: "All free governments, whatever their name, are in reality governments by public opinion, and it is on the quality of this public opinion that their prosperity depends." If Truman and James Russell Lowell are both correct, and I believe they are, then before we travel further down this path of self-destruction (yes, at times self-flagellation) we should reexamine our instruments of government—and ask why we've reached this place.

Watergate—to be sure, but pre-Watergate, in 1966, the Executive branch, labor, Congress, the press, the Supreme Court, religion, T.V. news—none of these institutions enjoyed the confidence of one-half of the American people.

I share Wendell's views on the absolutely incredible, inexcusable, stupid series of events called Watergate—and that scenario has no chance of being played out for at least a few months. If some of those bright lawyers around the White House had just remembered Edmund Burke's views: "It is not what a lawyer tells me I may do!! It's what humanity, reason and justice tell me I ought to do".

I wish to leave no doubt of my position on Watergate: wherever corruption or criminal activity has occurred, it should and must be uprooted vigorously. Nothing is a greater threat to free government than the corruption of its institutions.

The Members of the Judiciary Committee, with 90 staff people headed by John Doar, are determined to search out all the facts—those that exonerate as well as those that implicate—in order to reach a fair and impartial conclusion.

At a breakfast meeting last week of the moderate Democrats—Pete Rodino, the Chairman, outlined the scope of the Committee's work and answered questions for an hour.

Among the subjects being explored by the task force examining domestic surveillance activities are allegations with respect to a) the 1969 wiretaps, b) the Huston plan, c) the activities of Messrs. Caulfield and Ulasewicz, d) the activities of the special investigative unit in the White House, and e) the activities surrounding the Ellsberg trial.

The task force charged with examining campaign intelligence activities is examining allegations with respect to the following activities, among others: a) White House "dirty tricks," b) intelligence activities of the Committee to Re-Elect the President, c) the Diem cables, d) the plan to burglarize and firebomb Brookings Institution, and e) operation Sandwedge.

Among the areas under consideration by the task force considering the Watergate break-in and aftermath are allegations with respect to a) the Liddy plan, b) the actual break-in at Watergate, c) the destruction of files, documents and other evidence, d) payments to the Watergate defendants, e) the relationship between the CIA and the Watergate investigation, f) offers of executive clemency to the Watergate defendants, g) the role of John Dean in the Watergate investigation, h) the firing of Mr. Cox, and i) the presidential tapes.

The task force examining the President's personal finances is examining, among others, allegations concerning a) tax deductions taken for the gift of vice-presidential papers, b) deductions and expenditures attributable to private uses of San Clemente and Key Biscayne, c) the sale of the New York apartment, d) the deductions on the Whittier home, e) the sale of certain Florida lots, f) the possibility that income should be imputed by virtue of personal use made of government facilities and services, and g) improvements to San Clemente and Key Biscayne properties of a non-protective nature at government expense. In connection with the President's personal finances, the Joint Committee on Taxation is reviewing the President's returns.

There are a number of allegations under consideration by the task force considering agency practices. Before listing them, I want to emphasize that these are mere allegations. The fact that an inquiry is being or will be made should not be taken to mean that the Committee thinks there was necessarily wrongdoing there, nor should it be taken to mean that there has been any prejudgment whatsoever. Some of the allegations under consideration are a) White House involvement in the solicitation of illegal campaign contributions, b) allegations involving links between dairy contributions and dairy import quotas and price supports, c) allegations involving the compilation of an "enemies" list and action taken with various agencies, particularly IRS, to penalize or harass those listed, d) allegations involving instructions to the Antitrust Division to accord ITT favorable treatment because of a campaign contribution, and e) allegations involving a connection between the White House and the events leading to the indictment of Messrs. Mitchell and Stans.

The Committee is fully aware of its awesome responsibility—as is the House. It is playing a historic role—and what it does will surely affect the future of this country for as long as our form of government persists. There is little precedent. In 1974, the Committee and the House will be setting the precedents for future generations, restudying the Federalist papers, defining "impeachable offense"—establishing the facts.

While there is some difference of opinion among lawyers in the House, many believe that if the House should impeach, the Senate would be limited to those matters in the Articles of Impeachment. Amended Articles of Impeachment is unlikely. I hope that the majority of Oregonians can see why most of my colleagues and I approach this entire matter with special care, special concern, and with the sense that history is watching. No partisanship, no short-term sensationalism can deflect us from our long-term responsibility.

And for a small minority—destroying the Office of the Presidency to "get Nixon" reflects no credit on those who feel that way.

I can understand Wendell's feelings. You and I know that wrongdoing is not the monopoly of one man, or one group, or one party. An honest-to-goodness house-cleaning is not a partisan matter. In my years in Congress, I have originated or conducted a very large number of investigations into mismanagement of funds and abuse of power by the government. I have not found malfunctioning to be the monopoly of one party. If we are going to rid ourselves of wrongdoing, we must do our work without regard to party or ideology. I am afraid that this is much harder to do than to say. How easy it is to confine your investigations to your enemies!

How tempting it is to seek indictments only against your opponents! Yet, such a partisan view of justice will surely do more harm than good to the stable fabric of a free society.

Besides Watergate, what has contributed to the erosion of confidence in government? "Vietnam", to be sure. "The Flowing of power from Congress to the White House." What about the continuous and mounting flowing of power—of decision-making from cities and states to Washington? I believe the sheer size and the remoteness has contributed immeasurably to erosion of confidence in government.

The Social Security recipient who has waited 3 or 4 months for her check from the government loses confidence; she wants service not statistics. The individual who does not get reimbursed under Medicare for months and then only a fraction of the medical bills loses confidence; he believes his government doesn't care; he demands results—not promises from 3000 miles away.

The small businessman becomes engulfed in paperwork—forms to fill out—regulations to read, guidelines to follow. His view—what a mess! That government! Consider this: A Senate subcommittee estimated a short time back that it costs the United States government about $18 million a year to print, shuffle and store forms to businesses and that it costs businessmen another $18 million to get the forms filled out. The National Archives Office said it was a conservative estimate.

Bigness is another way; Yesterday I phoned the Director of the administrative office of the United States Courts; he confirmed that we could expect an increase up to 300,000 in the number of offenses brought before federal courts if the Emergency Energy Act passes in its present form.

In my judgment, the job of the Executive branch, the job of the Congressman is just too big. None of us can do it well.

The legislative load on Congress has skyrocketed out of control. During the first half of the 93rd Congress, 17,528 bills were introduced by Members, of which many were major public bills. Even if there were nothing else to do but study proposed bills, and even if there were limitless funds for staff, it would be impossible—working 16 hours a day—to give all these bills the necessary attention.

There is no end to our problems and if we look to Washington for all solutions, there will be no end of programs. Each new one generates the expectation that the solution will soon be found. And then the infusion of federal funds does not solve the problem, mismanagement occurs, expectations are dashed, disappointments set in and disillusionment and distrust follow.

As I see it, we must have decentralization—a real shift of power to state and local governments.

Decentralization, however, will not take place effectively through words or even through unilateral withdrawal of the federal government from various problem areas. Decentralization will occur only when state and local governments develop vigorous personalities of their own and develop vigorous approaches to the solution of their problems. It is not the collapse of federalism that I look forward to, but rather the resurgence of initiative and imagination in local government. Only a widespread renaissance of local initiative can bring this about.

Let me touch briefly on two other points. Most of my colleagues and I share the concerns Mr. Wyatt has discussed about lobby groups, and I include the new-style of so-called "citizens lobbies" which clothe their positions in a mantle of pure public good. Such groups are proliferating and in fact form a significant new force on the political scene—but they are not yet subject to the same controls as other lobbies. I think they must be.

A sound public interest is good; an interest based on emotion putting out horrendous misinformation is not helpful to the legislative process—whether it be a church lobby or an oil lobby.

Many of the so-called public interest groups seem to believe that if hundreds of thousands of members "buy" their conclusions, their recommendations and relay this by thousands of letters or petitions to Congress—then ipso facto—good government results. I ask for more public thought to the dilemma; how is the constitutional right to petition one's government protected—yes encouraged—and yet the Congressman's right and responsibility to have time to study legislation—preserved? I am beginning to wonder if the impact of mail on "good government" isn't in inverse ratio to its volume. If a Congressman and his staff—for purely political reasons—must devote 80% of their time and occasionally 100% of their time to answering mail and petitions—then there is just that much less time to study legislation, to very carefully draft it—to do the essential research—to read—to reflect—yes, to examine our instruments of government to see if they're working—and to do the scandalously neglected but absolutely essential oversight job if programs are to fulfill their Congressional intent.

I don't know the answer. I do know people write in after they have received a Congressional response to a petition—and say, I never, ever, signed such a petition. Others sign petitions without reading.

I ask more public thought about open meetings of all committees. Hearings, of course, should be and are public. More of us are having doubts about open "mark-up sessions". Committees opened for the public interest are in reality more often opened for the special interests.

In closed conference sessions between House and Senate—I've seen violations of every rule of the House. On the other hand, on the Education and Labor Committee, I have been labor lobbyists in very recent years walk between Members' seats to press a point while roll-call vote on a highly controversial bill is in progress.

I sometimes wonder if the very delicate negotiations and compromises necessary at the constitutional convention would have been successful if public interest groups, and special interest groups working through so-called public interest groups, had persuaded them that all meetings should be open.

If there is one thing I have learned in my years in Congress, it is that this institution represents America in microcosm. The men and women who serve there may not reflect your views or mine, but to an amazing degree—in their style—in their views—in their persons—they do reflect their own constituency.

Yes, there are bad apples among politicians as there are in the population as a whole. But the vast majority are hard-working, honest, good and decent people—just as Americans are as a whole. George Bernard Shaw once defined democracy as a "device which insures we shall be governed no better than we deserve"! On the whole I think America has deserved well and been served well.

It is tempting to succumb to the cynicism and lack of confidence so prevalent. But while we can afford to be disappointed in individuals, we cannot afford to be disappointed in the democratic process—for this is the foundation of our strength.

Each era brings its trials and challenges. Always they seem the most difficult we have faced. But our society has always been characterized by optimism and confidence—having discovered our weaknesses, we will rediscover our strengths.

I am eager to return to Oregon—to family and friends. The District will send a new face to Washington to help shape a new form to federal programs and to federal-state relations.

My years as the Third District Representative will always be for me one of the great joys and prides of my life. And no one could have a better constituency. Even though you've disagreed with me on specific issues (some, on all!!) you've given me the leeway necessary to try to do the best job possible. My colleagues ask about my State and I tell them this constituency is among the best-educated, politically aware, no-nonsense, but common sense groups in the United States.

For my successor may you always remain—(may the big majority of all our citizens forever remain) the good and decent people that you are. My farewell is not to you—but to my office. It is my most cherished hope that I may continue, in other ways, to work with you for our city, our state and our nation.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I take this time to ask the distinguished acting majority leader if he is in a position to give the Members of the House some idea of what the program will be next week.

Mr. McFALL. Mr. Speaker, if the distinguished minority leader will yield, I will be happy to reply to him.

Mr. RHODES. Mr. Speaker, I yield to the distinguished acting majority leader.

Mr. McFALL. Mr. Speaker, there is no further legislative business for today. After the announcement of the program for next week, I will ask unanimous consent to go over until next Monday.

Mr. Speaker, the program for the House for next week is as follows:

Monday is District day. There are no bills scheduled.

For Tuesday and the balance of the week, we have H.R. 2, Employee Benefits Security Act. We have a modified open rule with 4 hours of debate. We expect to take the general debate only on Tuesday.

We have also scheduled S. 2589, the National Energy Emergency Act conference report, which is subject to a rule being granted.

Then, we have H.R. 11793, Federal Energy Administration. We will have votes on amendments and the bill. We have had the general debate already, if the Members will recall.

Then, we have H.R. 11035, the Metric Conversion Act, which is subject to a rule being granted.

Finally, we have H.R. 10294 the Land Use Planning Act, subject to a rule being granted.

Conference reports may be brought up at any time. Any further program will be announced by the leadership later.

Mr. RHODES. Mr. Speaker, may I make a point before the gentleman from California proceeds?

I just want to ask about the program as far as S. 2589 is concerned.

I note that the gentleman stated that the bill is to be called up for conference report and subject to a rule being granted.

Mr. Speaker, it was my understanding that a rule had been granted on that bill.

Mr. McFALL. Mr. Speaker, at the time this was written, the report had not been filed on the rule. I understand now that either the report has been filed, or it will be filed as of midnight tonight.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I would like to ask the distinguished acting majority leader, the gentleman from California, a question. Is there an open or closed rule on the pension bill, H.R. 2? Has an open rule or a closed rule been granted on the pension bill?

Mr. McFALL. Mr. Speaker, the gentleman from Hawaii (Mr. MATSUNAGA) informs me that it is a modified rule.

Mr. YATES. Mr. Speaker, I thank the gentleman.

ADJOURNMENT TO MONDAY, FEBRUARY 25, 1974

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

IMPEACHMENT PROCEEDINGS IN THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 60 minutes.

(Mr. ADAMS asked and was given permission to revise and extend his remarks, and include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I rise today to share with my colleagues some of the views of citizens of Seattle as expressed to date and to express my own approach to the important subject of impeachment.

An investigation involving improper conduct of the President, which would make him subject to impeachment under the Constitution, must be instituted in the House of Representatives. If the House decides a formal charge should be *made, then articles* of impeachment are referred to the Senate for trial. If, after a trial, the Senate by a two-thirds majority votes to convict the President, then he is removed from office.

At this point, Mr. Speaker, I would like to share with the House the views of my constituents, as reflected in mail I receive and a questionnaire I sent to all households, and, in addition, a resolution adopted by the Seattle-King County Bar Association, all of which apply to the impeachment proceeding in the House of Representatives.

CONSTITUENT OPINION

My office has now received over 4,000 letters on the subject of impeachment. This mail is presently running approximately 15 to 1 in favor of the House issuing articles of impeachment and referring the matter to the Senate for trial. In view of this great interest, I mailed approximately 165,000 questionnaires to every household in my district in January 1974. We have received approximately 5,000 responses. The responses have been 66 percent in favor of impeachment and 21 percent opposed.

During this period, the Seattle-King County Bar Association proceeded with a series of special meetings to determine the position of the bar association on impeachment. The question of whether a public position should be taken was presented at the bar association quarterly meeting on Wednesday, December 12, 1973. The association sent out notice of the subject of the meeting in advance and according to newspaper accounts the meeting was heavily attended. At this December meeting, time was allocated to both sides and after debate the members attending the meeting voted to take a public position on the conduct of President Richard Nixon. It was also decided to hold a special meeting to determine what that position should be. The board of trustees agreed upon a time and a place, together with special rules and procedures that would apply if two-thirds of those attending the special meeting approved.

The board of trustees then mailed a notice of the special meeting to all members of the bar association on January 10, 1974. This notice included a statement of the purpose of the meeting and a description of the manner in which all resolutions would be considered at the meeting.

The special meeting was held on Wednesday, January 23, 1974, and rules were adopted which set the procedure and alloted time for debate, which was equally divided between the sides. At the conclusion of the debate the following resolution was adopted:

RESOLUTION OF SEATTLE-KING COUNTY BAR ASSOCIATION

RESOLUTION NO. 1: STATEMENT OF PRINCIPLES UNDERLYING THIS RESOLUTION

The questions raised by the actions and the conduct of the Nixon administration generally referred to as "Watergate" call for a re-examination and reaffirmation by all citizens of the underlying premises on which our society is based. These include the principle that ours is a society of free people, that we have the right of democratic self-government, that our government is one of laws, not of men; that our liberties, our rights and our responsibilities as Americans derive from and are dependent on the vigilant maintenance of the rule of law.

We recognize that "Decency, security and liberty alike demand that government officials shall be subjected to the same rules of conduct that are commands to the citizen" and that "In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously."

Evidence has been developed sufficient to establish probable cause that the President or persons acting under his direct authority may be responsible for acts which constitute high crimes and misdemeanors under the Constitution. Among such evidence are statements by witnesses and in documents suggesting repeated violations of the fundamental constitutional rights of Americans, corrupt practices, interference with fair election practices and obstruction of justice.

This Association takes no position on the determination to be made by the Senate on a bill of impeachment.

The constitutional powers of government should be employed to develop the whole truth with regard to these alleged violations of law and to take appropriate means to assure that our government observes the law scrupulously.

The President of the United States, his administration and the American people are entitled to a fair hearing on these matters and to full disclosure of the facts in the orderly manner provided by law.

Impeachment and trial on the charges stated in the Articles of Impeachment are the means provided by our Constitution for determining whether acts which would subvert the principles upon which our system of government is based have in fact been committed by or under the responsibility of an incumbent president.

Because of the nature of our republic, because of the significant role which lawyers have played in securing and maintaining our rights, our responsibilities and our liberties as free men from birth of this republic to the present, and because the role of law and the role of lawyers in our government has been called into question by "Watergate," it is particularly incumbent upon us as lawyers to see that action is taken to resolve the questions raised. Now, therefore, be it

Resolved that this association urge the House Judiciary Committee to send to the House of Representatives a resolution and Articles of Impeachment specifying the charges against the President as may be determined by the Committee urging the House to vote to impeach the President so that a full public hearing on the facts may be had in conformity with the procedures established by the Constitution, and be it further

Resolved that the officers and trustees of the Association be authorized to take appropriate steps to publicize and implement the foregoing statement of principles and resolution.

Submitted January 16, 1974.

STANDARDS

The precedents for defining the constitutional standards for the removal of the President under article II, section 4 for "bribery, and other high crimes and misdemeanors" are very few. The phrase "high crimes and misdemeanors" was first referred to in the trial of the Earl of Suffolk in 1388. This was not used as a definition of any statutory crime since history indicates that misdemeanors did not exist as crimes in England until well into the 16th Century.

In the Federalist Paper No. 65, Alexander Hamilton indicates that impeachment was a method to reach the "misconduct of public men" and "abuse or violation of some public trust."

In Federalist Paper No. 51, James Madison indicates that impeachment was the ultimate check by the legislative branch on the Executive.

My research of the Constitutional Convention records indicates that impeachment was not to be a criminal proceeding. This is borne out by article I, section 3(7) of the Constitution which states that there shall be no punishment other than removal from office. It also seems true, however, that impeachment is a far more severe action than the parliamentary "vote of no confidence" since we hold elections only every 4 years and such a removal from office can prevent the electorate from expressing its will for a lengthy period of time. (See Butler's remark in the Convention, May 30. 1 M Farrand, The Records of the Federal Convention of 1787, 34 (1911)).

The House Judiciary Committee is at work defining standards for presentation to the full House and it is my understanding that the committee staff is supposed to report on this subject today. I have been working for months with the House leadership, as a member of the Steering and Policy Committee, to establish that the House would provide adequate staff and powers for this inquiry. This first meant approving sufficient funds for the Judiciary Committee to begin this inquiry. Then we proceeded to adopt House Resolution 803 to grant the subpena power necessary to the committee so it can require the production of evidence. It is essential that the committee have the necessary funding and investigative power to conduct a fair and full inquiry before any final decision is made.

GATHERING OF EVIDENCE

As a former U.S. attorney who has had experience with grand jury proceedings, I have informally discussed the gathering of evidence and establishment of standards with members of the Judiciary Committee. I have stressed that grand jury procedures can be used as guidelines but not as binding precedents in this matter. I have also advocated that this matter be brought before the House by the Judiciary Committee as soon as possible.

From my experience with similar processes—such as grand jury inquiries—it seems clear that the amount of time necessary to complete a full and fair inquiry will be determined by the degree of cooperation the House of Representatives receives from the President and other witnesses whose verbal statements, written documentation, and recorded evidence are essential to a proper decision in the case. If the President and his staff cooperate fully with the Judiciary Committee, the inquiry by the House can be concluded expeditiously. If the President does not supply documents and other possible evidence, the investigation by the House will take much longer.

Current reports of the Judiciary Committee indicate that every effort is being made to proceed as rapidly as fairness to the public and justice to all potential defendants will allow.

CONCLUSION

As a Member of the House of Representatives, I am prepared to vote on this matter at the earliest possible date consistent with such fairness and justice. I am prepared to do my part to see proper standards are developed and the evidence promptly produced. These steps are essential so that each of us who are Members of the House of Representatives will be able to fulfill our constitutional responsibilities in a manner that will sustain and improve our Nation.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I am happy to yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Speaker, I wish to compliment my distinguished colleague, the gentleman from Washington (Mr. ADAMS) for an extremely fair and judicious statement on this subject matter, and would like to associate myself with the gentleman's views.

I want to say in that connection that there is no man on the floor who has a better background, both before and since he came to the House, than the gentleman from Washington, (Mr. ADAMS), to consider this matter in depth and with thoughtfulness.

I particularly want to compliment the gentleman on understanding—and I hesitate to put words in the mouth of the gentleman—but I am really taking thoughts from his words on the proposition that this is a process that is not only judicial in nature, but is also a public question. It is perfectly proper for the bar of his area to consider this subject as a public question because the facts do belong to the public.

The determination with respect to impeachment is both judicial and public, and his inquiry as to the views of his district seems to me to be wholly consonant with the nature of the proceedings pending before us. I think the gentleman has done a real service in presenting these views to us this afternoon.

Mr. ADAMS. Mr. Speaker, I thank the gentleman from Texas (Mr. ECKHARDT). The gentleman is a distinguished constitutional lawyer. I very much appreciate his opinion on this. I think all of us in the House face many difficult days on this matter. I believe we should all do what we can do to contribute toward making the process work in a proper fashion.

Mr. RONCALIO of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I am happy to yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Speaker, I would like to concur with what the gentleman from Texas (Mr. ECKHARDT) has said regarding the judicial wisdom and professional restraint with which the gentleman from Washington (Mr. ADAMS) has approached this difficult problem. We all recognize the judicial tone of the process that should be applied to this subject matter.

In that connection I would like to point out in contrast to this calm professionalism the shabbiness of what I find in the headlines of today's Washington Star-News where we of the House are put on notice and duly warned that Kissinger will quit if Nixon is impeached.

I point out the flagrant disregard for due process of law, the coercive rumormongering, in such matters, and compare it all to the professional expertise of the paper just presented by the gentleman from Washington.

Mr. ADAMS. I thank the gentleman for his comments.

Mr. Speaker, I yield back the balance of my time.

LIFTING WAGE AND PRICE CONTROLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GILMAN) is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, wage and price controls have outlived their usefulness. Our economic climate with its surging increases in the cost of living, makes us question whether our economic stabilization program has been effective.

Stringent wage and price regulations have only added to a bleak economic picture. Instead of controlling inflation and bolstering our economy, these controls fostered inflation while at the same time creating severe shortages in products ranging from copper to petrochemicals, from wood to molasses.

A recent 2,300-member survey by the National Association of Manufacturers reports that over 90 percent of the firms sampled are experiencing unusual difficulties in obtaining materials and supplies. Over 60 percent of these companies suffered financial losses because of controls. Every firm contacted indicated that wage and price controls had harmfully distorted existing operations. Some of the major damages cited include: shortages, market dislocations, time-consuming managerial and reporting activities, production slowdowns, lost sales, and numerous other costly effects.

Reports from small businesses in my own region of southeastern New York State only support the deleterious effects wage and price controls have had upon industries relying on petrochemicals, zinc, polyvinyl chloride, neoprene, polyethylene resins, and chlorine, to mention just a few.

While I am not firmly convinced that the simplistic formula of supply and demand can meet all of our economic needs, the lifting of the economic controls appears to be preferable.

In place of these controls, I urge a thorough assessment of our economic policy. We have, in the Cost of Living Council, the organizational capabilities, along with much of the necessary information, to undertake such an approach. With an exhaustive long-range review of our economic policy in a departmentally interrelated basis, we could develop a feasible economic plan, allowing us to avert the dire crises that necessitate the imposition of controls.

For this reason, I am pleased to join with my colleagues in this plea for the lifting of controls. We are all too familiar with the chaos that controls have created in our economy. Let us return to a free economy, while at the same time making reasonable, realistic plans for our future economic policy.

SALARY INCREASE FOR CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, I am strongly opposed to the 7-percent salary increase for Members of Congress and other Government officials. The budget in which this proposed increase is included is a budget that runs to over $300 billion—with an incredible deficit of almost $10 billion. With a budget such as this and the inflationary pressures that become greater with each passing day, Congress has no business voting themselves a pay increase that will amount to a 21-percent hike over 3 years. This pay jump far exceeds the guidelines of the Cost of Living Council. The Council guidelines now require that a large company obtain Government permission before giving workers increase of more than 5 percent. The proposed congressional pay increase would go far beyond that level—7 percent for each of the next 3 years.

If the House of Representatives is ever to fill the vacuum of leadership that exists on Capitol Hill it must take the initiative now and set an example to the American people by rejecting this unnecessary and inflationary pay increase.

Under present law, the recommendations set forth in the budget will go into effect automatically unless Congress formally disapproves within 30 days. Unfortunately, some Members of the House seem intent on conducting a delaying action to insure that we do not have the opportunity to put this increase to a vote. It is time for each Member to stand up and be counted on this.

I have signed the discharge petition to force the House Members to go on record by voting up or down on this pay increase. I have also sponsored a bill that disapproves of the increase itself. I urge my colleagues to support these measures and show the American public that in these economically trying times their Representatives in the House can act responsibly.

OLDER AMERICANS TO BENEFIT LITTLE FROM REVENUE SHARING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I rise to commend our distinguished colleague from Florida, the Honorable Claude Pepper, for bringing to the attention of Congress a study he requested from the General Accounting Office on the use of revenue sharing dollars to aid the elderly.

In response to Congressman Pepper's request, the GAO reviewed spending decisions made by 250 units of local government, which had $1.688 billion available through the revenue sharing program.

Mr. Speaker, I was shocked to learn from the GAO report that local units of Government allocated less than one-half of 1 percent of their revenue sharing dollars, a total of only $2.9 million, to programs to benefit one of America's most vulnerable groups—the elderly.

Mr. Speaker, I would like again to pay tribute to the diligence and leadership of my distinguished colleague from Florida. Claude Pepper has worked for years for adequate nutrition and other basic necessities for America's senior citizens. The GAO study to which I have referred was described in his excellent testimony before the Select Education Subcommittee on a bill (H.R. 11105) to extend the nutrition program for the elderly.

This program, of which he is an original sponsor, provides hot meals daily to over 200,000 older persons.

Mr. Speaker, with Mr. Pepper's permission, I insert in the Record at this point an extract from his testimony to the subcommittee, and the GAO letter to which he refers:

EXTRACT FROM TESTIMONY OF THE HONORABLE CLAUDE PEPPER ON H.R. 11105, EXTENSION OF THE NUTRITION PROGRAM FOR THE ELDERLY, FEBRUARY 14, 1974

The increases in authorization to $150 million for 1975, $200 million for 1976, and $250 million for 1977 are sound and imperative also in view of a report I have just received from the Comptroller General of the United States, informing me of the amount of revenue sharing funds which have been allocated to expenditures designed to benefit the elderly.

Mr. Chairman, at my request, the Comptroller selected 250 local governments primarily on the basis of dollar significance and geographical dispersion. The selection included the 50 cities and the 50 counties that received the largest amounts of revenue sharing funds for calendar year 1972. These 250 governments received about $1.658 billion through June 30, 1974, or about 38 percent of the approximately $4.4 billion distributed to all local governments. Including interest earnings on the revenue sharing funds through June 30, 1973, about $1.688 billion was available for use by the 250 governments. The necessary legal and procedural steps were taken by 218 of the governments to authorize the expenditure of $1.374 billion of these funds. The remaining 32 governments did not authorize the expenditure of any of the funds.

Of the 218 governments, 28 authorized the expenditure of part of their revenue sharing funds in programs or activities specifically and exclusively for the benefit of the elderly. These authorizations totalled about $2.9 million, or about two-tenths of 1 percent of the total funds authorized for expenditures by the 218 governments. Expenditures ranged from a low of $1,000 appropriated by Brighton, Vermont, for operating and maintaining a senior citizens center to a high of $785,716 appropriated by Pima County, Arizona, for purchasing a nursing home used primarily for care of the indigent elderly.

Mr. Chairman, I submit this report dated February 13, 1974, for the record. It confirms my strong belief that we must continue and immediately expand our Federal commitment to the elderly. It justifies my plea to your subcommittee to give earnest consideration to increasing the authorizations I have outlined for Title VII of the Older Americans Act, the nutrition program for the elderly.

Comptroller General of the
United States,
Washington, D.C., February 13, 1974.

Hon. Claude Pepper,
House of Representatives.

Dear Mr. Pepper: Your November 14, 1973, letter requested that we report on the extent to which general revenue sharing funds are being allocated to programs specifically and exclusively designed to benefit the elderly.

As agreed with your office, we analyzed data we had gathered as of June 30, 1973, on the uses of revenue sharing funds by 250 selected local governments. Although we did not specifically accumulate data on funds allocated by the 250 governments exclusively for the benefit of the elderly, we did obtain data on the types of programs or activities being financed wholly or partially with revenue sharing funds. Accordingly, we believe that from this data we can make a reasonably accurate estimate of the extent to which these governments had allocated the funds to programs specifically intended to assist the elderly.

The Revenue Sharing Act (Public Law 92–512) provided for the distribution of approximately $30.2 billion to State and local governments for a 5-year program period. The Office of Revenue Sharing, Department of the Treasury, made initial payments under the Revenue Sharing program in December 1972 and had distributed about $6.6 billion through June 30, 1973, to the 50 States, the District of Columbia, and about 38,000 units of local government. Approximately one-third of the funds were distributed to the States and the remaining two-thirds to local governments.

One of the objectives of revenue sharing is to provide State and local governments with flexibility in using the funds. Accordingly, the act provides only general guidance as to how local governments can use the funds by requiring them to be spent within a specified, but quite extensive, list of priority areas. The priority areas are: maintenance and operating expenses for public safety, environmental protection, public transportation, health, recreation, libraries, social services for the poor or aged, and financial administration. In addition, a local government may use the funds for any ordinary and necessary capital expenditure.

LOCAL GOVERNMENTS INCLUDED IN ANALYSIS

We selected the 250 governments primarily on the basis of dollar significance and geographical dispersion. The selection included the 50 cities and the 50 counties that received the largest amounts of revenue sharing funds for calendar year 1972. The 250 governments received about $1.658 billion through June 30, 1973, or about 38 percent of the approximate $4.4 billion distributed to all local governments.

FUNDS USED TO ASSIST THE ELDERLY

Including interest earnings on the revenue sharing funds through June 30, 1973, about $1.688 billion was available for use by the 250 governments. The necessary legal and procedural steps were taken by 218 of the governments to authorize the expenditure of $1.374 billion of these funds. The remaining 32 governments did not authorize the expenditure of any of the funds.

Of the 218 governments, 28 authorized the expenditure of part of their revenue sharing funds in programs or activities specifically and exclusively for the benefit of the elderly. These authorizations totaled about $2.9 million, or about two-tenths of 1 percent of the total funds authorized for expenditure by the 218 governments.

Expenditures designated to benefit the elderly ranged from a low of $1,000 appropriated by Brighton, Vermont, for operating and maintaining a senior citizens center to a high of $785,716 appropriated by Pima county, Arizona, for purchasing a nursing home used primarily for care of the indigent elderly. Pima county had obtained the nursing home under a lease-purchase arrangement and used revenue sharing funds to exercise the purchase option.

The other 26 governments were financing a variety of programs for the elderly. The more significant programs included the following:

Jersey City appropriated $400,000 to finance a public transportation discount program for senior citizens.

Sacramento county appropriated $104,254 to finance a project being undertaken by the Sacramento County Legal Aid Society to provide legal services to the elderly.

Jefferson county, Alabama, authorized use of $45,000 in revenue sharing funds received through June 30, 1973, to add an 83-bed wing to the county nursing home for the indigent aged. An additional $150,000 was to be used to acquire equipment for the new wing.

Kansas City earmarked $100,000 for a nutrition program for the elderly that was expected to provide food for 600 persons a day.

Clark County, Nevada, appropriated $125,000 to acquire a building for use as a senior citizens center. The center will provide hobby, recreational, and social activities. An additional $25,000 was earmarked for renovating the building. This project was being jointly undertaken with Las Vegas, which was participating in the initial capital costs and will be responsible for operating the center.

LIMITATIONS ON DATA

The data on the extent to which the selected governments used revenue sharing funds to assist the elderly was obtained primarily from governments' financial records and therefore represents the direct uses of the funds. Because of the inherent nature of the Revenue Sharing program, the actual results or effects of the funds may be different from the uses indicated by financial records.

When a recipient government uses revenue sharing to wholly or partially finance a program, which was previously financed or which would have been financed from its own resources, other uses may be made of its own freed resources. Freed local funds may be used for such things as tax reductions, increasing the level of funding for other programs, reducing the amount of outstanding debt, and so forth.

Because of such factors as changing amounts of revenue available to a government from its own sources and changing budgetary priorities, it is exceedingly difficult, and perhaps impossible in some jurisdictions, to objectively identify the actual results or effects of revenue sharing. Accord-

> ingly, in considering the information presented in this report, you should be aware that the actual effect the revenue sharing program may have on the local governments' assistance programs for the elderly could be different from that indicated.
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> * * * * *
>
> We do not plan to make further distribution of this report unless you agree or publicly announce its contents.
>
> We trust the above information is responsive to your needs.
>
> Sincerely yours,
>
> R. F. KELLER,
> *Comptroller General of the United States.*

AN APPEAL TO THE SENATE TO RATIFY THE GENOCIDE CONVENTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, I deeply regret that on February 5 and 6 the Senate failed to end the lengthy debate on the International Convention on the Prevention and Punishment of the Crime of Genocide. Consequently, the Senate was not able to vote on the resolution under which the Senate would advise and consent to the ratification of the convention.[1]

More than 25 years ago—on December 9, 1948—the United Nations General Assembly adopted unanimously the Genocide Convention. The convention defines genocide as the destruction, in whole or in part, of national, ethnic, racial, or religious groups. The Assembly adopted the convention in response to the Nazi atrocities of World War II in which 6 million Jews were put to death in concentration camps. On June 16, 1949, President Harry S. Truman urged the Senate to give its advice and consent to ratification which, he said, "will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice." The Senate Foreign Relations Committee, however, did not report the convention to the Senate until very recently.

Seventy-eight nations have ratified the Genocide Convention. Former Chief Justice Earl Warren has stated that—

> We as a nation should have been the first to ratify the Genocide Convention . . . instead we may well be the last.

Opponents of the convention have presented arguments which have been refuted by Senators PROXMIRE, CHURCH, JAVITS, and others during the Senate debate. The most serious concern of the opponents—that U.S. citizens would be tried in another country—should have been eliminated by the reservation which we would attach to our ratification stating that the United States would preserve the right to try its own citizens in its own tribunals on the charge of genocide, even though the alleged act occurred outside the United States.

The 78 nations which have ratified the convention have found it acceptable in terms of their own laws and judicial systems. These states-parties include Australia, Austria, Belgium, Canada, India, Israel, Italy, Lebanon, the Netherlands, Norway, Sweden, and the United Kingdom. The convention is satisfactory to these states that have judicial systems we respect. The convention is compatible with our own judicial system as well.

There are many reasons why the United States should ratify the Genocide Convention. Regrettably, the practice of genocide is not simply a phenomena of the past. Several genocidal conflicts have occurred since World War II. During the Bangladesh crisis of 1971, the Pakistan Army slaughtered several hundred thousand innocent civilians. Persons of the Hindu faith were singled out especially for victimization. In Burundi in 1972, the Government and its supporters massacred up to 250,000 Hutu tribesmen.

U.S. ratification of the convention would help to enforce the terms of the convention and discourage those governments who might be tempted to commit genocide. The United States cannot be persuasive in urging other governments to respect the terms of a convention which we have failed to ratify.

Failure to ratify the Genocide Convention has delayed the Senate's consideration of many other human rights treaties. There are, in fact, more than 20 human rights treaties adopted by the United Nations, its specialized agencies and the Organization of American States. The United States is a party to only three of them: the protocol relating to the status of refugees; the Slavery Convention; and the Supplementary Convention on the abolition of slavery, the slave trade, institutions and practices similar to slavery.

For instance, we have not ratified the International Convention on the Elimination of All Forms of Racial Discrimination. There are about 75 states-parties to that convention which came into force in 1969. A committee responsible for observing the application of the convention has been functioning for several years.

The United States, through its failure to become a party to all but three of the human rights treaties, has become increasingly isolated from the development of international human rights law. This failure impairs both our participation in the United Nations work in human rights, and our bilateral efforts to persuade governments to respect international human rights standards.

Our failure to ratify these conventions can easily be interpreted by other governments as meaning that human rights are solely matters of domestic jurisdiction. The Soviet Union, for instance, has ratified the International Covenant on Civil and Political Rights which guarantees the right of emigration. We would be in a more effective position to influence the Soviet Union to respect that right were we a state-party to that convention. Our ratification, moreover, would entitle the United States to membership on the Human Rights Committee which will be established to enforce that convention.

The Senate's failure to ratify the Genocide Convention means that we have yet to accept international legal responsibility for the most heinous of human rights violations. It jeopardizes U.S. leadership and influence in the field of international human rights.

In 1949, President Truman urged the Senate to ratify the convention and referred to the United States as "a symbol of freedom and democratic progress." I appeal to my distinguished colleagues in the Senate to reaffirm America's symbol by giving its advice and consent to ratification of the Genocide Convention.

A CUNNING CASTRO—WHO NEEDS HIM?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, more and more we see the everlasting do-gooders, world-shapers, and intellectual nonrealists clamoring for the recognition of Cuba by the United States. I fail to grasp the reasoning behind such a move.

Castro, the petty, boasting puppet of communism has spewed his hate over Cuba and our other neighbors to the south for some 15 years. His tyranny has driven thousands from Cuba—many to my own State of Florida. Still he has failed in his grandiose effort and must be supported by the U.S.S.R. to the tune of $1½ million each day. It is little wonder that Russia would prefer we recognize Mr. Castro's regime so that we could lift some of their load and add it to the burden of the American taxpayers—a burden that is already too heavy and certainly too heavy to include support of Mr. Castro.

The Department of State assures me that our policy of not recognizing Cuba stems from very real behavior on the part of Cuba. I quote the Department of State as follows:

> The policy of the United States of isolating Cuba economically and diplomatically has been responsive to Cuba's own atitude and behavior. It was Cuba's support of subversive and insurrectional movements in Latin America which led the members of the Organization of American States, including the United States, to develop a body of decisions and recomendations banning diplomatic, economic and consular ties with Cuba until such time as the Organization determined that Cuba was no longer a threat to the peace and security of the hemisphere.
>
> In an era when the United States has actively sought to ameliorate world tensions, Cuban behavior has remained relatively static. Cuba has not abandoned its practice of intervening in the affairs of other nations, nor has it modified its close military ties to the Soviet Union. Cuban leaders continue on numerous occasions to express their deep hostility to the United States, profound disinterest in normalizing their relations with us, and contempt for the Organization of American States.

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[1] See CONGRESSIONAL RECORD: January 28, 1974, 964–974; February 4, 1974, 1927–1944; February 5, 1974, 2176–2189, 2202–2209; and February 6, 1974, 2334–2339, 2345.

On February 11, 1974, the U.S. News & World Report included an editorial, "Castro—Who Needs Him?" by Howard Fleiger. He reasons that recognition should be withheld for several reasons, one being the billions of dollars worth of American-owned property which Castro "stole when he and his little band of conspirators seized power in Cuba." Another important point Mr. Fleiger makes in his editorial is the unfairness of pulling back our sugar market from the countries that are now producing it for us to give it back to Cuba. Other points he makes:

> What about anti-American subversion? Castro hasn't had much luck spreading it among his neighbors, true, but he's dedicated to that goal. He wants to get "Yankee go home" foment boiling all through this hemisphere, by fair means or foul.
>
> Added up, Fidel Castro still doesn't strike one as the sort of person the U.S. ought to forgive and offer a helping hand.
>
> In practical terms there is also this: Soviet Russia is keeping Castro afloat—and it is costing the Kremlin 1.5 million dollars every day of the year.
>
> That's a lot of money. The Russians would like nothing better than for the U.S. to pick up part—or all—of that tab for maintaining a Communist Cuba.
>
> Castro is the longest-lived failure in today's world. If ever there was a vivid display of how his brand of Communism ruins a good thing, it is on exhibition right there in Cuba.
>
> To be realistic: Castro needs the U.S. a lot more than the U.S. needs Castro.
>
> Let him wait 'til Havana freezes over.

Mr. Speaker, the cunning Mr. Castro would surely be grinning as he took a handout from Uncle Sam—then used it to further finance his foothold of communism in his depraved drive to overthrow capitalism—which is to say the United States. I agree with Mr. Fleiger. Who needs him?

HEARING ON BEHAVIOR MODIFICATION PROGRAMS IN THE FEDERAL BUREAU OF PRISONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Kastenmeier) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, of the House Committee on the Judiciary, has scheduled an oversight hearing on the subject of behavior modification programs in the Federal Bureau of Prisons. The hearing will be held at 10 a.m., on Wednesday, February 27, 1974, in room 2226, Rayburn House Office Building. The scheduled witnesses for this hearing are Norman A. Carlson, Director, Federal Bureau of Prisons, and Dr. Martin G. Groder, Program Development Coordinator and Warden-Designate of the Federal Center for Correctional Research—formerly called the Federal Center for Behavioral Research—which is scheduled to open in Butner, N.C., later this year.

The subject of Federal involvement in the modification of an individual's personal behavior patterns raises serious legal and ethical problems. This topic has been of concern to our subcommittee for quite some time. In 1973, members of the subcommittee conducted an inspection of the START—special treatment and rehabilitative training—program conducted by the Federal Bureau of Prisons at the Medical Center for Federal Prisoners in Springfield, Mo. We were not pleased with what we saw. Fortunately, the Bureau of Prisons announced 2 weeks ago that it was discontinuing the START program for "economic reasons."

One week ago the Federal Government took another highly significant step with respect to behavior modification programs. On February 14, the Law Enforcement Assistance Administration announced it would no longer permit the use of LEAA funds for medical research, behavior modification and chemotherapy programs.

In spite of these welcome recent steps by the Federal Government, a great number of unanswered questions remain in the minds of many regarding the Government's plans for the Correctional Research Center in Butner. Rumors abound in the prisons, and on the outside, regarding plans for experimental brain surgery, drug experimentation, shock treatments, and other "Clockwork Orange" type programs.

It is my belief that these rumors are untrue and unfounded. Additionally, they do not contribute to the reasoned study and debate which is necessary to determine the proper place of the penologist in our criminal justice system and the role, if any, which personal behavior management should play in that system.

The testimony of Director Carlson and Dr. Groder will be a valuable contribution to our continuing oversight of the operations of the Federal Bureau of Prisons. We expect to learn where behavior modification programs still exist in the Federal prison system and whether or not their continuation is justified. We shall hear testimony on the research programs planned for the new research center, and on the safeguards these programs will contain to insure that inmates will participate only pursuant to their own informed and voluntary consent.

Our subcommittee considers the issue of behavior modification in the Nation's prisons to be of great significance and looks forward with interest to receiving testimony on this subject.

EXTENSION OF PRESUMPTIVE DISABILITY PERIOD UNDER SSI THROUGH DECEMBER 1974, FOR CERTAIN DISABLED RECIPIENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Corman) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I am introducing today, for Mr. Burke of Massachusetts and myself, legislation which will extend through December 1974 the period during which certain disabled persons may continue to receive supplemental security income benefits pending the required disability determination. This extension has been suggested by the Department of Health, Education, and Welfare and is necessary to allow for an orderly and equitable transition of approximately 300,000 disabled APTD recipients to the new supplemental security income—SSI—program.

The new SSI program that went into effect in January 1974 has increased the amonut of cash assistance many aged, blind, and disabled persons were receiving under the Federal/State OAA, AB, and APTD programs. It has also extended income support to many aged, blind, and disabled who were ineligible for benefits under the existing public assistance program. However, there were a number of aged, blind, and disabled recipients who would have been ineligible for benefits or experienced a reduction in cash benefits under the permanent provisions of the SSI program enacted in 1972.

In order to assure that no one would lose benefits under SSI, in June 1973 Congress enacted "grandfather" provisions under which all aged, blind, and disabled persons on State OAA, AB, and APTD rolls, as of December 1973, would be considered to meet SSI eligibility requirements. To assure no one would experience a reduction in benefits, States were required to supplement Federal SSI payments up to benefit payments received by aged, blind, and disabled recipients as of December 1973.

In December 1973, the "grandfather" provisions enacted in June were modified so that disabled persons on State APTD rolls would be automatically eligible for SSI benefits only if they had been on the State disabled rolls for at least 1 month prior to July 1973. Disabled persons added to State APTD rolls between June and December 1973 were required to be reviewed against the SSI disability criteria and determined to meet Federal disability standards before payments would be provided under the new SSI program. The effect of this modification has been to require the Social Security Administration to ascertain which of the individuals among the 1.3 million disabled recipients came on the APTD rolls after June 1973, and then determine which of these 300,000 or more individuals meet SSI disability standards.

The December modification of the "grandfather" provisions created a large administrative task which obviously could not be completed by the time SSI was to begin operation in January. As a result, disabled persons added to State rolls between July and December 1973 are currently receiving SSI payments under the authority of a presumptive disability payment provision while waiting to be reviewed. The legislation I am introducing today is required because payments under the presumptive disability provision cannot be continued beyond March 1974, and the Social Security Administration has informed us that it will be impossible for them to complete the required eligibility determination process for most of these disabled persons before the presumptive disability period ends.

This means that many of the disabled

persons who came onto State APTD rolls between July and December 1973 will stop receiving SSI monthly benefits after March, until they have been reviewed, unless the presumptive disability period is extended. HEW says it could be December before every disabled person has been reviewed which means that unless the period is extended many needy and deserving disabled individuals could have their SSI benefits suspended for 2, 4, 6, or as many as 9 months—not because they are ineligible for benefits, but simply because required administrative procedures have not been completed.

The legislation I am introducing today would extend through December 1974 the period during which a disabled person may receive SSI benefits while waiting to be reviewed according to Federal standards. This 9-month extension is based on the Social Security Administration's estimate of how much time they need to complete the necessary eligibility determination requirement. It is consistent with the intent of the December modifications in the "grandfather" provisions, and it is necessary to prevent an inequitable and harmful interruption of SSI payments for many disabled Americans.

RESTORING FOOD STAMP BENEFITS TO SSI RECIPIENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman) is recognized for 5 minutes.

Ms. HOLTZMAN. Mr. Speaker, today I introduced a bill which would guarantee that impoverished aged, blind, and disabled persons, formerly on public assistance, will not lose food stamp benefits by virtue of their transfer to the supplemental security income—SSI—program.

I am happy that 37 of my colleagues from New York, Massachusetts, California, and Wisconsin, the States affected by the loss of food stamps have joined me in this effort.

In New York alone, 40,000 elderly and disabled people, who were transferred from public assistance to SSI, have lost their eligibility for food stamps without receiving an increase in SSI payments to compensate for this loss. As a result, many of these people, who are already living at bare subsistence levels, have seen their incomes reduced even further.

I do not believe that Congress intended this cruel result. The "hold harmless" provision of Public Law 93–66 directed that persons formerly receiving public assistance be maintained at their former benefit levels when they entered the SSI program. This took place in States which have chosen to continue to issue food stamps to SSI recipients. New York, however, and the other States which have cashed out by giving recipients the cash bonus value of food stamps, instead of the stamps themselves, are not required to include this bonus value in their hold-harmless payments. Thus, people of these States, whom the law was intended to protect, have lost benefits.

My bill would correct this inequity by requiring cash-out States to include the bonus value of food stamps in payments to all people transferred to the SSI program. It will not affect non-cash-out States, nor will it cost the Federal Government any money. It will simply correct an omission in the original SSI Act.

Speedy action on this bill will insure that the most helpless people in New York and the other affected States—the impoverished elderly, crippled, and blind—do not suffer because of a legislative oversight.

The cosponsors are: Representatives Abzug, Addabbo, Badillo, Bingham, Carey, Chisholm, Dulski, Gilman, Grover, Hanley, Koch, Murphy, Peyser, Podell, Rangel, Reid, Robison and Rosenthal of New York; Representatives Anderson, Brown, Burke, Danielson, Dellums, Edwards, Hanna, Hawkins, McCloskey, Rees, Roybal, Sisk, and Stark of California; Representative Reuss of Wisconsin; and Representatives Boland, Drinan, Harrington, Moakley and Studds of Massachusetts.

The text of the bill follows:

A bill to make it clear that the bonus value of food stamps is to be included in the "hold harmless" amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 212(a) (3) (B) (i) of Public Law 93–66 is amended by striking out "and" after "June 1973," and inserting in lieu thereof the following: "together with the bonus value of food stamps in such State for January 1972, as defined in section 401(b) (3) of Public Law 92–603, for which such individual was eligible, or would have been eligible had he applied, in December 1973, if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act, and (II) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps, and".

Sec. 2. (a) The amendment made by the first section of this Act shall take effect on January 1, 1974.

(b) The Secretary of Health, Education, and Welfare is authorized to prescribe regulations for the adjustment of an individual's monthly supplemental security income payment in accordance with any increase to which such individual may be entitled under the amendment made by the first section of this Act, provided that such adjustment in monthly payment, together with the remittance of any prior unpaid increments to which such individual may be entitled under such amendment, shall be made no later than the first day of the first month beginning more than 60 days after the date of the enactment of this Act.

PROTECTION FOR SUGAR WORKERS: THE EQUITABLE BENEFITS AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Ford) is recognized for 5 minutes.

Mr. FORD. Mr. Speaker, nearly 40 years ago the Congress enacted the Sugar Act, an act designed to solve the production and marketing problems of our domestic sugar industry. The Sugar Act confers upon growers two major subsidies—one direct, in return for acreage and other restrictions; the other indirect, in the form of import quotas. In addition to these two major subsidies, the act provides for other benefits to the growers such as crop insurance and capitalization of acreage allotments. Ever since this act became law, our domestic sugar industry has flourished and the large corporate growers have consistently made very comfortable annual profits while providing the American consumer with an adequate supply of sugar. To this end the act appears to have worked well.

However, there is one part of the Sugar Act which has proven to be entirely inadequate. That is the part which is supposed to protect the workers—the men and women who toil long hours in the fields to produce and harvest sugarcane and sugar beets. In return for massive Government subsidies, the act requires that growers fulfill certain minimal conditions, including not employing child labor, abiding by acreage quotas set by the U.S. Department of Agriculture, and most importantly, paying sugarcane workers a "fair and reasonable" wage.

As chairman of the Subcommittee on Agricultural Labor, which has jurisdiction over the problems of agricultural workers and their dependents, a considerable amount of evidence has been brought to my attention which indicates that sugarworkers are in dire need of much more protection than the present law provides—protection in such areas as establishing wages, housing, and insurance.

In Colorado, California, Idaho, Minnesota and my own State of Michigan, thousands of migrant workers labor from sunup to sunset for poverty wages. Typically, these hardworking people leave these States at the end of the harvest in the same shameful state of poverty as when they arrived. In Louisiana, sugarworkers are bound to the plantation by debt just as they were prior to the Emancipation Proclamation. Today 15,000 fieldworkers in the State of Louisiana work for an annual income of less than $3,000 per year, a wage far below the U.S. established poverty wage, and in an industry totally controlled by the Federal Government. This is a national disgrace.

In Florida, sugar producers pay an annual wage so low that U.S. workers will not do the work in the Florida swamps for the wages offered. The fact is that the majority of the Nation's 140,000 field sugarworkers have an annual income so low that, were they not under the protective arm of the Department of Agriculture as provided by the Sugar Act, these workers would be eligible for welfare payments in most States.

In addition to low wages, there are many other examples of injustice toward and neglect of the field sugarworkers:

First, housing for workers is most often substandard and decrepit.

Second, domestic workers are often deprived of an opportunity to work by the use of illegal aliens who are willing to work for as little as 50 cents an hour.

Third, there are no provisions for accidents or sickness.

Fourth, sugar workers are at times cheated in the deductions taken from their pay for the cost of facilities or services provided by producers or crew leaders and labor contractors.

Fifth, there is no equitable mechanism for resolving disputes between workers and their employers; no safeguards against retaliation.

Mr. *Speaker*, these inequities are hardly what President Roosevelt had in mind when he said to the Congress "that if the sugar industry is to receive the benefits of the quota system, then it ought to be a good employer."

Therefore, in order to remedy these terrible inequities suffered by our sugar workers, I am today introducing the equitable benefits amendments to the Sugar Act. I am joined in doing so by Mr. Thompson of New Jersey, Mr. O'Hara, Mr. Clay, Mr. Lehman, and Mr. Brown of California.

The equitable benefits amendments would, in summary, modify sections 301 (c), 305, 306, 404, 406, and 410 of the Sugar Act of 1948, as amended, by first, providing additional benefits and protection for sugar workers in the areas of wages, housing, illegal aliens, deductions, health, and accident insurance, and retaliations; second, establishing hearing panels representative of workers', producers', and public interests; third, specifying standards which the Secretary of Agriculture would use in determining the annual minimum wage rates; fourth, authorizing a mechanism for settling wage disputes which is reflective of workers', producers', and public interest; fifth, establishing a standardized accounting method and yearly audit of sugar production; and sixth, extending the Administrative Procedure Act right of judicial review to sugar workers and producers with respect to the conditions of payment determination made by the Secretary of Agriculture.

Following is a section-by-section analysis of the equitable benefits amendments.

Section-by-Section Analysis

Section 301(c)(1) would revise the composition of the hearing panels and would provide specific guidelines to be used by the Secretary of Agriculture to determine the minimum wages for workers employed on the farm in the production, cultivation or harvesting of sugar cane or sugar beets.

The hearing panels would be composed of elected representatives of sugar workers and producers plus the appointment of the representatives of the public interest drawn from among the Federal Administrative Law Judges attached to the United States Department of Labor. These panels would submit to the Secretary of Agriculture written findings of fact to be used as a basis for the Secretary's determination of the annual wage rates.

The criteria to be applied by the Secretary in determining wages would include a cost of living and agricultural productivity factor; adjustments for the sporadic and seasonal nature of the work; the extra expenses occasioned by the travel and living away from home; wage rates comparable to other agricultural and manufacturing operations. Basic to these guidelines is the proviso that the annual wage of the workers shall not fall below the governmentally established standard of poverty.

This legislation would permit sugar workers to keep up with the cost of living and to share in the benefits of productivity increases. This is only fair and just since the workers share in the responsibility and effort to create an ever-increasing agricultural efficiency. Piece rate compensation would increase accordingly.

HOUSING

Section 301(c)(2) would require that producers furnishing housing or causing housing to be furnished must provide or cause to be provided facilities which meet the existing Wagner-Peyser Act regulations of the U.S. Labor Department. The same requirements would be established for water and sanitary facilities in the fields.

Currently, the Wagner-Peyser Act regulations apply to those producers who recruit workers through the U.S. Employment Service (U.S.E.S.). But if a producer recruits workers without USES aid or if his State or locality enforces no farm labor housing codes, then the producers' housing for workers can be as decrepit as he likes.

The Wagner-Peyser Act regulations provide that where local or state housing standards are more stringent than the minimum standards specified in the regulations, the local or state requirements must be complied with. Section 301(c)(2) would continue this provision for sugar production, cultivation or harvesting.

ILLEGAL ALIENS

Section 301(c)(3) requires that the producer determine to his knowledge that his employees engaged in sugar production, cultivation or harvesting are either U.S. citizens or aliens legally employed in the U.S.

Currently some 1,000,000 aliens who entered the U.S. illegally and/or are working illegally are estimated to be employed in the country. Employers face no penalties now for hiring them. These workers are easily exploited since one call to the U.S. Immigration and Naturalization Service results in their jailing and expulsion from the U.S. They are often paid less than the minimum wage and have a harmful effect on the labor conditions of U.S. citizens and legally-working aliens. The employment of illegals in sugar production hurts not only other workers but also conscientious employers who hire only U.S. citizens and legal aliens.

DEDUCTIONS

Section 301(c)(4) would permit only reasonable charges to be made for furnishing workers' board, lodging or other facilities or services. A dispute over whether the charges are reasonable would be considered a wage dispute and be resolved by the procedure outlined under the heading "Disputes Settlement" below.

Numerous complaints exist that sugar workers are cheated in the deductions taken from their pay for the cost of facilities or services provided by producers or crew leaders and labor contractors. In fact, some workers argue that requiring deductions to reflect reasonable costs is more important than increasing wages because they often do not get the benefit of wage increases.

RETALIATION

Section 301(c)(5) forbids the discharge or any other discrimination against an employee because he was involved in the filing of a complaint under these Amendments, testified in a dispute or served on a committee to adjudicate disputes under these Amendments.

Sugar workers are so poverty-stricken that fear of losing work is a powerful deterrent to their seeking their rights. They have been easily intimidated in the past against asserting the few rights they do possess.

INSURANCE

Section 301(c)(6) would provide comprehensive health and accident insurance coverage. At the present time sugar workers are completely without these normal fringe benefits which workers in non-subsidized industries receive.

PENALTIES

Certain language in the currently existing Section 301(c)(1) of the Sugar Act is dropped. As a result, the penalty for violating the requirements of Section 301(c), as prescribed by the Amendments, would be the forfeiture of sugar payments.

DISPUTES SETTLEMENT

Section 305(a), as amended, would authorize the Secretary of Agriculture to utilize farmworkers organizations and representative groups in carrying out the applicable provisions of the Act.

An additional Subsection (b) to Section 305 would require the Secretary to establish in each locality a panel composed of equal representatives of sugar producers, fieldworkers and the general public to consider any dispute between a producer and a worker concerning wages or conditions of work. The conditions include the reasonable cost of board, lodging or other facilities or services which the producer provides or causes to be provided. The panel shall resolve these disputes in an impartial manner. The decisions are subject to the Secretary of Agriculture's review within 20 days after they have been made.

Currently, there is no fair and unprejudiced way for fieldworkers to have their disputes with a grower over wages or deductions resolved. Their complaints are considered by the local Agricultural Stabilization and Conservation Service Committee, which according to Department regulations, is composed solely of growers.

JUDICIAL REVIEW

Section 306, as amended, would provide that the final determination by the Secretary with respect to the conditions of payment would be subject to the judicial review provisions of the Administrative Procedure Act. Under the present Section 404 of the Sugar Act of 1948, jurisdiction has been found to review regulations when their constitutionality is questioned. The burden, however, of arguing for jurisdiction would be alleviated by the revision of Section 404 (Jurisdiction of the Courts) and by the provision in Section 306 (Finality of Determination) for judicial review.

REPORTING PROCEDURES

Section 410, as modified, would establish a a standard accounting method and procedures to be used by producers and processors in recording income and expenses and would provide for a yearly audit by the Department of Agriculture of 50% of the producers of each producing area. Such procedures are essential to insure accurate fact bases for determining sugar prices and wage rates.

THE INTERNATIONAL ENERGY CHALLENGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Morgan) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, the International Energy Conference which took place in Washington last week was a notable step toward cooperative international solutions of one of the most important needs of our time: The need of the United States and other nations for adequate supplies of energy at reasonable prices in an era of growing demand.

The United States has been better off than most industrialized nations of the world in terms of energy self-sufficiency. But we recognize that the interests of all are better served by a cooperative approach rather than by go-it-alone or confrontation tactics that would cause conflict on the international scene.

Failure to deal with international energy problems in a cooperative way could add to dangerous inflationary pressures and threaten global economic depression. A cooperative framework is in the best interest of both consumers and producers.

I welcome the U.S. Government's initiatives in behalf of cooperative multination action to meet the energy crisis. I wish these initiatives had been taken earlier. If they had, they might possibly have saved us from some of the problems we are faced with today.

The communique issued at the conclusion of the Washington Energy Conference contains many paragraphs. Without endorsing every word, I welcome its overall theme of cooperative approaches to deal with the energy challenge. I believe this to be the sentiment of the House.

Therefore, Mr. Speaker, I am introducing today a simple House resolution commending our Government's initiative in seeking cooperative solutions to international energy problems and supporting the purposes set forth in the Washington Energy Conference communique, which is attached.

WASHINGTON ENERGY CONFERENCE

SUMMARY STATEMENT

1. Foreign Ministers of Belgium, Canada, Denmark, France, the Federal Republic of Germany, Ireland, Italy, Japan, Luxembourg, The Netherlands, Norway, the United Kingdom, the United States met in Washington from Feb. 11 to 13, 1974. The European Community was represented as such by the president of the council and the president of the commission. Finance ministers, ministers with responsibility for energy affairs, economic affairs and science and technology affairs also took part in the meeting. The secretary general of the OECD also participated in the meeting. The ministers examined the international energy situation and its implications and charted a course of action to meet this challenge which requires constructive and comprehensive solutions. To this end they agreed on specific steps to provide for effective international cooperation. The ministers affirmed that solutions to the world's energy problem should be sought in consultation with producer countries and other consumers.

ANALYSIS OF SITUATION

2. They noted that during the past three decades progress in improving productivity and standards of living was greatly facilitated by the ready availability of increasing supplies of energy at fairly stable prices. They recognized that the problem of meeting growing demand existed before the current situation and that the needs of the world economy for increased energy suppliers require positive long-term solutions.

3. They concluded that the current energy situation results from an intensification of these underlying factors and from political developments.

4. They reviewed the problems created by the large rise in oil prices and agreed with the serious concern expressed by the International Monetary Fund's Committee of Twenty at its recent Rome meeting over the abrupt and significant changes in prospect for the world balance of payments structure.

5. They agreed that present petroleum prices presented the structure of world trade and finance with an unprecedented situation. They recognized that none of the consuming countries could hope to insulate itself from these developments, or expect to deal with the payments impact of oil prices by the adoption of monetary or trade measures alone. In their view, the present situation, if continued, could lead to a serious deterioration in income and employment, intensify inflationary pressures, and endanger the welfare of nations. They believed that financial measures by themselves will not be able to deal with the strains of the current situation.

6. They expressed their particular concern about the consequences of the situation for the developing countries and recognized the need for efforts by the entire international community to resolve this problem. At current oil prices the additional energy costs for developing countries will cause a serious setback to the prospect for economic development of these countries.

GENERAL CONCLUSIONS

7. They affirmed, that, in the pursuit of national policies, whether in the trade, monetary or energy fields, efforts should be made to harmonize the interests of each country on the one hand and the maintenance of the world economic system on the other. Concerted international cooperation between all the countries concerned including oil producing countries could help to accelerate an improvement in the supply and demand situation, ameliorate the adverse economic consequences of the existing situation and lay the groundwork for a more equitable and stable international energy relationship.

8. They felt that these considerations taken as a whole made it essential that there should be a substantial increase of international cooperation in all fields. Each participant in the conference stated its firm intention to do its utmost to contribute to such an aim, in close cooperation both with the other consumer countries and with the producer countries.

9. They concurred in the need for a comprehensive action program to deal with all facets of the world energy situations by cooperative measures. In so doing they will build on the work of the OECD. They recognized that they may wish to invite, as appropriate, other countries to join with them in these efforts. Such an action program of international cooperation would include, as appropriate, the sharing of means and efforts, while concerting national policies, in such areas as:

The conservation of energy and restraint of demand.

A system of allocating oil supplies in times of emergency and severe shortages.

The acceleration of development of additional energy sources so as to diversify energy supplies.

The acceleration of energy research and development programs through international cooperative efforts.

(France does not accept Point 9 in its entirety.)

10. With respect to monetary and economic questions, they decided to intensify their cooperation and to give impetus to the work being undertaken in the IMF, the World Bank and the OECD on the economic and monetary consequences of the current energy situation, in particular to deal with balance of payments disequilibria. They agreed that:

In dealing with the balance of payments impact of oil prices they stressed the importance of avoiding competitive depreciation and the escalation of restrictions on trade and payments or disruptive actions in external borrowing.*

While financial cooperation can only partially alleviate the problems which have recently arisen for the international economic system, they will intensify work on short-term financial measures tend possible longer term mechanisms to reinforce existing official and market credit facilities.*

They will pursue domestic economic policies which will reduce as much as possible the difficulties resulting from the current energy cost levels.

They will make strenuous efforts to maintain and enlarge the flow of development aid bilaterally and through multilateral institutions, on the basis of international solidarity embracing all countries with appropriate resources.

(In point 10, France does not accept paragraphs cited with asterisks.)

11. Further, they have agreed to accelerate wherever practicable their own national programs of new energy sources and technology which will help the overall worldwide supply and demand situation.

12. They agreed to examine in detail the role of international oil companies.

13. They stressed the continued importance of maintaining and improving the natural environment as part of developing energy sources and agreed to make this an important goal of their activity.

14. They further agreed that there was need to develop a cooperative multilateral relationship with producing countries, and consuming countries that takes into account the long-term interests of all. They are ready to exchange technical information with these countries on the problem of stabilizing energy supplies with regard to quantity and prices.

15. They welcomed the initiatives in the U.N. to deal with the larger issues of energy and primary products at a worldwide level and in particular for a special session of the U.N. General Assembly.

COORDINATING GROUP

16. They agreed to establish a coordinating group headed by senior officials to direct and to coordinate the development of the actions referred to above. The coordinating group shall decide how best to organize its work. It should:

Monitor and give focus to the tasks that might be addressed in existing organizations.

Establish such ad hoc working groups as may be necessary to undertake tasks for which there are presently no suitable bodies;

Direct preparations of a conference of consumer and producer countries which will be held at the earliest possible opportunity and which, if necessary, will be preceded by a fourth meeting of consumer countries.*

17. They agreed that the preparations for such meetings should involve consultations with developing countries and other consumer and producer countries.*

PANAMA CANAL: SECRETARY KISSINGER OPENS BOX OF PANDORA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, the Secretary of State of the United States is attending the meeting of American foreign ministers now in session in Mexico. One of the items on its agenda is the Panama Canal, which for many years has been a focus of power politics aimed at wresting its control from the United States.

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*France does not accept points 16 and 17 in their entirety.

In previous addresses in the Congress, I have repeatedly stressed that the canal is the strategic center of the Americas and that its control by the United States is indispensable for hemispheric security and interoceanic commerce. Not only that, its maintenance, operation, sanitation, and protection is a long-range commitment of the United States under the Hay-Pauncefote Treaty with Great Britain the principles of which have been accepted by canal users that pay transit tolls. In addition, the United States has solemn obligations to Colombia, the sovereign of the Isthmus before November 3, 1903, which has important treaty interests in the canal's continued efficient operation by the United States.

The Colombian Government since the canal sovereignty question became a public issue has been following the subject closely and collecting authoritative books and documents. Thus it is not surprising to learn that Colombia is considering making a formal protest to the Secretary of State at the foreign ministers' meeting in Mexico City.

In the negotiations with Panama, the treaty interests of Colombia have so far been ignored with the result that Colombian international law and diplomatic authorities are charging that Colombia has a "perfect treaty" with the United States, that this treaty gives Colombia rights "not limited by time" and that the United States "cannot give away what does not belong to it." The treaty in question is the Thomson-Urrutia Treaty of 1914–22, in which Colombia recognized the title to the Panama Canal as vested "entirely and absolutely" in the United States and the latter granted Colombia important treaty rights for the use of both the Canal and Panama Railroad.

The dangers involved in the Kissinger "statement of principles" to govern the negotiation of the proposed treaty with Panama that was signed by Secretary Kissinger in February have been recognized by thoughtful experienced scholars in the United States who, on February 19, 1974, addressed the following telegram to the Secretary of State:

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.,
United States Embassy,
Mexico City, Mexico:

No statement by you regarding your announced plans for surrender at Panama should be made to the foreign ministers of American states now meeting in Mexico without informing them at the same time that said plans are opposed by the people of the United States and that any treaty embodying the "statement of principles" signed by you in Panama on February 7 will be rejected by the peoples' representatives in Congress, if offered for ratification.

FRANCIS G. WILSON,
President, Committee for
Constitutional Integrity.

One of the best recent commentaries on the current canal situation was that by James J. Kilpatrick, distinguished author, editor and student of the U.S. Constitution. In this he stressed that it is folly to abrogate the 1903 Canal Treaty and summarized the "eight principles" signed by Secretary Kissinger on February 7.

In this connection, these principles, which are nothing but a program for surrender to Panama, as disclosed by a recent UPI news story from Bogotá, ignore the treaty rights of Colombia. This story together with the February 19 telegram to Secretary Kissinger and the Kilpatrick article clearly show what a Box of Pandora that Secretary Kissinger is opening.

The UPI dispatch from Bogotá and the Kilpatrick article follow:

[From the Miami Herald, Feb. 13, 1974]

MUST U.S.-PANAMA TREATY CONSIDER COLOMBIA?

BOGOTÁ, COLOMBIA.—Colombian experts in international law contend that any new Panama Canal treaty betwen the United States and Panama will be illegal if it doesn't take into account Colombia's Canal rights.

The legal experts, many of them present or former government officials have urged the Colombian administration to lodge a formal protest with U.S. Secretary of State Henry A. Kissinger at the Western Hemisphere foreign ministers meeting in Mexico City that starts Feb. 21.

In a declaration of principles Kissinger last week signed in Panama City, the United States promised to turn the canal and the rights to charge tolls over to Panama eventually.

Colombia, however, enjoys permanent free passage through the canal and free transport on the Panamanian railroad crossing through the Canal Zone under a separate treaty—the Urrutia-Thompson treaty—with the United States signed in 1914.

Construction of the Panama Canal began early in the 20th century when Panama was not yet an independent country. The area was then part of Colombia.

A former Colombian foreign minister said that Colombia will not be "judicially or morally" bound by any new U.S.-Panama Canal treaty which does not recognize Colombian rights to Canal passage.

Diego Uribe Vargas, a Colombia international law professor, said, "The United States cannot give away what does not belong to it."

Carlos Holguin, former Colombian ambassador to the Organization of American States, said Colombia's position is "perfectly clear because it has a perfect treaty with the United States, ratified by both countries, which is an obligatory norm under international law and gives Colombia rights which are not limited by time.

"Colombia has repeatedly expressed its opinion that Colombian rights must be taken into account in any negotiations between the United States and Panama," Holguin said.

[From the Sun, Feb. 17, 1974]

IT'S FOLLY TO ABROGATE THE PANAMA CANAL TREATY

(By James J. Kilpatrick)

WASHINGTON.—Formal negotiations will get under way in the next few weeks or months between the United States and Panama, looking to the drafting of a new treaty that would put an end to U.S. possession and control of the Panama Canal. By the end of this year, a State Department spokesman has said, an agreement should be ready to present to the Senate.

But if the Nixon administration succeeds in marching this treaty to ratificatiion, it will be over the dead body, metaphorically speaking, of Pennsylvania Representative Daniel J. Flood. The Democrat from Wilkes-Barre has been sounding Catonian warnings on this matter for the last 15 years. He has a couple of hundred allies in the House and a substantial number of senators who agree with his view: Abrogation of the treaty of 1903 would be folly.

In my own view, Mr. Flood and his cohorts are precisely right. A dozen sound reasons can be advanced for leaving the treaty undisturbed. The only argument in favor of abrogation was put forward by Senator Edward M. Kennedy (D., Mass.) in a recent speech. The present treaty, he said, has embittered our relations with Panama and been an affront to every developing nation around the world. Mr. Kennedy describes the treaty of 1903 an "an embarrassing anachronism."

The senator embarrasses easily. Under the treaty of 1903, by which the United States acquired rights "in perpetuity" to the Canal Zone, our nation has poured billions of dollars into Panama. Since the canal was opened to traffic in 1914, it has been operated and maintained with scrupulous fidelity as an international waterway, freely available to the ships of the world. Doubtless a new treaty would have some advantage for Panama. What possible advantage would it have for us?

The eight principles that would underlie a new treaty were set forward in the agreement signed in Panama February 7 by Henry A. Kissinger, the Secretary of State. These begin with outright abrogation of the 1903 treaty. The concept of perpetuity would be eliminated. At the end of some fixed period of years, all U.S. jurisdiction would be terminated, and Panama would assume total responsibility for operation of the canal. Meanwhile, Panama would participate in administration of the canal, and the U.S., now and hereafter, would continue to pay the expenses of maintenance and operation.

These are principles—for what? In Mr. Flood's view, they spell sellout and surrender. In return for its enormous investment, the United States gets nothing. In place of the canal's stable and orderly administration over these past 60 years, the United States wins the prospect of Communist domination.

To be sure, if the proposed new treaty were ratified, Panama no longer would be embarrassed. That is delightful, is it not? The people of Panama would be happy. Their leftist dictatorship would be pleased. The Soviet Union, now the first naval power in the world, would be ecstatic. But how in the name of common sense did these felicitous objectives come to be policies of the Nixon administration?

Great powers, if they would remain great powers, have to accept a measure of unpopularity. They cannot survive as everybody's chum. Senator Kennedy imagines that in today's world "nations relate to each other on a basis of equality." It is not so. Such equality may exist in the kindergartens of the United Nations, where everyone plays make-believe, but it is no part of the real world.

It seems highly unlikely that two-thirds of the Senate could be mustered to consent to a treaty of sellout. The House itself may have to be reckoned with; it shares with the Senate the power "to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States." It will be some time before the canal changes hands. Meanwhile, suppose we look to the canal's defenses and keep the old powder dry.

CHEMICAL WEAPONS—BUDGET FOR THE BINARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, I know that there are times when we wonder whether the small towns and villages of our Nation are really concerned about national policies of somewhat distant concern. We become accustomed to devoting our reading attention to the larger nationally syndicated journals and newspapers and, except as we are immediately concerned with our own districts, we tend to overlook the fact that other eyes of the Nation are upon us in all our deliberations. As you know, I am quite concerned about the U.S. Army's proposals to revamp our nerve gas stockpiles and I have directed the attention of other members to the editorials of several of our large newspapers which have considered this Army proposal.

Today, I would like to invite the attention of the Members to another editorial which demonstrates that this concern about chemical warfare is indeed a particularly sensitive issue to all of our citizens. With your approval, I would like to have included in the Record at this point a copy of an editorial published in the Providence Journal on December 12, 1973:

Safer Nerve Gas?

As a weapon, nerve gas is some kind of ultimate. It is silent and invisible. It can be carried by bombs, mines or artillery shells. It acts quickly, usually within seconds. Even in small doses, it is lethal.

The United States Army is planning to spend 200 million dollars to develop a new kind of nerve gas. The Army says it is doing this to promote safety: the "improved" gas will not become lethal until its two components are mixed together once the shell or other container is fired. The gas, which the Army sees as a "significant improvement in modernizing" its chemical-warfare capability, will be safer in theory to handle, transport and store.

Perhaps the nation shoud be grateful that the Army is so considerate of the public's health. After all, it was only five years ago that a nerve gas test in Utah went astray. Six thousand sheep were killed in that episode. Now, we are being asked to finance a new generation of nerve gas so that we can be safer when it is moved around the country.

If there is a more specious piece of military reasoning in recent months, it does not come to mind. The official rationale for the Army's maintaining a nerve gas arsenal is to deter the Soviet Union from engaging in chemical warfare. The United States will manufacture a new kind of deadly gas to prevent its adversary from using such a weapon first. We are told that our government needs this new gas as a deterrent—as an insurance policy, one might say. In any event, the country presumably should not be alarmed because the new gas won't be as dangerous—until, that is, the gas is put to use.

There are also a few trifling matters, such as the Army's evident plan to test the new gas out-of-doors. Army Secretary Howard H. Callaway has said this is needed "because it seemed to be far more reliable to have an open-air test than a test you might have in some closed environment." The Pentagon seems to have rejected this thinking, but the possibility is still present.

The Army's plan to develop a new nerve gas arsenal is a particularly repellent example of conventional, narrow-minded military thinking, overwhelming what should be the larger concern of humanity and common sense. To suggest that the United States would resort to such measures as nerve gas in an armed conflict is to show contempt for our pledges of decency and restraint in the international arena.

The Army plans to dispose of its present nerve gas stocks and to replace them with its new "safe" kind of gas. The first part of this plan is desirable, but there is no argument compelling enough to justify going ahead with replacement nerve gas production, regardless of how "safe" the new gas can be made to appear. Gas warfare is a particularly hideous and sinister form of armed conflict. The United States should renounce all use of chemical weapons, as it did four years ago with biological weapons, and as most other nations long since have done, and eradicate its nerve gas arsenal once and for all.

Mr. Speaker, of immediate relevance to the comments in this editorial is the budget request which the Army has submitted to the Congress for approval for fiscal year 1975. I have now been informed that the Army has included a request for $5.8 million in the fiscal year 1975 budget to begin construction of the facilities at Pine Bluff Arsenal in Arkansas, which will be required to produce the binary nerve agent munition. Although this production facility will be directed at the binary system in artillery shells, there is no doubt that if approval to adopt the system is granted, eventually the entire stockpile will be converted to the binary concept.

I have been pointing out to the Members that this is the year when the Congress must make a decision with regard to our Nation's chemical warfare policies. If we approve the Army's request for this beginning sum to develop production facilities we will be essentially acknowledging our approval of a continuing need to maintain a chemical munitions stockpile. In my opinion, this is not a decision which we should make lightly or without the full review which I and my cosponsors have been asking for in the legislation pending before the House Foreign Affairs Committee. We do not have much more time to make this decision.

I ask that you become familiar with this issue and make known your views with regard to this particular aspect of the defense budget request. Congressional support of the production of the binary munitions system should only be provided with a full understanding of all of the domestic and international implications of such a program.

CAN THE PENTAGON RESPOND TO THE INDIVIDUAL?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to bring to the attention of the House the case of an individual who has been snared in the bureaucracy of the Department of the Navy. Igor Bobrowsky wants to serve his country as a military officer, but he has been rejected in his application to the Marine Corps' Officers Candidates School because of his admission of a one-time use of marihuana. I appealed this case to the Secretary of the Navy, but he, like Gen. Robert E. Cushman of the Marine Corps, could not see his way clear of the corps' sweeping regulation that apparently automatically disqualifies a candidate if he admits to any form of drug use. General Cushman was unable to accept Mr. Bobrowsky even though he served with distinction in the Marine Corps in Vietnam, voluntarily extended his tour of duty in Vietnam, received numerous citations for his service and recommendations from his superiors, and graduated cum laude from college in an accelerated 3-year program after his honorable discharge from service. I might add that Mr. Bobrowsky is also married and the father of two children.

I believe this is the kind of person we want in our officer candidates schools. Therefore, I have appealed to Secretary of Defense James R. Schlesinger for his personal review of this case. I realize that to deal with the great number of people it does, the military must establish basic criteria to follow. But, like any institution dealing with people, it also must have the flexibility to respond to the unique situations presented by the individual. I hope that Secretary Schlesinger can provide this. I also hope that he will take this case and look at the example it provides for the necessity of reviewing the Department's treatment of marihuana use.

My correspondence on this matter follows:

November 20, 1973

Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Sir: I am writing to you on the advice of several Marine Officers and friends involved in this matter in the hope that you may find my case to be worth some of your time and effort. Prior to my writing to you I have tried working exclusively through Marine Corps channels but processing has come to a point now where none of the officers outside of Head Quarters Marine Corps that I've been involved with, can be of much further help. Thus sir I turn to you as a last resort to ask that you might use whatever influence is at your disposal to help me in my efforts to obtain a chance for an impartial review of my qualifications and a commission in the United States Marine Corps.

Within a few months after my release from active duty I contacted O.S.O. in New York regarding the possibilities of obtaining a commission after college. At that time (1969–70) the age limit was twenty-seven, which meant that in order to qualify I would have to finish school in three years. With this in mind I went to school day and night and every summer graduating cum laude in three years in January 1973.

Within a few weeks of graduation I was again in touch with O.S.O.N.Y. regarding application for Officers Candidate School. After an initial delay, processing went along smoothly, all the more so since the screening N.C.O. was my former D.I. from Parris Island, until I was sworn in and given form #1130 to complete. At this point I answered question #23 with the same casual honesty which I assumed to be the basis of any bond and was met with surprise at my naivete, sympathy, awkwardness at the lack of, "preliminary counseling" that had been afforded me (it was thought that, volunteering a second time, I needed none)—and the news that regardless of qualifications, prior service, examination results etc. my chances of even being considered for O.C.S. had gone down the drain. Since then I've received a good deal more of sympathy, unofficial advice and support from within the Marine Corps—but all of it based on an underlying certainty of ultimate failure.

Were my rejection based on mental deficiency, physical unacceptability, alcoholism, drug addiction or moral instability the reasons for a negative decision would be self-evident. But to be arbitrarily rejected solely on the basis of a long past meaningless incident, without any regard for all other qualifications seems a travesty of reason and a mockery of justice. For this reason I have not accepted as an accomplished fact the inevitable failure of my application and have pursued it with all the means at my disposal—first through the Marine Corps and now, hopefully, through you.

When my appeal confronts the letter of the standing statute at H.Q.M.C. there will be no one in the Marine Corps with a voice strong enough to be heard in my behalf—regardless of their personal opinions, past and present support, advice, and belated counsel.

I do not feel I should be stigmatized for life and kept from reaching my goals for straying for a moment—as all but a very few do at some time in their lives. I feel this meaningless incident has no bearing on me as a man and no effect on my qualifications or potential. I feel that if this one incident can bear more weight than my aspirations and accomplishments, my medals, awards, prior military service, scholarships and scholastic abilities—then America must really judge its men cheaply and much of what we have been taught about this country and its ideals is a cynical sad joke on those who were naive enough to believe.

I ask you, sir, that you examine all the enclosed papers and form your judgments on the basis of what you find in them and what I've explained briefly in this letter. If you then find that you can help me—I ask that you help in any and all ways you can. As things stand now I am scheduled to go to O.C.S. Class #86 in January—if I miss it I'll be over-age for any future classes (the age limit is now twenty-eight).

Thank you.

Respectfully yours,

IGOR BOBROWSKY.

Ref.: Examination of Applicant by Recruiting Officer (1130).

Re item No. 23 (remarks).

DEAR SIRS: Since early childhood I have had instilled in me a respect for the military profession. Since youth I have wanted to be an officer, and sought to develop those traits which I imagined to be the marks of one: candor, physical fitness, intellectual awareness. I have come to love history, geography, languages, and political science, as well as competition in sports. Needless to say, I have fallen short of my aspirations in these fields at times.

Despite the fact that I graduated at the top of my class in public school, a poor choice of high schools put not only Annapolis and West Point beyond my reach, but made the possibilities of getting into any college but the poorest, and of graduating within any reasonable time, out of the question. Consequently, I decided to join the Marine Corps to examine at first hand the facets of military life and opportunities offered by it.

My service in the Marine Corps strengthened my preconceptions; I liked the diversity it called for, the responsibilities it placed on one, and the feeling of a demanding job, rewarded by the knowledge of its having been well done. As an enlisted man, I served well, accepting responsibility resolutely, as can be verified by my S.R.B. I first volunteered for Vietnam duty in 1966, but was held over, and served on Okinawa instead. In 1967, on an extension of overseas tour, I volunteered for, and was sent to Vietnam. In March of 1968, I voluntarily extended my Vietnam tour for an additional six months.

While in Vietnam, I served initially as a rifleman, f/t leader and sqd. ldr. in D. Co. 1/5, and was subsequently selected for service with CAP where I served as sqd. ldr./plt. com. of CAP Delta 1. When 4th CAG was initiated along the DMZ, I was one of the NCOs selected from a pool of all CAP personnel to form the nucleus of 4th CAG. Prior to leaving RVN I filled the billet of NCOIC of 4th CAG's MTT Unit, responsible for the lives and welfare of some fifty Marines and assorted RFs, PFs, and RDs. All this may be verified in my SRB.

Months after my release from active duty, and coincidentally with my starting college, I began checking options open to me for reentry into the Marines as an officer. At the time, 1969, I was told that the age-ceiling was 27, which meant that I would have to finish school within three years. I finished in the required time, graduating cum laude, with major and double minor indices of 3.5+. After graduation I immediately contacted OSO NYC regarding application for OCS.

Up until the present time the only problem in processing was a delay in swearing in due to the non-resolution of a pending decision by a previously contacted government agency. Once this had been resolved, processing resumed up to the point of swearing in at which time I was given form 1130 to complete. This form I filled out in the same spirit of good faith in which I believed it to be given. My voluntary admission to exposure to marijuana (at most some half dozen times, while in the MC, in the latter part of 1967), was given on the assumption that honesty must be the basis of any agreement between the USMC and its potential future officers. However, subsequent to this disclosure, I have met with surprise, sympathy, some awkwardness at the lack of "preliminary counseling" that had been offered me (it was apparently considered that I needed none), admiration for my honesty and incredulity at my naivete, summed up best perhaps in one officer's comment that "truth is like candy—too much and you get sick". Furthermore, I have been informed now that regardless of any mitigating circumstances or qualifications it is a virtual certainty that my chances for acceptance for OCS are nil. It seems a general consensus of opinion that I have inadvertantly and inevitably dug my own grave insofar as not only obtaining a commission, but even in being considered for my scheduled class.

While *every* NCO and officer I have spoken to has voiced a personal and unofficial opinion that question #23 is both irrelevant and futile, the fact that I answered it honestly seems to point directly to an ultimately negative response to my application once it reaches the highest decision-making levels of USMC.

While it has been pointed out to me, the option of telling the truth or not, is left to the individual, it has also been the admission of *every* officer and NCO I have spoken to that men, particularly coming out of the society we have now, "bend the truth" and then go on from there either to be found out or not. This seems a gross injustice when, on the other hand, a man who freely and in good faith believing honesty to be the basis of a relationship, tells the truth, and in return, cannot even have his application reviewed, much less be afforded the opportunity of proving himself one way or the other. It would seem almost to be the case that the appearance of a virtue is preferred over the reality.

In the USMC that is looking for "a few good men" this policy as it stands seems an inversion of logic which affords one willing to compromise his conscience possibly for the sake of future goals more of an opportunity than to one who is not. This ultimately sanctions a thought process in which ends justify means. Thus, a man of strong motivation can bend the truth at the very start, if he so desires, and can ultimately be justified or damned on the basis of his actions within USMC—actions which can lead to discharge or conceivably to appointment as Commandant. At the same time, a man who tells the truth at the outset, hasn't even the opportunity afforded him to be tried and tested, an opportunity denied him by a check in an inappropriate box. For anyone who has lived in anything but a monastic vacuum prior to applying for a commission, this ruling offers almost an incentive award for the ability to compromise with one's conscience.

Returning to my own particular case, by way of explanation, the exposure to marijuana in 1967 was so trivial then and so infinitely more meaningless now, that I feel no reason at all for having to comment on it one way or another in a serious job application. In 1967 it was a simple matter of availability and fellowship. In the initial hours after an operation, marijuana would be produced and smoked for a variety of reasons. The half dozen times I smoked it were the result of my being too tired to write or read or for the sake of companionship with the men I had served with. In the CAP units to which I subsequently went, I never smoked, nor did I permit anyone else to smoke, or drink in excess, or rape, or indulge in any of the other abuses available. This then was the extent of my marijuana experience, while its consequences are yet to emerge.

I wish to point out also that all this occurred over six years ago, years in which I served our country and our Corps faithfully, years in which I completed my education, years in which I took eighteen to twenty-one credits a semester, went to school day and night and every summer. The brief experience with marijuana obviously had no effect at all on my achievement. It comes to mind that there is even a statute of limitations on convicted Nazi war criminals—can it be that there is none for admitting to the truth? Must I, regardless of all other qualifications, aspirations and motivations, be judged and condemned solely on the basis of having put a check where conscience directed that I should, rather than where perhaps reason should have directed that I shouldn't? Would I be a better man then—a "good man" and worthy of your trust if I had kept my peace and gone on in silence?

Dear sirs, reading this now in your positions of judgment, you must have once dedicated yourselves to some ideal—there are easier, safer, more lucrative, and more rewarded jobs than being Marine officers. I ask that you keep those ideals in mind when judging my application and weighing my merits against my shortcomings in your consciences. I ask that you find me to be no more or less than the kind of person that you seek and that you afford me the opportunity to prove it.

Respectfully,

IGOR BOBROWSKY.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 26, 1973.

GEN. ROBERT E. CUSHMAN, Jr.,
Commandant of the Marine Corps,
Washington, D.C.

DEAR GENERAL CUSHMAN: I have received the enclosed letter from Igor Brobowsky, a former Marine enlisted man, who advises me that he was rejected from Marine Officer Candidate School because he admitted having smoked marihuana on one occasion more than six years ago. I do not know if this was the ground for the rejection, but if it was, may I suggest you review the matter from the point of view of ascertaining whether he is currently a user of marihuana. If he is not, then may I suggest you review his case if he is otherwise qualified, since the National Commission on Marihuana and Drug Abuse (the Shafer Commission) estimated that 44% of American college students have experimented at least once with marihuana. Surely you would not bar all such students. It may be that there are other reasons why you may want to reject Mr. Bobrowsky. If so, please do advises me. But if he is otherwise qualified

I would hope a single use of marihuana should not in itself be a bar to his OCS candidacy.

I would appreciate your comments on this matter.

Sincerely,

EDWARD I. KOCH.

DEPARTMENT OF THE NAVY,
HEADQUARTERS U.S. MARINE CORPS,
Washington, D.C., January 8, 1974.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in reply to your letter of 26 November 1973, regarding Mr. Igor Bobrowsky, a former Marine, social security number 116 36 45 44.

As a result of your inquiry, Mr. Bobrowsky's application for the Officer Candidate Course Program was forwarded to this Headquarters from the 1st Marine Corps District. Upon review, it was noted that Mr. Bobrowsky admitted to the use of marijuana on the NAVMC 136 form (Examination of Applicant by Recruiting Officer). The Officer Selection Officer inquired into this voluntary admission and learned that Mr. Bobrowsky admitted to periodic use of marijuna while serving in Vietnam. Whether Mr. Bobrowsky currently utilizes marijuna is not considered pertinent or the crucial factor in the final determination.

At the time of this initial discovery, no further admistrative action or processing was warranted. However considering his previous Marine Corps service, the Officer Selection Officer forwarded the application to the Director, 1st Marine Corps District for review by the District Screening Board. Mr. Bobrowsky was notified on 9 October 1973 that current policy precludes his enlistment or commissioning in the Marine Corps.

This application was also reviewed by the Officer Selection Board convened at this Headquarters. The Board noted his use of marijuana and that his age was near the maximum limit and a dependency waiver was required. The Board unanimously concluded that the use of marijuana and his other limitations made Mr. Bobrowsky not as highly qualified as other applicants for the limited vacancies in this program.

This Headquarters has no information to dispute the Shafer Commission's statistical estimate of the number of college students utilizing marijuana. Officer Selection Officers who visit over 1900 colleges and universities are enrolling sufficient applicants who meet existing standards to fulfill requirements, thereby making the waiver or lowering of standards neither warranted nor appropriate.

Senators James L. Buckley and Jacob K. Javits have also expressed an interest in this case.

It is regretted that a more favorable reply cannot be provided, but it was a pleasure to serve you.

Sincerely,

R. E. CUSHMAN, Jr.,
General, U.S. Marine Corps,
Commandant of the Marine Corps.

Ref.—MMSC—5G/rto.
R. E. CUSHMAN, Jr.,
General, U.S.M.C., Commandant of the Marine Corps.

DEAR SIR: Through the office of Congressman Koch, I have obtained a copy of your reply, (dated January 8) to my appeal. Except for the references to age and dependency waivers, that have entered the picture only since the 6th of January, (and which, considering the blanket nature of your ruling on marijuana use are, in any case, as superfluous now as they were irrelevant previously)—I found nothing of substance regarding the issue at hand (precisely, the validity and equity of your standing directive), except for yet another reiteration of existing policy. It is obvious to me that asking you to change your own directive or attempting to convince you of its arbitrary and inequitable nature, would be an exercise in futility on a par with attempting to obtain a commission in the Marine Corps, having given a positive answer to question #23 NACMC #136. Therefore, on the verbal advice of your Office, I am taking this issue to the Secretary of the Navy.

Regarding your letter specifically, I wish to comment briefly on some of the statements contained in it to avoid misunderstanding or confusion of issues at some future time.

In para. 2, I wish to note that your use of the word "periodic" implies much more than *was* the fact. Please refer to my intitial statement to the OSO and my appeal statements as to the specifics.

Paragraphs 2 and 3 recount the initial and appeal procedures and bring in the seemingly additional factors of age and dependency waivers. If one takes these at face value, age was not a factor until January 6 had come and gone and a dependency waiver, (I was told, prior to my answering question #23) considering my past service and scholastic records, would have been a minimal factor.

However, the fact remains that the two above cited factors have no bearing on the issue at hand or on my rejection or acceptance into OCS. The fact remains that were I perfect in every way my answer to question # 23 immediately disqualified me from *any* chance of becoming an officer under current regulations—and thus all talk of waivers, age, etc., has as little meaning in this matter as talk of prior service, qualifications, scholarship, etc. As I stated earlier in this letter, considering your directive concerning question # 23, talk of waivers, qualifications, limitations and abilities is utterly superfluous and serves only to evade and becloud the issue at hand. Your directive as it now stands forces a man of the highest qualifications, if he has *even once* had any experience with marijuana, to choose between self-incrimination and willful deception. An answer incompatible with your current ruling disqualifies him out of hand—thus making, not ability, qualifications and merit the final criteria, but an arbitrary, largely ineffective ruling which, given knowledge of its implications, serves only to perpetuate the bending of truth.

As to your statement about my not being as "highly qualified as other applicants"—it not only contradicts and ignores statements of former and current M.C. officers (including some of your own O.S.O.'s) but again has nothing to do with the problem at hand. For were I the most qualified of the most qualified—your directive would still keep me out because I put a check in the wrong box of NAVMC # 136—where, perhaps wrongly, good faith and conscience rather than reason dictated that I should (your own officers have said as much—though I feel that to have to lie about such a meaningless triviality of seven years ago is not worth the ridiculous self-degradation.)

And finally, Sir, allow me to say—that your conclusion about "making waivers or lowering standards neither warranted nor appropriate" indicates to me the isolation of your office—whether self-imposed or not, or whether it comes naturally along with the job. Sir, you have Captain Wilkenloh's statement about a "generation of officers with secrets"—other statements to this effect are forthcoming. Your own aids have spoken of this issue as "a torpedo in the right place." Your own O.S.O.'s have voiced personal opinions on the futility and ultimate meaninglessness of your directive (considering there are not checks) and some have voiced personal support to efforts to change the ruling. Your own officers admit that "precounseling" eliminates the danger of most blunders such as mine surfacing and that once an officer candidate reaches Quantico, his past is left behind and only his present ability and future potential are judged, which is as it should be. The irony is that in telling the truth men are eliminated from having a chance to be tested and proven where a momentary omission, slight bending, or willful deception, opens all roads.

Sir, this policy as it stands now will not, if unchanged, "develop a generation of officers with secrets"—that generation already exists. It is because such a generation should not now or at some time later date exist because of something as meaningless as a puff of smoke that I am pressing the matter to the extent that I am. When a country loses some of its potential human wealth through calamity or natural catastrophe, it is very sad—but when a country turns its back to it, or carelessly throws it away, then it is a tragedy.

Respectfully yours,

IGOR BOBROWSKY.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 28, 1974.

Hon. JOHN WILLIAM WARNER,
Secretary of the Navy,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: You will find enclosed a letter of appeal from Mr. Igor Bobrowsky of the decision by General Cushman to deny him entrance to the Officers Candidate School on the basis that he admitted to having used marihuana at one time. Also enclosed are letters of recommendation from fellow officers, former commanding officers, material relating to his background and achievements and other material which may be of help in the analysis of his case.

Mr. Bobrowsky was denied entrance solely on the basis of his admission to the use of marihuana. It has also been mentioned in the January 8th letter to me by the Commandant, that his age is near the maximum limit and that a waiver was required. I would like to note that at the time for his application for entrance in the class commencing in January, he would not have been required to have applied for the waiver. This factor should have been considered in his application. It has also been noted that a dependency would be required. Mr. Bobrowsky does have two children. In the class of January, 3.8% of the men, in a class of 209, have more than one child.

As the Commandant states in his letter to me of January 8th, "At the time of this initial discovery, no further administrative action or processing was warranted. *However, considering his previous Marine Corps service,* the Officer Selection Officer forwarded the application to the Director, 1st Marine Corps District for review by the District Screening Board." (the emphasis is my own). It is not a debatable point, in my view and I think not in yours, that this man's record and dedication to the goal of becoming a Marine Officer is exemplary. You can see from his record of military service and his educational schedule of studies, that the years intervening from the time of his discharge from the service, have been directed solely towards admission into OCS.

The questionnaire which Mr. Bobrowsky filled out after his conditional acceptance was form 1130. This form asks the individual to answer yes or no to a number of questions. Question number 23 reads as follows: "Have you ever used LSD (acid), marijuana (pot, hash, joints), opiates (heroin, horse, smack), peyote (moon buttons, mesc), sniffed glue, paint, turp, or used dope DMT, "68" or other hallucinogens, hypnotics, stimulants (amphetamines, crystals, uppers, speed, bennies), depressants (downers, barbs, whites, goof balls, blue devils, red devils) or other known harmful or habit-forming drugs and/or chemicals?" It is distressing to me that an individual should be expected to answer yes or no to the entire contents of this question with no opportunity to indicate whether he had used a particular substance on one occasion, or all of them repeatedly. Mr. Bobrowsky honestly circled marijuana (which is not an opportunity given in specifying what drug is in question). It is my feeling that to group marihuana, which is now considered merely a civil offense under the state laws of Oregon, and which the National Commission on Marihuana and Drug Abuse suggested be decriminalized, with drugs which can be used on a prescription basis, or with illegal and habit forming drugs such as heroin, is not within the purview of current attitudes or legislative considerations. In a recent study made by the National Commission, it was found that of all Vietnam veterans in August, 1971, 29% had used marihuana in service, and 10% had used hashish. In terms of the frequency of use, those veterans who had used either substance once or twice numbered 28%, occasionally 41%, and regularly, 31% for marihuana; while for hashish, the respective percentages were 18%, 55%, and 27%.

When one of my staff assistants talked with Captain Kammeier of the Commandant's office, Captain Kammeier indicated that the Marine Corps sensed the need to review its policy relating to marihuana and that a case such as Mr. Bobrowsky's was another to shake "the boughs of the existing policy".

In light of Mr. Bobrowsky's qualifications which have been lauded by officers and the Marine Corps itself, his commitment to making a career in the Marine Corps, and even his scrupulous honesty in answering this question that most would have dismissed, I urge you to give careful scrutiny and consideration to his appeal. It is also my hope that you will consider a review of your policy as it pertains to marijuana so that you will not find the Marine Corps disqualifying capable men who would otherwise be assets to the service.

I appreciate your every consideration of this matter and I look forward to your comments and decision.

Sincerely,

EDWARD I. KOCH.

SECRETARY OF THE NAVY:
Washington, D.C.

DEAR MR. SECRETARY: I am writing to you on the advice of Congressman Koch, on the recommendation of present and former Marine Corps officers and friends, and in accordance with the direction of the Office of the Commandant of the Marine Corps. Initially, I attempted working exclusively through Marine Corps channels. But when these were exhausted, I turned to my congressman and senators, and now, since it has become obvious that the Commandant will not face or will not act on the issue at hand, I am appealing to you.

Attached you will find all pertinent information and copies of correspondence dealing with this matter. The initial letter to Congressman Koch should provide you with an adequate brief summary of the events that prompted my preceding actions and my present appeal to you. The other papers speak for themselves and serve to substantiate the facts as outlined in my first letter to Congressman Koch.

The last letter received from the Commandant of the Marine Corps (three days after the start of my scheduled class and one and a half months after initial Congressional involvement in this matter) and my reply are attached to this cover letter and bring the whole matter before you up to date. You will note that since the 6th of January other factors have seemingly entered the picture, as a result of which, even should I succeed in obtaining a favorable decision on the issue raised by Form NAVMC #136 question #23, and the Commandant's blanket ruling regarding it, my chances of obtaining a commission seem very unlikely. Indeed, considering the advice of some Marine Corps officers, even were the opportunity of attending O.C.S. offered to me at this point, I would have to think long and hard about accepting.

Of course the factors brought out in the last letter from C.M.C. have nothing to do with the issue at stake. The fact is that once I had put a mark in the wrong box of NAVMC #136, all that preceded it became irrelevant and all that occurred subsequently was superfluous. The crucial point in this matter, as I see it, is that men, not only myself, have been condemned and rejected from a chance to strive for their goals—for telling the truth where a lie would have opened all roads.

The issue is that the Commandant's blanket ruling forces a man of even the highest qualifications and greatest potential, if he has *even once* had any experience with marijuana, to choose between self-incrimination and thus, rejection, or willful deception—thus deciding his fate on the basis of the most trivial of criteria. The sorrow lies in that the final verdict on a man's life thus is not rendered on the basis of any considerations of qualifications, abilities, intellect, drive, merit, past service, and future potential—but *solely* on the basis of an arbitrary ruling which is of such blanket, all-encompassing nature, as to allow no possibility of exception and so final that it precludes any hope of redress through appeal.

Although I doubt that anything can be done for me personally by my appeal to you at this point, I am writing in the hope that someone else, striving to achieve the same goals to which I aspired, will not be denied even *the chance* for success because of an incidental form. As a kind of back-handed consolation, Col. Solazzo wrote that "other qualified applicants" have been denied the opportunity of becoming Marine Corps officers for similar reasons. In my eyes, this only magnifies the scope of this injustice. If this ruling is allowed to stand in the future as it has stood in the past—and is allowed to measure men's lives and abilities by puffs of smoke—then Justice's blindness must really have become malignant, and made a dark void of her mind.

In conclusion, I would like to mention the practical help and moral support I have received from past and current Marine Corps officers. It is only through their good will and tacit support that this issue even got past the local O.S.O. office. You have the statements of both Captain Wilkenloh and now Captain Kirkpatrick (my C.O. at the time of the half dozen instances and now an O.S.O. himself.) Other officers and O.S.O.'s have voiced their *personal* opinions on the futility and meaninglessness of this directive. Officers admit that "precounseling" eliminates the surfacing of most blunders such as mine. Even an aid to the Commandant regarded the raising of this as "a torpedo in the right place."

Sir, this policy, as rigid as it is senseless, is an injustice of the cruelest and most arbitrary nature to the men it has struck down in the past. If it remains to strike down others in the future, it will be an insult to much of what we have been taught about our country.

Respectfully,

IGOR BOBROWSKY.

DEPARTMENT OF THE NAVY,
Washington, D.C., February 13, 1974.
Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of January 28, 1974, regarding Mr. Igor Bobrowsky, a former Marine, social security number [redacted], and his application to attend Officer Candidate School.

After reviewing the correspondence forwarded to my office concerning Mr. Bobrowsky's plea and the resulting Marine Corps decision, it has been determined that further action would not be appropriate. The Marine Corps has established a policy that precludes enlistment of any individual with admitted usage of drugs. For me to intervene in this case would set a precedent detrimental to that Marine Corps policy.

Each branch of the Armed Forces possesses their own policies regarding enlistments and requests for additional service. They are in the best position to determine what standards should be required, and in which instances to authorize waivers. As each service has various personnel requirements, doctrinal policies of a general nature are established by the Department of Defense, with the maximum amount of autonomy allowed to each respective branch.

It is a pleasure to be of service to you.

Sincerely yours,

JOSEPH T. MCCULLEN, Jr.,
Assistant Secretary of the Navy (Manpower and Reserve Affairs).

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 16, 1974.
Hon. JAMES R. SCHLESINGER,
Secretary, Department of Defense, the Pentagon, Washington, D.C.

DEAR MR. SECRETARY: I would like to bring your attention to a case of an individual seeking a military career who is being disqualified because he is "falling through the cracks" of military regulations. His candidacy for the Marine Corps Officers Training School has been snared in the web of military policies and regulations which undoubtedly are effective in properly evaluating the majority of applicants, but when applied to thousands inevitably fail to properly judge some individuals.

The candidate is Mr. Igor Bobrowsky (SS # [redacted]). I would appreciate your personally examining his case because I am sure that you are concerned as I that our military have as its leaders the finest young Americans it can attract. I have met Mr. Bobrowsky and I believe that he is an individual of high character and integrity.

Mr. Bobrowsky, who has served in the Marine Corps, was rejected by General Cushman on January 8th for enrollment in the Marine Corps Officer Candidate School. He was rejected because of his admitted one time use of marihuana in filling out the Marine Corps Form 1130. Most applicants probably would have conveniently forgotten this flirtation with a substance that the National Marihuana Commission has determined is not addictive; but because Mr. Bobrowsky is so scrupulously honest, he admitted to its use.

It is important to note that in the case of Mr. Bobrowsky the military is not dealing with an unknown quantity. Mr. Bobrowsky served in the Marines in Vietnam and he voluntarily extended his Vietnam tour of duty. For his service he received numerous citations including: the Purple Heart, Vietnam Campaign Medal, National Defense Medal, Vietnam Service Medal, Good Conduct Medal, and the P.U.C. Medal. In applying for OCS he had recommendations from Captain R. H. Kirkpatrick Jr. and former Captain William C. Wilkenloh. Furthermore, it is particularly noteworthy that he was so committed to his goal of a career in the Marine Corps that he completed college in three years instead of four so that he could meet the age requirement for enrollment in OCS. Even in his accelerated program, he graduated cum laude from Hunter College with a major and a double minor. Mr. Bobrowsky is married and has two children. I think that your files on Mr. Bobrowsky will show that he is indeed an outstanding candidate.

Mr. Bobrowsky was conditionally accepted in the OCS and then was asked to fill out Form 1130. This form asks the individual to answer yes or no to a number of questions. Question number 23 reads as follows: "Have you ever used LSD (acid), marihuana (pot, hash, joints), opiates (heroin, horse, smack), peyote (moon buttons, mesc.), sniffed glue, paint, turp, or used dope DMT, "68" or other hallucinogens, hypnotics, stimulants (amphetamines, crystals, uppers, speed, bennies), depressants (downers, barbs, whites, goofballs, blue devils, red devils) or other known harmful or habit-forming drugs and/or chemicals?" It is distressing to me that an individual should be expected to answer yes or no to the entire contents of this question with no opportunity to indicate whether he had used a particular substance on one occasion, or all of them repeatedly.

I would hope that your examination of this case will be two-fold. First, of course I hope that you will enable Mr. Igor Bobrowsky to enroll in OCS. I realize that a certain amount of autonomy is given to each branch of service to establish qualifications for its officers. At the same time, the Defense Department surely has an overall responsibility for the quality and character of its military officers. Second, I would hope that you will look at this case in the example it provides for the necessity of reviewing the Department's treatment of marihuana use. Again, each branch of service may issue its own forms and ask what questions it may, but the Department of Defense must be concerned that none is unfairly prejudicial to a candidate, outdated, or improperly construed so as to fail to meet the overall objectives and policies of the Defense Department. Indeed, I understand that changes in Form 1130 require DOD approval, establishing the Department's ultimate responsibility.

Marihuana surely should not be grouped with heroin, LSD, hallucinogens, and other such drugs. While you might wish to ask if marihuana has been used, this should not automatically disqualify a candidate, particularly if it was a past, one-time venture.

I know that the military must have its rules and regulations. But, I would urge that ultimately, like any institutions dealing with people, it must have the flexibility to respond to the particular situations of an individual. This is a deserving case and I hope this will be done.

Sincerely,

EDWARD I. KOCH.

NATIONAL HUNTING AND FISHING DAY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, it has been my pleasure to sponsor legislation in the House for the past 2 years designating the fourth Saturday of September "National Hunting and Fishing Day." I was joined by 53 cosponsors in 1972 and 61 in 1973. I am introducing the bill again today and I am very pleased that 106 Members have joined as cosponsors to date. I invite others to join with us.

National Hunting and Fishing Day has been very popular with the American people and I feel that it should be continued. This event has significant meaning to the more than 55 million hunters and fishermen who have contributed so greatly to conservation and the improvement of outdoor recreation in this country. From the first observance in 1972, it became clear that NHF Day was to achieve a level of support and accomplishment far beyond the hopes of its most optimistic supporters. In all 50 States, proclamations were issued by the Governors or resolutions were approved by the legislatures urging public involvement in the day. The first NHF Day was highlighted by some 3,000 observances across the country with 4 million Americans joining together in the cause of conservation.

The second NHF Day celebrated last year on September 22 was much more impressive. As a result of hundreds of superprograms held at shopping centers, State fairs, schools, military installations, and scores of other facilities, public involvement increased nearly fourfold with an exciting total of 14 million Americans taking part in the celebration. The idea spread to Europe where our Armed Forces personnel organized programs in which 27,000 participated. I am told that plans are now being made for similar programs even in South America for the third NHF Day observance.

The success of NHF Day may be attributed to the sportsmen—our first conservationists. Long before Earth Day and long before ecology became a household word, this Nation's hunters and fishermen had begun their conservation efforts. It was over 75 years ago that these sportsmen decried the rape of our fields, forests, and streams and provided the moneys to fight environmental destruction. In those 75 years, hunters and fishermen have provided nearly $2.5 billion for conservation.

Hunting and fishing is big business in America. Each year more than 15 million hunting licenses and 24 million fishing licenses are sold. And each year the ranks grow larger. Each year more than $250 million is taken in from the sale of licenses, tags, permits, and stamps. The funds from these sources are used to protect and improve wildlife habitat and fishing areas, thus fish and game populations are managed on a scientific basis. Even endangered species receive benefits from the effort of these dedicated conservationists—the enlightened hunters and fishermen who want to see their natural heritage preserved. Professional conservationists will tell you that it is the sportsmen who are most responsible for the healthy populations of wildlife now abounding in many States. They will also tell you that the sportsman and his conservation dollars, have made possible a 20-fold increase in the number of deer in the United States; a 5-fold increase in the population of Elk and Antelope; and a 10-fold increase in the number of wild turkeys. These numbers may surprise you as they surprised the millions who learned these facts at National Hunting and Fishing Day programs in 1972 and 1973. But they do not surprise the professional conservationists who work along with hunters and fishermen to make these increases possible. It is not the hunters and fishermen who are wiping out the endangered species in this country. The greatest threat is from loss of habitat and from environmental degradation such as pollution. As human population increases, along with its modern-age technology, the pressure on wild species also increases. Some species are literally squeezed out of existence—not killed off by the hunter.

Mr. Speaker, we must continue our crusade to protect our wildlife and we should increase our efforts to alert the public on environmental problems. The observance of "National Hunting and Fishing Day" is one of the best ways of helping to achieve this goal. I urge my colleagues to lend their support to this resolution.

MORE PUSH FOR PAY RAISES PREDICTED

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, of interest to me and, I feel, to most of our colleagues who are concerned with the Nation's energy shortage is Hobart Rowen's column in the business and finance section of today's Washington Post.

Mr. Rowen reports that two prominent economists—George Perry, a senior fellow at the Brookings Institution, and Prof. Hendrik S. Houthakker, of Harvard University and a former member of the Council of Economic Advisers—both agreed during hearings before the Joint Economic Committee yesterday that the present petroleum allocation system has been a dismal failure.

Such a disclosure, of course, comes as no surprise to those of us here who opposed the allocation system when it was considered in the House, as the record of debate on this issue will reflect. It was warned at that time that we would be creating new problems by instituting this system and that the energy shortages would increase. We apparently have still not learned our lesson; and unless we do, the situation will worsen before it gets better.

MORE PUSH FOR PAY RAISES PREDICTED

(By Hobart Rowen)

A panel of prominent economists told a Joint Economic Committee hearing yesterday that pressures for wage increases in 1974 will be greatly increased this year, but disagreed on how to handle the problem.

George Perry, a senior fellow at the Brookings Institution here, advocated a "social contract for wage moderation" by which the government would substitute a tax cut for a wage increase that would fully catch up with past price increases.

"Wages cannot make up for ground lost to food and fuel between 1973 and 1974 without starting a chain of wage-price hikes that would raise prices an average of 25 percent economy-wide," Perry said.

Harvard Professor Hendrik S. Houthakker, a former member of the Nixon Council of Economic Advisers, said he is "sympathetic" with the idea of a tax cut, even though "there is not an iron-clad case for it."

But Houthakker would not go along with Perry's conclusion that it would be "a great mistake" to abandon wage-price controls entirely on April 30, when the current stabilization act expires. "The time has come," Houthakker testified, "to admit that inflation cannot be held down by passing laws against high prices."

A third member of the panel, former CEA Chairman Gardner Ackley, said "It is not clear to me that additional fiscal stimulus is desirable." And while Ackley concluded that wage-price controls "have had some effect" in slowing inflation, he indicated he had reservations about continuing the authority past April 30.

Perry said that a recession in the first six months of 1974 "is as near to a sure thing as anything in economic forecasting can be," although a recovery later in 1974 "is by no means assured."

He calculated that rising food prices in 1973 took away about $15 billion in consumer purchasing power, and that a rise in average petroleum prices—which he put at 50 per cent by this summer—"Will cut consumer purchasing power by $18 to $20 billion more."

Perry suggested that the "attempt to raise incomes via the tax table rather than via the bargaining table" would help contain a new round of wage-push inflation, and also serve "the cause of equity."

Sen. William Proxmire (D-Wisc.), vice chairman of the committee—who conducted the hearing alone—observed that "I don't see how labor can stand still year after year in the face of the kind of inflation we've had." But he was noncommital on Perry's tax-cut proposal.

Perry and Houthakker also agreed that the present petroleum allocation system is not working and that either a formal rationing system or a substantial gasoline price increase ought to be put into effect.

They suggested that a price of 75 to 80 cents a gallon would eliminate gasoline lines and cut consumption. Perry, who would prefer rationing, would resort to a tax of 30 cents a gallon, coupled with a tax rebate.

Both were caustic about the present "chaos" created by federal government regulations. "Someone whose time is worth $4 an hour is already paying $1.20 a gallon when he waits an hour in line," said Perry. "We are using pain to clear markets today. Using either price or coupons would be better."

TAX RELIEF FOR THE DISABLED

(Mr. BINGHAM asked and as given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, today I am introducing legislation which would provide new and needed Federal income tax relief for taxpayers burdened with the enormous cost of providing special care for the physically or mentally disabled.

My bill, which was first introduced in the 92d Congress, would amend the Internal Revenue Code to provide a $750 income tax exemption for each disabled member of the taxpayer's family.

This legislation is urgently needed. The dollar squeeze each and every American family is experiencing because of the administration's mishandling of the economy has caused even greater hardships for families providing special education, rehabilitative services, job training, and medical care for handicapped loved ones.

Every American has the right to an education, and that includes citizens with special educational needs. Every American seeks to develop his talents to the fullest, but some need special help to achieve their potential. The rights of the disabled American should not be lost because of rising costs and an unsympathetic ear in Washington. As we aid families of the blind with a special tax exemption, we should aid families of those with other handicaps as well.

Under present law, if a taxpayer is to be able to deduct the cost of special care required for a handicapped member of his family he must itemize his deductions. But this deduction only covers those expenses in excess of 3 percent of the taxpayers adjusted gross income. In addition, it completely ignores the cost of custodial care. My proposal would for the first time provide direct tax assistance to lower income families who now lose the benefit of the medical deductions because they do not itemize their deductions.

A reasonable program of tax relief for the families of the handicapped would go a long way to stem the tragic tide of disabled children abandoned to public institutions by their families because they are unable to pay the cost of required care.

When I introduced the Commuters' Tax Act, H.R. 11992, in December 1973, to provide a tax credit or deduction for certain transportation expenses incurred by the handicapped traveling to and from work, I said that the bill was designed to equalize the expenses of such travel so that the handicapped worker would be able to compete with everyone else. The same policy is built into the bill I have introduced today. This legislation would simply provide assistance in the form of a tax exemption, so that families that choose to care for handicapped members of their family would not be penalized for the desire to keep the family together.

SCHOOL LUNCHES THREATENED

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, since the early 1930's the Food Commodity Distribution program has been an effective way to serve many people—children, the needy, and victims of natural disasters. By offering available foods to any State that has a food donation program, the U.S. Department of Agriculture has helped meet the nutritional needs of youngsters in nonprofit school lunch programs, of poor families, and of children and adults in camps and other nonprofit institutions.

In the past the USDA has bought surplus foods from the farmer and donated them to the States when it was requested. Surplus foods were purchased in three ways: First, under section 6 of the National School Lunch Act; second, under surplus removal programs as authorized by section 32 of Public Law 74–320, and third, through price support obligations. The USDA paid for processing, packaging, and transporting the foods to locations chosen by the State, and each State then distributed them through local city agencies.

Although in recent years the supply of surplus foods has diminished, section 4 (a) of Public Law 93–86 provides that food can still be purchased at market prices if necessary, then be distributed in similar fashion through fiscal year 1974. Until recently it was assumed that the necessary steps would be taken to extend this service further into the future. However, according to a memo written by Assistant Secretary Clayton Yeutter to Agriculture Secretary Butz, this program is in danger of being phased out unless appropriate legislation is enacted. In the memo, Assistant Secretary Yeutter urged that:

> Distribution to institutions should be phased down as much as possible, thereby minimizing the flak that will be received if and when complete termination takes place. Distribution to the schools should be reduced dramatically.

While needy families may receive the benefit of food stamps to compensate for a lack of food surplus commodities, the nutrition programs of nonprofit institutions will face disaster. Many of our country's schools and institutions are already confronted with enormous financial problems. The elimination of surplus food commodities would create severe budgetary strains and perhaps even threaten the existence of these programs.

Presently, the Department of Agriculture is required by law to make cash payments to schools equivalent to the food commodities if and when these commodities are not available. However, schools cannot replace the same foods at the same price since they would have to buy on the open market, nor do they have the benefit of buying in the same bulk quantity as the Federal Government. Julius Jacobs of New York City's Bureau of School Lunches says that city schools currently receive $3.5 million worth of Federal surplus foods. The same foods bought on the open market would cost the city 25 percent more or approximately $4.4 million in all.

Charitable programs do not even receive cash payments to make up for the lack of surplus supplies. When the surplus food distribution service ends on July 1, 1974, institutions such as orphanages will have to adjust their budgets to the tune of over $20 million worth of food supplies. The American Red Cross will face an additional expense of at least $1 million. The estimated cost to New York City institutions alone is more than $1 million.

I can see no logical reason for the termination of this program; therefore, I have introduced a bill today which would give the USDA indefinite purchasing authority to buy commodities for maintaining the present level of aid for food assistance programs, including but not limited to school lunch, nonprofit institutions, supplemental feeding, and disaster relief. Funds for this program are derived in large part from import duties on food—section 32 of Public Law 74–320, as amended.

An article of February 13, 1974, by John Lang of the New York Post explains in some detail the problems that the elimination of this food program would present. I urge my colleagues to join me in supporting the extension of this important program.

The article follows:

SCHOOL LUNCHES THREATENED

(By John S. Lang)

WASHINGTON.—An Agriculture Dept. plan to phase out the commodity food distribution program could cost American schools, orphan homes and charities nearly a quarter of a billion dollars.

Officials of agencies which depend on the supplies to feed poor children and disaster victims say that phasing out the program would have "disastrous" effects.

"This is a punch in the guts you don't see coming," says Julius Jacobs of New York City's Bureau of School Lunches, which depends on the commodities to feed 520,000 children daily in the free school lunch program.

Jacobs says city schools annually get federal surplus foods worth $3.5 million—and it would cost the city 25 per cent more if it had to replace that supply by making purchases on the open market.

A spokesman for Mayor Beame says it is too early to determine whether losing the free foods would end the free school lunch program, but he said, "it would be a serious problem."

The Agriculture Dept. proposal to stop the commodity food distribution program was disclosed today by Sen. George McGovern (D-S.D.), who made public a memo to Agriculture Secretary Butz from Assist. Secretary Clayton Yeutter.

NOT GREAT

Yeutter wrote that an evaluation of the program indicated "that benefits to producers have not been great.

"Distribution to institutions should be phased down as much as possible, thereby minimizing the flak that will be received if and when complete termination takes place. Distribution to the schools should be reduced dramatically."

The commodity program already was in trouble because this year, for the first time, there is no surplus of farm products available for agriculture to distribute. And the department's authority to purchase the supplies on the open market is scheduled to expire June 30.

McGovern, chairman of the Senate Select Committee on Nutrition and Human Needs, has introduced a bill to extend the department's authority to make these purchases indefinitely.

But Yeutter's memo recommends "all our opposition to the McGovern legislation. If it should pass, we'll be in the commodity procurement business forever."

McGovern criticized the memo as "the final step in the Administration's hope to vanish as a factor in the farm and food economy. So-called free market boom or bust economics may be a windfall to a few market manipulators but it is a long-range disaster for the farmers and the consumers."

Currently, the Agriculture Dept. provides $260 million worth of commodities to the nation's schools, $20 million worth to institutions such as orphanages and $1 million worth to the Red Cross.

Existing law requires the department to provide the schools with a dollar equivalent of the commodities now given. But Senate nutrition experts estimate it would cost the schools another $200 million to replace the program since they would have to buy on the open market.

There is no provision in the law for the department to make dollar payments to the Red Cross and other institutions if the commodity program is killed. And McGovern's staff estimates it would cost the organizations $49 million to replace the commodities they now receive. The total to those groups and school would be $249 million.

Proposals to "phase out" the commodity program have brought anguished protests from recipients.

Edwin S. Pfeiffer of the Connecticut Dept. of Finance and Control advised McGovern's staff that "within the state of Connecticut we feel that this would be catastrophic."

"I feel that this will cause the dropping of many school lunch programs and child nutrition programs resulting in not being able to serve the children who most need this means which is the mainstay of their daily nutritional values."

3 MILLION POUNDS

Dick Reed of New York's Bureau of School Food Management said in an interview that the state received federal commodities worth $20 million to provide free school lunches. Reed said he felt the state could provide better lunches if it purchased the commodities locally—but he estimated the cost to New York at $30 million.

The American Red Cross said it was heavily dependent on surplus commodities for disaster relief. In past years the commodity program has provided the Red Cross with 3 million pounds of food annually.

"If we don't have this resource available to us," said a Red Cross spokesman, "we'll have to make up for it somehow with donations. We'll have to buy these supplies commercially and that will be much, more expensive. It's a serious problem."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. Pepper (at the request of Mr. O'Neill), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Burgener) to revise and extend their remarks and include extraneous matter:)

Mr. Gilman, for 10 minutes, today.

Mr. Miller, for 5 minutes, today.

(The following Members (at the request of Mr. Thornton) to revise and extend their remarks and include extraneous matter:)

Mr. Long of Louisiana, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Ms. Abzug, for 5 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Chappell, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Corman, for 5 minutes, today.

Ms. Holtzman, for 5 minutes, today.

Mr. Ford, for 5 minutes, today.

Mr. Morgan, for 5 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Owens, for 5 minutes, today.

Mr. Meeds, for 60 minutes, on March 5.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Koch and to include extraneous matter, notwithstanding the fact it exceeds 3½ pages of the Congressional Record and is estimated by the Public Printer to cost $731.50.

(The following Members (at the request of Mr. Burgener) and to include extraneous matter:)

Mr. Coughlin.

Mr. Fish.

Mr. Derwinski in four instances.

Mr. Quie.

Mr. McCloskey.

Mr. Conte.

Mr. Broyhill of Virginia in two instances.

Mr. du Pont.

Mr. Huber in four instances.

Mr. Armstrong in two instances.

Mr. Del Clawson.

Mr. Froehlich.

Mr. Wyman in two instances.

Mr. Don H. Clausen in three instances.

Mr. Bob Wilson in two instances.

Mr. Archer.

Mr. Symms in two instances.

Mr. Towell of Nevada.

Mr. McCollister in six instances.

Mr. Taylor of Missouri in two instances.

Mr. Hudnut.

Mr. Gude.

Mr. Carter.

Mr. Sandman.

Mr. Hosmer in two instances.

Mr. Lujan in two instances.

Mr. Minshall of Ohio.

Mr. Crane in five instances.

Mr. Price of Texas.

Mrs. Heckler of Massachusetts.

Mr. Camp.

Mrs. Holt.

Mr. Ashbrook in five instances.

Mr. Shuster.

Mr. Steiger of Wisconsin.

Mr. Burke of Florida.

Mr. Chamberlain in two instances.

(The following Members (at the request of Mr. Thornton) and to include extraneous matter:)

Mr. Edwards of California in two instances.

Mr. Young of Georgia in six instances.

Mr. Rostenkowski in three instances.

Mrs. Mink in two instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Burlison of Missouri.

Mr. Roncalio of Wyoming in 10 instances.

Mr. Rooney of New York.

Mr. Drinan in five instances.

Mrs. Griffiths.

Mr. Badillo in three instances.

Mr. Long of Louisiana in five instances.

Mr. Eilberg in 10 instances.

Mr. Rangel in 10 instances.

Mr. Moakley in 10 instances.

Mr. Chappell.

Mr. Seiberling in 10 instances.

Mr. Harrington.

Mr. Slack.

Mr. Ford.

Ms. Abzug in 10 instances.

Mrs. Sullivan in two instances.

Mr. Murphy of New York.

Mr. Hungate in two instances.

Ms. Schroeder in 10 instances.

Mr. Dan Daniel.

Mr. Dent.

Mr. Dellums in 10 instances.

Mr. St Germain.

Mr. Anderson of California in three instances.

Mr. Denholm in two instances.

Mr. Davis of Georgia in 10 instances.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10203. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 21 minutes p.m.), under its previous order, the House adjourned until Monday, February 25, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1918. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that appropriations to various Departments and agencies have been apportioned on a basis which indicates a necessity for supplemental estimates of appropriations for fiscal year 1974 in order to cover pay increases, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

1919. A letter from the Secretary of the Army, transmitting a report on the first year of the Volunteer Army; to the Committee on Armed Services.

1920. A letter from the Secretary of the Air Force, transmitting the report of Air Force experimental, developmental, and research contracts of $50,000 or more, covering the 6 months ended December 31, 1973, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

1921. A letter from the Secretary of Transportation, transmitting the third annual report of capital assistance, technical studies, and relocation grants under the Urban Mass Transportation Administration for the year 1973, pursuant to section 4 of the Urban Mass Transportation Act of 1964, as amended by Public Law 93-87; to the Committee on Banking and Currency.

1922. A letter from the Chairman, Cost of Living Council, transmitting a draft of proposed legislation to extend and amend the Economic Stabilization Act of 1970 to provide for the orderly transition from mandatory economic controls and continued monitoring of the economy and for other purposes; to the Committee on Banking and Currency.

1923. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication, "Statistics of Interstate Natural Gas Pipeline Co., 1972"; to the Committee on Interstate and Foreign Commerce.

1924. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to prescribe regulations to govern the arrival, entry, clearance, and related movements of vessels and vehicles, and for other purposes; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

1925. A letter from the Comptroller General of the United States, transmitting a report on the inconsistency of the staffing and equipment structure of the reserve C-130 airlift program of the U.S. Air Force; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. H.R. 69. A bill to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes; with amendment (Rept. No. 93-805). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. House Resolution 901. Resolution providing for the consideration of the conference report on S. 2589. An act to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, national, and international contingency plans; to assure the continuation of vital public services; and for other purposes. (Rept. No. 93-806). Referred to the House Calendar.

Mr. ULLMAN: Committee on Ways and Means. H.R. 12855. A bill to amend the Internal Revenue Code of 1954 to provide pension reform. (Rept. No. 93-807). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DENHOLM:

H.R. 12940. A bill to amend the Public Health Service Act to extend for 1 fiscal year the authority for grants for 2-year medical schools intending to become schools capable of granting medical degrees; to the Committee on Interstate and Foreign Commerce.

By Mr. ANNUNZIO:

H.R. 12941. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. BLATNIK (for himself, Mr. Harsha, Mr. Hammerschmidt, and Mr. Hanrahan):

H.R. 12942. A bill to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 1-year period, to establish an economic adjustment assistance program, and for other purposes; to the Committee on Public Works.

By Mrs. BOGGS:

H.R. 12943. A bill to amend the Public Health Service Act so as to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis; to the Committee on Interstate and Foreign Commerce.

H.R. 12944. A bill to provide a tax incentive for installation to certain buildings of fire sprinklers and other fire prevention or extinguishment apparatus; to the Committee on Ways and Means.

By Mr. BROWN of Michigan (for himself and Mr. Widnall):

H.R. 12945. A bill to amend the Urban Mass Transportation Act of 1964 to increase the amounts authorized for capital grants, to establish an urban transportation formula grant program, and for other purposes; to the Committee on Banking and Currency.

By Mr. BROYHILL of Virginia (for himself, Mr. Rees, Mr. Gude, Mr. Parris, and Mr. Fauntroy):

H.R. 12946. A bill to amend the National Capital Transportation Act of 1969 with respect to the amount of the net project cost paid by the United States; to the Committee on the District of Columbia.

By Mr. BURKE of Massachusetts (for himself, Mr. Bingham, Ms. Burke of California, Mr. Clay, Mr. Conyers, Mr. Dellums, Mr. Dent, Mr. Edwards of California, Mr. Eilberg, Mr. Fraser, Mr. Gunter, Mr. Hawkins, Mr. Kyros, Mr. McCormack, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Moorhead of Pennsylvania, Mr. Rose, Mr. St Germain, Mr. Sandman, Mr. Sarbanes, Ms. Schroeder, Mr. Stokes, Mr. Yatron, and Mr. Young of Georgia):

H.R. 12947. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself, Mr. Poage, and Mr. Dominick V. Daniels):

H.R. 12948. A bill to suspend the duty on natural graphite for 5 years; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Bennett, Mr. Bevill, Mr. Bingham, Mr. Boland, Mr. Brasco, Mr. Brown of California, Mr. Buchanan, Ms. Burke of California, Mr. Carney of Ohio, Ms. Chisholm, Mr. Dellums, Mr. de Lugo, Mr. Denholm, Mr. Derwinski, Mr. Drinan, Mr. Duncan, Mr. Eilberg, Mr. Esch, Mr. Eshleman, Mr. Fauntroy, and Mr. Fish):

H.R. 12949. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder (whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other benefit programs; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Mr. Fraser, Mr. Fuqua, Mr. Gaydos, Mr. Giaimo, Mr. Green of Pennsylvania, Mr. Grover, Mr. Guyer, Mr. Hamilton, Mr. Harsha, Mr. Hawkins, Mr. Helstoski, Mr. Horton, Mr. Hungate, Mr. Ichord, Mr. Johnson of California, Mr. Jones of North Carolina, Mr. Koch, Mr. Leggett, Mr. Lott, Mr. McCloskey, Mr. McCormack, Mr. Martin of North Carolina, Mr. Mezvinsky, and Mr. Mitchell of New York):

H.R. 12950. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder (whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other benefit programs; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Mr. Mollohan, Mr. Moorhead of Pennsylvania, Mr. Morgan, Mr. Moss, Mr. Nichols, Mr. Nix, Mr. Pike, Mr. Podell, Mr. Preyer, Mr. Randall, Mr. Reuss, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Rostenkowski, Mr. Roush, Mr. Roybal, Mr. Ryan, Mr. St Germain, Mr. Sandman, Mr. Sarbanes, Mr. Seiberling, Mr. Spence, and Mr. Symington):

H.R. 12951. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder (whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other benefit programs; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Mr. Taylor of North Carolina, Mr. Tiernan, Mr. Thompson of New Jersey, Mr. Van Deerlin, Mr. Waldie, Mr. Wampler, Mr. Charles Wilson of Texas, Mr. Won Pat, Mr. Wright, Mr. Yatron, Mr. Young of Georgia, Ms. Holtzman, and Mr. Jones of Oklahoma):

H.R. 12952. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder (whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other benefit programs; to the Committee on Ways and Means.

By Mr. CARNEY of Ohio:

H.R. 12953. A bill to amend the Social Security Act to establish a program of food allowance for older Americans; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, and Mr. Burke of Massachusetts):

H.R. 12954. A bill to extend through December 1974 the period during which benefits under the supplemental security income program on the basis of disability may be paid without interruption pending the required disability determination, in the case of individuals who received public assistance under State plans on the basis of disability for December 1973 but not for any month before July 1973; to the Committee on Ways and Means.

By Mr. FISHER:

H.R. 12955. A bill to amend section 4124 of title 18 of the United States Code to eliminate the mandatory purchase of prison-made products by Federal departments; to the Committee on the Judiciary.

By Mr. FROEHLICH:

H.R. 12956. A bill to direct the Chief of the Forest Service to permit certain communities to continue to use the Nicolet National Forest, Wis., for solid waste disposal; to the Committee on Interstate and Foreign Commerce.

By Mrs. GREEN of Oregon:

H.R. 12957. A bill to amend title 10, United States Code, with respect to crediting certain service of females sworn in as members of telephone operating units, Signal Corps; to the Committee on Armed Services.

By Mr. GUNTER (for himself, Mr. Haley, and Mr. Pepper):

H.R. 12958. A bill to provide for the termination of certain oil and gas leases granted with respect to land located in the Ocala National Forest; to the Committee on Interior and Insular Affairs.

By Mr. LANDGREBE (for himself and Mr. Bennett):

H.R. 12959. A bill to provide that pay recommendations of the President transmitted to Congress in the Budget under section 225 of the Federal Salary Act of 1967 shall not become effective unless the budget indicates that Government outlays (including pay increase costs) will not exceed Government revenues; to the Committee on Post Office and Civil Service.

By Mr. LATTA:

H.R. 12960. A bill to abolish the Commission on Executive, Legislative, and Judicial Salaries established by section 225 of the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LITTON (for himself, Mr. Breaux, Mr. Pepper, Mr. Yatron, Mr. Brasco, Mr. Podell, Mrs. Grasso, Mr. Won Pat, Mr. Dellums, Mr. Stark, Mr. Lehman, Mr. Gunter, Mr. Froehlich, Mr. Wolff, Ms. Burke of California, Mr. Ketchum, Mr. Eilberg, Mr. St Germain, and Ms. Holtzman):

H.R. 12961. A bill to prohibit the use of U.S. fuel to train commercial airline and military pilots who are nationals of any foreign country which places an embargo on its shipment of petroleum products to the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Ms. Holtzman, Mr. Rosenthal, and Mr. Preyer):

H.R. 12962. A bill to provide an excise tax on every new automobile in an amount relating to the portion of such automobile's fuel consumption rate which falls below certain standards, to provide an Energy Research and Development Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. MATHIAS of California (for himself and Mr. Ryan):

H.R. 12963. A bill to provide for the establishment of the California Desert National Conservation Area; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER:

H.R. 12964. A bill to amend section 127 of title 23 of the United States Code relating to vehicle weights; to the Committee on Public Works.

By Mr. MOAKLEY (for himself and Mr. Rangel):

H.R. 12965. A bill to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis; to the Committee on Education and Labor.

By Mr. OBEY (for himself, Mr. Brown of California, Mr. Clay, Mr. Moss, Mr. Sikes, Mr. Eilberg, Mr. Thompson of New Jersey, Mr. Litton, Mr. Rosenthal, Mr. Badillo, Mr. Ketchum, Ms. Abzug, Mr. Huber, Mr. Yates, Mr. Mitchell of Maryland, Mr. Buchanan, Mr. Ryan, Mr. Fauntroy, Mrs. Chisholm, Mr. Veysey, Mr. Eckhardt, Mr. Carney of Ohio, and Mrs. Collins of Illinois):

H.R. 12966. A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis who file their returns before March 1 if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give certain information when making refunds; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 12967. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to encourage the States to develop smaller correctional institutions in urban areas; to the Committee on the Judiciary.

By Mr. PICKLE:

H.R. 12968. A bill to remove Members of Congress from the purview of section 225 of the Federal Salary Act of 1967, relating to the Commission on Executive, Legislative, and Judicial Salaries, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PRICE of Texas:

H.R. 12969. A bill to increase the limits on Farmers Home Administration real estate and operating loans; to the Committee on Agriculture.

By Mr. ROUSH (for himself, Mr. Annunzio, Mr. Brademas, Mrs. Collins of Illinois, Mr. Conyers, Mr. Dingell, Mr. Edwards of California, Mr. Hamilton, Mr. Hechler of West Virginia, Mr. Madden, Mr. Melcher, Mr. Metcalfe, Mr. Murphy of Illinois, Mr. Nedzi, Mr. O'Brien, Mr. O'Hara, Mr. Reuss, Mr. Riegle, Mr. Seiberling, Mr. Shipley, Mr. Yates, and Mr. Udall):

H.R. 12970. A bill to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 12971. A bill to amend the Internal Revenue Code of 1954 to increase the execution allowance for gain from the sale or exchange of a residence in the case of individuals 65 and over; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 12972. A bill to amend the act of June 30, 1944, an act "To provide for the establishment of the Harpers Ferry National Monument," and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TAYLOR of Missouri (for himself, Mr. Hammerschmidt, Mr. McSpadden, Mr. Brown of California, Mr. Andrews of North Dakota, Mr. Mayne, Mr. Fisher, Mr. Bray, Mr. Bevill, Mr. Litton, Mr. Ichord, Mr. Randall, and Mr. Charles Wilson of Texas):

H.R. 12973. A bill to amend the Emergency Petroleum Allocation Act of 1973 to roll back the price of propane gas; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR of Missouri (for himself, Mr. J. William Stanton, Mr. Robison of New York, Mr. Hamilton, Mr. Duncan, Mr. Drinan, Mr. Flynt, Mr. Mollohan, Mr. Mitchell of New York, Mr. Rooney of Pennsylvania, Mr. Myers, Mr. Helstoski, Mr. Mosher, and Mr. Roe):

H.R. 12974. A bill to amend the Emergency Petroleum Allocation Act of 1973 to roll back the price of propane gas; to the Committee on Interstate and Foreign Commerce.

By Mr. WYATT (for himself, Mr. Frenzel, Mr. Stark, Mr. Fraser, and Mr. Blatnik):

H.R. 12975. A bill to authorize the Secretary of Agriculture to make grants to cities and park districts to encourage the increased planting of trees and shrubs and to encourage other urban forestry programs; to the Committee on Agriculture.

By Mr. YATRON (for himself, Mr. Kyros, Mr. Moakley, Mr. Anderson of California, Mr. Symms, Mr. Hanley, Mr. Chappell, Mr. Rinaldo, Mr. Hicks, Mr. Heinz, and Mr. Waldie):

H.R. 12976. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. ABDNOR:

H.R. 12977. A bill to amend the Public Health Service Act to extend for 2 fiscal years the authority for grants for 2-year medical schools intending to become schools capable of granting medical degrees; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of North Dakota:

H.R. 12978. A bill to provide that certain land shall be held in trust for the Standing Rock Sioux Tribe in North Dakota and South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM:

H.R. 12979. A bill to amend section 4(a) of the Agriculture and Consumer Protection Act of 1973, and for other purposes; to the Committee on Agriculture.

H.R. 12980. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer, his spouse, or his dependent, who is disabled, and for other purposes; to the Committee on Ways and Means.

By Mr. BROYHILL of North Carolina:

H.R. 12981. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Georgia (for himself and Mr. Symington):

H.R. 12982. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. DELANEY (for himself and Mr. Steele):

H.R. 12983. A bill to amend the Internal

Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. DOWNING:

H.R. 12984. A bill to authorize the Secretary of the Interior to acquire certain property located within the Governor's Land Archeological District, James City County, Va., for inclusion in the Colonial National Historical Park; to the Committee on Interior and Insular Affairs.

H.R. 12985. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

H.R. 12986. A bill to amend the act which created the U.S. Olympic Committee to require such committee to hold public proceedings before it may alter its constitution, to require arbitration of certain amateur athletic disputes, and for other purposes; to the Committee on the Judiciary.

H.R. 12987. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. FORD (for himself, Mr. Thompson of New Jersey, Mr. O'Hara, Mr. Clay, Mr. Lehman, and Mr. Brown of California):

H.R. 12988. A bill to amend the Sugar Act of 1948 to prescribe minimum wages and conditions of employment for farmworkers, and for other purposes; to the Committee on Agriculture.

By Mr. HARRINGTON:

H.R. 12989. A bill to amend the Handgun Control Act of 1965; to the Committee on the Judiciary.

By Ms. HOLTZMAN (for herself, Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. Badillo, Mr. Bingham, Mr. Boland, Mr. Brown of California, Ms. Burke of California, Mr. Carey of New York, Mrs. Chisholm, Mr. Dellums, Mr. Drinan, Mr. Dulski, Mr. Edwards of California, Mr. Grover, Mr. Hanley, Mr. Hanna, Mr. Harrington, Mr. Hawkins, and Mr. Koch):

H.R. 12990. A bill to make it clear that the bonus value of food stamps is to be included in the "hold harmless" amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. McCloskey, Mr. Moakley, Mr. Peyser, Mr. Podell, Mr. Rangel, Mr. Rees, Mr. Reid, Mr. Reuss, Mr. Robison of New York, Mr. Rosenthal, Mr. Roybal, Mr. Sisk, Mr. Stark, Mr. Studds, Mr. Gilman, Mr. Danielson, and Mr. Murphy of New York):

H.R. 12991. A bill to make it clear that the bonus value of food stamps is to be included in the "hold harmless" amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive; to the Committee on Ways and Means.

By Ms. JORDAN (for herself, Ms. Abzug, Mr. Badillo, Mr. Bingham, Mr. Brown of California, Mrs. Burke of California, Ms. Chisholm, Mr. Conyers, Mr. Dellums, Mr. Eckhardt, Mr. Eilberg, Mr. Hastings, Mr. Hechler of West Virginia, Mr. Huber, Mr. Lujan, Mr. Mitchell of Maryland, Mr. Moss, Mr. Nix, Mr. Owens, Mr. Preyer, Mr. Sarbanes, Mr. Charles Wilson of Texas, and Mr. Won Pat):

H.R. 12992. A bill to amend the Internal Revenue Code of 1954 so as to reduce by 8 percent the amount of individual income tax withheld at the source; to the Committee on Ways and Means.

By Mr. MACDONALD (for himself, Mr. Rooney of Pennsylvania, Mr. Frey, Mr. Collins of Texas, Mr. Brown of Ohio, Mr. Van Deerlin, Mr. Byron, Mr. Murphy of New York, Mr. Goldwater, and Mr. Broyhill of North Carolina):

H.R. 12993. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 4 years, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McFALL:

H.R. 12994. A bill to amend chapter 2 of title 16 of the United States Code (respecting national forests) to provide a share of timber receipts to States for schools and roads; to the Committee on Agriculture.

By Mr. MELCHER (for himself, Mr. McCloskey, Mr. Moorhead of California, and Mr. Stark):

H.R. 12995. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. OBEY:

H.R. 12996. A bill to provide relief from shore damages attributable to high water levels in the Great Lakes, and for other purposes; to the Committee on Public Works.

By Mr. OBEY (for himself, Mr. Harrington, and Mr. Ware):

H.R. 12997. A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis who file their returns before March 1 if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give certain information when making refunds; to the Committee on Ways and Means.

By Mr. O'BRIEN:

H.R. 12998. A bill to amend title II of the Social Security Act to provide that a beneficiary who dies shall (if he is otherwise qualified and it would not reduce total family benefits) be entitled to a prorated benefit for the month of his death; to the Committee on Ways and Means.

By Mr. OWENS:

H.R. 12999. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Colorado River in the State of Utah for study as a potential component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. OWENS:

H.R. 13000. A bill to divorce the businesses of production, refining, and transporting of petroleum products from that of marketing petroleum products; to the Committee on the Judiciary.

By Mr. ROBISON of New York:

H.R. 13001. A bill to amend title 18, United States Code, to provide for the conditional suspension of the application of certain penal provisions of law; to the Committee on the Judiciary.

By Mr. ROGERS (for himself, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, Mr. Hudnut, Mr. Gunter, and Mr. Robison of New York):

H.R. 13002. A bill to amend the Public Health Service Act to assure that the public is provided with safe drinking water, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ST GERMAIN:

H.R. 13003. A bill to amend the Tariff Act of 1930 in order to increase the maximum aggregate value of imported merchandise which may be informally entered into the United States from $250 to $500; to the Committee on Ways and Means.

By Mr. WHITEHURST (for himself, Ms. Abzug, Mrs. Boggs, Mr. Dent, Mr. Duncan, Mr. Eilberg, Mr. Gunter, Mr. Harrington, Mr. Hansen of Idaho, Mr. Johnson of Pennsylvania, Mr. Ketchum, Mr. McDade, Mr. McKinney, Mr. Mitchell of New York, Mr. Pepper, Mr. Rodino, Mr. Sarbanes, Mr. Symington, Mr. Williams, Mr. Won Pat, and Mr. Wyatt):

H.R. 13004. A bill to provide assistance to zoos and aquariums, to establish standards of accreditation for such facilities, and to establish a Federal Zoological and Aquarium Board, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DON H. CLAUSEN:

H.J. Res. 909. Joint resolution to protect U.S. fishermen, their vessels, and gear from unlawful harassment on the high seas adjacent to the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. SIKES (for himself, Mr. Edwards of California, Mr. Ullman, Mr. Roberts, Mr. Denholm, Mr. Thomson of Wisconsin, Mr. Jones of North Carolina, Mr. Broyhill of North Carolina, Mr. McDade, Mr. Pepper, Mr. Rarick, Mr. Stubblefield, Mr. Won Pat, Mr. Sebelius, Mr. Abdnor, Mr. Quie, Mr. Forsythe, Mr. Waggonner, Mr. Dent, Mr. Symington, Mrs. Hansen of Washington, Mr. Leggett, Mr. Lott, Mr. Anderson of California, and Mr. Brinkley):

H.J. Res. 910. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. Casey of Texas, Mr. Ford, Mr. Frenzel, Mr. Perkins, Mr. Dan Daniel, Mrs. Grasso, Mr. Nix, Mr. Camp, Mr. Charles H. Wilson of California, Mr. Roe, Mr. Dingell, Mr. Fuqua, Mr. Robinson of Virginia, Mr. Burgener, Mr. Walsh, Mr. Moorhead of California, Mr. Young of Florida, Mr. Cleveland, Mr. Whitehurst, Mr. Mann, Mr. Murphy of New York, Mr. Charles Wilson of Texas, Mr. Davis of South Carolina, and Mr. Melcher):

H.J. Res. 911. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. Hanley, Mr. Wyman, Mr. Eshleman, Mr. Mitchell of New York, Mr. Fisher, Mr. Gibbons, Mr. Donohue, Mr. Bafalis, Mr. Gunter, Mr. Moss, Mr. Flowers, Mr. Eilberg, Mr. Johnson of California, Mr. Williams, Mr. Ruppe, Mr. Roy, Mr. Yatron, Mr. Scherle, Mr. Treen, Mr. Bevill, Mr. Latta, Mr. Minshall of Ohio, Mr. Corman, and Mr. Breaux):

H.J. Res. 912. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. Dorn, Mr. Gaydos, Mr. Chappell, Mr. Whalen, Mr. Fascell, Mr. Fulton, Mr. Milford, Mr. Pike, Mr. Alexander, Mr. Horton, Mr. Lent, Mr. Mizell, Mr. Fish, Mr. Hunt, Mr. Zwach, Mr. Preyer, Mr. Ketchum, Mr. Haley, Mr. Derwinski, Mr. Pickle, Mr. Addabbo, Mr. Nichols, Mr. Price of Illinois, and, Mr. Stuckey):

H.J. Res. 913. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

Mr. SIKES (for himself, Mr. Lehman, Mr. Bauman, Mr. Dickinson, Mr. Frey, Mr. Carney of Ohio, Mr. Parris, Mr. Downing, Mr. Goodling, Mr. Eckhardt, and Mr. Vander Jagt):

H.J. Res. 914. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. LOTT (for himself, Mr. Dan Daniel, Mr. Davis of South Carolina, Mr. Young of Florida, Mr. Bauman, Mr. McClory, Mr. Frenzel, Mr. Froehlich, Mr. Young of Illinois, Mr. Conable, Mr. O'Brien, Mr. Randall, Mr. Thone, Mr. Sarasin, Mr. Walsh, Mr. Miller, Mr. Dent, Mr. Ginn, Mr. Mathias of California, Mr. Passman, Mr. Yatron, and Mr. Stratton):

H. Con. Res. 434. Concurrent resolution providing for continued close relations with the Republic of China; to the Committee on Foreign Affairs.

By Mr. GROSS:

H. Res. 900. Resolution relative to consideration of House Resolution 807; to the Committee on Rules.

By Mr. BRAY:

H. Res. 902. Resolution relative to consideration of House Resolution 807; to the Committee on Rules.

By Mr. BURGENER:

H. Res. 903. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. DON H. CLAUSEN:

H. Res. 904. Resolution to declare U.S. sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

H. Res. 905. Resolution providing for the disapproval of the recommendation of the President of the United States with respect to the rates of pay of offices and positions within the purview of the Federal Salary Act of 1967 (81 Stat. 643; Public Law 90-206) transmitted by the President to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY:

H. Res. 906. Resolution relative to consideration of House Resolution 807; to the Committee on Rules.

By Mr. HILLIS (for himself, Mr. Regula, Mr. Byron, Mr. Miller, Mr. Roe, Mr. Robinson of Virginia, Mr. Waldie, Mr. Burgener, Mr. Tiernan, Mr. Robert W. Daniel, Jr., Mr. Won Pat, Mr. Podell, Mr. Moakley, Mr. Anderson of California, Mr. Gude, Mrs. Collins of Illinois, Mr. Harrington, Mr. Riegle, Mr. Sandman, Mr. Cleveland, Mr. Hungate, and Mr. Mitchell of New York):

H. Res. 907. Resolution creating a select committee to conduct a full and complete investigation and study of shortages of materials and natural resources affecting the United States; to the Committee on Rules.

By Mr. JARMAN:

H. Res. 908. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. LATTA:

H. Res. 909. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. McDADE:

H. Res. 910. Resolution disapproving the recommendations of the President with respect to the rates of pay of Members of Congress and legislative officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. MAYNE:

H. Res. 911. Resolution relative to consideration of House Resolution 826; to the Committee on Rules.

By Mr. MORGAN:

H. Res. 912. Resolution to commend U.S. initiatives in seeking international cooperative solutions to the oil crisis; to the Committee on Foreign Affairs.

By Mr. PICKLE:

H. Res. 913. Resolution disapproving the recommendations of the President with respect to rates of pay of Members of Congress transmitted to the Congress in the appendix to the budget for the fiscal year 1975, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H. Res. 914. Resolution disapproving the recommendations of the President with respect to the rates of pay of Members of Congress transmitted to the Congress in the appendix to the budget for the fiscal year 1975, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SISK:

H. Res. 915. Resolution providing for the consideration of the joint resolution (Senate Joint Res. 176) to authorize and direct the development of and the production of petroleum from naval petroleum reserve No. 1, and to direct the exploration of naval petroleum reserves No. 1 and 4, and for other purposes; to the Committee on Rules.

By Mr. STAGGERS:

H. Res. 916. Resolution providing funds for the Committee on Interstate and Foreign Commerce; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

352. The SPEAKER presented a memorial of the Legislature of the State of Rhode Island and Providence Plantations, relative to emergency generators in housing for the elderly to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORMAN:

H.R. 13005. A bill to authorize the President to appoint Capt. Ferdinand Mendenhall, U.S. Navy Reserves, retired, to the grade of rear admiral on the Reserves retired list; to the Committee on Armed Services.

By Mr. GOLDWATER:

H.R. 13006. A bill to authorize the President to appoint Capt. Ferdinand Mendenhall, U.S. Navy Reserves, retired, to the grade of rear admiral on the Reserves retired list; to the Committee on Armed Services.

By Mr. LEGGETT:

H.R. 13007. A bill for the relief of S. Sgt. Archer C. Ford, Jr.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE PANAMA CANAL

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, February 21, 1974

Mr. HARRY F. BYRD, JR. Mr. President, the January 28 edition of the Lynchburg News included a thoughtful editorial regarding the potential surrender by the United States of its sovereignty over the Panama Canal.

The editorial discusses the historical background of the creation of the canal and concludes that historical right and strategic necessity demand that the United States maintain its control over this vital waterway.

I deplore the recent action of Secretary of State Kissinger in committing the United States to prompt conclusion of negotiations with Panama leading to our surrender of sovereignty. I shall oppose any pact incorporating such a surrender when it is submitted to the Senate.

I ask unanimous consent that the editorial, "Trite But Important," be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Lynchburg (Va.) News, Jan. 28, 1974]

Trite But Important

Comparatively little public attention is given to the efforts of Panama to take over the Panama Canal, and the increasingly acquiescent attitude of the United States' current Administration toward the Panamanian effort. It is virtually a trite news item to many, but it is nevertheless very important, and requires a powerful public negation of the trend toward turning the canal over to the Panamanian government. It absolutely must not be done, even though the present Leftist government should shift to a Central or Rightist one.

There are still a few of us around who recall how the canal came into being. First consideration was given to building a canal across Nicaragua. France was the first proponent and shifted to Panama, a part of Colombia, and actually began construction resulting in excavation of 78,000,000 cubic yards before costs and disease stopped the project.

When the United States later decided to go ahead they had trouble with Colombia and as a result aided Panama in setting up as an independent Republic and went to work on the canal. The United States then built the canal and with new weapons against tropical diseases also made the strip adequately healthful for the workers and the native people.

It was at the time considered to be the creation of first, United States Marines, second, engineering skill, and dominating all else health measures that removed the health obstacles that more than all else had made such a project almost impossible.

Only the Left movements of the last few decades, now stronger in the Western Hemisphere, have produced the insistence by Panama of taking over the Panama Canal though they are in no way in a position to finance, operate and protect.

Unfortunately the Nixon Administration is too deficient to understand the situation and flatly refuse to consider change. They may hold that the canal is dispensable, that aircraft make its shipping value too unimportant to preserve and improve the canal, but the political and technical proof have not been documented so far.

To permit Panama and the canal to become a Communist property would be inviting trouble to a degree wholly condemnatory of the responsibility of our own government. Our intervention prevented the French and British from keeping the Suez Canal open. Even the current administration should have enough sense and responsibility not to repeat such idiocy.

VETERANS' EDUCATION AND REHABILITATION AMENDMENTS OF 1974

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BURKE of Florida. Mr. Speaker, on Tuesday, February 19, the House debated and passed H.R. 12628, which will increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; and make improvements in the educational programs.

The Servicemen's Readjustment Act of 1944 initiated a program which has enabled millions of veterans to attend a college or university for 4 years. Under the original law, the Government provided payments to schools for a veteran's tuition, books and fees, and a living allowance for the veteran and his dependents. In 1952 the program was expanded to include Korean war veterans and altered so that all educational benefits were paid directly to the veteran through a monthly allowance. In 1966 the Veteran's Readjustment Act of 1966 was enacted expanding the program so that veterans could receive benefits for the acquisition of new trades or skills and for vocational rehabilitation.

This program has proven extremely good for our country as I am sure all will agree. The basis provision of H.R. 12628 is a 13.6 percent across the board increase in the rate of allowances with proportional increases for dependents. Although Congress increased benefit levels by 30 percent in 1967, 34.6 percent in 1970, and 25.7 percent in 1972, the steady rise in costs both of education and of living necessitate another 13.6-percent increase this year.

I regret the necessity for these annual increases, but the inflationary spiral has sped continuously upward for many years now and we must recognize the impact it has on important programs.

In addition to the 13.6 percent increase, H.R. 12628 provides four other good features: First, it increases the time during which a veteran must complete his or her training from 8 years after discharge or release to 10 years; second, it removes the current limitation on the number of veterans who may receive assistance under the work-study program; third, it makes it possible for a veteran to receive up to 6 months of refresher training provided the veteran begins training within 12 months after service and the training is continuous except for interruptions beyond control; and fourth, it sets up a Vietnam-Era Veteran's Communication Center within the Veterans' Administration to make periodic evaluations of the effectiveness of the veteran's outreach services program which distributes information about training program activities to veterans.

I was pleased to support and vote for this measure and I am sure that many fine young people will benefit from this and will render good service to their country in the future as they have already done in the past.

FAILURE OF PENTAGON TO SUPPORT RESERVE FORCES

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, February 21, 1974

Mr. THURMOND. Mr. President, an editorial in the February 4, 1974, issue of the Kansas City Times makes some excellent point reference to Pentagon support of the Guard and Reserve.

There are many missions the Guard and Reserve can perform at a more economical rate than Regular forces. It is about time a defense-wide review of such roles be undertaken.

Some talk about the $5 billion it now costs to finance the Reserve and Guard but these same individuals fail to mention that for this money we are receiving about 30 percent of our Nation's military strength.

Mr. President, I ask unanimous consent that this editorial be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Kansas City Times, Feb. 4, 1974]

Pentagon Fails the Reserve Force

Without the overhanging threat of being drafted into the full-time Army, young Americans no longer are lining up in large numbers to enlist in the National Guard and other reserve forces. In Missouri this loss of pulling power for the civilian reserves has inspired a month-long recruiting program by the Army National Guard. The guard's assigned strength in Missouri is said to be on the verge of being cut drastically if the units here and elsewhere in the state do not fill up their vacancies.

Locally the goal of six guard units is to attract 500 recruits. The new armory at 7600 Ozark Road is as well equipped as any in the country and the guard itself has much to offer young men willing to invest in a part-time military career.

But there is still the matter of incentives and there is just so much that any recruiting effort can accomplish. The reserve and guard programs can be made more attractive only with specific new displays of support by the federal government.

It is beginning to appear that the Pentagon is not really serious about its earlier talk of going all-out to attract more men to reserve and National Guard ranks. The indication of foot-dragging is the request by William P. Clements, deputy secretary of defense, for congressional delay on legislation that would create enlistment and re-enlistment bonuses for the nonactive duty forces. This is a strange attitude in view of the fact that the civilian part-time units, absorbing only 5 per cent of the defense budget, are being depended on to provide 30 per cent of the nation's ready military strength. This is possible because six reservists or guardsmen can be maintained for the same amount of money it takes to maintain one full-time serviceman.

The Pentagon seems to have decided that substantial cuts in the strength of reserve forces are inevitable so why bother to strengthen their recruiting campaigns. But reserve service can be made more appealing if the Pentagon will ask Congress for the help that it probably would be willing to provide. National Guard and reserve recruiting drives will only start getting the sustained results they deserve when it is clear that they are being supported at the top all the way.

ENCOURAGING MINORITY BUSINESS IN MISSOURI

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. TAYLOR of Missouri. Mr. Speaker, encouragement of minority-owned and managed businesses is an important part of Missouri's Governor Christopher S. "Kit" Bond's commitment to strengthen the entire economic climate in Missouri. I am very proud of the efforts which the Bond administration is making toward these goals.

Governor Bond's recent address before the Governor's Conference on Minority Business Development held in Columbia, Mo., exemplifies his strong commitment.

Governor Bond's speech follows:

Minority Business Conference

"Encouraging minority-owned and managed businesses is an important part of my administration's commitment to strengthening the entire Missouri economy."

Minority-owned businesses and economic vitality, currently the key strategies among minorities, are not new ideas. In fact, the current flurry of activity among minorities to develop an art of making money, a prime feature of American culture, has historical precedent as far back as the late eighteenth and early nineteenth centuries. During this time in American history there were numerous blacks who had amassed fortunes in almost all branches of business. In 1789, for example, a number of blacks ran small shops in the main business district of Philadelphia, and in 1796 blacks established a beneficial insurance society.

Participation by blacks in business continued at a relatively high level into the early 1800's. But after the 1820's black business began to decline for a variety of racial and economic reasons. This downward trend was followed by stringent enforcement of segregation patterns, which further constrained business opportunities.

Today, however, blacks and other minorities are re-entering the economic life of the Nation.

In many ways minority businesses have the same hurdles to overcome that other businesses do: most are too small to afford large advertising budgets or to attract large amounts of capital for growth, and most have difficulty obtaining contracts for goods and services needed by major buyers.

But in certain important ways, minority businesses are subject to additional disadvantages. Almost one-third of all minority businesses are based upon a capital investment of less than $5,000 and are less than five years old. In addition, it is difficult for many minority businessmen to obtain adequate insurance because of their location in high-risk neighborhoods.

For too long we have looked upon minority business as limited not only in size and operation but also to the extent it participates in the business community. We know today that nationally only nine percent of minority businesses have more than five employees; that 91 percent have less than $200,000 gross receipts; that manufacturing and other capital intensive businesses remain virtually out of reach; that equity is all too scarce; and that the kind of useful, expert assistance which a business needs is too often not available or is untimely.

The minority businessman in Missouri is relatively well educated in terms of high school and college attendance. However, he lacks business training and managerial skills and is not equipped to overcome all of the difficulties inherent in doing business in a ghetto economy. Thus, the traditional education he has received, is not entirely adequate in the situation in which he finds himself.

The minority businessman started his business because he wanted to work for himself and gain financially. He, too, is profit motivated. Most minority businesses are relatively new, and have been operating for five years or less. They are small, with a value of $5,000 or less and employ few full-time people other than the owner.

At present, the minority businessman appears to acquire his technical information on a hit-or-miss basis, drawing on business publications, the Small Business Administration and the various business development organizations. Little help comes from private agencies—either because it is not asked for or it is not offered. Governmental organizations are also considered poor sources of information, as many businessmen rank their efforts as token or inadequate.

The minority businessman in Missouri does not advertise sufficiently to promote his business. At present, he relies primarily on word-of-mouth advertising. When he does have a more professional approach to marketing his product, the publicity is often too sparse to be truly effective. The major reason behind the minority businessman's failure to advertise more effectively is his lack of capital. Without this capital, he cannot advertise, which means that he finds it difficult to attract new customers, either from inside or outside the minority community. Inability to build up his business, of course, also means inability to obtain more capital.

Capital, however, is only half the key to enabling the minority businessman to advertise more effectively. He must also learn how to advertise and what to advertise. In this respect, the capital must be supplemented by marketing studies.

Another need of the minority businessman is for market and location analysis. The business must be located in a place where it can serve its market most effectively. Thus, if the minority businessman wants to move from his present location to another location where he will find it easier to attract customers, his move should be supported by marketing and location studies.

The minority businessman also faces problems in dealing with major buyers. A number of the businessmen stated that they did not deal with major buyers because they do not offer the products they want. Those who might be able to sell to major buyers, however, report being frustrated by the bidding procedures or failing to contact the buyer. In this area it appears that minority businessmen could benefit from specific management assistance aimed at developing those skills necessary to deal with major buyers.

Minority businessmen suggest five ways to improve the programs that assist them:

1. Make more available risk capital in minority banks.
2. Non-minority businesses must take the initiative in offering help.
3. Minority businesses must expand their contacts outside the minority neighborhood.
4. Develop more technical know-how to become more competent and competitive entrepreneurs.
5. Improve the bonding mechanism so minority businesses can compete on a larger scale.

The goals of the minority businessman are no different than the goals of most entrepreneurs. He personally wants to make more money, achieve a certain percentage of his investment, and sell a quality product or service at the best competitive price. The minority businessman, however, is hampered in achieving these goals and he does recognize that he is seriously deficient in three areas: available risk capital, leverage awareness, and entrepreneurial skills. Each of these is an essential ingredient of success in the competitive activity of the market place.

I am happy to welcome you to this conference. I hope that tomorrow, during the workshops, you will begin to find solutions to these problems. This conference is a beginning; working together we can insure it will not be the end.

I hope this conference will serve as an important first step in the long process of economic development in the minority community. The immediate objective of the conference is to initiate a dialogue between minority businessmen and the other parts of the business sector. I expect you will also be discussing the formation of a state office of minority business development, and procedures for business contracting, including an analysis of agreements to channel a certain percentage of purchases to minority business.

RHODESIAN CHROME

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, February 21, 1974

Mr. HARRY F. BYRD, JR. Mr. President, as the chief sponsor of legislation which in 1971 removed the ban on the importation of Rhodesian chrome, I feel that the Senate made a serious mistake last December in voting to reimpose this sanction.

A good analysis of the arguments involved in the Rhodesian chrome debate was published on the editorial page of the Dallas News on January 14. The editorial points out the inconsistency of shutting off commerce with Rhodesia while encouraging trade with the Soviet Union and Communist China.

I feel that this is a valid point, and I hope it will be carefully considered as the Senate-passed measure is considered in the House of Representatives.

I ask unanimous consent that the editorial, "Chrome and Consistency" be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHROME AND CONSISTENCY

Just before it adjourned, the Senate voted to restore a ban on imports of Rhodesian chrome. The move is about as consistent as a barkeep's refusal to sell a glass of sarsaparilla five minutes after the town drunk has walked out.

Here we are in the midst of detente. The President of the United States has raised a glass with Mao Tse-tung and with Leonid Brezhnev, in token of presumable friendship and cooperation. Yet the United States refuses steadfastly to deal with the small, friendly, peaceable and pro-Western nation of Rhodesia.

Up to now we have bought Rhodesian chrome only because Virginia Sen. Harry Byrd Jr. persuaded his colleagues two years ago that we needed it for economic and defense purposes. U.S. liberals, mindful that Rhodesia has been declared a pariah by the United Nations (native Africans far outnumber the country's ruling whites), dislike any kind of contact with the former British colony.

Arguing, then, that we don't really need Rhodesian chrome, they got the Senate to restore the ban.

Byrd and other senators countered that the chrome indeed is still essential to us; that if we don't buy it from Rhodesia, we will grow dependent on Soviet chrome, no very safe thing to do.

It's possible to go even beyond this, however. We should not be boycotting Rhodesian chrome or Rhodesian anything else. Not when we are warming up to nations of manifestly hostile philosophy like China and the Soviet Union. Say what one will of Rhodesia's white rulers, they are civilized men imbued with British traditions; theirs is no prison-camp state.

Nor does it make sense to go on supporting a U.N. boycott whose only purpose is the appeasement of African nations more truly racist than Rhodesia. If we really want someone to boycott, why not Uganda President Idi Amin, who has said more than once that Hitler was dead right in killing the Jews?

ERASURE THEORY CHALLENGED

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. YOUNG of Florida. Mr. Speaker, in the barrage of charges leveled against the President, one of the supposedly most damaging ones has been the assertion of the so-called electronics experts that the missing 18½-minute segment of an important White House tape was due to "deliberate erasures." The implication has been that these erasures were part of an ongoing coverup on Watergate.

Evidence has now surfaced that the experts themselves tampered with a key piece of evidence—Miss Woods' tape recorder—and did not even report their action to the judge.

I draw my colleagues' attention to a discussion of this important misuse of expertise, contained in Joseph Alsop's column of February 20, from the Washington Post. This column serves as a salutary reminder that jumping to conclusions before all the evidence is in can be a very bad mistake, as well as legally indefensible. The article follows:

THE TAPES: CHALLENGING THE EXPERTS

(By Joseph Alsop)

The gravest charges have now been convincingly made against Judge John J. Sirica's panel of experts on the Watergate tapes. They *have been* accused of tampering with vital evidence. They have also been accused of quite possible gross error.

If the charges stand up, the President and his staff are guiltless just where they have been found most guilty, in the matter of doctoring the tapes. This is startling enough. But what makes the charges far more startling is their source.

The source is Science. This magazine is the weekly organ of much of the American scientific community; and the editors of Science are not much more fond of President Nixon than the editors of the most anti-Nixon newspapers you can think of. Yet here is Science galloping to the President's rescue in the manner of Young Lochinvar.

The Science article, written by Nicholas Wade, concerns the ultra-famous Watergate tape with the 18½-minute gap filled only by a buzz. Judge Sirica's experts found that the gap was unquestionably made by purposeful erasure of the tape. This was said to be proven by electronic stop/start "signatures" numbering at least five, and perhaps as many as nine.

To make their study, the five experts, chairmanned by Richard H. Bolt, were given the Uher 5000 tape recorder used by the President's personal secretary, Miss Rose Mary Woods, plus the original of the tape with the 18½-minute gap. The whole strange plot revolves around the fact that the Uher 5000 recorder was defective, to the point of breaking down in the hands of the five experts.

When this happened, the evidence-tampering occurred—no doubt innocently yet quite unchallengeably. By their own admission, the experts "opened up the interior" of the machine, replaced a diode bridge and tightened screws and probably ground connections as well. In other words, the Uher 5000, a most material piece of evidence, was physically altered in a most material way.

It may therefore be impossible, hereafter, to test the machine's possible malfunctions before it came into the hands of the panel of experts. With a view to such tests, however, Judge Sirica has already been asked for the defective diode bridge that was replaced, plus the exact record of the other changes made in the Uher 5000 by the expert panel. No answer has yet been forthcoming. It even appears possible that no record was kept by the experts and the defective diode bridge was simply thrown away

This is all vitally important, in turn, because of a peculiar characteristic of the Uher 5000 recorder. A voltage drop resulting from malfunction can just as easily produce the stop/start signatures found by the expert panel as can a purposeful effort to erase the tape.

Incredibly enough, by their own admission in court, the expert panel tested this question of erasure by malfunction on a Sony recorder instead of on the Uher 5000. The Sony does not have the Uher peculiar characteristic above noted. Thus the possibility of erasure of the tape by malfunction was dismissed after a phony test in a shockingly slipshod way.

To make the whole tangle stranger, none of the foregoing might have surfaced if it had not been for a group of ex-military intelligence officers. These men have formed their own little electronic company, Dektor Counterintelligence and Security Inc., Springfield, Va.

The company makes de-bugging equipment and the like. Its head, Allan D. Bell, is a special expert on tape recorders—whereas, none of Judge Sirica's experts has ever had any known practical experience with tape recorders.

Bell read the report of the expert panel, smelled a rat and wrote another report for his own amusement, concluding that the "power supply problems" (in the Uher 5000) were an "equally feasible alternative" to the purposeful erasure explanation of the Sirica experts.

Bell's company does no government work, has no White House connections, and gets no reward for the Bell report. One evening, however, another officer of the company got "fed up with the circus on television." Hence, he called Miss Rose Mary Woods' lawyer, Charles Rhyne. Thus the Bell report's challenge to the Sirica experts later found its way into Science, which supports the challenge in its careful article.

There are still plenty of other technical complications, concerning that telephone call by Miss Woods, for instance, that supposedly had something to do with the gap in the tape. The existence of an "equally feasible explanation" does not mean that the Sirica experts' explanation is quite certainly wrong either.

Yet in this country, a man is presumed innocent until he is solidly *proven* guilty. The opposite rule has clearly been followed in this case, and with the President of the United States. So this is not a very pretty story.

NAVAL RESERVE

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, February 21, 1974

Mr. THURMOND. Mr. President, a thorough yet inclusive article, written by James D. Hessman, appeared in the February 1974 issue of Sea Power magazine.

This article is the best summation I have seen to date on the strong points, weak points, and future requirements of the Naval Reserve.

Therefore, I ask unanimous consent that this article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Sea Power magazine, February 1974]

NAVAL RESERVE: SOLID ACCOMPLISHMENTS, AND LIP SERVICE, TOO

(By James D. Hessman)

"It is obvious that the Navy's mobilization requirements have increased. It is equally obvious that the strength and authorization you have requested for the Navy's Selected Reserve is inadequate. Why, then, are you requesting a reduction in force of your Selected Reserve?"

The interrogator was Senator Strom Thurmond (R-S.C.), ranking minority member of the Senate Armed Services Committee and one of that panel's staunchest supporters, through the years, of strong and dependable Reserve forces. His question was addressed to Vice Admiral Damon W. Cooper, USN, appearing before the committee (on July 14, 1973) as Chief of the Naval Reserve Command, newly created out of the previously separate air and surface Reserve commands.

The question was a good one. The Navy's mobilization requirements have, in fact, increased, as have those of all the services. And yet the Navy had proposed, in its FY 1974 funding request, to cut (from 129,000 to 116,981) the number of Reserves in drill-pay status. And this despite the fact that, according to figures provided the committee by the Department of Defense, the Navy already lags far behind the other services in its capability to meet mobilization requirements with personnel in drill-pay status.

The Navy's answer to Senator Thurmond and to similar questions posed time and again by other members of the committee during the course of the hearings, boiled down to this: (1) part of the FY 1974 decrease, 3,910 spaces, was a bookkeeping change reflecting the fact that a number of junior enlisted personnel previously counted in the USNR non-active duty inventory were, in fact, already on or enroute to active duty—at basic training or in various technical schools—and therefore not really "mobilizable." (2) An adidtional 8,910 drill spaces were cut because of what was delicately referred to as "budget constraints." Translated, that meant that the Navy was reducing its on-board USNR body count in order to have enough money "to fund operation of five additional Naval Reserve ships [two destroyers and three ocean minesweepers]."

In Admiral Cooper's words, "the decision was made [within the Navy itself, Defense Department and Navy witnesses made clear] to upgrade the Naval Reserve capability through the conversion of drill pay funds into additional ships and hardware. The net results will be an increase in the number of Naval Reserve (NRF) units available to augment the active forces upon mobilization."

THE 1968 DISASTER

Unwelcome as that reply was to committee members and others who believe the Naval Reserve should be substantially increased in numbers rather than reduced, it was also undoubtedly quite realistic. For several years now, following the disastrous mobilization of 1968 which found most units called up unfit for service—and which also led to an agonizing reappraisal of the Reserve Forces concept itself—the emphasis has been on quality and on readiness. Within the Navy the change also has meant a shift in focus from individual to unit training, with top priority given the so-called "Selected Reserve," an elite and highly trained nucleus of "mission-capable, task-performing recallable units"—such as ships, air squadrons, seabee battalions, and inshore undersea warfare teams—earmarked for immediate call up and able to render immediate assistance to full-time active duty Navy forces in a mobilization emergency.

Results to date have been impressive. Personnel performance has improved dramatically. Ships, aircraft, and other hardware items have been updated and modernized. Most important of all, there has been a noticeable change in attitude within the Navy's upper echelons toward the Naval Reserve, once an unwanted and much unloved stepchild of the "regular Navy" but now a fullfledged partner (almost) in the "One Navy" team concept being vigorously pushed by Admiral Cooper—with the necessary strong backing from Navy Secretary John Warner and Chief of Naval Operations Admiral Elmo R. Zumwalt, Jr.

One witness to the increased effectiveness of the new Naval Reserve is Dr. Theodore C. Marrs, Deputy Assistant Secretary of Defense for Reserve Affairs, who told the Senate Armed Services Committee during the same hearings that in 1969 "there were 35 obsolete or non-combat serviceable destroyers which were designated as Reserve training ships. All but one of these are now gone, the designation has been changed to delete the word 'training,' and there are 36 fleet rehabilitation and modernization (FRAM–I) mission compatible destroyers in the Naval Reserve.

"Minesweepers have also been modernized through replacement," Dr. Marrs continued. "The first of the riverine craft have been added, and—on the Naval Air Reserve side of the house—there has been such a revolutionary change in quality of aircraft that it is sometimes difficult to believe they are the same force I saw following the mobilization of 1968."

A few additional examples, of the many which could be cited, of progress and improvements which have been put into effect since 1968:

Funding for all Reserve and National Guard programs has increased appreciably, both as a percentage of the total Defense Department budget and in absolute terms. The Department's "Reserve Component budget" totaled $2.2 billion in FY 1969; in FY 1974 the total was close to $4.4 billion, or almost exactly double the earlier figure.

All services have been doing a much better job of integrating active and Reserve forces. Some Reserve units have been deployed to the Western Pacific, others to the Mediterranean. Within the Navy: two Reserve destroyers (USS DYESS and USS STRONG) were deployed to the Med for two and a half months and operated there with units of the Sixth Fleet; 12 Pacific Coast NRF destroyers, with 1,700 Reservists embarked, cruised to the Middle Pacific for fleet command exercises; and Naval Air Reserve Patrol (VP) squadrons deployed, for six months in each of three consecutive years, to Rota, Spain, for ASW patrol and other operational assignments directed by the Commander-in-Chief, U.S. Naval Forces, Europe.

In addition to the FRAM destroyers and other ships of more recent vintage which have replaced the old World War II workhorses, the USNR's hardware inventory has been beefed up in other ways. Three light jet attack squadrons have shifted, or are in the process of shifting, to the modern A–7A Corsair II attack aircraft, five patrol squadrons have transitioned to the P–3 Orion, and F–4 Phantom fighters are being introduced to replace the older F–8 Crusaders.

From a rating of "almost totally unsatisfactory" five years ago, Naval Reserve ships today are considered a highly reliable backup to the active fleet and are, with few exceptions, available for early combat duty. The same is true, only more so, for Naval Air Reserve squadrons, which have on occasion outshot the "regular" squadrons in fleet competition, and which have consistently demonstrated outstanding performance in the area of safety—Reserve squadrons won the CNO Aviation Safety Award in FY 1972, and in FY 1973 were runnersup in the safety ashore category.

THREE STARS ARE BETTER THAN TWO

The most important evidence of change, however, has been the improved attitude toward the Naval Reserve within the Navy's upper echelons, particularly as reflected in the extensive and still ongoing reorganization of the Naval Reserve which has followed the merger of the previously independent air and surface Reserve components, each of which had been headed by a rear admiral. The selection of Admiral Cooper to head the new command was considered particularly felicitous. As a three-star officer he will have much more clout than his predecessors; as a USN officer he is an *ex officio* symbol of the One Navy concept; and as one of the Navy's top combat veterans—he was Commander of the Attack Carrier Striking Force off Vietnam during the last two years of the war—he is visible proof that the command is not intended to become a final-tour billet for also-rans among the Navy's flag officers.

Admiral Cooper wears a second hat, moreover, as Director, Naval Reserve, on the GNO's staff. The title is much more than honorary. It recognizes the legitimacy of the Naval Reserve, in effect, as a "major claimant" for Navy funds and means that from now on the Chief of the Naval Reserve will be able, himself, not only to determine the Naval Reserve's manning and monetary requirements but to control the allocation of USNR funds authorized and appropriated by Congress. In the past, the Reserve had to be satisfied with the sometimes paltry scrapings left by the Bureau of Naval Personnel, which traditionally has been richer in requirements than in resources.

Under Admiral Cooper, the Selected Reserve has been evolving into what in the future will be called a "Contingency Response Force." Under present plans, many existing USNR programs and units will be merged into new units, most of which are still in the planning phase. Multiple drills on weekends at centralized drill sites, called Naval Reserve Readiness Commands, will replace the previously standard one-evening-per-week drilling routine.

Readiness Commands already have been established in Houston, San Francisco, and Baltimore. Nineteen additional are planned, most of them in major metropolitan areas around the country. The commands will be provided new and better equipment, with heavy emphasis on simulators, team training systems, and "hands on" hardware. Learning by doing, rather than by looking and/or listening, will be the watchword.

To enable the Naval Reserve to assist the active duty Navy "across the contingency spectrum, from small brush fire emergencies to the vital first step capabilities needed in reacting to major contingencies involving full or total mobilization," the new USNR structure will be divided into 11 "Forces programs": submarine; mine warfare; service; surface combatant: air; cargo handling; construction; amphibious; Marine Corps; naval inshore warfare; and special and general support. The mission of each Force program will be to develop team and individual capability within five functional areas of activity: combat operations; mobile support; base support; operational staff; and mission training.

On the apparently valid premise that most possible future confrontation scenarios put a premium on immediate response rather than the potential for protracted conflict, Force programs are being organized into four types of units:

Complete Capability Response Unit (CRU)—USNR-manned Naval Reserve ships and aircraft squadrons, capable of operating independently and of carrying out any mission normally assigned similarly organized and equipped active duty ships and squadrons.

Ship or Squadron Reinforcement Unit (SRU)—"task-performing" teams, such as a bridge watch section or damage control team, designed to augment and assist active force ships and aircraft squadrons.

Other Reinforcement Units (ORU)—similar to SRUs, but organized and trained to assist the active duty Navy other than ships or aircraft squadrons—shore-based staff and fleet support units, for example.

Individual Reinforcement Unit (IRU)—"individuals with very special skills, such as doctors, chaplains, etc.," who will supplement the active duty Navy "on a one-to-one replacement basis."

GREATEST NATIONAL SECURITY BARGAIN

The long-awaited upgrading and reorganization of the Naval Reserve is taking place none too soon. White House and Pentagon officials have said repeatedly over the past several years that, in the event the United States does become militarily involved in future conflicts, Reserve and National Guard forces will be "the initial and primary source of augmentation of the active forces." Three relatively new factors in the national security equation have made it evident, moreover, that there is no other alternative now available to the Executive Branch in any case:

(1) The draft has been killed, and its place taken by the still-experimental All-Volunteer Force (AVF). If a fight starts there will be no time to gear up a new Selective Service system.

(2) Active duty forces have been cut precipitously. The Navy's on-board strength at the end of FY 1969 was 775,644 officers and men. At the end of FY 1974 it will be only about 550,000 or so. There will be only 253 "active major combat ships" in the inventory at the end of FY 1974, compared with 434 in FY 1968. The number of active USAF, Navy, and USMC tactical fighter and attack squadrons has similarly declined—from 210 in FY 1968 to 163 (projected) at the end of FY 1974. Even in peacetime, active duty forces are already overextended. If war comes there will be no choice but to call up the Reserves.

(3) The cost of maintaining active duty forces has soared, and likely will continue to increase. The Reserve components, only slightly less effective for most naval and military purposes, according to witness after witness in the FY 1974 manpower hearings, are much less expensive. Lieutenant General Robert C. Taber, UCA, Principal Deputy Assistant Secretary of Defense for Manpower and Reserve Affairs, told Congress that Guard and Reserve forces "are potentially our greatest national security bargain. Paying, clothing and feeding a Guardsman or Reservist costs only one-sixth as much as the comparable cost for supporting his active duty counterpart."

Putting a dollar value on the Taber estimate, Dr. Marrs later told the Committee the annual personnel cost of an activated Reserve force "would be $8.7 billion, an addition of $6.9 billion to the present Defense budget. The present personnel costs for the Reserve Components' contribution to our national security is only 20 per cent of what the cost would be if they were on full time active duty." And Admiral Cooper himself, writing in the Fall, 1973, issue of *Naval Reservist Magazine,* said Naval Air Reserve squadrons (admittedly more "hardware intensive," and therefore somewhat more costly, than Army and USMC ground force units) "Today . . . have the capability of maintaining about 90 per cent of Fleet readiness standards at one third the cost of comparable active duty squadrons."

DEBIT SIDE OF THE LEDGER

Despite the economic benefits to be gained, the Navy has, for reasons still not explained to the complete satisfaction of Congress, remained in a distant last place in support of the Reserve. Without minimizing the admittedly encouraging progress to date, it is only accurate to report that there is still much more to be done: in attitude, in funding, and in the personnel area.

Attitude: There is lurking suspicion that, below the top leadership echelon, the active duty Navy's commitment to the Reserve program is less than total. Rear Admiral Herman Kossler, former Commandant of the Sixth Naval District, expressed concern last year, in his retirement remarks, that the active duty Navy is failing to give "adequate support" to the Naval Reserve. Senator Thurmond, who called attention to Admiral Kossler's remarks during the hearings, was more blunt, calling it "a rather serious charge" and adding—in remarks applicable, he said, to "all of the services"—that "frankly we have gotten entirely too much lip service out of the Defense Department and not enough action for the Reserves."

Captain Leslie A. Willig, USNR, then national president of the Naval Reserve Association, a 15,000-member organization which has been the most active and effective spokesman for the Naval Reserve within the civilian community, specifically charged, in May 10, 1973 testimony before the House Armed Services Committee, that "Navy planners have apparently submitted to pressures for cuts and reductions in striking a compromise between the number of drilling Reservists that ought to be provided and is fully justified by defense requirements, and the number that could be suitably supported within the anticipated resource allocation for the Naval Reserve. They even appear to have leaned in the direction of compromise toward *reductions* by a preconception of a number thought to be 'reasonably attainable.' "

Funds: Substantiating Captain Willig's accusation is the fact that, despite substantial USNR funding increases within the past several years, the Navy's share ($579.8 million) of the entire FY 1974 Reserve components budget ($4.4 billion) is only about 11 per cent of the overall total. For USNR procurement the Navy's funding request, $6.2 million, was infinitesimal compared to the Defense Department's overall $444.2 million allocation for Guard and Reserve procurement.

Personnel: Here, again, the Navy can be faulted, in several particulars. In their FY 1974 budget plans all services, except the Navy, requested drill pay funds for 90 per cent or more of their "mobilization requirements" (the number of personnel who would have to be called up during the first 30 days of a national emergency). The Navy requested drill pay funds for only 43 per cent of its mobilization requirements. Moreover, asked specifically if the Naval Reserve "could . . . achieve an annual average strength of 129,000 if Congress authorized that level for FY 1974 instead of the lower level requested," Navy witnesses said "No, sir." That reply appears also to have been dictated by "fiscal constraints", however, particularly considering that the Army National Guard and Army Reserve—which, it would seem, have more difficult recruiting jobs than does the Naval Reserve—both set FY 1974 recruiting retention goals (53,385 and 40,197, respectively) much higher than the USNR's more modest 24,607 total.

The fiscal year was half over before the FY 1974 Defense appropriations bill was finally signed into law, and for this reason—as well as, perhaps, the fact that the Naval Reserve was still in the throes of change—Congress acceded to the Navy's plan to cut its drill pay strength—a token 2,250 billets were added to the original 117,000 planned, however.

But now the Navy has had a full year of grace, and it is doubtful Congress will be as patient in FY 1975. Once again, Senator Thurmond made the point most clearly and most forcefully: "I think that the Congress has made up its mind now, by its actions, that they expect the Defense Department to give more action and less lip service," he told Dr. Marrs during the late stages of the FY 1974 hearings.

"And if it doesn't do it," he added meaningfully, "I think the Congress is going to take further steps. . . . Because for years and years this has been going on and the time has come now, I think, where action is demanded."

LITHUANIAN INDEPENDENCE DAY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. KEMP. Mr. Speaker, February 16 was the 723d anniversary of the founding of the Lithuanian State and the 56th anniversary of the modern Republic of Lithuania.

I want to pay tribute to the proud heritage of the Lithuanian State which, since 1940, has been a part of the "Captive Nations" bloc by the Soviet Union.

The Lithuanian people, those who reside in the Republic and those who have escaped from the "Iron Umbrella," exemplify the historic truism that a government of tryranny can never enslave man's spirit.

In light of the recent events surrounding the arrest and exile of Alexander Solzhenitsyn, it is fitting that Americans and all citizens of the "Free World" be reminded of the flagrant violation of human rights that pervade the acts of the Soviet Union. It is essential—for the survival of Lithuania and the other captive states victimized by Russian aggression—to know that their plight does not go unrecognized. To abandon any peoples, or any single individual, as we did the Lithuanian seaman, Simas Kudirka, by refusing him asylum, would be criminal and indefensible. The United States, as the leading free power in the world, must reaffirm to our partners, in détente that the abrogation of individual rights will not be tolerated.

Our greatest weapon in that struggle is our economic power. Use of that power, would not jeopardize the spirit of détente. More importantly, to turn our backs on millions of people struggling for the most basic of human freedoms would render that spirit morally bankrupt.

The Lithuanian people in this country and behind the Soviet arm will not be silenced. They know that must be done, and they will haunt every individual, every government and every institution that utters reverence for the rights of mankind until their actions match their words.

FISCAL DISCIPLINE

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, February 21, 1974

Mr. HARRY F. BYRD, JR. Mr. President, the January 25 edition of the Williamsport, Pa., Sun-Gazette included an excellent editorial concerning views on Government finance expressed at the annual meeting of the Tax Foundation in New York City.

The editorial quotes opinions expressed by Dr. Paul W. McCracken, former Chairman of the Council of Economic Advisers, and myself. Both of us feel that the present level of Federal spending is excessive.

I said at the Tax Foundation meeting, and I say again, that until we get Federal spending under control, we are not going to get inflation under control. And every day, inflation is robbing more and more from the pockets of the wage earners of this Nation.

I insert the editorial "Fiscal Discipline," at this point in the Extensions of Remarks:

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Williamsport (Pa.) Sun-Gazette, Jan. 25, 1974]

Fiscal Discipline

The Tax Foundation, Inc. held a national tax conference early in December to hear experts express opinions over the federal government's spending woes and deficit budgets.

Among those who spoke were two leaders whose observations have a special pertinency right now as taxpayers await their first $300 billion federal budget.

One of the men is Sen. Harry F. Byrd Jr. of Virginia. He called for a return to the "old time religion" of a balanced federal budget. He declared it is the only way to halt inflation. He remarked that a year ago Congress was fired up to set a spending ceiling but now that another January is here, the old procedures still stand, and huge spending continues unabated.

He was joined by Dr. Paul McCracken, former chairman of the Council of Economic Advisers, in lamenting the spending pace.

"What the tax system and the nation both need most now is a slower rise in public spending." He blames lack of fiscal discipline. He traced the decline in spending responsibility all the way back to 1865. That was when Congress began having separate committees to consider revenues and expenditures, he explained.

Isn't it time to put handling those respective duties together again?

PENSION BILLS DISCRIMINATE AGAINST OUR YOUNG WORKERS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BROWN of California. Mr. Speaker, on Tuesday, February 26, two pension bills will come before the House, H.R. 12906 and H.R. 12855. These bills discriminate against those in the labor force between the ages of 16 and 24. They do so by stipulating under the "5- to 15-year vesting plan" that an employee who has at least 5 years of service has a nonforfeitable right to a percentage of his accrued benefit derived from employer contributions, but that service before the age of 25 need not be considered when computing the period of service. This means that those employees working from the age of 25 to 30 will receive a percentage of their accrued benefits, but those working any years prior to this age of 25 will receive no percentage.

Mr. Speaker, there are many young people who will be affected by this provision in each bill. Of the 88 million people in our labor force, 21 million are of this 16- to 24-age bracket, which constitutes approximately one-fourth of the total labor force. To simply disregard this large number of citizens based on excuses that the young do not care about pensions or that the bookwork would be costly seems just a bit extreme.

There are many people not only aware of, but disturbed about, this discrimination. Ron Hendren, for example, recently published an article in the Washington Weekly concerning this problem. His article reads as follows:

PENSION PLAN LEGISLATION DISFAVORS YOUNG WORKERS

(By Ron Hendren)

WASHINGTON.—Congress is moving at long last to provide some degree of federal control over the nation's 178,000 private pension plans, but the legislation, which is likely to become law in the next few weeks, contains provisions that permit employers to exclude workers under age 25 from participating in company-funded retirement programs.

This means that persons who enter the work force right out of high school could be employed by a firm seven years or longer without accruing any retirement benefits under their employer's pension plan.

One Senate aide who has been working on the legislation admitted to me that the age cut-off provision is arbitrary and discriminates against young workers, but argued that the economics of most private plans necessitates such a restriction in order to insure that monthly benefits paid to retired workers are sufficiently large. Even with the anticipated age restriction, he told me, monthly checks to most retired workers will rarely exceed $100. Without the restriction, he maintained, they would be much lower, because young workers who moved from one employer to another would take rights to their benefits with them, causing an additional drain on companies' retirement fund pools.

Thus the rationale in this first federal attempt to regulate private pension plans has been to insure that the rights of every worker participating in such a plan are protected, except during the first few years of his work career.

Out of luck, however, is the young employee who works as long as seven years for a firm which provides retirement benefits, but then moves while he is still under age 25 to an employer who does not offer a pension plan. He will have accrued nothing toward his retirement except Social Security benefits.

Part of the problem (aside from the fact that neither young people nor old people have very effective lobbies on Capitol Hill) appears to be that young workers are far more interested in fighting for higher salaries than in planning effectively for their retirement years. Thus this provision got through the Senate and is about to pass the House without the benefit of testimony from a single individual or organization purporting to represent the interests or views of young workers.

The Senate version of the bill, H.R. 4200 (it ended up with a House number by virtue of a procedural quirk) passed there by a vote of 93 to 0 on September 19 of last year. The House version was reported from the Ways and Means Committee to the House floor on February 4, and assuming there are no hitches to floor action, staffers expect the bill to go to conference committees where minor differences will be worked out sometime in March.

In any event, the provision disfavoring young workers is likely to stay in the final measure, since both the Senate and House now appear to be in substantial agreement on it.

Well, Ron Hendren's pessimistic view is unwarranted in this case; the entire House is not in favor of this provision. I am writing an amendment to H.R. 12906 and will present it on Tuesday. I hope that my distinguished colleagues will join me in this stand against discrimination.

THE CUBAN QUESTION

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BADILLO. Mr. Speaker, over the past 2 years we have witnessed the efforts of the present administration to seek détente with the Soviet Union and to achieve a normalization of relations with the People's Republic of China, our two primary nemesis of the cold war. Although the cold war has long since passed, we continue to maintain an essentially hostile attitude toward a small Western Hemisphere republic of less than 9 million people—while simultaneously striving to achieve better relations with two nations with hundreds of millions of people. Obviously, a situation such as this warrants a thorough reexamination.

I believe it can be accurately stated that Cuba no longer poses the threat which it may have presented to this Nation over a decade ago and current events and conditions far overshadow the premises upon which our Cuban policy has been based. A number of Western Hemisphere states—Peru, Mexico, Argentina, Jamaica, Canada, Barbados, and Trinidad-Tobago—already maintain diplomatic and commercial relations with Cuba and I imagine a number of other Latin nations would take similar steps if the United States were to adjust its current policy.

Last week a very timely and perceptive article appeared on the "Op-Ed' page of the New York Times about the apparent interest of the Cuban Government in taking steps to restore relations between our two countries. I believe the observations made in this article warrant full and careful consideration and I commend it to our colleagues' attention:

[From the New York Times, Feb. 13, 1974]

A SIGNAL, PERHAPS, FROM HAVANA

(By Ben F. Meyer)

WASHINGTON.—There is the nagging thought here that Washington may have missed a signal indicating that Fidel Castro's Government may be ready to seek an end to the United States' 13-year boycott of Cuba.

Various circumstances suggest such a sounding by Havana. Cuba's economy still is in chaos and her dependence on the Soviet Union is increasing despite Premier Castro's known desire for greater freedom of action.

The question of United States-Cuban relations arose at a news conference of Cuba's Ambassador to Mexico, Fernando L. Lopez Muiño, when he said: "We are not in a holy war with the United States. We would be willing to talk to the United States, given a single and irrevocable condition—that it end the blockade of Cuba.

To many, this appeared a strong hint that if Washington dropped its boycott, imposed when it broke relations with Havana on Jan. 3, 1961, Washington might find it possible to end the thorny problem of relations with Havana.

Some newsmen in Moscow have even thought that the Soviet Union may have suggested such a feeler by Mr. Castro. The Soviet Union has been reported urging Cuba to drop her hostility toward other Western Hemisphere governments and also not to get caught in any more attempts at invasion or guerrilla warfare.

The reasoning here is that if the Cuban Ambassador was not putting out a feeler he could have answered the question by saying simply, "There is nothing new on that matter."

A Cuban Foreign Ministry comment, issued after Washington indicated no enthusiasm for the idea, was couched in the tart language characteristic of Foreign Minister Raúl Roa. But it did not actually rule out the idea of negotiation.

If it was a feeler, it would not be the first time that Washington has fumbled in dealing with Cuba. A notable case occurred after a hijacked United States plane landed in Havana on Oct. 29, 1972. It had hardly touched ground before Havana suggested a discussion of means to end the bothersome hijacking business.

A few days later another hijacked United States plane, carrying two rapists who had escaped from a Tennessee prison, landed in Havana, adding to its growing problem of playing host to a collection of murderers and other criminals. Apparently still lacking a real response from Washington, the Castro Government decided to force the State Department's hand.

On Nov. 15—seventeen days after its original invitation—the Cuban Government jolted the United States with a broadcast announcement, patently aimed at public opinion and the Congress in this country, that Havana was ready to negotiate "without delay." Soon afterward, an agreement was negotiated and the hijackings from the United States ended.

Recently, editors of outstanding newspapers in the United States, members of Congress and others have become increasingly vocal in urging an end of the United States boycott. They say that the trade embargo has outlived any usefulness it may have had and that the United States stand on the sanctions voted by the Organization of American States in 1962 and 1964 disturbs inter-American relations.

In addition, the United States position patently forces Havana to remain under Moscow's domination and gives the Soviet Union a splendid geographical base for military, economic, political and subversive activity in this hemisphere.

United States officials concede that Cuba has diminished her subversive activity in Latin America, but say she has not ended it altogether. They say also that the Cuban situation poses no military threat to the United States or to other hemisphere nations—a contention that most laymen find hard to believe in the light of Soviet submarine, air and ship activities in the Cuban area. It would seem highly advantageous to have relations that would permit much closer scrutiny of military and subversive activities in Cuba.

One thing bothering Washington is that Latin America is divided on the Cuban question. Only three countries, Argentina, Mexico and Peru, have relations with Havana, as do four former British colonies, Barbados, Guyana, Jamaica and Trinidad-Tobago.

The ideal solution for Washington would be for Latin-American nations to get together and make a decision. But some countries are reluctant to take the risks involved. For these, it would be much simpler for the United States to stick its neck out.

The issue might arise late this month when foreign ministers of the Americas meet with Secretary of State Kissinger to present their ideas and to hear his about the future of United States-Latin American relations. There would perhaps be much more time for discussion of Cuba at the April meeting in Atlanta of the General Assembly of the Organization of American States.

LITHUANIAN INDEPENDENCE DAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. RINALDO. Mr. Speaker, February 16 marks the 723d anniversary of the founding of the Lithuanian State and the 56th anniversary of the founding of the Republic of Lithuania. I share the deep pride of my constituents and all Americans of Lithuanian descent on this occasion. Theirs is a rich heritage of courage and conviction which has been the hallmark of a people whose national pride is undaunted by a long and dark oppression.

The establishment of the modern Republic of Lithuania on February 16, 1918, was ruthlessly destroyed in 1940 when the Russians forcibly invaded, occupied, and annexed the Baltic States into the Soviet Empire. Despite this domination, the steadfast spirit of these brave people lives on. Daily they risk their lives to secure the common liberties that we as Americans so often take for granted.

All Americans should remain mindful of the struggle of Lithuania during this time of commemoration, and throughout the year. Each of us should carry in his heart the message borne by all Lithuanians and those of Lithuanian descent: That all mankind is entitled to political and religious freedom and the struggle to gain or maintain these freedoms is lifegiving.

Mr. Speaker, I insert at this point in my remarks the resolution passed by the Lithuanian American Council of Linden, N.J., on the occasion of this observance of Lithuanian Independence Day:

RESOLUTION

On the occasion of the 56th anniversary of the restoration of Lithuania's independence, we, American-Lithuanians of Linden and vicinity assembled this first day of February, 1974, at Linden to:

Commemorate Lithuania's Declaration of Independence on February 16, 1918, in Vilnius, whereby a sovereign Lithuanian State, having more than 700 years of history, was restored;

Honor the memory of the generations of Lithuanian people who have fought and died for their national independence;

Condemn the forcible occupation and illegal annexation of the independent Republic of Lithuania by the Soviet Union on June 15, 1940 as a result of an agreement between Stalin and Hitler;

Express our sincere gratitude to the Administration and Congress of the United States of America for the continued nonrecognition of the seizure of Lithuania by the Soviet Union;

Alarm the free world over the violation of all human rights in the Soviet subjugated Lithuania, especially, over the mass arrests of Lithuanians that are taking place during the past months in Lithuania for religious and political reasons;

Draw the attention of the free nations to the continuous colonization of Lithuania by Russians and the Soviet efforts to change the ethnic character of the population of Lithuania;

Recall the ill fate of Simas Kudirka, who is now for years lingering in a prison camp in the Soviet Union;

Now, therefore, be it resolved:

1. That we demand that the Soviet Union withdraw its military forces and administrative apparatus from Lithuania, thus permitting the Lithuanian people to exercise their sovereignty and self-government, of which they were deprived as the result of a conspiracy between the dictator of the Soviet Union, Stalin, and the war criminal, Hitler;

2. That we request the President of the United States to make the issue of liberation of Lithuania an integral part of the foreign policy of the United States in seeking European security;

3. That we respectfully request President Nixon to direct the attention of world opinion at the United Nations and at other appropriate international forums on behalf of the restoration of sovereign rights to the Lithuanian people and to protest the present violation of human rights and the Soviet colonial rule in the occupied Lithuania;

4. That Simas Kudirka, who unsuccessfully sought freedom in the United States be released with his family from the Soviet Union into the free world;

Copies of this resolution be forwarded this day to the President of the United States, Secretary of State Henry A. Kissinger, United States Ambassador to the United Nations John Scali, United States Senators from New Jersey, Harrison A. Williams and Clifford P. Case, members of the United States Congress from New Jersey, Matthew J. Rinaldo, Edward J. Patten and Governor of New Jersey, Berndan T. Byrne.

LITHUANIAN-AMERICAN COUNCIL TO THE USA, INC., LINDEN DIVISION,
VLADAS TURSA, *President.*
ELENA SESTOKAS,
Secretary of Resolution Committee.

SUCCESS IN TEACHING SLOW LEARNERS

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. QUIE. Mr. Speaker, U.S. News & World Report on February 18 carried an article which I should like to recommend to my House colleagues.

The House of Representatives will be shortly considering the revised Elementary and Secondary Education Act. We have, I believe, changed the allocation formula to make it much more equitable, as well as providing the option for the local school districts to more accurately provide compensatory education to the most educationally deprived children because of an amendment which, with bipartisan support, passed the Committee on Education and Labor at my urging.

I invite my colleagues to especially note the words of Dr. John Porter, Superintendent of Michigan schools. Compensatory education is working, and I believe that the strong bipartisan bill which was reported from committee will provide the States with an improved Federal tool for achieving this goal in education.

The article follows:

SIGNS OF SUCCESS IN TEACHING SLOW LEARNERS

There's something approaching a breakthrough in remedial education. Teaching techniques are improving. So are the skills of "problem pupils."

Compensatory education, mired in controversy and frustration since it began in the mid-1960s, at last is showing results in helping slow learners catch up with other children in U.S. public schools.

Some educators—looking at successes claimed in several States in the last year or so—see a new era developing in this critical field after years of trial and error.

In a number of places, children in compensatory education are moving ahead as much as two years or more in a single school year. In Michigan, tests show that most children are progressing at a normal pace or better.

The Federal Government is spending about 1.7 billion dollars this year on compensatory education. Upwards of 6 million disadvantaged children are getting special attention.

Thirteen States have supplemented the federal effort with remedial programs of their own. The biggest projects are in New York, Ohio and California.

"We have come a long way, and now we're hitting pay dirt," said Dr. Richard Fairley, director of the U.S. Office of Education's Division of Compensatory Education.

There are proposals now to pour additional millions into 'catch up' programs, making them available not only to poor children—mostly blacks in impoverished urban areas—but also to every boy and girl who is having learning troubles.

The idea of compensatory education is to put a great amount of extra effort into the teaching of reading, writing and basic arithmetic. In that way it is hoped to overcome such adverse factors in family life as absent fathers, distracted mothers, limited cultural backgrounds and bitter poverty.

Generally, most teachers want the children to get a normal months' gain in education for every month of supplemental instruction. If they can learn even faster, and catch up with their original classmates, so much the better.

Compensatory education has been controversial since its beginnings in the mid-60s. Some educators have attacked it as a waste of time and taxpayers' money.

Against that viewpoint, Dr. Jerome Kagan, professor of human development at Harvard, now maintains that the poor are educable. His view:

"Every year, psychologists and educators, administering intervention studies with poor children, demonstrate that sophisticated use of curriculums can facilitate intellectual ability.

"When educators say the poor are not educable, they mean that it is difficult to close the gap between poor and middle class with respect to currently accepted levels of mastery."

Especially encouraging to educators are the results of programs being tested in Michigan, where the State department of public education is headed by a black, Dr. John W. Porter.

Evaluations of the work in his State, Dr. Porter said, "indicate that indeed we can make a difference in the performance of students in the basic skills.

"We believe," he added, "that there are certain basic educational goals that can be reached by children in Michigan regardless of their color or race or their geographical location or their parents' socio-economic status.

"When we began, we believed that the black child and the disadvantaged child could learn the same basic skills the schools have been teaching other children if we adjusted our delivery system and increased our basic support."

BACKING AN IDEA

For the last three years, Michigan has been investing about 23 million dollars annually in this belief, spending most of the money on extra teachers and teaching assistants. The program reaches about 127,000 elementary students who are from 1 to 1½ years behind their peers in either language or math skills.

The Michigan plan differs from other corrective programs in several key respects. For one thing, funds are allocated to districts not on the basis of poverty but of educational needs, as determined by Statewide testing.

Furthermore, Michigan requires "performance pacts," under which participating school districts can lose their aid money if they don't show results.

Every year, children in the program are tested to determine how much progress they have made. The test must show either one month's growth in academic ability for each month of special training or 75 per cent of a normal year's growth over the full school year.

Dr. Porter reported that almost 60 per cent of the children in the program have achieved a month's gain in comprehension for each month of instruction. Some youngsters are said to have almost doubled that progress.

In Detroit, where more than 59,000 children are enrolled in the State program, school leaders are enthusiastic about what is happening.

"Socio-economic class doesn't make the difference in learning," said Dr. Maurice E. Lax, principal of Edison Elementary School. "What makes the difference is the time the parent spends with the child and the attitude the parent has toward learning.

"We're using bright-colored books, programed learning techniques, audiovisual tolls—anything we can think of to motivate these kids.

"We look for ideas from anyone. We've had parents come in to teach. We bring in firemen and policemen to talk about their jobs. We come up with anything and anyone we can."

ELEMENTS OF FAILURE

Children enrolled in compensatory-education programs have serious learning problems. After several years of schooling, many can't read a sentence, add 2 and 2 or write their own names. A large number are found to have defective sight or hearing. Some are not getting enough to eat or wear, which also affects their classroom performance.

Results: Disadvantaged youngsters keep losing more and more ground compared with other pupils.

"Studies show that disadvantaged youngsters normally gain only 6.7 months during the 10-month school year," said Dr. Fairley at the Office of Education. "The goal of compensatory education is to provide supplementary educational services that will enable these youngsters to achieve 10 months in a 10-month school year.

"How? We encourage schools to do a needs assessment—look at the child's test scores, grades, his health, home conditions. Then the schools should develop a program around these needs."

In California, there is a new 82-million-dollar State program for "educationally disadvantaged youth." Like that in Michigan, it requires school districts to show results if they want to stay in it.

In the federal programs in California, some 54 percent of the effort is centered in kindergarten and the first three grades. Training has reached a point where students, for the first time in a decade, are scoring above the national average for reading.

San Diego's school superintendent, Dr. Thomas Goodman, said:

"In our programs we get into the community and the community gets into the schools. The school has the kids for only six hours a day. The community has them for 18. The community has to help if we are to succeed."

Manuel Ceja, director of compensatory education in California, reported current programs are reaching about 400,000 children. He estimated 600,000 other youngsters in California need extra help.

Another large program, in New York State, is spending 50 million dollars currently on remedial education. Efforts are aimed at the lowest 25 per cent of students, measured in terms of academic nonachievement and economic deprivation. According to Dr. Leo Doherty, chief of urban and economic programs:

"In the main, we are achieving our objective, which is to bring about increments in academic achievement. Not only have we arrested our students' rate of falling further behind, but over a long period of time—three to four years per student—we will close the gap for a majority of them."

CAREFUL STUDY

Special testing and close observation by teachers help to identify learning problems. Then extra teachers are called in to start special classes for students who need help.

Findings so far show that 80 per cent of some 35,000 children getting reading help in New York State have reached satisfactory performance levels.

Success stories are also emerging from other States. Robert W. Sparks, director of federal projects in Virginia, declared that "where an educationally disadvantaged child receives individual instruction or attention, the results of compensatory education are fantastic."

In neighboring West Virginia, compensatory education was called "very successful" by Robert M. Taylor, federal program specialist for that State.

Mr. Taylor reported that in one county "educationally disadvantaged students showed 2½ years of progress in one school year."

It is reports like these that are convincing authorities that compensatory education is beginning to pay dividends.

Representative Albert H. Quie of Minnesota, ranking Republican on the House Education and Labor Committee, is spokesman for a growing group of people who believe that compensatory education is ready for expansion.

"The poor have no monopoly on educational needs," Mr. Quie said. "I believe that we have to begin testing kids and providing the money for anybody who is educationally disadvantaged.

"If we don't help those kids, they are going to be a federal burden, a welfare burden or in manpower retraining. We are not beginning to reach all the kids who need help."

MY RESPONSIBILITY AS A CITIZEN

HON. JOHN N. HAPPY CAMP

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. CAMP. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct a Voice of Democracy Contest. This year, nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. The contest theme was "My Responsibility as a Citizen."

I am proud that the winning contestant from Oklahoma is Miss Denise Michelle Vickers of Enid, Okla., in my congressional district. Denise's speech is reprinted below and I commend it to the attention of my colleagues:

(By Miss Denise Vickers)

It's a tradition in my family to spend Christmas with my grandparents. It's a very special thing to me and the moment I recall most is when my grandfather took me on his knee and told me of a great war of his time, the war to end all wars, World War I. Twice later I was to recall that moment: Once, when my father told me of fighting in World War II, and again, when my brother told me of Vietnam. These men, in three generations, have served their country, which brings me to a conclusive fact: That there is a

RESPONSIBILITY TO CITIZENSHIP

Now this fact may not seem too astounding to you until you realize just how much of a responsibility citizenship is.

The liberties of this country, the freedoms listed in the Constitution, are worth defending. They were given to us as a rightful inheritance by our forefathers who paid for them with their honor, bravery, money, and even their lives. The things they gave us cost a great price, and it's our responsibility to defend them.

One of the biggest ways we have of protecting our freedoms is by using a system set up in this country nearly 200 years ago; that of a government of the people, by the people, and for the people; in other words, voting.

I took a survey in my town before the 1972 elections. Out of over 200 people, only 17 took a firm stand in the beliefs of their party and were committed as to who they were going to vote for and why. One hundred seventy-six didn't care, and twelve weren't even registered voters. Over 85 percent listened as the world passed by. Wendell Phillips once said that "The price of liberty is vigilance," and was he ever right. People in this country had better wake up because apathy will destroy America.

The problem of apathy is a grave problem, but I'd like to discuss another one with you that concerns nationalism. Nationalism is a feeling of pride that comes from a common heritage, a common language, and a common outlook for the future. Without it no democracy can exist, and nationalism in America is dying.

Several examples of the dying of nationalism come immediately to mind, but two stand out clearly. America was degraded when at Munich, Germany, two Americans, gold and silver medalists, laughed and joked during the American National Anthem. At Oklahoma University the American flag was hauled down, while that of the Viet Cong was raised. The flag that hundreds of thousands of men had died to save lay trampled on the ground. No, America will not perish from an outside attack, but will fall, as Rome fell, from an inner gnawing; something that starts from inside and works out until the structure crumbles. We have got to take a stand before it's too late. We've only got one chance at making this democracy work, and if we fail; America will perish.

The problems of apathy, and those of nationalism, these are problems of the present. What about the future? The future of this country lies in the hands of the children, and I pray to God that they'll know what it's all about. Remember, when you were little, and you memorized the Pledge of Allegiance but didn't know what the words meant. The children of today have got to know what those words mean and others just like them: Patriotism, nationalism, and pride. And the best way is by giving the children a living example.

This brings to mind a picture of my father. He's a teacher in a Jr. High School in my town. One day, during an assembly, I watched him as the flag passed. His eyes filled with pride, his back straightened, his hand went immediately to his heart, and he stood in my eyes, not just as my father, but as an example of one American who was proud of his country.

So you see it's up to you now, whether America, as a democracy, will stand, or will fall. It's your responsibility to protect your rights by having a say in who governs your society: To present an example of patriotism and instill pride in this generation, and generations to come. The weight rests on your shoulders. It's your responsibility to citizenship.

SIXTH GRADERS WHO LOVE FREEDOM

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. HUDNUT. Mr. Speaker, the Sertoma Club of East Indianapolis recently sponsored an essay contest in observance of International Freedom Week. The subject was: "What Freedom Means To Me." Over 3,000 entries were received from Indianapolis sixth graders, who gave their thought and attention to this most important subject. The Sertoma Clubs of America are committed to the ideal of "service to mankind" as we all know, and it is certainly gratifying to discover adults who are encouraging young people to think about the blessing of freedom that we enjoy here in America. And it is certainly heartwarming to know that in this day and age when we often hear cynical words expressed about our country, patriotic sentiments are still harbored in the hearts of our children. Not everyone who entered the contest could be a winner, but everyone showed a love of country and an appreciation for the privilege that is ours to call ourselves Americans—and that should be an inspiration to us all.

I was proud to be at the awards ceremony on February 14 when the first place winners from each school were honored, and the three finalists were presented bronze plaques of the Declaration of Independence. Knowing how much these awards meant to the children involved, their parents, teachers and classmates, and to Sertomans themselves. I am taking the liberty of mentioning their names and schools, and inserting the winning essay at this point in the RECORD:

Joyce Smith, Lowell School.
Lisa Harakas, Sunny Heights School.
Ellen Glassmeyer, Our Lady of Lourdes School.
Marie Kennedy, St. Simon School.
Phillip Wiggins, St. Rita School.
Paul Struck, Public School No. 62.
Clare Campbell, St. Lawrence School.
Jim Powner, Hawthorne School.
Felice Knarr, Holy Cross Central.
Audrey Anderson, Public School No. 111.
Cindy Wilburn, Public School No. 77.
James Rent, Public School No. 57.
Sandy Wingfield, Public School No. 82.
Shirley Butler, Grassy Creek School.
Debbie Bailey, Public School No. 37.
Becky Banta, Public School No. 53.
Debby Johnson, Brookview School.
Mike Hollandbeck, Lakeside School.
Kelli Templeton, Public School No. 89.
Lisa Case, Public School No. 94.
Janice Foor, Little Flower School.
Paul Matthers, Holy Spirit School.
Teresa Chao, Moorhead School.
John Althardt, Heather Hills School.
Lisa Young, Public School No. 68.
Kenneth Smith, Public School No. 81.
Jerry Lowe, South Grove School.
Anita Andorn, Pleasant Run School.
Diane Demaree, Central School.
Andrea Stoeffler, Eastridge School.
Beth Lasich, St. Matthew School.
Sherri Bracken, St. Bernadette.
Rodna Marlow, Public School No. 54.
Cheryl Dale, Public School No. 112.
Stephanie Fattic, Public School No. 88.
Maria Hutson, Heather Hills School.

FREEDOM

(By Jim Powner)

All right team, our goal is freedom. Now let's get out there and win freedom. We know what the plays are, congressmen forwards, Judicial branch guards, and Legislative branch center. Now pass that love, dribble that kindness, but most of all make every shot at freedom count.

When the game is over, if we win, we will really want to hang on to our victory, to help our fans live peacefully. The team's captain is the Executive branch. After the game is over we can thank our coach, the Heavenly Father. The trophy we will be presented with will be the greatest and most treasured honor that the United States will receive. We choose to dedicate this game to the freedom fighters of America.

WHATEVER HAPPENED TO FISCAL RESPONSIBILITY?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ASHBROOK. Mr. Speaker, it was not until fiscal year 1962 that a budget, submitted by President Kennedy, passed the $100 billion mark. Plus, it took over 170 years to reach the $100 billion spending level. Four years ago President Nixon submitted the first $200 billion budget and now we see the first $300 billion budget in our history—to be more exact, the first $304 billion budget. It has only taken 12 years to go from $100 to $300 billion, a 200-percent increase. The Republican Party has long spoken of the necessity of cutting excessive governmental spending. Unfortunately, the President's proposed budget does damage to those desires. Frederic Malek, Deputy Director of the Office of Management and Budget, has stated:

> The President will not tolerate a recession. If it means busting the budget, then he will bust the budget to keep people from losing their jobs.

The American taxpayers learned that increased governmental spending does not solve problems, but only raises taxes and creates even greater inflation. Unfortunately, it seems the President, in the words of John Lofton's February 11 column:

> Equates increased federal spending with progress when, if anything, the record shows an inverse correlation: the more of the former the less of the latter.

At this point I include in the RECORD the text of John Lofton's column of February 11, 1974, entitled "What Happened, Mr. Nixon?":

WHAT HAPPENED, MR. NIXON?

(By John D. Lofton, Jr.)

WASHINGTON.—Looking over the President's 51-page State of the Union Address and his $304 billion (B) budget, one question immediately leaps to mind:

What happened to the Richard Nixon, who told us in November 1972 that the federal government was too big; too expensive; needed thinning out and had failed at problem-solving during the 1960s because it simply threw money at problems?

Where has the Richard Nixon gone who bragged to Washington Evening Star reporter Garnett Horner that his '72 campaign was "the first campaign of a candidate who didn't go out with a whole bag of goodies" to get votes?

Instead, the President spoke of government reform to nurture in the American people "a new spirit of independence" and "self-reliance."

Even though he said he knew his attitude would be "tut-tutted" by the Georgetown cocktail set, the President said he totally disagreed with the idea that the answer to problems is always some massive new government program.

"What we need now, rather than more government, is better government," he declared resolutely. "I realize that is a cliche, but rather than more is better, many times the better is not the fatter, but leaner."

But when one looks at this year's State of the Union message and federal budget, they are clearly Fat City.

The President literally exults over the amount of money his Administration has thrown at problems. He repeatedly equates increased federal funding with progress when, if anything, the record shows an inverse correlation: the more of the former, the less of the latter.

I am unable to find any real accomplishments other than those things Mr. Nixon feels are accomplishments, things like being the first President to spend X amount of dollars on Y program.

This, despite the fact that the Budget in Brief document says that the President's initiative on managing for results requires the development of specific objectives such as focusing on accomplishments and not just actions.

For example, in his State of the Union message, the President notes that since he came into office in 1969:

Consumer safety programs have received almost a four-fold increase in federal dough and federal aid to education has risen 76 per cent, from $4.3 billion (B) to $7.6 billion.

Civil rights activities and economic development for minorities has more than tripled; Indians are getting twice what they were and the amount being spent on community development is double that ever spent by the government in this area during the "entire history of the nation."

Support for public TV has "dramatically increased." Aid to urban public transportation is at eight times the level it was. The National Endowment for the Humanities is 10 times larger than five years ago.

And on and on ad nauseam.

The President's entire emphasis is on input—how much we have spent on various programs. He tells us absolutely nothing about output—what it is the spending of these billions has accomplished.

The outlook for the future is not any brighter than the past. The 1975 budget calls for a new system of comprehensive, national health insurance; millions for health maintenance organizations across the country; a Health Resources Planning Act; "new" and "expanded" national health service scholarship legislation; and "general expansion" of the guaranteed student loan program.

Also requested are: a Federal Energy Administration; an Energy Research and Development Administration; and eventually a Department of Energy and Natural Resources.

The President has also vowed to support legislation to hike the minimum wage and thinks we should have something called the Economic Adjustment Assistant Program.

A national Institute of Education and a National Foundation for Higher Education are necessary, the President feels, as well as an Emergency School Aid Program and a Basic Educational Opportunity Grant program.

GI bill benefits should increase eight per cent; "full funding" is required for the Land and Conservation Fund; both the Better Communities Act and the Responsive Government Act should be passed; and there must be a three-stage increase in executive, legislative and judicial salaries at the rate of seven and a half per cent for each of the next three years. The President has even proposed that government money be spent to study how government money is being spent.

"Recognizing the vital role social sciences must play in America's growth," he says in his State of the Union message, "money will be made available for studying the social effects of various government income distribution and redistribution plans."

In his November 1972 interview with reporter Horner, President Nixon expressed his strong feeling that what the American people wanted is a new feeling of responsibility and self-discipline rather than a return to the mind-set of the 1960s that it was government's job to solve all the problems.

I think the President was right. It's just too bad he hasn't done what he said he would.

There are those who argue that President Nixon should not be removed from office because this would allow a subversion of the 1972 mandate by those unable to win at the ballot box.

These people should get another argument. The mandate has already been subverted and by Richard Nixon himself. It was an inside job. Not a shot was fired. That which does not exist cannot be preserved.

WIN OR LOSE—HE PERFORMS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ROSTENKOWSKI. Mr. Speaker, testimonials and tributes are not at all uncommon in this day and age. People are often feted or eulogized far in excess of their individual achievements. The ceremony surrounding these affairs often overshadows the style of the person it was designed to honor.

This however, was not the case last evening in Chicago. "Stan Mikita Night" was done in the style of the man. No excessive frills or elaborate gifts. No long speeches or shiny cars. In fact, Stan Mikita went so far to alter the evening's format that he became the donor rather than the recipient of gifts. He donated all the special night's proceeds to a trust fund that he has set up at Elmhurst College to provide scholarships for needy students. It is this spirit of selflessness that has symbolized Mikita's style both on and off the ice.

Life has never been easy for Stan. From growing up in Nazi-occupied Czechoslovakia, to skating with the "big guys" in the NHL, he has always had to give a little more to stay even—but, that he has done, and done much better than most.

So, in a sense, last night's tribute in Chicago Stadium was not only a tribute to a man, but to his lifestyle. A style of performance that in itself personifies the greatness of the man.

He is truly an inspiration to all that have come in contact with him. Both my wife, LaVerne, and I, as well as Congressman Collier and his wife, Carol, are happy to have had the privilege of his friendship. We would like to thank Stan and his lovely wife, Jill, for their contributions to our community and to its style of life.

Jill Cerny Mikita is in her own right an example of dedication and determination whose former career brought her quite close to all of us. For, in those earlier days, she served as a congressional aide on the staff of my Illinois colleague, Congressman Harold Collier.

The Mikitas' have long demonstrated a pride in their city and last night, their city returned the compliment and showed how proud it was of them.

BREEZEWOOD, PA., EMERGENCY FUEL NUMBER: 814—735-4888

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. SHUSTER. Mr. Speaker, the energy squeeze is having a serious impact on our Nation's travelers. Americans, who are among the most adventuresome people in the world, are becoming increasingly hesitant to travel far from home out of the very real fear of running out of gas. Horror stories still abound about people becoming stranded in strange areas, far from home, with no gas and nowhere to turn for help.

I am proud to say, Mr. Speaker, that the Breezewood Tourist Association, serving an area of central Pennsylvania in my congressional district, has instituted a program to help stranded motorists find that precious commodity—gasoline. The association records a periodic telephone message describing the gasoline situation in Breezewood and the surrounding area of central Pennsylvania—telling stranded and desperate, and even just cautious, motorists where they can get gas.

Mr. Speaker, the telephone number for that recorded message may be as valuable to motorists as a spare tire or a bumper jack. Since Breezewood is located in the hub of several major arteries—the Pennsylvania Turnpike, Interstate Route 70S, and U.S. Route 30—I strongly recommend that anyone who expects to travel in this area in the forseeable future record this important number and keep it in the car. The number is: Area code 814—735-4888.

I commend the Breezewood Tourist Association for this public service, Mr. Speaker, and I encourage other similar organizations to follow their lead and inaugurate similar programs throughout the Nation.

FREEDOM AND RESPONSIBILITY

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUBER. Mr. Speaker, the February 10, 1974, Chicago Tribune magazine contains an excellent essay by Harold Blake Walker on the subject of "Freedom and Responsibility." In his comments, Dr. Walker clearly points out that there is a dangerous trend in this country; namely, that society is becoming more and more willing to exchange personal freedom for State controlled order. This situation would be unnecessary, however, if only man would learn to accept, and act, with moral, and not just legal, responsibility.

The problem today is that people are starting to expect the State to oversee morality. There is a failure to recognize that just because some act may not be against the law, that does not necessarily mean that the act is moral. Dr. Walker correctly asserts that if we are to turn to a higher, Supreme law, we will find that it is quite easy to retain one's freedom and responsibility. Otherwise, the choice may well have to be made between freedom and responsibility.

Freedom and Responsibility

(By Harold Blake Walker)

To those of us who believe in freedom, it is disturbing to notice that two-thirds or more of the world's people in the developing countries appear willing to exchange freedom for order or for order in tandem with economic growth and national prestige. The assumption seems to be that progress requires ultimate external restraint and coercion to limit the freedom of men to speak and to act as individuals.

We in the Western world have inherited faith in freedom, a firm belief that progress comes as a result of individual initiative and struggle. Traditionally we have assumed that in the providence of God, reason will triumph over unreason, sense over nonsense, and truth over falsehood. We have been willing to risk the interplay of competitive forces with a minimum of external regulation.

Now and then we have doubted our own faith, wondering if law and order could be maintained in a free society. Under stress, we have been tempted to exchange freedom for order, as if freedom might be too great a luxury to be endured in a disrupted society. At the moment, we seem to be uncertain of ourselves. Arthur Bremer, who shot Gov. George Wallace, suggested a disturbing mood when he remarked, "I would have liked it if society had protected me from myself."

In the past, society has sought to protect us from ourselves with moral sanctions, established conventions simply perceived and accepted by consensus. Essentially, the word "morality" meant "mores," meaning customs or social regulations. To be sure, even those standards of behavior accepted by consensus often were violated, but the violations were recognized as violations. The "mores" of society imposed restraints that helped to protect us from ourselves.

Morality, however, has a second meaning, one valued in Christian thought and in the thought of other great religions; namely, that morality is a matter of the spirit. Socrates called it "integrity of soul." It goes beyond customs or social regulations and involves inner integrity, respect for the rights of others, and caring concern for persons. It is only as society helps to inspire inner integrity in persons that society is able to protect us more adequately from ourselves and to undergird social order.

The upshot of the matter can be put in the words of Edmund Burke back in the 18th Century. He wrote:

"Men are qualified for civil liberties in exact proportion to their disposition to put moral chains on their own appetites. . . . Society cannot exist unless a controlling power upon will and appetite be placed somewhere, and the less of it there is within, the more there must be without. It is ordained in the internal constitution of things that men of intemperate minds cannot be free. Their passions forge their fetters."

Unless we are able to "put moral chains" on our own appetites in such fashion that we are protected from ourselves, and so provide protection for society, we will be more and more disposed to trade freedom for order. If we are tempted to shy away from the idea of "moral chains," let me suggest that the only such chains I mean are those that are inwardly imposed by the demands of our own integrity of mind and spirit.

The weakening of those inner moral chains that protect both ourselves and society has been coincident with the decline of religion in our time. Having forsaken both Sinai and Golgotha as symbols of the highest, we have undermined the ethical foundations on which freedom rests. If we wish both freedom and order, we will need to affirm once again: "In God We Trust."

LOS ALAMOS HIGH SCHOOL AWARDED BELLAMY FLAG

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. LUJAN. Mr. Speaker, Los Alamos High School in New Mexico has been awarded the National Bellamy Award, an award named after the late Francis Bellamy who first authored the Pledge of Allegiance to the Flag in 1892.

The award to Los Alamos High School speaks proudly about its present achievements—not only by the faculty—but by the present student body. Therefore, I ask special permission to have the article written by the Los Alamos Monitor printed in the RECORD to show the achievements that this fine high school, with its faculty and student body, has dedicated itself to.

The article follows:

LOS ALAMOS HIGH SCHOOL AWARDED BELLAMY FLAG

Los Alamos High School has been designated the "standard bearer" for all High Schools in New Mexico as winner of the 33rd annual Bellamy Flag Award.

The announcement of the award was made last night by LAHS Principal Robert L. Loar during commencement exercises for 390 seniors. The formal presentation of the award will be made in the high school auditorium Oct. 11, 1974.

LAHS will retain the honor for a 50-year period "in the distinguished group of outstanding and representative secondary schools throughout the nation."

Each year, the National Bellamy Award selection board selects one state in the nation and one high school in that state to receive the award. For 1974, New Mexico was chosen as the state and LAHS as the school to receive the award.

The Bellamy Flag award is a large outdoor United States Flag that has flown over the Capitol in Washington, D.C., and honors Francis Bellamy, minister, journalist and advertising man, who authored the Pledge of Allegiance to the Flag of the United States of America in 1892. He wrote the pledge for the National Public School Celebration of Columbus Day and commemorating the nation's quadro-centennial.

"The National Bellamy Award gives conspicuous acknowledgment to the vital role the public schools, an instrument of the American ideal, plays in helping to mold and to realize the ideals and goals of our country," Dr. Margarette S. Miller, director of the award program, said in a letter to LAHS Principal Robert L. Loar announcing the award.

This honor is not one obtained by the mere efforts of administration, faculty and students during the year of study," she said. "The school is chosen for its history of accomplishment along with its continuous accumulation of awards, honors, innovation in teaching, the accomplishments of the alumni, faculty and the present school body. It is anticipated that these accomplishments will continue and grow in the future.

"Fine schools take the concerted effort of every member of the school system and the community. The educational experiences and training gained at Los Alamos High School should produce a strong foundation for the young people to mature into responsible adult citizens", the letter said.

"Los Alamos High School was selected on the basis of ten areas of accomplishments. "Los Alamos High School will receive the coveted honor for these specific reasons:

"The Proficient Performance of Duty by the Administration: Robert L. Loar, principal, and Dr. Duane W. Smith, superintendent, are cited for leadership, inaugurating and establishing innovative techniques, and "constantly moving forward in varying levels, with methods and theory, along the path of true individualization."

"Individual and Enormous Achievements of the "Faculty-surpassing any in the history of the National Bellamy Award—who "exhibit outstanding technical competence, a great desire to be of service and hold the highest level of professionalism." This calibre staff in a highly intellectual environment enables Los Alamos to be termed the "nation's best educated" city by the U.S. Census.

"Absolute and Definite Concern for National and International Standards—"a parochial local view of the responsibility of education is totally inadequate and would threaten school system with the error of trying to do well that which is not worth doing at all."

Encouragement in Furthering Student and Idea Exchange—through athletics, the arts; programs of study "in order to foster students' awareness of people . . ."; the acceptance of "speakers on timely topics, including representatives of political, ethnic, and religious groups"; controversial subjects and individuals are not outlawed.

A Student Body Excelling Academically—more than two dozen students honored by National Merit this year alone; National French Council achievements with 5 national and 11 regional winners; the National Science Foundation; lauded by the Commission on Presidential Scholars, and the National Council of Teachers of English. NCTE (National Council of Teachers of English) ". . . have never known a school which so supported a national institute."

An Accomplished Alumni—on national and international levels exhibiting excellence in the fields of creative arts, education, science, medicine and engineering.

A Responsive Community Eager for Constant Improvement in the Schools—that any superior educational system may still be surpassed. The business community works closely with the school through the Alternatives Program lending added experiences in medicine, criminology, silversmithing and forestry, among other specialized interests.

Free Thought and Honest in Publications—La Loma 1972 Yearbook—creative and thought-provoking: the right and wrong of the nation in its introductory pages:

We die in Vietnam and walk on the moon.

We pave the desert and high plateau and fly through sky faster than the sun.

We take the power of atoms to make a bomb, and to probe the darkness of disease.

We find a mountain paradise and build our city there.

We are alone and we are together.

The School Philosophy—in part—which recognizes "that because of the insular nature of Los Alamos, our students need additional association with people of diverse racial and socioeconomic backgrounds . . ." A Student Attitude Survey, prepared by Associated Public Schools Systems (Teachers College, Columbia), dealing partially with Peer Group Relations, brought to light "there were no distinct ethnic groups in the minds of Los Alamos students."

A Cooperative, Supportive Local Press—interested in carrying school activities and accomplishments; in promoting the plus side of education.

LET US END CONTROLS COMPLETELY

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ARMSTRONG. Mr. Speaker, there has been great controversy about wage and price controls, but the following article by the former head of the Price Control Commission neatly summarizes the fallacies and dangers of continuing such controls.

The article follows:

LET'S END CONTROLS—COMPLETELY

(By C. Jackson Grayson, Jr.)

The wage-price control or decontrol debate has shifted from whether we are going to decontrol to (A) how far, (B) when, and (C) how?

A consensus prediction seems to be that (1) gradual decontrol will continue, (2) that some sectors, probably energy, construction, and health will continue under long term controls, (3) that the Stabilization Act will be extended, and (4) that a wage-price control "stand-by" mechanism will be created.

I find a growing attitude of almost "inevitability" that this is the course that we will (or should) follow among Congressmen, businessmen, labor leaders, the press and members of the administration.

I challenge the necessity, wisdom, or inevitability of any or all of these. Before it is too late, I urge instead: (1) end all controls totally by April 30, (2) let the Stabilization Act expire, and (3) do not establish the proposed "stand-by" control mechanism.

Total decontrol sounds frightening to some, particularly politicians fearing voter reaction. "How can I vote for decontrol?" complained one decontrol-minded Congressman. "A vote for decontrol sounds like a vote for inflation."

It is true that if all sectors were decontrolled, there would be some wage and price increase. Some might be large and rapid as the market moved to adjustments level necessary to ration resources and attract capital and labor.

But the economy-wide increases on total release will not be nearly as large as some fear. Much of the economy has already been released, and forecasts are for a slackening economy.

Who will be sending prices and wages upward? The market. Purchasers (industrial and consumers) will be signalling "more" or "less" of a wage, good, or service. The market, not the controllers, will be allocating resources to society's most efficient uses.

NOT PERFECT, BUT . . .

Those who argue that this market mechanism is imperfect because of market power by business or labor or structural defects, should work to correct such faults rather than continue reliance on a mechanism that is far more dangerous to the market mechanism than such alleged imperfections. This line of argument will tend to keep us in controls forever as a countervailing power to alleged blocks to competition.

Arguments will surely be made, in rebuttal, that price increases will hurt the poor more than the rich. By definition, this is true. The poor have less money. Any price increases hurt them more, controls or not.

But if society wishes to increase economic opportunity for those with lower income (as I think we should), this is best done by means other than controls. In fact, continued controls, in many ways, hurt the poor. They tend to drive low markup items from the shelves, provide those with higher incomes and better education opportunities to get around the system. And they increased unemployment for marginal workers whose productivity is not as great.

Other arguments against total decontrol will be raised. "Now is not the time. Wait a little longer."

In late 1972 it was the fear of large wage settlements in 1973 that postponed decontrol. These did not materialize despite a more flexible Phase 3 and rapidly escalating prices. Shortages (fuel, steel, fiber, paper, etc.) are now being advanced as a reason for continued controls: "Price increases will not increase capacity in the short run and will merely result in higher profits."

Continued controls are not going to help the shortage problem. If anything, they will prolong shortages because of the lack of increased incentive (profits) to invest and expand quickly. Management, labor, and capital will delay action or even flow elsewhere. The result could then reach a point where arguments would be made that the federal government must invest to expand capacity through direct investment (to wit, the proposed federal oil and gas corporation).

While some people would agree with the philosophy of total decontrol, they would stop short of energy decontrol. For the same reasons as given above, I would not.

Yes, prices will increase. (They are going to increase anyway, with controls.) Yes, prices would increase more rapidly with decontrol. But the solution to the shortages would also be faster as price served its function of rationing and as incentives were increased for supply of more energy sources. Again, help for people with lower incomes should be done with mechanisms other than continued wage/price controls.

Similar arguments can be made for also removing controls from other sectors popularly nominated for long term controls—construction, health, food.

Finally, continued selective decontrol, while appealing to those who believe they know how to manipulate the allocation system, is dangerous. It increases the distortions among industries and services of different sizes; but more importantly, it increases the distortion of the flow of capital and labor due to unforeseen effects of substitution, interdependencies, false price signals, and administrative lags among controlled and non-controlled sectors. It was for these reasons that we shied away from industry-by-industry controls altogether in the Price Commission.

Our economic understanding and models are simply not powerful enough to handle such a large and complex economic system better than the marketplace. Partial decontrol (for its converse, partial control), tends to build a false belief in the minds of the public that controllers really "can" manipulate the system more efficiently, and will increase the cry for selective "recontrol" later on. After all, they knew how to selectively decontrol, didn't they?

I also don't believe that the Stabilization Act should be continued past April 30, even if decontrol were complete prior to that date.

If the act sat on the books, there would be tremendous pressure and temptation to reimpose controls in the near future. Even in a stable economy, some prices rise dramatically, some stay stable, some decline. But the headlines go to the increases, and political pressure will be heavy to reimpose controls over this or that sector.

If Congressmen think they will have immediate political problems now from decontrol they should think what they are letting themselves in for over the next year or two as prices fluctuate and successive delegations descend on them. They and the Executive Branch will be continually besieged to put controls back on across the entire economy, or selectively on visible wage settlements and price increases.

I recommend that the act expire now. Then, if the nation wishes to re-embark on the controls road again, the decision would be subject to full public debate, and not decided by administrative decision in the Executive Branch.

PRESSURES AND POLITICS

Finally, I recommend strongly against establishment of the proposed stand-by wage/price agency. If such an agency were created, whether responsible to the Executive or Legislative Branch, it would be subject to continual pressure to reimpose controls, totally or selectively. The monitors would find it almost impossible not to take "action" (direct controls or jawboning) even when price increases represented pure demand shifts. Prices would be determined as much by politics as economics.

Secondly, the "responsibility" for control of inflation would be thought to rest in the hands of this agency instead of at the more fundamental levels of fiscal and monetary policy, increased productivity, structural reform to increase competition, and widespread acceptances of individual responsibility to help control inflation.

Third, such an agency would undoubtedly be staffed by able people, anxious to do a job. The temptation of such a combat-ready group to "fine-tune" the wage/price mechanism would well nigh be irresistible. Parkinson's Law would surely operate. Many bright economists would like nothing better than to get their hands on the throttle of the economy to install their honest beliefs about "necessary" government intervention in the market.

Fourth, its proposed main activity of "jawboning" is not innocuous. To most people, that term means public spirited appeals for restraint and cooperation on wages and prices. But, if past history is any judge, jawboning will also include threats to pass punitive legislation, to unleash a Justice or FTC investigation, to sell stockpiles to depress markets, to issue or leak derogatory stories to the press, and to issue or deny government contracts. At the personal level, jawboning can include subtle offers or denials of government appointments, or even threats to audit personal tax returns. All have been used. In my opinion, these are all abuses of power and contrary to the American sense of fair play and civil liberties.

Finally, the mere existence of such an agency would encourage price increases and discourage price decreases.

An unfortunate lesson learned from the various phases is that you'd better get wage/price increases while you can. Time and again, the "good guys" got hurt by exercising restraint. Many businessmen have told me that they will not reduce prices for fear that a new freeze, a new rule, or a new recontrol will catch them with their prices down. If such an agency were sitting there, symbolically hovering over the marketplace with a sniper's rifle, I think we would not see many price decreases, and would see instantaneous price increases. We would be institutionalizing inflation.

NEW SCENARIO IS POSSIBLE

Many of these points have been made before. Yet I am alarmed at the feeling of inevitability of the events of the next few months—partial decontrol, extension of the act, and creation of a stand-by mechanism. Businessmen seem resigned to this fact as a way of getting at least partially out. Administration officials apparently believe that this is the course to be followed to get congressional agreement. Many Congressmen believe that they can't completely decontrol because of public backlash.

The scenario does not have to come out that way. We can decontrol, with better long-range consequences for everyone, including the poor.

Why do I, who ran a price control program, argue as strongly as I do? I know price controls intimately and how people work in them. I know the distorting effects and political pressures. Controls do have some value, but for a limited time period and under special circumstances. After that, they should be abandoned.

More importantly, I know from first hand experience that allocations by the marketplace are far superior to any centrally directed system, and are most consistent with personal freedom.

It's easy to get into controls, but as we are now witnessing, hard to get out. It is time to act with courage. Let's get out, and let's get out completely.

ESTONIAN INDEPENDENCE DAY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. FISH. Mr. Speaker, February 24 marks the 56th anniversary of the declaration of independence of the Republic of Estonia, and I would like to call to our attention the plight of this Baltic nation.

Despite its 1918 declaration of independence from Russia, the republic was occupied by the Soviets in 1940, and today remains under Communist control.

After proclaiming their independence, the Estonians were forced to defend themselves for 2 years from attacking Russian armies attempting to conquer the country. In 1920, they repulsed the Soviet armies, and ended their war of independence with the signing of a favorable peace treaty. They then drew up a constitution, and in the 20 short years of freedom that they enjoyed, the Estonians achieved a remarkable level of scientific, industrial, educational and cultural advancement.

In the years of Communist domination since 1940, the Estonians have received little reward from their oppressors. The Soviets have attempted to scatter the Estonian people by a massive program of settlement of Russians in Estonia and dispersal of native Estonians to the Soviet Union.

Today, however, the Estonians' desire for freedom is unabated, and their spirit for independence is unbroken, despite the aggression they have suffered in defense of their right to their own land.

As a leader of liberty in the free world, the United States must support the

Estonians in their struggle for lasting independence. Our country has never recognized the legality of the occupation and incorporation of Estonia by Russia, and because the Soviet regime in the Republic lacks legal basis we must regard it as only a temporary military occupation.

On this occasion of the anniversary of the Estonian declaration of independence, we must pray that justice will prevail and allow the freedom so long sought by the people of that nation to be theirs.

HOPEFUL OUTLOOK FOR U.S. ENERGY SITUATION

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, at the request of Mr. Oscar Kiessling, and under leave to extend my remarks, I would like to insert the following article by Mr. Kiessling into the RECORD:

[From the Washington Post, Jan. 27, 1974]

HOPEFUL OUTLOOK FOR U.S. ENERGY SITUATION

(By Oscar Kiessling*)

Large increases in prices of gasoline, heating oil and utility services have made most citizens aware of significant developments taking place in the energy market. Anxious inquiries are being made as to how all this came about and whether the energy shortage is temporary or permanent. Fortunately, information available from engineers, geologists and other scientists provides a basis for appraising both the present situation and the future.

Much of our prosperity and high standard of living has been due to the application of ever increasing doses of energy in virtually all facets of the economy—at factories, farms, on the highways and in homes.

This has been going on for decades. A recent study of the Interior Department reported that gross energy consumption more than doubled from 33 quadrillion British thermal units in 1947 to 69 quadrillion in 1971, a 3.1 per cent annual growth rate over the period. The annual growth rate in recent years—4.8 per cent for 1965–70—has been higher than the long-term average.

In terms of quantity, total energy use increased by 23 per cent from 1951 to 1961, and by 51 per cent from 1961 to 1971. Despite the imposing figures on present use, the country has remained largely self-sufficient with only moderate imports, almost entirely of oil.

Total energy is a mixed bag filled from several sources. In 1971, petroleum contributed 41 per cent of the total, natural gas 37 per cent, bituminous coal 17 per cent, hydropower 4 per cent and nuclear power less than 1 per cent.

There have been substantial changes in the relative position of the three major supplying sources over the past 20 years. In 1951, coal accounted for 33 per cent of the total, petroleum for 38 per cent and natural gas for 32 per cent. In terms of quantity, petroleum increased by 101 per cent from 1951 to 1971, natural gas increased by 214 per cent and coal remained about stationary.

Imports of energy materials have not been a major factor in the domestic energy scene. Such imports have consisted mainly of petroleum and have been moderate, ranging from 12 per cent of domestic crude oil consumption in 1967 to 15 per cent in 1971. The bulk of the crude oil imports have come consistently from Canada and Venezuela, and these countries supplied 39 per cent and 12 per cent of imports, respectively, in 1972. In the same year, seven Middle East countries supplied an aggregate 28 per cent of the imports. Thus, the position of Middle East countries as suppliers in the U.S. crude petroleum market has not been dominant, and it has been relatively small with regard to total energy consumption.

Until recently, foreign oil has been very much cheaper than domestic oil and imports doubtless would have been larger if they had not been restrained by a U.S. import quota. This import quota was terminated April 18. During 1973, however, the quoted price for Middle East oil increased from $2.59 a barrel to $11.65. As the latter price is more than twice that for most domestic oil, there is less financial incentive for importation.

Numerous forecasts of even greater needs in the period ahead add a special dimension to the energy problem. This comes down to the question of whether, with expected increased use, our supplies will be adequate for reasonable self-sufficiency to avoid being victimized by the capricious whims of foreign suppliers. The outlook for achieving this goal is not as bleak as often painted; while the situation does not look rosy for the immediate future, supplies should be adequate after a few years needed to get properly organized.

With regard to petroleum, completion of the Alaska pipeline and access to the huge reserves of the arctic North Slope are already within range. But this is not all. The U.S. Geological Survey reports that the Atlantic continental shelf from Cape Hatteras to Canada—no more than 100 miles offshore, much of it only 30 to 50 miles offshore—contains an estimated 46 billion barrels of oil along with 228 trillion cubic feet of natural gas. The same agency estimates that all our continental shelves—the Atlantic, Gulf of Mexico, the Pacific and Gulf of Alaska—contain at least 180 billion barrels of oil and 900 trillion cubic feet of gas.

Reserves of such magnitude are not peanuts even in the light of recent annual domestic oil output around 3.5 billion barrels. Geological estimates of reserves, moreover, have consistently understated by a wide margin the potential of producing areas. There are legal and ecological problems in developing these vast resources, but it is unreasonable to believe they will not be solved if there is sufficient urgency.

The thick seams of good grade coal at relatively shallow depths that underlie vast areas of the U.S. constitute one of the world's greatest energy bonanzas. It will be recalled that the Germans fought a first-class mechanized war with very little natural oil. They did it by synthesizing their low-grade coal into crude petroleum from which they derived motor fuel and strategic basic chemicals.

What the Germans did 30 years ago we can now do better and much cheaper. The Interior Department Office of Coal Research has contracts with 60 organizations running pilot plants and conducting research in coal gasification and liquefaction.

Large areas of Montana, Wyoming, North and South Dakota, and some other western states have huge coal deposits that have been little utilized because of high transportation costs to major consuming centers. The coal can now be mined and converted at the site into pipeline-quality gas or synthetic crude oil and shipped to distant markets in pipelines that already cross these areas. This would require large amounts of capital and creation of virtually a new industry. But it is unlikely that the capital cost would equal the cost of converting millions of home heating plants and of making electric buggies out of our 100 million passenger cars and 20 million trucks, even if we could do it.

In addition to the increased use of coal directly in power generation and as a chemical raw material, a significant increase in nuclear power is under way. These projects require substantial lead time and it is not yet clear what their ultimate contribution will be.

Not much increase can be expected from hydropower since the most economic sites have been largely developed, but hydropower is important, and saves fossil fuels, particularly in areas such as the Public Northwest and the Tennessee Valley.

Oil shale, of which there are large deposits in Colorado, Utah and Wyoming (processing yield estimated at 30 gallons of oil per ton of rock) also ultimately may contribute supplemental supplies. The government leasing program for these deposits has just gotten under way with some takers.

The nation's potential energy resources are so imposing that the present shortage, if there really is one, should be of only moderate duration. Prompt and proper action by industry and government can assure adequate domestic supplies for many years to come. The recent escalation in prices has been triggered mainly by short-term panic psychological influences without regard to our strong long-term supply position.

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*Dr. Kiessling has served as editor of the Minerals Yearbook, director of the decennial Census of Minerals and special industrial adviser to the U.S. Tariff Commission.

"WASHIES" CELEBRATE CENTURY OF SERVICE TO COMMUNITY, PEOPLE

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. COUGHLIN. Mr. Speaker, I am proud to call to the attention of my colleagues the 100th anniversary of Washington Fire Co. No. 1 of Conshohocken, Pa.

In these times when the selflessness of our citizens is being put to the test, I believe the example set by Washington Fire Co. No. 1—"Washies," as they are known to the people they serve—and the thousands of other volunteer fire companies throughout the country should serve as reminders of the innate helpfulness of Americans.

Steeped in historical tradition, the volunteer fire companies of this Nation have performed heroic and valuable services through the decades. There is something so honest and so American about a volunteer fire company. The firemen and the women who stand behind them, in a very real sense, typify the best traits of our communities.

The record of the "Washies" during a history-crammed century is proud and admirable. In serving one of the oldest boroughs in Montgomery County, Pa., the "Washies" exemplify the finest in our community life in terms of protecting lives and properties of their neighbors.

The officers of the "Washies" are: Henry Hilliard, president; Theodore Schylack, vice president; Samuel Januzelli, recording secretary; William Hand, financial secretary; John Ostapowicz, treasurer; Ellwood Heller, fire chief; Benjamin Byerly and Robert Nolan, assistant fire chiefs; and Edward Campbell, fire marshal.

I offer my warmest congratulations to the officers and men of the "Washies" and to their ladies auxiliary on this momentous occasion.

EFFECT OF EMERGENCY ACT ON LOCAL AIR POLLUTION PROGRAMS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ANDERSON of California. Mr. Speaker, the Emergency Energy Act, among other things, would allow the Federal Government to suspend local air pollution control regulations, in order to permit the use of polluting fuels—such as coal—until 1979.

This measure would, in effect, usurp the States' authority to provide for the health and welfare of its citizens and shift decisionmaking responsibility from State and county officials to Washington.

Because of this preemption, the Los Angeles County Board of Supervisors, on the motion of Supervisor James Hayes, unanimously adopted a resolution opposing the provision authorizing Federal, rather than local, control over air pollution standards. In addition, the California Air Resources Board opposes this action.

At this point, Mr. Speaker, I place in the RECORD the resolution adopted by the Los Angeles County Board of Supervisors, and a letter from Mr. Charles J. Conrad, the chairman of the California Air Resources Board:

BOARD OF SUPERVISORS,
COUNTY OF LOS ANGELES,
Los Angeles, Calif.

Each Member, California Delegation to Congress

On motion of Supervisor Hayes, seconded by Supervisor Hahn, unanimously carried, the following resolution was adopted:

Whereas, both Houses of Congress now are engaged in floor debate on "The Energy Bill," U.S. Senate Bill 2589, and the bill appears close to passage; and

Whereas, Section 201 of this bill pre-empts the authority of the Air Pollution Control District to enforce its rules prohibiting the use of high sulfur fuel oil and allows the Administrator of the Environmental Protection Agency to assume complete jurisdiction in this field; and

Whereas, under this bill the Federal Administrator is made the sole arbiter of the questions of whether there is a supply of low sulfur fuel adequate to meet needs, and whether there will be "an imminent and substantial endangerment to the health of persons," and

Whereas, this destroys the authority of the Air Pollution Control District Hearing Board to grant or deny variances and to impose conditions upon them; and

Whereas, critical hearings are presently going on or pending concerning variances for the power plants in Los Angeles County to burn high sulfur fuel, and these hearings would be made meaningless; and

Whereas, under the powers granted in U.S. Senate Bill 2589 the use of air-contaminating coal could be authorized in the Los Angeles Basin by the Administrator of the Environmental Protection Agency; and

Whereas, those sections of the Clean Air Act providing for challenge and judicial review of the actions of the Administrator will be suspended; and

Whereas, the enactment of Section 201 of U.S. Senate Bill 2589 adding Section 119 to the Clean Air Act is an intolerable invasion of home rule and of the police power of the State to protect the health and well-being of its citizens and will strike that power from the hands of local elected authorities who are close to the people, and place it in the control of a distant federal bureaucracy unequipped to deal with the problems of Los Angeles County: Now, therefore, be it

Resolved, That this Board of Supervisors, which is the Air Pollution Control Board of Los Angeles County, goes on record as being most strongly opposed to the enactment of Section 201 of U.S. Senate Bill 2589, and urges the California Delegation to the Congress to unite in opposing the enactment of legislation so contrary to the interests and well-being of the residents of this area; and be it further

Resolved, That copies of this resolution be sent to all members of the California Congressional Delegation, to the Governor and to the Air Resources Board, and that our legislative advocates in Washington be directed to work actively against the enactment of this measure.

AIR RESOURCES BOARD,
Sacramento, Calif., February 15, 1974.

Hon. GLENN M. ANDERSON,
Congressman, House of Representatives,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ANDERSON: The Energy Emergency Act (S. 2589) contains substantial and important revisions of the Clean Air Act. Among these the Suspension Authority (Sec. 201) is of grave concern to the California Air Resources Board and the local air pollution control districts which are responsible for the administration of air pollution control regulations applied to nonvehicular sources.

Section 201 would empower the Administrator of the Environmental Protection Agency, in accordance with his concepts of energy needs, to suspend any local authority over the regulation of the quality or type of fuel used in any control district, and would transfer jurisdiction in these matters to the Environmental Protection Agency.

Such preemption by the federal government of the powers and obligation of the States is a bold assumption of state powers by the national government and is both unwarranted and unneeded. Under the laws of California and the regulations of the air pollution control districts in this state, ample authority and ability exist for the state and local government to make adjustments necessary during the energy emergency, subject to the same conditions of need and safeguards of the public health that the Act would apply to the Administrator.

The Air Resources Board, therefore, opposes the enactment of Section 201 of S. 2589, and respectfully urges the California representatives in the Congress and the Senate to do likewise.

Sincerely,

CHARLES J. CONRAD, *Chairman.*

NO PLACE TO HIDE—FROM INFLATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. SYMMS. Mr. Speaker, every once in awhile, somebody tells it straight with regard to Federal controls on the economy. The Farm Journal in a recent editorial zeroed in on most of what has gone wrong with our economy and the resulting shortages in resources and commodities. I would like to enter that editorial from the February issue in the hope that it gets the message across to some of my colleagues.

The editorial follows:

NO PLACE TO HIDE—FROM INFLATION

Every time you go to buy something these days, you feel like the roof is falling in. But it isn't the roof. It's all those carefully constructed price ceilings:

Regular gasoline up 7¢ a gallon since August;

Fertilizer up 37% since decontrol Oct. 25;

Fuel oil up 4¢ a gallon the first week of January;

And repeated warnings that the price of everything made from or with oil (which is practically everything) is going to jump in the months ahead.

In a now-familiar chorus, we all ask: "Why doesn't the government stop it?"

The truth is the government can't stop inflation with controls—any more than it could stop those food price increases last summer. If it tries, you'll quickly see much worse fertilizer shortages (see page 24).

And we make a mistake if we blame it all on the Arabs. Most fertilizer companies quit building new plants three or four years before the Arabs started their boycott—for the simple reason that nobody was making money on fertilizer. When good farm prices did return, fertilizer prices were frozen. Nobody was going to start new plants with price controls on.

You may be tempted to ask for export controls. That might bring temporary price relief, but it would guarantee bigger supply and price problems later.

No, we've ducked and dodged fiscal responsibility as long as we can, for that is the main cause of inflation. Now we face what will likely be the most severe inflation this country has seen. The price controllers are working desperately to remove controls entirely—not because they have inflation whipped, but because they know controls won't work from here on.

This inflation has been 20 years in the building, so it won't be easy to stop. We started it in the early 1950s when we kept so many soldiers overseas, allowing them to spend unlimited American dollars for Mercedes cars and Nikon cameras. We spent more borrowed billions in the 1960s to fight a war we weren't willing to pay for with taxes.

By 1971, we had so many dollars overseas that our foreign customers no longer trusted their value. When President Nixon finally devalued the dollar, we all heaved a sigh of relief that we had found such a painless answer.

But those devalued dollars have come back to haunt us. It's not just that we're paying as much as 20% to 30% more for the cars, the cameras and tape recorders we import. We're having to bid against those expensive German marks for the phosphates from our own mines in Florida; against Japanese yen for the lumber from our own forests in Oregon.

And don't think the results would have been different with a different Administration. Inflation is just time payments on all those years of deficit spending.

Inflation may slow down after a year or so, once business gains enough confidence to expand and catch up with demand. That is unless we continue to blow more than we've got on still more programs. But with more people chasing fewer raw materials, we may as well prepare to live permanently with a higher rate of inflation. Here are some things you can do:

Wage rates may keep going up, but not so fast as the price of raw materials. So gradually, you'll find it worth your time to recycle and reuse—once more we'll haul manure and pull nails out of scrap lumber.

Keep the pressure on your congressman to hold down government spending—even if it means giving up one of our favorite programs. If the public goes on demanding more government-guaranteed housing, health and incomes regardless of cost, we must expect inflation rates that could go to 15% or 25% a year.

See that you stay abreast of inflation with the return on your own investments. A return of even 6% or 7% is no longer fair—not when the country suffered a 5.8% inflation in 1973 alone. You need at least 9% or 10% to realize an honest 3% or 4% return.

The public may scream about "excess profits," but until we all realize that "high" prices, including "high" interest rates and "high" dividends, are simply time payments on *previous* government expenditures, we'll go right on having more of the same.

GREAT ORATORY

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. HUBER. Mr. Speaker, the February 10, 1974, Chicago Tribune contains excerpts from an excellent speech by the Honorable Julius Hoffman, senior judge of the U.S. District Court in Chicago. Judge Hoffman takes note of the decline of great oratory in this country. This is partially true because, in this day and age, it seems that a speech has to be "with it" and use popular catch words and phrases. The answer, says Judge Hoffman, *is for* our speechmakers to stop being so condescending toward their audiences and, instead, give them due credit for their native intelligence.

Since all of us here often have to give speeches, I would highly recommend that my colleagues pay particular attention to Judge Hoffman's remarks. I have always believed that the best speeches are made with the simplest words, and Judge Hoffman's comments once again prove the validity of that claim:

FROM THE MOUTHS OF NEARLY EVERYBODY: GABBLE

(By Julius J. Hoffman)

The author is senior judge of the United States District Court in Chicago. This article is excerpted from a recent address to the young lawyers section of the Chicago Bar Association.

Thomas Mann wrote in "The Magic Mountain": "Speech is civilization itself. The word, even the most contradictory word, preserves contact—it is silent which isolates."

But civilization is a variable. It differs from place to place, from time to time, and one who listens critically to American speech . . . might think that our civilization has been overrated.

In this country, great oratory is now so rare that anyone who admires it may be considered either a reactionary or a creature who has gone so far around the circle that he belongs to a new avant-garde. Nevertheless, there is something to be said for a return to the old standard of elocution on which our statesmen once operated.

Oratory, of course, is a ticklish word which, like politician, more often has an overtone of derision than of respect. But great oratory is not bombast any more than a successful politician is necessary a shady character.

It is speech by a man who has something to say and says it forcefully, with exactness, clarity, and grace. It is neither a medley of sweet sounds nor a composition that cannot be fully comprehended until it is analyzed in a graduate seminar.

Great oratory combines grandeur or nobility of thought with grandeur or nobility of expression. The thought is paramount, of course, but stirring thoughts are robbed of their power when clothed in weak words and trite phrases. This is easily demonstrated by rewriting any piece of fine prose in pedestrian language.

See what happens when we paraphrase Churchill's "I have nothing to offer but blood, toil, tears, and sweat." Would he have stirred the British people, if he had said, "I can't promise you folks anything except that you're going to have to fight, work, cry, and perspire?"

To be sure, few men have Churchill's gift of words; but any statesman or other leader should speak at least as eloquently as a man who broadcasts a weather report.

Campaign speeches are only a small part of our annual output of oratory, pseudo-oratory, and plain gabble. Lawyers and judges along talk so much that libraries are obliged to build additions to hold the printed records of their words.

If the churches should undertake to place all the sermons delivered in the United States one on top of the other the pile would soon reach the pearly gates. And then there are all of those speeches that are injected into that continued story called the Congressional Record.

It is unlikely that the most careful search of all these works would reveal many speeches that would do credit to Henry Clay or Patrick Henry. Today, instead of their lucid English, many speakers talk some professional jargon or outrageous combinations of jargons interspersed with popular catchwords and ready-made expressions.

These labor-saving devices that relieve a speaker of the chore of ferreting out just the right words and putting them together with precision. They also enable the speaker to demonstrate his familiarity with high-style speech; but in their inexactness and ostentation the cliches and reuse of phrases are not very different from the old Fourth of July speaker's resounding but hollow words.

Altho it may be possible to extricate some good ideas from a mixture of cliches, these tried but not necessarily true expressions often signify a shortage of ideas.

The products of hard thinking are often buried in muddy language. Second-hand ideas and phrases are often substituted for seasoned thought and are subject to sharp depreciation.

An unknown Irish wit is supposed to have said, "The human brain is a wonderful thing. It starts working the moment you are born and never stops until you stand up to speak in public." Perhaps that is why some impromptu speeches proceed from the vocal cords alone.

On the other hand, the man who really knows his subject can often make an excellent speech on the spur of the moment because, actually, it is not ex tempore at all but simply the release of thoughts which he has been formulating for a long time.

Of late, we have had too much talking off the top of the head and too little from the bottom of the heart.

There is a place for blue jeans and the vernacular but that place is seldom a rostrum. There can be pleasure in the shallow light-hearted speech, but it isn't oratory.

One of the curious phenomena of our times is that we send more and more students to college and talk to them more and more as if they were still in the third grade. This has not been the practice of our really great orators. They did not assume that the man who wanted to speak up to the people had to talk down to them.

This notion which seems to be prevalent today, may have sprung from an unflattering estimate of the intelligence of the average audience and a peculiar feeling that the use of fine language is a form of snobbery. Colloquialism seems to be equated with democracy and used, like a too-familiar slap on the back, to convey the idea that a speaker and his listeners are buddies.

There are other possibilities, of course. It may be that speakers do not choose to be colloquial and commonplace but that they have no choice since they never learned to be anything else.

Our schools, in other words, have not done enough to help future speakers acquire the broad background, the literary appreciation, the habits of mind, and the verbal skill that went into many speeches in the past.

It cannot be said that no memorable speeches have been made in recent years. The trouble is that there have been too few and that the national average has dropped too low. Surely it is time for a revival of an old art.

There is no reason to believe that Americans today are inferior to their ancestors and unable to produce speakers worthy of being called orators.

Given enough good speeches we might develop a national taste for them.

There is nothing wrong with either the hope that the public will again begin to expect good oratory or faith in the innate ability of Americans to cultivate it, but copious charity might reduce the incentive.

We have a right to expect good sense and comparative eloquence on the part of speakers from the elementary school valedictorian to the headliner at a university commencement. We have a right to expect great words from men who occupy places of great importance.

RISING COST OF FOOD PRODUCTION

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. PRICE of Texas. Mr. Speaker, much is said in the news today about the increasing prices for farm products, however little emphasis is placed upon the rising costs of food production. As we all know, land, fertilizer equipment, livestock, seed, feed and fuel are essential for food and production. Farmers are currently facing spiraling costs in all of these areas.

The U.S. Department of Agriculture recently issued a report on the farm estate market. This report stated that in 1973, the index of farm real estate values shot up 21 percent, the highest yearly increase since 1920. It also pointed out that since 1967, farmland values have increased approximately 70 percent.

The demand for farm and ranch land remains strong as farmers respond to the Nation's and world's demand for expanded acreage planted to food crops and raising livestock. This strong demand is expected to push prices up another 5 to 10 percent in 1974.

If farmers and ranchers are to buy additional land to expand their food crop and livestock acreage, they will need assistance in meeting the high cost of land. Therefore I feel that the Congress should increase the maximum limit on Farmers Home Administration—FHA—real estate loans from the present $100,000 to the more realistic maximum of $200,000.

Maximum limits on farm operating loans should also be increased to meet higher input costs and encourage production. The prices of fertilizer, fuel, equipment, interest, livestock, feed, and seed—essential inputs in food production—have soared during the past few months.

Since the price controls on fertilizer were lifted in October, costs have risen dramatically. Nitrogen fertilizer now costs 50 to 75 percent more than it did a year ago and phosphates are up 40 percent or more. Additionally, potash prices are 20 percent higher.

Efforts to increase the acreage used for crop production in 1974 have placed intensive pressure on present fertilizer supplies. The Department of Agriculture estimates that the 1974 fertilizer bill for farmers may reach as high as $4 billion, which is almost 40 percent above the 1973 figure.

Also, fuel costs have risen dramatically and farm fuel needs are increasing as farmers plant additional acres. Statistics from the Federal Energy Office estimate that the farm fuel needs in 1974 will increase by 1 million barrels of gasoline, 12 million barrels of diesel fuel, and 2 to 4 million barrels of liquefied petroleum gas.

Expansion of food production is of crucial importance to our Nation and the world. Farmers are more than willing to expand their operations if they can obtain the needed capital. Congress must assist the farmer, and all Americans, by making sufficient capital available. The legislation which I have introduced today will do just that.

Another point that must be brought out is the need to draw more people into the agricultural community. A typical full-time owner-operated farm is capitalized at about $250,000. As this figure rises, the Nation has a stake in assuring that today's efficient agricultural plans are continually rejuvenated with young owner-operators, lest in the future we become a country of land barons and absentee owners employing an uninvolved work force.

Historically, accumulating the needed capital to develop an economic farm unit has been a great problem for young farmers. But it grows progressively worse as inflation brings up costs and as technology requires the purchase of more farm land.

The legislation which I have introduced will provide a needed incentive to agriculture producers and those young people desiring to enter the farming and ranching business. This bill will provide the liquidity needed to have a financially sound and well rounded successful operation. The loans will be paid back with interest and at no cost to the taxpayer.

I therefore urge the Congress to increase the maximum limits on FHA real estate and farm operating loans to the more realistic levels of $200,000 and $100,000 respectively.

DICK BOLLING: HOUSE AND NATIONAL LEADER

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. LONG of Louisiana. Mr. Speaker, for the past year it has been my privilege to serve in the House of Representatives and on the Rules Committee with the Honorable DICK BOLLING of Missouri.

This is DICK's 25th year of service in the House of Representatives, and I believe that there have been few men in our Nation's history who have demonstrated greater leadership skills than he.

It gives me great pleasure to take this opportunity to share with my colleagues an article about this exceptional Congressman. The article, which follows, was published in DICK's hometown newspaper, the Kansas City Star:

CONGRESS FINALLY MAY BE READY FOR BOLLING REFORMS

(By Henry Clay Gold)

WASHINGTON.—Rep. Richard Bolling is marking 25 years in the House of Representatives with the credentials of a national politician who is heard in the great debates of his time.

As a silver anniversary gift, the Kansas City Democrat can claim the year 1973 which played into his hands by bringing home the Bolling message.

For much of his career, Bolling had written and preached that a flabby Congress, the House in particular was out of order and in need of reform. Along came Watergate, secret bombing disclosures and the raw use of executive power to bolster his pleas for a strong Congress to take a lead in reshaping the national government.

Congress is attempting to respond to the lessons of 1973. The struggle to reassert itself is made through such as war powers legislation (which Bolling disliked) and budget reform. Reassertion calls for election reforms and some tinkering with the nuts-and-bolts of congressional machinery which upsets the fiefdoms of veteran legislators.

Bolling is in the forefront of both the moves toward internal reform of the House and the effort of Congress to strengthen itself in the tradition of separation of powers.

MELLOWED

The past is a useful prologue for understanding the 57-year-old representative who currently is taking his customary winter vacation on St. Barthelemy Island in the French West Indies. His record is remarkably consistent although the popular impression is that Bolling liberalism of the early post-World War II years has mellowed to include a hawkish turn in national defense.

Bolling arrived from Kansas City to take his oath of office Jan. 3, 1949, and prophetically pegged himself as a student of government by casting his second vote to reshape the House Rules Committee. (His first vote supported Rep. Sam Rayburn of Texas for speaker).

"The rules change," Bolling said in 1949, "insures the success of the program which the President (Truman) and most of the rest of us supported in our campaigns."

The claim was somewhat brash in the light of later results but 25 years later Bolling remains consistent in prodding the House to reform its ways of doing business.

Today Bolling is the third ranking Democrat on the Rules Committee which clears legislation for debate on the House floor. He is chairman of the Select Committee on Committees with the assignment of revamping the structure of House committees.

POLITICALLY SAFE

Clearly, the seniority system is paying off for one of its leading antagonists. Bolling has been as politically safe in his Kansas City district as Southern politicians have been in their 1-party domains.

The 5th Congressional District in Kansas City would appear to be an impossible assortment of people and interests for a public official to please. It is black, white and Mexican-American, with the economic scale of its constituents running from upper income to the poverty level.

Despite all the racial, religious, economic and political diversity, Bolling has faced only two stiff challenges, both from within his own party. Near the end of his first term, rumbles of a purge coming from Democratic factions were quickly squelched when former President Truman passed the word in support of Bolling's re-election.

The second challenge came in 1964 and continued until primary election day when Hunter Phillips, a Democratic county official, was defeated despite support from strong political factions.

DISCONTENT

Bolling said he went through two years of discontent in the House after the 1964 election but not because of the hard fight he was forced to make for re-election. He sees the period as one of lost opportunity with the Democrats in tight control of Congress after the landslide reelection of President Lyndon Johnson.

A major responsibility, Bolling said, is to represent the powerless. Something needed to be done about poverty during the 1965–66 session of Congress, Bolling said in pointing to lost opportunities.

"What we did," Bolling said, "was so half-baked, so flawed, it had the seeds of self-destruction."

The Kansas Citian claims "a very strong feeling" for the residents of his diverse district. Although Bolling gives his time to issues which are national in scope, he said he tries to get "a chunk" of available programs for his district.

A Democrat has only a few chips for playing pork barrel politics when Republicans control the executive branch. Under these conditions, Bolling saved his best chip to push development of the medical complex on Hospital Hill in Kansas City.

There is other material evidence of this 25-year congressional career. After the 1951 flooding in Kansas City, Bolling lobbied hard and successfully for the first federal appropriation for the Tuttle Creek Dam in Kansas.

Another testimonial to his effectiveness in Washington is the $22-million Federal Office Building in Kansas City's Civic Center which became known as the Bolling Re-election Building in the 1964 campaign.

The political safety of a representative among his constituents rests in part on the way letters and calls from individuals are handled by a staff.

PRAISE FOR STAFF

Bolling praises his staff as "excellent—there is none better." He describes his wife as "the real politician" who can answer any question about legislation or his office.

The Bollings drive together from their Maryland home to the Rayburn Building where they share a small office. A larger room in his suite, designed for use by the representative, is used by his staff.

Washington and its obsessions have grown old to Bolling. He claims a need to retreat at the end of a work day to his home or to leave during a winter recess for St. Barthelemy. It would take a national calamity to bring him back to the Capitol during the current recess. Twice in past years he refused to leave St. Barthelemy for votes which were regarded as crucial by others.

The refusal to return for one of the votes was later cited by a member of the Rules Committee as evidence that Bolling has a stubborn streak. Perhaps so but he also has a remarkable sense of knowing who he is and what he is doing.

As a brilliant student in academia, later in the military and now of government, the ruggedly handsome legislator is entitled to suggestions of superiority.

Records show that the image of Bolling became distorted during his first two election campaigns when charges of radicalism were raised. In those early days of McCarthyism, support for diplomatic recognition of China and membership in the Americans for Democratic Action were translated as soft on communism.

The lingering distortions would surface during the Vietnam War when surprise was often shown over Bolling's support of President Johnson's policies.

In his political beginning Bolling in 1948 sounded more like Richard Nixon running against Helen Gahagan Douglas than he did like a liberal in pursuit of elusive goals. His support of a strong national defense continued through the cold war, the Korean War and he now says "I'm a hawk on Israel and any free choice government that exists in the world."

"When he voted against interim aid he was voting on the side of Stalin," Bolling said in 1948 of Rep. Albert L. Reeves, Jr., his Republican opponent. "He voted exactly as the Communists wanted him to vote because he does not understand the nature of the Communist threat in Europe . . ."

The charges of radicalism also flowed from a 1948 association with the American Veterans Committee. The A.V.C. included a so-called left wing and a moderate wing. Political charges entangled Bolling with the left wing although he was elected a national vice-chairman of the A.V.C. on the moderate slate.

The A.V.C. and A.D.A. support was part of the springboard for propelling Bolling from an administrative post at the old University of Kansas City to the U.S. House.

He had come to Kansas City after compiling a World War II record which he began as a private and ended as a lieutenant colonel.

The representative takes his middle name of Walker from one of Alabama's first families. A grand-uncle and a great-grandfather served on the Alabama Supreme Court. Bolling was born in New York, however, where his father was a surgeon.

After the death of his father when Bolling was 13, the family returned to Alabama. Bolling attended the University of the South at Sewanee, Tenn., where he was class president, a football tackle and an English teacher after receiving a master's degree.

WHAT'S AHEAD?

Now, having tasted success from childhood through 25 years in the House, what type encore is Bolling likely to offer a Kansas City district and a national constitutency?

With congressional redistricting behind until 1981, there is no foreseeable political threat to Bolling's continued service in the imperfect House which he loves. His 1964 election victory squelched opposition within the Democratic Party in Kansas City except for the slight chance that the black community might gamble on electing one of its own if population trends should accelerate.

Such a political demise would be a bitter ending for a lawmaker who was the prime mover behind the Civil Rights Act of 1957, the first such measure to pass since Reconstruction. It was a compromise but the door was opened for the stronger Civil Rights Act of 1964.

Bolling is likely to continue covering home base in his own successful way. He doesn't believe a member of Congress should trot back and forth between his district and Washington at a fast pace because representing or speaking for a district means being in Washington.

It seemed out of character to see the self-assured veteran of the House making a grass roots campaign gesture earlier this month. He was squeezing time out of the final days of a lawmaking session to personally sign 1,500 calendars for distribution at home.

Political back-scratching and log-rolling are not Bolling's style. Despite his familiarity with the ways of the House, he might still be more at home in a classroom.

The Bolling approach of an intellectual who dislikes bending for political expediency has extracted its penalties. His 1962 bid for House majority leader was short-lived and his visions of becoming speaker have probably dimmed.

Moving ahead in House popularity contests is not consistent with the outspoken writing of Bolling in numerous articles and his two books, "House Out of Order" and "Power in the House."

His own ambitions aside for the moment, he is happy with and closely involved in the leadership of Speaker Carl Albert (D-Okla.). Bolling said Albert has recently handled "the most difficult of all things absolutely perfectly and those were the request of former Vice-President Spiro Agnew for a House hearing and the procedures for dealing with presidential impeachment resolutions.

The House gave Bolling a vacation send-off by voting 386 to 23 to reform the process of handling the multi-billion dollar federal budget and provide for congressional review of presidential impoundment of funds. He is chief architect of the bill which is awaiting Senate action.

The bill gives Congress the capability to decide budget totals and priorities and requires the setting of over-all spending ceilings with subceiling goals in program categories. Appropriation timetables would be changed, including fiscal year dates.

In setting up a new Budget Committee, it is the kind of legislation that requires a sponsor who fully understands the power structure of Congress. In this case, setting up a new committee is similar to performing a tight-rope act to avoid opposition from the Appropriations and Ways and Means Committees.

REFORM PUSH

The essence of Bolling the congressman at this time is in his work as chairman of the Select Committee on Committees. After much carping and writing, it is his big, complex undertaking to streamline operations of the House.

There is no much political appeal at home in Kansas City in this dry, tedious and long-running project but it cuts through to the heart of power and responsiveness of the House.

The committee has filed a tentative report after a year of work, 10 weeks of hearings, four weeks of panel discussions and a full weekend recently of brainstorming at Bollings home in Silver Spring, Md.

Hopefully, the final report will reach the House floor after the Easter recess. An outsider cannot easily understand Bollings emotional involvement in the project or the compromises required for eventual success.

As examples of projected unheaval in the House, the tentative report does away with two committees chaired by Missourians. Those are the Internal Security Committee of Rep. Richard Ichord and the Merchant Marine and Fisheries Committee of Mrs. Leonor Sullivan.

The task of shaking up power within the House is supposed to be impossible. If success comes, Bolling said, it will not be through a miracle but through iron determination, infinite patience and a whole lot of hard work.

"When I started talking and writing about reform and reorganization of the Congress years ago many of my friends thought I was crazy and the people of the country were mostly not interested, Bolling said in a "Dear Friend letter to his district.

"Today some of my friends still think I take on too many jobs nobody else will touch but everybody knows that reform and reorganization of the federal government is a must. I intend to keep at it.

Very predictably, Bolling will be talking and writing about reform of Congress long after his current project is complete. He has updated his book, "Power in the House for publication in February.

With equal certainty, the Kansas Citizen will keep his good standing with organized labor. A 1965 speech on his regard for labor is as timely now as it was then.

"It would be difficult indeed," he said, "for me to function as I must and to do the things that must be done in the Congress without the support of organized labor."

The representative pledges that the House will not ignore the overriding lesson of the Watergate scandals which is the need for election reforms. Reform in financing elections was blocked this year by a House committee but Bolling believes the House will find a way around the opposition.

"One way or another unless the heat goes off—and I sure hope it doesn't—we're going to get a (election reform) bill to the floor of the House and we're going to pass something."

Strengthening Congress is not synonymous with weakening the presidency. Bolling makes that point in objecting to the war powers bill which Congress passed, the President vetoed and Congress again passed.

The war powers bill, Bolling said, was too restrictive on the President and at the same time gave him powers beyond those granted by the Constitution in permitting committal of troops for up to 90 days. The bill, Bolling said, was lousy legislation and the worst possible compromise.

The political philosophy of Bolling with his liberal tag alternately fitting and looking ridiculous continues to perplex many persons.

WILL TO WIN

Perhaps Bolling best explains himself. He disdains being a liberal with a will to fail. In an interview for the "Ralph Nader Congress Project," Bolling said:

"If we could just get all the liberals in the Democratic Caucus together, we could pass those reforms at any time. But those liberals keep flying off in all directions. . . . I keep trying to tell them that I am a living example that you can buck the system around here and still make it."

As things are moving, Bolling may make it to chairmanship of the Rules Committee where the iron grip on legislation includes determination of the House work schedule. Standing between him and one of the most influential posts in Congress are two Democrats on the committee, ages 81 and 72.

Bolling sees the committee's future as an instrument of the majority leadership. It functioned as an instrument of party policy, he said, when the Republican Party last controlled Congress.

"The classic liberal attitude," Bolling said, "is that there shouldn't be a Rules Committee."

Time, events and the passing of power seem again to be headed toward a challenge of Bolling's liberal credentials as he moves up in a system built on compromise.

PANAMA CANAL GIVEAWAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ANDERSON of California. Mr. Speaker, in 1903, Secretary of State John Hay signed an agreement with the Republic of Panama in which the United States was granted perpetual sovereignty over the Canal Zone "to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority."

And, in return, the United States agreed, first, to pay $10 million; second, to make annual payments of $250,000 after 9 years; and third, to guarantee Panamanian independence.

In 1922, we agreed to increase our annual payment to $430,000, and in 1955, we increased our payment to $1.9 million and gave Panama $28 million worth of real estate.

As a result of the construction and efficient operation of the canal, the Nation of Panama receives one-third of its gross national product, and Panama's per capita income is the highest in Central America and the fourth highest in Latin America.

Now, Panama is not pleased with this arrangement and seeks to renegotiate the 1903 treaty. Unfortunately, the U.S. State Department is only too willing to oblige.

Mr. Speaker, if our Government is willing to forfeit our legitimate rights whenever some nation believes it did not receive adequate compensation, then the people in the 12 States acquired by the Louisiana Purchase should learn French, and the people of Alaska should learn to speak Russian.

The Panama Canal is a valuable resource that is extremely important to our economy and security. Some 70 percent of the tonnage through the canal in recent years has either originated in the United States or been destined for the United States and that amount represents about 16 percent of our total exports and imports.

And, should the Panamanian Government, rather than the nonprofit, U.S.-owned Panama Canal Company, set the rates on tonnage, our shippers and, thus, our consumers, could be subjected to unreasonable tolls. This could result in a kind of back-door foreign aid, that could be increased merely at the whim of those who happen to be in power.

At least of equal importance are the elements of national security involved in a possible closure of the canal. The importance of the canal to U.S. security goes much further than merely providing a route for rapid deployment of naval forces between the Atlantic and Pacific Oceans. Perhaps the most significant defense contribution is the one it makes toward defense economy.

Obviously, it is much faster and cheaper to move naval ships through the canal, rather than around the tip of South America, and resupply—the shipping of men, material, and equipment—can be accomplished much more efficiently and quickly through the canal.

Throughout two world wars, the Korean conflict, the Cuban crisis, and the Vietnam war, the Panama Canal has served as the shortest and most efficient route for flexible deployment of military forces. In addition, the U.S. presence serves as a deterrent against the ambitions of powers hostile to our country.

But, now, Mr. Speaker, Secretary of State Kissinger has pledged to "restore Panama's territorial sovereignty" over the Canal Zone, and thus, yield the independence of U.S. security and commerce to a government headed by a military dictator who seized power in a coup in 1968.

This proposed treaty would abandon our interests for no appreciable reason; it would threaten our security, and it would subject our economy to even higher prices due to increased tolls.

The price is too high for so little of a reward. We must retain control of the canal, and thus, be the masters of our fate.

THE U.S. RESERVE FORCES

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. HOLT. Mr. Speaker, I have had the opportunity to review the manpower authorization request from the Department of Defense for fiscal year 1975. The Department of Defense is requesting slightly over 80,000 fewer persons for the Active Forces than requested last year, and nearly 38,000 less than were authorized for fiscal year 1974.

If these figures were standing alone, I would not be too disturbed, but they are also requesting nearly 32,000 fewer selected Reserve forces than were authorized in fiscal year 1974. This request is contrary to a long accepted doctrine, the total force policy, which maintains that significant reductions in our active forces must be balanced off by strengthening and improving our Reserve forces. Defense leaders have always accepted the doctrine as the only acceptable method by which the Nation can maintain an adequate military posture in peacetime at a price Amercians will accept.

The fiscal year 1974 authorization represented a substantial reduction from the authorizations in previous years. Last year when we authorized the strength for the selected Reserve, we did so on the basis that this was a floor upon which we would build in future years. In so doing, we were merely working with the realities of the situation, since we were having difficulties filling all the selective Reserve positions.

During the past year, some of the Reserve components have failed to meet their authorized strength; others have greatly exceeded that number. For instance, the Army National Guard has a strength of over 402,000. The authorization request for 1975 is 379,848. Does it really make much sense to reduce the strength of the National Guard at this time? I think it does not. When we recognize that the Reserve forces now are the only way that the President can augment the Active Forces since the elimination of induction authority, I feel that it is now the time to strengthen rather than weaken the Reserve components.

I recognize that perhaps some of the missions that have been assigned to the Reserve forces may have become obsolete, but rather than doing away with this ready pool of manpower, I would think a better course of action would be to find new missions for them.

I recognize current studies are underway within the Department of Defense as to the role of Reserves. Frankly, we cannot let the training resources of our defense sources be whittled away while the studies are being completed. I have urged the Secretary of Defense to reexamine this request.

I call your attention to a position paper prepared by the National Guard Association of the United States on the force reduction. I commend it to every Member of Congress:

A RESPONSE TO THE BROOKINGS INSTITUTION STUDY ON THE U.S. RESERVE FORCES

The Brookings Institution has recently issued the fifth in a group of studies on defense policy. This one is entitled "The U.S. Reserve Forces: The Problem of the Week-End Warrior." The study has been prepared by Martin Binkin, a retired Air Force colonel and a senior fellow in the Brookings Foreign Policy Studies Group. He also served formerly in the office of the Assistant Secretary of Defense for Systems Analysis. The study was funded by money made available by the Ford Foundation.

Basically the study calls for a re-examination and restudy of our whole Reserve forces program. Binkin maintains that, if this were done, at least some of the following of his recommendations could be adopted.

I. Reduce size of Reserve Components:

(a) Eliminate non-essential and marginally effective Army units.

(b) Merge the headquarters, training and recruiting facilities of the Army's Guard and Reserve.

(c) Reduce to cadre status the equivalent of four Army National Guard divisions (including associated support elements) and augment them with Reservists from IRR or standby Reserves on mobilization.

(d) Integrate selective elements of Army Reserve Components into five active Army divisions, thus reducing requirement for active manpower.

(e) Reduce number of individual Reservists in Naval Reserve and use some on assignment to Naval vessels undergoing overhaul to reduce active forces.

(f) Merge Air National Guard and Reserve headquarters, training and recruiting facilities. Limited integration of Reserve crews into strategic bomber and tanker forces.

II. Eliminate the need for Reserve forces recruiting bonuses by reducing Reserve manpower requirements.

III. Revise Reserve retirement compensation to eliminate the "recomp" feature which bases amount of pay on pay scales in affect at retirees age 60 rather than the date he retires.

Binkin estimates these steps would reduce active military manpower by 60,000, Reserve manpower by 310,000 and, when fully effective, would yield average annual savings of about $1.4 billion in constant FY74 prices.

The study contains sufficient errors in fact, and an apparent lack of knowledge of some of the key features of our Reserve Component program, as well as on-going actions in the study area, to warrant a reply at least in sufficient depth to clarify the record. Additionally, a great many serious students of national defense would disagree with some of the basic philosophy on which Binkin bases his views and his recommendations.

While the study purportedly covers all the services, by far the greatest weight of his comments and suggestions are directed solely at the Army. It is these to which we will respond.

Binkin does not appear to be aware of the great amount of time, energy and manpower that has been consistently devoted for the *past twenty*-five years to the examination, reexamination and restructuring of the Reserve forces, as well as their role in our total force structure. It is quite possible that these components have been more studied, reorganized, realigned and otherwise harassed than any segment or system that has been part of our defense structure. He obviously either was not aware of or chose to overlook the current arbitrary 48,000 man cut in the Army's Reserve Components force structure which DOD directed earlier this year.

He also failed to mention the latest of many major studies of the Guard and Reserve which was directed by the Secretary of Defense on 23 August 1973. Included in this study's objectives are considerations of the availability, force mix, limitations and potential of these components in a national emergency. This study is underway now, to be completed by fall of 1974.

Early in his paper, he states that "a detailed rationale for Reserve forces has remained outside the range of debate." An examination of the Congressional Record or a casual inquiry to the service force planners, the Section 5 Committee, any Army Readiness Region Commander or, for that matter, senior Reserve Component commander would have clarified that error of assumption.

At the outset, he makes a sweeping premise that starts the whole study on the wrong path when he says that the "precise role of the Reserve Components in current national security planning remains unclear." It is now and always has been. This is what the Total Force Concept is all about. It has been clearly stated on numerous occasions that our national defense posture is based on a one and one-half war strategy in which "NATO First" is a key element. The Army's contribution to this strategy is the 21 division force structure with the supporting elements.

In the Army, the Reserve Component portion is usually referred to as the 711,000 TO&E structure and includes all those elements which are considered essential to make the 21 division force viable and supportable. So there is a very clear cut rationale and understanding, not only of what units are needed, but why they are. As with any worthwhile plan, changes are required from time to time, but the basic plan remains intact. This fluctuation, particularly among smaller units, takes place with frequency.

Several times in this study, Binkin refers in a derogatory manner to the fact that the Reserve Components played no major role in Vietnam. On page 1, for example, he says, ". . . their failure to be used in Vietnam—the longest and most difficult war in U.S. history—cast strong doubts *on their value* and raises serious questions about their future role in national security." Again on page 40, "Vietnam experience cast a stigma on Reserve forces that will be difficult to erase." Nowhere in this study does he indicate that the decision not to mobilize more Reserve forces for Vietnam was a purely political decision made by President Johnson over the strongest objections of the Joint Chiefs of Staff and the Service Secretaries. History has shown it to be a bad decision and one that had a devastating effect on the active establishment. It was not a decision made by the Reserve Components and there is no evidence of any reluctance on their part to serve playing any part in the decision.

Later in the paper, the author cites a GAO report to point up that those Army units which were called up were disappointing. All three of the points he cites have to do with individual training and equipment and personnel shortages. He does admit these units were undergoing reorganization at the time they were called up. He fails to point out that during the six months or so before callup, they were flooded with untrained people that even a trained cadre couldn't digest. Surely he would not hold these units responsible for equipment shortages over which they had no control. These allegations make an individual basis for judging "value" or "future role in national security."

One other basic point that obviously colors Binkin's thinking needs to be clarified before going on to address some of his specifics. On page 19, he states the view that "The basic rationale for maintaining Reserve forces rests on economic grounds." This reflects a fundamental misunderstanding of our historic aversion to overly large standing forces and our traditional reliance on the citizen-soldier concept that is part of our constitutional heritage.

One would gather from the tenor of this study that Binkin sides with the adherents of the short war policy who believe, a) that Europe is probably the only place we would fight again, and b) that it would be all over so swiftly that the Reserve Components would not get involved in time to make a significant contribution.

The record of the past twenty-five years would seem to refute adequately the idea that the United States would not respond anywhere in the world where our basic interests were seriously challenged.

The concept of short wars has long been the Lorelei of military philosophers and, more significantly, political leaders. Geoffrey Blainey, in his excellent new book, *The Causes of War*, points out that one of the most recurrent clues illuminating the causes of war and so of peace is the optimism with which most wars were commenced. He goes on to document the point in great detail, using, among others as prime examples, World Wars I & II, the Soviets in Finland, North Korea's attack on the South, Anglo-French Campaign in the Suez and the fantastic case of India and China in 1962.

Moving on now to an examination of specific points in the Binkin study, let us examine these in more or less chronological order for ease of checking.

On the credit side, the author is quick to acknowledge that in the absence of the draft, "the Reserves have become the primary option available to the President for quickly expanding military forces in a national emergency." He could have been more precise by saying the *only* option available.

He suggests that hard choices await national security planners, who are faced with fitting maximum defense capabilities "within more limited defense resources." Successive Secretaries of Defense, as well as the President of the United States, have been at considerable pains to point out that our national priorities *have already been reordered* through the massive cuts which have already been made in our defense establishment and that what we are working at now is increased efficiency and effectiveness on what may be a *modestly rising* scale of defense expenditures. We have had occasion in the past to quote from the President's Foreign Policy Report to Congress three years ago. Perhaps it is pertinent to repeat: "It needs to be understood with total clarity . . . that defense programs are not infinitely adjustable . . . there is an absolute point below which our security forces must not be allowed to go. That is the level of sufficiency. Above or at that level, our defense forces protect national security adequately. Below that level is one vast undifferentiated area of no security at all. For it serves no useful purpose in conflicts between nations to have been almost strong enough."

Binkin goes on to discuss some of the problems incident to mobilization. He rightly points out that it does take a longer time to deploy Reserve Component units than those in the active establishment. He doesn't acknowledge the very active efforts to reduce the administrative work loads involved in mobilization and to get the maximum amount done prior to call-up. Nor is it clear, as it should be, in his remarks that deployment schedules take into account that our equipment pipeline and transportation system limitations make it evident that all units cannot be digested at once. In the order of priority, Reserve Component units are worked into the schedule at realistic intervals which take into account these problems. The fact remains, however, that readiness and deployment goals are being shortened as rapidly as conditions permit and should soon be substantially better than his estimate indicates. Certainly the active Army views this as a manageable problem.

This would have been the appropriate place for Binkin to describe and assess the really massive effort which the Army has put in motion to assist with these very problems. In a major reorganization effected by the Army early last year, training and readiness support of the Reserve Components was made the sole responsibility of the commanders of each of the three CONUS Armies which operate directly under the Army's new Forces Command. Under the CONUS Armies are nine Readiness Regions, each organized into subordinate groups and teams of experts who work shoulder to shoulder with Reservists to improve their readiness. These active Army people are doers and specialists in hands-on training, not staff supervisors. Since their mission is aimed exclusively at improving Reserve Component training and readiness, it is unfortunate that Binkin chose to ignore this effort. It should do much to change his views on this basic problem.

Binkin states that at the beginning of FY 73, about 60% of the Reserve maneuver units were without weekend training areas. This is incorrect. Only 18% are without necessary areas today. There is an on-going program to which he refers for armories and training areas that will improve this even more.

Again discussing readiness, he says that "Army National Guard units are designed to attain readiness at the company level" and "the post-mobilization training would delay division-sized deployments for perhaps *four* months." The company level training is a *minimum*. There is considerable training above that level that has been going on for some time. In the January 1974 issue of *Soldiers* magazine, there is a good description of the seven maneuver training commands which have been established from Army Reserve Training Division Brigades to write and organize field exercises for the active Army as well as the Reserve Components and to conduct tests from battalion to corps level.

But it would be wrong to infer that large units will ever get to the point where post-mobilization training is not required. The goal is to reduce the time. If the Reserve could be left alone for a while and the active Army's current support effort be given a chance to work, these goals can be met.

His chapter four suggests that sinister political forces are constantly plotting to maintain over-large Reserve forces to the detriment of our country's welfare.

There are political forces exercised in all segments of our society and many far more effectively than those on behalf of the Reserve Components. This will be borne out, if proof is needed, by data which those two "prosperous, united, articulate and highly active" Reserve Component lobby organizations would be willing to supply.

In the latter half of his paper, Binkin gives us his rationale which he believes could result in substantial cuts in the size and costs of our Reserve forces. He first addresses what he describes as "relatively small, obscure support units and activities." His first target is the 53 civil affairs units which he says have about 7,000 plus men. There may very well be too many of these units. But for an Army that has spent 25 years helping govern one of the world's major cities in Berlin and governed our second largest trading partner for a number of years before drafting her constitution, the civil affairs function needs a nucleus of units which are able to perform their specialty when we need them. So, while there may be more units than we need, it would be foolhardy to wipe them out as Binkin suggests.

Binkin is also of the opinion that medics, lawyers, construction workers and administrative people whose civilian skills are required need not be in units. One could apply the same logic to licensed pilots. In the first place, the President has no authority to call individuals to duty without Congressional action, so we would have to have complete mobilization before these people could be called up as individuals. But, even beyond this, to suggest that an amalgam of civilians, however talented, could be welded quickly into a functioning military unit flies in the face of all our past experience.

A minor point, Binkin raises the question as to why we still need 4,500 Army Guardsmen in Nike/Hercules units. The answer is we don't, and the slots assigned to these organizations have already been eliminated—another example of the continual up-dating of our Reserve organization.

Binkin also questions the need for the 21 separate brigades, including the special mission brigades. The answer is that all of these are specifically targeted for early deployment in our total force mobilization plan.

He assumes that of the roughly 300,000 people in the non-divisional units he's been discussing, 200,000 are of marginal use and could be eliminated. This suggestion reveals a lack of knowledge of the functioning of land forces and the diverse elements whose teamwork is required for success in combat.

Binkin next makes a pitch for another try at some sort of a merger of the Guard and Reserve. He takes cognizance of past attempts in this direction and is fairly pragmatic in his assessments of the meager chances for a success of another effort. He offers a variation with his suggestion that the Army Guard and Reserve be combined into the Guard while the air components of each be combined. Although he rightly says that the elimination of headquarters saves very little, he nevertheless arbitrarily assigns annual savings of $30–$50 million to his merger plan on the assumption that combined base operations, training and recruiting would provide such savings. This is pure crystal ball.

As a further means of saving money, Binkin next suggests that four Reserve Component divisions and their supporting elements could be reduced to cadre status, since there would be time after mobilization to assign the additional personnel required, issue equipment, etc. As we have pointed out, there is a place in our Total Force Plan for these divisions, and it calls for them to be ready far sooner than they could be under any cadre system. In-being units can obviously be whipped into top shape far faster than those requiring so much filling and training after mobilization. Units that can be deployed in the first 60 days after mobilization are more valuable than those that come along later. Finally, anyone who has ever had any exposure to a cadre operation is aware of its severe limitations. Cadre units cannot adequately maintain the unit's equipment. They are not susceptible to effective training over any extended period of time. They do not provide the basis for either leadership or team training, both of which are essential, particularly for units of the combat arms. There is no teamwork, esprit or the other essentials to a successful military unit. In short, it's a bad idea.

He goes on to make a gratuitous comment that deserves refutation. He says: "Motivated in part by the past performance of Reserve units, and possibly by the conviction that current active forces will need but limited assistance to meet the range of likely contingencies, many defense planners appear to be counting on no more than four—and perhaps as few as two—National Guard divisions in the first six months following mobilization." He doesn't identify the planners, but that statement contradicts the testimony of the Secretary of Defense, the Secretary of the Army and the Army's Chief of Staff. On the record, this statement is completely opposite from the DOD positions.

He moves on next to suggest the possible replacement of some active Army units with Reserve Component units in what he terms "hybrid" divisions. Basically, what he is suggesting is that possibly a battalion of each brigade, and a battery of each of the artillery support units could be a Reserve Component unit. The same would apply to the division base units. He would only do this in CONUS land divisions *"not likely"* to be needed immediately in an emergency.

There may be occasions when our active divisions will be employed *without* mobilization. Obviously the "hybrid" divisions would be at only ⅔ of their strength if this took place.

There would always be a disparity in readiness between active and Reserve units which, in a "hybrid" situation, would slow the combat deployment of the total unit.

In all of his suggestions, the basic thought keeps coming through that we will face only one contingency at a time (if, in fact, we face any at all) or, if we do get committed, it will be all over in less than 90 days. Fortunately, our defense planners have a more prudent view.

The concept of leaving Reserve Component units satellited on active units for training does have merit. The Army has been experimenting with that idea for the last two years at Fort Hood in its so-called "Round Out" concept. Emerging from this experience is an "affiliation" program now being worked up which would provide for separate battalions and brigades to be attached to active Army units for training, supervision, et al. It is even contemplated that they would fight with these units as an *augmentation*.

His final suggestion for cutting costs is in chapter seven, dealing wtih what he calls "Compensation Efficiencies."

First, he makes a pitch for not making available recruiting bonuses for the Reserve Components. As is the case elsewhere, not all his facts are straight.

He takes the Reserve Components to task when he says, "If greater reliance were placed on attracting people with previous service, possible shortages could be alleviated." The problem is *exactly* the opposite. The Reserve Components have not been meeting their quotas of *non-prior service personnel*. They have already been relying too heavily on prior-service people and with that source drying up when the remaining draftees leave the Army this fall, they will have to rely on getting non-prior service people. This was pointed up again in an article in the January 1974 *Soldiers* magazine: "Latest figures reveal the Guard is at 95% strength, the Reserves at 90% strength. But the figures are deceiving. Both the Guard and the Reserve are hitting lows when it comes to getting non-prior service people. The Guard, for example, is getting 1,700 monthly against a 4,000 requirement. The Reserve is not faring much better."

Actually, as the foregoing quote also points up, recruiting for the Reserve Components has improved considerably, and, were the recruiting aids requested made available by the Congress, many working on the problem believe the Reserve Components could maintain their strength goals.

Binkin would reduce the recruiting problem further by the massive cuts in authorized strength he has suggested.

The author's final point is his concern that the Reserve Component retirees may be overcompensated. He advocates that Reserve retirees be paid their retirement based on the pay scales in force on the date of their retirement rather than those prevailing at their age 60, when they actually begin to draw the pay. This suggestion will undoubtedly be considered with other facets of the retirement program now being examined.

In any consideration of retirement, it is useful to have a feel for the numbers under discussion. He did not include them. In response to query, we were advised by the Department of the Army that, as of 3 November 1973, the following were considered careerists and apt to go on to retirement:

Army National Guard

	Percent
Officer	69.8
Enlisted	21.7

Army Reserve

	Percent
Officer	64.8
Enlisted	16.5

In one of his last chapters, Binkin presents the case for the short war which would, of course, make all mobilization plans obsolete. In his scenario, he gives no weight at all to what an adequate in-being total force defense establishment can do to prevent even a short war from starting.

Frankly, this study is a disappointment. It is shallow, negative and counterproductive. Criticism is undoubtedly warranted in many areas of our Reserves program. Hopefully, the on-going DOD study will identify those areas, so that our full effort can turn again to improving the strength, readiness and training of our Reserve Components.

TRIBUTE TO LITHUANIA

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ARMSTRONG. Mr. Speaker, Saturday, February 16, marked the 56th anniversary of the founding of the Republic of Lithuania.

The history of this nation of independent spirit dates back as far as A.D. 1215, when the first independent kingdom of Lithuania was established.

This desire for independence can best be illustrated by the continual struggles of this proud people. Participation in the underground movement for independence cost more than 20,000 Lithuanians their lives in the years from 1944 to 1953.

This is especially meaningful when we consider that Lithuanian is the oldest living language in Europe and the entire Lithuanian culture has survived despite the efforts of oppressors. What is doubly ironic is that Lithuania was one of the few places in Europe where education and religious tolerance were practiced during the Middle Ages.

I join my colleagues in commemorating the proud and distinguished heritage of all Lithuanians.

TAXPAYERS BANKROLLING ELECTIONS A BAD IDEA

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. SYMMS. Mr. Speaker, I submit the following article from Battle Line as one of the finest statements on the subject of campaign financing I have had the opportunity to read. My distinguished colleague, Mr. Ketchum, of California, provides valuable insight into the disastrous ramifications any legislation to publicly finance campaigns would have. The article follows:

Taxpayers Bankrolling Elections a Bad Idea

(By Representative Ketchum)

(Because legislation to finance elections with taxpayer's money will undoubtedly be introduced again this session of Congress, the following facts put out by Republican Representative William Ketchum of California are of particular interest.)

In my opinion, federal financing of elections will not guarantee honesty and purity in politics. What it will do is: (1) greatly assist the re-election of incumbents, (2) lead to marked decrease in voter participation and responsibility, (3) transfer a considerable amount of power over our political process from private citizens to government officials, and (4) upset, perhaps drastically, the delicate balance worked out over 360 years of American political history between the government and the individual, between politicians and voters, between political parties and members of those parties, government and the states.

The following are serious difficulties inherent in all of the financing proposals.

1. *Centralization of Power*. If election campaigns are financed wholly or even in large part from Washington, this will greatly increase the potential power of the federal government.

2. *Power Over Minority Parties*. Since the amount of money and the rules for apportionment of funds will inevitably be set by the majority party in Congress this will give the majority party considerable power over the funding of other parties.

3. *Discouragement of Third Parties*. Most of these proposals would tie the amount of money granted to each party to a formula based on the number of votes that party received in the last election. This would obviously give the party which had a majority at the last election a tremendous advantage over the second party and even more of an advantage over a third party, especially a new third party which was not in existence at the last election. This would gravely distort the democratic process ... to say the least.

4. *Discouragement of Challengers and Protection of Incumbents*. Since 1954, only 10% of all Members of the House of Representatives who have run for re-election have been defeated. There is no doubt that an incumbent Congressman (or President; since 1912 only one President running for re-election has been defeated, Herbert Hoover) has a great advantage under the present system. As an incumbent, he has ready access to the media, the use of the franking privilege to publicize his work, the benefits of seniority, etc. In order to compensate for these natural advantages and to have a chance of defeating an incumbent, a challenger has to start campaigning early and has to spend at least as much in advertising (usually more) to catch up with a well-known office-holder. A system which apportions funds according to the number of votes garnered in the last election amounts to an Incumbent's Re-Election A-t.

5. *Infringement of Freedom of Speech*. An Act which denies a private citizen the right to use some of his money to propagate his political views is simply an infringement of his freedom of speech. It would also be impossible to enforce in practice. There is no Constitutional way in which the AMA, for instance, can be prohibited from advertising its views opposing socialized medicine and thereby indirectly aiding Candidate A who also opposes socialized medicine and hurting Candidate B who wants to fly a Red flag in front of every home. Nor can COPE be prevented from campaigning against what they view as the hated Right-to-Work Law and thereby aiding some candidates and taking votes away from others.

6. *Difficulty of Distinguishing Between Cash and Non-Cash Contributions*. If the executives of the Wojunk Works, Inc. favor Candidate A and give him a total of $10,000 in contributions, that would be recorded under present law and forbidden under many of the new proposals. However, if the Labor Political Education Committee of Wojunk Works, Inc. rounds up 1,000 of their members who work 20 hours a week manning telephones and distributing leaflets on Candidate B's behalf, that is *not* counted as a "contribution" under present law and would presumably *not* be forbidden in an era of federal financing. As we saw in Point 5, to date would be unconstitutional.

7. *Discouragement of Popular Interest and Participation*. Americans have traditionally been great "joiners" and have promoted many enterprises (schools, museums, charities, opera houses, sports, etc.) by "community action." It would be against our traditions to deny Americans the right to put their money where their mouth is and participate in election campaigns. Making campaign funds dependent on a subsidy from the federal government would tend to discourage popular interest and participation in campaigns and in government.

8. *Oversupply of Minor Candidates*. As with all other attempts by government to control the economy, the market for political candidates is bound to be distorted. Depending upon the wording of specific proposals, some current bills woud grant federal money to anyone who can get his name on the ballot. This would unduly encourage frivolous candidates who will not have to prove their ability to raise at least some funds in order to wage a campaign.

9. *Low Voter Turnout*. If campaigns are financed by the government there will be a tendency among many voters to "Let George Do It." If they believe they are not needed and not involved many will stay home on election day. A plethora of amateurish minor candidates will also provide a boring or even frivolous campaign and thereby alienate many voters. These trends would also have the effect of increasing the chances for victory of the incumbent. The end result of this will be to make incumbents less responsive to the people.

10. *Weakening of Party Responsibility*. If parties no longer have the responsibility of raising funds (and persuading a substantial number of people that they merit financial support) our traditional political party system will inevitably be weakened. If politicians receive their campaign money directly from the federal government they will be less responsive to their colleagues and the elected officials of their party. Party responsibility (allowing for independence, of course, on matters of conscience) is an important element in insuring political and national stability.

11. *Problem of Funding Local Candidates*. Most of the current proposals provide government finance for federal candidates. However, if most people have the impression that the government is now financing elections, it will be more difficult to raise money to fund local campaigns.

12. *Ironically, More Money Would Be Spent on Federal Elections*. Many of the proposers of these campaign reforms believe that too much money is being spent on electioneering. Yet, as a general rule, whenever the federal government begins to spend money (for medical care for the aged, for a new weapon, etc.) the costs almost always are far higher than the original estimates. The supply of federal money will encourage candidates to obtain and to spend as much as they possibly can. At the present time only about 50 House races are hotly contested; if candidates are able to obtain "free" federal money for the asking, however, they will be tempted to use it whether they really need it or not.

13. *The Increasing Cost to the Taxpayers*. All of the disadvantages mentioned above will come about at the expense of the taxpayer. His money will be used, whether he likes it or not, to support candidates that do not even interest him or even those to which he may be strongly opposed. The taxpayer will be forced to pay for the campaigns of increasing numbers of minor candidates who might not have been able to raise any significant amount of funds in the "open market."

14. *Federal Financing Will Not (In Itself) Prevent Corruption*. Unless one of these bills includes a section to repeal Original Sin within the territory of the United States, federal financing will be just as subject to possible corruption as private financing is now. Illegal, "under-the-table" gifts of cash *or of manpower* (especially from Union groups) will still be possible. As many have said, guns do not kill people, people kill people. Any system is open to misuse. It is not clear how federal financing will make honest elections more likely; it is clear, however, that it will introduce a host of new dangers and difficulties.

MORDECAI LEVI, SR.—INVENTOR—A MAN WHOSE WORK SHADOWED TODAY'S TRANSPORTATION SYSTEM

HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. SLACK. Mr. Speaker, a few days ago we marked the Second Annual National Inventors Day. As a means of paying tribute to those Americans whose creative skill and originality of thought have brought about the issuance of some four million patents by the U.S. Patent Office.

Almost all of our national programs during the past 150 years is traceable directly or indirectly to the work of these innovators. Today we are deeply concerned with the problems of transportation, and I want to take this opportunity to bring to you the story of a man who lived in my home community and who, before the turn of this century, scored a breakthrough in transportation and pointed the way toward our road and street system of today.

I refer to Mordecai Levi, Sr. of Charleston, W. Va., who in 1870 laid the first brick street pavement in that community and later improved the process and secured a patent dated April 23, 1889. The first experimental brick paving laid in Charleston in 1870 was also the first such paving anywhere in the United States.

During the first 3 decades of our national independence, vehicle travel was rough and unreliable. In Charleston the situation became so serious that an ordinance was passed requiring citizens to work on the public roads and streets. The ordinance was passed by citizen authorities in 1818, and provided that:

> All male persons within the Town of Charleston, of the age of 16 or more shall work upon the streets, highways or landing of the town. For every person directed by this ordinance to work upon the streets, highway or landing, who when required by the supervision shall without legal cause or disability, fail to attend with such proper tools as the supervisor may direct, or shall refuse to work when there, or find some other person equally able to work in his room, the sum of $1.50 for every day's offense, shall be paid by himself, if he be a free man of full age; if an infant, then by his parent, guardian or master; and if a slave then by his master or owner.

I am indebted to Mrs. Robert Barr Cassady of Charleston, granddaughter of Mordecai Levi, Sr., for the following summary of events bearing on this important patent:

INVENTION OF MORDECAI LEVI, SR.

The first brick street pavement was invented by Mordecai Levi Sr. of Charleston, W. Va. and laid on Summers Street in 1870. The original patent is in the possession of Mrs. Robert Cassady (grand-daughter) of Charleston. Mr. Levi's invention of the method of paving streets with brick resulted in streets in Charleston and in some other cities of the U.S. being paved by this method. The Charleston streets so paved lasted for many years.

The first block of brick street pavement ever to be laid in the U.S. was laid on Summers Street in Charleston, with Mr. Levi supervising the work and Mr. Gates superintending. Dr. John Hale went to the city council and asked permission to have the experimental block of paving laid at his own expense. The work then proceeded. This was 1870. In 1873 the street paving was extended over the entire block from Virginia to Kanawha Street. A company was later formed by Gates, Hale and Levi to obtain a patent for Levi's invention, after Mr. Levi had improved on his invention. The patent is dated April 23, 1889.

On January 16, 1914 The Kanawha Citizen in writing Mr. M Levi Sr's obituary said: "Mr. Levi was the patentee of the brick pavement now being laid in so many cities, he having tested the durability of the pavement by laying one street in Charleston . . . that block between Virginia Street and Kanawha Street, on Summers."

On August 13, 1939, under the heading, "First Brick Pavement Laid in City," The Charleston Daily Mail printed an article by Geo. W. Summers (a native Charlestonian) in which he stated: "Mr. M. Levi invented brick street paving and superintended the laying in Summers Street, it being) the first block of such paving in history. He also assisted in building the first State Capitol in Charleston, and The Hale House, the latter in its time the largest and finest hotel in the state. He was the first superintendent of The Charleston Water Works." Mr. Summers then goes on to recount: "The first attempt to build hard-surfaced streets in Charleston . . . was when the block of Summers Street between Kanawha and Virginia was paved with brick in the fall of 1873." (This was after the experimental section was laid on Summer Street in front of Gates Store in 1870.) Mr. Summers' narrative continues by saying: "And it was the first brick street paving laid in the history of the world." Under the sub-heading titled, "Invented Method," the article states: "The system of paving was devised by Mordecai Levi, close business associate of Dr. John P. Hale who . . . financed the experiment. Dr. Hale obtained permission from the city council to lay this block of brick paving as an experiment, the city to pay him for it when it could. The block of paving was laid on Levi's plans, with Levi directing the work and Hale bearing the expense." Mr. Summers then describes the method of paving which Mr. Levi invented, and goes on to say that, "The street paving was by no means the only work of public improvement in which Dr. Hale and Mr. Levi were associated. . . . Charleston's first Capitol, and also The Hale House, were built of the same partnership . . . with Mr. Levi as contractor. Mr. Levi built The Hale House in 91 days, after contractors from the East had said it would take them six months . . . and this saved the Capital for Charleston." (This was of course when the capital was being moved from Wheeling, and the legislators were demanding better hotel accommodations than were then available in Charleston.)

The Summers article further reports: "Mr. Levi superintended the construction for Dr. Hale and made both buildings possible. To Levi as builder as well as to Dr. Hale, who financed these structures, Charleston owes much today." . . . "Mr. Levi was for many years superintendent of The Charleston Water Works System. He built the mechanical part and installed the Levi High Pressure Filter, a great improvement on earlier methods of filtration for the city water supply. . . . Mr. Levi was also associated with Dr. Hale in brick making." . . .

In addition to Mr. Summers' account in The Charleston Daily Mail, The Charleston Gazette published an article entitled, "Story of the Streets, Out of the Mud," by Wm. H. Maginnis (October 4, 1953). This article also reviewed the old history of the streets of Charleston (W. Va.) and showed the drawing (from the patent grant) of a cross-section of the brick pavement which Mr. M. Levi (Sr.) invented and patented. The article states that the pavement was the "invention of Mordecai Levi, who was backed financially by Dr. John P. Hale."

Mr. Maginnis goes on to say: "A reproduction of that paving was among 51 items of historic interest exhibited by The National Research Council at The Century of Progress Exposition in Chicago, Ill., in 1933, after the Research Council had decided that the first brick street pavement had been invented by Mr. Levi, who laid it on Summers Street, Charleston, W.Va. Mr. Maginnis reports: "The method of laying the pavement was invented by Mr. Levi. . . . Later a company was formed by Hale, Gates and Levi, which obtained a patent for Levi's invention." Dr. Roy Bird Cook supplied some of the original brick, which were then used in the model of the first brick street pavement when the reproduction was exhibited in Chicago. Mr. Maginnis states that "copies of records pertaining to the invention are in the collection owned by Dr. Roy Bird Cook."

Biographical note: Mr. Mordecai Levi Sr. was a resident of Charleston from 1870 when he moved his family from Cannelton, Kanawha Co. Va., where he was supervisor of The Cannel Coal Company, until his death in 1914. He was born in Brown Co., Ohio in 1835 and when he was a small child his family moved to Maysville, Ky. He was educated in engineering in Maysville. In 1858 he moved to Cannelton, and in 1859 he was married there to Nancy Harriman Trimble, grand-daughter of Aaron Stockton who was a descendent of Richard Stockton, a signer of the Declaration of Independence.

In 1862 Mr. Levi enlisted in the Confederate Army, serving as superintendent of the construction of roads, forts and bridges in The Confederate Engineering Corps, Co. E. Third Regiment. At the end of the war he returned to Cannelton and resumed his position with the Cannel Coal Co.

Mr. M. Levi Sr.'s six children lived in Charleston all their lives with the exception of John Hale Levi who, with Mr. Carl Fisher, developed Miami Beach, Mr. Fisher as the financial backer, Mr. John Levi as the engineer. Other sons of M. Levi Sr.'s were M. Levi Jr., Plus Noyes Rand Levi, and William Trimble Levi. His two daughters were Alice Levi Woodward (Mrs. D. A. Woodward) and Rebecca Trimble Levi Wilson (Mrs. L. H. Wilson.) Descendants of the two daughters still live in Charleston. Only two of Mr. Levi Sr.'s sons married and neither one had children.

THE INCREASE IN PRICES OF EVERYTHING

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. SANDMAN. Mr. Speaker, one of my major concerns is the tremendous increase in the price of everything. Price controls go off, under present law, very soon, and this is why we want to call everyone's attention to this point. Prices have gone up astronomically in everything—for example, milk in New Jersey has gone from $1.05 a gallon to $1.85 a gallon.

When we talk about the production of food, I want to call to the attention of the people that I am not aiming this at the grower and the producer. I am confident that they are not getting the money and are not sharing in the increases. The dairy farmer has long been knocked out of business in New Jersey. His price had to go up long ago, but there is a difference in his price and the retail selling price.

Eggs are twice the price of a year ago. New Jersey, which was one of the largest producers of eggs, is now producing at a minimal pace. They have been priced out of the market. Much of this is due to inflation but a lot is not. A lot is due to manipulation, in my judgment.

We are now experiencing manipulation in the supply of gasoline. The price of gasoline has increased 25 percent in the last 30 days. A state of pandemonium exists in New Jersey. In the metropolitan area of the Garden State Parkway and the New Jersey Turnpike, we can only buy $1 worth of gas and that may not get you to the next gas station on either road. In other areas, the supply is unlimited.

It would seem to me, addressing ourselves first to the availability of these needed commodities, controls of some kind must be kept in effect. Those on fixed incomes cannot survive these ever-rising costs. A ceiling must be placed on the cost per barrel of domestically produced petroleum.

A reasonable writeup along the line from crude to refined products must be set. The wholesaler as well as the retailer is entitled to a fair profit, and this will have to be set by reasonable controls so that the consumer can be protected. Unless this is done, we will soon see the day when gas could be as high as $1 a gallon.

I firmly believe in fair trade, unrestricted so that the laws of supply and demand may apply.

As long as the energy crisis continues, I reluctantly advocate controls. The cost of living has risen faster than at any other time in our history. The farmers of the Nation must be encouraged in every way to produce a bumper crop in 1974 to alleviate the unbearable chore of the housewife.

Unless prices are stabilized within the next 30 days, the country could find itself in such a dilemma that emergency controls on the price of foodstuffs of all types would have to be put into effect.

INFLATION—THE PRESIDENT'S BUDGET

I have been extremely critical of the President's last three budgets. I am even more critical of this one. Again, the budget is out of balance and it creates a huge deficit. This, in itself, is inflationary and will cause the same prices that I have talked about to increase if all other things remain equal.

On the floor of the House of Representatives, I have listened to some very hypocritical remarks which is always the case when the budget message is presented. The Democrats complained in droves about the size of the budget and stressed the necessity to cut that budget. These are the same people who said the same thing last year and then added $5½ billion worth of increases to that budget and will do at least the same all over again.

As one good Democrat said when he introduced the budget for the Department of Health, Education, and Welfare last year:

> No matter how much we may have in this budget, the publicity seekers to my left are straining at the reins waiting for me to end my speech so that they can take the Floor and add at least another billion to this part of the Budget.

This will happen all over again by the same people.

The President's budget for HEW appropriates more than it did last year and includes more programs than last year. Nevertheless, we will have another "Hathaway amendment"; only this time it will have another name, because HATHAWAY is now a Senator. That amendment added $850 million to the education part of the budget, and if we did not support all of it we were against education, and the media crucified us for such a vote. So, we know that those who say that it is too high will add at least another billion dollars in that section and also in the health and welfare sections.

The rising prices that I refer to must be proof that these huge expenditures caused by these great increases are a major contributing factor. The President argues that inflation by itself almost amounts to the entire increase in the armed section of the budget which he admits is high. It is high, because of inflation.

Now, it is time that the public spoke out against an ever-increasing budget, because if we are against the increase in the cost of living and against the increases in the cost of almost everything, then we have to be opposed to the over-expenditures in the budget.

BIG DALLAS AIRPORT HAS BIG BUGS TO WORK OUT

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. HUNGATE. Mr. Speaker, from time to time proposals are made to place the St. Louis, Mo., airport at Columbia, Ill. The following article concerning the recent change in Dallas airports should be instructive. It illustrates the need to avoid spending money to build a facility that is less convenient, more expensive to build, and costlier to use.

The article follows:

BIG DALLAS AIRPORT HAS BIG BUGS TO WORK OUT

(By Dudley Lynch)

MANGLED LUGGAGE, HIGH PRICES DRAW COMPLAINTS

DALLAS, TEX.—The world's largest airport, just opened near here, already has a reputation to live down—its highly mechanized equipment has eaten baggage and stalled or misrouted passengers.

These troubles—and the high prices of airport services—have received chuckling attention from television personalities, spreading the embarrassing word throughout the United States.

The new Dallas-Fort Worth Regional Airport is on 17,600 acres of Texas prairie 17 miles northwest of Dallas. It opened at 12:01 a.m. on Sunday, Jan. 13, and every since, it has been embroiled in controversy.

The reason is simple, says a baggage handler for Braniff International, one of eight airlines using the $700-million facility. "The airport opened at 12:01," the Braniff employee says, "and at 12:03, it went under."

COMPUTER MISROUTED BAGS

Both Braniff and American Airlines, for example, had ordered multi-million-dollar automatic baggage handling systems.

But when airline ticket clerks began pushing buttons and sending baggage into the systems, they could only stare in disbelief at the results.

"It was terrible," said one baggage handler. "You would code the bag for a flight destination, and the computer would route the bag to the baggage claim area. It took golf clubs and bent them double. And it chewed up bags by the dozens."

Two of those chewed-up bags belonged to a national television news crew who filmed the entire event.

By the third day, with 2,000 pieces of luggage piled in a hopeless jumble, Braniff turned the automatic system off. It was still closed down a week later. "For modifications," a company spokesman explained.

TECHNICIANS ABOARD

The other major automated system for the airport is a $34-million, computer-controlled affair called Airtrans. It was designed to carry passengers, baggage, mail, and trash between the four huge terminals and outlying areas.

Two days before the airport opened, board president Erik Johnson, a former Dallas mayor, announced that Airtrans was not ready. But when the manufacturer, LTV Aerospace Corporation, agreed to man each of the rubber-wheeled cars with one of its technicians, about half of the 13-mile system was started up.

It had bugs, too. Passengers repeatedly got on the wrong two-car trains because, it was said, the directional signs were dimly lit and high above the floor. The automatic announcing system in each car often called out the wrong stations requiring unwary passengers to circle the entire airport again at 17 miles an hour. Sometimes, cars just stopped without apparent reason.

EMPLOYEES COMPLAINED

At times, airport employees seemed near mutiny. They complained that they had been inadequately trained and briefed.

One stewardess crew arrived to board their plane and then realized that their hostess department had not given them the code needed to unlock the gate. When they got aboard, they discovered that there were no beverages or ice aboard.

The prices for food, beverages, telephone calls, and airport transportation brought many complaints from employees and passengers alike. A hot dog costs 79 cents, a soft drink 26 cents, a telephone call 25 cents, and a ride on Airtrans to catch a flight in another terminal 25 cents. There is even a 25-cent charge to drive into the airport.

A 5-CENT TIP FOR MACHINE

But the biggest indignity of all for many passengers was that the airport change machines give them back only 95 cents for a dollar bill.

This bit of free enterprise was too much for Dallas Mayor Wes Wise. He announced that the change machines had made only $55 during the first three days, and he ordered an investigation into the nickel charge.

The word got around, and before long, people like the Tonight Show's Johnny Carson were joking, "Buddy, you ain't been gouged at all until you've been gouged by a Texan!"

AIRPORT DEFENDED

For some Dallas spokesmen, that was going too far. John C. Butler, general manager of Radio Station KRLD, took to the air to denounce those who were condemning the airport.

"I'm sick and tired of it," Mr. Butler stormed. "So it cost a nickel to change a dollar. It also costs a nickel at the Greyhound Bus Station."

Cooler heads contend that the airport will get a much better press once the bugs are worked out and the employees get acclimated. Said one pilot, who is unhappy with prices and other inconveniences himself. "Once I get to the gate where my airplane is parked, this becomes one of the finest airports in the entire system."

The segment that opened last month is just the first of three giant installments, all of which are designed to handle the North Texas region's airport needs well into the 21st century. But it may take that long for the opening-day furor to die down.

THE VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. LUJAN. Mr. Speaker, every year for the past 27 years, the Veterans of Foreign Wars and its Ladies Auxiliary has conducted the Voice of Democracy Scholarship program.

This year's winning essay for the State of New Mexico was written by Paul Kent Murray of Albuquerque based on the theme "My Responsibility as a Citizen" and it is my honor to submit the text of that essay for reprint in the CONGRESSIONAL RECORD.

The essay follows:

MY RESPONSIBILITY AS A CITIZEN

The Veterans of Foreign Wars have offered the youth of America a chance to express their feelings about their country and what citizenship means to them.

But to me citizenship is much more than just a word. It is a constant and great responsibility. Yes, it is easy to be disappointed and discouraged. But there is something in the air about America that fills my soul with a feeling of independence and purpose. In the words of a recent immigrant—"There is no one here to lead you by the hand but also no one to order you about". Once you land in America you are left to shape your own future. To test yourself. I think these immigrants are the real soul of America—they believed in the future and the future did not disappoint them. Among some of my American born friends it is not fashionable to be enthusiastic about America. There are drugs, poverty, inflation, the Watergate affair. Undoubtedly this country faces serious problems. But what they, the new-comers or immigrants, see are not only the problems, but also democratic solutions being sought and applied. I think, we might well remember—there is much in America to be grateful for. I love America because people accept me for what I am. I love America because America trusts me.

What a joy it is to live in a free country and what a joy it should be to pick up our burden of responsibility and truly become a citizen.

My responsibility as a citizen came to me with great clarity late one December evening; in Washington, D.C. I set out for a long awaited visit to the Lincoln Memorial. I was going like any visitor—to look at the Memorial to a man whose mind and spirit had always engaged my interests not only as President but as a person. In blue winter twilight, I mounted the broad steps and as I walked between the great columns, I saw at once the heroic statue, seated, "a man of sorrows" and yet content, satisfied. I stood reassembling my scattered emotions, and slowly became aware there was a women standing there, with a girl of seven or eight, whom I took to be her daughter. They were walking and talking quietly as one does in a church or a deep forest. They paused beside me, at the foot of the statue, and we smiled without speaking. Then, in that silent place, the little girl began to read aloud the "Gettysburg Address" on the plaque in front of her.

She read it all the way through. Her mother and I stole one glance at each other; there were tears streaming down our faces. When the child finished, we turned as if we'd rehearsed it and walked out to our respective cabs without a word. At the bottom of the steps, I turned to the child, and said, "Thank You".

"You're welcome", she replied gravely, and went our ways.

That evening at the Lincoln Memorial, I saw my country battered by racial strife and seared by assassin's bullets; denounced by some who fled it; mocked by some who remained; polluted by mixed-up thinking as well as by social and industrial waste.

A nation, like its people, will always be in one sense "unfinished work", because it, too, is alive. What Lincoln challenged us to resolve was to get on with the unending job. What is handed over to each generation is not a past accomplishment but a present obligation to dedicate ourselves anew to living into reality the ideals we profess.

For most of us, it is seldom that we are asked to serve our country in any great matter, but it is all the more important for us the living to serve it in the daily opportunities that come our way. As one lone citizen, I can't do much about international war, but I can refuse to war with my neighbor. I can accept the painful necessity of changing my attitudes when they are shown to be unjust. I can let my representative know my views instead of sitting back cynically; I can seek to correct the law by lawful means, rather than by rioting or yammering. I can pick up after myself in public places, I can refuse to despair or to cry after a perfect society which no one living has ever had.

Citizenship is a right, but one must earn that right—it doesn't just happen. I was born in the United States, but it was on that cold night in Washington—that I became its citizen.

THE 56TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. HUBER. Mr. Speaker, February 16 is Lithuanian Independence Day—the 56th anniversary of a proud occasion in the modern day history of Lithuania. This day should be important to Americans and the free world, because Lithuania is one of those nations not yet free. In spite of the fact that the United States has never recognized the forcible incorporation of Lithuania into the Soviet Union, some persons might feel it is a lost cause. However, the Lithuanians do not feel this way, in spite of Moscow's attempts to dilute their culture and heritage. The following article that appeared in the Richmond Times-Dispatch of February 2, 1974, dramatically describes the struggle that is taking place there and I think it requires the thoughtful reading of my colleagues:

[From the Richmond Times-Dispatch, Feb. 2, 1974]

KGB ACTIVITY INTENSE, LITHUANIANS REPORT

MOSCOW.—Lithuanian secret police have carried out an intensive search of homes, offices and churches to ferret out dissidents responsible for both illegal publications and protest actions in Lithuania, an underground journal reports.

The police dragnet was described in the seventh and eighth issues of the "Chronicle of the Lithuanian Catholic Church" which were made available to Western newsmen in Moscow this week.

The Chronicle discloses increasing unity between nationalist and religious activities in the Baltic republic. Both groups regard Soviet authorities as the source of their problems.

The latest issues of the Chronicle, which survived a nationwide, two-year crackdown on dissent by the KGB, detail numerous cases of alleged religious repression and civil rights violations. The journal indicated that dissidents have channeled general discontent in Lithuania, manifested in the bloody riots of 1972, into a loose organization of underground centers.

The reports tell of widespread distribution of the Chronicle, secret printing of prayer books, secret construction of printing presses and large-scale collective protests to authorities.

Dissidents in Moscow claim that the KGB headquarters has sent at least two specialists to direct a crackdown on such Lithuanian activities.

One dissident cell in the Lithuanian capital, Vilnius, the Chronicle reported, lost its printing press when KGB agents searched a private home.

Publishing in the Soviet Union is strictly controlled by the state and printing houses must submit a sample of every item—from subway tickets to novels—to the censors before turning out more than one copy.

Lithuanians have complained for years about Soviet suppression of the Roman Catholic church which has 3½ million adherents there.

CATHOLIC RELIEF SERVICES

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ROONEY of New York. Mr. Speaker, I insert the following article by Rev. Daniel Lyons, S.J. published in the National Catholic Register of February 17, 1974:

AT HOME AND ABROAD—CATHOLIC RELIEF SERVICES

(By Father Daniel Lyons, S.J.)

Catholic Relief Services is the strong right arm of the U.S. Catholic Church for helping the world's needy. Its vastness is difficult to describe, for CRS is by far the largest non-governmental relief organization in the world.

Since the American hierarchy created CRS in 1943, it has shipped 11.6 million tons of supplies overseas for the world's poor. How much is 11.6 million tons? Enough to make a train 400 miles long. Its value: $2.42 billion.

Each year on Laetare Sunday, in the middle of Lent, a special collection is taken up in U.S. Catholic churches for the support of CRS. In the last three years that has totaled $22,853,158. CRS sends $10 worth of food, clothing and medicines overseas for every $1 American Catholics give.

There are no big salaries at CRS. Bishop Swanstrom, its director, lives modestly in a rectory in New York, where he earns his board and room by helping out in the parish church when he is not away solving crises overseas. Monsignor Landi, his assistant, must often wonder where he lives, he is gone so often to visit the poorest places in the world. You can hardly visit any underdeveloped nation without finding that he was just there.

Best known among the lay staff at CRS are Ed Kinney and James Norris, the top assistants to Bishop Swanstrom. They are both professional and dedicated men. Yet they are just samples of the outstanding directors and staff overseas who do so much to feed, clothe and shelter the poorest of the poor.

No place is too small, no country too remote for CRS to reach. Often it can get in where governments cannot. During the worst of the war years in South Vietnam, for example, the U.S. government called on CRS constantly to get supplies into battle areas where no one else could operate. *CRS* is able to use native leaders and native clergy more than any other organization. What other organization is so international as the Catholic Church!

Despite exaggerated notions of "the separation of church and state" here at home, CRS and the U.S. government work together very successfully overseas. Much of the food distributed by Catholic Relief Services is provided by our federal government. It is permitted to enter each country duty free, and the host government usually pays for storage and transportation costs, at least partially.

During its 1973 fiscal year, CRS maintained an overall relief program in 64 countries at a cost of $139 million. More than $6.6 million in food, medicine and other supplies was sent to Nicaragua alone, following the earthquake there a year ago. One million dollars in clothing, blankets and medical supplies was distributed by CRS in Cambodia last year. Another $1.65 million worth of aid went to refugees in the Sudan.

During 1973, CRS conducted feeding programs in 54 countries for more than ten million needy. As Macao. Singapore and Paraguay were phased out, the Sudan, Yemen and Egypt were begun. So it goes, as Catholic Relief carries on its enormous task.

More than 2,750,000 heads of families are employed by CRS in food-for-work projects. Approximately 316 million children are helped through school feeding programs. Another 3.2 million women and children are aided by maternal and child health programs sponsored by CRS.

The Catholic Medical Mission Board is the largest contributor of medical and surgical supplies. Yet CRS is second even there, with millions of dollars in medical aid for India, the Philippines, Chile and elsewhere in the past 12 months.

Without U.S. government grants, most of the program would not be possible. It would be equally impossible without the help of U.S. Catholics, particularly those who serve as such good Samaritans by working for CRS around the world. God bless them, and all those millions for whom they work.

MRS. ANNA KOSTANSKI

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. CONTE. Mr. Speaker, I received some sorrowful news from my district in western Massachusetts this week. One of my staunchest supporters, Mrs. Anna Kostanski, died at the age of 97 in Greenfield, Mass.

Although she devoted herself to her family, she found time for political activity. She was one of my most enthusiastic boosters. But, Mrs. Kostanski had time for more than one candidate. Her grandson, Walter Kostanski, has made a successful career of public service, first as a member of the Massachusetts State House and now as registrar of deeds in Franklin County, Mass.

Church activity also claimed Mrs. Kostanski's attention. She was a member of the NPNMP Society of the Sacred Heart Church. She also had great pride and a continuing interest in the country of her birth, Poland, and was a member of the Polish Women's Circle.

Among her survivors, Mrs. Kostanski leaves four sons, Walter Kostanski, of Millers Falls; Stephen Kostanski, of Springfield; and Joseph and William Kostanski, both of Greenfield; two daughters, Miss Blanche Kostanski, of Chelsea, and Mrs. Stefania Mathukatis, of Greenfield; nine grandchildren, 22 great-grandchildren, and one great-great-grandson.

I hope they will take some measure of solace from messages of sympathy from Mrs. Kostanski's many friends and admirers, among whom my wife Corinne and I were proud to have been numbered.

DISCOURAGING THE INDEPENDENT OILMAN

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ARCHER. Mr. Speaker, an editorial which appeared in the Houston Chronicle on January 31, 1974, discussed the important role of the independent oilman. This editorial makes the very effective point that in seeking to solve the energy crisis we need to encourage and not discourage those who are willing to take the risks in the exploration for and development of new sources of domestic energy. We need to avoid punitive legislation against those involved in the oil industry. I would like to enter this editorial into the CONGRESSIONAL RECORD:

REMEMBER THE PENNY POSTCARD?

Self-serving politicians in Washington and their allies have done a good job over the years of effectively discouraging the independent oilman, the wildcatter.

Maintaining artificially low prices, cutting the depletion allowance, harassment and continual restrictive regulations have worked to cut back drastically this segment of the oil industry. And this is the segment which has traditionally found a huge part of the nation's really new oil and gas, that which was found on a gamble in new areas and is not just an out-stepping of present proved production.

This is exactly the kind of new discovery which the country needs today in its energy shortage. Yet the only talk one can hear from Washington is partisan legislation which will even further discourage the independent wildcatter and continue to destroy his vital role.

The depletion allowance and intangible drilling expensing are both key elements in the independent oilman's operation. They enable him to generate that high-risk speculative money which it takes to find new oil. But the politicians seem determined to get rid of these provisions, regardless of the consequences.

Equally distressing is the attitude which, having done so much to devastate the independents, now seems to be determined to do the same to the major oil companies through misinformed, vindictive legislation which will serve political purposes but not the purpose of the people. That purpose, quite simply, is more domestic oil and gas and none of the punitive legislation we have seen proposed is going to furnish that.

If the oil industry's enemies prevail, there is going to be little left except for the government to take over. And then, God help us, we will be depending for our energy upon the efficiencies of the same type bureaucracy which has brought us this kind of thing, as noted by the Chase Manhattan Bank:

"Twenty years ago, a penny would move a gallon of oil from Texas to New York by tanker; and 20 years ago a penny would move a postcard from Texas to New York via the U.S. Postal Service.

"Today, private enterprise is still moving a gallon of oil from Texas to New York for a penny; but the government's postcard will cost you six cents."

As we said, God help us.

RESIGNATION TALK IMPROPER

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. FINDLEY. Mr. Speaker, a week ago 101 Members of the House stated their belief that calls for President Nixon's resignation tend to discredit the House of Representatives and do a disservice to the Nation. We made this statement in a letter to the President which we jointly signed. The letter was drafted and circulated without the knowledge of anyone in the White House. Those who signed it include a broad cross-section of the House.

The number signing, 101, is more than half the total Republican membership. At least 40 others who did not sign said the letter expressed their feelings but, for various reasons, did not wish to comment publicly on the question of resignation.

The experience of circulating this letter has convinced me that very few Republicans want the President to resign.

My personal view is that the public outcry for resignation represents a threat to our institutions actually as serious as the abuses of Watergate. It gives unjustified credibility to the notion that resignation is a practical and reasonable way to get a new Chief Executive when a President's popularity slumps. Resignation is a practical and reasonable way out in a parliamentary system, as in Britain, but not in the United States.

The Separation of Powers Doctrine, which is the cornerstone of our form of government, requires a President, a legislature, and a judiciary, each of which is equally strong and independent. Those who urge the President to resign thereby weaken one of the three pillars which have supported our Government and our Nation so well for 200 years.

Members of Congress should drop the resignation talk and focus instead on prompt settlement of the impeachment question.

Text of the letter follows:

FEBRUARY 8, 1974.

Hon. RICHARD M. NIXON,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: Several of our colleagues have publicly and, we think, improperly, called upon you to resign.

Because two of them are prominent in House leadership, we feel it imperative to correct any misapprehension that the Congressmen have voiced feelings widely held by the rest of us. We believe substantial numbers of House Members feel, as we do, that calls for your resignation emanating from the House ill serve the nation and, in fact, damage the prestige of the House itself.

After all, we are the prospective jurors if a motion to impeach comes before us. Any pre-judgment of the question of whether you should remain in office before the Judiciary Committee brings forward its findings and recommendations premature and improper.

Our colleagues would more properly serve the nation by using their influence to bring House consideration of these proceedings to a prompt conclusion, so we can all focus more effectively on other important issues confronting the nation.

Sincerely,

COSIGNERS OF LETTER TO THE PRESIDENT

Alabama

John Buchanan
William L. Dickinson
Jack Edwards

Alaska

Don Young

Arizona

John J. Rhodes
Sam Steiger

California

Clair W. Burgener
Del Clawson
Andrew J. Hinshaw
Craig Hosmer
William M. Ketchum
Paul N. McCloskey
William S. Mailliard
Carlos J. Moorhead
John Rousselot
Victor V. Veysey
Charles E. Wiggins
Bob Wilson

Florida

L. A. Bafalis
J. Herbert Burke
C. W. Bill Young

Georgia

Ben B. Blackburn

Idaho

Steven D. Symms

Illinois

John B. Anderson
Leslie C. Arends
Harold R. Collier
Philip M. Crane
Edward J. Derwinski
Paul Findley
Robert H. Michel
Tom Railsback

Indiana

William G. Bray
William H. Hudnut
John T. Myers
Roger H. Zion

Kansas

Keith G. Sebelius

Kentucky

Tim Lee Carter

Louisiana

David C. Treen

Maryland

Marjorie S. Holt

Michigan

William S. Broomfield
Elford A. Cederberg
Robert J. Huber

Minnesota

Ancher Nelson
Albert H. Quie

Mississippi

Thad Cochran
Trent Lott

Missouri

Gene Taylor

Montana

Dick Shoup

Nebraska

John Y. McCollister
Dave Martin
Charles Thone

New Hampshire

Louis C. Wyman

New Jersey

Edwin B. Forsythe
John E. Hunt
Joseph J. Maraziti

New York

James F. Hastings
Jack Kemp
Carleton J. King
Norman F. Lent
Donald J. Mitchell
Angelo D. Roncallo
Henry P. Smith
John W. Wydler

North Carolina

James T. Broyhill
James G. Martin
Wilmer Mizell
Earl B. Ruth

Ohio

Clarence J. Brown
Donald D. Clancy
Samuel L. Devine
Tennyson Guyer
Delbert Latta
William E. Minshall
Walter E. Powell
Chalmers P. Wylie

Oklahoma

John N. Happy Camp

Oregon

John Dellenback

Pennsylvania

Edwin D. Eshleman
George A. Goodling
Albert Johnson
Herman T. Schneebeli
John H. Ware
Lawrence G. Williams

South Carolina

Floyd Spence
Edward Young

Tennessee

LaMar Baker
Robin L. Beard
John J. Duncan
Dan H. Kuykendall
James H. Quillen

Texas

Bill Archer
James M. Collins
Robert D. Price
Alan Steelman

Virginia

Joel T. Broyhill
J. Kenneth Robinson
William Wampler
G. William Whitehurst

Wisconsin

Glenn R. Davis
William A. Steiger
Vernon W. Thomson

REPRESENTATIVE GROVER URGES EMERGENCY AID FOR LONG ISLAND IN GASOLINE SHORTAGE

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. GROVER. Mr. Speaker, I have this day requested the President to invoke his emergency powers to bring relief to the area of the United States which has been the most severely hit by the gasoline shortage, the Nassau/Suffolk bi-county area. My telegram to the President reads as follows:

FEBRUARY 21, 1974.

The PRESIDENT,
The White House,
Washington, D.C.:

Mr. President, I have withheld this action hopefully in the reliance on the earnest efforts of the understaffed Federal Energy Office at my many instances to resolve the critical gasoline shortage on Long Island in New York. The three million populated Nassau-Suffolk bi-county area is 94% dependent on automotive transportation. This unique area is over 100 miles long, 12 miles wide and over 90% surrounded by water. The gasoline shortage of 30% to 40% has had a devastating effect on the economy of the area and caused a serious and dangerous potential to the health and safety of my constituents and the residents of Long Island in general. Mr. President, in my twelve years in Congress I have seen the emergency powers of your office invoked in many situations, act of God, and man made. By my personal observation and experience, conditions in Nassau and Suffolk Counties are no less serious than many of those. Accordingly, I request your immediate action to declare our counties a disaster area entitled to immediate help by appropriate action by the Federal Energy Office and other appropriate Federal agencies.

Respectfully yours,
JAMES R. GROVER, JR.,
Member of Congress,
Second District, New York.

ESTONIAN INDEPENDENCE DAY, FEBRUARY 24

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. DU PONT. Mr. Speaker, freedom is a condition that we, as Americans, accept, but often do not fully appreciate. Remembering and supporting those nations that continue to struggle to obtain the great political and economic liberties with which we are blessed, is an exercise that will most certainly bring about a greater appreciation of that freedom. To that end, I would like to take this opportunity to pay tribute to the small Baltic nation of Estonia in view of the 56th aniversary of its independence on Sunday, February 24.

The Republic of Estonia declared its independence in 1918 after years of Czarist Russian domination. Its people valiantly defended their freedom in those early years, but they were only able to preserve it for about two decades. During the nation's brief period of independence, it became a symbol of political, economic, and cultural progress, as well as a much respected spokesman for many of the smaller democratic nations. But in 1940, Estonia was forced into signing a treaty that permitted Russian troops to enter and occupy several parts of the country. This occupation led to the annexation of Estonia in August, 1940 with close to 60,000 Estonians being arrested, exiled, or murdered. With the exception of the Nazi German occupation of June, 1941 through October, 1944, Estonia has been subjected to Soviet totalitarian rule ever since. The concerted effort to destroy Estonian national spirit, undertaken in 1944 has never been successful. In the face of this oppressive tyranny, national pride and yearning for freedom still exist. As a guiding light for all the world in the search for peace, justice, and freedom, this tiny country and its valiant people deserve whatever tribute we may be able to pay them.

As a leading nation of the free world, we cannot allow ourselves to forget the plight of this captive nation. I know, that in extending our best wishes to all those of Estonian descent as they commemorate this occasion, we can also guarantee our fervent hope and prayer that somedoy all Estonians everywhere will be able to celebrate a true and complete emancipation of their homeland.

1974'S BASIC PROBLEM—INFLATION

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. CHAMBERLAIN. Mr. Speaker, the Wall Street Journal of February 21 included a comprehensive article, "1974's Basic Problem—Inflation," by Dr. Paul W. McCracken, which I commend to my colleagues' attention. As every Member of this House realizes, this is indeed one of the major problems facing our country today.

In view of Dr. McCracken's past service as Chairman of the President's Council of Economic Advisers, his timely and cogent comments are certainly deserving of broad publication and I insert his article at this point in the RECORD:

1974's BASIC PROBLEM—INFLATION

(By Paul W. McCracken)

While energy gets the headlines, it is not the most fundamental economic problem facing the industrial nations of the world. Their most fundamental problems is an ominous acceleration in the pace of inflation to what would have been referred to not so long ago as "banana republic rates."

The basic facts do not make a reassuring picture. For the OECD nations as a whole, the speed of inflation has accelerated from a 5.5% annual rate in the second half of 1972 to 7.5% in the next six months, and on to a 10.9% annual rate in the three months ending last October. In the last of the three periods the rates for the major member countries ranged from a low of 5.5% for Germany to a high of 16.3% for Australia.

ANNUAL RATE OF INCREASE IN CONSUMER PRICES

[In percent]

Period	OECD	United States	United Kingdom	Japan
1972–2d half	5.5	3.4	8.9	5.9
1973–1st half	7.5	6.2	8.4	11.8
3 months to October	10.9	11.4	12.0	13.0

Source: Economic Outlook, OECD, December 1973. Percentage change from previous period.

Nor is the problem simply food prices, though the explosion of food prices obviously made a major contribution to the trend. It is clear, however, that a serious acceleration in the rate of inflation was occurring in nonfood prices also, to a rate approaching 8% by the latter part of 1973.

For the United States the figures are both more reassuring and more disturbing. For the entire second half of last year consumer prices as a whole rose at a 9.4% yearly rate, but the rate for prices of all commodities other than food was only 5.6%. It is, of course, a commentary on the seriousness of the problem that one finds himself grasping for reassurance from "only a 5.6% annual rate." The most disturbing aspect of our own price level problem, however, is that during the latter half of 1973 large increases in industrial prices at the wholesale level were occurring, and these will be affecting price tags confronting consumers this year. We cannot, in short, comfort ourselves with the beguiling thought that 1973 was some sort of special circumstance, and that somehow the inflation can be expected in 1974 to go away or die or slow down from sheer old age.

Is it really essential to counter the inflation? For many years many economists, perhaps even a majority, would have given that question a negative answer. The number taking that relaxed view, it seems safe to say, is probably diminishing. And for good reasons.

ALL GROUPS DISADVANTAGED

For one thing, in the American context a highly inflationary economy does not seem to perform well for any group. Average spendable weekly earnings in real terms last year declined 1.4% for those in the private nonagricultural economy, and there were actually declines in eight of the 12 months. This obviously means that for a majority of families outside agriculture the contents of the pay envelope were buying less as 1974 opened than they were a year earlier. And survey evidence is clear that the collapse of consumer confidence in 1973 had its origins largely in inflation.

This quite naturally has led to the suspicion that businesses must be profiting, or even profiteering, from the hardships imposed by this shrinking purchasing power. Businesses do after all put the price labels on what consumers buy. Moreover, the profits figures seemed to confirm this suspicion. Corporate profits rose from $98 billion in 1972 to and estimated $126.5 billion in 1973, a rise of 29.1%. This was a good deal more than the 10.2% rise in total wages and salaries received.

A closer look, however, suggests that even reported profits have not done quite all that well either. If we take a longer look, for example, we would find that reported profits in real terms rose 22% from 1965, the year before inflation began to accelerate, to 1973, substantially less than the 40% gain in real after-tax incomes of consumers. Indeed for manufacturing companies, profits after taxes as a percent of stockholder equity in 1973 were if anything somewhat low relative to other years of high employment. And, as we shall see in a moment, the profits picture is considerably worse than these data seem to suggest.

Now the point of this arithmetic is not to prove the identity of the hero and the villain. That verdict seems to be remarkably immune to empirical evidence. What is clear is that our economy when it is under inflationary pressure simply performs poorly. And this poor performance has a socially divisive and disintegrating effect that sets group against group. Each, not doing well itself, plausibly assumes that others must be getting away with something.

Moreover, our experience during the last decade has to raise the question about whether even in the politically stable and economically advanced nations of the world the rate of inflation might continue to accelerate. The 1957 stabilization program had by mid-1958 set the price level on a trend rising at the gentle rate of 1½% per year (probably not much more than unmeasured gains in quality). The acceleration of the price level after 1965 was finally halted by early 1970 at about a 7% rate, which by mid-1971 had been worked down but only to about 4%. And even in the face of wage-price freezes and controls 1973 closed with something like a 10% rate. If the basic rate of inflation could go from 1½% to 4% and then (even with controls) to 10%, the possibility of even higher rates ahead if stern action is not taken cannot be ruled out as nonsense.

What would "stern action" be? One thing which obviously will not do the job is incomes policies—a phrase long on tone but short on solid content. In the early 1970s a "strong incomes policy" was supposed to be the way we could have full employment, price stability, vigorous growth, and a pricing system which in some mysterious way would retain fluidity and work in spite of the imposed arthritis.

In fact for two-and-a-half years now this country has had a price-wage program far tougher than anything really contemplated by incomes policies. Even so from July 1971 to December 1973 the consumer price index rose at the average rate of 5.5% per year. And there was a marked tendency toward acceleration at the end even though the controls program was stern enough to create mounting distortions in production and marketing patterns. (When The Saturday Review can get paper only by bartering propane gas, as reported in this newspaper on Feb. 13, one must assume that these distortions have become pervasive.)

The attack on this problem must be two pronged. It may be that modern societies do not have the knowledge and will to keep the price level reasonably stable. This contingency has to be assigned an uncomfortably high probability. Both government and business must, therefore, take more seriously explorations of ways to keep the impact of inflation as neutral as possible. The personal exemptions and bracket limits of the personal income tax, for example, should be adjusted automatically for changes in the consumer price index. The government should obligate itself to pay holders of savings bonds a contractual "real" rate. The present procedure by which even interest receipts that do not leave these bond holders whole in real terms are then taxed as income is morally dishonest—doubly so when we remember that the victims are those with limited alternatives for employing their savings.

The accounting profession has delayed inexcusably in facing up to the implications of a rising price level. As a result conventional procedures vastly exaggerate profits, and therefore the tax liability, for two reasons. One is a failure to charge as costs the full economic value of items used in production. (The national income experts have been far more alert to this problem than accountants generally.) Second, conventional accounting procedures do not—as they should if their figures are to be meaningful—account for the full economic value of capital expiring or used up in the current accounting period.

When the price level was edging upward at only 2% or 3% per year, a certain establishmentarian resistance by the accounting profession to new thinking was not serious. The economy has enough flexibility to adapt to displacements if they are not large.

Now the magnitudes are larger, the consequences are already serious, and the profession should give this problem intellectual leadership or court a serious backlash not so far down the way.

PROFITS AFTER TAXES OF NONFINANCIAL CORPORATIONS

[In billions]

Year	As reported	Understatement of costs	As adjusted	Profits in 1965 prices: Total as adjusted	Profits in 1965 prices: Retained earnings
1965	$38.2	$2.1	$36.1	$36.1	$19.2
1966	41.2	3.2	38.0	37.3	19.4
1967	37.8	3.8	34.0	32.1	14.2
1968	38.3	6.9	31.4	28.8	9.6
1969	34.3	9.7	24.6	21.6	3.4
1970	28.2	11.4	16.8	14.0	−2.7
1971	34.4	12.5	21.9	17.5	1.3
1972	39.2	14.3	24.9	19.5	2.9
1973	50.3	25.1	25.2	18.7	2.1

Source: Machinery and Allied Products Institute.

According to a study by the Machinery and Allied Products Institute, which had led the way in rigorous work on capital goods economics, the understatement of true economic costs by conventional accounting procedures in 1973 was about $25 billion. After-tax profits last year, therefore, were actually 30% below those in the mid-1960s. And when profits, with more realistic estimates of costs, are expressed in 1965 prices throughout, the real purchasing power of after-tax profits in 1973 is found to be roughly half that in 1965.

The most dramatic aspect of these data, expressed in 1965 prices, is that earnings reemployed in businesses (retained earnings) dropped from $19 billion in 1965 to $2 billion last year.

Now one need not love corporations or profits, and there seems to be no modern difficulty in restraining tendencies toward such affection, to be concerned about such trends. This is the flow of purchasing power on which society relies to an important extent for improving its productive facilities. These figures take much of the mystery out of why the economy has been reeling under the heavy demands that we have placed upon it for improvements.

The only real solution to these problems is, of course, a more stable price level. Could this be achieved without a rise in unemployment? The answer is, of course, "No." And one requirement of a well-rounded stabilization program would be reasonable provision for income maintenance. It is neither necessary nor morally just to imply that those whose employment might be interrupted should "eat cake."

With such a program the social displacements even during the period of disinflation are apt to be less than the capricious displacements from inflation. That also seems to be the instinct of people generally. A Harris study for the Senate Committee on Government Operations found that 63% of the respondents thought inflation and related matters are the biggest problem confronting the country compared to 6% for unemployment. In any case the magnitude of any probable rise in the unemployment rate would not be apt to be large during the disinflationary adjustment period. The favorable effect on the economy's operating rate from the demise of price controls, as bottleneck restraints that have limited the expansion fade, would work the other way.

COUNTERING INFLATION

How then could the inflation be countered? No inflation has ever been countered except through reliance on the fundamentals of fiscal and monetary restraint. This is where we got the current inflation besetting the industrial nations of the world today. During 1972 the rate of monetary expansion, which set the stage for 1973, was 12% for the U.S. 15% for France, 14% for Germany, 16% for Canada, and 25% for Japan. And in fiscal 1973 our own budget would have shown a substantial deficit even if the economy had been at reasonably full employment.

Some prices, such as for food and fuels, did make an enormous rise, but these do not add up to generalized inflation unless there is overly expensive fiscal and monetary policies. And fiscal and monetary restraint is where the fundamental therapy is to be found.

For Federal Reserve policy in 1974 this would seem to mean monetary expansion in the 6%–7% zone, and preferably toward the low end of that range. While in the short run one can never be sure where the basic monetary track is, we seem currently to be on such a course.

As for budget policy, the fiscal plan put forward by the President earlier this month is at the outside edge of what would permit making real headway toward a more stable purchasing power of money. And the Congress has an opportunity in this session for a major step toward a new stability by completing action on legislation to reform budget procedures.

With a policy of restraint, firmly but carefully pursued, the price level will begin to stabilize, if we are patient and realistic about the time required. It is even possible that such a commitment to the long-run good might rally a surprising amount of citizen support in the short-run.

MAKE THEIR DREAMS COME TRUE

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. CHAPPELL. Mr. Speaker, the greatest letters I receive from constituents are those that reaffirm their faith in our system of Government. Many others write that they want to continue their way of life, but want assurances that the free enerprise sysem still works. I hope all my colleagues will consider the plight of many who are willing to put out the effort to succeed—if given the chance.

The following letter expresses this type of attitude:

DEAR SIR: This letter is written after I realized that only the silent will feel empty. I, for one, have been patient and silent for far too long.

Having been raised as a middle class Christian I have always felt, and still do, that our leaders are to be trusted and respected. I have always strived to make educated decisions at the election polls.

My wife and I, both under 30 with two young children, have owned and operated a 200-head dairy in Sparr for just under a year. The preceding eight years, since graduating with an economics degree, I have managed an export business and large dairies with extensive travel and exposure to thousands of people and have got to know them in their earthy ways. In that time I have seen slow but distinct changes.

As a people it appears that we have lost respect for other humans and their rights. A recent visit with numerous teenagers was an awakening experience to their lack of respect for others as well as their own personal self. They also seemed to have an uncanny sense of the wrongs in our world and are all too ready to indulge in escape. There can be little doubt as to the growing lack of faith in our system and the people acting as executors of the system.

As an economic state, there would appear to be many shortcomings and much lack of confidence. I am daily confronted with people who are disheartened because hard work and honesty have resulted in little, if any, gain and for some, failure. In my own industry, dairymen have killed cows at an alarming rate: 350,000 less cows in one year with a total of only 10 million. Total milk production was down 4% for the first time in seventeen years. Many dairymen across the nation have simply closed down and sold their cattle or, worse yet, butchered them—to be lost forever! American dairymen have established practically every bench mark in dairying efficiency, production, and quality of cattle. Almost every foreign country is eager to buy our breeding cattle. One American political move that bothers me greatly is our wheat sales to Russia and other countries. We lower our wheat reserves to nothing, the bakers raise bread prices, and housewives and workmen demand more pay. With wheat gone all other grains compete at high prices to produce milk, meat, eggs, etc. Our feed costs have gone up nearly 35% in five months. In order to cover our fixed costs we have had to add more cows and work harder, with the result being we are continuing to make less return on more investment in money and labor.

I have a wish that America will continue to be the greatest of all nations; my wife and I love America. We are also proud to have the official highest producing herd in the state. We're striving to show confidence in our system of government; we publicly show that confidence by not shrinking. We want to grow, and we're putting our money where our mouth is.

I have a dream that my son, if he wishes to, will someday own our dairy and continue to serve his fellow Americans. Can my dream come true or are all the people who are down on our system right? If you dare, please answer.

I remain respectfully yours,
JAY PATRICK LANCASTER.

Too many of our small farmers, dairymen cattlemen are selling out to the bigtime operators. Every tax break possible; every consideration necessary—should be given to the preservation of the small farmer. Never should we be in the position of having to depend on just a handful of huge farm corporations for our necessary food supplies. Mr. Speaker, I hope all my colleagues will join me in promising Mr. Lancaster and thousands like him across this country that his dream for his son will come true—that we, the the representatives of the people will allow no less.

SALUTES BRAVERY OF ESTONIAN PEOPLE

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. GUDE. Mr. Speaker, February 24 marks the 56th anniversary of the declaration of independence of the Republic of Estonia, now under Soviet control. Let me take this opportunity to salute the bravery of the Estonian people, so long under an illegal Soviet occupation.

Although Estonia's most recent period of independence dates from this century, the history of the people is far older, occupation of the Baltic coast going back several thousand years. These years, however, have been stormy ones as Estonia and its sister republics of Latvia and Lithuania have constantly had to struggle against invasions threatening the very existence of the three nations against invasions threatening the very existence of the three nations. Long subjugation to Czarist Russian was finally broken by Estonia's declaration of independence in 1918.

This was followed by the swift creation of a modern, viable state and economy, only to have peace and prosperity again shattered by the Russian occupation of 1940.

Throughout these many onslaughts on their country the Estonians have fought bravely. What is most remarkable has been their ability to maintain their culture and national integrity against all odds.

The latest occupation, however, has produced a cultural attack of outrageous proportions. In the first year of Soviet occupation it is estimated that almost 60,000 Estonians were deported. Since then the Soviet Union has followed a systematic plan of terror and deporting aimed at destroying Estonian national identity and diffusing its people throughout the U.S.S.R. In 1939 88.2 percent of the population was Estonian, compared to only 68.2 percent in 1970.

Today I want to take this opportunity to salute the Estonian people in their determination to fight for human rights and their national identity. The Soviet Union cannot suppress Estonia's aspiration for freedom, and all free nations of the world join in support of their cause. The United States has never recognized the incorporation of any of the Baltic States into the Soviet Union and continues this policy today.

CONGRESS OF THE HUNGARIAN ASSOCIATION OF CLEVELAND

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. MINSHALL of Ohio. Mr. Speaker, the Hungarian Association of Cleveland at its 13th annual congress this year, under the able leadership of Dr. John B. Nadas, has adopted the following memorandum on domestic issues which complements their first memorandum on foreign policy entered in the RECORD of December 23, 1973:

A MEMORANDUM FOR THE CONGRESS OF THE UNITED STATES OF AMERICA

The Annual Congress of the Hungarian Association representing American Hungarian intellectuals from all over the United States, meeting in Cleveland on November 23–25, 1973 calls the attention of the Government, Congress and judicial branch of the United States to certain conditions and legal and social phenomena which erode the moral and religious underpinnings of the American system.

1. The Congress supports the constitutional amendment movement spearheaded by Representative Lawrence J. Hogan (R., Md.), for a restoration of public prayer in schools. Belief in God has been foremost in the minds of the founders of our country and is displayed in various ways in our patriotic exercises, including the Pledge of Allegiance. The meaning of the First Amendment is to forbid unfair advantage of one denomination over the other, and not to exclude religion and the concept of God from public education and life.

2. The Congress also recommends to expand the teaching of the principles of morality, based on our Christian traditions in public schools in view of the general decline of morality among our youth and in our society in the last decade.

3. The Congress strongly recommends also physical education courses not only on the grade school level, but in every year of high school and systematic physical education courses on college level for non-physical education majors to strengthen the interest in health and sport among the youth, aiming to be a powerful antidote to "drug culture" and "dissipation".

4. The Congress also believes that military service for youth, or some public work equivalent of the same is contributory to their education and, despite the prevailing social climate, believes that Universal Military Training, or a modified concept of the same would help to bring our youth back to the spirit which made America great.

DR. JOHN B. NADAS,
President of the Annual Congress of the Hungarian Association.

THE UNENDING ORDEAL OF CESAR CHAVEZ

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. FORD. Mr. Speaker, as the chairman of the House Subcommittee on Agricultural Labor, an article dealing with Cesar Chavez and the United Farm Workers was recently brought to my attention. The article, entitled "The Unending Ordeal of Cesar Chavez," was written by Mr. Frank del Olmo, a reporter who has covered the labor disputes in the orchards of southern California, and it appeared in the January 1974 issue of Race Relations Reporter.

Mr. Speaker, at this point, I would like to insert this article into the RECORD for the information of my colleagues:

THE UNENDING ORDEAL OF CESAR CHAVEZ

(By Frank del Olmo)

FRESNO, CALIF.—It was in 1962 that a little-known California Chicano named Cesar Chavez began working to organize farmworkers in the state's San Joaquin Valley into what he called a National Farmworkers Association. In September of that year, he gathered about 280 of the field hands he had convinced to sign up for the association in the NFWA's first convention. It was held in a small community hall in Fresno, a substantial little city that is the heart of California's great central valley.

At the time, Fresno was still growing into one of California's major cities, and construction had not even begun on the impressive, ultra-modern convention center that would soon dominate the city's downtown area. The center is a big, distinguished-looking structure that would do many larger cities proud. It includes a large arena, theaters and meeting halls of various sizes.

It is doubtful that any of the city fathers who helped get the Fresno Convention Center built could ever foresee a day when the small farmworkers association founded by Chavez would return to Fresno to hold its convention in their handsome arena. It is even doubtful that many of the members of NFWA could have foreseen that. Except for one.

But no one had time to ask Cesar Chavez about it last September, when he brought his United Farm Workers of America back to Fresno for its first constitutional convention as full-fledged union of the AFL–CIO. He was too busy and too caught up in the excitement of the time—which must have seemed a refreshing contrast to the troubled and bitter year that had gone before.

Chavez was constantly occupied on the convention rostrum, practically from the opening gavel to the adjournment of the gathering's final all-night session. He was working, as he has almost nonstop since 1962, to keep a watchful eye on the growth and development of his farmworkers' union, whose future even after 11 hectic years was still a matter of some doubt.

Four hundred delegates attended the 1973 convention, representing UFW workers on ranches having contracts, UFW members on strike, even UFW organizing committees in which far-flung states as Washington, Arizona, Texas, and Florida.

The delegates were mostly Mexican and Mexican-American, and the convention proceedings were conducted in both Spanish and English, with simultaneous translations coming over transistor radios, which were handed out to each delegate. Other delegates were Filipinos, a key segment of the union's membership and second only to Mexicans among California's year-round farm labor force of 95,600 workers. There were also black citrus workers from Florida, Portuguese field hands from the Northern California wine country, and even a few Arab field hands, who have been immigrating to work on California farms in increasing numbers for the last few years.

They had come to revise and approve a tentative version of an official union constitution for UFW, which only a year before had been elevated from its status as an AFL–CIO organizing committee. The constitution was a detailed, 111-page document, again written in both English and Spanish.

The delegates were also to elect their officers under the new constitution, and draft resolutions that would help set the UFW policies to be carried out by those officers.

It was a working convention. One veteran labor reporter called it "the most unusual labor convention in modern American history."

For there were none of the signs of middle-American affluence that many jaded observers have come to expect of labor conventions. There was no convention hotel, for the delegates would sleep in the homes of UFW members and supporters after working all day at the Fresno Convention Centers. There were no hospitality suites or complimentary drinks, except for coffee and fruit punch. The delegates ate their lunch out of brown paper bags taken to them at their convention seats so they could eat and continue with the gathering's business at the same time. After adjournment, they would eat dinner in the convention hall.

The convention itself moved with almost excruciating detail through each section of the constitution, and through each step of parliamentary procedure. Many of the delegates were learning for the first time what it meant to have a voice in running their own union, and Chavez was apparently determined that the lesson should be complete. Even the delegate who rose to ask "Who is this Roberts, and why are we following his rules?" had Robert's Rules of Order duly explained to him from the rostrum.

For Chavez, who remained active and sprightly even when delegates, union staff members and newsmen grew weary of the long sessions, it was obviously an exhilarating time. The supreme moment had to have come just after the constitution was finally approved, and Chavez, for years the union's director, was nominated and elected the UFW's first president by acclamation.

Elected with him were nine other members of the union's executive board, including such long-time associates as Gilbert Padilla, who was voted secretary-treasurer, and Dolores Huerta, who was elected an executive vice-president. Two other executive vice presidents represented the UFW's Filipino leadership, Philip Vera Cruz and Peter Velasco. The remainder of the union's board are four vice-presidents at large—Mack Lyons, the black farmworker who heads UFW's Florida organizing effort, Eliseo Medina, a young Chicano, Chavez's brother Richard, and Marshall Ganz, a key Auglo organizer for the union, a San Joaquin Valley native who is also a veteran of organizing campaigns in the Deep South with SNCC.

It should have been a time of complete triumph for UFW and Chavez. But it was not. For though the 400 delegates and the 2,000 observers in the gallery rarely showed it as they enthusiastically chered speakers and resolutions, a pall hung over the convention. Up until that tme, 1973 had been a very tough year for the UFW.

In the months preceding the convention, the union had lost more than 80 of its farm labor contracts, including most of the key agreements with California's table grape growers. Those pacts had been the cornerstone of the union's membership since they were first signed in 1970.

The union had also depleted a $1.5 million strike fund provided by the AFL-CIO, in fighting a six-month long battle against the grape and tree fruit growers, and wineries, who refused to renew their contracts. The UFW's fight against the growers, an old nemesis, was made even harder by the growers' ally, the International Brotherhood of Teamsters, with whom most of the growers who snubbed UFW had signed labor contracts instead.

More than 3,500 UFW members and supporters were arrested during the course of the strike, a prolonged, dramatic confontation in which UFW was fighting "for our very life," according to Chavez. The strike ranged across a half dozen California counties, from the Southern California deserts of the Coachella Valley to the green, rolling countryside of Merced County, just east of San Francisco Bay.

The rural police officers and sheriff's deputies who policed it called it the most serious farm labor dispute in the state's history. And indeed, with thousands of UFW members and their supporters roving about in mobile caravans that moved from one field to another, to another, from this vineyard to that, almost daily, it unsettled rural California like nothing before it had.

When the UFW picketing began in April, union members often faced off against burly Teamsters who were hired at $67 a day to act as "guards" at struck vineyards. Their picketing did not end until late August, when two UFW members died violently in the San Joaquin Valley, one of them gunned down along a picket line.

But for all the sacrifice and fury, there was no denying, when the strike ended, that UFW had won back no contracts. And it had seen its membership drop from a peak of 40,000 to less than 10,000.

It was so difficult a strike that even Chavez, who is known for his optimism, would bitterly tell a California State Assembly committee that in at least some counties the UFW's effort had been broken. He charged that it was broken by rural courts which handed down unconstitutionally strict anti-picketing injunctions, and by rural police agencies that were at best uncooperative and at worst hostile to UFW.

How did such a dismal situation for UFW come about? There are a variety of explanations offered not only by Chavez, but by his critics as well.

Chavez and many of his supporters would argue that to really get to the roots of UFW's present dilemma, you must go back into the history of California's agricultural industry, which they contend grew into a $5 billion-a-year business on the backs of farmworkers. Until less than 10 years ago the state's growers had successfully staved off every attempt to unionize their work force, and for decades that labor force had remained compliant. Over the years it has been made up of Mexican-Americans, Mexicans, Filipinos, Chinese, Japanese, Portuguese, Arabs and even, occasionally, poor whites. But regardless of its ethnic makeup, it had always been a work force which seldom complained about the long hours of hard work in sun-baked fields, or the low pay which has consistently kept farmworkers living at or below the poverty level.

The men and corporations who made money off such a system, the Chavez argument goes, would never surrender their control easily. As a result, when the UFW first contested that control with a farm labor strike launched in Delano, in 1965, it would take the growers five years to realize finally that here indeed, was a very serious challenger.

And when they did agree to deal with UFW on an equal basis, in 1970, their "surrender" was only a temporary retreat. They were buying time to reorganize their forces to try and beat down Chavez and his union in other ways—through right-to-work-law campaigns, by creating worker discontent, and, finally, by luring in a rival union with whom they would feel more comfortable: a "company" union more amenable to gentlemen's agreements with the growers. That union, according to Chavez's scenario, proved to be the conservative, 2-million-member Teamsters organization.

However, other observers, including several labor reporters who have followed the story, give the argument a different twist, maintaining that the Teamsters, rather than the growers, are the key element in the present California farm labor situation. They would contend that UFW's dilemma grew out of a private meeting that took place in 1967, far from California's dusty farmlands, in the posh surroundings of Los Angeles' Century Plaza Hotel. That year an undetermined number of California growers met there with Teamster officials to discuss the possibility of allowing the union to organize their workers. Apparently they were beginning to realize that Chavez's union was not going to be broken as easily as some of its predecessors had been.

Details of that meeting are sketchy, but Teamster officials have confirmed that it took place. One Teamster who was there told *Los Angeles Times* labor reporter Harry Bernstein years later that no agreement was reached at the gathering "because the growers wanted a sure thing and refused to have an election to let the workers decide the issue. We dropped the whole thing then."

But they did not drop it for good, proponents of this thesis would contend. For once Teamster officials on the West Coast knew that at least some California growers were amenable to unionization by the right kind of union, they would not forget. In the future, they would no longer dismiss farm labor as an unprofitable area in which to organize.

The Teamsters had long operated on the fringes of agriculture. For years they had represented thousands of workers in the canneries, warehouses and trucking operations that handled agricultural products. All they needed to move farther into the agricultural arena was some motivation.

The impetus came early in the 1970s, in the form, ironically enough, of Chavez's first grape contracts, as well as the increasing mechanization of farm labor.

In Chavez the Teamsters saw, for the first time, a potential rival in organizing workers in agriculture and its fringe industries. He had shown that grape pickers could be molded into a union, complete with hiring halls, medical plans, paid holidays, and other benefits. He had also made it clear that UFW had every intention of expanding into other crops where semi-skilled hand labor was not as prevalent as it was in grape picking. Into citrus, for example, and lettuce, where the Teamsters had a few small contracts dating back to the early 1950s.

But even as Chavez's union might grow, farm labor was becoming increasingly mechanized—at least partly due to the prospect of unionization. The workers who lost their field jobs to machines might start looking for work in Teamster canneries, creameries, frozen-food processing plants, warehouses and trucking operations. And if some of these workers were affiliated with UFW, Chavez might use them as a wedge into the Teamsters empire.

So the Teamsters, it is argued, reacted to protect their territory from a potential rival whom they suspected of wanting to control all of agriculture under one union.

There is a related but not similar version of this Teamster-mechanization scenario. It has Teamster officials wanting to expand into field work on the assumption that, once it becomes mechanized, the workers employed on the machines will be Anglo rather than Mexicans, Filipinos or other non-whites.

Those adhering to this view quote a private study prepared earlier this year for Safeway Market Co. executives by Jane Yett Kiely, a student intern from the Graduate Theological Union in San Francisco. That report quotes Einar Mohn, the president of the Western Conference of Teamsters, as saying in an interview that, once organized as Teamsters, the farmworkers would probably not be given full participation in the union for some time. His reasoning:

"I'm not sure how effective a union can be when it is composed of Mexicans and Mexican nationals with temporary visas. Maybe as agriculture becomes sophisticated, more mechanized, with fewer transients, fewer green carders, and as jobs become more attractive to whites, then we can build a union that can have structure and that can negotiate from strength and have membership participation."

A final explanation for UFW's present plight is offered by critics of Chavez and the union. They argue that Chavez brought on the present situation himself. That, from the time the first UFW contracts were signed in 1970, he and his fervent supporters have wrought havoc with the grape industry.

UFW critics, among whom are numbered at least a few rank-and-file farmworkers who once supported the union, contend that growers and especially workers have been plagued for the last three years with a union administration that was at best inefficient and at worst vindictive toward any worker who tried to be independent or critical.

While the growers were able to make profits under UFW contracts (both 1971 and 1972 were successful years for grape growers, according to economists with major California banks) the workers grew restless. The two main reasons, according to critics both in and outside the union, were the UFW's hiring hall and its dues system.

The hiring hall was the source of discontent because it was allegedly rife with cronyism, with ardent UFW supporters getting first call to any jobs available on a given day. Some critics, mainly growers, also insist that the halls often failed to provide all the workers the growers requested—a situation the critics attributed to the inefficient and inexperienced union members who ran the halls.

Complaints about dues stemmed from a UFW rule requiring that members pay a flat rate of $3.50 each month, even when not working, in order to maintain their seniority and eligibility for union benefits. The dues were paid in quarterly installments of $10.50. According to union dissidents, it was the $10.50 that had to be paid in the winter months, when little regular farm work was available, which hurt most.

Significantly, one of the first resolutions passed at the UFW convention provided for a revision of the dues structure. Union members will now pay two per cent of whatever they earn, and the amount will be deducted from their paychecks.

However that change was far from being made in April, when the 1973 table grape harvest was due to start in the Coachella

Valley, and the first of UFW's 1970 contracts were due to be renegotiated. It was then, Chavez's critics contend, that worker discontent finally boiled over and some unhappy field hands approached the Teamsters and asked the truckers' union to represent them.

Teamster spokesmen claimed that their organizers then circulated petitions, which were signed by 2,500 workers, indicating a preference for the Teamsters over UFW. The petitions were circulated all across the state, so it has never been made clear how many Coachella Valley workers signed.

Chavez alleged that the petitions were signed under duress, by workers who were approached by company foremen as well as Teamster organizers. He countered with a poll taken by 25 religious leaders and congressmen who talked to 933 workers in 31 Coachella Valley vineyards. The workers were asked which union they preferred and the vote was 795 for UFW, 80 for the Teamsters and 78 for no union.

Grower attorneys, however, said after the petition signatures were compared with employee names on company payrolls, that they were convinced that the Teamsters represented a majority of the area's workers. They began negotiations and signed contracts the day after the UFW pacts expired. Only two growers remained with UFW, explaining that they were legally bound to do so by provisions of their 1970 contracts. Before the 1973 table grape harvest was over, they would be the only two table grape growers who would remain with UFW.

There were few differences in the wages and benefits provided by the Teamster and UFW farm contracts. The one-year UFW pact provided $2.40 an hour plus a bonus for each box picked during harvest. The Teamsters' contract started at $2.30 an hour, plus bonuses, going up to $2.70 per hour during the four-year duration of the pact. Both contracts included pension plans, the first time field workers have ever had one. The Teamster contract also provided unemployment insurance coverage.

UFW officials argue, however, that the key differences are in the language of the contracts, and in the intent of the respective unions to enforce the provisions.

The Teamster contracts, they point out, allow ranchers to recruit workers through Teamster-affiliated labor contractors, the much maligned middlemen of farm labor. UFW contracts maintain the union's system of hiring halls. Teamster contracts are also not as explicit as UFW's in detailing grievance procedures or the protection of workers from harmful pesticides. In short, UFW officials argue, the workers are guaranteed more protection from the ever-exploitive grower under UFW.

Chavez called his supporters out on strike April 16, the day after the Teamsters contracts were signed in the Coachella Valley.

In June, more grape growers in the lower San Joaquin Valley also signed with the Teamsters on the grounds that the union represented the majority of the area's workers. By the end of July the Teamsters had under contract 51 growers, who had formerly been affiliated with UFW—30 in the Coachella Valley, 19 in the lower San Joaquin Valley, and two major wineries, E & J Gallo and Franzia Bros.

On July 29, the last 29 of the union's 1970 grape contracts expired without being renegotiated. They were vital contracts with the largest table grape growers in the state, all of them in the Delano area of Kern and Tulare counties, where 40 per cent of the state's table grape crop is harvested.

Days after the contracts lapsed, the Delano growers began to negotiate with the Teamsters and, more significantly, the Teamsters began to negotiate with UFW.

From the time it started, the UFW-Teamster conflict had been of concern to AFL–CIO President George Meany. Through intermediaries, AFL–CIO officials approached Teamster President Frank Fitzsimmons about the possibility of a peace settlement. These preliminary meetings led to the start of peace negotiations in August between UFW and the Teamsters at the Teamsters' western headquarters near San Francisco.

But those first meetings collapsed on Aug. 10 when Chavez received news that a lower level Teamster official had concluded contracts with the Delano area growers. Accusing the Teamsters of "a stab in the back," Chavez stalked out of the meetings and resumed the strike with renewed intensity.

Less than two weeks later the strike reached its tragic climax when two UFW members died violently within days of each other—one in a controversial barroom altercation with a Kern County deputy sheriff, another shot from a passing truck on a UFW picket line south of Bakersfield.

Nagi Daifullah Moshin, 24, was an Arab immigrant who died of head injuries suffered in a scuffle with the deputy. Juan de la Cruz, 60, allegedly was shot by a nonunion farmworker who apparently fired his rifle in a blind rage after the truck in which he rode was pelted with rocks by pickets. The two of them became UFW martyrs and their funerals drew thousands of UFW members and supporters to the San Joaquin Valley.

In the tension that followed the deaths, the UFW board of directors voted to suspend picketing activities in the valley until the U.S. Department of Justice guaranteed the safety of UFW pickets. Except in scattered locations in northern California, the picketing was not resumed.

The deaths also provided the impetus to renew the peace negotiations between the two unions, this time in Washington, D.C., with both Meany and Fitzsimmons directly involved. They reached a tentative agreement on Sept. 29.

The agreement provided that the Teamsters would rescind most of the farm labor contracts they had signed, while the UFW agreed not to seek bargaining rights in those agricultural operations where the Teamsters already had jurisdiction (i.e. the canneries and warehouses).

As a guarantee of continued peace between the two unions, which have clashed sporadically since UFW began organizing on a large scale in 1965, Meany and Fitzsimmons agreed to act as final arbiters of any disputes arising under the treaty.

The UFW also agreed to end its boycott of non-UFW lettuce, permitting the Teamsters to retain temporary control of some lettuce contracts with Salinas Valley growers. In exchange, the Teamsters agreed not to renew those contracts when they expired in 1975.

On paper, at least, the agreement appeared to be a victory for Chavez. While granting the Teamsters some concessions, Chavez and the AFL–CIO apparently won the key point by getting the Teamsters to agree to withdraw from field labor organizing.

The biggest losers were, of course, the grape growers and other Teamster ranchers who were in a position of being rebuffed by an ally and left by themselves to deal with Chavez and the AFL–CIO. Enough of them apparently balked at this prospect with sufficient vehemence to keep the Teamsters from finalizing the agreement.

Following two months of delays, in which the Teamsters never officially repudiated the agreement. Fitzsimmons told a meeting of 34 growers last Nov. 15 in San Diego that the Teamsters had decided to "keep our moral and legal commitments to the growers." The explanation offered by Teamster spokesmen was that the growers who had signed Teamster contracts were threatening to take legal action unless the Teamsters lived up to those pacts.

The announcement made little difference to Chavez who, ever suspicious of the growers and Teamsters, had said two weeks before that the Teamsters "apparently have no intention of living up to the agreement." With the Thanksgiving and December holiday season approaching, traditionally a time of heavy wine and grape sales. Chavez announced that UFW's boycott of table grapes, iceberg lettuce and Gallo and Franzia wines would proceed at full force. He said the 500 farmworkers who had been deployed to the nation's 50 largest cities on boycott duty would soon be joined by another 1,000 UFW members.

In 1970, even the most anti-UFW growers will admit today, it was the financial pressure of the first table grape boycott which led them to finally agree to negotiate with Chavez. Now Chavez is apparently convinced the same tactic will work again, and guarantee the future of his embattled union.

"The growers invited the Teamsters in," Chavez said in making his announcement, "and the Teamsters won't leave until the growers tell them to. That's why our main target has to be the growers."

WHAT PENN CENTRAL RAILROAD MEANS

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. GRAY. Mr. Speaker, we are all prone to spotlight adversity more than progress. This is particularly true of the press. The Penn Central Railroad has received brickbats because of its bankruptcy. I have been one of those who has criticized the railroad because it has meant a costly delay in starting construction on the much needed National Visitors Center at Union Station. I want to be just as objective in calling to the attention of my colleagues how much the Penn Central Transportation Co. means to the economy of Illinois during the year 1973. The railroad paid out over $45 million in wages plus another $41 million in annual purchases in Illinois last year. In addition, the industrial development department of the railroad located new industry last year with a total investment cost of $32 million and provided increased employment for 1,308 individuals. Mr. Speaker, with previous unanimous consent granted me I would like to have printed for the Record the following letter I have received from Mr. William A. Lashley, vice president for public affairs for Penn Central:

Penn Central Transportation Co.,
Philadelphia, Pa., February 18, 1974.

The Honorable Kenneth J. Gray,
U.S. House of Representatives,
Rayburn House Office Building,
Washington, D.C.

Dear Congressman: Despite the problems in the past, with which you are well acquainted, Penn Central is continuing to make a substantial contribution to the economy of the State of Illinois.

During the year 1973, Penn Central had 4,045 employees who paid state taxes on Illinois gross wages of $45,711,388. Also, annual purchases from Illinois industries amounted to $41,208,198.

In addition, our Industrial Development Department, working with various Illinois organizations, located new industries having an investment cost of $32,217,000 and providing increased employment for 1,308 individuals.

I would like to assure you that our railroad is dedicated to continuing improvement of our service and efficiency to the best of our ability.

Sincerely,

W. A. LASHLEY.

CATHOLIC SCHOOLS WEEK: AN APPRECIATION

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BRADEMAS. Mr. Speaker, I am pleased on the occasion of Catholic Schools Week, to take this opportunity to extend my congratulations to the contributions to education in the United States made by Roman Catholic schools.

Mr. Speaker, the week of February 17 to 23 is being celebrated as Catholic Schools Week by the nearly 4 million students, their parents, and teachers of America's Catholic elementary and secondary schools. These students come from every social and economic group, and their schools are located in every corner of the country.

This is the second annual observance of Catholic Schools Week, the purpose of which is to let the country know of the role in our educational system of Catholic schools. The theme for 1974, "Different Where It Counts—Message, Community, and Service," is being celebrated in many ways by the more than 10,500 Catholic elementary and secondary schools.

Mr. Speaker, although Catholic schools have experienced declining enrollments in recent years, many Catholic educators have expressed great optimism for the future of Catholic education in America. They say that in many areas Catholic school enrollments are stabilizing in a period when general enrollments are expected to decline. Parents are also accepting larger roles in the operation of these schools and in the education of their children. Innovative curricular programs and educational structures are being explored in many schools. Changes such as these, the school leaders feel, point to new forms of Catholic education and to the continuance of the services provided by these schools.

Mr. Speaker, in congratulating the Catholic school community on the occasion of Catholic Schools Week, I take this opportunity to refer to a recent survey in which Catholic educators were questioned about the future of Catholic education in America. The results of this survey appeared in an article in the National Catholic Reporter of February 8, 1974, and I include at this point in the RECORD the text of the article:

[From the National Catholic Reporter, Feb. 8, 1974]

OFFICIALS OPTIMISTIC ABOUT SCHOOLS

Despite rising costs, declining enrollment and last June's Supreme Court decision striking down government aid to nonpublic schools, Catholic education officials surveyed last week expressed, in the words of one, "realistic and intelligent hope" for the future of American Catholic schools.

The education officials were surveyed by NCR prior to the second annual Catholic Schools Week (Feb. 17–23), a promotional campaign sponsored by the U.S. Catholic Conference (USCC) and the National Catholic Educational Association (NCEA).

The chief reason for optimism, officials indicated, is a revival of support for the schools from Catholic parents.

Educators cited two main reasons for this revival. First, they said, parents are pleased with the greater involvement they have had in the operation of the schools during the past few years. This involvement has come largely from participation in the rapidly growing number of parish and diocesan board of education."

A second reason for increased parental support, officials said, is the parents' acceptance of the schools' renewed emphasis on teaching religious and ethical values.

This renewed emphasis was used as the theme for schools week: "Catholic Schools, Different Where it Counts—Message, Community and Service." "Message, community and service" are the three aspects of Catholic education emphasized by the U.S. bishops' 1972 education pastoral, *To Teach as Jesus Did*.

Other reasons for optimism cited by education officials included signs of stabilizing enrollment, improved quality of education in Catholic schools and intensive curriculum revisions.

Another development mentioned by education officials is that Catholic schools are now being treated in a broader educational perspective than in the past, following the recommendations of the bishops' education pastoral.

The pastoral, while calling Catholic schools "the best expression of the educational ministry to youth," urged greater attention to other educational needs, such as religious education of Catholic children not attending Catholic schools and religious education for adults. Figures from the USCC indicate that about 30 per cent of the diocese in the U.S. now coordinate all education affairs under one department.

While there is support for this broader approach, officials said, parents are displaying a renewed enthusiasm for Catholic schools.

"There has been a shift in the attitudes of Catholic parents over the past three or four years," according to Bishop William Borders of Orlando, Fla. Borders, chairman of the bishops' education committee, said he has found much more grassroots support for the schools during the past year. He said his experience is verified by comments he has heard from other bishops and major superiors of religious men and women.

Father Olin Murdick, secretary of education for the USCC, said "people are not giving up" on Catholic schools. Chicago Auxiliary Bishop William McManus, former chairman of the bishops' education committee and member of a past presidential panel on nonpublic education, said, "Experience is confirming the research of the panel that parents will pay any amount of money for Catholic schools if they are convinced of the value of the schools."

"There is a new determination on the part of the Catholic people that they want schools," said Father C. Albert Koob, president of the NCEA. "We never asked them if they wanted the schools before. We just provided them. Now, people want value and religious education."

Murdick said the future of the Catholic schools depends on how well they deal with four questions: clarification of goals, implementation of those goals, economics, and improvements in the decision-making process.

The main goal of Catholic education officials, after a period of emphasizing the secular benefits of Catholic schools in the losing fight for government aid, is the development of schools that make a "difference" in the character of their students.

Most eduaction officials surveyed said they were pleased with the recent report by sociologists William McCready and Father Andrew Greeley which indicated that Catholics who attended Catholic schools tended to be more "hopeful" and better adjusted than those who did not (story page 14).

McManus praised the renewed emphasis on religious values in the schools, and said he was pleased to see new curricula stressing the development of the concept of the church as "countercultural," and "the virtue of hope."

One diocesan superintendent of schools saw the return to an emphasis on religious values as resulting, in part, from the Supreme Court's aid riding.

The decision may have been "a blessing in disguise," according to Father Patrick Shanahan of the Rockville Centre (Long Island), N.Y., diocese. Shanahan said that because of the battle for government aid, "we've overemphasized the secular aspects of our education. Now we're going to stand up and teach the message of Christ."

All education officials surveyed cited curriculum reform and the use of new teaching methods as major means of implementing the goal of creating schools that make a "difference."

McManus said the goals were also being implemented by more contact between parents and teachers. He said that if values are to be taught at school, the same values must be taught at home.

He gave as an example a meeting between parents and teachers of second-graders at his own parish school: "We were teaching about 'turn the other cheek,' and the children were getting just the opposite at home. Their parents were telling them that it was manly to hit back. So we had the parents in to tell them what we were doing and to tell them that sometimes you don't hit back."

Because of this emphasis on parent-teacher contact, McManus said, the old notion of a "180-day, five-hour day school year" may be disappearing to allow more time for teachers to deal with parents.

Murdick said that the church, in trying to achieve the goals of its schools, must study the role of the parent and the lay teacher. He noted that the NCEA is making a study of several schools which are staffed completely by lay teachers.

Koob said the increase in lay teachers, now a majority in many areas, was "a sign of progress for Catholic education because it reflects the growth of lay leadership in the church."

The economic situation of Catholic schools has been hurt by the loss of government aid, inflation and rising costs, but education officials surveyed didn't seem pessimistic. Murdick said the schools are seeking support from three groups which "benefit" from the schools. The first, he said, is parents of children in the schools. The second is the local church, meaning the parish and diocese.

The third group which Murdick said benefits from Catholic schools is "the civic community," but, he added, this group is not now supporting the schools.

The prospects for large-scale aid from the "civic community," or government assistance, following the court decision, are at the lowest in 25 years, according to McManus.

McManus indicated that while government aid would be welcome, Catholic opposition to the court ruling is more concerned with the implications of the ruling's attack on "entanglements" between church and state. He said he sees the aid question as similar to the situation of civil rights for blacks 20 years ago, and that he expects a long fight before civil rights for Catholics in the case of school aid are won.

The school's economic picture has also suffered as a result of a steady decline in enrollment. The decline, McManus said, is due to the declining birth rate of the past several years, and the continued "migration" of Catholics from the cities, which have Catholic schools, to the suburbs, which have few Catholic schools.

The enrollment decline for the current year was not as large as had been expected, according to Monsignor Frank Bredweg, who maintains statistics for the NCEA. The decline, *he said*, was about the same as in recent years, five to six per cent. Dr. Edward D'Alessio, director of elementary and secondary education for the USCC, said that some dioceses are beginning to see stabilization in school enrollment.

The suburbs are important to the future of Catholic schools, according to McManus and Borders. Borders said few, if any, new Catholic schools will be built unless they are built in the suburbs, McManus said "we may regret not building in the suburbs" to follow the Catholic population.

Consolidation of schools has been one approach dioceses have tried to make the best use of their resources as enrollment declines. D'Alessio said consolidation is seen as a "local, diocesan decision."

A major concern about consolidation is the problem of keeping inner-city Catholic schools open. Borders said that the majority of students at these schools are non-Catholic, but that they must be a priority as "a part of the church's contribution to the poor." He said the large dioceses are making these schools a priority.

Murdick said church schools must be more sophisticated in their decision-making process. He praised the development of boards of education, which brings parents and other laity into the process, as the only "rational" solution. He said the boards fit in with "other developments in the church, such as pastoral planning, parish councils and diocesian pastoral councils."

Murdick said there are three types of boards of education: diocesan boards, parish boards and boards which cover private high schools or high schools serving several parish area.

Borders said almost all of the dioceses have diocesan boards of education. He said the boards in the Cinninnati, Baltimore and New Orleans archdioceses, and the Green Bay diocese, were "outstanding."

There are 9,000 parish and local boards, according to Dr. Mary Angela Harper, president of the National Association of Catholic Boards of Education, based at the NCEA in Washington. Murdick said that, in comparison, there were 2,100 boards in 1967 and 4,000 in 1968.

The 1973 *Official Catholic Directory* listed approximately 10,500 parish and private Catholic schools. This means that approximately 85 per cent of the Catholic schools in the U.S. have boards of education.

LOYALTY DAY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. KEMP. Mr. Speaker, the first day of May has, by Presidential proclamation, been set aside as Loyalty Day. In celebration of this day, the Erie County Council of the Veterans of Foreign Wars will sponsor its 25th annual loyalty day parade in Hamburg, N.Y. I am proud that Erie County VFW's have once again chosen to publicly affirm their faith in the ideals and principles upon which our great Nation was founded. In an open letter to America, the Erie County council VFW chairman, John M. Dzialoski, and Cochairman M. E. Bradfuhrer, have thoughtfully addressed the subject of loyalty. I highly commend this letter to the attention of my colleagues:

DEAR FELLOW AMERICAN: The definition of Loyalty is quite clear and simple. It becomes complicated only when someone tries to distort it with anti-American propaganda. Loyalty means the individual's fidelity and tenacious adherence to government, principle, custom and practice. It is the absence of any subversive thought or action, such as that displayed by Communist Party members and fellow travelers, who glorify the Red philosophy, and advocate treason, sedition, and even the violent over-throw of our government.

We who would choose to call ourselves Americans must remain loyal to the four basic freedoms guaranteed by our Constitution—freedom of speech, religion, press and assembly, along with the myriad other God-given blessings we take for granted in this great land. To do less would be breaking faith with the countless thousands of those who have made the supreme sacrifice throughout our country's history, in defending these precious ideals.

The first day of May each year has been set aside by Presidential Proclamation to be known as Loyalty Day, to enable us to pause and reflect on our great heritage of freedom and to renew our faith in, and loyalty to, the great ideals upon which this nation was founded.

In celebration of this great day, Erie County Council of the Veterans of Foreign Wars is sponsoring its 25th Annual Loyalty Day Parade in Hamburg, New York on Sunday, April 28, 1974 at 2 p.m.

Thank you, and thank God for America!

Sincerely,

JOHN M. DZIALOSKI,
Chairman.
M. E. BRADFUHRER,
Cochairman.

WHY SAVE FOR A RAINY DAY? CONSTITUENT ASKS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ALEXANDER. Mr. Speaker, Americans today find that our rising cost of living and inflationary economy are hopelessly unexplainable and frustrating. I wish to share with my colleagues a letter from a constituent expressing what I have discovered to be the thinking of many citizens. I find his comments most sobering. The letter follows:

JONESBORO, ARK.,
February 15, 1974.

DEAR MR. ALEXANDER: Things are going badly in this country and I thought you might be interested in some thoughts I have on the subject.

I was raised to work hard and save my money for a rainy day. All of a sudden last fall I realized that working hard was paying off but that saving money was not. Then I read a few books on economics and found out why. I receive a good salary but it now becomes questionable whether I can provide what is necessary for my family. Our standard of living will have to go down and we do not mind that too much, but 15–20% inflation over a long period of time is going to be a bit rough when considered along with a 6 or 7 percent increase in income and higher taxes.

I do not want more government services. I do not want better roads or libraries or parks or schools. I do not want prices rolled back to the levels of 1973 or 1937. I don't want lower taxes. I want something which I believe is more valuable than any of these things. I want to be able to look out for my own future and I want to be able to teach my sons the virtue of thrift. I want to be able to have a savings account which provides for my future and also provides money for my neighbors to borrow at reasonable rates in order to buy a house or a car. I do not want to have to teach my two sons that they should spend whatever is left at the end of the month on a gold coin or a genuine silver dollar or a roast to tuck away in the freezer knowing that it will cost 20% more by June. Perhaps I want too much.

RICHARD L. TANGEMAN.

EXTENSION TO STATEMENT "COLLAPSE OF HIGHRISE CONDOMINIUM UNDER CONSTRUCTION," PRINTED IN CONGRESSIONAL RECORD, NOVEMBER 16, 1973, PAGES 37546, 37547, and 37548

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, at the request of James A. Frye, and under leave to extend my remarks, I would like to insert the following article into the RECORD:

EXTENSION TO STATEMENT "COLLAPSE OF HIGHRISE CONDOMINIUM UNDER CONSTRUCTION," INSERTED IN THE CONGRESSIONAL RECORD BY HON. JOEL T. BROYHILL AND PRINTED IN THE RECORD OF NOVEMBER 16, 1973, PAGES 37546, 37547, and 37548

Purpose

The purpose of this paper is to explain in detail the following quote from my statement of November 16, 1973, page 37547 "I sincerely hope that each member of the Congress will take a stand against this enslavement by government, corruption in government, deficit spending and the general decay in the morals of our society that lead to the collapse at Skyline and will lead to many other disasters that will come in many different ways."

Introductory statement

America currently faces several critically-serious, deep-rooted problems. The problems are moral and economic, but both are interrelated. These problems have resulted from the accelerated growth in compulsory government control laws, the cost of administration thereof and the economic problems which have resulted from the problems encountered with the government control regulatory policies. These laws are arbitrarily justified on fears and needs as follows: Fear that potential dishonest men will become businessmen and take advantage of consumers and workers. And that some members of the society will not produce enough to satisfy their basic NEEDS and that the producers will not assist them voluntarily.

PART I. COMPULSORY REGULATION AND CONTROL OF THE PRODUCERS AND SELLERS OF GOODS

Compulsory control laws protect the businessmen who are weak and lack integrity. It enhances, promotes and expands the MARKET PLACE for the purchase of favorable Government actions through the contributions and payoffs to politicians and government employees. This results in great expense and sacrifice to businessmen of integrity, the labor force and the consumers.

The market value of a business is measured by its ability to make profit, therefore, reputation-"good will", is as much an assest to the business as its physical and money reserves. Therefore, businessmen must compete in the market place with honesty and excellent performance with integrity for several years to establish reputation as a financial asset. Men of integrity do not require compulsory regulation. Their efforts to establish reputation through quality products at competitive prices regulate their actions and relationships with others. What moral code of values or judgments (based on facts) do you employ to justify control (backed by the use of force-the law) over the producers and sellers of goods? Is it based on the belief or opinion that some or all men are dishonest and lack integrity? If so, then Government controls *do not* eliminate dishonest men from the market place, but merely makes their activities harder to detect or easier to cover up. Furthermore the issue of dishonesty applies to Government employees fully as much as to any other group of men. To infer superior judgment, knowledge and integrity of a government inspector or bureaucrat is equal to or greater than that of a businessman, motivated by competition for reputation, is pure "folly". And, when we analyze current American and World conditions, the deadly consequences of entrusting one with such arbitrary power becomes obvious.

The labor force and consumers suffer great expense and sacrifice from compulsory control of business as follows:

Corporate and business taxation

Corporations and business do not pay taxes, other than in the bookkeeping sense and this effort adds (on top of the taxes) to their costs which must be passed on to the consumers in the form of higher prices or passed to the wage earner in the form of lower earnings. Corporations must make profits in order to pay dividends and capital investments.

Summary

1. Protection of the consumer must come from himself, through prudence and integrity in his purchases. He must exercise the judgment of his own mind and demand quality for price or only purchase those necessitates for survival, until he can get fair treatment in the market place.

2. The worker must be free to act upon the dictates of his own mind, therefore his protection is his own self. He must be free to negotiate with his employer or voluntarily use an agent (Union or consultant of his own choice). Compulsory control or protection introduces a high risk for collusion between businessmen and government officials that result in them taking advantage of the worker, while appearing to protect him.

3. Government control of businessmen and production kills the incentive to produce and creates shortages of goods and products. This fact should be very clear today in America and throughout the World.

PART II. COMPULSORY SOCIAL SECURITY, EDUCATION AND GOVERNMENT CONTROLLED WELFARE PROGRAMS

Compulsory social security

What is the reason or judgment used to justify compulsory social security? Is it that man is irresponsible and will not provide for himself and his family? The very fact that it is compulsory backed by force, dictates that the answer to these questions are positive. And what guarantees' that the government employees who manage the individuals money, is anymore responsible than the individual workers?

The Congress made drastic changes in the actuarial methodology in 1972, when it directed Social Security Administration to use "dynamic assumptions" in figuring the soundness of the Social Security trust fund. The basic assumptions are that the cost of living will increase by 2.75% and wages 5% annually, for the next 75 years. And now, we all know that the cost of living went up 3 times the 2.75% in 1973. President Nixon signed the latest amendment to the Social Security Act on January 3, 1974. The amendment boosts benefits 11%, for a total increase of 68.5% since January 1, 1970 (compared with an estimated 24.4% rise in the cost of living). The new benefits, which take effect in two stages, 7% in March 1974 and 4% in July 1974, involve no increase in the tax rate, just a rise in the wage base from $10,800 to $13,200 in 1974. Yet these benefits go to 29.3 million retirees, who have stopped contributing to the system, and others who will retire soon.

According to the Congressional Record and Newspaper articles, current members of the Congress have doubts concerning the morality and stability of the compulsory social security system. I offer the following quotes for your judgment and consideration.

"While the present actuarial soundness of the system is questionable at best, the ratio of assets to the following years benefit payment, currently under 80%, will decline to 62% under the new methodology." In the house debate—Representative Joel T. Broyhill.

"The entire Social Security System is in danger of collapsing. I do not think it can withstand the type of abuses we are heaping on it today." To the senate—Senator Barry Goldwater.

"Dynamic assumptions made it possible for Congress to increase benefits 20% in 1972 without raising Social Security taxes." Minority views filed by Representative Bill Archer.

Social Security's greatest injustice is to young workers. "It is crucifying them."—Senator Carl T. Curtis.

"Any individual should be able to get back from the Social Security System as much as or more than he puts in, since this is the basic concept behind insurance. . . . (otherwise) we can find ourselves in a devastating situation where the worker will not support the Social Security Program". to the House—Representative Don Clausen

"One of my colleagues on the Committee stated the other day that he felt we might be on the verge of a wage earners' revolt". Comment by—Representative Joel T. Broyhill

"If we can somehow bring inflation under control, then our problems with Social Security will also be brought under control". Comment by—Senator Jesse A. Helms

However, based on the efforts to bring inflation under control during the past 8 to 10 years, there is little, if any, hope that the inflation managers will do anything about the increasing inflation rate, without causing a major depression.

Compulsory education

Should education be compulsory and tax-supported as it is today? Should the government be permitted to remove children forcibly from their homes, with or without the parents' consent, and subject the children to educational training and procedures of which the parents may or may not approve? If the answers to these questions are yes, then here again, the justification must be based on the assumption that man is irresponsible and will not provide for the children he produces.

Public education during the past 20 years has become a big money industry, with a strong big money lobby and regulations which have placed a heavy burden on the tax-payer and added tremendously to the increase in public debt.

In our efforts to educate the masses, we have created a system that gives little if any regard to the individual needs of the child. And all the children are individuals, raised in different environments, have individual minds and interests of their own. Systems and educators cannot ignore these facts, without serious consequences.

Isn't it time we evaluate the effects of these changes on our children and the increasing debt? Someone better analyze this problem and resolve it, *before it is too late.*

Government controlled welfare programs

I call to your attention the expenditures (not including the social security benefit payments) of the U.S. Health, Education and Welfare Department.

Year	*Non-soc. security expenditures (billions)*	*Percent of increases for 3 years*
1970	$29.0	
1971	34.5	
1972	38.6	49.6
1973	47.4	

Source: 1. Office of Research and Statistics, Social Security Administration-Department of Health, Education and Welfare

2. Treasury Department. each year ends June 30 (data preliminary)

Published in "THE WORLD ALMANAC and book of facts" 1972 and 1974 editions.

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The above expenditures do not include State, Local and other Federal expenditures for welfare which are increasing more rapidly than Federal expenditures (Figure 2, page 7, State and Local Debt).

Conclusions

Welfare cost are increasing at a tremendously rapid pace. Based on current minimum wage levels, often times it is more advantageous to join the welfare rolls, rather than work for or below the minimum wage rate. In 1973, a Congressional bill to raise the minimum wage to $2.20 an hour by July 1, 1974 was vetoed. This action is in contradiction to the poverty levels as established by several government agencies.

Laws that favor one man or group of men at the expense or sacrifice of another man or group of men are self destructive. It may appear to work through the use of force, but it is temporary *for you cannot control the minds of men and it is evil to try and do so.* The sure way to promote evil is to take from a man by force that which he produced by the rational use of his own mind and not through the use of force or at the expense or sacrifice of another man and give it to one who did nothing to produce it. These laws promote the value code "FROM EACH ACCORDING TO HIS ABILITY—TO EACH ACCORDING TO HIS NEEDS". Under this value code eventually everyone is creating NEEDS and there are no producers for the Government to control by force and, therefore nothing to distribute to satisfy the NEEDS.

These big increases in government expenditures are a heavy burden on current and future tax payers.

PART III. DEFICIT SPENDING

Government deficit spending is a mortgage on production that does not exist, backed by government control—the use of force against those who are expected to produce it. The fiat paper money (printed as a result of deficit spending) is like a check written upon an account which does not exist. The day is drawing near when these checks will no longer be honored and chaos will be the end result.

Government control of business and the production of the individual kills the incentive and initiative to produce and creates shortages of goods and products. This is very clear today in America and throughout the world. As a matter of fact the only thing that is plentiful and in overabundance today is debt. And this has resulted from the practice of an immoral economic policy in America for the past forty years. The greatest evil or sin a generation of people commit is to pass the debt of "folly credit" on to the next generation. The young people of today and their children must look forward to the re-payment of an enormous debt heaped upon it by the current generation. *The Congress and the People better wake up, "and now", to what is taking place and restore the economic policy to a moral base.* Time is running out, as a matter of fact it might be too late now. The Government tells the people of the enormous gross national product, yet any economic "common sense" dictates, that its not the gross that counts. . . . Its the net. If our economic policy is sound and moral . . . then why can't we live within our net and dis-continue the tremendous increase in the debt (federal, state, county, municipal and private) every year.

As a matter of moral ethics, we have an obligation to the creditors, the children and future children to repay the current debt now. America and the World are living on borrowed time . . . debt always has to be liquidated, one way or the other. America has practiced Keynesian "push-pull" Government control, deficit spending economics for the past forty years. We have increased our money supply, to the point, that it has overflowed into countries which have a much smaller money supply than ours, and have generally created an economic crisis throughout the World. John Maynard Keynes when pressed for moral justification of his economic theories would only answer, *"what difference does it make about the debt . . . in the end we are all dead anyway", but this is not true . . . there is the next generation and the generation after it, and more to come.* Eventually someone has to pay.

The continuing increase in the debt has created problems in the management of it. In our efforts to manage the debt, we have created Governmental Regulatory Control Agencies (at the federal, state and local levels of government) which have resulted in the perpetuation of the problem, therefore, we go from one crisis to another.

PART IV. CONCLUSIONS

For many years we have recognized the problems but have failed to recognize the cause. The problems have been compounded by the people calling for more Government controls and the Congress and the Executive branches of the Government have responded to the demands of the masses. I sincerely hope that enough of the people and the Congress will use their individual minds and think past "desire" and thoroughly analyze consequences and end results before a "complete collapse and a madness takes place in the streets and buildings of the cities and the suburbs".

The Congress should thoroughly analyze the "so called" energy crisis before it acts hastly and further compounds the problem. What about the current debt?, the rapid increase in the money supply?, the rapid increase in the cost of food and other necessitates? And what about the non-convertibility which is a necessitate for foreign trade—we are in a trade war, believe it or not . . . which, if not solved soon, will lead to a world war or world depression or both. . . . Men of vision are fleeing out of paper fiat money—Just look and analyze the money markets? The energy crisis is just a result of current and past economic policies and government controls.

What can the government and the people expect to gain by coercive threats of control by force upon the men who have produced and must continue to produce the oil and other natural resources necessary for the energy markets? Where will the energy come from when you destroy the incentive and initiative of the men who produce the energy?

Another fact of economic control is as follows: When you control prices, especially during a runaway inflation, the end result is that you curb production and availability of goods and prices move up faster. "Men nor Governments cannot con the forces of a free market". This has been proven again and again throughout the history of man.

In conclusion, I recall the words of two great Americans of the past. . . .

"You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help the wage earner by pulling down the wage payer. You cannot further the brotherhood of man by encouraging class hatred. You cannot help the poor by destroying the rich. You cannot keep out of trouble by spending more than you earn. You cannot build character and courage by taking away man's initiative and independence. You cannot help men permanently by doing for them what they could and should do for themselves".—Abraham Lincoln

"Mr. President, it is natural to man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth and listen to the song of that siren, 'til she transforms us into beasts . . . Are we disposed to be of the number of those who, having eyes, see not, and having ears, hear not the things which so nearly concern their temporal salvation? For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth; to know the worst and to provide for it." Patrick Henry, Liberty or Death speech, Convention of Delegates, March 28, 1775.

In a final conclusion, I paraphase, somewhat, these two great Americans and offer to you my own words.

"My eyes are open, and I can see, my ears are open, and I can hear . . . for now I know the painful truth, the death of my son, MICHAEL, resulted from a Government Controlled-Political Corrupt society, and those directly responsible have not shown nor displayed any remorse for their great injustice to MICHAEL, his family or the future of America. How many, before and after, MICHAEL must die . . . before American eyes and ears are opened, so their minds can know this terrible truth and provide for its resolution. Let us all resolve 'to open our minds' to the truth and dedicate ourselves to the resolution, that MICHAEL and all the others shall not have died in vain." James H. Frye.

TO INSURE THAT IRS MAKES PROMPT REFUNDS AND PAYS PROPER INTEREST

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. SIKES. Mr. Speaker, I have joined in cosponsoring a bill which would require the Internal Revenue Service to pay refunds within 30 days to those who file their income tax returns prior to March 1 or pay interest on any refund due a taxpayer.

Under present law, the IRS has until June 1 to pay a tax refund regardless of when the tax return is filed. After June 1, the IRS is required to pay 6 percent interest if the refund has not been paid by that date.

The bill I have cosponsored would encourage taxpayers to file tax returns early and it would encourage IRS to make refunds early. Taxpayers are properly impatient when they file their returns very early in the year and then find themselves waiting by the mailbox for days and weeks until the refund comes. Those who file early should be able to have their returns processed at once and refunds paid promptly.

This bill also would enact a safeguard to the taxpayer against the possibility IRS would, in error, pay him a refund when none is due. Under present law, IRS can and does, frequently erroneously, pay a taxpayer a refund. The taxpayer, thinking the refund is properly his, will cash the check. Not until later does he learn that IRS made an error and that he owes the Government, not only the amount of the refund, but interest on the refund. This is wrong.

This bill would require IRS to state in writing why a refund is being made and why that refund is being paid in an amount different from the taxpayers figures. With this information, the taxpayer will be able to judge whether or not IRS is at error. This warning will enable him to contact IRS before cashing the check, thus avoiding paying interest on a government mistake.

I believe these provisions of this bill will help protect the taxpayer from having to pay for someone else's errors and it will give him his proper tax refund at the earliest possible moment.

NOTICE OF HEARINGS ON H.R. 188, H.R. 9783, H.R. 12574 AND H.R. 12575

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. EDWARDS of California. Mr. Speaker, I wish to announce that the Subcommittee on Civil Rights and Constitutional Rights of the House Committee on the Judiciary will hold hearings on H.R. 188, H.R. 9783, H.R. 12574, and H.R. 12575, bills to protect the constitutional rights and privacy of individuals in the dissemination of criminal justice information.

My subcommittee began work in this area more than 2 years ago, and I am well aware of the urgent need for legislation in this area. Hopefully, from these hearings the necessary legislation will emerge.

Thus, hearings on this vital subject matter will commence on February 26, 1974, at 10 a.m., in room 2141 of the Rayburn House Office Building. Attorney General William B. Saxbe has been invited to testify on this date.

Additional hearings will be held at which time we will receive testimony from: FBI Director Clarence Kelley; Donald Santarelli, Administrator of LEAA, Department of Justice; and O. J. Hawkins, Director, Project Search.

Those wishing to testify or to submit statements for the record should address their request to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

NEVADA WINNER IN ESSAY CONTEST

HON. DAVID TOWELL

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. TOWELL of Nevada. Mr. Speaker, I am pleased to insert into the Record a speech made by Miss Wende J. Wilkins of Zephyr Cove, Nev., in the Veterans of Foreign Wars Voice of Democracy Contest. Miss Wilkins' speech is the winning entry for the State of Nevada:

My Responsibility as a Citizen

(By Wende J. Wilkins)

A few years ago a construction worker, fighting his way home on the Los Angeles freeway, noticed a Cadillac pulled off on the side with the hood raised and a lone woman standing beside it. The man passed, but suddenly on an impulse he pulled off the freeway and backed up. Tears of relief filled her eyes when he agreed to drive the woman to the hospital. The next week when a new color television set was delivered to him, the construction worker protested because he had neither ordered nor could afford one, but the delivery men suggested he read the attached note: "Thank you for giving me a few minutes of your life, so I could be with my husband the last minutes of his life." It was signed, Mrs. Nat King Cole.

Here is the sense of responsibility that I profess. Shakespeare said it, too, when he wrote: "To thine own self be true and thou canst not then be false to any man."

My task can be put briefly and simply: It is to clarify the principles I really mean to live by and then live by them. This task, my responsibility as a citizen, can be summed up in one word—integrity. Four aspects of my responsibility are to accept my obligations, to live by my standards, to love my fellow citizens, and to believe in my country.

Accepting my obligations includes my responsibility to enrich my mind to its fullest by remaining well-informed and by educating my self to my best ability. Growing as a good citizen is creating a responsible adult.

Living by my standards requires the personal qualities of moral strength to establish and strive for my own goals. Developing a strong character entails more than just living by my personal values; it is also the ability to make the right choice.

Loving my neighbor is an attitude of respect for the opinions and lifestyles of my contemporaries. To respect my fellow men, I must first respect myself. By concentrating on correcting my own faults, rather than those of others, by maintaining a charitable attitude toward all, and by assessing and understanding the needs of friends, I am better able to assist in my community and to work successfully with my fellow man.

Believing in the government revolves around the principles of keeping abreast of the issues on all levels, comprehending facts, and serving my country as a voter to create a better country, a nation to be proud of and in which to believe.

Integrity—maintaining my obligations, living by my personal goals, loving my neighbors, and believing in my country—my responsibility.

What I have been saying is that my responsibility as a citizen all boils down to being a worthwhile person. I may not end our nation's problems; I don't expect to; but I can begin, and we all must begin somewhere.

CAREY OF NEW YORK DISCUSSES HEMOPHILIA LEGISLATION

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ROGERS. Mr. Speaker, the House Public Health and Environment Subcommittee, which I have the honor of chairing, will be conducting hearings this year on the development of a national blood policy—a policy that will be designed to facilitate the more complete and efficient utilization of this extremely vital national resource.

Fascination with developing a responsible and responsive oil production, pricing, taxing, and allocation policy seems to be pervasive today. Certainly focusing our attention and efforts on establishing a national policy to collect, process, and distribute our very life's blood, deserves the most serious and careful consideration of the Congress and the Nation.

During committee deliberations on this policy we will be receiving testimony from congressional and other witnesses, who are particularly concerned with providing hemophiliacs with chemical therapy—self-administered treatment that permits hemophiliacs to live productive and virtually normal lives.

Certain features of hemophilia legislation introduced by Representative Carey, and other Members, could very well be of substantial assistance to the committee in visualizing a treatment and distribution structure that could be applied to making operational a national blood program and policy.

Mr. Speaker, on January 21 of this year, Representative Carey addressed a symposium sponsored by the National Hemophilia Foundation. Mr. Carey's remarks contribute to the national discussion I believe essential in eliciting public and professional interest, comment and commitment in developing this vitally needed national blood policy. I commend Representative Carey's remarks to the House and include them in the Record at this point:

Straighten the Child Before He Is Bent

I read those words the same day on which I visited with Andrew, Stephen, Suzanna, and Mr. and Mrs. Thorne. They joined me for lunch in the Capitol in mid-November of last year—the same day, incidentally, on which I introduced H.R. 11479, the House companion bill to Senator Williams "Hemophilia Act of 1973". I trust that Dr. Gilbert, your distinguished medical director, forgives me if I use his poignant words as the *leitmotif* of my remarks to you this evening.

This audience represents not only the vanguard of our Nation's fight against the needless pain, and crippling of hemophilia; you represent, in many ways, the very best America boasts in the fields to which you have devoted your professional lives—whether in medicine, industry, banking, communications, administration, government, education, and enlightened philanthropy. Indeed, all of you here tonight are philanthropists in the very root meaning of that composite Greek work, meaning love of one's fellow man.

But, I just remembered I'm one of your trustees-at-large, so perhaps I should cut short this tribute to *us*, for fear of having this talk termed political.

But, indeed, in a very real sense this talk is meant to be political. We are discussing, quite frankly, *the politics of hemophilia*—the politics of suffering children, broken homes, shattered futures, hopes unrealized, despair personified—and how to bring them to an end.

Our political cause is one in which we permanently remove our charges from that category, and erase from their lives the refrain, "for of all sad words of tongue or pen, the saddest are these: 'it might have been.' "

First let's discuss the politics of the National Hemophilia Act, the legislation introduced by Senator Williams and myself. Hearings have been held on this specific legislation by the Senate health subcommittee. Many of you here tonight were present, testified, and observed the welcoming and optimistic atmosphere. Your statements were realistic, to the point, and progressive. I've read them all carefully, and seldom have I ever studied a body of inter-related testimony on one subject so well organized, delivered by the most appropriate witness, and meshed with particulars of the legislation under discussion. You hit all the points, produced your evidence and case histories, outlined the practicality and, indeed, necessity of the treatment center concept, and wound it all up with self-infusion demonstrations that showed clearly and unequivocally that preventive treatment with factor VIII is medical, humane, and economic common sense.

Further hearings before this same subcommittee are planned in the near future. I understand that the administration would like to testify, along with certain representatives of the pharmaceutical industry. Senate action on this bill could depend on the administration's attitude, and with their previous track-record in withholding funds in this and other vital health care and research areas, I hesitate to place much stock in anything positive or even neutral the administration says. I'll be surprised if we receive support and commitment. Frankly, I don't count on any. And incidentally, let me separate the sheep from the goats here.

When I speak critically of administration spokesmen in health, I do not mean the dedicated and talented men and women at N.I.H.—you who are working under very difficult administrative and budget constraints to continue the vital research and program efforts that have made the public health service and the National Institutes of Health what John Gardner called the "jewels" in the crown of H.E.W. I know what is going on out at N.I.H. I go there week in and week out for my wife, Helen's, chemotherapy treatments for cancer.

In the Congress I have spoken out on the floor, and before committees during hearings, against this administration's health care policy of "no-care" and this administration's health research policy of bold words and promises, followed by behind-the-scenes debacle. But I know the good those below the secretarial level are trying to achieve—with some success.

Here this evening are some of the magnificent health professionals from N.I.H. Keep up the good work! We in Congress are continuing the fight. And we have been able to continue funding for many vital programs like M.I.C. Pry funds loose for some new ones like H.M.O.'s, and make clear to the administration policy makers that they are unworthy of the name.

I understand how Dr. Sherman the Deputy Director of N.I.H. could resign in disgust; but urge you remaining at N.I.H. to please stick it our for all our sakes. I have a feeling that something good for health programs will be happening sometime between now and inauguration day, January 20, 1977.

Hopefully, even before that date, the Congress can turn from heading-off Mr. Weinberger's latest depredation, and devote more time to helping develop and pass into law, new health care and research programs and making those programs we have increasingly effective and efficient.

The legislative picture in the House is also somewhat unclear. The National Hemophilia Act has been introduced now by a total of eight Members. Hearings have not yet been scheduled by Congressman Roger's Subcommittee on Public Health & Environment. The subcommittee will continue hearings on national health insurance in these next several weeks. During these hearings I hope to present testimony urging the inclusion of hemophilia coverage in whatever plan both this committee and my own committee on Ways & Means devise. Exactly what the President is thinking with regard to national health care will be presented during the upcoming state of the Union message on Tuesday, January 29th.

I am hopeful that the Health Subcommittee in the House will not wait until final Senate consideration of the bill before scheduling hearings. Chairman Rogers has indicated he will hold hearings on a national blood policy this year, during which he would receive testimony on hemophilia legislation introduced by myself and other Members.

Right now, frankly, any kind of specific prognostication on when hearings may be held, and on what subjects, is difficult. Administration plans for both a blood policy and a national health care system have been promised again and again and have not been forthcoming. I hope that we will get a preview of the administration's health care proposals. I also hope that the policy-makers meeting now on a blood policy do come up with some contributions in this vital area. But if not, the Congress can and shall move ahead. Clearly, whatever Federal leadership and recent program progress we have seen in the health care and research fields, have come from the Congress—and we shall continue with or without the cooperation of the administration.

That is the scheduling and political picture right now with regard to both hemophilia legislation and national health care. It's vague at best. But the uncertain political picture here should not deter us from pushing ahead as firmly and as effectively as we can. We can work and lobby for hearings in the House. We can urge timely Senate consideration of S. 1326. We can and must remain active in this effort.

Certainly a symposium of this stature, with such distinguished participants, servers to refocus public and congressional attention on this, our political cause. Meetings in Washington; to which you invite Health Care leaders in the Congress, can also serve as effective vehicles to get our message across. Surely, men like Doctor Tim Lee Carter and Doctor William Roy, both members of the Rogers' health subcommittee, can be enlisted in this cause—to very good effect.

This can be done. You have chapters in both their States, and have treatment centers in cities directly adjoining their congressional districts.

The best way to dramatize the problems of the disease itself is to have hemophiliacs give public witness. The best way to personalize politics is to have a respected constituent plead our case to key health care leaders in Congress. Find out who can best discuss support for the bill with these leaders. Get them to Washington, or have them meet with Congressmen when Members return to their districts. Most of us do so at least twice a month, on weekends, or during short recesses.

Getting the bill passed in the Senate will, quite frankly, be somewhat easier than in the House. But you need both and you need both this year, if we hope to have this act in operation by 1975.

The health care legislative picture is admittedly murky, but we are one organization that has a sensible, workable bill before the Congress. We know what is needed and we have it within our grasp. Let the National Hemophilia Foundation show the administration what can be done in securing health care legislation. Let the operation of the centers we envision provide both a means of alleviating the needless suffering and twisting of our children, and a demonstration of how comprehensive health care can be provided—a prototype of the structures we need and must have in order to see not only hemophiliacs receive the care which is their right; but to see that all Americans enjoy their common birthright of healthy and productive lives.

UPPER ECHELON PAYRAISES SLATED

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. DERWINSKI. Mr. Speaker, numerous Members of the House have addressed the subject of salary increases for Federal judges, upper echelon, certain bureaucrats, and executive branch officials, and Members of Congress.

Recent press reports on this subject have concentrated upon the congressional aspect of the payraise, creating the impression that the Congress is eager to see this proposal pass. On the contrary, the pressures have come from the Federal judiciary and spokesmen from the bureaucracy. To demonstrate this point, I conclude my remarks with a letter from a group of U.S. District Court judges which is a good example of the communications that we have received from the Federal judiciary.

The letter follows:

Upper Echelon Payraises Slated

Federal judges, now slated (along with members of Congress and others) for a 7.5% pay increase in each of three successive years, have had no increases in five years. Anyone who deserves to be on the bench in this area could earn at least three or four times his current salary in private practice. While it is not suggested that judicial salaries should be comparable, the modest adjustment now proposed (still leaving us below the earnings of junior partners in law firms) seems minimal.

In these circumstances, we, the undersigned district judges, respectfully suggest that those opposing the increase do not adequately appreciate the problem as it affects the judges of the lower federal courts. If members of the Congress mean this opposition for themselves alone, the position may be different. As to judges, however, whose freedom to earn extra money is (as it should be) sharply circumscribed, there is no justification whatever for withholding the long overdue adjustment. Salaries of judges have been frozen at 1969 levels while most federal employees have enjoyed cost-of-living increases almost annually with the result that their current compensation is approximately 30% above 1969 rates.

We take the liberty of urging, earnestly and respectfully, that you resist the efforts to veto the increase as it applies to judges.

Very truly yours,

——, ——.

CITIZENSHIP RESPONSIBILITY

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. TAYLOR of Missouri. Mr. Speaker, the 1973–74 annual Veterans of Foreign Wars "Voice of Democracy Contest" in Missouri was won by a constituent of mine, Miss Sarah Seay, a student at Lebanon High School in Lebanon, Mo.

I was particularly impressed with Miss Seay's admonition to all citizens; live up to citizenship responsibilities instead of just sliding through.

I am delighted to offer Miss Seay's speech for the consideration of my colleagues. Her winning speech follows:

Rights for Responsibilities

Citizenship is the relation between me and the people in my home, community, nation, and world. I owe my fellow citizens allegiance in return for protection and the other advantages and privileges which come from living with them. We exchange responsibilities for rights, loyalty for liberty. For instance, I have the right to vote, and at the same time the responsibility of registering and voting. I have the right to a free education in the public schools but also the responsibility of doing my best to learn. Citizens have the right to fire and police protection and the responsibility of supporting these services by paying taxes.

Citizenship is a two-way proposition. It may apply in any group, large or small. Each of us is a citizen of our home, school, church, community, nation, and the world. With each of these we exchange responsibilities for rights, obligations for privileges.

Responsible citizenship includes more than just believing in the same ideals or principles. It is more a case of doing, putting our ideals into practice.

As an example of this I'd like to introduce you to Mr. Model Citizen. He may seem a bit extraordinary, but good citizenship, practiced every day, becomes a habit, an attitude.

Mr. Citizen obeys the law himself and helps enforce it by reporting violations. A man who hunts out of season or dumps trash along the highway is undermining the democratic idea that ordinary citizens are intelligent enough to govern themselves.

Mr. Citizen pays taxes honestly to his government, or fees to his organization, and watches whether these funds are spent wisely or not. He makes himself self-supporting to the limit of his ability. He contributes work as well as money to his home, church, and other groups to which he belongs.

Mr. Citizen protects public property and conserves natural resources, realizing that conservation mean wise use as well as saving.

Mr. Citizen gets along with other people. He keeps an open mind, considering the minority opinion on a question carefully and cooperating with the majority opinion, once it is decided upon.

Mr. Citizen "promotes the general welfare" through participation in civic, welfare, and religious groups. If every citizen would do his share in community projects, we could avoid inefficiency due to a few people doing everything.

Mr. Citizen supports the judicial system by serving on a jury when called. Not only does he vote in elections, but he votes intelligently by informing himself on issues and on the duties of the office and the qualifications of the candidate, whether the ballot is for city councilman or President.

Mr. Citizen volunteers for office when he feels he is capable of fulfilling the duties entailed; and, if elected, he serves in as full a capacity as possible. He makes constructive criticism of public affairs, avoiding idle criticisms that don't suggest any improvements.

Here it might be wise to insert a word of caution to today's Mr. Citizen. With so many avenues of participation open to us, we tend to over-involve and over-burden ourselves. Thus, instead of living up to our responsibilities, we end up sliding through them. The citizen of today and tomorrow must restrict himself to quality participation so that the standards of democracy will remain unyielding and high.

Most of all, Mr. Citizen and all responsible citizens of the world works for peace among nations and faces the future with courage and confidence in himself and his nation.

PANAMA CANAL—PART II: THE THOMSON-URRUTIA TREATY

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. MURPHY of New York. Mr. Speaker, on February 7, 1974, I spoke to some of the major issues confronting the United States in its current relations with the Republic of Panama. With such a complicated subject, it is impossible to cover all aspects of the problem in one floor statement and I intend, in the weeks ahead, to point to more of the issues that must be taken into consideration by our Government as it wrestles with the prospect of handling an increasingly militant and demanding military regime in Panama.

An issue neglected in my February 7 speech revolves around the treaties the United States has that involve the Panama Canal other than the 1903 Hay-Bunau-Varila Treaty. I did mention the Hay-Pauncefote Treaty of 1901 under which the United States undertook to construct and operate the canal, and which has been accepted by all nations that use it.

Members will recall that under the Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for operation, regulation, and management of the canal.

The resolution I introduced on the 7th, which is in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama contained a reference to another important treaty—the Thomson-Urrutia Treaty of April 6, 1914. The pertinent portion of the resolution reads:

The Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922 between the Republic of Colombia and the United States, under which the Republic of Colombia recognized that the title to the Canal and the Panama Railroad is vested "entirely and absolutely" in the United States which treaty granted important rights in the use of the Canal and Railroad to Columbia . . .

Now, I have not heard much about this treaty from the elements in the United States who are trying to steamroll the executive branch and the Congress into giving the Panama Canal and the Canal Zone away.

Perhaps they do not even know about it.

I suspect if they do, they do not even care.

In any event, if the members of this conspiracy are so concerned about "justice" as it relates to United States-Latin American relations, why are they not concerned about justice being done to Colombia, as equally as they profess to be concerned that justice be meted out to Panama?

The answer is obvious.

The real concern of these people is not justice for the Panamanians, but the wresting of the Panama Canal from the control of the United States of America— and law and justice in this case be damned.

Happily, there is one group—in addition to those of us in Congress who have bothered to review all of our treaty obligations—that has finally spoken out for the rights of the Colombians.

It is the Republic of Colombia.

And so I insert, at this point in the RECORD, for the enlightenment of those who are aware of the treaty, for the education of those who are not, and for the irritation of the canal giveaway "conspirators" who do not care, a UPI wire story out of Bogota, Colombia, which appeared in the February 13, Miami Herald entitled "Must United States-Panama Treaty Consider Colombia?":

MUST UNITED STATES-PANAMA TREATY CONSIDER COLOMBIA?

BOGOTA, COLOMBIA.—Colombian experts in international law contend that any new Panama Canal treaty between the United States and Panama will be illegal if it doesn't take into account Colombia's Canal rights.

The legal experts, many of them present or former government officials have urged the Colombian administration to lodge a formal protest with U.S. Secretary of State Henry A. Kissinger at the Western Hemisphere foreign ministers meeting in Mexico City that starts Feb. 21.

In a declaration of principles Kissinger last week signed in Panama City, the United States promised to turn the canal and the rights to charge tolls over to Panama eventually.

Colombia, however, enjoys permanent free passage through the canal and free transport on the Panamanian railroad passing through the Canal Zone under a separate treaty—the Urrutia-Thompson treaty—with the United States signed in 1914.

Construction of the Panama Canal began early in the 20th century when Panama was not yet an independent country. The area was then part of Colombia.

A former Colombian foreign minister said that Colombia will not be "judicially or morally" bound by any new U.S.-Panama Canal treaty which does not recognize Colombian rights to Canal passage.

Diego Uribe Vargas, a Colombian international law professor, said, "The United States cannot give away what does not belong to it."

Carlos Holguin, former Colombian ambassador to the Organization of American States, said Colombia's position is "perfectly clear because it has a perfect treaty with the United States, ratified by both countries, which is an obligatory norm under international law and gives Colombia rights which are not limited by time.

"Colombia has repeatedly expressed its opinion that Colombian rights must be taken into account in any negotiations between the United States and Panama," Holguin said.

AMERICA, HOME AND COUNTRY

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BRAY. Mr. Speaker, today, when we hear the complaint that our youth are forgetting our great heritage as Americans, it was most refreshing to visit the Immaculate Heart of Mary School in Indianapolis on Monday, February 18 when the Exchange Club of Indianapolis presented the Freedom Shrine to the school.

I had the honor of presenting the awards for the winning speeches given by these eighth grade pupils, entitled: "America, Home and Country."

The attitude and bearing of these pupils was in inspiring sight. I include in the RECORD the speeches given by Kristin Miller who won first place and John Dillon who won second place:

AMERICA, HOME AND COUNTRY

(By Kristen Miller)

America as a country is quite a place to live. It's a great country. An English visitor when asked what she thought of America replied, "Super."

What are the reasons for this? The Declaration of Independence, the Constitution and the Bill of Rights have a lot to do with it. After all, we needed something to base our country on and these were the best efforts of the best men of our young country.

These are important documents. They all give us, the people, rights and liberty in this country. They keep us from the hazards of a dictatorship or a monarchy. They explain our democratic government.

But documents can't make and run a country. That's where the people come in. They make a country what it is and what it isn't, in the way of ecology, wealth, industry and government.

After all, "a people depend on their country and a country depends on its people."

Now I would like to express my thoughts in an original poem entitled, "America, My Home and My Country":

"AMERICA, MY HOME AND MY COUNTRY"

I want to see ink on my fingers
I want to have writers cramps in every knuckle.

I want to hear the presses rolling
I want to close my eyes and see well informed people and to say I helped make this home of mine a great country.

I want smell the sweet, wet earth
I want to feel the sweat running down my face
I want to have blisters on every finger.
I want to feel the hard kernels of corn in my hands.

I want to close my eyes and see well fed
people and to say,
I helped make this home of mine a great
country.

AMERICA, HOME AND COUNTRY

(By John Dillon, Second Place)

America the land of plenty. Endless forests for wood. Sparkling lakes for fish. Rich ground for crops. This is America. No, this was America.

This was the America my father and his father studied in their history books. Our class is not so sure it is endless.

The forests have been cut. The lakes are polluted. The land once used for farms now is covered with houses.

We now talk not of the land of plenty, but the land of shortages! Shortages of gasoline. Shortages of oil. Shortages of wheat.

I want our country to become the land of plenty again. Is this possible? I say it is.

We must plant new forests. We must clean up our lakes. We must save our food.

I prefer sending our wheat to Indianapolis, not to Russia. Our first duty is to our home, America. We have tried too long to solve the problems of the world. In doing this we have neglected the problems of our homes.

America will soon celebrate its two hundredth birthday. I think we should have a new "Spirit of 76." The Spirit of 1976, for America, for home, for country.

ACCEPTING A BIT OF UNPOPULARITY

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. DEL CLAWSON. Mr. Speaker, the Washington Star-News of February 18 contained a column by Mr. James J. Kilpatrick dealing with an issue of vital importance to U.S. security. As always, Mr. Kilpatrick approaches the problem with sound commonsense. At this point in the RECORD, I commend the editorial to the attention of my colleagues:

ACCEPTING A BIT OF UNPOPULARITY

(By James J. Kilpatrick)

Formal negotiations will get under way in the next few weeks or months between the United States and Panama, looking to the drafting of a new treaty that would put an end to U.S. possession and control of the Panama Canal. By the end of this year, a State Department spokesman has said, an agreement should be ready to present to the Senate.

But if the Nixon administration succeeds in marching this treaty to ratification, it will be over the dead body, metaphorically speaking, of Pennsylvania, Congressman Daniel J. Flood. The gentleman from Wilkes-Barre has been sounding Catonian warnings on this matter for the last 15 years. He has a couple of hundred allies in the House and a substantial number of senators who agree with his view: Abrogation of the treaty of 1903 would be folly.

In my own view, Flood and his cohort are precisely right. A dozen sound reasons can be advanced for leaving the treaty undisturbed. The only argument in favor of abrogation was put forward by Sen. Edward Kennedy in a recent speech. The present treaty, he said, has embittered our relations with Panama and been an affront to every developing nation around the world. Kennedy describes the treaty of 1903 as "an embarrassing anachronism."

The senator embarrasses easily. Under the treaty of 1903, by which the United States acquired rights "in perpetuity" to the Canal Zone, our nation has poured billions of dollars into Panama. Since the canal was opened to traffic in 1914, it has been operated and maintained with scrupulous fidelity as an international waterway, freely available to the ships of the world. Doubtless a new treaty would have some advantage for Panama. What possible advantage would it have for us?

The eight principles that would underlie a new treaty were set forward in the agreement signed in Panama Feb. 7 by Secretary Kissinger. These begin with outright abrogation of the 1903 treaty. The concept of perpetuity would be eliminated. At the end of some fixed period of years, all United States jurisdiction would be terminated, and Panama would assume total responsibility for operation of the canal. Meanwhile, Panama would participate in administration of the canal, and the United States now and hereafter would continue to pay the expenses of maintenance and operation.

These are principles—for what? In Flood's view, they spell sellout and surrender. In return for its enormous investment, the United States gets nothing. In place of the canal's stable and orderly administration over these past 60 years, the United States wins the prospect of Communist domination.

To be sure, if the proposed new treaty were ratified, Panama no longer would be embarrassed. That is delightful, is it not? The people of Panama would be happy. Their leftist dictatorship would be pleased. The Soviet Union, now the first naval power in the world, would be ecstatic. But how in the name of common sense did these felicitous objectives come to policies of the Nixon administration?

Great powers, if they would remain great powers, have to accept a measure of unpopularity. They cannot survive as everybody's chum. Senator Kennedy imagines that in today's world "nations relate to each other on a basis of equality." It is not so. Such equality may exist in the kindergartens of the United Nations, where everyone plays make-believe, but it is no part of the real world.

It seems highly unlikely that two-thirds of the Senate could be mustered to consent to a treaty of sellout. The House itself may have to be reckoned with; it shares with the Senate the power "to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

It will be some time before the canal changes hands. Meanwhile, suppose we look to the canal's defenses and keep the old powder dry.

LITHUANIAN INDEPENDENCE DAY

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. GRIFFITHS. Mr. Speaker, February 16 was the 56th anniversary of the establishment of the Republic of Lithuania. On that date in 1918, at the close of World War I, the Lithuanian people proclaimed their independence and formed a free government. For the next 20 years, Lithuania knew peace and freedom. It was a prosperous time for the Lithuanian people and there was a great renaissance of national literature and culture.

During World War II, Lithuania suffered the aggression of both Nazi Germany and the Soviet Union. In August 1940, the Supreme Soviet of the U.S.S.R. formally incorporated Lithuania into the Soviet Union. Following the German attack on the Soviet Union 10 months later, Lithuania was in Nazi hands until reoccupied by the Soviet Union in 1944. But once under the Communist regime, Lithuania was subjected to continuing foreign domination. It is a credit to our Government that the United States has not, and will not, recognize this subjugation by the Soviet Union.

Although the area of détenté is here, we can ill afford to forget the millions of people around the world deprived of personal freedom and national independence. On the 56th anniversary of Lithuanian independence, it is appropriate that we renew our support for the Lithuanian people and their right to self-government and individual freedom.

HEARINGS ON THE PROBLEM OF COURT-ORDERED BUSING OF SCHOOLCHILDREN

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

STATEMENT BY CONGRESSMAN ROBERT J. HUBER

Mr. Chairman, I very much appreciate having the opportunity to testify here today. I commend the Committee for holding hearings on the controversial issue of busing and hope that some good will result from it.

The real issue behind the busing furor is not, as some of its advocates would have us believe, busing per se. The issue at hand is actually who is going to control the education of the child, the parents or the State? And if you think this is far fetched, let me assure you that it is not. Last year, the U.S. Civil Rights Commission put out a booklet entitled "Your Child And Busing". In the pamphlet, the Commission goes to some lengths to reassure parents that forced busing is actually beneficial to their children and that any fears the parents have are misguided. One of the arguments made in favor of forced busing is:

Clearly, parents cannot on their own make the final decision about where to send their children for public schooling.

I, for one, do not find it particularly reassuring to know that one government agency doesn't think the American parent has the native intelligence to decide what is in their own child's best interest. It is precisely this elitist and condescending attitude by the Federal government that has brought about the current widespread hostility and distrust of the U.S. Congress, and all government in general. If we are to regain the public's confidence, we must do all that we can to return as much power as possible to the people. And one giant step forward would be for Congress to propose a Constitutional Amendment that would put an end to this travesty of forced busing.

I would hope that most Members of Congress are aware of the Gallup Poll released last September (1973). In that poll, it was shown that 95% of the American public opposes forced busing. Additionally, the President and countless Members of Congress have taken a stand against forced busing. So the question remains, why do we still have forced busing? I cannot answer, but I do know that I am extremely disappointed that the Executive branch has not given much more than lip service to the problem. And I am also disappointed that the two bodies of Congress cannot seem to reach any mutual agreement on this subject. The result of this reluctance is that more and more courts are usurping our authority as legislators and thus breaking down our Constitutional separation of powers.

It is a further tragedy that these courts are acting in a manner that is directly contrary to the law of the land. The Civil Rights Act of 1964 says that " 'desegregation' shall not mean the assignment of students to public schools in order to overcome racial imbalance." It further states that "... nothing herein shall empower an official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve racial balance." Obviously, the courts are clearly ignoring the intent of Congress with respect to the forced transportation of students. And yet, we refuse to act. I am, however, greatly encouraged by this Committee's decision to hold hearings on this matter. It gives me hope that this Congress may yet take some action to resolve the forced busing controversy.

There is only one action, though, that can put an end to this chaos, and that is for Congress to vote out a proposed Constitutional Amendment that would have the effect of banning forced busing. This is the best and most feasible method of stopping the court's constant subversion of our intent with respect to the busing issue.

Many of those who promote forced busing say they are doing so in order to insure that students are receiving "equal educational opportunities" because everyone is entitled, under the 14th Amendment, to "equal protection of the law." This thinking ignores a 1973 ruling by the Supreme Court wherein they stated that "education is not within the limited category of rights recognized by this Court as guaranteed by the Constitution." If that is the case, then I sincerely believe that new laws abolishing forced busing could be passed by the Congress and found Constitutional by the courts. Nevertheless, there is some risk in that approach for it has become exceedingly difficult to judge just exactly what the courts are going to hold Constitutional. The safest route is, obviously, the Constitutional Amendment.

Further, many sociologists argued that giving minorities the same "equal educational opportunities" as others would improve the minority's learning skills and improve their educational achievements. There are two problems with this type of thinking. First, saying that members of a minority race can only benefit by associating with members of a majority race is blatantly racist and I do not condone such thinking. Of course, I do recognize that many of these sociologists are sincerely trying to promote a common "good" rather than foster further racial antagonisms. What people often overlook in our society is that there is often more evil done in the name of good than one imagines. In other words, the ends justify the means—a philosophy to which I do not subscribe—for there is no justification, ever, to imposing something that is wrong in order to achieve what one thinks is a worthwhile goal.

The second problem with the sociologists' and the courts' thinking is their absolute refusal to look at the results now that we have had several years of busing in some areas. I think it is worth noting what has happened in these communities. Jeffery J. Leech, writing in Volume 6, Number 4 (1973) of the Indiana Law Review, points out that, "In every city studied, busing failed to reduce the gap between black and white achievement. In fact, most cities reported that the achievement gap had grown even larger after busing. Scholars who have reviewed the evidence, including Armor, Bell, Edmonds, Glazer, and St. John, have concluded that busing has little, if any, effect on the academic achievement of either black or white children. Thus, the most recent sociological evidence fails to confirm a basic premise underlying the rationale for court ordered busing; i.e. that it will positively affect the academic performance of minority children."

So, since the hoped for goals of forced busing have not been achieved, I cannot comprehend why some persist in clinging to the myth that forced busing of students will bring about an "equal education."

The noted professor of Education and Social Structure at Harvard, Nathan Glazer, hit the nail on the head when he wrote in an article entitled, "Is Busing Necessary?":

"The crucial point is: do Federal courts have the right to impose a school policy that would deprive local communities and groups, white and black, of power over their schools?"

And the truth of the matter is that there is, via court imposed forced busing, a dangerous trend towards taking more and more power away from the people and centralizing it in the ever burgeoning bureaucracy. The tragedy of the situation is that we, the Congress, will now have to amend the Constitution to insure that the people retain their constitutional rights. I urge you to move as swiftly and prudently as possible, for time is of the essence. In the meantime, forced busing is rapidly chipping away at one of our most precious freedoms; the freedom of choice.

Also, Mr. Chairman, I would like to call to your attention the problem involving the school district of Ferndale, Michigan. HEW investigated this school to determine whether or not to continue certain aid programs. The hearings which were conducted were of the kangaroo court type. It is unbelievable to imagine a situation in which bureaucrats take upon themselves powers never intended by the Congress. The investigating team of HEW violated all of the ethical procedures present in normal courtroom hearings. I am submitting for your further consideration a report in the local Ferndale paper giving a little information on this despicable situation. I hope that you and your Committtee, or possibly a staff representative, would investigate firsthand this Ferndale situation. The bill you have described which would make it illegal for HEW to use its funding powers to intimidate school districts until they are brought to their knees would have adequate book, chapter and verse facts from the Ferndale situation to secure necessary support in both Houses of Congress. I hope you will read this article carefully and closely:

A COWARD'S WAY OUT

(By Mary Klemanski)

It is still possible to fight City Hall. But fighting a National Government determined to "make an example" of a specific northern school system looks like a doomed—and crippling battle.

It has been more than a week since we received word that Federal Examiner Horace Robbins found the School District of the City of Ferndale guilty of racial discrimination—in violation of the Civil Rights Act of 1964, Title VI.

Bluntly, the School Board was ordered to desegregate Grant School's all black pupil population.

Actually, both the junior and senior high schools have always been integrated; and several elementary schools are integrated, where neighborhoods are integrated.

To members of the community who consistently attended hearings, the adverse disposition came as no surprise. It seemed to many of us that the Government of the United States of America—through its Department of Health, Education and Welfare—had condescended to grant us the mechanics of a hearing, immediately prior to finding us guilty.

Like the western sheriff, HEW assured Ferndale Schools we would not be hanged until after the trial.

The approach used during testimony was a "scattergun" method of hitting the entire community with as many accusations as possible. Apparently, Chief HEW attorneys Roderick Potter and Edward P. Levy hoped at least some accusations would remain in the record.

Final briefs on the hearings, totaled 57 pages—mute testimony to the success of this scattergun attack. Included in the record were such matters as zoning practices in the cities of Oak Park and Ferndale; restrictive covenants in land titles; and land annexation by the City of Ferndale from Royal Oak Township (the Ethyl Corporation property on Eight Mile and Pinecrest). Perhaps HEW's contention that these things point to a "Pattern of discrimination" is true. It is generally agreed that there was some discrimination 40 years ago. There still is—on both sides.

However, the main body of HEW testimony regarded civic matters over which members of the School Board—past or present—had no control. It was, and is, irrelevant to the issue. Yet it stands in the record.

School Board Attorney Burton R. Shifman—an able lawyer, engaged in a battle with as many as seven government counselors during the course of a day—repeatedly reminded them it was HEW's job to prove its allegations.

"I'm making these charges," Potter once said. "You will have your chance to prove the district is innocent—if you can."

"This," exploded Shifman, "is still the United States of America. The district is to be presumed innocent unless you can prove it guilty."

Several times Examiner Robbins said he would allow the HEW some "latitude." He would make a determination later as to whether or not the testimony would be allowed to remain in the record.

"This is not only latitude," Shifman stormed—"but longitude as well—encompassing the boundaries of the entire United States of America, and based on this man's opinion. The School District of the City of Ferndale has been charged. Can we not confine our testimoney to the activities in that area?

"The goddess of justice is blind," he expounded. "When we allow the opinions of many to be entered in evidence as fact, then her blindfold is removed. I am interest in the truth. Truth is fact—not opinion."

The testimony of Mrs. Anna Eaton Thomas, who had stated she never objected to Royal Oak Township children attending Jefferson School was refuted with documentation.

Shifman produced a Circuit Court document asking for an injunction to prevent the 1925 School Board from sending Royal Oak Township children to Jefferson School, "which . . . is at least one and one half miles from . . . the homes of (the) petitioners," Mrs. Thomas complained.

Circuit Court Judge Glenn C. Gillespie dismissed the suit, but the point is, Mrs. Thomas, and others in the Township expressed dissatisfaction with Jefferson School, and asked their children either be sent to Ridgewood School (vastly overcrowded) or for construction of a school of their own in the Township. Yet, her testimony was that Township residents resented the construction of Grant School. Shifman's request to have her testimony stricken from the record was denied.

So it went.

It would be pointless—and false—to deny that bias existed 40 years ago. The United States of America—and hopefully, Ferndale is still part of it—is the only nation in the world's history that has attempted to encompass every race, religion, and culture in one unit. It is a monumental experiment in human understanding, and hasn't always succeeded. It may yet fail. Racial bias—and all bias—is something we must fight, constantly.

At this point, Mrs. John Hambrick is suggesting a vote of the electorate to determine a means of integration of all schools. She may be right. We may have to comply with HEW orders to integrate Grant School—even though we know it won't improve education, nor race relations.

It may seem like the cowardly way out—but how long is this small School District supposed to fight the kind of power we have seen brought to bear against it?

PRODUCTIVITY IN THE FISHING INDUSTRIES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. HARRINGTON. Mr. Speaker, the plight of our Nation's fishing industries is indeed critical. Productivity in the industry has declined, while, at the same time, consumption of seafood has increased. As a result, there is a serious impending shortage of seafood.

The National Commission on Productivity published a pamphlet which points out the gravity of this problem and the immediate need to establish research and development projects.

I insert that publication in the RECORD at this time for the information of my colleagues:

PRODUCTIVITY IN THE FISHING INDUSTRY

Man has harvested the fruits of the sea almost since the very beginning of mankind itself. Since that time we have considered the wealth of the seas to be free and inexhaustible resources—just there for the taking. The sea was a limitless "farm" from which we could reap many crops without ever having to sow or even cultivate them. As the world's population increased so did the amount of fish, shellfish and crustaceans which were harvested. Indeed, the total world catch of seafood more than doubled between 1950 and 1970, expanding from 18.1 million metric tons to 42.8 million mertic tons. During the same period the world's population increased by only 46 percent. There has seemed to be no limit to the bounty of the sea.

However, it is increasingly apparent that this rate of increase cannot continue. The maximum sustainable yield, i.e., the most fish which can be harvested without depleting the breeding stock, is being reached or even surpassed for the desirable and even some of the less desirable species. We are rapidly approaching a time when we will have to make conscious decisions to increase the supplies of seafood or else be prepared to accept limited consumption. This problem has already confronted the fisheries industry in the United States. During the same period in which the world catch of fish was increasing, our domestic catch of edible seafood has actually been decreasing. The total domestic catch of edible seafood in 1950 was 1.5 million metric tons; the figure for 1972 was 1.0 million metric tons.

THE IMPORTANCE OF PRODUCTIVITY

In light of this problem of decreasing domestic catches of seafood, productivity in the fisheries industry assumes an importance it has never held before. Productivity for this industry can be defined in three basic ways. First, the amount of seafood harvested by an average fisherman during a year's work gives a major indication of how productive this industry is. For example, if he now harvests less fish than he did 20 years ago, for the same amount of effort, then his productivity has decreased.

The second measure of productivity in this industry is the amount of capital which it is necessary to invest to harvest a given amount of seafood. If the average fishing vessel operator used to be able to harvest 27 tons of seafood per year with an investment of $50,000, but now must invest $100,000 simply to maintain the 27 ton harvest, then the productivity of his capital has been halved. Third, we can consider the productivity of a given area of the sea. For example, the number of pounds of blue crabs harvested annually per acre of the Chesapeake Bay is an important measure of how well we are utilizing that area.

These then are the three major ways of measuring the productivity of the fisheries industry. And if the available data and information are examined, it quickly becomes apparent that our fisheries performance by all three measures has been declining at a time when such performance can be least afforded.

The figures for man-year productivity accurately reflect the overall decline in production of seafood which the U.S. has experienced. Following a period of steady improvement in the 1950's and early 1960's, man-year productivity decreased by 20.2 percent between 1962 and 1971. In other words, in 1971 it took six man-years of work to harvest the same amount of fish brought in with five man-years of work in 1962. Maine lobsterman, for example, now use three times as many lobster traps to catch the same number of lobsters as before. These extra traps mean more time and money expended.

Although similar hard data on the productivity of capital in this industry are not available, some observations can be made. While the annual catch of seafood has remained fairly stable during the past 7 years, the costs for many types of fishing vessels have doubled during that period. In 1965 an average-sized tuna vessel cost approximately $1 million; a tuna fishing vessel operator can now expect to pay about $2 million. In addition the introduction of such technological advances as sonar and other fish locating devices, as well as improved nets and other harvesting improvements, have substantially increased the capital investment which our commercial fishing vessel operators must make. The productivity of the capital employed in this industry has declined.

It is even more difficult to try to assess the productivity of a given area of the sea. However, weekend fishermen from Sheepshead Bay on Long Island, to Panama City, Florida, to San Diego, California, know that they now travel farther from shore to catch the same amount, or less, of fish. Commercial fishermen have also experienced this. New England ground, or bottom, fish fisherman must now fish a larger area for longer periods, and they still have trouble maintaining their catch of the desirable ground fish such as cod, haddock and flounder. The productivity of the closer-in areas has declined.

THE U.S. BITE OUT OF WORLD SEAFOOD PRODUCTION

While the productivity and production of the U.S. fishing industry has declined, the consumption of seafood has increased steadily. In 1960 we ate 1.94 million metric tons of seafood; in 1970 we consumed 2.82 million metric tons—an increase of almost 45 percent. Because our production of seafood was only 1.15 million metric tons in 1970, it is obvious that we had to buy the rest from other countries.

In fact we imported 59.9 percent of our seafood in 1971. In 1950 we imported only 23.4 percent of it. Although the U.S. is less than 6 percent of the world's population and catches about 2.5 percent of the total world catch of seafood, we consume about 7 percent of the world's seafood production. The American appetite for seafood is further illustrated by looking at our consumption of the more desirable species. In 1970 we ate: 66 percent of the world lobster catch, 60 percent of the clam, 79 percent of the scallop and 43 percent of the world tuna catch.

We like our seafood and have been willing to pay the prices for it in the world market. This willingness to pay, however, led to a seafood trade deficit of approximately $1.1 billion in 1972. That is, we imported $1.1 billion more of seafood than we exported. This area alone accounted for one-fifth of our total balance of trade deficit in 1972. While not a new situation—in 1950 we had a seafood trade deficit of $139 million—it is a worsening one. Improvements in our fishing industry could have a positive effect on our trade balance.

PRICES

Another result of the rising demand in the face of a fixed supply has been rapid price increase for fish, especially since 1960. Fish used to be an inexpensive meat substitute, but in the last several years many species of fish have increased in price so rapidly that they have risen above beef prices. For example, in 1960 chuck roast sold for around $.62 per pound and frozen haddock fillets were about $.56 per pound. By 1973 the price per pound for the chuck roast had risen to $1.01 while the price per pound for the haddock had more than doubled, reaching $1.21.

As we have become more affluent and populous, our demand for all types of food has increased rapidly. And, although the prices of all foods have risen substantially in the last several years (19.2 percent between 1968 and 1972) the prices of seafood have risen twice as fast (39.7 percent during the same period). While farm foods have benefited from the steady increase of agricultural productivity which has helped offset the rapid increase in demand, the productivity of the fisheries industry has not performed as well. On an annual average, productivity in agriculture increased by about 7 percent a year between 1960 and 1971. In the fisheries industry, productivity *declined* by about 2 percent a year during that time.

But the rest of the food industry is not faced with the problem of trying to meet soaring demand from a fixed supply base. If demand for wheat goes up, the farmers can always plant more wheat (though it may take a while for this supply increase to have an effect on the market). Fishermen, at least at this time, have no such option.

Thus, our fishermen are working harder, investing more and producing less. The results have been ever-increasing reliance on imports and rapidly increasing prices. One major problem is supply. It is harder to harvest fish because there is less to harvest—less, that is, of the species we like and less in our coastal waters. There are two basic approaches to solving this problem of increasing the supplies of seafood: first, there is the exciting potential of mariculture, the cultivating of shrimp, lobster, salmon and other species in controlled environments in order to increase their survival rates; second, we can begin to explore ways of expanding consumer acceptance through market development for other species which are currently underutilized.

The second major problem is the existence of inefficient practices in the fishing indus-

try, most of which are forced upon it by government regulation. A new look is needed at all regulations which promote such inefficiency.

BARRIERS

Standing between us and the solutions of the productivity problems of the fishing industry there are at least 4 barriers:

1. Anyone can fish the seas, and there are no requirements that those who deplete the supplies of fish make any contribution toward replenishing those supplies. Under such conditions, it makes little sense for private individuals to invest their time and/or money in increasing the supply of something which everyone has an equal right to harvest.

2. The fishing industry consists, for the most part, of small independent fishing vessel operators, more than 90 percent of whom employ less than five people. This means that there is little opportunity for capital accumulation and that achieving coordination among these operators is extremely difficult.

3. Some states have laws discouraging or prohibiting the use of equipment, which could increase the efficiency of fishing operations. These laws were enacted to prevent overfishing certain species, and this concern is shared by many fishermen themselves.

4. There are Federal import barriers which substantially increase the costs of the necessary equipment of our domestic commercial fishing vessel operators.

The first two barriers are closely related because the existence of a large number of small fishing vessel operators is due to the fact that the fish or the sea are basically a free resource. Thus, there can be no real resolution of the second barrier until the first has been overcome. In fact, only by overcoming the first barrier will we be able to achieve a final, long-term solution to all the productivity problems of the fisheries industry. These other three barriers, however, stand between us and many important, short-term productivity improvements, and are, therefore, deserving of attention.

The first barrier means that it is impossible to obtain a commensurate return on an investment in the development of seafood supplies.

For example, suppose that all the fishermen in Gloucester, Massachusetts banded together and pooled their resources in a common effort to increase the supply of cod fish off their shore; they could not expect to benefit more from this effort than others who fish in their area. The fruits of their efforts might well be harvested by the fishermen from another port along the coast or even from another country.

It is idle to expect the industry to invest in projects such as those to improve the supply of fish when there is little hope that there will be a fair return on their investment. But even if a reasonable chance for a fair return did exist, the second barrier, the low amount of capital available to this industry, due to its fragmented nature, means that few, if any, of the members of the fishing industry could make the necessary investments. This also applies to some portions of the processing and marketing segments of the industry. And it is they who will have to develop the new product forms and consumer acceptance necessary to bring about more use of underutilized species.

The fragmented nature of the industry also hinders increasing our supplies by exploiting these underutilized species. Because few fishing vessel operators could make the necessary investments to develop the locating and harvesting techniques for these species, industry-wide cooperation amongst them is necessary. The fragmentation of this industry into very small companies mitigates against this. Even more important, however, it would be necessary for product form development and significant consumer acceptance to be achieved before it would make sense to develop the locating and harvesting techniques. Thus, industry-wide coordination is required, and the mechanisms to induce such coordination do not now exist.

The third and fourth barriers affect costs rather than supplies, but the additional costs incurred by fishing vessel operators due to them are substantial. There is never any guarantee that lower operating costs will be passed on to the consumer in the form of lower prices. Lower operating costs will, however, allow the fishing industry to employ its capital more productively, and this could help alleviate part of the problem in barrier 2, the low degree of capital accumulation in the fishing industry.

Barrier 3 concerns cost savings which are impeded by laws regulating the type of equipment which can be utilized. These cost savings are substantial and would have a positive effect on the industry. For example, one mid-Atlantic state permits oysters to be harvested only by sail boats. The state's concern that oysters might be over-harvested if more modern equipment were permitted is shared by many of the oystermen.

This joint concern demonstrates that the possibility of over-harvesting is real, but the means of dealing with it should not be to encourage inefficiency. If it is determined that the catch should be limited, then the fishermen should be allowed to harvest only a certain amount of fish in restricted areas. They could then be as efficient as possible under those limitations and thus reduce operating costs.

But this is simply a temporary measure which avoids the central problem—supply. Because of our Nation's increasing population and affluence, most seafoods will be in constantly greater demand. The ultimate answer cannot be to protect the supplies by fostering inefficient harvesting methods which increase costs. The answer will have to be a positive one—a conscious, all-out effort to increase our supplies of seafood. And in the meantime the emphasis should be on allocating the resources intelligently and not on fostering inefficiency.

The fourth barrier, that of import restrictions, also has a substantial negative effect on operating costs. One example is the tariff on foreign-made nets and netting, which is often 50 percent of their value. Because nets constitute about 8 percent of the operating costs of a vessel, a 50 percent reduction would be significant. Elimination of these tariffs could cut fishing costs by 3 to 4 percent.

Another example is the cost of the fishing vessels themselves. A U.S. fisherman may not land his catch in a U.S. port if his vessel was purchased in a foreign country. This regulation dates back to a 1793 law which was passed to protect the domestic shipbuilding industry. The costs of many types of domestically built fishing vessels have increased dramatically in the last few years. In 1965 a good sized average shrimp vessel cost around $75,000. In 1972 that vessel cost about $125,000. The cost differential between U.S. and foreign built vessels varies depending upon the type, but some foreign built vessels are as much as 50 percent lower in cost than a comparable vessel built in the U.S. If U.S. fishermen could purchase foreign built vessels, considerable savings would accrue to them, and this would again mean a more productive use of their capital. In addition, lower costs would encourage replacement of obsolete and inefficient vessels with more modern boats equipped with the latest sophisticated fishing gear and equipment. **Until supplies are increased catches will have to be limited, but at least the fishermen will be able to harvest their quotas of fish as efficiently as possible.**

A GOOD START

Some initiatives have been taken in the area of increasing the supply base. In the United States we have had salmon hatcheries for one hundred years, and we are making significant headway in increasing the supply of salmon, especially the coho and Chinook species, which are important both to sport as well as to commercial fishing. Attempts with other species of salmon have not yet been successful, but the feasibility of such efforts has now been demonstrated and hopefully will lead to further attempts.

There have been attempts in this country to increase our lobster supplies. The State of Maine is trying to develop feasible ways of raising young lobsters to a size which will increase their chances of survival. The major problem is that lobsters are basically cannibals—a larger lobster will usually eat a smaller one, and this applies even to the very young ones. Therefore, it is necessary when trying to raise lobsters to keep them as isolated from each other as possible. Scientists are now working on the possibility of developing a less aggressive lobster, which would also grow to market weight more quickly. If these attempts are successful and lobster supplies can be increased, then perhaps the supply of this much-desired crustacean can be expanded. And then we might see the price for them, which has more than doubled between 1960 and 1970, begin to stabilize.

A full-scale commercial shrimp-farming operation was begun in 1972 by Sea Farms Inc. of Key West, Florida. After catching pregnant female shrimp, the eggs are hatched in special tanks and raised in those tanks to a pre-determined post-larval stage. When the shrimp have reached that stage, they are placed in man-made, in-land lakes which are filled with tidal water. The ponds average 25 acres in size and are stocked with several million shrimp. These shrimp are fed a high-protein diet and are harvested when they reach a marketable size (approximately ½ ounce). If this operation proves to be commercially successful, it could signal the beginning of a new era in mariculture.

There are also some interesting mariculture developments in other countries. Japan has been conducting experiments in estuary development which indicate a great potential in this field. An example of this is "three dimensional" oyster culture, something with which the Japanese began to experiment in the early 1930's. "Three dimensional" oyster cluture consists of attaching seed oysters to long strings and hanging the strings vertically in the water. The best yields of oyster meats grown under conventional conditions—that is, on the flat sea bottom—are approximately two tons per acre per year. The Japanese, using their "3-D" method have achieved yields of up to 23.3 tons of oyster meat per acre per year.

The Soviet Union, which saw its annual catch of sturgeon drop from 24,000 tons in 1938 to 13,500 tons in 1960, now has in operation 18 hatcheries, most of which were started in 1960, along the Volga River. These hatcheries produce 50 million fingerlings each year. The Soviets are not sure of the survival rate of these fingerlings, but the annual catch of sturgeon has been growing steadily since 1960.

With regard to taking advantage of the under-utilized species in our waters, preliminary investigations show a fantastic potential. It has been estimated that there is a potential annual catch of 500 million pounds of various types of crabs which have never been fully utilized. If ways could be developed to harvest and process these red, Jonah and cancer crabs, we could practically triple our annual crab catch. And if consumer acceptance can be developed for jack mackerel, we could increase our annual catch by 1.5 billion pounds, up 20 times! If new product forms and market acceptance of quohog clams could be developed, we could double our annual catch of clams.

THE CHALLENGE AHEAD

All of these examples serve to show the potential which exists for expanding our seafood supplies. The surface has only just been scratched, and as yet there are no ongoing projects which have as yet materially affected our supplies. Before we can expect the fishing industry to attack this probelm on a large scale, ways must be found to make it possible for an investor to receive a commensurate return on his investment.

The allocations of rights is one possible approach to this problem. If a system could be developed under which one fishing vessel operator or group of operators could be granted exclusive fishing rights to an area of the sea, then they would have an opportunity to recapture any investment made to improve the supply in that area.

It will also be necessary to encourage research and development projects jointly sponsored by several components of the industry. This will help this capital poor industry assemble the necessary capital to develop the potential of mariculture. More importantly, however, joint research and development will enable the entire industry to coordinate all facets of the development of the use of the underutilized species: locating and harvesting techniques, new product forms, and market development.

The National Marine Fisheries Service of the U.S. Department of Commerce, and the National Science Foundation can be of great help in both areas by leading the way in research and development. Real progress, however, will only be made when the industry itself tackles these problems and to this end industry associations would be the best mechanisms for coordinating the efforts of individual segments of the industry.

Efforts are now being made to reach agreements with the rest of the world community on limiting the annual catches of those species which are currently being overfished. These agreements will be necessary until we can begin to make significant headway in replenshing the supplies of those species. An example of such an agreeemnt is the seven-nation Inter-American Tropical Tuna Commission, of which the United States is a member. A total quota of yellow-fin tuna is set each year, and all harvesting of it must cease when the quota is reached. Similar rational approaches to the problem of overfishing must be applied on a worldwide basis.

Finally, productivity improvements in this industry will require a new era of labor-management cooperation. Large oceangoing trawlers and factory ships offer the potential for significant productivity agreements. The long sea-duty which such ships require is arduous, and the U.S. fishing industry has not utilized this technique to the degree of other nations. If, through cooperative planning, new approaches can be found, then our fishing industry could afford to venture farther *out in its search* for new supplies.

CONCLUSION

The world is rapidly approaching a point at which it will have to make conscious decisions to increase the supply of seafood. Now is the time to make the necessary commitment to cultivate thoughtfully and carefully the fisheries of the world in general and the fisheries of the United States in particular. If we want to provide fish to our domestic consumers at a lower cost and to recapture our previous share of the market (thus lowering our trade deficit), then there has to be a marked increase in our efforts to increase seafood supplies and the efficiency with which they are harvested. Productivity must become the byword of all segments of the U.S. fisheries industry, management and labor, and of government, Federal, state and local.

DOUBLE STANDARD

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. LANDGREBE. Mr. Speaker, some persons who call themselves consumers with a capital "C" have arrogated to themselves power over bona fide consumers, the people of this Nation. The consumerist mystique holds that such consumers are not subject to the rules consumers and citizens must abide by. This double standard for consumers and citizens is ably illustrated in the following editorial by Mr. William K. Mollenhour which appeared recently in the Warsaw, Ind., Times-Union:

DOUBLE STANDARD

A discredited Spiro Agnew raised a ruckus in his heyday by calling attention to bias by the national press, paying particular attention to television commentators. Although he was attacking members of our profession, we had to agree that he had something. The fact that Agnew was less than perfect did not make his colorful denunciations any less true. You don't have to be an angel to sing "Silent Night."

One Ralph Nader and zealous members of Nader's Raiders have been in full cry after all segments of the establishment as we know it and Nader's piteous bleatings have been faithfully reported nationally whether backed by fact or not. The slightest misstep or hint of impropriety on the part of any well-known figure who could be used to make a headline, was trumpeted by the liberal intelligentsia to sell us on how decadent our society and its established leaders had become.

Oh, they had fun with the ethics of John Mitchell, the President, Erlichman, Dean and Haldeman. Night after night we have been told what unscrupulous people they were, including representatives of big business, farm and milk lobbies, the banks and just about any successful person or group. Tear them down and eat them up has been the battle cry of these 20th Century knights in shining armor. Sow distrust and disunity. Keep hammering at the same theme until government is immobilized and private enterprise shackled.

Watergate and the tapes provided fertile ground to plow. Dig, turn over the soil of America and expose the worms. To hear Nader tell it, he is about the only honest, ethical character left around to do battle for the common man. The President, as he rightfully points out, must assume responsibility for his appointees. So it follows that Nader must assume responsibility for his.

The Raiders went to court. They got their angelic hands on one of the President's tapes. It was an empty bag, containing nothing sinister, so Washington attorney William Dobrovir used the tape as an amusing bit of entertainment at a cocktail party—took a piece of evidence he had secured by court order and played it publicly to the gin-mill crowd. He then had the gall to criticize ABC reporter, David Schoumacher, for reporting his indescretion. Reporter Schoumacher did his job. But there it ended. The commentators played it lightly once over as if it were a boyish prank. They did not hammer away, night after night, at such a breach of ethics.

Nader, who can be so holy vocal about others, didn't have much to say. He kept his head down and said almost nothing about the incident. No one suggested attorney Dobrovir be disbarred or even censured for making a plaything out of what he had previously claimed to be a vital piece of evidence. No one dragged Nader before any committee or issued any subpoenas to try to prove culpability on Nader's part for the action of his appointee. Is there a double standard at work here?

We just wanted to set the record straight!

—W.K.M.

AUTISM AND THE DEVELOPMENTAL DISABILITIES ACT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. BURKE of California. Mr. Speaker, I would like to submit the attached copy of the testimony I gave today before the Subcommittee on Public Health and Environment of the House Interstate and Foreign Commerce Committee concerning the extension of the Developmental Disabilities Act. I believe that millions of our children who are severely handicapped need the help and attention provided under this act.

The testimony follows:

TESTIMONY BY YVONNE BRATHWAITE BURKE

Mr. Chairman, and Members of the Subcommittee, thank you for the opportunity to appear this afternoon and present some brief remarks on H.R. 11511, a bill to revise and extend various health laws, including the Developmental Disabilities Act of 1970. I wish to talk today about Title IV of H.R. 11511, dealing with developmental disabilities.

One of my most recent exposures to some of the severe early childhood disorders was a visit to some of the private diagnostic and treatment centers in my home state of California. At one of these facilities, I had an opportunity to observe the real progress being made with the use of private funds to treat a limited number of autistic children. I thought to myself, "If only we could expand and share some of these efforts, we might change a lot of useless, unproductive lives into more hopeful and meaningful ones."

It was in this spirit that I introduced a bill last session, H.R. 8861, with nearly 70 cosponsors, to include autism as one of the specifically named childhood disorders which would receive federal funds under the Developmental Disabilities Act. I wish to share with you some of my reasons why I believe very strongly that autism should be treated in the same way under the law as mental retardation, epilepsy, and cerebral palsy.

There seems to be little disagreement that autism is a severe disorder that manifests itself in severe disturbances in functioning and behavior. An autistic child most often looks normal—even exceptionally beautiful—but for anyone who has been around autistic children, they know looks are deceiving. These children are unable to relate to others, they treat parents as strangers, they delay in acquiring speech ability, they show severe anxiety and tension, they exhibit inappropriate emotional attitudes, feeling sad when normal people will feel happy. Many have language difficulties lasting their whole lives. Some are even mute. Moreover, many of the symptoms of autism will last throughout life, although observable almost from birth. These then are the general behavioral consequences of the condition which we described as autism.

In the past, the debate on whether to include autism under the Act has centered around whether it is in fact a neurological disorder. I do not—and cannot—pretend that I am professionally qualified to review the medical evidence and determine that autism is a neurological condition. But I have discussed this matter with a number of very eminent and experienced child psychiatrists and neurologists all over the country, and it is their unanimous professional opinion that autism does, in fact, derive from a neurological disorder.

One of the professionals whom I contacted, Dr. Peter Tanguay of the Department of Psychiatry at U.C.L.A., put the question of neurological basis in prospective when he said:

"Ten years ago there may still have been room for doubt that autism was primarily an organic condition, but it is inconceivable today that anyone who is thoroughly familiar with the literature on autism (literature which has appeared largely in the past five or six years) could conclude other than that autism is primarily an organic syndrom. I know of almost no expert in the field of autism today who thinks otherwise. Of course, as you may be aware, it has been estimated that in Medicine it may take approximately five to ten years for newly acquired information to become common knowledge among doctors, and because of this there may be many psychiatrists, even child psychiatrists, who are not aware of the somewhat revolutionary changes which have taken place in our understanding of the nature of early infantile autism within the past half-dozen or so years."

Dr. Donald Cohen, a child psychiatrist and Associate Professor of Pediatrics and Psychiatry at Yale University School of Medicine, one of the men with whom I have consulted, was going to be here today to answer any questions the Members might have concerning the medical side of autism. Because he will not be here, I would like permission to submit his statement and some additional articles for the record on this issue.

The definition of developmental disabilities in section 408(a) (7) of the proposed bill, H.R. 11511 in effect concedes that autism is neurological in nature. However, under this definition, the Secretary is still required to make a finding that autism is "closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals."

I believe on this score there is little disagreement. Objective studies by numerous investigators have clearly indicated that autistic children suffer specific language and cognitive handicaps which are essentially similar in nature to the handicaps found in other developmental disabilities. The major differences between autistic children and non-autistic retarded individuals is not that the autistic suffer from fundamentally different handicaps but that the profile of handicaps and abilities shown by the autistic child set him apart. Mental retardation is a descriptive term we use to describe those individuals who show sub-average intellectual and adaptive function originating during their deveopmental period. As such, well over half of all autistic children are mentally retarded and the remainder are so handicapped in certain functions as to require similar services as the retarded.

In many ways, autism is even closer to mental retardation than is epilepsy or cerebral palsy. Autistic children, for example, require the same close care and attention over a long period of time as do mentally retarded children. Autism, like mental retardation, arises on the basis of a developmental perceptive disorder, in particular, a disorder of language involving defects in comprehension and motor coordination. Further, both autism and retardation are evident from infancy, but autism generally lasts longer, and is more common in boys. In addition, there are many similarities between them in their diagnosis and treatment. Children suffering from mental retardation or autism are presently given the same "workup" to determine the extent of their handicap. This included many biological and EEG tests, checking for epilepsy, the same IQ tests to determine their basic intellectual abilities.

Secretary Weinberger, in testifying before this Committee on March 29, 1973, declared that there was insufficient reason to exclude autism from coverage under the Act. He said:

"As you are aware, some states have wished to include services for autistic individuals. We believe that coverage should not be denied to those autistic persons who require services similar or identical to those presently provided under the Developmental Disabilities Act. Thus, we recommend that the word autism be included in the definition . . . We believe that this definitional change is consistent with the original intent of the law to deal with disabilities related to the retardation of mental development."

And last week before this Committee, Acting Assistant Secretary for Health, Dr. Charles C. Edwards, affirmed this position when he testified that:

"Currently, autistic children, despite the fact that their disability requires treatment similar to that provided individuals with neurologically caused disabilities, are not eligible for services under the Act because authorities in the field disagree as to whether autism is neurological in character. We agree that autistic children should be covered under the Act and therefore that autism should be expressly included within the definition of 'developmental disability' ".

But the most significant testimony on this question of whether to include autism came from this nation's highest mental health expert, Dr. Bertram S. Brown, Director of the National Institutes of Mental Health. In a question and answer exchange between Mr. Preyer and Dr. Brown, Dr. Brown states clearly and unequivocally that there is no rational basis for treating autism differently under the law than mental retardation, epilepsy, and cerebral palsy. This was the dialogue:

Q. Mr. Preyer. "As a professional, Dr. Brown, and one experienced in the treatment of disorders of childhood, do you believe that autism should, under the proposed legislation, be afforded the same attention and treatment as mental retardation, epilepsy and cerebral palsy? Specifically, is autism similar in the complexity of health resources that is needed to treat it, the expenses, and its chronicity to warrant its being considered along with mental retardation, epilepsy and cerebral palsy?"

A. Dr. Brown. "The question is long and the answer is short. Yes."

Thus, there appears little justification under the proposed law not to include it as a specifically named condition and thereby eliminate the need for the Secretary to make a finding.

Although the Administration has recognized that autism meets the intent of the Developmental Disabilities Act, there is no indication that it is moving forcefully to define which other serious childhood disorders in addition to autism should also be included under the Act.

At the time the Administration published the proposed regulations to implement the Developmental Disabilities Act, approximately 28 of the 31 or so comments received urged the inclusion of autism and other disabiilties. But the regulations as finally published deferred the question of whether or not to include autism and other disorders to "a study group for the purpose of making a recommendation to the Department on the proposals submitted for inclusion of other conditions under the State plan."

Well, what happened to the study group's recommendation? The answer is short—nothing. Why? Because the study group was never formed. In a letter I received recently from the Secretary of H.E.W. regarding the Department's position on including autism, the Secretary stated that "the National Academy of Sciences and the National Advisory Committee of the Classification of Exceptional Children have indicated to us that the definition of 'other neurological conditions' *requires more time for study*." It seems that the Secretary here is trying to give the impression at least that the National Academy and the Advisory Committee made such a study and that they were uncertain of what the definition should be. But in a subsequent letter I received from Mr. Handler, the President of the National Academy of Sciences, in response to my question about the Academy's activity in this area, he revealed that no such study was ever conducted. Mr. Handler states in his letter of December 4, 1973 as follows:

"The Academy has not formally considered nor taken a position with respect to this question. In 1972 the Division of Medical Sciences of the National Research Council did discuss with staff of the Social and Rehabilitation Service (S.R.S.) of the U.S. Department of Health, Education and Welfare the possibilities of a study to be undertaken by the Academy to define "the other neurological conditions" covered by the above referred Act. At their request a proposal was submitted to S.R.S. in November of 1972 to establish a Planning Committee on Developmental Disabilities Guidelines and Policy. This proposal did not receive the approval of the Agency and we are currently not aware of further initiatives that may have been taken to resolve this matter."

Nor has the National Advisory Committee of the Classification of Exceptional Children undertaken a study of this question in relation to the Developmental Disabilities Act. Rather, it is focusing on the effects of labeling on state and Federal programs under a separate mandate. And today, there is still no study—and no finding of what other neurological disorders should be included.

Let me say that I believe this Committee has brought this country a long way towards recognizing its responsibility and opportunities to provide a full range of services to severely handicapped children. In this regard, the Mental Retardation Facilities and Community Health Centers Construction Act of 1963 marked the beginning of a national commitment toward helping handicapped children maximize the extent to which they can participate in the benefits and responsibilities of our society. This law gave us research and clinical facilities at a time when we were not even sure what services could accomplish what goals.

Then this Committee devloped the Developmental Disabilities Act of 1970 which added the concept of services and training to the 1963 Act. This Federal policy shifted the public debate to talking about treating people who could not help themselves but who had a fundamental right to the benefits of our society. We also developed a great deal of understanding of the type of services needed and the way to deliver them. We were able to show that the services we can offer can significantly improve the lives of the handicapped and their families, and reduce the long-range burden on the society of having to institutionalize them.

But we are now at a crossroads. We can continue to build upon our past experiences and knowledge and insights, and to articulate a Federal policy which is coherent, rational and non-discriminatory in its treatment of the severely handicapped children of our nation.

It is understandable why groups supporting mental retardation wanted to give primary legislative attention to mental retardation in the 1970 Developmental Disabilities Act. The existing definition of other developmental disabilities is centered around the mental retardation disorder, as is the proposed definition under H.R. 11511. Concern for mental retardation was the force which gave us the 1963 mental health legislation, and it is understandable why this group wants to limit the scope of any new definition of developmental disabilities: they say there isn't enough money in the Developmental Disabilities Act as it is now to treat the mentally retarded population.

But these reasons are no basis for excluding the other groups which are trying to get included under the definition. After all, aren't these other groups trying to use some of the same intensity of purpose which the existing groups used originally to fight for their own inclusion under the Federal law? And didn't we hear ten years ago the same arguments from those who criticized any mental retardation bill, namely "that there isn't enough money to provide for a normal child and mentally retarded children must wait?"

We cannot have a Federal policy which says that severely handicapped children with one label cannot be admitted to a treatment facility while another is turned away. We cannot continue to have a Federal policy which forces a doctor to place a label on a easy to grab onto specific categorical labels child so that he can receive services. It is so as a basis for providing care to some children when, in fact, we use these categories as a justification for exclusion.

Is it proper for the Federal government to adopt a policy that says that two children propped up next to one another, both without control in their arms or legs. "This one with cerebral palsy, because his handicap comes from brain damage, gets treatment, but the other, suffering from spinebifida, because his handicap happens to result from damaged spine, doesn't qualify." The same is true for an autistic child who might get treatment, but not the one with severe developmental aphasia or some other severe learning disability.

It is for these reasons, that I believe this Committee must develop a definition of developmental disabilities which all groups, those in and those now out, including autism—feel is premised on a policy which has a rational, coherent and fair basis. If this is done, and I believe it can be, we can continue to make progress in educating the public, in promoting legislation, in obtaining the necessary appropriations, and in providing the best treatment possible for severely handicapped children.

Many groups, including the National Advisory Council on Services and Facilities for the Developmentally Disabled, have suggested drafts of a new definition which eliminates all categorical references and focuses on a functional definition related to a medically determinable physical or mental impairment. A similar approach has been used in the definition of disability under the Social Security Amendments of 1972. The common thread running through these definitions are three criteria: (1) the severity of the handicap; (2) the chronicity, and (3) the origination of it before the individual attains the age of 18. I strongly favor such an approach as a viable substitute to the present definition.

If, however, the Committee deems it appropriate to stay with the present categorical definition, I would then recommend that it include autism after the word "epilepsy" in the definition so that it is treated by the states in the same way and given the same attention as mental retardation, cerebral palsy, and epilepsy. In addition, I believe past experience has shown that it would be wise for the Committee to require by legislation the Secretary to make a study within one year to determine the feasibility of a totally non-categorical definition. This study should be done by a recognized institution—a University, the National Academy of Sciences, the Institute of Medicine, or other impartial body. In this way, when this Act expires, the Committee will have a factual basis upon which to make a decision.

SPACE ACCOMPLISHMENTS GREATLY UNAPPRECIATED

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. McCOLLISTER. Mr. Speaker, I recommend to my colleagues the February 8, editorial column of Budd Boyer about Skylab III.

Mr. Boyer points out the advantages of the Space program and mentions the apathy of the major television networks which was displayed by the refusal to provide life television broadcasts of the return of the astronauts.

Mr. Boyer's column appeared in the Pompano Beach, Fla., Sun Sentinel:

Space Accomplishments Greatly Unappreciated

The crew of Skylab is due home today after a record-breaking 84 days in space, and with them will come much of the vast accumulation of scientific knowledge gathered during their stay.

This is the third and last of the trios to occupy the orbiting laboratory, which will be left to continue in its travels until eventually it is drawn back into the atmosphere to self-destruct.

The culmination of this great space achievement will not be seen by the public as so many have been in the past. At the time of this writing, the major television networks have opted against providing live coverage of the splashdown. At least one official was quoted as blaming public apathy for the decision, saying people have indicated in a survey that they prefer to watch soap operas.

Rep. Lou Frey, R-Fla., urged the networks through letters to the respective presidents to reconsider. As of yesterday afternoon, only one had responded affirmatively to the extent that radio coverage would be afforded.

It seems almost impossible to believe that in the short period of time since Alan Shepard rode his Freedom 7 vehicle into space in May, 1961, Americans have become so disinterested in our space program that they would place it below soap operas in priority.

There is no way to accurately calculate the assets that are regarded as spinoffs from the national space effort. From such mundane things as a no-stick liner for cooking utensils to advances in the most intricate of medical determinations, the list of space-related products for public use is virtually endless.

As one cartographer put it, "it would take me five years to calculate what can be derived in seconds from one of the pictures made by a satellite."

It will take scientists years to sort out and evaluate the data collected by the last crew of Skylab on the elusive Comet Kohoutek. None of this information could ever have been collected by Earthbound instruments. Here again, the value cannot even be estimated. If what is learned unlocks secrets astronomers hope they will solve, benefits to mankind may flow for centuries.

By using special instruments and applying new techniques, the astronauts have greatly advanced the ability to aid agriculture through the detection of diseases that can afflict crops.

In the field of assisting in criminal investigations, space photography has located illegal drug sources and has even participated in the search for the graves of murder victims in Brevard County.

Laymen cannot, of course, fully appreciate all of the complex experiments conducted by the Skylab crews. Even the trips that landed men on the moon have been less than understood by others than scientists.

By examining material and data produced by these trips and by the probes into outer space, science may well end up with answers to questions on energy sources and find the key to predicting earthquakes, just for two examples of real potential for helping our own and other peoples.

Gerald P. Carr, commander of the mission, William R. Pogue and Edward G. Gibson will leave the space laboratory at 6:34 a.m., and with all going well are due to splash down in the Pacific Ocean at 11:17 a.m.

Prior to the departure, they will put the Skylab into a slightly higher orbit than it has followed, thus ensuring a longer orbital life.

These men will have spent 84 days in space and will have orbited Earth more than 3,300 times. It is just short of 12 years ago that the very first American manned orbital mission was completed. On Feb. 20, 1962, John Glenn took Liberty Belle 7 around Earth three times in four hours and 55 minutes.

Our prayers and wishes are with these spacemen on the homecoming this morning. They have overcome adversity and difficulty to accomplish a most demanding mission and their successful return merits major concern this morning.

THE ELECTION IN MICHIGAN HAD ITS ROOTS IN BOSTON

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. MOAKLEY. Mr. Speaker, Boston had much to do with the development of our basic political liberties. I am proud that she is also playing such a vital role in their restoration.

John Marttila is a constituent of mine and his firm is in my district. I am also pleased to report that other constituents of mine also contributed to the "Monday night massacre" including Becky Crawford, Charlie Kenney, Tom Kiley, Dan Payne, Dave Thorne, Tom Vallely, Janet Wadsworth, Harriet Yellen, Doug Frost, and Curt Meade.

It was a great victory.

I offer the following New York Times article for the Record:

The Election in Michigan Had Its Roots in Boston

(By John Kifner)

BOSTON, February 20—"An unbelievable upset," John P. Marttila was saying, with a great deal of relish, over and over again. Outside his sparsely furnished office, a pile of suitcases and a garment bag were topped by a headline in The Detroit Free Press: "The Democrat Wins Ford Seat and Calls for Nixon to Quit."

The victory Monday in one of the stanchest Republican Congressional districts in the country is the latest in a series of upsets by liberal Democrats who are managed by his consulting firm. These victories are making Mr. Marttila and his associates one of the hottest properties among the new breed of campaign technicians for hire.

The 33-year-old political consultant and his associates—young, fresh-faced, slightly long of hair—luxuriated in reviewing the campaign in which Richard F. Vander Veen, the Democrat, defeated Robert Vander Laan, the politically powerful State Senator who had never lost an election in Michigan.

The lesson from the campaign, Mr. Marttila said, is that "no Republican is going to win this year as a 'company man.'"

The victory made the track record of the consulting firm—known formally as Marttila, Payne, Kiley & Thorne—17 victories and three defeats over the last four years. Several were noble upsets, including the election in 1970 of the Rev. Robert F. Drinan, an antiwar candidate, as the first Roman Catholic priest in Congress, and the election in 1972 of Joseph R. Biden, 29 years old, as United States Senator from Delaware, the youngest member of the Senate since Thomas Jeffrson.

Mr. Marttila calls his organization's political technique "management-oriented." He employs specialists in polling (one of the group's strong points), fund-raising and media.

A REPUBLICAN DISTRICT

"We hit as a team, with experts in each field," he said. "It's not deceptive, it's very fundamental. Managing a campaign is making rational decisions."

Then, acknowledging that his firm was also ideological, he added with a smile: "We're sort of left-corporate."

With only six weeks until the election the firm went to work for Mr. VanderVeen for $12,500, regarding it as an impossible longshot.

The district, centering on Grand Rapids, had been Republican property since 1910. Vice President Ford, who had held the seat for 25 years, was immensely popular, polling 62 per cent in the face of the 1964 Johnson landslide. And the district is a bastion of traditional Republicanism that is almost a cultural inheritance; Mr. Vander Veen's two law partners contributed to his opponent.

The consultants' first poll, taken the week of Jan. 17, showed Mr. Vander Veen leading their candidate, 60 per cent to 28. Their last survey, the week before election, showed Mr. Vander Veen within 4 per centage points of his opponent, an almost incredible gain of 28 points in 30 days.

Thomas Vallely, a fast-talking, 24-year-old former Marine who is a student at the University of Massachusetts was the full-time campaign coordinator. He broke into politics as a driver in Father Drinan's campaign. Other members of the firm researched their opponent's record, wrote all of the literature and advised on campaign organization and techniques.

The sole thrust of the campaign was to link the Republican candidate with President Nixon. Indeed, one of their ads carried their opponent's name with the slogan "Richard Nixon's Choice for Congress."

V.A.W. LISTS USED

The campaign's first task, Mr. Vallely said, was to "nail down" a solid Democratic vote of perhaps 40 per cent, largely with mailings to lists developed by the United Automobile Wokers. About $60,000 was raised, mostly from within the district and an organization was built.

"We talked Nixon, we only used Watergate once, but we talked about Nixon and unemployment, the energy crisis, the whole thing," Mr. Vallely said. "We had radio spots with one of the biggest businessmen, a stockbroker, a Christian reform minister, a widow, all talking about Nixon.

"We had to make the idea of the President's resignation—a scary thing in itself—respectable, and Dick really helped there—a corporate lawyer, a part of the established community. It worked. There were Republican doctors at that rally screaming 'Nixon must go.' It was quite an emotional experience," Mr. Vallely said.

Mr. Marttila was on the staff of the Republican National Committee, working with the liberal wing of the party, until 1970 when he decided, he said, "I just couldn't live with myself."

And as the afternoon ended, Mr. Marttila and the others began putting on their coats, grabbing sheafs of paper and picking up suit cases. There was a meeting that night in Washington to plan the campaign of Senator Thomas E. Eagleton of Missouri.

THE McCORMACK NUCLEAR SITING BILL

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. HOSMER. Mr. Speaker, on October 11, last, our colleague from Washington (Mr. McCORMACK) addressed the Atomic Industrial Forum Seminar on Nuclear Power Plant Siting under the title, "Nuclear Power Plant Siting: A Congressional Viewpoint." The address outlined procedures for accelerating the reactor licensing process and bringing the States into that process. Subsequently the ideas discussed by Representative McCORMACK were incorporated in his bill, H.R. 12823, which Representatives PRICE of Illinois, HOLIFIELD, and myself were pleased to cosponsor. Much thought and effort have gone into this legislative proposal and I am pleased to have been granted permission to have reproduced below as a matter of legislative prehistory as well as for the information and sound insights it contains:

NUCLEAR POWER PLANT SITING: A CONGRESSIONAL VIEWPOINT

(By the Honorable MIKE McCORMACK)

What I would like to do today is to discuss with you some concepts for a new federal nuclear power plant siting bill. As many of you are aware, I was deeply involved with the preparation, sponsorship, and enactment of the Washington State Thermal Power Plant Siting Law in the Washington State Senate in 1970. I'm particularly proud of that law, especially because it appears to be working. One new nuclear reactor in Washington State is under construction; another is under consideration, and I'm sure it will be approved; a third application has been submitted.

As I have perused the field of siting legislation from other states, and of proposed federal legislation for thermal power plant siting, I have attempted to discern what I consider to be the strong and the weak points of each law or proposal. In particular, I have tried to come to understand what it is that federal legislation must provide in order to work, and, indeed, in order to be enacted into law. The challenge, it seems to me, is to write a bill that will be attractive to the utility industry as well as to responsible environmental groups, while providing the maximum degree of freedom for each individual state. Of course, it must be acceptable to the Administration and the AEC in order to obtain Congressional approval.

In attempting to sort out the various strong and weak points of previous proposals, several thoughts have crystallized in my mind. The first is that, with the apparent impending enactment of federal land use legislation, it may be advisable to limit the scope of power plant siting legislation to nuclear power plants exclusively. These are the only thermal power plant facilities that require federal approval in all instances, through the Regulatory authority of the Atomic Energy Commission. It seems to me that it will be a significant accomplishment to enact legislation for nuclear power plants alone that will eliminate confusion and duplication, and simplify the procedures associated with siting, while assuring at least the same degree of environmental concern and protection as by any other method; and while leaving the location of other major industrial facilities to either federal or state land use laws, or to state laws not related to federal approval.

Of course, one may legitimately question whether or not federal nuclear power plant siting legislation is necessary or even desirable at all.

I am convinced that it is, and I would like to suggest that it may be possible to save from one to two years of the present eight to ten years lead time associated with getting a nuclear power plant from commitment to "power on the line." It may be possible to avoid duplication in the preparation of environmental impact statements, and it may be possible to provide incentives so that nuclear power plant sites for each region in the country are determined in advance and the debates surrounding them resolved before they delay construction.

In addition, I believe that it may be possible to provide an avenue for deeper state involvement with a greater state autonomy, and deeper involvement by the average citizen with or without a special environmental concern, and to do this even while meeting the schedule I have set out above.

I believe that these incentives are compelling upon every segment of our society and, in sum total, they provide an opportunity for the Congress to take definitive action to help resolve one of the major problems contributing to today's energy crisis. Let me describe several examples. The next presentation by Mr. Knecht will inform you that states will soon be submitting coastal zone management plans that will include consideration of power plant siting needs. The state agencies that will draw up and administer those programs will have to approve any proposed power plant site within its jurisdiction in that state. As Mr. Marston will tell you, if the federal land use legislation which finally emerges includes a "key facilities" provision, as it now appears that it will, a state land use agency will have to identify and sign-off on proposed power plant sites. And I can see the real possibility that these two emerging new entities at the state level may not be incorporated into existing or evolving state siting agencies, without incentive.

Thus, we could end up with a three-stop system, rather than the one-stop system we expected to have, with the resultant delay in the licensing of needed facilities. I sincerely hope that this will not happen, but agency brinkmanship and independence are strong and ubiquitous characteristics; and the assurance of maintaining one-stop siting should not be taken for granted.

Meaningful federal legislation could also serve another very useful purpose. I am sure that many utilities are concerned with the prospect of separate hearings—one to satisfy AEC and one to satisfy a state siting agency. The prospect of joint hearings, and possibly even joint environmental statements, must, I am sure, be attractive, and I would advocate that one means of accomplishing this end is through properly designed federal siting legislation. For example, the new Arkansas siting law establishes that the state may act as an agent for the AEC. I suggest that this be a uniform provision in all state laws. Thus, an environmental impact statement prepared by a state for a specific site would fully satisfy NEPA requirements.

We are presently drafting a nuclear power plant siting bill which would, if enacted into law, provide each state with the opportunity to enter into a formal agreement for continuing compatibility with the Atomic Energy Commission, under which each state would assume full responsibility for review and approval of sites for its nuclear power reactors. This legislation will strengthen the state role in the overall review and acceptance of nuclear power plant sites, and preserve the independence and flexibility of state jurisdictions. The proposed legislation goes beyond existing law or previously proposed siting acts in that it provides that all non-nuclear safety-related aspects for any site will lie within the authority of agreement states in their overall site review procedure.

This, then, would allow the AEC to concentrate its attention solely on the reactor and its internal systems, while the qualified states are involved in the site review. We envision a much more efficient use of manpower and technical expertise by this new division of responsibility.

Under the provisions of this act, the states, to be qualified for an Agreement, must establish an agency, or some other administrative unit, with clear legal authority to review nuclear power plant sites, and to issue a binding certification as to its acceptance. The state *siting* agency must include input from all state or local agencies having any legitimate interests, responsibilities, authority, or jurisdiction in any subject area related to the siting of a nuclear reactor. Obviously, this would include such agencies as those involved with water quality control, air quality control, fish and game, parks and recreation, and others. Such individual disciplines as geology, meteorology, hydrology, and seismology must be available to the siting council as is deemed necessary to perform the safety-related site review. Each state's siting council must individually be tailored according to the existing site situation and laws and agencies of the state that it is to serve.

The siting organization procedures must provide for public hearings, establishment of a timetable for completion of the review process, reasonable fee schedule, and one-stop certification. The state siting law must commit all state agencies to the support of the council's findings.

It should be clearly understood that the state siting agency would prepare the environmental impact statement pursuant to Section *102(2)(c)* of NEPA, and circulate it in compliance with CEQ guidelines (section 6[g]). That statement would fulfill the responsibilities of all participating federal agencies under section of 102(2)(c) of NEPA with respect to the proposed facilities.

Under the provisions of this act, the AEC would be required to establish criteria, with guidance from the CEQ and Council of State Governments, to qualify a state for siting agreement. Insofar as possible, the criteria should preserve the quality of environmental and site safety reviews currently being conducted by AEC, and yet remain flexible to provide latitude of program and procedure within the states.

The AEC would also be required to establish criteria providing the states with clear guides to follow when assessing the many disciplines involved in the site safety review. Developing such criteria may be a significant challenge to the AEC staff, but as I understand it, this problem is not an insurmountable task. (In fact, the Regulatory staff is already working on the project.)

I want to make it clear that if the state does not pick up its option to become a participating partner in nuclear power plant site licensing, the present status quo would be maintained. There would be no federal pre-emption of any authority now held by state government. I believe that the desire for the exercising of states' rights, along with pressure from utilities to eliminate confusion and delay, would constitute an adequate incentive for each state to enact such legislation.

The state law should require a final decision to be made within twelve months for any application from a utility with respect to a requested site, except in a case of mutual agreement between the applicant utility and the siting council that a modest extension would be in order. In addition, and as a major incentive to both the utilities and the states, I propose that AEC Regulatory be required to make a decision on a construction permit within the same twelve-month period, provided, of course, that application for construction permit is made to the AEC by the utility at the same time it applies for approval of its proposed site from the state. In short, under this law, we would be telescoping all of the time required at present to obtain approval for a site and a construction permit into a single twelve-month period. I recognize that this will put considerable pressure on AEC Regulatory, but I understand that this agency is working towards this goal, and expects to reach it by late next Spring. I want to take this opportunity to congratulate AEC Chairman Dixy Lee Ray, and Director of Regulation Manning Muntzing, for this successful effort, while maintaining the traditionally high standards of safety that have been the rule with this organization.

I suggest that we take advantage of this legislation to strengthen and add new dimensions to the responsibilities of the nine existing regional electric reliability councils into which this nation is divided. I believe that these councils should be set up as data centers into which the member utilities feed demographic information regarding population centers, growth, current loads, etc. Each council could then process all the data and prepare information and recommendations related to future needs such as recommended areas for power plant location. When this information is available, the state and the involved utility can take the steps necessary to select the specific location of the site, and begin the necessary reviews leading to site licensing. The council should obtain and process the load and growth data in as much detail as possible, so that specific sites are identified well in advance of need.

I would like to take this opportunity to comment that the term "nuclear power plant" includes the transmission lines associated with it, and that siting transmission lines in an environmentally satisfactory manner must be included in all consideration of siting nuclear power plants. In addition, while I have referred only to individual states throughout my comments, there is the possibility that interstate compacts may be created for the specific purpose of establishing regional nuclear power plant siting councils.

It is conceivable that such interstate compacts might embrace geographic areas identical to those covered by the regional electric reliability councils. While this may be a rather advanced concept, and while the legislation should not be hung up because of it, I consider it advisable to prepare the legislation to allow for the creation of such interstate compacts, and to treat them exactly as the law would treat an individual state, insofar as the authority discussed with respect to nuclear power plant siting is concerned.

This leads us to one additional concept which may have dramatically increasing importance in the near future. This is the possibility that nuclear power parks may be created within the geographic area served by a regional electric reliability council.

Nuclear power parks have the great potential advantage of combining a number of nuclear reactors in one environmentally acceptable site, and establishing a completely closed fuel cycle on the site in association with the power reactors. Thus, fuel fabrication and fuel reprocessing facilities would be included in a nuclear power park, and, most importantly, the radioactive wastes would be stored and managed on the site, avoiding transportation of radioactive fuel elements or radioactive wastes outside the boundaries of the nuclear power park.

An outstanding example of such a facility is developing in my District at Hanford, Washington, and may serve as a model for most of the country, and indeed the world. I would suggest that this trend be encouraged through this nuclear power plant siting legislation, and that one incentive be that the Atomic Energy Commission will assume full authority over and responsibility for the management of all radioactive wastes.

I recognize that, within the utility industry, there exists a divergence of opinion regarding the amount and type of authority to be granted to the reliability councils, and I realize that some of the councils may at present be limited in staff. However, the potential value of the information and recommendations that they may produce, and the potential value of nuclear power parks, warrants our serious consideration of this approach at this time.

Finally, we must keep several goals in mind as we work out the details of this proposed legislation.

1. The national need for a continued availability of electrical energy.

2. The need to maintain the basic provisions of NEPA, regarding the impact upon the environment, including the need to perform a rigorous cost/benefit analysis in considering alternatives to the site, plant, and associated systems.

3. The need to assure a true one-stop siting concept.

4. The need to promote orderly growth in generating capacity and transmission networks through long-term open planning.

5. The need to assure the rights of the public to have an active role in the planning process.

6. Finally, the need to conserve the resources of this nation through the wise use of nuclear energy.

This, then, is a summary of most of the major points which I expect to be included in the nuclear power plant siting bill which I will introduce in the near future. I am deliberately presenting them at this time to run up a trial balloon before this assembly, and interested individuals in the nuclear and environmental community throughout the country. Certainly, we will welcome any constructive suggestion with respect to what I have presented here today, and indeed, with respect to critical points which we may have omitted.

Above everything else, I think it is imperative that we start moving on nuclear power plant siting legislation at the earliest reasonable moment. One of the steps that I have been advocating for two years is the attempt to obtain rational reconciliation between our need to produce energy, on the one hand, and our need to protect the environment on the other. Obviously, a perfect world is not possible, and what we, as leaders in this society, must undertake to do is to help develop and enunciate policies through federal and state laws which will allow us to construct nuclear power plants on sites that are both economically feasible and environmentally acceptable; and to do this without any further unnecessary delay.

I believe that the incentives that are proposed in this legislation should attract broad support. It provides:

1. For industry—an opportunity to save substantial amounts of time and considerable sums of money in getting nuclear power plants on the line; and the opportunity to increase reliability in the expansion of utility systems.

2. For the states—a preservation of states' rights; an opportunity for responsible and constructive involvement with maximum autonomy; and an orderly process for handling problems that have to date, in many cases, seemed insurmountable.

3. For all responsible environmentalists—an opportunity for local participation in working out the environmental factors involved in siting nuclear reactors, without the expense of hiring legal counsel; a built-in assurance of continued high quality environmental protection; an opportunity to help develop and plan integrated regional power programs, including the thoughtful consideration of all alternate sites, fuels, and transmission corridors.

4. For the public—a vast savings of money through lower electric rates; a significant economy in time in getting needed electricity on the line; local participation in siting plants, and protecting the environment; an increased reliability in utility systems; and an increased assurance that electric energy will be available on schedule.

5. For the Congress—a clean and simple bill, unencumbered by endless involvement in nonnuclear industrial siting decisions; an opportunity to offer the states a partnership plan in solving their problems, rather than the threat of coercion; a greater efficiency in the use of technical manpower; a guarantee of environmental protection; and, above all, action now to help solve the energy crisis.

This is where we begin: in the Congress, but we will need the support of all of you; of industry, the states, environmentalists, and the lay public. There is no more time to lose. I invite you to join me in supporting these legislative concepts.

ESTONIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. DERWINSKI. Mr. Speaker, Sunday, February 24, marks the 56th anniversary the Republic of Estonia successfully achieved its independence from the Soviet Union. This freedom was a new experience for Estonia which has been under the rule of various powers for 700 years, the largest segment of time being under Czarist Russian bondage.

When Estonia declared its independence on February 24, 1918, World War I was still going on and it was not until November 11, when the armistice took effect, that the Germans began to withdraw from its territory. Eleven days later the Bolsheviks began to invade Estonia. The brave resistance of its people, together with support from a British naval squadron in the Baltic, enabled them to clear their land of these latest invaders by the end of January 1919. The Soviet Union, which had recognized the independence of Estonia when it signed the Treaty of Brest-Litovsk on March 3, 1918, granted final recognition on February 2, 1920, when it agreed to the Treaty of Tartu.

Two decades later, freedom for Estonia came to an end after the Communists and the Nazis divided Poland between them. Estonia was forced to sign a treaty with the Soviet Union permitting establishment of military bases and stationing of Russian troops on its soil when the Soviet Union threatened to invade. Annexation soon followed and on August 6, 1940, the tiny Republic was absorbed by the Soviet Empire.

It is pertinent to point out that the United States refuses to recognize the Soviet occupation of Estonia, Latvia, and Lithuania, and I am confident that this will continue to be the policy of our country. Estonians throughout the free world will continue their activities to keep alive their traditions. Even though they are a small group, they are a very vital force in the various countries throughout which they have been scattered by the fortunes of war.

While the end of World War II eliminated nazism, it also restored communism to Estonia. Consequently, it did not share in the victory that brought the liberation of many other lands.

Instead of freedom, Estonia experienced the collectivization of its farms, the nationalization of its industries, the communizing of its schools, and the suppression of its churches. The tyrants in the Kremlin deported 120,000 of its people and replaced them with people from other areas of the vast Soviet Empire.

Mr. Speaker, justice certainly will be served on the day of the emancipation of the Estonian people from their present bondage. In the meantime, let us pay homage to the brave people of that tiny nation on the anniversary of their independence.

BAN THE HANDGUN—XXIII

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BINGHAM. Mr. Speaker, this week a 28-year-old man was sentenced to 10 years in prison for manslaughter in the 1972 shooting of a teenage boy. In sentencing the defendant, the judge said that if he had not had that gun the boy would be alive today. He also suggested that, in order to put a halt to such killings, the legislature should make it a crime to sell handguns.

The attached article appeared in the February 21 edition of the Washington Post:

KEN-GAR KILLER GETS 10 YEARS

(By Martha M. Hamilton)

A Montgomery County judge sentenced Gene P. Hopkins a 28-year-old trash collector, to 10 years in prison yesterday for manslaughter in the slaying of a white teenager in Ken-Gar, a small black community within the town of Kensington 18 months ago.

In handling down the sentence, Circuit Judge Walter H. Moorman pleaded for stronger gun control laws, noting that Hopkins had also been convicted at his trial last November of carrying a dangerous weapon, the pistol with which Hopkins shot 18-year-old Mark S. Murray of Wheaton.

The judge also denied that his sentencing of Hopkins, who is black, was racially motivated or vindictive. The sentencing followed a hearing in which Hopkins' attorney, Joseph Forer, presented a petition for leniency signed by 95 adult resident of Ken-Gar, asserting that Murray and some friends had committed a "racist aggression against the peace and security of our community." Through their actions preceding the shooting.

After sentencing Hopkins, Moorman said he has sent the state corrections department letters praising Hopkins' character and his own recommendation "that they give you every consideration in relation to parole."

Prisoners generally become eligible for parole after serving one-fourth of their sentences but parole may be granted after 90 days at the discretion of the parole board.

Murray was shot once in the back after he and two white friends drove into Ken-Gar on the night of Aug. 18, 1972. During the trial, witnesses said that Murray threw a firecracker at a group of people who included Hopkins' 4-year-old daughter.

Richard Dorsey, one of four other men awaiting trial in the slaying, testified for the prosecution that Murray apologized to Hopkins, saying, "I'm sorry, man. We can talk it over." According to Dorsey, Hopkins answered, "We can talk with this." The shooting followed, although he never saw Hopkins with a gun.

Moorman cited the testimony yesterday, adding, "During the trial—I hope I'm wrong—I couldn't see any bit of remorse that you showed over the commission of this act."

Moorman assured Hopkins that there was "no racism, no malice, no hate, no vindictiveness. . ." in his action. "If for one moment I saw any Ku Klux Klan mentality in the circumstances in which this episode occurred, I would do different from what I'm about to do," Moorman told Hopkins before imposing sentence.

The judge said that in his neighborhood there are similar incidents. "I think every resident in this county has to put up with this type of thing," he said. Moorman lives in Bethesda a predominantly white, relatively affluent section of the county.

The actions of Murray and his friends was "bad judgment, in fact a very stupid thing. . . ." Moorman said. But, he added, "by the wildest stretch of the imagination the poor judgment of the teenagers did not justify the taking of the life of Mark Murray."

"It is the court's opinion," Moorman said, "that the legislature should go further and put teeth in Gov. (Marvin) Mandel's (gun control) legislation by making it a crime to sell handguns."

Maryland's gun control law, enacted in 1972 with Mandel's backing, requires state permits for carrying a handgun outside the home.

"If you'd not had the gun, Mark S. Murray would be with us today and you would not be standing in front of us for sentencing," Moorman told Hopkins.

Moorman also sentenced Hopkins to two years in prison for assault and three years on the gun charge in connection with the shooting. The sentences will run concurrently with the 10-year sentence for manslaughter, which is defined as wrongful killing without malice or premeditation.

Forer, Hopkins' attorney, said he plans to appeal.

The petition from the Ken-Gar residents also asked State's Attorney Andrew L. Sonner to drop charges against four other Ken-Gar men who are charged with first-degree murder, attempted murder, assault and assault and battery in the case.

THE NATIONAL ANTHEM

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. ST GERMAIN. Mr. Speaker, in these troubled times, when patriotic sensibilities are often assailed and challenged, the national anthem remains a stirring reminder of our heritage and future hopes, and lends dignity to every occasion. I would like to acquaint my colleagues with a resolution introduced by Senator Albert P. Vaslet and passed in the Senate of the State of Rhode Island on the fifth day of February 1974, which requests that the national anthem be played prior to public sporting events and exhibitions.

The resolution follows:

RESOLUTION

Whereas, We, as elected representatives of the people of the State of Rhode Island do find these times especially trying to our nation; and

Whereas, The current political and social upheaval both domestic and foreign is testing and will continue to test the strength of our fiber as a republic; and

Whereas, There appears to be a growing disrespect for the fundamental beliefs founded in our constitution, our laws, our freedom and our heritage; and

Whereas, This disrespect for the freedoms and laws which protect the strength and integrity of our democracy affects not only the present generation of Americans but also the future of our children who will one day assume leadership; and

Whereas, As elected representatives as well as parents, we believe that instilling respect of our heritage and understanding of the real and difficult responsibilities and duties of each citizen is vital to the welfare and well-being of this our nation; and

Whereas, Instilling respect and pride in our country although the ultimate responsibility of each citizen is also the clear responsibility of elected officials and representatives of all the people; and

Whereas, In view of this need we find that ceremonies in which the national anthem is played have the effect of instilling in our people and in particular our children, some understanding and belief in our national heritage; and

Whereas, Public exhibits, ceremonies, sporting events, concerts and other forms of a social and recreational nature do provide a unique and important opportunity to perform our national anthem; now, therefore be it

Resolved, That we, the Senators of the *State of Rhode Island* and Providence Plantations urge responsible citizens and officials to afford, as they have in the past, the opportunity to hear our national anthem at such events and to recall with dignity the responsibilities we owe to our heritage and to our future; and be it further

Resolved, That the secretary of state be and he hereby is requested and directed to transmit a duly certified copy of this resolution to all managers of places in which sporting and social events are held; and be it further

Resolved, That the secretary of state be and he hereby is requested and directed to transmit a duly certified copy of this resolution to the secretary of state of each of our forty-nine (49) sister states with an accompanying letter urging the passage of similar resolutions; and be it further

Resolved, That the secretary of state be and he hereby is requested and directed to transmit a duly certified copy of this resolution to our elected representatives in the Congress of the United States with an accompanying letter urging inclusion in the CONGRESSIONAL RECORD.

MESSAGE TO MICRONESIA

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. DON H. CLAUSEN. Mr. Speaker, I would like to call the attention of the Members of Congress to a statement issued recently by Secretary of the Interior Rogers C. B. Morton.

Secretary Morton outlined several matters of interest in our administration of the trust territory of Micronesia which will be helpful to the Congress in considering related legislation, as follows:

MESSAGE TO MICRONESIA

(By Rogers C. B. Morton)

To my friends, the people of Micronesia:

This year of 1974 brings Micronesia to the threshold of a bright new future.

You and your Congress, working together with the United States, have taken great strides toward self-government in the past few years.

In 1969, the first year of his administration, President Nixon directed that a program be initiated to give you an increased voice in the determination of policies affecting your future.

As we approach the end of the trusteeship we believe even greater responsibility for Micronesia must be assumed by the people of Micronesia. There will remain many areas which will be shared with you. But for the larger part, the future of Micronesia is a Micronesian matter. The responsibility for determination of your future government is yours. The obligation to promote your own social, ecnomic and political welfare is yours. The right to self-determination is yours.

The first goal of this administration was to gain additional financial support to get vital projects underway.

Working together, we have launched an accelerated program which succeeded in raising the annual authorization to the current $60 million a year level.

In addition, other federal grant programs—once practically non-existent—now account for $9.5 million annually. These funds have measurably assisted in bringing about needed improvements in raising your standard of living.

Local revenues have jumped from about $850,000 to $4.5 million in the past five years.

Recent developments hold considerable promise for the future. Among these are Micronesia's entry into ECAFE as an associate member, possible assistance from the Asian Development Bank, and the establishment of a permanent economic development loan fund.

Tourism has grown. Only five short years ago the territory had a dozen small hotels with less than 200 rooms, able to accommodate only 15,000 visitors a year. Today, you have 1100 rooms, either availabe, in construction, or on the drawing board.

Last year alone, about 48,000 visitors came to Micronesia and added over $3 5 million to your economy. As in the past, our policy continues to be to encourage each district to develop tourism in accord with its own desires, traditions and customs.

Since 1969, new airports have been constructed, others planned.

Jet service to every district and consequent gains in tourism are facts and no longer dreams.

Public utility projects for power, water and sewer systems have been funded and constructed in all districts.

We have a new hospital in Truk, and planning is completed for another in Ponape. Other new hospitals and major improvements to existing ones are in the preliminary planning stage.

The long-sought Renrak Bridge connecting Babelthuap with Koror has been funded and will soon be a reality.

Many new schools have been completed and additional classrooms have been added to existing schools. More are scheduled.

The Micronesian occupational center and the Micronesian Community College are helping to prepare you for growing opportunities in your own society and economy.

When this administration began in 1969, there was only one Micronesian District Administrator. Today five of these positions are held by Micronesians.

In 1969, no Micronesians served in the High Commissioner's cabinet. Today Micronesians hold the Directorships in health services, education and public affairs, other headquarters departments have Micronesian Deputy Directors preparing themselves to assume higher positions.

The past five years have shown that by coupling the human resources of Micronesia with American financial and technical assistance we can meet the aspirations of the Micronesian people. But we must now begin to focus on the future.

I believe that the next three years will see a decisive turning point in your history. In this period we can expect to see Micronesia move decisively toward self-government, bringing to you, the citizens of these Islands, all of the rights and privileges that go with it. At the same time you will have to assume many of the responsibilities of a self-governing people. You must be ready to make important fundamental decisions of your own which will have a lasting effect on your lives and the lives of your children and your children's children.

Decisions about your political future, your economic future, the future disposition of your lands all must be made in the immediate years ahead. I know from my travels among your Islands as a Congressman and from the conversations with Micronesian leaders in Washington that your elected representatives are most concerned with these basic questions.

The United States will help in every way possible to make the issues clear, but we cannot make the basic decisions. This is your your responsibility.

To accelerate the turnover of responsibility to you for your own internal affairs, action is being taken in four important areas. First, the United States Congress has approved funds for a Micronesian Constitutional Convention. This Convention will provide the Micronesian people with the responsibility to draw up the blueprint of their future government and society. Second, the United States has authorized the return of public lands to the control of the District Legislatures for final distribution. Third, instructions are being issued for new arrangements to improve economic conditions. Finally, the Trust Territory Administration has begun a greatly expanded program of education for self-government.

The United States Government is giving whole-hearted support to the organization of a Constitutional Convention. I believe the development of this fundamental instrument is an essential part of the efforts toward self-government.

I am confident that the Congress of Micronesia will act rapidly to make the Constitutional Convention a reality. Your new Constitution will be the blueprint for your future. It will be the cornerstone for important programs during the period of your transition from trusteeship to self-government. I have asked the High Commissioner to make available any and all technical and staff support as requested by the Congress to assist in this historic step.

With regard to the disposition of public lands, let me say that the U.S. policy represents the fulfillment of a promise made years ago by the United States to hold these lands in trust for the people. The decision to return control over public land to those Districts requesting it is full of meaning for the people of Micronesia. Acting through your elected and territorial government and traditional leadership you are now to assume responsibility for matters pertaining to land, culturally the most prized, and socially and economically the most significant commodity in Micronesia. This constitutes an enormous step in transition toward self-government. I am hopeful that the Congress will act quickly to pass the necessary legislation to put the new policy on the return of public lands into effect.

Looking forward to future progress toward economic self-sufficiency for Micronesia, we are striving to complete the basic facilities needed by the territory. Hopefully within a few years you will have more adequate airports, more power, water, sewage systems, better hospitals, more classrooms and better roads. I have asked the High Commissioner to prepare a revised five-year plan for this construction with emphasis on the initial three-year period. He is to work with both the Congress of Micronesia and the leadership of the Districts to develop the necessary set of priorities. I have instructed my Director of Territorial Affairs, Stanley Carpenter, to make available the full resources of his staff work with you to meet this objective. Only with a sound physical plant can we begin to produce a strong economy.

To promote further control by Micronesians over their own economic affairs, I have ordered the lifting of restrictions on foreign investment in the Trust Territory effective April 1, 1974. From that date, individuals and commercial investors from any of the world's community of Nations will be permitted to apply for business permits in Micronesia. More specifically, each District Economic Development Board will be able to consider business applications from any nation within the guidelines of your own foreign investors Business Permit Act. Under the terms of that Act the High Commissioner will have final authority to review each recommendation of the District Economic Development Boards. I have instructed the High Commissioner to base his review on the security of the area and the general welfare and development of the Micronesian people.

I would ask the Congress of Micronesia to review carefully the ramifications of this new policy on foreign investment. As the keepers of the trust of the Micronesian people, Congress may decide that additional controls or safeguards are necessary to protect Micronesian private enterprise.

I have instructed the High Commissioner to proceed rapidly in fully implementing his new comprehensive, objective program of education for self-government, so that it will reach all areas and all levels of society. I hold high expectations for this program. A good understanding of government and its functions is a necessary step to increased government at all levels.

We shall also continue to review our other programs aimed toward a greater measure of self-government and general political development. We will continue the policy of elevating qualified Micronesians into more responsible positions in the Administration. I have asked the High Commissioner to submit to me his best forecast of manpower needs over the next three years, so we might determine how more Micronesians can be placed in key positions.

Final agreement on the future political status of Micronesia has not yet been reached. Nevertheless, I am confident that present negotiations will soon lead to arrangements which will prove to be in the best interests of both the American people and the people of the Trust Territory. You may be sure that in future negotiations the U.S. will be guided by its commitment to the principle of self-determination and by the obligations it assumed under the United Nations Trusteeship Agreement. In short, the final decision on your future will be yours to make. Our main interest is to ensure that the choices are well understood and that whatever agreement is reached will serve the best interests of all.

I would like to leave you with this thought. You, the people of Micronesia, are moving toward a new era of political self-reliance and increased economic self-sufficiency. You must be ready to accept the responsibilities that will come with these developments. At the same time, the government of the United States *must* and *will* do everything possible to provide you with the tools and skills that will help you in assuming these responsibilities and in charting a new course of a self-governing people.

With continued bold, imaginative leadership, we can reach the goals of our shared dreams over the next few years. By then it is my hope, and the hope of all of us in Washington, that the people of Micronesia will have completed the process of self-determination that is the right of all the peoples of the world.

SURRENDER AT PANAMA, THE PRICE OF PERSONAL DIPLOMACY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. RARICK. Mr. Speaker, in a statement in the January 21, 1974, CONGRESSIONAL RECORD, page 198, entitled, "What Is the Price of Dr. Kissinger's Personal Diplomacy?", I listed a number of the Secretary of State's "triumphs" which have received rave reviews in the mass news media. One of them was his February 7, 1974, signing in Panama, without the prior authorization of the Congress, a "statement of principles" to serve as a guideline for a new canal treaty. The agreement, drawn between Dr. Kissinger and Panama's Foreign Minister Juan A. Tack was a blatant example of his "personal diplomacy."

In his address on that occasion, Secretary Kissinger made this significant assertion:

> In the President's name, I hereby commit the United States to complete this (treaty) negotiation successfully and as quickly as possible.

And that—

> We are now fully committed to a major effort to build a vital Western Hemisphere community.

The principles to which he agreed call for the abrogation of the 1903 Canal Treaty and the eventual surrender of the U.S. sovereignty and ownership of the Canal Zone and the Panama Canal to the Republic of Panama, an unstable country of endemic revolution which, since 1904, has had 59 Presidents, some of them serving only a few days.

Mr. Speaker, I would again invite attention to the fact that the Canal Zone and the Panama Canal are U.S. territory and property acquired through grant and purchase by the United States, pursuant to a treaty authorized by the Congress. Under the U.S. Constitution only the Congress is vested with the power to dispose of territory and other property of the United States. It should be remembered, despite Mr. Kissinger's "personal" agreement with Tack, the Congress has not authorized the surrender of either the zone territory or the canal.

Mr. Kissinger is obviously well aware of the battle he faces in the House if he continues on his course of giving away the multibillion dollar Canal Zone complex. Both Houses of Congress must vote on any move to dispose of "surplus government property." The new "line" emanating from the Department of State is that the negotiations are aimed at "modification" of the 1903 treaty, which only the Senate could vote on, rather than a surrender of U.S. property rights, which would require the consent of both Houses. The Secretary apparently feels that he has enough votes in the Senate to bulldoze his "personal" agreements through.

This unwarranted action at Panama City by the Secretary is not only irresponsible, but also constitutes an outrageous assault on the United States' treaty-based sovereign rights, power and authority over the Canal Zone. It is a challenge to this Congress. It raises questions as to the process of reasoning by which this public servant was led to this attempt at usurpation.

Moreover, his action ignores U.S. treaty obligations to Great Britain and Colombia, as well as the interests of the major users of the Canal, such as Japan and Norway.

The next round in Dr. Kissinger's "personal surrender" of the Panama Canal began today in Mexico City, where he is meeting with Latin American *foreign* ministers.

The question I raised earlier, "What is the price of Dr. Kissinger's personal diplomacy?" remains one to which the American people deserve an immediate answer.

I ask that excerpts from the related news clipping follow my remarks.

The excerpts follow:

[From the Washington Post, Feb. 6, 1974]

PROPOSAL OUTLINED FOR NEW TREATY ON PANAMA CANAL

(By Dan Morgan)

The State Department yesterday disclosed more details of its proposal for a new treaty governing the Panama Canal and linked these to Secretary of State Henry A. Kissinger's hopes for a "dialogue" with other South American countries.

A senior State Department official said that the American proposals "clarified the parameters" under which the United States and Panama will negotiate a new Panama Canal treaty to replace the 1903 document that is still in force.

Kissinger will fly to Panama Thursday for six hours to initial a joint "statement of principles" to guide the treaty negotiators.

Though the nature of the trip is ceremonial, it marks the start of hemispheric diplomacy for the Secretary of State. The next round will occur on Feb. 21 to 23 in Mexico City, when he meets with Latin American foreign ministers.

American sovereignty over the Panama Canal Zone is still viewed by many in South America as a vestige of Yankee colonialism. Thus, some forward motion on the issue is viewed here as essential in removing it as an emotional topic that could mar the new dialogue proposed by Kissinger at the United Nations last fall.

The main American concessions to long-standing Panamanian demands include the following, according to a State Department paper made public yesterday.

Abandonment of the permanent sovereignty assigned to the United States in the 1903 treaty and substitution of American rights to control and defend the present canal for a specified time period.

Assumption by Panama of jurisdiction over the Canal Zone, "in some areas immediately and in others over a period of years."

Panamanian participation in the defense of the canal for the first time, although both countries have agreed that the United States will continue to control and defend the territory for an extended period.

Increased annual payments to Panama, from the present figure of about $2 million to an estimated $25 million.

Relinquishing to Panama of some lands and facilities in the Canal Zone which are not needed for canal operations and defense. The new treaty would also spell out the terms under which the U.S.-owned part of the zone would be open to Panamanian governmental and private activities. This area would be "integrated into the jurisdiction, culture and economy of Panama."

The senior State Department official said yesterday that the approach of both Panama and of the United States is "more flexible" than it has been in the past. The breakthroughs leading to the statement of principles occurred rapidly last fall, when Ambassador-at-large Ellsworth Bunker took over the negotiations.

The official said he hoped that a new treaty could be completed this year.

However, a number of areas of substantial disagreement remain, officials indicated. One is the period of American sovereignty and the time period for phasing out U.S. jurisdiction.

Another unresolved question is the extent of U.S. defense rights. The senior official said it was possible that some status-of-forces agreement might be drawn up to cover the 11,000 American troops in the Canal Zone.

Any new treaty would face opposition on Capitol Hill, as well as from other groups.

REINSTATEMENT OF EFFECTIVE OIL-PRICE CONTROLS: REPEAL OF STRIPPER WELL EXEMPTION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. FRASER. Mr. Speaker, 30 of my colleagues have joined me in reintroducing H.R. 12160, a bill to repeal the decontrol of prices for "stripper well" oil—oil from wells pumping under 10 barrels a day.

Congress exempted stripper well oil from price controls last November, first in the Alaskan Pipeline Act—Public Law 93-153—and then in the Emergency Petroleum Allocation Act—Public Law 93-159. The objective was to increase domestic production by freeing from price restraints small wells that were only marginally profitable and that might otherwise have soon been shut down.

The price of stripper well oil has more than doubled since that time, from $4.25 to $10.35 a barrel. But instead of encouraging production, there is every reason to believe that the stripper well exemption has had the opposite effect.

The incentives are now on the side of keeping production down. Why should a producer increase his output to 12 to 15 barrels a day when he can get more money for 9 or 10 barrels?

Although the law should prohibit misuse of the exemption, in practice—as the Federal Energy Office statement quoted below indicates—the wide disparity between the controlled price and the price for stripper-well production encourages circumvention of the regulations and serves as a disincentive to increased output.

There are almost half a million oil wells in the United States, pumping, on an average, 18 barrels of crude oil a day. Three-fourths of these wells are stripper wells—wells that literally "strip" from the earth 10 barrels or less a day. Thirteen percent of domestic supply comes from these small wells, and much of this production is under contract to the major oil companies.

The cost of living has risen inordinately in the past month while, at the same time, real income has dropped. A large part of this rise in prices has been due to increased fuel costs. In January the wholesale price index rose at a seasonally adjusted rate of 3.1 percent. The category with the biggest spurt—the energy index—rose 6.8 percent, and the single biggest factor in the energy index was a 22-percent increase in the price of crude oil. With thousands of auto and airline workers out of jobs and real family income dropping drastically because of increased fuel prices, it is neither fair nor reasonable to permit oil industry prices to soar.

The decontrolling of prices for stripper well oil has been a costly mistake. Contrary to the intent of Congress, this exemption has been a disincentive to increased production. The windfall profits generated in the past 2 months from this act of misguided congressional generosity are staggering to contemplate. Thirteen percent of domestic production is a significant quantity. A reduction in price from $10 a barrel to $5.25 a barrel for this oil alone could mean a reduction of as much as 2 cents a gallon for gasoline at the pump.

Mr. Speaker, I am happy to see that the conference report on the National Energy Emergency Act has reinstated effective controls on prices for domestic crude oil. Included in the price roll-back provision in this act is repeal of the decontrol of prices for stripper well oil.

If the price roll-back provision of the National Energy Emergency Act is enacted into law, our bill will prove unnecessary. I hope this will be the case.

But if the House does not approve the conference report on the National Energy Emergency Act, or if Congress fails to override the threatened Presidential veto, I hope that Members of both Houses will join us in supporting this needed change in pricing policy for domestic crude oil.

I call the attention of my colleagues to testimony of Mr. Gerald L. Parsky, Executive Assistant to the Federal Energy Administrator, before the Senate Interior Committee on February 1, 1974. The relevant portions of Mr. Parsky's prepared statement follow:

PORTIONS OF MR. PARSKY'S STATEMENT

TWO-TIER SYSTEM

Under the two-tier pricing system for domestic crude petroleum, most of the crude produced in the U.S. is subject to a ceiling price which averages $5.25 per barrel. New production—that is, production above 1972 levels—is not subject to the pricing ceilings and may be sold at free market prices. Crude produced from stripper wells also has been exempt from pricing controls by Congress. Because of these actions, a total of about 25% of the crude produced in the U.S. is not subject to pricing ceilings. The remaining 75% is subject to price ceilings.

The two-tier pricing system is designed to stimulate additional domestic crude production through qualified price incentives, while at the same time slowing the rise of domestic crude prices toward world price levels. The prospect of a higher free market price for "new" oil has sharply increased oil and gas exploration and development.

STRIPPER WELL EXEMPTION

Congress adopted much the same price incentive approach when it voted almost unanimously in November, 1973, to increase long-term domestic crude supply by exempting from pricing ceilings crude produced by stripper wells. The effect was to allow an immediate price increase in anticipation of increased supplies in years ahead.

The intent of Congress was to extend the productive life of economically marginal stripper wells. As the Conference Committee report stated: "The purpose of exempting small stripper wells—wells whose average production does not exceed ten barrels per day—from price restraints of the Economic Stabilization Act and from any system of mandatory allocation is to insure that direct or indirect price ceilings do not have the effect of resulting in any loss of domestic crude oil production from the premature shutting down of stripper wells for economic reasons.

Congress gave stripper well operators a broad incentive by exempting not just those wells in immediate economic jeopardy, those which produce only 3 or 4 barrels per day, but by also exempting wells with production of up to 10 barrels per day. Possibly the additional revenues will be plowed back into further exploration or secondary and tertiary recovery efforts. Nevertheless, stripper wells which produce 10 barrels per day or less account for a minimum of 13% of domestic crude oil production and in the two months since Congress acted to exempt stripper well production in November from price controls, the price of stripper well oil has risen by an average of $5.25 per barrel. The Cost of Living Council, on the other hand, has allowed the rest of the "old" oil to rise by $1.00 per barrel in the same period.

DOLLAR INCREASE

When the two-tier system was promulgated in August, 1973, by the Cost of Living Council, the Council stated that it would continually monitor the ceiling prices of domestic crude petroleum and would periodically raise the ceiling price toward achieving parity with world prices. Between August, 1973 and December, 1973 world prices for crude increased sharply, creating a very wide spread between new and stripper crude prices and "old" crude prices under the two-tier system also widened. "New" oil prices moved from an average of $1.00 per barrel above posted old oil prices to a premium of $2.00 and to $4.00 per barrel by early December.

Spreads of that magnitude are potentially de-stabilizing and cannot long be maintained. For this and other reasons, the Cost of Living Council raised ceiling prices for domestic crude by $1.00 per barrel to reduce the spread and move domestic old crude prices somewhat closer to world prices.

The $1.00 per barrel crude increase granted in December does not place an onerous burden on the consumer when balanced against the objectives of increased supply and additional recovery. The potential increased and sustained production achieved will represent supplies which will not have to be imported at higher prices. The dollar increase in the price of crude translates into a 2.3¢ a gallon increase for gasoline and other petroleum products. The 2.3¢ means a weekly increase of 23¢ to a motorist using 10 gallons of gasoline a week.

STRIPPER DISINCENTIVE

Another reason for the Council's action is the supply depressing potential of the stripper well exemption. The wide spread between the price for exempt stripper well production and the controlled price of old oil was—and continues to be—an inducement to non-stripper well operators to reduce their production of old crude from wells that are only marginally above the stripper level of production.

For example, a producer operating a well producing 12 or 15 barrels of crude per day could cut back production to qualify under the 10 barrel per day stripper well exemption and receive a far greater financial return for the reduced production than he would receive under the ceiling price. There is a large potential for this kind of gamesmanship because the average well in the U.S. produces only 18 barrels of crude oil per day. Increasing the value of ceiling priced crude lessens the temptation to circumvent Congressional intent and reduce the nation's total supply of crude at a time of greatest need.

Conclusion

In conclusion, I would emphasize that we cannot impose a price ceiling on new oil production without concurrently imposing a price ceiling on stripper well production because it would undoubtedly lead to efforts to reduce production, to attempt gerrymandering of leases, or to otherwise circument the regulations so as to qualify for the stripper exemption. Further, if both new oil and old oil were subject to ceiling prices, continuation of the exemption of stripper wells would result in the creation of a three-tier pricing system, with two types of crude production under price ceilings and the third (stripper crude) free to sell without price constraints.

Therefore, we suggest that the Congress provide the President with the authority to impose price ceilings on production from stripper wells. Once this is done, we would be glad to work with your Committee to establish price levels which will continue to encourage increased production and at the same time not subject the American consumer to the emotional price levels of foreign supply.

Mr. Speaker, the cosponsors of H.R. 12160 are listed below:

COSPONSORS

Bella S. Abzug, Les Aspin, Herman Badillo, Bob Bergland, Edward P. Boland, Shirley Chisholm, John Conyers, Jr., and Ronald V. Dellums.

Robert F. Drinan, Don Edwards, Joshua Eilberg, Dante B. Fascell, Walter E. Fauntroy, William D. Ford, Donald M. Fraser, and Gilbert Gude.

Bill Gunter, Ken Hechler, Henry Helstoski, Elizabeth Holtzman, Robert W. Kastenmeier, Peter N. Kyros, John Moakley, and Lucien N. Nedzi.

Robert N. C. Nix, Bertram L. Podell, Robert A. Roe, Edward R. Roybal, John F. Seiberling, Fortney H. Stark, and Antonio Borja Won Pat.

WAGE AND PRICE CONTROLS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, recent economic indicators have demonstrated that wage and price controls are a policy whose time is past. I have never viewed controls as a viable economic option. Our recent experience with controls lends support to this viewpoint. Controls have exacerbated shortages in many areas. Controls also have negligible effect on the demand-pull inflation with which our economy is currently confronted.

It is time to develop an economic policy which strengthens the private competitive marketplace. We must continue to reform the congressional decision making process for fiscal and monetary policies. Finally, we must adapt our attitudes and aspirations to the economic realities of the 1970's.

The Minneapolis Tribune describes the pitfalls of controls in a recent editorial. I have included this editorial for my colleagues benefit:

AN END TO WAGE AND PRICE CONTROLS?

The newest phase of the Nixon-administration economic policy is to be what many predicted—the toothless jawbone. Except in health-care and petroleum, wages and prices still subject to control will be decontrolled between now and April 30, when present legislative authority expires. The policy planned to be in effect after that was evident in Wednesday's announcement: the Cost of Living Council will "monitor," "watch over" and "coordinate," rather than regulate as before. In other words, the "jawboning" of earlier years will replace controls, but those bitten by federal remonstrance for their price or wage increases will probably be unscarred.

The first is simply that other options have been exhausted. Phase I—the wage-price freeze of August 1971—was effective in part because it was so severe and so unexpected from an administration that, until then, had lectured the public on the evils of controls. The longer, carefully modulated controls of Phase II won surprising public acceptance during 1972. When Phase III was announced in January 1973, the premise of its substantial relenting on price control was the threat that controls would be reimposed if prices rose too sharply. An ill-starred experiment in clamping a ceiling on meat prices did more harm than good. Phase IV has been a further move toward decontrol.

Second is the economic wisdom of giving market forces the free play they will have after April 30. This is the most debatable issue. An opposition view could be put this way: Inflation is already the highest since 1947, and wage-price escalation will make it worse. Nearly everyone stands to lose, but especially the least vocal—people whose low wages are unlikely to increase proportionately, and those living on fixed incomes.

Supporting decontrol are the arguments that artificial distortions have appeared in the economy, that profit restraints discourage production, that scarcities are better met by business competition than government allocation, that wage controls unfairly penalize wage-earners and that inflation only became worse under controls.

In the circumstances of 1974, we think the stronger arguments are against controls. They were needed in 1971 as a counter to inflation caused mainly by excessive wage settlements. That is not the dominant factor today, and the merits of controls as a restraint against inflation caused by a variety of factors, including commodity shortages, is dubious. The problem of equity for those on low incomes faced by price increases is better met by income supplements than by direct controls. The problem of scarcities in many areas—food, for example—is better met by production incentives through price than by price ceilings, which are production disincentives.

Finally, there is the question of public acceptance. When the 1971 freeze was announced, labor and business expressed relief that something decisive had been done after President Nixon's ineffective economic game plans. Public concerns now center not only on inflation, but on the threat of recession, rising unemployment and the fact that these adverse trends are taking place in spite of—some would say because of—the control apparatus. Moreover, the president, the Treasury secretary and the director of the Cost of Living Council have made no secret of their wish to lift controls.

Having pointed economic policy in that direction for months, the administration did not create much surprise by its announcement. Even so, there will—and should—be debate in Congress over whether the Economic Stabilization Act should expire or be renewed. It would be wise to defer that decision until close to the deadline of April 30. By then the first-quarter figures will be well enough in hand to give a better indication of whether decontrol is still the better choice.

SUPPORTS GOALS OF PRESIDENT

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BOB WILSON. Mr. Speaker, the interminable and acrimonious debate over the Watergate scandal has obscured the many accomplishments of the Nixon administration. I am pleased that my constituent, Mrs. Donald Spicer of Coronado, Calif., a charming lady who is also the president general, National Society Daughters of the American Revolution, took the time to let the President know her support of the goals outlined in his state of the Union message. Mrs. Spicer's observations are very pertinent to the issues of the day and I commend her letter to the attention of my House colleagues.

Mrs. Spicer's letter to the President reads as follows:

NATIONAL SOCIETY DAUGHTERS
OF THE AMERICAN REVOLUTION,
Washington, D.C., February 4, 1974.

The PRESIDENT of the United States of America,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The Board of Management of the National Society Daughters of the American Revolution, which represents every State of our Nation, was in session this past week in Washington. Your "State of the Union" address, delivered to the Congress on January 30, was a topic of much favorable comment by those assembled for our meetings. We are indeed proud of the accomplishments of your Administration over these past five years, even though there have been attempts to obscure them. Many of those you outlined and many of your proposed programs have long had the official support of DAR, especially your statement, "We must never allow America to become the second strongest nation in the world." This is the established, traditional stand of our Society—a strong national defense.

We commend you for your successes in controlling crime, eliminating riots and reducing the rate of drug abuse in the United States; your determination to return, through revenue sharing, money and authority to the States and cities which know their problems best; your aid to improve health care while preserving the private system of medical treatment and health insurance; your proposal to eliminate wasteful welfare practices and thus establish a beneficial program for all, including welfare recipients; and, your continuing struggle to control inflation while achieving a stable and growing free economy.

Be assured that the Daughters of the American Revolution enthusiastically support your expressed hope for this Nation's "Project Independence", a Bicentennial goal indeed worthy of the consideration of every citizen of the United States of America. A people as determined for independence as our patriots in 1776 were can achieve a new and more secure independence, relying on our own resources, talents and knowledge.

For these remaining three years of your Administration, as you lead us—free people in a free system, may you be successful in your continuing efforts for "historic progress" at home and for peace throughout the world.

Sincerely,

Mrs. Donald Spicer,
President General.

From: National Society, Daughters of the American Revolution, Washington, D.C., (Miss Jean Jacobs).

The National Society of the Daughters of the American Revolution today praised President Nixon for the accomplishments of his Administration "despite attempts to obscure them."

In a letter to the President signed by Mrs. Donald Spicer, President General of the 197,000 member organization, the DAR complimented him especially for his strong support of national defense, and on programs proposed in his State of the Union address.

"Many of those (accomplishments) you outlined and many of your proposed programs have long had the official support of the DAR, especially your statement, 'We must never allow America to become the second strongest nation in the world'," Mrs. Spicer wrote.

She said the Board of Management of the DAR, which represents every state in the union, was in session in Washington during the week of the State of the Union address, which was a "topic of much favorable comment" among the board.

"For these remaining three years of your Administration, as you lead us—free people in a free system, may you be successful in your continuing efforts for 'historic progress' at home and for peace throughout the world," the letter said.

Mrs. Spicer said the DAR members commend the President "for your successes in controlling crime, eliminating riots and reducing the rate of drug abuse in the United States; your determination to return, through revenue sharing, money and authority to the states and cities which know their problems best; your aim to improve health care while preserving the private system of medical treatment and health insurance; your proposal to eliminate wasteful welfare practices and thus establish a beneficial program for all, including welfare recipients; and, your continuing struggle to control inflation while achieving a stable and growing free economy . . ."

"Project Independence" to end reliance on foreign products also was praised by the DAR as a Bicentennial goal worthy of every citizen.

CONGRESSMAN DRINAN DEFENDS THE RIGHT OF PERSONS AGED 62 TO 72 TO WORK WITHOUT BEING DEPRIVED OF THEIR SOCIAL SECURITY BENEFITS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. DRINAN. Mr. Speaker, the burden of continued inflation falls most heavily upon those individuals who are retired and living on a fixed income. This unfortunate situation is magnified by the restriction imposed on earnings by the Social Security Act. The earnings limitation which discourages and moreover penalizes individuals between 62 and 72 who would otherwise remain in the work force, is unfair and discriminatory as it particularly affects the blue-collar worker while other retirees of professional occupations are in many instances able to live on income from investments or a full pension without penalty. The individual deprived of benefits is the individual who most needs employment to maintain a decent standard of living. In testimony before the Senate Special Committee on Aging a spokesman of the Seniors for Adequate Social Security summed up the present situation of those living on fixed incomes by commenting that it reflects "a creeping increase trying to catch up with galloping inflation."

No logical argument has ever been advanced to dissipate the fact that the earnings limitation violates the work ethic, on which this Nation has long stood, in favoring idleness by discouraging productive work. One of the main defenses for inaction in challenging the restriction has been the small number of people who are affected. The fact is that this minority consists of 1.5 million people. Proponents of retaining the earnings limitation also argue that a change is in violation of the intent of the social security program. Yet in 1935 when the social security program was first reported by the Committee on Ways and Means there was no earnings limitation included and moreover it was clearly established that benefits were a matter of right regardless of earned income.

I have sponsored legislation to abolish the income limitation in both the 92d and 93d Congress. This issue has been one of my main concerns since my election to the House in 1970. At the present time there are some 20 measures before the Committee on Ways and Means that would accomplish a removal of this restriction. I remain hopeful that the committee will respond and give its attention to these proposals. I would like to share with my colleagues the following editorial by Senator Barry Goldwater which recently appeared in the American Association of Retired Persons Bulletin on the subject of the income limitation.

REPEAL THE EARNINGS LIMITATION

(By Senator Barry M. Goldwater)

The earnings limitation of Social Security benefits should be repealed. By "earnings ceiling," I mean the outrageous penalty which the law imposes on the person otherwise eligible for Social Security who earns more than $2,400 per year. As the law now stands, an individual receiving Social Security is denied one dollar for every two dollars he earns over this $2,400 exempt amount, until his benefits are cut off completely. The only exclusion is for persons 72 and older.

This restriction is wrong. It is wrong logically, and it is wrong morally. It is an outrage against millions of citizens who have made years of contribution out of their hard-earned salaries. It is an affront to the working man who has lived faithfully by the best rules of the American system. Let us remember that these citizens have not been a burden on the welfare rolls. They have not been out tearing up the flag, blocking traffic, or shouting obscenities in the streets. If there are any individuals in society who should deserve the top priority attention of their government, it is these law-abiding, working persons.

I have charged that the earnings limitation is wrong morally. This is because Social Security should not be a contract to quit work. It is also wrong morally because each citizen should be able to earn an income, without unfair restrictions, to the full limit of his ability and initiative.

I further condemn the earnings ceiling as being wrong logically. This is because a person who is penalized is usually the one with the greatest need for more income than his Social Security benefits could provide. Did you know that income from investments—stocks, bonds, rentals, and so forth—is not counted in determining whose benefits shall be reduced? No, it is only the individual who continues to work who is penalized.

Here we have the utterly illogical situation where a really wealthy person might draw tens of thousands of dollars a year from his investments and still, at the same time, receive his full Social Security check. Yet the man who has worked for a salary all of his life and who might need to continue working as a matter of his economic survival can not do so under the law without being penalized. To this, I should add that a person who does lose his Social Security benefits on account of working suffers a reduction in his disposable income larger than the amount of the benefits he is losing. This occurs because for each dollar in tax-free Social Security benefits which the person loses, he exchanges for it a shrunken dollar earned which is reduced by Federal, state and local taxes and by all the expenses incidental to his work, including ironically continued payroll contributions for the Social Security which he is not receiving.

According to the best estimates I can get from the Social Security Administration, there are at least 2.5 million Americans aged 65 to 72 or their dependents who are directly affected by the earnings ceiling. About half of these individuals earn enough so that they receive no benefits at all, and most of the rest earn enough so that their benefits are reduced. Another category of about 500,000 persons may be receiving their full benefits, but are intentionally holding their earnings down because of the limitation.

It is time this statutory shackle was removed—completely. It is true that some progress has been made in liberalizing the restriction. In 1972, for example, an amendment passed which lifted the ceiling from $1,680 to $2,100. This followed a motion by me to abolish the ceiling entirely, which was defeated on a voice vote. Then in June of 1973, Congress raised the ceiling higher to $2,400. I am disappointed to report that an amendment boosting the ceiling of $3,000 and lowering the exempt age to 70 was dropped in conference in late 1973, after originally having passed the Senate by a vote of 83 to 1.

But, even if the amendment had prevailed, it would not be enough. In my opinion, workers who have contributed from their earnings over a lifetime of work are entitled, *as a matter of right*, to receive benefits when they reach the annuity age. I repeat, Social Security beneficiaries are not wards of the government. They are not on relief. They are not objects of charity. They are self-respecting Americans who have paid for the benefits which they will receive in old age.

Social Security payments are not gratuities from a benevolent government. They are a repayment of our own earnings, which we have deposited in trust as a regular contribution deducted from our salaries and from our employers on our behalf. This method was designed from the start as a guarantee that benefits would be paid as a matter of right, not of charity.

In fact, not too many people know this, but as the program was first reported by the Committee on Ways and Means in 1935, there was no earnings test at all. Thus, a total repeal of the test today would restore the program to its original form.

The first Advisory Council on Social Security in 1938 also described the contributory program as one in which payments would be "afforded as a matter of right." When Congress acted on the council's report by passing the Social Security Amendments of 1939, both the Ways and Means and Finance Committees reaffirmed this concept by declaring that "by granting benefits as a matter of right it preserved individual dignity."

The concept of an individual earning a *right* to his benefit was restated approvingly by the Advisory Councils of 1948, 1958, and 1965. Finally, we have the assurance of Dean J. Douglas Brown, who has worked with the development of the Social Security program since its beginning, that from the start it was meant that the plan should "provide benefits as a matter of right."

I propose that we make these promises a truth by repealing the earnings test entirely for all of our older citizens.

THE 56TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1974

Mr. BIAGGI. Mr. Speaker, I would like to join my colleagues in the observance of the 56th anniversary of the Declaration of Independence of Lithuania. It is very fitting that so many of my colleagues in the Congress have taken the time to commemorate this day. It is a day when we should take time to commend the Lithuanian people, and to remind the world that the struggle for freedom and justice continues in this beleaguered nation, as it seeks to reestablish independence and self-government.

On February 16, 1918, the Lithuanian nation declared its independence. This is the goal for which the Lithuanian people had been striving throughout a long period of Russian domination. Yet after only two short decades of independence, Lithuania again fell under Russian domination when it was declared a constituent republic of the U.S.S.R. on August 3, 1940. Then following the German attack on the Soviet Union 10 months later, Lithuania was in Nazi hands until reoccupied by the Soviet Army in 1944. Since that time, Lithuania has been considered by the Soviet Union as a component republic.

Propaganda from the U.S.S.R. would try to assure the West that the Lithuanian people are delighted with their satellite status and the Soviet methods of farming and industrial techniques have brought about economic growth never dreamed of in Lithuanian history. The citizens of the free world know that this is but a sham. We know the Lithuanians like so many Russian satellite nations consist of people yearning to be free of this oppressive yoke of the Russians.

The spirit of Lithuanian independence is not dead, and with the emergence of a new era of peace and cooperation in the world, the Russian nation may yet begin to yield their grip on the Lithuanians. We honor and salute the brave people of Lithuania, and assure them that we in the United States share and support them in their efforts to taste freedom.

ADDRESS AND POEMS BY HON. WILLIAM S. COHEN

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. CARTER. Mr. Speaker, each week it is my distinct pleasure to join my colleagues at the Congressional Prayer Breakfast and to benefit from their many insightful experiences and thoughts. I want to take this opportunity to share with the Members of this body a particularly inspiring address delivered by the distinguished gentleman from Maine (Mr. COHEN) at the Congressional Prayer Breakfast on December 6, 1973.

I especially want to point out, Mr. Speaker, that at the conclusion of the address are a number of poems authored by Mr. COHEN. I believe that these poems' expressions and creative use of words tend to add new depth and meaning to our senses and perceptions. I am sure that my colleagues will treasure the beauty of these poems as much as I.

The material follows:

ADDRESS BY CONGRESSMAN WILLIAM S. COHEN BEFORE THE CONGRESSIONAL PRAYER BREAKFAST, MEMBERS DINING ROOM, DECEMBER 6, 1973

Last week, a young political science student called and asked me a series of questions as a part of a survey he was doing. He asked me if I considered myself to be a religious person. My answer was yes. He then asked, "Do you go to church every week?" I answered no. He then finally asked, "Does your political career take precedent over your religious beliefs or practices?" My response was and is: No, because they are often one and the same. I remember what Thomas Jefferson once wrote in a letter to a friend.

"I never did, or countenanced in public life, a single act inconsistent with the strictest good faith; having never believed that there was one code for a public and another for a private man."

The same principles that we believe in as private men serve us no end if we do not practice them as public officials and it is within this context that I would like to talk to you this morning.

On the way into Washington this morning I thought of a need to try to gain some perspective on the seemingly insoluble problems, governmental, social as well as theological, that confront us.

I was reminded of the legend about Rabbi Schneur Zalman, a great Hassidic rabbi of the late 18th century who was imprisoned on false charges. While awaiting trial, he was visited by the local chief of police. Impressed with the rabbi's calm confidence and demeanor, the police chief frequently engaged him in conversation and asked a number of questions that had puzzled him in reading the Scriptures. Why was it, he asked, that a God who was so omniscient, so omnipotent, had to call out when Adam was hiding and ask him, "Where art thou?"

"You do not understand the meaning of the question," Rabbi Zalman answered. "This is a question God asks of every man in every generation. After all of your wanderings, after all of your efforts, after all your years, O man, where art thou?"

Indeed, it is most appropriate, as people in Washington like to say at this point in time, to ask the question as to where we are—where we are going—as a nation, as individuals.

We live in an age of doubt and disillusionment, one in which we engage in self-criticism almost daily, magnifying our errors while muting our accomplishments. There is a growing despair and distrust enveloping our Government and the men who serve in it. I recall that Warren G. Harding (I hesitate to pluck his name from the pages of history) once said that government is after all a very simple thing. Supreme Court Justice Felix Frankfurter later noted that "there never was a more pathetic misapprehension of responsibility" than in Harding's superficial conclusion. We indeed know that government is not a simple thing, it's a very complex thing and it is one which requires the dedication of our most gifted, idealistic and capable men and women. Indeed if any definition of government is necessary, it seems to me that Governor Reagan was far more accurate when he suggested that government is like a baby's alimentary canal. It has a healthy appetite at one end and little sense of responsibility at the other.

I speak in earnest and not in jest for never in the history of this country have our people been more concerned about, more critical of, more disenchanted with, or more alienated from the very institutions which exist to bring order, efficiency and service to those whose dollars support them than they are right now.

Prior to Watergate, if there ever was such a time, national polls showed that on a scale of 20, the public ranked politicians 19th in terms of trustworthiness and honesty, just one cut above a used car salesman. This year we have the distinction of being ranked 20th.

We are living in difficult times . . . the bright light cast by the promise and the principles of America in a world so often filled with darkness and oppression suddenly has been dimmed in the eyes of millions of Americans and of those abroad. As noted by one political observer, there seems to be a "spiritual plague" spreading across our country. A recent survey disclosed that a majority of people believe that America is in serious trouble.

Thirty percent of those college students interviewed said that things have gotten so bad that they would prefer to live elsewhere.

Seventy-five percent of the parents today prefer that their children not enter public service. Gordan Strachan, in perhaps the most moving testimony before the Senate investigating committee, said that his advice to the young people of this country would be to "stay away" from politics.

The daily headlines are almost beyond our comprehension—I won't go into the sorry litany other than to say it is, indeed, easy to slip into a state of negativism, a mortification of the soul. There is a clear and present danger that the cynicism may harden and calcify into a deposit that will afflict us for generations to come.

This malaise and sense of despair is by no means confined to politics, to this administration, to this generation, or even to this country. It is a spiritual cancer that has been spreading slowly but perceptibly for some time. Consider, for example, T. S. Eliot's anguished observation of his spiritual wasteland found in "the rock."

THE ROCK

The Eagle soars in the summit of Heaven,
The Hunter with his dogs pursues his circuit.
O perpetual revolution of configured stars,
O perpetual recurrence of determined seasons,
O world of spring and autumn, birth and dying!
The endless cycle of idea and action,
Endless invention, endless experiment,
Brings knowledge of motion, but not of stillness;
Knowledge of speech, but not of silence;
Knowledge of words, and ignorance of the Word.
All our knowledge brings us nearer to our ignorance.
All our ignorance brings us nearer to death,
But nearness to death no nearer to God.
Where is the Life we have lost in living?
Where is the wisdom we have lost in knowledge?
Where is the knowledge we have lost in information?
The cycles of Heaven in twenty centuries
Bring us farther from God and nearer to the Dust.

This spiritual decay has continued over the years without abatement and is reflected in our daily contact with each other. I perceive among the vast majority of our citizens—of all economic classes, even the most affluent—a sense of uneasiness. A feeling of helplessness, a lack of fulfillment. And this feeling is exacerbated by the fact that it is not easy to define. It is like what Robert Frost said about love: It is "indefinable but unmistakable." I know it when I see it even if I can't tell you why.

We have accumulated great wealth and made great scientific and technological strides, but our progress has not measurably increased the quality of our existence. We have become a nation of strangers, wandering through a maze of mirrors, often without mission, without moral consciousness or even care of consequence. What we have sacrificed at the altar of accelerated prosperity is an inner peace and a perception of the higher verities.

Man's soul is becoming soiled by the spreading stain of, not only doubt or disbelief, but the lack of direction. The incredible network of roads and airline routes has enabled us to speed faster and faster across the nation and around the world, and we do so without realizing, as does *Richard Bach's* Mystical Seagull, that perfect speed is not a matter of simply going faster and faster, "perfect speed is being there."

Craftmanship has succumbed to the trip-hammer hum of mass production. Pride in a product has been subordinated to profit sheet statistics. The consumer is engulfed in a bedazzling array of shiny but shoddy goods. Customer complaints are answered on an inane form letter spewed out by an automatic typewriter. Credit reputations are rumpled and ruined in whirring and erring computers. Inadequately tested drugs cause the malformation of babies. Anti-biotic ointments are found to produce deafness while curing diaper rashes. The list goes on and on . . .

What we have lost in this country is the human dimension. The voice of the individual is being drowned in the vortex of material progress.

The burden which we all carry, that unrelenting pressure which we all feel, is the product of one attitude—indifference. As George Bernard Shaw once wrote, "the worst sin toward our fellow creatures is not to hate them, but to be indifferent to them: That is the essence of inhumanity."

Only when we are prepared to restore our respect for each individual, with whom we share a commonality of interests, aspirations and frailties, only when we recognize that the multiplication and perpetuation of life and the accumulation of possessions are not ends in themselves—only then can we begin to irrigate and cultivate the soil which has grown dry and barren with neglect.

All of this does not tell you much about Bill Cohen. He is not an easy subject for me to talk about . . . as an indirect result of my early religious training, I developed a love for languages. In college I majored in latin with a special interest in latin poetry. This experience gave me a sense of history, a sensitivity to the beauty in the world, an awareness of the joy and sadness in the smallest of things, but above all a sense of the divine order of things.

I thought I might share with you some of the observations that I have committed to verse during the past fifteen years. They are simply impressions, fleeting emotions and not at all good poetry. The meter has been marred by the clip clop of my wooden tongue. I hope you will overlook this deformity. They are about my wife, my sons, the song of seasons, the order of things.

CAN SEASON BE THE REASON?

Winter freezes summer blood to ice,
And chills the passions that await the spring;
The lover suffers seasoned sacrifice,
At Altars bleak with crystal covering.

What heart can hold a love in winter's time,
When even Nature slacks her passioned pace,
When minor creatures flee the upper clime,
For warmer realms of borrowed, burrowed space?

But spring has courage to oppose the cold,
And passes on to those in love the same;
The sounds of life and future birth take hold,
Of human ears that closed at winter's name.

Yet is it fair to un-impassioned reason
To say that love depends upon a season?

THE GROVE

Come and touch me now, Diana
And let your boughs
Brush against my face.

Entwine
Your shadow into mine
While your limbs are still green
And the white of winter
Is a season or two away;

The sun is high,
Our roots dig deep
And songs still leap among our leaves;
But today the forest's springs seem quieter
And yesterday the squirrels were hiding
Chestnuts in some hollowed trees.

OCTOBER SUNDAY

Autumn just touches you
one day,
in a way that
no other moment
does.

Trees surrender their green
for gold
at the first touch of cold
and cry quietly
in color
at the betrayal of the
sun.

The wind paints flesh
the hue of apple skins
Spirits soar in concrete stadiums,
while winter's scout
cuts the throats of perennials
and muffles the pain in
ice.

Strange, how we rejoice
at the brilliance of
the red,
knowing their lives
are nearly dead,
and our children play
in paper graves
dug by fallen
leaves.

Stranger still, the custom
of mourning the death
of summer
with a family ride
through the countryside
pointing at the splendor of it
all.

MAINE SPRING

Spring came late
this year,
Or, perhaps, it's just
that Winter refused
to leave.

The sky was gray
and cold so long
that April came
with snow instead
of rain.

Pine trees and evergreens
were blown brown,
birch trees lay
bowed to the ground
in unwilling homage
to the crown
of white weight
that makes its kingdom
where ice consents to serve
as mate.

But just the other day
about the first of May
there appeared the sun
like some burning salmon
on a run.

Suddenly brilliant flower heads
emerged in painless birth,
rows of rainbows spread,
petals knit in silken thread.

Trees began to shout in green
while the season's
feathered supplicants
lept among their leaves,
and children could be seen
skipping rope, in
new and tattered jeans.

Motion was everywhere, in everything,
even the night began to sing
with crickets' busy legs;
Proud robins and jays sent trills
through valved lutes and piccolos
hidden safely in their
happy throats.

Swollen ridges and ruts
sagged as the liquid beneath
rose and ran rippling
into the streets;
Dogs bounced and barked
and galloped through
the city parks . . . .

Sunshine, shadows
sound and echo were abound,
song was in the air
color in riot everywhere . . . .

One transparent moment in May
I saw the promise of rebirth,
heard the whisper of repair.

Memorial day is a moment
when celebration and sadness
are joined hand in hand
in a strident brass band march
on every Main street
at 10 A.M.

It is a holiday weekend
filled with pain
and potted flowers
for some,
you know the ones
who circle through manicured lawns
in a quiet drone,
searching for those now gone
sunk in brevity
carved in stone.

A time for families
to gather from distant coasts
and drop tears over the memory
of tall ghosts,
sons or brothers
who gave their green for all
and forever.

Then there is the parade
where balloons and miniature flags
are held by babies
resting on their fathers' height
and the shirt-sleeved crowd
rejoices at the sight
of some friend who steps left
when the sergeant barks right.

A veteran from some ancient war
steps proudly to a patriotic beat and blare,
his frozen face, the subject once
of an artist's special grace,
is strapped in a metal disc
that gave thin shelter
against the risk
of destruction.

By the reviewing stand
pass ROTC units, then
a local high school band,
And there, in the very rear,
dressed in blue shirts and bright scarves
come the smallest group,
the youngest troup.
Cub scouts, with
blushing flower faces
and embarrassed grins,
unsure of their presence,
of their particular
significance.

Is it simply the promise
of a continuing nation
or is it instead
a subtler solace to those
who mourn their dead,
that these sons of others
will one day answer
a written call
and stand ready to fall
in some foreign land
in the name of freedom.

I really don't know,
I only ask because today
my son was somewhere
in that parade
and I couldn't bear to
go.

A Little Greener Now

I feel a little greener,
cleaner somehow for
having walked through
the woods today.

The wind whispered to the
trees in hushed tones,
though not fully heard,
could still be understood.

Pines pierced the sky
and held back the light
from the night beneath,
where minor creatures went at ease,
and rocks wore moss
in cool shades of suede . . .

Silence there was shattered
only by a caw or winged cry,
some sudden dark flutter
that warned all others of
the strange passerby.

I paused just long enough
under those needled boughs
to hear a harmony too perfect
to be reproduced by man.

A Little Greener Now

I hugged the shadows, kissed the leaves,
was loved in return, it seemed,
by the breeze,
and felt the green fill of life
flow from the trees
gently into me.

Then I turned and left
that dark unmapped retreat
and dissolved into the
roar and ruin of the street.

VIETNAMESE ORPHANS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. MINK. Mr. Speaker, as the first Member of Congress to present a bill to facilitate the adoption of Vietnamese-American orphans I believe, along with my colleagues who have since presented similar legislation, that the time has come for a full discussion through congressional hearings of the problems facing these children and their prospective parents.

Last week I began the presentation of a three part series of the most common points of discussion in regards to Asian-American adoptions.

Today I am completing this series with final excerpts from The Children, a handbook on Asian-American adoptions, written in 1969 by Jan de Hartog, the father of two adopted Asian daughters and a well known author. I am most grateful to Atheneum Publishers, New York, for granting permission for reprinting these copyrighted excerpts:

Some Common Objections to These Adoptions

5. "IN THIS COUNTRY, THEY WOULD BE HORRIBLY SPOILED"

An elderly lady in a semi-official position, who had been highly vociferous in her objections against "the import of Asian children", was cornered by some of our parents after a meeting and badgered until, flustered and furious, she finally came out with one specific reason for her active opposition. These children, she said, so appealing to look at, would run the grave danger of being spoiled rotten once they got here and thereby become impossible to live with in later life.

To us, at the time, it sounded like a ridiculous argument; we discovered to our surprise that a number of educational experts, while concedeng that the lady in question might have exaggerated the danger, sincerely though she had a point. Our children, they feared, might indeed run the risk of being severely spoiled, with the result she mentioned.

In a sense, they were right. All of us with children from Korea or Vietnam have found ourselves in situations where, in a restaurant, an airport or a supermarket, total strangers come up to our children to say, "Now aren't you a cute little baby? Aren't your Mummy and Daddy lucky people to have two such darling little girlies to call their own?" Mummy and Daddy, case-hardened by now, may wince as they smile; to the children, if the worrying experts are right, this will be acutely harmful. You cannot go on calling an impressionable, brightly intelligent urchin "cute", "darling" or "the sweetest thing I ever set eyes on" without, so it is argued, force-feeding him with flattery until he turns into a mini-megalomaniac, strutting where he used to skip, saying his prayers with pigeon-chested condescension, as if he were ordering a menu from room service rather than humbly approaching his God.

I cannot agree with this somber prognosis. Were we ourselves to indulge in this kind of hyperbole at home it would be a different matter, but to fear that occasional admirers, mostly elderly, ingenuous and harmless, will inflate our child's ego until he has to be clubbed in front of the mirror seems an exaggeration. On the contrary, although that kind of situation is always icky and awkward to get out of, I welcome the occasional sentimentalist who feels he simply has to tell my children how pretty, cute and clever they are. Although I am at pains to hide this from my wife, I don't even blanch when some effusive fan, peek-a-booing among the bolognas or the rolls of toilet paper in our local supermarket, reminds my children how lucky they are to have such a darling, selfless Daddy; for not only have I a high tolerance for flattery, but my common sense compels me to relate the episode to our children's past. After they have survived years of unimaginable deprivation, especially emotionally, I cannot understand why they should be considered too fragile and insecure to take some harmless, drooling adulation in their stride. What is more, the reception that awaits them here is not always so generous and benevolent as we would like to believe. Why we should worry about their being spoiled by praise while assuming them to be immune to contempt escapes me.

6. "THEY WILL NEVER BE REALLY YOURS"

Among the dire warnings you will be given by other people, this one may impress you most. But to think that any child, even a natural one, can ever be one's "own" is asking for trouble at the onset of adolescence, when the human young awakens to the fact that the people he has been calling his parents are not only purely incidental to his identity, but complete strangers who, rather than understanding him best, are about the last people in the world to understand him at all. Only after the egotist who flew the coop has reached maturity himself, through marriage and parenthood, will he modify this concept of your relationship—usually about the time he starts doing something about Mother's Day again after a long interval.

In the early years of interracial adoptions it was assumed by social workers that this type of adoption was more hazardous than the normal kind, where a child was selected to resemble as much as possible one or both future parents. Adjustment, it was thought, became easier in direct ratio to the closeness of this resemblance. When practice began to prove that interracial adoptions worked out better on the whole, experts delved assiduously into case histories for the reasons for this discrepancy, and after a while one did emerge: because of the difference in appearance the adoptive parents of an Asian child were unable to hide the fact that he was adopted. This, rather than causing emotional distress in the child and parents as had been assumed, made for a healthy, realistic relationship. The fact that people saw at a glance that the child was adopted ruled out the tragic situation, fairly common at that time, in which a child after having lived for years in the conviction that his parents were his own was suddenly exposed to the traumatic discovery, usually by accident, that he was adopted.

I can tell you even after so short a time as a year and a half, that my Korean daughters and I are joined by a relationship which is surprisingly deep-rooted and affectionate. I am proud of them, fascinated by their unique individuality and moved by their unselfconscious tenderness. They may not be mine, but I am theirs, without reservation; and to my surprise, for reasons known maybe only to mothers, this turns out to be all I need to feel at peace with the world and grateful to be alive.

And if you think that's mawkish, just you wait.

7. "YOU WILL NEVER LOVE THEM THE WAY YOU LOVE YOUR OWN CHILDREN"

At one time I thought I would never find bureaucratic unworldliness expressed more succinctly than in the question, the last on a list of thirty submitted to aliens who desire to become citizens: "Can you read or write?" I have since been forced to transfer my laurels to a questionnaire for prospective adoptive parents composed by a concerned social agency which contains the following item: "You have one child of your own. If both your own child, and the one you propose to adopt were to fall into the water at the same moment, which one would you rescue first?"

You will find that this question, once you have allowed it to sink in, will go on haunting you; at first because of its surrealist preposterousness, like the mathematical problems of our schooldays, "Five Chinese eat seven bags of rice, how many bags of rice does each Chinese eat?"; later by the nagging thought that, indeed, the agency may have something there.

Do parents who have children of their own ever love adopted children as much as they do their own flesh and blood? For a while it may seem to you that the question is not only searching, but valid. Only after you have managed to rid yourself of the spell that the self-confidence of ignorance always manages to throw on one will you awaken to the abysmal stupidity of the concept that love should or can be ladled out, like soup, in equal parts among your dependents with scrupulous impartiality.

Love, if its illusive mystery has to be defined for consumption by a Univac, is an emotion engendered by one person in another which will ultimately result in an unselfishness uncongenial to the human animal. In its sublimated form, so the mystics tell us, it does not even need an individual but can be engendered by all mankind and ultimately by all living things. But even in that rarefied and superhuman form love remains an intensely personal emotion which has nothing to do with duty, sense of responsibility or the desire to give everybody a fair share. If my children could reassure themselves on the subject of my love only by jumping in the water with their hands tied behind their backs and weights attached to their legs, in order to find out whom I would rescue first, they would deserve to drown and the person who composed the questionnaire with them.

But once you have shaken off the questionnaire, the question remains unanswered. It should remain unanswered, but such is human nature that we will go on asking ourselves, in secret, especially during the months before the child arrives, "Will I, when put to the test, give preference to my own flesh and blood, although on the surface my adopted child will share equally in my affection?"

It needs the reality of the human presence before this mad bat of a question can be chased back into the bureaucratic belfry from which it swooped. It needs the actual feel of a little body in your arms, the actual sound of a voice calling you Dad, the actual stumble toward the toilet at dead of night and the patient wait for the tinkle with your knees on the cold floor and a small sleeping head on your shoulder, for you to realize with a feeling of inexpressible relief that the concept of love as a limited fund that has to be doled out in ever smaller portions as the number of claimants increases is nonsense. So you end up by loving one child more than another, or in a different way? The Bible is full of favorite sons. They figure honorably in American presidential elections. Which child expert, family-planner or adoption-plumber can demand that parents sign a document stating they shall love a child they have never set eyes on to the same degree and in the same manner that they love their own offspring whom, at times, they would gladly strangle?

Each new generation of young girls hears it said and reacts to it with a sense of revelation that, in the beginning, a person is in love with the idea of love, not with one particular human being. We parents start by being in love with the idea of a child, until the individual hacks his way through the foliage of our sentimental generalization. Never fear, he will: probably sooner than later. In no time at all he will stop being "the Vietnamese orphan you and your wife adopted," he will stop being orphaned, Vietnamese and adopted in succession, ultimately he will even stop being a child and become himself: unique, irreplaceable, never seen on earth before, never to be seen again, absolute and ultimate entity of mankind.

The moment will come when you look, for the first time, beyond the mirrors of each other's eyes; if at that moment the person who wrote the questionnaire were to come in and pose his question, you would look at him in astonishment and wonder what life had done to him to make him that way.

FIRE PREVENTION SYSTEMS TAX INCENTIVE

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. BOGGS. Mr. Speaker, today I introduced a bill to create tax incentives for the installation of fire prevention apparatus and extinguishing systems in existing buildings. The bill would amend the Internal Revenue Code to allow an ordinary expense deduction for the cost of installing such systems, and would be allowed only for buildings that are already constructed.

Because of the recent catastrophe resulting from uncontrolled fires, we have all been made keenly aware of the necessity for adequate fire protection in large buildings. Presently, however, the Federal Government cannot require the installation of sprinkler systems or other devices to help prevent fires; also, as is so frequently the case in cities throughout the country, many existing buildings are without adequate protection devices because they were built when installation of such systems was not required. While these buildings were certainly constructed in good faith and in compliance with the building codes of the localities, we must now seek to improve the safety of today's occupants.

A major goal of my bill, then, is to provide the owners and lessees of such buildings with an incentive to undertake the expensive installation of protective and extinguishing systems. A tax deduction would make it economically feasible for them to do so. It is my hope that the Ways and Means Committee will consider this bill as it continues its deliberations on reforming the Internal Revenue Code.

The need for such legislation was highlighted earlier this month with the tragic fire that devastated a Sao Paulo skyscraper, killing some 180 people and injuring nearly 300. Following that catastrophe, the former superintendent of the New Orleans Fire Department, Louis San Salvador, warned that similar disasters could occur here, and that "we had better be prepared for it." The Federal Government can do something to help prevent such disasters by providing adequate tax incentives for the installation of sprinkler systems and other preventive apparatus in existing buildings, and this is the purpose of my bill.

Builders now know that sprinkler systems and other fire prevention measures are needed, especially in new high-rise constructions, and they are able to plan for installation costs in financing their projects. However, installation costs for existing buildings are extraordinary, and at present, owners cannot justify them economically without having to greatly raise rental fees.

Therefore, Mr. Speaker, we need Federal aid to meet this urgent problem. I believe a Federal subsidy program or grant program would be too slow and cumbersome in addressing the situation. Rather, the best method to meet this problem is through our tax code, by providing incentives that would encourage owners to equip their buildings with fire protection devices, which would in turn also prompt local governments to require their installation.

The text of the legislation follows:

H.R. 12944

A bill to provide a tax incentive for installation to certain buildings of fire sprinklers and other fire prevention or extinguishment apparatus

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"Sec. 189. Certain Expenditures to Install Fire Prevention Apparatus.

"(a) Treatment as Expenses.—

"(1) In General.—A taxpayer may elect to treat any qualified fire prevention expenditure which is paid or incurred by him during the taxable year as an expenditure which is not chargeable to capital account. Any expenditure so treated shall be allowed as a deduction.

"(2) Election.—An election under paragraph (1) shall be made at such time and in such manner as the Secretary or his delegate prescribes by regulations.

"(b) Qualified Fire Prevention Expenditure Defined.—For purposes of this section, the term 'qualified fire prevention expenditure' means any expenditure for the installation to any building owned or leased by the taxpayer of a fire sprinkler system or other fire prevention or extinguishment apparatus which meets—

"(1) standards for such system or apparatus which would have been required to be so installed under Federal, State, or local law if such building were not exempt from such requirement by reason of being built or modified prior to the effective date of such requirement; or

"(2) in the case of such installation occurring in the absence of any Federal, State, or local law which requires such installation, standards established under regulations, prescribed by the Secretary or his delegate under subsection (c) after consultation with the Secretary of Commerce.

"(c) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

(b) The table of sections for such part VI is amended by adding at the end thereof the following new item:

"Sec. 189. Certain expenditures to install fire prevention apparatus."

(c) Section 263(a)(1) of the Internal Revenue Code of 1954 (relating to capital expenditures not deductible) is amended—

(1) by striking out "or" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following new subparagraph:

"(F) expenditures to install certain fire prevention apparatus, deductible under section 189."

Sec. 2. The amendments made by the first section of this Act shall apply to taxable years beginning after the date of enactment of this Act.

CURRENT MEDICAL KNOWLEDGE ON AUTISM

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. BURKE of California. Mr. Speaker, in the testimony today before the Public Health and Environment Subcommittee concerning the extension of the Developmental Disabilities Act of 1970, Dr. Donald J. Cohen of Yale University School of Medicine very forcefully and comprehensively brings forth the current medical knowledge on the neurological basis for autism. I wish to commend him for his very fine work and express my appreciation to him for his unyielding efforts in the cause to place autism in the Developmental Disabilities Act. I would like to share with you his testimony:

Testimony of Dr. Donald Cohen

My name is Donald J. Cohen, M.D., and I am a child psychiatrist and Associate Professor of Pediatrics and Psychiatry at Yale University School of Medicine. I am a clinical researcher and physician, and my major concern is for children with severe disturbances in their development, particularly children whose range of disabilities leads them to be diagnosed as autistic or as psychotic.

Childhood autism is the most overwhelming severe behavioral disturbance of childhood. Its presence is often detected during the first month or two of life, and always before the child's third birthday, and its natural history is often a pervasive, lifelong developmental disability, which spares no area of social, emotional, or intellectual functioning.

During their preschool and schoolage years, children with childhood autism are characterized by a variety of deviations in behavior: loss of speech or failure in its development or in its normal unfolding; impairment of emotional relationships with persons, usually associated with a tendency toward preoccupation with inanimate objects and social aloofness; disturbances in sensory perception; unusual, bizarre, or stereotypic behavior and patterns of motility; episodes of intense and irrational panic; anxiety and resistance at any change in the environment or routine; absence of a sense of personal identity; and uneven, fragmented, and blunted intellectual development. Only a few of these children, perhaps 10%, have the capacity for intellectual performance within the normal range, with the remainder performing as retarded children. But no child with autism can function like a normal member of childhood and adult society.

Children with the autistic syndrome have been clearly recognized for over thirty years. They come from families at every level of society, and have been found throughout the world, from highly technologically advanced cultures and from developing nations. Families of autistic children do not seem to be different from families of any other kind of children, with their share of personal difficulties, as well as with that kind of strength which allows for a husband and wife to stay available over months and years to a child who can drive a professional to distraction during the course of 30 minutes. Epidemiological data and genetic information are quite limited, as they are for all serious disturbances in childhood.

The data which are available indicate that the condition appears in about 1 in every 3,000 children, making it much more common than phenylketonuria (PKU), which is found in 1 child in every 15,000, but not as common as Down's syndrome (Mongolism), which can occur in about 1 in every 700 births. It is rare for there to be more than one child in a family with childhood autism or for there to be a familial history of severe psychiatric disturbance. However, in almost every case in which one child in an identical twinship suffers from childhood autism, his identical twin is also autistic. This high, perhaps 100%, concordance rate in identical twins strongly suggests a congenital basis for the autistic disturbance.

Careful scientific investigation of autistic children during the last decade has revealed a number of indications of central nervous system disturbances. At least 40 to 50% of autistic children have abnormalities of the electroencephalogram or brain wave, indicating neurological dysfunction. By adolescence, at least one quarter of the autistic children have epilepsy. Neurological examination, even in children with normal electroencephalograms and without seizures, often reveals evidence of neurological problems indicated by abnormalities of reflexes, coordination, and sensory perception. Disturbances of neurophysiological organization, perhaps associated with the obvious difficulties in relation to motility patterns, have been clearly demonstrated.

During the past several years, there have been many advances in our understanding of the way in which the central nervous system functions on a chemical level. This biochemical knowledge is now being focused on understanding children with childhood autism. There have been several important suggestions from biochemical research, including our own investigations, that some children with childhood autism may have abnormalities related to the biochemistry of central nervous system integration. That children with childhood autism suffer from a neurological dysfunction thus seems to be reported by a confluence of evidence: the onset of this disease syndrome during the first weeks and months of life, as the most metabolic disorders; abnormalities of neurophysiological integration, electrical activity of the brain, and physical examination; the high concordance rate in identical twins; disturbances in biochemical functions related to central nervous system metabolism; the high incidence of seizures; the worldwide distribution of a syndrome which is identifiable from various cultures and economic conditions; and the clinical picture of a disorder affecting every sphere of functioning from early in life and persisting throughout a lifetime.

Several weeks ago I saw a preschool aged girl with all of the classical signs of childhood autism: social aloofness, developmental retardation, stereotypic behavior, emotional lability, and disturbed language functioning. Metabolic evaluation, however, revealed that this youngster was suffering from an entity for which practically every child in the United States is screened during the first week of life, phenylketonuria.

Before the time of mass screening for PKU, many children with this inborn disease of metabolism were diagnosed as having childhood autism, a diagnosis which was often supported with the observation that many of these children are attractive, agile-appearing, blond hair, blue-eyed youngsters with no obvious signs of brain malformation. The autistic syndrome can be found associated with other organic disturbances, including such dysfunctions as lead intoxication and encephalitis; measles encephalitis; other disorders of amino acid metabolism such as PKU; retrolental fibroplasia and other conditions which lead to blindness.

The medical evaluation of a child who presents with an autistic syndrome thus includes a search for any known conditions which may lead to this pervasive behavioral syndrome. When such a condition is discovered, for example on the basis of a urine screening test, the more specific diagnosis is given. When it is not, a child may be labeled autistic.

As we learn more about the metabolism of the central nervous system and elucidate other biological disorders, we will be moving children from the large, non-specific category of childhood autism to one or another class of biologically denied condition. This process of increasing clarification of diagnosis, based on scientific advance, has been particularly dramatic in relation to children with the diagnosis of mental retardation. Over the past decade, literally over 150 disorders of metabolism have been identified, many of which are associated with mental retardation appearing during the first years of life. However, many and perhaps most children with the diagnosis of mental retardation, still today elude any specific neurological or biological diagnosis. These mentally retarded children, just as most children with childhood autism, are diagnosed on the basis of behavior, clinical history, and our scientific conviction that they suffer from disorders of central nervous system integration.

For many children with epilepsy, an aetiological diagnosis is also impossible. The origin of their central nervous system excitability can often not be traced to a discrete lesion in the brain or insult to the structure of the central nervous system. We have recently demonstrated one possible biochemical disorder in children with epilepsy related to the metabolism of central nervous system neurotransmitters. Future work will, no doubt, clarify the metabolic basis of many types of so-called idiopathic epilepsy. Yet, here, *too, there is no* doubt but that these children and adults suffer from a neurological disorder, although one about which much more needs to be learned.

Optimal care for a child with autism, as for one with severe mental retardation, cerebral palsy, or epilepsy, requires comprehensive planning, instituted at the time of diagnosis. Children with autism require professional care for many years, and, for most, throughout their lives. Such care requires the collaboration of a variety of specialists, including educators, speech therapists, psychologists, psychiatrists, neurologists, pediatricians, and experts in vocational rehabilitation. The exact services which any particular child requires depends on his needs and strengths, and on his particular developmental level. For children during the preschool years, parental guidance and day programs emphasizing behavior modification may be required; during the schoolage years, more intensive special education is often required, and the use of medication, speech therapy, and psychotherapy may be important; during the adolescent years, vocational training must play a major role in the child's life.

By age five years, some autistic children may require full time residential care, although the great majority do not; by the age of twenty years, however, probably most autistic children would benefit from halfway houses and other kinds of alternatives to living with their parents. For the adult with autism, as for the adult with mental retardation, opportunities for productive work in sheltered and guided work environments may mean the difference between a sense of value and a lifelong sense of worthlessness.

This brief description of the variety of professionals and services required by children with autism, throughout their development, may bring to mind the already familiar concept of comprehensive and longitudinal planning for children with mental retardation. This similarity is, of course, not accidental: while the needs of any particular child depend on his unique situation, there is a close resemblance between the types of services required by children with childhood autism and those required by children with severe mental retardation. For many children diagnosed as autistic, the distinction between their condition and some forms of mental retardation may be of no practical consequence whatever.

Our increasing understanding of the biology of developmental disabilities makes many traditional distinctions between various clinical categories less meaningful. Children labeled with different categorical names may suffer from disorders of the same biological systems; other children given the same categorical label may have disorders of very different neurological systems based on differing pathophysiological processes. Clinical researchers must search for specific treatments based on understanding of biological disorders and move toward precise, functional definitions of various types of developmental problems. However, the care and education of children cannot wait until we have specific biological knowledge; and no child who can benefit from what we already know about the education of autistic and other developmentally disabled children today should be deprived of these opportunities. The inclusion of autism under the Developmental Disabilities Act as a specific syndrome is thus justified by available scientific evidence, as well as by our humane concern.

IRS COLLECTS INTEREST WHEN THE TAXPAYER FILES LATE, SO LET THE TAXPAYER COLLECT IT WHEN IRS REFUNDS LATE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. OBEY. Mr. Speaker, no matter how early a taxpayer files for a refund, the Internal Revenue Service under current law can wait until June 1 to mail him a refund check without owing him interest on the amount of overpayment being refunded.

I think that is unfair, and so do the 24 Members who join me today in introducing legislation to change it.

In early April of 1973, millions of taxpayers were looking in their mailboxes each day to find that the refund check they expected was not there. This was especially true of taxpayers whose returns were being processed at the new IRS service centers in New York, Tennessee and California.

The delay was more painful than ever, because the average refund as of late March was nearly $100 higher than it was for the comparable period a year earlier.

Under existing law, the IRS has 45 days from the April 15 filing deadline to make a refund without having to pay interest on it. This means that if a taxpayer files by March 1—barely 30 days after he is supposed to have received his W-2 form from his employer—the automation wizards at IRS can fiddle with his return for a full 90 days before having to pay him interest on what he has coming back.

Yet the IRS is keen on collecting interest when the situation is reversed and the taxpayer is filing late. The IRS is so keen on it that it will even demand an interest payment from a taxpayer on money that was refunded to him in error.

The IRS has said that, on the average, it takes 6 weeks to issue a refund check. I think that is too much time to process returns that are filed early, so I am reintroducing legislation to require IRS to pay interest to individual taxpayers who file their returns before March 1 if the refund check is not mailed out within 30 days after the return is filed.

To solve a problem that can plague the small businessman, the bill also requires IRS to inform a taxpayer why a refund is being made—that is, the tax and the taxable period to which the refund applies, and the reason for making the refund.

This is because a taxpayer singled out for what may be an erroneous refund has been cursed. He is stuck with an unexplained check, since IRS computers aren't geared to respond to complaints or queries from the outside world.

At present, the most such a taxpayer can do is sit tight until IRS comes to its automated senses, realizes its mistakes, and asks for the money back—at 6 percent interest for the period the refund was erroneously in his possession.

This is a short, uncomplicated bill that can even things up a bit for the taxpayer, and I hope that the House Ways and Means Committee will consider it along with the other tax reform proposals it is studying. The cosponsors are: Mr. Brown of California, Mr. Clay, Mr. Moss, Mr. Sikes, Mr. Eilberg, Mr. Thompson of New Jersey, Mr. Litton, Mr. Rosenthal, Mr. Badillo, Mr. Ketchum, Ms. Abzug, Mr. Huber, Mr. Yates, Mr. Mitchell of Maryland, Mr. Buchanan, Mr. Ryan, Mr. Fauntroy, Mrs. Chisholm, Mr. Veysey, Mr. Eckhardt, Mr. Carney of Ohio, Mrs. Collins of Illinois, Mr. Harrington, and Mr. Ware.

MULTIPLE SCLEROSIS COMMISSION REPORT

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, I would like to bring to the attention of the Congress the newly issued report of the National Advisory Commission on Multiple Sclerosis. It was my privilege to write the bill that established this Commission and I think it has proven to be one of the most effective such units ever organized in the field of health.

The release of the Advisory Commission's report is the culmination of almost 2 years of dedicated effort. The push for a study of the status of MS research was initiated by Robert Baptiste of Mansfield, a constituent of mine and member of the Attleboro Jaycees. His perseverance sparked the interest and concern of the Massachusetts Jaycees which in turn enlisted the National Jaycees in the fight for the establishment of a National Advisory Commission on Multiple Sclerosis. This civic-mined organization of 6,000 member chapters generated broad based support for the proposal.

The grassroots phenomenon did not stop here. Soon after the legislation which would create such a Commission was introduced in Congress, 90 Members of the House and Senate had joined as cosponsors. Though many Members took part in guiding the legislation to enactment, several should be singled out for special thanks. Congressman Paul G. Rogers, Democratic of Florida, chairman of the Subcommittee on Public Health and Environment of the House Committee on Interstate and Foreign Commerce, took a special interest in the bill and should receive plaudits from all who seek a cure for MS. On the committee the unanimous vote will long be remembered as will the leadership of Congressman ANCHER NELSEN, Republican of Minnesota, Congressman JAMES HASTINGS, Republican of New York, and Congressman BILL ROY, Democratic of Kansas. HARRISON WILLIAMS, Democratic of New Jersey was responsible for introducing the companion legislation in the Senate. His heartfelt belief in the need for such a Commission has been borne out by the group's recent recommendations.

The report of the National Advisory Commission on Multiple Sclerosis calls for an expenditure of some $54 million over the next 3 years. Such a request is realistic in scope and yet would provide the resource tools necessary to take giant strides toward a cure for this dread disease.

Multiple sclerosis is a tragic crippler of young adults between the ages of 20 and 40. The disease strikes indiscriminately at young men and women in the prime of their lives. It is estimated that there are 500,000 victims in the United States alone and countless millions elsewhere in the world. In addition to the effects on both the victim and his family it has been estimated that every male MS patient taken out of the labor market results in a loss of $450,000 to our economy.

The National Commission on MS has recommended specifically that the Government accelerate its spending on basic neurological research by $37 million over the next 3 years beginning in fiscal year 1975. Such an investment would result in an expenditure of less than 9 cents a year for each American—an incredibly low figure. I feel this great country can afford to spend 9 cents a year per person to conquer a disease as debilitating as MS.

Though we know neither the cure nor the cause of multiple sclerosis the implementation of the Commission's recommendations would develop a diagnostic test specifically for multiple sclerosis.

The encouraging research leads highlighted by the Commission are in the fields of viorology, immunology and epidemiology and the report is heavily weighted on the side of studying MS in man rather than in laboratory or animal models as has been done in the past. Specifically, the Commission has recommended the establishment of three new clinical research centers to determine those factors that adversely affect the course of the disease and the establishment of one comprehensive multiple sclerosis treatment center to evaluate current treatment methods and to devise new methods to minimize the disabling, crippling and painful effects of the disease.

The Commission believes that funds alone will not solve the problem of MS. Meaningful productivity appears to be largely dependent on certain key elements that do not presently exist. These have been identified as the delegation of responsibility for the MS program to one staff member at the National Institute of Neurological Diseases and Stroke; the creation of an NIH Multidisciplinary Study Section on MS to review and evaluate all proposals for research and development related to this disease; and encouraging effective collaboration between scientists representing the various scientific disciplines concerned with MS.

The presentation of the National Advisory Commission's report is an excellent example of the rewards of citizen participation in the governmental process. It was a constituent and MS victim who so poignantly expressed the need for such a Commission to me. Support for the legislation mushroomed through the works of civic-minded young men. Congressional response was both quick and heartwarming. It is my hope that the Congress will study the Commission's recommendations and provide the resources necessary for a concentrated effort in search of a cure for MS.

TRANSFORMING URBAN AMERICA

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1974

Mr. BADILLO. Mr. Speaker, a recent edition of the Washington Post included a thought-provoking article on the rebuilding and revitalization of America's cities by Wilfred Owen, a senior fellow at the Brookings Institution and a nationally recognized authority on urban affairs.

Mr. Owen's thesis is that the gas shortage has ironically become the catalyst for renewed efforts to make the center city a decent place in which to live and work. He applauds the imminent demise of the commuter ethos which has encouraged people to move farther and farther from their jobs and describes the renewal of the Cedar-Riverside area of Minneapolis as an example of city planning for people rather than for business.

I agree with Mr. Owen's conclusion that the primary domestic challenge facing us is how to make our cities livable, desirable, and attractive, and I insert the article at this point in the RECORD so that the author's views may receive the wider attention they deserve.

SAVING GAS—AND SOCIETY

(Wilfred Owen)

The gasoline shortage focuses attention on a fundamental defect of the American city: We are using our ability to move to compensate for our inability to build a satisfactory urban environment.

What we are up against is the obsolescence of the accidental city, which puts a premium on moving because it offers so little in the way of living. Vast central city areas are plagued by poor housing and inadequate services, neighborhoods are rocked by drugs and crime, and the ugliness is all-pervading. Under those circumstances the automobiles has become the logical method of escape to dormitory suburbs, where driving is a necessary means of surviving: it may take a gallon of gas to buy a quart of milk.

The suburban commuter life-style increased 100 percent in the past decade in Dallas and Houston, 84 per cent in New Orleans, and 56 per cent in Pittsburgh. Nationwide, reverse commuting was up 79 per cent, reflecting the fact that poor people and blacks living in center cities are unable to find either housing or acceptance close to jobs in outlying areas. Those who work close in live far out, and those work far out live close in. It is a perfect set-up for the petroleum industry.

The real energy crisis, then, is the drain on human energy. The average commuter spends a month of daylight hours every year beating his way over the concrete trails between home and job. If people were considered as important as fossil fuels, someone would have appointed a human energy czar in charge of rebuilding the cities.

Planned communities around the world are beginning to show how systems of urban living can be designed for people rather than for business. A city designed for human purposes provides good housing in a pleasant neighborhood with the option of living near work, walking to the store, having recreation nearby, and reducing the unnecessary travel that results from the inconvenience of having things located in the wrong places. Those who prefer perpetual motion have the option of generating extra mileage if they want. By contrast most unplanned urban areas deny people those choices.

Planned cities are demonstrating that large-scale city-building is physically and economically feasible and that many of the design concepts, as well as the financing methods and community social systems, could apply to existing cities and suburbs. The federal government is now supporting planned urbanization through loan guarantees to help pay land acquisition and other front-end costs. Planned cities may be either satellites of old cities, such as Reston or Columbia, or rehabilitation of blighted areas in existing cities. Cedar-Riverside in Minneapolis is one of the latter.

What is happening in Cedar-Riverside points the way toward transforming urban slums and blight all over America. A private city-building team, which operates out of a converted ice cream factory, is in the process of redesigning a depressed and depressing 100 acres of the old city into a new city for 30,000 people. The result will be an attractive downtown community just 12 blocks from the center of downtown Minneapolis and a few steps from the University of Minnesota.

The Cedar-Riverside planners have put together over 400 separate parcels of "charming slum" property in an effort to rebuild the whole place in a way that will restore "the enjoyment and celebration of life," with due consideration for the wishes of existing tenants. All of them, if they wish, will be included in the new community. The aim is to combine good housing, pleasant neighborhoods, easy access to jobs, good health-care services, improvements in education, provisions for recreation, and a wide range of cultural activities. A theatre in the round has been fashioned out of a pizza parlor, and beer joints have become centers for the performing arts. High-rise apartments have both subsidized and unsubsidized units in a mix that conceals which is which, and day-care centers, clinics and other community facilities are located in the apartment buildings. Much of the surroundings will be refurbished rather than destroyed.

Already Cedar Avenue, the once dingy main commercial street, has lost its typical city street pallor. The poles and wires are down, the sidewalks are repaved, store fronts are being renovated. Pocket parks are being substituted for vacant lots. Colorful murals camouflage ugly walls. Half the street acreage has been vacated to consolidate the land into large tracts for building complexes and for open space. A new pedestrian transport system is being built at second-floor level to take the place of unneeded street mileage. And an elongated town center plaza and surrounding buildings will keep the motor vehicles below the surface.

Projects such as Cedar-Riverside point out the best thing about a gasoline shortage; most things that need to be done to cope with it are things that ought to be done anyway. It is time for the richest country in the world to overcome the poverty of its cities. It will take a combination of national economic reforms to reduce poverty, massive housing programs, new land-use planning policies, and institutional arrangements for managing and financing the urban habitat. But we know from new communities around the world that building and rebuilding whole cities is physically possible and can prove financially feasible through cost-saving techniques, new design concepts, a combination of public and private efforts, and the use for community purposes of the profits from rising land values.

Transforming urban America would require a single urban development fund to consolidate federal aid for urban areas, and the creation of urban development agencies at the metropolitan level with city-building responsibilities.

Making urban areas livable, desirable, and attractive for people of all incomes and races is the overriding domestic challenge for the last quarter of this century. Putting the emphasis on living instead of moving is a shift in priorities that seems bound to save gasoline. If we put our minds to it, it might even save urban society.

HOUSE OF REPRESENTATIVES—*Monday, February 25, 1974*

The House met at 12 o'clock noon.

Rev. Philip A. Tammaru, Estonian Evangelical Lutheran Church, Seabrook, N.J., offered the following prayer:

Dear Father, with so much bitterness in the world, we pray for a broader vision of the needs of all mankind.

Many nations have become enslaved by communism; among them Estonia. Today we observe her day of independence. Yet she is captive.

We ask that Your spirit may help the leaders of the nations to find a way by which the peoples of the Earth can be free and live at peace with one another.

Bless the President. Give courage to the Representatives in the Congress to do the right thing in Your sight.

May this country still offer refuge to the "tempest tossed" and "huddled masses yearning to breathe free." May the challenge of the spirit of '76 be always before us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2296. An act to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS OF U.S. MILITARY ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, United States Code, section 4355(a), the Chair appoints as members of the Board of Visitors to the U.S. Military Academy the following members on the part of the House: Mr. MURPHY of New York; Mr. LONG of Maryland; Mr. MINSHALL of Ohio; and Mr. GILMAN, of New York.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS OF U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provision of title 10, United States Code, section 6968(a), the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following members on the part of the House: Mr. FLOOD, of Pennsylvania; Mr. STRATTON, of New York; Mr. HORTON, of New York; and Mr. EDWARDS of Alabama.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS OF U.S. AIR FORCE ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, United States Code, section 9355(a), the Chair appoints as members of the Board of Visitors to the U.S. Air Force Academy the following members on the part of the House: Mr. FLYNT, of Georgia; Mr. SIKES, of Florida; Mr. DAVIS of Wisconsin; and Mr. ARMSTRONG, of Colorado.

TOURISM

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, tourism is in fact the second ranking retail expenditure in the United States. It makes a significant contribution to my State of Wyoming ranking as our third largest industry. Wyoming and several other States could not prosper without it today.

In light of the role of tourism in our national economy, I think that it is appropriate that proper consideration be given in any allocation of fuels to providing adequate supplies of energy for all segments of the tourism industry. Today I am introducing a resolution asking for such due and proper consideration.

RESOLUTION DIRECTING IMMEDIATE FACTFINDING ON OIL SUPPLIES

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr Speaker, the Shah of Iran said yesterday on a national television network that the United States has no oil shortage—that imports of oil into the United States are as great as ever and possibly greater, and suggested oil companies are guilty of manipulating an oil shortage in order to increase their profits.

This statement comes from the head of a nation which exports 5 million barrels of oil a day, one-fourth of all the oil from the Middle East and which is a principal exporter to the United States.

Withholding of oil and especially gasoline from the public has created a national emergency in which millions of people cannot get to work, children cannot get to school, and businesses—especially small firms—are forced to close their doors. Americans must know now the facts behind the so-called oil shortage.

Today, I am introducing a resolution authorizing and directing the Committee on Interstate and Foreign Commerce to find out those facts. The committee will be empowered to subpena every American oil executive, to require them to report to Congress under oath precise import figures, inventories in the United States or under U.S. companies' control, and on distribution of oil in and exports from the United States. My resolution calls for the committee to report its findings and recommendations to the House within 30 days from the passage of the resolution. I am delighted to state that eight of my colleagues have already joined me in this measure: JOHN MCFALL, of California; GLENN ANDERSON, of California; JOHN MURPHY, of New York; DOMINICK DANIELS, of New Jersey; PARREN MITCHELL, of Maryland; JONATHAN BINGHAM, of New York; KEN HECHLER, of West Virginia; and CHARLES RANGEL, of New York.

PLIGHT OF SERVICE STATION OPERATORS

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. GONZALEZ. Mr. Speaker, yesterday in my district I had a very important and very interesting meeting for all of the gasoline dealers, the service station operators, if you please, whether they were independent agents or dealers or the like.

I wish that every Member of the House could have been present, because a sense of urgency would have been communicated. Of those present, 90 percent stated categorically that if things continue as they now are, they will be out of business in less than 60 days. Everyone present reported having dismissed on an average of four employees from their business within the last 60 days. There is absolute chaos and confusion as to the regulations and the allocation program that the Government is supposed to be conducting. There are contradictions, confusion, and disorder is rampant.

It seems to me ironic after the meeting that the great Government of the United States, the Congress included, and the great high priest of free enterprise, the so-called petroleum industry, should have conspired to, in effect, stamp out, eradicate, and extinguish the one real remaining free entrepriser, who is the small independent businessman.

Also, we had verifiable reports of the extensive beginnings of what would be a substantial black market in gasoline. It has begun. It is beginning to thrive and it will destroy whatever semblance of remaining little bit of order that we might have in this industry.

Also, some of the major oil companies are taking advantage of the situation, I regret to say, and are attempting to push out the dealer, because it pays them more to get rid of the dealer and to have their own agency outlets, whether they are self-service or otherwise; they can make more money and they can sell the gas a little bit cheaper, but they are eliminating patriotic taxpaying hardworking Americans who are the last element of independent enterprise in the major oil companies and have worked over a course of years to build up a small independent business.

If we get the so-called emergency bill on energy, I intend to offer amendments to protect this bulwark of small independent American businessmen.

ISRAEL SHOULD RETAIN THE GOLAN HEIGHTS

(Mr. BINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BINGHAM. Mr. Speaker, as the Secretary of State leaves for the Middle East, we all wish him well and hope that he will be able to achieve a disengagement between Syria and Israel similar to what he achieved with extraordinary success as far as Egypt and Israel were concerned.

However, no one should expect that this agreement would be achieved at the cost of requiring Israel to promise to go back to the pre-1967 lines below the Golan Heights. Of all the territorial problems that exist in that area, I think this is one that is abundantly clear to any observer.

Anyone who has visited what used to be called the Sea of Galilee and looked across the lake at the hills that rise above the shoreline on the east side of the lake cannot fail to understand how the pre-1967 border was absolutely intolerable for Israel. The Israelis had only a narrow strip a few hundred yards wide at the foot of those hills, utterly at the mercy of any sniping, any artillery fire, any shooting from up above on the heights.

So, as these new negotiations proceed, we should be fully understanding and supportive of the insistence of the Israelis that they must hold on to the slopes and the heights above them. The exact line to be drawn on the heights can be worked out in negotiations, but no one should expect the Israelis to return to the bottom of the hills.

THE DICKEY-LINCOLN SCHOOL HYDROELECTRIC POWER PROJECT

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, as one of a majority of Members from New England who voted against funding the Dickey-Lincoln School hydroelectric power project in Maine during 1967, I want to go on record today as actively seeking funds this session to guarantee that the project gets underway immediately.

Why the change of heart? My opposition in the past was based on sound and indisputable facts; however, conditions have changed dramatically in New England, and the prevailing conditions can truly be said to justify what will be no small investment for all the New England States for this electric power source. My early objections to the project were for just such reasons. While we were being told that the project would benefit not just Maine, but all of the New England States, in fact, we would only have electricity in the "peaking hours." Now even this hour of electricity a day is crucial to our region.

No one could have guessed that residual oil costs would have skyrocketed raising prices by 400 percent in some areas. Nor could we have known that our hopes for a cheap and abundant source of nuclear power for the region would become so quagmired in safety and environmental problems, and more expensive than anticipated. At the time, environmental pressures against Dickey-Lincoln were exceptionally strong as ecological dislocations of mammoth proportions were expected.

However, the picture has changed and we must be willing to obtain energy where we can get it, and the Dickey-Lincoln project, where it was not economically feasible or even practical more than 5 years ago, has become a necessity due to the unusual set of factors playing havoc with our energy needs in the region. Had we all had the benefit of hindsight, I am confident that the project would have been funded earlier; however, we must put our differences aside and work for the rapid implementation of the project.

I commend to the attention of the Members of the House the excellent editorial which appeared in the Patriot Ledger last Tuesday, February 19 entitled "Dickey-Lincoln Dam":

Dickey-Lincoln Dam

Congress ought to revive and approve the Dickey-Lincoln School hydroelectric power project in Maine.

With the luxury of hindsight it may be said that Congress should have advanced the project when it was under consideration in the 1960s. The critical vote came in 1967 when the House failed to accept Senate-passed legislation funding final studies of the project. This effectively killed the project.

All the local House members at the time—Reps. James A. Burke, D-Milton, Margaret Heckler, R-Wellesley, and Hastings Keith, R-Bridgewater—voted against Dickey-Lincoln. The New England congressional delegation was split on the issue, something which is usually (and was) fatal to huge regional public works projects.

A key element in the debate was an intense lobbying campaign by the electric companies. However, Dickey-Lincoln was nowhere near as attractive an idea in 1967 as it is today. Although The Patriot Ledger opposed the project then. Several things have happened to drastically alter the situation.

First, nuclear power has failed to live up to its promise as an "ideal" source of low-cost power which could be employed by private electric companies.

Cost estimates for Dickey-Lincoln promised .4 cents per kilowatt hour, a figure the nuclear plants also were supposed to achieve. But, in fact, nuclear plants have been producing power at costs in excess of 1.5 cents per killowatt hour.

Nuclear plants also have had the operational problems which attend any complex new technology and these technical difficulties have been compounded by safety and environmental considerations.

The environmental dangers posed by Dickey-Lincoln once seemed formidable. Much land would be flooded to serve as a reservoir, and power transmission lines would have to be strung across the Maine wilderness to get the power to market.

Since 1967, however, the environmental dangers of fossil fuel and nuclear plants have become much more clear. Also, the creation of the New England electric power pool (NEPOOL) interconnecting the region's electric plants has greatly reduced the transmission problem.

Cost was another consideration in the '60s. Dickey-Lincoln was expected to require more than $300 million of the taxpayers' money to produce power which might or might not be less expensive than the power produced by the private electric companies.

Evidence that Dickey-Lincoln power might be less costly was not entirely convincing, and proponents of the plan tended to tie the projects financial impact to the idea of creating a price "yardstick" against which the cost of private power could be compared.

But the development which has totally changed the price picture and the environmental picture is, of course, the energy crisis.

A perpetually-renewable energy source such as hydroelectric power now is vastly more critical than it was in 1967. Dickey-Lincoln might have been an expensive luxury in the '60s, now it has become a vital necessity.

The price of oil has soared, thus throwing all the old price calculations out the window. Dickey-Lincoln is almost certain to produce power at lower cost than oil-fired plants. Moreover, it should be less environmentally damaging than coal-fired plants, and both less environmentally dangerous and cheaper than nuclear plants.

As now envisioned, Dickey-Lincoln would be a source of low-cost "peaking power" to help the region deal with its chronic shortage of electric power to meet the loads at peak usage hours. This shortage has resulted in voltage reductions, brownouts and the threat of blackouts.

Emergency energy legislation before Congress calls for extensive work on alternative energy sources, such as hydroelectric power to supplement or replace fossil and nuclear fuels. And one of those alternatives ought to be Dickey-Lincoln.

CONGRESSMAN MOSS' INVESTIGATION RESULTS IN REASSERTING THE POWER OF THE PEOPLE

(Mr. DINGELL asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. DINGELL. Mr. Speaker, following persistent investigation by Congressman John E. Moss, of California, the Comptroller General of the United States has ruled that future payments for Secret Service protection of former Vice President Agnew would be disallowed by the Comptroller's Office.

Congressman Moss has stated in connection with the ruling:

> This constituted a reclamation by the General Accounting Office of the powers of the Congress and the people, which had unlawfully been usurped by the President of the United States. The longest journey, we are informed, begins with a single step. That step, perhaps has now been taken.

Mr. Speaker, I am pleased to have the opportunity to offer correspondence to Congressman Moss from the Comptroller General, Mr. Elmer Staats, noting the GAO ruling, and the letter from Mr. Staats, sent to the Secretary of the Treasury, informing him of the GAO decision:

WASHINGTON, D.C.,
February 15, 1973.

Hon. JOHN E. MOSS,
House of Representatives,

DEAR MR. MOSS: This refers to our series of reports to you on services and facilities being provided by the Government for former Vice President Agnew. There is enclosed herewith for your information a copy of our decision of today to the Secretary of the Treasury, notifying him that future payments made for Secret Service protection for former Vice President Agnew will be disallowed by our Office.

Sincerely yours,

ELMER B. STAATS,
Comptroller General
of the United States.

WASHINGTON, D.C.,
February 15, 1973.

The Honorable the SECRETARY OF THE TREASURY.

DEAR MR. SECRETARY: As you are aware this Office has considered the question of whether the protective services being provided by the Secret Service at your direction—pursuant to the request of the President—for former Vice President Agnew are authorized by law. We have concluded that they are not so authorized.

The statute authorizing Secret Service protection is 18 U.S.C. 3056(a). It provides in this respect as follows:

"Subject to the direction of the Secretary of the Treasury, the United States Secret Service, Treasury Department, is authorized to protect the person of the President of the United States, the members of his immediate family, the President-elect, the Vice President or other officer next in the order of succession to the office of President, and the Vice President-elect; protect the person of a former President and his wife during his lifetime, the person of the widow of a former President until her death or remarriage, and minor children of a former President until they reach sixteen years of age, unless such protection is declined; protect the person of a visiting head of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; * * * and perform such other functions and duties as are authorized by law * * *."

(See also Public Law 90-331, set out as a note to 18 U.S.C. 3056, providing for protection of "major presidential or vice presidential candidates who should receive such protection.")

Section 3056(a) of title 18 thus provides specifically for protection of an incumbent Vice President and of a Vice President-elect, and for protection of a former President during his lifetime, but not for protection of a former Vice President. Moreover, the Congress has provided for certain services and facilities to be made available to former Vice Presidents, without including specific provision for Secret Service protection (act of March 7, 1964, Pub. L. 83-277, 78 Stat. 153), and for protection of candidates for presidential or vice presidential office (Pub. L. 90-331). It is thus beyond question that there is no statutory authorization for Secret Service protection of Mr. Agnew.

Nor can we agree with the reported contention of the Treasury Department that the President has "inherent executive power" to order Secret Service protection of Mr. Agnew. We believe that the President's power "must stem either from an act of Congress or from the Constitution itself." *Youngstown Sheet and Tube Co.* v. *Sawyer*, 343 U.S. 579 (1952). In this case, as already noted, the acts of Congress provided no basis for the claim of Presidential power to order protection for Mr. Agnew.

With respect to the question of constitutional authority to order such protection, we note that section 3056(a) of title 18 gives the President certain discretionary authority to order protection of distinguished foreign visitors to the United States (other than heads of state) or of official representatives of the United States performing special missions abroad. Also, we are aware that, in the legislative history of the act of January 5, 1971, Pub. L. 91-651, 84 Stat. 1940, which added that discretionary provision to section 3056(a), there is a statement by the Treasury Department that the President has "inherent constitutional authority" to order protection of distinguished foreign visitors. S. Rept. No. 91-1463, 91st Cong., 2d Sess. 2. However, the circumstances there involved were that the Department of State traditionally provided protection for foreign visitors under its general responsibilities for state visits, that this was considered to be a "foreign affairs function," and that the proposed legislation merely transferred the existing responsibility from the State Department to the Secret Service. Your Department there made no such claim of executive power as is apparently now being asserted; the letter from the Acting Secretary of the Treasury transmitting the proposed legislation stated that "it is our view that the President now has the inherent constitutional authority to direct the Secret Service to perform the functions *which would be authorized by this legislation*" (S. Rept. No. 91-1463, p. 3, emphasis supplied)—i.e., the protection of foreign visitors and official American representatives abroad. Moreover, and notwithstanding the claimed executive authority, the Secretary of the Treasury requested and obtained specific statutory authority for the performance of the functions in question.

We would agree that, under his constitutional duties to "receive Ambassadors and other public Ministers" (article II, section 3), and to make treaties subject to Senate advice and consent (article II, section 2), the President can provide for protection of distinguished foreign visitors to this country or of official representatives of the United States while they are abroad. Whether he could order the Secret Service to take over such functions from the Department of State without statutory authority it is unnecessary to decide, since the Congress saw fit to give him specific legislation to accomplish this purpose. However, in that situation, it is clear that the claim of inherent executive power finds its justification in furtherance of the President's performance of a constitutional duty, the conduct of foreign affairs. No such justification in terms of any constitutional duty of the President has, insofar as we know, been claimed in connection with the protection of Mr. Agnew, and none appears to this Office to be present. We must conclude that the reported claim of inherent executive power is without foundation. Hence, and since there is no statutory authority for furnishing Secret Service protection to Mr. Agnew, the furnishing of such protection is without authority of law.

We understand that the protection service is still being provided and that the Department of the Treasury intends to continue it at least until sometime in April. We must advise, in light of the foregoing, that appropriations for the operations of the Secret Service are not available to pay the costs of furnishing Secret Service protection to former Vice President Agnew. Therefore future payments made for such purpose will be disallowed by our Office. Recognizing the administrative problems involved in discontinuing the protection being furnished, the disallowances will be made on any payments made after February 17, 1974. The concerned certifying officers should be immediately so informed.

Copies of this decision are being sent to the respective chairmen of the Committees on Appropriations of the House and Senate, to Representative John E. Moss, and to other Members of Congress who have inquired to us concerning this matter.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

SALARY INCREASES OPPOSED

(Mr. FLYNT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FLYNT. Mr. Speaker, the day the President submitted his fiscal year 1975 budget to the Congress, I introduced House Resolution 806 calling for the disapproval of the President's recommendations for salary increases for certain officials in the executive, legislative, and judicial branches of the Federal Government.

The failure of the House Post Office and Civil Service Committee to muster a quorum last Thursday so that this and similar resolutions could be acted on is deplorable. Each and every Member of this House should be required to stand up and be counted on this. To do less is irresponsible, but I have little hope that the Committee on Post Office and Civil Service will act on House Resolution 806.

The gentleman from Iowa (Mr. GROSS) has introduced House Resolution 900 to have the Rules Committee take up his disapproval resolution. I urge the members of the Committee on Rules to act on House Resolution 900.

Federal congressional, executive, and judicial salary increases at this time are irresponsible. The single most important cause of the inflation plaguing our economy today is excessive Government spending. The 1969 salary increases contributed to the inflation we are experiencing today. These new salary increases will further increase inflation.

Congress must set the example of self-discipline and fiscal restraint by rejecting these proposed salary increases. All Americans are being asked to hold the line in the fight against inflation. We in the Congress must exercise the same restraint that we ask of the people of this country. If we do not act with restraint, how can we ask or expect the American people to limit wage and price increases?

"Ask not what your country can do for you; ask what you can do for your country."

LET UNITED NATIONS DIPLOMATS GET IN THE GAS LINES

(Mr. PEYSER asked and was given permission to address the house for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, this morning I was outraged by an article I read in the New York Times.

The Arab diplomats in the United Nations, together with other diplomats in the United Nations displaying unmitigated gall are demanding that the United States provide gasoline for them so that they do not have to wait in lines in New York to secure gasoline. The Arab diplomat has complained that when he goes into a station and shows his credit card, the people do not want to serve him.

Mr. Speaker, I do not blame them. I want to be on record as urging Mr. Simon, the Federal Energy Office chief, to under no circumstances give special permission or special gasoline to U.N. diplomats.

Mr. Speaker, in the last week I spent 2½ hours in various gasoline lines waiting to get gasoline, and I am not about to have the Arabs in the United Nations get gasoline under special treatment.

Mr. Speaker, I hope this message is loud and clear.

REPEAL EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I am today introducing a bill to repeal the Emergency Petroleum Allocation Act of 1973. This legislation directed the President to provide for the mandatory allocation of crude oil, residual fuel oil, and each refined petroleum product.

This week we will be considering the conference report on the so-called National Energy Emergency Act, which will increase the power of the Federal Government to control fuel supplies. It is my belief that instead of giving additional power to the Federal bureaucracy to further distort the ability of free market forces to provide increased supplies to meet demands, we should be focusing our efforts on repealing the hastily enacted Allocation Act of last session.

Senator HENRY M. JACKSON, chairman of the Senate Interior and Insular Affairs Committee, has announced that the Senate committee will soon conduct an investigation to determine why the fuel allocation program has failed to meet the needs of American consumers. Mr. Speaker, in my opinion the answer to this question is that no federally administered program can take the place of the free market in providing for the distribution of fuel supplies.

I urge my colleagues to join with me in this effort to get the Federal Government out of the business of controlling the production and allocation of our vitally needed energy products.

The bill I am introducing is as follows:

H.R. —

A bill to repeal the Emergency Petroleum Allocation Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Emergency Petroleum Allocation Act of 1973 is repealed.

IRAN ENTERS THE FOREIGN AID BUSINESS

(Mr. GROSS asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. GROSS. Mr. Speaker, we have all heard the old saying that every cloud has a silver lining and last Friday I hope I saw such a lining when I read a news dispatch to the effect that Iran is going into the foreign aid business. A billion dollars in foreign aid from their oil profits.

Mr. Speaker, I suggest that the House immediately urge the President to go over to Iran and get some of the money fast.

This country is busted, in part, by our interminable handouts around the globe and here is an opportunity to get some aid for the staggering American taxpayers who have been bled white.

There is no reason on Earth why the United States should not be first on the list for some assistance and at the same giveaway rates this country has used—50-year so-called loans with a 10-year grace period and no interest payments.

And if everything works out as it has for us, we can send Ambassador Moynihan over in a few years and arrange for the whole loan to be written off, as he did for India.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *February 22, 1974.*

Hon. CARL ALBERT,
The Speaker,
U.S. House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:35 A.M. on Friday, February 22, 1974, and said to contain a message from the President concerning the Eighth Annual Report of the National Endowment for the Humanities for Fiscal Year 1973.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS, *Clerk,*
House of Representatives.

EIGHTH ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR FISCAL YEAR 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

I am pleased to transmit the Eighth Annual Report of the National Endowment for the Humanities for fiscal year 1973. Training in the humanities, history, literature, and philosophy, among other disciplines, guided those who shaped the American nation and its basic documents two hundred years ago. Now, as at the beginning of our history, the ongoing enrichment of the humanities is central to the solution of those problems which challenge a nation, young or old—problems which affect the quest for a life of quality by all its citizens.

The Federal Government recognized and affirmed the importance of the humanities nine years ago with the establishment of the National Foundation on the Arts and the Humanities. It reaffirmed that importance last year with legislation extending the Foundation for another three years.

As the National Endowment for the Humanities has grown it has increasingly attracted gifts from individuals, corporations, and foundations. I am happy to note that these, for the fourth year in a row, have more than matched Federal funds appropriated for that purpose. Such public confidence in the Humanities Endowment and its work more than justifies the strong support the Endowment has received from both the legislative and executive branches and augurs well for the future development of the humanities in this country.

RICHARD NIXON.

THE WHITE HOUSE, *February 22, 1974.*

SOVIET-AMERICAN FERTILIZER PRODUCTION MEANS HELP FOR U.S. FARMERS

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, it is obvious that the good Lord gave us only a certain amount of land and water on this Earth to do with as we best can. It is, therefore, our responsibility to increase productivity through maximum utilization of our natural resources. The tremendous growth of American agriculture is based on the availability of commercial fertilizer in adequate quantities.

Remembering too, Thomas Edison's aphorism that "we never miss what we have never gotten used to," there is a great deal of wisdom in any policy that involves the Soviet people in a better appreciation of the consumer amenities we enjoy in this country. It follows, therefore, that any arrangement is beneficial that teaches Russians to prefer consumer goods to the weapons of war while at the same time supplying us with the fertilizer our farmers and ranchers must have to maintain U.S. agricultural production. In accord with this line of thought, I would like to make the following observations.

Soviet-American détente has received close attention in recent weeks and months as we struggle to find the key to peaceful relations with all nations of the world.

The meeting of the Soviet-American Trade and Economic Council next week will focus additional attention on the delicate problems that remain to be resolved between the two great powers of the world. This group composed of 26 leading American businessmen and a like number of Russian business executives will begin to get down to specifics in regard to the rapidly expanding trade between the United States and the Soviet Union.

Those of us who have served in the Congress for many years frequently wrestle with the problems that could be created by making a trading partner of a great rival like the Soviet Union. We must not allow our fears to overcome commonsense in dealing with a nation like the Soviet Union where great economic benefits can be derived for America.

I am reminded that Benjamin Franklin once said, "No nation was ever ruined by trade." I believe that, and I also believe that trade with the Soviet Union can benefit both countries. I would caution, however, that the utmost care must be used as agreements between American industry and the Soviets begin to emerge in coming months. Trade is an excellent way to bridge the gaps between two nations with diverse ideologies, but the concept of détente will be successful only if all involved work toward the careful development of a sound trade relationship.

My years in this great representative body, however, have taught me that we must never drop our guard in any way. While trade can be beneficial to all, we must also assure the American people that the benefits that they receive from America's strong defense posture are not eroded by the signing of trade agreements. Our Nation has been a world leader for many decades, and the great advantages and experience that we have built up in that period of time must be faithfully preserved.

It does occur to me, however, that the tenor of events in Washington these days might cause the American people to be fearful that all trade agreements with the Soviet Union will somehow be used against us in future years. We must avoid this type of thinking if we are to continue to prosper as a nation.

Perhaps one of the key successes of détente so far has been the decision by the Soviet Union to build a trade center in Moscow. This center, which will feature a hotel, office building, and apartments, will be open not only to American businessmen, but to representatives of all countries seeking to do business with the Soviet Union. Indeed, it will simplify conduct of trade. More important, however, it indicates that the Soviets are serious about the idea of expanded trade with the free world.

Negotiations by Occidental Petroleum Corp. to build a fertilizer complex in Russia may represent a real opportunity for this country to acquire fertilizer materials which are in extremely short supply. Under the terms of this agreement, the Russians will purchase about $200 million worth of concentrated phosphates from Occidental each year which will be shipped to a Black Sea port and then to the fertilizer complex. These phosphate materials will represent expanded production from new mines using low-grade ores which would not have been opened except for this transaction. In return, Occidental has agreed to buy approximately $200 million worth of ammonia and urea annually. Since both are made from natural gas feedstocks, they are in very short supply. Yet both products are needed to sustain our agricultural production.

There have been recent press reports and Senate Agriculture Subcommittee hearings which indicate that the U.S. fertilizer shortage is extremely serious. This United States-Soviet agreement can provide additional supplies of fertilizer materials and in this way assist the American farmer. In addition, approximately $750 million will be expended in the United States for plant equipment, thereby providing additional jobs and significantly improving our balance-of-payments situation.

I think it is important to realize that this fertilizer transaction required something unique by our Government—its written approval before it could be implemented. This approval was given by the U.S. Government last June 1, when Secretary of Commerce Dent issued his "no impediment letter" to Deputy Minister of Foreign Trade V. S. Alkhinov, after our Government had carefully studied all the ramifications of the agreement, including our Nation's future fertilizer needs. Many other projects of similar magnitude are already underway and benefiting other industries, such as those involved in the huge Kama River project.

If we are selective and careful as we approach the funding of each of these projects, and if we make a good business deal for our industries, it seems to me that we will have kept the pledge of the U.S. Government to seek a true and lasting détente through trade. I urge that we approach each of these projects with great care, but with an understanding of their importance to us—economically and politically—and that we do not permit the emotions of the moment to sweep away this rare opportunity to achieve a lasting peace.

CONDITIONAL AMNESTY—A STEP TOWARD NATIONAL RECONCILIATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Robison) is recognized for 30 minutes.

Mr. ROBISON of New York. Mr. Speaker, too many currents of emotion have, in the recent past, pulled our country apart, and set good people at odds with one another—frequently just for a lack of adequate understanding. In any event, if this divisiveness continues—for whatever reason—it will find new ways to feed upon and perpetuate itself; it will transform itself into the long and dangerous stalemate of attitudinal entrenchment, with contending groups of opposing points of view squandering their energies on recrimination; and that mood could abide, for decades, until we Americans rediscover a unifying national purpose.

The process to follow for breaking out of that mood is a complicated and uncertain one—specially when new causes for national divisiveness, and for setting attitudes in opposition to one another, crowd in upon still unresolved disputes and differences of opinion stemming from issues that we have, in large part, put behind us. Without wishing to reopen the wounds inflicted on our land and its people by those long and tragic years of U.S. military involvement in Southeast Asia, it is a fact—for which I am deeply grateful—that, for us, that war is now over. When it ended it is true that I, for one, looked for the development of an era of reconciliation for Americans—a time when this Nation could, as it were, come to peace with itself, again.

That optimism on my part was misplaced—or at least premature—in that other, and different, reasons for an extended period of national doubt, of national self-flaggelation, and for divisiveness, arose to take the place of those born out of those unhappy war years. I do not intend, here, to address myself to that new area for concern—despite the fact that our awareness of it clouds our collective vision. But, Mr. Speaker, I suggest—with some urgency—that the mere appearance of "new business," even despite the transcendental importance of the same, should not influence us so much as to divert our attention totally from that which might be considered "old business," the disposal of which might be a step, however so small, toward that national reconciliation of which I speak.

It is for such reasons that I believe an objective look at the question of amnesty would be timely, Mr. Speaker, even in the midst of that multitude of other issues and problems that so confound us and are of immediate urgency—especially since, forsooth, we do not seem to know what to do about those latter problems, anyway.

As some of my colleagues have noted, I have attempted, over the past year, to encourage that sort of a discussion of this difficult, emotion laden, and almost politically taboo issue. I have done so, even though often discouraged over finding myself so alone in even wishing to talk about it, because I have felt that the potential for moving from an acceptable resolution of the amnesty question—a leftover from those war years—at least a couple of steps toward that attitudinal climate which would allow a spirit of reconciliation to be kindled was well worth doing. Even if few others wanted to talk about it, at least I felt I was doing something that had to be done. Naturally enough, then, when our former colleague, Melvin Laird—and former Secretary of Defense, as well—also surfaced on the issue, and took a position very close to my own, I was vastly encouraged. Mel Laird took, almost at once, his "lumps" for so speaking out—though his action was characteristic of his often displayed courage and directness both while a colleague of ours, here in the Congress, and while at the Pentagon.

Mr. Laird needs no defense from me—since he can do a very capable job on his own in that regard, as will be indicated.

Thus, Mr. Speaker, I now insert Mr. Laird's letter to Comdr. Ray R. Soden, of the Veterans of Foreign Wars. Some of my colleagues may know that this letter addresses Commander Soden's critical response to Mr. Laird's public statements on conditional amnesty. By speaking his mind on amnesty, and by amplifying those statements for the benefit of the Veterans of Foreign Wars, Mel Laird has dramatically shown us that responsible men—whether they be a former Secretary of Defense or sitting Members of Congress—ought to come to grips with the question of amnesty now. Mr. Laird's comments follow:

THE WHITE HOUSE,
Washington, January 28, 1974.

Comdr. RAY R. SODEN,
Veterans of Foreign Wars of the United States, Washington Memorial Building, Washington, D.C.

DEAR COMMANDER: I received a copy of your letter to the President on amnesty and would like to comment.

As a member of the Veterans of Foreign Wars, I share with you, Commander, a great pride in our nation's strength and freedom. As part of our heritage of freedom, we have always cherished the redemptive quality of our system of justice.

As you know, during my tenure as Secretary of Defense, I felt strongly that it was completely inappropriate, unwise and unjust to consider granting any form of amnesty. I felt that while brave Americans were fighting and dying in battle any consideration of granting amnesty was unwarranted and would have had an adverse effect on the morale of our Armed Forces.

My feelings at that time were identical whether the amnesty being discussed by some was "conditional" or "general." I did make known, however, that looking beyond Vietnam we were studying various reports and studies on the complex question of amnesty.

On my departure from the Department of Defense, circumstances had changed markedly. No longer were American troops fighting and dying in combat anywhere in the world. As a result of changed conditions, my views with respect to considering the question of amnesty have also changed.

Throughout my career of public service, I have learned to avoid absolute, dogmatic positions. Neither the political system nor the judicial system of the United States works on "blanket" and arbitrary approaches. Both recognize the vital voles of (1) circumstances and (2) motivation in determining political or judicial solutions to our problems. As I have said, we pride ourselves on administering justice with mercy and understanding.

With respect to the question of a "blanket" or "general" amnesty, let me emphasize that I am now and always have been opposed to a sweeping general grant of amnesty. However, there are individual cases where the circumstances require that justice provide for what some have termed "conditional amnesty." I do not like this term and only use it for lack of a better description of an equitable approach to this difficult problem. It is my view that circumstance and motivation on a case-by-case basis, under our concept of justice, must be taken into account today when dealing with violators of our selective service laws. It is noteworthy that only a small percentage of these men have thus far been prosecuted by the Department of Justice, and in these cases widely differing penalties have been assigned to individuals varying by jurisdiction.

I hope these comments will allay some of your understandable concerns. As you know, I have nothing but a profound sense of respect and gratitude to the men and women who served in Vietnam, 56,244 of whom gave their lives in the service of our country. It is a lasting source of pride to me that I had the opportunity and privilege to associate with such fine Americans and their families. I have never committed any act, nor would I, which would be a "breach of faith" with these men and women.

Finally, I am grateful to the Veterans of Foreign Wars and to the Ladies Auxiliary for their steadfast support of our defense effort, and especially for your steadfast support during my service as Secretary of Defense. I trust, and am sure, that you will continue to extend that support to the President and to his defense policy in the cause of strength and peace.

Sincerely,

MELVIN R. LAIRD,
Counselor to the President for Domestic Affairs.

When considering the prospect of a case-by-case amnesty during the latter days of American involvement in Vietnam, and in now speaking his mind on the question, I believe Mel Laird felt the spirit which lies below the surface of the present national mood. It waits only to be addressed, and there will be response. Americans want, and want desperately, to be part of something better than that which they lived through during the last decade of disruption. They can be, Mr. Speaker, if Congress now moves to adopt the necessary legislation to commence a just process of amnesty for those young men who left the country, or hid from society, during the Indochinese war.

Whatever the form of amnesty, it will succeed only by the standards of national reconciliation. In its process, an amnesty must convince all observers that basic precepts of national justice are being applied. An amnesty must be the gesture of a confident nation looking calmly toward the future and dispassionately at the past. And the process of any amnesty must exhibit the human quality of reconciliation. That is the expression which comes from a confident individual or, in the political realm, from a confident nation that says: "We don't and maybe can't agree, but you are my neighbor, a member of my community, a fellow citizen." That is an amnesty which springs from a toleration of differing viewpoints, rather than from a categorical demand for agreement with any particular set of moral and political principles.

Mr. Speaker, these are the standards I have set for any legislation which proposes amnesty, and these are the standards which cast the outline of the bill which I introduced on Thursday. If I have been successful, in any part, it will be to the degree that I have suggested a process of granting amnesty which can bring us some release from the tightening grip of contentiousness and self-righteousness—on both sides of this issue—in our country, and which might bring us a little more brotherhood, after all the freely expended hate, contempt and violence of the last decade. These are movements which will bring people together, and they are also the vital signs of the health of our system of government, which constantly demands the production of a comity and toleration among conflicting points of view.

In summary, my proposal would establish a National Amnesty Board, patterned after the Amnesty Board appointed by President Truman after the Second World War. The National Amnesty Board would review each application for amnesty in detail; and, after investigating all cases before it, would make a set of recommendations to the President. Among its recommendations, the Board would suggest an appropriate term of conditional service, should the President choose to grant a pardon.

By taking this legislative approach to amnesty and by proposing a process of what some are called "conditional amnesty," I have been pushed to consider questions of far more complexity than might occur in a proposal for so-called blanket amnesty. Yet, as I have explained in previous statements, the actual working process of any future amnesty may well be as important to ultimate public reaction as the pardons which result.

As part of the working process of this amnesty, my proposal first sets the conditions for suspension of legal punishment of those who evaded, or refused, Selective Service registration or miltary induction during the period of U.S. participation in the Indochinese War. For purposes of an amnesty request, that period would begin with August 4, 1964, the date of congressional enactment of the "Gulf of Tonkin resolution," and terminate on either of two dates: March 29, 1973, the day the last combat troops left Vietnam, or on that day publicly proclaimed by the President when all Americans missing in action in Indochina have been accounted for.

To be eligible for amnesty, I am proposing that an individual agree to serve up to 2 years, either in a branch of military service, or in alternate civilian services which have been determined to contribute to such national objectives as health, safety, or environmental quality. Further, conditional service should begin at the lowest-existing pay grade; although my bill specifies that an individual may be allowed to progress to higher salary levels. It is conceivable that some of these men can bring highly professional skills to the jobs they may take in fulfillment of their conditional service, and several of those who have commented on my developing ideas on amnesty legislation have felt that possibilities for promotion or salary increases should remain open to these returnees to our society.

Throughout, my proposal speaks in terms of "agreements." The process of this amnesty is a process of agreement between the person seeking amnesty and the National Amnesty Board established in the bill. Individual circumstances may vary, and the Board, as it is instructed to do in the bill, may choose to tailor the conditional terms of an amnesty, or its suggestions for immunity from such requirement. If those terms are agreed to by the individual who seeks amnesty, the Board will then make its final recommendation.

Once the general "norms" for eligibility have been set, my proposal further attempts to provide for those exceptional circumstances which may appear. For instance, it is stated in the bill that the National Amnesty Board may waive some part of the required conditional service, should it be evident that special circumstances of the applicant's case, such as disability to perform alternate service, merit special consideration.

I also suggest, in this section, that Congress reiterate a constitutional doctrine which may come into question. My proposal emphasizes that no person who enters into an amnesty agreement shall be deemed to have lost his American citizenship. It is my present understanding that recent court decisions, such as

Schneider against Rusk and Afroyim against Rusk, have established the abiding nature of U.S. citizenship. However, I have concluded that mention of this principle would clarify any misunderstanding of my intention.

I have also specified that those who willfully fail to comply with the terms of their agreement are to be subject to prosecution for pending violations. Also, time taken to seek amnesty agreement, or to complete conditional service, is not to be considered for the purposes of any statute of limitation pertaining to indictable offenses.

It has been presumed, to this point in my discussion, that those who may seek amnesty will either return to the country, or emerge from their places of hiding, in order to take their cases to the National Amnesty Board Yet, there are other young men who chose to go to prison for violation of draft or induction laws, and I understand some 250 of them still remain in prison. I would propose that these individuals be allowed to present themselves to the Amnesty Board—even if still in prison—to request consideration for amnesty. The Board would be empowered to consider these requests, regardless of whether the applicant's prison sentence, or part of it, is for an offense unrelated to his violation of draft or induction laws. However, my bill also specifies that the terms of amnesty granted such an individual would not alter his sentence for an unrelated offense.

For those serving prison sentences related, solely, to violations of draft or induction laws, my proposal would permit a release from prison and a waiver of any remaining prison sentence, on the condition that the individual completes the conditional service recommended by the Board. This section of the bill requires that the National Amnesty Board deduct time served in prison from the period of conditional service required for an amnesty agreement, and further specifies that anyone who enters into an amnesty agreement and has served as much as 18 months in prison shall have his conditional service waived.

Here is one of those questions which require a *difficult* balancing of equities, and one I would hold out for the closest scrutiny of my colleagues. My presumption in writing this language is that the justice worked by the National Amnesty Board will be of the kind which redresses several distortions of fairness which became evident with changes in court rulings, and subsequent Selective Service regulations, relating to conscientious objectors.

Although I have not had sufficiently detailed data available to determine how often the case, it appears that some young men who served prison sentences for draft evasion, or failure to report for induction, did so on the basis of Selective Service regulations which were later revised by court decisions. For example, in United States against Seeger and Levy against United States, the Supreme Court considerably revised the former criteria for determining conscientious objection.

From those amnesty cases which stem from outdated Selective Service regulations, it should be particularly clear that an Amnesty Board ought to consider time served in prison. I would also add to the scale of these equities, the known fact that in some States it was considerably easier to be deferred from the draft or to receive conscientious objector status than in others.

On a number of occasions, I have attempted to request information from the Selective Service which would indicate the ratio of deferments and CO classifications among the States, but I found that such information has not been compiled on a nationwide basis; nor do many States tabulate the number and kinds of deferments granted by their local draft boards.

It is most difficult to set a hard standard for balancing the conditional service necessary for amnesty with prison time already served; and admittedly, the 18-month prison sentence I have used, as a criterion, is one man's attempt to find a mean between the two. Again, I would hope that our legislative process can find a consensus on this question.

To this point, I have described how an amnesty would work through my proposal. However, I have not ventured into the question of who shall be the final authority in granting an amnesty. On May 14 of last year, I attempted to summarize for the House the post-Civil War debate over the constitutionality of a congressionally initiated amnesty. I explained, then, that during the Civil War and for some years after it, several Members of the House and Senate challenged the President's right to declare broad amnesties. There ensued a confused dialog between President and Congress, during which Congress mandated a number of amnesties. The President followed by granting amnesty but, in doing so, cited his constitutional authority, rather than a previous mandate of Congress.

Among the powers granted the President in article II of the Constitution is the provision that—

> . . . he shall have Power to Grant Reprieves and Pardons for Offenses against the United States, except in cases of impeachment.

Abraham Lincoln cited that clause as his basis for issuing a number of amnesty proclamations, as did Andrew Johnson when he proclaimed several post-Civil War amnesties. Congressmen and Senators who objected to those Presidential amnesties did so by questioning the meaning of the word "pardon," within its constitutional context. And, in February 1869, the Senate Judiciary Committee, acting under the instructions of the Senate, completed a report which stated:

> . . . it will be perceived that amnesty is a larger power than pardon . . . proceeding, like what is called a general pardon, not from the executive, be he King or President but from the *government*, the *sovereign power*, which in England was the king, in and with his Parliament, as in the United States it is the Congress acting with the approval of the President, or by a two thirds vote without it.

In addition to these precedents, we have a few Federal court decisions which have, in part, discussed the respective powers of the President and Congress with regard to amnesty. Yet, there has been no decision singly devoted to this question, or one which has provided clear indication of constitutional intent.

I raise these questions both to preview any similar discussion which may arise from a congressional attempt to set amnesty in motion, and also to highlight the necessity of my bill's languages—which expresses the "sense of Congress" that the President may grant a pardon to any person convicted of a violation of draft or military-induction law, conditioned upon the individual's completion of required conditional service.

Since the first of my working principles has been that the process of any amnesty must exhibit widely shared principles of justice, I chose the "Truman precedent" of a case-by-case review by an appointive amnesty board. This National Amnesty Board would make recommendations to the President regarding each individual case where an agreement has been entered into to complete a term of either military, or civilian, service. In the context of my proposal, "pardon" is used in the narrowest sense of the word, since I find little room for argument over the possibility that Congress may draw upon its own constitutional prerogative to unilaterally grant individual pardons. Further, an amnesty without the President cannot move the Nation toward a new unity; it can only make the question of amnesty another divisive battleground. My proposal, then, rests upon the assumption that the President will participate in accepting the recommendations of a National Amnesty Board, and that the Board, itself, will be in part his own creation.

I also suggest that the President closely follow the Truman precedent by appointing a three-member board, with the advice and consent of the Senate. Although the Truman Board was convened by Executive order, with no concurrence of the Senate, its membership was highly contributory to popular acceptance of the Truman amnesty. Sitting on that board was a former Supreme Court Justice, Owen J. Robert; a past president of the American Bar Association, Willis Smith; and a police chief from Manchester, N.H., James F. O'Neill. I would think it critical to the success of any new amnesty board that membership include persons of the reputation and competence possessed by those on the Truman board.

Mr. Speaker, I fervently hope that in what I have said about my proposal I have conveyed more than one man's desire to get a bill passed. Of course, I would like to see this proposal, or some form of it, adopted because of my own stated convictions. But I would also hope that the act of introducing this legislation and describing it as I have will cause others to think, to judge and to contribute their comments.

In moving toward this step, I have tried to build a preliminary discussion of amnesty through the six historical statements on amnesty I presented to the House in April and May of 1973. The content of my bill has, itself, been the subject of extensive discussion, stretching over many months; and I have sought guidance from every quarter—my colleagues, my constituents, my friends, and family. The culmination of this purposely extended discussion is the bill I introduced last Thursday.

In my previous statements and, I would hope, Mr. Speaker, in what I have said today, I have tried to contribute to the honor of only one thing—and that is certainly not the act of draft-evasion, as some have suggested, or I have tried only to honor the long-held concept of national justice, reflected throughout the history of this country.

Mr. Speaker, the text of my bill follows:

H.R. —

A bill to amend title 18, United States Code, to provide for the conditional suspension of the application of certain penal provisions of law

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18, United States Code, is amended by inserting immediately after chapter 119 a new chapter, as follows:

"Chapter 121.—CONDITIONAL SUSPENSION OF THE APPLICATION OF CERTAIN PENAL PROVISIONS OF LAW

"Sec.
"2610. Amnesty; conditions.
"2611. Release of persons convicted; dismissal of proceedings.
"2612. Pardons.
"2613. Administration.

"§ 2610. Amnesty; conditions.

"(a) No law providing for the punishment of persons evading or refusing registration for the military service of the United States, or of persons evading or refusing induction in the Armed Forces of the United States, shall apply to any person who has evaded or refused such registration or induction during the period beginning August 4, 1964, and ending March 29, 1973, if such person—

"(1) presents himself to the National Amnesty Board, established under section 2614 of this title, not later than two years after the date of the enactment of this Act, or that date, as determined and publicly proclaimed by the President on which all Americans missing in action who have been held by or known to such government or such forces have been accounted for, whichever date is later;

"(2) agrees, in accordance with regulations established by the National Amnesty Board under section 2614 of this title, to serve for a period of two years in the Armed Forces of the United States, or to serve for a period of two years in such alternate civilian service as the National Amnesty Board determines will contribute to the maintenance of the national health, safety, environmental quality, or other interest; and

"(3) agrees, in accordance with regulations established by the National Amnesty Board under section 2614 of this title to begin such service in the lowest pay grade at which persons serve in the Armed Forces or eligible alternate civilian service, and to continue such service at pay levels no greater than those approved by the National Amnesty Board.

"(b) The National Amnesty Board may, for good cause shown by an applicant for amnesty under the provisions of this chapter, waive in part or in whole the service requirement of subsection (a) of this section with respect to such applicant, after opportunity for a hearing on the record, if in the judgment of such Board the special circumstances of such applicant's case, such as disability to perform such service, merit such extraordinary action.

"(c) Notwithstanding the provisions of section 349 of the Immigration and Nationality Act (8 U.S.C. 1481), no person who makes an agreement under subsection (a) of this section shall be deemed to have lost his status as a national of the United States.

"(d) All laws providing for the punishment of persons evading or refusing registration for the military service of the United States, or of persons evading or refusing induction in the Armed Forces of the United States, shall apply to any person who willfully fails or refuses to comply with the terms of his agreement made under this section. The period beginning with such person's application to the National Amnesty Board under section 2610 of this title and concluding with the end of his compliance with the terms of his agreement shall not be counted toward the running of any statute of limitation with respect to any offense for which amnesty is given under this chapter.

"(e) Any person in prison, whether with respect to an offense for which amnesty may be given under the provisions of this chapter, or with respect to another offense, shall be afforded an opportunity to present himself to the National Amnesty Board pursuant to this chapter for the purpose of seeking the amnesty offered under this chapter. If such Board determines such person is eligible for amnesty under this chapter, such determination shall not modify that person's obligations with respect to any offense other than that offense or offenses with respect to which such Board has acted.

"§ 2611. Release of persons convicted; dismissal of proceedings.

"(a) Any person who has been convicted and is serving a prison sentence for evading or failing to register for the military service of the United States during the period beginning August 4, 1964, and ending March 29, 1973, or for evading or refusing induction in the Armed Forces of the United States during such period shall be released from prison, and the remaining portion of any punishment shall be waived, if such person complies with the provision of section 2610(a) of this title, except that the two-year period of military or civilian service required thereunder shall be reduced by a period equal to the period served by such person in prison with respect to his conviction, and the service requirement shall be completely waived in the case of any person who has served at least 18 months in prison solely with respect to such conviction.

"(b) Any criminal proceeding brought against any person as a result of his evading or failing to register for the military service of the United States during the period beginning August 4, 1964, and ending March 29, 1973, or for evading or refusing induction in the Armed Forces of the United States during such period, shall be dismissed if such person enters into an agreement described in section 2610(a) of this title and completes the period of military or civilian service prescribed in such agreement, and such proceedings shall be stayed during the period of such service.

"§ 2612. Pardons.

"(a) It is the sense of the Congress that the President grant a pardon to any person convicted of any offense described in section 2611(a) of this title if such person presents himself to the National Amnesty Board and enters into an agreement, under section 2610 of this title, and that such pardon shall be conditioned upon the completion of the service prescribed in such agreement, except that with respect to any such person who has been imprisoned with respect to such conviction, such service shall be reduced by a period equal to the period served by such person in prison solely with respect to such conviction. It is the sense of Congress that such service requirement should be waived entirely in the case of any person who has served at least 18 months in prison solely with respect to such conviction.

"(b) It is the sense of Congress that any pardon made under this chapter shall have the effect of restoring all civil and political rights which may have been lost or impaired as a result of any conviction for which amnesty was given under this chapter, and any such pardon shall have such effect to the extent not prohibited by the Constitution.

"§ 2613. Administration.

"(a) There is established, as of the date of the proclamation referred to in section 2610 of this title, the National Amnesty Board (hereinafter referred to as the 'Board').

"(b) The Board shall be composed of three members who shall be appointed by the President by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. The President shall designate one of the members to serve as Chairman. The Chairman shall serve full time and be an official of the United States. The Chairman shall appoint an Executive Director of the Board who shall serve under the direction of the Chairman of the Board and perform such duties as the Chairman may specify.

"(c) The Board is authorized to issue such rules and regulations as may be necessary to carry out effectively the provisions of this chapter. The Board is also authorized to review such other cases involving offenses or alleged offenses against the United States as the President considers appropriate for such review consistent with the purposes of this chapter, and the Board shall make a report to the President which shall include its findings and its recommendations as to whether pardon or immunity from prosecution (or both) should be granted or denied, and, in any case in which it recommends that such pardon or immunity be granted, its recommendations with respect to the conditions, if any, of such pardon or immunity.

"(d) The members of the Board, except for the Chairman, shall serve without compensation, but shall be entitled to necessary expenses incurred in the performance of their duties under this chapter, as persons employed intermittently in the Government service under section 5703(b) of title 5 of the United States Code. The Chairman of the Board shall be entitled to necessary expenses on the same basis and to the same extent as other members, but shall also receive such compensation as the President shall determine.

"(e) All executive departments and agencies of the Federal Government are authorized and directed to cooperate with the Board in its work, and to furnish the Board all appropriate information and assistance.

"(f) The Board shall cease to exist no later than two years after the end of the one year period following the date determined by the President under section 2610(a)(1) of this title.".

SEC. 2. (a) The table of chapters of title 18, United States Code, is amended by inserting at the end of the table of chapters for Part I—CRIMES, the following:

"121. Conditional suspension of the application of certain penal provisions of law .... 2610".

(b) The table of chapters of part I of title 18, United States Code, is amended by inserting at the end thereof the following:

"121. Conditional suspension of the application of certain penal provision of law .... 2610".

SEC. 3. Section 12(a) of the Military Selective Service Act of 1967 is amended by striking out "Any" at the beginning of such section and inserting in lieu thereof "Except as provided in chapter 121 of title 18, United States Code, any".

IMPEACHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the question of impeachment of the President continues to be on the minds of my constituents and, of course, on the minds of the Members of this body. Opinions range from "throw him out" to "get off his back," and there are innumerable positions in between.

For nearly a year now, the public has been greeted almost daily with revelation of the whole sordid Watergate affair. There is an understandable feeling of frustration and bewilderment.

I believe it is important that Watergate and the impeachment proceedings be concluded as soon as possible. As an individual, I feel a responsibility to refrain from taking a hard position until the Judiciary Committee makes its report, to keep on open mind as a potential grand juror. The Congress as a whole, I believe, should likewise feel a strong responsibility to move with great dispatch to wind up this difficult affair. And it should feel an equally strong responsibility not to allow Watergate and related matters to distract it from the pressing problems of inflation, the energy crisis, unemployment, crime, the need to bring Federal spending under control, and many others.

The impeachment of a President, any President, is almost too awesome to contemplate. It cannot, it must not, be done in an air of frenzy and emotion. By the same token, it must not be done on the basis of partisan loyalty. In fact, if ever there was a time when a vote should be approached on a nonpartisan basis, it is in the case of impeachment.

I urged the President months ago to release the Watergate tapes, and I still believe that the best course of action is to spread all the evidence on the table for all the American people to see. The passage of time has not changed my view that there is such a crisis of confidence in our government that the people desperately need to know that the President had nothing to hide. I am reminded of the Biblical passage which asserts that the honest man comes to the light so that it may be clearly seen that what he does is good. I know the President feels very strongly about the doctrines of executive privilege and separation of powers, but the need to "come to the light" with the American people is overriding.

I have received a great deal of helpful advice from my constituents on the Watergate issue. I trust I will continue to receive that counsel so that I can make the wisest possible decision on an impeachment vote, should one occur. In the meantime, I repeat that it is of the utmost importance that this Congress moves forward on the issue of energy and inflation, and the many other unsolved problems facing our Nation. Neither the people nor the President are being well served by dragging out the Watergate investigation.

THE RHODESIAN CHROME DEBATE: FACT AND FICTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, interest is mounting steadily among Members of the House over a bill which would nullify the Byrd amendment of 1971 on Rhodesian chrome and return the United States to full compliance with U.N. sanctions under international law. The bill, S. 1868, passed the Senate last December. As a sponsor of the House version of that bill, my own position is clear: I am convinced that for reasons of national security, economic well-being, international law and human rights, the Byrd amendment is unjustified and should be rendered inoperative by passage of S. 1868.

In almost any debate there are rational arguments which can be made by both sides, but what concerns me about some of the arguments in defense of the Byrd amendment is a seeming lack of regard for the truth. It is as if the old arguments of 2 years ago are being injected into the current debate without even being dusted off. These are arguments which were either without foundation in fact in 1971 when the amendment was passed, or have been proven false by the passage of time. This is all the more obvious in view of the failure of Byrd amendment proponents to back their allegations with supporting evidence. There is good reason for their not giving supporting evidence since the facts do not support their allegations, as the following will show:

First. Allegation: That the Byrd amendment is necessary in order to decrease U.S. reliance on the Soviet Union for chrome ore.

Fact: In the 2 years since passage of the Byrd amendment, imports of Soviet chrome ore have more than doubled from 24 to 51 percent of total chrome imports.

Second. Allegation: That the United States needs Rhodesian chrome for the national stockpile of strategic and critical materials for defense production.

Fact: The Defense Department has stated that its need for metallurgical grade chromite for 1 year of war is 2.3 percent of the quantity held in the national stockpile. Since the stockpile has more than 2 million tons of chromite, the United States could wage war for several decades without depleting the present stockpile of chromite.

Third. Allegation: That the Soviet Union is buying Rhodesian chrome ore and transhipping it to the United States.

Fact: While the sanctions against Rhodesian chrome were in effect in the United States, the Geological Survey of the Department of the Interior examined samples of chrome ore imported from the Soviet Union and determined conclusively that the ores in question were of Soviet origin.

Fourth. Allegation: That Rhodesian chrome ore is cheaper than Soviet ore.

Fact: According to U.S. Commerce Department figures on the average prices of chrome ore imports for the first 11 months of 1973, the price of Soviet ore was $59 per ton; the price of Rhodesian chrome was $80 per ton, placing Rhodesian chrome among the highest priced bought by the United States.

Fifth. Allegation: Compliance with U.N. sanctions against Rhodesia will create unemployment in the United States.

Fact: Neither the U.S. Government nor the United Steel Workers has any evidence of unemployment as a result of Rhodesian sanctions.

In the light of these facts, Secretary of State Kissinger's written statement of October 3, 1973, seems especially convincing—

> . . . the Byrd provision is not essential to our national security, brings us no real economic advantage, and is detrimental to the conduct of foreign relations.

If we are to conduct a rational debate on the Rhodesian chrome issue in the House of Representatives, it should be on the basis of fact, not fiction. I challenge the supporters of the Byrd amendment to back their statements with facts.

MODERN CONGRESS ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 20 minutes.

Mr. OWENS. Mr. Speaker, in a recent opinion poll, the public's rating of Congress was the lowest ever recorded by the Harris survey. Only 21 percent of the American people believe the Congress is doing a good job. This is lower than the overall job rating for President Nixon, which is also at its lowest point.

If the findings of the Harris poll do not motivate Congress to undertake some critical self-analysis and to follow through with effective reforms, it is hard to believe anything will.

I am introducing today the "Modern Congress Act of 1974." The bill is designed to assist Congress to do a better job by modernizing some of its procedures. Essentially the same bill was introduced in the Senate by Senator HUMPHREY on February 5. The intent of this legislation is to initiate positive changes in Congress at a time when there is strong public sentiment favoring reform.

Congress is not equipped to deal with today's problems or to uphold its part of the balance between the executive, legislative, and judicial branches. A 20th-century Congress cannot be effective when it employs 18th- and 19th-century techniques. If preventive measures are not taken, all human organizations tend to stagnate, rigidify, and eventually surrender to the infirmities of age. But preventive measures are possible. Organizations can continuously renew themselves. It is imperative that Congress undertake a major exercise in self-improvement. Congress must regain the policymaking authority which it has increasingly abdicated to the executive branch.

There are many internal problems which must be overcome to strengthen ourselves. The Modern Congress Act establishes the necessary tools and framework to meet some of the challenges that Congress faces in performing its constitutionally delegated responsibilities.

Since the Legislative Reorganization Act of 1946, Congress has had the formal responsibility of not only writing the laws of the land, but also seeing that the executive branch carries them out. Through oversight Congress is supposed to determine whether Federal programs are administered in a manner which satisfies the intention of Congress. In the judgment of political scientists, public interest groups, and many Members of Congress the national legislature has failed to perform its oversight function.

Today the Federal Government is engaged in hundreds of programs authorized and funded by Congress that seek to change or redirect human behavior. Yet all too often congressional committees and individual members either lack time, interest, or resources to know which programs are working effectively and which ones are not. The point is that Congress exerts a substantial influence on the administrative process, but it is not organized to review the impact of legislative actions.

The responsibility of Congress does not end when a law is enacted or a program is launched. We must evaluate the administration of these laws and programs and recommend reforms to overcome deficiencies. The most we have done about oversight is to overlook it as an obligation. To fulfill this duty a systematic method of reviewing the administration of laws and the operation of programs must be formulated.

The legislation I introduce today proposes the establishment of legislative review subcommittees within each of the standing committees of Congress to conduct continual oversight functions. The bill expands the powers of the General Accounting Office, the major factfinding arm of the legislative branch. In addition, the Modern Congress Act establishes the Office of Congressional Counsel. Congress has frequently suffered from lack of legal counsel to represent it in court proceedings involving other agents of government who fail to comply with the laws of Congress.

This legislation creates a Citizens' Committee to study Congress in order to assist the Congress in an appraisal of itself as an institution. In any vortex of incomplete knowledge, outsiders may make a significant contribution by analyzing questions from a more detached viewpoint than that of the immersed participants. Congress would have serious problems in attempting to reform itself without outside stimulus.

The Citizens' Committee will immediately undertake a thorough assessment of the reforms needed for Congress to be open, responsive, and assertive. This body will provide the perspective to pursue needed changes which many of us within the Congress tend to overlook or neglect.

One of the major factors which determines our effectiveness as legislators is the quality of available reference material on the wide spectrum of issues that come before Congress. The importance to Congress of precise, objective information cannot be overestimated. Congress communications network must be equipped with the latest innovations derived from the new communications sciences.

The Modern Congress Act creates the Office of Congressional Communications to maintain a video tape library of important public interest broadcasts, provide closed circuit telecasts of committee proceedings, arrange for each Member of Congress to view such documents in his own office, and further modernize the communications-information services available to Congress.

Congress has failed to provide the public with meaningful analysis of its objectives, accomplishments, and deficiencies. This bill would partially address this problem by instituting a congressional annual report or a "State of the Congress" message to be presented by the congressional leadership. The report would force Congress to take a critical look at its past and future performance and would represent a meaningful effort to earn renewed public attention and respect.

A further provision in the bill would create a joint committee to integrate and oversee the entire national security policy area. Another section would commission a study of the use of computer programs to improve scheduling of the work of the House.

Mr. Speaker, if these proposals sound familiar, it is because many of them have been discussed for years. We all recognize that Congress demands change within itself, and there is no shortage of sensible ideas on how to streamline Congress to do a better job. But there has been a shortage of simple willpower that is needed if the reforms are ever to be put into effect. This bill represents a sincere effort to address problems at the most basic level of congressional organization—problems which have a significant impact on the behavior and performance of the Congress.

SECTION-BY-SECTION COMMENT

Title I of the bill would create a Citizens' Committee To Study Congress. The country's leading experts on congressional reform would be asked to serve on the committee. The committee would submit a comprehensive report of the changes required to make Congress a responsive and coequal branch of government. This type of independent perspective is needed because Congress will have difficulty if it depends solely on its own Members to suggest reforms.

Committee members will be selected by a special committee composed of three members, one of whom shall be appointed by the President pro tempore of the Senate, the Speaker of the House, and the President, respectively. This committee will then select 15 members to serve on the committee, not more than two of whom shall be Members of the Senate, the House, and the executive branch, respectively.

The committee will consider the policymaking role of Congress, determine the best method of congressional review and evaluation, examine the operation of the Congress and factors that affect it, and investigate other matters the committee deems appropriate. Through the committee's widespread hearings, a beginning can be made toward restoring public confidence in the Congress.

Title II establishes an Office of Congressional Counsel. It has been difficult to assert those laws which Congress has passed without counsel to represent Congress in court appearances. Recent controversy over administrative actions of the executive branch, such as the unconstitutional impoundment of funds, has forced Members of Congress to pursue court fights themselves without the help of congressional counsel.

Both the Senate and House would be able to employ the services of this counsel, who will be an independent legal adviser and advocate. Congress must have access to counsel who can defend and prosecute when necessary, especially when an administration impedes or intentionally ignores the legislation of Congress.

Title III would grant new powers to the GAO. The limitations which now constrain the GAO make it difficult to obtain information which is vital to the operation of Congress. The bill authorizes the Comptroller General to subpena information and to bring civil action against any executive branch attempt to use public funds in an illegal or erroneous manner or amount. The auditing arm of Congress must be strengthened in order to acquire the information Congress demands to function efficiently.

Title IV establishes by legislative mandate a formalized state of the Congress report consisting of messages on the activities of the Congress. The leadership of both parties would be responsible to address the Nation concerning the initiatives, priorities, and shortcomings of the session just concluded. The message would make the public more aware of the operations of Congress, and it might have the desirable side effect of generating more interest in the legislative process.

Title V amends the Rules of the House for the purpose of instituting House Legislative Review Subcommittees in each standing committee of the House. With the creation and staffing of the proposed subcommittees responsible solely to review the implementation and actual effects of legislation that has been enacted, the critical need for legislative oversight will receive more of the attention that is desperately needed. The bill calls for close monitoring of executive agencies to preclude executive waste, mismanagement, and usurpation of congressional authority.

Title VI creates the Office of Congressional Communications—OCC—which will provide Congressmen with modernized technical facilities by introducing various communication innovations into congressional operations. Congress has failed to take advantage of the innovations in the field of communications—a field which is so basic to the duties of a Congressman.

The OCC would include a video library that would store various tapes and recordings which a congressman wishes to view. Documentaries, news programs, and similar informative broadcasts would be at the immediate disposal of the Congressman. The OCC would install a network of television facilities within the Capitol which would include television terminals within the office of each member. Through a computerized method, the member could request a viewing of any material within the video library. This network would also include facilities to monitor congressional hearings, floor proceedings, and other congressional business which a Congressman may wish to observe. Adoption of the latest innovations in the communications field would hopefully make the Congress a better informed body.

Title VII instructs the Citizens' Committee to study the potential for applying computer programs to the scheduling problems of the House. This study would focus, among other things, on the possible use of computers to improve scheduling of committee and subcommittee meetings in order to minimize committee meeting conflicts.

Title VIII creates a Joint Committee on National Security which is intended to improve the participation of Congress in the formulation of foreign, domestic, and military policies related to our Nation's security. The committee would provide a means for the integration of policies formulated within the several committees of Congress having jurisdiction over aspects of the security of the United States.

The joint committee would be responsible to continually study the degree of integration of the many portions of public policy known as "national security" and it would act as a focal point for congressional review of the National Security Council and the plans and objectives it promotes.

Mr. Speaker, a Congress intended by the framers of the Constitution to be the Nation's foremost policy-setter, lawmaker, and *reflector* of the collective will has been forfeiting its power for years. We have in Congress an organization with structures and procedures that were designed to solve problems which no longer exist. I feel that the "Modern Congress Act of 1974" will enhance the ability of Congress to function effectively in an increasingly complex world. The innovations contained in this bill are simply designed to bring Congress up to the level of modernization enjoyed for years by large organizations in other fields. The internal changes are no more than an effort to optimize the use of resources which the Congress already controls.

There is no one ideal mode of organization for Congress which will spare us later reorganization. As long as free self-government endures, we will be correcting imbalances of power, coping with new threats to responsive government, and fighting the tendency of human institutions to age and stagnate. Every human organization must evolve or perish. The only way to preserve is to innovate. I hope my colleagues in the House will join me this year in an attempt to transform Congress into an effective, up-to-date institution.

Mr. ALBERT. Mr. Speaker, I commend my colleague from Utah for his excellent statement. Congressional reform is one of the best means by which Congress can insure its full share of the policymaking power with the executive branch.

The gentleman from Utah is an able student of the congressional process and is obviously committed to the proposition that Congress must define the direction and parameters of Federal activity. He has exhibited great insight in his remarks today, and the legislation he is introducing addresses some of the fundamental problems of the Congress.

I agree with my colleague that Congress must now move with dispatch to pursue needed organizational changes. Probably no other young Member of Congress knows as much about the operations of Congress as WAYNE OWENS. He has worked here for 9 years and has made congressional reform a point of major emphasis. I thank the gentleman from Utah for his excellent presentation and compliment him on his willingness to devote his time to this legislation designed to help improve congressional procedures.

GENERAL LEAVE

Mr. OWENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

THE IMPEACHMENT DILEMMA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. HUNGATE) is recognized for 60 minutes.

Mr. HUNGATE. Mr. Speaker, if you study the impeachment question long enough, you may find yourself reduced to reciting poetry, some of which does not seem totally irrelevant to our current situation, although written over a century ago:

Guvener B. is a sensible man;
He stays to his home an' looks arter his folks;
He draws his furrer ez straight ez he can,
An' into nobody's tater-patch pokes;

But John P.
Robinson he
Sez he wunt vote fer Guvener B.

My! aint it terrible! Wut shall we du?
We can't never choose him o'course,—thet's flat;
Guess we shall hev to come round, (don't you?)
An' go in fer thunder an' guns, an' all thet;

But John B.
Robinson he
Sez he wunt vote fer Guvener B.

Gineral C. is a dreffle smart man:
He's ben on all sides thet give places or pelf;
But consistency still wuz a part of his plan,—
He's ben true to one party—an' thet is himself—

So John P.
Robinson he
Sez he shall vote fer Gineral C.

Gineral C. he goes in fer the war;
He don't vally principle more'n any old cud;
Wut did God make us raytional creeturs fer,
But glory an' gunpowder, plunder an' blood?

So John P.
Robinson he
Sez he shall vote for Gineral C.

We were gittin' on nicely up here to our village,
With good ole idees o'wut's right an' wut aint,
We kind o'thought Christ went agin war an' pillage,
An' thet eppyletts worn't the best mark of a saint;

But John P.
Robinson he
Sez this kind o'thing's an exploded idee.

This side of our country must ollers be took,
An' President Polk, you kno, he is our country.
An' the angel thet writes all our sins in a book
Puts the debit to him, an' to us the per contry.

An' John P.
Robinson he
Sez this is his view o' the thing to a T. . . .
(1847–1848, Hosea Biglow–1847.)

HISTORICAL CONSIDERATIONS

The Presidential impeachment inquiry getting underway in the House Judiciary Committee with the appointment of counsels John Doar and Bert Jenner, follows a pattern of almost 200 years.

There have been 65 possible impeachment cases in Congress, of which 55 involved Federal judges.

The House has voted impeachment articles 12 times.

Of these 12, the Senate, sitting as a high court, has acquitted 7, convicted 4, while 1 resigned.

The most spectacular cases were those of Justice Samuel Chase of the Supreme Court in 1805 and President Andrew Johnson in 1868.

The process was taken over by the Founding Fathers from the British law. For example, in 1388 Chancellor Michael de la Pole, Earl of Suffolk, was tried for "high crimes and misdemeanors" on the charge that he applied appropriated funds to purposes "other than those specified."

Alexander Hamilton, in the "Federalist Papers," No. 69, page 429, 1818 edition, in 1787 stated:

> The President of the United States would be liable to be impeached, tried, and, upon conviction of treason, bribery, or other high crimes or misdemeanors, removed from office; and would afterwards be liable to prosecution and punishment in the ordinary course of law. The person of the King of Great Britain is sacred and inviolable; there is no constitutional tribunal to which he is amenable; no punishment to which he can

> be subjected without involving the crisis of a national revolution. In this delicate and important circumstance of personal responsibility, the President . . . would stand upon no better ground than a governor of New York, and upon worse ground than the governors of Virginia and Delaware.

In 1787, Richard Brinsley Sheridan delivered a 5-hour speech against Warren Hastings, Governor General of India. Despite widespread acclaim—Lord Byron called it "The very best oration ever conceived or heard in this country"—no full copy of this address exists. A short excerpt will give an idea of its style:

> The public capacity of Mr. Hastings exhibits no proof that he has any just claim to . . . greatness. We see nothing solid or penetrating, nothing noble or magnanimous, nothing open, direct, liberal, manly, or superior, in his measures or his mind. All is dark, insidious, sordid and insincere. Wherever he has option in the choice of his objects, or his instruments, he instinctively settles on the worst. His course is one invariable deviation from rectitude. And the only trace or vestige of system discernible in the whole of a dozen years' administration is that of "acting without any." The serpent may as well abandon the characteristic obliquity of his motion for the direct flight of an arrow, as he can excuse his purposes with honesty and fairness. He is all shuffling, twisting, cold and little. There is nothing open or upright, simple or unmixed. There is by some strange, mysterious predominance in his vice, such a prominence as totally shades and conceals his virtues. There is, by some foul, unfathomable, physical cause in his mind, a conjunction merely of whatever is calculated to make human nature hang its head with a sorrow or shame. His crimes are the only great thing about him, and these are contrasted by the littleness of his motives. He is at once a tyrant, a trickster, a visionary, and a deceiver. He affects to be a conquer and law-giver, an Alexander and a Caesar; but he is no more than a Dionysius and a Scapin . . . He reasons in bombast, prevaricates in metaphor, and quibbles in heroics.

This statement will show some consideration of what the view was in England at the time our Constitution was made on the subject of impeachable offenses.

Further statements by Edmund Burke in the same debate in 1788 may provide assistance.

> I impeach Warren Hastings, Esquire, of high crimes and misdemeanors.
>
> I impeach him in the name of the Commons of Great Britain in Parliament assembled, whose parliamentary trust he has betrayed.
>
> I impeach him in the name of the Commons of Great Britain, whose national character he has dishonored.
>
> I impeach him in the name of the people of India, whose laws, rights, and liberties he has subverted; whose properties he has destroyed; whose country he has laid waste and desolate.
>
> I impeach him in the name, and by virtue, of those eternal laws of justice which he has violated.
>
> I impeach him in the name of human nature itself, which he has cruelly outraged, injured, and oppressed in both sexes, in every age, rank, situation, and condition of life.

DIVERGENT VIEWS OF THE IMPEACHMENT PROBLEM

Certainly the issue does not appear the same to each Member of Congress today. As one of our colleagues indicated in his remarks on this problem on November 1, 1973, from which the following are excerpts:

> FACTS AS A DEMOCRAT UNDERSTANDS THEM
>
> MY FELLOW AMERICANS. . . . I say without equivocation or mental reservation that in my considered judgment, President Richard M. Nixon's integrity is unimpeachable. His greatness has been established—so much so that certain segments of the Democratic Party, of which I am a member, and for political reasons, are trying to destroy his greatness. Does it not appear that there are prejudiced judges who, through a subconscious urging, may be making themselves a party to the scheme to destroy President Nixon, and acting as prosecutors rather than judges? . . .
>
> Look at those who are trying to destroy our President! Do you wish to turn this country over to the type of people who by majority nominated George McGovern as the Democratic nominee in Miami? We are in trouble in this country. We are being misled, and some of our best people are having their minds slowly but surely shaped by prejudiced commentators, and the radical segment of the news media. . . .
>
> I do not condone what some of President Nixon's aides have done, but remember that they did not break into Democratic Headquarters looking for silver or gold. It was a political act. Doubtless, they were looking for political information, perhaps trying to find out how the people who later appeared in Miami to support McGovern had gotten control of the Democratic Party. (This statement is completely free of racial implication.) Without attempting to defend their actions, these actions did not involve the security of our country. I am thoroughly convinced that President Nixon had no knowledge whatsoever of the Watergate break-in. Let us prosecute the guilty, but not involve our President when there is no indication that he had any knowledge of their actions. . . .

Contrast this view with those in the New York Times magazine of Sunday, December 16, 1973, in an article entitled "Letter from London," by J. H. Plumb:

> Watergate is like dry rot. Dry rot will crumble the strongest timbers with a dangerous speed, and the only cure is surgery. Even Dr. Kissinger's assurances could not obliterate the suspicion that placing American forces on a nuclear alert was an excessive overreaction by the President, intended to distract attention from his domestic problems. After all, Europe's memory is long and amply historical, and it was commonplace of the old absolutist monarch's policies to use foreign affairs to distract attention from domestic problems. After so many months of Watergate, the credibility of the Administration is at total risk, whatever dramatic action it may take. Not only experts in American affairs, but also ordinary men and women will now search for the hidden reason for dramatic actions. What is wrecking America's image is not whether the President has technically broken or not broken the law, but that a man so self-confessed in misjudgment of other men and their actions should still be in control of the world's most powerful nation.
>
> And the irony, for a British historian, is that no minister of George III, nor even George III himself, could have survived such a record of disaster. James II never broke the law, but he was chased from his kingdom. Many ministers in England have been impeached, or threatened with impeachment, for incompetence or for erroneous judgment, not for breaking a law or obstructing justice. Many Americans misunderstand the concept of impeachment, which is directly derived from English constitutional practice of the 17th and 18th centuries. It was a device developed by Parliament (the legislative branch) when it was weak, both in relation to the monarchy (the executive) and the judges—so that the king could be forced to part with ministers who were corrupt or incompetent, or whose policy Parliament loathed. It was a weapon, quite deliberately devised, to check the excesses of the executive; to bring not only criminals to justice, but also those who were bringing English institutions into disrepute.
>
> "If ministers or heads of state are removable only if they technically break the law, the prospects for absolutism and tyranny must be very bright—even in America. And to many Englishmen the debate about Watergate seems to move away all too quickly from the central issue to peripheral and fundamentally unimportant arguments—the tapes, the real-estate purchases, the income-tax payments, or prior knowledge of the burglaries. The glaring enormity is that a man who chooses one self-confessed grafter for his deputy, whose aides are indicted on charges of perjury, conspiracy, burglary and the rest, has not been compelled to give up office. In no other country, Communist or free, would this be so. Not to recognize this, and not to recognize the intense harm that it is doing to America's image overseas, and therefore to America's power to influence the world, is the most dangerous of attitudes. At present, America's capacity to influence events depends upon one man and one man alone—Dr. Kissinger; an extraordinarily dangerous situation for a great power. There is a great deal of anti-Americanism in Europe and elsewhere in the world, and now it has a glaring blemish upon which it can fasten and pump in its poison.
>
> Certainly Europe was developing a more independent attitude in economic and foreign affairs before Watergate, but surely no one can doubt that the process has accelerated since that debacle. And what should be realized is that Watergate is news, still headline news, in London, avidly read, avidly discussed day after day after day. Watergate is not a local, internal domestic affair. The schizophrenic attitude that American foreign policy sails on magnificently and effectively untouched by White House "horrors" or by the lies and evasions is a cruel delusion. Watergate is a cancerous growth eating at America's strength. Watergate is bad enough, but what worries America's friends far more deeply is the weakness of a constitutional system that renders a change of a President during his elected *term* almost impossible, except by death. This, in effect, becomes elected monarchy, and a monarchy far more powerful than George III ever enjoyed.
>
> The whole political and constitutional history of Britain centered on the Watergate problem—how to curb a monarch's bad judgment in choosing ministers; that is why we invented impeachment, and used it. And one longs to hear some voices on Capitol Hill stating loudly and clearly the central issue; that the responsibility of a President is not to a mandate given one year, two years, three years previously, but a *daily* responsibility to the people's elected representatives, answerable at all times and on all matters, not only for keeping the law, but also in choosing men of integrity and honor. If the trust committed to the President is not honorably discharged, removal is essential for the well-being of the country. . . ."

IMPEACHMENT AND ALTERNATIVE SOLUTIONS

Presently we find ourselves with 16 impeachment resolutions in the House Judiciary Committee, and 20 impeachment resolutions sent to the Rules Committee. Altogether, these resolutions have been sponsored or cosponsored by a total of 95 Members. While many would assert any such proceedings would be bipartisan, to date only one Republican member has introduced such a resolution, and no Republican member of the Judiciary Committee has yet filed such a resolution.

One Member has introduced a resolution to censure the President. This provides an alternative procedure, along with that requested by some—which is Presidential resignation—or the possible dilemma foreseen by Howard K. Smith, Christian Science Monitor of Friday, December 28, 1973, that—

> A Nixon out of power might be more dangerous than a Nixon in power. If he resigns there may be a terrible backlash. He might become the center about which all the right-wing forces in the nation would *coalesce.*

Discussion is also heard about immunity legislation to be coupled with resignation, but action along these lines so far remains incomplete.

Others question the damage to the country and the precedent set if impeachment is voted, while still others question the consequences to our country under the present circumstances if impeachment is not voted and the precedent this would establish.

IMPEACHABLE OFFENSES

What properly constitute the grounds for impeachment?

Should we follow Congressman and former Minority Leader GERALD R. FORD, now Vice President, in his 1970 address on the proposed impeachment of Justice William O. Douglas?:

> What, then, is an impeachable offense? The only honest answer is that an impeachable offense is whatever a majority of the House of Representatives considers it to be at a given moment in history; conviction results from whatever offense or offenses two-thirds of the other body considers to be sufficiently serious to require removal of the accused from office. . . . There are few fixed principles among the handful of precedents. (CONGRESSIONAL RECORD, vol. 116, pt. 9, p. 11913.)

In the first Congress in 1789, Mr. Madison stated:

> I think it absolutely necessary that the President should have the power of removing from office; it will make him, in a peculiar manner, responsible for their conduct, and subject him to impeachment himself, if he suffers them to perpetrate with impunity high crimes or misdemeanors against the United States, or neglects to superintend their conduct, so as to check their excesses. On the Constitutionality of the declaration I have no manner of doubt. . . .
>
> Now, if the heads of the Executive departments are subjected to removal by the President alone, we have in him security for the good behaviour of the officer. If he does not conform to the judgment of the President in doing the executive duties of his office, he can be displaced. This makes him responsible to the great Executive power, and makes the President responsible to the public for the conduct of the person he has nominated and appointed to aid him in the administration of his department. But if the President shall join in a collusion with this officer, and continue a bad man in officer, the case of impeachment will reach the culprit, and drag him forth to punishment. . . .

I think that those who love the House of Representatives and consider its Members to be truly tribunes of the people, will find the following quote appealing:

> In England the practice of impeachments by the House of Commons before the House of Lords has existed from very ancient times. Its foundation is that a subject intrusted with the administration of public affairs may sometimes infringe the rights of the people and be guilty of such crimes as the ordinary magistrates either dare not or can not punish. Of these, the representatives of the people, or House of Commons, can not judge, because they and their constituents are the persons injured, and can therefore only accuse. But the ordinary tribunals would naturally be swayed by the authority of so powerful an accuser. That branch of the legislature which represents the people, therefore, brings the charge before the other branch, which consists of the nobility, who are said not to have the same interests or the same passions as the popular assembly.

At the time of impeachment of the Earl of Suffolk in 1388, misdemeanors were not crimes as they now are in the United States, but rather crimes were prosecuted as trespasses. So, misdemeanors as used in connection with impeachment has a different meaning from the ordinary connotation given it today in American law.

In considering this measure, there is the "get on with the Nation's business" school, the "impeach him or get off his back" syndrome, and the recurrent cry—not always unjustified—of partisanship. There are also those who would demand a 3-minute egg after cooking it only 2 minutes. If a Democratic Congress undertakes an inquiry into impeachment action concerning a Republican President, it may be well to reexamine history on the only other Presidential impeachment action in our history, when a Republican Congress in 1867 undertook the impeachment of Democratic President Andrew Johnson.

FROM THE "BOOK OF PRESIDENTS," BY TIM TAYLOR, COPYRIGHTED 1972

ANDREW JOHNSON, 1867

January 7th—Charges of Usurpation of Power referred to House Judiciary Committee.

November 25th—Judiciary Committee Report recommended impeachment. The Report of the Committee on the Judiciary on charges brought against the President resolved that he "be impeached for high crimes and misdemeanors."

December 1st—First Session of the 40th Congress adjourned.

December 2nd—Second Session of the 40th Congress began.

December 7th—Resolution to Impeach defeated in the House.

1868

February 21st—Motion to Impeach made in the House. The motion, presented by Representative John Covode of Pennsylvania, was referred to the Committee on Reconstruction.

February 22nd—Committee on Reconstruction Report recommended Resolution for Impeachment.

February 24th—House voted to impeach, 126 to 47.

February 25th—Impeachment reported at the Bar of the Senate.

March 2nd—Nine Articles of Impeachment agreed upon in the House.

March 3rd—Two additional Articles of Impeachment agreed upon in the House.

March 5th—Senate convened as Court of Impeachment. He (President Johnson) was summoned to appear and answer charges. The Court adjourned to March 13th.

March 12th—Attorney General Stanbery resigned to serve as one of the counsels for President Johnson in the impeachment trial.

March 13th—Court of Impeachment formally reopened, adjourned to March 23rd. He was given ten days instead of the forty he had asked, for preparation of his answer to the charges of violation of the Tenure of Office Act and other irregularities.

March 23rd—His answer read by counsel. It challenged the constitutionality of the Tenure of Office Act. The Act was declared unconstitutional by the Supreme Court, Myers vs. U.S., 1926.

March 30th—His trial began.

May 16th—Acquitted on 11th Article of Impeachment. The Senate voted 35 to 19 that he was guilty of a high misdemeanor. Acquitted because ⅔ votes necessary to convict. The Court adjourned until after the Republican National Convention.

May 26th—Acquitted on the Second and Third Articles of Impeachment on votes of 35 to 19, then adjourned sine die by a vote of 34 to 16.

In the most recent Judiciary Committee inquiry into impeachment, involving Justice Douglas in 1970, then Minority Leader GERALD FORD stated:

> The function of the subcommittee is not to make a *final* assessment. It is to present all the available and relevant facts and evidence to the Members of the full committee, in the first instance; and to the Members of the House of Representatives in the final instance. Only the House as a whole has the power of impeachment, and even this is not a *final* assessment.
>
> The final assessment of the *validity* of the charges is made in the Senate sitting as a court of impeachment. From this there is no appeal. The preliminary assessment required of the House as a whole is whether the charges and preliminary showing of evidence are of sufficient gravity to warrant a formal trial in the interests of both the public and of the accused.
>
> I gave my informal agreement to a 60-day time extension for your investigation because no responsible Member of the House, on a Constitutional question of this moment, would wish to act in haste or in the absence of every available element of testimony and evidence.

A Democratic supporter of the Douglas impeachment resolution stated:

> My concern and desire for a full and fair inquiry into the conduct and behavior of Associate Justice Douglas which has become a matter of common fame. I cannot believe that you, Mr. Chairman, would knowingly condone the publication of such a travesty on proper investigative procedures at a time when the credibility of the Congress is under such attack and the confidence of the country in our Supreme Court has been severely shaken.
>
> It is readily apparent to me that many stones remain unturned, and will remain unturned under the methods now being pursued. And I have every reason to believe there is a great deal of relevant information under those stones.
>
> Mr. Chairman, I am deeply serious in demanding a full, fair and factual inquiry into the Douglas matter, conducted in the normal manner by which the Congress uses its broad powers to inform itself and the American people. I believe the more than 100 other Members on both sides of the aisle and from all parts of the nation who are joined in the aforementioned Resolutions are equally determined and sincere. We want an *aggressive, adversary,* earnest determination of the truth. . . .
>
> I respectfully request that the following witnesses be subpoenaed to testify and be cross examined under oath before your Special Subcommittee:" (The names of 14 witnesses followed.)

In the same inquiry, another colleague, who seemed to oppose that impeachment but seems to favor this one, wrote Chairman Celler in part as follows:

> 1. Impeachment should be considered in the nature of a criminal proceeding, since its end result is "conviction" and the debates in the Constitutional Convention of 1787 infer a common understanding of the delegates that impeachment was analogous to a criminal proceeding. This is noteworthy in that, under traditional American principles of justice, we customarily require that the *prosecutor* be himself convinced that the potential accused is guilty before filing the complaint or urging an indictment. Thus, the House, before bringing impeachment proceedings, should collectively reach the conclusion by a majority vote that the accused is guilty of the charges filed, not just that he *may* be guilty.

Mr. Speaker, it is my hope that the foregoing materials will be of assistance in placing the issue of impeachment in its appropriate historical perspective:

EPILOGUE

Wal, it's a marcy we've got folks to tell us
  The rights an' the wrongs o' these matters,
    I vow,—
God sends country lawyers, an' other wise
    fellers,
  To start the world's team wen it gits in a
    slough;

Fer John P.
Robinson he
Sez the world'll go right, ef he hollers out
    Gee!

STOP WASTE NOW

(Mr. RONCALIO of Wyoming asked and was given permision to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, representing the resource-rich and energy-exporting State of Wyoming, I fully appreciate how important it is to marshal support for a vast range of research and development projects.

I am equally convinced, however, that in the rush to enact energy legislation, Congress must exercise extreme caution so that we are not squandering funds in misguided programs.

On the basis of 2 years of research, reinforced by my work on the Joint Committee on Atomic Energy, I believe continued funding of the Plowshare program represents such waste. It will waste tax dollars and it will waste resources, both in the uranium diverted for literally thousands of underground nuclear blasts and in the possible jeopardizing of resources in surrounding areas. I oppose this program on the grounds it is not efficient and it is not going to make a significant contribution to meeting energy needs.

I am therefore, inserting for the RECORD a position paper on Plowshare. No Member of Congress can afford to be ignorant of this information.

The report follows:

PLOWSHARE—A TECHNOLOGY IN SEARCH OF A USE

(Hon. TENO RONCALIO, paper prepared for the Tri-State Energy Conference, Denver, Colo., February 1, 1974)

INTRODUCTION

During the last three years, I have devoted much research to Plowshare, and particularly to nuclear stimulation. I would like to give you my evaluation of this wasteful and potentially hazardous process which, in spite of the $34 million spent during more than 10 years of research and experimentation, has yet to market a single cubic foot of usable gas, or prove the potential usability of gas so produced.

Since I serve on both the House Interior and Insular Affairs Committee and the Joint-House-Senate Committee on Atomic Energy and represent the resource-rich State of Wyoming, I am very much aware of the imperatives of the pending energy crunch. It is clear that we must do everything within reason to extract untapped resources, including gas trapped in the Green River and Piceance Creek Basins. But to remain with reason we must insure that their extraction does not waste more energy than is recovered, or clearly endanger human life.

We must be sure that the resource we are going after is worth *all* of the prices and consequences of its recovery. Then, we must be sure that we are pursuing recovery in the safest and most efficient way. The West's "tight" gas reserves are worth going after; the 300 trillion cubic feet estimated to be retrievable from the Green River and Piceance Creek Basins could augment our nation's reserves by about 30 percent. This contribution must, however, be viewed in perspective; nuclear stimulated wells could at most contribute no more than 1.8 percent toward meeting the national gas requirement of 1980, and less than a mere 0.8 percent toward meeting our total 1980 energy needs. In the long run, this is "a drop in the bucket," hardly worth the risks of nuclear extraction.

HISTORY

More than $150 million has been expended on the Atomic Energy Commission's Project Plowshare, which has, for more than 16 years, been attempting development of nuclear explosives in a host of excavation, underground engineering, and purely science-oriented applications. Excavation proposals have included plans for nuclear digging of canals, harbors, mountain passes, and underground reservoirs. After more than a decade of study and experimentation (under Projects Sedan, Buggy, Cabriolet, Schooner, Ketch and Gnome), public opposition to use of nuclear explosives has combined with fears of interfering with nuclear test ban treaty arrangements and failure to demonstrate success to force their abandonment.

Now, in the current crisis atmosphere, the residual target of Plowshare is natural resource recovery. Extensive studies have investigated the feasibility of using explosives for underground mining (Projects Hardhat, Danny Boy, Handcar and Rainier), for in-place leaching of copper (Sloop), and for recovery of oil from oil shale (Bronco). However, because of siting problems, lack of industrial interest, and continued public opposition, all of these projects have been virtually abandoned.

Recently Plowshare was shifted to explosives for stimulation of natural gas. As plans continue for the fourth nuclear gas recovery experiment, the fact is that the three tests to date have failed to live up to production expectations and questions of radioactive contamination remain unresolved. Further information should be gathered from the explosions already conducted before another is allowed.

PROJECT GASBUGGY

The first experiment along these lines was Project Gasbuggy in 1967. A device with 29 kilotons of explosive power was detonated about three-fourths of a mile beneath a site near Farmington, New Mexico. Gas production from existing wells in the same geologic formation was known to be disappointingly low because of the low permeability. It was contended that the explosion would fracture the so-called "tight" rock formation and create a giant cavity or "chimney" and the trapped gas would then seep through the remaining cracks into the chimney from which it could be piped to the surface.

Drillback into the Gasbuggy chimney was completed in January, 1968, and periodic testing of the stimulated gas return is continuing. Thus far, *all* of the gas produced, except for small samples withheld for testing purposes, has been flared, because it still contains small quantities of radioactivity. Existing CFR's* must be satisfied before any man-made radioactivity can be introduced into a consumer product.

In general, the results of Gasbuggy have shown that the gas flow fell off much faster than expected, that the BTU content of the gas was below normal, and that radioactivity has decreased at a slower rate than expected. Growing disappointment was indicated as recently as November 12, 1973, when Robert McHugh, president of the Colorado Interstate Gas Company, said that Gasbuggy (and the second experiment, Project Rulison) could not be "considered management motivators."

With regard to proven productivity, it should be noted that Gasbuggy is the only nuclear gas stimulation experiment from which we have data for more than just the period following the explosion.

The AEC reported on December 14, 1973, that production for the six year period between December, 1967, and December, 1973, totalled 383 million cubic feet. In comparing this production with that of nearby wells it has been said that "the nearest well completed by conventional means has produced only 81 million cubic feet of gas over a ten year period," and that "this number should be compared with eight years' production of about 70 million cubic feet in the nearest conventional well." However, careful comparison of the first six years of production from nearby conventionally completed, hydraulically fractured wells in the same Chosa Mesa Pictured Cliffs Field, shows that two wells, with initial six year productivities of 465.9 and 443.4 million cubic feet, have actually exceeded the 383 million cubic feet produced at Gasbuggy, and that another has produced a respectable 295.2 million cubic feet during its first six years of operation.

PROJECT RULISON

In Project Rulison, the second nuclear stimulation experiment, a 40 kiloton device was detonated about one mile and a half underground. Limited flow testing has led to varied calculations and it is difficult to have much confidence in the reliability of gas flow predictions for Rulison.

Further and continued testing is essential for completion of the Rulison experiment. However, the Austral Oil Company, which owns the rights to the Rulison gas, has "shut in" the well, contending that that gas is too valuable to be flared in production testing. Accordingly, they are pursuing and publicizing plans to sell gas from Rulison to the Rocky Mountain Natural Gas Company. Project officials estimate that two or more years will be required for CFR compliance. This lengthy but necessary addition to the gas recovery lead time is another disadvantage of the nuclear approach.

After four years, Austral estimates that the Rulison radioactivity level is about 7 to 10 picocuries per cubic centimeter. They propose mixing this gas with large quantities of higher quality gas from conventional wells, to achieve further reduction to about 17 percent of its present level of radioactivity and to improve the overall quality of the gas before it reaches the consumer.

Those critical of Rulison have pointed out that "this gas is not pipeline gas. It is a mixture of methane, hydrogen, carbon dioxide and steam. At the start of production, the gas produced from the well was about 48 percent carbon dioxide and 17 percent hydrogen. When the well was shut in nearly a year later at the end of the third test, the 'gas' produced still included 25 percent carbon dioxide, 3 percent hydrogen, as well as some water." It is also feared that sooner or later Rulison's radioactivity may seep into the Colorado River system and contaminate the drinking water of 27 million people in seven states.

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*CFR—Code of Federal Regulations.

In defense of Rulison, AEC Chairman Dixy Lee Ray has countered that the initial gas did contain an appreciable amount of carbon dioxide, but that this was expected because of the decomposition of carbonate rocks; and that neither the Gasbuggy nor Rulison shots were economical, but that this too was expected because they were experimental wells designed to obtain data for evaluating the technical feasibility of nuclear stimulation. Yet, it is noted that Austral Oil Company's actions toward obtaining approval for sale of the Rulison gas are clearly contradictory to this argument.

With regard to production, Dr. Ray has stated that post-shot calculations based on 100 days of flow tests have shown good agreement with predictions, pointing out that the 450 million cubic feet of gas produced is more than could have been produced by a non-stimulated well in 30 years. Yet, it is clear that the long term production performance of Rulison remains unproven.

Final resolution of these points and counterparts requires reopening of the Rulison well for further testing. Sale of the gas was not a goal planned for any of the experimental wells. Economics and sound scientific procedure require that extended testing and data gathering at the existing sites be completed before new and perhaps equally inconclusive experimental wells are undertaken.

PROJECT RIO BLANCO

The third nuclear gas stimulation explosion took place on May 17, 1973. In this experiment, designated Rio Blanco and cosponsored by CER Geonuclear Coporation, Equity Oil, and the AEC, three 30 kiloton explosions were detonated more than a mile beneath the surface of the Piceance Basin in western Colorado. One of the test's primary goals was to determine whether or not the three vertically-placed explosions, which were predicted to produce three interconnecting chimneys for a total cavity depth of about 1200 feet with radius of about 70 feet, would stimulate a significantly increased volume of gas.

Another goal of Rio Blanco was testing of a new method of re-entry after the blast. The explosives were lowered into the well on a seven-inch drill-pipe which was cemented in place and filled with water and a concrete plug. It was anticipated that the well could be re-entered simply by drilling out the concrete plug after the explosion. Since this would eliminate need for drilling another re-entry well parallel to the original well, significant savings in re-entry cost were expected. However, the plan failed completely; the drill-pipe was so badly twisted and deformed by the explosion that the operator of of the well, Continental Oil Company, was forced to "whipstock" or drill out of the casing at an angle. This was reportedly done at a depth of 5300 feet, at a point about 545 feet above the predicted chimney cavity.

After several failures the well was finally re-entered on November 14, 1973, and production testing as well as tests of the radioactivity and chemical composition of the gas continued for six days. At the end of this time, the well was shut in to allow analysis of a rapid decline in pressure and time for equipment changes. The reasons for the rapid pressure drop are still not known. It has been speculated that perhaps only one of the three blast cavities has been tapped; that the blasts did not affect connection between the three chimneys as planned. The facts that three (one in each explosive) radioactive tracers were implanted in the wellbore for verification of interconnection and that only one has been detected on reentry suggest this explanation.

Other speculations include the possibility that the fractures have become clogged with drilling mud, or that cooling, due to introduction of excessive amounts of mud into the cavity, has dropped the pressure. So far, 12,000 barrels of mud have been used in reentry. It was intended that this mud, which was introduced for lubrication of the drill and for carrying cuttings to the surface, would be recirculated. However, recirculation has not been achieved. It is suspected that the mud has either fallen into the chimney or that it has been baked dry by the hot gas.

These complications and others, such as gas temperatures too hot (to 430° F) for the gas well equipment, a five times to 20 percent smaller than predicted gas production rate, and a 30 percent lower than predicted bottom hole pressure have forced officials to reconsider plans for Rio Blanco. A meeting for this purpose was held on December 10–14 in Las Vegas. As a result, special cooling equipment will soon be installed, and flow testing in spite of the pressure drop will continue after February 1, 1974.

RADIATION PROBLEMS

Questions of potential hazards from exposure to radioactive nuclides produced by the explosion also remain unresolved. For example, one of the radionuclides carried to the surface with the stimulated gas is Carbon–14. Discussions of its production are dismissed with the comment that it is produced in much smaller quantities (by a factor of 10 or more) than are tritium or Krpton–85. Yet the Rio Blanco environmental statement predicts producing of 22.5 curies of Carbon–14 in the initial Rio Blanco gas. Considering these figures for one well, one might conclude that the 1190 wells planned for development by 1990 may be expected to produce 26,800 curies of Carbon–14. This is nearly 100 million times the maximum total body content listed as permissible in a 40 hour week. Further, since it attacks the body's fat and bone tissues, one must expect that once it is inhaled or ingested into the body it remains permanently. Its half-life is 5,730 years. More careful consideration of this potentially dangerous radionuclide, which will remain with mankind for more than 150 generations, is essential.

Tritium concentration in the water produced and brought to the surface is also a problem. The Task Force study for the National Gas Survey has estimated that nuclear development of the Green River, Piceance and Unita Basins will result in production of 17,400 acre feet of water per year. It is estimated that the tritium concentration in this water will be six to fifty times greater than the maximum concentration permissible for water under existing federal standards.

Absolute containment of this massive quantity of water is doubtful. The very real possibility that it could contaminate the drinking water of millions of people in several states must be considered.

PROJECT WAGON WHEEL

The Wagon Wheel experiment, which is to involve for the first time sequential detonations of five 100 kiloton explosives, is planned for the Green River Basin in Wyoming. The five shots will be detonated with several minutes between explosions to avoid exceeding the 100 kiloton level considered acceptably safe.

At present, because of strong political and public opposition, work on this project is restricted to development of explosive devices capable of sequential firing in spite of exposure to nuclear shocks, and AEC Chairman Dixy Lee Ray has stated that in truth Wagon Wheel is "dead as a doornail."

The entire Plowshare budget for FY 1974 was in fact cut severely from the FY 1973 level of $6.8 million to $3.8 million, and it was required by the AEC Authorizing Legislation for FY 1974 that "special new techniques such as 'gas hydrofacturing' will be examined for purposes of comparison with nuclear stimulation." This massive cut in the Plowshare budget in the face of the growing energy crisis and the requirement for investigation of alternate hydrofacturing methods are further indications of growing disillusionment and disappointment in nuclear stimulation technology.

Nonetheless, planning and budgeting for something is continuing. In her proposed five-year plan for establishment of U.S. energy independence, Dr. Ray has included $56.2 million for a demonstration field experiment with stimulation of 5–6 wells with 3–5 explosions per well. As in Rio Blanco, the detonations in each well will be simultaneous, but each stimulation will be separated by several minutes. Further tests to develop a sequential firing capability will be conducted at the Nevada Test Site.

IMPACT ON NATIONAL GAS AND ENERGY NEEDS

In viewing the merits of spending these funds we must consider the impact or benefits which nuclear stimulation could bring to the people of the United States. It has been said that "our lot today with respect to energy and other scarce natural resources would be considerably better" had we "embraced Plowshare early" (Rep. Craig Hosmer), and that nuclear stimulation could solve the gas crisis in four years. I have studied the AEC's proposed schedule for full-field nuclear stimulation, and I believe that such statements are misleading and pure baloney!

By 1980, the AEC proposes stimulation of 190 wells. This would entail detonation of more than 750 nuclear bombs with explosive power totalling more than 75,000 kilotons, the equivalent of 3,750 Hiroshimas. Yet the total anticipated gas recovery, even using initial optimistic estimates now proven doubtful by the Gasbuggy results, could contribute only about 1.8 percent toward the 1980 U.S. natural gas requirements and a mere 0.8 percent toward meeting our projected total 1980 energy demands.

By 1990, with stimulation of 1,190 wells proposed, and detonation of more than 4,760 bombs having explosive power in excess of 23,800 Hiroshimas beneath the Piceance and Green River Basins of Colorado and Wyoming, the total anticipated gas could meet only about 5.1 percent of our natural gas demand and about 1.9 percent of our total energy demand. To me it is clear that even with full-field production only a small, virtually negligible percentage of U.S. demand for natural gas and energy could possibly be met by nuclear stimulated gas wells. Yet the price we will have to pay for such full-field recovery will be exposure to the really unknown after-effects of thousands of nuclear detonations with explosive power which by the year 2000 will total more than 50,000 times that of Hiroshima.

A more realistic estimate of the true situation was given by AEC Chairman James Schlesinger in January 1973, before the Joint Committee on Atomic Energy. Dr. Schlesinger spoke of the potential merits of the nuclear stimulation program, and I quote from the record: "It does not solve the problem. It makes a contribution to the solution of the problem." Further he said, "it is undesirable to go into a production program until we have a fuller support of the public." I point out to you that a 1973 straw vote in Sublette County, Wyoming, revealed 7 to 1 public opposition to use of nuclear explosives for recovery of Wyoming's speculated "tight" gas reserves.

UNREALISTIC PROJECTIONS

Another of Dr. Schlesinger's remarks on January 30, 1973, is also noted for your consideration: "Unless we are able to demonstrate the overall effectiveness of this program, including the availability of the gas in the near time frame, it would not alleviate the near term gas shortage." The AEC had foreseen that 20 nuclear stimulated wells would be productive in 1977, yielding a first-year gas production of about 86 billion cubic feet. Yet, as we begin 1974, it is clear that this projection was totally unrealistic. Gas production from Gasbuggy and Rulison has been disappointing. Rio Blanco, in view of its sudden excessive and unexplained drop in bottom hole pressure, is beginning to appear even more disappointing, and Wagon Wheel is deferred until 1977 at the earliest, if not "dead as a doornail."

Production lead times must also be considered. Gas company officials estimate, for example, that it will be late 1975 (about 2 years) before sale of the Rulison gas can be expected—provided that regulatory approval of sale of gas containing measurable quantities of radioactive contaminants with half-lives ranging from 10 to more than 5,000 years can be obtained. One must expect, therefore, that many years will pass, perhaps more than 20, before such gas can have even a few percent impact, upon our national gas crisis. By this time the relative importance of fossil fuels to our national energy supply will hopefully be diminished by the onset of a growing capability for energy recovery from alternate sources (nuclear, solar, etc.).

WASTE THAT MAKES WELFARE PROGRAMS LOOK EFFICIENT

The economics of nuclear stimulation bears a look. More than $11 million has been spent by the government alone on each of the three experimental wells thus far. At this rate, stimulation of 2,000 wells would cost more than $22 billion, and 13,000 wells would cost about $147 billion. If one considers industrial investment, the costs are even more staggering. By the end of FY 1974 government investment in nuclear stimulation will total about $36 million, and industrial investment will be about $46 million. The real costs of Gasbuggy, Rulison, and Rio Blanco therefore average out to more than $27 million per well. At this rate a 2,000 well field would cost $54 billion, and a 13,000 well field would cost $351 billion. In short, to be effective nuclear gas well stimulation alone could cost more than 35 times as much as President Nixon has proposed for meeting our energy R & D needs during the next five "crisis" years!!

Looking at it another way, Gasbuggy, Rulison and Rio Blanco costs so far total about $82 million. The total 25 year gas recovery projected is about 25 Bcf: 1 Bcf from Gasbuggy, 6 Bcf from Rulison, and 18 Bcf from Rio Blanco. Using wellhead costs now being proposed for sale of Rulison gas (between 50c and $1.20 per thousand cubic feet), the value of the gas recovered would be between $12.5 and $30 million. Thus, even with 25 years of production and recovery of all of the gas believed recoverable, only between 15 percent and 40 percent of the investment will be recovered.

Finally, even accepting the argument that a good investment return should not be expected from existing experimental wells and assuming the accuracy of AEC cost estimates for commercial well development ($3.34 million per well by government with a parallel of $4.35 million contribution by industry), the Gasbuggy, Rulison and Rio Blanco costs would total more than $23 million. When weighed against a marginal (at best) return from recovery of gas valued between $12.5 and $30 million, the potential hazards posed by detonation of more than 50,000 "Hiroshimas" cannot begin to be justified.

ENERGY TRADE-OFFS INVOLVED IN NUCLEAR GAS-WELL STIMULATION

Estimates of the number of wells that will have to be stimulated for recovery of the 300 trillion cubic feet of natural gas believed retrievable from submarginal reservoirs in the Rocky Mountain region range from 2,000 to 13,000. Such a program will endanger and expend vast amounts of our natural energy reserves. We must consider the potential dangers of loss, contamination, and/or increased difficulties in mining of the valuable uranium reserves of Wyoming, Colorado, and Utah, which make up more than 40 percent of our nation's total uranium reserves. Also endangered will be our coal reserves (more than 20 percent of national reserve) and shale deposits. The BTU content of the 1.8 trillion barrels of oil estimated to be recoverable from the Green River formation's shale is more than 30 times greater than that of the 300 trillion cubic feet of gas estimated to be retrievable by nuclear stimulation. Clearly, we cannot afford to endanger these vast shale resources.

DIVERSION OF URANIUM

We must also weigh the energy trade-off incurred by use of our uranium reserves for production of the nuclear explosions themselves. An AEC spokesman has indicated that the nuclear reactor program will require about 120,000 tons of U_3O_8 in the year 2000. This is more than twice the amount (about 51,000 tons) the Bureau of Mines estimates will be produced in that year. Using very limited information, which the AEC was able to provide for me on an unclassified basis on January 7, 1974, I have concluded that between 6,170 and 40,105 tons of uranium would be consumed by full-field gas well stimulation. With this diversion a much more severe shortage of uranium must be anticipated.

Nuclear well simulation could consume as much as 3 years of U_3O_8 production at the 1971 production rate (12,260 tons), or, looking at it another way, it could consume more than ¾ of the entire amount of U_3O_8 projected for production in the year 2000. Yet nuclear stimulation could at best contribute only about 5 percent toward meeting our 1990 demand for gas and less than 2 percent toward meeting our total energy needs. Though the AEC contends that the energy yield from nuclear stimulated gas will be greater than could be derived from the fissile materials used, I must continue to contend, on the basis of the information made available to me, that this diversion of vital and already scarce uranium reserves in return for an almost negligible contribution to our energy economy cannot be justified.

The natural gas flared during flow testing of experimental wells is another energy resource already lost in this wasteful procedure. The AEC reported on December 13, 1973, that a total of 876 million cubic feet of gas has been flared from its experimental wells: 383 million from Gasbuggy, 455 million from Rulison, and 38 million from Rio Blanco. In terms of energy trade-offs, the BtU content of this flared gas was sufficient to supply the electrical energy needs of the entire State of Wyoming for more than a month.

A similar consideration of the uranium already expended in the Gasbuggy, Rulison, and Rio Blanco experiments shows that at least one ton of natural uranium has already been consumed in production of the nuclear devices detonated. If used in a high performance fission breeder reactor this ton of uranium could produce enough electricity to meet the needs of the entire State of Wyoming for more than 4 years!

GO CONVENTIONAL, GET GAS NOW

In closing, I would like to emphasize that I am *not* opposed to recovery of the gas locked in our Western reserves. I am opposed to the nuclear method of recovery. "The end does *not* justify the means." New technologies for releasing the gas from tight rock formations by hydrofracturing and by combined use of conventional chemical explosives with hydraulic fracturing are here, now. Because of our spectacular visions for Plowshare, these alternate approaches have not been adequately funded in the past, and, unfortunately, are still not receiving equitable support in Dr. Dixy Lee Ray's proposed five-year energy R. & D. budget. Whereas the government has spent more than $34 million on the nuclear method, less than $1 million ($715,000 between FY 1963 and FY 1973) has been expended for non-nuclear mehods. Dr. Ray's proposed budget continues this unbalanced funding with requests of $56.2 million for nuclear gas stimulation and only $40.1 million for all types of non-nuclear gas recovery.

Two non-nuclear methods have been used in the United States, one involving "shooting" with high chemical explosives and the other involving injection of liquids under high pressure. Both techniques cause fracturing of the tight rock formations. In the hydrofracturing procedure, sand or some other material held in suspension by the fluid being injected is forced into the cracks. These materials remain in the artificially created crevices and hold them open so that the gas has a comparatively smooth permeable pathway to the wellbore.

With nuclear stimulation, on the other hand, it is quite likely that the initial fractures produced by the explosion are soon forced to close again by the tremendous depth pressures. Industrial experimenters have also reported that the area of tight rock formation exposed to the "pressure sink" which forces the gas to the wellbore "will be at least comparable, and may be considerably higher with massive hydraulic fracturing" because the gas can enter the fracture from both fracture faces. In nuclear stimulation, "all gas flow . . . is radially inward to the nuclear fractured area. In the hydraulic fracture system, the flow in tight rock is largely linear and enters the fracture from both sides of the fracture."

ADVANTAGES OF NON-NUCLEAR RECOVERY

In spite of the absence of federal funding incentives which the nuclear method has enjoyed, the advantages of non-nuclear methods are beginning to be recognized. With non-nuclear recovery there are no fears of nuclear hazards or problems with sale of substandard or contaminated gas. There are no costly trade-offs of valuable uranium or gas lost in flaring. Costs are also far more favorable, as demonstrated by the fact that twenty-nine wells near the Rio Blanco site have already been successfully stimulated, by nonnuclear methods, at an average cost of only $14,000 per well.

It is clear that the non-nuclear methods are in every respect worth going after, and that is exactly what industry is beginning to do. AMOCO is using a new fracturing fluid composed of water and hydro-carbon condensates, in combination with a patented system of varying pumping pressures and rates, to increase the yield from its Wattenberg Field in Colorado. They project that this new technique should improve both the initial and long-term production rates of their wells by more than a factor of two. Even CER Geonuclear Corporation, which cosponsored the Rio Blanco nuclear blasts and has been a staunch advocate of nuclear stimulation, has now begun promotion of hydraulic fracturing as an alternative to nuclear blasting. CER vice president, Hal Aronson, announced in late December 1973, that they are in fact planning for testing of an hydraulically fractured well near the Rio Blanco site for comparison with their nuclear well results.

I wish to commend both AMOCO and CER for these efforts. I intend to continue to do all that I can through my Congressional Committees to see that such efforts receive greater support from the government. The U.S. Bureau of Mines has already been appropriated $922,000 in FY 1974 for massive hydraulic fracturing, for combined hydraulic fracturing and high chemical explosive experiments, and for drilling and fracturing of deviated wells to improve recovery by intersection with natural fractures. A supplementary request for $1.8 million to expand these programs in FY 1974 is awaiting approval by the House and Senate Interior Appropriations Subcommittees.

You may be assured of my continued support for these promising but long-neglected programs. However, after weighing my findings from more than three years of study, you may also be assured of my continued firm opposition to any extension or expansion of Plowshare's wasteful and dangerous efforts at nuclear recovery.

DEPARTMENT CONCURRENCE

In conclusion, Mr. Speaker, I returned from Denver after delivering the above paper, and was immediately admitted to Bethesda National Naval Medical Center where one of my fellow patients there for a few days was Rogers C. B. Morton, the Secretary of the Interior. I handed him a copy of this speech and asked for his candid evaluation and I am happy to report his letter to me which supports the contention of the Department of the Interior that the continuation of any full field Rio Blanco development would preclude the orderly and efficient development of the overlying oil shale resource. Thus to continue this program would be to jeopardize one of the most valuable public assets left in the national inventory. His letter follows:

The Secretary of the Interior,
Washington, D.C., February 22, 1974.

Hon. Teno Roncalio,
House of Representatives,
Washington, D.C.

Dear Teno: I had the opportunity to review your paper on the nuclear extraction program with some of our people. There seems to be very little disagreement with your conclusions.

As you may remember, the Department of the Interior participated as a co-sponsor in Project Gas Buggy and Project Rulison. Subsequent to the Rulison Project all of the funds available to the Department for gas stimulation investigations have been expended on development of various forms of hydrofracturing technology which we in the Department feel have more favorable cost-benefit ratios and also have potential applications in oil recovery.

The Department was not a co-sponsor of Rio Blanco and indeed it has been the position of the Department that implementation of the full field Rio Blanco development would preclude orderly and efficient development of the overlying oil shale resource.

I hope this finds you fully recovered from your bout in the hospital.

Yours sincerely,
Rogers C. B. Morton.

INDIANA DUNES

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, last week I reintroduced legislation that I introduced last year to expand the present boundaries of the Indiana Dunes National Lakeshore so that I might add cosponsors.

It was in 1966 that the Congress approved the first legislation creating the National Lakeshore, but at that time certain important pieces of land were not included; since then, it has become obvious that certain other additions are necessary to protect the original investment that has been made in land purchases for the present national lakeshore.

Since 1966 many acres of unprotected Indiana Dunes have been destroyed at the very threshold of the national lakeshore and we can expect more of the same unless this legislation adding 5,328 acres to the national lakeshore is passed.

In 1963 a compromise solution was worked out between those who supported a park along the shores of Lake Michigan and those who wanted a port. We were to have both. The bill that was introduced to create the national lakeshore called for an area significantly larger than that which finally passed the Congress. Thus you will find in this bill today areas contained in the original 1963 compromise proposal as well as other significant additions.

This proposed legislation reflects my intention, and that of the cosponsors, to save some of the irreplaceable dunes and wetlands surrounding the present park boundaries since they are now threatened by urban and industrial development.

The bill in hand would include certain buffer zone additions, wooded dunes parcels in the West Beach area; semideveloped lands, such as the remaining sections of the town of Beverly Shores, which are still outside the park and which contain valuable dunes. Wooded and moving dunes in the Ogden Dunes area are included.

This bill adds to the National Lakeshore a blue heron nesting haven in the Little Calumet wetlands area. The blue heron haven is an important wildlife refuge. The Little Calumet bottomlands is an important potential recreation spot for stream-bank fishing and canoeing. Cattail marshes, dune ridges and oak groves in the Old Glacier Lake Dunes unit would be added thus including an area that also provides a unique display of successive stages of the old lake bottom and shoreline dunes.

Presently, there are small areas surrounded by but not included in the boundaries of the national lakeshore in Porter County; these I believe should be included. Toward Gary, we need to add a Long Lake extension unit in order to control the entire watershed of Long Lake to prevent future pollution damage to the waters in the present park area. This bill would also seek to protect Pinhook Bog from pollution. The bog is a national landmark area, a region of intense botanical and ecological significance. Its boundaries would be enlarged.

A total of 5,328 acres are recommended for inclusion. The bill has been so drawn as to avoid, where possible, areas where there has been a great deal of improvement.

It is impossible to assess the value of these lands for the present and for the future. What we are dealing with here is an area with rare scenic, geological, ecological characteristics; a region that should serve as a prime recreational area, a place in which to learn firsthand about nature and observe unimpeded balances in operation. Such an area cannot be replaced or reproduced. Unless we act now, some of the lands involved, and the wildlife, will disappear permanently, maybe to appear in textbooks in the future. For indeed, other uses will be made and proper care will not be taken to insure continued flourishing of the flora, the animal life, the dunes—unless we take the precaution to preserve this heritage now.

Those of you who live in or near the Midwest are aware of the importance of this national lakeshore as a prime recreational area for a highly urbanized region. Contracts for planning for construction in the area have been let and the national lakeshore will have beachhouses and parking facilities, nature trails for the more than 10 million people who live and work within easy access to the present lakeshore and the proposed additions.

But someone has said all of this much better than I. At the formal dedication of the national lakeshore in 1972, Secretary of the Interior, Rogers C. B. Morton, described the present park as "an enclave." He went on to say that it would preserve one of our most unique shore areas and also provide outdoor recreation and environmental educational opportunities for some 87,000 visitors daily—thus indicating the regional and national significance of the area.

According to Secretary Morton:

> Indiana Dunes is a paradise of white sands, shoreline, and rich wetlands, of cottonwoods, sassafras, and jack pine, of egrets, whistling swans, and beaver.

He went on to say:

> Indiana Dunes will be a laboratory for naturalists;
>
> A recreational area for hikers and campers; and
>
> An environmental classroom for thousands of children who will study nature's ways in the wooded area and bogs here.

I concur with Secretary Morton's assessment of the value and the potential of the present national lakeshore. I want to add to it parts that were intended for inclusion in the first bills and add other areas valuable and significant for the thousands who will enjoy the national lakeshore. Surely we can afford to add these acres for the recreation and education of the American people. I hope the Congress will speedily pass this legislation.

SPECIAL PRESIDENTIAL ELECTIONS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the steadily accumulating evidence of corruption, criminal behavior, and abuse of the powers of Government by the present administration has put into motion the impeachment machinery provided in the Constitution. Impeachment is the only tool provided by the framers of the Constitution for dealing with suspected Presidential wrongdoing between elections, and it is the only process to which the President is fully accountable. I have supported the initiation of impeachment proceedings and I shall continue to do so, since impeachment by the House and trial by the Senate provide the only hope for resolving the serious charges involved.

However, I am convinced of the need

for an alternative procedure for dealing with serious misconduct by the President or his administration. Impeachment frightens millions of people who see it as an invitation to national political disruption, bitterness, and instability involving months or even years without national leadership and attention to the thousands of other pressing problems which confront the Nation. A careful examination of the nature of an impeachment trial in the Senate gives weight to these fears, for that part of the process involves tremendous complications and virtually unlimited opportunities for delay and divisiveness. It is conceivable that the question of impeachment of this President may be with us for years.

Such fears led me to introduce on May 8, 1973, an amendment to the Constitution which would empower the Congress to call new Presidential elections by statute whenever it might determine that "the President has lost the confidence of the people to so great an extent that he can no longer effectively perform his responsibilities." Such a law would no doubt require a two-thirds vote of both Houses since it presumably would have to be passed over a Presidential veto. A President accused of pervasive misconduct in his administration or of serious election irregularities would be allowed, if he chooses, to run in any such new Presidential election called by Congress. The effect of such new elections would then be to let the people decide whether a President and Vice President should be removed from office, and if so, who would replace them. Such new elections would be a constructive solution which would produce a new mandate to govern, in contrast to impeachment which might further weaken public confidence in government rather than reestablish it. The result of a successful impeachment proceeding would be to replace a discredited President with his Vice President, who may himself command little public confidence, or who, as in the present case, may not have been chosen by the national electorate.

I commend this proposal to the attention of my colleagues, and include the full text of my resolution at this point in my remarks.

H.J. RES. 547

Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only if ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. Whenever the Congress may determine that the President has lost the confidence of the people to so great an extent that he can no longer effectively perform his responsibilities, the Congress may by law provide that the term of the President and Vice President shall end on a date certain before the expiration of the four-year term and may by law provide for a special election for the Presidency and the Vice Presidency.

"SEC. 2. Unless the incumbent President or Vice President shall have been impeached and removed from office, they shall be eligible to seek election."

EMPLOYEE BENEFIT SECURITY ACT OF 1974

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, as the Members know, on last Tuesday the Committee on Rules granted a modified rule on H.R. 2, making it in order for the House to consider an amendment in the nature of a substitute to H.R. 2. That amendment represents the work of many weeks by both the Committee on Education and Labor and the Committee on Ways and Means.

On Tuesday afternoon, the Committee on Education and Labor met and approved title I of this amendment in the nature of a substitute. Since the amendment incorporates very substantial changes in substance and detail from H.R. 2, I thought it would be useful for the Members of the House to have an opportunity to see material in the nature of a committee report that they may be better informed on the bill and its substance when we debate it later this week:

EMPLOYEE BENEFIT SECURITY ACT OF 1974: MATERIAL EXPLAINING H.R. 12906 TOGETHER WITH SUPPLEMENTAL VIEWS

[To accompany H.R. 2]

The Committee on Education and Labor, to whom was referred the bill (H.R. 2) to revise the Welfare and Penson Plans Disclosure Act, having considered the same, reported favorably thereon and recommended that the bill pass. On February 19, 1974 the Committee considered and approved the text of H.R. 12906 and authorized the Chairman to offer those provisions as a Committee amendment in the form of a substitute for the text of H.R. 2 when it is considered by the House.

The Committee, in acting on this bill, anticipates that it will, in the House action, become a part of a bill dealing with retirement plans on both the broad basis contained in this bill as well as specific provisions dealing with qualifications for preferential treatment for tax purposes. It is expected that this bill will be combined with H.R. 12855, reported by the Committee on Ways and Means. Because of the coordination between the two bills, it is not expected that the dual jurisdiction provided for in the bill in the areas of participation, vesting and funding will present problems. Not only have the standards in the two bills been coordinated, but also provisions have been made for joint regulations in areas where problems might otherwise arise.

I. SYNOPSIS

The Employee Benefit Security Act as reported by the Committee is designed to remedy certain defects in the private retirement system which limit the effectiveness of the system in providing retirement income security. The primary purpose of the bill is the protection of individual pension rights, but the committee has been constrained to recognize the voluntary nature of private retirement plans. The relative improvements required by this Act have been weighed against the additional burdens to be placed on the system. While modest cost increases are to be anticipated when the Act becomes effective, the adverse impact of these increases have been minimized. Additionally, all of the provisions in the Act have been analysed on the basis of their projected costs in relation to the anticipated benefit to the employee participant. In broad outline, the bill is designed to:

(1) establish equitable standards of plan administration;

(2) mandate minimum standards of plan design with respect to the vesting of plan benefits;

(3) require minimum standards of fiscal responsibility by requiring the amortization of unfunded liabilities;

(4) insure the vested portion of unfunded liabilities against the risk of premature plan termination; and

(5) promote a renewed expansion of private retirement plans and increase the number of participants receiving retirement benefits.

Provision is made for the imposition of criminal penalties on those willfully violating their duties under the Act. The Labor Department is given primary authority to administer the provisions of the Act, but the Committee has placed the principal focus of the enforcement effort on anticipated civil litigation to be initiated by the Secretary of Labor as well as participants and beneficiaries.

II. BACKGROUND

The private pension system is a relatively modern economic institution tracing its role as an important social and economic factor only from the mid 1940's. A variety of converging financial and social trends in our society have created a favorable environment for the growth and expansion of private deferred compensation schemes and retirement programs in general. As our economy has matured, an ever increasing number of employers have recognized their responsibility for the physical and economic welfare of their employees, even for the years beyond retirement. Its development parallels and is a response to the transition of the American life style from its rural agrarian antecedents into its present urbanized, wage earner society. The dynamic asset growth necessary to meet its responsibilities has placed the private pension system in a position to influence the level of savings, the operation of our capital markets, and the relative financial security of millions of consumers, three of the fundamental elements of our national economic security.

The growth of the private pension movement in the United States proceeded slowly until the years preceding World War II. As the full implications of the economic changes sweeping the nation were felt, American beliefs and attitudes regarding retirement security changed. The passage of the Railroad Retirement Act and the Social Security Act marked the turning point in American thinking, and dissatisfaction with those early governmental programs contributed to an accelerated interest in private retirement plans. The wage freezes imposed during World War II and the Korean conflict focused increased attention on the deferred component of compensation as a means of avoiding the freeze restrictions.

In 1947 a series of administrative proceedings and court decisions under the National Labor Relations Act of 1935 held that pensions were a form of remuneration for the purposes of that Act, and they accordingly became mandatory subjects of collective bargaining. (Inland Steel Company v. NLRB, 170 f.2d 247 (7th Cir. 1948), cert. denied, 336 U.S. 960 (1949)). In the same time period a Presidential fact finding commission in presenting its report on the steel industry labor dispute in 1949 stated that:

"We think all industry in the absence of adequate Government programs owes an obligation to workers to provide for maintenance of the human body in the form of medical and similar benefits and full depreciation in the form of old age retirement—in the same way as it now does for plant and machinery."

In 1940, an estimated four million employees were covered by private pension plans; in 1950, the figure had increased to almost 10 million and in 1960 over 21 million were covered. Currently, over 30 million employees or almost one half of the private non-farm work force are covered by these plans. This phenomenal expansion of coverage has been matched by an even more startling accumulation of assets to back the benefit structure. Today, in excess of $150 billion in assets are held in reserve to pay benefits credited to private plan participants.

This rapid growth has constituted the basis for legislative efforts at both the federal and state levels to assure equitable and fair administration of all pension plans.

Various aspects of pension plans have been affected to some degree by most of the major labor legislation of the twentieth century, including the National Labor Relations Act (1935), the Labor Management Relations Act (1947), and the Labor Management Reporting and Disclosure Act (1959). However, not until 1958, with the enactment of the Welfare and Pension Plans Disclosure Act, was legislation effected which was specifically designed to exercise regulatory controls over pension and welfare funds. Based upon disclosure of malfeasance and improper activities by pension administrators, trustees, or fiduciaries, the Act was amended in 1962 to designate certain acts of conduct as federal crimes when they occurred in connection with welfare and pension plans. The amendments also conferred investigatory and various regulatory powers upon the Secretary over pension and welfare funds. In the decade since the amendments were enacted, experience has shown that, despite intermittent enforcement of the reporting requirements and the criminal provisions, the protection accomplished by statute has not been sufficient to accomplish Congressional intent.

THE EXISTING LAW

The growth and development of the private pension system in the past two decades has been substantial. Yet, regulation of the private system's scope and operation has been minimal and its effectiveness a matter of debate. The assets of private plans, estimated to be in excess of $150 billion, constitute the only large private accumulation of funds which have escaped the imprimatur of effective federal regulation.

At the federal level, there are essentially three federal statutes which, although accomplishing different purposes and vested within different federal departments for enforcement, are all compatible in their regulatory responsibilities. These are the Welfare and Pension Plans Disclosure Act (29 U.S.C. Sec. 301 et. seq.), the Labor Management Relations Act (29 U.S.C. Sec. 141, et. seq.) and the Internal Revenue Code I.R.C. of 1954, Secs. 401–404, 501–503).

A complete description of the federal regulation affecting the administration of private plans can be found in Interim Report of The Private Welfare and Pension Plan Study, 1971, Senate Report No. 92–634 of the 92d Congress, 2d Session.

After a comprehensive investigation of abuses in the administration and investment of private fund assets, Congress adopted the Welfare and Pension Plan Disclosure Act in 1958. The policy underlying enactment of this Act was purportedly to protect the interest of welfare and pension plan participants and beneficiaries through disclosure of information with respect to such plans. The essential requirement of the Act was that the plan administrator compile, file with the Secretary of Labor, and send to participants and their beneficiaries upon written request, a description and annual report of the plan. It was expected that the knowledge thus disseminated would enable participants to police their plans. The Act was amended in 1962 to make theft, embezzlement, bribery, and kickbacks federal crimes if they occur in connection with welfare and pension plans. The 1962 amendments also conferred limited investigatory and regulatory powers upon the Secretary of Labor, and required bonding of plan officials.

Experience in the decade since the passage of the above amendments has demonstrated the inadequacy of the Welfare and Pension Plans Disclosure Act in regulating the private pension system for the purpose of protecting rights and benefits due to workers. It is weak in its limited disclosure requirements and wholly lacking in substantive fiduciary standards. Its chief procedural weakness can be found in its complete reliance upon the initiative of the individual employee to police the management of his plan.

The Labor Management Relations Act, Sec. 302, provides the fundamental guidelines for the establishment and operation of pension funds administered jointly by an employer and a union. The Act is not intended to establish nor does it provide standards for the preservation of vested benefits, funding adequacy, security of investment, or fiduciary conduct.

Tax deduction benefits accruing to employers are prescribed by the Internal Revenue Code under which the employer is granted a deduction within certain limits for contributions made to a qualified plan, and the investment earnings on such plans are made tax-exempt. To attain "qualified status" under the Code, the plan must be (1) for the exclusive benefit of the participants; (2) for the purpose of distributing the corpus or income to the participants; (3) established in such a manner to make it impossible for the employer to use or divert funds before satisfying the plan's liabilities; and (4) not discriminate in favor of officers, stockholders, or highly-compensated or supervisory employees.

The Internal Revenue Code provides only limited safeguards for the security of anticipated benefit in private plans since its primary functions are designed to produce revenue and to prevent evasion of tax obligations. The essence of enforcement under the Code lies in the power of the Internal Revenue Service to grant or disallow qualified status to a pension plan, thus determining the availability of statutory tax advantages. The Internal Revenue Service jurisdiction and enforcement capabilities are solely to allow various tax advantages to accrue to employers who establish and maintain pension plans which can qualify for such tax benefit privileges.

In the absence of adequate standards, the participant is left to rely on the traditional equitable remedies of the common law of trusts. A few states, including New York, Washington, Wisconsin, Massachusetts, and California have codified existing trust principles and enacted legislation which requires in many instances a degree of disclosure similar to that required by federal statute.

The fact that statutory rules exist says little as to their efficacy in adjusting inequities that are visited upon plan participants, as evidenced by the hearings before this Committee. In almost every instance, participants lose their benefits not because of some violation of federal law, but rather because of the manner in which the plan is executed with respect to its contractual requirements of vesting or funding. Courts strictly interpret the plan indenture and are reluctant to apply concepts of equitable relief or to disregard technical document wording. Thus, under present law, accumulated pension credits can be lost even when separated employees are within a few months, or even days, of qualifying for retirement.

The proposed bill would, therefore, establish minimum standards of vesting, funding, and fiduciary and a system of compulsory benefit insurance to protect the security of pension rights.

As suggested by the President's Cabinet Committee Report of 1965; "As a matter of equity and fair treatment an employee covered by a pension plan is entitled, after a reasonable period of service, to protection of his future retirement benefit against any termination of his employment." Concern for loss of benefits by workers after long years of labor through circumstances beyond their control was similarly expressed by President Richard M. Nixon on December 8, 1971, when, in a message to the Congress he said, "When a pension plan is terminated, an employee participating in it can lose all or part of the benefits which he has long been relying on, even if his plan is fully vested . . . even one worker whose retirement security is destroyed by the termination of a plan is one too many."

III. MAJOR ISSUES

Although the need for legislative reform has been and continues to be widely acknowledged among all persons and sectors affected, federal mandation of essential improvements has been resisted due to the belief that such legislation might impede plan growth. However, the Committee's inquiries have revealed that the costs associated with the vesting and funding proposals in the Act are sufficiently modest as not to constitute a major impediment to plan growth. Additionally, any added cost attributable to the imposition of vesting and funding standards will innure directly to the benefits and added security.

The principal issues affecting the vital and basic needs for legislation involved consideration of the essential elements of pensions:

Problem areas

While the achievements of private retirement plans are substantial, a number of serious problems have become apparent. Those dealt with by this bill can be briefly outlined as follows:

Inadequate coverage.—Despite the rapid growth in pension coverage, about one-half of all employees in private nonagricultural employment are still not covered. Moreover, many plans have overly restrictive age and service requirements for participation, resulting in the exclusion of many employees.

Inadequate vesting.—Present law generally does not require an employee plan to give a covered employee vested rights to benefits—that is, the right to receive benefits if he leaves or loses his job before retirement age. Many private pension plans do provide vested rights to benefits before retirement, but as a general rule, employees do not acquire vested rights until they have served a fairly long time with the firm and/or are relatively mature. As a result, even employees with substantial periods of service may not acquire rights to pension benefits upon separation from employment.

Inadequate funding.—A significant number of pension plans are not adequately funded—that is, they are not accumulating sufficient assets to pay benefits in the future to covered employees. Under the present minimum funding requirements, contributions to qualified plans must be at least large enough to pay the normal costs (the pension liabilities created in the current year) plus the interest on unfunded accrued liabilities attributable to the past service of the covered employees. However, this minimum funding requirement is not adequate because it does not require the unfunded accrued liabilities for past service to be amortized.

Additionally, untimely termination of plans prior to completion of the funding cycle has led to inadequate reservers to meet plan liabilities where past or prior service credits are granted. No satisfactory vehicle currently exists to protect participants against such losses.

IV. PROVISIONS OF THE BILL

The bill deals with these problems in many different ways. The principal provisions of the bill are summarized below:

SUBTITLE A—CONTENTS; POLICY; DEFINITIONS

Purposes

The Employee Benefit Security Act is designed (1) to establish minimum standards of fiduciary conduct for Trustees, Administrators and others dealing with retirement plans, to provide for their enforcement through civil and criminal sanctions, to require adequate public disclosure of the plans' administrative and financial affairs, and (2) to improve the equitable character and soundness of private pension plans by requiring them to: (a) vest the accrued benefits of employees with significant periods of service with an employer, (b) meet minimum standards of funding and (c) guarantee the adequacy of the plan's assets against the risk of plan termination prior to completion of the normal funding cycle by insuring the unfunded portion of the benefits promised.

Section 1. Findings
Section 2. Declaration of policy
Section 3. Definitions
1. Employee Welfare Benefit Plan
2. Employee Pension Benefit Plan
3. Employee Benefit Plan (or Plan)
4. Employer Organization
5. Employer
6. Employee
7. Participant
8. Beneficiary
9. Person
10. State
11. Commerce
12. Industry or Activity Affecting Commerce
13. Secretary
14. Party in interest
15. Relative
16. Administrator
17. Separate Account
18. Adequate Consideration
19. Nonforfeitable (Pension Benefit or Right)
20. Security
21. Fiduciary
22. Regular Retirement Benefit
23. Accrued Benefit
24. Normal Retirement Age
25. Vested Liabilities
26. Current Value
27. Present Value
28. Normal Service Cost
29. Present Value of Annuity Certain
30. Accrued Liability
31. Unfunded Accrued Liability
32. Advance Funding Actuarial Cost Method (Actuarial Cost Method)
33. Government Plan
34. Church Plan
35. Individual Account Plan
36. Defined Benefit Plan
37. Supplemental Plan
38. Multiemployer Plan
39. Investment Manager

SUBTITLE B—REGULATORY PROVISIONS

Part 1—Fiduciary responsibility and disclosure

Section 101. Coverage

Title I would cover all private employee benefit plans under Commerce Clause jurisdiction except:

1. Federal, State and local governmental plans;

2. Plans required under workmen's compensation, unemployment compensation, and disability insurance laws;

3. Plans established or maintained outside the United States for the benefit of non-United States citizens;

4. Unfunded deferred compensation schemes of top executives.

Section 102. Duty of disclosure and reporting

The administrator of a pension or welfare plan would be required to publish to each participant or beneficiary a description of the plan as set forth in section 103 and a summary of the annual financial report as set forth in section 104. The report woud be in such form and detail as the administrator finds necessary to disclose fully and fairly all pertinent facts.

Upon termination of a pension or welfare plan, the administrator would be required to file a special terminal report as prescribed by the Secretary of Labor.

Section 103. Description of the plan

Plan descriptions would be required to be published within 120 days after the establishment of a plan or within 120 days after a plan becomes subject to this title, whichever is later. Amendments to plans would have to be published within 120 days, and descriptions would have to be republished at least every 5 years. The description would have to be comprehensive and written in a manner calculated to be understood by the average plan participant. Among other things it would have to include: the name and address of the administrator; the schedule of benefits; a description of the plan's vesting provisions; the source of the plan's financing; and the procedures to be followed in presenting claims for benefits as well as those for appealing claims which are denied.

Section 104. Annual reports

An annual financial report to the Secretary of Labor would be required by this section for all plans. Sec. 105 provides that the Secretary shall exempt plans with less than 26 and may exempt plans with less than 100 participants. Information required in the report would include:

An audit and opinion by an independent qualified public accountant (with exceptions for public plans and financial statements certified by a bank or insurance carrier);

An actuarial statement of valuation (where appropriate) accompanied by a certification from the actuary preparing the valuation;

The number of employees, benefits paid, and information regarding fiduciaries, trustees and administrators and compensation paid them;

A summary financial statement of assets and liabilities;

A summary of receipts and disbursements;

A schedule of all assets listed by issuer;

A schedule of known party-in-interest transactions;

A schedule of loans which are in default and uncollectible;

A schedule of leases which are in default and uncollectible;

A bank or insurance carrier statement of assets and liabilities for common and collective trusts.

If some or all of the plan's assets are held in common or collective trust maintained by a bank or similar institution or in a separate account maintained by an insurance carrier, the bank or carrier would also be required to file a statement of assets and liabilities.

If some or all of the benefits under the plan are provided by an insurance carrier or other organization, such report would also have to include: The premium rate or subscription charge and the total premium or subscription charges paid to each carrier and the approximate number of persons covered by each class of benefits; the total premiums received, the approximate number of persons covered by each class of benefits, and the total claims paid by such carriers, or, if separate experience ratings are not kept, a statement as to the basis of a carrier's premium rate or a copy of the financial report of the carrier.

Section 105. Publication

The Secretary would be authorized to reject any report which after a hearing before him was found to be incomplete or to contain a qualified opinion by an accountant or an actuary.

A copy of the plan description and each annual report would have to be filed with the Secretary of Labor who would make them available for inspection in the public document room of the Department of Labor. The administrator would be required to make copies of the annual report and plan description as well as the bargaining agreement, and trust instrument creating the plan available for examination by any plan participant or beneficiary in the administrator's principal office, and in such other place, as necessary to fully and fairly disclose all pertinent facts.

All pension and welfare plan participants would be furnished with a copy of the plan description initially and a description of any subsequent amendment, including:

A schedule of benefits;

Eligibility and vesting provisions;

Claim procedures and remedies;

Basis of financing;

Other relevant plan provisions affecting their rights and the annual report, including a summary financial statement of assets and receipts and disbursements, and the ratio of assets to value of nonforfeitable pension benefits.

Upon written request to the plan administrator, or a participant could receive a copy of a statement as to his or her rights and the amount of any nonforfeitable benefit; and a copy of the plan, trust, bargaining agreement or other document. These copies would be furnished at the cost of reproduction.

Upon termination, all pension plan participants would receive a statement showing his or her benefits, indicating when and how they may be claimed, and including any other information affecting their rights.

A statement of a pension plan participant's right to deferred vested benefits from former pension plans would be furnished upon request to the Social Security Administration and when action is taken on the participant's Social Security account. To assure timely filings and payment of vested benefits, the address and identity of all plans would be kept up-to-date.

Section 106. Disclosure of benefit rights to participants

The administrator is required to inform each participant when his benefits become nonforfeitable. Upon written request of any participant or beneficiary, the administrator is required to disclose the rights of that participant.

Violation of the provisions dealing with the retention of records subjects a person to a fine of up to $5,000 and/or imprisonment of up to 2 years. Violations of the provisions of 111(b)(2) (dealing with prohibited transactions) would subject a person to a fine of up to $10,000 and/or up to 5 years' imprisonment.

This section would give the Secretary of Labor authority to investigate any plan. He would be given authority to demand sufficient information as he may deem necessary to enable him to conduct his investigations.

Plan participants, beneficiaries, or the Secretary of Labor on behalf of the participants and beneficiaries would be allowed to bring civil actions to redress breaches of a fiduciary's responsibility or to remove a fiduciary who has failed to carry out his duties. The Secretary would also be empowered to bring an action to enjoin any act or practice which appears to him to violate the title. Civil actions brought by a participant or beneficiary may be brought in any court, State or Federal. However, the Secretary would have the right to intervene in a case and remove it to a Federal district court. In any actions by a participant or beneficiary, the Court could, at its discretion, allow reasonable attorneys' fees and costs of action to either party. Class actions shall be brought where requirements for class actions could be met.

Section 107

All reports filed with the Secretary shall be public information.

Section 108

Detailed records must be retained for 6 years.

Section 109

Proven reliance upon a regulation or written interpretation by the Secretary of Labor would constitute a defense in a criminal or civil proceeding under certain sections of the act.

Section 110

Persons subject to the fiduciary provisions of the act would have to be bonded.

Section 111. Fiduciary responsibility

This section would deem every employee benefit fund to be a trust held for the exclusive purpose of providing benefits to participants and their beneficiaries as well as defraying reasonable administrative expenses. Each plan would have to be in writing.

A fiduciary is defined in section 3(29) as anyone who exercises any power of control, management or disposition with regard to a fund's assets or who has authority to do so or who has authority or responsibility in the plan's administration. Fiduciaries would be required to discharge their duties with respect to the fund ". . . solely in the interest of the participants and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims."

A fiduciary would also have to diversify the investments, except in the case of profit-sharing, stock bonus, or thrift and savings plans, so as to minimize the risk of large losses under the circumstances it is prudent not to do so and in accordance with the documents and instruments governing the fund.

A fiduciary would be specifically prohibited from making the following transactions:

Dealing with such fund for his own account . . .

Acting in any transaction involving the fund on behalf of a party adverse to the interests of the plan or participant . . .

Receiving personal consideration from any party dealing with the fund in connection with a transaction involving the fund . . .

Transferring property to any party in interest for less than adequate consideration . . .

Permitting the acquisition of property from any party in interest for more than adequate consideration.

Section 112. Pension plan termination

An equitable priority distribution of assets would be provided upon plan termination. Assets not previously allocated to individual accounts would have to be distributed according to the following priorities:

(a) Contributions by employees would be returned;

(b) Those presently receiving benefits and those who could voluntarily elect to receive benefits;

(c) Those other than in (b)—to the extent of their vested benefits;

(d) All others, including the nonvested benefits of those in (c).

Benefit increases within 5 years prior to plan termination would trigger an allocation based on the prior benefit formula, any remaining assets being distributed on the basis of increases in the more recent benefit formulas:

(e) Investment income attributable to employee contributions would be distributed pro rata to the employees' accounts.

(f) Any benefit liabilities incurred as a result of plan termination would be given last priority.

(g) Any remaining assets would be returned to the employer if the plan so provides; otherwise, they would be distributed pro ratably to the employees.

Section 113

Certain persons convicted of crimes may not serve as officers, administrators, trustees, or paid consultants.

Section 114

A 15-member Advisory Council on Employee Welfare and Pension Benefit Plans would be established.

Section 115

The Welfare and Pension Plans Disclosure Act would be repealed upon the effective date of the act, which would be 6 months after enactment.

Part 2—Vesting and eligibility requirements

Section 201. Coverage

Title III would cover all private pension benefit plans including profit-sharing plans which provide benefits after retirement, except:

1. Federal, State and local plans;
2. Keogh plans benefiting the self-employed and owner-employees;
3. Plans established or maintained outside the United States for the benefit of workers who are not United States citizens;
4. Executive deferred compensation plans; and
5. Supplementary plans
6. Church plans

Section 202. Eligibility requirements

No plan, after the effective date of this title, would be allowed to require as a condition for eligibility to participate in it an age greater than 25 or a period of service longer than 1 year (3 years for plans which provide for immediate 100% vesting or for crediting of all pre-participation service for benefit purposes), whichever is the later. Existing plans would be permitted to retain their eligibility requirements for 3 years or until they are amended, whichever is sooner.

Section 203. Nonforfeitable benefits

Every pension plan would be given a choice of one of three vesting rules:

1. Ten-Year Service Rule (100% vested at 10 years of covered service);
2. Graded 15 year service rule (25% vested after 5 years of covered service such percentage increasing by 5% each year until the tenth year and then at the rate of 10% for each additional year through the 15th when 100% vesting is achieved);
3. Rule of 45 (50% vested when age plus covered service equals 45, such percentage increasing by 10% each year until 100% is reached).

The vesting rules use a fully retroactive service provision in calculating the vesting percentage and the amount of the accrued portion of the regular retirement benefit. A plan would be permitted to change vesting rules at any time if provision is made that vested benefits not be reduced or delayed for participants in the plan at the time of change. A plan would always be permitted to allow for vesting of benefits after a lesser period and in greater amount than is required under any of the three vesting rules.

Class year profit-sharing plans.—Class year plans would be required to vest 100% of the employer's contribution no later than 5 years after the contribution was made.

Covered service.—In computing the period of covered service under a plan, an employee's entire service with the employer contributing to or maintaining the plan shall be considered. However, service prior to age 25, service during which the employee declined to contribute to a plan requiring employee contributions, service with a predecessor of the employer contributing to or maintaining the plan (except where the plan has been continued in effect by the successor employer), service broken by periods of suspension of employment (provided the rules governing such breaks in service are not unreasonable or arbitrary), and service where a participant has previously attained a 100% nonforfeitable right may be disregarded.

Contributory plans.—No plan may provide for forfeiture of benefits attributable to employer contributions on account of withdrawal of employee contributions.

Section 204. Distribution of nonforfeitable benefits to terminating participants

Vested benefits to participants terminating before 65 would have to be distributed, at the option of the participant, at regular retirement age or age 65. Vested benefits to participants terminating after age 65 would have to commence immediately at the option of the participant except that no plan would be required to commence paying any benefits to any participant, until such participant has completed up to 10 years of service. Survivor annuity and other options offered by a plan to normal retirees would have to be extended to all terminated vested participants.

Social Security offset plans.—Any pension plan with a Social Security offset feature would be required at the time of the first plan amendment, to provide that the amount of any offset not increase (1) for participants receiving benefits and (2) after the date of termination of vested participant.

Section 205. Accrued Benefit Requirements

Each defined benefit plan would be required to credit benefits to participants over a period not to exceed 33⅓ years or in the alternative over a longer period of time but without excessive "front loading" or "back loading".

Section 206. Definition of Year of Service

The definition of Year of Service for purposes of eligibility, vesting and benefit accruals will have to meet a reasonableness standard.

Section 207. Effective Date

Part 2 shall become effective with respect to existing plans for plan years beginning after December 31, 1975, except that with respect to multiemployer plans the effect may be delayed until as late as plan years beginning after December 31, 1980 (where the bargaining agreements extend until that date).

Part 3—Funding

Section 301. Coverage

Title III would cover all private pension benefit plans covered under title II except for profit sharing and other individual account plans or plans not providing for employer contributions.

Section 302. Funding Account

Every pension plan subject to title III (other than the above) must make annual minimum contributions equal to:

1. Normal cost plus 30 (in the case of a single employer plan) or 40-year (in the case of a multiemployer plan) amortization of unfunded accrued liabilities for all plan benefits; any accumulated actuarial gains and losses would be spread over 15 years; or, if larger,

2. A percentage of the unfunded portion of the present value of the nonforfeitable pension benefits. The unfunded portion would be recalculated each year so that an interest assumption of 5% would reduce the remaining unfunded portion by about 9.2% per annum or by about 57% in 20 years or 72% in 30 years.

Contributions made in excess of the minimum could be used to offset future minimum contributions, thereby permitting funding flexibility.

Section 303. Enforcement of funding requirements; variances

Application would have to be made to the Secretary for a waiver of part or all of a minimum funding contribution. Benefits could not be increased until all such waived contributions had been paid off. After five waivers in a 10-year period, the Secretary could, after notice and hearing, order the termination of the plan or the merger of the plan with another plan of the employer. Benefits could not be increased by amendment during a period of waiver.

Section 304. Special distribution and merger requirements

Asset distributions or mergers which would dilute the benefits funded within priority classifications would be prohibited.

Section 305. Effective date

Part 3 shall become effective with respect to existing plans for plan years beginning after December 31, 1975, except that with respect to multiemployer plans the effect may be delayed until as late as plan years beginning after December 31, 1980 (where the bargaining agreements extend until that date).

Part 4—Plan Termination Insurance

Section 401. Establishment of Pension Insurance Corporation

This section establishes a Pension Benefit Guaranty Corporation administered by the Secretary, with a board of directors made up of the Secretary and two officers or employees of the Department of Labor.

Section 402. Purposes and Powers of the Corporation

The purposes of the corporation are to encourage the continuation and maintenance of voluntary private pension plans, guaranteed payment of benefits and to minimize the premiums charged to support the program. The corporation is granted all powers necessary to fulfill its function.

Section 403. Conditions of Insurance

The corporation shall insure any benefit loss arising from any termination proceeding under Section 112.

Section 404. Plan Termination Insurance Funds

Two primary trust funds covering single employer and multiemployer plans are established. Additional trust funds relating to optional and supplementary insurance coverage are established. Investment of the fund assets are at the discretion of the corporation. The corporation is authorized to borrow up to $100,000,000 from the Treasury.

Section 405. Premium Schedules

Separate premiums are required with respect to single and multiemployer plans. These premium rates must be uniform with respect to all plans within these groups. The premium will be levied one-half against the unfunded vested liabilities and one-half against the accrued liabilities.

Premiums charged for supplemental coverage shall be based on actual and projected experience losses. Initial premium rates for the period prior to filing a revised premium schedule as provided in Section 406 shall be limited to 0.1 percent with respect to single employer plans and 0.025 percent with respect to multiemployer plans.

Section 406. Revised Premium Schedule Procedure

Revision of the initial basic premium schedule to exceed the limits in Section 405, requires Congressional approval before becoming effective.

Section 407. Cooperation and assistance of Government Agencies.
Section 408. Reports.
Section 409. Coverage.
Section 410. Reportable events.
Section 411. Termination of Plan.
Section 412. Management functions.
Section 413. Functions of Secretary.
Section 414. Employer liability.
Section 415. Allocation of assets.
Section 416. Effective date.

Part 5—General provisions

Section 501. Variations; Appeals Board

The Secretary is authorized to grant variations from the requirements of parts 2, 3 and 4 and section 112. A Variation Appeal Board would be established to hear and determine appeals from decisions denying grants of variations.

Section 502. Studies

This section directs the Secretary to conduct research relating to the effects of the act, the role of private pensions, the operation of public and private pension plans, and methods to encourage the growth of the private pension system.

Section 503. Enforcement

This section would give the Secretary authority to conduct such investigations as may be necessary to determine whether any person has violated or is about to violate any provisions of title II or III or any rules or regulations which would result from enactment of titles II and III. Information about such investigations would be made available to any interested person and included in an annual report by the Secretary. Criminal penalties of 5 years imprisonment and $10,000 fine or up to a $200,000 fine in the case of a corporate felon would be assessed for willful violation of the act. Civil actions by the Secretary, participants or beneficiaries to enforce the provisions of the act are authorized in Federal Court.

Sections 504. Annual Report of the Secretary

The Secretary would be required to submit an annual report to the Congress covering his administration of the act.

Section 505. Rules and regulations

This section would authorize the Secretary to prescribe such rules and regulations as he finds necessary to carry out the provisions of the act.

Section 506. Other agencies and departments

The Secretary would be authorized to enter into agreements that would avoid unnecessary expense and duplication and would permit cooperation among Government agencies in performing his functions under title II or III. He would also be authorized to reimburse other Federal agencies for facilities or services he utilized in doing so. The Attorney General would be authorized to receive such evidence as developed by the Secretary which may be found to warrant consideration for criminal prosecution.

Section 507. Administration

Chapters 5 and 7 of title 5 United States Code (relating to administrative procedure) would be applicable to this act.

No employee of the Department of Labor would be able to administer or enforce the act with respect to any employee organization of which he is a member or employer organization in which he has an interest.

Section 508. This section would authorize to the Secretary such sums as may be necessary to carry out this act.

Section 509. If any provision of this act were held invalid, the remainder of the act would not be affected.

Section 510. Interference with the rights protected under the act would be unlawful.—The provisions of section 404 and 405 would be applicable in the enforcement of this section.

Section 511

Any person who used coercion to interfere with the rights protected under the act would be subject to a $10,000 fine and/or imprisonment for up to 1 year.

Section 512. Registration

Within 270 days after the effective date of titles II and III, each pension and profit-sharing plan would have to file an application with the Secretary of Labor for qualification and registration. Plans established after that date would have 270 days in which to file such application. Plan amendments similarly would have to be reported to the Secretary. A certificate would be issued and continued in force so long as the eligibility, vesting and funding requirements of the act are met.

Section 513. Enforcement of Registration

The Secretary of Labor may seek a court order to secure compliance whenever a determination is made that no application for registration has been filed, that the application should be denied or the registration canceled, or that a plan has failed to make the required contribution or to pay such other assessments or fees as are required.

Section 514. Effect on Other Laws

All States laws would be pre-empted except for those covering plans not subject to titles II and III.

V. REASONS FOR THE BILL

One of the most important matters of public policy facing the nation today is how to assure that individuals who have spent their careers in useful and socially productive work will have adequate incomes to meet their needs when they retire. This legislation is concerned with improving the fairness and effectiveness of qualified retirement plans in their vital role of providing retirement income. In broad outline, the objective is to increase the number of individuals participating in employer-financed plans; to make sure to the greatest extent possible that those who do participate in such plans actually receive benefits and do not lose their benefits as a result of unduly restrictive forfeiture provisions or failure of the pension plan to accumulate and retain sufficient funds to meet its obligations; and to make the tax laws relating to qualified retirement plans fairer by providing greater equality of treatment under such plans for the different taxpayer groups concerned.

Essentially, this bill represents a significant improvement in the treatment now applicable to plan participants. Your committee regards the present legislation as part of an evolutionary process which keeps this basic framework but which builds on it new provisions which experience indicates are necessary for the proper functioning of these plans.

A fundamental aspect of present law, which the committee bill continues, is reliance on voluntary action by employers (and employees under contributory plans) for the establishment of retirement plans. The committee bill also continues the approach in present law of encouraging the establishment of retirement plans which contain socially desirable provisions. In other words, under the new legislation as under the present law, no one is compelled to establish a retirement plan. However, a retirement plan will now be required to comply with specified new requirements which are designed to improve the retirement system.

The Welfare and Pension Plans Disclosure Act, which is administered by the Labor Department, was adopted in 1958 to protect the interests of welfare and pension plan participants and beneficiaries by requiring disclosure of information regarding such plans. This Act requires the plan administrators to file with the Secretary of Labor and to send to participants upon written request a description and annual report of the plan. The Act was amended in 1962 to make theft, embezzlement, bribery, and kickbacks Federal crimes where these occur in connection with welfare and pension plans. The 1962 amendment also conferred limited investigatory and regulatory powers upon the Secretary of Labor. However, abuses in the administration of pension plans and in the handling of pension funds have continued.

The Internal Revenue Code (sec. 503(b)) seeks to prevent abuses in the use of funds held under qualified retirement plans by prohibiting qualified trusteed plans from engaging in certain specified prohibited transactions such as lending funds without adequate security and a reasonable rate of interest to the creator of the plan, his family, or corporations controlled by him. Other prohibited transactions include payment of excessive salaries, purchase of property for more than an adequate consideration, sale of property for less than an adequate consideration, or any other transactions which result in a substantial diversion of funds to such individuals. Special additional rules apply to payment of excessive salaries, purchase of property for more than trusts benefitting owner-employees.

VI. COMMITTEE VIEWS

Policy of "Employee Benefit Security Act"

Underlying the provisions of ths Act is a recognition of the necessity for a comprehensive legislative program dealing not only with malfeasance and maladministration in the plans, or the consequences of lack of inadequate vesting, but also with the broad spectrum of questions such as adequacy of funding, plant shut downs and plan terminations, adequate communication to participants, and, in short, the establishment of certain minimum standards to which all private pension plans must conform if the private pension promise is to become real rather than illusory.

Definitions

The Committee has the following technical notes concerning definitions:

The definition of "employee" is intended to encompass any person who has the status of an "employee" under a collective bargaining agreement.

The exclusion of assets of investment companies regulated under the Investment Company Act of 1940 from the definition of "fund" is not intended to exclude participating shares in an investment company held by the fund.

With respect to the term "profit-sharing retirement" plan", it is intended that stock bonus, thrift and savings or similar plans with retirement features be treated as the equivalent of profit-sharing retirement plans for purposes of this Act unless expressly indicated otherwise.

With respect to the term "non-forfeitable right" or "vested right", it is not contemplated that vesting be required in benefits such as death benefits, disability benefits, or other forms of ancillary benefits provided by the plan. The plan may, of course, at its option, provide for vesting in such benefits.

With respect to "adequate consideration," it is intended that this term be read to include the fair market value of the use of leased property.

In formulating the definition of "multi-employer plan" the Committee was guided by the concept that such a plan, if sufficiently comprehensive in size or scope, would be unlikely to terminate because its existence did not depend on the economic fortunes of one employer or employer entity. The Committee recognized that certain single employer plans have characteristics similar to those of the multi-employer type described in the definition, but, on balance, it is believed that experience on plan terminations provides a reasonable basis for the distinction.

Also, in addition, the bill provides that an open-end mutual fund, the mutual fund's investment advisers, and the mutual fund's principal underwriters are not to be considered as plan fiduciaries or parties in interest merely because an employee benefit trust purchases shares in the mutual fund. Mutual funds are currently subject to substantial restrictions on transactions with affiliated persons under the Investment Company Act of 1940, and also it appears that unintended results might occur (such as preventing a trust from redeeming its mutual fund shares) if mutual funds were not excluded from these definitions. However, this provision would not prevent an investment adviser to a mutual fund being considered as a plan fiduciary in a situation where such adviser has the responsibility on behalf of an employee benefit plan to choose the plan's investment medium and selects the shares of the mutual fund for such investment.

The definition of the term "nonforfeitable" is intended to preclude any conditions to receipt of vested benefits other than those noted in the definition. Accordingly, receipt of a vested benefit may be conditioned on the survival of the participant or beneficiary, but in the case of a joint and survivor benefit, the death of a participant subsequent to the earliest age at which he or she could elect to receive any benefit in the form of an annuity from the plan will not have the effect of forfeiting the survivors benefit.

With respect to the term "supplementary plan" it is the intention that where there are two or more plans financed by the same employer or employers and where one plan is subject to the provisions of Parts 2 and 3 of the Act, the second plan be denominated as a supplementary plan if the first (Primary) plan is designed to provide a life annuity to each participant of not less than 2.0 percent of the final five year average compensation of each such participant.

In as much as the effect of having one plan defined as a supplementary plan will be to allow that plan to avoid the coverage under Parts 2, 3 and 4 of the bill, the Secretary will have to exercise the utmost care to avoid jeopardizing the overall retirement security of the participants. The Committee expects that he will issue regulations which will protect against this possibility and he may choose to require funding in excess of the minimum requirements contained in Part 3, as a condition of receiving the exemption of coverage accorded the supplementary plan.

The Committee would expect that where two plans existed, one a defined contribution plan and the other a defined benefit, that the Secretary would not allow the special treatment accorded to supplementary plans to be extended to the defined contribution plan. This result should be avoided in the opinion of the Committee, as the basic retirement security of the participants in that environment would be best served by extending coverage to the defined benefit plan.

Part 1—Disclosure and fiduciary standards

Part 1 represents a major departure from current law. First, by additions to and changes in the reporting requirements designed to disclose more significant information about plans and the transatcions engaged in by those controlling plan operations and to provide specific data to participants and beneficiaries concerning the rights and benefits they are entitled to under the plans and the circumstances which may result in their not being entitled to benefits. Second, by the addition of a new section setting forth responsibilities and proscriptions applicable to persons occupying a fiduciary relationship to employee benefit plans, including a "prudent man" standard for evaluating the conduct of all fiduciaries, and by barring from responsible fiduciary provisions in such plans for a period of five years all persons convicted of certain listed criminal offenses.

Reporting and Disclosure

The underlying theory of the Welfare and Pension Plans Disclosure Act to date has been that reporting of generalized information concerning plan operations to plan participants and beneficiaries and to the public in general would, by subjecting the dealings of persons controlling employee benefit plans to the light of public scrutiny, insure that the plan would be operated according to instructions and in the best interests of participants and beneficiaries. The Secretary's role in this scheme was minimal. Disclosure has been seen as a device to impart to employees sufficient information and data to enable them to know whether the plan was financially sound and being administered as intended. It was expected that the information disclosed would enable employees to police their plans. But experience has shown that the limited data available under the present Act is insufficient. Changes are therefore required to increase the information and data required in the reports both in scope and detail. Experience has also demonstrated a need for a more particularized form of reporting so that the individual participant knows exactly where he stands with respect to the plan—what benefits he may be entitled to, what circumstances may preclude him from obtaining benefits, what procedures he must follow to obtain benefits, and who are the persons to whom the management and investment of his plan funds have been entrusted. At the same time, the safeguarding effect of the fiduciary responsibility section will operate efficiently only if fiduciaries are aware that the details of their dealings will be open to inspection, and that individual participants and beneficiaries will be armed with enough information to enforce their own rights as well as the obligations owed by the fiduciary to the plan in general.

The bill recognizes the particular problems of multiemployer plans in reporting employees who terminate with vested rights. Separation from one participating employer may not be significant. Break-in-service rules may permit fairly extended periods of interrupted employement. The fact that an employee has become inactive in covered employment may not be known to the plan until a period of time, such as two years, has elapsed. Moreover, it may not be feasible for many of the multiemployer plans automatically to furnish in all cases a precise statement of the vested status and non-forfeitable benefit of a terminated employee, whether because records of past or prior service have not been amassed or because it has not been possible for the plan administrator to secure other necessary data.

Fiduciary Responsibility

A fiduciary is one who occupies a position of confidence of trust. As defined by the Act, a fiduciary is a person who exercises any power of control, management or disposition with respect to monies or other property of an employee benefit fund, or who has authority or responsibility to do so. It is not the intent of the Committee, however, that where the sole power of control, management or disposition with respect to plan funds rests with the participants themselves, as may be the case with respect to certain plans where the participant has the sole discretion over an individual account established in his name, that such participants shall be regarded as fiduciaries. The fiduciary responsibility section, in essence, codifies and makes applicable to these fiduciaries certain principles developed in the evolution of the law of trusts. The section was deemed necessary for several reasons.

First, a number of plans are structured in such a way that it is unclear whether the traditional law of trusts is applicable. Predominantly, these are plans, such as insured plans, which do not use the trust form as their mode of funding. Administrators and others exercising control functions in such plans under the present Act are subject only to minimal restrictions and the applicability of present State laws to employee benefit plans is sometimes unclear. Second, even where the funding mechanism of the plan is in the form of a trust, reliance on conventional trust law often is insufficient to adequately protect the interests of plan participants and beneficiaries. This is because trust law had developed in the context of testamentary and inter vivos trusts (usually designed to pass designated property to an individual or small group of persons) with an attendant emphasis on carrying out the instructions of the settlor. Thus, if the settlor includes in the trust document an exculpatory clause under which the trustee is relieved from liability for certain actions which would otherwise constitute a breach of duty, or if the settlor specifies that the trustee shall be allowed to make investments which might otherwise be considered imprudent, the trust law in many states will be interpreted to allow the deviation. In the absence of a fiduciary responsibility section in the present Act, courts applying trust law to employee benefit plans have allowed the same kinds of deviations, even though the typical employee benefit plan, covering hundreds or even thousands of participants, is quite different from the testamentary trust both in purpose and in nature.

Third, even assuming that the law of trusts is applicable, without detailed information about the plan, access to the courts, and without standards by which a participant can measure the fiduciary's conduct he is not equipped to safeguard either his own rights or the plan assets. Furthermore, a fiduciary standard embodied in Federal legislation is considered desirable because it will bring a measure of uniformity in an area where decisions under the same set of facts may differ from state to state. It is expected that courts will interpret the prudent man rule and other fiduciary standards bearing in mind the special nature and purposes of employee benefit plans intended to be effectuated by the Act.

Finally, it is evident that the operations of employee benefit plans are increasingly interstate. The uniformity of decision which the Act is designed to foster will help administrators, fiduciaries and participants to predict the legality of proposed actions without the necessity of reference to varying state laws.

It is to be noted that the definition of "employee benefit fund" excludes assets of an investment company regulated under the Investment Company Act of 1940 but any participanting shares held by the employee benefit fund in an investment company are assets of the fund and subject to coverage under this section.

The Committee also has made provision for contributory plans to equitably distribute any surplus funds remaining on plan termination to the participants in accordance with their rate of contribution. This requirement is applicable only after plan assets have been used to satisfy all liabilities. The Committee believes it is unfair to permit the complete recapture by employers of surplus funds in terminated contributory plans, without regard to the fact that contributions by the workers helped to generate the surplus. The Committee wishes to emphasize that while it is not passing judgment on any particular case now pending, it has concluded that equitable principles require that this particular subject be governed by a specific rule which reflects what the Committee regards as essential protection for the interests of workers in such plans.

The principles of fiduciary conduct are adopted from existing trust law, but with modifications appropriate for employee benefit plans. These salient principles place a twofold duty on every fiduciary: to act in his relationship to the plan's fund as a prudent man in a similar situation and under like conditions would act, and to act consistently with the principles of administering the trust for the exclusive purposes previously enumerated, and in accordance with the documents and instruments governing the fund unless they are inconsistent with the fiduciary principles of the section.

While the magnitude of improper practices is small in relation to the total number of plans in existence, the seriousness of the improper practices disclosed indicates the need for additional precautions to insure that these specific examples do not become general conditions.

It was the purpose of the Committee to include within the definition of fiduciary a broad range of persons dealing with these funds and to impose on them the obligations as specified in Section 111. While certain fiduciaries have been given additional, more specific duties under the bill, those not mentioned specifically as well as those with special obligations are equally responsible for their conduct under the provisions dealing with fiduciaries in general.

The Committee has adopted the view that the definition of fiduciary is of necessity broad and it intends to impose strict duties on those whose activities bring them within the definition. A fiduciary need not be a person with direct access to the assets of a plan nor is there any requirement of a written or other formal acknowledgement of fiduciary status. Conduct alone may in an appropriate circumstance impose fiduciary obligations. It is the clear intention of the Committee that any person with a specific duty imposed on him by this statute be deemed to be a fiduciary. This is a departure from current judicial precedents but is necessary to the proper protection of these plans. Imposition of the duty will of course give rise to liability for any breach of such duty.

The bill requires that actuarial valuations be prepared for each plan not less frequently than every three years. The requirement that each plan file its statement of valuation every year is designed to assure that interim changes or updating of the valuations will be available to all interested parties. These statements will be certified by enrolled actuaries who meet qualifications established by the Secretary. The bill contains broad standards for establishing these qualifications but underlying all of them is the strong conviction of the Committee that any such standards must go directly to the issue of professional competency.

The assumptions utilized in determining plan liabilities and assets and the choice of appropriate valuation and funding methodology are crucial to adequate funding of a plan. The actuaries performing these plan services will fall within the definition of fiduciary and will be held to the duties imposed on such individuals, including personal liability for any breach of such duties. The Committee is convinced that notwithstanding the threat of personal liability, additional constraints are necessary to establish directly the professional qualifications of those who perform these vital services. In applying the standards for qualification outlined in the bill, the Secretary should be mindful of the difficult and sometimes subjective judgments to be made by actuaries and should take care that those who qualify be prepared to perform all of the tasks that may be required of an actuary under the bill. The prior restraints imposed on actuaries in the form of enrollment by the Secretary, as well as personal liability for failure to meet their responsibilities, impose a substantial burden on the actuary. The Committee is convinced that such burden is consistent with the importance of the function performed by these fiduciaries.

Partial Termination

In the event of partial termination, net assets of the plan are to be allocated on behalf of the participants and beneficiaries giving rise to the termination in accordance with priority classes as if a complete termination had occurred. Calculations would have to be made, allocating the net assets of the plan to each priority class, as prescribed by the plan within the requirements of the statute, for all plan participants and beneficiaries, as if the entire plan were being terminated. This calculation, involving respective allocations, would determine the net assets to be allocated on behalf of the participants and beneficiaries giving rise to the partial termination.

Investment of Plan Assets

Fiduciaries exercising investment functions are required to diversify investments to minimize the risk of large losses unless under the circumstances it is prudent not to do so. The degree of investment concentration necessary to violate this requirement cannot be stated as a fixed percentage, because a prudent fiduciary must consider the facts and circumstances of each case. The factors to be considered include (1) the purposes of the trust; (2) the amount of the trust fund; (3) financial and industrial conditions; (4) the type of investment, whether mortgages, bonds or shares of stock or otherwise; (5) distribution as to geographical location; (6) distribution as to industries; (7) the dates of maturity.

The fiduciary should not usually invest the whole or an unreasonably large proportion of the trust property in a single security. Ordinarily the fiduciary should not invest the whole or an unduly large proportion of the trust property in one type of security or in various types of securities dependent upon the success of one enterprise or upon conditions in one locality, since the effect is to increase the risk of large losses. Thus, although the fiduciary may be authorized to invest in industrial stocks, he should not invest a disproportionate amount of the trust fund in the share of corporations engaged in a particular industry. If he is investing in mortgages on real estate he should not invest a disproportionate amount of the trust in mortgages in a particular district or upon a particular class of property so that a decline in property values in that district or of that class might cause a large loss.

To apply these principles in a particular case is ultimately a judicial function. In the past, fiduciaries have seldom been liable for investment losses unless the degree of concentration in a single security or type of security has exceeded 50%. Currently we would expect the courts to follow those cases which have applied a stricter standard, particularly as to equities of a single issuer. On the other hand, there appears to be no judicial indication that a fiduciary would ordinarily be prohibited from investing as much as 25% of trust assets in one type of securities, like real estate in a particular locale or securities of a particular industry.

A fiduciary would also have to diversify investments so as to minimize the risk of large losses unless under the circumstances it is prudent not to do so. The assets of many pension plans are managed by one or more investment managers. For example, one investment manager, *A*, may be responsible for 10% of the assets of a plan and instructed by the administrator or trustee to invest solely in bonds; another investment manager, *B*, may be responsible for a different 10% of the assets of the same plan and instructed to invest solely in equities. Such arrangements often result in investment returns which are quite favorable to the plan, its participants, and its beneficiaries. In these circumstances, *A* would invest solely in bonds in accordance with his instructions and would diversify the bond investments in accordance with the diversification standards of section 111(b)(1)(C), the prudent man standard of section 111(b)(1)(B) and all other provisions applicable to *A* as a fiduciary. Similarly, *B* would invest solely in equities in accordance with his instructions and these standards. Neither *A* nor *B* would incur any liability for diversifying assets subject to their management in accordance with their instructions.

The list of prohibited transactions contained in Section 111(b)(2) does not preclude a fiduciary from performing additional services for the plan and receiving reasonable *compensation* therefor, since this is permitted by Section 111(c)(2). Section 111(b)(2)(E) also permits a fiduciary to contract with a party in interest for such additional services at no more than adequate consideration. The prudent man rule still applies to the fiduciary's arrangement for such services, however. Thus, for example, a bank acting as manager for a pension trust may also act as custodian for that trust or a brokerage firm acting as manager may also provide brokerage services itself or through a party in interest. The bank or broker, of course, may receive no more than reasonable compensation if it provides the service itself. If the bank or broker arranges for such services to be provided by a party in interest, the bank or broker may not permit such party in interest to receive more than adequate consideration.

The committee is aware that many Banks serving as trustees to personal trusts and pension trusts have traditionally held in their commercial departments cash in the process of investment, and cash awaiting disbursement to pay expenses and benefits. A number of short-term investment vehicles have been developed to keep such cash at a minimum.

Paragraph 111(b)(2)(A) is not intended to prevent bank trustees from holding such cash in their commercial departments so long as these funds are not excessive. The administration and investment of a pension plan requires the maintenance of reasonable cash balances. It would make no sense to require bank A to deposit such balances in bank B and vice-versa. The banking agencies review cash balances when they examine trust departments and the committee would assume the Labor Department, employers and plan participants would also watch the size of the cash balances maintained.

Objectives of the Main Provisions of the Bill

It is time for new legislation to conform the pension provisions to the present day situation and to provide remedial action for the various problems that have arisen in the retirement plan area during the past three decades. In taking action, the committee has been mindful of the need to construct the new requirements so that they will provide meaningful improvement in the various problem areas noted under the present law. At the same time, the committee is aware that under our voluntary pension system, the cost of financing pension plans is an important factor in determining whether any particular retirement plan will be adopted and in determining the benefit levels if a plan is adopted, and that unduly large increases in costs could impede the growth and improvement of the private retirement system. For this reason, in the case of those requirements which add to the cost of financing retirement plans, the committee has sought to adopt provisions which strike a balance between providing meaningful reform and keeping costs within reasonable limits.

Generally, it would appear that the wider or more comprehensive the coverage, vesting, and funding, the more desirable it is from the standpoint of national policy. However, since these plans are voluntary on the part of the employer and both the institution of new pension plans and increases in benefits depend upon employer willingness to establish or expand a plan, it is necessary to take into account additional costs from the standpoint of the employer. If employers respond to more comprehensive coverage, vesting and funding rules by decreasing benefits under existing plans or slowing the rate of formation of new plans, little if anything would be gained from the standpoint of securing broader use of employee pensions and related plans. At the same time, there are advantages in setting minimum standards in these areas both to serve as a guideline for employers in establishing or improving plans and also to prevent the promise of more in the form of pensions or related benefits than eventually is available.

Coverage.—One of the major objectives of the new legislation is to extend coverage under retirement plans more widely. For this reason, the committee bill sets minimum standards on the age and service requirements which can be used to exclude employees from participation in plans. Under the new rules a plan cannot require an employee to serve longer than one year or attain an age greater than 25 (whichever occurs later) as a condition of eligibility to participate in the plan. Thus, an employee who reaches age 25 and has at least a year of service would be eligible to participate (unless he is excluded for some reason other than age or service). However, a plan that provides vested rights immediately on participation will be permitted to set the participation requirements at no more than 3 years of service and age 25.

The Committee believes that these rules are reasonable. They provide a balance between the need to grant employees the right to participate in pension plans at a relatively early age so that they can begin to acquire pension rights and the need to avoid the administrative drawbacks that would be involved in granting coverage to immature and transient employees whose benefits would in any event be small. The participation rules also prevent potential avoidance of the vesting rules in the committee bill.

The bill also adopts a number of provisions which are carefully designed to make the minimum age and service requirements for participation work effectively. The Secretary is given the authority to determine under regulations what constitutes a year of service for purposes of fulfilling the participation requirement in order to make the service requirement sufficiently flexible to meet the many varying situations which arise in different industries operating under different conditions of employment. At the same time, guidance is provided to those framing the regulations so as to minimize the possibilities of abuse. The bill, for example, provides that a qualified plan may not establish a service requirement for participation which has the practical effect of treating as a year of service an average period for all employees of more than 12 months or which excludes any employee who has more than 17 months of continuous service. In addition, the bill provides that a seasonal employee whose customary employment is for at least 5 months in a 12-month period is generally to be given credit for a year of service if he works his customary season months in a 12-month period.

The Secretary is also given authority to prescribe by regulations different rules for determining a "year of service" for those industries whose normal work schedules are substantially different from those that are generally applicable. (For example, the regulations could, where consistent with the practice of an industry, permit 100 hours of employment to be treated as one month, or 1,000 hours of employment to be treated as one year.)

The bill also provides guidance to the Secretary in issuing regulations in regard to the computation of the years of service of an employee who has a break in service. This is of significance since an employee will generally receive greater vested rights if all his periods of service with the employer are combined and treated as one period of service than if each period of service interrupted by a break is treated separately. This matter involves difficult issues. On the one hand, it appears desirable not to require service prior to the break to be merged with service after the break where the break in service is of substantial duration and the period of prior service is relatively short. This is because in such cases, the plan frequently will not have records regarding the employee's prior service and the administrative difficulties resulting from any requirement to merge service prior to the break with service after the break might make employers reluctant to rehire employees and yet at the same time would not provide substantial benefits for the latter. On the other hand, where the break in service is of relatively moderate duration, treating each period of service as a separate period could give rise to abuses by giving employers an inducement to discharge covered employees and then rehire them after a short time in order to reduce the cost of financing plan benefits. An additional consideration is that where an employee has acquired an attachment to the firm by serving a substantial number of years, and particularly where he has accumulated substantial vested rights to benefits, it seems reasonable that all his service including service prior to the break should be taken into consideration in determining his participation under the plan.

Your committee has resolved these issues by providing that where an employer rehires an employee who has had a break of service of at least one year after serving with the employer for less than 4 consecutive years, the plan will not be considered to be following an unreasonable procedure merely because it does not take into consideration his prior service. However, where a rehired employee had completed at least 4 consecutive years of service before the break, his prior years of service must be taken into consideration for purposes of computing his years of service unless the break is for 6 years or more. However, if a rehired employee acquired a nonforfeitable right to at least 50 percent of his accrued benefits derived from employer contributions prior to the service break, all his prior service must be taken into consideration in computing his years of service, regardless of the duration of the break.

Under plans which provide defined or specified benefits, it is more expensive for an employer to finance an equivalent retirement benefit for an older employee than for a young employee. To avoid making it more difficult for older workers to find employment, the bill permits plans which provide defined benefits to exclude from participation employees who begin employment within 5 years of the normal retirement age. This, for example, permits a defined benefit plan which provides for a normal retirement age of 65 to exclude an employee who begins work at the age of 60. Such exclusions are not permitted under money purchase pension plans or profit sharing plans. Under these plans, an employee is not promised any specified benefits, but instead is entitled only to the amount that is in his account (employer contributions, forfeitures, and employee contributions, adjustments for earning, losses, and expenses) with the result that it is no more expensive for the employer to cover older employees than younger employees under such plans.

Finally, all government plans (including the federal civil service pension plan) and plans of churches (unless they elect to be subject to the new rules) are exempted from the new participation standards as well as from the minimum vesting and minimum funding standards described below. The committee exempted government plans from the new higher requirements because adequate information is not now available to permit a full understanding of the impact these new requirements would have on government plans. For this reason the bill specifically provides that the Committee on Ways and Means and the Committee on Education and Labor are to study the participation, vesting, and funding practices of government plans, government plan fiduciary standards, factors affecting the mobility of government employees and those employed under Federal procurement contracts, and the need for Federal standards in each of these matters. Each committee is to submit to the House of Representatives not later than December 31, 1976, the results of the studies, together with its recommendations.

To give existing plans time to adjust to the new age and service participation requirements, the effective date of these requirements is deferred to January 1, 1976, for plans in existence on January 1, 1974. For plans adopted on or after January 1, 1974, the new minimum age and service requirements will be effective in the first plan year beginning after the date of enactment. However, for existing plans which were the subject of collective bargaining agreements, the minimum funding standards will not apply until the last of the present collective bargaining agreements terminates or January 1, 1981, whichever is sooner.

Vesting.—Coverage under a pension plan does not aid an individual if he later forfeits his right to his pension benefits upon voluntary or involuntary termination of employment. This is an important consideration in view of the fact that ours is a fairly mobile economy where employees tend to change jobs frequently, especially in their younger years. Moreover, the cyclical and technological nature of certain industries results in frequent layoffs over a work career for employees in those industries, as in aerospace and defense. The committee bills deals with this problem by requiring pension plans to grant covered employees reasonable minimum vested rights to their accrued benefits.

The committee bill helps to assure that covered employees will actually benefit from pension plans by requiring plans, as a condition of qualification, to meet reasonable minimum vesting standards. Plans are required to grant covered employees nonforfeitable rights with respect to their own contributions. In addition, such plans are required to provide covered employees minimum vested rights with regard to employer contributions after they have fulfilled certain specified requirements. In adopting these minimum vesting requirements, your committee was guided by two broad considerations. The first relates to the need to balance the protection offered by the minimum vesting provision against the additional cost involved in financing the plan. Employees of course, would be accorded the maximum protection if they were granted immediate and full vested rights to plan benefits. However, it is generally recognized that a requirement for immediate and full vesting would not be feasible because it would involve such substantial additional costs that it would impede the adoption of new plans and the liberalization of existing ones.

The second broad consideration guiding the committee in regard to minimum vesting is the need to provide adequate flexibility to the hundreds of thousands of retirement plans, to enable these plans to provide adequate vesting protection to their covered employees in the light of the individual circumstances and conditions confronting them. In other words, the committee does not believe that it would be desirable to force all retirement plans into one rigid mold so far as vesting is concerned.

In view of these considerations, the committee bill provides three alternative vesting options:

Under one option, a plan would be required to provide an employee with vested rights to at least 25 percent of his accrued benefits from employer contributions after 5 years of covered service, plus an additional 5 percent for each of the next 5 years and 10 percent for each of the next following 5 years. This means that under this option, at least 50 percent of the employer-provided benefits must be vested after 10 years of covered service and 100 percent vested after 15 years of covered service. This option is designed to enable plans to provide the required vesting on a gradual basis according to years of service, generally without reference to the age of the employee. This option is neutral with respect to age, since all employees who fulfill the required service requirements are entitled to the specified vesting without regard to their age.

A second option permits firms which wish to provide faster vesting for their more mature employees than for their younger ones to do so by taking into consideration the age of the employee as well as his service for purposes of computing his vested rights. Under this option, the plan is required to provide a covered employee who has at least 5 years of covered service a vested right in at least 50 per cent of the accrued benefits financed by the employer's contributions when the sum of his age and years of service equals 45; the minimum required vesting percentage would thereafter be increased by 10 percentage points a year in each of the following 5 years. This would, for example, provide an employee who began work for the employer at the age of 25, a vested right in 50 percent of his accrued benefits financed by employer contributions after 10 years of covered service when he reaches the age of 35. After completing an additional 5 years of service and attaining age 40 he would then be vested in 100 percent of his accrued benefits. On the other hand, an employee who starts to work for the employer at the age of 40 under this option would at the age of 45, upon completion of 5 years of service, receive a 50 percent vested right in his accrued benefits.

The third option provided under the committee bill permits qualified plans to fulfill the minimum vesting requirements by providing employees a 100 percent nonforfeitable right to accrued benefits derived from employer contributions when they have achieved at least 10 years of service. The committee provided this option because it grants covered employees complete vesting protection after the completion of a reasonably short period of service.

Because the objective is to encourage more adequate provision for retirement, plans are permitted to defer the payment of benefits to individuals with vested rights until they reach normal retirement age and are separated from the firm.[1] As a general rule, the plan will specify what is normal retirement age for this purpose. However, in order to prevent undue delay in the payment of benefits, payment must begin not later than 60 days after the close of the last plan year in which the participant (1) attains age 65, (2) reaches the 10th anniversary of the start of his participation, or (3) terminates his employment. The "10th anniversary" provision was adopted to encourage the employment of individuals who are hired at mature ages for a long enough period to enable them to earn significant benefits under the plan.

The committee further decided to apply the minimum vesting requirements to benefits accured prior to the effective date of the provision as well as to benefits accrued after this date on the ground that employees merit equal protection with regard to plan benefits regardless of when these benefits accrued. This is achieved by generally taking into account the employee's entire service with the employer in determining both his nonforfeitable vesting percentages and the amount of accrued benefits to which these vesting percentages are applied.

To keep the operation of the minimum vesting requirement reasonable and avoid imposing undue burdens on plans, certain periods of service are permitted to be excluded in determining the employee's nonforfeitable rights. The service which may be excluded is:

(1) service before age 25,

(2) service during a period for which the employee declined to contribute to a plan requiring employee contributions,

(3) service during any period for which the employee did not maintain the plan,

(4) seasonal service which does not include a sufficient long period of time in each 12-month period to be counted as service for purposes of the plan,

(5) certain service broken by periods of suspension of employment, and

(6) service before January 1, 1969, unless the employee has had at least 5 years of service after December 31, 1968. (This latter exclusion was adopted to prevent the possibility that plans would otherwise be required to incur extremely large costs for benefits to previously retired employees who would otherwise have the incentive to come back to a firm for relatively short periods of time, primarily in order to obtain plan benefits for their prior service).

How much protection is actually afforded to employees under the minimum vesting provision depends not only on the minimum vesting percentages set forth in the bill but also in the case of defined benefits on the accrued benefits to which these minimum vesting percentages are applied. For this reason, your committee has devoted particular attention to the development of fair and equitable procedures for the computation of accrued benefits.

Under the first option, the accrued benefit is determined by providing that the plan may not require employees to accrue benefits in any year of service at a rate which is more than 133⅓ percent of the rate of accrual in any other year.[2] The primary purpose of this provision is to prevent attempts to defeat the objectives of the minimum vesting provisions by providing undue "backloading", i.e., by providing inordinately low rates of accrual in the employee's early years of service when he is most likely to leave the firm and by concentrating the accrual of benefits in the employee's later years of service when he is most likely to remain with the firm until retirement. Of course, a plan under which employees accrue benefits at a uniform rate would satisfy the requirements of this option.

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[1] However, to avoid requiring a plan to carry relatively small amounts of benefits on its books for a long period of time, the bill permits a plan to elect to pay off employee's vested rights in the form of a lump-sum payment when the employee is separated if the amount of the distribution is less than $1,750. In addition, at the election of the employee, a plan which so provides may make lump-sum payments of any amount to employees at the time they are separated from service in lieu of retirement benefits.

[2] In testing the annual rate of accrual for any plan year against the annual rate of accrual for any prior plan year, the plan may provide that accruals for any prior period before the 11th year of service are not to be taken into account.

Under a second option, a defined benefit plan may provide for an annual rate of accrual which is not less than 3 percent of the maximum benefit to which the participant would be entitled if he became a participant at the earliest possible entry age under the plan and served continuously until the earlier of age 65 or the retirement age specified under the plan. This treatment provides equal amounts of accrued benefits to employees who are separated prior to retirement age after having worked the same number of years, regardless of their respective ages at the time the service was performed.

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Table 3 shows that the additional costs of financing plans involved when the minimum vesting requirement adopted by your committee becomes fully effective is expected to be moderate. These cost estimates are necessarily based on assumptions as to turnover rates, age distribution, etc. However, the range of costs is believed to be broadly indicative of the expected experience of employers generally.

TABLE 3.—ESTIMATED RANGE OF INCREASE IN PENSION PLAN COSTS UNDER THE REQUIREMENTS FOR MINIMUM VESTING ADOPTED BY THE COMMITTEE

	Present vesting—			
	None	Moderate[1]	Liberal[2]	All plans
Percentage of pension plan members covered under such plans	23	56	21	100
Range of present plan cost as a percent of payroll	1.8-11.2	2.2-12.5	2.2-12.7	1.8.12.7
Range of increase in cost under committee vesting requirement:				
As a percent of payroll	.2-1.5	.1-.2	0	0-1.5
As a percent of present plan cost	5.58	1.8	0	0.58

[1] Plan provides some vesting, but less liberal than full vesting after 10 yrs of service.

[2] Plan provides full vesting after 10 yrs service or less, with no age requirement.

Source: "Estimates prepared for the Joint Committee on Internal Revenue Taxation," by Donald S. Grubbs, Jr.

The additional costs will of course, be zero or smallest for those plans which now have liberal vesting provisions and greatest for those plans which now provide no vesting prior to retirement. This reflects the fact that the minimum vesting provisions will generally bring the costs of the latter plans up to the level of those plans which now have liberal vesting provisions. Overall, for all plans, the cost increases resulting from the new minimum vesting requirements will range from 0 to 1.5 percent of payroll.

In the case of plans adopted after January 1, 1974—which will have been adopted with knowledge of the new requirement—the effective date is the first plan year beginning after the date of enactment. However, for plans in existence on January 1, 1974, to provide time to adjust to the new minimum vesting requirements, the effective date of the minimum vesting standards is plan years beginning after December 31, 1975. For plans, which are maintained pursuant to collective bargaining agreements, however, the minimum vesting requirements take effect for plan years beginning after the expiration of the latest agreement or December 31, 1980, whichever is earlier (but in no event before January 1, 1977).

In addition, for all plans in existence on December 31, 1973, the vesting provisions are to become effective gradually over a 5-year transition period. Under this rule, 50 percent of the vested rights generally called for under the legislation are to become effective in the first year in which the vesting requirement applies. Thereafter the required vesting is to increase 10 percentage points each year until reaching 100 percent of the vested rights generally required under the legislation after the fifth year.

Finally, the Secretary is authorized to provide variances from the generally applicable minimum vesting requirements for plans whenever he finds that the application of these requirements would (1) increase the cost of the parties to the plan to such an extent that there would be (a) a substantial risk to the voluntary continuation of the plan, or (b) a substantial curtailment of pension levels or the levels of employees' compensation, or (2) impose unreasonable administrative burdens regarding the operation of the plan, and (3) where the application of these requirements would be adverse to the interest of plan participants generally. Under such variances the Secretary would prescribe alternative methods by which the multi-employer plan concerned could satisfy the minimum vesting requirements for the period of time this is necessary. These variances from the vesting requirements are not, however, to be prescribed unless all plan participants and other interested persons have received adequate notice from the plan administrator of any hearing to be held to consider the variance.

Fundamental to the authority to grant variations is the consideration that the vesting, funding, and other requirements are intended to further the security of employees and not to inhibit or frustrate the provision of adequate benefits. Consequently, it will be important, in the opinion of the Committee, for the Secretary of Labor to give great weight, in granting variations, to the following factors: (a) that the benefits provided by the plan are relatively modest, (b) that the plan was established and developed through collective bargaining, and (c) that the employer or industry is one of declining or marginal profitability, with limited capacity to meet substantial increments in cost.

Minimum funding standards.—Your committee believes that it is essential for plans to be adequately funded in accordance with a contributions schedule which will produce sufficient funds to meet the obligations of the plan when they fall due. Such an adequate contributions schedule for funding plans not only protects tht rights of employees under the plan but also provides an orderly and systematic way for employers to pay their plan costs.

Your committee believes that the minimum funding requirements under present law are inadequate because they do not require any provision to be made to amortize unfunded past service liabilities. Instead they merely require the contributions to the plan to be sufficient to pay normal costs attributable to the current operation of the plan) and to prevent an increase in unfunded liabilities. To remedy this, your committee has provided new minimum funding standards for qualified plans. In the most typical case, the standard requires contributions to the plan to be sufficient not only to pay normal costs but also to amortize all unfunded past service liabilities in level payments over specified periods of time. A second standard requires contributions to be based on the accrued unfunded vested liabilities of the plan if this results in higher annual payments than the general funding standard. It is anticipated that this second standard will be used for only a small minority of the plans which have relatively large unfunded vested liabilities.

The new funding standards do not apply to the following types of qualified plans:

(1) Profit-sharing and stock bonus plans. (There is no need for a requirement that contributions be sufficient to fund a specified level of benefits in the case of these plans since they do not specify that participants are to receive any designated amount of benefits, but instead require the paying out of whatever benefits the funds in the plan will purchase on the date the benefits are to begin.)

(2) Plans funded exclusively through the purchase of individual insurance contracts which provide for level annual premium payments. (These plans are excluded from the funding requirements because they have behind them the funding of the insurance companies involved.)

(3) Government plans. (However, government plans are still required to meet the present funding standards which require contributions to be sufficient to pay normal pension costs plus the interest on past service liabilities. Also, as noted previously, your committee has provided for a study of government plans to determine the need for supplying funding standards.)

(4) Church plans unless these plans elect to be covered by such requirements, and

(5) Plans which after the date of enactment of the legislation do not provide for employer contributions.

In the most typical case where the first general funding standard is employed, employers maintaining single-employer plants not in existence on the effective date of the legislation must pay normal costs currently and amortize their past service liabilities in level payments over no more than 30 years. A similar amortization period of no more than 30 years is required for past service liabilities arising as a result of single-employer plan amendments after the effective date. However, in recognition of the fact that large numbers of plans assumed heavy past service liabilities prior to any requirement to amortize such liabilities plans in existence on the effective date of the legislation are allowed a longer period—up to 40 years—to amortize past service liabilities existing at the beginning of the first plan year to which the requirement applies. In addition, multi-employer plans are allowed to amortize all past service liabilities, including those created after the effective date of the legislation, over a period of up to 40 years. This recognizes that multi-employer plans generally have an added element of financial strength in that their contributions come from a number of employers who as a group are less likely than comparable single employers to experience business difficulties.

This funding standard, which will apply to the overwhelming majority of plans, is comprehensive since it requires amortization of all accrued past service liabilities (i.e., both vested and nonvested unfunded past service liabilities).

The level payment method of funding adopted by your committee is analogous to the payment of a home mortgage in that each specified payment includes a payment for both interest and principal. It has the advantage of spreading the payments out evenly over the payment period which generally makes it easier for the employer to plan for meeting the payments. Another factor in your committee's decision is that the level payment method, while providing for adequate amortization of past service costs, initially adds only relatively moderate amounts to an employer's existing funding costs. This is because interest on unfunded accrued past service costs, which accounts for the bulk of the payments under the level payment method in the early years, is already required to be contributed to a defined benefit plan under present law.

Provision is also made for the equitable funding of experience deficiencies which arise when the actual plan costs turn out to be greater than were previously estimated on the basis of the acturial assumptions to the extent that changes in the assumptions are required—for example, when the value of the plan assets is less than was expected. In establishing a minimum funding standard for such experience deficiencies, the committee sought to avoid two problems. If it allowed the experience, deficiencies to be funded over a very long period of time, an incentive would be provided for the use of actuarial assumptions which understate the costs since any resulting deficiencies could then be made up over a long period of time without penalty. On the other hand, if the experience deficiencies were required to be amortized over too short a period, employers would encounter hardship in meeting the annual payments. This is especially pertinent in view of the fact that most actuarial or experience deficiencies are inadvertent.

Your committee's bill seeks to avoid both these problems by allowing experience deficiencies to be funded in level amounts over a period of up to 15 years for single employer plans and up to 20 years for multiemployer plans. Symmetrical treatment is provided for experience gains which are attributable to a favorable variation between actual experience and the actuarial assumptions entering into the determination of the employer's cost and contributions.

The determination of experience gains and losses for this purpose will generally be made every three years except where the Secretary (pursuant to regulations) finds it necessary to require the determination to be made more frequently.

Relief measures are provided to mitigate the impact of the funding requirements in cases where it would otherwise result in hardship. The bill gives the Secretary the authority to proscribe an alternative to the minimum funding requirement in cases where the application of this requirement would involve substantial business hardship to the employer and would be adverse to the interests of plan participants in the aggregate.

Conceivably an attempt might be made to secure uniform application of the minimum funding standards by authorizing the Secretary or some other authority to establish the specific actuarial assumptions and methods that could be used by pension plans. This would involve, for example, setting a specific rate of interest that could be used by certain pension plans or by specifying certain turnover rates for specified types of firms. However, the committee does not believe that this would be an appropriate procedure, since the proper actuarial assumptions may differ substantially between industries, among firms, geographically, and over time. Further, in estimating plan costs each actuarial assumption may be reasonable over a significant range and it would appear that the proper test would be whether all actuarial assumptions used together are reasonable. These considerations strongly indicate that any attempt to specify actuarial assumptions and funding methods for pension plans would in effect place these plans in a straitjacket so far as estimating costs is concerned, and would be likely to result in cost estimates that are not reasonable.

For plans adopted after January 1, 1974, which will have been adopted with knowledge of the new requirement, the effective date of the new funding requirements is the first plan year beginning after the date of enactment. For plans in existence on January 1, 1974, which are not maintained pursuant to collective bargaining agreements, the effective date of the minimum funding standards is deferred to plan years beginning after December 31, 1975. And for plans which are maintained pursuant to collective bargaining agreements, the minimum funding requirements take effect for plan years beginning after the expiration of the latest agreement (if this is after December 31, 1975) or after December 31, 1980, whichever is earlier.

Other provisions to protect covered employees and their beneficiaries.—In addition to the minimum participation, vesting and funding standards provided in the bill, your committee has adopted a number of specific provisions to protect the rights of employees and beneficiaries under qualified plans.

Qualified plans must pay benefits in the form of a joint and survivor annuity, giving the surviving spouse an annuity equal to at least 50 percent of the annuity paid during the joint lives, unless the participant elects in writing before the annuity starting date not to take a joint and survivor annuity.

Qualified plans must provide that retirement benefits may not be assigned or alienated, except for voluntary and revocable assignments of not more than 10 percent of the benefits in payment of premiums for life insurance and medical and hospital insurance and certain other items.

Provision is made to prevent mergers or consolidation of plans from reducing the rights of participants. This is achieved by specifying that immediately after the merger each participant would be entitled to receive a benefit equal to or greater than the benefit he would have been entitled to receive immediately before the merger had the plan been terminated.

Protection is given to retired individuals and individuals who are separated from the service of the employer against reductions in private plan benefits when social security benefit levels increase. In general, under present integration procedures, social security benefits attributable to employer contributions are treated as though they were part of the private plan. As a result when the level of social security benefits increases, some integrated plans have reduced the amount of the retirement benefits that they provide for covered employees.

Present law under administrative practice provides that qualified plans may not use increases in social security benefit levels to reduce the benefits that they pay where the employees concerned are retired and are already receiving integrated plan benefits. The bill codifies this treatment for retired persons. It also extends the prohibition against reducing plan benefits where social security benefit levels are increased to cases where the individuals concerned are separated from service prior to retirement and have deferred nonforfeitable rights to plan benefits. This provision is effective for increases in social security benefits which take place after the date of enactment or on the date of the first receipt of plan benefits or the date of separation from service (whichever is applicable) if that date is later.

Portability.—In view of the fact that ours is a highly mobile economy, characterized by high employee turnover rates, various proposals have been made to establish a system for the portability of vested rights to benefits from one plan to another when an employee changes jobs.

While the complete portability of vested rights to benefits from one pension fund to another is hard to achieve because of the numerous basic differences in private pension plans, your committee's bill contains a number of provisions which will achieve much of the advantage of portability. Under present law, when an employee changes jobs, it is already possible for funds representing his vested rights to benefits under his old employer's plan to be transferred to the retirement plan of his new employer without payment of tax on an optional basis—that is, if the employee and the administrators of the plans involved agree to the transfer.

Provision also is made to supply adequate information to plan participants regarding their vested rights to retirement benefits so that they will not neglect to claim these benefits when they become eligible to receive them. In this connection, plan administrators are required to furnish each separated employee who has vested rights an individual statement showing the nature, amount and form of the deferred vested benefit to which he is entitled.

Also, in order to insure that employees will be fully alerted to their retirement benefits, the Social Security Administration will keep records regarding the vested rights of separated employees under single employer plans. Annual information pertaining to such vested rights will be forwarded by plan administrators to the Social Security Administration through the Secretary of Labor. The Social Security Administration will then furnish this information regarding vested rights to individuals both on request and at the same time that official information is supplied to the employee or his beneficiary regarding social security benefits.

Because the furnishing of such information involves considerably more difficulties for multi-employer plans than for single-employer plans, the bill does not require multi-employer plans to supply individual statements regarding vested rights to separated employees; nor does it require multi-employer plans to file information showing the vested rights of separated employees. However, the Secretary, after consultation with the Secretary of Health, Education, and Welfare, may prescribe regulations requiring multi-employer plans to submit such information to the extent it is found feasible.

Part 2. Plan participation—Age and service requirements

General reasons for change

The committee believes that, in general, it is desirable to have as many employees as possible covered by private pension plans and to begin such coverage as early as possible, since an employee's ultimate pension benefits usually depend to a considerable extent on the number of his years of participation in the plan. This is particularly important for employees who, because of the nature of their employment, shift from employer to employer over their working careers. In addition, early participation tends to spread the cost of providing employees with adequate pensions more evenly over the various firms for which the employee has worked over his entire working career, instead of concentrating the cost on his last few employers.

Of course, the general desirability of early participation must be balanced against the cost involved for the employer. Also from an administrative standpoint, it is not desirable to require coverage of transient employees, since benefits earned by short-term employees, in any case, are quite small. On the other hand, the committee believes that overly restrictive age and service eligibility requirements can arbitrarily frustrate the effective functioning of the private pension system. In view of these considerations, the committee has concluded that it is appropriate to specifically limit age and service eligibility requirements which an employer may incorporate in a qualified pension plan.

Explanation of provisions

In general.—In view of the considerations outlined above, the committee bill provides that a plan is not to require, as a condition of participation, more than one year of service, or an age greater than 25 (whichever occurs later).[3] The committee believes that this rule will significantly increase coverage under private pension plans, without imposing an undue cost on employers. From an administrative point of view, however, the rule will allow the exclusion of employees who, because of youth or inexperience with the job in question, have not made a career decision in favor of a particular employer or a particular industry. Also to encourage plans which provide 100 percent immediate vesting the committee bill provides that such plans may require 3 years of service (and on age of 25) as a condition of participation. The committee believes that these rules take full account of the reasonable administrative and cost needs of plans to exclude employees in high turnover or high cost of benefit categories.

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[3] This rule applies whether or not the plan is a trusteed plan. That is, a plan funded through purchase of annuities from an insurance company is subject to these rules, as is a plan with investments managed by a trustee.

Plans may provide for participation on the first of a month, quarter, or year, rather than immediately after the point at which each employee attains age 25 and completes one year of service. It is expected that regulations will permit this practical accommodation *provided that* the terms will, on the average, provide participation directly after attainment of age 25 and completion of one year of service.

Year of service defined.—For purposes of the vesting and participation rules, the committee bill provides flexibility by indicating that the Secretary is to define a "year of service" by regulations in a manner which provides for its determination on a reasonable and consistent basis. For example, the regulations could specify that a plan could provide that each employee who had met the age and service requirements was to begin his participation on the anniversary date of his own employment, or that all eligible employees would be admitted on the anniversary date of the plan, or that each employee would be covered under the plan on the first quarterly anniversary date of the plan following the anniversary date of his employment.

However, to ensure that no abuse situation arises, the bill provides certain guidelines as to what constitutes a "reasonable" definition of a year of service would have to be such that no employee with more than 17 months of continuous[4] service could be excluded from the plan on account of service; moreover, the average employee (assuming hypothetically that employees were hired at the same rate each day throughout the year) could not have a wait of more than 12 months for participation. Of course this definition does not apply for purposes of benefit accrual, and a plan may use any reasonable definition of "year of service" for this purpose that is consistently applied, so long as the plan meets the antidiscrimination requirements of the law.

A "year of service" for purposes of participation and degree of vesting, will be defined by regulations. The intention is to identify those who have displayed substantial attachment to the employment. Consequently, it is expected that regulations will give recognition to the patterns of employment typical of various industries and occupations. For example, a year of service for this purpose may be defined for the building and construction trades as 1,000 hours in any year set by the plan for measuring service; and in the event of less employment, a month may be credited for each 100 hours; or the case of the maritime trades 150 days per year of employment. Alternative definitions will be required, based on days or weeks of employment, to fit other patterns of employment.

Nothing in the bill precludes the crediting toward a year of service of non-work time such as periods of layoff, disability, military service, leaves of absence, etc., nor the application of such time in extending what would otherwise constitute a break in service under the plan.

Participation of temporary and seasonal employees.—In the case of the seasonal employee, whose customary employment is at least 5 months, his normal season will be treated as a year. For example, if there is a 5-month fishing season in a certain area, and a fisherman is employed throughout the season by a company having a qualified pension plan, then, on the anniversary date of his employment, the fisherman is to be treated under the plan as though he had at least twelve months of continuous service for purposes of determining his right to participate in the plan.

Break in service.—The bill also provides a series of rules as to the effect of an employee terminating his service with an employer but then subsequently returning. These determinations are used in deciding whether the vesting schedule is to start over after the participant's break in service or to continue as of its status when the break in service first occurred. The rules governing the treatment of breaks in service set forth below in general are designed to place the employee, when he returns to service, at the same point in the vesting schedule that he was before the break in service, insofar as this is practicable without creating serious administrative problems. The bill provides for four interrelating rules.

First, where a break in service has occurred, a plan can provide that where an employee subsequently returns to service, the earlier service is not added to the more recent service until the employee has been back at least a year. This rule makes it unnecessary to search out the extent of prior service in the case of employees who return but stay for only a short period of time.

A second rule provides that where an employee has been in service at any time in the past for a sufficiently long period of time to obtain a vested right to 50 percent or more of the accrued benefits from employer contributions, upon return to employment his prior service, before the break in service, is to be taken into account in applying the participation and vesting rules to his current situation. (The prior service would satisfy the plan's service requirements for participation.) The first rule set forth above, however, provides an exception to this rule.

Third, in the case of an employee who has completed 4 consecutive years of service before the break in service occurs, except as provided in the first rule above and the fourth rule below, service before the break is to be taken into account upon the employee's return to employment.

Fourth, in the case of an employee who has a break in service for a period of six years or more, service performed by the employee before the break in service need not be taken into account under the plan except in the case of employees coming under the second rule set forth above—that is, only where an employee has a vested right to 50 percent or more of employer contributions. Thus, where longer breaks in service occur, it will not be necessary to take into account prior service except in those cases where the employee had previously built-up vested rights to the level of 50 percent or more.

Joint regulations on a year of service.—The regulations as to the meaning of a year of service, including those relating to breaks in service, are to be effective for plan years beginning after December 31, 1975, only if approved by the Secretary of Treasury. Where the bill's provisions apply before that date (as in the case of new plans and plans which elect earlier dates), then regulations may be prescribed without the necessity of approval by the Secretary of Treasury. However, those regulations are not to apply beyond the December 31, 1975, plan year cutoff date.

Other rules.—The committee intends that Labor regulations specify the extent to which service with a predecessor of the employer is to be counted for purposes of the eligibility requirements. In the case of a multiemployer plan, service with any employer who was a member of the plan is to be counted towards an individual's participation requirement.

For purposes of these rules (and elsewhere in the bill), a "multiemployer plan" is a plan maintained pursuant to a collective bargaining agreement, to which more than one employer is required to contribute, and to which no one employer makes as much as 50 percent of the contributions. (After a plan has once qualified as a multiemployer plan, however, up to 75 percent of the contributions may be made by a single employer without affecting the multiemployer status of the plan. In addition, the Secretary is authorized to prescribe regulations establishing certain other requirements in the case of a multiemployer plan, dealing, for example, with the extent to which the plan should be liable to make benefit payments to participants, regardless of whether the participant's employer continues to make contributions under the plan.

Maximum age requirement.—In order not to discourage the hiring of older employees, the bill would permit a defined benefit pension plan to exclude employees who are within 5 years of normal retirement age at the time they would otherwise become eligible to participate. Also, the plan may provide that the employee is not eligible to begin drawing retirement benefits until 10 years after he began to participate in the plan of participation. If a maximum age provision were to be prohibited, in the case of a defined benefit plan the cost considerations of providing a defined benefit to an older employee might discourage the hiring of the elderly. In the case of a defined contribution plan (such as profit-sharing plan or a money purchase pension plan), however, these cost considerations do not generally apply, and the committee therefore did not see why a maximum age therefor did not see why a maximum age limitation of this type should be permitted.

Government and church plans.—These provisions (as well as the corresponding provisions of the bill relating to vesting and funding) do not apply in the case of government plans, including the Federal civil service plan, and plans sponsored by State and local governments (including the District of Columbia), and any plan to which the Railroad Retirement Act applies. These plans may continue to remain qualified by continuing to meet the current law requirements (as in effect on the day before enactment). Also, new government plans may be qualified if they meet the requirements of present law. However, the Committee on Ways and Means and the Committee on Education and Labor are to study the extent to which it would be desirable to bring government plans under Federal participation, vesting, funding, and fiduciary standards, as well as matters affecting mobility of government employees and those employed under Federal procurement, construction, or research contracts or grants. The committees are to report to the House of Representatives no later than December 31, 1976.

Likewise, church plans (and plans of associations or convention of churches) will be exempt from the requirements of the bill unless the church files an election, in a form and manner to be prescribed in regulations, electing to come under the participation, vesting, and funding provisions of the bill (and the other rules which relate to these provisions), rather than to comply with the requirements of present law. Once an election is filed, however, it will be irrevocable. Generally, a "church plan" includes any plan maintained by a church or association or convention of churches, other than a plan primarily for benefit of employees in an unrelated trade or business of the church, or a multiemployer plan which includes employees which are not churches. However, for purposes of this definition of "church plan", if the plan was in existence on January 1, 1974, and at that time covered employees of another organization exempt from tax (under sec. 501) which was an agency of the church, then employees of the agency are to be considered as employees of the church.

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[4] The term "continuous" is also to be defined in regulations to take account of the problem of seasonal employees, as well as factors such as sick leave, holidays and vacation periods, etc.

Effective dates

These provisions apply generally to plan years beginning after the date of enactment of the bill. However, to allow time for amendment for plans in existence on January 1, 1974, the provisions are to take effect in these cases for plan years beginning after December 31, 1975, unless the plan administrator makes an irrevocable election to have the provisions apply sooner (under regulations prescribed by the Secretary or his delegate), in which case the provisions will take effect at the beginning of the first plan year which occurs after the election.

Where the plan is subject to the provisions of a collective bargaining agreement in effect on January 1, 1974, the effective date is further postponed until plan years beginning after December 31, 1976, or, if later, plan years beginning after the expiration of the collective bargaining agreement (or the expiration of the last relevant agreement in the case of a multiemployer plan or a single plan subject to more than one collective bargaining agreement), but without regard to any extension made after the date of enactment. For this purpose, a collective bargaining agreement will not be considered as terminated if it can be (or is) reopened with respect to relatively narrow issues only. For example, a collective bargaining agreement would not be considered as being terminated for this purpose if it can be reopened with respect to the benefit payable to a surviving spouse, if it can be reopened because of a change in payments with respect to voluntary coverage under Part B of the Medicare benefits under the Social Security Act, or if it can be reopened to increase benefits with respect to a quite limited group of employees.

A question has arisen as to how the effective date rules are to be applied to a plan which includes employees subject to one or more collective bargaining agreements and also employees not under any such agreement. The intent is that the presence of an insignificant number of union members as participants in a plan is not to be sufficient to delay the effective dates for an additional 5 years. On the other hand, the presence of a small number of nonunion participants should not force the untimely renegotiation of labor-management contracts. As a result, your committee intends that a plan is to be regarded as maintained pursuant to a collective bargaining agreement if (1) either the contribution levels or the benefit levels under the plan are to be determined under the agreement and (2) at least 25 percent of the participants are members of the unit of employees covered by the agreement. In addition, where an employer has one plan for collective bargaining unit employees and another plan for other employees, but those plans are essentially the same with regard to benefits and contributions, then the two will be considered as one for purposes of applying the rule described above as to when a plan with both union and nonunion participants is to be entitled to delayed effective date provisions. Finally, where an employer has a plan for collective bargaining unit employees and another plan for other employees, and the second plan consists of two parts, one part of which is essentially the same as that for collective bargaining employees, the part which is essentially the same will be considered as a part of the collective bargaining plan for purposes of this effective data provision.

Vesting

Present law

Plans are now required to provide vested (i.e., nonforfeitable) rights to participating employees when they attain the normal or stated retirement age. Employees must also be granted vested rights if the plan terminates or the employer discontinues his contributions.

However, qualified corporate plans are generally not required to provide vested rights to participating employees before normal retirement age unless this is considered to be necessary—in view of the likely pattern of employees turnover—to prevent discrimination against the rank and file employees in favor of officers, shareholders, supervisors, or highly paid employees. In other words, preretirement vesting is required only where its absence would cause discrimination in favor of officers, etc., who could be expected to remain with the firm long enough to retire and qualify for benefits, while the rank and file employees would continually be separated from the firm and lose their benefits.

General reasons for change

Unless an employee's rights to his accrued pension benefits are nonforfeitable, he has no assurance that he will ultimately receive a pension. Thus, pension rights which have slowly been stockpiled over many years may suddenly be lost if the employee leaves or loses his job prior to retirement. Quite apart from the resulting hardship, your committee believes that such losses of pension rights are inequitable, since the pension contributions previously made on behalf of the employee may have been made in lieu of additional compensation or some other benefits which he would have received.

Today, slightly over two-thirds of the private pension plans provide some vested rights to pension benefits before retirement. However, as a general rule, employees do not acquire vested rights until they have been employed for a fairly long period with a firm or are relatively mature. Since there is no general applicable legal requirement for preretirement vesting, some plans do not offer this type of vesting at all, and among those plans which do, there is no uniformity in the vesting rules as provided. At present, only one out of every three employees participating in employer-financed plans has a 50-percent or greater vested right to his accrued pension benefits. Even for employees, a substantial portion do not have vested rights. For example, 58 percent of covered employees between the ages of 50 and 60, and 54 percent of covered employees 60 years of age and over, still do not have vested rights to even 50 percent of their accrued pension benefits. As a result, even employees with substantial periods of service may lose pension benefits on separation from employment. Extreme cases have been noted in which employees have lost pension rights at advanced ages as a result of being discharged shortly before they would be eligible to retire. In addition, your committee believes that more rapid vesting is desirable because it will improve the mobility of labor, and in this manner promote a more healthy economy.

For reasons indicated above, your committee concluded that it is necessary and desirable to provide a minimum standard of vesting for all qualified pension plans. Clearly, however, it would be counterproductive to increase employer costs by more rapid vesting to such an extent as to significantly curtail the creation of new retirement plans (or to significantly curtail the increase of benefits in existing plans). The committee bill deals with this problem by requiring that all plans must meet one of three minimum standards for vesting.

Explanation of provisions

General rule.—The committee bill provides that a qualified plan would have to meet one of three vesting standards with regard to benefits derived from employer contributions:

1. a graded vesting standard, under which the employee must be at least 25 percent vested in his accrued benefit after 5 years of covered service, with a gradual increase in this percentage in subsequent years, so that the employee must be 100 percent vested after 15 years of service;
2. full vesting after 10 years of covered service; or
3. a "rule of 45, under which an employee with 5 or more years of covered service must be at least 50 percent vested in his accrued benefit when the sum of his age and years of covered service total 45, with 10 percent additional vesting for each year thereafter.

Whichever of these alternatives is adopted, each employee would have to be fully and immediately vested in his accrued benefit derived from his own contributions.[1]

It should be made clear that the standards provided in the committee bill are only minimum standards. The bill's provisions are not intended to prohibit plans with more rapid vesting than that required under the standards in the bill.

Your committee believes that the new vesting rules should provide flexibility, so as to allow plans to choose from several reasonable standards a vesting schedule best suited to the needs of the particular business, and so as not to disrupt existing plans which already have provided reasonable vesting under one of several formulas. In addition, a transition rule and delayed effective dates are provided, so that plans may be amended in an orderly manner to come into compliance with the new minimum standards. Compliance with any of these standards, together with continued vitality of the antidiscrimination standards of the Internal Revenue Code, should afford substantial protection to employees against possible loss of their pension rights.

Graded vesting.—One of the alternatives under the committee bill provides that a plan (whether trusteed or insured) would be required to give each participant vested rights to at least 25 percent of his accrued benefit from employer contributions after 5 years of service, plus 5 percentage points a year for each of the next 5 years and 10 percentage points a year thereafter. This would mean that there must be 100 percent vesting after 15 years of covered services.

This approach has the advantage of providing some vesting at a relatively early point in the employee's career. Thus, if the employee changes jobs after 5 years of service, he would be protected in his rights to at least some part of his accrued benefit. This rule (and, to a lesser extent, the 10-year 100-percent vesting rule and the rule of 45 vesting rule) proceeds on the assumption that some part of the obligation to provide reasonable retirement benefits should be shifted from the employee's last employer and should be shared by those who employed him earlier in his working career.

Ten-year 100-percent vesting.—Another alternative under the committee bill provides that a qualified plan could meet the vesting requirements by giving each participant vested rights to 100 percent of his accrued benefit derived from employer contributions after 10 years of service.

This approach avoids the recordkeeping and other administrative costs involved in accounting for partially vested rights. In the case of the employee who serves for 10 years, this alternative provides greater vesting protection than the graded vesting rule (discussed above) or, in general, the rule of 45 (discussed below).

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[1] Thus, in general, the rules described hereafter relate only to benefits derived from employer contributions.

The "rule of 45".—The third alternative under the bill, known as the rule of 45, would require that a plan provide each employee with vested rights to at least 50 percent of his accrued benefit when the sum of his age and years of covered service equals 45 (subject to a minimum service requirement of 5 years), with at least 10 percent additional vesting for each year of service thereafter.

The age-weighted approach has the advantage that it provides more protection to the older worker, who is closer to retirement, and who may not get another chance to earn a pension if he leaves his employment prior to retirement.[2] For this reason, your committee believes that the rule of 45 should be available as an alternative for those plans which would prefer to take an age-weighted approach.

Transition rule.—Your committee has concluded it is important that all qualified plans ultimately meet one of the three minimum standards in the bill. However, to impose the full force of these standards on existing plans without some transition period would, in some cases, subject these plans to substantial additional costs to pay for the required vesting, possibly causing a reduction of benefits in some plans, or even plan termination. To ease the cost factor in the case of plans already in existence which have not previously been subject to vesting requirements such as those set forth in the committee bill, the bill provides a transitional rule under which plans actually in effect on December 31, 1973,[3] would have a reduced vesting requirement for the first 5 years to which the new rules apply.

During the first year to which the bill's vesting standards apply, the plan would have to provide at least 50 percent of the regular requirement under the applicable vesting schedule—this 50-percent level would have to then be increased by 10 percentage points a year, so that the new rules would fully apply in the sixth year after the effective date. For example, under the graded vesting approach, during the first year in which the rules were applicable, an employee with 5 years of covered service would be at least 12.5 percent vested in his total accrued benefit (50 percent of the 25-percent requirement which is generally to apply after 5 years of service); this would increase to 18 percent the next year as the next step in the transition period was reached and also as the employee moved along the graded vesting schedule (60 percent of 30 percent), 24.5 percent the next year (70 percent of 35 percent), 32 percent the next year (80 percent of 40 percent), 40.5 percent the next year (90 percent of 45 percent), 50 percent the next year (100 percent of 50 percent), and by an additional 10 percentage points each year thereafter under the fully effective graded vesting schedule alternative of the bill. By use of this gradual approach, your committee believes that it will be possible to implement the new rules with a minimum of disruption to existing plans.

Preparticipation service.—Once an employee becomes eligible to participate in a pension plan, generally all his years of service with an employer, including preparticipation service, are to be taken into account for purposes of determining his place on the vesting schedule.

However, the plan may ignore service during a period for which thhe employee decided not to make contributions to a plan requiring employee contributions. Also, service need not be taken into account for periods for which the plan employer did not maintain the plan (e.g., periods before the plan was established or after the employer discontinued contributions but the plan was kept in existence for the purpose of paying already-earned benefits when due).

The committee bill also provide that for purposes of the vesting schedule, service before age 25 may be ignored whether or not the employee was a participant in the plan. This will have the effect of not discouraging plans from providing immediate participation and accrual of benefits for all employees. For example, in a plan providing for immediate participation, at age 30 an employee who had started on the job at 18 would have to be at least 25-percent vested in 12 years of accrued benefits under these rules (instead of only 5 years of accrued benefits, which would be the case if the plan did not permit participation until the employee was 25).

Service for an employer is to be taken into account for purposes of placement on the vesting schedule, even though the service was in a different division of the corporation, or with a different corporation member of the affiliated group. However, the bill does not require that such service be taken into account for purposes of accruing benefits while the employee works for a division which does not have a plan. This may be illustrated by the following example.

Assume that an employee begins work at age 25 for division A of a corporation, which does not have a pension plan, and, at age 40 he transfers to division B, which does have a plan. Under all of the vesting standards, the employee would immediately become fully vested in the benefits which accrue under the plan, because of his 15 years of prior service with the employer.[4]

Benefits accrued in the past.—Generally, the vesting requirements of the bill are to apply to all accrued benefits, including those which accrued before the effective date of the provision. Years of service prior to the effective date also are to be counted for purposes of determining the extent to which the employee is entitled to vesting. For example, in the case of a plan electing the graded vesting alternative, if an employee joined a company at age 30 (at which time a plan was in effect), became a participant in the plan at age 35, and was age 40 on the effective date of the vesting provisions, he would have to become at least 50-percent vested at that time based on 10 years of service (although this percentage would be reduced under the transition rule for plans in effect on December 1, 1973). However, he might not have more than 5 years of accrued benefits since the minimum benefit accrual is based on participation.

This would occur because of his 5 years of participation under the plan plus his 5 years of preparticipation service. Without this pre-effective date rule, it was apparent to your committee that employees who are now older employees would receive the advantages of required vesting only for the accrued benefits they would be able to build up gradually in the future and would receive no protection for benefits accrued prior to the effective date of these provisions, which would usually be the bulk of the benefits earned during their lifetimes.

Your committee considered various methods of providing that pre-effective date service be taken into account in the case of older employees only, but concluded that most such methods provided some type of undesirable "notch" effect and in most cases would result in little cost saving to the employer relative to the rule adopted in the bill.

However, it does not appear to be desirable to provide for retroactive vesting for employees who have already terminated their service with the employer, since this would create a substantial unexpected cost for the plan (thereby possibly jeopardizing the size of benefits for employees still covered under the plan) and might involve serious recordkeeping problems. Thus, the committee bill specifically provides that the plan is not required to take into account service performed prior to January 1, 1969, until the employee has served at least 5 years with his employer after December 31, 1968.

Multiemployer plans.—In the case of a multiemployer plan governed by a collective bargaining agreement, the vesting requirements of the committee bill generally are to be applied as if all employers who are parties to the plan constituted a single employer. For example, years of service with employers A and B under the plan will be counted together in determining vesting, even though the employee now works for employer C.

Service that is seasonal, intermittent, etc.—For purposes of the minimum vesting rules, the question of whether an employee has performed a "year of service" will be determined in accordance with the same regulations which defined this term in connection with the participation requirements, described above. Of course, a seasonal or part-time employee who performs a year of service for purposes of determining his place on the vesting schedule, may nonetheless accrue benefits at a slower rate than his full-time, year-round counterpart. However, the relationship between the rate of accrual for a full-time employee, and a part-time or seasonal employee would have to be reasonable and applied on a consistent basis under the plan in order to meet these requirements. Service with a predecessor of the employer would also be counted, for purposes of the vesting rules, to the extent provided in regulations. Your committee anticipates that the regulations in this area will prevent a situation where an employee might lose his rights to vesting as a result of a business reorganization.

The basic rules have been set forth in terms of "years of service". However, the committee recognizes that there are a substantial number of industries in which the common concepts of years, months, weeks, or hours of service do not apply. For example, it may be appropriate in some industries to provide that a participant must work at least 1,000 hours in order to have completed a "year of service" for purposes of the participation rules and for purposes of determining where he is to be placed on the vesting schedule. Under the bill, the regulations are to take into account such variations of customary working periods.

It must be noted that it is not necessary that the "year of service" concept used for participation or vesting purposes be the same as the "year of service" concept used for purposes of accrual of benefits. For example (as indicated above), in a particular industry it may be appropriate to advance a person one year on the vesting schedule if he has completed 1,000 hours of work during the plan year. However, that same plan may provide that a full year's worth of benefits will accrue only if the employee completes 1,600

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[2] Under the present law, all rights must be fully vested when the employee attains the normal or stated retirement age, but an older employee who terminates his service prior to reaching retirement age generally does not have to be vested under present law (except to prevent discrimination).

[3] A plan which went into effect after this date would not be eligible to use the transitional rule, even if the plan agreement included a retroactive clause which provided that the plan was in effect "as of" December 31, 1973.

[4] Conversely, an employee who worked for 5 years in division B, and then shifted to division A, would continue to increase his percentage of vesting in the benefits which he had accrued under the division B plan, even though division A did not have a plan. Of course he would accrue no benefits in the division B plan on account of his division A service (unless the plan provides otherwise).

hours of service during the plan year. In such a case, completion of 1,200 hours would provide an accrual of .75 of a year's benefits. 1,000 hours would provide accrual of .625 of a year's benefits, 800 hours would provide accrual of .5 of a year's benefits.

Permitted forfeitures of vested rights.—A retirement plan under the committee bill may provide that an employee's vested rights in accrued benefits derived from employer contributions (but not from his own contributions) may be forfeited in the event of the employee's death (although this exception is not to apply if the employee had retired or was eligible to retire and a "joint and survivor" annuity was to be provided).

Also, a plan is permitted to suspend payment of benefits while the participant is working for the employer (for example, where an early retiree returns to work to increase his subsequent pension benefits). In the case of a multiemployer plan, the benefits may be suspended if the employee has resumed employment in the same industry even though not with the same employer. These rules are not to prevent suspension of part of an early retirement supplement (such as a so-called social security supplement) on account of reemployment, even with another employer or in another industry.

In addition, the bill provides for circumstances under which a retroactive plan amendment, if approved for this purpose by the Secretary, may be permitted to divest accrued benefits that had already become nonforfeitable. In order to be approved by the Secretary, such a retroactive amendment which divests what were otherwise nonforfeitable benefits, must have been initiated by the Secretary or proposed by the plan administrator and the Secretary must be satisfied that the administrator has given adequate notice of all plan participants and other interested persons. The Secretary must then give those interested persons an opportunity to be heard and must notify the Secretary of the Treasury of any such hearing. Further, the Secretary may approve such a divesting retroactive amendment only if he finds that (1) the amendment affects the plan only to such an extent as is necessary or appropriate to carry out the purposes of this pension bill and to provide adequate protection to the participants and beneficiaries, (2) but for the amendment, there would be a substantial risk to the voluntary continuation of the plan or a substantial curtailment of pension benefit levels or the levels of employee compensation, and (3) failure to make the amendment would be adverse to the interests of plan participants in the aggregate. Your committee concluded that, when such conditions occurred and those procedural safeguards were followed, it was appropriate to permit these divestitures.

It is permissible for the employee's vested accrued benefits to be "cashed out" under specified circumstances. On termination of participation if the value of the nonforfeitable benefit is less than $1,750, then the benefit may be cashed out by a lump-sum distribution whether or not the employee agrees to receive the distribution (but only if the plan permits such a distribution without regard to the employee's preferences). If the employee agrees to the cashing out of his nonforfeitable benefit then, whether or not the amount is less than $1,750, the benefit may be cashed out if the distribution was made on termination of the employee's participation in the plan or under such other circumstances as may be provided by regulations. Such a nontermination cashing out of accrued benefit might be permitted, for example, on the occasion of a revision of the formula for computation of accrued benefits under the plan. It must be noted that the rule described above permits the cashing out of vested accrued benefits but the service to which those benefits relate nevertheless must continue to be taken into account, in accordance with the rules described above (service that is seasonal, intermittent, etc.) for purposes of determining whether the employee has met the service requirement for participation and for the purposes of determining the employee's place on the vesting schedule with regard to benefits that accrue in the future. Also in cases where the employee's accrued benefit is not cashed out when the employee leaves the employer's service, if the employee is later reemployed, his percentage of vesting in the benefit which accrued before the service break may be increased on account of service which occurs after the break.

With the limited exceptions noted above, no rights, once they are required to be vested, may be lost by the employee under any circumstances (although, as under present law, the plan may pay the employee the actuarial value of his vested rights upon separation from service). For example, a vested benefit is not to be forfeited because the employee later went to work for a competitor, or in some other way was considered "disloyal" to the employer.[5] Also, rights to benefits are not to be forfeited merely because the employer (or plan administrator) cannot find the employee.

Accrued benefits.—Under the committee bill, the vested employee is protected in his rights to all, or a certain percentage, of his "accrued benefit." It is necessary to provide a statutory definition of an "accrued benefit" because, unless this is a defined amount, vesting of an "accrued benefit" in whatever form is specified by the plan has little, if any, meaning. In the case of any retirement plan other than a defined benefit pension plan, under the bill the employee's "accrued benefit" is the balance in his plan account.[6] This would include, for example, a money purchase pension plan, a profit-sharing plan and a stock-bonus plan.

In the case of a defined benefit plan the bill provides that the accrued benefit is to be determined under the plan, subject to certain requirements. The term "accrued benefit" refers to pension or retirement benefits and is not intended to apply to certain ancillary benefits, such as medical insurance or life insurance, which are sometimes provided for employees in conjunction with a pension plan, and are sometimes provided separately. To require the vesting of these ancillary benefits would seriously complicate the administration and increase the cost of plans whose primary function is to provide retirement income. Also, where the employee moves from one employer to another, the ancillary benefits (which are usually on a contingency basis) would often be provided by the new employer, whereas the new employer normally would not provide pension benefits based on service with the old employer. Also, the accrued benefit to which the vesting rules apply is not to include such items as the value of the right to receive benefits commencing at an age before normal retirement age, so-called social security supplements which are commonly paid in the case of early retirement but then cease when the retiree attains the age at which he becomes entitled to receive current social security benefits, and any value in a plan's joint and survivor annuity provisions to the extent that exceeds the value of what the participant would be entitled to receive under a single life annuity.

The accrued benefit which is to be vested is defined in terms of the benefit payable at normal retirement age. That is to be the age designated as such by the plan, but not later than 65 and the completion of 10 years of participation.

The annual benefit payable from the normal retirement age is to be the benefit as generally defined in the plan, subject however to one of two limitations intended to assure a fair and proportionate accrual for employees who acquire nonforfeitable rights to deferred benefits. The minimums are prescribed to avoid the possibility that a plan may set so low a rate of accrual for relatively short service or for younger employees as to emasculate the vesting requirements.

One alternative minimum is that the accrual for each year of participation is not to be less than 3 percent of the plan's maximum benefit for a participant who began participation at the earliest possible entry age under the plan and continued to normal retirement age. The maximum accrual is of course limited to 100 percent of such maximum benefit.

The objective of this minimum is to deal with a wide variety of benefit formulas by prorating the maximum benefit payable at the normal retirement age over a full working career of not more than 33⅓ years.

The other alternative minimum is that the plan may define its own rate of benefit accrual for each year of service, except that with respect to years of service (for accrual of benefit purposes) preceding a participant's eligibility to elect to receive immediately benefits which are not reduced on account of his age or service:

"The annual rate of accrual for any plan year may not be greater than 133⅓ percent of the accrual rate for any other plan."

In general, this rule will provide a constraint on differentials in the rates at which benefits are accrued in various stages of participants total service under a plan. It is the intention that both "backloading" (ascribing a greater weight to later years of service than to earlier years) as well as "frontloading" (ascribing a greater weight to earlier years than to later years) be constrained by application of the 133⅓ percent limit.

In recognition of certain situations where the application of the rule needed to be modified, the bill provides that any "frontloading" in any of the first ten years of service (for benefit accrual purposes) in relation to another year within the first ten or in relation to a year subsequent to the tenth will be permitted. In addition, prospect plan amendments will be treated as being in effect for all other plan years in applying the rule.

The purpose of the limitation on "backloading" is to prohibit a potential mechanism for avoiding the desired and intended effect of the minimum vesting standards in Part 2 of the bill. It would be possible by heavily weighting the later periods of service for accrual purposes to achieve a situation in which little or no benefits would be provided those who terminated service subsequent to vesting but prior to completing twenty or thirty years of service. The "frontloading" constraint is designed to prevent the alternative rule provided in Section 205 (b)(2) from being utilized as a device to spread the accrual period beyond 33⅓ years, except in those cases where all years prior to, what in effect is the earliest normal retirement age, are credited for accrual of benefit purposes.

For purposes of making the loading calculation, it will be assumed that compensation, social security benefits, cost of living adjustments, investment performance (where relevant), and all other relevant factors used to compute plan benefits will remain constant.

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[5] Some plans also provide that an employer may have lien rights against employee interest in a pension plan. These clauses would also be prohibited under the committee bill, except where the plan requires that the employee be given prior notice of any impending lien and there is a judicial hearing on the probable validity of the employer's claim.

[6] Separate accounting for each employee is required under the committee bill in the case of contributions to a defined contribution plan and for voluntary employee contributions to a defined benefit plan.

In the case of plans which provide for early retirement, for example, "30 and out" plans, or plans which allow retirement at age 55 after 20 years of service, the employee who meets the conditions for early retirement may receive a much greater benefit in terms of value than the employee who fails to meet the early retirement conditions. For example, if there were a plan which had a normal retirement age of 65, and an early retirement age of 55, with 30 years of service, and an annual benefit accrual of one percent of compensation, subject to a 30 percent of compensation ceiling, an employee who began work at 25, and retired at 55, would receive a benefit of 30 percent of compensation each year thereafter; but, if the employee left his job at age 54, he would receive a benefit of 29 percent a year which was not payable until age 65.

The committee believes it is desirable not to discourage early retirement plans, accordingly the accrued benefit computation shall be made, for the purposes of the bill, only with regard to the benefit payable at the normal or regular retirement age. The value of any benefit payable under a plan prior to that age may be disregarded.

Changes in vesting schedule.—Under the bill, if a plan is amended in a manner which changes its vesting schedule, each person who is a participant in the plan on the date the amendment is adopted (or is a participant in the plan on the amendment's effective date) is to continue to vest his accrued benefits at no less than the rate at which those benefits had been scheduled to be vested under the preamendment vesting schedule. This is to apply both to accrued benefits from preamendment service and to subsequent accrued benefits, and is to apply whether or not the participant had any vested benefits at the time of the amendment. The application of this rule may be illustrated by the following example: Suppose that A is a participant in a plan which follows the minimum requirements of the graded vesting schedule and that A has completed 4 years of service on the amendment date. The amendment provides that the plan is to vest under the minimum requirements of the 10-year 100-percent vesting schedule. Under this rule, at the end of A's next (fifth) year of service, he is to be 25 percent vested in his accrued benefits, as he would have been had the amended vesting schedule not been adopted. This vesting percentage is to be increased by 5 percentage points for each of the next 5 years, as under the minimum requirements of the graded vesting schedule. However, at the end of the tenth year of service, A's vesting percentage becomes 100 percent, because that is the higher rate provided under the new vesting schedule. The same vesting percentages would apply in each of the years if the amendment had been to change the vesting schedule in the opposite manner (i.e., from 10-year 100-percent vesting to graded vesting).

Allocations between employer and employee contributions.—In plans where there are both employer and employee contributions, it will be necessary to allocate the accrued benefit between the portion derived from the employer contributions, and the portion derived from the employee contributions. This allocation may have to be made because the employee is always fully vested with respect to amounts attributable to his own contributions but not necessarily with respect to those of the employer. Also, information of this type would be needed if an employee, upon leaving employment, desires to withdraw his own contributions.

In the case of any plan other than a defined benefit pension plan, the accrued benefit derived from the employee's contributions under the bill is the amount in his own separate account. If the employee and employer contributions were not accounted for separately, the employee-contributed portion of the total accrued benefit would be treated as the fraction of the total which is the ratio of employee contributions to total contributions (after taking account of withdrawals).

In the case of a defined benefit pension plan which provides an annual benefit in the form of a single life annuity commencing at normal retirement age (without ancillary benefits), the accrued benefit derived from mandatory employee contributions (which could never be in excess of his total accrued benefit under the plan) would be treated as the total amount of the employee's "accumulated contributions" multiplied by a conversion factor.[7] In general, the conversion factor, which initially is to be fixed at 10 percent for a normal retirement age of 65, is to be used to convert the amount of the accumulated contributions to a single life annuity commencing at normal retirement age. For other normal retirement ages, the conversion factor is to be determined by regulations.

In determining the employee's accumulated contributions, under the bill, interest on the employee's mandatory contributions is to be compounded annually, initially at a rate of 5 percent (beginning with the first plan year subject to the vesting requirements imposed under the committee bill) to the date when the employee would reach normal retirement age. In addition, any interest accumulated on the employee's contributions (either compounded or simple) in accordance with the terms of the plan, prior to the date when the vesting provisions of the bill first apply to that plan, are to be treated as part of the employee's accumulated contributions. For purposes of this rule, an employee's mandatory contributions include any contributions made to the plan by the employee as a condition of employment, or of participation in the plan, or of obtaining benefits under the plan which are attributable to employer contributions.

The bill authorizes the Secretary or his delegate to adjust the conversion factor, and the assumed rate of interest on employee contributions, on a prospective basis, from time to time, as may be appropriate, but requires him to give at least one year's notice of any such action. The adjustment in the interest rate would be made by comparing the long-term money rates and investment yields for a 10-year period ending at least 12 months prior to the year in which the adjustment would first apply, with the corresponding rates and yield for the 10-year period from 1964 through 1973.[8]

The committee anticipates that the Secretary, in determining money rates and investment yields, will use a composite of a number of indicators. For example, one possible approach might be to give equal values to the dividend yields of the Dow-Jones Industrial Average and the Standard and Poor's 500-Stock Average, and to the interest rates of Barron's or Moody's highest-rated bonds and United States Treasury long-term obligations. This composite, for the 1964–1973 base period, would be set at 5, and the interest rate in the future would be determined by the Secretary's comparison of this composite for the base period, with the same composite for the then most recent 10-year period. It is contemplated that this interest rate will be adjusted not less often than annually, and that due regard will be given to the impact of any such adjustment on existing plans.

Plan termination.—Under present law, all accrued benefits in a qualified pension plan must become fully vested (to the extent then funded) in the event of a termination, or the complete discontinuance of contributions under a pension plan. This rule will no longer be necessary with respect to discontinued contributions, because the committee bill now provides for an excise tax on underfunding. Employers whose plans are subject to the funding requirements of the committee bill cannot terminate their plans merely by discontinuing contributions, since the employers continue to remain liable for the required contributions.[9] However, the committee bill makes clear that this rule of full immediate vesting is still to apply in the case of a termination, or a partial termination. (Examples of a partial termination might include, under certain circumstances, a large reduction in the work force, or a sizable reduction in benefits under the plan.) Moreover, even after the plan has terminated, the employer is still under an obligation to pay the required funding of the plan through the date of termination and these make-up amounts (if any) are to be taken into account in determining the accrued liabilities which may become vested upon termination.

Class year plans.—A class year plan is a profit-sharing or stock bonus plan which provides for the separate vesting of employee rights to contributions (or rights derived from contributions) to a plan on a year-by-year basis and the withdrawal of these amounts on a class-by-class basis as they mature. The minimum vesting requirements of the bill applicable to a class year plan are satisfied under the bill if the plan provides for 100-percent vesting of the benefits derived from employer contributions within 5 years after the end of the plan year for which the contributions were made. A separate rule is needed for class year plans since they are structured differently than most other types of plans. The 5-year full vesting rule provided in this case by the committee bill assures an employee who terminates his employment under a class year plan that he will not forfeit his rights to more than 4 years of employer contributions.

Recordkeeping requirements.—To carry out the intent of the vesting provisions (primarily those involving intermittent employment), the employer would be required to keep records of the years of service of his employees and the percentage of vesting which the employees had earned, together with any additional information required by the Secretary in order to determine the employee's benefits. In the case of a multiemployer plan, the employer would furnish the required information to the plan administrator (who would be required to maintain the records), in accordance with regulations.

Failure to maintain or furnish the required records would result in a civil penalty of $10 for each employee with respect to whom the failure occurs, unless it is shown that the failure is due to reasonable cause. The committee expects that the necessary records will be retained by employers for at least 6 years following a break in service. After that, the employee could still establish his right to vesting based on prior service, but the burden of producing the evidence would shift to the employee.

In additon, the Social Security Administration is to be informed, in a time and manner to be prescribed under regulations, when an employee terminates his service prior to retirement with vested benefits.[10] This information, in turn, will be supplied to plan participants and beneficiaries upon request, and when the individual applies for social security benefits. This provision should minimize the danger that vested rghts may be lost because a participant is unaware that he is entitled to receive a pension. (Regulations will provide for the situations where adequate records are not available for periods before the effective date of bill.)

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[7] Voluntary employee contributions are to be treated the same as a separate account.

[8] Plans which are not subject to the funding requirements (e.g., profit-sharing plans, church plans, and government plans) can be required to provide vesting of employee benefits (to the extent funded) if contributions are completely discontinued.

[9] In the case of a multiemployer plan the Secretary or his delegate may provide by regulations for the situation where all the employers of the terminated plan did not contribute at the same rate or on the same basis,

Under the bill, the "plan administrator" would generally be the person so designated under the plan or, if there were no designation, the employer or organization who maintained the plan.

Variations.—In the case of any plan, the bill (in sec. 501.) permits the Secretary to prescribe an alternative method (often referred to as a "variance") of satisfying the vesting schedules and accrued benefit requirements with respect to benefits attributable to employer contributions, if it is established to his satisfaction that rigid application of the requirements of the bill would increase the costs of the plan to such an extent that there was a substantial risk that the plan would be terminated, or there would be a substantial reduction in the benefits under the plan, or in the compensation of the employees. Such a variance could also be granted to prevent an undue administrative burden in connection with the plan.

The rules for such variances (which may be considered by the Secretary either on his own motion or on petition by the plan administrator, and only with appropriate notice and hearing safeguards) are described in detail below (in the funding portion of this general explanation).

Joint and survivor annuities.—Under present law, there is no requirement that a qualified employee plan must provide for survivor annuities. This can result in a hardship where an individual primarily dependent on his pension as a source of retirement income is unable to make adequate provision for his spouse's retirement years should he predecease her. To correct this situation, the committee's bill requires that if a plan provides for a lifetime annuity then, where the participant is married on the annuity starting date, the plan must provide for a joint and survivor annuity (or an arrangement, such as supplementary benefits for the participant's spouse which has essentially the same effect) where the survivor annuity is at least half of the annuity payable to the participant during the joint lives of the participant and his spouse.

The plan may provide that the participant has a reasonable period (as prescribed in regulations) before the annuity starting date during which he may elect in writing—after having received a written explanation of the terms and conditions of the joint and survivor annuity and the effect of such an election—not to take the joint and survivor annuity. The bill does not require the plan to "subsidize" the joint and survivor annuity. Consequently, such a joint and survivor annuity could be less (in terms of dollars per annuity payment) than the single life annuity. Also, the bill does not forbid plans from making reasonable actuarial adjustments to take appropriate account of the possibility that otherwise total costs would be increased because of adverse selection.

The reduction permitted on the basis of actuarial equivalence need not involve a variety of reductions dependent on the life expectancy of each participant and of the participant's spouse. A uniform reduction or a simplified schedule of reductions will fulfill the intent of this provision if it can be established to provide actuarial equivalence in the case of the average participant.

The joint and survivor annuity requirements are to apply only to plans to which the new vesting requirements of this bill are applicable. In other words, the joint and survivor rules would not apply to government plans, they would not apply to church plans unless an election had been made to come under the new rules, and the effective date in the case of existing plans would be delayed to the same extent that the effective date is delayed generally with regard to the new vesting provisions. Of course, the plans not subject to these provisions (or to which the new provisions would not apply for some years into the future) may offer joint and survivor options if they wish to do so. The mandatory provisions of the bill will not apply unless that participant's annuity starting date is on or after the effective date with regard to that plan and would not apply unless that participant was an active participant in the plan on or after that effective date.

Plan mergers.—The committee bill contains a provision to ensure that the rights of participants are fully protected in the event of plan mergers. Under this provision, which applies to any plan merger occurring after October 22, 1973, each participant must be entitled to receive a benefit immediately after the merger (determined as if the plan then terminated) which has not less than the value of the benefit he would have been entitled to receive immediately before the merger (determined as if the plan then terminated). Moreover, the funding of his accrued benefit must be at least as adequate after the merger as it was before the merger. Without such a provision, the committee was concerned that the rights of plan participants might be diluted in some instances, as the result of plan mergers. As a further safeguard, the bill requires that in the case of any plan merger which occurs after enactment, the plan administrator must give 30 days notice, including an actuarial statement indicating that the requirements of the bill have been met.

Alienation.—To further ensure that the employee's accrued benefits are actually available for retirement purposes, the committee bill also contains a provision requiring that plan to provide that benefits may not be assigned or alienated. (Of course, this provision is not intended to prevent the transfer of benefit rights from one qualified plan to another.)

Nevertheless, a plan will be permitted to provide for voluntary and revocable assignments (not to exceed 10 percent of any benefit payment).

Your committee understands that many plans provide for payments of premiums for supplemental hospital benefits (under the Social Security Act) and this provision is intended to specifically permit such an alienation. Your committee determined to permit reasonable flexibility to extend this practice to other types of payments in the future, concluding that the safeguards (revocability, 10-percent limit, and regulations) would be sufficient to prevent abuses which might endanger the right of future retirees to be secure in their retirement incomes.

This provision is not intended to interfere with the current practice in many plans of using vested benefits as collateral for reasonable loans from the plans, where the "prohibited transactions" provision of present law and other fiduciary requirements are not violated.

Benefits of terminated participants.—Protection is given to retired individuals and individuals who are separated from the service of the employer against reductions in private plan benefits when social security benefit levels increase.

Present law under administrative practice provides that qualified plans may not use increases in social security benefit levels to reduce the benefits that they pay where the employees concerned are retired and already receiving integrated plan benefits. The bill codifies this treatment for retired persons. It also extends the prohibition against reducing plan benefits where social security benefit levels are increased to cases where the individuals concerned are separated from service prior to retirement and have deferred nonforfeitable rights to plan benefits. This provision is effective for increases in social security benefits which take place after the date of enactment or on the date of the first receipt of plan benefits or the date of separation from service (whichever is applicable) if that date is later.

These changes do not affect the ability of plans to use the integration procedures to reduce the benefits that they pay to individuals who are currently covered when social security benefits are liberalized. Your committee, however, believes that such practices raise important issues. On the one hand, the objective of the Congress in increasing social security benefits might be considered to be frustrated to the extent that individuals with low and moderate incomes have their private retirement benefits reduced as a result of the integration procedures. On the other hand, your committee is very much aware that many present plans are fully or partly integrated and that elimination of the integration procedures could substantially increase the cost of financing private plans. Employees, as a whole, might be injured rather than aided if such cost increases resulted in slowing down the growth or perhaps even eliminated private retirement plans.

In view of the serious issues involved in the integration of private plans with the social security system, your committee defers to the planned consideration of this matter by the Committee on Ways and Means.

Payment of benefits.—To ensure that a participant can reasonably expect to receive his benefits during his retirement years, the committee bill requires a qualified plan (to which the basic vesting provisions apply) to commence payment of benefits to the participant (unless he elects otherwise in writing and this election is permitted by the incidental death benefits rule) not later than the 60th day after the close of the plan year in which the latest of these events occurs: (1) the participant attains age 65; (2) the 10th anniversary of the time the participant commenced participation in the plan; or (3) the participant terminates his service with the employer. This requirement is set in terms of the end of a plan year, rather than the date on which the event occurs, in order not to disrupt unduly the administrative practice of plans that begin retirement benefits for all new retirees on the same date. The second of the above alternatives (the 10th anniversary of commencement of service) is designed to permit a defined benefit plan to have an adequate period of time in which to fund the benefit for a person who first enters the plan at a relatively late age. The third of the above alternatives (termination of service) has been added in recognition of the fact that these benefits are designed primarily to provide for the participant's retirement.

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[10] In the case of a multiemployer plan, the information would generally be furnished only when the employee left the plan; there would be no need to notify the Social Security Administration merely because the participant changed employers. Also, because of the large "turnover" rate in multiemployer plans, your committee contemplates that the regulations will provide that in the case of a multiemployer plan, no reporting is required for a reasonable period of, say, 2 years after the employee has last performed service under the plan.

Effect of withdrawal of employee contribution.—At the present time, many employee plans require employees to make contributions order to receive employer contributions (or benefits to be funded by the employer). Some such plans permit employees to withdraw their contributions (or the benefits derived from their contributions) but impose as a "penalty" for such withdrawal the forfeiture of some or all of the benefits derived from employer contributions. Where this occurs, the effect is to reduce the retirement protection afforded to the employee. Your committee is not at this point expressing a view as to whether employee contributions or the right to withdraw those contributions are desirable features of retirement plans. However, it does not appear appropriate to provide for forfeitures derived from employer contributions merely because of a withdrawal by the employee. Accordingly, the committee bill specifically requires all qualified plans to forbid forfeitures of nonforfeitable benefits derived from employer contributions solely because of withdrawals by employees of any parts of the benefits derived from the employees' contributions.

This limitation is to apply only to plans to which the new vesting provisions of the bill apply.

Church and government plans, and union-sponsored plans.—Church and government plans (described above under participation and coverage) are exempt from the vesting provisions of the bill but must comply with the requirements of present law in this area (as in effect on the day before enactment) in order to be qualified. Church plans may elect to come under the provisions of the bill and, once made, such an election will be irrevocable.

The committee bill also exempts from the vesting requirements plans which do not, any time after enactment, provide for employer contributions—in other words, union-sponsored plans. Since these plans are, in effect, controlled by the employees for whose benefit they are established, there is no need to impose the vesting requirements of the bill. However, if the plan provides for employer contributions, the mere fact that no such contributions are made (either because the plan is fully funded, or because the employer fails to comply with the funding requirements of the bill, or for some other reason), will not result in an exemption for the plan from the vesting requirement.

Effective Dates

These provisions apply generally to plan years beginning after the date of enactment of the bill. Later effective dates (which may vary from 1976 to 1981, depending on the circumstances of the plan) are provided in the case of plans in existence on January 1, 1974, in order to afford such plans adequate opportunity to adopt any amendments needed in order to conform to the new requirements resulting from this bill. The effective date provisions are described more fully above, in the discussion of participation and coverage requirements.

Part 3. Funding

Present Law

Pension plan liabilities[1] generally are estimates and are based on actuarial calculations. Consequently, all actuarial methods, factors, and assumptions used must, taken together, be reasonable and appropriate in the individual employer's situation. When applying for a determination letter from the Internal Revenue Service that a plan is qualified, the actuarial methods, factors, and assumptions used generally must be reported to the Service, along with other information to permit verification to the reasonableness of the actuarial methods used. Changes in actuarial assumptions and methods must be reported annually to the Service.

Actual experience may turn out to be different from anticipated experience, changing the estimated pension liabilities (and needed contributions requiring adjustments in assumptions and thereby resulting in experience loss or experience gain. Depending on the circumstances, the contributions needed to make up experience losses may be made currently or may be added to past service costs and amortized.[2] Similarly, depending on the circumstances, experience gains may reduce the plan cost currently or reduce costs under one of the spreading methods used to determine the amounts deductible.

The value of the plan assets also affects the amount of contributions. Under administrative rulings, assets may be valued by using any valuation basis if it is consistently followed and results in costs that are reasonable.

If an employer does not make the minimum required contributions to a qualified plan, under administrative practice the deficiency may be added to unfunded past service costs. However, the plan also may be considered terminated, and immediate vesting of the employees' rights, to the extent funded, may be required.

Under the bill, normal costs of covered plans are to be currently funded. Additionally, newly-established unfunded past service liabilities of covered plans generally are to be amortized over no more than 30 years, although existing past service liabilities generally are to be amortized over no more than 40 years. In addition, experience deficiencies generally are to be amortized over no more than 15 years. (Generally, longer periods are to be allowed for multiemployer plans.) Alternatively, if funding requirements are higher under a second general standard which is based on accrued vested liabilities, this standard is to apply in lieu of the rules set forth above. Under this standard, accrued vested liabilities are determined, as also are the value of the plan's assets. To the extent the vested liabilities exceed the value of assets, the first year's payment under a 20 year amortization schedule (principal and interest) of unfunded vested liabilities is to be paid in the current year. A new determination with respect to the applicability of this second general standard is to be made in each of the succeeding years, starting with a new 20 year period. Of course, pension liabilities may be amortized at a faster rate than under the minimum required standard, if desired.

Your committee recognizes that the amount required to fund a pension plan is in large part determined by actuaries' estimates of future plan costs, which in turn are based on the actuarial methods and assumptions used for each plan. Consequently, the determination of the amount of contributions that must be made to a plan to adequately fund the plan benefits is significantly affected by the professional decisions of the plan's actuary. The bill provides that actuaries enrolled to certify plan costs must report the actuarial methods and assumptions used for each pension plan. Your committee also contemplates that the Secretary may establish an actuarial advisory board to provide assistance in setting standards for enrolling actuaries, setting guidelines for actuarial assumptions and in other pertinent matters.

Explanation of provisions

Minimum funding rules, in general.—Your committee's bill establishes new minimum funding requirements for qualified plans so these plans will accumulate sufficient assets within a reasonable time to pay benefits to covered employees when they retire. Of course, contributions generally may be greater than these minimum requirements if the employer so desires. The new funding rules generally are to apply to any plan year after the effective date of the plan. However, the new requirements generally are not to apply to profit-sharing or stock bonus plans, governmental plans, certain church plans, plans with no employer contributions, and certain insured plans. Once a plan or trust has been covered the minimum funding requirements will apply, and they are to continue to apply to the plan or trust, even if it later loses its qualified status. If a plan loses its qualified status, the deduction rules for nonqualified plans are to apply even though the minimum funding standard continues to apply to the plan.

Generally, under the new funding requirements the minimum amount that an employer is to contribute annually to a defined benefit pension plan includes the normal costs of the plan (as under current law), plus amortization of past service liabilities, experience losses, etc. The minimum amortization payments required by the bill are calculated on a level payment basis—including interest and principal—over stated periods of time. Generally, initial past service liabilities and past service liabilities arising under plan amendments are to be amortized over no more than 30 years (40 years for the unfunded past service liabilities on the effective date of these new funding rules, in the case of existing plans), and experience losses are to be amortized over no more than 15 years. However, generally experience gains and losses need not be calculated more than every three years. With respect to multiemployer plans, past service liabilities generally may be amortized over no more than 40 years, and experience losses over no more than 20 years. However, an alternative funding standard, based on contributing a portion of the unfunded nonforfeitable liabilities under the plan, is to be used if it brings a higher level of funding in any year than would the basic minimum funding standard. This alternative standard is to apply both to multiemployer and other plans.

For money purchase pension plans, the minimum amount that an employer is to annually contribute to the plan is the amount that must be contributed for the year under the plan formula. For purposes of this rule, a plan (for example, a so-called Taft-Hartley plan) which provides an agreed level of benefits and a specified level of contributions during the contract period is not to be considered a money purchase plan if the employer or his representative participated in the determination of the benefits. On the other hand, a "target benefit plan" is to be treated as a money purchase plan for purposes of the minimum funding rules.

Under the new funding rules, generally each covered plan is to maintain a new account called a "funding standard account." The account also is used to assure that a plan which has funded more than the minimum amount required is properly credited for that excess and for the interest earned on the excess. Similarly, where a plan has paid too little, the account is to assist in enforcing the minimum funding standard.

Each year the funding standard account is to be charged with the liabilities which must be paid to meet the minimum funding standard. Also, each year the funding standard account is to be credited with contributions under the plan and with any other decrease in liabilities (such as amortized experience gains). If the plan meets the minimum funding requirements at the end of each year, the funding standard account will show a zero balance (or a positive balance, if the employer has contributed more than the minimum required). If the minimum contributions have not been made, the funding standard account will show a deficiency (called an "accumulated funding deficiency").

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[1] In determining liabilities, an employer must take into account factors such as the basis on which benefits are computed, expected mortality, interest, employee turnover, and changes in compensation levels.

[2] Under the "10-percent" deduction limit (sec. 404(a) (1) (C) of the Code), if the experience loss occurs using the same assumptions as previously, the additional contributions, subject to certain restrictions, may be deducted currently. If the deficit results from a loss in asset values or revaluation of liabilities using more conservative assumptions the deficit may be added to past service cost. Rev. Bull. 57–550, 1957–2 C.B. 266.

The funding rules established by the bill are in addition to the rules which provide the maximum deduction limits for contributions to a plan. However, generally a contribution that is required by the minimum funding rules is to be deductible currently. In addition, the rules governing the maximum deduction limitations are to be changed to make them more compatible with the minimum funding requirements.

Normal costs and initial past service liabilities.—Your committee's bill specifically continues the requirement of present law that the normal costs (arising from current liabilities) of a defined benefit pension plan must be currently funded. In addition, in order to give assurance that a plan will have sufficient assets to pay benefits, the bill establishes new minimum requirements for funding accrued past service liabilities.

In general, the bill requires that an employer's contributions to a defined benefit pension plan for initial past service liabilities is to be sufficient to amortize these liabilities, on an accrued basis, over no more than 30 years from the date that the plan is established (40 years for multiemployer plans).

For a plan in existence on the date of enactment, unfunded past service liabilities existing as of the effective date of the new funding provisions applicable to the plan are to be treated as initial past service cost to come under the minimum funding rule and are to be amortized over no more than 40 years. This longer period will allow existing plans sufficient time to make the transition into the new funding rules. Since existing plans may have to be amended to meet the new vesting and participation requirements of the bill (and those amendments would affect plan costs), the 40-year amortization period is to be allowed for past service liabilities existing as of the plan year for which the bill becomes effective, including those liabilities arising from amendments made to meet the new vesting and participation requirements, even if those amendments are made retroactive after the effective date respecting the plan. However, the 40-year amortization is allowed only with respect to liabilities arising from retroactive amendments that are made by the time the employer must file his tax return for his taxable year in or with which the first plan year to which the new minimum funding requirements apply ends. In the case of multiemployer plans, such retroactive amendments may be made within two years after the close of the first plan year to which the new minimum funding requirements apply.

The minimum funding requirement for past service liabilities in effect is analogous to payment over 30 years of a loan secured by a home mortgage. It requires contributions to the plan to be made not less rapidly than if made on a level payment basis over 30 years, with each payment including both interest and principal. For example, if the past service liability is $1,000,000 at the time a plan is established, the minimum level payment that is to be made each year, for 30 years, to meet the funding requirement (calculated at an interest rate of 6 percent per annum over the 30-year period) is $68,537 per year (assuming contributions are made at the beginning of each year). In addition, the employer would be required to contribute annually to the plan an amount equal to the normal cost of the plan.

The interest rate or rates to be used in calculating the minimum payments for amortization of initial past service liabilities is the same rate or rates as that used in determining plan cost, at the time the plan is established, or at the time the new funding requirements apply to the plan, in the case of plans in existence on the date of enactment. (Similarly, the interest rate or rates used to amortize past service liabilities arising from amendments, to amortize experience losses, and to amortize contribution waivers also is the rate or rates used to determine plan costs at the time the liability in question first arose.) If the interest rate used to determine plan costs is changed as of a later date in order to conform with experience, the initial amortization schedule of level payments is not to be changed, but the consequent increase (or decrease) in plan costs is to be amortized as an experience loss or gain (treated in the manner described below).

Under your committee's bill, the basic minimum funding rules—both those which apply to all past service liabilities and those which apply to normal costs—require funding on the basis of accrued, (that is, both vested and nonvested) liabilities, not merely on the basis of vested liabilities. The use of accrued liabilities for this purpose appears appropriate because it generally provides the most orderly and comprehensive method for funding the plan's entire liabilities. In this way, gradual payments will be made to fund all of a plan's present liabilities, including the presently nonvested accrued liabilities which are expected to vest in the future. Moreover, funding on the basis of accrued liabilities tends to produce somewhat more rapid funding, and as a result generally provides more protection to plan participants.

Generally, the 30-year amortization requirements initially add only moderately to an employer's funding cost under present law. This is true because under present law interest on unfunded accrued past service liabilities (which accounts for the bulk of the level amortization payments required under the bill in the early years) must be contributed to a qualified pension plan. Therefore, your committee believes that 30-year amortization will not hamper an employer in starting a new plan, or in adding plan amendments, that includes past service liabilities. Similarly, the 40-year amortization will not unduly increase present costs of an employer with an existing plan.

Plan amendments.—The bill provides that past service liabilities created by plan amendments are to be treated generally in the same way as initial past service liabilities of new plans for purposes of the minimum funding rules. Under the minimum funding rules these liabilities are to be amortized separately over a 30-year period (40 years for multiemployer plans) from the date the amendment is adopted if this precedes the date on which benefits increase. For example, if the unfunded accrued past service liability added by an amendment is $100,000, the employer generally is to amortize this increase in past service liability in 30 annual payments of $6,854 (assuming an interest rate of 6 percent and that contributions are made at the beginning of each plan year).

Plan amendments which decrease past service liabilities (by decreasing plan benefits) are treated consistently with plan amendments increasing benefits; that is, decreases in past service liabilities from plan amendments are to be amortized over 30 years (40 years for multi-employer plans). Consequently, the minimum amortized annual payments to fund past service liabilities that must be contributed by an employer who decreases plan benefits generally will not be less, in any one year, than amortized payments required for an employer who started out with a plan providing the same (lower) benefits. (Of course, a decrease in benefits will often also decrease the normal cost which must be funded annually.)

Under the bill plan amendments may be made on a retroactive basis, to a limited extent, without the approval of the Secretary. In this case, plan amendments may be made after the close of a plan year and yet apply to that year if they are made within the time for filing the employer's return (including extensions) for the employer's taxable year with or within which that plan year ends. (Since a single employer's plan year is not a workable standard for multiemployer plans, with respect to multiemployer plans, an amendment may be made within two years after the close of the plan year.) It is expected that this provision may be used to decrease plan liabilities where an error has been made in calculating the amount of benefits that can be provided and funded under the minimum standard. However, amendments made under this provision are not to decrease accrued benefits of any participant determined as of the beginning of the first plan year to which the amendment applies.

This provision also may be used with respect to increases in plan liabilities. As discussed above, to the extent that past service liabilities are added by plan amendments that are effective as of the effective date of the new funding requirements for existing plans, and are made within the time allowed for retroactive amendment, these past service liabilities may be amortized over a 40-year period.

Your committee also recognizes that in certain cases where plan participants would otherwise suffer substantial adverse consequences, it may be appropriate for plan benefits to be retroactively reduced beyond the limit described above. Therefore, the bill provides that, on application of the plan administrator (or on motion of the Secretary) and after proper notice to all interested parties and a public hearing where interested parties are provided adequate opportunity to be heard, the Secretary may approve a retroactive decrease in plan benefits (whether or not nonforfeitable). However, before such approval is granted, the Secretary must make findings of fact that if the amendment is not approved, there would be a substantial risk that the plan would not be continued, a substantial risk of a curtailment of benefits (more than the curtailment that would occur with approval of the amendment), or a substantial risk that current levels of employee compensation would be substantially curtailed. Furthermore, the Secretary must find that failure to approve the amendment would be adverse to the interests of plan participants in the aggregate. Any amendment approved by the Secretary is to be retroactive only for such limited time period, and is to decrease benefits only to such extent, as is necessary or appropriate to carry out the purposes of the bill and as is necessary or appropriate to provide adequate protection to plan participants and beneficiaries.

Experience losses and gains.—During the course of a pension plan, actual plan experience may turn out to be poorer than anticipated. For example, the value of plan assets may turn out to be less than expected. Where this occurs, there generally will be an "experience loss" which must be funded if the plan is to be able to pay the benefits owed.[5]

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[5] However, the bill provides that experience gains and losses are to be determined under the funding method used to determine costs under the plan. It is understood that some funding methods, such as the "aggregate method", do not provide experience gains or losses, but differences between anticipated and actual experience are subsumed in the basic funding requirements of the method. If a plan were to use such a funding method, it is anticipated that the plan would not need to separately amortize experience gains or losses.

Since experience losses relate to previously established plan liability, they may indicate that the plan has become underfunded in relation to the required minimum for funding normal costs and past service liabilities. Consequently, your committee believes it is reasonable to require faster funding for these amounts than for newly established past service liabilities. The bill provides that under the minimum funding rules these losses are to be amortized (with level annual payments, including principal and interest) over not more than 15 years (20 years for multiemployer plans) from the date the loss is determined. Your committee believes that a 15-year amortization period generally will provide adequate funding of experience losses, while at the same time protecting employers from potentially severe financial burdens arising from experience losses created by uncontrollable events.

Your committee understands that the 15-year period, while protecting the financial security of plans, generally will not discourage pension plans such as "final average pay plans" which increase accrued benefits as pay increases, and thus are generally desirable from the employee's view. Additionally, it is believed that under the 15-year requirement employers will not be subject to unnecessary financial burdens where they have experienced losses beyond their control.

A pension plan also may have experience gains during the course of its operation. These gains would occur because experience is more favorable than anticipated. For example, the value of plan assets may be greater than expected. The bill treats experience gains symmetrically with experience losses, so that gains are spread over 15 years (20 years of multiemployer plans) from the date they are determined.

The bill provides that changes in accrued plan liabilities resulting from changes in actuarial method or assumptions are to be treated as experience losses (or gains). Additionally, the bill provides that changes in plan cost that result from changes in the Social Security Act (or other retirement benefits created by State or Federal law) or in the definition of wages under section 3121 of the Internal Revenue Code are treated as experience losses (or gains). It is expected that the actuarial assumptions for plans affected by social security, etc. now generally will allow for such changes since to a substantial extent these changes may be anticipated. In this circumstance, if changes in plan cost from changes in social security were not treated as experience gains to be amortized, employers with plans that did not properly allow for social security changes might be able to, upon increases in social security payments, substantially decrease current contributions and thereupon plan participants would receive correspondingly less protection.

Your committee recognizes that plan experience rarely conforms to anticipation on a year-by-year basis, but that experience often is close to expectations over a longer period. Therefore, to smooth fluctuations in funding required by amortization of experience gains and losses, the bill provides that experience gains and losses are to be determined at least every three years and generally need not be determined any more frequently. However, under the bill the Secretary may provide by regulations that experience gains and losses are to be determined more frequently than every three years, in particular cases. Your committee expects that this generally will be required only for plans that show an unusual need for frequent calculations, such as for plans with relatively high claims for payments with respect to assets available. (Under the bill, regulations requiring more frequent determinations of gains and losses are to be effective with respect to plan years beginning after December 31, 1975, only if approved by the Secretary of the Treasury.) This is to ensure that the rules of the Internal Revenue Service and the Department of Labor with respect to frequency of determination of gains and losses are similar. It is anticipated that similar regulations prescribed by the Secretary of the Treasury are not to be effective for those years until approved by the Secretary of Labor.

Additional funding standard.—Your committee recognizes that certain plans with a high proportion of nonforfeitable benefits in relation to assets available may not be adequately funded under the basic minimum funding standard. Therefore, an additional minimum funding standard is provided in the bill which is to be used in any year in which it would require a greater amount of plan contributions than would the basic minimum funding standard.

Under the additional funding standard, the plan is to determine unfunded nonforfeitable liabilities (total nonforfeitable liabilities less plan assets). When the amount required to amortize these unfunded nonforfeitable liabilities over a period of 20 years (including principal and interest) is to be calculated, the amount to be contributed is the first year's payment under that amortization schedule. This calculation is to be repeated each year (on the basis of a new 20 year period) in which the additional funding standard would require a higher contribution than the basic standard. Since the amount of unfunded nonforfeitable liabilities generally will decrease with contributions, in succeeding years the payment under the additional funding standard generally will be less than the prior year's payment. Therefore, this is a declining balance method of funding.

Your committee anticipates that the amount of unfunded nonforfeitable liabilities generally will be reported on an annual basis, and, thus, the basic figures required for this calculation will be readily available to most plans. Additionally, your committee understands that this additional standard will apply infrequently but that it will bring about necessary additional funding in the few cases where it will apply.

Your committee recognizes that in some situations it would be inappropriate to require plans to meet the basic funding requirements. To meet this problem, the bill provides that the Secretary may prescribe an alternate funding method for a plan, determining the annual contributions and credits to the funding standard account. The Secretary may also prescribe, under the variance procedure, alternative methods for satisfying the requirements of the bill with respect to changing the multi-employer plan's funding method or plan year.

A variance may be prescribed by the Secretary only after he holds a public hearing on the plan in question and allows interested persons, including participants and beneficiaries of the plan, an opportunity to present their views. In this regard, a variance cannot be granted unless the Secretary is satisfied that all plan participants and other interested persons have received adequate notice from the plan administrator prior to any public hearing on the variance. If a variance is to be granted, the Secretary, after a public hearing, is to make a finding that the basic funding requirements would increase plan costs to such an extent that there would be a substantial risk that the plan would be terminated, that benefits under the plan would be substantially decreased without the variance, that (if the plan were continued at its current level) employee compensation would be substantially decreased, or that unreasonable administrative burdens would be imposed on the plan under the basic funding requirements. Additionally, the Secretary is to make a finding that the basic funding requirements (or discontinuance of the plan) would be adverse to the interests of plan participants in the aggregate. A variance is to be allowed by the Secretary only for such a limited period as is necessary or appropriate to carry out the purposes of the bill, and to provide adequate protection to plan participants and beneficiaries.

The funding standard account.—As previously indicated, the bill requires that each covered plan must maintain a funding standard account. The purpose of this account is to facilitate the determination of whether a plan has met the minimum funding standard. A plan will meet the minimum funding requirements only if, at the end of each plan year, the account does not, on a cumulative basis, have an excess of charges for all plan years over credits for all plan years. The account is to be charged each year with the normal costs for that year and with the minimum amortization requirements for past service costs, experience losses, and waived contributions for each year. On the other hand the account is to be credited with the contributions made for the year, with amortized portions of cost decreases, resulting from plan amendments and experience gains, and with any waived contributions.

To determine if the plan meets the minimum funding standard, the funding standard account is to be reviewed as of the end of each plan year. However, the bill provides that an employer may contribute to a plan after the end of his taxable year and up to the date of filing his tax return, and these contributions may relate back to his previous taxable year. Thus, for example, where the plan and taxable years are the same this will allow payments made within this time to relate back to the previous plan year for purposes of the minimum funding requirements and the funding standard account. This should provide an employer with sufficient time to reconcile the funding standard account and make the contributions needed to avoid underfunding.

If the account has a positive balance at the end of the plan year, the employer will have contributed more than the minimum funding standard requires. Since income will be earned on amounts in the plan, the bill provides that this positive balance is to be credited with interest,[6] which will reduce the need for future contributions to meet the minimum funding standard. On the other hand, if the funding standard account has a deficit balance, the employer will have contributed less than required under the minimum funding rules, and the deficiency is to be charged with interest. Interest is charged in this case because the deficiency will become larger over time by the amount of income the plan would have earned had the minimum requirements been complied with and therefore the employer will have to pay more to the plan than just the amount he failed to contribute in the plan year. (A plan in existence on the date of enactment will start with a zero balance in its funding standard account on the effective date for the new funding rules applicable to the plan. Similarly, a newly-established plan will start with a zero balance in its funding standard account.)

An example of the operation of the funding standard account for a single employer defined benefit pension plan is described below.

It is assumed that in 1978 the plan is established with a past service liability of $1 million and a normal cost of $70,000. The interest rate used to determine liabilities under the plan for 1978 and for all years in this example is 6 percent per year. It is also assumed that this plan chooses to determine experience gains and losses on an annual basis, rather than every three years, as is generally allowed under the bill. In the first plan year, the employer contributes $138,537. The plan's funding standard account for 1978 will be as follows:

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[6] The interest rate or rates to be used to charge or credit the account are to be consistent with the rate or rates used under the plan to determine costs and are to be charged or credited in accordance with regulations.

Credits: Employer contributions	$138,537
Charges:	
Normal cost	70,000
Amortization—initial past service cost (30 years)	68,537
Total	138,537
Net balance	0

In the year 1979 the plan is amended (effective for 1979), increasing past service liabilities by $100,000. The plan's normal cost for benefits as amended is $75,500. There is a net experience gain of $5,000 over the prior year. In this year, the employer's contribution is $165,975. The plan's funding standard account for 1979 will be as follows:

Credits:	
Employer contributions	$165,975
Amortization—experience gain (15 years)	486
Total	166,461
Charges:	
Normal cost	75,500
Amortization—initial past service liability	68,537
Amortization—past service liability from amendment (30 years)	6,854
Total	150,891
Balance	15,570
Interest on balance	[1]934
Net balance	16,504

[1] This assumes that all amounts other than interest are charged and credited at the beginning of the year.

In 1980 the normal cost of the plan is $76,200. There is an experience loss for the preceding year of $10,000. The employer contributes $135,572. The plan's funding standard account for 1980 will be as follows:

Credits:	
Employer contributions	$135,572
Amortization—experience gain	486
Total	136,058
Charges:	
Normal cost	76,200
Amortization—initial past service liability	68,537
Amortization—past service liability from amendment	6,854
Amortization—experience loss (15 years)	971
Total	152,562
Net	−16,504
Balance from previous year	16,504
Balance	0
Interest on balance	0
Net balance	0

In case the additional funding standard applies, the funding standard account is to be charged with the excess of the amount to be contributed under the additional funding standard over the amount to be charged as normal cost, amortization of past service costs and experience losses, less the amortized credits for plan amendments that decrease liabilities and for experience gains. (However, to ensure the account is properly maintained, these amounts also are to be charged and credited to the account in this case.)

The funding standard account—special rules—combining and offsetting amounts to be amortized.—Your committee recognizes that the amortization rules may require a plan to keep accounts for amortizing a number of different items. While the amortization charges and credits to be entered in the funding standard account for any one year will net out to a single figure, some may prefer not to maintain a number of different amortization accounts. Therefore, the bill provides that amounts required to be amortized may, at the taxpayer's discretion, be combined into a single amount to be amortized.

The bill provides, pursuant to regulations to be issued by the Secretary, that amounts which are amortizable credits and charges may be offset against each other with the balance to be amortized over a period determined on the basis of the remaining amortization periods for all items entering into the credits or charges, whichever is greater. Also, pursuant to regulations, amortizable credits (or amortizable charges) may be combined into one credit or one charge to be amortized over a period determined on the basis of the remaining amortization periods for all items entering into the combined amount. It is expected that if a plan elects to offset or combine amounts to be amortized, this election will apply to all amounts (both charges and credits) required to be amortized for the year of election.

An example of the netting and combining of amortizable amounts by a single employer plan is described below.

It is assumed that the plan has no past service cost. It is also assumed that the plan chooses to determine experience gains and losses on an annual basis rather than every three years as is generally allowed under the bill. In year 1, the plan has an experience loss of $40,000. In year 2, the plan has an experience gain of $15,000. In year 3, the plan has an experience loss of $10,000. In all these years the plan uses a 5-percent per annum interest rate in computing its plan costs.

The $40,000 experience loss that occurs in year 1 must be amortized over 15 years, requiring annual payments of $3,670. The first payment to amortize this amount is made in year 2.

At the end of year 2 (after one payment of $3,670) the remaining unamortized balance of the $40,000 experience loss is $38,145.[7]

The $15,000 experience gain that occurs in year 2 also is to be amortized over 15 years. Alternatively, it may be combined with the remaining experience loss of $38,145, reducing the unamortized loss by ($38,145 minus $15,000) to $23,145. It is expected that under regulations to be issued by the Secretary the balance of $23,145 may be amortized over 14 years (the remaining amortization period of the greater amount), in equal annual payments of $2,227. At the end of year 3 (after one payment of $2,227) the remaining unamortized balance of the netted experience loss and gain is $21,964 (requiring annual payments of $2,227 over 13 years).

The $10,000 experience loss that occurs in year 3 would be amortized over 15 years in equal payments of $918 per year if it were to be separately computed and amortized. On combining this loss with the previous net experience loss, the base for amortization is $21,964 plus $10,000 or $31,964. It is anticipated that under regulations to be issued by the Secretary of the Treasury this amount may be amortized by 13 annual payments of $3,145 ($2,227 plus $918) and thereafter one payment of $1,780.

Special rules—the full funding limitation.—In some cases, the difference between the total liabilities of the plan (all accrued liabilities including normal cost) and the total value of the plan assets may be smaller than the minimum funding requirement for the year. For example, this could occur where the plan assets had increased substantially and unexpectedly in value. Where the excess of total plan liabilities over assets is less than the minimum funding requirement otherwise determined, your committee believes that an employer should not have to contribute more than the amount of this excess liability, for upon contribution of this amount the plan will become fully funded. As a result, in this case the bill provides that the amount to be charged to the funding standard account (and to be contributed) is to be limited to the difference between the total liabilities of the plan and the fair market value of the plan assets. Since the full funding limitation reduces the amount otherwise required to be contributed to a plan, it appears appropriate to use the lower of fair market value or the value of plan assets as normally determined. (As discussed below, the value of plan assets as normally determined may be greater than fair market value in certain cases and in such situations use of the normal valuation method could inappropriately limit contributions to a plan.)

When the full funding limit applies, the amortization schedule for charges and credits to the funding standard account are to be considered as fully amortized, and these schedules generally are to be eliminated from the calculations under the funding standard account. However, if the plan is amended in later years to increase plan liabilities, a new amortization schedule would be established with respect to this increase in liabilities. For years after the full funding level is reached, the funding standard account will continue to be charged with the normal cost of the plan. Consequently, unless asset values increase correspondingly with the increase in plan liabilities, eventually the full funding limitation will not be applicable and the employer will have to make contributions to the pan to meet the minimum funding requirements.

If the employer fails to make the required contributions in a year in which the full funding limitation is applicable, the excise tax (described below) on underfunding in that year is to be based only on the amount that should have been contributed, given the full funding limitation.

For the purpose of calculating the full funding limitation, the bill provides that plan liabilities (including normal cost) are to be determined under the funding method used by the plan to determine costs for the year, if the liabilities can be directly calculated under this funding method. However, if this cannot be done under the plan's funding method, in order to allow the full funding limitation to apply, the bill provides that the accrued liabilities are to be calculated under the entry age normal method, solely for the purpose of determining the application of the full funding limitation.

Whether the full funding limitation applies generally is to be determined at the end of the plan year, after all plan liabilities for that year have accrued. For purposes of the full funding limitation, the value of plan assets generally is to be determined as of the usual valuation date for the plan. Since, as discussed above, contributions generally can be made to a plan after the end of a plan year and yet relate back to the previous plan year, there should be no timing problem with respect to such year-end calculations.

Special rules—money purchase pension

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[7] This is based on the assumption of a 5 percent interest charge on the unpaid balance during the year.

plans.—Generally, the funding standard account for money purchase pension plans is to be charged annually with the amount that must be contributed for the year under the plan formula, and is to be credited with the amount that is paid. As a result, employers who have these plans must annually make the payments required under the plan.

For purposes of the funding rules, a "target benefit plan" generally is to be treated as a money purchase pension plan. However, a plan (for example, a so-called Taft-Hartley plan) that provides an agreed level of benefits and a specified level of contributions is not to be considered a money purchase pension plan if the employer or his representative participated in the determination of the benefits.

Special rules—collectively bargained plans and plans of controlled groups.—Plans maintained pursuant to a collective bargaining agreement between employee representatives and one or more employers often provide for a predetermined level of contributions over a period longer than 12 months. Your committee believes that for the funding requirements to be workable in these cases, employers generally must be allowed to base their contributions on the bargained and agreed upon basis. Consequently, for purposes of maintaining the funding standard account, a plan year of a plan maintained pursuant to a collective bargaining agreement generally is to be considered as extending for the term of the collective bargaining agreement. This provision is intended to adapt the minimum funding standard to those plans where contributions are fixed by contract in accordance with a fixed standard, such as a specific dollar amount per hour of covered employment or a specific amount per ton of coal mined.

Under such a plan if the actuarial assumptions were reasonable and the actuarial calculations were correct as of the beginning of the term of the agreement, and the agreed contribution were made, there would be no deficiency in the funding standard account for the term of the collective bargaining agreement. Any experience loss could be made up by adjustment of the contribution rate or the level of benefits for the term of the required periods of amortization or the computation of the excise tax; also, with respect to collectively bargained plans it is intended that experience gains and losses generally are to be determined at the end of each contract period, or at the end of every 3 calendar years if more appropriate for the particular plan.

The bill also provides that, to meet the needs of other collectively bargained plans, the Secretary may issue regulations that provide other periods that may be treated as plan years. For example, it is understood that some multiemployer collectively bargained plans are based on a number of contracts, each expiring at different times. It is expected that in this case the regulations would provide that the plan could use a 12-month period (or perhaps longer period if needed) for the plan year. In this case, when experience losses are determined, the plan trustees could arrange for an increase in contributions for the next year, or could arrange for a decrease in future benefits to allow negotiations to occur later to increase contributions. Additionally, as discussed above, limited retroactive plan amendments would be allowed without the approval of the Secretary for up to 2 years after the end of the plan year, so benefits could be reduced to a limited extent if needed to avoid a funding deficiency.

The bill also provides that in the case of collectively bargained plans, the minimum funding standard is to be determined as if all participants in the plan were employed by a single employer. The bill provides the same treatment for deduction purposes. This merely restates existing law.

Exclusions from coverage—insured plans.—If a pension plan is funded exclusively with certain individual insurance contracts, the bill provides that the plan is not subject to the minimum funding requirements. Your committee believes that if qualified insurance contracts are used to fund a plan and payments are timely made, the plan will be properly funded.

The contracts that are to qualify for this treatment are level annual premium individual insurance contracts where the premium is paid from the first date of an individual's participation in the plan (and from the time an increase in benefits becomes effective) and is not paid beyond the individual's retirement age. Also, the benefits under the plan must be the same as the benefits provided by the individual contracts at normal retirement age. In addition, the benefits must be guaranteed by the insurance company to the extent that premiums are paid. For the contracts to qualify, the insurance company must be licensed to do business in the State where the plan is located. Furthermore, premiums for all plan years must have been timely paid or the policy reinstated. In addition, rights under the contracts must not have been subject to a security interest during the plan year, and no loans must have been made on the policy during the plan year.

If any of these requirements are not satisfied, then the normal rules with respect to the funding standard must be followed. If a plan is initially funded with qualified insurance contracts, but, *e.g.*, a contract payment is not made, then the plan will become subject to the minimum funding rules and an excise tax may be owed (as described below) if the plan funding falls below the minimum standard. (Generally, if the payments had been timely made until this time, the funding standard account for the year of nonpayment would start with a zero balance, the accrued plan liabilities and properly amortized amounts would be charged to the account for the year in question, and any excise tax owed would be based on the net charges to the funding standard account for that year.)

Exclusions from coverage—profit-sharing plans, etc.—Under present law profit-sharing and stock bonus plans do not require a definite predetermined formula for determining the portion of profits to be shared annually with the employees. Since the contributions to these plans may be varied substantially year-by-year under the plan, your committee believes that it is inappropriate for profit-sharing and stock bonus plans to be governed by the minimum funding standard.

On the other hand, employer contributions under money purchase pension plans must be definitely determinable and fixed without being geared to profits. It is appropriate for these plans to be governed by the minimum funding standard since the application of this standard (as under present law) will require the employer to make definitely determined contributions to the plan.

Your committee intends that plans generally are to be considered money purchase pension plans which meet the "definitely determinable" standard where the employer's contributions are fixed by the plan, even if the employer's obligation to contribute for any individual employee may vary based on the amount contributed to the plan in any year by the employee. For example, it is expected that a matching plan which provides that an employer will annually contribute up to 6 percent of an employee's salary, but that this contribution will be no more than the employee's own (nondeductible) contribution, will meet the "definitely determinable" criteria. In this case, the employer's contributions are set by the plan, will not vary with profits, and cannot be varied by the employer's action (other than by a plan amendment).

Exclusions from coverage—government plans and church plans.—It has been argued that government plans should be exempt from the funding standards since the taxing power can be viewed as a practical substitute for these standards. On the other hand, your committee is concerned with reports that in the case of a number of governmental units, such generous pension promises have been made and so little funds have been set aside currently, that the practical likelihood of imposing sufficient taxes to pay those benefits may be open to question.

In view of the information received with respect to possible underfunding problems of the plans, the bill provides that your committee and the Committee on Ways and Means are to study whether plans maintained by Federal, State, or local governments are adequately funded (taking into account the new minimum funding standards of the bill). Your committee and the Committee on Ways and Means is to submit to the House of Representatives the results of this study together with recommendations on funding standards for government plans by December 31, 1976.

Under the bill, government plans are plans established and maintained for their employees by the United States Government, or by the government of any State or political subdivision of a State, or by any agency or instrumentality of such governments. Also, except for the study described above, a plan to which the Railroad Retirement Act of 1935 or 1937 applies is to be treated as a government plan.

The bill also generally exempts church plans from the new funding requirements if these plans meet the funding requirements of present law. However, a church plan may elect to have all the provisions regarding participation, vesting, funding, and form of benefit apply. If such an election is made, then the minimum funding provisions will apply to the plan. (Under the bill, once it is made, the election is irrevocable.)

A church plan is defined under the bill as a plan established and maintained by a church (or convention or association of churches) that is tax-exempt under section 501 of the Code. However, a church plan does not include a plan established and maintained primarily for the benefit of persons employed in connection with an unrelated trade or business. Nor does a church plan include a multiemployer plan if one or more employers are not tax-exempt under section 501 of the Code as a church (or convention or association of churches). With respect to plans in existence on January 1, 1974, if the plan applied on that date to employees of any tax-exempt agency of a church (or convention or association of churches) which established and maintained the plan, then the employees of the agency are to be treated as employees of the church (or convention or association of churches).

Actuarial considerations—actuarial assumptions, methods, valuation of assets.—Since actuarial calculations determine plan costs, the bill includes several basic rules regarding these calculations. Under the bill, plan liabilities must be determined on the basis of actuarial assumptions that, in the aggregate, are reasonable. Your committee recognizes that frequently there is a range of actuarial assumptions which may be appropriate for determining the costs of a defined benefit pension plan, and the choice of the appropriate assumptions is very much a matter of judgment. In this circumstance, an employer may attempt to substitute his judgment for that of his actuary, which may lead to situations where plan costs are not being independently determined by an actuary. Your committee believes that it is inappropriate for an employer to substitute his judgment in these matters for that of a qualified actuary, and it is contemplated that if such a circumstance were to arise an actuary would have to refuse giving his favorable opinion with regard to the plan or risk the sanctions imposed in fiduciaries who breach their duty.

Your committee recognizes that there are a substantial number of accepted methods of valuing assets of pension plans and many of these methods are designed to take into account market value and also to level out short-run market swings. Your committee believes that such valuation methods are appropriate since sharp, short-run variations in asset values could significantly affect the required funding if fair market value were the only accepted method of valuing assets for funding purposes. This would be inappropriate since pension plans are funded to meet the needs of the long-run, frequently over an employee's whole working life. On the other hand, your committee also recognizes that pension plans must value assets in a way that takes into account market value. Otherwise, there may be no relation between a plan's funding program and the assets actually available to pay benefits.

Under the bill, generally plan assets are to be valued on the basis of any reasonable acturial method of valuation that takes into account fair market value, pursuant to regulations to be issued by the Secretary. An acceptable alternative method, particularly as to bonds and other fixed-income investments, will be to value assets at their present or commuted value, in accordance with which the expected income stream is discounted by the valuation rate of interest and expressed as a capitalized sum. (Your committee anticipates that plan assets also will be valued for purposes of minimum funding requirements that are to be administered by the Department of Treasury. In order to provide for a uniform valuation of assets, regulations with respect to valuation which apply to plan years beginning after December 31, 1975, are to be effective only if approved by the Secretary of Treasury. Similarly, your committee anticipates that regulations applying to such plan years issued by the Department of Treasury are to be effective only if approved by the Secretary of Labor.)

Your committee anticipates that fair market value generally would be an acceptable valuation method. On the other hand, it is contemplated that using cost or book value without taking account of changes in fair market value would not be an acceptable valuation method.[8] However, it is intended that acceptable valuation methods may include (but not be limited to) the use of a moving average (over, *e.g.*, five years), or increasing asset values each year by a stated percentage of the previous year's asset value under the assumption that an even long-range appreciation will occur (in some cases, this increase may be reduced by realized appreciation or other income received from the asset.) Another alternative method may be to capitalize the current amount of income from each asset as a perpetuity, using the plan valuation rate of interest. For a valuation method to be reasonable, it is expected that the asset values obtained under the method of valuation used are to bear a reasonable relationship to fair market value, and that if fair market value and the value under the method used differ significantly over a period of several years that the value under the plan would be adjusted accordingly. However, where an unacceptable method is being used by an existing plan, it is contemplated that the Secretary will allow a transition so that the plan will have time to write up its asset values. Furthermore, it is expected that the method chosen must be used consistently by the plan.

It is also expected that the regulations will provide reasonable methods for valuing life insurance or annuity contracts, which will recognize the special nature of such contracts for valuation of pension plans.

Your committee also recognizes that often a pension plan will require bonds or other debt instruments as a long-term investment to be held until maturity. In that event, it would seem inappropriate to require the plan to change its valuation of the bond in accordance with market fluctuations. Therefore, the bill provides that a plan may elect to value its bonds or evidence of indebtedness on an amortized basis. At the election of the plan, the amortization may run from initial cost at purchase to par value at earliest call date or to par value at maturity. This election is to be made at the time and in the manner prescribed by regulations. The election is to be revocable only with the consent of the Secretary and is to apply to all bonds and evidences of indebtedness owned by the plan. Although the bill explicity recognizes this as one reasonalbe method of valuation that a plan may use to value bonds or evidences of indebtedness, other valuation methods may be used for these assets. (Also, it may be reasonable to use the method explicitly recognized for bonds or indebtedness for valuing other assets.)

Plan 4—Plan Termination Insurance

Section 401

This section establishes a Pension Benefit Insurance Corporation administered by the Secretary of Labor, which requires plans to insure unfunded vested insured liabilities incurred prior to enactment of the Act, as well as after enactment of the Act. The Pension Benefit Insurance Corporation is hereinafter referred to as the Corporation.

Section 402. Purposes and Powers of the Corporation

In general the purposes of the Corporation are to (1) encourage the continuation and maintenance of voluntary private pension plans for the benefit of their participants, (2) provide for the timely and uninterrupted payment of pension benefits to the participants and beneficiaries under all insured plans, and (3) minimize over the long run the premiums charged by the Corporation.

Under the general powers, the Corporation may enter into contracts. To the extent the Corporation chooses to enter into insurance contracts, the Corporation may purchase single premium annuities only from qualified carriers, only on a competitive bidding basis, and only to the extent that such action is consistent with the objective of minimizing over the long run the premiums charged by the Corporation.

Section 403. Conditions of Insurance

The Corporation shall insure participants and beneficiaries of any plan covered under this part against the loss of benefits (insured under section 409) which arise from the complete or partial termination of such plans. A partial termination shall not be deemed to have occurred if all nonforfeitable benefits of participants and beneficiaries to which the partial termination applies continue as obligations of the plan or are otherwise satisfied.

Section 404. Plan Termination Insurance Funds

Initially two funds are established—the Single Employer Primary Trust Fund relating only to single employer plans, and the Multiemployer Trust Fund relating only to multiemployer plans. After June 1, 1977 the Corporation may establish a Single Employer Optional Trust Fund for single employer plans choosing such option in order to be treated more favorably in regard to the employer liability imposed under section 414. Other funds may be established by the Corporation relating to insurance coverage for benefits other than the normal retirement benefits insured under the Single Employer Primary and Optional Trust Funds and the Multiemployer Trust Fund.

The integrity of the Single Employer Primary and Optional Trust Fund and the Multiemployer Trust Fund is to be maintained at all times.

The Corporation shall insure covered benefits of single employer plans and shall pay such benefits from the Single Employer Primary Trust Fund, except as provided in section 405(c)(8) and section 409(c). The Corporation shall insure covered benefits, as determined in section 409, for participants and beneficiaries of multiemployer plans and shall pay such benefits from the Multiemployer Trust Fund, except as provided in section 409(c).

Section 405. Premium Schedules

In general.—Separate premium schedules are to be applied to single employer plans and multiemployer plans.

Basis for Setting Premiums.—The initial premiums charged single employer plans for insurance of normal retirement benefits is made up of two parts—a rate not in excess of .1% times the excess of the present value of insured benefits over the value of the plan's assets and a rate (to be set by the corporation at a level which will produce revenue from the second part approximately equal to the first part) times the present value of insured benefits. The initial premiums charged multiemployer plans is made up of two parts in the same manner as for single employer plans except that the rate for the first part is not to exceed .025%.

The premiums for single employer plans are to be based only on the actual and projected experience of single employer plans, and the premiums for multiemployer plans are to be based only on the actual and projected experience of multiemployer plans.

Any increase in the premium rates charged plans insured under the Single Employer Primary Trust Fund or the Multiemployer Trust Fund is to be approved by Congress by a concurrent resolution originating in the House.

The Corporation may establish the Single Employer Optional Trust Fund after June 1, 1977 in which case the premiums charged single employer electing coverage under such Optional Trust Fund shall be based on rates set by the Corporation which reflect the actual and expected experience of the single employer plans electing such optional coverage (for plan years beginning after June 1, 1977).

The Corporation is to adopt rules relating to the valuation of a plan's assets and liabilities for premium purpose. The Corporation shall adopt such rules only after considering recommendations made by actuaries, actuarial organizations, and other interested parties. Such rules shall be adopted by the Corporation giving due consideration to those methods which would best minimize the cost of calculating such premiums to the plans.

Section 406. Revised Premium Schedule Procedure

Section 406 shall apply only in the case where the Corporation determines that increased rates are necessary under section 405(c)(1). The revised schedule shall apply only to plan years beginning more than thirty days after the date on which the Congress approves such revised schedule by a concurrent resolution originating in the House of Representatives.

Section 407. Cooperation and Assistance of Government Agencies

Section 408. Reports

The annual report required under sections 104 and 105 of this Act is to include such additional information as the Secretary deems necessary to carry out this part (including any reportable events under section 410).

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[8] However, in a case where fair market value tended to fluctuate around cost, a reasonable actuarial method may determine that cost is the appropriate value.

Section 409. Coverage

Mandatory Coverage.—All qualified defined benefit pension plans subject to the minimum funding standards under the Act which have more than 25 participants over a five year period (10 of whom must be participants with nonforfeitable benefits) are covered and required to pay premiums under this part. In addition a plan must have assets equal to at least 10% of the present value of insured benefits (calculated without regard to section 409(f)) before coverage is made mandatory.

Voluntary Coverage.—The corporation may insure qualified defined benefit plans not insured under (a) if they meet the other requirements under the Act and such other underwriting standards as the corporation may deem necessary.

Benefits Covered.—The benefits insured for plans paying premiums with respect to the Single Employer Primary (or Optional) Trust Fund or the Multiemployer Trust Fund are (1) the normal retirement benefits under such plans to the extent they are made nonforfeitable according to the minimum vesting schedule chosen by the plan under section 203, and (2) benefits other than normal retirement benefits which are nonforfeitable (other than in the event of termination) and which were payable prior to plan termination.

Supplemental Insured Benefits.—As a result of a study, the corporation is to prescribe the terms and conditions under which benefits *other* than those described in (b) are to be covered.

Limitations on Insurance.—Benefits insured under the Single Employer and Multiemployer Trust Funds are limited to $20 per month per year of service payable in the form of a life annuity at age 65. The $20 limit is to be increased annually according to the increase in a Social Security "wage increase index".

The term "wage increase index" means an amount (not less than one) equal to average taxable wages for the first calendar quarter of the calendar year preceding the calendar year in which the determination is made, divided by average taxable wages for the first calendar quarter of 1975.

The term "average taxable wages" means the aggregate amount of wages (as defined in section 3121 (a) of the Internal Revenue Code of 1954) paid all employees (as defined in section 3121 (d) of such Code) in a calendar quarter, divided by the number of employees who received wages in such quarter.

The term "year of service" shall be defined in accordance with section 205 (c) (3) of this Act.

Insurance benefits are not payable with respect to rights created by a plan amendment adopted or which takes effect less than 5 years prior to plan termination.

Insurance benefits are not payable with respect to certain substantial owners.

The maximum insured benefit is graded in for plans covered for less than 5 years.

Insurance benefits are not payable with respect to benefits accrued after a plan becomes disqualified by the Secretary of Treasury or the Secretary of Labor.

Section 410. Reportable Events

The events to be reported include disqualification of a plan, a decrease in benefits as a result of a plan amendment, failure of a plan to meet the minimum funding requirements or to pay benefits, and certain other events. In regard to certain distributions to substantial owners required under subsection 410(b) (7), the Secretary may at his discretion choose to increase the value of the distribution stated therein or by regulation to prescribe under what conditions, where the potential for abuse is minimal, such events need not be reported.

Section 411. Termination of Plan

After a hearing on the record with notice to all interested parties, the Secretary of Labor may order a partial or complete termination of a plan. Such termination can be ordered only if the corporation is likely to have to pay insured benefits and the probable long-run loss of the corporation can be expected to increase unreasonably. Upon the showing of reasonable cause by a plan administrator, any participant or beneficiary, an employer, or other plan sponsor, the Secretary shall hold a hearing on the record with notice and opportunity to be heard by all interested parties.

Section 412. Management Functions

The Secretary is given broad authority to manage the assets of the fund and may retain outside financial advisors or consultants to manage such funds. The Secretary shall be mindful of and adopt such practices which are consistent with the objective of minimizing over the long run the premiums charged under this part.

Section 413. Functions of the Secretary

The Secretary of Labor shall transmit to the President and the Congress the annual financial statements and actuarial report of the corporation.

Section 414. Employer Liability

The corporation shall have the status of a general creditor with respect to the liability imposed upon employers under this section. The liability imposed upon employers shall not be considered an obligation to the Federal government.

With respect to the voluntary curtailment provision under this section, a pension plan may be amended to suspend the further accumulation of benefits based on service after the effective date of such amendment (whether or not such benefits would have been forfeitable or nonforfeitable). However, years of service earned by a participant after the effective date of such an amendment shall be considered in determining the extent to which a participant has obtained nonforfeitable rights (under Section 203) to benefits under the plan based on service prior to the effective date of such amendment.

In the case of a plan to which this section applies under which nonforfeitable benefits of plan participants on the date of plan termination were accrued by reason of service with two or more employers, such employers shall be liable to the Corporation in an amount which in the aggregate equals the amount for which a single employer would be liable under subsection (b). A portion of such amount shall be apportioned to each employer (in accordance with rules of the Corporation) in an equitable manner which shall take into account accruals of benefits by reason of service with such employer and contributions by such employer, but no employer shall be liable under this subsection for an amount in excess of 50 percent of his net worth.

Section 415. Allocation of Assets

For purposes of determining the employer liability under section 414 and the payments and distributions to be made under section 411, if any, the Secretary, the plan administrator, the Corporation, or the receiver, as the case may be, shall make such calculation or distribute such assets in accordance with section 112 (subject to any variance under section 501; the Secretary may at his discretion make the following exceptions) except that (1) such assets shall be first applied as provided in section 112(b) (1), (2) then such assets shall be applied pro rata (A) to benefits described in 112(b) (2) payable to participants or beneficiaries who have been receiving benefits under the plan for at least 3 years prior to plan termination; and (B) to insured benefits described in section 112(b) (2) payable to participants other than participants described in (A); (3) then such assets shall be applied to other insured benefits; and (4) then such assets shall be applied to payment of benefits (to the extent not paid under paragraphs (1), (2), and (3)) as provided in section 112.

Section 416. Effective Date

Premiums and benefits payable under this part as a result of plan terminations shall apply to plan years beginning after June 1, 1974.

Supplemental Views of Hon. John N. Erlenborn, Hon. Albert H. Quie, Hon. Edwin D. Eshleman, and Hon. Robert J. Huber

When H.R. 2, the proposed Employee Benefit Security Act of 1973, was originally reported by our Committee, supplemental views were included in the Committee Report expressing endorsement of that bill with one exception. That was the employer liability feature of the plan termination insurance provision of that bill.

While still concerned about the probable detrimental effects of employer liability, we are faced with a dilemma. This contingent obligation is replete with risks from both the workers' and the employers' point of view. Without some controls, however, any employer could terminate his plan without a valid reason and walk away, leaving the insurance Corporation to pay the benefits due.

The new version of H.R. 2 would allow any single-employer plan to take this route (and then to start a new plan for the same employees the next day) if it chooses coverage under the Single-employer Optional Trust Fund by paying a higher premium.

If termination insurance is to be enacted, certain safe-guards are essential.

Payment of a higher premium should not mean absolute relief from liability for an employer if he will be continuing in business and has no valid reason for terminating an underfunded plan. Unless an economic crisis is at hand, the terminating employer should share in bearing the cost of the benefits to be paid. If employers are not subject to liability on a conditional basis such as this, the premiums under the optional coverage would immediately go so high as to render the optional coverage impractical. In fact, since the Secretary of Labor is given discretion whether to set up an optional trust fund, it is highly doubtful that he would extend such coverage at all. We should not hold out hope for an insurance plan which on its face is unworkable. Either accept amendments to make it workable or drop it.

Additionally, we question whether the interests of participants in plans which are terminated can be responsibly served by a Corporation within the Department of Labor whose Board of Directors is composed solely of the Secretary of Labor and two of his employees. This concentration of power in *one* political appointee cannot by any measure be viewed as a reasonable approach.

A Board so composed would put the Secretary of Labor by himself in the position of making investment decisions involving billions of dollars in the private sector.

If the United States Steel Corporation were pondering a price increase, the insurance Corporation could decide to sell its U.S. Steel Stock to influence the decision. What would be the Secretary's buy-sell-hold position on oil company common stock today?

As an alternative, the interests of *participants* should be the first concern of a Board of Directors composed not only of representatives from the department of labor but representatives from labor, from management, and from the public as well.

Under the new H.R. 2, if the Secretary did not invest in the private sector, he would be forced into the following scenario.

When a plan terminates (and the largest number of terminations occur in economic downturns and recessions), the assets of the plan would be liquidated. Usually, they would be liquidated at depressed values, due to the timing of the forced liquidation. To make up for the underfunding of the terminated plans, premiums would have to be increased for all other plans (when they can least afford added expenses). The proceeds from the liquidation would be used to purchase annuities from insurance companies, and this would generally be at a time when annuity rates are up. There is no economic justification for this costly approach.

Liquidation of assets at any time would not necessarily be beneficial to the employees covered by the plan. The Corporation should have alternatives to hasty liquidation.

One such alternative would be to allow the appointment of a receiver (trustee) to administer the plan. Another would be to allow the Corporation to assume the assets (and liabilities) of the plan and then to manage such assets as part of the total assets of the Corporation.

The Corporation also should be permitted to retain outside financial advisors and consultants concerning the investment of some or all of its funds. These steps would help to insure the most productive management of assets and to minimize over the long run the premiums charged by the Corporation.

These changes are imperative if investment decisions are to remain in the private sector, if termination insurance is to work, and if it is to work economically.

John N. Erlenborn.
Albert H. Quie.
Edwin D. Eshleman.
Robert J. Huber.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 30 minutes, today.

(The following Members (at the request of Mr. Baker), to revise and extend their remarks, and to include extraneous matter:)

Mr. Robison of New York, today, for 30 minutes.

Mr. Edwards of Alabama, today, for 5 minutes.

(The following Members (at the request of Mr. Owens), to revise and extend their remarks, and to include extraneous matter:)

Mr. Gonzalez, today, for 5 minutes.

Mr. Fraser, today, for 5 minutes.

Mr. Reuss, today, for 10 minutes.

Mr. Owens, today, for 20 minutes.

Mr. Hungate, today, for 60 minutes.

Mr. Badillo, on February 27, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Roncalio of Wyoming and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $574.75.

Mr. Perkins, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record, and is estimated by the Public Printer to cost $5,225.

Mr. Gross to insert his remarks in the extension of the Record and to include an editorial.

Mr. Burke of Massachusetts.

Mr. Perkins.

(The following Members (at the request of Mr. Baker), and to include extraneous matter:)

Mr. Rhodes in five instances.

Mr. Sandman.

Mr. Esch.

Mr. Kemp in five instances.

Mr. Arends.

Mr. Derwinski in three instances.

Mr. Robison of New York.

(The following Members (at the request of Mr. Owens), and to include extraneous matter:)

Mr. Annunzio in six instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Dingell in two instances.

Mr. Fraser in five instances.

Mr. Howard.

Mr. Carney of Ohio in four instances.

Mr. Montgomery in two instances.

Mr. Foley in five instances.

Mr. McFall.

Mr. Rangel in five instances.

Mr. Dent.

Mr. Sarbanes in five instances.

Mr. Bingham in five instances.

Mr. Danielson in five instances.

Mr. Kazen.

Mr. Stark in 10 instances.

Mr. Owens in five instances.

Mr. Culver.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2296. An act to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes; to the Committee on Agriculture.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 22 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 26, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 or rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1926. A letter from the President of the United States, transmitting a proposed amendment to the request for appropriations for fiscal year 1975 for the Judiciary (H. Doc. No. 93–221) to the Committee on Appropriations and ordered to be printed.

1927. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under German Offset Agreement for the quarter ended December 31, 1973, pursuant to section 720 of Public Law 93–238; to the Committee on Appropriations.

1928. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize supplemental appropriations for the Department of State; to the Committee on Foreign Affairs.

1929. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of intent to consent to a request by the British Government to transfer .50-caliber Browning machinegun spare parts to the Governments of Australia, Canada, and the Netherlands, pursuant to section 3(a) of the Foreign Military Sales Act of 1968, as amended [22 U.S.C. 2753(a)(2)]; to the Committee on Foreign Affairs.

1930. A letter from the Secretary of the Interior, transmitting the 1973–74 annual report of the Office of Coal Research, pursuant to 30 U.S.C. 667; to the Committee on Interior and Insular Affairs.

1931. A letter from the Acting Assistant Secretary of the Interior, transmitting a transportation study report for Arches, Canyonlands, and Capitol Reef National Parks, Utah, pursuant to Public Laws 92–154, 92–155, and 92–207, respectively; to the Committee on Interior and Insular Affairs.

1932. A letter from the Acting Deputy Assistant Secretary of the Interior, transmitting the annual report for calendar year 1973 on the anthracite mine water control and mine sealing and filling program, pursuant to 30 U.S.C. 575; to the Committee on Interior and Insular Affairs.

1933. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 22–K, *Jicarilla Apache Tribe*, plaintiff, v. *The United States of America*, defendant, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1934. A letter from the Chairman, Federal Power Commission, transmitting copies of a set of maps entitled "Principal Electric Facilities, 1973"; to the Committee on Interstate and Foreign Commerce.

1935. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a request for the withdrawal of a case involving the suspension of deportation, previously submitted pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1254(c)(1)); to the Committee on the Judiciary.

1936. A letter from the national executive director, American Veterans of World War II, transmitting the financial statement of Amvets as of August 31, 1973; to the Committee on the Judiciary.

1937. A letter from the Acting Assistant Attorney General for Administration, transmitting a report on positions in the Department of Justice in grades GS–16, 17, and 18 during calendar year 1973, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

Received From the Comptroller General

1938. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accountnig Office during January 1974, pursuant to 31 U.S.C. 1174; to the Committee on Government Operations.

1939. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Veterans Canteen Service for fiscal year 1973; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of Massachusetts (for himself and Mr. Moakley):

H.R. 13008. A bill to extend through December 1974 the period during which benefits under the supplemental security income program on the basis of disability may be paid without interruption pending the required disability determination in the case of individuals who received public assistance under State plans on the basis of disability for December 1973 but not for any month before July 1973; to the Committee on Ways an Means.

By Mr. CONABLE:

H.R. 13009. A bill to amend section 582(c) of the Internal Revenue Code of 1954 with respect to the transitional rules for foreign banks; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 13010. A bill to prohibit the dumping of spent oil shale on any Federal land other than Federal land leased for the operation of shale oil recovery facilities; to the Committee on Interior and Insular Affairs.

By Mr. EILBERG:

H.R. 13011. A bill to utilize the property at Phoenixville, Pa., previously used as the Valley Forge General Hospital, for the establishment of a national cemetery; to the Committee on Veterans' Affairs.

By Mr. FAUNTROY (by request):

H.R. 13012. A bill to authorize the District of Columbia to more fully utilize a police reserve corps, and for other purposes; to the Committee on the District of Columbia.

By Mr. FROEHLICH:

H.R. 13013. A bill to amend title XVIII of the Social Security Act to include drugs requiring a doctor's prescription among the medical expenses with respect to which payment may be made under the voluntary program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. HÉBERT (for himself and Mr. Bray) (by request):

H.R. 13014. A bill to amend section 2575 of title 10, United States Code, to provide for more efficient disposal of lost, abandoned or unclaimed personal property that comes into the custody or control of military departments; to the Committee on Armed Services.

By Mr. HUNGATE:

H.R. 13015. A bill to amend the Emergency Petroleum Allocation Act of 1973 to roll back the price of propane; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 13016. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McFALL (for himself, Mr. Mathias of California, and Mr. Johnson of California):

H.R. 13017. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Tuolumne River, Calif., for potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. OWENS:

H.R. 13018. A bill to provide for congressional reforms and to strengthen the role of Congress as a coequal branch of Government, and for other purposes; to the Committee on Rules.

By Mr. REUSS:

H.R. 13019. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide income and payroll tax relief to low- and moderate-income taxpayers; to the Committee on Ways and Means.

By Mr. ROONEY of New York:

H.R. 13020. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 13021. A bill to repeal the Emergency Petroleum Allocation Act; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H.R. 13022. A bill to amend the act of September 2, 1960, as amended, so as to authorize different minimum grade standards for packages of grapes and plums exported to different destinations; to the Committee on Agriculture.

By Mr. THORNTON (for himself, Mr. Mills, Mr. Hammerschmidt, Mr. Kuykendall, Mr. Guyer, Mr. Alexander, Mr. Peyser, Mr. Tiernan, Mr. Duncan, Mr. Hastings, Mr. Cederberg, Mr. Roncalio of Wyoming, Mr. Won Pat, Mr. Rose, Ms. Chisholm, Mr. Hungate, Mr. Bauman, Mr. McCloskey, Mr. Roe, Mr. Fascell, Mr. Hawkins, Ms. Collins of Illinois, Mr. Badillo, Mr. Harrington, and Mr. Heinz):

H.R. 13023. A bill to amend the Small Business Act to provide for loans to small business concerns seriously affected by shortages of energy-producing materials, and for other purposes; to the Committee on Banking and Currency.

By Mr. THORNTON (for himself, Ms. Schroeder, Ms. Holtzman, Mr. Parris, Mr. Burke of Massachusetts, and Mr. Riegle):

H.R. 13024. A bill to amend the Small Business Act to provide for loans to small business concerns seriously affected by shortages of energy-producing materials, and for other purposes; to the Committee on Banking and Currency.

By Mr. ULLMAN (for himself and Mr. Schneebeli):

H.R. 13025. A bill to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act; to the Committee on Ways and Means.

By Mr. DINGELL:

H.J. Res. 915. Joint resolution proposing an amendment to the Constitution of the United States relative to a congressional vote of no confidence in the President; to the Committee on the Judiciary.

By Mr. DANIELSON (for himself, Mr. Brasco, Mr. Brown of Michigan, Mr. Buchanan, Mrs. Collins of Illinois, Mr. Conyers, Mr. Culver, Mr. Davis of South Carolina, Mr. Ford, Mr. Macdonald, Mr. Mathis of Georgia, Mr. Meeds, Mr. Moss, Mr. Rose, Mr. St Germain, Mr. Stokes, Mr. Thompson of New Jersey, and Mr. Yatron):

H. Con. Res. 435. Concurrent resolution to express the sense of the Congress that the President should evaluate the commodity requirements of the domestic economy to determine which commodities should be designated as in short supply for purposes of taxation of domestic international sales corporations; to the Committee on Ways and Means.

By Mr. HANRAHAN (for himself, Mr. Benitez, Mr. Green of Pennsylvania, Mr. Studds, Mr. Hanley, Mr. Roe, Mr. Addabbo, Mr. Kemp, Mr. Guyer, Mr. Koch, Mr. Wyman, Mr. Walsh, Mr. Mathis of Georgia, Mr. Burke of Massachusetts, Mr. Hogan, Mr. Yates, Mr. Sebelius, Mr. Madden, Mr. Scherle, and Mr. Regula):

H. Con. Res. 436. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment in the Soviet Union of a Lithuanian seaman who unsuccessfully sought asylum aboard a U.S. Coast Guard ship; to the Committee on Foreign Affairs.

By Mr. LONG of Maryland (for himself, Mr. McFall, Mr. Murphy of New York, Mr. Anderson of California, Mr. Hechler of West Virginia, Mr. Dominick V. Daniels, Mr. Bingham, Mr. Rangel, and Mr. Mitchell of Maryland):

H. Res. 917. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the importing, inventorying, and disposition of crude oil, residual fuel oil, and refined petroleum products; to the Committee on Rules.

By Mr. RONCALIO of Wyoming:

H. Res. 918. Resolution to express the sense of the House with respect to the allocation of necessary energy sources to the tourism industry; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

353. By the SPEAKER: Memorial of the House of Representatives of the State of Oklahoma, relative to experimenting with a price rollback on lumber produced in the State of Washington; to the Committee on Banking and Currency.

354. Also, memorial of the Legislature of the State of Oklahoma, relative to application for exemption from the provisions of the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

355. Also, memorial of the Legislature of the State of Idaho, relative to allocation of fuel made to individual dealers; to the Committee on Interstate and Foreign Commerce.

356. Also, memorial of the Legislature of the State of Idaho, relative to operating railroad passenger service in southern Idaho; to the Committee on Interstate and Foreign Commerce.

357. Also, memorial of the Legislature of the State of South Carolina, relative to the observance of National Veterans Day on November 11; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CULVER:

H.R. 13026. A bill to confer honorary U.S. citizenship upon Alexander Solzhenitsyn; to the Committee on the Judiciary.

H.R. 13027. A bill to permit Alexander Solzhenitsyn and his family to become permanent residents of the United States if Mr. Solzhenitsyn wants to immigrate to the United States; to the Committee on the Judiciary.

By Mr. HUNGATE:

H.R. 13028. A bill for the relief of Manfred Geyer; to the Committee on the Judiciary.

By Mr. WIGGINS:

H.R. 13029. A bill for the relief of Mrs. Kozoka Scillion; to the Committee on the Judiciary.

SENATE—*Monday, February 25, 1974*

(Legislative day of Tuesday, February 19, 1974)

The Senate met at 12 o'clock noon, on the expiration of the recess, and was called to order by Hon. Sam Nunn, a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, without whose aid nothing great or good or enduring can be achieved, we come to Thee for strength and wisdom for all who labor in this place. As our fathers trusted in Thee and met crises of the past so may we have Thy gracious assistance in these troubled times. May we so comfort ourselves as to be worthy of the Nation's trust, work so diligently and so wisely as to serve the Nation's highest needs, and be so in tune with Thee that Thy will may be done.

For all Thy goodness, we give Thee thanks and praise Thy holy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., February 25, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Sam Nunn, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. NUNN thereupon took the chair as Acting President pro tempore.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Under authority of the order of the Senate of February 21, 1974, Mr. Williams, from the Committee on Labor and Public Welfare, reported favorably, with amendments, on February 22, 1974, the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes, and submitted a report (No. 93-690) thereon, which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, February 21, 1974, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Nunn) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to transmit the Eighth Annual Report of the National Endowment for the Humanities for fiscal year 1973. Training in the humanities, history, literature, and philosophy, among other disciplines, guided those who shaped the American nation and its basic documents two hundred years ago. Now, as at the beginning of our history, the ongoing enrichment of the humanities is central to the solution of those problems which challenge a nation, young or old—problems which affect the quest for a life of quality by all its citizens.

The Federal Government recognized and affirmed the importance of the humanities nine years ago with the establishment of the National Foundation on the Arts and the Humanities. It reaffirmed that importance last year with legislation extending the Foundation for another three years.

As the National Endowment for the Humanities has grown it has increasingly attracted gifts from individuals, corporations, and foundations. I am happy to note that these, for the fourth year in a row, have more than matched Federal funds appropriated for that purpose. Such public confidence in the Humanities Endowment and its work more than justifies the strong support the Endowment has received from both the legislative and executive branches and augurs well for the future development of the humanities in this country.

Richard Nixon.

The White House, *February 22, 1974.*

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore (Mr. Nunn) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

The message also announced that the Acting Speaker (Mr. O'Neill) affixed his signature to the enrolled bill (H.R. 12670) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The ACTING PRESIDENT pro tempore (Mr. Nunn) subsequently signed the enrolled bill.

The message further announced that the Speaker had appointed Mr. Flynt, Mr. Sikes, Mr. Davis of Wisconsin, and Mr. Armstrong members of the Board of Visitors to the U.S. Air Force Academy on the part of the House, pursuant to the provisions of title 10, United States Code, section 9355(a).

The message also announced that the Speaker had appointed Mr. Flood, Mr. Stratton, Mr. Horton, and Mr. Edwards of Alabama members of the Board of Visitors to the U.S. Naval Academy on the part of the House, pursuant to the provisions of title 10, United States Code, section 6968(a).

The message further announced that the Speaker had appointed Mr. Murphy of New York, Mr. Long of Maryland, Mr. Minshall of Ohio, and Mr. Gilman members of the Board of Visitors to the U.S. Military Academy on the part of the House, pursuant to the provisions of title 10, United States Code, section 4355(a).

HOUSE BILL REFERRED

The bill (H.R. 12670) to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes, was read twice by its title and referred to the Committee on Armed Services.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REVISING THE BOUNDARIES OF THE ROCKY MOUNTAIN NATIONAL PARK, COLO.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 663, S. 2394.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 2394, to authorize the acquisition of certain lands for addition to Rocky Mountain National Park in the State of Colorado, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 4, after the word "described", strike out "areas" and insert "area"; in line 5, after the word "approximately", strike out "1,017.5" and insert "1,556.21"; after line 6, strike out:

Parcel 1: All that part of the east half southwest quarter and west half southeast quarter lying west of the west bank of the North Fork of the Colorado River, and west half southwest quarter of section 36, township 5 north, range 76 west; lot 6 of section 1, township 4 north, range 76 west; lot 1 and southeast quarter northeast quarter, of section 2, and that part of the southwest quarter northwest quarter of secton 1 lying west of the west bank of the North Fork of the Colorado River, all in township 4 north, range 76 west; lot 2 and southwest quarter northeast quarter of section 2, township 4 north, range 76 west;

Parcel 2: All of tracts 38, 39, and 40 in sections 25 and 36, township 5 north, range 76 west, as identified in the independent resurvey of said township approved November 22, 1932, and lying west of the Rocky Mountain National Park boundary; that part of the north half of section 36, township 5 north, range 76 west, lying west of the west bank of the North Fork of the Colorado River; the southeast quarter northeast quarter and the northeast quarter southeast quarter of section 11, those portions of the southwest quarter northwest quarter and the northwest quarter southwest quarter of section 12 lying west of the west bank of the North Fork of the Colorado River, all in township 4 north, range 76 west;

Parcel 3: All that part of the southeast quarter northwest quarter and the northeast quarter southwest quarter of section 12, township 4 north, range 76 west, lying west of the west bank of the North Fork of the Colorado River.

On page 2, after line 24, insert:

All of those lands lying west of the west bank North Fork of the Colorado River in sections 25 and 36, township 5 north, range 76 west, and in sections 1 and 12 and the east halves of sections 2 and 11, township 4 north, range 76 west.

On page 3, line 5, after the word "the", where it appears the first time, strike out "areas" and insert "area"; and, in line 15, after "Sec. 3.", strike out "There is authorized to be appropriated the sum of $1,500,000 to carry out the provisions of this Act." and insert "There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act not to exceed $2,423,740 for land acquisition and $318,000 for development."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the boundary of Rocky Mountain National Park is hereby revised to include the following described area, totaling approximately 1,556.21 acres:

Sixth Principal Meridian, Colorado

All of those lands lying west of the west bank of the North Fork of the Colorado River in sections 25 and 36, township 5 north, range 76 west, and in sections 1 and 12 and the east halves of sections 2 and 11, township 4 north, range 76 west.

Sec. 2. Within the area described in the first section of this Act the Secretary of the Interior is authorized to acquire lands, waters, and interests therein by donation, purchase, or exchange, except that any property owned by the State of Colorado or any political subdivision thereof may be acquired only by donation. Lands, waters, and interests therein acquired pursuant to this Act shall become a part of the Rocky Mountain National Park, and shall be administered by the Secretary of the Interior subject to the laws and regulations applicable to such park.

Sec. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act not to exceed $2,423,740 for land acquisition and $318,000 for development.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business at the conclusion of the morning hour?

The ACTING PRESIDENT pro tempore. When the Senate finishes routine morning business and the previous orders, S. 1017 will be the pending business.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 1017 be returned to the calendar and that the pending business at the conclusion of morning business be Calendar No. 652, S. 2957, a bill relating to the activities of the Overseas Private Investment Corporation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent, following the first part of the morning hour, during the time allotted to Senators, that of the time allotted to the distinguished Senator from Michigan (Mr. Griffin), 5 minutes be transferred to the distinguished Senator from Connecticut (Mr. Weicker) and 5 minutes to the distinguished Senator from Oklahoma (Mr. Bellmon).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE FOREIGN MINISTERS' CONFERENCE IN MEXICO

Mr. HUGH SCOTT. Mr. President, the congressional delegation which accompanied Secretary of State Kissinger returned in a spirit of optimism and with a feeling of constructive achievement.

Aside from the fact that the composition of the delegation was rather senior, nearly every member of the delegation had some command of the Spanish language, and this certainly helped in our exchanges with our Latin American friends. The spirit of Tlatelolco was exemplified, I think, through the reality and the openness with which the discussions were conducted. The constructive nature of the communique indicates this also. The proposals which were offered were extremely well received and will, we expect, be reviewed for more definitive studies in April.

Many of the suggestions that were received were well taken and well received. A matter of long standing concerning the flow of the Colorado River, which is of extreme interest to Mexico, was well received.

We have signed an agreement with Panama, which the Senate will consider, and I hope favorably.

The Secretary of State resolved a dispute with Peru only 48 hours before the conference convened.

I believe we have made a good beginning. I believe this was one of the most important conferences held with Latin American countries. The spirit was extremely good. The congressional delegation was extremely anxious to be helpful and were, I believe, useful to the Secretary. The Secretary worked his usual magic and charm. He gave evidence of the desire of the United States to resolve our differences in a spirit of amity, and the U.S. delegation evidenced its desire to take action with the rest of the states of the Western Hemisphere.

Therefore, I think our meeting was made worthwhile, and I am glad that the congressional delegation was a part of it.

Mr. President, I ask unanimous consent that an editorial entitled "Dialog at Tlatelolco," published in the New York Times of today, February 25, 1974, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Dialog at Tlatelolco

Secretary of State Kissingier failed to get his goal of a new "Western Hemisphere Community" into the communique at Mexico City; but he unquestionably succeeded in opening a frank and practical dialogue with the twenty-four Latin American and Caribbean foreign ministers—a development as it is overdue.

The best way to build a genuine community is to follow through on Mr. Kissinger's suggestion that the American foreign ministers meet regularly for exactly the kind of candid but informal discussions of pressing common problems that characterized the sessions just concluded. At least the Latins now know that they can air their complaints freely with Mr. Kissinger and get a sympathetic hearing, if not invariably the promise of prompt remedial action.

Mr. Kissinger had prepared for Mexico City in the most practical way possible; by resolving the longstanding Colorado River salinity dispute with Mexico; by signing with Panama an agreement laying the framework for negotiations for a new treaty that will provide for eventual Panamanian sovereignty over the Canal Zone; and by resolving a dispute with Peru over compensation for nationalized American businesses.

These accomplishments gave credence to his promises of prior consultation with the Latin governments for future negotiations on multilateral trade and world monetary reform as well as for world conferences on such sensitive matters as population control, food needs and the law of the sea, especially as it affects claims of territorial waters and fishing rights.

Mr. Kissinger promised no miracles; and many of his goals were not new; a commitment to work for legislation providing tariff preferences for developing countries; a pledge to avoid new limitations on access to United States markets for Latin American exports, and undertaking to maintain economic aid at present levels. He could not immediately satisfy Latin concerns about the behavior of multinational corporations or meet pressures or a lifting of the economic and political quarantine of Cuba.

He did succeed in persuading the Latins that the United States hence forth would be open to frank exchanges on these and other sensitive issues. And on their part, to judge from the language of the communique, they are convinced of the value of his style of informal diplomacy, "devoid of all rigid formality," and wish to work at it on a regular basis.

Mr. Kissinger has made a good, if belated, beginning on a more realistic and rational United States policy for the hemisphere. The need now is to preserve in "the spirit of Tlatelolco," (as he called it, referring to the Mexico City borough in which the conference was held) at the annual General Assembly of the Organization of American States in April at Atlanta.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am happy to yield.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Republican leader in what he had to say, and to state that, in my opinion, we had a most fruitful meeting. The congressional delegation, both Senate and House, was of some assistance to Dr. Kissinger; but, as we all realize, he had to carry the load, as he usually does, and he did so with an exceptionally suberb, magic touch.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. Griffin) is recognized for not to exceed 15 minutes, 5 minutes of which has been assigned to the Senator from Connecticut (Mr. Weicker) and 5 minutes to the Senator from Oklahoma (Mr. Bellmon).

Mr. GRIFFIN. Mr. President, I yield 5 minutes to the distinguished Senator from Connecticut.

MANDATORY GAS RATIONING ACT

Mr. WEICKER. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors of S. 3015, the Mandatory Gas Rationing Act of 1974: The Senator from Montana, the majority leader (Mr. Mansfield), the Senator from New Jersey (Mr. Case), the Senator from California (Mr. Cranston), the Senator from Montana (Mr. Metcalf), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Vermont (Mr. Stafford).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, if you still want to buy the Brooklyn Bridge—if you still want to read Clifford Irving's autobiography of Howard Hughes—if you still want to insure Joe Namath's knees.

Then go right ahead and bet the house on an early end to the gasoline shortage. Because you are being handed a pipe dream instead of a pipeline.

Months ago we were told that this was a national crisis. But as I stand here this morning, Congress and the President have yet to come up with a national solution.

Instead of passing the buck up the line, the buck has been passed down—down to the States, to the localities. And ultimately to the gasoline station owner, who must then stand out there on his own hook and tell the driver who has waited in line for 2 hours that there is no more gas.

Little wonder the station owners are so upset. They have been asked to play judge, jury, administrator, policeman, and government representative, all while Congress and the President play "hot potato" with their means of livelihood. And if the gas retailer is the next to bottom rung of the ladder, the consumer has been made the bottom rung because of our failure to act at the Federal level.

People are behaving like animals. Instead of a tiger in our tank, now we have one behind the wheel. And the target of their abuse is the man behind the pump. As I have said on a number of occasions, you cannot stop emotions at a gas station lot, town or State boundary line, any more than you can stop air pollution at a town or State boundary line.

This gasoline shortage is just too big to handle at the local or State level, and Congress is going to have to come to grips with that fact.

We are one nation, and we have one energy crisis. The Arabs did not boycott Connecticut; they boycotted the U.S.A. Any solution that works is going to require an equal sacrifice from every State and every citizen. But in return we gain the knowledge that we are working together, not neighbor against neighbor, town against town, State against State.

And while we are dwelling on the national character of the gasoline shortage, let me dredge up a phrase that has been kicked around quite a bit during the past year and a half: "National security." A lot of questionable and illegal Government acts have been justified in the name of "national security," but if anything was ever crucial to genuine "national security," it is a comprehensive Federal program to reduce energy consumption and encourage discovery of fuels old and new.

The reasons for this should be obvious. Rationing would prove to any nation that we will not be subject to economic blackmail. It will show that we are absolutely serious about eliminating our dependence on foreign oil sources. And, most important, it would strengthen Secretary Kissinger's hand in Mideast negotiations and increase the chances of a lifting of the boycott.

Rationing would render the boycott pointless and inoperative. More than any policy we could adopt, it would hasten an end to the Arab oil boycott.

The Federal Energy Act fails to include a mandatory system of gasoline rationing to reduce consumption and spread the burden.

Is the situation really serious enough to warrant rationing?

The truth is all right there on the table. You do not need any inside dope or any investigative reporting. Use the Federal Energy Office's own statistics.

They say that for the month of February there is a nationwide 14 percent shortage of gasoline. We all know it is a lot bigger in Connecticut. But, just for the sake of argument, let us accept the 14 percent figure. Do Senators know what kind of a shortage the FEO is predicting for May? Twenty percent to 25 percent.

It is obvious that what the opponents of rationing are gambling on is a quick end to the Arab oil boycott. That has been hinted at for over a month now. But even assuming for a minute that it ended tomorrow, how long would it take for more gasoline to reach the pumps? Again, we will use the statistics supplied by the Federal Energy Office. They say it would take 3 months. That would be March, April, May. If the boycott does not end until March, then we are talking about April, May, and June. By the Federal Energy Office's own calculations we have no prospect of getting a boost from Arab oil before the end of May. We have a shortage that will get at least 50 percent worse by May. And people say we still do not need rationing?

Today I would like to ask: Who is kidding who?

Even if the boycott ended tomorrow—and it will not—even if every State received its fair share and it does not—even if the distribution system were working perfectly and it is not—we still would have a national crisis on our hands.

And rationalizing is no substitute for rationing.

The main problem with the concept of rationing is its public relations image. Everybody seems to think that rationing inevitably means the coupon-type system which was used in World War II, with its enormous bureaucracy and gigantic costs.

That is not using very much imagination. There are a number of ways to institute rationing without suffering the drawbacks of the coupon system. One possible plan I have suggested is incorporated in a letter to Mr. Simon, which I ask unanimous consent to have printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Hon. William Simon,
Administrator, Federal Energy Office, New Executive Office Building, Washington, D.C.

Dear Bill: I recently introduced a bill to require nationwide gasoline rationing. Since that proposal calls for rationing to be in operation within 30 days after the bill becomes law, now is the time to prepare a plan that will be ready to go.

My bill didn't spell out a specific type of rationing, because flexibility will be needed as the crisis changes. Nevertheless, the legislative intent is not that we automatically begin a World War II type coupon system. I mention this because the administration has published regulations for issuing coupons, and thereby created the impression among lawmakers and the public that coupons are inevitable if we go to rationing.

My purpose in writing is to encourage your office to immediately explore alternative plans.

I strongly suggest a plan that would require a sticker on every automobile, indicating one day a week that car couldn't be used. If a family owned two cars, the second car would have three stickers. A third car could not be used on five days of the week, and so forth.

There may be a better variation of this plan, and there will be a number of details to be worked out. However, an important aspect of the plan is that it is non-bureaucratic in that state Motor Vehicle departments could mail a "choice" card to every car owner and then mail an appropriate sticker in response to that choice. For flexibility, each owner could be granted three "date" changes per year.

Time is a problem as the gasoline shortage worsens, and some preparation for rationing would seem to be in order. These preparations must include alternatives to meet whatever form or degree of rationing is needed.

I appreciate your attention to this matter; and if I or my office can be of any assistance, I would encourage you to contact me.

With kindest regards,
Sincerely,
Lowell Weicker, Jr.,
U.S. Senator.

Mr. WEICKER. But whatever plan the FEO use, the point is: We need rationing now. All our efforts to get an equitable distribution of gasoline are pointless if we do nothing to reduce the consumption of gasoline. And we have long since passed the point where driving tips and 55-miles-an-hour limits are the answer to reduced consumption.

That is why I am introducing the Mandatory Gas Rationing Act of 1974. This legislation would leave it up to the President to pick the type of rationing system, he feels, would be most effective. But it would require him to institute that system within 30 days of passage of the bill.

Mr. President, it is late in the day, and we need hard-eyed appraisals instead of dreamy-eyed promises. Americans can conserve gasoline, and they will conserve gasoline, but they need something more to count on than another Mideast meeting. It is time for Congress to stand up and be counted.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. MANSFIELD. Mr. President, I am delighted to be a cosponsor of the Weicker proposal to make rationing mandatory.

Frankly, I think that what has been wrong is not so much a shortage, which does exist, but a distribution of the available petroleum resources throughout the United States as a whole. It is my understanding that there is a shortage, based on the fact that we are living up to our usual uses of energy, and that, of those usual uses, it is my further understanding that between 30 and 40 percent can be classed as wasted.

As the Senator says, a lifting of the boycott is not going to have any immediate effect. Over a period of time, it might; but there is also chance that the same development might occur again.

So I think that the virtue of the Weicker proposal is to establish the doctrine of equity so far as gasoline supplies are concerned and in that way do away with these long lines, which irritate people, which cause fights among people, which create a very difficult situation for politicians to contend with. The best way to face up to it is to do what Senator Weicker has proposed: Treat all people alike. We will get rid of the lines, and we will know what we are able to get in the way of supplies. That way, a better climate will result, and people will become calm.

Mr. WEICKER. I thank the Senator from Montana. He has correctly stated what I propose. Everybody in this Nation will feel that they are going to be treated fairly, that there is nothing to fear from the next town, that there is nothing to fear from your neighbor, that there is no reason to fear that another State is ahead of yours. Rather, we will confront a crisis which exists—which we have been told exists—as one people.

QUORUM CALL

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield 5 minutes to the Senator from Oklahoma.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is recognized.

(The remarks Senator Bellmon made at this point on the introduction of S. 3045 the Rural Development Health Care Services Act of 1974, are printed later in the Record under Statements on Introduced Bills and Joint Resolutions.)

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 5 minutes.

Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WHAT ARE WE GOING TO DO ABOUT IT?

Mr. MANSFIELD. Mr. President, there is a most interesting commentary in an article published in the Chicago Tribune of Monday, February 25. The article is entitled "Officials Curbing War on Narcotics." The author of the article is Bob Weidrich.

Mr. Weidrich states that the will of the Congress is being widely subverted among the war-torn hills of Laos in an apparent attempt by U.S. officials to thwart the battle being waged by American agents against Southeast Asian heroin traffic.

Mr. Wiedrich indicates that these efforts are being made throughout the so-called Golden Triangle area of Thailand, Burma, and Laos.

He also indicates that there are recurrent reports that the U.S. customs advisory team stationed in Laos was arbitrarily cut from a membership of seven to four even though they had been doing an excellent job in curbing the flow of heroin out of the Golden Triangle into other areas of Southeast and Eastern Asia for export to the United States.

I would hope that this article would be given immediate consideration by the Bureau of Narcotics, by the State Department, and by all interested parties. If there is any validity to the statements made, I hope that they will be looked into immediately to the end that enough personnel will be on the job so that this war on narcotics can be pursued fully and that everything in our power will be done to bring this matter to a successful conclusion. A successful conclusion I may say, will not mean more importation of heroin into the United States and elsewhere but a curbing of the heroin traffic.

Mr. President, I ask unanimous consent that this article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

OFFICIALS CURBING WAR ON NARCOTICS

(By Bob Wiedrich)

Washington.—The will of Congress is being quietly subverted among the war-torn hills of Laos in an apparent attempt by United States officials to thwart the battle being waged by American agents against the Southeast Asian heroin traffic.

That is the gist of reports reaching Capitol Hill here from sources in the Royal Laotian citadel of Vientiane and elsewhere in the Golden Triangle area of Laos, Thailand, and Burma, now the major opium-producing center of the world.

In letters smuggled out of Indochina, some of the men charged with combating the flow of deadly No. 4 Golden Triangle heroin to the United States indicate diplomats and foreign aid officials are trying to torpedo their efforts in favor of achievng political and military objectives.

At issue are reported efforts of the State Department to downgrade the narcotics war so as not to bruise the feelings of highly placed Laotian politicians, some of whom have been accused of personally enriching themselves in the heroin traffic in a land where opium is a centuries-old tradition.

The American diplomats need the good will of the Laotians in seeking to maneuver a successful Royal Laotian and Communist Pathet Lao coalition government.

They are also more interested in disguising continued intelligence-gathering operations behind a screen of foreign aid personnel than assuring an end to the smuggling of the high-grade heroin thru Laos to the American mainland, the sources have charged in their clandestine communications to Congress.

"I am writing to you as a concerned American," an overseas agent wrote earlier this month in one of the letters we read here a few days ago. "I am the father of two young children whose lives I cherish. That is why I am here in this God forsaken place.

"We must continue our efforts to stop the flow of narcotics to the U.S. And we cannot do it by reducing our efforts abroad, for this is sure to be taken by the Laotians as evidence of a lack of interest in this program's objectives."

The handwritten letter was typical of an increasing number spirited out of Indochina by dedicated Americans in an effort to circumvent censorship measures invoked on outgoing correspondence by top officials of the U.S. mission in Vientiane. The congressional informants report their personal letters have been rifled, read, and duly noted to their professional detriment, all apparently in an attempt to throttle protests against the downgrading of the war on narcotics.

Recently, congressional sources have been advised, the U.S. Customs advisory team stationed in Laos was arbitrarily cut from 7 to 4 agents, even tho the men had won the accolades of their Laotian counterparts whose training they had supervised in combating the opium caravans from the Golden Triangle.

"The Congress appropriated funds sufficient to avoid any cutbacks in the international drug effort," declares Rep. Morgan Murphy Jr., the Chicago Democrat whose investigations bared the widespread addiction of an estimated 50,000 American servicemen during the Viet Nam war.

"The administration has not returned before Congress to justify these cuts. From what I can learn, the State Department is more interested in maintaining cordial relations with these countries than stopping the flow of heroin into this country. Interfering with the drug traffic apparently makes things sticky for the diplomats.

"I can understand their objectives in attempting to prevent a Communist takeover of Southeast Asia. But if we can't have diplomatic relations with a nation without buying its dope, then I don't want their friendship."

Murphy reports he has been informed much of the pressure to ease up on the war against heroin has come from Gen. Ouan Rathikoun, the Royal Laotian armed force commander until the opium trade was outlawed in Laos two years ago. Gen. Ouan, now the National Assembly deputy from the opium-producing province of Luang Prabang, was the military strongman when Laotian air force planes ferried pure heroin to South Viet Nam for sale to American GIs. He has been repeatedly linked to the illicit opium trade since then and was being chauffeured around Vientiane in a white Mercedes-Benz belonging to a expatriate Chinese narcotics king when we were in Southeast Asia last August.

Murphy promises to demand a congressional investigation of the drug-war cutbacks if the State Department interference is not ended.

"I'm in favor of saving Indochina from Communism," he declares. "But the American people are more concerned about the heroin in their streets and what it can do to their children. The diplomats are going to have to find some way to make these two objectives compatible. Southeast Asia has already cost enough young American lives."

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Nunn) laid before the Senate the following communication and letters, which were referred as indicated:

Report on Proposal for an Economic Adjustment Program

A communication from the President of the United States, transmitting, pursuant to law, a report on the Proposal for an Economic Adjustment Program (with an accompanying report). Referred to the Committee on Public Works.

Report of Proposed Disposal of Certain Land

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report on the proposed disposal of certain land at the NASA Wallops Station, Va. (with an accompanying report). Referred to the Committee on Aeronautical and Space Sciences.

Report of Reapportionment of Appropriations

A letter from the Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that certain appropriations had been apportioned on a basis which indicates the necessity for supplemental estimates of appropriations, for the fiscal year 1974 (with accompanying papers). Referred to the Committee on Appropriations.

Report on Construction Projects for the Naval and Marine Corps Reserves

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, a report on six construction projects proposed to be undertaken for the Naval and Marine Corps Reserves (with an accompanying report). Referred to the Committee on Armed Services.

Proposed Construction Projects for Air Force Reserve

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on five construction projects proposed to be undertaken for the Air Force Reserve (with accompanying papers). Referred to the Committee on Armed Services.

Report on Experimental, Developmental, and Research Contracts

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on experimental, developmental and research contracts of $50,000 or more, for the period July 1, 1973 through December 31, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of Payments From Special Bank Account to Lockheed Aircraft Corp. for the C–5A Aircraft Program During the Quarter Ended December 31, 1973," Department of Defense, dated February 19, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Proposed Legislation From Economic Stabilization Program Cost of Living Council

A letter from the chairman, Cost of Living Council, transmitting a draft of proposed legislation to extend and amend the Economic Stabilization Act of 1970 to provide for the orderly transition from mandatory economic controls and continued monitoring of the economy, and for other purposes (with accompanying papers). Referred to the Committee on Banking, Housing, and Urban Affairs.

Report of National Railroad Passenger Corporation

A letter from the president, National Railroad Passenger Corporation (Amtrak), transmitting, pursuant to law, a report of that Corporation, for the year 1973 (with an accompanying report). Referred to the Committee on Commerce.

Proposed Legislation From Secretary of Commerce

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce (with an accompanying paper). Referred to the Committee on Commerce.

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce (with an accompanying paper). Referred to the Committee on Commerce.

Report of U.S. Tariff Commission

A letter from the Chairman, U.S. Tariff Commission, transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1973 (with an accompanying report). Referred to the Committee on Finance.

Proposed Legislation From Department of State

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to authorize appropriations for the Department of State, and for other purposes (with an accompanying paper). Referred to the Committee on Foreign Relations.

Report on Budgetary Reserves

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on budgetary reserves, as of February 4, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Consolidation of Reserve C–130 Airlift Squadrons Consistent With the Total-Force Concept Would Reduce Reserve Personnel Needs and Operating Costs," Department of the Air Force, dated February 20, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Report of Geological Survey

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, relating to areas outside the national domain, for the period July 1 through December 31, 1973. Referred to the Committee on Interior and Insular Affairs.

Reports of Board for Fundamental Education

A letter from the Executive Director, Board for Fundamental Education, transmitting, pursuant to law, reports of that Board, for calendar years 1970 and 1971 (with accompanying reports.) Referred to the Committee on the Judiciary.

Report of Veterans of World War I of the United States of America, Inc.

A letter from the National Quartermaster, Veterans of World War I of the United States of America, Inc., transmitting, pursuant to law, a report of that organization, dated September 30, 1973 (with accompanying papers). Referred to the Committee on the Judiciary.

Financial Statement of AMVETS

A letter from the National Executive Director, AMVETS, transmitting, pursuant to law, a financial statement of that organization, dated August 31, 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

Reports on Third and Sixth Preference Classifications for Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports on third and sixth preference classifications for certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

Proposed Legislation From Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Older Americans Act of 1965 to extend the nutrition program for the elderly (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act, the Developmental Disabilities Services and Facilities Construction Act, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, Rehabilitation Act of 1970, to revise and extend programs of health services, and for other purposes (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

Proposed Legislation From National Scientific Foundation

A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for activities of the National Science Foundation, and for other purposes (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

Report on Positions in Grades GS–16, 17, and 18

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on positions in Grades GS–16, 17, and 18, for the calendar year 1973 (with an accompanying report). Referred to the Committee on Post Office and Civil Service.

Report on Urban Area Traffic Operations Improvement Programs

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on Urban Area Traffic Operations Improvement programs (TOPICS), dated December, 1973 (with an accompanying report). Referred to the Committee on Public Works.

Report of Pacific Northwest Regional Commission

A letter from the Federal cochairman, and State Cochairman, Pacific Northwest Regional Commission, transmitting, pursuant to law, a report of that Commission, for Fiscal year 1973 (with an accompanying report). Referred to the Committee on Public Works.

Proposed Legislation From Secretary of Commerce

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a one year period, to establish an economic adjustment assistance program, and for other purposes (with accompanying papers). Referred to the Committee on Public Works.

Proposed Legislation From Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "Allied Services Act of 1973" (with accompanying papers). Referred to jointly to the Committees on Finance and Labor and Public Welfare, by unanimous consent.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Nunn):

A resolution adopted by the City of Cuyahoga Falls, Ohio, praying for the enactment of legislation relating to a massive public works program for Ohio. Referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGOVERN, from the Committee on Agriculture and Forestry, without amendment:

S. Res. 289. Resolution relating to the serious nature of the supply, demand, and price situation of fertilizer (Rept. No. 93–691).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BELLMON:

S. 3045. A bill to further develop rural America by improving health care delivery and to provide incentives for health care personnel to practice in rural areas, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. METCALF (for himself, Mr. Mansfield, Mr. Abourezk, Mr. Burdick, Mr. Inouye, Mr. McGovern, Mr. Mondale, and Mr. Stevens):

S. 3046. A bill to amend the Social Security Act to provide for additional Federal financial participation in expenditures incurred, under State plans approved under part A of title IV of such act, in providing aid to certain Indians and other aboriginal individuals. Referred to the Committee on Finance.

By Mr. HANSEN:

S. 3047. A bill for the relief of Patrosinio Simental, Eva Simental, Adam Simental, Soledad Simental, David Simental, and Aurora Simental. Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 3048. A bill to amend section 115 of the Housing Act of 1949. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McGEE (for himself and Mr. Fong):

S. 3049. A bill to provide a unified system of pay adjustments for civilian officers and employees of the U.S. Government. Referred to the Committee on Post Office and Civil Service.

By Mr. HUMPHREY:

S. 3050. A bill to promote the general welfare by establishing a balanced national growth and development policy and establishing an Office of Balanced National Growth and Development and certain programs to carry out such policy. Referred to the Committee on Government Operations.

By Mr. JAVITS (for himself, Mr. McGovern, Mr. Abourezk, Mr. Cranston, Mr. Hart, Mr. Hughes, Mr. Humphrey, Mr. Kennedy, Mr. Mathias, Mr. Metcalf, Mr. Mondale, Mr. Nelson, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Stafford, and Mr. Williams):

S. 3051. A bill to amend the Economic Opportunity Act of 1964 to establish a special emphasis program of emergency energy conservation services for the poor, and for other purposes. Referred to the Committee on Labor and Public Welfare, by unanimous consent.

By Mr. HRUSKA (for himself, Mr. Burdick, Mr. Gurney, and Mr. McClellan):

S. 3052. A bill to amend the act of October 13, 1972. Referred to the Committee on the Judiciary.

By Mr. ROBERT C. BYRD (for Mr. Inouye):

S. 3053. A bill for the relief of Mr. Andres B. Pasion. Referred to the Committee on the Judiciary.

By Mr. BENNETT (for himself, Mr. Javits, Mr. Percy, Mr. Mathias, Mr. Roth, Mr. Beall, and Mr. Dominick):

S. 3054. A bill to encourage and assist States and localities to develop, demonstrate, and evaluate means of improving the utilization and effectiveness of human services through integrated planning, management, and delivery of those services in order to achieve the objectives of personal independence and individual and family economic self-sufficiency. Referred, by unanimous consent, to the Committees on Finance and Labor and Public Welfare.

By Mr. ROBERT C. BYRD (for Mr. Mondale):

S. 3055. A bill to amend the Federal Water Pollution Control Act in order to improve the program for research and demonstration of new techniques in lake pollution control. Referred to the Committee on Public Works.

By Mr. HELMS:

S.J. Res. 191. A joint resolution to designate March 17–24, 1974, "National DeMolay Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BELLMON:

S. 3045. A bill to further develop rural America by improving health care delivery and to provide incentives for health care personnel to practice in rural areas, and for other purposes. Referred to the Committee on Labor and Public Welfare.

RURAL DEVELOPMENT HEALTH CARE SERVICES ACT OF 1974

Mr. BELLMON. Mr. President, in recent years, the Congress and our Government have belatedly become alert to the reality that the roots of this Nation's serious urban problems are anchored in the outmigration of rural people from the farms and small communities across the Nation.

Millions of men and women who had been dislocated by economic changes over which they had no control have flooded into the cities. Most of them have arrived without the skills needed to become well-adjusted, productive urban residents.

Mr. President, the solution to this Nation's urban problems begins with stopping the migration from the farms to the cities. The Congress has taken important action in this direction with the passage of the Rural Development Act and in providing more adequate funding for rural development programs. However, as efforts to build up rural America proceed, a basic problem has developed. This problem relates to the fact that unless essential services are present, there is simply no way to create the economic opportunity or the social conditions in rural America that will hold people on the farms or in small towns and stop the outmigration.

Perhaps the most basic of these essential services is health care. Currently our Government's policy is drawing physicians into cities away from the rural areas. The result is that the level of rural health care is rapidly declining because the number of physicians and other medical professionals is going down at an alarming rate. This trend must be reversed or the efforts to bring about balanced growth for rural and urban America will fail.

Over the past few years, Congress has devoted a great deal of energy to a wide range of health issues and problems. In the past, one of the major problems in the health service area has been a shortage in the supply of health manpower. To help alleviate the shortage of doctors, the Comprehensive Health Manpower Training Act of 1971 was enacted. To further reduce this critical shortage of health care personnel, the Emergency Health Personnel Act Amendments of 1972 were enacted to improve medical assistance to areas with health manpower shortages. One of the most important issues facing the Senate today is that of national health insurance. These are but few of the many pieces of health legislation that reflect the belief that we are dedicated to the principle that all Americans should have equal access to adequate medical and health care.

Yet, Mr. President, in all the uncountable hours we have spent addressing this country's health needs and in spite of the large outlay of money, complete health care in rural areas is still nonexistent. As one farmer recently stated:

> I can get faster competent medical aid for my bull on the farm than I can for my hired man.

This statement demonstrates a growing concern among rural residents that the rural communities are deriving disproportionately smaller benefits from already enacted legislation than will urban communities even though great emphasis was supposedly placed on the needs of the rural community. The major reason for this concern is the failure on the part of the Federal Government to isolate and identify the health needs of rural residents and an inability to coordinate all of the existing rural health programs insuring that rural areas receive fair treatment.

Further, there appears to be no mechanism by which the rural community can determine its own needs and utilize the resources it might have to solve its own problems.

One of the major problems facing rural health today is the astonishing decline in the number of physicians in rural practice. The day of the country doctor is quickly vanishing. Many are elderly or have retired and young doctors are not replacing them in sufficient numbers to provide needed health care. Added to the problem of a diminishing number of physicians is the economic reality that many rural communities simply cannot financially support a physician or group of physicians. Often the population of small communities in need of health services is not sufficient to support competent medical staff and facilities. Although we find that throughout the United States the physician population ratio is improving, the number of physicians serving rural areas has declined six times faster than the population has increased. Also, doctors' families often refuse to live in rural areas because they feel that small communities lack the opportunity for continuing educational development and cultural activity. Yet another problem is the practice of establishing lower medicare fee schedules in rural areas than are allowed in cities. This automatically draws needed physicians away from the rural areas. These factors emphasize that the health profession is becoming increasingly urbanized. Accordingly, we are faced with a gross maldistribution of health personnel between rural communities and urban communities. Figures from a report entitled "Health Services in Rural America" furnished by the U.S. Department of Agriculture show that rural communities with a population of less than 10,000 persons, representing 2.5 percent of the total U.S. population, attracted less than 1 percent of the 1960–65 medical school graduates. Statistics with respect to dentists, nurses, and other health and medical personnel further tend to substantiate a trend away from the rural community.

Mr. President, the maldistribution of health care personnel has left a total of 140 counties in the United States totally without a physician practicing in the area of health care and the result is a threatened crisis in the rural health care that is critical now and will become even more year after year unless effective steps are taken to reverse current trends.

State and national statistics sadly demonstrate the shortcomings existing in the present health care delivery system. The rural communities of this country are truly in the midst of a national health crisis. Results of an HEW health survey indicated that rural nonfarm persons had a higher ratio of injury than either rural farm or urban residents. The accident fatality rate in farming is higher than in any other occupation except mining and construction. It is reported that over one-half of the maternal deaths in the United States occur in rural areas and small towns. The infant mortality rate is one-third higher in rural areas than in urban and in some counties the mortality rate is double that of the national average.

In the face of these enormous health needs, rural residents face an ever dwindling supply of health care services.

Mr. President, I ask unanimous consent to have printed in the RECORD a table furnished by the American Medical Association showing the counties of the United States which were without an active physician in patient care for the year ending December 31, 1972 for the purpose of showing that the problems we face today in the area of rural health care truly are of a national scope.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COUNTIES WITHOUT AN ACTIVE PHYSICIAN IN PATIENT CARE, LAND AREA, RESIDENT POPULATION, AND POPULATION PER SQUARE MILE

State	County, Dec. 31, 1972	Square miles	Resident population, Dec. 31, 1971	Population per square mile
Total 50 States and D.C.	3,084	3,541,702	207,486,300	59
Percent	100.0	100.0	100.0	
Total counties without a physician.	140	138,463	497,000	4
Percent	4.5	3.9	0.2	
Alabama		50,851	3,493,200	69
	Coosa	650	11,200	17
California		156,537	20,329,900	130
	Alpine	723	500	1
Colorado		103,797	2,313,900	22
	Archuletta	1,364	2,700	2
	Costilla	1,213	2,800	2
	Custer	737	1,300	2
	Dolores	1,026	1,200	1
	Elbert	1,864	4,100	2
	Hinsdale	1,054	200	(1)
	Kiowa	1,767	2,300	1
	Mineral	921	1,000	1
Florida		54,136	7,143,600	132
	Glades	753	4,100	5
	Lafayette	549	3,000	5
	Liberty	839	3,300	4
Georgia		58,197	4,694,800	81
	Atkinson	318	5,300	17
	Baker	355	3,600	10
	Brantley	447	6,500	15
	Bryan	443	7,300	16
	Dawson	211	4,000	19
	Echols	425	1,800	4
	Lee	355	7,700	22
	Long	402	3,800	9
	McIntosh	426	7,800	18
	Pike	230	7,400	32
	Quitman	171	2,500	15
	Taliaferro	195	2,600	13
	Webster	195	2,100	11
	Wheeler	306	4,300	14
Idaho		82,667	739,600	9
	Boise	1,910	2,100	1
	Clark	1,751	1,100	1
	Custer	4,929	3,200	1
	Owyhee	7,641	6,100	1
Kansas		82,056	2,261,500	28
	Elk	647	3,800	6

Footnotes at end of table.

COUNTIES WITHOUT AN ACTIVE PHYSICIAN IN PATIENT CARE, LAND AREA, RESIDENT POPULATION, AND POPULATION PER SQUARE MILE—Continued

State	County, Dec. 31, 1972	Square miles	Resident population, Dec. 31, 1971	Population per square mile
Fentucky		39,851	3,307,300	83
	Menifee	210	4,000	19
	Owsley	197	5,100	26
	Robertson	101	2,300	23
Michigan		58,817	9,045,400	159
	Keweenaw	528	2,100	4
	Montmorency	555	5,600	10
Mississippi		47,358	2,229,500	47
	Issaquena	414	2,800	7
Missouri		69,046	4,777,600	69
	Bollinger	621	9,400	15
	Carter	506	4,000	8
	Clark	506	8,600	17
	DeKalb	423	7,200	17
	Hickory	397	4,700	12
	McDonald	540	13,000	24
	Mailes	525	6,900	13
	Mercer	455	5,200	11
	Osage	608	11,200	18
	Ozark	732	5,900	8
	Putnam	518	6,200	12
	Ralls	478	7,600	16
	Reynolds	817	6,400	8
	Schuyler	306	5,100	17
	Scotland	441	5,500	12
	Shannon	999	7,700	8
Montana		145,603	713,600	5
	Golden Valley	1,176	900	1
	Judith Basin	1,880	2,600	1
	Petroleum	1,655	800	—(1)
	Prairie	1,730	1,900	1
	Treasure	985	1,000	1
	Wibaux	890	1,400	2
Nebraska		76,528	1,523,200	20
	Arthur	704	600	1
	Banner	738	1,200	2
	Blaine	710	1,200	2
	Gosper	464	2,300	5
	Grant	764	800	1
	Greeley	570	5,200	9
	Hayes	711	1,700	2
	Keya Paha	768	1,100	1
	Logan	570	1,000	2
	Loup	574	1,000	2
	McPherson	856	800	1
	Sioux	2,063	1,800	1
	Thomas	716	1,100	2
	Wheeler	576	1,000	2
Nevada		109,889	514,400	5
	Esmeralda	3,570	600	—(1)
	Storey	262	700	3
New Mexico		121,445	1,035,500	9
	Guadalupe	2,988	5,100	2
	Harding	2,134	1,200	1
North Dakota		69,280	627,800	9
	Billings	1,139	1,200	1
	Dunn	1,992	4,300	2
	La Moure	1,136	7,500	7
	Oliver	721	1,800	2
	Sargent	853	5,600	7
	Sheridan	989	3,200	3
	Slope	1,225	1,300	1
Ohio		41,014	10,830,600	264
	Vinton	411	10,100	25
Oklahoma		68,984	2,630,800	38
	Dewey	1,018	5,900	6
Oregon		96,209	2,185,400	23
	Gilliam	1,208	2,500	2
	Sherman	830	1,900	2
South Dakota		75,955	673,600	9
	Aurora	709	4,500	6
	Buffalo	482	1,900	4
	Campbell	732	3,400	5
	Clark	964	5,000	5
	Hanson	430	3,500	8
	Harding	2,682	2,000	1
	Hyde	863	2,300	3
	Jerauld	527	3,100	6
	Jones	973	1,700	2
	Mellette	1,306	2,400	2
	Sanborn	570	3,800	7
	Stanley	1,414	2,200	2
	Sully	1,004	2,700	3
	Washabaugh	1,061	1,700	2
	Ziebach	1,981	2,700	1
Tennessee		41,367	4,016,800	97
	Meigs	191	5,200	27
	Morgan	539	13,700	25
	Union	212	9,800	46
Texas		262,970	11,565,800	44
	Armstrong	907	2,100	2
	Borden	907	900	1
	Briscoe	874	2,500	3
	Carson	900	6,700	7
	Concho	1,004	2,500	2
	Glasscock	863	1,000	1
	Hartley	1,488	2,600	2
	Hudspeth	4,554	2,200	—(1)
	Irion	1,073	1,100	1
	Jeff Davis	2,259	1,500	1
	Kenedy	1,394	700	1
	Kent	880	1,300	1
	King	944	500	1
	Kinney	1,393	2,000	1
	Lipscomb	934	3,400	4
	Loving	648	300	—(1)
	McMullen	1,159	1,300	1
	Oldham	1,478	2,400	2
	Rains	219	4,000	18
	Real	622	2,200	4
	Roberts	899	1,200	1
	San Jacinto	624	6,500	10
	Sherman	916	4,100	4
	Stonewall	926	2,400	3
	Terrell	2,391	1,500	1
Utah		83,381	1,115,300	14
	Daggett	706	1,000	1
	Piute	754	1,100	1
	Rich	1,023	1,800	2
	Wayne	2,486	1,600	1
Virginia		39,838	4,740,200	119
	Charles City	184	5,900	32
	King and Queen	318	7,000	22
West Virginia		24,084	1,755,000	73
	Gilmer	339	7,300	22
Wisconsin		54,464	4,499,600	83
	Florence	487	3,300	7

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[1] Less than 0.5.

Sources: U.S. Bureau of the Census, County and City Data Book, 1967 (A Statistical Abstract Supplement). Washington, D.C.: U.S. Govt. Print. Off.; 1967. Sales Management, Inc., Survey of Buying Power. July, 1972.

Mr. BELLMON. Recent statistics furnished by the Oklahoma Council for Health Careers further highlight the sad condition that exists in my own State. Of 77 counties in the State of Oklahoma, 65 have been declared health service scarcity areas. Forty-three counties report a shortage of physicians. Fifty counties report a shortage of dentists, and 54 report a shortage of nurses.

Similar conditions exist in every other rural area of the Nation. I ask unanimous consent to have printed in the RECORD a table showing the number of counties in each State of the Union needing physicians, dentists, and nurses.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HEALTH SERVICE SCARCITY AREAS

State	Number of counties needing—		
	Physicians	Dentists	Nurses
Alabama	76	76	73
Alaska	7	7	7
Arizona	5	6	29
Arkansas	4	39	41
California	45	38	22
Colorado	12	10	11
Connecticut	1	1	1
Delaware			(1)
Florida	70	54	25
Georgia	46	45	40
Hawaii	5	5	5
Idaho	8	7	6
Illinois	42	42	39
Indiana	20	18	13
Iowa			(1)
Kansas			(1)
Kentucky	5	5	4
Louisiana	5	5	4
Maine	5	5	4
Maryland	9	9	8
Massachusetts	14	14	7
Michigan	9	8	5
Minnesota	9	10	8
Mississippi	6	6	6
Missouri			

State	Number of counties needing—		
	Physicians	Dentists	Nurses
Montana	10	10	0
Nebraska	23	23	20
Nevada	23	20	19
New Hampshire	16	13	9
New Jersey	17	16	10
New Mexico	32	32	30
New York	9	8	5
North Carolina	5	3	5
North Dakota	5	5	0
Ohio	39	35	13
Oklahoma	43	50	54
Oregon	20	16	15
Pennsylvania	44	40	34
Rhode Island	12	8	3
South Carolina	33	32	33
South Dakota	5	5	3
Tennessee	93	90	82
Texas	38	30	40
Utah	12	9	8
Vermont			(1)
Virginia			(1)
Washington	28	25	20
West Virginia	40	43	33
Wisconsin	6	6	3
Wymoing	8	8	8

[1] Did not participate in survey.

Mr. BELLMON. Mr. President, it is my purpose today to offer a realistic solution to the deplorable problems existing today in the American rural health delivery system. The Rural Development Health Care Services Act of 1974 is specifically aimed at isolating community rural health problems and finding viable means of administering to these problems with a maximum utilization of rural community resources.

My bill would allow one or more towns, cities, or communities in rural areas to form Associated Rural Health Councils to secure their health service needs by contracting for the services of doctors, dentists, optometrists, or whatever health care is needed by the local community. The advantages to this plan are numerous. First, it would allow several communities in rural areas to pool their financial resources to attract the health services they need. As stated earlier, a single rural community by itself, often does not have the financial resources or the population to support a doctor or dentist. However, two or three communities with a relatively close proximity to each other, taken together, would have the necessary financial capability. As a group, these communities can solicit medical schools, dental schools, regional health centers, or the private sector to obtain needed health services. If a community or communities needs emergency medical service, they can contract for such. If a community desires a doctor or dentist, perhaps on a part-time basis, then they have the capability to secure these services. The possibilities are only limited by the different needs each community or council might have.

Recognizing that some rural communities, either singularly or together would be unable to gather sufficient financial resources, this act authorizes the Secretary to grant funds to the community councils to aid them in contracting for their needs. To insure that the rural communities first utilize their own resources, the Federal Government would establish a system of funding on a matching basis. It is hopeful that this grant would give the rural communities increased bargaining power to attract whatever health needs it desires.

Second, this act allows the community to play the major role in identifying and finding solutions to its own health care problems. The burden is on the community to determine its own needs and to act accordingly. Thus, one of the major problems existing in rural health care today—the inability of each community acting alone to secure needed medical services—is effectively dealt with by placing the resources and the responsibility at the local level.

It is hopeful that the Rural Development Health Care Services Act will provide sufficient incentive for members of the health profession to venture into rural communities. This act, therefore, allows the associated community health councils to assist students pursuing health related education by paying for part or all of their educational expenses. In return, the student would agree to serve the health needs of the councils area for a period of time to be negotiated by the student and the council. Hence, the rural community could insure itself against the dwindling supply of health care personnel, while at the same time providing needed assistance to students.

The difference in fees allowed for comparable services in rural areas as opposed to urban areas for medicare-medicaid related services is another reason for the maldistribution of health personnel. Under current medicare-medicaid policies it is simply not as attractive for doctors to practice in the rural area as in urban. Figures furnished by the Oklahoma Council for Health Careers show the following: In the rural community surrounding Tulsa, the fee allowable to a general practitioner for a routine office call is $5 while in Tulsa it is $6.10; consultation rates allowed in rural America range from $12.50 to $15 while in urban areas they are $45 to $60; for a hospital visit, fees allowable are $7.80 in the rural area and $10 in the city; and the surgical fee for a cesarean section is $350 and $450, respectively. This marked discrepancy continues to lure the physician to the metropolitan area. Similar disparities exist between rural and urban areas in every section of the Nation.

The Rural Development Health Care Services Act proposes to provide an incentive for physicians to practice in rural areas by prohibiting the Secretary from establishing higher fee schedules for comparable services in urban areas than in rural areas within the same State. Therefore, the physician practicing in the rural area is earning the same as those in urban areas. Hopefully, this will neutralize the advantage of higher fees that exist in the urban area, and encourage rural practice.

Before the Federal Government undertakes a national program, I believe it consistent with responsible fiscal policy to first test the feasibility to this approach. Therefore, this act authorizes sufficient funds to establish demonstration programs by directing the Secretary to determine health scarcity areas and encouraging those areas to engage in the programs outlined. If the operation of these programs is successful, I would unhesitantly recommend a national commitment toward this concept as a viable means to solving the problems of rural health.

Mr. President, the problems of rural health are potentially catastrophic. I urge the Senate to take quick action toward favorable consideration of this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3045

RURAL DEVELOPMENT HEALTH CARE SERVICES ACT OF 1974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Development Health Care Services Act of 1974".

AMENDMENT TO THE RURAL DEVELOPMENT ACT OF 1972

The Rural Development Act of 1972 is amended by adding at the end thereof the following new section:

"(1) The Secretary is authorized to identify health service scarcity areas in the rural areas of the United States and make demonstration, matching funds grants to associated community health councils for the development, utilization, organization, and financing of health care services in rural areas.

"(2) There are authorized to be appropriated to carry out the purposes of paragraph (1) $50,000,000 for the fiscal year ending June 30, 1975 and each of the next two succeeding fiscal years.

"(3) For the purposes of this subsection, the term 'associated community health councils' means two or more political subdivisions which have voluntarily joined together for the purpose of providing health care to individuals residing in their jurisdictions by contracting with direct providers of health care services for the provision of such services in rural areas.

"The responsibilities of the Associated Community Health Councils would include, but are not limited to, the contracting for needed health care services, establishing fee schedules, collecting bills, providing facilities, furnishing staff, and other duties necessary to establish and maintain adequate health services as the needs of the community dictate.

"(4) The associated community health council is further authorized to contract with medical students, dental students, and other students pursuing health care related education to pay part or all of their educational expenses as a condition for practicing in the area of the associated community health council for a certain period of time to be negotiated by the student and the Council.

"(5) For the purposes of this subsection, the term 'rural area' means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget and does not contain a city whose population exceeds 50,000 persons.

"(6) The Secretary of Health, Education, and Welfare is further prohibited from establishing higher fees for comparable services in urban areas than in rural areas within the same state."

By Mr. BEALL:

S. 3048. A bill to amend section 115 of the Housing Act of 1949. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BEALL. Mr. President, I send to the desk a bill to amend the rehabilitation grant section, section 115, of our housing laws.

Section 115 presently makes grants available to individuals for the purpose of rehabilitating their homes. These grants of up to $3,500 may be made to an individual homeowner with an income of $3,000 or less or to an individual homeowner whose income exceeds $3,000 if his housing expenses exceed 25 percent of his income. In the case of the latter individuals, the grant may be made "only for that portion which could not be financed by an available loan that could be amortized as part of an individual's monthly housing expenses without requiring such housing expenses to exceed 25 percent of the individual's monthly income."

Unfortunately, under the present law, the local public agency is unable to assist all of the individuals whose need would justify assistance and whose income would clearly qualify them. This is because the present law requires that the property on which the grants are made must be brought into the applicable housing codes or other requirements of the urban renewal plan of the area.

If the grant will not bring the housing unit into the total compliance, it may not be made. Thus, if the amount of money required for total rehabilitation exceeds the grant limit, the owner occupant is out of luck unless he has the means to finance the cost of the work not covered by the grant.

As Commissioner Embry of the Department of Housing and Community Development in Baltimore pointed out to me:

> This prevents the anomaly of having the more well to do among the grant applicants, because of their ability to pay for work beyond the grant limit, receive grants which are denied their poorer neighbors.

The amendment I advance today does not change the present $3,500 grant limit, but it would provide the needed flexibility in the rehabilitation program to allow the owner to do less than would be required to completely rehabilitate the house to code standards.

The grant program has provided a method whereby poorer owner occupants are permitted to remain in their homes even while they are required to improve their property. When grants cannot be provided, the property is not rehabilitated and as a result, everyone suffers. This includes not only the owner but also his neighbors who may have spent their own money and time in rehabilitating their property and yet are faced with the prospect of a permanent blight next door or across the street.

In addition, the city may have invested considerable time and resources in completing a program in the area. It is not very comforting for the city to realize that some of the homes within the improved area are in no better shape than they were when the program commenced.

Worst of all, the property owner who has had his house inspected, and who often is encouraged to make application for the rehabilitation funds, is disillusioned when he is turned down. It does not make sense to him and it does not make sense to me. Of course, if the house had severe violations, he may be required to vacate. My amendment would provide the needed flexibility for local housing authorities to award grants to homeowner occupants who cannot afford to borrow money for rehabilitating so that they may correct at least the more serious housing violations in their properties. The purpose of this amendment obviously is not to encourage widespread violations of the housing code. Property should be brought up to code standards if possible, but we also must face reality. This amendment does that and would allow a relaxation of the requirements in those cases which are legitimate hardships and in which the more serious items are corrected.

I want to personally thank Commissioner Robert C. Embry, Jr., of the Baltimore City Department of Housing and Community Development for calling this matter to my attention and strongly urge the Congress to make this needed change.

By Mr. McGEE (for himself and Mr. FONG):

S. 3049. A bill to provide a unified system of pay adjustments for civilian officers and employees of the U.S. Government. Referred to the Committee on Post Office and Civil Service.

Mr. McGEE. Mr. President, I introduce for appropriate reference a bill which would combine the two differing and conflicting procedures established by existing law to adjust the pay, on the one hand, of statutory employees of the Federal Government and, on the other hand, of officials in the executive, legislative, and judicial branches.

The pay of statutory employees, established in accordance with the pay of comparable positions outside Government, is adjusted each year. These adjustments are made in accordance with the "equal pay for equal work" comparability principle.

The pay of Cabinet and sub-Cabinet officials, the Justices and judges of the Federal judiciary, and Members of Congress, is adjusted, with the assent of Congress, every 4 years in accordance with the recommendations of a quadrennial pay commission.

The disparities in pay created by the 1-year and 4-year pay adjustment periods are wreaking havoc upon the Federal pay structure, creating pay compression and its accompanying inequities. In my view, the problem can be solved by combining the two procedures, so that the President makes his recommendations for both pay systems every year, the adjustments to become effective October 1. The bill I introduce would have that effect.

Mr. President, the Senate is currently deliberating on whether or not to approve the President's proposal on executive, legislative, and judicial pay. However that question may be decided, Members should be apprised that the problem will still be with us. The basic disparity between the pay-setting mechanisms for the two groups must be eliminated, and it would be my expectation that the Committee on Post Office and Civil Service will, later this year, ask the Senate again to take up this question when it considers the bill I introduce today.

By Mr. HUMPHREY:

S. 3050. A bill to promote the general welfare by establishing a balanced national growth and development policy and establishing an Office of Balanced National Growth and Development and certain programs to carry out such policy. Referred to the Committee on Government Operations.

THE BALANCED NATIONAL GROWTH AND DEVELOPMENT ACT OF 1974

Mr. HUMPHREY. Mr. President, I rise today to introduce one of the most important bills that I have ever introduced in this body. This particular piece of legislation has been in the making since early 1972. I first unveiled its general provisions on May 26, 1972, before the Commonwealth Club in San Francisco, Calif. Later that same year on October 11, 1972, I addressed the annual meeting of the American Institute of Planners in Boston where I again discussed the proposal and invited the professional planning community to join me in my efforts to further its development. And just 1 year ago, on February 26, 1973, my proposal for achieving balanced national growth and development was published as a committee print by the Joint Economic Committee of the Congress. Since that date over 3,000 copies of my proposal, in the form of this special committee print, have been circulated throughout the Nation.

Also, during this same period, the Congressional Research Service, at my request, prepared two important reports on national growth and development policy which have been published by the Senate. They were: First, Toward a National Growth and Development Policy: Legislative and Executive Actions in 1970 and 1971; and second, Toward a National Growth Policy: Federal and State Developments in 1972.

A third and similar report will soon be published covering 1973 happenings in this regard.

Interest in the subjects of national growth and development, long-range national policy planning, and institutional systems for establishing national goals and priorities, has been steadily growing. But at the State and local levels these past few years, action has been substituted for mere interest in these subjects. Concern about rates of growth and about environmental deterioration has moved from the meeting hall into the courts and ballot boxes.

And, of course, on the national level, Americans have these past few years been hit by a series of worsening crises, including confidence-in-Government, runaway inflation, and fuel to food crises.

We can continue along the path of haphazard growth and frequent environmental, economic and social crises, but following that path surely means national disaster. Or, we can create the machinery and processes that are required to develop policies, incentives and programs for balanced, rational coordinated patterns of national growth. In that way, we can guide and control our future destiny rather than let events or fate dictate it.

Continued unplanned growth—without goals and guiding policies—will stimulate thousands, even millions, of uncoordinated individual personal and community responses to the aggravated problems of everyday living. And in an increasingly technologically complex and interdependent society, these individual decisions affect the lives of many other people and communities, and indeed the health and welfare of the Nation. For example, the decision of many millions of Americans to purchase an automobile—or two, or three—over the past several decades not only has contributed to increased air pollution, time-losses in traffic, accidents, high road construction and maintenance costs, and today's fuel and energy crisis, but it has also shaped the actual physical structure of our Nation's cities and contributed to a major migration of millions of people to those cities from our Nation's farms, and open countryside.

Now, as Americans are forced to experience personally automobile fuel shortages, many of them are learning how dominant their dependency on such a conveyance really is. Some are now wishing they had not moved from the inner-city to the suburb. Others are asking why more has not been done to date to provide for other means of transport such as mass transit. And still others are wondering how such a crisis could have hit a nation so fast and hard when it only imports about 17 percent of its total energy needs. In short, they are now being given an object lesson in the value of long-range policy planning and the need to anticipate possible changes in the future availability of resources.

I believe that a balanced national growth and development policy framework can and must be developed to maximize the positive impact of public policy on the "quality of life" of all Americans.

The questions that we face, given the expected social and economic contours of our Nation in the year 2000, are awesome when we look at the inadequacy of our current public policymaking process.

The United States is in one sense the "oldest" country in the world—we were the "first" Nation to enter the 20th century. Our society has lived the longest with

High technology;
High mobility;
High urbanization; and
High affluence.

Despite this historic advantage, we seem to have done the least among nations in developing the policymaking and planning processes required by our people and institutions to adjust to these new realities.

Most European nations have instituted policies of balanced national growth and development during the last 20 years.

These policies, incorporating population distribution goals, land use objectives, economic growth targets, and the like, have met with some success already, despite their relatively recent initiations.

During this same period in our country, anything that even sounded like national policy planning was looked upon with suspicion by a large and vocal segment of our population.

But, in recent years, some important progress has been made in making at least a start toward achieving a balanced national growth and development policy.

For example, in title IX of the Agriculture Act in 1970, Congress and the President committed themselves to a national policy of "sound balance between rural and urban America." Congress proclaimed that it "considers this balance so essential to the peace, prosperity, and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas."

And, shortly following the declaration of that new national policy, Congress enacted the Rural Development Act of 1972, which provides the programs for implementing that policy.

A similar commitment to the balanced growth and development of rural and urban America was echoed in title VII of the Housing and Urban Development Act of 1970.

However, while these policy changes and other specific development programs are important, good and necessary for America, they are far from sufficient to help us cope with the long-term balanced growth and development problems which we face.

The problems we must address in America include:

Natural resource availability and use;
Population growth and distribution;
Regional distribution of national economic growth;
Protection of our air, water, and land;
Fuel and energy shortages;
Balanced and efficient transportation systems;
Sound use of land; and
More equitable distribution of income and opportunity; and many others.

What we do—or fail to do—today clearly commits and fixes future patterns of life in this Nation as well as on this planet Earth. We can no longer afford the luxury of approaching the future of our Nation—and its relationship to the rest of the world—haphazardly.

A few years back, we learned almost overnight that the world we live in had shrunk to such a size that men on one side of the Earth could completely destroy men on the opposite side within 30 minutes through new and devastating means of modern warfare. More recently, we have come to realize that even the natural resources of this Earth and of our Nation are indeed finite, and in many cases threatened with total depletion. Although the population of the United States today comprises only 6 percent of the world's population, our Nation consumes over 40 percent of the world's resources.

The creation of a desirable human environment requires that people be provided with the opportunity to develop life-styles and surroundings of their own choice, consistent with environmental integrity and the economic management of natural resources. In their intensifying debate, the advocates of "no growth" and "continuous growth" of our economy system are attempting to force Americans today to make a simple choice of accepting one or the other of these two positions. However, I believe they will accept neither. Rather, I believe the American people, as they look anew at what kind of future they are now creating for themselves and future generations, will begin to move more toward the goal of human relationships that is based upon the Greek idea of "balance," of moderation, of "nothing too much."

Growth is seen by many as the opposite of stability, yet both are desired. Novelty is prized, but man is overwhelmed by too much change. Technology is both feared and indispensable. Liberty versus tranquality, defense versus welfare, present versus future, are dichotomous terms that have expressed American goals since the beginning of our Republic.

Our challenge, then, is to reach out for the "balance" in human relationships that many of us believe to be attainable between conflict and cooperation, between growth and stability, between individual free choice and common good, between technology and social responsibility, between economic needs and environmental protection, between urban and rural, between the old and new and between national and local goals.

But how and through what means can we reach out for that "balance?" What mechanisms and processes do we now have that will permit and encourage us to develop the policies and plans to "create," to "design" and to "shape" our Nation's future human environment?

There are none, at least not any that are explicitly designed to deal with our Nation's long-range future on a continuous basis.

We have no institution, process, or mechanism today that is dedicated to or concerned with the consequences of the rapid and potent changes in opportunities resulting from the onrush of science and technology.

We have no national effort today concerned with the need for better techniques or measurement to help our society answer for itself the classic questions posed by Abraham Lincoln in his famous house divided speech:

> If we could first know *where* we are, and *whither* we are tending, we could then better judge *what* to do and *how* to do it.

At this critical stage in our national development we must, in my judgment, provide the means and institutional processes required to answer such questions, to identify at an early point the vital questions likely to confront our Nation as the future unfolds, so that accommodation to change can be a deliberate, conscious, and rational process instead of a violent reaction.

The institutional changes required to accomplish these ends, must include, but not necessarily be limited to, changes in the executive and legislative branches of our Federal Government. These changes must provide for orderly policy development, based upon sound information and involvement of our Nation's citizenry. The process created must involve all levels and branches of government—as it relates to all combinations of political, economic, social, and environmental concerns.

This newly created process must help the people of this Nation to design their own future—not in the form of any master plan or blueprint, but rather to help them create the means to help them better understand, anticipate, and to bring about orderly change.

Policy planning and development is almost nonexistent in our Government today. Anyone who doubts that, let him reflect upon the crises we are faced with today concerning fuels and energy, housing, our cities and rural areas, the environment, land use, transportation; and the list goes on.

Mr. President, I believe the bill I am introducing today, entitled the "Balanced National Growth and Development Act of 1974", is designed to provide the necessary mechanisms and processes which will make it possible for both the executive and legislative branches of our Federal Government to develop long-range national policies in the future.

This bill provides for the establishment of an Office of Balanced National Growth and Development within the Office of the President to:

> Develop specific national policies relating to future population settlement and distribution patterns, economic growth, environmental protection, income distribution, energy and fuels, transportation, education, health care, food and fiber production, employment, housing, recreation and cultural opportunities, communications, land use, welfare, technology assessment and transfer, and monetary and fiscal policy.

This new Office also would provide the means to develop these individual national policies in such a way as to reflect the appropriate interrelationships that obviously exist between and among such policies.

This new Office would tie together and coordinate the work of the Council of Economic Advisers, the Office of Management and Budget, and the Environmental Quality Council.

This new Office would be empowered to bring about more uniform and workable Federal assistance programs, to streamline the Federal delivery system, now involving hundreds of categorical programs that so bewilder and confuse many a State and local official.

The bill also would establish new uniform planning requirements for Federal grants-in-aid, and transfers to the new Office the comprehensive planning assistance program authorized by section 701 of the Housing Act and administered by HUD.

The bill would create a national system of multi-State regional planning and development commissions, involving both Governors and State legislatures, to help link up and facilitate proper coordination among Federal, State, and local units of governments. This nationwide regional commission structure would be directly tied to the new Office within the Office of the President, rather than to a department.

A federally funded system of national, multi-State, and State citizen councils also would be authorized by this legislation to provide for more direct citizen participation in the development and review of national policy.

In addition, this bill would create a joint congressional Committee on Balanced Growth and Development. This committee would be supported by a new congressional Office of Policy and Planning within the Library of Congress, staffed by professionals and experts on national policy matters.

New requirements pertaining to the location impact of Federal facilities, activities, and procurement are specified in the bill. We are the only developed nation in the world that continues to ignore this critical question in our private and public decisionmaking.

This bill creates a new national research institution to monitor, measure, and forecast developments and happenings in all the major sciences—soft and hard—and to report its findings, with possible alternatives that might be pursued.

It also provides for more detailed and continuous analysis of population and demographic trends, within the U.S. Bureau of the Census.

And, finally, it provides for the development of annual report by the executive branch detailing "where we are," and "whither we are tending" in our pursuit of developing and implementing national policies. That report will be made available to and assessed by Congress and the people of this Nation.

It will become a national working document for the entire Nation to reflect its concerns and desires concerning national goals, priorities, and policies.

I have asked many individuals and groups throughout the country for comments and recommendations concerning this legislative proposal. In due course, all of these suggestions will be carefully scrutinized, and changes in my proposal will undoubtedly be made. I welcome any and all additional ideas and comments.

I also would like to take this opportunity to urge my Senate colleagues to join me in sponsoring this legislation.

In these times of amazing proximity between people and nations, resulting from revolutions in communication and transportation technology:

In this age of unbelievably rapid change in virtually every facet of man's existence, from the way he constructs his office buildings to the way his children perceive "right and wrong";

We need a way for all the people of this Nation to participate in shaping their own future.

Only through an effective process of the kind I am recommending here today can we as a nation anticipate and direct change and consequently, minimize that Alvin Toffler has aptly named "future shock."

For more than 2 years my staff and I have been working on this proposal. I consider it to be the single most important piece of legislation of my 25 years of public service.

I believe this legislation goes a long way toward providing the institutional arrangement necessary to the development of a continually evolving balanced national growth and development policy in the United States.

Mr. President, before the end of this month, Congress is to receive its second biennial report from the executive branch identifying Federal actions that will strengthen the Nation's ability to deal effectively with future national growth and development issues. The first of such reports was presented to Congress in 1972. The New York Times characterized that particular report as "A mausoleum of words." For the most part, the 1972 report merely summarized the Nixon administration's domestic legislative program calling for Government reorganization, revenue sharing, and national land use policy. I certainly hope this year's report is more in accordance with what the congressional authors of title VII of the Housing and Urban Development Act of 1970 had in mind.

Mr. President, I ask unanimous consent that the complete text of my bill be printed in the Record following the completion of my remarks. I also ask unanimous consent that a "Proposal for Developing a Capability at the National Level for Strategic Policy Assessment," developed by the Woodrow Wilson International Center for Scholars, be printed in the Record, along with a statement by Archibald C. Rogers, chairman of the American Institute of Architects' National Policy Task Force, and presented before the House Interior and Insular Affairs Committee last April, in which Mr. Rogers discusses the institute's work and recommendations concerning national growth and development policy.

Finally, Mr. President, I would like to take this opportunity to pay tribute to James E. Thornton, now a member of the Senate Agriculture Committee staff, for the work and help he has provided me in developing this proposed National Growth and Development Act. He has spent much of his own off-hour time working on this proposal and related matters for me, for which I am deeply grateful and appreciative.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 3050

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Balanced National Growth and Development Act of 1974."

TITLE I—STATEMENT OF POLICY; FINDINGS; AND PURPOSE

STATEMENT OF POLICY

Sec. 101. In order to promote the general welfare and to improve the quality of life and standard of living for all the Nation's people by providing direction for the forces determining economic growth, population distribution, and environmental quality consistent with guarantees of maximum freedom and self-determination among citizens, the Congress declares that it is the continuing responsibility of the Federal Government, in concert with State and local governments, to undertake the development of a balanced national growth and development policy, which shall incorporate economic, social, environmental, and other appropriate considerations. The balanced national growth and development policy shall serve as the guide for national decisionmaking and Federal assistance and cooperation with States and local governments and appropriate encouragement of cooperation by private enterprise, to effect the achievement of balanced economic growth in urban and rural areas, through optimum allocation of resources, balanced distribution of population, and environmental protection.

FINDINGS

SEC. 102. The Congress finds that there is a need for a more explicit and rational formulation of national goals and priorities, and that the Congress needs more detailed economic social, environmental, and program analysis in order to make informed priority decisions among alternative programs and courses of action to formulate policies that will bring into concert the numerous and often conflicting efforts for national improvement. The Congress also finds—

(1) that a lack of coordinated policies for Federal programs and incentives to private enterprise designed to achieve a balanced national growth has resulted in a serious decline in the quality of life of our Nation's people, and that much of this decline has been caused by a failure to properly provide for the management, use, protection, and conservation of resources essential to maintaining and improving such life quality standards;

(2) that rapid growth of population in urban areas and uneven expansion of urban development, together with a decline in rural population and slower growth in rural areas, has created imbalances between fundamental needs and resources of air, water, and land which seriously threaten the environment for quality living in many regions of the country;

(3) that the heavy concentrations of our Nation's population in only a few small areas increases their vulnerability to various social system and community service breakdowns, resource shortages, natural disasters, and even destruction by weapons of modern warfare;

(4) that there is a national and individual citizen interest to be served in a more efficient and comprehensive national system of interstate, statewide, regional, and local comprehensive planning and decisionmaking and that large-scale industrial and other economic growth conflicts in patterns of land use, fragmentation of governmental entities exercising land use regulation powers, and the increased size, scale, and impact of private actions, have created a situation in which land use and other management decisions of wide public concern often are being made on the basis of expediency, tradition, short-term economic considerations, and other factors which too frequently are unrelated or contradictory to the real concerns of a sound national land use;

(5) that costs of public services and facilities can be optimized when such services and facilities are well-planned as an integral part of national, regional, State, or local community growth and development policies and goals;

(6) that the development of a balanced and efficient multi-mode transportation system adequate to meet the current and future transportation needs of the United States is essential to the commercial life and general welfare of the people of the United States; that present transportation facilities, transportation rate structures, transportation planning, and transportation development are inadequate to meet the minimum current and future transportation needs of the people of the United States;

(7) that systematic and coordinated planning and development of balanced transportation facilities and services within and between all regions of the United States must be encouraged and vigorously pursued in order to improve the mobility of our Nation's population;

(8) that the energy needs of the Nation have been rising faster than its capacity to convert fuels into energy and that no nationwide system now exists to interlink existing electrical generating and transmission systems, the failure to implement may lead to power shortage, higher consumer costs, and other failures which endanger health and safety in the heavily populated areas of the country;

(9) that the maintenance of adequate energy and fuel supplies at reasonable price levels, the continued fiscal stability of the basic energy and fuel industries, the establishment of an adequate energy research and development program, the proper development of adequate facilities for the production, distribution, transportation, and transmission of fuel and energy resources and the proper conservation and use of fuels and energy resources consistent with the national goals of balanced economic growth are essential to the well-being of our Nation, to the quality of life of our individual citizens, and that there now exist various and sometimes conflicting laws and regulations setting forth national goals which affect fuels and energy policy and which are vital to the development and conservation of fuel and energy resources;

(10) that a lack of long-term comprehensive policies and goals regarding the production of food and fiber has exacerbated our national and international social and economic problems;

(11) that during the housing needs of our Nation, particularly in center-cities and in nonmetropolitan areas, have reached critical proportions; and that a national housing policy, accompanied by specific goals, is needed reflecting the importance of adequate housing for all citizens regardless of income status or area of residence;

(12) that there are many unmet needs for new or expanded community facilities, such as the replacement and extension of sewer and water services, for separation of storm and sanitary sewers and for new and efficient methods of solid waste disposal;

(13) that the health services and facilities of the Nation have been greatly strained and have produced the most inflationary increases in the cost of living; and that rural and center-city areas in particular suffer most severely from the lack of adequate health care services and medical personnel;

(14) that the public education systems in many areas of the country have failed to offer adequate education and training to many people to enable them to find satisfactory employment;

(15) that there is still a significant incidence of poverty, crime, malnutrition, and social maladjustment in our Nation that tends to degrade human dignity, impair people's quality of life, and divide people along lines of race, income status, and class, and to sap the vigor of our society;

(16) that fiscal and monetary policies have failed to promote balanced national development, stable economic growths, or more equitable income disbursements;

(17) that the avilability of capital and credit, at resonable rates, terms, and conditions, is inadequate to meet many of the needs of State and local government and of private industry;

(18) that fragmentation of local government in metropolitan areas and lack of consolidation of local government resources in nonmetropolitan areas has fostered uncoordinated and wasteful growth and development, and there is a need for improved coordinated management of all governmental functions at State and local levels; and

(19) that certain Federal programs affect the location of population, economic growth, income distribution, and the character of urban and rural development; that such programs frequently conflict and result in undesirable and costly patterns which adversely affect the environment and wastefully use our natural resources, and that existing and future programs must be interrelated and coordinated within a system of orderly development and established priorities consistent with a balanced national growth and development policy.

STATEMENT OF PURPOSE

SEC. 103. To promote the general welfare and to improve the quality of life and standard of living for all our Nation's citizens by properly guiding and applying the resources of the Federal Government and of our entire society in strengthening the economic and social health of all areas of the Nation; more adequately protect the physical environment; effect maximum efficiency in the allocation, utilization, and conservation of resources; and achieve a more balanced distribution of urban and rural population, consistent with the commitment made by Congress in title IX of the Agricultural Act of 1970 as amended, and the Rural Development Act of 1972, the Congress declares that the Federal Government, consistent with the responsibilities of States and local governments and the private sector, must implement the responsibility acknowledged in title VII of the Housing and Urban Development Act of 1970 for the development of a national growth policy which shall incorporate social, economic, environmental, and other factors in order to accomplish, within the framework of balanced economic growth, the following national goals:

(1) expansion of the Employment Act of 1946 to provide, in addition to the goal of reasonably full employment, the goal of income distribution that will assure an income adequate to provide acceptable levels of nutrition, health, education, housing, and cultural opportunity for all our Nation's population;

(2) a level of environmental quality, as provided in the National Environmental Policy Act of 1969, as amended, which safeguards the health and tranquillity of our Nation's residents wherever they choose to live and which prevents and avoids further pollution, and preserves our Nation's and the world's valuable natural resources;

(3) a distribution of population, through the development of appropriate policies based on the findings and recommendations of the Office of Balanced National Growth and Development in the Office of the President, the Foundation on the American Future, the National Citizens' Council on America's Future, and the Joint Congressional Committee on Balanced Natural Growth and Development, as established in this Act, and requirements of balanced economic growth;

(4) implementation of the balanced national growth and development policy through a national regional development system of multi-State regional commissions based upon comprehensive State multijurisdictional, county, metropolitan, and nonmetropolitan planning and development districts;

(5) coordinated land-use planning, regulation, and development among governments in a region to avoid duplication of facilities to facilitate balanced distribution of housing relative to employment locations, and to permit freedom of choice of residential location to citizens of all races, colors, creeds, and income status;

(6) development of an integrated and balanced national transportation system, utilizing advanced technology and planning, and incorporating rate structures consistent with the goals of balanced economic growth;

(7) development of a comprehensive and integrated national communications system to facilitate the dissemination of information conducive to an informed public and one which is designed to meet requirements of improved education, health care, the arts

and sciences, private enterprise, government, and of the employment of a more balanced national growth pattern in the United States;

(8) motivation of private enterprise to participate to its fullest possible extent in activities that will further the national growth policies that are developed in pursuance of these goals;

(9) formulation of a national fuels and energy policy based upon sound conservation and use principles, which will provide adequate supplies of energy, at reasonable prices, in all regions of the country, with minimal environmental impact, while providing consumers with reasonable choices *among alternative* forms of energy, and the encouragement and promotion of the development of a viable domestic energy industry, consistent with the goals of balanced economic growth;

(10) formulation of national food and fiber policy which will insure a fair economic return to agricultural producers which will insure adequate supplies for the American people and for those of the world who depend upon our nation for agricultural exports and which will end stability to large sectors of our economy engaged in related or dependent activities and to our international trade realtions;

(11) provision of a decent home in a suitable environment for all citizens, through *implementation* and updating of the national housing goals adopted in title XVI of the Housing and Urban Development Act of 1968;

(12) development of planned communities of optimum size from the viewpoint of costs of public services, spatial relationships between economic functions and population densities to minimize daily transportation needs and energy use and facilities movement of people and goods, and the application of advanced technology in the planning and development of expansion of existing and new communities to promote the goals of this Act;

(13) provision of adequate health care facilities and services in all regions of the country and the availability of such facilities and services to people of all income levels at costs within their economic means;

(14) provision of adequate manpower training and educational programs and institutions at all levels in all regions of the country to allow both young and older people the opportunity to develop their capacities to the fullest degree of their capabilities and willingness;

(15) provision of adequate recreation and cultural facilities to serve people of all income levels and residents of all regions of the country; and

(16) utilization of advance technology, systems planning, and computer sciences to provide energy, communications, and generally increased productive capacity to enable a growing population to enjoy a higher quality of life and a rising standard of living.

TITLE II—OFFICE OF BALANCED NATIONAL GROWTH AND DEVELOPMENT

ESTABLISHMENT OF OFFICE

Sec. 201. (a) There is established in the Executive Office of the President an Office of Balanced National Growth and Development (hereinafter referred to as the "Office"). There shall be in the Office a Council on Balanced National Growth and Development (hereinafter referred to as the "Council"). The Council shall be composed of the Attorney General; the Secretaries of Housing and Urban Development, Agriculture, Health, Education and Welfare, Interior, Commerce, Defense, Labor, Transportation, Treasury; and the Chairman of the Board of Governors of the Federal Reserve System; the Director of the Foundation on the American Future; the Chairman of the National Citizens Council on the American Future; the Chairman of the Domestic Council; the Director of the Office of Management and Budget; the Chairman of the Council of Economic Advisers; the Chairman of the Advisory Commission on Intergovernmental Relations; the Director of the Office of Economic Opportunity; the Administration of the Federal Energy Office; the Administrator of the General Services Administration; the Administrator of the Environmental Protection Agency; the Chairman of the Environmental Quality Council; the Chairmen of the Interstate Commerce Commission, the Federal Power Commission, the Federal Communications Commission, the Civil Aeronautics Board, the Atomic Energy Commission; and the Director and Deputy Director of the Office.

(b) The Director and Deputy Director of the Office shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall receive compensation at the rate prescribed for level I of the Executive Schedule, title 5 of the United States Code, and the Deputy Director shall be compensated at the rate provided for level II in such schedule.

(c) All functions of the Office shall be carried out by the Director under the supervision and direction of the President and with the advice of the Council. The Deputy Director shall perform such duties as are assigned to him by the Director and during a vacancy in that position, shall act as Director.

(d) The Director of the Office is authorized to employ, and fix the compensation of, such specialists and other experts as may be necessary for carrying out the functions of the Office under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and is authorized, subject to such provisions, to employ such other officers and employees as may be necessary for carrying out such functions and fix their compensation in accordance with the provisions of such chapter 51 and subchapter III of chapter 53.

(e) Section 5108(a) of title 5 of the United States Code is amended by inserting at the end thereof the following:

"(11) The Director of the Office of Balanced National Growth and Development, without regard to this chapter (except section 5114), may place a total of fifty positions in GS–16, 17, and 18."

FUNCTIONS OF THE OFFICE

Sec. 202. (a) The Office shall provide for—

(1) the policy direction and coordination of all Federal and federally assisted programs for planning and land use development, programs designed to improve human resources, programs designed to allocate resources, and programs designed to develop, allocate or conserve energy resources, within the departments and agencies of the Government designated by the President, the effectuation of such policy direction and coordination, and a system of standard definitions and common sources of data for such activities;

(2) the preparation of an annual report, to be known as the Annual Report on Balanced National Growth and Development, detailing the progress made in carrying out the provisions of this Act, and containing the President's evaluation and recommendations regarding future needs in this regard;

(3) such additional studies and analyses and such reports as the President and the Congress might require;

(4) the assessment of national needs, goals, and priorities;

(5) the evaluation of effects of present and proposed Federal tax incentives and State and local government tax policies upon the private industrial mix and location in the context of balanced national growth;

(6) the evaluation of all present and proposed Federal credit programs;

(7) the evaluation of the effects of fiscal and monetary policy and such other economic stabilization tools as may be adopted upon employment, changes in income, and the composition of economic production in the Nation and its regions;

(8) the evalution, or review of evaluation made within departments and agencies, of effectiveness of present and proposed programs, with respect to all benefits, costs, and incidence thereof;

(9) the assignment of goals, plans, and programs to departments and agencies generally;

(10) in coordination with the Office of Management and Budget, the development of three-, five-, and ten-year planned program projections;

(11) the evaluation of regional resources and human resources in relation to projected development or stabilization;

(12) the evaluation of available renewable and nonrenewable natural resources and management and conservation efforts relating thereto;

(13) the analysis of trade-offs in adoption of alternative national growth policies;

(14) the establishment of multi-State regional offices of the Office in order to obtain regional and State implementation and input regarding national goals and policies affecting the allocation of resources, the development of human resources, and environmental protection;

(15) the establishment, for purposes of coordinated planning and development, of representative multi-State regional bodies, and encouragement of the formation of representative multijurisdictions within States;

(16) the establishment, within the goals of balanced economic growth, of cooperative mechanisms, including appropriate taxation policies, grants, and other incentives, to achieve maximum participation of private industry in achieving the purpose of this Act;

(17) the establishment of national growth policies, approved by the President, which would require the Office to participate in the review of agency and departmental budgets after they are submitted to the President or the Office of Management and Budget, but before they are submitted to Congress;

(18) the establishment of a nationally coordinated multijurisdictional comprehensive planning process, including but not limited to the following activities:

(A) supervising and coordinating the activities of the Federal co-chairmen of the multi-State regional planning and development commissions provided for in section 403(b) of this Act;

(B) facilitating the use of common information and data bases for regional, State, and local comprehensive and functional planning, and for this purpose the Office shall collect, analyze, and disseminate through the multi-State regional planning and development commissions information, data, and projections concerning economic trends and location patterns; population characteristics, migration; direction and extent of urban and rural growth and change; employment and unemployment; social, educational, housing, health, recreational, cultural and welfare needs, government organization patterns and financial resources available within the States and political subdivisions thereof; and any other subjects deemed essential to the planning process;

(C) providing channels for and facilitating the continuing exchange and consideration of planning information among all Federal, multi-State, State, and local planning agencies relevant to the planning process for the purpose of periodic joint determination of mutually consistent, realistic, and attainable regional, State, and local growth policies;

(D) monitoring the growth and development or stabilization of the regions, States, and localities, comparing planned with actual development or stabilization, and making adjustments in growth policies or in developmental activities, as may be indicated by such reviews, in order that the growth policies continue to serve as current and suitable guides for Federal, State, and local program decisions;

(E) reviewing proposals for federally aided programs and projects for consistency with the stated growth policies, in accordance with the provisions of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, section 401(A) of the Intergovernmental Cooperation Act of 1968, the Rural Development Act of 1972 and of this Act;

(F) reviewing the planning requirements of all existing and proposed Federal programs, and taking such steps as are necessary to insure that these planning requirements are compatible with the unified comprehensive planning system; and;

(G) periodically summarizing, for the use of both the President and the Congress, the current and foreseeable needs for various types of Federal assistance as indicated by the comprehensive planning system, taking into consideration, among other things, the relative priorities assigned to such assistance among the several regions, States, and districts in their respective plans; and

(18) an evaluation of the yearly funding of the Office, and the Foundation established in title X of this Act.

(b) The Office shall, as soon as practicable, prescribe such rules and regulations as may be necessary to implement its functions under this section and the other provisions of this Act.

ANNUAL REPORT ON BALANCED NATIONAL GROWTH AND DEVELOPMENT

SEC. 203. (a) The Annual Report on Balanced National Growth and Development shall include—

(1) information and statistics describing characteristics of national growth and development identifying significant national and regional trends;

(2) a summary of significant problems facing the United States as a result of population level and distribution trends and other developments affecting the quality of life of the Nation's citizenry;

(3) an evaluation of the progress and effectiveness of Federal efforts designed to meet such problems and to implement the policy and objectives of this Act;

(4) a review and evaluation of multi-State, State, and local government (including multicounty) planning and development efforts to determine the extent to which such activities are not consistent with the policy and goals described in sections 101 and 103, respectively, of this Act;

(5) appropriate projections and forecasts regarding future social, economic, environmental, and scientific developments affecting the growth and development of the Nation, stated in five-, ten-, and twenty-five-year time-frames;

(6) recommendations for policies and programs to further carry out the policy and objectives of this Act, including such legislation as may be deemed necessary and desirable;

(7) data and analyses regarding any existing or anticipated shortages of essential resources, with recommendations as to how such shortages might be minimized or avoided altogether;

(8) general plans regarding the implementation of the policy and objectives of this Act, including estimates of time and cost required to achieve them; and

(9) incorporate the reports required under title VII of the Housing and Urban Development Act of 1970, title I of the Airport and Airway Development Act of 1970, and title IX of the Agricultural Act of 1970, as amended, and other Acts where the President determines that incorporation of such reporting requirements into one single comprehensive report will lead to a better and more thorough understanding of both the individual reports and the interrelationships between and among such reports.

(b) Such annual report; and any reports supplementary thereto, shall, when transmitted be referred, through the Congressional Office of Policy and Planning, to the Joint Committee on National Growth and Development, the Joint Economic Committee, the Committees on Government Operations and Appropriations of each House and such other standing committees as the presiding officer of each House may designate.

EVALUATIONS BY THE COUNCIL OF ECONOMIC ADVISORS; THE COUNCIL ON ENVIRONMENTAL QUALITY; THE NATIONAL CITIZENS COUNCIL ON THE AMERICAN FUTURE, AND THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEC. 204. The Council of Economic Advisors, the Council on Environmental Quality, the National Citizens Council on the American Future, and the Advisory Commission on Intergovernmental Relations shall review all new and modified growth and development policies and programs with respect to their economic, environmental, social, intergovernmental, and general impact, and report their recommendations to the Office within time limits prescribed by the Office.

TRANSFER OF CERTAIN DUTIES OF THE DOMESTIC COUNCIL TO THE OFFICE OF BALANCED NATIONAL GROWTH AND DEVELOPMENT

SEC. 205. (a) All functions of the Domestic Council related to national growth and development policy are transferred to the Office.

(b) This section shall be effective after one hundred and eighty days following the date of enactment.

CONSOLIDATION OF FEDERAL COMPREHENSIVE PLANNING ACTIVITIES AND PLANNING ASSISTANCE PROGRAMS

SEC. 206. (a) In order to facilitate the formation of the Office, the expeditious development of its activities, and the prevention of duplication and overlapping of its functions with other departments and agencies, the President shall transfer to the Office, in addition to the transfer provided for in section 502 of this Act, any units presently established in the executive branch of the Government and performing functions such as the collection, analysis, and dissemination of information; the administration of planning grants; or the review of proposals for federally aided projects or programs, or both, which, in his judgment, are sufficiently closely associated with the functions of the Office, as provided for in section 202, to warrant such transfer.

(b) Within one year of the date of enactment of this Act, the President shall report to the Congress which units and activities he proposes to transfer to the Office. Such transfers shall take effect after ninety days following such reports, unless otherwise provided by Act of Congress.

TITLE III—TRANSFER OF CERTAIN FUNCTIONS FROM OFFICE OF MANAGEMENT AND BUDGET WITH RESPECT TO REVIEW OF FEDERAL PROJECTS AND LIAISON WITH STATE AND LOCAL GOVERNMENTS

SEC. 301. (a) All functions of the Office of Management and Budget under the provisions of title IV of the Intergovernmental Cooperation Act of 1968, section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, and section 102(2) (C) of the National Environmental Policy Act of 1969 are transferred to the Office.

(b) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds, used, held, available, or to be made available in connection with the functions transferred by this section as the Director of the Office determines shall be transferred to the Office.

(c) This section shall be effective after one year following the date of its enactment.

TITLE IV—MULTI-STATE REGIONAL PLANNING AND DEVELOPMENT COMMISSIONS

DECLARATION OF FINDINGS AND PURPOSE

SEC. 401. (a) The Congress finds that effective and equitable use of Federal resources in assisting the States and localities with their economic, social, and environmental needs requires a framework of policies for their growth, development, and stabilization which is consistent, realistic, and attainable. The Congress further finds that continuing and systematic consultation and joint decisionmaking among the Federal, State, and local governments is necessary to establish an appropriate policy framework and to keep it up to date, and that no administrative channels exist through which such continuing and systematic consultation and joint decisionmaking can take place. It is the purpose of this title to provide for consultation and joint decisionmaking through the establishment of multi-State regional planning and development commissions.

DETERMINATION OF REGIONAL BOUNDARIES

SEC. 402. (a) For purposes of this title the Nation shall be divided into a system of not less than eight, nor more than twelve, planning and development regions. The President is hereby authorized and directed to submit to Congress within two years after the date of enactment of this Act a report containing his recommendations concerning the number and the boundaries of such regions. Such recommendations shall be effective at the end of the first period of ninety calendar days of continuous session of Congress after the date on which the recommendations are submitted to it unless, between the date of submission and the end of the ninety-day period, either House passes a resolution stating in substance that that House does not favor the recommendations. For the purpose of this subsection—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the ninety-day period.

(b) In determining regional boundaries, the President shall take into consideration recommendations made by State and local governments. He shall also take into consideration the following criteria to the maximum extent feasible:

(1) adherence to State boundaries, unless individually affected States determine otherwise;

(2) adherence to Federal executive administrative regional boundaries;

(3) inclusion of entire metropolitan areas and multi-county development districts; and

(4) inclusion of interstate areas with common economic, social, or environmental problems requiring joint effort on the part of Federal, State, and local governments.

ESTABLISHMENT OF MULTI-STATE REGIONAL PLANNING AND DEVELOPMENT COMMISSIONS

SEC. 403. (a) For each region designated pursuant to section 402, there shall be established a multi-State regional planning and development commission. Recommendations concerning the establishment of each commission shall be made by the President to Congress with the concurrence of the Governor of each State included in the region based upon an Act of the legislature of that State. The President is authorized and directed to declare the establishment of each commission upon the approval thereof by concurrent resolution of the Congress.

(b) Each regional planning and development commission shall consist of the Governor and a State legislator, the latter of whom shall be selected by the legislature of each State included in whole or in part in the region, and a representative of the Office, who shall be appointed by the President by and with the advice and consent of the Senate. Such representative shall serve as Federal Co-Chairman, and a governor elected initially by a commission shall serve as State co-chairman. The term of the State co-chairman shall be one year, with terms provided for each of the States represented in succession.

(c) The Federal Co-Chairman shall be responsible to the President through the Office. He shall also serve, wherever practicable, as the Executive Director of the Federal Executive Administrative region within which the multi-State regional planning and development commission operates. He also shall maintain direct contact as appropriate with all regional and other offices of Federal agencies having grant-in-aid or other programs, or activities that may affect the growth and development within the region. Each Federal Co-Chairman shall be informed by each Federal department or agency of every grant, or agreement involving Federal funds made within the region. Such notice to each Federal Co-Chairman shall be given no later than the date of awarding such grant or assistance to the recipient.

(d) In addition to the Governor and a State legislator, each State shall have two State representatives, one representing the Governor and one representing the State legislature to be concerned full-time with commission activity, and who shall have authority to act as State members and to cast the State votes in the absence of the legislator and the Governor. Such State representatives and their staffs shall be supported by State funds.

(e) Each regional planning and development commission shall have an executive director, who shall serve as the general manager of the commission's program. He shall carry out his duties under the general direction of the commission, and on a day-to-day basis under the direction of the executive committee established in subsection (f).

(f) Each regional planning and development commission shall have an executive committee consisting of the Federal Co-Chairman, the State representatives of the State whose Governor and legislator are currently serving as State co-chairmen voting, and the executive director nonvoting. The executive committee shall be responsible to the commission for overall policy and management of the program.

(g) Commission decisions shall be determined by vote of the members. All decisions shall require affirmative votes by at least a *majority of the* States represented including the Governor and the legislator of each State affected by the decision.

(h) For the period ending on June 30 of the second full Federal fiscal year following the date of establishment of a commission, the administrative expenses of each commission as approved by the Office shall be paid by the Federal Government. Thereafter, not to exceed 50 per centum of such expenses shall be paid by the Federal Government. In determining the amount of the non-Federal share of such costs or expenses, the Office shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services.

FUNCTIONS

SEC. 404. (a) The functions of the multi-State regional planning and development commissions shall include, but not be limited to the following:

(1) establishing systems of policy formulation and planning in coordination with Federal and State governments and organizations of government officials;

(2) serving as coordinators of State comprehensive plans, including taking such steps as are necessary to assure the compatibility of such plans with each other;

(3) being responsible for interstate planning;

(4) cooperating with each other, and to the extent possible, maintaining interregional compatibility in policy and plan formulation and recommendations;

(5) serving as major continuing contributors to the formulation of national growth and development policies;

(6) advising the President through the Office of the most effective way in which to use Federal resources in the region in relation to the goals, strategies, and priorities developed through the planning system; and

(7) providing assurance that regional plans and developments are not inconsistent with balanced national growth and development policies.

(b) In order to achieve the purposes set forth in subsection (a) each multi-State regional planning and development commission shall—

(1) foster and undertake such studies of regional resources and problems as are essential to the policy and planning process;

(2) undertake a program of information exchange with the Federal Government, with other regional commissions, and with the States and districts within its own region;

(3) maintain a continuing study of the adequacy of administrative and statutory means for the coordination of plans and programs of the different Federal, State, district and local governments, agencies, and organizations of government officials; and

(4) establish an educational and research effort to assist State and local governments in improving the skills and proficiency of their officials and staff in the management and administration of Government and public services.

ADMINISTRATIVE POWERS

SEC. 405. (a) Each regional commission shall establish, after consultation with other interested entities, both Federal and non-Federal, principles, standards, and procedures for participants in the preparation, coordination, and implementation of comprehensive regional plans.

(b) To carry out its duties under this title, each regional commission is authorized to—

(1) adopt, amend, and repeal bylaws, rules, and regulations governing the conduct of its business and the performance of its functions;

(2) appoint and fix the compensation of the executive director and such other personnel as may be necessary to enable the commission to carry out its functions, and no member, alternate, officer, or employee of such commission, other than the Federal Co-Chairman on the commission and his staff, and Federal employees detailed to the commission under clause (3) shall be deemed a Federal employee for any purpose;

(3) request the head of any Federal department or agency (who is hereby so authorized) to detail to temporary duty with the commission such personnel within his administrative jurisdiction as the commission may need for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status;

(4) arrange for the services of personnel from any State or local government or any subdivision or agency thereof, or any intergovernmental agency;

(5) make arrangements, including contracts, with any participating State government for inclusion in a suitable retirement and employee benefit system of such of its personnel as may not be eligible for, or continue in, another governmental retirement or employee benefit system, or otherwise provide for such coverage of its personnel, and the Civil Service Commission of the United States is authorized to contract with such commission for continued coverage of its personnel, and the Civil Service Commission of the United States is authorized to contract with such commission for continued coverage of commission employees, who at date of commission employment are Federal employees, in the retirement program and other employee benefit programs of the Federal Government;

(6) accept, use, and dispose of gifts or donations of services or property, real, personal, or mixed, tangible, or intangible;

(7) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in carrying out its functions and on such terms as it may deem appropriate, with any department, agency, or instrumentality of the United States or with any State, or any political subdivision, agency, or instrumentality thereof, or with any person, firm, association, or corporation;

(8) maintain an office in the District of Columbia and establish field offices at such other places as it may deem appropriate; and

(9) take such other actions and incur such other expenses as may be necessary or appropriate.

(c) In order to obtain information needed to carry out its duties, each regional commission shall—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute as much of its procedings and reports thereon as it may deem advisable, a co-chairman of such commission, or any member of the commission designated by the commission for the purpose, being hereby authorized to administer oaths when it is determined by the commission that testimony shall be taken or evidence received under oath;

(2) arrange for the head of any Federal, State, or local department or agency (who is hereby so authorized, to the extent not otherwise prohibited by law) to furnish to such commission such information as may be available to or procurable by such department or agency; and

(3) keep accurate and complete records of its doings and transactions which shall be made available for public inspection.

(d) Each regional commission may establish, and is encouraged to establish, a multi-State citizen's council in accordance with provisions specified in subsections (c), (d), and (e) of section 706 of title VII of this Act.

(e) The executive director of each regional commission shall, with the concurrence of the executive committee, appoint the personnel employed by such commission, and shall, in accordance with the general policies of such commission with respect to the work to be accomplished by it and the timing thereof, be responsible for (1) the supervision of personnel employed by such commission, (2) the assignment of duties and responsibilities among such personnel, and (3) the use and expenditure of funds available to such commission.

ADJUSTMENTS OF BOUNDARIES OF ESTABLISHED REGIONAL COMMISSIONS

SEC. 406. (a) The Congress hereby authorizes and directs the President to adjust the operation, the administrative framework, and geographical boundaries of the multi-State regional development commissions authorized under title V of the Public Works and Economic Development Act of 1965 to conform to the operation, administrative, and geographical boundary framework provided under this title within one year after the recommendations submitted by the

President under section 402(a) of this Act become effective.

(b) The Appalachian Regional Commission, authorized by the Appalachian Regional Development Act of 1965 is hereby authorized and directed to adjust its operations to conform with sections 403 (b), (c), (d), (f), and (g) of this Act within one year after the recommendations submitted by the President under section 402(a) of this Act have become effective. It is further provided, upon the date of enactment of this Act, that no new counties will be authorized to join or become a part of the existing Appalachian Regional Commission.

(c) The President, in carrying out his responsibilities under section 402(a) of this Act, shall also include recommendations concerning what further adjustments and changes should be considered by Congress in making the operation of the Appalachian Regional Commission more consistent with the legal, administrative, and geographical boundary framework of the multi-State planning and development regional commissions provided for under this Act.

UTILIZATION OF ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEC. 407. (a) Pursuant to the objectives of this Act, the Director of the Advisory Commission on Intergovernmental Relations is hereby authorized and directed to make available to any of the multi-State regional planning and development commissions established under this Act such services and assistance by the Advisory Commission on Intergovernmental Relations as may be appropriate and feasible.

(b) The foregoing services and assistance to any multi-State regional planning and development commission shall include all of the services and assistance which the Advisory Commission on Intergovernmental Relations is presently authorized by law to provide.

(c) Nothing in this section shall alter or modify any services or responsibilities, other than those performed for any multi-State regional planning and development commission, which the Advisory Commission on Intergovernmental Relations under law performs for or on behalf of the Congress, the executive branch, or other parties.

The Director of the Advisory Commission on Intergovernmental Relations is, however, authorized to establish within its organization such additional divisions, groups, or other organization entities as may be necessary to carry out the objectives of this Act.

(d) Services and assistance made available to any multi-State regional planning and development commission by the Advisory Commission on Intergovernmental Relations in accordance with this section may be provided with or without reimbursement from funds of any multi-State regional planning and development commission, as agreed upon by the chairman of any individual multi-State regional planning and development commission and the Director of the Advisory Commission on Intergovernmental Relations.

APPROPRIATIONS AUTHORIZED

SEC. 408. There is hereby authorized to be appropriated for the expenses of this title the sum of $10,000,000 for the fiscal year 1975, and the sum of $20,000,000 for each fiscal year thereafter. All moneys appropriated under this section shall remain available until expended.

TITLE V—COMPREHENSIVE PLANNING ASSISTANCE

DECLARATION OF FINDINGS AND PURPOSE

SEC. 501. The Congress finds that full participation by State and local governments is essential to the unified Federal-State-local comprehensive planning system provided for in this Act; that full participation by State and local governments will place additional burdens both on their planning agencies, and on their general legislative and administrative decisionmaking processes; and that to insure the successful establishment and operation of the system, assistance to offset in part the additional costs attributable to such participation should be made available by the Federal Government. The Congress further finds that such assistance should be coordinated with other planning assistance provided under section 701 of the Housing Act of 1954 as amended (82 Stat. 526; 40 U.S.C. 461); that to insure such coordination, all comprehensive planning activities authorized by that Act should be administrated by the Office; and that to achieve maximum interprogram coordination on the State and local level, as well as to eliminate duplication of effort, service agreements with State, district, and local comprehensive planning agencies should be authorized as an allowable expense in all Federal assistance programs. The purpose of this title is to transfer activities under section 701 of the Housing Act of 1954, as amended, to the Office; to provide for planning growth in furtherance of the unified comprehensive planning system; and to provide for the use of other Federal grant funds for service agreements with comprehensive planning agencies.

TRANSFER OF COMPREHENSIVE PLANNING ASSISTANCE PROGRAM TO THE OFFICE

SEC. 502. (a) The President shall transfer the administration of the planning assistance program provided for in section 701 of the Housing Act of 1954, as amended, from the Secretary of Housing and Urban Development to the Office, except for such funds and personnel as he finds to be needed to continue grants for functional planning where such planning is a requirement for other programs of Federal assistance administered by the Secretary.

(b) In order to insure that such planning assistance program is administered with maximum effectiveness, and is adequately funded, the President shall review the program and submit a report to Congress not later than twelve months after the date of enactment of this Act, setting forth his views and recommendations concerning the future of the program. The report shall include, but not be limited to, (1) the possibility of administering such program through the regional planning and development commissions established under title IV of this Act; and (2) current and foreseeable funding needs.

(c) There is hereby authorized to be appropriated the sum of $---- for the fiscal year 1975 and the sum of $---- each fiscal year thereafter, which funds shall be used specifically for the purposes set forth in subsection (j) of section 701 of the Housing Act of 1954, as amended. All funds appropriated shall remain available to the Office until they are expended.

(d) It is the intent of Congress that, consistent with the nature of a unified, comprehensive planning system, only one agency in a State or a district shall be eligible to receive a grant for statewide or districtwide comprehensive planning as designated by Governors or by State law. All other agencies eligible for comprehensive planning grants under subsection (a)(1) of section 701 of the Housing Act of 1954, as amended, and consistent with this intent shall continue to be eligible for such grants.

PLANNING SERVICE AGREEMENTS

SEC. 503. (a) In order to achieve a high level of interprogram coordination and to eliminate duplication of effort in the development of basic planning data and information, any State, regional, or local governmental agency administering or receiving funds under any Federal assistance program, may, notwithstanding any other provision of law, enter into agreements with comprehensive planning agencies for the provision of services. Such agreements may provide for payments to a comprehensive planning agency (1) in support of comprehensive planning and coordination activities; (2) for planning review and advice, technical assistance, and consultation; (3) for the provision of basic and supporting planning and development information; and (4) for other similar services facilitating the efficient administration of such Federal assistance program.

(b) The head of any Federal department or agency administering a Federal assistance program under which an agreement is made as provided in subsection (a), may approve the expenditure of functional planning funds granted under the program for payments to a comprehensive planning agency for services under the agreement under such conditions as he may deem necessary and desirable.

TITLE VI—UNIFORM PLANNING AND REQUIREMENTS FOR GRANT-IN-AID PROGRAMS

DECLARATIONS OF FINDINGS AND PURPOSE

SEC. 601. (a)(1) The Congress finds that the rapid increase in the number of Federal grant-in-aid programs has been accompanied by a comparable increase in planning requirements for such programs. These planning requirements lack uniformity, frequently fail to define clearly comprehensive or functional planning, or to identify the jurisdiction responsible for planning, and may result in a variety of overlapping and inconsistent activities related to the gathering and analysis of data.

(2) The Congress further finds that while sound, coordinated and consistent comprehensive and functional planning is essential to the accomplishment of national objectives through grant-in-aid programs, the present overlapping and inconsistent requirements limit the accomplishment of this objective.

(b) It is the purpose of this title to eliminate inconsistent and overlapping grant requirements by providing a method of identifying growth and development policy and by establishing a basis for the use of common data and information.

USE OF COMMON POLICY AND PLANNING INFORMATION

SEC. 602. Federal departments and agencies administering grant programs which require comprehensive or functional planning or require conformity to existing planning as a condition to making the grants shall require (1) that such planning be consistent with policies for regional, State, and district growth, and development which have been established by Regional Planning and Development. Commissions; and (2) that such planning, unless specifically excepted, utilize the same geographic areas, time periods, social, economic, demographic and other base data, statistics and projections as are being used by the Regional Commissions, States and districts for comprehensive planning pursuant to section 404 of this Act.

STATUTORY REVISION

SEC. 603. In order to clarify further the problem of establishing uniform planning requirements for grant-in-aid programs, the President is authorized and directed to report to Congress within two years after the date of enactment of this Act on the extent and nature of inconsistencies in such requirements, and to present recommendations for revisions in the statutes establishing such grant-in-aid programs which will bring the requirements into conformity with each other.

TITLE VII—NATIONAL CITIZENS' COUNCIL ON THE AMERICAN FUTURE

ESTABLISHMENT

SEC. 701. (a) There is established a National Citizens Council on The American Future (hereinafter referred to as the "Citizens Council"). The Citizens Council shall be composed of fifteen members consisting of (1) five members appointed by the President pro tempore of the Senate, (2) five members appointed by the Speaker of the House of Representatives, and (3) five members appointed by the President of the United States. Not more than two of the five members appointed by the President pro tempore of the Senate, the Speaker of the House of Representatives, or the President shall be elected public official or Federal employees. Appointments shall be made with consideration to geographic, racial, occupational, sex, age, and income-class representation.

(b) The Citizens Council shall select a Chairman and a Vice Chairman from among its members.

(c) Eight members of the Citizens Council shall constitute a quorum.

(d) Any vacancies in the Citizens Council shall not affect its powers, but shall be filed in the same manner as the original appointment.

DUTIES

SEC. 702. (a) The Citizens Council shall advise the Office and Congress in the formulation, evaluation, and implementation of national growth policies and in carrying out its other activities pursuant to this Act.

(b) The Citizens Council also shall advise the Foundation on the American Future in carrying out its functions.

(c) The Citizens Council shall submit an annual report to the Joint Congressional Committee on National Growth and Development through the Congressional Office of Policy and Planning established pursuant to title VIII of this Act. Such report shall contain a review of the Citizens Councils' activities and its recommendations.

COMPENSATION OF MEMBERS

SEC. 703. Members of the Citizens Council shall receive no compensation for their services as such members, but shall be allowed necessary travel expenses (or in the alternative, mileage for use of privately owned vehicles) and a per diem allowance in lieu of subsistence not to exceed the rates prescribed in sections 5702 and 5704 of title 5, United States Code, and other necessary expenses incurred by them in the performance of duties vested in the Citizens Council, without regard to the provisions of subchapter I, chapter 57 of title 5, United States Code, the standardized Government travel regulations, or section 5731 of title 5, United States Code.

ADMINISTRATIVE POWERS

SEC. 704. (a) (1) The Citizens Council, or at its direction any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Citizens Council or such subcommittee or member may deem advisable. Any member of the Citizens Council may administer oaths or affirmations to witnesses appearing before the Citizens Council or before such subcommittee or member. Subpenas may be issued under the signature of the Chairman or Vice Chairman and may be served by any person designated by the Chairman or the Vice Chairman.

(2) In the case of the contumacy or refusal to obey a subpena issued under paragraph (1) of this subsection by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such court, upon application made by the Attorney General of the United States, shall have jurisdiction to issue to such person an order requiring such person to appear before the Citizens Council or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

(b) The Citizens Council is authorized to acquire directly from the head of any Federal department or agency information deemed useful in the discharge of its duties. All departments and agencies of the Government are hereby authorized and directed to cooperate with the Citizens Council and to furnish all information requested by the Citizens Council to the extent permitted by law. All such requests shall be made by or in the name of the Chairman or Vice Chairman of the Citizens Council.

(c) The Citizens Council shall have power to appoint and fix the compensation of such personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual shall receive compensation at a rate in excess of the maximum rate authorized by the General Schedule. In addition, the Citizens Council may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not in excess of that provided for Grade 18 in such General Schedule.

(d) The Citizens Council is authorized to negotiate and enter into contracts with private organizations and educational institutions to carry out such studies and prepare such reports as the Citizens Council determines are necessary in order to carry out its duties.

UTILIZATION OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS, THE FOUNDATION ON THE AMERICAN FUTURE AND OTHER GOVERNMENT DEPARTMENTS AND AGENCIES

SEC. 705. (a) Pursuant to the objectives of this Act, the Director of the Advisory Commission on Intergovernmental Relations and the Director of the Foundation on the American Future are authorized to make available to the Citizens Council such services and assistance as may be appropriate and feasible.

(b) The foregoing services and assistance to the Citizens Council shall include all of the services and assistance which the Advisory Commission on Intergovernmental Relations is now by law authorized to provide and which are authorized by this Act for the Foundation on the American Future.

(c) Nothing in this section shall alter or modify any services or responsibilities other than those performed for the Citizens Council, which the Advisory Commission on Intergovernmental Relations or the Foundation on the American Future either under law or under this Act performs for or on behalf of either the legislative or executive branches of Government. The Director of the Advisory Commission on Intergovernmental Relations and the Director of the Foundation on the American Future are, however, authorized to establish within their organizational structure such additional divisions, groups, or other organization entities as may be necessary to carry out the objectives of this Act.

(d) Services and assistance made available to the Citizens Council by either the Foundations or the Commission, or by any department or agency of the Government, which also is hereby authorized by this Act, which is in accordance with this section may be provided with or without reimbursement from funds of the Citizens Council as may be agreed upon between the Chairman or Vice Chairman of the Citizens Council and the Foundation, Commission, Department, or Agency.

FORMATION OF MULTISTATE AND STATE CITIZENS COUNCILS

SEC. 706. (a) The Office shall encourage and assist in the formation of multistate and State citizens councils or the purpose of advising any Regional Planning and Development Commission established under title IV of this Act and governments and industry with respect to multistate or State planning and development.

(b) The Office may fund the operation of any multistate or State citizens council up to, but not to exceed 90 percentum of the operating costs of such council.

(c) Any mulitstate citizens council established under this section shall be established based upon geographic boundaries which are coterminous with any Regional Commission established under title IV of this Act.

(d) The formation of any multistate citizens council provided for under this section shall be initiated by a majority vote of the members of the Regional Planning and Development Commission for the multistate region within which such citizens council is to operate.

(e) The membership, organizational structure, duties, and powers of any multistate citizens council established under this section may be similar to, but not necessarily limited to, those provided for under this Act for the National Citizens Council on the American Future, *Provided, that*: Any such multistate citizens council's membership, organizational structure, duties, and powers shall be limited to the multistate region within which it is organized and serves.

(f) The formation of any State citizens council under this section shall be initiated by the Governor of the State, with the concurrence of the State legislature. The membership, organizational structure, duties, and powers of any such State citizens council shall be determined by State law.

(g) The Office on any multistate regional planning and development commission may delegate the review and evaluation of federally-assisted planning and development programs to such multistate and State councils and such other functions as they may deem appropriate.

TITLE VIII—JOINT CONGRESSIONAL COMMITTEE ON BALANCED NATIONAL GROWTH AND DEVELOPMENT AND CONGRESSIONAL OFFICE ON POLICY AND PLANNING

ESTABLISHMENT OF JOINT COMMITTEE

SEC. 801. (a) There is established a joint committee of the Congress to be known as the Joint Committee on Balanced National Growth and Development.

(b) The membership of the joint committee shall consist of the chairman, or his designee, of each of the following committees of the Senate:

(1) Aeronautics and Space Sciences;
(2) Agriculture and Forestry;
(3) Appropriations;
(4) Armed Services;
(5) Banking, Housing, and Urban Affairs;
(6) Commerce;
(7) Finance;
(8) Government Operations;
(9) Interior;
(10) Labor and Public Welfare;
(11) Public Works;
(12) Veterans' Affairs; and,

each of the following committees of the House of Representatives:

(1) Agriculture;
(2) Appropriations;
(3) Armed Services;
(4) Banking and Currency;
(5) Education and Labor;
(6) Government Operations;

(7) Interior;
(8) Interstate and Foreign Commerce;
(9) Public Works;
(10) Science and Astronautics;
(11) Veterans Affairs;
(12) Ways and Means; and,

each of the following Joint Committees of the Congress:

(1) Joint Committee on Atomic Energy, and
(2) Joint Economic Committee; and

the ranking minority member, or his designee, of each of the aforementioned committees of the Senate and the House of Representatives numbered 1, 3, 5, 7, 9, and 11 during each odd numbered Congress, and of each of such committees numbered 2, 4, 6, 8, 10, and 12 during each even numbered Congress and of the aforementioned joint committee numbered 1 during each odd numbered Congress and of such joint committee numbered 2 during each even numbered Congress.

(c) The chairman of the joint committee shall be designated from among its members by the President pro tempore of the Senate in each even numbered Congress and by the Speaker of the House of Representatives in each odd numbered Congress.

(d) A majority of the members of the joint committee shall constitute a quorum thereof for the transaction of business, except that the joint committee may fix a lesser number as a quorum for the purpose of taking testimony. Vacancies in the membership of the joint committee shall not affect the authority of the remaining members to execute the functions of the joint committee.

(e) The committee may formulate and refer to the appropriate legislative committees of the Congress for their consideration such proposals or recommendations as will promote the purposes of this Act.

(f) No legislative measure shall be referred to the joint committee, and it shall have no authority to report any such measure to the Senate or the House.

(g) Each committee of the Congress to which the joint committee refers a proposal or recommendation shall endeavor to assure that such proposal or recommendation receives prompt consideration.

(h) The joint committee shall direct the activities of the Congressional Office of Policy and Planning established by section 803 of this Act.

ADMINISTRATIVE POWERS

SEC. 802. (a) (1) The Joint Committee on National Growth and Development, or any subcommittee thereof, is authorized, in its discretion (A) to make expenditures, (B) to employ personnel, (C) to adopt rules respecting its organization and procedures, (D) to hold hearings, (E) to sit and act at any time or place, (F) to subpena witnesses and documents, (G) with the prior consent of the Federal department or agency concerned, to use on a reimbursable basis the services of personnel, information, and facilities of any such department or agency, (H) to procure printing and binding, (I) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under subsections (i) and (j), respectively, of section 202 of the Legislative Reorganization Act of 1946, and (J) to take depositions and other testimony.

(2) Subpenas may be issued over the signature of the chairman of the joint committee or by any member designated by him or the joint committee, and may be served by such person as may be designated by such chairman or member. The chairman of the joint committee or any member thereof may administer oaths to witnesses. The provisions of sections 102–104 of the Revised Statutes (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this subsection.

(b) With the consent of any standing, select, or special committee of the Senate or House, or any subcommittee thereof, the joint committee may utilize the services of any staff member of such House or Senate committee or subcommittee whenever the chairman of the joint committee determines that such services are necessary and appropriate.

(c) The expenses of the joint committee shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers signed by the chairman of the joint committee or by any member of the joint committee authorized by the chairman.

(d) Members of the joint committee, and its personnel, exports, and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses if an itemized statement of such expenses is attached to the voucher.

ESTABLISHMENT OF CONGRESSIONAL OFFICE OF POLICY AND PLANNING

SEC. 803. (a) There is established a Congressional Office of Policy and Planning (hereinafter referred to as the "Congressional Office"), which shall conduct a continuing, non-partisan analysis of national goals, priorities, and urban, rural, and national growth policies and shall provide the Congress with the information, data, and analyses necessary for enlightened decisions with respect to such matters.

(b) There shall be in the Congressional Office a director and deputy director, each of whom shall be appointed jointly by the President pro tempore of the Senate and the Speaker of the House of Representatives. The Congressional Office shall have a seal adopted by the Director. The Deputy Director shall perform such duties as may be assigned to him by the Director, and during a vacancy in that position, shall act as the Director.

(c) The annual compensation of the Director shall be equal to the annual compensation of the Comptroller General of the United States. The annual compensation of the Deputy Director shall be equal to that of the Assistant Comptroller General of the United States.

(d) The terms of office of the Director and the Deputy Director first appointed shall expire on January 31, 1976. The terms of office of Directors and Deputy Directors subsequently appointed shall expire on January 31 every four years thereafter.

(e) The Director or Deputy Director may be removed at any time by a resolution of the Senate or the House of Representatives. A vacancy occurring during the term of the Director or Deputy Director shall be filled by appointment, as provided in this section, for the remainder of the unexpired term.

FUNCTIONS

SEC. 804. In carrying out the general purpose expressed in section 803(a), the Congressional Office shall—

(a) make such studies as it deems necessary for the purpose of this Act with primary emphasis on supplying such analysis as will be most useful to the Congress in voting on the measures and appropriations which come before it, and on providing the framework and over-view of priority and growth policy considerations within which a meaningful consideration of individual measures can be undertaken;

(b) maintain a continuing review of the activities of the Office, the National Citizens Council on the American Future, and the Foundation on the American Future; and

(c) review the implementation of all legislation relating to national policy, planning and development, growth, and national goals and priorities, conduct studies in areas which will promote the purpose of this Act, and request the Foundation on the American Future, the Agency for Population and Demographic Analysis through the Secretary of Commerce, the National Citizens Council on the American Future, and the Advisory Commission on Intergovernmental Relations to make such studies as will promote the purposes of this Act;

(d) submit to the Congress on the first day of March of each year a "Balanced National Goals, Priorities, and Growth Policy Report." The report shall include, but not be limited to—

(1) an analysis, in terms of national goals, priorities, and growth policies, of the annual budget submitted by the President and the Economic Report of the President;

(2) an analysis of the President's Balanced National Growth and Development Report following its submission to Congress each year;

(3) an examination of resources available to the Nation, the foreseeable costs and expected benefits of existing and proposed Federal programs, and the resource and cost implications of alternative sets of national goals, priorities, and growth policies, and

(4) recommendations concerning pending priorities among Federal programs and courses of action, including the identification of those programs and courses of action which should be given greatest priority and those which could more properly be deferred.

(e) in addition to the "Balanced National Goals, Priorities, and Growth Policy Report" and other reports and studies which the Congressional Office submits to the Congress, the Congressional Office shall provide upon request to any committee or Member of the Congress further information, data, or analyses relevant to an informed determination of national goals, priorities, and growth policies.

UTILIZATION OF THE LIBRARY OF CONGRESS

SEC. 805. (a) Pursuant to the objectives of this Act, the Librarian of Congress is authorized to make available to the Congressional Office such services and assistance by the Congressional Research Service as may be appropriate and feasible.

(b) The foregoing services and assistance to the Congressional Office shall include all of the services and assistance which the Congressional Research Service is presently authorized to provide to the Congress.

(c) Nothing in this section shall alter or modify any services or responsibilities, other than those performed for the Congressional Office which the Congressional Research Service under law performs for or on behalf of the Congress. The Librarian is, however, authorized to establish within the Congressional Research Service such additional divisions, groups, or other organization entities as may be necessary to carry out the objectives of this Act.

(d) Services and assistance made available to the Congressional Office by the Congressional Research Service in accordance with this section may be provided with or without reimbursement from funds of the Congressional Office, as agreed upon by the Director of the Congressional Office and the Librarian of Congress.

UTILIZATION OF THE FOUNDATION OF THE AMERICAN FUTURE

SEC. 806. (a) Pursuant to the objectives of this Act, the Director of the Foundation on the American Future in this section (hereinafter referred to as the "Foundation") is authorized to make available to the Congressional Office such services and assistance by the Foundation as may be appropriate and feasible.

(b) The foregoing services and assistance to the Congressional Office shall include all of the services and assistance which the Foundation is authorized to provide by this Act.

(c) Nothing in this section shall alter or modify any services or responsibilities, other than those performed for the Congressional Office, which the Foundation under this Act is authorized to perform for or on behalf of itself, the Executive or the Congress. The Director is, however, authorized to establish *within the* Foundation, such additional divisions, groups, or other organizational entities as may be necessary to carry out the objectives of this Act.

(d) Services and assistance made available to the Congressional Office by the Foundation in accordance with this section may be provided with or without reimbursement from funds of the Congressional Office, as agreed upon by the Director of the Congressional Office and the Director of the Foundation.

COORDINATION WITH THE OFFICE OF TECHNOLOGY ASSESSMENT

SEC. 807. (a) The Congressional Office shall maintain a continuing and close liaison with the Office of Technology Assessment with respect to—

(1) activities, studies, policies, grants, and contracts formulated or initiated by the Office of Technology Assessment which are for the purpose of assessing the impact of technology on the future growth and development of the United States and on the future quality of life of its citizens; and

(2) the promotion of coordination in areas affecting the formulation of a balanced national growth and development policy for the United States and the avoidance of unnecessary duplication or overlapping of research activities in the development of such a policy or program or activities designed to implement such a policy.

(b) Section 3(d) of the Technology Assessment Act of 1972 (Public Law 92–484) is amended by striking items (2) and (3) under that subsection and inserting in lieu thereof the following:

"(2) the Director of the Congressional Office of Policy and Planning; (3) the Board; or (4) the Director, in consultation with the Board."

COORDINATION WITH THE NATIONAL SCIENCE FOUNDATION

SEC. 808. (a) The Congressional Office shall maintain a continuing liaison with the National Science Foundation with respect to—

(1) grants and contracts formulated or activated by the National Science Foundation which are for purposes of understanding, assessing, or determining the impact that certain social, environmental, economic, or scientific developments may have on the future growth and development of the United States and on the future quality of life of its citizens; and

(2) the promotion of coordination of a balanced national growth and development policy in the United States and the avoidance of unnecessary duplication or overlapping of research activities in the development of such a policy or programs or activities designed to implement such a policy.

(b) Section 3(b) of the National Science Foundation Act of 1950, as amended, is amended further by inserting "The Congressional Office of Policy and Planning and the Foundation on the American Future," immediately following the phrase "Office of Technology Assessment."

ADMINISTRATIVE POWERS OF THE CONGRESSIONAL OFFICE

SEC. 809. (a) In the performance of its functions under this title, the Congressional Office is authorized—

(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of the operations of the Congressional Office;

(2) to employ and fix the compensation of such employees, and purchase or otherwise acquire such furniture, office equipment, books, stationery, and other supplies, as may be necessary for the proper performance of the duties of the Congressional Office and as may be appropriated for by Congress;

(3) to obtain the services of experts and consultants, in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed that provided for Grade 18 of the General Schedule in such title; and

(4) to use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed, to the extent permitted by law, to furnish to the Congressional Office, upon request, made by the Director, such information as the Director considers necessary to carry out the functions of the Congressional Office.

(c) Section 2107 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (8);

(2) striking the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and the word "and"; and

(3) adding at the end thereof the following new paragraph:

"(9) the Director, Deputy Director, and employees of the Congressional Office of Policy and Planning."

UTILIZATION OF THE GENERAL ACCOUNTING OFFICE

SEC. 810. (a) Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) and such other services as may be appropriate may be provided by the General Accounting Office.

(b) Such services and assistance to the Congressional Office may include, but not be limited to, all of the services and assistance which the General Accounting Office is otherwise authorized to provide to the Congress.

(c) Nothing in this section shall alter or modify any services or responsibilities, other than those performed for the Congressional Office, which the General Accounting Office under law performs for or on behalf of the Congress.

(d) Services and assistance made available to the Congressional Office by the General Accounting Office in accordance with this section may be provided with or without reimbursement from funds of the Congressional Office, as agreed upon by the Director of the Congressional Office and the Comptroller General.

TITLE IX—REQUIREMENTS WITH RESPECT TO THE LOCATION IMPACT OF FEDERAL FACILITIES, ACTIVITIES, AND FEDERAL PROCUREMENT

LOCATION OF FEDERAL FACILITIES AND ACTIVITIES

SEC. 901. (a) The Congress authorizes and directs that to the fullest extent possible:

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this Act, and

(2) all departments and agencies of the Federal Government shall include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the growth of the United States a detailed statement by the responsible official on—

(A) the population distribution impact of such proposed action as to—

(i) the necessary additional supportive human services required to support such action;

(ii) the cost of such action;

(iii) the time implementation of both the action and the supportive services;

(iv) the economic and social cost effects on the population; and

(v) the positive and adverse effects on scale, services, environment, life style, employment opportunities, and on the general quality of life of the people affected by such action;

(B) alternatives to the proposed action which are not inconsistent with national growth and development policy; and

(C) any irreversible and irretrievable commitment of resources which would be involved if the proposed action should be implemented.

(b) Each department or agency of the Federal Government shall, prior to the location or construction of any new, or relocation of any existing, Federal facility, structure, or installation, or the initiation of any activity which will have any economic or environmental impact, file a report with the Office with respect to—

(1) its consistency with balanced national growth and development policies;

(2) its regional and local environmental impact;

(3) its national, regional, and local economic impact;

(4) its general effect on balanced regional development; and

(5) the Federal capital and operating costs involved.

(c) The Office through its multistate regional representative shall give prompt consideration to such reports, and may recommend disapproval of such facility or activity, and the reasons therefor, to the head of the department or agency submitting such report and to the Administrator of the General Services Administration. Any such recommendation shall also be submitted to the President, and the Joint Committee on Balanced National Growth and Development through the Congressional Offices on Policy and Planning. No such action shall go into effect until it has been specifically approved by the President.

(d) The Office shall promulgate such rules and regulations as it determines to be necessary for the effective implementation of section 901(b) of title IX of the Agricultural Act of 1970 as amended.

(e) The provisions of this section shall be effective on such date as is established in regulations prescribed by the Office for the purposes of this section.

FEDERAL PROCUREMENT POLICIES

SEC. 902. (a) The Office shall promulgate through the Office of Management and Budget in the Office of the President, such regulations as are necessary to assure that in all procurement costing in excess of prescribed amounts by Federal departments and agencies, including the award of contracts for research or development, and in any cooperative agreement signed between the Federal Government and State or local government, or with private profit, or nonprofit entities, proper consideration is given to—

(1) balanced national growth and development policies;

(2) environmental impact;

(3) balanced regional development;

(4) Federal cost; and

(5) State and local economic and social impact.

Such regulations shall provide for the use of alternative sources in such procurement, if costs are not excessive in order to promote the purposes of this Act, and shall establish criteria for determining all considerations for the purpose of this section. In applying the provisions of this section to the award of research and development contracts and in applying cooperative agreements, due considerations shall be given to the balanced national growth purpose to be served.

(b) Regulations pursuant to this section shall not be promulgated until proposals therefor have been submitted to the Joint Committee on Balanced National Growth and Development through the Congressional Office with an adequate time, not to exceed 90 days, for such committee to consider such proposals prior to promulgation.

TITLE X—FOUNDATION ON THE AMERICAN FUTURE

ESTABLISHMENT OF FOUNDATION

SEC. 1001. (a) There is established an independent agency of the Federal Government to be known as the Foundation on the American Future (hereinafter in this title referred to as the Foundation).

(b) The Foundation shall be subject to the supervision and direction of a Board of Trustees. The Board shall be composed of nineteen members, nine of whom shall be appointed by the President by and with the advice and consent of the Senate, two of whom shall be appointed by the President pro tempore of the Senate, two of whom shall be appointed by the Speaker of the House. The nine members appointed by the President shall be appointed from among individuals who are engaged in educational, research, or other scholarly or scientific activity relating to developments (economic, environmental, demographic, or social) affecting the quality of life in the United States, and the two members appointed by the President pro tempore of the Senate and the two members appointed by the Speaker of the House shall be appointed from among individuals from the general public and who by virtue of their residence, interest, or vocation, are specially qualified to serve on the Board. In making these appointments, the President, the President pro tempore of the Senate and the Speaker of the House are requested to give due consideration to the appointment of individuals who, collectively, will provide appropriate regional, interest, organization, age, sex, and political balance on the board.

(c) The term of office of each appointed trustee of the Foundation shall be six years; except that (1) the members first taking office appointed by the President shall serve as designated by him, five for terms of two years and four for terms of four years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed. No member may serve for a period in excess of eight years.

(d) Members of the Board who are not regular full-time employees of the United States shall, while serving on business of the Foundation, be entitled to receive compensation at rates fixed by the President, but not exceeding the rate prescribed for GS-18 of the General Schedule under title 5 of the United States Code, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistance, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(e) The Director of the Office, the Director of the Congressional Office, the Director of the Office of Technology Assessment, the Director of the National Science Foundation, the Chairman of the National Citizens Council, and the Chairman of the Advisory Commission in Intergovernmental Relations shall serve as regular members of the Board, but none of whom shall be permitted to serve as Chairman or Vice Chairman of the Board.

(f) The Vice President shall call the first meeting of the Board, at which the first order of business shall be the election of a Chairman and a Vice Chairman, who shall serve one year after the date of their appointment. Thereafter each Chairman and Vice Chairman shall be elected for a term of two years. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Board shall elect an individual from among the members of the Board to fill such vacancy.

(g)(1) A majority of the trustees of the Foundation shall constitute a quorum.

(2) The Board shall meet at least four times a year.

OFFICERS

SEC. 1002. There shall be a Director and a Deputy Director of the Foundation who shall be appointed by the Board. Under the direction of the Board, the Director shall be responsible for carrying out the functions of the Foundation, and shall have authority and control over all personnel and activities thereof. The Deputy Director shall perform such functions as the Director, with the approval of the Foundation, may prescribe, and be acting Director during the absence or disability of the Director or in the event of a vacancy in the Office of the Director. The Director and the Deputy Director shall each serve for a term of six years unless previously removed by the Board. The Director shall be compensated at a rate equal to the rate prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Deputy Director shall be compensated at a rate equal to the rate prescribed for level V of the Executive Schedule.

PURPOSE OF FOUNDATION

SEC. 1003. (a) The purpose of the Foundation shall be to conduct projects, studies, investigations, and forecasts to determine the interactions, social benefits and costs, rates of national change, and present and likely future patterns of important scientific, social, and economic programs and activities; to evaluate the effects of national development policy, or its lack, on these interactions, social benefits and costs, rates of national change, and patterns; and to determine and formulate alternative future national growth patterns, and development of policy recommendations which can bring them into existence.

FUNCTIONS OF THE FOUNDATION

SEC. 1004. (a) The Foundation shall develop and review and update an agenda and budget to carry out the purposes of the Foundation in consultation with the Office, the Congressional Office, the Citizens Council, the National Science Foundation, the Office of Technology Assessment, and the Advisory Commission on Intergovernmental Relations outlining research and forecasts which are being and will be undertaken by the Foundation.

ANNUAL REPORT

SEC. 1005. (a) The Foundation shall prepare as soon as practicable, but not to exceed ninety days following the end of each fiscal year, a summary report of the findings and results of all major or significant studies, and investigations conducted by, or caused to be conducted by the Foundation during the preceding fiscal year. This report shall be submitted to the Office, the Congressional Office, the National Citizens Council, the Advisory Commission on Intergovernmental Relations and made availabe to the general public.

ADMINISTRATIVE POWERS

SEC. 1006. (a) In addition to any authority vested in it by other provisions of this title, the Foundation, in carrying out its functions, is authorized to—

(4) establish such facilities as it deems necessary to be operated by the personnel of the Foundation. With a view to obtaining additional scientific and intellectual resources available, the Director shall, whenever feasible, enter into contracts with public or private profit or nonprofit educational or research institutions for the purpose of undertaking any particular study or research project authorized by this title.

(2) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(3) receive money and other property donated, bequested, or devised, without condition or restriction other than that it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(4) at the discretion of the Foundation, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Foundation with a condition or restriction, including a condition that the Foundation use other funds of the Foundation for the purposes of the gift;

(5) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as deemed desirable to advise the Foundation with respect to its functions under this title;

(6) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this title without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no more than three individuals so appointed shall receive compensation in excess of the rate prescribed for GS-18 in the General Schedule under section 5332 of title 5, United States Code;

(7) Obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate prescribed for GS-18 in the General Schedule under section 5332 of title 5, United States Code;

(8) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 6, United States Code;

(9) enter into contracts, grants, or other arrangements, or modifications thereof to carry out the provisions of this title, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(10) provide for the making of such reports (including fund accounting reports) and the filing of such applications in such form and containing such information as the Director may reasonably require;

(11) make advances, progress, and other payments which the Board deems necessary under this title without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(12) make other necessary expenditures.

(b) Each member of a committee appointed pursuant to clause (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS-18 under title 5 of the United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

COORDINATION WITH THE NATIONAL SCIENCE FOUNDATION AND OTHER AGENCIES AND INSTITUTIONS

SEC. 1007. (a) The Foundation shall maintain a continuing and close liaison with the National Science Foundation with respect to—

(1) grants, contracts, and projects, formulated or activated by or through the National Science Foundation which are for purposes of understanding, assessing, or determining the long-range impact that certain social, environmental, economic, or scientific developments may have on the future growth and development of the United States and on the future quality of life of our Nation's citizens; and

(2) the promotion of coordination in areas that may affect the formulation of a balanced national growth and development policy in the United States and the avoidance of unnecessary duplication or overlapping of research activities in the development of such a policy or programs or activities designed to implement such a policy.

(b) The Board of Trustees of the Foundation through its Director, and the National Science Board through the Director of the National Science Foundation, are hereby authorized and directed to conduct a joint study of all research activities by the executive branch and by other agencies, organizations, or institutions receiving Federal funding assistance which research activities have among its purposes understanding, assessing, or deterring the long-range impact that certain social, environmental economic, governmental, or scientific developments may have on the future growth and development of the United States and on the future quality of life of our Nation's citizens. This study shall contain recommendations as to which of these research activities either in whole or in part, should be transferred to the Foundation on the American Future for the purpose of carrying out the purposes of this Act. These recommendations shall be submitted to the Congress, through the Congressional Office of Policy and Planning within two years after the date of enactment of this Act. Such recommendations shall be effective at the end of the first period of ninety calendar days of continuous session of Congress after the date on which the recommendations are submitted to it unless, between the date of submission and the end of the ninety-day period, either House passes a resolution stating in substance that that House does not favor the recommendations. For the purpose of this subsection—

(1) continuity of session is broken only by adjournment of Congress sine die; and

(2) the days of which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the ninety-day period.

TITLE XI—ESTABLISHMENT OF AGENCY FOR POPULATION AND DEMOGRAPHIC ANALYSIS WITHIN THE BUREAU OF CENSUS, DEPARTMENT OF COMMERCE

ESTABLISHMENT OF AGENCY

SEC. 1101. (a) The Secretary of Commerce shall establish within the Bureau of Census an Agency for Population and Demographic Analysis. Such Agency shall be headed by a Deputy Director for National Population and Demographic Analysis.

(b) Such Agency shall include—

(1) the existing office headed by the Associate Director for Demographic Fields;

(2) the existing office headed by the Associate Director for Resereach and Methodology, and

(3) a new office which shall be established by the Secretary and shall include Divisions of Demographic Analysis, Economic and Social Analysis, and Political and Fiscal Analysis.

(c) In addition to carrying out the functions placed within it pursuant to clauses (1) and (2) of subsection (b) such Agency is hereby authorized and directed to carry out programs to—

(1) provide an analysis of population level and distribution trends and governing forces, including the likely future impact that changing population levels and distribution patterns may have on public programs and private activities;

(2) analyze existing and proposed incentives for influencing population distribution;

(3) analyze the impact of existing and proposed population control methods and trends to determine their impact on the economic, environmental, and social impact on the future growth or stabilization, and development of the Nation; and

(4) assist the Office, the Congressional Office, the National Citizens Council, the Foundation, and the Advisory Commission on Intergovernmental Relations in carrying out the purposes of this Act and includes, but not necessarily limited to, assistance—

(A) to determine the economic, environmental, and social impacts of existing and alternative Federal policies, programs, and tax incentives affecting population distribution;

(B) in analyzing Federal, State, and selected local government costs of public services to determine economies and diseconomies of scale, both as they relate to per capita costs and quality of such services; and

(C) to assess Federal, State, and selected local government tax resources and expenditure requirements under existing and alternative population levels and distribution patterns.

TITLE XII—AUTHORIZATION FOR APPROPRIATIONS AUTHORIZATION

SEC. 1201. In addition to specific authorizations in this Act, there are authorized to be appropriated such other amounts as are necessary to carry out the provisions of this Act.

WOODROW WILSON INTERNATIONAL
CENTER FOR SCHOLARS,
Washington, D.C., August 9, 1973.

A PROPOSAL FOR DEVELOPING A CAPABILITY AT THE NATIONAL LEVEL FOR STRATEGIC POLICY ASSESSMENTS

"There is every reason why a state should make use of forethought. A century is as nothing in its life, and yet how many acts do legislatures, congresses and parliaments pass for the benefit of coming ages? We seem willing that the earth should be largely used up in a generation or two."—J. B. Clark.

INTRODUCTORY NOTE

This paper argues for developing a Strategic Policy Assessment function within the Executive and Legislative Branches and presents a proposal for organizing staffs within each Branch to undertake this function.

The paper has its genesis in a Government Policy Forum held at the Woodrow Wilson Center on May 10. A working group from among the participants of that Forum met on three occasions to engage the issue and, in due course, a paper was prepared to serve as a focus for a subsequent Government Policy Forum which met on July 30. The discussion and the proposals below reflect the sense of the working group and is responsive to many of the views expressed at the larger meetings of May 10 and July 30.

Annex I contains a brief exposition of an alternative institutional approach discussed, but not adopted, by the working group as a whole. Annex II contains the list of the participants of the May 10 and July 30 Forums (Members of the working group are identified by an asterisk).

Both the proposal and Annex I, of course, reflect the personal views of the working group members and are in no sense departmental, agency or Woodrow Wilson Center positions.

* * *

THE PROBLEM

The United States (and other industrially advanced countries, as well) is confronting a wide range of problems, some already acute and some evoking the proverbial cloud that is "no bigger than a man's hand," some known in detail and some whose dimensions are still only vaguely perceived. As will become apparent, these problems have three distinctive characteristics: they call for a long-range perspective; they call for interdisciplinary analysis; they call for inter-departmental action. This is not necessarily a new phenomenon. We now see with the clarity of hindsight that problems of this nature have been confronting us for many decades. But our society has become increasingly complex and interdependent. There is now a growing recognition that problems with long-term implications and broad dimensions cannot continue to be dealt with on a day-to-day, ad hoc, piecemeal basis.

It is fair to say that, despite the plethora of "planning staffs" scattered throughout the Federal structure and despite certain formal or informal mechanisms established for inter-agency discussion, no arrangements for systematic, integrated, long-range planning exist within the United States Government—nor, except in times of great crisis, have they ever existed. Rather, for reasons of inertia, jurisdictional jealousies, the demands of our four-year election cycle, and perhaps even an innate suspicion of the planning process itself, Americans have typically waited until a warning signal evolved into a problem and then escalated to crisis proportions before undertaking remedial measures. Quick fixes, crisis management, and damage limitation have been the operative concepts. Our current energy "crunch" is a dramatic case in point.

EXISTING ARRANGEMENTS

We should acknowledge that our policy process is not dominated by a capricious, mindless, wishful approach to the present and the future. The Mr. Micawbers rarely reach positions of responsibility in our society; our system of government is neither atomistic nor strait-jacketed. Able and far-sighted officials are served by highly professional researchers, planners and statisticians. Many elements of the government (the Department of Agriculture, the Federal Highway Administration, the National Park Service, the Census Bureau to name a handful) have long been engaged in long-range projections and planning. A Federal Council Committee on Forecasting Models was established in 1972 to monitor the quality of forecasting throughout the government. A new responsibility for science and technology policy has recently been given to the National Science Foundation. The new Energy Bill provides for long-range research and development in this critical area. And, of course, there are a host of inter-agency task forces and committees to say nothing of the President's Domestic Council, CEQ and CEA, Cabinet meetings and informal communications among administrators and analysts.

Congress, for its part, recently established the Office of Technology Assessment and has before it, or has in preparation, a host of relevant legislation including bills by Senators Jackson, Humphrey, Mondale, and Hartke and Congressman Dingell.

But having made these genuflections in the direction of the worthy efforts long extant or now in train, it remains the lugubrious case that no systematic inter-agency, long-range planning with respect to major national domestic problems is taking place. It is to this proposition that the following discussion is addressed.

A STRATEGIC POLICY ASSESSMENT STAFF FOR THE EXECUTIVE BRANCH AND FOR CONGRESS

The basic objective of an Office of Strategic Policy Assessments[1] ("OSPA"?) in the

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[1] The term "Strategic Policy Assessments" rather than "Long Range Planning" has been selected for two reasons—one frankly tactical, the other substantive. There is a long-standing and probably justifiable popular

Executive Branch and its counterpart in Congress should be to improve national decision-making as it relates to longterm policies. More specifically, these groups should endeavor to identify emerging long-term trends and problems, formulate and evaluate alternative courses of action to deal with them, and evaluate the effects of actions that have been put in train. This objective presupposes, of course, a continued assessment of social values and preferences.

The specific types of problems that call for Strategic Policy Assessment have several things in common:

They involve actions which although taken now, will bear results only after a substantial period of time, or actions which, although taken now, limit the range of actions which can be taken in the future. The time focus will normally be in the five to twenty-five year range.

They are multi-faceted and interrelated national issues of consequential domestic importance which require an integrated (e.g., interagency) approach for their analysis and solution as distinct from those amenable to narrow disciplinary or departmental analysis and action.

They involve a wide, but not an indiscriminate array of domestic issues of significance to broad segments of the American society as opposed to narrow sectoral or local questions.

Although they are primarily domestic issues, they may be, in the last analysis, created or at least exaggerated by international events or trends and their resolution may have important international implications.

SOME EXAMPLES

(a) Water resources. There is need for "strategic assessment" of the long-term water resource problem. Water resource policy is directly related to growth and environmental policies and, to a lesser degree, urban land use (e.g., use of flood plains), agriculture (e.g., irrigation), transportation (e.g., waterways), recreation, etc. There is even an international dimension in terms of American relations with Canada and Mexico.

(b) Forests. A "strategic assessment" of forests would examine long-term needs for wilderness and recreation compared to the commercial need for lumber both for domestic and export purposes. It would also examine the potential productivity of private and public land, opportunities for increased productivity on the best lands, technology changes (e.g., use of hardwoods to replace soft-wood uses), increased costs if supply lags behind demand, substitution potentials, foreign trade and environmental implications of various choices.

(c) Agriculture. The issues here, as in other examples, are complex in character and long-term in implication. Environmental considerations, overall growth policy, demographic trends, research and development with respect to production as well as distribution and consumption, energy use, population distribution, water availability, metropolitan growth policy (and thus transportation), foreign trade, international monetary issues, foreign aid and overall foreign policy issues must be addressed.

(d) Energy. Perhaps the most dramatic current example of a long-range issue calling for the kind of analysis and evaluation we have in mind is the energy problem. The energy issue involves not only technological, research and development policies, but a mix of environmental, economic, social and foreign policy considerations.

(e) Economic Growth. This would involve a "strategic assessment" of the mix of probable future demands for energy and selected raw materials, population growth, private and public services, foreign and domestic, fiscal and economic policy, and other factors affecting and affected by changing patterns and rates of economic growth.

(f) Growth of Metropolitan Areas. A policy for planned growth of metropolitan areas should examine the carrying capacity of various environments across the country in an effort to determine whether a more optimum population distribution is desirable and feasible. If it were determined that a metropolitan growth strategy is desirable, an assessment should be made of such tools as preference for Federal contracts, water resource projects, transportation facilities, and the like.

(g) Housing. A "strategic assessment" of long-range housing policy choices would involve, inter alia, an examination of the relationships among urban and inter-urban transportation programs, forest policy, new technologies, labor issues, demographic trends, recreational facilities, and social programs. It would also entail close dove-tailing with policies relating to economic growth and growth of Metropolitan areas.

(h) Transportation. The development of a long-range strategic transportation policy obviously entails an examination of the appropriate mix of various urban, inter-urban and long distance approaches to the movement of passengers and freight. In addition, long-range pollution and energy issues must be factored in as well as considerations of national economic growth, the long-term development of new communities, and the problems of existing metropolitan areas.

(i) Social Programs. Clearly there is a need here for "strategic assessment." Crime prevention, recreation, health services, education, housing, demographic trends, growth issues, the challenge of more leisure time all affect the choice evaluations.

(j) Changing work patterns. A "strategic assessment" would examine the implications of a greater amount of leisure time as a result of a shorter work week and earlier retirement. Effects on the work force and the full employment doctrine, and requirements for recreational facilities, health services, and educational programs must be considered.

Where the Strategic Policy Assessment function should be placed within the Executive Branch and within the Legislative structure is by no means a trivial bureaucratic issue. Two alternative arrangements in the Executive Office and a suggested arrangement for Congress are presented below.

WITHIN THE EXECUTIVE BRANCH

The Office of Strategic Policy Assessments should be placed in the Executive Office by the President. Whichever of the two following organizational options is selected, the internal structure of OSPA would be generally the same.

It would be premature and possibly even presumptious to attempt in this brief compass and at this preliminary stage to spell out in detail the internal organization of OSPA. On the other hand, some discussion of the recommended size and composition of the group may provide a sense of how the organization will carry out its functions and a feel for its operative style and thrust. What is contemplated is a lean, high quality staff with an overall annual budget of approximately $10 million and with an additional $2.5–$5 million annual budget for external research and consultants.

Since OSPA will address selected important problems from an interdisciplinary, or at least a multi-disciplinary approach, its leadership and its staff should be drawn from a broad mix of quantitative and qualitative backgrounds. Technologists, sociologists, economists, social accounting specialists, political scientists, environmentalists, systems analysts and perhaps many more types of experts will all play important roles. The Office should be headed by a respected expert in one of these fields who, obviously, is also familiar with the intricacies of the Washington policy formulation process. He should have as his principal deputies, two or three outstanding and broad-gauged representatives from the relevant fields (assuring a good balance between the "hard" and the "soft" disciplines).

The staff should be small (more than 30 but less than 50) comprising an appropriate mix of substantative expertise. The staff would function primarily as managers of policy-oriented research projects carried on by personnel in appropriate government agencies and/or outside contractors. As part of its regular responsibilities and as a way of maximizing its impact on emerging policy problems and issues it should have an opportunity to review and comment on the President's budget as well as the longer term implications of resource allocation decisions, major Presidential policy statements (e.g., the Energy Message and the Economic Message), and legislation which has significant long-term policy implications (e.g., the Clean Air Act and the Land Use Bill).

There are two alternative organizational arrangements within the Executive Office which seem to hold promise: Placing OSPA within the Office of Management and Budget; or creating a new independent Agency within the Executive Office of the President.[2]

Within OMB

The rationale for placing OSPA within OMB is that OMB has responsibilities for resource allocation, legislative clearance and departmental coordination. The close organizational tie between these functions and the function of strategic assessment would probably increase the effectiveness of OMB in its decision-making role. Certain changes within OMB would, of course, be necessary if the strategic assessment function was assigned there. For example, since Congressional and public interest groups should play an important role in the strategic choice assessment process,[3] OMB would have to be restructured to insure that this communication is encouraged. Presumably, the strategic assessment function would be organized as a separate group within OMB, but possibly located physically away from the high pressure atmosphere of the Office.

An independent agency within the Executive Office

As noted above, the organizational structure for OSPA would probably be the same whether it was placed within OMB or functioned as an independent agency. Aside from more flexibility, the principal argument for organizing a separate entity is that the identification of emerging problems and the formulation of policy options might best be conducted by a staff removed from day-to-day decision-making responsibilities and by an official with direct access to the President. The OMB Director, for example, might find it difficult to devote adequate attention to longer-term problems given the pressure for near-term budget and management decisions.

The trade-offs

Putting OSPA into OMB would provide it with direct access to the important related budget and legislaive processes. But the strategic assessment function might become a

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suspicion attached to national "planning"; it appears to evoke an image of a centralized ordering of American life much in the way it occurs in countries that have "planned economies." More importantly, what is conceived of here is not the development of detailed tactics and closely adhered-to targets, but rather a more analytical and conceptual process.

[2] But see, also Annex I for a third option suggested by one member of the Working Group.

[3] This is discussed in fuller detail in a later section.

residual claimant for the time and attention of the Director and his principal subordinates.

The creation of a new separate agency has, on the face of it, certain obvious disadvantages. Moreover, there is a danger that the group might become isolated from the gut-aspects of decision-making and from the decision-makers themselves—the "ivory tower" syndrome. (This should also be reckoned with if the group is placed within OMB but physically located outside of Washington.) But there would be a significant merit in having the strategic assessment function become the sole responsibility of a prestigious "Council" whose head reported directly to the President.

RESEARCH AND ANALYSIS SUPPORT

Whichever organizational arrangement is selected, it is clear that a group of the size contemplated would be unable to undertake a major research effort on its own. Indeed, it is doubtful whether this would be appropriate. OSPA should, rather, stimulate and sponsor supporting research and analysis from organizations and institutions within and outside the Federal government. (We have already noted that OSPA should have a budget ranging from $2.5 to $5 million for such purposes.)

Substantial facilities for research within the public and private sectors already exist and some of the necessary research activity is already going on. The RANN Program of NSF, the Institute of Education, the research programs sponsored by HEW and other government agencies might prove fruitful.

What is needed is focus and direction of current and new research. This implies an organized and interrelated network of research and analysis institutions, covering each major broad area (land use, resources, environment, transportation, health, etc.). OSPA would have as one of its major tasks the encouragement, possibly even the development of such a research capability outside the government structure.

In addition to supporting research focussed on the problems entailed in strategic assessment, there is a need for close contact with analytical efforts being undertaken elsewhere in the government. The effectiveness of a strategic assessment function at the Executive Office level would be increased with the establishment of departmental and agency assessment staffs with responsibility for identifying emerging problems and policy alternatives within the jurisdiction of their own organizations. These groups could feed their analyses and findings up to OSPA as well as to their own departmental superiors.

ORGANIZING A STRATEGIC ASSESSMENT FUNCTION IN CONGRESS

The very nature of the problems addressed here implies a close partnership between the Executive and the Legislative Branches. However the assessment function is organized within the Executive Branch, a companion organization should be established to serve the requirements of Congress.

Since Congress is, if anything, more fragmented than the Executive Branch, and since the professional capabilities of Congressional Committees need substantial upgrading, the strategic assessment function should not be grafted on to any of the existing Congressional Committees. A possible exception here would be the Joint Economic Committee whose charter could be broadened and staff strengthened for this purpose.

A new Committee along the lines of Senator Humphrey's proposal,[4] a "Joint Committee on Balanced National Growth and Development," might be the answer. On balance, however, it would seem preferable to assign the assessment function to the new Office of Technology Assessment. OTA, although its direction is not yet clear, includes within its mandate not only technological, but also many of the social concerns contemplated in the term "strategic assessment." For a variety of historical and other reasons, neither the Congressional Research Service nor the General Accounting Office, the other central staffs of Congress, seems as suitable a base.

It is likely that the OTA will employ a combination of direct staffing and contract operations which could give it access to a broad range of analyses bearing on long-term strategic choice. The Office will function under a statutory Board of Technology Assessment composed entirely of members of the House and Senate; the Board is essentially a joint committee. Thus the work of the Office will be fed into the direct operations fo Congress through a board of serving members, an arrangement which could prove a highly constructive link between the research community and the decision-making community.

The establishment of a strategic assessment staff as a distinct entity within OTA and operating, preferably, under its own Deputy Director could provide a logical focus for overseeing and filtering the output of a parallel group in the Executive Branch. Such a group could disseminate its assessments, and its evaluations of other agencies' assessments, to Congress at large. In addition, since OTA's Board members represent a cross section of important legislative interests, its analyses would probably be widely circulated among a number of Congressional committees.

As the first new information arm of Congress in half a century, the OTA affords a rare opportunity to invest the strategic assessment function in an institution with symmetrical objectives and substantail resources.

The complexity of the matters at issue will exceed the research and analysis capabilities of any Congressional Committee staff and even those of a highly professional Office of Technology Assessment. And so OSPA's Congressional counterpart, like OSPA itself, will need outside substantive support. An annual budget (in the range of $2.5 to $5 million previously suggested for OSPA) for external research and for consultants would be required if Congress is to be as well-served in this area as the Executive Branch under either of the options presented above.

The effectiveness of an Assessment Office in the Executive Office of the President and of a counterpart staff on Capitol Hill will depend, in large part, on close and frequent consultation between the two. One important link might take the form of an annual Presidential Message on Growth and Development along the lines suggested in Senator Humphrey's Bill. Such a Message would contain specific legislative proposals discussed in advance between the strategic assessment staffs of both Branches of government. On a more routine, day-to-day basis, there might be a joint "watch tower" effort to identfy emerging problems. A joint approach to contracting outside research might be another device to insure close cooperation between the assessment staffs.

BROADENING THE BASE OF STRATEGIC ASSESSMENT

Whether OSPA is located within OMB or takes the form of a separate new entity, and whether the strategic assessment function is performed in Congress by OTA or a special committee, rigorous efforts must be made to avoid an inconoclastic, "elitist" mode of operation—"OSPA (or OTA) knows best." Although there is no substitute for the determination of senior officials and staff members to seek guidance and share their wisdom widely throughout the government and the private sectors, certain arrangements might help to stimulate and institutionalize this kind of communication. What follows is primarily directed toward a strategic assessment function within the Executive Office, but similar arrangements with appropriate modifications could apply to Congress, as well,.

The establishment of a Federal Advisory Board, consisting of senior representatives from relevant Departments and Agencies, would help to prevent OSPA from becoming isolated from the rest of the government and would provide a high-level, two-way channel for the flow of guidance and information. In addition, a Public Advisory Board would assure communication with the world outside of Washington. Such a Board should consist of representatives from universities, foundations, industry, environmental groups, labor, and other relevant groups.

Aside from the more formal contacts with advisory groups, it is essential that the strategic assessment staff be aware of the interests, aspirations, activities and writings of representative groups in the world outside the bureaucracy and Capitol Hill. For this reason, both OSPA and its Congressional counterpart should maintain close links with state and local governments and with such non-government sectors as industry, labor, consumer and environmental groups.

Finally, both OSPA and the Congressional staff, but especially the former, should keep apprised of the activities of long-range assessment functions being performed in other industrially-advanced countries. Aside from the usefulness of exchanges with respect to methodology and substance, it will be prudent to exchange advance warnings of major new shifts in long-range national economic and social policies.

ANNEX I

PROPOSED ORGANIZATIONAL PLACEMENT OF "STRATEGIC CHOICE ASSESSMENT GROUP"

Considering the objectives and functions of the "Strategic Choice Assessment Group" it is vital that organizational arrangements for such a group meet the following criteria:

1. The group should be isolated from political pressures but sensitive to differing political views in arriving at proposals for alternative policies and actions.

2. The group should not be identified solely with one particular branch of Government or segment of the public. (i.e. Executive and legislative branch, industry, universities, State and local governments, etc.)

3. The group should be housed in a parent organization which has continuity beyond the term of the incumbent President or Congress.

4. The group—through its parent organization—must have "clout" whereby its proposals for alternative policies and actions will be seriously weighed in the executive and legislative branch of Government. Such "clout" is enhanced if the organization is strong and is directed by prestigious individuals.

5. The group must have access to information on strategic choices being developed in the various Federal departments and agencies and outside the Government.

Commission on National Policy Choices

The group should be placed under an independent commission whose membership would reflect broad representation from various sectors. The members would be comprised of the following:

Executive Branch

Chairman, Council of Economic Advisers.

Director, Office of Management and Budget.

Executive Director, Domestic Council.

Legislative Branch

Chairman, Joint Economic Committee.

Ranking Minority Member, Joint Economic Committee.

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[4] A Proposal for Achieving Balanced National Growth and Development, a proposal submitted to the Sub-Committee on Economic Progress of the Joint Economic Committee, Congress of the United States, Feb. 26, 1973. U.S.G.P.O. 1973.

Comptroller General of the United States (who would serve both as the head of GAO and as a member of the Technology Assessment Advisory Board).

Other Groups

Five representatives from:
Industry.
Universities.
Labor.
Consumer groups.
Non-Federal governments (e.g. Council of Governments).

The President would appoint the five members from outside the Federal Government for a term of 6 years.

The Commission would prescribe broad policies to be followed by the group and provide guidance and advice to it. The Commission would be required to publish such staff reports on policy and action choices as are periodically developed by the group and may append its views as it considers appropriate to such reports. An annual report is to be made by the Commission to the President and the Congress.

Legislation establishing the Commission would authorize and direct Federal departments and agencies to assist the Commission. The President would be required to report annually to the Congress on actions taken with respect to the group's proposals for alternative policies and actions.

ANNEX II(a)

WOODROW WILSON INTERNATIONAL
CENTER FOR SCHOLARS,
Washington, D.C.

PROJECT ON SUSTAINABLE GROWTH—DINNER FORUM, MAY 10, 1973

GUEST LIST

Speaker: Honorable Russell Train, Chairman, Council on Environmental Quailty.

Mr. Alvin Alm*, Staff Director, Council on Environmental Quality.

Dr. Gerald Barney, Third Century in America, New York.

Mr. Wallace Bowman, Chief, Environmental Policy Division, Library of Congress.

Mr. David Beckler*, Office of Science and Technology.

Mr. Richard Carpenter, Executive Director, Environmental Studies Program, National Academy of Sciences.

Mr. Pilander Claxton, Special Assistant to the Secretary for Population Matters, Department of State.

Mr. Charles J. di Bona, Special Consultant to the President.

Congressman John D. Dingell of Michigan.

Mr. Henry Eschwege*, Director, Resources and Economics Division, Comptroller General's Office.

Dr. Stanley Greenfield, Assistant Administrator, Office of Research and Monitoring, Environmental Protection Agency.

Mr. Richard Gerson, Research & Development Incentives, National Science Foundation.

Mr. Ken Gray, Administrative Assistant to Senator H. H. Humphrey.

Senator Philip A. Hart.

Mr. Dean Hinton, Deputy Executive Director, Council of International Economic Policy, The White House.

Senator Hubert H. Humphrey.

Dr. George Jaszi*, Director, Bureau of Economic Analysis, Dept. of Commerce.

Mr. Roger LeGassie, Deputy Director, Office of Planning and Analysis, Atomic Energy Commission.

Mr. Ellis Motur, Office of Technology Assessment.

Mr. Bernard Nagelvoort, Administrative Assistant to Congressman Guy Vander Jagt of Michigan.

Mr. Neal Peterson, Attorney at Law (after dinner).

Mr. Frank Potter, Subcommittee of Fisheries and Wildlife Conservation and the Environment.

Mr. John Sawhill,* Office of Management & Budget.

Mr. Gary Seevers, Special Assistant to Herbert Stein, Council of Economic Advisors.

Mr. Julius Shiskin, Office of Management & Budget.

Congressman Alan Steelman of Texas.

Mr. Arnold Steinberg, Special Assistant to Senator James L. Buckley of New York.

Mr. James Thornton, Subcommittee on Agriculture & Forestry (after dinner).

Dr. William A. Vogley, Director, Office of Economic Analysis, Department of Interior.

Mr. Maurice Williams, Deputy Administrator, Agency for International Development.

Woodrow Wilson Center Staff

Mr. Albert Meisel, Acting Director.

Mr. William M. Dunn, Administrative Officer.

Woodrow Wilson Center Fellows

Mr. Harry Blaney,* Foreign Service Officer, was Special Assistant to Chairman, Council on Environmental Quality.

Mr. Chester L. Cooper,* Coordinator, WWICS Growth Study Program, former government official, research administrator, author.

Mr. C. Alton Frye,* political scientist, arms control specialist. Legislative context of American foreign policy.

Mr. Lincoln Gordon,* political economist, former Professor of International Economic Relations, Harvard University, former Ambassador to Brazil.

Mr. Robert H. Walker, Professor of American Civilization, George Washington University.

WWICS growth project staff

Mrs. Judith Corson* Research Assistant.
Miss Anne Gault, Research Assistant.
Mrs. Sue Gerson, Administrative Assistant.

ANNEX II(b)

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS
Washington, D.C.

PROJECT ON SUSTAINABLE GROWTH—GOVERNMENT FORUM DINNER—JULY 30, 1973

Chairman: Chester L. Cooper,* Coordinator of the Sustainable Growth Project and Fellow of the Woodrow Wilson Center.

Mr. Alvin Alm,* Environmental Protection Agency.

Mr. Jack Alterman, Assistant Commissioner, Economic Trends and Labor Conditions, Department of Labor.

Mr. Tim Barnacle, Legislative Assistant to Senator Humphrey.

Mr. John Barnum, Undersecretary, Department of Transportation.

Mr. David Z. Beckler.*

Mr. Harry Blaney,* Member, Planning and Coordination Staff, Department of State.

Mr. Wallace Bowman, Chief, Environmental Policy Division, Library of Congress.

Mr. Richard Carpenter, Executive Director, Environmental Studies Program, National Academy of Sciences.

Mr. Charles di Bona, Special Consultant to the President.

Congressman John D. Dingell of Michigan.

Mr. Henry Eschwege,* Director, Resources and Economics Division, Comptroller General's Office.

Mr. Richard Gerson, Research and Development Incentives, National Science Foundation.

Mr. Gerald Grady, Select Committee on Committees, House of Representatives.

Dr. Stanley Greenfield, Assistant Administrator, Office of Research and Development, Environmental Protection Agency.

Mr. Dean Hinton, Deputy Executive Director, Council of International Economic Policy, The White House.

Dr. Peter House, Environmental Protection Agency.

Senator Hubert H. Humphrey of Minnesota.

Mr. William B. Irwin, Assistant Secretary of Agriculture for Rural Development.

Dr. George Jaszil,* Director, Bureau of Economic Analysis, Department of Commerce.

Dr. Sidney Jones, Assistant Secretary for Economic Affairs, Dept. of Commerce.

Mr. Roger LeGassie, Deputy Director, Office of Planning and Analysis, Atomic Energy Commission.

Dr. Lawrence E. Lynn, Jr., Assistant Secretary for Program Development and Budget, Department of Interior.

Mr. Dudley Mecum, Assistant Director, Office of Management and Budget.

Mr. Ellis Motur, Office of Technology Assessment.

Mr. Bernard Nagelvoort, Administrative Assistant to Congressman Guy Vander Jagt of Michigan.

Dr. Mancur Olson, Department of Economics, University of Maryland.

Mr. Frank Potter, Subcommittee of Fisheries and Wildlife Conservation and the Environment.

Mr. Barry Riordan, Staff Member, Council on Environmental Quality.

Mr. Claus Ruser, Deputy Director for Policy Analysis and Resources, Department of State.

Mr. John Sawhill,* Office of Management and Budget.

Mr. David Scheffer, Intern, Council on Environmental Quality.

Mr. Elmer Staats, Comptroller General of the United States.

Dr. H. Guyford Stever, Director, National Science Foundation.

Mr. James Thornton, Subcommittee on Agriculture & Forestry.

Mr. Maurice Williams, Deputy Administrator, Agency for International Development.

Woodrow Wilson Center Staff

Mr. William M. Dunn, Administrative Officer.

Woodrow Wilson Center Follows

Mr. S. Alton Frye,* political scientist, arms control specialist. Legislative context of American foreign policy.

Mr. Robert H. Walker, Professor of American Civilization, George Washington University.

WWICS Growth Project Staff

Mrs. Judith Corson,* Research Assistant.
Miss Anne Gault, Research Assistant.
Mrs. Sue Gerson, Administrative Assistant.

THE LAND USE POLICY AND PLANNING ASSISTANCE ACT OF 1973

(By Archibald C. Rogers, FAIA, First Vice President, the American Institute of Architects)

Mr. Chairman. I am Archibald C. Rogers, FAIA, First Vice President of The American Institute of Architects, Chairman of its National Policy Task Force, and a practicing architect and urban planner in Baltimore, Maryland. Accompanying me are Michael Barker, Administrator of the Institute's Department of Environment and Design, and Tom Bennett, Director of Congressional Liaison.

Today, The American Institute of Architects, the national society for the architectural profession representing 24,000 licensed architects, wishes to express its views on the subject of national land use policy and planning, with emphasis on the bills currently pending before the Committee, H.R. 91, H.R. 2942, and H.R. 4862.

We believe that the legislation resulting from these hearings can be an important step toward a national commitment to sound land use planning within the context of a national growth policy. Declining central cities surrounded by affluent suburbs, deteriorating rural areas, ugly strip development and sprawl, the shortage of housing, the lack of public transportation, pollution of air and water, and the mismanagement of our priceless natural resources are but symptoms of the present lack of this commitment. For examples of what nations can do to control the quality of the human environment, we, the wealthiest democratic nation in the world, must look to other less affluent nations for leadership.

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*Members of the Working Group.

The many American architects, planners, *engineers, and developers*, and indeed, Members of Congress, who have visited Eastern and Western Europe are impressed by examples of orderly and well-planned new town development and natural resource management. In the course of the deliberations of the AIA's National Policy Task Force, one of the Task Force members visited national capitals abroad to determine the role that other national governments play in the management of national and urban growth and natural environments. He found that there was a significant role played by the national governments, especially in those countries with very good records in preserving the human environment such as the Netherlands, Great Britain, and Finland.

Based on this and other research, the National Policy Task Force of The American Institute of Architects strongly recommends that our Federal Government respond to increasing citizen demand for a higher quality of life by developing a national growth policy, coupled with a strategy and the necessary mechanisms to implement such a policy.

Over the past five years The American Institute of Architects has worked to develop a national growth policy and strategy for its implementation. While the focus of this hearing is much narrower in scope than the national growth question *in toto*, we would like to submit for the record AIA's Plan for Urban Growth, "America at the Growing Edge: A Strategy for Building a Better America." In brief, the new policies recommended in this report would change the "ground rules" that now shape, and distort the shape, of American communities; create a new and useful scale for planning and building in urban areas; and commit the nation to a major land acquisition policy to guide development in and around key urban centers. We will not discuss the entire report at this time, but will use it to set the context for our testimony.

Drawing from our report, we recommend the following steps to meet the objectives of the pending legislation:

1. the creation of a policy board on national growth within the Executive Office of the President;
2. the establishment of legislative committees to deal with national growth policy in both the House of Representatives and the Senate;
3. the adoption of state land use and development plans and programs as a matter of national policy;
4. the creation of new governmental institutions and mechanisms to implement state land use and development programs, as elements of a national growth policy;
5. the use of Federal incentives and sanctions as essential ingredients to stimulate the preparation of state land use and development plans and programs and their successful implementation; and
6. the provision for adequate public participation in state land use and development plan-making through the distribution of information and potential alternatives well in advance of public hearings and subsequent decision-making.

NATIONAL GROWTH POLICY BOARD

In the past three or four years the need for a growth policy council or board at the national level has been recognized through two major pieces of enacted legislation. The first, the National Environmental Policy Act of 1969, created a Council on Environmental Quality in the Executive Office of the President. The second, Title VII of the 1970 Housing and Urban Development Act, required the President to prepare a biennial report to Congress covering legislative and administrative aspects of implementing an urban growth policy and established an identifiable unit of the Domestic Council to develop such a report and policy. In the pending land use bills, we see that a "National Advisory Board on Land Use Policy" is proposed to assist in the coordination of state land use and developmental plans and programs.

Reading the legislative charges to the Council on Environmental Quality, to the Urban Growth Unit of the Domestic Council, and to this proposed National Advisory Board on Land Use Policy, one cannot help but note the similarities of their responsibilities. Yet none of them has adequate scope and authority to discharge the full responsibilities with which they are charged. We envision a more broadly based national growth policy board that would absorb and combine the responsibilities of the Council on Environmental Quality and the Urban Growth Unit of the Domestic Council and most certainly include the functions of the proposed National Advisory Board on Land Use Policy. Specifically, we recommend that a National Growth Policy Board be established with the following functions:

1. Establishment of National Development Goals. The Board would be an extension of the Executive Office of the President and would be the focus of the President's legislative and administrative plans for establishing and meeting national development goals. The Board would be the Administration's spokesman for its policies and proposals before Congress and the nation on these issues.

2. Coordination of Federal Programs. The Board would be charged with coordinating and reviewing Federal programs affecting state and local land use. This function would be similar to the Section 102 requirements of the National Environmental Policy Act of 1969 except that the definition of "environment" would be expanded to include the social and economic issues inherent in urbanization, and which are now of secondary importance to the Council on Environmental Quality.

3. Review of State Plans and Programs. The Board would have the responsibility for reviewing state land use and development plans and programs on a regular basis to insure that they were compatible with national policy. While programs providing assistance to state and local governments would continue to be administered in the various Federal agencies, the policy board would have an overall coordinative function within the Executive Office of the President.

4. Coordination of Incentives and Sanctions. The Board would have the responsibility for applying both incentives and sanctions to encourage states to develop and implement land use and development plans and programs.

Thirty years ago this nation experimented with a national growth policy board in the form of the National Resources Planning Board. It went out of existence in 1943. We see this, the NRPB, as a pertinent historical example. A child of the Depression, it studied our natural resource problems, our urban growth and economic problems, and our social problems. But it was ahead of its time and died prematurely after ten years of useful and promising work. Perhaps the reason for its demise was that it was not built adequately into the administrative structure of the Federal Government. Its power to influence administrative decisionmaking was minimal. Our proposal for a National Growth Policy Board would remedy this lack of involvement in decision-making by giving the Board authority for Federal program coordination, state plan and program review, and the coordination of incentives and sanctions.

CONGRESSIONAL COMMITTEES

As a professional society seriously concerned with the quality of the environment, one of our major problems has been the distribution of concern for these issues among several Congressional Committees. We see duplication, lack of coordination, and piecemeal approaches to complicated, interrelated problems which must be dealt with as a whole.

In 1971 the Senate and the House approved separate resolutions to create a Joint Congressional Committee on the Environment. Even though the Joint Committee was never established, it represented a step in the right direction. However, we believe that these issues could be dealt with more effectively if there were one committee in each Branch of Congress with jurisdiction over environment and national growth policy. We hope that the House of Representatives will act on this matter in conjunction with their current review of Committee jurisdiction and operation and that the Senate will follow suit.

STATE LAND USE AND DEVELOPMENT PROGRAMS

The American Institute of Architects strongly supports the creation of land use and development programs at the state and metropolitan level. Here is where the primary responsibility and constitutional authority for land use planning and management exist. It is government close to the people. It can be responsive to the needs of its citizens. It should be pointed out, however, that there are national policies enacted by Congress in the fields of housing, environmental quality, and civil rights, as well as others, and these should be taken into account in any state or metropolitan land use and development programs.

We believe that state programs should provide for the following:

1. the protection of areas of critical environmental concern;
2. the planning for areas impacted by key facilities;
3. the planning for development and land use of regional significance;
4. the planning for large-scale subdivisions and other large-scale development;
5. the creation of mechanisms to assure compliance with standards and regulations relating to air and water quality, solid waste disposal, and resource recovery;
6. the creation of mechanisms to assure compliance with planning housing, public facilities, growth, and development objectives in existing housing and urban development statutes;
7. the creation of mechanisms to assure equal social, educational, and economic opportunities for all citizens;
8. the conservation and preservation of natural, historical, and scenic resources;
9. the conservation of agricultural land of high productivity;
10. the restriction of use of wetlands, watersheds, and flood plains;
11. the planning for open spaces and recreation;
12. the planning for transportation systems;
13. the planning for power and water supply;
14. the determination of desirable locations of centers of economic development;
15. the planning for balanced population distribution.

The definition in each of the bills of "areas of critical environmental concern," is excellent but has a serious omission. There is no reference to the problems of the central cities or metropolitan areas. A state land use and development program can not ignore central city problems. We believe state programs should address themselves to land conversion on the edges of metropolitan areas as well as the rebuilding of central cities. We recommend that the language of the bill be amended to reflect this concern.

NEW INSTITUTIONS AND MECHANISMS

The Federal Government cannot and should not prescribe methods for shaping growth on the state and local level because it is too far removed from state and local problems. The most creative solutions must and will come from the cities and states themselves. These can be aided by state and local institutions serving as prime mechanisms for implementing state land use and development programs. For example:

1. The state and local capital budgetary process should be closely tied to state programs so that the state expenditures are consistent with land use and development goals. Indeed, public infrastructure which controls and shapes growth should be located and installed as a conscious public decision which reflects state and local development objectives. Capital infrastructures such as utilities, roads, social services, educational and recreational facilities should be installed in advance of urbanization to control and shape urban form and services.

2. State chartered development corporations with the power of eminent domain, and public borrowing authority should be encouraged. Such institutions are the New York State Urban Development Corporation and the seven-county Minneapolis-St. Paul Metropolitan Council. We are interested in what George Romney has dubbed "the real city" and what public institutions can do to control and shape growth.

3. An elected metropolitan planning and development agency should be encouraged to plan and control the patterns of urban development.

4. Aggregation of the scale of development should be encouraged. Section 303(a) of H.R. 2942 calls for state land use programs which assure "that any large-scale subdivisions and other proposed large-scale development within the state of more than local significance in its impact on the environment is not inconsistent with state land use programs." We would like to go beyond this matching of large-scale development to state plans, which we believe is essential, to another more significant point. We believe that a basic state planning process should include programs, both public and private, to aggregate the scale of community development. In the First Report of our National Policy Task Force we call for the creation of urban growth units as a new mode for urbanization. For too long we have been trying to deal with the quality of urban growth in a piecemeal, uncoordinated and haphazard series of arrangements between public agencies and private developers. We would like to see the restraints to the aggregation of the scale of development removed, and incentives added to encourage the building of neighborhoods rather than simply houses.

5. The unearned increments in land value due to public investment should be returned to the public. Section 303(f) of H.R. 2942 states "any person having a legal interest in land of which a state has prohibited or restricted the full use and enjoyment thereof may petition a court of competent jurisdiction to determine whether the prohibition diminishes the use of the property so as to require compensation to be awarded therefore." We believe this language covers only one side of the ledger; that is, the side where public actions constrain the free use of private property, in effect, the taking of some development or use right. The other side of the ledger, where public investments create significant benefits to private property owners, should also be considered. We recommend that the state planning process should study and find means to capture unearned increments in the value of land accruing to private property owers due to public investments on or near their properties. We believe that if the public is to capture some of the unearned increments or the so-called windfall profits from private owners, these profits must be clearly related to specific public investments such as freeways, interchanges, rapid transit stations, major recreation facilities, water and sewer systems.

The Douglas Commission in Urban Problems studied this question in 1967. They found that 72 billion dollars worth of real estate changed hands in 1967. Twenty-four billion dollars of that value was in the capital gains category, due in fact to both public and private investment. Twenty billion dollars was in the appreciation of raw land. The Federal Government, using the capital gains tax approach, was able to capture one billion dollars in capital gains tax receipts. We believe methods could be worked out whereby the public could recover a greater proportion of the value it creates through its investments in public infrastructure. We hope that the state planning process would address itself to this question and seek creative solutions.

FEDERAL INCENTIVES AND SANCTIONS

We fully appreciate the difficulties that this legislation may impose in view of the difference in state capabilities to (1) develop a planning process, (2) prepare a land use program, and (3) create the mechanisms to implement the program. Consequently, we recommend that during the first five-year period all states be funded on an equal per capita basis. Hopefully those that find themselves with larger tasks will have an opportunity to catch up. The Federal Government should continue to support program development, which is a useful activity in and of itself, separate from implementation. However, those states which concentrate solely on the creation of plans should progress at a rate proportionate to their capabilities.

The authorization of 40 million dollars for each of the first two years and 30 million dollars a year for the following three fiscal years seems low when compared to the Department of Housing and Urban Development's Section 701 Comprehensive Planning Assistance Program. It expended about 100 million dollars per year for the last three years in providing planning assistance for state, regional, and local governments. And this did not keep pace with the demand for Section 701 funds.

To adequately fund this land use planning effort, we would suggest the 100 million dollar annual authorization contained in the Senate Committee-approved bill least year, with up to a 90% Federal share available to assist states to develop their land use planning capacity and prepare and implement their land use programs.

We recommend that the legislation be revised to make it mandatory for all states to prepare state land use and development programs in order for them to continue to be eligible for Federal assistance in program areas which significantly affect land use patterns.

As H.R. 2942 is presently written, the only sanction for a state is ineligibility for the land use planning and management grants provided by the legislation. States will develop land use planning processes and land use programs if they realize that the flow of other Federal funds may be stopped if they do not.

Several of the categorical assistance programs to state and local governments may be replaced by proposed revenue sharing and block grants. Therefore, we suggest that the program-making requirements of this legislation be a condition for continued state eligibility for special forms of revenue sharing, particularly rural and urban development.

In addition, we support the approach contained in the 1972 House Committee-approved bill and endorsed by the Administration to highway, aviation, and land and water conservation fund sanctions. After the initial five-year period is over, states which have not produced an effective land use program and which have not moved toward creating the mechanisms necessary to carry out plans should be penalized by Federal withholding of 7% of each of the following Federal programs: water and sewer, highways, aviation, and land and water conservation funds to a cumulative total of a maximum 21% of each. In essence, the Federal Government will inform the states that unless they provide for the planning and control of their growth, it will reduce the amount of Federal money being provided to that state in programs which sustain and encourage growth (i.e., water and sewer and transportation). This is a realistic way to interest the states in preparing the plans and in creating the implementary mechanisms.

PUBLIC PARTICIPATION

Our final recommendation deals with informed citizen participation in the development and implementation of state land use planning processes and programs. We strongly recommend public disclosure of the information pertinent to the development of the state land use planning process and programs, including potential alternatives. The disclosure should be well in advance of any hearings or decision-making. It should be in a form easily understood by the general public and be widely publicized. In this fashion, the public will have an opportunity to consider and analyze the options available and present informed positions during public hearings. Public participation after government officials have already made tenative or binding decisions is meaningless. In addition, an appeals procedure is needed for reviewing objections and reservations after the initial state plan is prepared. We do, however, recognize that the responsible public body must be the one that makes the final decision.

We recognize that the land use legislation now pending before Congress has already traveled down a long road and has many obstacles yet to overcome before it can be enacted into law. The American Institute of Architects believes that land use and national growth are two of the most vital issues facing our nation today and are ones that must be dealt with comprehensively. To do less will not achieve a lasting solution. For this reason we trust that Congress will thorough our review recommendations and act favorably on them. Thank you.

By Mr. JAVITS (for himself, Mr. McGovern, Mr. Abourezk, Mr. Cranston, Mr. Hart, Mr. Hughes, Mr. Humphrey, Mr. Kennedy, Mr. Mathias, Mr. Metcalf, Mr. Mondale, Mr. Nelson, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Stafford, and Mr. Williams).

S. 3051. A bill to amend the Economic Opportunity Act of 1964 to establish a special emphasis program of emergency energy conservation services for the poor, and for other purposes. Referred to the Committee on Labor and Public Welfare, by unanimous consent.

EMERGENCY ENERGY CONSERVATION ECONOMIC OPPORTUNITY AMENDMENTS OF 1974

Mr. JAVITS. Mr. President, I introduce for myself and Senator McGovern and 14 sponsors, including Senators Abourezk, Cranston, Hart, Hughes, Humphrey, Kennedy, Mathias, Metcalf, Mondale, Nelson, Pell, Randolph, Ribicoff, Stafford, and Williams, "the Emergency Energy Conservation Economic Opportunity Amendments of 1974," a bill to amend the Economic Opportunity Act of 1964 to establish a "special emphasis" program designed to enable low-income individuals and families, including the elderly and the near poor, to participate in energy conservation to lessen the impact of the energy crisis on such persons.

Mr. President, I ask unanimous consent that this measure be referred to the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, under this new authority the Director of the Office of Economic Opportunity is authorized to provide assistance to Community Action Agencies, State Economic Opportunity Offices, Community Development Corporations, and other public and private nonprofit organizations and agencies for a range of programs and activities to deal with special problems facing the poor as a result of the energy crisis.

These efforts would include energy conservation efforts such as winterization of old or substandard dwellings; emergency loans, grants, and revolving funds to deal with increased housing expenses relating to the energy crisis; alternative transportation activities designed to save fuel and assure continued access to training, education and employment; outreach efforts, including the establishment of energy crisis centers; supportive services and a number of related activities; for these purposes "such sums" are authorized for this fiscal year, 1974.

Mr. President, while all citizens are affected by the energy crisis, the poor face a number of special hardships due to their lack of an adequate income, thus further aggravating the poverty syndrome.

Hearings before Senator McGovern's Select Committee on Nutrition and Human Needs, held on January 22 and 23, document dramatically the situation in which the poor and the elderly find themselves as a result of the energy crisis. Among the highlights of the testimony were the following findings:

Of the 8 million single family dwellings occupied by the poor, 4 million have no insulation and about 5 million have no storm windows or doors. One-fourth, or 2 million of the homes are in the coldest or moderately cold climate zones where temperatures regularly go below freezing in the winter months.

The poor's access to fuel is being limited because of a reluctance of suppliers to extend credit for small orders.

Increases in gasoline prices may make it impossible for the poor, especially migrant workers, to travel to and from work.

The need for legal services has increased in order to deal with special housing, employment and other questions resulting from the energy crisis.

Mr. President, the Office of Economic Opportunity has taken a number of significant steps under existing general demonstration authority to deal with the particular problems of the poor occasioned by the energy crisis, including the "Operation Fuel" program in Maine, and a similar project in Vermont.

But these promising efforts—funded at a level of less than $1 million in the aggregate—reach only a fraction of those in need throughout the Nation. Through this bill, the sponsors seek to prompt a duplication nationally of such efforts at the earliest moment.

I am pleased to note that officials of the administration have already indicated an interest in this proposal:

Appearing before the Select Committee on Nutrition and Human Needs on January 22, John W. Sawhill, Deputy Administrator for the Federal Energy Office, acknowledged that social services programs should be created for persons in hardship situations and that this specific proposal should be given careful consideration.

The following day, in testimony before the Select Committee, Alvin J. Arnett, Director of the Office of Economic Opportunity, testified that $100 million would be necessary to install the winterization aspects of the Maine program in cold or moderately cold climates across the Nation; it is also interesting to note his statement that if all the one-family homes or poor households that heat with fuel oil were insulated—about 33 trillion Btu's, approximately 10,815,000 gallons of fuel oil—could be saved in heating in a year.

Then on January 28, Mr. Sawhill testified before the Subcommittee on Intergovernmental Relations of the Senate Committee on Government Operations, that he generally approved the idea of replicating the Maine project across the Nation, at approximately the $100 million level indicated by Mr. Arnett.

As this measure is considered by the Subcommittee on Employment, Poverty, and Migratory Labor of the Senate Committee on Labor and Public Welfare, we shall seek additional estimates on appropriate funding levels and shall include a "ceiling" in any legislation that may result.

It is particularly significant to note that H. S. Perry, Director of the Office of Economic Opportunity in the State of Maine, testified before the select committee, based on the actual experience in that State, that if the program were expanded in other States, it could be carried out very quickly. He points out that the Maine program was announced on December 12, 1973, and was well underway by the end of that month.

Mr. President, of course, there are many other steps that may be taken under existing law involving other departments of the Federal Government to help alleviate the effect of the fuel crisis on the poor, including relaxation of certain welfare requirements, housing laws, and of course, input of the poor themselves into the actions and proposals of the Federal Energy Office.

To prompt action on these aspects, as well, the bill requires the Director, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Secretary of Housing and Urban Development, the Director of Action—the volunteer agency and the Administrator of the Federal Energy Office to establish procedures and take other appropriate action necessary to insure that these matters are taken into account.

Mr. President, this is the second bill that I have introduced to deal with the human aspects of the energy crisis—elements that I hope the administration will not overlook while meeting our legitimate concerns with allocations, rationing, oil exploration and other vital matters.

S. 2993, the Emergency Energy Employment Assistance Act of 1974, which I introduced on February 8, with Senator Nelson and eight cosponsors, would authorize $4 billion over a 2-year period to create 500,000 public service jobs. Once funds were appropriated, they could be made available pursuant to a determination by the President, by concurrent resolution of the Congress, or in any event if the national rate of unemployment exceeds 6 percent for 3 consecutive months.

Jobs are key, but along with job creation efforts, we need to provide the kinds of services contemplated under this bill to avoid hardships on a day to day basis in terms of other essential living conditions.

Mr. President, I hope that the administration will see fit to support this legislation and we can move very speedily on it, as it affects this fiscal year; of course, similar provisions will have to be made for future years, but we should not wish to impede the chances of immediate action on this measure by raising the overall question of the continuation of the Office of Economic Opportunity and antipoverty legislation beyond the expiration of the authorizations of appropriations under the Economic Opportunity Act of 1964 this June—a continuation which I urge.

I ask unanimous consent that there be printed in the Record the text of the bill and a copy of an excellent comment which appeared in the New York Times of Saturday, February 9, by Vernon Jordan, executive director of the National Urban League, entitled "The Energy Crisis: For Blacks, a Disproportionate Burden," which relates to the human aspects of the energy crisis.

There being no objection, the bill and article were ordered to be printed in the Record, as follows:

S. 3051

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act might be cited as "The Emergency Energy Conservation Economic Opportunity Amendments of 1974".

Sec. 2. Section 222(a) of the Economic Opportunity Act of 1964 is amended by inserting at the end thereof the following:

"(12) A program to be known as "Emergency Energy Conservation Services" designed to enable low-income individuals and families, including the elderly and the near poor, to participate in energy conservation programs designed to lessen the impact of the energy crisis on such individuals and families. The Director is authorized to provide financial and other assistance for programs and activities, including, but not limited to, winterization of old or substandard dwellings; emergency loans, grants, and revolving funds to deal with increased housing expenses relating to the energy crisis; alternative fuel supplies, special fuel voucher or stamp programs; alternative transportation activities designed to save fuel and assure continued access to training, education and employment; outreach efforts, including the establishment of energy crisis centers; furnishing personnel to act as coordinators, providing legal or technical assistance or otherwise representing the interests of the poor in efforts relating to the energy crisis; fuel conservation education; nutrition, health and other supportive services in emergency cases; and evaluation of programs and activities under this paragraph. Such assistance may be provided as a supplement to any other assistance extended under the provisions of this Act or under other provisions of Federal law. The Director, the Secretary of Health, Education and Welfare, the Secretary of Labor, the Secretary of Housing and Urban Development, the Director of Action, and the Administrator of the Federal Energy Office shall establish procedures and take other appropriate action necessary to ensure that the effects of the energy crisis on low-income persons, the elderly and the near poor are taken into account in the formulation and administration of programs relating to the energy crisis."

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of paragraph (12) of section 222(a) of the Economic Opportunity Act of 1964 for the fiscal year ending June 30, 1974.

The Energy Crisis: For Blacks, a Disproportionate Burden

(By Vernon E. Jordan, Jr.)

About the only certainty in the energy crisis situation is that black people will bear a disproprotionate burden of the sacrifices and penalties. We will suffer this latest crisis disproportionately because we are disproportionately poor, because we are concentrated in the most vulnerable sectors of the labor force and because there is little concern or planning for lessening the impact of the energy shortage on poor people and black people.

Such planning as exists—and it seems confined to press releases—appears to have as its main concerns the establishment of higher prices for oil and gas and the easing of discomforts of middle-class Americans.

The primary negative impact of the crisis on black people is most likely to be on the the job front. Estimates of unemployment in 1974 start at 6 per cent and climb upward thus making even optimists pessimists.

But black unemployment has always been double the white rate. A nationwide unemployment rate of about 6 per cent is likely to mean a black rate of 15 per cent or more. And the impact is even greater, for we talk about the official unemployment rate, which excludes discouraged job-seekers, involuntary part-time employes, and the vast army of the underemployed—those working but for less than a living wage.

"This "hidden" unemployment is already astronomical. In some black neighborhoods it includes a majority of the population. An induced recession will make those figures still worse, long before the official unemployment rates disclose the true nature of the job crisis, since layoffs are preceded by hiring freezes and dismisals of part-time workers.

So the energy crisis is likely to increase black joblessness, and at the same time it will result in inflationary higher prices that will pinch already strained family budgets. Dollar-a-gallon gas and dollar-a-loaf bread may be in the offing, as some economists have predicted, or they may not, as President Nixon has confidently stated. But both gas and bread prices have climbed, and the higher prices of fuel and its derivatives will mean higher prices for industrial and agricultural goods in the coming months.

Again, this is something blacks will suffer disproportionately since our median family income is little more than half that for whites, and is even less than what the Government itself defines as a decent living standard. And since a greater proportion of black families than white are dependent for their meager family incomes on more than one wage earner, the constriction of the marginal job markets that will shrink employment of women and teen-agers will have a major impact on black family income in an inflationary period.

Higher gas prices hit low income groups hardest. White commuters still get to center-city offices on time, but factory jobs are generally in fringe locations that make black workers dependent on their automobiles. The indifference with which skyrocketing gas prices is met by Washington is not matched by workers whose already too-small paychecks will be further reduced at the gas pump.

Beyond the immediate economic impact is the more insidious use of the energy shortage as the all-purpose alibi to justify further erosion of black rights. Although school busing for desegregation uses up something like one-one-hundred-thousandth of all gas used in the country, some Congressmen want to end school busing as an energy-saving measure!

Landlords and city officials will be using this "God-given" alibi to avoid supplying adequate heat to the older, less heat-efficient buildings, primarily occupied by the poor and minorities.

But despite the tremendous impact the energy crisis is likely to have on black people and poor people, the high-level committees dealing with the crisis are lily-white. Not only are blacks effectively excluded from the decision-making process in an area that affects them deeply, but Federal agencies primarily concerned with employment, health and housing and poverty have no role in them either.

If the President expects black people to accept his rosy optimism about the energy crisis, he will have to move swiftly to assure us that its impact will be fairly distributed and, especially, that the precious job gains made by blacks in recent years will not be swept aside.

Top priority ought to go to creation of a national full-employment policy that will assure everyone able to work a job at a decent wage. That idea has been gaining ground even among conservatives, and the predicted recession makes it an urgent priority. Price controls, a leaky sieve, ought to be tightened to prevent the use of the energy alibi to increase profits. Representatives of blacks, minorities and the poor should have a voice in energy decisions at the national level, while local groups should coalesce on the local level to monitor energy use and enforcement.

It is clear that the energy crisis will work a terrible hardship on black people and poor people. About the only consolation we have is the knowledge, earned through years of adversity and hardship, that we will survive and endure.

Life has always been difficult for us. While some people smilingly lower their thermostats and put on sweaters, masses of black people this winter are doing what they have done every winter—huddling in their overcoats as far from the cardboard-papered broken window as they can get and waiting for a brighter, better day.

But it need not be so. When we consider the stark indifference to the plight of poor people evidenced by this Administration, we see that the real energy crisis of our times has less to do with gasoline than with the moral energy needed to reshape our nation along more humane lines.

By Mr. HRUSKA (for himself, Mr. BURDICK, Mr. GURNEY, and Mr. MCCLELLAN):

S. 3052. A bill to amend the Act of October 13, 1972. Referred to the Committee on the Judiciary.

COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM

Mr. HRUSKA. Mr. President, I rise to introduce a bill on behalf of myself and my colleagues on the Commission on Revision of the Federal Court Appellate System as named, to extend the final date for the report of that Commission by 9 months and to increase its appropriation authorization.

BACKGROUND

The Congress, in creating the Commission on Revision of the Federal Court Appellate System, specified that it was to undertake two major assignments, each with its own timetable.

In phase I, the Commission was to study the geographical boundaries of the several judicial circuits and make recommendations for change. This phase of the work was to be completed within 180 days.

In phase II, the Commission was to study "the structure and internal procedures of the Federal courts of appeal system" and prepare recommendations for change in those broad areas as well. Under the terms of the governing statute (Public Law 92–489), this second assignment was to be completed and a report filed no later than September 21, 1974.

The phase I report on circuit realinement was filed in timely fashion on December 18, 1973.

The Commission, however, voted to request a 9-month extension of the date for filing of the second report. If the extension is granted, the final report of the Commission would be filed in June 1975, rather than this September. Concurrent with the request for an extension of time, the Commission also voted to request an increase in the authorization of funding for the Commission's operations, asking that the total figure for the full life of the Commission be fixed at $1 million. The original authorization was $270,000; hence, the additional authorization sought is $730,000.

In making these recommendations, the Commission acted on the unanimous recommendation of its Executive Committee and with the full support of all members of the Commission who participated in the deliberations.

The Commission was established in response to a longfelt need. Numerous judges and court observers have addressed themselves in the past decade to the crisis which has been confronting the Courts of Appeals. Many commentators have voiced the concern that an ever-increasing load of cases, if unabated, will lead to a "breakdown" of these courts as we now know them.

Perhaps the statistics of the workload of the Courts of Appeals, dry as they may appear to be, tell the tale with greatest eloquence. During the period beginning at the turn of the last decade, the Courts of Appeals have experienced an increase in caseloads unprecedented in magnitude.

In fiscal year 1960, a total of 3,899 appeals were filed in all eleven circuits; with 69 authorized judgeships, the average was 57 per judgeship.

In 1973 the filings had soared to 15,629; with 97 authorized judgeships, the average per judgeship was 161, almost three times the figure for 1960. The filings themselves increased 301 percent during the same period, compared with an increase of only 58 percent in district court cases.

This floodtide of appellate filings has given rise to changes in internal procedures. Without passing judgment on any of these procedures, suffice it to say that they present questions which merit careful study. These procedures have the attention of lawyers and judges and have served to focus their interest on the Commission and its assignment.

PREVIEW OF PHASE II

In phase II, the Commission will address the existing and proposed procedures relating to the structure and procedures of the Courts of Appeals. In drawing up its agenda for this final phase, the Commission has identified a number of specific problem areas which should be studied and for which solutions must be found. Briefly, these areas include such subjects as: First, assuring the finality of criminal convictions; second, widespread denial of oral argument (in one circuit oral argument is denied in almost 60 percent of the cases); third, a more efficient mechanism for avoiding conflicting decisions between circuits; fourth, widespread decision of cases without opinions; fifth, substituting "leave to appeal" for the right to appeal; sixth, jurisdiction of patent appeals; and seventh, optimum size of Courts of Appeals.

The American Bar Association, at its midwinter meeting earlier this month, adopted a resolution recommending creation of "a national division of the United States Court of Appeals" for the *purpose of* alleviating a number of these problems and authorized its President to present testimony to the Commission on Revision of the Federal Court Appellate System in support of this position. That proposal, which speaks only in the most general terms, will require painstaking study and evaluation.

From the beginning, the Commission has devoted substantial time to the problems with which it must deal in its second report. Changes in structure were urged as an alternative to the creation of new circuits; changes in internal procedures already effected by courts inundated with appellate filings, were sharply attacked and vigorously defended, all in the context of circuit realinement.

The net effect of the process has been to make the Commission keenly aware of the complexities of the issues with which it will be obliged to grapple in phase II; of the diversity of points of view among judges, scholars, and practicing lawyers; and of the multiplicity of alternatives already developed and remaining to be developed in order to assure the continued vitality of the intermediate appellate courts.

The experience of the first 6 months also yielded two important lessons concerning operating procedure.

BROAD-BASED INTEREST

First, the Commission circulated a preliminary report on realignment, inviting comment, criticism and suggestions from the bench, the bar and other interested citizens. Hundreds of responses were received and these figured in the deliberations of the Commission as it prepared the recommendations. The number of respondents and the reasoned quality of the comments were gratifying. Understandably, the Commission would like to follow the same procedure with respect to its report on the second phase of its assignment, but with one important difference. In circulating its preliminary report on realinement, the Commission was able to allow very little time for response, a procedure necessitated by the congressionally-imposed deadline on the filing of the Commission's report. Such stringency with respect to the second report could not help but be counterproductive. Compared to the subtleties and complexities involved in structure and internal procedures, realinement appears relatively simple.

New proposals with respect to specialized courts, devices for resolving intercircuit conflicts, national panels, mechanisms for assuring the finality of criminal convictions, both State and Federal—all of these require thoughtful consideration.

Moreover, there is particular need to consider carefully the potential effects of any proposal for change. This is difficult enough with respect to effects which are foreseen; only the widest possible exposure of new ideas to the scrutiny of of a concerned and knowledgeable public can minimize the risks of the unforeseen. A preliminary circulation of proposals being considered by the Commission can do much to clarify the intent of the proponents, to refine and amend the suggested solutions, to allow the unfamiliar to become familiar—in short, to allow the recommendations to be tested, however preliminarily, in the crucible of public debate.

ONSITE HEARINGS

The second of the procedural lessons during the Commission's first 6 months was from the experience involving public hearings. The wisdom of onsite public hearings was clearly demonstrated.

The Commission held hearings on realinement in 10 cities from the Far Northwest to the Deep South. Literally scores of witnesses appeared. The transcripts of their testimony are proving valuable for a better understanding of the courts and the judicial process. Additional hearings appear highly desirable, if not essential, but these must be scheduled with ample time for witnesses to prepare adequately and to focus sharply on the particular concerns of the Commission. In one sense, the hearings during the first phase served to focus on the problems facing the court of appeals; the coming hearings must focus on solutions, on their relative merits and drawbacks. Once again, adequate time is essential for optimal results.

BUDGET PROPOSAL

Increasing the sum authorized to be appropriated for the work of the Commission is, of course, but a preliminary step which in itself provides the Commission with no funds. To be effective, it must be followed by an appropriation. A detailed statement of the precise amounts requested, by category of expenditure, would be provided in the usual manner in connection with a specific proposal for a supplemental approriation. In this regard, I ask unanimous consent that a preliminary proposed 2-year budget be reprinted in the RECORD immediately following these remarks. This proposal has been considered in some detail by the Commission and will be submitted at the appropriate time subject, of course, to possible modification.

It might be appropriate at this point to give some indication of the broad categories for which additional funds would be utilized.

There is need to supplement the present staff of the Commission, which in addition to the Executive Director, and his deputy, includes only one junior staff attorney full time.

Mention has already been made of the hearings of the Commission on the first phase. Significant interest has been shown in the publication of the transcripts of these hearings because of the valuable material which they contain. Future hearings will require substantial expenditures. The enabling legislation provides for services both by the Administrative Office of the U.S. Courts and the Federal Judicial Center on a reimbursable basis. Substantial additional funds are needed for this purpose. Finally, the opportunity for major and significant research relevant to the present operation of the Courts of Appeals, and necessary for the evaluation of proposals for change, should not be lost for lack of funding. The cost of such research has been rising in recent months and a high proportion of any supplemental appropriation is likely to be allocated to this area.

The total requested, $1 million, would cover the full 2-year life of the Commission and is entirely consistent with the level of authorization for *similar* undertakings.

SUMMARY

In summary, the time schedule required now by the statute is not realistic, in view of the profound and massive proposals for change. Because they do deal with long established and fundamental institutions and procedures, there would tend to arise a negative attitude toward change, not because of any lack of merit, but due to inadequate time in which to familiarize one's self with the propositions involved. An extension of time would go far to correct this.

The present final report date is September 1974, which would call for wide circulation of a preliminary report by June. In spite of our diligent efforts, this would not be feasible.

A preliminary report can be fashioned

only after due deliberation which itself must follow not only the hearings but the digesting of the material of the hearings. These in turn would be most productive if they were scheduled after completion of at least some of the research which the Commission would like to undertake. There simply does not appear to be sufficient time or funding to accomplish that much within the period available under the act as it now stands.

I ask unanimous consent that the text of my bill and a supporting memorandum also be included in the Record at this point, along with the proposed budget which I referred to earlier in my remarks.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 3052

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 13, 1972 (86 Stat. 807) is amended as follows:

Sec. 1. Subsection (2) of Section 6 of such Act is amended by striking out "fifteen months" and inserting in lieu thereof "twenty-four months".

Sec. 2. Section 7 of such Act is amended by striking out "not more than $270,000" and inserting in lieu thereof "not more than $1,000,000".

Extension of Time and Increase in Authorization for Funding of the Commission on Revision of the Federal Court Appellate System

I. REQUEST

The Commission requests a nine-month extension for the filing of its final report and an increase in authorization for funding to $1,000,000.

II. THE LEGISLATIVE MANDATE

A. The Commission was charged by the Congress (P.L. 92–489) with filing a report on circuit realignment within 180 days of the appointment of its ninth member. That report was filed, in timely fashion, on December 18, 1973.

B. The Commission is to study and make recommendations concerning "the structure and internal procedures of the Federal courts of appeal system." That report is presently due September 21, 1974. If the request of the Commission is approved, it would be due no later than June 21, 1975.

III. BACKGROUND: THE DIMENSION OF THE PROBLEM

A. The Courts of Appeal have, during recent years, experienced an increase in caseloads unprecedented in magnitude. Filings in Fiscal Year 1973 were more than four times what they were in Fiscal 1960. The percentage increase was five times as great as that for the District Courts.

B. The judges themselves have characterized the situation as involving "grave and immediate danger" and a "state of crisis."

IV. AREAS IDENTIFIED FOR STUDY

A. The Commission has identified a large number of specific problems which must be studied and for which solutions must be found.

These include such subjects as:

1. assuring the finality of criminal convictions;
2. widespread denial of oral argument (in one circuit oral argument is denied in almost 60% of the cases);
3. a more efficient mechanism for avoiding conflicting decisions between circuits;
4. widespread decision of cases without opinions;
5. substituting "leave to appeal" for the right to appeal;
6. jurisdiction of patent appeals.

B. The American Bar Association, at its mid-winter meeting earlier this month, adopted a resolution recommending creation of "a national division of the United States Court of Appeals" for the purpose of alleviating a number of these problems and authorized its President to present testimony to the Commission on Revision of the Federal Court Appellate System in support of this position. That proposal, which speaks only in the most general terms, will require painstaking study and evaluation.

V. AUTHORIZATION FOR ADDITIONAL FUNDING

Additional funding would be necessary for:

A. Hearings (Eleven days of hearings governing the first phase of the Commission's work proved exceedingly valuable.)

B. Research projects

C. Consultants

D. Proper reimbursement of the Federal Judicial Center and Administrative Office of the United States Courts for services rendered, as required by statute, and augmenting the Commission staff by at least one professional.

E. Additional meetings of the Commission throughout the period of extension; operation of the Commission's office during the same period.

VI. CONCLUSION

The Commission seeks both the time and the financial support to discharge its obligations to the President, the Congress and the Chief Justice in a manner appropriate to the magnitude of the problems besetting the federal judicial system and the importance of the judiciary to the well-being of the nation.

Personnel Compensation:	
Commissioners:	
Through December 1973	$5,400
Hearings (15 x 4)	6,000
Meeting (15 x 8)	12,000
Additional Time	4,000
Total	27,400
Staff:	
Through December 1973	43,400
Exec. Director ($36,000) Two Staff Attornies ($42,000)	153,000
Administrative Secretary ($11,700) 2 Secretaries ($16,100) Additional Part-Time Staff ($3,300)	46,500
(Vacancies plus cost-of-living increases viewed as cancelling out)	24,000
Total	266,900
Experts and Consultants:	
Through December 1973	6,300
General Assistants (Incl. Sheehan)	15,000
Projects-High Priority	130,000
Additional Projects	45,000
Total	196,300
Personnel Benefits: (Government's contributions for retirement, life insurance, health insurance, and FICA taxes)	24,100
Travel:	
Through December 1973	11,100
Meeting (15 x 1600)	24,000
Hearings (15 x 1600)	24,000
Staff (conferences with consultants)	4,000
Committee Meetings	$6,000
Total	69,100
Rent and Communications:	
Telephone, Through December 1973	1,100
	3,800
Total	4,900
Postage, Through December 1973	1,700
	4,400
Total	6,100
Copying Equipment, Through December 1973	1,100
	3,600
	2,000
Total	6,700
Total	17,700
Printing and reproduction:	
Through December 1973 (transcripts)	4,800
Transcripts	6,600
Printing transcripts	105,000
Printing reports	4,000
Printing of studies	22,000
Total	142,400
Other services:	
AO and FJC reimbursable services through December 1973	5,900
AO	18,000
FJC	45,000
Additional support services	41,000
Total	109,900
Supplies and materials:	
Through December 1975	500
Stationery, etc	3,000
Total	3,500
Equipment:	
Through December 1973	1,500
	3,000
Total	4,500
Total	861,800
Less appropriation	−235,000
Total	626,800

By Mr. BENNETT (for himself, Mr. Javits, Mr. Percy, Mr. Mathias, Mr. Roth, Mr. Beall, and Mr. Dominick):

S. 3054. A bill to encourage and assist States and localities to develop, demonstrate, and evaluate means of improving the utilization and effectiveness of human services through integrated planning, management, and delivery of those services in order to achieve the objectives of personal independence and individual and family economic self-sufficiency. Referred, by unanimous consent, to the Committees on Finance and Labor and Public Welfare.

ALLIED SERVICES ACT OF 1974

Mr. BENNETT. Mr. President, on behalf of my colleague Mr. Javits and five other Senators and myself, I am today reintroducing the Allied Services Act, which is designed to assist State and local governments in achieving a coordinated and integrated system for the delivery of the broad range of human service programs financed by the Federal Government.

Last year my colleagues and I introduced the Allied Services Act in an attempt to focus attention on the ever-increasing problem of human service coordination and integration of a multiplicity of programs at the State and local level. During the past 20 years, the Federal Government has created a vast system of categorical programs designed to meet the increasing demands of social problems. They have been aimed at the elimination of such problems as drug abuse, inadequate educational opportunity, mental retardation, alcoholism, inadequate health care, vocational rehabilitation, nutrition, family counseling, programs for older Americans, and the list goes on and on, totaling well over 300 individual programs at HEW alone.

It can be accurately said that there is a Federal program designed to deal with virtually every social problem in this country. The fact that vast problems still exist points out two things: first, there is much which has yet to be done, and second, that there is a question about whether or not there is the necessary coordination between programs to allow the delivery of services in a way which will be responsive to the human needs they are designed to serve.

The fact that more than 80 percent of the Department of Health, Education, and Welfare's clients require more than one service points out the increasing need for a sensible service delivery system that can offer a central location for the distribution of both information and assistance. It is unfortunate, but true that a majority of those individuals who need more than one service never reach the second service agency, and those who do, find that there are no shared case histories, no coordinated approach to the providing of assistance. Having to go through the painful retracing of individual case histories before receiving aid is demoralizing to the individual whom the programs are designed to assist, and it is also a waste of time, energy, and the taxpayer's money.

The President has proposed a number of initiatives which, taken together, are designed to eliminate many of the basic faults in the present system. General revenue sharing returns to the States and localities a significant amount of Federal money to be used by State and local officials in accordance with their local needs. Decentralization of the Federal Government will bring Government closer to the people and will make it more responsive to their needs and more attuned to their problems. Grant consolidation, block grants, single application forms and the like are all positive steps to assist States and localities in bringing about more responsive and comprehensive delivery systems.

Mr. President, in an effort to see to it that there is a continuation of the philosophy of increased responsiveness and coordination, I am again sponsoring the Allied Services Act. I am confident that the passage of the act will create the capacity at State and local levels to discern problem areas, to eliminate duplication, and to fill existing voids in the broad range of human services that are now offered through the host of categorical grant-in-aid programs.

I am also sponsoring the Allied Services Act because I believe that we must maximize the effect of the programs and eliminate unnecessary administrative costs so that more services to people can be supported. This bill is designed to achieve that goal. If resources are pooled, administrative costs must go down. It is wasteful to have more than 300 HEW categorical grant-in-aid programs administered at the State and local level by separate structures which do not pool resources, which have separate administrative and accounting procedures, which file an inordinate amount of differing forms with the Federal Government and which require different planning effort, separate caseworkers, and separate facilities. The Allied Services Act is designed to reduce this extraordinary duplication by allowing the Governor to pool the planning resources and funds from the various human service categories, by allowing the Secretary of HEW to waive some of the administrative guidelines and regulations which require administrative duplication and duplicated costs, and by allowing a voluntary transfer of funds of up to 30 percent from one of the participating programs to another in order to reduce duplication and to fill existing voids.

Mr. President, I am sure that this is the beginning of a reform which we all have known has been needed for some time. Governors and mayors who have struggled for years in an effort to coordinate and participate in the vast range of human services available in their areas, I am certain, will be pleased to see this as the first major step in the badly needed process of reform.

Mr. President, I urge prompt and careful consideration of this bill and ask unanimous consent that the summary of the proposed ASA of 1973 be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE ALLIED SERVICES ACT OF 1974

BACKGROUND

The Department of Health, Education, and Welfare presently has more than 300 categorical grant programs, administered by scores of different state and local agencies.

This kind of programmatic specialization has all but obscured the concept of responding to a human being as a whole person whose needs are interrelated. Now, government leaders, social service professionals, taxpaying citizens, and social service clients are asking for a change—a change toward helping people in a planned, efficient way which responds to their whole range of needs.

The Allied Services Act of 1974 would provide technical and monetary assistance to states, enabling them to plan and deliver services to clients more effectively. This bill is a major part of the Department's efforts to coordinate human service programs, assisting individuals and families attain personal independence and economic self-sufficiency.

The Act would authorize demonstration planning grants to states and would permit states with approved plans to transfer up to 30 percent of Federal categorical funds to related service programs included in their plans. Administrative and technical barriers currently associated with categorical programs could be waived by the Secretary of HEW when they impede the integration of services. Special "implementation grants" would also be available to states and localities to help cover start-up costs.

THE ALLIED SERVICES ACT: HOW IT WORKS

A. Key Allied Services Act Provisions

The Act contains five fundamental authorities which collectively would provide the administrative tools necessary to develop, demonstrate and evaluate integrated delivery of human services at the local level.

1. It would provide planning assistance to participating States, and through them, to localities. After the work plan is initiated, the participating programs' planning authorities could be consolidated.

2. It would provide, once the plan is approved, implementation grants for up to three years to States and localities to cover the costs of installing comprehensive, integrated support systems. Included under these grants are management information systems which require additional monies initially but which, once in place would reduce the amount of categorical funds spent on independent, partial information systems within each participating agency.

3. It would authorize the transfer of up to 30 percent of the funds from any participating program to any other related program purpose contained within the work plan. Exempted from this provision are Titles I, VI, X, XIV, XVI, XIX and Part A of Title IV of the Social Security Act, the WIN Program, and grants to State or local educational agencies under Title I of the Elementary and Secondary Education Act of 1965. (These exclusions are made basically because these are means-tested programs; the Allied Services Act is not a vehicle for transfer of funds from programs servicing the most needy.)

4. It authorizes administrative, regulatory, and technical waivers when the work plan demonstrates that existing requirements impede the logical integration of services functions.

5. It enables joint funding across agency lines to maximize resources and reduce duplication.

These provisions are dependent upon State compliance with minimum Federal standards and guidelines and upon regular evaluations of State performance.

B. KEY ELEMENTS OF ASA PROCESS

The operation of ASA rests on four key elements:

1. *Work Plan Development and Approval Process*. The ASA planning process involves Federal, State, and local participation. However, the major responsibility rests with the Governor. At the outset, the Governor would designate (a) appropriate planning and service districts within the State and (b) local agencies which have agreed to participate within each district to be responsible for development and implementation of local plans. Upon designation, local agencies would develop local "allied services" plans based upon comprehensive need assessments, services inventories and input from interested agencies, organizations, and individuals. Upon receiving these local plans, the Governor (or his designated State agency) would prepare a statewide work plan for submission to HEW for review and approval. HEW Regional Offices will participate in the preliminary review and approval, as well as the monitoring and evaluation of individual State plans. Consultation with, and review by, other Federal departments or agencies would occur where State plans include service programs outside the jurisdiction of HEW.

2. *Program Inclusions*. States are required to include, at a minimum, Parts A and B of Title IV, and Titles I, VI, X, XIV, and XVI of the Social Security Act, and a minimum of

three additional HEW human services programs. The long-range intention of the Act is to integrate all human services.

3. *Evaluation Reports.* States must provide evaluation reports, as specified by the Secretary, assessing the impact of integration and consolidation on client conditions.

4. *Support Service Standards.* Basic support services (e.g., information systems, intake and referral procedures, etc.) must comply with minimum Federal specifications.

Federal standards will be established by the Department of Health, Education, and Welfare in conjunction with public and private organizations and will be the basis on which the Department approves or denies a States request for Federal assistance.

EXCERPTS FROM PRESIDENT NIXON'S MESSAGE TO CONGRESS: MAY 18, 1972

The Allied Services Act . . . would give state and local officials authority to consolidate the planning and implementation of the many separate social service programs into streamlined, comprehensive plans—each custom-designed for a particular area.

As I stated in my State of the Union Message this year, "We need a new approach to the delivery of social services—one which is built around people and not around programs. We need an approach which treats a person as a whole and which treats the family as a unit."

[Social Service clients] are not the only victims of fragmented services—others include the taxpayers, and the public officials and government seeking to operate these diverse programs. Vast amounts of time, money and energy are expended in administrative procedures which overlap and duplicate—rather than being efficiently organized to help people.

The Allied Service Act would give state and local governments greater legal freedom and planning tools needed for the long-overdue job of modernizing the delivery of social services into consolidated programs. This process would begin at the option of elected state and local officials and would be highly responsive to their needs.

The Allied Services Act charts a new course for the delivery of social services. It is a complex reform proposal with many major ramifications for many established groups—government and private—on the Federal, state and local levels.

The consideration and eventual passage of this legislation by the Congress would only be a start. At the same time, human service delivery reform would have to be debated all across the country by affected governments and groups, in order to decide how they would make best use of the proposed freedoms and incentives in their particular areas.

This is one more effort by my Administration to make government more sensible, more responsive and more effective at the local level—where most citizens actually meet the practical impact of government.

[State and local government] would be freed—and thus would be challenged—to direct the development of customized, comprehensive social services plans to treat the special needs, resources and desires of their particular areas.

Such efforts would result in government built for people, geared for across-the-board performance, and designed for results rather than bureaucratic ritual.

If we bring this about, we shall not only be providing better social services—we shall be taking a giant step toward the restoration of the people's confidence in the common sense performance of their government.

RICHARD NIXON.

THE WHITE HOUSE.

STATEMENT BY CASPAR W. WEINBERGER, SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A revised Allied Services Bill has been introduced in the Congress. I strongly support it, and urge its enactment.

This legislation is designed to help streamline an uncoordinated bureaucratic jungle that the Federal government unwittingly created in its zeal to provide a vast array of social services to citizens in need.

The present system of hundreds of separate human services, operating independently of each other at the local level, baffles and shortchanges many citizens in need. The unintended administrative snarl frustrates efforts to treat an individual as a whole person and a family as a unit. And it wastes the taxpayers' money.

In the years since World War II, particularly in the decade of the 1960's, a compassionate government set up a host of assistance programs designed to meet a wide variety of human needs.

These hundreds of programs, however, were established one-by-one over a considerable number of years. Each individual social problem was looked at separately, and a program to alleviate each problem was devised in isolation—without regard to programs developed for allied problems.

The result is something of which Rube Goldberg would have been justly proud.

Our human service programs were set up to help citizens with such things as services for mental health, vocational rehabilitation, manpower training, food and nutrition, special programs for the aged, education, juvenile counseling, alcoholism and drug abuse, housing and health.

Each program is a little world of its own—with its own rules, application forms, administrative procedures, staff, office location and geographical area of eligibility. One knows little, if anything about the others.

For the citizen in need, the present fragmented system can become a nightmare of confusion, inconvenience and red tape.

Since most people in need require more than one service, they now must trudge from office to office, filling out form after form, in order to get all the help they need. The most obvious result, of course, is that they do not get all the services they need, or they just give up in understandable frustration.

The Allied Services Act is designed to end situations in which a father is helped by one program at one location, his daughter by another elsewhere, and his elderly parents by still another program at still another location. An individual goes to one place for nutritional help, to another for health services, and to yet another for educational counseling. A complex welfare case can require as much as a dozen separate services—provided by as many separate programs.

And eligibility most times is based on residence—but the areas included vary. One agency accepts only the residents of a city, another accepts only the residents of a district within the city, and still another accepts only the residents of a neighborhood within the district.

The immediate need is not for new services to be added on top of those which now exist, but systematic planning.

The Allied Services Bill would provide funds for developing an alliance of services within selected geographic areas.

It would permit the Department of Health, Education, and Welfare to award $20 million to States which elect to tackle the problem of unifying and coordinating—and packaging if you will—services in a way designed to yield successful outcomes.

It would permit the Secretary to waive program requirements which would hamper the integration of services.

It would provide for the transfer of HEW funds from one program to another in order to respond to local needs and local priorities.

It would allow local agencies to pool management and information functions for a more efficient delivery of services to people in need.

Only through planning can wasted motion be replaced with effective results. Only through planning can administration become efficient.

It is my hope that the Allied Services Act will mean the wiser use of professional talent, savings in tax dollars and voluntary contributions, and above all the preservation of independence and the restoration of human dignity.

It is time for a large dose of common sense to be injected into our human services—and the Allied Services Act would do precisely that.

SUMMARY OF THE PROPOSED "ALLIED SERVICES ACT OF 1973"

The proposed "Allied Services Act of 1974" is intended to develop, demonstrate, and evaluate various mechanisms by which States and localities could coordinate the provision of human services to individuals and families in ways that will assist them in attaining the greatest feasible degree of personal independence and economic self-sufficiency, or will prevent individuals and families from becoming increasingly dependent upon public and private programs for both financial support and personal care.

The Act would define various key terms. For instance, the term "human services" includes any services provided to achieve or maintain personal and economic independence. The "allied delivery of services" means the provision of human services needed by individuals and families, in such a coordinated way as to (1) facilitate access to and use of the services, (2) improve the effectiveness of the services, and (3) use service resources more efficiently and with minimal duplication. These definitions help to restate the goals of the Act in clear terms—to develop the means by which dependency may be lessened through more effective service delivery.

Title I of the bill provides authority for the Secretary to make grants which may be needed by States and localities to develop plans for the allied delivery of services. These grants may not be made to any grantee for more than two years and no initial grant may be made after three years following enactment.

This title also describes the State and local allied services programs contemplated under this Act. Section 102(a) describes the steps which must be taken by the Governor as conditions precedent to the submission of a State allied delivery of services plan. First, he must divide the State into service areas (within which human services programs will be allied), after taking into consideration factors such as the distribution throughout the State of service needs and service resources, the boundaries of existing planning areas or areas for the delivery of individual service programs, and the location of units of general purpose local government. In the process of delineating service areas, he must inform units of general purpose local government of his plans and consider their comments and recommendations. The service areas must conform to the geographic areas established for other planning purposes consistent with criteria prescribed by the Office of Management and Budget, unless the Secretary determines otherwise. Second, he must determine, after consultation with the various public and private service agencies, whether a local allied services plan will be developed for any given service area. In the event that it is, then the Governor designates, with its consent, a local agency to take the lead in developing and assuring implementation of the local plan. Third, the Governor must designate a State agency which is under his direction and which will have responsibility for developing a State allied delivery of services plan which incorporates local plans and for supervising and reviewing its administration.

Section 102(b) provides that to be designated as described above a local agency must be an office or agency of a unit of general purpose local government (or combination of such units) which has been chosen to act in this capacity by the chief elected official (or officials) of the unit (or units), or of a public or nonprofit private agency (which, for this purpose, is under the direction of the designated State agency), which can plan for and provide a broad range of human services, and must give assurance, satisfactory to the Governor, that it has the necessary ability to develop and carry out the local plan. The Governor may designate a public or nonprofit agency, other than an office or agency chosen by a unit (or units) of general purpose local government, only if he finds that there is no such office or agency which has the capacity to carry out a local allied delivery of services plan.

The local allied delivery of services plan must be approved by the State agency and incorporated into the State plan before any of the forms of Federal assistance described below can accrue. The plan must be designed to serve as a demonstration or evaluation of means to substantially improve the allying and consolidation of human services planning and delivery.

Prior to submission of its local plan to the State agency, the local agency must afford a reasonable opportunity to interested agencies, organizations, or individuals to present their views and comments on the proposed plan. The local plan must specify the agencies and organizations which have agreed to participate in the coordination effort, describe the service needs and resources within the service area, enumerate the programs to be included under the plan, and provide reasonable assurance that progress will be made in allying the delivery of services. This assurance is to be provided by describing the specific functions and services to be allied, the benefits to individuals, and the administrative efficiencies to be achieved by the allied delivery of services.

The local plan must also specify procedures which assure that interested agencies, organizations, and individuals will have their views taken into consideration with respect to the carrying out of the plan. It is the intent of this bill to have the active and continuous involvement of voluntary organizations, client groups, service consumers, and local social service providers in the planning and administrative processes of the program.

Section 103(a) prescribes the requirements applicable to a State allied delivery of services plan. An approvable plan must (1) be designed to serve as a demonstration and evaluation of means to substantially improve, the allying and consolidating of human services delivery, (2) through a brief summary of the incorporated local plans, describe the *current status* of the allied delivery of services, and the steps which will be taken to achieve a greater degree of human services coordination, (3) provide assurance that under each local plan services under the assistance titles of the Social Security Act will be allied with services under at least three other human services programs (regardless of whether those programs are receiving Federal support), (4) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the plan, (5) establish objectives, consistent with the purposes of the Act, toward which activities under the plan will be directed, identify obstacles to the attainment of those objectives, and indicate how it proposes to overcome those obstacles, (6) be designed to achieve expansion of its coverage to other services and other service areas on a reasonable basis, (7) provide that the State agency will conduct periodic evaluations of activities carried out under the State plan, and (8) provide that the State agency will provide any other relevant information which the Secretary may request.

Subsection (b) directs that an opportunity to review and comment upon a State plan submitted for approval be afforded to the head of any Federal department or agency which is extending assistance to a program included within that plan.

Subsection (c) permits the Secretary to approve a State plan only if he finds that (1) the Governor has complied with the preliminary organization requirements prescribed in section 102, and (2) the plan meets all the specified requirements.

Subsection (d) provides certain penalties if the Secretary finds failure to comply substantially with the provisions of an approved State plan (or included local plan). He may in his discretion apply these penalties to the entire State plan or only those part of the State or local plan or service areas affected by the noncompliance. In such instances, the subsection would provide: no Federal planning funds may be consolidated or intermingled with other such funds for human services planning, no Federal funds may be transferred among programs, no requirements may be waived, and no further payments or grants may be made (in the fiscal year for which the plan is approved) for so long as the failure to comply continues.

Title II of the bill authorizes the Secretary to make discretionary grants to meet initial costs of allying or consolidating administrative support services and management functions necessary to facilitate the allied delivery of human services if those costs cannot be met from other available funds. The State must indicate how it plans to allocate the funds applied for among the various designated local agencies with approved plans. These grants are not to be used to meet the non-Federal share requirements of any Federally-assisted program and may not be made to any grantee for more than three years. No initial grant may be made after three years following enactment.

Title III of the bill contains several special authorities to facilitate the allied delivery of services. First, authority would be given both the Secretary and State and local governments with approved allied services plans to consolidate planning funds extended by the Department of Health, Education, and Welfare. Thus, the Secretary may make a single, consolidated grant to States of HEW funds available for planning at the State level for or under any program included in the approved State plan or to local governments of HEW funds available to them for planning for or under any program included in the local allied service plan. As a corollary, a State or a unit of general purpose local government, with an approved allied services plan, may use planning funds provided by the Department of Health, Education, and Welfare and available for any program included in its plan, for planning in connection with the provision of human services under any other included program.

Second, a State or local agency with an approved plan would be able to transfer up to 30% of the Federal assistance available for use under any HEW-assisted program included in the plan to be expended in carrying out any other included programs. Assistance transferred under this authority carries with it the matching rate established under the program for which it was originally appropriated, so that no incentive to transfer will be created merely by disparities in matching rates which exist among the included programs. Transfers of grants would not be permitted, however, in the case of assistance programs under the Social Security Act or in the case of Title I of the Elementary and Secondary Education Act.

Third, the Secretary would be authorized to waive requirements of Statewide applicability, administration by a single or specified State or local agency, or technical or administrative requirements imposed in connection with any included program which, at the Federal level, is administered by the Secretary and which the State or local agency certifies impedes implementation of its allied services plan. Thus, it would not affect the basic protections provided by the Civil Rights Act of 1964 or any other generally applicable legislation; nor would it apply to programs administered by other Federal departments or agencies.

Title III also provides point funding authority. It is almost identical to that contained in the juvenile delinquency law, the Economic Opportunity Act, the Older Americans Act, and the Law Enforcement Assistance Act. It goes somewhat further than those statutes in two respects: (1) it would permit joint funding of several grants made by the same agency, and (2) it would permit waiver of technical grant or contract requirements imposed by statute as well as by regulation.

Also, Title III of the Act would authorize the Secretary to evaluate, directly or by grant or contract, the programs established under the Act and to provide technical assistance for planning or implementing a specific allied delivery of services program. In addition to any salary and expense money he may wish to devote to these activities, the Secretary may also use for this purpose amounts not in excess of 5% of the amounts appropriated to carry out the Act.

Finally, Title III would require the Secretary to report to the Congress five years after passage of the Act on the activities carried out under the Act, his evaluation of those activities, and recommendations with respect to appropriate legislation in the area of allied service delivery.

Allied Services Act of 1974—Summary of Changes From Allied Services Act of 1972

1. LONG TITLE AND FINDINGS AND PURPOSE (SECTION 2)

These have been reworded in order to stress the developmental and demonstration nature of the bill.

2. DEFINITIONS

The term "coordinated provision of services" in last year's bill has been changed to "allied delivery of services."

3. STRUCTURE

The various grant and administrative authorities in the bill have been regrouped under three titles, instead of the two titles used last year. This change is intended to highlight the specific forms of Federal assistance available under the Act and the progression and purpose of the activities to be undertaken.

4. STATE PLAN PROVISION

Five new requirements have been added to the State plan provision (section 103). They call for (1) the plan to be designed to serve as a demonstration and evaluation of means to substantially improve the allying and consolidating of human services planning and delivery, (2) the use of such methods of administration as are necessary for the proper and efficient administration of the plan, (3) the establishment of objectives, consistent with the purpose of the Act, toward which activities under the plan will be directed, the identification of obstacles to the overcoming of those objectives and proposals for over-coming those obstacles, (4) evaluations of activities carried out under the State plan, and (5) reasonable expansion of the plan's coverage, both with respect to the number of service areas participating and the programs, functions and services included.

5. GRANTS FOR ADMINISTRATIVE SUPPORT SERVICES

Last year's bill limited the grants for administrative costs to two years. The revision extends the time liimitation to three years. No new grants could be made under either this section or the planning grant section (101) after 3 years.

6. FUND TRANSFER

Last year's bill limited the fund transfer authority to 25% of the Federal assistance extended by HEW for any human service program. The revision increases this limit to 30%.

7. DISSEMINATION, TA, AND EVALUATION

Last year's bill authorized the Secretary to reserve not more than 1% of the appropriation under the bill for evaluation. This year's bill permits him to reserve not more than 5% for dissemination, technical assistance, and evaluation in the field of allied delivery of services.

8. LOCAL SERVICE AREAS

The ASA requires that the service areas into which the State is divided shall conform, except as the Secretary may provide by regulation, to geographic areas established for other planning purposes consistent with criteria prescribed by the Office of Management and Budget.

9. REPORT

Five years after the date of enactment of this Act the Secretary shall make a report to the Congress on the activities that have been carried out under this Act including his evaluation of those activities and his recommendations with respect to appropriate legislation.

LETTER OF TRANSMITTAL TO CONGRESS

JANUARY 21, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed for the consideration of the Congress is a draft bill to provide for development, demonstration, and evaluation of means of improving the delivery of human services. I am also enclosing a brief summary of the bill. This bill is similar to H.R. 15856, introduced for the Administration during the second session of the 92nd Congress, and would carry out the recommendations of the President in his May 18, 1972, Message on the Allied Services Act.

Throughout the country, numerous individuals find themselves in various degrees of economic and social dependency. Some are institutionalized. Others, not capable of self-care, are in community-based alternative care facilities. Some, capable of self-support, are living at home but are not able to obtain employment and become self-supporting. There are numerous Federal, State, local, and private programs which provide services addressed to some part of the causes of these conditions: health and mental health care, alcoholism, and drug addiction treatment, education, manpower training, vocational rehabilitation, child care, and juvenile delinquency prevention services.

Usually, however, there is no mechanism for combining the services provided under these programs through joint planning and coordinated operations to reduce or eliminate these various, interrelated conditions of dependency. Accordingly, the Allied Services Act is being proposed to help develop, demonstrate, and evaluate selective efforts at the State and local levels to provide such a mechanism.

The Allied Services Act will encourage joint efforts towards this goal. It will provide for the following:

a. grants to States and local governments for a maximum of two years to develop plans for programs to demonstrate the coordination of the delivery of services;

b. authority in States and local governments with approved allied services plans to transfer up to 30% of their funds from one Federal program to another;

c. grants to States and local governments for a maximum of three years to cover the administrative costs of implementing plans for the allied delivery of human services;

d. authority in the Secretary of HEW to waive statutory and regulatory constraints of a technical or administrative nature which impede the development of allied human services programs.

Since this proposal is essentially a demonstration effort, all initial grants will be made by the third year after enactment. At the end of five years, the Secretary will report on the results with recommendations.

An annual budget level of $20 million is anticipated under this legislation.

We are advised by the Office of Management and Budget that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

———— ————,
Secretary.

HUMAN SERVICES COVERED BY ALLIED SERVICES

The HEW programs eligible to be integrated under the Allied Services Act include categorical programs from areas of health, social service and education. The Allied Services Act would cover the following programs. This list is not exhaustive of all Departmental programs potentially eligible:

MANDATED FOR INCLUSION*

Program

Titles IV A and IV B of the Social Security Act.

Description

Child care services, foster care, family planning, homemaking and housing services, protective services for children, preventive health and child welfare services, child abuse and neglect services, emergency assistance services.

Program

Titles I, VI, X, XIV, and XVI of the Social Security Act.

Description

Old age rehabilitative services, services to retain capability for self care, rehabilitative services to the blind and disabled.

OPTIONAL FOR INCLUSION

Program

Section 314(d) of the Public Health Service Act.

Description

Comprehensive public health services and training of personnel.

Program

Title V of the Social Scurity Act.

Description

Maternal and child health services, crippled children services, dental health, training of personnel.

Program

Rehabilitation Act of 1973.

Description

Rehabilitative services to the disabled, menally retarded, blind, and deaf.

Program

Titles III and VII of the Older Americans Act.

Description

Community planning and coordination of aging programs, training of special personnel to carry out aging programs, transportation services, information referral and counseling services, recreational and leisure activities, home maintenance, adult education and nutrition services.

Program

Titles I and III of the Juvenile Delinquency Prevention Act of 1968.

Description

Diagnostic, rehabilitative and preventive services to youth.

Program

Title XIX of the Social Security Act.

Description

Medical and rehabilitative services to AFCD families and the aged, blind and disabled eligible for Medicaid benefits.

Program

Parts C and D of the Developmental Disabilities Services and Facilities Construction Act.

Description

Planning and operation of facilities for the mentally retarded and other persons with developmental disabilities, personnel staffing.

Program

The Adult Education Act.

Description

Education services to adults.

Program

Drug Abuse.

Description

Outreach, treatment, and rehabilitative services to narcotic addicts, drug abusers, and drug dependent persons through a wide range of community-based services in order to restore them to health as useful members of society.

Mr. JAVITS. Mr. President, I am pleased to join with Senator BENNETT and five other cosponsors in introducing the administration's proposed Allied Services Act of 1974.

This measure is to be referred sequentially to the Committee on Labor and Public Welfare and the Committee on Finance, in that order, as it would affect a number of social services programs under the respective jurisdiction of these two committees. Senator BENNETT is the ranking minority member of the Committee on Finance and I am the ranking minority member of the Committee on Labor and Public Welfare.

While joining in introduction of this bill on behalf of the administration as the ranking minority member of the Labor and Public Welfare Committee, I note reservations about certain of its provisions. Among these are the authority to transfer up to 30 percent of funds from one Federal program to another; and, the authority to waive certain constraints enacted by the Congress in authorizing statutes. However, I feel that the objective of the legislation—to coordinate and improve the delivery of human services—is a commendable one and merits careful consideration by the Congress. This bill serves as a vehicle for that consideration and, hopefully, after an opportunity to hear all viewpoints and after deliberation, an effective measure can be evolved and I shall join in the effort accordingly.

The purpose of the act as outlined by Senator BENNETT, is to provide the administrative tools necessary to develop, demonstrate and evaluate integrated delivery of human services at the local level.

Among the tools provided by the act are:

Planning assistance.

Implementation grants for up to 3 years to cover the costs of installing comprehensive, integrated support systems.

An authorization to permit the transfer of up to 30 percent of State and local government funds from one Federal program to another.

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*Excluded from 30% transfer authority.

An authorization for administrative, regulatory, and technical waivers in respect to Federal programs.

Joint funding duplication.

The programs eligible to be integrated under the new act include categorical programs in the areas of health, social services, and education, for example, child care services, old age rehabilitation services, comprehensive public health services, and education services under the Adult Education Act.

Mr. President, I ask unanimous consent that this bill as well as a communication from the Department of Health, Education, and Welfare on Allied Services Act, be jointly referred to the Committees on Finance and Labor and Public Welfare. I am informed by the staff that that has been worked out by the Senator from Utah (Mr. Bennett).

The PRESIDING OFFICER (Mr. Huddleston). Without objection, it is so ordered.

By Mr. ROBERT C. BYRD (for Mr. Mondale):

S. 3055. A bill to amend the Federal Water Pollution Control Act in order to improve the program for research and demonstration of new techniques in lake pollution control. Referred to the Committee on Public Works.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Minnesota (Mr. Mondale), I introduce a bill, and I ask unanimous consent that a statement prepared by him in connection with the bill, together with the text of the bill, be printed in the Record.

There being no objection, the statement and bill were ordered to be printed in the Record, as follows:

Statement by Senator Mondale

I am today introducing a bill to provide for an expanded program of research to demonstrate and evaluate techniques for lake pollution control and restoration.

This proposal would authorize up to $60 million over the next 4 years for projects to demonstrate lake pollution control methods, such as point source nutrient control, in-water nutrient reduction, nutrient diversion, and advanced wastewater diversion. It would also make funds available to carry out and evaluate restoration techniques including nutrient inactivation, aeration, sediment dredging and drying, and biological and chemical control of plant growth in lakes.

Recent studies have shown that hundreds of lakes in states across the Nation are endangered by pollution, sedimentation and accelerated eutrophication. A state-by-state survey conducted in 1971 identified 376 lakes in 33 States as polluted and in need of restoration. A more comprehensive analysis is currently underway by the Environmental Protection Agency. The preliminary findings of this study, provided to me last May by the E.P.A., revealed the following:

"A total of 242 lakes were sampled by our helicopter team in the ten-state area from Maine to Minnesota. The majority of these lakes are subject to potential accelerated eutrophication because they receive effluent from municipal sources. Preliminary results for these 242 lakes indicate that 64 lakes (26 percent) have algae problems, 29 lakes (12 percent) have nuisance weed problems, 54 additional lakes (22 percent) have both algae and weed problems, and 10 lakes (4 percent) have potential near-term algae or weed problems. Twelve lakes (5 percent) were found to be free from both algae and weed problems. The status of the remaining 73 lakes has not been established at this time. In terms of water quality as determined from chemical analyses of lake samples, it currently is estimated that 13 of the 242 survey lakes are oligotrophic (very pure), 25 are mesotrophic (good condition), 15 are meso-eutrophic (starting to go bad), 139 are eutrophic (bad condition), and 50 are hyper-eutrophic (going dead)."

On the basis of analyses like the foregoing, we know that many lakes throughout the United States are in urgent need of help. Nevertheless, lake reclamation has in a sense been the step-child of federal efforts to safeguard and restore our environment.

Congress in 1970 recognized the need to begin work in the critical area of lake restoration. A modest program was created under Section 104(h) of the Federal Water Pollution Control Act, providing funds for developing and demonstrating methods for the prevention, removal, reduction and elimination of pollution in lakes. Over the past four fiscal years, the Environmental Protection Agency has spent approximately $8 million on research designed to provide a better understanding of the process of accelerated eutrophication, to develop predictive models of the eutrophication process and to develop nutrient control techniques.

In its report on "Research and Demonstration Programs Needed to Achieve Water Quality Goals," dated January 16, 1974, the General Accounting Office found that projects funded under Section 104(h) have provided useful information about the aquatic environment; nevertheless, a substantial amount of research has yet to be done.

With the information currently available to the Environmental Protection Agency and to the States, there is an ample basis upon which to begin a program to protect and restore lakes that are already known to be endangered. Congress authorized such a program under Section 314 of the Federal Water Pollution Control Act. To date, the Administration has requested, and the Environmental Protection Agency has received, no funds to carry out this important program although the G.A.O. reports that the E.P.A. plans to begin it during fiscal 1974. I believe that we can afford to delay no longer in implementing the clean lakes program, and I intend to press for prompt Congressional approval of the necessary funding to carry it out.

The bill I introduce today is designed to provide for additional research and development to support the Section 314 clean lakes program. It would provide $15 million per year to meet the principal research needs identified by the General Accounting Office in its January 16th report.

Mr. President, I am hopeful of early approval of my proposal by the Congress.

S. 3055

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 104(h) of the Federal Water Pollution Control Act is amended by inserting "(1)" after "(h)" and by inserting at the end thereof the following:

"(2) For the four fiscal years beginning with the fiscal year ending June 30, 1975, not less than $10,000,000 of the amount authorized for the purpose of this subsection for each such year shall be for demonstration programs demonstrating and evaluating techniques for—

"(A) point source nutrient control, in-water nutrient reduction, and nonconventional methods of lake restoration;

"(B) nutrient diversion, advanced waste water diversion, nutrient inactivation, aeration, and sediment dredging and drying; and

"(C) biological and chemical control of algae and plant growth in lakes."

Sec. 2. Section 104(u) of the Federal Water Pollution Control Act is amended by striking out "and" before "(6)", and by inserting before the period at the end thereof a comma and the following: "and not to exceed $15,000,000 for the fiscal year ending June 30, 1975, and for each of the three succeeding fiscal years for carrying out the provisions of subsection (h)".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 335

At the request of Mr. Church, the Senator from Wyoming (Mr. McGee) was added as a cosponsor of S. 335, the Community Schools Act.

S. 821

At the request of Mr. Bayh, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 821, a bill to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

S. 1688

At the request of Mr. Ervin, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 1688, a bill to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy.

S. 2488

At the request of Mr. Kennedy, the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of S. 2488, a bill to extend title VII of the Older Americans Act of 1965, the nutrition for the elderly program.

S. 2710

At the request of Mr. Hartke, the Senator from Rhode Island (Mr. Pastore) and the Senator from Alaska (Mr. Gravel) were added as cosponsors of S. 2710, a bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes.

S. 2733

At the request of Mr. Hartke, the Senator from Louisiana (Mr. Johnston), the Senator from California (Mr. Tunney), the Senator from Minnesota (Mr. Humphrey), the Senator from Alaska (Mr. Gravel), and the Senator from New York (Mr. Javits) were added as cosponsors of S. 2733, a bill to provide for the embossing of paper money.

S. 2784

At the request of Mr. Hartke, the Senator from North Dakota (Mr. Burdick) and the Senator from Arkansas (Mr. Fulbright) were added as cosponsors of S. 2784, a bill to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, education assistance allowances, and the special training allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish a veterans education loan program for veterans eligible for benefits under chapter 34 of such title; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans' Employment Service and by providing for an action plan for the employment of disabled and Vietnam era veterans; to make improvements in the educational assistance program; to recodify and expand veterans' reemployment rights; to make improvements in the administration of educational benefits; and for other purposes.

S. 2789

At the request of Mr. INOUYE, the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Nebraska (Mr. CURTIS) were added as cosponsors of S. 2789, a bill to establish a Vietnam Era Veterans Communication Center and a Vietnam Era Advisory Committee.

S. 2814

At the request of Mr. ROBERT C. BYRD (for Mr. MONDALE), the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 2814, a bill to provide for increases in the readjustment allowances paid to Peace Corps volunteers and volunteer leaders, and to provide for the handling of such allowances.

S. 2933

At the request of Mr. MANSFIELD (for Mr. EASTLAND), the Senator from New York (Mr. BUCKLEY), the Senator from New Hampshire (Mr. COTTON), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 2933, a bill to provide greater security for the U.S. passport.

S. 3006

At the request of Mr. PROXMIRE, the Senator from Idaho (Mr. MCCLURE) and the Senator from Georgia (Mr. TALMADGE) were added as cosponsors of S. 3006, a bill to require that certain bills and joint resolutions introduced in the Senate or received by the Senate from the House of Represenatives be printed with a fiscal note.

S. 3015

At the request of Mr. WEICKER, the Senator from Montana (Mr. MANSFIELD), the Senator from New Jersey (Mr. CASE), the Senator from California (Mr. CRANSTON), the Senator from Montana (Mr. METCALF), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 3015, the Mandatory Gas Rationing Act of 1974.

SENATE RESOLUTION 289—SUBMISSION OF A RESOLUTION RELATING TO THE SERIOUS NATURE OF THE SUPPLY, DEMAND, AND PRICE SITUATION OF FERTILIZER

(Placed on the calendar.)

Mr. McGOVERN (for himself, Mr. AIKEN, Mr. ALLEN, Mr. BELLMON, Mr. CLARK, Mr. CURTIS, Mr. DOLE, Mr. EASTLAND, Mr. HELMS, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. TALMADGE, and Mr. YOUNG) submitted the following resolution:

S. RES. 289

Resolution relating to the serious nature of the supply, demand, and price situation of fertilizer

Whereas a substantial amount of the 1974–75 food and fiber supply for the world and the United States is either planted or about to be planted; and

Whereas nearly 30 per centum of the production of food and fiber in the United States is directly attributable to the application of fertilizer; and

Whereas the 1974 agricultural production goals of the United States cannot be achieved unless sufficient quantities of fertilizer are made available; and

Whereas the current productive capacity of the Nation's fertilizer industry is insufficient to meet existing and future demands; and

Whereas some of the current productive capacity of the Nation's fertilizer industry is being unrealized due to limited availabilities of natural gas and other liquid and middle-distillate fuels; and

Whereas these factors are contributing to a supply of fertilizers this year short of what farmers want and need for application on increased acreage; and

Whereas such shortages are not only limiting the farmers' ability to produce food and fiber in 1974 at maximum levels, but also are contributing to further escalation of prices paid by farmers for fertilizer: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate that—

(1) All agencies of the Federal Government, which have any responsibility for establishing priorities for the allocation of materials and facilities utilized in the production or distribution of fertilizer, give the highest priority to the fertilizer industry regarding the allocation of such materials and facilities. The fertilizer industry, in turn, is urged to do its utmost in making these essential fertilizer supplies available to farmers in a timely and equitable manner, and at reasonable price levels;

(2) The Federal Power Commission and appropriate State regulatory agencies do everything within their power, in the establishment of priorities for the allocation of natural gas (including gas sold under interruptible contracts), to insure producers of nitrogen with supplies of natural gas sufficient to maintain *maximum* production levels;

(3) The Federal Energy Office include all of the energy and fuel requirements of the fertilizer industry—including local dealer requirements—in its highest priority category regarding allocation of gasoline, middle-distillates, and other liquid fuels utilized by this industry in the production, distribution, and application of fertilizer supplies;

(4) The Cost of Living Council and the Departments of Agriculture and Commerce continue their monitoring and reporting of fertilizer supply availabilities, wholesale and retail prices, and export shipments; and

(5) The Cost of Living Council establish an investigatory program through the field offices of the Internal Revenue Service to monitor and analyze any reports of fertilizer price gouging at either wholesale or retail levels, and any changes in manufacturer marketing operations or relationships between manufacturers and local dealers and between local dealers and their customers which may affect continued availability or pricing of fertilizer supplies to farmers.

SENATE RESOLUTION 290—SUBMISSION OF A RESOLUTION DISAPPROVING PAY RECOMMENDATIONS OF THE PRESIDENT

(Referred to the Committee on Post Office and Civil Service.)

Mr. TOWER. Mr. President, I am today introducing a resolution to disapprove the recommendations for pay increases with respect to executive and legislative salaries that the President recommended in his fiscal year 1975 budget request. This resolution would, therefore, allow the recommended increases for the judiciary to go into effect.

I am a sponsor of Senate Resolution 275, submitted by Senator DOMINICK to disapprove the recommended salary adjustments for all three branches of Government. I am introducing this resolution today so that the Senate might be in a position to review an alternative to an across-the-board disapproval.

Mr. President, I have stated previously that there are compelling reasons on both sides of this salary increase question. I have sponsored Senator DOMINICK's resolution because I believe that those in public life must sacrifice certain personal luxuries, such as a raise in salary, while inflation continues to play havoc with our economy. However, I have concluded that there are reasons for allowing the judicial salary increase to go into effect that do not pertain to the questions concerning executive and congressional personnel.

It is a simple fact of life that the rate of salary is having a large influence on lawyers who otherwise would quickly grasp the opportunity for serving on the Federal bench. Additionally, a few Federal judges have recently resigned, citing financial considerations as one reason for their decision. There are additional considerations that come into play with regard to Federal judges that do not exist in the other categories under discussion.

Since the foundation of our judicial system rests upon the competence of those serving it and since I am convinced that the Nation cannot afford to have these positions filled by individuals other than the best of what the legal profession has to offer, I feel that the Senate might want to consider this alternative.

The resolution (S. Res. 290) reads as follows:

Resolved, That the Senate disapproves the recommendations of the President with respect to rates of pay for legislative and executive salaries that were transmitted to the Congress during February 1974, pursuant to Section 225(h) of the Federal Salary Act of 1967.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 271

At the request of Mr. CHURCH, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of Senate Resolution 271, a resolution to disapprove the President's recommendations for salary increases pursuant to section 225(h) of the Federal Salary Act of 1967.

SENATE RESOLUTION 276

At the request of Mr. DOMINICK, the Senator from South Dakota (Mr. ABOUREZK) and the Senator from Oklahoma (Mr. BELLMON) were added as cosponsors of Senate Resolution 276, disapproving the pay raise.

SENATE RESOLUTION 281

At the request of Mr. ROBERT C. BYRD (for Mr. INOUYE), the Senator from Georgia (Mr. NUNN) was added as a cosponsor of Senate Resolution 281, relating to the allocation of energy resources for tourism.

ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTIONS

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. Curtis, the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of Senate Concurrent Resolution 52, expressing the sense of Congress relative to friendship *with the* Republic of China.

SENATE CONCURRENT RESOLUTION 66

At the request of Mr. Percy, the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Javits), and the Senator from Connecticut (Mr. Ribicoff) were added as cosponsors of Senate Concurrent Resolution 66, to urge the release from prison of Simas Kudirka, the Lithuanian seaman.

VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1973—AMENDMENT

AMENDMENT NO. 966

(Referred to the Committee on Veterans' Affairs.)

Mr. STEVENS. Mr. President, I am submitting a proposed amendment today to S. 2784, the Vietnam Era Veterans' Readjustment Assistance Act of 1973, which, if passed, would take into account the higher cost of living encountered by veterans pursuing their higher education in Alaska, Hawaii, Guam, or the Virgin Islands.

I know many Alaska veterans would like to return home to Alaska for college, but enroll in colleges outside the State because the cost of living is lower. While the cost of living is from 20 to 75 percent higher in Alaska than many areas of the continental United States, the allowances and loan limits remain fixed. Mr. President, the people in Alaska would like to see these Alaska veterans come home to complete their education; many of them have already been out of the State too long.

There is ample precedent for this type of cost-of-living adjustment:

First. 5 U.S.C. 5941—Provides for special pay and allowances based on living costs for Federal employees working in Alaska, Hawaii, and Guam.

Second. 26 U.S.C. 912—Excludes from income tax the cost-of-living allowances of civilian officers or employees of the Government stationed outside the continental United States.

Third. 31 U.S.C. 1225—Sets forth a special method for allocation of funds to noncontiguous States—Alaska and Hawaii—under revenue sharing when the computation for such allocation is based partly on Federal employees' allowances based on living costs.

Fourth. 37 U.S.C. 305—Provides special pay allowances for members of the uniformed services while on duty outside the 48 contiguous States.

Fifth. 12 U.S.C. 1713—Exempts Alaska and Guam from mortgage limitations under the National Housing Act.

Sixth. 12 U.S.C. 1715d—Increase the maximum mortgage insurance for housing projects under the National Housing Act for Alaska, Hawaii, and Guam.

Seventh. 42 U.S.C. 3371—Authorizes, under the demonstration cities and metropolitan development program, loans and grants to the State of Alaska to assist in the provision of housing for Alaska residents.

Eighth. 5 U.S.C. 5724a—Allows an extended period of residency in temporary quarters for Federal employees transferred to Alaska, Hawaii, and Guam.

Ninth. 42 U.S.C. 4013—Increases the maximum aggregate liability for residences in the States of Alaska and Hawaii, and in the Virgin Islands and Guam under the national flood insurance program.

Mr. President, I would also like to point out that the Department of Agriculture has set higher maximum monthly allowable income standards for Alaska and Hawaii for the food stamp program.

I feel that these aforementioned facts demonstrate the need and precedent for a cost-of-living adjustment for veterans pursuing their higher education in the States of Alaska, Hawaii, or in the Virgin Islands or Guam.

Mr. President, I ask unanimous consent that the text of my amendment to S. 2784 be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 966

On page 2, line 8, insert "(a)" immediately after "Sec. 101.".

On page 3, after the table in line 2, insert the following:

(b) Section 1504 of such title is amended by adding at the end thereof a new subsection as follows:

"(e) The amount of any subsistence allowance to which any veteran-trainee receiving training in the States of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum."

On page 3, line 5, insert "(a)" immediately after "(1)".

On page 3, line 7, after subsection (1), insert the following:

(1) (a) Section 1677 of such title is amended by adding at the end thereof a new sentence as follows: "The amount of any flight training allowance to which any veteran-trainee receiving training in the States of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum."

On page 5, line 1, after the table insert the following: (5) Section 1682 of such title is amended by adding at the end thereof a new subsection as follows: "(d) the amount of any education assistance allowance authorized in subsections (a), (b) r (c) of Section 1682 to which any veteran-trainee receiving training in the State of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum."

On page 5, line 1, insert "(6)" in the place of "(5)".

On page 5, line 3 insert the following: (7) Section 1696(b) of such title is amended by adding after "lesser," a new sentence as follows: "The amount of any educational assistance allowances to which any eligible person pursuing education or training in the State of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum."

On page 5, line 3, insert "(a)" immediately after "Sec. 103.".

On page 6, line 7 insert the following: (b) Sections 1732 and 1742 of such title are amended by adding a new section at the end of subchapter VI of said chapter as follows: "Section 1769. The amount of any educational assistance allowance to which any eligible person receiving educational instruction, or special training allowance a parent or guardian of said person receiving instruction in the State of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum."

On page 8, line 16 strike "(d) (1)" and add "(e) (1)".

On page 9, line 9 immediately after "applicable." add the following: "Except that a veteran pursuing the aforementioned training in the State of Alaska, Hawaii, in the Virgin Islands, or Guam shall have the educational assistance allowance he is otherwise entitled increased by an amount equal to 25 per centum."

On page 10, after the conclusion of (3) add a new subsection as follows: (4) Section 1685 of such title is amended by adding at the end thereof a new subsection as follows:

"(e) the hourly ratio amount of work-study allowance that a veteran-student attending an educational institution in the State of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum per hour."

On page 10, line 17, insert "(a)" immediately after "Sec. 207.".

On page 10, line 25, insert the following:

(b) Section 1692 of such title is amended by adding at the end thereof a new subsection as follows:

"(c) the amount of any tutorial assistance allowance to which any eligible veteran receiving such assistance in the State of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled shall be increased by an amount equal to 25 per centum."

On page 12, line 17, insert the following:

(3) Section 1732 of such title is amended by adding at the end thereof a new subsection as follows:

"(C) (2) The amount of the educational assistance allowance to which any eligible person receiving training under a farm cooperative program in the State of Alaska, Hawaii, in the Virgin Islands, of Guam is otherwise entitled shall be increased by an amount equal to 25 per centum.

On page 14, line 1, add a "." immediately after "$270".

On page 14, line 2, add the following after "$270.":

Section 1786(2) of such title is amended by adding at the end thereof the following sentence:

"Except that any eligible person pursuing any program of education exclusively by correspondence while residing in the State of Alaska, Hawaii, in the Virgin Islands or Guam shall be charged with one month at a rate 25 per centum higher than those eligible persons not residing in the aforementioned locations."

On page 15, before "Sec. 213." insert the following:

(4) Section 1787 of such title is amended by adding at the end thereof a new subsection as follows:

"(d) the amount of any monthly training assistance allowance an eligible person in the State of Alaska, Hawaii, in the Virgin Islands or Guam is otherwise entitled under subsection (a) shall be increased by an amount equal to 25 per centum."

On page 18, after the end of the sentence in line 22, insert the following:

"The aggregate of the amounts to which any veteran pursuing his education in the State of Alaska, Hawaii, in the Virgin Islands or Guam may otherwise borrow under this subchapter shall be increased by an amount equal to 25 per centum."

DISAPPROVAL OF PAY RECOMMENDATIONS OF THE PRESIDENT—AMENDMENT

AMENDMENT NO. 967

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE. Mr. President, I send to the desk an amendment to Senate Resolution 276 and ask that it be printed.

The purpose of my amendment is to stop the pay raise recommended by the President for Congressmen and Senators.

WHY CONGRESS SHOULD NOT RAISE ITS OWN PAY

First, $42,500 is a lot of money. That is about four times higher than the average income of a family of four in the United States. I believe that the pay of Members of the House and Senate should not be so far above that of the average family that they lose sight of the needs of the citizens of the country.

Second, very few people run for the House or Senate for the pay involved. They run for other reasons—because they believe in issues, because they want to serve the public, or because they get a great deal of psychic income from the fact that they are a public figure. We do not need to raise the pay in order to attract people to run for these offices.

For these reasons I see no justification for increasing our own salaries even though we have not had a pay increase for several years while the price indexes have risen and while inflation has been rampaging.

OTHERS WOULD RECEIVE RAISE

The amendment I have introduced would, however, allow the pay raise to go to others in the legislative, judicial, and executive branch who are covered by the President's recommendations under the law.

The Federal judges would get the increase.

The executive branch employees would get the increase.

And almost all of those in the legislative branch would get the increase, except for those whose salaries are now at the ceiling—generally administrative assistants and staff directors for committees—and who are not provided for specifically in the law.

FREAK IN THE LAW

I would be happy to include them as well, but there is no way I can do that. Because of a provision in the law which ties their salaries to the salaries of the Level 5 executive branch officers, these loyal legislative employees cannot get a pay raise—even if this raise goes through—until next fall at the earliest.

The reason is that the President proposed a salary for Level 5 which is lower than the amount needed to trigger pay raises for those at the ceiling in the legislative branch. Not until the President pro tempore of the Senate issues an additional order or until Congress changes the law, perhaps on an appropriation bill, can these employees receive a raise.

JUDICIAL NEEDS

I have heard from the Federal judges serving in my State who have pointed out that under the law it is possible to stop the raise for Congressmen without stopping it for everyone else. I think they need a raise. They have served loyally. They can receive no outside income from any possible conflicting source. And they have given up law practices to serve as judges through which they could earn many times the salary of a Federal judge.

For all these reasons I am happy to introduce this amendment today.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

AMENDMENT NO. 968

(Ordered to be printed and referred to the Committee on Finance.)

Mr. HARTKE submitted an amendment intended to be proposed by him to the bill (S. 444) to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities.

MAXIMUM INDIAN PARTICIPATION IN THE GOVERNMENT—AMENDMENT

AMENDMENT NO. 969

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to the bill (S. 1017) to promote maximum Indian participation in the government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; and for other purposes.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 941

At the request of Mr. KENNEDY, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of amendment No. 941, intended to be proposed to the bill (H.R. 8214) to modify the tax treatment of members of the Armed Forces of the United States and civilian employees who are prisoners of war or missing in action, and for other purposes.

ANNOUNCEMENT OF HEARINGS ON SENATE JOINT RESOLUTION 119 AND SENATE JOINT RESOLUTION 130

Mr. BAYH. Mr. President, the Senate Subcommittee on Constitutional Amendments is scheduling the beginning of hearings on two proposed amendments to the Constitution: Senate Joint Resolution 119, for the protection of unborn children and other persons, and Senate Joint Resolution 130, to guarantee the right of life to the unborn, the ill, the aged, or the incapacitated. The first 2 days of these hearings will be held on Wednesday, March 6, in room 2228, Dirksen, at 10 a.m. and on Thursday, March 7, in room 1202, Dirksen, at 10 a.m.

Any persons wishing to submit statements for the hearing record should contact the Subcommittee on Constitutional Amendments, room 300, Russell Building, Washington, D.C. 20510.

NOTICE OF HEARINGS ON THE NOMINATION OF ARTHUR FLEMMING AS MEMBER AND DESIGNATED CHAIRMAN OF THE U.S. COMMISSION ON CIVIL RIGHTS

Mr. ERVIN. Mr. President, as chairman of a special subcommittee on the Committee on the Judiciary, I wish to announce that a hearing will be held by the subcommittee on the nomination of Dr. Arthur Flemming as member and designated Chairman of the U.S. Commission on Civil Rights.

The hearing is scheduled for February 28, at 10 a.m., in room 1114 of the Dirksen Senate Office Building. Any person who wishes to testify or submit statements pertaining to this nomination should send the request or prepared statement to the subcommittee, room 102-B, Russell Senate Office Building, telephone 225–8191.

NOTICE OF HEARINGS ON FEDERAL COAL LEASING PROGRAM

Mr. METCALF. Mr. President, I wish to inform Senators and all interested persons that the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs has scheduled oversight hearings on March 13 on the Department of the Interior's future leasing program for the Federal coal resources of the Northern Great Plains.

The subcommittee is aware that many members of the energy industry have expressed great interest in development of the low-sulfur coal deposits of the region. We have applauded the administration's establishment of the Northern Great Plains resources program to consider the environmental, social, and economic impacts of proposed coal development. We are aware that the Department is also developing an energy minerals allocation recommendation system which will be used as an aid to future leasing decisions.

However, the subcommittee is concerned about the possibility that the current energy situation will lead to premature decisions to proceed with large-scale coal leasing when the impacts of such action are not fully understood. We are particularly concerned that the issuance of leases would, for all practical purposes, commit the land, water, and air resources of the area to development of surface mines, coal gasification plants, water impoundments, and new communities without adequate consideration of other energy alternatives and environmental, social, and economic impacts.

We have asked the Departments of Interior and Agriculture and the Environmental Protection Agency to testify on March 11. We have requested that they address a list of questions about the future coal leasing program. I ask unanimous consent that the questions be printed in the RECORD at the close of my *remarks.*

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. METCALF. Mr. President, the subcommittee intends to hold additional hearings on this subject both here in Washington and in the field. At those hearings we will hear from representatives from the coal industry, the State governments involved, and the general public. We will announce the dates of those hearings when they have been scheduled.

The March 13 hearing will begin at 10 a.m., in room 3110, Dirksen Senate Office Building.

EXHIBIT 1

QUESTIONS FOR MARCH 11 HEARING ON COAL LEASING IN NORTHERN GREAT PLAINS

1. What is the current status of the Northern Great Plains Resources Program (NGPR)? How much is done and what else needs to be done to provide an adequate basis for decisions? When will it be complete?

2. What is the current status of the Energy Minerals Allocation Recommendation System (EMARS)? Describe the system and indicate when it will be put into operation.

3. What is the status of other Federal studies or programs which are also looking at the coal resources of the Northern Great Plains such as SEAM, RALLI, and the North Central Power Study?

4. What is the status of the proposed five-year coal leasing schedule and the environmental impact statement on it? When will a draft EIS be released? Will the Department allow more than 45 days for public review?

5. To what extent are all the work items referred to in questions 1–4 coordinated with each other?

6. What is the status of the environmental impact statement currently being prepared by the Bureau of Land Management, Geological Survey, Forest Service and the Interstate Commerce Commission on development of seven coal mines and a railroad line in the Powder River Basin? Are this EIS and the decisions it is designed to analyze coordinated with the programmatic EIS, the NGPRP, and all the other coal-related actions already discussed?

7. What is the status of the lawsuit brought against the Department by the Natural Resources Defense Council and others to enjoin further coal development?

8. Is it correct that the basic underlying assumption of the NGPRP is that the strippable reserves of low sulfur coal in the northern plains will be developed to meet the energy needs of the country? Who is looking at alternatives (other than different levels of coal development) such as energy conservation and efficiency and deep mining of low sulfur coal reserves? To what extent will these alternatives be evaluated and completely investigated?

9. Would northern plains coal be considered essential for the solution of this nation's energy problems if that coal could only be deep mined? Is it perhaps only the fact that this coal can be "cheaply" stripmined that makes it so "essential" for the national energy situation? How would the country solve its energy problems if it didn't have the possibility of stripmined coal from the northern plains?

10. Will large-scale on-site development of northern plains coal have the effect of postponing intensive research and development in the most efficient use of energy and the production of renewable, less disruptive forms of energy?

11. Will a major coal development in the West lead to reduction of coal mining in the Midwest and Appalachia? Will there be shifts of industrial plant locations closer to the major sources of energy?

12. What limitations does the availability of water resources place on coal development in the northern great plains? Is there sufficient water for mined land reclamation, gasification, etc.? Will water have to be diverted from existing uses?

13. What are the anticipated effects on air and water quality in the northern plains region of coal development?

14. At what point of development will the northern plains be committed to full scale development (i.e. when a system of reservoirs and aqueducts has been built, etc.)? At what point are options foreclosed? For example, if an extensive water delivery system is built to strippable areas, will strip mining be halted if reclamation proves unsatisfactory?

15. If agencies want to make decisions in 1974, what kind of decision can be made based on the information that will be available by that time? For example, is the information adequate for issuing individual leases or for large-scale leasing?

16. How many acres are under federal lease in Montana, Wyoming, North Dakota, South Dakota and Nebraska? Who has leased Federal lands? What about Indian, State, and private leases? How many acres are under lease on these lands? Is there any estimate of the amount of coal reserve presently under federal lease? Under other lands? How do these reserves relate to anticipated demands and past production?

17. What reclamation standards and procedures does the Department intend to put into any new coal leases or impose on existing leases? Is reclamation feasible in most of the lands in the northern plains?

18. Does the Department intend to require development on the existing coal leases? On new leases? Describe the proposed requirements.

19. Is new legislation needed to assure prompt and careful development on existing and future leases?

20. What levels of staffing and appropriations are needed to prepare the necessary environmental impact statements and other information needed to decide whether to issue any lease and to supervise operations under any lease in the manner necessary to assure compliance with the requirements of the law, the regulation and the lease? What are the current staffing and appropriation levels and those proposed for FY 1975?

21. What are the future research needs of the NGPRP? What specific areas need more study? How much time would be required for these future needs?

22. How does the Administration view the northern plains coal in relationship to Project Independence? What role could northern plains coal play in this Project? Does the Administration view Western coal as the primary new supply?

23. What was the initial timeframe for the NGPRP? Has it been shortened? Is this timeframe adequate to generate *new field* information?

24. What has been the Administration policy for funding of the NGPRP? Has the funding been adequate to reach the "objectives" of the original Program outline?

25. To what extent have the States participated in the NGPRP? The citizens of the region? Has the Program afforded maximum input from the States and the citizens of the region?

26. Have the Indian Tribes of the Northern Plains been involved in NGPRP? What has been the extent of their involvement? When was their active patricipation solicited? How is the Program tailored to meet their needs?

27. Should the NGPRP be continued? Under what structure? How much would it cost to continue the Program?

ANNOUNCEMENT OF HEARINGS: TRANSPORTATION AND THE ELDERLY: PROBLEMS AND PROGRESS

Mr. CHURCH. Mr. President, as chairman of the Senate Special Committee on Aging, I would like to announce that the committee will hold hearings on "Transportation and the Elderly: Problems and Progress," February 25, 27, and 28, beginning at 10 a.m. each day in room 1318, Dirksen Office Building.

Testimony will explore recent legislative enactments which should provide resources useful in improving mobility of older Americans. Testimony on the effects of the energy crisis upon programs serving the elderly will also be sought, and the President's new transit proposals will be considered.

ADDITIONAL STATEMENTS

BICENTENNIAL

Mr. HUGH SCOTT. Mr. President, an article in yesterday's Washington Post points out what we Philadelphians have known for a long time—that as the focal point for the Nation's Bicentennial celebration, Philadelphia is a natural.

I ask unanimous consent that this article by John Koenig, Jr., be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALL THINGS CONSIDERED: APPRECIATING PHILADELPHIA

(By John Koenig, Jr.)

PHILADELPHIA.—America's most historic city, turning an eye to the future, is quietly renewing itself—that is, if you can say that construction workers and restoration experts move quietly. But the old Quaker City's approach to everything has always been rather subdued. No great blowing of one's horn here. It's not necessary, the true Philadelphian figures, for if the outlanders don't know and appreciate Philadelphia, that's *their* misfortune.

However, Philadelphians, old and nouveau, are now taking a new look at themselves and their city and how it appears in the eyes of the nation and the world. For 1976 will be the 200th birthday of the United States. And where was the United States founded? Why, "in Philadelphia, of course."

For the Bicentennial there will be no world's fair, no international exposition attempting to glorify American—and Philadelphia—history. Perhaps the day of the world's fair is over, many Philadelphians figure. They note also that some fairs held elsewhere in recent years have been financial flops.

Anyway, business and political leaders who did want to bring another world's fair to Philadelphia in 1976 lost a hard-fought battle. Residents of the city's northeast area, the first proposed site for the exposition, didn't want the congestion it would bring. A largely undeveloped area southwest of the city's airport was proposed later, but construction was deemed too costly and by that time it was getting too late to start.

But the old city, with its two million residents, plus nearly three million in the suburbs and nearby towns, still wants to do something big for 1976. Its Centennial Exposition of 1876, marking 100 years of American independence, was America's—and perhaps the world's—first great and successful world's fair. The Sesquicentennial Exposition of 1926, scene of the first Dempsey-Tunney fight and for which a giant stadium was built—the location each year of the Army-Navy football fracas before 100,000 fans—was another landmark in world's fair history.

It is theorized here that in this day of rapid communication, people no longer need a giant, costly exposition to make them aware of the wonders accomplished in the scientific, industrial and social spheres. But exposition or no, Philadelphia expects to be the central focus point of the United States' 200th birthday celebration in 1976.

Plans for the observance were made some time ago, hence the hammer and saw, the bulldozer, the construction crane and the laying of brick and stone that you see all over central Philadelphia. The observance of the Bicentennial is pointed not just at bricks and mortar, nor even at formal ceremonies marking the occasion. It involves, rather, the cooperative effort of the entire city to demonstrate what an old community can do, within the periphery of American democratic society, to renew itself and to continue to provide its inhabitants with the good life in the future,

Philadelphians are, in many ways, a breed all to themselves. They exalt their neighborhoods, their local high and prep schools and their many universities and colleges. And rightly so, for local pride has kept in good repair many of the 50 or so neighborhoods, once independent towns and villages, that surround the central city nucleus.

The nasal Philadelphia accent (an Indianan I once knew who had lived in Philadelphia for a time said "everyone had adenoids") can be heard cheering the city's "Big Five" college basketball teams. And where else, as Sports Illustrated magazine once asked, do you hear all the citizens call a sorrel-topped player "Reds" instead of "Red"?

A visiting British journalist some years ago termed Philadelphia the "most British of American cities." Maybe so, if you consider the city's pride in its history, its wariness of hurried change, and its love for the sports of rowing and soccer (even cricket, years ago), fostered by large-scale immigration in earlier times of English and Scottish factory workers.

From the beginning there has been a polyglot population, but always subject to the early Quaker pattern of tolerance and absorption. William Penn's original English and Welsh Quakers were joined in 1683 by the first Germans, invited by Penn himself. An open society attracted people from many other countries. South Philadelphia is known for its large "Little Italy." Today there is a large black population, from whose ranks have come such diverse individuals as concert singer Marian Anderson, heavyweight boxing champion Joe Frazier, and Chubby Checker, who popularized the "twist."

Although many sections of the city, such as Germantown, Chestnut Hill, Olney, Frankford, West Philadelphia and South Philadelphia, have their own community life and well-established restaurants and clubs, the predominant business, entertainment and night life world is in center city.

Among restaurants, Bookbinder's is known across the country. Philadelphia has long claimed to be the best theater center outside New York. Of Ethel Merman's 13 hit Broadway musicals, 11 opened in Philadelphia. It would take more than Chicago to challenge the exalted position of the Philadelphia Orchestra in the music world.

For what passes as "night life" at a time when large night clubs have vanished from just about every major city in the country, Philadelphia has its share. The emphasis, as always, has been on intimate little music bars and discotheques on the small side streets of midcity. They're more fun than the big ones of former days in New York.

Formally, there will be three centers of attention in the Quaker City's observance of the Bicentennial, which will come just a few years before the Tricentennial of the founding of Philadelphia.

First and foremost will be the observances around Independence National Historical Park, the site of Independence Hall and the Liberty Bell. Completion of the park is to include the rebuilding of Benjamin Franklin's home and printing plant and of the Graff House, the rooming house where Thomas Jefferson wrote his draft of the Declaration of Independence.

Removal of the old wholesale fruit and produce center on Dock Street to a new location with modern facilities at the far end of South Philadelphia cleared the way for redevelopment and restoration of Philadelphia's new famed Society Hill area. This occurred during what was regarded as the enlightened and forward-looking administrations of Mayors Joseph S. Clark and Richardson Dilworth in the 1950s.

Society Hill, it must be pointed out, originally had nothing to do with what might be called "High Society," nor is it a hill. It derives its name from the Society of Free Traders, an early commercial group that owned property near the Delaware River waterfront. This section did indeed become the center of 18th century Philadelphia life. By the early 20th century, however, much of it was blighted.

A happy combination of urban renewal, the Old Philadelphia Development Corporation and private investment resulted in a greatly improved and blended mixture of restored streets and historic homes beside new town houses and high-rise apartment buildings. Needless to say, property values rose meteorically.

A second focal point for 1976 will be along the Delaware River waterfront, still one of America's greatest seaports. This will be Penn's Landing, a unique development to cost $70 million. It will feature a marina, hotel, restaurants, docks and replicas of vessels from the 17th century to the present that will be open to the public, landscaped recreation areas, harbor tours and night spots with live entertainment to supplement those in the commercial city center.

The third focus will be on the city's cultural institutions, including the Philadelphia Orchestra, and opera and dance groups with a year-long series of premieres. Major national sports championship events also will be featured.

Thirteen new hotels and motor inns are projected for the city by 1976, adding another 5,000 rooms to the 13,000 now available in the city and on its fringes. Close to 400 conventions already are booked for 1976.

But it is the very life of the city itself—in its giant new office buildings, in its restored residential sections—that will strongly mark Philadelphia's observance of the nation's 200th birthday. That life—the good living in Philadelphia—goes on right now. You don't have to wait until 1976 and the Bicentennial to see and experience it.

The city's active Convention and Visitors Bureau recently held a series of "booster" receptions in Washington, New York and Chicago, the three cities outside Philadelphia in which it believes most decisions are made on where to hold national conventions and meetings. To these receptions came sales representatives of Philadelphia hotels and the city's entertainment world, armed with literature pointing up what a great convention center the old Quaker City is. One of the obstacles they must overcome, they say, is the attitude in some places that Philadelphia is staid, stuffy and typified by the old gag: "I went there for a weekend once, and it was closed."

"This attitude, of course, is nonsense," said one spokesman at the Washington meeting. "It was promoted probably by places with nothing to offer on their own. We face this sort of thing by telling the facts—the great attractions of Philadelphia in theaters, music, business, historic sites, education, and expanding night life. This is a city where people are coming back downtown to live."

For Washington—area residents, a visit to Philadelphia can be particularly meaningful, regardless of what interest they may have in the preparations for the 1976 Bicentennial. For, in a sense, Philadelphia is the parent of Washington. And, fortunately, whatever restrictions may be placed on the use of automobiles during the gasoline shortage, the city will be easy to reach and get around in. Train service to Philadelphia, via Amtrak, is excellent, and within the city there is a topnotch subway, commuter train and bus network.

It was this city that served for 10 years as the temporary capital of the United States and the home of Congress while the first government buildings were being planned and built in the District of Columbia. George Washington spent his eight years as the nation's first President in Philadelphia, and here the new nation first received the diplomatic representatives of other nations.

But the chief claim of Philadelphia to being the focal point of the Bicentennial is the fact that in this city, the largest in the American colonies and second only to London in the 18th century British Empire, the founders of the nation wrote and signed both the Declaration of Independence and the U.S. Constitution.

At that time, the Philadelphia area already had been settled for roughly 150 years. The Dutch and the Swedes came first, in the 1620s and 1630s, and a few thousand of their descendants were living along the Deleware and Schuylkill Rivers when William Penn, under a land grant from Charles II of England, formally founded Philadelphia and the province of Pennsylvania in 1682.

The heritage left by William Penn and his Quaker Commonwealth is evident everywhere—representative government, tolerance of religious differences, and social betterment. Penn's views helped form not only Philadelphia's but the entire American way of life.

Today, William Penn still stands at the head of the city—atop City Hall tower, 547 feet in the air. When completed in 1901, this tower, including its monumental statue of Penn, was the world's tallest building. It remains Philadelphia's highest, for under city ordinance no other building is permitted to top it. For generations Philadelphians have either admired or hated that gray stone City Hall building. Ornate as only a Victorian structure can be, it stands in the middle of town—at the intersection of Broad and Market Streets. But love it or lump it, the visitor cannot help but be impressed with it as a landmark.

An elevator takes the public up the tower to the foot of the 37-foot-high William Penn statue for a magnificent view of the city and right across the Delaware River to the south Jersey suburbs. The mayor's sumptuous reception chamber and other parts of City Hall also are open to the public.

This is, in fact, a good starting point for a sightseeing tour of the city. Immediately adjacent to City Hall is the Philadelphia Convention and Visitors Bureau, a low-rise, modern, circular structure housing a cooperative staff with ready-at-hand information. Here the visiting Washingtonian can pick up the schedule of Philadelphia's Cultural Loop Bus. This I found to be another Philadelphia "first," comparable in its way to the multitude of other Philadelphia "firsts," including America's first lending library, hospital, insurance company, savings bank, botanical garden, zoological garden, university and academy of fine arts. There are plans now for a Night Life Loop Bus.

Philadelphia's cultural loop bus connects the 18th century historic area of the city, around Independence Hall in downtown east, with City Hall, the Benjamin Franklin Parkway, the famed Franklin Institute and Fels Planetarium, the Philadelphia Museum of Art—one of the world's greatest—and the zoological garden in Fairmount Park. The bus fare is only 50 cents for all way, and you may stay as long as you want at any one institution because your ticket is still good on any later bus.

Moving around town on your own, by automobile or taxi, there are three areas in which to concentrate your attention. The first, of course, is the Independence Square-Society Hill area, the heart of 18th century Philadelphia, where restoration of old homes has been moving at a record clip. Congress Hall, Carpenters Hall (where the first Continental Congress met) and the American Philosophical Society all are here.

The second general area for the visitor to see centers around City Hall. In many of these city blocks there is evidence that Philadelphia is among the nation's leaders in rebuilding a business center. This can be seen in the Penn Center development on the former site of the old Pennsylvania Railroad terminal and its "Chinese Wall" railroad tracks, and in the massive new office buildings rising on Market Street which dwarf any of the new structures in Washington.

A third exploratory tour of the old city should be made by auto—out Benjamin Franklin Parkway, from City Hall, to the Philadelphia Museum of Art. Pause a while at the entrance to the museum and look back toward City Hall for the most photographed view of downtown Philadelphia's skyline.

Continue along East River Drive beside the Schuylkill River. You are now in Fairmount Park, which covers 4,110 acres. On the wooded hilltops above the river drive are historic houses open to the public. These were the "country" homes of 18th century Philadelphians. Benedict Arnold, marrying into the Shippen family, owned one of them—Mt. Pleasant.

Germantown is but one of the many neighborhoods in the city of Philadelphia. Once they were villages surrounding the heart of colonial Philadelphia. Germantown dates back to 1683, when the first German settlers invited by William Penn arrived. The city expanded its borders to the north and the west as the decades ticked away. Memories still linger on in the old neighborhoods. In the streets of North Philadelphia, W. C. Fields juggled apples and oranges as a boy helping his father sell them. Some of the Dukenfields (the true family name) are still around. In an interview not many years ago, Leroy, a younger brother of the great comic, disclosed that his name for W. C. always was "Big Nose."

At West Philadelphia High School, they've never forgotten that Jeannette Macdonald went to school here. Her great movie singing partner, Nelson Eddy, once was a reporter in the church and school department of the Evening Bulletin, Singers? South Philadelphia has produced many of them—Mario Lanza and Eddie Fisher, to name two.

But the central city of William Penn and Ben Franklin still is the heartbeat of Philadelphia.

WILLIAM F. KNOWLAND

Mr. STENNIS. Mr. President, my service in the Senate embraced most of the Senate career of the late William F. Knowland. He was appointed to the Senate while he was serving as a civil affairs officer with the U.S. Army in Europe.

I knew him to be a man of deep conviction and great determination. He was a great party man, always, but he was always ready to break with the positions of his party when he felt strongly that his own conflicting position was right.

He came to serve as majority leader for the Republicans in the Senate during a part of the Eisenhower administration, and he devoted his great energy and devotion to that job.

I recall that while he was serving as majority leader the Senate became evenly divided as between the two major parties. Senator Knowland remarked, "I am the only man who has served as majority leader without a majority."

He was always a vigorous and articulate spokesman for his State.

A few of us still remember him fondly, striding down this Senate aisle with his giant steps, as if there was always more to be accomplished than we knew about. He served our country and the Senate well indeed.

Those of us here in the Senate were sometimes inclined to forget that his distinguished family published one of the principal newspapers in the West, and of course he was publisher of that paper, the Oakland Tribune, at the time of his death.

I regret his passing and will cherish his memory.

Mrs. Stennis and I want to extend our deepest sympathy to his family in their earthly loss.

TUSSOCK MOTH AND DDT

Mr. McCLURE. Mr. President, a decision is due soon from the Environmental Protection Agency on the application by the Forest Service for the emergency use of DDT in the control of the tussock moth attack on Northwest forests. Today I introduce into the CONGRESSIONAL RECORD two items for your thoughtful study. The first is an article from the Potlatch Story, a quarterly publication by the Potlatch Corp., a highly respected forest products business firm with plants in Idaho and other places throughout the Nation.

The second constitutes my remarks given at an Environmental Protection Agency public hearing held in Washington, D.C., on February 1. I am hopeful these contributions will help in understanding this tragic attack on our forest environment and the necessary alternatives that must be faced to protect it.

I ask unanimous consent to have these two items printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

DISASTER IN THE NORTHWEST

A tiny caterpillar with a taste for fir trees is laying waste to a 1,200 square mile area of coniferous forestlands in Oregon, Washington and Idaho in an epidemic that, experts estimate, has set back forest management in the region 30 to 60 years.

In an unprecedented population explosion, the tussock moth has destroyed close to a billion board feet of mature Douglas and white fir trees since the epidemic began in 1971, and threatens to upset the economy of the entire area.

Thus far, the only known means of stopping the devastation is through aerial application of DDT, which is presently illegal. There are many who feel that losses due to the tussock moth are far more disastrous than any possible effects of DDT, and many feel that Congress may have to step in and stop the needless, senseless destruction.

Speaking before the Forest Subcommittee of the House Agricultural Committee recently, Royce Cox, Potlatch's Western Division environmental forestry manager, said in support of the emergency use of DDT: ". . . the environmental hazards of DDT, in my opinion, have been greatly exaggerated. DDT, in spite of its persistency, is still one of the safest pesticides with respect to human exposure, and the effects on wildlife and air can be eliminated or minimized through proper application."

Legislation was introduced this fall in both the House and Senate to make DDT available on a standby basis in case it is needed next spring to halt the epidemic.

Two years ago the tussock moth level in the Northwest was undetectible. But by the end of 1972 it had ballooned to nearly 200,000 acres.

Fearing a continued explosion of the infestation, the states of Oregon and Washington joined with the Forest Service in asking the Environmental Protection Agency for permission to use DDT on an "if needed" basis to halt the devastation.

However, former EPA Administrator William Ruckelshaus denied the requests in April, 1973, saying that "the benefits do not outweigh the risks." He based his refusal largely on EPA decisions that the infestation would not do significant additional damage and would collapse in 1973 due to a virus that attacks and eventually destroys most tussock moth flareups.

But the epidemic did not collapse. Instead, the area of infestation trebled during the summer and spread into Idaho.

The infestation now covers nearly one million acres in the three states—an area comparable in size to Rhode Island. The Forest Service reports that this is already the largest tussock moth epidemic ever recorded, and no end is in sight.

When Secretary of Agriculture Earl Butz visited the area in September, he said the damage was far worse than he had ever imagined and pledged his support to have DDT made available in case it is needed.

A final decision must wait until after the eggs hatch next spring and the natural virus levels in the emerging larvae are determined.

If the virus has not sufficiently materialized, the only alternative is DDT. The Forest Service has been testing four alternative chemicals and two biological agents. None have worked well enough to control the epidemic next summer.

The damage to the trees is done by tiny caterpillars that hatch from eggs in late May and early June. They eat continuously during the next two months of their growth cycles, stripping entire trees of needles. In late July the larvae start spinning cocoons, emerging about two weeks later as moths that mate, lay eggs and then die.

The consequences of this infestation are widespread and complicated. Foremost in the minds of thousands of residents who make their livelihood from the forests and of the Forest Service officials, is how to control the moth and prevent further destruction of the West's most valuable resources.

The outbreak of the moth was dramatic, and can be traced to the Okanogan Valley of Washington in 1971 when the moth appeared that summer on 2,400 acres while seriously damaging 250 acres.

In 1972, the normal "second" year of infestation, the population exploded. About 197,000 acres became infested with the pest that summer, mostly in the La Grande, Oregon area.

Usually during the third year of infestation a natural virus reaches a peak build up infecting the moth population and lowering it to a normal endemic scale. However, some infestations on record have lasted up to seven years; and only about 70 percent of the time do they peak out after three.

During the first years of infestation, the moth larvae are strong and hardy enough to resist the ever-present natural virus. During a normal three-year cycle, however, the third-generation larvae have a difficult time finding sufficient food, and they become starved enough to eat bushes, shrubs and other vegetation. During this starvation period, their natural defenses weaken, paving the way for the virus to infect and kill the moths.

The virus is part of the "balance of nature," which could be compared to a clock pendulum. But in this case, the balance has been upset; and it is obvious, to groups like the Forest Service, the Oregon and Washington departments of forestry, and private businesses, that the current outbreak is not a normal three-year cycle. Riding winds, the larvae have spread to other areas, thus starting new local infestations that in the beginning are relatively free from the deadly virus and other predators.

The moth may be stopped by natural barriers such as open land. Severe weather conditions also may stop the spread. However, only when the moth becomes weakened can the virus build up to the lethal level needed to reduce the moth population.

An evaluation of the infestations is underway, but preliminary reports tell of staggering losses, which will have an impact on the region for years to come.

Besides an estimated 300-million board-foot timber growth reduction and mortality in Oregon alone, valued at an estimated $10 million, the infestation has caused a reduction in wildlife cover, reduction in land development values, impaired recreation and scenic management areas, increased fire hazard, and destroyed the seed-bearing portion of the true Fir trees. It has also created a health problem resulting from allergenic reaction to contact with hair from the discarded skins molted by the moth larvae.

Salvage operations are underway as lumber companies hurry to move the moth-killed timber into sawmills before it rots, and mills are working at full capacity to handle the influx. But the quantities are so great, and about a third of it inaccessible that most of the timber may not be salvaged in time. White fir, for instance, which makes up the majority of the present kill, must be salvaged within 18 months after dying.

A major loss in the infested areas is "cone loss." The cones bear the seeds of the true Firs, and grow on the upper crown of the tree. With defoliation of the trees, the seeds are lost; and, as a result, natural reforestation cannot occur. In this case, man will have to assist nature by reseeding the blighted areas, assuming a sufficient source of seeds can be found.

Another problem connected with the moth is the public health. Many people are allergic to the larvae's body hairs, and the Oregon State Industrial Accident Commission has reported that workers employed to harvest damaged trees have suffered reactions ranging from hives to breathing difficulties. Based on the majority of those interviewed by physicians, human reaction to the hairs is manifested by welts or an itching rash on the face, arms, legs, and torso, and is similar to that caused by poison ivy or poison oak.

Understandably, it has become increasingly difficult for lumber companies to hire the large number of workers needed in salvage operations.

Mortality of trees below merchantable size is expected to affect future yields of commercial forest stands, and it is this aspect that has many people in the La Grande area worried. After salvage operations end, what then? The town is dependent on the lumber industry for its livelihood, and the destruction of young trees that would not normally be harvested for several decades poses a very serious threat to its economic well-being. Even should reseeding of the destroyed forestlands begin immediately, it would take another 40 to 60 years before a new crop of timber would be ready for harvesting.

Thus, faced with the loss of their economy, residents of La Grande and other communities are beginning to insist on the use of DDT to halt the infestation.

One group, called the Tussock Moth Control Association of La Grande, was organized last August to protest the EPA's ban on DDT. By mid-October they had obtained more than 45,000 signatures on petitions requesting the ban be lifted. Their schedule called for the petitions to be circulated until November 15, at which time the original petitions were to be sent to President Nixon with copies to the EPT.

In the meantime, other voices have been raised in support of the controlled use of DDT. One such is that of Glenn Parsons, a Boise Cascade Corporation forester, who believes there is no alternative to the use of DDT in controlling the tussock moth.

"Can it be that the moth hasn't read the research data and doesn't know how to behave?" says Parsons. "Considering that the virus didn't collapse the (moth) population; and that the epidemic has possibly doubled in size. . . . during 1973; and the scientists haven't revised their predictions of a general collapse, we wonder if it is the third year of the infestations. Maybe it is only the second year. Perhaps there are one-year outbreaks.

"What a horrible thought. After all of the field surveys have been concluded, will we have to wait anxiously a research lab report in March, 1974, to advise us if the virus will effectively control this epidemic early next year?

"If the virus incidence is low again, what then? . . . We have a lot of questions, but no one has acceptable answers at this time. In the meantime the moth epidemic continues destroying the forests of Oregon, Washington and Idaho."

Statement of U.S. Senator James A. McClure Before the Environmental Protection Agency: Public Hearings on Emergency Use of DDT Against the Tussock Moth, February 1, 1974

Almost a year ago, I made a strong case in favor of the highly controlled and prudent use of DDT against the Tussock Moth infestation threatening Northwest forests. Those of us who asked for a temporary variance in the ban against DDT lost the argument. We lost, but the environment lost. The nation lost.

In April, following a cost benefit study, the Environmental Protection Agency decided against the emergency use of DDT—then, as now, the only known control effective against this insect plague. That decision was a shocking error—a misjudgment of staggering proportions. It cost the nation $83-million in loss of marketable timber; $240-million in income and employment lost; and unmeasurable losses in terms of watershed and game habitat damaged.

When that decision was made, the moth devastation touched only a total 200,000 acres in Oregon and Washington. Now, the infestation has reached a million acres and has taken hold in Idaho and Montana and Nevada. Timber mortality and growth loss is 1.8-million board feet—enough lumber and potential timber to build 180,000 homes.

The nation cannot afford to see that terrible error in judgment compounded by another season of unbridled devastation. We need a decision now, and with the evidence of a year without effective weapons, there can be no question as to what that decision must be—a careful and limited lifting of the DDT ban.

But if the decision to prohibit DDT use is repeated, we will be witnessing a classic example of fanaticism—a redoubling of efforts while original goals are forgotten.

The goals of the National Environmental Policy Act of 1969 were simple and balanced.

To declare a national policy which will encourage productive and enjoyable harmony between Man and his environment.

To promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of Man.

To enrich the understanding of ecological systems and natural resources important to the nation.

And to establish a Council on Environmental Quality.

Those were the goals. But in policies we now pursue, the balance of the goals has been lost.

In none of those lofty principles do we see reason for continuing the ban on DDT at the expense of the very environments we are pledged to protect. On the contrary we see the best possible arguments for limited and tightly-controlled use of DDT in this case.

The alternative, as we have all witnessed is more uncontrolled destruction of forest lands. Certainly preventing judicious use of the only weapon against a natural disaster we have, is not encouraging productive and enjoyable harmony between Man and his environment; nor does it stimulate the health and welfare of Man.

Certainly, there are dangers inherent in the widespread and uncontrolled use of DDT. But, that is not what we are talking about. Whatever minimal dangers are involved in extremely careful application of DDT to select areas of forest land must be weighed against the dangers of not making that prudent use of the chemical.

After a year of unchecked devastation, we have a study hammered out not by the guesswork and wishful thinking that bred the April decision—but a study built on fact, hard uncontestable statistics of a natural disaster.

Those on the extreme of environmental philosophy will argue that all that is natural is a fantasy. It just isn't so. Apply the argument to a plague on humans rather than a plague on trees, and the lack of logic crystallizes. Bubonic plagues is natural. Typhus, typhoid, polio, cholera, diphtheria, yellow fever are all occurrences of nature.

And for some diseases that strike down human populations, we are talking about DDT as a prevention. Deaths from malaria in India have been cut from 100,000 a year to 1,500 a year through the use of DDT. A dreaded chemical—*maybe*, if it is terribly misused. A tool to promote the health and welfare of man—yes, if used properly. Again, the key is to weigh the dangers involved.

Man seems to have become the forgotten part of the environmental equation.

In NEPA, part of the responsibility mandated EPA by the Congress is to "fulfill the social, economic and other requirements of present and future generations of Americans."

In no way can it be argued that the continued inflexible ban on DDT when an emergency exists fulfills any of those criteria.

One thing must be remembered above all

in this debate: few are arguing that DDT is ineffective against the epidemic. And by the same token, there is not now any other suitable effective agent that will stop the infestation.

In tests throughout the late Spring and summer, there were hopeful indications that a workable alternative to DDT would be found. Unfortunately, it was not.

Zectran, a short-lived pesticide was tried and tested, along with other chemical agents. None proved effective. To stop destruction of the trees there must be a 95 percent-plus kill.

A biological weapon—a virus that kills the moth larvae—was tried, and it proved to work very effectively. But there is not the capability to manufacture enough of the virus to cover any appreciable area.

In short, there is still no alternative, and there is no time left. We need the weapon by the time the larvae emerge from egg mass this spring. If we don't have the weapon ready by then, the battle is lost, and the war spreads for another year.

There were predictions last year at this time that the infestation would collapse from natural causes. That collapse of the population did not happen. As we now know, the opposite happened. It grew.

We *must* continue research efforts with all possible speed, but work in the laboratory must not and cannot be considered a substitute stopping the epidemic in the field. We must use the weapons we have.

To deal with the kind of situation we are now facing, the Congress added a clause to the Federal Insecticide, Fungicide, and Rodenticide Act in hopes of cutting red tape. Very simply, the Congress gave the decision making power to one agency—EPA—in order to cut required involvement of other agencies.

Unfortunately, it hasn't worked that way, instead, EPA, rather than making decisions based on advice, information and input from field agencies, has steadfastly refused to consider outside experience. We now have a chaotic situation where those agencies responsible for the care of Federal forests have called for careful use of DDT, but where the agency responsible for administering DDT use has turned a deaf ear.

The lack of proper response in meeting a terrible and natural enemy to the environment is being noticed in the Congress, and if decisions are not forthcoming, laws may well be changed and inter-agency power struggles ended—ended in favor of sound, sane decisions for the welfare of the American public.

The people of the Northwest see a terrible clash between the reality of what is happening to their forests and livelihoods and the environmental fantasy of EPA bureaucrats in Washington, They know, and we know the environment in this case is not being preserved by EPA. Rather, it is being destroyed. Idaho's epidemic is about two years behind those in the states of Washington and Oregon. And without DDT, what we have seen there, we will certainly see in Idaho.

DISADVANTAGED STUDENTS

Mr. BAYH. Mr. President, for many years the problems and need of physically handicapped students and students from disadvantaged environments have been a major concern of Congress.

I recently received a draft of a report regarding a project sponsored by Vincennes University which explored the educational needs of disadvantaged youth. The study began in 1970 through the effort of Dr. Isaac K. Beckes, president of Vincennes University and was conducted over a period of nearly 4 years. Through conferences and workshops with educators throughout Indiana, the project developed guidelines for action programs directed toward disadvantaged students in the schools and communities.

The action programs were then implemented; refined, and further studied. The final followup study of the project will soon be printed and available, along with other materials, at Vincennes University and I believe it should be of interest to Members of Congress as well as educators across the land. I wish to congratulate Dr. Beckes, Mr. J. Fred Murphy, the project director, and others who participated in the program for their service to the State of Indiana and their contribution to the field of education. I ask unanimous consent that a portion of the draft followup study be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Problems and Programs for Disadvantaged and Physically Handicapped Students From Disadvantaged Environments, 1970–1974

SUMMARY

This is the report of a special project designed primarily to assist the elementary schools, junior high schools and high schools of Indiana to develop or significantly improve programs for students with special needs. These students are generally characterized as those who come from disadvantaged environments, those who are physically handicapped and those who for one of many reasons are not able to achieve maximumly in the school program. Over a three-year period, from 1970 to 1973, the project made it possible for approximately 600 teachers, counselors, specialized workers and principals to attend from one to three workshops where practical guidelines were developed for action programs in the schools and communities. The project was sponsored by Vincennes University, Vincennes, Indiana 47591 and funded through the Vocational Education Division of the Indiana State Department of Public Instruction with assistance from the North Central Association of Colleges and Secondary Schools in the publication of guidelines and desired outcomes.

This report presents a summary of the responses of 154 participants to a detailed follow-up inquiry form during the fall of 1973. Respondents were asked to evaluate the project in terms of helpfulness, to indicate the problems they encountered in developing programs for students with special needs, and to outline their suggestions for improving the program. In addition, they listed the most effective procedures developed in their schools for meeting each of fourteen specific objectives. An important part of the inquiry was a brief statement of action programs which have been developed or improved due, at least in part, to participation in the project.

The results of the follow-up survey appear to support the following conclusions:

1. Even though most of the respondents had attended only one conference or workshop and, for many, it was held two or three years ago, they reported, almost without exception, that participation in the project was helpful. The sessions were informal, with much opportunity for discussion. The importance of informal discussion is reflected in the fact that, by far, the most helpful aspect of the workshops and conferences was reported to be the opportunity to share ideas and experience with other professional people and with similar interests.

2. The three most important problems encountered in developing action programs in the schools are the unwillingness or inability of many teachers to work with students who have special needs, the lack of understanding and support from parents and community, and inadequate funds for the program. In the responses of participants to many other questions in the survey, these same problems were mentioned. It is difficult to escape the conclusion that the future development of programs for students with special needs will depend to a large extent upon acceptance by teachers, parents and the community and upon the willingness of those responsible for the financial affairs of the schools to supply needed funds.

3. The 154 respondents reported a total of 72 action programs which have been developed or improved, at least in part, due to participation in the project. These programs are of many kinds. They include expanded vocational offerings, reading, tutoring, additional classes for students with special needs, reductions in teaching load, modular scheduling, an employment service for drop-outs, additional equipment, special learning materials and a new elementary learning center. Without doubt, there has been a considerable amount of carry-over from project participation to the development and improvement of action programs in the schools. Furthermore, the interest, commitment and enthusiasm of these participants seems likely to continue.

4. The hundreds of procedures listed by respondents as most effective in meeting the objectives of the program for students with special needs can be generally classified as follows:

Improving the effectiveness of the teachers through special in-service training programs and workshops.

More counseling and greater use of counselors and other specially trained personnel not only to help students, but to work with teachers, parents, and community leaders.

Much more direct contact with parents including visits to the home and parent involvement in planning the educational program of students.

Greater community support and understanding including community advisory committees.

A broader curriculum including a greater variety of formal and informal learning activities and more vocational education and career related programs.

Special help and individualized attention in the regular classes.

Special classes, programs and facilities as required.

Strong administrative leadership and support by the board of education.

Special learning materials including programmed instruction and learning laboratories.

Adequate funds.

It seems clear that the major concerns of those who responded to the follow-up inquiry relate to the ten procedures listed above. Most often mentioned were the need for better qualified teachers, more counseling, and more contact with parents and with others in the community.

5. Recommended next steps for improving the program for students with special needs reflect a desire for improved vocational education programs including opportunity for work-study experience and career related emphasis in the classroom. In one way or another in a large number of responses, the importance of vocational education and training for jobs was stressed as a way of meeting more adequately the needs of students from disadvantaged environments and others who do not achieve in the more formal educational programs of the school.

6. An evaluation of the project by those participants who responded to the follow-up inquiry indicates clearly that the purposes of the project were achieved to a marked degree. Through the project they focused attention

on the development of action programs in their schools. There is evidence that programs in their schools are actually being developed or improved and that participation in the project was helpful.

WILLA CATHER

Mr. MATHIAS. Mr. President, the women's liberation movement has generated many worthwhile changes in America and has dramatized the achievement of American women. It would be a mistake, however, to assume that it was only since and through the "lib" movement that American women had contributed to the mainstream of American progress. There is no more solid testimony of the substantial contribution of American women than the fact that we are now observing the 100th anniversary of Willa Cather's birth.

In an age when it was admittedly harder for women to participate, she did make a vigorous and a unique contribution to American literature. She became a part of the American tradition. From her pen came some of the best and earliest indications that America would be the land of the free for all Americans, including American women. I think the impact of Willa Cather's career is important in assessing the movement of social forces in our own time and I, therefore, ask unanimous consent that an article entitled "The Physical World of Willa Cather," by Eudora Welty, one of America's great literary figures in her own right, which appeared in the New York Times Book Review of January 27, 1974, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Physical World of Willa Cather

To mark the 100th anniversary of the birth of Willa Cather, the University of Nebraska—where she had been a student in the final decade of the last century—is sponsoring a year-long series of events, Alfred Knopf has issued a centennial edition of her 1923 novel, "A Lost Lady," and the University of Nebraska Press has published "Uncle Valentine and Other Stories: Willa Cather's Uncollected Short Fiction, 1915–1929." On Oct. 25, the College of Arts and Sciences at Lincoln launched the festivities with a 3-day International Seminar on "The Art of Willa Cather." Among the distinguished speakers who reevaluated Miss Cather's fiction for contemporary readers was the noted novelist and short-story writer, Eudora Welty. The following is her own distillation of the talk she gave.

(By Eudora Welty)

"More than anything else I felt motion in the landscape; in the fresh, easy-blowing morning wind, and in the earth itself, as if the shaggy grass were a sort of loose hide, and underneath it herds of wild buffalo were galloping, galloping. . . ." As in this sentence from "My Antonia," Willa Cather always writes of the world in a way to show it's alive. The quality of animation that seems a born part of her own prose arises from a mind comparatively uninterested, it seems to me, in direct observation and factual description; she conveys her world to us in subjective ways. Thus she may eliminate the picture, the better to make us feel something really there. It was her observation that "Whatever is felt upon the page without being specifically named there—that, one might say, is created." "There were none of the signs of spring for which I used to watch in Virginia," says the narrator of "My Antonia," ". . . there was only spring itself, the throb of it. . . . If I had been tossed down blindfold on that red prairie, I should have known that it was spring."

And so the texture in her prose owes more than a little to its function. This is to give us not the landscape but her vision of it; we are looking at a work of art.

Its composition is significant. In her pioneer novels there is the foreground, with its living present, its human figures in action; and there is the horizon of infinite distance, where the departed, now invisible Ancients have left only their faint track, cliff dwellings all but vanished into thin air, pure light. But there is no intervening ground. There is no recent past, no middle distance; the perspectives of time and space run unbroken, unmarked, unmeasured to the vanishing point. With nothing in between the living foreground and that almost mythological, almost phantasmagorial background are all but made one, as in a Chinese painting—and exactly as in one of the mirages that Willa Cather's people often meet, quite casually, in the desert.

And in her fiction that ancient life is more than once discovered through a profound personal experience. The past can be met with in physical form. It can be touched—Thea, in "The Song of the Lark," can flake off with her thumb the carbon from the rock roof that came from the cooking stove of the Ancient People. Thea comes to have intuitions about their lives so close to heart that she could walk the trail like the women whose feet had worn it, "trying to walk as they must have walked, with a feeling in her feet and loins which she had never known before. . . . She could feel the weight of an Indian baby hanging to her back as she climbed."

Neil, of a later day, in "A Lost Lady," feels in saying goodbye to it, "He had seen the end of an era. . . . He had come upon it when already its glory was nearly spent. So in the buffalo times a traveller used to come upon the embers of a hunter's fire on the prairie, after the hunter was up and gone; the coals would be trampled out, but the ground was warm, and the flattened grass where he had slept and where his pony had grazed, told the story."

Willa Cather saw her broad land in a sweep, but in her continuous, acutely conscious and responsible act of bringing human value into focus, it was her accomplishment to bring our gaze across the stretches of both space and time to the intimacy and immediacy of the lives of a handful of human beings. The lack of middle distance has something to do with the way the characters in the foreground cast such long-back-reading shadows. In that lonely stretch of empty and waiting space, they take on heroic stature. "For the first time, perhaps, since that land emerged from the waters of geologic ages," she writes of Alexandra in "O Pioneers!," "a human face was set toward it with love and yearning. It seemed beautiful to her, rich and strong and glorious. Her eyes drank in the breadth of it, until her tears blinded her. Then the Genius of the Divide, the great, free spirit which breathes across it, must have been lower than it ever bent to a human will before.

"The history of every country begins in the heart of a man or a woman."

In the world of Willa Cather's novels, history lives in its persistence in the memory, and in lost hidden places that wait to be found and to be known for what they are. Such history is barely accessible, perhaps only intuitively come by; found, it will be losable again. But the continuity is there. It is a continuity carried out, lived through, by the pioneer. And it is perceived by the artist. Even more profoundly, it exists, for Willa Cather, as a potential in the artist himself, it is his life's best meaning, his own personal, and responsible, connection with the world.

Thea, realizing this, thinks: "What was any art but an effort to make a sheath, a mould, in which to imprison for the moment the shining, elusive element which is life itself—life hurrying past us and running away, too strong to stop, too sweet to lose? The Indian women had held it in their jars. . . . In singing, one made a vessel of one's throat and nostrils and held it on one's breath, caught the stream in a scale of natural intervals." Willa Cather in writing a novel about art, chooses the art of the singer, the instrument of the voice, and is able, once more, to say everything in terms of the human being in a physical world.

The whole work of Willa Cather is an embodiment. The great thing it embodies is, of course, passion. That is its vital principle.

In looking back on all her work we realize how the vast exterior world she shows us, a world ever-present and full weight and substance and air, visible to us along differing perspectives and in various mutations of time, has been the deliberately fitted form for each novel's own special needs. This world serves her purpose by taking a fictional role, allying itself more or less openly with human destiny. It may move with the power to crush and suffocate, or the power to give back life; to promise everything or to deny everything; to open a way for living, or to close in life's face. She has made it, each time, hers to take at its own beginnings and follow to its slow eclipse; and, in doing so, to bring home the significance of the solitary human spirit which has elected to bring itself to birth here, to find the will to struggle and the consuming desire to survive.

In a landscape this wide and pulsing, it seems not at all out of keeping that the deepest feelings Miss Cather makes real to us are those for something larger than ordinary human relationships. Men and women do, of course, fall in love in her novels and their developing story is brought into clear enough focus for us to put good reliance on; but even its highest point, occurring along the way of the novels, is likely to be a milestone, hardly a destination; as required in the careful building of her plots, marriages are inclined to be unavailing. Sexual love is not often present in the here and now; we more often learn of it after it is over, or see it in its results.

It is love's partner, affection, that warms the life in her work, and love's opposite, hate, that chills it. We meet pity and reconcilement there, and we meet obsession, and the hunger for something impossible. But what her characters are most truly meant for, it seems to me, is to rebel. For her heroines in particular, this is the strong, clear, undeniable impulse; it is the fateful drive. It is rebelling not for its own sake so much as for the sake of something a great deal bigger—that of integrity, of truth. It is the other face of aspiration.

High personal desire, when merged into other than itself, merges into the whole world here. An individuality can be made willing to lose itself only in something as big as the world. It *was* the world in "O Pioneers!" and in "My Antonia"; it was not the world itself, except in magnitude and undeniability, in 'The Song of the Lark" and, consummately, in "The Professor's House": it was art.

The desire to make a work of art and the making of it—which is love accomplished without help or need of help from another, and not without tragic cost—is what is deepest and realest, so I believe, in what she has written of human beings. Willa Cather used her own terms; and she left nothing out. What other honorable way is there for an artist to have her say?

How does Willa Cather make this personal ambition an emotion for which her readers have such enduring sympathy? Its intensity, I think, is the answer. Thea's music teacher says of her, "Her secret? It is every artist's secret—passion. That is all. It is an open secret, and perfectly safe. Like heroism, it is inimitable in cheap materials."

"Artistic growth is, more than it is anything else, a refining of the sense of truthfulness." This is said at the end of "The Song of the Lark." The stupid believe that to be truthful is easy; only the artist, the great artist, knows how difficult it is." And, Thea's teacher goes on to say, "Every artist makes himself born. It is very much harder than the other time, and longer."

In the Cather novels there is a setting apart of the artist in value, a setting apart of his life from that of other people's. In trying to understand this today—could it ever have been a popular view?—I think she extolled the artist not for what would seem vanity, or for anything less than a *function* he could perform—the great thing that only an artist would be able, in her eyes, to do. At base this is an aspect of the Cather sense of the obligation to give of oneself. "If he achieves anything noble, anything enduring, it must be by giving himself absolutely to his material. And this gift of sympathy is his great gift," Willa Cather said, "is the fine thing in him that alone can make his work fine." The artist is set apart the more entirely, all but symbolically, to fulfill the ultimate role of dedication.

Today, neither the artist nor the world holds this idea. Art, since it grows out of its times, is of itself, and by rights, an ever-changing body. But truth?

Truth is the rock. Willa Cather saw it as unassailable. Today the question is asked if this is indeed so. Many align themselves with Willa Cather—I am one—in thinking the truth will hold out; but there are also many who feel another way.

One of the strangest things about art, nevertheless, is that the rock it is built on is not its most lasting test. Art is somehow self-testing.

A work of art is a *work:* something made, which in the making follows an idea that comes out of human life and leads back into human life. It is an achievement of order, passionately conceived and passionately carried out. When it is finished, if it is good and sound, somehow all capacity has left it: it stands as clear of what might have obscured and dated it as candor itself. The passion it was made to embody has been made totally visible. It could not have been this visible before; we see human thought and feeling best and clearest by seeing it through something solid that our hands have made.

Willa Cather's work, the structure she built on those rocks she herself believed were eternal, we, today, see on its own. And here it stands, a monument more unshakable than she might have dreamed, to the *independent* human spirit she most adored. She made this work out of her *life,* her perishable life, which is so much safer a material to build with than convictions, however immutable they seem to the one who so passionately holds them. There is life in her work now, the spirit she made it for, made it out of; it is all one substance: it is her might and her heart and soul, all together, and it abides.

ARMS CONTROL IN THE PERSIAN GULF AND INDIAN OCEAN

Mr. KENNEDY. Mr. President, last week in Geneva, Soviet and American negotiators reconvened at the second round of the Strategic Arms Limitation Talks. Their work will be critical to our hopes for ending the nuclear arms race once and for all, and for finding a durable basis for Soviet-American relations.

Because of the importance of these talks—and of any agreement to emerge from them—on February 8, I joined with the distinguished majority leader and the distinguished Senator from Maryland (Mr. MATHIAS) in sponsoring a resolution defining several objectives for the U.S. negotiating position. Hopefully, this resolution will enable the Senate to have a significant impact on the course of debate in the United States on strategic issues, and will help shape the U.S. position in negotiations.

But even as we look to the SALT talks to impose real limits on the strategic arms race, there are other areas of the world—and other areas of weaponry—where the prospects are more ominous for reducing the likelihood of conflict and for preventing potentially dangerous and self-defeating competitions in arms.

Two areas demand our attention, today: The sale of arms to states in the region of the Persian Gulf, and the prospect of a naval arms race in the Indian Ocean.

First, we are no sooner seeing real progress toward ending the Arab-Israeli conflict, than a new source of trouble in the Middle East is beginning to appear. This stems from the sizable flow of arms into the region of the Persian Gulf, where a majority of the world's oil reserves is located.

Many nations are contributing to what could become an arms race—or a series of them—in this area. For many years, the United States has supplied weapons to Iran and Saudi Arabia, although so far this has not had a serious effect on the stability of the region. These arms sales continue, and there have been numerous reports of negotiations to supply weapons to other states, such as Kuwait.

Other nations have also been involved in this arms trade, notably Britain and France. Recently, however, there has been an increasing tempo of arms sales, because of the same factor that is riveting the world's attention on Dr. Kissinger's efforts to settle the Arab-Israeli conflict: The worldwide scramble for oil.

As a result of the pressures in industrialized states to secure adequate supplies of oil at reasonable cost, there is now a frantic search to find economic incentives that will stimulate production increases and price reductions on the part of the oil-producing states. In fact, on several occasions in the last 2 months, I have myself proposed a series of such incentives. But the danger now is that these incentives will not be limited to the economic development of the producer states, or to the investment uses of their income. The danger is that great quantities of oil money will be used to purchase modern weapons. Like other nations before them, several of the oil-producing states in the Gulf area are beginning to link their economic advance with a desire to gain military forces that are so often believed to be necessary trappings of a modern state.

Some recent oil agreements—including that between France and Saudi Arabia—have therefore included the sale of weapons. And these tend to be weapons that make little sense in terms of the legitimate defensive needs of the countries involved—as opposed to interests of prestige—yet which could in time upset relations among states in the Persian Gulf area.

Mr. President, the issues involved are complex ones, and cannot easily be resolved. The future of relations between Iraq and its neighbors is most unclear. Iran is attempting to create a special position for itself in the region, with significant implications for all other states there. The role that Saudi Arabia might care to play in regional politics has yet to be determined. And there are several states with small populations but large oil revenues, which face an uncertain future in political competition with their larger neighbors.

In this tangle of political and economic relations, the introduction of large quantities of modern weapons can at best make matters more confused, and at worst can lead to conflicts with the intensity and suffering that characterizes the use of these weapons.

It is in our interest, therefore—and in the interest of all nations concerned with the future of the Persian Gulf region—to do what we can to forestall the accidental starting and fueling of one or more arms races in that vital region of the world.

It is often argued that the United States can do little to prevent countries from acquiring arms if they are bent upon doing so. If we will not sell arms—so the argument runs—others will do so.

This argument may be valid; but unfortunately it has not been tested. We have not tried seriously to retard the flow of arms into the Persian Gulf area from other countries and, indeed, have ourselves contributed to the problem.

At this critical time, therefore, the United States should back up its peacemaking efforts in the Middle East with yet another effort: An attempt through diplomatic action to control the flow of arms to countries of the Persian Gulf.

This approach would have to be multilateral, and include the world's present major arms merchants: Including Britain, France, Sweden, the Soviet Union, and the United States. It should include an attempt to define the consequences for all concerned of unrestricted arms flow to Persian Gulf states, and the relationship between this flow of arms and the likelihood of instability or conflict. And this effort should also emphasize the potential dangers to any oil-importing nation of seeking both foreign exchange earnings and good relations with producer states through the medium of arms transfers. After all, these arms transfers could create more problems than their sale is designed to solve.

In addition, diplomatic efforts to control the flow of arms to the Persian Gulf must include the local states, themselves. States desiring arms will likely find someone to sell them; and the pressures on arms-producing countries to sell go up with the intensity of the demand to buy, especially on the part of countries controlling commodities as precious as oil.

Perhaps an effort to limit the transfer of arms is doomed to failure, as oil-producing states copy the example of virtually all the world's industry nations, in supplementing economic development with military might. Yet as we have found at the SALT talks, one of the great problems in preventing—or ending—arms races often lies in the lack of a means of coordinating common interest in preventing such competition. And as we found with the Non-Proliferation Treaty, even an agreement that does not include all nations can be better than no agreement at all.

I believe, therefore, that we in the United States should do what we can to forestall the emergence and growth of unrestricted competitions in arms in the Persian Gulf region. Where there is common interest among local states to prevent arms races, we should help find and promote it; where there can be common agreement among arms sellers to restrain their efforts, we should take the lead both in our own behavior and in our diplomacy. Even if these efforts fail, we should at least try to secure limitations on arms transfers to this region of the world while there is still some hope of making our efforts effective. We should act before waiting for the emergence of serious instabilities or open conflict to show us the dangers of this new competition in arms.

Mr. President, the second area of immediate concern is the Indian Ocean. At the moment, the United States maintains few naval forces in the region; while the Soviet Union has somewhat larger deployments. Yet neither has yet reached the point of seriously threatening the interests of the other. In fact, both have so far refrained from making the Persian Gulf the scene of a competition in arms, as so many people feared following the departure of the British presence in 1971.

Recently, however, new fears of Soviet naval activity have been voiced in the United States. These fears are partly derived from the projected reopening of the Suez Canal, after 7 years' closure. If and when the canal is opened, the Indian Ocean will cease to be the farthest point on the globe from the Soviet Union by sea, but will instead be brought within effective operating range for significant levels of naval force.

Perhaps the Soviet Union does, indeed, intend to move large naval forces through a reopened Suez Canal into the Indian Ocean, with implications for East Africa, for the Indian subcontinent, and for the balance of naval forces in the ocean itself. Yet that, too, is far from being an accomplished fact, and until it is, at least in theory, the United States may be able to affect Soviet policy.

At the moment, the United States is taking steps that in part reflect fears that the Soviet Union will take advantage of a reopened Suez Canal to extend its naval reach. In particular, the administration is reportedly planning to ask for between $20 and $30 million to upgrade facilities on the British-owned island of Diego Garcia.

In time, Soviet efforts and other developments could demonstrate the wisdom of such a course. But before we proceed on a course that assumes a certain set of Soviet policies—and that itself will likely stimulate the Soviet Union to follow such policies—we owe it to ourselves and to all the nations bordering the Indian Ocean to consider an alternative.

This alternative is direct negotiations with the Soviet Union to adopt rules of behavior for naval armaments in the Indian Ocean. The rules could take the form of specific agreements on basing rights; on the number of ships—or ship-days—that each power is allowed to have in the ocean; or on the size and capabilities of ships that are allowed there.

There are, of course, significant differences in the capabilities of our respective navies, covering many factors. These would have to be taken into consideration, in order to strike a balance of advantage. But the difficulty of such an effort is itself no reason for not understanding it; by that logic, the United States and the Soviet Union could never have concluded the landmark agreements of the first round of strategic arms limitation talks.

Furthermore, it is sometimes argued that the United States must have the freedom to deploy naval forces in the Indian Ocean in order to retain the credibility of our submarine-launched ballistic missile force. This problem, too, should not be insurmountable. It might, for example, be overcome by deployment of the Trident I missile on Poseidon submarines, which would not need the Indian Ocean to bring all of the Soviet Union under attack, and which would not need Indian Ocean sea-room as a critical factor in the survival of our deterrent forces. Alternatively, Soviet-American agreement on naval forces in the Indian Ocean could be limited to surface fleets.

These issues need not be settled now. But what does need to be settled now is our interest in avoiding another competition in arms with the Soviet Union that could be enormously expensive, but which would most likely lead to a standoff between us both in the forces deployed and in the political effects these forces would have. If that is true—as experience elsewhere clearly indicates—that it would be far better to try forestalling such a development by agreeing on real arms control at low levels of naval forces. Today's balance of advantage—harmful to neither power—could be preserved; and the world would be spared yet another arms competition, with all of its political uncertainties, risks of conflict—particularly through accident—and economic costs.

A forum for discussing these critical issues already exists. It is the Ad Hoc Committee on the Indian Ocean, set up by the United Nations General Assembly in December 1972, at the behest of Sri Lanka. It includes all major Indian Ocean states and at least two states—China and Japan—which are not Indian Ocean powers, but which have an interest in forestalling a naval arms race there. The purpose of this Committee is to translate into fact U.N. General Assembly resolutions of December 1971 and 1973, declaring the Indian Ocean as a "zone of peace." The Committee could be expanded to include the United States and the Soviet Union.

It may be that real progress in Indian Ocean arms control can only be made through bilateral negotiations between the United States and the Soviet Union, as we learned from the SALT talks. It may also be that a real "zone of peace" in the Indian Ocean will be difficult to achieve, in view of potential rivalries between local states that would occur whatever the United States and Soviet Union chose to do.

Nevertheless, there is still compelling argument for the two superpowers to begin consulting now—and then negotiating—on ways and means to prevent a costly, risky, and self-defeating arms race in the Indian Ocean.

Mr. President, both problems that I have spoken about today are part of two larger pictures: One concerning arms sales to developing countries around the world; the other concerning the growing United States-Soviet competition in naval forces. Yet each is derivative of still larger problems: The problem of limiting the spread of conflict throughout the developing world in the first case, and the problem of the overall United States-Soviet arms balance—and United States-Soviet relations—in the other. Approaching any of these larger issues, however, can usefully begin with efforts to forestall trouble on particular parts—arms for Persian Gulf states, and naval competition in the Indian Ocean. Thus, if we act intelligently now, on issues that are real, specific, and demanding of our immediate attention, we could find that larger problems and issues of controlling conflict in the world become far more manageable than they will otherwise be.

INTERNATIONAL MONETARY COMMITMENTS

Mr. McCLURE. Mr. President, last year when our dollar was devalued, the United States had to increase its dollar participation in the International Monetary Fund. This increase was necessary if we were to keep our commitment, which was not a dollar pledge, but a promise to make and keep available the equivalent of so much gold in dollars. But, if the dollar were to regain its strength, a formal revaluation might one day take place. If this were to happen, the IMF would owe the United States money. But the question is, how much?

Since the United States is no longer on the gold standard, and the world's hard currencies are floating alone or in groups, and since none of them are convertible into gold, there is no official numeraire against which the dollar can be measured in order to determine how many of them would be necessary in order to fulfill our international monetary commitments.

The IMF has long been planning an international unit based on a "basket of currencies" but this plan is still on the drawing boards. At this point, the IMF determines the amount of currency needed to fulfill an obligation on the SDR. The special drawing right is a form of international credit which works like an automatic cover for a bank overdraft, in that you can only use it if you do not have anything else. The SDR is worth 1.20635. This integer with its unwieldy fraction is worth one dollar plus the amount of its recent devaluation. The worth of the dollar at the time the SDR was pegged to it was in turn fixed on its then relationship to gold.

In other words, while there is no official international numeraire, in practice the numeraire is good old reliable gold.

Mr. President, I ask unanimous consent that the following article from the Wall Street Journal of February 8 be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

"Gold Bugs" Glitter in Unaccustomed Roles as Savvy Analysts—Investors Flock to Hear Word on Metal That Averaged Just 3.5 Percent Rise in 40 Years

(By Edward P. Foldessy)

New York.—The "gold bugs" are flying high. Once pesky pariahs on Wall Street for their stubborn insistence that gold, rather than cash or the stock market, is the only source of true wealth, the gold fanciers suddenly have become respectable. Says Harry Schultz, publisher of a London-based newsletter on gold: "No more are we nut cases, kooks, antediluvians, weirdos, crackpots or dreamers."

While all currencies and most securities have taken a drubbing in the past few years, gold and gold-mining stocks have rocketed in price. Now just about everybody seems to be scurrying to get a piece of the action.

Mutual funds have become big buyers of gold-mining shares. (Americans can't legally own gold bullion.) Some funds have switched almost all of their portfolios into gold stocks. Traditionally staid banks are eyeing the metal with new interest. And the nation's-largest securities firm, Merrill Lynch, Pierce, Fenner & Smith, recently published a 12-page study on gold for its customers. Since then, for the first time, it has made recommendations on South African gold-mining shares.

All of which is making celebrities of the gold bugs. Investors eagerly are seeking them out for speaking engagements and advice. Some 235 securities analysts, about double the turnout usually accorded top corporate executives, recently showed up at a New York meeting to hear the prophecies of James Dines, a leading gold apostle and publisher of the Dines Letter. A spokesman for the New York Society of Security Analysts says there must have been an equal number of phone calls asking for copies of the talk. "They came from all over," he says, "including one from the Dominican Republic."

Back in the early 1960s, when gold bugs were suggesting that the price should be doubled or tripled from the then-official tag of $35 an ounce, sophisticated folks snickered. The repute of the gold bugs sagged even more in 1963, when the late President John F. Kennedy declared that the dollar never would be devalued and the U.S. always would stand ready to buy and sell gold at $35.

GOLD AT $1,000?

Since then, the dollar has been devalued twice, and gold has all but been abandoned as an official backing for paper currencies. In the free market the price of gold has soared, hitting a record of more than $140 an ounce recently in London (it sold yesterday for about $139 an ounce). Some gold stocks, in the past 10 years, have increased more than 10 times in price.

So when gold bugs now talk an eventual $400- to $1,000-an-ounce price on gold, people listen—even though not all quite believe.

More than a dozen mutual funds now have big stakes in gold shares. Ten years ago, only a handful showed an interest. International Investors Inc., one fund, began concentrating in gold stocks in 1968. Last year, it ranked as the top performer among funds, according to Lipper Analytical Services Inc., a fund-watching outfit. Its net asset value per share rose in 1973 by 94.4% to $14.34 in contrast to a decline of 16.6% in the prices on shares in the Dow Jones industrial average.

Research Capital Fund Inc., a California-based fund, started buying gold shares about a year ago as "an insurance against big trouble in currency values," says R. Martin Wiskemann, vice president. Gains were so nice that the fund started concentrating on gold shares in December. Now the fund, unlike many others, is selling its own shares to investors faster than investors are redeeming them, a reversal of the fund's earlier experience.

The small First National Bank of Allentown, Pa., has made gold stocks the mainstay of its trust investments in the past year and a half. Gold shares now account for 40% to 45% of the trust department's common stock pool. About 70% of the bank's own employe pension fund is invested in golds.

With gold shares zooming, so has the bank's business. "We're having to turn away trust accounts," says William Snow, director of investments and research. The bank has set up a separate investment counseling and advisory service for disappointed trust customers.

NEARLY AS SAFE AS BLACKJACK?

Mr. Snow stumbled onto gold in early 1972, when he read a book called "How You Can Profit From the Coming Devaluation" by gold bug Harry Browne. Until then, Mr. Snow says, "I hadn't given gold a second thought, didn't even know it existed."

Some big banks are giving gold serious thought, too. A large New York bank that prefers not to be identified yet is considering some gold stocks for its list of securities suitable for investment by the trust department. But there's dissent within the bank. Some officers believe buying gold stocks, as a kind of betting against the dollar, would be "unpatriotic."

For other reasons, some anti-gold bugs still are pooh-poohing the gold boom. Robert H. Parks, chief economist for Blyth Eastman Dillon & Co., places gold stocks a "close second" to Las Vegas gambling in risk, and still uses words like "bunk" and "myth" to describe gold-bug theories. But he admits: "I think they've gained a lot of respectability—damn it!"

Others point out that even though gold has risen sharply in price in the past few years, history shows that the price can stagnate for long periods. For most of the time since 1933, for example, it remained unchanged, so that even with recent increases, is has risen since 1933 an average of only 3.5% or so compounded.

The gold bugs have answers to all objections—at a price, "I feel very sad for the people getting wiped out" in the stock market, says Mr. Dines, adding: "My act of winning makes other losers." But reflecting that people who long ignored his advice now are seeking it, he says: "I'm going to sell it high."

SENATOR ALAN BIBLE

Mr. McGEE. Mr. President, many of us who have had the fortune of knowing, and working with, the distinguished senior Senator from Nevada (Mr. Bible), note with regret his decision to retire at the expiration of his present term.

Although I understand his reasons for doing so, I deeply regret that Alan Bible has made this decision. Not only do I have immense respect for my colleague, but I also consider him a close personal friend whom I will miss very much.

In this regard, there appeared a column in the February 16, 1974, Las Vegas Sun, written by Hank Greenspun. The column is an eloquent tribute to a Senator from the people who know him best—his constituents.

I ask unanimous consent that Hank Greenspun's column be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

Where I Stand

(By Hank Greenspun)

Every one stamps his own value on himself.

If a man believes his fellows cannot do without him, he is easily dispensable. If he feels he is no longer needed, the need of him is great.

For the past 20 years Nevada has been represented in the United States Senate by Alan Bible. He retires from public life at a time when he is most useful to the state.

Society is made up of all kinds of people. Generally those in public life are divided among the swashbucklers and others who quietly go about attending to their duties.

Both types often accomplish their goals but the quiet ones are the more reliable.

Alan Bible is a quiet man. It was a healthy thing to have him represent Nevada during the past years because the state being small and growing needed the type of reliable leadership that Bible was able to provide.

He was never moved into sudden panic by the fearful ones who always saw terrible threats to our future, nor did he fail to see the need for change which our principal industry required to survive.

His role in the Senate was often overshadowed by the more picturesque types because his entire career has been an avoidance of the frills and frothings of the flamboyant white-maned orators, the fiery television personalities and even eye-brow wigglers.

He skipped the delicate sauces and stuck to the bread and butter issues which filled the basic needs of the people.

He has never sought notoriety, leaving that to the headline hunters and *frustrated* actors. But what he is noted for is hard work and dedication to the people who elected him and for this there is no substitute.

Nevada is a small state numerically with only a lone member in the House of Representatives. For a small state to exist alongside the large metropolitan areas with their huge number of delegates to the national conventions, it's senatorial delegation must be potent. It is essential that it has representation on the important committees of the senate.

Bible filled this need of Nevada. He was a member of practically every committee that is in position to be beneficial to the state. He competed admirably with the senators from the big states and though he kept his voice and profile low, none had a more persuasive tone when the need to keep Nevada operating in the larger political scheme was evidenced.

Bible is retiring after his term comes to an end in December of this year. Everybody says he is a good man which no one can refute because he has not been known to do harm to anyone. In seniority, he followed in the tradition of the late Sen. Pat McCarran, without the latter's flamboyance and vindictiveness.

Nevada always came first and the legislation he was able to enact for the state, and the entire West, will assure growth and prosperity for our area for many years to come. His desire to avoid controversy will keep him out of the Senate Hall of Fame but I doubt if any senator has earned more respect from his colleagues than Alan Bible. Those who served with him honored him for his dedication and hard work and those who didn't honor him could say not one word in derogation of efforts and sincerity.

This isn't the first effort at retirement in order to escape the turmoil of the political arena, but he was genuinely urged to stay on and the strongest pleas came from other senators and the Presidents whom he served.

They all recognized his honesty and stability as characteristics too seldom found in politics, both of which Alan Bible had in abundance. His colleagues knew the country benefited by the wisdom of his careful analysis of every issue he faced.

Sen. Bible has earned retirement. The state will miss his years of seniority and public service. His term has been long and honorable. Now he deserves time to relax and enjoy the fruits of his labors.

Having known him for many years, sometimes as an adversary but far more as a supporter and friend, I would have to say his retirement will be brief. He is too much the old warrior to retreat from the political arena entirely.

The best advice we can give to those who would follow a career in public life is to pattern their character after Sen. Alan Bible. If they do they will become as he did, a public official in whom trust was not betrayed and integrity was a way of life.

Nevada honors him tonight and forever more.

SETTING NATIONAL GOALS AT JOHNS HOPKINS

Mr. MATHIAS. Mr. President, it has long been my feeling that we are shortchanging the future by our neglect of basic research and of long-range planning. My position is that we should restore the emphasis on research and that we should set goals for what ought to happen in the future, instead of merely coping wtih events as they occur.

This point of view was forcefully and eloquently presented at a ceremony I was privileged to attend last Friday, February 22, 1974, commemorating the 98th anniversary of the founding of the Johns Hopkins University. The commemoration address was delivered by Robert W. Sarnoff, chairman of RCA. Because Mr. Sarnoff made a specific legislative proposal and because his speech makes so much sense for America, I ask unanimous consent that his commemoration day address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Commemoration Day Address by Robert W. Sarnoff

I'm very grateful for the honor you do me today. One of the things peculiar to an honorary degree—as someone surely has said before—is that it's the only degree for which you take your orals after you receive it. The recipient also has the advantage of posing his own questions.

Before raising any questions, let me first offer hearty congratulations to the Johns Hopkins community on your 98th birthday.

In his inaugural address on this same date in 1876, Daniel Coit Gilman proclaimed the mission of Johns Hopkins to "make a contribution to the intellectual agencies of this country, and add a positive gain to American learning and education in the second century of the Republic."

He built an enduring base, and his illustrious successors have more than fulfilled that mission by broadening the scope and influence of this great university.

Yet it is evident that still greater challenges face this and all other academic institutions. You will be called upon to make even greater contributions in meeting our society's demands on intellect, learning, and education.

Two years from now, when Johns Hopkins celebrates its first century, our nation will be observing its bicentennial. America will arrive at this milestone bearing a mixed cargo of immense material wealth and stunning technological achievement, together with a deep-seated anxiety as to its worth.

We are, in a sense, victims of our own experience. Through much of its life, our nation has enjoyed conditions that encouraged growth without plan. Within living memory are recollections of almost limitless territory and resources, a largely rural population and economy, and relative isolation from the rest of the world.

Today, however, our territory is clearly finite. Our resources have dwindled—in some cases to scarcity. Our population is largely urban, and our economy built upon industry and services. And we are enmeshed in the affairs of a politically and economically unstable world.

All the while, the rate of change has been rapidly accelerating, and its effects are being felt with cumulative impact. For the first time, Americans are seriously counting the costs of progress and discovering that yesterday's simple solutions do not fit today's problems.

The most appropriate commemoration of our nation's bicentennial in 1976 would be a renewal of that original spirit of constructive discontent which led to a new and healthy society built upon the solid foundations of the old. Let us, once again, examine our condition and our purposes, to determine what must be done to survive and prosper in freedom.

It will be a challenging task. Compared with the material austerity of eighteenth century life, modern society is easier to live in but harder to manage. We have created an imposing economic and social structure pervaded by technology. Unfortunately, it is so complex and delicately balanced that it is vulnerable to nearly any caprice of man or nature—as we are taught again by the energy squeeze.

The peril is compounded for a nation that also tends to neglect problems until they erupt into crises, real or fancied. Too much twentieth-century American history is written in response to a Black Tuesday, a Dust Bowl, a Sputnik, and now the Energy Crunch.

This has always been a costly procedure, even if it has worked. But hastily, conceived expedients are more likely to postpone difficulties than to cure them. They cannot possibly furnish enduring solutions to such basic problems as fuel and materials shortages, persistent inflation, environmental pollution, urban blight, world monetary disorder, or widespread hunger.

Henceforth, management of our nation's affairs will demand for greater foresight and perception than in the past. This need can be met only by a fundamental change in the attitudes bred by generations of material abundance and relative insulation from the rest of the world.

Let us begin by recognizing and accepting comprehensive planning and long-term commitment as basic responsibilities of government. Ad hoc solutions will no longer do, for our nation is confronted with an accumulation of needs that require the establishment of targets and the commitment of resources well beyond a single term of Congress or a single administration.

Consider a few examples. The energy problem will persist in some form for many years to come. Urban facilities must be doubled by the end of the century. Present farm policy must be transformed into long-term food policy to satisfy domestic and world requirements. It is apparent that our government structure is ill-designed to deal with these and other problems of equal magnitude.

In today's climate, many Americans may question the wisdom of granting new power to government to plan and to commit resources for the future. But these are familiar and essential procedures of good management in business and industry. Why should we demand less of a great public enterprise whose activities account for approximately one-third of the gross national product? There may indeed be risks, but they can be minimized by careful provision for public participation and review.

There are, in fact, sucessful precedents. The Marshall Plan was conceived and undertaken as a long-term commitment. The Apollo program placed men on the moon in 1969 in accordance with detailed plans made nearly nine years and three administrations earlier. The interstate highway program was planned as a national undertaking in the 1950's and has produceded without interruption for nearly two decades.

By contrast, the absence of such planning and commitment has burdened us with failures and shortfalls; inadequate public transportation, polluted waters, blighted cities, and, at the moment, chilly homes and empty gas tanks. Our children will be assured an even more sordid legacy unless we move now to use our resources with vision and by design.

Consider, for example, the recent record of public policy toward science and technology.

The strength of our nation's economic and social fabric is inseparable from our strength in science and technology. Yet during the past several years, the national commitment in this critical area has been seriously weakened, both financially and politically.

There has been a marked decline in the proportion of gross national product and population devoted to research and development. Government support for science and technology has dropped from over 12 per cent of the 1965 budget to less than 6 per cent this year.

There have been significant budget cuts affecting many research and development programs. Among them are government-sponsored research on arthritis, child health, air traffic control, solid waste disposal, desalinization, and environmental protection. Oceanographic research vessels have been beached, a high energy research satellite shelved, an earthquake laboratory abandoned, an electron accelerator idled.

Federal support for science education has also declined seriously, in both graduate training programs and funds for universities granting science and engineering degrees. In physics, funding per individual has dropped more than 30 per cent since 1968. Last year, the government all but abandoned the training of biologists by slashing $100 million from a budget of $130 million.

We continue on a boom-and-bust cycle in engineering manpower. Notwithstanding publicity about a surplus in the aerospace industry, enrollment at the nation's engineering schools points to a shortage of more than 20,000 new engineers annually during the next few years, as much as 40 per cent below national requirements. This is an unsettling prospect for a nation in need of more skilled and dedicated technologists.

Against this bleak backdrop, there are signs of readiness to invest generous funds in areas of high visibility. The government has undertaken a "crash" program of support for applied research in cancer and heart disease, but at the cost of cutbacks in other biomedical research—including basic studies that could shed new light on cancer. And now we are preparing to embark on massive new spending on energy research and development in a hurried attempt to make up for years of neglect.

Finally, the Administration has dismantled the machinery that supplied top-level scientific advice to the White House for nearly 15 years. The office of Science Adviser to the President was abolished, and with it the President's Science Advisory Committee. The same fate befell the White House Office of Science and Technology, a professional staff that prepared recommendations on important scientific and technological matters, such as energy research and development.

All of this leads to the disturbing conclusion that matters affecting the organization, staffing, financing, and direction of the nation's efforts in science and technology are still being treated piecemeal and by improvisation.

There is no better place to make a start in changing our traditional attitudes. Let us develop a coherent policy that treats science and technology as basic resources whose continued health is a matter of major concern to the nation. Let us then underwrite that policy with comprehensive planning and the long-term commitment of public funds and resources.

I propose for this purpose a strong new independent agency, a Science and Technology Commision. This agency, created by act of Congress, would bring the wide diversity of government activities in this field into a unified policy framework based on long-term national needs, both civilian and military. It would be the focal point for planning and coordinating government-supported research, development, and technical education. It would provide for the first time a means for setting priorities in science and technology and shaping our programs accordingly.

The Commission members should be chosen from among recognized leaders in basic science, applied research, and engineering. They should be Presidential appointees, confirmed by the Senate for terms of 10 years or longer.

The Commission would have to be assured of long-term funding and adequate shelter from the shifting winds of partisan politics. This *is asking no* more than has been achieved within narrower limits for other agencies dealing with long-term technical matters, such as the Federal Power Commission. However, the new Science and Technology Commission would be concerned with a far broader array of major policy issues and programs looking decades ahead. It would therefore need full legislative support to plan and budget on a large scale further into the future than ever before.

An effective national policy for science and technology will require more than the mere coordination of government activities. The new Commission would have to maintain close ties with the general scientific and engineering community and seek its cooperation in developing policy and programs. It would have to coordinate our technical efforts with those of other nations in confronting worldwide problems. One fruitful by-product of its activities should be the removal, or at least, reduction of barriers impeding effective cooperation among disciplines, professions, and nations that must work together in the common interest.

While reshaping government policy toward science and technology we should also address the role of American industry.

The private sector, with much of the nation's scientific and engineering talent, makes a steady and significant contribution to our technological strength. Among the advances now in prospect, for example, are solid-state electronic systems that could increase automobile mileage up to 10 miles a gallon . . . electronic mail distribution and billing systems . . . comprehensive home information centers.

Any technology-based company must continue to invest in discovery and innovation. That is how it grows and prospers. However, there are gray areas of technology between the public and private sectors, where development may be important to the public, but where industry is reluctant to venture because of high risk and minimum potential return on investment. I have in mind such socially desirable advances as a reliable earthquake warning system, low-cost desalinization techniques, or economical solar heating and cooling.

It is established national policy to employ the tax system to encourage investment where it serves the public interest. Therefore, as part of the long-term approach to science and technology, we should consider granting tax incentives in such socially desirable cases. The criteria should be a recognized public need, the ability of industry to achieve the desired results, and a disproportionate risk by normal business standards.

I believe that the actions I have proposed would be a real start toward resolving the current disarray in our national science and technology. Without such a resolution, we can only continue reeling from one crisis to another, wasting our skills and resources in ill-considered and extravagant ways. But with a sound policy of long-term planning and commitment in science and technology, we can attack with confidence the basic needs that must be fulfilled in the coming decades. There is an imposing agenda if such major undertakings. Here are a few examples:

New sources and alternative methods of producing energy;

New means of mass transportation;

Improved public health techniques and services, particularly in the field of preventive medicine;

Effective population control programs;

Development of food and mineral resources in the oceans of the world.

I have proposed that we deal first and urgently with science and technology because it is in this critical area that the problem is most clearly presented, the institutional machinery most clearly lacking, and the cost of delay greatest.

Our nation's bicentennial can and should evoke a sense of achievement and expectation. The achievement is real: a society that has attained the highest material standards, distributed the advantages broadly, and maintained individual freedom to a degree still unsurpassed anywhere. The sense of expectation is justified, for our nation's potential remains undiminished.

But can we provide the vision and determination needed to realize our potential in a world of tumultuous change? This is a challenge perhaps greater than the one that confronted Americans 200 years ago. If the challenge is greater, so is the strength and experience we can bring to it.

What we have lacked until now is appreciation of the problem and its gathering urgency. This is now being forced upon us by events.

With effective leadership and the systematic application of our talents and resources, I am confident that we will meet the challenge just as our predecessors met theirs in a distant age and a different world. Our success can launch a new era of responsible progress, to the untold benefit of tomorrow's Americans and of people everywhere.

Mr. MATHIAS. Preceding his speech, Mr. Sarnoff received the degree of doctor of laws from the Johns Hopkins University, and I further ask unanimous consent that the citation read by Dr. Harry Woolf in presenting the degree should be printed in the Record following Mr. Sarnoff's speech.

There being no objection, the citation was ordered to be printed in the Record, as follows:

Citation Read by Harry Woolf in Presenting Robert W. Sarnoff for the Degree of Doctor of Laws

Mr. President, it is my pleasure to present for an honorary degree a distinguished industrial statesman whose career has spanned and shaped the development of the principal form of mass communication that serves the world today.

Robert W. Sarnoff, chairman and chief executive officer of RCA Corporation, has led this mammoth communications enterprise through its period of greatest growth. He has overseen its emergence as one of the world's most significant industrial corporations and guided its progress with his own concepts of service to the public—an activity for which he has been recognized numerous times by our own as well as foreign governments.

His contributions have been felt deeply within the industry itself. They range from his almost singlehanded launching of color television as a major broadcast service in the United States to the development of weather and communications satellites that serve the entire world. In addition, by his creation of the first television documentary series, by his pioneering efforts with the National Broadcasting Company in bringing opera to television, by his inauguration of the first nationwide educational television project, and by other innovations in cultural and informational programming, he stands as a leader in maintaining television and radio as lively forces in American society.

As the son of the distinguished industrial leader General David Sarnoff, who had brought RCA to a dominant position in the first three decades of its history, Robert Sarnoff had the difficult task of not only succeeding to, and replacing the brilliant direction of the man who was his father, but of doing so in a far more complex, competitive social matrix. Overcoming this double obstacle, he won important recognition of his own as a capable and imaginative executive—restructuring and diversifying the corporation for expanded service in a new age. He has also devoted considerable time to service beyond the business community, including five years as chairman of the Board of Trustees of Franklin and Marshall College.

Mr. President, for his achievements in the arts and sciences of communication and for an extended list of credits in the realm of public service, I am honored to present Robert W. Sarnoff for the degree of Doctor of Laws.

TO PRESERVE THE NEW RIVER

Mr. ERVIN. Mr. President, Senator Jesse Helms and I have introduced legislation to preserve the beautiful and historic New River, which flows through North Carolina and Virginia, by designating this river as a potential addition to the Wild and Scenic Rivers System.

On February 7, 1974, the Senate Interior Subcommittee on Public Lands, chaired by Senator FLOYD HASKELL, of Colorado, held a hearing on this bill, S. 2439.

Many citizens of North Carolina and Virginia, including public officials and individual residents of the New River area, testified before the subcommittee urging Congress to enact S. 2439 and, thereby, to save the New River and its environs from destruction which will result if a proposed power plant is constructed on the river. The scientific data and personal observations presented by these citizens concerning the economic and ecological importance of the New River Valley reinforced my conviction that we must not allow this glorious work of God's creation to be destroyed.

Mr. President, one of the excellent witnesses who appeared at this hearing was Mr. Maitland Sharpe, director of environmental affairs for the Izaak Walton League of America. I ask unanimous consent to have Mr. Sharpe's statement in support of S. 2439 printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE IZAAK WALTON LEAGUE OF AMERICA

(By Maitland S. Sharpe)

Mr. Chairman and Members of the Committee:

I am Maitland Sharpe, Environmental Affairs Director for the Isaak Walton League of America and a life-long resident of the State of Virginia. The League is a membership organization dedicated to the conservation and wise use of the nation's natural resources, our air, soil, woods, waters, and wildlife. We have more than 55,000 members nationwide, over 6,000 of whom live in Virginia.

The League strongly endorses S. 2439, which would place the New River, from its headwaters in North Carolina to the town of Fries, Virginia in the National Wild and Scenic Rivers System. We recognize that the river, the hills that cradle it, and the valleys through which it flows could be dedicated to any of a number of competing uses. However, we are convinced that preservation of the river in a free-flowing condition constitutes the wisest use of the resource.

As you know, the Wild and Scenic Rivers Act states that it is "the policy of the United States that certain selected rivers of the Nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historical, cultural or other similar values shall be preserved in free-flowing condition, and . . . protected for the benefit and enjoyment of present and future generations."

The New River scores high in *each* of these categories. The scenery varies from wooded mountains to a bucolic landscape of isolated farms along the bottom lands. Blessed with unusually high quality water, the New is ideally suited to family canoeing and float trips. The upper reaches of the river have been said to offer the best small mouth bass fishing in North Carolina. The natural values of the New were well summarized by the Environmental Protection Agency when it stated that the river is a "major environmental resource of marked scenic, recreational, and biological value."

The biological resource is said to include over 60 species of fish, of which some eleven are thought to be rare or endangered. The botanical province through which the river flows displays an unusual variety of northern and southern plants growing near the limits of their ranges. For example, according to the *Manual of Vascular Flora of the Carolinas,* eight rare vascular plants are found in Ashe and Allegheny Counties, North Carolina. The extraordinary botanical diversity of this area constitutes an irreplaceable scientific resource.

The New also occupies a special niche in geologic history. The Chairman of the Geology Department of Marshall University has claimed that the New is the oldest river in North America—that it has been flowing for over 100 million years. Whether or not that exact figure is correct, it is well established that the New is a very old and geologically significant drainage—a remnant of the preglacial Teays River.

Finally, the New River and the valley that it drains possess notable cultural and historical values. It is inhabited by people who are deeply rooted in the land, people who are directly descended from the pioneers who settled the area in the 18th Century. It is one of those rare places where the names on the mail boxes can be matched with those on the decaying grave stones.

The history of the area is not one of great events or outstanding structures. It is, rather, a living breathing history of everyday life—a continuous, unbroken thread of culture and heritage that stretches through more than two hundred years of American history.

Mr. Chairman, the biological, recreational, and scenic values of the New River will be examined in greater detail in the statement of Mr. Lorne Campbell, President of the New River Chapter of the League. But we believe that even this brief overview shows the New River to be a worthy addition to the National Wild and Scenic Rivers System.

The Izaak Walton League of America urges this committee to act favorably on this proposal to insure for future generations the benefits of a natural, freeflowing New River.

THE ELECTRIC VEHICLE

Mr. McCLURE. Mr. President, I am pleased that a number of my colleagues were able to join me last week in looking at something which is now, unfortunately, a rarity, but hopefully will soon become a familiar sight on our city's streets—the electric vehicle. The EV's which were demonstrated in front of the Senate steps were only some of the vehicles which were on display at the Third International Electric Vehicle Symposium and Exposition being held here in Washington last week. Because of the interest in this exciting mode of transportation, I ask unanimous consent that my remarks before the symposium be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE INDIVIDUAL AND URBAN TRANSPORTATION

(By Senator JAMES A. McCLURE, Idaho)

Recently, there has been much serious consideration of the problems of the cities. Urban development was once considered mainly a matter of housing. But, today, more and more people are asking their governments and themselves how they are going to cope with the problems, not only of living in the cities, but moving around in them and of reaching from the suburbs. Automobiles are proving less satisfactory in a direct ratio to their increase in numbers. Parking and space problems, pollution, noise, and fuel shortages, create complications which increase steadily. In making these observations, we find that we have no trouble in getting agreement of anyone who has ever been in a city. But we must make continued efforts to encourage planners to take a comprehensive approach in determining the solutions.

Mass transit is a service which has done well in some areas. But to expect it to supply all the transportation needs of any given city is to misunderstand the nature of those needs. The building of new systems at today's prices is usually prohibitive. Here in Washington, construction is to cost about $3 billion, or more, for 98 miles of line. But that $3 billion is the same total number of dollars which have been expended on roads and streets in the whole metropolitan Washington area since the beginnings of the road and street network in this area almost two centuries ago, including the horse and buggy days. Every household in the area will pay approximately $4,000 as an initial cost.

For this capital expenditure, approximately five percent of the transportation load will be rerouted. This will cause less of a change in the flow of the city's traffic than the recent fuel shortage which has been estimated to have caused a seven percent drop in the number of cars on the road. In fact, nationwide, despite the fact that commuting accounts for 25% of all passenger car usage, only 14% of all commuters use public transportation. Even if mass transit were to double in the next 15 years—which now appears highly unlikely—it could only reduce total car usage by about 4% and gasoline consumption by 3%. While new rail systems are not, therefore, cheap public transportation, they do handle some of the ever increasing load. But they are obviously limited by the kind of load they can handle.

Mass transit of any type can provide no solution for the problems involved with the need to deliver goods and, at times, people to certain doorsteps or loading elevators, rather than simply to neighborhoods. The shopper who is left a half a mile from home with bundles too heavy to carry is not going to see mass transit as the only solution to her problems. Individual transportation is a necessity not only for the private citizen, but for all those municipal vehicles that most of us take for granted. Some cities are experimenting with electric street sweepers and postal delivery wagons and finding them efficient. Fleet operators know that they get value for their money using electric vehicles rather than internal combustion cars.

By now most people seem to realize that even if the problems outlined above could be miraculously solved overnight, the strong arguments for development of electric vehicular travel would still apply. My concern with these arguments is a constant one, since each of them affects my daily thinking and decisions. As a member of the Senate Interior Committee, I am one of those responsible for the National Fuels and Energy Policy Study. The necessity for research and development of new sources of energy, and different ways to use it, is for me a day-today reality.

At the same time, as a member of the Subcommittee on Environmental Pollution of the Senate Public Works Committee, which is responsible for the Clean Air Act and the Noise Pollution Control Act, I am bound to do what I can to see that further scientific advances are in tune with our Nation's stated goals in the areas of pollution control. It is precisely in this joint capacity that I am delighted to be talking about one of the few realistic solutions to the transportation problems of today's cities, a solution which is both innovative and clean.

If we have learned nothing else in the last few months we have learned the necessity for husbanding our precious supplies of oil. Oil must be diverted from uses for which substitutions are available and conserved for its most essential functions. We must have the oil to provide petrochemical feedstocks for synthetic fibers, for clothing, building materials and insulation. We may someday find we desperately need oil for the base for some synthetic food supplements—if we do, it must be there. But we cannot grow much food very well without fertilizers and we cannot provide our American farmers with the fertilizers they need unless we have the petrochemicals to manufacture it. And feeding people isn't enough. We have to think of their health. We depend on petrochemicals for antibiotics and other medicines as well as for the latest in medical devices, such as artificial heart valves.

One way to change the transportation energy base would be to shift a greater share to urban use of electric vehicles, which would indirectly allow a greater share of coal and nuclear reserves to go for transportation needs. As we are seeing, it is imperative that we find alternative sources of energy. Over the log run, this will not present an unsolvable problem. The physical supply of energy is bountiful, but it is man's technology which must improve to take advantage of it. We must also learn to husband our resources, using the precious, finite fuels for top priorities, where substitutes are not yet available. And, a switch to electric vehicles would allow in the future a greater use of the virtually infinite sources, such as coal, solar energy, geothermal energy, and the energy from nuclear breeder reactors. The name of the game should become "Use oil only where you can't use something else."

To go back to the issue of air pollution, it is important to note that as internal combustion engines grow cleaner they grow more expensive. Auto manufacturers have made considerable progress toward complying with the emission standards set by the Clean Air Act of 1970, even though this compliance has been delayed.

When the more than 90 percent reductions that the Act requires have finally been met, the purchaser and operator of the internal combustion car will be paying costs which have increased substantially, and these increases do not take into account outside factors like inflation. Sticker prices of cars on the lot will be several hundred dollars higher. The cars will not perform nearly as well, and their consumption of fuel will increase anywhere from 20 to 30 percent. Even the Wankel rotary engines will not provide the answer, despite the potential efficiency and increased cleanness, because their fuel consumption is 25 to 30 percent higher than that of a comparably sized piston engine. It is now becoming obvious that no matter how well the automobile manufacturers comply with their standards the actual results in cleaner air in certain cities will not be in compliance with the air quality standards required by the Clean Air Act.

The EPA has announced additional plans to meet these specifications, including the reduction in weight of specific vehicles in order to reduce the amount of fuel necessary to power them and we may see rationing which would cut down on the total number of vehicle miles traveled. But the latter solution is unwieldy and dangerous as it could well put a stop to commerce in those areas of the country which have little or no form of transportation other than cars and trucks. In Los Angeles alone, EPA says that eighty-two percent of the internal combustion vehicles would have to be removed from the road during the smog season which occurs from May to October, in order to provide something better than substandard air.

There are many solutions, though, which would provide for the use of the internal combustion vehicle for certain types of transportation—such as heavy trucking—and the electric vehicle for passenger transport. There is no reason, especially on the wide highways of a city like Los Angeles, why various vehicles could not use lanes specifically designated IC or EV in the same manner in which provision is made for bus lanes or bicycle use.

There is one area, though, in which there is a specific need for increased R&D—batteries. It has been contended, for instance, that the silver-zinc battery system offers the highest energy density available in existing battery systems. I have read reports to the effect that they may be ten times better than the lead-acid batteries which are currently used. There are two factors which lead me to the consideration of the use of the silver-zinc battery in electric vehicles. The first has to do with improvements in cycle life capabilities and wet life time. These improvements have resulted from recent breakthroughs in the development of separator/silver-zinc cell systems with specific characteristics suitable for substantially prolonging the life and capability of silver-zinc batteries. There has also been progress in the fabrication of zinc plates which prevent them from changing shape, which also plays a part in improving cycle life and reliability.

The other factor which should encourage another look at silver-zinc batteries is the interest of EPA and other governcent agencies. EPA is, of course, in a unique position to make such recommendations. This is just one example of new battery technology which should be investigated. I am certain the Defense Department and NASA have considerable experience with battery R&D, and maybe some closer coordination with DOT and EPA could disclose existing battery designs—developed for highly critical military and space demands—which could be applied for individual transportation needs.

I don't want anyone to conclude from my remarks that I am trying to say that all future vehicles should be electric. Nor should anyone conclude that because my remarks are addressed specifically to urban problems that I am not concerned about the farmer. One of the most important points I want to make today is that by easing the unnecessary use of fossil fuels in combustion engines we will be allocating the various forms of available energy in a more efficient way. If tomorrow's farmer has enough gasoline and diesel fuel for his trucks and tractors, it will be precisely because these fuels were not used by commuters who were given a reasonable, clean and economical alternative. If proper uses are not made of available resources, ultimately everyone suffers. The commuter depends upon the farmer for food and it now seems that the farmer, at least in the short run, may depend upon the commuter for fuel. But first we must see that the commuter has that choice to make. We must do everything we can to see that the truth of this situation is put before the public. I believe the average citizen has no idea what already is, and what could be, available in the electric car field.

I further believe that if he knew, he would be significantly more interested in trying one out. Once that demand begins, American market forces will take over and you and I will not be stuck having to make embarrassing explanations to our grandchildren about why we burned such valuable and useful substances as oil and natural gas liquids, in the face of excellent alternatives.

There is another aspect to the fuel situation which is very much on everyone's mind, as the oil consuming nations are attempting to find a joint solution to their problems. Some use a sort of shoot-from-the-hip tendency to blame the Arab nations for their boycott and to find sinister motives with respect to American commerce behind it. As some of you know, I recently visited Saudi Arabia and Kuwait, among other countries, and talked with their leaders about this very subject. To a man they told me that they knew it was not in their own best economic interests to disrupt the American economy.

The Arabs have a great deal of financial liquidity and the United States has the best markets in the world. Without energy these markets would collapse and all the liquidity in the world would not replace that buying power that the Arabs value here. I was often urged by various leaders to do what I could to assist and encourage my country in the development of new energy sources. They both understood and considered as undesirable the United States dependency on their oil.

The Saudi Arabian Minister for Monetary Affairs, Mr. Anwar Ali, specifically stated that he hoped the U.S. would increase development of shale oil, nuclear energy, and magnetohydrodynamics. This is not, of course, due to any altruistic motive. They know that they can sell all the oil they want to. It is just not to their advantage to have the United States join Europe and Japan as economies dependent on Arab oil.

Part of the hazard in detailed discussions of technology at a meeting such as this, is that we tend to interest and attract the scientists, but at the same to increase our public relations problem with the typical citizen. He reads a tossed-off article once in a while by someone writing for a major magazine, who is not a specialist and has a picture of a form of transportation which is both outmoded and quaint. He hears that while, yes, the electric car is clean, it will mean a greater use of electricity which means that more coal will be burned. What he is not told is that hydrocarbon and nitrogen oxide emissions would all be significantly lowered and that in addition, the pollution resulting from that coal-burning-plant can be better controlled. Emissions from widespread ground-level polluters such as the gasoline powered car have an impact per unit emission 5 to 10 times greater than emission from point sources such as power plants. The latter can disperse the pollutants through tall stacks, well above breathing level and, what's more, can be remotely located.

The readers of these casual articles may decide that their house electric system could never stand the additional pressure caused by the need to regenerate power in their automobile. These articles fail to point out that peak hours for other electrical uses are the times the owners are most apt to be driving these cars. The cars can be regenerated when other electricity use is low and the owner is asleep.

Another aspect not stressed often enough for a comfort loving people is the fact that driving an electrically powered car is not an experience that would make a Spartan wince. Most people don't realize that they don't have to give up their fancy colors, their bucket seats, their heaters, defrosters, and cigarette lighters. But there are some things they ought to be glad to give up. They will never have to replace their spark plugs or distributor points. They will never have to cope with a radiator freeze-up or boil-over. They will never have broken rods or carburetor adjustments. Their fuel pumps will not break or disintegrate and their mufflers will not corrode.

Apparently people still have to be educated to the fact that many electric vehicles are currently being used. They are doing good service as fork lifts, golf carts, work trucks, motor cycles, and even snowmobiles. The electric snowmobile has won the admiration of those enemies of the gas-operated version. Covering territory in a machine that proceeds steadily and cleanly without breaking the eardrums has achieved a new respectability. Various European cities have found the electric bus an efficient and economical answer to mass transportation, but here in the United States the Mass Transportation Administration has announced the grants of funds in the millions of dollars for internal combustion buses, and not a dollar for the electric type.

And this flies in the face of Government's protestations that clean air is a major preoccupation of the century. In a sense we have a sort of chicken and egg situation. If the Government were to spend some of its transportation dollars on EV's the public would become educated as to their value. On the other hand, if the public knew the benefits they could expect from electrical alternatives to the IC engine, It would begin to demand that its tax dollars be spent accordingly. What the first step is to be is now uncertain. But one thing is certain. Those of us here today can continue to help others to change their picture of the electric vehicle.

We can help to show that in the modern world, it's more choice we need, not less. Progress has in the past been equated with going faster and making more noise. Modern and old-fashioned are adjectives whose meanings remain constant through the years. What changes is the nouns they are chosen to modify. Before something is classified as modern it usually goes through a stage in which it is considered weird, bizarre or unusual. People who have the intellectual strength and confidence to stand by their convictions during that period come out vindicated and this is the case with the group I am facing today.

After the modern stage comes the commonplace and with the passage of time an object can become out of date. I take special pleasure in addressing a group that knows that fuel lines, radiators, distributors, crank cases and connecting rods are fast approaching the old fashioned.

Back at the turn of the century there used to be a sort of machismo involved in driving the most unconfortable thing around. A man didn't look as if he'd been anywhere if he didn't come home dripping with oil or carrying his arm in a sling. Those were the days of the the good old backfire and the exciting breakdown. You went home afterward, cleaned up and spent the rest of the day telling your admiring friends and neighbors about your prowess with tools and the hazards of driving. It was the sports approach, and if you really had to get anywhere there was always old dobbin. Or maybe there was the good electric too, but in that naive age it was considered less than entirely masculine to want a quiet, dependable form of transportation. Now it's considered crazy not to.

A number of the country's population now lives in urban areas, and it is exactly those urban areas which suffer most from the fumes, noise and the unwieldy size and shape of the big gas gobblers. Those who refuse to listen to reasonable remarks about electric vehicles like to picture people making coast to coast ventures in something powered with C batteries. They don't listen to our assertions that what we are trying to get them to picture is an urban area with people going to work and to school, taking deliveries, shopping and keeping appointments in electric vehicles, not exploring the Rockies or crossing Death Valley.

I will leave it to others, though, to discuss the technical and economic merits of electric vehicles. The program for this Third International Symposium is indeed impressive, including experts from the different fields required for EV technology and coming from all parts of the world. Speaking as a legislator, though, I am deeply concerned with the growing tendency to solve society's problems by reducing the freedom of the individual. I am sure that we have all heard some of the proposals being suggested for solving our energy crisis, particularly with regard to transportation, which require that the individual give up some degree of decision-making to the Federal Government.

We here today know that electric vehicles cannot solve the immediate energy shortages facing private transportation. But, electric vehicles are a step in the right direction. Instead of telling the commuter or the housewife that they have to give up their gasoline-powered automobile, and rely on mass transit, there is an alternative form of transportation—a form which does not emit pollution, either air or noise, and does not consume precious petroleum supplies. Instead, it is a form which can help maintain the degree of personal freedom which the individual now experiences, whether it involves where to work, where to shop, or even where to live.

There are, of course, some modern planners who express concern at this freedom—freedom which allows a family to choose a house instead of an apartment, for instance—but history has shown that the mistakes made by individuals planning their daily lives are never as horrendous as the mistakes made by government planners. For that reason alone, continued effort on electric vehicle development is justified—to help ensure that future generations will enjoy the dual benefits of a better environment and the freedom of mobility.

FORMER SENATOR JORDAN OF NORTH CAROLINA COMMENDS SERVICE OF STEWART McCLURE

Mr. RANDOLPH. Mr. President, I recently spoke in the Senate on the retirement of Stewart E. McClure as staff director of the Committee on Labor and Public Welfare. Present and former Members of the Senate also have given public recognition to his abilities and dedicated service. I have received a letter from our former beloved colleague, Senator B. Everett Jordan of North Carolina, concerning Stewart McClure. I ask unanimous consent that his letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SAXAPAHAW, N.C., *February 1, 1974.*

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR JENNINGS: I learned only a day or so ago that my long-time friend Stewart McClure had retired as staff director of the Senate Labor and Public Welfare Committee and that the occasion had been noted with a round of tributes to him in the Senate.

Had I been there, I would have joined fully and enthusiastically in that salute as did so many others, according to reports I have received.

Since I did not have the chance for personal participation, the best available alternative is to ask that you arrange to have my tribute to him put into the Congressional Record in the way you feel most appropriate—either through insertion of this letter or by comments to the Senate embodying the gist of my sentiments.

In either event, I want to convey to Stewart my commendation for the many contributions he has made to his country and government during a long and effective career of Federal service and my warm wishes for continued success and personal fulfillment in whatever other activity he may undertake.

With kindest personal regards,

Sincerely,

B. EVERETT JORDAN.

THE NEED FOR APPRENTICESHIP PROGRAMS

Mr. DOMENICI. Mr. President, in a world of an energy crisis, the Mideast crisis, inflation, and Watergate, it is sometimes hard to hear the quieter voices with the lesser problems. And yet these smaller problems also can disrupt the daily life of the ordinary citizen and the average community.

One such problem stems from the steady decline in the staff of the U.S. Labor Department's Bureau of Apprenticeship and Training—BAT. Ten years ago, in fiscal year 1964, the number of positions in the Bureau of Apprenticeship totaled 559; by fiscal year 1974, the number of positions in the Bureau had fallen to 388. This 30-percent drop occurred during a period when the number of registered apprentices in the country was increasing sharply—from 164,000 in 1964 to 274,000 by 1972.

In my own State of New Mexico, I understand we had five BAT apprenticeship training representatives in 1964, but have only one today. Meanwhile, the number of registered apprentices in the State rose from 792 in 1964 to 1,959 in 1972.

Another major development in the Nation during recent years has been the expansion in scope and size of apprenticeship outreach programs, apprenticeship information centers, and various manpower training and antipoverty job programs.

The duties of the BAT's apprenticeship training representatives involve not only promoting and servicing apprenticeship plans, but also monitoring more than 100 apprenticeship outreach contracts, advising the information centers, and assisting in the manpower training and antipoverty programs. It is plain that in recent years these representatives have been faced with ever-increasing workloads and that the BAT staff in general has been stretched more and more thinly.

This is a matter of great concern—particularly in my own State. The apprenticeship concept, I believe, is almost universally accepted as the best way to train craftsmen, and should be promoted and expanded. Our national economy will need more craftsmen in the years ahead—a projected 12.2 million by 1980, according to the U.S. Bureau of Labor Statistics, compared to 10.8 million in the labor force in 1972. Also, the apprenticeship system should be used as the training vehicle for a large proportion of craftsmen. Too few of them now come through the system. Secretary of Labor Peter Brennan recently stated that only "1 out of 5 journeymen pass through the apprenticeship training process." The rest are taught on the job—mostly in a haphazard, unstructured, hit-or-miss way; some have had vocational school training, but many lack even that.

An apprenticeship program combines progressive on-the-job training with related classroom instruction. The training period varies with the occupation, but most range from 2 to 4 years. When the training period is finished, the apprentice has become a skilled worker—a journeyman. A formal agreement with the employer states the conditions of work for the apprentice—length of training, rates of pay, and instructional content and program. Apprentice wages are good; the average starting wage is half that of a journeyman, and increases considerably with length of service as an apprentice. It must be remembered that these learners are taxpayers and that this is not a giveaway program.

Staff reductions in the BAT represent to me misguided economizing, not only because we need an expanding apprenticeship system in America, but also because the system is moving and improving. It takes people to effectively manage and implement these changes.

One such recent improvement is the Apprenticeship Outreach program, begun in 1965 by the U.S. Labor Department and strongly supported by the AFL–CIO. The Apprenticeship Outreach program is designed to help disadvantaged groups. In most cases a young man or woman wanting to enter a registered apprenticeship program must pass a qualifying test. Many youngsters with poor educational backgrounds have difficulty passing these tests. Young people recruited under the Apprenticeship Outreach program are given a cram course lasting from 4 to 10 weeks. During this time they are tutored in subjects such as English and math—subjects in which remedial work is often necessary in order to pass the test.

The Apprenticeship Outreach program operates now in more than 100 metropolitan areas. From its inception to the present time, it has helped nearly 29,000 disadvantaged youths enter apprenticeships. Only 6 percent of all apprentices in federally serviced workload were minorities in 1968. By December 1972, the proportion had risen to 14.4 percent. In that same month, 17.2 percent of those entering apprenticeship positions came from minority groups.

Mr. President, I ask unanimous consent to have printed in the RECORD representative letters from officials in the State of New Mexico who work with the apprenticeship program. These letters explain the commitment in the State to the program. I would also like to print Secretary Brennan's response to my inquiry on behalf of these officials which further illustrates the degree of the problem.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OPERATING ENGINEERS,
Albuquerque, N. Mex., December 11, 1973.
Hon. PETE V. DOMENICI,
U.S. Senator, New Senate Office Building, Washington, D.C.

DEAR SIR: The enclosed resolution was unanimously passed by the International Union of Operating Engineers at their annual Conference on Apprenticeship and Training at Las Vegas, Nevada, and also the Rocky Mountain Conference on Apprenticeship of all crafts in Salt Lake City, in November 1973.

We, in the Apprenticeship Training field feel that the Bureau of Apprenticeship and Training is and has been in the past, a very necessary function, and a great help to the ongoing programs.

We do not fully understand the decrease in the number of staff members when the need is really, for increased numbers.

It is hoped that you will do all in your power to retain the Bureau of Apprenticeship and Training as an independent and fully staffed Bureau for the future betterment of apprenticeship and training.

Thank you for your assistance in this matter.

Sincerely,

ARTHUR G. CHERMAK,
Training Director.

RESOLUTION

Whereas, apprenticeship training has for many years been the lifeblood of the skilled trades and crafts within this nation, and,

Whereas, the development and promotion of effective apprenticeship programs is the duty and responsibility of the Bureau of Apprenticeship and Training and the various State Apprenticeship Councils, and,

Whereas, over the past several years the needs for the services of the Bureau of Apprenticeship and Training have increased due to expansion and industrial development, and,

Whereas, while the need for apprenticeship services have increased, the budget for the Bureau of Apprenticeship and Training has decreased, and,

Whereas, the staff of the Bureau of Apprenticeship and Training has decreased from 569 in 1968 to 378 proposed for 1974, a loss of 182 employees in 5 years, and,

Whereas, the State of New Mexico has decreased from 5 staff members to one since 1965,

Therefore, be it resolved that the New Mexico State AFL–CIO strongly opposes the continued emasculation of the Bureau of Apprenticeship and Training, and strongly urges the Secretary of Labor to use his authority and influence to cause apprenticeship training and the Bureau of Apprenticeship and Training to regain the role and status within the U.S. Department of Labor that it had prior to 1965;

Therefore, be it further resolved that the Secretary of Labor use his authortiy and influence to cause apprenticeship training and the Bureau of Apprenticeship and Training to remain an independent Bureau to further the role of apprenticeship training.

INTERNATIONAL UNION
OF OPERATING ENGINEERS,
Albuquerque, N. Mex., November 19, 1973.
Hon. PETE V. DOMENICI,
U.S. Senator, New Senate Office Building, Washington, D.C.

DEAR SENATOR DOMENICI: At a meeting of the New Mexico State Apprenticeship council held on Nov. 16th the amount of monies being spent on apprenticeship and training by the labor dept. was brought to our attention.

At the same meeting, we were informed of the restrictions and curtailment of their activities, being placed on the Bureau of Apprenticeship and Training because of the lack of funds.

The office of B.A.T. in New Mexico has steadily declined in the last several years. The purpose of this letter is to respectfully ask your assistance and support in urging the dept of labor to restore the funds to the bureau so that it might function to the benefit of our young people in New Mexico.

The fact that millions of dollars are being spent for apprenticeship and training means little, unless some is spent in the right place, I feel that restoring the staff to the NM office is one of the places.

Thanking you in advance for any help you may be able to give us in this matter, and with best wishes, I am

Sincerely Yours,

R. H. LONGACRE,
International Representative, IUOE.

NEW MEXICO STATE APPRENTICESHIP
COUNCIL,
Albuquerque, N. Mex., November 28, 1973.
Hon. PETE V. DOMENICI,
U.S. Senator,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR DOMENICI: The New Mexico State Apprenticeship Council members decided at a recent meeting to ask your assistance, and the assistance of our entire New Mexico Congressional Delegation, to come to the aid of apprenticeship training, not only in New Mexico but nationwide.

Enclosed please find a resolution passed by this Council which briefly outlines the problems as we see it. Also enclosed is a letter to Secretary of Labor Brennan which further outlines the problems.

We are concerned that the Bureau of Apprenticeship and Training, U.S. Department of Labor, is slowly being squeezed out of existence. The figures which we have show that in 1968 this Bureau had 560 total employees, including clerical, and in 1978 they have only 378 employees, a reduction of 182 employees over a five year period during which the needs and demands for the services of this Bureau were greatly increasing. As it stated in our enclosed letter to Secretary Brennan, we believe that the apprenticeship training concept is being threatened by this slow strangulation of the only agency which can effectively promote and coordinate apprenticeship training at the national level. We urge you to use your influence to strengthen this very important training method by assisting the Bureau of Apprenticeship and Training and to cause this Bureau to regain the status within the U.S. Department of Labor which it must have in order to function effectively. As is emphasized in our letter to Secretary Brennan, we are not being critical of the Bureau personnel because we believe they have performed well considering the woefully inadequate budget which has been allocated to them.

Thank you for your assistance.

Very truly yours,

WENDELL L. BOSWELL,
Director-Secretary.

Enclosures.

RESOLUTION

Whereas, Apprenticeship training has been very effective for many years in fulfilling the skilled manpower needs of industry within New Mexico, and in affording many young persons within the state an opportunity to learn a skilled trade, and,

Whereas, the development, promotion, and service to apprenticeship programs in New Mexico is the joint responsibility of the Bureau of Apprenticeship and Training and the New Mexico State Apprenticeship Council, and,

Whereas, the need and demand for the services of these two agencies has increased substantially during the past several years due to economic growth and industrial expansion, and,

Whereas, while these needs and demands were increasing, the budget and staff of the Bureau of Apprenticeship and Training has decreased from three staff and two clerical positions in this state in 1965 to only one staff and one clerical position at the present time, and these budget cuts have caused their effectiveness to be severely curtailed, and,

Whereas, this situation which exists in New Mexico is similar in other states and threatens the very existence of coordinated, uniform apprenticeship type training in this state and in the nation, and,

Therefore, be it resolved that the New Mexico State Apprenticeship Council strongly opposes this weakening of the apprenticeship concept by the Manpower Administration, and urges the Secretary of Labor and the New Mexico Congressional Delegation to use their influence to cause the Bureau of Apprenticeship and Training to regain the status within the U.S. Department of Labor which it enjoyed prior to 1965, and,

Therefore be it further resolved that the Secretary of Labor be urged to reactivate the Federal Committee on Apprenticeship in order that representatives of private industry may again have an effective voice in the conduct of nationwide apprenticeship affairs.

U.S. Department of Labor,
Washington, D.C., January 25, 1974.

Hon. Pete V. Domenici,
U.S. Senate,
Washington, D.C.

Dear Senator Domenici: Thank you for your letter of December 5, 1973, concerning the staffing of the Bureau of Apprenticeship and Training in New Mexico.

Under the Fiscal Year 1974 budget the entire Manpower Administration is experiencing staff reductions. Due to these reduced personnel ceilings and budget, the Bureau is unable to increase its staff during Fiscal Year 1974. New ways to expand and improve the apprenticeship system are being explored which will result in a more effective role for the Bureau of Apprenticeship and Training and a more dynamic apprenticeship program in our country. There is no intention to eliminate the Bureau of Apprenticeship and Training or its functions.

The Federal Committee on Apprenticeship (FCA) is being reactivated and this action will carry out the first recommendation of the Task Force on New Initiatives in Apprenticeship. The FCA will be undertaking further reviews of the Task Force recommendations for ways to improve and expand apprenticeship as part of the manpower system. Since it is likely that pressures to reduce the size of the Manpower Administration will intensify, rather than diminish, large staff increases in BAT should not be expected. Other more innovative ways of improving and expanding apprenticeship will be required.

I hope the above information will be helpful in replying to your constituents.

Sincerely,

Peter J. Brennan,
Secretary of Labor.

STATE UTILITY COMMISSIONS COMING ALIVE?

Mr. METCALF. Mr. President, despite all the problems associated with energy shortages, and the Federal Government's difficulty in dealing with them, there are a few heartening indications of long-overdue improvements in the regulation of electric utilities. I refer to action in the various States, where much of the regulatory responsibility rests.

Actions in the States on these matters often do not receive much attention here in Washington. They should, and today I wish to call attention to some of them which merit attention:

First. The chairman of the Wisconsin Public Service Commission has picked up the ball on utility billing practices which has been dropped by the National Association of Utility Regulatory Commissioners. Members of this body may recall that in April 1972, I withdrew my amendment to apply provisions of the Truth in Lending Act apply to regulated utilities, after NARUC asked for deferral and inferred that the State commissions would study and rectify improper practices.

The NARUC study committee headed by Oregon's Commissioner Diarmuid F. O'Scannlain made an excellent report and recommendations. Two NARUC conventions having come and gone without action, it may be necessary to provide a Federal remedy—unless the State commissions follow the leadership of Commissioners such as Wisconsin's Chairman William F. Eich.

Second. On this same point, the Michigan Public Service Commission has proposed comprehensive rules governing utility billing practices.

Third. Texas and South Dakota, which along with Minnesota do not regulate electric utilities, are attempting to set up effective State regulatory bodies.

Fourth. The Public Utilities Commission in Ohio has ordered electric power companies to cease promotional and advertising activities which increase demand for electric service.

And here in Washington at the Federal level—almost unnoticed in the other energy stories—the Office of Energy Conservation is reported considering promulgation of Federal lighting standards. They would replace the widely used standards recommended by the Illuminating Engineering Society, the lobby composed of utility and appliance salesmen which has overlit and oversold energy consumers for decades.

These are significant developments, and I believe Members and other readers of the Record will be interested and heartened by details regarding these developments. Therefore, I ask unanimous consent to print the following items in the Record:

An article by Chairman William F. Eich of the Wisconsin Public Service Commission, "Electric Utility Credit Practices Are Under Attack," which appeared in the November–December 1973 issue of Public Power;

The January 10, 1974, letter to me from Michigan Public Service Commissioner, William R. Ralls, and his enclosed memo regarding proposed revisions in billing and payment practices in Michigan; and

Three articles in the February 1, 1974, issue of the Electrical World, entitled "New Try for a Texas PUC," "Did the Ohio PUC Mean What It Said?" and "Office of Energy Conservation Considers Setting Federal Lighting Regulations."

There being no objection, the material was ordered to be printed in the Record, as follows:

Electric Utility Credit Practices Are Under Attack

(By William F. Eich)

A great deal of attention is presently being focused on utility credit practices involving customer deposits, disconnections, late payment penalties and collection charges. Regulatory commissions throughout the country are being asked to take a new and fresh look at the manner in which they, and the utilities under their jurisdiction, have traditionally approached these matters.

Just a few examples:

A complaint by a 76-year-old widow in Brooklyn, N.Y., has resulted in Consolidated Edison Co. completely revamping its service termination policies. Although the company had discovered that the widow's landlord had been diverting current through her meter, Con Ed continued to bill her at the higher rate. She refused to pay, and her service was cut off. The Legal Aid Society took the matter to court, and Con Ed eventually agreed to a new termination policy. Under the court-approved agreement, notice of disconnection must be given at least 10 days in advance. The notice must specify the reasons for the cutoff and inform the customer of the right to an informal hearing by the company, as well as the right to complain to a state agency.

In North Carolina, the Utilities Commission conducted a thorough investigation of billing practices and subsequently promulgated a Uniform Rule. Under the rule, all regulated utilities (this does not include municipals) are limited to imposing a finance charge of 1% per month on late payments, and the "due and payable period" is increased to 25 days. Disconnections cannot be initiated until 15 days after the due date.

In Wisconsin, we recently announced the start of a Commission investigation into the deposit, guarantee and disconnect policies of all public utilities—water, electric, gas and telephone (including municipal utilities).

Two petitions pending before our Commission, both filed by the State Attorney General, concern utility billing practices. One asks the Commission to investigate the practice of net-gross billing, and the other asks us to look into the matter of using one bill for both utility service charges and merchandising charges. Apparently, the feeling is that this latter practice may deceive the customer into believing that his utility service may be shut off if he fails to pay a bill for merchandise.

Several court cases, in Wisconsin and elsewhere, have raised constitutional challenges to the authority of a utility to terminate service without a hearing. The judicial responses in these cases has been anything but consistent.

These are just a few examples of the various fronts on which the ongoing assault on utility credit practices is taking place.

Unquestionably, this assault is an outgrowth of the consumer rights movement; but if the consumer advocates appear to be particularly aggressive in the utility field, I think it is understandable. Utility services are no longer the luxury they were in Edison's time. They are essential to our health and safety, and yet they are so often taken for granted—taken for granted, that is, until we face possible loss of service. Then we look around and realize that the utility we are having the dispute with is the only available supplier of these essential services.

Confronted with such a situation, people feel helpless and frustrated. The governmental agencies created to protect the public interest in the utility field are seen by many to be philosophically indistinguishable from the utilities they are supposed to regulate. And it is true, particularly in the area of customer service policies, that the utilities have generally been permitted to exercise a great deal of discretion in formulating their own ground rules. Regulatory guidelines, to the extent they exist, are usually phrased in broad, frequently vague terms.

The absence of detailed and published credit rules and the apparent wide latitude used in applying unwritten rules frequently make it difficult to determine just what policy does exist in these areas. In Wisconsin, for example, utilities may require a deposit if they feel a particular customers' credit standing is not "satisfactory." That deposit, by the way, need not be returned for three years—unless the customer (who usually is totally unaware that he has such an option) asks for it back after one year—

one year of "satisfactory" payment performance.

UTILITIES AND THE TRUTH IN LENDING LAW

One of the milestones of the consumer rights movement was the enactment of the Federal Truth-in-Lending Act of 1968. The thrust of this legislation was to insure that consumers would be informed of credit costs by requiring full disclosure of finance charges in most types of consumer transactions. Charges by regulated utilities, however, were exempted from the requirements of the Act.

More than a year ago, Sen. Lee Metcalf (D., Mont.) announced his intention to seek repeal of the utility exemption. The National Association of Regulatory Utility Commissioners immediately took the position that repeal of the utility exemption would be an unwarranted encroachment on the states' regulatory prerogatives. The NARUC created an Ad Hoc Committee on Billing Practices and requested the Senate Committee on Banking, Housing and Urban Affairs to defer action on the repeal pending completion of the Ad Hoc Committee's report. Senator Metcalf agreed to withdraw his amendment.

The NARUC Ad Hoc Committee, formed in March of 1972, was instructed to study the matter and submit its recommendations to the parent group's annual convention in November. Oregon commissioner Diarmuid O'Scannlain was named chairman of the Ad Hoc Committee. Chairman Marvin Wooten of the North Carolina Commission was appointed to the committee, and I was the third member.

We sent out questionnaires to 52 state regulatory agencies and received 48 replies. The questionnaires covered late payment practices, deposit and disconnection policies, and rate information available to customers; but the emphasis was on net-gross billing.

Our findings may be summarized rather briefly. Most states permit the use of late payment penalties, the most popular being a net-gross differential. Few states, however, have established clear or uniform practices for either the amount of the penalty or the length of the due and payable period. We found that the penalty "gross" bill ranged from 102% to 112% of the "net" bill, and that due and payable periods ranged from 7 to 30 days.

The due and payable period can have a substantial effect on the customer, for the shorter the time, the more likely it becomes that the penalty will be imposed. Most people receive their paychecks on a bi-weekly or monthly basis. If the utility's billing cycle does not coincide with the customer's payday, he may be caught in a situation where he will always have to pay the late charges. This is particularly true for those with low or fixed incomes.

The view taken by the Ad Hoc Committee was that late payment penalties are, in fact, credit charges, not entirely unlike interest. The customer who pays late is being charged for the use of money owed to the utility for a certain period of time.

Viewed in this light, we computed an effective annual finance charge based upon the weighted average responses from our survey. The example used was that of a customer who receives his utility bill on Aug. 16. The net bill is $14.02, and is due on August 31. Our survey found that the weighted average gross rate was 107% of the net rate, so we assumed that our hypothetical customer would have to pay $15 after August 31. Assuming the customer pays his bill by Sept. 30—one month late—his "penalty" charge, on a simple annualized basis, amounts to 83.9%.

I don't believe anyone would knowingly engage in a credit transaction—even for a short period of time—at an annual cost of interest nearly 85%. Yet, in this age of the "informed consumer," there is very little awareness of how much these late payment penalties really amount to. And, interestingly enough, there is a good deal of reluctance on the part of utilities and regulators alike to let the customer in on just how much it does cost him.

"NET-GROSS" BILLING CRITICIZED

One argument offered in favor of the penalties is that they provide an incentive for customers to pay promptly. If this is true, then it seems to me that the best way would be to let the customer know, in a simple and concise way, just what the cost of paying late will be. Thus, the Ad Hoc Committee recommended that use of net-gross terminology be discontinued. We stated that:

"Such practice serves to confuse the issue of consumer information on credit charges. Utilities should be allowed to charge customers for the use of funds beyond a reasonable "due and payable" period in order to enable them to achieve the rate of return established by the regulatory agency. However, there is essentially no distinction between the net-gross differential and the late payment penalty since both are basically charges for credit. All charges to the customer should be quoted in terms of "price" and "credit charge." The customer may then assess whether it is worthwhile to finance his purchase or to pay cash and avoid credit charges."

We went further, however, and also recommended that the level of credit charges be reduced so as to reflect only the actual costs incurred by the utility as a result of late payments. In justifying the levels of the late payment penalties, utilities often compare the "penalty" revenues to the expenses associated with late payments. Typically, they assert that the penalties do not cover the associated costs. However, our analysis of data from two large companies (Wisconsin Electric Power and Duke Power), revealed that both companies included their uncollectible accounts as a cost of late payments. We felt this approach to be unwarranted, for we found no relationship between expenses due to late payments and those resulting from uncollectibles.

Our own analysis showed that there is no significant difference in the amount of bad debt losses in those states that allow the penalties and in those that do not. Thus, if we eliminate uncollectible account expenses we find that, in fact, both companies' revenues from late payment penalties exceed the expenses attributable to late payments. We suggested, therefore, that state Commissions closely review this practice to insure that only those expenses related directly to late payments are recovered by late payment charges. This, we believe, would tend to reduce the level of the charges, and insure that the expenses attributable to uncollectible accounts are borne by all customers in the same manner as all other business expenses.

We also recommended that Commissions establish a uniform "due and payable" period, preferably a period of at least 25 days. This should provide most customers a fair opportunity to pay their utility bills without incurring a penalty, regardless of differences in payroll periods.

Finally, with respect to credit charges, we suggested the adoption of a "full disclosure" philosophy on utility bills. In addition to the information now typically provided on bills, there is no reason why they should not also show the credit charge in dollars, and in the effective annual percentage rate, if the bill is not paid by the due date.

Taking all these recommendations together it should be clear that what we were trying to impress on utilities and regulators alike is the need for an open attitude with respect to customers credit. Our report dealt only briefly with the other customer service policies such as those governing deposits, disconnections and general consumer information. But the thrust of our report applied equally to these matters as well. What we are calling for is an awareness that utilities and regulators should take an open, honest and frank approach to customers credit and service policies.

LATE CHARGES ARE PENALTIES

Let me give one indication of why I believe this is not always the case. I have been referring to last payment *penalties*. These charges are penalties. There is no getting around that fact. They are intended to make the late-paying customer pay more than he otherwise would have to, if he had paid within the frequently brief grace period set by the utility.

Yet, it is quite common—and to me, quite distressing—that many utilities and many commissions prefer to label these charges, not as penalties, but as forfeited discounts. The customer does not, in fact, receive a discount by paying on time—he is paying the appropriate, approved charge for utility service. If he pays late, he is penalized. In no sense does he lose a discount he otherwise would have received.

Yet, these word games do have an effect. Some customers may believe they are truly getting a discount. Others may see through it; but the result in either instance is an aura of deception. It is much the same as the breakfast juice commercial claiming its product to be high in "natural food energy" when what it really means is that it has a lot of calories—or the government's use of the phrase "protective reaction strike rather than the cruder, but more accurate, word, "bombing." The intent may be to gloss over rather than to deceive, but the effect is to undermine the confidence of the people. It is particularly frustrating when the people have nowhere else to go for these necessary services.

Customer services policies represent a utility's most direct link to its customers, and these policies have a greater influence on the customers' attitude toward the utility than all the "goodwill" advertising and public relations efforts put together. If the utility appears indifferent to its customers' personal circumstances and individuality, then we can expect that the customer will react to the utility's problems in a similar manner. And it should be apparent by now that utilities will need all of the support and understanding they can get from their customers in the face of rising costs, unending inflation and the overall energy supply situation. For utilities to attempt to cope with these problems, to present their cases to the public, they must begin from a posture of genuine credibility.

If, because of unclear, unreasonable or oppressive customer policies, the customer yearns to distrust the utility, then why should he pay any attention to the utility's explanation of its reasons for seeking a rate increase, or authority to construct a nuclear power plan. Whether a utility is publicly or privately owned makes no difference—a utility's attitude towards it customers is most clearly revealed by how it treats them—and, of equal importance, how its customers perceive they are being treated.

I haven't gone into some of the other areas of concern, such as deposits and disconnections, but it seems to me that the same principles of openness and fairness apply equally to these other practices. Deposit requirements should be reasonably humane and uniform in their application. The same is true with respect to service terminations.

There is, finally, another aspect, and that is the regulatory attitude. State regulators, like the utilities themselves, are being assailed for their seeming indifference to the rights of consumers. Virtually every criticism directed against a utility is directed also against those of us charged with the responsibility to regulate in the public interest. It was undoubtedly Senator Metcalf's skepticism of state utility regulation that first caused him to seek repeal of the utility exemption from Truth-in-Lending requirements. The effect of the repeal would have been Federal regulation. Thus, NARUC's response of creating the Billing Practices Committee, I believe, was an attempt to preserve the states' regulatory authority over this area.

Perhaps the fate of that committee's report is indicative of what the general state regulatory response will be to these questions. I sincerely hope not. The report was completed in Sept., 1972, and released in October of that year. Accompanying its publication was a news release, issued hrough the NARUC national headquarters stating that the Committee's report "marks a major victory for consumer interests. . . ." This "major victory" was apparently short-lived, at least as far as NARUC was concerned. At the annual convention, the Executive Committee deferred action on the report. At its next meeting, the Executive Committee reconstituted the Ad Hoc Committee by expanding its membership from three to five and directed it to make a further study of the question. Only two of the original committee members (chairman Wooten and myself) remain on the reconstituted committee.

In submitting our original Report to the NARUC Convention last year, Commissioner O'Scannlain spoke for the Committee as follows:

> There is one final element which cries for emphasis, and that is simply that the time has come for setting this part of our house in order, and the time is running out. If NARUC were to turn its back on these issues now, it would draw the attacks of individuals and groups who also feel that this matter is of public interest and concern and right politically. But if the States themselves fail to address themselves to this issue, they beg the intervention of Federal legislation in what properly may be described as a State matter and prerogative.

It is my hope that the new Committee will reaffirm the recommendations of the first report to give further impetus to state commissions and to utilities to make these necessary changes. I believe all of us—the utilities, the commissions and the consumers—would be well served if these credit policies are explained and refined in the interest of serving the customer.

The right to public utility services may not rank with the franchise, or with procedural due process in criminal cases, on a conventional scale of liberties, but to the poor or disadvantaged nothing may be more immediately important than fair treatment by those who supply the needs of their daily existence.

MICHIGAN PUBLIC SERVICE COMMISSION,
Lansing, Mich., January 10, 1974.

Hon. LEE METCALF,
U.S. Senate,
Committee on Government Operations,
Washington, D.C.

DEAR SENATOR METCALF: I am enclosing a copy of the Proposal for New Billing Practice Rules for all Michigan electric and gas utilities. As you know, I recommended an investigation of the consumer billing practices affecting residential service of electric and gas utilities under the jurisdiction of the Michigan Public Service Commission.

Basic utility services are necessities of life, and services that millions of consumers depend upon to function and exist in our society. It is therefore essential that the relationship between the consumer and the utility company be governed by rules and regulations which adequately reflect the realities of the 1970's.

The Michigan Public Service Commission has statutory responsibility to insure that every consumer in the State of Michigan has an equal opportunity to obtain and receive adequate and safe utility services under reasonable conditions. I think the proposed rules establish fair and practical standards guaranteeing basic rights to every Michigan utility consumer.

The proposed rules governing the consumer billing practices affecting residential service of electric and gas utilities under the jurisdiction of the Michigan Public Service Commission reflect the essential theme of fairness:

(1) A fair opportunity for ratepayers to pay bills within a reasonable time without penalty.

(2) A fair opportunity for all ratepayers to obtain utility service without deposits or guarantees unless and until they establish unacceptable credit.

(3) A fair opportunity, as embodies in the concept of due process of law, to protest incorrect charges or practices at the company and Commission.

(4) A fair opportunity to be informed of utility practices, rules, conditions of service and complaint procedures.

The proposed rules represent the culmination of the inquiry which I recommended and which commenced on November 21, 1972. I am enclosing a memorandum which summarizes the rules. If you have any questions, please let me know.

I follow with much appreciation your good work on behalf of the people of this country.

Warmest personal regards.

Sincerely,

WILLIAM R. RALLS.

JANUARY 10, 1974.

Memo to Hon. LEE METCALF.
From: Commissioner William R. Ralls.
Subject: Consumer & Billing Practices, Electric and Gas Utilities—U-4240, Residential Service.

This memorandum will highlight the major revisions proposed by the new rules and a comparison with present standards.

BILLING AND PAYMENT STANDARDS

The proposed rules require that:

(1) A utility bill be rendered monthly.

(2) Utilities may estimate bills every other month provided that estimation procedures have been approved by the Commission.

(3) Net/gross provisions and billing discounts be eliminated.

(4) Each residential customer have at least 25 days to pay each utility bill prior to penalty.

(5) Late payment penalties shall not exceed a one-time charge of 1½% upon utility bills.

(6) Each customer may pay late once each calendar year without penalty.

(7) Each utility bill provide information to the customer in order to appraise him of his charges, the rates upon which those charges are based and where he may contact the utility and the Commission in order to make inquiry or file a complaint regarding his bill or service.

Present payment periods do not provide every customer the opportunity to remit payment without penalty due to the nature of income cycles such as social security, pension and welfare payments. The new 25 day period will accommodate all ratepayers in a nondiscriminatory manner.

Language currently used in describing penalties, net/gross discounts and delayed payment penalties are confusing to the customer. The proposal recommends that the term *late payment penalty* be used uniformly by all utilities.

Present late payments range from 2 to 10% of the monthly bills. the recommended 1½% late charge fairly reflects current commercial standards at retail establishments and the cost of working capital to Michigan utilities.

Estimated bills account for a large number of consumer complaints. The recommended procedures will insure proper estimating methods.

Finally, the requirements for billing information will adequately apprise the customers of his usage, charge, penalties and where he may register an inquiry or complaint.

GUARANTEE OF PAYMENTS—SECURITY DEPOSITS

Present rules permit utility companies to obtain security deposits and other forms of guarantee until a customer shall establish his credit. The amounts of deposits and the conditions under which they are required vary widely throughout the industry and within the service areas of the same utility.

The proposal recommends uniform, nondiscriminatory deposit standards applicable to all utility customers upon the basic premise that due to the monopoly nature of utility services, each customer is entitled to service until he proves himself to be an undue credit risk.

Therefore, a new customer is entitled to service without deposit unless:

(1) He has failed to pay a previous bill with any Michigan utility within the last 3 years.

(2) He has tampered with or diverted the use of utility service on a previous occasion.

An existing customer shall not be required to post a deposit unless:

(1) His service has been discontinued for non-payment.

(2) He has tampered with or diverted the use of utility service.

All other deposit standards and criteria are expressly prohibited. The proposed rules establish standards for deposit conditions, an interest rate of 6% on deposits held by the utility, provide for return of all deposits held upon different standards and that a deposit must be refunded if the customer pays all proper utility charges for 9 successive months.

UTILITY PROCEDURES

Each electric and gas utility presently has different procedures for responding to customer inquiries, complaints and service requests. While no uniform procedure is possible due to varying size of the utilities under Commission jurisdiction, the rules require that each utility adopt procedures *with Commission approval* which at minimum insure:

1. Prompt and efficient response to all customer inquiries, service requests and complaints.

2. The availability of properly trained and qualified personnel at all times to respond to customer.

3. The availability of utility hearing officers to hear complaints in accordance with the proposed rules.

In addition, the proposed rules contain new provisions which require:

1. Publication and dissemination by each utility of a pamphlet which in layman's terms describes the customers rights, responsibilities and the provisions of the proposed rules.

2. Public access to every customer of utility rate schedules, rules and service regulations without charge.

3. Quarterly reports filed with the Commission which detail the number, type and resolution of all service inquiries and complaints.

4. The installation of computer terminals and displays at the Commission office to provide direct access to customer records and information when complaints or inquiries are filed with the Commission.

In essence the proposed rules will insure the free flow of vital information between the customer, the utility and the Commission.

PHYSICAL DISCONTINUATION OF SERVICE

Current rules do not describe conditions regulating the procedures for actual discontinuation of utility service. Electric and gas utilities use various procedures. The proposed rules provide uniform standards and require that:

(1) Service may be discontinued only between the hours of 8:00 A.M. and 4 P.M.

(2) Service may not be discontinued on any day or any day preceding any day when the services of the utility are not available for reconnection.

(3) Service may not be discontinued in the event of medical emergencies.

(4) Service may be promptly restored when the cause for discontinuation has been cured.

(5) Prior to discontinuation the utility must attempt telephone contact, personal contact, be prepared to refrain from disconnection if the cause for such action is in dispute, not discontinue service when the premises are vacant upon the first visit to the premises and refrain from entering the customers premises for the purpose of discontinuing service without the customer's permission.

These procedures will insure that discontinuation will not occur unless and until the customer has had every reasonable opportunity to properly question or object to the discontinuation.

PROCEDURES PRIOR TO DISCONTINUATION OF SERVICE

The present rules permit the utility to terminate service upon 5 days notice after the bill has been delinquent for 10 days. Although most utilities provide means to dispute charges, deposit requirements and service inadequacies, the present rules do not provide utility customers reasonable notice and a meaningful opportunity to dispute utility decisions.

Recent court decisions, moreover, have held that rules for discontinuation of service such as current MPSC standards are unconstitutional and violative of basic due process of law. See *Palmer* v. *Columbia Gas*, 6th Circuit Court of Appeals, May 23, 1973.

Additionally, many discontinuations of service occur only for the reason that a customer is unable to pay at a given time for all utility charges. The inevitable discontinuation, payment arrangement, reconnection syndrome is time consuming and expensive to all ratepayers.

Therefore, the proposal sets forth rules and regulations which establish uniform notice, dispute and settlement standards which provide due process to every utility customer and encourage dispute settlement in an orderly and efficient manner.

The rules provide that service may be discontinued for nonpayment, failure to post a required security, tampering, breach of a settlement agreement, failure to grant access to utility personnel at reasonable times, misrepresentation of identity in obtaining service or violation of rules affecting safety or the integrity of the utility system.

A utility may not terminate service for non-payment of non utility charges, failure to pay at a different location or for different service and must offer tenants reasonable notice and an opportunity for service in their own names when the landlord fails to pay utility bills.

NOTICE

The utility must send notice by certified mail or service the customer at least 10 days prior to discontinuation that:

(1) Service will be discontinued and the reasons therefor.

(2) The customer has a right to dispute the claims and for a hearing.

(3) The procedures to be followed.

SETTLEMENT AGREEMENTS

If the disputes are amicably settled or the customer is unable to pay, the utility must offer a settlement agreement providing for partial payment and installment payment of the balance based upon reasonable standards taking into consideration the totality of the circumstances. Customer compliance will prevent discontinuation of service.

HEARING

Informal hearings before utility hearings officers who shall not perform in any other capacity for or on behalf of the utility will guarantee the customer the right to:

(1) Proper notice.

(2) Representation by counsel or other person of his choice.

(3) Examination of evidence.

(4) Present evidence and argument.

(5) Cross-examine utility witnesses.

(6) Place the burden of proof upon the utility.

APPEAL

The utility hearing officers must prepare a certified record and send decisions to the parties including notice that if the decision is unfavorable:

(1) Either party may appeal to the Commission.

(2) The telephone number and address of the Commission offices.

Throughout the procedures, the utility may not discontinue service pending any hearing or appeal.

COMMISSION APPEAL PROCEDURE

The proposed rules establish informal appeal procedures for Commission review of hearing decisions. The staff presently hears many complaints from customers and utilities alike. All disputes, complaints and inquiries should first be handled at the utility company level and most disputes probably will be resolved without resorting to Commission action.

The appeal procedure will guarantee access to each party and a definitive record for the staff of the Consumer Services Division to review the matter and take appropriate action.

The rules provide that the staff may issue interim determinations on matters not in dispute in order to prevent unjustified action by either party when circumstances so require.

The staff will constantly be reviewing the procedures of each utility to insure the integrity of the hearing process and that reasonable standards are being employed in the dispute settlement process.

NEW TRY FOR A TEXAS PUC

The small Texas town of Seabrook, some 25 miles from Houston, has appropriated $1,000 for lobbying (and is trying to get other communities to do likewise), and has a resolution before the State Constitutional Convention in Austin, seeking to create a state agency to regulate electric and other utilities.

Only three states—Texas, South Dakota, and Wisconsin—still have no statewide regulation, and this is being challenged in South Dakota as well as Texas (EW, Jan. 15, 1974, p 19).

In South Dakota, a petition for a November referendum is being circulated by a state legislator and Rapid City Mayor Don Barnett. In Texas, utilities in the state's heartland are doing their best to refute a recent study advocating state regulation. The study was made by two University of Texas students, Ken Manning and Mike Morrison, and published and circulated by the Texas Public Research Interest Group (TexPIRG), a consumer organization in Austin.

In Texas today, when an electric utility seeks a rate increase, it must get the approval of the city fathers in the affected community. If a city challenges a rate increase, it must prove the increase is unjustified. This requires the services of rate experts, usually at a cost of from $5,000 to $20,000. If a large city gets involved in a rate fight, small towns surrounding it get the benefit of the large city's funding. But a small community cannot afford to go it alone, and usually follows the lead of the nearest large city in the same service area.

"We have neither the finesse nor the ability to make an evaluation of a rate-increase request," says David K. Mains, Seabrook city councilman. He adds: "The larger cities, such as Houston, Dallas, and San Antonio, make a stab at it. But they don't have the experts on their payrolls that they need for such an evaluation. They have to go to an outside source, usually, or take a utility's word for it that the increase is justified. On telephone service, you can't set rates for lines going outside your city."

It was a 21% rate increase by General Telephone Co. that prompted Seabrook to seek state regulation of all utilities. Seabrook and other towns around Houston are served by General Telephone and by Southwestern Bell, which has an agreement with the Houston City Council on rate regulation. "In effect, Houston has set out rates," says Joe Pirtle, another Seabrook councilman.

Pirtle hopes 17 or so other towns in the area will match Seabrook's $1,000 lobbying contribution. The battle definitely covers electric utilities, says Pirtle, though "they have not been as bad as the telephone company. Their service is much better. But we can't challenge their requests [for rate hikes] for the same reason we can't challenge the telephone company." Pirtle says he knows some small Texas communities that have almost bankrupted themselves challenging rate increases.

TexPIRG charges Texas electric utilities with "making exorbitant profits," and says they should be under state control. The study it published notes that, in 1971, the average Texas electric utility had 9.11% rate of return on its rate base and a 15.5% return on common equity, whereas the national average was 7.3% on base and 11.8% on equity. Dallas Power & Light and Southwest Public Service came close to the national average, the study said, but El Paso Electric, Southwestern Electric Power, Texas Electric Service, Southwestern Public Service, and Texas Power & Light were some two or more percentage points over the national average on rate base in 1971, and still higher on return on equity.

Mike Hudson, a TexPIRG state director, estimates that "more than $100-million in excess profits are being paid annually to electric utilities in Texas over what they should have earned at the national-average profit level." Of 194 investor-owned utilities nationwide cited in an FPC report, 7 of the 11 operating in Texas ranked among the 13 largest profitmakers in 1971, Hudson says.

The utilities are fighting back vigorously. "The average price people pay for electricity in Texas is below the national average," says Bill Aston, vice president of Dallas P&L "There are many factors involved that this group [TexPIRG] failed to mention. They're looking at the top, not at the bottom. For example, as of January, 1972, 1,000 kwhr cost Dallas users $15 compared to $26 in Boston and $30 in New York, both of which have state regulation."

DP&L, in a formal statement, says TexPIRG appears to be part of continuation of a long series of "unwarranted attacks" on investor-owned power companies throughout the nation. "Claims that Texas power companies make more than an adequate rate of return are erroneous and misleading, and have periodically been hurled at privately owned utilities by different groups, some of whom are advocates of the expansion of government ownership of electric power facilities . . ."

Texas Power & Light and Texas Electric Service are in the middle of rate-increase hearings, and Dallas P&L has just requested one. TP&L has asked for an average rate increase of 10%, Tesco for 9.5% and DP&L for 10%.

Sources say many smaller towns in the Tesco area will wait until Fort Worth makes a decision then follow its lead since they do not have the investigatory resources of Fort Worth. Sometimes however, the small towns act first, says utility sources.

TP&L has not taken any public stand on TexPIRG's study, and probably won't until there is some sort of solid proposal. The company "certainly does not agree" that utilities in Texas are making excess profits, or that a utility commission is needed in the state. "A lot of the figures they are using don't make sense down here," says a high official in the company.

Tesco has denied the consumer allegations, too. It claims it is 15% below the national average. "We have not gotten into any verbal battles with these [consumer] groups. We'll just let the facts speak for themselves," says a company spokesman.

Did the Ohio PUC Mean What It Said?

The Public Utilities Commission of Ohio spent most of January sputtering denouncements of Ohio Edison Co's decision, in response to a PUC order, to stop all newspaper, radio, and television advertising—including ads that promote conservation of electric power. The PUC says its order was misinterpreted.

On Dec. 28, the PUC ordered all electric power companies in the state to "cease promotional and advertising activities or activities which increase demand for electric service."

Companies affected by the order also included Cincinnati Gas & Electric; Cleveland Electric Illuminating; Columbus & Southern Ohio Electric; Dayton Power & Light; Ohio Power; Toledo Edison; Monongahela Power; and Ohio Valley Electric.

But it was only Ohio Edison that took the order literally—despite a public statement by the PUC on Dec. 27 that the ban would exclude the promotion of power conservation.

John R. White, vice president and general counsel for Ohio Edison, says his company filed a motion for clarification with the PUC, nothing that "it's a very flat order. Some of the public statements [made by the PUC] indicate they did not intend it to be that flat. . ."

The company apparently decided to obey the order, not the PUC publicity that went with the order. D. Bruce Mansfield, Ohio Edison president, had these strong words: "We believe the order unreasonably impinges on the company's right to communicate with its customers and with the public. Under the order, all advertising is prohibited, irrespective of its purpose."

Mansfield added that his company will pursue all available administrative and judicial remedies "to the extent necessary to regain its right of comunications through the media of press, radio, and television."

In requesting clarification, White informed the commission: "The advertising we have discontinued includes advertising whose purpose is to convey to our customers information on the ways by which electric energy may be wisely used, as well as those [ads] intended to inform customers on many other aspects of its business. . . . Without clarification, we may inadvertently violate the order or may take steps the commission really didn't intend.

"Without such clarification, we can't properly prepare evidence of the kind that we need to prepare for a hearing. We urge that the commission review its order, and issue guidelines to clarify the precise nature of the activities which the order purports to prohibit."

The order is an interim one, which may be made permanent after a hearing scheduled to start last Monday (Jan. 28). The PUC issued it "after investigating a complaint filed by the Ohio Public Interest Action Group," said PUC chairman Edmund T. Turk.

Marketing

Office of Energy Conservation considers setting federal lighting regulations. The proposed federal regulation would replace IES recommendations, and would require maximum lighting levels of 50 ft-c at work stations, 30 ft-c for general work and sales areas, and 10 to 15 ft-c in hallways and corridors. As a result of preliminary discussions between OEC and IES, OEC now appears to be leaning toward acceptance of IES recommendations for different lighting levels on different tasks, and 30 ft-c and 10 to 15 ft-c for general illumination and corridor lighting, respectively. OEC also appears to be leaning towards an allocation of kwhr for lighting. The combination of these approaches would permit users to select the more-efficient light sources for their needs, rather than just eliminating lights to conserve energy. The Federal Energy Office also says it seeks to reduce highway lighting-energy requirements by 50% by eliminating lighting except at interchanges, ramps, and hazardous areas, where levels would be reduced. Urban areas would have a maximum lighting level of 0.6 ft-c.

RUSSIA AS A MAJOR SEAPOWER

Mr. GOLDWATER. Mr. President, as far back as the days of the czars, Russia was attempting to become a major seapower, but it has only been in recent years that she has achieved that ambition. This is slowly being realized by the American people even though it has been vigorously denied by some elements of the press and even some experts who see nothing dangerous in this.

The U.S. Naval Institute has printed a statement made by the Admiral of the Fleet of the Soviet Union, S. G. Gorshkov, which I ask unanimous consent be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Navies in War and in Peace

(By Admiral of the Fleet of the Soviet Union S. G. Gorshkov)

With Commentary following the article by Rear Admiral George H. Miller, U.S. Navy (Retired).

Editer's Note: Admiral Gorshkov has been Commander-in-Chief of the Soviet Navy for 18 years. He is a Deputy Minister of Defense. He and his First Deputy are full members of the Central Committee of the Communist Party.

What follows is a translation of an article which appeared in Morskoi Sbornik No. 2, 1972, having been approved for publication in the Soviet Union on 28 January 1972. Plainly, the thoughts and beliefs which appear in this article—and those which will be published on these pages over the next ten months—are views which Admiral Gorshkov wishes to share with the other officers in his navy. For that reason alone, they are considered to be of profound interest to the officers of his country's principal rival at sea, the United States Navy.

For many centuries the ocean expanses have not only been a convenient means of communication between continents and between the suppliers of products vitally essential to mankind, but also an arena of fierce struggle and military conflicts. The scale of utilizing the water medium for military aims, i.e., for the defense of one's own country and to seize overseas possessions, has grown in relation to man's knowledge and mastery of the ocean. At the present time, in an era of far-reaching scientific discoveries and the utilization of them for military needs, the capabilities for conducting combat operations on the oceanic expanses have increased incredibly, while the naval arms race abroad, and the creation of diverse means of naval combat have reached unprecedentedly imposing scales.

The hallmark of naval forces is their high degree of maneuverability, and ability to concentrate secretly and to form powerful groupings which are of surprise to the enemy. At the same time, naval forces are more stable against the effects of nuclear weaponry than land forces. All of this has catapulted the navies into the front ranks of the diverse, modern means of armed combat. Their employment in nuclear-missile warfare is related to the introduction of much of what is new in tactics and operational skills, in ship design, and in the outfitting of ships with equipment and armament.

The qualitative transformations which have taken place in naval forces have also changed the approach to evaluating the relative might of navies and their combat groupings. We have had to cease comparing the number of warships of one type or another and their total displacement (or the number of guns in a salvo or the weight of the salvo), and turn to a more complex, but also more correct appraisal of the striking and defensive power of ships, based on a mathematical analysis of their capabilities and qualitative characteristics.

The military technical revolution is constantly introducing new things in all areas of military affairs, but the final goals of naval warfare remain the same; the defeat of the enemy and the destruction of his vital forces and material (i.e., the ships with their crews and weapons stores, and weapons or those objectives located within range). Therefore, combat operations at sea, just as on land, by obeying the general laws of the dialectic which are constantly in effect, cannot be conducted seperately from the goals of that policy which led to the war. Therefore, in today's context it is interesting to trace, from a historical standpoint, the dialectical relationship between the development of naval forces and the state policy goals which they were intended to serve.

V. I. Lenin pointed out that "Every war is inseparably linked with the political system from which it stems. That very policy which a certain power and a certain class within this power conducted for a long time prior to a war, inevitably and unavoidably will be continued by this same class during a war, changing only the form of action." [1] And further, "Policy is reason, while war is only the instrument, and not the opposite. Consequently, it only remains to subordinate the military point of view to the political." [2]

The basic and sole means of waging armed conflict between states has always been the army and navy, which in peacetime have continued to serve as the instrument or weapon of state policies. Many examples from history attest to the fact that in the age of feudalism, and capitalism all problems of foreign policy were always decided on the basis of, and taking into account the military power of the "negotiating" sides, and that the potential military might of one state or another, built up in accordance with its economic capabilities and political orientation, permitted it to conduct a policy advantageous to itself to the detriment of other states not possessing corresponding military power.

The development of armed forces is linked in the most direct manner to the history of social economics systems, and to the meth-

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ods of material production characteristics of them. The flourishing or decline of them is determined by the process of the formation or decay of one social system or another. Thus, these periods when one social-economic system was being replaced by another, more progressive systems have given considerable impetus to progress in the military area.

Technical discoveries have always had a revolutionizing effect on the development of armed forces and on the art of employing them. This demonstrates the pattern of the influence on the military field of the society's economic development and the growth of its productive forces. In this connection, V. I. Lenin wrote: "Military tactics depend on the level of development of military equipment . . ." [3]

Such highly important factors as the social and political system, the social composition of the people from whom the armed forces are drawn, the extent of combat training, the level of knowledge, and the moral make-up of the personnel also affect the condition of the armed forces and the level of the art of their employment. In turn, the above qualities depend on the character of the leaders of the fighting men.

Marxism considers the geographic environment, which also influences the character and direction of the development of armed forces, to be one of the constant and invariable conditions in the development of human society. Among the many elements embraced by the concept of the geographical environment and affecting the development of mankind, and, consequently, also of the armed forces of states, are the seas and oceans. In solving problems of commerce, of reliable routes of communication, of relationships between peoples, and of the fishing and maritime industries, men back in ancient history had already opened up individual littoral areas of the seas and oceans. The maritime location of many countries fostered the development in them of specific areas of industry (e.g., shipbuilding, the catching and processing of fish and marine animals, etc.) which had a beneficial effect on the overall progress of these countries that, naturally, also left an impression on the development of the armed forces of the states which, to one degree or another, were engaged in the construction of navies and to a greater or lesser degree employed them in wars.

In different historical eras the above factors have had a definite effect on the character and structure of the armed forces which were made up of various components. Without resorting to a detailed examination of the changes in the structure of the armed forces of states on a historical plane, let us simply note that all maritime countries, without exception, usually have had (or strove to have) both ground forces and a navy. Apropos of this, Peter I said: "Every potentate who has only ground forces has only one hand; yet whoever has a navy too, has both hands." The role and importance of each of them, at the level of development of technology and the economic capabilities which existed, were always determined by the unfolding political strategic situation and the mutual positions of the states or nature of the coalitions. In some stages of the history of states, ground forces have played the main role, and in others, the navy.

The place and role of each of the branches of a country's armed forces can change both in peacetime and in war depending on technical reorganization, on the enemy being confronted, the geographical conditions, etc. History presents many examples of this. From them we may recall the growth of the role of the Navy in the Northern War of 1700–1721, when Russia transferred operations from her own territory to the territory of the enemy, thereby forcing him to sign a peace treaty. Sometimes, however, wars which began with the Navy being predominantly important were ended by the overwhelming actions of the Army (for example, the Russo-Japanese War of 1904–1905). Clearly, in all cases, one aspect remains unchanged: the results of the victory in a campaign or war can only be secured by ground forces capable of confirming the reality of it by their actual presence.

Moreover, the experience of history attests to the fact that each branch of the armed forces makes its own certain and always discernible contribution to victory. To achieve victory, the presence of all branches of armed forces, properly organized, equipped, and trained, is essential. Each of them has its own specific features, sphere of employment, and conditions for concerted action. The skillful (or on the other hand, the unskillful) employment and the consideration of these specific features often determine the success (or failure) of operations, campaigns, or even the war as a whole.

In the modern context, in speaking of the military might of states, it is a matter of harmoniously combining all branches of developed and rationally balanced armed forces, and it is precisely because of this that the principle of cooperation among all branches of the armed forces is the basis of Soviet military doctrine. Only by coordinating their efforts can victory be achieved.

As early as 1921, M. V. Frunze wrote about this in works devoted to the building up of the Red Army. The idea of the decisive importance of coordinated actions by the Army and Navy in all areas of armed combat was vividly expressed in his work "A Single Military Doctrine and the Red Army."

An analysis of the employment of various branches of armed forces in time of war, or in peacetime, is of definite interest from the point of view of both the development of the art of war and the knowledge by the command personnel, of the specific features with which each of the branches of the armed forces is imbued.

Taking into account that such an understanding fosters the development of a unity of operational views in the command personnel of the armed forces, and is an indispensable and most important condition for skill in acting in concert, let us examine those questions applicable to the Navy, both in the historical and problem aspects. In this connection, we do not intend to cover the history of the naval art, much less define the prospects for the development of naval forces. We intend only to express a few thoughts about the role and place of navies in various historical eras, and at different stages in the development of military equipment, and of the art of war, in order, on this basis, to determine the trends and principles of the change in the role and position of navies in wars, and also in their employment in peacetime as an instrument of state policy. In this connection, the focus of attention on the Navy does not in any way imply any sort of unique importance of naval forces in modern armed combat, but stems from the above mentioned considerations.

Proceeding from the special features of the Navy as a military factor which can be used also in peacetime for purposes of demonstrating the economic and military power of states beyond their borders, and from the fact that over a period of many centuries it has been the solitary branch of armed forces capable of protecting the interests of a country beyond its borders, in our view it is useful to examine questions related to this specific feature of naval forces as a real component part of the military organization of a state.

In examining these questions, one should also take into account the ever growing interest in oceanic problems of various social quarters from different aspects—economic, political, and military—and in their dialectical relationship. In tracing the direct dependence of mankind on the World Ocean over the entire course of its centuries of history, it is impossible not to note how the ability of peoples to learn to appreciate the ocean, and to use it for their own needs, directly affects the growth of the political prestige of the country and its economic and military power.

Times Distant, Yet Important for Understanding the Role of Navies

Navies have always played a great role in strengthening the independence of states whose territories are washed by seas and oceans, since they were an important instrument of policy. Naval might has been one of the factors which has enabled individual states to advance into the ranks of the great powers. Moreover, history shows that those states which do not have naval forces at their disposal have not been able to hold the status of a great power for very long.

And, it cannot be otherwise, for the sphere of naval operations are the seas and oceans which occupy seven-tenths of the surface of our planet. The continents are essentially gigantic islands whose total area is barely 150,000,000 square kilometers. They are surrounded, connected with one another, and kept in many respects (in particular, with regard to climate) in a constant state of dependence on the World Ocean, whose surface is equal to 350,000,000 square kilometers.

The seas and oceans serve as an inexhaustible source of diverse food resources, industrial raw materials, and energy. The most important and most economically advantageous routes of communications between countries, through which trade and other ties between peoples are carried out, pass through the seas and oceans. All of this determines the special role of the seas and oceans in the economy of states.

The development of maritime states has turned out to be so closely connected with the sea that, as a rule, their capitals and largest cities have grown up on the coasts. Seven of today's largest cities of the world are located on the shores of seas and oceans. The building-up, in the maritime countries, of many areas of industry and the economy dependent on the sea, which has brought about higher industrial development in these countries, has fostered the overall growth of the economy of maritime countries and the rate of growth. Therefore, it is not by accident that civilization, as a rule, originated and developed most often on the shores of seas and oceans. It is also not accidental that countries whose populations have been connected with seafaring have become economically strong earlier than others. Among these we may cite in various periods in history, Spain, England, Holland, France, Portugal, Turkey, and the U.S.A. *All of the* modern great powers are maritime states.

At the same time, for a long time wars have been waged not only on land, but also on the watery expanses, at first on rivers and lakes and in coastal areas of the seas, and later on the seas and oceans. Military necessity, the development of an economy related to the sea, and political conflict have always, and on an ever increasing scale, forced states to build, possess, and maintain naval forces on a modern level within the overall system of armed forces. At a certain stage of development, many states, primarily Holland, Spain, England, France, Japan, and the U.S.A. have formulated their military strategy primarily on the basis of sea power.

Every social-economic system has built up armed forces, including navies, corresponding to its economic and technical capabilities. Thus, in the slave-holding society, galleys were the basis of the navies. In the era of

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feudalism, sailing ships appeared, which were developed more fully up to the moment of capitalism's entry into the world arena.

The scientific technical revolution of that day led, in the mid-19th century, to the following fundamental change in the material resources and equipment of naval forces—to the creation of the steam fleet, and lateral to undersea forces. And finally, recently even more profound and revolutionary changes have taken place in connection with the construction of the nuclear-powered navy of the nuclear-missile era.

These stages of naval development were not just stages in the technical improvement of warships. At the same time as the material resources and equipment were being altered, changes were also taking place in its position within the system of armed forces, in it basic mission, and in its role in the policy of the state in peacetime and in military operations at sea.

Even in ancient times, in solving problems concerning trade, routes of communications, ties between people, and of the fishing and marine industries, mankind developed several coastal areas of the seas and oceans. Parallel to this, knowledge was accumulated and expanded, at first about the individual regions of the earth; and later about the entire planet, including the World Ocean. It is difficult to overestimate the role of the Navy in this.

At the same time, from the era of the slave-holding society even up to our day, navies have been employed in numerous wars as the most important (and often the only) means of supporting the transport of military cargoes and land forces or the invasion of troops of the enemy territory, as well as to protect their own sea routes and to attack the enemy's merchant ships.

In the 16th to 17th centuries, one of the most important periods in the history of mankind began—the era of great geographical discoveries, the era of the initial accumulation of capital, and the development of capitalism. The major countries of Western Europe converted their navies into one of the instruments of the initial accumulation of capital: they were used to seize colonies, for the enslavement of peoples of entire continents, and to plunder them, and as the agents for the fierce struggle between rivals in the plundering of colonies, and also for control in the colonies and of the sea routes.

"The discovery of gold and silver mines in America, the eradication, enslavement, and the burning alive of the natives in pits, the first steps toward conquering and plundering East India, and the transformation of Africa into a preserve for hunting blacks—this was the dawning of the capitalist era of production." [4]

Spain and Portugal were the first to rush to discover new lands and colonize them. Sailing expeditions by Columbus, Magellan, Vasco da Gama, and other seafarers not only opened the American continent, extended the water route around Africa to India and China, and discovered many Pacific Ocean islands, but also initiated the colonization of these regions and countries. The English, French, and Dutch joined the Spanish and Portuguese in participating in the geographical discoveries and in the colonization of the new lands.

In the 16th century it seemed that Spain had firmly established a position as a great power, possessing vast colonies. But due to political backwardness and the inability to compete with rapidly developing England, she was not able to exploit the riches plundered from the colonies, to rapidly develop her economy and her industry, and consequently, to build up armed forces, and particularly a navy, which were modern for that day. Soon after the defeat of the "unbeatable armada" by the more modern English Fleet, Spain, being in no condition to protect her overseas possessions, lost them and was gradually transformed from a great power into a third-rate state.

In the middle of the 17th century, Holland, which had taken the capitalist path of development earlier than the others, and had the strongest navy in the world at its disposal, became the largest colonial power and reached the apex of its power. But soon England, where industrial capital played the leading role as opposed to trade capital which held sway in Holland, became its main rival. The struggle between these countries became the hottest in several wars which history has named the Anglo-Dutch wars. The North Sea was the main arena for their struggles. After losing several naval battles and after attacks by the English from land, Holland acknowledged defeat and became a second-rate colonial power. Its fate was sealed by the victory of the industrial capital of England over Holland's trade capital, which was manifested militarily in the superiority of the English Fleet (or, in the final analysis, in the naval might of England).

Karl Marx wrote about this in this manner: ". . . Trade domination is now already related to the greater or lesser predominance of the conditions of the existence of major industry. It pays to compare, for example, England and Holland. The history of the fall of Holland as the dominant trade nation is a history of the subordination of trade capital to industrial capital." [5]

England also often used her Navy for direct enrichment. It is sufficient to recall that many English ships and merchantmen in the service of the King acted as pirates: they robbed the merchant ships of other countries, seized them, and dragged them away into English ports. Thus, instead of a consumer, the Navy became a source of enrichment to the state.

At the beginning of the 18th century, France also took the path of capitalist development. Through the enslavement of overseas countries, in which the Navy played an important role, she was also transformed into a vast colonial empire possessing Canada, large territories in the Mississippi Valley, several West Indian islands, part of India, and broad regions of Africa. The core of England's policy was to attain the position of "Mistress of the Seas", personifying a world economic and political power; she chose to use every possible way to bring down her rivals at sea to the level of the states which were incapable of opposing her Navy as one way of achieving this goal. At this time the struggle in the world arena for economic hegemony, colonial possessions, and domination in world trade shifted to the sphere of rivalry between England and France. The culmination of this struggle was the so-called Seven Years War, in which almost all of the states of Europe were involved. "England and France fought over colonies in the Seven Years War, i.e., they waged an imperialistic war. . ." [6]

The principal events at that time unfolded at sea, as a result of which the navies played the most important role. The outcome of the battles between the English and French Fleets played a decisive role in achieving the political goals of this war. As a result of their hostilities, France, having lost any hope of domination, or even a predominant position on the sea and having lost control over the sea lanes, was forced to relinquish North America and India to England.

In the middle of the 18th century, having surpassed the other countries in economic development and possessing a developed industry and numerous colonies, England became the first world power. Backed by a powerful economy which provided England the supremacy of having the strongest fleet on the World Ocean, she assured the leading position among the capitalist countries and held it for almost two centuries.

The desire of the British capitalists to hinder the development of industries in the colonies by every means, in order to keep them as mere suppliers of raw material and as consumers of the goods of British industry, produced the war for independence of the more developed of its North American colonies. The navies of England's former rivals, France, Holland, and Spain acted on the colonies' behalf. The position of Russia, which declared a so called "armed neutrality", supported by the power of the Russian Navy, did not permit England to blockade America, also played a positive role for the Americans. The "mistress of the seas" had to fight a war under conditions in which her Navy was considerably inferior to the united fleet of the enemies. After England had lost several battles on land, considering the unfavorable relative strength of the forces on the sea which prevented unhindered supplying of reinforcements via the ocean, she was forced to recognize the independence of the United States of North America.

Despite the fact that the main missions in the war for independence were executed by the armies, it once more affirmed the growing influence of naval forces on the course and outcome of armed conflicts fought on land. In this war, naval operations were shifted from European waters to distant ocean regions which sharply increased the importance of communications, and problems of defending and hindering them in support of military actions on land arose on such a scale for the first time.

The new conditions of naval combat operations imposed higher demands on the seakeeping ability of the warships and on their combat stability. In connection with this, their dimensions were increased, designs were changed, armament strengthened, and subsequently armor made its appearance. The considerable growth in the capabilities of the rapidly developing capitalistic industry fostered the building up of warship inventory, taking the new demands into account. All of this speeded up naval development, and at the turn of the 19th century permitted the naval role in political struggles and in military operations to be enhanced even further.

The main organizing force of the wars in the above period was the English bourgeoisie, which intended to seize France's remaining colonial possessions. In this connection, England tried to transfer the weight of the battles on the continent to her European allies, while limiting her participation in the wars mainly to operations at sea and against France's maritime territories.

It should be noted that the large bourgeoisie which came to power in France after the Thermidorian coup, also made it a primary task to reduce England's colonial power. Bonaparte's expedition into Egypt was undertaken for this purpose and with the future goal of seizing India. The French troops, which were transported across the sea unbeknownst to the English, began successful combat operations in Egypt. Within just two and a half months the English Fleet, under the command of Nelson, found the French warships anchored in Aboukir Bay and defeated them. The destruction of the French Fleet primarily affected the combat capability of that part of the army which was in Egypt and which turned out to be cut off from its main supply bases located in Europe. Moreover, it also affected the operations of the main forces of the French Army which, within six months of the defeat of the French Fleet at Aboukir, surrendered to the enemy, in a few months that which Bonaparte had won in his day in dozens of victorious battles. [7]

Thus, the weakness of the French Fleet became one of the main reasons for the failure of the plans for the conquest of Egypt,

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the passage to India, and the curtailing of English colonial power, even though France had the necessary ground forces at its disposal.

Continuing the struggle, Napoleon decided to land a large landing force directly on the British Islands, for which 2,343 diverse transport ships were readied. It seemed that a fatal threat hung over England. However, the preparation for the invasion was delayed. An attack, initiated by Russian troops under the command of Kutuzov, forced Napoleon to abandon entirely the landing of a force in England.

On 21 October 1805 in the Atlantic Ocean off the coast of Spain, the battle of Trafalgar took place in which the English, under the command of Nelson, inflicted a decisive defeat on the Franco-Spanish Fleet. The significance of this battle, as well as the role of the English Fleet in the struggle with Napoleonic France, were actually great, but were exaggerated to an even greater degree by a Western European historiographer who asserted that "at Trafalgar not only the greatest naval victory was won, but also the greatest and most remarkable victory of all those won on land and at sea in the course of the entire revolutionary war. No single victory nor any series of victories by Napoleon had such an effect on Europe."[8]

One cannot agree with this. As is well known, the struggle against Napoleon lasted many years and the main and decisive role in it was played by Russia, which destroyed the French Army in the Patriotic War of 1812. The victory gained by Russia actually had a greater effect on the political situation in Europe.

As for the Battle of Trafalgar, with respect to its consequences, it, of course, was not an ordinary military clash of fleets. After the series of defeats of the French Fleet, its final rout in this battle demonstrated France's inability to carry on a battle at sea with an enemy having a more modern fleet consisting of better quality ships, manned by more highly trained personnel, and employing tactics which were new for that time. The main result of the victory achieved in the naval engagement was that the home country and the British colonies became practically invulnerable to attacks from the direction of the sea. England was able to deprive the enemy of the weapon which was most dangerous for her—the navy. Only a navy at that time could directly threaten the home country and the security of the communications connecting England with the colonies which supplied the raw materials for her industry and food products for the population. The liquidation of the threat from the sea freed the hands of the English *bourgeoisie* to organize and finance new alliances to continue the struggle with Napoleonic France. France, however, was forced to refrain once and for all from combat operations at sea and to seek other ways *not connected* with the sea to combat her main enemy.

Thus, the course of the war at sea and the gaining of domination by the English Navy had a great effect on the further policy of the belligerents.

From all that has been said, it follows that from the drawing of the capitalist era, the navies of the Western states have represented not only a part of the armed forces, which were employed in war in the naval theaters, but also a weapon of state policy in peacetime, which permitted them to enslave underdeveloped peoples and countries overseas and to transform them into their own colonies. The fleets of the Western European powers travelled the path from "privateers in the service of the King" to regular naval forces which received an organized structure and official operational tactics. The employment of this naval force in wars, especially when it was the main force in achieving the goals of the war, had a considerable influence on state policy, which was determined and conducted taking into account the disposition of the forces at sea at certain times.

Maritime states having great economic capabilities have widely used their naval forces in peacetime to put pressure on their enemies, as a type of military demonstration, as threats of interrupting sea communications, and as a hinderance to ocean commerce.

Navies have served these states as an important means of further enrichment and of extending expansion and colonization.

In addition, navies have also carried out the pleasant mission of being discoverers. Naval ships of the great powers, including Russia, have carried out wide-scale oceanographic studies and have made an inestimable contribution to the science of geography. This tradition of mariners (including also naval mariners) still continues even today, when the "blank spots" in the ocean are becoming fewer and fewer, yet the knowledge of the secrets of the ocean represents a very great scientific task even today.

FOOTNOTES

[1] V. I. Lenin. *Poln. sobr. soch* (Complete Collected Works), Vol. 32, p. 9.

[2] *Leninskiy shornik* (Collection of Lenin's Articles) XII, 2nd Ed., 1931, p. 437.

[3] I. Lenin. *op. cit.*, Vol. 13, p. 374.

[4] Marx. *Kapital*, Vol. 1, 1949, p. 754.

[5] K. Marx. *op. cit.*, Vol. 3, 1954, p. 345.

[6] V. I. Lenin, *op. cit.*, Vol. 30, p. 7.

[7] Ye. V. Tarle. Napoleon, Izd-vo AN SSSR, 1957, p. 74.

[8] Fyffe's History of Modern Europe, Vol. 1, p. 281.

COMMENTARY

(By Rear Adm. George H. Miller, U.S. Navy (Retired))

After battleship, cruiser, and destroyer service prior to World War II and command of the USS *Brennan* (DE 13) in 1943, Rear Admiral Miller lectured on seapower and maritime strategy while serving as plans officer at the Naval War College from 1947 to 1949. He was the Navy member of the joint strategic survey council, Joint Chiefs of Staff, from 1960 to 1962, and director of the Navy's Long Range Objectives Group from 1964 to 1967. From 1967 to 1970 he served as Director of Strategic Offensive and Defensive Systems on the staff of the Chief of Naval Operations. Admiral Miller is now, the Naval Advisor to the Assistant Secretary of Commerce for Maritime Affairs.

Since the early 1950s, the world has watched the Soviet Union build up its merchant and combat navies and break out into the Great Oceans in a comprehensive program of political, commercial and coercive penetration of less developed areas. Their overall approach is an updated version of that taken by the more successful, durable great powers of history. Particular effort has been funneled into three important geographic crossroads: Mediterranean-Suez-Arabian Sea; Southeast Asia-Straits of Malacca; and the Caribbean. Soviet actions appear to reflect systematic exploitation of strategic geography and the lessons of history to further their overseas interests.

Now we have the words of Admiral of the Fleet of the Soviet Union S. G. Gorshkov to confirm these carefully planned and executed actions.

In the opening paragraphs of this, the first of his 11 articles, Admiral Gorshkov points to the historic importance of the oceans in human affairs: communications between continents, between suppliers of products vitally essential to mankind; utilizing the water medium for peaceful purposes, for defense of one's own country and to seize overseas possessions. He calls attention to the fact that naval forces have a high degree of maneuverability; they can form powerful groups secretly which are of "surprise to the enemy."

Admiral Gorshkov and his countrymen know something about surprise attack. The Japanese fleet opened the Russo-Japanese War in 1904 with a surprise attack on Port Arthur. In 1941, while German and Soviet leaders talked and signed treaties of friendship, cooperation and détente, the German army deployed secretly and launched the most devastating surprise attack in Russian history. The Soviet leadership remembers.

Admiral Gorshkov rejects the time-honored political and budget game of comparing numbers of ships of one type or another, in comparing relative naval strength. He suggests a more complex and accurate method of appraisal.

Final goals of armed conflict at sea are still regarded by the Admiral, as defeat of the enemy and destruction of his vital forces and material. Targets specifically listed for destruction are ships with their crews and provisions, and weapons or shore objectives within range.

Lenin is quoted on the inseparable link between war and the political system from which it stems. He points out that national policy is the controlling factor; war is only a weapon. On the basis of what Leninism has achieved in the past 50 years, one might suggest that Lenin himself may be classed among the most successful strategists of recent history. His writings are of importance to those Americans who wish to know more about their principal competitors.

Admiral Gorshkov highlights the role of geography, and particularly the seas and the oceans, in influencing the character and direction of development of the armed forces, as well as human society. He discusses armed forces under the groupings Army and Navy, and he suggests how the place and role of each of the branches does change in peacetime and in war.

He points to "the special feature of the Navy as a military factor which can be used in peacetime for purposes of demonstrating the economic and military might of states beyond their borders . . . it has been the solitary form of armed forces capable of protecting the interests of a country overseas." No comment is made on the stationing of land forces on foreign soil in peacetime.

Admiral Gorshkov says, ". . . it is impossible not to note how man's ability to comprehend the ocean and to use it for his own needs directly affects the growth of the political prestige of the country and its economic and military might."

In a very brief summary of "distant past" history, the author begins with this paragraph: "Navies have always played a great role in strengthening the independence of states whose territories are washed by seas and oceans since they were an important political weapon. Naval might has been one of the factors which has enabled certain states to advance into the ranks of the great powers. Moreover, history shows that states which do not have naval forces at their disposal have not been able to hold the status of a great power for a long time."

He notes how civilization developed and flourished most often on the shores of seas and oceans; and how the large countries of Western Europe used their fleets ". . . to seize colonies, for the enslavement of peoples of entire continents and to plunder them. . . ."

The Soviets of course are also using their maritime fleets as a "weapon of state policy" for peacetime penetration of less developed areas. However, they package their own operations with more internationally palatable phraseology such as Trade Missions, Wars of National Liberation, and Peoples Democratic Republics.

It is important to remember that the advice and influence of Soviet maritime leadership are injected personally and directly at the highest political and security levels of the Soviet government.

Admiral Gorshkov is without doubt one of the foremost authorities on naval strategy of modern times. His writings should be studied as assiduously as European statesmen studied Alfred Thayer Mahan's works during the years preceding World War I. They are of considerable importance in determining the nature and scope of the big-power competition to be expected in the years to come.

One can find very little if any material in this first installment which is not important. All of it is deadly serious.

SENATOR RANDOLPH URGES PRESIDENT TO SIGN WATER RESOURCES BILL

Mr. RANDOLPH. Mr. President, 2 years ago the Committee on Public Works began development of a water resources bill. This type of legislation traditionally has been enacted on a biennial basis to maintain the orderly progress of our water resources development program. The 1972 bill regrettably did not become law because of a Presidential veto of that measure following adjournment of the 92d Congress. Consequently, it was necessary to begin work on a new water resources bill last year. The conference report on that measure, H.R. 10203, was adopted by both the Senate and House of Representatives last week.

On Friday I sent a telegram to the President urging that he sign this meassure. Mr. President, I ask unanimous consent that the text of my telegram be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

FEBRUARY 22, 1974.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On February 21 the Senate adopted the Conference Report on the Water Resources Development Act of 1974 by a vote of 78 to 7. This followed by two days the 374 to 4 vote of the House of Representatives in ratifying this measure.

The enactment of this legislation is extremely important to the continued orderly development of our country's water resources, an activity in which the Federal government has been involved for more than 150 years. The Water Resources Development Act authorizes merited new projects to be carried forward by the Army Corps of Engineers. It also incorporates major policy decisions affecting the water resources program. The total of monetary authorizations for new projects in this bill is the lowest in a quarter century.

The contents of the provisions of this legislation were carefully developed and are consistent with both the need to continue this program and the necessity for restraint in Federal spending. I strongly urge that you approve this legislation at the earliest possibility.

Truly,

JENNINGS RANDOLPH,
Chairman, Senate Committee on Public Works.

THE PRESIDENCY AND THE SEPARATION OF POWERS

Mr. WILLIAM L. SCOTT. Mr. President, we often hear politically motivated statements regarding Presidential powers and executive privilege. It was, therefore, particularly interesting to read an article in this month's issue of the American Bar Association Journal prepared by Ben R. Miller, a practicing attorney of Baton Rouge, La., who apparently has served in the House of Delegates and on the board of governors of the American Bar Association and has devoted some time in researching Presidential powers. Perhaps some of our colleagues have not seen this article and would be interested in reading it. Therefore, I ask unanimous consent that the article entitled "The Presidency and Separation of Powers" be printed in the RECORD for their information.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PRESIDENCY AND SEPARATION OF POWERS

(By Ben R. Miller)

President Nixon had the precedents of many years and many presidents behind him when he refused to turn over presidential papers and other materials in response to the special prosecutor's subpoena. His firing of the special prosecutor was legal, as the executive department has the power and discretion of prosecution.

Two men testified in 1964 in a suit by the United States against the registrar of Clarke County, Mississippi, to enforce the voting rights of Negroes. The federal judge who heard their testimony (W. Harold Cox) and a federal grand jury that later investigated it believed that the men had committed perjury. That grand jury asked the United States attorney to assist it in preparing indictments against the two men. On instructions from Acting Attorney General Nicholas deB. Katzenbach, the United States attorney refused to do so. Judge Cox then ordered him to "draft such true bills or no bills as the grand jury may have duly voted and desired to report and to sign such instruments as required by law under the penalty of contempt."

On appeal, the United States Court of Appeals for the Fifth Circuit held in *United States* v. *Cox,* 342 F. 2d 167 (1965), that the executive branch of the government, through the attorney general and the United States attorneys, has the exclusive control of prosecutions in the federal courts and exclusive discretion as to who is to be prosecuted. It reversed the contempt citation.

That opinion, and particularly the concurring opinions of Judges Brown and Wisdom, are equally applicable to and support the position of President Nixon in the Nixon-Cox and other Watergate related matters. Judge Brown wrote: "With stakes so high, the safety of our country, and hence the security of the world, ought not to be imperiled by leaving the important decision to a body [the grand jury] having no definitive political responsibility. . . . How will essential government secrets be kept when disclosed to persons none of whom as grand jurors will have been subjected to customary security clearance checks?"

These statements were by Judge Wisdom: "The prosecution of offenses against the United States is an executive function within the exclusive prerogative of the attorney general. . . . [w]hen, within the context of law enforcement, national policy is involved, because of national security, conduct of foreign policy, or a conflict between two branches of government, the appropriate branch to decide the matter is the executive branch. . . . In such a situation, a decision not to prosecute is analogous to the exercise of executive privilege. The executive's absolute and exclusive discretion to prosecute may be rationalized as an illustration of the doctrine of separation of powers, but it would have evolved without the doctrine and exists in countries that do not purport to accept this doctrine."

In 1967 the United States Court of Appeals for the District of Columbia Circuit held in *Newman* v. *United States,* 382 F. 2d 479: "The United States attorney, under the direction and control of the attorney general, is the attorney for the executive. [It] is not the function of the judiciary to review the exercise of executive discretion whether it be that of the president himself or those to whom he has delegated certain of his powers."

SHOULD FUNDAMENTAL PRINCIPLES NOW CHANGE?

Should the fact that, rather than two persons under investigation for perjury, it is now the president of the United States and persons now or formerly in high places whom Special Prosecutor Archibald Cox wished a federal grand jury to investigate, have changed the fundamental principles of constitutional law as enunciated by each of these United States courts of appeals? Or have entitled Special Prosecutor Cox to demand that he, not the president, determine the disclosure of which private files of the president might endanger the nation or not be in the best interest of the nation? Or have entitled the news media and others to demand the resignation or impeachment of the president because he refused to surrender his presidential power in this respect to Archibald Cox?

And what about the Senate Select Committee on Presidential Campaign Activities? Should the fact that it was the Ervin committee of 1973 and not the McCarthy committee of the mid-fifties that compelled witnesses to testify before the continuous glare of the television cameras entitle the national news media and opponents of President Nixon to cry "foul" to the McCarthy circus and "fair" to the Ervin hearing? The voices raised in protest then are silent now.

The Supreme Court even reversed the conviction of the notorious Texas swindler Billie Sol Estes in 1965 (381 U.S. 532) because, so the Court said he had been denied his constitutional right to a fair trial before an impartial jury because of the "bombardment of the community with the sights and sounds of a two-day [televised] hearing. Chief Justice Warren said that exposing a defendant or a potential defendant to televised hearings would be a return to "frontier justice." He added that "the fallen has attracted public interest . . . are the very idol, or some other person who, like petitioner, persons who encounter the greatest difficulty in securing an impartial trial, even without the presence of television."

And where are the voices that once supported the principle of separation of powers that protects the presidential files and materials? Purely by coincidence I came across a book by Telford Taylor, *Grand Inquest: The Story of Congressional Investigations,* written in 1954 during the McCarthy era. Professor Taylor is certainly not prejudiced in favor of President Nixon, but he pointed out then the historical basis and precedents that support the president's position today.

In the very first investigation Congress undertook, President Washington declined a request for documents in the possession of the secretary of war, and Professor Taylor goes on:

"In the years to come, Jefferson, Monroe, Jackson, (thrice), Tyler (twice), Polk, Fillmore, Lincoln, Grant, Hayes, Cleveland, Theodore Roosevelt, Coolidge, and Hoover (twice) encountered congressional demands for information that they saw fit to reject. Secure and powerful in his relations with Congress during his first two terms, Franklin D. Roosevelt did not confront the problem until his third term, during which no less than six such requests were refused, and under Truman there were still more. Although partisan politics have frequently generated these conflicts, it is apparent from the foregoing list that party affiliation has never affected the basic position of the Presidents. . . ."

"How have the presidents determined whether or not a disclosure would be 'in the public interest'? Apparently on a case-by-case basis, and indeed in so delicate an area it is well-nigh impossible to lay down rules. On many occasions the request has pertained to confidential diplomatic or military matters, while several have related to patronage or the removal of public officials. Other con*gressional* demands were refused because they imputed misconduct to the president or his cabinet members."

Professor Taylor also quotes approvingly from William Howard Taft, who while a professor of constitutional law at Yale following his presidency and before he became chief justice, wrote: "Clearly, the president cannot turn over documents to Congress so that Congress can then decide whether or not they should have been turned over. If there is an executive privilege to withhold information when disclosure would not be 'in the public interest,' then the president must be the one to determine in any particular case whether the public interest permits disclosure or requires nondisclosure."

No president before President Nixon, at least to my knowledge, took the unprecedented step of appointing someone outside the Justice Department to investigate the president himself—let alone appoint a person who had been active in the opposite political party and had held high appointive office under the opposite party's president.

President Nixon's refusal to respond to the subpoena calling for the documents sought by Special Prosecutor Cox was based on sound constitutional principles of separation of powers, as well as precedents furnished by many former presidents of both political parties.

When President Nixon agreed to waive this constitutional principle and agreed with Senators Ervin and Baker to a procedure whereby the then subpoenaed Watergate tapes in their entirety would be made available to John C. Stennis, a senator of the opposite political party whose prestige and reputation for integrity are perhaps the highest of any man in public office, with Senator Stennis authorized to transmit a complete factual account of all that related to the Watergate affair, President Nixon was not only acquiescing in what the appropriate spokesman for the legislative branch were then willing to accept, but also he was accepting what the judicial branch (through the United States court of appeals, if not Judge Sirica himself) had suggested be done—a compromise to avoid a confrontation *likely to* tear this country apart at one of the most crucial periods in its history.

FIRING OF COX WAS LEGAL AND JUSTIFIED

The firing of Mr. Cox, who would not accept such a compromise, was thoroughly justified because of the partisan and biased, as well as unethical, actions of Mr. Cox. Not the least of these actions was his violation of his pledge and oath of office when he gave to Senators Kennedy and Hart information he had received officially relating to the earlier I.T. and T. antitrust matter—when he well knew that later Mr. Nixon had withdrawn the temporary hold on the government's appeal, and when he also knew, as he later conceded, that the government's compromise in the I.T. and T. matter was very favorable to the government.

The president of the United States, as long as he occupies that office, is not just "an ordinary citizen" and is not subject to the same sanctions of the criminal laws as are ordinary citizens. Surely it would not be argued that he could be lawfully arrested at any time and place by any law enforcement officer of any state or county through which he might pass, even under circumstances that would justify your or my legal arrest, or that any and all local or federal courts could issue a valid warrant for his arrest. That is not to say that he is above the law. It is merely to say that as president he is subject to impeachment for "high crimes and misdemeanors" and if impeached, he is subject to the ordinary criminal sanctions like an ordinary citizen.

It has been proposed that Congress authorize the appointment of a special prosecutor by the United States District Court for the District of Columbia in the manner provided by 28 U.S.C. § 546 for the filling of vacancies in the office of United States attorney. But in *United States* v. *Solomon,* 216 F.Supp. 835 (S.D. N.Y. 1963), Judge Levet recognized that the authority given by this statute is only for a temporary vacancy until the president can act. In answer to the defendant's contention that to be prosecuted by a prosecutor appointed by the judiciary "would provide a nexus between court and prosecutor too close to comport with due process," the court declared there was no nexus since the president, not the courts, had the power of removal.

An appointment by the judiciary of a special prosecutor removable only by the judiciary, as has been urged, would appear "to provide a nexus, too close to comport with due process." Indeed, in 1967 Judge J. Skelly Wright of the Court of Appeals for the District of Columbia Circuit, while sitting as a district judge on a three-judge court, even considered it unconstitutional and a violation of due process for any district judge there to pass on the actions of members of the District of Columbia's board of education because those members are appointed by the trial judges of the District (365 F. Supp. 902).

THE COUNTRY CAN BE TORN APART

As for the authority of the Congress itself to appoint a special prosecutor, one of its branches does have the right, and properly so. The House of Representatives, when and if it brings formal impeachment charges against the president of the United States, designates a prosecutor and staff to press its charges before the Senate. But for the Senate to attempt to participate in the creation or designation of a special prosecutor to investigate the president would be violative of the judicial function it would be called upon to perform in any impeachment process that might follow the prosecutor's activities of the House.

The political pot into which this controversy has dropped is still boiling. The country itself can be torn asunder by the intemperate words and deeds of those who assert they speak for important segments of the nation and by prejudiced, biased network television and newspaper commentators and columnists who tell only one side.

STRONG SUPPORT TO UPDATE THE RETIREMENT INCOME CREDIT

Mr. CHURCH. Mr. President, the retirement income credit was enacted in 1954 to provide retired teachers, policemen, firemen, and other Government pensioners with comparable tax relief as is received by social security beneficiaries.

Payments under the social security program are, of course, tax exempt. Persons with little or no social security coverage can receive comparable tax relief by claiming a 15-percent credit on their qualifying retirement income—pensions, annuities, interest, dividends, and rent.

The maximum amounts for computing this credit are now $1,524 for individuals and $2,286 for aged couples.

But the retirement income credit no longer provides anywhere near similar relief because it has not been updated since 1962 for elderly single persons and 1964 for aged couples.

During this same period of time, social security benefits have more than doubled. And, these measures were urgently needed to protect older Americans from the impact of inflation and to raise their social security payments to more realistic levels.

On January 24 the Senate put itself on record in support of modernizing the retirement income credit when it adopted my amendment to H.R. 8214. This measure—I want to emphasize—is simply a beginning step to provide equitable and fair treatment for Government annuitants and others with little or no social security. It would raise the maximum amounts for computing the credit from $1,524 to $2,500 for single persons and $2,286 to $3,750 for aged couples.

For older Americans struggling on limited, fixed incomes, this amendment can provide a welcome means of tax relief: Up to $146 for an aged single person and an additional tax savings up to $220 for an elderly couple.

Unfortunately though, H.R. 8214—along with my amendment—was later recommitted to the Senate Finance Committee for further consideration because some controversial measures were added to the bill.

As chairman of the Senate Committee on Aging, I consider modernization of the retirement income credit to be one of my highest legislative priorities. The need for this action, in my judgment, is long overdue. Quite clearly, retired policemen, firemen, teachers, and Government annuitants should not be treated as second class citizens under the Internal Revenue Code.

Consequently, I wish to announce that I am prepared to offer again my amendment to update the retirement income credit when an appropriate tax measure is before the Senate. In addition, I am pleased to report that the National Association of Retired Federal Employees is enthusiastically supporting my efforts to update the 15-percent credit.

A recent letter to me from Mr. Arthur Sparks, president of NARFE, provides further compelling reasons for taking this action now.

Mr. President, I commend the letter of Mr. Arthur Sparks to my colleagues, and ask unanimous consent that it be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

National Association of
Retired Federal Employees,
Washington, D.C., January 28, 1974.

Hon. Frank Church,
Old Senate Office Building,
Washington, D.C.

Dear Senator Church: Once again the retirees and Senior Citizens of this country owe you their thanks and appreciation for championing their cause in the United States Senate. On behalf of the 185,000 members of the National Association of Retired Federal Employees, I would like to take this opportunity to thank you for introducing and having adopted an amendment to H.R. 8214, to liberalize the Retirement Income Tax Credit.

As you well know, this provision of the tax laws is of special importance to the majority of Federal retirees and survivors, whose annuities are not tax exempt like Social Security and Railroad Retirement benefits. We have long sought to have this section of the tax laws updated, and were sorely disappointed when the liberalizing provision was eliminated from H.R. 1 in the final days of the 92d Congress.

We are aware that H.R. 8214 was recommitted to the Finance Committee, after the adoption of your amendment and several others, but we do believe that headway was made by the floor adoption of this amendment on Retirement Income Credit. We are now contacting all Members of the Finance Committee, urging that they give early and favorable consideration to this vitally important issue.

Thank you again for your continued interest and action in all matters benefitting the Nation's elderly.

Sincerely,
Arthur L. Sparks, *President*.

GEORGE WASHINGTON, A HIGHLY UNUSUAL AND INTELLIGENT MAN

Mr. GOLDWATER. Mr. President, every year about this time, many Members of Congress find their thoughts turning to our first President, George Washington, and to the great wisdom he displayed in his role as "Father of his Country."

My own research in this direction discloses that George Washington was a highly unusual and intelligent man, not only in his maturity but even as a young boy. Now I am not referring here to the old story about George Washington cutting down the cherry tree, but rather to set of rules on "civility and polite behavior in company and conversation."

It seems when our first President was 15 or 16 years of age, he set down in a copybook 31 rules for decent behavior which would serve all of us well even in this day and age. For example, one of his rules advises to "detract not from others, but neither be excessive in commending." Another suggests, "be not hasty to believe flying reports to the disparagement of anyone."

Mr. President, I ask unanimous consent that George Washington's rules of civility be printed in the Record.

There being no objection, the rules of civility were ordered to be printed in the Record, as follows:

Civility and Decent Behaviour

(By George Washington)

(George Washington was fifteen or sixteen when he set down in a copybook, in his precise eighteenth century penmanship, a set of rules of civility and polite behavior in company and in conversation.)

Mock not nor jest at anything of importance; break no jests that are sharp or biting; and if you deliver anything witty or pleasant, abstain from laughing thereat yourself.

Turn not your back to others, especially in speaking; jog not the table or desk on which another reads or writes; lean not on any one.

When you deliver a matter, do it without passion and indiscretion, however mean the person may be you do it to.

When your superiors talk to anybody, hear them; neither speak nor laugh.

Write no comparisons; and if any of the company be commended for any brave act of virtue, commend not another for the same.

In the presence of others sing not to yourself with a humming voice, nor drum with your fingers or feet.

Speak not when others speak, sit not when others stand and walk not when others stop.

They that are in dignity or office have in all places precedency, but whilst they are young they ought to respect those that are their equals in birth or other qualities, though they have no public charge.

Let your discourse with men of business be short and comprehensive.

In visiting the sick do not presently play the physician if you be not knowing therein.

In writing or speaking give to every person his due title according to his degree and the custom of the place.

Strive not with your superiors in argument, but always submit your judgment to others with modesty.

Undertake not to teach your equal in the art he himself professes; it savors of arrogancy.

When a man does all he can, though it succeeds not well, blame not him that did it.

Break not a jest when none take pleasure in mirth. Laugh not aloud, nor at all without occasion. Deride no man's misfortunes, though there seem to be some cause.

Let your countenance be pleasant, but in serious matters somewhat grave.

Show not yourself glad at the misfortune of another, though he were your enemy.

When another speaks, be attentive yourself, and disturb not the audience. If any hesitate in his words, help him not, nor prompt him without being desired; interrupt him not, nor answer him till his speech be ended.

Detract not from others, but neither be excessive in commending.

Go not thither where you know not whether you shall be welcome or not. Give not advice without being asked; and when desired, do it briefly.

If two contend together, take not the part of either unconstrained, and be not obstinate in your opinion; in things indifferent be of the major side.

Being to advise or reprehend any one, consider whether it ought to be in public or in private, presently or at some other time, also in what terms to do it; and in reproving show no signs of choler but do it with sweetness and mildness.

Be no flatterer, neither play with any one that delights not to be played with.

Reprehend not the imperfection of others, for that belongs to parents, masters and superiors.

Think before you speak; pronounce not imperfectly, nor bring out your words too hastily, but orderly and distinctly.

Undertake not what you cannot perform; but be careful to keep your promise.

Every action in company ought to be with some sign of respect to those present.

Let your recreations be manful, not sinful.

Labor to keep alive in your breast that little spark of celestial fire called conscience.

Wherein you reprove another be unblamable yourself, for example is more prevalent than precept.

Be not hasty to believe flying reports to the disparagement of any one.

SUPPORT FOR AMTRAK EXTENSION

Mr. CHURCH. Mr. President, On January 21, the first day of the current session, I introduced S. 2867, a bill to require the National Railroad Passenger Service Corporation—Amtrak—to provide rail passenger service to each of the 48 contiguous States as part of the basic rail passenger system.

The simplest and most important reason for my action is that I feel Amtrak has failed to carry out the congressional mandate for a national basic passenger system.

Second, this service—regardless of Congress's original intent—is even more necessary today than it was when Amtrak was created. The energy crisis has forced us to realize the importance of transportation systems which can help conserve our dwindling supplies of fuel.

Finally, public support for extending and upgrading rail passenger service is at an all-time high. An indication of this support is a memorial passed by the Idaho State Legislature calling for the reinstatement of rail passenger service to southern Idaho. This memorial, passed by both houses of the Idaho State Legislature, points up both substantial need and support for such service.

I am also pleased to note that nine of my colleagues in the Senate have joined me in cosponsorship of S. 2867. I hope that the Senate will be able to act quickly in favor of this legislation.

I ask unanimous consent that House Joint Memorial 17 of the Idaho State Legislature be printed in the Record.

There being no objection, the memorial was ordered to be printed in the Record, as follows:

House Joint Memorial No. 17

A joint memorial to the Amtrak Corporation and to the House of Representatives and the Senate of the United States in Congress assembled

We, your Memorialists, the House of Representatives and the Senate of the State of Idaho assembled in the Second Regular Session of the Forty-second Idaho Legislature, do hereby respectfully represent that:

Whereas, expansion of the Amtrak system is now under consideration and has become more desirable in view of the impact of fuel shortages on private transportation methods and the increased reliance on public transportation systems; and

Whereas, expansion of public transportation facilities should be made to provide convenient and accessible transportation alternatives to private automobiles; and

Whereas, southern Idaho has been entirely without passenger train service since 1971, although there is a demand for such service in order to facilitate balanced growth in the area; and

Whereas, a route through southern Idaho would provide an essential transportation and communication link and would be economically desirable as a portion of the Amtrak system; and

Whereas, a southern Idaho railroad passenger service would contribute to the healthy economic climate of the area and insure continued social stability and economic growth and development in Idaho.

Now, therefore, be it resolved by the Second Regular Session of the Forty-second Idaho Legislature, the House of Representatives and the Senate concurring therein, that we petition the Amtrak Corporation to reinstitute and operate rail passenger service in southern Idaho in order to sustain and promote the healthy economic climate of the area and to facilitate the transportation needs of the citizens of the region. We urge that the Amtrak Corporation give consideration to the reasonable requests for expansion of the railroad passenger line through south-

ern Idaho at this time or expansion of general railroad passenger services.

Be it further resolved that the Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the Amtrak Corporation and the President of the Senate and the Speaker of the House of Representatives of Congress, and to the Senators and Representatives representing this state in the Congress of the United States.

ESTONIAN INDEPENDENCE DAY

Mr. BEALL. Mr. President, yesterday, *February 24,* marked the 56th anniversary of the declaration of the independence of the Republic of Estonia. Unfortunately, those Estonians who daily live under the yoke of Soviet suppression could not celebrate this significant milestone. Thus, I join with many of my colleagues in saluting these brave people at a time when, publicly at least, they cannot mark this occasion themselves.

Even though Estonia has been occupied by the Soviet Union for many decades, the Estonian people have maintained their national identity and their love of freedom. Their longings for self-determination have not faded over the years; indeed they remain as strong as ever.

I salute these courageous people on this anniversary and offer my hopes that liberty can once again be restored to Estonia.

THE STRUGGLE TO EMIGRATE: AZBEL, RUBIN, AND GALATSKY

Mr. JACKSON. Mr. President, I would like to share with the members of this body an urgent message that has been sent to us by three prominent Soviet Jewish citizens who have been driven by desperation to undertake a hunger strike in protest against their government's repeated refusals to permit them to emigrate to Israel. They are Dr. David Azbel, 62, a former professor of chemical engineering; Vitaly Rubin, 50, an international authority on ancient China; and Vladimir Galatsky, 44, an artist.

Galatsky requested permission to leave 1 year ago; Rubin and Azbel applied for visas as far back as February and April 1972, respectively. Galatsky, whose painting has long been under attack by *the Soviet* Government, is now unable to get any work at all at the state publishing houses. Azbel and Rubin—whose exit visa was denied on the grounds that he is an "important specialist"—were both dismissed from their posts shortly after applying to emigrate; Azbel had been the head of the Institute of Chemical Spirits and Organic Products; Rubin was on the faculty of the Moscow Institute for Oriental Studies. All three have been subjected to official harassment and officially directed ostracism in their professions. Their lives and the lives of their families have been a constant nightmare.

And now, in an attempt to render ineffective their hunger strike, the Soviet Government, in violation of the spirit of the International Telecommunication Convention which the Soviet Union ratified in 1969, has severed their telephone lines—their virtual lifelines to friends in Russia and the West and to the foreign press. Their message to the U.S. Senate, which was transmitted by telephone on February 18, 3 days after the hunger strike began, was one of the last communications that they have been able to get through to the West.

Mr. President, I would also like to call the attention of my colleagues to a brave letter which David Azbel wrote and released to the Western press in defense of Alexander Solzhenitsyn shortly before the great writer's expulsion from the Soviet Union. In that letter, Azbel recalls his own long detention in the Gulag Archipelago from 1935 to 1951 and his hunger strike in prison 30 years ago:

> For each day of a hunger strike I got one year. Ten days of hunger strike—ten years behind bars.

Contemplating the hunger strike which was to begin on February 15, Azbel concluded:

> Today, I have to resort to the same act of protest and desperation again. It is interesting how many years I will get for each day now. I understand that even today I can become a citizen of Gulag Archipelago any day.
>
> And if this happens to me, David Azbel, former prisoner, it means that Gulag Archipelago did not go down as the legendary Atlantis—it exists, it is very much alive.

Mr. President, I ask unanimous consent to have printed in the Record the "Message to U.S. Senators from Moscow Jews on Hunger Strike" and an article from the Washington Post of January 27 entitled "A Gulag Veteran Speaks Up," which includes Dr. Azbel's letter.

There being no objection, the material was ordered to be printed in the Record, as follows:

Message to U.S. Senators From Moscow Jews on Hunger Strike

We know that soon you are to discuss and solve a question in which we are vitally interested. We are referring to the Jackson amendment. It makes certain aspects of Soviet-American relations dependent on free emigration from the USSR and that means—dependent on morality, international law and human rights. Occasionally voices are raised in the West that emphasize that in Soviet Jewish emigration a certain degree of progress has been reached which permits this moral factor to be glossed over in intergovernmental relations. The magic of numbers does its work. The impression is created that only a small "1,000" Soviet Jews who were denied visas cannot leave. It is really that way?

Well, and what about the tens of thousands in such towns as Sverdlovsk, Kuibyshev, Novosibirsk, Irkutsk and many others which are, practically speaking, closed to emigration. People in these towns almost never submit emigration documents, not because they do not want to, but because they know in advance that local authorities will not issue emigration visas and can use repressive measures against them at any moment. Can't these people be counted among those "refuseniks" who are known today in many countries?

Furthermore, there are the papers required of potential applicants which are unlawful even according to Soviet law. How many thousands, and maybe tens of thousands, of parents refuse to give permission to their children, who are over-age and have over-age children of their own, simply out of fear for their own fate. Isn't it possible to include these people among the group of ill-fated thousands who have received formal refusals?! And what kind of Jewish emigration process can we talk about, when in the USSR to this day there is no emigration law nor any published instructions regarding emigration?

The recent statement Deputy Minister of Foreign Trade Alkhimov made while in the U.S.A. can be used as evidence of the peculiarity of this "progress". He stated that Jews are detained in the USSR on grounds of state security and other reasons. What kind of other reasons?

As a rule, there is an absence of any kind of grounds. The reasons for refusal is the arbitrariness of the State. It is simply the whim of the government which determines whether to permit or not permit a certain family to leave. The fate of our families and of many others represents a perfect illustration of this statement.

In our view, those who, in the name of global and until now vague goals, are prepared to absolve the Soviet government and think that human rights regarding emigration are being fulfilled, are committing a tragic mistake. The battle is only beginning and its first results can only encourage but not set one at rest.

We are glad that many of you understand this. That is why we are turning to you at a time when we are staging a hunger strike as an extreme way to make the Soviet government respect our human and civil rights. Because of this the Soviet authorities have removed our links to the world, disconnected our telephones, interrupting our very contact with overseas, with correspondents, friends and relatives in Israel and in Moscow itself.

But even in times long past, when the means of communication were not yet perfected, people found each other and understood each other's needs. We believe we will not remain alone in our struggle for human rights.

Prof. David Azbel,
Chemist.
Prof. Vitaly Rubin,
Sinologist.
Vladimir Galatsky,
Artist.

A Gulag Veteran Speaks Up: Soviet Dissident, 62, Supports Solzhenitsyn's Charges

(By Murray Seeger)

Moscow.—The old man has great spring in his step and more spirit than many Soviet citizens half his age. He has a doctor's degree in technical sciences but little of the pedantic manner of some academics.

On paper he should be a satisfied Soviet citizen. He has a pension and an apartment, and the political crime charged against him nearly 40 years ago has been rubbed from the books. He has been rehabilitated politically and is secure economically.

Still, David Azbel, 62, is a dissident, a tough-minded man with a grievance against the regime. He asked to go to Israel with 30,000 other Jews in 1972 and was refused.

He was refused again in 1973 when nearly 35,000 others were allowed to go. Instead, he was jailed twice and stopped many times by the police for protesting his predicament. His telephone has been cut off and his mail is examined and often stopped. He is watched much of the time. He has protested with hunger strikes, a traditional Russian device.

A metallurgist, Azbel is one of about 200 technically trained Jews who have been blocked from emigration for two years.

Despite his experiences as a Stalin prisoner and a victim of current political policies, Azbel has never lost his courage. He showed this recently when he threw his solitary voice against the whirlwind of official condemnation which has been turned loose against Alexander Solzhenitsyn, the Nobel Prize-winning novelist. Solzhenitsyn has just published in the West a documentary history of the Stalinst repressions. The title, "The Gulag Archipelago," takes its significance from the first word, which is the Russian acronymn for the prison camp administration.

In attacking Solzhenitsyn, Soviet authorities take the position that the ruling Communist Party has properly faced the issue of Stalin's crimes and that the bloody era is officially closed. Azbel argues that the chapter is not closed.

Because the only letters printed in the Soviet press are those which endorse official policies, Azbel's letter supporting Solzhenitsyn was given to Western correspondents. The text:

"I have learned about Gulag Archipelago by Solzhenitsyn from foreign radio reports. Certainly I could not read it in the Soviet union as it was not published even in samizdat [underground press.]

'Though I do not know its contents, I wish I had been among those 200 who told the author about the dreadful years in Stalin's torture chambers. I am only consoled by the fact that my prisoner's biography is so typical that it could be reconstructed from the recollection of others.

"I was imprisoned in Gulag Archipelago for 16 years from 1935 to 1951. I visited its various 'islands'—a solitary confinement cell, death chamber, hard labor camps, special prisons and shooting range.

"After rehabilitation, I got documentation which clearly shows the degree of lawfulness in my case. 'Sentenced to five years imprisonment. Spent 16 years in prison. Dismissed before the term expired.'

"Dismissed, but I have not become free.

"In April, 1972, I applied for an exit visa to Israel. But I was refused without any explanation and since that day the sinister shadow of 'Gulag' has been hanging over me.

"Our life after the application for an exit visa is regulated not by the law but by the KGB (secret police). It is this office that gives orders to policemen to detain us at home and on the street; to the court to bring us to trial; to the interior ministry to keep us in prisons; to postmen not to deliver mail to us; and to the communications service to disconnect our telephones.

"My attempts to protest against all that ended up twice in imprisonment. Once more I saw the familiar surroundings of prison cells and the only companions of my wanderings about Gulag Archipelago prison warders.

"Plainclothes agents in two cars followed me all over Moscow and surrounded my house. Their belligerence awoke my memory: alas, it was not a nightmare.

"My life experience and facts show that the authorities neither forget anything nor have they learned anything.

"I have no inclination to compare 1974 and 1937 or 1953 when Stalin charged Jewish doctors were out to kill him.

"But the scale of operations is not a justification for inhumane deeds. And what is more important—history teaches that one act of arbitrary ruling breeds a lot of new ones. And the more the chain reaction of violence is intensified, the more difficult it is to keep it in check.

"The situation gets out of hand and becomes intolerable. It is high time for the authorities to stop the escalation of repressions and make attempts at finding understanding. But this is not the case.

"Thirty years ago, driven to desperation, I went on a hunger strike in a prison in Saratov. For each day of a hunger strike I got one year. Ten days of hunger strike—ten years behind bars.

"Today, I have to resort to the same act of protest and desperation again. It is interesting how many years I will get for each day now. I understand that even today I can become a citizen of Gulag Archipelago any day.

"And if this happens to me, David Azbel, former prisoner, it means that Gulag Archipelago did not go down as the lengendary Atlantis—it exists, it is very much alive."

LESSON FROM EUROPE

Mr. FANNIN. Mr. President, in recent years the Congress has attempted from time to time to repeal the law of supply and demand. In every instance this has been disastrous.

Last week the Senate took a step in this wrong direction by approving an economically unsound oil price rollback scheme.

There also is strong sentiment in Congress for another desperate attempt to regulate supply and demand through gas rationing. The administration quite wisely has resisted strong pressure for implementation of rationing.

Mr. President, during the past half century the free market created a very complex but very effective system of supplying the gasoline needs of our people. We are only now beginning to realize just how great this system was. It provided abundant supply at low prices. Attempting to manipulate this system through government controls has proved to be an overwhelming task.

I believe the cure to our energy crisis lies in moving back toward the free market, not away from it. It would take a new Government bureaucracy of gigantic proportions to administer a rationing program with any degree of effectiveness and equity. In fact, I cannot envision any formal rationing program that would be equitable. The problems we have had with allocation would be magnified a thousandfold in rationing.

Mr. President, I believe that if we could let the free market work it would provide us with the very controls that no government can impose. It would provide the most efficient usage of our various energy resources at the most reasonable prices for consumers. Equally important, it would leave the people with freedom of choice. The Phoenix Gazette carried a very good editorial last Saturday on this subject. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LESSON FROM EUROPE

If the gasoline shortage afflicting Arizona and other critical areas spreads over the nation, federal energy chief William E. Simon says he will not hesitate to recommend nationwide rationing.

Simon goes on to express the hope that his gasoline allocation program—aimed at equitable distribution of available supplies to all states and within states—will make rationing unnecessary.

The fact of the matter is that, if any one thing is going to bring on the necessity of imposing rationing, it is Simon's allocation program itself.

How then can rationing be avoided? Europe has pointed the way, noted Barron's, the national business financial weekly. An editorial in the current issue concludes that:

"After experimenting, briefly with weekend filling station closings, bans on Sunday driving and even rationing, most of the Continent sensibly has opted for higher prices. From an average of 85 cents a gallon a year ago, high-grade motor fuel has shot up to $1.36 ($1.56 in France, $1.84 in Portugal). As a result, gas is plentiful, queues have vanished and the last vestige of the crisis is the lower speed limits which remain in effect. The solution, then, is simple—perhaps too simple for Simon and the rest."

Perhaps, too, the United States has slid too far down the gasoline allocation slope to avoid plunging over the edge into the rationing pit.

Unfortunately, there is no one in a position of leadership possessing the political courage to advocate higher prices as the way out of the mess—no one in the executive branch, and no one in the Senate, which has passed emergency legislation to force a crude oil price rollback.

With the administration interfering in the fuel market through its allocation efforts and the legislature interfering by endeavoring to keep prices relatively cheap, shortages appear bound to get worse, rationing is nearing inevitability and the possibility of any satisfactory solution is fading out of sight.

Too bad this nation is too know-it-all to learn something from Europe's recent experience.

EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

Mr. McGEE. Mr. President, as the Senate approaches the time of decision on the President's recommendations relative to executive, legislative, and judicial salaries, it is timely to draw Senators' attention to some views expressed by the Chairman of the Commission which reviewed the salary structure.

Arch Patton, director of McKinsey & Co., has, in a recent article in Business Week magazine, pointed out some of the problems inherent in the present pay structure, concluding that it is "so full of negative motivation features that it would probably paralyze a private corporation."

In transmitting the report of the Commission on Executive, Legislative, and Judicial Salaries to the President last June 30, Chairman Patton wrote that:

> In our judgment, the dual salary system makes it difficult to attract, retain and motivate top officials in the Executive, Legislative, and Judicial branches, as well as career employees. Indeed, the dissonance between the two pay systems, in effect, has become a prime demotivator.

The two systems he refers to are the General Schedule and the separate system used to compensate top officials of all three branches of the U.S. Government. The first is adjusted annually, while the second is adjusted every 4 years—and in this instance it has been 5 years since the last adjustment. The result is serious compression in the career service.

> Should Congress fail to raise Executive Structure salaries this spring—and the present inflation rate in the GS continues until 1977—virtually all executives in GS 15 through GS 18, and some in GS 14, will be paid the same salary when the next review period comes for the Executive Structure three years hence.

Mr. Patton writes in Business Week. In other words, five reporting levels could be pegged at the same annual rate of pay and this, he says, "would, of course, be a motivational nightmare."

In truth, Mr. President, we have a serious motivational problem now. Senior career officials, unable to realize an increase in pay, or even an opportunity to significantly increase their eventual annuities, are leaving the Government early. Even Federal judges, enjoying lifetime tenure and the prospect of full salary in retirement, are opting out to return to the private practice of law.

Approval of the President's recommendations—or rather, failure to disapprove them—would somewhat ease the situation. Over the long term, more has to be done. We on the Committee on Post Office and Civil Service have been aware of and concerned with this problem for some time. The Senate, to its credit, last year passed legislation providing for a biennial instead of a quadrennial adjustment of executive legislative and judicial salaries, as the Commission headed by Mr. Patton has recommended. Unfortunately, that bill has not been enacted. But, Mr. President, action is called for. Arch Patton is correct in saying we cannot stand on the status quo another 3 or 4 years. A problem of serious proportions is headed toward the "nightmare" stage.

Mr. President, I ask unanimous consent that Mr. Patton's letter transmitting the Report of the Commission on Execuive, Legislative and Judicial Salaries, as well as his article from the January 19, 1974 issue of Business Week, be printed in the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES,
Washington, D.C., June 30, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We have the honor to present to you the report of the second Commission on Executive, Legislative and Judicial Salaries.

Unlike our predecessor, this Commission approached its task fully conscious of an important constraint upon its recommendations; namely, the need to act with due regard for the spirit of the Phase II (5.5 percent) Salary Guideline of the Economic Stabilization Act. In addition, we find that a substantial rise in living costs has eroded the purchasing power of salaries of top officials in the three branches of the Federal Government who have not had a pay increase since March of 1969. These considerations have greatly restricted the range of decisions available to the Commission.

The principal obstacle to maintaining a reasonable and equitable compensation structure in the Federal Government is the fact that career employees receive annual pay increases that are related to industry salary rates, while the salaries of top officials in the Executive, Legislative and Judicial branches are normally adjusted every 4 years; and these 4-year adjustments have the effect of placing a ceiling on the compensation of career employees, especially during an inflationary period. This, in turn, has created serious salary compression among the top ranks of career employees.

In our judgment, the dual salary system makes it difficult to attract, retain and motivate top officials in the Executive, Legislative, and Judicial branches, as well as career employees. Indeed, the dissonance between the two pay systems, in effect, has become a prime *de*motivator.

Replacing the present quadrennial Commission with a biennial Commission would, we think, largely eliminate compression as a demotivating force in both structures. Further, this modification would make the Executive Salary Schedules more responsive to economic change, and permit the next Commission to carry out what we regard as a much-needed reevaluation of positions within this structure. As we see it, the Phase II limitation precludes such action by the present Commission.

We are convinced that the salary schedules of career employees and the Excutive Schedules require more effective integration. The biennial Commission would be one step in this direction, and we have recommended in our report an approach that could be a major advance toward achieving this end.

We share the conviction of the previous Commission that many critically important government positions are inadequately paid, and that this condition unfavorably affects the quality of talent available to these jobs. But once a reasonable degree of integration between the career salary structures and the executive salary structures has been attained, it will become practical for salary relationships more directly to reflect responsibilities of individual positions in these structures.

The Commission reached the above conclusion with great equanimity because the facts clearly pointed the direction corrective action must take. The same cannot be said regarding the Commission's primary function; recommending salary changes for the Executive, Legislative and Judicial branches of the Federal Government. The unusual economic conditions facing the country during our deliberations—price inflation at home and a weakening dollar abroad—led the Commissioners to arrive at three distinctly different salary recommendations, from the same available facts.

Let me summarize them briefly. Two Commissioners concluded that no salary increase should be recommended at this time in order to set an example for the rest of the country (see Minority View on page 33). Seven of the nine Commissioners, however, were convinced that simple equity demands that salaries be raised enough to at least offset the five-year cost-of-living advance. A majority of the seven, in turn, felt that restoring the purchasing power of Federal officials—a 25 percent increase—would be fair and equitable and at the same time set an unmistakable example of restraint (this Majority View is expressed in the report starting on page 23). In addition, they felt that growing Congressional recognition of the need for a biennial Commission that would reassess salary levels in 1975 warranted taking a conservative posture at this point.

And, three Commissioners voted for a 30 percent salary increment (see Minority View on page 34). Pay increases in other sectors of the economy do, indeed, support such an advance. A very important consideration in this minority view is the belief that judges—as career public servants—have been seriously disadvantaged by lack of salary action since 1969. Other Commissioners share this concern regarding the Judicial branch's ability to attract and retain outstanding judges.

Respectfully submitted,
ARCH PATTON, *Chairman.*

GOVERNMENT'S PAY DISINCENTIVE

The thing that most impresses the student of the federal pay system—particularly one with a personnel background in industry—is not its size, although it has 2.7-million nonmilitary employees and a $33-billion payroll; it is not its growth, although the federal payroll has expanded three times faster than the gross national product in the past decade; it is not even its complexity, although it has developed administrative rituals that are quite different from anything to be found in industry.

What is most remarkable about the federal pay system, in my view, is the enormous difficulty a student finds in developing evidence to prove or disprove the working effectiveness of some aspect of the system. The substantial body of technical knowhow—laws and regulations—that needs to be brought to bear is truly impressive.

But I believe a more important impediment to developing evidential hypotheses is the strong temptation on the part of researchers with an industrial background to seek answers that equate with industry norms. The federal employee, with little or no industry experience, finds it difficult to be helpful in this case—for the two sides do not really speak the same language. So the researcher frequently ends up frustrated, wondering why so much of the overwhelming volume of statistics available on every hand in Washington is so useless.

THE STRUCTURES

Any practical assessment of the federal pay system should start with a description of the government's two major salary structures. I have come to think of the first of these as the Executive Structure, for it includes all members of the executive branch subject to Presidential appointment. However, it also includes all federal and Supreme Court judges and members of both houses of Congress—in other words, the top officialdom of all three branches of the government. Only the President, Vice-President, and majority and minority leaders of both houses, and the Chief Justice stand above this structure. This is the $100-million tip of the $33-billion nonmilitary payroll iceberg (which substantially exceeds the $22-billion payroll of the Army, Navy, and Air Force).

The second and most costly of the federal pay structures is the so-called General Schedule. This structure establishes salary rates for the federal Civil Service and, by linkage, for the Foreign Service, the Veterans Administration, and the military.

While the Executive Structure is a minuscule part of the total federal payroll, it is vitally important because it includes the leadership of our government; it is the apex of the federal pyramid. The Executive Structure is divided into five levels," as the grades are called. A sampling of the positions in each level and the current salary paid, is as follows:

Level I: $60,000—Cabinet Secretaries/Supreme Court justices.

Level II: $42,500—Members of Congress/Major agency heads; e.g., Veterans Administration, Atomic Energy Commission, Comptroller General/Judges, circuit and claims courts.

Level III: $40,000—Under Secretaries; e.g., Labor, Commerce/Assistant Comptroller General/Judges, district and customs courts.

Level IV: $38,000—Assistant Secretaries; e.g., Air Force, Agriculture, Interior/Capitol Architect/Librarian of Congress.

Level V: $36,000—Heads of minor agencies; e.g., Panama Canal, Renegotiation Board, Indian Claims Board/Deputies of Capitol Architect and Librarian of Congress.

Several things are immediately apparent from this tabulation. The pay differentials from Level II through Level V average less than 6%, and the number two man in the typical government organization is only one level below his boss. Both conditions would be motivationally disastrous in most industry situations. Who would want the vastly greater responsibility of the top job if he were only paid a 6% premium for the greater responsibility and risk? Those familiar with compensation levels among large industrial companies will also find the salary offered those key federal positions quite low.

Among the several problems to be found in the Executive Structure, the most important is the fact that it controls the pay of congressmen, who find it extraordinarily difficult to vote themselves pay increases. The pay of congressmen, in turn, controls that of the entire Executive Structure, except Level I. This Congressional bashfulness has resulted in a second weakness, for the Congress-passed law establishing the Executive Structure provides that it be revised only once every four years. (This infirmity was further exacerbated when President Nixon, in keeping with the spirit of the Economic Stabilization Act of 1972, added a fifth year to the waiting period.) Since inflation has been boosting living costs by about 5% annually during recent years, the five-year withholding of salary increases to those in the Executive Structure has meant a loss of 25% of the purchasing power of their salaries.

A CEILING

Inflation itself represents still a third problem, for the law creating the Executive Structure provides that no salary in the General Schedule (the Civil Service structure) may exceed the lowest salary in the Executive Structure. Since salaries in the General Schedule are increased each year, and the Executive Structure has been unchanged for nearly five years, real "compression" has developed among the senior Civil Service executives as a result of this "ceiling." At the present time, for instance, all executives in the top GS grades, 18, 17, and most of those in 16, are paid $36,000—the lowest level in the Executive Structure.

Should Congress fail to raise Executive Structure salaries this spring—and the present inflation rate in the GS continues until 1977—virtually all executives in GS 15 through GS 18, and some in GS 14, will be paid in the same salary when the next review period comes for the Executive Structure three years hence. If this occurs, some 30,000 federal executives will all be paid $36,000. Even today, three to four echelons of executives reporting one to the other are paid the same. Three years hence, if the ceiling is not removed, five reporting levels, all paid $36,000, are likely to be fairly common. This would, of course, be a motivational nightmare.

Other less obvious problems plague the Executive Structure. For example, there is no standing body in our federal government with responsibility for reviewing job relationships within the five levels. This means that a Level III position that may have been important when it was first added to the structure umpteen years ago, tends to stay at that level indefinitely even if there is a steady decline in its relative value to the national well being. A good example of this was the Subversive Activities Control Board, which remained a Level V job from the time it was organized in the 1950s until it was abolished in 1973. The board members had done little but draw their pay for many years, but there was no policing body with responsibility for changing job relationships within the structure.

Furthermore, the present system provides no means for equating job values between the Executive Structure and the Civil Service Structure. It simply assumes all politically appointed positions in Level V are worth more than all Grade 18 jobs (at least until inflation pushes Civil Service salaries up to the pay level of appointed officials in Level V). It is widely recognized that some Level V jobs are actually less important—hence worth less—than some Grade 18 positions.

EQUAL PAY

Then, too, there are those who think it is a mistake to pay all congressmen the same (except the Speaker and Minority Leader) as is now done, when some committee chairmen obviously have greater responsibility than the newest freshman Congressman. All Cabinet officers, it is also frequently noted, are paid the same, although some have substantially greater responsibilities than others. And, of course, the system provides no reward for individual performance except promotion. With pay-for-responsibility relationhsips being as casual as they are at the political level in the government, even promotion has its problems. The story is told that after President Nixon "promoted" George Shultz from Secretary of Labor (at $60,000) to Director of the Office of Management & Budget (at $42,500), Mrs. Shultz commented, "One more promotion like this, George, and we'll have to borrow money to live."

But it is the retirement provisions of the Executive Structure that are most difficult for the businessman to understand. It is almost as though each of the three branches worked for a different employer. Officials of the executive branch, for example, have 7% deducted from their pay for retirement purposes, and most of them have it returned, without interest, when they leave government service. The reason: few have worked the five years necessary to receive a pension.

Members of the two houses of Congress have 8% deducted from their paychecks for retirement. The average congressman, however, receives a pension for 17 years service.

Federal judges, the third branch of this Executive Structure, have lifetime jobs at full pay. They are paid full salary in retirement, whereas all other government employees receive varying percentages of their final salary in retirement, depending on length of service, and very rarely top one-half their salary. As a result of this arrangement, judges have nothing deducted from their salaries to support a pension program. A district judge, holding a Level III position, actually receives more cash income than a Senator or congressmen whose jobs are evaluated one level higher.

Furthermore, the 8% of salary a judge does not contribute for a pension has a career value as spendable income approximating $250,000 when compound interest is applied to this added income over the period of service. And finally, the lifetime salary of the average judge vs. the sharply reduced pension of the average Senator or congressman is worth an additional several hundred thousand dollars in real income to the individual judge over a career.

THE CONFUSION

All this adds up to a confused, contradictory compensation structure for the appointed and elected officials of the federal government, a system crusted with inherited anomalies and so full of negative motivation features that it would probably paralyze a private corporation.

But the Executive Structure is a model of simplicity and rationality by comparison with the General Schedule, which determines the pay of the great majority of nonmilitary government workers. And since political power means less to the Civil Service than to the appointed executives, this is where an inadequate pay system can do great damage.

ALASKA PIPELINE JOBS

Mr. STEVENS. Mr. President, Alyeska Pipeline Service Co. has recently supplied me with information concerning employment opportunities associated with the impending construction of the trans-Alaska pipeline. My office, as well as other Senate offices, has been receiving an increasing number of job inquiries from interested individuals from all parts of the United States wanting to know what the Alaskan job situation is. In fact, jobs in Alaska are scarce, unemployment is high, and the Alaskan cost of living is inflated. I am hopeful that those considering a trip to Alaska to find work will not do so until their employment plans are secure and they are financially independent so as not to be a burden upon the Alaskan socio-economic structure. Mr. President, I ask unanimous consent that the statement entitled: "The Truth About Pipeline Jobs in Alaska" prepared by Alyeska Pipeline Service Co. be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE TRUTH ABOUT ALASKA PIPELINE JOBS

What is the trans Alaska pipeline?

A proposed crude oil pipeline from the Arctic Ocean to Valdez, in the Southcentral Alaska. It will be 796 miles long and 48 inches in diameter. Construction of the line to its initial operating capacity will require three years. At ultimate capacity, it would move 2 million barrels of oil a day.

Who will build the pipeline?

Alyeska Pipeline Service Company is the company formed and owned by seven major oil companies, to design, build and operate the line. However, the actual construction will be done by dozens of major construction companies, and numerous smaller firms, under contract directly or indirectly to Alyeska.

What jobs will be available?

Actually, very few jobs will open up for casual workers. There are many reasons for this, including an Alaska law requiring that Alaska residents be given first preference of pipeline construction and some other jobs in the State. In addition, many of the jobs will require specific skills which in most cases are available only among those experienced in pipeline construction.

What is the Alaska law which gives job preference to Alaskans?

The Alaska State Legislative in 1972 passed what was known as the Alaska Local Hire Bill, providing that certain jobs in the State—including those on the pipeline—be awarded on a first-priority basis to qualified Alaskans. This bill was signed into law that same year by Alaska's Governor, William A. Egan. Alaskans feel justified in assuring hiring preference to residents for many reasons, including the unusually high unemployment rate in the State, and the experience of Alaskans during previous construction projects when out-of-state construction companies gave available jobs to their out-of-state crews, and unemployed Alaskans had no opportunity for work. To resident Alaskans, the situation was made even worse when the out-of-state workers, at the end of the construction seasons, took their wages and left the State. So the State now requires that qualified Alaskans get first opportunity for these jobs.

What constitutes an Alaskan resident for this law?

According to Alaska State law under Title 38, Public Lands Section 38.40.090, resident means a person who (1) except for brief intervals or military service has been physically present in the State for a period of one year immediately prior to the time he enters into a contract of employment; (2) maintains a place of residence within the State; (3) has established a residency for voting purposes within the State; (4) has not, within the period of required residency, claimed a residency in another state; and (5) shows by all attending circumstances that his intent is to make Alaska his permanent residence.

What is a "qualified Alaskan" under the Alaska Local Hire Law?

Title 8, Alaska Administrative Code, Chapter 35.090, Para. (10), defines "qualified" as, "those persons who by their education, training and experience or combination thereof can perform the duties and satisfy the terms and conditions which are usual in the offered employment, provided that the duties, terms and conditions meet the reasonable standards of the industry as required of other employees performing the same type of work in the industry."

What about union jobs?

Most of the major unions whose members will be involved in construction of the pipeline maintain local hiring halls in Alaska, with preference going to their Alaskan members. However, these locals will call upon their national headquarters for additional help, should it be required. We suggest that union members who have an interest in working on the pipeline should contact their own hometown locals.

How much can workmen expect to receive?

Paychecks for construction work in Alaska may run from 15 to 25 percent higher than for similar jobs in the Continental U.S. However, the cost of living is correspondingly higher.

Would my family like living in Alaska?

Very likely they might. But you—and they—must bear in mind the higher cost of living. Higher by anywhere from fifteen to fifty percent than in the Pacific Northwest, depending upon location. Housing, in particular, is in short supply in many communities, with apartment rentals ranging to $300.00 per month and more, and modern three-bedroom houses selling in the $40–60,000 range. As another example, a ham and egg breakfast will range from $3.00 in the Anchorage area to $5.00 in Fairbanks; a New York steak dinner ranges in the same locations from $8.00 to $15.00. Telephone rates run from $8.50 to $14.00 per month; electricity for a 1,500 square foot home is about $14.00 per month. Items of clothing will run approximately 25 percent higher. Also remember that although its residents proudly and with justification point to its many advantages, Alaska can seem a harsh land for those unprepared for its Arctic and sub-Arctic winters. Winter temperatures range from near and below freezing in parts of Southeastern and Southcentral Alaska, to minus 80 degrees in some parts of the Interior. Winds sometimes drive the chill factor to the equivalent of minus 150 degrees. In addition, there is more darkness than light during winter months. Hardy Alaskans thrive on these conditions. However, before committing you and your family to the vagaries of job hunting in Alaska, be certain you are prepared for the climatic challenge.

Wouldn't there be a place for a skilled worker like me?

Quite possibly, yes. But please don't come to Alaska to apply. Already Alaskan cities are deluged with jobless persons, and more are arriving every day.

I've read ads offering pipeline jobs in Alaska. What about them?

As in any boom, unscrupulous operators take advantage of the situation by offering to provide "job information" in exchange for fees ranging from five to twenty dollars, and sometimes much more. Quite likely the information provided is of little value, or is available free from the U.S. Department of Labor or the Alaska Department of Labor. Perhaps even employment offices in your home town have the same information. Therefore, be particularly careful of ads asking for money to be sent in exchange for information. And before you respond to any such offers, we urge you to clip the ad and send it to:

The Office of the Attorney General, Consumer Protection Section, Department of Law, 360 K Street, Room 250, Anchorage, Alaska 99501.

I still want to try for a job; where should I apply?

When pipeline construction begins, Alyeska will award contracts for the work to various construction companies. The selected firms will do all the hiring for pipeline work. Therefore, applications for these jobs should not be submitted to Alyeska or its owner companies. Announcements of the award of construction contracts will appear in the press and in trade or labor organization journals. At that time persons seeking pipeline construction jobs should apply directly, or through their unions, to selected contractors.

What about other jobs in the State?

Alaska has always had a high rate of unemployment. The average rate is near 10.4 percent, the highest by far in the nation.

I'm heading North anyway. Any suggestions?

Plenty. We recommend that you bring at least $1,000 to cover your job-hunting expenses. It might take a long time. You'll need warm winter clothing, including heavy boots, jacket, and gloves—all insulated to withstand our extreme temperatures. And, in the event that you don't find work, you'll also need money enough to pay your transportation back home. Finally, we strongly urge you to leave your family behind until you are settled and sure you intend to stay. Alaskans are a hardy lot and tend to be self-sufficient. But we take our climate seriously. And so should you.

GOV. MILTON SHAPP

Mr. JACKSON. Mr. President, Gov. Milton Shapp, of Pennsylvania, deserves the gratitude of the Nation and the Nation's independent truckers for his leadership during the recent truckers' strike.

It was Governor Shapp who kept the negotiations going when they threatened to break down. His sincerity and his sympathetic approach earned him the confidence of the truckers. Through long hours of discussions day after day and night after night he worked tirelessly to protect the people of Pennsylvania and of the Nation.

I had the privilege of working with Governor Shapp during some of those meetings and observed first-hand just how effective and crucial his efforts were. It is my purpose here publicly to salute him and thank him on behalf of the American people for a job well done.

In this connection, the Washington Post in an editorial on Friday, February 8, called attention to Governor Shapp's work as an example of the strong role being played by a number of Governors and local officials in meeting the energy crisis, sometimes, it seems, even despite the White House.

Mr. President, I ask unanimous consent that an excerpt from the Washington Post editorial along with certain examples of articles and editorials from other newspapers which commend Governor Shapp be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 8, 1974]

THE PRESIDENTIAL VACUUM

The central negotiator in the truckers' strike turns out to be the governor of Pennsylvania, Milton J. Shapp, working out of a Washington hotel room. State and local governments, as in the cases of Maryland, the District of Columbia and Fairfax County, are left to struggle with the manifest need for some sort of gasoline rationing. The federal energy administrator, William E. Simon, is now encouraging the states to set up their own rationing systems. He has not yet succeeded in persuading Congress to give him authority for federal rationing, possibly because President Nixon keeps suggesting that it won't be necessary.

Perhaps it is only the latest version of the New Federalism, but it looks very much like a collapse of leadership at the center of the government. There are no more obvious and traditional federal responsibilities than the flow of interstate freight or the management of the national fuel supply. But the phone seems to be off the hook at the White House. The one reassuring aspect of these events—and it may turn out to be a very important one before the present hiatus is over—is the unexpectedly strong and courageous response of a number of governors and local officials in picking up the challenges that the federal government has abandoned.

[From the Philadelphia Inquirer, Feb. 8, 1974]

SHAPP ACTED: HIS TRUCK ROLE SERVED PUBLIC

Whatever the fate of the tentative agreement worked out yesterday in an effort to end the violence-plagued independent truckers' walkout, Milton J. Shapp has emerged with a brighter image.

And there's substance behind that image.

The Associated Press dispatch from Washington put it succinctly: Pennsylvania's Governor sat in on the bargaining sessions with six truckers and three Nixon Administration officials. The writer credited him with organizing the talks in the first place and holding them together through four trying days. And Shapp has offered to help inform the striking truckers of the agreement's terms.

What's a Governor from Pennsylvania doing in the Nation's Capital in such a role?

Frankly, there appeared to be a vacuum in leadership as this troubled situation developed. Pennsylvania was one of the hardest hit states. But interstate laws were being violated and the solutions to some of the reasonable problems faced by the truckers in the energy crisis obviously would have to come from Washington, where energy policy is being made. Yet no one in the Nixon Administration or in the Congress seemed ready to move in and exert leadership in resolving the issues and getting things moving again.

Governor Shapp was ready. Without being "soft" on the violence-prone few who were intent on making a bad situation intolerable, he provided a sympathetic ear for the truckers' complaints and a goad to government to start doing something. He ignored personal vacation plans, generated the talks and saw them through to a tentative conclusion.

Certainly, a Democratic Governor taking center stage like that must not have been the most welcome sight to Administration officials. Certainly, he may face some truckers' displeasure that they didn't win all their points—and some displeasure from those who think the truckers shouldn't have gotten anything. Some may even try to denigrate his actions as a political move in an election year or an intrusion of a State official into a national affair. But considering the seriousness of what was happening on the highways and the need to do something about it, such criticisms are petty and shortsighted.

This newspaper has not gone along with everything Governor Shapp has done during his term, but we believe his demeanor in the truck stoppage has been in the highest order of public service.

[From the Philadelphia Inquirer, Feb. 10, 1974]

TRUCK STRIKE REQUIRED ACTION AND GOVERNOR SHAPP RESPONDED

Gov. Milton Shapp served America well with courageous intervention in the truck strike that was threatening to cripple the national economy and had been virtually ignored by Federal officials in Washington.

The governor of Pennsylvania stepped into the leadership vacuum in his role as chairman of the Mid-Atlantic Governors' Conference.

But Mr. Shapp's bold steps—begun Feb. 1 with telegrams inviting all interested parties to meet with him in a Washington hotel at noon last Sunday—were not motivated merely by a desire to protect the interests of his state and region. He had accurately analyzed the truckers' revolt, led by independent owner-operators, as a nation-wide time-bomb with a very short fuse.

Nixon Administration officials should have been out front in trying to resolve truckers' grievances—Federal Energy Administrator William E. Simon, Transportation Secretary Claude S. Brinegar, Labor Secretary Peter J. Brennan—had been in contact with the truckers but were just sitting on their hands. Mr. Nixon not only let the situation drift, but compounded the error by refusing to see Mr. Shapp after the governor, at a crucial point, requested a meeting.

It remains to be seen how successful the negotiations will be in terms of lasting results. Many truckers are reluctant to accept a compromise settlement hammered out under Mr. Shapp's auspices. But the settlement is refreshingly uncompromising in reordering fuel allocation priorities to meet 100 percent of the trucking industry's need and in expediting freight rate adjustment related to rising fuel costs.

William J. Hill, a Pittsburgh truck driver and a leader in the negotiations in behalf of the strikers, said of Gov. Shapp: "He's firm but he's fair, and we knew he'd listen."

That is a tribute well earned, under heavy fire.

[From the Scranton Times, Feb. 10, 1974]

Reception Cool at Capital But With Shapp Up, Trucks Began To Ship Out

Harrisburg.—Gov. Milton J. Shapp was thrust into the national spotlight last week by two related incidents, one in the nation's capital and the other in a truck garage in Pennsylvania.

Shapp received what amounted to a brush-off at the White House, but he was greeted warmly by a fired-up group of independent truck drivers at Frystown, Berks County.

These incidents, and other developments in the shutdown of truck operations by the independents, backfired on the Nixon administration.

Virtually alone, the governor forced federal authorities to recognize independent truckers as a separate segment of the industry as the only way to negotiate an end of violence which had swept the country.

Then, he took the agreement to two major truck stops in Pennsylvania to explain the benefits to the truckers, knowing his message and their response would be a national story.

Today, Shapp is back in his Lower Merion (Montgomery County) home, talking with his top aides about another crisis: How to stop a move in the legislature to reduce sharply personal and corporate income taxes.

To cut taxes as drastically as a bipartisan coalition of Senate Democrats and House Republicans intend, Shapp feels, would be as disastrous as allowing the trucker strike to rumble into violent chaos.

Shapp's aggressiveness in facing a crisis head-on was the second major time he has successfully agitated President Nixon. The first was the battle to provide massive federal relief to victims of tropical storm Agnes.

But it didn't come without some personal pain, including the embarrassment, which the governor worked to his advantage, of holding a press briefing on the front lawn of the White House.

Federal officials, the same day, were holding press conference inside the White House.

But the red-carpet courtesy at Frystown was a classic example of how Shapp single-handedly won the support of thousands of burly Teamsters, who previously have had thoughts about running politicians off the road.

After the governor, leaders of independent truckers and federal officials reached agreement at 5 a.m. Thursday to provide some financial relief to the drivers, Shapp felt the message had to be hand-carried.

Reports circulated the country the owner-operators of the big tractor-trailers were rejecting the proposal and intended to continue the strike.

However, the fact that Shapp had the "decency to come here," as one trucker put it, the drivers made him feel at home at the truck stop.

They put a microphone on the back of a pick-up truck for the governor to use in addressing them in the cold garage.

And they stacked up 10 cases of "special" motor oil into a make-shift staircase behind the truck.

Shapp plunged into the truck strife Jan. 31 in a meeting in Pittsburgh with William Hill, president of the Fraternal Association of Steel Haulers (FASH).

Within a week, he told Hill, the strike will force plants to close, cause unemployment to soar and cut off food and other supplies.

They agreed the first step to avert a serious economic breakdown of the nation was to meet last Sunday in Washington—hopefully with officials of the administration, if not the President himself.

Mr. Nixon refused to answer his phone, but Shapp's persistence at least produced W. J. Ussery Jr., the President's proficient labor troubleshooter, who immediately recognized the seriousness of the strike.

William Simon, Mr. Nixon's chief energy man, agreed to join the talks Monday in a hotel suite.

"Unless you recognize the men who are on strike, not just the industry spokesmen, you won't have a settlement," Shapp quoted himself in his Frystown garage speech as telling Ussery and Simon.

Until then, federal authorities had refused to discuss the strike with independent truckers, who own, operate and maintain their own rigs, as opposed to other Teamsters who drive company trucks.

"This was the first time the White House recognized they (federal authorities and independent truckers) would have to be part of the bargaining talks," Shapp said.

From that point, the governor applied his old collective bargaining techniques, recalling he had never had a strike by his employees when he owned a cable television-electronics firm.

With the agreement hammered out, after four nights of sleepness bargaining, the negotiators sat back Thursday morning—and hoped the rank-and-filers across the country would ratify it.

But they weren't.

The strike continued and violence threatened again.

The truckers' main demand—a roll-back in the price of diesel fuel from about 50.9 cents a gallon to 32.9 cents—was not part of the package.

The 6 per cent surcharge, which the truckers could tack onto customer bills, the resumption of Sunday sales of diesel fuel, a direct hot-line to use on gripes of price gouging or fuel hoarding weren't staisfactory.

Seeing the rejection of the pact growing across the nation, Shapp arranged a helicopter trip to two major truck stops, one on Interstate 30 at Bartonsville, Monroe County, the other on I–78 at Frystown.

The agreement was a major improvement for the truckers, he felt, but it wasn't a complete victory. The governor decided to take the agreement to the drivers on a personal mission.

The reception was as incredible as a canary accidentally flying into the mouth of a cat—and winging back out to tell about its adventure with the jaws of defeat.

"Governor, we appreciate what you alone have done for us," said Edward Cherkoski, of Clark's Summit, Lackawanna County chief spokesman for the Independent Truckers' Association of Northeastern Pennsylvania.

"We have the utmost respect for you . . . but we can't accept these terms."

Cherkoski and other truckers seemed sincere in their concern that the agreement would merely trigger another round of inflationary price increases, hitting their families and every other citizen in the country.

"This will force the price of consumer products up again and my wife will be buying meat for $20 a pound," another trucker at Frystown said to Shapp.

The governor countered by urging the drivers to accept the agreement first—and then marshal support for a bill by U.S. Sen. Henry H. (Scoop) Jackson, D., Washington, pending in Congress.

The Jackson bill, Shapp told the truckers, is designed to put a curb on oil prices—and soaring profits by the oil companies.

"Nixon and company will turn this around by saying the truckers are causing prices to go up," the governor said. "That's why we should try to make this plan work."

Like babes in arm, the truckers, to the delight of national television cameras, shouted their over-all support of Shapp's pitch, indicating his personal trip had them thinking again about going back to work.

[From the Philadelphia Daily News, Feb. 12, 1974]

Milt in the Driver's Seat

To hear the pundits talk this week you'd think Milt Shapp carefully planned last week, the week the governor of Pennsylvania and a handful of aides stepped into the truckers' strike and made peace while the Nixon Team was mired in Watergate.

But Shapp, of course, had no control over the events that conspired to make him a hero. He merely stepped in when someone had to. The work stoppage could have grown even uglier than it was. Rumors flew that Mr. Nixon was for calling out the Army to keep trucks moving. We suspect those few crazies among the truckers who resorted to violence would have fired at the U.S. Army just as quickly as they fired at fellow truckers out on the roads last week. A grievance demonstration could easily have turned into civil insurrection.

The President, preoccupied with Watergate matters and not known for his empathy with working men in the first place, tried to deal with the truckers in traditional Nixonian fashion: an FBI investigation of the trucker leaders—a tactic which doesn't exactly inspire confidence in the men on the other side of the bargaining table.

Then Shapp stepped in and accomplished in hours of grinding negotiating sessions what even the Administration's star labor trouble shooter, Willie J. Usery, had given up hope on.

The outcome is fair. Neither the truckers—who asked for the nation's highways with a private string around them—nor the government—which doesn't want to look soft on truckers—is completely pleased. There still are more details to be worked out. We could, if the settlement isn't followed through properly, have more trouble on the roads. But the trucks are rolling. Trucker Bill Hill's words describe our feelings about Milt Shapp's role in all of this: "Helluva man, the governor. He glued this together when everybody else gave up."

Election time politics aside, it was a fine piece of work. Even Frank Rizzo admitted that. Thanks, Milt.

CONGRESS CHANCE FOR FISCAL REFORM

Mr. PERCY. Mr. President, the hard work which the Congress is devoting to budget reform is of great importance to the country and many columnists, reporters, and editorial writers are beginning to realize this. Even though the problem of congressional budgetary reform is very complex, many have been watching our work and have expressed the hope that the Congress will act as expeditiously as possible on the reform legislation.

According to an article by Columnist Charles Bartlett in the Chicago Sun-Times of December 26, 1973, budget reform:

> Is so plainly a reform whose time has come that the Senate will be wise enough to follow the House's lead.

The House of Representatives has already passed its version of the reform bill, and I hope that the Senate will also act positively now that the bill has been reported by the Rules Committee.

I believe that, as Mr. Bartlett suggests, the Senate is wise enough not only to follow the lead of the House, but to pass the Senate version of the bill. I think that the bill which the Government Operations Committee has labored to produce and which has been refined and improved in the Committee on Rules and Administration, is a more carefully drawn piece of legislation than the bill passed by the House. I am proud to have worked on S. 1541 with Senators Ervin, Gurney, Roth, Brock, McClellan, Robert C. Byrd, Cannon, Cook, Griffin, Jackson, Ribicoff, Metcalf, Allen, Chiles, Nunn, Huddleston, and Muskie.

We have, after all, had the benefit of several months of study and debate after passage of the landmark House bill.

I ask unanimous consent that Mr. Bartlett's article, "Congress' Chance for Fiscal Reform" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Congress' Chance for Fiscal Reform

(By Charles Bartlett)

Washington.—Ten years ago a new President, Lyndon B. Johnson, balked at sending a budget to Congress that would burst the $100 billion barrier. He was afraid the psychological impact would shatter the acceptance of his program.

Now the Nixon administration is ready to hand Congress a budget that will exceed $300 billion, and the legislators are going to grapple laboriously with their obligation to approve the outlay of this mind-boggling sum. They are a dauntless crew because they will examine the Nixon budget requests with the same procedures they have used since 1921, when the budget was $5 billion.

Fortunately basic reforms in the appropriations process are being pushed with some success by a study band—Representatives Al Ullman (D-Ore.), Jamie L. Whitten (D-Miss.), and Richard Bolling (D-Mo.). Their bill passed the House (386-to-23) and is now lodged in the Senate where Senators Lee Metcalf (D-Mont.) and Charles H. Percy (R-Ill.) are doing their best. This is the first real chance to change the process in 40 years, and it will be tragic if it is lost.

There is no dispute over the main thrust of the reform. It will oblige Congress to vote its appropriations in terms of a target total, a sum related by congressional consensus to the income that the government anticipates during the fiscal year. By relating outlays to income for the first time, Congress will have taken a big stride toward fiscal responsibility.

Under the new plan, Congress will have eight months to digest the President's budget. The spending target will be set by May 1, and the start of the new fiscal year will be set ahead three months to Oct. 1 so the appropriators can perform their elaborate scrutiny of the spending plans. But they will be assisted for the first time by a staff commensurate with the task. The hope is that Congress can be geared up to deal promptly with these bills. At present some agencies do not get their appropriations until half the fiscal year has passed.

This will not be Congress' first attempt at a spending limit. The Legislative Reorganization Act of 1946 created a joint committee to recommend by Feb. 15 of each year "the maximum amount to be appropriated." But Congress never came to grips with the awkward task of getting liberals and conservatives to agree on what the spending total should be.

The new plan will make the process more formal by involving expert inputs from a wide range of sources. The spending lid will not be rigid but it will mandate Congress to vote more taxes if it decides to spend more money.

The bill is threatened with impasse because sticking points have developed. One is the enthusiasm in the Senate for a provision that would require all federal programs to expire after three years if they are not renewed by Congress. This is a potent antidote to suspicions that the government does much of what it does out of sheer habit.

But the House managers are taking a purist view of their reform. They see it as a starting point to which any number of embellishments can ultimately be added. But they point to the risk of losing the start in a welter of immediate refinements. They do not agree with Sen. Jacob K. Javits (R-N.Y.) that Congress needs a budget office like the President's to handle its tasks. They insist that any big change will imperil the bill.

The Senate dislikes discipline more than the House, so it will swallow the bill with greater difficulty. But this is so plainly a reform whose time has come that the Senate will be wise enough to follow the House's lead.

THE FERTILIZER SHORTAGE AND ITS IMPLICATIONS

Mr. HUMPHREY. Mr. President, on February 19 the Senate Subcommittee on Agricultural Credit and Rural Electrification, under the chairmanship of Senator McGovern, held hearings on the present fertilizer shortage. The hearings indicated that this is a very serious problem for the United States in terms of rising prices and scarcity. However, a principal subject of the hearings was that there is a serious possibility of widespread famine in less developed nations as a result of the fertilizer shortage.

Mr. President, this is truly a problem of major significance and one that will require continued attention from all of us. In my testimony before the subcommittee, I recommended a four-part program of action:

First. The Federal Energy Office should increase the allocation of natural gas and fuels for fertilizer production without delay.

Second. The Department of Commerce, in line with its earlier mandate, should provide and make available on a periodic basis, reports of fertilized supplies, prices, and trends.

Third. The Department of Transportation should make recommendations on steps to increase shipments of fertilizer including dealing with the problem of moving Canadian potash to the United States.

Fourth. The Justice Department and General Accounting Office should examine the recent sales of fertilizer subsidiaries, breaking previously established contracts with prices below the current market. This situation might require legal action or new legislation.

Also on February 19, an important article, entitled "Fertilizer Industry Warns of a Shortage; Food Prices May Go Higher Than Predicted," appeared in the Wall Street Journal.

The article points out the major differences between the U.S. Department of Agriculture and the Fertilizer Institute in their estimates of the expected shortage of fertilizer this year. However, in the midst of disagreement, one clear fact is that this shortage will have a significant impact on the level of production for this year and the prices of food in the supermarket.

Mr. President, I ask unanimous consent that the text of my testimony and the Wall Street Journal article be printed in the Record.

There being no objection, the testimony and article were ordered to be printed in the Record, as follows:

Statement by Senator Hubert H. Humphrey

Mr. Chairman, in examining the fertilizer situation today, we need to keep in mind its relationship to larger issues. This connection was highlighted last week as the World Energy Conference was held in Washington, and in New York preparations were underway for the fall World Food Conference.

The critical importance of assuming adequate fertilizer supplies for agricultural production and of avoiding sharp price increases for fertilizer should have been a key point on the agenda of both these conferences.

Earlier USDA estimates indicated an increase in fertilizer supplies of 8 percent in nitrogen and phosphate and 5 percent in potash during 1974. With an anticipated increase of almost 20 million acres planted this year over last, it is vital to know whether the required fertilizer inputs will in fact be available.

Estimated increases in crop yields, based on assumptions of increased acreage and adequate fertilizer supplies, may well prove erroneous and lead to public policy decisions with disastrous consequences for American consumers and those in countries with which we trade.

While estimates of 1974 short-falls in fertilizer supplies vary, there is no disagreement on the fact that supplies will not meet our needs this year. The shortage of nitrogen is expected to be the most severe. Our farmers will be about 1 million tons short, according to USDA, and from 2.5 to 3 million tons short, according to the American Fertilizer Institute.

Phosphate supplies are expected to be 700,000 tons less than demand. We have recently learned that potash—which was expected to be readily available—may well be in short supply because of a box car shortage in Canada.

From reports out of Minnesota, it appears that all types of fertilizer are in short supply with pockets of very severe shortage. If total fertilizer supplies for the United States are up over last year, the increase does not appear to be going to Minnesota. My people tell me that it is the tightest supply condition in our state in many years.

Prices for fertilizer keep going up and up. In some cases they are nearly double last year's level. Obviously, these staggering price rises are soon reflected at the cash register in the supermarket, where the "buck really stops."

We need to compare the domestic and export prices and supply levels to determine whether companies have been making a good faith effort to hold the line on prices and provide the domestic market with the bulk of these badly needed uncommitted fertilizer supplies.

I understand that in Minnesota long-term fertilizer contracts (5 years) have been offered whereby the buyer commits himself to purchase for that period with the price to be filled in by the supplier. Given current market conditions, suppliers are able to get away with this nonsense. There is little the farmer can do and nothing the consumer can do to protect himself from the higher prices that this unreasonable procedure will inevitably bring.

Another serious problem has emerged in Minnesota where fertilizer supply subsidiaries of major companies have been sold, and their supply contracts abrogated. The upshot of this is that many of our farmers will be forced to scramble to secure fertilizer from other sources, further bidding up prices that are already too high and well above the prices in their voided contracts.

Beyond the issues of supply and price, we need to look at other constraints and attempt to find solutions. We need to take a long, hard look at our rural transportation system in terms of what steps can be taken now to increase fertilizer deliveries in 1974 and what must be done to reduce this problem in the long-run. Our disastrous neglect of rural transportation—roads, rails, bridges, etc.—is costing American consumers millions of dollars today.

We have been told that a mild winter would relieve the pressure on natural gas supplies, thereby allowing an increase in the production of nitrogen. It is now clear that supplies of natural gas were greater than earlier estimated, and the winter has been a mild one. Can the natural gas allocation for fertilizer production now be increased so that nitrogen output can be stepped up? And at what price will it be available, given recent FPC decisions?

We must also insist upon improvements in the monitoring of fertilizer sales and supplies and of transportation and pricing. The Department of Commerce has been charged with this responsibility, but has not yet established a regular reporting procedure. This information is needed to get a better total picture of the fertilizer situation. Improved data would help answer some of the questions we will be grappling with in these hearings, and of course it would also help prevent future recurrences of the shortages we have at present. Improved information would also give us better data on which to base both our short and long term recommendations.

While we will need this data on a regular basis, we may shortly have some of the answers to give us a firm starting point. Early in 1974 I asked USDA to do a complete study of the fertilizer picture, to be completed by February 25, 1974. They have provided me with a preliminary draft on the report. The data provided should be useful for these hearings. I will also provide copies of the final report so that it can be made a part of the record.

While we must look first at our own requirements, it is increasingly evident that to overlook the outside world is sheer folly. We confront increasing world-wide demands for fertilizer at a time when petroleum shortages will lead to increased fertilizer prices and decreased supplies. Japan, as a supplier of fertilizer to Southeast Asia, has already cut back sharply on shipments, including reneging on signed contracts. The impact on countries such as the Philippines and India is bound to be serious.

India is especially vulnerable to shrinking world-wide fertilizer supplies. Reports indicate that its supplies will be 17 percent below last year and 40 percent below demand. Petroleum cutbacks will also make it difficult for India to achieve its domestic fertilizer production target.

Ambassador Moynihan has indicated that there will likely be famine in sections of India late this year and in 1975. Mr. Chairman, this bleak picture lends a special urgency to these hearings. It also points up again the crucial interrelationship of food, fertilizer and energy.

Unfortunately, we don't have much time to weigh alternative courses. We need to respond with steps to increase fertilizer supplies now. Toward that end, I recommend that the following actions be seriously considered by our Subcommittee.

1. The Federal Energy Office should increase the allocation of natural gas and fuels for fertilizer production by no less than 15 percent without delay.

2. The Department of Commerce, in line with its earlier mandate, should provide and make available on a periodic basis, reports on fertilizer supplies, prices and trends. These reports should include any information on hoarding or withholding of supplies in order to force up prices.

3. The Department of Transportation should make recommendations on steps which can be taken now to increase shipments of fertilizer. The Department should also provide recommendations to address the problem of moving potash from Canada to the United States.

4. The Justice Department and G.A.O. should examine the reasons for the rash of recent sales of fertilizer subsidiaries by the major companies. If the sales of the subsidiaries were actually paper transactions to break previously established contracts with prices below the current market, we may have a situation which requires legal action or new legislation.

Mr. Chairman, the hearings today by the Subcommittee are of great importance. There is no question that we have a difficult task ahead of us. Many recent government estimates have turned out to be inaccurate, and industry responses have not always been readily forthcoming. The stakes are high for not only American consumers but also our trading partners around the world. We need to get the best information available from whatever the source and come up with a list of recommendations on steps or policies which are needed to address the critical problem of fertilizer shortages without delay.

[From the Wall Street Journal, Feb. 19, 1974]

AGAINST THE GRAIN: FERTILIZER INDUSTRY WARNS OF A SHORTAGE; FOOD PRICES MAY GO HIGHER THAN PREDICTED

(By David Brand)

The U.S. is fast running out of the ability to increase its production of nitrogen fertilizer, the stuff that helps produce bumper crops of corn, wheat and cotton. Many experts are predicting a shortage of the fertilizer this year.

As a result, even though farmers are bringing millions of acres back into production, the huge crops that some people have been counting on to bring down soaring food prices may not be quite so huge after all.

How great a shortage of nitrogen fertilizer threatens seems to be anyone's guess. Some fertilizer producers say the U.S. will be short about 5% of its total needs. The Fertilizer Institute in Washington, the producer's trade group, says the shortage will be more like 15%, or three million tons. Corn yields, alone, it says, will fall 20 million to 25 million tons short of requirements as a result. On the other hand the U.S. Department of Agriculture's chief economist, Don A. Paarlberg, while agreeing that production of nitrogen fertilizer "is running full out," accuses the fertilizer industry and farmers of "magnifying their estimates of need." He says, "Crop production won't be crippled this year."

An attempt to determine the truth of the matter begins today when Sen. George McGovern's Agricultural Credit and Rural Electrification Subcommittee opens hearings in Washington on the fertilizer situation.

Fertilizer industry leaders are expected to tell the panel that the prospect is for even higher food prices than have already been predicted. If less fertilizer is used, land becomes less productive. The lower the supply of a grain, the higher the price. Higher wheat prices mean higher bread prices. Higher corn prices mean higher meat prices because livestock producers buy the corn for feed.

A TWOFOLD PROBLEM

The reason for the fertilizer problem is two-fold. First, there was an oversupply of fertilizer until a year ago; as a result construction of new fertilizer plants virtually halted. Second, now that it has become apparent that new fertilizer production is needed, the industry says it can't build new plants because it isn't able to get long-term guarantees of supplies of natural gas, a raw material essential for the production of nitrogen fertilizer.

Because of the fertilizer situation, crop forecasts for 1974 may be far off, the fertilizer industry warns. The Agriculture Department predicts corn production this year of 6.7 billion bushels, up from 5.6 billion bushels last year. It predicts wheat production of 2.1 billion bushels, up from 1.7 billion. Edwin Wheeler, president of the Fertilizer Institute, says there is simply no way to meet the corn-production estimates (corn uses 55% of U.S. nitrogen-fertilizer production). He says the wheat and cotton estimates are also doubtful.

The corn outlook is worse than the wheat outlook, Mr. Wheeler says. One reason is that when farmers planted their winter wheat last fall "they got the first lick at our nitrogen-fertilizer supplies and have almost preempted the corn farmer," Mr. Wheeler says. "Wheat has already soaked up a lot of our nitrogen-fertilizer supplies."

For the U.S. to meet the domestic demand for crops this year and also to honor its export contracts, the institute says, nitrogen-fertilizer production would have to increase by 16%—which is impossible, because there aren't the factories to do this and imported fertilizer is also in short supply.

ABOUT 3 TO 4 PERCENT RISE PREDICTED

The actual increase in U.S. nitrogen-fertilizer production this year will be between 3% and 4%, says the Agriculture Department's Mr. Paarlberg. This is being achieved by "cranking up old plants"—in some cases with only limited supplies of natural gas—running other plants at full capacity "around the clock" and cutting back on fertilizer exports. This extra fertilizer will give the U.S. total stocks of 27 million tons of feed grain by October, Mr. Paarlberg estimates, "which will be enough for our needs."

Mr. Paarlberg attacks the "doleful cries" of farmers and fertilizer producers and says that the claimed shortages are only shortages "of what farmers would like to buy," rather than shortages of what they really need. Crop prices now are so high, he says, "that farmers want to maximize their yields; they want to sock the nitrogen fertilizer on." It is true that as the price of grain rises, a farmer tends to use more nitrogen fertilizer to increase his yields.

But why, asks Donald N. Collins of the Fertilizer Institute, is the Agriculture Department allowing some 20 million new acres of wheat, corn and cotton land to go into production this year "if they don't want farmers to get the maximum possible yields?" He adds, "The Agriculture Department has thrown the farm industry into a tizzy with their planning. Now they're a moving target."

Mr. Paarlberg replies that the fertilizer industry is attempting to "diminish the estimate of supply" in order to increase the price for its product. Already the price for ammonia, a common nitrogen fertilizer, is as high as $120 a ton, up from $60 a ton last October when the Cost of Living Council lifted price controls on fertilizer.

Prices are also rising for phosphate and potash fertilizer, which are used to increase the quality of crops. But it is the nitrogen fertilizer that is essential to producing grain-laden wheat and corn plants.

Nitrogen in its normal state is part of the air we breathe. Factories extract the nitrogen gas from the atmosphere and combine it with hydrogen to make ammonia. The source of the hydrogen is usually natural gas. Ammonia, which is 82% nitrogen, is the basic form of chemical nitrogen and is widely used by U.S. farmers. It can be converted into other types of nitrogen fertilizer, of which urea (about 45% nitrogen) is the most commonly used around the world.

It is so widely used because even developing nations now grow staple crops that are dependent on nitrogen fertilizer; the more nitrogen fertilizer put into the ground, the more grain the plant will yield. Over the past few years the global use of nitrogen fertilizer has been climbing by 9% a year, according to Raymond Ewell, professor of chemical engineering at the State University of New York, Buffalo. But, he says, new fertilizer-production capacity is growing by only 6% annually.

Since 1970 no new plants have been built in the U.S. and only seven have been put up in Europe. The future doesn't look much better. Only six new plants are being built in the West, including just two in the U.S.

James Galvin, a vice president of W. R. Grace & Co., a major fertilizer producer, says the U.S. will have to face fertilizer shortages for at least the next five years. Before manufacturers can decide to build new plants they require assurances of natural-gas supplies over 10 to 15 years, he says, "and right now that sort of guarantee seems unlikely."

YEARS TO CATCH UP

(Nitrogen-fertilizer factories in the U.S. are designed for natural gas so as to employ an especially efficient technology for obtaining hydrogen. Naphtha, a petroleum derivative, could be used instead of natural gas, but the fertilizer would be more expensive; besides, naphtha is also in short supply. Coal could also be used if the factories were redesigned, but the fertilizer produced that way *would be still* more expensive. Nevertheless, coal is being considered as a raw material by U.S. fertilizer producers on the theory that something is better than nothing.)

Even if the fertilizer industry were assured of adequate supplies of natural gas tomorrow, Mr. Galvin says, it would take several years and substantial investments to catch up with demand. A typical plant producing 1,100 tons of nitrogen fertilizer daily costs about $35 million and takes three years to complete, he says.

So, in the absence of its own new plants the U.S. will be forced in future years to become a major importer of the material, Prof. Ewell says. Last year the U.S. did import 10% of the nitrogen fertilizer it needed, mainly from Venezuela, the Netherlands and Trinidad and Tobago. But this year, the Fertilizer Institute says, imports will be down "simply because the product isn't available; the world-wide shortage is going to hurt us."

The U.S. may be helped by some of the 50 or so nitrogen fertilizer plants now being planned or built around the world. Just about all of them are going up in the developing world and in Communist nations. An enormous building program in Eastern Europe (which is doubling its nitrogen-fertilizer capacity), the Soviet Union and China apparently reflects the sharing of Western plant technology in recent years. But developing nations of Latin America and Africa are putting up plants because many have bountiful supplies of natural gas and oil. Because of this hydrocarbon horn of plenty, a World Bank spokesman in Washington says he believes that these nations will ultimately become a major supplier of fertilizer to the West.

THE CURRENT IRONY

Meanwhile, though, the developing countries are facing overwhelming construction problems, mainly due to lack of capital and skilled labor—that are causing delays of up to three years. And plants already operating are running at less than 60% of capacity because of erratic supplies of electricity.

Thus, ironically, while these nations are preparing future resources, they must rely for today's fertilizer needs on Japan and the wealthy nations of North America and Western Europe, which control the non-Communist world's fertilizer supply.

But the developed nations, which now need all the fertilizer they can produce, are cutting back on their exports (Japan, it is rumored, is cutting off all supplies to Indonesia, India and Pakistan). This has caused the international price of fertilizer to skyrocket. Urea, which 18 months ago was selling internationally for $50 to $60 a metric ton, is now selling for as high as $250.

How did this happen so quickly? A World Bank internal report details the course of events that led to a shortage of fertilizer at a time of peak demand. World fertilizer prices reached their lowest levels in the late 1960s due to an oversupply (between 1965 and 1971 the global supply doubled). This was partly the result of the plant-building boom in the West springing from a technological breakthrough that made new fertilizer plants more efficient and thus more profitable. Because of the oversupply, construction had virtually stopped by 1970.

But in 1971, the report says, a rapid growth in demand began to catch up with supply. At the same time a number of obsolete plants in the West were being closed, further reducing the supply. The inevitable result, Prof. Ewell says, has been the recent "crossover in supply and demand."

TEXAS CHILI

Mr. GOLDWATER. Mr. President, before the Lincoln Day recess, my distinguished friend, the senior Senator from Texas, John Tower, took me somewhat to task on the Senate floor for statements—and I must say honest statements—which I made about Texas chili. To nobody's surprise, these far-from-complimentary remarks of mine received widespread circulation among people who pride themselves on living in those parts of the United States where chili is taken with utmost seriousness.

Naturally, one of those places was the city of Phoenix, the capital of Arizona, and the editor of the Phoenix Gazette newspaper, in an editorial, called me to account in a way that touched a tender spot. In effect, the editorial accused me of extreme cruelty in accepting a challenge from Senator Tower for a cookoff to determine whether the best chili is brewed in Arizona or Texas. As the newspaper put it:

Even though it might be said that he asked for the trouble by issuing the challenge, Tower may well have to give up his Senate seat and seek political asylum in Canada if he goes on displaying such madness. No telling what his fellow Senators might do to Tower if they make the mistake of swallowing a spoonful of his Texas chili.

Now Mr. President, I would hate to do anything that would put my good friend from Texas in a position that would be difficult to defend, but I am afraid I have done just that. As the Gazette pointed out, Texans really do not know much about chili. One of the editors of the Gazette explained to me that one of the reasons they found so many men willing to drive cattle up north into Kansas was the bad chili they were forced to eat in Texas. In fact, the editor told me that his grandfather would drive cattle anyplace to get away from what they called chili in Texas.

However, Mr. President, I know John Tower to be a man of great courage. I know that at times he charges in where angels, as well as stronger and wiser men, fear to tread. This is a trait that I have long admired in Senator Tower, but as the Gazette says, John is too good a Senator to be run out of the country—even if he is asking for this worst of all possible fates. Because of this, I do not expect John to back down on the challenge he has thrown in my face. So—as a matter of simple mercy—I suggest that instead of Arizona showing up Texas chili for what it is and for what it is not, that the challenge be extended to other States of the Union which pride themselves on their chili. Then, when we all get together, it would not be too hard on Senator Tower. I ask unanimous consent that the editorial from the Phoenix Gazette entitled "Why is Goldwater so Cruel?" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Why Is Goldwater So Cruel?

Ordinarily Sen. Barry Goldwater is too much the statesman to cause any of his colleagues in the Senate any undue embarrassment. So it's surprising indeed that Goldwater accepted a challenge from Sen. John Tower, R-Tex., for a cookoff to determine whether the best chili is brewed in Arizona or Texas.

Even thought it might be said that he asked for the trouble by issuing the challenge, Tower may well have to give up his Senate seat and seek political asylum in Canada if he goes on displaying such madness. No telling what his fellow senators might do to Tower if they make the mistake of swallowing a spoonful of his Texas chili.

As anyone who has even seen Texas chili knows, it isn't fit for human consumption. That isn't to say that it can't serve a useful purpose, though; the runways at the new Dallas-Fort Worth airport have an odd red tint to them because Texas chili has just the right greasy consistency to serve as a substitute for asphalt.

And if cars and trucks bearing Texas license plates put out exhaust fumes with a strong odor of cominos, it is because at long last Texans have realized that their chili is closer to gasoline or diesel fuel than to something anyone outside of Texas might be interested in eating.

Sen. Tower issued his challenge after Barry Goldwater made the remark at the National

Press Club in Washington that "A Texan doesn't know chili from leavings in a corral." That's our Barry, always kind, even when it comes to describing Texas chili.

If Tower insists on the cookoff, it is to be hoped that Goldwater graciously withdraws. John Tower is too good a senator to be run out of the country, even if he is asking for the worst possible fate.

FOOD PRICES GO UP—CONSUMERS FED UP

Mr. HUMPHREY. Mr. President, last Friday the Bureau of Labor Statistics published the latest chapter in its continuing saga of the decline of the American consumer. The grim tale, unfolding with each Consumer Price Index, showed that for January, along with the rest of its bad news, food prices were up 1.6 percent, or about 21.2 percent on a seasonally adjusted annual basis. The staggering increases in the "cost of eating" exact a cruel toll on all American families, but particularly on the poor.

Mr. President, as chairman of the Consumer Economics Subcommittee of the Joint Economic Committee, I would like to briefly review what has happened to retail food prices, the administration's rhetoric on food prices, and an apparent total inability on the part of this administration to even moderate the relentless upward climb of retail food costs.

Just about a year ago, on March 20, 1973, to be exact, Mr. Nixon's Cost of Living Council issued a report on food prices which said, in part:

> The food price problem has resulted, in part, from the basic health of our economy.

A month later, Mr. Shultz announced that:

> It is important to understand that the recent spurt in food prices is not a permanent thing—that food prices will level off during the second half of 1973.

It is a chilling thought, but before long we may see bread lines in this country just as today we see angry lines of motorists at our gasoline stations. But do not depend on this administration to see it coming.

A few years ago, no one would have believed a prediction of the necessity of rising, long before dawn, just to get in line for gasoline. But it is all too true, and it may be a harbinger of what is to come in other areas.

Now we see food prices, already at their highest in history, bounding up and out of sight. These prices reflect mismanagement, and unless this administration restores some semblance of order to the economy, our troubles may have only begun.

The administration's record on food prices is genuinely alarming.

Nearly 2 years ago, in April 1972, the Chairman of Mr. Nixon's Council of Economic Advisers, Mr. Stein, told the Joint Economic Committee that—

> Food prices will fluctuate, as they always do, but the worst of the rise is behind us.

We know what happened after that rosy assurance—food prices in 1973 shot up some 24 percent. The price of meat, which represents about a third of the family food budget, zoomed up nearly 50 percent.

Finally, last summer, Mr. Nixon, Mr. Shultz, and Cost of Living Council Director Dunlop admitted that food prices would rise. They called those higher prices a bulge, and they implied that it would be temporary.

Well, the bulge predicted last July has been far from temporary.

Since then, milk has gone from $1.27 to $1.55 a gallon, and when milk comes close to 40 cents a quart, then dollar-a-loaf bread does, in fact, come within the realm of the probable. Chicken parts have gone from 69 cents a pound to $1.05 a pound. And, incredible though it may seem, bologna is now at $1.66 a pound—a price which would have bought 2 pounds of the choicest steaks before Mr. Nixon came to Washington.

Now, let us remember that Mr. Nixon imposed an initial freeze on prices in August 1971. Food prices were high then, but after that freeze and a lot of fruitless economic tinkering, prices have continued to rise, and Mr. Nixon has apparently thrown in the towel.

My staff on February 17, 1974, sampled prices at a national food chain's Washington branch. The results are shocking. Compared with the August 1971 price freeze level and the July 1973 phase IV announcement level, they show a relentless rise which could bring food prices up nearly 50 percent during the 1973–1974 period.

Items	Aug. 8, 1971	July 28, 1973	Feb. 17, 1974
Sliced bacon	69¢ per pound	$1.25 per pound	$1.39 per pound.
Fryer parts	39¢ per pound	69¢ per pound	$1.05 per pound.
Round steak (boneless)	$1.29 per pound	$2.15 per pound	$2.45 per pound.
Roast round (boneless)	$1.29 per pound	$1.89 per pound	$2.19 per pound.
Ground beef	$2.95 per 5 pound	$4.45 per 5 pound	$5.49 per 5 pound.
Beef steak	99¢ per pound	$1.89 per pound	$2.59 per pound.
Beef roast	95¢ per pound	$1.59 per pound	$2.29 per pound.
Boneless chuck roast	95¢ per pound	$1.49 per pound	$1.79 per pound.
Pork roast (½) rib	69¢ per pound	$1.03 per pound	$1.49 per pound.
Pork roast (½) loin	79¢ per pound	$1.13 per pound	$1.49 per pound.
Sausage (mild)	2 pounds 98¢	2 pounds 99¢	2 pounds $1.15.
Sliced lunch meats	98¢ per pound	$1.63 per pound	$1.79 per pound.
Cucumbers	3 for 29¢	2 for 35¢	2 for 49¢.
Tomatoes	3 pounds $1	3 pounds $1.78	3 pounds $2.07.
Potatoes	10 pounds 79¢	10 pounds $2.18	10 pounds $2.18.
Eggs, grade A, large	55¢ per dozen	89¢ per dozen	89¢ per dozen.
Milk	98¢ per gallon	$1.27 per gallon	$1.55 per gallon.

My Subcommittee on Consumer Economics is in the midst of a survey of consumer agencies around the country. The major complaint of the Boston Consumers Council well expressed the anger and frustration of the other respondents to our survey. That complaint concerned, and I quote:

> The total failure of the Nixon Administration to in any way check a runaway economy complete with spiraling costs, skyrocketing interest rates . . . and innumerable shortages.

Rising food prices have gone beyond the point of mere irritation. Standards of living are going down for all but the very wealthiest Americans.

For the lower middle income families, for the poor, and for those on social security, the consequences are severe.

The Nixon Administration and its economic advisers may continue to try to explain away this runaway inflation and anxiously predict better days ahead. But in the real world runaway prices for food and shelter mean bitterness, hardship and despair to Americans who deserve better.

A report to my Consumer Economic Subcommittee by the office of consumer affairs in Orange County, Calif., describes the problem in two sentences:

> We had one old gentleman come to this office whose sole expressed concern was "I'm not able to die." He explained that he wanted to die because he could no longer afford to continue living, and refused to accept charity. . . .

Last summer, Mr. Nixon's Secretary of Commerce sought to bring some levity to this abysmal situation.

He said:

> Phase 5 will be a phaseout.

Phase 5, the removal of controls and a policy of nothing but limp hopes in its place, is not a phaseout.

It is a copout.

ENERGY CRISIS

Mr. BARTLETT. Mr. President, on February 5, the Oklahoma State Senate passed a resolution which is worthy of reproduction and dissemination through the Record.

Quite succinctly the resolution states the problems all Americans are facing in our energy crisis.

More important the resolution details what we must do to extricate ourselves from this crisis.

Mr. President, I ask unanimous consent that the resolution be printed in full in the Record at the conclusion of these remarks.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

A resolution memorializing Congress to act to meet the energy crisis; and directing distribution

Whereas, Oklahoma holds a unique position in the nationwide energy crisis, being a principal supplier of natural gas and petroleum for the rest of the nation, in that approximately two-thirds of the oil and natural gas produced in Oklahoma is exported to other states and essentially 100 percent of total energy consumption in Oklahoma is from natural gas and petroleum products and is therefore vitally affected by national energy policies, some of which have served actually to exacerbate the energy crisis, accelerate the depletion of our reserves, and provide economic barriers to exploration and development of our resources; and

Whereas, the history of federal government intervention in the marketplace is not such to inspire confidence in its ability to correct imbalances in supply and demand; and

Whereas, most of this nation's greatest economic problems, such as the current energy shortage, are largely the result not of government inaction but of government interference in the working of what is still basically a free market economy; and

Whereas, this is bad government and bad government is usually the result of too much government; and

Whereas, when Washington substitutes the wisdom of the bureaucracy for the exactitude of the marketplace, Washington itself deserves the blame when the bureaucracy guesses wrong, but the solution is not to create a bigger and better bureaucracy to ration resources and manage prices; and

Whereas, this wrong-guessing is exemplified in:

Speculative and often contradictory statements by Washington officials about fuel supplies causing, among other things, declining automobile sales in an industry employing directly or indirectly one out of six people in this country;

Shortages of propane this winter and gasoline last summer as a direct result of distorting refinery price incentives through an artificial control mechanism;

Current shortages of diesel fuel for farmers, truckers and energy producers resulting from allocation priorities for middle distillates;

Natural gas shortages directly resulting from artificially low prices controlled by the Federal Power Commission which, on the one hand, encourage substitution of this fuel for others such as coal and, on the other hand, provide no economic incentive for exploration and production;

Current shortages of tubular steel goods as a result of lifting price controls on other steel products; and

Whereas, State of Oklahoma officials have attempted to call officials' and the public's attention to the problem of exhaustible petroleum and natural gas resources; and

Whereas, while conservation measures for all users of all forms of energy are necessary and desirable in present circumstances, overreaction and short-term solutions which impose additional rigidities on our economy and resources will do irreparable harm; and

Whereas, to date in the current crisis, action taken by the federal government, other than expansion of allocation systems and price controls, has been limited to imposing Daylight Saving Time and legislation which would reduce highway speed limits and prohibit gasoline sales on Sunday.

Now, therefore, be it resolved by the Senate of the 2nd Session of the 34th Oklahoma Legislature:

That the Senate of the State of Oklahoma hereby memorialize the Congress of the United States that constructive action by the federal government is needed to deal with both short- and long-range energy problems, including steps to:

Lift controls on oil and natural gas prices to provide more incentive for exploration and production, including production from presently marginal wells and fields;

Restore the domestic depletion allowance to its previous level of 27.5 percent, and further, eliminate the depletion allowance in its entirety on foreign production of oil and gas;

Eliminate price controls on production of tubular steel goods and other products necessary for the production of more oil and gas (supplies at any price being better than no supplies at all);

Give highest priority to developing nonpetroleum fuel sources, including nuclear energy, for generation of electricity, development of vast areas of oil-bearing shale, and extraction of oil and gas from coal;

Call on those states whose legislatures, regulatory agencies and environmentalists have effectively prevented offshore drilling for oil and gas, construction of petro-chemical plants, refineries and offshore terminals, to redirect their attention toward positive approaches to solution of the energy problem, such as exploration off the east and west coasts, including the Santa Barbara Channel which contains oil reserves of hundreds of millions of barrels.

That copies of this Resolution be forwarded to each Senator and Representative in the Congress from Oklahoma, with the request that this Resolution be officially entered in the Congressional Record as a Memorial to the Congress.

That copies of this Resolution also be sent to the presiding officers of the legislatures or assembles of every state, territory and protectorate of the United States of America.

THE ISSUE OF BUSING

Mr. HARRY F. BYRD, JR. Mr. President, on Wednesday, February 20, a group of about 135 Virginians, representing the Henrico County Council of PTA's, called on the offices of Members of Congress to express opposition to compulsory busing to achieve artificial racial balances in the schools

Henrico County is adjacent to the city of Richmond and is one of two counties which would have been affected by a Federal district court order requiring transportation of pupils across community boundaries to achieve racial balance in the Richmond metropolitan area.

Nearly a year ago—in May of 1973—a decision of the U.S. Supreme Court removed the threat of intercommunity busing from the Richmond area. Yet these concerned citizens from Henrico County remain active against compulsory busing, pointing out that the threat remains in other urban regions of the Nation.

Moreover, compulsory busing within communities continues to be forced upon many cities and counties.

The question of compulsory busing no longer is a regional issue—if it ever was one. One of the items circulated by the Henrico County Council of PTA's in its visits to offices of Congress was a copy of resolution adopted by a vote of 605–353 at the convention of the National Congress of Parents and Teachers in St. Louis on May 22, 1973. The text of that resolution is as follows:

NATIONAL CONGRESS OF PARENTS AND TEACHERS RESOLUTION 8—PASSED MAY 22, 1973—THE ISSUE OF BUSING

Whereas, The assurance of quality education for all children and youth has been and continues to be a crucial concern of the national PTA, its state congresses, councils, and local units, therefore be it

Resolved, That the National PTA reaffirm its strong commitment to integrated quality education for all children and youth, and be it further

Resolved, That the National PTA oppose the reassignment of students solely to achieve racial balance in the schools.

The Henrico County group's own statement, also circulated to congressional offices, emphasizes "the need for a constitutional amendment that can be effective in preventing the erosion of the traditional concept of local control of schools—a concept which is almost as much a part of the American tradition as the Constitution itself."

I fully support the position of the Henrico County Council of PTA's and I salute the dedicated members of the council who continue to work against forced busing.

Their continued efforts are a tribute to both their deep convictions in opposition to the unfair and illogical practice of forced busing and to their dedication to work within our framework of Government to attain their goals.

TITLE IX REGULATIONS

Mr. PERCY. Mr. President, in recent years women have won one legal tool after another to fight discrimination. A major breakthrough came in June of 1972, when title IX of the Education Amendments of 1972 became law. Until then, Executive Order 11246, as amended effective October 1968, barred universities and other Federal contractors from sex discrimination in employment. The enactment of title IX foreclosed, with limited exception, the possibility of sex discrimination in all federally aided education programs—either against employees or students.

Now that title IX is fast approaching its second anniversary, it is disheartening, if not shocking, that regulations to implement the law have yet to be promulgated. In the absence of regulations, meaningful enforcement of title IX has not been possible. What could have been almost 2 years of progress in the fight against sex discrimination in education has been irretrievably lost.

In the interest of determining when title IX regulations are to be promulgated, I wrote to Secretary Caspar Weinberger and Bernard Michael, Executive Director of the Federal Interagency Committee on Education, to enquire about enforcement activities and implementation plans for title IX. Because I know many of my colleagues share an interest in this question, I ask that a set of my correspondence with Secretary Weinberger and Mr. Michael be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOVEMBER 29, 1973.

Hon. CASPAR WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: Since the enactment of P.L. 92–318 in June 1972, I have received many enquiries concerning HEW's implementation of Title IX of this law. Since Title IX has far-reaching implications for the future of our educational system, especially as it relates to women, I would be interested in an up-to-date report on the administrative actions taken thus far by the Department to enforce this law.

I am particularly interested in the answers to the following questions:

(1) Within HEW who is directly responsible for the enforcement of Title IX? Does the Office of Education's Office for Civil Rights handle enforcement responsibilities for Title IX as well as for Executive Order 11246?

(2) Does HEW have adequate resources to enforce Title IX? If not, please specify Department requirements with justifications; if yes, please indicate specific resources assigned to enforcement activities.

(3) What procedures, systems or policies are underway to (a) monitor department programs for evidence of sex discrimination, and (b) evaluate the compliance status of aid recipients covered under Title IX?

(4) What standards, if any, has the department promulgated to guide (a) aid recipients in compliance procedures, and (b) department personnel in compliance reviews?

(5) What are the plans, if any, for the coordination of enforcement efforts of all Federal agencies that support education (i.e. National Science Foundation, the Department of Labor, the Department of Defense)?

(6) What steps has the Department taken to inform potential and actual aid recipients of the requirements of Title IX and to assist and encourage such recipients to take the necessary action for compliance?

I look forward to receiving the report at your earliest convenience. It is vitally important that the department move promptly and decisively on Title IX enforcement.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

NOVEMBER 29, 1973.

Mr. BERNARD MICHAEL,
Executive Director, Federal Interagency Committee on Education, Washington, D.C.

DEAR MR. MICHAEL: Enclosed is a copy of my letter to Secretary Weinberger requesting information on HEW's implementation of Title IX of P.O. 92–318. As I understand it, Title IX covers all Federal agencies supporting education. I would, therefore, like your committee to make a similar report on what actions, if any, have been taken by agencies such as the National Science Foundation, the Office of Economic Opportunity, the Department of Labor, and the Department of Defense on enforcement of Title IX.

I look forward to hearing from you.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., December 20, 1973.
Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in reply to your letter of November 29 requesting a report on activities of the Federal Interagency Committee on Education with respect to implementation of Title IX of P.L. 92–318. Responsibility for Title IX is assigned to the Department of Health, Education, and Welfare's Office for Civil Rights. This Office is also responsible for establishing a mechanism to assure coordination of regulations developed by all Federal agencies which give assistance to educational institutions.

In order to aid OCR staff in carrying out their responsibilities and to inform the education program officers comprising the FICE membership, Stanley Pottinger, then Director of the HEW Officer for Civil Rights was invited to address the December 1972 FICE meeting. At that time Mr. Pottinger reviewed not only Title IX, but also his Office's responsibilities for Executive Orders Nos. 11246 and 11375.

Final regulations in preparation to implement Title IX were described by Mr. Pottinger who noted that arrangements were being made for agency review of the final draft prior to publication. Dr. Sidney Marland, then Assistant Secretary for Education and Chairman of FICE, urged cooperation by FICE agencies and instructed FICE staff to assist OCR in any way possible.

It was agreed at the meeting that the Director of HEW's Office for Civil Rights would be invited to provide a second report to the FICE membership regarding implementation of Title IX including problems arising which FICE might help to resolve. Present plans are to invite OCR to brief the FICE membership again in the spring of 1974 on agency enforcement of Ttile IX.

I hope that this information is responsive to your request. If I can be of any further assistance, please let me know.

Sincerely,

BERNARD MICHAEL,
Executive Director, Federal Interagency Committee on Education.

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., January 3, 1974.
Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter of November 29 concerning the Department's implementation of Title IX of the Education Amendments of 1972, enacted as P.L. 92–318 in June 1972. I will attempt to answer your questions in the order in which you raised them.

1. The Department's Office for Civil Rights is a part of the Office of the Secretary and is a separate entity from the Office of Education. It has the responsibility for enforcing Title IX of the Education Amendments of 1972 which prohibits sex discrimination in most federally assisted education programs and activities. The Office for Civil Rights also has been delegated by the Department of Labor enforcement responsibility for Executive Order 11246, which prohibits discrimination against employees by Federal contractors on the basis of race, color, national origin, religion, and sex.

2. Under the Presidentially approved HEW-Labor fiscal 1974 budget, the Office has been authorized several new positions designated for Title IX enforcement. Because the regulation has not yet been put into effect, we are unable at this time to assess accurately the volume of enforcement activity which will be generated and, hence, whether the Office will have sufficient resources for its compliance program. It seems likely, however, in view of the broad coverage contemplated by the statute that additional staff will be required by fiscal 1975 to ensure that the Office for Civil Rights will be able to meet its enforcement responsibilities under Title IX.

3. (a) The Department's regulation implementing Title IX and now being finalized will define the enforcement scope for coverage of Title IX. In the absence of the regulation, complaint reviews are being conducted in cases involving areas which are clear, such as differential dormitory regulations and school district regulations requiring students to take or prohibiting students from taking certain courses, such as home economics or shop, on the basis of sex. The Office for Civil Rights also intends to conduct a program of routine on-site reviews on Title IX.

(b) The 1974 Compliance Report for Institutions of Higher Education will collect enrollment data by race and sex. The 1973 Elementary and Secondary School Civil Rights Survey will collect data on race and sex at the elementary and secondary level. The Office for Civil Rights traditionally uses the reports to evaluate compliance status and to determine the progress of the recipients in eliminating discrimination.

4. (a) and 6. In August 1972 the presidents of all institutions of higher education receiving Federal financial assistance were provided with a memorandum outlining the requirements of Title IX. A similar memorandum was sent to superintendents of local school districts in February 1973. The Department's regulation implementing Title IX, in addition to being published in the *Federal Register*, also will be sent to both presidents of higher education institutions and superintendents of local school districts.

(b) Compliance review procedures for Title IX are being developed and during the development process OCR is using as a guide review procedures designed primarily for Title VI of the Civil Rights Act of 1964. In complaint situations, where OCR has not developed a policy, the complainant is informed that the complaint will be held and investigated as soon as possible after policy has been formulated. After policies and procedures have been finalized, all OCR personnel will be given appropriate training to facilitate full enforcement of Title IX.

5. This Office is in contact with all Federal agencies which give assistance to educational institutions to coordinate development of regulations. We are pursuing the development of a permanent coordinating mechanism.

I hope that this information is responsive to your inquiry, and I assure you that the Department intends to enforce Title IX vigorously and fairly. If I can be of further assistance, please let me know.

Sincerely,

CASPAR WEINBERGER,
Secretary.

U.S. SENATE,
Washington, D.C., January 21, 1974.
Hon. CASPAR WEINBERGER,
Secretary, Department of Health, Education and Welfare, Washington, D.C.

DEAR CAP: I appreciate receiving your January 3 response to my letter of November 29 concerning the Department's implementation of Title IX of P.L. 92–318. It is encouraging that your letter indicates an effort is currently being made by the Department's Office of Civil Rights to implement Title IX. However, it is also quite evident from your response that interim enforcement procedures are somewhat haphazard and that vigorous enforcement activities on the part of the Office of Civil Rights necessarily await the promulgation of final regulations.

I am deeply concerned that despite the fact that P.L. 92–318 was enacted almost two years ago, regulations to enforce the law are yet to be promulgated. I know of your personal interest in seeing to the full implementation of Title IX, and I therefore urge your Department due speed in the publication of regulations which would make such implementation possible.

Please let me know when the regulations in question can be expected.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., Feburary, 5, 1974.
Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: Thank you for your letter of January 21 concerning the regulations for Title IX of the Education Amendments of 1972.

It is anticipated that the regulations will reach me for clearance within the next two weeks. After receiving this Department's clearance, the regulations will be forwarded to the White House for approval. Pending clearance, we hope to have the regulations published in the Federal Register in late February or early March with a 45–60 day comment period.

I share your concern that the regulations be published as soon as possible and I feel confident that this will be accomplished in the very near future.

If I may be of further assistance, please let me know.

Sincerely,

CASPAR WEINBERGER,
Secretary.

REPORTING REQUIREMENTS OF FEDERALLY CHARTERED CORPORATIONS: NEED FOR REFORM

Mr. PROXMIRE. Mr. President, in reviewing the issue of professional military organizations, I became interested in the problem of annual financial reports required by statute to be submitted to the Congress by federally chartered corporations. My review of this area has led me to the conclusion that a thorough reform is badly needed.

STATUTORY REQUIREMENT

Nearly 50 federally chartered corporations are required by statute (36 U.S.C. §§ 1101–1103) to submit to the Congress annually a report of a required audit of their accounts. Other federally chartered corporations not included under title 36 may also have annual reporting requirements, but the extent to which they do has never been ascertained.

These statutory provisions were enacted in 1964 to remedy the problems caused by varying and inconsistent reporting requirements for each federally chartered corporation. The Senate Report on the 1964 bill stated that the legislative intent was "to make specific private organizations established under Federal law subject to well-defined uniform auditing and financial reporting requirements." The present untidy administration of the statute is particularly ironic in view of this clear legislative intent.

CURRENT ADMINISTRATION OF THE STATUTE

Although my review of a number of federally chartered corporations disclosed general compliance with the statutory requirement, it also pointed out the lack of any centralized or coordinated system of administering the provisions. In short, the recording system is a mess. Reports required to be filed under the same statute, when received by the House and Senate, are forwarded to different committees without intercommittee coordination.

It is the practice of the parliamentarians to refer reports to the committee which originally chartered that corporation on the theory that this committee is responsible for all legislative oversight of that organization. If a report is required to be printed, it is sent first to the Government Printing Office. In the House, most of the reports are sent to the Judiciary Committee which forwards them to the Comptroller General for an audit.

If the GAO finds that the report is not in compliance, the Judiciary Committee requests a new conforming report from the organization. Reports sent by the Speaker's Office to other committees receive no review at all. Neither in the statute nor in actual practice in the House or the Senate is there any mechanism to enforce the requirement if no report is received from the organization. Nowhere are there any penalties for noncompliance.

NO SUPERVISION OF FEDERALLY CHARTERED CORPORATIONS

In summary, although the Congress has chartered these corporations, neither it nor any Federal agency is exercising effective supervision over them. Those provisions in the law, such as the annual reporting requirement, are haphazardly administered and unenforced. A thorough review and reform of the situation is in order if the Congress is to responsibly oversee what it has created. I understand that the House Judiciary Committee and the GAO are cooperating in conducting a review of the state of compliance of each organization. I welcome this step toward better administration of the statute, and I hope that it will receive the priority which it deserves. In addition, however, I would like to see the implementation of a comprehensive system for review and enforcement of the reporting requirements, with one clear locus of responsibility in the Congress.

NEW EFFICIENCIES IN THE ARMY

Mr. PERCY. Mr. President, in the past 2 weeks I have noted with interest the efforts of the Department of Defense to reduce costs while improving the quality of the military establishment. Secretary of Defense James Schlesinger announced on February 5 that seven Army headquarters around the world would be phased out by 1975. This will increase what the Secretary calls the "teeth-to-tail" ratio and will curb the phenomenon which Gen. Creighton Abrams, the Army Chief of Staff, has described as the support tail wagging the fighting dog. It will also, of course, diminish the high expenses incurred by the military's support establishment. Hopefully, such reductions in the support roles of the services will continue to be encouraged and implemented.

I also want to commend a second change which will reduce expenses in the support functions of the Army. This is the Army's decision to give each new recruit his basic and advanced training at the same base, rather than moving him from one base to another. This will reduce transportation expense, shorten the overall time of training, and make better use of the Army's branch schools. In the long run it may allow a cutback in the number of bases. I would like to see similar efforts to reduce training expenses by the other services.

Mr. President, when we consider the problems of the Defense Department, a major motivation of all of us is to find ways by which we can economize on the instruments of war and thus channel additional resources into programs of peace. However, we must never forget that it is our responsibility to protect, as well as to promote, the well-being of our citizens. Thus, as we search for ways to reduce defense expenditures, we must avoid reducing defense capability and quality. For this reason I approve of Mr. Schlesinger's practical initiatives to pare the fat from the defense complex.

The defense budget can be significantly cut by improvements in management, thus achieving more effective defense at less cost. Surely the American people have the right to expect a dollar's worth of defense for every defense dollar. I am convinced that many new efficiencies are possible, and I will be making a number of my own recommendations over the coming months.

I believe also that cost reductions can result from sound decisions at the negotiations on strategic arms limitations, on mutual, and balanced force reductions, and on burden sharing among our NATO allies.

Secretary of Defense Schlesinger, Secretary of the Army Howard "Bo" Callaway and General Abrams are seeking new efficiencies in the defense establishment. In these efforts they deserve our support and appreciation.

ESTONIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, February 24th marked the 56th anniversary of the Declaration of Independence for the Republic of Estonia, now under Soviet control. It is my honor today to pay tribute to the proud and courageous people of Estonian origin. Even though Estonia has been occupied by Soviet Russia for several decades, the Estonian people have preserved, against all odds, their national identity and retained their Western orientation. The desire of the subjugated Estonian people for freedom and national self-determination remains strong.

After Estonia had proclaimed its independence in 1918 as a democratic republic, Soviet Russia attacked the little country in the same year with the aim of conquest. In the summer of 1919 a series of fierce battles had to be fought simultaneously in the south, where the German Landewehr and Iron Division were defeated in their attempt to overrun Balticum. The Estonians repulsed the Red army and in 1920 concluded a favorable peace treaty with Soviet Russia.

After defeating the Germans in 1919 and the Russians in 1920, the Estonians adopted a democratic constitution in June 1920. The Estonian democratic Government carried out substantial land reform programs that gave land to people who had formerly worked on the large estates of the rich nobles. The two decades of 1920 to 1929 were progressive and prosperous for the Estonians.

But on June 17, 1940, Russian troops entered Estonia. The Communists set up a new government. Estonia was annexed as one of the republics of the Soviet Union on August 6, 1940. In the next year, German troops invaded Estonia. The people suffered under the Germans until 1944, when the Russians re-entered the country.

Even though the Estonian people have been denied their inalienable rights under Soviet and German occupation, I am confident that the spirit of independence will always live in their hearts. I take great pride in joining with our good friends, the Estonians, on this important day to pay tribute to this spirit of independence.

FISH

Mr. PERCY. Mr. President, the 20th century has brought us great technical advances and progress measured in terms of GNP growth and a higher standard of living. However, it has also brought us a greater depersonalization of society and often great loneliness and despair. All too often those who do not fit into the machine of progress—the sick, the aged, the poor—are cast aside and forgotten. Even when public programs seek to eliminate the physical causes of distress—hunger, illness, lack of housing—they rarely provide for the spiritual and emotional side of people.

Therefore, it was with great pleasure that I recently read of the private, voluntary organization known as Fish, which devotes itself to making life more bearable and easier for those who need help. Two men, seeking to revive "old-fashioned concern for one's neighbors," started this now worldwide organization in Headington, England, in 1961. Recognizing the religious and emotional needs of people, Fish strives to help individuals on an intimate level. Concerned volunteers set aside a few hours each week to offer fellow citizens personalized services, such as emergency babysitting, transportation, preparing meals, and compansionship for the elderly.

This organization is a wonderful example of private, voluntary action, which I believe is much more effective than impersonal Government programs.

Mr. President, I would therefore ask unanimous consent to have the article printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Jan. 24, 1974]

FISH—THE SYMBOL THAT BRINGS HELP

(By Clive Lawrance)

DEDHAM, MASS.—Frank M. was in his 80's when he found a flier in his mailbox: "Call Fish when you need help."

After a lifetime of driving his own car his sight was failing. He needed someone to drive his wife to the supermarket, bank, and post office once a week.

Fish responded by sending a young mother, Julie Edwards. It was no great effort for Mrs. Edwards to take her baby along and drive Mrs. M. But it made life a lot easier for Mrs. M.

This is what Fish is all about: Small things that make a big difference.

Fish is a worldwide community-oriented organization run be volunteers. It was started in Old Headington, England, in 1961, by Rev. Derek Eastman, pastor of an Anglican church, and Dr. Ronald Richards, a layman, who felt a deep desire to revive old-fashioned concern for one's neighbors.

They took the name from Jesus' statement: "Follow me and I will make you fishers of men." And they adopted the fish symbol used by early Christians under persecution to secretly recognize one another.

Cards were printed carrying the symbol and reading: "If you need help of any kind, put me in your window." They were distributed to every home in the community. A warden was appointed for each street, and when he saw a card in a window he found out what was needed.

MOVEMENT SPREAD RAPIDLY

This tangible way of caring for the community spread rapidly in England and leaped the Channel to Europe, South Africa, Japan, and the Cameroons. The idea was brought to the United States by William Turpin, a friend of Rev. Robert Lee Howell of West Springfield, Mass., who formed the first Fish chapter on this side of the Atlantic. Now there are over 1,000 chapters in the U.S.

Today, however, most Fish chapters use a telephone answering service rather than a card.

They offer many services, such as emergency baby sitting, transportation, preparing meals, temporary housework, companionship for the elderly, and rides for "shut-ins."

For example, Evelyn Mueller, one of the founders of Dedham (Mass.) Fish, received a call from the Visiting Nurses Association about a man, temporarily incapacitated, who needed help cooking and doing housework.

"A few of us went in," said Mrs. Mueller. "He was so lonesome and so grateful he cried every time we left."

Another Fish chapter, in South Carolina, obtained the use of an Air Force bus to transport 100 handicapped children to a summer camp.

POOR STUDENT GIVEN HELP

One Fish volunteer even helped a boy explain a poor report card to his stern father.

Fish exists to help anyone who has a genuine need.

One of the most appealing aspects of this fast-growing movement is its informal nature. There is no controlling national or international body. Each chapter is totally independent. Each operates within its community and is adapted to the needs of that community.

The Brookline (Mass.) Fish chapter, for instance, is known as Starfish because of its Jewish membership. They have incorporated the Star of David into their Fish symbol.

Starfish has volunteers who speak Chinese, French, Spanish, German, Turkish, Hungarian, Romanian, Italian, Yiddish, and Filipino. Members are doctors, nurses, librarians, electrical engineers, airline pilots, writers, lawyers, artists, and a "consulate."

Evelyn Mueller gave Fish its initial impetus in her community. When she first heard of the idea she thought, "This is what we need in Dedham." She approached her priest, and he introduced the idea to the local ecumenical meeting.

"The clergy were unanimously in favor," she says.

DATE SET FOR OPERATION

They were asked to set aside a "Fish Sunday," perhaps even preach a sermon on it, and fliers were sent out asking for volunteers. A date was set for Fish to begin operating.

"How can you set a date without any volunteers!" exclaimed some cautious person. "Supposing we don't have enough volunteers?"

"We have to have faith that the volunteers will come," replied Mrs. Mueller. They came slowly at first and one day when Mrs. Mueller found no volunteer slips in her mail she thought, God, we are doing this for you; so you had better send some volunteers. "You know, I'd hardly thought that when I had a phone call from a volunteer," she says.

They kept coming. Today Dedham is one of the more active Fish chapters.

The Dedham Fish has a chairman, vice-chairman, secretary, and treasurer. Meetings are kept to a minimum. What counts is action. Each volunteer is normally required to set aside only one 24-hour period a month, though some do more.

The chapter has 31 drivers, one for each day of the month, and 31 "back-up" volunteers. The back-up stays home to receive calls from the answering service if the driver is out. If a call comes in the back-up begins calling a list of six or eight "special volunteers" until she finds one able to respond.

SIMPLE BUT EFFECTIVE

Special volunteers are people who wish to help but cannot commit themselves to any particular day.

It's simple, but effective.

Volunteers receive no remuneration. All expenses come out of their own pockets. The chapter's official costs are about $200 a year for the answering service and mailing.

"What makes it exciting to me," says Susan Zartman, current chairman of Dedham Fish, "is that it always ends up being ecumenical. It brings the churches and the people together."

When Fish was started fliers were sent out asking people to call if they needed help. Now most beneficiaries hear through word of mouth or are referred to Fish by one of the social-service agencies such as visiting nurses.

"We work as a good second right arm to the agencies," says Mrs. Zartman of her group. "You don't have to have any qualifications to join Fish," she adds. "You just have to care about people."

NEEDED: LONG PHONE CORD

However, most Fish chapters do set down a few guidelines. For example, don't attempt something beyond your strength or ability. Listen for what is needed. Listen for emotional problems that require professional help. Get to know the services offered by professional agencies and learn how and when to make referrals to them. Keep all your activities confidential. Avoid appearing to "do good."

"There is one thing a Fish volunteer needs," says Mrs. Zartman, "and that's a long telephone cord." This is not entirely a joke. Mrs. Zartman carries on her cleaning and cooking with the telephone tucked under her chin while answering a Fish call.

Mothers with young children often take them along on Fish calls. This is fun for the children and the elderly love it, too. One little girl would ask her mother every day, "Are we going to see any grandmothers today?"

"The elderly need companionship as much as anything," adds Mrs. Mueller.

Fish is essentially a 20th-century organization supplying a 20th-century need. "Many people, according to Mrs. Zartman, "no longer live near their families or people with whom they have close ties. A good proportion of the people we help are with us because they have no one else."

Transportation is probably the most important thing done by Dedham Fish. "It's a matter of life or death for some of these people," says Mrs. Mueller. "The person who needs a ride to the doctor five days a week for four weeks couldn't afford a cab."

Miss Adeline Smith was in that position. A member of Fish drove her to the hospital every day for many weeks. "I don't know what I would have done without them," she says.

RELATIONSHIP DEVELOP

Most Fish services are on a temporary basis. But some permanent relationships do develop. Julie Edwards has been taking Mrs. M. Shopping for four years. "She's like a grandmother to me," says Mrs. Edwards. "And he [Mr. M.] never forgets me on Mother's Day and Easter and . . ."

Fish volunteers don't expect gratitude for what they do. But they often get it. And they get what Mrs. Mueller calls "the enrichment of our own selves. Everyone you meet enriches you in some way."

"We often run into people who need a way to say thank you," adds Mrs. Zartman. She tells of one man who found one: He gave the volunteers gardening lessons. "He was a wonderful gardener. In summer he sent every driver home with fresh vegetables."

Others say thank you by becoming Fish volunteers.

Mrs. Zartman, who expects to return to her profession of teaching when her family is grown, says, "There's never been anything that I've done that's given me greater satisfaction than Fish."

[Anyone wishing to start a Fish chapter can find guidance in "Starting a Local Fish Chapter" by Philip Deemer. It is published by Jarrow Press, Inc., for $2.50 and can be obtained from Fish International Newsletter, 29 Commonwealth Avenue, Boston. MA 02116.]

MODERN CONGRESS ACT INTRODUCED TODAY IN HOUSE

Mr. HUMPHREY. Mr. President, I am pleased to announce that the Modern Congress Act of 1974, a bill which I recently introduced in the Senate, as S. 2992, has been introduced today in the House by Congressman WAYNE OWENS of Utah. It is reassuring to note that this congressional reform package is already receiving significant support in both houses of Congress.

The bill introduced today in the House contains some deletions and changes that have been made in recognition of differing circumstances in the two Houses of Congress. However, the House bill remains substantially the same as the bill I introduced in the Senate on February 7.

The gentleman from Utah has demonstrated in his first year as a congressman a great interest and sincere dedication to transforming Congress into an effective, up-to-date institution. He brings to the House a great deal of knowledge and experience gained as an employee of the Senate for 8 years and as a Member of Congress for 2 years. He has studied the institution of the Congress very carefully, particularly as Administrative Assistant to the Senate majority whip, and he recognize where changes are needed.

Since the bill has now been cosponsored in both the House and the Senate, I hope that Members will study this proposal and that necessary support can be assembled to pass meaningful reform this year. Congress, with all of its anachronisms and weaknesses, is still the strongest legislative body in the world. However, its adequacy to deal efficiently with today's problems is compromised by lack of information sources, oversight capability and the tools to respond to the complex needs, stresses, and opportunities of our society.

Congress must regain the policymaking power which has been abdicated to the executive branch. Essential to this task are internal changes which optimize and expand the use of resources which Congress already controls.

We will soon be considering, I understand, a bill designed to reform the budget-making procedures of Congress. This is an area of activity long overdue for reform. I would hope that we could pass a meaningful, workable budget reform bill during the current session and then, to further demonstrate to the American people our determination to improve government's ability to serve and function, to move on to consideration of the Modern Congress Act.

This is a set of proposals which I believe addresses problems having a substantial effect on the performance of Congress. Through effective legislation, Congress will be much better equipped to discharge its constitutional responsibilties.

I am delighted that the gentleman from Utah (Mr. OWENS) has decided to be the primary House sponsor of this bill. I know we can work well together to help generate required momentum for passage of significant congressional reform legislation this session.

U.S. CATHOLIC CONFERENCE STATEMENT ON GENOCIDE

Mr. JAVITS. Mr. President, the Senate's failure to invoke cloture on the Genocide Convention this month was a great disappointment to a majority of the Senate who support ratification. Among the supporters of the treaty is Bishop James S. Rausch, the general secretary of the U.S. Catholic Conference who made a strong statement deploring the Senate vote. I ask unanimous consent that the text of a news release concerning this statement be printed in the RECORD.

There being no objection, the text of the news release was ordered to be printed in the RECORD, as follows:

CATHOLIC SPOKESMAN DEPLORES SENATE FAILURE TO ACT ON GENOCIDE AGREEMENT

FEBRUARY 8, 1974.

WASHINGTON.—The General Secretary of the United States Catholic Conference has sharply criticized a Senate action virtually killing for now chances for ratification of the United Nations convention on genocide.

Bishop James S. Rausch described as "deplorable" the Senate's "repeated refusal" over the past 25 years to ratify the genocide agreement.

"Genocide is a heinous crime," he said. "The United States should not allow nationalistic shibboleths to stand in the way of its acknowledging this fact and acting in its light."

Following is the text of Bishop Rausch's statement:

"The U.S. Senate's vote on February 6 against limiting debate on the Genocide Convention has the effect of virtually killing the issue for the present.

"For 25 years the Senate has refused to ratify the United Nations agreement to outlaw genocide, even though some 75 other nations are now parties to this agreement.

"The Senate's repeated refusal to ratify the genocide agreement is deplorable. Excessive nationalism seems to underlie this failure—or, more accurately perhaps a narrow conception of national self-interest which ignores the fact and the moral imperative of human interdependence.

"Genocide is a heinous crime. The United States should not allow nationalistic shibboleths to stand in the way of acknowledging this fact and acting in its light. I trust that the results of the Senate's recent action will not be allowed to stand long."

RATIFY THE TREATY

Mr. PROXMIRE. Mr. President, on June 16, 1949, President Truman stated:

> By playing the leading part in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to ratification of this convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

President Truman's wise analysis of the treaty has unfortunately gone disregarded. Last month we failed on two cloture votes to cut off debate and vote on the Genocide Convention. The convention calls for the outlawing of the intentional destruction of human groups. It is a multilateral treaty which has been ratified by more than 75 other nations. Today again I urge that the Senate of the United States join these nations and give its advice and consent to this important treaty. We must stand against intentional destruction of human groups such as the slaughter of almost 9 million civilians by the Nazis within the span of 12 years and the destruction of 1,200,000 Armenian Christians before and during World War I. The Genocide Convention provides an excellent opportunity to do so.

LITHUANIAN INDEPENDENCE

Mr. FANNIN. Mr. President, 56 years ago this month the people of Lithuania declared their independence after more than a century of subjugation by the Russian Empire. For the next two decades Lithuania was a sovereign Nation. Then, in 1940, the Soviet Union invaded Lithuania and ruthlessly crushed this proud Baltic nation.

Despite more than three decades under Soviet repression, the people of Lithuania still long for freedom and independence.

I am hopeful that the spirit of détente which President Nixon has developed with the Soviet Union will cause Moscow to relax its iron-handed control of Lithuania and other subject nations.

Mr. President, the flame of freedom burns within the hearts of Lithuanians in their native land and in the hearts of those of Lithuanian descent in other countries. Last week the Lithuanian-Americans of Phoenix, Ariz., met to reaffirm their support for Lithuanian independence. I ask that the resolution they issued be printed in the RECORD:

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian-Americans of Phoenix, Arizona, at a meeting held on February 17, 1974, commemorating the 723rd anniversary of the formation of the Lithuanian Kingdom in 1251 and the 56th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and indepedence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15-17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this

very day are risking and sacrificing their lives in defiance of Communist regime in seeking political and religious freedom, as demonstrated by the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstrations of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Lithuania, Latvia and Estonia, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved, That we, Lithuanian-Americans will urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, That copies of this resolution be forwarded this day to the President of the United States, the United States Secretary of State, the U.S. Ambassador to the United Nations, the United States Senators from Arizona, Republican and Democratic leaders in the United States Congress, the Lithuanian Minister in Washington, D.C., and the Lithuanian Consuls in New York City, Chicago, Los Angeles, and the press.

CONGRESS AT THE CROSSROADS: OUR UNFINISHED BUSINESS

Mr. HARTKE. Mr. President, there are many issues before the Congress this year that are extremely important to the people of the United States. The people cry out for leadership which is committed to meeting their needs, and that leadership can come just as well from the Congress as it can from the President.

Recently, I spoke before the legislative committee of the Association of Private Pension and Welfare Plans, Inc. My remarks were addressed to what I believe to be some of the most important items of unfinished business on the agenda of Congress this year—private pension reform, social security reform, and the establishment of a national health insurance program. These are issues which affect every American.

There is a great fear among our population that there will not be enough money available to provide for retirement years or that one major illness will bankrupt a family. These are fears we can eliminate if we take advantage of the legislative opportunity to provide the type of leadership demanded of us by the American people.

Mr. President, I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR VANCE HARTKE

CONGRESS AT THE CROSSROADS: OUR UNFINISHED BUSINESS

Introduction

Nineteen seventy-four promises to be an exciting year in Washington, and the reason for that excitement is by no means limited to Watergate.

This is the year that there are many subjects awaiting Congressional action including the energy crisis, budget reform and aid to education. But, most important of all, Congress has the opportunity to enact legislation which deals with two long-unmet needs of tens of millions of Americans. The first of those two needs encompasses those public and private programs which assure adequate income for retired people; and the second would ensure quality health care for everyone. What remains to be seen is whether or not we will enact meaningful legislation.

On the first front, the Senate has already passed private pension legislation, and the House now appears on the brink of action. I would like to share with you some of my thoughts about legislative proposals now before the Congress and what I would like to see come out of the conference committee on pensions.

The need for adequate pension reform

Over the past nine years, I have introduced a number of proposals aimed at providing a degree of security for the millions of workers enrolled in pension plans. Beginning with termination insurance legislation and including the "Federal Pension Plans Protection Act of 1973", I have been motivated by the conviction that every working man and woman in the country deserves the dignity and security of adequate means of support for his or her retirement years.

I am deeply disturbed that some many people still consider pension a form of insurance in which most must lose so that some may gain. The proposals passed by the Senate and pending before the House appear based on this concept. In rejecting this notion, I maintain that a pension should not be a game of chance.

Every year, millions of employees change or lose jobs. They also lose the value of pension credits unless their pension plan provides that such credits "vest". Roughly one-fifth to one-fourth of all plan participants have no vesting rights at all. Although vesting is very common, it usually requires ten or fifteen years of unbroken service with one company or one multi-employer plan. As a Senate labor subcommittee study showed, ninety-three percent of employees separated from plans requiring fifteen years for vesting, seventy-eight percent of employees separated from plans requiring ten years for vesting and nothing to show for their pension participation.

Pension reform should rectify that dismal showing—but the Senate-passed bill is weak and the ways and means proposal weaker yet.

THE SENATE-PASSED BILL

Under the Senate-passed bill, an employee separated under five years of credited service would vest to the extent of twenty-five percent of a regular retirement benefit, for each additional year, vesting would improve five percent until it reached fifty percent after ten years. According to a recent survey, the retirement benefit under typical blue collar plans would be between four and six dollars per month per year of service. Thus, an employee with a plan paying five dollars per month for each credited year of work who was separated after five year, would be entitled to a benefit of twenty-five percent of Twenty-five dollars—or six dollars and twenty-five cents. That adds up to seventy-five dollars a year—a rather paltry amount by anyone's standards.

White collar plans tend to be figured on a percentage of final or high average salary—typically one or two percent times years of service. So a person separated after five years at a fifteen thousand dollar a year job would earn a vested credit of not quite twenty-four dollars a month.

These are not extreme examples. The amounts involved are small so as to cushion the introduction of mandatory vesting. But, as if that cushion were not enough, the mandatory standards do not take effect before 1976 for any plan. For collectively bargained plans, the effective date is the expiration of a pre-enacted pension agreement or 1981. Meanwhile, millions of employees will be separated from pension-covered jobs.

The House Ways and Means bill

The ways and means bill embodies all these delays but incorporates additional weaknesses of its own. Instead of one vesting formula, it permits the choice from three approved formulas—the Senate version, the straight ten-year vesting, and the "rule of forty-five" under which fifty percent vesting occurs when age and credited service equal forty-five and goes by ten percent annual increments to one-hundred percent for combined age-service total of fifty.

Such a choice enables a company to pick the least expensive and least protective formula. With the "rule of forty-five" and a purposely young work force, vesting could be defeated at the additional cost of job opportunities for older Americans.

Beyond that, the ways and means bill phases in vesting so that by 1976 only fifty percent of the formula need apply. With ten percent more each subsequent year. In other words, the $6.25 and the $24 in benefits which I described a moment ago could be cut in half in 1976. And, as if that were not enough, multi-employer plans could seek delays beyond the described effective dates without any specific time limit.

Pension plans now cover less than half the civilian work force, seldom pay benefits to widows, pay small benefits to those who achieve vesting, lack adequate protection against diversion to uses other than benefits to the elderly, and non-union employees do not have protection against firing to defeat their rightful pension claims.

The bills now before Congress all fall short of rectifying these shortcomings. What was once the bright promise of pension reform has now become but a dim hope.

The Hartke solution

The Hartke approach would require full vesting after five years and would establish a bureau of experts in the Department of Labor to help those unfortunate workers who have been dismissed from employment for the sole purpose of making them ineligible for their earned, vested credits.

I firmly believe that widows are deserving of fifty percent of the retiree's annuity benefits without any reduction in his initial benefits. I would also make it compulsory that participants in the pension program waive the survivor's benefits in writing if they so desire.

In order to buttress the more progressive vesting provisions of my approach, I am calling for the mandatory establishment of a portability fund and national clearinghouse.

I also propose pension credit for part-time and part-year employment. Hundreds of thousands in our work force fall into this category. Women have been the major losers of pension benefits in this group of employees. They have earned, and thus deserve, pension protection.

The American people know that private pensions need reform. They know that they cannot get by on social security benefits which are their mainstay. They know that more than half the working people in the country do not have any type of private pension plan coverage whatsoever. They know that the overwhelming majority of plan participants will not obtain benefits from their plans. They know that it takes too long to qualify for benefits, that the majority of working men and women, non-union employees, especially white collar and management people, can now be fired with impunity to defeat their pension eligibility and do not have a chance to quality. They know that, at best, only one job, rather than their lifetime of work, pays off in a pension, that even vested rights may be hollow for lack of plan funds, that widows seldom get pension benefits, that inflation destroys the value of benefits, and that the retired and the widows of workers are the people most ravaged by inflation.

They know this because they live it. The people know and they are looking to Congress for a remedy. They will hold us in Congress accountable for making private pensions work.

Social security

Because our public and private pension plans go hand in hand, I want to offer some suggestions for improving the social security retirement system.

In 1972, Congress passed another one of those so-called reform bills which was supposed to cure many of the injustices in the social security program. Instead, it was a patchwork job which has only served to frustrate older Americans and anger the current working generation.

Here is what I would do to change social security:

First, I would provide partial general revenue financing of retirement and medicare benefits. The fact is that the current working generation is paying the benefits of those now retired, and they are paying it under the most highly regressive tax in the federal system. This is a heavy load to bear for people struggling to exist in an inflationary economy. General revenue financing has been proposed since the very beginning of the social security program. We can achieve a measure of justice in the financing of that program if we use money collected from the more progressive income tax to finance a portion of social security benefits.

Second, the social security tax must be made progressive by reducing it for low-income workers. Too many workers now pay more in social security tax than in Federal income tax. This regressiveness is a source of discouragement and inequity for the wage-earner on the lower end of the income spectrum. A progressive tax structure for those in this low income bracket would solve the problem.

Third, I believe we must expand benefits, particularly in the health care areas. Out-of-hospital prescription drugs should be covered as should eye care, dental care and hearing aids. It is in these fields that older people have the greatest unmet needs. They have a *right to* quality medical care, but that right will remain beyond their reach unless medicare provides adequate coverage.

Fourth, I would eliminate the present earnings limitation so that older people can supplement their social security benefits. I understand the many arguments which have been presented against such a proposal, but you only have to read the mail that comes into my office during the course of a single day to know how many retired Americans need more money to lead a decent life.

Sixty-five is such a magical age in our society. We expect a person who has spent a lifetime at his job to leave his work at that age. There is no reason that the coming of one's sixty-fifth birthday should force a radical change in lifestyle. Retirement years should be golden years, not years of despair and frustration. We should encourage older people to remain an integral part of our society and give them the means to supplement their retirement income if that is what they need and what they want.

National health insurance

There is another important subject before Congress this year—national health insurance. Decades of discussion appear to be coming to a head. Now, it is up to Congress to decide whether it wants to adopt a national health insurance program and what type of program it wants.

On the first question, I have no doubt that Congress will decide that it wants a national health insurance program. This is a priority item on the legislative agenda of millions of Americans who fear that major illness will bankrupt them.

On the question of what type of proposal will be adopted, the following elements are essential:

First, any national health insurance plan must guarantee quality medical health care to all Americans regardless of their economic status or geographical location.

Second, the plan must avoid the imposition of a vast Federal bureaucracy to administer it.

Third, it must focus on preventive health care in an effort to avoid the high cost of hospital care.

Fourth, the plan should provide protection against catastrophic health care costs.

Fifth, it must assist and encourage people to purchase adequate health insurance coverage, providing more assistance to those in greater economic need.

Sixth, the plan must set only those limits on payment and coverage which are reasonable in light of health care needs and necessary in order to place sensible limits on the total cost of the program.

Seventh, the consumer should have the right to choose among health care providers. This includes the ability to choose among different doctors and different health insurance providers.

Three of the major health insurance proposals now before Congress meet each of these criteria. They include the proposal which Senator Hansen and I have introduced, the Long-Ribicoff plan, and the administration proposal.

One of the major differences among these programs, however, is the level at which catastrophic coverage is provided. Under my proposal, a family could begin to get that protection after spending only three hundred and fifty dollars in medical and hospital costs. The comparable figure under the administration's program is one thousand five hundred dollars and two thousand dollars under the Long-Ribicoff plan. In addition, both the administration and Long-Ribicoff plans would be financed in part from increased payroll taxes. Our experience under the social security system has given us clear evidence that this tax is already too high and too regressive. It should not be used to pay for the costs of national health insurance.

Conclusion

In dealing with the retirement and health care needs of Americans, Congress is now at the crossroads. It now appears certain that we will have a new private pension law before the end of this year. The only question is whether it will be superficial or substantive.

There is no such assurance on the subject of national health insurance. From a political point of view, this is a good year to act. Those in Congress who are up for re-election in 1974 could take a national health insurance program back to the people as a major accomplishment. Because it would take as long as two years to get the program started up, national health insurance could also play a major part in the 1976 campaign.

I am less hopeful about the chances for meaningful social security reform this year. There is a proposal now in conference which would make some changes in the system. Apparently, the conference will not meet until the House Ways and Means Committee holds hearings on some of the amendments adopted by the Senate. I can only hope that the House will use that opportunity to propose major changes in the social security program.

In private pension and social security reform, and in the adoption of a national health insurance program, we have the opportunity to enact legislation which will meet some of the most urgent needs of the American people. That is why I said at the outset that this will be an exciting year in Washington. I look forward to working with your association in our common effort to improve the welfare of our fellow citizens.

HONORS TO SENATOR HUGH SCOTT OF PENNSYLVANIA

Mr. JAVITS. Mr. President, since coming to the Senate in 1956, I have worked with the minority leader on many civil rights bills and know that he is regarded as a strong friend of minority groups. Over the years he was a prime sponsor of every civil rights bill and was recently accorded the recognition he so richly deserves at a dinner attended by more than 1,000 in this city last month. The "Black Salute" to Hugh Scott was organized by a committee headed by Senator Edward Brooke, of Massachusetts, and at the dinner it was announced that a scholarship has been established to enable deserving blacks to study political science.

I ask unanimous consent that an article appearing in the Shamokin, Pa. News-Item of January 28 concerning these honors accorded Senator Scott be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Scott Showered With Honors

(By Mason Denison)

Harrisburg.—One observer long ago opined wistfully that it was a pity for honors to be passed out to deserving public servants after they left the scene because they were never around to hear the glowing tributes.

But recently Pennsylvanians may have noticed that outstanding elected officials, while still in office, more and more are coming in for their share of the honors and plaudits from their colleagues and constituencies.

Latest to come to mind was the "Black Salute" to Pennsylvania's U.S. Senator Hugh Scott in whose name a scholarship fund has been established to enable deserving blacks to study political science. The event was held this past Saturday in Washington with more than 1,000 in attendance.

In another instance, before he died two weeks ago after an illustrious career in the State Senate spanning 43 years, George N. Wade was witness to ceremonies naming a $13 million highway bridge in Harrisburg in his honor.

Two months ago, Democratic State Representative K. Leroy Irvis was recognized by the Pittsburgh Jaycees as the city's outstanding man.

There have been other deserving public officials, but seemingly worth noting are some of the honors that have come to Pennsylvania's Hugh Scott over the last three months (no, he's not up for reelection this year).

The Senate Republican leader in Washington since 1969, he undoubtedly is one of the state's most successful politicians, coming up on the "right side" of issues, feeling the right beat of the pulse of the people, and winning big despite Democratic landslides, or the famous 1964 debacle when the Republican Party went to a smashing defeat across the country.

He is the kind of politician many of the pros shake their heads over and wonder aloud, "How does he do it?"

Perhaps the blacks know. They honored him because of the concern he has shown for his fellow man over his more than 30-year career in Congress. Identified as a proponent and leader of every piece of civil rights legislation, including creation of the U.S. commission on Civil Rights, and at odds with the White House on their conservative busing views, Mr. Scott has been pointing the way since his days as an assistant district attorney in Philadelphia during the 1930s when he observed considerable violation of civil rights. This is when he cut his eye teeth, prosecuting a record number of cases protecting Jews, Italians, Blacks, Eastern European immigrants, and others who came to the City of Brotherly Love for that great opportunity.

Laboring in Republican politics for many years before he ran for public office, he is finally getting the recognition the party faithful reserve for the head of the party. In November last year, he was named the distinguished Pennsylvania Republican of the year.

And then last month in New York, the prestigious Pennsylvania Society awarded the senator the organization's gold medal.

Both of these honors are perhaps fitting tribute to a learned professional politician who is called by Senate Majority Leader Mike Mansfield, "a politician's politician, a great leader of his party, and a respected friend"—high words of tribute from the other side of the aisle.

And black leaders know. Burrell Haselrig, a Johnstown builder, spearheaded Saturday's tribute to Senator Scott because in his own words, "I want everyone to know what this man has done for us."

And incidentally, the blue-ribbon bipartisan group of whites and blacks organizing the event was headed by Senator Brook of Massachusetts—the only black in the Senate.

NATIONAL GROWTH POLICY

Mr. HARTKE. Mr. President, I would like to commend the distinguished majority leader for the statement which he made before the Democratic conference on February 19. As usual, he was both perceptive and challenging.

I would like to draw the attention of my colleagues to a rather important portion of the majority leader's remarks. Toward the end of his statement, he urged Congress to take a look beyond the current energy crisis to find "a better way"—a way in which "we can sort out the relative importance of demands made upon this Government's resources in some orderly fashion and to anticipate and act in advance on gathering difficulties."

We must find a better way to meet our responsibilities. Crisis to crisis is not enough. People are waiting on gasoline lines today; will they be waiting on bread lines tomorrow?

What is needed is a commitment to the future of this Nation, and that commitment can best be expressed in the form of a national growth policy. In S. 1286, the National Growth Policy Planning Act, I have proposed the mechanism to develop such a policy so that we can find a better way and meet our responsibilities to the future development of the United States.

THE HIGH PRICES OF PROPANE

Mr. BARTLETT. Mr. President, on Tuesday, February 19, the Senate adopted the conference report on S. 2589, the National Energy Emergency Act. Several of my colleagues have been concerned, as I have been, about the high prices for propane, and I believe that the final vote was significantly influenced by propane prices.

However, Mr. President, I now have information which leads me to believe some votes may have been cast based on information that has turned out to be misleading about the effects of the conference report on S. 2589 on propane prices.

The high propane prices were influenced by the inept interference of the Cost of Living Council during phase III of the price controls at a time when natural gas was not able to fill demand. Propane prices were bid up by those industries facing curtailments of gas. Probably the fact that the price of propane is not on the Consumer Price Index is another reason propane was picked to bear additional price increases.

The inept controls have proved two points: one—that attempts to maintain price controls caused disastrous distortion of product distribution and prices, and two—that the free market, if allowed, can take care of the situation.

To show the second point, propane storage tanks in Oklahoma are near full and retail propane prices in Oklahoma have now dropped from as high as 40 cents per gallon to as low as 22–26 cents per gallon range because supply has caught up with demand—the free market works.

The rollback provision of S. 2589 was said by Senator JACKSON to roll back the price of propane to approximately 23–24 cents per gallon, but I have been informed by the Oklahoma Energy Advisory Council that the rollback provided in S. 2589 would really amount to only 1.75 cents per gallon in Oklahoma.

The rollback effects have been greatly oversold by the proponents of S. 2589.

The free market, not price controls or S. 2589, has solved the propane shortage problem and already the price has dropped considerably.

THE HUNGER STRIKE BY THREE MOSCOW JEWS

Mr. TUNNEY. Mr. President, three prominent Moscow Jews—a chemical engineer, a sinologist, and an artist—have been on a hunger strike since February 15. Each has been trying for several years to get permission to emigrate to Israel. Each has been continually denied permission by the Soviet authorities. The three have resorted to the dramatic action of a hunger strike to protest the arbitrariness of Soviet emigration practices in denying them exit visas.

David Azbel, a chemical engineer who is the spokesman for the hunger strikers, is long familiar with suffering at the hands of Soviet authorities. He had been sentenced to 5 years in prison during the Stalin regime. While in prison, in desperation over his situation he went on a hunger strike for 10 days. As a punishment, he was sentenced to an additional year in prison for each day of the hunger strike: a total prison term of 15 years.

Soon after he applied to emigrate to Israel in May 1972, he was dismissed from his post as professor and head of an Institute of Chemical Spirits and Organic Products. Once again, 30 years later, he has embarked on a hunger strike as a means of protest.

Vitaly Rubin, a specialist in ancient Chinese philosophy and political thought, was forced to leave his post at the Moscow Institute for Oriental Studies as punishment for his having applied to emigrate to Israel. His wife, a former teacher of German at the Academy of Sciences, has also not been allowed to work since 1972.

Vladimir Galatsky, an artist, has not been allowed to participate in any exhibition of paintings in the Soviet Union since 1962, when Nikita Khrushchev criticized his work and those of other artists for its "nonconformity." Galatsky applied to emigrate in March 1973, and was refused without any specific reason given.

On the third day of the hunger strike, the Soviet authorities disconnected the telephone in the apartments of the participants and at least 10 other key Moscow Jewish activists. This action was taken as retaliation for the hunger strike and as a means to isolate them from newsmen and sympathizers in the West.

One of the activists whose phone was disconnected is Alexander Luntz, a mathematician, with whom I have personally communicated by phone as recently as a few weeks ago. This punitive action taken by the Soviet authorities has cut off my access to Dr. Luntz. Dr. Luntz along with six other scientists had staged his own hunger strike last June to protest Soviet refusal to allow them to emigrate. Now he is being punished further.

The hope of Dr. Luntz, David Azbel, Vitaly Rubin, Vladimir Galatsky and all the others trying desperately to leave the Soviet Union rests on concern and action in the Western world. By their hunger strike and other courageous actions, these individuals cry out to us to react to their message. We must speak out for their right to emigrate to the country of their choice. If we are true to the American principle of human rights for all people, we can do no less.

As a way of showing our support for this hunger strike, my colleague, Senator CRANSTON, and I have sent a telegram of encouragement to David Azbel in Moscow. We have learned that all outside communications, not only telephones, have been cut off from these men. I sincerely hope that our telegram will nevertheless reach them, and give them the knowledge that their actions are being watched from overseas.

We have a message transmitted by

phone by three prominent Moscow Jews completing their first week of a hunger strike which began February 15. The three individuals are David Azbel, a chemical engineer and spokesman for the group; Vitaly Rubin, an expert on China; and Vladimir Galatsky, an artist. The message from the three demonstrators was the last one they were able to communicate to the West before their telephones were cut by the Soviet authorities.

The three have been trying for several years to get permission to emigrate to Israel. They have received repeated refusals. They have resorted to a hunger strike to dramatize the arbitrariness of Soviet emigration practices in general and the denial of exit visas to them in particular.

David Azbel spoke out in Moscow several weeks ago in reference to Solzhenitsyn's "Gulag Archipelago." A prisoner in Gulag during the Stalin era, Abzel stated that he wished he had been among those 200 who told Solzhenitsyn about the dreadful years in Stalins's torture chambers. While serving a 5-year sentence under Stalin's regime 30 years ago, Azbel, driven to desperation, went on a hunger strike in his prison in Saratov. For each day of his 10-day hunger strike, he was sentenced to another year in prison: a total prison sentence of 15 years.

When he spoke about Solzhenitsyn's book, he warned that he was about to embark upon the same act of protest and desperation again—that is a hunger strike.

Azbel was quoted as saying that:

> It is interesting how many years I will get for each day now. I understand that even today I can become a citizen of Gulag Archipelago any day. And if this happens to me, David Azbel, former prisoner, it means that Gulag Archipelago did not go down as the legendary Atlantis—it exists; it is very much alive.

I ask unanimous consent that the message be printed in the RECORD, along with biographical sketches of the three individuals involved and an article published in the Washington Post of January 27, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MESSAGE TO U.S. SENATORS FROM MOSCOW JEWS ON HUNGER STRIKE

We know that soon you are to discuss and solve a question in which we are vitally interested. We are referring to the Jackson amendment. It makes certain aspects of Soviet-American relations dependent on free emigration from the USSR and that means—dependent on morality, international law and human rights. Occasionally voices are raised in the West that emphasize that in Soviet Jewish emigration a certain degree of progress has been reached which permits this moral factor to be glossed over in intergovernmental relations. The magic of numbers does it work. The impression is created that only a small "1,000" Soviet Jews who were denied visas cannot leave. It is really that way?

Well, and what about the tens of thousands in such towns as Sverdlovsk, Kuibyshev, Novosibirsk, Irkutsk and many others which are, practically speaking, closed to emigration. People in these towns almost never submit emigration documents, not because they do not want to, but because they know in advance that local authorities will not issue emigration visas and can use repressive measures against them at any moment. Can't these people be counted among those "refuseniks" who are known today in many countries?

Furthermore, there are the papers required of potential applicants which are unlawful even according to Soviet law. How many thousands, and maybe tens of thousands, of parents refuse to give permission to their children, who are over-age and have over-age children of their own, simply out of fear for their own fate. Isn't it possible to include these people among the group of ill-fated thousands who have received formal refusals?! And what kind of Jewish emigration process can we talk about, when in the USSR to this day there is no emigration law nor any published instructions regarding emigration?

The recent statement Deputy Minister of Foreign Trade Alkhimov made while in the U.S.A. can be used as evidence of the peculiarity of this "progress". He stated that Jews are detained in the USSR on grounds of state security and other reasons. What kind of other reasons?

As a rule, there is an absence of any kind of grounds. The reason for refusal is the arbitrariness of the State. It is simply the whim of the government which determines whether to permit or not permit a certain family to leave. The fate of our families and of many others represents a perfect illustration of this statement.

In our view, those who, in the name of global and until now vague goals, are prepared to absolve the Soviet government and think that human rights regarding emigration are being fulfilled, are committing a tragic mistake.

The battle is only beginning and its first results can only encourage but not set one at rest.

We are glad that many of you understand this. That is why we are turning to you at a time when we are staging a hunger strike as an extreme way to make the Soviet government respect our human and civil rights. Because of this the Soviet authorities have removed our links to the world, disconnected our telephones, interrupting our very contact with overseas, with correspondents, friends and relatives in Israel and in Moscow itself.

But even in times long past, when the means of communication were not yet perfected, people found each other and under stood each other's needs. We believe we will not remain alone in our struggle for human rights.

Prof. DAVID AZBEL,
Chemist.
Prof. VITALY RUBIN,
Sinologist.
VLADIMIR GALATSKY,
Artist.

BIOGRAPHICAL SKETCH

PROF. DAVID AZBEL

He was born in 1911, and descended from a rabbinical family. His ancestors were Rabbi Isak Ozol from Vilna and Rabbi Chaim Magrants from Homel. By 1920 he had lost both parents and witnessed the hanging of his mother by the white Russians in the civil war. In addition to this his grandfather was permanently invalided when he was attacked by antisemites and thrown off a moving train. During the years that followed he lived the life of a street urchin going from town to town. Eventually, he began to study and made his way to university.

In 1935 he was arrested and spent the next sixteen years in one of "Uncle Joe's hotels"—a Stalinist labour camp. After being released in 1951, he settled in the Ukraine and worked as an engineer only to be dismissed at the beginning of 1953 due to the Doctor's Plot. In 1956, he was allowed to return to Moscow and soon completed the post-graduate course he had started twenty one years before in 1935. In 1957, he was elected candidate of technical sciences.

In 1960 he became a doctor of technical sciences. The following year, he became a professor and in 1968 was appointed head of an Institute of Chemical spirits and Organic Products. He had published over sixty scientific works. In May 1972 he applied to go to Israel and was soon dismissed from his post. In December 1972, he was arrested with many other Soviet Jews outside the Central Telegraphic Office in Moscow and sentenced to fifteen days in prison on a charge of petty hooliganism. He is married with an eighteen year old son, Zeev.

VITALY RUBIN

He was born in 1923 and is a specialist in ancient Chinese philosophy and political thought. In 1931 his brother Isaac Ilyich Rubin, an economist, was convicted in the famous Menshevik trial. His father who was also a philosopher was thrown out of work and was forced to make ends meet by translating. The only Russian work of Maimonides' "Guide to the Perplexed" which was published in the book "The Great Philosophers of the East", Moscow 1959, was translated by Rubin's father. At the beginning of the war, when still a student, Rubin volunteered for the front. He was captured by the Germans and escaped after three days. Shortly afterwards, he was sent to a special camp, at a coal mine in the Moscow region coal basin as punishment for being captured. After eighteen months in a coal mine, he contracted tuberculosis. At this point, he was told that he had been cleared of suspicion and was not a spy. However for the next four years, 1944–48 he was bedridden.

Rubin graduated from the Moscow State University in 1951. He was not permitted to do post graduate work because of his part in the war. In February 1972 Rubin was forced to leave his post at the Moscow Institute for Oriental Studies because he had applied to emigrate to Israel. He was refused in July 1972 because he was an "important specialist."

Rubin's main specialty is in the confrontation between the humanist aspects of the Confucian tradition and between the ideological policy of the State. He has written more than sixty articles and his book, "Ideology and Culture in Ancient China", was published in 1970. He is married to Inessa Axelrod, Forty five, who taught German in post graduate studies at the Academy of Sciences. She, too, has been unemployed since 1972.

VLADIMIR GALATSKY

He was born in 1929 and attended art school in Moscow. From 1949 to 1953, he served in the Soviet Air Force and then returned to his studies. From 1953 to 1958, he was registered at the Art Faculty of the Moscow Institute of Polygraphy. In 1958, he associated himself with the Left grouping of artists. In 1962, this group was severely criticised by Nikita Krushchev for its nonconformist "left art" at the display in Moscow in the central Exhibition Hall in Manege. Since then, Galatsky has been refused permission to participate in any exhibition of paintings in the U.S.S.R.

In 1960 the Artists' Union officially refused to consider his work and accused him of "formalism." Since 1972, he has not been able to get any work at the State Publishing Houses. Galatsky applied to emigrate in March 1973. Three months later, he was refused without any specific reason being given.

He is married. His wife, Natalia is twenty eight and graduated from the History faculty of the Moscow State University in 1967. She has worked in a research institute in the department of political sociology attached to the Soviet Academy of Sciences. She too, is unable to work at her job.

[From the Washington Post, Jan. 27, 1974]

A Gulag Veteran Speaks Up: Soviet Dissident, 62, Supports Solzhenitsyn's Charges

(By Murray Seeger)

Moscow.—The old man has great spring in his step and more spirit than many Soviet citizens half his age. He has a doctor's degree in technical sciences but little of the pedantic manner of some academics.

On paper he should be a satisfied Soviet citizen. He has a pension and an apartment, and the political crime charged against him nearly 40 years ago has been rubbed from the books. He has been rehabilitated politically and is secure economically.

Still, David Azbel, 62, is a dissident, a tough-minded man with a grievance against the regime. He asked to go to Israel with 30,000 other Jews in 1972 and was refused.

He was refused again in 1973 when nearly 35,000 others were allowed to go. Instead, he was jailed twice and stopped many times by the police for protesting his predicament. His telephone has been cut off and his mail is examined and often stopped. He is watched much of the time. He has protested with hunger strikes, a traditional Russian device.

A metallurgist, Azbel is one of about 200 technically trained Jews who have been blocked from emigration for two years.

Despite his experiences as a Stalin prisoner and a victim of current political policies, Azbel has never lost his courage. He showed this recently when he threw his solitary voice against the whirlwind of official condemnation which has been turned loose against Alexander Solzhenitsyn, the Nobel Prize-winning novelist. Solzhenitsyn has just published in the West a documentary history of the Stalinist repressions. The title, "The Gulag Archipelago," takes its significance from the first word, which is the Russian acronymn for the prison camp administration.

In attacking Solzhenitsyn, Soviet authorities take the position that the ruling Communist Party has properly faced the issue of Stalin's crimes and that the bloody era is officially closed. Azbel argues that the chapter is not closed.

Because the only letters printed in the Soviet press are those which endorse official policies, Azbel's letter supporting Solzhenitsyn was given to Western correspondents. The text:

"I have learned about Gulag Archipelago by Solzhenitsyn from foreign radio reports. Certainly I could not read it in the Soviet Union as it was not published even in samizdat [underground press.]

"Though I do not know its contents, I wish I had been among those 200 who told the author about the dreadful years in Stalin's torture chambers. I am only consoled by the fact that my prisoner's biography is so typical that it could be reconstructed from the recollection of others.

"I am imprisoned in Gulag Archipelago for 16 years from 1935 to 1951. I visited its various 'islands'—a solitary confinement cell, death chamber, hard labor camps, special prisons and shooting range.

"After rehabilitation, I got documentation which clearly shows the degree of lawfulness in my case. Sentenced to five years imprisonment. Spent 16 years in prison. Dismissed before the term expired.'

"Dismissed, but I have not become free.

"In April, 1972, I applied for an exit visa to Israel. But I was refused without any explanation and since the day the sinister shadow of 'Gulag' has been hanging over me.

"Our life after the application for an exit visa is regulated not by the law but by the KGB [secret police]. It is this office that gives orders to policemen to detain us at home and on the street; to the court to bring us to trial; to the interior ministry to keep us in prisons; to postmen not to deliver mail to us; and to the communications service to disconnect our telephones.

"My attempts to protest against all that ended up twice in imprisonment. Once more I saw the familiar surroundings of prison cells and the only companions of my wanderings about Gulag Archipelago prison warders. "Plainclothes agents in two cars followed me all over Moscow and surrounded my house. Their belligerence awoke my memory: alas, it was not a nightmare.

"My life experience and facts show that the authorities neither forget anything nor have they learned anything.

"I have no inclination to compare 1974 and 1937 or 1953 when Stalin charged Jewish doctors were out to kill him.

"But the scale of operations is not a justification for inhumane deeds. And what is more important—history teaches that one act of arbitrary ruling breeds a lot of new ones. And the more the chain reaction of violence is intensified, the more difficult it is to keep it in check.

"The situation gets out of hand and becomes intolerable. It is high time for the authorities to stop the escalation of repressions and make attempts at finding understanding. But this is not the case.

"Thirty years ago, driven to desperation, I went on a hunger strike in a prison in Saratov. For each day of a hunger strike I got one year. Ten days of hunger strike—ten years behind bars.

"Today, I have to resort to the same act of protest and desperation again. It is interesting how many years I will get for each day now. I understand that even today I can become a citizen of Gulag Archipelago any day.

"And if this happens to me, David Azbel, former prisoner, it means that Gulag Archipelago did not go down as the legendary Atlantis—it exists, it is very much alive."

CHAD CELEBRATES 14TH ANNIVERSARY OF INDEPENDENCE

Mr. HARTKE. Mr. President, the people and the Government of Chad celebrated the 14th anniversary of their independence from colonial rule on January 11, 1974.

It is fitting at this time to salute these proud and industrious people who have maintained a steady growth in their economy in spite of the disastrous famine of the past 5 years.

Chad is one of the Saheil countries that is going through severe climatic changes, leaving a large portion of its nomadic peoples in abject poverty.

President Francois Tombalbaye has guided the nation of 3.7 million people through many years of steady growth and, since its independence, has remained a close friend of the United States. Our smallpox-measles eradication campaign in Chad has done much to improve the general health of the Chadian people.

We, the American people, wish the people and the Govenrment of Chad continued success.

PRIDE IN AMERICA

Mr. BARTLETT. Mr. President, on February 16, 1974, the executive committee and the executive board of directors of the United States Jaycees adopted an open letter to the American people, entitled "Pride in America."

The letter reads:

Pride in America

It is becoming increasingly difficult to appreciate that our country offers more opportunity than any nation in the world . . . because

Today this country's detractors show little regard for our institutions.

Most Americans have strong convictions in these institutions that are the cornerstones of our great country:

Faith in God
Brotherhood of Man
Free Enterprise
Government by the People
Individualism
Service to Humanity.

Constantly it is repeated that Americans no longer enjoy individual expression.

The United States Jaycees know better because of their affiliations in 6,700 communities throughout this great country.

History has proven that the American people can unite when threatened. Once again we are threatened but not by outside forces.

Our new threat is one of self-doubt reinforced daily by the repetition of negative examples.

The United States Jaycees are tired of those who daily condemn our society as deteriorating!

The time is NOW for the sleeping giant of public "Pride" and positive individual participation to awaken.

Unite with the United States Jaycees in rekindling our "Pride in America"—the key is you!

Adopted February 16, 1974.

The United States Jaycees Executive Committee.
The United States Jaycees Executive Board of Directors.

Mr. President, the Jaycees have so clearly said what is in the hearts and minds of millions of Americans during these days of one "crisis" after another.

Mr. President, I wish to commend the over 300,000 members of this outstanding community service organization for, once again, taking a stand in defense and support of America.

VETERANS EDUCATION AND REHABILITATION AMENDMENTS OF 1974

Mr. INOUYE. Mr. President, the House of Representatives on Tuesday, February 19, 1974, unanimously approved the Veterans Education and Rehabilitation Amendments of 1974. The provisions of this legislation go a long way in improving veterans education benefits and go well beyond the inadequate proposals which President Nixon endorsed in his recent message to the Congress on veterans' benefits. The Senate must now address this important issue.

The House-passed legislation does not include a number of provisions which I have proposed along with Senators Dole, Mathias, McGovern, and 32 other colleagues in S. 2789, the Comprehensive Vietnam Era Veterans Educational Benefits Act of 1973. The most important omission is in the area of tuition assistance to participating veterans. Without a tuition equalizer, millions of veterans living in States where tuition costs are above average will continue to be unable to effectively use that GI bill. Strong bipartisan support for such an equalizer exists in the Senate, the House, and among veterans desirous of gaining an education.

The Senate Committee on Veterans' Affairs under the able and aggressive leadership of Senator Hartke has continually fought for the right of the veteran to receive adequate assistance in recognition of sacrifices made while in uniform. I am confident that as the Senate Veterans' Affairs Committee hearings and markup take place in the near future, the tuition equalizer and other provisions of S. 2789 will receive close scrutiny. I am hopeful that many of those provisions will be adopted by the committee, and finally by the Congress and the President.

The following letter which I received from a young Vietnam veteran poignantly and powerfully expresses a sense of disillusionment with present veterans benefits programs that is shared by many of the soldiers who have returned from our most recent and least popular war. In 1974 we have the opportunity to prove to these disillusioned young men and women that Government can respond to their needs and that the Congress will not forget their sacrifice.

I request unanimous consent that the letter of Eugene Ramsey Hardin III be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

February 4, 1974.

Senator Daniel K. Inouye,
Senate Office Building,
Washington, D.C.

Dear Senator Inouye: I read with some interest your article of January 23, 1974, which was printed in the "New York Times".

I am a Vietnam Veteran, an ex-Marine Corps Infantry Lieutenant. I am proud of that. But I am not proud of my country.

America was a land I was taught to believe in, and I was proud to be an American. I believed that America was such a great land, that its heart was as big as it was great. I believed that serving your country was what every citizen did, regardless of his financial position. I believed that my country would be grateful for my service, and would try to make a place for me when I returned. I don't believe any more.

And why should I? Why should I believe when the President offers us an eight percent "cost-of-living" increase in our educational benefits? Why should I believe when our benefits are so much less than the ones our fathers received? And why should I believe when so many of my brothers cannot even get decent jobs?

I realize the Vietnam War was an unpopular war. How can I forget? It greets me in the morning, talks to me at lunch, and puts me to bed at night. But, goddamnit, why should I and my brothers have to pay *for* it? The way we are treated, you would think the war was our fault. And it was not!

I sincerely wish you the very best of luck in getting your bill passed. I am sure that you are sincere. But I have very little hope.

Sincerely,

Eugene Ramsey Hardin III,
Student, Amherst College.

Mr. INOUYE. Mr. President, I further request that Senators Williams and Curtis be added as cosponsors of S. 2789.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIANAPOLIS SUFFERS A GREAT LOSS

Mr. HARTKE. Mr. President, in 1 week last month, the city of Indianapolis suffered a great loss of human resources with the death of one of the great men in the city's history followed by the loss in a plane crash of four young men who were very involved in shaping the city's future.

I ask unanimous consent that an article from the January 14 Indianapolis Star which speaks of the import of these tragic deaths be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

City Lost Some Good People

(By Thomas R. Keating)

This past week was not one of our city's best.

First, there was the death of a man who had as much to do with shaping this town as anyone in the last quarter-century.

Then came the tragic Florida plane crash which cut down four active, involved young men in the prime of their lives.

Because they were public figures, the things these men achieved were well-known and have been well-noted in the obituaries that accompanied their deaths.

But often the best measure of a man is found outside his public image or his professional credentials.

For example, detailing the achievements of Frank E. McKinney Sr. could fill an entire newspaper. Upon his death, praise came from the highest offices in the land.

But, maybe more importantly, the same type of praise came from a group of elderly women who had scrubbed floors at night in McKinney's old Fidelity Bank years ago.

When they were reaching old age, one woman explained, McKinney personally saw to it that about two dozen of them received a comfortable pension, which some have been drawing for 25 years. This was when executives were lucky to get pensions, let alone scrubwomen.

You could say this is no big thing for someone with McKinney's money to do, but the fact is not many persons in his position would have bothered.

Bob Greene, the personable 38-year-old head of the Indianapolis Police Department's homicide section, is best known for the remarkable record his men posted in 1971, when every murder in the city that year was solved.

But if you knew him away from headquarters, Greene was the last person you would imagine handling such a rough position.

For the past dozen years, Greene probably has been the most active worker at Christ the King Catholic Church, coaching youth teams, heading the school PTA and doing a hundred other chores no one else wanted to do.

It was a standing joke he enjoyed telling that he did more work than anyone in the parish and he wasn't even a Catholic. He was to have become a member of the church this week.

The public image of 36-year-old John Neff, the 1971 Democratic mayoralty candidate, was one of a bright young attorney deeply involved in political and legal matters.

In fact, however, Neff's greatest interest was kids and for the last several years he had bypassed many political and legal activities to coach his son and other boys in the Tabernacle Presbyterian Church athletic program.

A couple of months ago, one of the boys Neff coached commented, "He's my favorite coach here at Tab because he always says something nice to me every week."

The boy was 9 years old and hardly a potential voter.

Robert Morris was well known and respected as the state's chief energy expert in his position of executive director of the Indiana Commerce Department.

But equally, if not more, important in his scheme of things were the mornings he spent working with children as head of the Sunday school classes at the same Tabernacle Church.

He did this for 15 years.

The city lost more than public figures this past week. We lost some really good people and those kind are hard to find.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANNOUNCEMENT OF POSITION ON S. 2957

Mr. ERVIN. Mr. President, I am compelled to be absent this afternoon to attend a meeting at the North Carolina State University at Raleigh, N.C., and ask unanimous consent that I be positioned against S. 2957 in the event a vote is had on that bill prior to my return. I believe the operations of the Overseas Private Investment Corporation impose wholly indefensible burdens on our taxpayers.

RECESS

Mr. MANSFIELD. I ask unanimous consent that the Senate stand in recess until the hour of 3 p.m. today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Thereupon, the Senate took a recess from 12:52 p.m. until 3 p.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. Metcalf).

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore (Mr. Metcalf). Is there further morning business? If not, morning business is concluded.

ACTIVITIES OF OVERSEAS PRIVATE INVESTMENT CORPORATION

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The ACTING PRESIDENT pro tempore. No unfinished business is pending before the Senate at this time.

Mr. MANSFIELD. I thought I had obtained unanimous consent to——

The ACTING PRESIDENT pro tempore. Under the pervious order, the Senate will now proceed to the consideration of Calendar No. 652, S. 2957, which the clerk will state.

The legislative clerk read as follows:

S. 2957, relating to the activities of the Overseas Private Investment Corporation.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE—APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 86-420, appoints the following Senators to the Mexico-United States Interparliamentary Conference, Washington, D.C., May 13–18, 1974: the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New Mexico (Mr. MONTOYA), the Senator from Florida (Mr. CHILES), the Senator from Georgia (Mr. NUNN), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Vermont (Mr. AIKEN), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), the Senator from Arizona (Mr. FANNIN), and the Senator from New Mexico (Mr. DOMENICI).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHEAT SUPPLY FOR DOMESTIC CONSUMPTION DURING THE REMAINDER OF THE 1973–74 MARKETING YEAR

Mr. DOLE. Mr. President, I send to the desk a concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

S. CON. RES. 70

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Secretary of Agriculture should immediately conduct a survey of all wheat milling firms and bakeries to determine their position with regard to wheat supplies and requirements during the remainder of the 1973–74 marketing year.

SEC. 2. It is further declared to be the sense of Congress that the Secretary of Agriculture at the earliest practicable date, conduct a county-by-county survey to determine the amount of uncommitted wheat stocks remaining in the ownership of all grain dealers and farmers.

SEC. 3. It is further declared to be the sense culture work with the Interstate Commerce of the Congress that the Secretary of Agri- Commission to expedite transportation of existing wheat stocks to the millers and bakers in need of additional supplies.

SEC. 4. The Secretary of the Senate shall transmit copies of this resolution to the Secretary of Agriculture and Chairman of the Interstate Commerce Commission after it has been agreed to by both Houses of Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

WILL THERE BE ENOUGH WHEAT?

Mr. DOLE. Mr. President, there has been much discussion in the past few weeks with regard to the wheat supply and demand situation in this country for the remainder of the 1973–74 marketing year—June 30, 1974.

The Committee on Agriculture and Forestry attempted to get to the bottom of the problem during recent hearings as a result of charges by the baking industry that bread would reach $1 a loaf unless action were taken to curb exports. Unfortunately, those hearings did nothing to reassure the bakers that there would be adequate domestic supplies.

It is interesting to note, Mr. President, that some of the very people who are talking the loudest about dollar-a-loaf bread are at the same time reassuring their stockholders they have sufficient flour contracted to last until the new harvest begins in June. Apparently some of those who mill the wheat and bake the bread have adequate supplies, and some others do not.

Export controls would be disastrous to our wheat producers who have been asked to produce more wheat than ever this year. Now as that crop is just about to start the final growth cycle toward harvest in June–July, the farmer is fearful of the threat of export controls and what those controls would do to the price they will receive for their wheat.

This morning an official of the Nation's largest grain cooperative, FAR-MAR-CO., Inc. in Hutchinson, Kans., informed me that they had 24 million bushels of wheat purchased from local elevators that has not been shipped. The past week I have received similar reports from several other large grain companies as well as many of the grain elevators located in the wheat producing areas that they had 50 to 100 cars of wheat sold, but were unable to ship because of a lack of railroad equipment.

Mr. President, in order to get at the real facts—to locate the wheat and flour that does exist—and to evaluate the demand for wheat and flour of millers and bakers—and, Mr. President, in order to put this matter to rest, I am today offering a concurrent resolution and ask for its immediate consideration, which does three things:

First. It expresses the sense of Congress that the Secretary of Agriculture conduct an immediate survey of all millers and bakers in the country to determine exactly what their wheat and flour needs for the remainder of this marketing year are.

Second. It requests the Secretary of Agriculture to conduct a county-by-county survey of farmers and warehouses to determine exactly how much wheat is uncommitted at the present time and is available for sale to millers and bakers.

Third. It urges the Secretary of Agriculture and the Interstate Commerce Commission to work together to expedite transportation of existing wheat stocks to millers and bakers in need of additional supplies.

Mr. President, this is the only way we will ever know the true dimensions of the current wheat situation and I believe this would be tax dollars well spent to conduct the comprehensive survey requested in this resolution. In addition, there is a continuing need for better transportation.

I hope the Senate will take this step with all deliberate speed, Mr. President, in order that we can assure our citizens that there will be bread at reasonable prices or so the administration can take speedy action if it does appear there will be a wheat shortage.

It has come to my attention that the National Grain and Feed Dealers Association has projected a carryover supply of 150 million bushels of wheat above the domestic and export need. Their figures are based on a domestic consumption—February 15 to June 30—of 190 million bushels and exports of 404,771,000 bushels against the Department of Agriculture's report of wheat stocks available as of February 15 of 744,771,000. While this is a smaller than desirable carryover figure it is, in the face of the promising recordbreaking harvest, only fair that a more accurate assessment be made at this time to avoid the disastrous effects that would be the result of export controls or other actions suggested by the threat of an insufficient or deficit supply.

In addition, foreign buyers who already have contracted purchases ahead at current rates could enjoy a great reduction in price that would result from any form of export controls, all at the cost of our wheat-producing farmers.

Mr. President, immediate consideration of this resolution has been cleared with the distinguished Senator from Georgia (Mr. TALMADGE), chairman of the Committee on Agriculture and Forestry, and the Senator from Nebraska (Mr. CURTIS), the ranking minority member of the committee.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 70) was agreed to.

ACTIVITIES OF OVERSEAS PRIVATE INVESTMENT CORPORATION

The Senate continued with the consideration of the bill (S. 2957) relating to the activities of the Overseas Private Investment Corporation.

Mr. CHURCH. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Foreign Relations be permitted on the floor during the consideration of the OPIC legislation: Pat Holt, Jerome Levinson, Jack Blum, Geoffrey Shields, Charles Meissner, and Vivian Lewis.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, would the Senator yield for a similar request?

Mr. CHURCH. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that Frank Ballance of my staff be granted the privilege of the floor during consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, we are today considering proposed legislation reported by the Senate Foreign Relations Committee which, if enacted, would take the U.S. Government out of the business of directly writing political risk insurance. The legislation transfers, over a 5-year period, from the U.S. Government to those private insurance companies which choose to participate, the program by which American corporations which invest abroad are insured against political risks of three types—expropriation, inconvertibility of currency, and war. This investment insurance program is presently administered by the Overseas Private Investment Corporation—OPIC—an agency of the Federal Government.

The program was first initiated during the Marshall plan as a minor part of the U.S. economic assistance program for the reconstruction of the war-devastated economies of the countries of Western Europe. At its inception, the program was rather modest in scope; 12 firms applied and only currency convertibility was guaranteed. Given the predominant economic strength of the United States in the immediate aftermath of the Second World War, and the urgent need to assist in the economic renewal of Western Europe for both humanitarian and political reasons, there was no compelling reason to examine closely the rationale, or the justification for this investment guarantee program.

In the late 1950's and early 1960's, however, the focus dramatically shifted from the developed countries of Western Europe to the so-called developing countries. The United States became increasingly obsessed with the specter of Communist subversion of the third-world countries. To counter this subversion, the United States undertook a major expansion of its economic and military aid programs to these countries. The foreign economic assistance program was thus transformed from a relatively modest technical assistance effort during the 1950's into a massive capital transfer program in the 1960's. Investment guarantees were used much more aggressively to encourage the export of private capital as a complement to the flow of public aid funds into the less developed countries.

It was believed during the 1960's that political risk insurance would coax private investment to flow to—and thus shore up—governments friendly to the United States. Between 1961 and 1969, for example, expropriation guarantees issued by the Agency for International Development which administered the program, amounted to $4.9 billion. Over $400 million in guarantees were issued in Chile for the purpose of encouraging U.S. copper mining companies, which dominated the mining industry in that country, to expand their investments. It was believed that such expansion would bolster the Christian Democrat Government which the United States favored. Similar decisions were taken in Jamaica, where in the name of political stability, AID and its successor, OPIC, guaranteed over $500 million of investments by U.S. aluminum companies in bauxite mining and smelting facilities.

The fate of the Chilean investments is well known. In 1970, a new government was elected in Chile which nationalized without compensation, properties which had been guaranteed against expropriation; OPIC's potential liability from these Chilean expropriations is over $225 million, an amount substantially in excess of OPIC's total reserves. In Jamaica, increasing demands are being made by the present Jamaican Government on the companies which have been guaranteed against expropriation by the U.S. Government. Thus, the attempt to insure political stability by guaranteeing corporate investments in these two countries, alone, has exposed the American taxpayers to a financial risk of nearly $900 million on private investments, under policies backed by the full faith and credit of the U.S. Treasury.

By 1969, the precarious nature of the program was becoming apparent; the forces of nationalism which were surging through the developing world, increasingly, focused upon the U.S. corporate preserve as an inviting target. Inside the United States, an increasing disenchantment with foreign aid, led the advocates of the guarantee program to put a new face on it. OPIC was born in 1969 as a response to these new pressures. The proposal to form OPIC was referred to the Committee on Foreign Relations where it failed to gain majority support. It was then proposed as a floor amendment to the Foreign Assistance Act and passed after a brief debate. No hearings were held to examine in depth the reasons for creating a new vehicle to administer the investment guarantee program. Indeed, not until the summer of 1973 did the Senate hold any hearings at all to review the record of this 25-year-old program which had grown so large.

Finally, last summer, the Subcommittee on Multinational Corporations held 6 days of hearings and heard 42 witnesses. Statements were also received from individuals who did not appear personally to testify before the subcommittee. Statistical information and case studies were supplied by the General Accounting Office in a comprehensive report. The staff of the subcommittee did exhaustive field research. It was, thus, the purpose of our hearings to assess both the rationale and administration of the OPIC program on the basis of a comprehensive investigation and analysis.

What, then, did we find in the course of this extensive inquiry? The basic conclusion that the subcommittee reached is that OPIC, under any acceptable accounting procedure, is presently insolvent and without the congressional subsidy, made through direct appropriations over the past 5 years, its financial condition would be even more precarious. Hence, the allegation made on behalf of OPIC that it is a self-sustaining program has no basis in fact. The truth is that there are currently outstanding against OPIC approximately $369 million in unsettled claims and only $161 million in reserves to meet them.

But this situation is even worse than it appears. Statistics supplied to the subcommittee by OPIC disclose that if OPIC had not received $106,250,000 in direct congressional appropriations since fiscal year 1970, it would currently have only $55,250,000 in its insurance reserves instead of the $161,500,000 it now shows. OPIC itself recognizes its precarious financial condition.

It has requested an additional appropriation of $25 million for this fiscal year which is to be used to build up its depleting reserves. OPIC claims that its appropriation requests are justified because they represent $50 million of old reserves plus interest which were removed from the AID political risk insurance reserve funds and used to fund a special reserve for the Latin American Housing Guarantee program. However, this argument fails to recognize that Congress, in the period 1970–73, appropriated $106,250,000 for the investment guarantee program, which is over $56 million more than is claimed by OPIC as compensation for funds which were diverted from its use. The plain fact of the matter, then, is that OPIC's insolvency, by OPIC's own admission, can only be salvaged by dipping deeper into the U.S. Treasury. What other reason can there be for OPIC's pending request for $25 million in additional funds to fortify its reserves against pending claims—and this request may well be the harbinger of many more to come?

There should be no illusion that the investment guarantee program is self-sustaining, or, as presently administered, that it can be financed out of current premium income. Rather, it is a program heavily subsidized by direct appropriations of tax money. The fundamental issue is whether we wish to continue public subsidy to private investment abroad.

It is relevant, then, to consider who are the primary beneficiaries of this subsidized program. When OPIC was first proposed in 1969, it was alleged that more flexible administration of the program would lead to its being more widely used by medium-sized U.S. businesses rather than the largest ones. But this has not been the case. As with the AID-administered program before it, the major beneficiaries of the investment guarantee program, whether administered by AID or OPIC, have been companies on the "Fortune Five Hundred" list of the largest U.S. corporations.

The distinction of users under the OPIC administration varies hardly at all from that of AID: Under OPIC administration, 79 percent of all insurance issued went to corporation on the Fortune 500 list, while under AID administration the percentage was 78 percent.

In other words, the concentration of insurance issued to the 500 largest corporations has even increased under the new administration as compared to the old.

Thus, there should be no doubt that this program is administered for the benefit of America's largest multinational corporations—companies which can certainly afford to self-insure or pay premiums based upon sound commercial insurance principles.

Similarly, we found in the course of our hearings that OPIC-insured investment, like that of AID before it, tended to be concentrated in a relatively few countries. In terms of geographic coverage, under AID management 57 percent of the coverages issued by AID were concentrated in eight countries; under OPIC management the degree of concentration has been even greater, since 83.3 percent of its issued coverage has been concentrated in eight countries. Nor is this surprising. The tendency of investment to come from a limited number of companies and to flow to a limited number of countries seems to have a momentum of its own which is not changed by the availability of political risk insurance.

Thus, the committee could find no basis in fact for the principal foreign policy justification for OPIC; namely, that it stimulates the spread of American private investment throughout the underdeveloped world. The proof rebuts the contention.

Does the program, as it is sometimes alleged, help to assure the U.S. economy of secure American-owned sources of raw materials abroad? Here, again, the evidence seems to suggest just the opposite effect. It is significant that, in contrast to AID, OPIC has insured few new investments in natural resources precisely because, as the GAO report noted, these have proved high-risk investments. It is no accident that the areas of deepest tension are those where natural resource investments are most highly concentrated: Chile, Jamaica, and Guyana. For OPIC guarantees actually encourage equity investments, where the American interest takes the conspicuous form of outright ownership, which then has the effect of acting as an incitement to the local populace to look upon the foreign owners of their resources with envy and anger. Moreover, as the former U.S. Ambassador to Jamaica noted, the investment guarantees also led to a sense of complacency on the part of the guaranteed U.S. corporations, which inhibited them from adapting to local conditions and minimizing tensions. Hence, the guarantee program, far from fortifying security of investment in raw materials, may have the effect of encouraging insecurity.

If the program requires a high degree of Federal subsidy through continued direct congressional appropriations, as it has in the past; if it primarily benefits those least in need, the largest multinational corporations; if it has failed to alter the concentrated pattern of foreign investment or to assure us a secure source of raw materials, what then, can be said for its continuation? Not very much, I am afraid.

Of course, we are all aware of the copious literature which has flooded in upon us diagnosing, analyzing, and prescribing formulas for development of the poorer countries of the world. Indeed, the story of foreign aid is one of adopting and then shedding the various development fads as they have emerged, particularly in the past decade. My purpose here is not to expound upon this almost infinite literature and changing theory except to note that in the course of our hearings we did have testimony from experts in the field of economic and social development, and I confess that the advice we received struck me as eminently sensible. This is what I distilled from what they told us: Concepts of developments are rapidly changing; there are increasing doubts that growth in GNP alone is an adequate definition of development; there is an increasing focus on the income distribution effects of growth; some countries which have impressive growth rates, at the same time betray regressive income distribution trends. As Robert McNamara, President of the World Bank, noted in connection with Brazil, a country which has been particularly favored with OPIC guaranteed investments:

> In the last decade Brazil's GNP per capita in real terms, grew by 2.5% per year, and yet the share of the national income received by the poorest 40% of the population declined from 10% in 1960 to 8% in 1970, whereas the share of the richest 5% grew from 29% to 38% during the same period. In GNP terms, the country did well * * * But throughout the decade the poorest 40% of the population benefitted only marginally.

The easy assumption that U.S. corporate investment in the "third world" contributes to healthy growth and wholesome development can no longer be taken as an article of faith.

Termination of this U.S. Government subsidized guarantee program is thus part of the process of ending a patronizing and paternalistic approach to foreign aid in which we think we know best what is good for the developing countries, rather than their making their own judgments as to what development pattern suits their needs.

On the other hand, the legislation here proposed is not punitive. It does not seek to prevent or even discourage private investment abroad. It is neutral in its effect. It says, in essence, to the potential investor:

> The decision to invest abroad is your decision to make in accordance with your best business judgment but it is one you must make without the crutch of a U.S. Government subsidy.

To the country in which the investment is to be made, it, in effect, says:

> It is the policy of the U.S. Government neither to encourage nor discourage investments by U.S. corporations in your country. If you wish to obtain such investments, you must create a climate which will attract such investment without counting upon a subsidized OPIC program to tip the scales in your favor. Between the two of you, and without the intervention of a U.S. Government subsidy, you must work out an arrangement acceptable to both of you.

There is much to be said for the position espoused by Senator CASE that the investment guarantee program should terminate December 31, 1974. Senator CASE, the ranking minority member of the Subcommittee on Multinational Corporations, is present on the floor this afternoon. He took the position after hearings and after a careful study of the matter that the investment insurance program should terminate on a date certain, December 31, 1974.

I must say that, from the standpoint of logical application of what the committee found in its hearings, the conclusion that should naturally follow is the position of Senator CASE. It is the purest one, and indeed very sensible. But the majority of the subcommittee, in a position endorsed by a majority of the Committee on Foreign Relations, concluded that U.S. investors should have the opportunity to obtain nonsubsidized private guarantee insurance.

In view of the fact that the Federal Government had so long been involved in this insolvent, highly subsidized program, we felt that a transition period should be provided to permit a phaseout of Government's direct involvement in this kind of insurance and a phasein of the private sector under a consortium that might be arranged among the private insurance companies. Indeed, we had much testimony in the course of the hearings as to the willingness and the capability of the private insurance companies to move in and take over this insurance business if they were given an opportunity. Such insurance has not previously been available, in part, because the private American insurance industry has traditionally shied away from new forms of insurance. In the main, however, it has not been available because no private insurance group could compete with a subsidized Government program. It is this kind of program that the bill is designed to phase out. It is designed to phase in private insurance company participation.

We have therefore proposed that a transition period be provided in which the Government-subsidized program will be gradually phased out and private insurance allowed to phase themselves in. In hearings before the subcommittee, various representatives of private insurance companies testified that this was a feasible objective. But as one witness stated, what is needed is a "clear signal" that Congress wants this program to be transferred to the private sector. This legislation provides that signal.

It also provides some minimum safeguards to insure that the objective is, in fact, achieved. Two or three provisions are worthy of note:

First, the legislation requires OPIC, over a 6-year period, to withdraw from the direct writing of new political risk insurance. By the end of 1980, OPIC must cease all direct writing of political risk insurance. The formula used in this section requires a 5-year transition phase during which OPIC will share new insurance risks with private insurance companies. Beginning in 1975 for expropriation and inconvertibility insurance, and 1976 for war risk insurance, no further direct insurance will be written by OPIC in countries where private insurance companies are unwilling to issue some insurance. At the outset, private insurance companies or multilateral institutions will have to write 25 percent of new expropriation and inconvertibility insurance contracts and 11½ percent of new war risk insurance contracts in each country where OPIC writes insurance. These percentages are mandatory. Two years later, OPIC is encouraged to raise these percentages to 50 and 40 percent of private participation, though these higher percentages are not mandatory.

The insurance company executives themselves testified that they would need this provision to be interested in writing political risk insurance. Mr. James Meenaghan, of Firemen's Fund Insurance Co. testified:

> At the outset, private insurance companies should have at least 25 percent in the association. This would provide a large enough share to make the effort economically feasible.

I point out that the bill merely lays down a requirement for an initial participation in the first year, which witnesses for the private insurance industry have said was a necessary minimum to make their participation feasible.

Second, the sharing of risks is necessary to assure that OPIC will not write insurance for purely political reasons. Under the sharing provision of the bill, OPIC will have to be able to convince private insurance companies that the rates charged for projects in particular countries are sufficient to merit issuing insurance there. Thus, this provision safeguards the U.S. taxpayers stake in OPIC by tying it to willingness by private insurance companies to share risks with OPIC.

Mr. President, I would point out that this provision of the bill is the self-regulator. If our objective is to make these insurance policies actuarially sound, if our purpose is to take the public subsidy out of this insurance program, then the most dependable way of doing so is to give private insurance companies a sufficient participation to enable them to police the program. They cannot afford to write insurance that is not fiscally sound.

Finally, this provision will encourage OPIC to spread its insurance over more countries.

Incidentally, that was the initial foreign policy justification for the program in the first place—one which has never been borne out by actual experience.

As I indicated earlier, approximately 85 percent of all OPIC insurance is written for eight countries. Private insurance companies will not tolerate such concentration of risk and thus will indirectly force OPIC to diversify or at least not to write the astronomical amount of insurance it has in such countries as Jamaica, where there is presently over a half billion dollars of exposure—on that one little island.

So, Mr. President, this particular provision of the bill is good from every standpoint: From the standpoint of the soundness of the new insurance that will be written, and also from the standpoint of the original foreign policy objective of spreading American investment more broadly throughout the developing world.

The second crucial provision is the reinsurance provision. This allows OPIC to reinsure the private insurance companies against a global loss. A meaningful deductible such as the one provided in this provision is necessary in order to prevent OPIC from merely using the private insurance companies as a front, as salesmen so to speak, with OPIC continuing to pick up all significant losses through its reinsurance.

We certainly do not want this bill to become a mockery, which it could become if this provision were stricken from the legislation. We do not want the private insurance companies collecting the premiums while the Government agency is left holding the bag. As the bill is presently designed, the reinsurance function of OPIC will be just that, for the provisions of this bill will require the private insurance companies not only to collect their share of the premiums, but to assume their share of the risks.

It is also necessary to have a reinsurance formula which gives the private companies an incentive to spread their insurance more evenly throughout the less-developed world. This formula accomplishes these goals by tying the deductible to the amount of insurance a private insurance company writes in that country in which it writes the most political risk insurance.

Mr. President, the amendments that I understand the distinguished Senator from New York (Mr. Javits) will offer are addressed to these two main provisions of the bill. They would have the effect of making the private insurance companies only salesmen for OPIC, without reducing the risk of tremendous liabilities to the U.S. taxpayers. The amendments would remove the reinsurance deductible, leaving the U.S. Government up to almost 100 percent responsible for all losses incurred. Such an amendment would make OPIC share its premiums with the private insurance companies without assuring that the private insurance companies bear any substantial risk of loss.

Senator Javits would also remove a date certain by which the United States must reduce its percentage participation as direct insurer of political loss. This proposed amendment would strip the bill of its chief fiscal safeguard; that by December 31, 1975, no insurance can be written by OPIC unless private insurance companies write 25 percent of the insurance in that country. This provision is essential in preventing misuse of the OPIC program and as a means of tying sound risk management principles into the bill.

In place of those safeguards, Senator Javits, as I understand, suggests that OPIC be required to issue periodic reports on the advisability of ending the U.S. Government's role as a direct insurer of political risk. To have OPIC issue such reports is like allowing the fox to recommend security measures to protect the chicken coop. The OPIC hearings demonstrate that the time is now for the Government to make the decision to get out of the business of directly writing political risk insurance.

A majority of the Foreign Relations Committee have endorsed S. 2957 as the best way to restructure OPIC in the interests of the United States. The bill would enable us to move the Government out of this heavily subsidized insurance program while phasing in the private insurance industry, which is willing and able to replace the Government in this endeavor, and the bill would do it in such a way as to prevent the Government from becoming the guarantor of the private insurance company's participation, and thus protect the fiscal interests of the Treasury of this country.

Mr. President, this is a legitimate bill, fully justified by the hearings and by the evidence. It is overdue, and I do hope that the Senate will see fit, in supporting the committee in its effort, to move the Government out of this insurance program and allow private industry to take it over and run it on a fiscally sound basis.

Mr. CASE. Mr. President, first I want to thank and I do thank my colleague, the chairman of our subcommittee, for his most generous comment on my position in this matter, and for laying the groundwork for what I regard as the logical outcome of the findings that the subcommittee made: that is to say, the termination upon the expiration of its present term of OPIC and its programs. It would end, unless extended, under existing law by the end of the current calendar year, as far as writing new insurance or engaging in its loan program is concerned.

The subcommittee, as the chairman of the subcommittee has just stated, by a vote of a majority of its members approved the bill which is before the Senate now as a means of eliminating direct U.S. Government participation in the insurance program. This is to be done over a considerable period of years and OPIC would retain the position of reinsurer. To my mind, this is not desirable. Whatever could have been said and what was said when OPIC took over the then-AID program of insuring American investments abroad to favor that procedure, no longer applies. One does not have to be against foreign aid, as I have indicated in several statements, to believe that a continuation of the artificial stimulation and subsidization by the insurance program of such loans and investments abroad is undesirable.

Mr. President, I shall not take the time of the Senate to go over in detail matters that I can handle by insertions of several documents in the Record.

To that end, here is the letter I addressed to all my colleagues under date of February 21 on this subject:

February 21, 1974.

Dear Colleague: Next week, S. 2957, a bill to extend the authorization of the Overseas Private Investment Corporation (OPIC) will be taken up by the full Senate. Under present law, OPIC's authority to write insurance and to engage in direct development financing will expire December 31, 1974.

As reported by the Senate Foreign Relations Committee, S. 2957 would authorize OPIC to insure U.S. investments in foreign countries against expropriation and inconvertibility through December 31, 1979, and against war risks through December 31, 1980. The bill provides that during these periods OPIC shall phase out direct issuance of this insurance and, by the dates specified, shall assume solely the role of reinsurer to the private insurance industry.

In my view OPIC should not be extended and I intend to vote against S. 2957.

I agree with the following conclusions reflected in the Committee's report of the bill, but to me the thrust of these conclusions suggests that OPIC should be terminated rather than continued even on a conditional basis:

I. The investment guarantee program administered by OPIC is, at best, only a marginal contributor to the development of the poorer countries of the world and OPIC is only a marginal stimulus to private investment in less developed countries.

II. The program, as presently conceived, tends to increase the likelihood of United States Government involvement in connection with the foreign property interests of United States investors.

III. The program, as presently administered by OPIC, and previously by its predecessor, AID, has inherent within it a conflict between the achievement of public policy and management by sound insurance principles. The result has been a large and unsatisfactory exposure of the good faith and credit of the U.S. Government.

One doesn't have to be against U.S. private investment abroad to oppose a continuation of the artificial stimulation of such investment by U.S. Government-subsidized insurance.

By providing a cushion against the costs of expropriation to American investors OPIC may well encourage such investors to behave in an unbusinesslike manner, to fail to recognize the best interests of the host countries, and to forget the long-term goal of good relations with such countries. OPIC-insured investments may thus inspire ill-feeling among the local population against American investors and other things American.

Moreover, if foreign countries don't have to attract U.S. capital investment by themselves, maintaining a favorable political climate for such investment, the strongest incentive for responsible conduct by such countries is removed.

The more one considers the matter, the clearer it becomes that U.S. government insurance of private U.S. investment against political risks in foreign countries is inherently unsound and self-defeating.

Moreover, the direct cost to the U.S. taxpayer is substantial and growing. In addition to the very large potential claims, half of OPIC's operating budget comes not from premiums paid by insured companies but rather from the Federal government: $12.5 million last year and $25 million this year.

Also of interest is the General Accounting Office finding that the U.S. investments insured often result in a net loss to U.S. employment. Fourteen of 27 OPIC-insured electronics plants surveyed by GAO were found to export 100 percent of their output to the United States while another five exported to the U.S. 80 to 99 percent of their production.

Finally, I don't think American insurance companies should be lured, encouraged or prodded by the U.S. Government to get into the business of insuring private investments against political risks abroad. I know I don't want any insurance company on which I rely for protection to subject its assets to such risks.

It is my hope that the Senate will reject S. 2957 and any other effort to extend OPIC beyond the end of its present term.

Sincerely,

Clifford P. Case,
U.S. Senator.

Mr. President, I would say about this letter, that one of the functionaries of OPIC had objected to points in it and I should like to address myself to those comments.

First of all, he said that I should not have said that half of OPIC's operating budget comes not from premiums but from the Federal Government. That appears on the second page of the letter I wrote, in the paragraph beginning:

> Moreover, the direct cost to the U.S. taxpayer is substantial and growing.

Then the objected to statement appears in the next sentence of that paragraph:

> In addition to the very large potential claims, half of OPIC's operating budget comes not from premiums paid by insured companies but rather from the Federal government: $12.5 million last year and $25 million this year.

Apparently, the fact is I was in error in making that statement, which I regret and naturally withdraw, but I would like to leave the statement as first stated in the letter, to be followed by the corrected paragraph, which is that one-half of OPIC's working capital comes from the U.S. Government and the figures for fiscal years 1971 and 1972 show OPIC's capital increased by $109.7 million, of which $61.1 million came out of appropriations.

Mr. President, then the representative of OPIC also objected to a quotation which I made in my letter from a report by the GAO that electronic plants, insured by OPIC, exported from foreign places 100 percent of their output to the United States. The GAO said that these were OPIC-insured investments, not leftovers from AID and has not substantially changed that statement. The OPIC representative says that much of this insurance was initiated under AID. Even if that is true, the fact is that OPIC did insure the investments and that the facts are correctly stated, as I understand it, in the GAO report and my quotation from it.

Now, Mr. President, I also ask unanimous consent to have printed in the Record a letter which I have received on this matter, dated February 22, from Andrew J. Biemiller, the director of the department of legislation of the AFL–CIO, and the statement attached to that letter by the AFL–CIO executive council, on the Overseas Private Investment Corporation, which is dated from Florida, February 22, 1974.

There being no objection, the letter and statement were ordered to be printed in the Record, as follows:

American Federation of Labor and Congress of Industrial Organizations,
Washington, D.C., February 22, 1974.

Hon. Clifford P. Case,
U.S. Senate,
Washington, D.C.

Dear Senator Case: The Senate next week will take up S. 2957 authorizing the Overseas Private Investment Corporation (OPIC) to continue beyond December 31, 1974, its insurance of the overseas operations of U.S. corporations.

The AFL–CIO urges you to vote against this bill, and against any extension of OPIC. The enclosed statement, adopted by the AFL–CIO Executive Council, sets forth the reasons for our opposition.

No amendments to the proposed legislation can cure the defects of OPIC. At a time when the U.S. economy is in serious decline and joblessness is mounting it is folly to continue to export U.S. employment.

S. 2957 would permit OPIC to continue to give direct aid to the world's largest banks and corporations to expand their overseas operations for up to another five years; authorization to insure U.S. investment in other countries against expropriation would continue until 1979 and against war risks until 1980.

However, OPIC could then become a continuing reinsurer of the private insurance industry—which the bill contemplates will pick up these expropriation and war risk protection functions. There is no clear cutoff date on the role of OPIC as a reinsurer. Thus the U.S. taxpayer would continue as the insurer of last resort for these operations.

OPIC's insurance is heavily concentrated in the overseas operations of U.S. manufacturing industries, which have suffered heavy U.S. job losses. For example, a General Accounting Office report found that 19 or 27 OPIC-insured electronics plants abroad exported more than 80 percent of their production back to the U.S. Within this industry, there was a loss of 148,000 jobs during 1968 to 1972. Other industries that are involved in the OPIC insurance program are autos and auto parts, footwear, apparel, textiles and machinery.

We therefore urge you to vote against S. 2957 and any other extension of OPIC.

Sincerely,

Andrew J. Biemiller,
Director, Department of Legislation.

Enclosure

Statement by the AFL–CIO Executive Council on the Overseas Private Investment Cerporation, Bal Harbour, Fla., February 22, 1974

The Overseas Private Investment Corporation (OPIC) is a wholly-owned United States Government corporation set up to encourage private investment abroad. Under its provisions, insurance and guarantees on inconvertibility of funds, expropriation, and war damage are direct obligations of the United States and the "full faith and credit" of the USA are pledged for meeting claims in case losses should exceed money available in the corporation's reserves.

In hearings before the Subcommittee on Multinational Corporations of the Senate Committee on Foreign Relations, it was disclosed that potential OPIC liabilities on business claims exceed the agency's reserves by more than $100 million. Losses occurring as a result of the seizure of an American business property are tax-deductible from other company income earned, even though the tax on the profits of a foreign operation is not paid until returned to the United States. The American Government, by allowing this favorable tax procedure, absorbs 48% of all such losses in addition to the expense of the OPIC program.

The American taxpayers have a heavy stake in OPIC because they would have to foot the bill if U.S. corporations suffered heavy losses in their foreign operations. Workers who have no tax loopholes are thus helping to make possible insurance coverage at low cost for the very same multinational corporations that are moving their factories and technology to low wage areas abroad. Because of their very low wages, the workers in these areas cannot afford to buy the products which they make. Therefore, many OPIC-insured projects have been exporting from 90% to 100% of their manufactured products to the United States. For example, OPIC-insured electronic corporations abroad sell a very large proportion of their products to the United States. This entails a net outflow of several hundred million dollars annually from the USA and hurts our balance of trade.

OPIC-insured corporations, which replaced, in whole or in part, their operations in the USA by removing them to low-wage areas, are not helping to raise wages and improve living conditions of the working people in these impoverished countries.

These corporations, who profiteer at the expense of badly underpaid workers in other lands, have caused the loss of U.S. jobs, the undercutting of American living standards and the flooding of U.S. markets with goods made by U.S. companies in other lands.

OPIC has underwritten insurance for American private investors operating in 90 low-wage lands. Recently, it extended its guarantee program to Communist Yugoslavia and Romania. In many instances, multinational corporations, receiving insurance coverage under the program, have resorted to anti-union policies and promoted anti-union legislation.

The aforementioned Senate Committee has recommended a gradual shift of OPIC insurance to private industry with an open-ended reinsurance commitment by the United States. This would still involve taxpayers' money for reinsurance and would therefore, provide only a minor improvement of the present program.

The Executive Council declares that, because of its many adverse effects, OPIC should be completely terminated. We further oppose its replacement by a similar program requiring financial backing by the U.S. Government.

Mr. CASE. Mr. President, I do not wish to delay any longer consideration of the amendments which I understand the distinguished Senator from New York (Mr. JAVITS) is going to offer. I would just like to let my colleagues know that, at an appropriate time, during consideration of this bill, I may have further comments to make based on the material I have had printed in the RECORD.

I yield the floor.

Mr. JAVITS. Mr. President, I have heard the statement of the distinguished Senator from Idaho (Mr. CHURCH) with great interest. If he were right and everything he said or much of what he said were right, then we should go Sentor CASE's route and simply eliminate this whole burdensome and obnoxious corporation.

Nonetheless, even the majority which Senator CHURCH says entertain all these views did not go that way and decided that an effort should be made over a rather considerable period—6 years—to change the company into some kind of reinsurance company.

In short, it not only did not eliminate it, it not only continued it, but even gave it a role beyond the time of 6 years when it is to get out of the direct insurance business and go into the reinsurance business. In addition, if all the things that were said about OPIC were right, anyone on the committee who voted differently from Senator CHURCH and those who voted with him need to have their heads examined. But this matter was carried by a very close vote. The bill was reported by the committee by 9 yeas to 7 nays, and this was in the absence of Senator SPARKMAN, who has declared himself in favor of OPIC.

So, really, the committee was as much divided as any committee can be. From the point of view of the views of its members, it was divided 9 to 8. While Senators FULBRIGHT, MANSFIELD, CHURCH, SYMINGTON, PELL, MUSKIE, MCGOVERN, PEARSON, and PERCY voted "yea" to report it, Senators MCGEE, HUMPHREY, AIKEN, CASE, JAVITS, SCOTT, and GRIFFIN voted "nay," not to report it. Senator CASE has explained his attitude. He wants it eliminated entirely; but the others do not, and I believe that they will support the amendments I intend to propose.

What is really at stake here is a way in which investment can be encouraged in terms much more palatable than foreign aid to the development countries of the world, or whether we are simply to cut ourselves off from the developing countries of the world. To me, the proposal before the Senate is a cutoff. We are deciding that we are not going to have anything at all in that area.

Let us remember that this proposition was before the Senate 4 years ago, with the opposition of Senator CHURCH and most of the Members who voted to report this bill, with some exceptions, and they will explain their view, I am sure. Nonetheless, I can understand that if one is against any kind of foreign aid and believes he should vote against it, this falls within the pattern. Whether or not it is a highly economical way to proceed becomes immaterial. The fact is that one is against the whole proposition. So, as Everett Dirksen used to say, "The hide goes with the hair." So one votes against the whole thing.

But I believe—and obviously there are a considerable number of Members who agree with me—that this is unwise for our country, that we still remain a very powerful and wealthy Nation, that there is an unbelievable amount of difficulty in the world for the poor nations, and that this difficulty is now compounded by the enormous amounts they have to pay for energy. So we ought to be very careful about that kind of cutoff, whether there are other things which can replace it, and not proceed with it if it represents an improvident way in which to deal with the economic power of the United States in terms of something that it can do without grants.

The large figure which is cited in respect of the OPIC guarantees is itself very significant, because that means this amount of capital has flowed into developing countries. It is not a figure which is invidious. On the contrary, it is a figure which is highly creditable rather than invidious.

The other point which seems to me very important in considering this matter—and I am sure we will develop in considerable detail what is at stake here—is that this happens to be an operation which is extremely economical, and the risks that are run are risks that are run in any insurance company.

As I recall, insurance companies have manifold exposure, as it is called—the liability which their reserves cover. An insurance company is not worthy of the name unless that is so, and it is true of every insurance company. The test for an insurance company comes when it does meet a rash of losses, in how it meets those losses. If it does, it emerges stronger and a much more successful insurance company as a result. By those standards, as I believe we shall demonstrate, OPIC has done extremely well.

Also, Mr. President, I think that the assertion that OPIC is "insolvent," under any acceptable accounting standards which the manager of the bill has argued, will not stand up. That is his opinion; but it is not my opinion, for one. It is not the opinion of a considerable number of other members of the committee, and it is not the opinion of OPIC. I do not think it stands up in accounting terms, either. That is a very serious charge, if we are dealing with an insolvent company. I think it is probably the most serious charge made in this whole matter in respect of a corporation which, in our opinion, will be dismembered if this bill is passed, as I will explain.

Mr. President, the matter of solvency or insolvency is referred to on page 28 of the report of the committee. As I say, that is the opinion of the majority and of Senator CHURCH, but that does necessarily have to be the fact. It says:

> OPIC's financial viability is in doubt and it may well have to rely on Congressional appropriations or Treasury payments based on the full faith and credit clause of OPIC's authorizing legislation to bail it out. Indeed, as the following table indicates, by ordinary financial standards OPIC is on the brink of insolvency. If OPIC were a private insurance company, under generally accepted accounting principles it would have to set aside a reserve against the outstanding claims. This reserve would likely reduce OPIC's available reserves to a negative figure.

That is a long way from being manifestly insolvent. That its reserves may have to be reduced to a negative figure, or that it may have to set aside material reserves, does not say that by ordinary financial standards it is on the brink of insolvency. That is the assertion which is made.

Mr. CHURCH. Mr. President, will the Senator yield at that point?

Mr. JAVITS. I am just going to analyze all the facts and figures.

Mr. CHURCH. I want to point out to the Senator that the outstanding claims against OPIC at the moment are $369 million, against which OPIC itself acknowledges a total reserve of only $161 million.

In the course of the hearings, when these figures were pointed out to one of our witnesses, the dean of the business school at the University of Boston, I asked him if in his view it could be fairly concluded, on the basis of these two figures, that OPIC was insolvent. His reply was:

> Well, Senator, I certainly would not want to recommend to any investor friend of mine that he invest in OPIC stock, given its present financial condition.

I do not believe that the committee has overstated the case, in light of the fact that the present claims against OPIC are more than $200 million in excess of its reserves with which to pay.

Mr. JAVITS. Mr. President, that just shows the danger of yielding and being a softy, because the Senator said just what I expected him to say. He has not heard a word of my argument. He has simply repeated his argument, and I thank him very much, but it is just as irrelevant as the original statement.

The fact is that the reserves that are set forth in the Senator's analysis are now 7 months old and $40 million less than they are today. That is how fast the reserve position of OPIC has grown.

Under the Senator's own figures, the reserves, he says, are $142 million. The reserves of OPIC as of January 1, 1974, are $184 million.

Mr. President, it is very understandable——

Mr. CHURCH. Mr. President, will the Senator yield at that point?

Mr. JAVITS. No, I will not yield right now. I will yield in due course, but I would like to finish my argument, if I may.

Mr. President, the reason these reserves are rising is that this is a very profitable operation and the fees are very high compared with the expenses of this company. This company, by the way, was established over the opposition of the Senator from Idaho (Mr. CHURCH) who voted against it at that time; all he is really saying is he was against it then and he still is against it.

The fact is that these reserves result because of the fact that the income of this enterprise is running at $20 million in exccess of that for the period 1969 to date and its administrative expenses are, roughly speaking, in the $2 million a year range. That does not sound like an insolvent business to me, no matter what the fellow from Boston thought.

The fact is that the charge of insolvency is based on two pending claims, one of which is the ITT claim in Chile. There has been enough notice in the public press as to the holes in that because there is a provision of the guarantee agreement that the ITT should have behaved with reasonable propriety with respect to its Chilean operation.

Now, there are $246 million worth of claims against the OPIC guarantee in arbitration. There is no assurance which way they will go and no insurance company worth its name would establish a 100-percent reserve, especially in view of the fact that other claims have been settled on a very long range basis where the Government has paid in bonds and the Government guaranteed its bonds and those bonds look good now compared to the previous administration.

I believe it is not justified, and we will produce a good many more facts and figures on the subject, to establish a statement of insolvency against this corporation on that record.

I respect the views of the manager of the bill and the views of the man he said testified, but there are other views, too, and those are the views it is our duty to produce insofar as the Senate is concerned.

Mr. President, I will yield at this time to the Senator from Idaho, if he wishes to proceed now. I merely want to finish the argument.

Mr. CHURCH. Mr. President, I simply wanted to make the observation that if OPIC itself felt its fiscal position was solvent in light of the outstanding claims presently being pressed against it, it would not feel obliged to come to Congress this year to ask for an additional $25 million in public money to further augment its reserves. If this were a solvent program operating on a self-sustaining basis, then the premiums paid by the big corporations being insured by the Government would be sufficient to cover the risk and it would be unnecessary for Congress to be appropriating $25 million a year to further augment the reserves. I think that the precarious financial position of OPIC is plainly written in its own balances and it is available for every Senator to see, who takes the time to read the committee report.

Mr. JAVITS. Mr. President, as far as the appropriations are concerned, if the appropriations were to bail out any claims that had to be paid by OPIC, then the argument would be accurate. But the appropriations are not to bail out any claims that have to be paid. On the contrary, the appropriations are for the purpose of supporting and guaranteeing a program in any amounts beyond the capital which Congress permitted when OPIC started.

Like any other business, if we are going to expand the corporation so that it can do more business, and given a certain set of standards, we have to have a reserve clause to get more from Congress.

Certainly there have been appropriations, but the fact is there have been no appropriations to bail out OPIC from paying the claims for nearly 4 years. OPIC has done fantastically well, as the record will show.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement of the insurance fees as compared with the appropriations and the expenses and the claim recoveries, which show that OPIC has done remarkably well.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY OF INSURANCE FEES, APPROPRIATIONS, CLAIM PAYMENTS, CLAIM RECOVERIES AND ADMINISTRATIVE EXPENSES

[Fiscal year 1949 through Mar. 31, of fiscal 1973]

Fiscal year	Insurance fees	Resource adjustments	Appropriations	Claims payment	Claims recovery	Administrative expenses (estimated)
1949	$16,763					
1950	172,609					
1951	205,663					
1952	277,584					
1953	216 680					
1954	205,662					
1955	235,687					
1956	330,873					
1957	416,515					
1958	654,482					
1959	1,367,334					
1960	1,356,227					
1961	1,672,830					
1962	2,298,860		$27,861,484	$650,000		
1963	2,926,017		30,000,000			
1964	$4,674,441					
1965	7,767,432					
1966	9,867,673			$205,947	$193,629	
1967	9,117,164			128,247	97,471	
1968	14,546,713			[1]438,464	264,838	
1969	19,721,714	[2]($50,000,000)		[3]9,737,000		
1970	21,537,152		$37,500,000	[4]5,426,718	60,000	$962,612
1971	24,053,861		18,750,000	345,230	349,899	1,747,876
1972	26,828,962		12,500,000	1,970,317	1,327,698	2,784,464
1973 [5]	19,139,785	[6]11,809,131	12,500,000	17,469,582	135,008	1,851,188
Subtotal	[7]169,618,683	11,809,131	[8]139,111,484	36,371,505	2,428,543	[9]7,346,140
Adjustment	50,000,000					
Total	119,618,583					

[1] Includes $111,160 of guaranty claims.

[2] Insurance fees transferred to Congress by AID housing guaranty program.

[3] Includes $6,713,000 of guaranty claims.

[4] Includes $5,426,718 of guaranty claims.

[5] Through Mar. 31.

[6] Interest earned by OPIC on insurance fees, January 1970 through March 1973 (estimated).

[7] $30,888,516 of fee earnings allotted by board of directors to guaranty reserves.

[8] $44,111,484 of appropriations allotted by board of directors to guaranty reserves.

[9] Administrative costs are not available prior to fiscal year 1970 as AID and other predecessor agencies did not segregate its administrative costs against specific programs.

Mr. JAVITS. Mr. President, in order to do its business over a period of years, the Federal Government decided, when it went into the business, to take away $50 million from OPIC and put it into a reserve for housing guarantees outside OPIC's operations. OPIC has had to have necessary capital in order to carry on an extension of its business, but that does not mean OPIC is going to be any less profitable. So the argument that because there may be a request for appropriations, which we can deny, if we choose to, is that they want to pay claims. But I still do not see how we can claim that to be insolvency.

A number of other points are critically important, aside from the insolvency matter, to which I have referred. One is that the whole problem which arises in deciding whether we are or not going to stay in this field If we are going to stay in it, it is my contention—and I must demonstrate it to the satisfaction of the Senate—that this is the most economic and intelligent way to do it.

By the way, another thing which has not been mentioned is the fact that other major countries have exactly these programs, and the premiums are much lower than ours, because their governments have been underwriting them much more than we do. Great Britain has such a program. So has Germany. So has Japan. So have France and the Low Countries. Every developed country has gone into the business. It seems to me that it is a very significant point that they have done so, and that they have approached the matter in this way.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CHURCH. In connection with the argument the able Senator is now making, the subcommittee faced the question, the old proverbial question, Which comes first? The chicken or the egg? We discovered that in most cases as to which we were able to obtain facts that the foreign programs were initiated after our own program had been set up, largely in response to the argument that these other countries had to do it to protect themselves because the United States had such a program. I think that in *light of that history*, one ought not to accept the argument that we ought to keep on doing it because other countries are doing it. This is a completely circular argument. It has little to do with the merits of the case.

Mr. JAVITS. The program for the Overseas Private Investment Corporation was set up in 1949, and I was a party to it. John Vorys, of Ohio, a distinguished Representative, and I sponsored it. The investment guarantee program was put in in the other body. It has been going since 1949. The only thing that varies from it now is the form of a corporation, which has brought about an infinitely better management of the program. It is a very interesting program, and the committee itself started it. It started very small and really began to get rolling when we put it into this form.

So the idea that other countries have started the same program does not prove anything, such as that they are going to dismantle their companies. But here it is proposed that we plan to dismantle ours. They are not trying to dismantle their corporations, but we are trying to dismantle ours. There is the significant fact that the other principal industrial countries have done it. But why? That is the critical question.

It is very interesting that when one does not like an argument, he does not make it. The fact is that the only argument the committee has made about the rationale for this particular investment proposition is the following one. I would like to read it, because I think it is significant to what is really at stake and why a decision such as we are asked to make is completely wrong. I read from pages 16 and 17 of the committee report, in which, under the heading "Does the Investment Guarantee Program Assist Economic Development in the LDC's?" The following is stated:

> The basic rationale for including the Overseas Private Investment Corporation in the Foreign Assistance Act was that it would help promote the development of Third World countries friendly to the United States. This argument rests on two premises: (i) the investment guarantee program is an incentive to direct corporate investment in the poorer countries; (ii) such investment is beneficial to the economic development of these countries.

Nothing is said about the interest of the United States whatever. If one listened to what the committee said, he would think all we are doing is buttering up a lot of big corporations or trying to be beneficial to the economic development of those poorer countries. What of the implied benefit to us—what about the exports of the United States which are affected by the investments and operations of these companies in underdeveloped countries? These other countries place great importance in that, and our country should place great importance in that.

Finally, to the question of raw material resources, oil is the tip of the iceberg. It is the beginning. The oil companies have done a lot of cutting and trimming and profiteering, I am sure, but suppose they were not operating at all. Could we see a government corporation carrying on oil exploration and the other operations and the storing of it and having to decide where it goes, and so forth? This will apply to many commodities. If the United States were to go this route, we will live to find we have made a mistake, just as we did in respect of oil, in not awakening soon enough to the responsibility and the authority needed.

That is a critical element of this whole proposition, Mr. President. We are asked to dismantle something because, relatively speaking, considering the amounts of money involved compared to investments which are multibillion dollar ones, it is argued we may have to appropriate $25 million for additional reserves, but without the remotest relevancy and comparison of what is at stake in this world in which we are trying to have a part.

Another thing of critical importance which we have discovered in 25 years is that we are no longer the absolutely dominant factor in the world that we were. We have much competition, and very keen competition, and we must take an accounting of that, and not cavalierly dismantle a measure which gives us an element of being able to do that which we would not otherwise be able to do.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CHURCH. I think it is interesting that the distinguished Senator from New York has alluded to oil. I think the story of international oil—into which the subcommittee, incidentally, has been delving deeply in recent weeks—bears out the position that the Foreign Relations Committee, as a whole, has taken in support of the pending bill. The evidence at our hearings clearly disclosed that the availability of this Government insurance had precious little, if anything, to do with the question of whether or not a multinational corporation decides to invest abroad. And oil is the best proof of it. The enormous investment that the major oil companies have made in the Middle East—in Saudi Arabia, Kuwait, Iran, Libya—in crude oil all has taken place without the benefit of one insurance contract from the OPIC program or the AID program before it; oil has been excluded from this program from the outset, and yet this exclusion had no impact on the magnitude of the investment in crude oil facilities.

The investment was made because the profit opportunities were there, just as the concentration of investments, on the chart at the back of the Chamber reflects profit opportunity for private capital. None of the evidence bears out one whit the contention that this program furnishes private industry with an incentive to invest abroad.

Therefore, I suggest to the Senator that, since no investment guarantee program whatever has been needed to encourage the big oil companies to invest in their crude oil properties in Iran, Saudi Arabia, Kuwait, Libya, and elsewhere, it follows that the elimination of this investment program or its turnover to the private insurance sector of our country would have no profound effect on the disposition of the big companies to invest in foreign lands. The case of oil is the clearest demonstration of the correctness of that contention.

Mr. JAVITS. I heard the Senator with great interest. He misses entirely the fundamental point which is involved here, and that is the presence of American private investments in given countries which are possible of resource development and which do not have the traditional pattern of oil investments.

With all the rocks that are thrown at bauxite in Jamaica, the fact is that that is the way it was developed, and it is much more effective for us to have it developed in the Caribbean than in some country where it would not mean as much in terms of the Western Hemisphere economy and in terms of Western Hemisphere security.

Further, I wish we had had guarantees on the oil companies. If we had been looking over their shoulders, as we must if we do have a guarantee, we would be a lot surer that policies had been pursued that would have been far more conducive to the public interest and public policy than they have been; and that is one of the big arguments for OPIC.

Now, if I may proceed further, I wish to refer to the Paley report, which is a most constructive report on raw materials. Incidentally, that Paley report has been terribly neglected. It shows that there are over 70 individual items of minerals and other products which are absolutely indispensable to the operation of the American industrial machine.

I feel that one of the important arguments about maintaining OPIC is the added opportunity. Nobody claims for a minute that there is going to be no U.S. investment abroad if there is no OPIC. As a matter of fact, it has participation in only something like one-quarter of all the investment abroad, and that percentage may go down. It may be less. But that does not negate the desirability of having a piece of machinery which is available for this purpose, which is the desirability I stress.

Mr. President, I shall wish to deal with the question of the attitude of business, which was a highly controverted issue before the committee, and whether or not American business would undertake these investments which OPIC guarantees if OPIC did not guarantee them. Obviously that is both a qualitative and quantitative decision. However, the decision, I am sure, well might have been undertaken otherwise. However, the question is as to the great bulk of the business.

We believe from the parts of the testimony we emphasize that of course a company will decide whether it does or does not wish to invest in a given country. However, it still has not put up its money as yet. It has decided that it would like to go into that country. We believe the evidence adds a factor as to whether it will or will not, and will again show whether it is against the interest of the OPIC companies, against war, insurrection, or against expropriation or against controvertibility.

Of course, a business decision must be made first. These are all business decisions. After they have been made, these questions arise. Assuming that it is a good business risk, is it a good risk? Is there insurance against war, insurrection, expropriation, or inconvertibility? And that decision could conceivably knock the investment in the head.

The claim of the people who operate OPIC—and they have had experience with it—bears out the proposition that in enough cases OPIC is justified. As to that final decision as to whether to make a sound business judgment as to whether they will or will not invest in OPIC, the actual investment depends upon the ability to get a guarantee.

I might say, Mr. President, that I have had a great deal of experience with that myself as a Senator and as a lawyer looking into situations and determining whether a given investment should be made.

I have checked as to whether there is a guarantee on all of the items and all of the risks involved in a given situation. And this might be the kind of a situation in which men arguing different sides of the matter might be right. Senator CHURCH would argue that they have made the business decision on whether they will invest. And I would argue that, of course, they have made the decision, but they will not invest until they get assurance on the risks that are outside of the normal business risk so that they would be willing to undertake.

Mr. President, I shall be offering these amendments. However, before I do that, I would like to make clear that there is a very profound difference between the proponents of this measure and me. And that is the nature of the bill that has been, in my opinion, rather glossed over. The fact is that this bill is a sentence of death on OPIC by the end of 1975.

The reason for that is that the amount of insurance which they are supposed to get within the first 2-year period means that if they do not get it, they would immediately be pushed out of business.

The amendment which I will offer will enable us to put them out of business if we wish to do so. However, it does not do it automatically.

We have argued about a lot of things. When I saw the figures, I said that it sounds as if this is a means of terminating OPIC, which it is not. The question is, What should be the criteria in phasing OPIC out into private enterprise corporations, pretty much as some of the housing corporations. Fannie Mae is now privately owned.

The question is how shall that be done. The majority says that it shall be done by fixing an absolute figure so that we would know that they would go ahead. And if they do not, they would be out of business and not be able to write any more insurance. We should fix a figure as to what the objective target will be. We should decide whether or not a failure to meet them should mean that they would be then out of business, rather than making it automatic.

That is what the fundamental proposition has been. And I believe and OPIC believes that if we make it self-executing and simply put them out of business, we not only write a death sentence for them on that account, but also because it would be impossible for them to negotiate with any insurance company.

We believe that the statements made by the insurance companies—and Senator CHURCH cited the statement of a representative of the Fireman's Insurance Co.—shows the contrary to the majority interpretation, that the insurance companies will either not do the business at all or, because so much of the premium is for doing it, we will be forcing OPIC out of business, and they cannot possibly proceed.

The fact that we have made it self-executing deprives OPIC of the opportunity for negotiation with any likelihood of arriving at any agreement with the company.

We have pointed out very clearly on page 66 of the committee report how we feel about it. I would like to read that into the RECORD. I think it is decisive on this particular point. We say there:

> The complete testimony of the private insurance representatives indicates their support of additional study and experimentation before the scope and structure of private participation in OPIC's insurance program can be known. For example, Mr. Sherwood of Prudential stated (see Subcommittee hearings on OPIC Part 3 page 251): "If Congress is to have a firmer basis for deciding to what extent such activity should be left to private enterprise and what the participation of the Federal Government might be, more information is needed." Mr. Meenaghan of Fireman's Fund testified (see subcommittee hearings on OPIC, Part 3, page 374): "Those of us who have worked on this project feel that the OPIC insurance program cannot and should not be completely transferred to the private sector."
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> On November 9, 1973, Fireman's Fund American Insurance Companies issued a public statement again indicating that private insurance companies "might be willing to participate in a trial program on a sound fiscal basis with federal government reinsurance backup, but not with the knowledge that direct government participation would end on a specified date several years hence."
>
> The statement continued:
>
> "The recommendations . . . which are extremely specific as to the schedules of industry percentages, precise reinsurance amounts, retentions, etc., will, in our opinion, not create the proper atmosphere or incentive for the solicitation of private participation."

So, this is a big issue between us. In advance we practically guarantee that they will not be able to make the grade because they are kept from any effective negotiations. Therefore, on the part of those of us who oppose the majority report, I will later offer three amendments to the bill.

Mr. President, the first amendment which I will offer, taking the steps which the committee has proposed, would provide that if for good reason it is not just possible for the corporation to achieve these objectives which are stated in detail in the report of the Senate Foreign Relations Committee and the House Foreign Affairs Committee, stating the reason for that inability to achieve these objectives and the date by which they are to be achieved, and if they do not do that, we will just cut them off and put them out of business or give them another opportunity to do it or to examine it and decide that we should go along with it.

The same is true of my second amendment. There, too, there is an automatic death sentence, and we have revised that accordingly.

One other thing which is very important, which has not been mentioned in this debate, is that there is one type of insurance about which there has not even been negotiation with any insurance company, and that is the insurance for the war risk insurance. Nevertheless, Mr. President, the committee lays down what is absolutely an arbitrary standard. No one has even indicated the remotest interest, but unless they get rid of 11.5 percent of their insurance business in that particular field by a given date, which is the end of 1976, that is it; they have got to cease writing that kind of insurance. Again, it is the same kind of absolute cutoff to which I have referred.

Again, Mr. President, one thing that has not been mentioned at all is that the committee has absolutely withdrawn OPIC, by a flat fiat, from doing anything in respect to two countries where we have opened up a very promising line of commercial relations, Yugoslavia and Romania. The permission for OPIC to operate in those countries would be absolutely deleted.

Mr. President, the minority considers that to be most unwise, and my third amendment would be a deletion of that deletion, that is, a deletion of the effort to remove Yugoslavia and Romania from the program.

As a matter of fact, I say with all respect—and I hope the Senator from Idaho will supply this in the course of his presentation to the Senate—that I do not think any kind of a case has been made why Yugoslavia and Romania are picked out for extinction as far as OPIC business is concerned, especially at a time when I think it critically important for us, at least as much as it is to do business with the Soviet Union, to try to bring about some more normal relationship with countries which show any degree of independence, of the so-called satellite countries that have heretofore been referred to. So we shall propose that amendment.

The other amendment which we shall

propose is as to the extent of the reinsurance which OPIC may write. We feel that the committee has written in a very limiting and constricting renegotiation provision, that is, the majority has, in an effort, as Senator Church has explained, to try to broaden the number of countries in which insurance will be written.

It is our contention that it will not broaden the number of countries, it will simply narrow the number of countries in which insurance is already being written, because the business decision as such is not to be susceptible to force feeding by us. You have to take advantage of the business decisions made on a business basis, and then caused to be translated into an investment because of the guarantees you give. We are not going to be able to force business decisions by the artificial denial of guarantees, where a guarantee would induce an investment based on a business decision which is already made.

So we shall endeavor to make the responsibility for reinsurance generic. And I might say in addition that it is interesting that our own amendment could go the other way, but we find an allowable in overall insurance by OPIC in the committee's bill of $12 billion. We do not think that is necessary. So our amendment respecting reinsurance cuts that down, and retains the existing ceiling of $7.5 billion for the whole program.

Mr. CHURCH. I want the Senator to know that that particular part of his amendment will be accepted.

Mr. JAVITS. I thank my colleague. I am very hopeful that the Senate will adopt a lot more than that particular amendment.

Mr. PERCY. Mr. President, will the Senator yield for a brief comment, and then a question to the manager of the bill?

Mr. JAVITS. Anything, yes.

Mr. PERCY. Mr. President, I did sign the majority report, and I believe, after engaging in the hearings and studying the matter as carefully as I could under the circumstances, that it represented the best approach. It is a middle of the road approach between the position of those who would abolish OPIC and do away with it overnight and of those who would continue on without the kind of benchmarks or managerial controls over OPIC that I feel we should have.

But, Mr. President, I think we should point out very clearly that though our distinguished colleague from New York has some differences with the majority views, we are in accord on the basic objectives, and that is very well put in the opening sentence of the minority views, which the distinguished Senator from New York (Mr. Javits) has cited. Let me quote that one sentence:

> We agree that the objective sought by the Committee's majority to increase the participation of private insurers in the OPIC investment insurance program is worth while and should be pursued.

Now, if we are together on the objective, then the question is, Is that objective being furthered in the right way?

It is obvious that Senator Javits feels it is not being furthered in the right way, and that the majority feels that it is. I think it is a great testimony to this program and to the Senator whom I would consider the Member of the Senate today most responsible for implementing it, seeing that it has become a powerful force in our overseas investment program and that it has worked as well as it has. It is only because it has worked well that the majority signing this report has now felt that we could wean the Government away, because its value has proven commercially feasible, and we now feel that the private insurance industry can move in and assume a role.

I know that the business community in the great State of New York, like the business communities in other parts of the country, has long said, "The Government keeps getting deeper and deeper into our affairs; isn't there any way we can reverse the process somehow and get the Government out?"

It is only because of the success of this program and the objectives which most of us share that we feel it can be continued and furthered through the private insurance companies now coming in and taking over, over a 6-year transitional period, a part of the position that the Federal Government has heretofore had. The only question now is whether or not the benchmarks or the goals and objectives that have been laid out in the legislation before us are practical, reasonable, and feasible.

As I understand the administration's original request, they asked only for a 2-year extension. Here a 6-year extension in life is being provided, during which this phaseout of certain aspects of the insurance program is permitted.

I direct a question to Senator Church. If, for instance, sometime during the course of this 6-year period, it has been demonstrated and proved that, though every best effort has been made by OPIC, its board of directors, and its management, and despite all the good will in the world expressed this program by the private insurance companies—expressed before us in hearings—OPIC has not been able to exactly meet the standards laid down, would it not be perfectly proper and right then, considering that this legislation has been enacted and a 6-year transition period built into the statute, that OPIC could come back to Congress at that time, lay their case before us, and could we not expeditiously enough act so that that potential, as Senator Javits points out, would be preserved, that OPIC would not die? Certain services being provided by OPIC that are fundamental to the national interest and the national policy of this country and will be extremely important as we continue to rely on the developing part of the world for an increasing portion of our raw materials as we become increasingly a have-not nation. Would it be conscionable for us to let it die? Would it not be proper and right, then, for us to say, "That taken into account, let us take another look at it. But certainly we feel at least the standards that have been established in the legislation are those that have been presented to us, in the best judgment we could render, as reasonable standards and goals toward which we should work. At this stage we have seen insufficient evidence that we should relinquish those goals before they have actually been embodied in legislation.

Mr. CHURCH. The Senator states it very well. In the opinion of the committee, the requirements of the act are entirely reasonable and feasible. But if it should develop in the course of the 6-year period that, for one reason or another, a given requirement in the act has proved to be an obstruction to the accomplishment of the goal; and that is, as the Senator has said a goal we generally share, then they can come back before Congress. If a sufficiently persuasive argument is made Congress can take suitable action to amend the law.

So I see no reason at all, given the 6-year transition period, why we need to fear that any requirement we write into this bill must necessarily be an insuperable barrier to the accomplishment of the objective we seek.

Mr. PERCY. The distinguished Senator has had a personal request for a meeting with the very able President of OPIC, Marshall Mays. In the body of the letter requesting the meeting, certain problems that OPIC faced were discussed. One of them involved the first amendment I believe offered by Senator Javits but in the letter, as I read it, Mr. Mays indicated—he said,

> I believe we have reached agreement on the substantive portions of the bill.

But as Mr. Mays comments specifically on the first concern of OPIC, he indicated that,

> Although by the time this legislation is finally enacted we will have only a few months to meet the 25 percent goal, we are hopeful it can be achieved.

There are two important things here. He expressed the hope that it would be achieved. If that hope is there, it certainly is in our interest to see that private insurance moves in, that the exposure of the taxpayers and the Federal Treasury is lessened, and that we do not do anything now to take away the incentive. But, second, I do not understand when he indicates they will have only a few months to achieve the 25-percent goal, because they would actually have until December 31, 1975, which does not give them just a few months but a year and a half or more by the time this would be enacted to achieve those goals; is that not correct?

Mr. JAVITS. If I may regain the floor, that is not correct, because the legislation now provides that beginning by January 1, 1975, they have to have at least 25 percent of it under private contract; and beginning January 1, 1978, 50 percent under private contract.

The reason Mr. Mays said months is that he is trying to discount the amount of time it will take to get the law passed—whatever it may be.

Mr. CHURCH. If I may interpose at this point, with the permission of the two Senators, let me read a relevant provision from the bill which appears in the committee report on page 45, section 4 (a), as follows:

> (4) (A) The aggregate participation of the Corporation as insurer in respect of the risks referred to in paragraph (1) (A) and (B) of

this subsection under policies issued by the Corporation each year during the period from January 1, 1975 through December 31, 1979 shall not exceed, in any one country, 75 per centum of the value of all insurance in respect of such risks issued during such year by the Corporation and others to eligible investors with respect to investments in such country.

So the period during which the first 25-percent benchmark would apply, would be the year 1975, beginning January 1 and ending December 31.

Mr. JAVITS. That is what I said.

Mr. CHURCH. So, anytime during that year, the new insurance to be issued by OPIC would include the 25 percent.

Mr. PERCY. If Mr. Mays in his letter interprets this to mean that he would have only a few months to achieve that objective, and then he even states that he would be hopeful it can be achieved, certainly if he can average it out over a period of years and only have to meet the test by December 31, 1975, he would have a year and a half to achieve the objective which is reasonable and fair under the circumstances. If I am wrong, I should like to be corrected.

Mr. JAVITS. He would have to have 25 percent participation in each contract or by the end of the year he would find himself holding the bag and no Government official can do that.

No one has a greater opportunity in terms of understanding this business and how it operates than the Senator. But his position, as I see it, has also a certain amount of consideration to it because I was not involved, and you had a member on the subcommittee who wanted to eliminate that—a very influential and senior Member, Senator CASE. He and you—Senator PERCY and Senator CHURCH—are probably the most active in terms of the subcommittee. So, looking at it from this vantage point, from where the Senator from Illinois was sitting, I could understand where he might say we have to see this thing through because it may be in jeopardy. Second, which is very important, we are all very wise in ways of legislating. What I am really trying to do by my amendment is to say, look, do not cut it off automatically so that if you want to restore them we have to pass a law that is a much tougher one, and Senator CHURCH and the majority may say, cut them off automatically because that is the only way.

I appeal, when I ask the Senator to change his mind and I say to the Senator from Illinois, you are a very able businessman. As a matter of fact, it works, in my judgment, or will work exactly to the contrary, if you write this in, thinking you can make them do it. You will not make business do it. On the contrary, you will scare them off. An insurance company is private business. What you mean to get down to is a way—let us even assume this—and I am willing to assume it—is that the way to get it done is the way I suggest. You will not merely get it done just with hopes—hopes we will not pass these amendments. It is all very understandable. Mr. Mays is not getting into a fight with Senators. He is leaving that to me. But from my point of view—and I have been, as it were, a protagonist for OPIC on everything which has passed on this floor—I say that there are people expecting us to get this to work and to keep control of it, which we will be doing under the amendments as proposed. But let us not have an automatic cutoff, because we cannot force a private insurance company to go into this because Congress says unless they do it is out of business. We may be able to force OPIC, but we cannot force a private insurance company.

Mr. PERCY. Could I comment on that particular point, because it is a point in which I was extremely interested, soliciting as much information as I could from the insurance company as to what was reasonable and what was fair and taking into account the fact that we have had—this is not a new business, this is nothing that is a brand new idea—we have had about 25 years to test the idea and the argument possibly that it runs across the board and all throughout the world and over a period of many years now, so that we are not saying to them, we want you to face up to this and jump into it and take 100 percent. We are saying, think it over, and take a look at all the records. The private insurance companies have been on notice for months now. They have come down and testified and they have indicated a desire and a willingness, as I understand it, to come into this field because there are certain aspects of it that are commercially feasible.

I must say there should be some thinking as to whether we should have a tougher standard than this. We have brought it down to what I consider to be an almost minimal program—particularly in the face of what the ranking minority member said. The goals set out by our bill seems reasonable and fair, particularly considering that the risk taking to private insurance companies is minimal. The Government still has 75 percent in it until 1980, and the insurance industry, as the distinguished Senator from New York knows, has distinguished itself for doing those things that are in the national interest. Look at the tremendous investments the insurance companies made in our cities when no one else would invest in the cities; the faith they tried to demonstrate in housing, going into gigantic housing and commercial projects. They are risk takers. They are citizens we can be extremely and extraordinarily proud of. I think they are investing their shareholders' money with prudence and care.

In this case, from the testimony we had, I think these standards are reasonable. But if for some reason they cannot exactly be met, if in spirit they have worked toward this, I think that certainly we could give further consideration and take another look at it. But I would hope that they would want to have a benchmark or a goal toward which they could shoot, in which we could say they have met a reasonable standard. That is all we are trying to say: what is reasonable, what is fair, what is attainable; and the 25 percent figure in the particular first instance we are talking about seems to be fair and reasonable.

Mr. CHURCH. May I comment on what the Senator has said?

Mr. PERCY. Yes.

Mr. CHURCH. Mr. President, one of our witnesses at the time of the hearings was Mr. David J. Sherwood, president of the Prudential Reinsurance Co. He said, with respect to the question raised by the distinguished Senator from Illinois, that the private insurance companies presently view the political risk insurance field as preempted by OPIC. He emphasized that to get private participation, it is necessary to get "a clear message from the Senate, the Congress, that you are really interested in getting private insurance into this particular area."

Then Mr. David J. Sherwood also said that to make it sufficiently attractive to the private insurance industry to offer political risk insurance, they would have to have at least a 25 percent participation in new insurance offerings.

So our figure was the minimum figure mentioned by the witness of the Firemen's Insurance Co., and it was in line with the recommendation of Mr. Sherwood for a clear signal that the objective is not one of window dressing this program but, rather, that we intend to phase the Government out and turn this program back to the private insurance industry, which is capable of taking it over and operating it in a sound, businesslike way.

So I simply disagree with the Senator from New York when he says, "Do not establish any benchmark at all." I think we give the signal that industry requests when we say that by the end of 1975, any new insurance must include at least a participation to the extent of 25 percent by the private insurance industry.

That is the signal they are asking for, and that is the signal we are giving them in this bill. I think it is a minimum, if we are really serious about seeing the Federal Government move out of this program and the private insurance companies move in.

Mr. PERCY. What we are really saying is that we want to achieve administrative control. We not only want to set a benchmark, but also, to protect the $3.5 billion of public funds now at risk in OPIC. What we want to do is to see that we establish administrative control over OPIC not just for a best effort, but knowing ahead of time that we are going to get the best effort.

Mr. CHURCH. Exactly so. And if participation by the private insurance community is at least 25 percent, then we can be certain that their own exposure is sufficient so that they will police the new insurance policies in such a way that the premiums will be adequate to cover the risk; and the subsidy element we would like to see eliminated will in fact be eliminated.

Mr. PERCY. As I understand, the support now being given for Senator CASE's position reiterates very vocally and publicly what Senator CASE made very explicit, that the majority in this case were leaning over backward to continue something that they could see no justification for continuing. With the powerful support, as I understand it, of the AFL-CIO for the Case position now, this middle-of-the-road position that the majority has taken seems prudent and fair; and I think it would wean us away from a position that we cannot and should not step away from and drop. The majority have agreed to that position.

On the other hand, we do want to be certain that, as we take these steps, we are doing it in a direction which will bring us finally and ultimately toward our goal, and that we are being fair with the insurance industry in saying, "These are the progressive steps we would like you to take." It would be my general judgment that the industry can face up to this, can assume this degree of risk, and can find it a commercially feasible and practical way to do it.

Also I do not feel that it would destroy or inhibit the ability of American industry to make investments abroad, particularly considering that investment controls have been removed and they are far freer to move, because this never seems to be the controlling element in any decision of any company of any industry that ever appeared before us.

It was never the deciding factor. They always made the decision on the basis of whether it was commercially feasible and practical for them to do it. They still felt a great deal better as a result of OPIC. They are not going to feel any better, I do not think, having Lloyds of London standing behind them, with huge surpluses on their books, than having the Federal Treasury of the United States, which has nothing but huge debts on its books. I would rather have Lloyds of London insure my risk any day of the week rather than just have the Federal Government especially knowing the tremendous financial exposure the Federal Government has now and probably will continue to have. This is one of the steps we can take to somewhat reverse the process and reverse the degree of exposure we have.

I am delighted that Senator JAVITS, in expressing the views of the minority, has indicated that we are together in the objective. It is just a question of whether we are being unreasonable in setting specific goals that are attainable or not. Even if they are not attainable, I am delighted to have the reassurance of the floor manager of the bill that should that prove to be too stiff a test or too tough a standard to meet, there always is a possibility that OPIC can come back to us and that they will have an understanding Congress. But we would want to know why the standards, which have been reasonable in our judgment, could not be met.

Mr. CHURCH. I should like to point out to the Senator one other qualification of this 25-percent requirement that should be emphasized.

The 25 percent is a per-country requirement. In other words, if OPIC, as it moves into 1975, can secure insurance with a 25-percent private participation in a country, it will not be barred from issuing insurance in that country. The bar will apply to those countries in which, for reasons of their own, private insurance companies are unwilling to assume 25 percent of the risk. In those cases, we had better be on notice about the problems considering the present precarious position of the OPIC program. Would it not be prudent policy to write the law in such a way that we are forewarned?

So when the Senator from New York says that by writing into this law a requirement that may bring down the curtain on OPIC, he really overstates the case.

Mr. President, the 25-percent requirement in the committee bill is based on a country-by-country application and it is very unlikely, indeed, that OPIC would not be able to secure a 25-percent participation with respect to most countries. So the impact of this particular provision in the bill; as described by the Senator from New York, is very greatly overdrawn.

Mr. JAVITS. Mr. President, the Senator from New York does not believe there is one aspect on which we are differing in means and not on purpose.

I strongly object to taking Yugoslavia and Romania out of the program. We do have a difference, and I hope it will not be allowed by the Senate.

As to the other matters, and this amendment accepting the benchmarks, and saying they are written into the legislation, I do not want them self-executing; I want the company to be in business, with our ability to put it out of business if we are not satisfied with the way it meets the benchmarks. They are in the bill at page 4, line 5, up to including line 16 on page 5.

The benchmarks are as follows: First, there must be 25-percent participation beginning January 1, 1975; second, that all insurance of that kind; to wit, other than war risk, ceases to be written except on a reinsurance basis beginning January 1, 1980, or ending December 31, 1979. As to war risk, that there must be a 11.5-percent participation beginning January 1, 1976, and going through December 31, 1980.

So we have to be very clear about just exactly how that works. I would like to extend that now to include the war risk proposition so the pagination would read page 6, line 10 as the outside limit of the risks which the corporation is permitted to write except on a reinsurance basis, to end also in the war risk insurance on December 31, 1980.

It is very important that we consider that because in my amendments I am accepting the benchmarks which the Senator from Idaho (Mr. CHURCH) referred to except I say it shall not be self-executing. If it is made self-executing, we would tie the hands of the corporation in respect of negotiations and make it very difficult for them, if not impossible, to arrive at the very benchmarks which Congress itself, assuming this goes through, would set.

The other thing I would like to refer to is that there is a very different attitude in this matter other than here. The committee of the House of Representatives, which is considering this matter, has issued a report which takes a very different attitude toward the situation than the one we take. This matter cannot be as bad as painted if that body, which thoroughly studied it under Representative CULVER, as chairman, came to quite a different view.

There have been reports on this by the General Accounting Office and the Library of Congress which we feel are very important and I refer Members to those studies in considering how they would vote on what should happen with regard to OPIC.

I am prepared now to conclude my argument for the measure. I send to the desk for printing under the rule three amendments which I stipulate I will not necessarily offer in the order in which they may be printed, and an explanation of each amendment to accompany it.

I ask unanimous consent also that the amendments and the explanations may be printed in the RECORD.

The being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 970

On page 4, beginning with line 5, strike out everything through line 2 on page 5, and insert in lieu thereof the following:

"(4) (A) It is the intention of Congress that the Corporation achieve participation by private insurance companies, multilateral organizations or others in liabilities incurred in respect of the risks referred to in paragraphs (1) (A) and (B) of this subsection under contracts issued commencing January 1, 1975, of at least 25 per centum, and, under contracts issued commencing January 1, 1978, of at least 50 per centum. If for good reason it is not possible for the Corporation to achieve these objectives, the Corporation shall report to the Senate Foreign Relations Committee and the House Foreign Affairs Committee in detail, the reasons for its inability to achieve these objectives and the date by which they are to be achieved.

On page 5, change "(C)" to "(B)" on line 3.

On page 5, beginning with line 8, strike out everything through line 5 on page 6, and insert in lieu thereof the following:

"(5) (A) It is the intention of Congress that the Corporation achieve participation by private insurance companies, multilateral organizations or others in liabilities incurred in respect of the risks referred to in paragraph (1) (C) of this subsection under contracts issued commencing January 1, 1976, of at least 12½ per centum, and, under contracts issued commencing January 1, 1979, of at least 40 per centum. If for good reason it is not possible for the Corporation to achieve these objectives, the Corporation shall report to the Senate Foreign Relations Committee and the House Foreign Affairs Committee in detail the reasons for its inability to achieve these objectives, and the date by which they are to be achieved."

On page 6, change "(C)" to "(B)" on line 6, and change "limitations" to "objectives" on lines 11 and 20.

On page 9, strike out lines 3 through 11.

MANDATORY GOALS FOR DIRECT INSURANCE PARTICIPATION BY PRIVATE INSURANCE COMPANIES

This amendment accomplishes four things: (1) removes the sudden death penalty for OPIC's inability to meet specified goals; (2) permits various combinations of private participation in satisfying the percentage targets (3) requires OPIC to report to the Congress on its efforts to achieve the stated targets; and (4) requires OPIC to set a new date by which it will meet the specific goals.

This amendment corrects several features of the committee bill which, if enacted, would result in OPIC's early demise.

1. The legislation requires OPIC to achieve

25% private participation for expropriation and inconvertibility risks by 1975, and 11½% for war risks by 1976; failure to meet each goal automatically suspends OPIC coverage for that risk.

This penalty will severely weaken OPIC's bargaining position with private insurance companies. One of the premises of the Committee bill, apparently, is that there is great competition among many insurance companies to participate. That is not now the cast. OPIC is in a position of having to persuade leaders of the industry to endorse a plan and actively promote participation by other companies.

It is very natural to expect private insurance companies to seek in negotiations the best possible deal for its shareholders. Likewise, on its behalf OPIC must be in a position freely to negotiate the best possible deal from the viewpoint of the United States Government. Clearly, the Committee bill places OPIC in the compromised position of having to agree to the terms offered by the private insurers, or terminate the program.

2. The proposed Committee bill defines private participation too narrowly, making it impossible for many private companies to participate in the program. Our objective should be to encourage the broadest kind of participation of as many companies as possible in these financial risks. Such a narrow definition overlooks two important situations:

(a) Various State laws and regulations and the charters of many insurance companies preclude direct underwriting of certain risks (for example, those for which no actuarial basis exists). Thus some provision must be made to allow for possible private participation as either reinsurers or direct underwriters.

(b) Multilateral agency participation, as apparently envisioned by the Committee bill, is likely to be possible only in the form of reinsurance. The long discussed International Investment Insurance Agency would be acceptable to some of the most important potential members only if it were a reinsurer of their national investment insurance programs.

Thus, there are several compelling reasons for the Senate to adopt this Amendment:

1. The sudden death penalty of the Committee bill disadvantages the U.S. Government in negotiating with private insurance companies; either OPIC agrees to their terms, or it goes out of business.

2. Liability sharing by other insurers or reinsurers should be the goal of legislation, not a set percentage of direct insurance participation. By insisting on the latter, the Committee bill gives more importance to legal form (who is insurer and who is reinsurer) than to economic reality. The result is to require a set of legal relationships that might not be achievable, to prohibit other relationships that may be more desirable, and to limit severely OPIC's flexibility in creating mutually satisfactory risk-sharing arrangements.

3. OPIC has made substantial progress in obtaining private liability-sharing by the purchase of reinsurance from Lloyd's of London, and various arrangements are now being discussed with the U.S. private insurance industry. In view of this progress, mandatory goals would be counter-productive by introducing an element of governmental coercion into complex business arrangements, which should be concluded instead on the basis of mutual interests of the parties, including the national interests of the United States.

4. Any multilateral agency participation is likely to be in the form of reinsurance, which would not be counted toward the goals of the Committee bill as presently worded.

Amendment No. 971

On page 7, beginning with line 3, strike out everything through the period on line 14, and insert in lieu thereof the following:

"The amount of reinsurance liabilities which the Corporation may incur under this paragraph shall not exceed $600,000,000 in any one year and shall not exceed at any one time an amount equivalent to the amount of insurance the Corporation is authorized to issue pursuant to section 235 (a)(1). All such reinsurance shall require that the reinsured party retain for his own account specified portions of liability, whether first loss or otherwise, and the Corporation shall endeavor to increase such unreinsured exposures to the maximum extent and as rapidly as possible."

ELIMINATION OF MANDATORY DEDUCTIBLE ON OPIC REINSURANCE

This amendment accomplishes three things: (1) requires parties reinsured by OPIC to retain for their own account specified portions of liability whether first loss or otherwise; (2) requires OPIC to endeavor to increase such unreinsured exposure to the maximum extent and as rapidly as possible; and (3) reduces the reinsurance ceiling of $12 billion proposed by the Committee bill to $7.5 billion, which is the existing ceiling for the insurance program.

The Committee bill is unworkable for several reasons:

(1) Private insurance companies that studied the Committee bill have said that its reinsurance section is unacceptable to them. Unless it is changed, they will not write one dollar of political risk insurance. In a press release dated November 9, 1973, Firemen's Fund American Insurance Companies said: "The proposed legislation stipulates amounts of reinsurance coverage which, in our opinion, are severely inadequate and stipulates retentions to be borne by private companies that are unrealistically high."

(2) The defects of the Committee bill are nowhere clearer than in the relationship of the mandatory goals for direct private participation and the mandatory reinsurance deductible. On the other hand, the bill says OPIC must achieve a specified percentage of direct insurance participation by private insurers or multilateral organizations by a date certain, or it must stop writing insurance. On the other hand, the bill so limits the type of reinsurance and scale of insurance that OPIC can write that it may be impossible to attract any private participation.

(3) To attract companies into direct insurance participation, for the first time, broad reinsurance authority is necessary. The crucial first step is to get them through the door and this is defeated by prescribing rigid, unrealistic conditions of the terms of their entry. The amount of risk private insurers will be willing to undertake will be directly related to the amount of premium they will receive, and the Committee proposal does not meet this test.

Thus, under the proposed amendments to the Committee bill, OPIC would be required to increase the exposure of the reinsured parties to the maximum extent possible. The Comptroller General is always available to determine whether OPIC is fulfilling this requirement. In addition, I believe the $12 billion ceiling for the reinsurance program is unrealistically high, and could cause a misunderstanding regarding the potential size of the reinsurance portfolio. A more realistic limit would be the existing limit on the insurance program, i.e., no more than $7.5 billion of maximum contingent liability outstanding at any one time.

What we are dealing with here is not an agency downtown which shirks its responsibility to carry out Congressional initiatives. We owe OPIC well-placed confidence that it will effectively implement the will of Congress in this regard. The important thing is that we provide in this legislation the broad authorities OPIC needs in order to carry out increased privatization of the programs. This amendment accomplishes that; the Committee bill does not.

Amendment No. 972

On page 13, strike out line 24.

AMENDMENT TO CONTINUE OPIC'S AUTHORITY TO OPERATE IN YUGOSLAVIA AND ROMANIA

This amendment would delete that provision of S. 2957 (line 24 on page 13) which would terminate OPIC's authority to offer its insurance and finance programs to U.S. investors in Yugoslavia and Romania.

Until 1972, just two years ago, OPIC was barred from operating its program in Yugoslavia and Romania because of a provision of the Foreign Assistance Act of 1961, which prohibits the furnishing of "assistance" to any Communist country. (Although it may be debatable whether OPIC's programs are the type of "assistance" which should be barred by that provision, OPIC's predecessor had given a broad reading to that term and OPIC has followed this practice).

In considering the Foreign Assistance Act of 1971, the Senate Foreign Relations Committee adopted an amendment which would have removed this and other barriers to the operation of OPIC's programs in less developed countries which are prohibited from receiving normal government-to-government assistance, if the President made a determination that it was in the national interest for OPIC to operate in one or more of such countries. The Senate accepted this amendment, and it was approved by the House-Senate Conference Committee, but limited to Yugoslavia and Romania.

On the basis of the authority granted by the Congress, the President, on March 16, 1972, made a determination that it was in the national interest for OPIC to operate its programs in Yugoslavia and Romania, and OPIC and the State Department began negotiations with those two countries for the normal bilateral agreement for the institution of OPIC's programs.

A full-scale bilateral was signed by Yugoslavia on January 18, 1973, and by Romania on April 28, 1973, and OPIC thereafter began offering its insurance and finance services to U.S. companies who might be interested in expanding their business investments into those two countires.

Yugoslavia first began allowing foreign equity investments in 1967, in order to further its economic development independent from the Soviet Bloc, and by 1973 had attracted investments by some 70 foreign firms. Only four U.S. companies, however, had made investments there, and this was of considerable concern to both governments, particularly in view of the independent position Yugoslavia was attempting to maintain and the importance in this respect of its decisions to decentralize economic controls from the State to individual businesses and to allow foreign equity investments.

Acting in reliance on the Congressional initiative in the OPIC amendment of 1972, U.S. companies are now negotiating or have completed more than 25 joint ventures with Yugoslav firms, and 21 of these companies have applied for OPIC insurance.

Although Romania does not have a domestic market economy, such as exists in Yugoslavia, it has, since October 1972, permitted foreign firms to establish joint companies with Romanian enterprises, and these joint companies are operated as profit-making firms and guaranteed by Romanian law against interference from the State.

Since its foreign investment laws are more recent than those of Yugoslavia, the number of foreign equity investments in Romania is still below 10. Several U.S. companies are, however, negotiating the formation of joint companies in Romania, and three of these firms have applied for OPIC insurance.

Despite the success thus far in achieving what the Foreign Relations Committee said in 1972 was a "desirable goal", the Committee has now reversed itself and proposed the termination of OPIC's authority to operate in Yugoslavia and Romania.

According to the majority report, this reversal is based on the dual assumptions that neither Yugoslavia nor Romania is a less developed country, and that OPIC's insurance will guarantee against contractual defaults by the governments of Yugoslavia and Romania.

Neither of these assumptions is valid. Statistics developed by the International Monetary Fund and the standards of The World Bank classify both countries as less developed.

It is also an incorrect assumption that OPIC would simply insure against contractual defaults by the Governments of Yugoslavia and Romania. Both countries allow equity investments by foreigners in what are essentially autonomous business firms. OPIC's insurance would operate in these *countries as it does* elsewhere, that is, to protect U.S. investors, for a fee, against those political risks—inconvertibility of local currency, expropriation and war damage—which are outside the scope of normal business risks.

In short, the majority report recommends that the Congress overturn what it enacted just two years ago, and supports the recommendation with inaccurate information and without the benefit of testimony. I see no reason to go along with this. For the Senate to do so now would be interpreted by these countries as a sharp reversal of U.S. policy toward economic cooperation with them for totally incredible reasons.

The grounds are stronger now for authorizing OPIC to operate in Yugoslavia and Romania than they were in 1972. Considerable progress has been made in East-West economic relations, and this provision would be a serious blow to two independent East European countries that are seeking to develop their economies by increased contacts with the West. The 20 or so companies that have negotiated investments in reliance on the availability of OPIC insurance would have a justified grievance against the Congress for reversing itself in only two years, and should be protected against retroactive application of the bill, if it should pass.

One final word with respect to this amendment. There may be some who feel that Romania should be denied the benefits of OPIC's programs because of its emigration policies. I note in this regard that the Trade Bill contains a provision which would have that effect, if the facts concerning Romanian emigration policies justify its application. It is in that bill that this question should be answered, not here. In fact, to abolish OPIC's authority to operate in Romania in this bill would remove some of the incentive for Romania to meet the conditions of the Trade Bill.

Mr. JAVITS. Mr. President, I yield the floor.

Mr. CHURCH. Mr. President, I have just a few concluding remarks to make.

First of all it should be pointed out that in the committee bill the benchmark for the 40 percent and 50 percent participation to which the Senator from New York has referred is not mandatory. The only mandatory requirements in the bill relate to the original participation of 25 percent and the final phaseout of the government in direct insurance writing at the end of the period.

As a matter of fact, I think the Senator from New York, with his typical generosity, would concede that the committee made every effort to eliminate rigidities in the bill and accepted a number of proposals offered by the Senator from New York in the interest of making the bill more flexible and, in the committee's view, workable.

As a matter of fact, we were able to reach agreement on all of the amendments except these last three amendments that the Senator from New York proposes to present to the Senate for its decision tomorrow. We feel that if we were to accept these last three amendments, we would take the last remaining teeth out of the bill, and we could no longer say to the Senate that this is, in fact, a bill that is designed to phase the Government out of this subsidized program and to phase private insurance companies into the program so as to relieve the Government of further participation in the issuance of direct insurance for political risk, expropriations, or war and inconvertibility of currency.

The end objective of the committee bill is to pass that whole program over to private industry in the course of 6 years, leaving the Government nothing more than a reinsurance role.

I am afraid if we were to concede the final amendments the Senator from New York presses upon us we could no longer represent the bill as one reasonably designed to accomplish the objective we seek. All we would have left if these final amendments offered by the Senator from New York were adopted would be a statutory exhortation to OPIC to do the best it can to negotiate itself out of business—that Congress would look with favor upon such action as OPIC might take toward its liquidation.

Experience and commonsense suggest that, if we are unwilling to go further than that, we have no basis to reasonably expect that this agency will proceed to its liquidation.

This bill as we present it is one that allows the maximum amount of flexibility and discretion, but sets minimum requirements designed to mandate OPIC to begin to phase out the Government's participation in the frontline insurance and turn it over to the private insurance industry. Less than that, we should not accept in light of the facts that have been uncovered in the course of the subcommittee's exhaustive examination into this program. Less than that would not fairly serve the public interest of the people of the United States.

For these reasons, Mr. President, I do hope that the Senate will support the position taken by the committee and vote down the amendments offered by the Senator from New York.

Mr. JAVITS. Mr. President, if there is no other debate on this matter, I would simply like to add that the points that I made about a cutoff—that is, an absolute sentence to death of OPIC—are entirely appropriate; to wit, if they do not get the 25 percent so that they write all those contracts beginning in the period from January 1, 1976, on, which gives them only the year 1975 to negotiate, there is sudden death. That is it. To January 1975 to negotiate gives them just the year 1974. That is sudden death.

The Senator from Idaho (Mr. Church) is right about the fact that 50 percent from January 1, 1978, through December 31, 1979, is prefatory. That is the intention of Congress. That is not sudden death. Then there is very sudden death when the corporation has got to quit completely writing that kind of insurance. They are out of business.

These are decisions which the Senate has to make.

Then we come to the phase of war risk insurance. That is sudden death. Until December 31, 1975, it works out to what becomes 11½ percent in war risk insurance. There are not any people who will do that, not even the hopes or expectations of having anybody do it.

Then there is the absolute exclusion of writing such insurance after January 1, 1980.

I believe those points should be made very clear to Senators who are called upon to vote on these matters.

Mr. McGEE. Mr. President, I support the amendments to the OPIC legislation, S. 2957, being offered by the distinguished Senator from New York, Mr. Javits.

As one of the original cosponsors of the OPIC legislation in 1969 and as one of the signers of the minority views to the report of the Committee on Foreign Relations on the OPIC legislation, I have followed the OPIC programs closely during the past several years.

Opponents of Senator Javits' amendments contend that the amendments would destroy the thrust of S. 2957. If the thrust of S. 2957 is to increase private participation in OPIC insurance, looking toward its eventual turnover to private insurers or multilateral organizations, the contention is invalid.

Senator Javits' amendments accept this thrust. No change is proposed in those sections which would prohibit OPIC from issuing direct insurance after December 31, 1980. The amendments also accept the interim goals of the legislation.

What the amendments do not accept, however, is that the program should be terminated next January 1, if private companies or other insurers do not agree to participate in the form and in the amount imposed by S. 2957.

Turning over a 25-year Government program to private insurers or multinational organizations is unprecedented. The private insurance executives who testified before Senator Church's subcommittee said without contradiction that they will participate in OPIC's program only on an experimental basis and on terms yet to be negotiated. Private companies have written the committee that they will not participate on the terms imposed by the bill. Proponents of S. 2957 ignore this evidence, and insist that their terms be accepted by all concerned, or the program should end precipitously.

Senator Javits' amendments do not permit OPIC to use the private companies as mere salesmen. The amendments retain Senator Church's goals for liability sharing and limit OPIC's reinsurance authority by requiring reinsured parties to accept specified amounts of exposure and requiring OPIC to increase this exposure to the maximum extent and as rapidly as possible. OPIC would violate the law if it reinsured private companies 100 percent. It would violate the law if it accepted less private participation than is possible to attain while meeting its other mandates. The GAO can assess OPIC's compliance with this and other provisions of the amendments—including the interim goals. If these goals are not being met, the Congress can take immediate action.

What the Congress should not do is to legislate what can only be accomplished through businesslike negotiations—namely, the establishment of terms for the transfer of a multimillion-dollar Government program to private hands.

Foreign private investment is an important resource for the development of the less-developed countries. At a time most developing countries are experiencing extreme disruption of their economies due to high oil prices and the decline in U.S. development assistance, private investment is all the more important. It brings with it management skills, technology, and capital resources.

This view has been upheld by numerous international reports made to the United Nations, the World Bank, the OECD, as well as U.S. Government studies. Contrary to information now being circulated, the World Bank and the Overseas Development Council regard private foreign investment as a beneficial force for development.

The OPIC insurance program is an important factor enabling many U.S. companies to invest in the less-developed countries; various studies conducted by private companies have shown this. Business International surveyed its member companies 2 years ago and found that 46 percent of the respondents felt that the insurance was necessary, and an additional 47 percent felt the insurance was important to their foreign investment plans in the LDC's, for a total of 94 percent. Moreover, 70 percent of the respondents in the mining sector felt that OPIC insurance was necessary to their investment plans. So I believe that the OPIC programs on that basis alone are worthy of support.

I would like to point out to my colleagues in the Senate that the OPIC programs provide another very useful function of selecting only those projects which provide benefit to development and screening out projects which would harm U.S. economic and employment interests. Thus, OPIC does not insure runaway industries or projects that export in significant amounts to the United States. Rigorous application of such screening assures that private projects that OPIC assists are substantially more beneficial to the U.S. economy and employment than the average run of projects found in general statistics. It is OPIC's control over the direct issuance of insurance that provides this benefit. Forced transfer of the programs to the private sector will dilute this control and mean that such projects will not be screened out in the future.

The proponents of S. 2957 appear to be indifferent to those public policy issues. They maintain that legislation to force OPIC to share investment insurance underwriting with U.S. private insurance companies in prescribed proportions is necessary because the U.S. Government needs to look to private underwriters to apply "sound principles of risk management." Yet, the proponents turn around and say these private underwriters must look to the Senate for risk management guidance—a statutory floating deductible system on their reinsurance by OPIC designed "to spread their insurance quite evenly throughout the less developed world." I find their case to be inconsistent.

Proponents of S. 2957 also maintain that OPIC must be put in a statutory straitjacket in order to "assure that OPIC will not write insurance for purely political reasons." Nowhere in the hearings or the studies of OPIC by the GAO or the Congressional Research Service was there any evidence that OPIC had written insurance for "purely political reasons" or violated its mandate to operate the program on business principles or prudent risk-management. The committee's proposals, therefore, are an attack on ills which have not existed since the insurance program was taken over by OPIC, if indeed they ever existed.

An experimental testing of private participation in the OPIC programs will help assure that the public interests in the program are protected. The amendments which the Senator from New York is offering will help assure protection of these interests. The present bill does not.

Mr. BENNETT. Mr. President, I rise in support of the amendments to S. 2957 being offered by the distinguished Senator from New York. I supported the creation of OPIC in 1969 as a cosponsor of the amendment offered by Mr. Javits.

We created OPIC in order to have OPIC's programs managed in a more businesslike way, and the OPIC management has done a commendable job in the 3 short years it has been in place to put the program on a more sensible footing.

Increased private sector participation in underwriting political risks is desirable. OPIC first requested legislative authority to enter into insurance syndicate agreements last spring—proposed Foreign Assistance Act of 1973. This legislative proposal recognized that OPIC was entering into a new phase of experimentation; a trailblazing effort to get private U.S. insurance companies to enter into this new field.

A trial period is needed to determine the feasibility of transferring the program to the private sector. Mandatory interim goals and unrealistic, untested reinsurance limits obviously will discourage, rather than encourage private participation in the OPIC program. The proposed committee bill will not permit such testing—it states by fiat what must be, and leaves no room for negotiations to protect the U.S. financial and policy interests. The amendments offered by the Senator from New York will allow free market negotiations to take place. I urge my colleagues to vote in favor of these amendments.

Opponents of Senator Javits' amendments contend that the amendments would destroy the thrust of S. 2957. This contention is invalid if the thrust of S. 2957 is to increase private participation in OPIC insurance, looking toward its eventual turnover to private insurers or multilateral organizations.

Senator Javits' amendments accept this thrust. No change is proposed in those sections which would prohibit OPIC from issuing direct insurance after December 31, 1980. The amendments also accept the interim goals of the legislation.

If the thrust of S. 2957 is to kill the investment insurance program next January 1 unless private insurance companies agree to all the bill's technical terms, the contention is valid. The two amendments recognize reality:

Turning over a 25-year Government program to private insurers or multinational organizations is unprecedented. The private insurance executives who testified before Senator Church's subcommittee said without contradiction that they will participate in OPIC's program only on an experimental basis and on terms yet to be negotiated. Private companies have written the committee that they will not participate on the terms imposed by the bill. Proponents of S. 2957 ignore this evidence, and insist that their terms be accepted by all concerned, or the program should end precipitously.

The Javits amendments do not permit OPIC to use the private companies as "mere salesmen," as Senator Church claims. The amendments retain Senator Church's goals for liability sharing and limit OPIC's reinsurance authority by requiring reinsured parties to accept specified amounts of exposure and requiring OPIC increase this exposure to the maximum extent and as rapidly as possible. OPIC would violate the law if it reinsured private companies 100 percent. It would violate the law if it accepted less private participation than is possible to attain while complying with other mandates. The GAO can assess OPIC's compliance with this and other provisions of the amendments—including the interim goals. If these goals are not being met, the Congress can take immediate action.

What the Congress should do is to legislate what can only be accomplished through businesslike negotiations—namely, the establishment of terms for the transfer of a multimillion-dollar Government program to private hands.

At this point, I should like to insert in the Record a letter from Mr. Marshall T. Mays, president of OPIC.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Overseas Private
Investment Corporation,
Washington, D.C., February 25, 1974.

Dear Senator: I am sure you will want the Senate's decision on S. 2957, The Overseas Private Investment Corportion Amendments Bill, to be based on the facts. Apart from matters of judgment, serious errors of fact by the Subcommittee staff are repeated in the letters of Senator Church (dated February 19) and Senator Case (February 21) asking support for their positions critical of OPIC.

Allegation: That OPIC insurance is a federal subsidy to U.S. corporations.

Response: That program has been shown, over a reasonable testing period, to be user-financed, not a federal subsidy. Corporations and other U.S. investors insured by OPIC and its predecessors have paid premiums totaling $189 million in the 25-year history of the investment insurance service. Cash payments of claims have totaled $29 million, and guarantees of expropriation settlements made by foreign governments have totaled about $100 million. The guaranteed settlements are not likely to be defaulted upon. Administrative costs, now approximately $4 million per year, have been less than interest earned on investment of premium income.

Allegation: That OPIC is supported by *Congressional* appropriations. Senator Church: "Over half of the current OPIC reserves consists of money the Congress has appropriated in the last four years—over $106,000,000 since 1970."

Senator Case: "Half of OPIC's operating budget comes not from premiums paid by insured companies but rather from the Federal Government: $12.5 million last year and $25 million this year."

Response: Reserve appropriations totaling $106 million in FY 1970–74 (including amounts cited by Senator Case) were used to restore funds taken from the insurance program for other purposes. The FY 1970, '71 and '72 reserve appropriations totaling $69 million were to restore to the insurance reserve funds taken from it to establish OPIC's separate loan guaranty (finance) reserve required by the 1969 legislation. The FY 1973 and '74 appropriations totaling $37.5 million partially restored insurance premiums totaling $50 million taken from the insurance reserve when OPIC was separately established and used to fund the AID Housing Guaranty reserve.

OPIC's total reserves are about $260 million—$185 million in the insurance reserve and $75 million in the finance reserve.

OPIC's income from premiums, guaranty fees, interest on direct loans and interest on invested premiums totals about $30 million annually—far exceeding each year its outlays for claims and administrative expenses.

Allegation: OPIC has encouraged U.S. investments that result in a net loss of U.S. employment.

Response: OPIC turns down proposed investments that are likely to cause any significant net losses of U.S. jobs. Stringent policy guidelines adopted in March 1972 require screening out such projects. The electronic investments analyzed by the GAO were insured before this policy was established; in fact, almost all were insured by AID before OPIC was established. The pending bill contains a formal mandate, proposed by the Administration, that OPIC must take into account the U.S. employment effects of investments it insures or finances.

Finally, Senator Church's letter overstates the use of OPIC's insurance by larger U.S. investors by failing to note that many loans insured by larger banks were for projects sponsored by smaller U.S. companies. The proportion of larger investors in the OPIC portfolio is a reflection of the fact that getting a new project underway in a less-developed country demands reserves of manpower and money that small businesses typically cannot afford. OPIC seeks to offset this disadvantage by offering special inducements and help to smaller businesses.

We believe the record of OPIC's management warrants confidence in commitment to negotiate the best possible forms of private participation and account annually for our progress toward the goals set by the Congress.

Sincerely yours,

Marshall T. Mays.

Mr. McGEE. Mr. President, the Senate will be called upon to reverse action taken by the House last month which denied funds for the International Development Association.

Various reasons have been offered for the House action, which I believe to be very shortsighted. The shortsightedness of the action is poignantly illustrated by the recent announcement of the Government of Iran that it would make $1 billion of Iranian surplus oil revenues available to help industrialized countries pay their energy bills and for loans to the developing countries.

While Iran has been an apparent beneficiary of increased revenues from her oil resources, it is also apparent that her leaders recognize their international responsibilities. Thus, the House action becomes all the more embarrassing when we view the United States, as the world's richest nation, retreat from her international responsibilities at a time when a nation such as Iran has demonstrated a farsighted and sophisticated view of international interrelationships.

I ask unanimous consent that the news article appearing in the February 22 edition of the Washington Post announcing the Iranian Government's proposal be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Iran Offers $1 Billion for International Aid

Tehran, February 21.—Iran, the World Bank and the International Monetary Fund announced plans today that will make $1 billion of Iranian surplus oil revenues available to help industrialized countries pay their energy bills and for loans to developing countries.

The move to recycle a portion of Iran's huge revenues into the world's lending markets and to assist international development organizations that are having new troubles raising money from developed nations suffering from high oil prices, was announced at a press conference here.

Details of the plans are still being worked out.

World Bank President Robert McNamara and IMF President H. Johannes Witteveen have been holding talks with Iranian officials here and were present with Prime Minister Amir Abbas Hoveida at the press conference.

McNamara welcomed the Iranian contribution of $1 billion toward a first-year capital of $2 billion to $3 billion required to start what would be a special fund.

In addition, Iran whose oil profits have increased from $3 billion to $16 billion annually, will repay $1 billion of loans and credits it had previously obtained from the World Bank and other governmental and private banks, it was also announced.

It is hoped that the proposed development fund will be formed by oil-producing as well as industrialized nations.

Iran's initial investment will be made at the regular commercial rate of 7 to 8 per cent annually, Iranian officials indicated. This represents a break with the past practice of the IMF which usually obtains loans at much lower interest rates.

Iran's $1 billion apparently will be used in three ways: in part to purchase World Bank bonds, in part for a special supplementary facility of the IMF and in part to establish a new development fund.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I have discussed the following requests with the distinguished manager of the bill (Mr. Church), the distinguished ranking member of the committee (Mr. Case), the distinguished Senator from New York (Mr. Javits), the distinguished Senator from Alabama (Mr. Sparkman), the distinguished Senator from Wyoming (Mr. McGee), the distinguished Senator from Minnesota (Mr. Humphrey), and with the distinguished assistant Republican leader.

I ask unanimous consent that debate on the pending measure tomorrow be limited to 2 hours, to be equally divided between the Senator from New Jersey (Mr. Case) and the distinguished Senator from Idaho (Mr. Church); that the time on each of three amendments to be offered by the distinguished Senator from New York (Mr. Javits) be limited to 2 hours; that time on any other amendments be limited to 1 hour; that the time on any amendment to an amendment, debatable motion, or appeal be limited to 30 minutes, with the division and control of time on all amendments and the bill be in accordance with the usual form.

Mr. JAVITS. Mr. President, I shall not object, but I wish to inquire about one or two things. First, that the amendments I shall offer shall all be considered to be germane to the bill as a part of the unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, I make that a part of the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Second, I believe—and I submit this to both of my colleagues—that time in opposition to the bill should be assigned to whoever opposes the bill. It should not be given to the manager on this side, as he also favors the bill. But I am perfectly willing, knowing Senator Case as I do, to let that apply to the amendments, as well. He and I will work that out.

Mr. CHURCH. I concur.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask the distinguished Senator from New York and the distinguished Senator from Idaho whether we should have in the agreement the provision with respect to germaneness?

Mr. JAVITS. Mr. President, if the Senator will yield, in my judgment I think that is very much the idea to get this thing done. It must be very clear that even under the rule of germaneness, every part of the bill would be open to amendment, including strike-outs. I do not know of any amendments contemporary to the bill that would be affected.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the agreement be in the usual form.

Mr. JAVITS. With the understanding, Mr. President, that the amendments I shall offer will be considered as being germane.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 2957, a bill relating to the activities of the Overseas Private Investment Corporation, debate on any amendment (except three amendments by the Senator from New York (Mr. Javits) on which there shall be 2 hours each) shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment to an amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the author of the amendment in the first degree; and debate on any debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That, in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane except the three amendments by the Senator from New York (Mr. Javits) to the provisions of the said bill shall be received.

Ordered further, That, on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Idaho (Mr. Church) and the Senator from New Jersey (Mr. Case).

Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

ORDER OF BUSINESS

Mr. PERCY. Mr. President, would the distinguished acting majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PERCY. Mr. President, as the Senator from New York knows, the Senator from Illinois has an engagement on tomorrow on a conference committee. I will try to meet my obligations and still be here for the consideration of the OPIC legislation.

It was my understanding that this legislation would be completed by 4 or 5 o'clock in the afternoon. However, if we take the full time allowed under the unanimous-consent requests, we would be later than that. Could the Senator from New York say how much time would be used before there would be a final vote?

Mr. JAVITS. Mr. President, the Senator from New York would be unable to say exactly when we would be through. However, I would do my best, being a very good friend of the Senator from Illinois, not to use time unnecessarily.

Mr. PERCY. Mr. President, with that assurance, taking into account that emergencies can always come along, I am satisfied.

ORDER FOR ADJOURNMENT TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PELL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Rhode Island (Mr. PELL) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS BIDEN AND ROTH ON WEDNESDAY, FEBRUARY 27, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Delaware (Mr. BIDEN) and the distinguished senior Senator from Delaware (Mr. ROTH) each be recognized for not to exceed 15 minutes and in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the distinguished Senator from Rhode Island (Mr. PELL) has been recognized, there be a period for the transaction of routine morning business for not to exceed 30 minutes with statements made therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 2957 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the routine morning business on tomorrow, the Senate resume the consideration of the Overseas Private Investment Corporation Amendments Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will convene at the hour of 11 a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Rhode Island (Mr. PELL) will be recognized; after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes with statements made therein limited to 5 minutes; at the conclusion of which the Senate will resume the consideration of S. 2957, the Overseas Private Investment Corporation Amendments Act, with time limitations thereon and on amendments thereto.

Yea-and-nay votes will occur on the amendments and on final passage tomorrow.

ADJOURNMENT TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 5:45 p.m., the Senate adjourned until tomorrow, Tuesday, February 26, 1974, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate February 25 (legislative day of February 19) 1974:

DEPARTMENT OF DEFENSE

M. David Lowe, of Texas, to be an Assistant Secretary of the Army, vice Carl S. Wallace, resigned.

U.S. POSTAL SERVICE

The following-named persons to be Governors of the U.S. Postal Service for the terms indicated:

For the remainder of the term expiring December 8, 1979:

Hayes Robertson, of Illinois, vice Patrick E. Haggerty, resigned.

For the term expiring December 8, 1982:

Robert Earl Holding, of Wyoming. (Reappointment)

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Walter T. Galligan, [redacted]FR (brigadier general, Regular Air Force) U.S. Air Force.

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be first lieutenant

Acker, Loren K., [redacted].
Ackerson, Mark I., [redacted].
Adams, Richard J., [redacted].
Airaghi, Robert F., [redacted].
Alexander, Ben L., [redacted].
Allen, Kirby E., [redacted].
Alley, Kenneth M., [redacted].
Amidei, Richard M., [redacted].
Anderson, Peter F., [redacted].
Anderson, Robert W., [redacted].
Andrews, Thomas H., II, [redacted].
Apland, Daniel P., [redacted].
Armstrong, Dan H., [redacted].
Armstrong, Ernie R., [redacted].
Armstrong, John D., Jr., [redacted].
Armstrong, Reese R., [redacted].
Arneson, Robert L., [redacted].
Arnold, Frank S., [redacted].
Arnold, Jack S., [redacted].
Arnold, Phillip B., [redacted].

Asher, Alan D., [redacted].
Ashey, Robert A., [redacted].
Ashton, Kent J., [redacted].
Atkins, Edward J., [redacted].
Atwood, Will G., III, [redacted].
Austin, Charles L., [redacted].
Autrey, Daniel L., [redacted].
Awerkamp, William J., [redacted].
Baber, Thomas D., [redacted].
Babin, Jeremiah S., [redacted].
Backman, Charles A., III, [redacted].
Bailey, James W., III, [redacted].
Baird, Michael L., [redacted].
Baker, Steven T., [redacted].
Bakko, Dennis G., [redacted].
Balbin, Bruce C., [redacted].
Baldwin, Charles G., [redacted].
Ball, John R., [redacted].
Balph, Robert D., II, [redacted].
Barchfeld, Carl F., Jr., [redacted].
Barnes, Edwin C., [redacted].
Barnes, William J., [redacted].
Barngrover, Keith W., [redacted].
Basile, James M., [redacted].
Baskett, Robert H., [redacted].
Baskett, Roger D., [redacted].
Bateman, Cecil M., [redacted].
Bateson, Robert B., [redacted].
Batterman, Thomas W., [redacted].
Batura, Thomas J., [redacted].
Bauer, David, [redacted].
Baxter, Leroy D., [redacted].
Beavers, Bruce M., [redacted].
Becker, David M., [redacted].
Becker, John D., [redacted].
Beckham, James D., Jr., [redacted].
Bedford, William A., [redacted].
Beery, Christopher E., [redacted].
Bell, Russell E., [redacted].
Bent, Ralph G., II, [redacted].
Berg, Dennis R., [redacted].
Berg, James C., [redacted].
Berger, William R., [redacted].
Bergren, Scott C., [redacted].
Bernard, John H., [redacted].
Bewley, David G., [redacted].
Bibb, Gene E., [redacted].
Bickler, Michael C., [redacted].
Bills, Thomas C., [redacted].
Binam, Gary B., [redacted].
Binkley, Eldon D., [redacted].
Bishop, Thomas J., [redacted].
Bisignand, Samuel J., [redacted].
Blaise, Melvin A., [redacted].
Bland, David F., [redacted].
Blankmann, Robert L., [redacted].
Blanton, Robert V., [redacted].
Blevins, Carl D., Jr., [redacted].
Blomquist, Thomas M., [redacted].
Blount, Richard T., [redacted].
Bock, Terry L., [redacted].
Bohlke, William H., [redacted].
Boling, Fred W., [redacted].
Bolstad, David A., [redacted].
Bondurant, Frederick N., [redacted].
Booher, John W., [redacted].
Booth, George R., [redacted].
Boughton, James P., [redacted].
Bowden, Lester B., III, [redacted].
Boyer, Earl R., [redacted].
Bradley, Alan R., [redacted].
Bradley, Richard G., [redacted].
Bradney, James M., [redacted].
Brady, Timothy S., [redacted].
Brake, Michael S., [redacted].
Brandt, Jeffrey L., [redacted].
Brann, Jeffrey L., [redacted].
Bremer, Kim D., [redacted].
Brenner, Richard L., [redacted].
Bricker, Steven B., [redacted].
Bridges, Timothy R., [redacted].
Brock, William B., [redacted].
Brooks, John P., [redacted].
Brooks, William C., [redacted].
Brooks, William W., Jr., [redacted].
Brown, Randall A., [redacted].
Brown, Richard E., [redacted].
Brown, Richard E., III, [redacted].
Brown, Robert L., [redacted].
Brunner, George J., [redacted].
Bryant, James M., [redacted].
Brye, Courtney W., [redacted].
Bubar, John H., [redacted].
Buch, Frank C., [redacted].
Buchanan, Gregory M., [redacted].
Buchholz, Robert J., Jr., [redacted].
Buck, Charles D., [redacted].
Buddenhagen, William W., [redacted].
Buescher, Paul A., [redacted].
Buhl, James F., [redacted].
Burbridge, Robert A., [redacted].
Burkhart, Buddy W., [redacted].
Burkhiser, Donald R., [redacted].
Burns, Francis A., Jr., [redacted].
Burrus, George I., [redacted].
Burton, Hal S., [redacted].
Bushman, Dennis M., [redacted].
Butcher, Howard S., [redacted].
Butler, Robert A., [redacted].
Buxton, Stephen R., [redacted].
Byars, William R., [redacted].
Caine, Steven A., [redacted].
Caldwell, Glenn A., Jr., [redacted].
Camacho, Jerry P., [redacted].
Campbell, Earnest C., [redacted].
Campbell, Larry W., [redacted].
Campbell, Louis V., III, [redacted].
Canfield, Bruce A., [redacted].
Cannon, Gary D., [redacted].
Cannon, Thombas E., [redacted].
Cantrell, Cecil B., Jr., [redacted].
Cantrell, George W., [redacted].
Caprez, Charles W., [redacted].
Carder, Lane E., [redacted].
Cardoza, Dennis J., [redacted].
Carlile, John D., [redacted].
Carlin, James M., [redacted].
Carlsen, Robert B., [redacted].
Carmen, John M., [redacted].
Carnethon, Carl A., [redacted].
Carpenter, Frederick S., [redacted].
Carpenter, James E., [redacted].
Carr, Richard G., [redacted].
Carroll, Lynn A., [redacted].
Carroll, Ronald D., [redacted].
Carroll, Warren B., [redacted].
Carruth, Michael B., [redacted].
Carter, Graham J., [redacted].
Carter, Milton J., [redacted].
Caruthers, John E., [redacted].
Casey, James R., [redacted].
Casteel, David R., [redacted].
Catchings, John P., [redacted].
Chambo, David A., [redacted].
Channel, Larry E., [redacted].
Chilcoat, Robert E., Jr., [redacted].
Childers, Henry D., [redacted].
Ching, Herman S. D., [redacted].
Christensen, Merlin L., [redacted].
Christensen, Neil C., [redacted].
Claiborne, Timoth J., [redacted].
Clark, Mark N., [redacted].
Clark, Defrance, III, [redacted].
Clary, Barney H., Jr., [redacted].
Clatanoff, Ramon D., [redacted].
Claytor, Willard N., [redacted].
Clem, James C., [redacted].
Clement, Robert A., [redacted].
Clements, George W., [redacted].
Clemons, Stanley G., [redacted].
Clounch, Mark R., [redacted].
Coakley, James R., [redacted].
Cochran, James C., [redacted].
Cockrum, Douglas M., [redacted].
Cohoon, Thomas D., [redacted].
Coker, James T., III, [redacted].
Cole, Willie E., [redacted].
Collson, Patrick J., [redacted].
Conn, Woodson T., [redacted].
Connelly, Robert, [redacted].
Cooper, Barry E., [redacted].
Corbett, William J., III, [redacted].
Cotner, Keith L., [redacted].
Covington, George M., III, [redacted].
Cox, Bruce L., [redacted].
Cox, James P., [redacted].
Craig, Roger C., [redacted].
Craighead, David J., [redacted].
Crandall, Bradford S., [redacted].
Crandall, Douglas G., [redacted].
Cretin, Stephen L., [redacted].
Crisp, Charles A., Jr., [redacted].
Crow, Ralph M., Jr., [redacted].
Crowe, Andrew M., [redacted].
Crowe, David C., [redacted].
Crowe, Lloyd E., [redacted].
Crozier, Jerry D., [redacted].
Crum, Gregory N., [redacted].
Cukjati, John J., Jr., [redacted].
Culbert, Thomas M., [redacted].
Culler, Lawrence A., [redacted].
Cummings, Hubert G., Jr., [redacted].
Cumpton, Kenneth W., [redacted].
Cunningham, Philip J., [redacted].
Czarkowski, Joseph F., [redacted].
Daigle, Howard J., Jr., [redacted].
Dalfiume, Elmer J., Jr., [redacted].
Dalrymple, Larry E., [redacted].
Dalton, Michael S., [redacted].
Dantzler, Bruce E., [redacted].
Davenport, Paul E., [redacted].
Davidson, Robert B., [redacted].
Davis, Cecil W., [redacted].
Davis, Craig E., [redacted].
Davis, Michael L., [redacted].
Davis, Phillip L., [redacted].
Davis, Thompson H., [redacted].
Davison, Michael A., [redacted].
Day, Donald J., [redacted].
Deason, James A., II, [redacted].
Deddens, Stephen G., [redacted].
Deller, Gerald R., [redacted].
Deluca, Dennis J., [redacted].
Desormey, Lee M., [redacted].
Deyoung, Mark M., [redacted].
Dick, Daniel M., [redacted].
Dickens, Thomas L., [redacted].
Dickman, Aloysius P., [redacted].
Dieckman, Dana M., [redacted].
Diehl, William C., [redacted].
Dietrich, Walter D., [redacted].
Dimmick, Charles I., [redacted].
Dixon, Gregory P., [redacted].
Dockstader, David L., [redacted].
Dodson, Michael L., [redacted].
Dorfler, Joseph F., [redacted].
Doria, Robin G., [redacted].
Doty, Robert G., [redacted].
Douroux, Robert W., [redacted].
Dove, Jesse C., [redacted].
Doyle, Gary L., [redacted].
Drack, Marshall N., [redacted].
Drake, Frederick M., [redacted].
Duenow, Mitchell M., [redacted].
Dugas, Albert L., [redacted].
Dullaghan, Owen T., [redacted].
Dunbar, Ralph E., Jr., [redacted].
Duncan, Jimmie R., [redacted].
Dunkin, Steve R., [redacted].
Dunlap, Graham P., [redacted].
Dunlop, Philip N., [redacted].
Dunn, Craig P., [redacted].
Dunn, Frederick D., [redacted].
Dunn, James C., III, [redacted].
Durand, Roger E., [redacted].
Earley, Robert N., [redacted].
Eastis, David W., [redacted].
Edens, David T. D., [redacted].
Edwins, William P., [redacted].
Eilers, Duane P., [redacted].
Eisenhart, Herbert F., Jr., [redacted].
Eittreim, Carlton C., [redacted].
Eklund, Danny E., [redacted].
Elliott, George M., [redacted].
Emilio, Joseph C., [redacted].
Ennis, Stephen W., [redacted].
Erckmann, Francis P., [redacted].
Estes, Roger E., [redacted].
Ethridge, Ronald A., [redacted].
Evans, Peter C., III, [redacted].
Evens, Thomas G., [redacted].
Fabio, Paul J., [redacted].
Fain, Michael E., [redacted].
Fallert, David M., [redacted].
Fetty, Curtis W., [redacted].
Fife, Dennis J., [redacted].
Finch, Ronald A., [redacted].
Fink, Michael E., [redacted].
Finlay, Thomas R., [redacted].
Finley, Frederick R., [redacted].
Fiorello, Joseph A., [redacted].
Fiorillo, Joseph A., Jr., [redacted].
Fisher, George A., [redacted].

Fleer, Robert D., [redacted].
Fleming, Edward L., [redacted].
Ford, William A., III, [redacted].
Forman, James L., [redacted].
Fosdick, John P., [redacted].
Foutch, Edward E., [redacted].
Frank, Richard T., [redacted].
Frazer, Gregory L., [redacted].
Frederickson, Steven M., [redacted].
Freeman, Joseph D., [redacted].
Frick, James C., [redacted].
Fullenkamp, Joseph D., [redacted].
Fuller, William G., Jr., [redacted].
Fusco, William G., [redacted].
Futoran, Carl R., [redacted].
Gambrell, Ronald S., [redacted].
Ganske, Frederick C., [redacted].
Georis, Victor C., Jr., [redacted].
Geiger, Lyle D., [redacted].
Gibbs, Charles E., III, [redacted].
Gilbert, Gerald P., [redacted].
Gilch, Charles E., Jr., [redacted].
Gillespie, Thomas F., [redacted].
Gilmore, Michael E., [redacted].
Girod, Franklin P., Jr., [redacted].
Glaser, David R., [redacted].
Glass, John L., [redacted].
Glazener, Charles U., [redacted].
Glazener, Wayne H., [redacted].
Glenn, David C., [redacted].
Goetsch, Martin L., [redacted].
Goodale, Jerome A., [redacted].
Goode, Douglas K., [redacted].
Gordon, Carl F., [redacted].
Gordon, Wallace F., Jr., [redacted].
Gotcher, Jack R., [redacted].
Gough, Carl M., Jr., [redacted].
Gravagne, Anthony M., [redacted].
Gray, Frank A., [redacted].
Gray, Ronald D., [redacted].
Grayson, Marshall A., [redacted].
Green, Gary R. [redacted].
Grega, Joseph V., [redacted].
Gregory, Steven O. [redacted].
Griffin, Thomas M., [redacted].
Griffin, William T., [redacted].
Griffiths, Raymond E., [redacted].
Griggers, Keat, [redacted].
Grinder, Joseph B., [redacted].
Grissom, Jimmie W., III., [redacted].
Gross, Walter F., [redacted].
Guess, Curtis N., [redacted].
Gurtcheff John H., [redacted].
Guyton, Terry A., [redacted].
Haggard, Herman G., III., [redacted].
Hale, Gary C., [redacted].
Hall, David R., [redacted].
Halstead, Ronald G., [redacted].
Ham, William E., Jr., [redacted].
Hamm, John L., [redacted].
Hammaker, Richard W., [redacted].
Hand, George E., [redacted].
Handley, David L., [redacted].
Hann, David E. [redacted].
Hansberger, Thomas L., [redacted].
Hansen, Richard J., [redacted].
Hansen, Russell E., [redacted].
Hanson, Theodore L., Jr., [redacted].
Hardin, Douglas L., [redacted].
Hargrove, Daniel W., [redacted].
Harms, Larry R., [redacted].
Harris, Robert L., [redacted].
Harrison, William D., [redacted].
Hartmann, Robert C., Jr. [redacted].
Hastey, Ernest L., [redacted].
Haurey, Thomas F., [redacted].
Haus, Daniel L., [redacted].
Havas, Robert T., [redacted].
Haydon, Douglas S., [redacted].
Hazel, George A., Jr. [redacted].
Heggemeier, Terry P., [redacted].
Heintze, William J., [redacted].
Hemingway, Terry L., [redacted].
Henderson, Charles G., [redacted].
Hendricks, David L., [redacted].
Hendricks, Paul M. III, [redacted].
Henley, Randall F., [redacted].
Hennings, Walter T., [redacted].
Henrichsen, David V., [redacted].
Henry, Raymond G., Jr., [redacted].
Henry, Ronald A., [redacted].
Henson, Richard A., [redacted].
Heslep, Billy E., [redacted].
Hester, James R., [redacted].
Hicks, James G., [redacted].
Hicks, Raymond P., Jr., [redacted].
Hickson, John R., [redacted].
Hidenfelter, Kenneth J., [redacted].
Higbee, Mark W., [redacted].
Hill, Albert R., Jr., [redacted].
Hill, Gordon J., [redacted].
Hitchcock, Christopher B., [redacted].
Hix, Richard B., [redacted].
Hoffman, Steven S., [redacted].
Holland, Michael T., [redacted].
Holland, Robert L., [redacted].
Holland, Rodney V., [redacted].
Holley, Donald R., [redacted].
Holley, William A., [redacted].
Hopkins, Frederick T., III, [redacted].
Hornack, Robert A., [redacted].
Houck, Richard B., [redacted].
Hough, Henry A., [redacted].
Houle, Thomas W., [redacted].
Houser, Richard S., [redacted].
Howell, John M., [redacted].
Hudson, Reginald E., [redacted].
Huinker, Jon T., [redacted].
Hummer, Daniel H., [redacted].
Humhreys, Michael E., [redacted].
Huseby, John L., Jr., [redacted].
Huss, Frederick L., [redacted].
Hussey, James M., [redacted].
Hutfles, Joseph E., [redacted].
Ickes, Charles V., II, [redacted].
Iffland, John E., [redacted].
Ihle, Jack C., [redacted].
Inman, Ralph R., [redacted].
Insley, Lewis B., [redacted].
Irwin, John O., [redacted].
Jahns, Robert L., [redacted].
Janetos, Jahn H. [redacted].
Jankowski, William L., [redacted].
Jensen, Harry L., [redacted].
Jessup, James J., [redacted].
Jewel, Joseph M., [redacted].
Jewkes, Scott D., [redacted].
Johns, William E., [redacted].
Johnson, Andrew L. [redacted].
Johnson, David E., [redacted].
Johnson, David R., [redacted].
Johnson, Harry W., [redacted].
Johnson, Jerome L. [redacted].
Johnson, John C., [redacted].
Johnson, Laird R., [redacted].
Johnson, Lance E., [redacted].
Johnson, Jeffrey M., [redacted].
Jones, Garland E., [redacted].
Jordan, Jonathan G., [redacted].
Judson, David S., [redacted].
Julsen, Douglas M., [redacted].
Jung, James R., [redacted].
Kadish, Ronald T., [redacted].
Kafel, Leslie M., [redacted].
Kalish, Gerald B., [redacted].
Karraker, Kenneth W., [redacted].
Kasten, Gerald L., [redacted].
Kaufman, Stuart M., [redacted].
Kearns, Christopher L., [redacted].
Keck, James E., [redacted].
Keith, John I., [redacted].
Kemmer, William J., [redacted].
Kendall, Robert R., [redacted].
Kendrick, James F., [redacted].
Kenley, Charles B., Jr., [redacted].
Kennedy, James P., [redacted].
Kerkhoff, John M., [redacted].
Kight, Leonard R., [redacted].
Kiley, Robert J. T., Jr., [redacted].
Kilsheimer, James P., [redacted].
King, Frederick B., Jr., [redacted].
King, Michael G., [redacted].
King, Steven D., [redacted].
King, Wayne J., [redacted].
Kingsbery, Harry G., [redacted].
Kirry, John C., [redacted].
Kjelstrom, Kent C. [redacted].
Klopp, John F., [redacted].
Kneen, George H., III, [redacted].
Knox, Robert M., [redacted].
Kobarg, Rudolph J., Jr., [redacted].
Koehn, Larry N., [redacted].
Korpi, James N., [redacted].
Kostelnik, Michael C., [redacted].
Kozij, Stanley J., [redacted].
Kraner, David R., [redacted].
Kraus, James M., [redacted].
Krause, Gary R., [redacted].
Kraut, Leon A. [redacted].
Kreidler, Bruce E. [redacted].
Krempel, Donald M., [redacted].
Kroboth, Francis E., II, [redacted].
Kruger, Leroy L., [redacted].
Kuhl, Ronald L., [redacted].
Kunce, Ralph D., [redacted].
Labadorf, Harry A., [redacted].
Lagerlund, Stephen R., [redacted].
Laird, Author, [redacted].
Lamb, Ronald R., [redacted].
Lambert, Alan K., [redacted].
Lamkin, Kenneth A., [redacted].
Lamont, Raymond A., [redacted].
Lane, Richard M., [redacted].
Lane, Thomas B., [redacted].
Langenfeld, Ronald F., [redacted].
Lanier, Richard G., [redacted].
Laplante, John M., [redacted].
Larson, Kenneth A., [redacted].
Lasko, George A., [redacted].
Latham, William I., Jr., [redacted].
Laudan, Charles J., [redacted].
Lawley, Michael L., [redacted].
Lawrence, David A., [redacted].
Lawrence, David A. [redacted].
Lawrence, Robert I., [redacted].
Lawson, William H., [redacted].
Lazar, Terrence W., [redacted].
Leard, Kenneth G., [redacted].
Leblanc, Joseph T., [redacted].
Lee, Eric L. A., [redacted].
Legrand, William M., [redacted].
Leikam, Michael E., [redacted].
Leiker, Michael H. [redacted].
Lenhart, Thomas G., [redacted].
Lentz, Richard A., [redacted].
Levan, Dennis C. [redacted].
Levy, Douglas D. [redacted].
Lewis, David D. [redacted].
Lieberherr, John W., [redacted].
Limbird, Michael A., [redacted].
Litke, Keith, A. [redacted].
Litzsinger, Gary R., [redacted].
Lochausen, Marshall E., [redacted].
Lofstedt, Jerry B. [redacted].
Longenette, Lowell W., [redacted].
Lonneman, Daniel R., [redacted].
Loveland, Carl, [redacted].
Loveless, Charles E., [redacted].
Lowery, Robert W., [redacted].
Lowry, James B., [redacted].
Lowry, Lionel L., III [redacted].
Lucas, James L., Jr., [redacted].
Luce, John R. [redacted].
Lukes, John W. [redacted].
Lupolt, Randall W., [redacted].
Luther, Ronald E. [redacted].
Maclachlan, David W., [redacted].
Macneill, Allen F. [redacted].
Mahen, Edward C., Jr., [redacted].
Malarkey, William T., [redacted].
Malerba, Robert J., [redacted].
Malkiewicz, Jeffry E., [redacted].
Malloy, Douglas G., [redacted].
Maloney, Michael, [redacted].
Markle, John D., [redacted].
Marotz, Wayne E., [redacted].
Martens, Robert T., [redacted].
Martin, Millard P., III, [redacted].
Martin, Stephen R., [redacted].
Martin, Thomas E., [redacted].
Martindale, Chester C., [redacted].
Martindell, Richard L., [redacted].
Martine, Denton L., [redacted].
Martinelli, Robert J., [redacted].
Mask, James M., [redacted].
Mason, Frank R. Jr., [redacted].
Mast, James D., [redacted].
Mathis, Paul D., [redacted].
Matol, John R., [redacted].
Matthews, Joseph E., [redacted].
Matthews, Michael M., [redacted].
Maulhardt, Lynn E. [redacted].
Maxey, Ronald D., [redacted].

Mayes, Marvin S., [redacted].
Mays, Christopher D., [redacted].
McCarthy, James F., [redacted].
McCaskill, Larry D., [redacted].
McCauley, Timothy J., [redacted].
McClellan, Douglas F., Jr., [redacted].
McCloud, Gary R., [redacted].
McCoppin, Dennis E., [redacted].
McCord, David M., [redacted].
McCoy, Thomas E., [redacted].
McCrary, Bob B., [redacted].
McCurrach, David B., [redacted].
McDonald, James C., [redacted].
McElroy, Craig A., [redacted].
McFall, Craig H., [redacted].
McGuire, Rutherford T., [redacted].
McNabb, John M., Jr., [redacted].
McPhillips, Edward F., Jr., [redacted].
McPhillips, Henry A., Jr., [redacted].
Meador, Cecil R., [redacted].
Meginness, Mark S., [redacted].
Mehew, Bill R., Jr., [redacted].
Meier, Kenneth L., [redacted].
Mellum, David W., [redacted].
Merrill, Hugh J., [redacted].
Merrill, James F., Jr., [redacted].
Merrill, James H., [redacted].
Merrill, Thomas L., [redacted].
Messina, John A., [redacted].
Messuri, Philip J., [redacted].
Miano, Joseph J., [redacted].
Miles, Cam O., Jr., [redacted].
Miles, Norman B., [redacted].
Miller, Robert E., [redacted].
Miller, Stephen A., [redacted].
Miller, William A., [redacted].
Milner, Robert H., [redacted].
Mims, Eddie R., Jr., [redacted].
Mims, Robert P., [redacted].
Minton, John T., [redacted].
Mirehouse, Richard T., [redacted].
Monjo, Clive, G., [redacted].
Mooney, William O., [redacted].
Moore, Carver, [redacted].
Moore, John C., III, [redacted].
Moore, Ronald M., [redacted].
Moran, Patrick M., [redacted].
Morehead, Gary J., [redacted].
Morgan, Steven N., [redacted].
Morgan, William S., III, [redacted].
Morrell, James W., [redacted].
Morrison, Frederick M., Jr., [redacted].
Morrow, Edward G., III, [redacted].
Morton, Richard L., [redacted].
Muchow, Jeffrey P., [redacted].
Mueller, Clifford P., [redacted].
Mullery, Richard, [redacted].
Munguia, William B., [redacted].
Munson, Bruce E., [redacted].
Murphy, James L., [redacted].
Murray, Scott B., [redacted].
Mychalishyn, John, [redacted].
Nance, John J., [redacted].
Nanney, Charles W., [redacted].
Natiello, Victor S., [redacted].
Naughton, John P., [redacted].
Neal, Steven J. [redacted].
Neet, Wayne D., [redacted].
Neilsen, Steven A., [redacted].
Nelson, Stewart V., [redacted].
Nemeckay, Charles P., [redacted].
Nesmith, Thomas H., Jr., [redacted].
Nesz, Richard H., [redacted].
Nielson, Gregg R. [redacted].
Niksch, Richard A., [redacted].
Norris, James A. [redacted].
Nothelfer, John C., [redacted].
Nottingham, Ellis T., Jr., [redacted].
Novak, Thomas R., [redacted].
O'Brien, Kenneth J., [redacted].
Oglesby, Tommie D. [redacted].
Olson, David H. [redacted].
Olson, Nils R. [redacted].
Olson, Robert R., [redacted].
Ortiz, Reynaldo, Jr., [redacted].
Osborne, George R., [redacted].
Osborne, Richard J., [redacted].
Owens, Charles W., [redacted].
Page, Wayne B., [redacted].
Parada, Charles A., [redacted].
Parkman, Larry D., [redacted].
Parks, Thomas I., III, [redacted].
Parrish, Thomas C., [redacted].
Parry, James C., [redacted].
Parsell, William F., Jr., [redacted].
Parsons, Dwight L., II, [redacted].
Patterson, Jack D., [redacted].
Patton, William D., [redacted].
Payne, Carl G., Jr., [redacted].
Pearson, Michael W., [redacted].
Pearson, Wilbert D., Jr., [redacted].
Peden, Houston A., Jr., [redacted].
Pehoviack, Richard D., [redacted].
Penny, Robert H., [redacted].
Perkins, Curtis E., [redacted].
Perry, David G., [redacted].
Perry, Robert W., [redacted].
Peterman, Robert W., [redacted].
Petersen, Mark W., [redacted].
Petersen, Robert M., [redacted].
Pfeil, Dennis L., [redacted].
Phelan, Roger E., Jr., [redacted].
Phelps, David A., [redacted].
Pingel, Stephen R. [redacted].
Pisano, Louis C., [redacted].
Pitts, Uel E., II, [redacted].
Plummer, Ralph W., Jr., [redacted].
Poe, James A., [redacted].
Poland, James J., II, [redacted].
Poor, Edward J., II, [redacted].
Popelka, Stephen R., [redacted].
Poronsky, John A., Jr., [redacted].
Poulin, Allan R., [redacted].
Pounds, Earl J., III, [redacted].
Powell, Raymond E., [redacted].
Prather, John L., [redacted].
Pratt, Franklin L., [redacted].
Pratt, John B., [redacted].
Pratz, James W [redacted].
Price, Myron R., [redacted].
Price, Richard M., [redacted].
Price, William J., [redacted].
Priebe, Glenn C., [redacted].
Profitt, Alan R., [redacted].
Prokop, Jerome, Jr., [redacted].
Prus, Richard E., [redacted].
Psota, Roger A. [redacted].
Pyle, Roger L., [redacted].
Quarrie, Brian P., [redacted].
Rampton, Robert B., [redacted].
Raper, Jerry M., [redacted].
Ratcliff, Michael D., [redacted].
Rauschenbach, William A., [redacted].
Reed, William L., [redacted].
Reeves, Michael G., [redacted].
Rettammel, Ellsworth F., [redacted].
Reynolds, Robert E., Jr., [redacted].
Reynolds, Steven F., [redacted].
Rhoades, Mark G. [redacted].
Rhymers, Craig A., [redacted].
Rice, Gregg P., [redacted].
Richard, John J., Jr., [redacted].
Richardson, Jerry L., [redacted].
Rickerd, David M., [redacted].
Rickman, Harold M., [redacted].
Riedie, John H., Jr., [redacted].
Rieland, Steven C. [redacted].
Rikli, Charles A., [redacted].
Ring, Steven L. [redacted].
Rix, John W. H. [redacted].
Roach, Michael P., [redacted].
Roan, Thomas P., [redacted].
Roberts, William R., Jr., [redacted].
Robicheaux, James C., [redacted].
Robinson, Ian E., [redacted].
Robinson, Kenneth D., Jr., [redacted].
Robinson, Robert H., II, [redacted].
Robinson, William L., [redacted].
Rocklein, Richard E., [redacted].
Rodarte, Ruben J., [redacted].
Roehm, Francis T., [redacted].
Rogers, Danny R., [redacted].
Rognlien, Loren C. [redacted].
Roscoe, Lawrence C., [redacted].
Rourke, Keith A., [redacted].
Roverud, Gregory A., [redacted].
Rowen, Ronald D. [redacted].
Rowland, Donnie R., [redacted].
Rozneck, Paul E. [redacted].
Ruefer, Kenneth K., [redacted].
Rundle, Gary R., [redacted].
Rushing, Paul M., [redacted].
Ryan, Dennis K., [redacted].
Ryan, Harold M., [redacted].
Sackett, Jeffrey R., [redacted].
Salva, Robert J., [redacted].
Sandro, Stewart T., [redacted].
Savage, Frank H., [redacted].
Saville, Ronald [redacted].
Saxon, David D., [redacted].
Schack, Edward J., [redacted].
Schaefer, Robert B., [redacted].
Schaffnit, Theodore W., [redacted].
Schaub, Dale W., [redacted].
Schindele, Kenneth H., [redacted].
Schneider, Carl W., [redacted].
Schoen, Richard L., [redacted].
Schoenfeld, Michael W., [redacted].
Schrimsher, Joel, [redacted].
Schwab, Allen N., [redacted].
Schwarz, Kenneth G., [redacted].
Schwebel, Edward G., Jr., [redacted].
Schwedler, James M., [redacted].
Schweiss, Jerry A., [redacted].
Scoggins, George F., Jr., [redacted].
Scott, Robert R., [redacted].
Scott, William A., [redacted].
Seagle, Samuel G., [redacted].
Sevick, George L., [redacted].
Seward, William M., Jr., [redacted].
Sexton, Terrence D., [redacted].
Sfeir, John D. [redacted].
Shatzel, Richard D. [redacted].
Shaw, Edward D., III, [redacted].
Shearer, Michael J., [redacted].
Sheffield, Michael S., [redacted].
Shields, George I., [redacted].
Shiffer, Jeffrey C., [redacted].
Shoemaker, David W., Jr., [redacted].
Shoemaker, Steven R., [redacted].
Shorock, Paul T., [redacted].
Shrock, Herbert V., Jr., [redacted].
Shubert, Jerry J., [redacted].
Shull, Stephen C., [redacted].
Shurskis, James R., [redacted].
Siddall, Robert Y., Jr., [redacted].
Simmons, Richard E., [redacted].
Simpson, George T., [redacted].
Slaughter, Robert L., [redacted].
Slavicek, James C., [redacted].
Slusar, James E., [redacted].
Smith, Daryal B., [redacted].
Smith, George R., [redacted].
Smith, Kent G., [redacted].
Smith, Lamar C. [redacted].
Smith, Lance L., [redacted].
Smith, Larry F. [redacted].
Smith, Leighton L., [redacted].
Smolen, Michael F., [redacted].
Snapp, Frank H. [redacted].
Snyder, Dean A., Jr. [redacted].
Sommervold, Myron A., [redacted].
Souther, Albert E., Jr., [redacted].
Sovich, James G., [redacted].
Sparks, Charles M., Jr., [redacted].
Speer, David M. [redacted].
Speidel, Robert J. [redacted].
Stamm, Leon A. [redacted].
Stark, Richard H., [redacted].
St Clair, James C. [redacted].
Steel, David S., [redacted].
Steele, Don M., [redacted].
Stegemiller, Kenneth L., [redacted].
Stein, Joseph C., [redacted].
Steincamp, Erwin, [redacted].
Steinriede, Martin B., III, [redacted].
Stevens, William E. [redacted].
Stewart, James T., III, [redacted].
Stieber, James E. [redacted].
Stillwaugh, Terry J., [redacted].
Stilwell, George H., [redacted].
Stinson, Thomas V., Jr., [redacted].
Stymans, Richard P., [redacted].
Sumner, James M., [redacted].
Sutton, Ernest B., [redacted].
Sutton, John E [redacted].
Sweeney, Edward, [redacted].
Sweeney, Thomas P., [redacted].
Swindle, Thomas O., [redacted].
Swofford, John C., [redacted].
Syrcle, Richard T., [redacted].

Tarrant, George S., [redacted].
Tatum, Harry G., [redacted].
Taylor, Gary C., [redacted].
Taylor, James E., [redacted].
Taylor, Richard E., Jr., [redacted].
Taylor, Steve L., [redacted].
Taylor, Terry J., [redacted].
Tefteller, William R., [redacted].
Tegtmeier, John R., [redacted].
Thias, William E., [redacted].
Thigpen, Norman B., [redacted].
Thomlinson, William E., [redacted].
Thompson, Joseph E., Jr., [redacted].
Thompson, Michael M., [redacted].
Thorpe, Charles E., Jr., [redacted].
Thrower, Todd W., [redacted].
Tobler, Merlin D., [redacted].
Todd, Kerry M., [redacted].
Tomlinson, Cecil J., [redacted].
Topel, Robert W., [redacted].
Torti, Robert E., [redacted].
Tower, Bertram B., Jr., [redacted].
Trent, Stephen E., [redacted].
Trudell, Gerald L., [redacted].
Tuck, James M., [redacted].
Tullier, John D., [redacted].
Tullius, Paul A., [redacted].
Tyra, Dennis J., [redacted].
Ussery, James M., Jr., [redacted].
Vahle, Gregory J., [redacted].
Vanecek, Fred J., [redacted].
Vankirk, Rodney W., [redacted].
Vanmeter, Kenneth D., [redacted].
Vannamen, Charles L., [redacted].
Vanness, James H., [redacted].
Vanorsdol, Fred G., [redacted].
Velle, Victor L., [redacted].
Vermillion, Byron N., [redacted].
Viviano, Charles J., Jr., [redacted].
Vonberge, Gerald C., [redacted].
Voss, Dennis L., [redacted].
Wagner, Okey B., [redacted].
Waldeck, Ralph S., [redacted].
Walker, Dale A., [redacted].
Walker, James W., [redacted].
Wall, Steven E., [redacted].
Waller, Alton S., [redacted].
Ward, Roger A., [redacted].
Watley, James M., [redacted].
Watson, George D., [redacted].
Watson, William L., [redacted].
Watt, Nephi C., [redacted].
Watt, Wayne F., [redacted].
Watts, Charles D., [redacted].
Webb, James T., [redacted].
Webb, Stephen R., [redacted].
Weeks, Donald, [redacted].
Weiler, Richard E. [redacted].
Welde, Stephen W., [redacted].
West, Roger A. [redacted].
Weyer, Wayne E., [redacted].
White, Jay R., [redacted].
White, Johnnie M., [redacted].
White, Lawrence A., [redacted].
White, William D., [redacted].
Whiteman, Robert E., [redacted].
Whittenberg, Charles D., [redacted].
Whitworth, Michael S., [redacted].
Wiechmann, Alan E., [redacted].
Wildman, Steven M., [redacted].
Wilk, William G., [redacted].
Willcox, Raymond C., [redacted].
Wille, Frank B., [redacted].
Williams, Dennis R., [redacted].
Williams, George N., [redacted].
Williams, John B., III, [redacted].
Williams, Lonnie R., [redacted].
Williams, Robert O., [redacted].
Williamson, Gary C., [redacted].
Williston, Edward B., [redacted].
Wills, Gary M., [redacted].
Willson, Robert J., [redacted].
Wilmshurst, Frederick B., Jr., [redacted].
Wilson, Robert P., [redacted].
Wilson, Steven G., [redacted].
Wilt, Nelson R., [redacted].
Windler, John E., [redacted].
Winter, Ronald A., [redacted].
Witt, Leonard E., III, [redacted].
Wood, Chester A., [redacted].
Woody, William B., [redacted].
Wortham, James O., Jr., [redacted].
Wright, Frank B., [redacted].
Wright, Wesley D., [redacted].
Wyatt, Johnny L., Jr., [redacted].
Yaffe, Robert J. [redacted].
Yoshimoto, Ernie M., [redacted].
Young, Clifford E., III, [redacted].
Young, William B., Jr., [redacted].
Zahrt, Marcus L., [redacted].
Zell, Richard E., [redacted].
Ziener, Robert A., [redacted].
Zimmerman, Wesley G., [redacted].
Zink, John W., [redacted].

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captain (medical)

Meyer, George W., [redacted].
Wanerka, Gary R., [redacted].

To be captain (nurse)

Satterley, Daniel B., [redacted].

In the Army

The following-named persons for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel, Regular Army and colonel, Army of the United States

Duke, Russell A. [redacted].
Humphrey, James B., [redacted].

To be captain, Regular Army and captain, Army of the United States

Crane, Matthew J., [redacted].

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3284:

To be major

Bugay, Glenn L., [redacted].
Quatannens, Louis S., [redacted].

To be captain

Bode, Donald D., Jr., [redacted].
Eckert, Richard E., [redacted].
Shegog, James H., [redacted].
Traylor, John A., [redacted].
Young, Timothy R., [redacted].

To be first lieutenant

Blakeslee, Don B., [redacted].
Blaney, Thomas D., [redacted].
Copley, John B., [redacted].
Curl, Walton W., [redacted].
Gandy, Charles E. III, [redacted].
Guinn, John W. III, [redacted].
Hansen, Mark F., [redacted].
Hayes, Brian E., [redacted].
Harne, Daniel W. III, [redacted].
Jones, Robert P., [redacted].
Mason, Richard M., [redacted].
Mooney, Darrel L., [redacted].
Moser, Richard P., Jr., [redacted].
Omeara, Thomas F., [redacted].
Pryor, James E., [redacted].
Roberts, Herbert R., [redacted].
Rollow, John A. IV, [redacted].
Rucker, Tinsley W., [redacted].
Ryan, John B., [redacted].
Schroeder, David E., [redacted].
Smith, David S., [redacted].
Warncke, Ronald M., [redacted].
Wheeler, Bruce R., [redacted].

To be second lieutenant

Moore, John W. M., [redacted].
Roden, William C., [redacted].

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be captain

Albee, Donna J., [redacted].
Alderson, Gerald L., [redacted].
Antonini, Charles J., [redacted].
Arnold, Joseph V., [redacted].
Badger, Gary R., [redacted].
Bailey, Mary A., [redacted].
Baker, Kim J. [redacted].
Beauchamp, Roy E., [redacted].
Brillant, Eugene G., [redacted].
Brockschmidt, Fredric R., [redacted].
Cavaness, George R., [redacted].
Coats, Jacqueline W., [redacted].
Cuddy, John J., [redacted].
Divalentin, Anthony, III, [redacted].
Duckworth, James H., [redacted].
Furukawa, Theodore P., [redacted].
Gabriel, Donald E., [redacted].
Gensler, Ivonna, [redacted].
Hamilton, Robert A., Jr., [redacted].
Heacock, Edgar J., [redacted].
Houston, Brice E., [redacted].
Johnson, Ralph G., III, [redacted].
Johnson, Sandrah W., [redacted].
Lewis, John C., [redacted].
McGarry, Ann D., [redacted].
McManus, Michael D., [redacted].
McQuade, Michael Jr., [redacted].
Metcalf, Franklin L., [redacted].
Moore, Earnest R., [redacted].
Moses, Morris H., [redacted].
Pohlmann, Bernard H., [redacted].
Pope, Joe T., [redacted].
Rankin, Andrew W., [redacted].
Robertson, David H., [redacted].
Schmidt, William, J., Jr., [redacted].
Staley, David H., Jr., [redacted].
Stankewitz, Charles G., [redacted].
Taylor, William S., [redacted].
Wehner, Robert J., [redacted].
Werner, Joan D., [redacted].
White, John R., [redacted].

To be first lieutenant

Anna, David Jr., [redacted].
Barrows, Paul L., [redacted].
Bednar, Carolyn S., [redacted].
Bell, Deborah A., [redacted].
Berry, George E., [redacted].
Birdsell, Carol J., [redacted].
Bories, Robert F., [redacted].
Buchheit, Joseph D., [redacted].
Bush, James D., [redacted].
Byrum, James W., [redacted].
Callan, Thomas E., [redacted].
Carr, Lawrence R., [redacted].
Dickerson, Michael D., [redacted].
Dismukes, Julian M., III [redacted].
Dixon, Ernestine, [redacted].
Ellis, Ida R., [redacted].
Foster, Jean A. [redacted].
Franz, David R., [redacted].
Gaskill, Galynn E., [redacted].
Geothals, Gerald B., [redacted].
Graski, Susan L., [redacted].
Griffith, Harold L., [redacted].
Guttman, Linda, [redacted].
Haas, Larry D. [redacted].
Hamparian, Phyllis B., [redacted].
Herget, Craig N., [redacted].
Irons, Margaret J., [redacted].
Iungerich, Larry R., [redacted].
Jeglijewski, Judith M., [redacted].
Kehrer, James E., [redacted].
Kobasa, Daniel W., [redacted].
Kucera, Raymond P., [redacted].
Lambert, Alan E., [redacted].
Lewis, Jane L., [redacted].
Mader, Roy M., [redacted].
Maloney, John J., [redacted].
Meade, Francis J., [redacted].
Melson, James R., [redacted].
Muldoon, Terrance, [redacted].
Mullins, Maureen, [redacted].
Muschewske, Robert C., [redacted].
Muskovin, Marie L., [redacted].
Newton, William G., [redacted].
Norris, Jimmy A., [redacted].
Norvell, Charles D., [redacted].
Oneal, Georgia W., [redacted].

Padden, Terrance J., [redacted].
Puett, Leonard R., Jr., [redacted].
Puhlman, Richard J., [redacted].
Robbins, James H., [redacted].
Ross, Patricia W., [redacted].
Russell, Gladys H., [redacted].
Schoener, Linda M., [redacted].
Smith, Ben E., [redacted]
Smith, Pamela A., [redacted].
Specht, James, [redacted].
Stewart, Patricia L., [redacted].
Story, Dennis C., [redacted].
Strzelecki, Lorna R., [redacted].
Sweeney, Jane K., [redacted].
Swinger, Gary L., [redacted].
Trammell, Alan R., [redacted].
Tudor, William A., [redacted].
Tutt, James T., [redacted].
Vaught, Richard D., [redacted].
Wall, Evelyn L., [redacted].
Weaver, George, [redacted].
Webb, Joseph G., Jr., [redacted].
Wier, Carolyn R., [redacted].
Wika, Judith C., [redacted].
Wong, Elena Y. H., [redacted].

To be second lieutenant

Anderson, Timothy D., [redacted].
Boggess, George H., [redacted].
Corbin, Kathleen C., [redacted].
Daigle, Wade W., [redacted].
Edgecomb, Barbara L., [redacted].
Frank, Robert L., [redacted].
Gallaway, Barbara S., [redacted].
Maltas, Judy L., [redacted].
Menard, Edward J., [redacted].
Prucha, James F., [redacted].
Sadler, Freida J., [redacted].
Skaggs, Terree L., [redacted].
Sparks, Glenn E., Jr., [redacted].
Sullivan, Candice J., [redacted].
Taddiken, Patricia F., [redacted].
Walsh, Darleen F., [redacted].
Whitehead, David E., [redacted].

IN THE MARINE CORPS

The following named officers of the Marine Corps for permanent appointment to the grade of colonel:

Vincent A. Albers, Jr.
Dan C. Alexander
Terence M. Allen
James O. Allison
Warren L. Ammentorp
Francis Andriliunas
Kermit W. Andrus
Earl W. Bailey
Glen H. Barlow
William D. Bassett, Jr.
Harold L. Blanton, Jr.
Nicholas K. Bodnar
James R. Bowser, Jr.
John R. Braddon
Albert E. Brewster, Jr.
George L. Bruser
William E. Buckon
Richard R. Burritt
Guy R. Campo
Robert L. Christian, Jr.
David A. Clark
John W. Clayborne
Charles W. Collier
James K. Coody
Gorton C. Cook
George B. Crist
Richard L. Critz
James L. Day
Joseph Deprima
John J. Donahue
Philip J. Dooley
Alfred N. Drago
Daniel M. Duffield, Jr.
Ronald P. Dunwell
Ronald P. Eckmann
Hans G. Edebohls
Donald J. Fulham
Samuel J. Fulton
Donald L. Gaut
Paul K. German, Jr.
Richard O. Gillick
Dwayne Gray
Edward F. Grayson, Jr.
Macdonald Greer
Thomas L. Griffin, Jr.
Harry T. Hagaman
Robert G. Haggard
John B. Harris
Herbert M. Hart
Richard E. Hawes, Jr.
Francis J. Heath, Jr.
Howard R. Henn
Donald H. Hildebrand
Charles W. Hoffner
John S. Hollingshead
Robert C. V. Hughes
John W. Irion, Jr.
Maurice H. Ivins, Jr.
Paul G. Janssen
Malcolm S. Jolley, Jr.
Chester T. Jones
Raymond H. Kansler
Floyd A. Karker, Jr.
John J. Keefe
Robert J. Keller
James P. King
Frank R. Koethe
Charles R. Kucharski, Jr.
Richard A. Kuci
Ray G. Kummerow
Leo J. LeBlanc, Jr.
Robert W. Lewis
George G. Long
Theodore J. Lutz, Jr.
Robert J. Lyons
Joseph A. MacInnis
Robert E. McCamey II
Robert W. McInnis
Roland D. McKee
Walter J. McManus
Don A. Mickle
Robert J. Mulle
Robert L. Milbrad
Richard G. Moore
Thomas R. Morgan
Wendell P. Morgenthaler
James H. Olds
Evan L. Parker, Jr.
James R. Penny
Horacio E. Perea
Rhys J. Phillips, Jr.
Gerald H. Polakoff
Ronald M. Proudfoot
Thomas M. Reedy
William E. Riley, Jr.
George H. Ripley
John F. Roche III
J. W. P. Robertson
Dale W. Sanford
Melvin H. Sautter
Lawrence R. Seamon
Roy A. Seaver
Rufus A. Seymour
James L. Shanahan
William F. Sheehan
Arthur B. Shilan
Eugene E. Shoults
John D. Shoup
Don J. Slee
Melvin J. Steinberg
Robert E. Switzer
Richard D. Taber, Sr.
Wylie W. Taylor, Jr.
Stanley G. Tribe, Jr.
Billy F. Visage
Carroll R. Vorgang
Anthony G. Waite
Phillip C. Walker
Vonda Weaver
Joseph K. Weiland
William Weise
George M. Wilson
Rondell K. Wood

The following named officers of the Marine Corps Reserve for permanent appointment to the grade of colonel:

Millard S. Abbott
William J. Alford
Allen M. Andreasen
Raymond R. Bareis
Kenneth D. Barnes
William H. Berry III
Arthur F. Boland
Alvin W. Bowen
James F. Burke, Jr.
William R. Bremer
Clifford J. Brenner
John H. Broujos
Walter J. Bryson III
John L. Caldwell
J. A. Cameron
John C. Chandler, Jr.
George F. Ciampa
John E. Courtney
George M. Crall
Robert G. Davis
John P. Dempsey
Frank H. Denobriga
Joseph R. Dobbratz
Horace M. Dubose III
Lowell E. Enslen
James A. Everett
Robert J. Fagot
Fred M. Greene, Jr.
William P. Grimes
Dellas H. Harder
Ulus G. Hudson, Jr.
Ernest L. Ittner, Jr.
Robert O. Jones
John E. Kelleher, Jr.
William A. Kneller
William J. Koogan
John J. Krasovich
Paul G. Kuntz
Edward J. Lamontagne
Ney C. Landrum
George H. Laplata
Frank P. Marcus
Thomas M. McCabe
Frank G. McLenon
John R. Miller
Billy M. Mitchell
Allan G. Molitor
William W. Monahan, Jr.
Karl N. Mueller
Maurice L. Murphy
Reginald T. Murphy
Leo J. Naquin, Jr.
Walter C. Noakes
Edward C. O'Connell
Herbert R. Oxnam, Jr.
Clayton H. Parker
Elmer F. Pattillo
William D. Powell, Jr.
Ronald L. Pullen
Robert G. Raabe
Charles G. Reynolds
George A. Rilling
William L. Roberts
Richard W. Rockenbach
Edgar O. Sadler
John P. Sanderson, Jr.
Kenneth R. Seitz
Thomas A. Simpson
Robert J. Stolarik
Willis Swales, Jr.
Gordon A. Sweitzer
William A. Tate
Ronald Trepas
Edwin F. Vozella
Harold R. Warren, Jr.
Richard P. Weinberg
Norman C. Willcox
Orlow R. Zumwalt

The following named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Robert T. Adams
John B. Airola
William A. Allanson
Alton L. Amidon
Ronald C. Andreas
Donald M. Babitz
Robert L. Baggett
Charles D. Bailey
Edgar M. Bair
Daryl E. Baker
Owen C. Baker
Kent C. Bateman
James D. Beans
Donn C. Beatty
Peter S. Beck
Wayne V. Bjork
Clay D. Blackwell
William H. Bond, Jr.
Edward H. Boyd
Gene E. Brennan
John V. Brennan
Daniel W. Brown
Richard H. Brown
Randolph M. Browne III
Richard G. Braun
Samuel P. Brutcher
James F. Bugbee
Marion G. Busby
John W. Butler
Robert L. Cantrell
George L. Capwell, Jr.
Frederic S. Carr, Jr.
James E. Cassity
Michael D. Cerreta, Jr.
Howard Chapin
John F. Charles
Albert K. Charlton
Richard F. Chenault
Howard A. Christy
Walter T. Chwatek
Fred L. Cisewski
Dale H. Clark
James S. Coale
David D. Colcombe
Paul M. Cole
Donald B. Conaty
Jeremiah P. Connors
Richard C. Conway
Donald G. Cook
Ernest T. Cook, Jr.
James G. Cowart, Jr.
Logan A. Crouch
Denver T. Dale III
Charles E. Daniels, Jr.
Hollis E. Davison
John F. Delaney
James G. Dixon
Thomas C. Dolson
Tom R. Doman
Walter J. Donovan, Jr.
Edmund H. Dowling
William B. Draper, Jr.
Carl H. Dubac
Peter T. Duggan
Jon T. Easley
Fred L. Edwards, Jr.
Wallace H. Ekholm, Jr
Leo R. Elwell, Jr.
Richard H. Esau, Jr.
Daniel C. Escalera
Leonard W. Fahrni
Alex E. Fazekas
James E. Felker
Harris J. Fennell
Warren A. Ferdinand
William D. Fitts III
Dennis C. Fitzgerald
Herbert M. Fix
Pasquale J. Florio
Pat D. Ford
Robert L. Formanek
Stephen R. Foulger
George R. Frank, Jr.
Carroll R. Franklin
Paul E. Fraser, Jr.
Joseph A. Frasier III
John D. Friske
James S. Gahagan
Robert E. Garcia
Harry H. Gast, Jr.
James I. Gatliff
William R. Gentry
James A. Getchell
Hendrik A. Gideonse
Charles D. Goddard
Thomas A. Goldsborough
Joe L. Goodwin
Lloyd E. Goodwine
James T. Gordon
Richard J. Gowdy
Robert W. Greene
Henry O. Grooms
Richard A. Gustafson
Thomas W. Hancock, Jr.
Milton D. Harnden
James T. Harrell III
John G. Hart III
Franklin H. Heins
Richard T. Henry
Joseph P. Hoar
Richard C. Hoffman
John I. Hopkins
John G. Cooper
Malcolm T. Hornsby, Jr.
Thomas C. Houston
Harold L. Hunter
Harold V. Huston
Larry T. Ingels
Eugene S. Jaczko, Jr.
Walter M. Jastrzemski
Sven A. Johnson
Gordon R. Johnston
Duncan H. Jones
Stanley E. Jones
Richard A. Joralmon
Jim R. Joy
Arthur C. Katen
Larry A. Kaufman
Jesse N. Keathley
Robert D. Kelley
Cloyd H. Klingensmith
James V. Knapp
Frank P. Knight
George A. Knudson
Raymond M. Kostesky
James M. Kruthers
John P. Landis
Kenneth W. Langford
Alex Lee
Pierre L. Lefevre
John M. Lilla
Russell Lloyd, Jr.
Frederick A. Locke
John E. Lockie
Howard L. Long
William H. Long.
Edmund P. Looney, Jr.
Arthur P. Loring, Jr.
Bruce D. Luedke
Jarvis D. Lynch, Jr.
David R. Mabry
Alan C. MacAulay
William W. Mackey
Roy M. Marks
John O. March
John A. Martin
Josephus L. Mavretic
Clarence E. McDaniel
William J. McGrath
James P. McWilliams, Jr.
James M. Mead
Huey P. L. Miller
James K. Miller
John G. Miller
Justus K. Miller
Neil P. Miller
Robert C. Miller
Robert J. Modrzejewski
Brian D. Moore
David J. Moore
Donald L. Morris
Fred H. Mount
Robert D. Mulcahy
Michael J. Mulrooney
Carl E. Mundy, Jr.
Ronald L. Murray
Richard H. Oates
Richard J. Obrien
Martin E. O'Connor
Ralph B. Orey
James W. Orr
Richard C. Ossenfort
Robert F. Overmyer
Carroll A. Palmore
Jerry D. Peterson
Richard Petroff
James M. Pierce
David M. Pirnie
John B. Pozza
Mischa Rader
John T. Radich
Herbert J. L. Reid
Thomas W. Rich, Jr.
Ronald G. Richardson
Reginald H. Ridgely II
David S. Rilling
Benny D. Rinehart
James L. Roach
George N. Robillard, Jr.
William J. Rodenbach
Henry W. Roder
Robert P. Rogers
Richard D. Ross
Edwin Sahaydak
Conrad J. Samuelsen
James R. Scafe
Donald E. Schaet
James M. Schmidt
Marvin E. Schwaninger
Hugh L. Scott III

John P. Senik
Roger L. Shafer
Danny A. Sharr
Robert W. Shaw
James L. Shelton
Michael K. Sheridan
Robert F. Sheridan
Richard T. Shigley
James S. Shillinglaw
Lionel V. Silva
Roger E. Simmons
Francis Simon
Robert N. Simpson
Frederick E. Sisley
Barry F. Skinner
Phillip G. Slough
Gareth W. Smeltzer
Ellis F. Smith
William W. Smith
Richard H. Stableford
Orlo K. Steele
Victor D. Steele
Michael E. Stein
James E. Swab
James R. Sweeney
Leonard J. Szafranski
Bernard H. Thomas
Jack C. Thompson
Joseph C. Thorp
William J. Tirschfield
James B. Townsend
Charles S. Tubbs
John Vannortwick III
Vincent A. Vernay
Michael G. Wadsworth
Caleb N. Wall
Larry N. Ward
George F. Warren
John L. Watson
Leland O. Waymire
Richard J. Webb
John F. Weeks
Stuart L. Weinerth, Jr.
George H. Welsh
Charles M. Welzant
Frank H. Whitton
Larry R. Williams
Donald D. Wilson
Charles A. Wimmler
James M. Winberg
Robert J. Winglass
Donald Wojcik
Billy D. Womack
Joseph B. Wuertz
John R. Wuthrich
Lauritz W. Young
Alvin M. Younger

The following named officers of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel:

Robert J. Alfonso
Glenn E. Allen
Richard P. Althouse
James R. Arnett
Joseph C. Baldwin
Rolan E. Banks
Richard G. Bean
Robert D. Becker
William M. Bishop
Allan E. Bloom
Robert J. Blum
John D. Boswell
Joe D. Bowling
James A. Bricker
Peter J. Briggeman
George J. Buckner
Charles W. Bushar III
Joseph B. Byrnes
Chilton S. Cabot
Edward P. Carlin
William G. Cheadle
Charles W. Ciarchick
Alfred I. Clayes, Jr.
Richard T. Close
Joseph M. Coman
James E. Cooper
John C. Cooper, Jr.
James A. Craige
Martin J. Crowley
Peter W. Defty
Raymond Depwe
Marvin L. Dery
Glenn V. Dill
Rocci M. Discipio
Glenn H. Downing
Wildon E. Eaddy
Thomas J. Ebner
Bernard T. Eilerts
Edwin J. Emmet, Jr.
Richard M. Evans
Joseph Fasano
M.P. Frank III
Fredric W. Frost III
Frank Gentile
Robert A. Giovanelli
William L. Goodwin
John W. Greiner
William S. Hamel
Ralph D. Hankins
Tood G. Hannah
Harald R. Hansendreuss
William J. Hatcher, Jr.
Kenneth A. Heimes
James A. Herbert
Peter H. Hofinga
Edwin K. Hoiles
Jon D. Hollabaugh
Robert F. Horan, Jr.
Leroy M. Jones
Donald V. Joyce
Edward A. Kelly, Jr.
Edwin K. Kiefner
Charles E. Knettles
Wayne E. Koons
John M. Kretsinger
Phillip B. Layman
Charles A. Lazzaro, Jr.
Robert E. Lee, Jr.
Peter A. Love
David R. Martin
Lawrence McCarthy
James G. McClave
Dudley E. McFadden, Jr.
John J. McLaughlin, Jr.
Harry R. McPike
Henry F. Mehlert, Jr.
George F. Meyers, Jr.
Gene A. Miller
Donald J. Miloscia
John C. Moffett
George E. Moore
William O. Nelson, Jr.
Lawrence E. Nugent
John E. Oates
Robert W. Painter
James W. Pattison
David A. Perry, Jr.
Joseph L. Pestana, Jr.
Charles G. Peterson
Eric N. Piper
Gerald M. Prizant
Hugh C. Purser
William A. Rasmussen
Howard E. Rast, Jr.
Robert S. Reeves
Thomas M. Reis
John V. Reschar
Erland Reuter, Jr.
Cecil E. Rice
William P. Ricketts
William H. Ridings
Frederick C. Robinson
Richard G. Rodriguez
George T. Rorrer, Jr.
Richard Sancho
Arthur J. Sattolo
Ellis A. Schmidt
Charles W. Schrader
John A. Shanahan
Lawrnece D. Sheridan
Carmen P. Silirie
Richard W. Singer
Thomas B. Smith
Paul Soby
Dale W. Spence
George T. Stevens III
Dan G. Switzer
John H. Tewksbury
Charles H. Townsend
Richard P. Trotter
Barclay M. Wagner
Newton L. Wakeman
Arthur E. Walls
Richard J. Walters
William E. Wean
James R. Weinlader
Glennon D. Woods
William D. Young, Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of major:

Andrew B. Adams
Sidney C. Adkins
Robert M. Akin
Walter P. Aleksic
Joseph H. Alexander
Kenneth L. Ammons
William M. Anderson
Louis P. Andrews
John F. Angil
Peter F. Angle
Carl R. Ariola
Mordecai R. Arnold
Elie M. Asanovich
Robert B. Austenfeld, Jr.
Henry W. Austin
Edward V. Badolato
William W. Bahnmaier
Alfred D. Bailey
Thomas R. Baisley
Clarence L. Baker
Larry L. Baldwin
Andrew B. Banks, Jr.
Dwight D. Barnhill
Paul V. Barra
Gordon D. Batcheller
Leonard J. Beaudoin, Jr.
Dennis D. Beckman
William D. Benner
Jesse D. Bennett, Jr.
Gale F. Benoit
Donald D. Bergman
Alfred R. Bergstrom, Jr.
Thomas R. Betz
Edward O. Bierman
Charles N. Bikakis
Wesley H. Birt
Alfred H. Bivens
Richard P. L. Bland
Lawrence J. Boller
Norman H. Bomkamp
Walter E. Boomer
William T. Bosserman
Rodney W. Botelho
Howard J. Bowden
James W. Bower
Gene W. Bowers
Wilburn R. Bowers
Philip S. Bradley
Frank D. Brady
David M. Brahms
Martin L. Brandtner
Marx H. Branum
John P. Brickley
James V. Bronson
Richard L. Brown
Francis M. Burke
Austin R. Brunelli, Jr.
Martin C. Brush
Elton N. Buesing, Jr.
Richard E. Burgess
George W. Burkley
Larry E. Byers
Jerry M. Byrd
Charles S. Cahaskie
George R. Callison
John A. Caputa
Richard P. Carlisle
Robert A. Carlson
James F. Carney
Thomas J. Carroll
David J. Cassady
Peter H. Cathell
Frank G. Castillo
Bernard J. Cauley
Hubert L. Causey
John P. Caynak
Alfred F. Cazares, Jr.
William F. Cerny
Moses Cervantes
Calvin S. Champion
Clyde O. Childress, Jr.
Robert G. Clapp
Roger L. Clawson
David O. Clough
Vincent S. Coll
Raymond L. Collins, Jr
Edward M. Condra III
James F. X. Connolly
James J. Coolican
Wayne A. Coomes
Gary J. Cooper
David C. Corbett
Robert S. Coulter
Robert A. Courtemache
Donald C. Cox
Lyle P. Creadick
Oliver J. Crews, Jr.
Douglas A. Crowe
John F. Crowley
John R. Currell
Lowell R. Cushman
William H. Dabney
Donald W. Dadisman
Jack N. Daniel
Paul G. Davenport
James M. Davis
Howard L. Decastro
Gerald DeJong
Cliff E. Delano
John D. Dempsey
David V. Denton
Donald H. Dewalt
Ted O. Dickson
Richard F. Diehl
Robert H. Dietrich
John D. Dobak
Chris G. Dokos, Jr.
Theodore G. Dopko
Richard J. Dove
Michael P. Downs
James M. Driskell
William R. Dudman
Hubert G. Duncan
James T. East
James D. Eckert
Donald G. Eirich
Richmond K. Ellis, Jr.
Richard W. Ellison
Berlis F. Ennis
Charles C. Entwistle, Jr.
Walter M. Esser
Frank W. Evans
Barry W. Ferich
William I. Ferrier
William D. Fish
Ernest T. Fitzgerald
John G. Fitzgerald
Jon T. Flint
Philip A. Forbes
Kim E. Fox
Raymond F. Fox
Alexander A. Frisenda
Donald Fullem
Robert B. Gann
Donald R. Gardner
Phillip E. Gardner
Frederic L. Gatz
Edmond D. Gaucher, Jr.
George E. Gaumont, Jr.
Joseph W. Gibbs III
Albert F. Gibson
Urban L. Giff
Gerald L. Gill
Floyd S. Giordani
Eugene M. Glass
Richard Gleeson
Thomas E. Gnibus
John A. Goehring
Constantine Gofas
Richard L. Goodlake
Bruce A. Greene
David B. Gregory
James A. Gress
James R. Griffin
Edward A. Grimm
Darcy E. Grisier
William A. Grubbs III
Ronald J. Gruenberg
John M. Gruner
John J. Guenther
John W. Guy
Paul E. Hackert
Allen C. Hadley
John A. Hadley
Lynn M. Haines
William A. Hall
Bartholomew G. Halliday
Herman G. Hannah
Chester E. Hanson
Myron C. Harrington, Jr.
Phillip L. Harrington
Robert F. Harrington
Richard I. Harris
Terry E. Harris
Charles B. Hartzell
Edward M. Healey
Marlin L. Hefti
John H. Helm
Thomas E. Hemingway
George L. Hemphill, Jr.
Nelson P. Hendricks
Phillip N. Hendrix
James B. Hickok
James B. Hicks, Jr.
Donnal E. Hiltbrunner
Karl S. Holdaway
Kenneth D. Holland
Robert S. Holman
Harvard V. Hopkins, Jr.
Carl J. Horn
Melvin Horowitz
Arthur L. Houston, Jr.
Otis D. Howe III
Walter R. Hoyle
Frank A. Huey
Merle A. Hufford
Gerald C. Huggin
Longstreet M. Hull
Gerald F. Huml
William F. Hurley
Lajon R. Hutton
Karl H. Hutzler
Carl R. Ingebretsen
Charles M. Isbell
Orville E. James, Jr.
Leo R. Jamieson
Harry W. Jenkins, Jr.
Anthon C. Johnson, Jr.
Donald W. Johnson
Edward E. Johnson
Gerald M. Johnson
Kenneth W. Johnson
Richard A. Johnson
Robert L. Johnson
Donald W. Johnston
Raymond W. Kalm, Jr
Richard S. Kaye
John H. Keating
Edmund M. Keefe, Jr.
Alan B. Kehn
Francis D. Kelly
John F. Kelly, Jr.
William M. Keys
Willard E. Kinney, Jr.
Joe J. Kirkpatrick
Watt J. Kiser
Donald P. Klingler
Robert C. Korman
Thomas W. Krimminger
Philip R. Kruse
William P. Lakin
Burrell H. Landes, Jr.
Virgil B. Lanham, Jr.
Robert A. Larsen
Donald H. Larson
Raymond M. Lawseth
John H. Lawson
Otto J. Lehrack III
Robert Leiker
James W. Lent, Jr.
Otto G. Linden
Gerland E. Lindgren
Theodore P. Lingeneelter
Wesley A. Lokken
Robert E. Lorch
Gary N. Loveland
Francis L. Loving
James W. Lowe, Jr.
Rudolph F. Lusk
Joseph A. Lutheran
John M. Lutton, Jr.
Thomas J. Lyman, Jr.
Charles L. Lynch
Eugene A. Lynch
Gerald E. MacDonald
Robert F. Machado
John A. Magyar
William D. Major
Douglas R. Manning
Paul S. Marcani
Elliott R. Markell, Jr.
James H. Marshall
John T. Marshall
Matt J. Marshall
Edwin J, Martikke, Jr.
Arville, D. Martin
John S. Martin
Claude A. Matson
James E. May, Jr.
James S. May
Michael H. McAfee
Charles M. McCain
William J. McCallum
Peter R. McCarthy
John C. McDonald
Joseph F. McDonough, Jr.
John J. McDermott
James R. McElroy, Jr.
David J. McGraw
James P. McHenry
Robert C. McInteer
William A. McIntyre II
Samuel K. McKee III
John L. McLaughlin
Paul A. McLaughlin
Ted C. McNeel
Kenneth A. McVay
Charles J. Mears, Jr.
Antonio Mediavilla
Clarence I. Meeks III
Spencer P. Mehl
John H. Messick
Harry R. Metzler
Richard H. Meydag
David C. Mills
Harry R. Mills
Larry J. Miner
Roger L. Miner
Larry G. Mitchell
Alfred L. Mize
Gerry M. Mizer
Robert W. Molyneux, Jr.
Raymond R. Moore
Robert C. Moore
Lawrence R. Moran
Harmon S. Morgan, Jr.
John D. Morris
Kenneth J. Morris
Philip R. Morris
Lenus C. Morrison
Charles G. Mulford
Michael P. Mulqueen
Donald R. Muncie
Barry J. Murphy
John M. Mushallo, Jr.
Donald J. Myers
Dominik G. Nargele
Ralph Nelms

Bobby J. Newsom
David B. Newton
Philip L. Noggle
Kenneth E. Noland
Charles F. Norton
Robert J. O'Brien
Elton C. O'Byrne
William W. Ogle
Larry L. O'Laughlin
John H. Olin, Jr.
Richard A. O'Neil
Raymond A. O'Neill
Alan L. Orr
William H. Osgood
Merton J. Oss
Arthur P. Padios, Jr.
Hugh P. Pate
Robert L. Patenaude
Rabun N. Patrick, Jr.
William M. Pearce
Bruce G. Pearson
Jeremiah W. Pearson II
Donald C. Pease
Wilber E. Pernell, Jr.
Joel N. Peterson
Lawrence E. Peterson
Joseph R. Phaneuf
Albert H. Phillips
Herbert E. Pierpan
Joseph W. Pinson
Raymond G. Pinson
Michael L. Piper
Kenneth W. Pipes
John Pipta
Reginald G. Ponsford III
Corbett G. Pool
Raymond E. Porter
Richard A. Prestera
Norman E. Pridgen, Jr.
Russell C. Prouty
David B. Prue
John L. Pycior
Harold F. Pyle, Jr.
James E. Quill
David A. Quinlan
Henry J. M. Radcliffe
John M. Reardon
Robert M. Reed
Robert J. Regan, Jr.
Donald P. Reichert
John P. Reilly
Owen B. Renfro
Edward O. Reusse, Jr.
Richard C. Rich
Tom V. Richardson
Kenneth L. Rider
John D. Riley
Karl Rippelmeyer
Willie G. Roberson
George K. Robinson, Jr.
Torrence W. Rogers
Ronald C. Rook
George C. Ross
Robert A. Ross
Ronald K. Roth
Donald W. Rourke
James R. Ruffini
William E. Russell
Jaime Sabater, Jr.
Robert E. Salisbury
Lawrence R. Salmon
Norman W. Sammis
Herbert M. Sanchez
Bert E. G. Sandvoss
Donald E. Santo
Richard C. Schamay
Joseph G. Schamber
Peter G. Scharf
Ronald W. Schmid
Richard W. Schulz
Robert W. Schussler
William F. Schwab
Lawrence E. Seaman, Jr.
James T. Sehulster
Adolfo P. Sgambelluri
Wayne E. Shaver
Louis E. Shaw
Russell R. Sherzer
Troy T. Shirley
Andy J. Sibley
Bobby G. Sikes
Lionel M. Silva
William N. Simmons
Jerry I. Simpson
John H. Slater
Robert W. Sloan
Hardy A. Slone
Frank M. Slovik
Gid B. Smith
Robert W. Smith
Vincent M. Smith
William S. Smith
Thomas J. Solak
Gary J. Somerville
Richard G. Sousa
Billy J. Speights
Louis M. Spevetz
Norbert J. Spitzer
Bayliss L. Spivey, Jr.
Richard M. Stacy
James L. Steele
David R. Stefansson
William C. Stensland
Roger E. Steward
James J. Stewart
Stanley R. Stewart
Donald, L. Stiegman
Marion F. Stone
Alan B. Stout
William C. Stroup
John A. Studds
William W. Stumpf
Francis X. Sullivan
Harold D. Sullivan
Michael L. Sweeney
William T. Sweeney
Warren E. Sweetser III
Andrew P. Taylor, Jr.
Jack K. Taylor
Lawrence A. Taylor
Joseph R. Tenney
John B. Terpak Jr.
Albert K. Thompson
Orville M. Thompson
Richard K. Thompson
Jack L. Throckmorton
George V. Thurmond
William A. Tilley, Jr.
Gary E. Todd
Henry L. Trimble III
Lonnie S. Underhill
Thomas D. Ungar
Abromo L. Vallese
Rocco F. Valluzzi
James E. Vanfleet
Achille J. Verbeck, Jr.
Nat H. Vincent
Forest E. Walker
Hugh L. Walters
Richard T. Ward
Michael F. Waters
Robert C. Watson
James B. Way
Ralph D. Webster
James E. Wells
John L. Whaley
Roy Whitehead, Jr.
Howard M. Whitfield
Justin H. Wickens
Robert W. Weigand
Morgan L. Wilkinson
James L. Williams
David J. Willis
Ronald, N. Wilson
Peter D. Winer
Herbert T. Winston
David L. Wiseman
Herbert H. Wood
Randolph L. Wood, Jr.
Moffatt F. Wylie
David A. Wyrick
Joseph J. L. Yetter
Rafael Zalles
Roger Zensen
Kenneth N. Zike
Robert F. Zumbado

The following named officers of the Marine Corps for permanent appointment to the grade of captain:

James R. Acreback
Jerald R. Agenbroad
Robert R. Ahlbrecht
Travis M. Aiton
Gary R. Albin
Alan K. Albrecht
Thomas E. Albright
Laney D. Alexander
James J. Allamon
John H. Allen
Charles R. Allison III
David S. Althaus
John F. Amend, Jr.
James A. Amendolia
Lester E. Amick III
Cecil J. Amparan
Gordon E. Anderson
John C. Astle
George B. Atkinson
John F. Auderer III
Stephen L. Austin
Richard G. Averitt III
Raymond P. Ayres, Jr.
Paul S. Bacon
Peter R. Badger
Robert L. Bailey
Ronnie J. Bailey
Gary L. Bain
Jerry K. Baird
David L. Baker
William J. Baker
Wheeler L. Baker
Charles Balchunas
David W. Baldwin
John T. Balha
James R. Ballard
John J. Banning
John C. Barber
Peter J. Barber
Richard E. Barber
Irvin D. Barkman
James E. Barksdale
William H. Barnetson, Jr.
George D. Barnett
Charles J. Barone
Bradley E. Barriteau
James J. Barta
Allen C. Bartel
Richard J. Bartolomea
Richard L. Barton, Jr.
John M. Basel
Douglas L. Bash
Clarence E. Bates, Jr.
Frank M. Batha, Jr.
William P. Bau
Gordon W. Bauer Jr.
Edmund Bauernfeind
Arthur S. Bausch
Theodore T. Bean
James H. Beaver
Hugo T. Beck
Emil R. Bedard
William A. Beebe II
Stephen E. Beiser
Joseph A. Bekeris III
David E. Belatti
George Beley
James D. Bell
Charles A. Bellis Jr.
Richard W. Berger
Stephen R. Berkheiser
Maurice F. J. Bernier
James L. Anderson
Leroy V. Anderson
Ralph C. Anderson
William D. Anderson
William T. Anderson
Gary D. Andresen
James F. Andrews III
Russell E. Appleton
Robert J. Arboleda
Rodney A. Arena
Michael J. Arent
William D. J. Armstrong
Stephen G. Arps
Rufus A. Artmann Jr.
Victor C. Ashford
Edward D. Ashman
Michael D. Ashworth
Robert A. G. Berns
Gerald L. Berry
Timothy L. Berry
Donald L. Best
Joseph A. Betta
Lee H. Bettis Jr.
John A. Bicknas
Archie J. Biggers
Norman K. Billipp
John L. Bilodeau
Willie R. Bishoff Jr.
Donald R. Bishop
Walter Robert Bishop
David L. Bjork
Patrick C. Blackman
William B. Blackshear
Marvin S. Blair, Jr.
Frank R. Blakemore
John P. Bland
James R. Blanich
David W. Blizzard
Paul J. Bloom, Jr.
Michael P. Boak
Robert J. Boardman
Alec J. Bodenweiser
John A. Boivin
George J. Bolduc
James N. Bonner
Jay F. Boswell
Paul J. Bourdon
Robin R. Bowen
Earl T. Bowers, Jr.
Michael S. Bowling
James R. Bowman
John W. Bowman, Jr.
Lamar Boyd
Lynn L. Boyer III
Michel A. Boyle
Sevath A. Boyum
Frank A. Bozanich
Thomas A. Braaten
Kenneth L. Bradley
Robert J. Bradley
Clifford A. Brahmstadt
Wayne H. Brandon
Hopkins P. Breazeale III
Charles D. Breme
Ian Brennan
John L. Brennan
George L. Brewer
Robert R. Brewton
James Brigadier
William R. Brignon
Melvin J. Brinkley
James A. Brinson, Jr.
Larry W. Britton
Michael V. Brock
Thomas F. Broderick
George M. Brooke III
Dennis K. Brooks
Homer W. Brookshire, Jr.
Constantinos T. Brown
John P. Brown
Jon L. Brown
Michael B. Brown
Paul E. Brown
Ray A. Brown
Richard M. Brown
Ross A. Brown
Terrance D. Brown
Thomas E. Brown, Jr.
Thomas M. Brown
William A. Brown
Ronald D. Browne
Randolph D. Brunell
Kenneth H. Bruner
Charles P. Brust
Fred B. Bryant, Jr.
James F. Buchli
Robert J. Buechler
Allan S. Buescher
Roger D. Bullard
George J. Bunda
William R. Bunker
Mark C. Bunton
Glenn F. Burgess
Victor L. Burgess
Phillip G. Burke
Joseph H. Burney
Dwight E. Burns
Kenneth R. Burns
Patrick M. Burres
Walter R. Burroughs
Michael A. Burrous
Thomas Buscemi, Jr.
Larry E. Butler
Dwight R. Byers
James P. Byrnes
Rocco J. Caldarella, Jr.
Douglas Caldwell
William K. Callahan
Richard L. Callihan
Carl P. Campbell
Edgar M. Campbell
Larry E. Campbell
Jose R. Campos
James M. Canario
Joseph L. Cannava, Jr.
John W. Capito
John C. Cargill
Thomas M. Carlin
Joseph R. Carlisle
George A. Carlson
Nicholas F. Carlucci, Jr.
Gary L. Carnicle
Daniel M. Carradice
Patrick G. Carroll
Hugh T. Carter
Ronald B. Carter
James A. Cathcart
Michael R. Cathey
David W. Causey
Lee A. Cerovac
Merritt N. Chafey IV
Justice M. Chambers, Jr.
Charles R. Champe
Richard Chandler III
James M. Chapin
Roger G. Charles
Andrew L. Charlson
Jerry D. Chase
John P. Chase
Jonathan C. Chase
Clarence B. Cheatham, Jr.
Bruce B. Cheever II
Maurice L. Chevalier
Jimmie W. Childs
Richard J. Choate
Clayton C. Christensen
Jac A. Christiansen
Kenneth L. Christy, Jr.
Lyle C. Christy
John C. Church
Franklin J. Cizerle
John J. Clair III
Clair W. Clark II
Henry J. Clark
James L. Clark
James P. Clark
Michael A. Clark
James M. Clarke
Dennis C. Clayton
William C. Cleveland, Jr.
John J. Cochenour
Michael G. Coe
Thomas P. Coffey
Clovis C. Coffman, Jr.
George S. Coker
John R. Cole
Charles A. Collins
Clelland D. Collins, Jr.
Earl M. Collins
William E. Collins
Newton A. Collyar
Robert Colonna
Gary E. Colpas
Richard A. Combs
James G. Conard
Patrick J. Connor
William C. Conrad, Jr.
John W. Consolvo, Jr.
Blair P. Conway
Stephen P. Cook
Thomas M. Cook IV
Edwin J. Cooke
Robert W. Coop
Donald R. Cooper
Larry A. Cooper
William L. Cooper
Dillard W. Copeland
Dennis Copson
Kermit C. Corcoran
Alfred G. Cordes
William C. Corley
Albert J. Cormier
Ronald J. Cornetta
Fletcher R. Cosby
Gary M. Costello
Billy R. Courtney
Walter S. Cover
William V. Cowan III
John W. Cox
Timothy J. Coyle
Bradford L. Craddock
James P. Craig II
David E. Crais
Ronald E. Crane
Jimmy R. Cranford
Chandler C. Crangle
Richard A. Crawford
John P. Cress
Randolph E. Crew
Thomas W. Crew II
Clifford J. Crews
Edward E. Crews
James E. Cripps
John A. Crites
James C. Crockett
Michael J. Crow
Richard A. Crowe
Fred R. Crowley
Louis M. Croy, Jr.
Stephen Cucchiara
William L. Culver
David J. Cummings
Edward B. Cummings
Waldo B. Cummings, Jr.
John T. Cummins, Jr.
Timothy J. Cunningham
Terry M. Curtis
William C. Curtis
Ronald L. Czarnecki
Karl E. Dahlberg
Paul R. Daigle
Louis H. Dailey
Terrence R. Dake
Robert J. Dalton
John H. Daly III
Howard D. Daniel
Paul R. Darling
Glenn R. Darst, Jr.
William L. Daugherty
Paul D. David
William L. Davila
Dellwyn L. Davis, Jr.
Elmer H. Davis, Jr.
James H. Davis
Jimmie F. Davis
Michael A. Davis
Michael P. Davis
Thomas E. Davis
William J. Davis
Carson R. Day
James C. Day
Thomas C. Dean
Robert C. Debussey
Samuel C. Decoteau
Walter E. Deese
Jack E. Deichman
Wayne A. Deines
Joseph Dellacorte
Dennis G. Delmauro
Robert C. Delones
Michael P. Delong

James D. Delp
Thomas R. Delux
John R. Dempsey
Charles F. Depreker
Lee H. Desbordes, Jr.
Henry A. Detering
Robert P. Devere
James R. Devore
Eric D. Dick
Harry L. Dietz
Melvin L. Dilday
Michael J. Dineen
Richard Dinkel
Daniel J. Dirkes
Wilbur C. Dishman
Charles L. Dismore
Stephen J. Dlugos II
Conrad Dogil
Alfred M. Doktor, Jr.
Dennis J. Dolan
Francis J. Donnelly
William R. Donnelly, Jr.
Robert C. Dopher, Jr.
Jefferson D. Dorroh II
Orron S. Dougherty
Roy R. Dougherty
Dennis L. Doyle
Edward J. Doyle, Jr.
Orvis R. Doyle
Wayne C. Doyle
Paul F. Drnec
Charles E. Drumm, Jr.
Serge R. Dube
Doyle D. Dudley
Richard D. Duff
Donald R. Dunagan
Clarence T. Dunstan
Robert E. Dzialo
Darryl F. Dziedzic
Donald L. Dziggel
John H. Eager
Robert L. Earl
Thomas B. Edwards II
Robert J. Eisenlohr
Victor B. Elder II
Jay L. Elliott
Arthur H. Ellis, Jr.
Dalton R. Ellis, Jr.
Richard H. Ellis
Ketron H. Ellison
Edwin E. Eloe
Gary L. Elsten
Clark D. Embrey
John P. Emmett, Jr.
Don D. Enloe
Richard G. Ericson
Carl H. Ertwine
George J. Eschenfelder
William P. Etter II
Wyatt S. B. Eustis
David P. Evans
John S. Evans, Jr.
Michael L. Evans
William C. Evans
Robert S. Evasick
Michael G. Evinrude
Walter R. Fabinsky
Freddie J. Falgout
John T. Fanning
Charles E. Farrell
Dennis L. Faust
David E. Feiring
Jonathan P. Feltner
Michael J. Ferguson
Ralph E. Fields, Jr.
Stephen M. Findlay
Andrew R. Finlayson.
Patrick J. Finneran, Jr.
Charles E. Finney
Kenneth A. Fish
Don W. Fishero
Jay B. Fitch
John W. Fitch
William C. Fite III
Thomas E. Fitzpatrick
Charles W. Fleischer, Jr.
James E. Fleming
Kenneth L. Fleming IV.
Ronald D. Fleming
Morris O. Fletcher
John R. Fogg
John J. Folan, Jr.
Brian D. Ford
David L. Ford
Edward S. Ford
George S. Ford
James L. Foresman
Jon R. Forster
James D. Fortune
John T. Foster, Jr.
Robert W. Fout
Charles R. Fox
Wesley L. Fox
Thomas L. Franklin
Robert L. Frantz
Richard H. Freeman
Stephen P. Freiherr
James E. French
Claude R. Fridley
Barton J. Friebolin
Michael J. Friel
Douglas D. Frisbie
William H. Frizell
Leonard R. Fuchs, Jr.
Carlton W. Fulford, Jr.
Philip N. Fultz
James L. Furgerson
Arthur J. Furtney, Jr.
Charles S. Gaede
Tony R. Gain
John P. Galligan
Charles H. Gallina
Joseph W. Gallo
David A. Garcia
Larry T. Garrett
Algimantas V. Garsys
Michael H. Gavlick
Richard H. Gayer
John J. Gaynor, Jr.
Harold S. Gazaway
David T. Geaslin
David M. Gee
Vincent L. Gennaro, Jr.
Howard L. Gerlach
George E. Germann
Perry H. Gesell
Graydon F. Geske
George F. Getgood
Henry P. Giedzinski
Robert W. Gillespie II
Michael L. Gilman
Clayton S. Gilmore
John F. Gimber
John P. Glasgow, Jr.
Robert E. Gleisberg
Richard S. Glenzer
Daniel M. Glynn
Eugene L. Gobeli
James A. Goebel
William G. Gooding
William G. Goodwin
John B. Goody
Bernard M. Gordon
George W. Gorman
Thomas Gotta
Lee C. Gound
Joaquin C. Gracida
Michael J. Graf
William J. Graham
Robert L. Graler
Laurens B. Grandy, Jr.
U. S. Grant, Jr.
Perry H. Graves III
Ainslie A. Gray, Jr.
Kenneth R. Gray
Samuel T. Gray
Joseph R. Green
Maurice O. V. Green
John R. Gregory
Richard H. Gresham
Alfred Grieshaber, Jr.
Bruce E. Griesmer
Frank W. Griffin
Theodore W. Griggs III
James D. Grosshans
James W. Groulx
John J. Gruehl
Allen D. Guins, Jr.
Jimmie C. Gulliford
Steven P. Hadar
John R. Hagan
Michael W. Hagee
William F. Haizlip, Jr.
James C. Hajduk
Terrance C. Hall
Thomas L. Hall
Thomas J. Halpin
Paul S. Hamilton
David W. Hammel
Barry L. Hanchett
Jerry E. Hankins
Edward Hanlon, Jr.
Norman F. Hanner
Jeffrey T. Hansen
Robert W. Hansen
Willis H. Hansen
Jerry T. Harber
Eugene R. Hardman
Donald R. Hardy
Jeffrey M. Hardy
Bruce L. Harjung
Dennis M. Harke
Kenneth L. Harmon
George A. Harper
Robert J. Harper
Griffin H. Harrell
David D. Harris
John R. Harris
Robert W. Harris
John T. Hart
James P. Hardneady, Jr.
William F. Harvey
Charles E. Hatch
William M. Hatch
Edward Hatton III
David W. Haughey
David M. Hauntz
Floyd C. Hayes
Jerome D. Hayes
Paul Hayes
William T. Hayes
Raymond T. Haynes
Franklin J. Heacock
Donald R. Head
Gale E. Heaivilin
John E. Hebert
Eldwin D. Heely
John B. Heffernan
Harvey R. Hegstrom, Jr.
Bruce A. Heitz
Ronald A. Hellbusch
Howard L. Helms
James J. Henderson II
Wallace Q. Henderson
Garland C. Hendricks
Gary O. Henkel
William C. Henning
Donald H. Henze
John C. Hering
Theodore N. Herman
Edward W. Hermansen, Jr.
David F. Herr
Richard L. Herrington
Peter M. Hesser
Melvin J. Hewitt
Robert Hickerson
Robert T. Hickinbotham
John L. Hickman
Richard D. Hickox
Preston E. Hicks
Geoffrey Higginbotham
Phillip G. Higgins
William R. Higgins
Edward A. Highers
Robert G. Hill
Klaus P. Hille
Anthony S. Hilliard
Judson D. Hilton, Jr.
Marlin D. Hilton
Allyn J. Hinton, Jr.
John J. Hoagland
Thomas A. Hobbs
Harold D. Hockaday
James C. Hodges
James W. Hodges
Marshall G. Hodges
Miles M. Hodges
Terry L. Hodges
Richard W. Hodory
Charles O. Hoelle, Jr.
Timothy G. Hoff
William H. Hoff
Emile W. Hoffman
Richard C. Hoffman
George R. Hofmann, Jr.
Franklin D. Holder
Thomas W. Holden
Robert J. Holihan, Jr.
John N. Holladay
Steven L. Hollister
Charles W. Holmes
Joseph R. Holzbauer
Franz H. Honeycutt
Raymond J. Hoogendoorn
Richard F. Hoogerwerf
Richard G. Hoopes
William O. Hooper III
Raymond A. Hord
Edward A. Horne
Joseph R. Horton, Jr.
Nathaniel A. Hoskot, Jr.
Carl T. Hover
Patrick G. Howard
Lewis E. Hoyt
Jerome J. Hudak
John M. Hudock, Jr.
Lucien N. Hudson, Jr.
Richard B. Hudson
Dennis C. Huff
James L. Huff
Paul B. Hugenberg, Jr.
Charles E. Hughes
James R. Hughes
Kent S. Hughes
David D. Hundley
James L. Hurlburt
Donald R. Huskey
James W. Hust
Charles J. Hutcheson
Homer G. Hutchinson II
Robert H. Hutchinson
Larry W. Hutson
Joseph L. Hutton, Jr.
David H. Ingram
Douglas K. Isaly
Robert P. Isbell
William P. Isbell
Robert F. Itnyre
Peter M. Iverson
Frank M. Izenour, Jr.
Jackie C. Jackson
Marvin L. Jackson
Albert E. James, Jr.
Tommy L. James
John A. Janega
Laurens J. Jansen
William M. Jarosz
Richard J. Jenkins
Herman R. Jennette, Jr.
Richard M. Jessie, Jr.
Jack D. Jewell
Joseph T. Jewell III
Albert P. Johns
Carl R. Johnson
James E. Johnson
Kenneth D. Johnson
Melford M. Johnson
Ronald P. Johnson
Russell L. Johnson
William F. Johnson
William J. Johnston II
Anderson Jones
Donald S. Jones
James F. Jones
James L. Jones, Jr.
Ronald S. Jones
Walter F. Jones
Robert C. Jonson
Luis A. Juarez
Harold D. Kadolph
Frank J. Kaiser
Lee D. Kane
Michael R. Kanne
George M. Karamarkovich
Lawrence G. Karch
Richard A. Karoly
Robert J. Karow
Lawrence A. Kassin
Wililam W, Kastner III
Theodore M. Katana
Peter T. Kearney
Wayne S. Keck
Thomas A. Keene
Joseph A. Kelleher
George R. Keller, Jr.
Edwin C. Kelley, Jr.
Philip C. Kellogg
Michael B. Kelly
Michael S. Kelly
Samuel J. Kelly, Jr.
Thomas E. Kelly
Dale J. Kennedy
Edward R. Kenney
Harod C. Kern III
Ronald R. Kersey
Daniel W. Kessler
Gerald L. Keys
John A. Kieffer, Jr.
John P. Kiley
Ernest M. Kimoto
Richard C. Kindsfater
Charles W. King
Gary W. King
Frederick L. Kingery
Virgil G. Kinnaird III
John S. Kinsman
Novatus N. Kirby
Patrick Kirk
Stephen E. Kirwan
John J. Kispert, Jr.
Jack W. Klimp
Richard L. Kline, Jr.
Manfred A. Koebig, Jr
Richard T. Kohl
Nicholas L. Kopchinsky
Donald E. Koppenhaver
Michael H. Korstange
Walter J. Kowalewski
George W. Kralovec III
Peter L. Kranker
Jon J. Kratz
John J. Krauer
Leo M. Kraus
Randall D. Krekeler
Lester A. Kroeger
George B. Kruczkowski
Earl A. Kruger
Douglas M. Kruse
Leo E. Krusemark, Jr.
Robert J. Kuhlman, Jr.
Coleman D. Kuhn, Jr.
Richard H. Kunkel, Jr.
Richard C. Kurth
Gregory S. Kuzniewski
Robert C. Labbe
Michael J. Labelle
Dietrick, Lamade III
Harold B. Lamb II
Wesley D. Lamoureux, Jr.
Robert M. Lancaster
Russell E. Laney
Bruce A. Lang
Howard W. Langdon, Jr.
Robert K. Lange
Michael D. Langston
Timothy L. Laplaunt
Michael J. Larson
Jacob L. Larue
Fred C. Lash
Ronald J. Laughlin
John R. Laurent II
Joseph A. Lavigne
Francis X. Lawler, Jr.
Edmond H. Lawrence
William S. Lawrence
Luther L. Lawson III
Michael R. Layman
Shawn, W. Leach
George D. Leaming
Martin, Lebowitz
Fitzhugh B. Lee
John S. Leffen, Jr.
David S. Legas
Stephen B. Leslie
Edward G. Lewis
Robert C. Lewis
Tyrone L. Lewis
Frank Libutti
Newton A. Lieurance, Jr.
Ralph B. Lilja
Achim W. Lind
Steven P. Lindsey
Robert W. List
Dennis L. Lister
Frank E. Littlebury
Lawrence H. Livingston
Andrew M. Lloyd III
Clifford B. Lockett, Jr.
Horace L. Logan III
Robert E. Logan, Jr.
Charles M. Lohman
Everett Long III
Ronald A. Longtin, Jr.
Gary L. Loomis
Earle S. Scott III
William R. Lounsberry
Charles L. Lowder
Paul J. Lowery
William E. Lucas
James W. Lucey
Freddie M. Luckie
Forest L. Lucy
James T. Luken, Jr.
Robert K. Lunday, Jr.
Robert C. Lundell
Theodore H. Lyons
William R. Macbeth
Gary W. Macleod
John T. Macnamee
John G. Macnutt
Vernon R. Maddux
James G. Magee
Ronald E. Magnuson
John C. Malinowski, Jr.
Mark H. Mallett
Charles J. Maloney, Jr.
Eugene F. Mares
Wesley R. Marks, Jr.
Philip M. Marrie
Lee R. Marsh
James J. Marshall
Ronald W. Marsteller
Ervin P. Martin, Sr.
Gerald R. Martin
Justin M. Martin II
Thomas D. Martin
William R. Masciangelo
Floyd L. Massey
Robert S. Massey
E. T. Mattke
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Herman L. May, Jr.
George B. Mayer, Jr.

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Edward F. McCann
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Jimmy M. McClung
Michael E. McClung
James F. McCool III
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Gregory M. McDonough
Frank W. McDuffee
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Milldge S. Moseley
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Cyril V. Moyher
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William L. Neely
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Sam Pisacreta
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Alfred J. Ponnwitz
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Frank D. Powell
David R. Powers
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Kenneth D. Pricer
Paul J. Prinster
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Bobby R. Pruett
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Kenneth R. Ptack
Robert H. Quinter, Jr.
Ronald C. Rachow
Norman H. Rackley
Gary D. Rainey
William E. Ramey
Sepp D. Ramsperger
David S. Randall, Jr.
William E. Ransbottom
James M. Rapp
Geoffrey K. Rasmussen
James W. Rattigan
David G. Ray
James E. Reaves, Jr.
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Charles Rechtenbach
Charles L. Redding
Robert K. Redlin
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Charles E. Reeves
Richard C. Regan
Joseph D. Reich
Lawrence C. Reifsnider
Thomas L. Reilly
Joseph H. Reinhardt
Douglas E. Reinika
Johnny D. Restivo
Richard L. Reuter
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John E. Rhodes
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Wayne H. Rice
William M. Rice
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James R. Ryan
Michael D. Ryan
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Tibor R. Saddler
Woodson A. Sadler, Jr.
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George N. Samaras
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Franklin B. Smith
Gilbert E. Smith
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Lawrence D. Smith
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Michael Z. Smith
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Terrance L. Smith
Thomas A. Smith
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Dennis L. Snook
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Deforest D. Spindler
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Robert L. Spooner
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Richard E. Squires
Jonathan B. Stad
Norman S. Stahl
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Paul H. Stansel
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Martin R. Steele
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Craig R. Steinmetz
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Jack A. Stevens
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James R. Stewart
James V. Stiger
Myles C. Still
Keith H. Stivers
Norman R. Stocker
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James E. Stoll
Terry W. Stone
Milton D. Stonebarger
Thomas D. Stouffer
Robert R. Stout
John B. Strange
James M. Strickland
William H. Stubblefield
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Robert G. Stump
Joseph E. Sturtevant, Jr.
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James F. Sullivan
John J. Sullivan
John J. Sullivan, Jr.
Patrick J. Sullivan
Richard D. Sullivan
Donald R. Swaby
Terry P. Swanger
William G. Swarens
James B. Swartzenberg
Bronson W. Sweeney
George P. Sweeney III
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Herbert P. Syska, Jr.
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Victor E. Taber
Stephen A. Tace
Robert Tait, Jr.
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Monty J. Tennes III
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Joseph G. Thomas
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Don O. Thompson
Robert F. Thompson
William F. Thompson
William G. Thrash, Jr.
Owen J. Toland
Thomas A. Toth
Joseph B. Towle
Dale S. Town
Edward C. Traasdahl
Edward L. Trainor
Clyde R. Trathowen
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Gordon E. Tubesing
Alan J. Tucci
John P. Tucker
William D. Turnbull
David J. Turner
Thomas A. Turner, Jr.
Ellsworth J. Turse, Jr.
Colin B. Tweddel
William A. Tweed
Perry J. Unruh
William P. Vacca
John M. Valovich
Jay H. Vandyne
Peter H. Vanzandt
Kenneth E. Ventris
Chauncey D. Venuto
Richard F. Vercauteren
David A. Vetter
Michael C. Veysey
Peter N. Vidito
Gerald J. Villano
Eric P. Visser
Joie D. Vitosky
Richard L. Vogel
Carl B. Volinski
John R. Voneida
Thomas A. Voth
David C. Votruba
Sidney S. Wade, Jr.
Edward J. Wages
Jack R. Wagner

Robert A. Walden
Frank N. Waldrop
Bob C. Walker
Laurence A. Walker
Richard W. Walker
Thomas U. Wall
Patrick G. Waller
Robert W. Waller
Jon M. Walters
Thomas D. Walters
Joel C. Ward
Richard K. Ward
Samuel J. Ware
Clifford B. Warren III
Robert G. Warren
Robert W. Watkins
David J. Watson
Edward L. Watson
James L. Watson, Jr.
Harry B. Wease
Charles G. Weaver
Arthur S. Weber, Jr.
David L. Weber
Harry R. Weber III
Terrence M. Weber
Larry D. Webster
John Wegl
Ronald A. Weigand
William C. Weinmann
Daniel L. Welker
John D. Wells, Jr.
Laurance W. Wells
Marshall R. Wells
Donald T. Welsh
Joseph R. Welsh, Jr.
Richard M. Wenzell, Jr.
Alfred M. West
Norman E. West, Jr.
Randall L. West
Newell J. Weston
George E. Wetmore III.
John K. Wetter
William A. Wheeler
Benny E. White
Carlton P. White
Richard D. White
Eddie D. Whitehead
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Frank G. Wickersham II.
Gerrit L. Wiescamp
Frank P. Wilbourne III.
James A. Wiley
Thomas L. Wilkerson
Kenneth J. Wilkinson
Digby H. Willard
Benjamin L. Williams
James M. Williams
James R. Williams
John F. Williams, Jr.
Johnny R. Williams, Jr.
Joseph H. Williams
Lester H. Williams, Jr.
Mark D. Williams
Michael J. Williams
Richard F. Williams
Roger L. Williams
Roger S. Williams II
Robert F. Wilman
Richard G. Wilmes
Brooks C. Wilson
Roger E. Wilson
James R. Wingerter
John H. Winslow
John D. Wintersteen
William D. Wischmeyer
Frank A. Wiseman
Stephen M. Wistrand
John A. Witsell, Jr.
Jackson L. Witter
David W. Wofford
Terry L. Wojcik
James Wolfe, Jr.
William C. E. Wolfe
Anthony A. Wood
Larry A. Wood
Larry L. Woodruff
Gary L. Woods
Theodore R. Woollens
Walter W. Wooten
Brian T. Wright
Carroll L. Wright
Edward F. Wright, Jr.
Eugene O. Wright II
William F. Wright
William S. Wright
John W. Wuethrich III
Thomas F. Wunderlich
Dale F. Wyrauch, Jr.
William R. Wyser III
Michael G. Yankoski, Jr.
Richard J. Yeoman
Jon C. York
Walter R. Young
Nels C. Youngstrom, Jr.
Richard I. Zabovnik
George A. Zahn, Jr.
Edward R. Zaptin
John S. Zdanowski
Jon L. Zellers
Michael V. Ziehmn
Albert J. Zima
David W. Zimmerman
Lawrence R. Zinser

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant:

Paul R. Ahrens
Robert A. Aikman
Frank C. Alvidrez
Donald P. Amiotje
Charles P. Annis
Gary D. Appenfelder
Peter N. Ard
Craig M. Arnold
Thomas A. Bailey
John L. Balcom
John M. Ballard
Barney K. Barnett
James R. Battaglini
Douglas P. Bayne
Mark T. Beck
Roger P. Beebe
Curtis M. Beede
Ivan M. Behel
Thomas E. Benim
Chris Bennett
Fred S. Bennett
Harry K. Bennett
George H. Benskin III
Harold W. Biesemeier, Jr.
David W. Birch
Thomas E. Bjerke
Scott A. Blair
Gerry E. Blanchard
Robert E. Blankenship
Michael C. Blazanin
David R. Bloomer
James S. Bloxom
Richard A. Boeckman
Johal R. Boteler
John F. Bouldry
William L. Bowling
Denham W. Bowman
Michael H. Boyce
Charles E. Boyer III
David R. Boyer
Errett J. Bozarth II
Stephen H. Brighton
Clyde S. Brinkley, Jr.
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Mark W. Brown
Michael M. Brown
Stephen R. Brown
Craig L. Bryson
Richard E. Buller
Gary B. Burcal
Ralph G. Burnette, Jr.
Richard E. Burton
Walter Burzinski
Kenneth O. Bush
Ronald D. Bussey
Gary A. Butler
Michael J. Byrne
Robert D. Cabana
James T. Carney
George E. Carpenter
Charles T. Carroll
Timothy A. Capron
Mark F. Carnevale
Melvin H. Carson
William B. Carter
William H. Carver, Jr.
Michael J. Carnevale
Dee H. Caudill
Thomas A. Caughlan
David L. Chadwick
Ronald W. Chambless
William H. Chaplin
Michael J. Chapman
Stephen A. Cheney
James P. Chessum
Michael D. Chrisco
John S. Cipparone
Alfred F. Clarkson, Jr.
Gary W. Claunch
Robert Clydesdale
James P. Cobb
John R. Cohn
William B. Collins
George W. Colvin
Michael R. Compton
Larkin E. Conatser
Vincent P. Conroy
Kevin A. Conry
James T. Conway
John M. Cooke
Kathryn P. Cooney
Max A. Corley
Alfred A. Cortez
James Cotsana, Jr.
Stewart I. Craig, Jr.
Louis B. Crayton III
Sam B. Crimaldi
Jack C. Cuddy
Lawrence D. Cumming
Thomas R. Dalton
Dacre G. Davis, Jr.
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Donnie B. Davis
Douglas R. Davis
Edwina E. Davis
Hartley R. Davis III
John A. Davis
Clyde C. Deffaa
Melvin W. Denmars, Jr.
Henry M. Denton
Van D. Dewitt
Robert H. Dobrow
Thomas J. Dodson
Geoffry M. Doermann
Phillip Donataccio
Peter A. Dotto
Gene L. Dowell
Kenneth G. Drescher, Jr.
Stephen L. Dubinsky
Troy L. Duncan
Thomas E. Dunkelberger
Charles J. Dunleavy
Roderick M. Dunlop
James M. Durham
Mark S. Dyl
Michael C. Eddings
Michael E. Edwards
Russell H. Erickson
Michael S. Eustin
Lajuana G. Fagan
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Carl W. Fredricksen
John P. Fremin
Osmund R. Fretz
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Frank C. Fuchs
Russell E. Fuller
William A. Futrell
Frank M. Gallagher
Lawrence E. Garcia
Mark S. Gardner
Paul G. Gausch
Jerome L. Geil
Theodore R. Gendron
Paul R. Gerdes
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Constance G. Gilchrest
Dale E. Giordano
William M. Given III
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Vincent J. Goulding, Jr.
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Arlo D. Gravseth
Dwight E. Gray
Michael J. Greene, Jr.
Christopher J. Gregor
Barry P. Griffin
Terry A. Gusic
Robert E. Haber
Stanley E. Hadden II
Emory J. Hagan III
John R. Hales
Geoffrey T. Hall
Christopher Halverson
Charles F. Hamilton
Charles W. Hammond, Jr.
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Thomas G. Harleman
James R. Harper
Gerald F. Harris
Thomas E. Harris
Robert E. Hartley
Walter P. Havenstein
Mark K. Hayden
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Gregory T. Hedderly
Ordean F. Hegrenes
Lambert C. Heikes
John H. Heinz
Jeffrey F. Hemler
Glen E. Hensley
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Peter E. Hermann
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Tony L. Holm
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Jackson R. Howard
Margaret P. Hughes
Patrick J. Hughes, Jr.
Jeffrey L. Hull
Douglas E. Humston
Harold L. Inabinet
Carl D. Inskeep
Elmer R. Jackson
Obert B. Jacobs
Robert A. Jakucs
Robert A. James
Thomas M. Jamison
Joseph J. Jannik, Jr.
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Joseph R. Jelinski, Jr.
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David A. Knott
Cathy A. Kocourek
Michael E. Kossey
Frank T. Kremian
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Karen A. Laino
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John C. Langenus
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Jon R. Larsen
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Joseph F. Lawler
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Harry C. Leeper, Jr.
Joseph E. Leinenbach, Jr.
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Kathleen E. Lewis
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Steven B. Moore
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James R. Morris
Michael J. Morrison
Charles L. Mott, Jr.
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Henry Napoleon, Jr.
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James E. Queen
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Greg Rorerts

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Arthur J. Rybicki
John W. Sams
Joseph C. Santillo
John F. Sattler
Stanley C. Schlegel
William E. Schmidt
Karl T. Schwelm
Robert G. Schwetje
Gerald M. Scienski
George R. Scott
James M. Searing
Peter A. Seitz
Robert H. Settle
Betty R. Sewell
Charles N. Sherman
Charles R. Sherrill
James S. Shi
Richard Y. Shintani
James O. Shuler
Harold L. Siemens
Laurence E. Simpson
Larry J. Sims
Paul D. Skinner
Michael H. Smith
Paul R. Smith
William R. Spain
Martin J. Speer
Leonard E. Spiker, Jr.
James A. Spooner
Ronald E. Spratt
Kenneth F. Stang
Susan E. Steiner
Terry A. Stephan
Bruce S. Steward
Clay O. Stiles
Steven H. Stokes
David K. Storey
James A. Storey III
Lynn A. Stuart
Robert C. Stuart
Jonathan W. Stull
Patrick H. Sullivan
Thomas P. Sullivan
Frank W. Sultenfuss III
Mario J. Summa
Michael J. Swords
David P. Sztuk
Thelbert F. Taylor, Jr.
David M. Thomas
Arleigh E. Thurston
Michael K. Thweatt
Jerome P. Todd
Terry L. Tonkin
Patrick J. Travis
Richard F. Travis
Peter L. Treleaven
Dennis S. Tremelling
Gene A. Tromly, Jr.
Joseph S. Uberman
John B. Ullman
Leroy D. Vansciver
Gerald J. Varela
Michael J. Verbarendse
James S. Vintar
Robert C. Vogel
Michael Vontungeln
Gregory J. Vonwald
Paul H. Voss
John H. Wagner
James H. Walker
Richard W. Walker
Sheldon E. Walker, Jr.
Michael J. Walsh
Thomas A. Walsh
Robert E. Walton, Jr.
Bruce M. Ward
Donald G. Warfield
Brett N. Watermann
Dale M. Watson
David B. Weber
Terry T. Weiss
Gary C. Wells
Michael H. Wesner, Jr.
Elliot W. Whitney III
John H. Whitney
William G. Wickum
Hugh N. Wiggins
Paul A. Wilbur
Janice K. Williams
Hensley C. Williams
Phillip E. Williams
Christopher S. Wilson
Timothy O. Wilson
Wallace E. Winslow
James M. Wire
Ronald F. Wnek
John C. Worl
Robert P. Wray
Larry W. Wright
Margaret M. Wrynn
Charles M. Yahu
Nancy K. York
John P. Yost
Alden P. Young
Dale D. Young
Stephen M. Young
James M. Younkins
Peter A. Zaudtke
Michael J. Zurat

The following named officers of the Marine Corps for temporary appointment to the grade of first lieutenant:

Leo L. Accursi
Arthur A. Adkins
Harry E. Akioka
Robert C. Anderson
Christopher M. Arey
Jacque A. Baseley
Floyd L. Bass, Jr.
Dale T. Baughman
Arthur J. Belville, Jr.
Joseph W. Bergeron, Sr.
Stephen E. Berger
Gary A. Besaw
Robert M. Biddle, Jr.
Lawrence J. Blair, Jr.
Rex P. Blankenhorn
Anthony D. Blice
Jonathan C. Block
Barry L. Bodine
David L. Bogardus
Elmer S. Bolles
Scott R. Borderud
Gregory D. Borgert
Thomas W. Bowen
James C. Braddy
Laurence R. Brakowiecki
Robert A. Brandon
James R. Brassell
Robert E. Brewington
Bruce H. Brothers
Franklin D. Broughton
Franz K. Brown
Edward L. Bryant
Edwin A. Burnette
Dean E. Butler
Michael J. Byers
Robert S. Byrd
John Caldwell
William B. Caldwell, Jr.
James A. Campbell
Cesare Cardi
David H. Carl
William W. Carr
Phillip K. Carreon
Denis Carroll
Wallace M. Carter
Stephen A. Case
Stephen W. Chambers
Benjamin L. Cheely
Wendell C. Chinn
Eric C. Christenson
James R. Christian
Wendell D. Clemons
Johann A. Clendenin
Michael F. Clough
Arthur H. Coffin
Raymond Cole
Melvin Collins
Francis J. Condino
Timmy W. Condrey
Michael G. Cooper
James M. Ashley
Dale L. Baird
Richard L. Barineau
Michael J. Barr
Bonie D. Barron
Whylen G. Cooper
Edward F. Corbett
David C. Covert
Walter M. D. Creech
Roger A. Critzer
Walter L. Crump, Jr.
William S. Culler
Donovan C. Cullison
Patricia E. Cucina
Raymond S. Cuddy, Jr.
Carl R. Curry
Michael T. Cygan
Calvin R. Davis
Philip A. Davis
Samuel J. Davis
Lawrence M. Day
John R. Daymude
Raymond J. Decker, Jr.
Robert W. Delbridge, Jr.
Mark E. Detering
Thomas A. Devaney
Daniel B. Diviney
Charles L. Dockery
Robert L. Donelow
Paul F. Donohue
Frederick L. Dowell
George H. Dunbar
George M. Eckman
Arthur E. Edinger
William R. Edwards
Carroll F. Egbert, Jr.
Frederick R. Eldredge, Jr.
Alex G. Endres
Richard L. Engelen
Michael E. Ennis
Howard E. Estey
Jeris L. Faircloth
Larry G. Fanning
Peter B. Farley
Roland C. Farr
John K. Feuerriegel
Stephen T. Fisher
Joseph T. Fitzgerald, Jr.
Donald L. Fleming, Jr.
Percy Flowers
Dennis R. Fogel
Billy J. Ford
Robert C. Fox
David B. Franke
Richard J. Frawley
Douglas N. Frazier
Michael L. Gale
Patrick F. Gallagher
Kevin A. Garvey
John R. Gaumer, Jr.
George M. Gebhardt
Robert W. Geer
Charles E. George III
Frank L. Gibson
Paul A. Gido
John R. Giger
Clifford J. Gion
Joe H. Glover, Jr.
Wyatt W. Grant III
Charles L. Griffin
William L. Groves
Ronald G. Guilliams
Robert P. Gwinn
James C. Halburnt
Dale A. Haley
Johnny J. Hall
Larry J. Hallbick
Lloyd T. Hardin, Jr.
James J. Harkness
Gregory L. Harm
Charles W. Harpe, Jr.
Michael P. Harrigan
Robert J. Harrington
Donald J. Hashagen
Sidney T. Hastings
Frederick L. Hauenstein
Glenn B. Hausold
Kenneth G. Hawkes
Danieil G. Hawthorne
George Heatley
Michael J. Hedin
Joseph P. Heine
Patrick T. Henry
Brian M. Hermes
Maria T. Hernandez
John W. Herstead
James T. Hickey
Robert Hicks
David C. Hilmers
Herbert C. Hinchliffe
David E. Hinkle
Rex L. Hinman
Sylvester Howard
Douglas G. Hodson
James C. Hoffman
Thomas A. Holton
James C. Holzmann
Joel P. Hood
Paul C. Hoover
James A. Horn, Jr.
Arthur J. Howard, Jr.
Robert C. Hubner
Eric G. Huckabee
Timothy P. Hudson
Thomas Hunnicutt
Michael J. Hutchinson
Richard B. Inghram
Charles H. Jackson IV
Edgar W. Jatho, Jr.
Robert Jenkins
Joseph F. Jennings
Francis Jiminez
Michael S. Jindra
Dallas W. Johnson
John W. Johnson
Johnnie Johnson
Robert B. Johnson
John J. Johnston
Nelson M. Jones
Wilford G. Jones
Robert T. Jordan
William J. Jorgens
Forest W. Justis
Torrence W. Kadyszewski
Thomas D. Kaminski
Henry W. Kappel
Darryl F. Keane
Lloyd W. Keaser
Robert E. Kenney
Arthur J. Kidd
Winfred T. Kincaid
James R. Kingham
Thomas E. Kingry
Ernest J. Kistler
Edward M. Klein
Gerard J. Kline
William L. Knapp
David L. Kolek
Peter J. Komen
David A. Kratochvil
Paul R. Kroeger
Thomas J. Lafreniere
Gregory D. Lamberth
William H. Ledford
Thomas C. Lenke
Paul J. Leon
Bonnie J. Lewis
David A. Lewis
Donald C. Lewis
Luitpold, J. Liebl
Brian K. Lile
Donald A. Linder
Richard J. Linhart
George H. Linnemeier II
Lloyd L. Loy
Dean T. Lucas
George J. Luchansky
Frank C. Lundberg
Michael T. Lundblad
John F. Lynch
Louis E., Machado
James J. Macinnis
Stephen Mack
Donald B. Mackenzie-graham
James W. Mannix
Lawrence R. Martin
Paul W. Martin
Gary B. Marzullo
Matthew T. Mason III
Michael W. Mather
James N. Mattis
Chester C. Mattox
Thomas P. McClowry
John S. McFarland
Patrick M. McGann
James B. McGee
Bernard J. McGuire
Steven M. McLaughlin
John W. McLeod
Julius A. McMillan, Jr.
Gregory F. Meagher Jr.
Patricia A. Meeler
Bruce E. Merrill
Richard P. Meserve
George A. Messier
Roger L. Messlage
Robert L. MetCalfe
Randolph M. Michaux
Michael P. Mihalik
Charles W. Miller
Patricia A. Miller
Harold L. Mitchell
Thomas P. Mitchell
Donald T. Mize
Donald N. Mizell
Jo A. Montroy
John T. Mooney
William J. Moore, Jr.
William P. Moort, Jr.
George W. Morgan
Richard W. Morrell II
Joseph Mouton
Richard A. Mu
David W. Murray
Richard M. Myers
Ronald F. Nelson
Harold P. Newhart
Billy R. Newman
Frank W. Nichols
Sheldon J. Norris
Clayton W. Noto
John A. Nugent
Patrick D. O'Boyle
Timothy R. O'Connell
Marion L. Odle
Gary J. Ohls
Fred D. Parish
John W. Parrish
Walter A. Payne
Edward A. Pernal, Jr.
Edward J. Perrott
George L. Peterson
Charles E. Petrusch II
Joe D. Phillips
Richard K. Polly
Jerry L. Poole
Michael K. Popper
Patrick G. Port
Preston P. Pratt, Jr.
Kenneth W. Quigley
William E. Rambow
Robert D. Rasmussen
Thomas A. Reavis
John W. Reed, Jr.
Thomas J. Rees
Frank C. Revels
Russell A. Romagna
Ralph W. Roraff
David W. Rose
Samuel J. Routson
Charles H. Rucks
Gregory M. Russell
James L. Rust III
Juan B. Sanchez
Thomas A. Santos
John W. Saputo
William H. Sbrocco III.
Teryl W. Scalise
Frank J. Scannello
Kenneth E. Schaub
Mark C. Schickner
Thomas M. Schuler
Randolph L. Schultz
Jerry O. Schutt
Kenneth A. Schwarz
Gene A. Scroggy
Ronald G. Seagroves
Peter R. Seal
Benjamin B. Selvitelle
Vincent A. Sessa
John L. Sexton
Jerry M. Seybert
Guy R. Sherry
John F. Shipley
Thomas C. Shoger
Wayne H. Sieler
William M. Sigler III
Glenn D. Simon
Robert B. Skadowski
James M. Sluder III
Perry Smiley
Edward M. Smith
Gary E. Smith
Michael D. Smith
Randall E. Smith
Nathaniel L. Snodgrass
Peter K. Solecki
Tommy L. Spangler
John E. Steele
Thomas G. Stefek
Blake R. Stephens
Cortez D. Stephens
Scott H. Stevens
Donald S. Stone
Terry A. Strassburg
Randolph B. Strautman
Charles T. Surles
Bonni L. Sutherland
Kenneth W. Tarrant, Jr.
John R. Taylor III
Jeffrey E. Thayer
Carl W. Thiem
Leon R. Thompson
Lloyd M. Thorne
John F. Thornell III
John M. Thornton
Julius S. Tindall
John F. Torsak
Lon A. Troxel
George T. Tucker
Ronald D. Twardy
John G. Upton
Frank A. Vargas III
James Vaughn
Arnold F. Vessey
Kenneth A. Vincent
Joseph M. Vizzier
Joel R. Voneida
William Wallace, Jr.
Larry E., Walther
Charles R. Waters
Ray E. Watkins
Alfred W. Webber
Lawrence N. Webster
Robert A. W. Wehrle
Randall B. West
John A. Wester, Jr.
James R. Wheeler
Michael J. Wheeler
William L. Whipple
Harold D. White
Llewellyn S. White
Otis J. Whitehead
Robert W. Widenhouse
Rodney J. Wijas
Ronald D. Wilczak
James H. Wilk
John A. Wilkerson
Cromwell O. Williams, Jr.
Gregory N. Williams
Robert G. Williams

Mark G. Williamson
William J. Williamson
David L. Willis
Cornell A. Wilson, Jr.
Eugene S. Wilson, Jr.
Larry S. Wilson
Edward D. Wilt
Gary F. Wines
Charles D. Wise
Larry V. Wise
Merton T. Witham
Donald E. Wolf
Thomas V. Wolf
Douglas K. Wood
Douglas L. Wood
Johnny A. Wood
Michael S. Woodson
John A. Woodward
Larry K. Worthington
Lee A. Wright
Roger J. Wright
Steven C. Wry
Stanley G. Wylazlowski
Patrick D. Wynn
Stephen M. Yoakem
Stephen T. York
Paul M. Young, Jr.
Robert L. Young
Stewart G. Young
Kenneth W. Zebal
Joseph M. Zelmetz
George E. Zhookoff
Paul E. Ziegler, Jr.
Robert R. Zimmerman
Andrew D. Zinn
David A. Zucker

EXTENSIONS OF REMARKS

PRESIDENT NOTES 165TH ANNIVERSARY OF LINCOLN'S BIRTH

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ARENDS. Mr. Speaker, each year throngs of Americans and foreign tourists in Washington pay tribute to our Nation's most revered President, Abraham Lincoln. No visit to the Nation's Capital is complete without stopping at the impressive Lincoln Memorial.

As many of our Presidents have done before him, Richard Nixon also paused on February 12 to honor this great American and most famous citizen of my State of Illinois.

Under leave to extend my remarks in the RECORD, I include President Nixon's tribute delivered at a wreath-laying ceremony at the Lincoln Memorial on the 165th anniversary of Abraham Lincoln's birth:

REMARKS OF THE PRESIDENT AT A WREATH-LAYING CEREMONY ON THE 165TH ANNIVERSARY OF ABRAHAM LINCOLN'S BIRTH

All of the distinguished guests on the platform and ladies and gentlemen and our guests who are listening on radio and television:

As I was reading about the Lincoln Memorial before coming down here this morning, I found that of all the great historical sights in the Washington area, the Lincoln Memorial is visited more often than any other by far.

As a matter of fact, I have learned, I will say to Mr. Walker of the Park Service, that the Memorial has been visited so often and has received so much wear and tear that it perhaps is going to have to have some substantial work done to build it back up so that it can take all the traffic.

The question that I would like to address briefly this morning on Lincoln's birthday is why, why is Lincoln, of all the American Presidents, more revered not only in America but in the world?

There are several reasons that come to mind. He freed the slaves. He saved the Union. He died of an assassin's bullet just at the height of his career at the end of the War between the States.

Then there are other factors which come to mind: The Lincoln character which has been described in so many, many hundreds of books, much better than I can describe it in a few words, the humility, the humor, the feeling and kindness for people, but perhaps more than anything else the strength, the poise under pressure.

When we examine the American Presidents, it is quite clear that no President in history has been more vilified or was more vilified during the time he was President than Lincoln.

Those who knew him, his secretaries, have written that he was very deeply hurt by what was said about him and drawn about him, but on the other hand, Lincoln had that great strength of character never to display it, always to stand tall and strong and firm no matter how harsh or unfair the criticism might be.

These elements of greatness, of course, inspired us all today. The particular factor that I would like to address, however, is one that Mr. Whitaker has alluded to in his gracious introduction. It has to do with Lincoln's vision about America's role in the world.

What we sometimes forget is that Abraham Lincoln was a world statesman at the time that America was not a world power. Here on these walls are inscribed many of his very familiar usages. One from the second Inaugural comes to mind when Lincoln said, "To do all that we may to achieve and to cherish a just and lasting peace among ourselves and between all Nations." This is Lincoln 110 years ago.

When America, torn by civil strife, and when America, even after it was united with both the North and South working together to build a greater country could not and would not even play a great role in the world for years and years to come, and yet Lincoln with that mystical sense of destiny and vision saw it all ahead when he said, "Ours is earth's last, best hope."

And now we come to today, 110 years later. Even Lincoln would have marveled if he were living today. This Nation now, the strongest Nation in the world, the richest Nation by far in the world and a Nation greatly respected all over the world, and the question he would have asked, as we must ask ourselves is, how will history look back on our time? What did we do with our strength? What did we do with our wealth? Did we use it only for ourselves, or did we recognize as Lincoln recognized that we had a destiny far beyond this great Nation, looking out over the whole wide world.

These thoughts come to mind that Lincoln might well have advised us: One, that in this period of time that America was never petulant simply because we do not get our way in the world councils every time, that America did not bully weaker nations simply because we were stronger, that America always used its strength, certainly in this century at least, used its strength to defend freedom and never to destroy it, to keep the peace and to defend the peace and never to break it.

I think Lincoln also would have had this admonition to his fellow Americans on such an occasion as this in this particular period in our history. He would have hoped that America with its strength and its wealth would not turn away from greatness despite the fact that some other nations in the world turn inward failing to assume their responsibilities for building a peaceful world.

Lincoln would have said, a great nation, a strong nation, a rich nation and a great people will use their strength and their wealth to build a world in which peace and freedom can survive for themselves and for others as well. This, I think, is the Lincoln heritage for today. It is the Lincoln admonition for tomorrow and I would trust for the next generation and perhaps for the next century.

I do not suggest all of this in any sense that America wants to dominate any other country, because we do not. I do not suggest this because America wants strength simply because of the jingoistic idea that we must be number one. That is not the reason.

I do suggest it because I know, as Lincoln would have known, that in today's world without America and its strength and its will and its respect and its determination, peace and freedom will not survive in the world. What a great challenge for a great people.

I conclude simply by paraphrasing what Lincoln said so many years ago so much more eloquently, we could meanly lose what is mankind's last best hope for peace and freedom, but we could also nobly save it.

Abraham Lincoln, who saved the Union, would say to us today, let this great Union, North, South, East and West, now save the cause of peace and freedom for the whole world.

Thank you.

DISTURBED CHILDREN: THE RIGHT TO LEARN

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mrs. BURKE of California. Mr. Speaker, in my continuing effort to inform my colleagues of the need to provide meaningful Federal resources to educate and treat our handicapped children, I am inserting an article from the Washington Post of February 22, 1974, by George F. Will of the successes of special schools in educating schizophrenics, psychotics, and autistics.

Beleaguered parents trying desperately to find education for their handicapped children have been turned away because State laws refused to provide educational services to those they considered uneducable. Now, after some successful class action suits, States are being forced to acknowledge the basic right of all children, including those children who are severely handicapped, to publicly supported education. What is developing is a constitutional principle that says that basic State services, like education, must be afforded citizens despite the expense involved. As Mr. Will points out:

> An insufficiency of funds will not be allowed to bear more heavily on handicapped children than on normal children.

I am hopeful that the Developmental Disabilities Act of 1970, which is presently being considered by the Subcommittee on Public Health and Environment, will recognize these same concepts and assure that the new Developmental Disabilities Act of 1974 provides for a full range of services to all children who are severely handicapped due to a medically determinable physical or mental impairment.

The article follows:

DISTURBED CHILDREN: THE RIGHT TO LEARN

(By George F. Will)

NEW YORK.—Appearing anywhere, the advertisement would have been jolting. Appearing in the New Yorker magazine, among advertisements for Japanese liquor and Florida condominiums and limited edition porcelain birds, it had special impact.

It featured a shattering picture of a sloe-eyed boy in a straitjacket. The large print asked: "What do you do with a 9-year-old schizophrenic?" And the text read: "Lock him away? Sentence him to life imprisonment in a mental institution? There has to be a better answer. And we think we've found it."

They have found it, and in doing so they have furthered a constitutional revolution for millions of young citizens. The people who have found it are the men and women of the Manhattan School for Seriously Disturbed Children. The school is an inspired and inspiring example of how to give "equal protection of the law" to the kind of children the law rarely protects.

The success of this and a few similar schools in educating schizophrenics, psychotics and autistics is giving momentum to a series of "right to education" class action suits. States are being forced to acknowledge a basic right: the right of mentally ill or retarded children to publicly supported education. The suits challenge the practice of excluding such children from public education programs.

For example, until recently a state law relieved the Pennsylvania school system of the obligation to educate children certified as "uneducable." Then an organization representing retarded children sued, arguing that the "equal protection" clause of the Constitution requires that when a state offers a service, like education, to an entire class, like children, it may not arbitrarily exclude any portion of that class, like retarded children.

The crux of the matter is: What exclusion is arbitrary? Some state laws stipulate that the state has no responsibility for children "unable mentally or physically to profit from attendance at school." The danger is that suits on behalf of handicapped children will be declared nonjusticiable for lack of "manageable standards" regarding the educational needs of the approximately 5 million such children in America.

This is where the incredibly tough (as well as tender) professionals of the Manhattan School come in. Together they and the children, in heart-rendering daily acts af patience and heroism, are demonstrating that even the most disturbed children can benefit from attendance at the right kind of school.

And if you don't think this is a heroic enterprise, look through the glass door panel as a petite teacher working with three terribly disturbed children—one hyperactive, one nearly catatonic, one just bewildered—performs the small miracle of getting them settled at a table for an orderly lunch together.

Most of the children at the school are so disturbed that they cannot cope with time and space; they cannot order their lives. Lacking such a school they would be consigned to institutions, or left at home with desperate and hopeless parents. But these children are lucky to be in New York, where public funds largely support the Manhattan School. Some of them will make enough progress—albeit excruciatingly arduous—to live as adults in the community. Meanwhile, they all live at home.

The officials at the school know that the most efficient way to advance the legal rights of handicapped children is to demonstrate that they can be helped by education. In the process, the school must show that it is not enough for the state just to provide a warehousing operation for the handicapped—a "classroom" and an untrained custodian. A ratio of one real teacher for every three pupils is necessary to meet the pupils' educational needs.

The cost per student of such education is more than the cost for normal children. But the developing legal doctrine is that constitutional rights must be afforded citizens despite the expense involved, and an insufficiency of funds will not be allowed to bear more heavily on handicapped children than on normal children.

Some day Americans will look back on the long denial of educational rights to handicapped children with the mixture of embarrassment and incredulity that we now regard the long denial of educational rights to blacks. Thanks to the Manhattan School and others like it, that day has been hastened.

Before the school ran that jolting advertisement in The New Yorker it had run two tame and utterly ineffective advertisements picturing cute, happy, normal looking children. The advertisement picturing the bewildered, bound boy sparked a wave of interest—and some contributions. Americans seem ready to face the problem, and their responsibilities.; And that, really, is why the law is changing.

NEW LEADERSHIP VITALLY NEEDED IN GOVERNMENT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BROWN of California. Mr. Speaker, as you know, I have felt for some time that it will be necessary for us to impeach Richard Nixon if our Republican colleagues are unable to persuade him to resign in the near future. Our beloved Nation simply cannot continue to tolerate the strain which is imposed upon our citizenry by the various illegal and immoral activities which have become the hallmark of the Nixon administration; we in the Congress must not follow the example of the Romans nearly 2,000 years ago who watched Nero fiddle while the city burned.

Unfortunately, Mr. Speaker, the ill effects of Watergate and the various other scandals associated with this administration will not simply disappear with the impeachment and conviction of the current resident of the White House; they will be with us for some time to come. One of the worst of these effects has been a tremendous increase in the cynicism felt by most of the public toward the people they have elected to represent them in public office. Those of us who serve in public office are aware that some of this cynicism is deserved, since there are dishonest men and women in politics, just as there are dishonest bankers, engineers, plumbers, and doctors—frankly, it would be hard to imagine an occupation which has not been used by dishonest persons to further their own interests at one time or another. The sad thing about this indiscriminate cynicism toward politicians, however, is the fact that the very persons who could do the most to improve the situation—the bright, young, honest, and idealistic men and women who demonstrated both their abilities and their concern for our country in the various humanitarian movements of the 1960's—these people are, for the most part, unwilling to involve themselves in the formal political process simply because they see it as so corrupt. And so the problem feeds upon itself: those who could best increase the quality of representation at every level of government are generally unwilling to run for office because they do not want to be called politicians, with all the connotations that name carries with it.

Fortunately, there are some who are willing to involve themselves in the political process, regardless of what it does to their reputations, to try to work for the principles which the Founders of this country—such politicians as Thomas Jefferson, George Washington, Benjamin Franklin, and so forth—have left us as the legacy of every American citizen. There are still those who are not satisfied with complaining about hypocrisy and deceit, who will not stop at writing letters to the editor about corruption, who feel that protesting injustice is not enough. These are the people who will be running for office themselves in the months and years to come. These are the people who keep me optimistic in what certainly is not America's finest hour.

Mr. Speaker, I would like to mention a few of these new leaders from time to time, as I become aware of them, in order to increase the general public awareness of their existence and, hopefully, to encourage other dedicated people to enter politics. Perhaps my modest contribution may even minutely hasten the day when "politics" will no longer be a dirty word in the mind of the average American.

One of these young patriots is Dr. David Lopez-Lee of Los Angeles, Calif. David Lopez-Lee is the Nation's only full time Mexican-American professor of public administration. He was born and raised in Boyle Heights, the barrio section of Los Angeles, and has been active for years in various community and humanitarian programs and projects. Dr. Lopez-Lee has been a counselor with the Lincoln Heights-East Los Angeles Teen Post, research director with Project Arriba and with a local delinquency prevention program, director of a food caravan to the Delano farmworkers, and chairman of the Committee for a Better Los Angeles.

David Lopez-Lee received his Ph. D. from UCLA in 1969 and currently is a professor at the University of Southern California. He serves as a consultant to the Association of Mexican-American Editors and is general editor of the Journal of Comparative Cultures. He is the author of at least 36 published articles that I know of, and is widely respected as an expert in several diverse fields. In the course of his work he has been granted security clearance by the U.S. Government. And to top it all off David Lopez-Lee is one of the hardest working individuals it has ever been my pleasure to meet.

Dr. Lopez-Lee is currently in the middle of a very unusual campaign for a seat on the Los Angeles City Council—unusual in several respects, but perhaps most of all for the fact that he has very little money and is hoping to win, therefore, not by the usual bilboards and computer mass mailings, but rather by personally visiting and talking with as many of the individual residents of Los Angeles's 14th Councilmanic District as he possibly can. He has already visited literally thousands of these citizens, and—while I realize that it is hard to beat opponents who can outspend you several times—I have seen Dr. Lopez-Lee's dedication, and I fully expect him soon to be sitting on the council.

I might add, Mr. Speaker, that many of the citizens of Los Angeles are Mexican-American, including about two-thirds of the residents of the 14th District, yet none of the 15 members of the city council has been a Mexican-American since our esteemed colleague and my own good friend the Honorable Mr. ROYBAL was elected to Congress more than a decade ago. Dr. Lopez-Lee's election will therefore be an inspiration and a cause for celebration throughout the currently unrepresented Mexican-American community of Los Angeles.

Mr. Speaker, I think it is essential that we reach the other outstanding young potential leaders throughout the country who are not currently involved in politics and persuade them of the need for their talents and dedication in public office. Without their active participation in the people's business of government we would soon see the moral collapse of our Nation. I am sure that we have all heard the 179-year-old line, "The only thing necessary for the triumph of evil is for good men to do nothing." That sentence rings as true today as it ever has, although I am sure that Edmund Burke would not mind if I reflected today's increased sensitivity in one area by amending his statement slightly to read that the only thing necessary for the triumph of evil is for good men and women to do nothing.

I hope, in the midst of the seemingly endless discussion of Watergate, that we will all take a little time to encourage good men and women against despair, for in these desperate times they are sorely needed here in the Halls of Congress and throughout the country at every level of government. And perhaps, out of the ashes of Watergate, there will arise the phoenix of a new group of office-holders, honest, idealistic, and able to overcome the cynicism that threatens to tear our country apart.

GREAT AMERICANS FOR 1973

HON. SAM NUNN

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, February 25, 1974

Mr. NUNN. Mr. President, as many of my colleagues are aware, Dixie Business magazine recently named Senator and Mrs. Herman E. Talmadge to receive its distinguished "Great Americans for 1973" award.

In the winter edition of Dixie Business which honors the Talmadges, editor Hubert F. Lee has included the letter of a 12-year-old Indiana girl who has selected Senator TALMADGE as her great American. Her ambition is to be a U.S. Senator and she has chosen as her model, Senator HERMAN TALMADGE.

I ask unanimous consent to have her letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE EDITORS: Since November is the month of Thanskgiving, I would like to give my thanks to the great State of Georgia.

I am a girl, 12 years old, and in the 7th grade and my ambition is to become a U.S. senator.

In the past few months I have managed to write to all 100 U.S. senators. I think they are all wonderful and love them all, but a few are exceptional. The greatest exception of all is why I'm writing.

I would like to give my thanks to the people of Georgia for having the good taste and good judgment to elect Sen. Herman E. Talmadge to the U.S. Senate.

I am not too young to see that people all over the country are losing faith in our government. I believe it's because most of the people haven't had a chance to get to know the really great men—the honest, good men who love their country with all their hearts—men like Sen. Talmadge who can be admired by the younger generation and can give them inspiration, not shame and bad examples.

I will pray for God to bless the people of Georgia for giving Sen. Talmadge to our government, but mostly for giving him to our people. Now I have a dream.

JAMIE DIANE SCHAEFER,
Crown Point, Ind.

SET IT STRAIGHT

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. LANDGREBE. Mr. Speaker, the last of four editorials by Mr. William K. Mollenhour from the Warsaw, Ind., Times-Union, which I want to include in the RECORD is entitled "Set It Straight." It attempts to summarize and to rectify the disproportionate emphasis which has recently been placed on actions committed by some members of the executive branch. I include the editorial in the RECORD at this point:

SET IT STRAIGHT

We have devoted this entire week, editorially, to try to set the record straight, place the proper weight—not hysteria—upon the incidents that have caused us so much distress in the past year. We believe it to be of vital importance that the American people quit acting like spectators in a Roman Coliseum, gleefully watching Christians being fed to the lions. That is exactly what we have been doing for more than a year. Our thirst for blood and scandal is insatiable. It has colored our judgment of what is real, what is unreal, what is important and what is political flim-flam.

What is perhaps worse, we have applied a double standard to our judgment of events and people, excusing some while crucifying others. We have sold the accomplishments of our nation down the river while nit-picking at nonessentials. The rise of the dollar abroad while we were apparently having troubles at home, proves foreigners have a better opinion of us than do we ourselves.

It is a sorry state of affairs for which each of us must bear a portion of the blame. At first we enjoyed the show. It is only human nature to be a bit gleeful as the mighty fall. Then we sickened of the long drawn Watergate hearings. The storm subsided momentarily and it appeared we had crawled back into our heads and gotten our minds and values in order. Then something happened to 18 minutes of tape out of hours, days and months of tape. By the resulting uproar, revival of indictment, impeachment and resignation talk, you would have thought someone swiped the remaining gold at Fort Knox!

Led by some Democrats seeking political advantage and some weak-kneed Republicans trying to follow the crowd, cheered on by television commentators, we again joined the wolf pack in full cry after someone's jugular!

We conveniently ignored the fact that other saints such as Ralph Nader's attorney had become sinners also, that during the same period of time our nation found peace for the first time in a decade, that our balance of payments was brought back into line, that the good offices of the United States stopped the fighting in the Mideast.

We whooped it up in the Coliseum and lived it up at home, fascinated by the public washing of our dirty linen, while the energy shortage crept up on us. When we, instead of the mighty, feel the pinch, we holler.

Our effort to review the real state of our nation this week has not in any way intended to excuse anyone or anything, but rather to put the state of the nation into proper perspective. This we must do, for to lose faith is to lose our way of life and our freedom.

We've been hypnotized by the snake charmers until we almost forgot that for all its faults and failures, The United States is the greatest nation on earth, the best place to live and our system really does work. Imagine trying to raise such a ruckus in Russia!

THE 56TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. SANDMAN. Mr. Speaker, I am very pleased that the prayer in the House of Representatives this morning was offered by Rev. Philip Tammaru, the pastor of the Estonian Evangelical Lutheran Congregation in Seabrook, N.J. This occasion is particularly significant since yesterday, February 24, marked the 56th anniversary of the Declaration of Independence of the Republic of Estonia.

Approximately 300 Estonians reside in the town of Seabrook, which I am privileged to represent. Most of them are employed by the great Seabrook Farms—one of the largest vegetable producing companies in the country. I am greatly impressed by the sincerity of these people. Through years of hard work, they have raised their families and have contributed substantially to the development of the community. We can learn a great deal from these people. Their love of country and their respect for law and order is outstanding.

We recall Estonian Independence Day each year to reaffirm our friendship and support of the people living in Estonia for whom freedom is both a memory and a dream. The Estonians proclaimed their independence after the tsarist government fell, and from 1918 until 1940, when their country fell to the Communist forces, they enjoyed a period of freedom and progress. The Estonian people were able to enjoy their freedom for merely two decades. Those people are still among the captive peoples of communism, and this great day in their history cannot be celebrated in their homeland, because of the tyranny of their Communist rulers.

The resistance to Communist domination that these courageous people display should serve to inspire free people everywhere. Dictators can enslave people, but they cannot destroy a people's spirit or desire for freedom.

The heritage of the Estonian people is indeed one of which to be proud. They are a strong, hard-working, freedom-loving nation who have always defended the dignity of man and his right to live in a free society.

The Estonian people, who have known freedom and slavery before, will know freedom again. I can only believe that history is on the side of the just and that one day a free and independent Estonia will prevail again. We must dedicate ourselves to continued efforts to see that freedom is restored to those proud people and all other captives of communism.

At this time, I urge the Congress of the United States to join with Estonians everywhere in saluting their 56th anniversary of freedom and to commend them for their great contribution to the growth of our country.

MEDIA RESPONDS TO THE ENERGY CRISIS

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ST GERMAIN. Mr. Speaker, the severity of the energy crisis is particularly apparent to my constituents in Rhode Island. Edwin W. Pfeiffer, vice president and general manager of WPRI-TV, Providence, conceived and launched an awareness program involving industry, media, and citizens of all ages in Rhode Island and nearby Massachusetts.

Recognizing the appeal of hand symbols such as the black power clenched fist, the Churchill "V" for victory—later the peace symbol in the Vietnam war, Mr. Pfeiffer had WPRI-TV Art Director Joseph Rezendes adapt the three-fingers-up hand signal to a stylized device to be used on all the "I am an energy saver" campaign material.

Fifty thousand copies of an illustrated 16-page booklet filled with timely information and tips on energy conservation was combined with colorful red, white, and blue bumper stickers, buttons, and window display cards to kickoff a massive public awareness campaign over WPRI-TV. Prizes were offered to those displaying bumper stickers and window cards, and the effort received enthusiastic acceptance.

WPRI-TV advertisers solicited by Mr. Pfeiffer shared in the cost and acted as distribution centers for the material.

The "I am an energy saver" campaign is a laudable example of media taking the initiative an enlisting the support of business and the people. It is Mr. Pfeiffer's hope, and indeed, mine, that other broadcasters throughout the country will follow WPRI-TV's leadership and get behind the "I am an energy saver" campaign.

SENATOR EASTLAND CALLS FOR STRONG RESERVE PROGRAM

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. MONTGOMERY. Mr. Speaker, the senior Senator from my home State, Senator Eastland, recently gave the principal address at the dedication of the new U.S. Army Reserve Center in Jackson, Miss. In the course of his remarks, Senator Eastland made a very strong case for the continuation of a viable Reserve component program. He called for public recognition and support of the National Guard and Reserves for the important role they have played in America's national defense in the past and the important contributions they have to make in the future. Because of the significance and timeliness of Senator Eastland's remarks, I commend them to my colleagues in the House:

ADDRESS BY SENATOR JAMES O. EASTLAND

(Dedication Ceremonies, U.S. Army Reserve Center, Jackson, Miss., February 3, 1974)

Governor Waller, my colleagues in the Congress, General Pepke, General Woody, distinguished guests, ladies and gentlemen:

It is a high honor for me to participate in today's ceremonies dedicating this new and modern armory, which has been designed and constructed to aid the mission of the U.S. Army Reserve in Jackson.

This splendid building which was erected at a cost of $606,000 will provide excellent training facilities for the 300 officers and men of the following army reserve units: 3390th USAR School; 365th Service and Supply Battalion; 894th Quartermaster Company.

On this fine occasion I would like to share some thoughts with you on American security—and on our active—guard—and reserve forces.

What is the proper approach to the defense of our Nation?

In my view—the only approach was outlined by the new Federal Energy Administrator with reference to the fuel shortages which are facts of life today. Administrator Bill Simon said that we should hope for the best—and prepare for the worst.

Let's apply that sound concept to the world—not as we would wish it to be—but as it is.

Peace is the best—peace that reaches around this small and fragile planet—in our time—and for all time.

The worst is so terrible that the mind wants to turn away from contemplating the certain result of nuclear warfare.

Woodrow Wilson stated the desire and the goal of every American in these words: "There must be—not a balance of power—but a community of power—not organized rivalries—but an organized common peace."

Sadly—Wilson's elequent plea remains a dream. In 1974—on this earth—there is a balance of power. There are organized and dangerous rivalries. There is no organized common peace.

In the face of those harsh facts of life I submit that we have no choice except to structure our defense to hasten the day of the best—and to insure that the worst is never visited on mankind.

I—along with each of you—welcome what is styled detente between us and those who choose to make themselves our adversaries. I applaud and support any action that moves us for confrontation to consultation.

I—along with each of you—want us to seek solutions at the conference table—not on the battlefield.

Detente is far better than hot or cold war. It is a hopeful step toward the goal that men sought for ages—and that America has pursued for almost two centuries.

Detente—however—in our context of facts of life—is not an instant answer to the problems of the world.

It has not stopped the bitter fighting in Indochina.

It did not prevent further bloody conflict in the Middle East—a war that brought us to the edge of yet another confrontation with the Soviet Union.

It has not removed the Russian missile submarines which are on-station off our coasts—targeted against our cities and installations.

We live—day by day—with danger in many forms. One sensible step we take is to insure our lives and property. Every person in this audience owns insurance policies—and no person present can afford to be without them.

I suggest that our Defense Establishment is the largest and most expensive insurance policy in history. It costs an astronomical sum of money. But—again—we cannot afford to be without it because we are insuring the right to liberty—the right to life itself.

Now—what form does our huge insurance policy take?

We are dedicating a part of it here today.

It protects us in the skies—on and under the seas—and on the land.

It is made of strong—versatile—balanced military forces in the United States and in strategic locations across the earth.

What we need—indeed—what we must have is a top quality team composed of manned and Ready Active—Guard—and Reserve Forces.

None of us deny that top quality costs money. When we speak of defense we are talking about billions of dollars.

But—in our consideration of facts—let's look at military trends in the recent past.

Since fiscal year 1968 the Army has been reduced by six and two-thirds divisions.

The Navy has been reduced from 976 to 523 ships—and—for the first time—the number of major surface combatants of the Soviet Union exceeds that of the United States.

With respect to air power—there are 47 fewer fighter squadrons than 5 years ago.

Military manpower has declined from 3.6 million men to 2.2 million. That cut puts us 400,000 men below the pre-war level.

Listen to my close friend—Senator John McClellan—who chairs our Appropriations Committee—and I quote: "today—the defense share of the U.S. gross national product—of the labor force—and of the Federal budget is lower than at any time since 1950." Unquote.

I am convinced that—between John McClellan and our own John Stennis—defense dollars will be properly used to pay for the insurance policy our people deserve.

I will support every effort launched to modernize and strengthen our Active Forces with special emphasis on 3 critical items:

First: We must continue with our programs to increase the accuracy of our missiles.

Second: Our Trident new generation submarine must go forward on schedule—and—

Third: We must develop and put in service the B-1 bomber to replace our aging B-52's.

Now—let me turn to our Guard and Reserve Forces.

Earlier this month, the Brookings Institution, an organization which has considerable prestige, issued a report urging that we reduce our Active Forces by 62,000 men and our Reserve Forces by 309,000 men. This, the report stated, would result in a saving of

$618 million for the Active Forces and $828 million for our Reserve Forces. According to the Brookings Institution, we could save all this money without in any way impairing our military capabilities.

In the case of the major cut recommended in our Reserve strength, the study argued that the value of a large military reserve had become questionable because of the fact that in any conflict between NATO and the Soviet forces, the issue would almost certainly be decided long before major reserves could be brought into play.

The prospect of saving a billion and a half dollars, I know, sounds attractive. I am personally in favor of examining our military budget critically and effecting savings wherever they can be effected without impairing the national security. But I am strongly opposed to the massive cuts in our Reserve Forces recommended by the Brookings Institution. The Brookings study, I am afraid, simply fails to appreciate the many different ways in which a large—and Ready Reserve, with many different capabilities, enhances our security and helps to keep the peace.

The purpose of our reserve forces is not simply to help us meet the demands of a crisis confrontation with the Soviet forces on the central European front.

It can be taken for granted that this administration, or any administration that will succeed it, will do its best to stay out of limited war situations similar to the Vietnam situation. On the other hand, we have to face up to the possibility that a combination of circumstances may involve our vital national interests so irresistibly that—against our will—we may again find ourselves fighting a limited war in some part of the world. The worldwide alert of American forces at the time of the recent Arab-Israeli conflict was a somber reminder of the possibility.

To prevent such a confrontation from developing into a total war situation, it may be necessary over a period of several weeks or even months for all the NATO countries to beef up their military establishment in the central European sector: the inability to do so might conceivably bring about the world conflict we are trying to avoid by persuading the Soviets that we do not have the guts or the determination to resist them.

Going beyond this, it has always been a fundamental rule of the art of diplomacy that, to deal effectively with determined adversaries, one has to have a military establishment strong enough to discourage them from engaging in any adventures. This is what Churchill meant when he said, "we arm to parley."

This basic rule has, if anything, been reinforced by the history of our dealings with the Soviet empire since World War II. Indeed, in the world in which we live, an adequate defense establishment can have the deterring and stabilizing capability essential to the keeping of the peace—while an inadequate defense establishment is an invitation to disaster. And when I talk about an adequate defense establishment, I mean a defense establishment in being and not one that may be created at a future date.

This is all the more imperative because, in the case of the Soviet Union, we are dealing with an adversary who is not merely determined and aggressive but who maintains the most massive armed forces in peacetime history, in a state of instant readiness.

Let me give you a few facts which have got to be pondered before we start cutting back our active and reserve forces.

We have, under the SALT agreement, conceded to the Soviets a 3 to 2 advantage in numbers of ICBM's and a 3 to 2 advantage, roughly, in Polaris submarines.

While the matter of "throw weight" was not covered by SALT, it is generally conceded that their missile force has approximately a 4 to 1 advantage in payload capacity.

In Central Europe the Soviet military buildup, still in progress, certainly offers no encouragement to peace of mind. A white paper put out by the West German Defense Ministry of January 14 points out that, against NATO forces totaling 29 divisions and 6,200 tanks in Western Europe, the Warsaw Pact has 64 divisions and 17,000 tanks in Eastern Europe—that is, East Germany, Poland, Czechoslovakia, and Hungary—backed up by another 30 divisions and 6,800 tanks at the ready just inside the Russian frontier. In combat aircraft the Soviets are credited with at least a 2 to 1 advantage over NATO in that area.

Since no nation in the Western world could possibly think of attacking the Soviet Union, we have got to ask ourselves what the Soviets are doing, or what they intend to do, with all of these divisions and tanks and aircraft. And before the free world reduces its forces any further, we have got to ask ourselves what impact such a reduction might have on the already precarious deterrent capability of our sadly out-gunned armed forces.

There is absolutely no doubt in my own mind that if we ever cut our active and reserve forces by the figures recommended by the Brookings Report, we would be seriously undercutting Secretary of State Kissinger's efforts to preserve the peace while defending the free world, and we would be encouraging the extremist elements in the Kremlin.

Big nations should never be too proud to learn from small nations. When it comes to the importance of large combat-ready reserves, I think that all of us have a lot to learn from the example of Israel. The Israeli army is essentially a reserve army which can be mobilized on 48-hour notice.

On three occasions now the existence of this Reserve Army had made the difference between victory and total defeat for the Israeli people. And I truthfully don't think it's exaggerating one bit to say that the existence and effectiveness of our own reserve forces may be just as important in the future to our own survival as a nation.

Consequently, the men of our reserve units, simply by belonging to their units and attending to their training, are making a vital contribution to the security of our nation. and the peace of the world. And I say to the critics: Let's not undercut them. Let us, on the contrary, strengthen them. Let us provide them with ample supplies of modern weapons. Let us find the funds to enhance their training and increase their combat readiness. But let us above all give our reserve forces the recognition and public support to which they are entitled.

My friends—as we dedicate this splendid facility—I suggest that we rededicate ourselves to the labor of transforming detente into supervised disarmament—of following the tentative steps we have taken with Russia and China along the road which leads us to a just and lasting peace.

Until we attain that great goal—I want this nation we love to maintain strong and ready active—guard—and reserve forces to guarantee the right of every American to rest easy in his bed by night—and to walk about by day without fear.

Thank you so much.

ESTONIA INDEPENDENCE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. WOLFF. Mr. Speaker, February 24 marks the 56th anniversary of the Declaration of Independence of the Republic of Estonia, which is now occupied by the Soviet Union. This occasion should remind us that everyone is not able to enjoy the freedoms which we consider so important.

Despite Soviet occupation, the people of Estonia, an area the size of New Jersey, Connecticut, Delaware, and Rhode Island combined, have continued to have a strong national identity. An exceptionally high educational level and an original and colorful folklore are two of the manifestations of this strong identity. The desire of the Estonian people for self-determination and freedom of speech remains strong.

The continued colonization of Estonia, like the case of Alexander Solzhenitsyn, should make us appreciate the freedoms we cherish and reaffirm our commitment to self-determination for all people. We all hope that someday the people of Estonia will be able to enjoy the basic human freedoms.

PROPOSED PANAMA CANAL GIVE-AWAY CAUSES CONCERN

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. EVINS of Tennessee. Mr. Speaker, concern is rising over a proposal by the administration that greatly affects the Panama Canal and U.S. control of the canal.

Secretary of State Henry Kissinger has signed an agreement in principle with Panama, and many fear that this could lead eventually to a give-away of U.S. ownership, sovereignty and control of the Panama Canal. I strongly oppose any surrender of sovereignty and control over this important facility and the Canal Zone.

An article written by Mr. Robert S. Allen, a columnist with the Publishers-Hall Syndicate, and published in numerous newspapers across the Nation, including the Knoxville Journal, very clearly describes the concern and fears of many people over the administration's proposals for the Panama Canal.

Because of the interest of my colleagues and the American people in this most important matter, I place the article in the RECORD.

The article follows:

PROPOSED PANAMA CANAL GIVE-AWAY CAUSES CONCERN

(By Robert S. Allen)

WASHINGTON, February 16, 1974.—The Administration is unhappily running into a hornet's nest of vehement congressional opposition to the plan to give up U.S. control and operation of the strategic Panama Canal and Zone.

So widespread and intense is this bipartisan hostility that there isn't a chance this Congress will approve the scheme.

As far as the overwhelming majority of this Congress is concerned, that fanfared "agreement in principle" ceremoniously signed by Secretary Kissinger in Panama last week isn't worth the paper it's written on. That grandstanding event may have made headlines in ultra-liberal publications, but it also triggered a storm of irate denunciation in Congress—particularly in the House.

Significant highlights of this barrage of disapproval are:

* * * Introduction of three resolutions vigorously demanding there be no "surrender of U.S. sovereignty" over the Canal and Zone "except by treaty authorized by the Congress and duly ratified by the United States"—in other words, no give-away by White House edict or State Department fenagling.

Sponsors of these militant declarations are three leading legislators who have long been directly interested in the Panama problem—Representative John Murphy, D-N.Y., senior member of the Panama Canal Subcommittee for 12 years; Mrs. Leonor Sullivan, D-Mo., chairman of the Merchant Marine and Fisheries Committee; and Daniel Flood, D. Pa., *Appropriations* Subcommittee Chairman.

Not a single member of the House has said anything in favor of the hooplahed "agreement in principle." In striking contrast, there has been an anvil chorus of harsh bipartisan dissent. Foremost among the castigators are Representatives Gene Snyder, R-Ky., Joe L. Evins, D-Tenn., Frank Stubblefield, D-Ky., John Rarick, D-La.

With two exceptions, there has been a similar silence in the Senate. The exceptions are Senators Edward Kennedy, D-Mass., and Gale McGee, D-Wyo.—both noted for their fervent internationalism and pronounced penchant for supporting large-scale foreign aid and other give-aways.

Graphically illustrative of their self-righteous attitude was Kennedy's statement that while he is "conscious of the controversy surrounding every aspect" of this highly explosive issue, he nevertheless feels that the "era which produced the original treaty has long since passed; that in today's world that treaty is an embarrassing anachronism."

PLAYING WITH FIRE

Representative Murphy, West Point graduate and former chairman of the Panama Canal Subcommittee, flatly challenged this contention with the blunt warning:

That the iron-fisted dictatorial regime of Panama strongman Omar Torrijos and the leftist cabal surrounding him is highly unstable and its continuance in power extremely uncertain. Says Murphy, "It might be overthrown tomorrow."

Two "plots" are underway to oust this military dictatorship—the 59th government Panama has had since 1903. Notes Murphy sardonically, "Some of them lasted only a few days; a turbulent history in anyone's book. During the same period, the U.S. had 12 Presidents."

So shaky is Torrijos' regime that to avert a military coup, he has sought to make a deal with ex-President Arnulfo Arias—whom Torrijos deposed in seizing power. The dictator proposed to restore Arias as president if he would support Torrijos' continuance as strongman—indignantly rejected by Arias with the message, "I will only return to Panama when you leave the country permanently."

The Torrijos regime is deeply involved in the "narcotics traffic."

There can be no new treaty with Panama without direct consideration by the House of Representatives. Any attempt by the Administration to bypass the House will be vehemently resisted. Declared Murphy on this key point:

"The authority of the House of Representatives is required before real and other property paid for from appropriated funds is given up or conveyed by treaty as the executive branch apparently is seeking to do in the proposed treaty with Panama. I am firmly serving notice that it is the unswerving resolve of those of us in the House who will insist that this body play a proper role vested in us by Article IV, Section 3, Clause 2 of the Constitution of the United States."

Echoing this blunt challenge, Representative Gene Snyder, a ranking member of the Merchant Marine Committee, declared:

"The striped-pant dreamers of the State Department apparently are willing to turn over control of the Panama Canal despite an unbroken history of governmental instability in the Republic of Panama. The American people will not stand for any outright ceding of the Canal to Panama, so the State Department is in the process of doing that in a series of piecemeal concessions."

But as Representative Daniel Flood remarked forebodingly:

"If they are looking for trouble, they will get it—and plenty of it. The Administration may propose a give-away Panama treaty, but we will do the disposing—in the wastebasket, where it belongs."

MY HERO

HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. HINSHAW. Mr. Speaker, once in a great while a truly touching tribute emerges above the hundreds directed to a famous person upon his death.

While Murray Chotiner was in the hospital fighting for his life, his stepdaughter thought to cheer him up by showing him a composition she had prepared on October 13, 1973, for her Flint Hill High School English class. The teacher had asked the students to write a paper on their hero. She passed up the usual heroes who occupy the thoughts of the average 16-year-old and wrote the tribute quoted below. Her grief at this untimely death did not prevent her from reading it at the funeral services which included President and Mrs. Richard Nixon and many other distinguished persons and family friends:

My Hero

I have sort of an odd hero. His name is Murray Chotiner—my dad!

Actually he's my stepfather, but I consider him my *real* father and hero.

He's had an interesting life, and has been active in many things. I could ask him just about anything on any subject and he'd give me a very logical answer—or very wise advice.

The subject I think he knows most about, besides law, is politics.

Politics is one subject that interests me greatly, and I hope to get involved with it someday. He's been very involved in politics, and it is through him that I've been able to see what it's all about. And the fact that he's been in such close contact with the government, that he knows what is going on inside the government—is also important.

Since he and my Mom have been married, I've been active in the Presidential Election, local elections, the Inaugural and, most important to me, my job on the "Hill" last Summer.

I've learned so much in the past two years of my life that, I know, will be an asset to me someday.

My father has also been a long time friend, counselor and campaign aide to President Nixon; and I know he will defend and do anything in his power to advise and aid him—no matter what happens.

My dad has very many great traits about his personality. He is fun! And he is fair, in everything and anything—(even when I get in trouble and he sets a punishment for me).

He's honest, and I know if he were ever in an investigation for any reason, no one could possibly find any bit of dishonesty.

His secretaries say that though he's hard to work for sometimes, he is the fairest and most honest man that they have ever worked for.

These to me are his two best traits.

The only bad thing that I can think of to say about him is that my dad has a very bad memory, especially for names! And if he didn't have my Mom around at social functions, he'd really have problems!

As you've probably gathered from this paper, I respect my dad greatly. He is my hero, and I think he is one of the best men around!!

Mr. Speaker, I join with the many who are saddened at his passing from this earthly life. His accomplishments in his chosen profession of the law and his deep interest and participation in the field of politics will not be soon forgotten. However, I believe Murray Chotiner would be preferred to be remembered by his friends and associates as his family remembers him—a loved and respected father and husband—and a fair and honest person.

LITHUANIAN INDEPENDENCE DAY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. RHODES. Mr. Speaker, in commemoration of the Lithuanian Independence Day, I would like to enter into the Record a resolution unanimously adopted by the Phoenix Chapter of the Lithuanian-American Community of the U.S.A., Inc. It is as follows:

Resolution

We, Lithuanian-Americans of Phoenix, Arizona, at a meeting held on February 17, 1974, commemorating the 723rd anniversary of the formation of the Lithuanian Kingdom in 1251 and the 56th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of Communist regime in seeking political and religious freedom, as demonstrated by the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstrations of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Lithuania, Latvia and Estonia, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved, that we, Lithuanian-Americans will urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forcefull annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to the President of the United States, the United States Secretary of State, the U.S. Ambassador to the United Nations, the United States Senators from Arizona, Republican and Democratic leaders in the United States Congress, the Lithuanian Minister in Washington, D.C., and the Lithuanian Consuls in New York City, Chicago, Los Angeles, and the press.

BAN THE HANDGUN—XXIV

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BINGHAM. Mr. Speaker, on February 10 a young man armed with a .32-caliber pistol shot and killed his father, his mother, a neighbor, a 2-year-old boy, and wounded two others. Unless strict gun control legislation is enacted, this kind of senseless carnage will continue.

The attached article appeared in the New York Post, Monday, February 11:

TELLS COPS HE KILLED PARENTS AND TWO

NEWTON, N.J.—A man who walked into a police station and confessed to a quadruple slaying has been sent to Trenton State Prison for a psychiatric examination after being arraigned and held in $255,000 bail.

Frederick L. Carragher, Jr., 24, was charged with killing his father, his mother, a neighbor, and a 2-year-old boy yesterday, and with attempting to kill the boy's mother and another man.

All four victims had been shot once each in the head with a .32 cal. automatic pistol, state police said. They said the woman who was not killed was grazed in the head with a bullet, and the man survived because Carragher's gun misfired.

Carragher turned himself in to Newton police, who then told state police where to find the victims, police said.

The victims included Carragher's father, Frederick Sr., 60, and his mother, Evelyn, 58, with whom he lived in their home on Flat Brook Road in Sandyston Township, the Sussex County prosecutor's office said.

County Prosecutor George Daggett said Carragher shot his parents about 10:30 a.m., then went next door and killed Isabel Catalo, 65, who lived alone.

The prosecutor said Carragher then drove to Newton, picked up Beverly Guernin Owens, 24, and her 2-year-old son Kristian, at her home, took them to a friend's house in Lake Lenape, N.J., and shot them. He then drove to Newton police headquarters and turned himself in.

COSTLY CONGRESSIONAL INDECISION

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ROBISON of New York. Mr. Speaker, as I said in introducing an energy-related bill last week, there is an air of unreality around here these days—a growing feeling that Congress, as an institution, is becoming very adept at "fiddling," but totally incapable of doing its part in quenching those numerous "fires" that threaten to break out all around us as the energy crisis goes on, and on, and on.

Our delay in fashioning any legislative response to that critical situation—other than year-round daylight saving time which more than half our constituents seem to want repealed—has now gone beyond all lengths of reason, let alone all lengths of explanation or excuse.

Little wonder, then, that pollster Louis Harris finds the public assessment of Congress fallen, now, to an historic low of 21 percent—while the President which that self-same Congress is considering impeaching, holds on to a 30-percent rating which, while negative, is nevertheless 9 percentage points better than Congress. It may come with some bad grace for me to be as critical as I am, since I have announced—the decision stemming from near-equal parts of frustration and fatigue—my intention to leave Congress at the end of this year.

But, Mr. Speaker, I love this House—I had great ambitions for it, before the unexpected honor of becoming a Member of it, and those ambitions will live on in my heart and mind long after I have left it. The U.S. Congress has, in the past and with good reason, been called the "greatest legislative body in the world." I, for one, think it still is—or could be—although goodness knows it has not been living up to that image of late.

It would currently appear that the Emergency Energy Act—or by whatever name that much-battered vehicle is now known—is, if not dead, then in dire straits and headed, possibly, for the executioner's ax in the House, tomorrow or the next day. It may well be that such is the fate it deserves, even though I have not yet decided how I shall vote on it—indeed, how can I with the parliamentary situation currently so confused?

But if that vehicle thus is killed—whether it be at the hands of the House or the hand of the President who now threatens a veto—let there be, Mr. Speaker, no more of this "Who-killed-cock-robin" business.

Of course, the President has been hurt by Watergate, and all that words connotes; and he may well not be able, during the balance of his term, to recapture what I would call the "moral imperative" of national leadership.

But, Watergate or no Watergate, it is neither a very persuasive argument—nor of much help to a badly befuddled country—for those in leadership positions in this Congress to complain, as they often do these days, that Congress cannot legislate effectively because Mr. Nixon has lost so much of his power to "influence" Congress.

Come on, my colleagues—you know better than that.

You know—if the public is only gradually coming to understand it—that, under our political system, Congress is a coequal branch of Government along with the Presidency. You also know that, under our Constitution, it is the duty of the Congress to make the laws of the land—and it ill behooves a political party which has controlled that same Congress for 38 of the past 42 years, and during all of my tenure in this House, to use a weakened Presidency as an excuse for congressional impotence.

Mr. Speaker, it has been, literally, a crying shame for us to have held the separate bill creating the Federal Energy Administration "hostage" for the Emergency Energy Act—and to have thus left Bill Simon, a convenient target for abuse as an overworked but hard-trying energy "czar", with no office, no payroll of his own, and no opportunity to really get organized during one of the most critical economic times of our whole history, if not that of the world, but allowing him, as it were, the advantages of "twisting slowly in the wind."

My frustrations with many things have become such as to dictate my retirement from public life. But I shall be a Member of this Congress for all the balance of this year, and will do what I can—and say what I must—to try to get it back on the track for responsibility or, at least, of a shared responsibility with the President.

Our course would, therefore, seem to be clear: If that omnibus Emergency Energy Act is no longer a viable vehicle for action—and, more likely, it never was—let us move, at once, to consider, in separate, specific pieces of legislation, its integral and necessary parts. Let us, particularly, have an "up" or "down" vote on that question of gasoline rationing—which I tend to think would be preferable, if only as a temporary thing, to the chaotic condition we now have whereunder service station operators, for good and sufficient reasons, are threatening to stop bearing the brunt of public inconvenience and unhappiness. Let us encourage the Ways and Means Committee—which, all along, has been the proper forum for developing "excess profits" legislation—to finish that particular job and let us, then, vote on that. Let us, also, give Bill Simon and the President the authority they asked for, months ago now, to institute those energy-conservation measures our present dilemma dictates; and, above all, let us establish that Federal Energy Administration so that it can get itself organized and utilize the staffing moneys provided for it in last years' final supplemental appropriation bill.

By these remarks, I point the finger of blame at no one in particular—those among us who sought to lead us have done so with the best of intentions.

But, by trying to lump too much in together—the controversial along with *the noncontroversial*, and the less urgent along with the urgent—in an effort to show the electorate that Congress could, indeed, rise to the occasion, we have only botched the whole job, and very badly.

The cost is almost incalculable—to the Nation, and to its citizens; but the greatest cost, Mr. Speaker—and you must see this—is to the credibility, and the collective capacity, of the institution of which we are both a part: The Congress of the United States which, at this moment, is on trial every bit as much as is the beleagued President of that same great Nation.

STOP CRIMINALS, DO NOT DISARM THE LAW-ABIDING—PART I

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert in the CONGRESSIONAL RECORD an excellent editorial appearing in the Manchester, N.H., Union Leader of Wednesday, January 2, 1974, entitled "Gun Controls—a Cheap, Ineffective Shot at Crime" asking the very meaningful question, "When will we hear the outcry against the criminal?"

Too often we observe the easy way out is taken by well meaning, but misinformed people. Their position might be summarized simply: Take the guns away from the law-abiding citizens and crime will abate.

The comments by Mr. Gordon N. Johnson, chief of police in Minneapolis, Minn., make an effective answer to this unfortunate position:

WHEN WILL WE HEAR THE OUTCRY AGAINST THE CRIMINAL? GUN CONTROLS—A CHEAP, INEFFECTIVE SHOT AT CRIME

(By Gordon N. Johnson)

Concern for appropriate firearms legislation in the country is often misdirected, and for reasons of importance to all citizens, I'll briefly discuss what I think are the right and wrong approaches and I will be specific.

I tend to view the issue from a civil libertarian standpoint. This kind of concern we've been highly sensitized to civil rights arrests by police, in citizen and student protests, suspect's searches and confessions, and the like.

First, society's concern should be focused on the misuse of firearms. A minor form of misuse is reflected in the firearms accident rate, which is, incidentally, a small fraction of the motor vehicle rate. The 1972 National Safety Council report shows an accidental death rate of 27.2 per 100,000 for motor vehicles; 8.4 for falls; 3.6 for drowning; 3.3 for fire and burns; 2.6 for poison; 1.9 for suffocation, and 1.2 for firearms.

Every firearms accident is regrettable, but this comparaby modest rate could best be lowered by a continuation and expansion of existing firearms safety courses, and by implementation of such courses where now there are none.

The most obvious misuse of firearms is in crime, although the percentage of firearms so used is very small. Concerning handguns, a comparison of ownership estimates made by the Eisenhower Commission with handgun crimes reported in the F.B.I.'s annual Uniform Crime Reports typically shows that only a fraction of one per cent of handguns are used in crime. Common sense thus dictates that our laws should be directed toward the criminal use of firearms rather than to restrict the overwhelmingly legitimate use by the citizenry.

Laws should be commensurate with the problem, directed specifically rather than generally, considerate of civil rights and enforceable. I have little patience with attempts to enact unrealistic legislation to physically prevent a crime from taking place. Placing safety higher than freedom, benevolent totalitarians want to insulate us from all dangers. (Soon they'll want a crash helmet, seat belt, and knee pads on every toddler on a tricycle. Because of the risk of seeming ridiculous, let me say that what I mean is that even as children we must become aware of danger.) We must be able to recognize the point of diminishing returns when allocating efforts, funds, and police man-hours that might be better spent on something else, for example, the prevention and detection of crime, and apprehension of criminals.

For realistic enforcement, we must recognize that laws perceived (or misperceived) as violating the rights of tens of millions of firearms owners may well be popularly nullified. The government cannot legislate out of existence that which a substantial number of citizens believe to be among their rights.

All police are concerned with the armed criminal. An armed criminal is an incipient killer and must be dealt with accordingly. A substantial mandatory and consecutive sentence, without parole, should be imposed upon criminals who are convicted of any crime involving firearms or other weapons. Such mandatory sentence would allow the much needed time to rehabilitate the criminal while at the same time protecting society from him.

The mandatory sentence would serve as a deterrent to some types of criminals who might otherwise carry weapons.

I welcome any properly directed mandatory sentencing bill, including the limited measure for recidivists now pending in the Minnesota Legislature.

It grieves me to think of the number of police officers who are shot by recidivists. From 1963 through 1972, 59 percent of 1,084 persons involved in police killings had been convicted on a prior criminal charge. If those "gun control" proponents who so glibly beg the question about "saving one life" would help pass mandatory sentencing laws, more than one life would be saved.

With tens of thousand of firearms laws already on the books, the country does not need a flood of new laws. Present federal regulation of dealer sales is adequate. The record-keeping requirements allow us to trace firearms from manufacturers down to the owner or owners without registration, i.e., the recording of information on the owner and his firearm in a central governmental source.

(Of course, when the present advocates of registration speak of tracing firearms, they probably want a centralized system that can be used effectively for confiscation.)

Licensing of all present firearms owners would be a waste of time and resource better allocated in starting at the right end of the problem with judicious discovery and treatment of the mentally deranged and drug addicts and alcoholics, all of whom are a seriously potential danger to society, even without regard to firearms.

I support a license to carry a firearm upon the person in a municipality, but laws of this type should not be directed toward raising barriers against the legitimate carrying of firearms. The law should give minimal supervision over the carrying of firearms and afford the opportunity to arrest criminals who could not pass the qualifications, saving law enforcement officials and prosecutors the embarrassing problem of dealing with illegally-armed citizens who break up robberies, or foil assaults, for example.

There should be a minimal safety test and a background check for the specific legal disability of felony convictions or adjudication as a mental incompetent, drug addict, or alcoholic. These conditions met, the license should be granted.

I cannot support a permit system in which most citizens cannot qualify because of subjective discretion as to need or character as assessed by the issuing authority. This kind of discrimination in civil rights matters is unconstitutional and should be ruled such, when any of the usual sufferers ever find the money to appeal a case, or a group of attorneys who specialize in civil rights violations decides to handle such a case.

Minneapolis has a new firearms review board worthy of emulation. The board is charged with intelligently disposing of confiscated firearms and weapons. The five member board has representatives of the city council, the police department, the Minnesota Weapons Collectors Assn., the Minnesota Rifle and Revolver Assn., and the Minnesota Historical Society.

Meeting at least once a year, they decide by majority vote disposal of firearms in police custody to (1) the police department for identification, testing, or display; (2) other law enforcement agencies for similar purposes; (3) the Minnesota Historical Society; or (4) sale to federally licensed collectors.

Firearms "of recent manufacture" and "mechanically or structurally unsound" may be ordered destroyed by the board. Mechanically unsound collectors items are designated as part's guns and sold as such.

Another provision of the ordinance prohibits transfer of federally defined "destructive devices" to federal jurisdiction without first giving the Minnesota Historical Society an option to acquire them at no charge.

(The need for clarification of procedures became apparent to me when I was about to transfer a rare Lewis machine gun to the state historical society. At the very time I was planning the transfer ceremony with the society's director, the gun was sold to an appropriately licensed dealer. We believe that the new procedures will provide the degree of discrimination necessary for optimal disposal.)

I find myself at wide variance with those who do not believe that legislation should be focused on the criminal use of firearms. Somehow they have come to the conclusion that firearms ownership itself is the cause of crime and, in that curious Watergate mentality, anything goes toward a good end.

Beginning with the arrogant assumption that they and they alone represent the public interest, they propose repressive legislation directed broadly at firearms ownership. Such legislation is called "gun control," a term concocted by outsiders, not firearms owners. "Gun control" is a cheap shot at crime, attractive because of its simplicity and its avoidance of a close and objective look at crime causes.

Once started down the path of repressive legislation, "gun control" proponents never learn from experience. Failure to defeat crime is invariably attributed to weak or incomplete laws. The answer is always additional and increasingly repressive laws until we get to the final solution of confiscation, first of handguns, then of other firearms. (Having themselves taken this path, the British government is now proposing confiscation of autoloading and pump action shotguns.)

This misguided approach stems from a consensus, not a conspiracy, a consensus involving much of the news media and a willingness to use questionable tactics in the anything-goes-against-crime approach.

REXFORD S. BLAZER

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. PERKINS. Mr. Speaker, last month Rexford Blazer, former president and board chairman of Ashland Oil Co., of Ashland, Ky., an area and regional leader as well as a very decent gentleman and industrialist, died. Perhaps the one thing I could say that typified him the most was that any and every worker or fellow resident of Ashland could and did call him "Rex." He is and he will be missed.

News items follow:

REXFORD S. BLAZER

Rexford S. Blazer, former president and board chairman of Ashland Oil Inc., achieved world prominence in his oil industry career that saw him rise steadily from a salesman in 1928 to president of the Ashland-based firm in 1951.

He was a man totally dedicated to his work and to his community. While he had gained recognition from the industry for helping to build Ashland Oil into one of the giants of America, his community activities too often went unrecognized.

But while Mr. Blazer was following his star to the pinnacle of the industry, he continued his basic philosophy stated pointedly by one senior Ashland executive:

"His success, I think, stemmed from the fact that he liked people and they liked him."

It was with a glow of friendship that employes would greet him not as "Mr. Blazer" but with a cherry, "Hi, Rex."

In an interview published in October, 1973, by the Courier-Journal, Mr. Blazer commented: "Looking back, I have no regrets. It has been a good life and still is. I hope it can last a while longer, but in any case it has been fine."

Rexford Blazer's life was one crowned with achievement. After graduating from the University of Illinois, he joined the sales division of Allied Oil Co. in Cleveland in 1928. Ten years later, he became vice president of Allied and was elevated to president in 1948.

Allied Oil merged with Ashland Oil and Mr. Blazer became a director of the Ashland-based firm. He was encouraged to come to *Ashland* by Ashland Oil's founder and his uncle, Paul Blazer, and he succeeded to the presidency of Ashland Oil in 1951. He became board chairman in 1957.

Under his leadership, Ashland Oil expanded, moved into new areas of production and sales, and provided jobs for 23,000 people. Its revenues reached $1.8 billion. Mr. Blazer's greatest pride was in the number of jobs provided by his company. He said the jobs were "good jobs paying men a living, offering them a future."

He provided strength and wise counsel for younger executives of Ashland Oil.

Rexford Blazer's life was a good life. His quiet strength for the good of this community will be missed.

BLAZER'S CAREER "STORYBOOK CASE IN DRIVE FOR SUCCESS"

Rexford S. Blazer's career in the petroleum industry spanned 45 years, during which time he rose to the top of the Allied Oil Co. in Cleveland to the leadership of Ashland Oil Inc. during the years in which its sales advanced to make it one of the top firms in the nation, and to wide-ranging activity and leadership on the national scene among oilmen.

The story of Rex Blazer's career is a storybook case in the drive for success. As the familiar story goes, he came to Ashland in 1928 after his graduation from the University of Illinois looking for a job.

Paul G. Blazer, his uncle and founder of the then fledging Ashland Oil Co., refused him a job, saying if he succeeded it would look like nepotism and if he failed he would have to fire him, a move that would cause trouble in the family.

So with a $20 loan from his uncle to go to Cleveland to see about work, Rex Blazer moved to the presidency of Allied Oil Co. and at the age of 44, after Allied's merger with Ashland, became president of Ashland Oil & Refining Co.

"Rex Blazer was a man of great warmth," Robert E. Yancey, president of Ashland Oil Inc., said this morning.

"He had friends everywhere in the oil industry, but his efforts and contributions weren't confined to business activities. Rex did great things for his adopted state, especially in education. His work with beneficient associations, such as the heart association, and with his church, will be sorely missed," Yancey said.

Rex Blazer's involvement with education was immense. He was active with his alma matter, the University of Illinois, and was trustee of the Kentucky Independent College Foundation from 1952 to 1954. He was also involved with the University of Kentucky Development Council, among other activities.

"He was a very loyal supporter of the Ashland chamber and state chamber and never refused anything that the chamber has ever wanted," L. W. Pilstl, executive secretary of the Ashland Area Chamber of Commerce, said.

"He was very cooperative and worked with us very closely. It will be a great loss to the community and to the chamber," Pilstl said.

In addition to his activities with the local chamber, he served as president of the Kentucky Chamber of Commerce and, earlier, as a director of the Ohio Chamber of Commerce.

G. B. Johnson Jr., president of the Second National Bank and a close friend of Mr. Blazer, said Ashland residents "were fortunate that a man of his capability lived in our community". He noted that Blazer's community and business efforts were motivated by a desire to "make this the best."

S. J. MacMullan, manager of Armco Steel Corp's Ashland Works described Mr. Blazer as "a great force in the community, his industry and the nation."

Johnson also viewed Blazer's death as a loss not only to this community, but elsewhere. "The oil industry has lost one of its great leaders," he said.

John W. Woods Jr., president and trust officer of the Third National Bank where Blazer was a director since 1952, said Mr. Blazer was a strong leader in the oil industry who also "took a tremendous interest in community affairs and affairs all over the Commonwealth."

He said the oil executive "had a particular interest in further education. He was liberal in his contributions to educational needs.

"He was very helpful to us in many ways. We are all going to miss him a great deal."

Pilstl also echoed this view of Mr. Blazer by noting that his contributions to the community were "too many to mention. He never got credit for much of his community work."

The Rev. John Thomson, rector of Calvary Episcopal Church where Mr. Blazer was a vestryman and senior warden, the highest church office attainable by a layman, described Rex Blazer as "a beautiful person. My ministry and our parish were greatly blessed by him."

The Rev. Mr. Thomson said that while he was visiting with the Blazer family Wednesday night, there was comment about how a person of such magnitude in the business world still had so much time for his church.

"He was the kind of person we could always count on to be there, to be helpful, to see deeply into the situation at hand and offer suggestions and solutions that just might not be obvious to other people.

"His generosity was never known, but was done quietly through the church. He served as an instrument of the church and had great compassion and deep understanding of what church is all about," the Rev. Thomson said.

Ashland Mayor James J. Webb called Mr. Blazer's death a "great loss to the community. He was a great man."

DEMOCRAT'S DEFENSE OF NIXON

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. LANDGREBE. Mr. Speaker, I include an open letter written by my colleague, the Honorable OTTO E. PASSMAN, of Louisiana, and addressed to "My Fellow Americans" in the RECORD today. The letter was reprinted in the Lafayette, Ind., Journal and Courier, and it was taken from the St. Louis Globe-Democrat. I think the words of Representative PASSMAN bear repeating once again at this time:

DEMOCRAT'S DEFENSE OF NIXON

(By Congressman OTTO E. PASSMAN)

(EDITOR'S NOTE.—The following was written recently by Rep. Otto E. Passman (Dem.), Louisiana, in the form of an open letter addressed to, "My Fellow Americans.")

The radical elements of the news media can, when they so determine, take the greatest public official in America, put him in the gutter and convince a majority of the people that he is a crook. The same segment of the news media can take the biggest phony in America and make him appear superior to a combination of Einstein and Solomon. We are seeing this happen in America today. Let us look at the record:

When it was reported that certain segments of the Democratic party (and there is available information to support this contention) stole the election from Richard M. Nixon in 1960 by the manipulation of the votes in New Mexico, Illinois and probably Texas, did the Republicans try to impeach and destroy President Kennedy for the actions of certain segments of the Democratic party? The answer is no!

Of course, as unpleasant as it is to mention the episodes of Billy Sol Estes, Bobby Baker and others, I cannot find where the Republicans exploited these issues in trying to destroy Democratic candidates for any public office. Therefore, it is wrong to try to destroy our President through innuendo and false accusations about incidents which he had nothing to do with.

I say without equivocation or mental reservation that in my considered judgment, President Richard M. Nixon's integrity is unimpeachable. His greatness has been established—so much so that certain segments of the Democratic party, of which I am a member, and for political reasons, are trying to destroy his greatness. Does it not appear that there are prejudiced judges who, through a subconscious urging, may be making themselves a party to the scheme to destroy President Nixon, and acting as prosecutors rather than judges?

When Mr. Nixon was sworn in as President, we were in the midst of one of the most destructive and expensive wars our nation had ever been engaged in. Evidently, President Johnson could not develop a formula to conclude the war so he left the White House a broken-hearted man, and I believe President Johnson felt he was turning the nation over to a man who had the ability and determination to conclude this terrible war that was claiming 300 precious American lives weekly, Could this have so embarrassed the Democrats they are trying to blot out this great accomplishment?

When Mr. Nixon was sworn in, there were 543,000 troops in Vietnam; the cost of the war was running at $32 billion a year; and there were no plans to conclude the war. However, Mr. Nixon quickly formulated a plan to conclude the war that started under a Democratic Administration. Not only did he live up to every promise he had made and reduce the number of troops in Vietnam from 543,000 to zero, he secured the release of all of our prisoners of war who were deteriorating in dungeons in far-off lands. My, my, but what an accomplishment for a great American President.

When Mr. Nixon was sworn in as President, crime was running rampant in this country we love so much. He is slowly but surely bringing crime under control. Will this trend be reversed by present-day court decisions? What is the explanation for a judge to sentence a man to 35 years in prison for the Watergate break-in, a crime that was not an act of personal violence, and in the same city or perhaps in the same court, a prejudiced judge released those who have confessed to armed robbery, rape and arson, maybe with the trial judges blaming society for the criminal acts. Where is justice?

When Mr. Nixon was sworn in as President, the Supreme Court was so distorting the Constitution by erroneous interpretations, that they were turning our nation into a socialistic state. Mr. Nixon is replacing such Justices with men who render opinions based upon the Constitution, and such a court will ultimately benefit all Americans.

Mr. Nixon is trying hard to put our fiscal affairs back on a business basis, but somehow without exception, every time he moves in that direction the liberals and socialistic-minded try to embarrass him and stop him, and in too many instances they have been successful.

May I refer you to the infamous Daniel Ellsberg, who no doubt should have been convicted of treason for stealing top-secret documents and passing them along so that they came into the possession of the Communists. He peddled them to the left-wing press and doubtless others. Instead of being convicted of treason, what happened? A liberal judge set him free without a completed trial. Where has he been recently? In Washington, appearing before a Senate committee receiving almost a hero's welcome.

We are in trouble in this country. We are being misled, and some of our best people are having their minds slowly but surely shaped by prejudiced commentators, and the radical segment of the news media. From experience, I can tell you that America's national broadcasters are obliterating anything favorable to our President, spending their time clouding issues, making false accusations and, in some instances, downright misrepresentations. Listen to some of these broadcasters for verification of this statement.

I do not condone what some of President Nixon's aides have done, but remember that they did not break into Democratic headquarters looking for silver or gold. It was a political act. Doubtless, they were looking for political information. Without attempting to defend their actions, these actions did not involve the security of our country. I am thoroughly convinced that President Nixon had no knowledge whatsoever of the Watergate break-in. Let us prosecute the guilty, but not involve our President when there is no indication that he had any knowledge of their actions.

Now, how about Special Prosecutor Archibald Cox. He is a liberal Democrat. He was Solicitor General in the Cabinet of President John F. Kennedy.

When the U.S. Court of Appeals sustained the lower court, in effect it said to our President, comply with the decision or offer an acceptable compromise. As we read the record, we see where Senator Ervin, Senator Baker, the Attorney General and the President had reached a compromise and had prepared to submit it to Judge Sirica. We are also led to believe that Judge Sirica would have accepted the compromise, enabling the President to protect the confidentiality of the Presidency, but then this liberal, vindictive Democrat, Archibald Cox, balked. In effect, by his actions, he said I am after a full bucket of blood, nothing less. So, the President had to fire him.

May I say again I believe deeply, based upon facts, that President Richard M. Nixon's integrity is unimpeachable. It is almost unbelievable that this great man has been able to accomplish so much for America with the prejudiced commentators, the radical element of the news media, the Communists and other left-wingers out to destroy him. President Nixon's troubles began when he started fighting Communism and with his success in putting that all-time Communist, Alger Hiss, in jail.

I could have remained silent during this crisis had I been a political coward thinking only of the Democratic party and my personal political interests. Certainly I would have been spared some criticism, but to have been silent would have violated every principle by which I have lived my life. I sincerely believe that in the end right will prevail—if not before man—certainly before God, and I am just as convinced that in the end the position I have taken in support of my President will be the correct one.

Repeating, at no time has President Nixon been in non-compliance with the laws of our land. However, our great President, because of public pressure and the misunderstanding of the American public, including some members of the judiciary, is on the verge of being forced to violate his obligation by revealing highly sensitive and confidential information. It is to be regretted that some members of the judiciary do not look at executive privilege in the same manner as lawyer and client privilege, confidential audience between priest and parishioner and highly confidential conversations between man and wife. Again, where is justice and reason, and how far will the lunatic fringe go to destroy a great President? I am a lifelong Democrat, but I am an American first. I shall support right as I understand it. I am proud that my President has the courage, wisdom and determination to do what is right, knowing well that his greatness will shine as a bright example to generations yet unborn, and when finally he has gone to his reward, hundreds of millions of people throughout the world will know that this world is indeed a better place in which to live for President Nixon's having lived in it.

OREGON WINNER OF VOICE OF DEMOCRACY CONTEST

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ULLMAN. Mr. Speaker, I would like to include in the RECORD of today's proceedings a thought-provoking speech by a young woman from Redmond, Oreg. Her name is Roberta Eggleston, and she is this year's winner of the statewide Voice of Democracy Contest in Oregon. A senior at Redmond High School, she is a resident of my congressional district, as were the last two winners of Oregon's Voice of Democracy Contest.

Mr. Speaker, I am very proud of this young woman, of what she has accomplished and of what she has to say. She neither seeks to pour soothing oil on the troubled waters of our Nation, nor to place herself at a safe distance in order to criticize our much-publicized national failings. Instead, she asks us to make a simple commitment which is the universal test of all citizenship. I salute her, and ask that her speech be printed for all to read.

MY RESPONSIBILITY AS A CITIZEN

(By Roberta Eggleston)

"Let the word go forth,
from this time and from this place,
that the torch has been passed,
to a new generation,
a generation of hope and peace,
a generation that will not fail."

Thirteen years ago, this nation inaugurated its youngest president, John F. Kennedy, a man who held aloft a torch, shining a light for everyone to see. In the tragic aftermath of his untimely death, the generation that he spoke of, the generation of hope and peace, found that its legacy from that man was to be his torch, a torch that must not be dimmed in a fog of apathy, violence nor dissension. We are the people to whom John Kennedy entrusted his torch, we are the generation that will not fail, but we are a generation different from any other that this nation has ever produced. We have rocketed men to the moon, we have developed the most sophisticated and successful war on disease and poverty this nation has ever seen, even as we endured the longest war of our history. We have grown to be a nation of complicated, diverse, strong citizens over two hundred million strong. Through it all, we have not wavered nor stumbled. We have held that torch aloft, and we have found that it is our responsibiilty as citizens to see that our legacy of that torch remains aloft, that everyone may see that we are proud to be American citizens.

But pride in American nationality contains within it manifold duties and responsibilities. Unless we fulfill our responsibility we cannot hope to enjoy our privileges.

The duties and responsibilities that we as citizens must fulfill are unique and original, for no other group of people enjoy as much freedom or independence.

Because we have so much, it will take much, from each and everyone of us to maintain it. More than voting or writing to our Congress people, a country like ours needs the one thing that only we, her citizens, can freely give to her. We must willingly give her our love.

When we look back on how much our country has given to us, we can always draw upon such all-encompassing words as freedom and independence, but let us delve more deeply. Our country gives us the right to choose our education, our political affiliation, where we go and who our friends are. Our country gives us the opportunity to learn of widely divergent philosophies and governments, of our past mistakes as well as our glories. Our nation functions on the idea of free enterprise, based on the idea that competition, free and aboveboard, is the best way to get things done. Because of all this we find that we have the right to choose from 27 different brands of chicken noodle soup, from 6,000 institutions of higher learning and from nineteen different political parties.

Our country gives us this much, yet what can we return? As in any other relationship there must be give as well as take. Our country needs our love. She needs her citizens to make sure that her environment is unpolluted, to make sure that her government remains open and free, accountable to the people, to make sure that she remains loyal to her allies abroad and a leader to her people at home, to make sure that all she is and all she can be, is not destroyed upon the reefs of apathy, to make sure that our nation's flaming torch of liberty is never extinguished by the lack of her people's love.

Our most basic responsibility, our highest honor and our most cherished ideology must be our love for our country. Let us maintain our nation, our freedom, our democracy. Let us hold aloft our torch flaming with a love for our country, and pass it on to generations untold, that they may enjoy all that we have, and more.

That flaming torch of love for my country is my responsibility as a citizen.

AMENDMENT TO PENSION BILL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. REUSS. Mr. Speaker, H.R. 2, the pension reform bill, will be on the floor Tuesday and Wednesday of this week. The rule makes in order H.R. 12781 and H.R. 12481 as substitutes for H.R. 2, and permits amendments to be offered to section 2001 of H.R. 12481.

I shall offer an amendment striking the proposed increase in the Keogh plan deductions for retirement savings by self-employed individuals. The text of my amendment follows:

AMENDMENT

Section 2001 of H.R. 12855 is amended—

(1) at page 120, lines 9 through 17, paragraph (1) of subsection (a), to read as follows:

"(1) Paragraph (1) of section 404(e) is amended by striking out 'subject to the provisions of paragraph (2)' and inserting in lieu thereof 'subject to paragraphs (2) and (4)'."

(2) at page 120, lines 18 through 21, paragraph (2) of subsection (a), by striking out the paragraph and renumbering subsequent paragraphs accordingly.

(3) at page 121, lines 8 through 15, subsection (b), by striking out the subsection and renumbering subsequent subsections accordingly.

(4) at page 128, line 4, paragraph (3) of subsection (e), by striking out "$7,500" and inserting in lieu thereof "$2,500".

LITTLE KNOWN FACTS ABOUT METRIC SYSTEM

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. EVINS of Tennessee. Mr. Speaker, as this Nation prepares to convert to the metric system, a recent Gallup poll showed that 57 percent of the British people oppose the system 6 years after that Nation converted to the new system. The poll further revealed that two-thirds of the British people still do not fully understand the metric system.

This poll was brought to my attention by Mr. Wilson S. Johnson, president of the National Federation of Independent Business, which represents the small businessmen throughout the Nation.

Mr. Johnson advises that legislation requiring an American conversion to the metric system is based on a study that the General Accounting Office reports has employed questionable methodology and neglected to report its negative findings.

Mr. Johnson also advises that the major portion of the $45 billion to $100 billion in estimated conversion costs will be passed on to the consumer, already burdened with inflation and higher living costs.

The National Federation of Independent Business has listed problems which may arise from conversion to the metric system.

Because of the interest of my colleagues and the American people in this most important matter, I place the list in the RECORD herewith.

The list follows:

LITTLE KNOWN FACTS ABOUT METRIC

All *retail gasoline pumps* in the U.S. would have to be recalibrated or replaced. This would foreshadow even higher gasoline prices.

Approximately 60% of the U.S. population *does not know the first thing about the metric system.* Less than 20% know the correct relationship between metric and traditional units. (N.B.S. Metric Study—*A Metric America*)

Standard plumbing and electrical fixtures would be obsolete. Metric bathtubs would not fit standard drains and standard bathtubs would not fit metric drains. This would force suppliers to maintain costly dual inventories.

The N.B.S. study, *A Metric America*, "falls far short of the clearly expressed Congressional intent . . . *and does not fullfill the Congressional Mandate* which requires that small business problems and the practical difficulties associated with possible changes be identified and the means to overcome them be recommended." (House Report No. 92–913)

In the construction industry metric means modules and modules mean that all standard *doors, windows and frames would be obsolete.* Metric doors, windows and frames simply will not fit current or past construction, making replacement more difficult and costly.

The fallacy of the metric argument "The notion that the U.S. is losing exports to metric countries because its products are not designed or manufactured in metric units appears to be ill-founded." (N.B.S. Metric Study—*A Metric America*)

All municipal *building codes and regulations* would have to be changed to metric.

Metric conversion would make the U.S. domestic market more accessible to foreign goods. *Increased imports would threaten American jobs.* "Our examination . . . showed that imports . . . would have been increased by $100 million." (GAO Report on N.B.S. Metric Study, March 27, 1973)

Favorite recipes might never be the same again. *Cookbooks and measuring devices* will be changed to metric. Your stomach might just have to make an adjustment.

Conversion to the metric system would actually *make U.S. exports more costly* and "place these products at even more of a competitive disadvantage vis-a-vis the products of foreign firms that are already metric." (GAO Report on N.B.S. Metric Study, March 27, 1973)

All temperature measuring devices, including *thermometers and thermostats*, will have to be converted. This could be frustrating. "When body temperature registers as 37.5 degress (centigrated), is that good or bad? Just multiply by 9, divide by 5, add 32 and you'll know." (Newsweek)

The National Bureau of Standards *ignored or subordinated findings* that would have detracted from its recommendation in favor of metric conversion. (GAO Report on N.B.S. Metric Study, March 27, 1973)

Contrary to popular belief, American business is not rapidly converting to the metric system. Only 3% of the firms responding to a special NFIB survey undertaken for the National Bureau of Standards reported that they had any plans to change over.

England is experiencing serious difficulties with metric conversion in consumer goods. *Adverse consumer reaction and resistances* has forced it to reassess its planning and schedules.

All *OSHA standards and regulations* will have to be converted. These rules are complex and difficult for the small businessman to understand. Metric would make them *totally incomprehensible.*

Water and gas meters in every building across the country will have to be converted to metric.

Metric conversion would force the recalibration of the approximately *300,000 commercial scales* at a cost of about $1,000 per scale.

The bottling industry would have to replace *200 billion returnable bottles* now circulating through the economy. They represent 38% of its total capital investment. Filling and capping requirements would prohibit their gradual replacements.

The National Bureau of Standards omitted any mention in its report that the *Defense Department* declared that it *could not guarantee national security* during the conversion period. (AFL–CIO)

All *road signs* would have to be changed to reflect metric distances.

All maps would have to be changed to reflect metric distances.

Metric *road signs and maps* would be useless and confusing unless all automobile *speedometers and odometers* are changed to measure in metric.

World wide *capital investment* in traditional units (feet, pounds, etc.) has exceeded investment in metric units over the last several years. This means that the use of traditional units is growing at a faster pace than metric units.

Conversion will make evaluation of *farm productivity* the domain of Ph.D.'s. Instead of *bushels per acre,* the farmer will calculate his crop in *hectoliters* (2.84 bushels) per *hectare* (2.47 acres).

Unit pricing is just becoming effective. Metric conversion would only confuse the consumer and tend to negate the progress that has been made.

The *grid system* of land measurement used in the U.S. would be discarded. Measurement by *hectares* would be substituted for sections, square miles and acres.

All *deeds and property descriptions* in legal documents would have to be changed. Descriptive terms like *acres, yards* and *feet* would be obsolete.

Metric conversion, because of the economic advantage enjoyed by large firms, could *hasten the undesirable trend toward industrial concentration.*

For those out of school the *psychological impact* of metric conversion could be staggering. "Those who have studied the matter in other countries suggest that children take to the change like a shot . . . but *older people* are likely to be thrown badly by the distortion of familiar dimensions." (Newsweek)

Metric conversion, at a cost of $45 to $100 billion, simply *does not rank very high as a national priority.*

OVERWORKED, UNDERPAID?

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. GROSS. Mr. Speaker, the following editorial appeared in the Washington Star-News of February 11, 1974. No further comment is needed except to say that in the 14 days, February 11 to and including this day, February 25, the foot-dragging in Congress has continued, the energy crisis is still with us, but the pay raise for the "overworked" Members seems almost within their grasp.

The editorial:

OVERWORKED, UNDERPAID?

Well, let's see. Congressmen came back to work January 21, and assuming they showed up at the office every day—an assumption that is on exceedingly shaky ground—House members put in 14 working days as of Thursday and senators put in 15 as of Friday.

That certainly entitled them to a recess from their arduous labors, especially since they only got a month off during the Christmas-New Year season. Never mind that the country has an energy crisis that gets more chaotic every day and that emergency legislation to deal with it has been tied up since December. Never mind that the nation is in the throes of a debilitating truck tieup. Never mind that there is a list of other business longer than the longest congressional arm.

No sirree. Those Lincoln Day speeches have to be made. And those constituents back home could hardly bear it if they had to wait another day to gaze upon the face of their man in Washington. Abraham Lincoln, who epitomized the work ethic, probably turned over in his grave when the House voted itself a six-day recess last Thursday and the Senate (which must have worked harder the past three weeks) voted itself a 10-day holiday.

No doubt the Senate and House members will recover enough of their strength during their February rest to resist any effort to kill the pending congressional pay hike. After all, it should be obvious to anyone that the Congress is overworked and underpaid.

"ELECTRIFYING" NEW VEHICLES DESCRIBED BY OTIS ELEVATOR PRESIDENT, RALPH A. WELLER

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. McFALL. Mr. Speaker, recently Ralph A. Weller, president of Otis Elevator Co., which not only is the world's largest producer of elevators and escalators, but also is the largest supplier of electric vehicles in the United States, gave the keynote address at the Third International Electric Vehicle Symposium and Exposition in Washington.

This event and Mr. Weller's remarks were of particular interest to me because a good many of Otis electric vehicles are produced by its special vehicle devision, headed by James Munn, and located in Stockton, Calif., in my district. Overall supervision of Otis vehicle operations is under Robert Bry, vice president of diversified operations at Cleveland, Ohio.

During the symposium here, I enjoyed viewing the display of 14 diversified Otis electric vehicles for industrial, recreational, and municipal uses, including the electric delivery van that is being test-driven for postal service in Stockton.

As a leader in this "electrifying" industry, which has gained sudden impetus from the fuel shortage, urban transportation problems, and environmental concerns, Mr. Weller's speech is highly authoritative and should be of interest to our colleagues, Mr. Speaker. Therefore, I would like to include the speech as an extension of my remarks:

REMARKS OF MR. RALPH WELLER

I welcome the opportunity to be with you today to exchange ideas on transportation and electrical propulsion. In fact, I look forward to sharing ideas on these vital subjects with more enthusiasm than you may imagine. The reason for my interest is that our company's basic business is *transportation* and *electrical propulsion.*

For the past 100 years we have focused on opportunities in transportation, and in the last five years we have been working systematically to help shape the future of electrical transportation. The ideas we will exchange over the next three days together will do much to make that future eventful for the electric vehicle industry. I assure you, I approach this symposium with great expectations.

Like each of you here, we have been trying to make the unexpected and unpredicted come to pass. We realize that trying to control the future is risky, but much less risky than just coasting along with the times, believing that nothing is going to change. As we look at the ominous patterns of the *Energy Crisis,* the *Pollution Crisis,* the *Urban Crisis,* we can all say that we have been rational in the purpose of our work.

Otis' long-range planning in the fields of electrical propulsion and transportation could not have been geared to eliminate all the risks and uncertainties of the future. As mortal men, we know that the future cannot be known. However, recent events indicate that we are on the right path, that we have anticipated the future, and that we are *focusing* on bright, new opportunities.

Specifically, what we—all of us here—have done is:

We *recognized* the fuel shortage, the choking threat of pollution, and the fact that our cities were becoming unlivable *before* these events made their full impact on our society. Second, in the time span between our recognition of these coming events and their full impact, we took action. We offered new ideas and new solutions. Specifically, electrical vehicles. So today we can measure the results of our actions, and exchange new ideas that will shape the impact yet to come from change that is happening right now.

After these next three days, I believe we will be better equipped to decide what ideas we want to forge into reality with new systems, new products and new institutions.

Our presence demonstrates that we fully accept the *responsibility*—and *opportunity*—to shape the future.

Our commitment and our efforts to bring about tomorrow's solutions must be sustained, for tomorrow will come and it too will be different.

To underscore our commitment at Otis, I should like to tell you a little about us.

In 1882, we began moving people in devices driven by electrical energy. Today, every day, 400 million people are moved in Otis elevators and escalators. In an eight-day period that equals the total population of the earth; and we do this throughout the world, as many of you know, in 46 countries with 473,000 installations.

Our company now concerns itself worldwide with *short-distance* movement of people and goods. Less than 20 years ago, we entered the material handling business through the acquisition of a small electric fork truck company, Baker-Raulang of Cleveland. Founded in 1853, this company was a leading manufacturer of electric cars from 1895 to 1919. Our material handling business prospered and rapidly diversified into a much broader range of equipment. Today, Otis Material Handling Division is 10 times its original size and a considerable factor in our corporation.

Using this operation as our base, we expanded our diversified activities to include eight new "moving" businesses. Our company today is the nation's *largest manufacturer of electric vehicles.* Our products include electric lift trucks, personnel carriers, golf carts, delivery vans, small electric "urban" cars, electric buses and urban Personal Rapid Transit Systems.

One of the reasons for our growth in this field is, I believe, our management philosophy. We choose to look at today's problems—today's crises—in terms of our own ability to solve them. We attempt to focus on *opportunities,* not problems.

Three of our greatest concerns—*the energy crisis—the pollution crisis—the urban crisis*—are also real opportunities for building a better future. The ideas which can provide the answers are in your factories, in your laboratories and in your minds.

Only a few months ago, the world awoke to find a severe energy shortage on its doorstep. Most of us here were fully aware that energy sources are *finite* and *do not* replenish themselves long before the impact of their shortages were felt. Most of us had already realized the energy crunch was not some *temporary* shortage of fuel caused by political upheaval in the Middle East.

The role of electrical energy in providing long-term solutions has been well defined. Unless man is going to *walk* instead of ride and unless he is content to *carry* heavy loads instead of transporting them, electrical propulsion devices will find greater use today and in the future.

The facts speak for themselves. An electric fork lift uses less than *half* the energy of a gas-driven truck in eight hours, doing the same work. An electric bus uses less than one-third the energy of its diesel counterpart on a city transport route. And, an electric delivery van will use *one-fourth* less energy than a gas-driven vehicle.

These vehicles are here, now! They not only utilize *today's* resources more effectively, but will prove the most effective tomorrow.

Compared with petroleum, the earth's reserves of coal and uranium are plentiful. These resources—plus the research being done to make *coal conversion cleaner* and place breeder and fusion reactors on line—give us confidence that electric power generation will play a dominant role in future years.

Additionally, and of great interest to Otis, electrically-powered vehicles do *not* require the emission control devices of gasoline vehicles because they do no foul the air we breathe. Further they can be operated more quietly and, therefore, do not contribute to another of today's problems—noise pollution.

At Otis, we see pollution standards *not* as a *road-block* to growth and development, but rather as an *opportunity* for new markets while we work to protect the quality of life on our earth.

And what about our cities—what about the urban crisis?

Significant changes in the U.S. occurred at the turn of the century. partly as a result of migration to urban centers. In 1900, 50 per cent of the U.S. population lived in rural areas. Today, more than 80 per cent of our population make their life in metropolitan areas.

This occurrence is not unique to the United States. The history of the world is virtually a history of cities—Peking, Alexandria, Athens and Rome. Throughout history the shift from a rural to urban society has continued. It continues today.

Our large urban areas are fueling economic growth in a post-industrial society. Urbanization offers the centralized ability to innovate, promote and finance new products and services. With the so-called Urban Crisis come the diversity that *contributes* to stability, that *generates* new employment and a greater overall choice of economic opportunity for our people. Put simply, people come to cities because there is more opportunity to work, to earn and to experience.

Since our cities and metropolitan centers are so vital, it is essential we maintain a high quality for this environment. If we permit the environment for our future economic strength to decay, we will certainly weaken our ability to meet competition in the world's marketplace.

And yet, our cities are experiencing decay at the core, people and investments are being pulled out of the central city to the competing surburban fringe. Why? I believe this decay is the natural result of focusing on problems, of merely being carried along with the times rather than trying to control events.

In many areas, the focus on problems and the desire to remain unchanged has left the core city with vast, unused investments. Tragically unused are the investments in people, as are investments in the physical intrastructure that represents billions upon billions of dollars in public money.

Otis' basic business, elevators and escalators, comes from the cities— and in most cases, from the *inner cities*. I believe that our cities can not only survive, but can be given new prosperity, a new lease on life. I believe we can rebuild our cities into growth centers. But it can't be done using old shopworn approaches to problem solving. These approaches would lead only to more high-speed automobiles, more super highways. The future will be created by making our cities more *attractive* and *livable* for people. And positive change can be made only if we view our cities as opportunities, not problems.

New transportation ideas—most probably in the form of electrical systems—can penetrate core city. Low-polluting, highly mobile systems can shuttle passengers and goods from core city fringe to core city center.

Unified building concepts—"mega structures", which will be blocks long and contain housing, schools, recreation and supporting services—can become part of tomorrow's revitalization of our cities.

I believe that all these changes will require "horizontilators," *new horizontal transportation devices*—electric-powered transportation.

You here today are not only in the forefront of these developments, but have the capability to make them happen. You hold the keys to the technology, planning and timing.

In our company, we manufacture and service a wide variety of electrical transportation products and systems. But we need your help, your ideas, your creativity to help bring about the change I am talking about.

We look to those in the power generation and distribution field for more rapid development of plant, equipment and processes to more-effectively utilize coal and uranium resources:

We look to the battery industry for technology breakthroughs which will provide mobile DC power at a reasonable cost and lighter weight;

We look to our regulatory agencies to reconsider some of the requirements which now limit broader use of electric vehicles on our city streets;

And we look to the Federal Government to stimulate private investment in transportation technologies and products, and to consider tax incentive for this timely investment.

Our meeting here provides an outstanding opportunity. While The Electric Vehicle Council is young—this is just our third annual meeting—we are a vigorous organization. We have here, in this room, ideas that can take advantage of the greatest opportunities that face us today. The dimensions of the challenge, in my opinion, are extraordinary.

Charles Abrams, a wise experienced observer of the urban scene in America, wrote: "The history of civilization from Memphis, Egypt to Memphis, Tennessee is recorded in the rise or demise of cities."

Unlike the citizens of early Egypt, however, we are conscious of this truism. We understand the changes that have taken place; we can feel their effects everywhere. And we know that the future will be far different from what exists now, and from what we expect today.

The question we face is whether, in light of this knowledge, we will coast along with change, our minds idle, watching our civilization corrode away, or whether we will have the foresight and courage to control the future by thinking and acting differently now, while we still have the opportunities to build our cities and our society.

To meet this challenge we must ask:

What do we really want to see happen that is quite different from today?

We must look beyond our products to our ideas. We must stretch our minds to bring forth the answer.

I hope that at the end of three days, our commitment will be stronger, our ideas more plentiful, our direction clearer and the solutions nearer.

Let us begin now. The future won't wait.

Thank you.

PRESIDENTIAL ORDER CONFIRMS THAT AGENCIES HAVE BEEN VIOLATING THE FEDERAL ADVISORY COMMITTEE ACT

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. OBEY. Mr. Speaker, the President today published an Executive order in the Federal Register instructing department and agency heads to "take appropriate action to assure their ability to comply" with the Federal Advisory Committee Act. Clearly, no knuckle-rapping by the White House would be necessary if the executive branch had been making more of an effort to comply with the act in the nearly 14 months it has been in effect.

Ironically, today's Register also contains advisory committee notices from the Corps of Engineers and the Federal Energy Office which show why the President's order is needed. These two and another example from 5 days ago illustrate how agencies nullify the public meeting and timely notice requirements of the law in their handling of environmental, energy and consumer advisory committees.

The law says that meetings of these 1,400 citizen panels shall be open to the public unless it is determined that a meeting is concerned with matters which the Freedom of Information Act exempts from mandatory public disclosure. And it requires that timely notice of these meetings be published in the Register.

Today the corps announced that its Chief of Engineers Environmental Advisory Board will meet at 9:30 a.m. tomorrow and Wednesday at Fort Belvoir, Va.—such short notice that persons who might otherwise attend the public portions of the meeting are effectively prevented from doing so. The corps says certain portions of the meeting will be open but waves a wand of secrecy over the rest, simply saying "the balance of the meeting will be subjects" entitled to nondisclosure. The corps does not identify the subjects or specify the FOI Act exemptions it apparently believes apply to these subjects.

The tipoff that the corps is not complying with the act lies in its use of the murky explanation that these subjects "fall within policies analogous to those recognized" in the FOI Act. That cumbersome phrase stands out like a dye-marker and reveals the corps is quoting an Executive order on advisory committees that was issued in June 1972, and expired when the Federal Advisory Committee Act went into effect. The corps should realize it is expected to comply with current law.

Not to be outdone, the FEO today published same-day notice of a meeting of its Retail Dealers Group "of highly qualified independent businessmen engaged in the retail sale of gasoline and diesel fuel," on such important and newsworthy matters as pricing adjustments, reduced allocation, preferential treatment, minimum/maximum sales, and hours of operation. Anyone wishing to attend this nominally public meeting will no doubt be glad to learn that it began at 10 a.m.

Finally, the Consumer Advisory Council, which advises the Director of the Office of Consumer Affairs, met Thursday, February 21, to discuss consumer interests in health insurance proposals, energy programs, international trade in textiles, and metric conversion. The announcement of this public meeting, signed by Virginia H. Knauer, Executive Secretary to the Council, was published *in the Register* only the day before, Wednesday, February 20. These advisory committees deal with policy questions that can mean millions of dollars to consumers. That is why so many of these meetings are supposed to be held in the open. I cannot think of a better way to discourage attendance at a supposedly public meeting than to give either no notice of it or short notice. Apparently the bureaucrats in the executive branch are not going to get the message about the Federal Advisory Committee Act until they are hit over the head with it.

Mr. Speaker, I should like to include the President's order and the three meeting notices at this point:

THE PRESIDENT: EXECUTIVE ORDER 11769, ADVISORY COMMITTEE MANAGEMENT

By virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, including the Federal Advisory Committee Act, 5 U.S.C. App. I (1972 Supp.) (hereinafter referred to as the "act"), and 3 U.S.C. 301, it is ordered as follows:

SECTION 1. The heads of all executive departments and agencies shall take appropriate action to assure their ability to comply with the provisions of the act.

SEC. 2. The Administrator of General Services shall prepare for the consideration of the President the annual report to the Congress required by section 6(c) of the act.

SEC. 3. The Director of the Office of Management and Budget shall:

(1) perform, or designate, from time to time, other officers of the Federal Government to perform, without the approval, ratification, or other action of the President, the functions vested in the President by the act;

(2) prescribe administrative guidelines and management controls for advisory committees covered by the act.

SEC. 4. Executive Order No. 11686 of October 7, 1972 is hereby superseded.

RICHARD NIXON.

THE WHITE HOUSE, *February 21, 1974.*

[FR Doc. 74–448 Filed 2–21–74;1:43 pm]

DEPARTMENT OF DEFENSE, CORPS OF ENGINEERS, CHIEF OF ENGINEERS ENVIRONMENTAL ADVISORY BOARD

NOTICE OF MEETING

Notice is hereby given in accordance with Pub. L. 92–463 that the quarterly meeting of the Environmental Advisory Board of the Chief of Engineers will be held on 26–27 February 1974, at the Conference Room of the Board of Engineers for Rivers and Harbors, Kingman Building, Fort Belvoir, Virginia, beginning at 0930 each morning.

The meeting will be open to the public at the following times:

FEBRUARY 26, 1974

1400–1615, Strategies of American Water Management and Policy and the Relationship to the U.S. Army Corps of Engineers.

FEBRUARY 27, 1974

(1) 0930–1100, Discussion of presentation delivered afternoon, February 26, 1974.

(2) 1500–1545, Examples and Problems on Nontraditional Approaches to Flood Plain Management.

(3) 1545–1615, On-going Evaluations Downstream of Dams.

The balance of the meeting will be subjects that fall within policies analogous to those recognized in section 552 (b) of title 5 U.S.C. and as such are exempt from public disclosure.

Persons desiring further information should contact LTC John F. Wall, Assistant Director of Civil Works, Environmental Programs, Office of the Chief of Engineers, Forrestal Building, Washington, D.C. 20314, telephone (202) 693–7093.

RUSSELL J. LAMP,
Colonel,
Corps of Engineers Executive.

[FR Doc.4416 Filed 2–22–74;8:45 am]

RETAIL DEALERS GROUP

NOTICE OF MEETING

Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) notice is hereby given that the Retail Dealers Group, established under the authority of section 212(f) of Economic Stabilization Act, as amended; Executive Order 11748; section 4(a)(iv) of Executive Order 11695, and Cost of Living Council Order No. 47, will meet on Monday, February 25, 1974, at 10:00 a.m. in the Cost of Living Council Auditorium, 2nd floor, 2000 M Street NW., Washington, D.C.

The Group was established to advise the Administrator, FEO, with direct and timely access to the technical knowledge possessed by a wide range of highly qualified independent businessmen engaged in the retail sale of gasoline and diesel fuel. The agenda for the meeting is as follows:

I. OLD BUSINESS

A. Member Reports and Recommendations.
1. Pricing Adjustments.
2. Reduced Allocation.
3. Preferential Treatment; Minimal/maximum sales.
4. Hours of Operation.

II. NEW BUSINESS

A. Discussion of rules and regulations.

The meeting is open to the public; however, space and facilities are limited.

The Chairman of the Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business.

Further information concerning this meeting may be obtained from Dino G. Pappas, Office of Policy, Planning and Regulations, Federal Energy Office, Washington, D.C. 20508, Area Code 202–254–7696. Minutes of the meeting will be made available for public inspection at the Federal Energy Office, Washington, D.C.

Issued in Washington, D.C., on February 21, 1974.

WILLIAM N. WALKER,
General Counsel.

[FR Doc.74–4546 Filed 2–22–74; 12.08 pm]

CONSUMER ADVISORY COUNCIL

NOTICE OF MEETING OPEN TO THE PUBLIC

Pursuant to Pub. L. 92–463 of October 6, 1972, notice is hereby given that there will be a public meeting of the Consumer Advisory Council to the Office of Consumer Affairs, U.S. Department of Health, Education, and Welfare, which will commence at 10 a.m. on February 21 in Room 5104, New Executive Office Building, 17th and H Streets NW., Washington, D.C. 20506, and continue on the morning of February 22 in the same location.

The Consumer Advisory Council was established under Section 5 of Executive Order No. 11583 issued February 24, 1971, to advise the Director of the Office of Consumer Affairs with respect to policy matters relating to consumer interests, the effectiveness of Federal programs and operation which affect the interests of consumers, problems of primary importance to consumers and ways in which unmet consumer needs can appropriately be met through Federal Government action.

The meeting is open to the public with the number of persons admitted subject to reasonable limitation according to space available. The agenda will include official swearing-in of new Council members, and discussions of the consumers interests in health insurance proposals, energy programs, international trade in textiles, and metric conversion.

Signed in Washington, D.C., this 12th day of February 1974.

VIRGINIA H. KNAUER,
Director, Office of Consumer Affairs and Executive Secretary, Consumer Advisory Council.

[FR Doc. 74–3984 Filed 2–19–75; 8:45 am]

LITHUANIAN INDEPENDENCE DAY

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. DENT. Mr. Speaker, I wish to acknowledge, at this time, the 56th anniversary of Lithuanian Independence Day, which took place on February 16 of this year.

Some may think it odd that a country conquered and controlled by the Soviet Union since 1940 would continue to pay tribute to an independence that lasted only 18 years. But to those Lithuanians who live in that country and those who have emigrated to this and other countries, the spirit of independence still lives. Such a spirit should be applauded by all Americans, particularly since we are only 2 years away from celebrating 200 years of their own independence.

On this 56th anniversary, Lithuanians, along with the rest of the world, have witnessed another dramatic event in the continuing story of desire for freedom from Soviet tyranny in: the exile of a Nobel Prize winning author Alexander H. Solzhenitsyn. All people who admire such great courage as his in the face of oppression rejoice that he was not harmed or imprisoned and that he is now free to write as he wishes. But in that rejoicing there is also disgust that such things can happen at all, and we are reminded again of the same tyranny which forced Lithuania and other nations into submission.

Before this Congress is the opportunity to demonstrate to the Soviet Union that this country, the largest in the free world, will not aid in giving that nation's economy any strengthening with our trade, and remind them at the same time that human liberty is more important to us than their trade. I commend my colleagues in the House of Representatives for voting through a trade bill denying the Soviet Union most favored nation status as a penalty for their emigration policies, and I urge our colleagues in the Senate to vote their approval of that bill as well as ask that the President give his signature when and if it goes to his desk.

The trade bill is an American tribute to the plight of oppressed people everywhere, and a particular show of support for Lithuanians and what their nation stands for.

WRITINGS ON REINHOLD NIEBUHR, 1972–73

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BRADEMAS. Mr. Speaker, few Americans have made such remarkable contributions to our understanding of the fields of religion and politics as the late Reinhold Niebuhr.

At a time when the Nation is engaged in serious reflection on and criticism of the institutions of our society, I suggest that the thinking of Reinhold Niebuhr can afford us much profound assistance.

I was, therefore, interested to learn that Prof. Ronald H. Stone of Pittsburgh Theological Seminary has recently completed a review of writings about Reinhold Niebuhr during the last 2 years.

Professor Stone has made an effort over a short period to survey all the works published in the United States on Reinhold Niebuhr in 1972 and 1973 generally, excluding reviews and "in memoriam" writings.

I insert at this point in the RECORD Professor Stone's summary of writings on Reinhold Niebuhr during these years, a summary made available by the Fund for the Reinhold Niebuhr Award.

I should also note here that there is shortly to be published a book of Reinhold Niebuhr's sermons and prayers, "Justice and Mercy: The Faith of Reinhold Niebuhr," edited by his widow, Ursula Niebuhr.

Mr. Speaker, the summary of writings to which I have made reference follows:

WRITINGS ON REINHOLD NIEBUHR, 1972–73

INTRODUCTORY COMMENT BY PROFESSOR STONE

Reinhold Niebuhr's typewriter is sorely missed in a day when national scandals call for political analysis and moral wisdom. His essays and editorials taught a respectable part of a generation how to think about moral reality and political illusion. Now we write about him. It is appropriate to honor him in our essays, as appropriate as it was for Plato to write about Socrates. Hopefully in our writing about this "laughing lion" that was among us, we will illuminate the traumas and meanings of our own time.

His many-faceted perspectives tempt us to try to claim him for our own ideological perspective or even, in some cases, to represent him as responsible for the use or misuse of his ideas by others. Fortunately we have what Plato and Aristophanes lacked; we have texts of his work, and our own interpretations can be checked by reference to his work. However, in a day when rigorous scholarship is still a little suspect and imagination and fantasy are honored in the academic marketplace, writers occasionally forget to check the record, either praising or condemning Niebuhr for positions which misrepresent his thought. The passion of the writing and the polemical style of much of it do honor to the importance of his contribution, even when the exact meaning of his position is abused.

THE CHRISTIAN CENTURY

Early, Tracy. "Reinhold Niebuhr for the 70's," *The Christian Century* (June 14, 1972), 688–690. Early finds the balanced realism of *Moral Man and Immoral Society* a wise guide to the problems of the seventies. His article argues that Niebuhr's work in the thirties may be more applicable to the seventies than the work of the intervening decades. Early tends to be less critical of *Moral Man and Immoral Society* than Niebuhr himself was.

Hiltner, Seward. "Kinsey and the Church—Then and Now," *The Christian Century* (May 30, 1973), 624–629.

Hiltner returns to a debate he had with Niebuhr twenty years ago over the Kinsey report. He is correct in that Niebuhr's method in discussion of sex ethics was different from his form of argument on other ethical issues. Twenty years after the dispute, the differences between Hiltner and Niebuhr seem insignificant, but Niebuhr seemed more aware in the fifties of the disintegrating influences on the nuclear family than did Hiltner using the Kinsey material.

Stone, Ronald. "The Responsibility of the Saints," *The Christian Century* (September 12, 1973), 881–883.

Juergensmeyer, Mark. "The Unfinished Tasks of Reinhold Niebuhr," *The Christian Century* (September 12, 1973), 884–887.

Middleton, Robert G. "Hubris in Camelot," *The Christian Century* (September 12, 1973), 887–888.

These three articles furnished the central contents for the September 12 issue of the *Century*. Stone's piece was an abridged version of his memorial speech for Niebuhr in November, 1971. Juergensmeyer's article represents the wisdom of one who knew Niebuhr as a person and who wants to avoid the reification of his ideas. Professor Juergensmeyer seems correct in everything he affirms and wiser than some writers discussed below who neglect the historical perspective which he celebrates. Juergensmyer's plea for a revival of Niebuhrian spirit combined with his rejection of academic courses on Niebuhr seems odd. Did he mean to imply that something in Niebuhr's style prevents his thought from being taught creatively? Why not courses on Niebuhr as well as on Rauschenbusch, Bonhoeffer, Tillich and King? Robert G. Middleton's "Hubris in Camelot" insists that Niebuhr was wiser than his critics or some of his disciples who, on the one hand, wanted to regard sloth and not pride as the primary problem and, on the other hand, tried to make his politics work without his theology. All three essays agreed in the continuing viability of the style or spirit of Niebuhr in analyzing politics and criticizing pious complacency.

CHRISTIANITY AND CRISIS

Williamson, George, Jr. "The Pentagon Papers and the Desecration of Pragmatica," *Christianity and Crisis*, 32 (May 1, 1972), 99–104.

Christianity and Crisis continues its tradition of using less selectivity in articles critical of its founder than on other subjects. The thesis is that *The Pentagon Papers* reveal the amoral calculation of planners and that this stance is dependent upon pragmatism. Reinhold Niebuhr is seen to be a defender of pragmatism along with Thomas Hobbes, John Dewey, Aristotle, Machiavelli, *et al.* "Pragmatica" is a myth, and so the desecration of its supposed supporters does not require careful exegesis or even reading the writings of realists on Vietnam. Probably Williamson's central error is that he never understood what contribution the term Christian made to Niebuhr's "*Christian* pragmatism" or *Christian* realism.

Harrison, Beverly; Bennett, John C.; Shaull, Richard, "Response," *Christianity and Crisis*, 32 (May 1, 1972), 104–109.

The responses to Williamson by Professors Harrison and Bennett leave the reader wondering why Williamson's piece was printed. Perhaps the reason rests in a Christian realist conviction that criticism of one's own assumptions needs to be honored. Harrison's response helpfully distinguishes between ideas and their functions; social functions are not inherent in the ideas per se. She too is interested in transcending Christian realism, but she has an acute understanding of the wisdom available in the tradition. Bennett's reference to the "appalling abstraction of 'Pragmatica' " summarizes his attack upon the essay. Professor Shaull, on the other hand, apparently appreciates the myth of "Pragmatica." As he sees it, "Pragmatica" and its theological underpinnings as represented in Niebuhr's works lack not only morality but also historical consciousness. Professor Shaull either intended to say he disagrees with Niebuhr's historical consciousness or he has forgotten that he ever read *Human Destiny, The Self and the Dramas of History, The Irony of History*, etc.

Sanders, Thomas G. "The Theology of Liberation: Christian Utopianism," *Christianity and Crisis* (September 17, 1973), 167–173.

Alves, Rubem A. "Christian Realism: Ideology of the Establishment," *Christianity and Crisis* (September 17, 1973), 173–176.

The Liberation Theology/Christian Realism dialogue in *Christianity and Crisis* reminds the reader of discussions in its predecessor, *Radical Religion*. Sanders and Alves reveal both how far apart realist and liberationist can be and how unnecessary that distance is. An example of their essential closeness is Rubem Alves' closing shot: "Christian Realists should read *Moral Man and Immoral Society*." Perhaps neither writer had adequately perceived how religious influence in high places has moved from Morningside Heights to the White House Chapel. Christian realism is perhaps less responsible for the Nixon malaise than Alves believes and less politically important today than Sanders would hope.

Bennett, John C.; Plank, John; Brown, Robert McAfee; Quigley, Thomas; Kozub, Jacques; Wilde, Alexander. "Continuing the Discussion: Liberation Theology and Christian Realism," *Christianity and Crisis* (October 15, 1973), 197–206.

These writers confirm the conclusion that the two theologies in dialogue are very fruitful. The influence of Gustavo Gutierrez's work on the respondents is obvious, and the Christian realists in their more hopeful moments seem very similar to the liberationists in their more sober political judgments.

COMMENTARY

Novak, Michael. "Needing Neibuhr Again," *Commentary*, 54 (September, 1972) 52–62.

Novak sees Niebuhr's caution against moralism as perhaps his most important contribution to political/ethical analysis today. However, his assertion, "*Beware the children of light* is, perhaps, the fundamental Niebuhrian imperative," goes too far. Particularly in the fall of 1972, the cynics were doing much more harm to the Republic than the children of light. Despite a few biographical inaccuracies (e.g., his teaching post in 1928, date of his strokes, etc.) the article is one of the best on Niebuhr.

DAEDALUS

Coles, Robert. "Review of *The Nature and Destiny of Man*," *Deadalus*, 103 (Winter, 1973), 97–104.

Coles chose to review *The Nature and Destiny of Man* for this special volume of *Daedalus* on twentieth century classics. Interestingly, it was the only volume of theology selected for inclusion in the list of sixteen classics. Coles' interest is primarily in the appreciative but sceptical interpretation Niebuhr gave to Marx and Freud. It was Niebuhr's capacity to place those interpreters of history in historical perspective that solicited Coles' admiration of the book. In his twentieth-century interpretation, the two nineteen century critics of Christianity were placed in theological perspective, and the prophet interpreted the prophets.

THE JOURNAL OF RELIGION

Griffin, David. "Whitehead and Niebuhr on God, Man, and the World," *The Journal of Religion,* LIII (April, 1973), 149–175.

A very careful essay which clearly delineates the many points at which Whitehead and Niebuhr are in essential agreement. Valuable to the student of Niebuhr for both its motif comparisons and for the analysis of specific references by Niebuhr to Whitehead.

The Journal of Religion, under the leadership of Nathan Scott, Jr., a member of the Reinhold Niebuhr Committee, is planning an issue which will include pieces by Langdon Gilkey, Martin Marty, M. M. Thomas, Roger Shinn, *et al.* for fall, 1974.

THE NEW LEADER

Schlesinger, Arthur, Jr. "Prophet For a Secular Age," *The New Leader,* LV (January 24, 1972), 11–14.

Schlesinger's essay is a moving tribute from a secular thinker to a religious thinker who shared his political-social wisdom with a nation badly in need of it. Schlesinger's piece is one of the best surveyed in this period; it was originally given as his address at the Niebuhr Memorial Service in Riverside Church in November of 1971.

RELIGION IN LIFE

Smylie, James H. "Reinhold Niebuhr: Quadragesimo Anno," *Religion in Life,* XLII (Spring, 1973), 25–36.

Smylie's essay is a celebration of Niebuhr's *Moral Man and Immoral Society.* In his examination of the critical reviews of the book, he tends to side with the author against the critics. He concludes. "He trusted in God, and he did what he could, in God's name, to change man's collective life for the better. Reinhold Niebuhr's *Moral Man and Immoral Socitey* is still one of the great books in the history of the social passion—forty years after."

McFaul, Thomas R. "Reinhold Niebuhr: An Alleged 'Individualist'," *Religion in Life,* XLII (Summer, 1973), 194–205.

McFaul argues correctly that the charge of individualist leveled in different ways by Walter G. Muelder, Dan Rhodes, and Marvin Cook is misplaced. The article points out that Niebuhr's perception of the self as a social self owes less to modern sociology than does his brother's concept and emphasizes the need for more discussion of this topic.

WORLDVIEW

Bennett, John C. "Realism and Hope After Niebuhr," *Worldview,* 15 (May, 1972), 4–14. John C. Bennett and Reinhold Niebuhr together gave Christian realism its meaning. The two learned from each other, but they were more independent of each other than has generally been recognized. Bennett now writes, "I have used the phrase Christian Realism many times, but now I want to be free from it because of the static stereotypes that it suggests." The static quality is not found in the writings of Niebuhr, however, without a balance of attention to open, hopeful history and politically reforming action. Bennett's reservations about the theology of hope stem from his greater political acuteness and the degree to which his ethics are grounded in the love commandments. After he has articulated his wise reservations about the theology of hope, he again sounds like a Christian realist.

Raines, John. "Theodicy and Politics," *Worldview,* 16 (April 1973), 44–48.

Raines' thesis, that Christian realism was a religious reflection of liberalism at a transcendent level, contains important truth. The thesis, however, is presented in a less than dialectic way, and in Niebuhr the liberal politics in the American situation are as much a projection of Niebuhr's religious faith as a projection of his liberal politics. In any case, the sense in which Niebuhr was a political liberal needs to be expounded in terms of his critique of many culturally held liberal assumptions. It is also true that liberal-pragmatic politics for Niebuhr were only a post-World War II phenomenon and there is nothing in Niebuhr's theology that makes impossible the conclusion that in a different, post-Vietnam War situation he might have sounded like a Christian socialist again. His own distinctive type of Christian socialism, of course.

Niebuhr, Reinhold. "Germany," *Worldview,* 16 (June, 1973), 13–18.

A brilliant analysis of Germany, prepared for publication in 1962 and now published in *Worldview* for the first time. It is must reading for admirers of Reinhold Niebuhr. Beneath the reporting on Germany is a dialogue with an important part of his own heritage.

Stone, Ronald. "The Realists and Their Critics," *Worldview,* 16 (June, 1973) 19–24.

McCollugh, Charles. "Up to Our Steeples in Realism: Ethics After Vietnam," *Worldview,* 16 (June, 1973), 24–28.

McCollugh's article is strongly anti-Niebuhr and usually his polemical interest gets in the way of his scholarship. Though his article reveals familiarity with some of the current critics of Christian realism, the following charges are false: 1.) "There is one overriding reality in a realist's world—that reality is power." 2.) "For Realism, power is seen almost solely in terms of political-military power." 3.) "For the realist power is the end, and all else is a means to it." 4.) "Realism views policies, procedures, products, tasks as morally neutral." 5.) "Realism ignores sin and salvation." 6.) "Realism falls into both [Manichean and Pelagian] heresies."

A.D.

Brown, Robert McAfee. "Interpreters of Our Faith: Reinhold Niebuhr," *A.D.,* 2 (February, 1973), 31–36.

Robert M. Brown finds the term prophet the most appropriate title for Reinhold Niebuhr in his one-page introduction to the excerpts from *Beyond Tragedy* which follow his comments. The essay, "The Test of True Prophecy," reminds a troubled nation of how numerous are the false prophets and how even a true prophet stands under God's judgment, relying on mercy.

BOOKS

Siegel, Seymour. "Reinhold Niebuhr: In Memoriam," *American Jewish Yearbook:* 1972, 73 (New York: The American Jewish Committee, 1972), 605–610.

This deserves mention as it emphasizes more profoundly than do any of the other essays Niebuhr's friendship and love for the Jewish community. Siegel concludes his tribute: "Niebuhr's great achievement was to relate the realm of the here and now to the realm of ultimate mystery. In measure unequaled by any other man of American religion, he succeeded. He will be sorely missed."

BOOKS

Bingham, June. *Courage to Change* (New York: Charles Scribner's Sons, 1972).

Stone, Ronald. *Reinhold Niebuhr: Prophet to Politicians* (Nashville: Abingdon Press, 1972).

In addition to the above essays, two books on Niebuhr were published in 1972. June Bingham has added a postscript to her excellent *Courage to Change,* first published in 1961 by Charles Scribner's Sons. The volume is indispensable reading for those seeking an acquaintance with the vitality of the man. Ronald H. Stone's intellectual biography with a focus on his political philosophy was also published in 1972 by Abingdon Press. Space does not permit discussion of the many reviews which greeted the publication of the two volumes, but one exception may be made: Robert Coles' "The World and the Devil," *The New Yorker,* October 7, 1972, is not only a review of Stone's book but also an appreciative account of Niebuhr by one of America's wisest and most humane psychologists.

Fishman, Hertzel. *American Protestanism and a Jewish State* (Detroit: Wayne State University Press, 1973).

While the book is concerned to document the inadequacies of the Protestant response to Judaism and Israel, it expresses a positive evaluation of Reinhold Niebuhr's understanding and intellectual defense of Zionism and Israel.

Hamby, Alonzo L. *Beyond the New Deal: Harry S. Truman and American Liberalism* (New York: Columbia University Press, 1973).

This book covers much of Reinhold Niebuhr's political activity, with many quotations from him on events of the period. Also many references to, and quotations from, a number of those whom Niebuhr influenced, including Joseph Rauh, Jr., Arthur Schlesinger, Jr., James Wechsler, and James Loeb. The analysis is critically friendly to the Niebuhr politics of non-Communist liberalism.

Vanderpool, Harold Y.; Johnson, Roger A.; Wallwork, Ernest; Green, Clifford; and Santmire, H. Paul, editors. *Critical Issues in Modern Religion.* (Englewood Cliffs: Prentice-Hall, Inc., 1973).

Harold Y. Vanderpool has written a thoughtful, scholarly chapter on Niebuhr. The book is designed for use in college class work and the essay on Niebuhr deals in general terms with his contribution to social criticism. The argument of the book regards Niebuhr as an alternative to Marx, but the authors indicate their preference for a more radical Niebuhr, perhaps the Christian-Marxist of the thirties rather than the Christian realist of the sixties.

Miller, William Robert, edited. *Contemporary American Protestant Thought, 1900–1970.* (Indianapolis: The Bobbs-Merrill Co., 1973). Pages 359–407.

William Miller provides a brilliant essay on Niebuhr to introduce four essays he has selected as representative of his work. Miller's essay and selections from Niebuhr are twice as long as his introductions and choices from any other twentieth century writer. His enthusiasm for Niebuhr is obvious. The only question is whether his introduction, "Reinhold Niebuhr, Dialectical Pragmatist," is sufficiently dialectical in its assertion that Niebuhr "owed nothing to Barth, Brunner, . . ."

Woollard, A. G. B. *Progress: A Christian Doctrine?* (London: S.P. C.K., 1972). Pages 14–25.

The chapter on "The Legacy of Reinhold Niebuhr" in this volume on progress does not distinguish between a doctrine of moral progress, which Niebuhr rejected, and a recognition of technological progress, which Niebuhr, of course, recognized. Niebuhr's point was that the increase of man's capacity increased his power for both good and evil. Consequently, Mr. Woollard's assumption that Niebuhr believed there was progress toward open liberal societies is unwarranted.

DOCTORAL THESES ON NIEBUHR, 1970–1972

Boulton, Wayne Granberry, "Ethics and Vision: The Role of Myth in the Thought of Reinhold Niebuhr," Duke University, 1972.

Coffey, John William, "Realist Social Thought in America: Reinhold Niebuhr and George Kennan," Stanford University, 1971.

Daugherty, James Dale, "The Concept of Community in the Thought of Reinhold Niebuhr: An Analysis of Niebuhr's Political Realism and Its Relationship to the Achievement of Community With a Special Emphasis on the American National Community," Graduate Theological Union, 1971.

Greenlaw, William Allen, "Reinhold Niebuhr as Theologian: A New Interpretation," Duke University, 1971.

McFaul, Thomas Ray, "A Comparison of the Ethics of H. Richard Niebuhr and Reinhold Niebuhr," Boston University Graduate School, 1972.

Martin, Thomas Michael, "Reinhold Niebuhr and Charles Chaplin: A Comparative Study Through the Ironic Ingredients of Niebuhr's Thought," Syracuse University, 1972.

Mayers, Ronald Burton, "The Problem, Meaning and Function of 'Transcendence' in a Social Ethic With Particular Reference to the Social Ethics of John Dewey and Reinhold Niebuhr," Syracuse University, 1972.

Rizzo, Robert F., "Christian Vision and Pacifism: A Study of Charles Earle Raven With a Comparison to Reinhold Niebuhr," Catholic University of America, 1971.

Shaner, Donald Wayne, "The Marxian Doctrine and Practice of Race Relations in the Light of the Theology of Reinhold Niebuhr," Drew University, 1970.

Shaw, Lionel Earl, Jr., "The Political Theory of Reinhold Niebuhr," University of North Carolina at Chapel Hill, 1971.

ESTONIAN INDEPENDENCE DAY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, Sunday, being the 24th of February marked the 56th anniversary of the declaration of independence of the Republic of Estonia.

For two decades—1918–39—the ideals of democracy, unfettered by Communist oppression, were allowed to flourish in Estonia. This era, which has been described as the Golden Age of Estonia, came to a crashing halt with the forthcoming of World War II. From that time forward and unfortunately even until this day the Estonian people have been forced to live under an imperialistic Russian regime. Although the ideals of democracy are no longer free to exist in practice, they will always exist in the hearts and minds of all Estonians.

To the people of the free world and especially to the people of the United States this day carries a message which we sometimes take for granted.

It is a message of great fortitude, courage, and hope that has become a way of life for the oppressed Estonian people in their struggle to regain their cherished ideals of democracy and self-determination.

Regretfully, the joy which this occasion should have generated has been denied the Estonians, once again, this year, but where joy is lacking, pride is prevalent.

Therefore, I feel, that it is indeed fitting to commemorate both the day and the Estonians, the world over, and to reassure them that we stand behind them in their endeavors and await the day when their lives are returned to normalcy and their nation's freedom is restored.

FEDERAL ASSISTANCE IN REDUCING THE COST OF LIVING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. STARK. Mr. Speaker, the problems facing an average American family today are staggering. Spiraling food prices, fuel costs, and the gasoline shortage have reached unbelievable levels. The average amenities of 1 year ago are now luxuries. The economic forces in this country are seriously out of balance, and seem to be getting worse every day.

The administration's controls have been effective in restricting wage increases, but have not seriously attempted to restrain prices. The results are explicit—inflation may be out of control. Only strict price and dividends controls could be effective if wages are allowed to rise for a short period of time until we regain some equilibrium.

The Banking Committee will shortly be considering an extension of the Economic Stabilization Act. I strongly believe that this is the time for the Congress to force the President's hand in administering across-the-board price controls. Just as Congress must now take an offensive role in regulating our national energy policies, we must assert the needs of people across the country for Federal assistance in reducing the cost of living.

The following letter from one of my constituents is the most eloquent and persuasive argument I have seen for assistance in a time of difficulty. We cannot ignore the plea:

ALAMEDA, CALIF.,
February 12, 1974.

MY DEAR MR. STARK: A true picture of a day in the life of a middle-class, part-time working, wife and mother. Maybe, just maybe, you don't know what it's like for us hundreds of thousands.

I walk out of my house, which I couldn't afford to buy today considering the incredible cost of housing, and get into a $5,000 midsized Ford station wagon, which has *never* run right, and consumes gasoline at the rate of 10 miles to the gallon.

My first stop is the grocery store, one of the week's most frustrating chores. Today, one loaf of bread cost 52¢, the other, 74¢, a package of split peas, 62¢, cross rib roast, $1.59 per pound. Then it's a wait in line for half an hour for the pleasure of spending $79 for little more than the basics for a week to feed a family of four.

On to the gas station. Fuel is down to just under half and it's Thursday—today's signs for getting gas. I was eighth in line to pay 52¢ a gallon for ethyl. Why ethyl? Because the car won't run well with less octane!

Now it's onto the freeway. Approaching it, I remind myself that the speed limit is 55 mph, so keep an eye on the speedometer (*it* works)!

At 55 mph, I'm passed on both sides by trucks, buses and cars, so immediately increase my speed to 58 mph with the same results. At 61 mph I'm staying with the majority of the traffic and begin to feel safer.

This was a necessary trip to a city 15 miles north in order to deliver the high school team's cheerleaders for an inter-school game. The school district has no funds for such school-sponsored activities. Of course there's no money for quality academic education either!

During the course of my wifely chores, I was approached by a well dressed man of about 30, who screamed wildly at me about looking for and finding God. I ignored his strange behavior, but was somewhat frightened. Only the night before in San Francisco, there was a rampage of four murders and two attacks which surely must have been committed by maniacs.

To top off this frustrating (routine) day, I was able to get home in time to hear President Nixon's State of the Union Message. It was the bitter frosting on a stale cake.

My days are only frustrating, but can you ever begin to imagine how terrible it must be for so many others without income, jobs, education, white skin, health, or just a little leave to ease the helplessness of it all?

Yours very truly,
MS. ARILEE BROGDON.

RECRUITING AN ALL-VOLUNTEER FORCE

HON. ABRAHAM KAZEN, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. KAZEN. Mr. Speaker, friends in the Texas Air Force Association have called my attention to an impressive leaflet prepared by the Air Training Command and titled "Report to Stockholders 1973." Lt. Gen. William V. McBride and his personnel wisely have taken the position that all citizens are shareholders in the Air Force's national defense mission and have provided a concise summary of last year's activities.

The Training Command has responsibility for Air Force recruiting, and is properly proud that it has exceeded all quotas and maintained quality standards for men and women, with special emphasis on minority officers and medical doctors. The Air Force has expanded its own educational program, with significant accreditation of its community college and the six ATC technical schools and computer assisted instruction for individuals.

The end of our participation in the Southeast Asia fighting caused reductions in pilot training but with navigator training maintained at past levels, the ATC topped the Air Force Commands in flying hours and General McBride reports improved methods are in use.

Race relations, drug and alcohol problems, and other rehabilitation needs are special targets, we shareholders are informed, and the report notes the need to adjust personal attitudes and resources to the energy shortage.

I commend my colleagues' attention to this useful summary of the Air Training Command's continued progress:

REPORT TO STOCKHOLDERS 1973

RECRUITING AN ALL-VOLUNTEER FORCE

The end of the draft as an enlistment motivation brought new challenges to Air

Training Command's task of recruiting men and women for the Air Force during 1973, but hard work, fresh enlistment inducements, and intensified advertising and promotional campaigns helped recruiters to meet or exceed all recruiting quotas for the year with some 80,000 young men and women entering the Air Force. Although skepticism had been voiced in some quarters about being able to maintain a quality force in an all-volunteer era, quality of recruits remained high throughout the year, whether measured by pre-entry aptitude tests or by the percentage of enlistees who are high school graduates (currently 95%). Recruiting efforts focused on offering increased educational opportunities, and more recruits were guaranteed their choice of skill training *at time of enlistment*. Recruiting of women received more emphasis as the Air Force announced plans to increase the numbers of women in uniform from the current 18,000 (a 129% increase over the past five years) to more than 48,000 by 1978. The diversity of job opportunities for women also expanded, as such technical skills as maintenance, engineering, computer sciences, weather, space systems, and communications—electronics were opened to women applicants. A vigorous minority recruitment program for the officer corps was pursued, as recruiters moved toward the 5.6% minority officer goal sought by the Air Force by the end of 1978—a figure which will match the projected percentage of minority college graduates in that year, and will more than double the current minority officer strength of 2.5%.

In October, Recruiting Service took over the responsibility of recruiting medical doctors for the United States Air Force. Twenty-three medical recruiting teams composed of medical officers, noncommissioned officers and civilians were formed, trained in recruiting skills, and located in those areas of the country containing a high density of medical schools.

COMMUNITY COLLEGE OF THE AIR FORCE (CCAF)

During 1972 and 1973 the Community College of the Air Force and ATC's six technical training schools were accredited by their regional accrediting associations (the Southern Association of Colleges and Schools and the North Central Association of Colleges and Secondary Schools), the same agencies which validate the quality of civilian institutions of higher learning. The Community College of the Air Force itself was accredited by the Southern Association of Colleges and Schools in mid-December, 1973. Accreditation brings wider recognition of the compliance of Air Force technical education with regional and national standards of educational excellence, and vests the CCAF transcript with greater acceptability to civilian educational and professional institutions throughout the country. Through the end of November, more than 18,000 transcripts had been issued to individuals and to more than 600 civilian colleges and universities. The monthly demand for CCAF transcripts grew from less than 1,000 in January to more than 5,000 by November.

In August, more than 60,000 copies of the CCAF general catalogue were distributed to civilian educational and Air Force locations throughout the world.

Also in August, CCAF awarded its first Career Education Certificate, which represents completion of an educational program equivalent to that required by junior colleges for an associate degree.

Official certification and endorsement of several of CCAF's 77 Career Education Certificate study programs were announced by such diverse agencies as the Texas Commission on Law Enforcement Officer Standards and Education; the Texas Commission on Fire Protection Personnel Standards and Education; the Federal Aviation Administration; the National Association of Church Business Administrators; and the Texas State Department of Health, to name but a few.

TECHNICAL TRAINING

While the Community College of the Air Force brought a new dimension to the value of technical training for airmen during 1973, efforts to update and modernize teaching methodology and technology continued throughout ATC. The principles of Instructional System Development (ISD) had been applied to well over 100 of the command's resident courses by the end of the year, systematically applying instructional technology to the design, conduct, and management of instruction.

The further development of Computer Assisted Instruction (CAI) during the year spotlighted the advantages of self-paced, individualized instruction as a more desirable alternative to the traditional "lockstep" approach long associated with military training.

Also under development is computer-assisted simulation that facilitates teaching of complicated functions without the major expenses associated with actual first-line hardware items being used as training aids.

Throughout 1973, ATC personnel were deeply involved in the planning, design, and evaluation of maintenance and avionics training which will be required to support the F–15 Eagle air superiority fighter and the still-under-development B–1 bomber, as well as several other advanced systems now in the planning or prototype stage.

ATC continued to participate in an Interservice Training Review Program during 1973, which has already saved over $300,000 by consolidation of training courses once conducted separately by each armed service, and promises even greater savings in the future.

Support of Reserve and Air National Guard (ANG) activities continued during 1973, as reserve forces assumed their expanded responsibilities under the Total Force Policy. ATC personnel, for example, assisted in training ANG personnel for conversion from F–100 aircraft to the A–7D. ATC also provided facilities for training of more than 500 air reservists from 20 aerial port squadrons during annual active duty training, in addition to providing training for guardsmen and reservists in a variety of skills and specialties at all technical training centers on a continuing basis.

FLYING TRAINING

Supporting the many facets of pilot and navigator training throughout the command, ATC programmed more flying hours than any other command in the Air Force during 1973.

While undergraduate pilot production reduced slightly to about 3,000 per year, the annual undergraduate navigator production rate held at about the 1,400 mark.

Dramatic developments in flying training technology and methodology highlighted the year, including the following:

The Fighter Screening Program, using the prop-driven Cessna T–41, was consolidated at Hondo, Tex., Municipal Airport in May. The program, designed to screen prospective pilots prior to entry to jet flying training in the T–37, formerly was administered at each of ATC's nine undergraduate pilot training bases. Other screening studies underway are aimed at predicting, through psychological testing, the flying aptitude of officer trainees.

Progress is being made in moving toward increased use of simulation in the flying training program, an increasing sophistication of simulator design and implementation, both in pilot and navigator training. respect to syllabus content, self-pacing programs are underway at Williams AFB, Ariz., Craig AFB, Ala., and Columbus AFB, Miss., in respect to syllabus content, self-pacing procedures, and new approaches to synthetic trainer instruction.

At Mather AFB, Calif., navigator training officials have accepted the first delivery of the T–43, a medium-range jet navigation trainer which is the military version of the Boeing 737. A fleet of 19 T–43s will replace most of the 22-year-old prop-driven T–29s, which will leave Mather after establishing in 1973 a record of 10 years of flying without a major accident. The T–43s will provide the capability of flying more students farther at higher speeds and altitudes with more up-to-date equipment—at lower operating and maintenance costs. Used in conjunction with the T–43 will be a ground-based simulator complex, the T–45, designed for "whole task" training, digital radar land-mass simulation, and digital computer control of air navigator training missions.

Also accepted at Mather AFB during 1973 was a digitally controlled simulator which will permit a nonflying program for training of electronic warfare officers. When fully implemented, the "no-fly" program will eliminate the need for 12 aircraft.

Realignment of Department of Defense activities during the past year included the closure of Laredo AFB, Tex., home of one of ATC's undergraduate pilot training wings. Thanks to closely coordinated cooperation between the base and the civilian community, the closure was accomplished in an orderly manner, with little or no disruption to the outstanding spirit of friendship which for so long had marked the mutual relationships of Air Force personnel and the people of Laredo.

While ATC annually has more programmed flying hours than any other command, during the past year its cumulative flying accident rate of 1.3 at the end of the year was one of the lowest in the Air Force.

OPERATION HOMECOMING

When airmen held in captivity during the Southeast Asia conflict were returned to U.S. soil in February, ATC played a major role in the operation. Of 10 primary Air Force processing centers throughout the country, ATC operated three: Sheppard and Lackland AFBs, Tex., and Keesler AFB, Miss. Seventy returnees were reunited with families and other kin at those locations and received medical care, career development briefings, and legal counseling, to mention only a few services made available to them. Additionally, 25 ATC instructors on the Survival School staff at Fairchild AFB, Wash., served as Homecoming debriefers. Later in the year, ATC initiated requalification training for returned pilots and navigators on a personalized, self-paced basis at Randolph AFB, Tex., and Mather AFB, Calif.

THE HUMAN DIMENSION

There is more to Air Training Command than military and technical training. With its population of more than 118,000 military and civilian personnel, there are also the challenging human concerns that reflect the complexities of the American society at large. Dealing with these challenges in a realistic manner, while preserving the essential framework of military discipline and mission effectiveness, is of paramount importance in the all-volunteer era.

About 50,000 ATC personnel completed the command's 18-hour race relations program during 1973, including all commanders and key staff. Approximately 50,000 people also completed a 2-hour Drug/Alcohol Education program during the calendar year.

More than 21,000 ATC people contributed just under 780,000 volunteer hours in community service programs throughout the command during 1973, in projects ranging from tutoring disadvantaged children to building or repairing community recreational facilities.

Air Training Command's 1974 Combined Federal Campaign (CFC), conducted for the most part in conjunction with local United

Way drives, ended with a record-breaking total of $1,870,507. Contributions from the 15 ATC bases represented 136% of the command's established goal and surpassed the 1973 CFC total by nearly $300,000.

For those Air Force members who have had difficulty adjusting to military life, or who have been convicted for serious infractions of the law, ATC has operated special facilities at Lowry AFB, Colo., for the past 21 years. During 1973, Air Force professionals trained in psychology, medicine, and the social sciences have assisted in the rehabilitation and retraining of those who are recommended for another try at succeeding in military society. The Lowry achievement of better than 70% returned-to-duty has attracted professional scrutiny and study by civilian penal and rehabilitation institutions across the nation and throughout the world.

CHALLENGES AHEAD

Despite the accomplishments of the past year, 1974 will present problems and challenges of its own. Recruiting and training a quality force in the all-volunteer era will continue to be a demanding task. For the Air Force and ATC as well as the civilian world, the energy crisis will necessitate adjustments in personal attitudes and management of resources.

We recognize that one of our most important jobs in the year ahead will be to help further confidence and trust in the military.

We are confident that we will continue to perform our mission in a manner that will encourage public confidence and trsut. But we approach the tasks involved with the conviction that the Air Force and ATC need public understanding and support of basic, fundamental truths regarding the national defense.

With that support by the American people, together we can work toward furthering a sense of national unity and purpose—and reaffirming faith in our future.

GONZALEZ NEVER FORGETS—JUST ASK ONE FOE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. TEAGUE. Mr. Speaker, I submit to you the third in a series of five articles about Congressman HENRY B. GONZALEZ. My friend and colleague was featured in the San Antonio Express and News between January 7 and January 10 by Mr. Jim McCrory.

This particular article features an incident most of us that served in these Chambers in 1963 will remember.

The third of five parts follows:

[From the San Antonio News, Jan. 8, 1974]

GONZALEZ NEVER FORGETS—JUST ASK ONE FOE

(By James McCrory)

If the proper disposition for a politician is knowing when to remember and when to forget, Congressman Henry B. Gonzalez is indisposed.

Ask former U.S. Rep. Ed Forman. Gonzalez helped make him a former congressman—twice, and from two different states.

HOT EXCHANGE

Gonzalez and Foreman engaged in a heated exchange in 1963 in the House, and Gonzalez, 47, invited Foreman, 29, outside.

There, Gonzalez either punched or shoved the Odessa Republican, depending on which eye-witness describes the incident.

Gonzalez, who spent World War II as a civilian cable and radio censor under Army and Navy Intelligence, said Foreman had called him a "pinko," and questioned his patriotism.

Foreman denied the charge, but reiterated accusations that Gonzalez's "ultra-liberal left wing voting record was a disservice to the Constitution of the U.S. and furthers the Socialist-Communist cause."

TWO THINGS

In refusing to shake hands with Foreman after tempers cooled, Gonzalez observed:

"There are two things I never do. I don't drink and I don't shake hands with a SOB."

In the following election in 1964, Gonzalez invaded Foreman's West Texas district, and helped Democrat Dick White unseat him.

"The best time to kill a rattler is when he begins to wiggle," Gonzalez said of his efforts to keep Foreman from returning to the House.

SECOND TIME

Foreman subsequently was elected to Congress from New Mexico, and in the 1970 election Gonzalez moved in again to assist Democrat Harold Runnels to unseat him in his reelection bid.

His skirmishes with Foreman are indicative of a number of monumental battles that Gonzalez has engaged in over the years. The battles involved not only individuals, but issues.

Significantly, the majority of the opponents were men of money and/or position, and the issues usually were the hottest of the day.

DEFENDER

As a man who has campaigned all his political life for the common, ordinary, little man, as articulator for the inarticulate, Gonzalez just does not joust with the poor, the deprived, and those unable to defend themselves.

Besides never forgetting, Gonzalez also never desists.

Ask former Federal Aviation Administrator Najeeb Halaby, a high-handed bureaucrat who mistook himself for the king of the people, instead of their servant.

FRESHMAN

When Gonzalez questioned a Halaby decision to move the air route traffic control center from San Antonio to New Orleans in 1961, Halaby referred to Gonzalez as "a freshman congressman acting like a freshman."

The freshman congressman said he would remain a freshman all his life if Halaby was an example of a sophomore.

Between Aug. 6–17, 1961, Gonzalez made 10 floor speeches denouncing Halaby for his arrogance and rudeness to San Antonio civic leaders and raising questions on the proposed move itself.

He protested to President Kennedy, who had appointed Halaby (Halaby had raised funds for Kennedy in California), and he took his fight to the Bureau of the Budget, the Comptroller General, the General Services Administration, and congressional leaders.

HBG WINS

Gonzalez delayed the move, and on April 26, 1965, President Johnson announced a new FHA administrator.

The night before he made the appointment public, President Johnson called Gonzalez to tell him of Halaby's removal and he indicated that Gonzalez was partly responsible.

ATTACK ON CBS

A polished television and radio performer who makes weekly reports to his constituents on both media. Gonzalez launched a fullscale attack on CBS after its national show, "Hunger In America," in the late '60s.

The so-called documentary depicted an infant in a San Antonio hospital supposedly dying from malnutrition on camera.

Congressional investigators and the U.S. House Agriculture Appropriations Committee found the claim was false.

The investigators also found other assertions in the film were false and misleading, not only as far as San Antonio was concerned but nationally.

ALBERT FUENTES

And it was Gonzalez who first blew the whistle on Albert Fuentes Jr., former special assistant to Small Business Administration Administrator Hilary Sandoval, and Eddie Montez, a former liaison man for Gonzalez.

The sensational charges that the two San Antonio men were involved in a conspiracy to take 49 per cent of a San Antonio businessman's ornamental works company in exchange for a $100,000 SBA loan rocked the SBA and the new administration of President Nixon.

It was the first scandal to rock the administration after President Nixon took over. Fuentes had served as chairman of the Viva Nixon organization during the 1968 campaign.

Both men were convicted and sent to a federal correctional institution.

CIVIL RIGHTS

Perhaps Gonzalez's most noteworthy contribution over the years on the City Council, the state Senate, and the U.S. House of Representatives was in the field of civil rights.

Civil rights, he believes, is a moral issue, not subject to honest differences of opinion by reasonable men.

As a boy, Gonzalez knew discrimination, was called "greaser," and was barred from places reserved "For Whites Only."

FAMILY BARRED

As a City Councilman in San Antonio, he and his family had been barred from use of a public facility in New Braunfels.

And, as a councilman in the '50s, Gonzalez had moved, unsuccessfully, to have two blacks, State Rep. G. J. Sutton and Valmo Bellinger, appointed to the council.

But it was the state Senate which gave him the forum to drive his points home, and he struck forcibly at every discriminatory measure which came before the Senate in his five years there.

CHICK KAZEN

He had an ally in most of those civil rights battles in the person of then-State Senator, now-Congressman Chick Kazen, an American of Lebanese ancestry. The pair provided two of the most powerful lungs in the Senate.

Gonzalez and Kazen combined to filibuster against two of 10 "race" bills in the 1957 session of the Senate, holding the floor for 36 hours and two minutes. Their stand attracted international attention.

Warning of the ultimate perils of segregation, Gonzalez said the bills could be used against Mexican-Americans as well as blacks.

HATE FIGHT

"It may be some can chloroform their conscience," Gonzalez said in his 21-hour and two-minute floor stand. "But if we fear long enough, we hate, and if we hate long enough, we fight."

The other eight "race" bills weren't even brought up after the Gonzalez-Kazen talkathon.

Gonzalez filibustered against segregation for 11 hours, and shortly after the Little Rock, Ark., school crisis he filibustered for 20 hours against a bill giving Gov. Price Daniel authority to close Texas schools where there was a threat of violence and possibility of the use of federal troops. The bill passed.

The filibusters' effect is hard to measure, but it is known that the Senate thought twice before going further on the segregation route.

They delayed hasty action, gave senators time to regain the use of reason, provided key amendments, and killed entire sections.

Almost as important, they directed public attention to one of the most crucial issues of the day.

And after much of the sound and fury had died down, his fellow senators respected Gonzalez for his stands, whether they all agreed with him or not.

SENATE PRAISE

That is why, in an action unprecedented, the state Senate unanimously passed a resolution memorializing him after he went to Congress expressing the pride of the Senate in Gonzalez's service to the state.

In Congress, he was a consistent supporter of measures against segregation. He voted for the Civil Rights Act of 1964, and after the church bombing in Birmingham, Ala., in 1963, he obtained a special order from the Speaker to address the House on civil rights.

ESTONIAN FREEDOM

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. HOWARD. Mr. Speaker, I would like to take this opportunity to join our Estonian-American friends in commemorating the 56th anniversary of the Estonian Independence Day. The historic declaration which established the independent Republic of Estonia on February 24, 1918, temporarily brought to an end a long history of subjugation and bondage under the rule of foreign powers. For more than 1 million Estonians, the establishment of an independent, peace-loving nation marked the fulfillment of their greatest hopes and aspirations.

Unfortunately, the joy of independence was short lived for the Estonian people. Although the small nation grew steadily and registered numerous economic achievements from 1918 to 1939, its military power was insufficient to prevent yet another foreign takeover. Through the nonaggression pacts between Nazi Germany and Communist Russia, the Soviet Union gained a sphere of influence over the Baltic area. Military arrests and mass persecutions followed, and Estonia was overrun. Tens of thousands of Estonians who resisted Soviet collectivism and fought in the underground for reestablishment of their beloved nation were deported. After the Nazi occupation during World War II, the Soviet Union again regained control of Estonia.

Since that time, the fate of Estonia has been controlled from the Kremlin. The harsh and brutal repression of the Soviet regime has come to be a fact of life for the Estonian people. Excessive prison sentences and forced exiles have accompanied a Soviet effort to destroy the Estonian sense of nationalism, and those of us who enjoy freedom cannot help but sympathize with these brave people in their hopes to once again gain independence.

The recent deportation of Nobel prize-winning author Alexander Solzhenitsyn by the Soviet Union is another dramatic example of the repressive measures exployed by the communist regime. In the very work which ultimately led to his arrest by Soviet authorities, "The Gulag Archipelago, 1918–1956," Solzhenitsyn spoke highly of the Estonians with whom he shared the fate of the Soviet prison camps. The great Russian author especially valued the Estonian devotion to democracy and the principles of self-determination.

Thus, the Solzhenitsyn affair once again focuses our attention to the plight of those who have been subjugated by the Soviet Union into positions of literal slavery. Free men cannot remain quiet while other men are denied their liberties, while families are massacred, and cultures destroyed. I hope that each Member will today take a moment to reflect upon the fate of small nations such as Estonia, and join in their hopes of reestablishment to their rightful place among the nations of the world.

Yesterday's commemoration of Estonian Independence Day was indeed a hollow celebration. Let us hope and pray that the Estonian people may again enjoy the freedom which is democracy's lifeblood.

PARENTS ARE THE KEY TO OUR MORAL CRISIS

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. CONLAN. Mr. Speaker, many Americans are seriously concerned that our country faces a moral crisis of an aggravated kind.

This crisis has manifested itself in a variety of ways: Permissive lifestyles and drug use are widespread; a tide of pornographic filth has invaded magazines, television, and motion pictures; cheating and deception are common; senseless violence and terrorism against innocent citizens by advocates of social or political causes disrupts whole communities; and disintegration of traditional family life has been encouraged by the pervasive influence of secular humanism.

Especially disturbing is the widespread neglect by many Americans of moral standards themselves. Many people fear that if this moral anarchy continues unchecked, tomorrow there may be no moral code at all to distinguish us from common animals.

I am often asked what we can do to help turn the tide—to restore decency, honesty, and hard work as a guiding force in society. My response is that our people, as individuals, must recommit themselves to the spiritual values that are the heritage of the Judaic-Christian world. And we must all do as much as we can to bolster standards of good behavior in our own families and communities, remembering that nothing has invalidated the hard-earned moral wisdom of the ages.

Government itself cannot save our moral order. Neither can our schools or our police, per se. They can do much to prevent contributing to the general moral breakdown and the strain on family life, but only individual citizens personally reconciled to God can foster positive attitudes about acceptable civilized behavior that will be passed down to future generations.

The view that a portion of today's moral crisis is the direct result of parent failure and can be overcome in part by God-fearing parents was well-stated in an article 2 years ago by William V. Shannon, a member of the New York Times Magazine editorial board. Entitled "What Code of Values Can We Teach Our Children?" his article was later condensed by Reader's Digest.

I would like to include it at this point in the RECORD.

WHAT CODE OF VALUES CAN WE TEACH OUR CHILDREN?

(By William V. Shannon)

Let self-doubting parents remember: nothing has invalidated the hard-earned moral wisdom of the ages.

American children today are suffering from widespread parent failure. By their words and actions, many fathers and mothers make it clear that they are almost paralyzed by uncertainty. Old standards of behavior no longer seem to apply. Many parents are in conflict as to what their own values are. Others think they know, but lack the confidence to impose discipline in behalf of their values. Worst of all are those parents who doubt their right to structure a child's attitudes, beliefs and conduct.

Ironically, these difficulties have developed during decades when more reliable information has been acquired about children, and the formation of character, than at any other time in history. What is lacking is not information but conviction.

What values are relevant for tomorrow's world? We can answer this question if we imagine our children as young adults and ask a more personal series of questions about them: Do they tell the truth to one another and to themselves? Do they do their share of whatever work has to be done? Can they articulate and channel their aggression? Can they show tenderness and compassion toward other people? Can they be trusted—with a confidence, with a job, with money, with responsibility for another person's welfare? Given their particular talents, are they making use of them?

Every father and mother knows the answers he and she would like to give to these questions. If there is agreement on the goals to be reached, then there is no profound disagreement about values. How a child develops into an adult depends in part, of course, on heredity. But in greater part it depends upon whether parents care enough about their children to assert and defend the necessary values. It also means putting home responsibilities first. Rearing our children is by far the most important task that most of us will ever undertake. To accomplish it successfully requires placing it above one's career. Fathers as well as mothers have to be homemakers.

A successful home is a school for love. If children are not loved from infancy through their growing years, they cannot learn to love others and to become happy adults.

But love is not enough. Children need discipline if they are to develop competent, self-confident personalities. In the imposing of discipline, only a humorless martinet would fail to have occasional doubts about the right course. But doubt is one thing, and abdication is another. Those parents who do not persevere in rearing their children according to their own convictions are not leaving them "free" to develop on their own. Instead, they are letting other children and the media, principally television and the movies, do the job.

On basic issues of right and wrong, the essential values are what they have always been. Nothing has invalidated the hard-earned moral wisdom that mankind has accumulated since Biblical times. To kill, to steal, to lie, or to covet another person's possessions still leads to varying degrees of misery for the victim and the perpetrator.

The 20th century has not found a way to repeal the Ten Commandments. "Thou shalt not commit adultery"' may sound old-fashioned, but restated in contemporary terms—"Do not smash up another person's family life"—it still carries a worthwhile message.

Some modern parents are already so defeatist on sexual issues that they are having their 14-year-old daughters fitted with diaphragms or given prescriptions for the pill. But the powerful emotions surrounding the sexual act cannot be screened out as easily as the sperm. There are those who argue that sex can be completely pleasurable even if one barely knows, or loathes, one's partner. I suggest that most young people are not so tough or neurotic. Whatever they may protest to the contrary, their feelings are engaged in the sexual act and their feelings are bruised when it leads nowhere.

Children of both sexes have to be taught what wise mothers have always told their daughters: that an intimate and important experience is cheapened when it is divorced from love. In sexual relations as in other areas life, Americans have to relearn the satisfaction of self-denial and anticipation. It would do no harm to 16- and 17-year-olds boys and girls to know the facts about sex and yet not engage in intercourse. A certain amount of frustration and tension can be endured—and with good effect. Only modern Americans regard frustration as ranking higher than cholera in the scale of human afflictions.

For probably four fifths of American children, the affluent society is an overpowering reality that neither they nor their parents have learned to manage. No children in the history of the world have been so inundated with junk or have become so accustomed to the idea that a high level of material goods is essential. This breeds an unattractive materialism. It destroys a child's time-scale and sense of proportion. A material object which should be cherished at age 16 because it has been earned by odd jobs on Saturdays is nowadays a broken castoff when a child is half that age.

In our family, there are no gifts when Father returns from a trip, no casual, impulse buying at the supermarket or the drugstore. The gift that is earned by performing a few chores or that is made at home out of simple materials is preferable, because it is within a child's natural range of experience and not borrowed from a false adult world of money and advertising.

The hippies and flower children of the 1960s were inevitable. As members of the first generation to grow up in the TV age, they were the rebels against the materialism and hedonism which television advertising inculcates. Sick of excessive stress on toothpastes and deodorants, they grew up determined never to take a bath. Sick of a world in which automobiles and air-conditioning were equated with happiness, they turned their backs on the simplest material necessities. Sick of competition for glossy baubles, they opted out of the workaday world.

A distinction has to be made between the disdain for materialism and the necessity of a work ethic. An individual can be indifferent to material rewards as such, but still have a positive attitude toward work. Work in the best sense is an expression of a person's intellectual powers or artistic sensibility or physical strength or personality. There is satisfaction in making use of each of these human capacities.

If one's work does not provide any kind of distinctive outlet, it may still provide the psychic rewards of being a member of a group with its own élan and cohesiveness. Since no society has yet been invented in which the overwhelming majority can survive without working, and since everything we have learned about human beings suggests that they are happier when they are performing some useful function, parents have an obligation to their children to instill in them a positive attitude toward work. Such an attitude involves acceptance of a relationship between effort and reward, a willingness to share, an ability to follow and accept discipline as well as to lead and give direction, and a capacity to postpone immediate gratification for the sake of later accomplishment. No child should be stifled or severely coerced, but too much emphasis has probably been placed on self-expression, with the result that many children grow up never realizing that there are times when they can be happy only if they subordinate themselves.

Probably the whole point of rearing a child can be summed up in one word: "individuality." That is, helping him to be who he is with all his strengths and nuances of personality and distinctiveness of background. Naturally, the stronger the parents, the more coherent the values of the family, the easier it will be for the child to evolve his individuality.

It is equally important that parents put forward a positive attitude toward their own racial and ethnic heritage. There are some untenable and self-defeating impulses in the Black Power movement, but for Negro children there is surely an enormous psychic gain in being taught that "black is beautiful." Black *is* beautiful—and so are white, red, brown and yellow.

But the dark side of ethnic self-esteem is prejudice. My observations convince me that youngsters are naturally suspicious and sometimes hostile to the unfamiliar face or the different skin. Racial tolerance, like courtesy or not slugging one's little brother, has to be taught.

Almost anything that a family does together—whether it is eating in a restaurant or camping or going on a vacation or going to church, or hiking or bicycling or working on the family boat—is worthwhile, because it promotes a family spirit. Children may resent at times that they cannot do what every other child on the block is doing, but, far outbalancing that resentment, they gain the security of family membership.

The civilizing of a child begins with the recognition of restraints. If a child is to learn to be an adult, he has to begin by respecting the adults he knows best—his parents and grandparents. By learning to obey his father and mother, a child has the freedom within the sure boundaries they set for him to discover his own identity. By learning to respect other people's rights, a child gains the self-confidence to claim his own.

KAISER ENCOURAGES CAR POOLING TO CONSERVE ENERGY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BROWN of California. Mr. Speaker, Kaiser Steel in Fontana, Calif., is making an effort to conserve gasoline and reduce pollution that deserves some attention. Mr. Jim Franzen, an industrial engineer at the Fontana plant, has organized a computerized program under which every one of the approximately 9,000 employees at the plant will be given the names of other Kaiser employees living in his or her immediate area. Individual employees need take no action whatsoever to be included in this program; every individual's name and address will be fed into the computer unless the employee specifically requests that his or her name be held out by simply writing his or her name and employee identification number on a form which has been distributed to all employees and returning the form to a foreman or supervisor, or to Mr. Franzen.

Participation in the car pooling program, even after the names and addresses have been given out, is strictly voluntary. Those wishing to take part will contact one another, using their lists to determine likely prospects in their areas. No one is obliged to participate by having their name listed. The computer work is being supplied by Kaiser Steel as a free service—at no charge to anyone.

Mr. Speaker, the advantages of car pooling are widely known; I need not elaborate on them. But I would like to emphasize the magnitude of the benefits of such a large car pooling program. Mr. Franzen has calculated that if just 5 percent of the employees at Kaiser's Fontana plant participate, it will take more than 400 cars off the road. This will not only reduce the gasoline shortage, but also the clean air shortage, and it will save wear and tear on 400 cars at the same time.

The program will take effect in March, Mr. Speaker, and I eagerly look forward to the first results. If other large companies will follow Kaiser's lead it will be of tremendous assistance to us as we attempt to overcome the short-term problems we are currently encountering.

WOMEN IN BUSINESS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. PEYSER. Mr. Speaker, for many years I have been interested in the significant contributions women have made in operating businesses and assuming leadership roles in determining corporate policy. Mrs. Sally L. Cohen, a resident of Yonkers, exemplifies the talent and dynamism that women have long exhibited in the business world. The Journal of Business in New York State, published by the N.Y. State Department of Commerce, recently contained the following tribute to Mrs. Cohen who has done an outstanding job of operating and expanding the Excelsior Transparent Bag Corp. of Yonkers, N.Y.

The article follows:

DIVERSIFIED SMALL INDUSTRY IN THE FABULOUS WESTCHESTER AREA

Things have not always been easy for Mrs. Cohen. She inherited the business when her first husband died, and it took many long hours of hard work to continue her responsibility of raising four children as well as making a success of the enterprise. As a result of her experience she believes "a mother who works has learned to schedule her time so that she actually spends more time with her family, and to better advantage, than the average non-working mother who is caught up in meaningless social activity."

Her success in combining two careers is attested to by the fact that all four of her children, now grown and educated, are a part of the business with an enthusiasm matching her own.

As one of the largest independent operations in the flexible packaging industry, Excelsior has wide capabilities in its machines, which can economically produce runs from thousands to millions. Many of its customers, which range from small specialty producers to mass merchandisers, learned of Excelsior by word of mouth advertising, and Mrs. Cohen believes that customer recommendation of her company's services has been a potent factor in its growth.

The Cohens are extremely civic-minded, sponsoring two local Little League ball teams, for example. They work closely with the community's Board of Cooperative Educational Services school to develop courses which will equip young people for jobs. Mrs. Cohen is also a member of the Yonkers' Mayor's Council on Consumer Affairs.

And, just to assure continuity of this resourceful family business, there are six grandchildren waiting in the wings.

EXCELSIOR TRANSPARENT BAG CO., INC., YONKERS

From a two man cellophane converting plant in 1945 to a full service, highly technical flexible packaging operation with 100 employees today—that is the record Excelsior Transparent Bag has racked up under the leadership of Sally L. Cohen.

And further expansion is in the wind—today the company utilizes a 42,000 square foot building which is bursting at the seams; shortly it will occupy an existing 120,000 square foot building on six waterfront acres in Yonkers.

The company offers broad service to industries requiring creative packaging, utilizing films, foils, papers and a host of combinations and laminates. Oriented primarily to the food industry, Excelsior is prepared to clarify the market for the product, work out a full marketing approach, design and produce the package and means for displaying it.

CONGRATULATIONS TO NEW HAMPSHIRE ARMY NATIONAL GUARD

HON. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. MONTGOMERY. Mr. Speaker, a few weeks ago I rose on the House floor to commend the Mississippi Army National Guard for the excellent job they had done in recruiting and the efforts they had put forth to maintain their authorized strength levels. My good friend and colleague the gentleman from New Hampshire, Congressman CLEVELAND, has brought to my attention the commendable record that has been achieved by the Army National Guard in the Granite State of New Hampshire. Under the leadership of Maj. Gen. F. B. McSwiney and the officers and men under his command, the New Hampshire Army National Guard completed a highly successful recruiting program during the month of January that resulted in their achieving 106 percent of its programed strength. I commend the New Hampshire Army National Guard and hope other States will be following the example set by them and my own State of Mississsippi. For the information of my colleagues, I include a copy of the letter Major General McSwiney sent to Representative CLEVELAND regarding his organization's successful recruiting program:

THE ADJUTANT GENERAL,
THE STATE OF NEW HAMPSHIRE,
Concord, N.H., February 8, 1974.

Hon. JAMES C. CLEVELAND,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CLEVELAND: You may be interested in knowing that the strength of the New Hampshire Army National Guard is now 2436, or 106% of its programmed strength. This figure represents 164 officers, 37 warrant officers and 2235 enlisted men. We are now second only to Puerto Rico in actual vs. programmed strength.

During the month of January, an all-out recruiting drive succeeded beyond all expectations. The enthusiastic attitudes and vigorous recruiting efforts were apparent at every level from Colonel to Private, which would seem to indicate excellent prospects for an all volunteer force.

Being aware of your keen interest in the posture of the Reserve Forces, I am pleased to forward this information.

Sincerely,

F. B. MCSWINEY,
Major General, AGC, NHNG, The Adjutant General.

TWO BILLS TO HONOR AND COMFORT SOLZHENITSYN

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. CULVER. Mr. Speaker, I am today introducing two bills to extend the recognition and the hospitality of the United States to the expelled Russian novelist Alexander Solzhenitsyn. I am inserting the text of these two bills to be printed in the RECORD at the close of my remarks.

The first measure would confer honorary U.S. citizenship on Mr. Solzhenitsyn. It follows earlier precedents of the Congress in awarding this status to the Marquis de Lafayette and to Winston Churchill, with one important exception. The Churchill bill for example vested authority in the President to confer honorary citizenship, through what, in effect, was a formal diplomatic gesture extending the hand of amity to the British people as a whole through their celebrated leader. That would obviously be inappropriate in this case, so my bill simply declares "that Alexander Solzhenitsyn shall be an honorary citizen of the United States." It is an act of recognition of a freedom-loving individual, pure and simple, with no diplomatic entanglements whatever.

The second measure would allow Solzhenitsyn and his family, once reunited, to enter and reside in the United States—if and only if they choose to do so. It is a humanitarian offer of refuge, bespeaking our sympathy and admiration for this embattled but uncowable man of letters. He will, of course, decide where he wishes to settle, be it in Scandinavia or Switzerland or possibly these United States. No act on our part should seek to politicize his process of choice, and the bill I am introducing avoids any pressures in that respect. It would take effect only if Solzhenitsyn freely expresses his wishes to have it do so, by writing to the Secretary of State. Should that occur, my bill would remove all impediments to his acquiring a visa, whether because of his statelessness or because of other procedural delays and requirements normally encountered under the Immigration and Nationality Act.

Mr. Speaker, these are not abstract gestures on my part. In consultation with the Iowa Writers' Workshop, I have personally invited Mr. Solzhenitsyn to accept their offer of a quiet and congenial haven in which to continue his writing as a free and honorable man. A copy of my cable to him is inserted for printing in the RECORD. I do not know when he will reach a decision about this invitation, or what that decision may be when he does make it—but I hope and trust that he will recognize the unity that joins his fearless spirit with that of our own freedom-loving people in Iowa and the Nation.

The two bills and cable follow:

H.R. 13027

A bill to permit Alexander Solzhenitsyn and his family to become permanent residents of the United States if Mr. Solzhenitsyn wants to immigrate to the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any provision of the Immigration and Nationality Act or any other provision of Federal law, upon written request by Alexander Solzhenitsyn to the United States Secretary of State, Mr. Solzhenitsyn, his wife, and his unmarried children shall each be issued a visa and shall each be admitted to the United States for permanent residence at his request.

H.R. 13026

A bill to confer honorary United States citizenship upon Alexander Solzhenitsyn

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Alexander Solzhenitsyn shall be an honorary citizen of the United States of America.

AMERICAN EMBASSY BONN.

Representative John Culver, member of the House Foreign Affairs Committee, requests following message be conveyed through Heinrich Boell or other literary channels to Solzhenitsyn:

"I very much hope that, when your family has been reunited, and you have had a chance to relax and reflect, you will give serious consideration to accepting the invitation forwarded through your attorney in Switzerland to at least visit and perhaps join the faculty of the Writers Workshop at the University of Iowa. It would give you peace and calm in which to continue your writing of which the world is so proud.

"The countryside in Iowa is very like that of Northern Europe, and many of our people are of Scandinavian and Slavic origin. Anton Dvorak settled in Iowa and composed his new world symphony here.

"You need not be a citizen to enter or reside in the United States, although I am introducing legislation to grant you U.S. citizenship if you should wish it.

"I am sure I speak for all Iowans in saying we would welcome and respect having you, a son of Russia and citizen of the world, as our neighbor and friend."

EXPANDING THE RIGHT TO VOTE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. RANGEL. Mr. Speaker, as the November elections approach, it is urgent that election reform legislation still tied up in committee be acted upon. The absence of a workable mail registration system is a major factor in the embarrassingly low registration and voting turnout in American elections.

The use of complex and inconvenient voting procedures has effectively disenfranchised millions of potential voters. The hardship of registering to vote in person at a city hall or county courthouse falls primarily on the poor, the worker who cannot leave his job in the middle of the day, the sick, the handicapped, and the aged. Mail registration would make the cherished power of the vote more of a right and less of a privilege.

While House inaction continues there have been several favorable steps being made in my own State of New York toward electoral reform.

Paul O'Dwyer, the distinguished president of the New York City Council, has forcefully endorsed a mail registration plan.

The New York Post, in an editorial in support of mail registration said:

> There would doubtless be some administrative complexity in a mail registration program. Accurate reporting and recordkeeping would be basic, both to insure full participation and to prevent fraud. But use of the mails for important transactions is hardly a novelty any more. Voters routinely make bank deposits, borrow money, obtain credit, pay bills, purchase merchandise and carry on a variety of other business via the post office.

Salvatore Sclafani, president of the New York City Board of Elections, recently testified before a joint hearing of the New York State Legislature's Select Committee on the Election Law and a citizens advisory group which is drafting recommendations on election law reform. Mr. Sclafani also called for allowing citizens to register to vote by mail.

Even the New York State Senate, long a roadblock to electoral reform, unanimously voted to authorize absentee voting in primary elections, a matter decided long ago by virtually every other State in the country.

The concept of a democratic government is a farce unless the Government does all in its power to make full participation in elections and other decision-making processes a reality. When only 55 percent of those eligible to vote actually go to the polling place during a Presidential election—the case in 1972—there is a serious and frightening danger that all power will be abdicated to the wealthy, the powerful, and the power hungry.

The National Voter Registration Rights Act of 1973 which I introduced in the House of Representatives would help reverse this trend toward nonparticipation. As I said a year ago,

> This rapidly developing phenomena of political non-participation is threatening to destroy our democratic society as we know it, even faster than pollution or inflation.

Legislation bottled up in the House Rules Committee would help remedy this critical situation. I testified there in favor of the Voter Registration Act, but it is still languishing in committee.

To those of us from communities traditionally wielding little power in governmental policymaking, election reform and expanding the right to vote means an opportunity for a fair share of our own Government. At a press conference in New York City last year, I was joined by David Dinkins, then president of the Board of Elections, William Larkin, then a member of the Board of Elections, Prof. Penn Kimball of Columbia University, an authority on the election process, and former Attorney General Ramsey Clark. The common concern at that press conference was the disenfranchisement of American citizens by antiquated voter registration laws.

If the 1974 elections are to be a true opportunity for the American people to express their views on the leaders and policies available, we must open up the election process.

SELF-DEFENSE OF FREE MEN, ANCIENT RIGHT—PART II

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the CONGRESSIONAL RECORD another excellent editorial appearing in the Manchester, N.H., Union Leader of Thursday, January 3, 1974, by Mr. Gordon N. Johnson, chief of police of Minneapolis, Minn., which speaks clearly for itself.

In this Mr. Johnson discusses the threats now rampant in the land to the ancient right of free men to own and use firearms for legitimate hunting, sporting, and defense purposes.

Chief of Police Johnson is entitled to discuss these matters and to be critical of the statistical games played by those who seek to strip law-abiding citizens of this ancient and honored right:

WHEN OPPONENTS SAY SOMETHING IS WRONG WITH FIREARMS OWNERSHIP, THEY FORGET—40 MILLION IN UNITED STATES HAVE A 350-YEAR-OLD RIGHT

(By Gordon N. Johnson)

The statistics game is a common ploy.

I could play it too, citing Minnesota's low crime rate and attributing it to relatively non-repressive laws! However, any half-witted excuse for a social scientist knows that a scientific study must involve isolation of variables.

The general problem is that the varied causes of crime are still not well known, to say nothing of being taken into consideration. Firearms or firearms laws are not among the 11 major variables of crime as listed at the front of the FBI's latest Uniform Crime Reports. There are even more variables involved when countries are compared.

Another ploy is the opinion poll.

The trick is to word the question to elicit the desired response. Polls commonly lack validation. A poll which asks if the citizen favors federal regulation of firearms may get a positive response, but never does a poll seek to learn public knowledge of present laws.

I'll venture to guess that a poll done on the percentage of handguns thought to be used in crime would show wide variance from known statistics. Should a campaign against handguns succeed, polls may show that most of the citizenry favors confiscation. So what? Shall civil rights be denied by a majority decisions? Bills of rights were devised to recognize rights and protect them from tyranny of the majority.

When opponents tell us there is something wrong with firearms ownership itself, they reveal more about themselves than about the issue raised. Americans had and used firearms for three centuries before Hollywood began making up myths about ownership, a common law right recognized in most state constitutions and in the federal Bill of Rights. Firearms ownership does not indicate a basic predilection to violence.

Handguns are today being subject to special vilification. A few basics about handguns and their use should be noted. Before playing devil's advocate, however, I'll add the caveats that I have never urged any citizen to possess or carry a handgun or any other firearm and I firmly believe that anyone who owns a firearm should know exactly how and when to use it legally, safely, accurately and prudently.

Handguns differ from other firearms not by function but by mobility. They do not have purpose, unless one believes in animism. Very often a handgun is the only practical firearm for self defense. A long gun is awkward to store and cannot be cleared for action as quickly as a handgun. Those who keep handguns for self-defense tend to view them not as threatening instruments but as precautionary devices akin to fire extinguishers; there if needed, but hopefully not; objects of psychological assurance if nothing else. The handgun is an equalizer against the criminal and the right to use it is often the right to life itself. Contrary to apparent popular belief, however, most cases in which handguns are used in self-defense do not involve killing or bodily injury.

Often the sight of a handgun is all the "action needed to nip in the bud an attempted assault or criminal violation.

Opponents of handgun ownership assume that the defender is always the loser in an encounter. Although there has never been a scholarly, broad range study done on handguns actively used in self defense, it does not appear valid. But even should it be, who has the right to say that a citizen may not defend himself?

Police forces were never designed to provide general personal security; that reliance has of necessity rested with the people. Who provides protection in the ninety seconds before the squad car arrives? It would be an ultimate madness of the bleeding heart liberal to disarm the public to the peace of mind of the criminal.

Regardless of the need for handguns, a move to confiscate them outright or through increased repression seems to be picking up ground. Some of the same people who said in 1968 they only wanted to register the guns, now openly admit they seek confiscation.

Confiscation has been endorsed by national commissions, by the Americans for Democratic Action, the Committee for Economic Development, and the Young Women's Christian Association, among others.

The totalitarian approach has prevented the passage of good legislation, an example being regulation of the so-called "Saturday

Night Specials." Quality control standards for handguns are desirable. When the confiscators came along, they tried to eliminate as many handguns as possible.

One ploy was class legislation, getting rid of "cheap" handguns, depriving the poor. Another ploy was to allow only handguns suitable for sporting purposes, not for self defense. Let's face it, a short barreled handgun is often ideal for self defense and it does not have to be a cannon. Caliber varies with need. Women, who may be subject to more non-lethal attacks than lethal, may choose a diminutive handgun of small caliber. It may not kill an attacker, but he knows he'll be miserable for a long time, if only in thinking about his good fortune in being still among the living.

As things stand now, I'm afraid the legitimate issue of quality control has gone down with the ship.

The main concern for me is that the police will end up taking the rap for this misguided totalitarian zeal. I'm worried that if we're forced to act like the Gestapo we'll get an appropriate reception.

I'd rather fight crime than try to take the firearms from 40,000,000 Americans who believe they have a 350-year old right to have them.

When the proponents of repressive legislation fail, they invariably ignore the faults of the legislation and project blame upon the "gun lobby," particularly the National Rifle Association. They badly misapprehend their opponents.

An active five per cent of gun owners (not including myself) belong to the N.R.A., but the majority also opposes repressive legislation, and on essentially a civil rights basis. It should be evident that the basic freedoms of speech, press, religion, and the right to have and use arms are probably the most fiercely defended civil and constitutional rights.

Many a politician has been mauled in the process of learning that the "gun lobby" is primarily a broadly based citizens' rights group rather than an industry lobby. Repressive legislation has the counter-productive effect of arousing citizens who want to be left alone. When we look at the proponents of repressive legislation we are faced with the strange spectacle of explicitly named civil rights organizations trying to stamp out another civil rights movement and denying its right to exist on the precarious constitutional argument that part of the Bill of Rights is outdated or should be.

Instead of their usual role in defending abusers of civil rights, here they try to deny rights to those who have not abused them. Consistency, it seems, is a trait most admired in others.

In the interest of empathy, consider some of the "gun control" arguments facetiously applied to press controls: The time is past when editors could fire off their opinions in any direction without hurting anyone. In a crowded society we must all agree to responsible press controls. Freedom of the press in the Bill of Rights is not an individual freedom, but corporate, meaning the government and its printing office.

This epidemic of printed lies and character assassinations cries for government action. How long will Congress be cowed by the self-seeking press lobby? It is time to pass the Personal Safety Press Control Act of 1973. The act will involve minor inconveniences, but no responsible editor can argue against submitting his stories in advance for a minimal check on accuracy, libel, and the like.

The provision for registering printing presses is necessary to prevent the printing of lies. Admittedly, there are those who feel that the only purpose of a printing press is character assassination, but be assured that no one in government presently has any plans to confiscate printing presses, except when misused.

Should there be a change in policy, it is unthinkable that anyone in public office would use a press registration list for confiscation. Discretionary power exercised by governmental issuing authorities also would not be misused to confiscate printing presses, but merely to verify and insure the good character of editors and determine their need to publish given stories. After all, if you can't trust your elected public officials, who can you trust?

Think about it.

WHY AMERICAN MILLIONAIRES ARE THE WORLD'S WORST FARMERS—OR, HOW THE TAX CODE CONTINUES TO ENCOURAGE TAX LOSS FARMING

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. VANIK. Mr. Speaker, the 1969 Tax Reform Act closed the tax loopholes which permitted tax loss farming by wealthy individuals—right? Wrong.

Many of us in the Congress may have thought that we were closing a tax loophole in 1969, but the Treasury Department's "Individual Statistics of Income" for 1970 show that the loophole lives on—that American millionaires are still the world's worst farmers—but keep getting richer through the magic of the tax code.

In 1969, the last year that the old law relating to farming tax losses was in effect, 27 American millionaires made $1,770,000 from farm operations—but 136 millionaires managed to lose—generally for tax purposes—$9,037,000 on farm operations. In other words, these millionaires, whom most of us would think must be pretty good managers and businessmen—lost an average of $66,448 each in farm operations.

In 1970, under the new law, only 19 millionaires made $435,000 from farming. Ninety-four "lost," generally for tax purposes, $12,046,000 for an average "loss" of $128,149 each.

In short, the amendments may have discouraged a few individuals from trying the tax farm loss gimmick, but those wealthy individuals who continued nearly doubled their tax advantage. Truly, the American millionaire has a green thumb; it does not help him grow things—but it brings in the green.

The statistics will show, Mr. Speaker, that we failed to close the tax-loss farming loophole in 1969—and additional and more thorough reform is needed.

The example of tax-loss farming is just one more argument for tax reform this year.

In 1939 the Congress decided, according to the House report on the Tax Reform Act, that for those with farm income:

> The combination of a current deduction against ordinary income for various farm expenditures which are capital in nature and the capital gains treatment granted on the sale of the asset to which the expenditures relate produce a significant tax advantage and tax saving for the taxpayer whose ordinary income is taxed in a high bracket.

These special provisions grew up, largely, as an effort to save the farmer the labor and extra effort of the bookkeeping chores associated with inventories and the accrual method of accounting. These rules were understandable years ago, when the farmer may not have had the opportunity for as much formal education as his city cousins. These special rules, however, have been used by those whose real purpose in life is not farming—but reducing their tax burden. The special rules designed to help the American farmer are now used by Wall Street investors who seldom see any larger open space than Central Park.

The importance of the special rules can be seen from an example which was included in the Senate report on the Tax Reform Act. In this example, a taxpayer sells $1,000 worth of a product which cost him $800 to produce. The $1,000 in farm income can be treated as capital gains, while the $800 is deducted against ordinary income. In other words, the sale is taxed at capital gains rates, about 25 percent, while the cost is deductible at the taxpayer's marginal tax rate—up to 50 percent and even more.

If the taxpayer in this example is in the 50-percent bracket, his tax saving is $400 on the deduction of the costs. If the product he sold is taxed at the 25-percent capital gains rate, his tax is $250. This means a net reduction in taxes of $150—despite the fact that actually, economically, a $200 gain was realized.

As the Senate report further noted:

> In contrast, were the entire $800 to be treated as the cost basis for the $1,000 asset, even though the $200 gain still was taxed at capital gains rates, instead of receiving a tax reduction of . . . $150 . . . the taxpayer would have an additional tax cost of $50.

Thus the total tax gain of using the special rules is actually $200 in the above example.

Quoting again from the House report:

> These rules have allowed some high-income taxpayers who carry on limited farming activities as a sideline to obtain a tax loss (but not an economic loss) which is deducted from their high-bracket, nonfarm income.

This has also been a tax loophole which particularly benefited the wealthy. Again, as the House report noted:

> Data prepared by the Treasury Department indicates that in the farming business, as distinguished from other types of business, it appears the trend toward losses increases as the taxpayer's adjusted gross income increases.

As a result of these concerns, the Congress attempted to correct the situation in the 1969 Tax Reform Act. In short, the new law provided that a person who had nonfarm income of $50,000 or more and who had $25,000 in farm losses, would have to treat capital gains arising on the sale or disposition of farm property as ordinary income rather than as capital gains income.

Unfortunately, the amendment did not work. The statistics of income for 1970 show that the number of very wealthy individuals engaged in tax farm losses has declined slightly—but their tax savings continue to rise.

Following are the tax loss farming figures for 1964 through 1966 excerpted from the 1969 House report. In addition, I am listing the figures for 1967, 1968, 1969, and 1970 for those with more than $100,000 adjusted gross income:

TABLE 1.—NET FARM LOSS, NUMBER OF RETURNS AND AVERAGE NET FARM LOSS, BY AGI CLASS, TAXABLE RETURNS, 1964, 1965, AND 1966

AGI classes (thousands)	1964			1965			1966		
	Number of returns	Net loss (thousands)	Average loss	Number of returns	Net loss (thousands)	Average loss	Number of returns	Net loss (thousands)	Average loss
0 to $5	222,910	$236,049	$1,059	197,762	$203,526	$1,029	171,410	$167,024	$974
$5 to $10	314,346	340,867	1,084	319,741	334,943	1,048	324,312	349,196	1,077
$10 to $15	70,351	112,499	1,599	79,564	123,177	1,548	104,509	142,655	1,365
$15 to $20	17,969	48,817	2,717	23,843	60,292	2,529	31,667	35,370	2,380
$20 to $50	29,394	152,693	5,195	30,380	133,187	4,384	36,861	154,263	4,185
$50 to $100	6,865	63,526	9,254	7,424	76,852	10,352	8,863	76,402	8,620
$100 to $500 [1]	2,546	53,608	21,056	2,874	54,872	19,093	[1] 3,241	[1] 60,789	[1] 18,756
$500 to $1,000	145	5,295	36,517	170	6,625	38,971	193	7,566	39,202
$1,000 and over	76	4,500	59,211	103	7,630	74,078	88	3,555	40,398

[1] Greater detail available for 1966.

	Net profit (number of returns)	Amount	Net loss (number of returns)	Amount	Average net loss/return
1967:					
$100,000 to $200,000	1,052	$21,569,000	3,009	$47,800,000	$15,886
$200,000 to $500,000	225	3,473,000	1,044	29,874,000	28,615
$500,000 to $1,000,000	35	950,000	243	11,503,000	47,337
$1,000,000 plus	12	73,000	108	8,007,000	74,139
1968:					
$100,000 to $200,000	1,309	25,299,000	3,653	59,013,000	16,155
$200,000 to $500,000	321	6,699,000	1,242	37,038,000	29,821
$500,000 to $1,000,000	55	2,258,000	277	11,161,000	40,292
$1,000,000 plus	29	1,046,000	134	9,525,000	71,082
1969:					
$100,000 to $200,000	1,530	$27,838,000	4,116	$62,634,000	$15,217
$200,000 to $500,000	331	6,623,000	1,212	37,349,000	30,816
$500,000 to $1,000,000	35	1,212,000	271	11,129,000	41,066
$1,000,000 plus	27	770,000	136	9,037,000	66,448
1970:					
$100,000 to $200,000	1,767	32,462,000	3,846	68,560,000	17,826
$200,000 to $500,000	389	6,899,000	1,166	36,771,000	31,536
$500,000 to $1,000,000	55	1,979,000	210	9,060,000	43,142
$1,000,000 plus	19	435,000	94	12,046,000	128,149

CONCLUSION

In the murky maze of the tax code, "going broke" for the tax-loss farmer really means making hay. These abuses, which are still unrestrained, create huge tax inequities and serve to distort agricultural markets and drive up the cost of the land. These unfair tax rules create an unfair competition for the real farmer.

The tax laws which encourage the false, unreal, deceptive habit of tax farming must be repealed. We must make new efforts in this year's tax deliberations to repeal these special tax rules.

ARCHAIC BAN ON GOLD OWNERSHIP SHACKLES AMERICANS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. RARICK. Mr. Speaker, as the price of gold continues to soar—$147 an ounce, and silver at $5.50 an ounce, indications suggest that many aroused citizens are fleeing from inflation-riddled paper money.

Yet, as many Americans seek protection of their wealth from excessive taxes and Government control, foreign investments in the United States exceeded $3 billion last year.

The Federal Reserve Banking System, seeking to excuse its failures in preserving the stability of the U.S. dollar, is grasping for more control over checking deposits and all banking institutions. Its world counterpart, the IMF continues to announce low-interest loans to Italy, Great Britain, Japan and France. Ostensibly, this financing is said to be needed because of increased prices of Middle Eastern oil. Yet it is also noted that this new wave of borrowing from the IMF had been brought about because of the failure of nationalized industries to meet production demands, thus causing serious financial distress in those Socialized industries.

The U.S. Federal Reserve Bank, intent on control and growth at the expense of the American citizen, now announces that it is increasing its short-term swap agreements with Italy by $1 billion.

Americans still face problems in trying to shore up their financial losses by private ownership of gold. Last year, the Par Value Modification Act authorized the President, when he determined that it would not have an adverse effect on our international monetary position, to lift the present barriers on private ownership of gold.

Apparently, the President has not heard from enough inflation-weary Americans concerning their right to own gold to encourage him to use his discretionary powers to free Americans from the shackles of the archaic ban on gold ownership.

I include the related newsclippings:

[From the Washington Post, Feb. 21, 1974]

NEED FOR FED CONTROL OF RESERVES DISPUTED

(By James L. Rowe Jr.)

A study released yesterday by the Conference of State Bank Supervisors contends that the Federal Reserve Board would not improve its conduct of monetary policy if it controlled the amount of reserves all banks must keep on their checking deposits.

Last month, the Fed asked Congress for authority to set uniform reserve requirements for all banks, whether or not those banks are members of the Federal Reserve system.

It said the volume of checking accounts under its control was shrinking and, consequently, its ability to set monetary policy is being eroded.

Ross M. Robertson, professor of business economics at Indiana University and coauthor of the study, said that the reserve requirement is not an important tool of economic policy.

"In comparison with the open market operations, it pales in comparison," Robertson told newsmen. The Fed increases the money supply by buying government securities on the "open market," thereby increasing bank reserves. Similarly, when it sells these securities, it absorbs funds which banks otherwise might lend.

Robertson said open market operations affect banks whether they are members of the Fed system or not.

Almarin Phillips, professor of economics and law at the University of Pennsylvania and co-author with Robertson, said the reserve requirements are too inflexible to be used as a tool of short-term monetary policy.

The Fed contends that as its controls over checking accounts shrink, any action it takes against the remaining bank deposits must be more stringent, which encourages more banks to leave the system. Fed member banks earn no money on their reserves, while many state member banks can put their state-set reserves into earning assets.

He said that the Fed has seldom used the reserve requirement in the nearly 40 years it has had it in its arsenal.

Both professors contended that the Federal Reserve has presented no evidence to support its stand that its ability to set monetary policy is eroded because the portion of checking accounts subject to its reserve requirements is declining.

While 17.2 per cent of checking deposits were not subject to Fed controls in 1960, 25.4 per cent were not in 1973, according to the central bank's own figures.

Phillips suggested that the Fed's desire to subject all banks to its reserve requirements comes about not because of any effect on monetary policy but because a number of banks are leaving the Fed system, nonbank institutions such as savings and loan associations might soon have accounts resembling checking accounts and the Fed is showing a bureaucratic tendency to want to grow.

[From the Washington Post, Feb. 18, 1974]

ITALY BORROWING $1.2 BILLION FROM IMF

(By Ronald Koen)

In the first instance of an expected wave of large-scale international borrowing to pay for the increased cost of oil imports, Italy announced over the weekend that it is seeking a $1.2 billion credit from the International Monetary Fund.

In Washington, the IMF confirmed that its director general, H. Johannes Witteveen, had agreed to recommend approval of the standby credit. Such approval is considered a formality. It would be one of the largest credits ever granted by the fund.

A number of other advanced Western industrial countries are expected to get in line behind Italy to seek money to pay the oil import bills they have been incurring since the petroleum-exporting states more than quadrupled their prices this autumn.

There is informed speculation that strikebound Britain will follow Italy in seeking major international monetary help.

Japan is also said to be a likely candidate for international help. The Japanese started the year with the world's most massive accumulation of reserves—nearly $20 billion. The Japanese are totally dependent on foreign oil imports to fuel their industry, and their monetary reserves have been whittled away at a steady pace to pay for them.

Japan is rumored to be getting ready to seek a major commercial loan on the Eurodollar market—the pool of U.S. dollars that circulates in Europe.

France recently borrowed $1.5 billion commercially to pay for its oil, and the Italians also have been borrowing commercially.

Witteveen recently told his organization's Committee of 20, a group concerned with international monetary reform, that the IMF should set up a special major new fund to help countries pay for their energy imports during a transitional period while the world adjusts to the present tightness in petroleum supplies.

The idea is that the oil-producing countries would lend at least part of their burgeoning surplus to the IMF to help out their clients in the industrialized West.

The United States has expressed opposition as a "stopgap" which does not deal with the basic problem of the phenomenal price of oil.

Iran announced a week ago that it is willing to lend "a considerable amount" of its surplus income this year to the IMF "at current commercial rates" to help the advanced countries. The IMF normally lends at nominal interest rates, far lower than commercial ones.

Witteveen is scheduled to be in Tehran Wednesday to discuss the matter with the shah. The Iranians said they would also be willing to open credits for the World Bank to help the underdeveloped countries, presumably at lower interest rates. World Bank chief Robert S. McNamara is scheduled to meet with the shah a day after Witteveen.

The underdeveloped countries have been harder hit proportionally than the industrialized countries by the quadrupled oil prices. But, officials of the oil-producing states point out, organizing international help for them should be easier than for the industrialized countries, since the underdeveloped world consumes only 6 per cent of all the oil that is exported.

The Italian announcement on Saturday night explicitly linked the IMF credit to Italy's problems "in light of the energy crisis." The Italians have been saying for several months that they are the most vulnerable in Europe because of their almost total dependenec on imported energy sources.

Even Britain is in a better position because, if not for its miners' strike, it can depend on its large coal supplies for much of its energy needs.

Italy had been running serious international deficits even without the added burden of the energy crisis. Italy's whopping deficit last year was largely masked by heavy commercial borrowing in Europe by the Italian nationalized industries.

The first major monetary crisis of 1973, resulting in the devaluation of the U.S. dollar in February, was touched off in the first instance by a flight from the Italian lira into Switzerland and West Germany.

The U.S. Federal Reserve Bank recently announced that it was increasing its short-term swap arrangements with Italy by $1 billion.

[From the Washington Star-News, Feb. 19, 1974]

FOREIGN INVESTMENT SURGED IN 1973

Last year's sharp upsurge of direct foreign industrial investment in the United States—ranging upwards of $3 billion—shows strong indication of continuing despite the recent strengthening of the dollar that now makes such investment more costly.

This is one of the main conclusions to be drawn from an analysis by David Bauer, international economist with the Conference Board, concerning the increased investment interest by foreign companies in the United States.

Bauer's study, covering reported direct investment by foreign companies in the United States for the nine-month period of March through November of last year, appears in the current issue of the Conference Board publication, Record.

There were 129 investments in the period, on which capital investment information was reported for only 67. The reported total for these was $1.9 billion, but Bauer estimated that total direct foreign investment during the nine-month period could be conservatively estimated at $3 billion.

The bulk of this direct foreign investment in the United States—one of the highest totals of recent times—came from Japan, Canada, West Germany and Britain. Bauer's article is considered to be the first time that information on direct foreign investment has been reported in detail.

The Conference Board is a non-profit research organization.

Of the 129 separate investments, Japan led with 45, followed by Canada with 22, West Germany with 19 and Britain with 12. More than two-thirds of the total involved construction of entirely new facilities. Most of these represented a first-time bid by foreign companies to gain a production in the U.S. market.

Only 18 percent of the new investments by foreign companies involved the take-over or acquisition of existing American companies.

Two devaluations of the dollar, combined with upward revaluations of the Japanese yen, West German mark and other major currencies, unquestionably helped spear the direct industrial investment in the United States. Foreign companies could buy relatively more real estate and other assets with currencies that were worth more dollars in 1973.

However, the multinational trend of business, the need of many companies for closer access to markets as well as increasing world shipping costs, have also been factors in influencing foreign investment in the United States.

Among some of the major ventures were a $175 million plant in South Carolina by the Michelin Tire Co. of France, and a $100 million plant in Virginia by the Swedish automobile company Volvo.

DO NOT ADD INSULT TO INJURY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. DERWINSKI. Mr. Speaker, as we undertake to resolve, for better or worse, the legislation currently pending on the energy conference report, I insert a very timely editorial carried on Radio Station 78, WBBM, Chicago, and call to the attention the emphasis of the potential of the free market system to best solve the energy crisis.

The editorial follows:

DO NOT ADD INSULT TO INJURY

Stamps and money. That's what the U.S. Bureau of Engraving and Printing prints! At least that's what it usually prints. At the moment, the Bureau is concentrating on producing gasoline rationing coupons. Not, mind you, because Energy Chief Simon has yet put us on a gasoline diet—but because the Bureau wants to be prepared just in case he does.

We take this as a bad omen. If the government is printing these things—chances are we'll be using them. And as we've said before, that's not a good idea. Look, for example, at what happened to the beef supply when the Cost of Living Council zeroed in with regulations.

Producers stopped cutting, meatpackers stopped shipping, customers bought in a panic—and when the freeze was finally lifted, the meat counter and the cash register went beserk. Only after a time, did the free market cure the worst of the evils wrought by price control.

Now we know that the present gasoline shortage is creating hardships. But the real mess comes from the rationing plan now imposed on gasoline wholesalers and dealers. Why add another layer of mess? Why compound the disorganization by issuing gasoline rationing coupons?

The only effective way we're going to deal with the crisis is to free the price on oil and oil products. We realize that removal of price controls on gas would initially drive up the price. But experience has shown us that a free market system is the only method we can use to cut demand and at the same time, stimulate production and encourage new exploration of energy supplies. In other words, it's the most efficient system we have for allocating our dwindling resources.

RAPID SOLUTIONS TO SHORTAGES IN HEATING FUEL

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. WOLFF. Mr. Speaker, on February 8, I held an informal hearing in New York on the problems that have developed in the fuel oil industry. The unprecedented rise in fuel oil prices and the two-tier price system represent a grave emergency problem for the independent fuel oil distributor and the consumer. The purpose of the hearing was to provide a forum for the exchange of grievances and ideas and to ascertain what immediate steps Government can take to rectify an already chaotic situation.

With me at the hearing were Representatives Carey of New York, Bingham, Murphy of New York, Abzug, Rosenthal, and Biaggi. Congressmen Helstoski, Addabbo, and Delaney were also represented at the session. We received testimony from government officials, scholars, representatives of all parts of the fuel oil industry, and members of the public.

Because the ideas of the people most involved with energy problems are critical to the developing of a national energy policy, I would like to share with my colleagues the informative testimony given at the New York hearing. First, I would like to insert into the Record a statement by Dr. Lawrence Rocks and Dr. Richard Runyon, both of whom have been familiar with energy problems for a long time. In the next few days, I will insert the rest of the testimony into the Record. Dr. Rocks and Dr. Runyon teach at C. W. Post College and wrote an excellent book on the energy crisis. Their statement follows:

Abstract: Rapid Solutions to Shortages in Heating Fuel

Congress' role in solving the fuel oil shortage should be that of a catalyst to speed up those natural economic forces that are spontaneously at work in our economy. Clearly, we can't burn oil we don't have, so the only question remaining is whether we will use our oil in inefficient devices or efficient devices. As oil becomes more expensive, there will be a movement to replace inefficient oil burners with more efficient ones, and to practice conservation in space heating systems. This natural process must be accelerated with properly placed tax incentives and national educational programs that concern energy conservation in buildings. We believe that the fuel oil shortage situation can be turned around, but not by the strategies outlined in either the President's energy proposals or in the rival proposal initiated by Senator Henry Jackson. Both of these strategies overlook the basic facts concerning energy procurement and deployment possibilities.

Buildings consume about 40 percent of the nation's total energy budget and about 20 to 50 percent of this is wasted by inefficient climate control systems and electrical systems. There is no other target area in the energy budget where so much energy is used and so much wasted with the exception of transportation systems. A resolution of the energy crisis requires that we solve our short-term problems while we lay the groundwork for the larger solutions. The short run goal should be to establish fuel efficient practices in existing climate control systems through government encouraged educational programs. A concurrent program should be a tax incentive schedule to encourage the rapid construction and purchase of fuel efficient climate control systems. These policies, coming into effect immediately, would tide us over for several years until supplies of fuel oil could be increased from domestic sources and from synthetic fuels derived from coal. The synthetic fuels won't be available until the 1980's in meaningful amounts, but energy conservation can be effected immediately.

1) Large savings in fuel oil can be effected by altering the "respiration" of a building in space heating systems. The respiration rate at which air is drawn in, heated, circulated and vented. This rate is about three volume changes per hour which is at least twice as much as is needed. The air flow should be timed to the work load, the people load, and schedule of occupancy of the building. This technique alone can save about 20 to 30 percent of a building's heat needs. No new equipment is needed; it is an operational matter that can be phased in immediately. There are many areas of operational practices where large energy savings can be effected. Altogether, about 20 to 40 percent of a building's fuel needs can be eliminated by changes in maintenance procedures alone. Since 20 percent of our oil budget is accounted for by space heating, we have a potential immediate saving, in buildings alone, of 4 to 8 percent of our total oil budget (240–480 million barrels of oil annually). A national effort to further research, and education, in the area of climate control systems is urgently needed. The costs of such a program would be several million dollars, but the savings would be a thousand times greater. Moreover about 70 percent of natural gas goes into space heating. Since natural gas is on an interruptable basis for many segments of the economy, number 2 heating oil must be substituted for gas when the latter is not available. Thus, the gas shortage contributes significantly to our heating oil shortage. Conservation measures described above could reduce natural gas consumption in space heating by 20 percent, effecting an overall savings of about 14 percent of our natural gas budget. This is equivalent to about 500 million barrels of oil annually. Thus, by moving swiftly and dramatically into energy conservation in the space heating sector, we could achieve, without capital investment, the equivalent savings of at least 740 million barrels of oil per year. This is more than we presently import from the Middle East.

2) The heart of our nation's energy conservation program should be tax incentives for the building and purchasing of fuel efficient systems, especially in the areas of climate control and transportation. The capital investment to raise the efficiency of an oil burner, for example, is just about equal to one year's worth of fuel cost savings.

Energy conservation has come to mean, for many, a reduced standard of living. Fuel reduction and conservation, though, are two different things. Unless we change the inefficient climate control systems and transportation systems, we shall find that the amount of synthetic fuels, or natural fuels, required in the next several decades is preposterously high.

3) Looking down the road some two to four decades, we see the ultimate need to electrify space heating and transportation, at least to a substantial degree. About three-quarters of our gas and one-fifth of our oil now is used for space heating. In the future, we shall face the choice of deploying expensive and scarce natural gas and oil for space heating or deploying synthetic fuels from coal for this purpose. The first is expensive and unlikely to succeed; the second is energy wasteful. A more logical approach would be to convert coal to producer gas and then through the combined cycle power plant generate electricity. Electricity should be used for space heating, but not through resistance heaters, but rather through the heat pump. The heat pump concept can be used in climate control systems to yield accurately controlled climate, and highly efficient energy transfer.

It is remarkable that neither the President's energy program, nor that of Senator Jackson, recognizes the ultimate need to electrify, at least in part, climate control and transportation, although both energy programs speak of uranium, coal, and other sources of energy which are most readily expressed as electricity. Furthermore, solar power for space heating can be economically feasible only if buildings are on an energy conservation mode to start with. As long as our homes and buildings are like sieves which leak heat in the winter and capture it in the summer, the collecter surfaces required by solar heating devices would remain uneconomically large. In addition, solar heat is best deployed via the electrical heat pump. Hence, the electrification of heating integrates with general conservation practices, with solar input and, with the ultimate need to tap eternal sources of energy which are themselves harnessed as electricity.

4) For the short run we need energy conservation with education and tax incentives accelerating processes that are inevitable. For the long run we need the electrification of the economy. For the mid-term run we need synthetic fuels from coal. We believe that our present synthetic fuel program is too slow in coming and misses some technological points. The most feasible way to use coal is to produce electricity; next to manufacture "producer gas". The producer gas can be used to generate electricity and to make methyl fuel. Methyl fuel is underrated in our present scheme of synthetic fuels. Methyl alcohol can be added to gasoline—it will raise the octane rating and permit lead to be taken out. Methyl alcohol can be added to heating oil—it will permit the oil burner to operate more efficiently due to the lessening of soot formation. Most startling, the technology to produce methyl alcohol from coal is well understood; this is not the case for synthesizing methane gas or gasoline from coal.

We have briefly listed here our suggestions for a national energy policy. We believe that this is inseparable from solving the fuel oil problem. Both energy proposals before Congress, one from the President and one initiated by Senator Jackson, miss the essence of the energy crisis: the phase-in time of energy sources, and their economics, is what counts, not a theoretical speculation about the amount of energy in a source. We feel that the short run problems are not clearly understood, and the mid-term problems are erroneously targeted for solution by systems that are really long term and electrical in nature.

Attached are two articles which will soon appear in our weekly column in the Hearst newspapers. The first article illustrates the dramatic savings that are possible in the area of space heating. These savings were made rapidly, employing existing knowledge, and requiring no capital expenditures. The thrust of the second article is that the energy crisis will force us to alter our ways of thinking about energy. In this article, an "absurd" idea is presented. It is then modified to show how the shortages of gasoline can be "turned around" in a five year period.

Post College Engineers Save 30 Percent of Energy

Energy conservation is destined to be a topic of ever-growing importance. Even when Arab oil starts to flow again, and even after we get oil from Alaska, we shall find that our total energy resources are insufficient to meet our expectation for the latter half of this decade. To bring our expectations in line with our inadequate energy production capabilities will require a widely-practiced ethic of energy conservation. Where can we conserve and how can we do it? Let us analyze an on-going experiment at C. W. Post College of Long Island University in Greenvale, Long Island. The work is under the direction of John P. Agnew and Mal Ryan of the Buildings and Grounds Department.

The situation at the college is this: Post College uses approximately $185,000 per year for heating and $325,000 per year for electricity. The heating is done primarily by oil. A central power plant provides air heating and air cooling to approximately two-thirds of the entire campus. A few buildings were selected for energy conservation practices and here is what happened.

Daytime temperatures were lowered from 72 degrees to 68, and at night to about 60 degrees. This resulted in about a 10 percent fuel reduction. Next, the flow of air was retarded throughout the selected buildings. This resulted in a saving of an additional 30 percent.

It is a strange situation, but the air turnover in most buildings is unnecessarily high. By historical precedent and by engineering rule-of-thumb, the air replacement in most buildings is about three volume changes per hour. This is over ten times what is needed for oxygen replacement. In fact, if buildings had odor removal systems, the air freshness would appear acceptable at very low turnover rates. As cold air is drawn in, it must be heated. Here is the heart of the energy waste. A building needs a "respiration" rate that is timed to its occupants and their work schedule. Hence, by restricting the air flow and timing it to the people-load, Post College saved some 40 percent of its oil bill in the targeted buildings. The principle of climate control that is illustrated here is known in the trade as the "mass transit of air" for a building.

Post's Library uses air conditioning and heating throughout the entire year. It strikes some people as odd to hear that a building uses air conditioning in the winter and heat in the summer. This is precisely true. Most modern office buildings require air conditioning in the central power plant to withdraw excess heat derived from lights, people, office equipment and the absorption of sunlight by the peripheral rooms. In the summer, hot air is drawn in and chilled to about 55 degrees to get the excess moisture out. Then it is reheated to about 72 degrees. Without the chill-reheat step, the air conditioned air would be too humid. Unfortunately, the over-chill and re-heat cycles are not coupled in most buildings. Climate control technology developed over decades when energy was plentiful; there never was a need to consider these factors before.

What Agnew and Ryan did in the library was to turn off the air cooling system, and regulate the heat to below 68 degrees so that lights and people would not create excessive heat. Further, they lowered the lighting levels from 110 foot candles to about 65. The recommended lighting levels from the New York State University run about 40 to 50. In other words, the library was over-lit. Most buildings are over-lit. In fact, for every two excessive watts of lighting, a building needs one excessive watt of cooling. The practice of lowering light levels saved about 30 percent of the electric requirements in the experimental buildings.

Notice that these changes required no capital outlays. The savings were effected by changing engineering practices alone. Agnew and Ryan feel that if Post installed integrated chill-reheat equipment and heat recovery units in the power plant's stack exhaust, then they could save upwards of 50 to 70 percent of the fuel budget. Energy conservation for buildings is certainly technologically feasible and meaningful for our national energy budget.

Now for the bad news. Post College didn't save money. Even though we saved fuel, the fuel bills went up. Back in 1972 Post paid 13 cents per gallon for number 2 heating oil; now it's 22.5 cents. Back in 1972 Post paid 55 cents per 1,000 cubic feet of gas, now it's 76 cents. The cost per kilowatt hour of electricity went up 15 percent, reflecting a "base rate" increase and a fuel adjustment factor for the higher costs of oil that fires the power plant of Post's utility.

In short, Post saved fuel but not dollars. Without energy conservation, climate control costs will go out of sight. As a very general rule-of-thumb, it costs about one dollar per square foot per year to climate control the average large building. Fuel costs are going up. In terms of costs, you've got to conserve like crazy in order to stand still.

A Way Out—Calculated Destruction of the Auto

By following a perfectly absurd idea to its logical conclusion, one may occasionally be led into a profound revelation. We did this recently, with startling results.

It all started when we puzzled over President Nixon's time schedule to achieve energy independence. By all that's reasonable and holy, there is no way to achieve Project Independence by the year 1980. We know it; the energy experts know it; and surely the President knows it. So, why did President Nixon set an impossible goal?

We all know that it is far better to set reasonable goals. To do otherwise is to invite frustration, disappointment, and despair. But is this always the case? Sometimes setting impossible goals forces us to depart from traditional ways of thinking, with all their built-in traps that say "no", and cause the mind to take wild but productive flights into uncharted regions.

This is precisely what we tried. We asked ourselves, "If a magic genie floated out of our gasoline tank and granted us one wish to reduce energy demand, what would we ask for?" The answer was clear, "Demolish this night all gas-guzzling cars on the road and replace them tomorrow with automobiles that obtain twice the miles per gallon of present cars." Truly an absurd thought!

But then the arithmetic of the situation took possession of our minds. The automobile presently uses about 30 percent of all petroleum. By magically doubling the efficiency of all cars on the road, we would save 15 percent of our annual oil consumption. This savings would amount to about 1 billion barrels of oil per year. More than we import from the Middle East. Better than finding a Prudhoe Bay and obtaining its oil perpetually!

Suddenly the idea did not seem so preposterous. The American public is already moving toward the goal of energy efficient automobiles. About 50 percent of new car purchases are for the compact and subcompact models. At the present rate, however, it might be fifteen or twenty years before these cars will dominate the automobile population. This is much too slow a rate to head off the onrushing energy crisis.

But what about accelerating a process that is already taking place? Imagine that Congress were to enact legislation to encourage the removal of energy-wasteful cars from the road. At first, the target could be standard or larger sized cars five years or older. Such cars are typically out-of-tune, have faulty valves, and contribute more than their share to air pollution. Congress could guarantee low-cost loans or provide tax incentives to owners wishing to exchange these cars for energy-efficient automobiles. The old cars would be destroyed and recycled. Congress could provide a statutory deduction of, say, $1,000 for automobile owners who make this choice. For those whose income is too low to benefit from this provision, low cost loans could be made available.

It will be argued that such a plan, if fully implemented, would seriously undermine the tax income of the federal government. To illustrate, if all one hundred million cars were to turn over in five years, and everyone took advantage of the statutory tax provision the loss of tax dollars would appear to be about twenty billion dollars annually. Countered against this argument is the fact that corporate profits in the automobile industry would go up, as would corporate taxes. Further, unless we solve the energy crisis, unemployment is sure to rise abruptly. Unemployed individuals do not pay taxes. Indeed they are a tax drain, since they receive unemployment benefits followed by welfare payments. Taken in conjunction with the dollar drain resulting from continued imports of Middle East oil, we suspect that the federal income would not be adversely affected. Certainly, the proposal warrants further study since it would solve the short-term energy crisis.

On the other hand, the benefits of such an action by Congress would be enormous. Within five years, virtually all cars on the road would be energy efficient. We would not need to import oil from the Middle East. The air would be cleaner. The lagging automobile industry would receive a shot in the arm. Gasoline rationing would be unnecessary. Recreational activities would be revived. As a final bonus, we would save energy in the manufacture of cars, since small cars require less energy to produce.

Perhaps the President's desire to achieve energy independence by 1980 is not as ludicrous as it first appeared.

THE ENERGY CRISIS AND ENVIRONMENTAL DEGRADATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. FRASER. Mr. Speaker, in the midst of the energy crisis, as gasoline station lines have lengthened and building temperatures have gone down, there has been the demand that Congress reverse progress made in protecting the environment. Many have called for relaxation of air pollution emissions standards and for accelerated construction of atomic powerplants.

Relaxation of environmental protection measures is a shortrun expedient that will create even greater problems and may ultimately threaten the survival of humanity.

Dr. C. M. Woodwell, senior scientist in the Department of Biology, Brookhaven National Laboratory, writes succinctly of the problems created by reckless attempts to resolve the energy stortage. His letter, published in the February 1, 1974 issue of Science, notes that the most essential energy resource is solar energy captured by plants through photosynthesis. Yet humankind often misuses energy sources such as forests and oceanic fisheries.

Oceanic fishing provides our primary access to the energy produced by ocean plants, yet we are threatening the yields by dumping into the seas, sewage, industrial chemicals, reactor cooling water and radioactive wastes. We have indiscriminately drilled offshore oil wells and are over-harvesting the oceans. Decreased yields from these fisheries are extremely costly. We are losing a renewable resource and harming the entire biota.

As Dr. Woodwell notes, if we are really interested in protecting humankind we must preserve the biota. This means protecting the air and water; Congress will not be doing this by relaxing environmental protection regulations.

Dr. Woodwell's letter to the editor of Science magazine follows:

Biotic Energy Flows

Important aspects of the energy shortage are being ignored in both science and government. We tend to forget that most of the energy used by man is solar energy that has been fixed recently through photosynthesis. This energy provides food, fuel, fibers, and services that are essential for a habitable environment. Although the total amount of energy available as net primary production through this route has been estimated as 20 times the amount of energy in current use from fossil fuels, nuclear power, and hydropower, these flows of energy from the sun are being reduced.[1] When the complex political, social, and economic systems of industrialized nations falter, as they appear to be doing at the moment, we turn immediately to biotic resources that are close to us. We substitute fish for beef, wood for fuel. Mounting world food shortages are contributing to the pressures on these resources. Shortages of both oil and food will get worse: worldwide demand is soaring, and supplies are limited. Reckless efforts to "solve" an energy problem that is unsolvable in the current context of growth threaten to speed destruction of renewable resources. Acid rains are a good example. Relaxation of air pollution standards for sulfur will result in continuation of the trend of rising acidity in rain in the Northeast. There is little doubt that a decade or more of precipitation with a *p*H of between 3.0 and 4.2 will reduce the net production of forests and agriculture. A 10 percent loss of net production in the New England states would be the equivalent of the power output of 15 1000-megawatt reactors. Would the people of New England agree to supply such a subsidy to the rest of the country if they had a choice?

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[1] R. H. Whittaker and G. E. Likens, in *Carbon and the Biosphere*, G. M. Woodwell and E. V. Pecan, Eds. (U.S. Atomic Energy Commission, Oak Ridge, Tenn. 1973) pp. 281–300; G. M. Woodwell, *Science* 168, 429 (1970); *Sci. Am.* 223, 64 (Sept. 1970); *BioScience*, in press.

There is no simple technical or social solution to the shortage of energy. Growth in energy consumption in the pattern of past years is over for the present. In addition, biotic flows of energy are now being lost, often irreversibly; the biota is being mined. Environmental problems are not simply those of adjusting techniques of energy production to reduce intrusions on the environment; they also include the preservation of the flows of energy—including food, materials, and services—through the biota to man. The shortage of fossil fuels presents a challenge to technologists to find more efficient ways of exploiting biotic energy flows on a renewable basis. The problem warrants, but does not have, major consideration in the President's energy program. Facilities comparable to those of a major national laboratory should be devoted to the problems generated by the worldwide spread of biotic impoverishment that is caused in large degree by current rates of exploitation of nonrenewable energy sources.

G. M. WOODWELL.

THE OIL SHALE DUMPING AND DAMAGES ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mrs. SCHROEDER. Mr. Speaker, I have introduced legislation—H.R.12923—to prohibit the dumping of spent oil shale upon Federal lands other than those lands specifically leased by the Department of the Interior for oil shale development under the prototype leasing program. The bill provides that triple damages can be recovered from the leasee if such dumping occurs.

The Federal lands being leased by the Department of the Interior for the prototype oil shale program belong to all people of this Nation, but the lands of three States, Colorado, Wyoming and Utah, are those which will be specifically affected by this program. The entire country, of course, will benefit from this experimental program if it produces the technology through which we can obtain the oil found in the oil shale deposits at reasonable costs. However, it must be recognized that it is the people of the three States involved who will pay the direct environmental and social costs.

Mr. Speaker, we all recognize the need to develop new energy sources. The "energy crisis" has, in a few short months, increased everyone's awareness that our sources are limited, and that we must—and can—do better. The Federal Government must play a major role in helping develop these new sources. We are committed to this idea, as we demonstrated recently by the passage of the Solar Heating and Cooling Demonstration Act. The Department of the Interior's prototype oil shale program is also a recognition that the Federal Government must play a major role in pursuing new energy sources, but the technology for processing oil shale is in its infancy, with many problems yet to be solved. It is the intent of the Department of the Interior's program to allow the industry itself to find solutions.

One of the most important problems that has to be addressed by the oil shale industry is how to dispose of the spent shale. Oil shale, when processed, expands in volume. Obviously, not all of what remains can simply be put back where it came from. There has yet to be developed an environmentally sound answer to what to do with the excess spent shale.

It was therefore very distressing to learn that the Department of Interior has announced that the joint leaseholders of the first 5,100-acre tract in Colorado—Standard Oil of Indiana and Gulf Oil Corp.—have reported they will need 5,800 more acres of public lands outside the leased area to complete their operations. They will, I understand, apply for special permits to use this additional land for resevoirs and to dump debris.

This seems to me to contradict the original intent of Interior's program, which was to determine whether the production of crude oil from oil shale is feasible, both in economic and environmental terms. Permitting the leaseholders additional land on which to dump the spent shale seems to me to ignore one of the central problems the program was designed to meet: how best to dispose of the spent shale. Surely the answer is not to simply dump it elsewhere.

My colleague, Mr. VANIK, of Ohio, recently asked the Comptroller General for his opinion of the basic authority which the Department of Interior claims for this extra allotment of land. Indeed, the Comptroller's answer as reprinted in the CONGRESSIONAL RECORD on February 4, 1974—page 2051—raises questions as to whether the Department has such authority. Yet the plan is continuing and this land is being set aside.

The bill I have introduced is designed to meet this problem head on by declaring it illegal to dump spent shale on land other than that leased under the original prototype leasing program. Any person doing so will lose his lease. It provides further for triple damages from the lessee in the event such dumping occurs. The excess of damages recovered over those used to repair the land will be applied to the Land and Water Conservation Fund.

I am hopeful this legislation will prevent the Department of Interior from using the back door in this situation, without first submitting to the full and open scrutiny of congressional hearings. The question here is a basic one: How much authority does the Department of Interior have with respect to the disposal of Federal lands? As noted above, the Comptroller General questioned whether the Department has the right under current law to grant the use of more acreage than was originally leased. In fact, even the Department of Interior seems to have the same question, for it has a proposal, H.R. 5442, which would add the necessary authority.

H.R. 5442 is now before the Mines and Mining Subcommittee of the House Interior and Insular Affairs Committee. Hearings on this bill, I understand, are in the works. It is here, in the congressional forum, that the larger question of how much land should be used for the oil shale program must be resolved, and I hope that the legislation I have introduced will force a full examination of that question. If the Department of Interior feels that present technology warrants an additional 5,800 acres, it must make this case before proceeding to lease the additional land. The public must participate in this decision. The lands under discussion are federal lands, belonging to all the people; the question of its proper use must in all fairness be a question that is resolved in an open and public dicussion.

Mr. Speaker, we are all acutely aware of the need for new energy sources. My home state of Colorado was one of the first to feel the effects of the energy shortage, and the people there share with the rest of the country the desire to pursue every promise of new energy supply. But the people of Colorado are also very aware that the environment is a very precious resource itself. Nature, once despoiled, can rarely be returned to its natural beauty and harmony.

The prototype oil shale leasing program as originally designed seems to meet these dual concerns. It holds forth the promise that both the Nation as a whole and the States which host these programs may ultimately benefit from the program. The legislation I have introduced is designed to prevent a breach of that promise.

FEDERAL SALARIES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. DERWINSKI. Mr. Speaker, in my judgment, WGN Continental Broadcasting Co. in Chicago, carried a very interesting editorial in its broadcast of February 12, which I will insert at the conclusion of my remarks. It is a very practical analysis of the pending Federal salary increase recommended by the President.

Hopefully, by the end of this week some action will be taken by the House and Senate subcommittees to expedite consideration of this matter.

Therefore it is to be especially noted that salary increase applies to some upper echelon, bureaucrats, Federal judges, and executive branch officials and Members of Congress.

The editorial follows:

[WGN Editorial No. 74-041, Feb. 12, 1974]

FEDERAL SALARIES

Members of Congress felt awkward from time to time, when they voted on bills to increase federal salaries, particularly their own salaries. But, since Congressmen have bills to pay, like the rest of us, they know about inflation, like the rest of us. And, from time to time, like the rest of us, they have wanted a salary increase.

The question was, how to get a raise in pay without the embarrassment of going on record to vote for one. That they solved a little while back. They put the burden on the President, and in such a way as to make it almost impossible for him to propose salary increases for other federal employees without including raises for Senators and Representatives.

It works this way: The President submits his salary recommendations for the top level of federal employees, about ten thousand people, from Supreme Court Justices and Cabinet members, to high-ranking political employees and career officers. In this case, the recommendation is seven and one half per cent. Pay scales for a large number of civilian employees are geared to what their superiors earn. To keep the federal payroll from becoming a political football . . . and to save Congressmen from having to vote on pay hikes . . . the proposals take effect in 30 days . . . unless Congress acts to disapprove them. Congress has another option . . . reducing the requested increases.

Members of the House and Senate are paid

$42,500 a year. Much can be said for paying our public officials salaries comparable to what they could earn in private business . . . what they should earn in carrying out heavy responsibilities. And, the point can be made that these top 10,000 have received no increase since 1969.

The 5.5 per cent pay hike guideline hasn't had much effect on curbing inflation, and President Nixon is letting it expire in about ten weeks. However, Congress, by voting itself and the rest of the federal establishment a smaller increase, might set an example of restraint for the rest of the country.

ENERGY CRISIS

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ESCH. Mr. Speaker, the painful dilemmas caused by the energy crisis have come as a genuine shock to a nation that has done little, until very recently, to discourage high consumption and waste. The search for scapegoats is intensifying with the environmental *movement* as well as industry likely candidates for punitive action. However, I am confident that in the long run national energy plans will evolve to provide us with a political and economic environment that will encourage energy conservation and development of new resources.

Difficult times lie ahead and perhaps the most demanding single step will be for all of us to realize energy shortages are going to be with us for a long time. That means we must continue to make sacrifices and work together to adapt to a new way of living in which we are no longer oblivious to waste. Citizen involvement is an old concept, but I would like to point out to my colleagues that it is paying real dividends in my district where energy-conscious individuals have initiated some very beneficial programs.

For example, citizens in the Ypsilanti-Belleville-Saline area have launched an "action-oriented, problem-solving local organization to battle the effects of the energy crisis." Sponsored by the Press in Ypsilanti, an award-winning daily newspaper, and the Ypsilanti Jaycees, the program called Operation E-CON has spurred intensive community interest in energy conservation and positive government steps to help cope with fuel shortages.

As an indication of the public interest in Operation E-CON, some 70 local residents turned out for the first public meeting last December. Committees were set up to draw on the expertise of a broad cross-section of citizens. Potential solutions were discussed and special problems examined. The residential committee headed by a hospital administrator concluded that homeowners needed help in understanding how best to conserve energy. Steps were undertaken to convey the ways homeowners could cut down on their energy bills while conserving fuel. The chamber of commerce got to work on ways businesses could save energy and a legislative committee researched laws and contacted State and local representatives. Somewhat later, elected officials were invited under the sponsorship of Operation E-CON to a public meeting to report on government efforts and to hear problems voiced by constituents.

Every legislators' mail on energy-related problems has increased dramatically and mine is no exception. Second District residents have encountered such a wide range of difficulties that I had a special hotline telephone installed in my Ann Arbor office with the number 761-FUEL to handle the cases. I am hopeful this will speed up action on individual cases and help cut the red tape that has resulted from the bureaucracy surrounding the Federal Energy Office. Regretfully, we have too often not received the expeditious action these problems deserve.

While Operation E-CON committees were busy working on problem-solving, the Press began a column titled "Bright Ideas" which provided daily consumer hints on how area residents could conserve energy. The newspaper also offered free classified advertising space to persons interested in forming a carpool. Stickers were printed and given wide distribution which declared "We Support Operation E-CON Energy Conservation."

No one can fully assess the results of such a community oriented effort to conserve energy, but certainly the impact must be substantial. While some warn emotionally of riots in the streets because of fuel shortages, the people of my district are meeting the problems head on with a rational approach I believe can serve as a model for many communities. To help my colleagues in understanding how Operation E-CON works, I insert three articles dated December 4, 1973, February 1, 1974, and February 9, 1974 from the Press at this point in the RECORD:

ENERGY MEETING PLANNED

The Ypsilanti Area Jaycees and The Press today jointly announced plans for an "action-oriented, problem-solving local organization to battle the effects of the energy crisis in the Golden Triangle."

The cooperative effort between The Press and the Jaycees will kick off Wednesday, Dec. 12, with a meeting of all governmental leaders, service club officials, labor and business leaders. The meeting is set for 7:30 p.m. at Cleary College Auditorium.

At that meeting, people in attendance will divide into five areas of concern and map out a strategy for coping with the energy problems we're going to be facing in the upcoming months.

The five areas will include autos, commercial, residences, safety and legislative. Persons are to choose the areas in which they have particular interest of expertise.

Gary Allen, chairman of the project for the Jaycees, stressed that neither the Jaycees nor The Press plan on being solely responsible for problem-solving efforts.

"We just want to start the ball rolling and if people are really concerned they'll actively figure out solutions to the various aspects of this problem," Allen said. "Once the five committees are formed they'll be on their own working toward an area-wide solution to the problem.

"We visualize the auto committee advising motorists how to cut down on gas usage and we picture the commercial committee helping businessmen keep energy consumption at a minimum without affecting jobs or production. The residence committee will hopefully do the same for homeowners and the safety committee will make sure that any of these energy-saving measures don't lead to intolerable safety conditions in the area. The legislative group will hopefully work with local governmental agencies to see if effective energy saving legislation can be enacted locally," Allen said.

Wayne Powell, publisher-editor of The Press said, "We think if leaders from throughout the community can sit down together, we can make a more sincere effort to cope with this crisis." He added, "Things done on a piecemeal basis are never as successful as coordinated efforts and hopefully next Wednesday's meeting will allow the community to get together to find some real workable ways to soften the effects of this crisis."

Allen pointed out the purpose of the meeting will not be to discuss whether there is an energy crisis.

"We're taking for granted this thing exists and that it's going to hurt for a long time. With that as a basis we'll want to get right down to work." Allen said.

Powell said the energy-savings meeting will only be one aspect of the newspaper's attempts to make people aware of the energy crisis.

"We've already significantly cut our energy use at the newspaper plant and we are also planning several promotional campaigns to make people aware of the necessity to tighten our energy belts," he said.

Powell also announced plans to offer free classified advertisements to anyone who wants to join a car pool.

"We think it would be a serious mistake to underestimate the potential effects of this crisis and we want to do everything we can to help the community and the country weather the problems a lack of energy is bound to bring."

LEGISLATORS TO SPEAK AT PUBLIC E-CON MEET

Operation E-CON is going public, and local legislators are going along.

Operation E-CON Chairman Rene Hauser announced plans today for an energy brainstorming session between the public and local legislators. The session is set for 7:30 p.m. Friday, Feb. 8.

Hauser said U.S. Rep. Marvin Esch, R-Mich., state Sen. Gilbert Bursley, R-Ann Arbor, state Rep. Gary Owen, D-Ypsilanti, Ypsilanti Mayor George Goodman and Ypsilanti Township Supervisor William Gagnon will participate in the forum.

"We plan to allow each of the five lawmakers to explain what their specific government is doing to cope with the energy crisis and then the five will submit to questions and suggestions from the public," Hauser said.

Hauser, who is an assistant vice-president for business and finance at Eastern Michigan University, said the Operation E-CON session will be the first opportunity Golden Triangle residents have had to face their lawmakers with the practical problems of the energy crisis.

"When The Press and the Ypsilanti area Jaycees first originated Operation E-Con, they hoped to provide forums in which the public could become more aware of the problems of the energy crisis and learn to live better with those problems," Hauser said. "We feel this public opportunity to probe possible legislative solutions to the problem will provide valuable input not only to the Golden Triangle residents who attend the session but to the lawmakers as well."

Hauser indicated that if the legislative session is greeted well by the public, similar forums will be held in the four other Operation E-CON sub-areas, automotive, safety, residential and commercial.

The Ypsilanti Jaycees and The Press started Operation E-CON in early December. Since then a daily Press feature called Bright Ideas has been designed by the E-CON Residential Committee and The Press, and the commercial sub-committee has begun efforts to educate businesses how to cope properly with the energy-related problems.

Press Editor-Publisher Wayne Powell and

Jaycees President Herbert McIntosh have expressed pleasure that Operation E-CON is making such progress.

"We're really hoping the public gets involved with this legislative forum because the chairmen of Operation E-CON, particularly Rene Hauser, are doing a great job in helping people to cope with this most serious problem," Powell said.

OFFICIALS EXPLAIN ENERGY MOVES

Some 50 persons turned out to hear local elected officials explain how they're dealing with the energy crisis at a legislative forum sponsored by Operation E-CON at Cleary College Auditorium.

U.S. Rep. Marvin Esch, R-Ann Arbor, State Sen. Gilbert Bursley, R. Ann Arbor, State Rep. Gary Owen, D-Ypsilanti, Ypsilanti Mayor George Goodman and Ypsilanti Township Supervisor William Gagnon and County Comr. Kathleen Fotjik, D-Ann Arbor, all discussed various aspects of the energy crisis.

All the officials admitted the realities of the energy crisis, but some, most notably Ms. Fotjik, questioned the suddenness of the crisis.

Esch explained part of the reason for the "surprise" has been the "inadequate information gathering system we've had for years on energy related materials." Esch said steps are now being taken to improve that information gathering process.

Esch and Goodman pointed out that the lifestyles of the Americans are going to have to change if they are going to cope with the crisis and sufficiently conserve energy.

The group of legislators admitted one of their biggest challenges is to relate local problems to the national scene. Esch said he will increase his efforts to handle the problems which Goodman or Gagnon may meet on the local level.

Owen and Bursley contended the state legislature has successfully avoided partisanship on energy issues and cited the almost unanimous vote in the state house on the Daylight Saving Time issue Friday.

Charles "Tony" Duerr legislative sub-committee chairman of Operation E-CON co-chaired the meeting with Operation E-CON Chairman Rene Hauser.

Operation E-CON was originated by The Press and the Ypsilanti Area Jaycees.

DISTURBING TRENDS IN SALT II

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ASHBROOK. Mr. Speaker, negotiations are continuing on strategic arms limitations with the Soviet Union—SALT II. It is generally conceded that the SALT I agreement resulted in a decidedly disadvantageous position for the United States. Unfortunately, there is a growing belief that this damage to American national security may be compounded in future agreements that may be reached from SALT II or while the President is in Moscow in June.

One recent appointment to the State Department's Planning and Coordination Staff—the State Department's think tank operation that under Dr. Kissinger has become increasingly influential—has concerned advocates of a strong national defense. This is the appointment of Jerome Kahan, a former staff member of the Arms Control and Disarmament Agency. Kahan has written that the United States should "eschew offensive weapons programs, such as warhead accuracy and yield improvement" which would enhance the ability of America's launching counterforce strikes against Soviet ICBM's.

While the record of Soviet military expansion is clear, there are several disarmament theorists who still think that the United States must continually reassure the Soviet Union that we have no aggressive intentions. For some reason these same theorists seem to ignore the reality that it should be the Soviet Union giving some evidence of a lack of aggressive intentions and not vice versa.

At this point I include in the RECORD two articles entitled "Kissinger's New Disarmament Expert" from the February 16, 1974 issue of Human Events and "The Pentagon's Nitze: An Uncertain Trumpet" from the February 23, 1974 issue of Human Events:

KISSINGER'S NEW DISARMAMENT EXPERT

Supporters of a strong national defense posture were moderately pleased with the unveiling of the Nixon Administration's $85.8-billion military budget, more than $6 billion over the sums to be spent in fiscal 1974. Pressing the argument for the budget hike before the Senate Armed Services Committee last week, tough-minded Defense Secretary James R. Schlesinger stressed he offered "no apologies" for its size. In real terms, he added, it means "no more than holding our own," for the greater part of the increase is consumed by pay and price hikes.

The Nixon-Schlesinger budget, however, is welcomed by hawkish lawmakers for some of the new initiatives and increases in certain critical categories. For instance, the budget provides funds for improving missile accuracy, the acceleration of an advanced nuclear submarine (the Trident), the speed-up in construction of the B-1 bomber and the more rapid development of strategic cruise missiles that can be fired from either submarines or aircraft. Moreover, it revitalizes our Navy in two ways: by continuing to build necessary nuclear and conventional aircraft carriers and by constructing smaller and more efficient "mini-carriers."

So pleased was Sen. Jim Buckley (C.-R.-N.Y.), a defense hawk, with the Nixon budget that he was preparing to deliver a speech this week claiming that President Nixon had "presented a defense budget that is a very welcome sight to those of us in the Senate who feared that the euphoria surrounding the alleged detente between the United States and the Soviet Union might well have caused our leadership to dangerously cut back in areas of defense spending."

While the military budget reflects a certain hard realism, however, there is still mounting concern that the new initiatives and weaponry outlined by Schlesinger last week are nothing but "bargaining chips," all to be sacrificed in the second round of the Strategic Arms Limitation Talks at Geneva.

From a variety of reliable sources within defense and diplomatic circles, it is repeatedly heard that the United States, with Henry Kissinger as the master, behind-the-scenes negotiator, is prepared to conclude an offensive treaty with the Soviet Union that will leave this country forever inferior to the USSR in strategic nuclear weaponry. Sen. Henry Jackson (D-Wash.), for instance, who raised a furor about the outcome of SALT I, is said to be especially concerned with the course Kissinger is taking in directing American disarmament policy.

Kissinger is not only a "soft-liner" himself, argue knowledgeable Pentagon officials, but he is bringing into the State Department a number of dovish theoreticians. What particularly alarms some department observers is the increasing influence Kissinger is bestowing upon the Planning and Coordination Staff. The staff's director, Winston Lord, a long-time Kissinger intimate, is considered a devout dove.

As *Newsweek* recently described him, Lord is Kissinger's "valued aide, intellectual comrade-in-arms and personal friend. He has been a Kissinger braintruster for nearly five years: as special assistant, he accompanied his boss six times to China, four times to the Soviet Union, and some 25 times to the Paris peace talks with the North Vietnamese. If anyone in the State Department can be called 'Kissinger's Kissinger,' it is Winston Lord."

When Kissinger appointed the 36-year-old Lord to run the department's think-tank operation, Kissinger told Lord that the planning staff would play a "principal role" in shaping policy options for the secretary of state.

In his effort to shape Kissinger's options on nuclear matters, Lord has brought on board the PCS Jerome Kahan, a former staffer with the Arms Control and Disarmament Agency who for the past five years has been writing on strategic nuclear doctrine for the liberal Brookings Institution. Kahan's own writings plus what he says to friends and acquaintances clearly mark him as an outright dove. Indeed, Kahan's move from Brookings to the PCS has brought open handwringing from Pentagon officials, who are now certain that Kissinger, bolstered by such disarmament theoreticians as Kahan, is determined to undermine the military at SALT II.

While Kahan might not subscribe to the description, his own writings project an extreme fear that the United States might take some action to protect itself that would provoke the Soviets into mounting a fresh, nuclear arms race. Kahan seems especially worried, for instance, that American policymakers might deploy too many *defensive* weapons, thus irritating top Soviet strategists. Moreover, Kahan appears to have few worries regarding Soviet provocations, including Russia's massive buildup of offensive weapons, even since SALT I.

The types of options on defense that Kahan might develop for Kissinger were outlined at a conference on foreign policy on Oct. 23, 1972, sponsored by Pepperdine University. Kahan submitted a discussion power for the conference in which the central emphasis focused on the need to restrain the impulse of U.S. officials to counter the Soviet military threat.

The U.S., advised Kahan, should reject efforts to modify the SALT agreements to permit a nationwide system of anti-ballistic missiles. In addition, America should "eschew offensive weapons programs, such as warhead accuracy and yield improvements," which would provide its land or sea-based missiles with the capacity to launch counter-force strikes against Soviet ICBMs. (The fact that the Soviets have the capacity to strike *our* ICBMs doesn't appear to worry Kahan too much.)

"In fact," Kahan went on, "consistent with the proposition that all nuclear defenses are potentially destabilizing, the U.S. should also avoid initiating massive anti-submarine warfare deployment efforts . . . and should reduce rather than increase its air-defense network."

While the absence of U.S. ABMs should alleviate any Kremlin fear that the U.S. might embark on a first-strike strategy, said Kahan, the "combination of American missile counterforce, ASW and air-defense efforts would create a serious threat to the USSR's deterrent within the next decade."

"On a broader level," Kahan maintained, "U.S. leaders should recognize that programs which they consider to be stabilizing, such as new submarines or bombers, might well trigger Soviet reactions based on Moscow's political attitudes or psychological outlooks. Even if certain U.S. weapons, such as Trident or the B-1, might not pose a direct threat to the USSR's retaliatory capability, premature deployment of any major strategic systems could stimulate a Soviet reaction for political 'force-matching' reasons, particularly if the

Kremlin came to believe that the U.S. was moving toward some form of superiority."

Scattered through Kahan's writings are a myriad of don'ts for U.S. policy-makers in the next phase of SALT. Kahan even goes so far as to suggest that U.S. leaders shouldn't take "high confidence" measures to protect our weaponry! "Premature force decisions taken to hedge against future Soviet threats of low probability should be avoided, and in many instances reliance on high confidence measures to ensure survivability and penetrability might have to be foregone in favor of measures which are less reliable but also less provocative." "Unilateral restraints," Kahan argued, could bring great benefits.

For the future, urged Kahan, officials "should play down our nuclear strength, avoid attributing undue significance to varations in the U.S.-Soviet force balance, and refrain from overstating the dangers of the Soviet threat or the problems of nuclear parity."

In short, what Kissinger's new disarmament adviser believes is that America, in order to reach a productive outcome at SALT II, must restrain its protective impulses, engage in unilateral disarmament, refrain from provoking the Soviets with "high confidence" defensive measures and virtually ignore what even *Time* magazine now sees as the growing and ominous nuclear threat from the Soviet Union. And what profoundly disturbs the hard-liners in Congress and the Pentagon is that they believe that these days Kissinger and Kahan think very much alike.

THE PENTAGON'S NITZE: AN UNCERTAIN TRUMPET

No sooner did it become known that Henry Kissinger had hired Jerome Kahan, a unilateral disarmament advocate, to enter the top councils of the State Department (see Human Events, February 16, page 3) than word leaked out that yet another controversial disarmament expert had been slated for a key Pentagon post. That expert: Paul Nitze, an old Democratic hand who played a major role in shaping the disarmament policies of former JFK-LBJ Defense Secretary Robert S. McNamara.

Nitze is expected to be named to the job of Assistant Secretary of Defense for International Security Affairs, the same job he held in the Kennedy years and from which he and his successors exerted a powerful impact on the Pentagon's defense and foreign policy planning.

While the New York *Times*' Leslie Gelb quoted a former Nitze colleague as saying that he's "the most knowledgeable hawk in town," others more closely acquainted with his positions take strong exception to the "hard-liner" portrait. In the phrase of one observer, Nitze, at best, is "an uncertain trumpet." Far from strengthening the hawkish viewpoint in the Defense Department, for instance, there are some knowledgeable defense experts who believe that Nitze might seriously undermine the Pentagon's position on a variety of issues, including its "semi-hard" attitude toward the Strategic Arms Limitations Talks.

Though even his critics will acknowledge has hawkish moments, Nitze's rhetoric and actions in the past are not consistent with the views of a "hard-liner." Nitze's views on disarmament, in fact, have proved fairly consistent—and dovish—since 1958.

In November of that year, for instance, Nitze presided over Section 2 of the Fifth World Order Study Conference of the National Council of Churches which met in Cleveland, Ohio.

The panel claimed that "aggressive tactics of the Communist powers are caused, in part, by fear of their own security . . . and the history of Western imperialism must be taken into account if we are to understand contemporary Communist attitudes." It also claimed that "American nuclear stockpiles and widely scattered military bases, some of them near the borders of the Soviet Union, arouse apprehension" among the Communist rulers. The clear implication of that argument, of course, was that America should relieve Soviet fears by abandoning our overseas missile bases.

Furthermore, the panel urged the United States to encourage Chiang Kai-shek to abandon the offshore islands of Quemoy and Matsu, to suspend nuclear tests unilaterally, and to use force only if it were "sanctioned by, and under control of, the United Nations."

Before the Senate Armed Services Committee in 1963, after he had been nominated as secretary of the Navy, Nitze said he had vigorously differed with many of the panel's points, though exactly which points were not always clear. His performance was not altogether convincing for the simple reason that his own thinking clearly bore a striking resemblance to some of the most controversial aspects of the panel report.

As Assistant Secretary of Defense for International Security Affairs under Kennedy, he had, in fact, endorsed an American defense strategy that would not "provoke" the Soviet Union, he had favored withdrawal of U.S. missiles from Turkey, Italy and England, and he had openly supported the nuclear test-ban pact which the Joint Chiefs of Staff concluded was a "net disadvantage" to the U.S. military. Moreover, when Sen. Richard Russell (D.-Ga.), then chairman of the Armed Services Committee, asked Nitze if he had believed in 1958 "that we should pressure the Chinese Nationalists to evacuate Quemoy and Matsu," Mitze replied. "My recollection is in 1958 I did think so." Nitze also opposed the 1955 Senate-House resolution empowering the President to commit American forces to protect those offshore islands from a Red Chinese attack.

One of the most provocative resolutions emanating from the World Order Study Conference panel was the proposition that America should use force only if it were "sanctioned by, and under the control of, the United Nations." Nitze said he opposed this part of the panel recommendations but his denial was less than persuasive in view of the startling speech he delivered to military and civilian personnel in Asilomar, Calif., on April 28, 1960—nearly two years after the World Order Study Conference in Cleveland and a few months prior to Kennedy's election.

The Nitze speech consisted of a series of finely reasoned assumptions, but the key element was that America should no longer strive for nuclear superiority over the Soviet Union or what Nitze defined as a "Class A" capability. Instead, said Nitze, the United States should aim for a "secure second-strike capability" with the capacity to retaliate if the Soviets strike the first blow.

Indeed, Nitze's 4,000-word address contained the seeds of the unilateral disarmament policy pursued so diligently and disastrously by the Kennedy Administration, a policy that called for—and resulted in—the deliberate abandonment of U.S. nuclear superiority over the Soviet Union.

At Asilomar, Nitze went even further than most dovish nuclear experts by explicitly proposing a plan that would make the United Nations the ultimate orbiter of when the Western world could employ its strategic nuclear arsenal. Said Nitze:

"The actions I propose are the following: (1) That we concentrate on building a variety of secure, purely retaliatory systems. . . . (2) that, when we have such a mix of relatively secure systems, we scrap the fixed-based vulnerable systems that have their principal utility as components of a Class A [superior] capability; (3) that we multilateralize the command of our retaliatory systems by making SAC [the Strategic Air Command] a NATO command, and (4) that we inform the United Nations that NATO will turn over ultimate power of decision on the use of these systems to the General Assembly of the United Nations subject to the following conditions:

"(*a*) That we and our allies will assume continuing responsibility for manning, maintaining and improving these systems.

"(*b*) That U.N. inspectors would be invited to inspect and satisfy themselves that these are the *only* nuclear systems we are maintaining.

"(*c*) That a U.N. order to use them will be honored only in the event some nation has initiated the use of nuclear weapons other than on or over its own territory in self-defense against military aggression. . . ."

In other words, Nitze proposed turning over America's and NATO's strategic retaliatory forces to the Afro-Asian-dominated General Assembly of the United Nations. The Nitze-imposed conditions, moreover, would have been rendered the U.N. impotent, for the world organization itself would not have been permitted to allow the use of weapons consigned to its control if the Soviets had launched a massive, conventional assault.

Facing the Senate Armed Services Committee three years later, Nitze initially tried to downplay his proposal, but under considerable prodding he acknowledged it had been seriously put forth. Furthermore, only a few weeks prior to his appearance before the committee, Nitze, according to a Human Events source, had stoutly defended his Asilomar address before the liberal Democratic Study Group in the House. When Sen. Harry Byrd (D.-Va.) asked Nitze about his remarks before the DSG, Nitze said that his "recollection" was that "I said that I very recently reread this Asilomar speech, and there were elements in it which I thought stood up after having reread it."

Sen. Robert Byrd (D.-W. Va.), now the Democratic whip in the Senate, remarked to Nitze at the time: "I don't want to impugn your sincerity . . . [but] it seems to me that in my reading of this speech I get an impression that you threw out an idea which you thought might really be practicable and feasible. You attempted to destroy the anticipated objections to it. . . . I don't think a careful reading of the statement really would convince me and persuade me that it was indeed just a mere proposal which you did not believe in. . . ."

Under Byrd's continuing barrage, Nitze owned up: "I sincerely wanted this to be analyzed by these people who were there, I thought it was worthy of discussion."

In later years, Nitze has also been noted for his soft policies. From 1967 to 1969, Nitze was No. 2 man in the Defense Department. In the Nixon Administration, he has been an important member of the Strategic Arms Limitations Talks, and publicly defended SALT I, although he has been critical of the outcome in private conversations. In addition to his disarmament views, he also opposed the Vietnam War and argued against the belief that Hanoi could be bombed into submission.

So much for Nitze "the hawk." Nitze may now, in fact, believe in a "harder line" than he has voiced on the record, as many observers seem to think. And judged by the disarmament theorists who think the U.S. strategic arsenal should be reduced to a couple of H-bombs (a spare, in case one goes flat), Nitze is probably considered a Dr. Strangelove. But if past is prologue, as the saying goes, the selection of Paul Nitze is hardly likely to firm up the attitudes of Defense Secretary Schlesinger or send a single shiver down the spines of Kremlin strategists.

THE NATIONAL FOOTBALL LEAGUE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. KEMP. Mr. Speaker, during the debate on the television policy of the

National Football League last fall, some disparaging remarks were made in this Chamber about professional football in general, and about the NFL in particular.

I would first like to share with my colleagues some of the little-known facts about those activities of the NFL which often go unnoticed but which reflect an integral part of league policy.

The National Football League has volunteered NFL films and TV air time, for the promotion of federally sponsored programs, since 1971, valued at $250,000. NFL players and their families have also donated their time for radio and television commercials and personal appearances to promote these agency efforts. In the past 3 years the NFL has extended over a half million dollars of time, people and footage for governmental projects in the Department of Health, Education, and Welfare, the Federal Energy Commission, and the Department of Justice, as well as for projects dealing with sickle cell anemia, high blood pressure, Goodwill Industries, Careers, United Way, and cancer research. The National Football League and the players of the NFL have willingly and actively supported these civic service programs because they realize that their special expertise and appeal to a large cross section of our population places them in a unique position to easily influence their audiences, and in possessing that influence, that they have a responsibility to our society to encourage the development of and the participation in programs that better the society.

I am extremely proud of my years in pro football and of my affiliation with the game—its players, owners, and fans. And, as a Member of the House, I am grateful for the concern and commitment of the league to the betterment of our country and our people.

Second, I want to bring to the attention of my colleagues some current statistics on league attendance which reflects what may be the results of the Congress recent alteration of NFL TV policy.

On Thursday, December 13, 1973, the Washington Post carried an article entitled "NFL No-Shows Jump 60 Percent From '72." In essence, the article pointed out that in the 13-week season of 1972, prior to the enactment of legislation to lift television blackouts in cities where NFL games were played, the "no-show" spectator count was 524,871. For that same period in 1973, after the legislation became effective, the early estimated "no-show" amount was 826,182. More recent figures reported by the league show that for the 1973 regular 14-week season there were 109 televised games and 1,017,333 "no-shows." The postseason "no-shows" totaled 41,902.

It would seem, in the interest of objectivity, Congress should monitor closely the effects of lifting the TV blackout. Admittedly, all the evidence is not in. Yet, as the Post points out:

> The real test is expected to come next season when season-ticket holders, who comprise the bulk of NFL attendance, make their decisions about renewing tickets.

To call attention to these facts is not to "cry wolf" or engage in a "doomsday" prediction about the destruction of pro football. However, the Members who voted to alter the TV policy of pro football should be open to empirical evidence that indicates trends in pro football's financial future. Rather than closing our minds, or criticizing the league for showing its side of the story, and even telling pro football to outlaw the zone defense, let's be openminded enough to watch these statistics and trends and be willing to adopt remedial legislation if the facts so warrant.

PICKING UP THE PIECES IN CHILE, AN UNTOLD STORY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. RARICK. Mr. Speaker, on September 11, 1973, after 3 years under Marxist rule, the people of Chile dramatically rejected Communist President Salvador Allende Gossens and his Marxist regime. The anti-Communist military had surrounded the Presidential Palace. Unwilling to answer to his Communist masters for his failure, Allende committed suicide with a gun given him by Fidel Castro, whom he had sought to replace as the most celebrated Communist in the Americas. Allende left behind him an economy so destroyed by communism that it may take years to recover.

The immediate reaction of outrage expressed by Communists and radicals in our country and throughout the world was to be expected. Their "showcase of democratic socialism in the Western Hemisphere," as Allende's Communist regime was called had failed. In its failure, the Allende government had learned what other Communists have long known—that a free people will not willingly trade liberty for communism.

By midsummer, most observers realized that Allende had led Chile to the brink of civil war or total collapse. Economic chaos paralyzed the country. Inflation had reached a staggering 350 percent by the end of July—the highest in the world. Consumer prices were more than doubling every 4 months, and what consumer products were available were earmarked as a first priority for party members. The people were forced to endure massive waiting lines to purchase their government rations of food and clothing, or to turn to the black market. Paper currency was so devalued by inflation that rather than reporting to work for a daily wage, workers often found it more beneficial to stand in line for a government handout, which many then sold on the black market. The black market, by now the free market left in Chile, became the only industry in the land that showed a profit.

Allende's policies of agrarian reform, which turned farmers into employees of the state, resulted in a drop of almost 20 percent in agricultural production. Uncertainty over expropriation of their crops and land discouraged farmers from planting. Agricultural production sank to the level of 1936, when there had been half as many people to feed. Almost half of the country's export earnings had to be used to import food. And the balance-of-payments deficit and foreign debt soared—doubling in only 3 years. When the new government took control from the Communists it found that the Treasury contained only enough money to finance for a single day the purchase of food needed from abroad.

Repeated and prolonged strikes by copper miners had caused the country's major industry to clank to a halt. The demands of miners for higher wages to combat soaring inflation were coupled with protests against the inept administration of the mines by Allende's political commissars. Political appointees swelled the ranks of workers. They spent more time organizing and attending party meetings than in mining ore, and the industries operated only at fantastic losses. The efficient mining operations that Allende had without compensation "Chileanized" from U.S.-based companies became political playthings for the Marxists.

Hundreds of industries were nationalized. To force the bankruptcy of remaining private enterprises, Allende froze prices on goods manufactured by private concerns and at the same time granted large wage raises while inflating the prices of government-controlled raw materials. As this escalated, whole industries fell into the hands of Allende's Marxist henchmen and the economy disintegrated.

Furious, the people reacted. Strikes by truckers, shopkeepers, white-collar workers, taxi drivers, and hospital technicians rocked Chile in the months before the government was toppled. All semblance of social and economic order had been destroyed in Chile.

Meanwhile, even as he paid lip service to his goal of establishing a Communist state in Chile through democratic means, Salvador Allende armed an international brigade of workers, students, and foreign Communist revolutionaries, who had been quietly infiltrated into the country. He now realized that his only hope of retaining power was through an armed Communist takeover. In a letter of July 29, 1973, discovered among other Presidential documents after the coup, Cuban dictator Fidel Castro urged Allende to rally his forces and strike:

> . . . Don't for a single instant forget the formidable power of the Chilean labour class, and the energetic backing that it has afforded you at all difficult times. It can, at a call from you should the revolution be endangered, paralyze those who favor a coup d'état, retain the adherence of vacillators, impose its conditions, and decide once and forever . . . the fate of Chile. The enemy should know that it has been summoned and is ready to come into action. Its strength and combativeness may tilt the scale in your favor, even though other circumstances may be unfavorable.

But, in spite of their intensive guerrilla training and the large caches of arms and ammunition stored for them in the Presidential Palace and other government buildings, Allende's paramilitary commandos offered little organized resistance to the military on the morning of the coup. It was a preemptive move—well timed and well organized. In the

President's luxurious home in Santiago, the armed forces discovered an arsenal sufficient to supply over 2,000 men.

There were Russian-made rockets, 30- and 50-caliber heavy machineguns, AK-47's, recoilless antitank weapons, and bazookas—with enough ammunition to permit sustained gunfire for over 24 hours. A bomb factory and a guerrilla school were discovered at the home of Allende's private secretary. Caches of explosives, grenades, assault guns, and Molotov cocktails were found in factories and industrial plants operated by Allende's Communist appointees.

Documents found in the office of the Minister of the Interior, Daniel Vergara, a Community Party leader, indicates that if the military coup had not taken place when it did the Communists would have launched their formal takeover. Plans had already been made, and scheduled, to assassinate top military leaders on September 17. Even former Chilean President Eduardo Frei, who is hardly known as a rightwing extremist, looked upon the junta as the only escape from a Communist takeover:

> The country had no other way out towards salvation but a government by the Junta. Allende had come to establish Communism by violence, not through democratic means. And when deceived democrats realized the magnitude of this treason, it was too late; masses of guerrilleros had been armed, and a program of extermination of military, civil and political heads was about to be put into action.

Chile was spared the massive butchery that followed Communist revolutions in Cuba, China, and Russia. The military apparently acted only after the threat of a Communist takeover by force seemed imminent. For 46 years the military in Chile had avoided involvement in civilian politics. But, as the Communists have proved again and again, there are far worse ways to live. And within a week the junta, composed of representatives of the Army, Navy, Air Force, and National Police, had established its credibility as a government and began to move the country back toward liberty.

For one thing, it assumed full responsibility for the foreign debts of the previous administration. The United States is still waiting for payment of debts owed by Russia in 1917 and Cuba in 1959. This was a significant step toward reestablishing international credit and respectability.

In the subsequent rush of the U.S. press to deplore military rule by the new government, inaccuracies, misrepresentations, and deliberate lies were headlined across our country. Widespread coverage was given a Newsweek story, filed by correspondent John Barnes, claiming an "official morgue body-count" showed that during the first 2 weeks following the overthrow of Comrade Allende the Santiago morgue processed 2,796 bodies. It implied that executions had taken place on the same scale in other Chilean cities. The report created a sensation and shocked most Americans. It was even read into the CONGRESSIONAL RECORD as representing the brutality of the new anti-Communist government. The Newsweek report gained wide circulation on college campuses and was used by Marxist groups to raise money for anti-Chile propaganda. Grave doubts about what had really happened in Chile were created in the minds of millions of uninformed Americans.

Little attention was paid to reports issued a few weeks later by reporters making independent investigations of the story. These investigations established that the allegations of Newsweek reporter Barnes were so wildly exaggerated as to constitute deliberate misrepresentation. The body-count figure of 2,769 was correct, of course. But what Barnes had neglected to tell the readers of Newsweek was that the figure represented every corpse admitted to the Santiago morgue for the entire year from January 1 through September. The Chilean Embassy in Washington reports that the actual death toll was less than 600, including 42 military and police.

After the first burst of sensationalist headlines, the U.S. press has largely chosen to ignore Chile. The new government's uphill struggle to restore an economy shattered by Allende and his Communists has been almost totally neglected. Yet the economy of Chile has begun to show signs of recovering from its 3 years under Marxism.

Copper production, which accounts for about 80 percent of Chile's income, has already shown a substantial increase. The copper mines are expected to produce a record 800,000 tons during 1974. And the government has begun to conduct negotiations "aimed at providing just compensation" for nationalized U.S. interests.

Farms illegally taken by the Allende regime are being returned to their owners. Agricultural production is expected to rise markedly despite the delayed planting season.

Public confidence in the escudo—Chile's national currency—is returning. Long-hoarded U.S. dollars are again being exchanged for escudos at the official rate. In fact, some $19.5 million in small bills were sent abroad a commercial airliner to Miami in late December as the first installment toward repayment of Chile's financial obligations to the United States. In a little-publicized agreement with the U.S. State Department, Chile's new leaders have agreed to repay $64 million during the next 6 years beginning in January 1975, with interest of 6 percent per annum. Reports indicate that it took the tellers almost a week to count the millions of U.S. bills, many of which had been exchanged for escudos after having been hoarded by Chileans throughout the Allende regime.

The social and political chaos Chile suffered under the Marxists is to be replaced by a new Constitution currently being drafted. It is expected to be submitted to a public plebiscite for approval within the next few months. But the liberal press in the United States, still mourning the fall of Communist Salvador Allende, has failed to report that the drafting committee does not include a single representative of the armed forces. Chile's military leaders apparently desire to return to their traditional role, separate from civilian politics, as soon as the emergency can be ended.

Early indications are that the new Constitution will reaffirm and strengthen basic freedoms and civil liberties denied under the Allende regime. One of the cornerstones of constitutional freedom being included is the right to own private property. Every effort is being made to assure that no fanatical minority of Communists will ever again be able to gain a stranglehold on the country. The Chilean Embassy reports:

> The final goal of the (Fundamental) Charter is to interpret the feelings of the majority of the country and to create machinery for preventing the nation from ever again being ruled by a minority which refuses to respect the popular will of the majority.

Anti-Communist Chile's Ambassador to the United States is Walter H. Heitmann, a soft-spoken retired air force general. Soon after his arrival in Washington, Ambassador Heitmann appeared on my weekly television program "You've a Right To Know" to discuss the situation in his country. This was his first appearance on U.S. television, and General Heitmann emphasized that his government's leaders hope "that they can show the world with actions and final results that they did the right thing." As we talked, Ambassador Heitmann discussed the recent events in his country with a determination and optimism that characterize conversations I have had with other members of the new anti-Communist government. I believe you will be interested in the details of that interview which follow:

INTERVIEW

Ambassador HEITMANN. It would take three years to explain the facts, because in three years the previous Government destroyed our country. Unless you have knowledge of the former conditions, you will not be able to understand the reasons why the military, breaking a long tradition in our country, intervened; and why the majority of Chileans are supporting the new government. It would be necessary for the American people to see how our women formed long lines just to get some food, and remained standing for hours well into the night. They were forced, with this system, to leave their children alone, risking their health and lives in order to get food. The food was distributed only to those who were members of the Marxist political parties. Citizens who did not belong to those parties could not even get the basic necessities to support life, but were forced to buy them in the "black market."

Congressman RARICK. Party—that's the Communist Party?

Ambassador HEITMANN. That's the Communist Party, yes. That is the way they operated in order to have the complete control over the Chilean people. Basically, the military was asked by the people to intervene to put an end to this situation. For three years, the population had been nourished with lies, with promises that were never accomplished. They grew sick and tired of demagoguery. The unions went on strike, especially the truckers' unions. And the university students too. Even the housewives went into the streets demanding the resignation of Allende.

The country was paralyzed, production was almost non-existent, everything was a matter of politics. The police force was called out to repress the people's protest, and police officers quickly became sick of misuse of authority. Finally, however, the leaders of the military could no longer remain deaf to the demands of the people for the resignation of Allende. They asked him to leave the country, and offered him safe passage to the nation of his preference, even Russia, with full assurance that he might take with him whomever he wished. When he did not accept this offer, the Armed Forces moved to overthrow him by force.

Congressman RARICK. Mr. Ambassador, you were in Chile at the time of the coup. What do you believe would have happened if the military had not intervened?

Ambassador HEITMANN. I retired one year ago from the Armed Forces, so I was able to watch developments both as a military man and as a civilian. If the Army had not stepped in, the government would have started its own revolution. It had organized popular militias, it had weapons, organization, guerrilla-training camps with people coming in from Cuba, Korea, and other countries. Chile was invaded by foreigners who were ready to lead the coup that the Allende Government was preparing for the seventeenth of September, one day before our National Day. They had a detailed plan for that day, which was found in the safe of the Minister of the Interior. It was known as "Plan Z." Anybody can look at these documents in the "White Book" recently published by the new Government. My Embassy is making every effort to circulate this book in the United States.

Congressman RARICK. Do you feel that President Allende was the leader of this coup against his own Government, or was he being manipulated by outside forces?

Ambassador HEITMANN. Mr. Allende was in some way losing control of the political forces that supported him, especially of the Socialist Party, which was the most ardent advocate of violence. But Allende was a Socialist himself, and the disagreement with his party was only a matter of timing. There is no doubt he knew about this plot because some of the documents were found in his house, where he kept an arsenal: guns made in Russia, East Germany, and Czecho-Slovakia. There are some pictures of his practicing with machine-guns in the gardens of one of his several houses.

Congressman RARICK. But there were people from outside your country who had been moved in?

Ambassador HEITMANN. Yes, we detected about thirteen thousand foreigners, most of them Cubans and Brazilians, some from Uruguay, Korea, and other countries. They were actively training Chileans too. In the factories they were organizing workers in paramilitary armies and providing them with arms.

Congressman RARICK. In other words, the Socialists and Communists were using the labor movement and the poor people to arrange a guerrilla movement against their own country?

Ambassador HEITMANN. Yes, that's exactly what happened.

Congressman RARICK. But Mr. Ambassador, if Allende's guerrilla movement was so strong, why was there so little opposition to the preemptive coup by the military?

Ambassador HEITMANN. Why did they find little resistance? It is obvious: Because most people were against Allende. The Marxist regime became very unpopular during the last year. People were promised many good things, and they were misled for a time. But as soon as treason-to-promises was confirmed, they protested against the former Government. It was then that the Marxists had to look for more foreigners to help support Allende. Our citizens are lovers of peace and freedom, and only the knowledge that they had been cheated made them react violently against the cheater.

What happened in Chile was not a coup d'état. It was the only way to solve the problems of the nation. The problems had been created by the former Government through the illegal rulings applied during the last three years. Our moral, social, and economic status was destroyed. Such activity was formally denounced by the Supreme Court, the Comptroller's Office, and the Congress. However, Allende did not listen, and continued to violate both the Constitution and the law.

The military intervention was a consequence of the demands expressed by the majority of Chileans. At great risk, the newspapers, radio, and television published the facts that proved the failure of the so-called "democratic communism," and the people understood. The shortages of food, medicines, and raw materials became a national tragedy. Women went out in the streets crying because their cooking pots were empty. Workers, technicians, employees, countrymen, professionals, and students went on strike and the country was paralyzed. All over the country people began collecting signatures to ask Allende to resign. At last, doctors of medicine and truckers declared that they would remain on strike until the President had left the Moneda. It was then that the Armed Forces and the Police Corps intervened.

Congressman RARICK. We are hearing talk about suppression of the minorities and of free speech in your country. Does this exist?

Ambassador HEITMANN. At this moment all political activities are suspended. The people accept this, and are offering to continue such a suspension until the country achieves a certain degree of recovery. Some news sources have publicized inadequate information, as well as falsified reports, related to the Chilean Government. Perhaps part of this misinformation is a result of the fact that the legal procedures under which the Military Courts operate require the strictest secrecy regarding those being detained. In compliance with the military code of justice that has operated in Chile for more than twenty-five years, the military authorities cannot divulge any information about those being held for questioning. For this reason, it is not unusual to hear that "so-and-so has disappeared," allowing the imagination to supply the remaining details, while the truth of the mattter is that the person in question is only being interrogated by the courts. In addition, it is possible that some people providing false information are politically interested in distorting the actual situation in Chile.

Congressman RARICK. In the meantime, what has your country done with all of those Communists from other countries who were infiltrated in Chile?

Ambassador HEITMANN. We are giving them safe-conduct to leave the country. I don't know if the countries that are receiving them are aware of the problems they are going to have as a result. Some are even offering them high positions in universities and public activities. It certainly provides a good opportunity for Communism to spread its ideology to different countries.

Congressman RARICK. Mr. Ambassador I am sure you are aware that the U.S. Government has been discussing the possibility that these Communists and Marxists from Chile might be classified as "refugees" and offered sanctuary here in the United States. I'm sure your country is not going to object if some other country takes them off your hands, are you?

Ambassador HEITMANN. No, we want to get rid of them by all means, but we are not going to kill them. We just want them out of the country. And if they find a country that wants to take care of them, that's the problem of that country.

Congressman RARICK. The flow of private capital from the United States to Chile was cut off following the seizure of several U.S.-based copper companies. Within the past few weeks, however, private U.S. bank loans amounting to about $150 million have been made available to Chile. Do you see this as an economic vote of confidence for the new Government?

Ambassador HEITMANN. There was no guarantee of national or foreign investment in Chile over the last few years because the Allende regime did not act in accordance with the Constitution and the law. Big and small factories were illegally seized, some were even taken over by guerrilla forces. At this moment, I think we are recovering the traditional confidence investors once had, because Chileans are once again working to increase and improve the quality of production. As for negotiations with copper companies, we expect them to end in a mutual agreement that will benefit both parties. Nevertheless, we need all kinds of foreign help now. Technical, scientific, and economic aid is necessary because, as you know, the deficit in the balance of payments is $700 million this year, despite the fact that before Allende came to power we enjoyed a $400 million surplus.

Congressman RARICK. What is the new Government doing to restore economic and social stability in Chile?

Ambassador HEITMANN. The destruction of our economy by the Marxist was so complete that reconstruction will be even more difficult than that required of a nation reduced to rubble by a war. Emergency measures have been implemented with plans for short, medium, and long term reconstruction. As an immediate measure, efforts were concentrated on the provision of foodstuffs, to avoid the famine precipitated by the decline of agricultural production and the dismantling of the food-processing industry. This was followed by the initiation of short-term plans to reorganize labor in all sectors. The Chilean democratic organization is being restructured to encourage increased production in mining, agriculture, and industry.

Congressman RARICK. What lies ahead for Chile?

Ambassador HEITMANN. Regarding our future hopes, I can assure you that the coming years will be years of sacrifice and effort on the part of the people of Chile. If it is not possible to procure the immediate technical and economic support that Chile needs, the recovery will nevertheless continue. Without international understanding and cooperation, our recuperation will of course be slower. But Chile has no doubts about having taken the road back to freedom, and we hope that some day soon the other free nations of the world will understand and appreciate this.

NOTE.—This article originally appeared in the March 1974 issue of American Opinion.

RESPONSE OF INDIANA CHURCHES TO THE ENERGY CRISIS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD the text of a statement by the Indiana Council of Churches of December 27, 1973, setting forth the response of churches in the State of Indiana to shortages of energy.

The text of the resolution follows:

RESPONSE OF INDIANA CHURCHES TO THE ENERGY CRISIS

The churches of Indiana represented in the Indiana Council of Churches recognize their individual and corporate responsibility in the current energy crisis. They will undertake to counsel with their people in regard to conservation of fuel, adjust their programming to the same end and contribute positively to meeting the energy problem in communities, the state and nation.

The churches consider it essential at the national level:

(1) That the actual nature and extent of the shortage be determined by the Government itself independent of reports from the oil companies.

(2) That representatives of the public including the churches be involved in examination of the problem and in planning to meet it.

(3) That whatever plan or plans may be devised shall be made equitable so that some

do not profit greatly while others sustain heavy economic cost.

(4) That it be recognized that attempting to restrict the use of fuel by raising the cost through large price increases or greatly expanded tax would bear unfairly upon working people who must use their cars to get to work and can least afford higher transportation costs. Many such employees are in areas where no public transportation exists.

(5) That national leadership be given to strengthening and expanding local public transportation systems and to the development of such systems where not now in existence.

(6) That the current energy situation not be used to turn back the clock on school integration.

(7) That immediate attention be given to the problem of unemployment and redistribution of employment as a result of the energy situation.

(8) That Hoosiers recognize the crisis as national and that concern for Indiana's welfare not blind the state's government or people to the fact that this is one nation and that limitations on fuel must be accepted proportionately by all regardless of where in the country they live.

For themselves the churches declare their intention to:

(1) Combine necessary meetings to reduce travel.

(2) Reduce or eliminate meetings where possible by means of telephone conference calls, mail communication and other procedures.

(3) Foster car pooling on the part of individuals and families.

(4) Encourage members and constituents of the churches to conserve fuel in their homes and businesses.

(5) Close parts of churches hard to heat and use more easily heated portions of buildings.

(6) Explore joint use of facilities by more than one congregation.

(7) Survey the neighborhoods of the churches to find persons encountering difficulty in getting fuel oil and aiding them in securing it and providing shelter if required.

(8) Seek recognition of the special problem of churches which have bus ministries as an important or even major phase of their total program and articulate the particular problems confronted by pastors in parish connected travel and in reaching their fields.

This statement shall be communicated to William E. Simon, the federal energy administrator, members of Congress from Indiana, Governor Bowen, Robert Morris, Indiana's energy coordinator, Speaker Kermit Burrous of the Indiana House of Representatives and Chairman Pro Tem Philip Gutman of the State Senate.

Dr. F. Benjamin Davis,
President.
Dr. Grover L. Hartman,
Executive Secretary.

A YOUNG PERSON'S THOUGHTS ON THE RESPONSIBILITY OF CITIZENSHIP

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. ST GERMAIN. Mr. Speaker, I am sure my colleagues are aware of the annual Voice of Democracy contest sponsored by the Veterans of Foreign Wars and its ladies auxiliary in which secondary school students in every State compete for scholarship awards by preparing a broadcast script addressing their remarks to a chosen theme.

May I share with you the winning speech of Cumberland, R.I., high school senior, Lynne Coulombe. Miss Coulombe's well expressed thoughts reflect the concerns shared by many young citizens, yet present an affirmation of faith in our democratic form of government.

Her speech is titled "My Responsibility as a Citizen."

Describing my responsibility as a citizen is surely not as simple a task as it may appear. This responsibility is not one single, clearly discernible entity which can be isolated and analyzed. Rather, my responsibility lies in several intertwining duties which transcend the bounds of being merely responsibilities to act when the need for defense is evident. Responsibilities of thought and deliberation are perhaps more important because they are the catalysts which set duties of act into motion.

I, as a citizen, must recognize my country for her inherent values. Her heritage, particularly her founding and the incubation of what we have accepted as our Constitution and the varied qualities of her multiethnic citizenry are some of the more obvious traits worthy of mention and respect. She is a land of charity, to her own inhabitants as well as to many of the world's people. She has remained a bastion of freedom as it is printed, spoken and heard, and she allows it to thrive. Without further attempts to itemize the various freedoms that are offered, suffice it to say that they are, indeed, there, and they permeate the culture. Yet, most of all, she is strong and powerful country with the fortitude to endure. Our domestic political system has proven itself to be as valid for the industrial society that is present now, as well as for the agricultural society under which it was adopted. Even the effects of the tides of controversy such as we are experiencing presently, the fundamental constitutional system has held firm with minimal adversity. Her power has repeatedly been demonstrated. Never declared less than a victor in war, there is little likelihood of military or strategic failure and defeat in the future. Here is where by responsibility as a citizen becomes much more difficult, and where its manifestations are ofttimes misunderstood. When my country misuses the strength that she possesses, either domestically or internationally, my responsibility as a citizen is to act; for not to is surely one of the basest forms of neglect. There are several distinctions within the defined realm of dissent, and one must realize that quiet, yet effective, dissent is easily as viable as what we have come to accept as synonymous with the word itself. For example, notifying one's representatives and senators in Washington of his disagreement on matters of principle, procedure or policy is probably the most common form of what could be termed "passive dissent."

Historically, it has been those who dissented who achieved progressive results. Our independence was procured through dissidents who vere eventually succeeded by the civil rights demonstrators, who at southern lunch counters, fought successfully for their integration. It is the individual who does not react to indignities, or even outrages, who does the greatest disservice to his country.

Still, through the internal pressure exerted upon the structure of our country she has endured, proving that since she is a government of the peopple, inherently she can withstand the actions of those people who care about the future and direction of the country.

Therefore my responsibility as a citizen is twofold: I must appreciate the attributes and values present in my country, and at the same time, I must strive to correct her deficiencies where they occur.

In conclusion, perhaps this sentiment was best expressed by Carl Schurz, when he stated

"Our country, right or wrong;
When right, to be kept right;
When wrong to be put right!"

FORMER CONSTITUENTS AND MEMBERS OF RICHARD NIXON'S CHURCH CALL FOR IMPEACHMENT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1974

Mr. BROWN of California. Mr. Speaker, in today's mail I received a copy of a resolution passed by the Peace and Social Order Committee of the Claremont Friends Meeting, the text of which I would like to insert in the RECORD. This resolution is of particular interest since Claremont is in the heart of what was once California's 12th Congressional District, represented by the Honorable Jerry Voorhis until he was defeated in one of history's most notorious smear campaign's by Richard Nixon in 1946. Congressman Voorhis still resides in Claremont and remains extremely active in local politics in the area.

Another factor increasing the interest of this resolution is the fact that Mr. Nixon himself was raised as a member of the community of Friends, widely known as the Quaker Church, even though his actions throughout his political career have gone against the principles of that religion quite consistently.

The text of the resolution follows:

FEBRUARY 3, 1974.

The Peace and Social Order Committee of the Claremont Friends Meeting urges Richard Nixon to drop his adversary role toward all who question his actions and that he freely come forward with all the necessary documents involved in the charges of illegal actions and abuses of power by his administration. We believe he should be willing, if need be, to submit to questioning by appropriate authorities of the other branches of government concerning these charges. At this time of crisis, we believe he should search his soul, for his own sake and for the morale of the country, and show his regard for and his trust in the American people by openly confiding in them about his relationship to the matters which so trouble them.

In any case, we believe that the House of Representatives should continue the investigation of the acts of Richard M. Nixon.

We believe the following are some grounds for Impeachment:

(1) The President has usurped the war-making powers of Congress; he deliberately concealed the bombing of Cambodia from Congress and the people and caused government records to be falsified. He has also announced that we would do so again under similar circumstances;

(2) The President established a secret police that operated outside the restraints of law and engaged in criminal acts of burglary, wiretapping, espionage and perjury;

(3) The President has flouted the Constitution and some of the laws of the land. For example, he impounded $40 billion that Congress voted for humanitarian needs; he offered a high federal post to the judge at the time presiding in the Ellsberg trial, and he and his aides have obstructed investigation of the Watergate break-in.

James W. Gould,
Chairman.